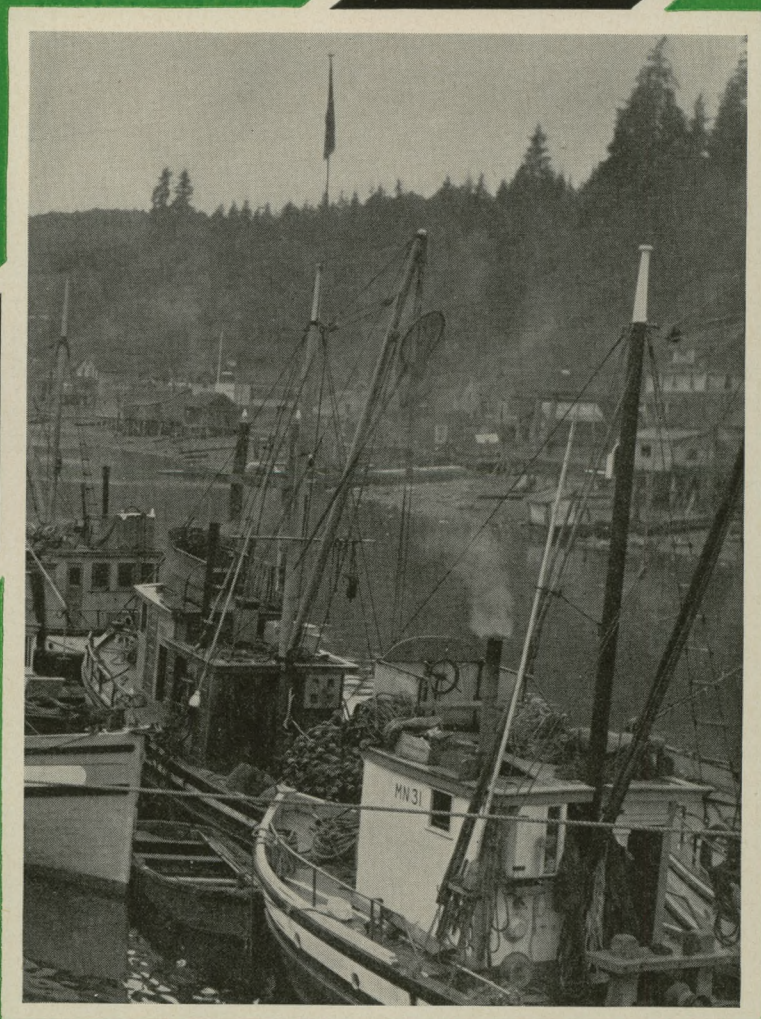


NORTHWESTERN *Banker*

MAY
1942



Fishing Boats in the Port of Albert Bay, British Columbia—reported to be the Totem Pole Capital of the World

FOR VICTORY



BUY
UNITED
STATES
DEFENSE
BONDS
STAMPS

We'll Ride on Rubber From Midwestern Farms

Page 15

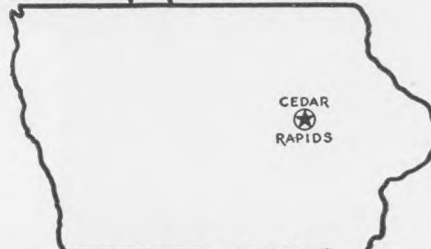


Group Meeting Time

Number One attraction this month on the Iowa Banker's calendar is the 1942 series of Iowa Group Meetings. Officers of this bank extend best wishes for the success of these conferences.

As always, Merchants National Bank officers will attend and take part in all these meetings, at DeWitt, Ames, Bloomfield, Council Bluffs, Guttenberg, Waverly, Clear Lake and Spencer.

A CEDAR RAPIDS BANK



SERVICING ALL IOWA



MERCHANTS NATIONAL BANK

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Cedar Rapids Iowa

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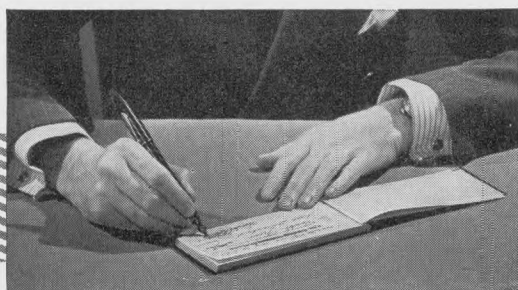
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THE BANKER'S PART IN A NATION AT WAR



Most of us fail to appreciate what a vital role is the banker's in these difficult times. Actually he is no less essential to this nation's war effort than the man at the lathe, the gunner in the turret, the pilot at the controls. In fact, under our present economy, it would be impossible to wage war or carry on the business of peace without his services. » » Banks not only play an important part in financing the war, but offer a service which expedites every major financial transaction. » » America couldn't get along without the Banker — and one of the devices which enables the banker to function so

smoothly and efficiently is checks. That's why they have become the medium of exchange for over 90% of today's business. » » It is as important to protect checks against fraudulent manipulation — alteration or counterfeiting — as it is to protect our currency. Most of the leading banks as well as prominent corporations everywhere depend upon LaMonte Safety Papers for that protection. The safety paper "identified by the wavy lines" is accepted from coast to coast as the standard of protection for checks. » » Your lithographer or printer will show you samples of these highly individual check papers.



LA MONTE *Safety* PAPER

GEORGE LA MONTE & SON
Nutley New Jersey



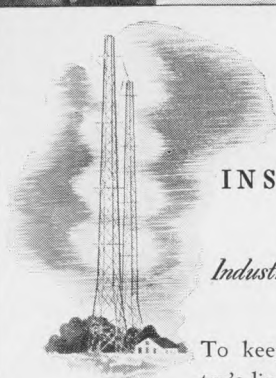
The
RADIO IS A PAL
thanks to Industrial Teamwork...



RADIO ACCENTS personal enjoyment because industry's engineers ingeniously perfected a set of portable dimensions. This cozy instrument—today taken for granted—once presented a baffling batch of manufacturing problems. The solution came in tubes, loudspeaker and other high fidelity parts that are tiny enough to be effective, yet fit a shrunken case. Chemistry contributed a plastic container combining beauty with complete insulation. Thus INDUSTRIAL TEAMWORK—a hidden force that propels our production effort—blends the output of many industries to make a single, useful product. Insurance, the industry that protects other industries, helps to keep INDUSTRIAL TEAMWORK effective.

☆ **THE HOME** ☆
Insurance Company
NEW YORK

FIRE ★ AUTOMOBILE ★ MARINE INSURANCE



INSURANCE

Aids
Industrial Teamwork

To keep open industry's lines of communication, Insurance lends a helping hand. Its inspection and prevention services tend to reduce hazard and the threat of financial disaster. By paying losses that unavoidably occur, insurance neutralizes many forces that are unfriendly to industry. Finally, its reserve dollars are widely invested in all industry and become bone and muscle to the ramparts of production.

IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK

Statement of Condition, March 31, 1942

ASSETS

Cash on Hand, and Due from Federal Reserve Bank and Other Banks . . .	\$324,836,925.28
U. S. Government Securities	300,317,788.79
State, County and Municipal Securities	5,999,680.00
Other Securities	4,816,488.30
Stock in Federal Reserve Bank	3,088,100.00
Loans and Discounts	216,610,121.11
First Mortgages on Real Estate	13,202,428.79
Headquarters Building	17,196,600.00
Other Real Estate	1,181,219.53
Liability of Customers for Acceptances	1,654,780.08
Accrued Income, Accounts Receivable, etc.	2,856,085.69
	<u>\$891,760,217.57</u>

LIABILITIES

Deposits	\$778,422,718.02	
Official Checks	2,095,581.38	\$780,518,299.40
Acceptances	\$6,497,176.88	
Less Amount in Portfolio	4,359,345.79	2,137,831.09
Reserve for Taxes and Other Expenses		1,618,684.36
Dividend payable April 1, 1942		750,000.00
Other Liabilities		311,882.61
Unearned and Deferred Income		2,165,843.13
Capital Stock	\$50,000,000.00	
Surplus and Undivided Profits	54,257,676.98	104,257,676.98
		<u>\$891,760,217.57</u>

United States Government Securities are stated at amortized cost. Of these, \$55,959,070.66 are pledged to secure deposits of public monies and for other purposes required by law.

Member Federal Deposit Insurance Corporation

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Northwestern Banker May 1942

CHASE BANKING SERVICE COVERS THE AMERICAS



INTER-AMERICAN trade is vital to the economy and solidarity of our hemisphere. War has both emphasized its importance and increased its complexity.

For this reason current information on economic and exchange conditions within the Americas is essential to all those engaged in inter-American commerce. *Our numerous correspondents supply us with such information from*

every commercially important city in Central and South America.

These same correspondents—leading banks in their communities—offer through us special facilities for the prompt handling of collections.

This information and these facilities are placed at the disposal of our domestic correspondents and provide a timely and valuable service for their own customers.

THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

MAY
1942

NORTHWESTERN *Banker* DES MOINES

FORTY-SEVENTH YEAR

NUMBER 658

Oldest Financial Journal West of the Mississippi River

CLIFFORD DE PUY
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Jos. A. Sarazen
Associate Editor
Telephone Hyland 0575

CONVENTION CALENDAR

Mid-Continent Conference, Bank Audi-
tors—Kansas City, May 21-23
American Institute of Banking—New
Orleans, June 8-12.
Financial Advertisers Association—
Chicago, October 26-28, Edgewater
Beach Hotel.
National Conference on Wartime Fi-
nance—Book-Cadillac Hotel, De-
troit, September 27-30.

STATE MEETINGS

Missouri Annual Convention—Joplin,
May 11-13
Indiana Annual Convention—Indian-
apolis, May 13-14
Illinois Annual Convention—St. Louis,
May 20-22.
South Dakota Annual Convention—
Cataract Hotel, Sioux Falls, June
3-5.
Wisconsin Annual Convention—Mil-
waukee, June 16-18
Montana Annual Convention—Yellow-
stone National Park, June 18-20
North Dakota Annual Convention—
Dickinson, June 12-13
Minnesota Annual Convention—Duluth,
July 8-10, Hotel Duluth
Iowa Junior Bankers—Des Moines,
September 6-9.
Iowa Annual Convention—Des Moines,
September 6-9

IN THIS ISSUE

Editorials

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

Feature Articles

Frontispiece 11
The Trend of Loans in Iowa and Minnesota..... *J. A. Sarazen* 12
How We Operate Our Proof Department..... *R. A. Potter* 13
X-Rays from Three Days at the Chicago "Clinic"..... *Ralph W. Moorhead* 14
We'll Ride on Rubber from Midwest Farms..... *Leo M. Chistensen* 15
News and Views..... *Clifford De Puy* 16
Installment Loans Under a War Economy..... *V. T. Bonnett* 18
Bank Profits During Wartime..... *Homer H. Peterson* 20
A Cattle-Feeding Contract—Legal Department..... 22
With Me the Answer Is—"Make Him Feel Sorry"..... *George R. Wilmot* 25

Insurance

Why Farmers Need Hail Insurance..... 29

Bonds and Investments

Short Term Governments for Banks..... *James H. Clarke* 31

State Banking News

Minnesota News 37
Twin City News *James M. Sutherland* 39
South Dakota News 43
North Dakota News 45
Nebraska News 47
1942 Nebraska Group Meetings..... *Henry H. Haynes* 48
At the Nebraska Group Meetings—Pictures..... 49
Omaha Clearings 51
Lincoln Locals 53
Iowa News 55
Iowa News from Here and There..... 64
Iowa Group Meeting Section..... 68-76
Glimpses of Old Mexico..... 78

The Directors' Room

A Few Short Stories to Make You Laugh..... 82



Across the Desk From the Publisher

Banks Qualify to Sell War Savings Bonds

Out of the 14,708 banks in the United States, 14,228 of them, or 96.7 per cent, have qualified to sell War Savings Bonds.

In the NORTHWESTERN BANKER territory the percentage of banks which have qualified, by states, is as follows:

State	Eligible Banks	Qualified Banks	Per Cent Qualified
Iowa	647	645	99.7
Minnesota	674	673	99.9
Montana	111	111	100.0
Nebraska	416	408	98.1
North Dakota	159	159	100.0
South Dakota	162	162	100.0

This fine record of qualification by the banks in the United States must now be backed up with the actual sale of war bonds.

However, in a recent letter to the NORTHWESTERN BANKER from Mortimer Goodwin, executive vice president of the Pella National Bank, he does not believe that enough of the qualified banks are really getting behind the sale of War Bonds as they should, and says:

"It seems to me that too many bankers are not getting behind the sale of War Bonds. Every time we buy or help sell a bond we are taking out much needed insurance on our homes and banks—and the American way of life—against this world tornado.

"Is there something you could say in the Northwestern Banker to encourage bankers to push the sale of the bonds? We have put our best efforts behind the drive. Our directors and staff have been actively engaged in soliciting for bonds. We used many ads just selling

war bonds. And besides this we and the Rol-screen Company distributed 988 stamp albums among the school children in our territory, town and country, and put a free 10c stamp in each. We've had dozens of letters from the pleased children. We also designed a sticker for the window of the homes where war stamps or bonds are being purchased. And, in addition, we have the Treasury's big poster in our front window with an electric spotlight on it at night.

"As a result of our activity we sold between January 1 and April 16 a total maturity value of all series equal to 10.6 per cent of our deposits as of January 1, 1942.

"With the extra help we have needed to write up applications and bonds, this push to sell war bonds has cost us money, but here is a time when we must give until it hurts."

We believe that bankers will "give until it hurts" and also that they will show a fine record of War Bond sales when this period of our war history is finally written.

Banks Should Keep Fighting Government Competition

Banks throughout the country should continue to fight government competition every place where local banks can effectively and efficiently take care of the credit requirements of their communities.

In the Nebraska Bankers Association there is a "Committee on Competing Agencies," of which E. W. Rossiter is chairman, and, in a recent announcement to the banks of Nebraska, he said:

"Mr. Banker, suppose Uncle Sam would set up a lending institution across the street from your bank. The capital is donated—no interest to pay.

It is exempt from taxes—no taxes to pay. 'Is that coming?' you ask. 'Hell, it's here.'

"Are Production Credit Association loans, based on free capital and tax exemption fair to your bank? Is it 'honest' to compare the PCA rate of interest and the bank rate under these conditions?"

"WHAT ABOUT YOUR CUSTOMERS, Mr. Banker? Do your farmers and your merchants realize what is being done to your institution?"

"Do they understand they are paying the taxes and buying the bonds which is financing the government agencies to undermine their own home bank?"

Originally it was the idea that the Production Credit Association should be set up to **supplement** and not to **supplant** the country banks, but at present they are in direct competition with the banks, and this should not be the case.

Bankers everywhere should be using their influence with Congressmen and Senators to keep fighting government competition.

How Banks Can Avoid Government Criticism

Bankers throughout the nation are doing everything they can to help in the war effort.

The success of that effort should be appreciated by the public and by the government.

If that is done, further encroachment upon banking by the competing government agencies should be eliminated.

The NORTHWESTERN BANKER asked D. Porter Dunlap, vice president of the Bank of America of San Francisco what he felt was the greatest problem facing American banking today and he said, "Bankers are intensely true and patriotic Americans, and as such American banking will cooperate in every way with our war effort. The problem is to speed and make effective that co-operation in such a complete manner that there will never be criticism of them. If this is not done, then they will become the target of attack and there will be further encroachment on the field of private enterprise.

"Banking plays a definite part in the war economy and by facilitating, through credits and a myriad of other means, it plays a part of which it may feel unashamed."

We too feel that bankers of America can "Feel unashamed" of the part they are now playing and of the part they will play in bringing to a successful conclusion the World War in which we are now engaged.

We also feel that the success which American bankers are having in carrying on the war is further proof that private initiative and private en-

terprise in a democracy should be fostered and not stifled or competed with by government agencies.

Are We Going "All Out" to Win the War?

The constant question which everyone is asking is, "Are we going 'all out' to win the war?"

Is **business** doing all that it can?

Is **labor** doing all that it should to win the war?

What about **farmers**—are they doing their full amount in this crisis?

A recent Gallup poll gave the figures on these question as follows:

"Do you think business and industry are going all-out to win the war?"

Yes	58%
No	33
Undecided	9

"Do you think labor unions are going all-out to win the war?"

Yes	37%
No	50
Undecided	13

"Do you think farmers are going all-out to win the war?"

Yes	69%
No	12
Undecided	19

This is at least how the general public feels, and, as we see it, it is up to labor leaders to change their attitude and change the opinion of the public, if they do not expect to have adverse legislation passed at this session of Congress.

We Must Broaden Our Tax Base

In trying to work out a new tax bill for the United States our mem-

bers of Congress should approach the problem from the standpoint that we must broaden our tax base if our tax burden is to be equitably distributed.

Estimated income figures for 1942 are as follows:

National Income Estimated.....	\$103,000,000,000
Persons Receiving Less Than	
\$2,500 will get.....	51,000,000,000

The average individual receiving less than \$2,500 pays practically no federal income tax, and therefore the tax base should be broadened. On the other hand, a family with an income of \$5,000 a year in 1939 accounted for about one-tenth of the aggregate income, but paid approximately nine-tenths of the federal income tax.

Clifford DePuy

47 Years

of Experienced and Depend-
able Service to Correspondent
Banks!

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GEO. L. NISSLY, *Assistant Trust Officer*

NOEL T. ROBINSON, *Assistant Trust Officer*

**On leave of absence—serving with the United States Armed Forces.*

"Iowa's Friendly Bank"

CENTRAL NATIONAL BANK
AND TRUST COMPANY
of Des Moines

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker May 1942



IN THE WHITE MOUNTAINS
A stretch of birchwood crowded with
a tangle of undergrowth

"IN TERRACED EMERALD THEY STAND
AGAINST THE SKY,
EACH ELDER TREE A KING,
WHOSE FAME THE WORDLESS
BILLOWS MAGNIFY"

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

The Trend of *Loans* in Iowa and Minnesota

Northwestern Banker Survey Reveals That Loan Volume Is Being Maintained on a Satisfactory Basis

ON a recent visit to a number of banks in Minnesota and Iowa, I made inquiry regarding the trend of loan volume in these institutions. Apparently, from the information I gathered, there has been no drastic amount of liquidation. The majority of banks visited gave figures indicating that their loan volume is being maintained quite satisfactorily. Naturally those with a considerable volume of small loans are beginning to feel the effect of liquidation, since of course loans of this nature are not being replaced at the present time.

Minnesota bankers reported as follows:

Minnesota

Faribault State Bank & Trust Company, Faribault: Loan volume on April 4, 1941, amounted to \$419,000 and on April 4, 1942, amounted to \$430,500. December 31, 1941, lists loan volume at \$452,000. Ray Meyer, cashier, said the bank had a good year last year and expected a good year this year. His bank has been publishing a series of ads in the local paper appealing to farmers for loans. Deposits at this bank increased \$112,000 during the year and on April 4th stood at \$844,400.

At the Fairmont National Bank, Fairmont, J. F. Haeckel, president, told us that loan volume stood at about the same figure as a year ago and about the same as the first of the year. The trend of deposits has been upward and footings reached the two million mark the latter part of March.

Interviewing C. F. Holden, cashier, Martin County National Bank, Fairmont, we were informed that loan volume on March 31, 1941, amounted to \$665,000, which is about \$75,000 less than a year ago. Loans on December 31, 1941, stood at \$712,681.

H. M. Johnson, cashier, First National Bank, Fairmont, tells us that while loan volume is off since the first of the year, it still is a little higher than a year ago. He is encouraging farmers to prepare for the lean years which are sure to come.

On the day of our visit to the Farm-

By J. A. Sarazen

Associate Editor
The Northwestern Banker

ers National Bank, Waseca, loan volume amounted to \$364,000 while on the same date a year ago, the volume amounted to \$381,850. The highest figure was reached last October when volume stood at \$400,600.

The recent bank call found the First National Bank, Waseca, with loans and discounts amounting to \$1,230,000. On the same date a year ago, loan volume amounted to \$1,238,000.

H. V. Bull, president, National Citizens Bank, Mankato, reports loan volume about 10 per cent higher than a year ago. Loans and discounts amount to \$1,820,000 with total footings of well over \$5,000,000.

J. G. Brauch, president, First National Bank, Mankato, reports that loan volume in his bank is holding about even with a year ago. Five of the boys here have answered the call to the colors.

W. T. Blackmarr, cashier, Wayzata State Bank, Wayzata, says loan volume has been very good, however, a decrease in volume is expected since his bank has been carrying a large amount of FHA and automobile paper.

At the Security State Bank, Waterville, B. W. Rademacher, cashier, tells us the highest point in his loan volume during the past year was \$126,000. An April 1, 1941, volume amounted to \$111,800 and April 1, 1942, volume amounted to \$95,900.

Loans are holding about even at the State Bank of Delano. On April 8, 1941, loan volume amounted to \$250,577 and on April 8, 1942, loan volume amounted to \$252,811.

P. F. Lindholm, cashier, State Bank of Maple Plain, says business is good and that his bank has not suffered any loss of volume in any type of loan so far.

Loan volume at the Farmers State

Bank, Hope, is holding up very well, according to A. M. Ellingson, cashier. Deposits are \$385,000 and loans amount to more than \$212,000.

E. J. Crowley, cashier, Merchants State Bank, Lewisville, reports loan volume about even with a year ago and a little higher than the first of the year. Deposits are also holding even and there is very little activity in real estate in this territory.

Inquiry among Iowa bankers revealed the following:

Iowa

Peoples Savings Bank, Wellsburg: Loan volume on April 22, 1942, amounted to \$277,000 and a year ago on the same date the figure was \$283,000. Of this amount, G. H. Geerdes, cashier, says \$122,000 is in real estate loans, which is about the same as a year ago. Some of these loans were paid off the first of March and some new ones made. Cattle feeder volume has been holding up very well, with some choice loans being completed.

At the Farmers State Bank, Stanhope, loan volume on January 1, amounted to \$205,000 and on April 20, amounted to \$210,000. Deposits amount to \$400,000 which is about the same as the first of the year.

Ackley State Bank, Ackley: Loans April 23, 1941, \$687,000; April 23, 1942, \$575,000, a definite downward trend. H. S. Lekwa, vice president, said about \$15,000 in commercial paper had been liquidated. There has been a considerable amount of liquidation of real estate loans and feeder loans. There is quite a lot of feeding done in this territory and farmers have not been buying replacement cattle at these high prices. Very little real estate is moving here. Only one farm in the territory is for sale and this a 425 acre farm which is owned by an insurance company, and the asking price is \$125 per acre.

Loans are off about \$50,000 over a year ago at the Citizens State Bank, Iowa Falls, according to E. H. Klisart, cashier.

(Turn to page 65, please)

Northwestern Banker May 1942

How We Operate Our *Proof Department*

The Problem of Speed, Accuracy and Ease of Handling
Has Been Solved

At the present time we are using an International Proof Machine in our bank. During the past three years we have tried several different methods in operating the proof department, trying to achieve speed, accuracy, and ease of handling the items.

The first method which we used was the batch system. In our case this system seemed slow and far from being accurate. The person proving a batch of deposits had to sort the items in their respective groups, check them for endorsement, and then list them on a large batch sheet. If the debits and credits did not agree, the operator had to check her running for the error. In case she failed to find the error in her own work, she then had to check the deposits back against the debits to determine whether or not the depositor had made an error in listing some item on his deposit ticket. Again, if this failed to find the error, each deposit ticket had to be added to find any error in addition. Sometimes the bookkeepers would have to check for an hour or more to find the error in the batch.

Second Method

The second method which we tried was the National Proof Machine. We found, with this machine, we had no trouble in locating errors that might be in the deposits. When an error occurred in a deposit, the machine would lock, and until the error was corrected the machine would not operate. The main faults we found with this machine were, that it was rather slow in operation, hard to use, and tiring to the operator. Also, the machine only carried seven tapes for listing on individual pockets, which required the running of a number of other tapes on our transit letters. This, of course, took more of the valuable time which we are all trying to save.

We then installed an International Proof Machine with which we are very well pleased. While operating

By R. A. Potter

Cashier

United Home Bank & Trust Company
Mason City, Iowa



R. A. POTTER

it, the operator is accomplishing four things: Sorting, listing, proving, and endorsing.

Time-Saver

Our machine is equipped with 12 tapes. The amounts on the individual compartment tapes are printed automatically at the same time they are listed on the master tape. At the present time we are using carbon tapes on our transit letters, sending one copy with the letter, and keeping one copy for our files. Since we are using a recordak machine in our transit department, we have only to run the items through that machine, attach our proof machine tape to the regular transit letterhead, and it is ready for the mail.

The checks are listed in the same

sequence as on the deposit slip. Opposite each amount is the indicating number of the sort, or bank to which it is being sent. If an item is to be traced, the receiving bank usually reports a check of a given amount missing. We will, in that case, get the recordak film for that day and check it back to find who deposited the item.

At the same time the checks pass into the machine, they can also be endorsed. The plate is made to cover both clearing and transit checks. This feature alone saves a considerable amount of time in each day's work.

Our machine is furnished with 12 sorting pockets. In case we feel the need of a larger breakdown for any department, the machine can be adjusted to give us more pockets for the distribution of items. At the present time we are sorting to bookkeepers, clearing house, five sets of transit letters, cash items, cash tickets, savings withdrawals, general ledger debits, and money orders.

This machine is arranged so the operator can run it with the minimum of effort, since the selecting, adding and control keys are placed to give her speed and accuracy with the least amount of lost motion. It has a ten-key keyboard which is operated by the touch system, which will allow the operator more concentration on her sorting operations.

While operating the machine, if the check failed to feed with the amount, the operator will hear a buzzer signal. If the check failed to go into the pocket, or if the check slips into the pocket crooked, she will get the same signal. Whenever a pocket gets full, the machine will lock and allow no more items to go into that pocket, also, a green light will come on directly in front of the operator. By releasing a small button and emptying the pocket, the machine is again ready for operation. When one of the tapes in the back of the machine runs low, the operator will receive a red light as signal.

(Turn to page 29, please)

Northwestern Banker May 1942

X-RAYS from THREE DAYS

AT THE CHICAGO "CLINIC"

By Ralph Moorhead

Associate Publisher
Northwestern Banker

THE "Credit Clinic" held last month in Chicago was well attended and proved highly successful.

Representative bankers from 14 midwestern states enjoyed the program, particularly the smaller sessions which were held during the three-day conference. Much credit must go to the committee in charge which included **Frank L. King**, chairman, comptroller of the Continental Illinois National Bank and Trust Company in Chicago, **Dunlap C. Clark**, president, the American National Bank of Kalamazoo, Michigan, and Iowa's well-known A. B. A. veteran, **Frank C. Welch**, president, the Peoples Savings Bank, Cedar Rapids, Iowa.

Among the well-known Nebraska bankers at the Chicago meeting was **Elmer Placek**, president of the First National Bank of Wahoo, who was getting in trim for the Nebraska Group Meetings to be held the following week.

The theme "Food for Freedom" was the motif for many interesting talks at the Chicago meeting. Chairman **Frank L. King**, however, coined a new phrase when he pointed out that the topic should really be "Food for Victory."

E. M. Warner, energetic president of the City National Bank of Clinton, Iowa, represented this thriving river city at the Chicago meeting.

Mr. Warner is most enthusiastic, as he has every reason to be, over the steady growth of Clinton business. He was busy telling friends about the new 1,000-bed government hospital which has been awarded to Clinton. This is a \$5,000,000 project, and is looked upon as something which will benefit Clinton tremendously, not only during the war, but as a permanent proposition. It will doubtless add a huge and permanent pay roll. In addition, it was recently announced that the Pillsbury Company has taken over the Champion Milling and Grain Company at Clinton and will greatly enlarge this plant. Combined with the DuPont cellophane plant and other Clinton industries, they are putting Clinton on the map in a big way, and all of them have the valuable feature of permanence.

Northwestern Banker May 1942

One of the outstanding talks was by **A. L. M. Wiggins** of Hartsville, South Carolina, second vice president of the A. B. A. In addition to the well-known gift of southern oratory, Mr. Wiggins had some splendid thought in his address on what bankers should do in war time. He said, "It is no longer a question of matching men and material with that of our adversaries. It is now a question of delivering our maximum combat power on every front in overwhelming proportions."

An Iowa banker who seldom misses an outstanding convention is **Warren Garst**, cashier, the Home State Bank of Jefferson, Iowa. Mr. Garst attended every session of the Chicago meeting.

Representing the Mercantile Commerce Bank and Trust Company of St. Louis were two bankers unusually well known in A. B. A. circles, **Wood Netherland**, and **Leo D. Kelly**, vice-presidents, who seldom miss an A. B. A. function of consequence.

Dr. Paul F. Cadman, economist for the A. B. A. does not believe that "the national treasury is INEXHAUSTIBLE."

Dr. Cadman assailed the proponents of new credit theories based on the assumption that deficit spending by government and pyramiding of the national debt is unimportant because "we owe it to ourselves." He said these theories are working for socialization of the banking system and establishment of a government monopoly of credit.

A decade of spending and a two-front war threaten to burden the nation with a public debt of from 150 to 250 billion dollars, Dr. Cadman said. He warned that a long period of heavy taxation lies ahead if postwar reconstruction is to be undertaken by government financing.

Visiting his many friends from Iowa as well as other states, was **L. A. An-**

drew, now of Chicago, and formerly Iowa superintendent of banking. **L. A.** appeared at the convention well tanned from a recent vacation in Florida. He was accompanied at the Chicago meeting by his son, **Lucius**, and **W. W. Summerwill**, vice president, the Iowa State Bank and Trust Company of Iowa City.

Sioux City bankers who attended the Chicago meeting, including **Carl L. Fredricksen**, president, the Livestock National Bank and **A. G. Sam**, president, the First National Bank of Sioux City, are enthusiastic about the new bombing field which is being established at Sioux City. The land for this project has already been acquired and construction work is beginning. The field will be a practice field for dummy bombing by the big bombers. It will have eight run ways, each a block wide and 7,000 feet long, for take-offs and landing. It is estimated that about 5,000 enlisted men and officers will be quartered in the Sioux City area.

A former Iowa banker, **H. A. Laird**, now with the American National Bank at Pekin, Illinois, attended the Chicago meeting and greeted many old Iowa friends. Mr. Laird was in Des Moines several years ago with the R. F. C. and he also helped organize the Citizens National Bank of Boone, Iowa.

H. N. Thomson, vice president, the Farmers and Merchants State Bank of Presho, South Dakota, talked on the "Food for Freedom Program," stressing the loan field for country banks has come from government credit agencies. He blamed the country banks for much of this in allowing the opportunity by leaving rural credit wants unfilled.

At Chicago during the "Clinic" was **Ward McFadden**, former Iowa representative for Scarborough and Company, Chicago Insurance Counselors. Ward was in the uniform of a Lieutenant commander in the Navy and was enjoying a few days furlough.

A Des Moines insurance man who attended the Chicago Clinic was
(Turn to page 44, please)

We'll Ride On Rubber From Midwestern Farms

Ten Per Cent of Our Corn Crop Will Make 600,000 Tons of
Synthetic Rubber Per Year

FINDING an adequate supply of rubber is one of the toughest problems of the war. Not only do we use a lot of it—normally 600,000 tons of new rubber per year—but we have geared so much of our present economy to it, that it has become an absolute essential. What would America be without tires? There are many who fear we may learn that before long, because 90 per cent of our new rubber has come from the Netherlands East Indies, and what with the Dutch destroying the trees and the Japs taking over most of the production area, we are not getting any rubber there any more and probably cannot depend upon this source for ten years or so. Nor is there any place else in the world that can supply us anything like our total requirement at an earlier date. We cannot wait that long for tires.

Synthetic Rubber

It would be a gloomy picture, indeed, were it not for synthetic rubber. True, we can get a little rubber from some native crops, like guayule, milkweed, goldenrod and rabbitbrush. Only the latter exists in any large amount. If we could collect it from the plains and deserts of our western states, we would have a total of 300,000 tons of rubber, but collection is a difficult and costly job. Milkweed and goldenrod may be interesting in this emergency but both need a lot of research before they can be used. Guayule rubber is the best of these prospects and 75,000 acres of it are being planted now—all the good seed we have. It will yield as much rubber per acre per year as have the best of the East Indies rubber plantations, and will do this on the semi-arid lands of our southwestern states. It seems likely guayule may be here to stay, but it probably can never supply more than about one-third of our total requirement.

Permanent Supply

Thus we are looking to the synthetics for our first large production and for the major part of our permanent supply as well. Synthetic rubber

By Leo M. Christensen

University of Nebraska
Chemurgy Project
Lincoln

*An address before five Group
Meetings of the Nebraska Bankers
Association*



LEO M. CHRISTENSEN

was first made by an eminent English chemist, Perkin, in 1912. He found that he could make rubber from butadiene by polymerizing it with metallic sodium; hence, the name Buna—butadiene plus natrium. Finding a source of butadiene was the obstacle and finally he decided upon butyl alcohol and acetone obtained from the fermentation of potatoes by a process Fernbach of the Pasteur Institute had developed. In 1915, a Russian chemist, Ostromisslenski, found a way to make butadiene from ethyl alcohol made from any of a number of farm crops. Twenty years later this research was put to commercial use, first in Russia, then in Ger-

many and Poland. In the meantime, chemists found ways of improving this rubber by inclusions of some other compounds, particularly acrylonitrile (Buna N) or styrene (Buna S). In all cases agricultural ethyl alcohol was the source of butadiene and in 1939, Russia made 100,000 tons of this type of rubber and Germany produced more than that.

Five years after the beginning of the European program we set out to make synthetic rubber, but our manufacturers tried to use petroleum as the base, getting the butadiene from butane. After months of debate it has now been learned that there is not nearly enough butane to satisfy our needs and a short time ago the War Production Board announced it would sponsor a program to produce 200,000 tons of synthetic, largely from ethyl alcohol.

What seems still a better method is now being intensively studied by several private, state, and federal laboratories. This one involves the preparation from farm crops of butylene glycol which can then be dehydrated to butadiene. The yield of the diene is 10 to 12 pounds per bushel of corn, as compared to five to six when the alcohol method is used, but the method needs further research before it can be commercially applied. When it is ready to go the glycol can be made in the same factory that produced alcohol; hence, the great interest in building alcohol plants now to supply immediate needs and to be ready to make the glycol later.

