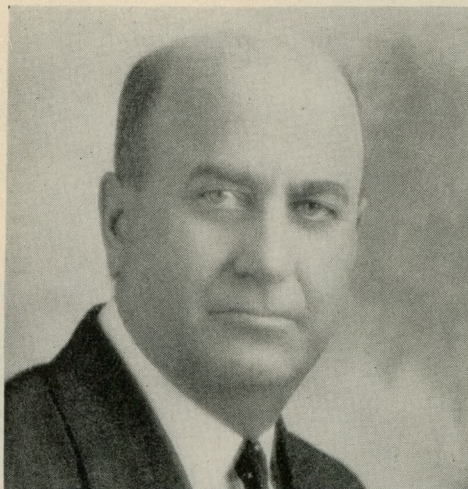
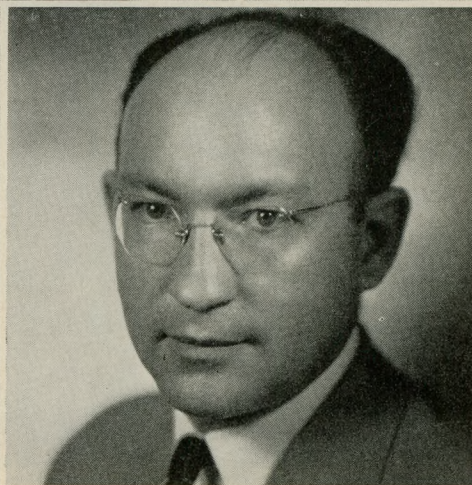


# NORTHWESTERN *Banker*

JULY  
1942



J. O. MILSTEN  
Belfield  
President, North Dakota Bankers  
Association



H. N. THOMSON  
Presho  
President, South Dakota Bankers  
Association



## MINNESOTA CONVENTION PROGRAM

Page 13





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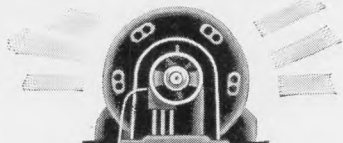
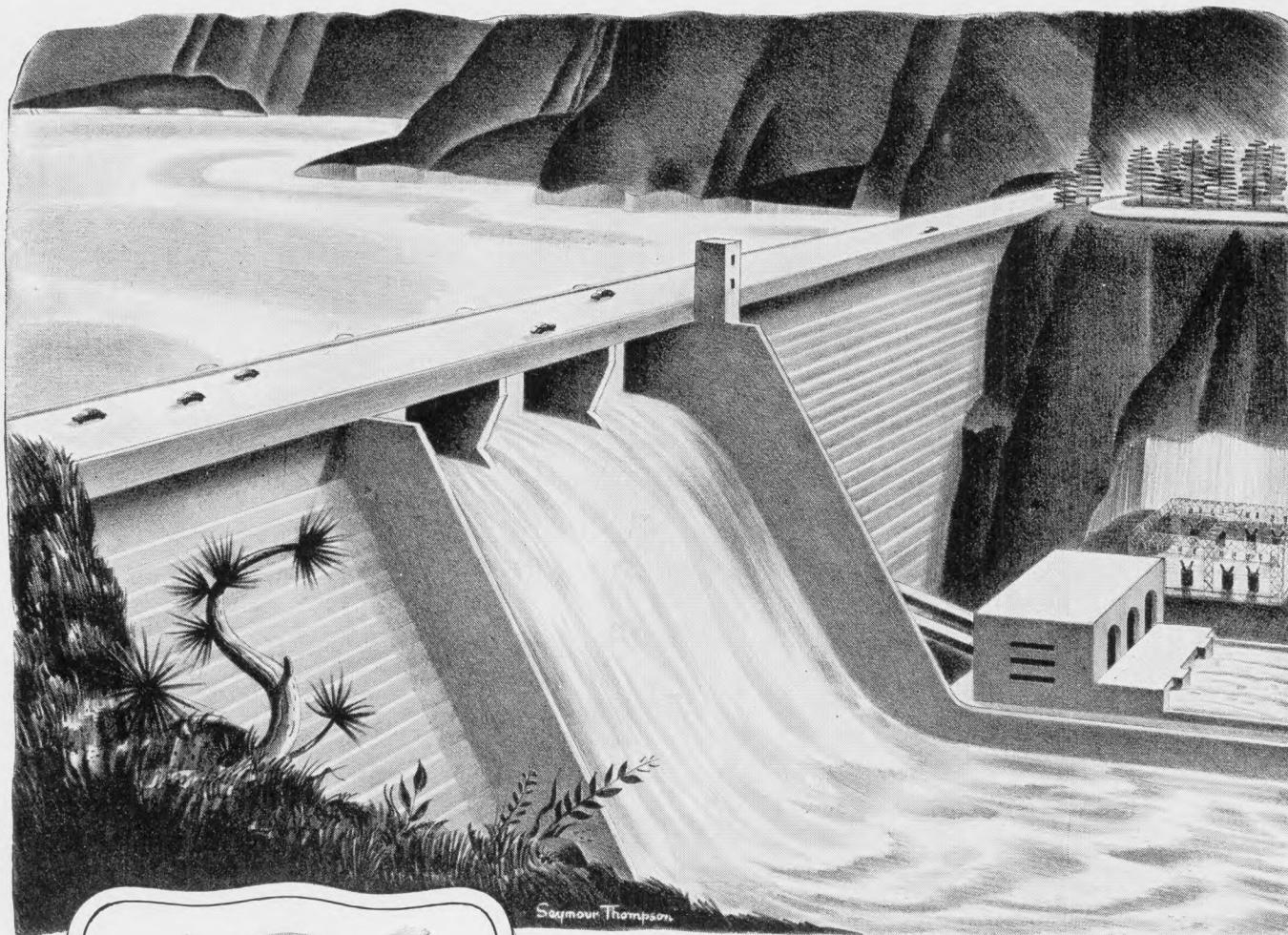
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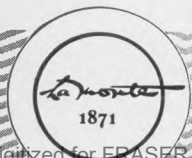




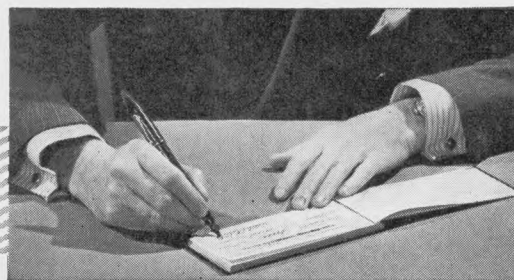
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JULY  
1942

# NORTHWESTERN *Banker* DES MOINES

FORTY-SEVENTH YEAR

NUMBER 660

Oldest Financial Journal West of the Mississippi River

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## CONVENTION CALENDAR

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

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.  
Nebraska Annual Convention—Omaha,  
Hotel Fontanelle—Date to be de-  
cided.

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# Across the Desk From the Publisher

## How "Farm Managers" In Country Banks Help Farmers and Bankers

Many banks now have farm managers who help their farmer customers in solving their farm problems and also advising them about needed loans in the operation of their farms.

This is a step in the right direction that has proven most beneficial to the farmers and to the bankers.

C. W. Bailey, president of the First National Bank of Clarksville, Tennessee, and chairman of the A. B. A. National Food for Freedom Committee, in a recent address said:

**"In many well managed country banks, serving areas that are preponderantly agricultural, the employment of what are termed 'outside men' to extend the lending activities of the bank in an intelligent and practical way, has proven both popular and successful. Well organized agricultural credit departments of this type have now been set up in more than 2,000 banks, where men are employed for part or full time, and the work and accomplishments of some of these specialists have been outstanding.**

**"The field of research affords an avenue of much interest and profit to the forward looking country banker, and the support of the Food-for-Freedom program."**

These farm managers in country banks have done a helpful and constructive piece of work and their efforts should be of such a character that they will "carry over" after the war is finished and thus be of added benefit to farmers and bankers.

Mr. Bailey also emphasized this point when he said, "And if, as a result of the efforts put forth

by the country banker, in the performance of this duty which seems to be so clearly his own, there should develop some better managed and more prosperous farms and farmers, equipped to function more effectively now, and to produce capital in the period following the close of this war, it will be some compensation to him to realize that his neighborhood is sounder and better in a business way because he got out and did what he should have been doing all the time."

We quite agree that this new department which is helping farm customers is something which bankers **"should have been doing all the time"** but which the present Food for Freedom program brought forcibly to their attention and therefore should result in much good on both sides of the counter.

## Reduce Top Heavy Mortgages

There is hardly a banking official, either in a state banking department or the federal government, who is not these days advocating that banks check over their assets and see that they are in excellent shape to withstand anything which may be ahead of us.

Just recently William R. White, superintendent of banks of New York, told the members of the New York State Bankers Association, that the "balance of this year can furnish an opportune time for the elimination of sub-standard assets. Particularly every effort should be made to obtain a reduction of top-heavy mortgages."

A strong position must be maintained by the banks during this period and reduction of mortgages which are too heavy is one way to accomplish this purpose.



## Compare Your Bank Ratios With These Figures

The earnings, expenses, profits and investments for 1941 of 545 banks in the Hawkeye state were analyzed recently by the Department of Banking and the percentages in the following 7 classifications will prove interesting, we are sure, to NORTHWESTERN BANKER readers.

### 1. Per Cent of Income to Total Resources

All Interest Received.....	2.64%
Exchange and Collection.....	.17
Trust Department.....	.03
Service Income.....	.23
All Other Income.....	.11

Total Gross Income..... 3.18%

### 2. Per Cent of Expense to Total Resources

All Salaries.....	.94%
Interest on Deposits.....	.51
All Taxes.....	.19
All Other Expense.....	.51

Total Operating Expense..... 2.15%

### 3. Per Cent of Profit to Total Resources

Net Operating Profit.....	1.03%
Plus Recoveries.....	.33
Less Charge Offs.....	.40

Net Additions to Profits..... .96%

### 4. Per Cent of Investment to Total Resources

Loans and Discounts.....	44.56%
United States and Guaranteed Bonds.....	11.92
Other Bonds.....	7.22

Total Investments..... 63.70%

### 5. Per Cent of Invested Capital to

Total Resources..... 8.85%

### 6. Per Cent of Income to Gross Earnings

Interest Income.....	83.18%
Service and All Other Income.....	16.82

Total..... 100.00%

### 7. Per Cent of Expenses to Gross Earnings

All Salaries.....	29.61%
Interest on Deposits.....	16.21
All Taxes.....	5.89
All Other Expense.....	15.94
Operating Profit.....	32.35

Total..... 100.00%

Our suggestion is that you take these percentages and compare them with the figures in your own bank and see whether they are above or below.

Since so much emphasis is again being put on service charges at this time, we analyzed the "Service and all other income" as compared to the various classifications of resources showing the "Per cent of income to gross earnings".

These figures are as follows:

### "Service and All Other Income"

Under Paragraph 6 Showing "Per Cent of Income to Gross Earnings" was as follows:

Resources	Under \$200,000	16.81%
" from \$ 200,000 to \$ 300,000		17.44%
" " 300,000 to 400,000		15.82%
" " 400,000 to 600,000		19.06%
" " 600,000 to 800,000		16.70%
" " 800,000 to 1,000,000		18.72%
" " 1,000,000 to 3,000,000		17.01%
" " 3,000,000 to 5,000,000		17.65%
" over 5,000,000		13.44%

You will notice in this comparison that the highest percentage of income of 19.06% was from **Service Charges** in the group of banks with resources from \$400,000 to \$600,000 and that the lowest percentage of income from **Service Charges** was in the group of banks with resources over \$5,000,000 or 13.44%.

We believe that a comparison of your bank ratios with these figures will prove interesting and we hope helpful.

## Directors Are Not Salaried Employees Of a Bank

A recent Internal Revenue department ruling has said that directors and non-salaried officers should be included in determining whether a bank has eight or more employees.

We believe that this is an unfair and unsound ruling.

It has been protested by numerous bankers' associations, and it is a decision which should be reversed.

Certainly a director, who only attends directors' meetings on call, should not be classed as a full-time employe, any more than other non-salaried officials.

## Safety More Important Than Profits

In these times of expanding deposits, when there may be a desire on the part of banks to indulge in speculative investments, it is worth remembering that safety is more important than profits.

It is our belief that banks today are better managed and more carefully operated than in any previous time, and we are sure that safety will be made the paramount issue during this period.

*Clifford DePuy*

Our whole concept of a complete correspondent service is based upon the principle of determining the needs of our correspondents . . . and servicing them with the combined facilities of a well equipped transit department and an efficient personnel.



*"Iowa's Friendly Bank"*

**CENTRAL NATIONAL BANK**  
**AND TRUST COMPANY**  
*of Des Moines*

*Member Federal Deposit Insurance Corporation*





Majestic Splendor

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

*Northwestern Banker July 1942*



## Further Answers to the Question—

# How Much Would *You* Loan to Elmer Blurp?

### Bankers from the Wheat Belt to the Corn Belt Tell How They Make Loans

THE borrowing adventures of Elmer Blurp, as described on pages 16 and 17 of the June issue of *THE NORTHWESTERN BANKER*, have aroused much interest on the part of our readers. If by chance you overlooked this feature in the June number, we suggest you turn to it now. Reference to page 17 of the June issue will be necessary, since the replies from bankers in this second installment are based on the financial statement of Elmer Blurp appearing on that page. Before reading what other bankers say they would loan to Elmer, we suggest you analyze the statement from the standpoint of the loaning policy of your own bank, and then see how your figures compare with those published.

#### Nebraska, Adams County

Here is how a banker from Adams County, Nebraska, would take care of Elmer:

"It is a little difficult to reply in dollars, but taking the statement at face and the information given thereon as to Elmer's integrity and standing, would say that we would be very glad to loan him on security of his livestock and grain, enough to pay all his indebtedness, cash rent, and reasonable operating expenses for 1942, approximately \$950; or, even increase his loan above that amount for the cost of additional livestock up to a maximum of \$1,250.

"We would not care to increase the loan above the first proposal for the purchase of non-essentials.

"Think it may be said that we have leaned rather to the conservative side as compared to what we might actually do for a borrower of Elmer's financial standing with whom we had pre-

#### PART TWO

vious experience, and whose ability to operate profitably was known to us."

#### North Dakota, Cass County

We now take you to North Dakota, where agricultural loans are handled somewhat differently than in the corn belt:

"It would be our opinion in this area that Mr. Blurp is a fairly successful tenant farmer and that he would be entitled to some assistance from the bank. It is apparent that Mr. Blurp has been able to make a living, raise three children, and keep himself quite well out of the hands of his creditors.

"You ask if we would make a loan to this party on his statement. As a matter of policy our loan would be on a secured basis as we would wish to take a lien on his livestock and machinery. The amount of the loan would not be based on the value of the security, but on the basis of his needs and ability to pay.

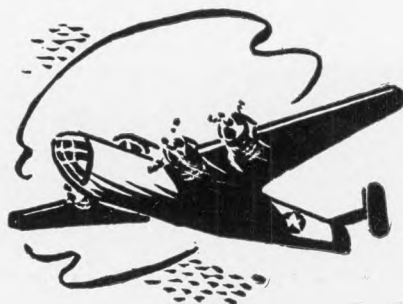
"It does not appear in the statement when Mr. Blurp pays his cash rent, but we are presuming that the rent would be payable in the fall after the crop is harvested. We notice that his corn and oats are on a share basis,

so we presume that the \$6 cash rent would be on 60 acres, which would mean an outlay of \$360. His other operating expenses apparently would be nominal as he has his cream checks and some AAA payments. We assume that most of his seed is provided for, and in view of the fact that he is only farming a quarter of land, it would not be necessary for him to hire any additional help, as he could rely on his family.

"Such being the case, we would be glad to advance Mr. Blurp at this time \$800, which would take care of his doctor bills, miscellaneous bills, and the lien on the tractor, and allow him \$250 for expenses. As stated previously, we would wish to have this loan secured by all the personal property. It would then be our understanding that \$250 of the amount advanced would be paid from part of the proceeds of the sale of the fifteen fall pigs when the pigs have reached the weight for market.

"The balance of the money from the pigs he could use for other operating expenses, or accumulate for his fall cash rent. Then we would expect Mr. Blurp to pay another \$250 in the late fall or winter from the sale of the spring pigs. This would leave him more operating funds from the proceeds of the spring pigs which are not carried over and also from the sale of his sows. The \$300 remaining on the loan we would be glad to carry into the following year.

"With the plan outlined we would not be assuming all of the operating expenses, as we cannot see his necessity for borrowing any larger sum at the beginning of the season. We certainly can see no hazard in assisting this tenant farmer along the plan out-



*Northwestern Banker* July 1942



lined as we would not be encouraging him to go into debt very deeply, and the bank would at all times have ample security and Mr. Blurp would have extra operating funds through the season from his hogs.

"As stated previously, we are not predicating our loan on the value of the security, but on what we consider the man's needs."

### Iowa, Cass County

And now down to Iowa, where corn and hogs seem to be definitely in the loaning picture:

"Elmer evidently has not been a money maker, as at age 48 he should have accumulated more property, unless he had some losses through land investments.

"We would not loan him enough to pay all of his debts, plus operating expenses as he has too many cows—too long a program to liquidate the loan this year.

"We would loan him, however, \$300 to \$400 to help on his outstanding accounts, with a mortgage on his livestock. A loan of this type could be liquidated from the sale of sows, after farrowing, and from the sale of his shoats. This loan would be sufficient to purchase some additional feed for his hogs, as it would take 300 bushels of corn or equivalent feeds to put them up to 250 pounds, and this would only allow him 100 bushels for his other feeding of livestock.

"If he had a good crop this summer, and this loan was paid, we would then consider him again this fall for his further requirements."

### South Dakota, Brookings County

This banker from South Dakota goes into a little more detail, and his analysis is most interesting:

"Elmer is entitled to a loan of \$500 at the present time. Though he will need another 200 bushels of corn to finish out his 15 hogs weighing 100 pounds now. His 1942 crop will come on soon enough to take care of the spring pigs.

"Should his tractor (used) have been purchased during the past few months, we would take it on a conditional sales contract to be paid in 18 months, according to the time of the sale of his sows, and later his hogs, and still later his pigs.

"Our loan basis of a graduated rate starting at 8 per cent for a maximum loan of \$20 straight through on cattle, including calves, (not considering cattle on feed, which feeder loan value is higher with 5 per cent interest) \$10 on sows, one half of the market price of hogs (not small pigs) and \$3 (Turn to page 64, please)

## Recreation in the Black Hills



A view in The Needles, one of the most scenic areas of Black Hills grandeur.

**S**OUTH DAKOTA is preparing for numerous riotous and colorful celebrations to be held throughout the Black Hills this summer. Fun must go on, and a notable program of events is planned for the tourist season.

The opener is the Black Hills Round-Up at Belle Fourche, July 3rd, 4th and 5th, a whizzing, whooping, walloping Round-Up that puts its dauntless riders through paces that only the western range knows.

July 27th and 28th bring the Gold Discovery Days at Custer, with a brilliant, stirring pageant enacting the old Indian legend of the creation of the Black Hills and Custer's expedition in 1874.

With the Days of '76 Celebration, August 6th, 7th, 8th and 9th, Deadwood, that historic city steeped in the traditions of the Old West, turns back the pages of time for four thrilling

days and nights and re-lives the adventurous days of 1876. Wild Bill Hickok, Calamity Jane, Poker Alice, Deadwood Dick and many others again stalk the streets of the old mining town.

At Spearfish, in the heart of the Black Hills, the world's oldest, the Luenen Passion Play is now presented three times weekly from June 21st to September 6th. The great drama is enacted by a cast of over 500 players against the background of mile-high Lookout Mountain on a stage over three blocks long. Josef Meier, world-famous Christus portrayer, is in the featured role.

There is a wide variety of recreation to be found in the Black Hills, lots to do for every type of vacationist. There are opportunities for riding, swimming, long beautiful drives, hiking, fishing and hunting in the invigorating atmosphere of this beautiful mountain playground.

*Northwestern Banker July 1942*

# NEWS AND VIEWS

## OF THE BANKING WORLD

By Clifford DePuy

**Robert W. Sparks**, national field director of the treasury department's war savings stamps campaign, in a recent address pointed out that no fewer than 20,000 employes of banks were devoting their full time in the banks to the selling and issuing of war savings bonds.

This is what we call going all-out for victory in the selling of war bonds.

**Fred D. Cummings** of the Drovers National Bank of Chicago entered the Navy in February of this year, and in a recent letter to **Henry H. Haynes**, editor of the *Northwestern Banker*, said:

"Have just finished reading the current issue of the *NORTHWESTERN BANKER*, and it sure makes me want to get back into the state of Iowa. More than ever I missed those swell group meetings, where a good time is had by all.

"My career in the Navy has been a very exciting one so far, and as time goes on it is becoming more so. This area is a very important and vital one, as this is mainly a torpedo base. I have recently been taken off a destroyer and assigned to shore duty here.

"When I see you again in civilian life, I'll tell you all the facts, but censorship prevents me telling much at present.

"Give my regards to Cliff and the rest of the gang when you see them."

**Preston Delano**, Comptroller of the Currency, reports that the 5,123 national banks had net operating earnings for 1941 of \$284,015,000, which was \$18,710,000 more than the amount reported for the year 1940.

In speaking before the Pennsylvania Bankers Convention, one banker pointed out the problems that the credit man of today has by saying:

"Credit used for production during this period must be considered in two categories: loans for defense purposes and loans for non-defense purposes. The granting of credit which assists the defense program offers banking an opportunity and responsibility which it will continue to meet to the full extent of its ability."

Professor **W. Barton Leach**, of the Harvard Law School, in speaking before *Northwestern Banker* July 1942

fore the New Hampshire Bankers Association, emphasized that when peace comes, America must help police the world, and he pointed out that:

*"When this war is won Germany must be disarmed, and never, never again allowed to get a gun into its hands."*

*"For the last fifty years the Prussians of Germany have demonstrated a complete incapacity to live peacefully in a civilized society."*

*"Disarming of Germany under the Treaty of Versailles was 'a good job, and if the great powers, England, France and ourselves, had insisted upon performance of these provisions, there would have been no second World War'."*

**Mark A. Brown**, Financial Advisor to the Director of Industry Operation Division of the War Production Board and former vice president of the Harris Trust and Savings Bank in Chicago does not believe that Washington is in as chaotic a condition as many think.

Recently he remarked that, "I want to dispel the idea that Washington is a madhouse, an asylum run by the inmates. It is a place of very many busy people. It is like a log floating down the stream in which there are 50,000 ants, all of whom think they are directing the log, but it is not a madhouse."

**Dr. Paul F. Cadman**, Economic Advisor of the American Bankers Association, now believes that the United States can bear a war debt of \$200,000,000,000.

Whether he is right or wrong remains to be seen, but he gives his reasons for such a large debt by saying, "Sound finance is like sound government, it rests upon the integrity of the promisor. One reason we can bear a \$200,000,000,000 debt is that those who put up a large part of the money have unlimited faith in the contract under which it is borrowed. Another reason we can support a \$200,000,000,000 debt is that we have the productive capacity to produce enough wealth after the war to service that debt, to meet the interest charges on it, and ultimately, to pay it. But that task envisages an industrial and agricul-

tural output greater than anything heretofore achieved. It means world markets as well as domestic markets. It means a new economic statesmanship fully conscious of the fact that the ghost of isolationism has been laid. It means an independent American people, released from the dead hand of bureaucracy—freed from the multiplicity of executive controls which are a necessary but nonetheless un-American adjunct of war."

**Joseph Wayne, Jr.**, chairman of the board of the Philadelphia National Bank, who died recently at the age of 68, had long been a popular and prominent figure in banking circles of the United States, and his loss will be keenly felt by his many friends throughout the United States.

Mr. Wayne started as a clerk in the bank, and rose to the head of that institution through his own ability and untiring efforts.

**E. Chester Gersten**, president of the Public National Bank & Trust Company of New York City, was elected vice president of the New York Bankers' Association at the annual meeting recently, succeeding **John P. Meyers**, president of the Plattsburg National Bank & Trust Company, who was promoted to the presidency of the association.

**John J. Driscoll, Jr.**, of Driscoll, Millet and Company of New York believes that banks will have to make a marked increase in service charges in order to increase their earnings in the future.

**Herbert V. Prochnow**, assistant vice president of the First National Bank of Chicago, has just written a new book, *"The Public Speaker's Treasure Chest,"* which has been published by Harpers.

In a letter to the *NORTHWESTERN BANKER*, Mr. Prochnow says:

"Briefly this book may be divided into four major divisions:

1. Chapter I—How to Prepare Your Speech. Contains 60 illustrations showing step by step how to prepare a speech.

2. Chapter II—How to Make Your Speech Sparkle. Gives 15 effective tools by which a speech can be given color—over 65 illustrations.

3. Chapter III—Public Speaking in a Nutshell. A concise outline in only four pages of the essential points to know in public speaking.

4. Chapters IV to XI. Contains 4,000 items of source material, such as 1,000 humorous stories, 500 epigrams, 200

(Turn to page 62, please)



# The Minnesota Convention

DULUTH  
July 8-10

Headquarters—Hotel Duluth



O. G. JONES  
President, Minnesota Bankers Association

DESIGNATED a "war conference," the annual convention of the Minnesota Bankers Association in Duluth, July 8th to 10th will discuss wartime problems of bank operations and hear one of the nation's outstanding commentators on the war in the Pacific.

Principal speakers will include Paul F. Cadman, economist for the American Bankers Association; and Upton Close, NBC commentator and authority on the Japanese situation.

There will be a panel discussion on the soldiers and sailors civil relief act, conducted by Ralph H. Comaford, Minneapolis attorney and member of the law firm which acts as counsel for the state bankers association. Another panel discussion will center on Regulation "W", with Thomas Hodgson, assistant counsel of the Federal Reserve Bank of Minneapolis, in charge.

The complete program follows:

## Wednesday Evening, July 8th

Pre-Convention Smoker—L. O. Olson, vice president, presiding.  
Report of Nominating Committee.

Entertainment provided by the Duluth Clearinghouse Association Banks.

## Thursday Morning, July 9th

Golf Tournament at Northland Country Club Course. Teeing off at 7:30 a. m. and not later than 9:00 o'clock a. m.

Committee meetings.

Council meeting, 10:00 a. m.—Italian Room.

Meeting of "The Pioneer Club", 10:00 a. m.—Norse Room. Luncheon to follow. (Same room.)

Minnesota Examiners Club, 11:00 o'clock—Pompeian room. Luncheon to follow. (Same room.)

On account of the smoker being held the evening of the 8th, no regular program is arranged for the morning of the 9th, which will give the delegates ample time to visit.

## Thursday Afternoon, July 9th

Call to Order—Ball Room, Hotel Duluth.

Invocation—Rev. Frank A. Court, Pastor, First Methodist Church, Duluth.  
President's Annual Address—O. G.

Jones, President Goodhue County National Bank, Red Wing.

Address—Dr. Paul F. Cadman, economist for the American Bankers Association.

Open Panel Discussion on "Soldiers and Sailors Civil Relief Act", conducted by Ralph H. Comaford of the firm of Fowler, Youngquist, Furber, Taney and Johnson, attorneys for Minnesota Bankers Association.

A. B. A. elections.

## Thursday Evening, July 9th

Awarding of golf prizes.

Annual Banquet—Ball Room, Hotel Duluth.

Address—"Our Destiny in the Pacific", by Upton Close, NBC commentator. Mr. Close is undoubtedly the outstanding authority on the Pacific situation, having been a newspaper reporter located in Japan for a number of years, and also a student on the Pacific situation.

Dancing—Joe Priley and His Orchestra.

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Northwestern Banker July 1942

# Things You Will Want to Know About Revised *Regulation W*

**R**EGULATION W was revised by amendment effective May 6, 1942, now covers four different types of credit, namely, installment sales of listed articles, charge accounts, installment loans and single-payment loans.

The maturity for regulated installment extensions of credit has been reduced to a maximum period of 12 months, except where the proceeds are used to purchase automobiles and motorcycles the maximum maturity is 15 months.

The down payment requirement on extensions of credit, other than charge account credit, for listed articles has been reduced to one-third of the cash price of the article, except in the case of pianos and furniture the down payment need not be more than one-fifth of the cash price.

