

NORTHWESTERN *Banker*

OCTOBER
1941



H. W. KOENEKE
President, Security Bank of Ponca City, Oklahoma
President, American Bankers Association

Nebraska Bankers Convention in Omaha

Pages 23 to 32

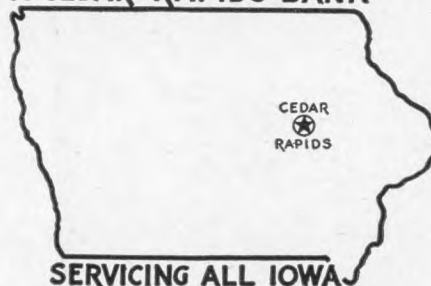


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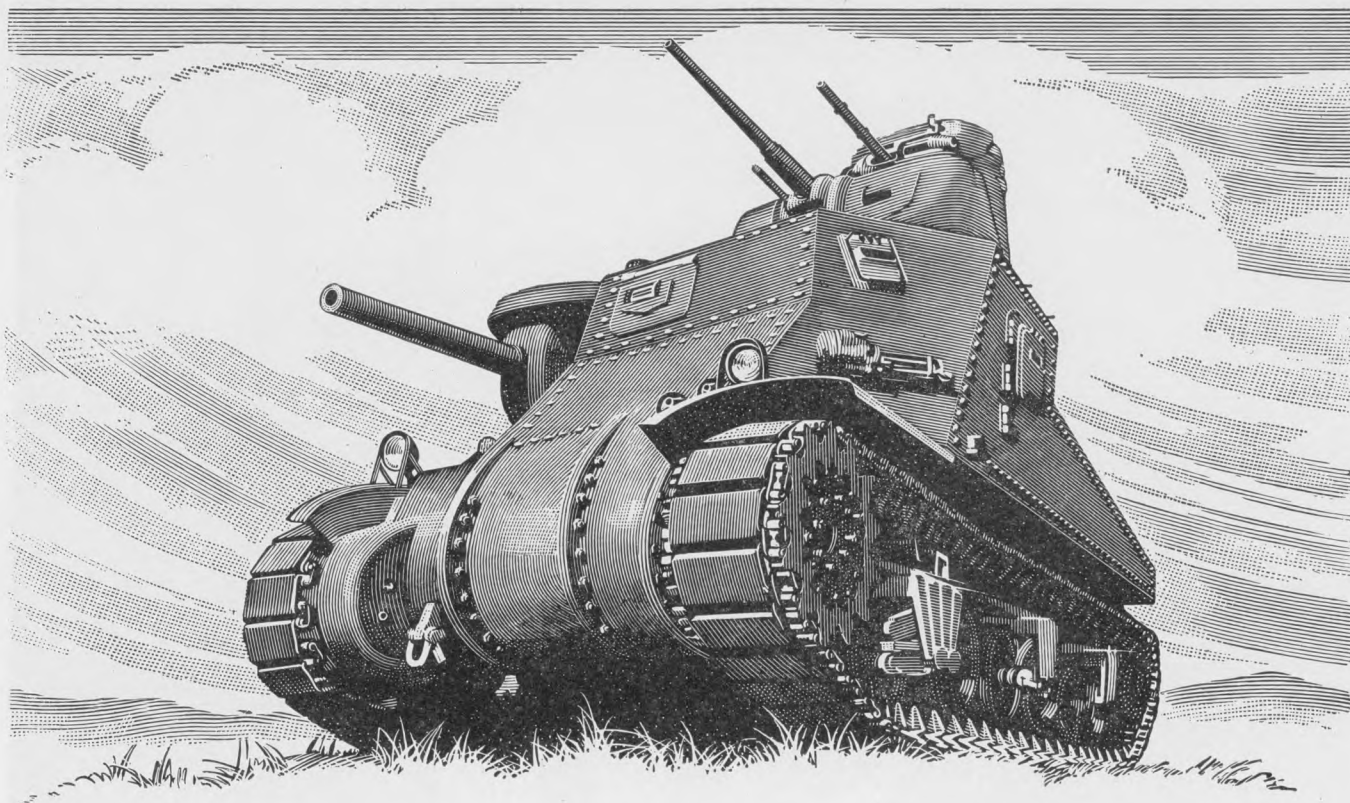


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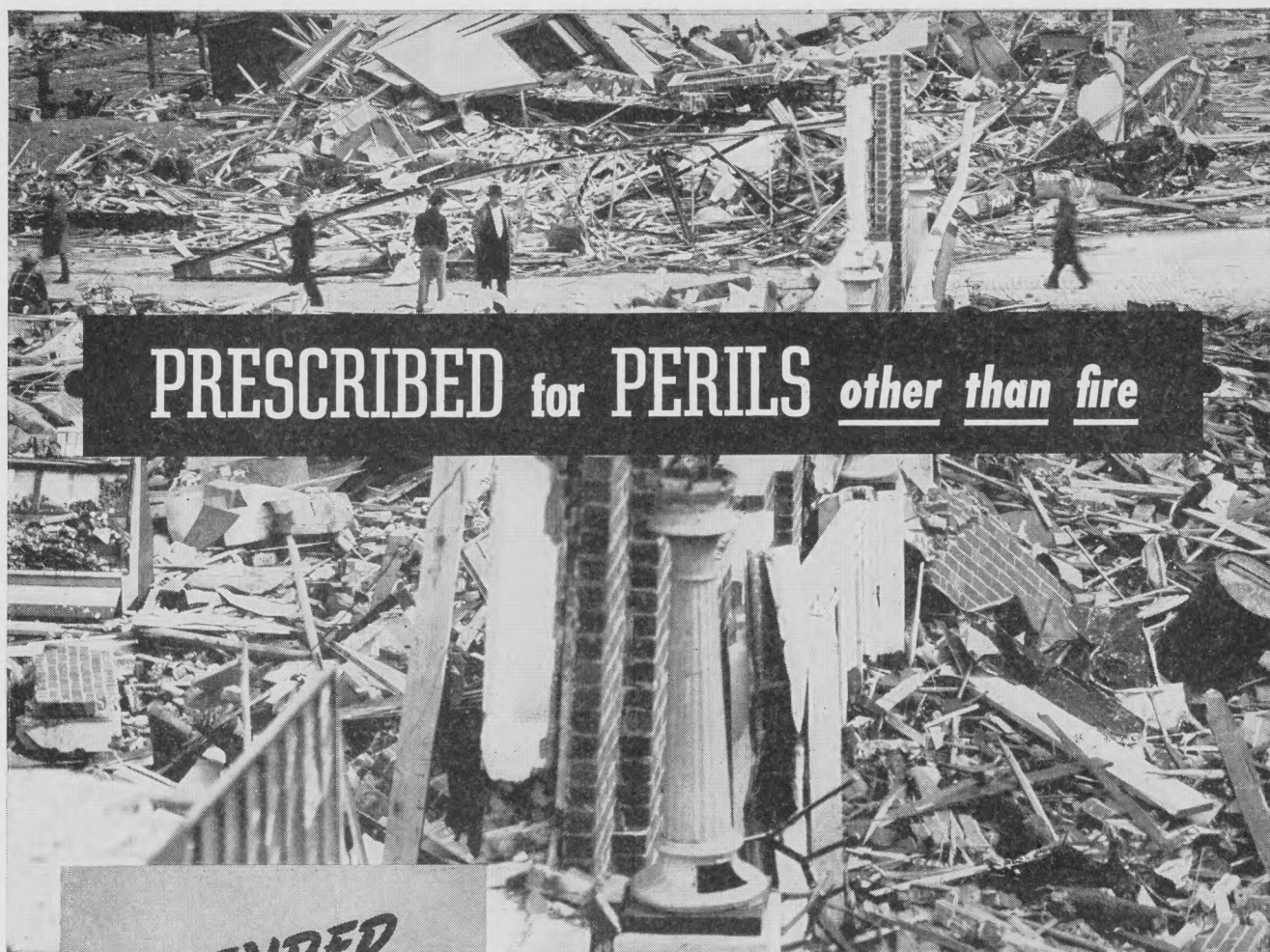
credit of the country, speeding in many ways the great task at hand. For bank credit assists in converting plants to new uses, in helping to create additional plants, in making needed tools, in financing purchases of materials, in facilitating subcontracting and in dozens of other ways, all necessary to swift and sure completion of rearmament.

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Northwestern Banker October 1941



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Partial List of Banks Recently Completed

Remodeled Banks

National Bank of South Dak., Sioux Falls, S. Dak.	Farmers Trust & Savings Bank, Spencer, Iowa
Citizens State Bank, Postville, Iowa	Melbourne Savings Bank, Spencer, Iowa
Hancock County National Bank, Garner, Iowa	Decorah State Bank, Decorah, Iowa
First National Bank, Dayton, Iowa	Hampton State Bank, Hampton, Iowa
Emmett County State Bank, Estherville, Iowa	First National Bank, Sumner, Iowa
Citizens State Bank, Iowa Falls, Iowa	First National Bank, Mason City, Iowa
Humboldt Trust and Savings Bk., Humboldt, Iowa	Iowa State Savings Bank, Creston, Iowa

New Fixtures and Equipment

National Bank of LaCrosse, LaCrosse, Wis.	State Savings Bank, Rake, Iowa
Austin Building & Loan Company, Austin, Minn.	Osage Farmers National Bank, Osage, Iowa
United Home Tr. & Sav. Bank, Mason City, Iowa	North Side Bank, Racine, Wisconsin
Union Bank and Trust Company, Ottumwa, Iowa	Fort Dodge National Bank, Fort Dodge, Iowa
Carlsbad National Bank, Carlsbad, New Mexico	Citizens National Bank, South Bend, Indiana
Farmers & Merchants Sav. Bank, Ottumwa, Iowa	Gallup Savings Bank, Gallup, New Mexico
First National Citizens Bank, Watertown, S. Dak.	Citizens National Bank, Goose Creek, Texas
Council Bluffs Savings Bank, Council Bluffs, Iowa	Farmers Bank, Frankfort, Indiana
Carlsbad Savings Bank, Carlsbad, New Mexico	Home Trust & Savings Bank, Osage, Iowa
Jefferson County Bank, Jefferson, Wisconsin	

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CHARLES CITY, IOWA

OCTOBER
1941

NORTHWESTERN *Banker* DES MOINES

FORTY-SIXTH YEAR

NUMBER 651

Oldest Financial Journal West of the Mississippi River

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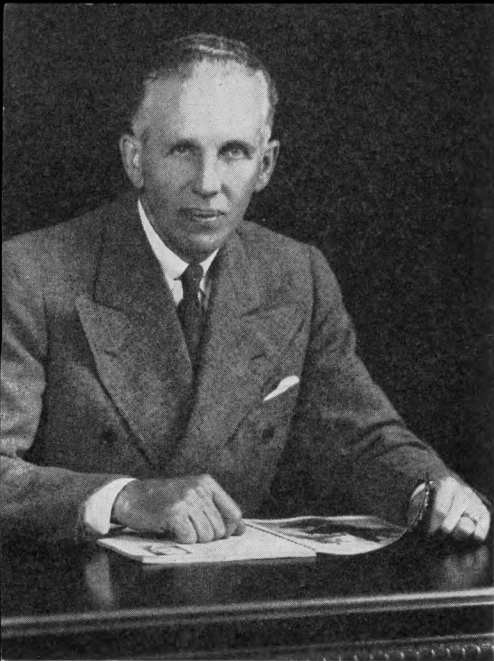
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Across the Desk From the Publisher

By Clifford DePuy

Making Money On Deposits a Real Problem

In the June issue of the *NORTHWESTERN BANKER*, we discussed the subject "*Are You Refusing to Take Deposits?*"

We based this article on an interview we had with a prominent bank president but we did not publish his name as he preferred that we not do so. In answer to that editorial we published in the July *NORTHWESTERN BANKER* a further discussion of this subject under the heading "*Consider Customers as Guests of Your Bank—And Treat Them So*", and this was based on a letter from another banker who agreed with what we had had to say.

We are now in receipt of a letter from the original bank president we interviewed who now defends his position by saying: "It was nice of you to omit my name in your editorial 'Are You Refusing to Take Deposits?' We did not only refuse a deposit of \$1,500 but must have refused at least a total of about \$300,000 in time and savings deposits since last November. This would have cost our bank \$6,000 per year, an amount referred to in your July editorial as 'a small cost for the average bank,' in my opinion not a 'small cost.' I agree with you that it is bad psychology but I disagree with you when you say it is bad banking to refuse time and savings deposits. All of this depends on conditions. Our desire to please our customers is just as great as that of a prominent authority whom you quote as saying: 'We should consider our customers as our guests.' As far as we can learn, good form requires that we extend to our guests courtesies rather than gratuities. We are pleasing our customers when we operate our bank from EVERY angle in such a manner as to make it a safe place for their funds.

"As for the government agencies—again you are right. I realize that many of the customers

who are once sent to that source may remain there for the rest of their days. In every case of refusal, however, we suggested that we be permitted to send the funds to neighboring banks which were willing to take them or to buy Savings and Defense Bonds for the customers, and in most cases we were successful in doing one or the other. We have government competition with us, and I am fearful for the younger generation of bankers that the politicians will keep it with us. They do not hesitate to ask our assistance when they need us, and usually that assistance is cheerfully given. However, there is no appreciation shown through curative legislation.

"You say: 'We suggested that he might even get some returns on government securities.' We are paying 2 per cent on the time deposits and 1½ per cent on savings accounts which we still have. If we pay \$2.00 a hundred for our time deposits, I certainly would like to have you suggest to me how we can make a profit on government bonds at the present market, to say nothing of the speculative feature of these bonds. Government bonds bought several months ago at the present market will lose the income for an entire year. I have seen the day when government 4¼'s sold at 80. Today 2½'s are selling at 110. When the 4¼'s were selling at 80, this government owed but several billions and had many billions due it from foreign nations which we thought might be paid, while now our governments are drawing a lower rate and selling above par, we owe 60 billions with the prospects of adding 150 billions more, and we know that the billions due us from foreign nations are no longer an asset.

"I think you are taking the right course in writing up items of this kind and bringing to the surface the various opinions."

We are very appreciative of the position taken by our bank president and realize the difficulties existing in making money on deposits in these days. But, we still come back to the feeling that when a bank is primarily open to receive deposits at least the psychological effect is very bad in refusing to accept deposits when they are offered.

We Need Doers Not Dreamers

In this present world-wide emergency we need more doers and fewer dreamers and thinkers at Washington.

It is a sad commentary at this crisis in American affairs that New Dealers would put their theories first, rather than the best interests of the country as a whole.

It is also very discouraging to see New Dealers, many of whom have had no practical business experience, superseding the business men who have had practical experience and whose ability and managerial experience is vitally needed now.

One Washington authority puts it this way:

"A fundamental weakness within government is the subtle hostility between 'New Dealers' and 'business men.' It is largely sentimental, a hang-over from pre-war internal politics, making a mutual distrust.

"As reorganizations occur, the 'New Dealers' come out on top, and the 'business men' who are not 'liberals' are down in the heap.

"There's no doubt that the war is being run by 'New Dealers.' Many of them are ideologically active, but administratively incompetent. They are thinkers, not doers (and war management takes a lot of doing)."

Certainly war management takes a lot of "doing," and it is doers not dreamers and thinkers that we need in Washington now.

Deposit Losses Only 1.1 Per Cent for 76 Years

If anyone questions that private ownership of banks in the United States has been unsatisfactory or unsound they only need to look at figures released recently by the Federal Deposit Insurance Corporation, which shows that from 1865 to 1940, or for 76 years, the deposit losses average 1.1 per cent based on the assets of the commercial banks.

In this report are found these interesting statements:

- (1) Losses in 76 years in commercial banks amounted to 15 billion dollars.
- (2) This amount is equivalent to 1.1 per cent

of the deposits per year, or slightly less than 1 per cent per year of total assets.

- (3) Two-thirds of the total loss—\$10,200,000,000—was charged off by operating banks in the regular course of business and therefore met largely from the income of the banks.
- (4) The remaining one-third of the loss was incurred in the liquidation of the assets of banks which closed because of financial difficulties.
- (5) The stockholders' losses are estimated at \$2,500,000,000 for the 76 years.
- (6) The depositors' losses for the same period were \$2,200,000,000.

This is certainly a record of which private banking can be proud.

In another part of the report it says:

"It is estimated that over 40 per cent of the total net charge-offs during the entire 76-year period occurred during 12 years in which the annual rate of such charge-offs was more than 1 per cent of deposits. These 12 years include four years in the 1870's, one year in the 1880's, two years in the 1890's, and five years in the 1930's. The annual range of net charge-offs for the entire 76-year period was from one-third of 1 per cent of deposits in 1940 to 3 per cent in 1933."

The reports further indicate that if during this period there had been a deposit insurance system so the public would not have gone through its panicky period, liquidation of the banks' assets might have been carried out over a period of time and in an orderly way and that losses would have been greatly reduced or perhaps entirely avoided.

Seven Sources of Bank Impressions On Public

The impressions that individuals get of banks come from many sources, but seven important ones were outlined recently by Joseph M. Dodge, president of The Detroit Bank of Detroit, Michigan, and they include the following:

1. The establishment and its equipment.
2. The contact with individuals of the organization (no matter what position they may hold) both in and out of the business.
3. The nature and efficiency of the services rendered.
4. The advertising and publicity.
5. The activities of the business as a corporation.
6. The business policies and practices.
7. What the business fails to do and say, as well as from what it actually says and does.



If you would like extra copies of this picture we will be glad to send them to you with our compliments.—The Northwestern Banker.

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Federal Reserve Bank of St. Louis

The A. B. A. Marches On

Five Thousand Bankers Representing Every State in the Union Come to Chicago to Take Part in Sixty-seventh Annual Convention

REFLECTING the interest and good fellowship which always predominates at bankers' gatherings, the sixty-seventh convention of the American Bankers Association concluded on October 2d in Chicago will go down in history as one of the outstanding annual meetings of the organization. With around 5,000 registered for the four-day session, lobbies, lounges and assembly rooms of the big Stevens Hotel in Chicago were constantly jammed with a milling crowd of good-natured financiers, seeking first better banking methods to improve their service to the public, and then participating in the fun that goes with all conventions. Private breakfasts, luncheons and some dinners were sponsored by many of the city institutions. R. R. Rollins, vice president of the Bankers Trust Company, Des Moines, was host at a luncheon for Iowa bankers registered at the meeting; the American National Bank, Chicago, also sponsored a luncheon meeting; these two being among many other like affairs.

Henry W. Koenek, president of the Security Bank, Ponca City, Oklahoma, was named president of the American Bankers Association to serve for the coming twelve months.

James H. Penick, president, W. B. Worthen Company, Bankers, Little Rock, Arkansas, was elected president of the State Bank Division of the American Bankers Association at the annual meeting.

Frank P. Powers, president, Kana-bec State Bank, Mora, Minnesota, was elected vice president of the division.

Wood Netherland, vice president, Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri, was elected chairman of the division's executive committee.

Stuart C. Frazier, vice president, Washington Mutual Savings Bank, Seattle, Washington, was elected president of the Savings Division. Mr. Frazier was elevated from the office of vice president, which he held during the past year.

W. W. Slocum, president, the United Savings Bank, Detroit, Michigan, was elected vice president of the division.

There are ample profits in country banks if these institutions will combine the principles and low cost of

mass production with a personalized merchandising program, it was asserted at the convention by Fred L. O'Hair, president of the Central National Bank, Greencastle, Indiana.

Cultivation of the field of selling credit will yield large opportunities, Mr. O'Hair declared, and closer contact with more people will result in mutual understanding by all. If a bank's money is to maintain its proper place in the community, bankers must be prepared to serve the trade, he added.

William Duncan, Jr., secretary, Minnesota Bankers Association, Minneapolis, Minnesota, was elected president of the State Secretaries Section of the American Bankers Association. Mr. Duncan was elevated from the office of first vice president, which he held during the past year.

Fred M. Bowman, secretary, Kansas Bankers Association, Topeka, Kansas, was elected first vice president of the section. Mr. Bowman was elevated from the office of second vice president.

Lauder Hodges, executive manager, California Bankers Association, San Francisco, was elected second vice president of the section.

Two members were elected to the board of control; they are: G. Harold Welch, secretary, Connecticut Bankers Association, New Haven, and Gordon D. Palmer, secretary, Alabama Bankers Association, Tuscaloosa.

The nation's banking system at present faces not only the problem of aiding the government in its defense effort but also in placing itself in such a strong position that when the present conflict abroad ends it will be able to meet any situation which may arise. Dr. Marcus Nadler, professor of finance at New York University, declared before the Savings Division of the annual convention.

To be of greatest aid to the government now and, at the same time, pave the way for future stability, Dr. Nadler, who is also consultant economist to the Central Hanover Bank & Trust Co., New York, advocated that banks continue to stimulate savings, refuse credit to those who would speculate, decline to grant mortgage loans for the erection of new buildings where such buildings might conflict with de-

fense needs and handle their investments in such a way as not to compete with government financing.

The savings business of most country banks is a stabilizing factor in the bank's over-all activity, Roy R. Marquardt, president of the Savings Division of the American Bankers Association, stated at the Association's annual convention.

If savings deposits were removed from commercial banks a number of banks and branches would be unable to survive and would have to go out of business, Mr. Marquardt, who is also vice president of the First National Bank of Chicago, declared.

Among early registrants from Middlewestern States were the following:

Iowa

Anderson, W., vice president and cashier, City State Bank, and wife, Madrid; Ayers, G. H., president, Sibley State Bank, Sibley; Bass, H. L., executive vice president, City State Bank, and wife, Ogden; Bell, H. E., executive vice president, First National Bank, Colfax; Boll, Laveria M., guest, State Bank, Gladbrook; Butler, R. M., executive vice president, State Savings Bank of Baxter; Baxter, Byerrum, R. O., executive vice president, First Trust and Savings Bank, and wife, Davenport; Buckley, E. F., vice president, Central National Bank & Trust Company, and wife, Des Moines; Coquillette, S. E., president, The Merchants National Bank, Cedar Rapids; Crone, Frank C., executive vice president, National Bank of Washington, and wife, De Puy, Clifford, NORTHWESTERN BANKER, Des Moines; Diehl, Clarence, vice president, Iowa-Des Moines National Bank & Trust Company, Des Moines; Donhowe, A. T., vice president, Central National Bank, President, Iowa Bankers Association, and wife, Des Moines; Groszkruzer, Paul, president, The Citizens National Bank, Belle Plaine; Fredricksen, Carl L., president, Live Stock National Bank, and wife, Sioux City; Fuller, D. D., vice president, The Jackson State Savings Bank, Maquoketa; Doolittle, Clyde H., trust officer, Iowa-Des Moines National Bank & Trust Company, Des Moines; Fowler, C. W., president, Poweshiek County Savings Bank, Brooklyn; Goodwin, William J., president and chairman of board, Central National Bank & Trust Company, and wife, Des Moines; Haesemeyer, C. H., president, Union Trust & Savings Bank, Stanwood; Hamilton, John T., II, vice president, The Merchants National Bank, and wife, Cedar Rapids; Harris, C. F., president, State Bank, and wife, Gladbrook; Haynes, Henry H., NORTHWESTERN BANKER, Des Moines; Hill, G. L., cashier, Lisbon Bank and Trust Company, Lisbon; Hoffman, Theo. W., cashier, Stratford State Bank, and wife, Stratford; Horton, Herbert L., president, Iowa-Des Moines National Bank and Trust Company, Des Moines; Johnson, V. W., president, First National Bank, and wife, Cedar Falls; Johnson, E. L., president, First National Bank, Waterloo; Karsten, O. L., executive vice president, Newton National Bank, Newton; Kauffman, B. F., president, Bankers Trust Company, Des Moines; Koons, V. D., president, First State Bank, Britt; McKee, B. L., vice president and cashier, Muscatine Bank and Trust Company, and wife, Muscatine; Messerschmitt, R. M., president, First National Bank, West Des Moines; Miller, E. E., director, Valley State Bank, Rock Valley; Miller, Raymond G., vice president, Capital City State Bank, and wife, Des Moines; Miller, J. J., cashier, Waterloo Savings Bank, and wife, Waterloo; Nagle, George, director, First Capital National Bank, and wife, Iowa City; Pearson, F. L., cashier, First State Bank, West Branch; Petersen, William, assistant cashier, Story County State Bank, Story City; Penne, R. H., cashier, National Bank of Waterloo, Waterloo; Prince, Edward P., president, First State Bank, Webster City; Rigby, C. L., chairman, Union Trust and Savings Bank, Stanwood; Rus-

Northwestern Banker October 1941

sell, S. I., president, Dickinson County Savings Bank, Milford; Ruth, Arnold, cashier, Clarence Savings Bank, Clarence; Sagers, M. O., vice president, The Jackson State Savings Bank, Maquoketa; St. John, B. P., cashier, First State Bank, Webster City; Sam, Adolph G., president, First National Bank, Sioux City; Schaller, Geo. J., chairman, Citizens First National Bank, Storm Lake; Schaller, Harry W., president, Citizens First National Bank, and wife, Storm Lake; Schmidt, W. F., assistant cashier, Iowa State Bank and Trust Company, and wife, Iowa City; Schutt, J. P., president, Valley State Bank, and wife, Rock Valley; Smith, Charles I., president, First Trust Savings Bank, Armstrong; Summerwill, W. W., vice president, Iowa State Bank and Trust Company, and wife, Iowa City; Sweet, R. A., vice president, Story County State Bank, Story City; Swiler, Wesley H., cashier, Burlington Savings Bank, and wife, Burlington; Van Metre, D. U., vice president, Mount Vernon Bank and Trust Company, Mount Vernon; Wagner, Rolfe O., president, Capital City State Bank, and wife, Des Moines; Watts, Charles E., cashier, Commercial State Bank, Pocahontas; Welch, Frank C., president, The Peoples Savings Bank, and wife, Cedar Rapids; William, F. X. D., vice president, First Capital National Bank, and wife, Iowa City; Witter, L. A., president, Farmers Trust and Savings Bank, Spencer; Woods, Geo. W., executive vice president, First National Bank, and wife, Council Bluffs.

Minnesota

Arvesen, C. B., assistant cashier, Cambridge State Bank, Cambridge; Aurand, Calvin W., vice president and treasurer, Northwest Bancorporation, Minneapolis; Baird, Julian B., vice president, The First National Bank, St. Paul; Barstow, R. W., president, Sandstone State Bank, Sandstone; Beatty, R. S., chief national bank examiner, Minneapolis; Beaulieu, P. D., president, Austin State Bank, and wife, Austin; Bjorgaard, O. E., cashier, State Bank of Cyrus, Cyrus; Bremer, O. O., chairman of board, American National Bank, St. Paul; Broadwater, D. E., vice president and cashier, Farmers and Merchants State Bank, and wife, Preston; Brombach, C. B., vice president, First National Bank and Trust Company, and wife, Minneapolis; Burgess, John, vice president, Northwestern National Bank and Trust Company, and wife, Minneapolis; Chapman, A. C., president, First National Bank of Owatonna, Owatonna; de Laitre, John, assistant secretary, The Farmers and Merchants Savings Bank, Minneapolis; Delander, N. P., vice president, The First National Bank, St. Paul; Duncan, William, Jr., secretary, Minnesota Bankers Association, and wife, Minneapolis; Erickson, Elmer V., president, Cambridge State Bank, Cambridge; Erickson, Hilding A., president, First State Bank, Isanti; Ewart, Keene, assistant vice president, Citizens State Bank, Redwood Falls; Ford, S. S., president, Northwestern National Bank and Trust Company, Minneapolis; Gandrud, Oluf, president, Swift County Bank of Benson, Benson; Grangard, M. O., vice president, First National Bank and Trust Company, Minneapolis; Gunderson, John, vice president, Peoples

State Bank of Cambridge, Cambridge; Haugen, J. O., president, Glenwood State Bank, Glenwood; Headley, L. S., vice president, First Trust Company, St. Paul; Highland, Alex., president, Empire National Bank and Trust Company, St. Paul; Hogan, James H., president, Kerrick State Bank, Kerrick; Honebrink, Walter H., vice president, The First National Bank, St. Paul; Johnson, Wm. N., vice president, Northwestern National Bank and Trust Company, Minneapolis; Jones, O. G., president, The Goodhue County National Bank, Red Wing; Kiecker, John A., vice president and cashier, Citizens State Bank, Gibbon; Kingman, H. S., president, Farmers and Mechanics Savings Bank, Minneapolis; Kirby, L. O., vice president, The First National Bank, and wife, and daughter, Hibbing; Lageson, A. J., cashier, State Bank of Clarks Grove, Clarks Grove; Lidberg, Aug. H., cashier, First National Bank, Red Wing; Matzke, H. C., president, The City National Bank of Duluth, Duluth; O'Brien, Frank C., vice president, Northwestern National Bank and Trust Company, Minneapolis; Odin, O. H., executive vice president, Marquette National Bank, and wife, Minneapolis; Olson, Lawrence O., cashier, Midland National Bank and Trust Company, Minneapolis; Olson, Lynn S., vice president, First National Bank, Moquet; Olson, Oscar A., president, The First National Bank, Braham; Peavey, Roger W., president, Security National Bank and Trust Company, and wife, Faribault; Peyton, B. Murray, treasurer, American Bankers Association; and president, Minnesota National Bank, and wife, Duluth; Powers, Frank P., president, Kanabec State Bank, and wife, Mora; Preston, Otis R., assistant cashier, Federal Reserve Bank of Minneapolis, Minneapolis; Quay, A. H., vice president, First National Bank and Trust Company, Minneapolis; Reppe, G. N., president, First State Bank, Grand Meadow; Ringland, J. F., president, Stockyards National Bank, South St. Paul; Sands, Arthur W., president, Western State Bank, St. Paul; Sattre, K. Orland, vice president and cashier, Blue Earth State Bank, Blue Earth; Thomson, J. Cameron, president, Northwest Bancorporation, Minneapolis; Torgerson, N. V., president, Farmers State Bank; Adams; Ueland, Arnulf, vice president, Midland National Bank and Trust Company, Minneapolis; Wilkins, Charles W., vice president and cashier, First National Bank, Austin; Zetzel, Joseph H., director, Citizens State Bank, Gibbon.

