

NORTHWESTERN *Banker*

JUNE
1941



CHIEF RED WING

Looking north across the Mississippi River at Red Wing, Minnesota

THE JUNE CONVENTIONS

Minnesota - page 11 North Dakota - page 16 Iowa Junior Bankers - page 18 Montana - page 22 South Dakota - page 23

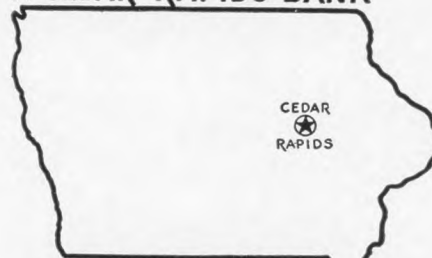
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Cedar Rapids Iowa

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Northwestern Banker June 1941

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F A M O U S A M E R I C A N H O M E S



Gilbert Stuart

THE SNUFF MAKER'S SON

THE Land and Title Records of North Kingstown, R. I. show that on November 5th, 1751 Gilbert Stuart, a Scotch millwright, entered into partnership with two gentlemen of Newport for the purpose of erecting a snuff mill on the Petaquamscott in the vicinity of Narragansett. Here the snuff maker built his home, a two-story frame house with a gambrel roof. It was in the north-east bedroom that Gilbert Stuart, the portrait painter, was born on December 3rd, 1755.

Gilbert's father sold his interest in the snuff mill about 1761 and moved with his family to Newport, where they lived in what the artist later referred to as "a hovel on Bannister's Wharf". At the age of thirteen Gilbert was drawing portraits in black lead and one of his pastels, made in his early teens, may be seen at the Essex Institute at Salem. His first really serious work was done in the studio of the Scotch artist, Cosmo Alexander, who came to Newport to paint portraits of several of the city's well-to-do citizens. Later Stuart accompanied his instructor to Scotland and failing to support himself, after his master's death, worked his passage home aboard a collier.

Soon after his return to Newport and while Gilbert was pursuing his art and studying music, his father, who was a Royalist, fled to Nova Scotia leaving his family behind. His property was soon confiscated, and Gilbert, sailing for England just before the Battle of Bunker Hill, found himself penniless walking the streets of London. He appealed to Benjamin West for assistance and was put to

work, copying, in the latter's studio. Here he remained for several years, helping West in the painting of some of his huge canvasses.

Upon reaching the age of thirty, Stuart married and in 1788 went to Ireland where he painted a number of successful portraits. In 1793 he returned to America. His success was immediate and he worked diligently in New York and Philadelphia, executing the many commissions given him by some of the great men and beautiful women of those early days.



Stuart was extravagant in his expenditures and upon his death left little but some half-finished portraits. His body lies somewhere in Boston Common, the exact spot being unknown. A tablet upon the railing of the Common, shown at the left, identifies the artist as the "Painter of the portraits of Washington, Louis XVI and George III" and contains also the following words: "This tablet placed by the Paint and Clay Club 1897".

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F I R E , A U T O M O B I L E A N D M A R I N E I N S U R A N C E

JUNE
1941

NORTHWESTERN *Banker* DES MOINES

FORTY-SIXTH YEAR

NUMBER 647

Oldest Financial Journal West of the Mississippi River

CLIFFORD DE PUY
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CONVENTION CALENDAR

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

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

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

STATE CONVENTIONS

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

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

Minnesota—St. Paul, June 11-13.

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

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

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

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

Utah—Grand Canyon National Park Lodge, North Rim, June 13-14.

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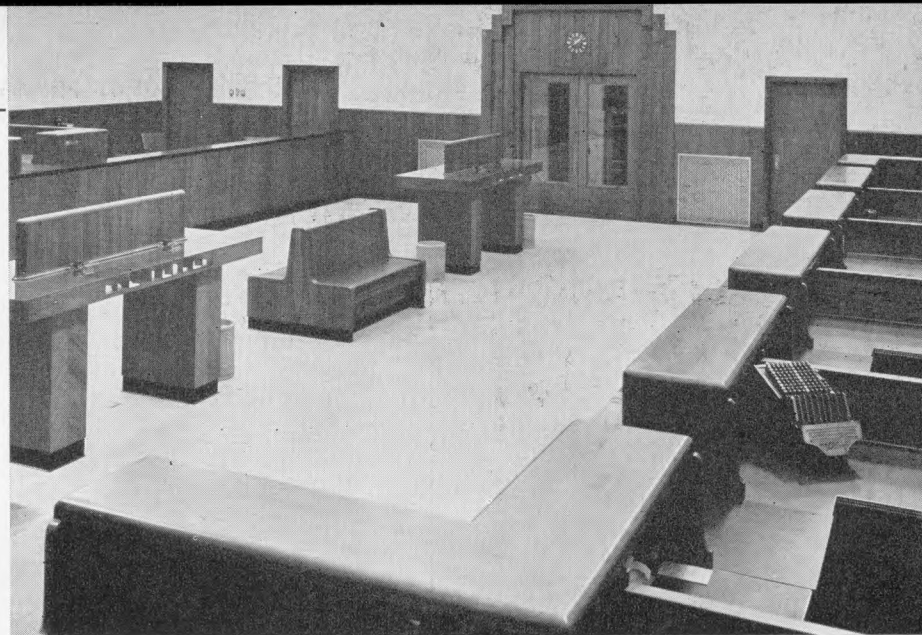
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Are You a
Community "Leader"



--in Fixtures

EVERY community expects its bank to be a "leader" in all civic and commercial affairs, but far too often the bank trails far behind the drug store, the local "movie" and even the filling station in the quality of its fixtures.

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BANK FIXTURE HEADQUARTERS

Northwestern Banker June 1941



Across the Desk From the Publisher

By Clifford DePuy

Unlimited National Emergency Powers

Now that the nation is operating under powers of unlimited national emergency proclaimed by President Roosevelt, it is interesting to know what some of these powers include.

A few of them are as follows:

1. Forbid federal reserve banks to do business except under treasury regulations.
2. Investigate, regulate or prohibit transactions in foreign exchange.
3. Place the Coast Guard under the navy.
4. Refuse clearance to vessels of a belligerent country that discriminates against American vessels or citizens.
5. Empower the federal power commission to require temporary connections for the transmission of electric energy.
6. Require any vessels to leave the United States waters or prohibit any vessel from entering them.
7. Remove duties from imported food, clothing and medical supplies needed in emergency relief work.
8. Waive or modify the monthly apportionment of federal appropriations.
9. Order the National Guard and army and navy reserves to active duty.
10. Suspend the law prohibiting more than 8 hours' work in a day by persons engaged on government contracts.
11. Suspend the rules covering transmission of radio and wire communications.
12. Close certain places to the public under the espionage laws.
13. Acquire land for military purposes.

Some of the powers mentioned are already in effect to a greater or less degree, but all of these

powers can be put into effect whenever the President so desires.

In September, 1939, President Roosevelt proclaimed a "limited emergency" but he has now proclaimed an "unlimited emergency".

Some of the emergency powers may be brought into use only after a declaration of war, but the majority are operative in various degrees of peril or concern as determined by the President.

Taxes To Be Increased 300% For Some in 1942

The 1942 Tax Bill is now being discussed in Congress and it is expected to pass late in August. There are three important facts which stand out in the present Tax Bill, and they are these:

1. The hardest hit group includes persons with annual incomes between \$2,000 and \$15,000, of which there are some 6,300,000.
2. The increase in rates of taxes of persons from \$15,000 to \$100,000 of income are much less than those mentioned in paragraph one.
3. Married men with \$2,000 a year income are not taxed at all, yet 60 per cent of the whole national income is received by them.

Thus the lower and middle bracket groups will be "soaked" three times as hard as before, which is a 300 per cent increase.

And for purely political reasons, more than 60 per cent of the national income received by the millions who make \$2,000 a year and less is freed from any tax.

Maybe this is good politics, but it is not conducive to national harmony and unity about which we hear so much from Washington and yet which is practiced so little by the powers that be.

And if people are to be taxed to the limit, why

shouldn't the government expenses be reduced for non-defense items?

Just read the testimony by Dr. George F. Benson, president of Harding College of Searcy, Arkansas, given before the ways and means committee of the House when he suggested that 2 billion dollars of non-defense expenses of the federal government be discontinued.

He pointed out that if we do not adjust our finances, 3 steps follow which are inflation, socialism and dictatorship, and he said:

"The entire history of nations and especially the economic history of nations during the past 25 years, shows that we, the people of the United States, are headed directly toward three steps which occur in the following order—inflation, socialism and the worst type of dictatorship. Unless the proper initial steps are taken by your committee and the finance committee of the United States Senate and the appropriations committee it is my sincere belief that the people of this country will witness these events."

So we say, while taxes are being increased 300 per cent on some groups of people, let's help prevent inflation by reducing non-defense expenditures.

Are You Refusing To Take Deposits?

At a bankers' convention the other day the president of a very successful bank located in a town with a population of about 800, said he had recently refused a deposit of \$1,500 because he did not know what to do with the money.

We suggested that he might even get some returns on Government securities.

Isn't it bad psychology, bad banking, and poor business to refuse deposits?

A prospective customer or a present one should be made to feel as much at home in your bank as in any mercantile establishment.

Speaking of a desire to please customers, one prominent authority said, "**Your public is actually confused as to who is doing who a favor when Mr. A opens a checking account or Mr. B contracts a loan. I think you have got to make the public very clear on this point so that no customer of a bank will be any more uncertain than is the customer of a department store that his custom is valued.**"

Any bank that refuses to take deposits makes it just that much easier for the customer to go to some government agency or to the post office and put the money in Postal Savings.

Help to keep the public relations angle of your bank on the right plane by cooperating with your depositors—this is no time to refuse deposits.

How to Prevent Socialized Farm Credit

If bankers and Production Credit Associations will cooperate, William R. Myers, head of the department of Agriculture Economics of the New York State College of Agriculture, believes that bankers can improve the value of their services to the farmers and thus prevent socialized credit in the United States.

Mr. Myers emphasized five points which he believes should be followed in the granting of farm credits and the making of farm loans, and they are as follows:

1. **Make farm loans for the period required for their orderly repayment from the operating income of the enterprise.**
2. **Make farm loans primarily on the basis of repayment capacity of the farmer, with collateral considered only as additional security.**
3. **Make farm loans on a budget basis in cases where the amount borrowed justifies the extra labor involved.**
4. **Have agricultural credit handled by a man who knows farming and farm management as well as banking.**
5. **Do not make an effort to get farm loans unless you are willing to finance good operators in bad times as well as good.**

These are suggestions which we believe every banker can thoughtfully consider in deciding how best to serve his farmer customers.

Congress Ignores Advice of Federal Reserve Experts

At the beginning of the year, the Federal Reserve Board, the presidents of the twelve Federal Reserve Banks, and the Federal Advisory Council, which represents the 7,000 individual banks of the Federal Reserve System, made a recommendation to Congress to prevent future inflation and one of the main points was to

"**Repeal Treasury authority to issue 3 billion dollars of 'greenback money', repeal the Treasury authority to issue money against the foreign silver it buys, and allow to expire June 30th, the President's power to devalue the dollar.**"

Refusing to take the advice of these financial experts, the House of Representatives voted recently 226 to 138 to continue the President's authority to devalue the dollar and to extend the life of the 2 billion dollar currency stabilization fund which also expired June 30th.

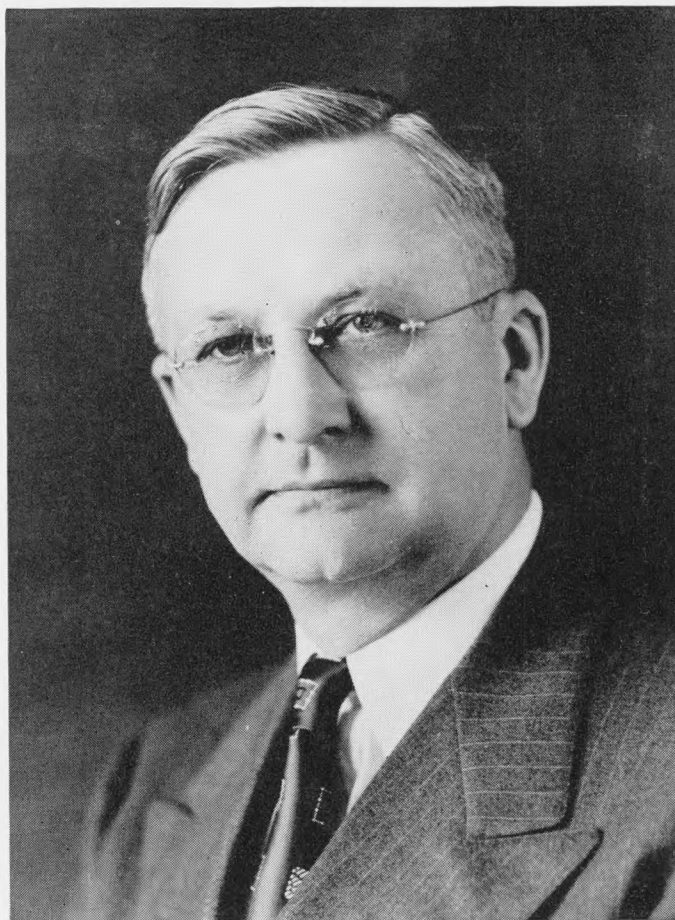
Thus, Congress continues to refuse to take the advice of the Federal Reserve Board and its associates on a sound program to prevent inflation.



The Minnesota CONVENTION

Saint Paul, June 11-12-13

HEADQUARTERS—ST. PAUL HOTEL



K. O. SATTRE
President, Minnesota Bankers Association

THE Minnesota Convention, to be held this year at St. Paul, will start off with a golf tournament on the morning of Wednesday, June 11th, on the Midland Hills Country Club course. Teeing-off will begin at 10:00 o'clock, and no one is to tee-off later than 2:00 in the afternoon.

The pre-convention smoker will start at 7:30 o'clock on that evening, with O. G. Jones presiding. These smokers are one of the outstanding entertainment features of every Minnesota convention, and of course there will be plenty of entertainment and a real lunch following.

Thursday morning, June 12th, will be devoted entirely to committee meetings and the Association council meeting, and also the Minnesota Examiners Club and the Pioneer Club, all meetings taking place in designated rooms in the St. Paul Hotel. No luncheon has been arranged for the men, but the ladies will be entertained at a luncheon in the main dining room of the St. Paul Athletic Club.

The first session of the convention will be called to order at 1:15 p. m. on Thursday. That evening the annual banquet and dance will take place in the Continental Room of the St.

Paul Hotel, with adjournment at noon the following day, on Friday.

The program reads as follows:

Wednesday Evening, June 11 7:30 P. M.

Pre-Convention Smoker—St. Paul Athletic Club; Vice President O. G. Jones, presiding
Report of Nominating Committee
Awarding of Golf Prizes
Entertainment?—"Floor Show" 'nuffed!
Smorgasbord Lunch—Best Ever!

Thursday Morning, June 12

Thursday morning devoted only to—
Committee Meetings
Council Meeting, 10:00 A. M., Rooms 232-4, Hotel St. Paul
Minnesota Examiners Club, 10:30 A. M., Parlor 334
Meeting of "The Pioneer Club", 11:00 o'clock, Rooms 232-4, Hotel St. Paul (Giving delegates ample time to visit and shop)

Thursday Noon, June 12

Luncheon for Ladies, St. Paul Athletic Club (Main Dining Room)

Thursday Afternoon, June 12 1:15 P. M.

Call to Order—Continental Room, Hotel St. Paul

Invocation—Rev. John J. Cullinan, Pastor, Cathedral of St. Paul

President's Annual Address—K. O. Sattre, Vice President, Blue Earth State Bank, Blue Earth

Reports of Council of Administration, Secretary and Treasurer will be mailed to membership

Address—B. M. Edwards, President, South Carolina National Bank, Columbia, South Carolina, and Assistant to the Secretary of the United States Treasury

Address—"Economics of War Financing," Dr. Paul F. Cadman, Economist for the American Bankers Association

Thursday Evening, June 12 6:30 P. M.

Annual Banquet—Continental Room, Hotel St. Paul
Entertainment—Dunninger, "The Master Mind of Modern Mystery"
Dancing—Wally Olson's Orchestra

Friday Morning, June 13 10:00 A. M.

Address—H. V. Kaltenborn, Nationally known Radio Commentator, National Broadcasting System

A. B. A. Elections
Report of Resolutions Committee

Northwestern Banker June 1941

Election of M. B. A. Officers

Members of the several committees which have charge of convention affairs, made up of St. Paul bankers, is as follows:

General Committee

A. B. Lathrop, chairman, First National Bank; H. B. Humason, American National Bank; C. E. Johnson, Empire National Bank & Trust Company; and A. L. Ritt, Midway National Bank.

Entertainment Committee

C. T. Dedon, chairman, Empire National Bank & Trust Company; W. L. Boss, First National Bank; J. A. Cavitzel, American National Bank; Guy E. Dailey, American National Bank; Leo Ritt, Midway National Bank; and E. M. Volkenant, First National Bank.

Golf Committee

A. W. Sands, chairman, Western

State Bank; M. F. Ernst, vice chairman, Midway National Bank; P. A. Kippels, Empire National Bank & Trust Company; B. B. Knopp, First National Bank; and C. A. Maley, American National Bank.

Women's Entertainment Committee

Miss Marie B. Nielsen, chairman, First National Bank; Mrs. Frances Busch, First Trust Company; Miss Dorothy Painter, Empire National Bank & Trust Company; Miss Lillian Teig, American National Bank; and Mrs. Naomi C. Ward, First Bancredit Corporation.

Retention Schedule For Bank Records

A comprehensive study of the interesting and perplexing problems of preservation and destruction of bank records has been issued in booklet

form by a special committee of the Chicago Bank Auditors Conference, L. H. Hammerstrom, auditor, Continental Illinois National Bank and Trust Company, as president of the Chicago Conference, announced.

The booklet has twenty-four pages containing detailed reports of the committee's findings and includes a schedule listing the minimum retainment period of more than 175 bank records. The compilation covers a large part of the records and documents ordinarily routed to and stored among bank archives and is intended as a standard procedure for use in banks generally.

Copies of the booklet may be obtained from the chairman of the committee, R. Ostengaard, comptroller-auditor, The Live Stock National Bank of Chicago, at the nominal price of 50 cents each, to cover production and mailing costs.

St. Paul Bankers

on

Minnesota

Convention

Committees



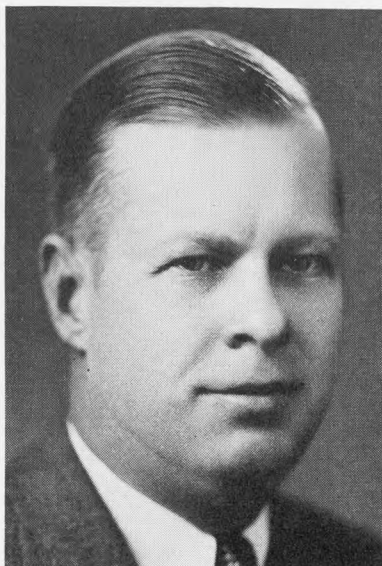
A. B. LATHROP
Chairman General Committee



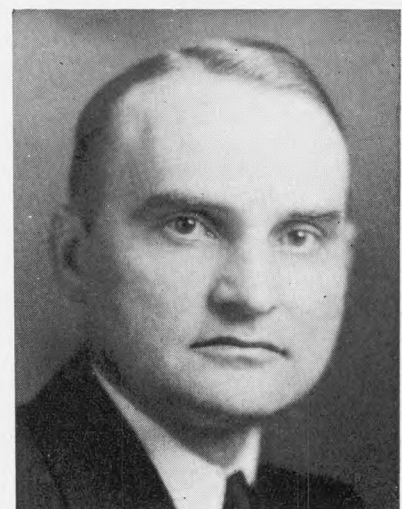
H. B. HUMASON
General Committee



C. E. JOHNSON
General Committee



C. T. DEDON
Chairman Entertainment Committee



A. W. SANDS
Chairman Golf Committee

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

TO OUR banker-golfer friends we give the following poem, whose author is unknown but he must have been "most familiar" with the game:

**I think that I shall never see
A hazard rougher than a tree
A tree o'er which my ball must fly
If on the green it is to lie;
A tree which stands that green to guard
And makes the shot extremely hard:
A tree whose leafy arms extend
To kill the mashie shot I send;
A tree which stands in silence there
While angry golfers rave and swear.
Niblicks were made for fools like me,
Who cannot ever miss a tree.**

George J. Schaller, former president of the Federal Reserve Bank of Chicago, spoke before the meeting of Group 2 in his home town of Storm Lake, and among other things he said: "Bankers today must merchandise their service the same as any merchant or manufacturer on a cost-plus basis—I believe we are in for a long period of easy money—The best place to develop new loans today is right in your own territory—This is a great time for the **producer** but not the **consumer**—This is a good time to have bank customers pay off their debts—I am no friend of the 40-hour week because we must not curtail our service to the public—Service is remembered long after the price is forgotten."

While visiting the new 35 million dollar equipment at **Fort Leonard Wood**, located between Rolla and Lebanon, Missouri, we were interested in signs which we saw in the buildings under construction, two of which signs are as follows:

"We spend tax money—don't waste it."

"Economy marks the master builder."

Might suggest these to our congressmen.

Brigadier-General Ulysses S. Grant (a grandson of President U. S. Grant) is in charge of the Engineers' Replacement Training Center at Fort Leonard Wood, of which there are only two in the United States. The other one is at Fort Belvoir, Virginia.

Selectees and not **draftees** is the

proper language to use now in referring to the young men who are joining the colors.

Fort Leonard Wood has 1,537 permanent buildings, and will be a permanent project, because it is a **fort** and not a **camp**.

While the original estimate for the cost of the camp was \$28,000,000, it finally cost \$35,000,000, of which \$3,000,000 was used to build a railroad 27 miles long in order to get materials and men to the camp.

Over 32,857 men were employed at the peak on construction work. The camp site proper occupies 5,000 acres. Between 35,000 and 40,000 soldiers will be entrained at this camp.

The acorn shown in the 70th anniversary advertisement of **George LaMonte and Son** was truly symbolic. For another acorn in the form of a young gentleman joined the LaMonte Clan last month. He is the son of **George V. LaMonte, Jr.**, and is the fifth generation, and at the last report his first name will definitely be George. Congratulations.

Arthur T. Donhowe, vice president of the Central National Bank and Trust Company, Des Moines, received the endorsement of Group 6 as a candidate for the Association presidency, when they met last month in Pella. The resolution was right to the point, endorsing "our fellow banker from this Group," and gave Arthur a good send-off from his home group.

Joe W. King of the Todd Company who represents the Bankers Supply Division of that well-known Rochester firm, tells us that business in his territory increased 233 per cent from January 1, 1941, to May 17th of this year.

Joe travels out of the Des Moines office and covers the Hawkeye state and is well known to hundreds of bankers in this area.

W. Dale Clark, president of the Omaha National Bank, in a recent letter said:

"Dear Cliff:

"After perusing the May issue of the **NORTHWESTERN BANKER**, I am inclined to suggest to the management of your publication that a change be made in

the personnel of the chief editorialists, both in content and the accompanying picture.

"All of which is to say that I found the article about Nassau by your daughter, **Evelyn DePuy**, the most interesting one in the whole issue."

S. E. Coquillette, president of the Merchants National Bank, of Cedar Rapids, when he learned that **Rudolph Hess**, the No. 3 Nazi, had landed in Scotland said he was glad of it because, "**Now Hess is in a real tight spot.**"

Rudolph Schroeder, president of the Buffalo Savings Bank, tells the story about the fellow who said "Did you hear Wallace's speech?" And the other fellow answered "Yes, but a good rain would have been a damn sight better."

Professor George D. Haskell of the Economics Department of the University of Iowa believes that farm incomes will be higher than a year ago, but that farm surpluses are very large and that there is no shortage in sight.

In the industrial field, however, copper, aluminum and steel are now being manufactured at capacity production, but this is not true of agricultural products.

He believes that labor unrest will continue and increase and that taxation will prevent some price increases, but that prices will rise if credit is expanded.

Hoyt R. Young, cashier of the American National Bank of Arlington and president of the Iowa Bankers Association, tells the story of the farmer who was using a big roller over his farm, and when asked what he was doing that for, replied: "**Oh, I am just raising mashed potatoes.**"

John T. Hamilton, II, vice president of the Merchants National Bank of Cedar Rapids, is now a skiing expert, as he became very proficient in this outdoor pastime while vacationing at Sun Valley, but with warm weather he is trading skis for golf clubs.

Raymond C. Deering, assistant comptroller of the Manufacturers Trust Company of New York, wrote us a letter recently which is self-explanatory, and which we are very glad to reprint here, as we want to give full credit to Mr. Deering for his fine article on "**Pay-As-You-Go vs. Analysis**" of bank accounts.

In his letter to us Mr. Deering said: "At the Eastern Regional Conference of the National Association of Auditors and Comptrollers, which was

Northwestern Banker June 1941

Chase National Bank Stimulates Defense Program

ON MAY 1, when the United States Treasury inaugurated the nationwide campaign for the sale of the new U. S. Defense Bonds, the Chase National Bank of New York used the advertisement reproduced below in six-column space in New York papers.

The illustration in the advertisement, showing the gears enmeshed, symbolizes the relation of citizens' dollars to the actual defense itself—in this case an army training camp.

The heading of the advertisement, "Now Dollars, Too, Can Enlist," has become a slogan—has been picked up, commented upon and used by many newspaper columnists and others. The art work, both in regard to subject matter and treatment, has attracted the attention of many people. The Chase National Bank, like thousands of other banks throughout the Nation, is giving its full support to the National Defense projects.



Now Dollars, too, can Enlist

TODAY the stirring notes of the bugle, echoing through company streets, sound reveille for the nation's dollars.

The commercial banks throughout the land, answering a new call, are offering their services — without compensation or profit — to further the sale of United States Defense Bonds.

The Chase National Bank welcomes the opportunity to cooperate with the Government in making these bonds available to its customers and to the general public.

Be among the first to place your dollars in the service of your country

THE U. S. GOVERNMENT OFFERS:

SERIES E—Appreciation Bond. Registered. Not transferable. Denominations: \$25, \$50, \$100, \$500, and \$1,000. Dated first of month in which payment is received. Matures 10 years from issue date of bond.

2.9 percent a year, compounded semiannually, when bond is held to maturity.

Issue price	Maturity value
\$18.75	will increase in 10 years to \$25.00
37.50	will increase in 10 years to 50.00
75.00	will increase in 10 years to 100.00
375.00	will increase in 10 years to 500.00
750.00	will increase in 10 years to 1,000.00

SERIES F—Appreciation Bond. Registered. Not transferable. Denominations: \$100, \$500, \$1,000, \$5,000, and \$10,000. Dated first of month in which payment is received. Matures 12 years from issue date of bond.

2.53 percent a year, compounded semiannually, when bond is held to maturity.

Issue price	Maturity value
\$74.00	will increase in 12 years to \$100.00
370.00	will increase in 12 years to 500.00
740.00	will increase in 12 years to 1,000.00
3,700.00	will increase in 12 years to 5,000.00
7,400.00	will increase in 12 years to 10,000.00

SERIES G—Current Income Bond. Registered. Not transferable. Denominations: \$100, \$500, \$1,000, \$5,000, and \$10,000. Dated first of month in which payment is received. Matures 12 years from issue date of bond.

2.5 percent a year. Interest is paid semiannually by Treasury check.

This bond is priced at par. It is redeemable at par if it is held by the owner for 12 years from issue date.

The above is certain basic information about the new Defense Bonds. Complete details are available at any office of the Chase National Bank in denominations as low as 10 cents can be purchased and accounted for later conversion into Defense Bonds.

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

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Northwestern Banker June 1941

held in the city of Boston, Massachusetts, I delivered a talk on the topic of Pay-As-You-Go vs. Analysis.

"While reading the May issue of the *Northwestern Banker*, I was quite pleased to note that you featured a small part of my talk in your editorials 'Across the Desk from the Publisher.' However, I am rather upset to note that my viewpoints and opinions on this subject have been seriously misinterpreted. Your article is concluded by stating 'and each banker must determine which method is best suited to his own individual community requirements,' whereas the main point stressed in my talk on this subject was 'it is my firm conviction that pay-as-you-go and analysis both have definite places in the modern bank of today.'

"No doubt the printed interpretation was the result of having available only an excerpt of my complete talk and therefore I can realize that you were not in a position to correctly state my opinions on this subject.

"You will, no doubt, agree that the numerous subscribers of your publication, upon reading the article, will also come to a conclusion directly opposite to the one I conveyed at the above mentioned conference.

"I would greatly appreciate it if you will, in your next issue, correct the mistaken interpretation in whatever way you see fit."

Weir Jepson has recently been elected president of the Bethlehem Bank of Bethlehem, Pennsylvania.

Mr. Jepson is a native of Sioux City, and a graduate of the University of Iowa. He became connected with the Bethlehem National Bank when the bank was organized in 1934, at which time he was elected vice president and cashier.

P. T. Grimes, president of the Davis County Savings Bank of Bloomfield, made a motion, which was seconded by **J. E. King**, president of the Peoples National Bank of Albia, and was unanimously carried, to endorse **Max von Schrader**, cashier of the Union Bank and Trust Company of Ottumwa, for the presidency of the Iowa Bankers Association—the endorsement coming from Group 10 which met at Keosauqua.

Arthur Brayton, secretary of the Des Moines Convention Bureau, was a speaker at both the Tipton and Keosauqua conventions, and demonstrated again his excellent ability as a speaker and story-teller.

One of his stories was that **Franklin Roosevelt** was in a New York hotel,

and wanted to get a check cashed one night, and 'phoned down to ask the clerk if he could cash a check for \$250,000.

The clerk said that he was very sorry, but the banks were closed, and he would like to accommodate the president, but he didn't see how they could do so, but Eleanor broke in on the line and said, "Oh, just make it \$25, Franklin doesn't know the difference."

If anyone thinks that the laboring man today is not being fully paid for his work, recent figures show that when their earnings are adjusted for the cost of living, the purchasing power of **current earnings of factory workers is 12 per cent higher** than the 1937 peak, and **17 per cent higher than the 1929 peak.**

John L. Krall, cashier of the Fairfax State Savings Bank, was elected chair-

man, and **Charles S. McKinstry**, vice president of the National Bank of Waterloo, was elected secretary of Group 7 when it met at Cedar Rapids.

The Cedar Rapids Golf and Country Club was the scene of a real golf match between four outstanding players during the meeting of Group 7. They included **Richard R. Rollins** (84), vice president of the Bankers Trust Company of Des Moines, **Ward McFadden**

To Increase Volume of
Farm Loans, and to
Improve Service to Community,
Country Banks Should

Adopt An *Outside* Program

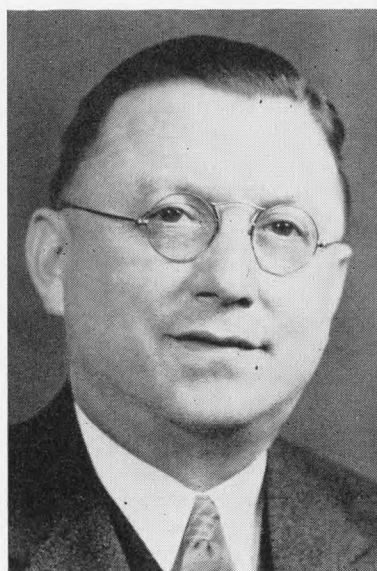
COUNTRY banks are urged to adopt an "outside program" designed to increase the volume of their farm loans, improve and extend their services to their communities, and increase banking knowledge of farming procedure, by John E. Wise, president of the Willard United Bank, Willard, Ohio.