Charge accounts are brought under the regulation for the first time by the May 6, 1942, amendment and are regulated to the extent that no listed article is permitted to be sold in a charge account with an agreement that payment therefor may be deferred beyond the tenth day of the second calendar month following the calendar month when such article was sold. If the charge account covering listed or unlisted articles for which credit was extended is not paid within the prescribed period, it is deemed to be in default and during such default the vendor is not permitted to extend further credit to the obligor for any listed article.

## Three Methods

Three methods are prescribed in the regulation for curing defaulted charge accounts, namely, (1) by payment in full, (2) by written agreement signed by the purchaser to pay the amount in default on a six month's installment basis, with payments of not less than \$5.00 per month or \$1.25 per week, and (3) by the purchaser qualifying for and signing a statement of necessity and a written agreement to pay the amount in default on a 12 months' installment basis.

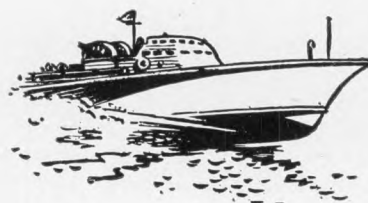
Generally speaking, installment loans of \$1,500 or less, whether or not the proceeds are to be used to purchase

By Paul C. Hodge

Assistant Counsel  
Federal Reserve Bank  
Chicago

a listed article, are limited to a 12 month's repayment basis, except that if the proceeds are to be used to reduce or retire a charge account covering a listed article or a single-payment loan the maturity is limited to six months. An installment loan to retire a charge account confined to unlisted articles, whether or not in default, may be scheduled for 12 months.

Single-payment loans, which are likewise brought under the regulation for the first time by the May 6, 1942, amendment, if in an amount of \$1,500 or less, are subject to a maximum maturity of not to exceed 90 days, whether or not the proceeds are to be used to purchase a listed article. Two methods are provided for the renewal of regulated single-payment loans made on and after May 6, 1942, namely, (1) by means of an installment loan with an overall maturity of not to exceed 12 months from the date on which the original single-payment loan was made, except that if the proceeds of the original loan were used to reduce or retire a charge account the maturity of such installment loan must not exceed six months from the date the original single-payment loan was made, and (2) by a series of successive obligations, each having a maturity not to exceed 90 days with an overall maximum maturity of not to exceed 12 months from the date the original single-payment loan was made (six months where the proceeds were used to reduce or retire a charge account),



and provided that the borrower pays an amount at the time of each such renewal, including the first, sufficient to retire the whole indebtedness within the maximum permitted period.

Single-payment loans which were made before May 6, 1942, may be renewed or revised more than once and on any basis without being subject to any of the requirements of the regulation. This rule applies to both the original lender and any other registrant making a loan to reduce or retire such outstanding single-payment loans. However, in this connection, a joint statement issued to and published by the press on May 7, 1942, by the comptroller of the currency, the board of directors of the Federal Deposit Insurance Corporation, and the board of governors of the Federal Reserve System urged that the principle of amortization of debts be applied to other loans not subject to Regulation W, particularly to the volume of outstanding single payment loans to individuals for nonproductive purposes.

## The "Farmer Plan"

Section 9 of the regulation, entitled "Seasonal Adjustments" contains provisions under which regulated extensions of credit may be made repayable on a more lenient basis. For example, the so-called "Farmer Plan" for the repayment of any installment credit is retained in the Regulation Section 9(b) and a new paragraph has been added thereto which provides that if the purchaser or borrower is known to the registrant to customarily receive 75 per cent or more of his income during one or two seasons of the year from farming or stock raising, his extensions of credit whether charge account, single-payment loan or installment may be made repayable starting with or during the next calendar month following the season or seasons in which he customarily receives his income as therein prescribed.

The regulation also provides that all regulated single-payment and installment loans must be supported by

(Turn to page 27, please)



# South Dakota Meeting Well Attended

About 400 Are Registered at Fifty-first Annual Convention of South Dakota Bankers Association. Harold N. Thomson, of Presho, Is Elected President

**D**ESPITE lack of tires, floods and high temperatures, the South Dakota Bankers Association staged one of its most successful and well-attended conventions in Sioux Falls last month when nearly 400 bankers and their wives and daughters came to the largest city in the state for the fifty-first annual meeting. Following the practice of most organizations this year, the business sessions were confined to one day only, and these sessions were strictly business from start to finish, with an excellent program arranged by Secretary George M. Starring.

Harold N. Thomson, vice president of the Farmers & Merchants State Bank, Presho, was named president of the South Dakota Bankers Association

for the coming year, with Tom N. Hayter, vice president of the First National Bank, Sioux Falls, elected to the office of vice president. Mr. Starring will of course continue as secretary and treasurer of the Association. L. A. Lohr, cashier of the First National Bank of Lake Norden, and C. J. Poshuta, vice president and cashier of the Underwood State Bank, New Underwood, were named as members of the Association executive council.

South Dakota members of the American Bankers Association appointed Harold Thomson as the South Dakota member of the ABA nominating committee to serve at the coming National convention in Detroit, with W. C. Rempfer, cashier of the First National Bank, Parkston, as alternate. Vice

presidents of the several ABA state divisions elected were: National Bank Division, Fred Lewis, president First National Bank in Lemmon; Savings Bank Division, J. W. Bryant, vice president Commercial Trust & Savings Bank, Mitchell; State Bank Division, R. H. Jackson, cashier Security State Bank, McIntosh; and Trust Division, Pierce H. McDowell, vice president and trust officer, Northwest Security National Bank & Trust Company, Sioux Falls. Largely through the efforts of Ralph Watson, president of the Northwest Security National, Sioux Falls, and ABA vice president for South Dakota, all but nine banks in the state are now members of the American Bankers Association, and Mr. Watson says

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AT THE SOUTH DAKOTA STATE CONVENTION—Reading from left to right: 1—H. N. Thomson, vice president Farmers & Merchants Bank, Presho, newly elected president of the South Dakota Bankers Association; and T. N. Hayter, vice president First National Bank & Trust Company, Sioux Falls, new Association vice president. 2—George M. Starring, secretary of the South Dakota Bankers Association; and Ralph M. Watson, president Northwest Security National Bank, Sioux Falls. 3—Tom S. Harkison, vice president National Bank of South Dakota, Sioux Falls; T. N. Hayter; and

William C. Duffy, vice president Union Savings Bank, Sioux Falls. 4—L. T. Morris, president First Citizens National Bank, Watertown, and immediate past president of the South Dakota Bankers Association; and B. R. Laird, cashier Security State Bank, Tyndall. 5—C. O. Gorder, vice president First National Bank of Black Hills, Deadwood; and E. L. Stucker, cashier National Bank of Tulsa, Tulsa, Oklahoma. 6—Fred L. Lewis, president First National Bank in Lemmon; and John T. Ashford, emergency crop and feed loan official, Omaha.

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# In A Dispute of *Boundry* Line Is A Survey Always Recognized?

A dispute arose between two Iowa bankers regarding the boundary line between certain lands owned by them in that state. In the final analysis the matter boiled down to whether a line fixed by survey or a line recognized and acquiesced in as such for a period of at least ten years was the true boundary. Was the later the correct line?

**Yes.** In Iowa a line marking the boundary between adjoining owners which is recognized and acquiesced in as such for a period of at least ten years becomes the true boundary, notwithstanding it is not the line fixed by survey.

**Hodges, an Iowa banker,** was executor of the estate of Fraser in that state. As an incident to the settlement thereof a question arose regarding a check given by Fraser during his lifetime to McGaw, who had a claim against the estate, and whether such check, which had been received, endorsed, and cashed by McGaw, constituted a settlement of McGaw's claim. Was it proper for the executor and the probating court to go beyond recitals in the check to determine whether the claim should be allowed?

**Yes.** The receipt of a check and the endorsement and cashing thereof do not necessarily amount to a settlement of the account for which the check was given. Generally speaking, a check is to be treated as a receipt and is susceptible of explanation.

**Matthews owed a Nebraska bank \$500.** He was unable to pay and, after considerable negotiations, was able to prevail on his father to pay, and the bank to accept, \$250 in full satisfaction of the indebtedness. Did the fact that a third party made the payment place the bank in a position where it could recover the balance from the son at a later date?

**No.** A payment by a third party, accepted by a creditor as full satisfaction of his claim, discharges the debtor's duty to the creditor to pay such claim.

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## These and Other Timely Legal Questions Are Answered

By the  
**LEGAL DEPARTMENT**

**Could the bank, in the preceding question, recover the balance from the son at a later date under the general rule that the receipt of a smaller sum is not a good accord and satisfaction of a larger one?**

**No.** Payment by a third person of a sum less than the amount due, with the understanding that it shall be in full satisfaction thereof, is a valid accord and satisfaction, and no action will lie against the debtor to recover the balance. In such case there is a new consideration from a new party, and the general rule that the receipt of a smaller sum is not a good accord and satisfaction of a larger one does not apply.

**Duncan owed a Nebraska bank \$500 on a note which he was unable to pay on its due date.** Thereafter he executed a further note and a mortgage in that amount. When the note secured by the mortgage fell due, it was not paid. The bank sued to foreclose. Duncan defended on the ground there was no consideration for the note and mortgage by reason of which they were invalid. Was the defense good?

**No.** Duncan was morally bound to pay the debt originally incurred by him and this moral obligation to pay that debt was sufficient consideration for the execution of the note for the amount of that debt and the mortgage securing it.

**Farrell, a Nebraska banker,** made a will in that state and subsequently made a codicil thereto which was written on the back of the paper on which the will was written. Was it proper,

after his death, to probate both the will and the codicil?

**Yes.** A man's last will must not of necessity be confined to one testamentary paper. It may consist of several different testamentary papers, of different dates, and executed and attested at different times. The placement of the codicil on the back of the will was proper and both should be probated.

**Banks, a Minnesota banker,** sold a farm in that state to Snow. As a part of the transaction Snow agreed to "assume" an existing mortgage thereon. He did not agree specifically to pay the mortgage. Was he obligated to pay?

**Yes.** An agreement by a vendee to assume an existing mortgage on property sold, without an express agreement that he also agrees to pay the mortgage, is one to pay the mortgage debt.

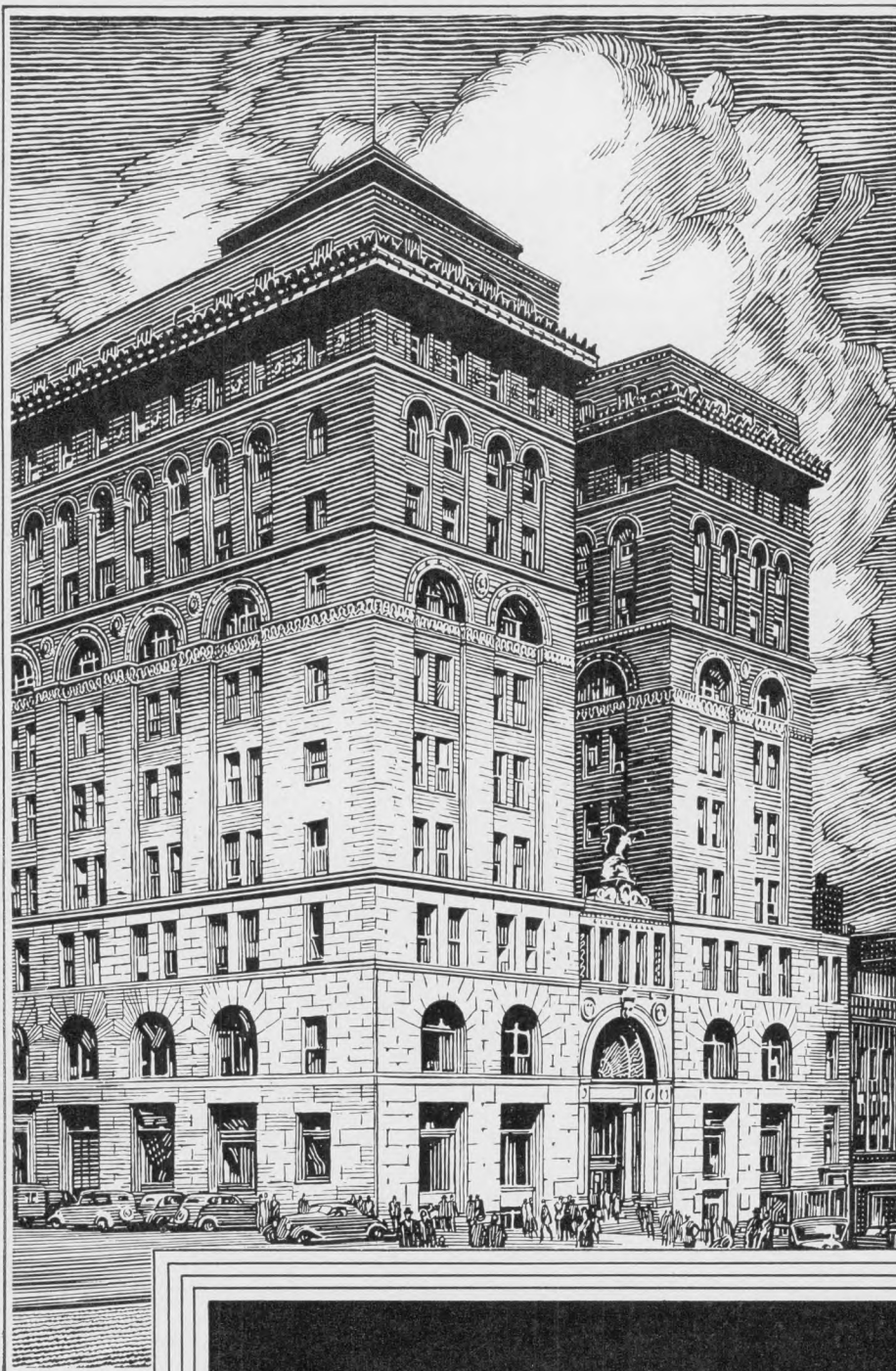
**As an incident to making a deposit of funds in a real estate deal Brown obtained from a Minnesota bank a cashier's check payable to Smith.** The deposit of the check was duly made but a dispute arose regarding the deal and both Brown and Smith made claim against the bank for the funds represented by the check. Smith sued the bank and it brought Brown into the case so that the equivalent of an interpleader suit resulted. Was such proper?

**Yes.** In a recent case involving a bank in the southeastern part of Minnesota the Supreme Court of that state held that such action was proper and that the bank involved dealt with the matter in a legal fashion in so handling it.

**A North Dakota banker left certain grain in a public warehouse there.** The warehouse was destroyed. The warehouseman offered to pay the banker the price prevailing on the date of the destruction for the grain that had been left with him. The banker refused to

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MEMBER  
FEDERAL  
DEPOSIT  
INSURANCE  
CORPORATION

# The Omaha National Bank

*Northwestern Banker July 1942*

# Milsten *North Dakota* Banker Head

## Hans A. Fischer Named Vice President at Annual Convention in Dickinson

**M**EMBERS of the North Dakota Bankers Association, at their fortieth annual convention held last month in Dickinson, elected **J. O. Milsten** as president of the organization. Mr. Milsten is president of the First National Bank of Belfield. **H. A. Fischer**, cashier of the Farmers Security Bank, at Washburn, was named vice president, and **E. L. Shaw**, president of the Fargo National Bank was elected treasurer. **C. C. Wattam**, of Fargo, of course remains as secretary. In the event it is thought advisable to omit the annual meeting in 1943, the executive council of the North Dakota Bankers Association was given the authority to appoint the

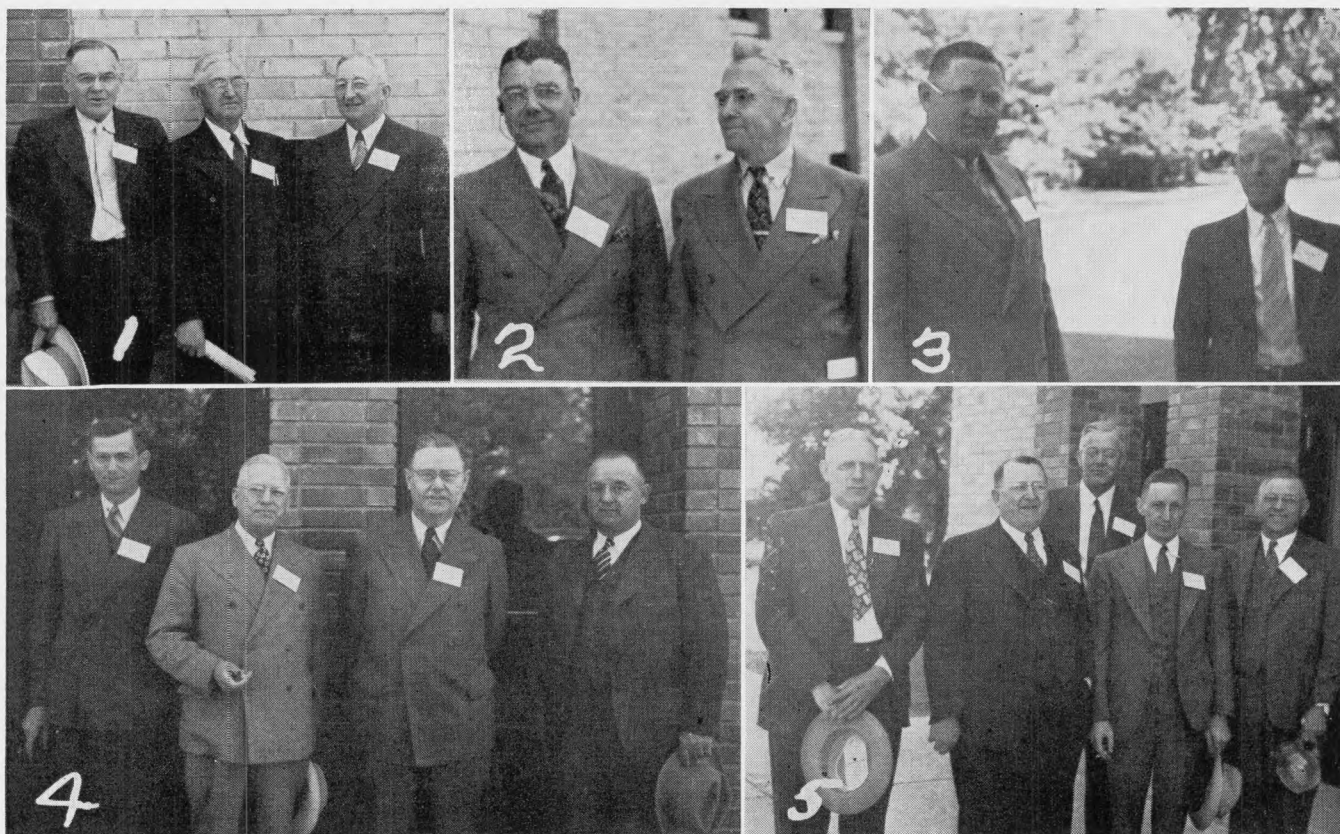
newly elected officers to hold over until such time as a convention can be held. Devils Lake was named as the next convention city.

Registration at Dickinson, everything considered, exceeded expectations, with about 200 total, of which 145 were men. Not shown on the official program, but a part of the convention activities which everyone enjoyed immensely, was the contribution of Song Leader **Charlie Rieger**, Jamison & Company, Minneapolis, and that accomplished accordion artist, **Dr. Rolf Hartig**. At the stag party and at the convention banquet the sweet strains of classical and swing gave the barbershop chord addicts a chance to

exercise their vocal abilities, which they did with right good will. And as it should be, Charlie and the Doctor appeared to have more fun than anyone else.

**Fred Irish**, president of the First National Bank, Fargo, was named the North Dakota member of the ABA nominating committee, with Mr. Milsten of Belfield as alternate. North Dakota vice presidents of the several ABA divisions were elected as follows: **E. G. Bloedow**, president Security National Bank, Edgeley, national bank division; **T. A. Tollefson**, cashier First National Bank, Dickinson, savings

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AT THE NORTH DAKOTA CONVENTION—Reading from left to right: 1—**G. A. Lenhart**, cashier bank of Hazelton; **Fred D. McCartney**, vice president First National Bank, Oakes; and **Hans Fischer**, cashier Farmers Security Bank, Washburn. 2—**V. A. Helberg**, president Farmers State Bank, Minnewaukan; and **H. M. Weydahl**, executive vice president Bank of Killdeer. 3—**Martin Aas**, vice president First State Bank, New Rockford; and **Robert R. Bertsch**, assistant cashier First National Bank, Dickinson. 4—**A. R. Kumm**, vice

president and cashier Peoples State Bank, Velva; **C. P. Kjelstrup**, executive vice president American State Bank, Minot; **T. M. Condon**, FDIC, Bismarek; and **J. L. Tschida**, cashier First State Bank, Galva. 5—**A. G. Idsvoog**, Grafton; **Charles Wattam**, secretary North Dakota Bankers Association, Fargo; **C. I. Erstad**, cashier Farmers State Bank, Mad-dock; **A. W. Omdahl**, cashier Ramsey County National Bank, Devils Lake; and **Grover Tollefson**, assistant cashier First National Bank, Dickinson.

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# *How Banks Are Working* FOR **V I C T O R Y !**

Throughout the nation banks are wholeheartedly participating in the War Effort and WITHOUT REMUNERATION have sold more than two-thirds of all the War Bonds now outstanding. Banks listed on this page, with deposits ranging from a half million dollars up to several million, have sold an average of \$177,261 of War Bonds per bank from May, 1941, to June 1, 1942. Naturally some of the banks shown below are well above this average, while some may be slightly below, but it does indicate the vigorous support which banks are rendering in our Battle for Freedom!

**ALBURNETT STATE BANK**

Alburnett, Iowa

**ALTA VISTA STATE BANK**

Alta Vista, Iowa

**FIRST TRUST & SAVINGS BANK**

Armstrong, Iowa

**BALDWIN SAVINGS BANK**

Baldwin, Iowa

**BENTON COUNTY STATE BANK**

Blainstown, Iowa

**STATE SAVINGS BANK**

Cantril, Iowa

**THE CENTRAL STATE BANK & TRUST CO.**

Elkader, Iowa

**STATE BANK OF FAYETTE**

Fayette, Iowa

**FIRST NATIONAL BANK**

Hampton, Iowa

**HAMPTON STATE BANK**

Hampton, Iowa

**IOWA STATE BANK & TRUST CO.**

Iowa City, Iowa

**FARMERS STATE BANK**

Jesup, Iowa

**FARMERS STATE BANK**

Kanawha, Iowa

**KELLOGG SAVINGS BANK**

Kellogg, Iowa

**JASPER COUNTY SAVINGS BANK**

Newton, Iowa

**PELLA NATIONAL BANK**

Pella, Iowa

**CITIZENS SAVINGS BANK**

Sac City, Iowa

**THE SECURITY TRUST & SAVINGS BANK**

Shenandoah, Iowa

**UNION-WHITTEN STATE SAVINGS BANK**

Union, Iowa

**FIRST NATIONAL BANK**

Winona, Minnesota

**STOCK YARDS NATIONAL BANK**

South St. Paul, Minnesota

**FIRST NATIONAL BANK**

Grand Island, Nebraska

**CONES STATE BANK**

Pierce, Nebraska

**NEBRASKA STATE BANK**

Valentine, Nebraska

**CITIZENS STATE BANK**

Enderlin, North Dakota

**THE BANK OF CENTERVILLE**

Centerville, South Dakota

**COMMERCIAL STATE BANK**

Wagner, South Dakota







# *How Banks Are Working* FOR **VICTORY!**

Throughout the nation banks are wholeheartedly participating in the War Effort and WITHOUT REMUNERATION have sold more than two-thirds of all the War Bonds now outstanding. Banks listed on this page, with deposits ranging up to a half million dollars, have sold an average of \$30,387 of War Bonds per bank from May, 1941, to June 1, 1942. Naturally some of the banks shown below are well above this average, while some may be slightly below, but it does indicate the vigorous support which banks are rendering in our Battle for Freedom!

## **STATE BANK OF BUSSEY**

Bussey, Iowa

## **FARMERS SAVINGS BANK**

Clermont, Iowa

## **CROMWELL STATE SAVINGS BANK**

Cromwell, Iowa

## **SECURITY SAVINGS BANK**

Farnhamville, Iowa

## **THE FARMERS SAVINGS BANK**

Joice, Iowa

## **FARMERS SAVINGS BANK**

Martelle, Iowa

## **RANDALL STATE BANK**

Randall, Iowa

## **FARMERS STATE BANK**

Stanhope, Iowa

## **THURMAN STATE SAVINGS BANK**

Thurman, Iowa

## **FARMERS SAVINGS BANK**

Walford, Iowa

## **CHOKIO STATE BANK**

Chokio, Minnesota

## **STATE BANK OF LISMORE**

Lismore, Minnesota

## **FIRST NATIONAL BANK OF WILMONT**

Wilmont, Minnesota

## **FARMERS STATE BANK**

Avoca, Nebraska

## **CRAWFORD STATE BANK**

Crawford, Nebraska

## **BANK OF LEIGH**

Leigh, Nebraska

## **STROMSBURG BANK**

Stromsburg, Nebraska

## **FIRST STATE BANK OF WARNER**

Warner, South Dakota





# How Life Insurance Meets War Problems

There Is No Better Investment in the Land Today  
Than Life Insurance

By Asa V. Call

Executive Vice President  
Pacific Mutual Life Insurance Co.



ASA V. CALL

THE investment problems of life insurance basically are the same at all times whether our nation be at peace or at war; that is, the investment of money in securities that provide safety of principal, and at the same time yield a reasonable return.

Condition today make the situation much more complicated than at any time we can probably recall. First, we have our own national economic problems and, second, we have the problem of being engaged in a war the results, the cost, and the period of whose duration all as yet are undetermined.

The falling interest rate is a serious problem to all of us. In recent years the average rate of return on investments earned by the twenty largest life insurance companies in this country has substantially decreased. Let me point out that a drop of but one-tenth or 1 per cent in yield to a company with assets of but two hundred and fifty million dollars occasions a loss of \$250,000 a year. And in the case of a company with five billion dollars of assets, this same small drop will reduce the company's income \$5,000,000 a year. Total assets of the legal reserve companies aggregate about 30 billion dollars. A drop of 1 per cent in earnings (and it has been about that much in the last eight or ten years), will amount to 300 million dollars a year, which should have gone to the security of the policyholders.

Notwithstanding this serious situation, life insurance—not easily but safely and with no element of uncertainty—met this problem. There is no better investment in the land today than life insurance. It is indeed a fortunate circumstance for life insurance that its earnings may come from not only interest but from mortality and expense savings as well. These last two factors, particularly mortality, form a bulwark without which there might be some concern, but with it no reason to be fearful.

Apparently this administration is committed to the policy of a redistribution of wealth and has made sub-

stantial progress along these lines. Whether it will be successful or not depends upon you and the rest of the American citizens. The reduction in interest rates has resulted in a loss of purchasing power by capital in these last eight or nine years of at least 50 per cent. Taxes of all kinds—income, inheritance, social security and whatnot—are all now so heavy that it can well be said that they are in substantial part capital levies and we have by no means seen the end of increases.

