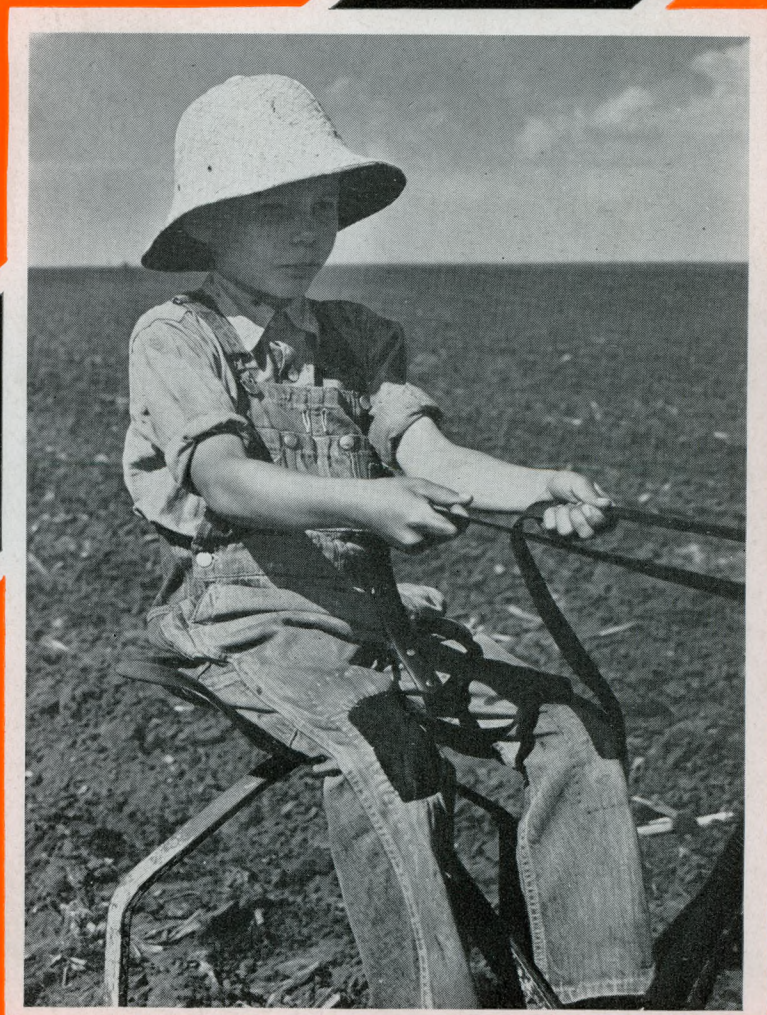


# NORTHWESTERN *Banker*

MARCH  
1941



SPRING PLOWING WILL SOON BEGIN

How We Help Our Farmers With Livestock

Page 15

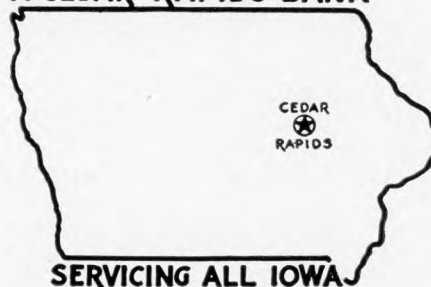




## For Complete Correspondent Service

Our wide system of correspondent banks throughout Iowa, supplemented by years of experience among our official staff assures the best of service at this institution. We cordially invite the accounts of banks and bankers who want prompt service in routing and clearing checks and drafts, the transfer of funds and the confidential inter-change of dependable credit information.

### A CEDAR RAPIDS BANK



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**Cedar Rapids Iowa**

Member Federal Deposit Insurance Corporation



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# 46 years . . .

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Dependable Service to  
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*"Iowa's Friendly Bank"*

# CENTRAL NATIONAL BANK

## AND TRUST COMPANY

*of Des Moines*

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

*Northwestern Banker March 1941*



# THE HOME INSURANCE COMPANY NEW YORK



STATEMENT • DECEMBER 31, 1940

## Admitted Assets

Cash in Office, Banks and Trust Companies . . . . .	\$ 24,549,296.62
Bonds and Stocks . . . . .	87,947,462.42
First Mortgage Loans . . . . .	371,827.00
Premiums uncollected, less than 90 days due . . . . .	9,393,129.47
Reinsurance Recoverable on Paid Losses . . . . .	1,241,546.24
Other Admitted Assets . . . . .	223,654.08
	<hr/>
	\$123,726,915.83

## Liabilities

Capital Stock . . . . .	\$15,000,000.00
Reserve for Unearned Premiums . . . . .	55,020,615.00
Reserve for Losses . . . . .	8,192,729.00
Reserve for Taxes . . . . .	2,350,000.00
Reserve for Miscellaneous Accounts . . . . .	670,974.12
Funds and Securities Held under Reinsurance Treaties . . . . .	178,218.08
NET SURPLUS . . . . .	42,314,379.63
	<hr/>
	\$123,726,915.83

NOTE: In accordance with Insurance Department requirements—Bonds amortizable are carried at amortized values. Insurance stocks of affiliated companies are carried on basis of pro-rata share of Capital and Surplus. All other securities at Market valuations. Securities carried at \$3,078,370.00 and cash \$50,000.00 in the above Statement are deposited as required by various regulatory authorities.

## Directors

LEWIS L. CLARKE	WILLIAM S. GRAY	CHARLES G. MEYER	WILLIAM L. DE BOST
WILFRED KURTH	EDWIN A. BAYLES	GORDON S. RENTSCHLER	ROBERT GOELET
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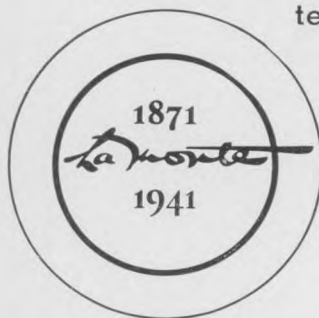


## The State Turns to La Monte for **PROTECTION!**

When a police officer demands your license you are in trouble if you cannot immediately produce documentary evidence of ownership of the car and of your right to drive it. » » Operators' licenses should be protected against alteration and coun-

terfeiting. » » That's why many States have these, as well as other important forms, printed on La Monte Safety

Papers, with the State's seal or insignia incorporated in the paper. » » La Monte Safety Papers were developed 70 years ago as a means of safeguarding checks and other negotiable instruments. They have proved so eminently satisfactory that they are recognized as the "standard of safety" for this purpose. » » Today, outstanding business organizations from coast to coast, including more than 75% of the nation's largest banks, use and endorse them.



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Nutley . . . . . New Jersey





## BETTER FIXTURES— BETTER EMPLOYEES

GOOD bank fixtures are a tonic to employe morale. They increase the efficiency of both officers and employes and create pride and loyalty throughout a bank.

Banks are finding it profitable to modernize in fixtures as well as routine equipment and we suggest now is the time for you to remodel your banking home.

### 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



...  
MARCH  
1941  
...

# NORTHWESTERN *Banker* DES MOINES

FORTY-SIXTH YEAR

NUMBER 644

Oldest Financial Journal West of the Mississippi River

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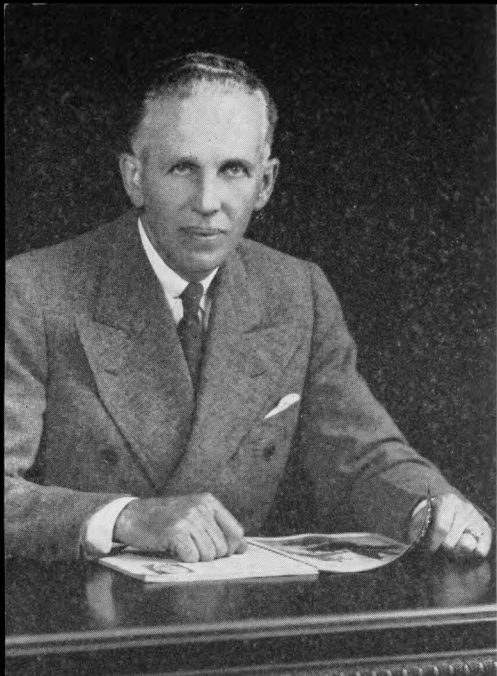
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# Across the Desk From the Publisher

*By Clifford DePuy*

**Our Gold Is Still Good** No matter what any dictator may say, our gold is still good and they would like to have it.

Also, when crackpot legislators try to work out some plan to substitute managed paper money for the historic gold standard after the war, they are charting a wrong course for their country.

Dr. E. W. Kemmerer, Professor of International Finance at Princeton University, puts it this way:

"The fact that gold maintains such high value in terms of goods, in face of an enormous increase in its rate of production and in spite of the almost complete discontinuance of the gold standard throughout the world outside of the United States, is evidence of a powerful demand for gold, for the value of gold, like every other commodity is the resultant of the interaction of the forces of demand and supply. Modern 'Alice-in-Wonderland' economic policies may often obscure this fundamental law, but they have not repealed it.

"Gold continues to be the most universally desired of all commodities, and the most highly exchangeable commodity in the world. Of all economic goods, it is the one in which the public has the most confidence in times of great danger like the present."

Thus, our gold is still good, and will be for a long time to come.

**Keep Your Own Staff Pleased First** The job of every banker today is to keep his customers pleased. But, before he can do that, he must have his own organization and his own staff pleased and satisfied with their own situation.

An unhappy and dissatisfied employee will never secure a satisfied and happy bank customer.

As one prominent banker put it recently:

"Good public relations are based on good employee relations. You cannot expect the support of the public if your own staff is dissatisfied, unhappy, inefficient, or if it is not properly equipped to truly represent you."

It is therefore important that you see that your own employees and your own associates truly represent you as you would like to have them, and if that is the case, you must keep them pleased and satisfied so that they, in turn, can maintain the best possible relations with your customers and prospective ones.

**Our Economic Seed Corn** Dr. William A. Irwin, Educational Director of the American Institute of Banking, in a recent address discussed the subject "Private Property—Our Economic Seed Corn".

This was a discussion of the capitalistic system and the phases of our growth and development in the United States.

He pointed out most emphatically that our capitalists are the individual savers and individual owners of stocks and bonds throughout the nation, and that they are not the wealthy, plutocratic class at whom so many political brickbats have been thrown the past eight years.

As Dr. Irwin says:

"Perhaps the tide will turn. The American people are great believers in individualism and in the right of private property. It will not be easy to get them to swallow the doctrines of collectivism, especially if they can be effectively shown the ends to which those doctrines lead. I do not think they will sit at ease when they realize that it is their savings, their life insurance, their annuities, their stocks and bonds, their 'seed corn' that is being eaten up in the administration of plans and schemes



that must eventually bring about the destruction of the economic system to which they have been accustomed and in which, I am convinced, they still believe. It is my rooted conviction that the talk about 'plutocratic democracies', 'vested wealth', 'exploiters of the poor', 'forgotten men', 'malefactors of great wealth', and every other catchword will fall on deaf ears if only those whose earnings and savings are being eaten up can be brought to see that they, and they inevitably, must pay the bills by having their seed corn taken from them."

As each individual citizen realizes that, no matter what his position in our economic structure may be, he will have to pay his share of our spendthrift program, he will take a greater interest in seeing that officials and representatives are sent to Washington who will do his bidding and who will have at least a sufficient knowledge of arithmetic to know how to subtract instead of constantly adding to our national debt.

### Comptroller Urges Changes in Law

Preston Delano, comptroller of the currency, in his annual report to Congress has recommended several changes in the Banking Law. But the most important of these are two which are as follows:

1. Prohibit the operation of banks by holding companies.

2. Enforce compliance of national banks to orders of the Comptroller by forbidding them to declare or pay dividends until orders are completed.

Regarding the holding company legislation, Senator Carter Glass who introduced this bill has been rather luke warm on it according to reports and the chances are that it will not pass.

In connection with the second plan of enforcing compliance of national banks to orders of the Comptroller by forbidding them to pay dividends this will take the place of laws now on the books which are either too mild or too drastic of enforcement according to the Comptroller.

Whether Congress will pass either one of these laws remains to be seen, but it shows what is in the mind of the National bank head.

### Liquidate Competitive Government Agencies

Starting eight years ago the present administration told the country that we were having one emergency after another and then as a result of these "so-called emergencies" competitive government financial agencies were set up supposedly on a temporary basis.

Many of these agencies have continued long after their functions were not needed and they should now be liquidated as rapidly as possible.

When the bankers of Group One met at Sioux City last month, a resolution emphasizing this point was passed and it read as follows:

"We are opposed to any unnecessary Government competition in our particular field; while a number of the agencies set up by the Government a few years ago were possibly of value at the time of their organization, it is the feeling that these were set up under emergency conditions and it is our best judgment that this emergency has long since passed and that the banks are both able and willing at the present time to take care of any legitimate call on them for credit purposes, and that the unnecessary Government agencies should be placed on a program of orderly liquidation."

Banks have billions of dollars ready to loan and there is no reason why they cannot adequately serve all the financial requirements needed during our present war preparations.

Competing Government agencies should be liquidated, not drastically but in an orderly fashion, as early as possible.

### Should Dispose of Non-Banking Real Estate

Leo T. Crowley, chairman of the Federal Deposit Insurance Corporation, said that 1940 was the best year in its history. He pointed out however that

"There are still banks with capital so depleted or inadequate and with such high proportions of inferior assets that they would not be able to withstand a downward trend in values."

He therefore believes that banks should avail themselves of this period of rising values to better their situation and he urges that, "With increasing industrial activity and the return of values to a more normal figure, banks should exert every effort to dispose of their non-banking real estate and similar assets."

The point is, that if banks strengthen their situation by eliminating non-banking real estate and other undesirable assets in a period of rising values, then they will be in a better position, like any other business, to withstand periods of diminishing profits.

It is interesting to note in Chairman Crowley's report that since January 1, 1934, when the FDIC went into operation, disbursements to depositors of insolvent or hazardous insured banks has amounted to \$228,000,000 and it is estimated that about 80 per cent of this is recoverable.





*Northwestern Banker* March 1941



# We Will Defend Our Hemisphere Like We Pioneered Our Continent—*Hell - for - Leather*

In discussing our problems we find there are different ones to meet in the larger banks and different ones in the smaller institutions, although the fundamental problem is very much alike in all—that of operating a safe bank and at a profit.

To most of us, I believe, the question of our National Defense and Aid to Britain is most vital. On this very vital question we find a great difference of opinion and much confusion in the minds of the people, for we have one group of well informed men telling us that we should give immediate aid to Great Britain, and an equally well informed group telling us it is entirely unnecessary—that we are not in any immediate danger.

I sometimes wonder if we still believe in the American dream. Maybe we still believe it possible to leave a better country for our children and to give them more opportunities than we ourselves had. We must not forget that when white man found the United States, its broad acres were covered with rolling prairies and tree clad hills. It is said that a bird could cover a stretch of a thousand miles through the wooded country on its flight from limb to limb without ever casting a shadow upon the earth. Half of the country was covered with beautiful and valuable forests which yielded to the unscrupulous axe and the hungry torch of man laying bare the soil.

The American desert is now three times larger in area than it was when first discovered. Yet, with all our recklessness we have the only first class nation in the world today.

We have the highest standards of living for our workers, we have more children in free schools, we have become the best scientists, the best chemists, the best engineers and the best doctors in the world. We have the best transport system in the air and on the ground. We have the most accurate and the most free press and we have more religions and more political theories than any other people.

By John R. Buckley

Cashier  
State Bank of Prairie City  
Prairie City, Iowa

We have built three million miles of paved roads and left hot dog stands and juke shops strewn along the way. We have a shifting, changing population that is moving about so



JOHN R. BUCKLEY

rapidly we hardly know where to find it. We are a nation on wheels. One in every five of us owns a car or a truck. Every seventh person has a telephone, every fifth a radio, and over 90 per cent of the people can read and write.

Yet for all our shortcomings we are in the year 1941, the only people in the world living as free men, able to worship at our own altars and speak our own faith. The real dangers to America are of our own making.

We have built industrial machines we do not understand. A reckless, wild-eyed race, we have seriously damaged the continent on which we live. We have left an eroded, cut-over, wornout land in thousands of

acres. Possibly we have learned some lessons, for at present we have a legion of educated agronomists working on a gigantic soil conservation program. Fortunately we have set aside 175,000,000 acres of forest lands for the use of our children.

We have in five years brought more wild ducks back to our waters than we have seen in years. We are beginning to understand the meaning of conservation, and we are starting none too soon on this belated program of general conservation of our national resources.

After three centuries of refuge from the Old World and its race hatreds we have lost forever our isolation and our chance to work out our own destiny untroubled by the other half of the globe. Now to defend our country every one of our 131,000,000 people are going to be called upon for all the power and strength and courage they have to preserve the only free nation in the world.

Not only do we propose to defend the North and South American Continents, but we propose to defend the waters of the Pacific, west from Bering Sea to the Philippines on the South China Sea. We propose to defend the waters of the Atlantic from the Bay of Fundy south to the Straits of Magellan and east to the shores of Africa. What we are undertaking to defend is half of the surface of the globe, one-eighth of the population of the world, and about 30 per cent of the land. We propose to build up a diplomatic front as well as a military front. We need trained diplomats who know the languages of the Latin countries, who know their histories, and who can discuss their customs, their art, their music, their philosophies and their legends.

Whatever the outcome of the war between the British and the Fascist powers, a revolutionary philosophy in which not war, but mass murder, is being waged. It is not a philosophy in which armies are sent against armies, but in which mass murder, torture and starvation of whole popu-

*Northwestern Banker March 1941*

lations have been the weapon of the invader.

How are we to defend?

We have made plans for an army of 4,000,000 men, a two-ocean navy and an air corps of 50,000 men. In carrying out this great plan of National Defense, we need a new gen-

eration of pioneers, a generation to settle and hold the New World. We can defend a hemisphere only in the way we settled a continent, Hell-for-leather. We can do it only in the way we shoved railroads across a continent. We can do it only if we keep alive our legends and our faith.

# NEWS AND VIEWS

## OF THE BANKING WORLD

By Clifford De Puy

The banquet at the Palmer House to honor **George J. Schaller** as he retired from his \$35,000 a year position as president of the Federal Reserve Bank of Chicago on March 1st, was a very fine affair. Mr. Schaller served the bank for 11 years (1930 to 1941)—four years as a director and seven years as Governor and President.

The Chicago Reserve Bank is the second largest in the United States, and has 856 members and \$8,000,000,000 in deposits.

The party was held in the **Red Lacquer Room**—don't confuse this with the **Red Liquor Room**—although "liquidating dividends" were obtainable for those who desired them.

**Frank J. Lewis**, Chairman of the Bank, was in Florida, but sent a congratulatory telegram to Mr. Schaller. **Clifford V. Gregory**, Deputy Chairman, was toastmaster, and a very fine one. **Nicholas Noyes** spoke "For The Board of Directors." **Wm. McChesney Martin**, retiring president of the St. Louis Federal Reserve Bank, spoke "On Behalf of Other FRB Sister Banks," but he forgot the banquet was to honor George and gave a long history of the Reserve System.

Impromptu talks "From Old Friends and Neighbors" included **W. C. Jarnagin**, Editor from Storm Lake; **Herbert L. Horton**, president of the Iowa-Des Moines National Bank & Trust Company, and **Clifford De Puy**, Publisher of the **NORTHWESTERN BANKER**.

**M. S. Szymczak** of Washington, D. C., spoke "For The Board of Governors," and he mentioned George a few times and then asked 15 questions on current banking and financial problems which we, as a nation, must answer if we can.

**Charles G. Dawes** followed Mr. Szymczak and said that most of the 15 problems would be solved if the United States kept out of war, and

emphasized that during the past 141 years in Europe, there have been only five years when they weren't at war. He paid a fine tribute to President Schaller and his executive ability in guiding the affairs of the Federal Reserve Bank of Chicago.

It was then President Schaller's turn to respond, and he did so in a very appreciative and very appropriate manner.

Acting as hosts for this very delightful affair were: **H. P. Preston**, First Vice President, **J. H. Dillard**, Vice President, **W. H. Snyder**, Vice President and Cashier, **C. S. Young**, Vice President, and **C. B. Dunn**, General Counsel.

When **Potter Palmer** was alive, he had a strike one night of his **white** waiters, just before a big banquet. He hurriedly secured some **colored** ones to help him out, which they did.

There have always been **colored** waiters at the Palmer House since that time, and in his will Potter Palmer expressed the wish that **colored** waiters always be employed there, and they always have been. Many of them now are on a pension system, established by the hotel.

**Walter "Bud" Allen** and **Norman B. Shaffer**, vice presidents of the Continental-Illinois National Bank and Trust Company of Chicago, were "touring" the Middle West last month, calling on friends and customers. They stopped at the **NORTHWESTERN BANKER** office to say "hello."

At the last call the Continental-Illinois had deposits of over \$1,491,000,000.

When **Preston E. Reed**, Executive Vice President of the Financial Advertisers Association, moved into his new offices at Suite 2054, 231 South LaSalle

Street last month, **Chester L. Price**, Advertising and Publicity Manager of the City National Bank & Trust Company of Chicago, sent Preston a plant which he called "**Civilyia**," which blooms every 20 years and has to be watered twice daily and kept in the sun.

When Pres was at the Board Meeting in Cleveland recently, Chet sent him a telegram signed by **Lucy David**, Preston's secretary, which read: "Civilyia apparently dying. What shall I do? Lucy."

Why the office should wait 20 years for blooms from "Civilyia" is more than we know, when **Lucy is a perpetual American Beauty and blooms every day.**

P. S. The annual convention of the Financial Advertisers Association has been officially announced for September 8, 9, 10 and 11 at the Hotel Statler in Cleveland.

**R. A. Cihak**, Cashier of the Commercial State Bank of Wagner, South Dakota, attended the meeting of Group One of the Iowa Bankers Association at Sioux City last month.

Mr. Cihak, who has long been active in South Dakota banking, advertises the fact on his letterhead that the Commercial State Bank is located in "**South Dakota's Corn Belt.**"

**Albert J. Robertson**, vice president of the Iowa-Des Moines National Bank and Trust Company, was re-elected president of the Community Chest Board for 1941.

Mr. Robertson has always been active in community affairs, and has made a most enviable record in connection with his Community Chest activities.

According to the Census Bureau, Americans spend **\$1,000,000,000 a year on amusements.**

The average American family spent \$30 in one or more of 44,917 places of amusement during 1939. Of that sum, \$20 represented the share that the 15,115 motion picture theatres took from each family.

With an average admission fee of 25 cents, the bureau said, every American of movie-going age sees a film every two weeks.

**The Bureau of Agricultural Economics** reports that farmers' cash income from marketings, commodities placed under loans, and government benefit payments totaled \$9,120,000,000 in 1940, or the largest since 1937 when it was \$9,155,000,000.

This amount also was 5.2 per cent  
(Turn to page 20, please)





GEORGE J. SCHALLER  
Retires as President of the  
Federal Reserve Bank of Chicago

*"I want to see  
how it seems  
to do the things  
I want to do"*

GEORGE J. SCHALLER, who has been head of the Federal Reserve Bank of Chicago since January, 1934, retired March 1, 1941, at the age of 67 and will return to his home in Storm Lake.

At the time Mr. Schaller was appointed "Acting Governor" of the Federal Reserve Bank of Chicago, this statement appeared in the January, 1934 issue of the NORTHWESTERN BANKER:

"George J. Schaller, well-known Iowa banker from Storm Lake, has been elected acting governor of the Federal Reserve Bank of Chicago. Mr. Schaller takes over the duties of Governor James B. McDougal, who has been granted an extended leave of absence.

"In 1902 Mr. Schaller and his father organized the Citizens Bank of Storm Lake, now the Citizens First National Bank, and he has been president of the institution since the death of his father in 1922. Now with additional duties, it is expected he will

retire from the presidency of his bank.

"Mr. Schaller brings to his position as acting governor of the Federal Reserve Bank a wealth of successful banking experience, both through his private interests, and the fact that he has been a Federal Reserve Class A director since 1929."

Believing that Mr. Schaller might like to have something to say to his many friends in the Seventh Federal Reserve District, the NORTHWESTERN BANKER asked him for a statement of his plans, and received the following very interesting letter from him:

"I do not know that there is much I can add, further than to say that I expect to give my time and attention to my various farm and other interests, and while not taking an active part in the operations of the Citizens First National Bank, I do expect to keep in close contact with banking developments and my banker friends throughout the state. It

is 49 years since I started to work in a bank in Storm Lake (Mr. Schaller was 18 then) and **I want to go back and see how it seems to do the things you want to do rather than the things that you must do.**

"If any honor or advancement has come to me through recent years, it has been largely through my Iowa banker friends, including "NORTHWESTERN BANKER," and this indebtedness I recognize and hope to be able to repay from time to time in at least a small measure.

"One of my reasons for coming to the Federal Reserve Bank of Chicago was to endeavor to promote a more friendly relationship between the Federal Reserve System and the banks of this district. We all have in mind some of the 'sore spots' after the troublesome years of 1929-1933, which were inevitable in such a crisis, and if I have succeeded in a small way in bringing about a better feeling between the member banks and the System, I shall feel fully repaid. I feel very strongly that the System needs the bank membership, and, on the other hand, the banks at this time have a greater need for membership than at any previous time."

As Mr. Schaller decides "to do the things he wants to do rather than the things he must do," the NORTHWESTERN BANKER is sure that his hundreds of friends will wish him continued success, good luck and good health.

*Northwestern Banker March 1941*

# The Transfer of Property and Inheritance Taxes

Blackington, a South Dakota banker, sold a farm in that state in a regular business transaction to Grant for an adequate consideration. In the deed he reserved for himself a life estate. The inheritance tax laws there impose a tax on the transfer of property intended to take effect in possession or enjoyment only after the grantor's death. When Blackington died and Grant took over the property was Grant obliged to pay an inheritance tax thereon?

**No.** The purpose of the statute was not to impose an inheritance tax upon transfers of property made in the ordinary course of business for adequate consideration, but upon those made by deed when such instrument is intended to and does accomplish what a will would have brought about, that is, pass property to another to take effect in possession or enjoyment after the death of the grantor. As a consequence no inheritance tax was payable by Grant.

In some states a mortgagee of realty may assume possession and control of the mortgaged premises without formally foreclosing the mortgage. Where this is the case and a bank holding only a mortgage on certain property takes it over and operates it on its abandonment by the owner, may the bank be liable for personal injuries as a result of defects therein?

**Yes.** So far as liability for personal injuries to a tenant is concerned, it is immaterial that the landlord has no title to the leased premises except by way of a mortgage. If he has assumed control over them upon the mortgagor's abandonment of the property, he may be liable.

Quite often deposits are received on options to purchase realty in one year and are forfeited in circumstances where it is impossible to determine until a subsequent year whether or no they will be taxable. When this occurs, are they subject to income tax for the year in which they are received by the taxpayer?

## These and Other Timely Legal Questions Are Answered

By the  
LEGAL DEPARTMENT

**Deposits forfeited when another fails to exercise an option for the purchase of realty have generally been held not to be subject to income tax for the year in which they were received by the taxpayer, where it was impossible to determine until a subsequent year whether or not they would be taxable.**

**The owner of all the stock, except a few qualifying shares, entered into a contract with a banker whereby he would transfer to him certain shares in consideration of the banker doing certain things for him. The banker fulfilled his end of the bargain but the owner of the stock refused to make the transfer. The stock had no recognized market value and was not readily obtainable except from the owner. Could the banker maintain an action for specific performance to compel the transfer?**

**Yes.** A contract for the transfer of stock in consideration of services rendered will be specifically enforced where the stock has no recognized market value and is not readily procurable except from the person obligated to convey. If the stock were actively traded and readily available, the banker would have been held to have an action for the market value rather than for specific performance in the absence of some other special circumstance.