Mr. Wise declared that present-day bankers "recognize a radical change in our rural population, a change in ways of thinking and methods of farming, a change in attitudes involving competition never thought of twenty years ago. Either we are entering upon, or are already engaged in a new era program, involving new practices, new ideas, and new methods, but we still retain the old fundamental ideas pertaining to good banking.

"Before attempting an outside program," Mr. Wise counseled, "it is well to spend some time in self-analysis to see if you are the proper person, or if there is someone in your organization who is now, or whom you feel can be trained, to become the proper person to take charge of your rural work.

"The person you select must be someone who is interested in rural life and people. More than that, he must know something of the practical side of rural life; something concerning soil, fertility, live stock, machinery, and rural social life.

"With the present competition which the banker must meet, we can also see that the time has come when the banker and the farmer together are re-



J. E. WISE

sponsible for loans. I realize that it is impossible to be an expert in many lines, but I am sure that the average rural banker knows enough about agricultural conditions and problems of his own community to be able to give good advice and sound counsel to his customers. Above everything else, he must have the happy faculty of really being a friend and of gaining the respect and confidence of his community. Whatever you do, you must be of real value to the farmer and his community, and nothing should be done for mere advertising.

"First, I suggest cooperation with

county agents and home agents in the 4-H club program of your county. Sometimes, if you have a wide-awake county agent, you will find your 4-H club program will be so well developed that your part will have to be more in the nature of supplementing his work and perhaps that of sponsorship of the projects he has initiated.

"Another opportunity and one of much importance is that of the social life of rural communities. It is necessary to study the people of your community, their social problems, their form of entertainment, and what you can contribute to this part of their lives. Sometimes it may be a study of soil and for what it is best adapted; sometimes a study of markets. Again, we may be able to render service and invaluable aid to our community by emphasizing the idea of good seed. The study of live stock offers a bank an opportunity to raise the live-stock standards in its banking territory. Some bankers distribute thoroughbred calves and finance them for farm boys.

"The study of credit needs and where farmers borrow their money, and of competition, are important. Frankly, I believe that the informed rural banker can give, and is now giving better service to the farmer than any other type of financial institution or government agency. Our program is more than a study program. It involves going out into the hay fields or wheat fields, in the dairy barns, and meeting our farmer friends where they live.

Northwestern Banker June 1941

(78), of Scarborough and Company, Chicago, **Fred D. Cummings**, (89), representative of the Drovers National Bank of Chicago, and **John Haas** (80), assistant cashier of the Northern Trust Company of Chicago.

Frank Warner, secretary of the Iowa Bankers Association, in speaking before the Iowa group meetings said that there were 157 bills affecting banking which were introduced in the last legislature, and that these

were all studied and analyzed carefully.

Of course, many of them were not passed, and it is to the credit of the excellent work which Mr. Warner did (Turn to page 24, please)

The North Dakota Convention

Thirty-ninth Annual Meeting to Be Held in Bismarck on June 17 and 18.
Sessions will Convene in Convention Hall, City Auditorium

BISMARCK bankers will play host on Tuesday and Wednesday, June 17th and 18th, when the thirty-ninth annual convention of the North Dakota Bankers Association is held in North Dakota's capital city.

Entertainment will start off with a stag-smoker held in the evening of Monday, June 16th, beginning at 8:00 p. m. at the Prince Hotel. This entertainment is provided for visiting bankers and guests by the Bismarck-Mandan clearing house association. Other convention features, aside from the sessions themselves are as follows:

Golf: No regular golf tournament has been arranged but the Bismarck golf course is open to all bankers and their guests registered at the convention.

Dance: Nine o'clock p. m., Tuesday, June 17th, will be held at the Dome, just off the highway on No. 10 between Bismarck and Mandan. This will be a private party for bankers, their guests, and ladies.

Transportation: The transportation committee, in charge of L. P. Warren, will be prepared at all times to provide means of transportation to points of interest about the city, to the Bismarck Country Club, or to the dance.

Information: An information desk will be maintained at the Patterson Hotel where you may receive or leave word for or from your wives, sweethearts, or fellow bankers.

Registration: A registration fee of \$3 will be charged in order to assist the convention city defraying convention expense. No fee will be charged for ladies. Your registration badge will entitle you to admission to all convention activities and entertainment features.

PROGRAM

Tuesday, June 17, 1941

Convention Hall, City Auditorium
10:00 o'clock

Invocation—Rev. W. E. Vater

Northwestern Banker June 1941

Welcome to Bismarck—N. O. Churchill, President, City Commission

Response—J. I. Hegge, Vice President, North Dakota Bankers Association, President, First National Bank, Hillsboro

President's Address—Martin Aas, President, North Dakota Bankers Association, Vice President, First State Bank, New Rockford

Appointment of Committee of Resolutions

Annual Report of Secretary—C. C. Wattam

Annual Report of Treasurer—W. R. Sandager, Cashier, Farmers State Bank, Lisbon

Report of Committee on Agriculture—F. A. Irish, Chairman, President, The First National Bank and Trust Company, Fargo

Address: "The Bank's Part in National Defense," Otis R. Preston, Federal Reserve Bank, Minneapolis

Luncheon: Patterson Hotel, 12:00 p. m.

Afternoon Session

1:30 P. M.

Patterson Hotel

Address—H. W. Koenke, Vice President, American Bankers Association

Address: "Agriculture and the War"—J. H. Evans, Deputy Minister of Agriculture, Winnipeg, Manitoba

Address: "Ideals in the Profit System"—Harry Swift, Marchant Calculating Company, Minneapolis, Minnesota

3:30 P. M. Adjournment

Wednesday, June 18, 1941

Morning Session, 10:00 A. M.

City Hall

10:00 A. M., Opening Session

Presiding, President Martin Aas

Report Committee on Nominations A.

B. A. Officers for North Dakota Election A. B. A. Officers for North Dakota

Report Committee on Nominations, State Association Officers

Election State Association Officers

Address—J. A. Graham, State Examiner, Bismarck, North Dakota

Address: "Deductibility of Charge Offs and Taxability of Recoveries," Charles A. Preston, Tax Advisor for Minnesota Bankers Association, St. Paul, Minnesota

Round Table Discussion

Unfinished Business

New Business

Report Committee on Resolutions

Selection 1942 Convention City

Adjournment

12:30: Dutch Lunch, World War Memorial Building Adjoining City Auditorium

Ladies Program

Tuesday, June 17th

1:00 P. M. Luncheon and Bridge Party, Bismarck Country Club

9:00 P. M. Dance, Dome

Local bankers and ladies named on the several convention committees are as follows:

General Entertainment Committee

John A. Graham, chairman, Fred B. Heath, Ray Madsen, E. D. Saltzman, F. A. Vogel.

Reservation Committee

Robert Birdzell, H. E. Hanson, Joe Thomas.

Transportation Committee

L. P. Warren, G. H. Kenney, Vernon Onstad.

Registration Committee

Miss Antoinette A. Lux, Miss Dorothy George, Miss Janette Jensen.

Entertainment Committee

A. A. Mayer, B. F. Lawyer, George Thompson, N. I. Roop, Theo. Sette.

Ladies Entertainment Committee

Miss Helen Baker, Mrs. Geo. E. Brastrop, Mrs. F. B. Heath, Mrs. B. F. Lawyer, Mrs. James M. Little, Mrs. Ray Madsen, Mrs. A. A. Mayer, Mrs. N. I. Roop, Mrs. E. D. Saltzman, Mrs. Theo. Sette, Mrs. Geo. Thompson, Mrs. F. A. Vogel, Mrs. L. P. Warren.



The beautiful banking home of the Winona National and Savings Bank at Winona, Minnesota

Colorful Collection Attracts Bank Customers

WHEN bankers speak of collections they are usually thinking in terms of money or negotiable paper, but in the Winona National & Savings Bank, at Winona, Minnesota, is a collection which had its origin several thousand miles from the United States, and when alive was probably much too active to be considered as frozen assets. We are speaking of the collection of African game trophies which are on display in several rooms opening off the mezzanine floor of the banking building.

Here is how it all happened. In 1924, and again in 1926, E. L. King, who is president of the Winona National & Savings Bank, and Mrs. King and

E. L., Jr., went on a hunting trip for big game in Africa. The exhibits on display in the bank would indicate that the party was most successful in its hunting endeavors, and were also able to obtain the services of an excellent taxidermist, since the several mountings are indeed natural and life-like.

In one room stands a lion mounted in a glass case; in another room are heads of a black rhinoceros, and hippopotamus, and in this room also a lion head. In another large glass case here we find a huge ostrich.

In another room at one end of the building appears the display of antelope and gazelle heads which is pic-

tured below. Thirteen species of antelopes are represented in this collection, which also includes a number of gazelles. Numerous varieties of the antelope family inhabit Africa, from the jack-rabbit-sized dik-dik, weighing six pounds, to the eland standing six feet high at the shoulders and weighing as much as fifteen hundred pounds.

To make a complete assortment a great deal of time and patience traveling from one locality to another would be necessary. A species may be abundant in one locality and entirely absent thirty miles distant. There are numerous sub-species which differ very little from the original. Antelopes are all (Turn to page 28, please)



Above, left, is a part of the display of old china in the Winona National & Savings Bank. At the right is a glass case containing antelope and gazelle heads which are included in an African game trophy collection

Iowa Junior Bankers to Meet in Des Moines

Fourth Annual Meeting Will Be Held Sunday and Monday,
June 8 and 9

Following is a general outline of plans for holding the fourth annual meeting of "Iowa Junior Bankers." Registration will commence at 11:00 a. m. on Sunday forenoon, June 8, 1941, on the mezzanine floor of the Hotel Fort Des Moines.

The third annual adding machine contest will be held this year. The same general rules governing previous Association adding machine contests will again prevail. The preliminaries will be held from 3:00 p. m. to 5:00 p. m. Sunday, June 8, 1941, on the mezzanine floor of the Hotel Fort Des Moines. The ten highest ranking contestants chosen from the preliminaries will compete for ten cash prizes totaling in all \$102.00 on Monday forenoon, June 9, 1941. This final contest will be held before the convention audience. It will commence promptly at 11:30 a. m. on that forenoon.

From 5:00 p. m. to 6:15 p. m., Sunday afternoon, June 8th, will be a general reception period. Presidents and their wives of the Des Moines banks will join Mr. and Mrs. H. R. Young of Arlington, president of the State Association, and Mr. and Mrs. H. J. Stuhlmiller of Fontanelle, vice president and treasurer of the State Association, in greeting the Junior Bankers. The entire affair will be informal. Special music will also be provided during the reception hour.

Supper will be served at 6:15 p. m. in the ballroom, mezzanine floor, Hotel Fort Des Moines. Special numbers will be given throughout the supper period. H. R. Young, president, will preside. Wm. A. Irwin, national educational director of the American Institute of Banking, New York City, will be speaker of the evening. Plans will be discussed for the formation of a permanent "Iowa Junior Bankers Association." A committee will be appointed to report the following day on the formation of such an organization. The Sunday evening program will adjourn not later than 9:00 p. m. to permit all who may desire to visit picture shows or other places of interest in Des Moines if they wish.

The Monday morning session will commence promptly at 9:15 a. m. and prefaced by a special musical program. Several fine talks have been scheduled. Finals in the adding machine contest will be conducted promptly at 11:30 a. m. and the cash prizes will be awarded at 12:00 o'clock noon from the convention floor.

The afternoon session will commence at 1:45 p. m. In addition to two fine talks that will be delivered, a panel discussion will follow on the theme "A. I. B. Group Study Classes in Iowa—Their Value; How to Get Ahead." The Junior Bankers Convention will adjourn not later than 5:00 p. m., Monday afternoon, June 9th.

For all those who may desire to remain for the evening it is anticipated that some special entertainment will be provided.

The program for the Iowa Junior Bankers Convention is as follows:

SUNDAY, JUNE 8, 1941 Forenoon

11:00 Registration Commences—Mezzanine Floor, Fort Des Moines Hotel.

Afternoon

3:00 to 5:00 Preliminaries, Adding Machine Contest.

5:00 to 6:00 Reception for All Men and Women Registrants—Lounge, Mezzanine Floor, Fort Des Moines Hotel.

6:15 Supper—Presiding, H. R. Young, President, Iowa Bankers Association—Main Ball Room, Mezzanine Floor, Fort Des Moines Hotel.

Music during the Supper Hour.

7:30 Address, "Looking Ahead," Dr. Wm. A. Irwin.

8:30 General Discussion on the subject: "Shall the Iowa Junior Bankers Form an 'Iowa Junior Bankers Association?' If so, shall it be patterned after the organization of the parent Association?"

Appoint Committee to study feasibility of forming "Iowa Junior Bankers Association" which committee shall submit its re-

port at tomorrow afternoon's meeting.

9:00 Adjournment.

MONDAY, JUNE 9, 1941 Forenoon

8:00 Registration—Mezzanine Floor, Fort Des Moines Hotel.

9:15 Meeting Called to Order—H. R. Young, President, Iowa Bankers Association, Arlington.
Music—Girls Musical Trio.

9:30 Remarks of the President, H. R. Young.

9:40 A Word of Welcome—Rolfe O. Wagner, President, Capital City State Bank, Des Moines; President, Des Moines Clearing House Association.

Response—L. B. Cox, Assistant Cashier, First State Bank, Belmond.

Address, "Education and Banking"—Will A. Lane, President, Security Savings Bank, Marshalltown; Member, Board of Regents, Graduate School of Banking of American Bankers Association.

Address, "The Junior Banker's Place in the Banking Picture"—R. L. Bunce, Deputy Superintendent of Banking, Des Moines.

11:30 Finals—Statewide Adding Machine Contest.

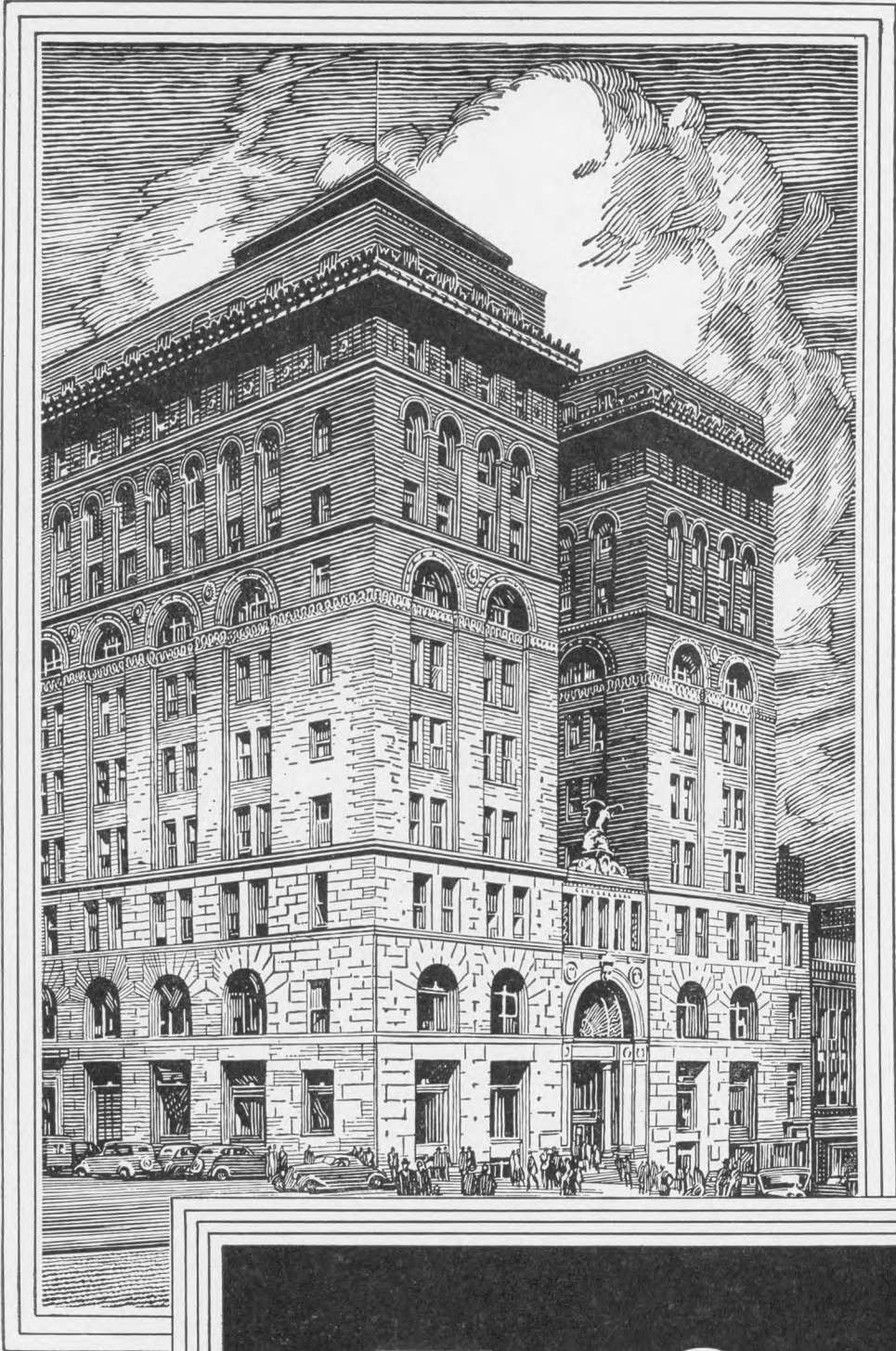
12:00 Noon Awarding Cash Prizes—H. J. Stuhlmiller, Vice President and Treasurer, Iowa Bankers Association; President, State Savings Bank, Fontanelle.

Afternoon

1:45 Meeting Called to Order—H. R. Young, President, Iowa Bankers Association.

2:00 Address, "Public Problems Facing the Younger Business Man"—Hon. B. B. Hickenlooper, Lieutenant Governor of Iowa, Cedar Rapids.

2:30 Address, "Advantages, If Any, of Junior Bankers Today Over Those of Yesteryear"—B. F. Kauffman, President, Bankers Trust Company, Des Moines; (Turn to page 28, please)



MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

Northwestern Banker June 1941

What the Legal Phrase Next of Kin Means

A Minnesota banker died leaving his property by will to his sister for life with the remainder to her "next of kin." The sister died survived by three sisters and one child of a pre-deceased sister. Under the statute of descent all four would have been entitled to share in any property owned outright by the decedent had she died leaving no will. Were all four entitled to share in the property formerly owned by the banker?

Yes. A devise to "next of kin" is of the same effect as one to "legal heirs" or "legal next of kin" and the statute of descent is to be taken as the standard of division in Minnesota. The English rule, incidentally, is that "next of kin" means nearest of kin. If such rule were applicable here, the property would have gone to the three surviving sisters only.

Maxwell maintained a checking account with a South Dakota bank. The deposit agreement, duly signed by both parties, provided that the bank could not be liable for any amounts paid on forged checks and charged to the depositor's account unless he gave the bank written notice of the forgeries within 15 days after the date of the mailing of the statement and cancelled checks. Certain forgeries occurred but Maxwell did not notify the bank as required by the contract. Could he recover from the bank?

No. The South Dakota Supreme Court recently held that a contract between a bank and its depositor providing that the bank would not be liable for amounts paid on forged checks unless he gave the bank written notice of the forgeries within 15 days after the date of mailing the statement and cancelled checks to him precluded the depositor from recovering on the forgeries where proper notice had not been given to the bank as provided in the contract.

A retired banker, who was a resident of North Dakota, was one of the partners in a mill business operating exclusively in Minnesota. He paid, in Minnesota, an income tax on his income from the partnership and the

Northwestern Banker June 1941

These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

partnership was also taxed in Minnesota. He did not, however, return in North Dakota as part of his gross income for tax purposes there the money he made from the partnership in 1937. The North Dakota law applicable provided that income "derived from any source whatever" should be returned. Was such action on the part of the partner proper?

No. In a recent decision the North Dakota Supreme Court held, on facts similar to those outlined in the question, that the use of the phrase "income derived from any source whatever" in the income tax law required that the income should be returned and that it was taxable in North Dakota.

A Nebraska tire company obtained a judgment against a construction company in that state. In bidding on a city contract the construction company was required to post, or have posted, a cashier's check for \$400. The construction company prevailed on Jordan to do this. The construction company did not get the contract, but, before Jordan could recover the check, the tire company garnished the city and the bank that issued the check. Should the tire company prevail?

No. When the bid of the construction company on the city contract was not accepted by the city, the construction company had no further interest in the cashier's check and it was returnable to Jordan as his property. It was not the property of the construction company and, therefore, could not be reached by garnishment as such property.

A Kentucky bank was trustee of an estate there, the income of which was to go to one person for life and the

corpus to another on the death of the first beneficiary. As trustee, the bank purchased certain bonds at a premium and certain other bonds at a discount. In handling the estate was it required to amortize the premiums and accumulate the discounts?

No. In administering a trust the income of which is given to one person and the corpus to another, premiums paid for securities in investing trust funds need not be amortized, and the amount of the discount at which such securities were purchased need not be accumulated. This rule, incidentally, applies in Kentucky, but it is not followed in certain other states.

Must a trustee diversify the investments it makes on behalf of a trust?

The courts of the several states have approached this question differently and there are differences in the extent to which diversification is required. Massachusetts and New Jersey adopt the view that a trustee is ordinarily under a duty to diversify but the courts of New York and Pennsylvania have taken the position that there is no duty to diversify trust investments.

Blackwell sued a bank for personal injuries sustained by him in a building owned by it. The suit was for \$7,000 and the bank was covered by insurance up to \$5,000. The bank was clearly liable to Blackwell for the amount sought by him. Blackwell's attorneys offered to settle for \$4,000 but the insurance company, in bad faith, refused the offer. Later Blackwell recovered the \$7,000. In such circumstances was the insurance company liable for the full amount?

Yes. Where an insurer is guilty of fraud or bad faith, it is liable in tort for failing or refusing to compromise or settle a claim brought against the assured for an amount within the policy limits, to the extent of any excess of a judgment recovered against the insured over the amount payable by the terms of the policy. Since the insurer acted in bad faith here, it is liable for the full amount recovered

(Turn to page 30, please)

We May Not Know All the Answers—But We Know

Where to Find Them

Editor's Note: In lieu of a house organ for his bank, C. Lane Goss sends out every once in a while what he calls "screeds." The following is a screed which went to the personnel of his bank in the form of a staff bulletin.

AS INSTITUTIONS and as individuals we must always go forward. We can never go backward; otherwise we die—mentally or physically. The person who lives entirely in the past has stopped growing. A tree never stops growing until it dies. People try to go back to their childhood haunts, but the old playmates are gone into the wide world, the old days can never quite be recaptured. The places themselves have changed through the influence of industry and the automobile. Not only will the people, the localities change beyond recognition, but also the old ways of life will pass. In the words of the novelist Thomas Wolfe, "You Can't Go Home Again!"

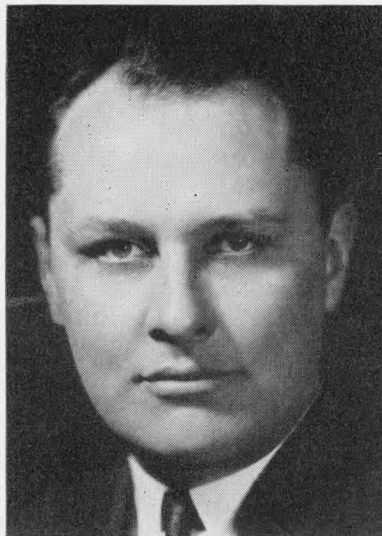
If this, then, is to be our idea of growth, why not accept the fact and grow as individuals and institutions? By growth, I mean adding to our mental, moral and culture stature, streamlining our structures to the present, retaining the good of the past, but not making it our idol. An idol has a way of becoming a ball and chain.

Though we cannot turn back to the years that we have lived through, there are compensations for our advancing years. Otherwise we should be perpetually unhappy. And fortunately our collective memories are short. Sometimes this is unfortunate in matters of state, national or local policy when memories should make people wiser.

Egotism and complacency are tremendous factors in growth limitation. None of us knows much about anything really. Therefore egotism is a sign of retrogression and the end of growth. Mr. William Sawyer tells a story of the difference between a philosopher and a scientist. The scientist knows a great deal about very little, and goes on knowing more and

By C. Lane Goss

Vice President
Worcester County Institute for Savings
Worcester, Massachusetts



C. LANE GOSS

more about less and less until he knows everything about nothing. The philosopher, on the other hand, knows very little about everything, and goes on knowing less and less about more and more until he knows nothing about everything. Anyone in our business or any other who thinks that he has all the ideas first is in a difficult stage of retrogression, and forced to plagiarize other ideas so much that his system becomes too complicated to maintain. Ideas are the result of work, environment, association, reading, training and inheritance. It is well never to scoff at the ideas of another, yet later present them as your own. Someone will detect you and know you for what you are—for robbery is robbery however you admit it. Shoulder riding is despicable, and the man who practices it carries down many

others with him in the final and complete collapse.

The day has passed when a man can be the master of all branches of learning. In the complexity of modern life each of us must concentrate or specialize in some one field in order to equal or excel competition or justify our existence by adding to the knowledge in our sphere. We must never lose our spirit of inquiry into other areas of activity lest we become stunted and one-sided, limiting our own growth in the segment of our own specialization. Use other people's ideas freely, but always give them due credit.

In a world appearing to be over supplied with factories and trained men, machines, finance, etc., we must burrow under the pile and extract truth to make ourselves distinctive, useful, timely and valuable in an activity that is under supplied in order to survive as individuals, as families, and as businesses. This process has a way of reversing the vicious spiral of decay. Individuals, not groups or governments, have opened up the new vistas of human progress—to illustrate, Christ, Leonardo da Vinci, Gallileo, Plato, Channing at Harvard, Tucker at Dartmouth, Osler at Johns Hopkins, Glass and Stonier in banking, Wright in aviation, Wood in industry, Einstein in mathematics, Pasteur, Madame Curie, etc., ad infinitum.

To revert to the person who thinks that he has all the ideas first, who is contemptuous of the ideas of others, it is quite easy to get around him by making him think your ideas are his. The process is a little slower, but just as effective. None of the men mentioned above were inspired by a single idea which they alone originated. Their achievements were not entirely the spontaneous flowering of individual genius, but partly the product of the age, the civilization in which they lived. They had a devoted interest in helping human beings, and worked unselfishly and unsparingly toward their

goal. None of them was one-sided, and each respected the contributions of others.

Proficiency in one activity has its parallel in another such as painting and architecture, poetry and music. Achieve comparative excellency in one thing, and the world opens up to you—travel, friendship, appreciation and happiness. It makes no difference what it is—philosophy, mathematics, accounting, public relations, invest-

ments, mortgage lending, writing, music, singing, printing, anything. One rarely knows the best men in any field unless he himself excels in his. When one rises to eminence from a false reputation or by intellectual robbery and is found out, his decline is spectacular and devastating. Many good men achieve excellence in one field, yet spread so thinly in others that they lose their perspective, and lessen the value of their achievement. Pro-

ficiencies in certain fields do not always combine. Many good men are excellent in research but poor administrators.

Some at least of the problems mentioned are not abstract, but may apply to us right here. And we should all take advantage of the opportunity that exists in this bank for study, for improving our efficiency, for making well considered suggestions, for learning what we can from our associates here and elsewhere for our common good. It may be appropriate to say here that by and large banking makes money by not losing it, and that good bankers make good banks. Banking troubles are usually traceable to an inadequate knowledge of the tools available to those responsible.

There are a few axioms that may enable us to keep a straight line course toward achievement in our business:

1. As stated above, banks make money largely by not losing it.
2. Above, good bankers make good banks and vice versa.
3. Banks have found themselves in trouble largely because of lack of knowledge of the tools already at their disposal if their staffs had taken the time to search them out.
4. Sound theory always precedes sound practice. No amount of actual work based on an unsound theory will work practically.
5. This memorandum is written not because we think we have all the answers, but to show you how we think and the general area in which the answers may be found. If we are wrong, it gives you an opportunity to correct our thoughts by pointing out the errors. Therefore, we gain either way.
6. In business or in any other activity we must carry on the daily job well while searching for better ways. Many good men have fallen down by seeking perfection for the future, and neglecting a process that works well enough to give them a living in the present.
7. Most, if not all, banking problems can be solved adequately.

The Montana Convention

In Missoula Friday and Saturday, June 20 and 21

A CLEVER announcement of the thirty-eighth annual convention of the Montana Bankers Association, to be held in Missoula, June 20th and 21st, has been prepared by Mrs. Ethel Walker, Association secretary. It was gotten up in the form of a bill to be introduced into a legislature, listed as Convention Bill No. 376, and presumably was introduced by the Committee on Celebrations. It reads as follows:

A BILL FOR AN ACT Entitled: "An Act to Require Your Attendance and the Attendance of your wife at The Montana Bankers Association Convention at Missoula, Montana, on June 20-21, 1941; Providing for Accommodations Thereat; Providing for a Golf Tournament; Providing for Penalties in Case of Failure to Comply Herewith; and Repealing All Commitments and Engagements."

Be it Enacted By the Executive Council of the Montana Bankers Association:

Section 1. That you, or some member of your organization, institution, or establishment, be, and you are hereby ordered to, in person, attend the Thirty-eighth Annual Convention of the Montana Bankers Association at Missoula, Montana, June 20-21, 1941.

Sec. 2. That if you are married, or expect to be married before that date, that you be, and you are hereby, ordered and instructed to also bring to said convention, the wife of your bosom. If you are not married, and do not wish to become so before said date aforesaid, no penalty shall attach to you for attending alone.

Sec. 3. That if you desire a room, originally intended for slumber, but seldom used for such, you shall immediately make your wishes known to R. H. Dick, assistant cashier of the

First National Bank, or E. J. Stowe, assistant cashier of the Western Montana National Bank, Missoula, regularly appointed, duly authorized and acting members of the Hotel Committee, which gentlemen shall thereupon exert every effort to meet your wishes.

Sec. 4. That if you desire to participate in the Bankers' Golf Tournament to be held on the day immediately preceding the convention, viz., June 19, at the Missoula Country Club, you shall write a letter to Newell Gough, vice president of the Western Montana National Bank, or to F. M. Elliott, cashier of the First National Bank, Missoula, regularly appointed, duly authorized, and acting members of the Golf Committee, advising them of your intention to participate and compete for prizes in the tournament.

Sec. 5. Refusal to attend the Montana Bankers Association Convention, without good and sufficient reason, shall be deemed to be a grave mistake and shall be punishable by personal loss to you of a thoroughly good time, the chance to fraternize with a fine group of bankers (and their beautiful wives), an interesting and instructive program, and a fine vacation in a beautiful little city in a wonderful state.

Sec. 6. All of your prior engagements and commitments in conflict herewith are hereby repealed (we hope).

Sec. 7. This Act shall be in full force and effect from and after its receipt by you and acknowledgment to the Association office at Helena, Montana.

Approved:

R. D. Mountain, President.

J. A. Sanderson, Vice President.

Fred Heinecke, Vice President.

Attest:

Mrs. E. W. Walker, Secretary.