## Inflation

At the present time we hear much about inflation—and that is a problem. Nobody can deny that to some degree it is here now. Nobody will contest the statement that more of it will occur. I believe that the problem will be met and inflation will be limited. There are ways and means for this

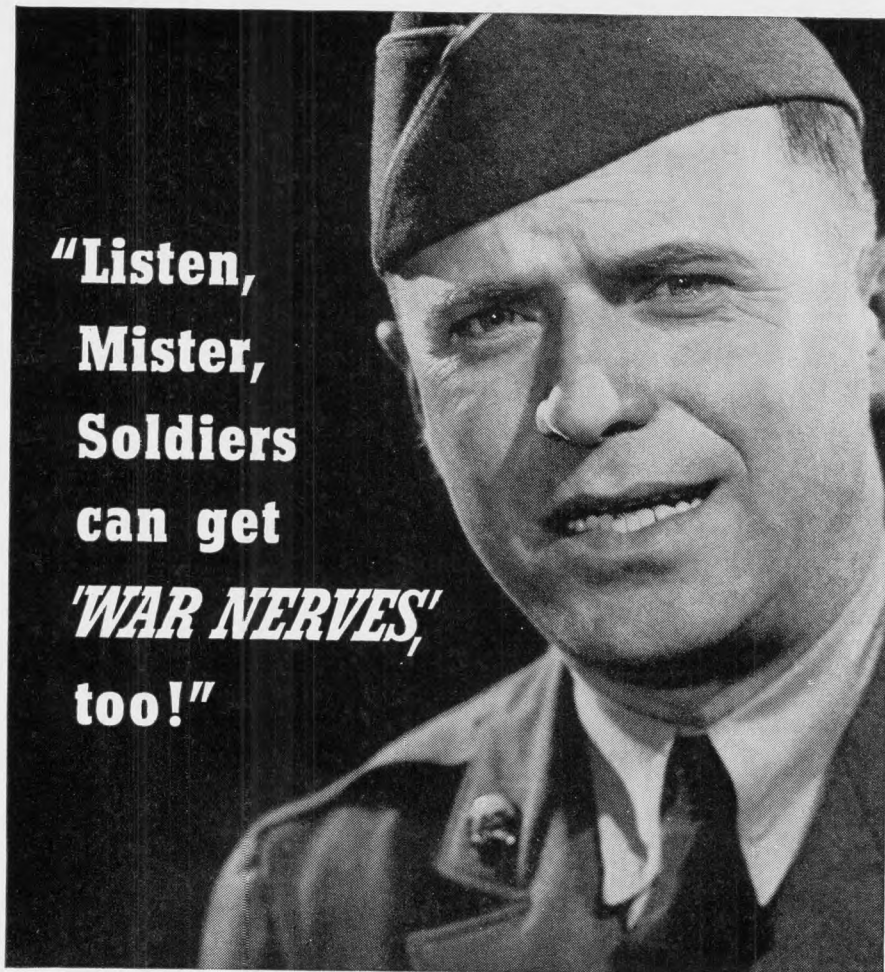
to be done. In this connection I have heard it said that you meet some sales resistance from prospective buyers who are fearful that inflation will destroy or seriously effect the returns under the policy provisions. There is ample answer to this. First, no individual is smart enough to guess just what form or to what extent inflation of the type that scares him, may take. An insurance company with its opportunity for diversification of investment and with its ability to secure the best economic and financial brains in this land, is much better qualified to solve this problem than the ordinary man. And, further, it has been the history of the United States and it will continue to be, that in this country we have periods of inflation and deflation. Sometimes money purchases less than others. You have seen that happen in these last fifteen years to a very marked degree. It is more than likely that the policies which you sell today and tomorrow will not come due for five, ten, fifteen or twenty years, and by that time we will have passed through this present inflation era and have reached a deflation period when the policy returns will buy much more than they will today.

## Government Competition

The extent of government competition with private enterprise is one for serious concern. The more of this we have, the less opportunity there is for venture capital to seek outlets, for private financing of any kind and the average investor, and that includes insurance companies, must invest its money in government bonds which, in turn, are used to finance government business enterprises. You are more or less familiar with this situation. It was going on in numerous fields of business even before the present emergency, the outstanding one, of course, being in the line of hydro-electric power to be sold in competition with the privately-owned electric companies. During the emergency, government participation in private en-

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**"Listen,  
Mister,  
Soldiers  
can get  
'WAR NERVES'  
too!"**



*(A sergeant speaks his mind)*

"I'm going to give it to you straight.

"We read a lot of stuff about how civilians are fighting 'war nerves.' Going to shows...dancing...reading...having fun to relax from all the grimness today and keeping up their morale.

"Sure, it's a good idea, but don't forget this. Soldiers and sailors can have 'war nerves,' too. I don't mean anything to do with courage and stuff like that. Believe me, they got plenty of nerve to take it—and dish it out—whatever the orders are.

"What I mean is that soldiers, maybe even more so, need shows and decent places to go when they're on leave. Boredom and monotony during their time off are as bad enemies as any goose-stepping German or Jap. We got to fight them, too.

"That's why everybody in this man's army gives thumbs up to this USO. They're doing a job, Mister. Fighting a fight.

"They're putting on swell shows...running club-houses...providing read-

ing matter...taking care of troops in transit...following the flag wherever the army orders with their mobile units. They're spelling morale in our language with a capital M.

"So listen, all you folks. Next time you see a show or do a little rug-cutting or read a book or light a smoke or just sit down to play a game of gin-rummy or listen to the radio in your nice comfortable living room, just remember that there's lots of guys in O. D. and blue that can also use some of same.

"It all adds up to this...we like the job the USO is doing for us...and we hope you on the home front keep it rolling!"

The war chest against "war nerves" needs replenishing. Soon you'll be asked to help. Well, you heard what the sergeant said!

★ ★ ★

Send your contribution to your local USO Committee or to National Headquarters, USO, Empire State Building, New York City.

**Give to the USO**

terprise has gone to almost extreme lengths. We have seen the government finance the development of factories of one kind and another to double, treble, and quadruple production to make this country the arsenal and warehouse for the world to such an extent that when this emergency passes, it will take more than one master mind to know who owns what in the manufacturing business.

This participation is not a voluntary one in the case of private enterprise, but a forced partnership in which those who put up the money can neither exercise a voice in its administration nor profit from its investment. They have but a one-way ticket; they are the taxpayers, and they pay the bills. There has been a marked drive by some of the social-minded theorists in the administration to increase government control of business and to inject government into business itself. This went on before the war. We must be careful that the present emergency is not used by persons of this type to get a hold that will completely throttle our free institutions.

#### **Mortgage Loans**

The dislocation or ordinary business will soon substantially reduce the number of mortgage loans available for investment, except for residence building in defense areas. There will be little new mortgage loan business available in any community. In addition to this, it is reasonable to expect that commercial loans by banking institutions will shortly reach their peak and that out of defense spending the manufacturing business which had gone into these channels of mortgage and commercial loans will be forced to look for other outlets. About the only one remaining will be government deficit financing. This money will necessarily be in direct competition with the program of the insurance companies.

Fights, war programs, emergency spending, are always expensive to the investor. They consume wealth, create

### **EMPLOYERS MUTUAL CASUALTY COMPANY DES MOINES**

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

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



conditions of uncertainty and alarm, arrest normal economic intercourse, and divert useful energy from constructive to destructive enterprise. There has never before been so elaborate and so extensive a plan which must necessarily result in the destruction of a large part of our national wealth as that we have before us now.

From all of what I have said, you might well assume that I am a pessimist, but I am not.

#### Faith in America

I think I am a realist. We are at war. We have certain concrete facts and conditions which are present with us right now. I believe that the American people will meet these problems as they have met other problems from time to time throughout our national career. I believe that public sentiment will force the government to conduct itself realistically. Of course, the pendulum may swing too far one way or too far the other. But, by and large, the American people will from time to time, when the emergency is presented, demonstrate that they have good sense and thereby force our leaders to follow along a rational path. When this emergency is over, we'll still have great cities, churches, motion picture theaters, radios, major leagues and minor leagues, we'll still have all the things that have made the American people the greatest race the world has ever known.

With the qualities of an eternal vigilance, an eternal activity, an eternal fight to preserve right here the freedom which we still have, these problems will be solved. I believe that this will occur. Anybody who believes in America and in its institutions must believe that this will occur.

I will summarize it this way: Have faith in America.—THE END.

#### In New Office

The Policyholders National Life Insurance Company of Sioux Falls is now nicely installed in its new home office building at 14th and South Main Street. This building was formerly a hospital and has fitted in admirably with the home office's needs of the company.

The Policyholders National Life writes a great deal of business through its many banker agents in South Dakota, North Dakota, Minnesota, Nebraska and Montana, and according to Vice President W. Harris, this year is seeing the company move steadily forward.

Officers of the Policyholders National Life a short time ago also acquired controlling interest in the National Reserve Life Insurance Company of Topeka, Kansas, and Secretary

and Treasurer H. O. Chapman is in charge of the National Reserve Life at Topeka.

#### Service Roll

Displayed in the home office of the Northwestern National Life Insurance Company and in twelve of its leading

agencies throughout the country is a new and striking plaque bearing the company's service roll of NwNL men now in the armed forces.

President O. J. Arnold has mailed a photograph of the plaque to each of the 49 men whose names appear on the service roll.

## AT YOUR SERVICE Plenty of Trained Field Help



Western Mutual Agents build business more easily with the help of trained and capable field service men, willing, anxious and able to serve you.

This EXTRA SERVICE can mean increased agency production for you.

LEGAL RESERVE  
FIRE AND AUTO POLICIES



## Western Mutual Fire Insurance Company

Ninth and Grand

Des Moines, Iowa



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



Over and Over Again . . .

## "ALLIED MUTUAL PAYS"

Record breaking new business written by Allied Mutual agents in turn suggests record breaking claims payments as well.

Each month finds Allied Mutual paying more and more claims. Our fair, considerate claim service helps to build friends for our agency force and for insurance generally.



## ALLIED MUTUAL CASUALTY COMPANY

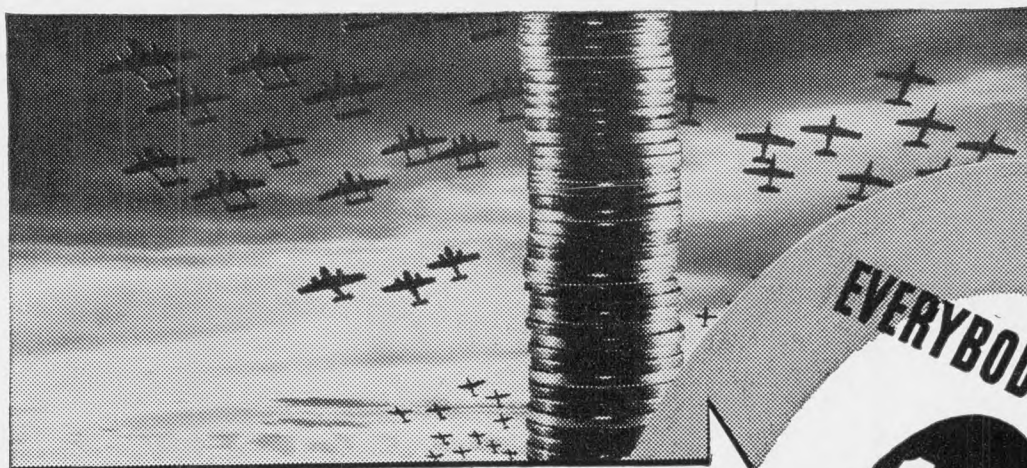
Harold S. Evans, President

Hubbell Bldg.

Des Moines, Iowa



Northwestern Banker July 1942



## *New Target for Industry:* More Dollars Per Man Per Month in the PAY-ROLL WAR SAVINGS PLAN



TO WIN THIS WAR, more and more billions are needed and needed fast—AT LEAST A BILLION DOLLARS A MONTH IN WAR BOND SALES ALONE!

This means a *minimum* of 10 percent of the gross pay roll invested in War Bonds in every plant, office, firm, and factory in the land.

Best and quickest way to raise this money—and at the same time to “brake” inflation—is by stepping up the Pay-Roll War Savings Plan, having every company offer every worker the chance to buy MORE BONDS.

Truly, in this War of Survival, VICTORY BEGINS AT THE PAY WINDOW.

If your firm has already installed the

Pay-Roll War Savings Plan, *now is the time—*

1. To secure wider employee participation.
2. To encourage employees to increase the amount of their allotments for Bonds, to an average of at least 10 percent of earnings—because “token” payments will not win this war any more than “token” resistance will keep the enemy from our shores, our homes.

If your firm has not already installed the Pay-Roll War Savings Plan, *now is the time to do so.* For full details, plus samples of result-getting literature and promotional helps, write, wire, or phone: War Savings Staff, Section E, Treasury Department, 709 Twelfth Street NW., Washington, D. C.



## U. S. War Savings Bonds

This space is a contribution to America's all-out war program by

THE NORTHWESTERN BANKER



# Be Prepared to Take Your Share of Government Bonds



JAMES H. CLARKE

In May the stock market decided to pay more attention to good news—as did almost everyone—and prices climbed. In the early weeks of June this hopeful psychology continued and stocks again advanced—but as we write this on the morning of June 26th a more cautious attitude is apparent.

It was natural after our naval victories in the Coral Sea and near Midway—after the thousand bomber raids of the R. A. F.—and after the Russian gains in the Kharkov area—that a market which had been surfeited with bad news would recover. And recover it did from a low of around 92 on the Dow-Jones industrial stock averages late in April to a high around 105 early in June. But then the war news turned bad.

At the beginning the Dow-Jones average of industrial stocks was 100.88—from which point it rose to a high of 105.55 on June 8th. Then came bad news—Rommel whipped the British badly in Libya and at this writing is driving into Egypt—the Russians have fallen back under determined German drives—the Japanese have two small foot-holds in our Aleutian Islands. And as bad as any of this news is the continued sinkings of United Nations' ships off our sea coasts. So we repeat—the market is somewhat more cautious, and closed yesterday at 102.71. But there have been no signs of large liquidation—trading has been light—and the country is still confident that before the year is out our increasing production will begin to bulk large in the picture.

Most of the talk of a short war which swept over the country three or four weeks ago have disappeared. If German successes continue in Egypt and Southern Russia we are in for a long war—and the taxpayer and banks face large demands. Let's take a short look at what banks may expect in the way of government financing. It has been estimated that in the fiscal

## The Month's Market Maneuvers Prepared for The Northwestern Banker

By James H. Clarke

Assistant Vice President  
American National Bank & Trust Co.  
Chicago

year ended June 30, 1943, the government will spend about \$73,000,000,000. If additional tax levies produce the amount requested in the budget set up last January, there will be approximately \$53,000,000,000 to be financed through borrowings.

The various trust funds of the Government which buy bonds should absorb about \$4,000,000,000—so the banks, insurance companies, corporations and individuals will have to take up approximately \$49,000,000,000. Breaking this down further—the Treasury estimates sales of war savings bonds of \$12,000,000,000, sales of tax anticipation warrants of \$1,000,000,000, and additional sales of \$5,000,000,000 to individuals, corporations, mutual savings banks, insurance companies, investment trusts, charitable funds and the like. If these estimates are correct, the remaining sum of \$31,000,000,000 is the amount which commercial banks will be expected to take up in the next fiscal year.

In these days of staggering figures these may appear unimportant until we look at what commercial banks hold now after ten years of deficit financing. At the end of the last calendar year holdings of government bonds by commercial banks totaled about \$21,000,000,000. In short, bank holdings of Governments may increase 150 per cent in the 1942-43 year, and in the following fiscal year another 60 per cent on top of that. If the war should end within the next year—or if the government finds it physically impossible to spend the huge amount it contemplates—these figures are too high. But in any event, banks face tremendous increases in their government portfolios and it is well to face it now.

Some time ago in one of our articles we said that banks "must and will" buy more government bonds in 1942. We received numerous protests on the use of the word "must." The figures, however, seem to back up the statement—and whether we like it or not we can no more afford to take an aloof position in this war than could General Motors or Henry Ford when they were told to convert their plants.

Despite this vast financing program, money rates should stay low. Bank deposits will rise as deficit financing continues—loans are declining and this trend probably will continue. There is nothing in sight to indicate a money squeeze, nor any good reason to expect any difficulties in financing our war efforts. In July and August the Treasury will do more financing—apparently about \$4,000,000,000. Since the issue in June was a seven month certificate of indebtedness, it seems safe to guess that the market is now in shape to take a bond issue.

Corporate bond offerings have been infrequent and most buyers have considered those which were offered to be too high priced. For instance, the Virginia Public Service Co. bonds and debentures, the R. H. Macy & Co. debentures and similar new issues are now selling below their offering prices.

The railroad market has been bad—as holders of medium grade and defaulted bonds know. The weakness started about the time of the Coral Sea victory and the bombing of Cologne, and increased as good news grew. Holders of railroad securities feel that they want to be out of them before the war is over—in other words a "peace scare" was largely responsible for the sell-off. United Nations' defeat in the past two weeks—plus continued good earnings—and, of course, the buying in of bonds selling at sharp discounts by the railroads themselves may improve the picture.

The days of substantial profits in new corporate offerings appear to have passed for the foreseeable future—loans in general over the country are declining—all of which brings us back to government bonds. Get prepared to take your share.

Northwestern Banker July 1942

## Chicago Bank Officer

David H. Reimers, president of The Live Stock National Bank of Chicago, announces that Paul T. Betz, since 1934 executive vice president of the First National Bank of Lincoln, Illinois, has been elected a vice president

of The Live Stock National Bank of Chicago.

Mr. Betz was national bank examiner of the Seventh Federal Reserve District from 1930 to 1934, and before that was an officer of several banks in Iowa. He is president of Group 8



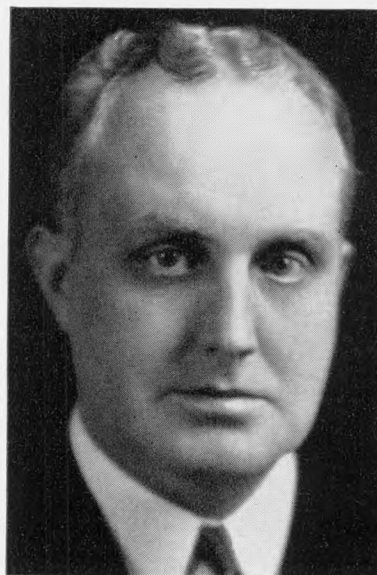
PAUL T. BETZ

and a member of the Council of Administration of the Illinois Bankers Association. While a student at Grinnell College, Grinnell, Iowa, he enlisted in the United States Army in 1917. Mr. Betz holds a Graduate School of Banking certificate from Rutgers University, Rutgers, Pennsylvania, and is a member of the board of trustees of Lincoln College and James Millikin University.

## Horton Heads Committee

The appointment of Herbert L. Horton, president of the Iowa-Des Moines National Bank & Trust Company, Des Moines, as chairman of the Victory Fund Committee for the state of Iowa, was announced by Clifford S. Young, president of the Federal Reserve Bank of Chicago. The following business leaders will constitute the Committee:

S. E. Coquillette, Merchants National Bank, Cedar Rapids; James A. Cummins, Wheelock & Cummins, Inc., Des Moines; V. O. Figge, Davenport Bank & Trust Company, Davenport; T. Henry Foster, John Morrell & Company, Ottumwa; C. L. Fredricksen, Live Stock National Bank, Sioux City; F. C. Heneman, First National Bank, Mason City; Chas. S. McKinstry, National Bank of Waterloo; E. H. Mulock, Central Life Assurance Society (Mutual), Des Moines; Gerard S. Nollen, Bankers Life Company, Des Moines; J. J. Quail, Quail & Company, Davenport; John W. Rath, Rath Packing Company, Waterloo; F. W. Hubbell, Equitable Life Insurance Company, Des Moines; Max von Schrader, Union Bank & Trust Company, Ottumwa.



HERBERT L. HORTON

The Iowa Victory Fund Committee will be a part of the nation-wide machinery set up to promote the sale of government securities, other than War Savings bonds and stamps, which will continue to be handled by the War Savings staff whose principal interest is in drawing off as much as possible of the current income of individuals.

In contrast, the Victory Fund Committees are expected to coordinate the work of the investment banking business and the commercial banks in dealing with individuals of large re-

We are happy to announce the affiliation with this company of

IRA D. ALLEN  
and  
FRED E. GAEHNER  
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and  
R. W. MELLEM  
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sources in the way of investment funds. Emphasis will be placed on the sale of ordinary types of government obligations — bonds, treasury notes, treasury bills, certificates of indebtedness — to wealthy individuals, insurance companies, and other groups with idle funds.

The Iowa committee will work in cooperation with the Seventh Federal Reserve District Victory Fund Committee of which Clifford S. Young is chairman, and Francis F. Patton is executive manager.

### Macfadden a Lieutenant

Many bankers in the state of Iowa remember Ward Macfadden, the genial representative of Scarborough & Company, insurance counselors to banks.

He was recently commissioned a lieutenant (senior grade) in the United



LIEUT. WARD MACFADDEN

States Naval Reserve and is attached to Patrol Squadron No. 23 somewhere in the Pacific. What an excellent name for a squadron, because it will mean "skiddoo" for the Japs!

Ward received his early training at the Continental National Bank and Trust Company of Chicago and for many years represented Scarborough & Company. He is a graduate of Wisconsin University, a member of that venerable organization, "Sons of the American Revolution." His father was secretary of the North Dakota Bankers Association for over 30 years.

Like all young men in the service, Ward would be glad to hear from his friends. His address is Patrol Squadron No. 23, c/o Postmaster, San Francisco.

### Endorse Arnberg

At a recent session of the board of governors of the Chicago District of

the Illinois Bankers Association, the following resolution was unanimously adopted:

Whereas, There has come to our attention through the columns of the *Chicago Banker*, the pleasing rumor that Harold V. Amberg, vice president and general counsel of the First National Bank of Chicago, is being widely discussed as a prospective candidate for second vice president of the American Bankers Association at the next election, and

Whereas, We believe that in these times of uncertainty, the bankers of this country would be fortunate indeed to obtain the services and guidance of

a man of his outstanding ability, which has been proved by his faithful, intelligent, and energetic work in behalf of the banks of this country through committees of the Association, as well as the splendid record which he made as president of the Association of Reserve City Bankers.

Now, Therefore, Be It Resolved, That we pledge our wholehearted and enthusiastic support of Harold V. Amberg for second vice president of the American Bankers Association if he can be prevailed upon to consent to his nomination to this office, and we urge other members of the American Bankers Association throughout the



## HOGS AND BOTTLENECKS

**T**RANSPORTATION problems are multiplying. So are hogs—62 million pigs this spring against 50 million last year! Secretary of Agriculture Wickard urges farmers not to market too many hogs between Thanksgiving day and Washington's Birthday, this winter. Railroads and trucks and packing houses may not be able to take all the hogs offered during that time, if too many farmers wait until then to sell. Facilities can't be increased to

handle them. The danger period may start around Thanksgiving day. The Secretary does not advocate marketing light weight hogs—in fact they should be well fed to about 250 pounds in weight—but he urges that hogs be marketed as soon as possible to avoid the bottleneck.

Local lending institutions discounting agricultural paper with the Federal Intermediate Credit Banks are being urged to ask their farmer hog-raising patrons to cooperate to avoid placing a strain upon facilities.



### 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.

Information regarding the Consolidated Debentures, issued by these banks, may be obtained from

CHARLES R. DUNN, Fiscal Agent

31 Nassau Street, New York, N. Y.

country to join with us in fostering his nomination.

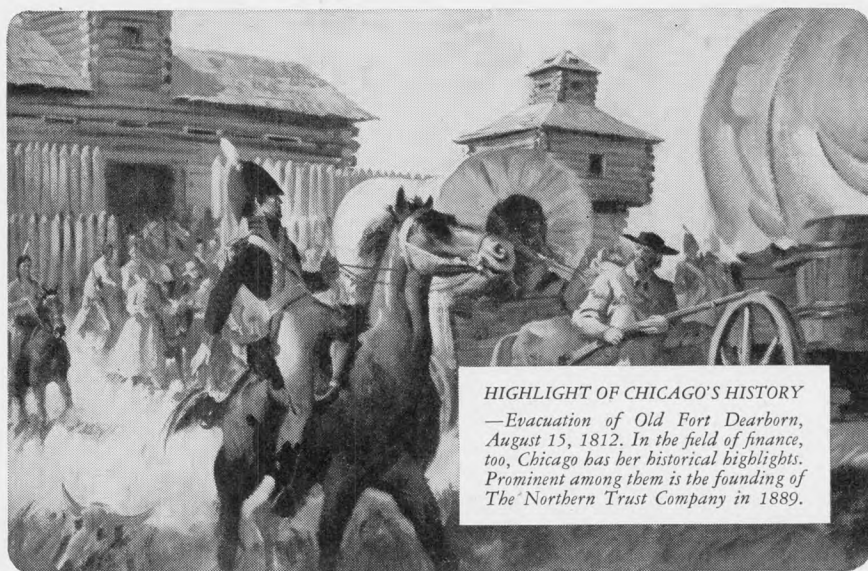
## Appointed National Chairman

President Roosevelt's recent appeal to the National Safety Council "to mobilize its nationwide resources in leading a concerted and intensified campaign against accidents," and to every citizen "to do his part in preventing wastage of human and material resources of the nation" has resulted in the formation of the War Production Fund to Conserve Manpower. This agency, launched by a group of the nation's leading business men and industrialists, will operate

under the sponsorship of the National Safety Council and will enlist the co-operation of business and industry in a national safety drive to reduce our present alarming accident toll.

Minneapolis-Moline Power Implement Company now has, and has had for a long time now, a safety program of its own in charge of George B. Milligan, safety director.

Word has come from the Council that W. C. McFarlane, president of the Minneapolis-Moline Power Implement Company, has been appointed national chairman of the Agricultural Machinery Division of the Fund, to organize and lead the drive for contributions in this branch of industry.



**HIGHLIGHT OF CHICAGO'S HISTORY**  
—Evacuation of Old Fort Dearborn, August 15, 1812. In the field of finance, too, Chicago has her historical highlights. Prominent among them is the founding of The Northern Trust Company in 1889.

## HELPING OUT-OF-TOWN BANKS DEVELOP CUSTOMER SERVICE

The remoteness of a correspondent bank is no limitation on the completeness of service rendered to it by The Northern Trust Company. A connection here can prove as close and as beneficial as the correspondent wishes. For, in addition to the normal, routine service involving day-to-day transactions, this bank also makes available

to its associates highly developed facilities for special fact-finding. Such essential information, together with the opportunity to consult with a friendly, competent personnel, enables correspondents to broaden their usefulness to their own customers and communities. Inquiries concerning a connection here are invited

# THE NORTHERN TRUST COMPANY

50 SOUTH LA SALLE STREET, CHICAGO  
Member Federal Deposit Insurance Corporation

★ Northwestern Banker July 1942 ★

## American National Promotions

George D. Bushnell and Allen P. Stults have been advanced to official capacities in the American National Bank and Trust Company, both hav-



GEORGE D. BUSHNELL

ing been elected assistant cashiers by the directors, it is announced.

Mr. Bushnell is a graduate of the University of Nebraska and has been associated with Chicago banks since 1920, the past four years with the



ALLEN P. STULTS

American National. He has been active in the work of the American Institute of Banking, having been a member of the faculty of Chicago Chapter for 19 years. He is author of "Bank Organization and Operation," official textbook of the Institute.



Mr. Stults entered the employ of the bank in 1933 as office boy, advancing progressively to his present capacity as a loaning officer. He has attended the University of Illinois and Northwestern University Evening School of Commerce.

## REGULATION W

(Continued from page 14)

a signed statement of the borrower on the form prescribed by the board of governors (FR-564-a) and the registrant obtaining such required form may rely upon the statements of the obligor contained therein. It would be advisable, for their own protection, for lending institutions to retain executed statement of borrow forms in their files indefinitely, even though the loans from which they arose have been fully paid.

Section 8 of the regulation contains 12 different exceptions and, if a particular extension of credit complies fully with one of the exceptions, the requirements of the regulation do not apply thereto. Accordingly, when an extension of credit qualifies for exception under Section 8, it is not necessary for the registrant to obtain any required form of statement, except that Section 8(c), applicable to *installment* loans for educational, hospital, medical, dental and funeral expenses, provides that the loan must be supported by a written statement signed by the borrower certifying to the facts therein prescribed.

The revised regulation grants a general license until the expiration of the time in which the board of governors shall announce the registration requirement to persons who become sub-

ject to the regulation, solely because they make charge sales of listed articles or single-payment loans.

Any person affected or subject to the requirements of the regulation having questions thereon is urged to communicate with the federal reserve bank or branch in his territory, and upon receipt thereof such communications will receive prompt attention.

—THE END.