**A railroad issued a straight bill of lading for a shipment of poultry to move from Kentucky to New York. The poultry was never loaded. On the strength of the bill of lading a Kentucky bank discounted a draft drawn by the shipper which subsequently became defunct. Can the bank recover from the railroad a loss that resulted?**

**No.** A straight bill of lading cannot be negotiated free from existing equities and the bank cannot recover from the carrier even though it issued a false bill of lading. The carrier was within its rights, if it wished to do so, to deny the receipt of the goods to the shipper and it could assert this same right against the bank.

**The daughter of an Iowa banker obtained a divorce from her husband in that state. The decree provided for an allowance of alimony for the support of herself and the minor children of the union. The only property the husband had was a farm that was occupied by him as a homestead. As such it was not subject to the claims of his creditors. Was the alimony allowance a proper charge against it?**

**Yes.** It was competent for the trial court in its divorce decree to make charges against it to secure such payment.

**Becker obtained a \$5,000 life insurance policy in Iowa. In his application he made certain material misrepresentations. The policy provided that it was incontestable after being in force two years. Becker died shortly after the policy was issued. The insurer did not move to contest the policy within two years after its date. Some three years after Becker's death the beneficiary sued on the policy. Could the insurer contest it?**

**No.** Where a life insurance policy provides that it will be incontestable after being in force two years, the policy becomes incontestable after two years from its date, notwithstanding the death of the insured within the two-year period.

**A lumber company brought suit to foreclose a materialman's lien against a house and lot in North Dakota in which a bank was interested. One of the party defendants was the State of North Dakota which, it was alleged, claimed some interest in the property. Was the State a proper party in the action?**

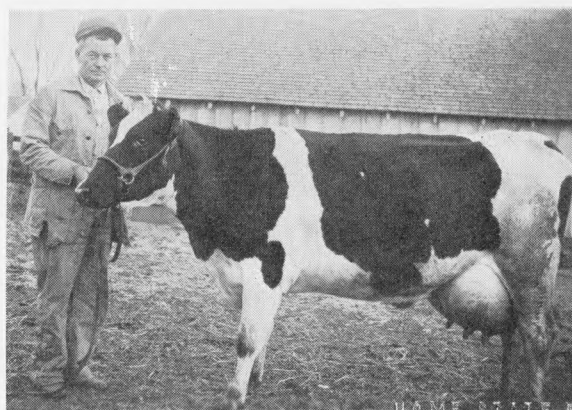
(Turn to page 25, please)



# How We HELP OUR FARMERS With Livestock

By Warren Garst

Cashier  
Home State Bank, Jefferson, Iowa



This is the type of dairy cow that the Home State Bank of Jefferson is helping to place on farms in its community

EVER since I heard A. T. Altick, president of the Osage Farmers National, make his talk about livestock, I have wondered what we might do to follow along similar paths in having an outside man help with a farmer's livestock program. About that time we hired a 4-H boy to work in the bank, and as he has come along

we have worked more and more into having a "livestock program" of our own.

We stress 4-H contacts all we can. Something over a year ago we advertised that we would loan a pure bred sow to boys or girls—and would take as our pay, in due course, two pigs of our selection. The boy was to keep

the sow and all the other pigs as his. The sharp drop in boar prices last fall slowed us down some on that, but the cost to us turned out to be slight and the good will and advertising of great value. This year we are loaning the money to help buy a pure bred or good grade sow, depending on the boy's age, experience and set up. Our fieldman helps to find and select the sow, visits the farms several times during the year, and gives any help he can.

Farmers in many parts of the state have crossed up their cattle so much that a cow doesn't know whether to give milk or get fat when she eats an ear of corn, and as a result she does not do a very good job of either. We think a man who wants to milk should have cows which will produce a profit—and one who wants to raise calves will do well not to use dairy type cows for mothers.

When we suggested the idea of having profit-making cows for the man who wanted to milk five or ten cows, we found a number of men interested. The net result was that in 1940 our fieldman made three trips to Wisconsin and bought and brought back to Greene county a total of some 105 head of dairy cattle—bulls, cows, heifers, calves. These were bought mainly on order. On each trip we took along anyone who wanted to go and those who did go, found the trip of interest. In each case we bought, at the bank's risk, enough extra cattle to fill the truck. Now we have men coming into the bank asking about getting dairy cattle and have on hand orders for 20 more head.

The advantage of acting through one organization, such as the bank, is that we can centralize the deal and save expense—as well as give some of the farmers expert help in selection. An unusual angle to our cattle deal (Turn to page 26, please)

## The Home Banker

PUBLISHED BY THE HOME STATE BANK

West Side of Square — Jefferson, Iowa — Branch at Paton

**Wanted: 100 Boys and Girls, to raise market litter pigs.**

Actual record books by 135 boys in a nearby town showed a cost for pigs raised in 1940, including all feed, pasture and vaccination, of \$4.13 a hundred pounds. That meant they made a profit of substantial amounts.

With prospects for hogs looking up, 1941 promises to be a better year than 1940.

We will help select the sows if you want—and furnish the money to make the settlement if needed.

In return we ask the boys and girls to follow the best hog methods and to keep a record of the whole deal.

There is profit plus valuable experience—and the Home Bank is right here to help.

Ask either Gerald Clause at Jefferson or D. L. Nuckolls at Paton for details.

**Bank Money Orders—a low cost way to transfer money with a full record here and a receipt to you. They are insured by Federal Deposit Insurance Corporation to the amount of \$5000.00 for each customer.**

M. E. BRUNNER, President  
WARREN GARST, Cashier

E. A. MILLIGAN, Vice-President  
J. H. WATTS, Assistant Cashier

Member Federal Deposit Insurance Corporation

Above is a facsimile of an advertisement of the Home State Bank of Jefferson which appeared in the local newspaper. You will note that it ties in with the livestock project of the bank, as does other advertising copy which is used from time to time.

Northwestern Banker March 1941



# Digest

## BANKS NEED SALESMEN

We believe bank officers are much more public relations minded than they were a few years ago, but there probably is still room for improvement. Jerome N. Sanderson tells in *Bankers Magazine* why he thinks banks need salesmen, and the following excerpts are taken from his article:

FIRST, let me say, or rather let me state, that banks need salesmen. Banks do not need high-pressure salesmen, they do not need promotional salesmen, they do not need salesmen who beg for business, they do not need effervescent salesmen, but they do very definitely need men who are more than mere order-takers. Banks need sales-minded personalities among their vice presidents and behind their loan desks; and, in my opinion, banks need sales-minded men in these places very badly indeed.

"Most bankers I know have come up through accounting ranks and are more concerned with the pure figures involved in a loan transaction than in the more subtle emotional responses which the client develops from conversation involving his intimate financial affairs. Many other bankers were badly scared during the late, great depression and have not since been able to look a loan in the face with anything but fear and suspicion.

"Neither of these types is sales-minded. The result is that the client leaves them with a feeling that he has been talking to exalted adding machines or to forms of humanity akin to the district attorney, and more likely than not the client hies himself to more sympathetic banking quarters as soon as conveniently possible.

"A case in point happened in a nearby town. A young man had made a modest success of a neighborhood grocery store. He had a brother a couple of years younger with him in the store. Both boys were ambitious, cheerful, optimistic, careful, and the store was making money.

"Well, the younger brother wanted

to be more than a clerk, so the two conceived the idea of opening another store for the younger one to run. But they didn't know how to go about financing it.

"Then they read a bank ad in the newspaper about how this particular bank stood ready and willing to loan money for the advancement of business enterprises. They have the ad in their scrap book yet. I read it not so long ago and it was really poetic.

"So the older brother went to this bank and explained his plan. The banker listened perfunctorily, looked at him and said: 'Young man, there are 87 grocery stores in this town already and not half of them making any money. I am not going to encourage you to open another by loaning you money.'

"So the young man went to another bank, borrowed the money he needed against the thoroughly liquid assets of his business, and he and his brother now own eleven of the 87 grocery stores. All eleven of them are making good money, and the second banker has a good account because the first banker wasn't a salesman.

"And yet so many bankers yell that there aren't any good loans anymore and that they're starving to death on Government bond yields.

"One reason the independent small loan institutions have flourished, even though the banks are making a play for small loan business, is because the independents, generally speaking, are using more effective selling methods. True, the higher interest rates charged by the independents give them more margin for losses and they can be more liberal and consequently more popular. But the essence of good salesmanship in lending is in maintaining a friendly and uncritical attitude."

## A MODERN BUILDING INCREASES BUSINESS

IT'S human nature for people to like to do business with what they consider up and coming institutions, and that is just as true of customers of banks. They take pride in a new building or completely modernized interior much the same as do the officers. This is brought out in *Bankers Monthly* by Avery Beyer, who says in part:

"When you see pictures of yourself taken 30 years ago, you realize that conditions have tremendously changed. Buildings change almost as fast as people; that is, they do when they are modernized.

"One modern building in a town causes people to expect similar modernization in others. Buildings must be kept up-to-date as well as clothes.

"Our deposits have doubled since we occupied our new building. Our loans are more than twice as large as they were before. As a matter of fact, we have also doubled our capital, and increased our surplus nearly 50 per cent.

"There were several reasons, other than the anticipation of increased business, which decided us to build a modern building. One was that we felt that we could do a better job ourselves in a building in which we felt comfortable, and where our work could be handled conveniently. We knew that we would be proud of a new structure, and that our very pride would cause us to do our work better.

"Another reason was that we wanted to encourage local businessmen to modernize their places of business, and thought that the encouragement could not be effective unless we followed our own advice and kept up with the times.

"Naturally, we believed in the future of our community. We felt that we had good businessmen here who would continue to develop their activities. We felt that the surrounding country is capable of increased production, and this we were sure, warranted a forward looking attitude.

"Now that there are fewer banks than there were years ago, there are greater opportunities for widening the trade area, and for encouraging banking business to come from other towns where there are now no banks.

"After analyzing the situation in this way, we felt that we were justified in using some of our surplus for a new bank building.

"Since we built our new building, our community has developed nicely and many of our merchants have followed our example by modernizing their buildings.

"Local business has increased, and we are naturally pleased that we were right in our judgment that modernized places of business help to increase the



## Director Cooperation— Special Services— Personnel Problems



# Digest

number of customers, and the size of their transactions."

### "PEPPY-GRAMS"

The employes of the Ft. Worth National Bank, Ft. Worth, Texas, publish a house organ in which they aid and inspire each other. In a recent issue, the following "Peppy-Grams" were published. They will undoubtedly be of inspirational value to employes in other institutions:

Keep your eyes, your ears, and your mind open all the time and your mouth closed at the right time.

Keep your temper. Even steel is useless when it loses its temper.

Don't argue. High words always "come high." They lose friends for you and for the bank.

Be loyal. Duty should be more than skin-deep. Be prepared when occasion demands, to "put banking before pleasure."

Think of others. They will in turn think more of you, and their regard and good will will make you worth more to the bank.

Confidence in yourself will inspire confidence in others.

If your progress seems a little slow, a change to "midnight oil" may give you a little better speed and mileage.

Take your time. Hurry is the foe of accuracy. Remember that the bank must be right.

Don't let your head be turned by praises. If you do you will be looking over your shoulder at past accomplishments and will be likely to stumble over the next step ahead.

### EXTRA EARNINGS FOR COUNTRY BANKS

THERE are three ways for the country bank to make more money which they are not using to the fullest extent, says R. O. Kaufman, president of the First National Bank of Mt. Vernon, Illinois, when he writes in the *Mid-Continent Banker* as follows:

"Banking is not a philanthropic institution and it is proper that any schedule of charges should provide a margin of profit just as the merchant's markup on his goods should. Merely to set an arbitrary charge of three cents per check, plus a so-called maintenance charge of 25 or 50 cents monthly per account without deter-

mining the worth of that account on the theory that the good will average out the bad is not sound business. The bank that operates on this principle is making the profitable accounts carry the load for those which break even or show an actual loss when there is no justification for their doing so. While there may be a few exceptions, generally speaking, the account that fails to net a profit for the bank is not worth having.

"Because of low bond interest rates and the lack of demand for business credit, many banks have been compelled to seek new outlets for funds. Some have been able to build up a satisfactory volume of what we term personal loans. In larger cities this type of loan is available in sufficient volume to make the effort profitable. It is evident that the average size of such loans in larger communities is considerably higher than the average for the small communities. This presents a problem difficult of solution for the smaller banks and a problem in which the small borrower is vitally interested, and, we might add, the state.

"In many small communities today the person who would be an installment loan borrower at the bank, had it such a department, is obliged to pay exorbitant rates to a personal loan company in a near-by city or to a local person operating independently.

"Another outlet for funds can be found through contact with local dealers handling various types of consumer goods, such as automobiles, refrigerators, vacuum cleaners and the like. There is much competition in this field, yet, personal contacts with dealers often enable the banker and the dealer to work out a plan of handling paper on a satisfactory basis."

### TELLERS THAT REALLY SELL

LYALL BARNHART, in an article in a recent issue of *Burroughs Clearing House*, describes how the tellers of the First National Bank in Oklahoma City, of which he is comptroller, have become the outposts, the advance guard for bringing in more business into the institution. He says in part:

"Our plan had its inception with a central file discovery that eight out of

ten of our customers had no contact with anyone in the bank except their tellers. In banks the size of ours and larger, and many much smaller, few customers have business with the president. Relatively few customers deal with loan officers. While more have contact with junior officers, still 80 per cent transact all of their banking business at the windows. Even those who have occasional transactions with officers depend upon tellers for most of their service. Furthermore, the substantial business man who has entree to the president's office and to the desks of loan officers, always has a secretary or cashier who handles his routine business at a teller's window.

"So we faced the fact that, to most of our customers, their banker was their teller. That is how 'teller-vision' started.

"To do the job we had in mind it seemed that the thing hung on getting our tellers interested in their customers as human beings and, inversely, on convincing our customers that their tellers were something more than automatons.

"First we ran a series of newspaper advertisements entitled, 'Meet Your Banker.' In these were featured pictures of our tellers. Each picture was accompanied with a brief biographical sketch. We noted the teller's birthplace, where he went to school, when he came with the bank, the different jobs he had held, his residence, and bits about his family, church, clubs and hobbies. We stressed the friendliness, the invariable courtesy of the men and women at the windows and we saw that these employes had advance copies of these advertisements.

"Next we established a daily report system for tellers and this is the crux of the whole thing. Each teller was provided with blank ruled forms. On this he was asked to report things of interest that happened at his window. Each teller turns in one of these (Turn to page 62, please)

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# What They Said at the Mid-Winter Trust Conference

Public Opinion? More Attention to Life Beneficiary, Laws Regarding Corporate Trustees, and the Annuity Plan Are Discussed

THE following paragraphs are highlights from talks made last month at the annual mid-winter trust conference of the American Bankers Association. In them will be found much of interest for every banker who handles any business of this nature in his institution.

**J. E. DREW, director of public relations, California Bankers Association:**

"The future of the trust company will be determined by one all compelling force—public opinion. Here you play an important part, for to a great extent that opinion will be shaped by your influence; by what you say, what you do and how you do it. It is your primary job to arouse, educate, and direct public opinion toward an intelligent appreciation of the rich values of trust company service.

"Bank management holds the key to the successful and profitable development of any trust department. It must vigorously insist that its bank and trust officers display more active and practical cooperation. Wishful thinking and mere lip service to that ideal are not enough.

"Bank management must speak clearly, firmly, and frequently. Every officer of the bank and the members of the departments must be made fully aware that the bank is vitally interested in obtaining new business. Until bank management takes that position and makes that statement, it should stop 'moaning' about the earnings of its trust department. In those institutions where management has adopted this policy, the trust department has prospered.

"Remember that at least 80 per cent of your new business comes from customers of your bank, and the officers and staff of the banking departments have closer association with these people and more accurate knowledge of their affairs than any one else in your institution.

"It is your job, therefore, to educate these bank men regarding the services and advantages of your department.

*Northwestern Banker March 1941*

They must be taught how to recognize the need for trust service among their customers and how to create interest in it."

**JUDGE CARL E. WAHLSTROM, probate court, Worcester, Mass.:**

"A person ordinarily creates a trust for the benefit and protection of some person or persons near and dear to him. This person may be his wife, or children, or all of them. His first and particular interest is in these persons. He has a duty to protect them. His principal obligation is to them. Surely their welfare comes before collateral relatives or the hospital, college, church, or museum which may be the remaindermen. None will deny, it would seem that he does not want his dear ones to suffer or be deprived of some of his wealth if they need it, for the benefit of the remaindermen.

"Even if the life beneficiary were the wife alone and the remaindermen were the children, it would appear obvious that the testator or settlor would want her provided for properly, even at the hazard of decreasing what the children, the remaindermen, would ultimately receive. If this is so concerning children, how much truer this should be when the remaindermen are collateral relatives, non-relatives, or institutions.

"More attention should be given to the life beneficiary and his or her needs, comfort, maintenance, and support, and I am convinced that the many changes that are creeping into our law of trusts indicate clearly that we must not be satisfied with living up to the letter of the instrument, but that we must go back of that language and endeavor to learn the intent of the testator or settlor."

**MAYO A. SHATTUCK, Hauserman, Davison & Shattuck, Boston:**

"There are very few decisions of courts of the last resort in which a trustee has been surcharged solely because he passively allowed his co-trustee to have sole custody of the

trust portfolio, but there are dangerous cases in many states. The trouble is, as most trust men know, that the decisions of courts of record are not as important in trust administration as those of first resort.

"Corporate fiduciaries have commonly taken and ordinarily expect to take sole custody of the trust property, and they also commonly issue checks signed only by themselves in payment of trust bills and in distributing trust funds. This habit may be a custom, to be sure, and the custom may eventually prove a justification at law, but I know of no case which clearly justifies the practice. Certainly the trust instrument should provide for this, if the practice is to be engaged in.

"As between individual trustees, however, this manner of doing things should not be tolerated, unless the instrument provides for it to be done. Furthermore the wisdom of an indiscriminate use of language permitting a division of responsibility is doubtful. Wherever the corporate fiduciary is concerned, a clause should be inserted holding the individual trustee harmless for allowing the corporate trustee to have sole custody of the trust portfolio. This language may be expanded to cover what we all know is going on in practice just as far as the client wishes to go."

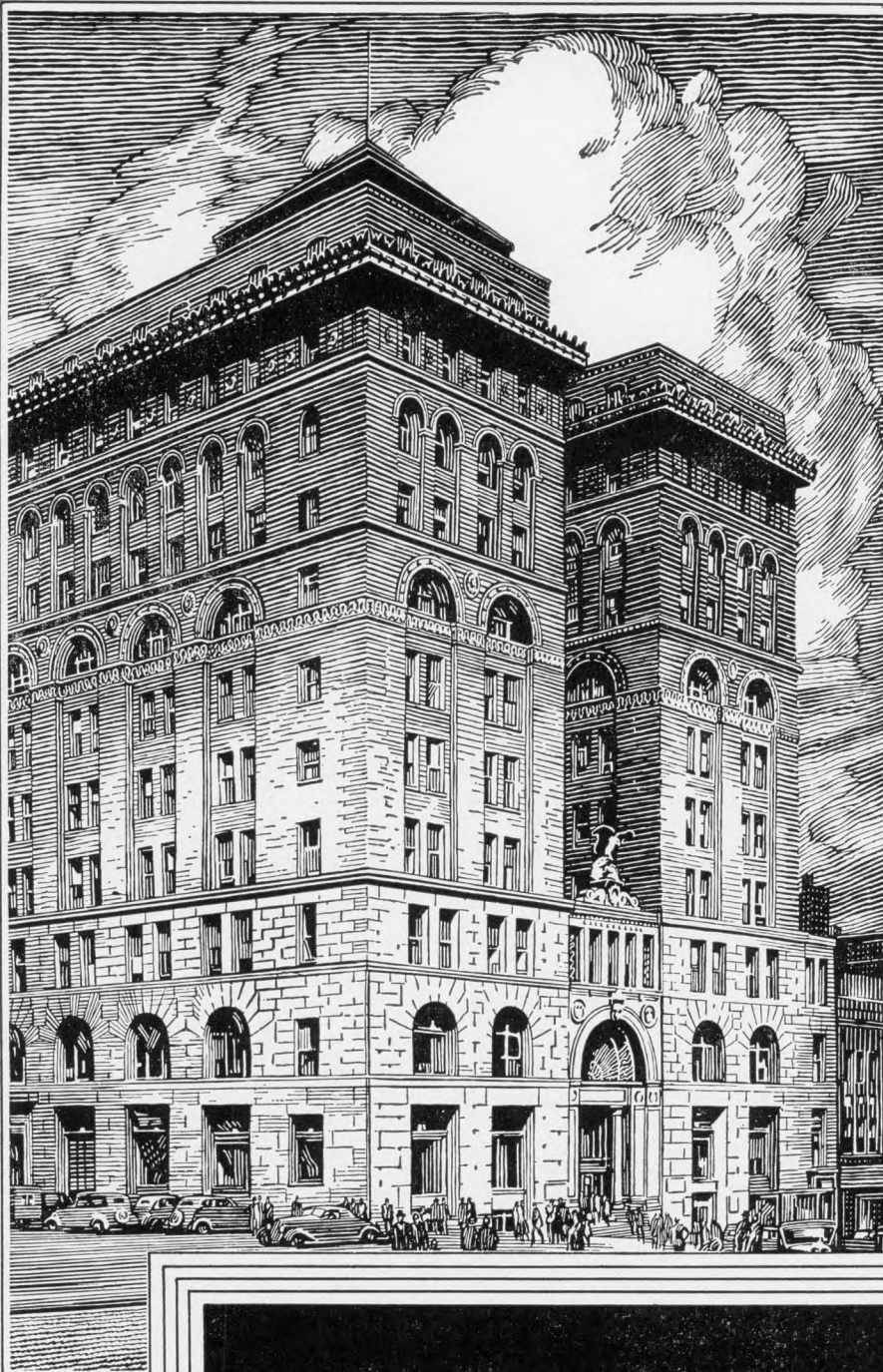
**GILBERT T. STEPHENSON, director of trust research for Graduate School of Banking:**

"The settlement of estates and administration of trusteeships and guardianships and performance of agencies call for specialists in many and varied fields, such as bookkeeping, accounting, investment, taxation, and property management. No individual can be a specialist at once in all these fields. Hence, there exists the need for a trust institution that can bring together the talents and services of a group of specialists.

"These trust functions likewise call for the exercise of the composite judgment of a group of persons—officers,

(Turn to page 26, please)





MEMBER  
FEDERAL  
DEPOSIT  
INSURANCE  
CORPORATION

# The Omaha National Bank

*Northwestern Banker March 1941*

# NEWS AND VIEWS

(Continued from page 12)

larger than the 1939 income of \$8,668,000,000.

From marketings and commodity loans, income was \$8,354,000,000 and from government benefit payments, \$766,000,000.

Iowa's farm income in 1940 topped \$700,000,000, largest since 1929. This figure led the nation.

The exact figure was \$728,506,000, including \$679,271,000 total cash income from farm marketings and \$49,235,000 in federal payments. This was \$81,591,000 greater than the total in 1939 and was only \$5,767,000 under the 1929 peak.

California was second with \$650,410,000, Texas was third with \$579,192,000, and Illinois was fourth with \$571,624,000.

Income from crops in Iowa in 1940 amounted to \$165,311,000 and from live-stock and livestock products, \$513,960,000.

The greatest increases in income were in Minnesota, Iowa, North and South Dakota, and Montana.

The greatest declines were in Louisiana, Mississippi, Florida and North Carolina.

Arguments for and against exchange charges flew thick and fast recently before a legislative hearing of the joint Senate and House Bank Committees to discuss a bill to outlaw exchange fees.

One hundred thirteen banks (113) in Iowa now make an exchange charge, and 556 banks cash checks at par, without making any charge.

L. A. Witter, president of the Farmers Trust & Savings Bank of Spencer, believes that all banks should cash checks at par, and, in discussing the question at this meeting said:

**"Who's to blame for the competition you say forces you to do non-par banking?"**

**"The bankers and nobody else. You non-par bankers are taking advantage of yourselves."**

**"We have accounts in our bank that have no business there, that have been placed with us simply because the depositors are tired of the exchange charge made by banks in their towns. One of the most profitable accounts in our bank comes from a non-par town."**

On the other hand, Samuel R. Torgeson, cashier of the Farmers & Merchants State Bank of Lake Mills, and former president of the Iowa Bankers Association, believes that the

**"Exchange charge is only the banker's way for transfer of credit. It's**

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as legitimate as any charge a bank makes.

**"We can't put service charges generally on our customers, or they'll go across the line to Minnesota banks which don't have service charges. Our bank obtains \$3,000 a year from exchange charges, and pays out \$4,000 interest on time deposits."**

Not long ago the Governor of the Bank of England, Montagu Norman, stopped to inspect a bomb crater in London. Suspicious of the Governor's beard, a policeman asked him his business. Norman replied, **"I work in a bank."** Policeman: **"Well, how about buzzing off and doing a bit of banking?"**

If the government is to finance its increased national defense operations, it is quite likely that the rate of interest on bonds and securities which it sells will have to be higher, and that most of these will be absorbed by the public.

If this is the case it will reflect favorably on the bonds already held by commercial banks.

One financial authority puts it this way:

**"The increase in the public debt, during the last 7 years, indicates absorption of 46 per cent by the banks, 18 per cent by the insurance companies, 11 per cent by individuals and non-financial corporations, and the balance by government agencies and trust funds. Having sold billions of government securities to commercial banks at gradually declining yields and meager rates, a similar amount can unlikely be sold to private investors except at higher rates, which, in turn, would react upon the value of bonds now held by commercial banks."**

Robert Weidenbach, formerly vice president and cashier of the National Bank of Norfolk, Nebraska, and who has recently become cashier and manager of the First National Bank of Eldon, Iowa, believes that the way to win friends in the banking business is to adopt the following eight principles which he has found valuable in his own banking experience.

Here they are:

1. Show a friendly interest. Be pleasant at all times.
2. Speak clearly, distinctly and in well modulated tones. Be careful about your telephone voice.
3. Give the best there is in you.
4. Remember that you sell SERVICE.

5. Be at the window before your customer. Meet him with a smile and a pleasant word.

6. Never allow your customers to wait a second. Drop all other work and make them feel that they come first and that you are there to serve them.

7. In opening a new account, if the officers are not too busy, introduce your new patron and make him feel at ease with a cordial welcome.

8. LEARN TO SMILE.

**P. S. IN CASE YOU GET NO FAVORABLE REACTION—GIVE PATIENT A DOUBLE DOSE OF PINK PILL NO. 8. NO DANGER IN OVERDOSE.**

Edward C. Newfang has been put in charge of the Chicago office of the Chemical Bank & Trust Company of New York.

Harmon L. Rummel, who has been in the Chicago office, will return to New York and will continue to travel for the bank from there.

Mr. Newfang is a native New Yorker and has been associated with the Chemical Bank & Trust Company since his graduation from Cornell University in 1926. He was connected with the Credit Department of the bank for several years and during the past three years has been assisting in the administration of the bank's Mid-Western business. Mr. Newfang will represent the bank in Illinois, Iowa, Nebraska and Wisconsin.

Miss Dorene Capps, daughter of J. R. Capps, cashier of the Central National Bank & Trust Company of Des Moines, was married on March 1 to Arlo H. Knowles of Pella, Iowa.

The wedding took place at the Plymouth Congregational Church in Des Moines, and was followed by a reception at the Des Moines Club.

The young couple will reside in Pella, where Mr. Knowles is employed by the Pella Rollscreen Company.

Hoyt R. Young, president of the Iowa Bankers Association, promoted the idea of having a separate meeting for the junior officers of the banks in Des Moines in June.

Mr. Young brought out this idea at the meeting of Group One at Sioux City, and it met with a hearty response.