The South Dakota CONVENTION

DEADWOOD

June 26 - 27

Headquarters—Franklin Hotel

THIS year the Black Hills will again be the meeting place for the 1941 annual convention of the South Dakota Bankers Association. Deadwood is the city, and the dates are Wednesday, Thursday, and Friday, June 25, 26 and 27. While the Franklin Hotel is convention headquarters, the business sessions will be held in the Masonic Temple which is just across the street from the hotel.

The festivities start on Wednesday, the 25th, with preliminary registration at 1:30 at the Franklin Hotel. Then golf at 2:00 P. M. for those interested, and the big stag dutch lunch at 6:30 P. M. this same day, both golf and the evening affair at the Tomahawk Lake Country Club. While the men are at the stag party, registered ladies will be entertained at a theater party.

With the morning of Thursday, the 26th, given over to committee meetings, sessions of the convention proper do not start until 2:00 P. M. The complete program is as follows:

PROGRAM

Thursday, June 26

9:30 A. M. Registration, lobby of Franklin Hotel

Golf—Those who desire to play golf Thursday morning may use the facilities of the Tomahawk Lake Country Club or the Lead Country Club. The usual green fees will be charged.

- 10:00 Meeting of Executive Council
- 11:00 Meeting of the Resolutions Committee
- 12:00 M. Meeting of Nominating Committee
- 1:00 P. M. Golf or Bridge Luncheon, Lead Country Club (Transportation will be furnished for visiting ladies)
- 2:00 First Session, Masonic Temple (Across the street from the Franklin Hotel)
Call to Order, F. F. Phillippi, Milbank, president, South Dakota Bankers Association
Invocation, Rev. O. Sivertson, Deadwood, pastor, First Baptist Church
Address of Welcome, Ray L. Ewing, Mayor of Deadwood
Response, L. T. Morris, Watertown, vice president, South Dakota Bankers Association
Opening Remarks, President Phillippi



F. F. PHILLIPPI
President South Dakota Bankers Association

Filing of Official Reports
Address, H. W. Koeneke, Ponca City, Oklahoma, first vice president, American Bankers Association

“Wages and Hours”, Leslie K. Curry, St. Louis, Missouri, vice president, Mercantile-Commerce Bank and Trust Company

Annual meeting of members of American Bankers Association, including election of officers for South Dakota, T. S. Harkison, Sioux Falls, state vice-president, presiding

5:15 P. M. Meeting of “Executive Council” of state bankers to select names from whom governor is to appoint members of Banking Commission

6:30 P. M. Annual Dinner, Masonic Temple

Address, Clifton M. Utley, Chicago, Illinois, director, Chicago Council on Foreign Relations

9:00 Dance, Elks Ball Room

Friday, June 27

8:30 A. M. Breakfast Session, Masonic Temple

Northwestern Banker June 1941

"Rainbows and Green Cheese",
W. W. Gail, Billings, Montana,
"The Montana Mirthquake"
"Public Service at a Profit", John
Burgess, Minneapolis, Minne-
sota, vice president, North-
western National Bank and
Trust Company
Committee Reports
Election of Officers
Selection of 1942 Convention City
Adjournment
Meeting of Executive Council

DEADWOOD CONVENTION COMMITTEES

General Chairman, C. O. Gorder

Reservations and Registration, A. B.
Lord

Entertainment, A. A. Coburn, H. J.
Walker, H. S. Black, Wm. Andrews,
John Hirning

Ladies' Entertainment, Mrs. C. O. Gor-
der, Mrs. Wm. Schoen, Mrs. A. A.
Coburn, Mrs. H. S. Black, Mrs. F. S.
Howe and Mrs. John Ryan.

Among other entertainment fea-
tures, there will be several sight-seeing
tours conducted at various times.
Those desiring to take advantage of
these tours are requested to make their
wants known upon arrival at Dead-
wood.

NEWS AND VIEWS

(Continued from page 16)

and his legislative committee that
most of the bills harmful to banking
were defeated.

Marvin R. Selden, vice president of
the Merchants National Bank of
Cedar Rapids, presided at the group
meeting held in his city, and made one
announcement which was very popu-
lar when he suggested that after the
completion of the four o'clock meet-
ing the guests were invited to stop in
the **Corn Room** of the Montrose Hotel
for refreshments. After reaching the
room, the boys found that they were
just liquidating corn loans.

Harold P. Klein, assistant vice pres-
ident of the Iowa-Des Moines National
Bank and Trust Company, has been
appointed vice chairman of the United
Service Organization for the Des
Moines area. **Carl W. Mesmer**, vice
president of the Bankers Trust Com-
pany, has been appointed treasurer of
this organization. The state quota for
the U. S. O. is \$400,000.

R. O. Byerrum, executive vice presi-
dent of the First Trust and Savings
Bank of Davenport, spoke on "**The
Barter System and Gold**" before the
meeting of Group 5.

Among other things, Mr. Byerrum
said were these: "South Africa pro-
duces one-third of all the gold pro-
duced.—Unless we are regimented, it
is not likely that the barter system
will supplant gold.—Our entire price
system is based on gold.—40 per cent
of the world trade is controlled by the
United States and Great Britain.—Hit-
ler and his countries control only 25
per cent of the world trade.—Cash re-
serves and hoarding represent the es-
sential uses of gold.—The purchasing
power of gold has changed little in
200 years.—The \$22,000,000,000 of gold
in Fort Knox is a valuable asset to
the United States.—One-third of our
gold here is for safe keeping for other
countries."

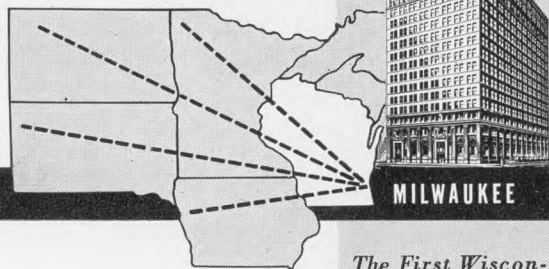
B. A. Gronstal, president of the
Council Bluffs Savings Bank, is very
proud, and rightly so, of the new bank
building which they are now build-
ing. It is not complete yet, but the
vault equipment is in and it is most
modern and up to date.

Ben DuBois, secretary of the Inde-
pendent Bankers Association of Sauk
Centre, of Minnesota, believes that
branch banking must be "frozen"
where it is now.

"Branch banking," according to Mr.
DuBois, "is a form of distant land-

Here is the Point of Prompt Collection

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31ST in size among all banks in the United
States, the First Wisconsin National of Milwaukee
is the largest in the Wisconsin-Iowa-Minnesota-
North and South Dakota area . . . with unusual
facilities for prompt, efficient correspondent
service throughout this important agricultural-
industrial region.

BANKS AND BANKERS DIVISION

George T. Campbell.....Vice President
Richard J. Lawless.....Assistant Vice President
Donald A. Harper.....Assistant Vice President

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NATIONAL BANK
OF MILWAUKEE**

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sin serves more than
85 per cent of all
the banks in Wis-
consin...plus many
leading banks
in key cities of
neighboring states.*

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NEW 1941 IOWA - NEBRASKA BANK DIRECTORY

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Des Moines

In the new 1941 edition of the Iowa-Nebraska Bank Directory you will find the most complete and latest information on Iowa and Nebraska banks, including personnel, capital, surplus, deposits, loans and discounts, bond holdings, correspondent banks and other valuable data.

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It"*

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Sim Bonsall, cashier, Lexington State Bank, Lexington, Nebr.

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527 Seventh Street
Des Moines, Iowa

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Company-----

Officer-----

City-----State-----

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We best serve ourselves by serving others well.

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PHILADELPHIA NATIONAL BANK

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lordism that will always be objectionable to a free people. The substitution of a manager for a real bank management is not productive of better service. The home-owned, home-managed institution with its sensitiveness to public demands is more a component part of any community than a branch bank of some distant metropolitan institution. Banking is an individual, personal business, and each customer desires the opportunity of discussing matters with the real 'yes' and 'no' man of the institution rather than with a manager of some distant home office."

Just as soon as the railroads start to show an increase in their business the railroad union asked for a **wage increase of 30 per cent** which would cost \$202,000,000 yearly.

Ed M. Warner, president of the City National Bank of Clinton, sends us the following interesting paragraph: "WHEN THANKSGIVING DAY was founded the Indians were running this country with no taxes, no indebtedness, no relief, no third term and the women did all the work. White men thought **they could improve** on a system like that."

Assistant Cashier

Harry A. Meyer was elected assistant cashier of the American National Bank and Trust Company of Chicago at a recent meeting of the bank's board of directors. Mr. Meyer is 42 and has been with the American National Bank since 1931. He is a director of the Chicago chapter of the American Institute of Banking and is also active in amateur athletics, presently serving as president of the bankers softball league.

Excused

Johnny played truant from school one day, and the following morning was worried as to how to square himself with the teacher. He decided to write a note of excuse, signing his mother's name, which resulted in the following: "Dear Teacher: Please excuse Johnny for being absent yesterday. I tore my pants. Yours truly, Mrs. Jones."

Coming Events

Mother (to son coming from Sunday school): "Well, son, what did you learn today?"

Son: "I learned that man was made out of dust. Is that true, Mother?"

Mother: "Yes, my son."

Son: "Well, there is going to be a man under our bed pretty soon."

The Month's Market Maneuvers



JAMES H. CLARKE

The strike in the bituminous coal mines of the north was settled April 30th—the Ford controversy with labor ended — and business turned upward again in May.

The actual decline in April was not large—but coming at a time when every effort was bent toward increasing production, it hurt. Perhaps, under the full national emergency, strikes will decline, there may even be legislation designed to force mediation efforts before a walk-out occurs—certain it is the public is puzzled when one boy can be forced to carry a gun for \$21 a month and his next door neighbor in factory work can not be required to make a gun for five to ten times as much.

The stock market milled around a bit with alternate days of strength and weakness, but got nowhere at all. The net change in Dow-Jones industrial averages was 52 cents on the plus side—this includes twenty-five days of trading as we write this on Saturday morning, the last day of the month. Railroad stocks sold off slightly during May—the Dow-Jones averages on this class of securities dropping from 28.40 on the last day of April to 27.65 a day ago. The demands of the Big Five Operating Brotherhoods for a 30 per cent increase in pay based on rising living costs undoubtedly hurt railway securities. The negotiations between the representatives of the roads and labor will be long drawn out—six months, at least, seems a good guess. If this is true, the earnings of 1941 will not be much affected.

Public utility stocks also were weak—dropping over a point in the averages during the month. It becomes increasingly apparent as time goes on that a war economy would squeeze the utilities. With rising costs of fuel and labor—fuel being the important one in the case of utilities—and with rates fixed, it seems certain that, despite increases in gross, net will do well to hold its own. Then there is the factor of higher taxes—which will affect all industries—but the utilities will be hard put to find a commission which will grant an increase in rates. Besides, the government is planning more public projects—the Secretary of

Prepared for
The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

the Interior has stated that our present facilities will not handle the loads to come. What will happen after our defense efforts are completed—will there be a vast amount of electric capacity for which there will be no demand—these are questions that bother investors in the securities of many public utilities.

The government bond market after being listless and lower through most of May, developed considerable strength after the announcement of the new financing—\$600,000,000 2½'s of 1958—on May 22nd. The longest governments were quoted about 110.20 on the bid side as April ended—dropped to 110.1 on the 20th—today the bid is around 110.31—an increase of better than a quarter of a point in ten days. The new bonds were really explosive—the first day they sold at well over two points premium and in the next few days sold above 103.

The municipal bond market and the prices for high grade corporate issues remained firm in May, but second grade corporate obligations eased off as a result of developments referred to earlier in this article. Higher material costs, higher taxes and higher wages—both now and in the future—have doubtless hurt the second grade market. For instance, if the five brotherhoods should receive a 30 per cent increase in pay, it would add about \$202,000,000 to the roads' annual pay-rolls. Perhaps, the rails could carry such a load during this period of sharply rising business—but once this defense boom has spent itself the carriers would be saddled with wages that would have far reaching serious effects on their financial positions. But 30 per cent is doubtless a bargaining figure—and labor and management both realize that some figure much below that will be decided upon when settlement is finally made.

There were two sizeable pieces of refunding during the month, the first being \$50,000,000 of Firestone Tire and Rubber Company debenture 3's of

1961, priced at 99 to yield 3.05—the second, \$80,000,000 of Union Electric Company of Missouri, first and collateral mortgage 3¾'s due in 1971 and priced at 107%. *The Wall Street Journal* in its column "Current Prices of Recent Bond Issues" shows a bid of 97½ for the Firestones—indicating that the reception was not as good as the underwriters expected—but a bid of 108% for the Union Electrics, showing that institutions bought these in good blocks.

There are quite a few corporate issues now in registration with the S. E. C. and if June markets are favorable we shall see further offerings. New York State Electric and Gas has an issue of \$35,393,000 long mortgage bonds registered, while the Philadelphia Company expects to sell \$48,000,000 mortgage bonds and \$12,000,000 serial notes. One issue which should hit the market in the first week of June is \$13,000,000 of Southern Natural Gas first mortgage 3¼'s of 1956. Other issues which may be offered in June include \$3,500,000 first mortgage bonds and \$750,000 debentures of Michigan Gas and Electric Company; two issues of debentures of the Columbia Gas and Electric Corporation, one for \$92,000,000 and the other for \$28,000,000; and one other which has been hanging fire for some time—The Republic Steel Corporations' \$65,000,000 of first mortgage bonds and \$25,000,000 of debentures.

The long term government offerings, fully taxable, which we shall see from time to time over the next few months will offer direct competition to the corporate issues. It will be interesting to see if this results in any price adjustment. On the other hand, the likelihood continues that money rates will be relatively low. England and Canada have been able to finance their war efforts at 3 per cent for long term credit—there is no reason to believe that under a managed economy we cannot do as well. That would mean around 2½ per cent for medium term securities.

Production figures from numerous industries — steel, aircraft, machine tool—become increasingly impressive. If the labor problem can be settled, our output will reach unprecedented figures in the next few months. In the meantime, as the arsenal for the democracies, we have numerous problems to settle at home and in our for-

Northwestern Banker June 1941

eign policy. Regardless of what happens to Britain it is certain that we shall go on building, and war industries will be burdened by mounting unfilled orders. Some consumer industries, however—those working in production considered unessential by Washington—may find their sources of raw materials cut off. If this happens, we shall see considerable unemployment of workers in these fields—thus even in times of twenty-four hour a day schedules we will still have our relief problem.

You would not knock the jokes we use
Could you but read those we refuse!

COLORFUL COLLECTIONS

(Continued from page 17)

ruminant (cud-chewing) animals. All have horns, some so long and sharp as to be effective weapons of defense, and others so useless as to be inefficient except in battles with their own kind. Some are beautiful, while others are awkward and grotesque. Their coloring is usually protective, blending with their surroundings so that they are not easily seen.

Also pictured here is a beautiful collection of dishes which Mrs. King has recently had placed on display in another room in the upper part of the bank building, and we imagine this

exhibit would have special appeal for the ladies. However, one section contains fifty or more of the old-style mustache cups, in various sizes and shapes, and perhaps some of the older men viewing the exhibit can remember 'way back when. In this part of the building also is a display of South American paintings, as well as numerous rugs of all sizes which appear to be native weave from our neighbor to the south.

The building which houses the Winona National & Savings Bank and the magnificent African trophy collection is a beautiful and imposing structure, erected, we believe, in 1916, and we are indebted to John Ambrosen, cashier, for his courtesy in helping us to bring these pictures to our readers. E. L. King, Jr., now vice president of the bank, was a boy of ten when he went on the hunting trip to Africa, and it is he who shot the black rhinoceros whose head is on display.

IOWA JUNIOR BANKERS

(Continued from page 18)

President of the Iowa Bankers Association, 1933-1934.

3:00 Panel Discussion (One hour)—
Theme—"A. I. B. Group Study Classes in Iowa—Their Value—How to Get Ahead." This panel discussion will consist of representatives of the several A. I. B. Group Study Classes in this state. Names of leaders and participants are: Dale C. Smith, Leader, Manager, Transit Department, Central National Bank & Trust Company, Des Moines; A. I. B. Association Councilman for Iowa; C. S. Johnson, Executive Vice President, First National Bank, Perry; D. F. Warnke, Associate Cashier, Citizens Savings Bank, Hawkeye; Robert L. Becher, Teller, The State Bank, Fort Dodge; L. M. Lanning, Cashier, Grinnell State Bank, Grinnell.

4:00 Report of Committee on Permanent Organization.
General Discussion.

Adoption of some form of permanent organization for an "Iowa Junior Bankers Association."

Presenting Temporary Officers. Unfinished Business.
New Business.

4:30 Adjournment.

Daughter Did

"This piece of lace on my dress is over seventy-five years old."

"It's beautiful. Did you make it yourself?"

GMAC

GENERAL MOTORS ACCEPTANCE CORPORATION

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

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

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

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upon request.

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NEW YORK

BRANCHES
IN PRINCIPAL CITIES

Chicago Fiduciaries

At the recent annual luncheon meeting of the Corporate Fiduciaries Association of Chicago, at the Union League Club, William W. Hinshaw, Jr., secretary and trust officer of the City National Bank and Trust Com-



WILLIAM W. HINSHAW, JR.

pany of Chicago, was elected president; Lynn Lloyd, vice president of the Harris Trust and Savings Bank, was elected vice president, and William P. Wiseman, trust officer of the Chicago Title & Trust Company, was made secretary and treasurer.

National Vice Chairman

Lindsay Bradford, president of the City Bank Farmers Trust Company, the trust affiliate of The National City Bank of New York, recently became national vice chairman of the United Service Organizations to build the nation-wide machinery for the service group's campaign to raise \$10,765,000 for carrying on a service club program for soldiers and sailors in communities adjacent to the major training centers throughout the United States. Mr. Bradford will work closely with Thos. E. Dewey, who was recently appointed chairman of the U. S. O.

The U. S. O. is a non-profit corporation formed by the Young Men's Christian Association, the National Catholic Community Service, the Salvation Army, the Young Women's Christian Association, the Jewish Welfare Board and the National Travelers Aid Association.

In his new post it falls largely on the shoulders of Mr. Bradford to create a complete national organization by

June 3rd, when the actual drive for the fund began. This means the recruiting of 150,000 volunteer workers and the organization of 1,500 separate offices and local headquarters in as many towns and cities, as well as similar organizations in all of the counties of the states.

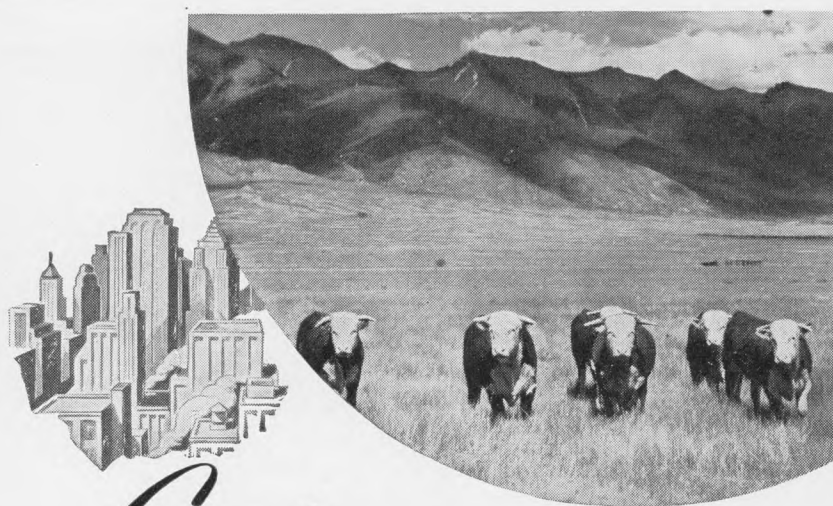
Mr. Bradford said that he accepted the appointment because he considers the work an essential phase of national defense.

Forms and Procedures

A manual of simplified banking forms and procedure has been pre-

pared by a special committee of the Bank Management Commission of the American Bankers Association and is ready for distribution to the A. B. A.'s membership, it is announced by J. Harvie Wilkinson, Jr., vice president of the State-Planters Bank and Trust Company, Richmond, Virginia, who is chairman of the commission. The special committee which conducted the study is under the chairmanship of L. W. Bishop, vice president and cashier of the State-Planters Bank and Trust Company.

The manual, a 240 page book, has been designed to serve as a guide in



Gearing INVESTMENT DOLLARS to Agricultural Needs

LARGE AMOUNTS of money gravitate to the cities for investment. Out in the country thousands of farmers and their cooperative organizations need money to finance their current operations in much the same way as business and industry. The Federal intermediate credit banks obtain the money in the cities on terms suitable to investors and make it available to farmers through lending institutions—commercial banks, agricultural credit corporations, livestock loan companies, banks for cooperatives, production credit associations. The intermediate credit banks obtain these funds from the sale of consolidated debentures.

These debentures, in maturities not exceeding 6 months, are acceptable by Federal reserve banks as collateral security for 15 day loans to member banks.

THE FEDERAL INTERMEDIATE CREDIT BANKS

SPRINGFIELD, MASS.	LOUISVILLE, KY.	ST. PAUL, MINN.	HOUSTON, TEX.
BALTIMORE, MD.	NEW ORLEANS, LA.	OMAHA, NEB.	BERKELEY, CAL.
COLUMBIA, S. C.	ST. LOUIS, MO.	WICHITA, KAN.	SPOKANE, WASH.

Further information regarding the Debentures may be obtained from

CHARLES R. DUNN, Fiscal Agent

31 Nassau Street, New York, N. Y.

Northwestern Banker June 1941

simplifying and modernizing bank forms and to produce economies in bank operating procedure. It is a reference book of operating and legal forms, a manual of operating procedure for increasing efficiency and reducing working hours, and a guide in bank operations for the training of employes.

The book contains ten chapters, which are termed "operating sections," dealing with paying and receiving, interior proof and transit, bookkeeping, account analysis, loans and discounts, collections, drafts, certification and returns, general ledgers, savings, general forms, and similar functions. Each operating section is in outline form,

and describes operating procedure in step-by-step actions to be taken by the person performing the work.

Operating forms, with accompanying printing specifications, are illustrated. Wherever possible, the forms have been filled in to show typical transactions and the forms are in one instance correlated and carried through to their ultimate position in the general ledger. Each outline of procedure is followed by comments enlarging on the material presented, and alternative procedures and forms are compared and discussed.

In describing the manual, the A. B. A.'s Bank Management Commission sets forth: "This manual has been de-

signed primarily to meet the needs of banks with deposits of \$5,000,000 and less, and to serve as a guide in their operations, because institutions of this size constitute over 90 per cent of the banks in the United States. There is, however, so much similarity in the fundamental nature of bank operations that most of the material in the manual is applicable to all banks, regardless of size.

"Economic changes of the past few years have decreased bank income and increased expenses, vitally affecting net earnings. Constant increase in salaries and wages in relation to gross income stresses the fact that bank operating methods should receive more attention.

"Recognition that net earnings may be increased by streamlining operating methods led the Commission to study banking procedures and forms. As a result of this study, this manual has been prepared which embodies the Commission's findings and recommendations, showing ways and means to modernize and develop bank operations."

LEGAL DEPARTMENT

(Continued from page 20)

rather than the amount of the policy limit.

A bank loaned money to an estate on notes secured by a deed of trust to property of the estate. The property depreciated in value and the estate became insolvent. The beneficiary, although not personally liable on the notes, surrendered the property to the bank in cancellation of them. A loss resulted. Can the bank claim it as a capital loss for federal income tax purposes?

No. There was no sale or exchange of a capital asset in the facts outlined in the question. There was, however, a winding up of a bad debt transaction, so that the loss resulting to the bank from its acceptance of the security in cancellation of the notes was deductible as a bad debt.

Where a creditor runs a garnishment or attachment against a debtor of a person indebted to the creditor and such person dies while the proceedings are pending and before a final judgment, does such death abate or dissolve the garnishment or attachment? Assume, in answering this question, that the applicable statutes make no specific provision for such a contingency.

The rule prevailing in most jurisdictions is that the death of the prin-

\$75,000

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DES MOINES, TRUSTEE

REDEMPTION: The Debentures are redeemable at the option of the Company in whole or in part (in multiples of \$5,000 by lot) at any time prior to maturity date, upon at least a 20-day published notice, at 100 per cent plus accrued interest to date of call.

SINKING FUND: Sinking Fund payments will be made annually to the Trustee, either in cash or in Debentures at their par value, in amount equal to at least 5 per cent of the maximum principal amount of these Debentures at any time outstanding.

All legal matters in connection with the issuance of these Debentures are to be approved by Messrs. Brammer, Brody, Charlton & Parker, Attorneys, Des Moines, Iowa.

PRICE: 98.00 and accrued interest.

JACKLEY & COMPANY

INVESTMENT SECURITIES

EQUITABLE BUILDING PHONE 3-5181

DES MOINES

Detailed Prospectus on Request

cipal defendant does not affect the attachment or garnishment where there is no statute providing for its survival or dissolution. California, Florida, Kentucky, and Louisiana so hold. There are, however, decisions to the contrary in Michigan, North Dakota, and West Virginia.

Brackton owned a farm in Iowa. Jordan, a neighbor, wrongfully destroyed some of the screens on some of the buildings and Brackton sued him for damages. In the suit, Brackton sought to recover on a basis that the farm was worth a certain amount before the damage and a certain amount thereafter and that he was entitled to the difference. Was such a proper measure of damages?

No. If a thing destroyed or removed from real property, although a part thereof, has a value that can be accurately measured or ascertained without reference to the soil on which it stands, the recovery is the value of the thing thus destroyed or removed, and not the difference in the value of the land. The screens destroyed were within this rule and Brackton's measure of damages was their value.

Loan Income Up

Income from loans of the insured commercial banks of the country increased by \$42,000,000 in 1940 to total \$769,000,000, highest since the inception of deposit insurance, the Federal Deposit Insurance Corporation has reported. This increase is attributed chiefly to an expansion in the volume of loans and discounts outstanding in these banks as a result of the heightened defense industrial activity. Gross earnings were larger in 1940 than in 1939, reflecting chiefly the growth in income from loans.

Despite the increase in income on loans and in gross earnings, there was a decline of \$6,000,000 in net earnings as compared with 1939. Gross earnings increased \$28,000,000, while gross expenses increased \$34,000,000 during the year.

The tabulation of 1940 statements of earnings, expenses and dividends of insured commercial banks disclosed the following additional facts:

1. Net profits before dividends were \$13,000,000 higher in 1940 than in 1939 and, with the exception of 1936, were greater than for any other year of deposit insurance. This increase over 1939, in the face of lower net earnings, was a result of the fact that losses and charge-offs on assets declined considerably more than did recoveries.

2. The decline of \$32,000,000 in profits and recoveries on assets during the

year was attributable almost entirely to the decrease in profits and recoveries on securities. Recoveries on loans remained the same in 1940 as in 1939.

3. Total losses and charge-offs on assets were \$52,000,000 less in 1940 than 1939. The decrease was apparent in all classes of assets, but losses and charge-offs on loans showed the largest proportionate decline.

4. Interest and dividends on securities decreased for the fourth consecutive year and were lower in 1940 than for any year of deposit insurance. This downward trend reflects the increased concentration in holdings of

obligations issued by or guaranteed by the United States government and obligations issued by states and other political subdivisions, which yield lower rates of return than do the obligations of industrial corporations.

5. Interest paid on time and savings deposits declined in 1940 for the sixth consecutive year. Other expense items, however, increased considerably.

6. Common and preferred cash dividends declared and interest paid on capital amounted to \$237,000,000 in 1940, as compared with \$232,000,000 in 1939. For all insured commercial banks the rate of dividends on common capital showed an increase for the

E. H. Rollins & Sons

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*Complete Investment Services
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LOS ANGELES

Northwestern Banker June 1941

third consecutive year and averaged 9.0 per cent in 1940. Interest on capital notes and debentures and dividends on preferred stock in 1940 averaged 3.8 per cent of book value but only 2.9 per cent of retirable value.

A. B. A. Graduate School

The Graduate School of Banking, educational arm of the American Bankers Association for bank officers, will enter its seventh annual resident session at Rutgers University on June 16th, with a freshman class of at least 242 students, a graduating class of 184, and a student body of more than 650, it is announced by Dr. Harold Stonier,

director of the Graduate School and A. B. A. executive manager.

The two-week summer session, which brings together bank executives from all sections of the country who are enrolled in the school for classroom and seminar work, is part of a three-year course leading to a banking diploma issued jointly by the Association and Rutgers University.

This year's resident session will feature, in addition to the regular courses of study, heavy emphasis on the interrelations of banking and government. A new course entitled "Banking and Government," to be given under the direction of Dr. Paul F. Cadman, A. B. A. economist, and A. L. M. Wig-

gins, chairman of the association's committee on Federal legislation, will be augmented with evening lectures by Mark Sullivan, Washington columnist, and U. V. Wilcox, correspondent in the nation's capital for the *American Banker*, and author of numerous publications on banking. In addition, Father Edmund J. Walsh, S. J., of Georgetown University, Wisconsin, will address the banker-students on social trends.

A panel discussion of defense lending by banks will also be conducted at one of the school's evening sessions. The participants of this panel discussion, all of whom are G. S. B. faculty members, are William G. F. Price, assistant vice president of the National City Bank of New York; David C. Barry, vice president of the Lincoln-Alliance Bank and Trust Company, Rochester, New York, and J. Harvie Wilkinson, vice president of the State-Planters Bank and Trust Company, Richmond, Virginia, who is chairman of the A. B. A.'s National Defense Loans Committee.

The Graduate School's faculty this year includes three new members in addition to Mr. Wiggins, who will lecture in the new course on banking and government. The three other newcomers to the G. S. B. faculty are: William A. White, superintendent of banks of the state of New York; Mayo B. Shattuck, member of the law firm of Hausserman, Davison, and Shattuck, Boston, Massachusetts, and Otto C. Lorenz, consumer credit research expert for the American Bankers Association.

Dr. O. C. Carmichael, chancellor of Vanderbilt University, will deliver the commencement address to the school's graduates on Friday, June 27th.

BONDS

Public Utility

Industrial

Railroad

Municipal

A.C. ALLYN AND COMPANY

Incorporated

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Commercial Paper and Bonds

Since 1893

A. G. Becker & Co.

INCORPORATED

100 SOUTH LA SALLE STREET • CHICAGO

New York and other cities

Speak Your Prospect's Language— Say It in English

THESE is a natural tendency on the part of salesmen the world over to learn to think in terms of the glossary of technical words and phrases which apply specifically to the commodities they sell. Through constant association these expressions are ingrained in sales vocabularies until it becomes second nature to use them when discussing the merits of products with the public at large. But in the heat and enthusiasm of the sales presentation the salesman often forgets that he may be uttering a string of patter that is entirely foreign to the lay ear. He might just as well be speaking in Chinese or some other foreign language for all the meaning his words convey to his English-speaking prospect.

Few salesmen are exempt from this subconscious habit, whether they sell insurance or ice cream.

Suppose that you are in the market for a radio. Imagine your confusion if the salesman who hopes to sell you his latest model should launch into a technical barrage of terms which sound in effect something like this:

"Can I interest you in the latest 12-tube super-heterodyne receiver with class A amplification, with beam power output tubes? Our newest model has a modern converter in the RF section, and remote control tuning. This set also has tuning bands of 20, 31, and 49 meters, as well as an aircraft communication channel."