## LEGAL DEPARTMENT

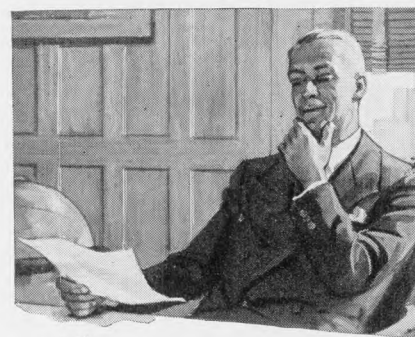
(Continued from page 16)

accept, claiming the price he should be paid was the highest market price prevailing after the destruction date. It so happened that the warehouseman continued in business and the banker felt that, by reason of this, his claim was in order. Should the banker prevail?

**No.** The North Dakota statutes provide that, when a warehouse is destroyed, the warehouseman shall redeem all outstanding storage receipts at the price prevailing on the date of destruction and that the holders of such receipts must accept that price.

A South Dakota attorney conducted an extensive collection business. A bank in that state turned to him a certain promissory note for collection. He collected on the note but wilfully and unlawfully misappropriated the funds which came into his hands. Should he be disbarred?

**Yes.** According to a recent South Dakota Supreme Court decision, facts similar to those outlined in the question are such that disbarment must follow.—THE END.



## A \$300,000 LETTER

A well-known manufacturer was enraged at a routine action on the part of his bank. He told his treasurer to close the account.

Just then, in came a letter from one of the bank's officers on another matter: not a long letter... not complex or brilliant...but so sincere and reasonable that after reading it twice the manufacturer rubbed his chin and said to himself: "Well, they seem like pretty decent people." He decided to have a talk with this officer about the matter that had irritated him ...and he phoned the treasurer to let the account stand.

★ ★ ★ ★ ★

On the basis of a study of bank correspondence with customers and prospects, we have just published "Better Bank Letters," a sixteen-page booklet which will be sent to any banker, without cost or obligation; it is full of practical suggestions, based on actual experience, for improving your bank's letters.

It is simply another expression of our basic interest in helping banks improve their relations with the public—an end toward which Todd checks, letterheads, payroll systems, checkwriting and check signing machines are constantly working.

Write for your free copy of "Better Bank Letters".

**Todd**  
COMPANY, INC.

ROCHESTER NEW YORK  
OFFICES IN ALL PRINCIPAL CITIES

## Out-of-Town Banks

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

**CITY NATIONAL BANK**

AND TRUST COMPANY of Chicago

208 SOUTH LASALLE STREET

(Member Federal Deposit Insurance Corporation)

Northwestern Banker July 1942

# Which "Governments" for Your Bank?

OF SECURITIES issued or guaranteed by the United States there are now on the market 59 separate issues. Every one of the 59 has its merits as a form of investment, but at the same time every one has features making it more or less desirable than the others as an investment for the funds of your bank. Current price, maturity date, status of the issue with regard to taxes, limitation of the amount that can be purchased—all these and other factors combine to determine which Governments are best for your bank.

Our Bank Advisory service has been able to help a substantial number of banks in the selection of Governments suitable for their portfolios. Our service is based (1) on thorough familiarity with the securities available and (2) on careful, painstaking study of the investment needs of the inquiring bank. To correspondent banks it is available without charge. If we can help you, we'll be glad to hear from you. Please address the Bank Advisory Division.

## FIRST NATIONAL BANK and TRUST COMPANY OF MINNEAPOLIS

Member Federal Deposit Insurance Corporation

### *Department of Banks and Bankers*

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*Vice President*

C. B. Brombach  
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J. J. Maloney  
*Assistant Cashier*

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

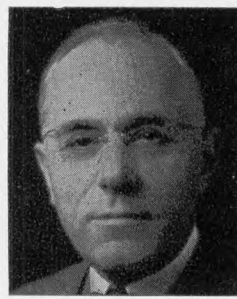
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O. G. JONES  
President  
Red Wing

## MINNESOTA NEWS



WILLIAM DUNCAN, Jr.  
Secretary  
Minneapolis

# THE MINNESOTA CONVENTION

(Continued from page 13)

### Friday Morning, July 10th

Open Panel Discussion on "Regulation W", conducted by Thomas Hodgson, assistant counsel, Federal Reserve Bank, Minneapolis, Minnesota. This will be an opportunity to ask questions pertaining to the revised "Regulation W" which, apparently, is somewhat disturbing and misunderstood by many bankers. Mr. Hodgson, having spent over six months recently in Washington as an assistant for the Federal Reserve Board during the time this regulation was being formulated, is in position to give a great deal of authentic information on the subject.

Report of Resolutions Committee.  
Election of M.B.A. Officers.  
Adjournment.

### Entertainment

Golf Tournament—Minnesota Bankers Tournament will be held on the morning of July 9th, as above indicated. No greens fees. Prizes will be awarded for all events. (20 or more events.) Golf privilege will also be granted to delegates who arrive the afternoon of Wednesday if they desire to play that afternoon.

### For the Women Wednesday, July 8th

Informal Meeting—Women's Convention Headquarters, Hotel Duluth, in Greysolon Rooms, Mezzanine Floor.

### Thursday, July 9th

Morning will be free for shopping.

The ladies will be entertained at a 12:30 luncheon at Northland Country Club, and during the luncheon a style show will be presented through the courtesy of Orecks, Inc. Reservations for the luncheon should be made at the Registration Desk, Hotel Duluth, no later than 10:00 o'clock Thursday morning. Admission to the luncheon and participation in the prize drawing will be by SIGNED TICKET ONLY.

The Women's Convention Headquarters—Greysolon Rooms, Mezzanine Floor—will be at the disposal of the women throughout the Convention.

### Increases Common Stock

The First National Bank of Le Roy recently increased its common stock \$2,000 and retired a like amount of preferred stock. They also paid a cash dividend of 4 per cent. Deposits have doubled during the past few years. John F. Hale is president and C. O. Strom, cashier.

### Swift County Bankers Meet

The Bankers of Swift County recently met at the Municipal Building in Benson in compliance with suggestions included in the manual "How Banks Can Assist in the Food-Freedom Program." The following representatives of banks were present:

State Bank of Kerhoven, Kerhoven, C. E. Melbye; First State Bank, Murdock, Wm. T. Estrem; Swift County Bank, Benson, Oluf Gandrud; First State Bank, Benson, C. E. Gesme; Farmers & Merchants State Bank, Appleton, Mr. Schmidt.

C. E. Melbye, cashier of the State Bank of Kerhoven, gave the introductory remarks, explaining the purpose of the meeting, etc., which were followed by a general discussion and the passing of several resolutions.

### Completes 25 Years of Service

V. F. Quist, assistant cashier of the Citizens State Bank of Lafayette, recently completed a quarter century of service in banking in the village of Lafayette. He expects to add some anniversaries to that record before he needs to retire.

### Bank President Dies

Martin Weibye, president of the Peoples State Bank of Frazee, recently passed away.

### Leaves Windom Bank

R. Phil Raebe, assistant cashier of the First National Bank of Windom, who has been with the bank about a year and a half, left recently to work with a crew of the First Service Corporation examiners until his reclassification, which is expected within the next few months.

James W. Connelly, whose home is at Savage, Minnesota, is taking Mr. Raebel's place. Mr. Connelly was formerly with the Security National Bank of Willmar but enlisted in the Navy. After serving two months at the Great Lakes Training School he was given an honorable discharge.

### New Bank Opened

The State Bank of Bellingham, Minnesota, opened for business recently with the following officers:

A. L. Neuman, Morris, Minnesota, president; M. M. Neuman, Morris, Minnesota, vice president; G. W. Kirkeby, cashier; J. C. Kunde, assistant cashier.

### Goes to Rice

James McGee, cashier for the past seven years at the Union State Bank of Sauk Rapids, has accepted a position as cashier in the Rice State Bank.

### Bank Shows Rapid Growth

Columbia Heights State Bank, Minneapolis' youngest bank, recently reached \$450,000 in total footings, and at its present rate of growth will soon pass the half-million mark. Herbert W. Mogg, for many years an insurance adjuster for the Western Adjustment and Inspection Co., and who lives in Columbia Heights, was recently elected vice president and a director of the bank. The bank was organized four and one-half years ago by Herbert Woodward and associates. Mr. Woodward is cashier of the bank.

### Nominated for Presidency

Lawrence O. Olson, vice president of Midland National Bank & Trust Co., of Minneapolis, is slated to become president of the Minnesota Bankers Association during the organization's fifty-third annual convention in Duluth July 8th to 10th.

Vice president of M. B. A. during the past year, Olson has been named by the nominating committee for the

*Northwestern Banker July 1942*

presidency—which is tantamount to election.

Nominated for vice president was H. R. Kurth, president of Citizens Bank, Hutchinson, while James H. Hogan, president of Kerrick State Bank, was proposed for reelection as treasurer.

### Bank Debits Increase 18 Per Cent

Evidencing this year's big upturn in northwest business volume, caused by the war and improved farm and

industrial conditions, debits to depositors' accounts in banks of the Ninth Reserve District for the first five months increased 18 per cent over 1941, from \$4,855,403,000 to \$5,734,633,000.

Ninth District includes Minnesota, North and South Dakota, Montana, northwest Wisconsin and upper Michigan.

Minnesota debits gained 19 per cent, from \$3,542,202,000 to \$4,232,669,000, the bank reported recently. Five months' debits rose 18 per cent in Minneapolis, \$1,824,956,000 to \$2,155,110,000.

### Former Banker Deceased

Mark S. Stokes, 84 years old, resident of St. Paul for more than 50 years, died in Midway Hospital there recently, after a short illness.

Mr. Stokes was associated with the Second National Bank of St. Paul for three years and the St. Paul National Bank for 23 years.

### Annual Meeting Held

Stockholders of the Worthington State Bank elected Ned Jones, Ned R. Jones, Willie F. Rich and Donald Vincent to the board of directors at the annual meeting held recently.

Named as officers of the bank were Ned Jones, president; Donald Vincent, vice president; A. J. Krumpelman, vice president; Martin H. Voss, cashier; and Ned R. Jones, assistant cashier.

### Accepts Cashier's Position

Russell Feig, who for the past five years has been employed at the First National Bank of Sleepy Eye, has accepted a position as cashier of the Farmers State Bank, at Raymond.

Mr. Feig's father, Herbert Feig, Sr., is president of the bank there. Mr. Feig will succeed his brother, Herbert, Jr., who will take a position as a bank examiner.

### Annual A. I. B. Meeting Held

William P. Theurer was elected president of Winona chapter, American Institute of Banking, at the annual chapter banquet held at the Winona Country Club recently. Mr. Theurer is a teller at the Winona National and Savings Bank. He succeeds B. F. Perkins of the First National Bank, who presided at the meeting.

Other officers elected were Harry M. Kowalczyk of the Merchants Bank, vice president, succeeding Mr. Theurer, and Edward Hartner of the First National Bank, secretary-treasurer, succeeding Mr. Kowalczyk. Elected as members of the board of governors were Mr. Perkins and Miss Elizabeth Fredine for the three-year term. For the two-year terms, Alvin Grulkowski holds over in office and Jerome Muras was elected to succeed Max Bunn, who is now in the armed service. For the one-year term, W. M. Lambert succeeds Mrs. L. E. Albert and Chester A. Fockens succeeds Clarence F. Witt. Mrs. Albert had previously resigned her position and Mr. Witt is leaving for his new position in Omaha.

## *Don't miss the 1942* **MINNESOTA BANKERS CONVENTION** *in Duluth . . .*

at the Head of the Lakes, comprising  
the Duluth-Superior area, where

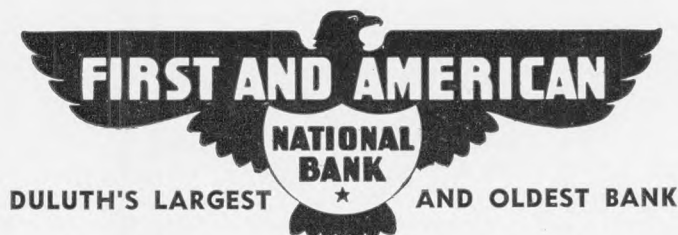
Seven shipyards are operating  
full blast

An estimated 70,000,000 tons of iron  
ore will be shipped this year

66 concerns are engaged in producing  
war materials

The FIRST AND AMERICAN is tak-  
ing an important part in financing  
these vital wartime activities

We welcome you to the convention  
and hope that you will find time to  
visit with us while you are in the city.



Total Resources \$38,800,000

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION





Mutual problems, best understood by talking them over, exchanging ideas, getting the other fellow's viewpoint—that's where Conventions come in.

Today's problems, multiple in nature, difficult of solution, must nevertheless be met squarely. Much can be done at Convention Time to arrive at the solution.

The Department of Banks and Bankers at the Northwestern, is ready to discuss changing conditions and cooperate with our many banker customers.



The Northwestern Bank Building—in the heart of the business district. The "Northwestern" Bond Department, conveniently located in this building, buys and sells U. S. Government, State and Municipal bonds — inquiries invited.

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*Vice President*

F. W. Conrad  
*Asst. Vice Pres.*

D. E. Crouley  
*Asst. Cashier*

L. P. Gisvold  
*Asst. Cashier*

## NORTHWESTERN NATIONAL BANK AND TRUST COMPANY

Marquette Avenue: 6th to 7th Streets  
MINNEAPOLIS

*Member Federal Deposit Insurance Corporation*

*Northwestern Banker July 1942*



## With the Colors from Minnesota



**Walter L. Krumwiede**, teller Triumph State Bank, Triumph, stationed at Great Lakes Naval Training Station, Illinois.

**Frederick Ernest Stein** taking advanced radio course in Kansas City; **Roger P. Stein**, 2nd Lt. Army Air Corps, Anchorage, Alaska. Both of these boys are sons of **Fred V. Stein**, cashier First National Bank of Cold Spring, and Frederick was formerly assistant cashier in that bank.

**Raymond W. Kalow**, formerly assistant cashier Security State Bank, Waterville, now in naval reserve and

stationed at Wold Chamberlain Field, Minneapolis.

Former employes of the First National Bank, Mankato, now in armed service are **Richard W. Little**, Army—Fort Richardson, Alaska; **James F. Allensworth**, Receiving Station—Philadelphia Navy Yard; **James E. Dorsey**, Army—Camp Robinson, Arkansas; **Richard B. Jude**, Army—Camp Wolters, Texas; **Byron L. Pierce**, Army—whereabouts unknown; and **George L. Urban**, Army—Camp Berkeley, Texas.

**A. A. Anderson**, executive vice pres-

ident Luverne National Bank, now Lieutenant Colonel in Coast Artillery and at present recovering from a broken leg at Barnes General Hospital, Vancouver, Washington. Other employes of the Luverne National Bank in service are **Charles N. Davis**, teller, with the Navy Air Corps at Santa Ana, California, and **Henry J. Mareck**, teller, now with the Army Quartermasters Corps in Texas.

Assistant cashiers of the First State Bank of Mabel, **Grant H. Kittelson** and **Thomas W. Holter** have joined the forces of Uncle Sam. Private Kittelson is with the A. E. F. in Ireland and Mr. Holter is storekeeper, third class, with the U. S. Navy at Charleston, South Carolina.

**Emery D. Zillgitt**, teller and manager of the insurance department for the Lake City Bank & Trust Company, now stationed at Camp Roberts, California. Private Zillgitt is in the Infantry Division.

The First National Bank of Eveleth is represented in Uncle Sam's armed forces by Sgt. **William J. Kuzma**, Camp Polk, Louisiana, and Private **Harry Groschel** with the Coast Artillery at Fort Richardson, Alaska.

Those in the service from the Merchants National Bank, Winona, are as follows: **Norman W. Schellhas**, former teller, now Corporal in Field Artillery, Fort Leonard Wood, Missouri; **John S. Steffen**, son of President **S. A. Steffen** and formerly clerk in the bank, now Corporal Army Air Corps, Miami Beach, Florida; **Roy M. Tolleson**, son of Vice President **R. M. Tolleson** and formerly clerk in the bank, private Army Air Corps, Manchester, New Hampshire; **Henry G. Hirschfeld**, son of **Henry Hirschfeld**, is an Ensign of the U. S. Navy on foreign duty; **Otto C. Schildknecht**, former teller, now Corporal in the Infantry on foreign duty; **Ellis Max Bunn**, formerly bookkeeper, now a private in U. S. Army stationed at Fort Warren, Wyoming; **Robert Steffen**, son of President **S. A. Steffen**, stationed at the Naval Armory, Chicago; **James Kahl**, son of Assistant Cashier **V. A. Kahl**, is now a Second Lieutenant in the Air Corps at Barksdale Field, Louisiana.

**Clifford A. Johnson**, former teller Produce State Bank, Minneapolis, with the Finance Detachment, Headquarters Company, Camp Forest, Tennessee.

Corporal **Donn E. Schmid**, Fort F. E. Warren, Wyoming, was formerly teller in the Farmers & Merchants State Bank of Tracy.

**Russell C. Lake**, bookkeeper State Bank of Lake Park, enlisted in the Navy in December, 1941, and is now stationed at the Navy Recruiting Station, St. Paul.

Former employe of the State Bank of Faribault and now radio operator with the Coast Guard at Fort Lauderdale, Florida, is Third Class Seaman **Robert William Beaupre**.

**W. H. Kortum**, cashier Western State Bank of St. Paul, is now a pri-



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find complete facilities for  
prompt and economical han-  
dling of their out-of-town  
business at

# The Empire National Bank & Trust Co.

St. Paul, Minnesota

Alex. Highland, President

*We would appreciate the opportunity of serving you.*





## • MINNESOTA NEWS •

vate, Chemical Warfare, Edgewood, Maryland.

**John H. Haeckel**, son of President **John F. Haeckel**, Fairmont National Bank, has enlisted in the Navy and is located at the Great Lakes Training School, Illinois. **Elson Anderson**, formerly teller for the Fairmont National, is also taking training at Great Lakes. Two sons of **W. H. Norman**, cashier of the bank, have joined the colors—**Donald enlisted** as private and received his commission as Lieutenant shortly before he sailed for Fort Greeley, Alaska, and **Hugh** is an Aviation Cadet, taking his training at Lakehurst, New Jersey. **John Schrooten**, teller, enlisted in the Army in February, 1942, and is now stationed at Columbia, South Carolina.

**James Matson**, cashier State Bank of Blomkest, tells us that his son, **J. Archie Matson**, is a private with the 901st Engineers at Pendleton Field, Oregon.

**Sgt. Wallace R. Vance**, formerly teller First National Bank of Marshall, is now in the Finance Office, 3rd Armored Division, Camp Polk, Louisiana.

**Charles M. Whitmore, Jr.**, son of **C. M. Whitmore**, cashier First State Bank, Wabasha, now Petty Officer Third Class, Submarine Duty, New London, Connecticut.

**Theodore S. Robertson**, vice president Rushford State Bank, now a Corporal at the air base, Jefferson Barracks, Missouri. Private **Carl Anderson**, son of **John E. Anderson**, cashier, is stationed at Camp San Luis Obispo, California.

Private **William R. Brickson**, Camp Lee, Virginia, son of **Edwin Brickson**, president Adrian State Bank. Private Brickson was formerly clerk with the Adrian State Bank and later held the same position with the Northwest Security National at Sioux Falls.

**George K. Millard**, former teller First National Bank, International Falls and son of **G. N. Millard**, president of the bank, is now stationed at Fort Shelby, Mississippi. Another employe of the bank and son of **C. M. Prettyman**, vice president, is with the Infantry "Somewhere in the Pacific."

Men in Service from the Northwestern State Bank of Dawson are **Sgt. Stanford Trotter** with the A. E. F. in Ireland and Private **Francis Mulcahy**, Radio Signal Corps, state of Washington.

**W. E. Severeid**, assistant cashier Security State Bank of Kenyon, now a private 359th Infantry, Camp Barkeley, Texas.

The First National Bank, Winona, has five service stars, representing **Lyman L. Harrington**, son of **H. L. Harrington**, assistant cashier, Technical Sergeant now attending officers training at Miami Beach; **Donald P. Libera**, son of **John G. Libera**, assistant cashier. Second Lieutenant in the Marines, Quantico, Virginia; **Fred**

**Burmeister**, former bookkeeper and now a private stationed at Williams Field, Arizona; **Elton Shroenrock**, former bookkeeper and now Staff Sergeant attending officers training at Fort Monmouth, New Jersey; **Elgin O. Sonneman**, former clerk now stationed at Fort Frances E. Warren, Wyoming.

Corporal **Donald C. Taylor**, Fort Lewis, Washington, formerly a bookkeeper for the First National Bank, Winnebago.

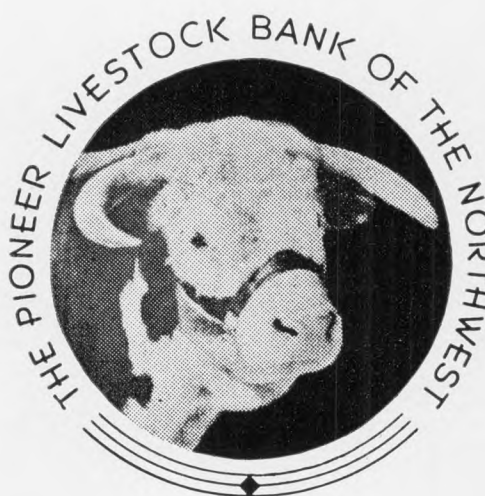
Private **Ferdinand Nordley**, Camp Crowder, Missouri, formerly assistant cashier Kasson State Bank.

Former employes of the Fergus

Falls National Bank & Trust Company now in the Armed Forces are **Russell Owen Grina**, Sergeant Technician Fort Leonard Wood, Missouri; **Stanley O. Nelson**, Sergeant Technician Fort Ord, California; **Roy Westad**, private, Camp Crowder; **Donald Herfindahl**, Petty Officer Third Class, Great Lakes Naval Training Station; and **Henry George Dahl**, son of Vice President **H. G. Dahl**, private First Finance Training Barracks, Fort Benjamin Harrison, Indiana.

**Thomas Jager**, teller First National Bank, Owatonna, now stationed at Fort Snelling.

**Peter J. Barthelme**, teller Ossian



## Essential for Victory

Live stock will play an important part in winning the war and banks are called upon to assist in its production and preparation for market.

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## The Stock Yards National Bank

South Saint Paul, Minn.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1942

State Bank, enlisted January, 1942, now Yeoman Third Class, Navy Yard, Charleston, South Carolina.

**Donald T. Knutson**, son of **Theo. Knutson**, cashier State Bank of Sargeant, although only 17 years old, enlisted March, 1941, and is now attending Navy Radio School, University of Chicago.

Duluth banks are well represented in Uncle Sam's Armed Forces as evidenced by the following information:

First & American National Bank, 14 employees: Private **Iver A. Anderson**, Chanute Field, Illinois; Private **Earle**

**J. Andree**, Flight A, Jefferson Barracks, Missouri; Private **Berthold J. Brody**, Fort Frances E. Warren, Wyoming; **Cyril Brozic**, Armed Guard Schools, San Diego, California; Private **Edward C. Bussa**, Infantry, Camp San Luis Obispo, California; Private **Nels G. Forsman**, Camp Grant, Illinois; Private **Clarence Grahek**, Officers Candidate School, Camp Barkeley, Texas; Private **Trygve B. Langland**, Field Artillery, Fort Leonard Wood, Missouri; Corporal **Stewart D. McDonald**, Quartermaster Motor Depot, Stockton, California; **Roderick G. McKenzie**, U. S. S. Paducah; Ensign **John C. Metcalf** (officially reported missing); Lieu-

tenant **Thomas A. Paulson**, U. S. Naval Air Station, Jacksonville, Florida; **Thomas M. Spencer**, Squadron 44, Santa Ana, California; and **Gordon H. Ward** with the U. S. Marines.

**Durward L. Stringer**, son of **D. D. Stringer**, assistant cashier National Citizens Bank, Canby, now Platoon Sergeant U. S. Marine Corps stationed at Camp Elliott, California. Sergeant Stringer served seven months with the Marines in Iceland.

Former employes of the Northwestern State Bank, Duluth, are **William V. Polski, Jr.**, Storekeeper Naval Air Corps, Pensacola, Florida, and **A. Gunnar Rasmussen**, private Engineering Division, Camp Claiborne, Louisiana.

Western National Bank, Duluth, has two service stars representing **Donald W. Hoel**, Naval Air Base, Corpus Christie, Texas, and **Frank P. Virant**, U. S. Naval Reserve, Brooklyn. Lieutenant Hoel is the son of President **Alfred Hoel** and Mr. Virant was assistant cashier of the bank before entering service.

The Duluth National Bank is carrying on for the duration minus its president **W. J. Eklund**, now Lieutenant Colonel 132d Engineers, Framingham, Massachusetts; Teller **Earl E. Olson**, now Technical Sergeant stationed in London, and Teller **Archie Flood, Jr.**, now in the Weather Office, Bolling Field, District of Columbia.

Corporal **Robert C. Krebs**, stationed "Somewhere in Ireland," is the son of **C. M. Krebs**, president Northwestern State Bank, Appleton.

**Leo Klasen**, former cashier Security State Bank, Holdingford, and son of President **J. B. Klasen**, is now with the U. S. Marines at San Diego, California.

**Harry Neumann**, son of **W. M. Neumann**, executive vice president Farmers State Bank, Osseo, enlisted in the Navy in 1940.

Private **Donald R. Grangaard**, son of **O. F. Grangaard**, president Security National Bank, Willmar, is with the Air Corps, Williams Field, Arizona. Private **Warren Bostrom**, former clerk in the bank, is now in the Marine Corps stationed at San Diego, California.

**Stanley R. Wheaton**, former assistant cashier First National Bank, Ely, entered service June, 1941, and is now Sergeant Air Forces Officers Candidate School, Miami Beach, Florida.

**Fredrick Riegger**, private U. S. Signal Corps, Camp Crowder, Missouri, is the son of **F. W. Riegger**, president First State Bank, Benson. Employees of the bank now in service are **Adolph Novak**, formerly teller, now Sergeant Armored Division, Camp Polk, Louisiana, and **Orion Beich**, teller, who was called for service June of this year.

**Everett B. Olson**, apprentice seaman, U. S. Naval Reserves, San Diego, (Turn to page 36, please)



**FOR** 77 years Minneapolis-Moline and MM Dealers have played an important part in making American farmers the world's greatest producers of food and fibre.

There is today a tremendous responsibility on our farmers to *produce more food and fibre* to sustain our population and to *build up stocks* of food to assure victory soon and a more permanent peace. It is the patriotic duty of MM Dealers to help farmers in every way possible to meet this responsibility. *You can help your customers, your country, and yourself* by urging your customers to *repair* their MM machines at once and to *scrap and sell* all machines not worth repairing. Urge upon everyone the importance of making available to our war industries *scrap metal* of all kinds, *old rubber, old rags and waste paper*.

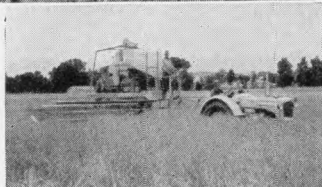
Take the lead in your community also in urging farmers and townspeople to grow a *Victory Garden*. *Vitamins are Vital to Victory*.

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Flying!"



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# TWIN CITY NEWS



**H** **G. SWANSON**, vice president and cashier of Drovers Exchange State Bank, South St. Paul, and **Irving Todd**, vice president, First National Bank, Hastings, have been appointed to the board of the Mineral Springs Sanatorium, Cannon Falls, Minn.

**C. T. Jaffray**, chairman of First Bank Stock Corporation, presided at the annual "report" meeting of the Greater North Dakota Association in Minneapolis early in June, when officers of GNDA told Minneapolis associate members their accomplishments last year and plans for 1942. A number of Minneapolis bankers were included in the group attending the meeting, while St. Paul bankers attended a similar meeting in St. Paul.

Executive committee of the Victory Fund committee for the Ninth Federal Reserve District, has been named by **John N. Peyton**, Federal Reserve Bank president. It will direct the sale of all war bonds except the "E" bonds and war savings stamps.

The committee includes, besides Mr. Peyton as chairman; **Henry D. Thrall**, Thrall West Company president, Minneapolis; **Harold E. Wood**, president of Harold E. Wood & Co., St. Paul; Minneapolis; and **Roger B. Shepard**, **Shirley S. Ford**, president of Northwestern National Bank & Trust Co., Minneapolis, and **Roger B. Shepard**, St. Paul, vice chairman of the Minneapolis Federal Reserve Bank.