From Midwestern Grain

To make 600,000 tons of synthetic rubber per year by the alcohol route will require the conversion of five or six million tons of grain per year, equivalent to about 10 per cent of a normal corn crop. If the glycol method can be developed to do as well in commercial operations as it has done in the laboratory, only half as much grain will be needed for this job. Thus, it seems desirable to start out with something like a 200,000 or 300,000 ton pro-

(Turn to page 42, please)

Northwestern Banker May 1942

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

Raymond L. Redheffer, president of the Merchandise National Bank of Chicago, has originated a new banking plan whereby a customer can write his own check whenever in the need of a loan. What the plan really does is make a profit out of overdrafts.

As explained by Mr. Redheffer, the plan is as follows:

"You can start a Check-Credit Account with **any** amount—as little as \$5 \$5 will do. Keep any amount **you** like on deposit. Write as many checks as you require. Total cost is only 5c per check or item of deposit.

"This optional feature allows you to borrow up to \$25 at any time, merely by writing a check. For example: Suppose you need \$25 **more** than you have on deposit. Simply write a check. When the check is presented for payment, your account is automatically credited with \$25. Next pay day, you pay \$25 plus \$1 service fee. Whenever you use the Automatic Credit privilege, you pay the same service charge. No interest is charged for the time you use the money."

That bank deposits are the safest investment in the world was pointed out recently by one financial writer, who said:

"This is an uncertain world, but an American dollar, in an American savings account, is about the least uncer-

tain thing in it. That is the reason most of the gold in the world has been brought here and exchanged for our dollars."

Since the United States has entered the war, **over 80,000 inventions** have been submitted to the National Inventors Council in Washington, and over 3,000 of these were considered good enough to give them further consideration. All new ideas are welcome, and even if only one or two out of the many submitted are put to practical use, it may save thousands of American lives and help to end the war that much more quickly.

Guy W. Cooke, assistant cashier of the First National Bank of Chicago, has sent us a very interesting booklet, "Latin America," which has been issued by the foreign department of his bank. This is complete, concise, and very much up-to-date.

A NORTHWESTERN BANKER subscriber has suggested that in case members of the **Federal Reserve Bank** have to use bicycles in order to get to their offices, we may have to change the name to "**Pedal Reserve Bank.**"

Perhaps, however, we should put our foot down on this.

Leo J. Wegman, former State Treas-

urer of Iowa, and president of the Citizens Savings Bank of Anamosa, has announced his candidacy for Congress on the Democratic ticket, to represent the Second Iowa District.

Mr. Wegman is a Democrat, but not a New Dealer, and that should at least recommend him to many voters who are opposed to government extravagance, favor the elimination of non-defense expenditures, and kicking of labor racketeers out of the unions of the country.

Albert Tymeson, president of the Commercial Trust & Savings Bank of Storm Lake, Iowa, has a stuffed American eagle in his bank capturing a would-be Jap, and this hangs at the end of the lobby and is attracting a great deal of attention. We hope the eagle catches a lot of Japs before it gets through.

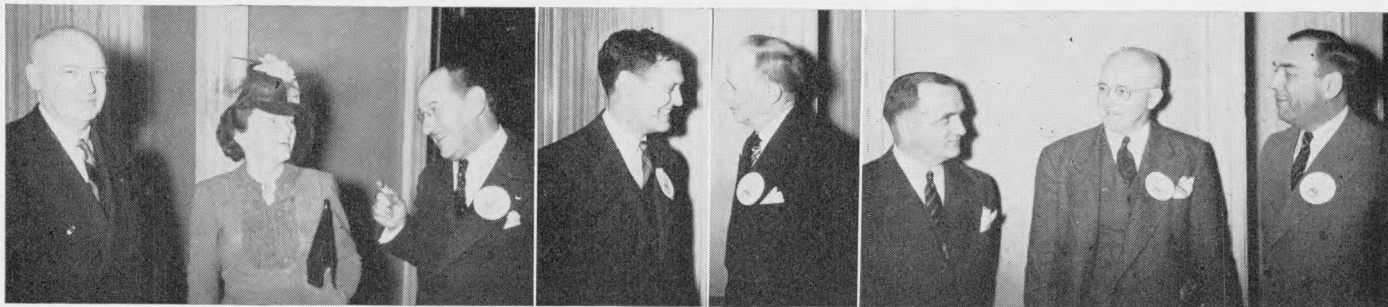
S. E. Coquillette, president of the Merchants National Bank of Cedar Rapids, had deposits in his bank as of April 4, 1942, of \$49,568,000, with a capital stock of \$500,000 and surplus and undivided profits of \$2,390,000.

This is a financial statement of which he may well be proud, along with **James E. Hamilton**, chairman of the bank, and all of the other fine officers.

Donald W. Douglas, president of the Douglas Aircraft Company, in a recent advertisement for his company, describes what each of us can do at this time by saying, "With the world the battleground for freedom, we face the gravest crisis in our history. Because this is **total war**, certainty of our victory is possible only as we become soldiers all. There's a soldier's job to do on the farm, in the mine, at the fac-

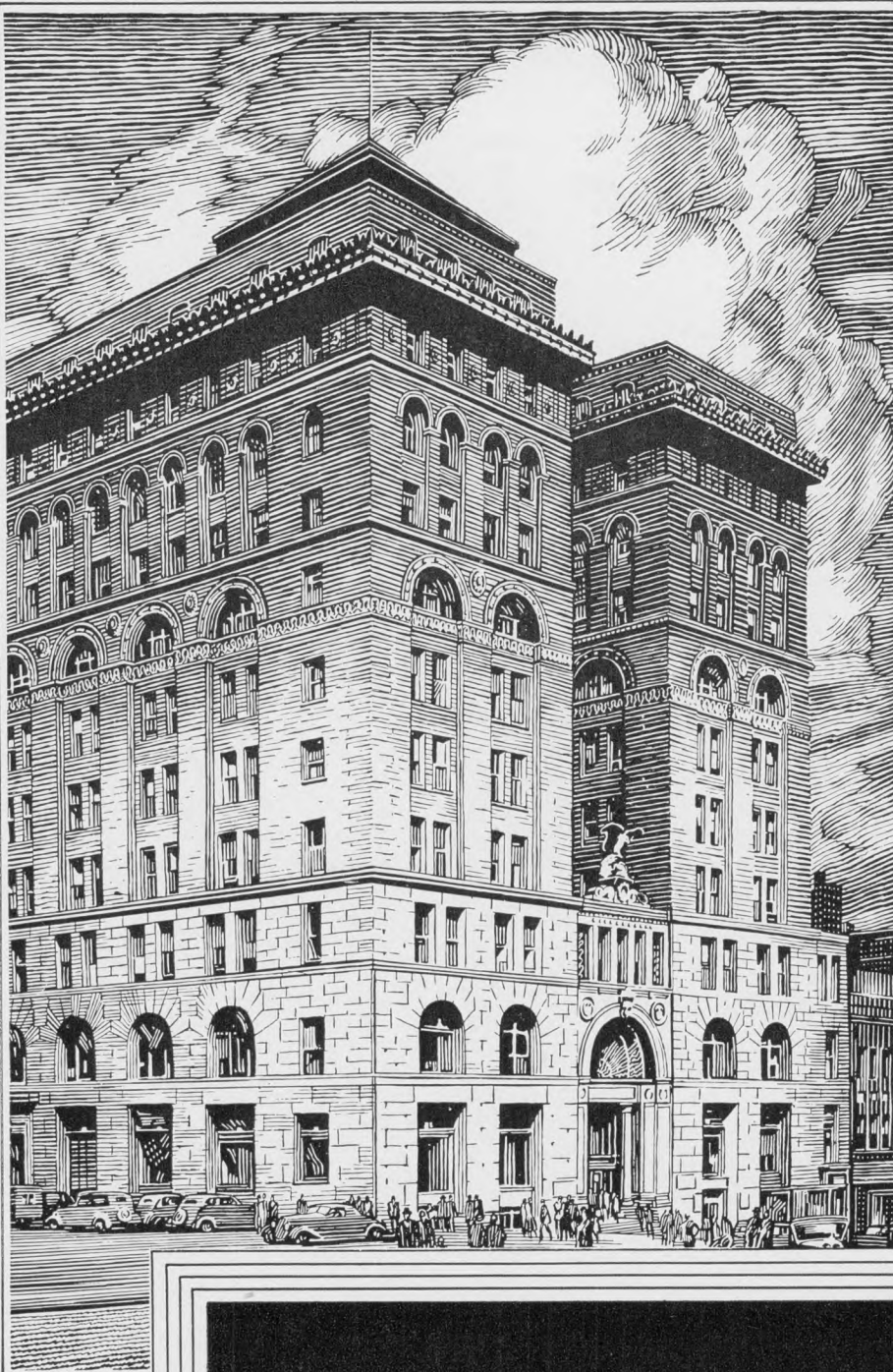
(Turn to page 26, please)

Federal Home Loan Bank Annual Meeting



Pictured above are officials attending the recent annual meeting of the Federal Home Loan Bank of Des Moines, in Des Moines. Reading from left to right they are **Col. C. B. Robbins**, chairman of the board; **Mrs. Robert J. Richardson**; **Robert J. Richardson**, president; **Carl F. Distelhorst**, U. S. Savings & Loan League staff, Chicago; **A. R. Gardner**, president Federal Home Loan Bank, Chicago; **C. Wylie Allen**, special counsel Bell Savings & Loan Association, Chicago; **Fred Bourland**, special representative Federal Home Loan Bank administration, Washington, D. C.; and **John W. Ballard**, executive vice president Safety Federal Savings & Loan Association, Kansas City.

Northwestern Banker May 1942



MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

Northwestern Banker May 1942

Installment Loans

Under A War Economy

"Let Us So Conduct Our Installment Lending Operations That Our Losses Will Be Small, Our Records Will Be Clean, and Our Directors Will Be Eager to Have Us Expand Our Volume at the Proper Time"

DETERMINATION of the proper policy to pursue with regard to installment lending should receive more consideration at this time than the restrictions imposed by Regulation W. Certainly a conservative policy is indicated—a policy which has as its objective the orderly liquidation of the loans outstanding as they mature, and the extension of only such new credit as may appear consistent with our present war economy.

Let us first consider the liquidation of the loans now on our books. Never before, since banks entered the installment credit field, have collections warranted the attention they do now. Many new demands are being made on our borrowers' incomes. Chief among these, of course, are taxes and defense bonds. Obviously our customers must pay their increased taxes and certainly we want them to buy defense bonds. However, if paying their taxes and fulfilling their pledges to purchase bonds take the income they have promised to use in discharging the obligations we hold, our delinquency lists will resemble the casualty lists we hope to provide for the Japanese.

Another factor which seriously affects collections and is of paramount importance in making new loans, is occupational changes. Many men occupying steady civilian employment will be going into the armed forces. A considerable number who have been selling automobiles, refrigerators and other items now curtailed or discontinued must find employment in other fields. During this period of transition their ability to pay will be seriously affected, making it difficult for them to keep up the payments on their installment obligations.

In our advertising we have represented that anyone with a reputation for paying his obligations, and ability to pay, may obtain installment credit. We have passed on our ap-

By V. T. Bonnett

Assistant Vice President
Iowa-Des Moines National Bank
Des Moines



V. T. BONNETT

lications with these two requisites uppermost in our minds. A good credit rating is still essential, but ability to pay has become of prime importance. The man whom Diogenes may have considered his greatest find in his search for an honest man would be a poor credit risk today if he earned his livelihood by selling tires.

Types of Loans

It might be well for us to consider individually each of the types of installment loans we have been making. Let us consider first automobile loans. Only a few months have elapsed since used car dealers were accumulating inventories of used cars, anticipating a considerable increase in their value. That was before the rubber situation

was generally known and the East Indian rubber plantations had passed into the hand of the Japs. Certainly the value of an automobile today is determined by the condition of the rubber on which it rolls. When the war situation is interpreted in terms of tires it becomes apparent that it is not going to be considered important whether or not the average American citizen has tires for his automobile. I doubt if anyone can accurately appraise the value of an automobile six months hence.

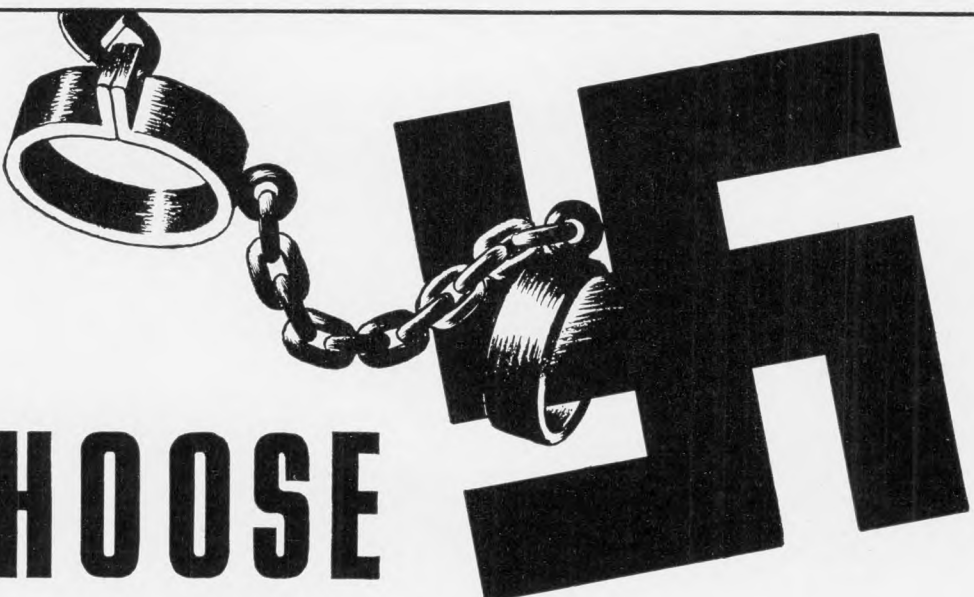
Fortunately it seems like the refrigerators, washing machines and other household utilities against which we have made equipment loans will stand up in value better than automobiles. It is to be regretted that the volume of such paper is rapidly diminishing. It has been my observation that as the quantity of such contracts diminishes, the quality seems to be improving. This may be explained by the fact that the dealers who are fortunate enough to have such merchandise can now be more selective in choosing their time-purchasers.

In the equipment field the volume of tractors and farm machinery manufactured and sold seems likely to be affected least by our war program. Indicated continuation of good farm income invites consideration of this type of paper in our efforts to maintain profitable operations.

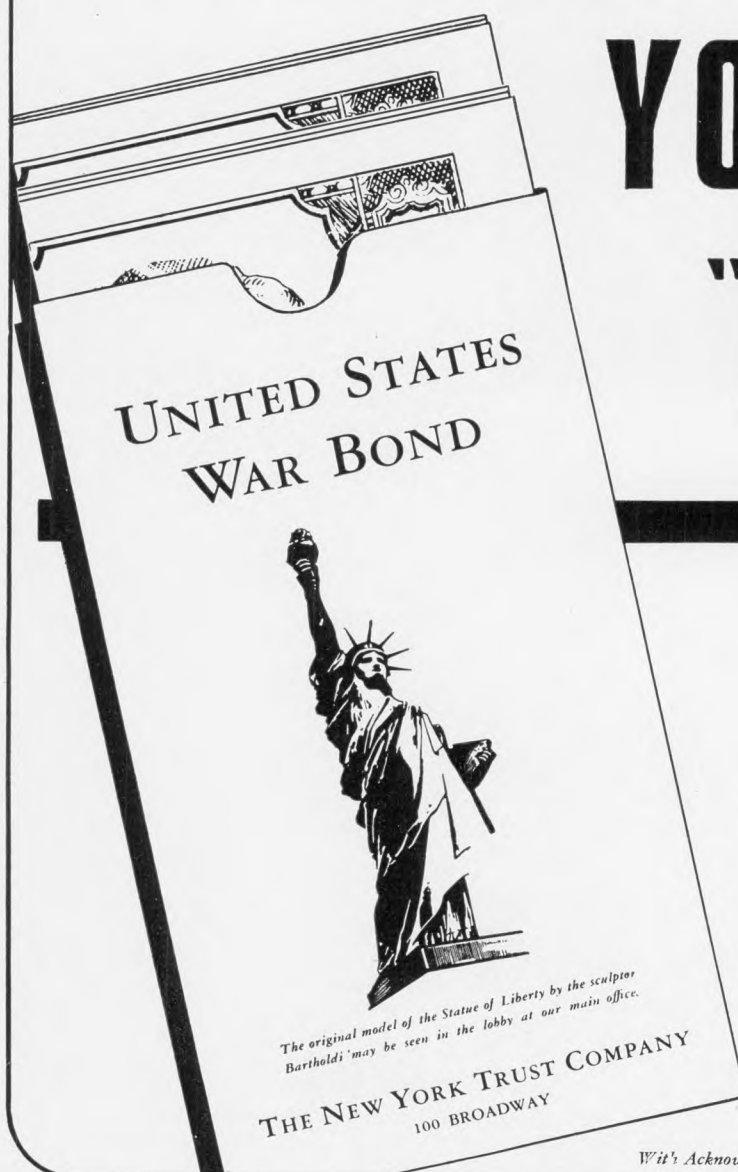
Personal Loans

The fact that personal loans have occasioned more losses to banks than any other type of installment paper indicates that they should be made at this time with unusual caution. Many people who have not saved to pay their taxes are endeavoring to put off the day of reckoning by borrowing. The Federal Reserve Bank of New York has warned that borrow-

(Turn to page 23, please)



CHOOSE YOUR "BONDS"



THE
NEW YORK TRUST
COMPANY

100 BROADWAY
MADISON AVENUE & FORTIETH STREET
TEN ROCKEFELLER PLAZA

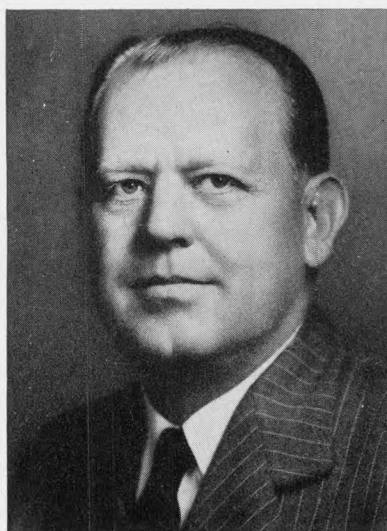
Wit's Acknowledgement to a Canadian Victory Loan Poster

Bank Profits During Wartime

How to Increase Your Bank Income Through Additional Checking Revenue

By Homer H. Peterson

Vice President and Manager
United States Check Book Co.
Omaha



HOMER H. PETERSON

MAYBE you have the foresight to see into the distant future—or maybe not. Or, perhaps you, like many other sensible Americans, are not too deeply concerned with post-war problems until after the war is won.

In any event, you can see into the immediate future—around your nearest corner.

That every conscientious and patriotic banker should willingly do his share in selling Defense Bonds is a foregone conclusion. And that every banker should cooperate to the 'nth degree with the army, navy, O.C.D., U.S.O. and other agencies, is also a foregone conclusion.

This case is not concerned with these wartime obligations, but with the banker's wartime obligation to himself. For, in the present day hustle and confusion of war, mixed with business, it isn't hard for a banker to temporarily lose sight of his obligations to himself. It isn't hard to forget that profits are vital if he is to remain in business.

You, Mr. American Banker, cannot afford to ignore the fact that legitimate profit is the keystone in our free enterprise system. You probably realize that a corollary for forgetting profits is that profits will surely forget you.

What should a banker do to keep his place in the sun? How can he be sure of a reasonable profit during war time? And how can he maintain a little of his place in progress?

I can tell you of one way. It is as simple as this:

Install, at once, a popular no-minimum-balance checking account plan to bolster service profits and to expose new business to all of the departments of your bank.

Fortunately for the bankers in the nation, the trial period for no-minimum-balance checking systems is long past. It is no longer a question of whether the idea is sound or not. That important benefits for the banker definitely exist in no-minimum-balance systems has been proven by the experience of thousands of present users.

Now, you may ask, why is today such a good time to install the plan in my bank? How can I benefit in my town, in my community?

Well, here's one answer:

War time restrictions are creating a change in markets. The rationing of gas, tires, and the elimination of new automobiles from the market is creating a rural decentralization and localization of markets. This change, a natural one, is being brought about automatically.

Farmers who formerly drove from thirty-five to a hundred miles to dispose of produce and to buy manufactured supplies are gradually turning to closer communities to do their trading. This, of course, affects the small community merchants, and, in turn, the local banker.

There are over ten million farmers in the United States who are gradually receiving a better price for their produce than they have received in a long time. There are millions of workers now making a better wage than they have earned since 1929.

Many of these people, whose incomes are now increased, already have checking accounts in your bank. But hundreds of others, because of service charges or minimum balance requirements, have not been in your bank

since 1932, except to cash a produce check or a pay check.

These people will only accept the type of checking service which they want; namely, that which they feel they can afford.

You, as a banker, are entitled to this checking revenue. It is your opportunity to protect yourself from loss of income caused by war restrictions; in fact, attempting to get people to divert their increased current income into banking channels is an obligation at this time. For it is only through saving—defense bonds and other ways—that the evils of inflation in America can be avoided.

Members of the United States Check Book Company are quite proud of the no-minimum-balance checking plan which we have designed. And we are especially proud of the fact that the total number of midwestern banks now using the plan is gradually nearing the two hundred mark.

This system, called the "PAYC" (Pay-As-You-Check) plan, has been in operation in many of these banks since it was first inaugurated about three years ago.

The "PAYC" plan is simple to install and it is easy for the customer to understand.

Extra bookkeeping is completely avoided. "PAYC" items are entered on regular statement and ledger sheets and posted in the usual manner.

All material is supplied, including special signature cards, instruction folders, advertising circulars, newspaper mats, publicity, etc. Large, elaborately prepared lobby and window display pieces are sent to you periodically, without charge.

Bankers now using the plan have found the percentage of customers changing over from regular checking accounts to "PAYC" is less than half of 1 per cent. And, concerning this very small percentage, it is probably better to "lose" a client from one department of the bank rather than to lose him to another institution. Bankers who have discovered that it is possible to obtain new accounts—profitable from the moment they are opened—have very little concern about the transfer of such a small percentage of accounts.

(Turn to page 67, please)

- 
- ★ We will help people to save systematically for the payment of future taxes.
 - ★ We will lend money to anyone with sound credit for the purpose of meeting present tax payments.
 - ★ We will continue to cooperate fully with the Government in the sale of War Savings Bonds and Stamps.
 - ★ We extend our complete facilities to men in all branches of the Service and will welcome the opportunity to help them in every way possible.
 - ★ We pledge ourselves to support all community wartime activities, especially the Red Cross, Civilian Defense and the United Service Organizations.
 - ★ We will continue to cooperate with business and industry in financing an "all-out" program of production of war materials and necessities.
 - ★ We will display the American flag on our premises as a constant symbol for ourselves and others of that for which we are fighting.

Beyond all this...

—we pledge ourselves to work in every way possible with the fine men and women of our community and State and Nation, realizing fully that we must be victorious. No sacrifice can be too great.

★ ★ ★

This code for the banks of America was drawn and adopted by the Board of Directors of the Financial Advertisers Association at their Mid-winter meeting as conduct

for banks in wartime. It is a fitting example of the kind of inspiration that goes with membership in the Financial Advertisers Association.

FINANCIAL ADVERTISERS ASSOCIATION

PRESTON E. REED, Executive Vice-President, 231 South La Salle Street, Chicago, Ill.

A NON-PROFIT ORGANIZATION FOR THE BETTERMENT OF ADVERTISING
... PUBLICITY ... NEW BUSINESS METHODS ... PUBLIC RELATIONS

"If any bankers—readers of the Northwestern Banker, would want to use the top part of this ad, we will be glad to furnish plates or electros at absolute cost." Preston E. Reed, Executive Vice President, Financial Advertisers Association.

Northwestern Banker May 1942

The Rights of Both Parties Under A Cattle-feeding Contract

A Minnesota banker, who owned a farm in that state, entered into an express contract with his tenant whereby the tenant was to feed certain cattle; they were to be marketed six months later, and the proceeds were to be shared. At the expiration of the six months, the banker refused to sell the cattle and the tenant refused to feed them further and sued the banker for the reasonable value of his services. Were the tenant's actions proper and could he recover?

Yes. Where one person performs services for another under an express contract, he may, upon the other's repudiation or breach thereof, stop performance, treat the contract as at an end, and recover the reasonable value of the services rendered.

A North Dakota banker owned a farm in that state upon which the taxes became delinquent. The taxing authorities brought proceedings to enforce the payment of the taxes. The landowner asserted as a defense that such authorities had failed to take steps to collect taxes from other delinquent taxpayers. Was such defense good?

No. A delinquent taxpayer may not set up as a defense to proceedings to enforce the payment of taxes that the authorities have failed to take steps to collect taxes from other delinquent taxpayers.

Neal, a banker, lived in Arkansas and made a will in that State that recited that he was an Arkansas resident. Subsequently, he moved his domicile to Oklahoma and lived and died there. An attempt was made to probate the will in Arkansas rather than Oklahoma. Should such be permitted?

No. A will must be filed for probate where the testator resides at the time of his death. The fact that a testator recites in his will that he is a resident of some state other than the state of his actual residence does not change this rule.

Thornhill destroyed a wire fence on the farm of a South Dakota banker.

These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

The banker sued Thornhill for damages and asserted that the measure of his damages was the difference in the value of the real estate before and after its injury. Was such assertion correct?

No. The measure of damages for the destruction of a wire fence is its value as it stood on the realty, to be ascertained by determining the cost of constructing a similar fence and deducting therefrom the depreciation which the old one had suffered by reason of age and use.

Firth owned an interest in a certain timber lands in Arkansas. He executed a quit claim deed covering them to Wright. Subsequently, Firth obtained from a source other than Wright a further interest in the lands. Did the quit claim to Wright operate to pass to Wright the subsequently acquired interest?

No. A quit claim deed does not convey a title subsequently acquired by the grantor but does convey all title and any interest owned by the grantor at the time of its execution.

Brown died in Iowa and the banker in his home town was appointed administrator of his estate. Brown had no creditors and, in the final settlement of the estate, the administrator and the heirs agreed among themselves on the amount of the administrator's compensation. Was such proper?

Yes. In Iowa, an administrator of a decedent's estate and the decedent's heirs may agree on the amount of the administrator's compensation where creditors' rights are not involved.

Scherrer granted to Snow, in Texas, a roadway easement across his land. The easement was silent as to whether

Snow was to receive a right-of-way free from gates and bars. Was the grant subject to such condition?

Not necessarily. Whether a grantee of a way under a conveyance has a right to a way free from gates and bars depends upon the terms of the grant, its purpose, the nature and situation of the property, and the manner in which it is used.

Maxwell, a Kentucky banker, owned a farm in that state that he leased for oil and gas purposes. Oil production was had on certain adjoining land and the banker sued his lessee for damages on account of drainage because his lessee did not attempt to offset such production. Before filing the suit, however, he did not notify the lessee that he required the drilling of offset wells and demand their establishment. Could he recover for any drainage prior to such notice?

No. The owner of a tract covered by an oil and gas lease is not entitled to damage for drainage occurring prior to notice and demand for offset wells.

Rosebaugh had a claim against a banker's estate in Nebraska. She employed an attorney to represent her in prosecuting the claim and granted him a lien on any recovery she might effect. Subsequently, she settled the claim without her attorney's knowledge or consent. Did she have the right to do this?

Yes. A litigant has an absolute right to settle litigation but such a settlement, if made without the knowledge or consent of her attorney, does not affect an existing attorney's lien.

Haemmerle borrowed \$5,000 from an Arkansas bank and, as an incident to the transaction, Farrell entered into an agreement providing that he would act as surety for the payment of the indebtedness. It subsequently developed that Haemmerle was mentally incompetent at the time. Was Farrell nevertheless liable?

Yes. Although a principal lacks capacity to enter into a contract made, his surety is bound nevertheless, as he may be said to warrant the competency of the principal.—THE END.

INSTALLMENT LOANS

(Continued from page 18)

ing by individuals from banks to obtain funds with which to pay taxes is against the best interests of the nation and of the taxpayers themselves.

Regulation W has very materially affected the volume of Title I paper available. Scarcity of materials is responsible for the abandonment of many plans to modernize and improve. Probably most of you have read the letter sent out by the Federal Housing Commissioner on February 28, suggesting that because of the existing national emergency the extension of Federal Housing Title I credit should be restricted to loans, the proceeds of which are to be used either in defense areas to create additional dwelling units suitable for defense workers, or to maintain existing properties in a habitable condition. Certainly the banks have an obligation to cooperate with this plan and a responsibility to make no more loans for whoopee rooms or other improvements which may well be deferred until after the war.

I hope that I have not created the impression that I feel we should liquidate our loans and go out of the installment lending field. We have advertised for business and encouraged many people to establish their credit with us. We have a moral obligation to stay in the business and meet their requirements on a sound basis. We have the further responsibility of pointing out to them the necessity of liquidating their debts, curtailing their purchases and so arranging their affairs that they can pay their increased taxes and contribute their fair share toward winning the war by purchasing defense bonds.

It is highly important that we maintain our contacts with the sources from which we have obtained our profitable business in order that we may secure a considerable portion of the installment paper created after the war by the American public in their desire to obtain merchandise they have been denied in the interest of victory.

Let us so conduct our installment lending operations that our losses will be small, our records will be clean and our directors will be eager to have us expand our volume when the appropriate time arrives.—**THE END.**

Take a Deep Breath

Miss Porter: "So you are on a submarine. What do you do?"

Sailor: "When we want to dive I run forward and hold her nose."

How Your Bank Can Increase Check Revenue During Wartime!



Defense Activity Creates New Prospects Among Farmers and Wage-Earners in Your Community

Protect Yourself Against Loss of Income by Gearing Your Bank to Meet Vital NEW Needs!

Farmers, wage-earners and merchants with increased income are looking for a popular checking account service which they feel they can afford.

You, as a banker, realize this need. *But*, your checking account service must show a fair and reasonable profit, as well. You'd like to get some *positive* benefits.

And you are entitled to a reasonable profit. After all, bank service, like tangible merchandise, must be sold profitably if you are to remain in business.

Is there a checking plan which offers special features for these people with increased incomes? Is there a plan which will bring in *new business* and not interfere in any way with your present checking method? There is!

No-Minimum-Balance System is the Answer

The "PAYC" (Pay-As-You-Check) Checking Plan is accepted quickly by the sizable portion of the public for which it was especially designed. That this is true has been proven by the results it has shown in the many mid-western banks now using it.

You can increase checking revenue in your bank and expose hundreds of new

customers to all your bank services if you bring them in with the "PAYC" plan.

Decide today to investigate the business-building possibilities of "PAYC" in your bank. Ask a "U. S." representative to show you the *facts* based on the results which "PAYC" has earned in other banks.

Abbreviated Facts About "PAYC"

1. An expensive investment in materials is *not required*.
2. Extra bookkeeping is *completely avoided*. Your "PAYC" accounts are handled simply and easily with regular checking accounts.
3. Percentage of customers changing over from regular checking to "PAYC" plan is *less than 1/2 of 1-percent*.
4. You choose between two systems: (a) in which customers are charged \$1.00 *in advance* for book of 20 checks; (b) in which checks are *free* and customers are charged 5c per item.

A "U. S." Representative is a "PAYC" Representative

Your "U. S." representative has been especially equipped with new facts and information concerning latest "PAYC" developments.

Ask him to show you this portfolio the next time he visits your bank!



Northwestern Banker May 1942

★ ★

Plenty of FIELD HELP Helps You BUILD BUSINESS

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

Legal Reserve—Non-Assessable
Fire and Auto Policies

Western Mutual Fire Insurance Company

9th and Grand

Des Moines, Iowa



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



"With Me the Answer Is— Make Him Feel Sorry"

"It Is Better to Close One Man Five Times Than Five Men One Time—and a Lot More Profitable"

I HAVE found that I must get commitment on the fundamentals of life, not life insurance, in order to sell in 1942. What success I enjoyed in 1941 was due to this fundamental, and it alone.

The mechanics of life insurance, such as cash value, dividends, extended insurance, premium, and such technical knowledge I never work with; rather I let those terms work for the policyowner. Such technical terms do nothing but confuse the mind of the prospect and therefore that natural result is he does not buy from the agent that uses them. Last year I closed three of my largest cases because my competitor resorted to technical terms, while I discussed the correct solution to the hopes and ambitions the prospect wanted most to accomplish.

Emotional Selling

There are certain underwriters I know who hesitate to use, or are even diametrically opposed to emotional selling. To me, since this is contrary to life itself, it is contrary to the principle of selling life insurance and life's situations. Are you readers ever moved by a baby's cry, a word of encouragement, a pat on the shoulder, the desire to succeed, the plight of a man economically "dead"? If you are not moved by these emotions, you can get no heart into your sales. If you do feel a thrill of emotion to these qualities, why not admit other men feel the same emotions and therefore can be moved into action by them? You might have sold cases by use of the mechanics of life insurance, but no man ever bought life insurance because of its mechanics. Whether you used emotion or not, he felt some emotion or he would not have bought. Let's see how we can get into harmony with the other man's emotions, ambitions, and we will soon find the need because the prospect will tell it to us.

"That which you know, deal with it," said A. B. Olson, vice president of agencies of the Guarantee Mutual Life Company, one April in 1938, to a class of some twenty members assembled to

By George R. Wilmot

Associate General Agent
Guarantee Mutual Life Company
Omaha



GEORGE R. WILMOT

learn some rudiments of our business. I was a student in that class and since have had occasion to use these words to advantage.

We all know that the prospects we call on know what premiums they pay and how many thousands of insurance they own. When they see us coming it is only natural that they defend themselves by saying "I'm insurance poor," or "I'm putting all I possibly can into life insurance". These and practically all other excuses are born of ignorance of what they now own, or fear of being sold additional insurance. In terms of knowing these facts, wouldn't it be foolish for us underwriters to call on these prospects from this angle? Yet day after day insurance men call upon prospect after prospect, and as a natural result run into an impassable object, the failure of the prospect to take action. It has been said "A salesman is one who sells". Action, therefore, by our prospect is most necessary. "Let's 'deal' with what we know.