As a scientific description of an up-to-date radio, these words are perfect, but as an understandable sales presentation—quite useless! By examining the set closely and by watching the salesman's gestures, you might be able to gain a rough idea as to what he was talking about, but would you have any particular desire to buy the set? Probably you would want to know whether the set has clearness and volume, whether it has tone control and push-button tuning, whether it will pick up European and short wave stations, and what advantages it has over competitive makes, and, unless you are a radio expert, you want to be told these things in the simplest and most direct manner possible.

By Stanley F. Withe
Manager Publicity Department
Aetna Casualty & Surety Co.
Hartford



STANLEY F. WITHE

No, radios, refrigerators, automobiles, and most other forms of merchandise are not sold that way—and neither is insurance!

In the first place, the protective values of insurance must be visualized by the prospective buyer entirely through his imagination. Add to this the fact that there are of necessity many legal and contractual terms which are at best only partially understood by the average layman, and we have in insurance a commodity whose merits, more perhaps than most other commodities, require simplified, humanized presentation.

The prospect wants to know what insurance protection will do for him. Insurance terminology interprets his contract in precisely-correct legal form and in a way entirely clear to the insurance expert himself, but the average buyer is able to find out what the protection will do for him only

through a common denominator of widely-used words and phrases. Failure of the agent to reduce his presentation to this denominator no doubt accounts for the loss of many sales which he is unable to explain.

Let us take the case of Jack Roberts, a typical insurance agent with typical problems to solve. Jack is well trained in insurance sales fundamentals. He is enthusiastic, a hard worker, but something seems to retard his production. He consistently loses sales which he feels should have dropped into the bag like ripe plums. Jack loses a lot of valuable sleep pondering over his problem. He knows that his approach is right, knows what his prospects need—he makes it his business to find out before calling. Furthermore, he is convinced that he explains the various coverages in detail.

Perhaps the trouble lies in this latter conviction of Jack's—perhaps he is too detailed in his explanations; so anxious to make his prospect see the advantages of his contract that he subconsciously lapses into insurance phraseology. Let us examine the following conversation between Jack and his client, Mrs. Brown, and determine whether or not this may be the case:

Jack: "Yes, Mrs. Brown, I have exactly the policy you need. Now this policy will indemnify you for loss of all property covered against the hazards of burglary, theft and larceny from within the premises. Furthermore, the coverage is extended to indemnify you for the loss of the property from any safe deposit box in any bank or trust company. You'll be glad to know also that this contract contains a 'permissible vacancy' clause of six months."

Mrs. B.: "But Mr. Roberts, would I be insured while I'm away from home? You know, I go to Florida for three months every year, and that's when I'm most concerned about things here at home."

Jack: "That's just what I said, Mrs. Brown, this policy . . ."

But—did Jack actually say that? No. He told Mrs. Brown that there was a "permissible vacancy" clause in his burglary contract, but it meant absolutely nothing to her. Let us now re-

examine this conversation as it might have been if Jack had remembered to "say it in English":

Jack: "Mrs. Brown, we have a contract that I think is just what you need. If a burglar should break into your home, or if anything should be stolen by servants or sneak thieves, the insurance company will make good any loss or damage. Or, if any of your jewelry or other belongings should be stolen from your safe deposit box in the bank, the company will pay you for the loss. Even when you go south

next winter, your insurance continues to protect your belongings here at home."

Mrs. B.: "Well, Mr. Roberts, that sounds like the kind of insurance I need. During the time that I am in Florida each year is when I'm most concerned about things at home."

Thus we see that while Mrs. Brown may not be interested in a "permissible vacancy" clause, she is interested in knowing that she would be paid if her jewelry, silverware, or other valuables should be stolen while she is away from home.

The term "medical reimbursement" may mean little to Officeworker Smith or to Merchant Jones, but both men will listen when you talk about paying their doctor and hospital bills if they should be injured in an accident. The same prospect who is not interested in the Class A amplification features of a radio also is not interested in release of attachment and service. He would, however, be glad to know that his automobile policy offers a means of getting out of the sheriff's

clutches so that he could be on his way, in case he should become involved in an automobile accident.

And so it goes. Hundreds of "Jack Roberts" are losing sales daily because they make the mistake of presenting insurance protection to the public in the paraphrases of the insurance business rather than in the terms used by the butcher, the baker, the factory man or office worker, to signify that same protection.

Talking the prospect's language may not in itself clinch the sale. Ordinarily there are a number of reasons why the prospect hesitates to buy, but if you meet his objections—overcome his hesitation—in words that he will clearly understand, you will find your work much easier. It is a good idea to go over your sales talks from time to time and analyze your explanations of the various policy coverages. Substitute plain, forceful language for the words, phrases and sentences which may be technically correct but which serve only to confuse and irritate your prospect. Don't talk policy phraseology. Talk client protection—and "say it in English!"



Des Moines, Iowa

BANKER AGENTS WANTED

The oldest mutual company of its kind in America offers liberal agency contracts covering—

- AUTO INSURANCE
- TORNADO INSURANCE
- TOWN DWELLING INSURANCE
- HAIL INSURANCE
on Growing Crops

Over \$1,250,000 cash surplus—
48 years of proven protection.

Write for our liberal proposition to
bank representatives.

EMPLOYERS MUTUAL CASUALTY COMPANY DES MOINES

An Agency Company—Assets Over \$4,000,000

- Automobile Insurance
- Workmen's Compensation
- General Liability
- Elevator Insurance
- Plate Glass Insurance

Bank Loans for Defense

Nearly one billion dollars of commitments for loans to finance the production of defense supplies was reported to the American Bankers Association as outstanding on March 31, 1941, by 345 banks in 137 cities, according to a high-spotting survey made by the association and recently released for publication.

To obtain an indication of the trend in the volume of credit extended for the financing of defense orders, the A. B. A. queried 500 of the larger banks. Of this number, 345 institutions in 137 cities replied that they had outstanding on March 31st, commitments totaling \$934,197,688 on 5,894 loans. In addition, the reported "negotiations in progress with loan likely to result" on 434 applications totaling \$97,027,352. Of the commitments made, \$429,050,262 was actually in use on March 31st.

The survey revealed that 70 per cent of the commitments were made without assignment of contract and that such assignment was required in only 30 per cent of the loan transactions.

The 345 banks reported 2,298 loan commitments for production of supplies and equipment totaling \$394,941,425 and 2,358 for construction work and plant facilities totaling \$355,093,620.

In addition, they reported 75 loans for "capital purposes," totaling \$13,893,105; 1,162 loans for "working capital purposes," totaling \$170,104,538, and for "purpose unclassified," \$165,000.

MR. BANKER

A Free Vacation Provided each year for our Qualified Rural Banker Friends—
PLUS A PROFIT

"This year The Beautiful Black Hills"

Hdq: ALEX JOHNSON HOTEL—one of the finest Resort Hotels in the West.

QUALIFICATION

Only \$50,000 of Business Produced by our Special Representative. We do the work—you cooperate on our Proven Plan. We Guarantee satisfactory results on this Exclusively Rural Bankers Plan.

Policyholder's National Life Ins. Co.

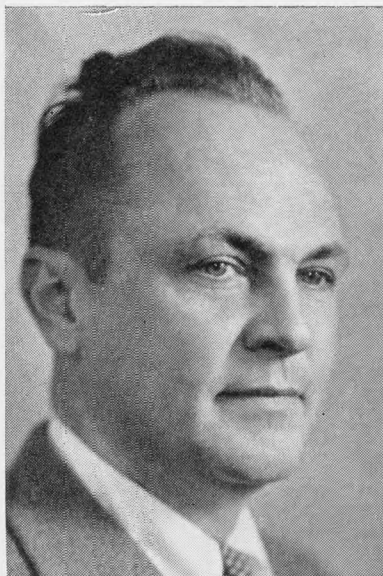
Old Line Legal Reserve

Sioux Falls

South Dakota

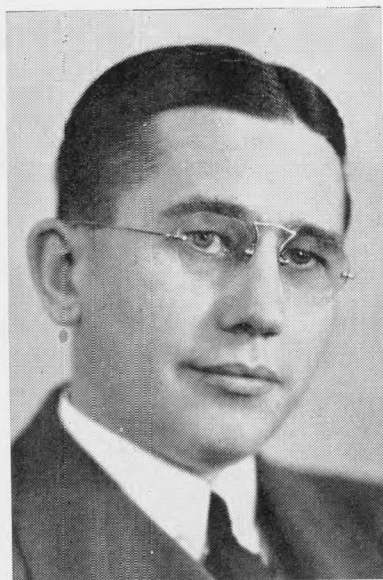
Anchor Casualty Co.

One of the outstanding financial institutions of St. Paul which will extend a warm welcome to visiting bankers at the annual convention of the Min-



HENRY GUTHUNZ, JR.
Executive Vice President

nesota Bankers Association is the Anchor Casualty Company, organized in 1926 for the writing of automobile insurance. This company has become



A. L. ROOCH
Assistant Vice President

one of the outstanding casualty companies of the country.

Total assets of the Anchor Casualty as of the first of this year were \$2,946,655, and surplus to policyholders was \$877,035. Total net writings for 1940 were \$2,088,040.

Plenty of **Field Help** Helps You **Build Business**

●

Intelligent, trained field service men always are at the disposal of Western Mutual agents. Investigate what this extra service may mean to your agency.

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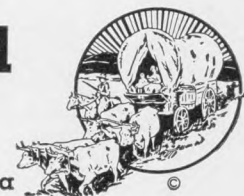
Legal Reserve — Non-Assessable
Fire and Auto Policies
Standard Policy Forms

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Western Mutual Fire Insurance Co.

9th and Grand

Des Moines, Iowa



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

Trained Workers

Responding to the defense emergency, the nation's vocational schools are pouring more than 1,250,000 trained workers into industry during the 1940-41 school year. This is in contrast with the first World War, when the newborn vocational school system could train only 60,000 men in a year and a half, according to a study by Northwestern National Life Insurance Company.

A million of the new trainees are "privates" for the industrial army—

AD-ITORIAL

For National Defense —

AMERICANS WILL SAVE SO UNCLE SAM CAN SPEND

In the wake of appeals for greater and still greater effort toward producing the sinews of America's total defense comes the call for stepped-up activity on another front — the call by Uncle Sam for more diligent thrift and saving by every loyal citizen.

Perhaps never before in history was the need for personal thrift so imperative. Individual saving on a large scale is the necessary offset to public spending on a large scale. It is our best safeguard against inflation which in an extreme form would endanger, and perhaps nullify, our all-out efforts to keep America strong and free. Life insurance, as a sound and proven medium of saving, is prepared in a practical way to help every American respond to the challenge of today's crisis.

When the present emergency is over, however, the dollars which men and women save now through life insurance will contribute to another kind of national defense. They will stand by as potential purchasing power for goods and services people need and want, to assist in keeping industry's wheels turning and family breadbaskets full when the inevitable end of today's transient prosperity arrives. Then, as in times past and present, life insurance will continue to demonstrate its practical worth as a mighty, beneficent force contributing toward a larger measure of security for every American.

— An advertisement of Northwestern National Life Insurance Company of Minneapolis.

products of "quickie" training courses of six weeks or more, under the emergency training program begun last July. Most of them are trained for a single operation in mass production, and need skilled supervision.

But at least a quarter million are products of regular vocational courses of one to four years, with broad skills and supplementary theoretical training, workers who are adaptable to many jobs or for early foremanships—excellent "non-com" material for our industrial legions.

The number of regular students training in public trade and industrial schools of the United States will reach an estimated new high of over 800,000 for 1940-41, the survey states. The U. S. vocational school system is now a billion-dollar plant, comprising 1,053 schools in 900 cities.

Another 50,000 students are enrolled in private, endowed trade schools which give especially high caliber industrial training courses of from one to four years.

Meanwhile, proprietary trade schools are increasing so fast that no estimate can be made of their enrollees. Many of the new private trade schools are sound and legitimate, but there is also a wave of "racket" trade school promotions, stimulated by the publicity given labor shortages, plus the long waiting lists at many old established schools.

The quality of vocational school students is rising even faster than their numbers, the survey finds. Even ten years ago, vocational and trade schools attracted a heavy proportion of "mus-

cle boys" and those who had difficulty with academic courses in regular schools. In recent years a gradual awakening to the opportunities for technically trained workers, plus the defense expansion, has given trade and vocational high schools long waiting lists from which they are now drawing the cream of high school age youth.

Meanwhile private endowed vocational schools, many of which were formerly peopled by grammar school graduates, are now quite generally limiting their regular enrollments to high school graduates. They are training an ambitious, intelligent class of young men who look like engineering college freshmen and sophomores and are their equal in intelligence, studiousness, and technical aptitudes.

Vocational schools in over 300 cities are now running on a 24-hour day, six-day-week basis. With regular day classes generally jammed to capacity, emergency training groups had to be sandwiched in between regular evening classes; "refresher" and "pre-employment" classes were added between 10:00 p. m. and 7:00 a. m. and dubbed the "dawn patrol" in many schools.

Vocational schools in major defense manufacturing centers, particularly aircraft, are working in close cooperation with the manufacturers, and in many cases school training courses have been modeled after apprentice training programs of such companies as Pratt & Whitney, Glenn Martin, Vultee, Douglas, and Boeing. In many cases the companies have loaned equipment and instructors to the schools to speed training programs.

Business is **UP** for Allied Mutual and for the **ALLIED MUTUAL AGENT**

Record breaking days, weeks and months are coming thick and fast for Allied Mutual Casualty Company.

This means Allied Mutual agencies continue to become increasingly valuable to the farsighted insurance agency organization.



ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Bldg.

Des Moines, Iowa



The Chorus of the Northern Trust Company, Chicago

Northern Trust Chorus

The Northern Trust Company Chorus of 52 voices was organized two years ago to sing carols in the bank the day before Christmas. Since then it has broadcast three programs over Station WGN, Chicago, with The Northerners, an octet of male voices which The Northern Trust Company has sponsored for almost 10 years. Members of the bank's staff the chorus is trained and directed by Harry S. Walsh. The group, organized by William M. Haddow, assistant cashier, expects to give a public concert early next fall. The photograph shows the chorus a few moments prior to going on the air in their latest radio appearance before a studio audience of 600 people.

Nominating Committee

Emmett F. Connely of Detroit, president of the Investment Bankers Association of America for two terms ending in December, has announced the appointment of a nominating committee to recommend new officers for the coming year, including a new president.

The committee will submit its nominees to the board of governors during the next few months.

Jean C. Witter of Dean Witter & Company, San Francisco, past president of the Investment Bankers Association, was named chairman of the committee. Other members are Paul W. Loudon of Piper; Jaffray & Hopwood, Minneapolis; Lowry Sweney of Lowry Sweney, Inc., Columbus, Ohio; Ralph Chapman of Farwell, Chapman

& Company, Chicago, and Albert H. Gordon of Kidder, Peabody & Company, New York.

In naming the committee Mr. Connely notified the board of governors that he would not stand for reelection either as president or as full time chairman of the public information committee, which during the past year has initiated a nation-wide information program representative of the investment banking viewpoint. Mr. Connely will, of course, continue to serve throughout his term, which expires with the annual convention of the association in December.

"I have a number of reasons and two in particular for not standing for reelection," Mr. Connely said. "First, rotation of officers of an association constantly feeds new blood and new ideas into its administration and, at the same time, avoids the possibility of self perpetuation of any official in office.

"Secondly, I feel I must return to my business in Detroit and to my family, from whom I have of necessity been separated so much of the time the past two years.

"The investment banking business, along with all other groups of American industry, faces many problems during the coming year. And in all groups there are defeatists who believe that the future of this country is behind us. I don't belong to that group.

"If we expect that we shall continue under the private enterprise system, and I do expect it, then there must be expanding industry, for private enterprise feeds upon incentive to expan-

sion. And the handmaid to industrial expansion must be the healthy flow of investment savings into industry. To accelerate that flow is the job of the investment banking machinery which we have created through the years."

Too Remote

Sweet Young Thing: "Mama! Mama! Come here and make Dick stop teasing me!"

Mama (from stairway landing): "What is he doing, darling?"

Sweet Young Thing: "He's sitting on the other end of the davenport."

THE PUBLIC NATIONAL BANK AND TRUST COMPANY OF NEW YORK

Service—Maintaining an intimate, personalized correspondent bank service.

Experience—Officials with years of service in this field, assuring a knowledge of requirements and valuable assistance.

Policy—To cooperate with out-of-town banks rather than compete for business which is rightfully theirs.

Resources over  \$175,000,000

ESTABLISHED 1908

MEMBER
NEW YORK CLEARING HOUSE ASSOCIATION
FEDERAL DEPOSIT INSURANCE CORPORATION

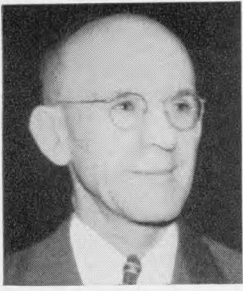
Northwestern Banker June 1941



The
UNITED STATES
National BANK of Omaha

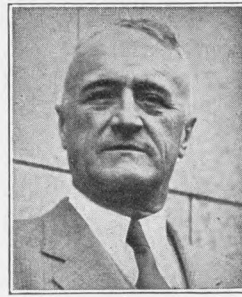
Member Federal Deposit Insurance Corporation

Northwestern Banker June 1941



CARL D. GANZ
President
Alvo

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Federal Financing Criticized

Activities of the federal government in the financing of home building operations "is not only not needed but is contrary to and repugnant to the will of the people," President J. B. Douglas, Tecumseh, told fellow-members of the Nebraska League of Savings and Loan Associations in the annual convention at Hotel Evans in Columbus last month.

Douglas asserted continuation of the government plan "has only the support of that class of business which benefits directly from the present fantastic plan of home financing offered by our government." He approved the present system of home loan banks, however, and recommended closer affiliation.

He said "there does not appear to be any reason for our associations attempting to meet long term loan competition," because "honest people desire to be debt free as soon as possible."

Douglas declared the reserves are now at their highest point in the history of the building and loan movement, and member-firms now have on hand the smallest amount of real estate since the beginning of the depression.

"Our chartered building and loan associations are in the strongest financial condition they have ever been in, and are in a position to handle all of the home construction needs of the state except emergency housing in war zones and that is more properly a federal project anyway," he said.

Wade Martin, superintendent of the state banking department, also hit at federal financing competition in a talk this morning.

"I cannot help but to believe the policy of FHA will sooner or later lead to disaster."

Mentioning several federal programs by name, Martin said: "A lot of these federal programs look pretty screwy to me."

Martin said while the nation is attempting to maintain its heritage of liberty and freedom, "we should not

allow these privileges to be lost from within."

Bank Robber Sentenced

Federal Judge Thomas C. Munger last month sentenced Orval L. Skinner, 29, of Winnebago, to twenty years in federal prison for the attempted robbery of the Saline State Bank at Wilber.

Addresses Bank Chapter

Dr. William A. Irwin, of New York, national education director of the American Institute of Banking, spoke at the forum dinner of the organization's Omaha chapter held recently at the Regis hotel. Certificates were presented to students who have completed the Institute's course of study during the past year.

Accepts New Position

Roland W. Daily of Scotia has accepted a position with the Bank of America in California, and will begin his duties there July 1.

Mr. Daily has been with the State Bank of Scotia since January, 1935, and is now assistant cashier of the local institution.

Addresses Bank Meeting

J. F. McDermott, vice president of the First National Bank at Omaha, was the guest speaker at a meeting of bankers of the Fourth Regional Clearinghouse Association held in the Auburn hotel last month. A large number of bankers from southeast Nebraska were present.

Goes to California

Clarence Wetzel who has been employed in the First National Bank of Stuart secured a position in a branch of the Bank of America in a suburb of San Francisco.

Banker on Trial

The May term of the North Platte division of U. S. district court opened there last month with selection of a

jury to try Frank Abegg of Minatare, on a federal charge of allegedly crediting to himself \$1,237.10 of First National Bank money.

As a director and agent of the Minatare bank, Abegg was indicted by an Omaha grand jury on two counts, one of crediting \$1,237.10 belonging to the savings account of Rosalie Sandoz, Gordon, to his own account, and one of making false entry in the bank books to show that George E. Sandoz, Rosalie's guardian, had withdrawn the amount.

The government charged that Abegg carried an individual ledger account in the bank in his own capacity which, until exhausted, was subject to payment of checks drawn on the bank by him.

Abegg entered a credit item January 13, 1937, on his own account for \$1,483.56, which represented \$246.46 deposited by him and \$1,237.10 deposited in the Sandoz account, the charge declared. Abegg, the government asserted, wrote checks the same and next days for \$1,237.10.

Miss Wooters Promoted

T. T. Varney of the Broken Bow State Bank, announced last month that Miss Wilma Wooters has been promoted to assistant cashier. Miss Wooters has been employed in the bank the past two years.

Accepts New Position

Miss Naomi Day of Plattsmouth has recently become a member of the clerical force of the Plattsmouth State Bank. Miss Day takes the place of Thornton Baker, who is now employed on the west coast.

Goes to Des Moines

Walter Olson, who has been employed in the Security National Bank of Laurel for several months, left recently for Des Moines, Iowa, where he has a position in a bank in that city.

County Bankers Meeting

The Otoe County Bankers' semi-annual meeting was held in the high school auditorium at Burr last month. A banquet was served.

Fieldman Appointed

Roy L. King of Center has been appointed as fieldman for the Federal Land Bank, with his headquarters at Hartington after he spends about a month in training at the regional bank in Omaha. He has served as farm security administration supervisor in Knox county since July, 1937, and preceding that had served as assistant in Cedar county at Hartington.

Live Stock Inspector Marries

Earl R. Cherry, Jr., employed by the Live Stock National Bank as live stock inspector, married Miss Mary Blakey at the parlors of the First Central Congregational Church of Omaha recently, followed by a dinner at the Blackstone Hotel.

Earl Cherry is a former resident of Sioux county, Nebraska, where he grew up in the ranching business and in September 1937 became employed at the Live Stock National Bank. He attended the Colorado State Agricultural College at Fort Collins.

Nebraska Resources

Resources of the 360 insured commercial banks in the State of Nebraska totaled \$390,531,000 on December 31, 1940, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$349,941,000. Demand deposits of the latest call date amounted to \$287,439,000 and time deposits totaled \$62,502,000.

Loans and discounts of the 13,438 insured commercial banks throughout the country totaled \$18,397,775,000, an

increase of \$1,531,754,000 or more than 9 per cent over the amount reported December 31, 1939. Deposits increased from the \$56,076,349,000 reported the previous year to \$63,469,603,000, the highest figure since inauguration of deposit insurance.

Fifty-five Years

In the May issue of the **Northwestern Banker** reference was made to an anniversary celebration by the First National Bank of Shelby, in which the year was named as the "thirty-fifth." We now learn the year celebrated was the "fifty-fifth." We are glad to call

Charter No. 209

First National Bank of Omaha

●

The Oldest National Bank From Omaha West

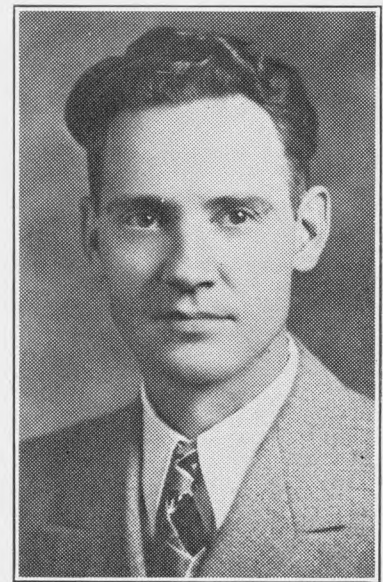
Nationalized 1863

OFFICERS

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

Member
Federal Reserve System

Member
Federal Deposit Insurance Corporation



W. H. PIERCE

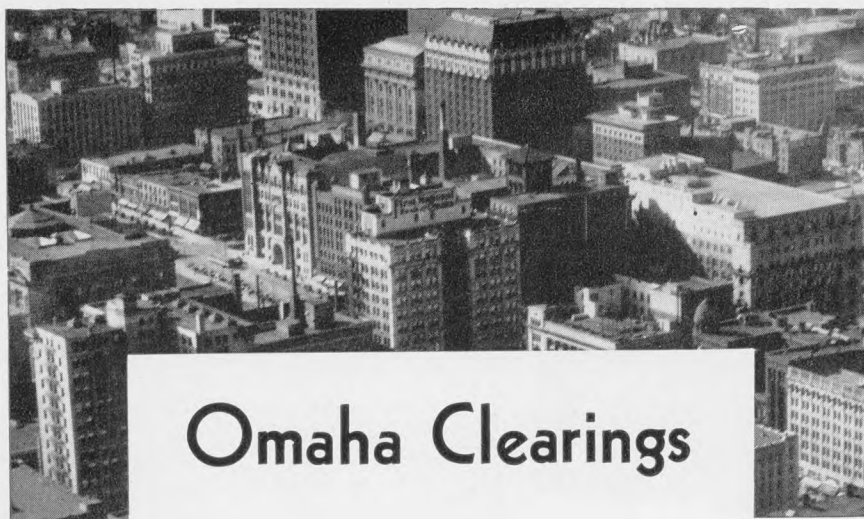
this correction to the attention of our readers, and congratulate the First National Bank on its many years of service to its community.

W. H. Pierce, president of the First National of Shelby, has had twenty-two years of banking experience, and at one time managed a bank in St. Joseph, Missouri, under the direction of Walter W. Head.

**MORE NEBRASKA
NEWS**

Page 75

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



Omaha Clearings

WILLIAM A. SAWTELL, president of the Stock Yards National Bank of South Omaha, is one of seven Omahans nominated for as many vacancies on the board of directors of the Omaha Chamber of Commerce at the annual meeting in June. He will serve three years.

Farmers and livestock men belonging to six production credit associations in South Dakota were represented at a two-day conference in Omaha May 22-23.

Taking part in the credit meet were 40 leading farmers and stockmen representing the Aberdeen, Huron, Mitchell, Pierre, Watertown and Winner associations, secretary-treasurers of the six credit co-operatives and representatives of the **Production Credit Corporation** of Omaha.

Mr. and Mrs. W. Dale Clark went to Jacksonville, Illinois, the week-end of May 25th to attend graduation exercises at MacMurray College, where their daughter, **Miss Jessie Clark**, is a member of the senior class. Mr. Clark is president of the Omaha National Bank.

Mrs. Clark also attended May day festivities at the college, honoring mothers of students. Miss Clark served as one of the attendants to the May queen. The Omaha young woman is president of the graduating class, sports editor of the college newspaper, publicity manager of the athletic association. She is a member of Phi Mu society of the college choir and of

Cap and Gown, senior honor society. She majored in psychology.

Mr. and Mrs. John Lauritzen of Minneapolis came to Omaha recently to attend the wedding of Miss Kathryn Hosford and Frank T. Hamilton of Cincinnati. Mrs. Lauritzen, former queen of Ak-Sar-Ben, is the daughter of **T. L. Davis**, president of the First National Bank of Omaha, and Mrs. Davis. Mrs. Lauritzen served as a bridesmaid at the wedding.

O. D. Kiplinger, 83, vice president of the Nebraska Savings and Loan Association, died recently at his home in Omaha after a long illness.

Born in Ohio, he came to Council Bluffs, Iowa, in 1880. Coming to Omaha in 1888, he opened a cigar business in the basement of the old First National Bank building. About 25 years ago, he became a director of the Nebraska Savings and Loan and became vice president in 1928, was active until his fatal illness. He was a member of the original Ak-Sar-Ben board of governors, formed in 1895. For 32 years, he, with two others, was in charge of Ak-Sar-Ben parades. Since boyhood, he had carried in his pocket a buckeye, symbol of his native state. Survivors include two sons, Earl E., and Don C., and a daughter, Mrs. C. C. Allison, Jr., all of Omaha.

Among students at Northwestern University who took part in the annual candle-lighting ceremony recently was **Warren Johnson**, son of **Alvin E. Johnson**, president of the Live Stock National Bank of South Omaha, and Mrs. Johnson. The young man, a sophomore, is a Sigma Chi and district chairman of Northwestern's "wildcat council." Lighting tapers from the university's giant 100-year candle is

LIVE STOCK NATIONAL BANK--OMAHA

Statement of Condition April 4, 1941

RESOURCES

Loans and Discounts.....	\$ 8,347,053.12
Bonds and Other Securities.....	3,076.27
Stock in Federal Reserve Bank.....	30,000.00
Banking House and Fixtures.....	1.00
Other Real Estate.....	None
United States Government Securities.....	\$4,358,093.94
Cash, Sight Exchange and Due from Federal Reserve Bank.....	4,643,588.10
	<u>9,001,682.04</u>
	\$17,381,812.34

LIABILITIES

Capital Stock (Common).....	\$ 500,000.00
Surplus (Earned).....	500,000.00
Undivided Profits.....	215,031.87
Reserve for Taxes, Interest, Etc.....	172,527.50
Unearned Discount.....	5,411.16
Dividends Unpaid.....	4,618.50
Deposits:	
Banks.....	\$7,902,202.93
Other Deposits.....	8,082,020.47
	<u>15,984,223.00</u>
	\$17,381,812.34

	CAPITAL & SURPLUS	LOANS & DISCOUNTS	DEPOSITS
April 4, 1933 - - -	\$ 550,000.00	\$1,885,786.91	\$ 4,130,565.06
April 4, 1937 - - -	750,000.00	3,257,719.43	12,082,457.77
April 4, 1941 - - -	1,000,000.00	8,347,053.12	15,984,223.40

We offer our facilities for the defense program of this great Middle Western area, including the vital Livestock, Agricultural and Commercial enterprises forming the main line of our defense. **ALVIN E. JOHNSON**, President.

This Bank Has No Affiliated Companies
Member of Federal Reserve System and Federal Deposit Insurance Corporation

SELL YOUR BANK

The "Walters" Way
Without Publicity

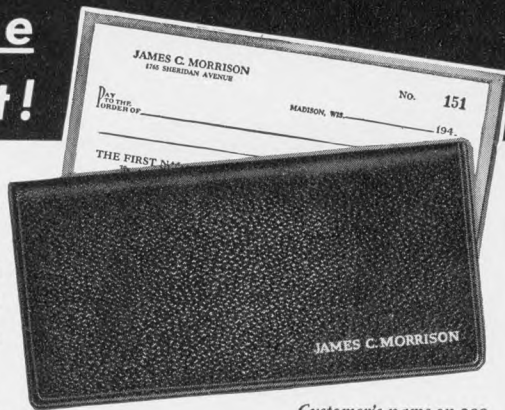
Qualified, carefully investigated bank
employees furnished free

THE CHARLES E. WALTERS CO.
Omaha, Nebraska

Use Better Checks and Reduce Check Cost!

● These two statements appear to be in conflict, but *they're not*. When you sell Personalized Checks on National Safety Paper, all cost is recovered.

This little L. H. Check Book of ours is tremendously popular. For \$1.25 your customer gets: 200 checks—imprinted with his name—leather cover, gold stamped with his name at no extra charge on original orders. Interesting folder on request.



Customer's name on 200 checks and gold-stamped on leather case with initial order
All for \$1.25!

Plants at
NEW YORK
CLEVELAND

De Luxe

CHECK PRINTERS, INC.
Lithographers and Printers

CHICAGO
KANSAS CITY
ST. PAUL

THE BEST
ADDRESS



Experienced travelers know the value of stopping at a hotel of distinction. The Fontenelle is a name you can refer to with pride—pride that comes from knowing the accommodations will be excellent, atmosphere dignified and refreshing, the address self sufficient. Beautifully modernized throughout.