**Paul W. Loudon**, partner in Piper, Jaffray & Hopwood, Minneapolis, is executive manager of the fund committee.

Appointment of two examiners to the staff of the Federal Deposit Insurance Corporation office, St. Paul, has been announced by **R. O. Bishop**, supervising examiner. They are **Rob-**

By James M. Sutherland  
*Special Correspondent*

**ert L. Tolson**, formerly assistant cashier of the Bank of Sheridan, Mont., and **Wilton E. Lindberg**, cashier of First State Bank, Wheaton, Minn.

It's **DR. John N. Peyton**, now, if you please.

For Mr. Peyton, president of the Federal Reserve Bank of Minneapolis, was awarded an honorary doctor of laws degree at the annual commencement exercises of Hamline University, St. Paul. His was one of five honorary degrees bestowed by the University.

Minneapolis bankers played promi-

nent roles in the visit to the Twin Cities June 20 of ten British and five American war heroes. For **J. Cameron Thomson**, president of Northwest Bancorporation, was general chairman of the committee for their appearance in the Twin Cities, and **Henry S. Kingman**, president of Farmers & Mechanics Savings Bank, was chairman of Minneapolis events.

A prediction that the American people, having fought for freedom, will not tolerate continuance of rigid wartime restrictions and regimentation after victory comes, was made by **G. Sidney Houston**, investment research manager of First Bank Stock Corporation, at a recent meeting of the Minneapolis chapter, National Association of Cost Accountants.

Attracting considerable attention re-

## THE NORTHERN NATIONAL BANK

Duluth, Minnesota

Capital Funds, over \$1,500,000.00  
Resources, over \$15,000,000.00

Member Federal Deposit Insurance Corporation

Northwestern Banker July 1942

## MINNESOTA NEWS

cently was the war plane exhibit of **Midland National Bank & Trust Co.** arranged in the bank to help stimu-

late the sale of war bonds. A scale model of the famous Lockheed P-38 interceptor pursuit, and pictures of the production line and various manufacturing processes made up the exhibit.

A former governor of the Federal Reserve Bank of Minneapolis, **Roy A. Young**, has been elected president of one of New England's largest banks, Merchants National of Boston, local friends of Mr. Young have been informed. He headed the Minneapolis Reserve Bank from 1919 to 1927 before going to Washington as a member and later chairman of the Federal Reserve Board, a post he left in 1930 to head the Federal Reserve Bank of Boston.

### WITH THE COLORS IN MINNESOTA

(Continued from page 34)

was head bookkeeper Goodhue County National Bank, Red Wing.

Former employees of the Swift County Bank of Benson now in the Armed Forces are **Marvel Paulson**, Corporal 201st Field Artillery, Camp Berkeley, Texas; **Paul Gandrud**, U. S. Army Air Corps taking pilot instructor's course Northwestern University; **Private James H. Grina**, Army Air Base, Stockton, California; **Private Charles Gandrud**, Army Air Corps, waiting to be stationed for training.

**Willis J. Duncan**, teller Hancock State Bank, now private first class U. S. Army, Fort Snelling, Minnesota.

**Joseph G. Lutz**, teller Citizens State Bank, Brainerd, now Petty Officer Sub-Chaser Training Division, Miami Beach, Florida.

The following is a list of employees of the Austin State Bank now in service: Corporal **Melvin Siegfried**, Coast Artillery, Manhattan Beach, California; Private **William Keefe**, Air Corps, Sheppard Field, Texas. **Robert P. Beaulieu**, son of **P. D. Beaulieu**, president of the bank, is serving with the Air Corps at Jefferson Barracks, Missouri.

**Oscar A. Olson, Jr.**, son of **Oscar A. Olson**, president of the First National Bank of Braham and formerly assistant cashier of the bank, is now stationed at U. S. Coast Guard Training Station, Manhattan Beach, Brooklyn.

Lieutenant **Byron Anderson**, formerly cashier Kanabec State Bank, Mora, and son of **Henry Anderson**, cashier State Bank of Hanska, when last heard from was at Port of Embarkation, Charleston, South Carolina.

**John V. Pearson**, former bookkeeper Nicollet County Bank, St. Peter, was last heard from at Camp Dix, New Jersey, but is believed to be somewhere on the Atlantic Ocean at this

time. He is with the Army Air Corps Mechanics. **Roy W. Haney**, former teller of the bank, is located at U. S. Navy Drydock Receiving Station, Boston, Massachusetts.

Serving with the Coast Artillery in the West Indies, is **Lowell Quist**, son of **V. F. Quist**, assistant cashier Citizens State Bank, Lafayette.

**Glenn E. Satterly**, teller Farmington State Bank, is now a private, Bombardment Squadron, Tucson, Arizona.

**W. C. Krog, Jr.**, son of **W. C. Krog**,

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## Minnesota Commercial Men's Association

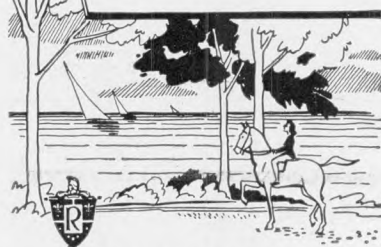
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James L. Gormley • Raymond K. Swanson  
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**HOTEL RADISSON**  
MINNEAPOLIS

Northwestern Banker July 1942

## SAFETY! PROGRESS! STABILITY!

Twin City Federal's resources are now in excess of \$16,500,000. Our gain in Members' Accounts last year was \$3,300,000... the largest such gain recorded by any Federal savings and loan association in the United States.

Our current dividend rate is 3% on accounts Federally Insured.

On June 30th, Twin City Federal paid its 39th consecutive semi-annual dividend.

### TWIN CITY FEDERAL SAVINGS & LOAN ASSOCIATION

Corner Eighth and Marquette  
Minneapolis

Resources Over \$16,500,000

## JAMIESON & COMPANY

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ST. PAUL — MINNEAPOLIS

Government — Municipal  
Corporation Bonds

**CHARLES C. RIEGER**  
Manager

Bond Department  
Minneapolis — Atlantic 8235



## • MINNESOTA NEWS •

executive vice president Farmers & Merchants State Bank of Stillwater, is a Petty Officer with the Navy and stationed at Wahpeton, North Dakota, Naval Training School.

In service and formerly with the National Bank of Commerce, Mankato, are **George A. Volz**, stationed at Camp Sutton, North Carolina, and **Edward S. Barnett**, Aviation Cadet at Gardner Field, California.

Boys from the Farmers & Merchants State Bank of Minnesota are Tech. **Joseph H. Moore**, Base Infirmary, Geiger Field, Washington, and **E. M. Amundson**, formerly assistant cashier and director of the bank, who is now at Fort Leavenworth, Kansas, awaiting moving orders.

**Frederick D. Yahnke**, teller First National Bank, Elmore, enlisted in the Marines January, 1942, was recently promoted to corporal and is stationed at the Marine Base, San Diego, California.

Private **Lloyd A. Johnson**, Fort Leonard Wood, Missouri, and Private **Donald S. Holman**, Base Finance Detachment, Oklahoma City, were both tellers of the First National Bank of Windom. **Russell E. Keller**, bookkeeper, expects to enter the service sometime this month.

**Howard F. Johnson**, son of **A. F. Johnson**, vice president Merchants State Bank, North Branch, is with the U. S. Naval Reserve Corps. Mr. Johnson has another son, **Newton A.**, with the F. B. I. at Washington, D. C.

**Marvin A. Walseth**, Captain in the Air Corps and until recently stationed in Fairbanks, Alaska, is the son of **H. E. Walseth**, vice president and cashier Peoples State Bank, Frazee. Mr. Walseth has another son, **Quentin P.**, who is Staff Sergeant, Photographic Section, Keesler Field, Mississippi.

**W. J. Browne, Jr.**, son of **W. J. Browne**, president of the Wadena County State Bank, Wadena, is with the U. S. Naval Hospital Corps at San Diego, California. He was formerly assistant cashier of the bank.

No address is known at this time for Private **Victor S. Sather**, formerly assistant cashier Franklin State Bank.

**William**, son of **Henry G. Borgerding**, president North American State Bank, Belgrade, has just graduated from Army Air Corps and is now a Second Lieutenant. **Howard**, son of

**A. J. Borgerding**, cashier of the bank, has just received an appointment to the Annapolis Naval Academy.

**Richard W. Bennett**, with Communications, First Marine Brigade, is the son of **Chas. O. Bennett**, vice president and cashier of the Union State Bank, Montevideo. Dick has been in the service since March, 1941, serving in Iceland, Ireland, and presumably will see action sometime in the near future, although his present whereabouts cannot be made known.

Former employes of the Murray County State Bank, Slayton, now in

the Armed Forces are Lieutenant **Edwin J. Collins**, Camp Leonard Wood, Missouri, called into service June, 1941; Private **Holland P. Norton** stationed Camp Robert, California. Private Norton is vice president of the bank and enlisted in the Army March, 1942.

**Lester Hale**, former teller Dodge Center State Bank, and now in the U. S. Navy, Norfolk, Virginia.

Tech. Sgt. **Gerald LeRoy Bryan**, formerly assistant cashier State Bank of Anoka, is now a candidate for commission at Officers Training, Camp Davis, North Carolina.



SINCE THE organization of this Bank in 1863, it has continuously carried United States Bonds as an investment. Experience gained in buying and selling Government issues makes the service of our Bond Department of special value in connection with the issues of

## UNITED STATES TREASURY BILLS AND CERTIFICATES OF INDEBTEDNESS

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# The First National Bank of Chicago

### BANKS WANTED

Several of our clients are interested in purchasing minority or controlling interests in sound banks. Correspondence is invited from those interested in selling. All negotiations strictly confidential.

W. R. Olson Company, Fergus Falls, Minn.

The First National Bank of Stillwater is entitled to five service stars, representing **George J. Pozzini**, Lt. Headquarters Co., Camp Clairborne, Louisiana; **Albert J. Lehmicke, Jr.**, Aviation Cadet and son of President **Albert J. Lehmicke**; **Harry S. Robertson**, Lt. Colonel and son of Vice President **H. C. Robertson**; **Philip E. Green**, Ensign and son of Assistant Cashier **Frank P. Green**; **Wade A. Green**, Aviation Cadet and brother to Philip.

Former employes of the First National Bank, Rochester, now with the colors are: **Capt. Stanley M. Morris**, U. S. Army, San Francisco, California (teller); **Lt. John Bannon**, Bombard-

ment Squadron, Hammer Field, California (messenger); **Ensign G. David Schroeder**, Norfolk, Virginia (bookkeeper); **Lt. Carl Frank**, Camp Crowder, Missouri (auditor); **Calvin O. Diekhoff**, U. S. Navy, present address unknown (teller). **Capt. Leland G. Fiegel**, son of **L. J. Fiegel**, vice president of the bank, is with the U. S. Air Corps at Fort Meyers, Florida.

With the colors from the Midway National, St. Paul, are **Gerald Ferber**, Navy, California; **William Flesher**, Air Corps, Scott Field, Illinois; **Allan Donald McCormick**, Marines, San Diego, California; and **Martin Hoffman**, Army, Fort Snelling, Minnesota.

The Bloomington-Lake National Bank of Minneapolis has three former employes with the Armed Forces: **William Mich**, Yeoman, Great Lakes, Illinois; **William Cook**, Sgt. Quartermaster Battalion, Oakland, California; and **Howard Peterson**, Corporal, Fort Snelling, Minnesota.

From the Security State Bank, Hibbing, **Norman Walter Welo**, teller, is now a Private 8th Technical School Squadron, Chanute Field, Illinois.

**O. C. Kuhl**, former bookkeeper First National Bank, Wilmont, inducted July, 1941, stationed now at Camp Livingston, Louisiana.

**J. Brogger**, president and cashier State Bank of Butterfield, has two sons in the Army: **Neil M. Brogger**, Chief Inspector under War Department, stationed in New Orleans, and **Jacob J. Brogger, Jr.**, Captain in the Army Air Force, stationed at MacDill Field, Florida.

Former cashier of Farmers State Bank, Adams, now **Sgt. Vance Torgerson**, Headquarters Detachment, Fort Francis E. Warren, Wyoming. **Sgt. Torgerson** is the son of **N. V. Torgerson**, president of the bank.

**John S. Hadden**, clerk Citizens State Bank, Big Lake, has been in the service since June, 1940, now stationed in Iceland.

**Herbert O. Lee**, a former bookkeeper Prinsburg State Bank, has been in the Armed Service of the United States since April, 1941, and at the present time he is stationed in Ireland. **Pvt. Lee** is the nephew of **S. H. Lee**, cashier of the bank.

### Bank President Dies

**Loren H. Clepper**, 63, a resident of Rice for 35 years and president of the First State Bank there for some time, recently died at his home after several months of illness.

### Veteran Banker Retires

**Herman D. Paschke**, who has a record of 40 years continuous service with the First and Farmers National Bank of Blue Earth, recently retired from active duty at the bank. **Mr. Paschke** will continue, however, to hold his position as vice president of the board of directors.

### Accepts Government Position

**Herman Mittelstaedt**, who was connected with the Security State Bank of Wadena for many years and who has been closing the affairs of the bank, left recently for St. Paul where he has accepted a position with the internal revenue department.



*"The Bank at the Yards"*

## In Step All the Way

For almost a half century the Sioux City Stock Yards and the Livestock National Bank have grown and prospered together. During all these years, both have been in step every inch of the way!

Both of us have a common goal—to serve the great Sioux City market area—and both of us are experts on livestock and farm business. In addition, this bank is well-equipped to handle ANY items you may send us on down-town Sioux City.

#### OFFICERS

**C. L. Fredricksen**, President  
**M. A. Wilson**, Vice President  
**W. G. Nelson**, Assistant Vice President  
**W. C. Schenk**, Cashier  
**H. C. Linduski**, Assistant Cashier  
**C. L. Adams**, Assistant Cashier  
**J. S. Haver**, Assistant Cashier  
**James L. Smith**, Auditor

#### DIRECTORS

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

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# LIVESTOCK NATIONAL BANK

SIoux CITY, IOWA





H. N. THOMSON  
President  
Presho

## SOUTH DAKOTA NEWS



GEORGE M. STARRING  
Secretary-Treasurer  
Huron

### South Dakota Well Attended

(Continued from page 15)

he hopes to have these nine in the fold before the annual ABA convention this fall. (ABA has been cancelled.)

With the thought in mind that the increasing war effort will materially add to the duties of the South Dakota bankers, and that added restrictions will be imposed on travel of all kinds, it was voted that in the event it would be impossible to hold a state convention in 1943, the officers elected this year will hold over until such time as an annual convention can be held. Mitchell was designated as the next convention city, in 1943 if possible, or whenever the next convention takes place.

Commenting on the good work of the Association bank management committee, **L. T. Morris**, president of the First Citizens National Bank, Watertown, and president of the South Dakota Bankers Association, said:

"Let me mention the bank management committee, which, under the able chairmanship of Wm. C. Rempfer of Parkston, is in the process of completing a survey of bank operations for interested members for the third consecutive year. The committee feels that such studies are even more important at present with a number of loan sources freezing up and general expenses mounting. Although it has not been definitely decided, the committee might hold a series of conferences for interested bankers this summer or fall, the war permitting, or request that this subject be discussed at the group meetings. Last year, as you will recall, the results of the survey were given to the banks in a series of ten bulletins and from the comments received, they apparently were appreciated by members. The committee also prepared and published during the year a losses and recoveries bulletin covering a twenty-year period. The information contained in that bulletin should prove valuable to our members in measuring requirements for re-

serves during the reconstruction period after the war. I am sure that any of us who experienced the last world war and the days following it, will not question the need of something in the way of a buffer."

One of the most interesting talks of the convention was presented by G. Sidney Houston, manager of the investment research department of the First Bank Stock Corporation of St. Paul, who talked on "During and After the War, What?" The speaker believes that the fears of many who think the present war controls operating under the government will lead to government control after the war, are groundless. He said we are now going through the greatest economic upheaval in the history of our nation, with 30 million persons being changed from peacetime to war-time operations. After the war all this must be reversed, and if chaotic conditions are to be avoided, the government will need to exercise controls of various kinds for a time. If the war runs through 1943, Mr. Houston said, there will be a normal deficiency of 6 million automobiles, making a 1944 demand for cars of 9½ million, with comparable shortages paralleled in other industries. That will mean a business boom, but there will be a big headache to follow if the government does not keep control until the country is back to more or less normal peace-time operations.

Mr. Houston believes we will have good, average business for from five to eight years after the war. Of course the outlook from now on is for plenty of taxes—our large national debt will be with us for a long time to come. If we are to meet these taxes the national income must be maintained at a high figure. A big national debt means that banks will have to buy and hold more government bonds—probably up to 24 billion during the next eighteen months, and they can expect 60 to 75 per cent in such holdings as compared

to the early part of 1942. What, the speaker asked, is the capacity of banking to absorb these bonds? They could absorb, he said, 190 billion of the national debt, without harmful reaction.

From now on, Mr. Houston said, loans are not likely to be in normal demand, due of course to the many business and economic restrictions. After the war there will be a great demand for money—new ventures will be promoted, agriculture will prosper. If the United States takes the position of world domination, which it probably will, through world trade and other channels, business should be excellent for many years.

### Resigns Position

H. W. Ouren, who has been field man for the First National Bank of the Black Hills, Belle Fourche, and prior to that the Butte County Bank, since 1930, has resigned his position there to accept a position as vice president with the Harlan National Bank, at Harlan, Iowa. Mr. Ouren took over his new duties July 1st.

### Bank Clearings High

Mounting totals of bank clearings and of the value of livestock receipts, indicating a bigger turnover of cash, featured business in Sioux Falls during May, a tabulation of monthly reports showed recently.

Clearings in May reaching \$10,233,067 were nearly \$1,000,000 more than in May, 1941, and the value of receipts at the Sioux Falls stockyards was nearly \$800,000 more than the total for the corresponding month of 1941.

Bank clearings reached a larger figure than last April when the total was \$9,942,593.15.

### Pioneer Banker Dies

Ed J. Miller, pioneer South Dakota banker and treasurer of the State Fair Board 1919-28, died recently in Santa Ana, California.

Mr. Miller, well known throughout the state, served as cashier of the First National Bank of Huron, from shortly after it was organized in 1881 until it closed in 1924.

### To Open Saturday Night

Both the Rapid City National Bank and the First National Bank of the Black Hills will be open Saturday nights from 6:30 p. m. to 7:30 p. m. during the construction period of the Rapid City air base and the Hermosa cantonment project if built, officials of the banks announced recently.

The purpose will be to cash payroll checks of workers who are unable to

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come to town before the banks close, officials said.

The large payroll resulting from construction work has thrown a heavy burden on merchants in the past few weeks and the banks will be able to take care of it during the one-hour period on Saturday nights, it was pointed out.

### Veteran Banker Dead

Frederick T. Clisby, 79, for many years connected with the First National Bank of Parker, died recently

at his cottage at West Okoboji Lake, in Iowa.

### To Manage Branch Bank

Clarence Knudson has been appointed manager of the Leola branch of the Ipswich State Bank to replace E. W. Hilgemann, Jr., who has recently left for the U. S. Army.

### New Bank Building

The new streamlined building of the Rapid City National Bank was opened last month. Features include an electric-eye door which opens itself as a person passes through the vestibule, fluorescent lighting, sound-wave burglar alarms, and separate space for personal loan department to be open outside banking hours.

The building is of light brick, made in the Black Hills, with black decorations. The bank space is 90 by 50.

### Former Banker Dead

Funeral services were held recently for E. W. Radeke, 55, who died suddenly of a heart attack at his home in Milbank.

Mr. Radeke had at various times been engaged in banking operations at Stratford, Webster, Brookings and Alexandria. At the time of his death

he was employed as farm agent for the special real estate department of the Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin.

### Half a Century

Fifty years ago, on June 18, 1892, Walter G. Nelson started his banking career as an office boy to James T. Woodward, president of the Hanover National Bank. Since then, Mr. Nelson has been continuously in the employ of that bank and its successor, Central Hanover Bank and Trust Company.

From office boy rank, Mr. Nelson was promoted to the loan department, was later made loan clerk in charge of Wall Street, merchandise and personal loans, and the bank's investments. In 1922 he was appointed an assistant cashier and became an assistant vice president in 1929, which office he now holds.

Secretary—I quit my last boss because I couldn't take it.

Friend—Necking?

Secretary—No, dictation.

"So your husband is one of the big guns of industry?"

"Yes, he's been fired seven times."



### Repair in Nature's Shop

Here among tall peaks and restful canyons, purple forests and cool waters, Nature has gathered all the instruments of beauty, health, and fun that you could wish for. There's hiking, riding, fishing, swimming—or just joyful lazing.

### Colorful Celebrations

keep the gay western spirit pulsating. The Black Hills Passion Play is another attraction, and there's a wonder-spot that lifts your eyes to VICTORY—the Shrine of Democracy on Mt. Rushmore. Cool nights and NO mosquitoes. Free folders on the Black Hills and the exotic Badlands.

A. H. PANKOW, Publicity Director  
South Dakota State Highway Commission  
Pierre, South Dakota



Northwestern Banker July 1942

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J. O. MILSTEN  
President  
Belfield

## NORTH DAKOTA NEWS



C. C. WATTAM  
Secretary  
Fargo

### Milsten North Dakota President

(Continued from page 18)

bank division; **C. P. Kjelstrup**, executive vice president American State Bank, Minot, state bank division; and **Frank Scott**, president Merchants National Bank & Trust Company, Fargo, trust division.

In his address as president of the Association, **J. I. Hegge**, among other things, suggested that in the future all group meetings be held as evening sessions, since those held in the evening last Fall seemed to draw a much better attendance. The North Dakota group meetings scheduled to be held this past Spring were all cancelled because of bad weather and road conditions. Commenting on the Food for Freedom campaign, Mr. Hegge said:

"The drive to increase agricultural production is just as much a part of the war program as is the drive to increase production of planes, ships and tanks, or the calling of men to the colors. The present situation makes it imperative that agricultural production should not be handicapped by lack of adequate credit. Therefore I hope that you will all do your part, when consistent with safe and sound banking, to extend credit to the producers wherever it may be needed."

Several suggestions were made by **Secretary Wattam**, among them the idea that his office be used as a clearing house for the buying and selling of bank equipment. New equipment is scarce, if available at all; many bankers have equipment to sell and if such is listed in the office of the Secretary, others who need equipment will be able to locate it. Mr. Wattam stated that North Dakota bankers had done exceptionally well in the sale of war bonds, and complimented his audience on their efforts in this connection. He also recommended a revision of service charge schedules to conform to present-day demands and conditions.

**J. A. Graham**, state bank examiner for North Dakota, told his audience

that if the banking system survives the present war, it will depend on the ability of banks to render the service to prove that they are 100 per cent behind the war effort. These days it is impossible to conduct business as usual with the profit motive paramount. Right now, Mr. Graham said, is a good time for banks to watch their public relations program—be fair to the public, don't be too greedy for profit, make sure that all service charges are fully explained to customers. If banks have slow paper, now is the time to get the note case in first class condition, when the outlook for crops is excellent, because no one can see very far into the future and be able to tell what it will bring. Mr. Graham cautioned banks to build up sound credit, with the trend toward retention of reserves and smaller dividends.

**R. M. De Puy**, of Brookings, South Dakota, outlined the Food for Freedom program. Mr. De Puy is a vice president of the Northwest Security National Bank of Sioux Falls, and manager of the Brookings branch. Mr. De Puy said he believed the greatest opportunity for loans for banks in the Dakotas was to farmers, and perhaps the only place for loans with restrictions placed on so many other business activities. To meet competition, he said, it may be necessary to reduce interest rates to a certain extent.

Regulation V was explained by **Harry I. Ziemer**, vice president of the Federal Reserve Bank, Minneapolis. Since this regulation deals largely with industrial plants, it applies very little in a state like North Dakota, where agriculture is predominant, but in the larger centers Regulation V has been found of great assistance and protection to banks. Mr. Ziemer said the government wants banks to make these Regulation V loans in their entirety, but will issue a protective guaranty if the bank desires.

The program on Saturday afternoon was one dealing with chemurgy and irrigation, both subjects of special interest to North Dakota bankers. **Dr. Boris Berkman** of Chicago spoke on "Milkweed as a Cash-Producing, Soil-Binding Crop;" **Dr. H. L. Walster**, dean of agriculture of the North Dakota State College, talked on "Synthetics;" and **K. A. Simon**, editor of the *Bismarck Tribune*, spoke on the "North Dakota Water Conservation Program."

Advocating the growing of milkweed for commercial uses, Dr. Berkman believes that applying restrictions and paying farmers for not raising crops, is not the solution—the land must be used for some purpose and perhaps a new crop producing material for which there is a demand. Following several years of experimentation, Dr. Berkman has found specific uses for milkweed floss, and has developed machinery which will economically separate the floss from the pod. The floss has many uses—for insulation, stuffing mattresses and pillows, and at present Dr. Berkman has a contract with the government whereby he supplies floss to be incorporated in the suits of navy fliers, providing warmth and at the same time the ability to keep the flier afloat for many hours in the case of accidental or forced landing on water.

The stalks and leaves of the milkweed can be adapted to many uses, after necessary processing, and of course these possibilities will be developed later. Dr. Berkman now has 15,000 acres of milkweed growing under contract in Michigan, and says North Dakota provides ideal soil and climate for milkweed as a cash crop. With the useful properties of milkweed fully developed, such a crop produced in quantity promises tremendous changes in many lines of industry.

**K. A. Simon** told how by a system of dams, canals and pumps, water can be supplied to almost every section of North Dakota, with the possible exception of the southwestern corner of the state. Such projects are being carefully considered at the present time. Mr. Simon reasons that more water means better crops—more people, and then of course better business and increased prosperity.—**THE END.**

### Fargo Banker Dies

Arthur W. Fowler, 59, vice president of the Dakota National Bank of Fargo, member of the state Senate, former state's attorney of Cass county and one of North Dakota's most prominent political figures, died recently at a Rochester, Minnesota, hospital.

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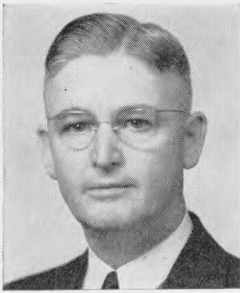
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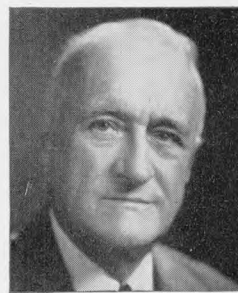
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O. A. RILEY  
President  
Hastings

## NEBRASKA NEWS



WM. B. HUGHES  
Secretary  
Omaha

### New Assistant Cashier

Mr. Keith A. Abart of Emmett has been employed as assistant cashier of the Citizens State Bank, Clearwater, to take the place of J. A. Van Kirk who resigned recently.

Mr. Abart has been with the Emmett State Bank for some time.

### Madrid Bank Closed

The Farmers State Bank of Madrid was closed recently and all depositors paid in full. All the assets of the bank except the bank building have been liquidated and the stockholders have been paid \$150 per share to date. This bank had deposits of \$160,000 at time of closing and the fact that the depositors were paid, and the fine return to stockholders given in so short a time attested to the fine condition of the bank. F. W. Jackman, who has been the cashier for the three years, made a fine record. The bank was able to pay dividends every year besides adding 40 per cent to its capital structure. Mr. Jackman went to the Army last month which is the reason for the closing of this bank.

### Gives Commencement Addresses

E. E. Jackman, president of the Farmers National Bank of Grant, gave the commencement addresses at Grain-ton and Brule recently.

### Winkler Joins Live Stock

Alvin E. Johnson, president of the Live Stock National Bank of Omaha, Nebraska, announces the appointment of C. W. Winkler of Lexington, Nebraska, as field representative.

Mr. Winkler until his employment by the Live Stock National Bank was associated for eleven years as representative for the St. Joseph Stock Yards Company of St. Joseph, Missouri.

Mr. Winkler is a graduate of the Nebraska State University, College of Agriculture, at Lincoln. He has been very active in 4-H work in Dawson

county and in 1919 received the first certificate of achievement for 4-H Club work in that county. He was a member of the Innocents Society at the College of Agriculture in 1930 and has also been very active in the judging of livestock.