The Approach

Now the problem resolves itself in causing our prospect to become curi-

ous. Curiosity will then be changed into interest, interest into desire, and desire into action. What is the best way to awaken curiosity, thus leading to the prospect's interest? By actual practice and record keeping, I have found that an approach based upon things the prospect does not know about his life insurance is the answer. "The answer to what?" you ask. The answer to a successful approach. The approach is 50 per cent of the sale. The other 50 per cent is the close.

Whether your prospects are totally unknown to you or well known, whether you have a wide acquaintanceship or none at all, which was my situation when I first moved to Omaha in the fall of 1939, you will never sell your man unless you discover his most likely need and solve it for him. This is the reason your approach is so important.

The method of approach used by countless numbers of million dollar producers is based upon a fact finding interview first, intelligent study of the prospect's immediate need and the offering of a possible solution. This I have used constantly since arriving in Omaha, a total stranger. It works, so why should I abandon it?

You may say, "That's fine, George, but how do you go about arousing this creature called motivation, so your prospects take the necessary action?" A well stated question. With me the answer is—make him feel sorry. This one thought nearly doubled my business in 1941. It has the aspect of powerful motivation because man, as such, unconsciously dreams of the wonderful things he is going to do in the future. No financial house of security was built on dreams, but contrariwise upon a definite plan or plans of savings. How can we as salesmen do this to best advantage? For me a dramatic treatment of the prospect's past, present and future motivates him into definite action!

Dig Up the Past

First, let's take up the past. Say your man has worked 15 years and

Northwestern Banker May 1942

earns an average of \$200 a month. That is \$36,000 over a 15 year period! Get anyone to commit himself on an average yearly income and let him multiply by his years of hard work. This result will startle the average man regardless of the size of his income. Ask this Mr. Average Man whether he is going to be satisfied with his share, at the end of 15 more years of hard work. He will usually answer a weak "no," or ask what you mean. In the latter case, since he is asking, answer "Who are you working for, if after 15 years hard work the merchants, grocers and landlords divide up your hard earned cash?" He will have to agree he left himself out, won't he? They do. This is motivation. He will feel sorry.

Now translate into the present this same treatment of his today's income and we find the prospect is still suffering by giving up his income to others faster sometimes than he earns it. Let's strike the problem at its core by a few short remarks at this stage, like: "If your firm took inventory like you

and I have just been doing, and found their condition the same as yours, they would do something about it pretty quick, wouldn't they?" This almost invariably gets "yes" as an answer. Try for a close at this point. "It's hard to save money, isn't it, Mr. Average Man?" "Yes," he says. "Isn't saving money just what you really want to do?" "Of course," he says, and again you try to close him. "If by saving this money and getting yourself on the road to successful savings you could at the same time throw those strong arms of protection around those you love best, wouldn't you say it was a smart move on your part?" Close again. It is better to close one man five times than five men one time, and a lot more profitable!

Five, twenty-eight, sixty-seven, one hundred men now sixty-five! Five independent—twenty-eight barely on the payroll but soon subject to the "sack"—sixty-seven dependent old men! Which group would you choose now? "The five independent?" Let's complete this guarantee right now! (Push

an application over for his O. K.) Based on his past savings record he should be a cinch to close, for he has already admitted his lack of ability to save systematically and has already spent a fortune making the merchant, grocer and landlord richer.

Friends of NORTHWESTERN BANKER, I am only a humble underwriter who has found an idea that is working daily, weekly, monthly, and annually for me! My sales philosophy is based on simple standards of what my prospect wants to do (not what I want to do), coupled with a plan to make him feel sorry enough for his spendthrift way of life so that the sorrow will move him to do something for himself and the ones he loves the best. This is not hard to do. Why not try it on your best friend and watch him look amazed at where his small fortune went over the past few years? What can you show for 15 years of effort? What can he? What can anyone show? Is it enough? Are you satisfied? All answer "no," so let's make more people financially well, instead of leaving them financially sick. In this manner you benefit, your company benefits, your community benefits, your state and nation will once again mold itself into financial harmony and economic security.—**THE END.**

NEWS AND VIEWS

(Continued from page 16)

tory, yes, and in the home. America united is America invincible.

"The order of the day for soldiers of Democracy in and out of uniform is, 'Fight with **everything** you have for **everything** you hold dear.' Only in that great day of final victory will we have kept our rendezvous with destiny and be able to 'look forward and move forward to a future worthy of men with peace in our hearts.'"

Lieutenant Charles H. Bryant, Jr., 26, son of **Charles H. Bryant**, president of the Des Moines Morris Plan Bank, lost his life recently in the Canal Zone when a plane in which he was flying across the jungle hit some trees and fell to the ground. Lieutenant Bryant was an observer in the plane, and also killed with him was **Lieutenant Willard N. Hendrickson** of Millboro, South Dakota.

Lieutenant Bryant was married and had a two-year-old daughter.

Roger Topp, vice president of the Public National Bank of New York City, after a brief illness, died recently.

Born in Columbus, Mississippi, in 1885, Mr. Topp, after attending public and high schools in New York City,

Iowa Casualty Figures for 1941

IOWA COMPANIES	Total Prens.	Net Losses
Allied Mutual	\$38,212	\$334,369
American Republic	52,212	12,052
Bankers Life	208
Columbia Mutual Life	6,327	1,646
Combined Casualty	12,910	51
Employers Mutual Casualty	1,449,951	653,512
Hawkeye Casualty	558,420	229,530
Interstate Business Mens Acc.	73,364	40,506
Iowa Farm Mutual	482,449	185,121
Iowa Mutual Casualty	366,706	133,994
Iowa Mutual Liability	952,268	423,083
Merchants Mutual Bonding	48,130	6,637
Midwestern Casualty	175,366	70,490
Mutual Surety	41,554	3,102
National Travelers Casualty	134,376	59,579
Northern Mutual Bonding	7,471
Pioneer National Casualty	85,920	28,972
Sentinel Insurance	17,131	10,604
NON-IOWA COMPANIES	Total Prens.	Net Losses
Accident and Casualty	7,360	1,430
Aetna Casualty & Surety	220,556	70,310
Aetna Life	220,477	101,587
Alliance Life	2,889	749
Allstate Insurance	16,031	4,763
American Automobile	79,050	35,520
American Credit Indemnity	16,085	2,844
American Employers	45,699	15,611
American Guarantee & Liability	2,544	975
American Mutual Liability	219,061	106,588
American Reinsurance	16,341	2,379
American Surety	218,899	19,122
Anchor Casualty	113,858	55,569
Arex Indemnity	2,478	996
Associated Indemnity	652	59
Benefit Association of Rail Emp.	172,045	84,334
Bituminous Casualty	451,379	209,200
Business Mens Assurance	48,471	20,661
Central Surety & Insurance	78,178	36,131
Columbia Casualty	71,858	11,749
Columbian National Life	7,522	2,195
Connecticut General Life	20,358	8,163
Connecticut Indemnity	8,119	3,332
Continental Assurance	6,598	2,436
Continental Casualty	400,420	178,212
Craftsmen Insurance	34,746	15,618
Eagle Indemnity	45,391	11,780
Employers Liability Assur.	98,065	45,949
Employers Mut. Liability	344,281	147,383
Employers Reinsurance	172,590	45,763
Equitable Life Assurance	75,008	45,650
European Gen. Reinsurance	66,558	11,558
Federal Life and Casualty	2,716	732
Federal Life Insurance	107,534	50,544
Fidelity and Casualty	411,206	127,912
Fidelity and Deposit	138,706	10,537
Fireman's Fund Indemnity	44,307	9,162
Freemort Motor Casualty	152,378	62,430
General Accident Fire & Life	43,325	15,004
General American Life	4,702	3,664
General Casualty of Wisconsin
General Reinsurance Corporation	105,905	21,253
Glens Falls Indemnity	36,249	53,767
Globe Indemnity	100,887	52,086
Great American Indemnity	26,909	27,506
John Hancock	45,758	22,668
Hardware Mutual Casualty	184,559	55,898
Hartford A. & I.	392,991	160,693
Hartford Live Stock	37,466	21,739
Hartford Steam Boiler	71,837	11,889
Home Indemnity	18,323	10,846
Hoosier Casualty	61,062	27,172
Illinois Bankers Life	9,306	2,716
Illinois Casualty	57,823	25,028
Indemnity Insurance of N. A.	122,170	33,119
Liberty Mutual	423,505	86,642
London and Lancashire	4,738	1,755
London Guarantee and Acc.	32,054	13,354
Loyal Protective Life	30,577	12,522
Lumbermens Mutual Casualty	66,440	23,500
Maryland Casualty	110,460	46,761
Massachusetts Bonding & Ins.	155,591	66,015
Massachusetts Indemnity	822	164
Massachusetts Protective Assn.	300,853	148,253
Medical Protective	39,099	6,256
Mercer Casualty	46,525	6,252
Metropolitan Life	136,999	25,452
Midwest Life	2,745	979
Monarch Life	71,700	40,916
National Surety	130,561	13,351
New Amsterdam Casualty	69,940	34,425
New York Casualty	30,420	2,071
North American Acc.	134,497	50,233
North Western National Casualty	103,927	27,155
Occidental Indemnity	5,281	353
Occidental Life	27,949	10,149
Ocean Acc. — Guarantee	52,525	20,591
Ohio Casualty	259,080	88,279
Old Line Life	206	571
Pacific Mutual	75,870	60,341
Paul Revere Life	67,665	28,308
Phoenix Indemnity	15,756	3,901
Preferred Accident	41,485	9,428
Protective Indemnity	2,086	345
Provident Life & Acc.	89,624	32,644
Prudential	49,131	31,561
Reliance Life	1,939	127
Royal Indemnity	34,361	18,557
St. Paul Mercury & Indemnity	194,018	52,935
Security Mutual Casualty	54,370	31,973
Shelby Mut. Plate Glass	16,730	7,035
Standard Surety & Casualty	1,058	363
Suburban Auto	71,221	36,915
Sun Indemnity	16,513	12,577
Travelers Indemnity	316,907	108,851
Travelers Insurance	630,302	354,606
United States Casualty	42,718	27,849
U. S. Fidelity & Guarantee	424,912	87,642
United States Guarantee	18,373	1,772
Washington National	192,006	87,012
Western Surety	73,111	2,184
World Insurance	253
Yorkshire Indemnity	12,257	71
Zurich Gen. Acc. & Liability	127,920	77,489

Northwestern Banker May 1942

entered Stanford University, California, graduating in 1908. After various activities which took him abroad for extensive periods, he joined the official staff of the National Bank of Commerce in New York, New York, where he remained from February, 1923, until April, 1929. Following this, he became assistant vice president of the Public National Bank and Trust Company of New York, and in 1931 was appointed vice president of that institution.

Harold J. Wilson, prominent attorney of Burlington, who in his odd moments writes poetry for fun and relaxation, sent us the following poem, entitled "Treachery":

Those perfidious Jappies can't trust
their own pappies;
Deceit makes them yellow clear
through;
While pretentiously faking,
Pearl Harbor was quaking;
It's hard to believe, but it's true.

As we trusted their friendship, we
made our first war-slip;
We failed to be on the alert;
And with Singapore's falling,
Although it's appalling,
They've wiped out Bataan to our hurt.

But MacArthur is living, Australia is
giving
A blow for a blow, fighting on;
We are with them, en masse,
As they hold Khyber Pass,
And defend on the Isle of Ceylon.

But the fight is not finished, our faith
not diminished;
We're girding ourselves for the fray;
When our Navy starts churning,
And Tokyo's burning,
They will learn that deceit doesn't
pay.

Captain George M. Peterson, formerly vice president of Polk-Peterson Corporation in Des Moines, has enlisted in the air service and has already left for Florida to take up his new duties. Captain Peterson was in World War I and saw much active service in France.

Charles S. McKinstry, vice president of the National Bank of Waterloo reports one of the best years in the history of the bank, and an all time high was reached in the deposits on April 4, 1942, when the deposits were \$9,807,000, which was a gain of \$1,626,000, compared with a year ago on that same date, at which time the deposits were \$8,181,000.

The other officers of the bank in addition to Mr. McKinstry are **James M. Graham**, president; **R. L. Penne**, cashier; **H. F. Hoffer**, assistant cashier; **R.**

Again

Employers Mutual

Leads in Iowa!

*A Record Maintained
for 16 Years*

For 16 straight years, Employers Mutual of Des Moines has led all Iowa companies in the writing of casualty insurance.

Employers Mutual has also stood first in premium income for all Iowa companies (excepting life).

There's a reason for this outstanding record . . .

- 1** Prompt, cheerful payment of all just claims is a paramount policy of the company.
- 2** Assets of \$5,044,899.18 are almost entirely in cash, Government, Municipal and School obligations.
- 3** Policyholders' surplus of over \$1,000,000.00 for ADDED security.
- 4** Reinsurance protection on every policy—PLUS a guarantee fund deposited voluntarily with the Iowa Department of Insurance, totalling \$200,000.00.
- 5** Employers insures only GOOD risks, passing on the resultant savings to policyholders.
- 6** All policies are absolutely non-assessable.

Banker agents are invited
to write for our attractive
agency proposition.

This is
our
31st
Year

EMPLOYERS MUTUAL

CASUALTY COMPANY • DES MOINES

AUTOMOBILE INSURANCE • WORKMEN'S COMPENSATION • TOWN LIABILITY
GENERAL LIABILITY • ELEVATOR INSURANCE • PLATE GLASS

Northwestern Banker May 1942

L. Kilgore, assistant cashier; and **A. J. Burk**, assistant cashier.

Jim H. Pullman, vice president of the Fremont County Savings Bank at Sidney, Iowa, in a recent letter to the *NORTHWESTERN BANKER* said, "You are putting out a very fine publication and I enjoy reading every issue of the *NORTHWESTERN BANKER*."

John L. Lewis and family, according to recent reports, seem to be doing all right financially. John L. Lewis' salary is \$25,000 a year and expenses as president of the United Mine Workers, and then adding in 10 other members

of his family, including in-laws, the total sum paid to these members of the Lewis clan is \$112,500 plus expenses for services rendered by John L's little family group.

Harry C. Hausman, secretary of the Illinois Bankers Association, of Chicago, has been working to defeat Senate Bill 1603, which amends the National Banking Act by authorizing the comptroller of the currency to provide banking facilities at United States military reservations and navy yards and stations, notwithstanding any provision of law to the contrary.

Thus, according to Harry, the bill

provides for any national bank, upon the authority of the comptroller of the currency, anywhere in the country to establish a **branch bank** either within or without its home state and without regard for the state law applicable to state banks in the place affected.

It is the belief of the Illinois Bankers Association that there is no need for this change in the law, and that local banks are giving adequate service in every place where Army and Navy troops are stationed.

According to recent estimates, the value of **American farm real estate** has advanced \$2,360,000,000 during the past 12 months. The total value of such farm real estate is estimated at \$36,000,000,000.

Harold P. Klein, assistant vice president of the Iowa-Des Moines National Bank and Trust Company, is chairman for Polk County for the Committee for the Navy Relief Society, which had a quota of \$18,500. This has already been exceeded and the funds are still coming in.

Winfield W. Scott, vice president of the Valley Savings Bank, was chairman of the Bankers Division which looked after raising funds locally in Polk County.

On May 10 the big Hollywood Revue of 30 actors and actresses will appear at the Shrine Temple, the funds from which will also be donated to the Navy Relief Society.

William B. Whitman, assistant secretary of the Manufacturers Trust Company of New York City, and the handsome and popular representative of his company in the middle west, in requesting a copy of the 1942 Iowa-Nebraska Bank Directory, published by the *NORTHWESTERN BANKER*, said:

"To have one of your latest bank directories along with me on a trip is just as essential as a clean shirt or a couple of spare tires."

M. M. Taylor, president of the Central National Bank of Columbus, Nebraska, has sent the *NORTHWESTERN BANKER* a very interesting photograph of a display which the bank has in its window a painting of the American eagle underneath which it says, "Buy U. S. Defense Bonds."

In another place in the display it emphasizes that Defense Bonds earn 2.9 per cent annually and underneath this it says "Support the Boys on the Battle Line and Hold Inflation Down."

Lousy Joke

"Little boy, do both of your dogs have licenses?"

"Yes, sir! They're just covered with them."

8 EXTRA FEES IN ONE DAY

\$72.90 average fee

\$583.24 total fees

That's the profitable experience of one banker, who is also one of our agents.

Working under one of our SPECIAL CONTRACTS FOR BANKERS ONLY this banker—in a town of 2,500—wrote eight cases for \$26,808 of life insurance, which earned him a total of \$583.24 in "fees," or commissions, as we say. Moreover, he qualified for renewals with this one block of business.

You too, can supplement your income through exceedingly liberal commission and renewals—all guaranteed direct by a mutual legal reserve company forty years old, of exceptional financial standing.

A letter will bring full details regarding our SPECIAL BANKER'S CONTRACT and our specially prepared BANKER'S KIT.

WRITE US IMMEDIATELY

GUARANTEE MUTUAL LIFE CO.

ORGANIZED — 1901

A. B. OLSON, Agency Vice-President

OMAHA, NEBRASKA

Why Farmers *Need* Hail Insurance



Above, what remained of a corn crop after a hail storm near Harlan, Iowa, last year.

MANY people have not until the last few years realized the great damage done each season to growing crops by hailstorm.

Those who have not seen fields after a severe hailstorm has passed over them can have little conception of the destructiveness of such a storm. The year 1941 was not remarkable for one of those widespread, sweeping hailstorms like the one of 1925 which, starting in southeast central Iowa, swept across Illinois and ended up in Kentucky; nor the one of 1932 which, starting in South Dakota, passed through southern Minnesota and northern Iowa, swept across Illinois, passing just north of Chicago, ended in Lake Michigan. Nor the other periodical storms which might be cited. But there were almost countless small storms covering two or three or a dozen townships, and literally ruining the crop in their path, so that 1941 stands out as a severely destructive year for hailstorm loss to farmers.

Also, it was a year which aroused the farmer and brought home to him the nearness of this menace.

The state of Iowa is not the state where the worst nor most severe damage is done, but it is almost in the exact center of the scope of these storms and the abundance of its crops makes its loss fully equal to any other state. It was of a cornfield not far from Harlan, Iowa, that the photograph on this page was taken. There were probably a hundred such fields existed where that storm hit, and it was considered only a small storm in area.

Some of these storms actually peel the bark from trees as much as six

inches through, and fifty feet high. Some of the things that occur are almost unbelievable.

All the insurance companies writing protection on growing crops will tell you that the demand for hail insurance protection is almost unprecedented.

The good prospects, the abundance of moisture, the high prices, and the aid of the government has created an unusual interest in the crop.

W. A. Rutledge, secretary of the Farmers Mutual Hail Insurance Association of Iowa, which company is now doing business in fourteen states, says that this interest is not confined to

Iowa, but extends over all the Mississippi basin.

The great increase in the acreage of soybeans all over the country has introduced a new element into the interest in hailstorms and their influence on growing crops, because this crop is easily hurt by hail, and does not always ripen before frost. As time goes on, it is predicted that more attention will be given to the loss to crops caused by hailstorms and the methods of reducing the destruction, or at least of most equitably distributing that loss.

OUR PROOF DEPARTMENT

(Continued from page 13)

The operator keeps up a continuous proof, since she proves each individual deposit as it is run. As a result, any department desiring checks from the machine may have them at the end of a proof of any deposit. If the deposit ticket is off balance, since each item is listed in the same order as on the deposit ticket, the errors, such as listing incorrectly, addition, and missing checks, are localized to that individual deposit ticket, and all the operator has to do is check the deposit ticket back against the master tape to find the error.

In the case of the operator making a mistake in listing an item, she will write the amount of the error on a scratch pad and at the end of the day

SAME DAY SERVICE

for the ALLIED MUTUAL POLICYHOLDER

Policyholders particularly appreciate the quick, conscientious, fair-minded manner in which Allied Mutual's claim department functions when a claim develops.

Agents like this service, too, because it builds friends and friends build business.

Workmen's Compensation, Public Liability, and
Automobile Insurance



ALLIED MUTUAL
CASUALTY COMPANY

Harold S. Evans, President

Hubbell Bldg.

Des Moines, Iowa

will correct the mistake. For example, if she lists an item on us two cents long, she will write on the pad, "Subtract two cents from compartment one." When she totals the machine at night, she will make the corrections that she might have on the pad, and then the machine should be in balance.

The average machine operator will run about 1,200 items an hour. In our case the operator will average approximately 1,000 items per hour. The machine is operated about three and a half hours a day and the average daily run is about 3,500 items.

All in all, we believe the machine

has solved our problem in creating accuracy and efficiency. It has wiped out the nervous strain and tension of the bookkeeping department, and a great deal more work has been accomplished in keeping all the miscellaneous filing and other duties of the department in good order. We believe the machine has eliminated the services of about two employees.

The bookkeepers have expressed themselves, since the installation of this machine, that their work is really pleasant and under no circumstances would they permit the machine to be removed.

Another important reason for select-

ing the International Machine, at least from the management standpoint, is because they are installed on a rental basis only, therefore eliminating an investment of approximately \$3,000. Under the rental terms, the machine is serviced and kept in condition. Also, any mechanical improvements will be added without any additional cost to us.—**THE END.**

Sales Schools

The Farmers Mutual Hail Insurance Company last month held a series of regional conferences and sales schools throughout the state of Iowa, and meetings were held also at Eau Claire and Madison, Wisconsin.

The Iowa meetings were held at Cedar Rapids, Waterloo, Mason City, Marshalltown, Red Oak, Denison, Sheldon, Storm Lake, and Fort Dodge.

Principal speakers at these conferences were President Carl P. Rutledge, W. S. Rutledge, treasurer and automobile department manager, Bryan Connell and J. D. Miller, both from the company's home office in Des Moines.

Because farm prices are quite high and heavy crop production is anticipated, this year Farmers Mutual Hail officers report substantial increase in hail underwriting.

One's Enough

A Missionary society member approached Henry. "We are having a raffle for a poor widow," she said. "Will you buy a ticket?"

"Nope," said Henry, "my wife would not let me keep her if I won."



Why Do People Buy Insurance?

So that the unexpected losses of the few may be distributed among the many. There's only one real test of any policy or company — what happens when the loss occurs.

Every five minutes, during every day of every year, some State Auto adjuster pays a loss—and pays it promptly, courteously and fairly.

SURETY BOND DIVISION

Through affiliation with the Mutual Surety Company of Iowa, a Surety Bond Division has been added to State Auto service. Right-now service upon all types of Fidelity and Surety Bonds at competitive rates, with Russell F. Lundy, president of the Mutual Surety Company, of Iowa and vice president of State Auto, in charge.

THE STATE AUTOMOBILE INSURANCE ASSOCIATION

Des Moines, Iowa

1941 Premiums Over \$1,800,000

Legal Reserve—All Policies Nonassessable



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Short Term Governments for Banks

A. B. A. Has Recommended New Securities of One to Ten Years Maturity Range



JAMES H. CLARKE

NOT all the news in April was bad—but the stock market looked upon it as such. And the market broke more than five points. This is especially disturbing to holders of stocks, as this has been the

trend for months—in fact, if you disregard some futile rallies, stocks have gone down since September, 1939. But April, 1942, proved to be one of the worst months in the long decline—and the weakness appeared after numerous experts had pointed out that the worst was over—that the market had discounted all the bad news.

Some reports during the month made good reading. The severe R. A. F. raids on Germany and the industrial towns of occupied countries were heartening. The setting up of a unified command in Australia under MacArthur — our bombing of Jap-held bases in the Philippines and the most sensational of all, the Jap reports that our air force had bombed Tokyo, were good and sufficient reasons for some cheerfulness. Then, of course, there were the usual reports of unrest from Norway to Greece, and Hitler's speech to the Reichstag was less confident. And our own production of war materials is really rolling.

But there was news which hurt—Bataan, after months of gallant defense, suddenly fell on April 9th and the market staggered under the weight of it. Laval re-entered the French cabinet on the 14th—and again stock prices weakened. Brief reports of the President's message to Congress hit Wall Street on the 23rd—and the spectre of higher taxes and lower profits caused the biggest break in weeks. The Japs continued their march into Burma and it will probably be the 15th of May before the rains come—the only real help that England and China can expect to offset the Nipponese strength in the air. Bits of bad news such as these—plus the general confusion in domestic affairs during war times—kept investors upset.

The Month's Market Maneuvers Prepared for

The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

We are writing this on Tuesday morning, April 28th—to meet our deadline—so we shall miss the last three days of the markets for the month. We shall probably not see much change in the basic trend, however, in that short period.

So far there have been twenty-two days of trading, twelve in which losses were recorded—nine where gains were scored, and one where no perceptible change occurred in industrial averages. Following the declines reported in March, the April losses were unexpectedly heavy in certain stocks. American Tel. & Tel., the bluest of the blue chips, closed at 106 yesterday (is reported at 104 in this morning's trading)—off ten points during the month—Eastman Kodak was down nine points during the same period. Some stocks, however, have done relatively well—notably the motors and the rubbers which took such a beating in the selling in December. Thus, while the trend has been sharply downward, there has been some selectivity in the market.

Bonds in general were somewhat easier in April—although the softness in municipals did not appear until late in the month. The announcement of \$4,000,000,000 of new government financing in the offing in May and June has been a contributing factor to the moderate downtrend in government prices. The long 2½s of 1972 which were selling at 101.4 on March 31st are quoted 100.20 this morning—this is one example. In the face of large government borrowings—running at a rate of three and a half to four billion dollars a month after June 30th—this includes war bond sales and other special money raising means in addition to

public financing—it is not to be expected that government bond quotations will improve. But this is a matter of only academic interest to bankers who are committed to a program of buying and holding government bonds.

Municipal bonds were stronger for the first two or three weeks of April, but the market has become spotty more recently. The discussions of gasoline rationing had further depressing effects on roadway, toll bridge and similar projects. The President's message of yesterday which again mentioned the taxing of municipal issues also hurt. Thus, after a recovery which lasted over a month, weakness has again appeared—especially in revenue bonds. Pennsylvania Turnpike 3¾s quoted 85 bid, and Triborough Bridge 3¾s at 79 bid have acted very badly.

Corporate bonds have been slightly easier—the only large offering during the month being \$100,000,000 American Tobacco 3s due in twenty years. Last Friday, the offering day of the issue, sales were reported at 101¼ against an issue price of par—today (Tuesday), however, dealers quote the bonds par bid and par and one-quarter asked—so the premium faded away in a hurry. At this writing, there are no large bits of new corporate financing on the horizon.

What course or courses the new government financing will take is still a matter of great conjecture. Naturally the Treasury is still anxious to place a large part of its debt in hands other than those of banks. The Federal Reserve Board has recommended to the Treasury certain changes, one of which suggests some variations so that registered issues might be sold, and that instead of very long and very short issues—securities varying between two and ten years be offered. The board's suggestion is that institutional and corporate savings should be tapped by the Treasury by means of these registered issues, unavailable to commercial banks. Then the A. B. A. has recommended to the Treasury that it should issue to the banks new securities with maturities ranging from one

Northwestern Banker May 1942

to ten years—the Treasury is said to be thinking over this suggestion. In any event, the current outlook appears to be for short and medium term bonds for commercial banks.

While bonds in general and government obligations in particular must be of paramount interest to bankers—the current weakness in stock prices is getting the headlines. This morning, after one hour of trading, the Dow-Jones industrial averages stand at 93.47—compared with 99.53 at the first of the month. The continuous down trend since September, 1939, has taken prices down over sixty points—about

40 per cent. Those who expected to get rich in a war market overlooked the fact that neither the people nor the administration favor such a development—and taxes upon taxes are providing the brakes.

Mid-Continent Regional Conference

The eighth annual Mid-Continent Regional Conference of the National Association of Bank Auditors and Comptrollers will be held in Kansas City on May 21 to 23. Thursday, May 21, has been set aside as the day to visit local banks, for registration, and

for the general reception of convention visitors. The remainder of the program is as follows:

Friday, May 22

9:00 a. m.

Convocation.

Call to Order—Mr. E. G. Armstrong, general chairman.

Invocation.

Address of Welcome—Mr. C. W. Allendoerfer, President, First National Bank, Kansas City, Mo.

Response—Mr. Ernest T. Tanner, Auditor, First National Bank of Omaha, Omaha, Neb.

"The Alternative Methods for the Allocation of General Administrative or 'Overhead' Expense"—Mr. John G. Blocker, Professor of Accounting, Chairman of the Accounting Department, University of Kansas School of Business, Lawrence, Kansas.

"The Use of Graphs and Charts in Administrative Reports"—Mr. O. A. Leamon, Comptroller, Fourth National Bank in Wichita, Wichita, Kansas.

"Audit and Control of the Bank's Securities"—George J. Ruhlman, Auditor, Hibernia National Bank, New Orleans.

Afternoon Session

1:30 p. m.

"'Yardsticks' for Measuring Efficiency in Operations"—Mr. E. L. Stucker, Cashier, National Bank of Tulsa, Tulsa, Oklahoma.

"Breaking Old Traditions"—A Round Table discussion on bank operating methods and problems. Leader—Mr. Jack Fleming, Auditor, National Bank of Commerce, Houston, Texas. (The members of this Round Table and the subjects for discussion will be announced later.)

6:00 p. m.

Reception.

7:00 p. m.

Banquet—Toastmaster, Mr. E. G. Armstrong, Comptroller, Commerce Trust Company, Kansas City, Missouri.

"Some Problems for the Bank Comptroller"—Mr. Benjamin E. Young, Vice President, National Bank of Detroit, Detroit, Michigan.

Saturday, May 23, 1942

Morning Session

9:00 a. m.

"Conversion of Funds Control"—Mr. A. Paul Thompson, Auditor, Central National Bank, Cleveland, Ohio.

"Audit and Control of Personal Trust Accounts"—Mr. Louis R. Engel, Auditor, Mississippi Valley Trust Co., St. Louis, Missouri.

"Meeting Wartime Problems of Bank Management"—Mr. Louis H. Hammerstrom, Auditor, Continental Illinois National Bank and Trust Company, Chicago, Illinois.

12:00 Noon

Luncheon.



Our sights are raised!

VICTORY calls for full speed ahead—in the production of materials needed by our armed forces. Our steel mills, factories, shipyards are building the weapons and warcraft for use in the air, on land and sea. From our farms, groves, ranches come ever-increasing quantities of dairy products, vegetables, fruits, meats, cereals, oils—food to sustain the United Nations at war.

Local lending institutions contribute materially to the war effort by helping to finance expanding agricultural

activities. In this process, notes—endorsed by commercial banks, agricultural credit corporations, livestock loan companies, production credit associations, banks for cooperatives—are rediscounted by the Federal intermediate credit banks.

These twelve banks obtain required funds by the sale of their consolidated debentures—thereby enlisting private investment capital, throughout the land, in the common cause.



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

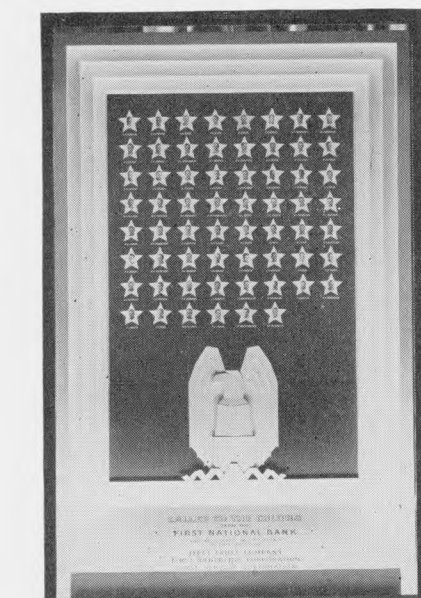
CHARLES R. DUNN, Fiscal Agent

31 Nassau Street, New York, N. Y.

Service Pictures

A most interesting variation of the "service flag" or honor roll, with which business organizations have been honoring their employees who have entered United States military service, has been developed by The First National Bank of St. Paul, Minnesota. Feeling that a service flag with plain white stars was a rather mute and impersonal tribute, and that a mere listing of names also left much to be desired, the First National hit upon the idea of placing the picture of one of its service

men in each one of the stars. Each star measures four inches from tip to tip, and is identified by the name of the individual pictured, clearly printed below. This three-dimensional honor roll is placed in a centrally located display window at the intersection of the bank building's street floor arcades, where it has been viewed by fellow employees and the public standing "three deep" during hours of heavy traffic.



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White stars and names are placed on a three by five foot Federal blue panel, and are arranged in rows of eight, their positions determined by the date on which the staff member entered his nation's service. The sixty-two stars shining on the panel when it was placed on public view included employees and officers from the bank itself and three affiliates which also occupy space in the building.

In discussing the origination of this unique honor roll, J. A. Oace, vice president of the bank, said, "Our first idea was a service flag to be hung in our main banking room. Further consideration convinced us that the employees and officers of our affiliates should be included in this tribute, and that the

present the clearest and most constructive explanation of our personnel problem."

F. A. A. in Chicago

Victor Cullin, president of the Financial Advertisers Association, has announced that its members will get together for a clinic for the 27th year in Chicago at the Edgewater Beach Hotel on October 26th, 27th and 28th.

L. E. Townsend, vice president of the association and assistant vice president of the Bank of America, San

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100 West Monroe Street, Chicago

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

Federal Home Loan Bank of Des Moines

Des Moines, Iowa

STATEMENT OF CONDITION APRIL 1, 1942

RESOURCES

Advances to Members.....	\$14,954,458.26
U. S. Government Obligations and Securities fully guaranteed by U. S. ...	3,371,937.77
Accrued Interest Receivable.....	15,512.16
Deferred Charges and Other Assets.....	9,620.26
Cash	6,876,741.24
	<u>\$25,228,269.69</u>

LIABILITIES AND CAPITAL

Capital Stock Subscriptions.....	\$10,414,550.00
*Debtures Outstanding	13,000,000.00
Premiums on Debtures.....	1,498.43
Deposits—Members and Applicants.....	801,562.57
Accrued Interest Payable.....	70,651.71
Surplus:	
Reserves	\$654,119.99
Undivided Profits	285,886.99
	<u>940,006.98</u>
	<u>\$25,228,269.69</u>

*Participation in \$101,500,000.00 consolidated Federal Home Loan Bank debtures outstanding, which are the joint and several obligations of the twelve Federal Home Loan Banks.