AIR CONDITIONED FOR
YEAR ROUND COMFORT

**OMAHA'S WELCOME
TO THE WORLD!**

3 Restaurants
BOMBAY
ROOM

AMBER
ROOM

BLACK
MIRROR

Northwestern Banker June 1941

accompanied by a pledge of loyalty to the university by both students and alumni.

Mrs. David Davis, wife of an Omaha National Bank executive, is one of the leaders of a major Omaha Red Cross project—with a quota of 60,000 surgical dressings by mid-June.

Francis P. Matthews, Omaha attorney and chairman of the board of the Securities Acceptance Corporation, has been elected a director of the United States Chamber of Commerce. He represents the department of finance on the board.

Bond interest expense of the city of Omaha dropped \$49,830 a year recently when bonds totalling \$906,000 were paid off at maturity.

The retired issues, all drawing 5½ per cent since 1921, included \$363,000 of sewer bonds, \$43,000 of park bonds, \$500,000 of street improvement bonds.

The payments reduced the city's general bond debt to \$7,230,650, including the \$500,000 of airport bonds issued last fall. The all-time debt peak was \$15,112,162 in 1932.

The ashes of Lewis Balcombe Reed, born in Omaha in 1880, who died in Chicago, were recently committed to Prospect Hill cemetery at Omaha, where his parents, Mr. and Mrs. Lewis S. Reed, pioneers, are buried.

Mr. Reed's father was president of the old Nebraska National Bank of Omaha and the son was an executive of the American Radiator Company in Europe many years, more recently was president of the Mercoid Corporation of Chicago. He was graduated from Omaha Central high school, and from Harvard University in 1901.

Paul H. Stewart of the Federal Land Bank of Omaha, former extension agronomist at the University of Nebraska agricultural college, discussed "Balanced Agriculture" at the annual western Nebraska feeders' day program in North Platte recently.

Louis C. Barta of the Live Stock National Bank of South Omaha recently was elected president of the Omaha chapter, American Institute of Banking, succeeding Paul H. Burke of the First National Bank of Omaha.

Theodore A. Spaustat and Miss Ethel E. Mellor, both of the Omaha National Bank, were elected vice president and secretary, respectively. Ralph F. Miller of the United States National Bank of Omaha was elected treasurer.

The annual banquet, April 23, closed the chapter's winter term. Frank Fo-
(Turn to page 44, please)



Lincoln Locals

TOTAL bank deposits in the 284 state banks of **Nebraska** decreased \$452,346 for the period between December 31, 1940, and April 4, 1941, according to a compilation made by the state banking department. For the bank call on December 31 total deposits were \$77,092,644 against \$76,640,298 on April 4. During this same period, loans increased \$3,286,126, total loans on December 31 being \$39,448,330 against \$42,734,456 on April 4.

The amount of United States government bonds held by these banks also increased during the three months period. On December 31 the banks held \$12,737,176 of such issues, while on April 4 this amount had increased \$221,416 to \$12,958,593.

Demand deposits of individuals decreased \$16,499, the total for December 31 being \$48,245,869 against \$48,229,300. Time deposits increased \$104,168, the December 31 total being \$19,

983,976 against \$20,088,144 on April 4. Municipal deposits decreased \$387,156 and the amount due from banks decreased \$104,135.

Total capital of these banks also increased, the December 31 figure being \$7,659,000 against \$7,725,350 on April 4. On the latter date there was \$7,094,900 in common stock, \$288,750 in preferred stock and \$341,700 in debentures.

Members of the agricultural committee of the **Nebraska Bankers** Association went on record recently as favoring the proposed marketing quota on wheat. The group met with representatives of the AAA at Hotel Lincoln in Lincoln.

Members of the association throughout the state were urged to get out the vote among the farmers on May 31, when the referendum was to be held.

Fred S. Wallace, state AAA chairman, and **Abner K. Chestem**, member of the state committee, were present at the meeting. **Edgar McBride**, Blue Hill, chairman of the agricultural committee, was in charge of the meeting. Among those in attendance was **Carl Ganz**, Alvo, president of the Nebraska Bankers Association.

Wade Martin, head of the state banking department, said recently that state banks have the authority to qualify and serve as agent in the sale of national defense savings bonds. Martin, in a letter addressed to all state banks in Nebraska, said all such banks are authorized to co-operate with the

CHATS ABOUT THE "PAYC" PLAN

*One New
Checking Account
Every Day with
the "PAYC" Plan!*

—suggests

Howard Miller



... a United States Check Book Co. representative for 20 years on the same territory.

HERE'S part of a letter which one of my customers wrote just the other day about the "PAYC" (Pay-As-You-Check) no-minimum balance Checking Plan:

"... regarding the "PAYC" accounts, we have had very good luck, opening about 30 new accounts in the first 30 days of the service. The average balance is about \$60.00."

This is more of the convincing testimony which we have received from bankers who are using the "PAYC" plan. It is certainly proof that "PAYC" increases business.

Install the "PAYC" plan in your bank. Write today and let me give you all the facts—no obligation, of course.

Very truly yours,

H. A. "HOWARD" MILLER

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

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

Northwestern Banker June 1941



"Meeting the Test"

Character, strength, and experience are corner stones of sound correspondent service. This bank meets the test on each of these features.

The
**CONTINENTAL NATIONAL
BANK
of
LINCOLN**

Member Federal Deposit Insurance Corporation

U. S. treasury in the sale of defense savings bonds and defense savings stamps, and pledge collateral security as required by treasury regulations to obtain a supply of the series E bonds. Banks can handle the series F and G bonds on only an order basis for their customers.

Martin said in the event banks desire to stock a supply of stamps, it is suggested that these be carried as a subdivision of their bond account, in a manner that will accurately reflect

the daily sales and purchases of stamps. He also suggested that the banks maintain ample insurance coverage.

The Garden county district court has approved a receiver's report and dissolved the Farmers State Bank of Le-wellen, which went into receivership September 14, 1934, Director of Banking **Wade R. Martin** said. Total dividends paid were \$10,658, 25.3 per cent of the \$42,133 claimed by depositors.

OMAHA CLEARINGS

(Continued from page 42)

garty, commissioner of the Omaha Chamber of Commerce, was speaker. The dinner was followed by a dance. **Ray Slizewski** of the Stock Yards National Bank of South Omaha represented the chapter at the district oratorical contest April 26.

Elected to three-year terms as members of the chapter's board of governors are Slizewski, **Ray Cordes** of the First National, **O. E. Anderson**, Federal Land Bank of Omaha.

Robert Hall, executive officer of the North Side Bank of Omaha, recently captured honors in the Class C division of the skeet meet at Omaha.



S. B. Williams, Jr., formerly with the Federal Land Bank of Omaha as state supervisor of Wyoming, has become associated with the Live Stock National Bank of South Omaha as a special representative. He was with the land bank eight years. He and his family are moving to Omaha.

Mrs. A. C. Potter, wife of the Omaha investment banker, who spent the winter in Palm Beach, Florida, with her mother, Mrs. W. R. Sweatt of Minneapolis, returned to her Omaha home recently. She came home by way of New York City and Chicago and was met in Chicago by Mr. Potter. Tony and Diane, the Potter children, were with their mother in Florida.

Omaha banks pledged co-operation when defense bonds went on sale in Omaha recently for the first time. First Omaha purchaser was City Commissioner Harry Knudsen. Charles F. Wille, money order cashier in the postal service at Omaha since 1890, is in charge of sale of bonds and defense stamps at the Omaha postoffice.

At a victory dinner climaxing the Ak-Sar-Ben membership drive, which recruited 7,494 "knights" for 1941, **J. F. McDermott**, vice president of the First National Bank of Omaha, was one of the speakers. President **H. M. Bushnell** and Vice President **Richard Mal-lory** of the United States National Bank, headed one team. Another team had **W. B. Millard, Jr.**, vice president of the Omaha National Bank, as co-captain.

John Carmody, former secretary of the Omaha Federal Land Bank and now an official of the farm security administration at Washington, visited Omaha and Lincoln recently on business.

"Vitamins" and National Defense


Uncle Sam has drafted Vitamins and Proteins as key factors in national defense. So great food belts, such as the Sioux City area must produce meat and grain, not only for America, but for democracies across the sea.

This bank is happy to serve in the program for increased food production. And when your customer ships his live stock, grain, hay, and other products to the Sioux City market, let us serve as your correspondent bank.

<p style="text-align: center;">OFFICERS</p> <p>C. L. Fredricksen, President M. A. Wilson, Vice President W. G. Nelson, Assistant Vice President W. C. Schenk, Cashier H. C. Linduski, Assistant Cashier C. L. Adams, Assistant Cashier J. S. Haver, Assistant Cashier</p>	<p style="text-align: center;">DIRECTORS</p> <p>C. R. McKenna, Pres., Johnson Biscuit Co. B. L. Sifford, Attorney, Sifford & Wadden G. F. Silknitter, President, Sioux City Stock Yards Company C. L. Fredricksen, President M. A. Wilson, Vice President H. C. Boswell, Secretary-Treasurer, Western Contracting Corporation</p>
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"The Bank at the Yards"

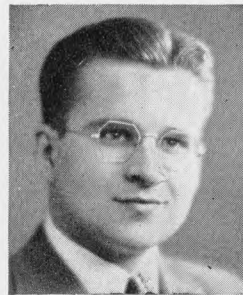
Member Federal Deposit Insurance Corporation





F. F. PHILLIPPI
President
Milbank

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Bank to Remodel

Bids closed May 23 on the remodeling job to be done at the National Bank of South Dakota, Sioux Falls.

The contract will call for a new ventilation system, acoustic treatment, fluorescent lighting, new cages for the tellers, counters of glass and marble and new flooring.

State Bankers Meet

More than 55 state bankers interested in operating branch banks met in Huron last month on call of Superintendent Erling Haugo to discuss plans for uniform bookkeeping systems to aid in making state reports.

There are 21 branch banks in South Dakota, and applications of the Farmers and Merchants state bank of Plankinton to establish a branch at White Lake and of the Bank of Lemmon to establish one at Bison have recently been approved.

Stephenson Speaks

Bankers and trust officials of South Dakota met at the Hotel Carpenter in Sioux Falls last month to hear Gilbert Stephenson, director of the trust research division of the American Banker's association graduate school of banking.

Stephenson, winding up a week's flying tour of the middlewest, spoke at a noon luncheon meeting and conducted round table discussion during the afternoon before his talk to 75 bankers and trust officials at the 6:30 o'clock banquet meeting.

All eight trust departments of the state were represented at the meetings sponsored by the South Dakota Banker's Association. George Starring, secretary of the association, and Ray A. Pankow made the arrangements for the meeting.

South Dakota Resources

Resources of the 163 insured commercial banks in the State of South Dakota totalled \$119,689,000 on Decem-

ber 31, 1940, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$106,292,000. Demand deposits of the latest call date amounted to \$74,723,000 and time deposits totalled \$31,569,000.

Loans and discounts of the reporting banks amounted to \$51,883,000, an increase of \$8,692,000 over the December 31, 1939, total.

Direct and guaranteed obligations of the United States Government listed by the South Dakota banks amounted to \$16,625,000 on December 31, 1940. Other securities totalled \$13,481,000.

Loans and discounts of the 13,438 insured commercial banks throughout the country totalled \$18,397,775,000, an increase of \$1,531,754,000 or more than 9 per cent over the amount reported December 31, 1939. Deposits increased from the \$56,076,349,000 reported the previous year to \$63,469,603,000, the highest figure since inauguration of deposit insurance.

Class Concludes Year

May 15 brought to conclusion the current semester of class work in bank organization and operation for 19 students receiving certificates of study from the Southeastern South Dakota study group of the American Institute of Banking. These students represented banks in seven towns besides Yankton. They were Centerville, Gayville, Irene, Tabor, Viborg, Wakonda and Vermillion.

Meetings of the local group were held in the director's room of the American State Bank each Thursday evening for 22 weeks, each session being two hours in length.

The officers this year were, Russell B. Knudsen, American State Bank, Yankton, president; Martin Slempe, First National Bank, Yankton, secretary-treasurer; and the board of governors consisted of A. L. Mikkelson, Security State Bank, Wakonda; H. L. Smith, National Bank of S. D., Ver-

million; R. B. Stevens, Citizens Bank, Vermillion; and John N. Thomsen, Bank of Centerville.

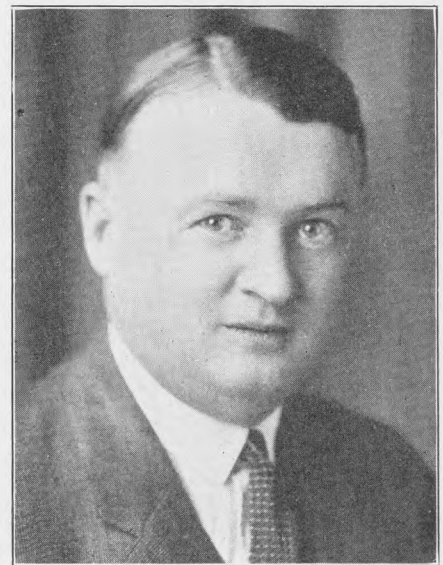
H. E. Edmunds, cashier of the American State Bank of Yankton, and a practical banker with much experience and ability, acted as instructor for the class. At the completion of the course Mr. Edmunds was presented a wrist watch as a token of appreciation from the class for his efforts in bringing the class to a successful conclusion.

To Entertain Bankers

With the South Dakota Bankers Convention meeting in Deadwood June 26th and 27th, the First National Bank of the Black Hills will act as host to the bankers who will attend this important meeting.

Executives in the Deadwood office of the bank are: C. O. Gorder, vice president and manager; A. H. Shostrom, assistant cashier and assistant manager; H. P. Person, assistant cashier; LaVern Mitchell, assistant cashier.

According to their statement of April 4, 1941, the First National Bank of the Black Hills had total deposits of \$10,220,000, loans and discounts \$5,179,000, capital stock of \$500,000,



R. E. DRISCOLL

surplus of \$325,000, and undivided profits of \$156,000.

The officers in charge of the bank at Rapid City are: R. E. Driscoll, president; C. C. Anderson, executive vice president; Noel W. Klar, vice president and cashier; H. R. Browning, assistant cashier; Jas. T. Noble, assistant cashier; Maude C. Nelson, assistant cashier and auditor; H. R. Horlocker, assistant cashier; H. A. Bartlett, assistant cashier.

South Dakota Farm Mortgages for Sale

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

Regional Bankers Meet

Regional Bankers of McPherson, Edmunds, Potter, and Faulk counties met at the Legion Hall in Roscoe for their annual election of officers. Preceding the business session, the twenty members present enjoyed a two course dinner.

H. C. Gross of Bowdle, president of the organization presided over the business session. The following officers were elected for the ensuing year: Art Haerter, Hosmer, president; Andy Anderson, Cresbard, vice president, and Louis Schipke, Roscoe, secretary.

Banking institutions in the following cities were represented at the meetings: Ipswich, Cresbard, Roscoe, Bowdle, Leola, Hoven and Hosmer.

Bowling Matches Closed

The First National Bank of Beresford bowling team closed its match game season at Vermillion recently. The schedule was a successful one with 68 victories and 47 losses in 113 matches on alleys at Beresford, Wakonda, Yankton, Canton, Sioux Falls, Vermillion, and Sioux City.

The bank team scored 95,606 pins for an average of 831.3 per game,

while its opponents counted 92,514 for a game average of 804.4.

The team personnel consists of Elmer Behnke, Art Norling, Vern Hamerly, Les Volden, and Ed Landeen. All of these regulars had averages of between 161.5 and 169.9. Carl Volden, S. Salberg, L. Jacobson, John Chadwick, Jess Wimple, and I. Tanck also filled in on the bank team and all had good averages.

Civil Service Position

Lorraine Donnason, who has been employed with the Northwest Security National Bank of Gregory for the past year, has left for Washington, where she will be employed under civil service.

A Prominent Banker Dead

A. H. Brown, 79, prominent Moberge business man, died last month at his home in that city after an illness of two months.

Mr. Brown was the founder and president of the Citizens Bank of Moberge.

Directors Meet

Directors of the First National Bank of the Black Hills, of Rapid City, representing nearly every city in the area, held a regular meeting and luncheon at the Alex Johnson hotel, Rapid City. Chambers Kellar, Lead, chairman of the board, presided.

Bank Figures Up

Superintendent of Banks Erling Haugo reported a "steady increase of strength" for South Dakota's 124 state banks in submitting a comparative abstract showing the condition of the institutions as of April 4.

Compared with a year ago, banks showed a total increase in resources of over five million dollars and a like increase in deposits, he said. Loans and discounts showed an increase of more than four million dollars. A comparison of a call April 4, 1941, with March 26, 1940 follows: Resources, \$50,027,420, \$5,008,761; Surplus, \$1,236,628, \$124,636; Undivided profits, \$1,105,568, \$205,813; Total Deposits, \$43,657,496, \$4,690,734; Loans and Discounts, \$23,459,064, \$4,670,207.

The second figure in each group indicates the increase.

Banker Passes Away

C. A. Stone, 59, president of the Farmers State Bank of Carthage since 1919, died there last month after a week's illness from a cerebral hemorrhage. Mr. Stone was formerly in the banking business at Andover.

From Airplane Parts to Zinc Inventories mean Loans!

If your clients
need money
and
have inventory

—tell them how Douglas-Guardian brings the warehouse to the inventory to provide A-1 Collateral for needed money on attractive terms.



Field Warehousing by Douglas-Guardian



Over 18 years of experience rendering this specialized service. References of finest quality. Customer list of high calibre. WRITE for FREE Booklet. Your questions gladly answered.

DOUGLAS-GUARDIAN WAREHOUSE CORP.

Nation-wide Field Warehousing Service

Suite 1104A, 100 W. Monroe St., Chicago, Ill.

118 No. Front St., New Orleans, La.

Atlanta, Ga.	Easton, Md.	Philadelphia, Pa.	Springfield, Mo.
Cleveland, Ohio	Los Angeles, Cal.	Portland, Ore.	Springfield, Mass.
Dallas, Texas	Memphis, Tenn.	Tampa, Fla.	San Francisco, Cal.
	New York, N. Y.	Rochester, N. Y.	

Bank Clearings Increased

Bank clearings for the month of April showed an increase of \$2,400,011.84 over the fourth month of last year it was revealed recently at the Sioux Falls clearing house in the Northwest Security National Bank.

The figures for the month showed a total of \$8,425,834.97 for April's bank clearings here this year, as against \$6,025,823.13 for the similar month in 1940.

Directors' Meeting

The directors of the Bank of Kimball held their regular meeting at Kimball recently. The following directors were present for the meeting: M. Plin Beebe and Lloyd Cronholm of Ipswich, L. M. Larsen of Wessington Springs, Mrs. J. H. Drips of Gann Valley and R. A. Johnson of Kimball.

The regular business of the bank was checked and a call was made at Pukawana where a visit was made to the exchange office maintained there and at various business places.

Bank Pays Depositors

Depositors of the Hudson State Bank, which closed in 1938, are being paid as speedily as certificates are sent in, Banking Superintendent Erling Haugo reports from Pierre. He said all common claims are being paid 100 per cent and the entire \$172,230.80 would be returned to the depositors.

Liquidation of the Hudson Bank, Haugo pointed out, coincides with the administration's policy of hastily clearing up the business of closed banks with a minimum expense to depositors.

Issuing Agent

The American National Bank and Trust Company of Chicago has offered its services to the United States Treasury Department in making available to the public the new Defense Bond issues, and has been qualified as an issuing agent.

The bank has distributed to its customers a folder "Investing for Defense," giving complete information concerning the bonds and explaining how to purchase them at the bank.

The bank has also offered its facilities to the general public through the following advertisement in Chicago newspapers:

"The American National Bank and Trust Company is pleased to cooperate with the United States Treasury Department in making available to the public, effective May 1st, the three new types of United States Savings Bonds,

popularly known as Defense Bonds. These bonds are direct obligations of the United States Government and the proceeds of their sale will be used in financing the national defense program.

Through the three new issues of Defense Bonds, the government offers an investment program for the entire public. A bond may be purchased for as little as \$18.75, and a means is also provided to accumulate smaller amounts of money for investment in Defense Bonds through Defense Sav-

ings Stamps. Complete information concerning Defense Bonds and Stamps will be provided upon request and your orders will be executed, whether you are a customer of this bank or not, without charge."


The employes of the bank have been given a bulletin of instructions so they may be prepared to answer questions concerning Defense Bonds and to direct people properly. Milton J. Hayes, assistant cashier, has been designated as the officer in charge of Defense Bond service.

Welcome . . . to the
SOUTH DAKOTA BANKERS CONVENTION

The First National Bank of the Black Hills extends a sincere welcome to bankers who will attend the South Dakota Bankers Convention, to be held in Deadwood June 26th and 27th

Statement of Condition April 4, 1941
RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$2,497,171.27	
U. S. Government Obligations	2,090,455.00	
State and Municipal Bonds	886,447.68	
Other Bonds and Securities	152,008.00	
Commercial Paper	185,000.00	
		\$ 5,811,081.95
Stock in Federal Reserve Bank in Minneapolis	24,750.00	
Overdrafts	11,177.43	
Loans and Discounts	5,179,800.96	
Banking Houses, Furniture and Fixtures	147,732.14	
<i>Includes Banking Houses at Rapid City, Lead, Deadwood, Belle Fourche, Sturgis, Spearfish, and Newell, all clear of encumbrances.</i>		
Real Estate Owned, other than Banking Houses	7,509.00	
Interest Earned but not Collected	80,874.11	
TOTAL		\$11,262,925.59
LIABILITIES		
Capital Stock, Common	\$ 500,000.00	
Surplus	325,000.00	
Undivided Profits	156,243.24	
		\$ 981,243.24
Reserved for Interest, Taxes, and Other Expenses	34,516.32	
Interest Collected but not Earned	26,967.77	
Deposits	10,220,198.26	
		\$11,262,925.59



First National Bank

OF THE BLACK HILLS

RAPID CITY • LEAD • DEADWOOD • BELLE FOURCHE
HOT SPRINGS • STURGIS • SPEARFISH • NEWELL

Serving the Entire Black Hills Territory

AFFILIATED WITH THE NORTHWEST BANCORPORATION
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

★ *Call to Order* ★

Attending conventions of state bankers' associations is an old story to most seasoned bankers. But this year there's nothing stereotyped or hackneyed about the problems that will be most discussed at such conventions. The magnitude of the problems facing the nation today calls for free and frank discussion, earnest study and the most constructive concerted action that bankers can devise. Bankers of the Northwest have always shown a disposition to work together in their common interest and for the public welfare. Conditions today demand the fullest measure of such cooperation — and the state conventions which crowd the calendar in June are a natural starting point.

If you're planning to be in the Twin Cities to attend the Minnesota Bankers Association Convention, June 11 to 13 in Saint Paul, you'll be a welcome visitor at the First National of Minneapolis.

FIRST NATIONAL BANK and TRUST COMPANY OF MINNEAPOLIS

Member Federal Deposit Insurance Corporation

Department of Banks and Bankers

M. O. Grangaard
Vice President

• **C. B. Brombach**
Vice President

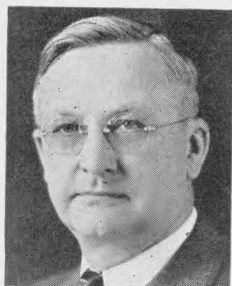
• **W. A. Volkmann**
Assistant Cashier

• **J. J. Maloney**
Assistant Cashier

Bank Advisory Division, K. T. Martin • J. M. Downes

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION



K. O. SATTRE
President
Blue Earth

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Propose Bank at Campbell

Fifty business men and farmers of Campbell and surrounding community held a meeting there recently to discuss starting a bank at Campbell. L. A. McCaffery was chairman and introduced Attorney Leo Ruther of Breckenridge, one of the speakers. Mr. Harris of Cottonwood was another speaker.

A committee composed of Herman J. Reyelts, Charles Gran and Dr. Kenneth Severn was appointed to investigate the situation more thoroughly. The group at the meeting all agreed that there was need for a bank and went on record in favor of one. Campbell at one time had two banks and has been without the service of any for the past ten years or so.

New Bank Quarters

Plans are under way for the remodeling of space on the ground floor of the Medical Arts Building at Duluth, to be occupied by the Northwestern State Bank, which is now housed in the Wolvin Building.

Full details are not available at this time, but the remodeling is to include new bank fixtures and a new entrance.

Minnesota Resources

Resources of the 644 insured commercial banks in the state of Minnesota totaled \$1,128,455,000 on December 31, 1940, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$1,017,558,000. Demand deposits of the latest call date amounted to \$683,009,000 and time deposits totaled \$334,549,000.

Loans and discounts of the reporting banks amounted to \$375,609,000, an increase of \$40,728,000 over the December 31, 1939, total.

Direct and guaranteed obligations of the United States government listed by the Minnesota banks amounted to \$239,244,000 on December 31, 1940. Other securities totaled \$98,645,000.

Loans and discounts of the 13,438

insured commercial banks throughout the country totaled \$18,397,775,000, an increase of \$1,531,754,000 or more than 9 per cent over the amount reported December 31, 1939. Deposits increased from the \$56,076,349,000 reported the previous year to \$63,469,603,000, the highest figure since inauguration of deposit insurance.

Business Is Good

In a recent visit with him in his bank, John Carlander, president of the State Bank of Faribault, stated that business in his locality, and especially for his bank, was extremely good. Deposits of the State Bank now stand at \$420,000 as compared with \$360,000 at this time a year ago. Since last year Mr. Carlander said his loans had increased by \$60,000, and surplus and profits of the bank now are \$47,000. He reported making FHA loans during the past few months.

Rapid Growth

The First National Bank of Anoka has enjoyed rapid growth since it starting business in May, ten years ago. In May, 1931, resources of the bank were \$75,793. In May this year this resources figure had increased to \$1,007,475. The First National of Anoka has capital of \$50,000, surplus, reserve and undivided profits of \$41,750, and deposits on May 10th of \$915,725.

Bankers Elect Officers

H. W. Schroeder, Long Prairie, was elected president of the Central Minnesota Clearing House Association at the annual meeting held at the St. Cloud Country Club. Mr. Schroeder succeeds John Buettner, St. Cloud, retiring president of the association.

Other officers elected were John Welle, Melrose, vice president, and Henry Sauer, Paynesville, secretary and treasurer. The dinner and meeting was attended by approximately 120 bank officials from central Minnesota.

At the dinner R. D. Baker, Minneap-

olis, statistician of the federal reserve bank, spoke on financing the defense program, and William Duncan, secretary of the Minnesota Bankers Association, also was a speaker.

Capital Stock Increased

Capital stock of the Union National Bank of Rochester was increased to \$100,000 at a special meeting of stockholders last month.

With the increase in common stock, the capital structure is raised to \$240,000. The preferred stock and surplus is approximately \$140,000. Total resources are \$2,500,000.

Bank officials said the increase was necessitated by a substantial increase in deposits in the last six years.

Belview Bank Opens

After months of intensive effort on the part of W. C. Dahl of Echo and business men of Belview, the Belview State Bank opened its doors last month. In charge of the new institution will be W. C. Dahl as cashier, and Oscar Sjaastad as assistant cashier.

The opening of the Belview Bank is the result of a drive which began in the latter part of 1940.

Appearing as incorporators of the bank were: W. C. Dahl, Louis C. Gryting, L. O. Knutson and Samuel Sampson. Directors in the new organization are: O. A. Lende, Granite Falls, president; E. H. Dahl, vice president; L. O. Knutson, W. C. Dahl, Gust Johnson and N. R. Ryerson.

The new bank is using the building formerly occupied by the State Bank of Belview. It has been completely remodeled and redecored.

A. I. B. Meeting

B. F. Perkins of the First National Bank of Winona was elected president of Winona chapter, American Institute of Banking, at an annual chapter banquet attended by 125 at the Oaks night club in Winona last month.

Other chapter officers elected were William P. Theuer, Winona National & Savings Bank, as vice president, and Harry Kowalczyk, Merchants Bank, secretary-treasurer. Elected to the board of governors for three-year terms were E. Max Bunn and Alvin C. Grulkowski of the Merchants Bank. Holdover members of the board are Clarence F. Witt and Edward L. Hartner of the First National Bank and Mrs. Vivian E. Albert and S. J. Kryzsko of the Winona National & Savings Bank.

Prentiss Bailey, formerly with the Chase National Bank of New York at its Paris branch, was introduced by E. E. Shepard. Mr. Bailey reviewed

Northwestern Banker June 1941

his banking experiences during the Nazi invasion and occupation of Paris, and gave his viewpoints of the present war as "a universal struggle."

The outgoing president, Mr. Grulkowski, presided at the meeting, which was attended by about 125. He introduced the guests, who included Mr. and Mrs. Roy Overmann of St. Paul. Mr. Overmann is first vice president of the St. Paul chapter and is associated with the First Trust Company. The Minneapolis chapter was not officially represented due to conflicting dates on chapter activities.

The annual report of the educational committee was presented by Mr. Theurer who announced the award of educational certificates during the past year. Pre-standard certificates were issued by the national office to Mrs. Albert and to Cyril L. Kramer of the Altura State Bank and a graduate certificate was awarded to Joseph H. Knopp of the Merchants Bank.

40th Anniversary Celebrated

The Northern National Bank of Bemidji celebrated its 40th anniversary last month. Starting in 1901 as the

"Lumberman's Bank," with W. L. Brooks, formerly of the First National Bank of Minneapolis, as cashier and backed by the "Baumbach's," prominent Wadena bankers, the institution occupied a building on the south side of Third Street across from its present location. At that time it was a private institution, changing later into a state bank and then into a national bank.

Canby Bank Remodels

Remodeling of the National Citizens Bank of Canby got under way last month. Fixtures in the Bank of Canby are being used in connection with the enlarging and modernizing of the National Citizens Bank.

The bank was to be open for business while the remodeling is taking place.

New President Elected

At the recent regular meeting of the directors of the First State Bank of Paynesville, G. O. Voss was elected president of the bank, to succeed the late N. H. Dreis. Mr. Voss was formerly vice president. Henry J. Sauer, formerly bank cashier, was selected as vice president and cashier, and L. P.

Peterson, assistant cashier, was appointed as a member of the board of directors.

The newly elected president, Mr. Voss, is an old time resident of Paynesville and became associated with the First State Bank as a director in 1936.

Prominent Man Dies

Charles Patterson of St. Paul, president of the American Development Company of that city, and former banker there, died recently at St. Joseph's Hospital.

Mr. Patterson was a president of the former National Exchange Bank and was head of the former Patterson Street Lighting Company, reorganized later into the American Development Company. He also organized the O'Donnell Shoe Company, with the late William O'Donnell.

Bank Modernized

The Pine River State Bank of Pine River has modernized its interior. The old cage work which reached almost to the ceiling has been removed and a new modernistic chromium railing takes its place. Further changes are

WELCOME TO SAINT PAUL

Plan now to attend the
MINNESOTA BANKERS CONVENTION
June 11, 12 and 13

As one of your hosts, the Empire National Bank and Trust Company is delighted to welcome you, and we hope you will visit our bank while in the city.

You will find here complete facilities for the handling of your business.

We would appreciate the opportunity of serving you.