E. E. Manuel, chairman of Group One and president of the George State

(Turn to page 63, please)





**They'll**

**and**

**in 1941!**

Speaking of Profits, Mr. Banker, we'd like to talk about the assets that back "Heart" farming. We'd like to remind you that America's business farmer and his wife are your best customers . . . they represent *ONE-THIRD* of the nation's farm population . . . and they enjoy:

	Percent of Nation's Total
Farm incomes \$1,500 and over (average \$3,848)	54
Farm building valuation	53
Farm implement valuation	55
Farm-owned automobiles, trucks, tractors	52
Corn production	76
Wheat production	65
Oat production	81
Value of cattle and calves	53
Value of swine	74

What does this mean to you, Mr. Banker? Just this . . . "Heart" farmers are your best risks. When they come to your bank for loans to fi-

nance a building program, a tractor, automobile, household equipment or furnishings . . . we suggest you extend the full services of your bank. These are the farmers who will earn more, spend more, and mean more in 1941! Meredith Publishing Company, Des Moines, Iowa.

**YOUR**

**IS A**

**IN 1941!**

**S U C C E S S F U L F A R M I N G**

# Central Life

## ASSURANCE SOCIETY

(MUTUAL)

E. H. MULOCK, President

Founded 1896

Des Moines, Iowa

# 45th

## ANNUAL FINANCIAL STATEMENT

December 31, 1940



### ASSETS

Farm Loans .....	\$ 3,766,354.63
City Loans (of which \$9,289,- 869.62 are insured by the Federal Housing Adminis- tration) .....	13,056,612.58
Real Estate (Includes \$1,- 397,994.74 sold under con- tract) .....	4,379,115.98
Policy Loans .....	6,766,898.84
United States Government obligations, State, County, Municipal and other Gov- ernment Bonds and Im- provement Certificates...	14,637,846.91
Public Utility Bonds.....	5,622,674.75
Cash in Banks and Offices...	2,300,361.05
Interest Accrued on Secu- rities .....	333,631.27
Deferred Premiums and other assets .....	935,781.33
<b>Total Admitted Assets</b> .....	<b>\$51,799,277.34</b>

### LIABILITIES

Reserves on outstanding In- surance Policies .....	\$40,400,380.49
Policy Claims (Matured En- dowments and other claims in Process of Payment)---	248,212.42
Present Value of Death, Dis- ability and other Claims Payable in Installments...	3,078,517.80
Reserve for Payment of Taxes	166,789.89
Reserve for Miscellaneous Obligations (Includes divi- dends left on deposit with the Company) .....	2,408,117.15
Funds assigned for Future Dividend Distribution....	964,798.98
<b>Total Liabilities</b> .....	<b>47,266,816.73</b>
Unassigned Surplus .....	4,532,460.61
<b>Total</b> .....	<b>\$51,799,277.34</b>

## SIGNIFICANT GAINS IN 1940

<b>Total Insurance in Force</b> .....	<b>\$170,496,709</b>
<b>INCREASE during 1940</b> .....	<b>2,585,363</b>
<b>Total Surplus</b> .....	<b>\$4,532,460.61</b>
<b>GAIN during 1940</b> .....	<b>653,909.23</b>





# GOOD CLAIM SERVICE

## *Is Good Selling*

By Wilson C. Jainsen  
 Vice President  
 Hartford Accident and Indemnity  
 Company  
 Hartford

THE claim adjuster sells fair and reasonable settlements and, in turn, buys a release for the assured. Like all transactions, it should be acceptable to both parties. It is entirely possible to pay a man more than he is entitled and, through poor salesmanship, leave him disgruntled. On the other hand, a good salesman can convince a fair-minded assured or claimant that he is not entitled to any payment when such is the fact.

Public relations is a much used and frequently abused phrase. Our claim men alone probably interview and do business with over one million people in the course of a single year. To many assureds and to most claimants the claim man is the only contact with the company. It is a fertile field for better public relations. Incidentally, a satisfied claimant should be a very receptive prospect for the agent.

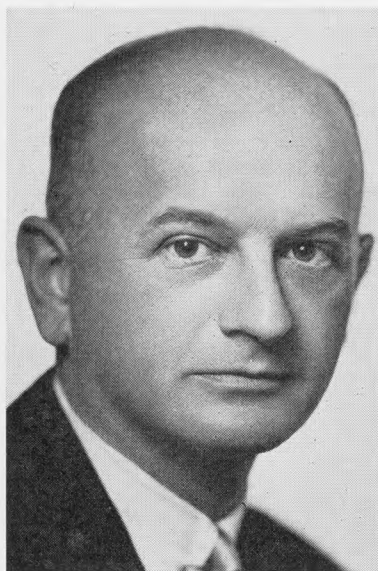
An example of salesmanship is a recent case in our New York office. A claimant was so satisfied with the treatment accorded him by one of our New York claim representatives that he returned to his home town and placed his own insurance in the Hartford in spite of the fact that we paid him nothing whatever. In this case not a cent was owed. The claim man handled the case with intelligence and 'sold the claimant' to the extent that he became convinced that the Company could do a good job for him if he ever needed us.

I mention the reference to my own company with apologies and hasten to say that such situations are duplicated in other well-managed claim departments.

When one stops to consider the intangibles that we are dealing with, it is a tribute to both the public and the insurance industry that such a tremendous percentage of our cases is settled amicably. An uninsured public unacquainted with the details and values of such claims would produce far more litigation than exists under the insurance system. To promptly pay legitimate claims and to resist improper or exaggerated claims to the utmost are the first functions of a casualty claim department. If it fails in either of these functions, it defi-

nately lets the producer down . . . and I repeat that no agent can underwrite poor claim service.

Let us for a moment turn to the agent. He has labored industriously and intelligently and has, through his



WILSON C. JAINSEN

service, secured a desirable risk. The agent's responsibility begins, not ends, when he places the business on his books. The assured has confidence in the agent, as is best evidenced by giving the agent his business. The agent has learned a great deal about the assured and has earned his good will. The agent is the best liaison between the company and the assured. That entree and information should be available to the claim, engineering and other servicing departments. If through the agent at the inception of a risk the engineering department can secure the enthusiastic cooperation of the assured, much can be accomplished in reducing or eliminating

the claims we are now discussing. It is expected, however, in the casualty business that claims will arise; and if through the agent the claim man has had the opportunity to do good missionary work in educating the assured as to the necessity of reporting every accident, securing witnesses and reporting all available information promptly and fully, the results accomplished will be that much better.

Every claim department is not only aware but fully appreciative of the important part that agents can and do play in claim work. Sometimes assureds report their accidents to the agent. The agent is becoming increasingly conscious of the value of promptly reporting to the claim department, and, in the event of a serious accident, reporting by phone or telegraph. The educational work that companies and agents have done in the last few years has shown a marked improvement at this particular point.

The alert agent today is fully acquainted with the coverages he has afforded and, in those isolated cases where perhaps no coverage exists or it is subject to doubt, the agent with a few apt words has materially lessened the burden of the claim man and fostered much good will. Naturally, in a business as complicated as the casualty business slip-ups do occur. Under the ever-increasing broad forms of coverage and the increasing knowledge of the agents, they are becoming fewer and fewer; in fact, they are today such rarities that perhaps the agent is not as conversant with them as he would be if they were frequent occurrences.

I want to point out another comparatively small class of business that is provocative of considerable misunderstanding. I speak of Residence Employers Liability. That is a contract to protect the assured's pocketbook and to pay the loss if he is liable because of his negligence. It is a valuable coverage and is incorporated in the Residence Public Liability Policy. However, in so many households that employ domestics there arises a moral or sentimental obligation that goes beyond the legal liability covered in the straight Residence Employers Liability. An accident

Northwestern Banker March 1941

has occurred to a domestic on the assured's premises. The housewife usually calls her own doctor or takes the injured to the hospital, and the hospital or doctor looks to the assured for payment of the obligations incurred. The assured, having become morally or contractually liable for these expenditures, looks to his insurance company for reimbursement—and there is no liability on the insurer unless the accident was caused through the negligence of the assured.

Now this policy can be endorsed to cover medical and hospital bills, with-

**THEY'RE "HAVING  
A FINE TIME"**  
—and they've earned it!

**WE'RE** pleased to announce that some **N<sup>W</sup>NL** agents and their families are enjoying brief sojourns in the West or South this winter.

We don't begrudge them this luxury. They are, almost without exception, veteran agents whose consistent production of good *persisting* business over the years is now paying them real money in renewals under the Arnold System. That these men can now begin to realize life-long dreams of a winter vacation in a warm climate is proof that the System is doing just what it was designed to do—pay adequate compensation to the "backbone" agent who measures his success in terms of *satisfied customers* rather than in sales alone. He's earned it—and he gets it.

We wish *all* our old-timers who feel so inclined could vacation in California or Florida. Some day, we expect, they can.

## NORTHWESTERN National LIFE INSURANCE COMPANY

O. J. Arnold,  
President



Minneapolis,  
Minnesota

Northwestern Banker March 1941

in certain limits, for a very nominal premium, such bills to be paid irrespective of negligence. This coverage is a big improvement over the straight policy. If the assured, however, is in a position to pay for voluntary compensation, then the company is liable for all medical bills and compensation payments within the terms of the Act.

Occasionally an assured becomes involved in an accident for which there is no coverage. He has other coverages with the agent but none that covers the particular accident. Faced with a sudden and unexpected loss, there is a strong temptation to make loose assertions. Against these an agent should protect himself. For example, if I were an agent delivering an automobile fleet policy to an assured, I would accompany the delivery of the policy with a communication in which I would be careful to point out that, if the assured wished to reconsider his conclusions on non-ownership or hired car coverage, I would be glad to discuss it with him—or if it happened to be a liability policy, the same thing as respects contractual or product's liability, or such pertinent coverage as had not been ordered.

I feel certain that every claim man urges the sale of high limits. Higher limits are relatively cheap, and nothing is more disturbing to an as-

sured than to have to dig into his pocket and pay that portion of a claim which is in excess of his policy limits. Even if he does not ultimately pay, he may have many months of worry during which a suit against him is pending in which damages are asked that are far in excess of his policy limits. It is worth the price in mental comfort alone.

Thus we have seen that the closer the cooperation that exists between the claim department and the agent, the better casualty insurance will serve its clients. The claim man believes in insurance. The claim man knows the real value of the agent's service. In a company such as ours, he sees several hundred thousand claims made in the course of a single year. Some are small: some are catastrophic. The claim man realizes what these losses would mean if they fell upon uninsured victims. Many times it would be a vital blow to credit or insolvency or bankruptcy.

The value of the service that the agents have performed for American economy is beginning to receive the recognition to which it is justly entitled. The applause belongs to the agent for a performance well done, but the claim man quietly derives considerable satisfaction from having helped set the stage.



Licensed In  
All States

## CENTRAL SURETY AND INSURANCE CORPORATION

R. E. McGinnis, President

Home Office

Kansas City, Mo.

Condensed Financial Statement December 31, 1940



Qualified with  
U. S. Treasury  
Department

### ADMITTED ASSETS

Cash .....		\$1,169,909.25
Bonds:		
U. S. Government (Direct or Guaranteed) .....	\$2,349,640.22	
State and Municipal .....	3,154,185.26	
Railroad .....	49,702.26	5 553,527.74
Total Cash and Bonds .....		\$6,723,436.99
Central Surety Fire Corporation Stock .....	529,101.10	
Real Estate .....	143,577.37	
Mortgage Loans on Real Estate .....	110,797.14	
Premiums in Course of Collection .....	897,449.75	
Accrued Interest on Investments .....	51,302.89	
Other Admitted Assets .....	21,886.91	
<b>TOTAL ADMITTED ASSETS .....</b>		<b>\$8,477,552.15</b>

### LIABILITIES

Reserve for Claims .....	\$2,448,984.50	
Reserve for Unearned Premiums .....	2,163,953.35	
Total Claim and Premium Reserves .....		\$4 612,937.85
Reserve for Commissions, Taxes and Other Liabilities .....		492,687.19
Voluntary Contingency Reserve .....		150,000.00
Total Reserves .....		\$5,255,625.04
Capital .....	\$1,000,000.00	
Surplus .....	2,221,927.11	
Surplus to Policyholders .....		\$3 221,927.11
<b>TOTAL LIABILITIES .....</b>		<b>\$8,477,552.15</b>

Securities carried at \$630,739.30 in the above statement are deposited for purposes required by law. Bonds are carried on amortized basis. Market value of bonds exceeded their book value at December 31, 1940, by \$283,447.96. No bonds were in default either as to interest or principal at December 31, 1940. Market value of invested assets of Central Surety Fire Corporation exceeded their book value at December 31, 1940, by \$44,438.99.

Net Premiums Written in 1940 .....	\$5,255,446.11
Increase in Net Premiums Written .....	691,831.85
Increase in Cash and Bonds .....	554,687.79
Increase in Total Admitted Assets .....	735,982.14
Increase in Total Reserves .....	479,835.24
Increase in Surplus .....	256,146.90



## Substantial Gains in 1940

The Central Life Assurance Society of Des Moines, Iowa, registered substantial financial gains in many departments in 1940. From every standpoint it was one of the most successful years the company has enjoyed, according to the annual statement recently released by E. H. Mulock, president.

Gains were made in insurance in force, assets, reserves, surplus, rate of interest earned and payments to policyholders.

As of December 31, 1940, total ad-



E. H. MULOCK

mitted assets were \$51,799,274.34, making a new high record and gaining \$2,762,246.02 over the previous year. Policy reserves also reached a new peak with a total of \$40,400,380.49, increasing \$1,665,549.26 over 1939.

Another record was made with a gain of insurance in force amounting to \$2,585,363.00, making a grand total of \$170,496,709.00.

At the end of 1940 the surplus amounted to \$4,532,460.51, as compared with the previous year of \$3,878,551.28, an increase of \$653,909.23. This represents \$109.59 of assets for each \$100 of liability.

The net rate of interest earned during the year was 4.07 per cent. In 1939 it was 4.02 per cent. Payments made to policyholders during the year were \$3,522,718.00 and the ratio of actual expected mortality was 41.53 per cent.

In releasing the company's annual statement showing these substantial gains Mr. Mulock announced the company would continue to pay the same dividends to policyholders in 1941 as it paid in 1940.

## LEGAL DEPARTMENT

(Continued from page 14)

**Yes.** The State of North Dakota may not be sued in its own courts without its consent, but it may lay aside its sovereignty and consent to be sued on such terms and in such actions as it may prescribe. By statute in North Dakota the State has authorized actions against it "respecting title to property" and, as a consequence, its joinder as party defendant was in order.

**A Nebraska banker died in that state**

leaving a will that provided that his executor should sell certain real estate "as soon as may be" after his death. Did such provision require that the sale be made immediately after the banker's death?

**No.** The executor was not required to sell the real estate immediately after the banker's death. The time of sale is left to his discretion, within reasonable limits, if he acts in good faith and without neglect.

**A Minnesota banker owned a hotel in that state.** He leased it outright to a company that operated it. A guest

## Financially Sound

Another successful year has closed, with an increase in resources and policies in force.

Liberal benefits with lowest possible cost have enabled us to provide sound protection to select risks for 36 years past.

### FINANCIAL STATEMENT

December 31, 1940

#### RESOURCES

	%	
Cash .....	33.1	\$102,465.35
U. S. Government Securities .....	17.3	53,400.00
State, County and Municipal Bonds .....	22.6	70,205.00
Public Utility Bonds .....	6.2	19,300.00
Railroad Bonds .....	4.8	15,000.00
First Mortgage Loans .....	2.5	7,770.00
Real Estate .....	5.8	18,000.00
Other Securities (Guaranteed) .....	6.6	20,326.49
Interest Receivable .....	0.3	1,053.50
Advance Payments by Members .....	0.8	2,321.00
<b>TOTAL .....</b>	<b>100.0</b>	<b>\$309,841.34</b>

#### LIABILITIES

Disability Claims Reported, but Proofs Not Received .....	\$ 17,525.00
Death Claims Reported and Awaiting Proofs .....	5,000.00
Unearned Assessments .....	2,321.00
Reserve for Taxes, Bills, Etc. ....	2,580.25
<b>RESERVE FOR PROTECTION OF MEMBERS .....</b>	<b>282,415.09</b>
<b>TOTAL .....</b>	<b>\$309,841.34</b>

**POLICIES IN FORCE 25,676**

*For further details write*

## MINNESOTA COMMERCIAL MEN'S ASSOCIATION

PAUL CLEMENT, Secretary

**2550 Pillsbury Ave. • Minneapolis, Minnesota**

slipped and fell in the doorway as a result of some ice accumulation on the floor that had been negligently permitted to be there by the company operating the hotel. The guest sued both the banker and the company for damages. Could he recover from the banker?

**No. The owner of the hotel was not liable to the guest for the hotel operator's negligence. He had no control or right of possession of the premises because he had leased them outright.**

## Another Annual Gain

Minnesota Commercial Men's Association, Minneapolis, has closed another successful year, with an increase in resources and policies in force, according to Paul Clement, secretary of the organization. The thirty-six year old association at the end of 1940 had 25,676 policyholders on its books.

Total resources of the association, according to its statement on December 31, 1940, amounted to \$309,841, the largest single item of which was cash of \$102,465. United States government securities and bonds of municipalities and their subdivisions totaled more than \$123,000, with the balance of the resources made up of sound investments of various types.

Prompt payment of claims is attested to by the small figure of only \$22,000 of such items awaiting proof at the end of last year. Minnesota Commercial Men's at the year-end carried a reserve of \$282,415 for the protection of its members.

## HELPING FARMERS WITH LIVESTOCK

(Continued from page 15)

is that we will buy and loan without cost or risk to the farmer, a pure bred bull—age about 4 to 5 months—from a high producing herd. When the farmer is done with him we sell the bull, take out our investment and interest, and split the profits 50-50. If the bull dies we take the loss. The main thing is to get out enough to spread the risk. If anyone is interested in the idea of getting rid of scrub sires, this is one good way to do it—for the man who uses a scrub will take on a deal like this. Of course we want to see that the bulls go into the hands of men who will give them good care—but even then too many of these fellows are not particular enough about getting good sires.

We have the feeling that a man who will look after a bunch of sheep, will make more money on his investment than in many other lines of livestock. Yet there are not enough sheep available to satisfy the demands. We organized a sheep meeting, had one of the men from the Extension Department of the college come over from Ames and called in all we had found interested as a result of extensive over-the-counter visits. The result of that meeting was that last fall we ordered 615 head of ewes and five pure bred bucks. Most of these were on order, but again we filled out the cars and had no trouble in selling the ewes when they arrived. We think we now have enough interest in sheep

to help get a dipping tank in the spring and to help organize a "Quality Lamb Production Program."

The main thing we have done is to be sincerely interested in trying to help. We have not pushed our program onto anyone but have offered it to many and have gotten many interested responses. On the deals we have taken a slight margin for our own protection—but mainly we have gotten great good will from many sources.

It is probable that not every bank could do this same thing. If we did not have the young man skilled in this line we would not attempt it ourselves—but we do have him and we are well satisfied with the results we have achieved.

## MID-WINTER TRUST CONFERENCE

(Continued from page 18)

members of committees and boards—each drawing upon his own business or professional or financial knowledge and experience and drawing also upon the collective information supplied by these specialists.

"People desire ardently that their estates and trusts be handled impartially as regards the beneficiaries and confidentially as regards all the rest of the world. Trust institutions make a business of handling estates and trusts and have in their service only persons who take a professional attitude—one of absolute confidence—toward all personal relationships.

"People desire also of their executors, trustees, and guardians that they be accessible at all reasonable times without absence or inaccessibility on account of personal affairs or other causes. Trust institutions have fixed and well-known places of business, stated business hours, and definite assignments of duty to staff members.

"People want their executors, trustees, and guardians to be guided in doing right and kept from doing wrong rather than to be caught and punished after they have ignorantly and willfully done wrong. Trust institutions are government supervised and this supervision is designed to improve trust practices."

**H. ROSEBERRY**, vice president and manager trust department, Security-First National Bank of Los Angeles:

"It is our hope to arouse trust officers to place greater and continued

## Complete Automobile, Workmen's Compensation and General Liability Coverages

*Soundly Serviced for the  
Satisfaction of Your Clients*

### ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Building

Des Moines, Iowa



emphasis on the annuity-type trusts, until this type shall become the basic rule of trusts and the present conventional type shall become the considered exception. Living persons, usually those dependent upon the customer who creates a trust, are ordinarily his chief concern in providing benefits under his trust. Remaindermen are apt to be purely secondary in his objective. In many cases they are mentioned merely as a class to take the principal after it is supposed to have served the needs of the primary beneficiary.

"Depression problems and a keener analysis of the objectives and performance of trusts have forced both the public and trust institutions to the decision that many trusts, as now constituted, are not serving their chief original purposes as satisfactorily as they might. It remains for us to correct this for the future by offering to our customers now, plans which will effectuate their trust plans better than any other instrumentality that can be found.

"For the purpose of reforming our whole trust structure upon the plan of using both principal and income for the benefit of the primary or preferred beneficiaries—the life tenants—and permitting the residue, if any, to go to the secondary beneficiaries—the remaindermen—five different trust plans, all of which are annuity-type trusts, are suggested. They are the gross income plan, the 'invasion of principal upon direction' plan, the percentage of principal plan, the fixed income plan, and the annuity plan."

### City National, Chicago

At the annual meeting of the stockholders of the City National Bank and Trust Company of Chicago, Richard Wagner, president and director of The Chicago Corporation, was elected to the board, together with all other directors.

Mr. Wagner is well-known in business and financial circles in Chicago. Besides being active head of his own organization, he is vice president and director of the Fort Dearborn Mortgage Company, director of the Parkersburg Rig and Reel Company, and director of the Blue Ridge Corporation.

At the annual meeting of the directors, Andrew E. Wigeland was promoted from assistant vice president to vice president, and Leslie Reid was made assistant trust officer. All other officers were re-elected.

"A man stole my car last night."  
 "Did you get a look at the fellow?"  
 "No, but I got his license number."

## About Ideas !

Funny thing about ideas—they never go to work for you until you go to work with them.

## Yes Sir—

—You've got to put them to work yourself. Here is an idea you won't have to experiment with, because it has been tried with success in hundreds of agencies. It's an idea that will give the insurance department of your bank a measurable advantage.

*Investigate the possibilities of a Western Mutual contract.*

*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**



# INVESTMENT BANKING . . . *and Its* *Contribution to American Life*

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During the past year—through the columns of this publication—it has been the pleasure and privilege of the Iowa Investment Bankers Association to discuss, dispassionately, the functions of Investment Banking.

As stated previously, the purpose of this series of advertisements has been to appraise, rather than to praise, Investment Banking.

During the past twelve-month, it has been the endeavor to point out the definite contribution the Investment Banking interests of Iowa have made toward the enlargement of our economic, social and cultural life.

By way of review—Iowa Investment Bankers are, in no small part, responsible for

Iowa's present fine highway system—the thriving condition of many of Iowa's largest industrial plants—innumerable municipally-owned utility plants—and scores of new, modernly-equipped schools, community buildings, hospitals and other public improvements.

Through the medium of the Iowa Investment Banker, capital, seeking employment, moves into channels of activity and usefulness—while, at the same time, providing safety of principal and a reasonable remuneration to the investor.

Investment Banking has made definite and lasting contributions to our American standard of living that no thinking person will deny.

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## Iowa Investment Bankers Association



# The Month's Market Maneuvers



JAMES H. CLARKE

Despite the spread of labor troubles throughout the country, industrial production continued at a high rate of activity in January—probably setting an all time record. But markets were irregular and the trend was lower. Fears of a profitless prosperity, worries about increased taxes and higher wage costs—plus, of course, the Government's program of financing—made for caution in investing circles.

The London stock market which had been acting better than our own—all things considered—turned downward in February. This was disturbing. Additional American stock holdings of British investors were liquidated which brought pressure on our markets. This war news was mixed. England's successes in Africa were offset by German advances into the Balkans. Increased shipping losses and worries of an all out offensive on Britain with the coming of spring—these too were upsetting.

Developments in the Far East received increasing attention during the month. Japan, Thailand and Indo-China all figured prominently in the news—and as we write this on the morning of Friday, February 28, there are indications of serious trouble. The English forces around Singapore can not stay out of a conflict if it develops—and our own Government will not ignore further southward moves by Japan. The various weekly letters from Washington speak of our getting into a war within three to six months—refer to it as though it is practically sure. One cannot be very optimistic about markets in these times.

The stock market suffered a bad relapse in February, although a rally in the final few days brought it back somewhat. On January 31 the Dow-Jones average on industrial stocks stood at 124.13—yesterday (February 27) afternoon at the close it was 121.87. In other words, a decline of 2.26—which is not bad for a month. But that tells only part of the story. A series of sharp declines in the middle of the month—including a break of 3.44 points on the fourteenth—brought prices down to 117.66—within six

Prepared for  
The Northwestern Banker

By James H. Clarke

Assistant Vice President  
American National Bank & Trust Co.  
Chicago

points of the low hit in June, 1940, when France collapsed.

As selling pressure relaxed the market rallied, although volume of trading was small. Improvements of 2.05 points on the twentieth and 1.25 points on the twenty-fourth helped to bring the market back. As we write this, there have been twenty-one days of trading in February—two holidays. On twelve days gains were recorded, on nine days there were losses. Dullness continued throughout the month and again in February as in January there was no day in which as many as a million shares were traded. On two occasions during the month, sales of memberships on the New York Stock Exchange were made at \$26,000—the lowest price since 1898. In 1929 a membership sold at a high of \$625,000—not including a dividend of one-half a membership which was declared that year. Apparently, real estate values, prices for farm products, and such are not the only things that have been deflated in the past few years.

Surprisingly enough, the actual number of shares listed for trading on the New York Stock Exchange is larger now than in 1929. But in 1940 only 50 per cent as many shares were traded as in the depression low year of 1932—and volume has declined in five consecutive years. In the first two months of 1941 the volume was 27 per cent below the similar period of last year—this may be the sixth consecutive drop. Maybe the stock brokers have reason to be unhappy.

The biggest news in the bond market was the United States Treasury advance refinancing of approximately \$1,221,500,000 of bonds and notes falling due on March 15. This followed an increase by Congress of the debt limit from \$49,000,000,000 to \$65,000,000,000 and the authorization to issue the first wholly taxable bonds. Holders of the called or maturing issues were offered a choice of seven to nine year 2 per cent bonds or two year

¾ per cent notes. Doubtless, most holders took the bonds. This morning the bonds are quoted 101.4 on the bid side to give a taxable yield of about 1.85—the notes at 100.24 to yield .31 per cent—fully taxable. These prices and yields are of greatest interest—this being the first financing of this kind and preceding as it does an offering of a billion or less in a couple of weeks to raise new money. Daily statements of the Treasury show expenditures for National Defense running now between twenty and thirty million dollars a day—yes, we shall see lots of Government financing for a long time to come.

Bonds were generally lower in February and new financing was smaller than the recent average. An issue of \$90,000,000 of Republic Steel Company bonds was delayed a couple of times in February, but may be offered Monday, March 3—before this article appears in print. Georgia Power Company decided to do this refunding privately and sold \$101,271,000 principal amount of first mortgage 3½'s of 1971 to a group of twenty-seven insurance companies. The Wisconsin Public Service Company sold \$26,500,000 first mortgage 3¼'s of 1971 at a price of 106—this morning's Wall Street Journal quotes the bond 105½ on the bid side. Chesapeake and Ohio Railroad did refunding in the amount of \$24,800,000 and there were a few other smaller railroad deals. Prospective offerings for March include—in addition to the \$90,000,000 Republic Steels already mentioned—\$65,000,000 of Pacific Gas and Electric first mortgage 3's of 1968 and \$16,000,000 of Public Service of Oklahoma first mortgage 3¼'s of 1971. There are a number of other companies with financing programs in mind, but market conditions will have to improve before offerings are made. As the month closed, more strength was developing to reduce the losses recorded in the earlier markets—but this was not so clearly defined as to warrant an opinion as to the establishment of a trend.

Steel plants are operating at virtual capacity, as are the motors, airplanes, chemicals—practically all industries for that matter. Carloadings are running ahead of production at this time last year. Evidence becomes clearer that 1941 will be the greatest year in our history for production, high taxes and top wages—for factory workers.