Nebraska

Alter, I. R., executive vice president, First National Bank, and wife, Grand Island; Arnsberger, H. A., assistant cashier, First National Bank, Omaha; Battey, Walker S., vice president, The Continental National Bank, Lincoln; Cooper, C. L., president, Farmers State Bank, Wallace; Easton, Phil R., executive vice president, First National Bank, Lincoln; Edgerton, R. E., president, Aurora, Nebraska—First National Bank, Aurora; Farwell, L. C., president, State Bank of Du Bois; Du Bois; Ganz, Carl D., cashier, Farmers and Merchants Bank, Alvo; Green, T. F., cashier, Bank of Valley, Valley; Hughes, William B., secretary, Nebraska Bankers Association, Omaha;

Johnson, Alvin E., president, Live Stock National Bank, Omaha; Johnson, Joseph V., president, Johnson County Bank, Tecumseh; Kotouc, Otto, president, Home State Bank, and wife, Humboldt; Ley, Rollie W., president, State National Bank, Wayne; McDermott, J. F., vice president, First National Bank, Omaha; Misko, R. E., president, First National Bank, and wife, Ord; Moser, Ellsworth, executive vice president, U. S. National Bank, Omaha; Neumann, C. C., executive vice president, Farmers and Merchants National Bank, Oakland; Novak, J. A., vice president, Howells State Bank, and wife, Howells; Novak, L. F., cashier, Bank of Brainerd, and wife, Brainerd; Peck, J. O., vice president, The Continental National Bank, Lincoln; Placek, E. E., president, First National Bank, and wife, Wahoo; Ridge, Ray R., vice president, Omaha National Bank, and wife, Omaha; Rossiter, E. W., president, Bank of Hartington, and wife, Hartington; Schneider, H. A., president, Plattsmouth State Bank, Plattsmouth; Schuler, Earl, vice president, Security National, Laurel; Smith, Mrs. Estella T., vice president, Bank of Brainerd, Brainerd; Sorensen, J. M., executive vice president, Stephens National Bank, Fremont; Stout, Robert I., president, First National Bank, and wife, Tekamah; Strain, T. B., president, Continental National Bank, Lincoln; Wake, T. H., Jr., vice president, Jones National Bank, Seward; Waugh, Samuel C., executive vice president and trust officer, The First Trust Company, Lincoln.

North Dakota

Brunsdale, C. N., director, The Goose River Bank, and wife, Mayville; Hughes, T. D., vice president, Fargo National Bank, Fargo; Kjos, J. G., director, The Goose River Bank, and wife, Mayville; Orth, Fred R., president, First National Bank, Grand Forks; Shouweiler, E. W., vice president and cashier, National Bank of Fairmount, Fairmount; Scott, Frank R., president, The Merchants National Bank and Trust Company, Fargo; Sette, Theo. W., manager credits department, Bank of North Dakota, and wife, Bismarck; Shaw, E. L., president, The Fargo National Bank, Fargo; Stern, William, president, Dakota National Bank, Fargo; Stursrud, O. C., president, The Goose River Bank, and wife, Mayville.

South Dakota

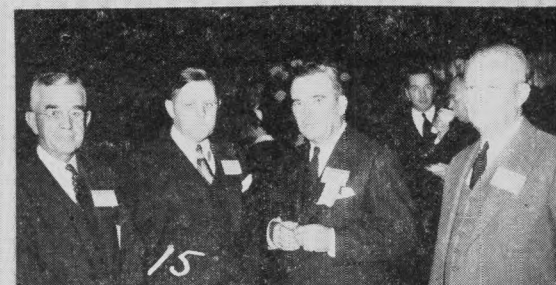
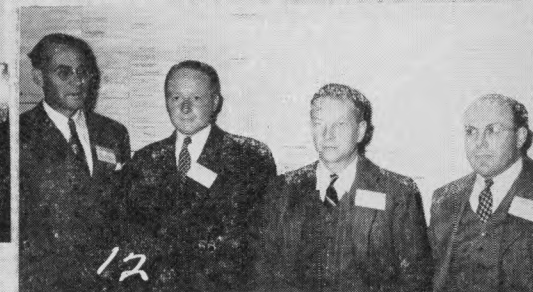
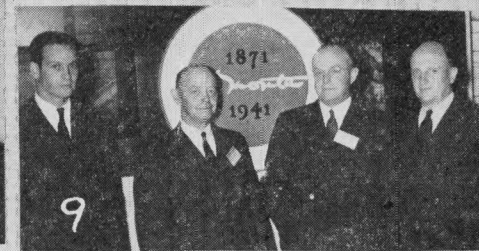
Calalan, Arthur B., president, First National Bank, Miller; Dean, Roy, president, The Rapid City National Bank, Rapid City; Harkison, Tom S., vice president, The National Bank of South Dakota, Sioux Falls; Hayter, Tom, vice president, First National Bank and Trust Company, and wife, Sioux Falls; Lockhart, Carroll H., vice president, First Citizens National Bank, and wife, Watertown; Morris, L. T., president, First Citizens National Bank, and wife, Watertown; Rempfer, Wm. C., cashier, First National Bank, and wife, Parkston; Thomson, John N., cashier, The Bank of Centerville, and wife, Centerville; Watson, Ralph M., president, Northwest Security National Bank, and wife, Sioux Falls.

AT THE A. B. A. CONVENTION →

The pictures at the right were taken at the convention of the American Bankers Association recently concluded in Chicago. Reading from left to right those pictured are: 1—Charles E. Watts, cashier Commercial State Bank, Pocahontas, Iowa; Fred Cummings, Drovers National Bank, Chicago; Paul Groszkruiger, president Citizens National Bank, Belle Plaine, Iowa, and R. L. Penne, cashier National Bank of Waterloo, Waterloo, Iowa. 2—George H. Lihell, Mitchell W. Shearer, George W. McSweeney, president, and Alvin Schneider, all of De Luxe Check Printers, Inc. 3—Harry R. Smith, Bank of America, San Francisco; and Leo H. Paulger, Federal Reserve Bank, Washington, D. C. 4—M. A. Georgen, assistant vice president, Leslie McMahon, vice president, and William H. Miller, vice president, all of the City National Bank, Chicago. 5—M. A. Graettinger, Chicago; H. W. Koenke, president Security Bank, Ponca City, Oklahoma, and president American Bankers Association; Mrs. H. W. Koenke and Mrs. Meier, Ponca City, mother of Mrs. Koenke. 6—John Thompson, vice president and cashier Bank of Centerville, Centerville, South Dakota; William C. Rempfer, cashier First National Bank, Parkston, South Dakota, and Mrs. William C. Rempfer. 7—H. W. Bartling, Central National Bank, Chicago; A. G. Sam, president First National Bank, Sioux City, Iowa; A. A. Ellerd, assistant to the president Central National Bank, Chicago; and K. E. Wehrly, vice president Central National Bank, Chicago. 8—N. V. Torgerson, president Farmers State Bank, Adams, Minn.; S. E. Coquillette, president Merchants National Bank, Cedar Rapids, Iowa; and G. N. Reppe, president and cashier First State Bank, Grand Meadow, Minnesota. 9—George V. LaMonte, Jr., James T. Anderson, Roy J. Dougan and C. S. Richmond, all of the LaMonte Safety Paper Company.

Northwestern Banker October 1941

10—R. M. Watson, president Northwest Security National Bank, Sioux Falls, South Dakota; Miss Jean Crane, Chicago; Mrs. Carl Fredricksen, Sioux City, Iowa; Mrs. R. M. Watson, and Carl Fredricksen, president Live Stock National Bank, Sioux City, Iowa. 11—Mrs. Orval Adams and Mr. Adams, vice president Utah State National Bank, Salt Lake City. 12—Gene Smithson, Rochester, New York; Lloyd Smith, George L. Todd, Rochester, New York, and H. G. Jackson, Chicago, in the Todd Company booth at the A. B. A. convention. 13—Harold V. Amberg, vice president First National Bank, Chicago; and James R. Leavell, president Continental-Illinois National Bank & Trust Company, Chicago. 14—Mrs. Ray Ilg, Boston; Phillips Walker, assistant cashier, and Ray Ilg, vice president, both of National Shawmut Bank, Boston; and E. N. Van Horne, executive vice president American National Bank, Chicago. 15—C. R. Bell, president Commercial National Bank, Anniston, Alabama; A. G. Maxwell, vice president Citizens & Southern National Bank, Atlanta; Fred Cuscaden, vice president Northern Trust Company, Chicago; and Harry M. Garwes, vice president Citizens & Southern National Bank, Savannah. 16—William N. Johnson, vice president Northwestern National Bank, Minneapolis; I. G. Maulhardt, vice president California Bank, Los Angeles, and Frank C. O'Brien, vice president Northwestern National Bank, Minneapolis. 17—D. H. Reimers, president Live Stock National Bank, Chicago, and H. G. Bengel, vice president Illinois National Bank, Springfield, Illinois. 18—Mrs. William H. Miller, Mrs. Tom Ford, Tom Ford, American National Bank, Chicago; Mrs. Alden Bagnall and Alden Bagnall, vice president Live Stock National Bank, Chicago.



NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

Along the Pacific Coast

HAVE you ever flown to California in one of the Mainliner United Air Line planes? They are beautiful planes and excellently operated, but after you have stopped at Omaha, then Cheyenne, without any trouble and are finally lifted 14,000 feet in the air over the mountains, then dropped down in Salt Lake City from that altitude, you have to be a good "flyer" if you don't reach for a **paper cup**.

At the high altitudes we noticed that the stewardess was attaching the oxygen tubes for many of the passengers. This is a rubber tube which plugs in by your seat and at the end has a pipe stem which you place in your mouth and increase your oxygen intake. This generally revives most of the passengers that are affected by the altitude.

As far as we are concerned, we may wind up with a **tin cup** on the corner, but we're not very pleased to be holding **paper cups** on an airplane trip.

Air travel, of course, is marvelous as far as speed is concerned, as we left Des Moines at 5:50 in the morning and reached San Francisco at 3:47 that afternoon.

Outside of the view from the **Rainbow Room** in Rockefeller Center there is no more inspiring or beautiful panorama to be enjoyed anywhere than from the cocktail lounge on the 20th

floor of the **Mark Hopkins Hotel** in San Francisco.

If you go there about 5:30 in the evening when the sun is commencing to set, you can see the daylight fade and the lights of the city come on and it is a most beautiful scene. On one side is the Golden Gate. Across from that is the City of Oakland, and up the harbor a way is both the summer and winter home of some of the boys who forgot to make out the proper income tax reports, or otherwise get in trouble. It is the **Alcatraz Island "Hotel."**

The island, which was used for the World's Fair, is now being made into an airport and the **Pacific Clippers** will leave from this base in the near future.

At the **San Francisco Rotary Club** meeting, held at the Palace Hotel, we heard a woman from London tell of her experiences during the present emergency. While we sometimes think that the English do not have any humor, she told us of some interesting incidents which proved the contrary. One shop keeper had this sign out in front: **"We keep open during air raids—in case of a direct hit we close at once."** Another story she told was about the women who are taking their part in the military life of England and they are issued pink cards for identification purposes, and one day

this sign appeared in the London papers: **"All English women in military service must show their pink forms whenever required."**

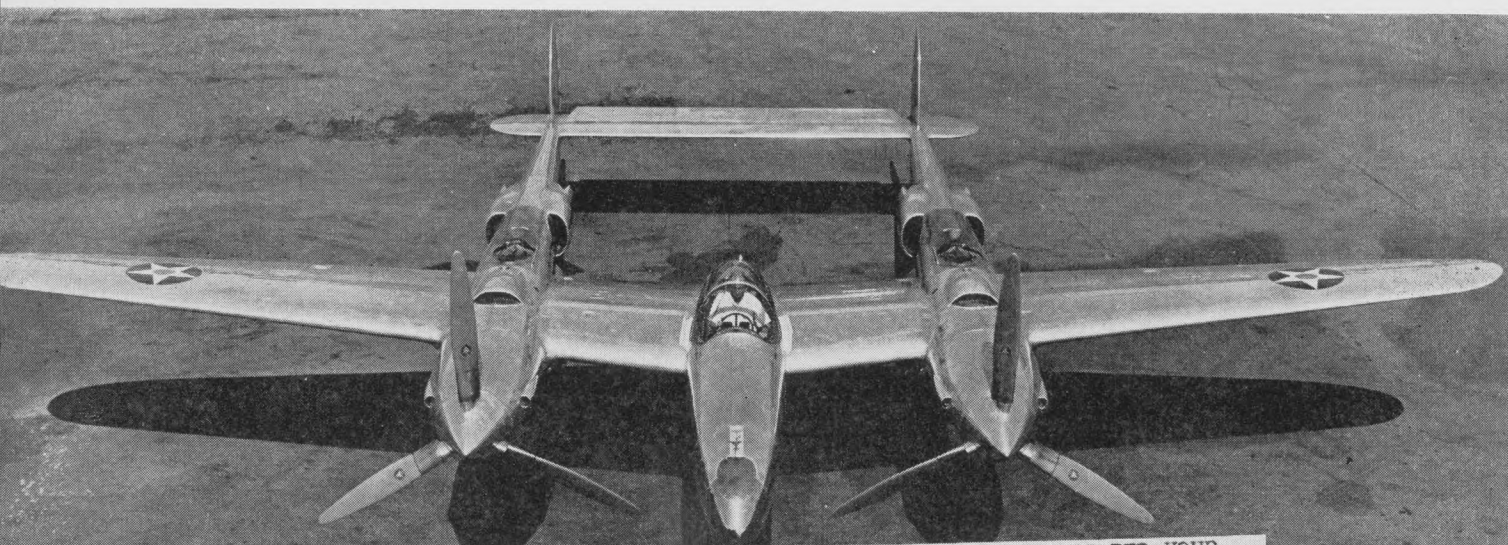
Another story she told was about the man who picked up an unexploded bomb and was holding it on his lap while seated in a bus. The conductor came along and said, "What is that?", and the man replied, **"It is an unexploded bomb which I am taking to the police station."** The conductor said, **"For heaven's sake! put it under your seat!"** Incidentally, **Miss Spencer** was the head of a parachute manufacturing company which had been in her family for a hundred years. She made her first parachute jump at the age of fourteen and she said her father told her then, **"If at first you don't succeed—don't bother."**

Jack Piver, publisher of the *Pacific Insurance Magazine* of San Francisco, in pointing out the prominent buildings to us said, **"Over there is the San Francisco city hall, but we spell it haul."** There are probably other cities where this might also apply.

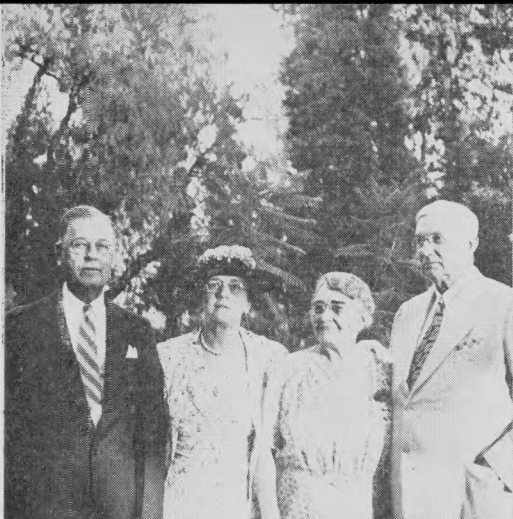
D. Porter Dunlap, vice president, and **Harry R. Smith**, assistant vice president of the Bank of America in San Francisco, know hundreds of bankers throughout the United States, as these gentlemen are in charge of the Country Bank Division.

Mr. Dunlap, who is "tall, brown and handsome," is a regular attendant at all A. B. A. conventions and has done much to build up their out of town accounts.

L. E. Townsend, assistant vice president and publicity director of the Bank of America, is very well known to members of the Financial Advertisers' Association, in which he has taken an active part for many years. Just previous to the F. A. A. meeting last



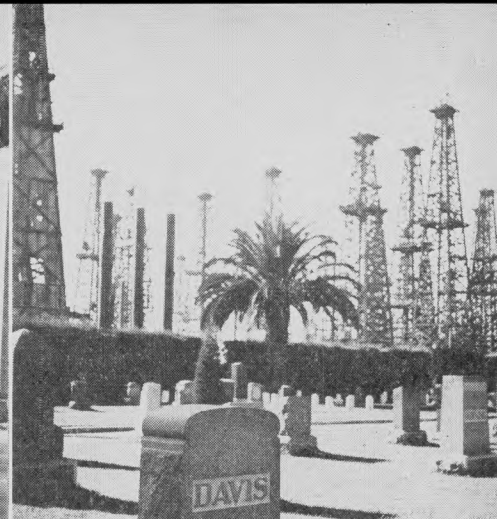
THE FASTEST PLANE IN THE WORLD—LOCKHEED P-38. GOES 400 MILES PER HOUR.



LEO E. STEVENS, MRS. STEVENS, MRS. W. O. REED AND MR. REED OF PASADENA



CHINATOWN, LOS ANGELES.



SIGNAL HILL, LONG BEACH--WHERE THE DEAD PAY DIVIDENDS.

month, Lew got out a very clever piece of publicity in behalf of the Association, soliciting new members. Lew was elected first vice president at the Cleveland convention last month.

Mr. and Mrs. Fred Clinchard of Oakland, California, entertained us one night at the Bal Tabarin in San Francisco. Mrs. Clinchard was Barbara Edwards, daughter of the late George P. Edwards, former publisher of the *Coast Banker*. It was the opening night for Belle Baker, well-known singer and reciter of poems, with a double meaning and plenty of zip, so, of course we can't print them here and we know how disappointed you are.

A. P. Giannini, with whom we had a visit at the head office of the Bank of America in San Francisco, sits out in the main room with the other officers of the bank, and at 71 years of age, keeps his fingers on every detail of their 495 branches in 307 California communities.

Many of the restaurants were closed in San Francisco because of a strike, but Julius' Castle on Telegraph Hill was open as usual and the food was as fine as ever.

"Nuts 2-U" is the way MacFarlane's Candy Shop in San Francisco advertises its wares.

The *Coast Banker* was purchased recently by Harry Lutgens, who is a member of the State Personnel Board and former publisher of the *San Rafael Independent*. Others who bid for the publication were William W. Chapin, publisher of the *Argonaut* of San Francisco, and Clifford De Puy, publisher of the *NORTHWESTERN BANKER*. Sale of the magazine took place in Superior Judge T. I. Fitzpatrick's court, in order to settle the estate of its former owner, the late George P. Edwards, who established the magazine thirty-three years ago.

Arch W. Anderson, president of the California Bank, Los Angeles, and formerly vice president of the Continental Illinois National Bank and Trust Company, feels that he is getting back home since he returned to California, as this used to be his old home, although he was born in Kentucky. Arch knows bankers from coast to coast, because of the wide traveling he has done in his previous banking connections.

Rod Maclean, manager, advertising and publicity of the California Bank of Los Angeles, was out of the city when we called, but we had a very pleasant visit with Michael Donnelly, assistant manager of advertising and publicity.

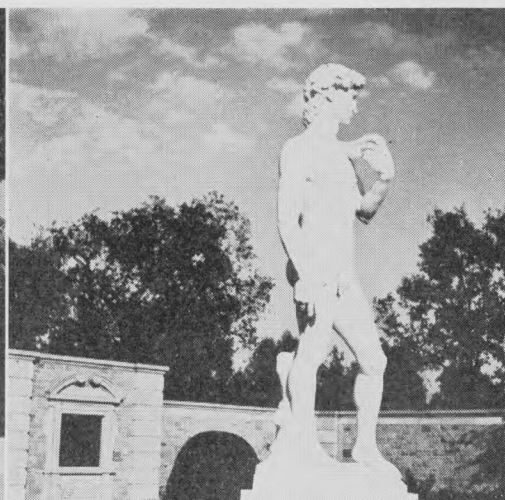
The slogan of the Earl Carroll Theatre Restaurant is "Through these portals pass the most beautiful girls in the world." The comedian of the show changes this a little and says, "Through these portals the most beautiful girls in the world pass out."

The Earl Carroll Theatre Restaurant is patterned after the former International Casino in New York. You buy a ticket at the box office when you go in. This entitles you to your dinner and the show. The prices range from \$3.00 to \$5.00, plus the tax, and the difference in price depends upon where you sit—not upon what you eat. The waiters have nothing to do with the payment of your bill, as that is taken care of when you enter. The restaurant seats about 2,000 people.

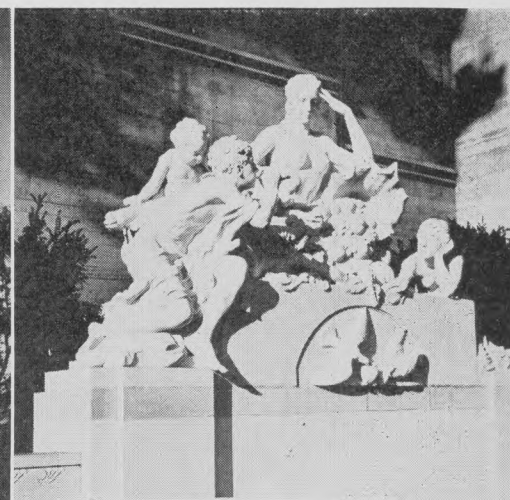
Carlos G. Stratton, governor of Rotary International, spoke before the Los Angeles Rotary Club at the Biltmore Hotel. (Turn to page 36, please)



THE MYSTERY OF LIFE



DAVID



MOTHERHOOD

STATUARY IN THE BEAUTIFUL FOREST LAWN CEMETERY AT PASADENA

CLEVELAND CHATTER

About the F. A. A. Convention

THE 1941 F. A. A. convention last month at Cleveland was an outstanding meeting. About 400 attended it, and this was the largest attendance since the 1929 convention. The excellent program arranged under the supervision of President **R. J. Izant**, Executive Vice President **Preston Reed** and other F. A. A. officers and the central location, were no doubt responsible for the large attendance.

Midwestern cities were well represented at Cleveland. The Iowa delegation, however, was smaller than usual because the Iowa Bankers Association convention was held in Des Moines on the same dates as the Cleveland meeting. **D. R. Wessling** of Wessling Services, Des Moines, attended all of the sessions, as did **Warren Garst**, cashier, the Home State Bank of Jefferson, Iowa. Mr. Garst had taken his son and daughter to place them in school at Antioch College in Ohio, and Mr. Wessling was able to cover the meeting as a part of his widespread travels which take him all over the country. Mr. Wessling, although living in Des Moines, has a daughter in her third year at Northwestern and his son, **Dan**, is at Syracuse, New York, connected with the Liberty Mutual Insurance Company.

Among speakers unable to be present at the meeting was **Albert Journeay**, vice president, the Purse Company. He was called to New York on account of the illness of a sister and, therefore, did not get to participate in the general session on "Fundamentals of Advertising."

By Ralph W. Moorhead

Associate Publisher

NEW F. A. A. OFFICERS

President—Victor Cullin, Assistant Secretary, The Mississippi Valley Trust Company, St. Louis, Missouri.

First Vice President—L. E. Townsend, Vice President, Bank of America, San Francisco.

Second Vice President—Lewis F. Gordon, Assistant Vice President, The Citizens and Southern National Bank, Atlanta.

Third Vice President—J. L. Laferty, Vice President, The Fort Worth National Bank, Fort Worth, Texas.

Guy Cooke, veteran F. A. A. member from the First National, Chicago, was one of the star members on the general session devoted to "Fundamentals of Advertising." When asked for a definition of advertising policy, Guy said, "An advertising policy is like the constitution of the United States. It can be amended or changed at almost any time." This was a very good answer to a question from the floor from one

member who asked "How effective is the excuse 'Our advertising budget is exhausted?'".

Another interesting sidelight on advertising fundamentals was given by **I. I. Sperling**, assistant vice president of the Cleveland Trust Company, who quoted **General Leonard P. Ayres** as follows:

"An advertising budget is a small piece of money surrounded by sacred cows."

The California delegation, not large in numbers, made up for it in quality with **L. E. Townsend**, assistant vice president, the Bank of America, at San Francisco, and **Rod Maclean** of the Bank of California at Los Angeles, representing the golden state. Mr. Townsend was honored by election as first vice president of the F. A. A. Incidentally, he is related to **Charles F. Townsend**, well known Des Moines photographer.

A familiar face now at the Statler Hotel in Cleveland where the convention was held is that of **G. C. Lee**, new assistant manager. Mr. Lee was formerly manager of the Elms Hotel at Excelsior Springs, Missouri, and later of the Montrose Hotel in Cedar Rapids.

The bond and investment men had their inning at Cleveland when **E. A. Pierce**, senior partner of Merrill Lynch, Pierce, Fenner & Beane, spoke at the session on "The Financial Advertiser's Obligation and Opportunity." He tossed out several base hits on this (Turn to page 20, please)

AT THE F. A. A. CONVENTION

A few of those attending the recent Financial Advertisers Association Convention in Cleveland are pictured on the opposite page. Reading from left to right they are, 1—**Dorcas Campbell**, East River Savings Bank, New York City; **Victor Cullin**, Mississippi Valley Trust Company, St. Louis, new president of the F. A. A., and **Clyde Draughon**, Merchants National Bank, Mobile, Alabama. 2—**Walter Distelhorst**, First National Bank, Louisville; **D. R. Wessling**, Wessling Services, Des Moines; **Stephen Fifield**, Barnett National Bank, Jacksonville, Florida, and **J. J. Spindler**, president Farmers and Merchants Bank, Highland, Illinois. 3—**Mr. and Mrs. Robert Lindquist**, American National Bank & Trust Company, Chicago; **Rod McLean**, The

California Bank, Los Angeles, and **J. K. Waibel**, Continental Illinois National Bank & Trust Company, Chicago. 4—**Robert J. Izant**, Central National Bank, Cleveland; **Harry B. Windsor**, Federal Savings & Loan Association, Cleveland; **Dale Brown**, National City Bank, Cleveland, and **Preston Reed**, executive vice president, the F. A. A. 5—**George Everett**, First Bank & Trust Company, Utica, New York; **Joseph M. Dodge**, president, The Detroit Bank, Detroit; and **Lewis Gordon**, Citizens & Southern National Bank, Atlanta. 6—**I. I. Sperling**, Cleveland Trust Company; **William Sherrill**, First National Bank, St. Louis; and **Homer McKee**, vice president Blackett-Sample-Hummert, Inc., Chicago.

Northwestern Banker October 1941



How *Fair Valuation* Is Determined Under the Bankruptcy Act

AN IOWA Banker was a member of the municipal governing body of the city in which his bank was located. There was presented to that body the matter of whether his bank should be designated as a depository for its funds. Was he, by reason of his interest, disqualified from voting?

Yes. A member of a governmental body having a direct personal interest in a matter coming before such body is disqualified from voting thereon, as a general rule. No special circumstances exist here that would warrant a departure from the requirements of such rule.

For the purposes of the Bankruptcy Act a person is insolvent whenever the aggregate of his property shall not, at a fair valuation, be sufficient in amount to pay his debts. Proceedings were filed against Laletin, a merchant, to have him declared bankrupt. Some of his assets consisted of notes and accounts receivable. Should the face amounts of the accounts and notes be taken as their fair value in determining whether he was bankrupt.

No. In determining whether a debtor is insolvent under the Bankruptcy Act, the fair valuation of the accounts receivable and notes owned by him is not the amounts shown on the face of the accounts and the notes but what with reasonable diligence can be realized within a reasonable time from their collection.

Suppose that, in the preceding question, a substantial amount of the alleged bankrupt's assets was the stock of a lumber yard, that is, the lumber, paint and so forth contained therein. Should the wholesale or retail value of such stock be used in determining the fair valuation for the purposes of the Bankruptcy Act?

Fair valuation as used in the Bankruptcy Act excludes on the one hand the sacrifice price that would result from an execution or foreclosure sale and on the other hand the retail price that could be realized in the slow process of trade. This latter value should be excluded because it could only be gained by large expense and the many risks of a mercantile venture. As a

These and Other Timely Legal Questions Are Answered

**By the
LEGAL DEPARTMENT**

consequence, the wholesale value of the merchandise should be used.

Stack was appointed trustee of his father's property under his father's will. As such, he took possession of certain dry pasture land in Nebraska and used it for himself. Was he chargeable with, and required to account to the beneficiaries of the trust, for the fair and reasonable rental value thereof?

Yes. One standing in a trust capacity, who takes possession of and uses trust property for his own benefit, is chargeable with and will be required to strictly account for the fair and reasonable rental value thereof.

The Board of Education of a North Dakota city, pursuant to negotiations by one of its members who was a local banker, rented the high school auditorium for one evening to a private concern for use in putting on an entertainment. Statutory authority existed for renting the auditorium in such circumstances. The owner of the local theater sought to enjoin the lease. Could he do so?

No. Where a lease of public property is executed under express statutory authority, it is valid. However, in the absence of a special statute, the general rule is that, except for some casual use not prejudicial to, nor inconsistent with, the main purpose for which the school property was acquired, a lease thereof, or of a portion thereof, is not valid.

Foxwell obtained a loan from a Minnesota bank and pledged with it certain promissory notes as security. He was indebted to Johnson on another matter and did not pay such indebtedness as agreed. Johnson obtained a judgment against Foxwell and garnished the bank. As an incident to

the garnishment proceedings, Johnson paid the bank the money due to it from Foxwell and pursued his claim against Foxwell's assets that had been pledged with the bank. Was Johnson subrogated to the bank's rights in the property pledged to it by Foxwell?

Yes. In Minnesota if a judgment creditor garnishees a bank and pays the bank the amount owed to the bank by the judgment debtor, such judgment creditor is subrogated to any rights the bank may have as a holder of the judgment debtor's promissory notes.

Grant bought from McNiel certain shares of stock in a company in which McNiel was an officer. The registration papers for the company filed pursuant to the Federal Securities Act of 1933 contained various false statements. By reason of this, a right of action accrued to Grant against McNiel six months after the purchase when the market value was substantially less than the amount paid for the stock. Grant assigned the stock to Holt for one dollar and Holt sought to sue McNiel on the right of action. Could he do so?

No. In a recent decision the Wisconsin Supreme Court held that causes of action similar to the one outlined in the question are penal in nature and do not survive, and that they therefore are not assignable.

A South Dakota bank bought a farm at a foreclosure sale. During the redemption period the bank leased the property and collected rents thereon in the mistaken belief that it had the right to do so. Actually the mortgagor had the right to such rents. Can he compel the bank to pay to him the rent money received by it during the redemption period?

Yes. A bank, which purchases mortgaged property at a foreclosure sale and leases and collects the rents on the property during the redemption period in the mistaken belief that it has the right to do so, is liable to the mortgagor for such rents under the general rule that one who receives money from another which in equity belongs to a



MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

Northwestern Banker October 1941

third person has no right to retain it as against such third person.

An Iowa Banker sought to give his son \$5,000. The son had not been particularly stable financially and owed considerable sums of money. One of the son's creditors learned of the proposed gift after the banker had offered it to the son but before the son had accepted it and such creditor sought to require the son to accept the gift so that it might be subjected to the payment of the creditor's claim. Could he do this?

No. A creditor of a donee of a gift inter vivos has no such interest, legal or equitable, as to enable him to control the right of the donee to refuse acceptance, or to renounce, the gift.