Mr. Winkler is married and has two children.

### Serves for 25 Years

Thursday, June 11th, marked the twenty-fifth anniversary of Henry A. Schneider in the Plattsmouth State Bank, and while there were few that were aware of the anniversary, Mr. Schneider received a very pleasant and unexpected surprise on the event.

Mr. Schneider, with several others, had visited the Martin bomber plant at Fort Crook and enjoyed dinner there and during the conversation with the others of the party, remarked that the day marked his twenty-fifth year in the bank where he is now president. Later in the day and as the banking hours drew to a close and the staff was checking up on the day's business, a large and attractive basket of flowers arrived and directed to Mr. Schneider. The basket was a friendly greeting from Alvin S. Johnson, president of the Live Stock National Bank of Omaha, who had learned of the anniversary and extended the floral greetings and well wishes.

### Honor Carl Ganz

Recently the American Legion building at Elmwood was the scene of a gathering of a group of the Cass county bankers and their ladies as well as several from Omaha, Lincoln and Plattsmouth to pay honor to Carl Ganz, former cashier of the Farmers & Merchants Bank of Alvo, soon to leave for army service, and Mrs. Ganz.

The evening was opened by a delicious dinner served by the ladies of the Elmwood Christian Church, offering a very pleasing menu. The tables were arranged with the summer flowers and American flags to form the red, white and blue motif.

Guy L. Clements, president of the American Exchange Bank, of Elmwood, was the master of ceremonies and presented H. A. Schneider of Plattsmouth, who served in the capacity of toastmaster for the program, also giving words of praise for Mr. and Mrs. Ganz.

### Changes at Crete Bank

The Weckbach family, for 32 years connected with the City National Bank in Crete, announced recently that they were retiring from the bank's service. Mrs. Ella C. Weckbach, vice president of the institution since 1935, is retiring and her son, Clark, cashier since 1936, has resigned to enter government service.

B. Franklin Aron and Robert K. Kuncel will fill the Weckbach vacancies. Mr. Aron, with 12 years' banking experience, will succeed Clark Weckbach as cashier. He has been connected with the Crete State Bank and for a short time has been with the Crete Mills. Mr. Kuncel, funeral director and owner of the Kuncel furniture store, will be a member of the board.

John Rothmuller continues as president of the bank, a position he has held for the past ten years. E. C. Plouzek, affiliated with the bank for 19 years, continues as executive vice president. Other members of the board of directors are John E. Mekota, Herbert G. Smith and Robert E. Kuncel.

### Enters Omaha Bank

Bill Cox, son of Mr. and Mrs. Bruce Cox of Fort Calhoun, began work recently at the South Omaha Savings Bank.

### New President Assumes Duties

Clarence F. Witt, who was recently elected president of the South Omaha Savings Bank, has assumed his new duties at the South Omaha institution.

Mr. Witt comes from Winona, Minnesota, where he has been cashier of the First National Bank. He was affiliated with that institution for 31 years, having served in every capacity from messenger to cashier.

### Bank Merger

Two of the well known financial institutions of western Cass county were granted the permission to merge by the State Banking Board recently.

The Farmers and Merchants Bank, of Alvo, one of the strong and progressive banks of east Nebraska, will be merged with the Bank of Eagle, the permit states.

S. C. Boyles, veteran banker and

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founder of the Alvo financial institution, now the president of the Farmers and Merchants Bank, appeared before the banking officials and stated his desire to retire from the business. Mr. Boyles stated that his son-in-law, Carl Ganz, the cashier and active head of the bank, was being called into the armed service, receiving a commission as a major.

The Farmers and Merchants Bank has deposits of about \$160,000 and the Bank of Eagle around \$100,000.

The merged bank will be located at Eagle and will be under the manage-

ment of George O. Unruh, cashier, who is at the present time operating the Bank of Eagle.

### Accepts Bank Post

J. F. Hladik resigned his position in the Pierce county treasurer's office to accept a post at the Cones State Bank of Pierce.

### New Fixtures Installed

Something new and streamlined in the way of bank fixtures, may be seen at the Security National Bank in Su-

perior. The new type fixtures are a radical departure from the old style that have been used in banks for so many years that it is hard to visualize a bank without them. The fixtures are entirely of mahogany, with no glass or metal of any kind between bank employees and customers.

### New Bank Employee

Miss June Shellington started work at the Wakefield National Bank recently and will be employed for the summer.

### Bank Gives Service Stars

The First National Bank of Tekamah has adopted a unique patriotic custom, that of presenting the parents of boys in the service with a framed "service star." There is a star for every son in the service. The star appears on a black background, and is made of a substance which causes it to shine in the darkness. It makes a very attractive emblem to hang in the window of the soldier boys' homes.

### To Revamp Land Bank

The Omaha Federal Land Bank, "under direction of the Farm Credit Board, is being reconditioned internally to speed up its operating machinery," Edwin N. Van Horne, new president of the bank, said recently.

The first move will be to divide the four states in the district into nine regional areas, said Van Horne, former Chicago and Lincoln banker.

Nebraska and Iowa will each operate under three area managers, South Dakota under two and Wyoming under one. Men are now being chosen to head the areas.

Similar streamlining has been effected in all except three of the country's 12 farm credit setups, said Van Horne.

### Goes to Elsie

Gerald Phillips, of Wallace, has accepted a position in the Commercial State Bank at Elsie and commenced work last month.

### Hodges Replaces Sage

Paul Hodges has resigned as deputy county treasurer of Nuckolls County and will be employed in the Security National Bank in Superior, replacing Lee Sage who is going into the Army.

"They sure will spoil our boys in them army camps," said Mrs. Muggs.

"Won't they, though," said Mrs. Tuggs. "I hear they let 'em sleep till 5 every morning."

Charter No. 209

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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

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## Omaha Clearings

ONLY a few days after he was named area consultant, in an advisory capacity, for the war savings program, **J. Francis McDermott**, vice president of the First National Bank of Omaha, was commissioned a lieutenant-colonel to serve in the army finance department as war bond officer for the Seventh Corps Area with headquarters in Omaha. He was ordered to report June 26.

Lt. Col. McDermott is Nebraska commander of the American Legion.

As a result of the latest appointment, he expected to resign his \$1 a year post as consultant.

He was granted leave of absence from his bank duties.

Previously, McDermott was chairman of the Nebraska war savings program, also a \$1 a year job.

**Andrew Kopperud**, former vice president and treasurer of the Federal Land Bank of Omaha, was praised for his qualities of leadership by **D. P. Hogan**, former president of the land bank, at an Omaha Chamber of Commerce farewell luncheon for Mr. Kopperud.

Mr. Kopperud was honored by the chamber's agricultural committee, of which he was chairman.

Mr. Kopperud has left Omaha to re-enter the banking business at Watertown, S. D.

**Charles D. Saunders**, vice president of the First National Bank of Omaha, has been elected a director of the Omaha Chamber of Commerce for the coming year. Samuel W. Reynolds, vice president and general manager of the Reynolds-Updike Coal Company, was elected president of the chamber.

Linn P. Campbell, president of the Byron Reed Company, was named treasurer.

The new executive committee of the

chamber includes **W. A. Sawtell**, president of the Stock Yards National Bank.

**William Phillips**, 53, who was assistant cashier of the Omaha branch, Federal Reserve Bank of Kansas City, for 19 years until 1938, died recently in Kansas City.

For the last two years, he was assistant cashier of the Federal Reserve Bank of Kansas City. Before moving to Kansas City, he was assistant cashier of the Federal Reserve Bank at Denver for two years. Born in Scotland, he was educated in Edinburgh, came to the United States from Can-

ada, where he had been a newspaperman.

Burial was at Omaha.

His wife, three daughters survive.

Mr. and Mrs. Russell A. Firestone, who moved recently to Omaha from Akron, O., have leased the residence of Mr. and Mrs. **A. C. Potter** in Fairacres. Mr. Potter, Omaha investment banker, is now in Washington, having taken a war department post there recently.

Miss Cynthia Mallory, daughter of Mr. and Mrs. **Richard H. Mallory** of Omaha, was married to John Byron Trunnell of Munster, Ind., at Salt Lake City, Utah, recently. The bride's father is vice president of the United States National Bank of Omaha. Miss Mallory has been employed in an arms plant at Salt Lake City and her fiancé was doing medical research at Brigham Young University.

Mr. and Mrs. **T. L. Davis** and Mr. and Mrs. **Lawrence Brinker** left in June for their annual holiday at Lake Miltona, Alexandria, Minn. Mr. Davis is president of the First National Bank of Omaha. Mr. Brinker is head of the Omaha investment banking firm bearing his name. Mr. and Mrs. Davis planned to remain three weeks. The Brinkers expected to return after the Fourth of July.



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OMAHA'S WELCOME TO THE WORLD

Northwestern Banker July 1942

# Emphasis on War

With the Nation's production effort approaching its peak, Philadelphia is more than ever a maelstrom of business and industrial activity, and it is a focal point for banking transactions of every kind connected with war activities.

To those who do business in this territory we offer a thorough knowledge of local conditions, quick collections, complete commercial banking facilities, and an unquestioned willingness to serve.

... THE ...

## PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Resources over \$650,000,000

*Member of Federal Deposit Insurance Corporation*

**Harold C. Elliott**, employed in the real estate department of the Federal Land Bank of Omaha, has been elected secretary-treasurer of the Alvo, Greenwood, Nehawka and Otoe Farm Loan Associations, with headquarters at Alvo, Neb., to succeed **Carl Ganz**, Alvo banker, who entered army service.

**Kenneth G. Harvey**, president and owner of the Great Western Finance Corporation, is new executive vice president and director of the Douglas County Bank of Omaha. Mr. Harvey is also an attorney. He has lived in Omaha 22 years. The executive vice presidency is a new post at the bank.

**Clarence F. Witt**, new president of the South Omaha Savings Bank, took up his new duties. He came from Winona, Minn., where he was cashier of the First National Bank, with which he was associated 31 years. He is active in the Elks and Knights of Columbus.

**A. C. "Cub" Potter**, Omaha investment banker who now is in a war department position in Washington, underwent a major operation recently in a Washington hospital.

**Ray R. Ridge**, a vice president of the Omaha National Bank, is the new president of the Omaha Rotary Club for 1942-43.

**Ralph L. Staple**, 79, an attorney for the Federal Land Bank of Omaha and a resident of Omaha 25 years, died recently. Two daughters, two sons survive.

He was a former county clerk and county attorney of Wheeler county, Nebraska, and served eight years as county judge and two terms as county attorney in Valley county, Nebraska.

Allan Tukey, Omaha insurance man, was elected a chairman of the Metropolitan Utilities District Board recently and A. A. Lowman, president of the Northwestern Bell Telephone Company, was seated as a director in a reorganization resulting from resignation of **W. M. Millard, Jr.** Mr. Millard, vice president of the Omaha National Bank, is now in army service.

New directors of the Omaha Better Business Bureau include **Ellsworth**

### **BANKS** Bought and Sold

Confidentially and with becoming dignity

**BANK EMPLOYEES PLACED.**

**37 Years Satisfactory Service.**

**THE CHARLES E. WALTERS CO.**  
OMAHA, NEBRASKA



**Moser**, vice president of the United States National Bank, and **William Sawtell**, president of the Stock Yards National Bank.

National Security Fire Insurance Company of Omaha, which recently elected Edgar Morsman, III, as president, to succeed the late W. B. T. Belt, reelected as directors, for one year, **H. M. Bushnell**, president of the United States National Bank, and Ford E. Hovey, president, Occidental Building and Loan Association of Omaha.

Consumers Public Power District of Columbus, Neb., recently announced it had made a formal offer of \$40,680,000 to American Power and Light Company of New York for Nebraska Power Company of Omaha.

Consumers asked H. L. Aller, president of American Power and Light, to notify the city of Omaha of the offer.

Members of the Omaha city council issued a statement saying they had appointed a ten-man committee to work with the city council on a study of the power situation. Committee members include **W. Dale Cark**, president of the Omaha National Bank; **H. M. Bushnell**, president of the United States National Bank, and **T. L. Davis**, president of the First National Bank of Omaha.

Omaha bank clearings for the Memorial Day holiday week showed a 51.8 per cent increase over the same week last year, the sharpest advance of any city in the country, according to a Dun and Bradstreet report.

Omaha clearings for the week were \$45,764,060.92 against \$30,148,253.74, for the same week last year, according to the Omaha Clearing House Association.

The large Omaha increase, it is believed by some bankers, probably was a reflection of large sums paid out in connection with war plants in this territory.

### *So What?*

Blonde—The prosecuting attorney embarrassed me very much during the trial.

Admirer—By asking what you were doing the night of the crime?

Blonde—No, by asking me what I was doing this coming week-end.

YOUR STATE BANKERS ASSOCIATION  
OFFICIAL SAFE, VAULT AND  
TIMELOCK EXPERTS  
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OMAHA



## Lincoln Locals



THROUGH a series of conferences between contractors at the Lincoln army air base and members of a chamber of commerce committee, it is believed that the problem of base workers cashing their checks has been partly worked out.

The plan devised provides for contractors paying their workers on Wednesday evening and Thursday morning, the system followed in most cities where similar situations have had to be met. Exceptions, a survey by the committee has found, were at Wichita and in towns the size of Wahoo.

In these latter places the banks handle the checks because of the merchants not being able to acquire the money needed. Wichita had 50,000 emergency workers.

The plan in Lincoln opens the way to the banks cashing many of the checks during the regular opening

hours. After they close, stores will be able to get money until 4 p. m. each day, to handle the checks, especially on Wednesday and Thursday. On Thursdays the stores are open at night.

The one fly in the ointment is that the I. C. U. company, which employs the largest number of men at the base, would not agree to pay earlier than Saturday.

The number of men working at the base varies. Recently a fair estimate was 4,000. They receive from \$50 to \$60 a week for unskilled work, and around \$100 a week for skilled labor. Wells believed \$70 a week average would be "about right." That means a payroll of approximately \$280,000 per week.

The Nebraska State Banking Department has announced payment of a final dividend to depositors of the failed Citizens State Bank of Peru.

### *Quality—First and Last*

In all its relations with clients, the CONTINENTAL NATIONAL BANK emphasizes quality of service. Only thus do we believe a bank can do constructive work in its city and state. This principle will guide us in the future as in the past.

TRY CONTINENTAL SERVICE IN LINCOLN!

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

Member Federal Deposit Insurance Corporation



## FEEDER LOANS

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No doubt there will be a special demand for Feeder Loans this fall.

If you have excess demand from your customers - write us.

*» Send Us Your Out-of-Town Items for Credit «*

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LIVE STOCK NATIONAL BANK  
OMAHA

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Resources Over \$23,000,000.00

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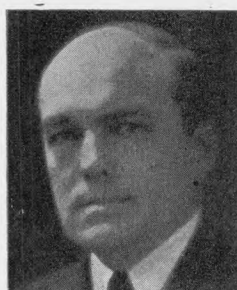
*Member Federal Reserve Bank  
Member Federal Deposit Insurance Corporation*





A. T. DONHOWE  
President  
Des Moines

## IOWA NEWS



FRANK WARNER  
Secretary  
Des Moines

### Makes Final Payment

Al Wiese, cashier of the Mt. Auburn Savings Bank, announces that his bank is now making final payment of its trust certificates. They have paid 100 per cent of the principal, and have added 2 per cent for interest, making a total payment of 102 per cent.

### Pioneer Banker Dies

C. J. Sherman, 82, resident of Wesley for many years, died recently at his home there.

Mr. Sherman was one of the charter members of the Exchange State Bank of Wesley when it was organized in 1912, and for many years was president of that institution.

### Celebrates 20th Anniversary

R. W. Wyant, cashier of the Security Savings Bank of Larchwood, reports that his bank has just finished its 20th year of continuous operation. During this time there have been no trust fund, no waivers and no stock assessment. The present total resources of this bank, the oldest in Lyon County, are \$478,000.

Mr. Wyant was one of the original directors of the bank, and took over its direct management on May 21, 1931.

### Final 20 Per Cent Dividend Paid

Carl W. Laxson, president of the State Bank of Earlville, announces that a final 20 per cent dividend has been paid on the bank's trust certificates. This makes a full payment of the \$190,875.74 issued in trust certificates.

### Award Student Prizes

The American National Bank of Arlington, Iowa, presented to the highest ranking student in each of the four high school grades in Arlington and Stanley a prize of \$5. The awards were based on grades for the 1941-1942 school year and it is expected that the prize will be a perma-

nent feature of the bank's customer relation program.

This award idea was originated by H. R. Young, former cashier of the bank, who is now vice president of the City National Bank of Wichita Falls, Texas. Mr. Young is also a former president of the Iowa Bankers Association.

### County Bankers Meet

The annual meeting of the Webster County Bankers Association was held recently. The meeting followed a 6:30 dinner at the Wahnkonsa Hotel in Fort Dodge.

The new officers elected for the coming year were C. W. Gadd of the State Bank of Fort Dodge as president,

Roscoe Leonard of the First National Bank of Dayton as vice president, and A. A. Gerken of the State Bank of Fort Dodge as secretary and treasurer.

The annual Webster County Bankers Picnic will not be held this year because of the war, it was decided. Regulation W as revised was discussed at length.

The Webster County bankers are cooperating with the Webster County Victory League to eliminate individual drives for funds by each War Service Organization, the idea being to have one energetic drive which all organizations will benefit from and avoid the nuisance and duplication of individual campaigns.

### Hopkinton Bank News

Mr. and Mrs. Everett L. Wright, Hopkinton, returned from a trip through the southern states and a visit to New Orleans, the early part of June. This trip was a celebration honoring their tenth wedding anniversary. Mr. Wright is president of the Citizens State Bank, Hopkinton.

Plans are being made by the officers and directors of the Citizens State Bank, Hopkinton, Iowa, to open an office at Ryan, Iowa. The date of the opening has been set for July 18th.

## Iowa - Des Moines Annual Picnic



Officers and employees of the Iowa-Des Moines National Bank and Trust Company held their annual party last month at Wayside Inn. Chicken—and much of it—was the piece de resistance. One hundred and seventy-five were present for the occasion. Following dinner, games and dancing were enjoyed with special prizes consisting of War Bonds and Defense Stamps. Lorrin "Blondy" Ewing was chairman of the committee in charge of the party. In the picture above is a picnic group watching the games. Those seated, from left to right, are Charles McCoy, Victor Pulis, Clarence Diehl, Clyde Doolittle, John deJong, Verne Bonnett and Orville M. Garrett.

Northwestern Banker July 1942

# Measuring the PROGRESS of 25 Years

1917

## STATEMENT OF CONDITION

*At the Close of Business June 1, 1917*

### RESOURCES

Loans and Discounts.....	\$ 574,855.39
Other Securities.....	41,683.07
Furniture and Fixtures.....	7,034.80
Cash and Exchange.....	1,062,362.02
	<hr/>
	\$1,685,935.28

### LIABILITIES

Capital .....	\$1,000,000.00
Surplus .....	200,000.00
Undivided Profits .....	581.24
Deposits .....	485,354.04
	<hr/>
	\$1,685,935.28

### DIRECTORS, 1917

ASHTON CLEMENS  
*President, Standard Glass and Paint Co.*

DR. O. J. FAY  
*Surgeon*

C. L. HERRING  
*President, Herring Motor Co.*

J. W. HOWELL  
*V.P., Warfield, Pratt & Howell*

S. L. SHEUERMAN  
*V.P., Capital City Woolen Mills*

B. F. KAUFFMAN  
*President*

H. H. POLK  
*U. S. Army*

R. R. ROLLINS, SR.  
*Real Estate*

FRED W. SARGENT  
*Attorney*



# BANKERS TRUST



# 1942

## STATEMENT OF CONDITION

*At the Opening of Business June 1, 1942*

### RESOURCES

Loans and Discounts.....	\$10,058,704.72
Other Securities.....	786,473.21
Stock in Federal Reserve Bank.....	45,000.00
Real Estate.....	7,043.10
Furniture and Fixtures.....	55,188.50
Municipal Bonds.....	20,073.07
U. S. Government Bonds.....	\$10,179,953.31
Cash and Exchange.....	8,309,567.47
Customer Liabilities on Letters of Credit and Trade Acceptances .....	8,375.00
	<hr/>
	\$29,470,378.38

### LIABILITIES

Capital .....	\$ 1,000,000.00
Preferred .....	\$100,000.00
Common .....	900,000.00
Surplus .....	500,000.00
Undivided Profits.....	448,591.47
Reserve for Taxes and Interest.....	36,304.36
Other Reserves.....	227,851.69
Deposits .....	27,249,255.86
Bank's Liability on Letters of Credit and Trade Acceptances .....	8,375.00
	<hr/>
	\$29,470,378.38

### DIRECTORS, 1942

PAUL BEER  
*President, The Flynn Dairy Co.*

DR. O. J. FAY  
*Surgeon*

J. G. GAMBLE  
*Attorney*

J. W. HOWELL  
*President, Warfield-Pratt-Howell Co.*

F. W. HUBBELL  
*President, Equitable Life Ins. Co. of Iowa*

J. W. HUBBELL  
*Pres., F. M. Hubbell Son & Co., Inc.*

B. F. KAUFFMAN  
*President*

E. T. MEREDITH, Jr.  
*V.P., Meredith Publishing Co.*

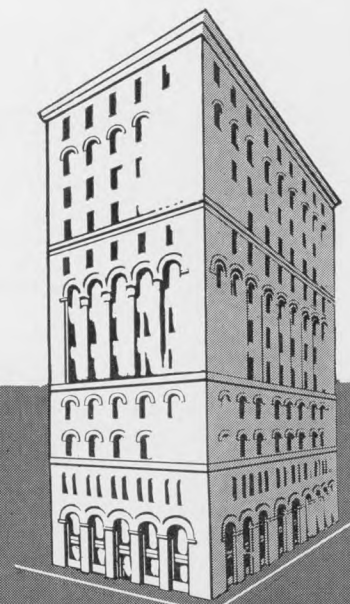
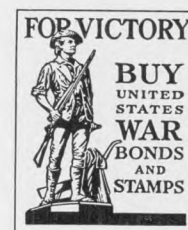
SHIRLEY PERCIVAL  
*Pres., Green Colonial Furnace Co.*

S. C. PIDGEON  
*Vice President*

RUSSELL REEL  
*President, Yellow Cab Co.*

R. R. ROLLINS  
*Vice President*

JOHN D. SHULER  
*President, Shuler Coal Co.*



*Member Federal Deposit Insurance Corporation*

# COMPANY

6th and Locust  
Des Moines



## With the Colors from Iowa



**George W. Grant**, son of **W. N. Grant**, vice president Peoples Trust & Savings Bank, Indianola, has been in the service since June, 1941. He is now located at Camp Caron, Colorado.

**Asa R. Arnold**, assistant cashier First National Bank, Klemme, now a Corporal 3rd Infantry, Camp Berkeley, Texas. He is the son of **F. A. Arnold**, president of the bank.

**George A. Chamelicek**, Corporal, Infantry, stationed in Ireland, was formerly teller of the United State Bank.

The position will be awaiting him upon his return.

Private **James H. Koons**, son of **V. D. Koons**, president First State Bank, Britt, now stationed in Melbourne, Australia, in a recent letter states that he has seen aerial combat service at Port Moresby and over Jap bases in New Guinea aboard U. S. Flying Fortress acting as portfolio man.

**Ernest Wayne Powell**, former bookkeeper State Savings Bank, Cantril, was called to Army Service January,

1942. He has recently been transferred to California from Camp Wolters, Texas.

Former employe of the Woodbury County Savings Bank, Sioux City, Private **Robert H. Drain**, U. S. Marine Corps, San Francisco.

**Kenneth L. Ingebretson**, former bookkeeper First State Bank, Thornton, and son of **Melvin A. Ingebretson**, president of the bank, is now a Corporal in the Army at Camp Forrest, Tennessee. Private **Leonard Long**, son of Vice President **Andrew Long**, is now a member of the Military Police in the Hawaiian Island. **Lloyd E. James**, son of **Paul L. James**, cashier, now Staff Sergeant in Marines "somewhere in the Pacific." Sgt. James was erroneously reported as one of those captured at Wake Island.

**Max T. Rochholz**, Staff Sergeant with the Army Air Force Observation Squadron at Ellington Field, Texas, is the son of **Clyde Rochholz**, cashier Exchange Bank of Adair.

**Emil Junger**, son of **Dr. E. C. Junger**, president Soldier Valley Savings Bank, Soldier, is now stationed in Hunter Liggett Military Reserve, Jolon, California. He has the rank of Sergeant.

**E. D. Earwood**, assistant cashier Lohrville Savings Bank and son of **E. Earwood**, president of the bank, is now a Corporal with the 132nd Field Artillery, Camp Blanding, Florida.

**W. A. Heyer**, cashier First National Bank of Sumner, has two sons in the Armed Forces: Capt. **H. B. Heyer**, 3rd Infantry, Fort Snelling, Minnesota, and Lt. **Walter L. Heyer**, Army Air Base, Colorado Springs. **L. P. Winks**, vice president of the bank, also has a son in service, Corp. **Ben Winks**, Glider Squadron, Palms Aero Academy.

Three sons of **Henry Witthoft**, president West Chester Savings Bank, are in the Armed Forces: Capt. **Arthur Witthoft**, Des Moines; **Ralph Witthoft**, Ireland; and **Wilbur Witthoft**, Fort Shelby, Mississippi. **F. M. Lindenmeyer**, cashier of the bank, has two sons with the Colors: Capt. **John H. Lindenmeyer**, Roswell, New Mexico, and Ensign **Frederick T. Lindenmeyer**, with the U. S. Coast Guard at Wrangel, Alaska.

**Olan F. Tegeler**, formerly teller of the State Bank of Worthington, was inducted into the Armed Forces in April, 1941, and is now stationed at Fort Dix, New Jersey, having recently been promoted to the rank of Corporal.

**Ross Theodore Remer, Jr.**, teller North Linn Savings Bank, Center Point, and son of **R. T. Remer**, president of the bank, is now stationed at Fort Benjamin Harrison, Indiana.

**Harold G. Kincaid**, bookkeeper Albert City Savings Bank, is at the U. S. Naval Training School in San Diego, California.

Sgt. **Leo J. Van Erdewyk**, son of **F. Van Erdewyk**, president of the Breda Savings Bank, is a part of Company B, Parachute Battalion, and has been

### *A Table to Use When Buying or Selling Treasury Bills*

**T**HIS Bank has prepared a quick reference table showing the cost of, or proceeds from, United States Treasury Bills, at discount rates ranging from .05% to .50%, with maturity dates from 1 to 93 days. The rates from .20% to .40% are given with .01% intervals, including .375%. Otherwise the rates are at .05% intervals.

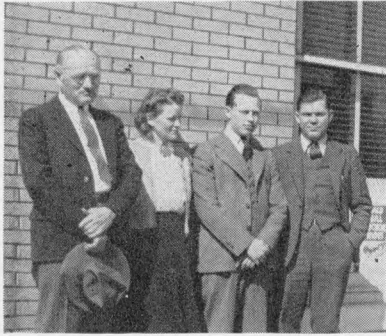
We'll be glad to send you copies of the table. Also, we're ready to make bids and offerings in Treasury Bills and other Government securities.

GOVERNMENT SECURITIES  
DIVISION

CONTINENTAL ILLINOIS  
NATIONAL BANK  
AND TRUST COMPANY  
OF CHICAGO

Member Federal Deposit Insurance Corporation





Here is the staff responsible for the successful operation of the Soldier Valley Savings Bank, at Soldier, Iowa. Reading from left to right they are: E. C. Junger, president; Janice Jones, bookkeeper; D. H. Halverson, assistant cashier; and O. S. Nordaker, cashier.

stationed in the Canal Zone for the past ten months.

Clifford F. Moss, assistant cashier Osage Farmers National Bank, is now a 1st Lieutenant U. S. Army, stationed at Fort Des Moines, Iowa.

Corporal Robert E. Baxter, graduate Chemical Engineer, and now stationed at Edgewood Arsenal, Maryland, is the son of E. W. Baxter, cashier Peoples National Bank, Albia.