Northwestern Banker March 1941

# Why Investment Dealers Oppose Compulsory Competitive Bidding

MAIN STREET and Wall Street sat on the same side of the conference table when the Securities and Exchange Commission asked securities dealers to come to Washington last month to discuss compulsory bidding for new issues of corporation securities.

Dealers from the middlewest and northwest were among the most emphatic opponents to the proposal and helped to transform what some had expected to be perfunctory formalities into something big enough to convince the SEC that the threat to the established procedure of securities distribution had aroused opposition from all over the country. Forty investment bankers appeared, all but two in opposition. Ten representatives of investing institutions that spoke were unanimously opposed.

The point of greatest interest to banks and other buyers of securities, particularly in the smaller interior cities, was the insistence on the part of almost all the investment bankers, that for the government agency to compel competitive bidding would destroy the machinery whereby securities are now offered simultaneously from coast to coast through selling groups made up of hundreds of dealers. The result would concentration of the securities business in the hands of a few large eastern houses, the investment bankers told the Commission, and these houses would tend to sell the choicest new issues to a few large institutional investors, such as the big life insurance companies, whom they could reach quickly and economically.

One witness who impressed upon the Commission that institutions and individuals served by the smaller dealers of interior centers would be harmed, was Paul W. Loudon of Piper, Jaffray & Hopwood, Minneapolis, whom eastern newspapers recognized and identified as "one-time All-American quarterback at Dartmouth."

He said: "It is our honest belief that the further curtailment of offerings to small dealers, which compulsory competitive bidding in public utility offerings would cause, would be the difference for many of continuing in business with the hope of better days,

By Winfield C. Jackley

President  
Jackley & Company  
Des Moines

or going under. Should the latter be the case, who will care for the small investors that we serve and how can they hope to obtain high grade securities to the extent that they need



WINFIELD C. JACKLEY

them and want them to protect their capital or savings?"

As to the effects upon buyers of securities, perhaps the best summation was given in the testimony of C. John Kuhn, vice president of the Firemen's Insurance Company of Newark, New Jersey, who told the SEC that it was "almost inconceivable" that anything but maximum prices would be paid under a system of compulsory bidding, "with all of its attendant disadvantages."

Other objections which he registered were:

1. Compulsory competitive bidding would destroy the professional relationship existing between the underwriter and his client.

2. The "sense of responsibility" of the investment banker for the ulti-

mate purchaser would be "virtually eliminated."

3. Neither utility executives nor investors want it. There has been an "absence of clamor" for it on the part of utility people and professional security buyers have shown "conspicuous restraint" from requesting it.

4. Investors could not rely on the investigations of underwriters as at present.

5. It would deny issuers and investors a professional service comparable to that of lawyers and engineers.

6. Under compulsory bidding, could investors "retain any confidence that maturities would be met if they happened to come due during periods of crisis? Who, under a system of competitive bidding, would come to the rescue of a corporation attempting to issue securities when times are hard?"

7. The small investor's problem of getting satisfactory securities would be increased because markets would tend to be more narrow.

8. Private placement, the "disadvantages" of which are "freely recognized," would be stimulated.

Mr. Kuhn denied the existence of harmful "concentration," but said in any event, "it would hardly be economical to take punitive measures against the three largest automobile manufacturers who have provided a high grade article at a low cost, so as to enable a smaller company with meager resources, capacity and ability, to compete on a price basis with larger companies."

## Commercial Credit

Commercial Credit Company reports that gross volume of all receivables acquired during 1940 was \$845,258,802.57, compared with \$625,868,942.72 for 1939. Receivables acquired during the year exceeded collections on outstanding receivables, resulting in a substantial increase in average cash employed during 1940 over 1939, and an increase in net income of \$397,254.47 for 1940, compared with 1939, despite an increase of \$1,693,737.72 in reserve for federal income and other taxes in 1940.

Net incomes from operations available for consolidated interest and dis-



count charges for 1940, after charging off all losses and providing ample reserves for doubtful items, was \$13,200,035.48, compared with \$11,586,503.06 for 1939. Consolidated interest and discount charges were earned 6.48 times for 1940, compared with 5.07 times for 1939.

Net income from operations available for dividends, after deducting minority interests' portion—\$1,745.18 in 1940 and \$6,340.68 in 1939—and after providing reserves for all federal and other taxes, was \$8,310,907.83 for 1940, compared with \$7,913,653.36 for 1939.

After payment of \$518,236.52 dividends for 1940 on the 4¼ per cent cumulative convertible preferred stock outstanding (which dividends were earned 16.03 times in 1940, compared with 15.27 times in 1939), there remained net income of \$7,792,671.31, or \$4.23 per share, applicable to 1,841,973 shares, including scrip, of common stock of the company outstanding on December 31, 1940. This compares with \$7,395,416.84, or \$4.01 per share, applicable to 1,842,007 shares of common stock, including scrip, outstanding on December 31, 1939.

Net income for the six years 1935 to 1940, inclusive, was \$58,559,768.01 of which \$54,463,037.72 was applicable to the common stock of the company, after payment of dividends on the preferred stock outstanding.

## Convention Calendar

**American Bankers Association**—Hotel Stevens, Chicago, September 28-October 2.

**A. B. A. Consumer Credit Conference**—Hotel Statler, St. Louis, Missouri, April 23-25.

**A. B. A. Executive Council Spring Meet**—Homestead, Hot Springs, Virginia, April 27-30.

**A. B. A. Regional Conference**—Waldorf-Astoria Hotel, New York City—March 5-7.

**A. B. A. Regional Conference**—Brown Hotel, Louisville, Kentucky, March 20-21.

**American Institute of Banking**—St. Francis Hotel, San Francisco, June 2-6.

**Association of Reserve City Bankers**—Hotel Hershey, Hershey, Pennsylvania, May 4-7.

**National Association of Bank Auditors and Comptrollers 9th Annual Eastern Regional Conference**—Boston, Massachusetts, April 18-19.

**National Association of Bank Auditors and Comptrollers 7th Annual Mid-Continent Regional Conference**—Cleveland, Ohio, May 16-17.

**National Association of Mutual Savings Banks**—Bellevue-Stratford Hotel, Philadelphia, April 30, May 1-2.

**National Safe Deposit Association**—Hotel Statler, Buffalo, New York, May 22-24.

**National Association of Bank Auditors and Comptrollers 17th Annual National Meet**—Chicago, Illinois, October 8-11.

## State Conventions

**Arkansas**—Arlington Hotel, Hot Springs, May 14-15.

**California**—Huntington Hotel, Pasadena, May 21-23.

**Idaho**—Sun Valley, June 16-17.

**Illinois**—Golden Jubilee, Palmer House, Chicago, May 26-28.

**Indiana**—Claypool Hotel, Indianapolis, May 14-15.

**Iowa**—Hotel Fort Des Moines, September 8-9-10.

**Kansas**—Kansas City, May 15-16.

**Michigan**—Grand Hotel, Mackinac Island, June 26-28.

**Minnesota**—St. Paul, June 11-13.

**Missouri**—Elms Hotel, Excelsior Springs, May 12-14.

**Montana**—New Florence Hotel, Missoula, June 20-21.

**New Mexico**—Lordsburg, April 18-19.

**North Dakota**—Hotel Patterson, Bismarck, June 17-18.

**Ohio**—Netherlands-Plaza Hotel, Cincinnati, June 4-5.

**Oklahoma**—Skirvin Hotel, Oklahoma City, May 8-10.



is engaged primarily in facilitating wholesale distribution and retail sales of the following products of General Motors Corporation and its world-wide affiliates: CADILLAC, 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.

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upon request.*

EXECUTIVE OFFICE  
NEW YORK

BRANCHES  
IN PRINCIPAL CITIES

**South Dakota**—Hotel Franklin, Deadwood, June 26-27.

**Texas**—Houston, May 21-23.

**Utah**—Grand Canyon Hotel, Yellowstone National Park, Arizona, June 13-14.

## On C. of C. Board

Leslie McMahon, vice president of the City National Bank and Trust Company of Chicago, was elected a director of the Illinois Chamber of Commerce at their recent board meeting.

## Regional Conference

The regional conference to be held by the American Bankers Association in Louisville, Kentucky, March 20th-21st, for banks in fifteen southern and midwestern states will stress the importance of improved and increased banking services, an analysis of the program that has been arranged for the conference reveals.

At the opening session of the conference, P. D. Houston, president of the A. B. A., who is chairman of the board of the American National Bank, Nashville, Tennessee, will sound the

opening keynote of the two-day meeting in an address on "Improved Banking Service Through Effective Cooperation."

The 1,000 bankers from Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Missouri, North Carolina, Ohio, South Carolina, Tennessee, Virginia, and West Virginia who are expected to attend the conference will hear discussions of seven separate fields of banking services. The topics to be discussed range from "Better Earnings Through Broader Services," to "Financing Defense Loans" and "Commercial Banking Service—Today and Tomorrow."

The conference will also feature an address by A. L. M. Wiggins, president of the Bank of Hartsville, South Carolina, on "Legislative Developments." Mr. Wiggins is chairman of the A. B. A. Federal Legislative Council. Dr. William A. Irwin, national educational director of the American Institute of Banking, will speak on "The Challenge to Free Enterprise" at a public meeting on Friday evening, March 21st, which will bring the conference to a close.

## A. I. B. Candidate

The Milwaukee Chapter of the American Institute of Banking has placed in nomination the name of D. Wesley Correll, assistant cashier in the Business Development Department of the First Wisconsin National Bank as a candidate for the executive council



D. WESLEY CORRELL

of the Institute. This election will be held in San Francisco at the Annual National Convention in June of 1941.

The Executive Council consists of 13 members, each councilman being assigned divisional territories for the promotion of adult education among bankers and investment men. Members of this Council form the governing body of the National Organization with headquarters in New York City.

Wes Correll entered the banking

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*Time Payment Plans for*

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SMALL LOANS

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Branches in Iowa—Minnesota—Wisconsin—Illinois

Capital, Surplus and Undivided Profits

Exceed One Million Dollars

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### Short Term Collateral Trust Notes

*Information on Request*



field in 1919 as a messenger and has been connected with the profession since that time. He has been extremely interested in the American Institute of Banking, having received his standard certificate in 1921, further completing several post-graduate courses.

Serving as treasurer, secretary, 2nd vice president, 1st vice president, Wes became Milwaukee Chapter's president in 1938. He then served on the board of governors and as president of the Alumni Association.

### Announces New Office

Frank K. Houston, president of the Chemical Bank and Trust Company, announced that the office of the Chemical Bank, now on Fifth Avenue at 54th Street, will, around June 1st, move into its new two story building at 11 West 51st Street adjoining Rockefeller Plaza.

"This new building now under construction will be occupied solely by the bank," said Mr. Houston, "and provision will be made there for all the services available at our main office.

"In addition to facilities for general banking, this new office will have departments for personal and corporate trust business, foreign and custody departments, a night depository and complete safe deposit vaults. Other features of the office will be air conditioning, conference rooms for customers, and a large special section for payrolls.

"This spacious new office will be attractively equipped and efficiently staffed to give to the interests concentrated in this area complete commercial, foreign, and individual banking services."

### Auditors' Conference

H. H. Bailey, Jr., president of the Cleveland Conference of Bank Auditors and Comptrollers, and comptrol-

ler of the Morris Plan Bank of Cleveland, has invited bankers to attend the Seventh Mid Continent Regional Conference of the National Association of Bank Auditors and Comptrollers, which will be held at Cleveland, Ohio, on May 15th, 16th, and 17th.

Charles Z. Meyer, comptroller of the First National Bank of Chicago, as president of the National Association, will head the vanguard of bankers in attendance. Other national officers who will attend are C. W. Borton, assistant vice president, The Irving Trust Company, New York; O. A. Waldow, comptroller, the National Bank of Detroit; Hugh H. Powers, cashier, Lincoln Bank and Trust Company, Louisville, Kentucky, and John C. Shea, auditor, Whitney National Bank, New Orleans, Louisiana.

In the announcement, Mr. Bailey states that the program is being constructed upon the theme of effective bank operations and audit controls. May 15th has been set aside as open house at Cleveland banks for visiting guests, who will have an opportunity to view the efficient and effective operation in Cleveland banks. Registration will begin in the afternoon of the 15th, with informal reception and entertainment that evening. Business sessions will start on Friday morning, the 16th. Forum meetings on several subjects of general interest will occupy Friday afternoon, with banquet and a speaker of national note that evening. Final sessions Saturday morning, closing with noon luncheon and sightseeing trip in the afternoon.

### Promotions

James A. Duffy and W. W. Allen, Jr., formerly assistant cashiers, have been elected vice presidents of The Philadelphia National Bank.

J. Dewette Ingham has been appointed an assistant cashier.

## COMMERCIAL INVESTMENT TRUST

INCORPORATED



COMMERCIAL INVESTMENT TRUST Incorporated, with capital and surplus in excess of \$66,000,000, provides a nation-wide sales finance service through subsidiary companies with a network of branch offices throughout the United States. This service, in the main, consists of purchasing self-liquidating accounts, and extends to automobile dealers, household appliance dealers, and to manufacturers and dealers in many lines of industrial, commercial and professional equipment, including the heavy goods industries.

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The 1941 South Dakota Legislature has ratified  
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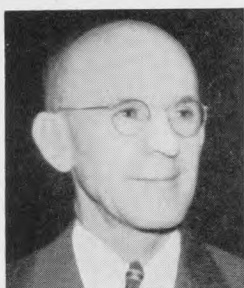


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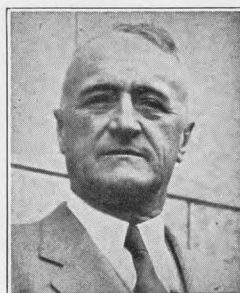
*Northwestern Banker March 1941*





CARL D. GANZ  
President  
Alvo

## NEBRASKA NEWS



WM. B. HUGHES  
Secretary  
Omaha

### Ross to Norfolk

Leonard W. Ross, assistant cashier of the Livestock National Bank in Sioux City the past ten years, has been appointed vice president and cashier of the National Bank of Norfolk, succeeding Robert Weidenbach who resigned to go into the banking business for himself at Eldon, Iowa, it was announced recently by President L. R. Gillett.

The appointment carries with it a place on the bank's board of directors.

Ross will assume his duties in Norfolk as soon as he can conveniently make the transfer, which will be in the near future.

He spent his boyhood at Sioux Falls, where he received his education. He started his banking career as assistant cashier in a bank at Hensel in 1916. In the World war, he was an infantry captain. After the war, he again entered the banking business and was assistant cashier of the Platte State Bank at Platte, South Dakota, a position he held nine years.

For one year he was with the State Banking Department of South Dakota, serving in the capacity of receiver. Following this work, he became assistant cashier of the Livestock National Bank at Sioux City.

### Group Meetings

Information from the office of Secretary Hughes reveals that the week of April 14th is being seriously considered for the series of 1941 Nebraska Group Meetings. Towns which will entertain the several Groups, subject to later change, are Beatrice for Group One; Norfolk for Group Three; McCook for Group Four; North Platte for Group Five, and Alliance for Group Six. Definite announcement will of course be made as soon as arrangements are completed.

### Columbus Meeting

Officers and employes of member-banks of the Columbus Regional Clearing House held their regular quarterly meeting at Hotel Thurston recently,

Frank Shonka, association president, announced.

Featured were addresses by A. G. Brown, New York City, manager of the agricultural credit department of the American Bankers Association, and Dan Otis, Madison, Wisconsin, director of the agricultural commission of the A. B. A.

Also speaking were Carl D. Ganz, Alvo, president of the Nebraska Bankers Association, and William N. Mitlen, Fremont, chairman of the executive council of the N. B. A.

H. L. Gerhart of Newman Grove is vice president of the clearing house association and Fred Gruenhagen, Columbus, is secretary-treasurer.

### Mrs. Gallagher Dies

Mrs. Mary Gallagher, 77, a director and stockholder of the First National Bank of O'Neill, and widow of E. F. Gallagher, pioneer banker, died at her home after a month's illness. She leaves two sons, E. M., president of the bank, and Donald of O'Neill.

### Elect Officers

Members of the Pawnee County Bankers Association met in Table Rock for dinner and a business session. New officers of the association are L. C. Farwell of DuBois, president; M. K. Van Horne of Pawnee City, vice president, and Marion Bonham of Table Rock, secretary.

### Walthill

At an annual meeting held in the First National Bank building in Walthill, the following officers were elected: President, J. B. Rossiter of Walthill; vice president, Geo. Busselman of Rosalie; cashier, P. H. Langenberg, of Walthill; assistant cashier, John Costello of Walthill.

The directors were re-elected: Nels Nelson of Rosalie; A. D. Raun, F. D. Keefe of Walthill; E. T. Winter of Lincoln.

### Banker Injured

W. G. Boedeker, president of the Murray State Bank, suffered a very

painful injury at the Omaha stock yards where he was looking after some cattle. He slipped on stairs which he was descending, striking his shoulder in such a manner that the ligaments were injured and medical aid was necessary. He was taken to the hospital to have the injury treated.

### Colon

At the annual stockholders meeting of the State Bank of Colon, the following were elected as directors for the ensuing year: John Murren, Art Rasmussen, George Orme, Victor Franson and A. Vasina, and at the directors meeting the following were elected as officers: President, John Murren; vice president, Victor Franson; secretary, George Orme; cashier, A. F. Vasina; assistant cashier, Miss Mildred Rasmussen.

### Entertain Farmers

Officials of the Plattsmouth State Bank were hosts recently to more than 300 farmers of the vicinity at the fourth annual dinner and party. The affair was held at the American Legion building, with an appropriate program.

### Elgin

The annual meeting of the stockholders of the Bank of Elgin was held last month. All directors and officers were reelected and the regular dividend was declared.

Stockholders were exceptionally well pleased with the 33 per cent growth in deposits and 25 per cent increase in number of customers. They feel that with the recent 20 per cent increase in capital that they are in a much better position to take care of additional business and better serve the territory.

### Formal Opening

The Bank of Chadron opened last month. Those who visited the bank at the time of the opening in the morning were greeted by the officers of the new institution: C. J. Abbott, president; Leroy Abbott, vice president; Henry Spalding, vice president, and W. L. Good, cashier.

The room had been newly decorated and it presented a very pleasing appearance. Many beautiful floral pieces sent to the bank in the way of congratulations were placed about the room. These bouquets of flowers added a great deal of beauty and pleasure to those who visited the new bank during the day.

### Pierce

At a recent meeting of the stockholders of the Cones State Bank the following board of directors was all

*Northwestern Banker March 1941*



Photographs from banks, large and small, reveal operators everywhere using Burroughs to post the nation's checking accounts. This photograph shows one section of the extensive offices of The Detroit Bank, Detroit, Michigan.

## POSTING THE NATION'S CHECKING ACCOUNTS

From one end of the nation to the other, banks regard Burroughs machines as outstanding for speed, ease and economy—as well as dependability—in posting checking accounts.

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reelected: Fred Maas, Mrs. Woods Cones, C. H. Chilvers, August Koerting, and E. D. Beech. The bank staff composed of Fred Maas, president, E. G. Schellpeper, cashier, and Harley Bovee, assistant cashier, were reelected by the directors.

### York

Directors of the First National Bank of York has named two additional assistant cashiers—Frank E. Crawford and Walter Kupke. Mr. Crawford has been with the bank for many years and has been teller since the elevation of H. E. Nordlund to the cashiership. Mr. Kupke has been with the bank since last April. He was formerly connected with the Hordville bank.

Other assistant cashiers are August Zimmerer and Miss Mamie Wood.

### Rushville

Albert Dale of Rushville was recently named president of the Stockmen's National Bank of Rushville. Other officers of the bank are J. B. Brewster, vice president; Eddie Otteman, cashier; Miss Jerene Ward, assistant cashier; Bennett Johnson and Miss Helen Forney, bookkeepers.

### Cedar Bluffs

At the annual meeting of the stockholders of the Commercial State Bank at Cedar Bluffs the following officers were elected for the coming year: A. F. Vasina, president; Wm. Schere, vice president; E. H. Henderson, cashier and secretary, and Raymond Grosse, bookkeeper. Grosse will replace Elmer Rasmussen, who resigned to accept a position as clerk in a bank in San Francisco, California.

### Crete

The City National Bank held its 30th annual stockholders meeting last month.

The cashier, Clark Weckbach, gave a report on the condition of the bank and its earnings for the past year. It was followed with an interesting report covering the last five years of the bank's work.

The same officers and directors were re-elected at the meeting for the ensuing year. John Rothmuller, president; E. C. Plouzek, executive vice president; E. C. Weckbach, vice president; Clark Weckbach, cashier; C. W. Weckbach, assistant cashier.

**YOUR STATE BANKERS ASSOCIATION  
OFFICIAL SAFE, VAULT AND  
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OMAHA**





## Omaha Clearings

**A**PPROXIMATELY 75 men from the Omaha area left recently to join the staff of the Bank of America in California.

Most of them will work as tellers. They were "recruited" in Omaha by George Plummer of San Francisco, assistant personnel director of the bank.

Because of population gains and a business upswing in California due to the defense program, the bank has found many of its branches in need of more tellers.

Among the Omahans who went to join the bank are **Lynn Peyton**, **Byron Tharp** and **James B. Gronstal**, who had been employed by the First National Bank of Omaha; **George B. Shields**, a cashier in the county treasurer's office since 1926, and **Frank Damon**, teller at the Conservative Savings and Loan Association. All employees were hired with the consent of their previous employers.

**Casper Y. Offutt**, trust officer of the United States National Bank of Omaha, was elected president of the Omaha Welfare Federation and Community Chest for 1941 by the board of governors at a recent meeting. He had been treasurer and chairman of the budget committee three years and a member of the board four years.

**Max Miller** was elected a vice president. Treasurer is **W. B. Millard, Jr.**, vice president of the Omaha National Bank.

**Daniel J. Monen**, trust officer of the

Omaha National Bank; **A. L. Coad**, president of the Packers National Bank, and Mr. Millard, were among members of the board elected to two-year terms.

**James P. Lee**, former banker, was elected a member-at-large for one year.

**Miss Jessie Clark**, daughter of Mr. and Mrs. **W. Dale Clark**, is president of the senior class at MacMurray College, Jacksonville, Ill. She led the grand march at the annual college

ball recently. Her father is president of the Omaha National Bank.

**J. R. Cain**, after 26 years of service as general superintendent of the First Christian Sunday school at Omaha, retired recently. He was honored by a program during which he was presented with bouquets, a testimonial book and a number of gifts from teachers and pupils. Mr. Cain is a vice president of the Omaha National Bank.

He was elected "superintendent-emeritus," and **Ambrose C. Epperson**, assistant United States district attorney at Omaha, an elder of the church for 40 years, was named "elder-emeritus."

Collection of \$99,802.17, second largest estate tax in Nebraska history, was made from the estate of **Gottlieb Storz**, Omaha brewer. Net value of the estate was \$2,205,143, gross value \$2,543,116.

In 1934, the state collected \$164,798 from the estate of **Gilbert M. Hitchcock**, former United States senator and publisher of the *Omaha World-Herald*.

More stabilized employment, larger payrolls and increased real estate values were predicted for the Omaha area by **Ford E. Hovey**, president of the Occidental Building and Loan As-



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### Live Stock National Bank Omaha

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Without Publicity

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Omaha, Nebraska

sociation of Omaha, in his annual report to stockholders.

The stockholders, at their fifty-second annual meeting, were told that 1940 was one of the most satisfactory years in the history of the institution.

Stockholders re-elected Mr. Hovey, **J. E. Davidson**, and **W. R. McFarland** to the board of directors, reappointed the following as officers: Mr. Hovey, president; **John T. Brownlee**, Mr. McFarland, and **George T. Morton**, vice presidents; **H. O. Miller**, secretary; **D. H. Knott**, treasurer; **H. G. Desens**, assistant secretary.

#### CHATS ABOUT THE "PAYC" PLAN



—says

**B. J. McCartney**

*... who has been calling on midwestern bankers for over 17 years.*



DO YOU want new checking accounts? Would you like to increase profits?

Proof that the "PAYC" (Pay-As-You-Check) *no-minimum-balance* Checking Plan can do this for you is evidenced by what it is doing for others—*now!* Excerpts from bankers' letters say, "phenomenal success with 'PAYC'", "... average balance is \$82", "... a real deposit getter", "... another step forward".

Convert check-cashers in your bank into regular customers. Let "PAYC" bring them in where they will be exposed to *all your services*. Drop me a line today for complete information—no obligation, of course.

Very truly yours,

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*NOTE: If you are not on Mr. McCartney's territory, write anyway. We will relay your letter to the proper "U. S." representative.*

**UNITED STATES  
CHECK BOOK COMPANY**  
OMAHA, NEBRASKA

**L. W. Powers** was re-elected general agent of the Farm Credit Administration of Omaha at the annual meeting of the district board of directors.

All officers of the Federal Land Bank of Omaha, including President **Charles McCumsey**, were re-elected. **C. A. Stewart** was re-elected head of the Federal Intermediate Credit Bank of Omaha, **Walter E. Anderson** of the Production Credit Corporation, **Jerry H. Mason** of the Bank for Co-Operatives.

**W. A. Sawtell**, president of the Stock Yards National Bank of South Omaha, is the new president of the Omaha Clearing House Association. He succeeds **H. M. Bushnell**, president of the United States National Bank of Omaha.

**A. L. Coad**, president of the Packers National, South Omaha, was named vice president, and **William B. Hughes** was re-elected secretary-treasurer.

Members named on the clearing house committee were: Mr. Coad, chairman; **T. L. Davis**, president of the First National; **W. Dale Clark**, president of the Omaha National; **Alvin E. Johnson**, president of the Live Stock National of South Omaha, Mr. Bushnell, and Mr. Sawtell.

**Mrs. Gwyer Yates**, wife of the former Omaha banker, recently underwent an appendicitis operation in Santa Barbara, Cal. Mr. and Mrs. Yates now live at Santa Barbara.

**Mr. and Mrs. Frank Bender** have returned from California, where they sojourned since the Rose Bowl game on New Year's day. They took an apartment in Los Angeles, made side trips to many points of interest on the coast.

One of the first Omahans they met after they arrived in California was **James T. Wachob**, who is spending the winter in Santa Barbara.

Recently named to the new Omaha committee on civic defense, composed of 26 businessmen, were **Victor B. Caldwell**, vice president, United States National Bank of Omaha; **W. Dale Clark**, president, Omaha National Bank; **Alvin E. Johnson**, president, Live Stock National Bank; **Charles D. Saunders**, vice president, First National Bank.

The committee was announced by Mayor Dan Butler to serve as an advisory and coordinating agency in connection with problems arising from defense activities.

**A. C. Potter**, **Robert H. Storz** and **Joseph Barker** have been re-elected directors of the American Reserve Life Insurance Company of Omaha.

**Lloyd E. Sherman**, analyst for the Omaha Bank for Co-Operatives, recently was named receiver for the Iowa Poultry Producers' Marketing Association by District Judge E. K. Daugherty at Ottumwa.

## 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.

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## Lincoln Locals

**G**OVERNOR DWIGHT GRISWOLD appointed **Wade R. Martin**, superintendent of the state banking department, as executive vice chairman of the new Nebraska advisory defense committee.

Griswold said he had sent letters inviting prospective committee members to confer with him in Lincoln. About fifteen members will be named on the committee to study and coordinate Nebraska's defense activities.

The bill recently passed by the legislature at Griswold's request named the governor chairman of the committee. Griswold said he would recommend that the secretary be chosen from among the present state officials.

The committee will cooperate with federal defense leaders and serve as an advisory agency during construction of the new Fort Crook bomber assembly plant near Omaha, Griswold said.

State Bank Superintendent **Wade Martin** announced that a final dividend of \$7,013 had been paid to depositors of the closed Bank of Staplehurst.

The payment of 3.5 per cent brought the total received by depositors to \$107,207 or 53.5 per cent.