Northwestern Banker May 1942

Francisco, who is general chairman of the convention this year, states, "War time is no time for entertainment, golf tournaments or other usual convention diversions. While the Financial Advertisers Association Conventions in the past have been sessions of study and work, interspersed with a limited

amount of entertainment, this year the entire three day program will get right down to real clinics and conferences where men work with feverish heat and produce results."

Guy W. Cooke, assistant cashier of the First National Bank of Chicago, is general chairman of the Chicago group to make all the local arrangements for the convention.

STATE AND MUNICIPAL BONDS

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DES MOINES

Assistant Vice President

The Mercantile-Commerce Bank and Trust Company, St. Louis, has announced the election of Frank J. Sain as assistant vice president. For the past ten years Sain has been associated with the St. Louis office of the Reconstruction Finance Corporation, having been made assistant manager in 1937, and in active charge of the office since 1940. Prior to his RFC connection, Sain has had some 15 years' experience in the field of banking work. He will be connected with the loaning division of Mercantile-Commerce and will take up his new duties about May 1st.

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in All Markets**

**Primary Markets in Iowa
Securities**

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DES MOINES

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

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National Conference

Recognizing that the nation's war-time needs and problems transcend all other interests in times like these, the American Bankers Association will hold a National Conference on War-time Finance in Detroit next September, in place of its annual convention, it was decided by the executive council of the association at its annual spring meeting here today. The dates will be September 28th-30th.

The plan contemplates an intensive shirt-sleeves conference on all phases of wartime finance in which field of activity the banks will make their greatest contribution to the war effort. Leaders from banking and government alike will be in attendance to contribute to its deliberations and discussions.

The program will be cut down by a day and a half. Whereas the convention has in the past run from Monday morning to Thursday night, the conference on wartime finance will conclude at noon on Wednesday. Entertainment will be eliminated. The usual golf tournament will be omitted. And the inauguration of new officers of divisions and of the association itself will take place at the close of the final session Wednesday morning. As part of the conference, it is hoped that an opportunity will be given to the delegates to see something of the operation of war plants in the Detroit area.

A new type of meeting for bankers will be undertaken on Sunday evening, September 27th, preceding the opening of the conference. This will take the form of an inspirational meeting with a background of American music and an address by an inspirational speaker of note. Committee meetings will be held all day Sunday.

It is not contemplated that the essential business of the association will be restricted. The five divisions, national bank, state bank, savings and trust divisions, and the state secretaries section will have their business meetings on the first day, and the business meetings of the association itself will be held on the mornings of the second and third days. The remainder of the time will be devoted to clinic sessions on wartime bank operations, policies and service to the public and the government.

In announcing the action of the association's executive council, Henry W. Koenke, American Bankers Association president, said, "These arrangements recognize the heavy burden resting upon bankers as a result of the war and the importance of not taking them away from their desks for a period longer than is necessary. At

the same time they recognize the necessity for counsel and conference on the nation's needs and the ways in which the banking system can serve those needs."

Carl Trout Dies

Carl Trout, well-known and popular assistant vice president of the Live Stock National Bank of Chicago, died recently of a heart attack at his home in La Grange, Illinois.

Mr. Trout was well-known to hundreds of Iowa bankers, was 54 years of age, and had been former Iowa



CARL TROUT

Deputy State Banking Superintendent. Funeral services were held at Newton, Iowa, Saturday, May 2nd.

Mr. Trout had already made reservation for the Iowa Group Meeting Train, to cover the meetings from May 12 to May 22.

Surviving him are his widow; one daughter, Mrs. Fred M. Lorenz of Des Moines; a son, Carl Trout, Jr., of Fremont, Nebraska; two sisters, Mrs. Clarence Tool and Mrs. Robert Butin of Reasnor, Iowa; and two brothers, Roy Trout of Burlington, Iowa, and Basil Trout of Fresno, California.

Telephone Director

Walter W. Smith, president, First National Bank in St. Louis, was elected a director of the Southwestern Bell Telephone Company at a meeting of stockholders held recently.

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ONLY BURROUGHS MECHANICAL SERVICE GIVES YOU THESE ADVANTAGES

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- 2 Every Burroughs service point has genuine Burroughs parts to meet any service need.
- 3 Burroughs service is national, conveniently located to give prompt, efficient attention to every call.
- 4 All Burroughs service men are promptly and fully informed about every improvement in service, every new machine feature and every mechanical change.

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BURROUGHS ADDING MACHINE COMPANY
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Burroughs



Food Will Help Win the War

Produce, Produce, Produce! — that is the watchword of the farmers of the Northwest today, as they join the "Food for Freedom" program of the United States Department of Agriculture.

More important than ever this year, is the selection of good seed for all planting operations. Success in the "Food for Freedom" program

depends greatly on good seed. We therefore urge cooperation between bankers and farmers in promoting the selection of better seed grains.

We are interested in cooperating with our correspondent banks in assuring the success of this program. We invite banks to make full use of our complete facilities.



Home of the Northwestern National Bank and Trust Company—in the financial center of Minneapolis—where highly trained specialists in correspondent banking service are ready to serve you.

USE "NORTHWESTERN" SERVICES

Department of Banks and Bankers

Wm. N. Johnson
Vice President

F. W. Conrad
Asst. Vice Pres.

D. E. Crouley
Asst. Cashier

L. P. Gisvold
Asst. Cashier

NORTHWESTERN NATIONAL BANK AND TRUST COMPANY

Sixth to Seventh Street on Marquette Ave.

Minneapolis, Minnesota

Member Federal Deposit Insurance Corporation



O. G. JONES
President
Red Wing

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Banks Show Increase

Every bank in Faribault county showed a substantial increase in resources during the last three-month period, according to a summary of the published reports of these banks.

On January 15th, with the report of one bank missing, the total resources of the county financial institutions was \$8,492,050.39, while last month, with the report of one of the smaller banks also missing, the county total amounted to \$8,863,292.25, indicating an increase in assets of approximately \$370,000.

The Blue Earth State Bank heads the list as far as total resources are concerned, with the First and Farmers of Blue Earth second and the First National of Kiester a close third.

Cashier Gets Three Years

Olaf A. Olson, 58, cashier of the Palisades, Minnesota, State Bank, who was accused of taking \$85,000 from the bank in eight years, faces a three-year prison term. Judge George F. Sullivan pronounced the sentence last month.

Make Large Home Loans

Minnesota's insured savings and loan associations made home loans totaling \$436,300 during February, Oscar R. Kreutz, general manager of the Federal Savings and Loan Insurance Corporation, announced recently in Washington.

The same group of associations made loans amounting to \$580,600 in January and \$864,913 in February, 1941. Home mortgage loans on the books of the 34 insured associations in Minnesota now aggregate \$60,806,400.

Mr. Kreutz said during February, \$131,900 in loans were made on new construction. Home purchase loans amounted to \$131,000 and those for reconditioning \$34,300.

During February, the public placed \$1,229,500 of new savings in the insured associations, bringing the total of such investments to \$49,690,100. The association's investors are protected

against loss up to \$5,000 each by the insurance corporation, as instrumentality of the United States government.

Jasper Team Wins

The Jasper Banker's bowling team sponsored and captained by Ted Arp, president of the Jasper State Bank, Jasper, Minnesota, walked away with the Pipestone Recreation Straightaway League Championship for the second successive year. They have a remarkable record during this period, winning 134 games and losing only 28, all competition being from scratch. High team total was 2,852, with high single game of 1,057 actuals, Mr. Arp having high single games of 242 and 243.

Prominent Banker Dies

Algot W. Swanson, 58, prominent Cannon Falls resident who had been identified with the banking business there the past 41 years and who held the office of vice president of the First National Bank, died at his home last month.

New "After Hour" Depository

The Grand Rapids State Bank has just completed the installation of a new "after hour" depository system for the accommodation of business concerns and individuals who wish to be rid of the responsibility of keeping money in their possession over night or over week-end and over holidays when the bank is closed and cannot receive deposits in the regular way.

Retired Banker Dead

Russell Baxter, 81 year old, owner of the bank at Lake Nebagamon, Wisconsin, for twenty-five years before he retired five years ago, died recently in a Duluth hospital. He had lived in Hotel Duluth for the last two years. Before opening the bank at Lake Nebagamon he resided in Superior. Surviving are four brothers-in-law, W. R. Peyton, B. Murray Peyton and H. H.

Peyton, all of Duluth, and John Peyton, St. Paul, and three sisters-in-law, the Misses Martha and Alice Peyton and Mrs. James Hunter, all of Duluth.

Elected to Bank Board

The Buffalo National Bank announces the election of George Gilbert, prominent farmer of Rockford township, Wright County, to the board of directors.

Other members of the board are O. W. Lundsten of Excelsior, C. N. Lundsten of Delano, Glen Swenson and M. L. Lunsten of Buffalo.

Clearing House Meeting

Arthur Reynolds of St. Paul, collector of United States internal revenue and state administrator of the federal war savings bond program, was the principal speaker at the joint meeting of the Red River Valley and Northwest Clearing House Associations held in Thief River Falls recently.

The meeting opened with a dinner at six o'clock, following which Mr. Reynolds spoke. Also a speaker was Otis Preston of the Minneapolis Federal Reserve Bank.

In addition to the banker members, there were present at the session members of the war bond committees in the various counties, as well as William Duncan, secretary of the Minnesota Bankers Association.

E. O. Peterson of Thief River Falls is president of the Northwest Clearing House Association, while William Ericson of Crookston heads the Red River Valley group.

"Million Dollar" Bank

Achievement of the cherished distinction of being a "million dollar bank" was announced recently by officers of the First National Bank of Blooming Prairie.

Total footings of the bank went over the million dollar mark by several thousand dollars—thus putting the institution in the million dollar class for the second time in the bank's 67 years' of faithful service to this community.

A million dollar footing was also enjoyed by the bank at one time about twenty-five years ago.

"Bright" Business Spot

Winona, with a 30 per cent increase in volume of bank debits for the first quarter of 1942 over the similar period of 1941, was classed as one of the "bright" business spots in the Northwest in a report released by the Federal Reserve Bank of Minneapolis.

The total dollar volume for the period was \$23,789,000, compared with

\$18,289,000 for the first three months of 1941. The March figure was \$8,155,000 compared with \$6,395,000 for March, 1941, or a 28 per cent increase.

Rochester showed an increase of nine per cent for the first three months, Eau Claire eight per cent and La Crosse 11 per cent. The Mankato increase was 19 per cent.

The debits reported from Lanesboro for the three-month period were six per cent higher than for the first three

months of 1941, the total period debits there being \$603,000 and \$567,000.

Heads Relief Fund Drive

J. Cameron Thomson, Minneapolis, recently was appointed by Secretary Knox as chairman of the \$102,000 Minnesota navy relief fund drive.

The Minnesota campaign will be part of a nation-wide solicitation for \$5,000,000 to aid survivors and dependents of navy men killed or injured in

action. Thomson is president of Northwest Bancorporation.

Elected Assistant Cashier

Miss Mary Lushene, formerly of Eveleth and former commercial teacher in the Aurora high school, has been elected assistant cashier of the Aurora State Bank. Miss Lushene began her duties at the bank last month.

New Employees at Mora

New employees at the State Bank of Mora, replacing the five young men who recently enlisted in the armed forces of our country, are Robert Nikodym and Miss Virginia Nelson, who will work in the bookkeeping department, and Miss Margaret Klammer, who is now employed at the First National bank in Hutchinson, and John Wilson of Minneapolis, who is an employe at First National Bank and Trust Company of Minneapolis, who will be tellers.

Rush City Banker Dead

John A. Carlson, president of the Rush City State Bank and well known in that community, died suddenly last month.

Mr. Carlson had been connected with various business enterprises in Eastern Minnesota and elsewhere for many years and was rated as a very successful business man. He was president of the former State Bank of Mora and had financial interests in other banks in the state.

Increase Capital Stock

At a special stockholders meeting of the Austin State Bank held last month, it was voted to increase the bank's capital stock from \$75,000 to \$100,000 by declaring a stock dividend.

The increased volume of business, it was pointed out, made necessary the increase in the bank's capital structure.

Gain in Deposits

Reflecting improved trade conditions in Duluth during the past year, Clearing House association banks at the close of business April 4th, showed a gain of \$2,706,571.01 in deposits.

The total on call was \$62,897,770.97, compared to \$60,191,199.16 on April 4th a year ago.

Total resources of the five banks in the group increased \$2,786,634.71 from \$67,486,093.37 to \$70,272,728.08. Capital, surplus and undivided profits rose \$125,551.64 from \$6,682,502.80 to \$6,808,054.44.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, April 4, 1942

RESOURCES

Cash and Due from Banks.....	\$ 722,448,131.87
United States Government Obligations, Direct and Fully Guaranteed.....	730,752,296.50
Other Bonds and Securities.....	79,589,139.76
Loans and Discounts.....	286,385,806.90
Stock in Federal Reserve Bank.....	3,000,000.00
Customers' Liability on Acceptances.....	795,947.85
Income Accrued but Not Collected.....	3,662,738.27
Banking House.....	11,925,000.00
Real Estate Owned other than Banking House	1,822,916.35
	<u>\$1,840,381,977.50</u>

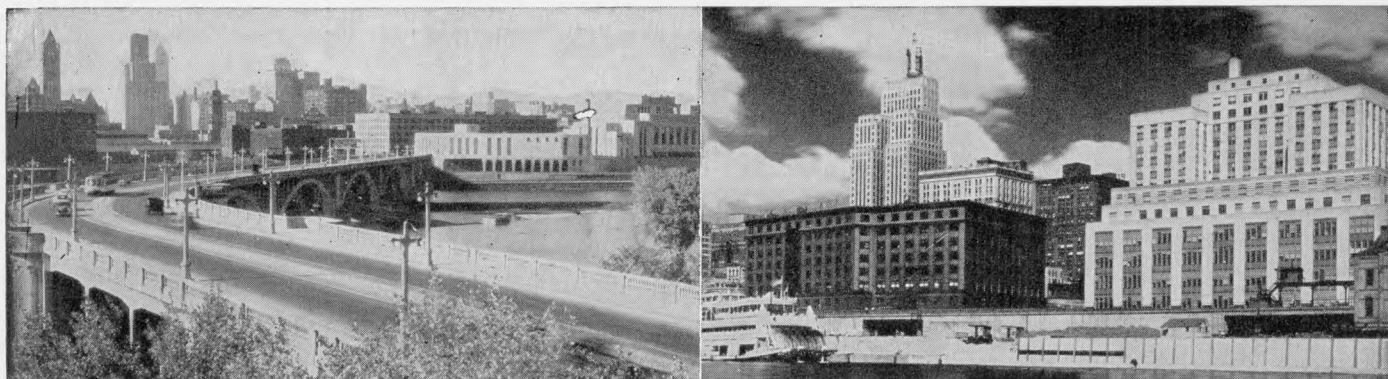
LIABILITIES

Deposits.....	\$1,701,347,123.86
Acceptances.....	849,366.13
Reserve for Taxes, Interest and Expenses....	6,635,483.52
Reserve for Contingencies.....	17,223,907.22
Income Collected but Not Earned.....	531,280.89
Common Stock.....	50,000,000.00
Surplus.....	50,000,000.00
Undivided Profits.....	13,794,815.88
	<u>\$1,840,381,977.50</u>

United States Government obligations and other securities carried at \$229,671,450.30 are pledged to secure public and trust deposits and for other purposes as required or permitted by law

Member Federal Deposit Insurance Corporation

TWIN CITY NEWS



THE Minneapolis Federal Reserve Bank has reduced by one-half per cent its discount rates to member banks on loans secured by United States government bonds and eligible paper, and also its rate on advances to non-member banks secured by direct obligations of the U. S. government. The new rates are one per cent per year and are in line with existing money market conditions in other Federal Reserve districts.

Emmett J. Erickson of Farmers & Mechanics Savings Bank was elected president of the Minneapolis chapter, American Institute of Banking, at the annual election.

Paul W. Petterson of Marquette National Bank was named first vice president; **Christian Ries** of Minneapolis Federal Reserve Bank, second vice president, and **Anthony O. Dokken**, Northwestern National Bank & Trust Company, treasurer.

Selected for the board of governors were **Ben C. Simonson** of Farmers & Mechanics, **Ruth Gale** of Northwestern National and **Thomas M. Kelly** of First National Bank & Trust Company.

Elected as delegates to the convention of the Institute, to be held June 8 to 11 in New Orleans, were **Clarence M. Ostrum**, **Alvene Wolff**, **Albert G. Carlson**, **Melvin B. Holmgren**, **Esther Roberts**, **Earl A. Carlson**, **Leonard A. Dubay**, **Lawrence C. Peterson**, **Philip Erlander**, **Herbert Stolt**, **Florence M. Wilwerding**, **Carl R. Johnson**, **Harry L. Tyson** and **Jerry Conard**.

Minneapolis men listed among those attending the American Bankers Association annual spring meeting in French Lick Springs, Ind., late in April included **John Burgess**, vice president of Northwestern National Bank & Trust Company; **William Duncan, Jr.**, secretary, Minnesota Bankers Association, and **J. Cameron Thompson**, president, Northwest Bank Corporation.

By James M. Sutherland
Special Correspondent

Farmers & Mechanics Savings Bank, Minneapolis, was the first Minneapolis firm to fly the emblem awarded first having 90 per cent or more of their employes signed up for purchase of war bonds through the payroll deduction plan.

Participants in the ceremony at which the flag was unfurled over the bank included **Arthur D. Reynolds**, chairman of the Minnesota bond sale committee; **Henry S. Kingman**, bank president, and **John De Laitre**, bank treasurer and head of its war bond department.

The bank is custodian for most accounts opened for Minneapolis workers under the payroll deduction plan. More than 100 city firms have 90 per cent or more of their workers enrolled under the plan.

Oliver S. Powell, first vice president of Minneapolis Federal Reserve Bank, was a participant in a panel discussion on war controls during the ninth annual meeting of the Midwest Economics Association in Davenport, Iowa. He discussed federal reserve banks' part in the war control of inflation.

Clarence A. Maley, vice president of American National Bank, St. Paul, has been elected president of the St. Paul Winter Carnival Association.

John C. Heines, member of the Minneapolis RFC agency organization, died in April following a short illness. Born in The Hague, Holland, he came to Minneapolis in 1920, he joined the RFC staff in 1932. Later he was employed by the Minneapolis Federal Reserve Bank and Allison-Williams Company, then rejoined the RFC.

Northwest Bancorporation directors have voted a 25-cent dividend on 1,552,237 shares of stock outstanding. It is payable May 25th to stockholders of record May 9th and will aggregate \$388,059.

An action program designed to put the credit facilities of banks of Minnesota squarely behind the wartime Food-for-Freedom program of the government was started in Minneapolis by the banks of the state at a meeting held under the sponsorship of the Agricultural Committee of the **Minnesota Bankers Association**. Rural bankers from all over the state as members of the Agricultural Committee of the Minnesota Bankers Association, representatives of the College of Agriculture, representatives of the Agricultural Adjustment Administration, and officers of the Minnesota Bankers Association were in attendance.

Ways and means by which the banks of Minnesota can cooperate in the Food-for-Freedom program were discussed and plans were made for meetings in every county at which the program and methods for its support can be laid before all the banks of the state.

In telling the purpose of the meeting, **Wm. Duncan, Jr.**, secretary of the Minnesota Bankers Association, declared that in his opinion "increased agricultural production for war purposes is just as important as the production of munitions, ships, planes and tanks, and that it is the duty of farmers and institutions that finance farmers to further the Food-for-Freedom program in every way they can. It is our purpose," he said, "to see to it that production does not suffer for lack of credit."

Under the action program, it is planned that the banks will give strength and encouragement to the Food-for-Freedom program in every

Northwestern Banker May 1942

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county. They will be fully informed about how to proceed under the program and will be urged to give it their fast moving cooperation, according to Mr. Duncan. This it is planned to do by meetings held throughout the state and by the use of literature explaining the Food-for-Freedom program and how the banks can help it.

Joseph Gaare Dead

Funeral services for Joseph Gaare, 57, former Perley resident who had been an appraiser for the Federal Land Bank of St. Paul the last twelve

years, were held last month in the Hope Lutheran church, Minneapolis, Rev. C. S. Thorpe officiating, and in the Kirkebo Lutheran church, Perley, Rev. Thomas Anderson, Rev. A. J. Tjornhom, and Rev. J. J. Jacobson officiating. Interment was made in the family lot at Bathania cemetery at Perley.

Mr. Gaare joined the land bank staff in 1930, as field man and appraiser. Also serving as field representative for the FCA, he became well known to farmers throughout the northwest. Since Federal Farm Mortgage corporation, which administers land bank commissioner loans.

His death in a St. Paul hospital was attributed to a heart attack caused by over-exertion encountered in travel difficulties near Litchfield, Minnesota.

Raid Prinsburg Bank

Burglars raided the Prinsburg State Bank recently, but escaped with only small loot when their attempts to burn through steel strong box doors failed.

Prinsburg is in Kandiyohi county about fifteen miles south of Willmar.

Using cream can gang tactics, the yeggs stole a tank of acetylene gas from a Prinsburg garage but their attempts to burn through steel vault doors were futile, reports to the state crime bureau said.

Loot was \$225, all in silver.

Three Banks Get Deposits

The city council of Rochester recently designated the three Rochester banks as depositories for city funds, including the First National, \$200,000, Union National, \$150,000, and Olmsted County, \$40,000.

Elected Cashier

Harold L. Smith, who until recently was employed in the offices of the First Bank Stock corporation in Minneapolis arrived in Pipestone to take over the position of cashier in the Pipestone National Bank, a post to which he was recently elected by the directors of that organization.

Mr. Smith, who takes over the post formerly held by G. M. Grabow who left in February to serve in the United States navy, has been engaged in the banking business for many years.

Pay 5 Per Cent Dividend

All holders of trust certificates of the Farmers & Merchants State Bank of New Ulm are being paid a five per cent dividend by H. E. Fay, trustee.

This is the sixth dividend that holders of trust certificates of this bank have been paid, amounting in all to 55 per cent.

Approximately \$10,000 is being distributed at this time to holders of these certificates.

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Changes in Personnel

The State Bank of Bricelyn announces several changes in personnel which have taken place recently.

Miss Anna May Cook, who has been employed by the bank for over a year, has resigned to accept a position with the First and Farmers National Bank of Blue Earth. Fred Johnson was elected assistant cashier to take the place of Elwood Lund, who recently enlisted in the army. Janice Hanson, who has been employed by the State Bank of Luverne, Iowa, has returned to Bricelyn as a stenographer in the bank, and Ellen Helgeson has recently taken up duties as stenographer and bookkeeper.

Accepts Position

Miss Elaine Johnson has accepted a position as bookkeeper of the Belview State Bank. Miss Johnson recently completed her training in St. Cloud.

Accident Fatal to Banker

Martin Weibye, 78, president of the Peoples State Bank of Frazee, passed away at his home in Eagle Bend recently as the result of a fractured skull, received in an accident several weeks ago.

Install Night Depository

Installation was completed recently of an after-hour depository service for customers at the Becker County National Bank of Detroit Lakes. This is something entirely new in banking service in that city.

This innovation was installed to take care of the needs of numerous business establishments in Detroit Lakes that take in a considerable amount of cash after banking hours during the week days, and, especially on Saturdays since the banks close at 12 noon.

Brief News

The Citizens State Bank of Walnut Grove reports several recent changes in its personnel, **Evelyn Koblebard** has accepted a position with the Central National Bank of Des Moines, Iowa, and **Christina Williamson** is taking her place. Also, **William A. Rupp**, formerly of the First National Bank of Westbrook, and recently of Slayton, has been added to the staff. The bank reports excellent business, particularly in loans.

Edwin Brickson, president of the Adrian State Bank, has just returned from a very enjoyable vacation in Florida. Mr. Brickson reports that loans in his bank have shown a nice increase since the first of the year—

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• MINNESOTA NEWS •

the increase being due largely to real estate and seed and feed loans.

The **First National Bank of Wilmont** has recently remodeled its quarters. The improvements include new floors, new counter, added window space, and an enlargement of the working space. The bank has also added some new equipment.

There has been several changes in the personnel of the **Farmers State Bank of Kanaranzi**. **E. H. Wellendorf** of Ellsworth is now president, **Eddie**

Hansen of Kanaranzi is cashier, and **Wayne Untiedt** is bookkeeper.

Leonard Nelson, cashier of the **Farmers State Bank of Huntley**, took advantage of the Easter vacation to take a short trip around Minnesota with his family.

Theodore Knutson, cashier of the **State Bank of Sargeant**, reports that his town will soon have a new sewage and disposal system. He also reports general business good in his territory, with good farm sales and prices.

L. A. Loosbrock, cashier of the **State Bank of Lismore**, has recently been confined to the hospital at Rochester, where he underwent an operation. Mr. Loosbrock is now at home and is recovering very nicely.

E. E. Severaid, vice president, and **C. D. Olson**, cashier, of the **Security State Bank of Wanamingo**, are the proud holders of name plates carved from the limestone of which the new \$100,000 auditorium and gymnasium, just completed at Wanamingo, is built.

The **First National Bank of Le Center** has recently completed an extensive remodeling job. The layout, which was planned by **C. C. Traxler**, cashier of the bank, was very well done, and has added much to both the appearance and the convenience of the bank.

E. S. Holtmeier of Victoria was recently named cashier of the **Victoria State Bank**. Mr. Holtmeier was formerly connected with this bank in years past.

RUBBER FROM THE MIDWEST

(Continued from page 15)

gram, with the expectation that by replacing the alcohol with the glycol process production can be doubled in a year or two. We need to build about 70 or 80 alcohol plants of 10,000 gallons per day capacity each to realize this production. We have the necessary raw materials and the skills, and can certainly find the metals for the factories. We ought to be on our way now but probably we shall be delayed a little while longer by indecision and argument. In the meantime, research is going forward, both on the synthetics and on possible rubber yielding crops.

It is becoming more evident every day that the rubber program we build now will, with modifications, be our permanent source of supply. So far as cost and quality are concerned, it seems definitely indicated now that the new synthetics and guayule can be produced at not more than the prevailing price of natural before the war, and that the quality will be fully as good. Thus we have a basis for a new, big chemical industry, and it should come in large part to the midwest where we have the raw materials and other assets needed to build a sound program.



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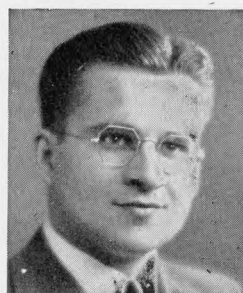
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SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

To Manage Branch Bank

At a dinner meeting of the board of directors of the Ipswich State Bank, Clarence E. Knudson, Leola, was named to succeed E. W. Hilgemann, Jr., as manager of the Leola Branch Bank. Mr. Hilgemann left last month for Fort Leavenworth, Kansas, to join the army. He has served as manager of the bank for the past two years as well as conducting his law practice. Mr. Knudson is owner and manager of the Knudson Hotel in Leola and has had previous experience in banking in Glenham, South Dakota.

Form Salvage Committee

George A. Starring, secretary-treasurer of the South Dakota Bankers Association, announced recently that an industrial salvage committee is being formed in South Dakota at the request of the War Productions Board.

Mr. Starring, who is executive vice president of the Greater South Dakota Association, recently attended a meeting at Cleveland, Ohio, of a salvage clinic conducted by the WPB's regional office at Chicago.

Addition to Building

At the Blackpipe State Bank of Martin workmen are getting started on the work of building an addition to the bank building. A 12-foot cement block addition will be erected at the back of the bank and will give them much needed space in the vault and for other purposes. The bank was moved to Martin from Norris a few years ago and has been continually growing since that time. O. A. Hodson is president, Carl Hicks, vice president, and Evelyn Barnes, cashier.

Pledge Food for Freedom

H. C. Gross, cashier of the Bowdle State Bank, and president of Group Six of the South Dakota Bankers Association, last month called a meet-

ing of the bankers of his Group to be held at Mobridge, the object being to call to their attention the Food for Freedom program. The response was excellent, with an attendance of nearly one hundred, many of the bankers bringing along their local county agent, FSA supervisor, and farm program chairman. Mr. Gross reports this to be one of the best meetings held for many months, with everyone ready and willing to do his part.

South Dakota Group Six comprises the counties of Corson, Zebach, Dewey, Perkins, Walworth, Campbell, McPherson, Edmunds, Faulk and Potter.

Goes to Brookings

Miss Merle Francis of Flandreau recently accepted a position with the Security National Bank in Brookings. She was formerly employed at the Farmers State Bank in Flandreau.

Get Perfect Rating

Chairman R. M. Depuy, Brookings, of the committee on agriculture of the South Dakota Bankers Association, said that for the seventh consecutive year South Dakota bankers have been given a perfect rating for agricultural activities by the agricultural commission of the American Bankers Association.

The award, which was recognized at the spring meeting of the executive council of the American Bankers Association at French Lick Springs, Indiana, was based on special activities, attendance at 1941 agricultural meetings and work with farmers on projects such as farm inventories, credit statements, farm budgets, soil conservation, grasshopper control, 4-H club work and Future Farmers of America activities.

Bank Teller Indicted

Tom Slattery, Rapid City, deputy U. S. Marshal, recently arrived at Sioux Falls with Leonard Johnson, Rapid City, teller of the First National Bank of the Black Hills, who is

charged with embezzling \$2,487.86 of the bank's funds.

Mr. Johnson was indicted at the latest term of federal court and his removal to Sioux Falls at this time indicates an intention to enter a plea of guilty.

Addresses Meeting

L. H. Loken, vice president of the Farmers and Merchants Bank of Watertown, and member of the agricultural committee of the South Dakota Bankers Association, addressed the meeting of the Whetstone Valley Clearing House Association at Milbank recently.

Mr. Loken pointed out the important part all bankers have in assisting farmers to expand their production of dairy products, poultry and victory gardens. He stated that the expanding of production in these departments were necessary in the present war emergency.

The Whetstone Valley Clearing House Association, consisting of Grant and Roberts counties, met in joint session with the war boards and county extension department of the two counties.

Purpose of the meeting was to coordinate the efforts of the two banks with the war board and extension department to expand the Food for Freedom program as much as possible.

Fred Dosch, Grant county extension agent, and Elmer Sanderson, Roberts county extension agent, explained the necessity of increasing flax and soybean acreage and had reports for the fine cooperation they are receiving from the farmers in their respective counties.

C. Peter Eggen, AAA chairman and county war board chairman of Roberts county, and Oscar Manning, in the same capacity of Grant county, discussed the importance of the AAA in connection with the war effort and also outlined the responsibility each person has in marketing all old iron and tin from the farms and towns in their respective counties.

Other speakers on the program were: A. W. Powell, Sisseton, and C. A. Berg, Stockholm. This is one in a series of meetings which are to be held in Group Four, which is comprised of Brown, Marshall, Roberts, Day, Clark, Grant, Codington, Hamlin and Deuel counties.

New Vice President

Andrew Kopperud, former vice president of the Federal Land Bank of Omaha, has moved to Watertown to join the staff of the Farmers and Merchants Bank as vice president.

Northwestern Banker May 1942

Mr. Kopperud and his brother, Harmon of Lake Preston, are major stockholders of the bank. His brother is president.

Burlew Passes Away

Funeral services of Harry Keith Burlew, 43, were held recently at the Methodist church in Alexandria, with Rev. H. D. Clark officiating. Mr. Burlew passed away in a Mitchell hospital following an operation.

"Barley" Burlew, as he was known

to his friends, was born at Alexandria, June 14, 1898. He received his education in the public school there graduating with the class of 1915. He was employed by Pitts Brothers at Alexandria until 1918, at which time he became assistant cashier of the bank in Parker South Dakota. Later he worked in the banks at Pukwana and Kimball.

Pioneer Banker Dies

Walter D. Morris, Sr., 86, chairman of the board of directors of the First Citizens National Bank of Watertown and a pioneer Watertown banker, died recently at his home there.

Mr. Morris, whose health had been failing for about two years had been seriously ill for about a week.

He remained quite active until his last illness going regularly to the bank nearly every day. His interest in daily affairs continued keen until he was finally stricken.

X-RAYS FROM 3 DAYS

(Continued from page 14)

Russell F. Lundy. Mr. Lundy is vice president in charge of the new Surety Department of the State Automobile Insurance Association of Des Moines. He was formerly president of the Mutual Surety Company of Des Moines, which recently became affiliated with the State Automobile.

The writer had the pleasure of luncheon as the guest of **Phil Burget**, formerly of Grinnel, Iowa, and now in charge of the Credit Department of the Northern Trust Company. This enjoyable luncheon was in the officers' dining room of the Northern Trust Company with **Winfield W. Scott**, vice president, and **Ray Thompson**, assistant cashier, the Valley Savings Bank, as honored guests of Mr. Burget.

This is no time to sit back and say, "I am going to stay in a strictly cash position to be ready for a depression following the war," said **Kenneth J. McDonald**, president of the Iowa Trust and Savings Bank of Estherville, Iowa, at the Chicago Clinic. He said, "Let me ask you, is that patriotic? Is that sound banking? Let's analyze this thing a little. Food must be produced. Credit must be available for that purpose. Disregarding merchant credit, banks furnish most of the short-term agricultural credit today, in some states 90 per cent of it. If banks do not, who will? Can we justify criticism of competition from government

agencies if we ourselves, refuse to supply credit needs?"

On hand as usual at the Chicago meeting were **E. N. Van Horne**, executive vice president and **Charles C. Kuning**, vice president of the American National Bank and Trust Company of Chicago. Mr. Kuning was planning to be a member of the Nebraska Group Meeting train the following week and Mr. Van Horne was to run out to Lincoln for the Lincoln Group Meeting.

Delegates to the Chicago "Clinic" got a thrill out of the test of Chicago's air raid sirens, which was held for a 10-minute period the second evening of the meeting. Some 400 newly installed sirens in the Cook County area and extending over into Indiana, were tried out for the first time.