A New Hampshire statute requires persons using a public street for a parade to procure a special license therefor from the local authorities. Where a religious group marching along a side walk in single file, carrying signs and placards advertising their religious beliefs, are required to obtain such license, does an unconsti-

tutional interference with religious worship, or the practice of religion, occur?

No. According to a recent United States Supreme Court decision, a statute requiring persons using a public street for a parade or procession to procure a special license therefor from local authorities does not constitute an unconstitutional interference with religious worship, or the practice of religion, as applied to a group marching along a sidewalk in single file carrying signs and placards advertising their religious beliefs.

CLEVELAND CHATTER

(Continued from page 16)

subject, declaring that it is high time that the security dealers do something on the right kind of a public relations campaign to convince the general public that the security dealer is essential to the country's economy. He said, "To the great majority of our fellow countrymen, the security market is a mystery. The security dealer has as definite a right to display his wares as has the dealer in ships, or shoes, or sealing wax. The trouble is, security dealers have done next to nothing about it."

The Resolutions Committee did a fine piece of work in rendering a concise report almost entirely free from the usual legal phrases which ordinarily make such reports impressive, but non-understandable. This was due in large part to its chairman, **Merill Anderson**, New York Advertising Agency executive who pointed out that this year's report contained one "whereas."

One of the lucky recipients of the various attendance prizes at Cleveland was **James T. Anderson** of George LaMonte and Son. "Jim" was awarded a \$30 camera and no doubt will make good use of it. He was planning a trip into the middle west shortly after the Cleveland meeting which would take him to Des Moines, Minneapolis, Kansas City, and Omaha, and including the A. B. A. convention in Chicago.

Mr. and Mrs. Frank P. Syms of New York were among the early arrivals at the convention, motoring to Cleveland. It was Mrs. Syms' first visit to Cleveland. Mr. Syms is eastern vice president for the NORTHWESTERN BANKER.

The exhibits at the F. A. A. meeting were excellent. A feature was one panel devoted to photographs and snapshots of F. A. A. members taken

(Turn to page 35, please)



Behind the Scenes in the Foreign Department

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Member Federal Deposit Insurance Corporation

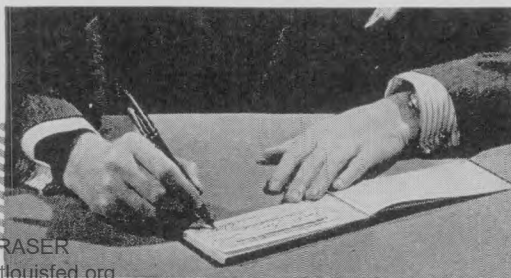
Northwestern Banker October 1941



SAFEGUARDS *that make for confidence*

The outside window ledge of a forty-story building presents a double hazard—the physical danger of falling, and a man's own mental inhibition. Yet so simple a device as the *fabric safety belt* secures him against falling, and gives him confidence in place of fear. » » Within the wide scope of this country's banking and business activities, La Monte Safety Papers serve a double purpose of *protection* and *assurance*. La Monte Safety Papers provide an effective safeguard against the alteration and counterfeiting of checks and other valuable

documents. And thereby they create a satisfying sense of security. » » These intangible values cannot be appraised in dollars—but 75 % of the country's leading banks, and many of its more important corporations, attest by their long-continued use of La Monte Safety Papers the merit of this unique product. » » Your Printer or Lithographer will gladly submit samples of La Monte Safety Papers and explain how you can have your own Trade Mark or individual design incorporated in the check-paper itself.



LA MONTE *Safety* PAPER

GEORGE LA MONTE & SON
Nutley New Jersey





A Logical Correspondent

Over \$155,000,000.00 was paid to shippers of live stock to this market in 1940. At present prices this total should be much greater in 1941. These figures emphasize the value of an account with

THE Stock Yards National Bank of SOUTH OMAHA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

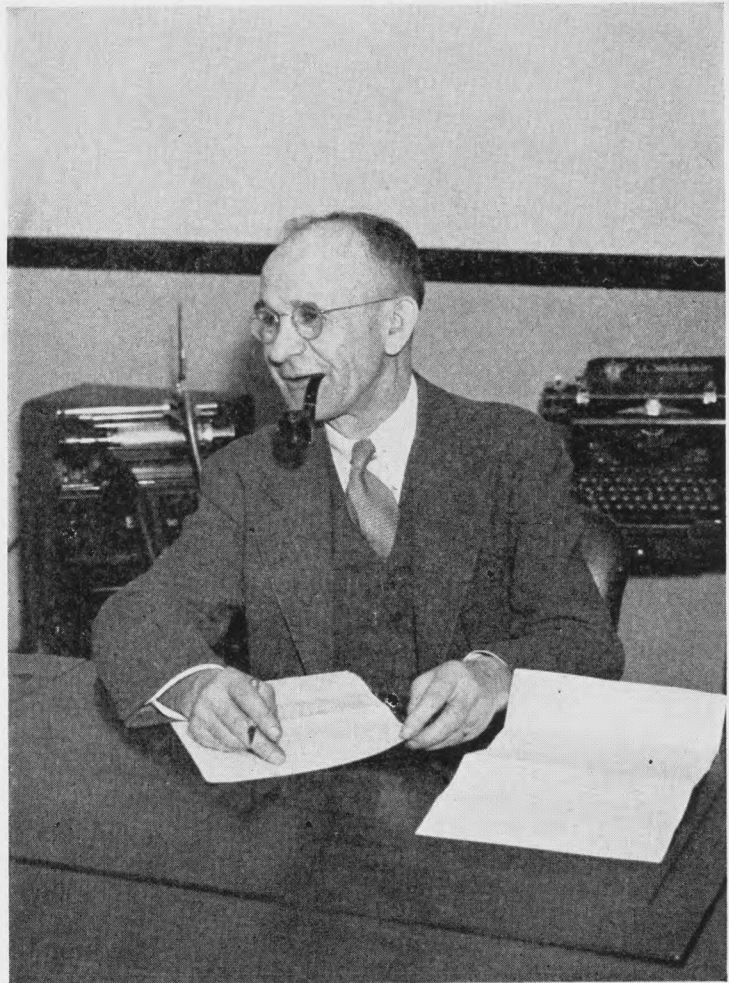
44th Convention

NEBRASKA BANKERS ASSOCIATION

Omaha, October 9-10

Headquarters—Hotel Paxton

The Program



CARL D. GANZ
President, Nebraska Bankers Association

A GAIN Nebraska bankers and their many friends are looking forward to an annual convention, this time to the forty-fourth meeting of the Nebraska Bankers Association to be held in Omaha on Thursday and Friday, October 9 and 10, with headquarters and all business sessions at the Hotel Paxton.

Registration will begin on Wednesday afternoon, October 8, on the mezzanine floor of the Hotel Paxton, and this desk will be maintained for the duration of the convention. There will be no general sessions of the convention until Thursday afternoon, when the first business and program meeting will start in the Hotel Paxton ballroom at 1:30.

The Nebraska Bankers Association Executive Council will be in session late the afternoon of Wednesday, October 8, to be followed by a dinner. Immediately following the adjournment of the convention on Friday, the new executive council will go into session for an organization meeting.

The Association of Past Presidents of the Nebraska Association will have its annual dinner on Friday evening,

October 10, while on Thursday, the day preceding, members of the Nebraska Fifty Year Club will enjoy a luncheon. Ladies' headquarters during the convention will be in Parlor C, Hotel Paxton.

The complete convention program is as follows:

Thursday Morning, October 9

- 8:00 Registration at the Convention desk on the mezzanine, Hotel Paxton.
- 10:30 The Resolutions Committee will hold its first meeting in Parlor C on the mezzanine, Hotel Paxton.
- 11:00 Conference on installment loans in ballroom, Hotel Paxton, Arthur L. Coad, chairman, Committee on Consumer Credit, presiding. Wade R. Martin, director of banking, and Oliver P. Cordill, assistant cashier, Federal Reserve Bank, will be present to explain the state and federal regulations.
- 11:30 The Nominating Committee will hold its first meeting in Parlor D on the mezzanine, Hotel Paxton.
- 12:15 Luncheon. Discussion of bank-

ing practices, H. E. Ley of Wayne presiding. Plates 50c. Parlor A, The Paxton.

- 12:15 Luncheon tendered to the Fifty Year Club by the Association. Main dining room.

Thursday Afternoon, October 9

- 1:30 Call to order by President Carl D. Ganz.
 - Invocation pronounced by Rev. Stephen E. McGinley, dean, Trinity Cathedral.
 - Introduction of members of the Fifty Year Bankers Club.
 - Remarks of the president.
 - Appointment of committees.
 - 2:00 "Progress of the Defense Program and Our Responsibilities In It"—Brigadier General F. E. Uhl, Commanding General Seventh Corps Area.
 - 2:15 "The Wage-Hour Bill as Related to Banking"—Leslie K. Curry, vice president, Mercantile Commerce Bank & Trust Company, St. Louis.
 - 3:15 "Low-down on Washington High Ups"—Strickland Gillilan, Washington, D. C.
- (Turn to page 27, please)

Northwestern Banker October 1941



An air view of downtown Omaha, showing retail and wholesale centers

Omaha — "Gateway to the West"

ALTHOUGH Omaha, Nebraska, is well known by such slogans as "The Gateway to the West" and "Crossroads of the Nation," there is another which the Omaha Chamber of Commerce might well use. That is—'Omaha—The Hartford of the West.'

For Omaha has 135 insurance agencies, branches and home offices, employing more than 3,000 persons. The annual premium income is well over \$35,000,000.

Woodmen of the World, the largest fraternal life insurance society, headquarters in Omaha, as does the Woodmen Circle. The Woodmen have assets of \$127,000,000 and more than 400,000 members. The Circle, 132,000 members and assets of more than \$32,000,000.

Key city in the nation's richest Agricultural Empire, Omaha is also a financial center. Although 39th in population—225,000—Omaha stands 18th in annual bank clearings. Clearings average \$1,600,000,000 per year. Omaha has nine banks—six national, three state and savings—whose total deposits average \$140,000,000. Bank loans average about \$150,000,000.

Omaha is the home of a branch Federal Reserve Bank and the largest Federal Land Bank in the country. Eight building and loan associations are located in Omaha. With 56,000 shareholders, they have more than \$38,000,000 in assets.

Wholesale trade territory for Omaha embraces all or part of nine states. Wholesale trade averages \$400,000,000 in Omaha each year.

Hundreds of thousands visit Boys' Town, Father Flanagan's internationally famous boys' home. Located just outside of Omaha, it is the subject of two motion pictures.

Joslyn Memorial, per capita the nation's second most popular art museum, is a \$4,000,000 civic center. Three institutions of university rank are located in Omaha—Creighton University, University of Omaha and the University of Nebraska Medical College.

Omaha is the nation's fourth largest rail center and one of the world's largest livestock and meat packing centers. With 15 packing plants, it produces \$115,000,000 worth of meat and by-products annually.

A primary grain market, Omaha also makes more butter than any other city in the world.

One of the world's largest livestock and meat packing centers can be included on the sight-seeing tour of many delegates who attend the Nebraska Bankers Convention on October 8th, 9th and 10th.

In Omaha's magnificent livestock yards, more than eight million head of cattle, sheep and hogs have been marketed in a single year. More than 60 per cent of these animals are slaugh-

tered and processed in the great packing plants adjacent to the market.

About three-fifths of this enormous amount of live stock comes to Omaha from its own state of Nebraska. The rest is contributed by more than twenty other states.

History of this market covers half a century. The Union Stock Yards Company, Ltd., of Omaha, was organized in 1883. It actually opened for business in 1884, during which year about 100,000 head of livestock was handled. However, 88 per cent of this stock was shipped elsewhere for packing that year. Realizing that true success as a livestock market could not be attained without packing plants, the yards officials set about to persuade large packers, chiefly Chicago, to establish branches in Omaha. How well they succeeded is testified to by the present battery of fifteen packing plants in Omaha, which make it one of the largest meat packing centers in the world.

There are no contracts or written transactions "on the market." Sales and purchases are by word of mouth, with every man's word his bond and the Omaha Live Stock Exchange standing back of every member. So successful has this method been that it is a byword that no one has ever lost a penny through dealing on the Omaha Exchange. The various commission firms, the Stock Yards Com-

pany, a bank, and several other necessary institutions are housed in the fine Live Stock Exchange Building, erected in 1926 at a cost of a million dollars.

Delegates also are invited to visit the Union Pacific Historical Museum.

Located at 15th and Dodge Streets, it contains one of the most complete exhibits of its kind in the middle west. The hundreds of pieces on display present an intensely interesting and authentic record of the settling of the west.

There are curious household articles and farming implements used by the pioneers, valuable documents, photos and drawings of historical events, Indian relics, and many other pieces that recall the struggles and triumphs of the early settlers.

The Museum is open from 9 a. m. to 5 p. m., except Sunday. Special evening parties can be arranged on application. Visitors may park cars, without charge, in a parking lot adjoining the building.

Greetings—

NEBRASKA BANKERS!

We invite you to see our display of
Modern Bank Machines
at the Paxton Hotel while attending the
Nebraska Bankers Convention in Omaha

We maintain factory-trained service representatives in the following towns, for constant, efficient service to our thousands of Cash Register and Accounting Machine users in Nebraska and adjacent territory:

OMAHA LINCOLN GRAND ISLAND
 SIOUX CITY SIOUX FALLS

The NATIONAL CASH REGISTER CO.

ACCOUNTING MACHINE SALES DIVISION
1511 Howard St., Omaha

Advertisement

"ROLL OF HONOR" BANKS

...NEBRASKA...

It is an honor to be listed among the HONOR ROLL BANKS. It indicates that the bank has SURPLUS and UNDIVIDED PROFITS equal to or greater than its capital



The banks listed on this page are some of Nebraska's outstanding "Honor Roll" Banks. By careful management and sound banking they have achieved this enviable position. These banks will be especially glad to handle any collections, special credit reports or other business in their communities which you may entrust to them. Correspondence is invited.

TOWN	BANK	OFFICER	CAPITAL	SURPLUS PROFITS
Avoca.....	Farmers State Bank.....	Elmer Hallstrom.....	\$ 15,000	\$ 23,500
Fullerton.....	First National Bank.....	E. M. Black.....	50,000	64,100
Grand Island.....	First National Bank.....	E. J. Wolbach.....	200,000	550,000
Grant.....	Farmers National Bank.....	E. E. Jackman.....	30,000	67,663
Lincoln.....	First Trust Co.	S. C. Waugh.....	300,000	357,324
McCook.....	First National Bank.....	Rolland Larmon	75,000	109,380
Mitchell.....	First National Bank.....	C. W. Wright.....	50,000	89,950
Omaha.....	Live Stock National Bank.....	Paul Hansen	500,000	764,386
Wilber.....	Wilber State Bank.....	H. V. Jelinek.....	25,000	32,000
Wisner.....	First National Bank.....	Neil D. Saville.....	50,000	67,172

Northwestern Banker October 1941

The story of Omaha is spiced with historic romance and is leavened with the realization of dreams come true.

When Coronado, adventurous Spanish cavalier, came north out of Mexico in 1541 and discovered what is now known as Nebraska, he was lured by tales of fabulous wealth in the kingdom of Quivera, and of gold in the Seven Cities of Cibola. He found neither. The tales of great wealth were not exaggerated, for thousands came to Nebraska later and made their own wealth by developing the country as the opportunity presented. The gold of Nebraska lay in the soil.

It remained for the pioneers who

came west between 1846 and 1875 to discover the fortunes that lay ready for the making in the great inland empire that now stretches from the Mississippi to the Rockies, most of which is tributary to Omaha, commercially speaking.

Omaha was named for the Omaha Indians, or Mahas, as some called them. The Omahas were a small tribe that lived along the banks of the Missouri river.

Even as early as 1804, Omaha was "at the crossroads of the nation," for explorers camped near the present site of the city and Lewis and Clark mentioned the locals in their journals. Fur

traders and the United States military forces found the west banks of the Missouri in the Omaha vicinity a choice place to rest during their travels.

Among other historical events was the famous Winter Quarters of the Mormons in 1846. Pushing westward towards their goal in Utah, these pilgrims spent a winter encamped on high ground which is now North Omaha.

The westward rush of the "Forty-Niners" followed and thousands trekked along the Oregon Trail, which crossed the Missouri river where Omaha now stands. A lone trading post on the west bank of the river flourished, for the travelers had to purchase supplies at this last outpost of civilization.

Omaha came into actual existence in 1845, when the new townsite was platted. Omaha boomed and grew, and on February 2, 1857, it was incorporated. The first census of Omaha, in 1860, gave this city a population of 1,883. Ten years later the population had increased to 16,000.

Omaha's future was assured by President Abraham Lincoln, who designated the already thriving town as the eastern terminus of the first transcontinental railroad. In 1863 ground was broken for the tremendous project. As the west opened up under the impetus of the railroad era which followed the Civil War, Omaha flourished and grew.

Each new step in progress had its importance, but the master stroke came when the Union Stock Yards began to operate in 1884 after earlier efforts to make Omaha a livestock market had failed. With this new magnet to attract the attention of the entire middle west upon Omaha, it leaped forward again and the opening of the twentieth century found a true metropolis of the plans established.



Symbol of Service

Tenth and O Streets in Lincoln, Nebraska, is a landmark. For seventy years, on that site has stood the First National Bank of Lincoln.

During that time there have been many changes wrought in our services, but our correspondent banks have found no change in the careful, thoughtful, helpful attitude of the personnel of this institution.

An account in the First National Bank of Lincoln will afford you the full measure of our 70 years of experience in Nebraska's Capitol City. May we serve you?

The First National Bank of Lincoln LINCOLN, NEBRASKA

■ ■ ■

GEORGE W. HOLMES.....President	
P. R. EASTERDAY.....Executive Vice President	DONALD P. EASTERDAY.....Asst. Vice Pres.
L. C. CHAPIN.....Vice President	ERNEST U. GUENZEL.....Asst. Vice Pres.
STANLEY MALY.....Vice President	CLIFFORD G. WESTON.....Assistant Cashier
B. O. CAMPBELL.....Junior Vice President	A. C. GLANDT.....Assistant Cashier
HOWARD FREEMAN.....Cashier	R. J. BECKER.....Assistant Cashier

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In early Omaha the residences were confined to a district along the Missouri river now occupied by the wholesale business section of the city. The original townsite was laid out in 322 blocks, each 264 feet square and separated by streets 100 feet wide. The individual responsible for the width of the streets is not known, but someone of that early day 84 years ago must have realized that wide streets would some day be an asset to the city that was to be. Today Omaha's area is 25,275 acres, or about 40 square miles.

PROGRAM NEBRASKA CONVENTION

(Continued from page 23)

4:30 Social Hour—Ballroom, Hotel Paxton.

Thursday Evening

6:30 Banquet. Floor Show. Dancing. Peony Park.

Friday Morning, October 10

8:30 Breakfast. Discussion of safety box practices. R. H. Kroeger, chairman, Safety Box Committee, presiding. Plates 50c. In Parlor B.

10:30 Call to order by President Carl D. Ganz.

10:35 Meeting of members of the American Bankers Association for election of officers for Nebraska. Ray R. Ridge presiding.

10:45 Report of Resolutions Committee.

10:55 Report of Nominating Committee and election of officers.

11:05 "The Value of Research and the Industrial Use of Agricultural Raw Materials"—L. F. Livingston, du Pont Corporation, Wilmington, Delaware.

12:15 Luncheon. Discussion of governmental competition, in Parlor D, J. A. Cline, Jr., of Bloomfield, presiding.

1:00 Luncheon for visiting women. Style show.

Friday Afternoon

1:30 Call to order by President Carl D. Ganz.

Announcements.

1:35 "The Junior Bankers Associations"—a statement by R. F. Clarke, president, Banking House of A. W. Clarke, Papillion.

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

The First National Bank

OF DENVER, COLORADO

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of banks since 1865

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First National Bank of Omaha



The
Oldest National Bank
From Omaha West

Nationalized 1863

OFFICERS

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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

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• NEBRASKA NEWS •

1:45 "Pulling Together"—Howard J. Gramlich, secretary, American Shorthorn Breeders Association, Chicago.

2:45 "Step Out and Sell"—W. G. Power, Chevrolet Sales Division, Detroit.

Friday Evening

8:00 Horse Show, with Bob Hawk's radio program, "Take It or Leave It", and Monty Montana's troupe of movie stunters.

8:00 Theatres.

Entertainment—Thursday

12:15 Luncheon honoring the Fifty

Year Bankers Club, in the main dining room, Hotel Paxton.

4:30 Social Hour. Ballroom, Hotel Paxton.

6:30 Banquet at Peony Park. Floor show. Dancing.

Entertainment—Friday

1:00 Ladies' luncheon in main dining room, Hotel Paxton. Style show.

6:00 Dinner of Association of Former Presidents. Parlor C, the Paxton.

8:00 Horse show at Ak-Sar-Ben coliseum, Bob Hawk's "Take It or

Leave It". Monty Montana's troupe of movie stunters.

8:00 Theatres.

Local committees, made up of Omaha bankers and their wives, who have charge of the convention, are as follows:

General Committee on Arrangements:

J. F. Davis, chairman; R. R. Ridge, Ellsworth Moser, A. J. Hallas, A. L. Coad, H. C. Karpf, L. H. Earhart.

Reception: J. A. Changstrom, chairman; A. L. Vickery, J. B. Owen, H. O. Wilson, O. P. Cordill, J. F. McDermott, L. Dale Matthews.

Entertainment: R. H. Kroeger, chairman; G. A. Gregory, H. A. Arnsberger, R. H. Mallory, John McCumber, James H. Moore.

Hostesses: Mrs. W. A. Sawtell, chairman; Mrs. A. L. Coad, Mrs. G. A. Gregory, Mrs. V. B. Caldwell, Mrs. C. D. Saunders, Mrs. Paul Hansen, Mrs. C. O. Darner.

Banquet and Dance: H. A. Arnsberger, chairman; James H. Moore, Ellsworth Moser.

Horse Show and Theatre: W. B. Millard, chairman; H. C. Karpf, J. B. Owen.

Stock Show: A. L. Coad, chairman; John McCumber, H. O. Wilson.

Hotel: A. L. Vickery, chairman; L. Dale Matthews, Oliver P. Cordill.

Publicity: A. J. Hallas, chairman; Paul Hansen, R. R. Ridge.

Clearing House Meeting

New president of the Platte Valley Regional Clearing House Association elected last month at the dinner meeting of the association in Grand Island is John Spear of the Fort Kearney State Bank. He succeeds C. E. Arterburn, St. Paul.

Other officers are: A. E. Dwehus, Dannebrog State Bank, vice president; William T. Green, Grand Island First National Bank, secretary-treasurer.

Ninety-three guests and members, representing 14 central Nebraska towns, attended the meeting. Featured on the program was a discussion of federal regulation of installment buying, by O. P. Cordill, assistant cashier of the Omaha branch of the Federal Reserve Bank and area administrator of the act, and a discussion of the Nebraska small loan law passed last spring, by Henry A. Schneider, Plattsmouth banker.

LIVE STOCK NATIONAL BANK--OMAHA

Statement of Condition September 24, 1941

RESOURCES

Loans and Discounts.....	\$10,241,333.24	
Bonds and Other Securities.....	6,141.86	
Stock in Federal Reserve Bank.....	30,000.00	
Banking House and Fixtures.....	1.00	
Other Real Estate.....		None
U. S. Government Securities.....	\$2,646,392.19	
Cash, Sight Exchange and Due From		
Federal Reserve Bank.....	5,196,254.07	7,842,646.26
		<u>\$18,120,122.36</u>

LIABILITIES

Capital Stock (Common).....	500,000.00	
Surplus (Earned).....	500,000.00	
Undivided Profits.....	313,549.27	
Reserve for Taxes, Interest, Etc.....	189,077.16	
Unearned Discount.....	9,657.83	
Dividend Payable September 30, 1941.....	7,500.00	
Deposits:		
Banks.....	\$8,635,661.15	
Other Deposits.....	7,964,676.95	16,600,338.10
		<u>\$18,120,122.36</u>

	Capital, Surplus and Undivided Profits	Loans and Discounts	Deposits
September 24, 1933..	\$ 616,038.60	\$1,660,388.45	\$ 4,986,823.44
September 24, 1937..	877,379.88	4,280,256.42	13,554,317.08
September 24, 1941..	1,313,549.27	10,191,821.96	16,600,338.10

In keeping with our policy of full cooperation with the Nation's Defense effort we desire also to extend adequate and helpful credit to all approved business concerns including the vital Live Stock and Agriculture enterprises.

ALVIN E. JOHNSON, President

This Bank Has No Affiliated Companies

Member of Federal Reserve System and Federal Deposit Insurance Corporation



Omaha Clearings

W. A. SAWTELL, president of the Stock Yards National Bank of South Omaha, is general chairman in charge of the 1941 "buddy" program which is being carried out again as a feature of the Ak-Sar-Ben Stock and Horse Show in Omaha October 5-11.

Omaha Boy Scouts, Girl Scouts and Camp Fire Girls again will be "buddies" to hundreds of midwestern 4-H Club boys and girls in Omaha the week of the show. The program includes a big barbecue at Elmwood park, a parade and a youth rally.

On committees appointed by Chairman Sawtell are **Charles McCumsey**, president of the Federal Land Bank of Omaha, invitations; **Charles D. Saunders**, vice president, First National Bank of Omaha, chairman of the reception committee; **Charles Stewart**, president, Intermediate Credit Bank of Omaha, reception committee; **A. J. Hallis**, vice president, Stock Yards National, reception committee; **Ellsworth Moser**, executive vice president, United States National Bank of Omaha, barbecue.

Purchase of two northeast Nebraska privately owned power companies by the Consumers' Public Power district, offshoot of Nebraska's three hydroelectric districts, was announced recently by John Nuveen & Company, investment bankers.

The deal involved the Nebraska electric properties of the Central States Electric Company of Cedar Rapids, Iowa, and the properties of the Nebraska Public Service Company, subsidiary of the Sioux City Gas and Electric Company, Sioux City, Iowa. The two companies serve fifteen towns at retail and two at wholesale, including Ponca, Allen, Newcastle, Concord, Dixon, Waterbury, Maskell, Martinsburg, Obert, Dakota City, Hubbard, Winnebago, Jackson, Homer, Macy, Rosalie and Walthill, Nebraska.

Consideration was announced as \$185,000 for Central States properties

and \$318,000 for Nebraska Public Service properties.

The bonds to finance the sale will run for thirty years, bear from 2¾ to 3½ per cent interest and were sold at 96. In Chicago, to close the deal for Consumers, were Charles B. Fricke, president; Phil Hockenberger, vice president; C. C. Sheldon, treasurer, all of Columbus, Nebraska, and Dyo Davis, Silver Creek, Nebraska, a director.

The citizens' committee for the army and navy announced recently it has asked 12 nationally-known business leaders to lead a nationwide campaign unifying a "spirit of high morale between civilians and the armed forces of the United States."

One of those asked to serve on the committee is **W. Dale Clark**, president of the Omaha National Bank.

Municipal and General Bonds



Specialists in Nebraska
Municipals



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Farnam Bldg.
OMAHA, NEBRASKA

WE RECOMMEND

Canadian Government

and

Provincial Bonds

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Inquiries Invited

■ ■ ■

Buffett & Company

Investment Securities

Omaha National Bank Bldg.
Omaha, Nebraska

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World's Largest in Termite Control

Write or telephone for **FREE INSPECTION** of your property
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DES MOINES

Gains Deposits But Loses Weight



Alvin E. Johnson before



Omaha World-Herald Photos

. . . and AFTER

ALVIN E. JOHNSON, President of the Live Stock National Bank of Omaha has lost 100 pounds in weight in the last few years, but while he

has been losing weight, the Live Stock National has been getting deposits so the genial president is very happy indeed.

Four or five years ago, Mr. Johnson weighed 280 pounds. Today he tips the scales at 180 pounds or 100 pounds less than his previous top figure.

At 180 pounds, Mr. Johnson weighs 15 pounds less than he weighed 25 years ago and 30 pounds less than when he was married.

We asked Mr. Johnson how he did it and this is what he said:

"My reduction in weight was brought about entirely by diet. However, I try to exercise daily for a conditioner but not for the purpose of reducing, as I believe the only sensible way to take off weight is to reduce the intake of food. I believe if any person who is overweight will see a competent physician and follow his instructions, he can lose weight. The trouble is, the average person cheats, and cheating hurts no one but himself as you cannot go on a diet and then sneak to the icebox and get a handout every now and then."

Today, Alvin Johnson is as jovial and genial as ever, but he looks like a new 1942 streamlined model of what the well-dressed young men will be wearing.

Organized August 4, 1902

CONDENSED STATEMENT OF CONDITION

of

NATIONAL BANK OF COMMERCE

OF LINCOLN, NEBRASKA

At the Close of Business, September 24, 1941

RESOURCES

Loans and Discounts.....	\$ 5,806,341.72
Overdrafts	412.18
Banking House, Furniture and Fixtures.....	246,390.00
Real Estate	12,500.00
U. S. Bonds.....	4,548,000.00
Other Bonds	1,500.00
Warrants	898.30
Customers Liability for Letter of Credit.....	5,000.00
Stock Federal Reserve Bank.....	22,500.00
Cash and Sight Exchange.....	4,785,186.33

\$15,428,728.53

LIABILITIES

Capital	\$350,000.00
Surplus	400,000.00
Contingent Reserves	500,000.00
Undivided Profits	95,804.98
Reserve for Dividends.....	14,000.00
Letters of Credit.....	5,000.00
Deposits	14,063,923.55

\$15,428,728.53

Member of the Federal Deposit Insurance Corporation

GREETINGS

to

NEBRASKA BANKERS ASSOCIATION

We cordially invite you to visit our display

of

MONROE ACCOUNTING MACHINES FOR BANKS

at

Nebraska Bankers Association Convention

October 9 and 10

Mezzanine Floor Paxton Hotel

Monroe Calculating Machine Company, Inc.

279-282 Aquila Court

OMAHA, NEBRASKA

413 Security Mutual Life Ins. Bldg.
LINCOLN, NEBRASKA

Bank Help Wanted

Many attractive positions now open from Chicago to Pacific Coast for posting machine operators, stenographers, tellers and assistant cashiers. Country bank experience preferred. Write for application blank.

THE CHARLES E. WALTERS CO.
P. O. Box 1313, Omaha, Nebraska

Mr. and Mrs. **J. B. Frazier, Jr.**, and their daughter, Miss Shirley Ann, and son, Duncan, have returned from Charlottesville, Virginia, where they spent some time at the old home of the Frazier family. Mr. Frazier is vice president at Omaha of A. C. Allyn & Company, investment bankers.