Whether Nebraska should consolidate its state bank receiverships under the banking department or permit the judicial receivership to continue under the direction of **E. H. Luikart** was a question the legislature's banking, commerce and insurance committee held under advisement recently.

A bill by Senator **Otto Kotouc**, Humboldt, proposing discontinuance of the judicial receivership division was aired before the committee. The shift proposed in the measure was recommended by retiring Governor Cochran.

Several ideas were advanced as to how retail stores might recover the charges on checks cashed for accommodation, but no uniform policy was adopted at the last meeting between representatives of a number of retail establishments and the Continental National and First National Banks.

The meetings were held for the purpose of discussing the working details of the service charge plan recently announced by the two banks.

The bankers expressed a willingness to assist any customer to whom the service charge applies in working out plans which might reduce the number of items handled to bring about a reduction in the cost.

H. B. Smith was general chairman of the retail group, J. C. Barber, vice chairman, and Harold Hinds, secretary. L. H. Daft headed a special committee which initiated the conference with the bank representatives.

**Howard Freeman** and **Phil Easterday** represented the First National and **Wheaton Battey** and **Elmer DeKay** the Continental National.

**Frederick E. Beaumont**, 71, for many years a banker in Lincoln, died last month at his home. He had lived in Lincoln since 1912, and was vice president and later cashier of the old Nebraska State Bank at 15th and O.

With his brother the late Charles Beaumont, he came to Nebraska from Connecticut and started in the banking business at Madrid. In 1912 they came to Lincoln and established the bank with Fred Beaumont as vice president and his brother as cashier. The brother died in 1917 and F. E. Beaumont became cashier. In 1928 the bank was absorbed by Continental National.

## Hay Springs

At the annual meeting of the board of directors of the First National Bank, I. B. Richmond was re-elected president; C. F. Coffee, Chadron, vice president; Frank L. Tulloss, cashier; Anna Margaret Potter, assistant cashier and P. C. Morgan a new director.

The annual meeting of the officers and directors of the Northwestern State Bank was held when all officers and directors who served the past year were re-elected.

The only change was the selection of Vera Ferrel as assistant cashier along with Joe Mueksch, who has served several years.



## "Sincere"

It is our most sincere desire to see you profit from a connection with this bank. Let us help you with your Lincoln items.

*The*  
**CONTINENTAL NATIONAL**  
**BANK**  
*of*  
**LINCOLN**

Member Federal Deposit Insurance Corporation

*Northwestern Banker March 1941*

## Nebraska City

At the annual meeting of the Nebraska City National Bank the officers and directors of the establishment were all re-elected. They are: W. L. Wilson, president; William Kropp, vice president; O. J. Schneider, cashier; George W. Slack, assistant cashier; directors, W. L. Wilson, O. J. Nelson, John M. Dierks and Robert Schneider, William Kropp and Karl R. Wilson.

Officers and directors of the Otoe County National bank were also re-

elected. Officers are: William H. Pitzer, president; H. F. Meyer, vice president; J. D. Stocker, cashier; H. H. Teten, assistant cashier; J. F. Cole, assistant cashier. Directors are: H. F. Meyer, Helen J. Stocker, William H. Pitzer, Morton Steinhart and J. D. Stocker.

## Plattsmouth

The annual meeting of the stockholders of the Plattsmouth State Bank was held to hear the report of the officers and the election of officers.

The present officers who have carried on the affairs of the bank were all re-elected as follows: H. A. Schneider, president; Carl J. Schneider, vice president; E. W. Burdic, vice president; Frank A. Cloidt, cashier; H. A. Schneider, C. J. Schneider, E. W. Burdic, Frank A. Cloidt, Henry Horn, directors.

## Stromsburg

The stockholders of the Stromsburg Bank elected the following directors for the year: E. C. Nordlund, C. C. Westenius, Leo V. Carlson, C. E. Carlson, Alex Scott, E. A. Hedlund and J. T. Stanton.

Following the stockholders meeting the directors held their organization meeting and elected the following officers for the year: E. C. Nordlund, president; C. C. Westenius, vice president; Leo V. Carlson, cashier; Laverna Rystrom, assistant cashier; Raymond Anderson, assistant cashier.

## Madison

Officers and stockholders of the Bank of Madison held their annual meeting and J. J. DeLay was re-named president of the institution, R. H. Freudenburg, vice president; G. C. Benning, cashier; and Jay DeLay, assistant cashier. Directors are E. J. Moyer, O. V. Scheer, and H. R. Palmateer.

## Mahaska



The annual meeting of the stockholders of the Mahaska State Bank was held and the following officers were re-elected for another year: Clyde Miller, president; Mrs. V. J. Wall, vice president; Vernon Conrod, cashier; and Harry Emrick, assistant cashier. Mr. and Mrs. Clyde Miller, Mrs. V. J. Wall, Vernon Conrod and George Miller of Washington, D. C., are the board of directors.

## Pawnee City

The annual stockholders meeting of the Citizens State Bank was held last month. A. H. Wherry was re-elected president; Frank Aikens, vice president; J. A. Barr, cashier; Miss Nettie Hanon, assistant cashier; Miss Mary Hunley, bookkeeper.

## Bank Clerks In Demand

The Charles E. Walters Company of Omaha, Nebraska, is experiencing a heavy demand for experienced bank clerks, stenographers and tellers. They have made more than 100 placements since January 1st. See their advertisement on page 58 of this issue.

# What "Cooperation" Means

It is our constant endeavor to cooperate with local banks in all branches of banking and live stock finance.

Live Stock National Bank service is designed to assist you locally as well as to meet the requirements of your items in Sioux City. Let us serve you in the great Sioux City Area!

OFFICERS	DIRECTORS
C. L. Fredricksen, President	C. R. McKenna, Pres., Johnson Biscuit Co.
M. A. Wilson, Vice President	B. L. Sifford, Attorney, Sifford & Wadden
W. G. Nelson, Assistant Vice President	G. F. Silknitter, President, Sioux City Stock Yards Company
W. C. Schenk, Cashier	C. L. Fredricksen, President
L. W. Ross, Assistant Cashier	M. A. Wilson, Vice President
C. L. Adams, Assistant Cashier	H. C. Boswell, Secretary-Treasurer, Western Contracting Corporation
J. S. Haver, Assistant Cashier	

*"The Bank at the Yards"*

*Member Federal Deposit Insurance Corporation*

# LIVESTOCK NATIONAL BANK

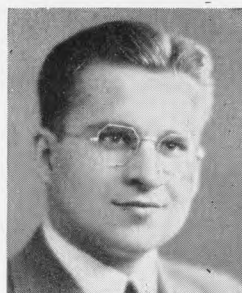
## SIOUX CITY, IOWA





F. F. PHILLIPPI  
President  
Milbank

## SOUTH DAKOTA NEWS



GEORGE M. STARRING  
Secretary-Treasurer  
Huron

### In Hospital

Chas. W. Christen, president of the First State Bank, Roscoe, and a member of the South Dakota banking commission, has been in the Northwestern Hospital in Minneapolis, rolling around in a wheel chair, following an operation on his knee. The operation was entirely successful, and by this writing we presume he is at home, as he says, "in the Sunshine state, for their's no place like home."

### To Minneapolis

H. L. Smith, who has been connected with the National Bank of South Dakota in Vermillion for the past fifteen years, has been transferred to Minneapolis. Mr. Smith will spend a year with the credit department of the First Bank Stock Corporation there.

### Okaton

The annual meeting of the stockholders and the semiannual meeting of the board of directors of the Okaton State Bank, Okaton, an office at Midland, South Dakota, was held recently.

The stockholders reelected the following directors: W. A. McMillen of Chamberlain, South Dakota; Thomas Hughes of San Diego, California; J. F. England of Rapid City, South Dakota, and Sophie Hughes and Miss Hazel Hughes of Okaton, South Dakota.

The board of directors reelected the following officers and employees: W. A. McMillen, president; Thomas Hughes, vice president; Hazel Hughes, cashier; T. M. Drew, assistant cashier; V. L. Ferguson, manager of the Midlands, South Dakota, branch, Hilda C. Roghair, bookkeeper.

### Sisseton

The annual meeting of the Roberts County National Bank was held recently. O. J. Raade of White Oak, a director of the bank, was not present due to illness.

Officers reelected were: President, J. L. Caldwell; vice president and

cashier, A. W. Powell; assistant cashiers, F. H. Kouba and M. L. Ambers; directors, O. J. Raade, White Rock; J. L. Caldwell, F. H. Kouba, A. W. Powell and Marion Powell, Sisseton.

### Wessington Springs

The annual stockholders and directors meeting of the Farmers and Merchants Bank of Wessington Springs was held at the bank. The officers were all reelected as follows:

N. J. Thompson, president; Max Habicht, vice president; F. W. Bunday, cashier; Ray Schmierer and Bruce Thomson, assistant cashiers. Directors, N. J. Thomson, F. W. Bunday, Max Habicht, George H. Sickler and J. H. Farrington.

### Wilmot

The First National Bank which was recently changed to the Wilmot State Bank reelected its officers at the annual meeting. President, William Cameron; vice president, C. M. Strasser; cashier, Paul J. Carstens; assistant cashier, J. M. Aasland; teller, A. L. Christianson; directors, Nels Nelson, John Cameron and Cyrus Sample.

### Herreid Office

Campbell county and Herreid has a bank again, and in a wholehearted display of appreciation, citizens of the vicinity deposited more than \$15,000 in the first four hours the institution was open.

E. F. Herrboldt, cashier of the Eureka State Bank of which the Herreid Bank is an office, said Herreid had been without a bank for eight or nine years and praised the "wonderful turnout" at its opening.

Permission for the office was granted by State Superintendent of Banks Erling Hougo. Verne Abeal, assistant superintendent, was present for the opening day. Eugene Liedle is manager of the Herreid bank.

### Dies in Dell Rapids

Oluf Hegge, 64, an employe of the Northwest Security National Bank in

Dell Rapids, died at the Dell Rapids hospital of a heart ailment and complications. He had been in the hospital since November 4.

Mr. Hegge had been affiliated with banks in Dell Rapids for 42 years. Born January 20, 1876, he was the son of Mr. and Mrs. S. O. Hegge, pioneers of Edison township. He attended the Lutheran Normal School and the Sioux Falls Business College in Sioux Falls and in 1898 took a position as stenographer and clerk at the First National Bank. He later became cashier and in 1926 joined the Security Bank where he remained until his illness and death.

### Kimball

The annual meeting of the stockholders of the Bank of Kimball was held with the following stockholders in attendance: M. Plin Beebe, Lloyd Cronholm and Ben Jones of Ipswich, L. M. Larsen of Wessington Springs, Mrs. J. H. Drips of Gann Valley and R. A. Johnson of Kimball. Directors for the coming year were as follows: 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.

### Eureka

The annual meeting of the stockholders of the Eureka State Bank was held with a dividend declared for all stockholders.

Directors chosen for the coming year include: Irene G. Olsen, Andrew Stoenbner, E. Herrboldt, Eugene Liedle, Mrs. F. K. Mehlhaff, all of Eureka, and R. B. White of Herreid. Directly following this session the directors met and during the business meeting reelected all officers of the bank to their posts. Present officers are: Irene G. Olsen, president; Andrew Stoenbner, vice president; E. Herrboldt, cashier; Eugene Liedle, assistant cashier; and Earl Walth, assistant cashier.

### Beresford

The annual meeting of the heads of the First National Bank of Beresford was held recently. All officers, directors, and employes were reelected. A dividend of 6 per cent was also declared for 1940.

The directors are: J. J. DeLay, John O. Stene, S. O. Steensland, T. A. Peterson, and A. R. Olson.

The officers are: president, J. J. DeLay; vice president, S. O. Steensland; and active vice president, A. R. Olson.

### In Best Condition

Superintendent Erling Haugo of the State Banking Department said South Dakota's 124 state banks are in "the

*Northwestern Banker March 1941*

**A BANK, like other institutions and organizations engaged in public service, reflects the character of those whom it serves and of those who serve it.**

**This Bank numbers among its clientele and correspondents the leading financial institutions here and abroad. Whether located in small town or large city, each contributes something of its own strength and facilities to the mutual interest of all.**

... THE ...

## **PHILADELPHIA NATIONAL BANK**

ORGANIZED 1893

PHILADELPHIA, PA.

**Capital, Surplus and Undivided Profits  
\$44,000,000**

*Member of Federal Deposit Insurance Corporation*

best condition since post world war days and all showed a profit in 1940."

The state institutions have showed a steady gain in resources, surplus, undivided profits, deposits, and loans and discounts since December 31, 1938, he said in a comparative abstract of conditions on December 31, 1940.

Resources have increased from \$38,470,000 in 1938 to \$49,211,000, or more than 25 per cent, and total deposits from \$32,636,000 to \$42,847,000. Indicating more money is being put to work, Haugo said, loans and discounts have gained from \$14,818,000 in 1938 to \$21,535,000 at the close of the last year.

With the opening of a branch office of the Eureka State Bank at Herreid, there are now 21 bank offices, compared with seven two years ago.

Since the report was obtained December 31, two national banks have become state banks, one through conversion and the other by consolidation.

### **Parker**

The annual meeting of the Parker State Bank was held recently with M. Plin Beebe of Ipswich there for the meeting.

At the annual meeting officers and directors were elected as follows:

Alan Bogue, president; M. Plin Beebe, vice president; C. F. Harmon, vice president; V. B. Clikeman, cashier; Grace Gunderson, assistant cashier; E. C. Beebe, director.

### **Lead**

John Hirning, of Lead, was elected president of the Miners' and Merchant's Savings Bank of Lead at the annual organization of the board of directors following the annual meeting of stockholders. Other officers for the ensuing year are William Kruse, Lead, vice president; C. F. Schadel, Lead, vice president; Charles C. Pendo, Lead, cashier, and Ralph H. Brothers and Wallace Furze, Lead, assistant cashiers.

At the stockholders meeting the following board of directors for the coming year was elected: William Kruse, John Treweek, John C. Finola, C. F. Schadel and John Hirning, all of Lead.

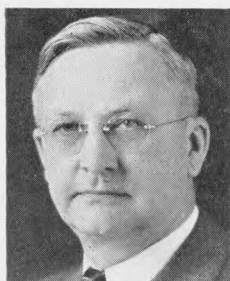
### **Centerville**

The annual business meeting of the Bank of Centerville was held recently, according to James S. Thomson, president of the bank.

Present officers are Jas. S. Thomson, president; John N. Thomson, cashier; Elmore L. Johnson and Altrude Nelson, assistant cashiers.

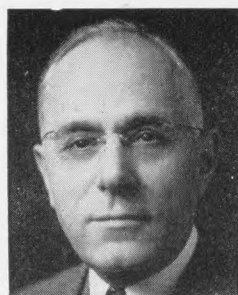
Directors are Jas. S. Thomson, John N. Thomson, Donald McMurchie, A. O. N. Johnson and Maurice Dwyer.





K. O. SATTRE  
President  
Blue Earth

## MINNESOTA NEWS



WILLIAM DUNCAN, Jr.  
Secretary  
Minneapolis

### New Facilities

New, modern bank facilities are being installed in the First State Bank in Grand Meadow to improve the appearance and aid in speeding up service.

The burglar-proof steel cages originally installed in the bank when it opened two years ago have been removed and new modern low cages and counters are being built.

Top rails and frames are of attractive bronze.

### Bank Purchased

Dr. J. R. Manley and son, J. R. Manley, Duluth, have purchased the controlling interest in the First National Bank of Ely from the R. M. Sellwood estate. Dr. Manley has been named president of the Ely bank, and his son, vice president.

### Appleton

At the annual meeting of the stockholders of the Farmers and Merchants State Bank of Appleton all present officers, directors and employees of the bank were reelected for the ensuing year.

E. J. Fletcher is president; O. B. Carlson, vice president; A. E. Arntzen, cashier; Geo. Ehrenberg, director; Miss Valborg Strom and Robert Pederson, assistant cashiers; Miss Louise Reed, teller; Ralph Schmidt, bookkeeper, and Miss Helen Christenson, stenographer.

The bank, according to the last published called report, had total footings on December 31, 1940, of \$510,611.06. Deposits totaled \$467,479.59.

### Newport

The Farmers Terminal State Bank, Newport, held its annual meeting recently.

T. F. Spreiter was reelected president; T. H. Mattimore, vice president and cashier; and Jeanette Mattimore, assistant cashier.

A. H. Bahe and Roy E. Bebermeyer were reelected to the board of directors. The bank paid another 10 per cent dividend to the stockholders.

### Cashier Resigns

George Hudy, who recently resigned his position as cashier of the Northwestern State Bank at Ortonville, has joined the staff of the National Citizens Bank of Mankato. The Ortonville Bank, like the National Citizens, is affiliated with the Northwest Bancorporation.

### Cashier at Benson

The First National Bank of Heron Lake reports that Merrill O. Nelson has resigned as cashier and started on a similar job at the First State Bank of Benson. Mr. Nelson started his banking career at the North Side State Bank and the Freeborn County National Bank of Albert Lea before moving to Heron Lake in September, 1935.

### Remodeled

The interior of the Blackduck State Bank presents a decided change in appearance since the fixtures have been remodeled along a more modern line. The old fixtures have been cut down in height and the old grill work removed. The changes are more in keeping with the modern trend in banking fixtures.

### New Interior

A new two-story vault will be installed in the National Citizens Bank, Canby, and the interior completely remodeled, according to plans of the directors.

The plans for the remodeling of the interior to provide a more convenient lobby for customers and larger and better lighted working space for employees are as yet tentative but it's planned to extend the bank to include the space now occupied by the city rest room.

It has definitely been decided to install the new vault and one of the latest type, fire-proof and burglar-proof, has already been purchased. The two-story vault, built of concrete and steel sheets, will occupy space in the basement and first floor. The door of the present vault will be used for the

vault in the basement and a modern new door will be installed in the vault in the bank proper. The old vault will be discarded.

The new vault will provide space for 500 safety deposit boxes, more than twice the number now available.

### Heads Clearing House

R. L. Griggs, Northern National Bank president, has been elected head of the Duluth Clearing House Association, succeeding W. D. Wyard.

Other officers named at the annual meeting in the First and American National Bank board room include H. S. McGregor, vice president; W. F. McLean, second vice president; Dr. W. J. Eklund, secretary-treasurer, and S. T. Strain, manager.

The association is comprised of representatives of Duluth banks.

### Remodeled

The First National Bank, New Ulm, is being remodeled. Modern woodwork has been placed in the main part of the building, and the rear portion also is being completely renovated and remodeled.

### Capital Increased

An increase of \$25,000 in the capital stock of the Olmsted County Bank & Trust Company, Rochester, was voted at a special meeting of the stockholders.

The increase voted was from \$75,000 to \$100,000.

Bank officials said the increase was necessitated by the rapid growth of the bank during the past several years.

Since 1934, the deposits of the bank have increased from around \$400,000 to more than two and one-half million dollars, an official pointed out. On December 31, 1940, the date of the last bank call, the deposits stood at \$2,560,000.

### Duluth

All officers of the Northwestern State Bank and the Duluth Morris Plan Company were re-elected.

They are A. C. Armstrong, president; L. W. B. Hegg, G. J. Maier and Herbert Warren, vice presidents; P. C. Pichetti, cashier; D. E. Snyder and I. M. Campbell, assistant cashiers, and W. F. Arndt, Mr. Armstrong, Mr. Hegg, Gerald Howze, R. C. Mayall, F. Rodney Paine and Mr. Warren, directors.

### First National, Halstad

The new board of directors are Walter Johnson, of Red Lake Falls, president; John J. Asiala, of Duluth, vice president; Geo. J. Johnson, cashier; Oscar Schankey, of Middle River, and

*Northwestern Banker March 1941*

## • MINNESOTA NEWS •

A. W. Havela, of Duluth, directors. Lucille Bueling was appointed assistant cashier.

### Fergus Falls

Both National banks of Fergus Falls held their annual election of officers with the following results:

Fergus Falls National Bank—J. S. Ulland, chairman of the board; O. U. Habberstad, president; N. F. Field, V. C. Jensen, J. F. Shay, H. G. C. Jensen, J. F. Shay, H. G. Dahl, vice presidents; Eugene C. Beimer, cashier; Theo. Fossen, Arthur Miller and M. E. Giese, assistant cashiers; F. E. Hodgson, H. E. Webber, directors; E.

M. Anderson, trust officer.

No changes were made at the First National Bank, the following being re-elected:

Elmer E. Adams, president; Samuel P. Adams, vice president; R. E. Lincoln, cashier; H. E. Swenson, assistant cashier and vice president; John J. Svenneby, assistant cashier; Henry Jenson, teller; Marjorie Hill, ladies' teller.

### Fairfax

At the annual meeting of the First National Bank of Fairfax, all directors and officers were re-elected. The directors are: Mrs. E. F. Sell, Mrs. Gertrude

O. Fiss, A. G. Briesse, G. A. Rieke, Herman Schmechel, H. F. Dickmeyer and Albert Mundahl. Officers re-elected were: Mrs. E. F. Sell, president; A. G. Briesse, vice president; Mrs. Gertrude O. Fiss, cashier and C. J. Braun, assistant cashier.

### Nashwauk

Erick Johnson of Bovey was re-elected president of the American National Bank. Other officers re-named are as follows:

Dr. I. H. Kiesling, vice president; Joseph C. Malley, cashier; Mr. Johnson, Dr. Kiesling, Arvid Mattila, John P. Raattama and Mr. Malley, directors.

### Mora

The annual stockholders meeting of the Kanabec State Bank was held with a large attendance from its more than 70 stockholders. The 20th consecutive annual dividend was paid and the following directors were re-elected: John G. Dahlman, Elmer W. Gotfredson, Harold W. Hanson, K. E. McIlhargey, Frank P. Powers, Art C. Rentz.

Immediately following the stockholders meeting the following officers were elected: Frank P. Powers, president; K. E. McIlhargey, vice president; R. P. Campbell, vice president and manager of insurance department; H. R. Ness, cashier; Byron Anderson, assistant cashier.

### Northfield

The three Northfield banks have held their annual meetings, and directors were re-elected in every instance.

At the State Bank of Northfield, Louis Peavey is president of the institution; A. O. Netland, vice president; Arthur M. Peterson, cashier; Arthur N. Persons, assistant cashier, and Miss Charlotte Netland, bookkeeper.

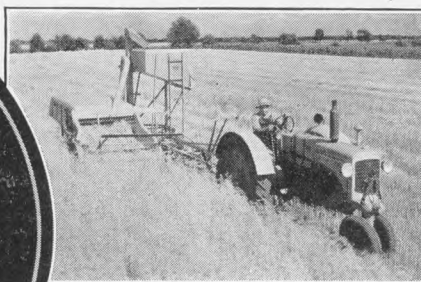
The First National re-elected directors as follows: J. D. Nutting, Alex MacKay, E. H. Watson, Miss Laura Nutting, and H. O. Dilley. The present officers are: J. D. Nutting, president; Alex MacKay, vice president; H. O. Dilley, cashier; E. H. Watson, L. S. Marko, Jr., and Robt. F. Shumway, assistant cashiers. Other members of the staff are John O. Schumm and Miss Lorraine Olson, bookkeepers.

The directors and officers of the Northfield National Bank & Trust Company are: A. F. Meyer, president; Dr. Jos. Moses, vice president; Paul M. Odegard, cashier; G. R. Campbell and F. A. DeMann. C. W. Holden and Stanley A. Lewison are assistant cashiers, the former taking the place of Leonard P. Peterson last summer.

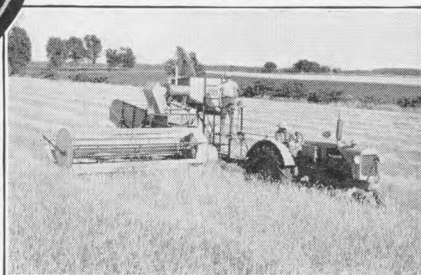


Realizing the value and importance of modern, efficient farm tools, bankers have been a potent force in the promotion of prosperity of rural communities. In offering a helping hand to deserving farmers who lack the ready cash for buying needed tools and power, bankers have helped those farmers to become better customers for all business places in the community.

This year bankers and MM dealers will again be cooperating to bring more MM tractors and machines to deserving farmers in their communities. In doing so, they'll be performing a service not only to the farmers themselves but to the community as a whole, and indirectly the whole nation.



Above: Universal "Z" 2-4 row 2-3 plow tractor and Harvester "69"—one man operation. The Mighty Masters of all Crops.



Above: The Harvester 12 foot — original light weight, big capacity combine for all crops — world's largest seller in that size.

MM Tractors and machines will this year bring to more farmers new dependability in performance and new economy in operation.

Below: "J" Harvester — offered in 6 and 8 foot sizes — one or two man operation.

**MINNEAPOLIS-MOLINE**  
POWER IMPLEMENT COMPANY MINNEAPOLIS, MINNESOTA, U.S.A.



# TWIN CITY NEWS



**FIRST BANK STOCK CORPORATION**, its affiliated banks and active companies had net operating earnings of \$2,979,090 in 1940, equivalent to \$1.02 per share on the 2,920,532 shares of stock outstanding at the end of the year, according to the bank holding company's twelfth annual report.

This compares with 1939 earnings equivalent to 93.95 cents a share. Profits on sale of bonds or recoveries are not included.

Capital, surplus and undivided profits of bank affiliates were \$43,237,977 on Dec. 31, an increase of \$425,131 after dividends of \$2,018,903 were paid to First Bank Stock Corporation and minority interests.

The banks had net deposits of \$440,981,031, an increase of \$27,475,032. Combined loans and discounts were \$141,066,405, up \$18,522,253 for the year.

Stocks of affiliates, together with \$1,717,579 of other assets owned directly by the holding company, have a book value of \$45,260,533, the report stated. This is equivalent to \$15.49 per share. Dividends in 1940 totaled \$1,757,447, at the rate of 60 cents per share.

First National Bank and Trust Company of Minneapolis and four other Minneapolis bank affiliates had net operating earnings for the year of \$1,149,706.

First National Bank of St. Paul and four other St. Paul bank affiliates had net operating earnings of \$1,057,438. Other bank affiliates, consisting of 67 banks and branches located in the Ninth Federal Reserve District outside of the Twin Cities, reported net operating earnings of \$945,272.

**First Banccredit Corporation**, an affiliate engaged on a nation-wide basis in the installment financing of home modernization, fire and casualty insurance premiums, and electric and gas appliances, at the end of 1940 was

By James M. Sutherland  
*Special Correspondent*

servicing installment paper held by affiliated banks representing a net investment to them of \$33,156,648, an increase of \$2,359,157 for the year.

First Bank Stock Corporation at the close of 1940 had as affiliates 73 banks and trust companies operating 81 offices in 69 communities in the Ninth District.

Minneapolis Chapter, American Institute of Banking, is conducting 8-week courses in banking round tables at the YMCA and YWCA. The chapter's public education committee is in charge. **Genieve M. Nevin** of Northwest Bancorporation is committee chairman, **John P. Knutson** of Midland National Bank & Trust Co. sub-committee chairman in charge of general arrangements.

Controlling interest in the Minneapolis investment house of Bigelow, Webb & Co. has been purchased by **Wilfred R. Frank**, St. Paul, who has been elected chairman of the board. **John McD. Webb** continues as president while **Elmer J. Pearson**, formerly of the sales staff, is vice president-treasurer. **Paul Gold** is secretary, while **John Stennes** of the sales department is a new director.

**A. E. Wilson**, vice president and chairman of the trust committee of First National Bank & Trust Co., and **Clarence R. Chaney**, vice president and chairman of the trust committee of Northwestern National Bank & Trust Co., have been elected trustees of the Minneapolis Foundation, a non-profit organization which manages bequests for charitable purposes.

Mr. Chaney also was made a member of the executive committee. **Kenneth R. Johnson** of First National was made an assistant treasurer.

**G. Palmer Jaffray** of Piper, Jaffray & Hopwood, Minneapolis, is new president of the Minikahda club. **Clarence E. Hill**, vice president of Northwestern National Bank & Trust Co., was elected treasurer.

