

NORTHWESTERN

Banker

JANUARY

1943



OFFICER CANDIDATE KATHERYN FELTER

Candidate Felter is a bank woman in training at the WAAC Center at Fort Des Moines, Iowa. See page 9.



How Do You Figure Service Charges in Your Bank?

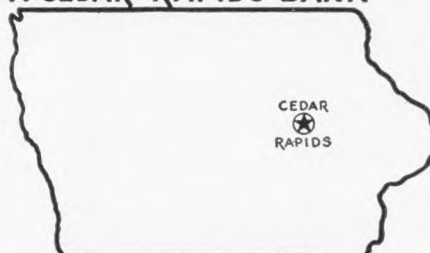
Page 16



IN CEDAR RAPIDS

the Merchants National, with 62 years of service and experience, has a practical and valuable knowledge of this territory which, together with its large correspondent network, enables it to render a quick and efficient correspondent service to banks everywhere.

A CEDAR RAPIDS BANK



SERVICING ALL IOWA



MERCHANTS NATIONAL BANK

OFFICERS

JAMES E. HAMILTON, Chairman
S. E. COQUILLETTE, President
H. N. BOYSON, Vice President
ROY C. FOLSOM, Vice President
MARK J. MYERS, V. Pres. & Cashier
GEORGE F. MILLER, V. Pres. & Tr. Officer
MARVIN R. SELDEN, Vice President
FRED W. SMITH, Vice President
JOHN T. HAMILTON II, Vice President
R. W. MANATT, Asst. Cashier
L. W. BROULIK, Asst. Cashier
PETER BAILEY, Asst. Cashier
R. D. BROWN, Asst. Cashier
O. A. KEARNEY, Asst. Cashier
STANLEY J. MOHRBACHER, Asst. Cashier
E. B. ZBANEK, Building Manager

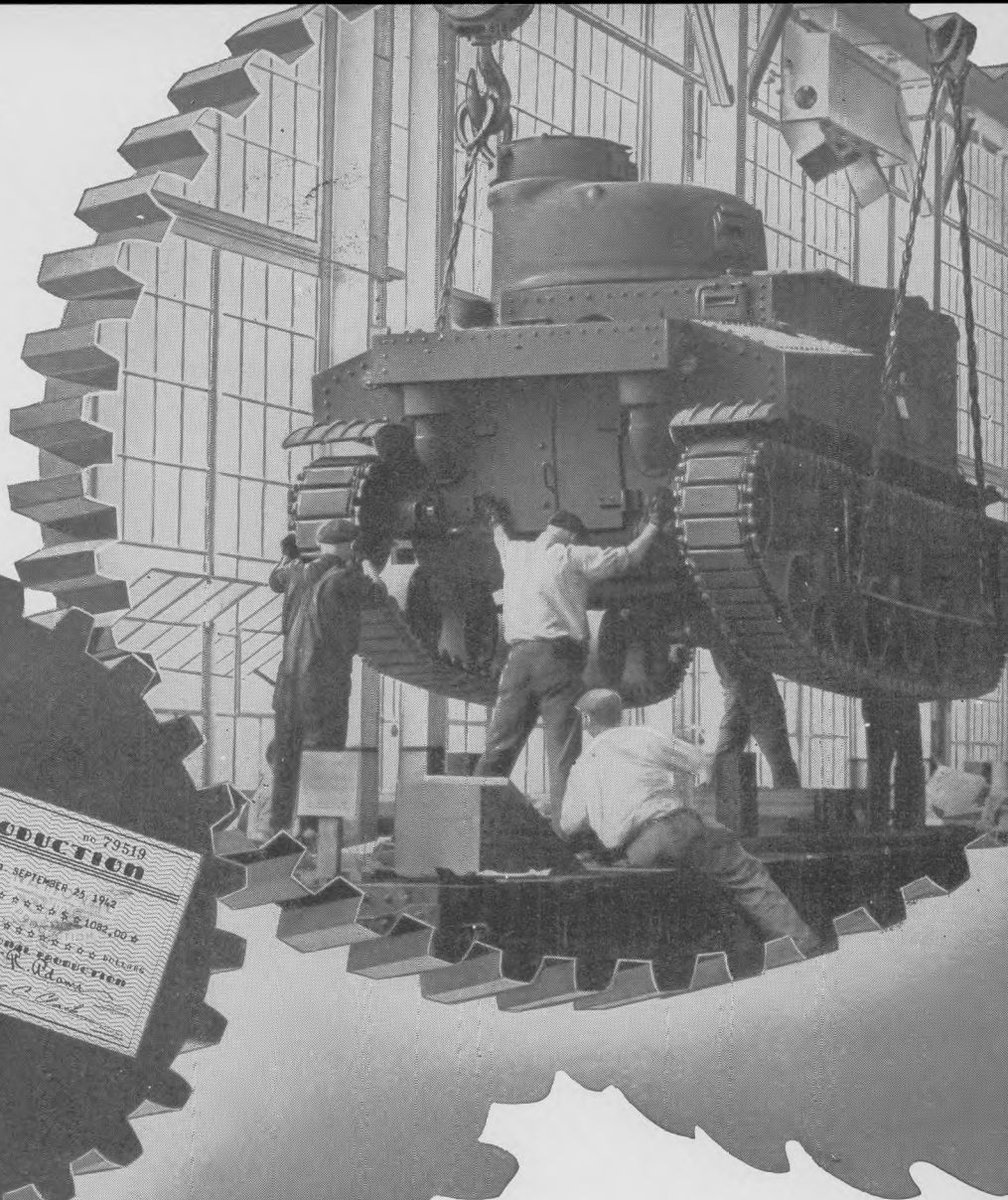
Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation



Northwestern Banker, published monthly by the De Puy Publishing Company, at 527 7th Street, Des Moines, Iowa.
Subscription, 35c per copy, \$3.00 per year. Entered as second class matter at the Des Moines post office.

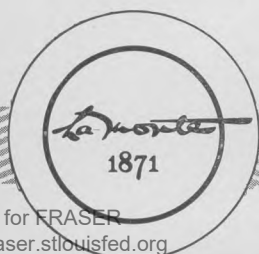
How Much of this Tank was Built by a Bank?



This Tank Was Made in America. The raw materials blasted from American rock, dug from American soil. » » And when they were finally smelted and processed into metal—a factory in Michigan built the engine. Another, in Pennsylvania, fashioned its armored body. Still a third, in Ohio this time, fabricated the huge treads. An arsenal in Iowa will furnish the guns in its turret. A boy from Maine will make them spit—while another boy, from California, sits at the controls. » » America owes much to industry's ability to start in high—to meet the urgent demand for "more" with breath-taking speed . . . and to her great Financial Institutions which have geared themselves to the urgency of the times, and the battle of production. » » For, in all this,

America's Banks are the Active Partners—supplying the funds, handling the multitudinous, complicated financial detail necessitated by *all-out* effort. » » And practically every transaction involved in the building of tanks, of planes, of ships and guns—is Paid-By-Check, drawn on an American Bank. » » Today—*checks are money!* Their wide use and ready acceptance is greatly facilitated by a special type paper—Safety Paper—which affords protection against fraudulent alteration—a product invented in 1871 by George La Monte. » » A very large majority of the nation's banks and corporations protect their checks by using Safety Paper. Many have their trade mark or special design incorporated in the paper, which we furnish through leading Printers and Lithographers.

GEORGE LA MONTE AND SON, Nutley, New Jersey



LA MONTE *Safety* PAPER



IN THE HEART OF EVERY WAR PLANT IS A BOMB LIKE THIS

• Fires in our war plants are just as destructive if set by accident as if caused by incendiary bombs. And Carelessness is as much the servant of the Axis as is Sabotage.

In 1941 fires in the United States caused \$303,895,000 loss. A similar loss in 1943 would spell more than national financial loss—it would mean a defeat equal to a drastic military or naval loss.

As part of the Citizen Army in an America in which there

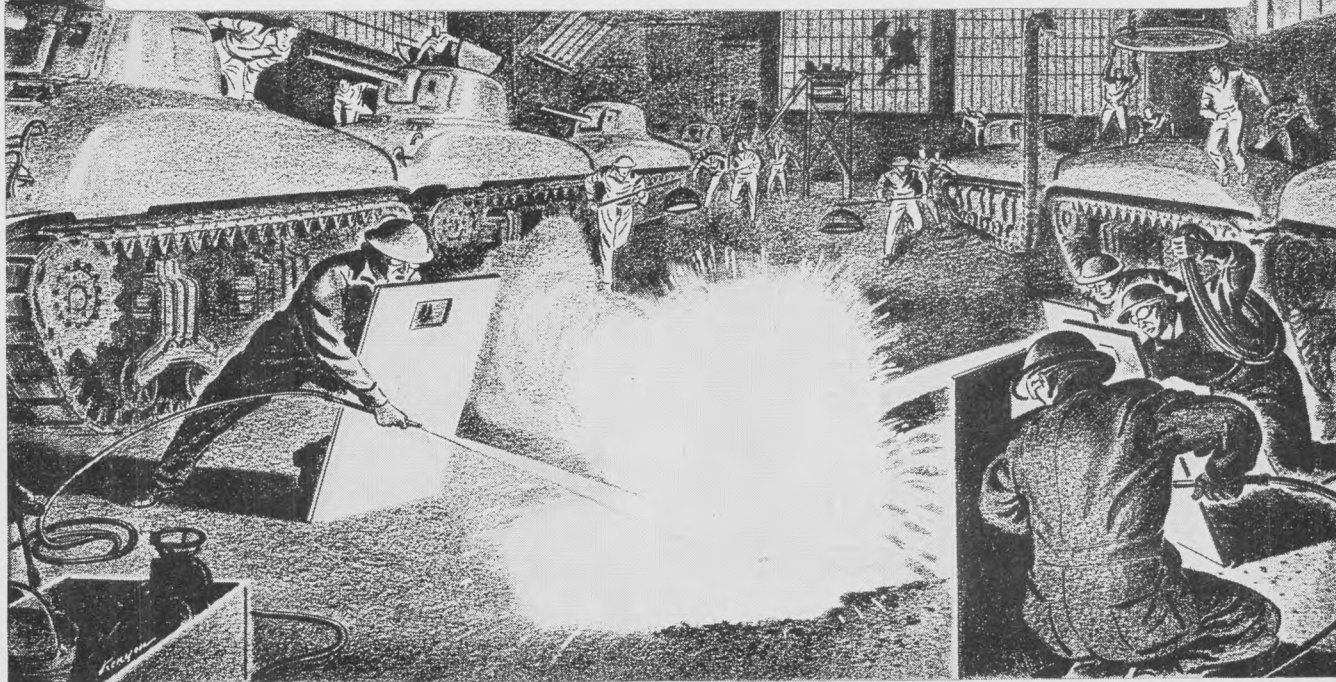
are no more non-combatants, make it your job to join in winning the Battle of Industrial Safety. You can help prevent fire loss by doing just one simple thing for the war's duration. It is this:

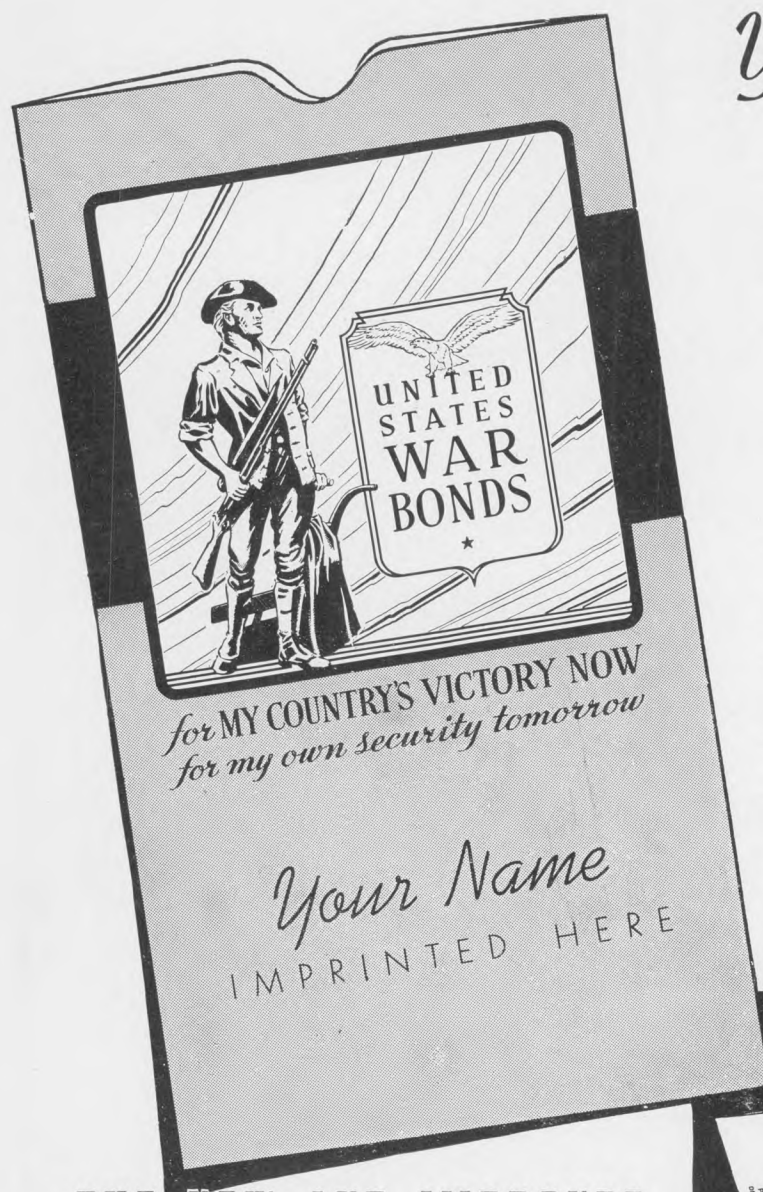
Be EXTRA careful about Fire!

When essential materials burn, they are gone! Insurance can only furnish funds to replace them.

☆ THE HOME ☆
Insurance Company
NEW YORK

FIRE • AUTOMOBILE • MARINE INSURANCE





THE NEW AND IMPROVED
"Mercury"
 BANK-BY-MAIL
Envelope

Save your depositors gas and tires! Offset the scarcity of clerical help! Handle a larger volume with fewer people! See how the Mercury Bank-by-Mail envelope fits today's conditions and solves many of your present problems. Mail the coupon for samples and complete plan.

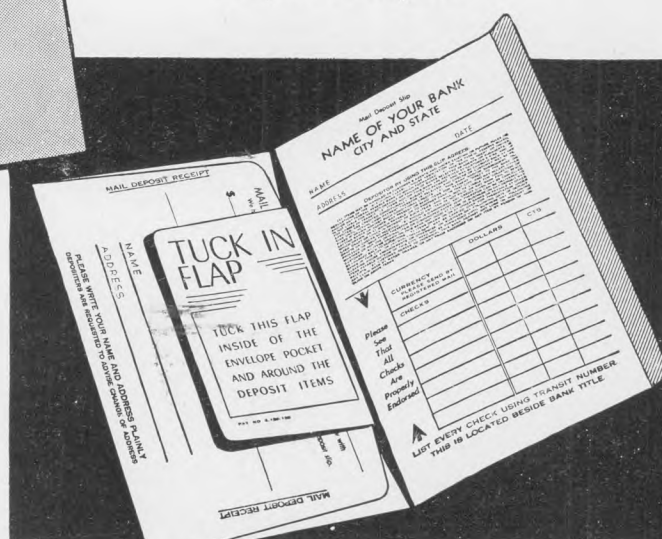
BERKOWITZ ENVELOPE CO.,

1912 Grand Ave. Des Moines, Iowa

*Your Customers Will
 Appreciate This*
**PATRIOTIC
 ENVELOPE**
for War Bonds

Give new impetus to War Bond sales! Deliver them in this red-white-and-blue envelope! Stir the patriotic pride of ownership! Make even small buyers feel that their purchases are important! An opportunity to build exceptional good will for your bank!

Samples on Request



BERKOWITZ ENVELOPE CO.

Gentlemen:

Please send us samples of the improved Mercury Bank-by-Mail envelope.

☐ *Also War Bond Envelope Sample*

BANK _____

BY _____

CITY _____ STATE _____

Northwestern Banker January 1943

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, December 31, 1942

RESOURCES

Cash and Due from Banks	\$ 549,633,355.97
United States Government Obligations, Direct and Fully Guaranteed	1,295,006,645.31
Other Bonds and Securities	62,155,698.45
Loans and Discounts	269,693,310.51
Stock in Federal Reserve Bank	3,000,000.00
Customers' Liability on Acceptances	353,392.98
Income Accrued but Not Collected	4,334,500.64
Banking House	11,700,000.00
Real Estate Owned other than Banking House	1,582,551.32
	<u>\$2,197,459,455.18</u>

LIABILITIES

Deposits	\$2,052,097,478.20
Acceptances	353,392.98
Reserve for Taxes, Interest and Expenses	6,407,167.52
Reserve for Contingencies	17,237,486.54
Income Collected but Not Earned	380,523.58
Common Stock	50,000,000.00
Surplus	50,000,000.00
Undivided Profits	20,983,406.36
	<u>\$2,197,459,455.18</u>

United States Government obligations and other securities carried at
\$449,321,320.01 are pledged to secure public and trust deposits and for
other purposes as required or permitted by law.

Member Federal Deposit Insurance Corporation



Dealers in Municipal Bonds

The Chase offers correspondents a well rounded service in this type of investment. Inquiries from banks will receive the personal attention of experienced officers.

Bond Department

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

Northwestern Banker January 1943



IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK

Statement of Condition, December 31, 1942

ASSETS

Cash on Hand, and Due from Federal Reserve Bank and Other Banks . . .	\$243,074,441.76
U. S. Government Securities	572,672,195.72
State, County and Municipal Securities	2,249,370.00
Other Securities	3,479,654.89
Stock in Federal Reserve Bank	3,088,100.00
Loans and Discounts	184,902,149.64
First Mortgages on Real Estate	8,772,186.87
Headquarters Building	17,011,200.00
Other Real Estate	1,323,126.30
Liability of Customers for Acceptances	1,053,639.15
Accrued Income, Accounts Receivable, etc.	2,645,288.67
	<u>\$1,040,271,353.00</u>

LIABILITIES

Deposits	\$925,045,614.38	
Official Checks	3,477,919.43	\$928,493,533.81
Acceptances	\$2,387,376.27	
Less Amount in Portfolio	873,040.58	1,514,335.69
Reserve for Taxes and Other Expenses		1,771,827.09
Dividend payable January 2, 1943		750,000.00
Other Liabilities		534,988.07
Unearned and Deferred Income		2,300,141.93
Capital Stock	\$50,000,000.00	
Surplus and Undivided Profits	54,906,526.41	104,906,526.41
		<u>\$1,040,271,353.00</u>

United States Government Securities are stated at amortized cost. Of these, \$154,887,670.00 are pledged to secure deposits of public monies and for other purposes required by law.
Member Federal Deposit Insurance Corporation

BOARD OF DIRECTORS

HARRY E. WARD
Chairman of the Board

WILLIAM N. ENSTROM
President

O. L. ALEXANDER
President
Pocahontas Fuel Company
Incorporated

EDWARD H. CLARK
Chairman of the Board
Cerro de Pasco Copper
Corporation

HAROLD A. HATCH
Vice-President
Deering Milliken & Co., Inc.

J. WHITNEY PETERSON
Executive Vice-President
United States Tobacco Company

HENRY P. BRISTOL
President
Bristol-Myers Company

JOHN F. DEGENER, Jr.
C. A. Auffmordt & Co.

ADAM K. LUKE
Vice-President and Treasurer
West Virginia Pulp and Paper
Company

JACOB L. REISS
President, International
Tailoring Company

W. GIBSON CAREY, Jr.
President
The Yale & Towne Mfg. Co.

WILLIAM K. DICK
Chairman, Executive Committee
National Sugar Refining
Company

HIRAM A. MATHEWS
Vice-President

FLETCHER W. ROCKWELL
President, National Lead Company

REID L. CARR
President
Columbian Carbon Company

HENRY FLETCHER
Fletcher & Brown

MICHAEL A. MORRISSEY
President
The American News Company, Inc.

WILLIAM SKINNER
President
William Skinner & Sons

GEORGE F. GENTES
Vice-President

AUGUSTUS G. PAINE
Chairman of the Board
New York & Pennsylvania Co.

FRANCIS L. WHITMARSH
President
Francis H. Leggett & Company

JANUARY
1943

NORTHWESTERN *Banker* DES MOINES

FORTY-EIGHTH YEAR

NUMBER 666

Oldest Financial Journal West of the Mississippi River

CLIFFORD DE PUY
Publisher

RALPH W. MOORHEAD
Associate Publisher

HENRY H. HAYNES
Editor

527 Seventh Street,
Des Moines, Iowa
Telephone 4-8163

NEW YORK OFFICE

Frank P. Syms
Vice President

505 Fifth Ave. Suite 1806
Telephone MUrray Hill 2-0326

MINNEAPOLIS, OFFICE

Jos. A. Sarazen
Associate Editor
Telephone Hyland 0575



ON THE COVER

OFFICER CANDIDATE
KATHERYN FELTER

Katheryn Felter, Portland, Oregon, stands before a cannon at historic old Fort Des Moines, Iowa, home of the WAAC Training Center. Before enlisting in the Corps, Miss Felter worked for six years with the U. S. National Bank at Portland, Oregon, and for one year with the Valley National Bank of Portland. She has received her basic training in the WAAC, and now is serving in the classification and assignment section at the training center.

Women at the Fort Des Moines Center, many of whom have been associated with banks, now number about 8,000. It is reported that the number of women in training will be increased to 12,000 in the near future.

IN THIS ISSUE

Editorials

Across the Desk from the Publisher..... 10

Feature Articles

Frontispiece 13
Association Officers "Cuss" and Discuss the P. C. A..... 14
How Do You Figure Service Charges in Your Bank?..... 16
News and Views of the Banking World..... *Clifford De Puy* 19
Legal Questions and Answers..... 20
How to Sell Service Charges to Your Customers..... *J. A. Sarazen* 22

Insurance

How Bankers Can Help to Prevent Disastrous Fires..... 27

Bonds and Investments

Pressure for Earnings Will Force More Buying of Government Offerings.....
..... *James H. Clarke* 31
They Bought Victory Bonds Here..... 33

State Banking News

Minnesota News 37
Twin City News..... *James M. Sutherland* 39
South Dakota News..... 45
North Dakota News..... 49
Nebraska News 51
Omaha Clearings 53
Lincoln Locals 55
Iowa News 57
Brief News from Here and There..... 62
WAAC Portrayed in Bank Mural..... 64

The Directors' Room

A Few Short Stories to Make You Laugh..... 78



Across the Desk From the Publisher

Who Built America, Anyway?

Shall we say that "Free Enterprise" and "Rugged Individualism" which helped build America are no more than "Old Claptrap".

In the October issue of the *NORTHWESTERN BANKER*, we commented on what the Archbishop of Canterbury had urged the British government to do about limiting the banks in their lending power, to the amount deposited by their creditors, which indicates that he doesn't know as much about finance as probably many less important members of his congregation.

Now, in this country, the Rt. Rev. John A. Ryan, director of the National Catholic Welfare conference's department of social action, in a recent speech at Cleveland before the American Catholic Sociological Society, deplores the fact that the control of the government may return to the voters who represent the small business man, the small manufacturers, and the small town banker and says it would be a terrible calamity if these "champions of free enterprise" were in power again. No doubt he thinks the last 10 years of deficits, and bureaucracies have been perfect.

Rev. Ryan says, "First, the millions of returning soldiers and sailors will not be satisfied or fooled by the old claptrap concerning 'rugged individualism', 'American opportunity', or 'American equality'.

"They will demand jobs here and now. I do not believe that any economy dominated by the philosophy of 'free enterprise' will be able to meet that demand.

"The status and influence of organized labor, and therefore of the whole body of wage earners, is threatened with a disastrous decline.

"Labor may lose all the advantages that it has obtained since June, 1933.

"Except for two obstacles the most important recent gains of labor would all be swept away within the next six months. These obstacles are the Senate and the President, and we cannot be too confident about the Senate.

"Unless the middle classes, that is, the comfortable farmers, the members of the professions, the small business men, the holders of executive and directive positions in the great corporations and, indeed, the majority of the 'white collar' classes—cease to get their opinions from the daily papers and strive to acquire a greater amount of realistic economic intelligence, they may exercise sufficient voting power to place the champions of 'free enterprises' in control of economic reconstruction after the war.

"From such a calamity may the good Lord deliver us!"

Of course, the soldiers and sailors are going to want jobs when they come back and they will be provided with them. No doubt in part by the government but in a greater degree by the factories, which will be transformed from making munitions to making automobiles; from making

guns to making radios; from making gunpowder to making electric refrigerators and the thousand and one other articles of merchandise for which there will be a tremendous demand.

We are rather bored and weary at having certain preachers and professors say that business men are crooks; that bankers are scoundrels, and trying to infer that politicians and preachers are perfect.

Has industry failed to do its share during the war effort? Of course it has not, as it has turned loose its mighty manufacturing genius to produce the weapons of war and done it like magic in a 12 months period since Pearl Harbor.

Have banks failed in this emergency? Certainly not, because 85 per cent of the government bonds which have been sold to finance the war have either been sold to the banks or through them to their individual customers.

Have all the unions cooperated? We will let you answer that one for yourself, but in a recent Gallup Poll, why were 81 per cent of those interviewed in favor of, **"all labor unions being required to register with the federal government and report the amount of money they take in and spend each year?"**

But, who built America, anyway?

Did the communists build America? No.

Did the socialists build America? No.

Did the brain-busters build America? No.

Did the economic theorists build America?

No.

Did the politicians build America? No.

America was built by the pioneers who worked 60 and 70 hours a week. America was built by private enterprise. It was built by rugged individualists of every character, be he a small or middle class shopkeeper, farmer, banker or other individual. And if that is "claptrap" then we say make the most of it.

We wish to refer the Right Rev. John A. Ryan, who hopes that the "Good Lord will deliver us from such a calamity", as having the middle class return to power again, to his good friend, Mrs. Eleanor Roosevelt and her new book *"This Is America,"* which we assume she has read, for in it she endorses the free press and the capitalistic system along with private enterprise when she says, **"Though there have been abuses that challenged its efficiency, and it had been in some ways greatly modified, the capitalistic system, and the free enterprise it implies, works more to**

the benefit of all than any other system yet devised."

In any rebuilding that America may need after this war, it will be done by the same kind of individuals whose ancestry traces back to the founders of the nation who in their day didn't depend on alphabetical organizations to solve all of their business and economic problems.

Who built America, anyway?

The Biggest "Bug" in the Beveridge Plan

Sir William Beveridge, one of Britain's most widely known economists and educators, has prepared a report of 300 pages which is supposed to take care of British subjects, "From the cradle to the grave".

The Beveridge report proposes the expansion of the entire social legislation of Great Britain and plans to have it centered in a Ministry of Social Security to which each insured person would make a single weekly contribution.

It is always easy for any economist to figure out a method of eliminating want by simply dividing up what someone else has, which is nothing more nor less than socialism, but the real answer is to be found, not in this method, but in creating more ways whereby individuals can produce more wealth and thus be free from want themselves.

This idea was very well expressed by one authority on banking and finance, who said, **"The real problem of abolishing want is not in finding ways to divide up what we have, but in creating more to divide. This means making sure that our system provides the incentive for people to go ahead with new projects and seek new discoveries that will employ labor, increase production, and add to the sum total of goods and services that determine the standard of living. If we can do this, it would be possible for us, with our huge resources, the demonstrated genius of our industrial leadership, and the effectiveness of our labor force, to establish and reach a goal of general well-being in this country which will not only include the minimum of security, but provide larger opportunities for us."**

Thus, we think the biggest bug in the Beveridge plan is that it does not put the emphasis on providing larger opportunities for people to increase their own incomes.

Clifford DePuy

STATEMENT OF CONDITION

At Close of Business December 31, 1942

"Iowa's Friendly Bank"

CENTRAL NATIONAL BANK

AND TRUST COMPANY

of Des Moines

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

RESOURCES

Cash and due from Federal Reserve and other banks	\$20,659,768.60
United States Gov- ernment Securi- ties	17,881,623.08
Obligations of United States Governmental Agencies	2,657,092.23
Municipal Securities	2,422,619.21
Market Bonds	769,276.94
Loans and Discounts	10,273,792.74
Overdrafts	9,894.13
Stock Federal Reserve Bank	52,500.00
Accrued Interest Receivable	128,622.61
Bank Premises and Equipment	352,729.53
Total	\$55,207,919.07

LIABILITIES

Demand Deposits	\$40,077,072.62
Savings Deposits	2,393,362.29
Public Deposits	10,209,273.61
Discount Collected	65,754.31
Common Stock	\$1,000,000.00
Preferred Stock	250,000.00
Surplus	510,000.00
Undivided Profits	251,913.10
Reserve for Retirement of Pre- ferred Stock	250,000.00
Other Reserves	200,543.14
Total	\$55,207,919.07

United States Government and other securities carried at \$6,535,989.83 are pledged to secure public and trust deposits as required by law.

DIRECTORS

G. E. BRAMMER
BRAMMER, BRODY, CHARLTON & PARKER
E. F. BUCKLEY
VICE PRESIDENT
HARRY GOLDMAN
PRESIDENT C. C. TAFT CO.
WM. J. GOODWIN
CHAIRMAN BOARD OF DIRECTORS
ROBERT K. GOODWIN
PRESIDENT, REDFIELD BRICK & TILE CO.
H. F. GROSS
SECRETARY IOWA MUTUAL
TORNADO INSURANCE ASSN.
GROVER C. HUBBELL
TRUSTEE, F. M. HUBBELL ESTATE
MARK L. JOHNSON
REAL ESTATE

B. REES JONES
PRESIDENT, TOWN MUTUAL DWELLING
INSURANCE COMPANY
GUY E. LOGAN
PRESIDENT, STANDARD CHEMICAL CO.
WALTER E. MUIR
GEORGE A. PEAK
REAL ESTATE
JULIAN A. PEVERILL
PRESIDENT, HUDSON-JONES AUTO COMPANY
CHAS. N. PIERCE
VICE PRESIDENT, LANGAN PAPER COMPANY
WALTER L. STEWART
GIBSON, STEWART & GARRETT
W. E. TONE
REAL ESTATE



No. 295 THE OLD LOGGING ROAD

MADE IN U. S. A.

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 January 1943

Association Officers *Cuss* and *Discuss* P. C. A.

Other Questions Which Bankers from 14 North-Central States
Talked About Included:

1. Uniform service charges for banks.
2. How country banks can increase their revenue.
3. Should banks be allowed more gas when helping with the "Food for Freedom" program?
4. What about the manpower problem in banks?
5. Should Congress investigate the whole F. C. A. setup?
6. How should we finance the war?

THE Central States Conference, composed of presidents, vice presidents and secretaries of the Bankers Associations of Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota and Wisconsin, met in Chicago to hold what was known as a "War Work Conference."

There were 105 registered at the conference, of which 7 were officers of the American Bankers Association.

The officers of conference elected for the year 1943 and 1944 are as follows: President, **Robert E. Wait**, secretary, Arkansas Bankers Association, Little Rock; first vice president, **Wm. B. Hughes**, secretary, Nebraska Bankers Association, Omaha; second vice president, **Frank Warner**, secretary, Iowa Bankers Association, Des Moines; secretary-treasurer, **E. P. Gum**, secretary, Oklahoma Bankers Association, Oklahoma City, Oklahoma.