Empire National Bank and Trust Company

St. Paul, Minnesota

Alex. Highland, President

Member Federal Deposit Insurance Corporation
Affiliated with Northwest Bancorporation



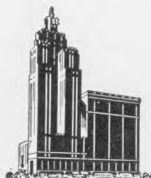
JUST as its skyscrapers rest on solid Minnesota limestone, so Saint Paul itself is rooted deep in the rugged pioneer past of Minnesota. Long before the railroads pierced the forest, Saint Paul's levees echoed to the clatter of winches on steamboats bringing goods, settlers, and civilization to the burgeoning Northwest. As early as 1853, the little "banking house" which later grew up into The First National Bank of Saint Paul had a place in this industrious picture. As the years

passed, the Bank grew with the community, weaving its services into the warp and woof of Saint Paul. Recognizing this fundamental role, scores of early Northwest bankers chose this institution as their Saint Paul correspondent. Today The First National Bank of Saint Paul carries on its ledgers the accounts of 84 Ninth District banks as old or older than the Minnesota Bankers Association . . . which this year holds its Fifty-Second Annual Meeting in Saint Paul.

The First National Bank welcomes the Minnesota Bankers Association. Our officers are looking forward to many friendly visits with Ninth District Bankers during the convention. Whether you use us as correspondent or not we cordially urge you to stop in and see us when you are at the convention.

The First National

AFFILIATED WITH FIRST BANK STOCK CORPORATION



Bank of Saint Paul

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

DEPARTMENT OF BANKS AND BANKERS

Alden B. Lathrop	- - - - -	Vice President
Rodney F. Sturley	- - - - -	Assistant Cashier
Lee A. Sauer	- - - - -	Assistant Cashier
Elmer M. Volkenant	- - - - -	Assistant Cashier
Wallace L. Boss	- - - - -	Assistant Cashier

also anticipated. The work was done by George Durkee.

Cambria Banker Dies

John F. Jones, a director of the Cambria State Bank, and a Cambria township farmer, died recently at his home. A son of Blue Earth county pioneers, Mr. and Mrs. Ellis Jones, he had lived in that county for 70 years.

"Open House" Staged

The State Bank of Warren recently staged an "Open House" in its newly

remodeled and enlarged banking quarters. Favors were given to those who attended, and entertainment was provided, including a full length feature motion picture.

G. J. Johnson of St. Paul, president of the Warren bank, was on hand for the occasion.

A new low type foyer of Hotwill and Morocco marble with four wickets with deal plates of Belgian black marble has been erected. This will provide more convenience in waiting on customers. The floors are of asphalt tile in variegated colors of red and black

with green borders. The walls are of pale green with the woodwork in dark green. The ceiling is of composition in natural light color. Light fixtures are of modern type. Private quarters for persons holding safety deposit boxes are also available while conference quarters and office space has also been made available. The enlarged lobby provides needed space for customers.

Officers of the bank include Mr. Johnson as president; R. B. Taralseth, vice president; W. R. Holbrook, vice president; R. J. Schirber, cashier; D. H. Austinson, teller, and Miss Margaret Goulet, teller.

Accepts Position

Carl J. Meuhring, former assistant cashier of the Wright County State Bank of Monticello, has accepted a position as cashier of the Farmers and Merchants State Bank of New Ulm.

New Officers

Increased business activity in the International Falls area was reflected recently in a promotion and addition to the staff of the First National Bank.

Officers of the institution announced that C. M. Prettyman has been promoted from cashier to vice president and that the post of cashier will be filled by Lloyd V. Hanson, an experienced banker.

In his capacity as vice president, Mr. Prettyman will devote the greater part of his time to managing the bank's insurance department. He will continue as a director of the bank.

Mr. Prettyman has served as cashier since 1922.

Mr. Hanson, the new cashier, has been engaged in the banking business for some 20 years, with extensive experience in Montana and Moorhead, Minnesota. He is now interested in the First State Bank of Fertile with his brother, E. B. Hanson, who is president of that institution and treasurer of the Minnesota Bankers Association.

Other officers and employes of the bank will continue in their present positions.

Minneapolis Banker Dead

David S. Baird, 88, died recently at his home in Minneapolis.

Mr. Baird was well-known in Minneapolis business circles, and at the time of his death was a director of the Marquette National Bank.

To the Northwest Bankers:

GOOD WISHES

and

GOOD NEWS!

If your unusual problems are insurance problems—they can be promptly solved by consulting the . . .

Insurance Counsel to Banks

offered by the

"St. Paul" Group

writing

Banker's Blanket Bonds

One policy covering Infidelity of Employees, Robbery, Hold-up, Burglary, Messenger and other important coverages

Forgery

Safe Deposit (All Risk)

Registered Mail

All Other Lines

St. Paul Fire & Marine Insurance Co.

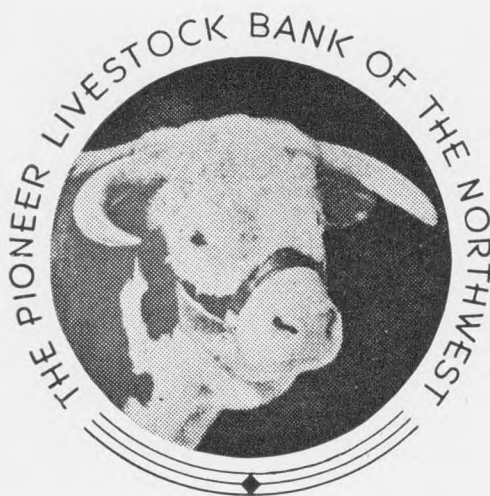
Mercury Insurance Co.

St. Paul-Mercury Indemnity Co.

Saint Paul, Minnesota

G. R. Moeller

Executive State Agent



A Logical Correspondent

The payment of \$106,000,000.00 to 278,000 patrons of this market in 1940 represents a substantial percentage of income to farmers and stockmen, and emphasizes the importance of this market to Northwest agriculture.

If livestock is a factor in your bank's business an account with us will be profitable to you.

Our complete facilities assure prompt and efficient handling of your transactions in this territory.

Stock Yards National Bank

South St. Paul, Minnesota

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker June 1941

Brief Minnesota News Items

William Morgan of the First National Bank of Hopkins has recently been called to active duty in the United States Army.

The Security State Bank of Hopkins reports several changes in its personnel.

Earl Kucera, former teller of the bank, has been called to the Army, and is stationed at Camp Claiborne, Louisiana. Also, H. M. Anderson and Virgil Dvorak have gone to Los Angeles, California, to accept positions with the Bank of America there.

E. W. Oredson, former Chief Clerk

of the Minnehaha National Bank of Minneapolis, has been elected to the position of Assistant Cashier of that institution. Mr. Oredson has been in the employ of the Minnehaha National Bank for the past 15 years.

H. W. Schroeder, Cashier of the Peoples National Bank of Long Prairie, announces that his bank will be enlarged and remodeled this summer.

Two new cages are to be installed, the bookkeeping department is to be moved to a new room at the back of the bank, and the counters are to be pulled back three feet in order to give additional room for traffic in the lobby.

Fred H. Hatz, Assistant Cashier of the First National Bank of Glencoe,

has recently been called by Uncle Sam to Camp Claiborne, Louisiana.

The Farmers & Merchants State Bank of Lambertton will have a new home completed late this summer, as they are now starting work on a new all-brick, modern building.

The size of the building will be 25 feet by 85 feet, and all equipment, inside and out, will be completely up-to-date.

L. S. Olson, Vice President and Cashier of the First National Bank of Cloquet, is enjoying an extensive motor trip in the East and South.

Mr. Olson's son, Lieutenant Clarke Olson, has been called to Army duty at Fort Belvoir near Washington, D. C., and Mr. Olson is driving him to camp.

Another son, Cort Olson, who was formerly Assistant Cashier of the Freeborn County National Bank of Albert Lea, is now stationed at Pensacola, Florida, with the Air Corps, and Mr. Olson plans to visit him while on his trip.

Paine, Webber & Co.

Established 1880
Members New York Stock Exchange
and other principal exchanges

RAND TOWER EXCHANGE BUILDING PIONEER BUILDING
MINNEAPOLIS DULUTH ST. PAUL

Stock quotations are broadcast during summer months as follows:

WDGY
1130 kyc.
MONDAY through FRIDAY
8:40 A. M. and 1:15 P. M.
SATURDAY
8:40 A. M.

WCCO
830 kyc.
SATURDAY
11:15 A. M.
Weekly Market Review
and Closing Quotations

Municipal Bonds

C. S. Ashmun Company

Investment Securities

1212 First National-Soo Line Building
MINNEAPOLIS, MINNESOTA
Bell System Teletype MPLS111
Bridgeport 1175

LEGAL INVESTMENT For INSURANCE COMPANIES

Accounts Insured up to \$5,000

Convenient . . . Safe

3%

(Current Rate)

St. Paul Federal Savings & Loan Association

Axel A. Olson, Sec'y-Mgr.
4 East Fourth St., ST. PAUL, MINN.

Burgess Heads Aquatennial Publicity

So large and varied is the coming Minneapolis Aquatennial, July 12th to 20th, that a special committee of 100 leading business men has been named to issue the thousands of invitations which the gigantic summer festival



John Burgess, vice president Northwestern National Bank & Trust Company, Minneapolis, places signature on nation-wide invitation.

is extending America at large to attend its mammoth 200-event program.

Wielder of the huge pen in mock ceremony above is John Burgess, vice president of the Northwestern Na-

MINNESOTA NEWS

tional Bank & Trust Company, and chairman of the general publicity committee, who is signing an equally large official invitation to the bankers of America, to attend the Aquatennial. The girls assisting him are garbed in festival attire, for use in parades and other gala events.

A huge nine-day audience of more than 2,500,000 persons is expected to attend the scores of events scheduled. Among the leading features are a gruelling 450-mile Paul Bunyan canoe derby, three monster parades, the national rowing regatta, a gigantic rodeo in circuit with Cheyenne, Wyoming, Frontier Days and the Pendleton, Oregon, Roundup, and a gorgeous illuminated water pageant on Lake Calhoun.

A series of spectacular stage shows in the auditorium, a statewide Queen of the Lakes contest, stirring band and drum majorette competitions, a brilliant Aqua Follies Show, thrilling horse races, and a full program of summer sports round out the carnival. In two short years, the Aquatennial has become known as America's biggest outdoor summer festival.

Bright Job Horizon

Employment prospects for 1941 graduates from American colleges and universities are the brightest since 1928, but selective service is slowing the hiring of male graduates who are eligible for military training. Women's job chances, however, have been improved by the national preparedness program, according to preliminary results of a national survey made public by E. E. Crabb, president of Investors Syndicate.

Ninety-three per cent of 135 institutions of higher learning in the survey reported that 50 per cent or more of their 1941 graduates would have jobs before the end of this summer. These answers included positions in defense industries, but did not include military service which may interfere with jobs obtained by or promised to male graduates in either defense or non-defense fields.

Job prospects the same as or greater than those of June, 1940, were predicted by 97.5 per cent of the schools answering the nation-wide survey.

A third of the schools said con-

scription clouded job prospects of male college graduates this June, but an eighth of the institutions asserted the draft had increased prospective positions in non-military fields. Fourteen viewed national defense training as only slightly affecting prospective employment, and ten asserted it had not affected job recruiting on their campuses. Forty schools did not answer this question.

Ninety-seven per cent of the coeducational and men's colleges predicted that half or more of their graduates would be attached to a regular payroll within ninety days of graduation.

Wife: "John—I'm sure I heard a mouse squeak."

John (half asleep): "Well, I suppose I'll have to get up and oil it."

Farmer: "Yes, we've got all the new fangled machinery there is. Our latest buy was two milking machines."

City Miss: "How interesting! But tell me, do they really give as good milk as the cows?"

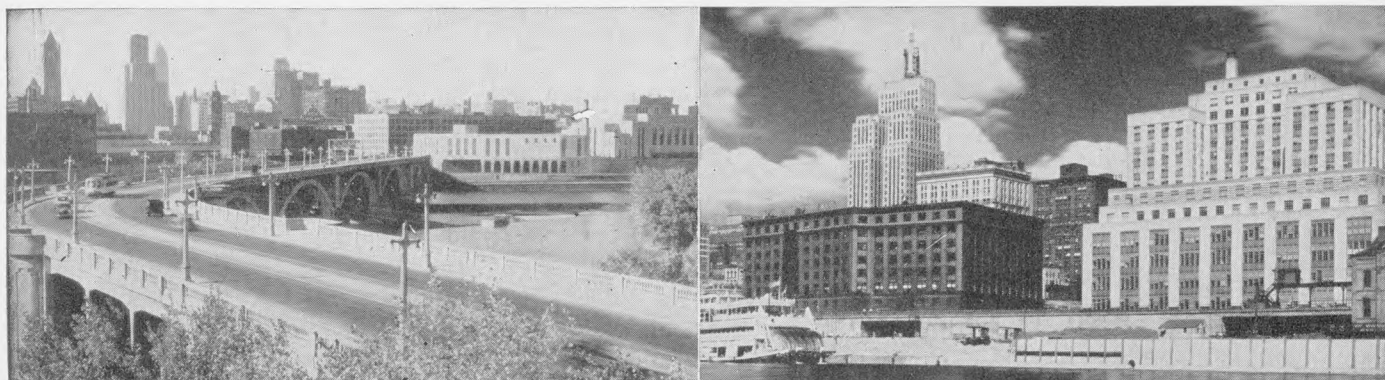
PART OF THE MAIN BANKING FLOOR AT THE MIDLAND BANK

**THE MIDLAND IS THE BANK
FOR EFFICIENT CORRESPONDENT
SERVICE IN MINNEAPOLIS**

Midland

National Bank & Trust Co.
SECOND AVENUE S. AT FOURTH ST.
Member Federal Deposit Insurance Corp.

TWIN CITY NEWS



EROY V. ROSE has been named manager of the real estate and mortgage department of Columbia Heights State Bank, it was announced by **Herbert S. Woodward**, cashier. Rose has been connected with Twin City financial institutions for 25 years.

Henry S. Kingman, president of Farmers and Mechanics Savings Bank, Minneapolis, has been named Minnesota chairman for mutual savings

By James M. Sutherland
Special Correspondent

banks in the government's campaign to encourage sale of defense savings bonds.

Charles Patterson, one-time president of the National Exchange Bank in St. Paul, died recently at the age

of 67. He served as president of the bank from 1922 to 1924. He was also active in numerous other business and civic organizations during his 43 years' residence in St. Paul.

Nominating committee of the Minnesota Bankers Association has put up the following slate of officers for the annual meeting in St. Paul in June: **O. G. Jones**, Red Wing, now vice president, for president; **L. O. Olson**, cashier, Midland National Bank & Trust Co., Minneapolis, for vice president, and **James H. Hogan**, Kerrick, for treasurer.

Elmer Volkenant, assistant cashier of First National Bank, St. Paul, was honor guest at the annual banquet of St. Paul chapter, American Institute of Banking, May 20. Volkenant's term on the national executive board of the AIB expires this month. **W. J. Cameron** of the Ford Motor Company was principal speaker, while **James Day**, president of the St. Paul chapter, presided.

Twin City Bank Auditors and Comptrollers Association had as delegates to the annual convention of the national association in Cleveland May 15 to 17: **A. W. Mills**, auditor, Minneapolis Federal Reserve Bank; **C. G. Gustafson**, First National Bank & Trust Co., Minneapolis; **J. R. Smith**, comptroller, Northwestern National Bank & Trust Co., St. Paul; and **S. G. Sinclair**, president of the Twin City organization of the past year.

Twin City Bond Club is scheduled to have its twentieth annual outing June 12 at White Bear Yacht Club. **Frank McGuire** is chairman of the committee in charge. Other members are **Lowell Driscoll**, **Merritt McDonald**,

**MUNICIPAL AND
CORPORATION BONDS
FOR
BANK INVESTMENT**

**KALMAN
&
COMPANY**

Investment Securities

MINNEAPOLIS
McKnight Bldg.
Atlantic 5313

ST. PAUL
Endicott Bldg.
Garfield 3305

Greetings

to

Minnesota Bankers

May your 1941 Annual Convention,
June 11-13 in St. Paul, be highly
successful and enjoyable

Bankers Deserve the Best
and when your wardrobe needs
replenishing we invite you to
come in and see us.

"We cater to the well dressed man"

Malmstedt's
Fine Furnishings
111 South 7th Street

MINNEAPOLIS

James Arms, Rudy Juran and Mahlon Bundy.

C. T. Jaffray, president of First Bank Stock Corporation, has been made chairman of the finance committee of Northwestern Fire and Marine Insurance Company of Minneapolis.

Dr. Paul F. Cadman, economist for American Bankers Association, was principal speaker at the forty-third annual banquet of the Minneapolis chapter, American Institute of Banking. New officers, previously announced, were installed. **Harry L. Tyson** of Northwestern National Bank & Trust Co., was in charge of arrangements. **F. L. Durand**, manager of the credit department of First Service Corporation and retiring president, presided. **Robert C. Rutherford**, executive secretary, delivered the educational report.

Otto Bremer, chairman of American National Bank, St. Paul, is back at his desk after a three and one-half months vacation in the west.

John E. Tenge, associated with First Service Corporation at Minneapolis since 1930, has been named assistant vice president of First National Bank & Trust Company, Helena, Montana, an affiliate of First Bank Stock Corporation.

Ronald Ransom, Washington, vice chairman of the Federal Reserve Board, met with directors of the Minneapolis Federal Reserve Bank at their May meeting.

Nine Twin City men attended the meeting of the Association of Reserve City Bankers at Hershey, Pennsylvania.

They are: **W. N. Johnson**, vice president, Northwestern National Bank & Trust Co., **Lyman E. Wakefield**, president, and **V. F. Rotering**, vice presidents of First National Bank & Trust Co.; **Edgar L. Mattson**, president, and **Arnulf Ueland**, vice president, Midland National Bank & Trust Co., all of Minneapolis; **Philip L. Ray**, president, First Trust Co., St. Paul, and **Julian B. Baird** and **A. B. Lathrop**, vice presidents, First National Bank of St. Paul.

John F. Hunziker has been named president of the First National Bank Group Club, made up of employes of First National Bank & Trust Co., Minneapolis, and its branch offices.

Other officers are **Thomas Kelley**, vice president, and **Walter Benson**,

secretary-treasurer. On the board of governors are **Victor Clausen, Klemmer Jensen, Gwyneth Nicholson** and **Gerald Howe**.

Stuart W. Wells, president of Wells-Dickey Co., Minneapolis, and **Richard C. Lilly**, president of First National Bank, St. Paul, have been named members of a bankers committee of 14 to assist in raising funds for the Royal Air Force Benevolent Fund of the United States, Inc. Money goes to relieve distress among members of the RAF and their families.

The investment department of **First National Bank & Trust Company** has been moved from its quarters at 115 South Fifth street, which it occupied for 31 years, into new, remodeled quarters on the east side of the First National-Soo Line building's ground floor lobby.

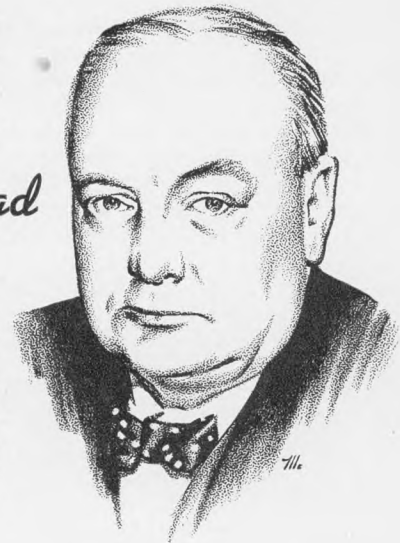
Quarters vacated will be remodeled for the personal trust division of the bank. The corporate trust division will take over the space occupied by the personal trust division, releasing for the use of Title Insurance Com-

Britain's Man of the Hour Says—

*"If I Had
My Way . . .*

. . . I would write the word 'INSURANCE' over the door of every cottage and upon the blotting book of every public man, because I am convinced that for sacrifices which are inconceivably small, families can be secured against catastrophes which would otherwise smash them forever."

CHURCHILL



Protection of earnings and income is primary insurance and without it payment of premiums for any other type of insurance may be jeopardized.

Special policies for bankers with \$25.00 or \$50.00 a week for illness or injuries, payable up to two years, with \$5,000 principal sum.

Membership fee of only \$2.00 per unit pays for insurance in full to the middle of September 1941.

Send for application and literature.

MINNESOTA COMMERCIAL MEN'S ASSOCIATION

2550 Pillsbury Ave.

Minneapolis, Minn.

pany of Minnesota the quarters it now occupies.

New officers of the St. Paul chapter of the A. I. B. are: **Albert J. Trossen**,

president; **Ray Overman**, first vice president; **Veronica Healy**, second vice president; **Alvina Jansen**, third vice president; **William Wolf**, secretary; **Joseph Rechtiene**, treasurer, and

Henry Ayd and **M. E. Weimer**, members of the board of governors.

The St. Paul office of The Milwaukee Company, investment firm, is not directly affected by the recent merger of that concern with Edgar, Ricker & Company, according to **Herbert K. Moss**, manager. The concern continues under the name of The Milwaukee Company.

Second Vice President

Thomas P. Jerman, who formerly represented the Guaranty Trust Company of New York in the middle west, with headquarters in Chicago, has been appointed a second vice president of that company, according to an announcement made recently. Mr. Jerman, who is now located at the company's main office in New York, will continue to be identified with the bank's business in the middle west district, where he has a wide acquaintance in business and financial circles.

Mr. Jerman was born in Raleigh, North Carolina, and after graduation from the University of North Carolina gained his early banking experience with the Commercial National Bank of Raleigh and with the National Bank of Commerce in New York. When the latter bank was merged with the Guaranty Trust Company of New York in 1929, he continued with the combined institution, with which he has since served in the work of the banking department.

Drive Chairman


Appointment of John W. Hanes, former under-Secretary of the Treasury and member of the Securities and Exchange Commission, as chairman of the National Corporation Committee, was announced by the United Service Organizations.

U. S. O. represents the co-ordinated effort of the Young Men's Christian Associations, the National Catholic Community Service, the Young Women's Christian Association, the Salvation Army, the Jewish Welfare Board and the National Travelers Aid Association, to provide programs of entertainment, social activities and guidance for the men and women engaged in national defense.

A drive for \$10,765,000 to conduct U. S. O. service clubs wherever there are army or navy camps or defense industries began June 3d.

"Say, haven't you been engaged to me before somewhere?"

"Well, er, er, you certainly seem to have a familiar ring."



RESIDENCE BURGLARY INSURANCE

INSURES

CLOTHING, personal effects, household goods, furnishings, fixtures and appliances.
JEWELRY, silverware and furs.
ALL DAMAGES to your home including vandalism or malicious mischief, caused by burglars, except fire.
ALL PROPERTY stolen from safe deposit boxes, or public warehouses.

PAYS FOR articles stolen from porches, storerooms, basements, laundries, garages, stables and yards up to \$100.00.

INCLUDES protection for your guests and servants. Provides 10-day Automatic Coverage at new location, when moving.

PRIVATE RESIDENCES AND TWO-FAMILY HOUSES
(Rate per \$1,000 of Coverage)

Territory	Divided Coverage	100% Blanket	\$100 Limit Blanket	Special \$500 Blanket Policy
4	\$8.50	\$12.75	\$8.50	\$7.50

APARTMENTS AND FLATS

4	\$10.50	\$15.75	\$10.50	\$7.50
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DIVIDED COVERAGE—Section (a) covers jewelry, watches, necklaces, bracelets, gems, precious and semi-precious stones, articles of gold, platinum, sterling silver and furs. Section (b) covers household goods, personal property, plumbing, heating, refrigerating, electric, gas and water fixtures and equipment, also \$100 on stamp and coin collections and \$50 on money and securities.
 FULL BLANKET—Combines Section (a) and (b) of the Divided Form.
 LIMITED BLANKET—Combines Sections (a) and (b) of the Divided Form, but not more than \$100 of insurance per article is applicable to Section (a) property.
 OPTIONAL COVERAGE—Theft outside premises—in temporary residences (hotels, etc.) public conveyances, purse-snatching, pocket-picking, hold-up, etc.

RATES

Territory	\$500 Policy	\$1,000 Policy
4	\$2.00	\$3.40

All Policies written for three years at two and one-half times the annual premium if paid in advance or two and one-half times the annual premium plus 5% if paid in installments of 50%, 30% and 20% for the first, second and third years respectively.

Newhouse Paper Co.

"Better Printing Papers"

This company extends greetings to bankers of the Northwest who are holding their State Association Conventions this month. We are happy to serve you and your clients throughout this territory where we operate and maintain paper warehouses in these cities:

Minneapolis, St. Paul, Dubuque, Moline and Des Moines

NORTH DAKOTA NEWS

MARTIN AAS
President
New Rockford



C. C. WATTAM
Secretary
Fargo

Accepts New Post

Frank G. Suttle, vice president of the First National Bank of Aberdeen, South Dakota, and actively identified with its affairs for more than a quarter of a century, last month announced his resignation, to take effect July 1st.

Mr. Suttle will take up residence in Ellendale, where he will be vice president of the First National Bank. Mr. Suttle is a native son of Ellendale, having been born there and formerly engaged in business in that city.

Mr. Suttle will retain his position with the Aberdeen bank as a director, as well as director and the vice president of the First National Bank of Hecla, with which he has been affiliated for many years.

Bank Liquidation Completed

The First State Bank of Burlington, which sometime ago discontinued business voluntarily, has completed liquidation of its deposit liability, officers of the bank said recently.

About a year ago the bank ceased receiving any new deposits, and since then the voluntary liquidation has been in process of completion. The doors were closed last October.

Harvey J. Johnson, Burlington, president, C. A. Bugge, Burlington, vice president, and H. A. Kluver, Minot, cashier, were officers of the bank.

It was organized in 1909. After the time of the bank holiday the institution operated under restrictions.

Prominent Man Dies

M. L. Ayers of Dickinson, veteran newspaper man, banker and insurance agent, died last month at his home.

Mr. Ayers was the founder of the Dickinson *Press and Recorder-Post*. He was also a founder of the former Merchants National Bank of Dickinson and was founder of the Dickinson Building and Loan Association, of which he was vice president at the time of his death.

New Bank Head

G. J. Johnson, vice president of the American National Bank of St. Paul, an Otto Bremer institution, was recently named to head the Farmers State Bank of Lisbon as president. Johnson will hold the office but will not be in Lisbon nor take active charge.

W. R. Sandager, able cashier of the bank, will be in charge of the institution as active executive. Lewis E. Lilyquist, son of the late W. A. Lilyquist, has been added to the staff in capacity of assistant cashier. Lilyquist relinquished a position with a Chicago underwriters bureau.

Sandager has long been engaged in the banking business in Lisbon, having more than thirty years of experience to his credit.

There will be no change in the business policies of the Lisbon bank, Sandager said. Directors of the bank are Mrs. W. A. Lilyquist, Jakob Wolters, John Challey, Knute Ringdahl and Sandager.

Wolters continues as vice president and Miss Marie Morgan as senior assistant cashier. Tellers are Mrs. Mary A. Carter, Miss Eileen Johnson and Gordon H. Weber.

North Dakota Resources

Resources of the 150 insured commercial banks in the state of North Dakota totaled \$94,657,000 on December 31, 1940, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$83,977,000. Demand deposits of the latest call date amounted to \$54,094,000 and time deposits totaled \$29,883,000.

Loans and discounts of the reporting banks amounted to \$46,092,000, an increase of \$11,638,000 over the December 31, 1939, total.

Direct and guaranteed obligations of the United States Government listed by the North Dakota banks amounted to \$16,118,000 on December 31, 1940. Other securities totaled \$7,742,000.

Loans and discounts of the 13,438 insured commercial banks throughout the country totaled \$18,397,775,000, an increase of \$1,531,754,000 or more than 9 per cent over the amount reported December 31, 1939. Deposits increased from the \$56,076,349,000 reported the previous year to \$63,469,603,000, the highest figure since inauguration of deposit insurance.

Retired Banker Dead

P. H. Kelly, 75, retired Brocket banker, died recently in a hospital at Devils Lake of heart disease. Kelly was a former state representative from Ramsey county and a pioneer resident of Brocket.

Quarter of a Billion

More than a quarter of a billion dollars was lent by the savings, building and loan associations throughout the country during the first quarter this year, according to the United States Savings and Loan League. Morton Bodfish, Chicago, executive vice president of the League, said that the \$267,932,000 lent from January through March was \$40,000,000 more than during the same period the year before and constituted a record for any like period since the figures began to be compiled six years ago.

March, a heavy contributor to the quarter's expanded lending business, was the twenty-eighth consecutive month in which the savings, building and loan associations' volume of loans had been greater than the same month of the previous year. It saw the lending of \$105,162,000, of which 39.6 per cent was to help people buy existing homes. A spectacular rise of \$11,500,000 from February made its home purchase loans greater than any month's since May of last year. Loans for this purpose were in proportionately greater demand than those for home construction, a circumstance attributed to the hurry of the public to invest its money in something tangible, and possibly somewhat to rising building costs.

Mr. Bodfish pointed out that the increases over the first quarter of a year ago were entirely in the categories of home purchase and home construction loans, the volume for refinancing, modernization and repairs, and miscellaneous purposes being approximately the same as last year.

Pointed Sales Talk

Customer: "I'd like to see something cheap in a felt hat."

Assistant (under notice): "Certainly sir. Try this one on. The mirror is on the left."

V ALLEY SAVINGS BANK

offers

Efficient, Helpful Service
On Your Des Moines
Transactions



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*

Member Federal Deposit Insurance Corp.



H. R. YOUNG
President
Arlington

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Warns Against Overlending

Ralph Bunce, Iowa deputy superintendent of banking, warned of overlending last month at the closing session of the Iowa Association of Personal Finance Companies at Hotel Savery in Des Moines.

He said state supervision was for the public interest, rather than the interest of the lenders and that while supervision has brought many constructive developments for borrowers, there is considerably more to be done.

Bunce urged lenders to make every loan so the borrower cannot only repay it but be in a better position after he pays. He said many applicants need counsel more than money, and urged lenders to give such advice.

Retired Banker Dies

Charles N. Wood, 80, retired Logan banker, died suddenly at his home there last month. He was engaged in the banking business 62 years.

Cashes 19-Year-Old Check

When the P. I. Peterson family moved from their farm southwest of Northwood to Lake Mills last spring, Mr. Peterson found a check for the sum of 50 cents that he had received in May, 1922, for road work, and had mislaid among other papers. The check was issued by the State of Iowa and was drawn on the Bankers Trust Company of Des Moines.

Mr. Peterson took the check to the bank in Lake Mills where it was cashed and cleared through the Des Moines bank promptly and without question, in spite of the elapse of 19 years since its issuance.

To California Bank

Three young men of Alta have recently accepted positions with the Bank of America, and will report for work very soon. They are Fey Mieras, Art Ryden and Mervin Peterson. Mr. Mieras and Mr. Ryden have been employed by the First Trust and Savings Bank of Alta.

The young men do not know as yet what towns they will be stationed in, since the Bank of America is a chain of some 500 banks.

Orient Banker Dead

Funeral services for A. K. Reed, 89, former president of the Orient Savings Bank, were held at the Methodist church in Orient last month.

Goes to Harlan

John Rossman of Defiance has accepted a position with the Shelby County State Bank of Harlan.

25th Anniversary Celebrated

In observance of the twenty-five years of continuous service in Spencer, the Farmers Trust and Savings Bank held "open house" Tuesday, May 27th, and friends and customers of the institution were invited to inspect the renovated and redecorated banking rooms. Officials and employees of the bank were on hand to show the visitors some of the new features, such as "friendly counter" and cash protection system.

Its prosperous growth is mutely told by its increase in deposits. At the end of the first year, the deposits at the Farmers Trust and Savings Bank totaled \$187,288.56, whereas this total had leaped to \$2,110,172.51 at the end of the twenty-fifth year.