John F. "Frank" Coad, 70, Omaha banker for a half century, died recently after an illness of two months.

Mr. Coad served as president of the Packers National Bank of South Omaha for 20 years until two years ago, when he was named chairman of the board. He had served as president of the Omaha Clearing House Association several times and was president of the Coad Real Estate Company.

He was born on a farm near Peru, Nebraska. When the Union Pacific railroad was built, Mr. Coad's father operated a cattle ranch which extended from the Wyoming line to Bridgeport, Nebraska. In 1883, the family moved to Omaha.

Mr. Coad became a messenger boy at the Packers National when his father became president. In 1896, the son was appointed a state bank examiner for three years.

Surviving are two daughters, Mrs. George Wigert and Mrs. C. A. Jeffrey, both of Omaha; a son, Ernest, Omaha; seven brothers and four sisters.

When five thousand persons recently attended the Howard county fair at St. Paul, Nebraska, to see the "Pageant of American Freedom," and the crowning of a "Goddess of Freedom," Nebraska American Legion Commander **J. F. McDermott**, vice president of the First National Bank of Omaha, crowned the queen, Alice Bukowski, 18, of St. Paul. The pageant was sponsored by the American Legion and civic organizations.



Lincoln Locals

BANK clearings climbed again in August with a total of \$14,161,280 as compared to the July total of \$13,503,693. This was a large increase over August of last year which had a total of \$11,929,485. Clearings for the first eight months of 1941 passed the 100 million mark with a total of \$100,085,662 compared with the \$98,836,973 total for the same period last year.

Nebraska Banking Director Wade R. Martin has announced appointment of James R. Cox, York, and L. L. Halstead, Lincoln, as small loan company examiners under the new state law transferring control of the small loan industry from the secretary of state to the banking department. Halstead has been a state bank examiner.

Funeral rites for Edwin H. Burnham, former Fairfield banker, who

died during a visit to his son, H. C. Burnham, in Portland, were held recently in Lincoln.

Mr. Burnham, the minister said, was born in Richview, Ill., May 22, 1857, and for 84 years "lived a long useful, and happy life. He was married to Miss Ida May Church December 10, 1882, and she died December 11, 1939. In Fairfield, he was president of the bank until his retirement in 1925.

The county commissioners recently ordered the county attorney's office to draw up a resolution increasing the county's revolving food stamp fund from \$25,000 to \$40,000.

The order came after Commissioner Miller told the other members of the board, "unless the present system of purchasing the stamps was changed, the banks will refuse to sign the county's orders."

GREETINGS TO THE NEBRASKA BANKERS ASSOCIATION

H. M. BYLLESBY and COMPANY
(Founded 1902)

FARNAM BUILDING
OMAHA

Chicago
Minneapolis

New York
Philadelphia



"Convention Time"

Our officers look forward this month to our 1941 State Convention and the privilege of visiting our many clients and friends.

The
**CONTINENTAL NATIONAL
BANK
of
LINCOLN**

Member Federal Deposit Insurance Corporation

Confronted with a 10 day waiting period between the time the county treasurer presents the warrant at the bank for the purchase of the stamps and the time they receive payment, officials of the different Lincoln banks have asked that the board make some

arrangements to pay when the purchase is made.

As the present resolution stands, the only part contributing to the solution of the "bankers' problems" is it will allow County Treasurer Berg to purchase more stamps at a time. Com-

missioner Miller indicated that either another resolution would be presented at the next board meeting or the present one amended to get around the 10 day waiting period.

In an opinion to the board, Deputy County Attorney Russell Mattson said he didn't see how the commissioners could legally get around the "waiting period."

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F. E. DAVENPORT & CO.

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

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

*Our 24-Hour Continuous Service Guarantees
You Immediate Attention*

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

F. E. DAVENPORT & CO.
OMAHA

Wins Golf Championship

Lee Loerch, assistant cashier in the First National Bank, brought the county golf championship to Tekamah recently when he won the annual Burt Country golf tournament at Oakland.

Mr. Loerch scored 106 to win.

Goes to Omaha

Miss Marilyn Wood, who has been employed in the Agriculture office in Wilber for the past two years, has gone to Omaha where she has accepted a position with the Federal Land Bank.

New Cashier

The Curtis State Bank has announced the election of W. A. Reynolds of Indianola as cashier, replacing Scott Wilkinson, drafted into the army service.

Some Bankers make ALL of their profits from BANK LOANS

" " " **SOME " " " " SERVICE CHARGES**

" " " **MUCH " " " " ADDED SERVICES**

" " " **ADDED PROFITS FROM LIFE INSURANCE**

● You "owe" it to your clients to recommend the right policy in a good company.

● You can have the privilege of completing the transaction and make the profit.

We have an unusual plan—write us about it.

GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

Now in our 40th Year of Service

Average Is Halfway Between Nothing and Something—

Where Do *You* Stand?

By George W. Kemper
Superintendent A. and H. Dept Fireman's
Fund Indemnity Co., San Francisco

THEY have a tough time keeping up appearances now. Their limousine is several years too old, their chauffeur looks seedy. She doesn't go lunching and partying with her old abandon and his suits no longer bear that personal tailored look. His father left a lot of money, but he had never been taught to do anything but spend it. And spend it he has—almost all of it. He and his pretty wife much agree that something's wrong with the social system and that people born to wealth and position should be protected. They're fairly sure that fascism recognizes such superiorities and would preserve them." This news item clipped from the daily paper seems to me to be typical of the mental attitude of many salesmen. The "world owes me a living" attitude. The world just doesn't owe anyone a living. You owe yourself a living and it will be accomplished only to the degree of sincere effort that you put into making it a happy and prosperous living. And in this connection your mental attitude is so important. Forget self and go after desires. "The right mental attitude can't replace an amputated leg but it can adopt, adapt and forget a wooden one."

It is also stimulating to the salesman's mental attitude to realize that he is in one of the biggest businesses in the world. There were written in accident and sickness premiums during the year 1940 something in the neighborhood of 275 million dollars in premiums and probably that volume of business paid commissions to some energetic salesmen of between 75 and 80 million dollars. So there is money to be made in the accident and sickness business. But it isn't owing it to you, you must go out and work to get it.

I usually refer to the fundamentals of successful selling as being divided into three laws which have a profound effect on the results obtained by selling. The first is the "law of averages." Everything in the insurance business depends on the law of averages. Our



GEORGE W. KEMPER

statistics on which we base our rates are governed by the law of averages. So, too, is the agent's result based entirely on the law of averages.

A personal experience of my own a couple of years ago illustrates very forcibly the effect of this law on the salesman. A book salesman came into my office to present his sales argument to me for the subscription of a magazine. He used a method of visual selling which method I consider one of the most effective in our business. He had a sales book filled with pictures and charts which he turned carefully page by page as he went through his sales presentation, which served to

focus attentively not only my eye but my ear on the business at hand. When he finished, not having any need for the particular magazine, I told him "no," he thanked me, and started to leave the office. I stopped him for a moment with the remark: "Why don't you go into the insurance business? You could make a lot of money selling insurance."

He turned, came back, and said to me: "Why should I? My income on this business is just as definite as is your income on a flat salary basis. It all depends on the law of averages. I make 42 calls every day, not 38 or 39 or 40, but 42, if it takes me until ten o'clock at night. From 42 calls I will get 19 interviews and this will give me eight opportunities to make my presentation, which will produce four sales. My income per week is \$150 and I can depend on it. The law of averages takes care of it but I must make 42 calls every day."

The second law governing successful selling I call "the law of determination." This is the law which governs time control and is probably the most important single factor in the success of an agent. The most difficult thing for all of us to be is to control ourselves, to regulate the spending of our time and not waste it. It's nice to go to the ball game in the afternoon, or to play a game of golf but where one's time is governed by the number of calls that must be made and affected by the law of averages, it just can't be done.

If we are to control our time we must set down some very definite rules or measurements which govern our time and in this connection, one sales expert says that the salesman's average week should be spent something like this:

Study—six hours (at home in the evenings, not during the work day), Office—six hours. Field work, 38 hours, comprised of seven hours per day for five days and three hours on Saturday. That is not a difficult schedule to follow but it is important be-

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cause if it is not followed then there is the possibility of the human element of shirking one's work and that affects the law of averages which is important in results. If this schedule is followed this same expert says that it should produce 70 calls per week, 26 interviews, seven applications and 14 prospects.

The 38 field hours spent in soliciting business must have some definite monetary value so if we establish it on the basis let us say of two cents per minute that means that one week's field hours has a monetary value of

\$57.60, so that the number of applications produced should equal or exceed \$57.60 to maintain one's average. Of course an average is only halfway between something and nothing so that the problem is always to exceed the average and as the salesman becomes more proficient his average is raised higher, then too as his average becomes higher he is able to attain more of the desires of life which he has set down as so necessary to welfare and happiness.

The third law of selling is "the law of presentation." The salesman who

makes a sloppy presentation of his sales talk might just as well make no attempt whatever. Don't serve up your sales talk as you would serve a mulligan stew, serve it as your wife would serve a full course dinner, prepare it carefully, go over your material so that you say what you want to say in the fewest possible words to make it effective. Generally there are four steps to the presentation, the first is "attention." This involves the approach which must be carefully planned and carefully worked out so that you are able to arouse the proper attention and create the proper interest so that you can cross the bridge over that stream of disinterest to the side of "interest," and that is the second step of the sale. Having created interest, then the third step becomes "desire." There is the body of your sales argument and your material should be logically and carefully prepared to arouse desire which ends in the last step or the closing, "action."

I recommend heartily the use of methods of visual selling. The combination of eyes and ears is ten times more effective than either alone. So prepare yourself some type of visual selling material with adequate information and attractive pictures.

I suggest to you, Mr. Salesman, that when you buy your next suit of clothes instead of an extra pair of trousers that you get an extra pair of shoes.

They say that "opportunity knocks but once." I say to you that opportunity knocks as often as you clench your fist and knock on the door.

War Risk Rider

Northwestern National Life of Minneapolis has adopted a new aviation and war risk exclusion rider which will be included in all policies beginning October 6, applied for by men now members of or who contemplate enlistment in the armed forces, R.O. T.C. students, and others between ages 18 and 28 except those in classes III or IV under the Selective Service Act.

Under the new rider, the company's liability is limited to the amount of premiums paid if death occurs within ten years:

1. From any cause while serving outside of the states of the United States and the District of Columbia in the naval, military, or air force of any nation engaged in war, declared or undeclared, or within six months after termination of such service if death results from any wounds, injuries, or disease suffered or commencing while in such service; or

2. As a result of war or any act incident thereto, while serving inside



"Allied Mutual Pays"

More Than a Slogan
—an established fact demonstrated over a thousand times each month.



ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Bldg.

Des Moines, Iowa



Congratulations, Minneapolis

and congratulations also to the
National Association of Life Underwriters
for selecting the Summer Vacation Capital
of the nation as your

1942 Convention City

NORTHWESTERN National LIFE INSURANCE COMPANY

O. J. ARNOLD, President

MINNEAPOLIS, MINNESOTA

In the Land of 10,000 Lakes

★ BUY U. S. ★
★ DEFENSE SAVINGS BONDS ★
★ AND STAMPS ★

Northwestern Banker October 1941

the states of the United States and the District of Columbia, in the naval, military, or air force of any nation engaged in war, declared or undeclared, or within six months after termination of such service; or

3. As a result of service in or about, or travel or flight in, any species of aircraft (except as a result of riding as a fare-paying passenger of a commercial air line flying on a regularly scheduled route between definitely established airports) whether in time of peace or war, whether within or without the United States, and whether or not in naval, military, or air force service.

The rider expires ten years from date of issuance, thus automatically lifting all restrictions on payment of the death benefit at the end of that time.

"In view of the present trend of national affairs, sound underwriting dictates that some form of war clause be made effective at this time," President O. J. Arnold declared in commenting on the company's action. "NwNL's clause has been made as liberal as good practice permits. It has always been my view that life policies should be kept as free as possible from restrictive clauses; that is why the company's new aviation and war risk exclusion rider automatically becomes non-effective after ten years."

Last February the company imposed limitations on the amount of insurance it would issue without a war clause on members of the armed forces of the United States, members of the National Guard, Reserve Officers, and men registered for Selective Service. On certain classifications it would issue no insurance without a war clause. Where insurance was issued the amounts, including insurance previously issued, ranged from \$2,500 to \$5,000. Use of the new rider supersedes this practice. The new rider applies to those aged 18 to 28 in classes I and II under the Selective Service Act.

Several forms of the new aviation and war risk exclusion rider have been prepared with slight differences made necessary because of various state departmental rulings.

CLEVELAND CHATTER

(Continued from page 20)

years ago, and many of them taken at previous meetings. Youthful portraits of veteran members as **Fred Staker**, Commerce Trust Company, Kansas City, **Clifford De Puy**, NORTHWESTERN BANKER publisher, and various other members were both interesting and in some cases mystifying. **Harold Klein**, Iowa-Des Moines National Bank, oc-

MONEY-SAVING

Legal Reserve

Non-Assessable

Standard Policy Forms

When you represent Western Mutual you offer your insurance clients the latest in standard policy contracts at worth-while money-saving rates. In addition, all Western Mutual policies are non-assessable and are backed by full legal reserve.

FIRE AND AUTO POLICIES

A Western Mutual Agency contract offers you every sales advantage including definitely lower cost. Investigate what a Western Mutual contract can accomplish for your agency.

Trained Field Service Men
Always Ready To Serve You

Western Mutual

Fire Insurance Co.

9th and Grand

Des Moines, Iowa



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

cupied a prominent place on this panel in a bathing scene snapshot taken some years ago at Atlantic City. Harold was unable to attend the Cleveland meeting on account of the Iowa Convention, and also the Investment Bankers annual Field Day, held on conflicting dates.

F. A. A. delegates and their wives enjoyed the dance following the meeting of the Cleveland Chapter of the A. I. B. The A. I. B. meeting was addressed by **Rodney P. Lien**, Ohio State Superintendent of Banks, who is well known, particularly in Iowa where he was for years connected with the National Bank of Waterloo.



Fidelity & Surety Bonds

Blanket Bonds

Burglary & Forgery

Insurance



**NATIONAL SURETY
CORPORATION**

VINCENT CULLEN
President

Northwestern Banker October 1941

ALONG THE PACIFIC COAST

(Continued from page 15)

more Hotel on "Rotary and the Rotary International Situation" when we were there. He said that there were now 5,060 Rotary Clubs in the world, and it was the only organization of its kind that was international. He believes that the war will end in the fall of 1943 and that the world is drifting towards the elimination of private property and it is up to business men to see that this trend is changed.

**REFRESH YOURSELF
BY STOPPING AT AN**



Guest rooms fashioned for 1950 - the smartest dining rooms in America - and beautiful lobbies - all air-conditioned for Summer comfort! Dine in the Bombay-Black Mirror Room and the Amber Room Coffee Shop. Relax in the fascinating King Cole Room.

**6 FLOORS OF PERFECTLY
AIR CONDITIONED
GUEST ROOMS**



**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

The Philharmonic Orchestra of Los Angeles is a very fine organization and we heard them on the night they finished their summer season, under their well-known conductor, **Artur Rodzinski**. The Hollywood Bowl series are advertised as "**Symphonies Under the Stars**." And, incidentally, many of the Hollywood "stars" also occupy the boxes at these performances.

Hollywood Bowl seats about 25,000 people and it was dug out of the side of a hill, which makes it a natural amphitheatre. Seats can be secured as low as 50 cents, and there has been a real effort to popularize fine music in this way.

Through the courtesy of **Leo J. O'Flaherty** and **John E. Stewart, Jr.**, of Blythe & Company, Inc., of Los Angeles, we were given a pass to go through the Lockheed Aircraft Corporation at Burbank, California.

This company is now operating on three shifts, working twenty-four hours a day and employing 34,000 employees at the Lockheed plant and 9,000 at the Vega plant, which they also own.

Their slogan is "Look to Lockheed for Leadership," and at least they have demonstrated it in the production of the P-38, which is the fastest plane in the world and attains a speed of over 400 miles per hour. This is an Interceptor-Pursuit plane. It is a heavily armed, exceedingly maneuverable twin-engined, single-seater, whose purpose is to rise swiftly to intercept and shoot down approaching enemy bombers. This formidable fighter is being built both for the United States Army Air Corps and for the R. A. F.

The P-38 is operated by one man, who also in addition to maneuvering the plane, has five machine guns to manipulate. This sounds like a difficult task, but the machine guns are fired by him through the use of keys which are immediately under his steering controls.

The problem which they are facing is one of altitude, as these planes have an altitude of 35,000 feet and as the air is exceedingly light at that height, oxygen tubes and tanks must be arranged for the flyer. It is the belief that in due time they will have regular oxygen chambers built in these planes, so that the pilot can work a thermostat and give him plenty of oxygen, depending upon his altitude.

As we went through the plant—passes to which, by the way, are harder to get than to the movie studios—we noticed mottos in important places, two of which were "**Time is short**"—

(Turn to page 40, please)

The Month's Market Maneuvers



JAMES H. CLARKE

The German war machine gained some speed on the Eastern front in September—member bank reserve requirements were increased to the maximum now permitted—Secretary Morgenthau recom-

mended a return of not more than 6 per cent on capital, the rest to be syphoned off in taxes—but the markets were only moderately lower.

We are writing this Saturday morning, September 27th—there are still two days of trading left this month—but let's look at some of the things which have happened in the past four weeks. When the New York Stock Exchange finished its trading session of August 30th, the Dow-Jones average for industrial stocks stood at 127.70—off about a point and a quarter from the July close. A rally based on more optimistic foreign news carried the average to 129.32 on the 16th—but this soon faded away. Yesterday the market closed at 125.81—a drop of somewhat less than two points for the month.

The volume of trading during the month was moderate. On the 16th, when stocks rallied about two points, trading increased and 980,000 shares were bought and sold—on the 25th when the market broke over a point, following Morgenthau's tax recommendations, 1,170,000 shares traded—the high for the month. But these were exceptions in a month characterized by dullness. Strangely enough, foreign markets act better than our own. Industrial stocks on the London Exchange are now within striking distance of the levels which prevailed before the outbreak of war. No lack of confidence indicated there.

But even more strange, perhaps—German economic authorities have had to adapt restrictive measures to prevent both stock and bond prices from rising to levels considered too high. Buyers there must register all purchases, banks no longer may grant loans for buying securities, and corporations have been "advised" to invest more of their liquid assets in reich treasury bonds.

The government market was lower

**Prepared for
The Northwestern Banker**

By James H. Clarke

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

in September—no great change, just some easing off. There was some fear, of course, of what a raise in reserve requirements would do—but when the announcement came, it had been fully discounted. On August 30th, the long 2½'s of 1965 were quoted at 111.18 on the bid side—this morning they are 111.5—the 2's of 1947 were 106.4 are now 105.28—and so forth. Not much change. Municipal bonds remained firm as did the better-grade corporates, but some weakness appeared in second-grade bonds—especially rails.

The Dow-Jones daily average of ten second-grade rail issues is now hovering around its 1941 low. This despite the fact that rail earnings are vastly improved—in many cases the increases are phenomenal—and the rails will not be greatly affected by the new taxes. But on the other side, there is the wage controversy which has resulted in a strike vote by the rail unions. Wage increases demanded by the unions would add \$900,000,000 to the roads' annual payrolls—a sizable amount. This amount would pay the wages of a standing army of three and a half million men at \$21 per month—and would almost equal the entire value of all the wheat and cotton combined raised in the year of 1939. (The latest for which figures are available.) The unions do not expect to be granted all of this—but one-third the amount probably will be allowed. And in view of the fact that last year's total net earnings of all roads was \$191,000,000—70 per cent of which was earned by only four railroads—one-third increase will hurt.

No new government financing appeared in September—some is expected, however, in October. The large sales of U. S. Tax Notes in August, plus the sizable income tax payments on the 15th of September, have placed the Treasury's working balance in a comfortable position. It is possible,

however, that Secretary Morgenthau will anticipate the Notes which mature in December by some October financing—also presents a good opportunity to raise new money if necessary. The daily statements of the Treasury show ever-increasing amounts being expended for National Defense—the ball is rolling now, and by the first of 1942 will be really under way.

The only corporate offering of real size in the past four weeks was \$14,737,000 St. Paul Union Depot First 3½'s of 1971, priced at 102%. There is a bid slightly above that now, so the deal apparently was distributed satisfactorily. In last month's article, we mentioned the Wisconsin Power and Light 3¼'s due in 1971, which were about to be offered. These reached the market late in August—were priced at 106%, and the reception was not enthusiastic. The current bid is about 105½.

There are a number of deals on the fire now, but offering dates are uncertain. There is the \$90,000,000 of American Telephone and Telegraph 2¾'s of 1976, \$38,000,000 of Central Illinois Public Service 1st Mortgage Bonds due in 1971 and \$9,000,000 of Notes due serially to 1951, \$45,000,000 of Florida Power and Light First Mortgage Bonds—to mention a few.

It is expected that new bond offerings will be at prices closely approximating those of issues outstanding—no bargains so long as this firmness continues. The bond market has given a good account of itself in the face of an increase in reserve requirements and threats of further measures, despite the President's "shoot first" order to the Navy and reverses for Russia.

The most important news in September and in all months now is production for National Defense. We are getting our first bits of news now of shutdowns caused by lack of materials and priorities—with unemployment resulting in such industries. The changeovers to war productions will produce many uncertainties which will have a direct bearing on corporate earnings. And taxes will take a heavy toll. Small wonder that the stock market is so cautious in the face of a firm bond market—fed by a plethora of funds seeking investment.

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Central States Election

The Central States Group of the Investment Bankers Association of America at its annual meeting in Chicago elected John S. Loomis, president of the Illinois Company of Chicago, as its chairman for the next association year, which means he will take office at the close of the national I.B.A. convention in December. D. Dean McCormick, Chicago manager of Alex. Brown & Sons, was elected vice chairman, and John E. Blunt, 3d, vice president of Lee Higginson Corporation, Chicago, was named secretary-treasurer.

New members elected for three-year terms on the Group executive commit-

tee were: Carl J. Easterberg, Riter & Co., Chicago; Ludlow F. North, the Wisconsin Company, Milwaukee; Plummer P. Purdham, Burns, Potter & Company, Omaha; and Hempstead Washburne, Chicago representative of the Mercantile-Commerce Bank and Trust Company of St. Louis.

Nathan D. McClure, Chicago vice president of Harriman Ripley & Company, will be an ex-officio member of the committee as the retiring chairman of the Group.

Morris Plan Meeting

Richard H. Stout, president of the Morris Plan Bankers Association, an-

nounced that Joseph E. Birnie, president of the Morris Plan Bank of Georgia has been named general chairman for the twenty-second annual convention of that association. Mr. Birnie was for some years the association's executive secretary.

This year the convention will be held at Sea Island, Georgia, on November 3, 4 and 5, and a record-breaking attendance is expected.

President Stout also announced the appointment of the following committee chairmen:

Auditing, Henry S. Keith, Brockton, Massachusetts; credentials, L. R. Murray, Cedar Rapids, Iowa; entertainment, Royden C. Bryan, Wilmington, Delaware; exhibits and displays, Fred R. Waldron, Terre Haute, Indiana; golf, Frank J. Braun, Springfield, Ohio; news and publicity, Raymond W. Hartley, Providence, Rhode Island; ladies' entertainment, Mrs. Emsley A. Laney, Wilmington, North Carolina; nominations, Harry E. Small, Cleveland, Ohio; program, Burton E. Forster, Knoxville, Tennessee; registrations, R. L. Hosea, Fort Worth, Texas; resolutions, Ray Wise, Dayton, Ohio; sectional associations, Frank J. Kenney, Waterbury, Connecticut.

Approve Merger

At a special meeting of the stockholders of Manufacturers Trust Company, New York, approval was given for the merger agreement providing for the merger of the Mortgage Corporation of New York into Manufacturers Trust Company.

The stockholders also authorized an amendment to the certificate of incorporation increasing the authorized capital stock of the company from \$47,606,180 to \$48,116,180 so as to create 15,000 additional shares of the convertible preferred stock for issuance to the stockholders of the Mortgage Corporation of New York pursuant to the merger agreement, and to create 10,500 shares of common capital stock required to be reserved against conversion of such additional shares of convertible preferred stock, such amendment to be executed and filed upon the merger becoming effective.

Auditors in Chicago

The seventeenth annual convention of the National Association of Bank Auditors and Comptrollers, scheduled to be held October 8 to 11 inclusive, at Chicago's famous Palmer House, will be of historic significance. It was in Chicago that the association was founded in the year 1924. In the short span of time elapsed since its founding the group has grown to 50 confer-



The INTERSTATE FINANCE CORPORATION of Dubuque, Iowa

DURING the current fiscal year this seventeen-year-old Iowa owned and operated corporation will handle more than \$12,000,000 in wholesale and retail automobile transactions.

Interstate offers financing with rates as low as \$3 per \$100 per year. Our plan protects purchasers of new cars and late model used cars with nationwide travel services including all the principal benefits of Motor Club membership.

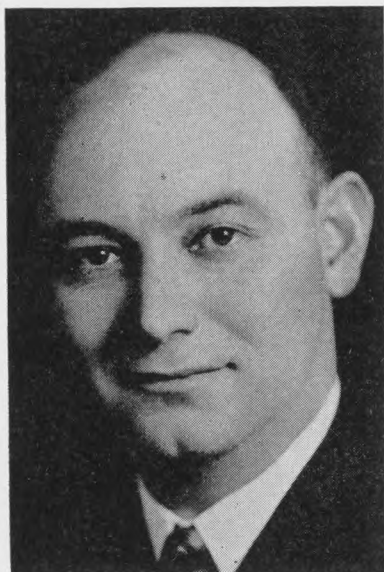
One standard form of note is issued by Interstate Finance Corporation to cover all short term obligations. This obligation is held by leading banks and institutions, and is offered in convenient maturities and denominations at current discount rates.

Prompt reply and complete information to all inquiries. Address your request to . . .

**INTERSTATE
FINANCE CORPORATION**
HOME OFFICE DUBUQUE, IOWA

ences located in the principal centers of the nation. The most recently organized conference is located at Manila, Philippine Islands.

The official staff is headed by National President Charles Z. Meyer, Comptroller of The First National



C. L. MEYER
President

Bank of Chicago, under whose able leadership the association has made noteworthy progress. Other officers are: First Vice President C. W. Borton, Assistant Vice President, Irving Trust Company, New York, New York;



C. EDGAR JOHNSON
Convention Chairman

Second Vice President, Ottmar A. Wal-
dow, Comptroller, National Bank of
Detroit, Detroit, Michigan; Secretary,
Hugh E. Powers, Cashier, Lincoln
Bank & Trust Company, Louisville,

Kentucky; Treasurer, John C. Shea,
Auditor, Whitney National Bank, New
Orleans, Louisiana. The Managing
Editor of its official publication *The
National Auditgram* is D. R. Cochard,
who is also in charge of the national
headquarters at Cleveland, Ohio.

The program planned for the four
day meeting will afford opportunities
to discuss current bank problems aris-
ing out of ever-changing economic con-
ditions, laws and regulations. Person-
nel problems caused by the national
emergency and other legislation will
be included. Speakers at the general
sessions include men of prominence in
banking, commerce and accounting

fields. The featured speaker at the an-
nual banquet will be Dr. Paul F. Cad-
man, economist, the American Bank-
ers Association.

According to C. Edgar Johnson, as-
sistant vice president of The First Na-
tional Bank of Chicago and General
Convention Chairman, an attendance
of over 500 auditors, comptrollers and
other operating bank men represent-
ing every state in the Union, are ex-
pected to register for this meeting.

In addition to the outstanding pro-
gram, a unique feature of the conven-
tion will be an educational display of
equipment, forms and services pre-
sented by leading manufacturers.

GOOD FARMERS ARE A . . .

Good investment



SINCE ORGANIZATION eighteen years ago the twelve Federal inter-
mediate credit banks have supplied good farmers with nearly
five and one-quarter billion dollars in credit to carry on their current
operations. In thus bringing together desirable credit needs, these
banks counterbalance loans to—cotton and tobacco growers in the
south, dairymen in the northeast, cattle and lamb feeders in the
mid-west, fruit raisers and range owners in the far west, and for
other essential agricultural purposes the country over.

Capital to finance this accommodation is obtained through the sale
of consolidated debentures, which are the joint and several obliga-
tion of the twelve banks. The reliable record of good farmers and
inherent strength of the issuing institutions have been important
factors in establishing the debentures on a sound investment basis.

THE FEDERAL INTERMEDIATE CREDIT BANKS

SPRINGFIELD, MASS.
BALTIMORE, MD.
COLUMBIA, S. C.

LOUISVILLE, KY.
NEW ORLEANS, LA.
ST. LOUIS, MO.

ST. PAUL, MINN.
OMAHA, NEB.
WICHITA, KAN.

HOUSTON, TEX.
BERKELEY, CAL.
SPOKANE, WASH.

Further information regarding the Debentures may be obtained from

CHARLES R. DUNN, *Fiscal Agent*

31 Nassau Street, New York, N. Y.

Northwestern Banker October 1941

Invitations Issued

Invitations to attend the twelfth Mid-Continent Trust Conference of the Trust Division of the American Bankers Association to be held in St. Louis at the Statler Hotel, November 6 and 7, have been sent to members in the conference district by Carl W. Fenninger, president of the Trust Division, who is vice president of the Provident Trust Company, Philadelphia.

This year's conference is expected to attract more than usual interest because it will commemorate the forty-fifth anniversary of the Trust Division,

which was organized in St. Louis in 1896.

The Corporate Fiduciaries Association of St. Louis and the St. Louis Clearing House Association will act as hosts to this conference. David R. Calhoun, Jr., vice president, St. Louis Union Trust Company, is chairman of the committee on arrangements.

Heads De Luxe Check

G. W. McSweeney, for the last ten years associated with De Luxe Check Printers, Inc., as general sales manager, was named president of the or-

ganization at a recent meeting held in St. Paul. He succeeds W. R. Hotchkiss, who now becomes chairman of the board of directors.

George L. Mitchell, who has been executive vice president of De Luxe, continues in that office. T. C. Hotchkiss has been promoted to vice president in charge of production, and C. C. Dean who has been in charge of the Chicago office, now becomes vice president in charge of lithography.

Seventh Annual Outing

The Iowa Investment Bankers Association had their Seventh Annual Outing at Wakonda Country Club in Des Moines last month and over 198 registered for this delightful gathering.

In the afternoon golf was played by those who desired to do so, and in the evening there was a banquet where "no speeches" were made, but where golf prizes and attendance prizes were given to those at the meeting.