The conference also appointed an Interstate Committee on Governmental Competition of the Central States, and this committee included the following members: **Oluf Gandrud**, chairman, president, Swift County Bank, Benson, Minnesota; **W. B. Hughes**, secretary, Nebraska Bankers Association, Omaha, Nebraska; **John N. Thomson**, vice president and cashier, Bank of Centerville, Centerville, South Dakota; **E. P. Gum**, secretary, Oklahoma Bankers Association, Oklahoma City; **S. R. De Cou**, cashier, First National Bank, Woodbine, Iowa.

This committee has held a meeting and will soon issue a formal report.

Northwestern Banker January 1943

Frank Warner, the new second vice president of the conference, prepared the program for the meeting, which was a very interesting and exciting one. He pointed out that the states in the Central States Conference represented 7,000 commercial banks out of



OLUF GANDRUD
President, Swift County Bank
Benson, Minnesota
Chairman of the Interstate Committee
on Governmental Competition of the
Central States Conference

the 14,919 in the United States, as well as representing one-third of the population and nearly one-third of the area of the United States.

Also it was the Iowa delegation, under the guidance of **Frank Warner**,

which took the lead in proposing that the Interstate Committee on Governmental Competition be appointed and thus offering a definite constructive plan of procedure, whereas without such a program the conference might have adjourned with no action having been taken.

Harry C. Hausman, president of the conference and secretary of the Illinois Bankers Association, presided at the sessions and used some of his "Will Rogers" humor to help over the tight spots.

M. W. Ellis, superintendent of banking in Iowa, gave a talk on "The Iowa Uniform Schedule," which has made him famous throughout the country, and is assisting banks in the Hawkeye state to establish service charges which are fair and uniform.

Hugh L. Harrell, president of the Oklahoma Bankers Association, and vice president of the First National Bank and Trust Company of Oklahoma City, told the conference how they had prepared a new service charge manual for use by all of the banks in his state, and this manual is proving very successful.

William C. Rempfer, chairman of the bank management committee, and former president of the South Dakota Bankers Association, and cashier of the First National Bank of Parkston, South Dakota, told in elaborate details, accompanied by charts, how his committee had approached the small banks cost problem. Mr. Rempfer said they had figured the time it takes to handle checks, and then estimated the cost of the service to the customers. He said

that the small banks were found to be the least efficient and that banks with four employees were doing a good job on the average.

Frank A. Vogel, president of the Bank of North Dakota of Bismarck, pointed out that "We must cut down our banking business to a wartime basis. We can't expect to do business as usual. Maybe out of all this we will find some unmixed blessings."

Frank C. Welch, president of the Peoples Savings Bank of Cedar Rapids, discussed the "Manpower problems in banks throughout the duration," and said, "One way to lose the war is not to have it properly financed, and while no banker may be essential, banks are necessary to help finance and run the war."

Larry O. Olson, president of the Minnesota Bankers Association and vice president of the Midland National Bank and Trust Company of Minneapolis, also discussed the question of "Helping to Maintain Bank Efficiency" to meet the constant loss of bank employees.

During 1942, Mr. Olson pointed out that 70,000 employees had left the banks and that during 1943 banks will lose 100,000 more members of their organizations.

He also suggested that "Banks classify all men in their institutions and estimate as far as possible the require-

proper legislation against the P.C.A. and other subsidized government agencies.

His talk was followed by **E. E. Placek**, also a member of the committee on competing lending agencies of the Nebraska Bankers Association and president of the First National Bank of Wahoo, Nebraska.

Mr. Placek discussed the question "Should Congress investigate the whole F.C.A. setup, looking toward the elimination of unessential agencies."



FRANK WARNER
Secretary, Iowa Bankers Assn.
Second Vice President, Central
States Conference

He said, "You are told to wait until a more opportune time to fight the P.C.A., but I say do it now. More than 13 banks have been liquidated in Nebraska since January 1, 1941, because of the P.C.A. The P.C.A. is on the march and should be stopped."

William B. Hughes, newly elected first vice president of the conference and secretary of the Nebraska Bankers Association, accused **Dr. Harold Stonier**, executive manager of the A.B.A., of being the cause for all of the delay in getting any action from the American Bankers Association.

A. L. M. Wiggins of Hartsville, South Carolina, and vice president of the American Bankers Association, addressed the conference and said, "Banking has come through this period and accomplished the best results of any segment of our national economic life. We have proved that bank management has been able and alert to assist in every war effort. Bankers have more standing in Washington today than in the last ten years and with the change of Congress our position will be strengthened."

"There has been a great deal of unnecessary flash of personalities in this P.C.A. discussion. As I listened to **Mr. Rossiter** and **Mr. Placek**, the fight seems to be about equal against the P.C.A. and the A.B.A. I asked twelve Nebraska men, 'What is Nebraska's position on the P.C.A.?' and I received no answers. The real question is, 'Are you ready for the A.B.A. and state associations to fight the P.C.A. to a finish?' The answer was not to do so.

Let's forget the inner family fight and accomplish the results desired by putting our eye on the ball because we all agree on the final objective."

Clifford S. (Hap) Young, president of the Federal Reserve Bank of Chicago, told the conference that World War No. 1 cost \$20,000,000,000 and that World War No. 2 had already been appropriated \$240,000,000,000 for its activities.

He emphasized that "The direct sale of securities must be made to the public and that only one-fourth of the expenses of the war are now being met by taxation. War borrowing must be done out of current income and savings."

W. L. Hemingway, president of the American Bankers Association and president of the Mercantile Commerce Bank & Trust Company of St. Louis, discussed the question of "Financing the War," and said, "I am here as a bond salesman."

"There are at least three ways that we can finance the war. One—by the issuing of paper money. Two—through the Federal Reserve Banks, and three—by getting the money from the people of the United States."

"In the 1943 fiscal government year, Uncle Sam will probably spend \$80,000,000,000 on the war, of which \$20,000,000,000 will be raised by taxes and



E. E. PLACEK
President, First National Bank
Wahoo, Nebraska
Member Nebraska Committee on
Competing Lending Agencies

the other \$60,000,000,000 will have to be borrowed.

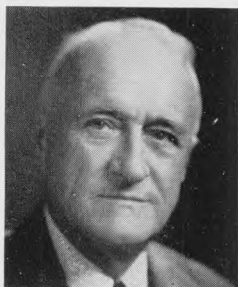
"In our bank, we subscribe for \$2,000,000 of each \$1,000,000,000 of government bonds offered."

"Secretary Morgenthau said he was going to finance this war on an average rate of 2 per cent if possible."

When the meeting was getting real hot on the discussion of P.C.A. competition, Secretary **Frank Warner** said that he thought both **Mr. Placek** and **Mr. Rossiter** should have a chance to answer **Mr. Wiggins**, but he hoped that the conference would arrive at a meet-

(Turn to page 24, please)

Northwestern Banker January 1943



WILLIAM B. HUGHES
Secretary, Nebraska Bankers Assn.
First Vice President, Central
States Conference

ments needed and hire men over 38 and women to replace them. The A.I.B. is needed more than ever to help train new employees for the bank."

W. Dave Bates, former superintendent of banking for Iowa, was "among those present" and is now located in Chicago with the liquidating division of the F.D.I.C.

The fireworks concerning P.C.A. really started when **E. W. Rossiter**, chairman of the committee on competing lending agencies of the Nebraska Bankers Association and president of the Bank of Hartington, Nebraska, gave his talk entitled "A Challenge."

He criticized the American Bankers Association for its failure to act with

How Do You Figure Service Charges In *Your* Bank?

Using the Charges Outlined in the Figures on the Opposite Page,
Would the Amount Collected Be More or Less as
Compared With Your Institution?

OF THE many problems of bank operation, service charges continue to be among the more important, especially as to whether such charges are adequate to meet the expense involved in handling various accounts. Information and advice of a general nature is always interesting and instructive, but to get right down to the grass roots, a few actual figures which can be used as a comparison mean much more than words, and below are the figures.

On the opposite page are four items relating to charges on checking accounts and service—from Average Farmer No. 1, Average Farmer No. 2, a Five and Ten Cent Store, and a Food Market. The figures and the analysis of them on the opposite page are all factual, taken from the books of a bank in a small city of 4,000 population, with deposits of around \$1,000,000, located in a good farming community. Represented are two average personal accounts and two average commercial accounts.

Based on the account activity figures shown on the opposite page, we asked a number of bankers to tell us what the service charges on these accounts would be in their bank, at the schedule of charges which they have in force. From the several sets of figures presented these charges range from No Charge on several of the items to more than double on others. We realize that all factors affecting service charges cannot be the same in all communities, and perhaps no service charge can be made uniform country-wide, but even so, the fluctuation in the figures as sent in seems quite broad.

The following analysis comes from **C. W. Anderson, vice president and cashier of the City State Bank, Madrid, Iowa:**

Following are the charges we would apply to the checking accounts in your illustration:

Average Farmer No. 1	\$.78
Average Farmer No. 2	1.11

John Doe 5 and 10 Store	1.34
John Doe Food Market	5.95

The method of analysis we employ applies to all accounts alike.

We Charge

\$.03 on out of town items	
.04 for on-us items	
.25 maintenance charge	

Against these charges we allow a credit of 15 cents per \$100 of average balance. All accounts of minor activity and those not subject to analysis are charged a flat maintenance fee of 25 cents each month.

From the illustrations given in our analysis would look like this:

Average Farmer No. 1—	
17 on-us items at 4 cents	\$.68
Maintenance charge	.25

Gross charge	.93
\$120 av. bal. credit	
at 15 cents per 100	.15

Charge	\$.78
John Doe 5 and 10 Store—	
13 out of town checks at 3c	\$.39
57 on-us items at 4 cents	2.28
Maintenance charge	.25

Gross charge	2.92
\$1,050 av. bal. credit at	
15 cents per 100	1.58

Charge	\$1.34
John Doe Food Market—	
278 out of town checks at 3c	\$8.34
11 on-us items at 4 cents	.44
Maintenance charge	.25

Gross charge	\$9.03
\$2,061 av. bal. credit at	
15 cents per 100	3.08
Charge	\$5.95

Our service charges this year have produced 9.2 per cent on our capital, 51 cents on each \$100 of commercial deposits, or 32 per cent of total resources. Up to September 1st this year we allowed a credit of 5 per cent on 75 per cent of the average daily balance. Reducing this credit to 15

cents per \$100 of average daily balance has augmented our revenue considerably which is not reflected in the above figures.

Glenn V. Dill, cashier of the First National Bank, Oakes, North Dakota, makes the following statement:

None of the accounts listed would be subject to any service charge in the First National Bank of Oakes, other than the regular float charge on out of town checks.

This charge is—

\$.05 per item for checks under \$10.00
.10 for items under \$100.00
.17 per thousand for each day outstanding.

Charges made by the **Farmers Savings Bank, Martelle, Iowa, of which Guy C. Martin is cashier,** would read as follows:

Average Farmer No. 1—62 cents.
Average Farmer No. 2—80 cents.
Five and Ten Store—None.
John Doe Food Market—None.

In making explanation, Mr. Martin says:

The two farm accounts were simple enough, but in order to get exact figures on the two commercial accounts for our method, I would have to have the daily balance for deduction from the aggregate monthly balances.

For some time our bank has realized that our weak spot on service charges is in the fact that we do not charge our commercial accounts any handling charge for foreign items, but we hesitate to initiate this charge unless favored by the balance of the members of the Jones County Association. I feel that some concerted action should and no doubt will be made along that line.

In my opinion there is too much variety in service charge methods among our banks which is confusing to our customers and bankers alike.

(Turn to page 46, please)

THE STATE NATIONAL BANK, Anywhere, U. S. A.

The costs and allowances in handling checking account service.

An individual analysis of your own account for the month ending December, 1942, shows that the expense of handling the account exceeded the income earned on the average balance in the amount of 71 cents.

In such cases we need to make a charge to bring the total income in line with the total expense. The schedule on which this is figured is shown on the opposite side of this slip. If you would like the detailed figures on your own account or if you wish to ask any questions come in any time.

Please make an entry of this amount on your stubs that our records may agree.

Items handled, 17.
Average balance, \$120.
Low balance, \$106.

Customer—Mr. Average Farmer No. 1.

THE STATE NATIONAL BANK, Anywhere, U. S. A.

The costs and allowances in handling checking account service.

An individual analysis of your own account for the month ending December, 1942, shows that the expense of handling the account exceeded the income earned on the average balance in the amount of 93 cents.

In such cases we need to make a charge to bring the total income in line with the total expense. The schedule on which this is figured is shown on the opposite side of this slip. If you would like the detailed figures on your own account or if you wish to ask any questions come in any time.

Please make an entry of this amount on your stubs that our records may agree.

Items handled, 29.
Average balance, \$245.
Low balance, \$160.

Customer—Mr. Average Farmer No. 2.

Handling cost out-of-town
checks at 1½c. No. 13..\$.21
Activity on checks written
on us at 2c. No. 57..... 1.14
Handling cost other items
at 1c. No. 50..... .50
18 deposits at 3c..... .54
Interest on float for funds
in process of collection,
\$1,20034
Basic maintenance service
charge in cost not cov-
ered above50
GROSS COST\$3.23

For Net Cost See Right Hand Side

THE STATE NATIONAL BANK, Anywhere, U. S. A.

Low balance\$ 636.00
Average daily ledger balance..... 1,050.00
Less required reserve..... 210.00
Net loanable balance..... 840.00
Interest earned on loanable balance 2.80

ANALYSIS OF ACCOUNT
FOR THE MONTH OF
DECEMBER, 1942

CHARGE 43 cents.

JOHN DOE 5 AND 10 STORE

Handling cost out-of-town
checks at 1½c. No. 278..\$4.17
Activity on checks written
on us at 2c. No. 11..... .22
Handling cost other items
at 1c. No. 360..... 3.60
30 deposits at 3c..... .90
Interest on float for funds
in process of collection
at 17c per M., \$10,000.... 1.70
Basic maintenance service
charge in cost not cov-
ered above50
GROSS COST\$11.09

For Net Cost See Right Hand Side

THE STATE NATIONAL BANK, Anywhere, U. S. A.

Low balance\$ 832.00
Average daily ledger balance..... 2,061.00
Less required reserve..... 412.00
Net loanable balance, 1/3 of 1%..... 1,649.00
Interest earned on loanable balance 5.40

ANALYSIS OF ACCOUNT
FOR THE MONTH OF
DECEMBER, 1942

CHARGE \$5.69.

JOHN DOE FOOD MARKET

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

WHEN we were visiting during luncheon at the Milwaukee Athletic Club with **Donald A. Harper**, assistant vice president of the First Wisconsin National Bank, he told us that there were 70 of their employees now in the service.

The deposits of the First Wisconsin were \$281,000,000 on December 31, 1941, and they are now over \$340,000,000, of which \$75,000,000 is represented by bank balances.

Walter Kasten, president of the bank, sent each of the boys in the Armed Services a special greeting from the bank in the form of a check, and with it a letter which said:

"Wherever this letter may reach you—in camp or in action, or en route to 'destination unknown' — I want you to know that all of us here at the First Wisconsin still think of you as a member of our bank family and look forward to your return.

"In this spirit, we are happy to send you the enclosed holiday remembrance with sincere Christmas greetings and our best wishes for your continued progress in the service".

Frazer L. Ford is president of the "First Banks" in St. Joseph which include the First National Bank, the First Trust Company, and the First St. Joseph Stock Yard Bank, and these institutions under his able leadership have shown a very substantial and remarkable growth in the last number of years. The combined deposits of these institutions on June 30, 1942, were \$22,183,000, and now the First National Bank alone has deposits of that amount itself.

Mrs. Fredrika Shumway Smith is the wife of **Soloman A. Smith**, president of Northern Trust Company, Chicago, and has as her hobby the writing of poems for children.

Her first book was published last year and was, "**The House in the Tree**". Just recently she has written another book, "**The Magic Stairway**", and both of these books have proven very popular with the children.

William H. Miller, vice president, and **Chester L. Price**, advertising and publicity manager, of the City National Bank & Trust Company, very

kindly invited us to have lunch with them when we were in the bank recently. The food was excellent and the company most delightful.

Ralph K. Brown, personnel director and advertising manager of the Mississippi Valley Trust Company of St. Louis, had so much success with his "Protective Envelope" for gasoline ration books that he has now prepared a "Mileage Meter" with the compli-



CLARENCE A. DIEHL AND SON, PHIL

Above is **Clarence A. Diehl**, vice president of the Iowa-Des Moines National Bank, and his son, **Phil**, who is a first lieutenant in the Intelligence Service of the Army Air Corps, now with the 99th Bombardment Group.

ments of the bank, and this is a convenient card which shows the amount of miles allowed per week and also the various weeks beginning on each Monday, through the coming year and then a space for your speedometer reading. If you do not want to carry this in your pocket, you can hang it somewhere in the car most convenient for you.

Joe A. Greenfield Jr., vice president of the First St. Joseph Stock Yards Bank of South St. Joseph, Missouri, has a very beautiful daughter, **Florance B. Greenfield**, who graduated from St. Mary's Hospital in Rochester in 1941, and now is a second lieuten-

ant Army Nurse located at Ft. Leonard Wood.

Joe is well known to bankers throughout the middlewest and especially in Nebraska where he has only missed two Nebraska Bankers Conventions in 25 years.

Kearney Wornall, vice president of the City National Bank & Trust Company of Kansas City and vice president of the Missouri Bankers Association, attended the Central States Conference last month, and if you want to get a thrilling story about a bank robbery, ask him to tell you his experience in World War No. 1, when a Captain went wild and killed four men with a hatchet and stole \$62,000 from the Army bank. The Captain later killed himself and the money was recovered.

One of the soldiers working in the Army bank was none other than Mr. Wornall and he was also hit in the head with the same hatchet that killed the other men, and as a matter of fact, was left for dead, but is very much alive today, as everyone knows who is acquainted with him, but he still carries a scar in his scalp.

John Fox of the Mercantile Commerce Bank & Trust Company, St. Louis, is putting in most of his time these days assisting **W. L. Hemingway**, president of the bank and also president of the American Bankers Association.

Mr. Fox graduated from Washington University in 1932 and went to work for Mr. Hemingway the following year and has been associated with him ever since.

George M. Starring, secretary-treasurer of the South Dakota Bankers Association, who is 30 years of age, may be in the service in six months, and many South Dakota bankers want **Mrs. Starring** to "take over" in case **George** has to leave for the firing line.

Harry Wilkinson, former publisher of the *Chicago Banker* which is now known as *Finance*, has retired from his activities on the magazine and lives at 7418 South Oglesby Street, Chicago. Harry has a host of friends in the banking fraternity from coast to coast.

The best bond story we have heard was told us by **Robert Lindquist**, director of public relations of the American National Bank & Trust Company, Chicago, and it is the story of a woman who had been saving her money to get a divorce. When it was suggested that she buy government bonds with

the money instead, she said she would buy bonds, "because she could stand her husband better than she could Hitler."

Jack Dawson of Albert Frank-Guenther Law, Chicago, invited us to the annual Christmas party of the Chicago Financial Advertisers Association, but unfortunately we had to leave the city a little before that time. These are always great affairs and this year was no exception, with cocktails being served at five and the turkey dinner (buffet style) starting at six-thirty. **Paul P. Pullen** of the Chicago Title and Trust Company is president of the Association this year.

James F. McPherson, cashier of the City National Bank & Trust Company of Kansas City, entertained us at luncheon in his bank building recently, where the **Fred Harvey System** does the cooking in a most delightful style.

The deposits of the City National Bank & Trust Company on June 30, 1942, were \$47,908,000 and now they are over the \$65,000,000 mark, which is an indication of the popularity of this very fine institution.

Marvin R. Selden, vice president of the Merchants National Bank of Cedar Rapids, is proud of the fact that this city is not only the grain center of Iowa but also the political center, as evidenced by the fact that **Bourke B. Hickenlooper**, the new governor of Iowa, and **Harrison E. Spangler**, chairman of the Republican National Committee, both live in Cedar Rapids and in fact, as Marvin says, "Each of these men have their offices in the Merchants National Bank Building, which is pictured in our monthly advertisement in the **NORTHWESTERN BANKER**."

Aside from this information, Marvin says that one of the more quiet weeks of the bank included the following events:

"Last week was comparatively quiet. In addition to being one of the largest in war bond sales, one of the young ladies in the department now set up to augment and handle these duties, Miss Jean Burrows, became Mrs. John Safranek. One of our bookkeepers, Luesther Jane Patterson, joined the WAVES, and two of our younger tellers, Robert A. Hahan and Leo Holmes, each had sons born in their homes. Another teller, Howard Carney, joined the Army, thus completing an uneventful week.

"Who said the Midwest was not in the War?"

When we were visiting with **Tom K. Smith**, president of the Boatmen's

National Bank of St. Louis, we remarked that there had been quite a number of presidents of the American Bankers Association from St. Louis, and so **Tom** got out the record and we found that there have been nine presidents of the A. B. A. from St. Louis, and in their order they are as follows:

1. 1888—**Charles Parsons**, president of the State Bank of St. Louis.

2. 1889 — **Walker Hill**, president American Exchange Bank.

3. 1910—**F. O. Watts**, honorary chairman of the Board, First National Bank, St. Louis.

4. 1912—**Charles H. Huttig**, president Third National Bank, St. Louis.

5. 1919—**Richard S. Hawes**, vice president, First National Bank, St. Louis.

6. 1923—**Walter W. Head**, president, General American Life Insurance Co., and former president Omaha National Bank.

7. 1929—**John G. Lonsdale**, trustee St. Louis-San Francisco Railway Co.

8. 1936—**Tom K. Smith**, president The Boatmen's National Bank.

9. 1942—**W. L. Hemingway**, president, Mercantile-Commerce & Trust Co., St. Louis.

This is certainly a list of distinguished bankers and financiers of which both the American Bankers

Association and St. Louis may well be proud.

Milton Tootle III, vice president of the Tootle Lacy National Bank in St. Joseph, Missouri, has worked out one of the most interesting and efficient methods of keeping track of government bonds for their bank that we have ever seen. In fact, it is so condensed, so convenient and so original, that we are planning to run a special article about it in the next issue of the **NORTHWESTERN BANKER**.

Charles M. Nelson, vice president and cashier of the Northern Trust Company, Chicago, has a son, **Lieutenant David Henry Nelson, j.g.**, on the Louisville. He graduated from Yale four years ago and more recently from the Naval School at Northwestern University.

Ed M. Warner, president of the City National Bank of Clinton, told us when we were visiting in his bank, that his institution was in excellent condition with deposits up around \$7,500,000, and the demand from the cattle feeders was quite satisfactory. The several new industries and large Veteran's Hospital which located there in recent months, assures a dependable

(Turn to page 41, please)

"Best Wishes From All of Us"



The above photograph shows 350 of the 867 officers and employees of the First Wisconsin National Bank of Milwaukee, Wisconsin, with **Walter Kasten**, President, standing in the back row. The picture was an idea of "The Girls' Club" of the bank and was sent to the 70 members of the bank staff who are in the service, with "Best wishes from all of us." The picture was placed in an attractive holiday folder which said, "We all wish you lots of luck in the service and we're looking forward to the day when you'll be back here with us."

Is a Bank Within Its Rights To Withdraw Offer to Sell Land?

AN IOWA bank offered to sell Farrell a farm owned by it for \$5,000. The offer was verbal and no earnest money payment was made or other consideration passed by reason thereof. Before Farrell made any move to accept the offer, the bank withdrew its offer and sold the farm to Snow. Was it within its rights in doing so?

Yes. An offer to sell land which is not founded upon any consideration can be withdrawn by the offeror at any time prior to its acceptance.

In 1932 an Iowa bank brought suit to foreclose a mortgage on certain land in that state. In 1933 the bank was taken over by the Superintendent of Banking and some five years later a sheriff's deed was issued to the receiver. From 1933 on various attempts were made by the owner through bankruptcy proceedings, Federal Court proceedings, and otherwise to prevent the foreclosure. In addition, he sought extensions of the redemption period. All such attempts, however, resulted in holdings for the mortgagee. Finally, the mortgagee sought to sell the land by a contract of sale and the former owner sought to enjoin such action. The mortgagee cross-billed in the action and asked that the former owner be enjoined from further litigation. Should the prayer in the cross-bill be granted?

Yes. Equity may enjoin vexatious suits not brought in good faith and instituted for annoyance or oppression or to cause unnecessary litigation, although this power will be exercised with caution and only in a clear case. In a recent case involving facts substantially similar to those outlined in the question the Iowa Supreme Court held that an injunction sought against the former owner should be granted.

Brown owed Endgate \$500 on a promissory note in South Dakota. Brown gave Endgate a check for that amount and Endgate delivered the note to Brown. The check did not clear and was returned unpaid. There had been no special or implied agreement between the parties that the check would constitute absolute pay-

These and Other Timely Legal Questions Are Answered

By the

LEGAL DEPARTMENT

ment of the note. Should the note be considered paid?

No. The rule in North Dakota is that, in the absence of a special or an implied agreement to the contrary, the mere acceptance of a check for a promissory note is not absolute payment, even though the note be surrendered.

Suppose that, in the preceding question, the promissory note was one of a series of notes and that the payment of all of the notes in the series had been guaranteed by Brown's father. Would the father be liable under his guarantee for the note in question?

Yes. The acceptance of the check was not a payment on the note, and therefore the liability of the father as guarantor of the note in question is to be determined in the same way as his liability on the other notes.

Blackwell, a Michigan banker, employed Stilson to work in his home in that state as a domestic. One of Stilson's jobs was to do the ironing with an electric iron. The electric socket used in the ironing became defective and Stilson called this to Blackwell's attention. Neither of them thought the socket was in a dangerous condition and Stilson continued to use it. She received a shock due to the defective socket after she had used it in such condition for some time and was injured. She sued Blackwell for damages. Can she recover?

No. Stilson knew of the defective socket and continued to use it. By reason of these facts she assumed the risks incident thereto and cannot recover from Blackwell for her damages.

Petrie, a Nebraska banker, purchased from Maxwell his interest in an

estate there. Due to certain fraudulent activities of an attorney, to which Petrie and Maxwell were not parties, the sale was set aside. Petrie had, however, made certain expenditures to protect the interest purchased by him, which expenditures were in good faith and were beneficial to Maxwell. Can they be recovered by Petrie from Maxwell?

Yes. Though the purchase of an heir's interest in an estate may be set aside for fraud, reimbursement may be allowed for expenditures made in good faith by the purchaser to protect the interest so purchased, if the expenditures were beneficial to the heir.

An Iowa farmer executed a long term mortgage on his farm in that state to the Federal Land Bank of Omaha. He duly made all payments coming due thereunder for five years and died. The mortgage still had some thirty years to run. The Land Bank sought to prove its claim against the farmer's estate. Could it do so?

Yes. The fact that the mortgage would not become due for some thirty years from the time of the death of the farmer cannot prevent the presentation and allowance of the claim against his estate, even though the estate may be required to be held open for the thirty year period. The Iowa statutes permit no alternative and the Iowa Supreme Court has so held in a recent decision.

The president of an Iowa corporation, through various complicated stock manipulations, violated his duty to the corporation and made certain secret profits for himself. May the profit so acquired be charged with a trust for the corporation at its election?

Yes. If an officer or director of a corporation in violation of his duty acquires gain or advantage for himself, the interest so acquired is charged with a trust for the benefit of the corporation, at its election.

A South Dakota banker owned a farm in that state. A nearby city caused the stream running through

(Turn to page 47, please)



STATEMENT OF CONDITION

December 31, 1942

RESOURCES

Loans and Discounts.....	\$ 15,918,241.84
Overdrafts	451.04
State and Municipal Bonds.....	6,831,318.06
Other Bonds Bought for Investment.....	1,407,348.85
Stock in Federal Reserve Bank.....	120,000.00
Bank Office Building.....	649,000.00
Furniture and Fixtures.....	1.00
Income Earned But Not Collected.....	208,768.30
Bonds of the United States and Government Agencies.....	\$43,508,252.49
Due from Federal Reserve Bank.....	20,409,548.18
Cash and Sight Exchange.....	19,162,492.25
	<hr/>
	\$108,215,422.01

LIABILITIES

Capital Stock	\$ 2,000,000.00
Surplus	2,000,000.00
Undivided Profits	565,685.87
Reserve for Contingencies.....	313,369.90
Accrued Taxes, Interest and Other Expenses.....	195,768.35
Dividends Declared and Unpaid.....	40,000.00
Deposits	103,100,597.89
	<hr/>
	\$108,215,422.01

The Omaha National Bank

Member
Federal Deposit Insurance Corporation

Northwestern Banker January 1943

How to *Sell* Service Charges To Your Customers

While Most Banks Have Some Sort of Service Charge Schedule in Operation, There Are Still Those in Which Little or No Charges Are Made.

This Article Tells Clearly Why Every Bank Is Fully Justified
In Applying Such Charges

By J. A. Sarazen

Associate Editor
The Northwestern Banker

NEARLY all banks adopted some schedule of service charges after the national bank holiday in 1933, and with the rapidly changing conditions of the last year or two, many of these plans have become antiquated and banks are again revising their service charges upward to meet present day conditions, and rightly so.

As these new plans are being put into effect, every precaution should be taken so the customer will not feel that he is being treated unfairly and that service charges are being handed to him with a "take it or leave it" attitude.

This means that service charges must be sold to the public. Your stock-in-trade is "service." You are offering the public something which is not tangible and if your plan is improperly presented, question of its worth may arise.

Your service charge plan most likely will not please everyone, but a program designed so it will function smoothly from the outset, will have much in its favor. Any plan instituted should stand on its own merits without the assistance of "buck-passing," such as "I'm going along with So-and-So because he thinks it's the thing to do." Faint heart never won fair lady nor will it sell service charges. An aggressive attitude on the part of everyone in the bank, from the president on down to the office boy, will do more good in putting over service charges than anything else.

A plan you know is equitable can be defended to the last ditch, and since service charge revenue will now be no small part of a bank's income, no bank can afford to jeopardize this income by presenting its plan in a half-hearted, hit-or-miss or trust-to-luck attitude. The job must be done completely and with due deliberation if it is to meet with the utmost success.

It should be thoroughly understood

by employees and directors alike, as only then will they be able to present the plan intelligently and enthusiastically to the public. Employees usually are the ones who are called upon to answer the most questions. The officer as "sales manager" will see to it that his force is properly trained to answer questions intelligently and with a proper note of enthusiasm. Tolerant treatment should be extended to all customers.

A few key customers about who thoroughly understand your plan can be of much assistance. People will discuss the changes you make in your bank and it is well to have as many informed persons in the community as possible. This can be accomplished by calling in leaders in advance of the installation of your charges and showing them just how your plan will work so far as their own account is concerned.

Each employee should be supplied with his own notebook setting out the procedure and policies of the bank, preferably a loose-leaf system. Each employee will then be supplied with complete instructions to keep in his or her own notebook. A thorough knowledge of all matters set forth therein is necessary on the part of each one, and particularly should each one be charged with full knowledge of those things pertaining to his or her own work. The notebook will contain any material directed to the public, such as newspaper advertisements, folders explaining your service charges, debit slips, etc., including specific duties for each employee in his or her own department.

Officer-employee meetings should be

held, at which time policies and procedure will be thoroughly explained to them. Additional meetings can then be held for half-hour periods each week, or as the situation warrants, depending on the size of the bank. In no case should vigilance be relaxed until the plan is working smoothly. An extra hour spent early in the program properly coaching and informing the employees, will pay handsome dividends later on.