One of the outstanding sessions was the one presided over by **John Burgess**, vice president of the Northwestern National Bank and Trust Company of Minneapolis. This included discussions on the "Soldiers and sailors' civil relief act" by **L. K. Twinem**, now of New York, but formerly a Nebraska attorney, "Consumer credit in a war economy," by President **Richard H. Stout** of the Morris Plan Bankers Association, and "Regulation W," by Vice President **K. R. Cravens** of the Cleveland Trust Company.

O. Paul Decker, vice president, the American National Bank and Trust Company of Chicago, presided over one of the outstanding sessions in a discussion of "Our War Economy." Several university men and **Wm. A. Irwin**, A. I. B. national director for the A. B. A., took part in this discussion.

A Des Moines banker who appeared on the Chicago program was **Harry H. Sivright**, vice president, the Iowa Des Moines National Bank and Trust Company. On the same program appeared **R. O. Byerrum**, executive vice president, the First Trust and Savings Bank of Davenport.

The Iowa Association was well represented at the Chicago Clinic, by Vice President **C. F. Harris**, who is executive vice president of the State Bank of Gladbrook. Floyd has just recovered from a rather extensive siege of influenza. President **Arthur Donhowe** of the Iowa Association did not get to the Chicago meeting, due to the pressure of other business.

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NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

New Bank Opens

The First State Bank of Goodrich at Goodrich, N. D., has received its charter and is open for business, State Examiner John Graham announces. The bank succeeds the First National Bank of Goodrich which went into voluntary liquidation.

Heads War Bond Workers

More than 100 township and village chairmen and other workers in the war bond and stamp sales program attended a meeting at Casselton last month to hear an explanation of the coming bond pledge.

C. C. Wattam, county chairman and secretary of the North Dakota Bankers explained the purposes and aims of the campaign and delivered handbooks and other literature prepared by the treasury department for workers.

Bank Redecorates

An interior redecorating job was completed recently at the Northwestern Bank in Langdon.

Attends A. B. A. Meeting

C. C. Wattam, secretary of the North Dakota Bankers Association, recently went to French Lick, Indiana, to attend the spring meeting of the American Bankers Association. Gordon H. Nesbit, vice president of the First National Bank and Trust Company of Fargo, and Martin Aas of New Rockford also attended the meeting.

Mr. Wattam stopped off in Chicago to visit with his son, who had been granted a leave from his duties in the aeronautics engineering division of the U. S. Army, stationed at Chanute Field, Rantoul, Illinois.

Bank Debts Increase

Bank debts in Minot during the first quarter of 1942 were 38 per cent greater than in the corresponding period of 1941, the Federal Reserve Bank, Minneapolis, reports.

For March, Minot's bank debts were 21 per cent ahead of March a year ago.

Throughout North Dakota, the first quarter's gain over the first three months of 1941 amounted to 29 per cent, while for March, the state average increase was 21 per cent.

In the Ninth federal reserve district, the quarterly gain over 1941 was reported at 26 per cent, while the March increase equalled 21 per cent.

Fargo Business Good

Bank records show that Fargo has continued to do a record volume of business for the first three months of the year, far surpassing the record volume of the first three months of last year.

The Federal Reserve Bank of Minneapolis says that measured by bank debits—checks against individual accounts in the banks—Fargo business for the first quarter of 1942 stands 24 per cent above the same period in 1941. For March, the debits ran 22 per cent above those of March, 1941.

Moorhead's gain is 33 per cent for the first quarter and 32 per cent in March over the preceding March.

Fargo debits in March were \$26,982,000 compared to \$22,184,000 in the same month last year; \$78,108,000 for the first quarter compared to \$63,724,000 last year.

Moorhead debits in March were \$2,951,000 compared to \$2,239,000 in March last year; \$8,359,000 in the first quarter of 1942 as against \$6,291,000 last year.

Siegfried Passes Away

Harry E. Siegfried, 67, Fargo, former president of the Fargo Building and Loan Association, now the First Federal Savings and Loan Association, died recently.

A drug salesman for years, he was connected with the building and loan association from 1922 until December, 1931, when he retired as president. He was first named as director in 1922.

Group Meetings

Group meetings in North Dakota, scheduled to be held in April but postponed because of poor road conditions, were held recently as follows:

Northeast Group at Devils Lake on Monday, May 4th; Northwest Group in Minot on Tuesday, May 5th; Southwest Group at Bismarck on Wednesday, May 6th; and Southeast Group at Valley City on Thursday, May 7th.

Remodel Jamestown Bank

Workmen recently began preliminary work in the remodeling of the James River National Bank building at Jamestown.

One of the city's oldest large structures, it has developed what workmen termed a "bulge". The top floor of the three-story building will be removed and a number of changes will be made in the second floor arrangement. E. A. Moline is the contractor.

Show Definite Gain

Bank deposits and resources showed a sharp rise above a year ago in responses by three Greater Grand Forks national banks to the recent bank call.

Reporting to the comptroller of the currency at Washington, the banks showed \$9,049,468 deposits and \$9,812,503 resources as compared with \$7,385,935 deposits and \$8,091,171 on the same date last year.

Bankers of Grand Forks attributed the gain to higher agricultural income the past year, notably on potatoes and grain.

Comparative figures follow:

First National Bank, in Grand Forks—deposits \$4,406,683; resources \$4,813,371; last year, deposits \$3,624,353; resources \$3,996,516.

Red River National Bank, Grand Forks—deposits \$3,570,493; resources \$3,850,525; last year, \$3,022,448 and \$3,279,311.

Minnesota National Bank, East Grand Forks—deposits \$1,072,292; resources \$1,148,607; last year, \$739,134 and \$815,344.

Land Bank 25th Anniversary

Chris Arnt, one of the original founders of the Williston National Farm Loan Association in 1917, and who has been intimately identified with it since then, calls attention to the fact that the federal land bank system celebrates its twenty-fifth anniversary this summer.

It is expected that the associations in Williams and McKenzie counties will take special notice of this anniversary in their annual meetings in June or July this summer.

Mr. Arnt points out that the farmers in his territory have made a good showing, as, in spite of the handicap of drouths, they paid 40 of their loans in full in the fall of 1941, and 23 crop and installment contracts were paid in full.

Northwestern Banker May 1942

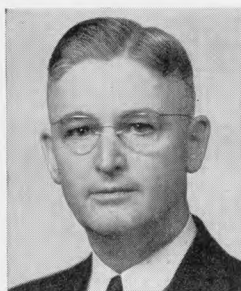


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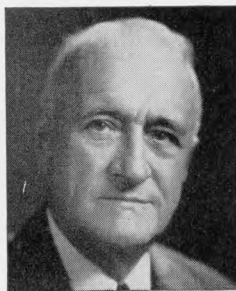
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NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Guests of A. I. B.

George T. Newell, president of the American Institute of Banking, and David E. Sims, vice president, visited the Omaha A. I. B. chapter recently. They lunched with officers and had dinner with the local board of the local chapter. Mr. Newell is vice president of the Manufacturers' Trust Company of New York City and Mr. Sims is associated with the Salt Lake City branch of the federal reserve bank of San Francisco.

Elected to A. I. B. Board

Lester E. Souba, of the Live Stock National Bank and Eugene T. Rydell of the Occidental Building and Loan Association were elected to the board of governors of the Omaha chapter, American Institute of Banking. Louis Barta, chapter president, presided. V. J. Skutt, city registration chairman for the war savings drive, outlined campaign plans.

The dinner, attended by 135, was followed by a dance, attended by about three hundred, including 50 private soldiers from Fort Crook as special guests. Members of the chapter's women committee were hostesses.

Benson to Grand Island

E. H. Benson began his new duties in the Commercial National Bank in Grand Island recently. He has been assistant postmaster at Wood River for the past ten years and prior to that held positions in both Wood River banks.

New Banking Hours

The banks of Valentine and Kilgore announce that beginning this month, they will adopt city closing time for their institutions, and will shut their doors at 3 p. m. each business day. Officers of the banks state that this hour is almost universal now among banks, and that a small group in this section of the state is the only one which has been holding out.

Bank Weather Station

Virtually anything in the way of weather is now available at the Central National bank of Columbus "weather station".

Recently, bank officials put into place a Taylor stormguide, a barometer which indicates likely changes in the weather for the next six to eighteen hours and also gives the current barometric reading.

At the same time a chart showing the average monthly rainfall in Columbus over the 30 year period from 1900 to 1930, and the actual monthly rainfall each month from January 1936 to the present was arranged.

The two additions complete the bank's "weather station," all located on the north outside wall of the bank building. The other two parts of the "station" consist of a standard thermometer and a standard rain gauge.

Bank Deposits Gain

Grand Island bank deposits on April 4th of this year were seven per cent higher than a year ago.

Statements of the three banks, published recently showed total deposits of \$8,225,229.32 as against \$7,658,024.80 on April 4, 1941, an increase of \$567,204.52.

Loans and discounts in the same period increased from \$2,865,172.23 to \$3,255,101.14, a total of \$389,939.18, or 14 per cent.

Change in Officers

Announcement comes from the Wachob-Bender Corporation, well known investment banking firm of Omaha, of a change in the official personnel of the organization. New officers are Frank J. Bender, president and chairman of the board; J. Cliff Rahel, first vice president and treasurer; M. J. Warren vice president; E. T. Volz, vice president; and E. A. Fricke, secretary.

Night Banking

According to an announcement made recently the First National Bank

in Wahoo will open its doors from 6 p. m. to 8 p. m. on Wednesday and Saturday nights hereafter.

Routine business will not be conducted during these hours, as the service is solely for the purpose of cashing checks.

Doors will close as usual at 3 p. m., but will open again at six on these two days for the two hours.

Finances for this service were contributed by Wahoo, merchants.

New Teller

Don Gamble of Scottsbluff, former teller at the Scottsbluff bank, began his new duties recently as a teller at the Central National Bank of Columbus.

Garhan Promoted

Mr. V. R. Mulig, executive vice president of the Farmers State Bank, Rising City, Nebraska, recently resigned to accept a position with the Productive Credit Association at Beatrice, Nebraska.

The board of directors has decided to eliminate the office of executive vice president and H. F. Garhan has been promoted to the position of managing officer and cashier. Mr. Frank M. Bottum, of St. Edward, Nebraska, has been elected assistant cashier.

Services of A. I. B.

The services of the 70,000 members of the American Institute of Banking have been offered to the United States Treasury in connection with its nationwide savings bond pledge campaign by George T. Newell, national president of the A. I. B., who is vice president of the Manufacturers Trust Company in New York City. In a letter addressed to Ted R. Gamble, consultant to the secretary of the treasury at Washington, Mr. Newell said, "It is our desire to supplement the work you are undertaking and I am therefore volunteering the services of this banking organization to assist you in every way possible.

"It is our thought that the best approach we can make is to advise our leaders throughout the country that this campaign is being undertaken and ask that they place themselves at the disposal of the state and local committees of the War Savings staff. We understand that pledge campaigns have already been conducted in Oregon, Iowa and Montana and know that a number of Institute men have played an important part in the work in Oregon. We have various national committees such as Public Speaking, Forum and Seminar, Public Relations and Publicity, who might also be found useful in explaining your objectives to the various communities."

Northwestern Banker May 1942

The '42 Nebraska Group Meetings

Profitable Programs and Perennial Pleasure Prevailed at
Six State Conventions

WHAT War Means to Nebraska Banks", the theme of each of the six Group meetings held in Nebraska last month, we believe served to bring forcefully to the attention of Nebraska bankers not only the seriousness of the economic situation brought about by the present war, but also made them realize the important part the banker plays to help bring the war to a successful conclusion. Nebraska banks have qualified one hundred per cent to sell War Savings Bonds and Stamps, and have been awarded a percentage of one thousand by the American Bankers Association in cooperation with the ABA agricultural program, but as **Wade Martin**, Nebraska superintendent of banking, said, "Qualifying to Sell War Bonds is not enough—banks must sell bonds to accomplish the desired result."

Attendance at the series of Nebraska Group meetings this year was somewhat below average, due to the shortage of tires, and because, with many of the younger bankers in the service, the older ones who usually attend group meetings were compelled to remain at home to operate the bank. Registration was as follows: Lincoln, 210; Grand Island, 150; Schuyler, 150; Norfolk, 200; Alliance, 125; and Benkelman, 100.

Officers elected at the several meetings were as follows: Group One—President, **Walter J. Wunderlich**, president Nehawka Bank; vice president, **O. J. Mayborn**, cashier Diller State Bank; secretary and treasurer, **Fred S. Aldrich**, vice president Continental National Bank, Lincoln. Group Five—President, **L. W. Langford**, assistant cashier First National Bank, North Platte; vice president, **Glen T. Gibson**, president Exchange Bank, Gibbon; secretary and treasurer, **F. R. Haggart**, vice president and cashier St. Paul National Bank. Group Two—President, **V. E. Dolpher**, president First National Bank, David City; vice president, **W. E. Moor**, vice president Farmers State Bank, Elkhorn; secretary and treasurer, **Charles Novak**, president Bank of Brainard. Group Six—**E. R. Spray**, cashier Crawford State Bank; vice president, **E. M. Knight**, cashier Alliance National Bank; secretary and treasurer, **F. L. Ferrell**, cashier Ne-

By Henry H. Haynes

Editor

Northwestern Banker

braska State Bank, Oshkosh. Group Four—President, **A. J. Koelling**, president City National Bank, Hastings; vice president, **W. B. Abrahamson**, vice president First National Bank, Loomis; secretary and treasurer, **George C. Soker**, president State Bank of Hildreth.

E. M. Gallagher, president of the First National Bank of O'Neill, was elected president of Group Three at Norfolk. **James B. Cline, Jr.**, vice president of the Farmers and Merchants State Bank, Bloomfield, was elected vice president, and **Ole W. Gladem**, assistant cashier of the DeLay National Bank, Norfolk, and **William Machmuller**, assistant cashier of the National Bank of Norfolk, were elected secretary and treasurer, respectively.

Speaking on "The Development of Nebraska," **Lloyd C. Thomas**, Kearney, manager of radio station KORN and KGFV, urged northeast Nebraskans to organize a regional war industry council, an organization that would work as a district to get war industry plants, instead of leaving individual towns seeking such industries.

Such an organization, he said, would be able to place valuable information about the district before the war and navy departments, other government officials and Senator Norris who is assisting Nebraska in such efforts.

He urged the bankers to communicate with Senator Norris at Washington "and tell him that you are behind him in his work of getting war plants in Nebraska, and the efforts being made to get industrial alcohol and other chemurgical plants for this state.

Speaking at Norfolk on "Developments in National Defense," **J. R. Kinder**, president of the Stuart Investment Company, Lincoln, said he does not believe "we will achieve victory in this war without, as a nation and as individuals, doing a great many things, and making a great many sacrifices that thus far we haven't thought necessary."

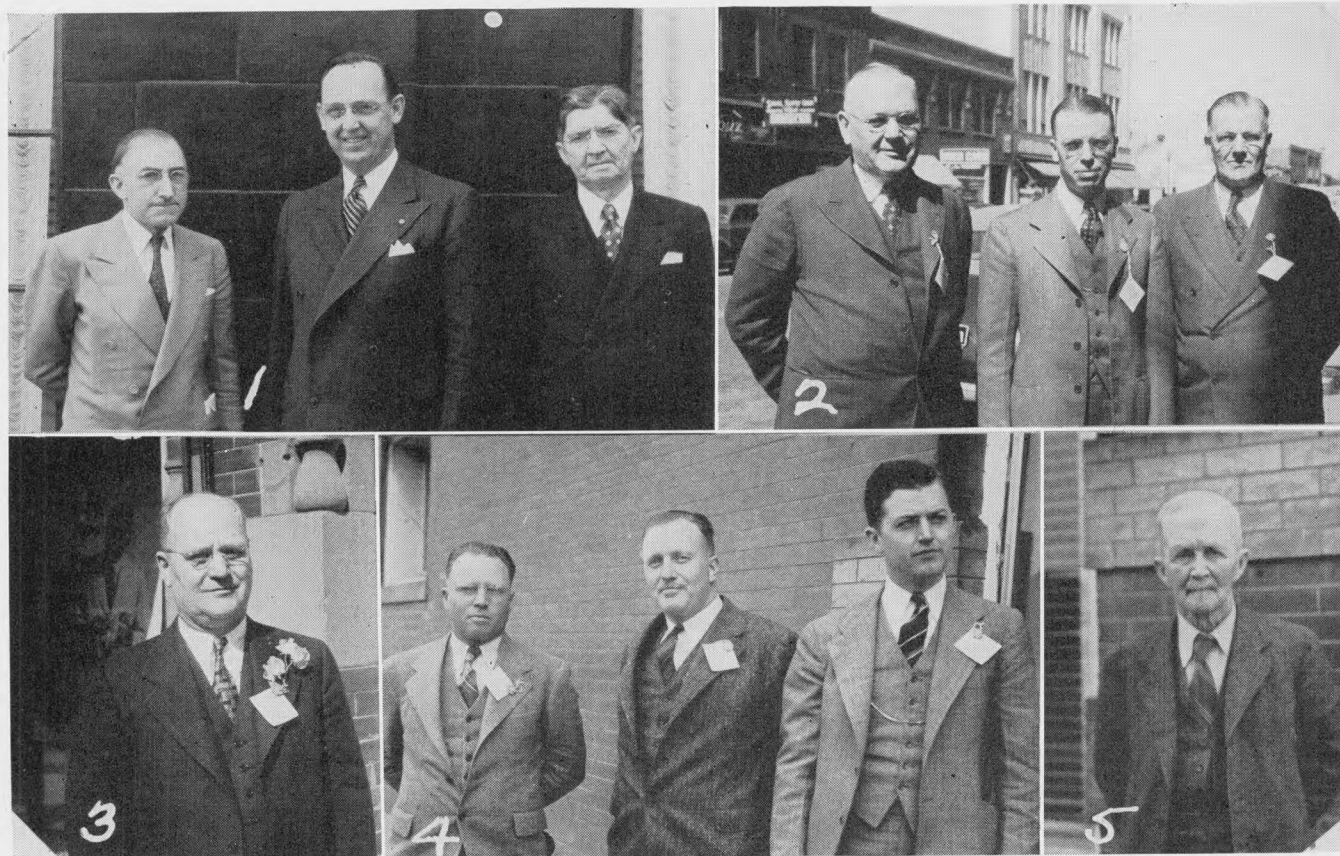
With the exception of the Lincoln

and Norfolk meetings, the program pattern followed at the meeting in Grand Island, Schuyler, Alliance, and Benkelman was much the same. On the Group meeting special train were **O. A. Riley**, vice president of the Hastings National Bank, and president of the Nebraska Bankers Association; **Wade R. Martin**, Nebraska director of banks; **O. P. Cordill**, assistant cashier, Federal Reserve Bank, Omaha; **H. S. Daniel**, manager, Reconstruction Finance Corporation, Omaha; **Bernard M. De Lay**, assistant cashier, the DeLay National Bank, Norfolk, and president, the Nebraska Junior Bankers Association; **Stanley Maly**, vice president, First National Bank, Lincoln; **Edgar McBride**, president, Commercial Bank, Blue Hill, and chairman of the Association executive committee; **A. J. Hallas**, vice president, Stock Yards National Bank, Omaha; **J. O. Peck**, vice president, Continental National Bank, Lincoln; **E. W. Rossiter**, president, Bank of Hartington; and **John A. Changstrom**, vice president Omaha National Bank. All these men were scheduled to speak at a number of meetings, and the suggestions and information they conveyed to their listeners was of prime importance to the war effort. **Dr. Leo M. Christensen**, who heads the Chemurgy Department of the University of Nebraska, spoke at each of the meetings, and his address appears on another page of this issue of the NORTHWESTERN BANKER.

Particular reference should be made to the talk by Mr. Daniel of the Reconstruction Finance Corporation on "Financing the Coal Dealer." Washington is urging all bankers to immediately take steps to finance all coal dealers in their community who need such assistance, so that the fuel supply of the nation for the coming winter may be stored in bins and yards between now and August first. With the transportation problem daily becoming more serious, after August first there will be no cars available for the transportation of fuel, and it is absolutely necessary that such fuel be acquired now and stored for use next winter. If this is not done, Mr. Daniel said, the country faces a fuel famine of serious proportions. The RFC will assist banks in this financing

Northwestern Banker May 1942

AT THE NEBRASKA GROUP MEETINGS



Pictured above are a number of the officers of several Nebraska Groups elected at the meetings held last month. Reading from left to right they are: 1—Group One, **Walter J. Wunderlich**, president, and president Nehawka Bank; **Fred S. Aldrich**, secretary and treasurer, vice president Continental National Bank, Lincoln; and **O. J. Mayborn**, vice president, cashier of the Diller State Bank. 2—Group Five, **Glen T. Gibson**, vice president, president Exchange Bank, Gibbon; **L. W. Langford**, president, assistant cashier First National Bank, North Platte; and **F. R. Haggart**, secretary and treasurer, vice president and cashier St.

Paul National Bank. 3—Group Two, **V. E. Dolpher**, president, president First National Bank, David City. 4—Group Six, **F. L. Ferrell**, secretary and treasurer, cashier Nebraska State Bank, Oshkosh; **E. R. Spray**, president, cashier Crawford State Bank; and **E. M. Knight**, vice president, cashier Alliance National Bank, Lewellen. 5—**S. P. Delatour**, chairman of the board First National Bank, Lewellen. Mr. Delatour is 94 years old, is actively operating his ranch, and says he expects to attend at least six more Nebraska Group meetings.

program, taking all of such a loan that the bank feels it is unable to carry. Loan arrangements have been greatly simplified, and every bank should act immediately. Contact your local RFC office for particulars.

The PCA and the FCA are undermining bank business and using the taxpayers' money to do it, according to E. W. Rossiter of Hartington, who said it is high time our government is living up to its statement that it doesn't want loans that banks can handle. Banks will be slowly but surely put out of business if this government trend is not stopped, Mr. Rossiter said, and bankers must fight now to keep alive.

The credit picture of the nation is changing rapidly, Wade Martin told members of five groups. Banks must readjust accordingly, and must develop plans for repayment of loans, and of course do some careful investigating

before the loan is granted. Keep close watch on your borrowers, cautioned Mr. Martin, since if there is a loss the bank stands to lose as well as the borrower.

No report of Nebraska Group meetings would be complete without mention of the Group meeting special train which for several years has been one of the high spots of Group activities. Under the direction of Association Secretary **Billy Hughes**, ably assisted by **James Sharpe** of the Burlington Railroad, every arrangement for the comfort and convenience of the passengers is provided. Billy calls it the "Spring Tonic Special", and for the first two or three days tonic is a good word, but toward the last of the trip some of the forty or more passengers begin to wilt down a bit.

Two groups named their meeting cities for 1943—Group One will meet

at Falls City, and Group Four will meet at Hastings.

Opening Day at Brule

Mr. and Mrs. G. D. Adams presided at opening day of the Bank of Brule, recently.

The interior of the bank has recently been remodeled, a new oak floor replaces the marble and red leather and chromium chairs add much to the appearance of the bank and pleasure of customers and employees.

Over 200 signed the guest book during the afternoon. The ladies received daffodils or calendulas as favors, pencils for the men folk and balloons to the children.

The First National Bank of Omaha sent congratulations and a basket of red and white carnations for the occasion.

Northwestern Banker May 1942

Addition to Bank Staff

John Lauritsen of Omaha recently began duties as an assistant member of the staff at the Washington County bank of Blair. He plans to commute to and from work daily.

Mr. Lauritsen, formerly of Minneapolis, has been assisting J. Francis McDermott of Omaha's First National Bank recently in promoting the sale of United States defense bonds in Nebraska, and also has been associated with the staff of the North Side Bank in Omaha.

Meet on 25th Anniversary

The annual stockholders meeting of the First State Bank of Johnson was held on the date of the twenty-fifth anniversary of the purchase of the bank's assets by the present officials. Purchase was made in 1917 from L. J. Lintz and Peter Berlet. Officers are: Al N. Dafoe, president; C. D. Hahn, vice-president; James P. Kelley, cashier; John L. Blinde is assistant cashier, and Mavis Schuette, clerk. A substantial dividend was issued to stockholders. The institution will be fifty years old in July.

Accepts New Position

Mrs. Ruth Ballou has accepted a position at the Farmers & Merchants National Bank of Ashland, taking the place of Miss Ullstrom who was married recently.

New Officers

Officers were elected for the ensuing year at the meeting of the Mid-West Regional Clearing House Association held in the Pawnee hotel, North Platte.

Elected president was W. O. Collett of Brady; vice president, Lester Langford of North Platte and secretary-treasurer, Virgil Graham of North Platte.

Dinner was served preceding the meeting. The main speaker was Rudy C. Mueller, president of Frye Aircraft corporation of Omaha. Covers were placed for forty.

Fremont National to Remodel

A \$25,000 building permit was issued to the Fremont National Bank recently to reconstruct and remodel the bank building and office. Another permit for \$7,950 was issued to the bank previously authorizing the construction of a vault.

Due to increased business the bank has been operating under difficulty because of lack of room. The construction of the ordinance plant south of Fremont now makes an increase in space necessary, James D. Milliken, vice president said.

The partition separating the present bank from the building to the west will be removed and the floor of the present bank lowered. This will make possible the installation of additional windows to serve customers.

The new work will be done with brick and stone which is not a vitally needed construction material.

Bank President Dies

Thomas A. James, 51, acting president and director of the First National Bank of Stromsburg for twenty-two years died at his home recently. He had been in poor health for several months.

Veteran Banker Dead

Edward W. North, 80, early Nebraska plainsman and assistant cashier of the Central National Bank of Columbus since 1924, died recently. Previous to his banking experience he was chief deputy collector of internal revenue at Omaha twenty-five years.

Charter No. 209

First National Bank of Omaha



The
Oldest National Bank
From Omaha West

Nationalized 1863

OFFICERS

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

Member
Federal Reserve System

Member
Federal Deposit Insurance Corporation



○ MAHA bank deposits showed a gain of more than \$1,000,000 and loans decreased more than \$6,000,000 between December 31, 1941, and the bank call of April 4th.

Total deposits April 4th were \$163,645,483; on December 31st, \$162,491,504. Total loans April 4th were \$56,725,447; on December 31st, \$62,754,305.

Bankers said this followed a nationwide trend.

Figures by individual banks for April 4th:

	Deposits	Loans
Omaha National	\$ 61,125,534	\$19,937,067
U. S. National	33,536,888	6,815,497
First National	32,428,276	14,001,913
Live Stock National ..	20,446,198	9,124,681
Stockyards National ..	9,976,307	3,794,382
Packers National	2,933,520	1,547,346
Douglas County Bank ..	1,477,096	698,501
S. Omaha Savings Bank ..	834,974	438,370
North Side Bank	886,690	367,690

Totals

Individual figures for December 31, 1941:

	Deposits	Loans
Omaha National	\$ 59,333,224	\$20,967,832
U. S. National	34,745,321	7,434,382
First National	32,885,878	15,347,641
Live Stock National ..	18,808,719	11,652,954
Stockyards National ..	10,359,527	4,131,613
Packers National	3,050,377	1,699,313
Douglas County Bank ..	1,560,828	644,256
S. Omaha Savings Bank ..	869,535	456,125
North Side Bank	878,095	420,198

Alvin E. Johnson recently returned from Jacksonville, Illinois, where he attended Dad's Day festivities at MacMurray College, as the guest of his daughter, Miss Myrtle Louise Johnson, one of this year's Ak-Sar-Ben princesses. Miss Johnson returned with her father for a short stay in Omaha, accompanied by a group of classmates.

Bert A. Wilcox, former vice president of the Omaha National Bank, died recently at Long Beach, California.

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

Funeral services were held in Omaha at the Hanscom Park Methodist Church. Masonic rites were conducted by Nebraska Lodge No. 1, A.F. & A.M. Surviving are his wife, two daughters, Mrs. James Williamson, New York City, and Mrs. Keith Adams, Long Beach.

Edwin C. Wiggenhorn, 76, member of a pioneer Ashland, Nebraska, family and retired Ashland farmer, died recently at an Omaha hospital.

He was graduated from the University of Nebraska in 1887, from Georgetown University law school in 1889. From 1889 to 1904, he was a special agent for the government bureau of pensions, then returned to Ashland to become cashier and a director of the Farmers and Merchants Bank. He retired a few years ago. The Wiggenhorn family settled at Ashland in 1870.

Mrs. Lillian M. Lantz, 70, retired employee of the Omaha National Bank,

died recently while visiting in Los Angeles. Burial was at Omaha. She was the bank's first woman employee and retired four years ago, after nearly 30 years of service.

W. Dale Clark, president of the Omaha National Bank, has been named regional consultant in the organization of industrial consultants to assist in expediting construction of plants for the Defense corporation, it was announced recently by Secretary of Commerce Jesse Jones.

Directors of the Occidental Building and Loan Association of Omaha recently declared the 182nd quarterly dividend on savings. Based on the present rate of 3 per cent a year, the dividend amounted to approximately \$35,000, according to Ford E. Hovey, president.

Phil M. Mayer has resigned as personnel director of the Federal Land Bank of Omaha and has gone to Washington to accept a position with the office of emergency management.

Mayer's assistant, Grayton W. Holmquist, Omaha, is acting personnel director, pending a permanent appointment for the job.

Resignation of Mayer was said to have had no political significance, although he was said to have been a factor leading to a split between democratic organizations in Nebraska, Iowa, Wyoming and South Dakota (states served by the FCA), and which resulted in dismissal of President Chas. M. McCumsey and Vice Presidents Andrew Kopperud and Hugh E. Baird of the bank.

Kopperud has been made vice president of the Farmers and Merchants Bank of Watertown, South Dakota, of

THE HASTINGS NATIONAL BANK

HASTINGS, NEBRASKA

Report of Condition April 4, 1942

RESOURCES

Loans and Discounts	\$1,359,653.28
Overdrafts	2,347.11
Stock in Federal Reserve Bank	6,400.00
Bank Building	22,600.00
Furniture and Fixtures	5,800.00
Interest Earned but Not Collected	18,963.66
United States Government Bonds	\$767,317.53
Municipal Bonds and Warrants	131,663.76
Other Bonds	24,701.00
Cash and Sight Exchange	838,365.43
	1,762,047.72

LIABILITIES

Capital Account	\$3,177,611.77
Common Stock	\$ 125,000.00
Surplus	90,000.00
Undivided Profits and Reserves	72,673.51
Deposits	2,889,938.26
	\$3,177,611.77

OFFICERS AND DIRECTORS

H. G. PRATT, President	CHAS. E. DEETS, Cashier	O. A. RILEY, Vice President
J. LEO SWIGLE, Assistant Cashier	JOSEPH BAUER, Assistant Cashier	
C. E. BYERS	STEPHEN SWIGLE	R. R. VANCE

Member Federal Deposit Insurance Corporation

Northwestern Banker May 1942

which he was one of the principal stockholders.

Keeping of Mayer as personnel director was said to have been demanded by **Leon W. Powers**, general agent and general counsel for the bank, in the face of insistence by James E. Quigley, Nebraska democratic national committeeman, that Mayer be replaced by Harry Bane, former Nebraska employment director.

Mayer's resignation may result, it is believed, in a better understanding between bank directors and the democratic organizations.

Gertrude Kountze Stewart, wife of J. T. Stewart, II, vice president of McFayden-Stewart Company, died recently.

Born in Omaha, Mrs. Stewart was the daughter of the late Herman Kountze, pioneer banker. She attended Miss Hersey's school in Boston, became the third queen of Ak-Sar-Ben in 1897.

Besides her husband, she is survived by two sons, **J. T. Stewart, 3d**, cashier of the First National Bank of Omaha, and Gordon Stewart, Los Angeles; a daughter, Mrs. Ira Couch, Chicago; one

brother, Herman D. Kountze, Bedford, New York.

Plans are being formulated to combine all Omaha drives for funds for charity and war relief, including the Community Chest, soldier and sailor relief and USO, in one big campaign next fall.

Sponsor of the plan in Omaha Defense Funds, Inc., a businessmen's organization which was formed last July to pass on the merits of fund-raising campaign and to determine Omaha's fair share of campaign budgets.

Officers of Omaha Defense Funds, Inc., include **Roy Page**, president; **W. B. Millard**, vice president. Mr. Millard is vice president of the Omaha National Bank.

Every national and state bank in Nebraska now is qualified as an issuing agent for the sale of Defense Savings Bonds, according to information received by the Nebraska Defense Savings committee from the Kansas City Federal Reserve Bank.

Nebraska is one of the first states in the nation to complete installation of all banks as issuing agents. This was completed through the Nebraska Bankers Association, whose president is **O. A. Riley** of Hastings, and the Nebraska Junior Bankers Association, headed by **Bernard De Lay** of Norfolk.

"The Nebraska Defense Savings committee wishes to congratulate the bankers of the state, who have manifested their patriotism in an unmistakable manner," said **Orville Chatt**, state administrator of the defense savings staff.

All Omaha banks and many outstate banks are adopting the bank draft plan of defense savings bank purchases for their patrons. Under this plan the depositor requests his bank to buy a bond for him at regular intervals and deduct the cost of the bond from his bank balance.

Andy Kopperud, 17, Omaha Central High School junior, son of **Mr. and Mrs. Andrew Kopperud**, is winner of the \$100 first prize in an essay contest sponsored by the Nebraska Investment Bankers Association.

The contest, open to all Nebraska high school students, was for best essays on "The Role of the Investment Banker in the Development of American Industry."