Robert McCrary, of Murdoch, Dearth and White of Des Moines, shot a low gross of 75 in the tournament.

The Blind Bogey, between 86 and 96, was won by Kenneth Hinkel, also of Des Moines, with a 95.

ALONG THE PACIFIC COAST

(Continued from page 36)

"It takes 'put out' to get 'output.' How about yours?"

The company is now hiring 175 to 200 men per day, according to Bert W. Holloway, publicity director of the Lockheed Aircraft Corporation. At the present time the Lockheed Company has a back log of orders amounting to \$382,000,000 and Vega has orders on hand of \$115,000,000.

These two plants on January 1, 1940, employed 7,900 people, and now employ 43,000, and this will be increased very shortly to a total of 50,000 for both plants.

We asked Mr. Holloway about sabotage and he said that the man in charge of their own police force was the former head of the Federal Bureau of Investigation for Southern California and that they had an expert system of guards, as well as private detectives all through the plant, who operated as workmen. He said they had had very little trouble so far and that before anyone was employed their entire history and family background was checked in every detail.

When the war is over it is their plan to manufacture planes costing from \$1,000 to \$2,500 and thus reach what they believe will be an increased demand for commercial planes at a minimum investment.

FHA TITLE II LOANS

■ ■ ■

Iowa Banks Welcomed
As Originating Brokers

■ ■ ■

Insured Loans Purchased
At Prevailing Premium

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BONDS

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100 West Monroe Street, Chicago

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Representatives:	Waterloo	Des Moines	Cedar Rapids

The Hudson Bomber, of which more than a thousand have been delivered to Britain, are now flying the Atlantic in steadily increasing numbers, and the first of these fighters came off the line in January, 1939. If the war is to be won with planes, certainly here is a factory which is making a definite contribution in that respect.

It was not until after "**Tobacco Road**" had been running three years on Broadway that we decided to see what it was all about, and so now "**The Drunkard**," which is in its ninth year, we decided must have some merit, so we enjoyed an evening at the Theatre Mart in Los Angeles where this play is currently running. This, by the way, is the longest run of any play in all the history of the American theatre.

"**The Drunkard**" or "**The Fallen Saved**" had its initial curtain in 1843 in New York City under the management of **P. T. Barnum** of circus fame. The play was then taken quite seriously and ran for over a year. It was repeated at intervals for about seven years in New York, Boston, Philadelphia and other cities.

Impressed with the possibilities of the script for modern audiences, **Galt Bell**, after considerable research, decided to revive not only the play itself but the entire music hall atmosphere, including the olio. On July 6, 1933, "**The Drunkard**" made its initial Hollywood bow.

In **San Francisco** a taxicab driver will never charge you more than \$1.00 to take you anywhere in the city, no matter what the distance is; and in **Los Angeles** they will take you anywhere for \$1.50.

In **Los Angeles** there are about **150 Owl Drug Stores**, and this chain employs approximately 1,400 people. When we were there, these stores were being picketed all over town, and when we inquired as to the cause of the strike, we found that originally 16 employes had struck, that 12 of them had gone back to work, leaving only 4 on strike, but the Union was picketing each store with two or more pickets. Thus, at least 300 pickets were parading in front of 150 stores, from which only 4 employes were on strike.

It is a city ordinance in **Los Angeles** that if an apartment has a kitchen, it has to have a garage.

The most popular song on the Pacific coast now is entitled "**She Was Once a Soldier's Sweetheart, But Now She's Just an Officer's Mess.**"

Another place where they are working night and day is **Terminal Island**, near **Long Beach** and across from **San Pedro**. Here the **Bethlehem Shipbuilding Company** and the **California Shipbuilding Corporation** are feverishly working 24 hours a day to create the "bridge of ships" which will help carry food and munitions to England.

Leo E. Stevens and **Mrs. Stevens**, who live in Pasadena, very courteously chauffeured us around that beautiful city while we were there.

Leo was formerly vice president of the Iowa Loan and Trust Company of Des Moines, and is a past president of the Iowa Bankers Association. He

is now associated with the Reconstruction Finance Corporation in Los Angeles, and has been in California for the past 15 years.

While in Pasadena we also had a very delightful visit with **W. O. Reed**, who is frequently taken for **Jesse Jones**, and **Mrs. Reed**. Mr. Reed was formerly deputy superintendent of banks of Iowa, and more recently was associated with the Reconstruction Finance Corporation in Washington, D. C., but he is now retired and devotes his time to playing golf and having fun. Mr. Reed is an uncle of **Henry H. Haynes**, editor of the **NORTHWESTERN BANKER**.

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.

GENERAL MOTORS INSTALMENT PLAN

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

EXECUTIVE OFFICE
NEW YORK

BRANCHES
IN PRINCIPAL CITIES

We visited the **Rose Bowl in Pasadena**, which is the scene each year of the East-West football championship game which is played on New Year's Day. The Rose Bowl has a capacity of 90,000, and at the Stanford-Nebraska football game, played last New Year's Day, the game grossed \$333,000, of which Pasadena's share was \$71,000. The Rose Bowl is within \$56,000 of being free and clear of all indebtedness.

The most famous bridge in Pasadena is the **Colorado Street Bridge**, better known as "**Suicide Bridge**," as over 100 people committed suicide by jumping off of this bridge before a high wire fence was constructed which now pre-

vents them from ending their lives in this beautiful city. Why anyone would want to commit suicide after reaching Pasadena is hard to understand.

The **Santa Anita Park** is located on the old Lucky Baldwin estate near Pasadena, and it is one of the finest racing courses in the country. In excess of \$2,000,000 has been spent in building this fine racing course with its beautiful buildings and paddocks.

The racing season opens late in December, and continues with the exception of Sundays and Mondays, until March. During the season over \$1,000,000 is frequently bet on the races, and stock in the corporation pays from

50 to 100 per cent per year. This is somewhat better than government bonds on the present market.

In the Pasadena Guide of where to go and what to see, the **Forest Lawn Cemetery** is not mentioned, although this is one of the most beautiful cemeteries in the United States.

Perhaps the Chamber of Commerce wants all prospective Californians to think that they live forever in Pasadena.

One of the most famous statues in this beautiful cemetery is one of **David** by Michelangelo Buonarroti, and is a reproduction made by this famous sculptor when he was 26 years of age.

The entire statue is made out of a single block of marble, and weighs ten tons. The statue itself is 16 feet and 9 inches tall.

Another famous piece of statuary in the Forest Lawn Cemetery in Pasadena is "**The Mystery of Life**" by Professor **Ernesto Gazzeri**.

While Forest Lawn Cemetery in Pasadena may be the most beautiful in all California, probably the most famous cemetery is on the top of the well-known **Signal Hill in Long Beach**.

When oil was discovered in this territory, oil wells were dug all around the Signal Hill Cemetery, and in order not to disturb the peaceful slumbers of the dead, pipes were put down below the graves and then are drilled in at an angle, or, in the language of the oil companies, they were "**whip stocked**." In plumbing language, this would probably be called an elbow. All of the relatives of people who are now buried in the cemetery on **Signal Hill** receive royalties from the oil which is taken out from underneath the graves of their deceased.

The **North American Aviation Corporation**, where the government "took over" with their troops, is now working at full capacity, and not far from this plant the **Douglas Aircraft Corporation** is building what is known as the **blackout plant**.

This plant is built of solid concrete, with walls six feet thick, is painted entirely black, has no windows, will be air-conditioned and will have the latest lighting equipment. An airplane looking down upon this plant would imagine that it was a plot of ploughed ground. The plant is not yet ready for manufacturing, but will be very shortly, and is considered the "last word" in a modern airplane factory, and is supposed to be **bomb proof**.



"If We Should Call the Roll"

A roll call of the many banks whom we serve as correspondent in Sioux City would reveal a list of "Blue Blood" banks unsurpassed in the four states we serve. Particularly, would it disclose many banks whose origin dates back several decades. For the Live Stock National Bank has served the Sioux City market area almost half a century and has grown up right along with many of the banks it serves.

Let us share with you our years of correspondent bank experience in Sioux City.

OFFICERS

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

DIRECTORS

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

"The Bank at the Yards"

Member Federal Deposit Insurance Corporation

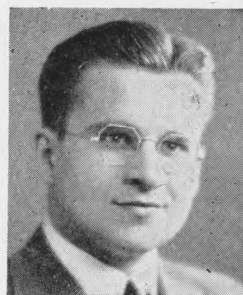
LIVESTOCK NATIONAL BANK

SIoux CITY, IOWA



L. T. MORRIS
President
Watertown

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Study Group to Meet

The Southeastern South Dakota Study Group of the American Institute of Banking will meet every other Thursday evening at eight o'clock during the year. The first meeting took place October 2 in the directors' room of the American State Bank of Yankton.

Philip Pier of the American State Bank has been elected president of the group to succeed Russell B. Knudsen, also of the American State. Maurice Klatt of the First Dakota National Bank of Yankton was chosen secretary-treasurer. Members of the board of governors were elected as follows: John N. Thompson, Bank of Centerville; A. E. Diefendorf, Security State Bank of Irene; L. C. Olson, Security State Bank, Gayville; and R. B. Stevens, Citizens Bank, Vermillion.

Commercial Law was chosen as the course of study for the term, and Frank Biegelmeier, Yankton attorney, is the instructor.

Former Banker Dies

Frank Kuhn, 58, statistician for the federal government the last four years and former banker at Hebron and Eureka, South Dakota, died at Bismarck, North Dakota, recently.

Improvements to Be Made

Improvements which will entail a complete remodernization program for all its banking facilities were started recently at the National Bank of South Dakota in Sioux Falls under supervision of Harold Spitznagel, architect, and the Henry Carlson Company, general contractors.

An approximate \$15,000 will be spent on the project, Tom S. Harkison, vice president, said.

Designed to equip the bank to handle a much larger business than before and to offer customers an even more complete service, the program will cover an eight week period.

Business will continue at the bank without interruption during the en-

tire two months of remodernization, Mr. Harkison said.

The improvements are to include an air conditioning system, new furniture, fixtures and lighting.

All commercial cages and bookkeeping facilities are to be moved to the north side in order to enlarge the officers' section. The walls and ceiling on the north side under the balcony are being accoustically treated.

Fluorescent lighting is to be used throughout and rift sawn oak fixtures will be employed.

Accepts Position

Susan Bjorklund, of Deadwood, has accepted a position with the White-wood Banking Company at White-wood, in the clerical department. P. W. Crowlie is receiver.

Association Meets

About 50 representatives from banks in Clark, Codington, Hamlin and Deuel counties attended a meeting of the Eastern South Dakota Regional Clearing House Association at the Country Club in Watertown last month.

The meeting opened with a dinner at 7 o'clock and a discussion of the new consumers credit regulations. L. T. Morris, president of the South Dakota Bankers' Association; Tom Harkinson, president of the National bank of South Dakota at Sioux Falls; and Dick DePue, Brookings, chairman of the agricultural committee of the Bankers' association were leaders in the discussion.

Presiding at the meeting was S. B. Crothers, retiring president of the association. The group was entertained by the Farmers and Merchants Bank of Watertown.

New officers elected for the 1941-42 term are: A. J. Boeder, First National Bank of Estelline, president; G. O. Haugen, Citizens State Bank at Garden City, vice president; John Holen, First Citizens Bank of Watertown, secretary.

A. I. B. Meeting

The Sioux Falls Chapter of the American Institute of Banking held its annual commencement banquet in Sioux Falls last month.

Tom Harkison, vice president of the National Bank of South Dakota of Sioux Falls, and Oliver A. Bray, assistant cashier of the Northwest Security National Bank of Sioux Falls, presented graduate certificates to the following five members of the chapter: Ben F. Borgers, Orson Geegh, Eugene Hobbs, Christina Mueller and G. Oliver Nordby.

Celebrate 50th Anniversary

Fifty years of continuous banking service to Yankton and surrounding territory was rounded out last month by one of the community's pioneer institutions, the American State Bank, and although no special observance was given the occasion locally, several of its correspondent banks in Chicago remembered the anniversary event and sent large baskets of flowers.

Present officers and employees are: M. P. Ohlman, president; James M. Lloyd, vice president; Harold E. Edmunds, cashier; H. C. Nyberg and Russell B. Knudsen, assistant cashiers; O. D. Hansen, Philip Pier, Roy J. Jorgensen, Bob Ferdinand and Tom Diefendorf.

Obtains State Charter

The state banking department recently announced that the old Onida National Bank has started operations under a state instead of federal charter and is known as the Onida Bank with no change in capital structure or personnel.

The bank became the third this year to switch to state regulation, a step some bankers report is attractive because state-chartered banks are permitted to charge exchange on checks. Banks at Arlington and Wilmot changed over in January.

Banking Commission Meets

Two meetings were called recently by Erling Haugo, superintendent of banks. The banking commission met for the purpose of establishing uniform systems of operation for branch offices. George A. Starring, secretary of the South Dakota Bankers' Association and a commissioner representing state banks having branch offices, also met with the commissioner.

As a result of this meeting, new rules and regulations pertaining to the operation of branch offices have been promulgated. A branch office is authorized under the code to function without capital where parent banks

Statement of Condition

THE FIRST NATIONAL BANK OF SAINT PAUL

as of
September 24, 1941

RESOURCES

Cash on Hand and Due from Banks	\$69,059,020.03
U. S. Government Securities	30,006,044.61
Bonds and Securities	4,176,929.12
Loans and Discounts	69,071,166.68
Interest Earned but not Collected	417,704.17
Customers' Liability on Account of Acceptances, Letters of Credit and Foreign Bills	35,775.23
Stock in Federal Reserve Bank	360,000.00
Bank and Office Building	3,000,000.00
	\$176,126,639.84

LIABILITIES

Capital Stock	\$6,000,000.00
Surplus	6,000,000.00
Undivided Profits	1,608,846.49
Unallocated Reserves for Losses	1,044,909.02
Reserve for Accrued Taxes, Interest and Expenses	574,260.88
Reserve of Manufacturers and Others on Notes purchased from them	705,085.21
Discount Collected but not Earned	108,968.98
Acceptances, Letters of Credit and Foreign Bills	35,775.23
Deposits	160,048,794.03
	\$176,126,639.84

United States Government obligations and other securities carried at \$18,898,130.47 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

RICHARD C. LILLY, *President*

FREDERIC R. BIGELOW, *Chairman, Board of Directors*

Member Federal Deposit Insurance Corporation

AFFILIATED WITH FIRST BANK STOCK CORPORATION

have sufficient capital and are working well within the ratio of deposits to capital and surplus.

Haugo also had the state examiners in for a meeting to discuss classification of loans, appraisal of assets and various phases of banking.

Community Chest Treasurer

W. E. Stevens, president of the National Bank of South Dakota of Sioux Falls, at the request of the executive committee of the Community Chest, has accepted the position of treasurer for the approaching campaign. All funds received during the campaign, after being audited, will be placed in his custody daily following report luncheons. At the close of the campaign, funds are assigned to a permanent account and with other funds collected during the year from subscriptions made during the campaign, are checked out monthly to the 11 agencies according to their respective allotments.

Prominent Banker Dies

Funeral services were held in the Bethesda Lutheran Church in Bristol recently for Albert Edward Lundeen, 61, president of First National Bank there and prominent in civic affairs who died as a victim of encephalitis.

Night Depository Installed

Construction of the new overnight safety depository at the Farmers and Merchants Bank in Watertown is now completed.

The safety deposit, designed as a convenience to customers of Watertown banks, will permit the placing of day's receipts in the bank following regular banking hours.

It was explained that the service will be available to customers of both the Farmers and Merchants Bank and the First Citizens Bank.

The Line Is Dizzy

With infinite patience the lawyer had tried to call a client on the 'phone. Five times he had heard the busy signal, but now at the sixth attempt he got through. He heard the burr-r of the telephone ringing at the other end. A coldly detached voice answered after a slight delay.

"Hello!" said the lawyer, eagerly, "Is Mr. Toploft there?"

"Yes," came the reply. "Did you wish to speak to him?"

That was the breaking point.

"Not at all, not at all," answered the lawyer politely. "I'm just calling up to hand him a cigarette."



O. G. JONES
President
Red Wing

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Invited to Parley

S. M. Waters, Minneapolis, former head of the Mortgage Bankers Association of America, was appointed to represent the association, with its president, Dean Hill of Buffalo, at the conference of farm mortgage lenders, insurance company executives, national farm leaders and government officials, held September 26th in Washington.

The meeting was called by A. G. Black, governor of the Farm Credit Administration.

Bank Remodeled

The lobby, fixtures and equipment of the Farmers and Merchants State Bank of Blooming Prairie have been remodeled and improved. The 25 year old building housing the bank thus has undergone the first major improvement since its construction.

Elected to Office

Directors of the First National Bank, Crookston, Minnesota, recently elected E. W. Spring, one of their number, a director since 1932, to the vice presidency vacated by the recent death of S. A. Wallace, whose place on the board has not been filled. Mr. Spring, local merchant, is a brother of W. W. Spring, vice president, Northern National Bank, Duluth. The directors also adopted a resolution expressing their deep regret at the loss of Mr. Wallace.

Increase Capital Stock

Stockholders of the First State Bank of Floodwood, at a special meeting last month, voted to amend the by-laws for an increase in the capital stock from \$20,000 to \$25,000.

P. H. Christenson is president of the bank, S. B. Ruohoniemi, cashier, and Carl V. Lind and Miss S. M. Swen, assistant cashier. Dr. J. D. Van Valkenburg retired from the board of directors. Present directors are Mrs. Christenson, Mr. Ruohoniemi and Chris Nielsen.

Banks Sponsor 4-H Work

Six hundred and forty 4-H Club members and 50 4-H senior leaders are very grateful to the following banks in Dakota county for their contribution toward the 4-H achievement banquet, which is given to all 4-H members who complete their projects and to senior leaders who have worked with these club members during the year.

Each of the banks listed below gave \$10 toward this banquet, which was held in Lakeville high school on Saturday, September 20th.

Francis Poepel, cashier of the Vermillion State Bank, is secretary-treasurer of the Dakota County Bankers Association, and he reported to the county extension office that a sum of \$100 had been donated by the Hastings National Bank, First National Bank of Hastings, Stockyards National Bank of South St. Paul, Drovers Exchange State Bank of South St. Paul, West St. Paul State Bank, First State Bank of Rosemount, First National Bank of Lakeville, First State Bank of Castle Rock, First National Bank of Farmington and the Vermillion State Bank.

F. R. Schlichting of the Drovers Ex-

change State Bank in South St. Paul is president of the association.

Goes to Mankato

Harry M. Machenzie, for five years cashier of the Minnesota National Bank in East Grand Forks, left there near the end of September to become vice president of the First National Bank of Mankato.

An affiliate of the First Bank Stock Corporation as is the Minnesota National here, the Mankato bank lists resources of \$350,000,000.

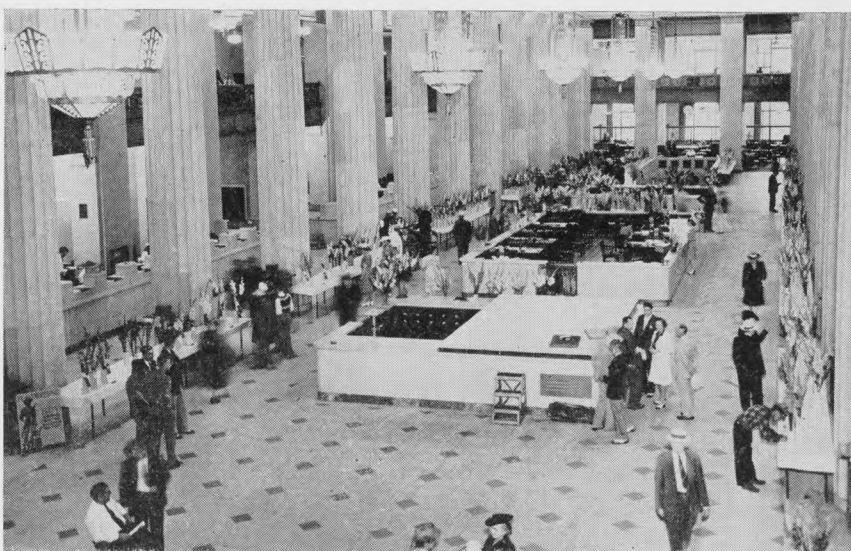
Mackenzie will be replaced in East Grand Forks by Lee Everett of the National Bank of Jamestown.

Gladiolus Show

More than 5,000 prize gladiolus blooms were exhibited in the main lobby of the Northwestern National Bank and Trust Company in Minneapolis for two days recently as the Minnesota Gladiolus Society in co-operation with the Minnesota State Horticultural Society staged its twelfth annual show.

The gladiolus show was one of a number of flower shows presented in the main banking lobby of the "Northwestern" this year. Through these shows thousands of people visit the bank each year. During the shows, which usually continue for two days, the bank remains open for visitors until 9 p. m.

A feature of this year's gladiolus exhibit was a tribute to the promotional skill of Guy E. Masters, vice president and cashier of the Northwestern, who succeeded in combining the flower show with a special golf exhibition by Patty Berg on the opening day of the show.



A view of the lobby of the Northwestern National Bank with the gladiolus show in full swing

Patty appeared before Northwestern employees and show visitors as a special feature of the Thomas E. Wilson & Co. twenty-fifth anniversary. In turn the Minnesota Gladiolus Society honored Miss Berg by naming one prize gladiolus after the champion golfer and another for Thomas E. Wilson, head of the company which is a leading packing and sporting goods firm. Both blooms were grown by Arthur Koerner of Newport, Minnesota.

Fiftieth Anniversary

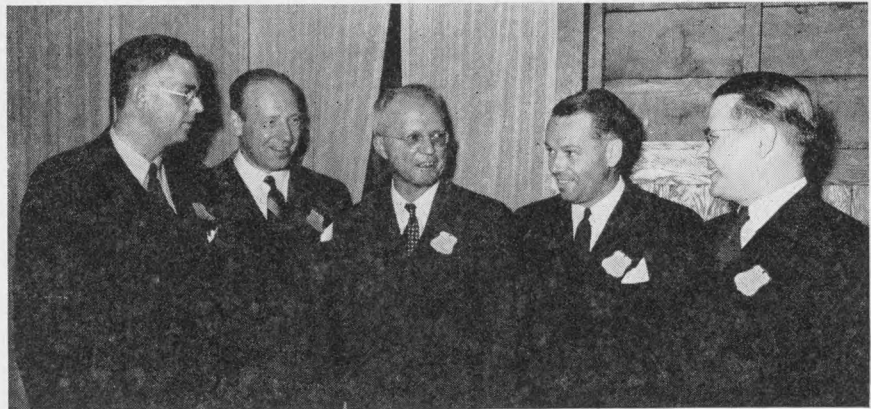
Last month the First National Bank of Marshall celebrated its 50th anniversary, marking an important milestone in the progress of the northwest.

The present bank officers are as follows: John M. Shrader, president; Hugo H. Gieseke, vice president; Kenneth E. Sheffield, cashier; Ira M. Evans and Carl D. Peterson, assistant cashiers, and H. W. Addison, Dr. B. C. Ford, H. H. Gieseke, E. V. Molle and J. M. Shrader, directors.

Banker Travels

C. O. Strom, cashier of the First National Bank of Le Roy, has been doing a little traveling this summer. In his travels Mr. Strom went to Mexico, California, Washington, Oregon and Yellowstone National Park, and he has just returned from an interesting and successful fishing trip to the Lake of the Woods.

Regional Roundup in Rochester of A. I. B.



A very successful meeting was held in Rochester, Minnesota, recently of American Institute of Banking members and their friends among whom some of the most prominent in attendance were, from left to right: **Roy O. Overmann**, chairman A. I. B. Educational Committee Minnesota Bankers Association; **George T. Newell** of New York, national president, A. I. B.; **O. G. Jones**, Red Wing, president Minnesota Bankers Association; **D. Wesley Correll** of Milwaukee, national executive councilman; and **S. T. Kryzsko** of Winona, associate councilman for Southern Minnesota.

THERE is a definite need at this time, according to George T. Newell, president of the American Institute of Banking and vice president of the Manufacturers Trust Company of New York, for better trained banking employees.

Mr. Newell made this statement in addressing the A. I. B. Regional Roundup at a meeting held in Rochester, Minnesota, in cooperation with the Olmsted County and Winona Chapters, who acted as co-sponsors.

Mr. Newell pointed out that the American Institute of Banking is now in its 41st year and has a total membership of over 69,000.

"Our task," he said, "is to help prevent the destruction of the free enterprise system which some individuals are determined to destroy."

"The A. I. B. represents opportunities for bank employees to better themselves in economics, law, accounting and public relations."

"Banking is an accumulative endeavor and education is a journey that cannot be taken in a given time, also education has always moved forward through all the ages in spite of wars and depressions."

The meeting, which consisted of a banquet at the Rochester Country Club, was attended by 188 bankers and their wives.

S. J. Kryzsko, assistant cashier of the Winona National and Savings Bank of Winona, and associate councilman for southern Minnesota, acted as presiding officer and proved himself most capable in this capacity as well as an excellent story-teller.

A welcome to the bankers present was given by Herbert Halverson, president of the Union National Bank of Rochester, and president of the Olmsted County Chapter. A response was made by B. F. Perkins, president of the First National Bank of Winona, and president of the Winona Chapter.

Greetings from the Minnesota Bankers Association were extended by Roy

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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.

JAMIESON & COMPANY

Stocks & Cotton
Bonds & Butter
Grain & Eggs
Commodity Brokers

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New York Stock Exchange
and Other Principal Exchanges

ST. PAUL — MINNEAPOLIS

Government — Municipal
Corporation Bonds

CHARLES C. RIEGER

Manager
Bond Department
Minneapolis — Atlantic 8235



In Minneapolis **It's THE FIRST**

Since 1864, when Minneapolis was just a sprawling town on the banks of the Mississippi, the First National has done what a good bank can do to further the development of its community and the territory which it serves. Bankers elsewhere with business to transact in Minneapolis have learned to depend on the experience and service that distinguish the First National.

FIRST NATIONAL BANK and TRUST COMPANY OF MINNEAPOLIS

Member Federal Deposit Insurance Corporation

Department of Banks and Bankers

M. O. Grangaard • C. B. Brombach • W. A. Volkmann • J. J. Maloney
Vice President Vice President Assistant Cashier Assistant Cashier

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

Affiliated with FIRST BANK STOCK CORPORATION

Northwestern Banker October 1941

O. Overmann, chairman of the A. I. B. educational committee.

D. Wesley Correll, national executive councilman, and assistant cashier of the First Wisconsin National Bank of Milwaukee, gave some interesting introductory remarks and then intro-

duced the guest speaker of the evening, Mr. Newell.

Mr. Correll said, "Industrialists have learned long ago that success depends upon improving their own workers and associates. Bankers through the A. I. B. are also helping to improve

their bank clerks and officers. Banking has become streamlined and bankers must become streamlined themselves if they are to succeed. The A. I. B. can help to accomplish this purpose."

Following the speaking program dancing and bridge were enjoyed by the guests.

M. M. Hayden, president, First National Bank of Rochester, Minnesota, started his business career with Harger & Blish in Des Moines many years ago, when this firm was one of the biggest distributors of ediphone machines and equipment in the middle west.

Ora G. Jones, Jr., assistant cashier of the Goodhue County National Bank of Red Wing, Minnesota, graduated last June from the Harvard Business School at Cambridge. His father, **O. G. Jones**, is president of the Minnesota Bankers Association.

Vance Torgerson, cashier of the Farmers State Bank of Adams, Minnesota, is "in the army now" and is stationed at Fort Francis in Cheyenne, Wyoming. Vance graduated in June from the University of Minnesota Business School. His father is **N. V. Torgerson**, president of the Farmers State Bank, which has just celebrated its 25th anniversary.

Matzke Elected President

Herman C. Matzke was elected president of the City National Bank of Duluth recently, succeeding the late Henry S. Macgregor, who died July 23rd.

Joseph G. Sellwood, a member of the board of directors since 1937, was elected to the office of vice president, the position formerly held by Mr. Matzke.

The bank's new president has been associated with the institution since December, 1902, and was elected assistant cashier in January, 1912; cashier in April, 1929, and vice president, January 9, 1940.

Prominent Man Dies

Funeral services for Carl K. Bennett, who died recently at Hastings, Minnesota, were held at his former home at Owatonna Sunday. Mr. Bennett was well known in Albert Lea and throughout southern Minnesota. He was for years one of the prominent bankers of that district, being head of the National Farmers Bank of Owatonna.

Statement of Condition

MIDLAND NATIONAL BANK AND TRUST COMPANY

of Minneapolis



(October 1, 1941)

RESOURCES

Cash and Due from Banks.....	\$ 8,168,606.59
U. S. Government Securities.....	5,194,065.16
State, County and Municipal Bonds...	833,000.00
Other Bonds and Securities.....	454,410.77
Loans and Discounts.....	10,675,726.07
Overdrafts	2,898.12
Income Accrued	56,132.05
Furniture and Fixtures.....	46,026.23
Customer's Liability on Letters of Credit	9,317.06
	<u>\$25,440,182.05</u>

LIABILITIES

Deposits	
Demand	\$20,709,462.71
Time	2,708,601.99
	<u>23,418,064.70</u>
Reserve for Interest, Expenses and Taxes	56,548.82
Reserve for Unearned Income.....	131,701.75
Bank's Liability on Letters of Credit...	9,317.06
Capital Account:	
Common Stock	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	222,298.65
Reserve for Contingencies	102,251.07
	<u>1,824,549.72</u>
	<u>\$25,440,182.05</u>

Government and Other Bonds carried at \$5,010,000.00
are pledged to secure public and trust funds and
for other purposes as required by law.