Twin City and northwest bankers took leading roles in the regional conference on defense held in Minneapolis under auspices of the United States Chamber of Commerce, Minneapolis Civic & Commerce Association and St. Paul Association of Commerce.

**Lyman E. Wakefield**, president of First National Bank & Trust Co., Minneapolis, presided at the open forum on federal fiscal policy, tax-

## JAMIESON & COMPANY

Stocks & Cotton  
Bonds & Butter  
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Government — Municipal  
Corporation Bonds

CHARLES C. RIEGER  
Manager  
Bond Department  
Minneapolis — Atlantic 8235

Northwestern Banker March 1941

tion and finance. **H. C. Timberlake**, manager of the industrial coordination department of Minneapolis Federal Reserve Bank, was one of the speakers, while numerous other bankers took an active part in the program and discussions.

**Donald H. Brown**, secretary of Wells Dickey Co., Minneapolis, and connected with the investment house since 1914, resigned effective Feb. 15 to become associated with the busi-

ness office of the Mayo Clinic at Rochester, Minn.

**Paul W. Loudon** of Piper, Jaffray & Hopwood, Minneapolis, was one of the witnesses at an SEC hearing and testified against the proposal to make compulsory competitive bidding on issues of \$1,000,000 or more.

Three standing committees for the National Association of Securities Dealers in District No. 4, comprising

Minnesota, Montana, North and South Dakota, have been appointed.

Their chairmen are: **Norman Nelson**, Piper, Jaffray and Hopwood, business conduct committee; **Merrill M. Cohen** of J. M. Dain and Company, quotations, and **Almon A. Greenman** of Greenman & Company, uniform practice. Mr. Nelson also is district chairman.

**Wilbur F. Decker**, 84, retired Minneapolis banker, realtor and civic leader, died Feb. 6. He was one of the incorporators of the old St. Anthony Falls Bank and served as its vice president for 20 years.

**A. H. Kennedy**, vice president of First Bank Stock Corporation, was elected president at the annual meeting of the board of directors, while **C. T. Jaffray**, president, was named chairman of the board.

Mr. Jaffray, who is also chairman of the Soo Line Railroad, was chairman of First Bank from its organization in 1929 until 1931, when he became president. He is a former vice president of First National Bank & Trust Co.

Mr. Kennedy came to First Bank from the First National Bank of St. Paul in 1931. He had been vice president of the St. Paul bank, but left that post to become treasurer of the bank holding company. All directors and other officers were re-elected.

Directors declared a dividend of 30 cents a share, payable April 1 to stockholders of record March 14.

A definite policy of expanding the lending facilities of affiliated banks of Northwest Bancorporation was chiefly responsible for the increased earnings shown last year, **J. Cameron Thomson**, president, told stockholders at the annual meeting.

He and all other officers and directors were re-elected at the stockholders' and subsequent directors' meeting.

In the face of a \$23,500,000 rise in deposit volume, earning assets held at 74.2 per cent of consolidated deposits, he said. In 1939 they were 75 per cent of deposits.

**G. A. Olbrich** has sold his interests in the Columbia Heights State Bank and resigned as a vice president and director, he has announced. Mr. Olbrich took an active part in organizing the bank several years ago, but was forced by pressure of other business to relinquish the position.



*View of the Transit Division*

## CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO



*Member Federal Deposit Insurance Corporation*

*Northwestern Banker March 1941*



# NORTH DAKOTA NEWS

MARTIN AAS  
President  
New Rockford



C. C. WATTAM  
Secretary  
Fargo

stock from \$25,000 to \$35,000 and added \$5,000 to its surplus fund bringing the latter to \$10,000 and increasing to \$45,000 the capital structure of the institution.

Renamed to the directorate were W. A. Lilyquist, W. R. Sandager, Jacob Walters, John Challey and Knute Ringdahl. Officers were elected to their positions and the staff remains with Lilyquist president; Jacob Walters, vice president; Sandager, cashier; Miss Marie Morgan, assistant cashier; Paul Sandanger, teller; Eileen Johnson and Gordon Weber, bookkeepers.

## Minot

Clarence H. Parker of Minot was re-elected president of the American State Bank at the annual stockholders meeting.

C. P. Kjelstrup, formerly vice president and cashier, was named executive vice president and T. A. Solheim, formerly assistant cashier, became cashier. Charles C. Morton was elevated to assistant cashier. He had been a teller.

Roy L. Aney of Minot was named a new director succeeding W. R. Bond, also of Minot. Other members of the board are Parker, Kjelstrup, J. L. Smith, of Minot, and Harold B. Nelson of Rugby.

All directors and officers of the Union National Bank in Minot were reelected.

H. M. Grant, president; C. H. Zehringer, vice president; J. S. Westlake, cashier; A. R. Freeh, assistant cashier, were renamed, as were J. N. Ellison, G. D. Colcord, Andrew Balerud, and E. A. Shirley, directors.

Grant and Zehringer were also re-elected as directors.

## Napoleon

George Laney was reelected president of the Stock Growers Bank in Napoleon at a board of directors meeting. F. B. Heath is vice president and W. D. Heupel, cashier.

The bank enters its 41st year with a decided growth in business over a year ago. Footings December 31st were \$318,000, compared with \$221,000 the preceding year.

## Rolla

All officers of the Rolette State Bank were reelected at a meeting of the board of directors in Rolla. F. A. Foley was reelected president, H. R. Rendahl of Cando, vice president, and Oscar Hjelt of Rolla, cashier. Directors elected by the stockholders were A. O. Aune, president of the Northwestern Bank of Langdon, H. R. Rendahl, president of the First State Bank of Cando and F. A. Foley of Rolla.

## Correction

In listing year end figures for North Dakota banks in the February issue of the NORTHWESTERN BANKER, an error was made in the deposit figures for the First National Bank of Valley City. The deposits as published were shown as \$301,711. This figure is in error and should have read \$787,159, which are the total time and demand deposits of this bank.

Our attention was called to this error by J. T. Sanger, cashier of the institution, and we are very happy to make correction as above.

## To Lidgerwood

Mel Lindeblad has gone to Lidgerwood, North Dakota, where he has become cashier of the First National Bank. For nearly seven years, Mr. Lindeblad was connected with the Security National Bank in Willmar. The cashiership of the North Dakota institution is a promotion.

The bank of which he is now the cashier is an affiliate of the First Bank Stock Corporation.

## Munich

Expressing complete satisfaction with the past year's business, directors of the First State Bank of Munich, in annual session recently, accepted the report of L. E. Callahan and reelected all of the bank's officers and retained all employees in their present positions.

Mr. Callahan continues as president and active manager of the bank. Y. A. Nelson is again vice president and manager of the Starkweather exchange operated by the bank. John J. Hillman is again cashier. The three, with Soren Iverson and I. H. Iverson, are directors of the bank.

## Lisbon

Strengthening its financial position and enlarging ability to serve borrowers in this territory the Farmers State Bank at Lisbon increased its capital

## Devils Lake

All directors and officers of two Devils Lake banks were reelected.

Officers reelected at the Ramsey County National Bank were Blanding Fisher, president; S. K. Fisher, vice president; A. W. Omdahl, cashier; C. I. Hodgson, W. G. Elmslie and F. C. Hoghaug, assistant cashiers; and Blanding Fisher, T. A. Haslam, S. K. Fisher, Clyde Duffy and A. W. Omdahl, directors.

First National Bank officers renamed were R. C. Collinson, president; Wendell Haley, cashier; Earl L. Duell and Heerman Naugle, assistant cashiers; R. C. Collinson, Wendell Haley, E. J. Baird, Edna Haley and Mack V. Traynor, directors.

## Grand Forks

All directors and officers of three Greater Grand Forks banks were reelected.

First National Bank, Grand Forks: R. D. Campbell, G. O. Colborn, C. J. Murphy, M. W. Murray, Fred R. Orth, W. R. Vanderhoef and Carther Jackson, directors. Campbell, chairman of the board; Orth, president; Murray, vice president; Jackson, cashier and trust officer; Harold S. Pond, Martin Lystad, Oscar Norby and A. M. Lommen, assistant cashiers.

Red River National Bank, Grand Forks: A. G. Bjerken, O. B. Burtness, E. F. Chandler, F. C. Gustafsson, Henry Holt, J. E. MacLean, W. H. Witherstine, John L. Ryan and Don E. Whitman, directors; Bjerken, president; Gustafsson, vice president; D. W. Westbee, cashier; A. M. Spencer, assistant cashier.

Minnesota National Bank, East Grand Forks: J. B. Bingham, Edward Deverell, H. G. Giese, A. O. Rudh, Bjerken and H. M. MacKenzie. Bjerken, president; Giese, vice president; MacKenzie, cashier; E. J. Nehring, assistant cashier.

Stockholders elected directors and the new boards named officers for the ensuing year.

*Northwestern Banker March 1941*



R. D. MOUNTAIN  
President  
Conrad

## MONTANA NEWS

ETHEL W. WALKER  
Secretary-Treasurer  
Helena

### Dies in Kalispell

Charles D. Conrad, 58, president of the Conrad National Bank in Kalispell since 1920 and a son of the late pioneer, C. E. Conrad, died at his home after an illness of a year.

Born in Fort Benton September 29, 1882, Conrad came to Kalispell with his parents when he was eight years old.

He first became affiliated with the banking enterprise of his father in 1906.

### Ronan

Directors of the Ronan State Bank met in annual session recently. H. R. Resner was promoted from the position of assistant cashier to cashier in the only change in the personnel. L. E. Bunge is president; H. E. Olsson, vice president. The directors are Mr. Bunge, Mr. Olsson, B. O. Shennum and A. M. Sterling. Mr. Resner takes the place of Mr. Paige on the board of directors.

### Yellowstone Banks

All officers and directors of the Yellowstone banks at Laurel and Columbus were reelected. The stockholders elected the directors and the directors elected the officers.

B. M. Harris is president and J. W. Corwin is vice president of the two banks. At Laurel B. Meyer Harris is cashier; J. W. Fry, assistant cashier, and G. H. Jacobus, board member. At Columbus L. J. Wallace is cashier; B. Meyer Harris, assistant cashier, and M. E. Slayton, board member. Bob Westover, Jr., is assistant cashier at Laurel and I. M. Black and R. L. Duba are assistant cashiers at Columbus. Duba has been with the Columbus bank since last September when the assets of the Stillwater National Bank were taken over by the Columbus Yellowstone.

### Hardin

At the annual meeting of the stockholders of the First National Bank of

Hardin, directors chosen were J. J. Ping, H. G. Wells, O. E. Anderson, Carl E. Bowman and Cornelius Roush. Following the election the directors named as officers: Ping, president; Wells and Roush, vice presidents; Anderson, cashier, and Bowman, assistant cashier.

### Chinook

No change was made in directorates or in officers by the Farmers National Bank, the First State Bank or the Milk River Coal Co. at annual meetings in Chinook.

Farmers National directors are Chris D. Miller, Max P. Kuhr, H. B. Brooks, James Griffin and P. B. McClintock. Officers are Chris D. Miller, president; H. B. Brooks, vice president; P. B. McClintock, cashier; and L. C. Stevens, assistant cashier.

The First State reelected Walter Brown as president; R. L. Ross, cashier and vice president; R. L. Samson, assistant cashier. Directors are Walter Brown, Helen J. Brown, John W. Archer, William E. Rae and R. L. Ross.

The Milk River Coal Co. reelected J. H. Evers of Shonkin, president; George Mundt, Lloyd, vice president; and P. B. McClintock, secretary-treasurer. Directors are Max P. Kuhr, George Mundt, J. H. Evers, P. B. McClintock and H. A. Kuhr.

### New Building

The Ronan State Bank has moved to its new building.

The building is of steel reinforced concrete, 32 feet by 58 feet, modern in every detail. It is air conditioned. The east windows are of glass brick, while the large windows at the front are of blue plate glass. Glass bricks were used in the windows at the sides and over the door, which is blue plate glass panel.

A large vault on the main floor provides ample space for the safety deposit boxes, safe and bank records. The directors' conference room is located at the back of the large lobby.

Lavatory and cloak room is also provided. A supply room and a large storage vault is provided in the basement.

### Great Falls

All three banks of Great Falls held their annual meetings.

Stockholders of the First National elected Roy H. Glover as director, to succeed I. B. Armstrong. Other directors, all re-elected, are Sam Stephenson, chairman; W. H. Hoover, E. O. Jenkins, E. F. Galt, Albert E. Wiggin and John E. Dawson.

Added to the list of officers by the new board were two assistant cashiers, George W. Teel and Barrett D. Collier. Other officers, all re-elected, are: president, E. O. Jenkins; vice president, E. F. Galt; cashier, L. F. Curry; assistant cashiers, A. R. Moore and G. R. Straiton.

All directors and officers of the Great Falls National Bank were re-elected as follows:

Directors: I. W. Church, chairman; Lee M. Ford, D. J. Dundas, F. J. Gies, L. E. Taylor, Fred G. Birch and Robb R. Williams.

Officers: President, Lee M. Ford; vice president, D. J. Dundas; cashier, Robb R. Williams; assistant cashiers, L. J. Robin and F. E. Bower.

All directors of the Montana Bank & Trust Co. were re-elected as follows: H. H. Stanley, R. F. Duggan, F. L. Woehner, J. G. Graham, F. C. Barribal, C. J. Thomson and L. R. Fousek.

### Billings

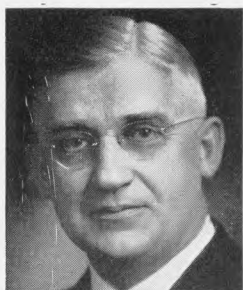
Continued growth and satisfactory earnings were reported by Billings' three banks at annual stockholders meetings.

Midland National Bank officers who will serve during 1941 are: E. T. McCanna, president; J. B. Arnold and F. T. Merrill, vice presidents; A. R. Hammer, cashier; E. P. Frizelle and F. S. Webb, assistant cashiers; M. A. Brown, assistant trust officer, and R. E. Hunt, auditor.

Montana National Bank stockholders renamed H. E. Kinsley, A. H. Marble, A. R. McDermott, F. N. Sauer and J. E. Vogel as directors. The board then re-elected A. H. Marble president, McDermott and F. W. Marble, vice presidents; Sauer, cashier; Vogel and Kinsley, assistant cashiers.

Security Trust & Savings Bank officers are W. E. Waldron, president; W. B. Vaughan, vice president; O. M. Jorgenson, cashier, and R. M. Waters, assistant cashier. H. T. Hedden is a member of the board of directors with the officers.





H. R. YOUNG  
President  
Arlington

## IOWA NEWS



FRANK WARNER  
Secretary  
Des Moines

### Propose New Bank

Fifty-two professional and business men, farmers and friends of Northwest Davenport met in Northwest Davenport recently. It was announced that the former bank building at 16th and Washington streets had been purchased, that a charter would be granted when \$100,000 in capital and \$25,000 in surplus is fully subscribed.

Nearly 50 per cent of the capital was subscribed for at this meeting.

A committee consisting of Julius Junge, chairman, Ray Smith, Ben Kelling, Dr. H. J. Guenther and H. C. Lynn was appointed to complete organization.

### Clear Lake Changes

C. A. Knutson, president of the Clear Lake Bank & Trust Company, announced that he has sold the controlling interest in the institution to M. A. Arneson of Fairmont, Minnesota, who will succeed him as president.

Knutson said he will continue to be connected with the bank as chairman of the board. He also is president of the Iowa Hardware Mutual Insurance Association of Mason City, Iowa.

The bank is being remodeled at present to provide larger quarters. It is Clear Lake's only bank and has assets of nearly a million dollars.

### Denison Bank Sold

Sale of the Commercial State Bank to the Crawford County Trust & Savings Bank, both of Denison, was announced by the presidents of the two banks.

Founded in 1919 by J. W. Miller, Jr., Denison abstractor, the Commercial State had a record of 22 years of service.

All assets were purchased and deposit liabilities assumed by the purchasing bank, of which H. E. Qualheim is president.

Miller and his brother, J. J. Miller, who was cashier of the Commercial State, will operate an abstract, real estate and insurance agency.

### Organize

Bankers of Jefferson and Van Buren counties met recently in Keosauqua and organized the Jefferson-Van Buren Bankers Association. At the business meeting officers for the organization were elected as follows: F. E. Ovrom, Keosauqua, president; Rudolph Eastburn, Fairfield, vice president and Sam H. Watson of Stockport, secretary treasurer. The next meeting for the group will be held in Fairfield on Monday April 21.

### Annual Dinner

More than 80 officers, directors and employees of the Toy National Bank and the Farmers Loan and Trust Company, Sioux City, met for an annual dinner and frolic recently.

Ralph R. Brubacher, president, gave the principal talk of the evening. J. William Van Dyke was in charge of the program which included group singing, informal entertainment by members of the group and a dance.

### Denison Meeting

During an hour and a half of bombardment of questions and answers with Frank Warner, secretary of the Iowa Bankers' association, and Harold Chenhall, Inspector, Wage and Hour Division for Iowa, as the principals, bankers from Audubon, Carroll, Harrison, Shelby and Crawford counties attended an inter-county meeting last month at Denison, heard much and learned more about the methods of operating banks, and particularly about the Wage and Hour law, and practices of some banks in Iowa than they had known to exist.

Another hour and a half time was taken up in listening to talks on "Defense Loans and Iowa Banks," "The Wage and Hour Act and Banks," "Production Credit Association," "Important Banking Measures," and other subjects of importance to bankers.

Eighty-four plates were served at the banquet.

### At Independence

Seventy-seven attended the inter county bankers' meeting, held at Independence. They came from the four counties of the group, Linn, Black Hawk, Benton and Buchanan, as well as from other counties, 15 from Black Hawk, 11 from Fayette, 11 from Benton, 10 from Linn, 20 from Buchanan, several from Bremer and Delaware. Registration, in charge of Misses Jean Hohl and Mary Reidy, of the Farmers State Savings bank, began at 5 p. m. Hosts were President E. F. Sorg, Vice President E. E. Everett, Cashier C. L. Fiester and directors of the local bank.

The dining tables were adorned with flowers. W. W. Blasier, of Jesup, president of the Buchanan County Bankers Association, presided.

### Opens Farm Unit

The Algona State Bank has opened an agricultural department and E. R. Morrison has been named to head the new unit.

Bank officials recently made the announcement and stated that Morrison would take up his new duties March 1.

The new agricultural department head served five years as county agent in Kossuth county and also was county agent in Humboldt county.

More recently he has served as land appraiser for the Bankers Life Company of Des Moines and has had wide experience in farm management supervision, soils and land appraising.

### At Garner

A Tri-county meeting of bankers from Kossuth, Winnebago and Hancock counties was held at Garner last month.

President H. R. Young and Secretary Frank Warner of the state association, Marvin Selden, vice president of the Merchants National bank, and Ralph Bunce, deputy superintendent of banking of Iowa, Des Moines, were the speakers.

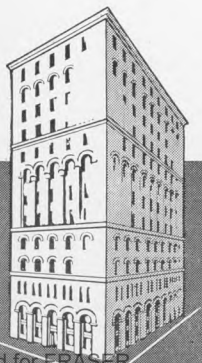
Arthur Kudje, president of the Hancock County Bankers Association, presided. Herb Ollenburg, vice president of the Hancock County National Bank, Garner, gave the address of welcome.

### Promoted

C. E. Orr of Marshalltown, who has been assistant cashier at the Security Savings Bank at that place, has been promoted to cashier.

Mr. Orr was formerly manager of the department of the First Bank and Trust Company in Eddyville.

Iowa farmers realize the importance of each step in the preparation of a good seed bed. And Iowa bankers, realizing the importance of careful attention to every detail in bank correspondence, often comment on the thorough manner in which we handle their Des Moines business.



*Member Federal Deposit Insurance Corporation*

# BANKERS TRUST





# COMPANY

6th and Locust  
Des Moines

## Cashier at Eldon

Robert Weidenbach former vice president and cashier of the National Bank of Norfolk, Neb., is in Eldon to begin his duties in the management of the First National Bank, replacing L. N. Frescoln, now at Fairfield. Weidenbach has purchased an interest in the bank here and will be cashier.

Weidenbach was cashier of the National Bank in Norfolk since 1932 and was in the banking business at Aberdeen, S. D., for 15 years before going to Norfolk.

Three years ago he was appointed vice president of the National Bank

at Norfolk and retained that office as well as the cashiership until his change to Eldon. He has been in the banking business more than 25 years.

## Essex Meeting

The First National Bank of Essex was host recently to 40 bankers of Page county at a chicken dinner. Attending from Shenandoah were Harry Ross, Fred Christiansen, Earl C. Fishbaugh, Robert Fishbaugh, William Longman and C. W. Fishbaugh.

A round table discussion was held. The next quarterly meeting is planned to be in Clarinda.

Those attending from Essex included G. J. Liljedahl, Mr. and Mrs. Clarence Liljedahl, John and LeRoy, Mr. and Mrs. DeLoss Quist, Mr. and Mrs. Oliver Hagglund, Mr. and Mrs. A. D. Collins, Mr and Mrs. M. E. Collins, Mrs. Alfred Sar and Miss Nona Glahn.

## Clearing House Elects

Election of Carl L. Wind, cashier of the Moline National Bank, as president of the Clearing House Association of the quad-cities featured the annual meeting held at the First Trust & Savings Bank, Davenport. R. E. Byerum, executive vice president of the First Trust, retired as president of the association.

Herman Staak, cashier of the Davenport Bank & Trust Company, was elected vice president, and Ray Ostermann, executive vice president of the Rock Island Bank & Trust Company, was named secretary-treasurer.

## Named President

R. E. Courson of Belmond was named president of the Pocahontas State Bank at a meeting of the board of directors. All of the members of the board were present. They are W. F. Rich, Fort Dodge; Bernard Bohlke, N. B. Homan, L. S. Homan of Remsen; L. E. Eckerson and Ed Carmody, cashier and assistant cashier respectively. Mr. Eckerson is vice president of the bank.

Mr. Courson succeeds the late E. H. Rich who died last October.

## Heads County Bankers

R. J. McCleary, vice president and cashier of the Security State Bank, Keokuk, was elected president of the Lee County Bankers' Association at a meeting held in Keokuk.

Fort Madison banks, the Fort Madison Savings Bank, Lee County Savings Bank and the Iowa State Bank and the Wever Savings Bank at Wever, are all members of the association.

## Cashier at West Des Moines

James L. Gray, manager of the Farmers State Bank of Ellsworth, left March 1 for West Des Moines where he has accepted the position of cashier with the First National Bank.

Mr. Gray, who is a graduate of the University of Nebraska, came from Coleridge, Nebr., and has been associated with the Ellsworth bank for the past three years.



## An Important Center

The all-important location of Sioux City as the commercial, live stock, grain and hay center of the Northwest, makes a correspondent connection here highly important.

Insure the prompt and accurate handling of all your Sioux City items by sending them direct to the First National Bank in Sioux City.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

**FIRST NATIONAL  
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**V** **ALLEY**  
**SAVINGS BANK**

DES MOINES

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**MEET US WHEN YOU COME TO DES MOINES**

*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*

*Northwestern Banker March 1941*

# Two Iowa Groups

## Hold Annual Meetings

Group One at Sioux City and Group Eleven at Burlington in  
1941 Conclave

TWO of the largest groups of the Iowa Bankers Association held their annual meetings last month, when Group One met in Sioux City on February 12th, and Group Eleven convened in Burlington. Attendance at both meetings was all that could be desired, with upward of four hundred being registered at each place.

Election of officers was held by both groups. **A. J. Bertelsen**, cashier of the Morningside Savings Bank, Sioux City, was named chairman of Group One, and serving with him is **George E. Wilson**, vice president of the Cherokee State Bank, holding the office of secretary-treasurer.

New officers of Group Eleven are **H. Lee Huston**, cashier of the Columbus Junction State Bank, named as chairman, and **R. J. McCleary**, vice president and cashier of the Security State Bank, Keokuk, was elected sec-

retary-treasurer. These latter officers hold for a two-year term.

Among resolutions adopted by Group One was one expressing opposition to the prevalent government competition in the banking business, and urging that government agencies created during the so-called emergency of the depression should now be undergoing an orderly liquidation. The group also selected Sioux City as the meeting place for 1942, agreeing to meet again on February 12th, Lincoln's birthday, since it is a bank holiday.

An adding machine contest was conducted among employees in the Group One territory, with suitable prizes given by the Sioux City Clearing House Association. Winners in the contest were **Paul Dick**, Early; **Louis H. Mulder**, Rock Valley; **H. R. Bonnander**, Larchwood; and **D. E. Mues**,

Hull. The first place winner, Mr. Dick, and **Dwain Loyd** of Hornick, last year's state winner in a similar contest, then gave an exhibition.

**Hoyt R. Young**, cashier of the American National Bank, Arlington, and president of the Iowa Bankers Association, was present and spoke at the meetings of both groups. Mr. Young is suggesting a convention of Junior Bankers, separate from the annual meeting of the Iowa Association, to be held probably in June of this year (since the annual convention will be held next September). He proposed an evening session the first day, followed by morning and afternoon sessions the next day, and perhaps to close with a dinner and dance that evening. Senior bankers at both meetings, from the position of cashier on up, were asked for a rising vote on the idea. In Sioux City, the seniors

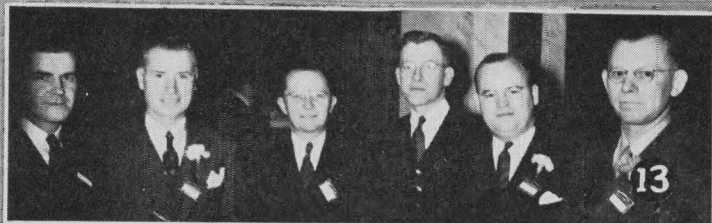
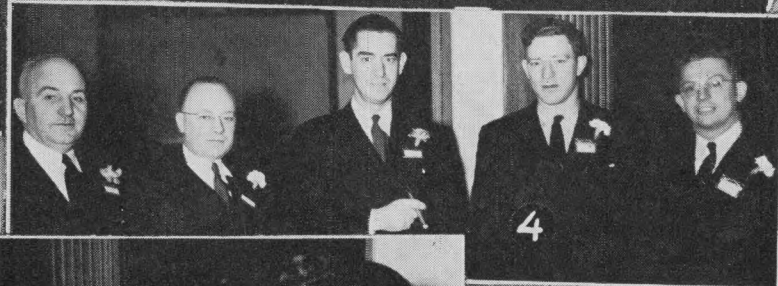
## AT THE GROUP ELEVEN MEETING IN BURLINGTON

The pictures at the right were taken at the annual meeting of Group Eleven of the Iowa Bankers Association, held last month in Burlington. Reading from left to right, those pictured are, 1—**Alden S. Bagnall**, vice president Live Stock National Bank, Chicago. 2—**Ben S. Summerwill**, president Iowa State Bank & Trust Company, Iowa City; **Frank Fuchs**, assistant cashier First National Bank, St. Louis; and **E. K. Johnstone**, president Keokuk Savings Bank & Trust Company. 3—**Ralph Bunce**, Iowa deputy superintendent of banking, Des Moines; and **W. F. Gilam**, Burlington. 4—**Walker Hanna**, president W. D. Hanna & Company, Burlington; **M. B. Guthrie**, cashier Iowa State Bank & Trust, Iowa City; **M. E. Taylor**, auditor, **W. W. Summerwill**, credit manager, and **W. F. Schmidt**, assistant cashier, all of the Iowa State Bank & Trust, Iowa City. 5—**Betty Binder**, W. D. Hanna & Company; **Alex Foggy**, director Farmers Savings Bank, Wever; and **Audra Jones**, W. D. Hanna & Company. 6—**K. C. Mowery**, executive vice president Peoples State Bank, Batavia; **G. A. Sherman**, assistant cashier First National, Fairfield; **M. J. Grogan**, vice president Peoples State Bank, Batavia; **A. R. Hass**, assistant cashier National Bank of Chariton; and **H. W. Greene**, assistant cashier Commercial National Bank, Peoria, Illinois. 7—**Verne Bartling**, assistant cashier First National Bank, Chicago; and **L. N. Frescoln**, executive vice president First National, Fairfield. 8—**K. H. Robertson**, assistant cashier Columbus Junction State Bank; **Art Fry**, Continental Illinois National Bank, Chicago; **Katherine Downey**, Citizens State Bank, Donnellson; **Tom McDonnell**, St. Paul Mercury-Indemnity, Des Moines, and **F. W. Allen**, assistant cashier Muscatine Bank & Trust Company. 9—**H. N. Boyson**, vice president Merchants National Bank,

Cedar Rapids; **C. C. Williamson**, vice president First Trust & Union, Sigourney; **Bob Root**, Blair Bonner, Des Moines; **Byron McKee**, vice president and cashier Muscatine Bank & Trust; and **Clarence Diehl**, vice president Iowa-Des Moines National Bank. 10—**M. C. Hook, Jr.**, bond department Mercantile-Commerce Bank, St. Louis; **O. L. Karsten**, executive vice president Newton National Bank; **Charles Kuning**, assistant vice president American National, Chicago; **Frank C. Crone**, executive vice president National Bank of Washington; **Howard A. Mathews**, president Danville State Savings Bank; and **W. H. Bangs**, director First National, Fairfield. 11—**Charles Nelson**, vice president Northern Trust Company, Chicago; and **Henry Scarborough**, president Scarborough & Company, Chicago. 12—**A. W. Huey**, assistant secretary Mississippi Valley Trust, St. Louis; **Ray Scott**, assistant cashier Commerce Trust Company, Kansas City; and **Burt Olson**, auditor, Muscatine Bank & Trust. 13—**V. P. Cullen**, executive vice president The National Bank of Burlington; **Dick Ryan**, cashier Liberty Trust & Savings, Durant; **J. G. Engel**, cashier Bennett State Bank; **H. J. Lamp**, vice president Bennett State; **Fred D. Cummings**, Drovers National Bank, Chicago; **J. E. Henson**, cashier Louisa County National, Columbus Junction. 14—**William Miller**, vice president City National Bank, Chicago; **H. G. Nordberg**, Minneapolis, and **Ed Kane**, Ottumwa, both of E. H. Rollins & Sons. 15—**W. E. Whorrall**, vice president and cashier Farmers Savings Bank, Beaman; and **Earle R. Newton**, Conrad. 16—**John Duerkop**, State Central Savings; **Aubrey Allen**, assistant cashier Keokuk Savings Bank; **E. R. Cochrane**, vice president and cashier Keokuk National; and **L. A. Whetstone**, assistant cashier Keokuk National.