Tied for second place were Cathleen Dolan, 13, Maxwell, Nebraska, and Betty Steil, 17, Alliance, Nebraska, high school senior. Each received \$37.50. The association suggested winners buy Defense Bonds.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET  AT WASHINGTON
Member Federal Deposit Insurance Corporation

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS APRIL 4, 1942

Resources

Cash and due from banks	\$36,076,985.77
United States Government obligations — direct and fully guaranteed	17,304,891.89
Municipal and other marketable securities	14,040,574.41
Loans and discounts	25,223,549.43
Federal Reserve Bank stock	108,000.00
Customers' liability on acceptances	10,322.41
Accrued interest receivable	181,419.95
Real estate owned	1.00
Other assets	77,510.08
	\$93,023,254.94

Liabilities

Capital stock — preferred	\$ 600,000.00
Capital stock — common	1,000,000.00
Surplus	2,000,000.00
Undivided profits	793,418.92
Preferred stock retirement fund	250,000.00
Reserve for taxes, interest, contingencies, etc.	970,621.81
Unearned discount	322,555.19
Liability on acceptances	10,322.41
Deposits:	
Demand	\$75,669,682.63
United States Government	5,425,412.98
Other public funds	33,273.72
Savings	5,917,967.28
Other time deposits	30,000.00
	87,076,336.61
	\$93,023,254.94



Lincoln Locals

AT A total of \$54,856,266.41, deposits in Lincoln's three downtown banks on April 4th, were said by bank officials to be a new all time high mark on a "call" day. They added a brief that the total is a new high for any time.

This was revealed when the reports were consolidated by **Ray Becker**, secretary of the Lincoln Clearing House Association, in a call by the comptroller of the currency for reports on the condition of the banks as of April 4th. Loans also showed a gain.

In the opinion of the officials the record is due to the fact that beginning about the first week in January the 1941 crop of corn was going to market on the hoof, in the form of fat cattle and hogs.

With defense industries and activities just beginning here, it also was the belief that the reports to the comptroller at the close of the next three quarters of the year, should show further gains in both deposits and loans. This will be due to the increased purchasing power that will come from the men who will be stationed at the air base, and people who will come here to live, while employed at the Nebraska ordnance plant near Mead.

The total deposits on April 4th compare with \$46,328,852.70 on the same date in 1941, and \$49,883,762.85 on last December 31st.

Retail credit men in **Lincoln**, as well as the police and the FBI are on the lookout for "Diamond Bill" and his blonde companion, and another couple, who started east from California

a short time ago and have left a trail of counterfeit twenty dollar travelers checks in drug stores and filling stations en route.

"Diamond Bill," so-called because of a large diamond set in an upper left tooth, and his blonde accomplice are traveling in a 1936 Buick. They are alleged to have 2,000 of the twenty dollar checks which are drawn on the National City Bank of San Francisco. The other couple, traveling in a 1941 Buick sedan, are said to have 9,000 of the worthless checks.

William A. Kovanda, 23, basketball letterman at the University of Nebraska three years and senior class president in 1939, died recently in a Denver hospital after a prolonged illness caused by a brain abscess.

A flying cadet, he joined the army air corps in 1941 and was stationed at

Stockton Field, California, when he became ill.

Young Kovanda was employed by the **Continental National Bank** in Lincoln after graduation.

A sixth and final dividend of 5 per cent, totaling \$6,611 was paid creditors of the First State Bank, Burwell, recently, the state banking department announced. The bank was declared solvent in 1934. Claims were allowed totaling \$136,920 and with this dividend a total of 85 per cent or \$115,053 has been paid.

New Bookkeeper

Miss Joy Hedges of Indianola, who has been employed in a bank at Durant, Iowa, has taken a position as bookkeeper at the First National Bank of Fullerton. She fills a vacancy in the personnel of the bank, left by the resignation of Walter Hartman, who was assistant cashier and who has enlisted in the Naval Reserves.

Pioneer Banker Dead

William M. Lowman, pioneer real estate dealer and banker, died at his home in Hastings recently. He had been a real estate man in Hastings since 1878 without interruption. He was director of three different banks there, vice president of one and president of another.

He was active in commercial clubs and the chamber of commerce.

"My wife told me to ask you for a raise."

"All right, I'll ask my wife if I can give it to you."



To Satisfy You

Correspondent service at the **CONTINENTAL NATIONAL BANK** of Lincoln has but one goal—the thorough satisfaction of our clients. Through many years, steadily growing in resources it has constantly delivered complete service to correspondents.

WE INVITE YOUR CORRESPONDENT ACCOUNT

The
CONTINENTAL NATIONAL
BANK
of
LINCOLN

Member Federal Deposit Insurance Corporation

BANKS Bought and Sold

Confidentially and with becoming dignity
BANK EMPLOYEES PLACED.

37 Years Satisfactory Service.

THE CHARLES E. WALTERS CO.
OMAHA, NEBRASKA

LIVE STOCK NATIONAL BANK O M A H A

Statement of Condition April 4, 1942

RESOURCES		LIABILITIES	
Loans and Discounts	\$9,115,291.03	Capital Stock (Common)	\$500,000.00
Bonds and Other Securities	45,561.98	Surplus (Earned)	500,000.00
Stock in Federal Reserve Bank	30,000.00	Undivided Profits	391,703.20
Banking House and Fixtures	1.00	Reserve for Taxes, Interest, etc.	204,985.34
Other Real Estate	None	Unearned Discount	8,075.68
U. S. Gov. Securities \$6,144,990.35 (Less than Market Value)		Dividends Unpaid	5,056.50
Cash, Sight Exchange and due from Fed. Res. Bank	6,715,118.28 12,860,108.63	Deposits:	
		Banks	\$10,785,938.29
		Other Deposits	9,655,203.63 20,441,141.92
	\$22,050,962.64		\$22,050,962.64

CAPITAL, SURPLUS & UNDIVIDED PROFITS				LOANS & DISCOUNTS		DEPOSITS	
April 4, 1933	-	-	\$614,008.00	-	-	\$1,885,786.91	\$4,130,565.06
April 4, 1936	-	-	735,748.81	-	-	1,845,763.50	11,342,565.11
April 4, 1939	-	-	960,581.82	-	-	6,318,075.88	13,602,809.38
April 4, 1942	-	-	1,391,703.20	-	-	9,115,291.03	20,441,141.92

OFFICERS AND DIRECTORS

ALVIN E. JOHNSON
President

H. C. KARP
Vice President

W. P. ADKINS
Chairman

HOWARD O. WILSON
Vice President

R. H. KROEGER
Vice President

PAUL HANSEN
Cashier

L. V. PULLIAM
Asst. Cashier

C. G. PEARSON
Asst. Cashier

H. H. ECHTERMEYER
Asst. Cashier

H. B. BERGQUIST
Coal and Grain

L. S. BURK
Chicago

JAS. J. FITZGERALD
Secy. Commercial Sav.
& Loan Assn.

T. E. GLEDHILL
Farmer

LEO T. MURPHY
Mgr. Allied Mills, Inc.

HERMAN K. SCHAFER
Pres. Maney Milling Co.

CARL A. SWANSON
Pres. Jerpe Com. & Cold Storage Co.

This Bank Has No Affiliated Companies

Member of Federal Reserve System and Federal Deposit Insurance Corporation



A. T. DONHOWE
President
Des Moines

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

New Bank Building

More than 3,000 men, women and children participated in the open house festivities in the new Ames Trust and Savings Bank Building, which was opened for business recently.

Favors were given to all visitors, women receiving roses, men cigars and children candy.

In a general statement the bank officials said "We are happy at the acceptance of the new building manifested by the people of Story county and appreciate the cooperation in the opening extended by scores of firms and individuals."

The personnel and working force at the present time consist of the following officers and directors:

Officers: Clay W. Stafford, president; L. B. Spinney, vice president; G. R. Alley, cashier; Orrin H. Johnson, assistant cashier; H. P. McNeil, assistant cashier.

The directors are G. R. Alley, J. B. Davidson, R. D. Feldman, G. E. McFarland, Charles Reynolds, L. B. Spinney, Clay W. Stafford, K. W. Stouder and F. R. White.

Other employees are: Paul Klingseis, teller; Tom Youssi, teller; Helen Mahoney, secretary; Ralph Bean, teller and auditing; Allan Gibb, proof department; Mary Martin, transit and collections; Agatha Pantenburg, statements and safety deposit vault; Lucille Collins, bookkeeping department; Ruth Faulkner, bookkeeping department, and George Shorten, custodian.

Eight Banks Get Deposits

Eight Des Moines banks have been designated by the city as depositories for municipal funds this year.

The banks, and the amounts that the council has set as limits for deposits in each, are: \$1,000,000 limit each, Iowa-Des Moines National Bank and Trust Company, Bankers Trust Company and Central National Bank and Trust Company; \$500,000, Valley Savings Bank; \$250,000 each, Capital City State Bank and Des Moines Bank and Trust Company; \$150,000, Iowa State

Bank, and \$100,000, First Federal State Bank.

Accepts Bank Position

Noel T. Robinson, 37, has been appointed assistant trust officer of the Central National Bank & Trust Company of Des Moines.

E. F. Buckley, Central National president, said Mr. Robinson assumed his new duties May 1st.

Mr. Robinson, a graduate of North High School in 1923, attended Drake University one year and studied law at Des Moines college of law four years.

He formerly was associated with the Iowa-Des Moines National Bank & Trust Company.

Attends Spring Meeting

J. J. Miller, cashier of the Waterloo Savings Bank, returned home recently after attending the spring meeting of

the executive council of the American Bankers Association in French Lick, Indiana.

The council, governing body of ABA, consists of about 130 members and holds a meeting each spring in addition to its late September meeting in conjunction with the annual ABA convention, which this year will be in Detroit.

Iowa members of the council besides Miller are B. M. McKee, Muscatine, and C. A. Diehl, Des Moines.

Annual Forum Dinner

Culminating a winter series of lectures on banking problems, the annual forum dinner of the Sioux City chapter of the American Institute of Banking was held last month at the Mayfair Hotel in Sioux City.

Presidents, vice presidents and other bank officials who conducted the lecture program were present.

Receives A. I. B. Training

Employees of the Ames Trust and Savings Bank are receiving training in the American Institute of Banking studies, sponsored by the educational section of the American Bankers Association.

In the Story county study group, six employees of the Ames Trust and Savings have completed six years of study. They are:

Ralph Bean, Tom Yaussi, Homer McNeil, Paul Klingseis, Orrin H. Johnson and Roger Alley.



NEW HOME OF L. W. ROSS

Pictured above is the new home recently occupied by L. W. Ross, vice president of the Citizens State Bank of Oakland, Iowa. The house is located on a high hill overlooking the Nishnabotna River valley, with an unobstructed view for many miles. The first story of the house is constructed from Wisconsin Lannon stone, and the second story frame. There are fireplaces at the ends of the living room and also of the recreation room. The dining room and living room are located at the back of the dwelling.

Northwestern Banker May 1942

IT TAKES PEOPLE TO BUILD A BANK...



Carl W. Mesmer, Vice President, carries a variety of executive responsibilities relating to checking, savings and safety deposit.



A. F. Erickson, Assistant Cashier, shown clearing a check for an out-of-town visitor.



BANKERS TRUST

EVERY DAY SERVICE TO THE PUBLIC THROUGH CHECKING, SAVINGS AND SAFETY DEPOSIT

As every experienced banker can testify, the good-will enjoyed by a bank is vitally affected by the activities of these three departments—Checking, Savings and Safety Deposit.

Through these departments, the customer usually has his most frequent contacts with his bank. The more pleasant the contact, the better the customer likes the bank.

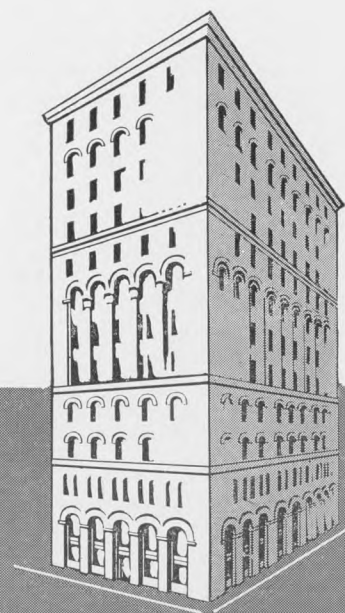
"Contact with the customer" has long been a point of study with us. To our knowledge, we have made no sensational discoveries, or startling innovations. But the gradual improvement in the conduct of these vital departments has certainly been a vital force behind the steady growth in resources—from \$2,600,000 in 1917, to more than \$26,000,000 in 1942.

Continual study on ways to improve service has been equally important in the continual growth of our business with correspondent banks—business in which we are always proud to note progress.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

COMPANY

6th and Locust
Des Moines



New Teller

Charles D. Thomason, a teller at the Iowa State Bank of Des Moines, has enlisted in the United States Coast Guard and will be succeeded at the bank by M. J. Dwigans.

Mr. Dwigans for 18 years was associated with Wessling Services, counselors on bank public relations. During part of that period, the firm operated the Lytton Savings Bank, Lytton, Iowa, and later the First National Bank of West Des Moines. For the last two years Dwigans has been office

manager for Whitaker Auto Exchange of Des Moines.

Cashier Acquitted

H. M. Carpenter, cashier of the Monticello State Bank, was acquitted by a Federal jury recently of securities act violation and mail fraud charges in connection with the affairs of the insolvent Commercial Investment Corporation.

The jury reported to Judge Charles A. Dewey that it was still deadlocked with respect to Everett G. Horner,

former vice president of the company and co-defendant with Carpenter.

Former Banker Dies

J. P. Kirby, 75, of Estherville, died suddenly last month from a heart attack, while raking his lawn.

Mr. Kirby came to Estherville from Emmetsburg in 1887 and organized the First National Bank there. This institution was later the head of several other banks, including the former State Bank of Armstrong. In later years, Mr. Kirby was manager of the Ford agency in Estherville and since 1937 has sold insurance.

Elect County Officers

At the annual election of the Benton County Bankers Association held last month at Vinton, Paul Groszkruger, president of the Citizens National Bank, Belle Plaine, was elected president for the third time, and F. J. Hoskins, cashier of the Keystone Savings Bank at Keystone, was re-elected secretary and treasurer of the organization.

Banking Office Opened

N. E. Kelley, cashier of the Farmers & Merchants State Bank in Winterset, announces that his firm has opened a banking office in Booneville, under the management of E. E. Cushman. Cushman formerly managed the same office for the Valley Savings Bank of Des Moines, which closed its office at Booneville a month ago. The Farmers & Merchants Bank also operates offices in St. Charles and Orient, Iowa.

County Association Meets

The Sioux County Bankers Association met at Maurice recently. A big dinner served by ladies of the First Reformed Church was followed by annual election of officers.

Lewis Jungers of Hospers was elected president; John B. Meyer of Hull, vice president. Dewey Kuiken of Maurice was re-elected secretary-treasurer. Speakers were P. B. Mouw, War Savings Bonds, chairman for Sioux county, and Rev. Robert Chapler of Hawarden.

New Cashier

The Exchange State Bank, Springfield, which was recently chartered under the Iowa laws to continue the banking business established in 1878 by J. S. Butler, and known as The Exchange Bank, announces the resignation of its cashier, Samuel James, Jr., and the election of Clifton M.

THE NATIONAL BANK OF WATERLOO



STATEMENT OF CONDITION

as at the close of business April 4, 1942

RESOURCES

Cash and due from banks.....	\$ 3,974,143.95
Loans and discounts.....	3,058,281.68
U. S. Government securities.....	1,014,359.38
State, county and municipal securities.....	2,257,461.22
Other bonds.....	140,482.07
Stock in Federal Reserve Bank.....	15,000.00
Overdrafts.....	3,446.52
Furniture and fixtures.....	8,416.30
Accrued interest receivable.....	44,655.05
	<hr/>
	\$10,516,246.17

LIABILITIES

Capital stock — common.....	\$ 250,000.00
Surplus.....	250,000.00
Undivided profits.....	116,784.49
Reserve for taxes, interest, etc.....	78,134.62
Interest collected but not earned.....	13,825.43
Deposits.....	9,807,501.63
	<hr/>
	\$10,516,246.17



OFFICERS

JAMES M. GRAHAM.....	President	H. F. HOFFER.....	Assistant Cashier
CHAS. S. MCKINSTRY.....	Vice Pres.	R. L. KILGORE.....	Assistant Cashier
R. L. PENNE.....	Cashier	A. J. BURK.....	Assistant Cashier

Member Federal Reserve System
Member Federal Deposit Insurance Corporation

Parker to that official position. Sam, as he is familiarly known to almost every one in Linn county, will take a well earned, and long delayed vacation. It is hoped by his many friends that he may enjoy some of those pleasures which his forty years of active and attentive service to the bank may have caused him to postpone until now.

Mr. Parker comes to the institution from Cedar Rapids and is an experienced bank executive, having had many years of successful banking at Lawler, Iowa.

Margaret Butler Emmons, granddaughter of the founder of the Exchange Bank, is president of the recently chartered institution.

of the Home Owners Loan Corporation for the last six and one-half years, is the new cashier at the First State Bank of State Center. Mr. Warnke, who will also serve as secretary of the board of directors, will take the place of A. M. Sieh, who will be inducted into the United States Army soon. Mr. Sieh has served as vice president and cashier of the local bank for the last six years. He will retain his position as vice president of the bank and member of the board of directors.

To Pay 10% Dividend

The Union Savings Bank of Daven-

port receivership recently was granted authority by District Judge W. R. Maines to pay a 10 per cent dividend of \$695,369.48 on or before May 13th.

The payment, according to the application, will be made out of \$723,529.99 on hand as of April 3rd, the difference to be retained for operating expenses and as reserves against certain other claims.

Previous payments to depositors include one of 40 per cent at the time the receivership was begun and subsequent dividends of 10 and 15 per cent of the remaining 60 per cent.

To Meet in September

Not only has the Junior Council of Administration, but also the junior and senior bank staff members of the banks of Iowa voted to hold the next Junior Bankers Convention at the same time as the senior convention, namely, in September, 1942. Therefore, the next convention of the Iowa Junior Bankers Association scheduled to be held in Des Moines on June 7 and 8, 1942, is now postponed until September, 1942. This is in the interest of economy on tires and cars and time during these war days.

Visit Excelsior Springs

Mr. and Mrs. Arthur Donhowe, vice president of the Central National Bank & Trust Company, Des Moines, and president of the Iowa Bankers Association, and Mr. and Mrs. Ralph Bunce, deputy superintendent of banking, Des Moines, recently returned from a week's visit at Excelsior Spring, Missouri.

Lectures at University

Frank Warner, secretary of the Iowa Bankers Association, Des Moines, was a speaker before the classes on money and banking at the State University of Iowa at Iowa City last month. Mr. Warner talked upon "Some Phases of Bank Administration." For the past 17 years Mr. Warner has been an annual lecturer before the money and banking classes at the university.

Warnke Replaces Sieh

A. J. Warnke of Des Moines, who has served as State Service Supervisor

Experienced banker desires connection in one or two-man bank in Iowa or Minnesota. With present employer 30 years. Fifty years old, married, Mason, Methodist. Will purchase small interest. Write E. C. O., Northwestern Banker.

This EXPERIENCE may be useful to you



Since 1868 this institution has co-operated with banks throughout the middle west in extending credit facilities to sound commercial borrowers.

This experience is at your disposal without obligation.

The
LIVE STOCK
National BANK of Chicago

ESTABLISHED 1868

UNION STOCK YARDS

Member Federal Deposit Insurance Corporation

Northwestern Banker May 1942

15 Per Cent Dividend

The approximately 3,800 holders of trust certificates in the depositors' trust of the old First Bank & Trust Company of Ottumwa will receive checks for slightly more than 15 per cent of the amount still due them from the bank about May 15th.

Announcement of the payment was made by Clyde E. Jones, attorney for the receiver, after a stipulation of pending differences of parties in the action was signed.

The face value of certificates on which the 15 per cent will be paid is \$624,834. The payment, totaling about \$93,000, will come out of the \$104,785 now held by the receiver.

The final payment will mean the depositors, whose funds were frozen at the time of the national bank holiday of 1933, will have received about two-thirds of their original deposits. Fifty per cent was paid when the bank reopened and a 10 per cent payment was made in 1936.

Check Adding Contest

The Des Moines chapter of the American Institute of Banking held its annual check adding and money counting contest at the Iowa-Des Moines National Bank and Trust Company last month.

The chapter is composed of junior officers and employees of the banks of Des Moines.

The feature event—the adding machine contest, in which each contestant added 150 checks—nearly ended in a dead heat when Elwood Compton, Bankers Trust, finished in one minute 38 2/5 seconds, and Vernon Grant of the same bank went the route in one minute and 39 seconds.

Compton, who had won the event five times in past years, received \$15 in prize money, and Grant got \$10.

Other winners, in the order they finished: Arnold Dressler, Central National; Don Prunty, Central National; Harold Kester, Bankers Trust; Elmer Olson, Iowa-Des Moines; Dale Smith, Central National; Frank Haag, Bankers Trust; L. A. Rodenbaugh, Iowa State; Forrest Galbraith, Iowa-Des Moines; Maxine Costello, Iowa-Des Moines.

Another close race was the adding machine relay race in which three members of a team each added 50 checks.

The Central National Bank and Trust team, made up of Arnold Dressler, Don Prunty and Art McClintic, finished in one minute 53 1/5 seconds to win a \$6 prize. Right behind was the Bankers Trust team composed of Charles Williams, Vernon Grant and Elwood Compton, whose time was one minute 54 1/2 seconds.

Forrest Galbraith, Iowa-Des Moines, counted correctly \$454.21 in bills and small change in one minute 4 seconds to win first prize of \$5. Dale Smith, Central National, took second and \$3 in one minute 17 seconds.

Iowa-Des Moines entrants made a clean sweep of the adding machine contest for employees with less than two years' experience. Bob Pershing was first in two minutes 13 seconds to win \$3. Rosetta Ringgenberg took second and \$2, and Mary McCarthy, third, and \$1.

L. A. Rodenbaugh, Iowa State, won \$2 for guessing closest to the number of pennies in a glass jar.

Ed Bliquez, president of the chapter, was in charge of the events, and the Burroughs Adding Machine Company provided the prizes.

UNION BANK AND TRUST CO.

OTTUMWA, IOWA

Member of Federal Reserve System

Statement of Condition as of April 4, 1942

■ ■ ■

RESOURCES

Loans and Discounts.....	\$2,355,325.44
Bank Building	107,500.00
Furniture and Fixtures and Safety Deposit Vaults...	25,988.03
Other Real Estate.....	7,000.00
Stock in Federal Reserve Bank.....	15,000.00
Overdrafts	4,711.29
U. S. Bonds.....	\$ 288,276.75
Municipal Bonds	1,709,916.79
Other Marketable Bonds.....	523,936.07
Cash and Exchange.....	2,802,763.99
	<u>5,324,893.60</u>
	\$7,840,418.36

LIABILITIES

Capital (Common)	\$ 300,000.00
Surplus	200,000.00
Undivided Profits and Reserves.....	122,755.23
Deposits	7,217,663.13
	<u>\$7,840,418.36</u>

■ ■ ■

OFFICERS

FRANK VON SCHRADER, Chairman of Board and President	
H. L. POLLARD, Vice President	W. C. MILLER, Assistant Cashier
R. W. FUNK, Vice President	FRED DIMMITT, Assistant Cashier
MAX VON SCHRADER, Cashier	FRANK M. POLLARD, Asst. Cashier
C. P. GLENN, Assistant Cashier	C. G. MERRILL, Trust Officer

Member Federal Deposit Insurance Corporation

Accepts Bank Position

Archie Gietz, Carroll county treasurer, tendered his resignation to the board of supervisors recently, the resignation to take effect May 1st.

Timothy J. Ryan, present deputy treasurer and for many years county treasurer, has been appointed by the board to fill out Gietz's unexpired term.

In announcing his resignation, Mr. Gietz also announces he is accepting a position as assistant cashier of the Carroll County State Bank of Carroll.

Heads New Department

W. K. Bramwell, president of the Hardin County Savings Bank of Eldora, announced recently the election of S. R. Dyer of Eldora as vice president of the bank in charge of a new department designated as consumer's loans.

The new department was created for the purpose of better serving the bank's customers along lines of small, individual loans secured by personal property, and will be located in the bank building in the offices formerly occupied by Dr. Jansonius.

New Assistant Cashier

Earle Brown has assumed his duties as the new assistant cashier of the First National Bank of Colfax.

Bank Founder Dead

J. J. (Doc) Maloney, founder of the La Porte City Bank in 1937 and president of the institution for three years, died suddenly of a heart attack last month while reading a newspaper in his home at Spirit Lake, Iowa.

Mr. Maloney sold his interest in the bank at La Porte City in 1940.

Feeding the World

A direct mailing piece in three colors was recently prepared by Robert Weidenbach, cashier of the First National Bank of Eldon, and sent out to hundreds of persons in that community. The poster, if it may be termed such, called attention to the National Food for Freedom program, and addressed the farmer by saying, "The Cow, the Sow and the Hen have always been the most stable farm income producers, year in and year out, of all other classes of agriculture—add another good

Cow, Sow or Hen to your production program." The mailing then went on to say that the First National Bank is prepared to support the Food for Freedom program.

Hills Bank Remodels

Started in February, the Hills Bank and Trust Company has completed an extensive remodeling program which includes a new front and new interior.

The front is in glass block, light brown brick and red granite, with the name of the bank inscribed in the granite.

The interior is done in white oak. A new ceiling has been installed and all rooms redecorated. Lighting is with glass block and modernistic fixtures. A rubber composition is used for floor covering. Accommodations include private office, directors' room, work area, lobby and vault.

Officers of the bank include: J. E. Pechman, president; LeRoy S. Mercer, vice president; A. F. Droll, cashier, and T. R. Jones, assistant cashier.

Pioneer Banker Dies

Oscar Casey, 84, died recently of a

MISSISSIPPI VALLEY TRUST COMPANY

ST. LOUIS, MISSOURI

Statement of Condition April 4, 1942

RESOURCES:

Cash and Due from Banks.....	\$ 56,132,059.97
U. S. Government Securities.....	34,905,030.04
(Including those pledged, \$18,029,983.15)	
Investment in Mississippi Valley Company, wholly owned subsidiary, consisting of obligations of U. S. Government.....	3,800,000.00
Bonds and Other Securities.....	6,926,362.38
Federal Reserve Bank Stock.....	243,000.00
Loans and Discounts.....	52,967,720.91
Customers' Liability on Acceptances and Letters of Credit	194,376.95
Real Estate	870,030.69
Accrued Earnings Receivable (Net).....	292,300.37
Other Resources	61,816.07
	<hr/>
	\$156,392,697.38

LIABILITIES:

Capital	\$ 6,000,000.00
Surplus and Undivided Profits.....	3,843,961.40
Accrued Interest, Expenses and Taxes Payable (net) and Other Reserves.....	895,380.44
Acceptances and Letters of Credit.....	194,376.95
Other Liabilities	29,640.67
Deposits:	
U. S. Government and Other Public Funds	\$ 13,197,145.40
Other Deposits	132,232,192.52
	<hr/>
	145,429,337.92
	<hr/>
	\$156,392,697.38

Member Federal Deposit
Insurance Corporation



87 Years
of Banking Experience

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

Northwestern Banker May 1942

heart attack at the home of his daughter in Iowa City.

Mr. Casey organized the First National Bank of Dysart, and served as its president from 1904 to 1912.

Waterloo's Banks Grow

Deposits and resources of Waterloo's banks have increased 15 per cent in the last year, statements of the banks showed recently.

Deposits as of April 4th were \$17,829,016.81, a gain of \$2,347,821.98 over

the figure for the corresponding date in 1941.

Resources increased \$2,447,338.17, to reach \$18,960,117.62.

Deposits and resources gained 4 per cent in the period of a little more than three months since the last statement, December 31, 1941.

Speaks at Women's Club

Business and Professional Women's Club members heard a discourse by Wesley Swiler, cashier of the Burling-

ton Savings Bank, on "Banking and the Banking System, at their monthly dinner meeting in Hotel Burlington last month.

Mr. Swiler told of the banking business under present-day conditions. He urged that all buy Defense Bonds, stating that the only way the war can be financed is by purchase of bonds. He told the need for money to produce all things necessary for the war. "Buying bonds is the American way of doing it and we must keep it on a voluntary basis," Mr. Swiler explained.

Clever Advertising

Ben S. Summerwill, president of the Iowa State Bank and Trust Company of Iowa City, worked out a very clever bank advertising plan, which was based on a contest asking bank customers and prospective ones to give a title to a picture of Howard Neil (Sonny)



GROUP MEETINGS!

Our Iowa Group Meetings give us a chance to get together—and to work together. Officers of this bank are always happy to take part in these helpful sessions.

Helpful and constructive, too, is First National Bank correspondent service—where you can safely entrust ALL your Sioux City items.

V Buy
United States
Defense Bonds
at this Bank

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**



America, Here I Come

Madsen, a four-year-old chap who happened to walk into the bank one day with his father. A picture of "Sonny" appears on this page.

The contest was a "natural," bringing in almost two thousand titles. The winning title, "America, Here I Come," was submitted by Mrs. F. M. Barker and Mrs. Wm. Merriman, both of Iowa City, hence the bank paid out \$10 in Defense Stamps to each of them. Second choice title was "Bud' of America" and third was "Grown only on American Soil."

Exchange Bank Stock

A mutual arrangement for exchange of bank stock interests was consummated recently whereby C. J. Obrecht of Holstein and his associates acquired the stock interest of F. R. Jones in the Holstein State Bank and Mr. Jones has retired as president and director of that institution. At the same time Mr. Jones has taken over the stock interest of Obrecht in the Ida County State Bank of Ida Grove and the First National Bank of Sibley, Iowa, and from which institutions Mr. Obrecht has retired as vice president and director.

At a meeting of the board of directors of the Ida Grove Bank, at which the resignation of Mr. Obrecht was accepted, Bruce Gemmill, assistant cashier, was elected a director to fill the vacancy. The vacancy on the board at the First National Bank of Sibley was filled by the election of L. V. Overholzer, cashier of the Ida Grove Bank.

It is the intention of Mr. Jones to divide his time between the Ida Grove and Sibley institutions.

Correction in March Advertisement of The Drovers Banks of Chicago

Through a printer's error, the comparative prices of chickens on January, 1941, and January, 1942, was incorrectly listed in dollars in the March NORTHWESTERN BANKER advertisement of the Drovers National Bank of Chicago. The prices should have been listed in cents as follows:

Value each, January, 1942... 83.2c

Value each, January, 1941... 65.4c

The Drovers advertisement in our March issue is a splendid example of timeliness and interest in advertising copy and we are sorry that this error occurred.

County Bankers Meet

The Mitchell County Bankers Association held a dinner meeting recently at the Home Trust & Savings Bank of Osage recreation room. The various agricultural groups of the county were represented at the meeting. Carl Field, representing the AAA; Harlan Koch, county agent, and John Bartlett, Smith-Hughes instructor at the local high school, all told of their activities in regard to the war effort and made suggestions as to what the banks could do to cooperate.

Available—Man, 55, married, city and country bank experience. Exceptionally well fitted for livestock and farm loans. Had experience in several departments of large city banks and managed some country banks. Write R. W. M., Northwestern Banker.

Resigns Position

Mrs. Carl Sowers has resigned her position at the State Savings Bank of Carson, to be effective the first part of May. The vacancy will be filled by Betty Neighbors.

Bi-County Meeting

The Louisa-Washington County Bankers Association members and their wives met at the Trinity Methodist Church in Riverside for their bi-monthly meeting.

After the supper, served by the Women's Society for Christian Service of the church, the business meeting was conducted by William O'Loughlin,

president of the Peoples Trust and Savings Bank of Riverside, and also president of the association.

Van Gorder Dies Suddenly

Edwin S. Van Gorder, Jr., president of the Audubon First State Bank, died suddenly last month at his home in Audubon, victim of a heart attack.

Aside from an apparently mild attack of flu, he had been in seeming good health.

Judge—You are charged with voting three times. What have you got to say about it?

Prisoner—Then I've been gypped. They only paid me once.

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

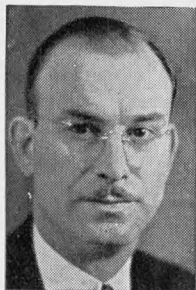
**COLLECTING AND
TRANSMITTING
LIVE STOCK
PROCEEDS**

**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**

Northwestern Banker May 1942



J. A. SARAZEN

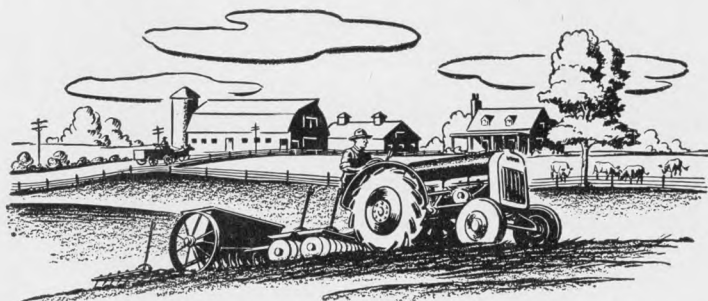
IOWA NEWS FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

B. L. JOHNSON, vice president and cashier of the Iowa Falls State Bank, and Mrs. Johnson, are the proud

parents of a baby boy born April 19th, weight 7 pounds, 14 ounces. They have one other child, a little girl.

American Banking Aids The "Food for Freedom" Program



This year the farmers of our country have been called upon to produce the largest amount of farm products in history. The foods, oils, and fibers to be produced are essential for strength, health, and critical military supplies... they are truly munitions of War and tools of Victory.

The financing of this vast agricultural production is an important contribution to America's War Effort. It has been, and should continue to be, the legitimate function of the rural bank.

The Banks and Bankers Department of Mercantile-Commerce contains men with actual, practical experience in the field of agricultural credits. Their cooperation is always available to our correspondents.

MERCANTILE-COMMERCE

Bank and Trust Company

SAINT LOUIS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

R. A. Sweet, vice president and cashier, Story County State Bank, Story City, is devoting much of his time to serving on the draft board. **Bill Peterson**, assistant cashier here, is very proud of his two young daughters. One is four years old and the other is five months old and both came from an Iowa orphanage.

The **Farmers Savings Bank, Garwin**, has completed redecorating the interior of the bank and installed a new stoker.

I. B. Bleeker, president, Citizens State Bank, Iowa Falls, has been convalescing at his home for the past few weeks, but is expected back at the bank soon.

Hobby of **E. J. Johnson**, cashier of the Farmers Savings Bank, Stratford, is gardening. Mr. Johnson says he expects to have a bigger and better garden than ever this year.

Statement of **The State Bank, Fort Dodge**, as of April 4th, list deposits of \$3,609,700, which is an increase of \$100,000 over the first of the year. Loans and discounts amount to \$1,900,000, which is about the same as the first of the year.