DIRECTORS

N. C. BEIM <i>Chairman of the Board,</i> W. H. Barber Company
AARON CARLSON Minneapolis
FREDERIC B. CARR <i>President and Treasurer,</i> Hallet & Carey Company
H. S. GREGG <i>Chairman of Board,</i> Gregg Manufacturing Company
G. L. HEEGAARD <i>President,</i> Mandan Mercantile Company
W. C. HELM <i>Vice President,</i> Russell-Miller Milling Company
CHARLES B. JORDAN <i>President and Manager,</i> Jordan-Stevens Company
EDGAR L. MATTSO <i>President</i>
BEN C. McCABE <i>President,</i> McCabe Brothers Company
H. CLAY McCARTNEY <i>Treasurer,</i> Toro Manufacturing Company
WALTON R. MURRAY <i>Vice President</i>
J. R. RANDALL <i>President,</i> Reserve Supply Company
MAURICE SCHUMACHER Building Contractor
SAMUEL SEWALL <i>Treasurer,</i> Minneapolis Iron Store
ARNULF UELAND <i>Vice President</i>
PAUL E. VON KUSTER <i>President,</i> David C. Bell Investment Company
JAMES C. WYMAN <i>Vice Pres.,</i> St. Anthony & Dakota Elevator Company

OFFICERS

EDGAR L. MATTSO - - - - - President	
ARNULF UELAND - - - - - Vice President	VICTOR W. MASER , Asst. Cash. and Asst. Tr. Officer
WALTON R. MURRAY - - - - - Vice President	E. WALTER ENGSTROM - - - - - Assistant Cashier
W. E. BROCKMAN - - - - - Vice President	WILLIAM R. CHAPMAN - - - - - Assistant Cashier
LAWRENCE O. OLSON - - - - - Cashier	EVERETT L. THOMPSON - - - - - Assistant Trust Officer
ROBERT S. STEBBINS - - - - - Assistant Cashier	CLIFFORD C. SOMMER - - - - - Assistant Cashier
FRANK W. PETERSON - - - - - Auditor	

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker October 1941

TWIN CITY NEWS



FRANK MOODY PRINCE, 87, former chairman and former president of the First National Bank & Trust Company and one of the outstanding figures in the financial history of Minneapolis and the northwest, died September 10 after an illness of several years.

Mr. Prince had retired from the bank last January 1, after an association dating back to 1878, when he joined its staff as a teller.

Born in Amherst, Massachusetts, July 23, 1854, he moved west to Stillwater, Minnesota, in 1874 and came to Minneapolis four years later. In 1882 he returned to Stillwater as cashier of the First National Bank there; then ten years later he took the post of secretary and treasurer of the Minnesota Loan and Trust Company.

August 1, 1894, he became cashier of the First National Bank in Minneapolis and the first of the following year was named a director. In 1895 he also was made a vice president and in 1905 advanced to the presidency, continuing in that office in 1917.

With the merger of First National and Security National Banks, Mr. Prince became chairman of the board of directors, a post he held until his retirement.

He also was at one time a director of the First National Bank of Cloquet and a trustee of Hennepin County Savings Bank.

George W. Ronald, formerly with the First and American National Bank of Duluth and more recently business manager of the Minneapolis *Star Journal*, has taken the post of vice president of the Fidelity and Columbia Trust Company in Louisville, Kentucky.

President **John N. Peyton** of the Federal Reserve Bank of Minneapolis has named **E. W. Swanson**, vice president,

By James M. Sutherland
Special Correspondent

T. H. Hodgson, assistant counsel, and **R. D. Baker** to supervise the new consumer credit regulations in the Ninth Federal Reserve District.

Clive T. Jaffray, chairman of First Bank Stock Corporation, has been named a director of Pillsbury Flour Mills Company.

Forty-nine graduates of the education courses offered by Minneapolis chapter, American Institute of Banking, Inc., received their certificates at the annual commencement dinner.

Shirley S. Ford, president of Northwestern National Bank & Trust Company, presented the certificates. Principal speaker was Dr. Donald J. Cowling, president of Carleton College, while Lubin Boeme, chapter president, presided. Christian Ries was chairman of the banquet committee.

Ask every new Account



—Just test this sentence for a month, when you have opened a new account and are about to supply your customer with his first check book:

"Did you ever think of having your own name printed on your checks?"

—Then show him this little L. H. Check Book by De Luxe —an attractive gold stamped leather cover—with 200 checks on National Safety Paper, imprinted with his name—all for \$1.25. Seven out of ten will buy it.

Plants at
NEW YORK
CLEVELAND

De Luxe
CHECK PRINTERS, INC.
Lithographers and Printers

CHICAGO
KANSAS CITY
ST. PAUL

• MINNESOTA NEWS •

Robert S. Beatty has taken over his duties in Minneapolis as chief national bank examiner for the Ninth Federal Reserve District, succeeding **L. H. Sedlacek**, new deputy comptroller of the currency. Mr. Beatty formerly was national bank examiner at Chicago.

Approximately 250 persons attended the midsummer frolic of Minneapolis chapter, American Institute of Banking, at Lafayette Club, Lake Minnetonka. **Thomas M. Kelley**, First Na-

tional Bank & Trust Company, was in charge as chairman of the chapter's entertainment committee.

The annual fall banquet of St. Paul chapter, American Institute of Business, was held September 10 at St. Paul Athletic Club, with Dr. Walter H. Judd, medical missionary to China for several years, as speaker.

John Burgess, vice president of Northwestern National Bank & Trust Company, has been named chairman

of the Consumer Credit Council of the American Bankers Association. He succeeds **Kenton R. Cravens**, Cleveland, who resigned after being "drafted" to serve as consultant for the securities division of the Federal Reserve System.

An imposing list of speakers was secured for the fortieth annual convention of the National Association of Supervisors of State Banks, to be held at St. Paul Hotel, September 24 to 27.

According to **John D. Hospelhorn**, president, the list includes **Gov. Harold E. Stassen**, **Leo T. Crowley**, chairman of the Federal Deposit Insurance Corporation, and **Ronald Ransom**, vice chairman of the board of governors of the Federal Reserve System.

Southern Minnesota members of the American Institute of Banking had an opportunity to meet National President **George T. Newell**, New York, at two regional roundups late in September. First was September 26th, at Rochester, followed by one at Mankato, September 27th. Twin Cities chapters sent delegations to both.

Rural Hennepin-Anoka Clearing House Association held its annual meeting at Hotel Del Otero, Lake Minnetonka, and advanced **H. C. Laumann** from vice president to president. The new head is vice president of the State Bank of Mound.

Other officers named were **S. H. Severson**, cashier of First National Bank, **Mr. Hopkins**, vice president, and **Wayne T. Blackmarr**, cashier of Wayzata State Bank, secretary-treasurer, to succeed Mr. Severson.

Directors named were **W. H. A. Koehler**, president of the State Bank of Mound; **A. L. Lindman**, vice president and cashier of First National Bank, Anoka, and **Joseph M. Baylor**, cashier of the State Bank of Rogers, retiring president.

John de Laitre, assistant secretary of Farmers and Mechanics Savings Bank, Minneapolis, was elected to the board of directors of the Financial Advertisers Association at the annual convention in Cleveland.

Duluth Men Promoted

Promotions were received last month by **Vernon K. Falgren** and **Walter Grandy**, both employees of the First and American National Bank of Duluth.

Mr. Falgren was promoted to assistant trust officer. Born in Duluth September 24, 1904, he is the son of a pio-

Partners in a NEW PROSPERITY



☆☆ 1941 can make many an American farm a "LAND OF FREEDOM" if farmer, dealer, banker work together as Partners in a New Prosperity.

Every new Minneapolis-Moline Machine put into action on the farm brings its owner closer to FREEDOM. By lessening hard work and long hours, MM equipment gives the farmer more time to enjoy life with his family — more opportunity to obtain those necessities and comforts which make him independent.



In the coming year with its widening demand for more farm produce, thousands of deserving farmers will want and need new MM Tractors and Machines. In many cases only through the "credit" co-operation of MM dealers and bankers will purchasing be possible. Amazing new features distinguish the Tractors and Farm Machines in the 1941 MM Line. Farmers enabled to use this better equipment will not only be raising their own incomes but indirectly creating better business for MM dealers, bankers, and the community at large.



BRANCHES NEAR EVERYWHERE



MINNEAPOLIS-MOLINE
POWER IMPLEMENT COMPANY MINNEAPOLIS MINNESOTA

• MINNESOTA NEWS •

neer resident of the city, E. H. Falgren, president of the East End Ice and Coal Company, who came to Duluth in 1883.

Mr. Grandy, also promoted last month, was made assistant cashier. He is the son of the late John Grandy, who came to Duluth in 1881 and was a contractor here for 50 years.

Banks Cooperating

Banks all over the country are cooperating with the government in all defense activities, and also are making their contribution to the efforts of the United Service Organizations in any projects which the latter may sponsor.

Note the large thermometer just



This bank is helping the U. S. O. drive

above the bank name on the corner of the Goodhue County National Bank, at Red Wing. The thermometer shows the progress of an U. S. O. drive, and at the time the picture was taken the "temperature" stood at 1300, with a high of 2000 to be reached. O. G. Jones, president of the Minnesota Bankers Association, is also president of the Goodhue County National Bank.

Bank Repays Depositors

With the issuance of the eighth and final dividend checks to depositors in the closed First State Bank of Badger on the 15th of last month, every cent of money they had in the bank in the time of closing was repaid. Serving as trustee in the liquidation process was the Citizens State Bank of Roseau.

The bank closed in March, 1933, and

reopened July 12th, the same year. Through the liquidation agreement under the trusteeship proposed the depositors received 40 per cent at that time and the public funds on deposit were paid in full in accordance with the statute. This was accepted.

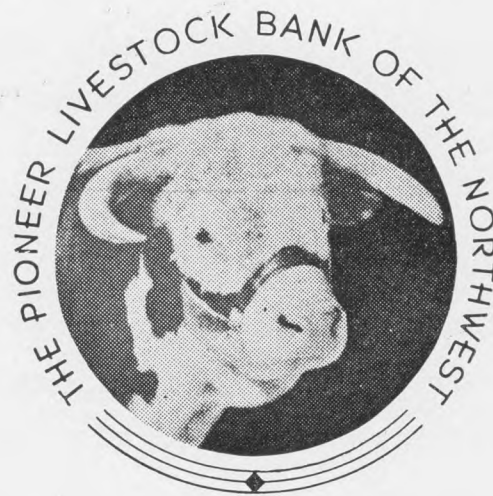
New Representative Named

Edwar E. Schiebel of New Ulm has been appointed New Ulm representative for the Minnesota Federal Savings and Loan Association of St. Paul, according to John F. Scott, president of the organization.

Minnesota Federal is the largest savings and loan association in the northwest, with resources exceeding \$22,000,000. It was organized in 1922 and has enjoyed a steady growth since that time.

Meet At Fairmont

A record crowd of 197 met at Fairmont last month for the gathering of the members of the Corn Belt Clearinghouse Association. Arrangements had been made for only 147, but at dinner 197 mouths were counted. Although this was a considerable in-



THE SOUTH ST. PAUL MARKET

offers ample supplies of western and Canadian cattle of good quality. Prices are established by competition. Market prices and weighing are supervised.

THE STOCK YARDS NATIONAL BANK

offers 45 years of experience in financing feeders to county banks who require assistance in taking care of their customers' needs.

Our complete banking facilities assure prompt and efficient handling of all South St. Paul transactions.

We invite your account

Stock Yards National Bank South St. Paul, Minnesota

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

YOUR client's statement is a useful but impersonal statistical report. It is the earning record over long periods of activity which indicates the personality, character, and efficiency of management.

We expect our correspondents to take interest in our published statements of condition; yet it should be a matter of equal significance to them that our dividend record extends unbroken for 98 years.

... THE ...

PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Capital, Surplus and Undivided Profits
\$45,000,000

Member of Federal Deposit Insurance Corporation

crease, those in charge of the dinner managed to provide food for all.

Principal speaker of the session was William Duncan, Jr., of Minneapolis, secretary of the Minnesota Bankers Association, who gave an interesting talk on service charges and on legislation affecting banks.

M. T. Laingen, cashier of the Odin State Bank, was elected president of the association, succeeding Arthur Peterson of Triumph. N. F. Benson of Jackson was elected vice president, succeeding Mr. Laingen. H. C. Mielke of Northrop was elected director for Martin county.

Bank Building Sold

Negotiations have been completed whereby Herman E. Miller purchased the building and equipment of the Union State Bank of Hokah from the bank directors.

For the past several months directors have been liquidating the resources by paying out to the depositors their full amount of money deposited at the bank. They will have possession of the bank until November 1st.

Becomes Manager

C. J. Lieser, for the past eleven years on the staff of the Murray County State Bank of Slayton and other local banking institutions, has resigned to become manager of the Farmers State Bank at Osseo, Minnesota. In former years he was an employe of the First National Bank of Iona.

Annual Meeting Held

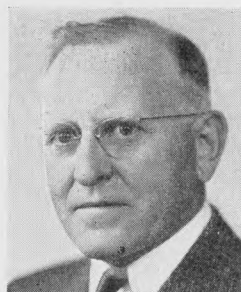
The annual meeting of the Southwestern Minnesota Clearing Association was held in Pipestone, Saturday, September 20th, according to Walter Lange, secretary-treasurer of the organization.

The program included a business meeting, banquet, speeches and a dance winding up the day's activities.

Bank Assets Sold

The remaining assets of the First State Bank of Fergus Falls were sold as a result of advertising to C. E. Johnson, Faribault attorney, for the sum of \$395. Eight dividends were paid to the depositors of the First State Bank, aggregating 55 per cent of the deposits.

The remaining assets of the American State Bank were sold to C. R. Shefveland of St. Paul for \$170. The American State Bank paid 83 per cent on its deposits in eight distributions. The American State was in very good condition and should not have been closed, but it was caught in the storm.



J. I. HEGGE
President
Hillsboro

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Favorable Legislation Passed

Several stockholders of the defunct First State Bank of Kulm, received messages from Senators Nye and Langer recently stating that a bill which would excuse stockholders of the bank from double liability had been passed by the U. S. Senate.

A. J. Smith received telegrams from both Senator Nye and Senator Langer, E. A. Bowman from Senator Nye and Peter Billigmeier from Senator Langer. All the messages were virtually the same.

There are eighty-six stockholders in the defunct First State Bank, and the burden of a double liability would be hard to bear.

About three years ago Mr. Smith made a trip to Washington, D. C., in the interest of the stockholders of the bank, and enlisted the aid of Senator Nye who secured for Mr. Smith an audience with the Senate banking and currency committee. Mr. Smith explained the stockholders' point of view and asked that legislation be passed absolving the stockholders from this double liability, and now after more than two years, a favorable measure has been passed by the Senate and now goes to the House. This amendment to the federal reserve act would apply only to the Kulm bank, Senator Nye said.

Goes to California

Fred J. Beaudry, teller at the First National Bank of Minot, left last month for San Francisco where he reported for an appointment in northern California with the Bank of America. He has been with the local firm 15 years.

Employees Promoted

National Bank of Jamestown officials recently announced the promotion of one key employe and the arrival of another.

Roy M. Christiansen, teller here for five years, has been promoted to assistant cashier. Before coming to Jamestown Mr. Christiansen was con-

nected with the Potter County State Bank at Gettysburg, South Dakota, and the First National Bank of Minneapolis.

George A. Anderson, assistant cashier for the past two years at the First National Bank of Miles City, Montana, has taken over his duties at the Jamestown bank. Mr. Anderson has been in the banking business for 10 years and has been connected with banks at Langdon and Glen Ullin.

L. H. Everett, assistant cashier at the National Bank, has been transferred to a company bank at East Grand Forks, Minnesota, and will leave soon to assume his new position.

Defense Bonds

North Dakota is still below average in banks qualifying for sale of defense bonds, and in the amount of bonds and stamps purchased since the drive opened. President Hegge asks immediate cooperation of the banks who have failed to qualify and full cooperation of those who have qualified in the sale of Series E Defense Savings Bonds.

It is expected that shortly after September 1, President Roosevelt will announce the appointment of an administrator in charge of organization in each state and that a very complete setup will be provided to further promote interest in these bonds. Failure to qualify until after the administrator is appointed will necessitate extra work on the part of the administrator in arranging his setup and delay the work. Please write to the Federal Reserve Bank at Minneapolis immediately for qualifying blanks if you have not already qualified.

Accepts Minnesota Position

J. W. Milsten of the First National Bank of Valley City has been transferred to Wheaton, Minnesota, and has left to assume his duties as cashier. Mr. Milsten has been with the local institution for the past three years and his transfer comes as a fine promotion to him. He was succeeded by Woodrow Wacholz.

To Liquidate Assets

Judge Fred Jansonius of Bismarck, while in Garrison recently, announced that the former First State Bank of Garrison, which comes under his jurisdiction as district judge, is making a great effort at this time to settle the affairs of the bank.

The local board of receivers includes N. S. Phillips, E. E. Wacker and K. I. Knapp. If this is possible, it is planned to sell all assets, the largest being the brick building which houses the postoffice, the Bielen Barber Shop and an upstairs apartment.

A percentage of the money may be paid this fall to depositors providing the affairs can be liquidated.

The bank closed in 1931.

Open Branch Bank

The First State Bank of Sharon has opened a branch office at Anet which will be in charge of Melvin Gilbertson, who has been with the bank at Sharon for a number of years.

Morken Heads New Branch

The First State Bank of Munich has opened a new branch bank at Osna-brock. Alfred Morken will have charge of the new branch.

Chemical Director

Harold H. Helm, vice president of the Chemical Bank & Trust Company, New York, was elected a director of the bank at a meeting of the board of directors. He is a member of the board of directors of the Corn Products Refining Company and of the Association of Reserve City Bankers. He is also a member of the Economic Policy Commission of the American Bankers Association.

Mr. Helm was graduated in 1920 from Princeton University and immediately entered the credit department of the Chemical National Bank. He was appointed a junior officer in 1926 and in 1929 a vice president of the Chemical Bank & Trust Company. He is a trustee of the Kimberley School and a member of The Princeton University Fund. Recently he was elected vice chairman of the Graduate Council of Princeton University and vice president of the Princeton National Alumni Association.

Elected President

The board of trustees of The New York Trust Company has elected John E. Bierwirth as president to succeed Artemus L. Gates, whose resignation was accepted following Mr. Gates' confirmation by the Senate, as assistant secretary of the Navy for aeronautics.

Mr. Bierwirth has been vice presi-

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*Announcing the Opening
October 6, 1941
of the
New Main Office
of The
Public National Bank
and Trust Company
of New York
in its recently acquired
Public National Bank Building
at
37 Broad Street, New York
30 Offices Throughout Greater New York*

dent of the bank for nearly twelve years. Prior to that, he was vice president and director of Thompson-Starrett Company, Inc. of New York, contractors and builders, following his service in the American Expeditionary Force. From the inception of his association with the Trust Company Mr. Bierwirth has been a senior vice president, active in all phases of its business, particularly as a commercial banker.

Issues Manual

A practical guide interpreting the consumer credit regulations laid down by the Board of Governors of the Federal Reserve System has been prepared by the Consumer Credit Department of the American Bankers Association and is now being distributed to the Association's entire membership, it is announced by Walter B. French, A.B.A. deputy manager in charge of the department.

The guide, in booklet form, has been prepared as a manual to aid banks engaging in consumer credit lending to conform with the new regulations promulgated by the Reserve Board, Mr. French said. In addition, the booklet will be of assistance to the equipment and automobile dealers and agents whose paper the banks handle, he stated.

The 57 page manual includes the text of the executive order issued by the President covering the emergency regulation of consumer credit, the full text of the regulations set forth by the Reserve Board in pursuance of the order, and interlined interpretations of the Board's regulations which have been drawn up by both the Reserve Board and the A.B.A.' consumer credit experts.

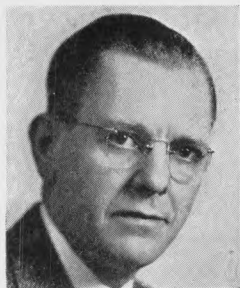
In addition, the booklet contains numerous specific questions concerning the application of the regulations and their answers. Statistical presentations of hypothetical consumer credit loans made under the new regulations are included.

Copies of the booklet may be obtained at the Association's New York headquarters.

Dividend

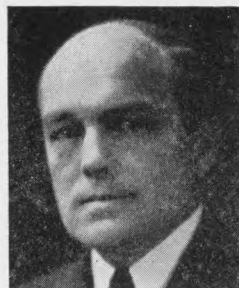
The board of directors of Manufacturers Trust Company declared the regular quarterly dividend of 50 cents per share on the Common Stock, payable on October 1, 1941 to stockholders of record on September 15, 1941.

The board also declared the regular quarterly dividend of 50 cents per share on the preferred stock, payable October 15, 1941 to stockholders of record on September 30, 1941.



A. T. DONHOWE
President

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

New Officer Named

Officials of the Iowa State Bank and Trust Company of Iowa City have announced the appointment of W. W. Summerwill as junior vice president of the bank.

Summerwill has been in charge of the credit department of the Iowa State Bank for the last three years. He went there from Sioux City where he was an examiner of the farm credit administration, working out of Sioux City and Washington, D. C.

Summerwill is 32 and was graduated from the University of Iowa in 1932. Other officials of the bank include: Ben S. Summerwill, president; Dean E. M. MacEwen, vice president; M. B. Guthrie, cashier, and Walter Schmidt, assistant cashier.

Decorah Banker Dies

Funeral services were held in the First Lutheran Church of Decorah recently for Charles Johnson, 56, vice president of the Decorah State Bank, who suffered a stroke last month and remained unconscious until his death a few days later.

Mr. Johnson had been associated with the Decorah State Bank since 1918, first as assistant cashier and the last four years as vice president.

Banks Offer Prizes

The three banks of Marshalltown, the Security Savings, Fidelity Savings and Commercial State, donated the prizes for the calf scramble winners at the Central Iowa Fair this year. The Security Savings donated \$50 in prizes for the winners of the scramble for the first night, open to Marshall county boys, the money divided as follows: First, \$15; second, \$10; third, \$8; fourth, \$7; fifth, \$5, and sixth, \$5.

The Fidelity Savings also donated \$50, divided the same way, and for the six winners of the second night scramble, open to 4-H boys outside of Marshall county.

The Security Savings offered special prizes of \$5, \$3 and \$2 on scramble

calves caught in last year's Marshall county scramble, which had been fed during the year and the Commercial State offered similar prizes to owners of calves caught in last year's scramble for out-of-county boys. The latter prizes went to Carl Leavers, Grundy county, first; James McDonald, Hardin county, second, and Eugene Wright, Hardin county, third.

Capital Increased

Increased capitalization of the Valley Savings Bank of Des Moines was announced by Frederick M. Morrison, president of the bank.

The increase was voted at a special meeting of the stockholders, held September 12th, at which time the articles of incorporation were amended to

cover the larger capitalization, Morrison said.

Following the stockholders' meeting, the directors of the bank authorized a 33 1/3 per cent stock dividend to all stockholders on record as of September 3, 1941. Dividend certificates were mailed September 17th.

As a result of this action, Morrison stated, the capital structure of the Valley Bank will now include: \$200,000 in common stock, \$200,000 surplus, and \$100,000 undivided profits.

The increased capital structure was deemed advisable in order to keep pace with the steady growth of the bank's total resources, which have now increased to over \$7,000,000.

Attend Mortgage Session

Fourteen Iowa insurance and banking men attended a convention of the Mortgage Bankers Association of America October 1st to 3rd in New York, New York.

J. S. Corley of Des Moines, assistant treasurer of the Bankers Life Company, spoke at the convention.

Those who attended include John W. Leavitt, Cedar Falls; Frank C. Waples, Cedar Rapids; C. L. Roe, Sioux City; W. W. Beal, Waterloo; F. W. Studier, Waverly, and G. W. Fowler, R. B. Patrick, Nevin Lee, Fred Quiner, John M. McGill, Carl M. Adams, O. M. Garrett and J. R. Astley, all of Des Moines.

Fat Cattle Near Iowa City



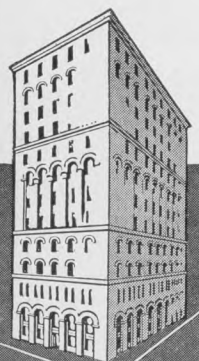
When in Iowa City recently, W. W. Summerwill, vice president of the Iowa State Bank & Trust Company, mentioned some very fine fat cattle he had seen in a feedlot east of town—we visited the farm with our camera, and the above picture is the result.

The cattle, all white faces, are owned by John Dwyer, who has a magnificent farm of 327 acres three miles east of Iowa City. Mr. Dwyer feeds 600 to 700 cattle a year, and at the time the picture was taken had 270 on pasture or full feed. He raises as much corn as possible on his farm, and with the exception of two years, says since 1930 his corn has averaged 90 to 100 bushels to the acre.

Northwestern Banker October 1941

THAT Iowa farmers are progressive is again evidenced by the fact that in 1940 six and one-half times as many farm homes had electricity as in 1920. This means rural prosperity of course, but it also means improvement in living standards and increased farm operating efficiency.

While this significant development was taking place, there was similar growth in resources of the Bankers Trust Company—\$4,700,000 in 1920 to \$23,399,000 in 1940. Just as Iowa farmers have been quick to connect up to power lines, so more and more correspondent banks have sought to connect with the services of this bank. There's sound reason behind the comment, frequently heard in Iowa banking circles: "Use Bankers Trust in Des Moines."













Member Federal Deposit Insurance Corporation

BANKERS TRUST

IOWA

Comparison in number of farm homes receiving electricity

1920			11,247
1940			
			
			73,584

Comparison of resources Bankers Trust Company

1920	\$ \$ \$ \$ \$	4,700,000
1940	\$:	23,399,000



COMPANY

6th and Locust
Des Moines

New Officers Elected

Homer M. Boyd, cashier of the First Trust & Savings Bank of Anthon, was elected president of the Woodbury County Bankers Association at the group's annual meeting in Sioux City last month.

Other officers elected were H. N. McMaster, cashier of the Corn Belt State Bank of Correctionville, vice president, and W. G. Nelson, assistant vice president of the Live Stock National Bank of Sioux City, secretary-treasurer.

Talks were given by A. G. Sam, pres-

ident of the First National Bank of Sioux City; H. H. Epperson, president of the Morningside Savings Bank of Sioux City, and Henry Visser, cashier of the First National Bank of Hawarden.

H. W. Bush, assistant cashier of the Farmers Savings Bank of Pierson, retiring president of the association, presided.

New Bank Home

Ottumwa's oldest bank, the Farmers & Merchants Savings Bank, last month welcomed its customers and friends to

its new home in the Lowenberg building in the 100 block of East Second Street.

The Farmers & Merchants Savings Bank was incorporated in November, 1915, and began active banking business in March, 1916. The bank has continued to operate ever since at the same site and with the same name. Its present officers are: Emmett Work, president; Earl A. Wimmer, vice president and cashier, and Miss Kathryn Glenn, assistant cashier.

A Banker for 50 Years

George W. Richter, 67, vice president and director of the Capital City State Bank of Des Moines, is one of 20 Iowa bankers who have been in the banking business more than 50 years, and still are active. He began with the bank as messenger July 13, 1891. The oldest banker in Des Moines in length of service, he refuses to be classed as an "old man." He is on the job every day, and between times plays a game of golf that is the envy of some younger members of the Grand View Club.

New Cashier Elected

George Myers, president of the First National Bank, announces that the board of directors of DeWitt's oldest banking institution has hired J. R. Roberts of Marion, Iowa, as cashier. Mr. Roberts will also be financially interested in the bank.

Attends Appraisal School

K. J. McDonald of the Iowa Trust and Savings Bank of Estherville, was at a farm appraisal school last month conducted under the auspices of the Iowa State Bankers Association. These schools are held in districts and the one this year was conducted on the Ralph Trittle farm near Spirit Lake. Paul Burson and Robert Wilcox of the Iowa State College staff, were in charge.

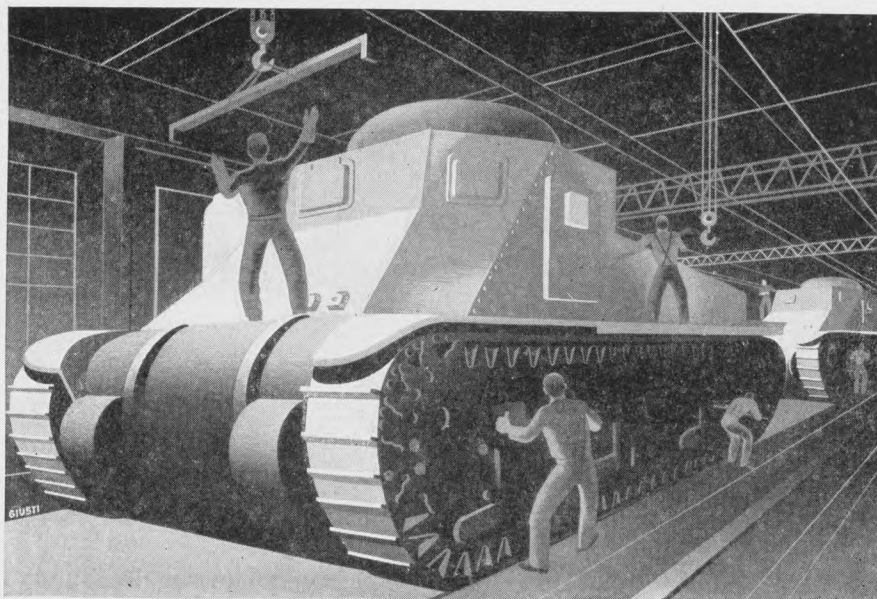
Attendance at the school was not large but the session was interesting and very instructive.

Heads Illinois Bank

Lynn Fuller is president of the Illinois National Bank of Quincy, elected to this position by the directors recently.

Mr. Fuller, who has purchased a substantial interest in the bank's ownership, is also president of the Jackson State Savings Bank of Maquoketa, Iowa, but he and his family will make Quincy their home.

William J. Singleton, one of the founders and directing heads of the Illinois National Bank, retires as president to become chairman of the board.



THE GREATEST CHANGE OF ALL

OUR COUNTRY has embarked on a program which marks a difference in the life of every citizen. Business is newly shaped, changing in all its aspects. In this stage, still transitional, perhaps the greatest outside assistance which any private enterprise can render to industry is performed by a *business-minded bank*.

The American National Bank considers it a privilege and a duty to cooperate fully with Chicago business in meeting the unusual conditions of the present. The same spirit actuates our relationships with correspondent banks throughout the nation. This willingness to go beyond mere routine is a factor of increasing importance in inter-bank associations during these times.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit



Insurance Corporation

OUR BUSINESS IS TO HELP BUSINESS

Northwestern Banker October 1941

For Iowa President

B. A. Gronstal, president of the Council Bluffs Savings Bank, is announcing his candidacy for president of the Iowa Bankers Association at the election to be held next September, or at the annual meeting of the association.

Mr. Gronstal, a native Iowan born at Estherville, began his banking career in that city in 1905, where for twelve years he was associated with

vision of the A. B. A., he secured 100 per cent membership in the A. B. A. for Group Five, the first group in the state to attain this percentage, and the next year, in 1938, he was appointed to the A. B. A. membership committee.

The many friends of Mr. Gronstal feel that with five times as many state banks as national banks in Iowa, and since there have now been three national bankers holding the office of president of the Iowa Bankers Association, the time has come when a

state banker should be named, and they are strong in their support of Mr. Gronstal for the office.

Observes 25th Anniversary

Last month the Farmers Savings Bank of Fostoria observed its 25th anniversary.