Northwestern Banker March 1941





# DROVERS

*Union Stock Yards • Chicago*



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**FRANK M. COVERT**  
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Cashier

## We Cordially Invite Your Inquiry or Personal Visit

The Drovers National serves every branch of the Live Stock Industry. Its service is highly specialized and closely personal—built on 59 years of experience. As a Banker whose customers include many shippers of live stock, you will recognize in Drovers Service the genuine utility value of prompt, dependable attention to your items at the center of things.



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voted what appeared to be about 50-50 for the proposal, while in Burlington, the vote seemed to be somewhat larger in favor of the idea. Naturally Junior bankers at both meetings were very much in favor of the plan.

At the Sioux City meeting, **Ralph Bunce** represented the Iowa banking department, and gave a most interesting discussion of present-day banking conditions in Iowa, and cited substantial upturn in deposits which Iowa banks are now experiencing. **Dave Bates**, superintendent of banking, attended the Burlington meeting, and gave his usual fine address, although his talk was touched with a note of sadness, since he leaves his office of Iowa bank supervisor this coming summer. He will be greatly missed as a friend and advisor.

**Frank Warner**, capable and efficient Iowa Association secretary, spoke at both group meetings, choosing as his subject a brief explanation of the many details surrounding bank compliance with the wages and hours law. It is a subject which cannot be dismissed with only passing reference, as many bankers discovered after listening to only a few of the highlights which Mr. Warner presented.

Speaking at Sioux City, **E. E. Manuel**, president of the George State Bank, and chairman of Group One, said in part:

"In a system of independent unit banks, the bank which best serves the community is the bank which is most certain to live the longest and be the most profitable to its stockholders. Since the type of man who starts a bank in a small community is essentially constructive, his natural associations and sympathies are with the men of constructive type, and he can extend the facilities of the bank more liberally to them. His loans take into account as a first consideration character and moral responsibility. He is naturally inclined to encourage young, aggressive and enterprising individuals who will, in the course of time, bring business to the institution as he succeeds and will develop commercial

## AT THE GROUP ONE MEETING IN SIOUX CITY →

Pictured at the right are a number of those attending the annual meeting of Group One of the Iowa Bankers Association which met in Sioux City. Reading from left to right they are, 1—**T. E. Wangsness**, vice president and cashier First National Bank, Garretson, South Dakota; and **Don Crouley**, assistant cashier Northwestern National Bank, Minneapolis. 2—**L. O. Olson**, cashier Midland National Bank, Minneapolis;

*Northwestern Banker March 1941*

and **A. E. Anderson**, cashier Clay County National Bank, Spencer. 3—**Fred Cummings**, Drovers National Bank, Chicago; and **L. Kenneth Billings**, assistant vice president City National Bank, Chicago. 4—**Norman Shaffer**, vice president Continental, Chicago; and **H. W. Sibley**, assistant cashier Oltmann & Phelps Bank, Kingsley. 5—**Emmett E. Johns**, assistant vice president Central National, Des Moines; **S. I. Russell**, president Dickin-





son County Savings Bank, Milford; **Charles Kuning**, assistant vice president American National, Chicago; and **John Sieh**, Spencer. 6—**Fritz Fritzson**, vice president and cashier First National Bank, Sioux City; and **W. H. Bischel**, president First Trust & Savings, Aurelia. 7—**L. E. Christensen**, president Farmers National, Aurelia; **M. A. Wilson**, vice president and cashier Live Stock National, Sioux City; and **C. W. Logan**, president First Trust & Savings, Merville. 8—**Verne Bartling**, assistant cashier First National, Chicago; and **Hans Boyson**, vice president Merchants National Bank, Cedar Rapids. 9—**Louis Jacoby**, Chase National Bank, New York; and **A. G. Sam**, vice president First National Bank, Sioux City. 10—**C. L. Adams**, Live Stock National, Sioux City; **J. P. Schutt**, president Valley State Bank, Rock Valley; **J. P. McCartney**, United

States Check Book Company, Sioux Falls; **Ed Peck**, U. S. Check Book, Omaha; and **L. C. Lamarr**, Toy National, Sioux City. 11—**E. E. Manuel**, president George State Bank, George; and **Hoyt Young**, cashier American National Bank, Arlington, and president Iowa Bankers Association. 12—**Robert E. Hunt**, Northern Trust Company, Chicago; **J. P. Hainer**, vice president First National, Sioux City; and **W. B. Whitman**, assistant secretary Manufacturers Trust Company, New York. 13—**L. A. Witter**, president Farmers Trust & Savings, Spencer; **Everett Griffith**, assistant vice president Iowa-Des Moines National Bank; **Ralph Bunce**, deputy commissioner of banking, Des Moines; **G. E. Wilson**, vice president Cherokee State Bank; **M. A. Wilson**, Sioux City; **C. W. Logan**, Merville; and **Carl Fredricksen**, president Live Stock National, Sioux City.

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and industrial enterprises and be a factor in the creation of corporate and private undertakings, all of which will be feeders to the bank. As this type of individual is usually not the possessor of high-class collateral at the beginning of his career, the banker is dependent in a large measure on the character, of which he can only be sure by personal contact and acquaintance—both of which are quite impossible under branch banking. The distinctive accomplishment of the banking system of the United States is its very contribution to enterprise and its stimulation of growth, its criterion is service.

**R. R. Brubacher**, president of the Toy National Bank, spoke at Sioux City on the subject of defense loans, and said:

"There is no question but that the national defense program is a great potential source of loans for banks and the applications should go through normal channels and that means:

First—to the local banks;

Second—to the city correspondent;

Third—to the Federal Reserve Bank, and failing there, to the RFC.

"For the past one hundred years a government contract has not been assignable, but in 1940 the law was changed so that a claim arising from

a contract is assignable. This is an opportunity for banks to make a great record for themselves, and in making such loans there will be no reason for anyone to receive the impression that banks are not cooperating to the fullest extent in the defense program."

**Tom Collins**, the Kansas City Phun-ny Philosopher, lived up to his reputation in Burlington, when he addressed that group on a subject of his own choosing, which he would probably have done under any circumstances, even though he had been assigned one.

Among resolutions adopted by Group Eleven bankers were the following:

"We are opposed to any unnecessary government competition in our particular field; while a number of the agencies set up by the government a few years ago were possibly of value at the time of their organization, it is the feeling that these were set up under emergency conditions and it is our best judgment that this emergency has long since passed and that the banks are both able and willing at the present time to take care of any legitimate call on them for credit purposes, and that the unnecessary government agencies should

be placed on a program of orderly liquidation.

"We believe that the rapid development of this country has been aided in no small extent by the unit banking system and we urge upon those in authority to discourage in every way any legislation that would curtail the activity of the unit banking system in this country to the benefit of group or branch banking.

"This year is the biennial meeting of the Iowa legislature and it is the probability that many suggestions will be made to the legislature for laws that may affect our particular business. We urge upon our bankers to keep in close touch with the legislative program as it develops and to assist the Iowa Bankers Association officers and committees in every possible way to the end that nothing harmful to the banking business be put into the statutes.

"We heartily commend the state banking department and its examiners for their very constructive attitude taken toward the problems arising during their examinations. We also wish to add a word of commendation for the national banking department for the fine cooperation they have shown.

"We wish to commend the Iowa Bankers Association and its officers for their efforts, and the very fine results obtained in getting a reduction of insurance rates for the Iowa banks.

"On July 1, 1941, the four year term of D. W. Bates, superintendent of banks will end, and the governor will appoint a successor to Mr. Bates. We appreciate the cooperation he has given the banks and bankers during his term of office. We hope that he will continue to attend this meeting each year for we do not want to lose a man with such a friendly disposition and fine ability. We wish him success in any new venture and the best of health."

## Curtis Companies Incorporated



General Office, Clinton, Iowa

Plants at: Clinton, Iowa; Wausau, Wis.; Chicago, Ill.; Lincoln, Nebr.; Sioux City, Iowa; Minneapolis, Minn.; Topeka, Kansas.

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Makers of the famous *Silentite* Windows and a full line of builders woodwork—entrances, doors, trim, windows, frames, mantels, kitchen cabinets, cabinetwork, stairwork. Product sold by leading lumber dealers throughout United States and Canada.

Interesting facts relating to Clinton operation:

Employs approximately 950 people.

Annual disbursement in wages and salaries about \$1,150,000. In 1940:

Cut approximately 33,700,000 board feet of lumber.

Used 100,000 boxes of glass.

Used 2,000,000 square feet of screen wire.

Nineteen hundred forty-one marks the 75th year of this well known concern which was founded in 1866.

## The CITY NATIONAL BANK

CLINTON, IOWA

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### BANK CLERKS WANTED

We are receiving numerous calls from banks for experienced bank posting machine operators, stenographers, tellers and assistant cashiers. If you are qualified, under 40 years of age and interested in securing such employment, write for application blank. State experience, qualifications, and salary expected.

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"The National Clearing House for Experienced Bank Help"

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J. A. SARAZEN

## IOWA NEWS

### FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

ONE of the several inter-county meetings which Frank Warner has been holding around the state this winter was held at Independence, Iowa. Seventy-seven were registered for the dinner which was followed by the business meeting. Principal speakers were **F. L. Ludeman, Jr.**, inspector, Wage and Hours Division for Iowa; **Ralph L. Bunce**, **E. F. Sorg**, **Frank Warner**, **Chas. S. McKinstry**, **Marvin Selden** and **Hoyt Young**.

**W. W. Blasier**, Jesup banker, acted as chairman and did an excellent job of injecting pep into the meeting which lasted until after midnight, a good story-teller and a forceful speaker.

Marvin Selden and Chas. McKinstry are to be commended on the way they covered "Defense Loans in Banks." Mr. McKinstry emphasized that no banker should permit a potential borrower with a defense contract to leave his bank until definite plans are made to take care of him. If you can't take care of him, turn him over to some bank that can. Never let it be said that bankers are not doing their part in this defense program and also remember that we are in direct competition with the RFC."

Doubtless bankers are waking up to their responsibilities concerning the Wage and Hour Act as affects banks, and it takes meetings like these to bring out the seriousness of it. The discussion between Frank Warner and F. L. Ludeman, Jr., on this subject was followed very closely and when the meeting broke up there was hardly a vacant chair in the house. Mr. Ludeman brought out that to date there has been no need for prosecution in Iowa but it has been necessary to use some persuasion. He invited bankers to make a request to be checked for compliance of his office. The address is Wage and Hours Division for Iowa, 227 Old Federal Bldg., Des Moines, Iowa.

If you want to be reminded of old frontier days, you should step into the **Lone Tree Savings Bank's** present

quarters. Very neat but most temporary. Fire completely destroyed the bank building on December 3rd, and

the bank is still doing business in the old stand but in entirely new surroundings. A frame building was thrown up around the vault which remained intact and this will serve until definite plans are made for a new home, which, incidentally, **Mr. Buell**, cashier, says he hopes will not be too long.

The **Farmers State Savings Bank**, Independence, reduced interest rates to one per cent the first of the year. The year end statement lists deposits of \$2,242,000, up \$165,000 over a year ago. Liabilities and deposits are \$1,144,000 and cash of nearly \$1,000,000.



## 400 Banks in the Middle West

carry accounts with us. They have found our 73 years of banking experience of value to them. May we explain how this experience can be made of value to you?

**LIVE STOCK**  
**NATIONAL BANK OF CHICAGO**  
*Established 1868*  
**UNION STOCK YARDS**

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*Northwestern Banker March 1941*

The **Farmers Savings Bank, Wever**, paid stockholders a 2 per cent dividend in 1940, the first for a long time. Deposits are \$412,000.

The **Henry County Savings Bank, Mt. Pleasant**, renewed its charter as of February 27th. At the same time capital was increased from \$86,000 to \$100,000 by declaring a capital stock dividend. **J. P. Budde** is president. Common will now be \$76,000 and preferred \$24,000.

Over at the **Cy Whorrall** home, it's a girl, **Sandra Kay**, born New Years

day. Mr. Whorrall is vice president and cashier of the **Farmers Savings Bank, Beaman**.

The **Denver Savings Bank** has retired all preferred stock, according to **S. C. Kimm**, cashier. The original preferred was \$38,000 and the officers of this bank are to be congratulated on a job well done.

**Harry W. Sizer** has joined the **Lisbon Bank and Trust Company, Lisbon**, coming here from the **Washington State Bank, Washington**, where he has been a teller for the past nine

years. Increased volume has necessitated an increase in personnel, according to **G. L. Hill**, cashier.

New directors elected to the board of directors of the **Lisbon Bank and Trust Company** at the annual meeting are **R. P. Andreas**, **S. W. Wilder** and **H. H. Rieger**.

Mr. Wilder will also serve on the board of the **Mount Vernon Bank and Trust Company**. Another new director added to the board of this bank is **W. G. Kleineck**.

Death came January 30th to **John P. Burr**, president of the **Lone Tree Savings Bank**. He was the last of the original stockholders who organized the bank fifty years ago and had served the bank as president for the last seven years. He was 80 years old.

At the annual meeting of the **Peoples Savings Bank, Cedar Rapids**, **Wm. Rinderknecht**, formerly cashier, was made vice president. **Ervin Stepanek**, formerly assistant cashier, was made cashier. **Frank Welch** was reelected president and **Paul Huston**, vice president.

Both banks at **Washington** are open to the public from 9:00 a. m. to 2:00 p. m. each working day. These hours have been in effect for nearly a year.

**J. W. Helscher**, president, **Farmers Savings Bank, Keota**, had the misfortune to slip on the ice in his driveway and break his leg at the ankle in three places. He is expected back at the bank shortly after the first of March.

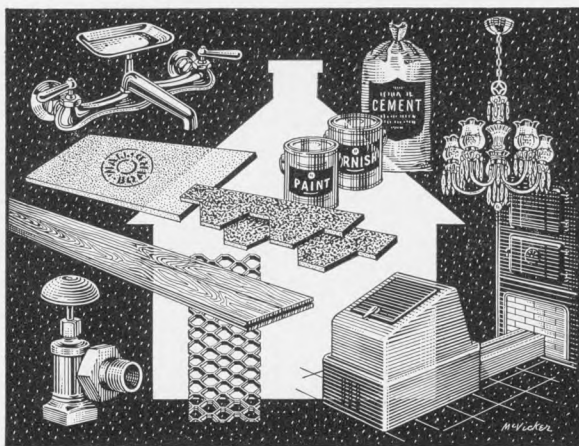
Each bank at **Keota** has a **Helen Stoutner** as assistant cashier. They are second cousins by marriage.

**Mrs. W. C. Stuckslager**, president, **Lisbon Bank and Trust Company**, and vice president, **Mt. Vernon Bank and Trust Company**, was married February 11th, to Judge Seth Thomas of Fort Dodge, Iowa. The wedding took place at Tucson, Arizona.

The **Farmers Savings Bank, Walford**, has gone in for streamlining, too. New low type cages have been added, venetian blinds, etc.

During the past year the **Rowley Savings Bank** increased S. & P. \$5,000 and paid a 6 per cent dividend.

**Burlington** banking hours since last fall are from 9:30 to 2:30 daily except on Wednesday when hours are from 9:30 to 12:00 noon.



## CLOSE TO CHICAGO'S BASIC INDUSTRIES

● Chicago's leadership in building materials is well founded. In its research institutes and factories are developed, tested or manufactured, an important percentage of the materials whose names spell specification standards from coast to coast. As one of Chicago's major banks, the American National is equipped, through its complete correspondent facilities, to represent the interests of out-of-town bankers in all negotiations related to this basic industry.

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**Fairfield** banking hours are from 9:00 a. m. to 2:30 p. m. except Saturday when the banks close at 1:00 p. m.

**Leonard Frescoln**, formerly cashier, First National Bank, Eldon, has joined the First National Bank, Fairfield, as executive vice president and cashier. He succeeds **N. A. Lovett** who has joined a bank at Granite City, Illinois.

The **Wellman Savings Bank** paid an 8 per cent dividend last year and added 20 per cent to surplus.

The building owned and occupied by **W. D. Hanna & Company**, Burlington, has been taken over by the government and will be razed to make room for a new post office. The firm will soon move to quarters in the Farmers & Merchants Bank building.

At the annual meeting of the Iowa State Bank, Fort Madison, **Frank H. Hesse**, formerly vice president, was elected president to succeed **T. T. Hitch**, who has retired. **John W. Smart** was elected vice president and director. **Laura Mae Peterson** and **Jennie Johnson** were made assistant cashiers.

All banks in **Fort Madison** now pay one per cent interest on deposits.

At the **Security State Bank**, Keokuk preferred has been reduced to \$10,000. It was originally \$50,000.

### Elected President

At a meeting of the board of directors **George J. Muller** was elected president of the Nodaway Valley National Bank, Villisca, to succeed the late **F. F. Jones**.

**Mr. Muller**, who is proprietor of the **George J. Muller store**, formerly was vice president of the bank. He is a veteran business man and has served two terms as chamber of commerce president.

**Mr. Jones** died Jan. 30. He was president of the bank from the time it opened, March 4, 1934, until his death.

### Linn County Meeting

**Emery J. Miller** of Marion was elected 1941 president of the Linn

County Bankers Association, Cedar Rapids. He succeeds **Sam James** of Springville.

Other officers are **Lumir Stirtesky** of Cedar Rapids, vice president; **Peter Bailey** of Cedar Rapids, secretary; and **Frank Lindahl** of Walker, treasurer. **Bailey** was reelected.

### Hancock Office

Last month the **Avoca State Bank** opened an office at Hancock. The new office will be in charge of **Richard**

(**Dick**) **Coe**, former deputy county clerk, at the Avoca court house the past eight years.

Since the first of the year **Mr. Coe** has been working in the bank in Avoca getting acquainted with his new duties.

The bank is located in the building formerly used by the **Hancock bank** before it went out of business about eight years ago. The bank is equipped with modern facilities and furniture. A regular business will be carried on.

## Not a Gallup Poll

BY ACTUAL COUNT, more than 15% of all the banks in the State of Iowa enjoy

SCARBOROUGH SERVICE on Bankers Blanket Bonds, because the

PEERLESS CASUALTY COMPANY

offers:

*Security*

*Broader Contracts*

*Important Savings in Premiums*

AND because **Scarborough Loss Prevention Service** helps the banker prevent losses, thus keeping rates at a minimum.

For peace of mind, inquire of

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Valley Bank Bldg. . . . . Des Moines

YOUR STATE BANKERS ASSOCIATION  
OFFICIAL SAFE, VAULT AND  
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# MERCHANTS MUTUAL BONDING COMPANY

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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

## South Dakota Farm Mortgages for Sale

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Security located in all sections of the State. Note and mortgage amortized over 10 years at 4 per cent interest. Conservative loans. Will sell one or all—no discount.

•

Write  
RURAL CREDIT BOARD

Pierre, South Dakota

Deposits will be accepted and loans and a regular banking business will be conducted.

### Nevada Meeting

An inter-county meeting at Nevada was attended by 114 bankers, assistants, state officers and guests. Among the distinguished speakers upon the after dinner program, which was presided over by L. R. Bassett of the Nevada National Bank, were H. R. Young, president and Frank Warner, secretary of the Iowa Bankers Association, Ralph L. Bunce, deputy superintendent of banks, Melvin C. Berkley, member of Group 6 of the "National Defense Loan Committee" and Harold Chenhall, inspector Wage and Hour Division for Iowa.

### Mrs. Swiler Dies

Mrs. Mary F. Swiler, 67, prominent resident of Burlington and wife of George C. Swiler, president of the Burlington Savings Bank, died at her home last month.

She had been in poor health for more than two years, and confined to her home for about three months. Her condition became more serious recently and was aggravated by heart attacks.

Mrs. Swiler was born in Springfield, Illinois, September 20, 1873, the daughter of Mr. and Mrs. Thomas J. Hudson. Her father was general traffic manager of the Illinois Central railroad. When a girl she moved, with her parents, to Chicago, Illinois. She attended St. Mary's girls' school at Knoxville, Illinois. In Chicago, on October 10, 1900, she was united in marriage with George C. Swiler, who, at that time, was identified with the Drovers National Bank.

They came to Burlington in 1904 when the Burlington Savings Bank was first organized, Mr. Swiler being one of the original organizers.

### Banker Dies

A. F. Greenwaldt, president of the First State Bank, Coon Rapids, died last month at a hospital in Carroll. He came to the First State of Coon Rapids from Manning, thirty-two years ago, where he had been connected with the German Savings Bank. Mr. Greenwaldt was 77 years of age at the time of his death.

### Davenport Election

Officers and directors of the Davenport Bank & Trust Company were all re-elected at the annual meeting.

The annual meeting of stockholders was held, and the following directors

were re-elected: E. P. Adler, V. O. Figge, J. L. Hecht, J. M. Hutchinson, Charles J. Johnson, Joseph S. Kimmel, Dr. Frederick H. Lamb, Harry E. Litig, Herman Staak, Dr. Kuno H. Struck, Karl P. Teske, Cable G. Von Maur, Thomas J. Walsh and Attorney C. D. Waterman.

Board members then met and elected the following officers:

E. P. Adler, president; V. O. Figge, executive vice president; Dr. Kuno H. Struck, vice president; Herman Staak, cashier; A. H. Hiegel and Fred Gruenwald, assistant vice presidents; Edgar H. Runberg and Albert P. Wolters, assistant cashiers; Ernest H. Ketelsen, auditor.

J. M. Hutchinson, trust officer; Herbert W. Braack, A. P. Eindt, Kenneth C. Hartman and Edward L. Carmody, assistant trust officers.

## NORTHWESTERN BANKER DIGEST

(Continued from page 17)

forms to me each day. If he has nothing to report he dates and signs the blank and simply writes, 'Nothing.'

"We have thirty-five contact employees who hand in these reports. Each day we have from thirteen to twenty 'blanks.' That is all right because we have impressed on the tellers that they are not duty bound to go out of their way to find something to report. Naturally some turn in more 'nothing' reports than others and that is revealing to the management, too.

"From these daily reports we began to find out a lot of things we didn't know, many things we probably never would have heard about.

"Good will calls are made on the bank's time, of course. But even with the forty-hour week they do not run into overtime. Tellers report at 8:30 in the morning, take 30 minutes for lunch and usually are through by three o'clock or earlier. This gives them thirty hours of duty up to Saturday. They average about five hours on Saturday, so they have five hours a week for good will calls, averaging about an hour to the call. They are encouraged to make one call a day when they can, instead of trying to make several on one day.

"The 'teller-vision' plan was put in effect at our bank in September, 1938. Now it works almost automatically and at comparatively little expense. But it gets the job done. It enables us to determine our customers' likes and dislikes and to do something about them. And withal, when our cus-



## • IOWA NEWS •

tomers meet their bankers at the windows they meet friendly, interested individuals who have something in common with them."

## NEWS AND VIEWS

(Continued from page 20)

Bank of George, Iowa, believes that:

"In the future, some administration when it looks for its leaders and directors, will not go to the Universities, but will go to the Banks and financial institutions. There they will find the men and women who understand the economic and social implications of business and who are sufficiently well acquainted with the various ramifications of business to be able to find some principles out of which we will be able to construct a policy for Government and for society."

Certainly the Brain Trust couldn't have done any worse with our economic and financial situation than they have done, and we know the bankers are trained and educated on how at least to balance a budget.

**O. Paul Decker**, vice president of the American National Bank & Trust Company of Chicago, was one of the speakers before the Mid-Winter Trust Conference of the American Bankers Association at the Waldorf; and, among other things that he emphasized, was:

"Actually, the most difficult task of investment management is determining when to sell securities. No trustee likes to take a loss for its account. No trustee likes to have an unrealized loss in its accounts. But, every trustee realizes that if there is a hesitation to take a loss, there is the assumption of the definite risk of increased loss in the future. Therefore, it may be suggested that a statement of trust investment policy might provide that when a security is removed from an approved list of trust investments, all holdings thereof should be reviewed in connection with the investments of the individual trusts of which they constitute a part. If the requirements of an individual trust are such as not to permit the retention of an unacceptable security, such a security should be immediately sold."

**Frank Warner**, secretary of the Iowa Bankers Association, in discussing the Wage and Hour Law before Group One said, "If a bank makes a loan to a manufacturing institution which is producing defense material and the company does not comply with the Wage and Hour Law the back

wages or overtime pay will be a **prior lien** before any bank loan is repaid."

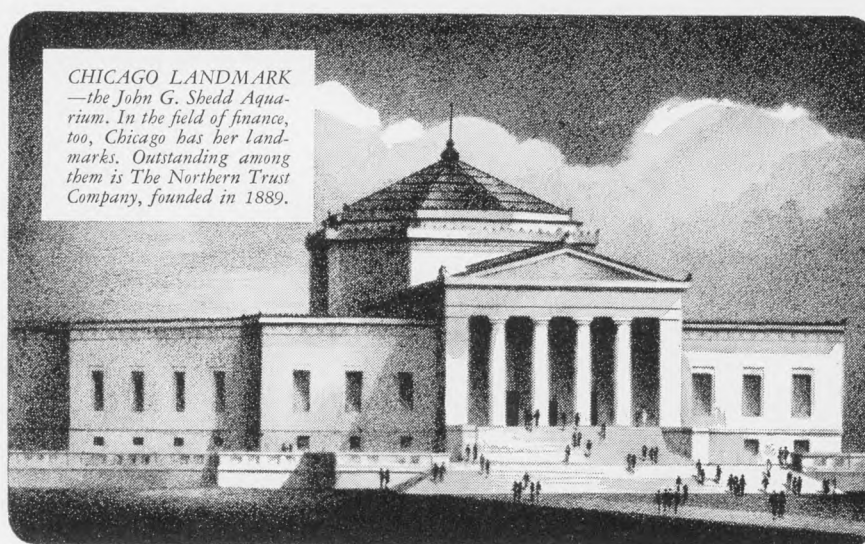
It is just another example of how tough the boys at Washington can be.