The **Farmers Trust & Savings Bank, Buffalo Center**, recently reached footings of \$1,000,000. Capital is \$25,000 and surplus was increased to \$50,000 the first of the year. In addition, there is a nice undivided profits account.

Marcella Berg has been added as a new employe at the First National Bank, Dayton. She attended business college at Fort Dodge and previously was employed as bookkeeper for a local telephone company.

Gracing the front cover of the *Agriculturist* for March was comely **Verdene Boyken**, daughter of Wm. Boyken, president of the Titonka Savings Bank. Miss Boyken is attending the Iowa State College at Ames.

The **Palmer State Bank** will be five years old May 15th. The bank paid its first dividend last June of 6 per cent. Deposits are around \$225,000.

An interesting and profitable hobby of **R. F. Busching**, cashier, Hudson State Bank, is woodworking. He has a complete set of equipment in the basement of the bank, where he spends many of his leisure hours. Some of his equipment includes a lathe, band saw, jointer-planer and a shaper. Practical things are made, such as furniture.

The **Dysart National Bank** discontinued accepting any money on an interest bearing basis two months ago. Deposits are around \$770,000.

V. W. Johnson, president, First National Bank, Cedar Falls, is Captain of Headquarters Company, 3rd Battalion, Iowa State Guard, which was organized three months ago. Mr. Johnson was 1st Lieutenant Adjutant Provost Marshall at Advance General Headquarters, A. E. F., Trier, Germany, during the last war. Charlie McKinstry, vice president, National Bank of Waterloo, and also a veteran of the last war, is Captain of M Company, local Iowa State Guard. **W. E. Brown**, cashier, First National, Cedar Falls, is proud of his son, W. E. Brown, Jr., who was just commissioned 2nd Lieutenant and is assigned to the instructional staff of the infantry school at Fort Benning, Georgia.

W. L. Mooty, director, Grundy National Bank, Grundy Center, has given up his law practice to serve Uncle Sam for the duration.

Evelyn Peterson succeeds Lenora Johnson as bookkeeper at the Iowa Savings Bank, Dike.

The annual meeting of the Farmers Savings Bank, Beaman, was held April 7th, with all officers and directors being re-elected. The bank enjoyed a good year, according to **W. E. Whorall**, vice president and cashier. The meeting was held in the evening this year to permit the busy farmer stockholders to attend. Following the meeting refreshments were enjoyed at a local cafe.

The **Farmers State Bank**, Hope, has streamlined the tellers' cages by adding new long box type fixtures, which add to the appearance and convenience.

Ray Kalow, assistant cashier, Security State Bank, Waterville, has been given a leave of absence to serve in the United States Army. **Miss Doris Clemons** has been employed to succeed Mr. Kalow.

Succeeds Father

Clark Arnold, Sr., of Audubon recently was named vice president of the First State Bank of Audubon, and a member of its board of directors, succeeding his father, the late Harry Arnold, in both positions.

THE TREND OF LOANS

(Continued from page 12)

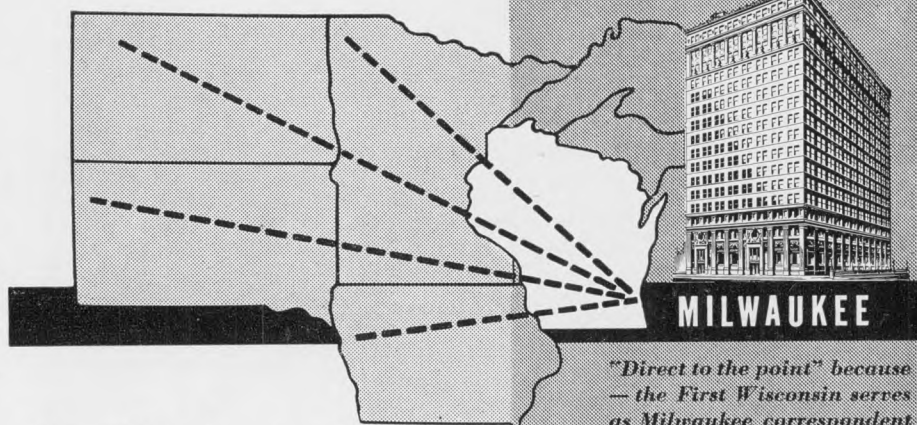
No loss of loan volume is being experienced by the Iowa Savings Bank, Dike, according to **Lee Chandler**, cashier. One year ago, on April 23d, volume stood at \$256,000 and the same date this year, volume stood at \$298,000, a nice increase. This does not include corn loans or commercial paper. Real estate loans remain at about the same level as a year ago. Cattle

feeder loans remain very satisfactory,

Local loans at the **Waterloo Savings Bank**, on April 4, 1941, amounted to \$3,108,647, and on the same date this year amounted to \$2,845,000. It is interesting to note that in the same period deposits went from \$7,702,000 to \$8,021,500. The increase in cash resources went from \$3,188,617 to \$3,455,246.

Route your Wisconsin items

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"Direct to the point" because — the First Wisconsin serves as Milwaukee correspondent for over 85 per cent of all Wisconsin banks! **UNIQUE** statewide "coverage"!

A First Wisconsin account is your master key to prompt, efficient collection of Wisconsin checks and drafts. This bank is the largest in the Wisconsin-Iowa-Dakota-Minnesota area... serving more than 500 Wisconsin correspondents, as well as banks in key cities of neighboring states. Your inquiries are invited.

BANKS and BANKERS DIVISION

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

Member of the Federal
Deposit Insurance Corporation



**FIRST
WISCONSIN
NATIONAL
BANK
OF MILWAUKEE**

Northwestern Banker May 1942

• IOWA NEWS •

No change to speak of has taken place in the loan volume at the Tintonka Savings Bank in the last year, according to president **Wm. Boyken**.

C. M. Evans, president, First State Bank, Conrad, says we have been experiencing a downward trend in our loan volume during the past few months. On April 25th, volume stood at \$195,967 and the same date this

year loans were down to \$165,755, a decrease of a little over \$30,000.

Our loan volume is holding up well, says **I. T. Parkhurst**, vice president, Farmers Savings Bank, Grundy Center. Local loans on April 23, stood at \$490,000 which is an increase of \$40,000 over last year on the same date. Of this amount \$201,000 is choice Grundy County first farm mortgages.

Al Agena, at the Farmers Savings Bank, Garwin, emphasized the word "yet" when he said our loan volume is not off yet. Loan volume has remained constantly around \$160,000 during the past year. Deposits have increased from \$341,700 to \$408,000.

The Lincoln Savings Bank, Reinbeck, had the highest volume of loans in their history on April 23, 1941, when volume stood at \$742,000. On the same date this year liquidation had reduced volume to \$653,500, a decrease of \$88,400. This is still a very healthy volume of loans, considering the deposits of this bank of a little over one million. President **L. T. Bicket** says this is a heavy feeder territory for both cattle and hogs and those needing to borrow money are not going back into the market so much at these higher prices.

C. F. Harris, president, State Bank, Gladbrook, points out that the trend of loan volume in his bank is downward. On April 25, 1941, loans amounted to \$721,000 and on the same date this year amounted to \$563,000, a decrease of \$158,000. Many feeders no longer need assistance from the bank to finance themselves and many feeders are somewhat hesitant about going back into the market. The Production Credit Corporation has never given us any trouble in this territory he says. The bank has financed more cheaper cattle than for a long time which are being picked up at market day sales, etc., at a price of around 10 cents per pound. Many farmers are going stronger into hogs. Deposits a year ago were \$883,000 and deposits on April 4th this year amounted to \$1,031,500, the first time over the million mark on the date of call.

At the Grundy National Bank, Grundy Center, loan volume has shown a normal decrease. When we visited the bank on April 23rd, volume amounted to \$327,000 and figures for the previous year amounted to \$398,000.

The Farmers Savings Bank, Traer, is doing all right. The latter part of April a year ago loan volume amounted to \$459,800, and while the volume decreased to \$413,000 by the end of 1941, it has again picked up to more than \$434,000. The bank has been paying 1 per cent interest for the last five years and in this time deposits have increased \$300,000 and today are around \$855,000. Time money is negligible as it is only \$155,000. In this five year period capital has been in-

Statement of Condition as of April 4, 1942

ASSETS		LIABILITIES	
Local Loans and Corn Loans.....	\$ 924,354.61	Capital	\$ 50,000.00
U. S. Bonds.....	94,100.00	Surplus	100,000.00
Other Bonds	80,417.59	Undivided Profits	48,603.08
Federal Reserve Bank Stock.....	4,500.00	Reserves	5,097.84
Bank Building	1.00	Deposits:	
Cash and Exchange.....	851,301.49	Checking	\$1,271,599.44
		Time	478,881.41
		Cert. Checks	492.92
	\$1,954,674.69		1,750,973.77
			\$1,954,674.69

★
FIRST NATIONAL BANK

HUMBOLDT, IOWA

C. W. Garfield, President

B. B. Watson, Cashier

★ For Good Stationery ★



EXPERIENCE
- QUALITY -
SERVICE

IOWA LITHOGRAPHING CO.
Edwin G. Ragsdale, Secy.—DES MOINES

• IOWA NEWS •

creased from \$25,000 to \$40,000 and the surplus and profits account has been increased from practically nothing to more than \$30,000.

When we called on **R. F. Busching** at the Hudson State Bank, the latter part of April, he said his loans totaled \$177,000, however, had we stopped in a day or two earlier, the volume would have been somewhat higher as a couple of big feeder loans had just been paid off. Last year at the same time volume stood at \$202,000. The cattle feeders in his territory are cautious of going back into the market at these high prices.

Loans are up slightly at the **First National Bank, Cedar Falls**, over a year ago, increasing from \$382,000 to \$400,000. Deposits have increased \$140,000 since the first of the year.

In the course of the year loans have decreased 12½ per cent at the **First National Bank, Traer**, and are now at the \$175,000 level. This, however, is an increase of \$12,000 since the first of the year. Deposits here are over \$800,000 and this bank has not paid any interest on deposits since 1934.

Local loans are down nearly 20 per cent during the year, according to **A. C. Thornburg**, president, **Iowa Falls State Bank**. Deposits amount to \$904,000, which is an increase of \$60,000 over a year ago.

At the **Parkersburg State Bank**, **O. A. Bailey**, president, said his volume has been holding fairly steady. On April 22, 1941, loans and discounts amounted to \$480,000 and on the same date this year volume stood at \$450,000.
—THE END.

BANK PROFITS

(Continued from page 20)

The "PAYC" plan is available in two systems: (a) in which customers are charged one dollar in advance for a book of twenty checks and (b) in which checks are free and the customers are charged five cents per item. Both of the plans are good and both are profitable. Decision concerning the type to fit your bank is simply a matter of preference.—THE END.

Johnson Elected President

C. S. Johnson, executive vice president of the **First National Bank, Perry**, was elected president of the **Dallas County Bankers Association** at a meet-

ing held recently in the **Pattee Hotel** at **Perry**. All county banks were represented.

Other officers elected included **N. P. Black**, cashier of the **Perry State Bank**, vice president; **W. B. Crist**, cashier of the local **First National Bank**, secretary-treasurer, and **O. D. Ellsworth** of the **Dallas County State Bank** at **Adel**,

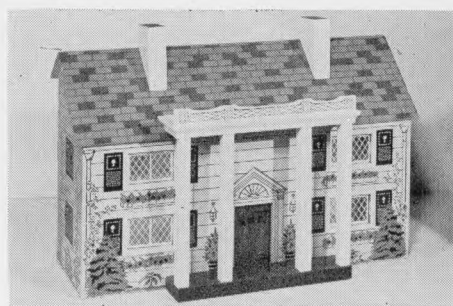
chairman of the vigilante committee.

Following transaction of business matters discussions were held regarding the sale of **Defense Savings Bonds**, in the sale of which the banks are co-operating with the **United States government**, and the economic and financial aspects of the war in relation to banking.

RICH MANUFACTURING COMPANY

CLINTON, IOWA

1923 ————— 19 Years ————— 1942



Manufacturing a complete line of

Doll Houses—Rocking Horses—Educational Toys—Doll Furniture—Farm and Animal Sets—Pull Toys—Garages—Sail Boats—Bath Tub Sets—Shooflies

Rich in Design

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They Bank With

CITY

FIFTH AVENUE
SOUTH-226



NATIONAL BANK
of Clinton, Iowa

CLINTON, IOWA

Member Federal Reserve
System and Federal Deposit
Insurance Corporation

FIRST NATIONAL BANK

CEDAR FALLS, IOWA

Statement of Condition as of April 4, 1942

RESOURCES

Cash and Due from Banks.....	\$ 724,782.19
U. S. Government Bonds.....	310,267.84
State and Municipal Bonds.....	434,483.05
Other Marketable Bonds.....	5,015.50
Stock in Federal Reserve Bank....	3,600.00
Loans and Discounts.....	397,857.67
Overdrafts.....	35.61
Banking House, Furniture and Fixtures.....	33,324.50
Other Assets.....	18,870.00
	\$1,928,236.36

LIABILITIES

Capital Stock.....	\$ 100,000.00
Surplus, Undivided Profits, Reserves	44,717.25
Deposits.....	1,783,519.11
	\$1,928,236.36

Member Federal Reserve System
Member Federal Deposit Insurance Corporation

Story County Bankers Want You In Ames On May 13th



The Post Office Building in Ames

MEMBERS of the Story County Bankers Association extend a cordial welcome to come to Ames on Wednesday, May 13th, to attend the annual meeting of Group Six. A royal good time awaits everyone, as evidenced by an outline of the program below.

Ames, the "brain center" for Iowa's part in the future conduct of the war, is as busy as any city in the state, but making less noise about its efforts to win the war. As the home of Iowa State College, from where Uncle Sam has drawn, is drawing and will draw a major portion of his military engineers, chemists, electricians and other experts, Ames is working every hour of every day of every week to win the war.

There are no outward signs of such effort visible, but to the 12,555 census-record residents of Ames and the 6,500 resident students here for all or part of each year, the goals and accomplishments are well known. While the college is the principal contributor to the nation's war effort, the Iowa State Highway Commission's personnel is being called upon for more and more mental and physical contributions in the way of technical advice and manpower.

Then comes the civilian cooperation through Red Cross first aid

classes, life saving classes, nutrition classes and almost every type of group study important to the safety of a municipality in a warring world. The nine public school buildings are being used almost nightly for some type of adult education or training.

Financially, Ames is believed to be in a better position to face the crisis than the average city of its size. Its total bonded indebtedness is only \$169,250, believed to be the lowest against any city of comparable size in Iowa. The total area within the corporate limits is 3,209.7 acres or 5.0 square miles. Of this total, approximately two square miles or 40 per cent is state owned property.

The population of the city of Ames has increased 240 per cent in the last 40 years which is a rate of growth exceeding that of any other city of substantially the same size in the state of Iowa. It is the third largest city in Iowa operating under the council-manager form of government which has been in successful operation in this city for the past 21 years. It owns its own municipal light and water facilities, hospital library, cemetery, and all of these functions of the municipal government are well financed and maintained in first-class condition.

This city has a larger mileage of

surfaced streets in relation to its population than any other city of approximately the same size in Iowa. The total mileage of paved streets within the corporation limits at the present time being 33.68 miles. In addition to this mileage, there are several miles of surfaced driveways on the Iowa State College campus.

Recreational facilities in Ames are abundant, there being one 18-hole golf course and two 9-hole golf courses. The 18-hole golf course maintained by Iowa State College and the Homewood course, privately owned, are both available for public play. Intramural sports at Iowa State College in which practically every student participates are a distinct contribution to the physical fitness program in preparing these young people for war work.

Two major transcontinental highways, U. S. Highway No. 30 (Lincoln Highway) and U. S. Highway No. 65 (Jefferson Highway), pass through this city. Rail and bus transportation facilities are excellent.

Ames Program

A. M.

9:15 Registration — South Ballroom, Memorial Union. (Fee of \$1.50 for men and \$1.00 for ladies covers registration and banquet; \$3.00 for all those not Iowa bankers or not associate members or guests of the Iowa Bankers Association.)

Conducted Tours

Tours of some of the major departments of the college listed below. Starting point of tours, West Lounge, Memorial Union Hall:

- (a) Animal Husbandry Farms.
- (b) Agronomy Farms.
- (c) Dairy Farms.

A. M.

10:00 First conducted tour.

11:00 Second conducted tour.

P. M.

12:15 Luncheon — South Ball Room, Memorial Union.

Musical Program—Furnished by Music Department, Iowa State College.

1:15 Meeting called to order.

→ COME TO ← AMES

Wednesday---May 13th

Members of the Story County Bankers Association are delighted to have bankers of Group Six meet with us Wednesday, May 13th, in Ames.

Here in the very heart of Iowa, the home of Iowa State College, the outstanding agricultural college in the world, we are prepared to give you a typical Story county welcome.

A splendid program has been arranged to make your Group meeting profitable and pleasant. We look forward to your arrival, anxious to make new friendships and to renew old acquaintances.

May We Count on Your Presence, Wednesday, May 13th?

Story County Bankers Association

MEMBER BANKS

Ames Trust and Savings Bank.....	Ames
College Savings Bank.....	Ames
Union Story Trust & Savings Bank.....	Ames
Cambridge State Bank.....	Cambridge
Exchange State Bank.....	Collins
Nevada National Bank.....	Nevada
State Bank & Trust Company.....	Nevada
Story County State Bank.....	Story City

Remarks—Ray O. Bailey, president, Jasper County Savings Bank, Newton; chairman, Group 6.

Invocation—Dr. Arthur R. McLaughlin, pastor, First Congregational Church, Ames.

Address of Welcome—C. A. Friley, president, Iowa State College, Ames.

Response to Address of Welcome—Dr. F. E. Boyd, president, First National Bank, Colfax.

Appointment of Committees—Ray O. Bailey.

(a) Nominations.

(b) Resolutions.

Talk (20 minutes), "Financing Farm Operations"—Dr. W. G. Murray, professor, Agricultural Economics, Iowa State College, Ames.

Talk (20 minutes), "Keep 'Em Eating"—R. K. Bliss, head, Extension Service, Iowa State College, Ames.

Talk (20 minutes), "What About the Supply of Beef Cattle"—Rex Beresford, Extension Animal

Husbandman, Iowa State College, Ames.

Talk (20 minutes), "How Banks Can Assist in the 'Food for Freedom' Program"—K. J. McDondald, president, Iowa Trust & Savings Bank, Estherville; chairman "Outside Farm Representative Committee of Iowa Bankers Association.

Talk (20 minutes), "War-Time Prices and Farmer Credit"—D. Gale Johnson, Department of Economics and Sociology, Iowa State College, Ames.

Talk (15 minutes), "The Job Ahead"—M. W. Ellis, State Superintendent of Banking, Des Moines.

Talk (20 minutes), "Balanced Production in the 'Food for Freedom' Program"—A. J. Loveland, chairman, State War Board, and chairman, State AAA Committee, Des Moines.

Talk (15 minutes), "The Iowa Bankers Will Do Their Part"—A. T. Donhowe, vice president, Central National Bank & Trust Company, Des Moines; president, Iowa Bankers Association.

General Round Table Discussion—Please ask your questions, if any, on this important "Food for Freedom" program—H. L. Bass, executive vice president, City State Bank, Ogden; secretary, Group 6, Iowa Bankers Association.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

4:15 Committee Reports—

(a) Nominations.

(b) Resolutions.

Any other business.

4:30 Adjournment.

4:35 Conference of the County Association Officers of Group 6 with Group Officers and President A. T. Donhowe in this room. All County Association Officers are urged to attend this customary annual conference.

CLEAR LAKE



**WELCOME TO THE ANNUAL MEETING OF GROUP 3
THURSDAY, MAY 21ST!**



Members of the Cerro Gordo County Bankers Association extend a hearty invitation to all Iowa bankers and friends to attend our annual meeting of Group No. Three to be held in Clear Lake on Thursday, May 21st.

Here on the shore of one of Iowa's most popular lake resorts you will find both profit and pleasure in the day you will spend with your Cerro Gordo County bankers hosts.

**By All Means Plan to Attend and Make This
an Outstanding Meeting!**



Cerro Gordo County Bankers Association

MEMBER BANKS

Clear Lake Bank and Trust Company.....	Clear Lake
First National Bank.....	Mason City
United Home Bank & Trust Company.....	Mason City
Farmers Savings Bank.....	Rock Falls
First State Bank.....	Thornton
Ventura State Bank.....	Ventura
Plymouth Office (Manly State Bank).....	Plymouth

Joins Federal Reserve System

The Ames Trust & Savings Bank at Ames, Iowa, has been admitted to membership in the Federal Reserve System, it was reported recently by C. S. Young, president of the Federal Reserve Bank of Chicago, Illinois.

Officers of the Ames Bank are Clay W. Stafford, president; L. B. Spinney, vice president; G. R. Alley, cashier, and O. H. Johnson and H. P. McNeil, assistant cashiers.

Come to Clear Lake On May 21



North Shore Country Club, Clear Lake, where registration and all sessions will be held.

IOWA'S most progressive summer resort, Clear Lake, will be the scene of the annual district convention of Group Three of the Iowa Bankers' Association on May 21st.

The North Iowa vacation playground will offer well-rounded facilities for recreation to the 250 bankers and their wives expected to attend the convention. Clear Lake first of all is famous for its consistently good fishing, with ten different species of game fish awaiting the anglers' wiles on the opening day of the fishing season May 15th (and thereafter).

Eight boat liveries are located around the 21-mile shore line of Clear Lake, and the boats they house along with privately owned craft total the largest on any Iowa lake, according to a recent survey made for the state conservation commission.

The Clear Lake Yacht club is a popular institution, accounting for the presence on weekends of beautifully staged sailboat races. Speedboats, sailboats, and other craft are available for public use throughout the summer.

Convention delegates who bring the children along to the convention will find Bayside park on the south shore a hard place to stay away from this year, for a new \$20,000 roller coaster has just been completed there.

Of course, if the children are the dancing age, they'll find lots of places along the cool lake shore for **their favorite** recreation, notably the beautiful Surf ballroom which is cooperating in staging the convention dance.

The North Shore Country Club, another beauty spot of Clear Lake, is a favorite of diners and dancers and will house the morning business sessions and evening banquet of the convention. Immediately adjacent to the spacious country club building is a

sporting nine-hole golf course. Both are just across the highway from the lake shore and receive the benefit of refreshing lake breezes.

Those who go in for short hikes will probably find their way to the state fish hatchery and the state park with its attractive public lodge building. The hatchery is located on the north shore, while the state park, a favorite spot of picnickers and sun-baskers is on the south shore.

Clear Lake in recent years has realized its potentialities as a year 'round residential center as well as summer resort, and lovers of beautiful homes will find much to appreciate in a leisurely drive throughout the city and around the lake shores.

Clear Lake Program

A. M.
9:00 Registration—Lakeshore Hotel.
10:00 North Shore Country Club.
Meeting called to order by Albert Halvorson, cashier, St. Ansgar Citizens State Bank, St. Ansgar; chairman Group 3.
Invocation—Rev. Verne Spindell, pastor, Congregational Church, Clear Lake.
Address of Welcome—Dr. A. B. Phillips, mayor of Clear Lake.
Response—E. C. Moody, president, First State Bank, Nora Springs.
Appointment of Committees.
(a) Resolutions.
Greetings from Iowa Bankers Association—A. T. Donhowe, vice president, Central National Bank & Trust Company, Des Moines; president, Iowa Bankers Association.
Address—Lee Loomis, publisher, Mason City *Globe Gazette*, Mason City.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Noon

12:00 Recess for lunch.

P. M.

1:45 North Shore Country Club—
Meeting called to order by Albert Halvorson, cashier, St. Ansgar Citizens State Bank, St. Ansgar; chairman, Group 3.
Address—A. J. Mulrone, vice president, Federal Reserve Bank, Chicago.
Talk, "Profits in 1942"—M. W. Ellis, State Superintendent of Banking, Des Moines.
Report of committees.
Adjournment.

4:15 Immediately following close of Group Meeting a conference will be held in this room of officers of the County Bankers Associations with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

4:30 Golf and Stag Party—North Shore Country Club.

6:30 Dinner—North Shore Country Club, Clarence A. Knutson, chairman of board, Clear Lake Bank & Trust Company, Clear Lake, presiding.

Address, "Defense Wins the War"—Dr. Melchior Palyi, economic and financial student of world affairs, Chicago. Dr. Palyi has been visiting Professor and Research Economist of the University of Chicago and a visiting Professor of the University of Wisconsin. He has given lectures before many other universities in the country.

9:00 Dancing—Surf Ballroom, Iowa's most beautiful ballroom.

Northwestern Banker May 1942

We'll See You In Council Bluffs, May 15th



The Dodge Memorial in Council Bluffs

BANKS and bankers of Pottawattamie county and Council Bluffs are looking forward with pleasure to the privilege they will have of entertaining Group Five of the Iowa Bankers Association in Council Bluffs on Friday, May 15th.

The growth and development of cities can usually be traced to the efforts of a few individuals. The destiny of Council Bluffs was molded largely through the activity of one man—General Grenville M. Dodge.

Engineer, soldier, railroad builder and banker, General Dodge not only built the Union Pacific Railroad, but he convinced Abraham Lincoln that Council Bluffs was the logical eastern terminus for this great transcontinental route in the face of strong opposition from the number of southern cities that wanted the railroad to take a more southerly course.

In 1856, General Dodge was the co-founder of what is now the Council Bluffs Savings Bank. His keen business judgment did much to establish the banking business in Council Bluffs on a firm and permanent basis. How well he did this job can best be illustrated by the slogan of the Council Bluffs Savings Bank: "A Strong Bank Since 1865."

Today, as a result of the early efforts of General Dodge, Council Bluffs is the fifth largest railroad center in the United States and the largest in its population class. Eight main trunk line railroads, radiating in all directions like the spokes of a wheel, provide direct connection with all major cities of the mid-west.

Since the infancy of the city, Council Bluffs banking houses have served as a haven for the depositors of southwestern Iowa who desired a safe place

in which to keep their money. Banking facilities are more than ample to take care of every legitimate need in the conduct of the community's business and commerce. The combined resources of the four banks here total more than \$12,000,000. Deposits in these banks are over \$11,000,000.

One of the oldest cities along the Missouri River, Council Bluffs is blessed by nature with unparalleled scenic beauty. Nestled in the rugged bluffs overlooking the panorama of the Missouri River valley, this city has served as a source of many delightful hours for the visitor who likes to delve into the beauties of nature.

Yes, there's beauty in these historic hills surrounding Council Bluffs! They present, at this time of the year, robed in their immense carpet of green, a delightful appearance. Visitors to the Group Five meeting on May 15th are urged to avail themselves of the opportunity of viewing this natural wonderland.

Over one thousand acres of parks, some still as nature left them, await your visit. These parks are connected by more than thirty miles of scenic boulevard. Hop into your car and go winging along one of these scenic drives where each crest, each turn, unfolds a panorama more alluring in its beauty than the last.

Add to these natural advantages the many man-made assets of Council Bluffs and you have a twentieth century city with fine homes, hotels, schools, churches, parks, playgrounds, shops, hospitals and those thousand and one nice things you like to live and be among.

Council Bluffs Program

A. M.

10:00 Registration and Visiting, Hotel Chieftain

Noon

12:00 Luncheon, Hotel Chieftain

P. M.

1:30 Meeting called to order: Oscar Helgerson, cashier, Houghton State Bank, Red Oak; Chairman Group 5

Remarks by Chairman

Appointment of Committees:

(a) Resolutions

1:45 Greetings from the Iowa Bankers Association: A. T. Donhowe, vice president, Central National Bank & Trust Company, Des Moines; President, Iowa Bankers Association

2:00 Address: Professor Karl Arndt,

Come to Council Bluffs!

Friday, May 15th!
(Annual Meeting of Group 5)

Bankers of Pottawattamie County and Council Bluffs extend a warm invitation to all bankers to attend our big annual meeting of Group Five to be held in Council Bluffs (Hotel Chieftain) on Friday, May 15th.

We have arranged for you a program of real interest, including several outstanding speakers. Everything has been arranged to make your visit here both pleasant and profitable.

In addition, as your hosts, we want you to make this meeting a day of friendliness, where you will meet new friends and further cement old acquaintance.

Come to Council Bluffs
Friday, May 15th

CITY NATIONAL BANK
STATE SAVINGS BANK
FIRST NATIONAL BANK
COUNCIL BLUFFS SAVINGS BANK

University of Nebraska, Lincoln, Nebraska

"Stop Inflation"

2:45 Address: M. W. Ellis, State Superintendent of Banking, Des Moines.

"Earnings in 1942"

3:05 "Question Box": John A. Changstrom, vice president, Omaha National Bank, Omaha, Nebraska

4:00 Remarks: Frank Warner, Secretary, Iowa Bankers Association, Des Moines

4:20 Report of Resolutions Committee

4:30 Adjournment

4:45 Immediately following close of Group Meeting a conference will be held in this room of officers of the County Bankers Associations with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

Called to Army

D. R. Lynch, cashier of the First National Bank of West Union, left

recently for Ft. Chaffe, Arkansas, having been called to active duty. Holder of a captain's commission and a major's certificate in the Army Reserve Officers, he has been assigned to duty as a ground instructor in the air service.

He was granted a military leave of absence from the bank. C. W. Grimes, assistant cashier, will serve as acting cashier during Lynch's absence.

Bloomfield Program

The Bloomfield Country Club is headquarters.

P. M.

1:00 Stag Dutch Lunch — Bloomfield Country Club.

1:30-

4:30 Golf—Courtesy of Davis County Savings Bank, Bloomfield, Exchange Bank, Bloomfield.

4:30 A conference will be held in this room of officers of the County Bankers Associations with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

3:00-

5:00 Registration — Bloomfield Country Club.

5:00-

6:30 For late comers—Registration—Legion Hall.

6:30 Banquet—Legion Hall (north-east corner square).

6:30 Legion Hall, Bloomfield — Invocation, Rev. L. D. Thomas, pastor, M. E. Church, Bloomfield. Group Singing—H. B. Wilson, leader.

Appointment of Committees—

(a) Nominations.

(b) Resolutions.

Greetings from Iowa Bankers Association—A. T. Donhowe, vice president, Central National Bank & Trust Company, Des Moines; president, Iowa Bankers Association.

Musical Program — Professor Walter Lake.

Address—Dr. S. N. Stevens, president, Grinnell College, Grinnell. Talk, "Profits in 1942"—M. W. Ellis, State Superintendent of Banking, Des Moines.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Report of Committees—

(a) Resolutions.

(b) Nominating.

Adjournment.

WAVERLY WELCOMES YOU

...

Group 7, Wednesday, May 20th

...

Members of the Bremer County Bankers Association will greet you with a hearty welcome when you come to Waverly to attend the annual meeting of Group Seven.

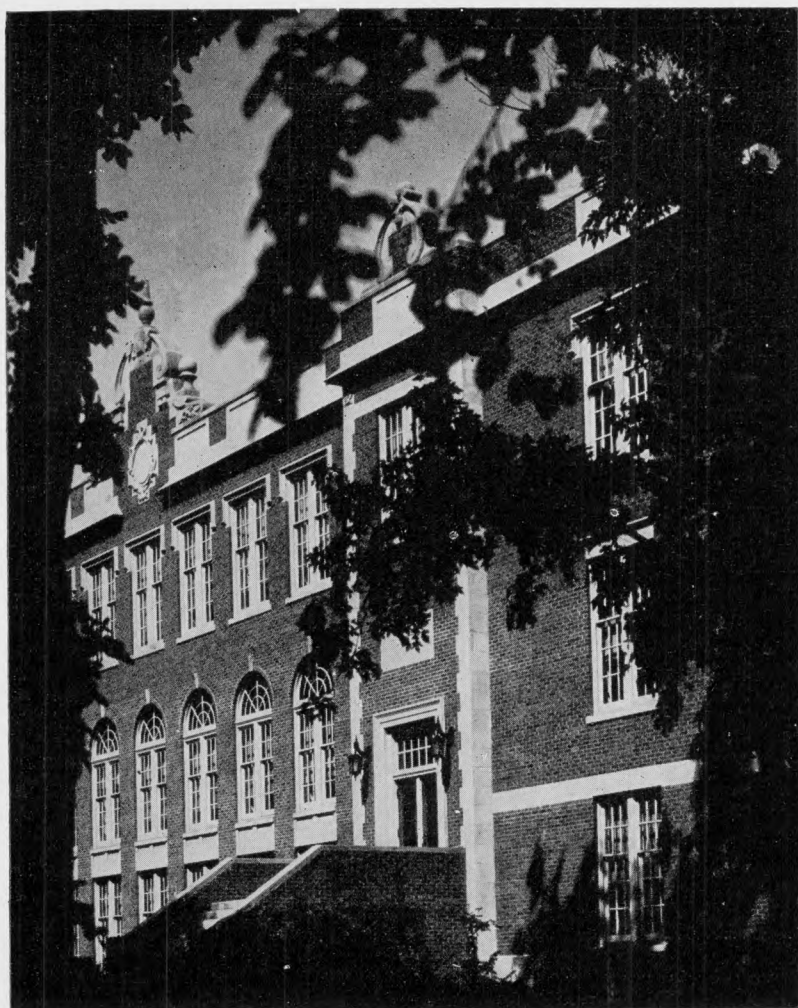
You will find in Bremer county one of the finest communities in Iowa, a farm and dairy industry that is known throughout America.

We have arranged an excellent program for you, plus entertainment that you and your family will enjoy. Be sure to be with us on Wednesday, May 20th, and enjoy the hospitality of the Bremer County Bankers Association at Waverly.

Bremer County Bankers Association

MEMBER BANKS

Denver Savings Bank.....	Denver
Farmers Savings Bank.....	Frederika
Farmers State Bank.....	Plainfield
Readlyn Savings Bank.....	Readlyn
First National Bank.....	Sumner
American Savings Bank.....	Tripoli
First National Bank.....	Waverly
State Bank of Waverly.....	Waverly
Waverly Savings Bank.....	Waverly



ADMINISTRATION BUILDING OF WARTBURG COLLEGE
Waverly, Iowa

Group Seven Bankers to *"Dairy Spot of America"*

MEMBERS of Group Seven of the Iowa Bankers Association will be visiting one of the outstanding dairy sections of Iowa when they attend the meeting in Waverly in Bremer county, Wednesday, May 20th.