It is not unusual for employees to feel that an increase in service charges, slight as they may be, is too excessive and the plan unworkable. This apprehension can be allayed by pointing out to them what other banks are doing in the immediate territory and throughout the country in strengthening their service charges. Much of the same reasoning can be used in dealing with the public as with the employees.

Many of the reasons for making changes in banking procedure today are as follows:

1. Many of the charges now in effect were created in 1933, a long time ago, and since then the Wage and Hour law has become effective, as well as Federal Deposit Insurance, much higher stationery cost, and higher cost of insurance of all kinds, also higher cost of mechanical equipment, if you can get it.

2. Add to this the additional "tax burden" placed on banks. Taxes, including real estate, personal, social security, victory tax, unemployment compensation and sales taxes, are higher than ever before, and continuing to go higher. The price of almost every other commodity and service has increased during the past year or so and banks, being subject to all these things, now find it necessary to adjust their charges accordingly.

3. The chief factor is the decrease in local loans. Earning power the last year or so has been seriously affected, for as customers acquire increased

WE HAVE ADDED

New Territory!

NOW

**You Can Offer
Your Borrowers
The Advantages of
Field Warehouse
Inventory Loans**

through



ST. LOUIS TERMINAL WAREHOUSE CO.

Bankers who have not investigated and used Field Warehouse Inventory Loans through St. Louis Terminal Warehouse Co. are missing a big opportunity to increase their loan volume! These loans are safe, profitable, and easy to handle. Almost any potential borrower with marketable merchandise can get a Field Warehouse Inventory Loan.

Because the greatest percentage of large borrowers today are in war production and

essential industries, you can do your country a patriotic service by offering them the opportunity of increasing their capital quickly and safely. You lend them money on warehouse receipts issued against inventory stored in a bona fide warehouse on the borrower's own premises.

Send the coupon today for details on this simple, modern method of financing as handled by our company.



Field Warehousing Division

ST. LOUIS TERMINAL WAREHOUSE CO.

832 Clark Ave., St. Louis, Mo.

- 18 years' dependable warehouse service
- Every employee under \$100,000 bond
- Every operation insured under Warehouseman's Liability Policy
- Alert, progressive management
- Experienced, well-trained organization
- An organization with a sense of responsibility

To ST. LOUIS TERMINAL WAREHOUSE CO.
832 Clark Avenue, St. Louis, Missouri

- ☐ Without obligation please send me complete information on Field Warehouse Inventory Loans.
- ☐ Have a representative stop in to see me.

Name.....Title.....

Bank or Firm.....

Address.....

City.....State.....

Northwestern Banker January 1943

Ideals are Practical Things

Victory, complete and final,
is the objective of every
activity that now engages the
attention of Government, of
industry, of labor, and of
finance.

In war, as in peace, those who
carry on in public service
must hold fast to ideals.

Entrust your business to an
institution that has served
well through every major
crisis for one hundred and
forty years.

... THE ...

PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Resources over \$650,000,000

Member of Federal Deposit Insurance Corporation

amounts of cash on hand, they also reduce their loans. Since income from loans has always been the chief source of revenue for banks, and with this source diminishing, the banks must find some other source of supporting their earnings, such as installing a "stop-loss" system of service charges.

The change is also necessitated largely because of the unprecedented low rate of interest now being paid on securities suitable for bank investment.

CUSS AND DISCUSS THE P. C. A.

(Continued from page 15)

ing of minds and get some action on the P.C.A. question.

Mr. Warner then suggested the appointment of a committee of five to discuss the entire P.C.A. competition and a roll call of the states was held and the committee was appointed, although Secretary **William B. Hughes** reserved the right to carry on the fight alone if the Nebraska Association wished to do so.

R. L. Bunce, deputy superintendent of the Department of Banking in the State of Iowa, discussed the small loan business and he emphasized that such loans were not necessarily the special function of banks but that he thought that the small loan companies and the banks should work together as harmoniously as possible.

D. J. Needham, general counsel of the American Bankers Association, discussed various problems and emphasized that "The OPA will allow more gas for banks which help to carry out the Food for Freedom Program. The P.C.A. is getting all the gas they need to compete with banks."

Mrs. Amanda Whinery, who for the past 15 years has been associated with the Illinois Bankers Association, assisted very ably with all the details of registration and the sale of luncheon tickets during the conference.

B. A. Gronstal, president of the Iowa Bankers Association and president of the Council Bluffs Savings Bank, insisted that there should be an early meeting of the new P.C.A. committee and this was agreed to.

Thus the war work meeting of the Central States Conference came to a close and the cussing and discussing which went on, we are sure, will be helpful in eventually obtaining better legislation for banking, as well as being helpful to the war effort.

Mrs. Bartel (looking out of window): "Earl, here comes company for supper."

Earl: "Quick, everybody run out on the porch with a toothpick."



THE NEW YORK TRUST COMPANY

100 BROADWAY

MADISON AVENUE AND 40TH ST.

TEN ROCKEFELLER PLAZA

CONDENSED STATEMENT OF CONDITION

At the close of business, December 31, 1942

ASSETS

Cash on Hand and in Federal Reserve Bank	\$134,838,208.39
Exchanges, Collections and Other Cash Items	37,309,868.51
United States Government Obligations—Direct and Guaranteed	326,995,936.70
Other Bonds and Securities	25,117,731.19
Loans and Discounts	140,601,228.92
Interest Receivable, Accounts Receivable and Other Assets	1,699,583.21
Customers' Liability for Acceptances	92,110.06
Real Estate Bonds and Mortgages	3,431,213.93
Equities in Real Estate	1,059,005.32
Banking Premises—Equity	2,024,598.09
	<u>\$673,169,484.32</u>

LIABILITIES

Deposits	\$614,499,284.81	
Outstanding and Certified Checks	<u>14,278,016.16</u>	\$628,777,300.97
Dividend Payable January 2, 1943		437,500.00
Accounts Payable, Reserve for Taxes and Other Liabilities		1,804,420.50
Acceptances		117,828.91
Capital	12,500,000.00	
Surplus	25,000,000.00	
Undivided Profits	<u>4,532,433.94</u>	42,032,433.94
		<u>\$673,169,484.32</u>

United States Government obligations and other securities carried at \$108,018,866.82 in the above statement are pledged to secure United States Government deposits of \$99,619,588.43 and other public and trust deposits and for other purposes required by law.

TRUSTEES

MALCOLM P. ALDRICH
New York
ARTHUR A. BALLANTINE
Root, Clark, Buckner
& Ballantine
JOHN E. BIERWIRTH
President
JAMES C. COLGATE
Bennington, Vt.
ALFRED A. COOK
Cook, Nathan, Lehman
& Greenman
WILLIAM F. CUTLER
Vice-President
American Brake Shoe & Fdy. Co.

FRANCIS B. DAVIS, JR.
Chairman of the Board
United States Rubber Company
F. TRUBEE DAVISON
President, American Museum
of Natural History
RUSSELL H. DUNHAM
Chairman of the Board
Hercules Powder Company
SAMUEL H. FISHER
Litchfield, Conn.
WILLIAM HALE HARKNESS
New York
B. BREWSTER JENNINGS
Socony-Vacuum Oil Co., Inc.

HOWARD W. MAXWELL
New York
HARRY T. PETERS
New York
SETON PORTER
President, National Distillers
Products Corporation
DEAN SAGE
Sage, Gray, Todd & Sims
MORRIS SAYRE
Executive Vice-President
Corn Products Refining Co.
VANDERBILT WEBB
New York
MEDLEY G. B. WHELPLEY
Guggenheim Bros.

Member of the Federal Deposit Insurance Corporation



John Marshall
First Justice of Supreme Court



Benjamin Franklin
Co-founder of Mutual Insurance

"We hold these truths to be self-evident:

That all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness; that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."



Before the adoption of the Constitution Mutual Insurance (established in 1752) was already working effectively to provide sound insurance to property owners at a distinct saving in cost to those insured.

For more than a third of a century, Western Mutual, represented by selected agents, has helped policyholders save over a million dollars in insurance costs.

Investigate Western Mutual's standard policy forms and attractive agency proposition. Write to

Western Mutual

FIRE INSURANCE COMPANY

Ninth and Grand

Des Moines, Iowa



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

How Bankers *Can Help* to Prevent Disastrous Fires

Expert Believes Too Much Time Spent in Learning How to Combat Aerial Bombs, and Too Little on How to Fight Ordinary, Every-day Fires Before They Start

PLACING the responsibility of war-time plant fire protection and the safeguarding of workers' lives squarely on the heads of industry management, and calling for managements' wholehearted cooperation, and carrying out of the recommendations of their fire protection and safety engineers, Curtis R. Welborn, secretary of Underwriters Laboratories, non-profit safety engineering and research organization, recently gave the solutions to many of industry's fire hazard problems.

"Directors of business and industry—managements—are too often difficult to convince that simple precautions and preventives against fire are essential to uninterrupted operation," said Welborn.

War has produced some special fire problems, said the speaker, but it has not really produced any new hazards. It has only increased the magnitude of hazards with which we are already familiar.

"The human problem," Welborn emphasized, "has been and continues to be the fire preventionists' greatest obstacle. The 'unconscious saboteur' that we have heard so much about lately is merely a new term for the same old twin sisters: carelessness and ignorance."

It is Mr. Welborn's considered opinion that too much time has been spent recently in learning how to combat aerial bombs, and far too little on how to fight ordinary, every-day fires before they start.

Fire protection engineering, Welborn pointed out, is not a hit or miss proposition. It is rapidly approaching the status of an exact science. Over the years it has determined that one of the best fire protection plans can be reduced to three basic principles: 1—Clean up and clean out. 2—Separate the risks and isolate hazardous processes or operations. 3—Secure proper fire protection equipment, maintain it, and know how to use it.

If an essential plant is crippled by fire, supplies to the fighting men are diminished. That must not happen.

"Managements' delay, procrastination, and failure to realize the seriousness of hazardous conditions or to put

into effect the recommendations of their fire protection advisers until after the fire, has resulted in many serious losses," said Welborn.

Giving as an example the Fall River fire, in which 10 per cent of the nation's precious supply of crude rubber was endangered and 70 per cent of that amount destroyed because no automatic sprinklers, as recommended, were provided in the foam rubber dryer where the fire originated, he stated that plans were merely "in process" to provide the needed sprinkler protection at that point.

"Know how to use the fire protection equipment provided, is an axiom," Welborn said. But in the Fall River



Many piles of ashes like this could be avoided if buildings were cleaned up and cleaned out, and proper fire protection equipment was maintained and used.



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

Northwestern Banker January 1943

fire, someone classified as a "watch-man" shut off the sprinklers which had been installed in another section of the building!

Fire prevention engineers have fought for years for buildings or non-combustible materials with fire-wall cut-offs in the larger areas, and for automatic fire doors in the openings through these walls, and for similar protection in vertical shafts between floors. The idea behind such planning is to confine the fire within the area in which it starts.

"But," said Welborn, "the menace which appeared on our horizon a little

over a year ago, causing an unprecedented hurricane production of war implements of great size and in large number has, in many instances, necessitated a departure from this basic fire protection principle. Today high value contents and vital, straight line operations are under roofs hundreds of feet wide and thousands of feet long without conventional fire barriers."

The problems thus introduced have been magnified by the necessity of drawing into these huge war plants hundreds of thousands of previously unskilled men and women. Many of these new workers come from environments that breed carelessness, the speaker commented. Many of them have never heard of the "Stamp-Out-the-Butt" slogan.

"Because of this and similar situations, the fire-protection engineer is constantly living in fear of what may happen," said Welborn.

The carelessness of "green" workmen unaccustomed to factory procedure or to high-speed production, ignorance of what constitutes a fire hazard, the operation of welding and cutting torches and other hazardous equipment by novices with little experience, maintenance of electrical systems by apprentices, the hurried installation of temporary electrical wiring which somehow becomes permanent, the use of watchmen or guards not properly qualified and inadequately trained, lack of experience of many workers with available fire fighting equipment; all these and many other contributing factors, plus the failure to isolate hazardous processes, and the lack of fire-wall subdivision and many other conditions mentioned by Wel-

born, place, he said, "a tremendous burden of responsibility on the safety engineer and make absolutely necessary the complete cooperation of management."

"Nothing need be said," Welborn commented, "of the importance of preventing all disruptions of the production of the materials needed by our boys in the Army, Navy and Marines. It goes without saying that to 'keep 'em flying' we must keep the machines of production rolling. That is management's responsibility."

"But management has another responsibility also," the safety expert said, "that of safeguarding the lives and welfare of the millions of workmen and working women in the plants. Aside from the moral issue involved, the problem can be considered from the purely economic angle."

The country's annual fire toll of human life is estimated at 10,000 persons, Welborn told his listeners. Skilled people should not be trampled or burned to death at any time, especially now, he said.

Mr. Wellborn showed how the "colossal stupidity" of allowing such losses can be calculated on a dollars-and-cents basis in this way:

Social Security says that men and women are through at 65. Assume the average of the 10,000 persons killed by fire each year at 30 years—which is probably high. Give 50 per cent of the dead ones a probable working period of 20 more years (again conservative), and assume an average earning power of \$1,000 per person per year. Multiplying these factors: $20 \times 5,000 \times \$1,000$ gives the sum of \$100,000,000.

This sum of \$100,000,000 is the prob-

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  \$200,000,000

ESTABLISHED 1908

MEMBER
NEW YORK CLEARING HOUSE ASSOCIATION
FEDERAL DEPOSIT INSURANCE CORPORATION

In 1943

Folks Will Continue to Say

"Allied Mutual Pays"

Workmen's Compensation

Public Liability

Full Coverage Automobile

ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Building

Des Moines, Iowa



(This is a reproduction of N^WNL's current national advertisement)

A civilian's prayer

Help me, Almighty God, to be the only kind of hero I can ever be.
Help me see how important it is that I go *gladly and energetically* about the humdrum business of saving my tires and my fuel, of spending less and saving more, of eating less and working harder, of asking less and giving more.

Help me see that while the war may be won no matter what I do, the light we fight to keep alive may go out because of what I prove myself to be.

Help me to realize that Americans are fighting today, not to create freedom and opportunity for the ruthless and greedy, but to make it possible for kind men, men of integrity, responsible men, to work in peace, and to work for the common good.

Help me realize that these fighting men—indeed, the good men and women of the whole world—are waiting now for one small but all-important sign from me:

They know I can't join them in the blood and dirt. But they want to see if I will *seek responsibility*. They wait now to see if I need merely to be *led* to do my part, or if I must be *driven*. For that will tell them if their spirit is also my spirit, and their purpose mine.

Help me not to fail them. Amen.

Northwestern *National* Life
INSURANCE COMPANY OF MINNEAPOLIS

O. J. Arnold



President

In years past, this company's annual financial statement has appeared in this space. The current statement was issued as usual on January 1. Copies are available upon request.

INSURANCE IN FORCE \$498,544,076

ASSETS \$93,777,557

CAPITAL & SURPLUS FUNDS \$7,147,995

able life earnings of one-half of one year's slaughter by the fire demon, Welborn explained. "Hard-headed business men," he continued, "looking at the problem from a cold-blooded, dollars-and-cents point of view, should know that this nation cannot afford to make additional contributions to the human ash pile."

"Now that our forces are in global conflict," he added, "all man-hours of work are needed to keep them supplied, and the productive effort of all throughout their allotted span will be needed to pay taxes for many years after this mess is ended."

Northwestern National Statement

Life insurance, which has made an effective contribution to winning the war on the home front in 1942, must better that contribution in 1943 by continuing — and intensifying — its sales and service activities, O. J. Arnold, president of Northwestern National Life Insurance Company of Minneapolis said in his annual review and analysis of the company's financial statement.

For many years Northwestern National has been first with its complete

and final year-end figures, releasing them on New Year's Day. Mr. Arnold, accompanied by several of the company's officers, presented and discussed the new statement at a general meeting in the White and Odell agency offices in Minneapolis. A similar meeting will be held at the LaSalle Hotel in Chicago on Monday, January 4th. These meetings, Mr. Arnold said, are forerunners of a tentatively planned series of gatherings patterned after the policyholders meetings pioneered by the company two years ago but tailored to meet wartime conditions, to be held in localities where there is substantial representation of policyholders and agents.

"As national income rises to an all-time high and consumer goods get scarcer due to shortages and rationing, our job of diverting surplus 'inflationary' dollars into life insurance and war bonds will step up in importance," Mr. Arnold said. "The responsibility of every life insurance worker, in field and home office, will be far heavier than that of the average civilian; to live up to it we must use all our imagination, initiative, and organizing ability and work as hard at our jobs as though we were doing the more dangerous work of the fighting man or the spotlighted work of the producer of war materials."

Chemical of New York

In its statement for December 31, the Chemical Bank & Trust Company reported deposits of \$1,199,430,404, the highest in the bank's history. This represents an increase of deposits of \$185,320,540 over December 31, 1941. Total assets of \$1,289,983,863 also reached a new high and compare with \$1,101,728,374 at the close of 1941. Cash on hand and due from banks amounted to \$348,841,631 compared with \$377,335,460; U. S. Government obligations to \$536,810,141 against \$321,211,478; bankers' acceptances and call loans to \$54,397,121 against \$34,218,090 and loans and discounts to \$162,982,846 against \$156,455,076.

Capital remains unchanged at \$20,000,000 but surplus shows an increase from \$50,000,000 to \$55,000,000, reflecting the transfer on December 10th of \$5,000,000 from Undivided Profits to Surplus, the third such increase in the past six years. Undivided Profits were \$5,456,273 and, allowing for the above transfer, showed an increase for the year of \$1,294,549 after the usual dividends of \$3,600,000 (\$1.80 per share). The indicated net earnings on the bank's 2,000,000 shares (par \$10) amounted to \$2.45 per share for 1942 as compared with \$2.43 per share for the preceding year.



For Bank Investment Short Term U. S. Securities

**Treasury Bills, maturing weekly with a
maximum of 91 days**

Treasury Certificates of Indebtedness

$\frac{5}{8}\%$ due Feb. 1, 1943

.65% due May 1, 1943

$\frac{7}{8}\%$ due Aug. 1, 1943

$\frac{7}{8}\%$ due Nov. 1, 1943

$\frac{7}{8}\%$ due Dec. 1, 1943

Reconstruction Finance Corporation

1% Notes due April 15, 1944

Treasury $1\frac{1}{4}\%$ Notes due March 15, 1945

1% Notes due March 15, 1946

$1\frac{1}{2}\%$ Notes due Dec. 15, 1946

Treasury $1\frac{3}{4}\%$ Bonds due June 15, 1948

**Inquiries by telephone, wire, or mail are invited,
and quotation sheets will be mailed on request.**

Telephone Franklin 6800 — LD 92-93-313

Teletype CG 987

BOND DEPARTMENT

The First National Bank of Chicago

Pressure for Earnings Will Force More Buying of Government Offerings



JAMES H. CLARKE

In December many of us felt the war for the first time. Coffee was rationed — as was gasoline. There was a shortage of fuel oil. The change-over from a peace time economy to war is here — 1943 will provide a real opportunity for every individual to sacrifice. In the first six months of the year, we had creature comforts but with them we had the losses of Singapore, Burma, and the Philippines. We had submarine sinkings all along our coasts, the Japanese seized practically everything north of Australia, California had a token shelling — and Laval came to power in France.

Despite all of these things, the average civilian did not feel the war much. The machinery of converting peace time industry to war time products turns over slowly, and while remarkable progress was made in the first six months, the country as a whole did not have to give up its peace time pleasures. But in the final few months there was a change. The victories of our Army and Navy — the successes of the British in North Africa, and the Russians in the Don River sector brought increasing confidence of ultimate victory. But with this came the necessity of a real effort on the home front — December gave us some indication of the shape of things — but 1943 with higher taxes, greater war expenses, and a diminishing supply of civilian goods will provide the real test.

As was to be expected, common stocks were weak in the early months of the year. The down trend was continuous until early in May when the Dow-Jones Average for Industrial Stocks hit a low point of 92.92. But that was the low point for the year, and a steady but unspectacular recovery followed — at yesterday's close, December 30th — the average had reached 119.56. December itself was a good month for stocks. Unlike previous years, there was little selling of stocks to establish tax losses — without this pressure, prices rose. As of November

The Month's Market Maneuvers Prepared for

The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

30th the Dow-Jones industrial stock average was 114.95 — yesterday's close was 119.50. In the twenty-five days of trading (there is just one day left as we write this in time to meet our dead line) prices went up on seventeen days, and down on eight. There were five days in the month when volume of trading exceeded one million shares — an exceptionally good record compared with previous months.

The stock markets, which are sensitive indicators of confidence or fear the world over, have shown sharp declines in the Axis countries — despite rigid government controls — and improvements in the marts of the United Nations. Japan has recently closed its exchanges — at least for the time being — while on the other hand, prices on the London Stock Exchange are now at the highest level in almost five years — in fact, almost 100 per cent above the low established on June 26, 1940 after Dunkirk. Along with the feeling of confidence of the ultimate success of our armed forces, the stock markets have become quite selective. In recent weeks investors have indicated a preference for the so-called "peace" stocks — the ones which will do best after the war. Or saying the same thing — but in reverse order — the feeling has grown that stocks which have been aided by war orders have seen their best days.

Thus the stock market closed the year on its most optimistic note. Not that investors feel that it is all over — certainly everyone who is not totally blind can see many many months of the toughest kind of fighting ahead — but the United Nations have seized the offensive and the markets attempt to reflect the developments of a year from now rather than the moment. Increasing taxes have restricted net earnings

through 1942 — this will continue through 1943. In many instances this has resulted in lower dividends. But as war expenditures mount and price ceilings edge upward, the bogey of inflation becomes a more tangible consideration in the stock market.

In 1942 all previous production records were broken. 1943 will again break them. By the year end, about 50 per cent of all production was for war purposes — this figure will increase in 1943 — and by the same token, production for civilian needs will be lessened. It is not at all unlikely that production devoted to the use of individuals may be less than 30 per cent of the total. The miracle of the war effort is reflected in the production index of the Federal Reserve Board — (the base period of 1935 through 1939 equals 100) — the figure in August, 1939, the month before the war broke out in Europe, being 105 compared with 190 now. It is anticipated that this index will continue to rise in 1943, a figure of 220 — which would shatter all records — is freely predicted.

While there was some municipal and corporate financing in December, it was so over-shadowed by the Treasury's drive to raise nine billions that it passed almost unnoticed. The Treasury's success in selling twelve billions in securities — topping its best expectations — means no new financing until March or April of 1943. There is, of course, an issue of a billion and a half of Certificates of Indebtedness which matures on February 1st — these will probably be refunded in kind and the amount may be stepped up to two billions — but by and large, the Treasury is now well fixed for funds.

The Treasury expects to spend \$100,000,000 in 1943 — practically all of it in our war effort — in 1942 about half of this amount was spent for armaments. This means somewhat higher taxes but more than that, it means certain substantial offerings of bonds — and continued purchases of governments by all banks. Banks outside of New York and Chicago which have been somewhat hesitant about placing large amounts in government bonds will buy much more in 1943. With the outlook

Northwestern Banker January 1943

for further declines in loans while deposits increase during the year, it is apparent that the pressure for earnings will force banks to buy more bonds. Since there will be substantial offerings of government obligations and just occasional issues of municipals and corporates, it is readily apparent where the buying will be directed.

The colored fellow who said, "I always cooperates with the inevitable" expressed better than we can the program for banks' investments in the coming year.

Bank Money Orders

Plans whereby the banks of the nation may extend their service to the public by satisfying the growing demand for money order transfers have been submitted to members of the American Bankers Association by the Association's Bank Management Commission in a new booklet devoted to that subject. The booklet outlines two plans of operation and contains specimen forms that it recommends. In each case, however, the money order form itself is the same. In an introductory statement the commission points out the mutual benefits to be obtained from the installation of this type of service.

"With millions of soldiers now

located in army camps and war workers in war plants in new localities, the need for a convenient method of transmitting funds is increasing from day to day," it says. Many soldiers and workers now have no banking connections, but have a definite need for some method of sending money home and paying bills. Obviously, it is to the mutual advantage of the banks and the public to serve this new field for banking service.

"If the banks of the country were to handle this money order business, it would not only bring in added gross revenue, but would result in other advantages which accrue as a result of making contacts with new banking customers."

Under the commission's plan, money orders issued by the banks would be for amounts not exceeding \$100, would have no time limit, would be paid at par, and would entail a cost of ten cents each to purchasers.

Additional Cooperation

Directors of the First National Bank in St. Louis at a meeting held last month, voted additional compensation to employes in service prior to January 1, 1942, equivalent to one-half month's salary, and adjusted amounts for others. This is on the same basis as

in previous years. The directors also declared a dividend of \$1.00 per share, 60 cents of which was payable December 21st to stockholders of record December 15th, and 40 cents payable February 27, 1943, to stockholders of record February 23rd. The dividend declared is the same as for the previous year.

Lest We Forget— To Remember

The December Victory Loan Drive is history as this issue goes to press. The largest single borrowing program of all time, \$9,000,000,000, has been oversubscribed by possibly as much as \$2,000,000,000. Truly a grand job representing the response of banks, insurance companies, corporations and men and women of all degrees of wealth and in all walks of life. The call went out and Americans responded.

But there will be another call. The financing of this war will be finally accomplished after the final Victory has been won. Bankers are going to be constantly in the field in this, the financial side, of the war effort. Not only the actions but the very thinking of the bankers of the country must be geared to the task. Because of that, it seems fitting to set out again, if you

City National Bank and Trust Company of Chicago

Condensed Statement of Condition, December 31, 1942

RESOURCES		LIABILITIES	
Cash and Due from Banks	\$ 66,240,495.16	Capital	\$ 4,000,000.00
U. S. Government Securities	101,770,611.28	Surplus	4,000,000.00
State, Municipal, and Other Securities	8,625,546.38	Undivided Profits	314,024.93
Loans and Discounts	54,531,147.94	Reserves for Interest, Taxes, and Contingencies	1,233,764.41
Federal Reserve Bank Stock	234,000.00	Dividend Payable February 1, and May 1, 1943	80,000.00
Accrued Interest	372,067.61	Letters of Credit and Acceptances Outstanding	472,158.90
Customers' Liability on Letters of Credit and Acceptances	443,610.81	Other Liabilities	51,273.16
Other Resources	40,974.38	Deposits	222,107,232.16
	<hr/>		<hr/>
	\$232,258,453.56		\$232,258,453.56

Member Federal Deposit Insurance Corporation

have seen them before, opinions of the bankers' position.

W. L. Hemingway, president of the American Bankers Association, said, "Getting money from the Federal Reserve Banks is the easy way, but it would be only one step ahead of financing by printing paper money.

"The only sound way," he said, "is to get the money from the people of the United States. That is the Treasury's intention, and that is what bankers want. The bankers' job is to assist in the sale of government bonds."

Edward E. Brown, president, First National Bank of Chicago, said, "The financing of the government's war deficits takes precedence over the normal peacetime desire of bankers to build up their deposits." He urged corporations and individuals to use their idle deposits to buy government securities. A corporation, he said, should use those funds on balance, over their needs for current operation, to purchase short term government securities, and individuals should draw on their savings deposits to do their share of the government's wartime financing.

Jay N. Whipple, president of the Investment Bankers Association, declared that, in his opinion, idle deposits could pay for the war. Pointing out that depositors of the nation have current balances exceeding \$65,000,000,000, indicating that "many have money in the banks over and above any reasonable reserve needs." He also pointed out that government figures indicate that excess of income of individuals over living costs was running nearly \$4,000,000,000 monthly.

Phillip R. Clarke, chairman of the executive committee of the Chicago Clearing House Association, said, "Within the banking system there is the ability to finance the entire requirements of the war, but that method would result in a serious degree of credit inflation and add greatly to the danger of uncontrollable price rises." Member banks of this Association, he said, are appealing to their depositors to draw on their bank balances to finance bond purchases.

C. S. Young, president of the Seventh Federal Reserve Bank of Chicago, has repeatedly called on every banker of the district to meet the situation squarely and bend his every effort to meeting the job ahead.

This financing is of the present and for the future. The men and women of the armed services must be clothed, fed, paid and supplied with the best in quality and greatest in quantity of fighting tools. That is the present. The more successful is the effort to sell bonds to the public, the greater the

They Bought Victory Bonds Here



The Live Stock National Bank of Chicago took an active part in the recent successful campaign which resulted in the sale of more than twelve billion dollars (\$12,000,000,000) worth of United States Government Victory Bonds, according to David H. Reimers, president. The officers and employees of the bank not only solicited orders by mail and telephone, but made personal calls to swell the substantial total of government securities sold in the territory served.

BONDS

Public Utility

Industrial

Railroad

Municipal

A.C. ALLYN AND COMPANY

Incorporated

100 West Monroe Street, Chicago

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

percentage of the new borrowings that can be placed with non-bank buyers, the better will be the condition of the banking system to meet future and post-war demands.

Borrowings for the balance of this fiscal year (ending June 30, 1943) will run at the monthly rate of $4\frac{1}{2}$ to 5 billion dollars. The 1943-44 fiscal year (July 1 to June 30) may easily see the monthly rate of borrowings advance to 6 or $6\frac{1}{2}$ billions of dollars. The size, the purpose, the urgency and the implication of the job ahead are individually and collectively a challenge to every banker.

Surplus Increased

The surplus of the American National Bank and Trust Company of Chicago has been increased from \$2,000,000 to \$2,500,000, through transfer of \$500,000 from the undivided profits account. This action was announced by Lawrence F. Stern, president, following a meeting of the bank's board of directors. The capital, surplus and undivided profits of the bank now total over \$4,800,000.

It was nine years ago last December 4th that the American National Bank moved to LaSalle Street, taking over

banking quarters at the southwest corner of LaSalle and Washington which have since been expanded to five floors in this building. Deposits which at the time of moving in 1933 were \$13,528,000 are now approximately \$100,000,000.

Surplus in 1933 totaled \$250,000, which has since grown to the present figure of \$2,500,000, all increases being made out of earnings. Another interesting comparison over the nine-year period is the amount of government securities included among the bank's assets. The total holdings at the close of 1933 were \$4,602,000. Now the bank's ownership of obligations of the United States government and its agencies are in excess of \$42,000,000 which is an indication of the important part commercial banks are playing in the government's war financing program.

Fortieth Dividend

The directors of the Twin City Federal Savings and Loan Association, Minneapolis, have declared a semi-annual dividend at the rate of 3 per cent per annum, payable January 1, 1943, according to announcement by Roy W. Larsen, vice president. This is the association's fortieth consecutive dividend since its organization in 1923. Since 1936 dividends have continuously been at the rate of 3 per cent per annum.

Resources of the association are now in excess of \$18,500,000, according to Mr. Larsen, and members' accounts have increased more than three million dollars during 1942. This growth is in excess of the same period during 1941 when the association had the largest increase in members' accounts of any Federal Association in the United States.

Transfer to Surplus

The directors of the Chemical Bank & Trust Company, New York, have approved the transfer of \$5,000,000 from undivided profits account to surplus account. The capital structure of the bank now consists of \$20,000,000 capital stock, \$55,000,000 surplus, and \$5,208,789 undivided profits, making a total of \$80,208,789. This is the third increase in the last six years by transfer from undivided profits to surplus, \$5,000,000 increases having been made on December 24, 1936, and December 15, 1938.