**Fritz Fritzson**, vice president and cashier of the First National Bank of Sioux City, was chairman of the resolutions committee of Group One and at their meeting last month among other resolutions which were adopted are the two following ones which are of vital interest to every banker:

1. "We believe that the rapid development of this country has been aided to no small extent by the **unit**

**banking system** and we urge upon those in authority to discourage in every way any legislation that would curtail the activity of the unit banking system in this country to the benefit of group or branch banking."

2. "On July 1, 1941, the four year term of office of **D. W. Bates**, Superintendent of Banks will end, and the Governor will appoint a successor to Mr. Bates. It is the sense of the bankers attending the meeting of Group One, consisting of eleven northwest counties of the Iowa Bankers Association, that the Governor will appoint a new Superintendent, who is an active



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routine check collections to seasoned investment information, his problems meet with friendly, efficient cooperation. Thus, the out-of-town banker is assisted in achieving that completeness of service which his customers always value so highly. Your inquiry concerning a connection with this institution is solicited.

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Northwestern Banker March 1941

and successful bank officer, who can fully qualify with the experience and executive ability demanded of the office. The appointments of Superintendent of Banks since the inception of the department have uniformly gone to men of wide banking experience, and we cannot too strongly urge that no change of this policy be made at this time of appointing a man of wide executive banking experience."



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**American Institute of Business**

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When it comes to 100 per cent attendance at a group meeting, the Farmers Trust and Savings Bank of Spencer, Iowa, headed the list at the Sioux City gathering last month as everyone of their officers and employees plus the wives were "among those present," including **L. A. Witter**, president; **R. M. Tuttle**, vice president; **K. R. Tuttle**, cashier; **Robert G. Lexvold**, **A. J. Prechel**, **Alvin Hansen**, assistant cashiers, and many others. There being 21 in all which was a mighty fine record for group meeting attendance.

**J. P. Schutt**, president of the Valley State Bank of Rock Valley, Iowa, in responding to the address of welcome at Sioux City, said, "Maybe if I make as good an address as **Hoyt Young** did in 1937 in Sioux City, I can be elected president of the Iowa Bankers Association."

Of course Mr. Schutt said this in jest, but first of all he is a fine banker, and second, he made an excellent address, and third, he would make a fine president of the State Association.

**Ralph L. Bunce**, deputy superintendent of banks of Iowa in his speech before 500 bankers at the Sioux City group meeting, said that state banks

have over \$514,000,000 in deposits which was the first time in 10 years that the state banks have exceeded one half a billion dollars in deposits.

The last time was in 1931 when they were \$549,000,000. Ten years before that in 1921 they were \$780,000,000.

During 1940 loans and discounts increased \$25,000,000 and also there was a \$27,000,000 increase in cash.

Installment loans and personal loans in 1940 amounted to \$16,500,000 in Iowa state banks.

The first chartered Bank of North America in Philadelphia founded by **Robert Morris**, in 1781, used quill pens, pigeonhole filing cabinets and candlelight.

Its doors were guarded by the watchman's cumbersome blunderbus, its checks were paid in Spanish milled dollars.

In a replica of the small store in which the bank first functioned, reproduced on the second floor of the Atwater Kent Museum, 15 South 7th Street, visitors now can see this original banking equipment and other material.

The mahogany table and six chairs which Mr. Morris and the board of directors used in consultation over fiscal affairs of the new United States Government are there. Two sets of scales show how the founders of the institution weighed their gold and silver.

**Senator Arthur Capper** of Kansas has proposed an amendment to the Constitution which would limit the office of President of the United States to two terms. This has been referred to the Committee on the Judiciary.

We assume now that **Franklin Delano Roosevelt** has broken the 3d term precedent that unless he wants to run for a 4th term and a 5th term there should be no objection to this proposed amendment by Senator Capper.

**Harold Abrams** of New York has filed a stockholders suit in Federal Court demanding an accounting of profits and losses for the last 10 years of the Transamerica Corporation.

Mr. Abrams was named as defendant **A. P. Giannini**, **L. M. Giannini**, **J. Russ Avery**, and other officers of the corporation and its subsidiaries.

Mr. Abrams complained that A. P. Giannini, "improperly withdrew \$608,000 from a special fund established for Transamerica in 1930 and 1931, and that from 1932 to 1938 the board of directors permitted him to withdraw an additional \$778,470."

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**AMBER ROOM**

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## Boone

Officers of the Boone State Bank and Trust Company were re-elected at its 30th annual meeting.

Stockholders, meeting first, reduced the number of directors from eight to seven. A new member of the board is Frank Judge, elected to succeed Lant H. Doran, the latter withdrawing voluntarily from the board for business reasons.

A new officer is Bert Holst, who was elected vice-president to succeed his father, the late B. P. Holst. T. L. Ashford was re-elected president; Frank Hollingsworth was re-elected vice president and R. J. Meyers re-elected cashier.

## Sioux City

Sioux City's seven banks held their annual meetings and the presidents and major officers of all the financial institutions were re-elected.

The bank presidents, all returned for one-year terms, are C. R. Gossett, Security National Bank; A. S. Hanford, First National Bank; C. L. Fredrickson, Live Stock National Bank; R. R. Brubacher, Toy National Bank; M. C. Eidsmoe, Woodbury County Savings Bank; John Scott, Morningside State Bank, and H. H. Epperson, Morningside Savings Bank.

Directors of the Live Stock National Bank recognized long-time employees in the annual election.

Following the re-election of Mr. Fredrickson as president and Mark A. Wilson as vice president, the directors elected William G. Nelson, an employee of the bank for 23 years and a former assistant cashier, to assistant vice president. William C. Schenk was raised from assistant cashier to cashier. He has been with the bank 24 years.

Clifford A. Adams and John Haver were elected assistant cashiers. Both Mr. Adams and Mr. Haver have been employed at the bank for more than 10 years.

The elections were conducted at the annual directors' meetings that followed the annual stockholders' meetings in the banks.

The officers of the First National Bank, all of whom were re-elected, are Mr. Hanford, president; A. G. Sam and J. P. Hainer, vice presidents; Fritz Fritzson, cashier, and J. T. Grant, J. R. Graning and E. A. Johnson, assistant cashiers. The directors are S. F. Cusask, W. J. Downey, R. H. Foutz, Mr. Fritzson, Mr. Hainer, Mr. Hanford, Mr. Sam, C. M. Stilwill, C. S. Van Eaton and David W. Stewart.

In addition to Mr. Eidsmoe, president, the directors of the Woodbury County Savings Bank re-elected the other officers, C. T. McClintock, vice president and cashier; L. R. Manley, vice president; A. L. Cheseboro, assistant cashier, and A. R. Miller, assistant cashier, and the directors who, in addition to Mr. Eidsmoe, Mr. Manley and Mr. McClintock are Jesse Marshall, E. S. Gaynor, Otto Bridges, C. T. Hopper and C. F. Seibold.

Morningside State Bank returned its officers and directors. They are: Mr. Scott, president; J. E. DeWalt, vice president; W. L. Ayers, cashier, and C. D. Nissen, assistant cashier. L. E. Ayers is the fifth director.

At the Morningside Savings Bank the re-elected officers and directors are Mr. Epperson, president; R. E. Siman, vice president; A. J. Bertelsen, cashier; K. A. Scheibe, assistant cashier, and D. S. Prusiner, the additional director.

The Security Bank officers and directors given new terms were Mr. Gossett; B. M. Wheelock and Albert C. Eckert, vice presidents; R. Earl Brown, cashier; D. B. Severson, Frank H. Abel, Alvin G. Nelson and Robert W. Lewis, assistant cashiers, and Paul Bekins, Hubert H. Everist, Mr. Gossett, William McFarlane, Ed C. Palmer,

George L. Booth, Otis P. Booth, Harold A. Jacobsen, Howard V. Martin and Harry P. Pratt, all directors.

The officers of the Toy National Bank, all re-elected, are Mr. Brubacher; J. W. Van Dyke, Earl A. Hoffman and E. H. Spiecker, vice presidents; E. E. Erickson, vice president and cashier; C. A. Johnson, J. William

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The second is a fine little bank in a rich agricultural community. Control can be obtained for between nineteen and twenty thousand dollars. It has resources of about four hundred thousand dollars.

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Van Dyke and J. D. Shinkle, Jr., assistant cashier, and Eugene Kelly, J. W. Kindig, George R. Call, Florence H. Toy, Mr. Brubacher, J. W. Van Dyke, Mr. Hoffman, Mr. Erickson and J. William Van Dyke, all directors.

## Dubuque

Officers and directors of the American Trust and Savings Bank were elected at the annual stockholders' meeting.

Charles J. Schrup and D. W. Ernst were re-elected president and executive vice president, respectively.

Other officers named were Albert C. Lantzy, vice president; Roy F. Glab, cashier; and Arthur P. Melchior and C. J. Kleinschmidt, assistant cashiers.

The stockholders named the following directors: Charles J. Schrup, D. W. Ernst, Albert C. Lantzy, Otto F. Henker, and B. J. Oswald.

Mr. Lantzy formerly was cashier, and Mr. Glab formerly was assistant cashier.

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Carver Bldg. Fort Dodge, Iowa

## Wessling Services

Advertising Plans for Banks and Trust Companies

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Des Moines, Iowa

## Belle Plaine

The annual meeting of the stockholders of the Citizens National Bank was held recently. Paul Groszkruger was re-elected president of the organization.

T. F. Maher, one of the directors, was named vice president to fill the vacancy made by the death of Edward Nichols, and John G. Nichols was elected to the board of directors.

The other officers who were re-elected were: A. J. Bird, cashier and Charlotte Skordahl, assistant cashier. The other directors are Nathan B. Williams and Wesley Mansfield.

## County Meeting

The Buchanan County Bankers Association held a meeting at the Gedney Hotel, Independence, recently. Election of officers was held and the result was as follows:

W. W. Blasier, president of Farmers State Bank, Jesup, president; A. H. Nieman, president of Fairbank State Bank, Fairbank, vice president; J. S. Luther, manager of Winthrop Branch of Farmers State Savings Bank, Independence, secretary, and P. E. Sorg, assistant cashier, Farmers State Savings Bank, Independence, treasurer.

## Grinnell

One more director was added to the board and another new officer elected at the noon dinner meeting of the stockholders of the Grinnell State Bank.

Hugh C. McCleery of Laurel, a former officer of the bank, was added to the board of directors, bringing the membership to seven. Other directors, all re-elected, are: A. J. Blakely, John Evans, C. A. Frasier, L. M. Lanning, Raymond Pilgrim and J. G. Shifflett.

L. L. Fry, manager of the Malcom office of the Grinnell State Bank, was promoted to the position of assistant cashier. He will remain at Malcom.

Other officers were re-elected for the current year as follows: C. A. Frasier, president; A. J. Blakely, vice president and chairman of the board; L. M. Lanning, cashier; Helen Hargrave, assistant cashier.

## Progress in Nevada

The Nevada National Bank has made some real progress since its opening seven years ago. The bank will be seven years old on March 15, this year. Opening with deposits of \$500,000, the Nevada National now has deposits of more than \$1,250,000. Capital at opening time was \$60,000, which has since been increased to \$124,000. During the past seven years earnings have been \$13,400 per year, dividends of \$3,400 per year, and \$10,000 has been placed in surplus. An eight per cent dividend was paid on the common stock of the Nevada National at the end of 1940.

## Wegman Buys Bank

Leo J. Wegman, formerly state treasurer but now president of the Citizens Savings Bank of Anamosa, together with his son-in-law, Mr. Bird, have purchased majority interest of the Dyersville National Bank of Dyersville, Iowa, of which they have already taken over the management with Mr. Bird as chief executive.

## Jones Sells Tama Interests

F. A. Jones, organizer and for many years principal owner and chief executive of the Tama State Bank of Tama, has sold majority interest of his bank to H. H. Peyton, president of the Pioneer National Bank of Duluth, Minnesota and his son Lewis R. Peyton. The latter will be actively identified with the Tama bank in executive capacity. Mr. Jones was influenced to consider a sale in order to give his undivided attention to his extensive real estate interests. He now resides in Grinnell, where he recently built a fine modern home. The personnel of the Tama State Bank will be otherwise unchanged.

## Lovett Leaves Fairfield

Henry Lovett, prominently identified with Iowa banking interests for the last several years and most recently executive vice president of the First National Bank of Fairfield, has resigned his position to accept the executive vice presidency of the First Granite City National Bank of Granite City, Illinois, which is a four million dollar institution. In anticipation of this move Mr. Lovett recently sold the Decatur County State Bank of Leon, and the Clarke County State Bank of Osceola, of which banks he was principal owner.



## Washington

Stockholders of the National Bank of Washington held their annual meeting and re-elected the five directors of the bank, who are R. E. Dougherty, Carlton C. Wilson, Fred L. Stewart, George E. Gilbert and Frank C. Crone.

The board of directors met to organize for the new year and re-elected all the officers of the bank, including R. E. Dougherty, president; Frank C. Crone, vice president; E. F. Miick, cashier; C. P. Weldin and B. M. Whitehead, assistant cashiers; Lucy F. Dempsey and R. M. Anderson, tellers.

## Northern Trust Promotions

The board of directors of the Northern Trust Company, Chicago, at their recent annual meeting made the following promotions:

John M. Maxwell from second vice president to second vice president and manager bond department; Warren F. Sarle from assistant manager bond department to second vice president; Alford J. Baschen from assistant manager bond department to second vice president; Alan R. Kidd from assistant cashier to second vice president; Maurice E. Graves from assistant comptroller to second vice president and assistant comptroller; and Arthur J. O'Hara from manager investment research to second vice president and manager investment research.

Elected to the official staff of the Northern Trust were Edward D. McGrew, assistant manager bond department; Donald J. McDonald, assistant auditor; and William M. Haddow, assistant cashier. All other officers were re-elected.

## Chemical Bank

At the annual organization meeting of the board of directors of the Chemical Bank & Trust Company, New York, Arthur P. Caldwell, Jr., formerly an assistant vice president, was appointed a vice president of the bank. Mr. Caldwell holds a B. S. degree in Engineering from Harvard University and Massachusetts Institute of Technology. He also holds a C. P. A. degree and, for many years, was associated with the firm of Lybrand, Ross Bros. & Montgomery. He has been with the Chemical Bank since May, 1932.

At the same meeting, the following former assistant secretaries were appointed assistant vice presidents: William S. Renchard, Howard W. McCall, Jr., Harrison D. Blair and Kingsbury S. Nickerson.

## National Bank of Detroit

Promotions were announced by Walter S. McLucas, chairman of the board of the National Bank of Detroit, after a meeting of the board of directors held recently. The annual stockholders' meeting, at which all directors were re-elected, preceded the directors' meeting.

W. Earle Blakeley, Dennis A. Darin, Earl J. Failor, and Ray H. Murray were all promoted vice presidents.

Ottmar A. Waldow, promoted from auditor to comptroller, has been auditor of the bank since 1933.

Bernhard C. Schumacher, promoted from assistant cashier to assistant vice president, joined the bank in 1933 and became assistant cashier in 1936.

Robert P. Campbell, assistant auditor, was promoted assistant comptroller.

## First National, Chicago

Edward E. Brown, president of The First National Bank of Chicago, announced that all directors of the bank were re-elected at the annual stockholders' meeting. At the subsequent meeting of the board the following promotions were made:

Thomas H. Beacom, Jr., Austin Jenner, and Horace O. Wetmore were elected vice presidents having previously been assistant vice presidents. Raymond H. Becker was elected assistant vice president from assistant cashier; P. L. Stevenson and A. S. Thorwaldson were elected trust officers, having formerly been assistant trust officers.

The following new officers were elected, all being promotions from the clerical staff of the bank:

Charles W. Bartell, assistant manager, Real Estate Department; Edward F. Blettner, Jr., assistant trust officer; Paul E. Farrier, assistant trust officer; Joseph J. Kaberna, assistant cashier; Clarence J. Ruethling, assistant cashier, and Leroy F. Winterhalter, assistant cashier.

## American National, Chicago

The dividend rate on the capital stock of the American National Bank and Trust Company of Chicago was increased to \$8.00 annually through the action of the bank's board of directors at its annual meeting. A \$4.00 semi-annual dividend was declared out of the bank's earnings for the last six months of 1940, payable \$2.00 on January 15 to stockholders of record January 14, and \$2.00 on April 15 to stockholders of record April 14. The stock

has been on a \$6.00 annual dividend basis since 1937.

The bank had a satisfactory year in 1940, reporting \$332,005 in net earnings


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and recreations. Curative min-  
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sleeping rooms... Write for  
information or reservations.



**THE ELMS HOTEL**

Northwestern Banker March 1941

after reserves for contingencies and preferred dividends, and not including profits realized on the sale of securities which were credited to securities depreciation reserve. This compares with \$295,687 net earnings in 1939.

The bank also showed a substantial growth in 1940, reporting \$79,089,872 in deposits on December 31, compared with \$69,711,148 on December 30, 1939. Keeping pace with this growth, the bank's capital structure was broadened last month through doubling the bank's surplus by the transfer of \$1,000,000 from undivided profits and excess reserve accumulations, bringing the surplus figure up to \$2,000,000 and giving total capital and surplus of \$3,600,000. An additional \$50,000 was also transferred to preferred stock retirement fund, making that fund now total \$150,000.

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DES MOINES

## Fooling Him

Urma: "Has Jack ever kissed you against your will?"

Helen: "No; but he thinks he has."

## Like a Rock

Riding Instructor: "Did you enjoy your horseback ride?"

Betty Co-ed: "Sorta. But how could anything full of hay be so hard?"

## A Clear Conscience—

The story is that a good Representative was sleeping peacefully at home when his wife woke him saying: "John, John, wake up. There are thieves in the house." He very sleepily replied: "You must be wrong, darling. There may be thieves in the Senate, but not in the House."

## Mistaken Identity—

"Oh, what a strange-looking cow!" exclaimed the sweet young thing from Chicago. "But why hasn't she any horns?"

"Well, you see," explained the farmer, "some cows is born without horns and never had any and others shed theirs, and some we dehorn, and some breeds ain't supposed to have horns at all. There's a lot of reasons why some cows ain't got horns, but the

reason why that cow ain't got horns is because she ain't a cow—she's a horse.

## A Hard Job—

There was a dear little baby in the train, and an old gentleman opposite said: "A fine child madam. I trust he will grow into an upright and honorable man."

"Yes," smiled the mother, "but it will be rather difficult."

"As the twig's bent, so the tree's inclined," murmured the old gentleman pompously.

"But the trouble is," said the mother, "the twig is bent on being a girl."

## You're Right—

Freddie: "Pa, what's a parasite?"

Papa: "A parasite, son, is a man who walks through a revolving door without doing his share of pushing."

## An Honest Gold Digger—

A burglar, entering the home of an heiress, was about to search the usual hiding places for cash, when she discovered him.

"Have no fear, lady, I don't want your life," he assured her. "I'm only after your money."

"Oh, go away!" she answered. You're just like the rest of them, only more frank."

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H. J. Lamp, vice president, Bennett State Bank, Bennett, Ia.

"Your bank directory is a very handy and complete book."

Sim Bonsall, cashier, Lexington State Bank, Lexington, Nebr.

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City ----- State -----

Northwestern Banker March 1941

# IN THE DIRECTORS' ROOM

## Nautical

"Where did you go on those whaling trips with your father?"

"Usually to the woodshed."

## Nerve

"The bravest man I ever knew," said the explorer, "was the chap who took a taxi to the bankruptcy court, and then, instead of paying his fare, invited the driver in as a creditor."

## Fame

Blinks: "Wouldn't you like to be famous enough to get your picture on a ten thousand dollar bill?"

Jinks: "No, I'd rather be lucky enough to get my hands on it."

—Exchange.

## Timing

"I won't get married until I find a girl like Grandpa married."

"Huh! They don't make them like that these days."

"That's funny. He only married her yesterday."

## Copyright

Prof: (Taking up quiz paper) "Why the quotation marks on this paper?"

Student: "Courtesy to the man on my left."

## Ask Me

Salesman: "Boy, I want to see someone around here with a little authority."

Office Boy: "Well, I have about as little as anyone, what is it you want?"

## Correspondent

"How are the fish in these parts?" I asked. The ancient fisherman looked up with a sigh: "Well," said he, "I really don't know. For a week I've dropped them a line each day, but so far have had no reply."

## Cheap, Even

"Did you know, dear, that that tunnel we just passed through was two miles long and cost \$12,000,000?" asked the young man of his sweetheart.

"Oh, really?" she replied, smoothing her disheveled hair. "Well, it was worth it, wasn't it?"

## Counterfeit

Doctor: "How is the boy who swallowed the half-dollar?"

Nurse: "No change yet, Doctor."

Northwestern Banker March 1941



## In a Whirl

"Do you remember when we met in the revolving door?"

"Goodness, yes. That was when we started going around together."

## Those Dirty Blues

Diner: "What's the difference between the blueplate special and the whiteplate special?"

Waiter: "The whiteplate special costs a nickel more."

Diner: "Is the food better?"

Waiter: "No, but we have to wash the white plates."

## Clever Guy

Betty: "I believe my husband is the most generous man in the world."

Jane: "Why do you say that?"

Betty: "I gave him a dozen neckties for Christmas and he gave all of them to some charity organization."

## Goodbye Now

"Honey, we're going to have a swell time tonight. I have two tickets to a lecture."

"But I don't like lectures."

"I know, but your mother and father do."

## A Pleasure

Husband: "Mary, why on earth must you feed every tramp that comes to the door?"

Wife: "You've no idea what a joy it is to see a man eat a meal without finding fault with the cooking!"

## Busy Night

Mr. Ginsburg had been complaining of insomnia. "Even counting sheep is no good," he sighed, "I counted 10,000, sheared 'em, combed the wool, had it spun into cloth . . . made into suits . . . took 'em to Boston . . . and lost \$21 on the deal! I didn't sleep a wink!"

## Same Old Story

Father: "Mabel, that young man of yours stays too late when he calls. Hasn't your mother said something to you about it?"

Mabel: "Yes, daddy; mother says men haven't changed a bit."

## All Kinds

"You say you come from Detroit," said the doctor to his fellow passenger. "That's where they make automobiles, isn't it?"

"Sure," replied the American with some resentment. "We make other things in Detroit, too."

"Yes, I know," reported the doctor. "I've ridden in 'em."

## Casting Reflections

The near-sighted man and his wife were inspecting the latest art exhibit with critical care.

"That's the ugliest portrait I've ever seen," he cried, angrily, striving vainly for a better view of the abomination.

"Come away, you fool!" replied his wife. "You are looking at yourself in a mirror."

## Short Wave

An ardent radio fan, the little girl was saying her prayers when there came a scratching at the screen door. "Please stand by, God," said she, "while I let the cat out."

## Needed a Reward

Pat determined to pass his favorite tavern on the way home. As he approached it, he became somewhat shaky, but after plucking up courage, he passed it. Then, after going about 50 yards, he turned, saying to himself:

"Well done, Pat, me boy. Come back and I'll treat ye."

## Never Again

Mother: "Johnnie, don't say such naughty words!"

Johnnie: "Shakespeare uses them."

Mother: "Well, you mustn't play with him any more."

## That's Right—

Traveler: "Yes, I saw Sir Walter Scott's home."

Old Lady: "There's a man I greatly admire."

Traveler: "Which of his books do you like best?"

Old Lady: "I haven't read any of his books, but I've taken his Emulsion for 20 years, and there's nothing better."

## Good Idea—

Caller: "Well, well, well, so your name is Janie and you're five years old. And what do you plan to do when you get as big as your mother?"

Janie: "Diet."





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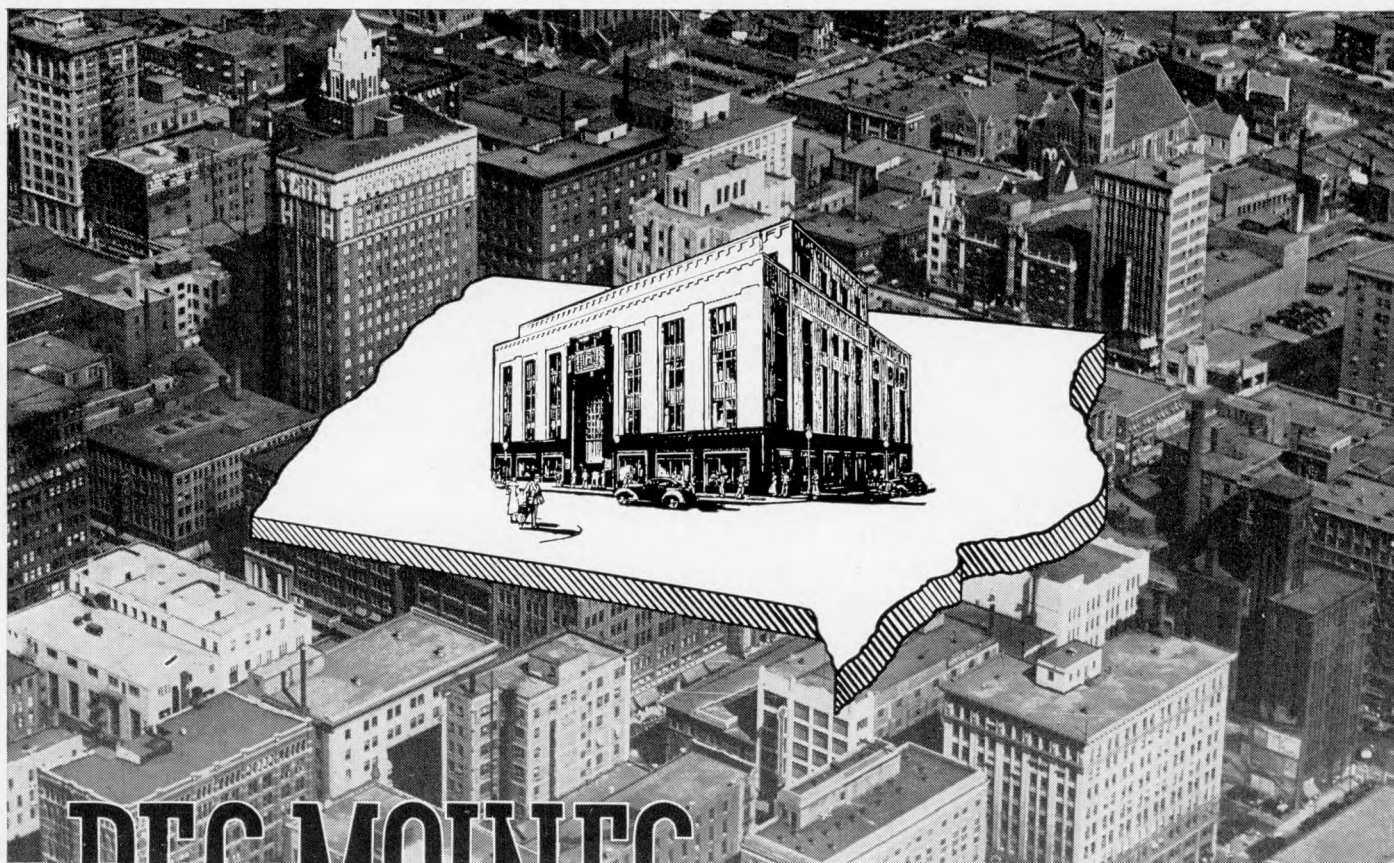
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