To back up her title of "The Dairy Spot of Iowa," Bremer county can point not only to the fact that she has twenty creameries, more than any other county in the state, but to her record of having more dairy cattle per square mile than any other Iowa county and to the fact that only three counties, each much larger, surpass her in total number of dairy cattle.

Not only does the county through these creameries produce more than 4,000,000 pounds of butter each year (equal to 25 pounds for each inhabitant of Des Moines), but the Plainfield creamery this year plans to produce 200,000 pounds of cheese, and at Waverly Iowa's only Carnation processing plant will, during 1942, produce more than 600 carloads of evaporated milk. And at Sumner the Pennington Supply Company has for years furnished creameries over a wide territory with their essential supplies.

Dairying isn't the only farming industry, for Bremer county farmers also specialize in hogs—to such an extent that at Waverly there are three concentration plants (Waverly is one of 16 Iowa hog-pricing points used by the USDA) and stock buyers all over the county do a good volume in porkers.

Currently much emphasis is also being placed on two "war products"—canned vegetables and beet sugar. The Tripoli Canning Company at Tripoli and the Marshall Canning Company at Waverly, together expect to can the products from more than 3,600 acres of sweet corn this season, and the Waverly plant will also can great quantities to feed 90,000 soldiers sweet corn twice a week for a year.)

At the Waverly Sugar Company plant, long idle, repairs are under way now to handle beets from more than 5,000 acres—which are expected to produce more than 18,000,000 pounds of white sugar to supplement the nation's war-cut supply.

Plans are also being made for the re-opening of the Waverly brewery as an industrial alcohol plant to produce

1,500,000 gallons a year for the making of munitions.

Waverly is also the home of the Lutheran Mutual Life Insurance Company, which has over 40 employes, \$77,000,000 in insurance in force, and \$14,000,000 in admitted assets; of Wartburg College, the four-year senior Western College of the American Lutheran Church, with more than 200 students of full college rank; and the Iowa Lutheran Children's home, which each year cares for more than 150 youngsters.

The city is very proud of its public improvements, including the river front park, swimming pool, golf course and cemetery, all city-owned, and of its utility system. Long famous as one of the best-lighted of Iowa's smaller cities, it boasts a \$400,000 city-owned hydro- and diesel-powered electric light plant which now is being enlarged to permit installation of an additional 1,000 h.p. engine.

The banks of the county have a relatively high per capita deposits average; this figure is \$487 for each of the county's 17,932 inhabitants, with total bank deposits over \$8,750,000.

Northwestern Banker May 1942

At a recent meeting of the Bremer County Bankers Association, at which plans were perfected for the annual meeting of Group Seven at Waverly, the Bremer County Association passed a resolution endorsing the candidacy of Vivian W. Johnson, president of the First National Bank of Cedar Falls, for the presidency of the Iowa Bankers Association for the coming year. This follows a similar action taken recently by the Black Hawk County Association meeting in Waterloo.

Waverly Program

A. M.

9:30 Registration—Legion Hall, east end of bridge.
Registration fees:
\$1.50 for bankers and associates.
\$3.00 for other than bankers.
\$1.50 for all ladies.

Visiting — Golfing — Boating — Sightseeing Tours.

12:15 Lunch—St. Paul's Parish House. Meeting called to order by John L. Krall, cashier, Fairfax State Savings Bank, Fairfax; chairman, Group 7.

Appointment of Committees—
(a) Resolutions.

Address of Welcome.

Address, "Personality Development as a Business Getter"—Arthur H. Brayton, secretary, Convention Bureau, Des Moines Chamber of Commerce.

Address, "Earnings in 1942"—M. W. Ellis, State Superintendent of Banking, Des Moines.

Greetings from the Iowa Bankers Association—A. T. Donhowe, vice president, Central National Bank & Trust Company, Des

Moines; president, Iowa Bankers Association.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Report of Resolutions Committee.

Adjournment.

P. M.

4:30 Immediately following close of Group Meeting a conference will be held in this room of officers of the County Bankers Associations with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

6:30 Buffet Lunch and Refreshments—Legion Hall; 2,000 feet colored movies of fishing and hunting in Canada.

Make Films of Records

Daily the war in Europe, Asia and Africa moves closer to continental America in the minds of business men and bankers along the eastern seaboard. That mental condition is apparent in letters received recently by W. A. Lane, president of the Security Savings Bank and a member of the board of regents of the graduate school of banking, operated at Rutgers University by the American Banking Association.

Eastern institutions are transferring their permanent records to film and shipping the film to inland storage places against the eventuality of enemy raids.

Richard W. Hill, secretary of the American Bankers Association, and Sterling R. Whitbeck, treasurer of the Nonotuck Savings Bank of Northampton, Massachusetts, have written Mr. Lane, asking him if he can accommodate cartons of their filmed records in the vaults of his bank in Marshalltown. The films are packed in cartons 10x12x 12½ inches.

Mr. Lane said there is plenty of space in Marshalltown for thousands of such cartons as Mr. Hill described, and said that "While the United States has become the arsenal of democracy, Marshalltown and Iowa might well become the safe depository of all the records of democracy should it become necessary."

DeWitt Group Program

Noon

May 12th

12:00 Prompt registration at the DeWitt High School.

P. M.

1:00 Meeting of officers of the County Bankers Association with

FIRST NATIONAL BANK

HAMPTON, IOWA

at the close of business April 4, 1942

RESOURCES

Loans and Discounts.....	\$ 609,571.13
1st Mortgage R. E. Loans.....	262,722.71
Bank Building and Real Estate..	15,000.00
Furniture and Fixtures.....	4,532.00
Federal Reserve Bank Stock....	5,000.00
United States and Municipal Bonds	\$374,386.63
Commercial Paper.....	15,000.00
Corn Loans	120,354.20
Cash and Due from Banks	969,846.22
	<u>1,479,587.05</u>

\$2,376,412.89

Member Federal Reserve System

LIABILITIES

Capital	\$ 100,000.00
Surplus	66,000.00
Undivided Profits	15,321.49
Deposits	2,195,091.40

\$2,376,412.89

Member Federal Deposit Insurance Corporation

Officers and Directors

D. D. Bramwell, President	J. H. Boehmler, Vice President
J. M. Boots, Cashier	Fred A. Keepf, Assistant Cashier
W. K. Bramwell	H. E. Boehmler
M. J. Bramwell	G. C. Bramwell
Dr. H. H. Johnston	

The National Bank of Washington

WASHINGTON, IOWA

Statement at the Close of Business, April 4, 1942

United States Depository

RESOURCES

Loans	\$ 335,399.54
Overdrafts	119.47
Other Assets	25.00
Accrued Interest Paid	
Securities Purchased	140.58
Stock in Federal Reserve Bank...	3,600.00
Municipal and Other Bonds.....	89,682.07
U. S. Government Bonds	\$544,897.64
Cash on Hand and in Banks	963,716.15
	<u>1,508,613.79</u>

\$1,937,580.45

LIABILITIES

Capital Stock	\$ 80,000.00
Preferred Stock	\$22,000.00
Common Stock	58,000.00
Surplus	40,000.00
Undivided Profits	9,421.03
Reserve for Contingencies.....	5,000.00
DEPOSITS	<u>1,803,159.42</u>

\$1,937,580.45

OFFICERS

R. E. DOUGHERTY	FRANK C. CRONE	FRED L. STEWART	E. F. MIICK
President	Executive Vice President	Vice President	Cashier
C. P. WELDIS	R. M. WHITEHEAD	LUCY F. DEMPSEY	R. M. ANDERSON
Asst. Cashier	Asst. Cashier	Teller	Teller

Member of Federal Reserve System

Member of Federal Deposit Insurance Corporation

Northwestern Banker May 1942

• IOWA NEWS •

Group Chairman and Secretary with President Donhowe.

1:30 Meeting called to order by Chas. Luett, Group Chairman.

Invocation—Rev. Chas. G. Fort. Address of Welcome—J. Yvo Floerchinger, president of the Clinton County Bankers Association.

Response to the Address of Welcome—A. T. Donhowe, president of the Iowa Bankers Association. Appointment of Committees—

(a) Resolutions.

(b) Nominations.

Address, "What the Axis Is Up Against"—Dr. Melchior Palyi, Advisor to Chicago Financial Institutions; Professor of Economics at the University of Wisconsin.

Address, "The Country Banker and War Finance"—John K. Langum, manager of the Research and Statistics Department, Federal Reserve Bank, Chicago, Illinois.

Talk, "Profits in 1942"—M. W. Ellis, Superintendent of Banking of the State of Iowa.

Talk—Frank Warner, secretary of the Iowa Bankers Association. Reports—Resolutions Committee, Nominating Committee.

4:30 Adjournment.

5:00-

6:00 Social Hour—Moose Hall.

6:30 Clinton County Prime Beef Banquet—Moose Hall.

After Dinner Speaker—"Dick" Howes, former Mayor of Clinton.

Special committee to provide entertainment for the ladies.

Appointment of Committees—

(a) Resolutions.

(b) Nominating.

Musical Program—Spencer High School Mixed Chorus.

Talk—A. T. Donhowe, vice president, Central National Bank & Trust Company, Des Moines; president, Iowa Bankers Association.

Talk, "Earnings in 1942"—M. W. Ellis, State Superintendent of Banking, Des Moines.

Address, "War and the Aftermath"—Dr. Melchior Palyi, economic and financial student of world affairs, Chicago.

Report of Committees—

(a) Resolutions.

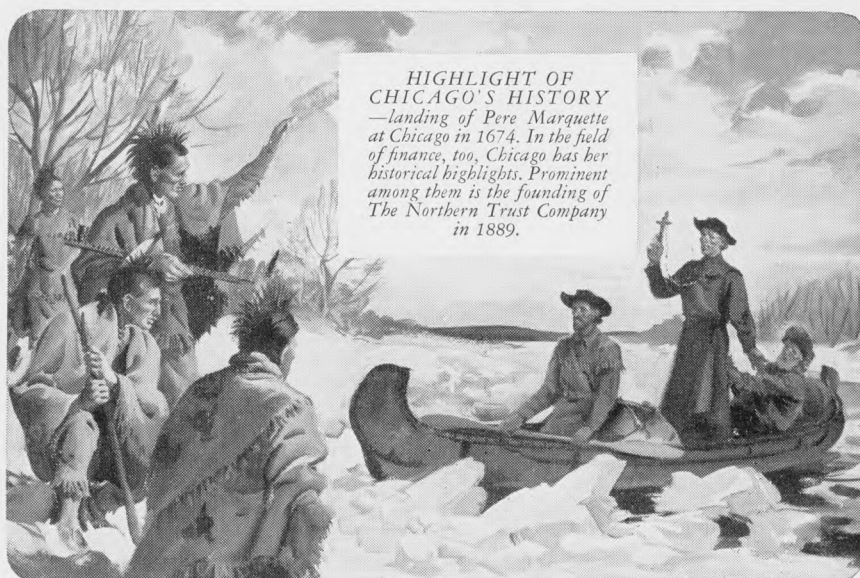
(b) Nominating.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Adjournment.

4:30 Immediately following close of Group Meeting a conference will be held in this room of officer of the County Bankers Associations, with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

6:30 Dinner—Spencer Golf and Country Club.



HERE CORRESPONDENTS GAIN FACILITIES OF VALUE TO THEMSELVES AND THEIR CUSTOMERS

Upon establishing a connection with The Northern Trust Company, the out-of-town-bank makes immediately available to itself the full facilities of this institution. These include the efficient handling of routine transactions, and also a variety of special services. Our correspondents profit from our many years of sound banking experience. They welcome access to in-

formation, which is the result of up-to-the-minute fact finding. And they enjoy, too, the opportunities to consult with our friendly, informed personnel on all banking and trust matters. By utilizing these sources of information, each correspondent of The Northern Trust Company broadens and reinforces the scope of his bank's service to his customers and his community.

THE NORTHERN TRUST COMPANY

50 SOUTH LA SALLE STREET, CHICAGO
Member Federal Deposit Insurance Corporation

★

★

Northwestern Banker May 1942

Spencer Group Program May 22

A. M.

11:00 Registration—Tangney Hotel.

Noon

12:00 Spencer has ample fine eating places.

P. M.

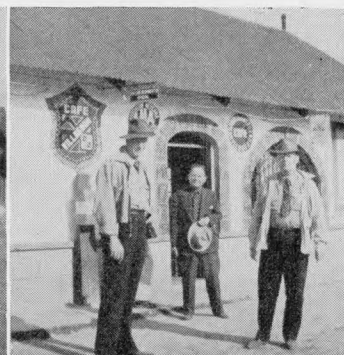
2:00 High School Auditorium.

Meeting called to order by J. Robert Cornell, vice president and cashier, First National Bank, Spirit Lake; chairman, Group 2. Invocation—Rev. W. K. Williams, pastor, First Congregational Church, Spencer.

Address of Welcome—Wilson Cornwall, attorney, Spencer.

Response to Address of Welcome—George J. Schaller, former governor, Federal Reserve Bank, Chicago, Storm Lake.

GLIMPSES OF OLD MEXICO



Probably no one in the state of Iowa is better acquainted with Mexican customs, scenery and traveling conditions than **J. Dolliver Kent**, chairman of the board of the Western Mutual Fire Insurance Company of Des Moines, who has made a hobby of travel in Mexico. During recent years he has made almost a score of trips to that interesting country.

Above are three snapshots taken on his latest trip there, a short time ago, accompanied by his son **Robert Kent**, **Jack Hilmes**, **Harry Meredith**, **Walter Fuller** and **Mr. and Mrs. M. S. Stokely**, all of Des Moines. Left to right in the first picture are

J. Dolliver Kent, **Herf Monroe** of Texas and **Jack Hilmes**. Center picture, Mexico's largest hacienda, **Santa en Gracia**, in the state of **Tamulipas**, which covers 2500 acres. At one time it covered a million acres. On the right, **Mr. Hilmes**, **Walter Fuller** and **Mr. Kent**.

Mr. Kent reports that Mexican tourist travel from the United States has dropped to about one-fourth its usual tempo, due to the tire situation and that a great many hotels and tourist accommodations are now closed for the duration.

Wessling Services

20th year planning advertising programs for banks and trust companies. Member Financial Advertisers Association.

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

Des Moines, Iowa

Group singing.

Music—"Camp Male Quartet" of Linn Grove, Iowa.

Address—**Harlan Miller**, editor, "Over the Coffee," Des Moines Register, Des Moines.

Musical Numbers—Musical Saw Number—**W. H. Kenderdine**; Piano Accordion—**Mrs. H. H. Dickinson**.

Guttenberg Group Program May 19

A. M.

9:30 Registration—Municipal Building.

10:00 Municipal building Auditorium—Meeting called to order by **I. G. McQueen**, cashier Farmers State Bank, Ridgeway; chairman, Group 4.

Invocation—**Rev. H. C. Coovert**, minister, St. Paul's Lutheran Church, Guttenberg.

Address of Welcome—**C. J. Adam**, president, Clayton County State Bank, Guttenberg.

Response to Address of Welcome—**Joe Menges**, cashier, Alta Vista State Bank, Alta Vista.

Appointment of Committees—

(a) Resolutions.

(b) Nominating.

Remarks—**A. T. Donhowe**, vice president, Central National Bank & Trust Company, Des Moines; president, Iowa Bankers Association.

Address, "Earnings in 1942"—

REMEMBER—
For Strength Thru Health
EXCELSIOR SPRINGS MO.
Keep in trim at the Elms.
All outdoor activities—
plus invigorating mineral
waters, excellent rooms
and southern-style food!
THE ELMS HOTEL

M. W. Ellis, State Superintendent of Banking, Des Moines.

Noon

12:00 Recess for lunch.

P. M.

1:45 Municipal Building Auditorium—Meeting called to order by I. G. McQueen, chairman, Group 4. Music, Concert Trio—Owen Pufahl, Bob Charlesworth and Howard Borrett.

Address, "Farmers' Production Problems in Wartime"—Carl Malone, Extension Specialist in Farm Management, Iowa State College, Ames.

Music, Woodwind Trio—Charles Ferris, Dorothy Geuder and Bill Geuder.

Address, "Bankers' Relation to Present Emergency"—J. J. Matthews, vice president, Union Bank & Trust Company, Strawberry Point; chairman, Clayton County Defense Council.

Music, Horn Solo—Audrey Kuempel.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Reports of Committees—

(a) Resolutions.

(b) Nominating.

Adjournment.

4:30 Immediately following close of Group Meeting a conference will be held in this room of officers of the County Bankers Associations with Group Chairman and Group Secretary, President A. T. Donhowe and Secretary Frank Warner.

6:30 Dinner—Municipal Building Dining Room.

Musical Program—

Clarinet Solo, "Rigelleto,"

Verdi—Charles Ferris.

Horn Duet, "Tyrole an Fantasie"—Holmes—Audrey Kuempel and Jerry Donaldson.

Clarinet Quartet, "Prelude and Scherzo"—Bennett—Chas.

Ferris, Dorothy Geuder, Bernita Schulte and Charlotte Minger.

Address, Dr. Melchior Palyi, Economic and Financial Student of World Affairs, Chicago.

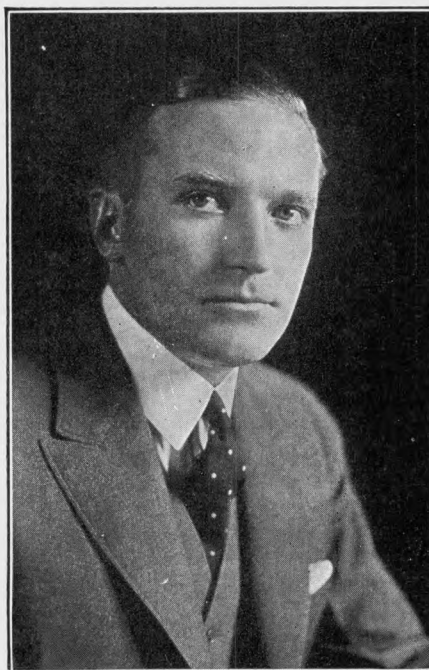
Percy J. Ebbott President Reserve City Bankers

No more popular president could have been selected for the Reserve City Bankers Association than **Percy J. Ebbott**, vice president of the Chase National Bank of New York.

At the 38th annual convention, Percy was placed in the "driver's seat" of this group of high-powered, twelve-

cylinder financial dynamos who direct the banking resources of the nation.

Mr. Ebbott is a native of Fort Atkinson, Wisconsin, and a graduate of Oberlin College. He began his banking career with the National Park Bank in New York City in 1913. He was appointed an assistant cashier in 1917 and an assistant vice president in 1920. He resigned a year later to become a vice president of the Seaboard Na-



PERCY J. EBBOTT

tional Bank and continued in that capacity with the Equitable Trust Company and the Chase National Bank after the mergers in 1929 and 1930.

Other officers of the Reserve City Bankers Association are as follows: Vice president, **John S. Broeksmit**, vice president, Harris Trust & Savings Bank, Chicago. Treasurer, **Victor F. Rotering**, vice president, First National Bank & Trust Co., Minneapolis, re-elected. The following directors were elected for a three year term: **Frank F. Brooks**, president, First National Bank at Pittsburgh; **Wallace M. Davis**, vice president, Citizens Union National Bank, Louisville; **James S. Rogan**, president, American National Bank at Indianapolis, and **Lang Wharton**, executive vice president, First National Bank in Dallas. **Joseph J. Schroeder**, secretary of the Association, with offices at Chicago, is appointed to that office.

This year, as in any other year, the last word in airplanes is "jump."

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

DES MOINES BUILDING-LOAN & SAVINGS ASSOCIATION

Oldest and Largest in Des Moines

411 6th Ave. Dial 4-7119

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Pres. and Sec. Asst. Sec.

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E. O. FENTON, Director
American Institute of Business
DES MOINES
10th and Grand Tel. 4-4221

Northwestern Banker May 1942

PRINTING



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Printers . . . Bookbinders . . . Office Outfitters
Stationers . . . Business Machines
Grand Avenue at Fourth Street
DES MOINES

Lowest Cost

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

Hawkeye Mutual Hail Insurance Association

Carver Bldg. Fort Dodge, Iowa

Buys Partners' Interests

Walter E. Vieth has purchased the interests of Floyd C. Duncan and Lucien A. Wood in the partnership of Vieth, Duncan & Wood, investment banking firm of Davenport, Iowa. The



WALTER E. VIETH

firm will be continued by Walter E. Vieth under the firm name of Vieth, Duncan & Wood, and Mr. A. M. MacLaughlin will be admitted to partnership.

Resigns Position

Paul H. Kinnick, cashier of the First State Bank of Coon Rapids, has resigned his position there, after being connected with this bank for the past eighteen years, to become associated with Glenn Crawford in the livestock buying business there.

Employed for ten years by the Iowa Savings Bank before becoming affiliated with the First State, Mr. Kinnick has been in the banking business in Coon Rapids for 28 years.

Marshalltown Bank Remodels

The Fidelity Savings Bank of Marshalltown has recently been modernized by the installation of new fixtures and decorations, it was recently announced by President Walter Light.

Principal change was the discarding of the glass and metal cages, replacing them with an open type counter of modern design. The rear of the outer lobby has been widened and the walls and ceilings completely redecorated.

Manage Bank Office

Mr. and Mrs. Chas. Ciner recently took over the management of the Plymouth office of the Manly State Bank. They succeed Mr. Harley Urbatsch, who has gone to Ankeny to work in a defense plant.

Index to Advertisers

A	
Allied Mutual Casualty Company.....	29
A. C. Allyn and Company.....	33
American Institute of Business.....	79
American National Bank and Trust Co. 52	

B	
Bankers Trust Company.....	56-57
Bremer County Bankers Association..	74
Burroughs Adding Machine Company..	35

C	
Cental National Bank and Trust Co....	10
Cerro Gordo County Bankers Assn.....	70
Chase National Bank.....	6
City National Bank—Clinton.....	67
City National Bank and Trust Co.....	34
Continental-Illinois National Bank and Trust Company, Chicago.....	38
Cintinental National Bank—Lincoln....	53
Council Bluffs Banks.....	73

D	
Davenport, F. E. and Company.....	51-61
Des Moines, Building, Loan & Savings Association.....	79
Drovers National Bank.....	63

E	
Elms Hotel.....	78
Employers Mutual Casualty Company..	27

F	
Farmers Mutual Hail Insurance Co....	30
Federal Home Loan Bank.....	33
Federal Intermediate Credit Banks....	32
Financial Advertisers Association.....	21
First National Bank—Cedar Falls.....	67
First National Bank—Hampton.....	76
First National Bank—Humboldt.....	66
First National Bank—Omaha.....	50
First National Bank—Sioux City.....	62
First Wisconsin National Bank.....	65

G	
Guarantee Mutual Life Company.....	28

H	
Hastings National Bank.....	51
Hawkeye Mutual Hail Insurance Assn. 80	
Home Insurance Company.....	4

I	
Iowa-Des Moines National Bank.....	84
Iowa Lithographing Company.....	66
Iowa-Nebraska Bank Directory.....	81
Irving Trust Company.....	5

J	
Jamieson and Company.....	40

K	
Kliplo Loose Leaf Company.....	80
Koch Brothers.....	80

L	
George La Monte and Son.....	3
Lessing Advertising Company.....	80
Live Stock National Bank—Chicago....	59
Live Stock National Bank—Omaha.....	54
Livestock National Bank, Sioux City..	42

M	
McGuire, Welch and Company.....	34
Mercantile Commerce Trust Company..	64
Merchants Mutual Bonding Company..	79
Merchants National Bank.....	2
Minnesota Commercial Men's Assn....	40
Mississippi Valley Trust Company.....	61

N	
National Bank of Washington.....	76
National Bank of Waterloo.....	58
New York Trust Company.....	19
Northern Trust Company.....	77
Northwestern National Bank and Trust	36

O	
Omaha National Bank.....	17

P	
Philadelphia National Bank.....	41
Public National Bank and Trust Co....	44

S	
State Automobile Insurance Association	30
Stock Yards National Bank—Omaha....	46
Story County Bankers Association.....	69

T	
Todd Company.....	40

U	
United Bank and Trust Company.....	60
United States Check Book Company....	23

V	
Valley Savings Bank.....	83

W	
Want Ads.....	59-63
Charles E. Walters Company.....	53
Jay A. Welch.....	80
Wessling Services.....	78
Western Mutual Fire Insurance Co....	24
Wheelock and Cummins.....	34



NEW 1942 IOWA - NEBRASKA BANK DIRECTORY

Published by the NORTHWESTERN BANKER
Des Moines

The new 1942 edition of the Iowa-Nebraska Bank Directory is now off the press. In it you'll find the most complete and latest information on Iowa and Nebraska banks, including personnel, capital, surplus, deposits, loans and discounts, bond holdings, correspondent banks and other valuable data.

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527 Seventh Street
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Gentlemen:

Please send -----copies of your 1942 Iowa-Nebraska Bank Directory to us, and we will remit at the rate of \$2 per copy upon receipt of your Directory.

Bank-----

Officer-----

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

IN THE DIRECTORS' ROOM

Watch Your Step!

The battleship was in port and visitors were being shown around. The guide was exhibiting a bronze tablet set in the deck.

Guide: "Here is where our gallant captain fell."

Nervous Old Lady: "Well, no wonder. I nearly tripped over it myself."

Give Him Air!

"Daddy, may I ask you a question?"

"Yes, son, but it must be a short one."

"If a doctor is doctoring a doctor, does the doctor doing the doctoring have to doctor the doctor the way the doctor being doctored wants to be doctored, or does the doctor doctoring the doctor, doctor the doctor the way he usually doctors?"

Value for Money

Macpherson and his wife were out motoring when their car broke down and it had to be towed to a garage. All the way his wife complained bitterly of the amount it was going to cost them.

"It's scandalous!" she said. "Fifteen dollars for towing the car a matter of three or four miles."

"Never mind," said Macpherson. "I'm making sure he earns it—I've put on the brakes."

Practice Makes Perfect

The recruit, keeping guard, heard, through the darkness, the sound of an approaching horse.

"Halt! Who goes there?" he challenged.

"The commanding officer," came the reply.

"Dismount, sir, and advance to be recognized," called the guard.

The officer did so, then he asked, "By the way, who posted you here?"

"No one, sir," said the recruit. "I'm just practicing."

Stingy

The stingiest man we ever heard of bought his bride a nickel's worth of peppermint lozenges and took her on a trolley-ride honeymoon. When they got off the car he said, "Honey, suppose we save the rest of this candy for the children."



Any Time, Now

Old-Fashioned Father: "When I was your age, John, my parents never had any trouble with me."

Modern Son: "Well, up till now, I can't say that I have had any trouble with you, either, Dad."

Big Ships

American Sailor: "Battleships! Why, the flagship of our navy is so big that the captain goes around the deck in his auto."

British Sailor: "You ought to see our flagship. Have a look at the kitchen. It's so large the cook has to go through the Irish stew in a submarine to see of the potatoes are cooked."

They Satisfy

"My wife ran off with the butler."

"What a shame that is!"

"I'm satisfied. Furthermore, my house burnt down and I haven't any insurance."

"Too bad."

"I'm satisfied; and to cap everything off business is so bad I'm going bankrupt, but I'm satisfied."

"How is that possible with all your misfortunes?"

"I smoke Chesterfields."

Well, Why Not?

The student was one of those lads short on knowledge, but long—oh, so long—on resourcefulness. For many minutes the professor had been plying him with questions in an effort to break down his colossal self-assurance.

"You have heard of cause and effect?" the professor finally inquired.

"Oh, yes," the student replied.

"Have you heard of effect coming before cause?"

"Indeed, yes," was the reply.

With an ill-concealed look of triumph, the professor demanded, "Give me an example!"

"A barrow wheeled by a man."

Worth the Risk

The church service was proceeding successfully when a woman in the gallery got so interested that she leaned out too far and fell over the railings. Her dress caught in a chandelier, and she was suspended in mid-air. The minister noticed he undignified position and thundered at the congregation:

"Any person who turns round will be struck stone blind."

A man whispered to his companion: "I'm going to risk one eye."

Just Watchin'

Visitor: "I see you raise hogs almost exclusively here. Do you find they pay better than corn and potatoes?"

Hill-Billy: "Wal, no. Yu' see, stranger, hawgs don't require no hoein'."

The Hard Way

He rounded a bend at close to forty. A sudden skid and the car overturned. They found themselves sitting together, unhurt, alongside the completely smashed car. He put his arm around her waist, but she drew away.

"It's all very nice," she sighed, "but wouldn't it have been easier to run out of gas?"

Excuse Me, Lady!

First Hobo—Tell me, Hank, why don't you ever take a bath?

Second—Because I'm scared of bathtubs.

First—Scared of bathtubs? How come?

Second—My mother was frightened by a plumber!

Still Learning

"Going around with women a lot keeps you young."

"How come?"

"I started in going around with them four years ago when I was a freshman, and I'm still a freshman."

No wonder women go for card games. They are just like Love. The Queen always follows the Jack.

He—Do you believe in free love?

She—Yes, but let's go to the movies first.

STATEMENT OF CONDITION • APRIL 4, 1942

Resources

Loans and Discounts		\$4,236,696.60
Other Bonds and Stocks		64,900.00
Overdrafts		76.83
Furniture and Fixtures		17,007.63
Customers Liability on Acceptances		35,103.04
Government Obligations, Direct		
and Fully Guaranteed	\$ 495,675.00	
Municipal Bonds	139,883.17	
Cash and Due from Banks	2,806,973.44	3,442,531.61
		<hr/>
		\$7,796,315.71

Liabilities

Capital Stock—Common	\$ 200,000.00
Surplus	200,000.00
Undivided Profits	101,439.15
Reserves	85,453.16
Unearned Discount	47,252.92
Bank Liability on Acceptances	35,103.04
Deposits	7,127,067.44
	<hr/>
	\$7,796,315.71

OUR

70th

YEAR

1872-1942



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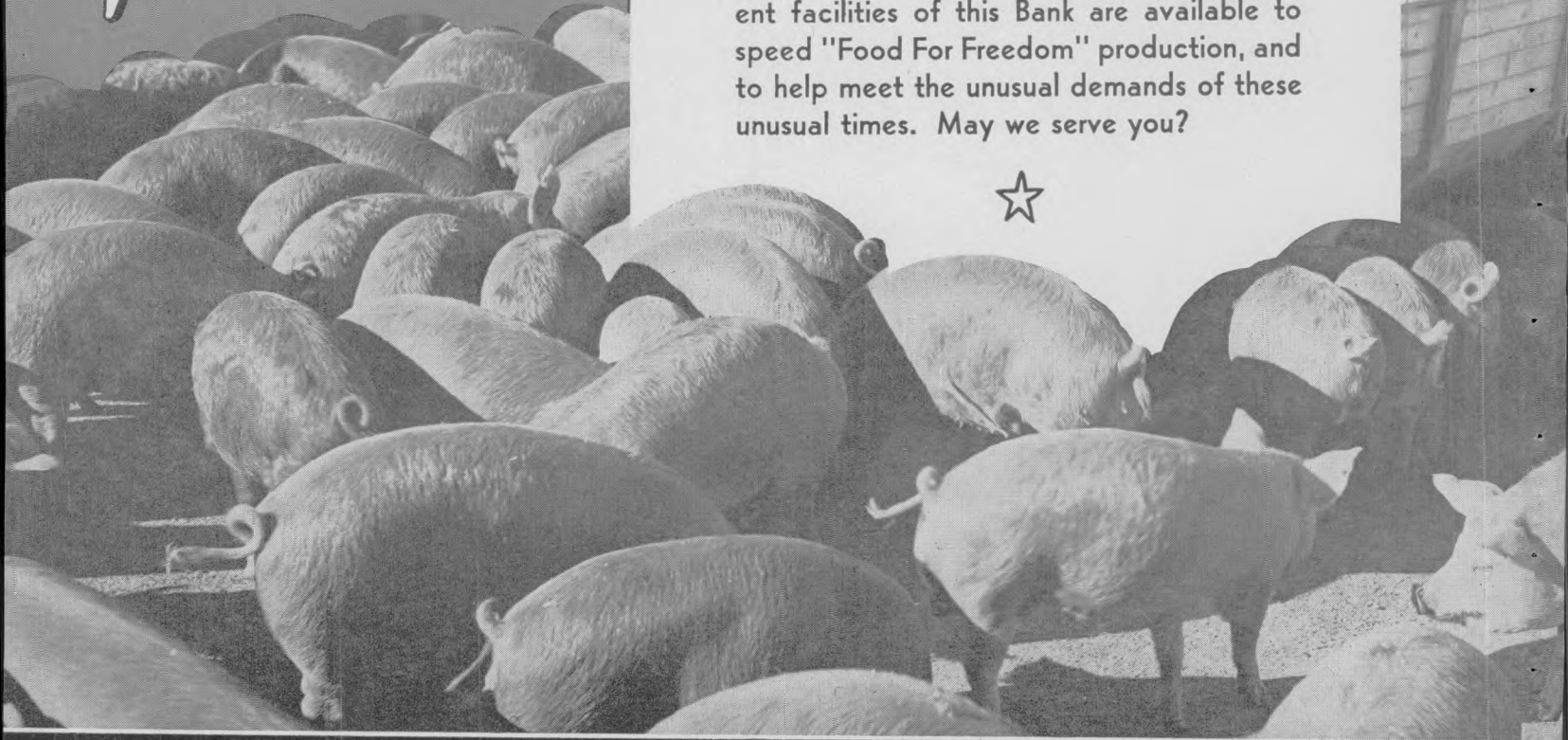
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ESSENTIAL
WEAPON
FOR**

Victory

FIGHTING under the "Food For Freedom" banner, Iowa farmers are busy this Spring increasing production of pork, beef, butter, cheese, milk, soybeans, eggs and other food-stuffs for this Nation and our Allies.

Food is essential for Victory. So Iowa's job in 1942 is just as important as California's production of planes . . . Michigan's output of tanks and anti-aircraft guns . . . Pennsylvania's tonnage of steel and ships.

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