The board declared the regular quarterly dividend of 45 cents a share on the bank's capital stock, payable January 2, 1943, to stock of record December 15, 1942.



WITHOUT the farmer the soldier wouldn't travel far; without the soldier the farmer would be farming for the Axis.

In 1942 the combination of good weather and the hard work of farm families all over the country produced the biggest crops on record. Those crops, together with the record breaking production of livestock, are helping win the war.

More food, fiber and vegetable oils will be needed in 1943. It's going to be a harder job. We can't count on such good weather again. The labor supply will be short and less new machinery will be available. But our farm families are out to do the job regardless of the difficulties.

Fortunately, there'll be no shortage of credit for the sound operators. City dollars will flow to farmers through the Federal intermediate credit banks and local lending institutions. Buyers of Federal intermediate credit bank debentures are, therefore, aiding in the battle of production on the farm front.

THE FEDERAL INTERMEDIATE CREDIT BANKS

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

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

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

HOUSTON, TEX.
BERKELEY CAL.
SPOKANE WASH.

Further information regarding the Debentures may be obtained from
CHARLES R. DUNN, Fiscal Agent 31 Nassau Street, New York, N. Y.

Paul Winegardner Dies

Paul R. Winegardner, assistant vice president of the Live Stock National Bank of Chicago, died suddenly last month of a heart attack at the age of 54. He was a member of the corre-



PAUL R. WINEGARDNER

spondent division of the bank for the last 14 years, and was well known among bankers throughout the Middle West. Before joining the Live Stock National Bank he was for several years with the Federal Reserve Bank of Chicago. In the last war he served in the U. S. navy. Funeral services were held at Hillsboro, Ohio, where he was born.

Adds \$5,000,000 to Surplus

The board of directors of The First National Bank of Chicago have declared the regular dividend of \$2.50 per share on the capital stock of the bank, which was paid January 1, 1943, to stockholders of record December 23, 1942. The directors also transferred \$5,000,000 from undivided profits to surplus, making it \$50,000,000. The capital stock of the bank remains at \$30,000,000.

Streamlined Meeting

The American Institute of Banking will hold a one and a half day annual meeting in Chicago next June, it was announced by David E. Simms, national president of the Institute, who is acting assistant manager of the Salt Lake City branch of the Federal Reserve Bank of San Francisco. This meeting, to be held June 9-10, will be the 41st annual convention of the Institute. In making the announcement Mr. Simms stated that this 41st annual convention will be in the nature of a streamlined meeting held to transact essential business of the Institute and to elect officers. He also said that the plan for the meeting follows the practice adopted by the Institute during the First World War, when it held a one day meeting in Chicago.

Each chapter and study group has been requested to limit its representa-

tion to a single delegate clothed with full authority to cast the number of votes to which the chapter or study group is entitled. In this way the Institute plans to cooperate with the request of the Office of Defense Transportation to curtail travel incident to the holding of conventions and to avoid taking members away from their desks for any longer time than is actually necessary.

In voting to hold a skeletonized annual meeting the Executive Council of the Institute acted under authority vested in it by resolutions adopted at the annual convention in New Orleans on June 11, 1942. The general outline of the convention program calls for a single business session, a chapter administration conference, an educational conference, the holding of the national public speaking contest, and election of officers.

**Victory requires
HEALTH**

**THE
Elms
HOTEL**

With the rejuvenating mineral waters, found here at America's greatest spa every thrilling outdoor activity of the fall season is waiting to be enjoyed by Elms Hotel guests. Write today for descriptive literature.

**EXCELSIOR
SPRINGS, Mo.**

SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

Northwestern Banker January 1943

Announcing a shorter name . . .



but NO CHANGE in service

Effective January 1, 1943, the name of the First National Bank and Trust Company of Minneapolis was changed to a shorter, simpler form . . . FIRST NATIONAL BANK OF MINNEAPOLIS.

This change, made solely for the sake of brevity and convenience, does not signify any curtailment of the bank's services. *The First National's Trust Department will retain the same powers and perform the very same services as before.* All other departments of the bank will likewise continue to function without change or interruption.

No First National customer will be inconvenienced in any way. Checks, savings pass books, and other forms bearing the name of First National Bank and Trust Company of Minneapolis will be honored just the same as if they bore the bank's new, shorter name.

NAMES OF OFFICES AND AFFILIATES

—Each of the four First National offices in Minneapolis will operate under the new name—First National Bank of Minneapolis. They will still be designated respectively as the Main, St. Anthony Falls, North Side, and West Broadway Offices.

—There will be NO CHANGE in the names of the four Minneapolis banks that are *affiliated with* the First National.

HISTORICAL NOTE

It is interesting to note that, with this change in title, the First National resumes the name under which it was established 78 years ago, in December, 1864. . . . In fact as well as in name, this was the *first* national bank established in Minneapolis.

From New Year's Day onward, it's the

First National Bank of Minneapolis

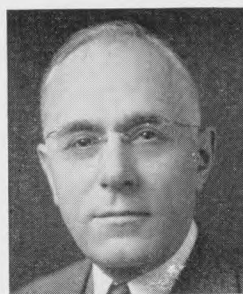
Member Federal Deposit Insurance Corporation

AFFILIATED WITH FIRST BANK STOCK CORPORATION



L. O. OLSON
President
Minneapolis

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Pioneer Banker Dies

Edward Zapp, of St. Cloud, president of the Zapp State Bank, died last month.

Had Mr. Zapp lived he would have been 70 on December 31st.

Declares Dividend

A semi-annual dividend at the rate of 3 per cent yearly has been declared by directors of the Twin City Federal Savings and Loan Association of Minneapolis.

This is the association's 40th consecutive dividend since 1923.

Resources of the association, according to Roy W. Larsen, vice president, are over \$18,500,000 and accounts were increased more than \$3,000,000 last year.

New Assistant Cashier

R. A. Wrucke of Minnesota Lake is the new assistant cashier at the First State Bank of Rochester.

Elected Cashier

Russell Johnson has been elected cashier of the Winthrop State Bank, succeeding E. W. Olson, who was forced to resign on account of failing health. Mr. Johnson has been assistant cashier there since May 1, 1941.

Bank President Dead

Funeral services were held last month for W. J. Lewis, 82, president of the Security State Bank of Pillager.

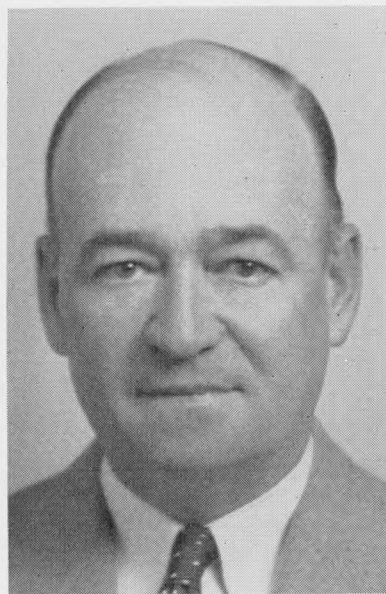
Gus E. Parsons, cashier, and Frank Swanson, vice president of the Pillager bank, attended the funeral.

Heads Stock Yards National of South St. Paul

At a meeting of the board of directors of the Stock Yards National Bank of South St. Paul, held last month, J. F. Ringland, who has been president of the bank for the past six years, submitted his resignation as president, and R. L. Smith, vice president of the Northwest Bancorporation of Minne-

apolis, was elected president. Mr. Ringland has become president of the Empire National Bank and Trust Company of St. Paul.

Mr. Smith has had a wide experience in the banking business. He was born in Wibaux, Montana, and engaged in the banking business in eastern Montana at Baker and at Hardin until 1924, when he was appointed deputy bank examiner for the state of Montana, in which capacity he served until entering the employ of the Northwest Bancorporation in 1930. In 1936



R. L. SMITH
President, Stock Yards National Bank,
South St. Paul

he was made assistant vice president of the Northwest Bancorporation and became vice president in 1941.

Mr. Smith is 43 years of age, is married, and at the present time makes his home in Minneapolis.

Serving with Mr. Smith will be A. A. Bibus and J. C. Moore, vice presidents; J. G. McGarraugh, cashier; C. W. Messenger and A. T. Larson, assistant cashiers. The board of directors will remain unchanged, except for the addition of Mr. Smith.

Cambria Bank Liquidates

The Cambria State Bank, which was organized in February, 1919, through the assistance of a number of parties from New Ulm who were affiliated with the Citizens State Bank, is now liquidating.

Some weeks ago, it is understood, the stockholders voted to liquidate the bank and wind up the affairs of the institution. It is sound financially but with present conditions and the expenses of conducting all business mounting, it was decided to liquidate the bank and close up its affairs.

Dan W. Harris was the first president of the newly organized bank in 1919 and has since been president.

Retired Banker Passes

C. W. Heimann, 75, for many years well known banker at Fairfax, died last month in a New Ulm hospital. Mr. Heimann had been in ailing health for a number of months.

Mower Co. Bankers Organize

The Mower County Bankers Association is an organization formed for mutual discussion and agreement on banking problems of the community.

George M. Reppe, Grand Meadow, is president, while A. P. Garnatz, Lyle, is vice president, and Al H. Haakenson, Austin, is secretary-treasurer.

The institutions which are members of the association include the Austin State Bank and the First National Bank of Austin; Farmers State Bank, Elkton; First State Bank, Grand Meadow; State Bank of Rose Creek, Rose Creek; the First State Bank and the First National Bank, of LeRoy; State Bank of Sargeant, Sargeant; State Bank Brownsdale, Brownsdale; and the Farmers State Bank, Lyle.

New Employee

Wilfred O. Ueland of Redwood Falls has joined the staff of employees of the Security National Bank in Montevideo. Mr. Ueland has had banking experience at Cottonwood, Westbrook, Redwood Falls and with the Bank of America in California.

Bank Merger

The State Bank of Mahtowa was merged last month with the State Bank of Barnum.

Due to business conditions and with the increasing amount of cash reserves banks are accumulating, and with a scarcity of good loans for investment, the merger was decided upon. The stockholders of the State Bank of Mahtowa decided that Barnum would be the most convenient place for the people of Mahtowa and its surrounding territory to transact their business.

Northwestern Banker January 1943

The MIDLAND Dedicates All Of Its Resources To The Successful Prosecution Of The War

As American farmers and industry have achieved new goals in production for war, America's banks have kept pace by providing new kinds of loans, leadership in the sale of War Savings Bonds, and by investing their own resources in Government securities. The resources of this bank are dedicated to the achievement of Victory and a lasting peace.

Condensed Statement of the Condition of the Midland National Bank and Trust Company, December 31, 1942

RESOURCES

Cash and Due from Banks.....	\$12,311,038.18
United States Government Securities.....	\$18,269,049.80
Other Bonds and Securities.....	1,777,774.28
	20,046,824.08
Loans and Discounts.....	8,920,139.62
Income Earned but not Collected.....	63,603.92
Furniture and Fixtures.....	69,054.98
	\$41,410,660.78

LIABILITIES

Deposits	\$39,190,238.48
Reserves for Accrued Interest, Expenses and Taxes.....	90,700.52
Income Collected but not Earned.....	76,349.24
Capital Stock	\$1,000,000.00
Surplus	700,000.00
Undivided Profits	89,432.71
Reserve for Contingencies.....	263,939.83
	2,053,372.54
	\$41,410,660.78

U. S. Government and Other Securities carried at \$9,506,697.77 are pledged, to secure public deposits and trust funds and for other purposes, as required by law.

OFFICERS

EDGAR L. MATTSON, Chairman of the Board

ARNULF UELAND, President

W. E. BROCKMAN
Vice President

LAWRENCE O. OLSON
Vice President

ROBERT S. STEBBINS
Cashier

WILLIAM R. CHAPMAN
Assistant Cashier

E. WALTER ENGSTROM
Assistant Cashier

JAMES A. GALBRAITH
Assistant Cashier

VICTOR W. MASER
Asst. Cashier and Asst. Trust Officer

CLIFFORD C. SOMMER
Assistant Cashier

EVERETT L. THOMPSON
Assistant Trust Officer

FRANK W. PETERSON
Auditor

DIRECTORS

N. C. BEIM
Chairman of the Board, W. H. Barber Co.

FREDERIC B. CARR
President and Treasurer, Hallet & Carey Co.

H. S. GREGG
Chairman of the Board, Gregg Manufacturing Co.

G. L. HEEGAARD
President, Mandan Mercantile Co.

W. C. HELM
Vice President, Russell-Miller Milling Co.

CHARLES B. JORDAN
President and Manager, Jordan Stevens Co.

EDGAR L. MATTSON
Chairman of the Board

BEN C. McCABE
President, McCabe Brothers Co.
President, International Elevator Co.

H. CLAY McCARTNEY
Treasurer, Toro Manufacturing Co.

J. R. RANDALL
President, Reserve Supply Co.

MAURICE SCHUMACHER
Building Contractor

SAMUEL SEWALL
Treasurer, Minneapolis Iron Store

ARNULF UELAND
President

PAUL E. VON KUSTER
President, David C. Bell Investment Co.

JAMES C. WYMAN
Vice Pres., St. Anthony & Dakota Elevator Co.

MIDLAND

NATIONAL BANK AND TRUST COMPANY

of Minneapolis

SECOND AVENUE SOUTH AT FOURTH STREET
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

TWIN CITY NEWS



JULIUS S. POMEROY, 75, prominent Minneapolis banker and vice president and director of First National Bank & Trust Co. since 1915, died early in December after several months of failing health.

He also was manager of the Minneapolis Clearing House Association, a post he had held since 1916, a past president of the Minnesota Bankers Association, and was active in civic and fraternal circles.

Born in Brooklyn in 1867, he started his banking career at the age of 16 in Homer, N. Y. He subsequently was connected with the First National of Cortland, N. Y., and in 1892 was assistant cashier of First National Bank, Winona, Minn. In 1902 he became cashier of the National Bank of North America, Chicago, which two years later was merged into what is now the Continental Illinois Bank & Trust Co.

Returning to Minneapolis in 1904, he became cashier of the Security Bank. This was merged in 1915 with First National and he became vice president and director, the post he held until his death.

Mr. Pomeroy was president of Minnesota Bankers Association in 1913-14.

John de Laittre, treasurer of Farmers & Mechanics Savings Bank, Minneapolis, has been elected director of the Financial Advertisers Association.

John S. Bauman, formerly head of the Minneapolis investment house which bore his name, has been elected vice president of the **Argus Research Corp.**, New York. He was one of the founders and first president of the Twin City Bond Club, and was connected with **Wells-Dickey Co.** 14 years before establishing his own firm six years ago.

Otis R. Preston, assistant vice presi-

By James M. Sutherland

Special Correspondent

dent of Minneapolis Federal Reserve Bank, has resigned his post as chairman of the employers' committee of the Minneapolis War Savings Committee and will aid in the Victory Fund Committee campaign for sale of larger denomination government securities.

Second annual assembly of First National Bank & Trust Co. officers and employes brought out 750 persons from the bank and its affiliated institutions. **Lyman C. Wakefield**, president, was the only speaker. It was held at Nicollet Hotel.

G. J. Caldwell has been named St. Paul regional manager of the Victory Fund Committee, according to announcement by **Paul W. Loudon**, executive manager of the Northwest Victory Fund Committee. Caldwell has taken leave from his St. Paul investment house, Caldwell-Phillips Co., to devote full time to his new work, which is directing committee activities in sale of government securities in the St. Paul region.

Fritz Thufedal has been made assistant cashier of Columbia Heights State Bank, according to announcement by **Herbert Woodward**, cashier. Thufedal was with Fidelity State Bank, Minneapolis, for eight years, then with the Minnesota rural credits department three and a half years before joining the Columbia Heights Bank last June.

Homer D. Sharratt, examiner for the Federal Reserve Bank of Minneapolis for 18 years, died early in December at his home in Minneapolis.

Twin City Bond Club, at its annual meeting, elected **T. Frank McGuire** of Driscoll-McGuire Co., St. Paul, president; **Robert L. John** of Thrall-West Co., Minneapolis, vice president, and **R. S. Juran** of Juran & Moody, St. Paul, secretary-treasurer. All were selections of the club's nominating committee.

Three new governors, named from an all-Minneapolis list, were chosen as follows: **Merrill M. Cohen** of J. M. Dain & Co., retiring secretary-treasurer; **I. D. Owen**, Allison-Williams Co., and **H. H. Wylie**, Wells-Dickey Co.

Effective January 1, 1943, First National Bank and Trust Company, Minneapolis, dropped the words "and Trust Company" from its name and became known simply as **First National Bank** of Minneapolis.

Insurance Especially Designed for Bankers

Health and accident policies without frills, giving substantial protection cost only \$2.00 per policy paid up in full to the middle of June 1943.

Thirty-seven years of successful service has earned the highest rating in the Insurance Digest for financial stability, and loss paying record.

Minnesota Commercial Men's Association

2550 Pillsbury Ave.
Minneapolis, Minn.

Paul Clement, Secretary

Officials of the bank explained the change was made solely for brevity and convenience, as to the bank's trust department, now in its fifty-eighth year, retains its powers and performs its services as before.

This is the fourth change in name the bank has made since its organization in 1864 and returns to its original form.

Serve your communities, help the United States win the war, run good banks—and forget profits.

That was the advice given by **Otto Bremer**, chairman of American National Bank, St. Paul, to Bremer bankers from Minnesota, Wisconsin, Iowa, North Dakota and Montana at their annual year-end conference in St. Paul.

M. V. Choban, assistant cashier of Drovers Exchange State Bank, South St. Paul, took office January 1st, as president of the Kiwanis Club of that city.

Dr. Arthur Upgren, recently-elected vice president and economist of Federal Reserve Bank of Minneapolis, will be one of the principal speakers

at the mid-winter meeting of Wisconsin Bankers Association in Milwaukee, January 20th and 21st.

Ringland Heads Empire National

Alex Highland, president of The Empire National Bank and Trust Company of St. Paul, has retired as president of the bank, due to ill health. He will, however, continue as a member of the board of directors and chairman of the board.

Mr. Highland is succeeded as president by Joseph F. Ringland former president of the Stock Yards National Bank of South St. Paul. Both banks are members of the Northwest Bank Corporation Group.

Mr. Ringland was born in Wayne, Nebraska, where he and his family were engaged in the banking business for a number of years. He attended school at Iowa State College at Ames, Iowa. From 1924 to 1934 he was employed by the United States National Bank of Omaha, Nebraska, and was elected assistant cashier of that bank in 1929. From 1934 to 1937 he was vice president of the Great Falls National



President
Empire National Bank
St. Paul

Bank, Great Falls, Montana, and since 1937 has been president of the Stock Yards National Bank, South St. Paul.



EMPIRE NATIONAL BANK and TRUST COMPANY

ST. PAUL, MINNESOTA

Statement of Condition as of December 31, 1942

RESOURCES

Cash, due from Federal Reserve Bank and other Banks.....	\$ 5,387,989.47
United States Government Securities—Direct and Fully Guaranteed—Due within 1 year.....	2,563,315.85
United States Government Securities—Direct and Fully Guaranteed—Due after 1 but within 3 years...	778,915.45
United States Government Securities—Direct and Fully Guaranteed—Due after 3 but within 5 years...	1,125,458.14
United States Government Securities—Direct and Fully Guaranteed—Due after 5 but within 7 years...	414,600.00
United States Government Securities—Direct and Fully Guaranteed—Due after 7 but within 10 years...	728,206.13
United States Government Securities—Direct and Fully Guaranteed—Due after 10 but within 15 years...	204,300.00
Municipal Bonds—Due within 3 years.....	236,400.23
Municipal Bonds—Due after 3 but within 5 years.....	89,269.50
Municipal Bonds—Due after 5 but within 7 years.....	46,500.91
Other Bonds and Securities.....	277,642.14
Loans and Discounts.....	4,459,406.16
Stock in Federal Reserve Bank.....	30,000.00
Interest Earned but Not Collected.....	27,932.87
Furniture, Fixtures and Safe Deposit Vaults.....	25,000.00
Customers Liability on Letters of Credit.....	2,900.00
TOTAL RESOURCES	\$16,397,836.85

LIABILITIES

Capital Stock.....	\$ 500,000.00
Surplus.....	500,000.00
Undivided Profits and Reserves.....	161,595.20
Reserved for Taxes, Interest and Accrued Expense.....	35,154.03
Discount Collected but Not Earned.....	33,396.86
Liability on Letters of Credit Outstanding.....	2,900.00
Deposits:	
Demand.....	\$13,375,666.23
Time.....	1,789,124.53
Total Deposits	15,164,790.76
TOTAL LIABILITIES	\$16,397,836.85

Robert at Fifth

Member Federal Deposit Insurance Corporation

St. Paul, Minnesota

Mr. Ringland will continue as a member of the board of directors of the Stock Yards National Bank.

Clearing House Assn. Head

Glenn Blomquist, cashier of the N. W. State Bank of Dawson, was elected president of the West Central Clearing House Association at their annual meeting held in Montevideo. Henry Globstad, assistant cashier, accompanied Mr. Blomquist to the meeting.

Change in Staff

Two new employes began work early last month at the Citizens State Bank in Redwood Falls.

E. H. Zimmerman of Mankato replaces William Huling as a teller. Mr. Huling accepted a position at a Montevideo bank.

Also new at the bank is Eloise Howell of Belview. She has a bookkeeping position.

Winthrop Banker Resigns

E. W. Olson, well-known Winthrop resident and banker for the past 39 years, has been forced to resign as cashier of the Winthrop State Bank, due to failing health. He is now confined to his home.

Fietsam Assistant Cashier

Henry Fietsam of Rockville has taken over duties as assistant cashier at the State Bank of Cold Spring. Before coming to Cold Spring Mr. Fietsam held a similar position with the State Bank of Rockville.

Miss Mary Louise Terhaar, formerly assistant cashier at the State Bank of Cold Spring, is now employed in Washington D. C.

New Assistant

The new assistant at the First National Bank of Winnebago is Helen Paffinger of Blue Earth.

NEWS AND VIEWS

(Continued from page 19)

future for that community even after the war.

We also enjoyed reminiscing with Ed over his old days in the Continental Bank at Lincoln, and the Union Trust and First National Bank of Chicago. Ed had quite an active part in the engineering of the physical details when the merger took place in 1929.

David H. Riemers, president of the Live Stock National, has two boys in the service. One is Charles Reimers, aged 19, who is a sophomore at the

Statement of Condition

THE FIRST NATIONAL BANK OF SAINT PAUL

as of

December 31, 1942

RESOURCES

Cash on Hand and Due from Banks	\$80,489,628.22
U. S. Government Securities	84,687,335.92
Bonds and Securities	4,450,805.82
Loans and Discounts	55,867,961.94
Interest Earned but not Collected	282,539.87
Customers' Liability on Account of Acceptances, Letters of Credit and Foreign Bills	108,975.00
Stock in Federal Reserve Bank	360,000.00
Bank and Office Building	2,800,000.00
	<hr/>
	\$229,047,246.77

LIABILITIES

Capital Stock	\$6,000,000.00
Surplus	6,000,000.00
Undivided Profits	2,770,081.03
Unallocated Reserves for Losses	1,238,766.33
Reserve for Accrued Taxes, Interest and Expenses	778,356.51
Reserve of Manufacturers and Others on Notes purchased from them	433,913.21
Discount Collected but not Earned	73,025.91
Acceptances, Letters of Credit and Foreign Bills	108,975.00
Deposits	211,644,128.78
	<hr/>
	\$229,047,246.77

United States Government obligations and other securities carried at \$44,898,735.41 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

RICHARD C. LILLY, President

FREDERIC R. BIGELOW, Chairman, Board of Directors

DEPARTMENT OF BANKS AND BANKERS

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

Member Federal Deposit Insurance Corporation

AFFILIATED WITH FIRST BANK STOCK CORPORATION

• MINNESOTA NEWS •

Naval Reserve at Northwestern University, and **Jack Reimers**, 17, who is in his second year at the Northwestern Military and Naval Academy at Lake Geneva, Wisconsin.

Walter J. Cummings, chairman of the Board of the Continental Illinois National Bank & Trust Company, loaned the efficient and expert advertising counsel of their bank, **Julius K. Waibel**, to the Federal Reserve Bank of Chicago, to help during the month of December with the big Victory War Loan. Most every form of advertising

was used and **Julius** knew how to prepare the copy to get the best results.

Gas rationing has not bothered three prominent Chicago bankers, who for a number of years have been walking to work most of the time.

The three walkers, who probably have traveled more miles on foot to and from their work than any other three Chicagoans, are **Edward Eagle Brown**, president of the First National Bank; **Herman Waldeck**, executive vice president of the Continental Illinois National Bank; and **Solomon**

A. Smith, president of the Northern Trust Company.

Mr. Smith lives at 1242 Lake Shore Drive and walks to his office at La Salle and Monroe Streets each day during the winter months. In the summer he lives in Lake Forest, so he uses the train.

Sam R. Torgeson, cashier of the Farmers & Merchants State Bank of Lake Mills, has a most enviable record to report for his bank in the sale of War Bonds as compared with total deposits, and in a recent letter to the **NORTHWESTERN BANKER**, here are the bank's figures:

"War Savings Bonds (maturity value) sold to our customers since May 1, 1941, \$253,925.

"Deposits June 30, 1942, were \$694,800.

"The percentage of such bonds sold of said deposits, 36.5 per cent.

"In addition to the above sales to our customers, this bank has a net increase of \$204,714 of U. S. Securities since May 1, 1941. Therefore, including that which we have bought as a bank, the record is as follows:

"War Savings Bonds sold to customers since May 1, 1941, \$253,925.

"U. S. Securities, net increase, by bank's own purchases since May 1, 1941, \$204,714.

"Total War Savings Bonds (maturity value) sold to customers, and net increase of U. S. Securities bought for the bank's own account is \$458,639.

"The percentage of such sales to customers and bank's own purchases since May 1, 1941, of deposits on June 30, 1942, 66 per cent.

"We do not mention this boastfully, but we are pleased that we have had a chance to contribute as much to the war effort."

Marvin E. Holderness, vice president of the First National Bank of St. Louis, was president of the Financial Advertisers Association in 1917, which was the second year of the establishment of the organization, and he has always been active in its affairs ever since. Marvin's popularity as a banker was further shown when he was elected president of the Missouri Bankers Association in 1933.

Shirley S. Ford, president of the Northwestern Bank & Trust Company, Minneapolis, in a recent letter to us said, "I always like to read the **NORTHWESTERN BANKER**."

A. G. Sam, president of the First National Bank in Sioux City, sent out

First and American National Bank

Duluth, Minnesota

Condensed Statement of Condition, December 31, 1942

RESOURCES

Cash on Hand and Due From Banks	{ \$15,112,538.54 }	\$35,764,692.38
United States Government Securities	{ 20,652,153.84 }	
Municipal Securities		2,113,047.05
Other Bonds and Securities		1,957,157.30
Loans and Discounts		9,286,341.64
Federal Reserve Bank Stock		92,250.00
Banking House	{ Assessed Value }	240,000.00
American Exchange Bank Property	{ \$680,220.00 }	1.00
Interest Earned But Not Collected		109,468.99
Overdrafts		143.55
		\$49,563,101.91

LIABILITIES

Capital Stock (Common)	\$2,000,000.00
Surplus	1,100,000.00
Undivided Profits	482,847.09
Reserves	314,540.00
	\$ 3,897,387.09
Reserve for Interest, Taxes and Expenses	121,937.62
Discount Not Earned	42,521.68
Deposits	45,501,255.52
	\$49,563,101.91

DULUTH'S LARGEST AND OLDEST BANK
AFFILIATED WITH NORTHWEST BANCORPORATION

Member Federal Deposit Insurance Corporation

• MINNESOTA NEWS •

a very interesting holiday greeting to his friends entitled, "Forgetting for the Moment Everything But Our Friends," in a part of which it said, "Somehow at this time, when there is so much that is discordant in human nature, we find it pleasant to recall the many little examples of goodwill and cooperation which have marked our relations in the past year. We have worked together as friends, helping each other, keeping our hopes and our courage high."

Fred A. Irish, president of the First National Bank & Trust Company of Fargo, North Dakota, remembered us again this year with a jar of North Dakota white sweet clover honey which, with the sugar rationing on, was a very acceptable gift.

Colonel William G. Edens of Chicago, Florida and the United States, is 79 years of age, but wrote us a Christmas Greeting in his own handwriting which looked like a young man's of 25. In his card to us he said, "After four months in Cleveland in the scrap metal drive for the Brotherhood of Railroad Trainmen, I am home again, resting up a bit and hugging the radiator this cold weather, but feeling fine at 79."

W. H. Pierce, president of the First National Bank of Shelby, Nebraska, in a letter to us, said, "It was with much pleasure I picked up the December issue of your good magazine, the *NORTHWESTERN BANKER*, and saw the publicity you gave the Nebraska Committee on Government Competition!

"These articles have raised my spirits considerably after the tactful 'brush off' we received in Chicago from the A. B. A."

If you would like to get in touch with **Fred B. Cummings**, formerly of the Drovers National Bank of Chicago, he is now located at the U. S. Submarine Base, Box No. 7, New London, Connecticut. In a Holiday Greeting card to us, he said, "In my travels over the floor of the North Atlantic, I have not run into any representatives of the *Northwestern Banker*. How come? I used to meet some of you boys wherever I happened to be."

Drop Fred a line—he would be glad to hear from you.

Patrick J. Size, 75, is the distinguished officer in uniform who has been greeting customers of the Continental Illinois National Bank & Trust

Company for 43 years. However, Pat started before the present merger of the various banks which make up the present organization, and in fact he commenced with the Commercial National Bank which was later merged with the Continental and still later with the Illinois National. At the time Pat went with the Commercial National, **James H. Eckels** was president, and when he came with the Continental, **George M. Reynolds** was the president.

And Pat always remembers your name.

Roy L. Stone, vice president of the First Wisconsin National Bank of Milwaukee, is celebrating his 50th anniversary with that institution, which in turn is this year celebrating its 90th anniversary. One reason that Roy looks so young and youthful is that he was very athletic when he was a young man, and in fact was a professional bicycle rider and won many races.

It is rumored that with gasoline rationing as it is, Roy may go back to his original profession.

STATEMENT OF CONDITION

December 31, 1942

RESOURCES

Loans and Discounts.....	\$ 2,418,261.49
Vaults and Fixtures.....	10,000.00
Other Assets	42,710.18
U. S. Government Bonds.....	\$6,577,200.79
Other Bonds and Securities.....	820,400.13
Cash and Due from Banks.....	4,493,783.56 11,891,384.48
TOTAL.....	\$14,362,356.15

LIABILITIES

Capital	\$ 250,000.00
Surplus	250,000.00
Reserves and Undivided Profits.....	162,699.93
Other Liabilities	24,834.75
Deposits	13,674,821.47
	\$14,362,356.15



The Stock Yards National Bank

South Saint Paul, Minn.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

MINNESOTA NEWS

R. L. (Dick) Dunlap, assistant vice president at the Commerce Trust Company in Kansas City, was born in that thriving metropolis and later moved to San Francisco, then came back to Kansas City 22 years ago to work for the National Bank of Commerce. In 1920 that bank was merged with the present Commerce Trust Company. In World War No. 1, Dick was a second lieutenant in the Field Artillery and saw much action in France.

In Wichita, there is a big electric sign with the letters **F. B. I.**, but it is not the headquarters of **J. Edgar Hoover** and his Federal Bureau of Investigation experts, but the home office of the Farmers & Bankers Life Insurance Company, of which **H. K. Lindsley** is president.