The Fostoria bank opened its doors on September 11, 1916, with the following officers in charge, all of them being residents of the Fostoria community: J. L. Anderson, president; F. J. O'Brien,



B. A. GRONSTAL

the First National Bank, and was assistant cashier of the institution when he sold his interest in 1918 to enlist in the first World War. His army service was interrupted by illness, and when he was mustered out in 1919 he became associated with the Iowa Banking Department, where he eventually held every position there from auditor to deputy superintendent. He entered the employ of the Council Bluffs Savings Bank in 1923, and was elected president in 1936. The Council Bluffs Savings Bank is the oldest bank in the state of Iowa.

In addition to serving his community in almost every possible civic activity, Mr. Gronstal has been most active in the Iowa and the American Bankers Associations. He has just concluded his office as a member of the A. B. A. Executive Council from Iowa. When he was secretary of Group Two of the Iowa Bankers Association he obtained 100 per cent membership from his group. In 1937 when Mr. Gronstal was vice president for Iowa of the trust di-

Bank fixtures and time lock safe for sale cheap. Z. G. Houck, Bellevue, Iowa.



Alertness and Vision

Hardly a century ago buffalo and deer roamed the fertile Missouri Valley where now stand Sioux City's great factories and stockyards. Then came men of vision and alertness, to transform the wilderness and prairie into business and prosperity.

The same vision and alertness which built Sioux City has helped mould First National Bank service. Your inquiry here is invited and your account will be welcome.

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**

vice president; J. A. May, cashier. Directors, D. E. Beving, Wm. R. Gillette, J. H. Graham and C. H. Zishka.

The present officers of the bank are: F. J. O'Brien, president; H. A. O'Farrell, cashier; Harry Beving, assistant cashier; D. E. Beving, vice president. Directors, S. C. Klampe, J. A. Wilson and F. L. Zishka.

Paul Untiedt Dead

Paul Untiedt of Kanaranzi, Minnesota, prominent in business and agricultural circles of that community for more than forty years, passed away

last month at the Sioux Falls hospital in Sioux Falls, following an illness of two months' duration.

Mr. Untiedt was the father of E. G. Untiedt, president of the State Bank of Terril.

Auditors Hold Meeting

The fourth annual meeting of the Iowa Association of Bank Auditors and Comptrollers was held in Des Moines last month. The officers elected were as follows: E. H. Ketelsen, auditor of the Davenport Bank & Trust Company of Davenport, president; C.

R. Colton, auditor of the Fidelity Savings Bank of Ottumwa, vice president, and E. B. Wilkinson, state bank examiner, Mason City, secretary-treasurer.

Members of the board of governors of the group are as follows: J. L. Smith, auditor of the Livestock National Bank of Sioux City; M. R. Selden, vice president of the Merchants National Bank of Cedar Rapids; Don C. Witt, assistant cashier of the First National Bank of Oelwein, and G. Youssi, auditor of the Ft. Dodge National Bank of Ft. Dodge.

Study Class Meets

The Perry study class of the American Institute of Banking held its first meeting of the current class year last month in the city hall there. There were about 40 members present from Jefferson, Rippey, Perry, Woodward, Granger, Dallas Center, Wauke, Adel, Panora and Guthrie Center.

The course to be taken this year is commercial law and the instructor is Charles Joy, Perry.

Bank Officers Elected

Stockholders of the Peoples State Bank of Missouri Valley held election of officers last month. Dr. J. L. Tamsiea was re-elected president; D. A. Schwertley, vice president; John A. Kovar, cashier; D. F. Schwertley, assistant cashier, and Howard Wilding, clerk. The board of directors consists of Dr. Tamsiea, John Kovar, D. A. Schwertley, Katherine Schwertley and Fred Egan.

Lenox Banker Dies

Ray E. Cameron, a life-long resident of Lenox and vice president of the First National Bank for the last seven years, died recently at the age of 81. Death came unexpectedly at home and resulted from a heart attack.

Mr. Cameron had been connected with the Lenox bank for many years and was prominent in civic affairs.

Johnson a Candidate

During the 55th annual convention of the Iowa Bankers Association, held in Des Moines this past month, the name of V. W. Johnson, president of the First National Bank of Cedar Falls, was frequently mentioned by his friends as a possible candidate for the presidency of the association for next year. However, it has only been within the past few days that he has definitely decided to become an active candidate for that office. Mr. Johnson is well known to bankers throughout Iowa and particularly those of north-

VALLEY Savings Bank

DES MOINES, IOWA

STATEMENT OF CONDITION

AS OF SEPTEMBER 24, 1941

Officers

Frederick M. Morrison
President
Winfield W. Scott
Vice President
J. R. Astley
Cashier
Edward P. Kautzky
Asst. Vice President
Frank M. Thompson
Asst. Cashier

Directors

Robert A. Brown
Walter P. Davis
Lucius W. Fitch
Harold J. Howe
Arthur S. Kirk
George Mahne
Frederick M. Morrison
Winfield W. Scott
J. E. Tone
Allen Whitfield

RESOURCES

Loans and Discounts	\$4,167,381.65
Other Bonds and Stocks	148,300.00
Overdrafts	26.89
Furniture and Fixtures	14,320.72
Customers Liability on Acceptances	7,152.40
Government Obligations, Direct and Fully Guaranteed	\$ 374,715.00
Municipal Bonds	147,962.24
Cash and Due from Banks	2,082,890.97
	2,605,568.21
	\$6,942,749.87

LIABILITIES

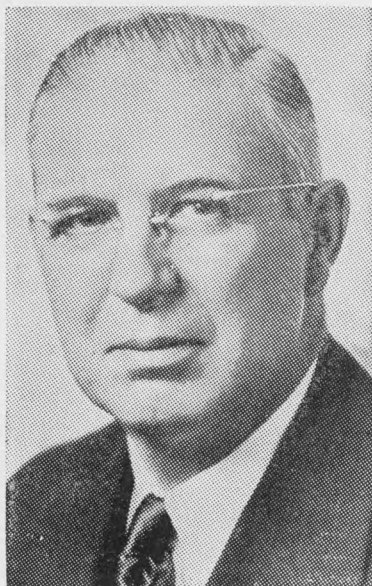
Capital Stock—Common	200,000.00
Surplus	200,000.00
Undivided Profits	116,913.40
Reserves	50,736.37
Unearned Discount	54,639.40
Bank Liability on Acceptances	7,152.40
Deposits	6,313,308.30
	\$6,942,749.87



MEMBER, FEDERAL DEPOSIT INSURANCE CORPORATION

• IOWA NEWS •

ern Iowa. He has been active for many years in committee work for the association. He served for two years as secretary of Group 7, later for two years as its chairman. The state convention in 1937 elected him vice president, which office he held for one year. He has, as his friends say, come up



V. W. JOHNSON

through the various "chairs" and is now all the more qualified to fill the highest office of the association. Mr. Johnson has also served during various years in several Iowa offices of the American Bankers Association. For many years he has filled active positions in the business and civic organizations in Cedar Falls and Black Hawk county.

Group One Meets

With 23 northwest Iowa bankers in attendance, the district Group 1 conference of the I. B. A. was held at Hotel Lewis in Cherokee last month.

Paul Burson and Robert Wilcox, extension specialists of Iowa State College, were giving lectures on the field trip the bank men made in the morning to the Stoneking farm south of Cherokee.

The specialists made and distributed "sketch" maps of the farm and the afternoon was devoted largely to a discussion of what could be done with respect to rotating crops, stopping washing, improving premises and preserving buildings on the farm.

Bankers Hold Picnic

The Scott County Bankers Association held its annual picnic last month at the Turner camp near Buffalo for

the vigilantes of the county, the men who volunteer their services for the protection of the banks from bandits.

A gathering of about 75 men was indicated as they assembled for an afternoon of target shooting.

After dinner in the evening, there were card games.

Herman Staak of the Davenport Bank & Trust Company is president of the association, and included on the committee directing the annual picnic

were Rudy Schroeder, Buffalo, chairman; Fred Gruenwald, Davenport Bank; Peter Thede, Dixon, and Louis Martin, First Trust & Savings Bank, Davenport.

Accepts New Position

George Morrow, assistant cashier of the Modale Savings Bank, has accepted a similar position in a bank at Guthrie Center, Iowa.



The LIVE STOCK NATIONAL BANK of Chicago

UNION STOCK YARDS • TELEPHONE YARDS 1220

STATEMENT OF CONDITION

September 24, 1941

RESOURCES

Cash and due from banks.....	\$22,419,502.80
United States Government securities.....	2,253,658.72
State and municipal securities.....	479,937.67
Other marketable bonds.....	1,097,445.06
Loans and discounts.....	6,256,507.88
Federal Reserve Bank stock.....	75,000.00
Bank building.....	450,000.00
Furniture and equipment.....	1.00
Interest earned, not collected.....	26,302.07
Current receivables and other assets.....	42,031.45
	\$33,100,386.65

LIABILITIES

Capital.....	\$ 1,000,000.00
Surplus.....	1,500,000.00
Undivided profits and reserves.....	145,729.67
Unearned discount.....	31,388.61
Deposits.....	30,423,268.37
	\$33,100,386.65

BOARD OF DIRECTORS

FREDERICK H. PRINCE
Providence, R. I.

ARTHUR G. LEONARD
President, Union Stock Yard
& Transit Co.

ROBERT J. DUNHAM
Investments

WILLIAM J. O'CONNOR
Ass't General Manager, Union
Stock Yard & Transit Co.

RICHARD HACKETT
General Manager, Central
Manufacturing District

RALPH M. SHAW
Winston, Strawn & Shaw

ORVIS T. HENKLE
Vice-President and General
Manager, Union Stock Yard
& Transit Co.

THOMAS E. WILSON
Chairman of the Board,
Wilson & Co., Inc.

DAVID H. REIMERS
President, The Live Stock National Bank of Chicago

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Purchase Tipton Bank

John W. Edge, of Emmetsburg, has purchased the controlling interest in the Tipton State Bank from Henry B. Walters and R. D. Swartzlender and will move his family there and take over his duties as president of the bank.

Mr. Edge has for the past 12 years been cashier and vice president of the Central Savings Bank & Trust Company of Emmetsburg, the controlling interest in which he has just recently sold to the Brenton interests of Des Moines.

New Checking Account Service

The Iowa Trust & Savings Bank of Estherville has announced the inauguration of a new checking account service known as the Iowa Trust Pay-As-You-Use Plan.

The purpose of the plan is to extend to everyone the availability and use of a checking account. While for the ordinary individual, the regular checking plan is practical and fair, many people feel that the cost of the regular account is too high for the use which

they make of it. The Iowa Trust Pay-As-You-Use, as the plan is known, offers a checking account in which no minimum balance is required, and no minimum monthly service charge is imposed. The entire cost of the account is governed by the customer and the use which he makes of it.

New Night Depository

Announcement was recently made by officials of the Farmers State Savings Bank, Independence, of a new service to soon be offered by the bank, an after-hour depository.

This new service, a product of the O. B. McClintock Company, makers of bank protection devices, of Minneapolis, will be most welcome to local merchants. It will do away with having to keep large sums of money around the store or on their person after banking hours.

Moves to Des Moines

Charles Thomason of Lacona has moved to Des Moines, where Mr. Thomason has accepted a position with the Iowa State Bank. Mr. Thomason for the past three years has been manager of the Lacona branch of the Peoples Trust & Savings Bank of Indianola.

Bank Picnic

Employees of the Central State Bank of Muscatine enjoyed their fourth annual golf tournament and picnic recently, golfing at the Mad Creek course and going later in the afternoon to a cottage on the Cedar River for a fried chicken dinner.

In the golf tournament, Miss Florence Koester won the trophy for the second consecutive year, holding low net score. Glen Downing took low gross, scoring a 78. L. D. Krueger had the lowest number of putts.

Miss Koester, who also won the golf trophy last year, now has her name on the cup twice, and is leading all other competitors, no other winner having more than one leg on the trophy. The cup will go permanently to the contestant winning it three times.

Accepts Position

Directors of the Muscatine Bank and Trust Company recently announced the election of Boyd F. Jordan to its staff of active officers. Mr. Jordan, who has assumed his duties, will act in the capacity of an assistant cashier.

He has been actively engaged in the banking business for more than 15 years.

B. L. McKee, vice president and

SECURITY NATIONAL BANK

SIOUX CITY, IOWA

Statement of Condition September 24, 1941

ASSETS

Cash on Hand and on Deposit with Banks.....	\$4,424,247.52
United States Government Securities.....	858,374.77
Bonds and Securities.....	32,933.80
Loans and Discounts.....	3,745,881.24
Security Bank Building, Vault and Fixtures.....	162,500.00
Federal Reserve Bank Stock.....	15,000.00
Other Assets	1,423.91
	<hr/>
	\$9,240,361.24

LIABILITIES

Capital	\$ 250,000.00
Surplus	250,000.00
Undivided Profits and Reserves.....	27,559.27
Deposits	8,712,801.97
	<hr/>
	\$9,240,361.24

Member Federal Deposit Insurance Corporation

• IOWA NEWS •

cashier, stated that this addition to the official staff was due to the fact that the deposits and activities of the bank have more than doubled during the past eight years.

Check Transactions Up

Check transactions through Des Moines banks continued their upward climb in August, when a total of \$100,876,000 was registered.

August was the sixth consecutive month in which check payments here have gone above the \$100,000,000 mark.

August, usually the low month of the year in checking activity and a period when the maximum number of business people are on vacation, showed a \$9,738,000 gain in check payments as compared with August, 1940, and a \$13,000,000 gain over August, 1939.

The total for the first eight months of 1941 was \$841,553,000—a gain of \$74,200,000 over those of the like period of 1940.

The March figure was \$121,177,000; April, \$111,929,000; May, \$107,100,000; June, \$101,261,000, and July, \$109,009,000.

Hartwick Bank Opens

Many people of Hartwick and surrounding community, as well as a great number of out-of-town callers, attended the grand opening of the Hartwick State Bank held there recently.

A number of beautiful bouquets were sent to the bank by well-wishers, including: Central National Bank & Trust Company of Des Moines, the Iowa-Des Moines National Bank & Trust Company of Des Moines, the Merchants National Bank of Cedar Rapids, the Citizens National Bank of Belle Plaine; the Poweshiek County Savings Bank of Brooklyn, Park Bros. Construction Company of Belle Plaine, Mr. and Mrs. C. C. Gay of Belle Plaine, the Gabriel Grocery and the Wilder Grain Company of Hartwick, and Mr. and Mrs. August Bailey of Hartwick.

Bank Purchases Building

The Union Bank & Trust Company of Ottumwa has purchased the building at 121 East Second Street, just east of the bank building, it was announced recently.

Bank officials said it is planned eventually to enlarge the bank by dis-

carding the wall between the two buildings.

It may be some time, however, before a definite decision is made, they said.

Accepts Bank Position

Maynard Riedemann, son of Mr. and Mrs. George Riedemann of Griswold, has accepted a position with the Griswold State Bank and started work at his new duties recently.

Fighter

An Irish priest had been transferred from one parish to another. One of his old flock met one of the new.

"Well," he said, "and how do yez like Father Murphy, Dennis?"

"Ah, to be sure," answered Dennis, "he's a fine man; a fine man, but a trifle bellicose."

"Bellicose, is it?" Well, if that isn't queer. When we had him, he was as thin as a rake."



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OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
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OMAHA

Seen and Heard at the Convention

Iowa Bankers Hold Another Successful Annual Meeting in Des Moines

THE 55th convention of the Iowa Bankers Association, which was held in Des Moines last month, had a total registration of 1,600. This compares with 1,489 registered in Des Moines in 1940.

Although the first day was rather rainy, over 150 bankers took part in the golf tournament at the Wakonda Country Club, where **John Kamerick**, stockholder in Community Bank & Trust Company, Knoxville, won with a low gross score of 79.

The highlight of the convention was the recognition of the 25 years of excellent service which Secretary **Frank Warner** has given to the Association. The night of the banquet he was presented with a platinum watch and chain, given to him by the Association, together with a leather-bound book which contained over 758 congratulatory letters collected by the Association officers from bankers and bank officials throughout the United States.

The election of the president of the Association turned out to be a very active political campaign, and final vote showed that **Arthur T. Donhowe**, vice president of the Central National Bank & Trust Company of Des Moines, had received 177½ votes and **Max von Schrader**, cashier of the Union Bank

and Trust Company of Ottumwa, had received 108½. The half votes were cast by **Hoyt Young**, president of the Association.

After the vote had been announced, Mr. von Schrader suggested that a unanimous ballot be cast for Mr. Donhowe.

For the years 1942 and 1943, the friends of **Vivian W. Johnson**, president of the First National Bank of Cedar Falls, have already tossed his hat in the ring for the presidency of the State Association.

Mr. Johnson has long been active in State Association affairs, and was vice president in 1937 and 1938.

Harry W. Schaller, president of the Citizens First National Bank of Storm Lake, and chairman of the Resolutions committee, emphasized in his report, which was approved by the Association, that they are **opposed to branch banking and also opposed to a tax on bank checks**.

C. F. Harris, executive vice president of the Bank of Gladbrook, was unanimously elected vice president and treasurer of the Association for the ensuing year.

E. N. Van Horne, **O. Paul Decker**, and **Charles C. Kuning** acted as hosts

for the annual breakfast given by the American National Bank and Trust Company of Chicago, in the Oak Room to its friends and customers.

As usual, it was a very delightful occasion, and everyone present had a fine time.

Ted Welch, a senior at Iowa City, who works in a bank between his years at the University, brought his father, **Frank Welch**, president of the Peoples Savings Bank of Cedar Rapids, to the convention. We were glad to see Frank so well chaperoned.

E. M. Warner, president of the City National Bank of Clinton, has a champion golfer in his own family, as **Mrs. Warner** recently won the Clinton Country Club championship by shooting an 87, and defeating **Mrs. George Dulaney**, who shot an 89.

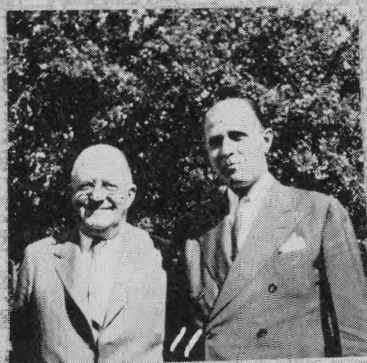
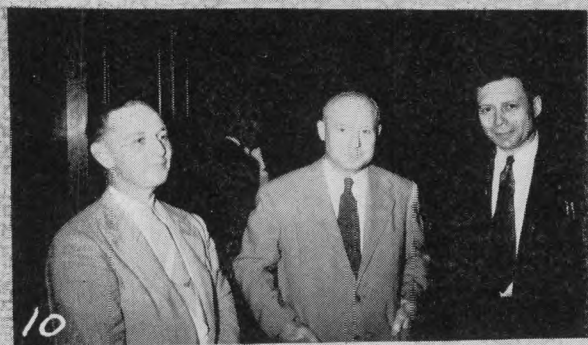
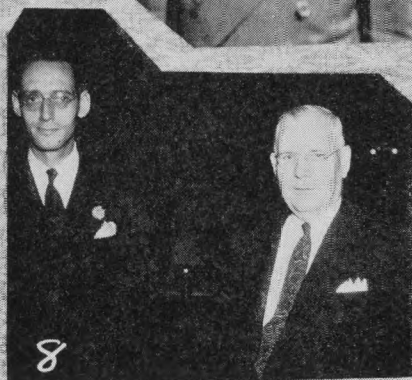
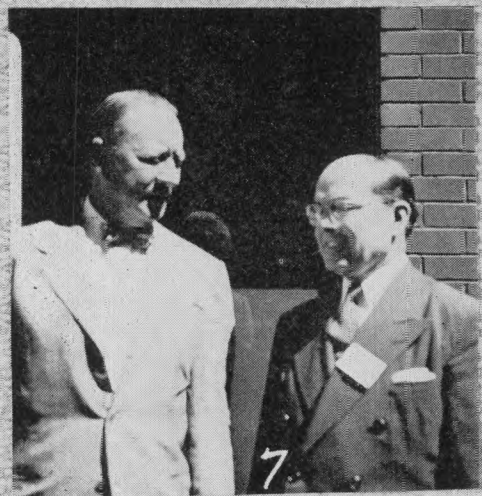
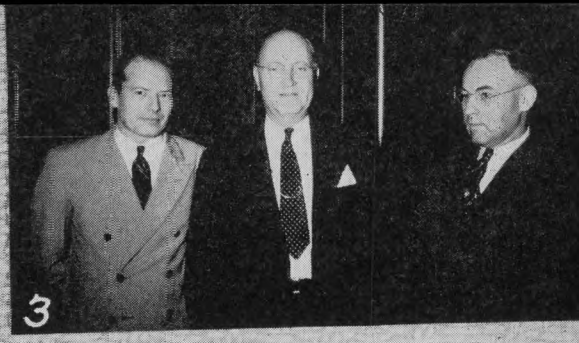
A. G. Sam, president of the First National Bank of Sioux City, in speaking of liquid refreshments said: "Liquor not only kills the parasites, but once in a while it also takes the owner."

Henry Scarborough, president of Scarborough and Company of Chicago, entertained a number of his banker friends at a luncheon during the Iowa convention. Assisting Mr. Scarborough

AT THE IOWA BANKERS CONVENTION

Reading from left to right, 1—**Carl Trout**, assistant vice president, Live Stock National Bank, Chicago, and **H. R. Jackson**, Iowa bank examiner, Iowa City. 2—**Sherman W. Fowler**, assistant vice president, Iowa-Des Moines National Bank & Trust Company, conversing with **V. F. Becker**, vice president, Carleton Beh & Company, Des Moines, during the Iowa Investment Bankers Association "Field Day." The "danger" sign which Vic has on was no doubt warning that he was tough competition in golf. 3—**F. D. Galbraith**, Iowa-Des Moines National Bank; **N. I. Sholin**, assistant cashier, and **Austin L. Vickery**, cashier, both of the United States National Bank, Omaha. 4—**Frank Covert**, assistant cashier; **George Malcolm**, vice president and cashier, and **Fred Cummings**, all of the Drovers National Bank, Chicago. 5—**Dr. George S. Benson**, president, Harding College, Searcy, Arkansas, and one of the principal speakers at the convention. 6—**George L. Nissly**, assistant trust officer, and **Emmett Johns**, assistant vice president, both of the Central National Bank, Des Moines, and **R. M. Messerschmidt**, president, First National Bank, West Des Moines. 7—**Robert R. Reynolds**, United States Senator from North Carolina, who spoke before the convention on "What Is Going to Happen to Business at the End of the

War," and **Frank Warner**, secretary of the Iowa Bankers Association. 8—**Ray Scott**, assistant cashier, and **Fred Brady**, vice president, both of the Commerce Trust Company, Kansas City. 9—**R. R. Brubacher**, president, Toy National Bank, Sioux City; **B. P. St. John**, cashier, First State Bank, Webster City, and **Arthur Donhowe**, vice president, Central National Bank, Des Moines, and president, Iowa Bankers Association. 11—**Charles B. Mills**, Moline, Illinois, president of the Iowa Bankers Association 40 years ago, and his son, **Miles M. Mills**, Des Moines. 12—**George Schaller**, former president, Federal Reserve Bank, Storm Lake; **V. W. Johnson**, president, First National Bank, Cedar Falls; **Clarence Diehl**, vice president, Iowa-Des Moines National Bank, Des Moines, and **Charles Barron**, cashier, State Bank of Vinton. 13—**Erwin Jones**, vice president, Iowa-Des Moines National Bank, Des Moines, and **Frank Crone**, executive vice president, The National Bank of Washington. 14—**Bob Pierce** and **Ted Herring** of the National Cash Register Company, Des Moines. 15—**E. R. Rollins**, vice president, Bankers Trust Company, Des Moines, and **Frank Warden**, vice president, Central National Bank, Des Moines.



of his organization were **Duncan McGill**, **Ward McFadden** and **Lester Smith**. A number of guests were asked to say a few words, and among those was **George Malcolm**, vice president of the Drovers National Bank of Chicago, who said that their institution was the first customer which Mr. Scarborough had in Illinois. Mr. Scarborough says that his plan is to make this a regular affair at the Iowa convention in the future.

H. J. Stuhmiller, president of the State Savings Bank of Fontanelle, and

treasurer of the Iowa Bankers Association, reported that the general fund of the association had a balance on hand as of May 31, 1940 of \$919.50, that it received from the office of secretary \$33,614.19, and that there was transferred from the insurance fund \$8,000, or the total received from the general fund during the year was \$42,533.69.

The total net cash on hand, as of May 31, 1941, was \$12,235.48.

B. F. Kauffman, president of the Bankers Trust Company, had a meeting of "The Committee on Liquidation"

at his home, 3425 Grand Avenue, on Tuesday of the convention, but unfortunately Frank had to attend a special meeting of railroad executives in New York, and was therefore unable to be on hand, but other members of his efficient staff acted as hosts for him, including **Scott C. Pidgeon**, **R. R. Rollins**, **C. H. Stephenson** and **C. W. Mesmer**, vice presidents, as well as **F. C. Atkins**, cashier, along with a number of directors of the bank.

Walter B. French, deputy manager of the American Bankers Association, urged bankers to comply with the spirit as well as the letter of the new federal regulations on consumer credit.

He emphasized that the regulations had been laid down by the right group; namely, the Federal Reserve Board.

H. R. Young, cashier of the Arlington National Bank, and retiring president of the Iowa Bankers Association, in his annual address asked that the government "knock the slats out of the damnable pork barrel, and that people send to Congress only those who believe in and will enforce economy."

Rolfe O. Wagner, president of the Des Moines Clearing House Association, did an admirable job as the presiding officer the night of the banquet, and also welcomed the delegates to the convention at the opening session.

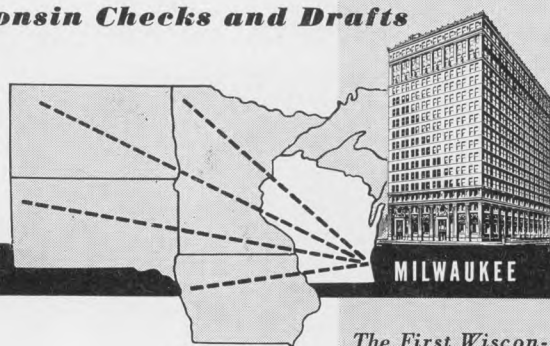
Senator Alben W. Barkley of Kentucky, and the majority leader of the United States Senate, discussed the question "What the United States Faces Today", and, among other things, said:

"We face now the responsibility of giving all the aid that we can give those nations fighting desperately to preserve human liberty. We hope we may do this without entering the war. But, while we abhor war and love peace, I am not afraid to assert that if the time arrives when we must lay aside temporarily the peaceful habits which we love, we shall not be afraid to assume the responsibility which our forefathers assumed when they established and defended our liberty, our rights, our homes and our institutions."

Clifford B. Gregory, associate publisher of *Wallaces' Farmer and Iowa Homestead*, and deputy chairman of the Chicago Federal Reserve Board, discussed the farmers' viewpoint and their part in the war, and said: "My guess is that the American farmer will

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Richard J. Lawless Assistant Vice President
Donald A. Harper Assistant Vice President

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enjoy prosperity for about one year after the war ends. Following the war, the farm will be prepared to cut down production to fit the American market."

George F. Benson, president of Harding College, Searcy, Arkansas, made one of the most powerful addresses given at the convention on "America at the Crossroads".

A few of the points emphasized by Dr. Benson are these:

"America today faces the greatest crisis in her national history. The nations of the world as a whole likewise have never faced a greater crisis throughout the history of the human race.

"This crisis may well prove as serious in consequences as that which accompanied the fall of Rome, and ushered in the dark ages.

"National indebtedness has already increased to more than \$1,000 per family, and is expected to be twice that within five years.

"Huge defense expenditures, which a few years ago we would have thought impossible, are being piled upon record non-defense expenditures which had already staggered us.

"The real question is this:—Can we possibly continue our huge relief measures, our record farm program, increasing NYA and CCC expenditures, finance this most expensive of all wars, likely to last for several years, and maintain our financial structure; and if our financial structure fails, can we preserve American democracy?

"Again, I also warn that if our financial structure fails, American Democracy will also fail.

"There is only one way to avoid inflation: Pay for the war as we go in just as far as possible and thus avoid heavy indebtedness and heavy taxation over a long period following the war.

"There are just two ways to accomplish that end:

1. Collect more taxes now.
2. Economize now in non-defense expenditures and apply every possible dollar of revenue to the cost of the war."

"What is Going to Happen to Business at the End of the War?" was discussed by Senator Robert R. Reynolds of North Carolina and chairman of the Military Affairs Committee of the United States Senate.

Senator Reynolds said:

"The great danger to our country today is not only our becoming involved in the present conflict, but the

real test of our democratic form of government will come when this war ends.

"When once again we find millions of homeless, unemployed men and women tramping in the streets of our great metropolitan areas, seeking work and food, then the real test will come."

If our national debt reaches 100 billion dollars, as the Senator says it may, he pointed out that this would be a first mortgage of about \$3,000 against every family in America, and would exceed the total of deposits by all our people in the banks of the nation by 25 billion dollars.

M. W. Ellis, president of the First Security Bank and Trust Company of Charles City and the new state superintendent of banks, presented his banking board and deputy superintendent of banks during the convention.

These gentlemen include the following: **B. F. Kauffman**, president of the Bankers Trust Company, Des Moines; **Ralph Eastburn**, executive vice president of the Iowa State Bank & Trust Company, Fairfield; **B. A. Gronstal**, president of the Council Bluffs Savings Bank, Council Bluffs; **B. P. St. John**, cashier of the First

**FAST SERVICE
IN 1882
BUT FASTER NOW
THAN EVER**

**COLLECTING AND
TRANSMITTING
LIVE STOCK
PROCEEDS**

**STRATEGICALLY LOCATED TO CHICAGO'S MOST
FAMOUS SQUARE MILE OF TERRITORY - The Union Stock Yards**

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION

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

State Bank, Webster City; and **R. L. Bunce**, deputy superintendent of banks, Des Moines.

S. R. De Cou, cashier of the First National Bank of Woodbine, and president of the Harrison County Bankers Association, discussed the question of employing "Outside Farm Representatives" by Iowa banks.

Mr. De Cou said: "Our representatives are very welcome now by our farmer customers, and these gentlemen check the collateral against each mortgage which we have in the bank.

We have prepared a regular form which farmers now fill out to give the bank a complete analysis of its financial standing."

Mr. De Cou felt that their representatives were helping to increase the business of the bank as well as creating a better relationship between bank customers and the bank.