At the time the Farmers Trust was organized it had a capital stock of \$50,000. Deposits the day of the opening amounted to \$5,606.45. During the twenty-five years the capitalization has been increased to \$100,000 and a surplus of \$50,000 is being carried, all derived from earnings of the institution.

Since its organization, the Farmers Trust has had three presidents, William Flindt and H. B. Noll, both deceased, and L. A. Witter, the present head of the institution. Other officers are R. M. Tuttle, vice president, and Karl R. Tuttle, cashier. The board of directors consists of L. A. Witter,

R. M. Tuttle, Dan E. Cole, Chas. C. Collester and Otto A. Bjornstad.

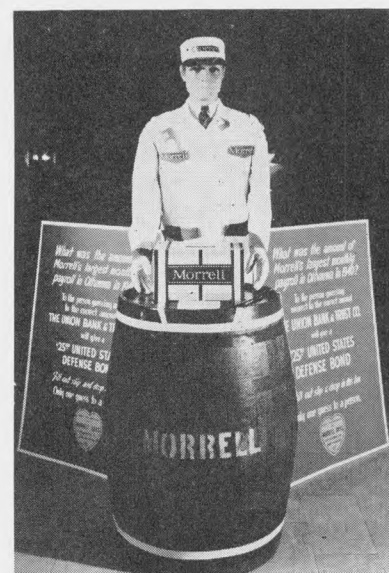
Branch offices are maintained at both Everly and Rossie, two Clay county communities, with Dale Barus in charge at Everly and N. E. Russet at Rossie. Both hold the offices of assistant cashier and other assistant cashiers at the Spencer institution are Robert G. Lexvold, A. J. Prechel and Alvin G. Hansen.

Opens July 1st

The stock for the new bank in Ruthven, to be known as the Ruthven State Bank, has been subscribed. The new bank will have a capital stock of \$25,000 and a surplus fund of \$5,000, and as this money is being paid in it will be placed on deposit for the Ruthven State Bank in the Iowa-Des Moines National Bank & Trust Company, in Des Moines, which institution will certify to the paid in capital stock.

As soon as the organization is completed, the officers and directors will be announced. W. W. Linebarger of Mason City, who was assistant cashier of the First National Bank at Clarion for a number of years and later cashier of the Battle Creek Bank until he disposed of his interests there, will be cashier.

The new bank will open for business in the place where the present bank office is located.

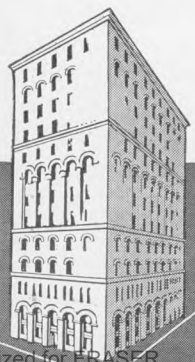


Morrell Week was held recently in Ottumwa, honoring John Morrell & Company. The above display, designed by Joseph Funk, was arranged for by Union Bank & Trust Company of that city, and was exhibited in the lobby of the bank.

Northwestern Banker June 1941

IN 1920, mud was Iowa's bugaboo. Only 860 miles of Iowa roads were hard-surfaced. In 1940, 8,503 miles of primary roads were surfaced. Back of this phenomenal ten-fold increase, was a sound plan, a plan lacing the entire state with dependable, all-weather roads.

In the same twenty years, the resources of the Bankers Trust Company grew from \$4,700,000 to \$23,399,000. Basic to this five-fold growth was a sound plan of progressive banking--a plan that has caused a steadily-increasing number of out-of-town bankers to use the Bankers Trust in Des Moines.



Member Federal Deposit Insurance Corporation

BANKERS TRUST



FRED C. HENEMAN



DEAN H. LIGHTNER



CARL A. PARKER

Consolidation in Mason City

THE merger of the Northwest Savings Bank with the First National Bank of Mason City, under the name of the First National Bank has been approved by the Washington authorities, and the physical aspects of the merger have already been completed.

The First National Bank, which was organized 71 years ago and is therefore one of the oldest banks in Iowa, through the acquisition of the business of the Northwest Savings Bank, thereby takes its place among Iowa's ten largest banks with total resources



Wm W. BOYD

of \$9,694,369.45 as of May 12th. Deposits of the bank as of May 12th were \$8,780,405.98.

The new official lineup of officers of the First National Bank is as follows: Fred C. Heneman, president; Dean H. Lightner, first vice president; Carl A. Parker, vice president; William W. Boyd, cashier; C. S. Thompson, assistant vice president; Douglas G. Swale, assistant vice president; Alfred M. Halsor, assistant cashier; Roy B. Johnson, assistant cashier; Harry C. Fisher, assistant cashier; and Ralph E. Wiley, assistant cashier.

Directors other than officers include: Jay E. Decker, former packer; Remley J. Glass, attorney; Carl Henkel, contractor; Floyd E. Johnson, coal and ice; Lee P. Loomis, publisher; John A. Senneff, attorney; Earl Smith, attorney; L. S. Thompson, grocer; E. H. Wagner, investments.



"FIDELITY FACTS"

- ★ Insurance in Force—
\$51,699,874.00
- ★ Assets—\$11,687,400.86
- ★ Assets for each \$100 of liabilities—\$115.81
- ★ Gross Surplus Ratio to liabilities—15.81%
- ★ Cash benefits paid to members and beneficiaries in 1940—\$1,069,176.33
- ★ Cash benefits paid since 1896—over \$34,000,000.00

FIDELITY LIFE ASSOCIATION

Fulton, Illinois

Legal reserve life insurance institution doing business in Illinois, Iowa, Wisconsin, Texas, Nebraska, Missouri, Kansas, Michigan, Indiana, Minnesota and Ohio

The bank with

The CITY NATIONAL BANK

CLINTON, IOWA

Member of the Federal Deposit Insurance Corporation

The First National Bank was organized in 1869 and for many decades was known as the McNider Bank, although the recent resignation of Colonel Hanford MacNider as chairman of the board leaves the bank without one of the McNider family on its official board, for the first time in history.

The Northwest Savings Bank was organized in 1929. Dean H. Lightner, former well known South Dakota banker, has been its president for the past five years.

Memorial Day Address

Guy O. Vanderveer, Waverly banker, delivered the Memorial Day address at Nashua Friday, May 30th.

Mr. Vanderveer is an outstanding patriotic speaker and he also delivered an address on Americanism for the Nashua Lions Club not long ago.

Appointed U. S. Commissioner

Vernon U. Sigler, Des Moines insurance man and investment banker, recently was appointed United States commissioner by Federal Judge Charles A. Dewey. Sigler's appointment became effective June 2nd, when he succeeded John R. Hamilton, whose resignation was announced last month.

The United States commissioner holds preliminary hearings in all criminal cases involving federal laws and may either dismiss the charge or bind the accused over to the grand jury and set the necessary bond.

Daughters in Hawaii

Naomi and Lois Ludemann, daughters of J. J. Ludemann, vice president of the Peoples Savings Bank, Wellsburg, both hold positions in the Hawaiian Islands.

Naomi, as a registered nurse, is with the Aea Plantation Hospital. This plantation is one of the larger sugar plantations in the Island and has 3,800 employees. Lois has just recently taken a position as dietician with the Tripler General Hospital at Fort Shafter, a government hospital in Honolulu. Naomi has been in the Islands eighteen months and plans on making her home there. She was married on June 1st to Alfred A. Fixter. Before leaving for the Islands, Lois was employed by Stanford University Hospital in San Francisco.

Farm Department

In order that it keep in closer touch with its farmer customers it has been decided by the board of directors of

the First State Bank, Britt, to establish a farm service department. This department is to be headed by Mark F. Miller, who is well known in that community and who has had a broad experience with farming and farm management.

Mr. Miller was raised in Britt and after spending two years at Ames he farmed a section of land south of Britt. In 1930 he moved to Des Moines and took a position as field man with the Union Central Life Insurance Company, in which position he has

serviced their farm loans and looked after any farms the company owned.

Final Payment

Effective last month, a final payment was made on the trust certificates of the Melbourne Savings Bank, representing the balance of the original amount held in trust.

In a letter to certificate holders, Al Sanderman, cashier, on behalf of the directors and officers of the bank, thanked those interested for their splendid cooperation.



ANNOUNCEMENT

The directors of the First National Bank in Sioux City announce the election of A. G. Sam, former vice president to the Presidency, succeeding the late A. S. Hanford. The complete official staff of this institution is now as follows:

A. G. Sam, President

J. P. Hainer, Vice President
Fritz Fritzson, Vice Pres. and Cashier
J. T. Grant, Assistant Cashier

J. R. Graning, Assistant Cashier
E. A. Johnson, Assistant Cashier
W. F. Cook, Auditor

Member Federal Deposit Insurance Corporation

FIRST NATIONAL BANK IN SIOUX CITY

Fifty Years

Fiftieth anniversaries only come once to any individual or institution, so that event was quite a day for the Lone Tree Savings Bank, the day marking the fiftieth anniversary of its incorporation as the first bank in Lone Tree.

At a special meeting of the stockholders it was voted to re-incorporate for another fifty year period, and to renew the bank's charter for an equal length of time. Also at this meeting W. R. Brewster was elected as president of the bank, filling the vacancy left by the death of John P. Burr, and Gus Herring was elected vice president, the post formerly held by Mr. Brewster.

The Lone Tree Savings Bank was originally incorporated in 1891.

Iowa Resources

Resources of the 586 insured commercial banks in the state of Iowa totaled \$778,669,000 on December 31,

1940, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$708,112,000. Demand deposits of the latest call date amounted to \$477,614,000 and time deposits totaled \$230,498,000.

Loans and discounts of the reporting banks amounted to \$316,128,000, an increase of \$33,670,000 over the December 31, 1939, total.

Direct and guaranteed obligations of the United States Government listed by the Iowa banks amounted to \$101,466,000 on December 31, 1940. Other securities totaled \$81,725,000.

Loans and discounts of the 13,438 insured commercial banks throughout the country totaled \$18,397,775,00, an increase of \$1,531,754,000 or more than 9 per cent over the amount reported December 31, 1939. Deposits increased from the \$56,076,349,000 reported the previous year to \$33,469,603,000, the highest figure since inauguration of deposit insurance.

Appointed to Committee

W. K. Niemann, chairman of the United Service Organizations for the Des Moines area, recently announced appointment of Harold P. Klein as vice chairman and Carl W. Mesmer as treasurer.

Mr. Klein is an assistant vice president of the Iowa-Des Moines National Bank and Mr. Mesmer is vice president of the Bankers Trust Company, both of Des Moines.

Bank Picnic

Employees of the Fort Dodge National Bank, with their wives or husbands, enjoyed a picnic recently at the Berrier cabin near Badger. Nearly fifty shared in the function.

Bankers Club Ladies Meet

Ladies of the Bankers Club of Des Moines met last month at the home of Mrs. George Brammer for a morning musicale.

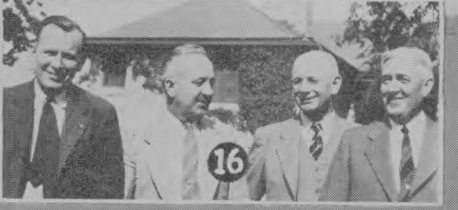
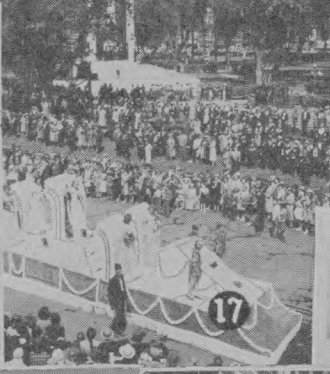
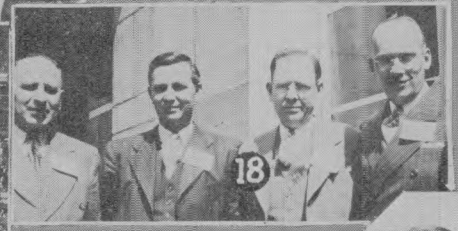
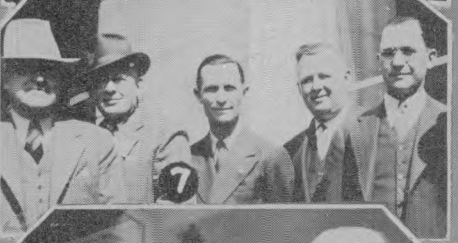
Mrs. Lehman Plummer was chair-

AT THE IOWA GROUP MEETINGS

1—**Everett M. Griffith**, assistant vice president, Iowa-Des Moines National Bank and Trust Company, Des Moines; **Fred Wiebel**, assistant cashier, Tipton State Bank, Tipton, and **Irwin Mosher**, cashier, West Liberty State Bank, West Liberty. 2—**Fred Cummings** representative of the Drivers National Bank of Chicago, registering at the meeting of Group 3 at Hampton. 3—Incoming and outgoing state banking superintendents. **Melvin E. Ellis**, the new superintendent, shaking hands with **D. W. Bates**, the retiring state superintendent of banking. 4—**D. W. Bates**, retiring superintendent of banking, and **Frank Warner**, secretary of the Iowa Bankers Association, operating the "mowing machine" at Keosauqua. 5—**Carson Williams**, vice president and cashier, Security State Bank, Mt. Ayr; **Ralph K. McGee**, vice president, Clarke County State Bank, Osceola, and new chairman of Group 9, and **Julian Frost**, executive vice president and cashier, Decatur County State Bank, Leon. 6—**G. J. Liljedahl**, vice president, First National Bank, Essex; **De Los Quist**, assistant cashier, First National Bank, Essex, and **Austin L. Vickery**, cashier, United States National Bank, Omaha. 7—**F. J. Hoskins**, cashier, Keystone Savings Bank, Keystone; **E. W. Jones**, vice president, Iowa-Des Moines National Bank & Trust Company, Des Moines; **P. E. Sorg**, assistant cashier, Farmers State Savings Bank, Independence; **Wesley T. Heckt**, president, Grundy National Bank, Grundy Center, and **A. F. Agena**, cashier, Farmers Savings Bank, Garwin. 8—**William W. Boyd**, cashier, First National Bank, Mason City, and chairman of Group 3, and **Albert Halvorson**, cashier, St. Ansgar Citizens State Bank, St. Ansgar, Iowa, and secretary of Group 3. 9—**Yates E. Allen**, cashier, First State Bank, Churdan; **R. E. Rolins**, vice president, Bankers Trust Company, Des Moines; **Ray O. Bailey**, president, Jasper County Savings Bank, Newton; **Max Von Schrader**, cashier, Union Bank and Trust Company, Ottumwa, and **Clarence A. Diehl**, vice president, Iowa-Des Moines National Bank & Trust Company, Des Moines. 10—**C. J. Garmen**, cashier, Peoples Savings Bank, Elma, and president of Howard County Bankers Association, and **W. C. Dostal**, cashier, Bohemian Savings Bank, Protivin, and vice president of How-

ard County Bankers Association. 11—**Oscar Helgerson**, cashier, Houghton State Bank, Red Oak, and newly elected chairman of Group 5. 12—**R. H. Kroeger**, vice president, and **S. B. Williams, Jr.**, representative, Live Stock National Bank, Omaha. 13—**C. E. Okey**, president, Okey-Vernon National Bank, Corning; **A. E. Jensen**, president, First National Bank in Creston, Creston, and **F. A. Ide**, chairman of the board, First National Bank in Creston, Creston. 14—**I. G. McQueen**, cashier, Farmers State Bank, Ridgeway, and chairman of Group 4, and **C. H. Megorden**, cashier, Waukon State Bank, Waukon, and secretary of Group 4. 15—**H. L. Bass**, executive vice president, City State Bank, Ogden; **R. A. Sweet**, vice president and cashier, Story County State Bank, Story City. 16—**W. B. Griffin, Jr.**, cashier, Iowa State Bank and Trust Company, Fairfield; **R. M. Shields**, cashier, Exchange Bank, Bloomfield; **Ed. W. Shaw**, cashier, Davis County Savings Bank, Bloomfield, and **B. C. Casady**, cashier, State Savings Bank, Cantril. 17—Parade during the Tulip Festival at Pella. 18—**P. G. Young**, cashier, Benton County State Bank, Blairstown; **J. R. Vermazen**, cashier, Chelsea Savings Bank, Chelsea; **A. T. Donhowe**, vice president, Central National Bank and Trust Company, Des Moines, and **R. R. Schroeder**, vice president and cashier, Iowa County Savings Bank, Marengo. 19—**Henry B. Walters**, president, Tipton State Bank, Tipton, and **P. A. Dietz**, president, Walcott Trust & Savings Bank, Walcott. 20—**J. W. Davis**, president, Citizens Savings Bank, Avoca, and **J. H. Pullman**, vice president, Fremont County Savings Bank, Sidney, retiring chairman of Group 5. 21—**L. W. Ross**, vice president, Citizens State Bank, Oakland, and **H. E. Ross** (no relation), president, City National Bank, Shenandoah. 22—**D. D. Bramwell**, president, First National Bank, Hampton, and **D. D. Inglis**, president, Hampton State Bank, Hampton, and president Franklin County Bankers Association. 23—**Paul Farnsworth**, assistant cashier, Cresco State Bank, Cresco, and secretary-treasurer Howard County Bankers Association, and **V. Spalding Miller**, assistant cashier, Waterloo Savings Bank, Waterloo.

Northwestern Banker — June 1941



man for the day, assisted by Mesdames F. M. Morrison, Herbert L. Horton and D. J. Van Liew.

Following the business meeting a program was given in charge of Mrs. Walter L. Stewart.

Celebrates 50th Anniversary

Last month the State Bank of Vinton celebrated its 50th anniversary, receiving congratulations from its many friends and customers.

The State Bank of Vinton was organized early in 1891. On May 18th of that year the bank opened for business. Throughout the intervening

years, in good times and bad, the institution has never closed except during the brief banking holidays ordered by the mayor of Vinton and the President of the United States. No depositor ever lost a cent of money entrusted to the bank.

Since 1933 the State Bank has been Vinton's only bank. Today it is bigger and stronger than ever before with deposits totaling in excess of \$1,500,000. More than half of the deposits are loaned to farmers, business men and citizens of the Vinton community. The bank has approximately 2,500 customers.

Fifty years ago when the doors of the institution were first opened to the public its officers were: Paul Correll, president; James W. Hawkins, vice president; Walter S. Goodhue, cashier; Walter S. Palmer, secretary; Frank G. Ray, D. D. Johnson and M. Meredith, directors.

Today the institution is headed by President John W. Tobin. M. J. Tobin, a director since 1904, is vice president. Charles B. Barron is cashier. Clint Schlotfeld and Clare O. Donels are directors.

Other officers and employees are: Harold C. Bryant, assistant cashier; M. J. Dwyer, teller; Arthur Simanek, teller; Edward Vanourny, manager Garrison branch; Gertrude Schlotfeld, chief bookkeeper; Katherine Richart, bookkeeper; Virginia Leemon, filing clerk; Dicta Harmon, stenographer.

Officers Elected

James Brown, manager of the credit department of the Iowa-Des Moines National Bank and Trust Company, was elected first vice president of the Des Moines Chapter of the American Institute of Banking last month. He will automatically become president next year.

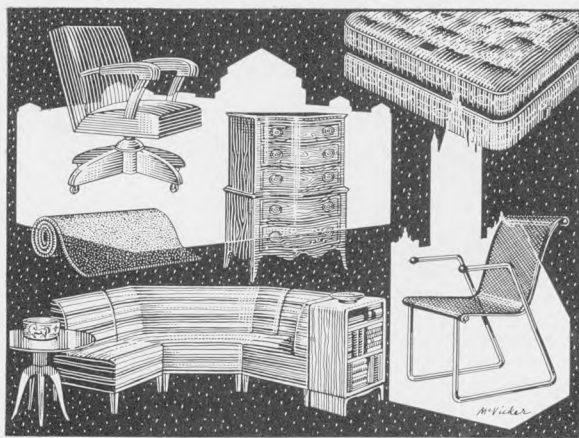
Walter Hawley was named second vice president; Herman Patrick, treasurer, and Marie Henderson, secretary. Ed Bliquez, who was first vice president, moved up to the presidency.

Forrest Galbraith was awarded a free trip to the convention of the national unit in San Francisco, California, June 5th, for having the highest grade in the chapter's night school last winter.

Essex Bank Celebrates

Three hundred cigars and 500 candy bars were given away at the First National Bank of Essex at its fortieth anniversary celebration last month.

Nine beautiful bouquets adorned the windows. These were presented to the bank by Page County State and Citizens Banks of Clarinda, Security and Trust of Shenandoah, U. S. National of Omaha, Continental Illinois National of Chicago, First National of St. Joseph, W. J. Denny Commission Company, of Omaha, Mrs. Frances Cagley



CLOSE TO CHICAGO'S BASIC INDUSTRIES

Furniture is important to Chicago, ranking ninth in the list of basic industries of our city. Chicago is likewise important to the furniture industry, for it leads all other cities in employment with nearly 20,000 workers, and serves as style, sales and distribution center for the entire industry. . . . The American National Bank and Trust Company is qualified through facilities and experience to represent the interests of out-of-town bankers in all matters related to this important Chicago industry.

AMERICAN NATIONAL BANK AND TRUST COMPANY *of Chicago*

Member Federal Deposit Insurance Corporation

LA SALLE STREET AT WASHINGTON

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH
Haddam, Kansas

"35 years Practical Banking
Experience."

of Clarinda and the Essex Booster club.

There were bankers present from Red Oak, Shenandoah, Clarinda, Sidney, Corning and Omaha.

Sam Heads Bank

Directors of the First National Bank, Sioux City, last month elected A. G. Sam as bank president to succeed A. S. Hanford, who died recently. The session was a regular monthly meeting held in the bank. No other



A. G. SAM

changes in officers were made, no new vice president being added to succeed Mr. Sam.

Mr. Sam has been a vice president since October, 1939, when he became associated with the First National Bank. Formerly he had been president of the Live Stock National Bank.

Mr. Hanford, 78, died May 2nd after a long illness. He had been president of the First National since April 15, 1931.

Former Algona Man Dies

Funeral services were held recently in Los Angeles, California, for Col. Thomas Frank Cooke, former Algona resident who had lived in California about 35 years.

A business man and banker, Col. Cooke was a member of the Los Angeles City Council and once was chairman of its finance committee.

Accepts Position

Helen Matthew of Larrabee has accepted a position at the Peterson State Bank and began work there recently. Miss Matthew was employed by Nelson and Nelson, attorneys, in Cherokee previous to coming to Peterson.

North Iowa's Largest Bank

THE merger of the First National Bank and the Northwest Savings Bank of Mason City has given this part of the state a bank with total resources, ranking it among the first ten in Iowa.

STATEMENT OF CONDITION

May 12, 1941

RESOURCES

Loans and Discounts.....	\$3,371,097.48
Stock in Federal Reserve Bank.....	18,000.00
Overdrafts	891.39
Bank Building	346,250.00
Furniture and Fixtures.....	8,984.82
Other Real Estate Owned.....	13,692.92
Interest earned but not collected.....	46,598.28
United States Bonds.....	2,071,283.45
Other Bonds and Securities.....	1,370,506.46
Cash and Exchange.....	2,447,064.65
	<hr/>
	\$9,694,369.45

LIABILITIES

Common Stock.....	\$ 400,000.00
Surplus and Undivided Profits.....	421,860.69
Reserves	92,102.78
Deposits	8,780,405.98
	<hr/>
	\$9,694,369.45

Accounts of Banks Solicited

A good bank to tie to

DIRECTORS OTHER THAN OFFICERS

Jay E. Decker.....Former Packer	Lee P. Loomis.....Publisher
Remley J. Glass.....Attorney	John A. Senneff.....Attorney
Carl Henkel.....Contractor	Earl Smith.....Attorney
Floyd E. Johnson.....Coal and Ice	L. S. Thompson.....Grocer
E. H. Wagner.....Investments	

OFFICERS

Fred C. Heneman.....President	Douglas G. Swale..Assistant Vice President
D. H. Lightner.....Vice President	Alfred M. Halsor.....Assistant Cashier
Carl A. Parker.....Vice President	Roy B. Johnson.....Assistant Cashier
William W. Boyd.....Cashier	Harry C. Fisher.....Assistant Cashier
C. S. Thompson...Assistant Vice President	Ralph E. Wiley.....Assistant Cashier

First National Bank

Mason City, Iowa

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker June 1941

County Bankers Meeting

A meeting of the Allamakee Bankers Association was held at the Waukon State Bank last month, following a 6:30 dinner at the Model Cafe. Covers were laid for 18. As this was the annual meeting election of officers took place.

Bank Officers Elected

At the annual meeting of the stockholders of the Jackson State Savings Bank of Maquoketa held last month all officers were reelected for the com-

ing year. These include Lynn Fuller, president; M. O. Sagers, D. D. Fuller and Lewis S. Lein, vice presidents; and John Jargo, cashier. The directors are A. P. Beck, F. W. Gibson, Lynn Fuller, H. D. Keeley, H. K. Lee, M. D. McCarthy, Harris Penrose, M. O. Sagers, L. H. Rasmussen and Frank Wirth.

Mr. Sagers gave a survey of the past year and discussed problems confronting the bank the coming year caused by the European war including the U. S. Government's preparedness program. A five per cent dividend was

declared and other usual business was transacted.

Improvement at Bank

Two large mirrors, each 3x6 feet, have been hung on each side of the clock on the west wall in the Tama State Bank. The mirrors are a beautiful improvement to the interior of the bank.

Banker Passes Away

E. R. Norton, 54, assistant cashier of the Peterson State Bank and a very prominent leader in church, lodge and civic activities, died at his home in Peterson last month of heart disease. He had been critically ill for six weeks.

Bank Officers Promoted

The stockholders of the Jefferson State Bank met last month with all directors and officers reelected. V. W. Miller was advanced to the position of executive vice president, while R. H. Maloney was advanced to the position of cashier, taking the place made vacant by Mr. Miller in accordance with his promotion. Mr. Maloney for a number of years has been assistant cashier.

Meeting at Keosauqua

Banks of Van Buren county were hosts to the members of group 10 of the Iowa Bankers Association at an all-day meeting Thursday, May 15th, in Keosauqua. The convention was opened at the lodge in Lacey-Keosauqua state park at noon and in the evening a session was held at the Hotel Manning.

In addition to bankers from the seven counties in the district, the visitors included representatives from the correspondent banking houses, the president and secretary of the State Bankers Association and the state banking commissioner.

For More Than 50 Years

Many of the oldest and strongest banks and trust companies in the United States maintain correspondent relationships with Central Hanover.

For example, 159 American banks have been correspondents continuously for more than half a century.

CENTRAL HANOVER
BANK AND TRUST COMPANY
NEW YORK



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

R. J. FLYNN, Pres. D. L. DUNGAN, Secy.

Since 1907

Lessing Advertising Co.
INC.

Advertising for
Immediate Sales

DES MOINES

Joins New Bank

Ralph L. Eastridge, son of Mr. and Mrs. W. O. Eastridge of Runnells, has recently become associated with the new Iowa State Bank at Des Moines.

Anniversary Observed

A decade of progress and prosperity was celebrated last month by officers, directors, and employes of the Central Trust & Savings Bank of Cherokee who were observing the 10th anniversary of the banking institution.

Bank Fixtures Sold

A deal has been closed for the sale of the fixtures in the old Traer State Bank building to the new bank which will be opened soon in Vinton. The consideration was reportedly around \$800 or \$900. The contract provides that the fixtures must be removed from the Traer building before July 30th. The Vinton bank is expected to open sometime after July 15th.

Reports of the sale of the Traer bank building are without foundation, according to the trustees. Some offers have been received, but no deal has been completed and none is said to be seriously pending.

Banker Dies

T. T. Henryson, 79, prominent citizen and president of the First National Bank at Story City for 20 years, died at his home there last month.

He had been in failing health since 1928 but had been bedfast only two weeks. Old age and complications were given as the cause of death.

Bank Officers Named

Attorney Henry Jebens will be president and Harry C. Lynn, who has been examiner in charge of liquidation of the old Northwest Davenport Savings Bank, will be executive vice president and cashier of the new Northwest Bank & Trust Co. of Davenport.

They were so designated in articles of incorporation signed by the incorporators at a recent meeting at which plans were made for filing the articles immediately and speeding operations to have the bank in operation before July 1st. A tentative opening date toward which work is being directed is June 16th.

Directors designated in the articles of incorporation in addition to Mr. Jebens and Mr. Lynn are Dr. A. B. Kuhl, Sr., physician; Martin Thomsen, president of the Thomsen Tobacco Co.; R. C. Smith, president of American

Petroleum Co.; Walter F. Meiburg, assistant secretary of the Occidental Life Insurance Co.; Julius Junge, realtor, and Fritz Keppy and Gilbert Ruehmann, farmers. Officers and directors will serve until the first annual meeting.

Subscriptions have been received for \$100,000 in capital stock and \$25,000 surplus toward opening of the new bank. Remodeling work at the bank building at Sixteenth and Washington streets is now under way.

Cashier Resigns

Carl Jones, who has been cashier of the Macedonia office of the State Savings Bank of Council Bluffs for the past seven years, submitted his resignation last month.

Former Banker Dies

J. W. Lovitt, a retired farmer and director of the former Shenandoah National Bank, died recently at the Shenandoah hospital following an extended illness.



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

Member Federal Deposit Insurance Corporation

New Bank Employee

Miss Eldora Rohwer is the new bookkeeper and stenographer at the Farmers Savings Bank, Garwin, taking the place of Jennie Shrader, who recently resigned after three and a half years employment with the bank.

Open Saturday Evening

The Citizens State Bank of Hopkinton will be open from 7 to 9 p. m. each Saturday evening, for the convenience of its customers. Many peo-

ple of the surrounding community will appreciate this opportunity to take care of banking affairs, while looking after other business matters.

Building Renamed

Known since its erection in 1895 as the Cedar Rapids Savings Bank building, the brick bank, office, and store building at the northwest corner of Third avenue and Third street Southeast, in Cedar Rapids, has been changed to Guaranty building.

Banker Undergoes Operation

C. G. Miller, cashier of the Hedrick Savings Bank, after an illness of a week, was taken to the St. Joseph hospital in Ottumwa last month and operated on for appendicitis.

Four-County Meeting

At a four-county meeting of bankers held at Spencer recently, O. M. Chaney of Spencer was elected president of the four-county bankers association, Wayne Curl of Estherville was named vice president and Delbert Hinch of Estherville, secretary-treasurer. About eighty persons, including bankers and their wives, were present at the banquet following the business meeting. The four counties represented were Dickinson, Palo Alto, Emmet and Clay.

Prominent Banker Dies

Arthur Scott Hanford, 78, president of the First National Bank of Sioux City and founder of the Hanford creamery, which under his management became "the largest in the world," died last month at his home in Sioux City. Mr. Hanford had been in failing health for some time, but was at his desk as late as two weeks before his death.

In addition to his banking activities, Mr. Hanford was very much interested in aviation, and at the time of his death he was a director of the Mid-continent Airlines.

Mr. Hanford was very well known in Iowa banking circles, and will be greatly missed by his many friends.

State Deposits High

Iowa's 543 state-chartered banks had deposits of \$484,786,222 at the close of business April 4th, D. W. Bates, state superintendent of banking, announced recently.

Their current deposits, Bates said, are the highest in eight years. They increased by \$37,546,964 in the year since the call for statement of condition March 26, 1940, and by \$19,457,354 since the December 31, 1940, call.

Bank loans on April 4th, the consolidated statement showed, amounted to \$305,443,878. This was an increase of \$8,963,842 since a year ago, and an increase of \$22,765,106 since December 31, 1940.