Charles R. Gossett, president of the Security National Bank of Sioux City, is a candidate for the executive council from Iowa on the American Bank-

ers Association for 1944. Charlie was president of the Iowa Bankers Association in 1940 and has long been active in state and national banking association work, and would make a very excellent representative from the Hawkeye state.

Earl Bauer, assistant vice president of the Commerce Trust Company of Kansas City, in a recent letter to us said, "I think you have a wonderful magazine in the **NORTHWESTERN BANKER**".

Carl Fredricksen, president of the Live Stock National Bank of Sioux City, starts his letters with a very appropriate slogan, "**One Day Closer to Victory**".

Walter W. Head, president of the General American Life Insurance Company, is president of the St. Louis U. S. O. council and state chairman for Missouri of that same organization, and incidentally is doing a very fine job in both positions.

Ray W. Snyder, cashier of the First St. Josephs Stock Yards Bank, has a son, **Raymond Snyder**, who is a second lieutenant engineer in the amphibian regiment. Before entering the service, Ray attended the University of Missouri.

Bruce Townsend, executive vice president of the City National Bank in Clinton, was our host recently when we had the pleasure of attending the Rotary Club there. Just before the meeting starts the local radio news reporter reads to the club the latest reports which have just come in from all over the world. A very clever idea we think.

H. G. Morrison, cashier of the Peterson State Bank, has the honor of being listed as third among the banks of the nation as far as the war bond sales are compared with the total deposits of the institution.

In addition to doing a fine job on the sale of bonds, Mr. Morrison's daughter was also one of the first girls from the Hawkeye state to be admitted to the WAVES.

Ben DuBois, secretary of the Independent Bankers Association, of Sauk Centre, Minnesota, in a recent letter to us said: "In a recent issue of the **NORTHWESTERN BANKER** we read with a great deal of interest two articles written by Nebraska bankers (Turn to next page, please)



"The Bank at the Yards"

Statement of Condition, December 31, 1942

RESOURCES

Loans and Discounts.....	\$ 3,344,644.41
United States Bonds and Notes.....	5,100,304.13
Municipal Bonds	346,704.56
Other Bonds and Securities.....	280,606.19
Federal Reserve Bank Stock.....	16,500.00
Interest Earned, Not Collected.....	33,757.58
Cash on Hand and Due from Banks.....	8,222,433.82
	<hr/>
	\$17,344,950.69

LIABILITIES

Capital Stock	\$ 250,000.00
Surplus	300,000.00
Undivided Profits	37,849.95
Reserves for Interest and Taxes.....	34,904.57
Reserve for Contingencies.....	65,500.00
Interest Collected, Not Earned.....	38,609.53
Deposits	16,618,086.64
	<hr/>
	\$17,344,950.69

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

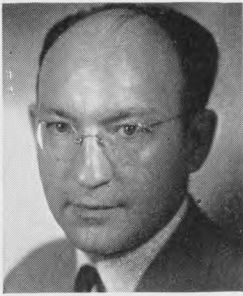
DIRECTORS

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

Member Federal Deposit Insurance Corporation

LIVESTOCK NATIONAL BANK

SIOUX CITY, IOWA



H. N. THOMSON
President
Presho

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Bank Changes

Miss Irene Vlasak, who has been employed at the Farmers & Merchants Bank of Tyndall, has resigned and has secured a position at the American State Bank at Yankton. Clarence Vlasak will take her place in the bank at Tyndall.

Yule Party

Forty-five members of the Northwestern Security National Bank, Sioux Falls, held their annual Christmas party in the ball room of the Cataract Hotel. There was a dinner at 6:30 o'clock, followed by games and prizes. Gifts were also exchanged.

Business Gain

The volume of bank debits in November, 1942, for Mitchell indicates that business activity was 25 per cent above the same month the previous year, while figures last year to November showed a 32 per cent rise when compared with the January through November period of 1941. These bank debit figures, released by the Federal Reserve Bank of Minneapolis, represent the dollar volume of checks drawn by depositors against their bank accounts to pay for goods, services, debts, etc.

Former Banker Dies

John Stewart, former Dallas banker, and one of the early residents in the Rosebud section, passed away at his home in Long Beach, California, last month. Funeral services were held in that city.

Mr. Stewart took an active part in public affairs and served for a number of years on the board of county commissioners in Gregory county.

Directors Meet

The regular meeting of the directors of the Bank of Kimball was held in December, with the following directors present: L. M. Larsen of Wessington Springs, Lloyd Croholm of Ipswich,

Mrs. J. H. Drips of Grain Valley, and R. A. Johnson of Kimball. Ben Jones of Ipswich, one of the stockholders, also attended the meeting.

Group Meets Informally

Meeting at Lennox recently, representatives of banking institutions in Lincoln and neighboring counties were entertained at a luncheon supper. Oscar C. Burke and Sidney Jacobs were host to the visiting bankers and other guests present. The meeting was purely an informal affair and held in the nature of a get-together meeting for the purpose of discussing some of the common problems of the day.

Visiting bankers were, from Canton, E. M. Dean, Hogen Iverson and Merle Dean; from Chancellor, Ed Hofmeister and Henry Bossman; J. N. Thompson, Centerville; E. A. Eystad, Wakonda; A. E. Deafendorf, Irene; V. B. Cliekman, Parker. Other visitors present were Andrew Bogue of Parker and Harold Bogue of Canton.

In The Service

Richard B. Stevens, cashier of the Citizens Bank, Vermillion, has been granted a leave of absence for the duration of the war, and was inducted into the army at Fort Leavenworth, Kansas.

Ronald Campbell, who has been the head teller for the Citizens Bank for several years, was drafted December 17th and left for induction into the army. He began his work in the bank while he was attending the University of South Dakota, and upon his graduation he was given full time work. He has been given a leave of absence for the duration.

New Production Records

The war caught up with South Dakota's agricultural and industrial development during 1942, but instead of arresting the upswing which started in the middle '30s, it generally has resulted in new production records.

That was the Greater South Dakota

Association's conclusion after a somewhat detailed analysis of farm and business conditions which revealed:

Cash farm income during the year was approximately \$240,000,000, highest of any year since 1928 and considerably above the \$182,134,000 farm income in 1941, or the \$139,869,000 return in 1940.

Livestock and poultry production goals set by the Department of Agriculture were equalled or exceeded in all cases.

A total of 328,047,000 bushels of grain, feed and seed crops were harvested, as compared with 194,316,000 bushels in 1941 and the 1930-1939 average of 131,591,000.

Bank debits, representing payments for goods and services in 17 larger state cities were 124 per cent of 1941 for the first 10 months.

Sales at department stores were 115 per cent of 1941 in the same period despite commodity shortages in many lines and rationing of essential goods.

Higher farm production goals are set for 1943. The State-Federal Crop and Livestock Reporting Service estimated that 1942 marketings and farm slaughter of cattle in South Dakota totaled 764,000 head, compared with 616,000 in 1941. The 1943 goal is 823,000. Farmers also are being asked to increase hog farrowings, sheep production, dairy and poultry output and acreages planted to seed, feed and flax crops.

Fire in Basement

Fire in the basement of the Northwestern Security National Bank Building of Gregory caused damage to wiring as well as much smoke damage throughout the building. Prompt action by the fire department prevented a serious loss. The cause of fire was given as spontaneous combustion.

NEWS AND VIEWS

(Continued from page 44)

on PCA competition. We are glad indeed that you printed these articles. The PCAs constitute unfair competition. It is always difficult, of course, to fight a subsidy as you are in effect fighting your own money.

"You are to be congratulated on the publicity that you have given this PCA issue".

Guy W. Cooke, assistant cashier of the First National Bank of Chicago, has a great deal of poetic genius in his makeup as well as his expert knowledge of financial advertising, and each year he sends out his holiday greetings in verse which he has writ-

Northwestern Banker January 1943

ten and which always is very original and stimulating.

C. Ray Phillips, president of the LaSalle National Bank of Chicago, owns a number of Iowa farms and says he prefers operating his farms to playing golf and besides it is more profitable.

Lynn Fuller is president of both the Illinois National Bank of Quincy and the Jackson State Savings Bank of Maquoketa, Iowa.

Both of these institutions are showing excellent progress and the Illinois National has a capital stock surplus

and profits of \$505,000 and the Jackson State Savings Bank has capital stock surplus and undivided profits of \$191,000.

Jack H. Riley, vice president of A. C. Allyn and Co. of Chicago, is one of the most cordial and delightful men that we meet anywhere. His company has had a very fine business record during all these years.

Preston E. Reed, executive vice president of the Financial Advertisers Association of Chicago, made quite a record for himself with his "Convention by Mail" and of course was ably assisted by his charming and beautiful

secretary with the English accent, **Miss Lucy David**.

"The oldest bank in St. Joe established in 1887" is the American National Bank of which **R. R. Calkins** is president. Mr. Calkins is very prominently known among the bankers of the central west where he has attended conventions for many years.

J. M. "Pete" Easton, advertising manager of the Northern Trust Company, entertained us at luncheon in the bank on their one meatless day of the week but that didn't bother us when we looked at the items to choose from on the bank's menu which included the following:

Denver Sandwich on Toast
Broiled Halibut Steak, Lemon Butter
Apple Fritters, Bacon and Fruit Salad
Baked Macaroni, Tomato Sauce
Cold Tuna Fish Salad Plate.

We also had the pleasure of lunching with **Fred A. Cuscaden's** son-in-law, **Charles R. Perrigo**, who is a partner of Hornblower and Weeks and married **Gertrude Cuscaden**. They have a very charming daughter named **Jean**.

HOW DO YOU FIGURE SERVICE CHARGES?

(Continued from page 16)

However, I am not in favor of overdoing the charge and thus exploiting the depositor who, after all, furnishes us with our stock in trade. I believe the bank should decidedly receive enough to reimburse them for cash out of pocket for handling all demand deposits, with a small percentage of profit, and in so doing any of us should be able to satisfy any of our customers as to the fairness of the charge."

W. J. Cline, assistant cashier of the First National Bank, Morrill, Nebraska, reports as follows:

Average Farmer No. 1 \$.95
Average Farmer No. 2 1.35
FIVE AND TEN CENT STORE:
57 checks paid at 5c each \$ 2.85
13 transit items at 3c each39
18 deposits at 5c each90
Maintenance one month25

..... \$ 4.39
Ledger balance \$636.00
Minimum collected balance 636.00
15 per cent reserve 94.00

Net earnings balance \$542.00

Bank of America

NATIONAL TRUST AND SAVINGS ASSOCIATION

CALIFORNIA'S ONLY STATEWIDE BANK

Condensed Statement of Condition December 31, 1942

RESOURCES

Cash in Vault and in	
Federal Reserve Bank	\$ 350,278,009.96
Due from Banks	254,763,374.78
TOTAL CASH	\$ 605,041,384.74
Securities of the United States Government and	
Federal Agencies	1,043,061,518.77
State, County and Municipal Bonds	172,982,016.46
Other Bonds and Securities	45,985,908.52
Stock in Federal Reserve Bank	3,720,000.00
Loans and Discounts	840,469,960.29
Accrued Interest and Accounts Receivable	7,735,711.04
Bank Premises, Furniture, Fixtures and Safe	
Deposit Vaults	30,956,355.77
Other Real Estate Owned	3,974,282.61
Customers' Liability on Account of Letters of Credit, Acceptances and Endorsed Bills	16,590,257.41
Other Resources	1,172,236.28
TOTAL RESOURCES	\$2,771,689,631.89

LIABILITIES

DEPOSITS:	
Demand	\$1,601,668,776.37
Savings and Time	984,471,922.63
Liability for Letters of Credit and as Acceptor, Endorser or Maker on Acceptances and	
Foreign Bills	16,812,501.73
Reserve for Interest Received in Advance	4,088,920.20
Reserve for Interest, Taxes, Etc.	4,245,148.20
Capital:	
Common (4,000,000 Shares)	\$ 50,000,000.00
Preferred (460,796 Shares)*	9,215,920.00
Surplus	62,000,000.00
Undivided Profits	21,151,214.33
Reserve for War Contingencies, etc.	12,074,463.57
Other Reserves	2,834,881.21
Reserve for Increase of Common Capital	2,784,080.00
Preferred Stock Retirement Fund	341,803.65

TOTAL CAPITAL FUNDS 160,402,362.76

TOTAL LIABILITIES \$2,771,689,631.89

*Issued at \$50 (\$20 Capital—\$30 Surplus). Annual Dividend \$2. Preferred to extent of and retirable at issue price and accrued dividends.
This statement includes the figures of the London, England, banking office.

MAIN OFFICES IN TWO RESERVE CITIES OF CALIFORNIA
SAN FRANCISCO LOS ANGELES



Branches throughout California united for strength and service



• SOUTH DAKOTA NEWS •

One month at 4 per cent a year	1.79
Total earnings	1.79
Charged to account	2.60

JOHN DOE FOOD MARKET:

11 checks paid at 5c each	\$.55
278 transit items at 3c each	8.34
30 deposits at 5c each	1.50
Maintenance one month	.25

Total	\$ 10.64
Ledger balance	\$832.00
Minimum collected balance	832.00
15 per cent reserve	124.00

Net earning balance	\$708.00
One month at 4 per cent a year	2.35
Total earnings	2.35
Charged to account	8.29

Explaining the above, Mr. Cline says that whatever the uncollected funds were on the day of the low balance would be deducted from the ledger low balance as uncollected funds. He further states that "We have found the service charge setup we have works very satisfactorily. We have used this system for eight or nine years, and were one of the first two banks in this part of our state to set up service charges."

How the service charges are figured in the **Farmers & Savings Bank of Manchester, Iowa**, are presented by **W. W. Matthews, cashier**, like this:

Average Farmer No. 1	\$.08
Average Farmer No. 2	.16
Five and Ten Store	.65
John Doe Food Market	13.90

Mr. Matthews says that in handling out-of-town items, a five-cent charge is collected from each depositor when the check is presented for payment.

Reporting from the **Farmers State Bank of Stickney, South Dakota**, **E. G. Borman, cashier**, says:

We are a small country bank, the majority of our customers being farmers. At present we make no charges on accounts that carry an average balance of over \$50, and then make a flat charge of 50 cents if more than three checks are written per month. However, we feel that as our loans go down, we will find it necessary to make some increases in our service charges."

LEGAL QUESTIONS

(Continued from page 20)

the farm to be polluted by its sewage disposal plant. The banker sued to enjoin the continuance of the pollution and to recover damages. In so suing he asked for equitable relief as to the injunction and legal as to the damages. As a procedural matter could he obtain

both, or one or the other, types of relief in the one suit?

Yes. In a recent decision involving a similar situation the **South Dakota Supreme Court** held the action was one of equitable cognizance and that the right to grant full and complete relief, legal and equitable, attached. The court held further that the right to such relief was not defeated by a denial of the equitable relief sought.

The Department of Roads and Irrigation of the state of Nebraska condemned certain lands in that state for highway purposes. At the condemna-

tion hearing evidence as to the price paid for other lands purchased from other property owners was sought to be introduced as indicative of the value of the land being condemned. No effort was made to show that such lands were similar to or used for the same purposes. Should such evidence be heard?

No. In a condemnation proceeding in Nebraska evidence as to the price paid for other lands purchased from other property owners is not competent on the question of the value of the land involved in the suit, especially

STATEMENT OF CONDITION

NORTHWEST SECURITY NATIONAL BANK

of Sioux Falls, South Dakota

"South Dakota's Leading Bank"

December 31, 1942

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$6,706,993.05
U. S. Government Obligations	8,416,234.85
State and Municipal Bonds	703,394.27
Other Bonds and Securities	445,430.79
	\$16,272,052.96
Stock in Federal Reserve Bank in Minneapolis	30,000.00
Overdrafts	1,845.21
Loans and Discounts	4,676,788.44
Banking Houses, Furniture and Fixtures	344,516.51
Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance.	
Interest Earned but not Collected	71,500.97
TOTAL	\$21,396,704.09

LIABILITIES

Capital Stock—Common	\$ 500,000.00
Surplus	500,000.00
Undivided Profits and Reserves	192,747.14
	\$ 1,192,747.14
Reserve for Interest, Taxes, and Other Expenses	53,037.40
Interest Collected but Not Earned	10,798.34
Deposits	20,140,121.21
TOTAL	\$21,396,704.09

BRANCHES AT

BROOKINGS, CHAMBERLAIN, DELL RAPIDS,
GREGORY, HURON, MADISON

F. H. HOLLISTER
Chairman

R. M. WATSON
President

Member Federal Deposit Insurance Corporation

where there is no showing that such other lands were similar to or used for the same purposes.

American National, Chicago

Net earnings of \$328,638 for 1942 were reported by the American National Bank and Trust Company of Chicago and represents net operating profit after payment of dividends on preferred stock, and after provisions for reserves, taxes and contingencies. The reported earnings are also exclusive of profits realized on securities, which were reported as nominal in 1942. As in previous years, these profits were credited to securities depreciation reserve.

The 1942 net earnings represent \$32.86 per share on the common stock, compared with \$34.91 per share in 1941 and \$33.20 per share in 1940. Dividends of \$8.00 per share of common stock, totaling \$80,000, were paid during 1942. In December \$500,000 had been transferred from undivided profits to surplus, increasing surplus from \$2,000,000 to \$2,500,000. A further amount of \$50,000 was transferred during the year to preferred stock retirement fund. Capital funds of the

bank, including reserves, totaled \$5,745,387 on the year-end statement.

The American National Bank entered the \$100,000,000 class in 1942, both in total deposits and in total resources. Deposits totaled \$108,529,532 on December 31, compared with \$91,383,558 at the end of 1941, and \$79,089,872 at the end of 1940. During the same two-year period, total resources of the bank gained from \$84,433,857 to the present figure of \$114,650,366. Most of the 1942 deposit gain was shown in demand deposits, the increase being from \$81,233,041 to \$97,345,242. Savings deposits showed an increase from \$6,325,421 to \$6,850,539.

Victory Loan Drive in Iowa

Herbert L. Horton of Des Moines, in announcing the preliminary figures for Iowa in the December Victory Loan Drive said, "In World War I, Iowa was always among the leaders in meeting State Quotas. In the third and fourth Liberty Loan and the Victory Loan Drive, Iowa substantially exceeded the quotas set. Iowans have the patriotism, the wealth and the recognition of need to do the same kind of a job in this war financing."

Purchases from December 1st to December 26th by Iowa banks were \$61,368,500, of which \$36,232,500 were for the 1¾'s of 1948 and \$25,136,000 were for the ¾'s of 1943. Of non-bank purchasers, insurance companies accounted for about \$27,000,000, almost all in the 2½'s of 1968. Sales of Savings Bonds and Tax Savings Notes through December 31st will be included in the final figures to be compiled by the Treasury Department for the December drive.

Now a Director

The board of directors of the Philadelphia National Bank have elected J. William Hardt, vice president of the bank, as a director to fill the vacancy caused by Joseph Wayne, Jr.'s death.

Mr. Hardt has long been prominently identified with banking in Philadelphia, having entered the employ of the Franklin National Bank in 1908, rising there to be vice president and cashier. When the Franklin and Fourth Street National Banks were merged, he continued as a vice president, and when this bank was merged with the Philadelphia National Bank he again continued as a vice president.

"In Full Production on Defense Work"

At present we are in full production on defense work. When conditions again become normal we expect to be ready as usual to make special plans and designs for new and remodeled bank fixtures.

For over 72 years we have furnished special cabinet work and fixtures for banks, court houses and stores.

Should any special problems arise in connection with your present equipment we will appreciate your writing us and we will do our best to take care of your needs.

The FISHER COMPANY

ESTABLISHED
1870

Charles City, Iowa

BANK FIXTURE SPECIALISTS



J. O. MILSTEN
President
Belfield

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Million Dollar Mark

Footings of the Farmers State Bank of Dickinson have passed the million dollar mark for the first time in the institution's history, Adam A. Lefor, vice president and chairman of the board, announces.

M. J. Raschko, president, declared the report reflects the excellent economic conditions of the territory due to two years of bumper crops plus better prices for livestock and dairy products.

Dickinson now has three banks, the Farmers State, First National, and Liberty National, with footings of over a million dollars each, further evidence of the prosperity of this area.

Serving with Messrs. Lefor and Raschko as officer and director is A. J. Becker, cashier. Other members of the bank staff are Fanny D. Ziegler, teller; Peggy Fleck and Anna Grimm, bookkeeper.

The bank's statement reveals resources of \$1,011,174.53 as of December 9th. This compares with resources of \$260,448 on April 25, 1927, when the real growth of the institution started.

Deposits of the bank aggregate \$912,073.34.

Director-at-Large

H. A. Thompson, president of the Gate City Building and Loan Association, of Fargo, recently was notified from Washington that he had been elected director-at-large for the Federal Home Loan Bank of Des Moines.

Mr. Thompson was elected by the building and loan associations of North and South Dakota, Minnesota, Iowa and Missouri, the area the Des Moines bank serves.

He was elected for two years, taking office January 1, 1943.

Banks Handle Ration Coupons

Bismarck banks will begin issuing ration coupons on checks and receiving them on deposit under the national ration banking plan, probably early in

1943, according to A. P. Lenhart, chairman of the local war price and rationing board.

The plan, which has been tried out in 18 cities and towns in New York state, will be extended to employ the services of every commercial bank in the country that carries checking accounts, he said.

Rationing banking affects only retailers, distributors and some large users of rationed goods such as restaurants, that buy from wholesale distributors. It will make no difference in the rationing practices of the individual consumer, Lenhart pointed out.

According to the plan, stores, restaurants, and other channels of ration coupons will deposit them with the commercial banks, and then draw checks on them to turn over to their suppliers. This plan will make unnecessary the present cumbersome necessity of counting individual coupons several times in the course of trade.

Lenhart said that the banks will act as agents for the Office of Price Administration, and will be paid according to a scale fixed by the OPA.

Minor changes were made in the system now in operation in the New York area, he said. They were worked out in cooperation with local bankers, and representatives of the American Bankers Association and others.

Carols by Male Chorus

Following the custom established nine years ago, the male chorus of the City National Bank and Trust Company of Chicago sang Christmas Carols on the main banking floor during the four days before Christmas. Organ music by one of Chicago's prominent organists, Leo Terry, accompanied the singing on the Hammond electric organ, and interspersed solo selections during the hours' program.

The chorus is made up of forty members of the bank's personnel, and Elmer Crabbs is the director.

Office to Move

The Washington office of the American Bankers Association, which has been in the Washington Building for the past five years, was moved across the street to the National Savings and Trust Company Building on December 30th.

The new address is 719 15th Street, N.W. The telephone number is Executive 1839.

Manufacturers Trust, New York

The statement of condition of Manufacturers Trust Company as of December 31, 1942, shows deposits of \$1,322,420,807, and resources of \$1,419,495,474, which compare with \$1,112,353,210 and \$1,207,153,258 shown on September 30, 1942. On December 31, 1941, the respective figures were \$984,004,718 and \$1,080,505,867.

Cash and due from banks is listed at \$370,862,493, as against \$334,502,993 shown on September 30th and \$365,609,706 shown a year ago. United States government securities stands at \$635,564,410; three months ago it was \$449,103,424 and one year ago it was \$340,928,748. Loans, bills purchased and bankers' acceptances is now \$300,378,843, which compares with \$305,236,225 on September 30th and \$260,309,534 on December 31st last year. Preferred stock is shown as \$8,599,540, common as \$32,998,440, and surplus and undivided profits as \$44,898,302.

Net earnings for the year 1942 will be reported in detail by the president at the annual stockholders' meeting, to be held on January 13, 1943.

Guaranty Trust, New York

The statement of condition of the Guaranty Trust Company of New York as of December 31, 1942, shows total resources and deposits at their highest points in the company's history. Total resources are \$2,995,498,622.31, as compared with \$2,558,587,698.49 a year ago, and with the previous high total of \$2,813,930,184.78 as of March 31, 1941. Deposits are \$2,698,262,179.73, as compared with \$2,259,895,401.49 a year ago and with the previous high figure of \$2,520,172,053.60 as of March 31, 1941.

The current statement shows holdings of United States government obligations of \$1,692,372,867.88, the highest figure to date, comparing with \$1,018,468,210.88 a year ago. The company's capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively, and undivided profits total \$22,547,059.34, compared with \$19,470,856.52 a year ago.

Northwestern Banker January 1943

The
UNITED STATES NATIONAL BANK
of Omaha

STATEMENT, DECEMBER 31, 1942

RESOURCES

Cash and Due from Banks	\$16,777,984.61
U. S. Government Obligations	\$27,184,435.36
Municipal Bonds	2,100,726.28
Other Bonds	1,740,394.97
Loans and Discounts	5,704,100.22
Bank Premises	735,000.00
Stock in Federal Reserve Bank	66,000.00
Other Assets	140,807.32
	<hr/>
	\$54,449,448.76

LIABILITIES

Deposits — Commercial and Individual	\$25,592,372.56
Banks	15,549,556.39
Time	3,556,274.95
Public Funds	6,298,741.74
War Loan Account	747,277.50
Capital Stock	1,100,000.00
Surplus	1,100,000.00
Undivided Profits and Reserves	375,309.13
Other Liabilities	129,916.49
	<hr/>
	\$54,449,448.76

Sound Banking and Service Since 1856

DIRECTORS

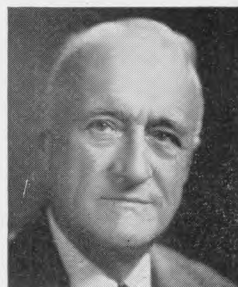
LINN P. CAMPBELL, <i>President</i> <i>Byron Reed Company, Inc.</i>	EDGAR M. MORSMAN, JR., <i>Attorney</i>
EDWIN A. DUFF	ROBERT P. MORSMAN
EDWARD FLYNN, <i>Executive Vice President</i> <i>Chicago, Burlington & Quincy Railroad Co.</i>	ROY PAGE, <i>Vice President and General Manager</i> <i>Nebraska Power Company</i>
RUSSELL J. HOPLEY, <i>President</i> <i>Northwestern Bell Telephone Company</i>	HENRY W. PIERPONT, <i>President</i> <i>Standard Oil Company of Nebraska</i>
JOHN W. HUGHES, <i>President</i> <i>Guarantee Mutual Life Company</i>	ABRAHAM L. REED, <i>Chairman of the Board</i> <i>Byron Reed Company, Inc.</i>
GLENN E. JENNINGS, <i>President</i> <i>Wright & Wilhelm Company</i>	HARRY F. REED, <i>President</i> <i>L. G. Doup Company</i>
ARTHUR A. LOWMAN, <i>Chairman of the Board</i> <i>Northwestern Bell Telephone Company</i>	ELLSWORTH MOSER, <i>Executive Vice President</i>
	HERBERT M. BUSHNELL, <i>President</i>

The
UNITED STATES
National BANK of Omaha
MEMBER FDIC



R. F. CLARKE
President
Papillion

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Attends Bankers Meeting

G. P. Bauman, cashier of the Ellsworth State Bank, attended the Nobles County-Fulda Bankers Association meeting at Fulda last month. He was accompanied by H. G. Knips and W. E. Marston, cashier and assistant cashier of the Adrian State Bank. Mr. Bauman is president of the association, and presided over the meeting. Mr. Marston is secretary-treasurer of the association.

Takes New Position

Announcement has been made that Clarence Castner, assistant cashier of the Carson National Bank of Auburn, has accepted a position as cashier of the Farmers and Merchants National Bank of Ashland.

Mr. Castner has been associated with the Carson National Bank for the past 16 years. He previously was employed in banks at Coleridge and Madison, Nebraska, beginning his banking career in 1921.

Call for Pennies

The Farmers State Bank of Dodge has asked the people of this territory to bring in their pennies and have them exchanged for coins of larger denominations.

A shortage of copper, due to the use of this metal by war industries, has resulted in the inability to secure new pennies by the bank. All persons are asked to exchange the pennies at the bank for larger coins, so the pennies can be placed back into circulation.

Goes to Columbus

Robert Burman, for the past six years assistant cashier at the Fort Kearney State Bank, Kearney, has resigned to accept a similar position in the Central National Bank at Columbus.

Mr. Burman had been with the Fort Kearney bank 13 years, in the capacity of bookkeeper, teller and assistant cashier. He was employed prior to that in both the Farmers State Bank

and the American State Bank of Kearney.

A successor to his position has not been definitely decided upon.

Receive Bonus

The annual Christmas party for employees of the First National Bank of Fairbury was held at the bank recently. They gathered around the big Christmas tree in the bank and exchanged gifts. Each employee received a bonus from the bank equivalent to 4 per cent of the year's salary.

Grand Island Party

Young women employed at the First National Bank of Grand Island held their annual Christmas party in the Oriental room at Hotel Stratton. Dinner covers were laid for the Misses Martha Scholz, Lois Crabtree, Edith Lester, Dorothy Green, Delores Berlin, Bernice Brick, Helen Motes, Ruth Shaw, Hattie Reeves, Mrs. Russell Turner, Mrs. Norval Deines and Mrs. Edith Schubert.

Live Stock Entertains

A Christmas dinner party and dance was given by the Live Stock National Bank of Omaha for their employees. Honor guests were Alvin E. Johnson, Harry McCandless, Frank W. Hejl, Marshall C. Dillon, R. H. Kroeger and Lester V. Pulliam, who have been with the bank more than twenty-five years.

Enlarges Safe Deposit Section

The South Omaha Savings Bank has made changes to its building due to the increase in its safe deposit box business. One of the coupon booths was removed so that a desk could be placed adjacent to the lobby where a young lady custodian can meet the safe deposit box customers.

The bank has enlarged its safe deposit box section to about twice its former size and have these boxes for rental now.

Bank Entertains

O. M. Jeffrey, president of the Plainview State Bank, and his associates entertained officers of six neighboring banks early last month, fifteen bankers being present.

The function was held at the Johnson Hotel, beginning with a seven o'clock dinner, after which a social and business session continued until 11:30.

Open House

The Fremont National Bank held open house following the completion of its project of remodeling and enlarging its quarters.

L. M. Keene became a director of the bank in 1882, the year it was chartered. He served as director and vice president until 1884, president until 1913, chairman of the board of directors until 1925, a total of 43 years of service.

L. P. Larson was a director in 1882, served the bank until 1938, a total of 56 years. Other early-day directors include H. B. Nicodemus, father of Charles B. Nicodemus; M. K. Hinman, father of Beach Hinman; L. D. Richards, father of Fred Richards, sr., and Redfield Richards and Mrs. Burt May, and Joe T. May, father of Louis E. May.

Patriotic Poster Display

To better display patriotic posters and information of value to the war effort, the Central National Bank, Columbus, has installed, for the duration, a tackboard with glass doors, on the outside north wall of the bank building.

Bank officials said the board, which measures three by nine feet, and is decorated in patriotic colors, will be used only for publicity matter on war bonds, tax savings certificates, Red Cross activities, agricultural production campaigns, etc., but strictly taboo will be bank advertising, other commercial notices and notes on community events.

Suspend Saturday Night Work

McCook banks, the First National and the McCook National Bank, have discontinued keeping open on Saturday nights, it was announced recently. There will be no further service on Saturday evenings to serve workers and persons associated with the McCook air base.

Cashier Resigns

After 24 years of service as assistant cashier of the First National Bank

Northwestern Banker January 1943

of Hooper, C. H. Dahl submitted his resignation in order to accept a position as cashier in the Dodge county treasurer's office at Fremont.