Mortimer Goodwin, executive vice president of the Pella National Bank, and a member of the Advisory Committee cooperating with Bank Management Commission of the A. B. A.,

discussed the question of "Simplified Bank Forms and Procedure", and, among other things, said:

"This manual draws attention to many duplicate and useless procedures and off-sized forms which easily could be eliminated or simplified and reduced to a few standard sizes. By checking these, employe working hours can be shortened.

"To be specific about this manual, it consists of ten sections. The first eight deal with descriptions of operating forms and procedures for the following phases of bank operations: (1) Paying and receiving; (2) interior proof and transit; (3) bookkeeping; (4) analysis; (5) loans and discounts; (6) collections, drafts, certification and returns; (7) savings; (8) general ledger; and the remaining two deal with (9) sundry functions of safe deposit safekeeping, filing and destruction of records; (10) and general forms.

"Operating forms, with accompanying printing specifications, are illustrated. Some have been filled in to show typical transactions. This will be found very helpful to bankers seeking to modernize their forms and procedure to eliminate non-essential work."

William C. Rempfer, cashier of the First National Bank of Parkston, South Dakota, and former president of the South Dakota Bankers Association, was one of the guest speakers at the convention and discussed "Earnings and Reserves—A Study".

Mr. Rempfer said: "There is no secret to the problem of low earnings. In my opinion, banks which are troubled by it are not receiving adequate compensation for all of the commercial bank services being rendered to their customers. The services to which I refer are the loaning of money, transferring of funds, safety deposit box accommodations, checking account facilities, issuing bank drafts, making change, preparation of payrolls, and so forth. Up until the past few years bankers thought it proper for the borrowing customer to pay for all of the other services rendered to non-borrowing customers by means of a stiff interest rate.

Commerce Trust Company

18-1

Established 1865

KANSAS CITY, MISSOURI

Member Federal Reserve System

Statement of Condition at Close of Business September 24, 1941

RESOURCES

Cash and Due from Banks.....	\$93,691,268.82	
U. S. Obligations, Direct and Fully Guaranteed..	45,309,255.21	\$139,000,524.03
State, Municipal and Federal Land Bank Bonds..	24,282,900.30	
Stock of Federal Reserve Bank.....	270,000.00	
Other Bonds and Securities.....	15,749,634.68	40,302,534.98
Loans and Discounts.....		58,879,871.44
Bank Premises and Other Real Estate Owned.....		2,492,289.99
Customers' Liability Account Letters of Credit.....		7,200.00
Accrued Interest Receivable.....		255,908.26
Overdrafts		19,862.53
Other Resources		11,465.69
Total Resources		\$240,969,656.92

LIABILITIES

Deposits		\$227,661,314.58
Capital	\$6,000,000.00	
Surplus	3,000,000.00	
Undivided Profits.....	4,149,333.70	13,149,333.70
Reserve for Dividends Declared.....		60,000.00
Liability Account Letters of Credit.....		7,200.00
Accrued Interest, Taxes and Expense.....		64,519.35
Other Liabilities		27,289.29
Total Liabilities		\$240,969,656.92

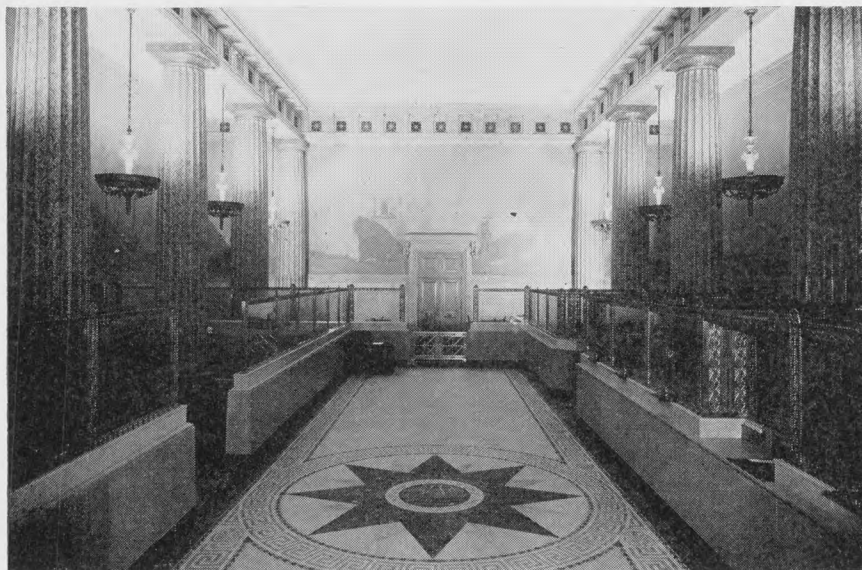
Member Federal Deposit Insurance Corporation

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH
Haddam, Kansas

"35 years Practical Banking
Experience."



The Public National Bank & Trust Company of New York
New Main Office at 37 Broad Street—General view of main banking floor

"Let us make our charges adequate, let us make them uniform to all of our customers, with no exceptions. We should operate profitably and lay up reserves for the day when we shall need them. We should operate the way the restaurant does, give away water and paper napkins, but make an adequate charge for everything else. If we do this there will no longer be a low earnings problem and there will be adequate reserves to take care of all losses."

A truck driver we know complains that his son has gotten his B. A. and M. A., but that his P. A. still has to support him.

New Office Quarters

On October 6th, The Public National Bank and Trust Company of New York will formally open for business its new and greatly enlarged main office quarters in the Bank's own 9-story building at 37 Broad Street. The new home of Public National, one of New York's important banking organizations, is a handsome and impressive structure, soundly located in the downtown financial district.

The building, which has been pointed out repeatedly as one of the finest examples of architecture in its class, was acquired by the Bank from the New York Stock Exchange, in an outright purchase for cash.

Out-of-Town Banks

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

CITY NATIONAL BANK

AND TRUST COMPANY of Chicago

208 SOUTH LA SALLE STREET

(Member Federal Deposit Insurance Corporation)

Northwestern Banker October 1941

In commenting on the move from its former headquarters in William street, officials of the bank characterized it as the inevitable result of the steady growth and expansion the bank has enjoyed for many years. In a recent statement E. Chester Gorsten, President, hailed the purchase of the new building as symbolizing 33 years of sound progress for the institution. Said Mr. Gorsten, "The Public National Bank and Trust Company for some time has been rapidly outgrowing its old headquarters office, as a logical result of steadily expanding banking business in loans, deposits

Read what they say
about the **PROFITABLE**
"PAYC" (Pay-as-You-Check)
Checking Plan!

**Another banker
writes ---*

"The 'PAYC' plan is a definite step in the right direction and our experience with it has been A-1. We have opened approximately 400 new accounts in a period of about 4½ months, with an average opening balance in the neighborhood of \$150.00.Most of our new accounts under the 'PAYC' system have been new customers."

*Name of bank on request

Recent "PAYC" Purchasers:

CITIZENS STATE BANK
DONNELLSON, IOWA

IOWA STATE BANK
HULL, IOWA

Ask a "U.S." representative for complete information about the "PAYC" plan, or write to —

UNITED STATES CHECK BOOK CO.
OMAHA, NEBRASKA

ACOUSTICS AND FLOORING FOR BANKS

Write for Free Estimates

H·B·BUCKHAM
AND
COMPANY
DES MOINES

FRIENDLY SERVICE

Come to the Bismarck for luxurious comfort ... good food ... and that elusive something called "friendly service" that makes you feel right at home. Every modern hotel convenience is here at your beck and call ... and the location is a time-saving convenience.

Write for booklet
with map of
downtown Chicago

OTTO K. EITEL, MNG. DIR.



Northwestern Banker October 1941

and all other departments. This fact is reflected in the Bank's June 30th statement, which shows total loans of \$81,258,252.92; total deposits of \$170,701,011.37; capital surplus and undivided profits of \$17,758,293.88 and total resources of \$192,296,791.41.

"In determining the new site, the factors involved and carefully considered were an address and facilities warranted by a bank of 30 separate offices throughout Greater New York, the comfort and convenience of customers, and our growing personnel, and maximum economy of operation."

The new home of Public National is a striking and beautifully proportioned structure of Rockwood Alabama Limestone, above a granite base. It is completely equipped with the most up-to-date of modern banking facilities and appointments and was air-conditioned prior to the Bank's occupancy this month.

NEWS AND VIEWS

Julius K. Waibel, advertising director of the Continental-Illinois National Bank and Trust Company, says that the following experience actually happened in their bank. Here it is:

"Page Girl (to Charles E. Clippinger, assistant secretary): 'Will you please sign your name here?'"

"(Clippinger proceeds to affix his curly-whirly signature.)

"Page Girl: 'O, please don't spoil it—it's an important document! You should sign your name!'"

"Marvel" 2-Trousers

Suits For Fall 1941

Styled

Tailored

Priced

to bring you back
for another in fall '42

\$30 and \$35

Second Floor

FRANKEL'S
DES MOINES

MERCHANTS MUTUAL BONDING COMPANY

Incorporated 1933

Home Office
VALLEY BANK BUILDING
Des Moines, Iowa

This is Iowa's oldest surety company.

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

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

Write to
E. H. WARNER
Secretary and Manager



FAR MORE TO OFFER BUT
FAR FROM BEING EXPENSIVE

Opportunities for all sports and recreations. Curative mineral waters. Air conditioned sleeping rooms ... Write for information or reservations.



THE ELMS HOTEL

• IOWA NEWS •

James Henry Clarke, assistant vice president of the American National Bank and Trust Company of Chicago, and author of "The Month's Market Maneuvers," which appears in each issue of the *NORTHWESTERN BANKER*, recently maneuvered into the marriage market, and **Margaret Frances Heagney** now tells Jim what kind of a suit she would like best on him, and what night, if any, he can play poker with the "boys."

Mr. and Mrs. Clarke are at home now at the Edgewater Beach Hotel.

Grant McPherrin, chairman of the First Federal State Bank of Des Moines, in a recent letter to us said: "I want to congratulate you on the splendid September issue of the *NORTHWESTERN BANKER*. It is one of the best I have ever seen, and I enjoyed reading it very much."

Clarence S. Rye, vice president of the Little River Bank and Trust Company of Miami, Florida, attended the Iowa Bankers Convention last month.

In a recent letter to us he said: "I assure you that I appreciate receiving your fine publication, the *NORTHWESTERN BANKER*, and look forward to it monthly. Were it not for your magazine I would not be able to keep informed as to my many banker friends in the middle west."

William N. Mitten, president of the Stephens National Bank of Fremont, Nebraska, issued a souvenir edition of the "10 Year History of the Northeast Nebraska 4-H Club Fair," was was held in Fremont.

The fair was a three-day occasion, and it drew thousands of people from seven counties, as it was the largest of its kind in the state. Over 3,000 4-H Club members participated.

W. Bruce McLeran, publicity director of the Denver National Bank of Denver, in a recent communication to us, said: "Your committee's Financial Publication's article, as sent out by the F. A. A. is fine. Result: Please enter a year's subscription to the *NORTHWESTERN BANKER* in behalf of the Denver National Bank."

Also elected at the convention were the following A. B. A. members:

Executive councilman, **B. L. McKee**, vice president, Muscatine Bank & Trust Company, Muscatine; nominating committeeman, **H. W. Schaller**, president, Citizens First National Bank, Storm Lake; alternate nominating committeeman, **V. W. Johnson**,

president, First National Bank, Cedar Falls; vice president, National Bank division, **V. P. Cullen**, executive vice president, National Bank of Burlington; vice president, Savings Bank division, **W. H. Swiler**, cashier, Burlington Savings Bank, Burlington; vice president, State Bank division, **H. G. Nicolaus**, Wilton Savings Bank, Wilton Junction; vice president, Trust division, **J. M. Hutchinson**, trust officer, Davenport Bank & Trust Company.

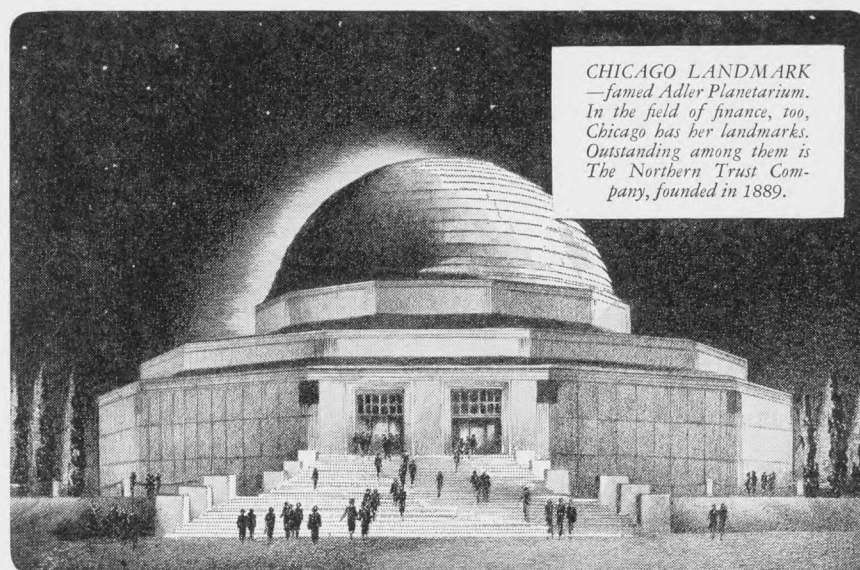
Dividends

Savings and loan associations paid the Federal government \$3,213,546 in dividends for the first half of 1941,

bringing to \$41,785,882 its earnings on investments made in member home-financing institutions of the Federal Home Loan Bank System during the depression years, James Twohy, governor of the system, announced.

He said that repurchases of shares in these associations in which the government had invested amounted to better than \$11,000,000 for the same period.

"Under authorization of the Congress in 1933 and 1934, the United States Treasury and the Home Owners' Loan Corporation invested more than \$271,000,000—largely during the 1935-1937 period—in the shares of some 1,100



CHICAGO LANDMARK
—James A. Michener Planetarium.
In the field of finance, too,
Chicago has her landmarks.
Outstanding among them is
The Northern Trust Company,
founded in 1889.

HELPING CORRESPONDENTS ACHIEVE COMPLETENESS OF SERVICE

The correspondent who forms a connection with The Northern Trust Company opens an avenue to resources of value to himself, his customers and his community. Available to such out-of-town banks are the experience and the store of facts acquired by this institution during more

than half a century. Thus, in addition to handling the flow of normal, routine transactions, The Northern Trust Company takes particular pains to serve completely the further needs of its banker customers. Inquiries concerning the advantages of a connection here are invited.

THE NORTHERN TRUST COMPANY

50 SOUTH LA SALLE STREET, CHICAGO
Member Federal Deposit Insurance Corporation

★

★

Northwestern Banker October 1941

**DES MOINES BUILDING-LOAN &
SAVINGS ASSOCIATION**

**Oldest and Largest
in Des Moines**

411 6th Ave. Dial 4-7119

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

Member Federal Home Loan Bank System



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

E. O. FENTON, Director

American Institute of Business
DES MOINES

10th and Grand Tel. 4-4221

such institutions in order to provide them with funds sufficient to encourage wider and sounder home ownership in their communities," said Mr. Twohy. "The fact that well over one-fourth of this sum already has been retired voluntarily—considerably in advance of the time such repurchases were due—is a solid indication of the public's confidence in savings and loan associations, and that private investment now has resumed its proper course.

"The savings of hundreds of thousands of private investors, flowing into associations throughout the country, have made home-financing capital available to such an extent that, in addition to the dividends paid the government, member associations of the bank system during this six-month period also were able to repurchase over \$11,000,000 of the original investment in their shares, though less than \$3,000,000 was due on June 30th, the semi-annual dividend date," said Mr. Twohy.

"The government receives the same rate of earning on its investments as

that enjoyed by individual investors," Mr. Twohy pointed out. He said that HOLC's dividends for the first period of 1941 amounted to \$2,839,538, and the United States Treasury's \$374,008. Cumulatively, HOLC has received dividends to date totaling \$32,528,132; the Treasury \$9,257,749.

"This record of dividend payments and the repurchase of original share investments is outstanding in the annals of government cooperation with private industry," Mr. Twohy added. "It is a dramatic example of how such timely assistance can bring about wide social benefits—in this case the protection and furtherance of the institution of home ownership—and at the same time earn a reasonable profit on the investment."

Wrecker

The woman autoist posed for a snapshot in front of the fallen pillars of an ancient temple in Greece.

"Don't get the car in the picture," she said, "or my husband will think I ran into the place."

Wessling Services

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D. R. WESSLING, PRESIDENT

Advertising programs for banks and trust companies. Let us help you get "things done." Write us today.

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Lowest Cost

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

Hawkeye Mutual Hail Insurance Association

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For a Fresh Start STOP at a HOTEL



More than 5000 hotels on the continent and in nearby territories, representing the seventh largest industry, allied for service and progress.

AMERICAN HOTEL ASSOCIATION

R.J. FLYNN, Pres.

D.L. DUNGAN, Secy.

**Lessing
Advertising Co.**
INC.

Since
1907

*Advertising for
Immediate Sales*
DES MOINES

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Mule in a barnyard, lazy and sick,
Boy with a pin on the end of stick.
Kid jabbed the mule; mule made a
lurch—
Services Sunday, First Methodist
Church.

Bette Loughren: "This is the fun-
niest looking picture I've ever seen."
Jeanne Loughren: "That's no pic-
ture. You're looking in a mirror."

Mr. Forsman: "Were you copying
his paper?"
Neiland Thompson: "No, sir, I was

only looking to see if he had mine
right."

No, by Gum!

Aunt Minnie was taking her first
trip on a train. When the conductor
came through the car and called for
tickets Auntie readily gave up hers.
A few minutes later the train boy
coming through called, "Chewing
gum!"

"Never!" cried Aunt Minnie, brave-
ly, "You can take my ticket, but not
my gum!"

An illustration of the satisfactory
nature of Central Hanover coopera-
tion, as extended to customers through
good times and bad:

159 American banks have been cor-
respondents of this institution for
more than 50 years.

CENTRAL HANOVER BANK AND TRUST COMPANY NEW YORK



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

IN THE DIRECTORS' ROOM

Nitwitiana

Those who go to college and never get out are called professors.

Once there was a mean army officer. He was rotten to the corps.

A college student is like a thermometer because he is graduated and marked by degrees.

They marked the exams so strictly, they flunked him for having a period upside down.

A tommyhawk is what if you go to sleep suddenly and wake without hair, there is an Indian with.

We know a man who's getting so bard-headed he has to tie a string



around his forehead to tell how far up to wash is face.

Our grandmothers believed that there was a destiny which shaped our ends, but the modern girl places more faith in girdles.

And always remember, Oswald, that the difference between a model woman and a woman model is that the former is a bare possibility and the other a naked fact.

Thankful

A young hillbilly from an isolated ranch bought an ice cream cone, walked outside to eat it, then carried the cone carefully back to the soda fountain. Handing it to the clerk, he said: "Much obliged for the use of the vase."

Targets

A minister preached a sermon on the duty of wives.

"There is, alas, a woman in this congregation who is often guilty of disobedience to her husband. To make an example of her, I will fling my book at her head.

He lifted up his book and instantly every married woman ducked.

Quite a Fuss

The magician walked down to the footlights and asked a young lady to step up on the stage.

"Now, as the climax to my act, ladies and gentlemen," he said, "I am going to saw this young lady in two right before your eyes."

The crowd cheered and stamped its feet.

"As is customary before doing this trick," he continued, "I'd like first to make sure that you all want to see . . ."

A thundering "Sure."

"And that there are no objections to my performing . . ."

A "No" rocked the house.

"The girl's sorority sisters—do they object?"

"Not at all, to be sure."

"How about you," he asked, turning to the girl: "do you mind being sawed in two?"

The girl shook her head.

We all thought it was funny as heck at the time, but the police made quite a fuss about it.

No Inspiration

An artist was painting in the country. A farmer came up and watched him.

"Ah," said the artist, "perhaps you too are a lover of the beauties of nature. Have you seen the golden fingers of dawn spreading across the eastern sky, the red-stained, sulphurous islets floating in the lake of fire in the west, the ragged clouds at midnight, blotting out the shuddering moon?"

"No," said the farmer matter-of-factly, "not lately. I've been on the wagon for over a year."

Tactful Tactics

Two colored men were discussing things in general. One was telling how he'd just got a job as a Pullman porter and that his conductor had told him he must treat the passengers with tact.

"What am dis here tact stuff?" he wanted to know.

"Let me enlighten your intelleck, brothah," said the other and wiser darkie. "Once Ah was workin' up at de Waldawf hotel. One day Ah was cleanin' up and happens to open a bathroom door and dere was a lady sittin' in de tub.

"Ah shuts de door quick and Ah says 'Beg yo' pahdon, suh!'

"Well, dat 'beg yo' pahdon' was jes politeness, but de 'suh'—dat was tact."

Out of the Frying pan

Mrs. Brown was tired of the borrowing propensities of her neighbor, Mrs. Black. First is was some household utensil she wanted, then some small article of grocery. The other day a knock came at Mrs. Brown's door. It was Mrs. Black's little girl.

"Please, mother wants to know," she said, "if you will lend her some pepper and the big flatiron you have."

Mrs. Brown was determined to stop her neighbor's borrowing.

"Tell your mother I've got other fish to fry she snapped, and the little girl went away.

She was back in a few minutes, however, with a dish and the usual request.

"Please, mother wants to know if you'll lend her some of the fried fish."

PERMANENTLY SHARP!

**STUDENTS!
BUSINESS FOLKS!**
Here's Your Daily
SUCCESS COMPANION!

SHEAFFER'S
Fineline

"In Working
Togs" (shown)
Also Streamline
balance models

**\$1⁰⁰
and
up**

39% smaller writing point is always sharp—that means neater figures, more readable writing, clear carbons, distinct shorthand.

SPIRAL GRIP for tireless writing. Double length propelling eraser. Sturdy, precise mechanism; outlasts all others. Uses double length, strong FINELINE leads.

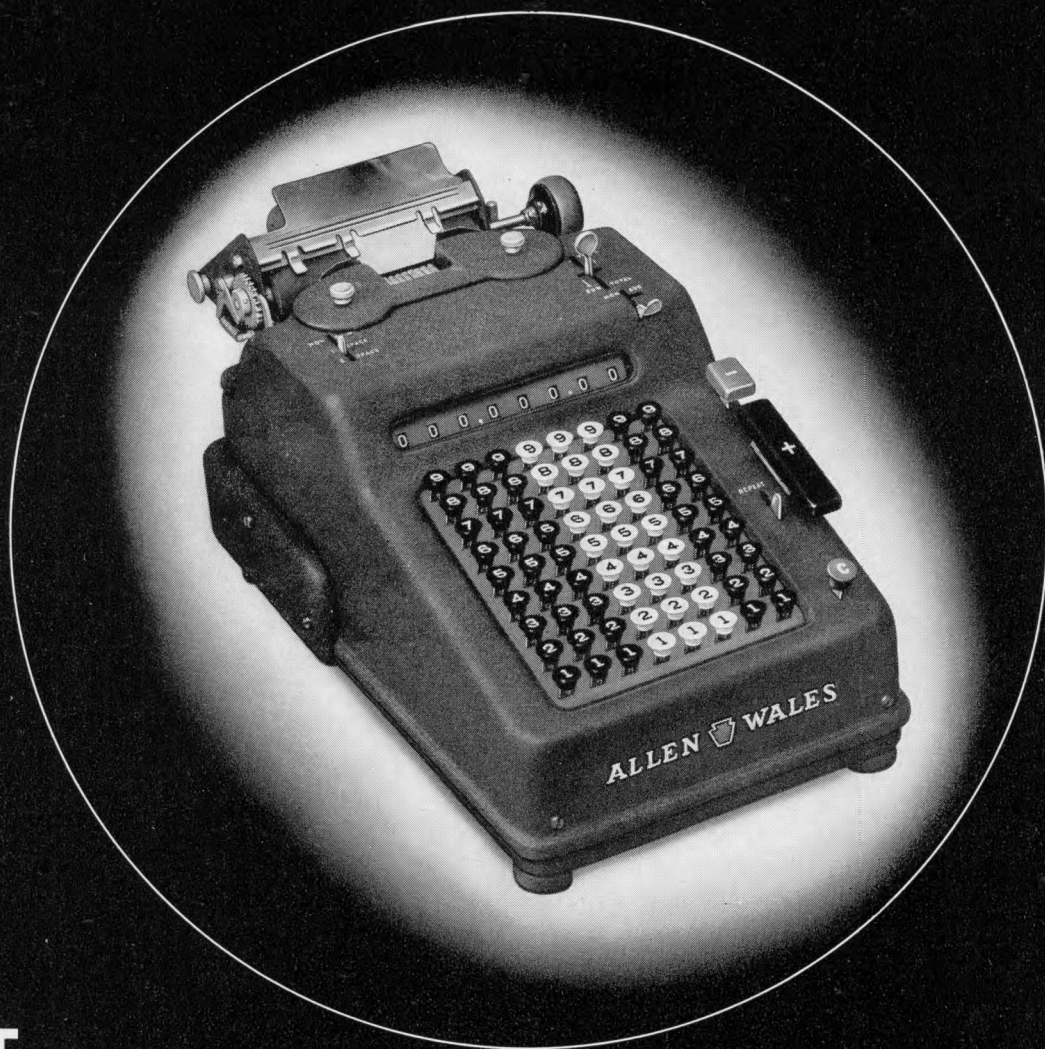
A lasting, welcome gift for anybody, any time. Just right for your own use, too! Make FINELINE yours today.

KOCH BROTHERS

PRINTERS - BOOKBINDERS - OFFICE OUTFITTERS
STATIONERS - BUSINESS MACHINES

GRAND AVENUE AT FOURTH

Des Moines



NOW, MORE THAN EVER, YOUR FIGURE WORK MUST BE SAFEGUARDED

ALLEN WALES Machines, Manufactured Since 1903,
Are Recognized For Their ACCURACY—SPEED and DEPENDABILITY

More Than 100 Different ALLEN WALES Models

More Than 400 Distributing Points in U. S. A.

More Than 600 Percent Increase in Sales In The Past 6 Years

These Figures Are Of Importance To All Users of Adding Machines

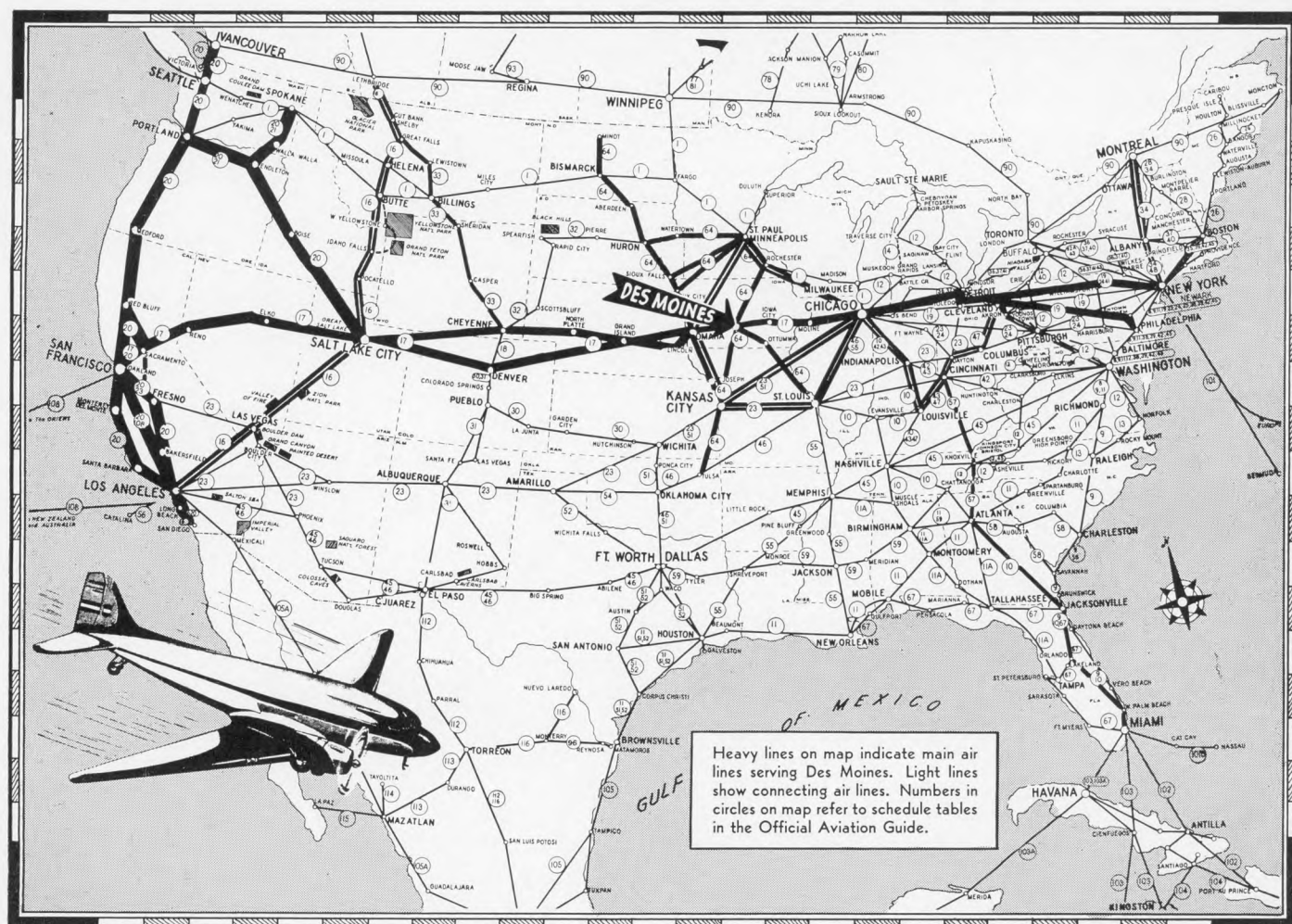
Models Are Available For Every Type Of
Business Covering The Widest Possible Range of Requirements

Our Nearest Agency Will Be Glad To Let You
Try One Without Obligation—Telephone Them or Write Us

ALLEN WALES ADDING MACHINE CORPORATION

444 Madison Avenue, New York, N. Y.

SALES AND SERVICE IN 400 AMERICAN CITIES AND IN 40 FOREIGN COUNTRIES



DES MOINES . . .

Crossroads of the Nation's Airlines

Des Moines is served by two major air lines . . . United's transcontinental East-West route . . . Mid-Continent's North-South system, which provide additional direct air mail connections with all important financial and business centers of the Nation.

Checks and drafts, routed through Iowa's Largest Bank, reach their desti-

nation within a few hours for collection. Experienced personnel with modern equipment provide extra speed in the clearance of transit items.

Iowa Banks and Bankers are invited to use the complete facilities of this Bank to give customers fast, dependable collection service.

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY

Member Federal Deposit Insurance Corporation