Total footings of the 299 savings banks and 244 state banks were \$535,228,876. This represented an increase of \$40,741,260 for the year and of \$20,958,167 since the end of last year.



Part of the Personal Trust Division

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Member Federal Deposit Insurance Corporation

The 543 banks had surplus of \$14,114,255, an increase of \$1,974,300 in a year but a decrease of \$198,100 since December 31st. The combined undivided profits were \$12,313,577 on April 4th, or \$930,145 more than a year ago, and \$1,300,331 more than on December 31st.

Real estate owned by the banks had decreased to \$1,012,077 on the April 4th statement. This was \$261,431 less than the holdings of a year ago, and \$133,409 less than on December 31st.

The average cash reserve in all state-chartered banks was 33.6 per cent on the current statement.

Following is the consolidated statement of condition as of April 4th:

RESOURCES	
Loans and discounts.....	\$305,443,878
United States Securities.....	46,951,850
Securities guaranteed by government..	13,221,075
Overdrafts	143,344
Stock in Federal Reserve bank.....	257,250
Banking house and fixtures.....	5,010,444
Other real estate	1,012,077
Credits subject to sight draft.....	146,831,263
Cash in vault	16,075,953
Other assets	281,739
Total	\$535,228,876
LIABILITIES	
Capital stock	\$ 23,770,500
(Preferred "A")	2,012,735
(Preferred "B")	388,500
(Common)	21,369,265
Surplus fund	14,114,255
Undivided profits	12,313,577
Due depositors	484,786,222
Bills payable and rediscounts	36,608
Other liabilities	207,713
Total	\$535,228,876

Banker Injured

Vernon E. Nordstrom, cashier of the Oxford Junction Bank, fell down the steps of his home recently and his shoulder crashed into the bumper of his car breaking his right arm about half-way between the shoulder and elbow.

Not realizing the arm was broken, he tried to raise himself on the right hand and telescoped the fracture. He was taken to St. Luke's Hospital in Cedar Rapids, where the condition of the injury was reported so bad that the attending physician was unable for a time to set the break.

Ralph Orr, cashier of the Wyoming Bank, is taking Nordstrom's place in the bank.

Attends Hot Springs Meeting

B. L. McKee, vice president and cashier of the Muscatine Bank and Trust Company, attended the annual meeting of the American Bankers Association held recently at Hot Springs, Virginia.

Mr. McKee, who is state vice president of the American Bankers Association, stated that the executive council of the A. B. A. consists of 175 bankers, who are chosen in accordance with their executive rank

in state and national bank associations throughout the nation. The function of the A. B. A. executive council is to administer the affairs of the American Bankers Association.

Dividends Declared

Directors of the Northwest Bancorporation recently declared a dividend of 20 cents a share on 1,556,601 shares outstanding payable May 26, 1941, to stockholders of record at the close of business May 10, 1941, according to J. C. Thomson, president.

The corporation resumed dividends in 1939 with payment of a dividend of 10 cents a share on November 25, 1939. In 1940 dividends of 10 cents a share each were paid on May 25, 1940, and November 25, 1940.

Accepts New Position

Jim McConnell, who has been assistant manager of the Harlan Graham store for the past five years, started work at the Harlan National Bank last month. Prior to taking up his duties at the bank, Mr. McConnell took a two-weeks' course on running a posting machine at Omaha.

Two recent vacancies have occurred in the Harlan bank with the resignations of Damon Peasley and Don Blakely.

New Check Plan

Inauguration of a new checking account service called the "PAYC" Pay-As-You-Check plan was announced recently by the Citizens State Bank of Oakland. It is a new service de-

1st FIRST NATIONAL BANK IN ST. LOUIS



SPECIALIZED SERVICE

BASED ON MANY YEARS EXPERIENCE

WITH THE DAY-TO-DAY REQUIREMENTS

OF CORRESPONDENT BANKS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

signed to give those who desire the convenience of a checking account without maintaining a minimum balance, the only requirement being a deposit sufficient to cover checks written.

There are no monthly service fees or activity charges on these accounts. The only cost is five cents per check, the cost of a book of twenty checks \$1. Customers may write as few or as many checks as desired, thereby controlling their own cost.

Regular checking accounts will be continued the same as before and

present customers will find no change in method, but customers may choose the plan they prefer.

Instalment Selling

The Federal Reserve Board's plan to curb instalment selling of automobiles, refrigerators, furniture and other expensive items to prevent inflation and to aid the defense program, will be discussed in group activities of the Twenty-ninth Annual Conference and Credit Sales Forum of the National Retail Credit Association next month.

According to A. B. Buckeridge, executive secretary of the Credit Bureau of Greater New York, Inc., host organization, more than 2,000 credit men and executives of 1,500 firms, representing sixty business, industrial and commercial classifications in the United States are expected to attend the convention at the Hotel New Yorker, June 16 to 19. It will be the biggest convention of credit men to discuss buying on time problems ever held in the United States.

Because of the tremendous national interest to business, the convention proceedings, Mr. Buckeridge said, will be open to firms and individuals, whether members of the National Retail Credit Association or not. Anyone interested in credit problems may register.

The convention is sponsored jointly by the National Retail Credit Association, the Associated credit Bureaus of America, Credit Women's Breakfast Clubs of North America and the Collection Service Division. Besides group sessions, luncheons and sightseeing tours, seventeen of America's outstanding office appliance manufacturers will display modern credit facilitating devices in a special exhibition hall in the hotel. A collection of adjustment, credit and collection forms and collection letters gathered from all sections of the country will be exhibited.

Principal speakers and the subjects of their talks at the convention are: Stanley M. Shaw, editor, Economic and Investment Advisory Publications, Standard and Poor's Corporation, "Wartime Business, Inflation and the Credit Man"; J. E. R. Chilton, Jr., president, Associated Credit Bureaus of America, Inc.; "It Can't Happen to Us"; Henry H. Heiman, executive manager, National Association of Credit Men, "Credit and Reconstruction"; Arthur J. Morris, president, Morris Plan Industrial Bank of New York, "Consumer Credit"; Malcolm L. Merriam, in charge of credit research, Bureau of Foreign and Domestic Commerce, "Current Developments in Consumer Credit"; and R. M. Severa, R. H. Macy & Co., "What Is the Future of Instalment Credit?"

Erwin Kant, of Milwaukee, Wisconsin, president of the National Retail Credit Association, will open the convention and Mayor Fiorella H. LaGuardia, will welcome the delegates to New York. General convention chairman is A. J. Kramer of Borden's Farm Products, New York, and general secretary, A. J. Worsdell, of the Adjustment Bureau, Credit Bureau of Greater New York, Inc.

HEADQUARTERS



FOR

NORTHEASTERN

IOWA

BANKERS



Efficient, quick service—plus complete facilities make this bank the logical channel for all your Northeastern Iowa business.

THE NATIONAL BANK OF WATERLOO

Member—Federal Reserve System

Member—Federal Deposit Insurance Corporation

Special publicity folders which list in advance the speakers, their subjects and the questions which will be answered at group sessions are available by addressing the Credit Bureau of Greater New York, Inc., 55 Fifth Avenue, New York City. Every registrant will be given a folder upon registering.

Dividend

The directors of the First National Bank in St. Louis at a recent meeting, declared a dividend of \$1.20 per share, payable as follows: 40c per share payable May 31, 1941, to stockholders of record May 26, 1941; 40c per share payable August 30, 1941, to stockholders of record August 25, 1941; 40c per share payable November 29, 1941, to stockholders of record November 24, 1941.

NEBRASKA NEWS

Employed at Bank

Donnie Miller started work recently as bookkeeper at the Citizens State Bank of Haddam.

60th Anniversary Observed

The First National Bank of Fullerton observed its 60th anniversary last month by holding open house for its many friends and customers. Souvenirs of the occasion were distributed to the guests.

The First National Bank was opened for business on May 1, 1881, being known then as the "Nance County Bank." It was founded by Chauncey Wiltse, Sr., who served as its president until his death in 1894. Theodore Koch was president until 1912, when he was succeeded by James R. Russell, who became connected with the institution at that time and served as its president until 1928 when he was followed by John T. Russell who is president at this time. E. M. Black became cashier in 1928.

The remainder of the bank personnel at present are: J. H. Kemp, vice president; Walter Hartman, assistant cashier; Margaret Russell, bookkeeper, and the following directors: J. H. Kemp, Lewis G. Kremer, W. H. Russell, E. M. Black and J. T. Russell.

The First National Bank is the oldest established business institution in Nance county. It is one of 26 banks still remaining in the state that were organized in 1881 or earlier. Of this number, 20 were organized before 1881.

Highest Bank Clearings

Bank clearings for April at Hastings' two banks reached a new high total for 1941 and was the highest recorded since August of 1940.

Clearings reached \$668,607.07 in that month as compared to \$697,848.57 in August of last year. April's figures were among the highest since January 1937, only four other months, including last August, topping them.

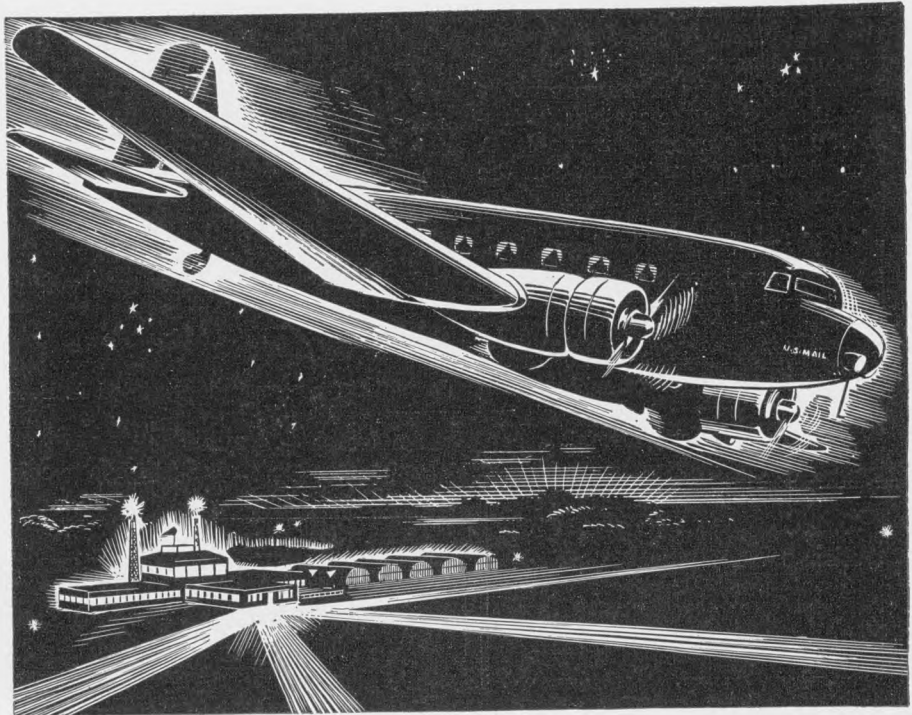
Other highest totals are July 1939, \$693,029.32; July 1938, \$745,597.20, and July 1937, \$833,561.20.

Figures for the first three months were considerably below those of April, January was \$630,491.12, February \$547,909.43, and March \$620,276.39.

Quarterly figures for 1941 reached \$2,477,284.01 as contrasted to \$2,250,927.78 in 1940.

Wilson Passes Away

Allan B. Wilson, 64, of Nebraska City, banker, grain man and extensive land owner, died recently in a Knoxville, Iowa, hospital of cerebral hemorrhage after two years' illness.



Geared to Save Time—Often a Full Day

Fast Service Counts Today, When All Eyes
Are Turned on Business Expansion and
the National Defense Program

Many progressive bankers have found by experience that the highly trained staff and the specialized facilities of the Drovers—do speed collections. They appreciate the immediate personal attention which each item and collection receives under the close, personal attention of an executive. Notification of an unpaid or returned item, is prompt. Remitting of collections to banks not carrying accounts here, is geared to save time—often a full day.

*We Invite You to Use Drovers Service
for all your Chicago Items and Collections*

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

Members, Federal Deposit Insurance Corporation

Northwestern Banker June 1941

Until his health failed, Wilson operated the A. B. Wilson Grain company which owned a string of elevators in southeastern Nebraska and Fremont county, Iowa.

He was a former president and director of the Nebraska City National Bank, a Spanish-American war veteran and active in Boy Scout work.

Bank Lobby Revamped

Customers at the Stephens National Bank of Fremont recently observed the results of a remodeling project.

The first window has been removed as has the iron grillwork at the rear of the lobby, the former to permit more room for reception of customers by bank officers, the latter to provide increased space for the savings department and stenographic personnel. A new window has been installed at the rear, facing the bank entrance.

Bank Given High Rating

The rating and prestige of the First National Bank in Tekamah has been given a decided boost in the Tenth Federal Reserve District of the United States. It is an honor of which both the bank officials as well as the city of Tekamah can be justly proud.

The following letter to Robert I. Stout, the bank's president, from the Federal Reserve Bank of Kansas City, is self explanatory:

"I thought you might be interested in knowing that your bank was the first in the State of Nebraska, and seventh in the entire Tenth Federal Reserve District to qualify as an issuing agent for the sale of U. S. Defense Bonds of Series E. Very truly yours, John Phillips, Assistant Cashier."

Program Permanent

The executive council of the American Bankers Association voted unanimously at its annual spring meeting to make permanent the enlarged program of A. B. A. activities under which five new departments were created and the services of the Association's regular departments and divisions to member banks were greatly expanded.

The executive council's approval of the Association's "streamlined" structure and operations constitutes official organization endorsement of the resolution adopted in 1939 by the Association's administrative committee which brought the new and extended A. B. A. program into being.

This resolution, adopted without a dissenting vote, provided for a special

assessment of \$250,000 which 200 of the country's larger banks were asked to subscribe, in addition to their regular dues, and further provided that if and when the enlarged program was proved to be sound and serviceable, the voluntary subscriptions would be discontinued and the dues schedule would be revised so that several thousand banks would provide for continuance of the work. Satisfied that the soundness and serviceability of the program had been established, the executive council voted today to make it part of the permanent work of the Association and to revise the dues schedule to make this possible, in line with the recommendations of the administrative committee.

This is the first revision of the Association's dues schedule in twenty years. The last change was made in 1921. The current revision will restore the income of the Association from dues to the level of that of 1929 by spreading the cost of the enlarged program over a greater proportion of the banks benefiting from it. Approximately 8,700 banks will be affected. The 200 institutions which contributed the special assessment fund will continue their support by carrying more than half of the dues increase, while the dues of 8,500 other banks will be increased to carry the balance.

The new and enlarged program was brought into being as a result of a survey made by the Association's officers in 1939 under the leadership of Robert M. Hanes, then president of the Association. The survey revealed that the members were making increasing

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demands for service from the Association in connection with the many new problems that had arisen and the many new forms of banking activity that had evolved during the previous decade. Replies to inquiries addressed to members indicated imperative need for assistance in several of the new types of banking activity and increased service in older activities. Accordingly, the existing services of the Association were stepped up and five new departments were added. These covered the fields of agricultural credit, consumer credit, personnel and customer relations, real estate and mortgage finance, and economic research. Specialists in these fields were engaged to head these departments. They are A. G. Brown, former president of the Ohio Citizens Trust Company, Toledo, for agricultural credit; Walter B. French, former executive vice president of the Trust Company of New Jersey, Jersey City, for consumer credit; Dr. Ernest M. Fisher, former economist of the Federal Housing Administration, for real estate and mortgage finance; William Powers, former assistant vice president and personnel director of the National Bank of Detroit, for personnel and customer relations, and Dr. Paul F. Cadman, former president of the American Research Foundation, for economic research. These men, and other members of the staff, have divided their time between work in the field and at headquarters. Their services have been made available to thousands of banks through correspondence and informative bulletins and through personal appearances at scores of bankers' group meetings, state association conventions and educational conferences. In addition, the staff of the Washington office has been enlarged.

Reporting to the executive council on behalf of a special committee on dues revision, Robert M. Hanes, president of the Wachovia Bank and Trust Company, Winston-Salem, North Carolina, said:

"The program has permitted the Association to offer many new services to its members and, in addition, has greatly increased the scope of work of a number of the older departments. As a result, the Association has more to offer banks than at any time in its history. This effort has been enthusiastically supported by the members. More than 1,100 new members have joined the Association since the enlarged program has been put into operation.

"Moreover, membership in the American Bankers Association has

paid a dollars and cents profit to members," Mr. Hanes declared. "Every bank has recovered its dues at least twice over through reductions in bank insurance premiums negotiated by the A. B. A. insurance department in the past four years.

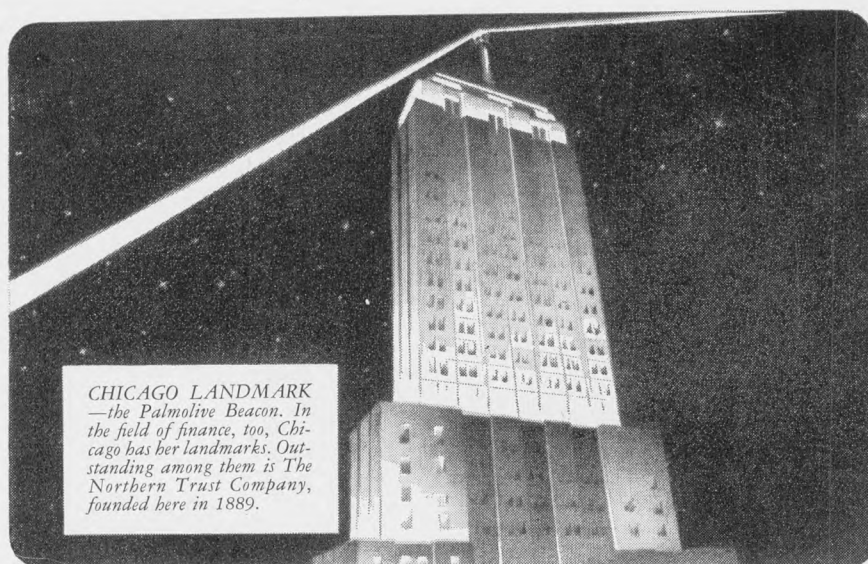
"Chartered banking has never needed a well organized and representative national association so much as it needs it today," he added. "The American Bankers Association with its new departments and the additional services now being provided by its older divisions, is the answer to the need for

strong and unified representation of every bank in the country.

"The Association's enlarged program of services to American banking has proved sound and practical. The program deserves the support of all member banks both morally and financially."

A complete report on the Association's activities under the enlarged program and the details of the dues schedule will be sent to all members.

In addition to Mr. Hanes, those of the special committee on dues revision are: Harry A. Bryant, president Par-



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Northwestern Banker June 1941

sons Commercial Bank, Parsons, Kansas; Dunlap C. Clark, president, American National Bank, Kalamazoo, Michigan; B. Murray Peyton, president, The Minnesota National Bank, Duluth, Minnesota; Charles E. Spencer, Jr., president, First National Bank, Boston, Massachusetts, and A. L. M. Wiggins, president, Bank of Hartsville, Hartsville, South Carolina.

Inflation Check

Three voluntary steps by consumer credit lending agencies have been

urged as a positive check on inflationary price rises by Otto C. Lorenz, consumer credit research expert for the American Bankers Association.

Mr. Lorenz asserted that banks and other lending agencies that provide credit for purchases of consumers' goods such as automobiles and household appliances should require larger down payments, restrict the number of months over which repayments are made, and establish similar limitations on small instalment cash loans.

He declared that although these vol-

untary steps would reduce the earning capacity of lending agencies that undertake them, they are necessary in the public interest as anti-inflation measures.

"We are all fully aware of the great burst of activity which has taken place in industry because of the defense program. Steel mills are taxed to capacity, the automobile industry has voluntarily agreed to reduce its production of cars by 20 per cent in order to give priority to defense production needs, and the demands of war upon our people are becoming felt throughout the length and breadth of the nation," Mr. Lorenz asserted.

"This war activity has resulted in greatly increased payrolls, increased incomes, far and wide. Purchasing power has jumped and our people again have cash available to buy food, stoves, clothing, autos and household furnishings which they have denied themselves for over eight long years. Now, the spurt in ability to buy is accompanied already by the fact that there are fewer goods to buy—fewer automobiles, fewer aluminum kitchen goods, fewer everything, and what happens? Up goes the price of the available goods. That's inflation—inflation pure and simple—inflation caused by the fact that our good people have more cash with which to buy things and less goods available for purchase.

"If we add to this increased cash available, which is already causing inflation, the purchasing power developed by over-liberal consumer credit facilities, we shall have what some authorities fear will be an explosion of prices or inflation in its worst form," Mr. Lorenz declared. "These credit facilities make possible the purchase of durable goods not otherwise purchaseable, durable goods whose production has already been curtailed because of war demands, durable goods such as automobiles and refrigerators.

"Let me add that the fear in inflation is already in the minds of the American people—already in their minds because of the condition of the government's finances and the strain put upon those finances by war. Let me say that Americans, having before them the horrible examples of what currency inflation did in Europe, are today creating their savings in the form of hard, durable goods, which will retain their usefulness and livable value regardless of what may happen to the dollar. That may be a very smart thing for the American



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people to do, if inflation is unavoidable, inevitable.

"But, it is my opinion and the opinion of many authorities that inflation of the explosive, all-destructive kind need not come. That, in fact, it is far from being imminent if we exercise our wits and our self-restraint at the present time.

"How, then, shall we avoid inflation? What are some of the things we should do to control the forces which bring inflation about? We can introduce self-restraint in the sale of finance of goods on time or the granting of personal cash loans in a number of ways.

"First: We can insist upon higher down payments. That, presumably, will make it harder for the public to buy cars and take some of the strain off the demand for available cars.

"Second: We can limit the number of months over which payments are to be made. If, for example, everyone were to go 'haywire' and let the public take 24 months instead of 12 to pay for something, then the amount of money tied up would be almost doubled. Instead of having \$6,000,000,000 outstanding, on the nation's consumer credit books, we would have about \$12,000,000,000—an increase of 100 per cent—an increase which, at the present time, would be better turned to the purchase of defense bonds.

"Third: We can control the amounts granted for personal or cash loans by restricting the terms of repayment. For example, a recent discussion on the part of my colleague on the research staff seems to indicate that a maximum of 15 months for repayment should be considered at the present time.

"These controls are positive—they will definitely curtail purchasing

power in certain areas and so lessen the demand for certain durable goods. But these controls must not be applied too harshly or they will have the opposite effect of curbing inflation. Too harsh a stiffening of credit terms may bring about the very inflation our economists in Washington fear.

"You must realize that too harsh a curtailment of credit terms might frighten our durable goods manufacturers into anticipating too great a reduction in demand. They would, therefore, underestimate the number of cars, for example, which should be produced and so create a scarcity of goods and an inflationary force which would be even worse than the one we are trying to avoid.

"We need to store up reserve strength at the present time," Mr. Lorenz asserted. "We should restrain our credit facilities now so that if, as, and when a post-war depression hits us, our people will not find themselves in an over-borrowed condition. We must lay up enough strength to nurse the weakened borrowers through the depression period. Most important of all, we must be ready then, not now, to loosen up on our down payment requirements, to lengthen our terms, to make it possible for our people to buy on greatly reduced incomes and so keep the wheels of industry turning.

"By so doing, we shall eliminate the necessity for governmental pump priming and relief projects which have proved so costly and so futile on the

whole. Industry needs a different kind of consumer purchasing power than government doles to start itself out of a depression period. Consumer credit facilities which you bankers can and must provide at that time are a far better instrument to prime the pump," he declared.

"Then, too, by exercising restraint at the present time, you will actually improve the financial condition of some merchants and dealers in your community who may be offering consumer credit terms which invite bankruptcy even in a boom period. Competition among some auto dealers, for



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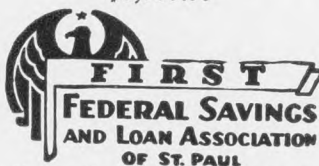
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example, is so competitive that cars are sold to people with incomes so uncertain and so small that trouble, serious trouble, must ensue. By discouraging excessive credit facilities, you bankers will do much to maintain a better present market for the retailer.

"But, by far the most important reason for control of consumer credit facilities at the present time is the fact that, under certain conditions, these facilities may lead to an explosive inflation of prices."

New Bank Film

In response to a long felt need for an educational film demonstrating the most effective methods of selling bank services to customers, The Todd Company of Rochester, New York, announces that it has recently completed a sound-slide film entitled "Selling Your Bank."

The film is devoted to the sale of special checking accounts by bank officers and employees, but has been so treated that it applies with equal effectiveness to the sale of all types of special bank services. It has been distributed to Todd sales offices at central points throughout the country and is immediately available for use by banks who request it.

At each showing a mimeographed sheet listing customer benefits obtained by a special checking account service, a suggested sales talk for use by bank personnel, and a printed folder summarizing the principal topics of the film are distributed free of charge to all bank employees present at the showing.

The film itself is entertaining as well as instructive, according to J. M. Lewis, manager of the company's bank supply division. It presents a typical group of bank staff members and shows how easily and effectively they can train themselves to bring new business and increased earnings to their bank by selling the bank's services. Two cardinal principles of salesmanship are emphasized throughout the film. The first is the importance of looking at things from the customer's point of view; and the second is the wisdom of describing just one big advantage of the special checking account plan, or of any other plan that happens to be under discussion. The film makes clear that this advantage should be the particular thing—pres-

tige, economy, safety, or convenience—in which the customer is interested. The complete showing takes about half an hour.

"During recent years banks have undergone many important changes and, among other things, have become increasingly sales-minded," Mr. Lewis stated in explaining the reason for the making of the film. "A number of years ago, before the Bank Holiday of 1933, banks offered many gratuitous services to customers merely for the purpose of creating good-will. Nowadays all that has changed, and the attitude of the banker has changed with it. Today the banker realizes that in order to establish profitable relations with his customers it is necessary for his personnel to sell the services which his institution offers. Customers won't use such services unless they are told about them, and telling about them requires salesmanship. My company has prepared this film, 'Selling Your Bank,' to show bank officers and personnel how to make their own positions more secure by selling the services which their banks offer. Wherever the film has been shown it has been received with enthusiasm, and I am sure that during the many hundreds of times it will be exhibited in the future, the response will be as interested and spontaneous as it has been in the past."

The film is now in the hands of representatives of The Todd Company at central points throughout the country and will be shown to banks on request. Bankers interested in seeing it, Mr. Lewis stated, should get in touch with the Todd sales office in their city or write directly to the Advertising Department of The Todd Company, 1150 University Avenue, Rochester, New York.

Push Publicity Program

The Investment Bankers Association of America has determined to go ahead full steam with its public information program, it was disclosed with the appointment of four additional members to the committee that is directing the national activity launched just a year ago.

In view of the critical times, however, all possible economies are to be observed in the conduct of the program and all plans will be keyed to the rapidly shifting conditions in national affairs, it was stated by Emmett F. Connely of Detroit, president of the Association.

New committee members added "in order to increase manpower in the over-all direction of the program," are: Charles R. Blyth of San Francisco, president of Blyth & Co., Inc.; Albert

H. Gordon of New York, partner of Kidder, Peabody & Co.; Edward Hopkinson, Jr., of Philadelphia, partner of Drexel & Co.; and Cloud Wampler of Chicago, president of Stern, Wampler & Co., Inc.

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IN THE DIRECTORS' ROOM

Smack!

Hard-boiled drill sergeant to married recruit: "Button yer coat!"
Recruit (absently): "Yes, dear."

Feet Tired?

Sally: "I was out last night with a perfect stranger."
Betty: "Where did he hail from?"
Sally: "A cute yellow roadster."

Copy Cats

Little Leona: "Mama, do dogs get married?"
Mother: "Certainly not, dear."
Leona: "Then what makes old Towser growl so at Bessie when they are eating their breakfast?"

Strong Woman

Bursting with satisfied pride, Mrs. Newlywed carefully cut the cake on the table and placed a handsome slice on her husband's plate.
"I made it all myself darling," she said. "My first cake." And sampling it with gradually diminishing enthusiasm, he said: "Did you lift it out of the oven all by yourself, dear?"

Off With the Old

Boy: "And now, doctor, that I've told you I am going to marry Anne, there's one thing I want to get off my chest."
Doctor: "What is it, my boy?"
Boy: "A tattooed heart with the name Mabel on it."

Thank Goodness!

"Now don't worry about your wife. You'll have a different women when she gets back from the hospital."
"That'll be swell, doc. But what if she finds out?"

Looked Natural

A contest was going on among the passengers on the steamer. They were trying to see who could make the worst face.
"Stop," said the judge, "Mr. Crowley wins."
"But I wasn't playing," said Mr. Crowley.

Daze and Daze

Helen: "Oh, how I hate him—hate him!"
James: "And how long has this romance been going on?"



Going Any Moment

"Don't be downhearted," said the steward to the suffering passenger. "Seasickness has never killed any one."
"Don't say that," moaned the stricken one, "it's only the hope of dying that has kept me alive so far!"

Ruined

Jeweler's Customer: I want to leave my watch to be repaired. The mistake I made was in dropping it."
Jeweler: "No, sir, the mistake you made was in picking it up again."

Wrong Number

"Sandy, now that we're engaged, you'll give me a ring, won't you?"
"Of course I will, darling—what's your phone number?"

His Mark

Shelter Barber: "Haven't I shaved you before, sir?"
British Veteran: "No, you are mistaken. I got that scar at Dunkerque."

Shuffling Along

He: "Dancing is in my blood, you know."
She: "Your circulation must be bad, it hasn't reached your feet!"

High Finance

Draftee: "Can you lend me a dollar? I don't get paid until tomorrow."
Veteran: "Sorry. I haven't a cent. I was paid yesterday."

Sounds the Same

She: "What heavenly swing—let's dance."
He: "That isn't swing—the waiter just dropped our dinner."

Smart

"Now, dear," said the visitor, "if your mother gave you a large apple and a small apple and told you to give one to your brother, which would you give him?"
"Do you mean my big brother, or my little one?" was the reply.

Finesse

Mrs. W.: "Norah, was the butcher impudent again when you telephoned your order this morning?"
Norah: "Sure, but I fixed him this time. I says, 'Who the hell do you think you're talking to? This is Mrs. W. talking!'"

Willing

She: "Say, it's past midnight. Do you think you can stay here all night?"
He: "Gosh, I'll have to telephone mother first."

One Way

"Hurrah! Five dollars for my latest story."
"Congratulations, young man! From whom did you get the money?"
"From the express company. They lost it."

A Half-Truth

Husband: "Haven't I always given you my salary check on the first of every month?"
Wife: "Yes, but you never told me you got paid on the 1st and 15th, you embezzler!"

Clean

Dumb: "We're going to give the bride a shower."
Dumber: "Count me in. I'll bring the soap."

Tactics

"Company attention!" bawled the drill sergeant to the awkward squad. "Company, lift up your left leg and hold it straight in front of you."
By mistake one member held up his right leg, which brought it side by side with his neighbor's left leg. "And who is the galoot over there holding up both legs?" shouted the hardboiled sergeant.

Move Over, Silas

Silas was becoming very hard of hearing and upon the advice of a friend he consulted a doctor.
Bill: "What did the doctor tell you to do?"
Silas: "He told me I would have to quit drinkin' or become stone deaf. I been a thinkin' and I like what I been a drinkin' so much better than what I been a hearin' that I think I'll just keep on drinkin'."



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We would welcome an opportunity to discuss with you needs of customers who require larger credit lines than you can extend.



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