Employed at Bank

Miss Netha McGee has been employed to work at the Citizens State Bank of Clearwater.

Bob Clark Honored

The Papillion Commercial Club sponsored a dinner held in the Peters Cafe, honoring Bob Clarke of Papil-

lion, recently elected president of the State Bankers Association.

Papillion and Sarpy counties feel highly honored in having one of its citizens so highly honored and the dinner was an expression of their appreciation.

40th Anniversary

December, 1942, marked the 40th anniversary of the Spalding City Bank.

The bank was organized December 1, 1902, with John H. Sullivan, president; T. F. Sullivan, vice president, and James Fox, cashier. The first direc-

tors were Vincent Glasser, T. F. Sullivan and Tim Cronin.

Mr. Fox was cashier from the time the bank was organized until 1908. He is now president of the First National Bank in Albion.

Mr. Sullivan was president of the bank from the time of its organization in 1902 until his death December 1, 1932, the day of the 30th anniversary of his bank.

Shortly after the death of J. H. Sullivan, his son, Dr. M. M. Sullivan, became president of the bank and his daughter, Hannah Sullivan, became vice president. M. J. Dolce has been an officer in the bank for the past 34 years, Leo Semper for 20 years, and M. D. Dolce 12 years.

Pioneer Banker Passes

Ravenna and the whole community mourns the loss of Charles N. Davenport, pioneer Ravenna merchant and business man.

He passed away at the age of 80 years, one month and 27 days.

Mr. Davenport had interested himself in many lines of business, particularly banking, and was president of the State Bank of Ravenna, associating himself in that business first with Dr. S. N. Bentley, and later with others who, with him, owned the bank.

Kenneth Sandrock Honored

The First National Bank of Falls City gave a dinner recently for Kenneth G. Sandrock, a vice president of the bank, who has joined the Navy. Those at the dinner were Mr. and Mrs. Sandrock, Mr. and Mrs. George Sandrock, Mr. and Mrs. L. P. Wirth, Mr. and Mrs. E. H. Towle, Mr. and Mrs. H. B. Bedwell, Mr. and Mrs. Edwin S. Towle, Mr. and Mrs. F. W. Buchholz, Mr. and Mrs. George R. Froelich, Mr. and Mrs. A. D. Cameron and Misses Elizabeth McMahon, Anna Sheehan, Evelyn Kentopp, Eleanor Ehlers, Etta Chapin and Cornelia Bruhn.

Taken By Death

George M. Powell, land owner and cattle feeder residing south of Hardy, passed away in November following a brief illness.

Mr. Powell was a director of the Security National Bank of Superior and vice president of the Farmers State Bank of Hardy. He was a well-known and highly respected resident of the community, having been an early settler.

Commerce Trust Company

18-1

Established 1865

KANSAS CITY, MISSOURI

Member Federal Reserve System

Statement of Condition at Close of Business December 31, 1942

RESOURCES

Cash and Due from Banks.....	\$107,848,251.73	
U. S. Obligations, Direct and Fully Guaranteed.....	125,956,020.04	233,804,271.77
State, Municipal and Federal Land Bank Bonds.....	19,959,189.37	
Stock of Federal Reserve Bank.....	300,000.00	
Other Bonds and Securities.....	8,021,089.98	28,280,279.35
Loans and Discounts.....		57,109,332.64
Bank Premises and Other Real Estate Owned.....		1,987,867.57
Customers' Liability Account Letters of Credit.....		17,800.00
Accrued Interest Receivable.....		307,238.06
Overdrafts		35,623.03
Other Resources		1,154.79
Total Resources		\$321,543,567.21

LIABILITIES

Deposits		\$307,314,706.22
Capital	\$6,000,000.00	
Surplus	4,000,000.00	
Undivided Profits	4,043,304.09	14,043,304.09
Liability Account Letters of Credit.....		17,800.00
Accrual Interest, Taxes and Expense.....		164,749.45
Other Liabilities		3,007.45
Total Liabilities		\$321,543,567.21

Member Federal Deposit Insurance Corporation



Omaha Clearings

ONE of the principal qualifications of a banker still is conservatism, according to **Arthur L. Coad**, president of the Packers National Bank of Omaha, who on December 17th completed 25 years of service with the institution.

His father, the late **J. F. Coad**, helped organize the Packers National more than 50 years ago.

Born in Cheyenne, Wyo., Arthur Coad attended Omaha schools, went to Creighton University Arts College through his junior year, then was graduated from the University of Nebraska Agricultural College.

For several years, he managed the family's ranch properties in New Mexico and Wyoming, then took a job in 1915 as bookkeeper in the Henry, Nebraska, State Bank.

He became a vice president of that bank, then started at the bottom at the Packers National, where he has held every position, serving continuously except for a few months at an officers' training camp before the armistice was signed in the first World War.

The Packers National has been active in fostering the livestock industry in the Omaha territory.

Arthur Coad is president of the Omaha Clearing House Association and treasurer of the Nebraska Bankers Association. He is a member of the Community Chest Board, chairman of a subcommittee of the War Bond drive.

John W. Redelfs, long associated with the investment banking business in Omaha, recently joined the sales staff of Lawrence Brinker & Co., Omaha.

Hillside, stone mansion built more than a half century ago by the late Henry W. Yates, pioneer Omaha

banker, at a cost of \$40,000, probably will be razed soon. The 25-room home, which still belongs to the Yates heirs, was occupied by a medical fraternity until the war. **Hal Yates**, banker son of the builder, said remodeling would be expensive even if materials were available.

The house is situated on two and a half acres of ground.

The Live Stock National Bank of Omaha observed its thirty-fifth anniversary last month. Capital stock when the bank was founded was \$100,000. In September, 1942, the bank's statement showed capital stock, surplus, profits and reserve of \$1,636,166, with total resources of \$31,179,494.60.

Alvin E. Johnson, president of the bank, has been with the institution since its organization. He started as a messenger.

When Mr. Johnson first went to work for the bank, he was 15. Though qualified (by a short course) in book-keeping, shorthand and typing, he spent most of the first day washing windows.

As the bank observed the anniversary, Mr. Johnson was back at his desk after a 10-day business trip through the east.

Recalling his start at the bank, Mr. Johnson said L. M. Lord, head of the new institution, told him he would some day be president and owner. The youth took that with a grain of salt. Today Mr. Johnson is not only the bank's president, but the largest individual stockholder. Meantime, he has held every job in the bank.

The bank's growth has paralleled that of Omaha and Omaha's livestock industry. During the depression, the bank, Mr. Johnson said, never found it necessary to obtain financing through the RFC. It continued to pay

dividends to stockholders and did not reduce salaries.

Mr. Johnson is a past president of the Omaha Chamber of Commerce and headed one of Omaha's most successful Community Chest campaigns.

In a lively meeting of officials of 14 state banking associations in Chicago early in December, a fighting mad Nebraska Bankers' Association spokesman criticized the American Bankers' Association for alleged failure to get behind the Nebraska group in its fight against competition from government lending agencies.

Tension, however, was eased when the bankers, at the final day's session of the Central States Conference, voted to appoint a committee to attempt to agree on methods in fighting government competition.

A high official of the A.B.A. said there is no difference in objectives of the Nebraska Association and the National Association as to government subsidized competition, but the question is one of procedure.

William B. Hughes, veteran secretary of the Nebraska Association, was the spokesman for his group. He charged that attempts had been made by bankers in other states to "squelch" the Nebraska group in its protests against the activities of production credit associations and other government-sponsored organizations.

Loud protests from the Nebraska group were aired at the recent state convention in Omaha.

The production credit associations are farmer co-operatives organized eight years ago with \$120,000,000 of government money to make loans to farmer members.

American soldiers fighting in Africa or the South Seas or in Iceland like to look at a picture of a pretty girl. Yet when they get really lonesome—and they do—they want to sit down and talk—about home—to some nice gray-haired woman.

That's the way **Leon C. Murdock**, Chicago investment banker turned Red Cross personnel officer for the duration, has it sized up. He was in Omaha recently conferring with Red Cross officials and interviewing applicants to be Red Cross representatives with troops overseas.

Charles D. Saunders, vice president of the First National Bank of Omaha on leave for the duration as chairman of Omaha Ration Board No. 1, has one of the biggest jobs in Omaha in connection with the war effort. It was made still busier recently with the beginning of fuel oil and gasoline rationing.

Pooling of cars has helped greatly in getting people to work in Washington under gas rationing. **Major W. B. Millard, Jr.**, of the army signal corps, on leave from his duties as vice president of the Omaha National Bank, said on a recent visit to Omaha.

He is reigning king of Ak-Sar-Ben, no successor having been crowned since he was elevated to the throne at the 1941 coronation ball. No coronation was held this fall, because of the war. A party for service men was substituted. Millard has been stationed at the capitol since May.

In Omaha, he visited his aunt, Miss Jessie Millard.

Seventy-five executives of Omaha banks, investment houses and building and loan associations launched this region's part in the nine billion dollar Victory Loan Fund drive at a breakfast at the Omaha Athletic Club in December. Raymond E. McGrath, attorney, is regional manager of the campaign. **Frank J. Bender**, chairman of the Omaha Victory Loan Fund Committee, presided.

On the first day of the Omaha drive,

\$2,018,500 in sales of treasury bonds and tax certificates was reported. Prime sale was a \$1,000,000 order for Series C tax certificates from the Northern Natural Gas Company. **Carl Falk** of Buffett & Co., placed the order, and also asked an additional \$40,000 worth of certificates for the Argus Natural Gas Company, a companion firm of Northern Natural Gas.

Bender announced appointment of the following Omaha investment men to serve as an advisory board. **Manning Handler, Donald Pettis, Murray Crummer, P. P. Purdham, L. M. McCague, Harry Greenway, Carl Falk, Harry Smith, John M. Douglas.**

The Federal Land Bank of Omaha has sold about 100 typewriters—more than one-fourth of its total supply—to the army engineers and war production board. About two-thirds of the machines went to the engineers.

Ford E. Hovey, president of the Occidental Building and Loan Association of Omaha, was elected Nebraska's national councilman for the United States Savings and Loan League at a recent meeting in Omaha.

M. M. ("Mike") Meyers, Omaha investment banker, has been named executive officer of the Nebraska wing of the civil air patrol. Previously he was executive officer of squadron No. 1 at Omaha. He was chairman of the first airport bond drive committee at Omaha, is a past president of both the Omaha Junior Chamber of Commerce and the Nebraska Junior Chamber of Commerce.

Every Christmas, **L. E. Swanson** of Omaha has been sending a friend a sweater. This year, for a change, he decided to send the friend a collection of Indian head pennies.

For several days, he traded friends out of Indian heads, but it was slow work and Christmas was creeping closer. Then he had an idea. He advertised for Indian heads in a newspaper and the pennies started to roll in. He bought more than two thousand pennies, but still lacked pennies for certain years. But he was confident of getting those, too.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit Insurance Corporation



STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS DECEMBER 31, 1942

RESOURCES

Cash and due from banks	\$ 34,332,131.53
United States Government obligations — direct and fully guaranteed	40,950,871.34
Municipal and other marketable securities	16,147,285.26
Loans and discounts	22,756,673.32
Federal Reserve Bank stock	123,000.00
Customers' liability on acceptances	48,809.60
Accrued interest receivable	243,221.95
Real estate owned	1.00
Other assets	48,371.51
	<u>\$114,650,365.51</u>

LIABILITIES

Capital stock — preferred	\$ 600,000.00
Capital stock — common	1,000,000.00
Surplus	2,500,000.00
Undivided profits	463,780.48
Preferred stock retirement fund	255,000.00
Reserve for taxes, interest, contingencies, etc.	926,606.99
Unearned discount	326,636.56
Liability on acceptances	48,809.60
Deposits:	
Demand	\$97,345,242.39
United States Government	4,274,920.75
Other public funds	28,829.47
Savings	6,850,539.27
Other time deposits	30,000.00
	<u>108,529,531.88</u>
	<u>\$114,650,365.51</u>

BANKS Bought and Sold

Confidentially and with becoming dignity

BANK EMPLOYEES PLACED.

37 Years Satisfactory Service.

THE CHARLES E. WALTERS CO.

OMAHA, NEBRASKA



Lincoln Locals

M. WEIL, president of the National Bank of Commerce, last month was receiving congratulations from his many friends on his 84th birthday anniversary. Mr. Weil also received many floral tokens.

The fact that he is 84 years old in no way caused Mr. Weil to change his routine. He was at his desk in the bank when it opened, as he has been for many years, and remained there throughout the day.

Mr. Weil has been president of the bank ever since it was founded in 1902.

E. M. Forsyth, who recently completed a two-year term on the board of the Federal Home Loan Bank of Topeka, has received word of his reelection as director. The Topeka bank, one of twelve regional institutions in the United States, serves the states of Kansas, Nebraska, Oklahoma and Colorado. Forsyth is president of the First Federal Savings & Loan Association, having been with the firm for more than 20 years. He has also been active in national federal loan work.

Miss Della Mae Lautenschlager has been employed by the National Bank of Commerce in Lincoln. She had wanted to work in a bank and this opportunity was offered to her at the right time.

A chartered savings bank in Nebraska may not, under its original charter, carry on a checking account business, Attorney General Walter Johnson held in an opinion to State Banking Department Director **Wade R. Martin**.

"If a savings bank were permitted to extend to its customers the checking account service there would be little difference between the savings bank and the commercial bank," Johnson ruled.

However, in Omaha, where the question arose, it is necessary for a commercial bank to have capital structure of \$200,000 before it is chartered, while a savings bank is required to have only \$75,000 capital, Johnson concluded.

Ray P. Anderson enlisted in the Navy at Kansas City, and is now a storekeeper, third class, presently located at the U. S. Naval Training Station in San Diego, California. He was formerly employed at the First National Bank. His wife will remain in Lincoln.

New Bank Employee

Mrs. Mazie Duncan started work recently as bookkeeper at the Citizens State Bank, Haddam.

New Employee

Adolph Kucera has started working for the Bank of Mead. He will replace Emerson Erway, who has accepted a position to the Nebraska Ordnance Plant as a radio technician.

Banking Group Elects

Wayne Decker, teller at the Beatrice National Bank, was elected secretary-treasurer of the Southeast Nebraska clearing house association at the annual fall meeting.

Other new officers are H. R. Killing-er, Hebron, president, and Fred H. Bruning, Bruning, vice president. The program included addresses by Prof. Dana Cole of the University of Nebraska, and by F. S. Aldrich, vice president of the Continental National Bank of Lincoln. Included in discussions was the association's work with 4-H Club members, part of which is the giving of subscriptions to the "4-H Clubs News" to all 4-H Club leaders in the association's territory.

Attending the meeting from Beatrice, besides Decker, were Ray Grupe and Ed Austin, also of the Beatrice National Bank, and Loren Hobbs and Homer Hobbs of the Beatrice State Bank. Ivan Hedge, Filley banker, also attended.



We invite you to use the correspondent facilities of this bank—and to take advantage of our strategic location here in Lincoln.

★ ★ ★

DEPOSITS\$20,845,724.89
(As of December 31, 1942)

The
**CONTINENTAL NATIONAL
BANK
of
LINCOLN**

Member Federal Deposit Insurance Corporation

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

Commemorating...

★ 35 Years of Service ★



Thirty-five eventful years have passed since the December day in 1907 when the Live Stock National Bank, with a capital of \$100,000, first opened its doors to serve the people of this community.

Today, this bank is still faithfully serving many of its original patrons, as well as a steadily growing list of new friends who have found there is no substitute for the Live Stock National's friendly service.

Right now we're in there pitching, just as you are—doing everything we can to help bring Victory closer. Through loans to livestock feeders, through loans to businesses having war contracts, through the promotion of War Bonds and Stamps and in many other ways, the Live Stock National Bank is fulfilling its wartime responsibilities to the people of the nation it serves.

STATEMENT OF CONDITION, DECEMBER 31, 1942

RESOURCES

Loans and Discounts.....	\$12,188,095.57	
Bonds and Other Securities.....	115,274.80	
Stock in Federal Reserve Bank.....	37,500.00	
Banking House and Fixtures.....	1.00	
Other Real Estate.....	None	
U. S. Government Securities	\$12,194,610.60	
Cash, Sight Exch. and Due from Federal Reserve Bank	13,277,444.89	25,472,055.49
		<u>\$37,812,926.86</u>

LIABILITIES

Capital Stock (Common).....	\$	500,000.00
Surplus (Earned)		750,000.00
Undivided Profits		231,642.39
Reserved for Taxes, Interest, etc.....		180,351.17
Unearned Discount		8,830.54
Dividend Payable January 2, 1943.....		7,500.00
Deposits:		
Banks (Net)	\$18,681,210.54	
Other Deposits	17,453,392.22	36,134,602.76
		<u>\$37,812,926.86</u>

OFFICERS AND DIRECTORS

ALVIN E. JOHNSON President	H. C. KARPFF Vice President	HOWARD O. WILSON Vice President	R. H. KROEGER Vice President	W. P. ADKINS Chairman
PAUL HANSEN Cashier	L. V. PULLIAM Asst. Cashier	C. G. PEARSON Asst. Cashier	H. H. ECHTERMEYER Asst. Cashier	
H. B. BERGQUIST Coal and Grain	L. S. BURK Chicago	JAS. J. FITZGERALD Secretary Commercial Sav. and Loan Assn.	T. E. GLEDHILL Farmer	
LEO T. MURPHY Manager Allied Mills, Inc.	HERMAN K. SCHAFER President Maney Milling Co.	CARL A. SWANSON President Jerpe Commission and Cold Storage Co.		

LIVE STOCK NATIONAL BANK

OMAHA

Member Federal Deposit Insurance Corporation



B. A. GRONTAL
President
Council Bluffs

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Bank Deposits Up At Waterloo

Bank activity and resources in Waterloo continued an upward trend during 1942, as debits rose 23 per cent and deposits 25 per cent during the first 11 months over a similar period in 1941.

Debits for the National Bank of Waterloo and the Waterloo Savings Bank, on the basis of clearing house reports up to December 1, had by that time already passed the 12-month mark of 1941, and stood at \$303,776,000. It was an increase of approximately \$51,000,000 over the first 11 months of the previous year, and was \$19,000,000 greater than the total for the whole of 1941.

The continued upturn meant that debits had increased in two years by 30 per cent.

Deposits at the two banks attained the total of \$20,063,430, or \$3,978,661 more than for the first 11 months of 1941.

Of these, \$10,866,803 was on deposit at the National Bank of Waterloo, and \$9,196,627 at the Waterloo Savings Bank. Figures for the two banks in 1941 showed National Bank deposits at \$8,738,051, and Waterloo Savings Bank deposits at \$7,295,141.

Bank Employees Entertained

Mr. and Mrs. M. E. Toothacre entertained employees of the Farmers & Merchants Bank of Burlington recently.

Those present were Mr. and Mrs. M. E. Toothacre, Harry E. Simon, Mr. and

Mrs. C. H. Walsh, Mr. and Mrs. J. Henry Rudy, Mr. and Mrs. Jack Boden, Mr. and Mrs. Herbert Wittkamp, Mrs. Katherine Nixon, Misses Myla Keehn, Margaret Vandervert, Grace Orr, Edna Orr, Nellie Fischer, Wanda Shew, Twila Reeb, Ruth Oberman and Sylvia PfiEFF.

Farm Loan Manager

Due to the resignation of C. J. Howe, Max W. Burrell has been appointed manager of the Ames, Iowa, farm loan office of the Connecticut General Life Insurance Company. This office serves company farm investments in Iowa, Missouri, and Minnesota. It is active in negotiating farm loans, many of which are handled through banks in these states.

Mr. Burrell has been associated with the Connecticut General Life in Iowa for the past ten years.

Dies in Boyden

Fred De Jong, for the past seven years an employee of the Farmers Savings Bank of Boyden, passed away in that city recently at the age of 26 years. He had been ill for the past few months, and his death was caused by a heart ailment.

New Directors

At the recent annual meeting of the Exchange State Bank, of Wesley, two new directors were elected to the board, and Andrew Gollner, a board member for the past eighteen years, was advanced to the office of vice president. The two new board mem-

bers named were J. D. Lowe, an attorney, and L. H. Kleinpeter, department store owner.

Banker-Soldier Dies

Information comes from J. B. Wasson, cashier of the First State Bank, Lynnville, that Pfc. DeVere Stanley, a former cashier of the bank, died at Lubbock Field, Texas, where he had been stationed. Mr. Stanley entered the employ of the bank in 1934 as assistant cashier, and was named cashier a year ago. His father is H. L. Stanley, vice president of the First State Bank.

Bring More Pennies

Here is an interesting item from Claus Loof, president of the Peoples Trust & Savings Bank at Grand Junction:

"I note the item in your December issue in which you state that some Cedar Rapids bank reported that many pennies were being turned in and that one particular party brought in about \$115 worth in pennies and other small coins exchanging them for currency.

"I am happy to report that a few days ago we had a local party turn in to us \$110 in pennies of which \$70 were in Indian head pennies, buying a War Bond with \$75 of it, and taking currency for the balance."

Observes 12th Anniversary

Observing the twelfth anniversary of Union-Whitten State Savings Bank officers and directors enjoyed a dinner and program recently in Union.

With H. E. Long, vice president, presiding, an address of welcome was given by C. L. Long, cashier; vocal solos by F. W. Berninghausen, accompanied by Mrs. K. J. Lyon, and by Mrs. Lyon, accompanied by Mrs. E. H. Biersborn. A history of the bank was presented by K. J. Lyon, assistant cashier, and a talk on agriculture was given by J. R. Howard of Clemmons, former president of the American Farm Bureau Federation. The program closed with two piano selections by W. K. Bramwell, chairman of the board of directors.



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

New Director

A. C. Gingerich, president of the Maplecrest turkey farms at Wellman, has been elected a director of the First Capital National Bank of Iowa City, to succeed the late Lee Nagle, Frank D. Williams, president, announced recently.

This is the first change in the directorate of the bank since its organization in 1932.

Home Financing Declines

There has been a great increase in the amount of advance payments by home owners on their mortgage indebtedness, it was reported by R. J. Richardson, president of the Federal Home Loan Bank of Des Moines, at its quarterly meeting of directors.

He also reported there has been a substantial decline in home financing volume due to the virtual elimination of all new home construction due to a shortage in critical materials.

As a result of the shrinking loan demand and excess payments on outstanding loans, savings and loan associations have more than trebled their government bond holdings in the last five months, Richardson reported.

In addition, association members have sold war bonds and stamps totaling more than one-quarter billion dollars.

The bank declared a stockholder dividend of \$64,097.

North Iowa Bankers Meet

E. L. Walleser, vice president of the First Security Bank of Charles City, attended a meeting of bankers from eight north Iowa counties at Mason City last month. The session was called for the purpose of promoting the Iowa Regional Victory Fund committee's drive to increase investments in U. S. bonds in this section of the state, the December quota being nine billion dollars.

Others from Floyd county at the meeting were: H. C. Batty, vice president of the First State Bank at Rockford; E. C. Moody, president, and J. A. Cutler, cashier, of the First State bank at Nora Springs.

Assistant Regional Manager

Herbert L. Horton, chairman of the Iowa Regional Victory Fund committee, has announced the appointment of John H. (Mike) Ruhl as assistant regional manager.

Mr. Ruhl has been vice president of Quail and Company, investment bankers of Davenport, and has been granted an indefinite leave of absence and will devote his entire time to cooperating with bankers in eastern and north-eastern Iowa on the promotion of the various government issues and tax savings notes.

This appointment was made with the approval of the Secretary of the Treasury, Henry Morgenthau, Jr.

Annual Bank Meeting

Shareholders of the City National Bank, Shenandoah, will hold their annual meeting early in January at the bank. A board of directors will be elected. Revised articles of association will be considered and such other business as may come before the meeting.

H. E. Ross is president of the bank.

New Bank

Zearing now has a home owned institution, opened the first of the year.

The acting board is, president, W. H. Brandt; vice president, R. J. Pulley; directors, W. H. Brown, of Zearing, H. L. Swanson of Garden City and C. F. Long of Union.

W. H. Brown will be cashier, Mrs. Verda Holveck, assisting cashier, Miss Noren E. Pulley the teller. The bank

THE NORTHERN TRUST COMPANY

• CHICAGO •

Statement of Condition, December 31, 1942

RESOURCES

Loans and Discounts.....	\$ 46,621,685.74
U. S. Government Securities.....	216,219,041.27
<i>(Including \$32,000,000.00 pledged to secure deposits of U. S. Government and other public monies, as required by law)</i>	
Other Bonds and Securities.....	96,100,762.66
<i>(Including \$500,000.00 deposited with State Authorities under Trust Act)</i>	
Federal Reserve Bank Stock.....	270,000.00
Bank Premises.....	1,400,000.00
Customers' Liability, Account Letters of Credit and Acceptances.....	228,211.62
Other Resources.....	497,590.00
Cash and Due from Banks.....	124,843,678.35
TOTAL.....	\$486,180,969.64

LIABILITIES

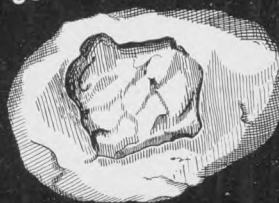
Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	6,000,000.00
Undivided Profits.....	5,700,190.27
Reserve for Taxes, Interest, etc.....	11,743,824.24
Dividend Payable January 2, 1943.....	135,000.00
Letters of Credit and Acceptances Outstanding..	266,747.85
Other Liabilities.....	87,624.88
Deposits:	
Demand.....	\$379,501,268.57
Time.....	79,746,313.83
	459,247,582.40
TOTAL.....	\$486,180,969.64

Member Federal Deposit Insurance Corporation

COIN OF ASIA MINOR 800 B.C.



OBVERSE



REVERSE

HERE'S THE "FATHER ADAM" OF TODAY'S MONEY

The ancient city of Miletus in Asia Minor is credited, by high authority, as having produced the first money that actually merits the name "coin." Prior to coinage, metals were exchanged by weight, rather than shape or size.

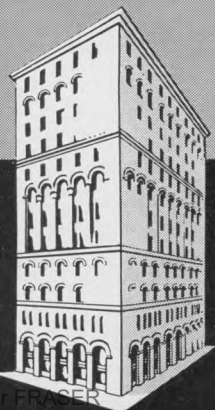
Dating back to about 800 B. C., these Milesian coins were made of an alloy of gold and at least twenty percent silver—known as electrum or "white gold." The standard was the *stater*, weight about 14.24 grams.

Pictured above is one of the earliest coins of Miletus, now on display in the British Museum. Typical of most early coins, it is globular in shape. On one side is a lion's head, an emblem of strength, nobleness and royalty. This symbol, often associated with ancient Greek legends, was sacred also to the Persians and Assyrians. The reverse side shows the deep, rough indentation of the punch used in driving the lump of gold into the die.

NO. 1 in a series of advertisements featuring coins that reflect commercial progress.

COMMERCIAL activity took a long step forward when the Greeks replaced shapeless metal with molded coins. Likewise, modern business has been greatly aided through the many improvements developed by banking.

Since 1917, progressive banking practice has built the Bankers Trust Company into one of Iowa's large banks, particularly qualified to handle the Des Moines business of other Iowa banks.



BANKERS TRUST COMPANY

6th and Locust DES MOINES



SECURITY NATIONAL BANK

SIOUX CITY, IOWA

Statement of Condition December 31, 1942

ASSETS

Cash on Hand and on Deposit with Banks	\$ 5,916,035.01
United States Government Securities	4,364,692.21
Bonds and Securities	894,971.61
Loans and Discounts	2,816,635.59
Security Bank Building, Vault and Fixtures	160,000.00
Federal Reserve Bank Stock	15,000.00
Other Assets	1,501.16

\$14,168,835.58

LIABILITIES

Capital	\$ 250,000.00
Surplus	250,000.00
Undivided Profits and Reserves	35,993.31
Deposits	13,632,842.27

\$14,168,835.58

Member Federal Deposit Insurance Corporation

will have a capital and surplus of \$41,250. The name will be the "Tri-County State Bank."

Clay County Bankers Elect

The Clay county bankers association was reorganized and revitalized at a meeting in Spencer last month. Several problems affecting the banking industry were discussed but no major definite action was taken.

New officers were chosen at the meeting as follows:

A. E. Anderson of Spencer, president; H. G. Morrison of Peterson, vice president; and R. G. Lexvold of Spencer, secretary-treasurer.

Why Tax Savings Notes Really Help

The Iowa Victory Fund Committee, according to regional manager, James A. Cummins, has on several occasions been asked, "Why bother with the sale of tax notes? It will be necessary to refinance them in a matter of months and the earnings is relatively small.

To the taxpayer the notes afford an opportunity to anticipate future tax payments while cash is available, and they provide an interest earning in the process. The tax notes do not mature for three years. Many holders may find this coming year that cash is

Opened for Business October 15, 1934

Statement of the

IOWA STATE BANK & TRUST COMPANY

Iowa City, Iowa

DECEMBER 31, 1942

RESOURCES

Cash and Due from Banks.....	\$2,112,034.17
U. S. Bonds.....	998,728.21
Other Bonds and Securities.....	113,589.71

CASH OR ITS EQUIVALENT.....	\$3,224,352.09
Loans and Discounts.....	1,420,368.18
Overdrafts	81.18
Banking House	53,300.00
Furniture and Fixtures.....	18,000.00

\$4,716,101.45

LIABILITIES

Capital Stock	\$ 150,000.00
Surplus and Undivided Profits.....	99,715.86
Deposits	4,466,385.59

\$4,716,101.45

OFFICERS

BEN S. SUMMERWILL, President
DR. E. M. MAC EWEN, Vice President
W. W. SUMMERWILL, Vice President
M. B. GUTHRIE, Cashier
W. F. SCHMIDT, Ass't Cashier
M. E. TAYLOR, Auditor

DIRECTORS

DR. E. M. MAC EWEN
R. J. BASCHNAGEL M. B. GUTHRIE
GEORGE A. THOMPSON GUY A. STEVENS
BEN S. SUMMERWILL
W. W. SUMMERWILL

Member of Federal Deposit Insurance Corporation



FRANK C. WELCH

Mr. Welch, president of the Peoples Savings Bank, Cedar Rapids, has been named a member of the ABA Federal Legislative Committee, as well as a member of the sub-committee of the ABA on Bankruptcy Legislation. The appointment was made by W. L. Hemingway, president of the American Bankers Association.

• IOWA NEWS •

available for the tax payments and many of the notes will probably be held over until the second or even the third year. They will be usable at any time for tax payments, and, in the meantime, provide an interest earning investment redeemable at any time if cash is needed for other than tax payments.

But to the banking system the notes accomplish an important mechanical benefit. Income tax collections come into the Treasury at four periods of the year and in huge amounts. Sharp fluctuations are thereby occasioned in Treasury deposits with Federal Reserve Banks and, consequently, in reserve balances and excess reserves of member banks. The more the notes are bought in anticipation of taxes and the more they are used for payment of taxes, the more will they help in smoothing out these particular fluctuations.

Use of war loan credits is another means by which banks can help to smooth out the fluctuations caused by new financing. Considering the immensity of the problem ahead and the vital necessity of maintaining a sound banking structure, it seems only reasonable to expect the utmost cooperation among bankers to do all things possible to accomplish that end, regardless of any profit in the doing.

Wins Promotion

Word has been received that Miss Helen Merriman, Pierson high school graduate, and former employe of the Farmers Savings Bank, has received another promotion.

Helen is now a teller in the First National Bank at Burbank, California.