Pvt. Harry Beving, formerly assistant cashier Farmers Savings Bank, Fostoria, is now with the 309th Signal Corps, Army Air Base, New Orleans, Louisiana.

Former bookkeeper of Citizens First National Bank, Storm Lake, Carl O. Bachman is now a Private with the U. S. Marines stationed at San Diego, California.

First National Bank of Sioux City has three former employees in the service: Lawrence Briney, assistant transit manager, now Private Technical School Squadron, Sheppard Field, Texas; Edward Hoffman, teller, now 3rd Class Seaman, Chicago; and Robert E. Gleeson, Private Finance School, Fort Benjamin Harrison, Indiana. Pvt. Gleeson was formerly in the personal loan department of the bank and is the nephew of President A. G. Sam.

John H. Schnack, teller Farmers Savings Bank, Princeton, went into the Field Artillery with the National Guard in February, 1941. In March of this year, after taking a competitive test, he was transferred to the Army Air Force and is stationed at Maxwell Field, Alabama.

Thomas L. Wolfe, assistant cashier State Savings Bank, Baxter, was in-

ducted in May, 1941, now stationed "somewhere in Ireland."

Former employees of the Clear Lake Bank and Trust Company: Corporal Jim W. Watts, Infantry Machine Gunner, Camp Barkeley, Texas, and David C. Barber, Coast Guard, now stationed at Des Moines.

The Parkersburg State Bank has three in service: Robert Bailey, assistant cashier and son of O. A. Bailey, president of the bank, now 2nd Lt. Medical Adm. Corps, Chicago; Orville Kasperson, bookkeeper, now Private stationed in North Carolina; and James E. Emery, office manager at

New Hartford branch, now with the Coast Guard located in California.

Lt. Chas. Cannon Helscher, son of B. D. Helscher, president Keokuk County State Bank, Sigourney, and in the employ of the Guaranty Bank & Trust Company, Cedar Rapids, is now with the Air Corps and stationed at Brooks Field, Texas.

Darrell Allen, bookkeeper Iowa County Savings Bank of Marengo, now Signalman U. S. Navy, Treasure Island, San Francisco.

Thomas Leo Gillespie, Sgt. Field Artillery, San Luis Obispo, California,



## This Is Your Kind of a Bank!

We conceive good correspondent service to be the kind which increases in **DEPENDABILITY** through the years.

Scores of banks in Iowa, Nebraska, South Dakota and Minnesota feel that way about the First National Bank in Sioux City, and for complete, experienced and **DEPENDABLE** service they highly recommend this institution.

**V** Buy  
United States  
War 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

Northwestern Banker July 1942

was bookkeeper Farmers & Merchants State Bank, Winterset, before entering the service.

Private **Howard D. Stanley**, Army Flying School, Lubbock, Texas, was formerly cashier First State Bank, Lynnville.

Two sons of **A. J. Heimerman**, cashier Stacyville Savings Bank, are in the Armed Forces: Corp. **Wilbur J. Heimerman**, stationed at Fort Lewis, Washington, and Pvt. **Matthew Heimerman**, now located at San Diego, California.

Service stars in the Davenport Bank & Trust Company are for: Pvt. **Robert J. Hiegel**, son of **A. H. Hiegel**, assistant vice president, now in Kodiak, Alaska; Pvt. **Theodore A. Haut**, U. S. Army "somewhere in Ireland," Sgt. **Edgar L. Beckwith**, Fort Warren, Wyoming; Cadet **O. James Christensen**, Army Air Corps, Kelly Field, Texas; and Sgt. **Harold D. Lohrmann**, Fort Warren, Wyoming. The latter four boys were employed in various auditing departments of the bank.

Stationed at San Francisco with the Aviation Signal Corps is Pvt. **William Michael Delaney**, former teller Fort Madison Savings Bank.

Employee in service, First National Bank of Hampton is **David J. Beed**, formerly teller of the bank, now stationed at Camp Claiborne, Louisiana.

Aviation Cadet **George O. McClain**, former teller Farmers Savings Bank, Grundy Center, now located at Rodd Field, Corpus Christi, Texas, "thinks it a great life."

**Glenn Myers**, Aviation Cadet, Maxwell Field, Alabama, former bookkeeper Ames Trust & Savings Bank.

**Richard W. Lantz**, bookkeeper First National Bank, Woodbine, has been inducted into the Army Air Corps and is now awaiting to be called.

**Conrad Charles Gage**, teller Dunlap Savings Bank, now Private 1st Class, Coast Artillery, Fort Rosecrans, California.

Peoples Savings Bank, Cedar Rapids, has five employees in the Armed Forces: **Melvin Allen**, in the Army, stationed in Australia; **William Henningsen**, in the Navy, at Annapolis; **Eugene Kehne**, in the Navy, stationed in Cuba; **Theodore J. Welch** and **John O'Connell**, both in the Navy, at Great Lakes, Illinois.

**James G. Whiting**, Aviation Cadet stationed at Foster Field, Texas, will receive his wings and commission this month. He is the son of **C. G. Whiting**, cashier of the Mapleton Trust & Savings Bank.

The Security National Bank, Sioux City, has the following employees in service: Lt. Commander **Edward C. Palmer**, Attache, United States Embassy, Rio de Janeiro; Pvt. **Vernon H. Cassem**, U. S. Army, Camp Joseph Robinson, Arkansas; **Daniel L. Middleton**, Pvt. U. S. Army, Camp Berkeley, Texas; and **Frank Jacobs**, Aviation Cadet, Santa Ana, California. Mr. Jacobs is the son of **Walter Jacobs**, cashier Lake City State Bank.

## At the 1942 Iowa Group Meetings



The pictures above were taken at the Iowa 1942 Group Meetings. Reading from left to right, those appearing are: 1—**A. T. Donhowe**, vice president Central National Bank & Trust Company, Des Moines and president Iowa Bankers Association; **Harry T. Huff**, cashier State Bank, Fort Dodge, and newly elected chairman of Group 2; and **J. Robert Cornell**, vice president and cashier First National Bank, Spirit Lake, and retiring chairman Group 2. 2—**B. A. Gronstal**, president Council Bluffs Savings Bank; **M. A. Arneson**, president Clear Lake Bank & Trust Company; and **V. D. Koons**, president First State Bank of Britt. 3—**Melvin W. Ellis**, superintendent of banking in the Hawkeye State; **Craig O. Black**, state manager R.F.C., Chicago; and **Robert L. Leach**, R.F.C. examiner and former superintendent of banking in

Iowa from 1922 to 1925. 4—Just a couple of pipe smokers, who are **W. G. C. Bagley**, state treasurer of Iowa, and **J. J. Maloney**, assistant cashier First National Bank of Minneapolis. 5—Just a few American Beauties including **Anne Thompson**, assistant cashier Union Bank & Trust Company, Strawberry Point; **Edna Hunsberger**, teller Elgin State Bank; **Alice Margaret Beckner**, stenographer American National Bank, Arlington; **Opal A. Sackett**, assistant cashier American National Bank, Arlington; and peeking around the corner **Hilda Zwanziger**, assistant cashier Union Bank & Trust Company, Strawberry Point. 6—**C. H. Megorden**, cashier Waukon State Bank and newly elected chairman of Group 4; and **R. R. Blair**, executive vice president Dubuque Bank & Trust Company and newly elected secretary of Group 4.

Northwestern Banker July 1942



## • IOWA NEWS •

**E. G. Doughman, Jr.**, Staff Sgt. Marine Corps, and son of **E. G. Doughman**, president State Bank of Bussey.

With the Armed Forces from the Ackley State Bank: Pvt. **Eugene F. Gidel**, Stockton, California, formerly assistant cashier, and Pvt. **Avery E. Johnson**, Aviation, Jefferson Barracks, Missouri, former teller.

**Harold J. Bean**, son of **Harold N. Bean**, auditor Citizens National Bank of Boone, has been transferred from Camp Dix, New Jersey, and the government has notified family he has arrived at destination. Sgt. Bean is with the 185th Field Artillery.

Lt. **Dean A. Knudson** enlisted January, 1941, now with A. E. F. in Ireland, was former bookkeeper College Savings Bank and son of **C. A. Knudson**, president of the bank.

**Roger R. McIntire**, former bookkeeper Kent State Savings Bank and son of Cashier **E. B. McIntire**, now dentist assistant, Medical Corps, Camp Cooke, California.

City National Bank, Shenandoah: Lt. **Max F. Schneider**, Infantry, Ireland; Pvt. **William Schneider**, Air Cadet, New York City (both sons of **F. M. Schneider**, cashier of the bank); Capt. **Wayne Christiansen**, Dental Corps, Albuquerque, New Mexico (son of **J. F. Christiansen**, vice president); and Lt. **Robert S. Rose**, Infantry, Hattiesburg, Mississippi. Lt. Ross is the son of President **H. E. Ross**.

From the First State Bank, Belmond: Pvt. **B. K. Peterson**, Field Artillery, Camp Sutton, North Carolina.

**Fred A. Dickmann, Jr.**, former teller Iowa State Bank, Algona, now Private 36th Pursuit Squadron, location unknown.

**Robert T. Knapp**, assistant cashier First National Bank, Denison, is now stationed at Quonset Point, Rhode Island. He is a Petty Officer in the United States Navy. Mrs. Knapp has joined him at Quonset Point, where she will be employed under Civil Service.

Five employees of the Waterloo Savings Bank have joined the service. They are: **Jack Lees**, teller, with the U. S. Navy in New Caledonia; **Merle Rodgers**, head bookkeeper, Corporal in the Army at Kittery Point, Maine; **Gordon Maring**, bookkeeper, Private U. S. Army serving in England; **Robert Anderson**, teller, 2nd Class Seaman, Cape May, New Jersey; and **Howard J. Garling**, teller, Private U. S. Army, Bastrop, Texas. Director **George E. Pike** has one son, Major **Horace Pike**, with the U. S. Army Air Force stationed at Mather Field, California. **Gilbert Northey**, son of President **H. G. Northey**, is with the Flying Corps at Midland, Texas.

**Arthur C. Rye**, assistant cashier Manly State Bank, is stationed at Tampa, Florida, and **Darrell L. Gavin**, teller of the bank, is still to be assigned to his station.

In the services of the United States from the Farmers Trust & Savings Bank, Williamsburg, are the two sons of **O. E. Jones**, cashier of the bank. **J. Russell Jones**, formerly bookkeeper of the bank, is now in the Naval Reserve at Los Angeles. **Harold Jones** is with the Medical Detachment, Indio, California.

**Herbert C.**, son of **F. W. Hinkhouse**, president First State Bank, West Branch, is in the Engineers Division stationed at Camp Claiborne, Louisiana.

**Private Wm. D. Shearer**, formerly assistant cashier Columbus Junction State Bank, is now stationed at Fort

Lewis, Washington, with the 40th Signal Corps.

**Arthur W. Boyken**, teller Titonka Savings Bank and son of **Wm. Boyken**, president of the bank, is stationed at Fort Benjamin Harrison, Indiana.

**G. M. Barnett**, president Guthrie County State Bank at Guthrie Center, has one son, **Gurden M.**, with the U. S. Army Air Corps stationed at Orlando, Florida. Another son, **Milton**, will be inducted into the Army this month. **Milton Barnett** is cashier of the bank. **Raymond C. Lange**, former teller, is stationed at the Great Lakes Training Station and has the rank of Petty Officer 3rd Class.

# HEADQUARTERS FOR NORTHEASTERN IOWA BANKERS

Rapidly changing times mean that **QUICK, EFFICIENT SERVICE** is now more important than ever before. This bank—with its modern facilities—is in a position to rapidly handle your Northeastern Iowa business.

Your account is invited!

## THE NATIONAL BANK OF WATERLOO

Member—Federal Deposit Insurance Corporation

Member—Federal Reserve System

Northwestern Banker July 1942

Lt. **Walter E. Brown, Jr.**, is an instructor Army Infantry School, Fort Benning, Georgia. Lt. Brown is the son of **W. E. Brown**, cashier First National Bank, Cedar Falls.

**Leo W. Brown**, assistant cashier State Savings Bank, Fontanelle, enlisted in the Navy in January, 1942, and is now stationed at Quonset Point, Rhode Island.

**Jack Hix**, assistant cashier Citizens National Bank, Belle Plaine, is now Private 1st Class, Finance Department, Hawaii.

Ensign **A. Elton Jensen**, son of **A. E.**

**Jensen**, president First National Bank in Creston, has been assigned to armed guard duty in charge of the gun crew on the John C. Calhoun, a new Liberty boat awaiting sailing orders at Charleston, South Carolina.

Two employees of the Union Trust & Savings Bank, Stanwood, who have enlisted their services are **Carl H. Haesemeyer**, cashier, now with the Navy at Great Lakes, and **R. C. Swanson**, bookkeeper, Aviation Cadet, Lake Charles, Louisiana.

**John E. Thede**, cashier Dixon Savings Bank, has been granted a leave of absence for the duration and is now

stationed at Fort Benjamin Harrison, Indiana. He is the son of **P. J. Thede**, president of the bank.

**Hugo A. Norgren**, assistant cashier Rippey Savings Bank, is now in New York with the U. S. Coast Guard.

**Dr. E. E. Baden**, son of **J. F. Baden**, president Security State Bank, Independence, has charge of hospital surgery at Air Port Hospital, Harlinger, Texas.

**Robert W. Lauer**, serving in Ireland with the Army, was formerly employed as bookkeeper with the Peoples Savings Bank, Crawfordsville.

**R. W. Millen**, cashier Citizens Savings Bank, Gilman, has two sons with the Armed Forces. Lt. **Richard F. Millen**, "somewhere in Alaska," and Lt. **Philip H. Millen**, with the Infantry in the Panama Canal Zone.

Capt. **Leonard J. Wegman** has recently completed Army Finance School at Fort Benjamin Harrison, Indiana. Capt. Wegman is vice president of the Citizens Savings Bank, Anamosa, and son of President **Leo J. Wegman**. **Hugo Deininger**, Corporal with the Infantry in Ireland, prior to his induction was draft teller in the bank.

Corporal **Robert W. Barlow**, stationed at Camp Crowder, Missouri, was formerly bookkeeper State Bank of Dumont.

In the Navy from the Glenwood State Bank is **E. L. Schneckloth**, assistant cashier. **W. E. Slezak**, bookkeeper in the bank, will soon complete his officers training school and will carry the rank of 2d Lieutenant in the U. S. Army.

**G. W. Hunt**, vice president Clayton County State Bank, Guttenberg, has a son, **Robert**, with the U. S. Naval Reserves.

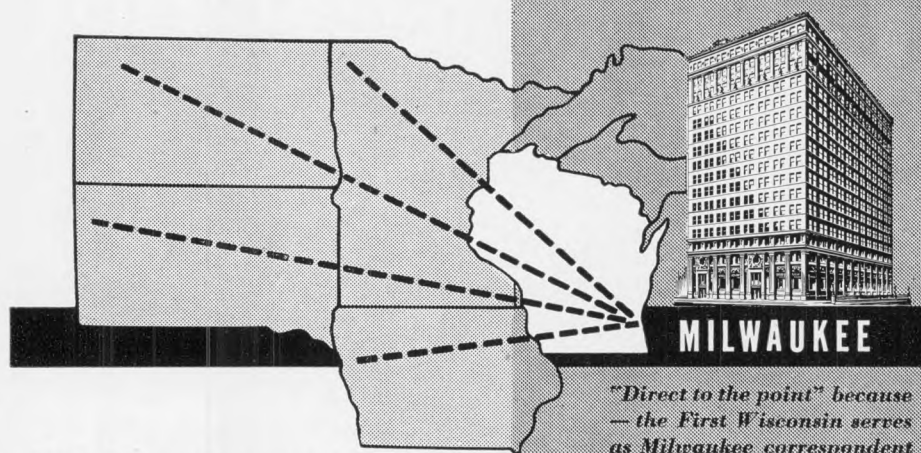
**Richard J. Hammon**, formerly assistant cashier Iowa State Bank & Trust Company of Fairfield, has recently been transferred from Great Lakes to the Naval Training Station with the University of Minnesota. Mr. Hammon is Petty Officer 3rd Class.

Lt. **Thomas A. Richardson**, Infantry Training School, Camp Wolters, Texas, is the son of **T. R. Richardson**, assistant cashier Mediapolis Savings Bank.

Those in service from the First Capital National Bank of Iowa City are: Lt. **Robert E. Farrell**, son of **Thos. Farrell**, cashier of the bank, stationed Camp Wheeler, Georgia; Capt. **Robert E. Griffin**, Army Air Force, Morrison Field, Florida, son of **E. B. Raymond**, teller; Chief Petty Officer **John W. Grim**, Pensacola, Florida, son of **Joe W. Grim**, teller; **Joe Knoedel**, U. S. Army, Ireland, son of **Joe E. Knoedel**, custodian; **Vernon Parizek**, Medical Training Battalion, Camp Robinson, Arkansas, son of **W. J. Parizek**, teller; **Eldon Parizek**, Band, Great Lakes, son of **W. J. Parizek**, teller; Ensign **W. Cambridge**, U. S. Navy, San Francisco,

*Route your Wisconsin items*

## DIRECT TO THE POINT of Prompt Collection!



**MILWAUKEE**

"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 July 1942



## • IOWA NEWS •



*Last month the Bankers Trust Company of Des Moines celebrated the twenty-fifth anniversary of the founding of the bank. Here, from left to right is Paul Blakemore, advertising counsel for the bank; R. R. Rollins, vice president; and R. Nevin Lee, assistant vice president, looking over some of the favorable publicity which the Bankers Trust Company received.*

and bookkeeper of the First Capital National prior to his induction.

Lt. **Paul K. Kovar**, now stationed at Fort Richardson, Anchorage, Alaska, is the son of **John A. Kovar**, cashier Peoples State Bank, Missouri Valley.

The Iowa State Bank & Trust Company, Iowa City, has four service stars: Lt. **Ben Summerwill**, Camp Wheeler, Georgia, son of President **Ben S. Summerwill**; **James S. Guthrie**, 2nd Lt. Chemical Warfare, Edgewood Arsenal, Maryland, son of **M. B. Guthrie**, cashier; **David R. Lewis**, former bookkeeper, now in Finance Department Air Service, Fort Logan, Colorado; and Pvt. **Oral D. Bartholow**, former teller, now in Ordnance Department Training School, Savannah, Illinois.

**Alfred M. Sich**, cashier and vice president First State Bank, State Center, left in May, 1942, to attend Army Finance School, Fort Benjamin Harrison, Indiana. He will retain his title of vice president for the duration. **Robert E. Sich**, bookkeeper and brother to **Alfred**, is now a Sergeant Ordnance Division, Camp Swift, Texas.

**Harlan F. Fukey**, assistant cashier

**Man**, 45, desires immediate bank position; 15 years experience. Finest references. Write M. H., care Northwestern Banker.

Guttenberg State Bank, left January, 1942, to become a Corporal with the 904th Q. M. Co., March Field, California.

**Harold R. Bonander**, assistant cashier Security Savings Bank, Larchwood, was inducted into the Armed Forces June 15, 1942.

**James O. Whealon**, now Private Field Artillery, Camp Roberts, was formerly teller of the Farmers State Bank of Marcus.

Director of the Toy National Bank, Sioux City, **George R. Call**, is now serving his country as Major, Signal Corps, Washington, D. C. **J. W. Van Dyke**,

assistant cashier and also a director of the bank, is serving as Lieutenant in the Finance Division stationed at Fort Benjamin Harrison, Indiana. Former employees of the bank, **Lawrence Binneboese** and **B. J. Kirkpatrick**, are also in the Armed Forces. Mr. Binneboese is stationed at the Army Air Base, Colorado Springs, and Mr. Kirkpatrick with the Infantry, New York City.

**D. R. Lynch**, cashier First National Bank, West Union, is now Captain in the Personnel Department of the Air Cadet Board at Camp Chaffee, Arkansas.

**John W. Benz**, assistant cashier and son of **Thos. E. Benz**, cashier Melvin



## A Bank for Middle West Bankers

For nearly three-quarters of a century this bank has handled the accounts of bankers throughout the middle west. May we explain how this long experience can be made of value to you?

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

Member Federal Deposit Insurance Corporation

Savings Bank, is stationed at Fort Lewis, Washington, where he is a Corporal in the Field Artillery.

**Peter Garatoni**, manager Burnside Savings Bank office at Lehigh, resigned his position recently, and is now in the Air Corps stationed at Fort Logan, Colorado.

**F. W. Allen**, assistant cashier Muscatine Bank & Trust Company, was inducted in the armed services in January, 1942, as Captain in the Field Artillery, stationed at Fort Snelling, Minnesota.

The National Bank of Burlington has lost two employees to the Armed

Services: **Raymond K. Pearson**, now 1st Lt. Engineers, Fort Leonard Wood, Missouri, and **James R. Cummings**, Yeoman 3rd Class, U. S. Naval Reserves, Washington, D. C. Both men were tellers in the bank.

Burlington Savings Bank: Private **Robert J. Granaman**, Ordnance Training Battalion, Aberdeen Proving Grounds, Maryland (son of **M. T. Granaman**, assistant cashier), and Private **Ralph C. Bailey**, Medical Training Battalion, Camp Grant, Illinois (bookkeeper).

**Truitt Linsay Vinyard**, Private Army Flying School, Victorville, California, formerly manager Small Loan Depart-

ment, First Trust & Savings Bank, Davenport.

**F. T. Lewis**, assistant cashier State Bank of Terril, now Private Coastal Artillery, Seattle, Washington.

With the exception of **F. C. Aue**, cashier First National Bank of Sioux Center, all officers of the bank have a son in the Armed Services.

In the Armed Services from the First National Bank, Council Bluffs, are: Captain **Richard K. Stoufer**, son of **D. B. Stoufer**, vice president of the bank, now stationed at Fort Sill, Oklahoma; Private **Edward J. Heck**, former bookkeeper, now Air Ground School, Jefferson Barracks, Missouri; and Col. **Folsom Everest**, now in command of a unit of American Expeditionary Force in Ireland. The Colonel was a director of the bank until he resigned to take his place in the Army.

**John Scott, Jr.**, president Morning-side State Bank, Sioux City, has a son, **George Warren Scott**, serving overseas as Captain in the Medical Corps, Field Artillery. Capt. Scott was a clerk in the bank.

**Chester F. Ogren**, teller, Kiron State Bank, now with Army Air Corps, Jefferson Barracks, Missouri.

**Malcolm H. Erickson**, teller, Live Stock National Bank, Sioux City, is now a Sergeant in the Medical Detachment, Stockton Field, California. **Veto Albert Vets**, teller, left recently to enlist in the Infantry.

**Francis J. Weis**, bookkeeper Central State Bank, Muscatine, was inducted last month and has not as yet been assigned to a station.

Corp. **Leroy E. Horton**, Geiger Field, Washington, was bookkeeper of the Pocahontas State Bank prior to his enlistment.

Sgt. **Jerome J. Unga**, Headquarters Detachment, Camp Lee, Virginia, is the son of **C. J. Unga**, president Luxemburg Savings Bank, and was formerly assistant cashier of the bank.

The following list are the people connected with the State Bank of Fort Dodge who are now in the Armed Forces: Lt. **Steven J. Manchester**, Northern Ireland; Lt. **Jack J. Jensen**, Fort Sill, Oklahoma; Seaman 1st Class **LaVerne F. Mozena**, Great Lakes Training Station; **Edward E. Weiss**, Flying Cadet, Air Corps Reserves (all former employees of the institution); **Richard V. Gadd**, Cadet, Maxwell Field, Alabama (son of **C. W. Gadd**, executive vice president); Midshipman **G. Fletcher Moore**, Chicago (son of **E. H. Moore**, assistant cashier & trust officer); Pvt. **Richard V. Mulrony**, Air Corps Technical School (hus-

## BANKERS DO NOT WEAR UNIFORMS—

But the part every banker is playing in the production of materials for our all-out war effort is vitally important.

If we can assist you in any way our services are at your disposal.

## MISSISSIPPI VALLEY TRUST COMPANY

ST. LOUIS

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



## • IOWA NEWS •

band of **Mildred J. Mulroney**, stenographer).

**Claude E. Drake**, 2nd Lieutenant attached to M. P., is the son of **H. A. Drake**, president Security State Bank, Radcliffe. Lt. Drake was at one time with the State Banking Department, and has also held positions with the Security State Bank, Radcliffe; Security State Bank, Hubbard, and the City Bank at Washington, D. C.

**R. A. Hess**, cashier First Trust & Savings Bank, Menville, is now an Officer Candidate, Army Air Corps, Miami Beach, Florida.

**J. A. Nelson**, cashier Farmers State Bank, Luverne, has two sons in the service: **Clair O. Nelson**, Great Lakes Naval Training Station, and **Jon A. Nelson**, Lockheed Overseas Corporation in Ireland.

**Sgt. M. Z. Bailey**, Medical Battalion, Fort Leonard Wood, Missouri, is the son of **Rollwy R. Bailey**, manager Clearfield branch of the State Savings Bank of Sharpsburg.

**James E. Kaster**, teller Security Trust & Savings Bank and nephew of **R. W. Kaster**, vice president and cashier of the bank, is stationed at Fort Francis E. Warren, Wyoming.

Four stars for the First National Bank in Spirit Lake: **David Wier Cuttell**, assistant cashier, now Flying Cadet, U. S. Air Corps, awaiting call; **Robert F. LaFontaine**, son of **L. P. LaFontaine**, chairman of the board, USNR, awaiting call; **Robert R. Cornell**, son of **J. Robert Cornell**, vice president, USNR, awaiting call; **John R. Furman**, bookkeeper, U. S. Marine Reserves, awaiting call; **Wilbur Yeutter**, son of Director **C. E. Yeutter**, Corporal, U. S. Army, Camp Roberts, California.

**Lester J. Heinen**, Cadet Navy Air Corps, Pensacola, Florida, is the son of **R. J. Heinen**, cashier Farmers Savings Bank, Halbur.

**Moritz Kerndt**, vice president Kerndt Brothers Savings Bank, Lansing, has two sons serving their country: Ensign **James M. Kerndt**, USNR, "somewhere in the Pacific;" Ensign **Gustave F. Kerndt**, USNR, "missing in action since June, 1942." A third son, **Thomas M. Kerndt**, at present assistant cashier of the bank, will soon be in the service.

The American National Bank of Arlington have two former employees in the Armed Forces: **Malcolm C. Jensen**, Private 1st Class, Finance Office, Brownwood, Texas, and **Robert E. Miehe**, 2nd Lieutenant of Infantry,

Camp Wheeler, Georgia. Lt. Miehe is the son of **Dr. O. C. Miehe**, director of the bank.

**Myron C. Mohns**, teller Cresco State Bank, now Storekeeper in the Service, stationed at Dutch Harbor, Alaska.

**Paul H. Samek**, formerly bookkeeper and teller in the First Trust & Savings Bank, Cedar Rapids, is now stationed at Fort Warren, Wyoming. **Leo A. Dvorak**, with the Coast Guard and stationed at San Diego, California, is the son of **Frank J. Dvorak**, cashier of the First Trust.

Lt. **R. D. Risser**, son of **Fred S. Ris-**

**ser**, president First State bank of Chariton, is with the U. S. Navy at the University of Michigan. **Carl W. Roberts**, clerk in the bank, is also in the Navy at the Great Lakes Training Station.

Two former employees of the Jefferson State Bank, **Donald Neil Berry** and **James Henry Andrew**, are now in service. Pvt. Berry is stationed at Jefferson Barracks, Missouri, and Pvt. Andrew at Fort Francis Warren, Wyoming.

**Wyatt C. Wood**, bookkeeper and son of Cashier **Frank N. Wood**, is Private in the Medical Corps in Hawaii.



## SPEEDING THE DAY OF VICTORY

A VITAL ELEMENT in the war production program is transportation. Raw materials must be moved in an endless stream—processed parts speeded from sub-contractors to assembly lines and finished materials placed in the hands of our fighting forces—if costly delays are to be avoided and victory achieved.

The American National Bank and Trust Company is cooperating closely with the transportation industry, as with other busy factors in the war production program. It cooperates just as closely with correspondent banks, serving them with speed and efficiency, and helping when requested to meet the expanded credit needs arising out of local war production activities.

### AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit

Insurance Corporation



OUR BUSINESS IS TO HELP BUSINESS

### Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH  
BANK BROKER  
Haddam, Kansas

"35 Years Practical Banking Experience"

Northwestern Banker July 1942

**Keith Marvin Overbeck** left his position as assistant cashier Luana Savings Bank January, 1942. He is stationed at Pendleton Field, Oregon.

**J. C. Brekken**, bookkeeper and teller Randall State Bank, was inducted into Service at Fort Des Moines in January, 1942. He is the son of **J. H. Brekken**, cashier of the bank.

From the National Bank of Waterloo: **Gerald H. Cook**, teller, now Seaman, 1st Class, U. S. Navy, Norfolk, Virginia.

**Ralph L. McDowell**, formerly assistant cashier Security State Bank, Lake Park, has been in service since February, 1942, at an Officers Training School, Harvard University, Boston.

**Lt. Elmer G. Geronson**, now in service in Ireland, was formerly teller of the Sibley State Bank.

**Sgt. John R. Butler**, assistant cashier Lytton Savings Bank, is now Company Clerk with the 30th Infantry

stationed at Camp Ord, California. He has been in the Army one year.

**Ivo H. Schroeder**, teller, Alton Savings Bank, Alton, has been serving with the U. S. Army since May 11th, and is located at Jefferson Barracks, Missouri. Taking his place in the bank is **Armella Pottebaum**.

**H. R. Motter**, cashier, Early Savings Bank, Early, announces that his son, Homer, is serving with the Army Air Corps and at present is stationed somewhere in India. He has been in service since 1939.

**David W. Cuttall**, assistant cashier, First National Bank, Spirit Lake, for several years, recently joined the Army Air Corps. He is succeeded by **Wayne O. Hopkins**.

**John W. Benz**, son of Thomas E. Benz, cashier, Melvin Savings Bank, is a Corporal in the Field Artillery department as a battalion clerk and is stationed at Washington, D. C. He has been in service since last October.

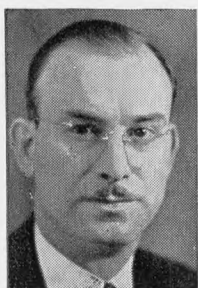
**B. Farmer**, president of the local Chamber of Commerce. **A. T. Donhowe**, Iowa Bankers Association president, told the bankers he believed that in the near future banks would operate on a strict budget which the auditing department would have a major part in setting up.

In the absence of **George J. Schaller**, who could not be present, **W. C. Edson**, local attorney, very capably addressed the meeting. His topics were of a general nature and dealt particularly with problems that will confront bankers after the war.

**Warren Garst**, Jefferson banker, did a splendid job of leading the round table discussion. He has a way of keeping a meeting pepped up and at the same time his mirth keeps you wondering what is coming next. New ways of doing things were discussed and many suggestions were made in eliminating unnecessary work and speeding up of detail work in general. On the conservation side suggestions included: Use Scotch tape instead of rubber bands. Alternate typewriter ribbons every two weeks when receiving abnormal use. This rest will give the ink a chance to work back into the ribbon. Paper clips, rubber bands and pins should be removed from discarded material, as these supplies are no longer available on the market. A savings in paper towels can be made by placing the towel holder sufficiently high on the wall so the user will shake his hands before reaching for the towel. The next meeting will follow the I. B. A. convention in **Des Moines**.

A successful meeting of the Sac County Bankers Association was held at Lake View on the evening of June 18th, which I also had the pleasure of attending, with every bank in the county being represented. A fine dinner was served at 6:30 o'clock, which was followed by a business session and the annual election of county association officers. Incoming officers are all from the Odeboldt State Bank and are as follows: **R. H. Griffin**, president; **Ira Martin**, vice president; **C. M. Stenberg**, treasurer. They succeed **J. P. Jones**, cashier, Citizens Savings Bank, Sac City, as president; **C. W. Shaw**, cashier, Wall Lake Savings Bank, as vice president, and **F. B. Hansen**, assistant cashier, Citizens Savings Bank, Sac City, as secretary and treasurer. After the business session we were taken on an interesting tour of the local government vocational training school.

Why worry about complying with



J. A. SARAZEN

## IOWA NEWS FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

I HAD the pleasure of attending the 16th quarterly meeting of the Iowa Association of Bank Auditors and Comptrollers session at Storm Lake the other night and I must say that I have been laboring under a multitude of misconceived ideas about the functions of this branch of the Iowa Bankers Association. I had heard about these meetings and never attended any of them, as I was of the opinion that these meetings were for fellows of a very select group, who talked in high mathematical figures and I just wouldn't be able to understand their language.

To my surprise, I learned that these meetings are now attended by the ordinary run of bankers, as well as the fellow who is responsible for the smooth functioning of the bookkeeping department, who is known as the auditor.

At the Storm Lake meeting, which was held at the Bradford Hotel in the evening of June 17th, there were by far more bank presidents, cashiers and assistant cashiers, in attendance than there were auditors. These fellows were all there to find out what could be done to make the bank run just a

little more smoothly. There were 90 registrations, with practically all banks in the immediate territory being represented, as well as bankers from more distant points, such as Mason City, Fort Dodge, Ottumwa and Sioux City.

Discussions were of an open nature, and while they dealt mostly with short cuts incident to better bookkeeping methods, banking problems generally came up for discussion. For instance, Regulation W also came up for a round of discussion. I gathered that it was as confusing to most bankers present as to myself, and to most all bankers to whom I have talked. No doubt **Frank Warner** would have been able to enlighten us on this subject, but it was necessary for him to leave the meeting before it came up for discussion. **E. H. Ketelsen**, president of the association and auditor of the Davenport Bank & Trust Company, told me that for the last two years an effort has been made to bring the average banker to these meetings with a well rounded out program.

After dinner was served and cigars passed, the meeting was called to order by Mr. Ketelsen. A word of welcome to Storm Lake was extended by **Fred**

*Northwestern Banker July 1942*



## • IOWA NEWS •

Regulation W, says **O. W. Madson**, cashier, Security State Bank, Farnhamville. He simplifies the matter merely by using a rubber stamp on the back of each small note which reads as follows:

This loan is made to a person engaged in agriculture, and it is for agricultural purposes and not for the purpose of purchasing any listed article designated in the Consumer Credit Regulations of the Board of Governors of the Federal Reserve System. (Signed) The wording of the stamp used when making loans to business men is worded slightly different: This loans is made to a business enterprise and it is for business purposes, etc., etc. There is just one bad feature to using a stamp on the note as I see it. After the note is paid your record leaves the bank, unless in some way the note be made in duplicate so a record could remain in the bank. **Vern T. Bonnett**, assistant vice president, Iowa-Des Moines National Bank, who is in charge of the small loan department, tells me that his bank has the customer sign a form stating what the proceeds of the loan are used for covering all loans of \$1,500 and less. Thus, a permanent record is kept in the bank.

**V. D. Koons**, president of the First State Bank, Britt, reports that his bank recently opened an office at Crystal Lake. It is under the management of **Rush Gabrielson**, who was formerly cashier of the old Farmers National Bank at Crystal Lake.

The **Citizens Savings Bank**, Sac City, reduced interest rates June 1st, from 2½ per cent on 12 month CD's to 2 per cent. On six month CD's and savings accounts from 2 to 1½ per cent.

The **Early Savings Bank** reduced interest rates effective July 1st, from 2½ to 2 per cent. This will effect all interest bearing accounts alike.

The **Security State Bank**, Sheldon, had deposits of \$1,027,000 at the time of the April 4th call, which is the first time deposits have been this high at the time of a call. **R. A. Schneider**, cashier, reports loan volume as holding up very well.

Sold my bank few years ago. Now connected with large credit institution but would consider commercial bank connection. Could fill any position. Let's talk it over. Write R. W. M., care Northwestern Banker.

**E. E. Manual**, president, George State Bank, also told us his deposits reached the million mark at the time of the April 4th call, which was very pleasing. Loan volume has held up very well, as he has been successful in making some first choice farm real estate loans to make up for the liquidation of several small loans. Time money here amounts to \$258,000.

**Roy Bass**, executive vice president, City State Bank, Ogden, returned from

a trip to California, accompanied by Mrs. Bass, to find that ultra modern low type cages had been installed during his absence. Roy, of course, had ordered the job done before he left.

The first year of operation finds the **Ruthven State Bank**, Ruthven, with deposits of \$315,000. Loans and discounts are \$90,000. The bank opened for business July 5, 1941.

**G. H. Ayers**, president, Sibley State



## When a Parachute Trooper Steps Off a Plane in Mid Air---

—He carries three square meals weighing less than two pounds. (U. S. Ration K) When ships carry food to Britain, today, much of it is in dried form—waterless eggs, milk, fruit and vegetables.

A huge industry has developed in the United States, almost overnight—just to take the water out of food—and still retain the precious vitamins, proteins and minerals plus the flavor and color. Take egg drying for example. Thirty dozen eggs weigh 60 pounds. These same eggs when dried weigh only 11 pounds.

In 1941, there were only 16 egg drying plants in the entire country. They produced about 10 million pounds of dried eggs a year. Today these same plants produce 45 to 50 million pounds, and operate the year round. In addition, 70 new plants have been placed in operation. Drying food is not new, but drying and retaining the food values of the food plus flavor is. And an important industry has established itself to make greater use of midwestern agricultural products and the services of midwestern Banks.

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

Members, Federal Deposit Insurance Corporation

Northwestern Banker July 1942

Bank, was at Orlando, Florida, when we visited the bank a fortnight ago. His wife and young son were visiting there when it was necessary for the son to undergo an appendectomy.

**Fred de Jong**, assistant cashier, Farmers Savings Bank, Boyden, has been confined to his home with a heart ailment for the last two months. In his absence **John Smid** is helping out.

New employes at the First National Bank, Spirit Lake, are **Geneve Gravitt** of Spirit Lake and **Margaret Sunde** of Estherville.

**W. C. Currell**, president, Emmet

County State Bank, Estherville, tells us that his Ringsted office has been newly renovated. New floors were installed, walls and ceilings redecorated and new lighting fixtures installed.

The State Bank of Ledyard celebrated its 50th anniversary in June. This bank was released with the national banks after the national bank holiday and earnings have always been good, according to Cashier **W. E. Wiemer**. Deposits are \$600,000.

According to **B. H. Runge**, cashier, First Trust & Savings Bank, Alta, his bank has sold over \$100,000 worth of government bonds and a recent check shows that deposits have gained more than \$75,000 in that time.

At Storm Lake, 2 per cent interest is paid on savings accounts, up to \$1,000, and 1 per cent on the next \$1,500 and nothing over \$2,500. Cash deposits bear 1 per cent interest and no limit is set on the amount accepted on an interest bearing basis.

Banks in **Plymouth County** apply a service charge on checking accounts which is equitable to all and any banker in this territory will tell you that in the seven years it has been in operation there seldom, if ever, has been any complaint from customers about it. It is very simple and is as follows: One free debit (checks written or out-of-town checks deposited) is allowed for each \$20 average daily balance. Checks in excess are charged at the rate of 3c each, plus a 25c bookkeeping charge. It is readily seen that any customer with a compensating balance avoids any charge. Commercial accounts are analyzed.

It is said a successful banker is composed of one-fifth accountant, two-fifths lawyer, three-fifths economist and four-fifths gentleman and scholar—double size. This goes particularly for **H. A. O'Farrell**, cashier, Farmers Savings Bank, Fostoria. He says his first job is banking, his hobbies golfing and fishing, and so far as the war effort is concerned he is on the War Activities Board, under which he serves on various committees such as the USO, China Relief, Soldiers and Sailors Relief. He is on the board of the Red Cross, sells War Bonds, is deputy administrator of the Clay County Rationing Board, and oh, yes, he is also town clerk.

**C. L. Eastman** was recently added to the board of directors of the First National Bank, Le Mars, and succeeds **G. L. Wernli** who passed away. Interest

rates here were recently reduced from 2 to 1 per cent.

**N. A. Welle**, cashier, Arlington State Bank, and chairman of Sibley county in the sale of War Savings Bonds, reports that Sibley county was one of the first counties in the state to go over the top in its quota, having reached its goal in 15 days.

## NEWS AND VIEWS

(Continued from page 12)

amusing definitions, 85 illustrations from famous lives, 173 colorful phrases, 100 similes, 300 Biblical quotations, and 1,200 quotations from literature. **All 4,000 items are indexed.**

"The last eight chapters, which I have roughly grouped into the fourth point above, include material for which a speaker might otherwise require the use of a number of anthologies or other books. It was my thought that most men would like one book which provides all of this material.

"I used several items from the '**Northwestern Banker**,' for which proper credit was given."

During the 25th anniversary of the Bankers Trust Company of Des Moines, many officers and employes of the bank were interviewed over the radio, and **Frances Foster** of the credit department, was asked by the radio interviewer what her circle of friends were doing to help the soldiers, and

## 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

## 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, Iowa

## BANKER AGENTS WANTED

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

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

Over \$1,250,000 cash surplus—

49 years of proven protection.

Write for our liberal proposition to bank representatives.



she said that they were buying War Savings Stamps and Bonds, and **"Entertaining the soldiers in many different ways."**

It is understood that this remark has brought hundreds of letters to Miss Foster from soldier boys throughout the nation, who are looking for "entertainment."

**Earl C. Adams**, retiring president of the Illinois Bankers Association, and president of the Jersey State Bank of Jerseyville, Illinois, believes that all of the abuses of industry and labor and agriculture should be done away with if we are to have a united effort to win the war.

Mr. Adams puts it this way:

"This is a nation of 130,000,000 people. It is not a government of, by and for the labor leader any more than it is a government of, by and for the manufacturer, or the merchant or the banker. We all have a stake in all this.

"Let us insist that abuses in industry, in trade, in banking, in agriculture or in labor must be curbed. Only by doing that can we make the truly united effort we have to make."

**W. L. Hemingway**, president of the Mercantile-Commerce Bank & Trust Company of St. Louis, and first vice president of the American Bankers Association, believes that the government also must practice economy and thrift if it expects the people of the country to do likewise.

Mr. Hemingway says:

"We are told that we must get used to a reduced standard of living by paying heavy taxes and buying War Bonds. Well and good, but by the same token we have the right to ask our government to adopt the simple life as well. Our people are demanding economy in government—city, state and nation."

**Evan Randolph**, president of the Philadelphia National Bank, has been appointed to the board of directors of the Brewster Aeronautical Corporation. The Brewster plants are located at Long Island City, Newark and Johnsville, Pennsylvania. The United States Navy took over this plant and its management recently because the management had not been satisfactorily delivering the concern's fighter and dive bomber planes.

**Banks of the United States now hold one-half of all of the Treasury Bonds**, according to a recent report made by the Treasury Department.

Banks held almost exactly half of

the outstanding Treasury and Treasury-guaranteed issues of the interest-bearing, public market type outstanding on March 31st.

A treasury survey shows that of \$48,995,000,000 of this type of securities outstanding, 6,277 banks held \$24,756,000,000 worth, 757 insurance companies held \$7,996,000,000, individual and other private investors held \$11,363,000,000, and government trust funds and the Federal Reserve Banks held \$4,880,000,000.

**Westbrook Pegler** believes that the lack of tires and gasoline means the end of golf, and, as far as he is concerned, he seems to be glad of it.

He expresses his views by saying: **"Golf was, I should say, offhand, the most useless outdoor game ever devised to waste the time and try the spirit of man. It was a walking game and so, as any postman's physician will attest, tended to shake down the victim's plumbing into a jumble in his flabby abdomen while trying no muscle but those of the legs. It promoted sunburn, apoplexy and alcoholism, domestic infelicity and indolence and many a fraud in real estate or stocks."**

**Victor Cullin**, president of the Financial Advertisers Association, in a recent letter to the NORTHWESTERN BANKER, emphasized the need of all banks now to continue their advertising and public relations program with their present customers and with their new ones if they expect to continue to hold their business and their place "in the sun" when the war is over.

In the words of Mr. Cullin, "When this war is over many banks will find their best accounts being managed by men who are complete strangers, unless these banks are far-sighted enough to keep in contact with their customers constantly—much more often than they have been contacted before.

"If you believed that you should advertise before the incident of Pearl Harbor, then you must believe more strongly than ever that you must advertise now. If you have arrived at any conclusion other than this—you've already dug a rut that may develop quicksand before you can tow yourself out.

"If you believed in an aggressive solicitation of new business before Pearl Harbor, then 'how in the name of all that's holy can you arrive at

Assistant Cashier in country bank wants change. Twenty-five years experience. Available now or later. Write E. A. O., care Northwestern Banker.

any conclusion that will cause you to slow down in this effort?" You must get acquainted with the new people in your midst—when populations shift and change—they forget quickly—and you will be forgotten in the shuffle if you don't watch out."

**R. R. Rollins**, vice president of the Bankers Trust Company, was the "master of ceremonies" at their banquet which they gave at the Wakonda Club for officers and directors and employees on the memorable occasion of the 25th

## THE PUBLIC NATIONAL BANK AND TRUST COMPANY OF NEW YORK

**Service**—Maintaining an intimate, personalized correspondent bank service.

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

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



Resources over \$175,000,000

ESTABLISHED 1908

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NEW YORK CLEARING HOUSE ASSOCIATION  
FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1942

anniversary of the founding of this very fine institution. Gifts were presented to all members of the staff who had been associated with the bank for 10 years or longer, and special prizes were presented to **B. F. Kauffman**, president, who founded the company on June 1, 1917.

The delightful evening was finished with a quiz program, based entirely on questions which had to do with the bank and its operation. Such questions were asked as: "How often does the F. B. I. examine the bank?", and "How many war bonds were sold in

the last three months?", and "How much does the door to the safe deposit vault weigh?"

At each plate was placed a folder showing the statement of condition of the bank on June 1, 1917, when the deposits were \$485,000, and on June 1, 1942, when they were \$27,249,000.

**E. A. Hayes**, president of the Central States Mutual Insurance Association, wrote **Arthur T. Donhowe**, vice president of the Central National Bank and Trust Company of Des Moines, the following letter:

"I noticed in the NORTHWESTERN BANKER an item about a bank in a small town that thought they had more deposits per capita than any bank in the United States. Why not check your records on the Pilot Grove bank and give them a little publicity since their population was 65, I believe, at the last census. This should give them a per capita deposit of over \$10,000 per person. This must be a world record."

The Pilot Grove Savings Bank has deposits of over \$707,000, and with a population of 65, this is a per capita deposit of \$12,410, and we are quite sure that this is pretty close to an all-time high for any community in the country.

Officers of this progressive bank are **J. J. Nichting**, president; **J. B. Steffensmeier**, cashier, and **Theodore Schin-stock**, vice president.

**Oscar Ameringer**, in his book "If You Don't Weaken," gives us the origin of the term "hitch-hiker," when he says:

"I learned how the term 'hitch-hiker' originated from an old man I met in Ohio in 1890. When two men, with only one horse between them, went on a journey, one man would mount and ride an allotted distance, dismount and hitch the horse to a tree or fence and proceed on foot. The other man would walk until he came to the horse, then ride on until he caught up with the hiker."

**Tom R. Watts**, who is now in the investment and insurance business at Grand Junction, sent the NORTHWESTERN BANKER a postcard given him by **A. M. Henderson** of Story City, and

president of the Iowa Bankers Association from 1922 to 1923.

The postcard shows a picture of "**Me and my Alma Mater**," with **A. M. Henderson** standing by the fence in front of the old schoolhouse which was built by his father in Scott township, Hamilton county, Iowa, in the year 1860. On the reverse side he says: "In 1873, at the age of four, I entered as a Freshman and GRADUATED IN 1884, at which time the last fifty pages of my McGuffey's Fourth Reader were still unsoiled and unexplored by me."

## HOW MUCH WOULD YOU LOAN ELMER BLURP?

(Continued from page 11)

on sheep, not broken or spread mouth. Anything below that is entitled to a lowering rate of interest, depending upon the excess margin of security. Horses and machinery with no loan value, because of the fact power is never sold, but gets older or depreciates and traded in for a new tractor or young colts raised to supplant aged horse power."

"Therefore this man could borrow \$500 maximum on his livestock and machinery and horses. If the tractor is newly purchased, then the tractor deal on a conditional sales contract would be carried separately and allow him \$200 of the \$500 for extra feed which he will need, and other expenses. His AAA check would assist him in seasonable expenses, by an advance on it, after Congress passes the appropriation and his fields have been measured to comply.

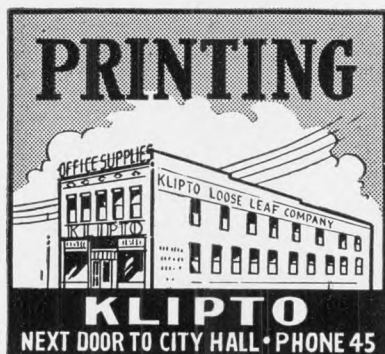
"Were this man to be able to get along with a loan of \$500 the rate would be 7½ per cent; \$450, 7 per cent; \$400, 6½ per cent; \$350, 6 per cent.

"If he were down to the loan of \$450 we would assist him in a few extra feeder hogs if he could arrange feed for them. This feeder loan being on a 5 per cent rate. This graduated interest rate places banks, we think, in a preferred position to compete with PCA competition."

### Nebraska, Dawes County

Here is another reply from Nebraska, and you can see that it is difference of opinion that makes horse-racing possible:

"On the loan to Elmer, this is hardly on our style of cattle. As you know, Herefords are our pride and joy, but, I think Elmer is worthy of some help, so; as a new loan 19 head cattle at \$20 would be \$380, as an original loan, secured by the cattle on mortgage.



MASON CITY, IOWA

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20th year planning advertising programs for banks and trust companies. Member Financial Advertisers Association.

Des Moines, Iowa



This leaves the hogs for him to live from, the crops for rent, etc. Still, in the winter we can go a bit more under present prices to get him into a new year; that is, if it became absolutely necessary under an emergency, and we didnt want to put him out of business by selling cattle to pay. Of course, if a man isn't worthy of sticking with if a bit of trouble hits, why loan him to start with?"

*Editor's Note—This concludes the series of two articles on "How Much Would You Loan to Elmer Blurp?", and we hope you have found them interesting. Without doubt there are other matters of bank operation which you would like to have discussed in THE NORTHWESTERN BANKER. Tell us what they are, and we will publish what other bankers have to say about them.*

## A. B. A. Cancels Its Convention

Members of the American Bankers Association throughout the country have been notified that the annual convention of the Association, scheduled this year for September 27th-30th in Detroit, has been cancelled in recognition of the growing war-time transportation needs of the nation.

In a letter addressed to A. B. A. members, Henry W. Koeneke, president of the Association, stated that the administrative committee of the Association "voted unanimously to cancel plans for the convention. This action," he said, "is in harmony with the request of Joseph B. Eastman, director of the Office of Defense Transportation, who has urged that all organizations with large memberships cancel or skeletonize their conventions in order that uninterrupted movements of troops and supplies may be assured. Since the constitution and by-laws of the American Bankers Association make no provision for a skeleton or restricted form of convention, such a meeting is neither possible nor desirable," he added.

## Heads Chest Drive

Harold P. Klein, assistant vice president of the Iowa-Des Moines National Bank & Trust Company, has been named chairman of the executive committee for the Community Chest campaign, which starts in Des Moines next October 16th. Association with this important branch of civic activity is not new to Mr. Klein, since in past years

he has been a member of the banking solicitation team, chairman of the industrial committee, and a member of the Community Chest executive committee.

R. J. FLYNN, Pres. D. L. DUNGAN, Secy.

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E. O. FENTON, Director

**American Institute of Business**

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# IN THE DIRECTORS' ROOM

## *And the Price?*

"The idea! Accepting gifts from a strange man. You don't know what you're getting into," stormed the mother. And the daughter replied, "Yes, I do; a mink coat!"

## *Much Better*

When she was good, she was very, very good,

But when she was bad she was better.

## *Right!*

Actor—One of the restaurants here in Hollywood has named a sandwich after me.

Critic—Deviled ham, eh?

## *Ready to Go*

Plunkett—Were you surprised when you got the nomination?

Conroy—I'll say. My acceptance speech nearly fell out of my hand.

## *Good Food*

"And what," asked the teacher, "do two ducks and a cow remind you of?"

"Quackers and milk," replied Willie.

## *Fowl Play*

Rufus—What yo' all doing now, Rastus?

Rastus—Right now Ah's doing nuffing, but Ah could hab had a job with one of them there Arctic explorers.

Rufus—How come yo' done didn't take it?

Rastus—Me? Ah's no black Byrd!

## *Change of Scene*

"On my trip to South America I saw a lot of beautiful panoramas."

"I thought you promised me you wouldn't run around with those native girls."

## *Heart Trouble*

"Now, then, let me listen to your heart beat, Miss Roundkurvz. Hmm. It's beating a trifle fast. I'm afraid you're a bit nervous and excited. That's right, put your arms around my shoulder to steady yourself."

"Aw wight, doctor. Mind if I lean on 'oo a bit? I's tinda weak."

"Not at all, Miss Roundkurvz not at all. Hmm. Th-that heart of yours. Yes, I'd s-s-s-say you're a b-b-b-bit n-n-nervous and exc-c-c-cited c-c-c-calm yourself ah-h-h-h uhhmmmmmm. Miss Roundkurvz! Get the hell out of here!"

*Northwestern Banker July 1942*



## *Not Guilty*

Judge: "Who was driving, when you collided with that car?"

Drunk (triumphantly): "None of us, we were all in the back seat."

## *Too Much*

Young Man: "If a man takes a girl to dinner, then to the theater, treats her to a night club after, and then takes her home in a taxi, should he kiss her good night?"

Old Bachelor: "I don't think she ought to expect it. Seems to me he has done enough for her already."

## *Keeping Up a Front*

Psychology Teacher—Answer this question. When do married couples look their happiest?"

Student—When they're sitting on their front porches.

## *Good Spender*

"Here's a penny, my good man. Tell me how did you become so destitute?"

"Oh, I was like you, ma'am—always giving away vast sums to the poor and needy."

## *Song Contest*

Composer—I got tight in order to compose a new drinking song?

Producer—And did it work?

Composer—No, I couldn't get beyond the first two bars.

## *Too Strong*

Tourist (to native onlooker): "I suppose that in these isolated parts the necessities of life come pretty high."

Native: "Y'er right, stranger, an' it ain't worth drinking' when ye get it."

## *Kiss Again*

"It's nice to kiss in a shady parking place, but the boyfriend doesn't stop there."

"You mean ?"

"Yes, he keeps right on driving."

"I certainly got a big check out of this banker friend of mine."

"What did you catch him at?"

"At the height of his career."

## *Stormy Night*

Drunk (to splendidly uniformed bystander): "Shay, call me a cab, will yuh?"

Splendidly Uniformed Bystander: "My good man, I am not a doorman; I am a naval officer."

Drunk: "Alright, then call me a boat. I gotta get home tonight."

## *Must Have Been*

"Are you positive that the defendant was drunk?"

"No doubt," growled Officer Jones. "I saw him put a penny in the patrol box on Fourth Street, then look up at the clock on the Presbyterian Church and shout, 'My, I've lost fourteen pounds'."

## *Soft Music*

"So everybody at the party was surprised when you sat down at the piano?"

"I'll say. They all knew I had just come back from my first horseback ride."

## *A Little Hint*

Jack: "I understand you are courting the widow. Has she given you any encouragement?"

Joe: "I'll say she has. Last night she asked me if I snored."

"You can blame my father for the way I drink."

"Oh, you get your taste for liquor from him?"

"No, I got the money from him."

"My husband succeeds where others fail."

"How interesting!"

"Yes, he's an auctioneer at bankrupt sales."

"The way our daughter carries on is awful."

"There ought to be a law."

"Yes, a son-in-law."

"You're the sweetest girl in 48 states. Can I say more?"

"Yes, you can add the state of matrimony and make me the sweetest girl in 49 states!"

Shoemaker—How in the world did your shoes ever get in this fix?

Al—Well, when I married I got a beautiful wife and a mother-in-law to boot!



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1872—1942



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4. By assisting farmers working under the Food for Freedom banner.
5. By aiding customers who seek War contracts.
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