25 Years' Service

At the annual Christmas dinner party of the Iowa-Des Moines National Bank & Trust Co. gold watches were awarded to six new 25 year service club members.

A special observance was held for the 30 employes now in the armed services by the 255 officers and employes, husbands and wives who attended the dinner.

The new club members are Miss Irene Meyers, a secretary; John R. Beeman, manager of the collection department; Loraine Ewing, William

J. Howard, tellers; W. Frank Howell, assistant trust officer; and George D. Jorgensen, assistant cashier.

Herbert L. Horton, president, acted as toastmaster and presented the awards.

Relinquishes Stock

It has been announced that Mrs. Minnie G. Johnson, of Somers, has relinquished her stock in the Lake City State Bank to the directors of the institution.

The entire stock of the bank is now held by local persons.

Likes It Dry

Three Canadians, sleeping in a tent in one of the English training areas last summer, were rudely awakened by a terrific crash not far away.

"What was that — thunder or bombs?" asked one.

"Bombs," was the laconic answer.

"Thank heaven for that!" chimed in the third. "I thought we were going to have more rain!"



STATEMENT OF CONDITION DECEMBER 31, 1942

ASSETS

Cash and Due from Banks.....	\$ 4,606,448.40
Loans and Discounts.....	2,805,704.90
United States Government Bonds and Securities.....	2,381,852.75
State, County and Municipal Bonds.....	242,380.80
Other Bonds and Securities.....	215,812.30
Stock in the Federal Reserve Bank.....	18,000.00
Bank Building, Furniture and Fixtures.....	175,000.00
Other Assets.....	18,270.38
	\$10,463,469.53

LIABILITIES

Capital.....	\$400,000.00
Surplus.....	210,000.00
Undivided Profits.....	15,962.83
Reserve for Contingencies.....	40,000.00
Total Capital Account.....	665,962.83
Reserve for Taxes and Interest.....	9,506.43
Other Liabilities.....	110.00
Deposits.....	9,787,890.27
	\$10,463,469.53

A. G. Sam, President

J. P. Hainer, Vice President

J. R. Graning, Assistant Cashier

Fritz Fritzson, Vice Pres. and Cashier

E. A. Johnson, Assistant Cashier

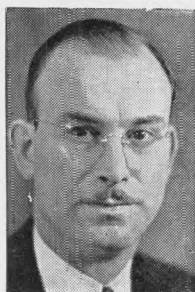
J. T. Grant, Assistant Cashier

W. F. Cook, Auditor

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

FIRST NATIONAL BANK IN SIOUX CITY

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



IOWA NEWS

FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

J. PAULSON recently joined the Kiron State Bank as assistant cashier and succeeds **Wm. E. Wenzel**, who has accepted a position with the Security State Bank at McIntosh, South Dakota, as cashier. For the last five years Mr. Paulson has worked for the Bank of America in the Whitley and Hollywood branches in California. He formerly lived at Boxholm, Iowa, before going to California.

C. M. Stenberg, formerly assistant cashier at the Odeboldt State Bank, resigned his position and has accepted a position with the Fort Kearney State Bank, Fort Kearney, Nebraska. **Phyllis C. Krah** was moved up to as-

sume his duties. **Arlene Stonebery** was added to the force as bookkeeper.

New interest rates paid at the **Farmers Savings Bank, Ricketts**, are 2 per cent on 12 months CD's and 1½ per cent on six months CD's and savings. The bank was paying 2½ per cent until recently.

Denison banks are now paying 1½ per cent interest on 12 months CD's and 1 per cent on six months CD's and savings accounts. A reduction was made last August.

G. T. Ryan, assistant cashier, First National Bank, Denison, has been

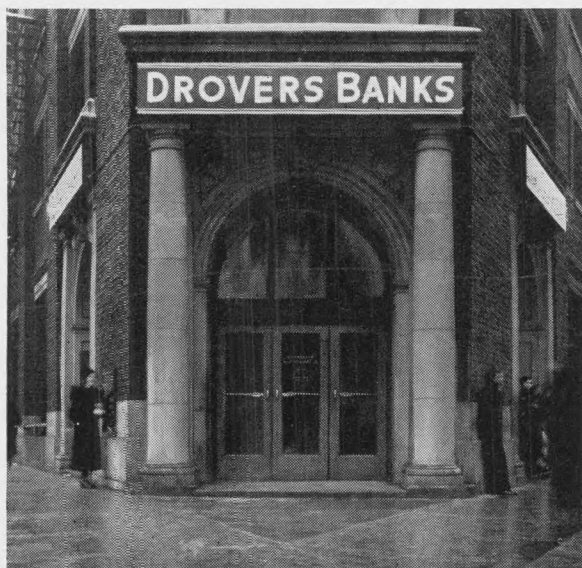
given a leave of absence from the bank, effective December 21st, and goes into Officers Training, United States Army. Mr. Ryan has been with the First National about two and one-half years, coming here from the Live Stock National, Sioux City.

Both banks at **Manning** reduced interest rates last October from 2 to 1 per cent.

Robert N. Garlock, assistant cashier, Dallas County State Bank, enlisted in the United States Navy and reported to his base at Hollywood, Florida, December 15th, as a commissioned Ensign. **Russell Horn**, also assistant cashier here, will take over his duties during his absence.

Effective January 1st, the **Ute State Bank** will pay 1 per cent interest computed semi-annually, June 30th and December 30th, on savings accounts up to \$500. No interest will be paid on accounts over \$500 and no interest on accounts of \$10 or less. CD's will be written for 12 months only and will bear 1 per cent interest. The bank has been paying 2 per cent interest.

All banks in **Jasper county**, with the



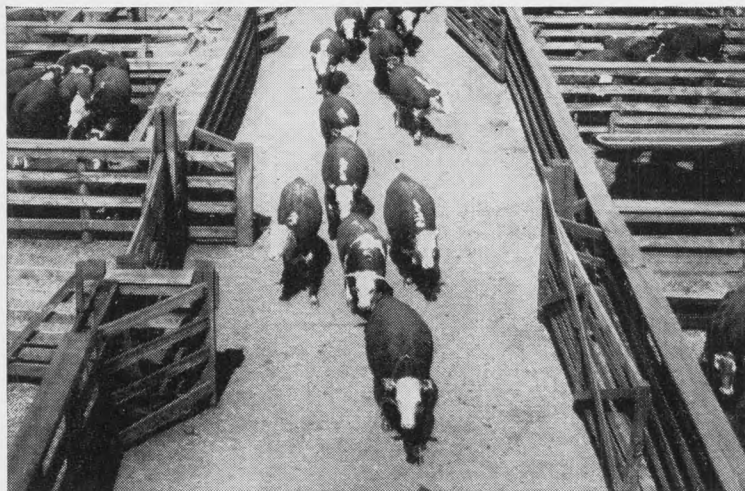
STRATEGICALLY LOCATED to Chicago's most famous square mile—the Union Stock Yards—the entrance of the Drovers Banks is only a stone's throw from Packingtown.



WHITE FACES on dry lot. Soon they'll be ready for market, but now they're helping convert a bumper crop of hybrid corn into prime beef for the Food-For-Victory Program.

CHICAGO CORRESPONDENT

In these wartimes—fast, friendly service to correspondent banks is more needed than ever. If your customers ship livestock to the Union Stock Yards, then the Drovers National Bank is a logical choice for your Chicago Correspondent.



JOURNEY'S END at the Union Stock Yards, Chicago. And the start of a new chain of cooperating bank services—not the least of which is transmitting the proceeds quickly to the local bank of the shipper of these white faces.

DROVERS NATIONAL BANK
DROVERS TRUST & SAVINGS BANK

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION

UNION STOCK YARDS • CHICAGO



Statement of Condition

DECEMBER 31, 1942

DIRECTORS

V. O. FIGGE
President

J. L. HECHT
French and Hecht, Inc.

J. M. HUTCHINSON
Vice President and Trust Officer

CHARLES J. JOHNSON
Independent Baking Co.

JOS. S. KIMMEL
Republic Electric Co.

FREDERICK H. LAMB
Physician

H. E. LITTIG
Iowa-Illinois Gas and Electric Co.

HERMAN STAAK
Vice Pres. and Cashier

KUNO H. STRUCK
Vice President

KARL P. TESKE
Teske Milling Co.

CABLE G. VON MAUR
Petersen-Harned-Von Maur, Inc.

T. J. WALSH
Walsh Construction Co.

C. D. WATERMAN
Lane and Waterman

ASSETS

Cash	\$16,554,111.42
United States Government Securities	18,805,400.53
Municipal and Federal Land Bank Bonds	1,431,307.14
Loans	8,172,779.61
Federal Reserve Bank Stock	72,000.00
Furniture and Fixtures	29,027.72
Overdrafts	2,053.71
	<hr/>
	\$45,066,680.13

LIABILITIES

Capital	\$ 600,000.00
Surplus	1,800,000.00
Reserves and Profits	1,133,036.57
Deposits	41,533,643.56
	<hr/>
	\$45,066,680.13

DAVENPORT BANK AND TRUST COMPANY

Member Federal



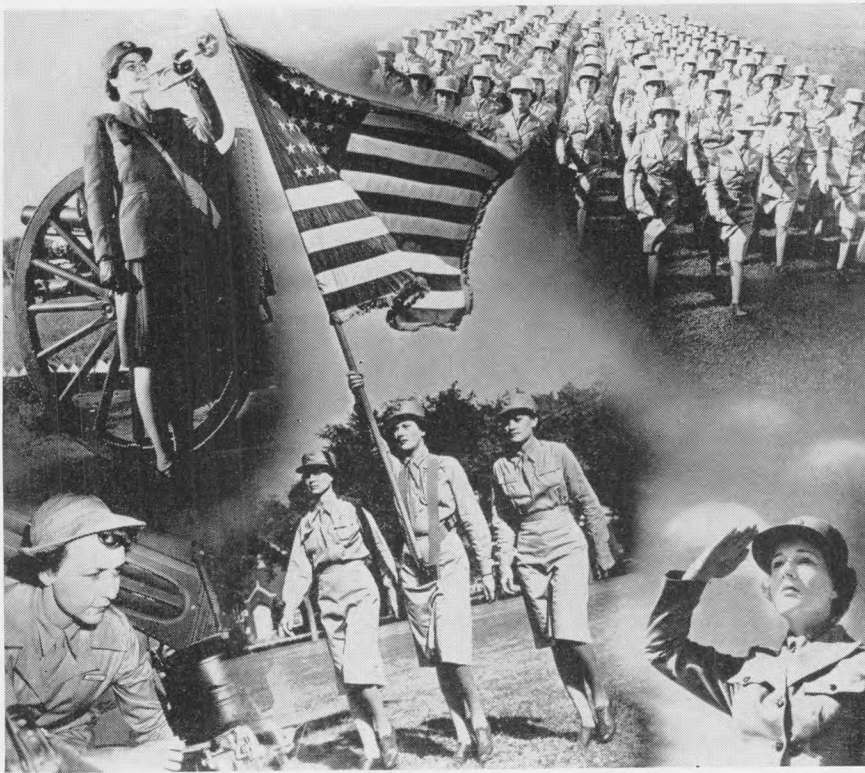
Reserve System

DAVENPORT, IOWA

Member Federal Deposit Insurance Corporation

Northwestern Banker January 1943

WAAC Portrayed in Bank Mural



IN THE interest of promoting the sale of War Bonds and Stamps, another mural has been added to those already appearing on the wall of the lobby of the Central National Bank and Trust Company, Des Moines. The newest member of the Central National mural family portrays some of the activities of the Women's Army Auxiliary Corps, headquartered at Fort Des Moines.

Commenting on the mural, Frank R. Warden, vice president of the bank,

says: "This mural has been dedicated to the WAAC, and features several of the activities of that fine organization. The mural is ten feet high by eleven feet wide, the color-bearers being almost life-size.

"Fort Des Moines being headquarters for the Women's Army Auxiliary Corps, we are doing everything possible to promote and publicize this organization. To our knowledge this is the first mural ever developed in the interest of the WAAC."

exception of one bank, will reduce interest rates uniformly to 1 per cent, effective January 1st. Two per cent was the prevailing rate.

Effective January 1st, the **Odeboldt State Bank** reduced the maximum amount accepted in a savings account to \$500 on which it will pay interest. The interest rate paid is 2 per cent. Last October 1st, the bank reduced interest rates from 2 to 1 per cent on CD's and write the CD's for 12 months only. Other banks in Sac county also limit the amount accepted in savings accounts to \$500.

Among the letters we received from fellows now in the United States Armed Forces was one from **Lieutenant Dale H. Smith**, formerly assistant cashier, Tipton State Bank. He writes us that he has just completed six months of finance training, three of which was technical and three officer candidate school, the reward being a commission as a Lieutenant in the Finance Department. More luck to you, Dale.

We quote from a letter received from **C. W. Logan**, president, First Trust & Savings Bank, Merville: "This will acknowledge receipt of your letter of December 18th, relative to our adopting service charges as suggested by the Iowa Banking Department. We wish to advise that we did adopt the plan at our county meeting, except that if those plans call for charging every customer once each month, we reserve the right in our own banks to forego charges on substantial accounts." Merville is in Woodbury county.

Sign in the **Hartwick State Bank:**
If You Want to Hoard Something—
Hoard War Bonds.

FIRST NATIONAL BANK

CEDAR FALLS, IOWA

Statement of Condition as of December 31, 1942

RESOURCES		LIABILITIES	
Cash and Due from Banks.....	\$ 729,001.39	Capital Stock	\$ 100,000.00
U. S. Government Bonds.....	636,686.15	Surplus	20,000.00
U. S. Guaranteed Bonds.....	35,000.00	Undivided Profits	15,178.34
State and Municipal Bonds.....	461,252.67	Reserves	13,243.55
Stock in the Federal Reserve Bank	3,600.00	Deposits	2,052,762.09
Loans and Discounts.....	287,949.27		
Banking House	26,400.00		
Furniture and Fixtures.....	5,924.50		
Other Assets.....	15,370.00		
	\$2,201,183.98		\$2,201,183.98

V. W. Johnson, President
J. B. Newman, Vice President

W. E. Brown, Cashier
Edwin L. Unger, Asst. Cashier

Member Federal Reserve System
Member Federal Deposit Insurance Corporation

Des Moines banks announce a new uniform analysis schedule of service charges as follows:

Maintenance of account—\$1.00.
Each check written—3c.
Each deposit made—3c.
Local checks deposited—1½c.
Out-of-town checks deposited—3c.

Credit to the account or "earning allowances" will be 2 per cent per annum on loanable balance after deducting 25 per cent reserve. In other words, 12½ cents per month for each \$100 of average collected balance. For example, a \$400 balance entitles the depositor to a 50c income credit. No charge is made for any month in which the account is entirely inactive, nor is any charge made against accounts with an average collected balance of

• IOWA NEWS •

\$200 or more—if the net loss under analysis is less than \$1.

Mapleton banks reduced interest rates paid on deposits to 1 per cent on savings and six months CD's and 1½ per cent on 12th months CD's. The former rate was straight 2 per cent.

The **First Capital National Bank, Iowa City**, made a change in interest paid on deposits, effective January 1st. Interest will be at the rate of 1 per cent per annum. The bank was paying 1½ per cent on savings accounts up to \$500 and 1 per cent thereafter.

All banks in **Poweshiek county** are now paying 1 per cent on deposits. The former rate was 2 per cent up until last September 15th, when the change was made.

Pella Bank Changes

Mortimer Goodwin left last month for service with the United States Navy as a lieutenant. Mr. Goodwin is executive vice president of the Pella National Bank. He has been active in community service.

Charles F. Dykstra has been elected to the post of president of the Pella National Bank. Mr. Dykstra is agent for the Rock Island Railroad in Pella. He is progressive and has been active in civic affairs, especially the Chamber of Commerce.

Hamilton to Harlan

Frank S. Hamilton, cashier of the Malvern Trust and Savings Bank since February, 1936, has been elected cashier of the Harlan National Bank. This is considered a very fine advancement for Mr. Hamilton, as the Harlan bank is one of the leading banks of southwest Iowa.

Bankers Elect

At a meeting of the Allamakee County Bankers Association last month at Waukon, officers were re-elected for service during 1943. C. H. Megorden was elected president; Morris Kerndt of Lansing, vice president, and Clarence Hoth of Postville, secretary-treasurer. Members of the legislative committee are Albert Fruechte of New Albin and Charles Fleenor of Waukon.

Bank Office Remodeled

An extensive program of improvements has been completed at the Union State Bank office in Winterset. The lobby of the bank has been enlarged and redecorated, new, modern

low-type counters have been installed and the old cage has been removed.

Bank Stock Sold

A. W. Jones, president of the Central Trust and Savings Bank, Cherokee, has announced the sale of a block of stock to John B. Keeline of Council Bluffs.

Mr. Keeline was for about ten years assistant cashier in the Council Bluffs Savings Bank, serving as an assistant cashier at the time of sale of his stock in that bank to his associates.

No change is being contemplated in

the force here, Mr. Jones said. A substantial amount of the stock is still owned by the president, who will continue to give some time to the management of the bank.

Added to Executive Committee

James A. Cummins, regional manager of the Iowa Victory Fund Committee for the United States Treasury, makes the following statement:

"Since the Iowa Regional Victory Fund Committee was announced a

READY
WILLING
and ABLE

*to serve every need of
correspondent banks*

MISSISSIPPI VALLEY TRUST COMPANY
ST. LOUIS

Member Federal Deposit
Insurance Corporation



87 Years
of Banking Experience

few weeks ago, there have been added to the executive committee the following men:

"R. H. Miller, president, Iowa State Bank, Algona; A. E. Jensen, president, First National Bank, Creston; Wm. Lawther, president, First National Bank, Dubuque; F. C. Moeller, president, Fort Dodge National Bank, Fort Dodge; G. M. Barnett, president, Guthrie County State Bank, Guthrie Center, and Wm. Buxton, III, vice president, Peoples Trust & Savings Bank, Indianola.

"We have had a number of meetings

in various parts of the state and there has been every evidence of cooperation on the part of all bankers in attendance. We, of the committee, have no doubt at all that Iowa is going to be ready and willing to do her share of the war financing from time to time as called for."

Crawford County Bankers Meet

The bankers of Crawford county held a county meeting and dinner at the Hotel Denison early in December

and the attendance was good. A discussion took place covering bond drives, Federal taxes, service charges and Victory bonds for banks and large investors.

Officers for the ensuing year were elected as follows: T. C. Aarestad, president; Glenn McCracken, vice president, and Ellen Fitzgerald, secretary-treasurer.

New Cashier at Leon

Charles Kelley, a state banking department examiner, has resigned and has taken the position of cashier at the Decatur County State Bank at Leon.

Kelley has been associated with the state banking department since 1926 and in the last 10 years has been in charge of liquidating closed banks in several northeastern Iowa counties.

Meets Tragic Death

Freeling H. Hamlett, 76, vice president and a director of the Union Bank and Trust Company at Strawberry Point, was trampled and gored to death by a bull on his farm four miles northeast of Strawberry Point. His body was found in the barn.

Holds Annual Meeting

O. E. Van Horn was elected president of the Lohrville Savings Bank at the annual meeting of the stockholders. This position was made vacant by the recent death of E. E. Earwood. Mr. Van Horn is also cashier of the bank.

Other officers elected at the meeting are O. A. Runquist, vice president, and Leo Kinnick, assistant cashier. Directors are H. C. Lohr, J. W. Pittman, O. A. Runquist, H. R. Watterson and O. E. Van Horn.

The regular annual dividend was declared.

Oto Manager

W. E. Clark, Ute, has accepted a position as manager of the bank at Oto. This bank is a branch of the Climbing Hill Savings Bank.

Into New Home

The Security State Bank of Guttenburg, a consolidation of the two banks which formerly served the community, has moved into its new quarters in the old Guttenberg State Bank Building.

The bank has been conducting its business in the old Clayton County State Bank Building for the past several weeks while remodeling work on the other building has been under way.



UNIQUE statewide coverage: This bank maintains correspondent contacts with more than 85 per cent of all the banks in Wisconsin! Result: Prompt, efficient, economical collection of Wisconsin checks and drafts — an important service to other banks throughout neighboring states.

BANKS and BANKERS DIVISION: George T. Campbell... *Vice-President*
Richard J. Lawless, Donald A. Harper... *Assistant Vice-Presidents*

**FIRST WISCONSIN
NATIONAL BANK
OF MILWAUKEE**

Member of the
Federal Deposit
Insurance Corporation

Northwestern Banker January 1943

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis

To Cashier's Post

Ivan C. Cummings of Sigourney has accepted a position as cashier of the Peoples Trust and Savings Bank at Riverside. Mr. and Mrs. Cummings moved to Riverside where they have purchased property.

On Bond Committee

Announcement has been made that Ben S. Summerwill and Frank D. Williams, presidents of Iowa City's two banks, have been named to represent Johnson county on the Victory Fund bond committee.

Under the Victory loan set-up, the state is divided into 18 districts. Johnson county is in the district which includes Iowa, Linn, Benton and Jones counties.

Named Bank President

At a meeting of the directors of the Maynard Savings Bank last month, L. D. Rowley, who has been vice president for a number of years, was elected president, to succeed the late John Meyer, and Otto Schmidt was elected vice president.

Promotions

Lela E. Roose, who has held the position as first teller with the State Bank of Allison for several years, was elected assistant cashier of the bank by the board of directors at its regular meeting last month. Sterling Koester, who has been with the bank since last June, was promoted to the position of first teller to succeed Miss Roose.

Henstorf Heads Bank

The board of directors of the First National Bank of Farragut, appointed R. O. Henstorf, president, to succeed William Rogers, deceased, and appointed C. C. Case cashier, to succeed R. O. Henstorf.

Robert H. Henstorf, assistant cashier, retains his position and Miss Harriette Roscoe continues as bookkeeper and secretary.

Worth County Bankers Meet

At a meeting of the Worth County Bankers Association, Oscar Olson of Northwood was elected president and E. G. Fardal, Hanlontown, secretary of the association. All banks of the county were represented at a meeting of the group held in Northwood last fall.

Northern Trust Dividend

The 180th consecutive quarterly dividend of The Northern Trust Company

of Chicago was declared by the directors last month. The dividend of \$4.50 is payable January 2, 1943, to stockholders as of December 15th.

Tax Computation Tables

The Public National Bank and Trust Company of New York has issued a pocket folder of easy-reading tax computation tables designed to simplify tax problems under the Revenue Act of 1942.

With this novel set of tables in hand, one can find at a glance what his own taxable status is as to federal income, estate and gift taxes. The tables apply to incomes and estates in practically all brackets. The correct figures covering virtually every individual situation have been worked out and can be located as readily as reading a scale or gauge.

The tables show at a glance the amount of reduction in both estate tax



The LIVE STOCK NATIONAL BANK

of Chicago

UNION STOCK YARDS • TELEPHONE YARDS 1220

STATEMENT OF CONDITION

December 31, 1942

RESOURCES

Cash and due from banks.....	\$19,994,513.92
U. S. Treasury bills and certificates.....	11,998,973.50
U. S. Government bonds and notes.....	2,816,100.00
State and municipal securities.....	752,501.00
Other marketable bonds.....	880,134.17
Loans and discounts.....	6,771,376.64
Federal Reserve Bank stock.....	75,000.00
Bank building.....	425,000.00
Interest earned, not collected.....	43,365.21
Current receivables and other assets.....	31,267.97
	<u>\$43,788,232.41</u>

LIABILITIES

Capital.....	\$ 1,000,000.00
Surplus.....	1,500,000.00
Undivided profits and reserves.....	153,017.80
Unearned discount.....	37,744.52
Deposits.....	41,097,470.09
	<u>\$43,788,232.41</u>

BOARD OF DIRECTORS

FREDERICK H. PRINCE

ROBERT J. DUNHAM
Investments

RICHARD HACKETT
*General Manager, Central
Manufacturing District*

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

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

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

RALPH M. SHAW
Winston, Straun & Shaw

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

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

SERVING AGRICULTURE AND INDUSTRY

Since 1868

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

and income tax resulting from a stated gift of part of a taxpayer's property. By means of the tabulations it is a simple matter to compare the total prospective estate, gift and income taxes on taxable property both before and after the gift. They enable one to ascertain quickly the amount of gift taxes on such gift, and bring all matter pertaining to each prospective gift into juxtaposition with related income and estate tax tabulations.

The Public National Bank and Trust Company "Tri-Tax Tables" are said to be among the finest of aids in making

clear and simple the increasingly complicated matter of tax computation. The handy pocket size folder is available on request to the bank.

A. B. A. Staff Changes

Three members of the staff of the American Bankers Association have been appointed deputy managers of the Association, according to an announcement of staff changes made by A. B. A. executive manager Harold Stonier.

Dr. Ernest M. Fisher, who has been

director of research in mortgage and real estate finance for the Association, has been appointed deputy manager in charge of the savings division and will continue to be in charge of the mortgage and real estate finance department.

J. D. Dunkerley, who has been assistant secretary of the savings division, will be associated with Dr. Fisher as secretary of the division. In addition, Mr. Dunkerley has been advanced from assistant secretary to secretary of the membership committee.

William Powers, director of the department of personnel and customer relations, has been named deputy manager in charge of that department.

J. E. Drew, who has been secretary of the Association's public relations council and secretary of the national ration banking committee, has been named deputy manager in charge of those activities.

Walter B. French, who has been deputy manager in charge of the Association's consumer credit department, will assume the responsibilities of the state bank division and the bank management commission in addition to his present activities.

Melvin C. Miller, formerly assistant secretary of the state bank division and of the bank management commission, will be associated with Mr. French as secretary of both the division and the commission.

William T. Wilson has been promoted from assistant secretary to secretary of the state secretaries section and will continue as director of the public education committee.

Colonel Frank W. Simmonds, senior deputy manager of the Association, will devote his attention to general administrative responsibilities in association with the executive manager.

Knight Promoted

Joseph R. Knight, former officer of the Continental Illinois National Bank and Trust Company in Chicago, where he has lived for the past 12 years, has been promoted to the rank of Major, Army of the United States, Headquarters of the Fourth Service Command announced.

Major Knight attended the Kansas City Law School, which later became the University of Kansas City, in Missouri, where he received the LL.B. degree. He previously attended Cornell College, at Mt. Vernon, Iowa.

Entering the Army in April, 1942, Major Knight attended the Army Finance School at Fort Benjamin Har-

The Waterloo Savings Bank

WATERLOO, IOWA

Statement of Condition as Made to Superintendent of Banking
at the Close of Business December 31, 1942

RESOURCES

First Mortgage Loans.....	\$ 605,576.58	
Loans Secured by Collateral.....	1,000,484.03	
Commercial Loans Supported by Financial Statements	662,779.09	\$2,268,839.70
Overdrafts		852.35
Real Estate (former bank building included).....		78,700.00
Furniture and Fixtures.....		20,760.71
State, County and Municipal Bonds.....	140,146.36	
Market Bonds	116,423.51	
Commercial Paper	497,500.00	
Securities of the U. S. Government and its Instrumentalities	3,920,085.22	
Cash on Hand and Due from Banks.....	2,277,557.68	6,951,712.77
		<u>\$9,320,865.53</u>

LIABILITIES

Capital Stock	\$ 200,000.00	
Surplus	235,000.00	
Undivided Profits	15,854.10	\$ 450,854.10
Deposits		8,870,011.43
		<u>\$9,320,865.53</u>

Deposits Insured by The Federal Deposit Insurance Corporation
Washington, D. C.
\$5,000.00—Maximum Insurance for Each Depositor—\$5,000.00

OFFICERS

H. G. NORTHEY, President
R. W. WAITE, Vice President
CARLETON SIAS, Vice President
J. J. MILLER, Cashier
FRANCIS R. LA BARRE, Ass't Cashier
V. SPALDING MILLER, Ass't Cashier
OLIVER J. SCHUTTE, Ass't Cashier

DIRECTORS

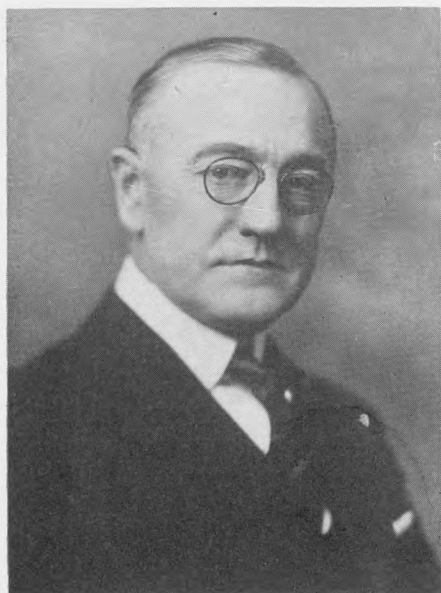
CLARENCE E. CAMPBELL
CARLETON SIAS
R. W. WAITE
HARRY G. NORTHEY
J. J. MILLER
LOWELL J. WALKER
C. F. ALTSTADT
HARRY A. LIMBERT
WILL E. OGLE
C. R. DAVIS
K. L. BRAGDON
GEORGE E. PIKE
CLYDE HINSON
JAMES G. EASTON

risson, Indiana. He came to Headquarters, Fourth Service Command in Atlanta, in August, 1942, as a captain, assigned to the finance division.

Arthur Reynolds Dies

Arthur Reynolds, 74, nationally known banker and former president of the Des Moines National Bank, here, died recently at his home in San Mateo, California.

Mr. Reynolds had gone to the Pacific coast in 1933 as vice president and executive officer of the Bank of America National Trust and Savings Association, founded by A. P. Gian-



ARTHUR REYNOLDS

nini at San Francisco. The former Iowa banker had retired three years ago.

Born in Panora, Iowa, March 10, 1868, Mr. Reynolds rose to a place of distinction among the financiers of the nation.

He served as president of the former Continental and Commercial National Bank of Chicago, Illinois—one of the largest in the country—and had been honored with the presidency of the American Bankers Association, in which he had held a number of lesser offices.

Northern Trust, Chicago

The deposits of The Northern Trust Company, Chicago, rose in 1942, \$38,000,000, to a new high of \$459,248,000. Holdings of United States government securities on December 31st were \$216,

219,000, compared with \$136,608,000 a year earlier. Cash holdings were reduced to \$124,844,000 from \$148,576,000 at the close of 1941, while loans and discounts declined to \$46,622,000 from \$52,200,000.

The earnings for the year ended December 31, 1942, were \$961,445.22, which is equivalent to \$32.05 per share on capital stock and 6.69 per cent on average capital stock, surplus and undivided profits. In 1941, the earnings were \$923,788.65, which was equivalent to \$30.79 per share on capital stock and

6.61 per cent on average capital stock, surplus and undivided profits.

Japs Work for Their Own "Funny" Money

How a quick-thinking Marine captain won the whole-hearted support of Jap prisoners on Guadalcanal, through the use of their own "phony" money was related by Lt. Col. J. J. Gannon, U. S. M. C., who returned to the San Diego Marine Base recently from the Solomons action.

STATEMENT OF CONDITION

Mercantile-Commerce Bank and Trust Company

Locust - Eighth - St. Charles
St. Louis

DECEMBER 31, 1942

THE RESOURCES

Cash and Due from Banks	\$79,124,380.43
U. S. Government Obligations, direct and guaranteed (including \$37,280,126.85 pledged*)	111,420,669.27
Other Bonds and Securities	30,212,055.62
Demand and Time Loans	43,318,583.85
Stock in Federal Reserve Bank in St. Louis	420,000.00
Real Estate (Company's Building)	2,790,536.40
Other Real Estate (Former Bank of Commerce Bldgs.)	1,500,000.00
Overdrafts	39,431.12
Customers' Liability on Acceptances and Letters of Credit	172,880.37
Other Resources	16,086.67
	<u>\$269,014,623.73</u>

THE LIABILITIES

Capital Stock	\$10,000,000.00
Surplus	4,000,000.00
Undivided Profits	\$3,875,684.13
Reserve for Dividend Declared	<u>150,000.00</u>
Reserve for Interest, Taxes, etc.	474,078.46
Unpaid Dividends	2,417.55
Bank's Liability on Acceptances and Letters of Credit	172,880.37
Other Liabilities	9,074.94
Deposits, Secured: Public Funds	\$ 30,745,111.38
Other Deposits, Demand	187,459,677.64
Other Deposits, Time	<u>32,125,699.26</u>
	<u>250,330,488.28</u>
	<u>\$269,014,623.73</u>

*All Securities pledged are to the U. S. Government or its Agents, State of Missouri and the City of St. Louis, to secure deposit and fiduciary obligations.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker January 1943

Colonel Gannon, officer in charge of the Personnel Classification Assignment Station (a recently adopted system to classify the occupational ability of all Marines) related the following incident:

"While serving in the weapons unit, I had in my outfit Capt. Mike Davidovich, who was placed in charge of all Jap prisoners. The Captain possessed, in addition to his keen sense of humor, a great understanding of human nature.

"In one of our particular engagements we took a number of Jap prisoners and . . . a bulky safe used by their paymaster department in paying off construction workers. Within we found thousands of dollars worth of crude imitation shilling notes evidently used by the Japs in paying laborers.

Our first thought was to throw the money away, but Captain Davidovich quickly intervened.

"Find me the biggest and smartest Jap in camp and bring him to my tent immediately, he told an orderly. A few minutes later a big smart-looking Jap appeared. Then the rest of the Japs were lined up in front of his tent.

"Through his interpreter, Captain Davidovich announced loudly that there was going to be a new deal, every man would have his salary doubled and exceptional work would be awarded with raises.

"By their buck-tooth grins and sweeping bows we assumed that the Captain's plan had struck home and met with their high approval.

"To keep the payroll straight," Col. Gannon said, "it was necessary to give

the Japs English names. The first man in the front row was dubbed Joe Doakes and then down the line they were given such titles as Willie the Weeper, Ham Strung Harry and Ivan Awfulitch, with every Jap taking his new name seriously.

"On pay days," Col. Gannon grinned, "the Japs, without smile, answered to their names in pidgin English as they stepped out of line to receive their pay.

"Spurred by the double-pay raise idea of Captain Davidovich they were willing to work on a 24-hour basis. They ran around the camp washing clothes, mending shoes, scrubbing tents and even weaving camouflage nets for our guns.

"That Captain Davidovich had worked a miracle was evident, as the Japs, their pockets bulging with phony currency, felt that dying for the rising sun was never like this."

Billion Dollar Bank

The following statement by Walter S. McLucas, chairman of the National Bank of Detroit, announces Detroit's first "billion dollar bank":

"A billion dollar bank for Detroit is, like everything else, regardless of size, important only to the degree, day in and day out, it increases its contribution to Victory. But as a shining reflection of the magnificent part Detroit and Michigan are playing in the ever increasing war effort—and we, with everybody else, are proud to be active partners—it is, indeed, impressive.

"We are particularly proud of one thing which does not show in our statement—we have issued more than \$100,000,000 War Bonds to Detroiters. Saving now, through the purchase of War Bonds and through savings accounts, means consumer purchasing power later on. And purchasing power combined with corporate reserves for reconversion to peacetime production may be the difference between profitable employment or serious unemployment when the war is won and the boys return."

Federal Reserve Officer

The election of E. C. Harris as a vice president of the Federal Reserve Bank of Chicago has been announced by Simeon E. Leland, chairman of the board of directors. Mr. Harris will be located in Detroit and will be the chief executive officer at the Detroit branch. He is president of the Union Guardian Trust Company of Detroit, with which

CONDENSED STATEMENT FIRST NATIONAL BANK IN ST. LOUIS

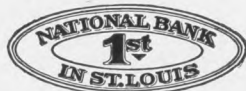
At the Close of Business, December 31, 1942

RESOURCES

Loans and Discounts	\$ 74,992,279.45
U. S. Government Securities	165,255,891.28
Other Securities Guaranteed by U.S. Government	4,577,469.26
Other Bonds and Stocks	9,429,385.81
Stock in Federal Reserve Bank	453,000.00
Banking House, Improvements, Furniture and Fixtures	482,273.73
Other Real Estate Owned	1,450,717.59
Customers' Liability a/c Letters of Credit, Acceptances, etc.	686,726.79
Accrued Interest Receivable	698,685.62
Overdrafts	5,095.45
Other Resources	5,324.54
Cash and due from Banks	103,614,815.29
	<u>\$361,651,664.81</u>

LIABILITIES

Capital—Common	\$ 10,200,000.00
Surplus and Profits	10,288,734.77
Dividend Declared, Payable Feb. 27, 1943	240,000.00
Reserve for Taxes, Interest, etc.	482,973.77
Unearned Discount	129,883.26
Liability a/c Letters of Credit, Acceptances, etc.	717,346.29
Other Liabilities	12,512.64
Individual Deposits	\$187,255,664.39
Savings Deposits	31,810,274.57
Bank Deposits	116,473,706.15
Government Deposits	65,925.00
City of St. Louis and Other Public Funds	3,974,643.97
Total Deposits	339,580,214.08
The above statement reports net deposits in accordance with instructions of Comptroller of Currency.	<u>\$361,651,664.81</u>



Broadway • Locust • Olive

Member Federal Deposit Insurance Corporation

• IOWA NEWS •

institution he has been connected since 1925.

The rapid rise in the importance of Detroit as an industrial and financial area has resulted in increased activity at the Federal Reserve branch and in the responsibilities of its officers and directors and has made necessary the election of a vice president, who will devote his full time to the Detroit area.

"Mr. Harris is highly regarded in banking circles," Mr. Leland stated, "and brings to his new position a wide acquaintance among business men and bankers, particularly in Michigan." With the exception of two years which he spent in the A. E. F. during the first World War and two years in the Ordnance Office of the Cincinnati district, Mr. Harris has been in business in Michigan since 1912. His first banking position was with the Security Trust Company of Detroit. He left there to become associated with the Union Guardian Trust Company, where he was successively assistant secretary, assistant vice president, vice president, secretary and treasurer, executive vice president and president.

He will assume his new duties on or about February 1st.

Wartime Conference

A wartime conference on trust problems will be held in New York, February 9th-11th, under the auspices of the Trust Division, American Bankers Association, it was announced by Louis S. Headley, president of the division. Mr. Headley is vice president of the First Trust Company of Saint Paul State Bank, Saint Paul, Minnesota.

"There will be five sessions of the conference devoted chiefly to problems which are created or magnified in importance by the war," Mr. Headley stated. "Trust institutions have special responsibilities here at home," he said. "They are serving many dependents whose chief support has been removed. They are serving men with property (and their families) who are in the armed forces or in war work. Trust institutions have a large part to play in protecting property and in providing security on the home front.

"Methods of serving these people better under difficult war conditions, and the larger problem of preserving values in a time of world disorder will be the theme of our conference," Mr.

Position Wanted: by man with both city and country bank experience, capable of filling any position. Above draft age. Write E. C. O., care Northwestern Banker.

Headley asserted. An outline of the tentative program follows:

The opening address at the first session will be given by President Headley of the Trust Division, to be followed by two speakers, to be announced later. The second session will feature a talk by Gilbert T. Stephenson, director, Trust Research, The Graduate School of Banking, American Bankers Association, and a panel discussion on wartime personnel problems under the direction of William Powers, director, Customer and Per-

sonnel Relations, American Bankers Association.

The third session will include talks on new business programs for trust institutions, trust research activities, and a special war feature by men in the armed forces. The fourth session will be devoted exclusively to investment problems and will include a trust-economic panel, under the direction of Dr. Paul F. Cadman, economist, American Bankers Association.

The fifth session will feature an address by Mayo Shattuck of the Boston

UNION BANK AND TRUST CO.

OTTUMWA, IOWA

Member of Federal Reserve System

Statement of Condition as of December 31, 1942

■ ■ ■

RESOURCES

Loans and Discounts.....	\$ 2,026,568.91
Bank Building	105,000.00
Furniture and Fixtures and Safety Deposit Vaults.....	23,933.64
Other Real Estate.....	7,000.00
Stock in Federal Reserve Bank.....	15,000.00
Overdrafts	3,123.87
U. S. Bonds	\$2,784,285.00
Municipal Bonds	1,681,360.52
Other Marketable Bonds.....	752,487.10
Cash and Exchange.....	3,565,494.78
	\$10,964,253.82

LIABILITIES

Capital (Common)	\$ 300,000.00
Surplus	200,000.00
Undivided Profits and Reserves.....	127,492.86
Dividend Payable Jan. 2, 1943.....	12,000.00
Deposits	10,324,760.96
	\$10,964,253.82

■ ■ ■

OFFICERS

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

Member Federal Deposit Insurance Corporation

Northwestern Banker January 1943

Bar, well known in trust circles, and a tax panel under the direction of Charles H. Mylander, vice president and trust officer, Huntington National Bank, Columbus, Ohio.

The concluding session will be a luncheon on Thursday, February 11th, tendered to visiting delegates through the courtesy of the New York Clearing House Association. The banquet has been canceled because of the war. All sessions will be held at The Waldorf-Astoria in New York.

Investment Bankers Look Ahead

"The first responsibility of the investment banking business in 1943 will

continue to be financing Victory," says Jay N. Whipple, Bacon, Whipple & Company, Chicago, president, Investment Bankers Association of America. "While contributing everything possible to this job, it will also be concerned with its own survival as an important element of a free enterprise system which must survive the war if we are to have a really victorious peace. Without free capital markets there can be no free enterprise system, since industry would then be obliged to obtain its capital from the government and that would inevitably lead to government ownership.

"The postwar capital market must be capable of supplying all of the capital that will be needed to rehabilitate

industrial properties and to convert some of the war plants to the production of goods for civilian use.

"Capital must be provided through free private markets to clear converted properties of obligations to the government and its agencies which have furnished wartime emergency capital for the construction of plants regardless of their economic usefulness after the war.

"New capital will be needed to develop commercially the innumerable new products which cannot be supplied the general public until the more urgent business of war is finished.

"Consequently investment banking has a definite responsibility to see that the machinery of the private capital market is in position to function efficiently notwithstanding the heavy depletion of its personnel through loss of men to the military services and war work.

"One concrete means of doing this is to eliminate everything that needlessly hampers its smooth operation. In this the business is now getting the active cooperation of numerous regulatory authorities under which it operates.

"Within the last year there were two outstanding instances of cooperation among the State Securities Commissioners to relieve dealers in securities of useless duplication of efforts in qualifying under the laws of the various states and in registering new securities issues under the state laws.

"As the year ended the SEC announced a series of new rulings which distinctly simplify the procedure it has previously required in the registration with it of new issues of securities, and made compliance with its regulations easier in other respects. This will mean a considerable economy in legal and accounting fees and other expenses of the business without in any way lessening the protection of the investing public.

"It is anticipated that an even more important step in this direction will come early in the new session of Congress, when it is expected that a bill of amendments to simplify the laws under which the SEC operates will be introduced. The Commission and representatives of the business devoted more than a year to conferences and hearings before the Interstate and Foreign Commerce Committee of the House on these amendments which are now in the hands of a sub-committee.

"Despite the fact that Congress has been occupied with war measures, it should be possible for it to devote the

Iowa's Oldest Bank

Extends To All

Its Sincere Well Wishes for 1943

Remember the War and Its Financing

Is Our Number ONE Job.

Sell War Bonds to Every Investor

Council Bluffs Savings Bank

Council Bluffs, Iowa

B. A. GRONSTAL, President

First Trust and Savings Bank

Northwest Corner Third and Brady Streets

DAVENPORT, IOWA

Condition on December 31, 1942

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$2 298,267.89	Capital	\$ 135,000.00
Banking House	51,100.00	Surplus	100,000.00
Furniture and Fixtures.....	11,251.80	Undivided Profits	
U. S. Government		and Reserves	30 395.25 \$ 265,395.25
Bonds	\$ 859,395.42	Trust Funds	102,566.25
Municipal Bonds.....	93,297.01	Deposits	4,786,654.94 4,889 221.19
Other Bonds.....	186 897.38	Unearned Interest	33,536.54
Cash and Due from			
Banks	1,684 153.36 2,823,743.17		
Other Assets	3,678.50		
Overdrafts	111.62		
Total	\$5,188 152.98	Total	\$5,188 152.98

Geo. M. Bechtel, President.
R. O. Byerrum, Executive Vice President
F. A. Johnson, Cashier and Trust Officer
H. R. Bechtel, Vice President
Louis Martin, Assistant Cashier
W. C. Siddle, Assistant Trust Officer

Member of the Federal Deposit Insurance Corporation

• IOWA NEWS •

necessary attention to this bill, highly essential as it is to helping private financing of war industries, and to getting the machinery of private finance prepared to meet the demands of postwar construction."

"Most Successful"

The largest outpouring of funds ever recorded in any government effort to borrow money stamped the December Victory drive of the United States Treasury as the most successful in history. A total of \$12,906,000,000 was raised during the calendar month of December, Secretary of the Treasury Henry Morgenthau, Jr., announced. In fact, the entire subscriptions allotted will probably exceed \$13,000,000,000, as subscriptions postmarked December 31st were not included. The Seventh Federal Reserve District total was \$1,738,592,200 of which \$873,676,000 was supplied by commercial banks and \$864,916,000 by non-bank purchasers of securities.

C. S. Young, president of the Federal Reserve Bank and chairman of the Seventh District Victory Fund Committee, stated that the result was obtained by a tremendous amount of intelligent hard work by the members of the Victory Fund organization, and the generous support of the press.

Secretary Morgenthau, in announcing the national totals, stated: "I should like to express to all members of the Victory Fund organization my warm personal thanks for the splendid assistance rendered by all of you to the Treasury in the successful December drive. Your earnest and able response to this call of your country is an inspiring example for everyone on the home front."

Executive Council to Meet

Wartime personnel problems of banks will be among the principal considerations of the annual mid-winter meeting of the executive council of the American Institute of Banking, to be held January 18-19, in Peoria, Illinois, it is announced by David E. Simms, president of the A. I. B. The Institute is the educational section of the American Bankers Association.

Discussions of current problems and future activities of the Institute which have been influenced to a large degree by the war, will constitute the agenda of the meeting. Particular emphasis will be placed on the unprecedented turnover in bank personnel caused by the war, according to Mr. Simms. At least one-third of the 290,000 bank staff members throughout the country

are new and relatively untrained workers.

The executive council of the Institute is composed of fifteen members, twelve of whom are elected executive councilmen for three year terms to represent the 400 chapters and study groups of the Institute in various sections of the country. The Institute's president, vice president, and immediate past president are the other three council members.

Members of the Council are: President, David E. Simms, Salt Lake City Branch, Federal Reserve Bank of San Francisco; vice president, David L.

Colby, Boatmen's National Bank, St. Louis; immediate past president, George T. Newell, Manufacturers Trust Company, New York City; other members, P. A. Doyle, Central Bank, Oakland, California; C. Edgar Johnson, The First National Bank of Chicago, Chicago, Illinois; William C. Pitner, American Trust & Banking Company, Chattanooga, Tennessee; William C. Way, Central National Bank of Cleveland, Cleveland, Ohio; Pierre N. Hauser, First Wisconsin National Bank, Milwaukee, Wisconsin; Victor H. Lloyd, The Charleston National Bank, Charleston, West Virginia;

CHEMICAL & BANK TRUST COMPANY

Founded 1824

165 Broadway, New York

CONDENSED STATEMENT OF CONDITION

At the close of business, December 31, 1942

ASSETS

Cash and Due from Banks	\$348,841,630.60
U. S. Government Obligations, Direct and Fully Guaranteed	536,810,141.33
Bankers' Acceptances and Call Loans	54,397,121.36
State and Municipal Bonds	67,844,004.88
Other Bonds and Investments	106,997,301.66
Loans and Discounts	162,982,846.20
Banking Houses	479,793.50
Other Real Estate	4,774,305.20
Mortgages	1,374,569.67
Credits Granted on Acceptances	2,252,611.80
Other Assets	3,229,536.82
	<u>\$1,289,983,863.02</u>

LIABILITIES

Capital Stock	\$20,000,000.00
Surplus	55,000,000.00
Undivided Profits	5,456,273.27
Dividend Payable Jan. 2, 1943	900,000.00
Reserves, Taxes, Interest, etc.	5,891,537.66
Acceptances Outstanding	\$4,886,471.71
(less own acceptances held in portfolio)	1,961,302.02
Other Liabilities	380,478.04
Deposits (including Official and Certified Checks Outstanding \$18,711,049.67)	1,199,430,404.36
	<u>\$1,289,983,863.02</u>

U. S. Government Obligations and other securities carried at \$315,963,084.64 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

Charter Member New York Clearing House Association
Member Federal Reserve System
Member Federal Deposit Insurance Corporation

Northwestern Banker January 1943

Twenty-four
Years of

**Low Cost
Hail
Protection**

**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

George E. Powell, Traders Gate City National Bank, Kansas City Missouri; David T. Scott, The First National Bank of Boston, Boston, Massachusetts; George J. Greenwood, Jr., The Bank of California National Association, Portland, Oregon; Herman W. Kilman, Federal Reserve Bank of Dallas, Dallas, Texas; Walton L. Sanderson, Hamilton National Bank, Washington, D. C.; Everett C. Stevenson, The First National Bank, Bound Brook, New Jersey.

Dr. William A. Irwin, A. I. B. national educational director, Floyd W. Larson, national secretary, and Robert D. Hammer, assistant to the secretary, all of New York, also will attend.

W. Linn Hemingway, president of the American Bankers Association, and president of the Mercantile Commerce Bank and Trust Company, St. Louis, and Dr. Harold Stonier, executive manager of the American Bankers Association, New York, will be present.

Meetings of committees composed of executive council members will be held on Sunday, January 17th. These committees include, budget, chapter administration, educational advisory, nominating and transportation.

Federal Reserve Promotions

At the annual meeting of the board of directors of the Federal Reserve Bank of Chicago, W. W. Turner was promoted from assistant cashier to assistant vice president. F. C. Carroll and C. T. Laibly were appointed assistant cashiers, and Paul C. Hodge, assistant counsel was appointed assistant counsel and assistant secretary.

Mr. Turner has been with the bank since August 1, 1918, and has held important positions in practically every department in the bank.

Mr. Carroll has been with the Federal Reserve Bank of Chicago since August 6, 1932. Prior to his election as assistant cashier, he was supervisor of discounts.

Mr. Laibly started with the bank July 10, 1918. For several years he was an examiner for the Federal Reserve Bank of Chicago, and more recently has been manager of the consumer credit division, which is charged with the administration of Regulation W. At the present time he is the

officer in charge of the divisions of the fiscal agency department, which are located at 120 South La Salle Street, Chicago, Illinois.

Chase National New York

The statement of the Chase National Bank for December 31, 1942, was made public January 5, 1943. The deposits of the bank on that date were \$4,291,467,000, the largest deposit figure yet reported by the bank, which compares with \$3,628,466,000 on September 30, 1942, and \$3,534,967,000 on December 31, 1941.

Total resources amounted to \$4,569,496,000 compared with \$3,899,956,000 on September 30, 1942 and \$3,811,803,000 on December 31, 1941; cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks, \$1,132,553,000, compared with \$945,679,000 and \$1,248,516,000 on the respective dates; investments in United States government securities, \$2,327,748,000 compared with \$1,796,736,000 and \$1,364,847,000; loans and discounts, \$786,057,000 compared with \$808,540,000 and \$802,221,000.

On December 31, 1942 the capital of the bank was \$100,270,000 and the surplus \$100,270,000, both amounts unchanged. After declaration on December 23d of a semi-annual dividend to be paid on December 31st amounting to \$5,180,000, the undivided profits account on December 31st amounted to \$45,049,000. This amount compares with \$44,109,000 on September 30, 1942 and \$40,370,000 on December 31, 1941.

Forms Simplified

In line with the program of the bank management commission of the American Bankers Association to promote greater standardization and simplification of banking and procedure, a special committee of the commission has been working with the three federal bank supervisory agencies for the past several months on a project directed toward the adoption of a uniform report of earnings and dividends and a simplified report of condition.

The three federal agencies have recently agreed on a shortened, simplified and uniform call report form and a uniform earnings and dividend report. The earnings and dividend form agreed upon by the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve system will be used in obtaining reports covering 1942.

Agreement having been reached as

Wessling Services

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

Des Moines, Iowa

21st year planning advertising programs
for banks and trust companies
Write for Program Keyed to War Times.

**"TOP THAT 10%
BY NEW YEAR'S"**

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH

BANK BROKER

Haddam, Kansas

"35 Years Practical Banking Experience"

BANK SUPPLIES

Addressing Machines Adding Machines
Duplicating Machines Electro-Copyist
Equipment Ozalid Whiteprint Process
Typewriters Ediphone Voice Writing
Friden Calculators

KOCH BROTHERS

Printers . . . Bookbinders . . . Office Outfitters
Stationers . . . Business Machines
Grand Avenue at Fourth Street
DES MOINES

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

DES MOINES BUILDING-LOAN & SAVINGS ASSOCIATION

Oldest and Largest in Des Moines

411 6th Ave. Dial 4-7119

ELMER E. MILLER HUBERT E. JAMES
Pres. and Sec. Asst. Sec.

FOR YOUR ENJOYMENT . . .

Listen to the

"WORLD OF MUSIC"

KSO, 1460 KC 9:30-10:00 a. m. Sundays

R. J. FLYNN, Pres.

D. L. DUNGAN, Secy.

Lessing
Advertising Co.
INC.

Since
1907

Advertising for
Immediate Sales
DES MOINES

to the adoption of the new earnings and dividend report by the federal agencies and by most state banking departments, an effort will be made to secure its use in the future by other state supervisors. Similar efforts will also be undertaken as to the new uniform call report form.

In the past, the earnings and dividend reports to the federal supervisory agencies have not been on a uniform and comparable basis. National banks and state banks which are members of the Federal Reserve System have reported on forms quite similar while state banks, not members of the system, have reported on another type of form. Where the earnings and dividend reports of state bank supervisory agencies have differed from one or the other of the federal forms, state banks have been required to fill out one form for the state agency and another for the Federal Reserve or the FDIC. Inasmuch as the new form has been adopted by the federal agencies and most of the state banking departments, considerable duplication of work in filling out forms will be eliminated, an important contribution to bank operating efficiency in the face of reduced manpower under war conditions.

At the same time the committee evolved a condensed form of current operating earnings report for the use of banks which may desire to report earnings date to their shareholders and others. Information regarding operating results is being requested increasingly of banks by treasurers of large corporate depositors who submit a variety of forms in making their requests. As a result there has been a considerable demand from banks for a form which can be used to provide the desired information and at the same time to bring about some degree of uniformity in its presentation.

The condensed earnings and expense form includes provision for interest on loans, and interest on securities together with earnings from other current operations; also the principal items of expense, such as interest paid, salaries and wages, and other current operating expenses. There is also provided a reconciliation of surplus and undivided profits for the period being reported. While the condensed form differs in some respects from the new forms used by the federal and state bank supervisory agencies, it can be prepared easily from the items available on those forms. Copies of the condensed form (with the suggested method for its compilation from the new E and D

form) are obtainable at the office of the bank management commission of the American Bankers Association in New York City.

With regard to the report of condition form, the face of the report as to assets, liabilities and capital accounts is essentially the same as heretofore. Here the big saving in time and effort will be effected through the elimination of a majority of the supporting schedules which were formerly included.

Appointments Announced

Appointment of 12 members of the executive council of the American Bankers Association, and four members of the Association's administrative committee is announced by W. L. Hemingway, president of the American Bankers Association, who is president of the Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri.

The executive council consists of bankers elected by A. B. A. members in the 48 states and the District of Columbia, usually at the time of their state conventions, the officers of the Association, the three immediate past presidents, the presidents and vice presidents of the Association's divisions and sections, chairmen of its commissions, and 12 members at large appointed by the president. The 12 appointments announced by Mr. Hemingway are as follows:

H. Donald Campbell, president, The Chase National Bank, New York, N. Y.; Zay B. Curtis, vice president, Guaranty Trust Company, New York, N. Y.; Robert B. Fleming, president, The Riggs National Bank, Washington, D. C.; J. H. Frost, president, First National Bank, San Antonio, Texas; H. Hiter Harris, president, First and Merchants National Bank, Richmond, Virginia; Herbert D. Ivey, president, Citizens National Trust and Savings Bank, Los Angeles, California; Harold Kountze, president, The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pennsylvania; J. F. McRae, president, Merchants National Bank, Mobile, Alabama; James H. Penick, president, W. B. Worthen Company, Bankers, Little Rock, Arkansas; Tom K. Smith, president, The Boatmen's National Bank, St. Louis, Missouri; Samuel C. Waugh, executive vice president and trust officer, The First Trust Company, Lincoln, Nebraska.

New Book

Publication of a booklet entitled "The Prudent-Man Rule for Trust In-

vestment" is announced by the Trust Division of the American Bankers Association. It has been prepared in response to widespread interest in the "prudent-man" standard for trustees in the investment of trust funds. The booklet is the work of the committee on fiduciary legislation of the Trust Division of the A. B. A., with the assistance of Mayo A. Shattuck, Esquire, of the Massachusetts bar.

The booklet contains the text of a "Model Prudent-Man Investment Statute" prepared by Mr. Shattuck and the committee for use in those states where it is desired to change the trust investment statutes to conform to the prudent-man or Massachusetts Rule standard for the investment of trust funds. It also contains reports from trust men regarding the trust investment situation in each of the 48 states and the District of Columbia, and comments by Mr. Shattuck on the model statute.

In a foreword, Louis S. Headley, president of the Trust Division and vice president of the First Trust Company of St. Paul State Bank, St. Paul, Minnesota, says: "the extensive adoption of the standard of prudence in recent years by testators and attorneys in the granting of investment powers has suggested to many that the Massachusetts Rule is better adapted to modern conditions than any rule built around formulas or lists of authorized investments. The model statute now submitted has been prepared as a guide for those legislatures which hold this view and wish to embody it in their state law."

"The Silent Saboteur"

The United States Secret Service, with the cooperation of the Chase National Bank, has opened an exhibit at 40 West 49th Street in Rockefeller Center, New York, to inform the public on the detection and suppression of counterfeiting. Entitled "The Silent Saboteur," this exhibit also illustrates how counterfeiting may be used by our enemies as a weapon of war.

The exhibit opened with a preview, featured by a broadcast over a nationwide hookup of the Red network, with Winthrop W. Aldrich, chairman of the board of the Chase, Frank J. Wilson, chief of the Secret Service, and Alvin W. Hall, head of the Bureau of Engraving and Printing in Washington, as participants, with Lowell Thomas as master of ceremonies. At the preview were guests from Washington and New York.

Public attendance, the bank reports, has far exceeded expectations; 15,000 visitors were welcomed in the first two weeks. The daily average continues



BEFORE THE MICROPHONES AT THE PREVIEW
"THE SILENT SABOTEUR"

Frank J. Wilson of the Secret Service; Alvin W. Hall of the Bureau of Engraving and Printing; Winthrop W. Aldrich of the Chase, and Lowell Thomas.

high and, as a result of such unusual interest, Secret Service officials are now planning to show the same exhibit in other cities under the sponsorship of leading banks.

Examples of counterfeit currency of historic and contemporary interest, as well as invasion money now being

used, are effectively displayed behind illuminated glass-front insets as the visitors move through the colorful, modernistic display. Huge reproductions of genuine and counterfeit bills, with the differences made obvious by enlargement, are a part of the decorative scheme.

Index To Advertisers

A		K	
Allied Mutual Casualty Company.....	28	Koch Brothers.....	76
A. C. Allyn and Company.....	33	L	
American National Bank and Trust Co. 54		George LaMonte and Son.....	3
B		Lessing Advertising Company.....	76
Bank of America.....	46	Live Stock National Bank, Chicago.....	67
Bankers Trust Company, Des Moines..	59	Live Stock National Bank, Omaha.....	56
Berkowitz Envelope Company.....	5	Live Stock National Bank, Sioux City..	44
C		M	
Central National Bank & Trust Co....	12	Mercantile Commerce Bank & Trust Co.	69
Chase National Bank.....	7	Merchants Mutual Bonding Company..	74
Chemical Bank & Trust Co.....	73	Merchants National Bank.....	2
City National Bank & Trust Co.....	32	Midland National Bank and Trust Co.	38
Commerce Trust Co.....	52	Minnesota Commercial Men's Assn....	39
Continental Illinois National Bank		Mississippi Valley Trust Company....	65
& Trust Co.....	6	N	
Continental National Bank, Lincoln...	55	New York Trust Company.....	25
Council Bluffs Savings Bank.....	72	Northern Trust Company.....	58
D		Northwest Security National Bank....	47
Davenport, F. E., & Co.....	55-61	Northwestern National Life Insurance	
Davenport Bank & Trust Co.....	63	Company	29
Des Moines Building, Loan and Sav-		O	
ings Association.....	76	Omaha National Bank.....	21
Drovers National Bank.....	62	P	
E		Philadelphia National Bank.....	24
Elms Hotel.....	35	Public National Bank & Trust Co.....	28
Empire National Bank & Trust Co....	40	S	
Employers Mutual Casualty Co.....	76	St. Louis Terminal Warehouse Co....	23
F		Scarborough and Company.....	27-35-57
Federal Intermediate Credit Banks....	34	Security National Bank, Sioux City....	60
First and American National Bank,		Stock Yards National Bank, St. Paul..	43
Duluth	42	U	
First National Bank, Cedar Falls....	64	Union Bank and Trust Company.....	71
First National Bank, Chicago.....	30	United States National Bank, Omaha..	50
First National Bank, St. Louis.....	70	United States Treasury Department..	75
First National Bank, St. Paul.....	41	V	
First National Bank, Sioux City.....	61	Valley Savings Bank.....	79
First National Bank & Trust Co.....	36	W	
First Trust & Savings Bank, Davenport	72	Want Ad	71
First Wisconsin National Bank.....	66	Charles E. Walters Company.....	54
Fisher Company.....	48	Waterloo Savings Bank.....	68
H		Jay A. Welch.....	76
Hawkeye Mutual Hail Insurance Co..	74	Wessling Services.....	74
Home Insurance Company.....	4	Western Mutual Fire Insurance Co....	26
I			
Iowa-Des Moines National Bank and			
Trust Company	80		
Iowa State Bank and Trust Co.....	60		
Irving Trust Company.....	8		

IN THE DIRECTORS' ROOM

Colored Evidence

Miss Sophia Jones tripped into the lawyer's office.

"Cain't ah sue dat no good Rastus Smiff fo' somepin' mister? He promised to marry me, dat he did, an' yes-tiddy he done 'loped with another gal."

"Promised to marry you, eh?" mused the lawyer. "Well, have you anything in black and white to show for it?"

"No, suh," replied Sophia. "Jes' black is all."

Any Salmon?

"Give me a chicken salad," said a student in the Co-op.

"Do you want the 40-cent one or the 50-cent one?" asked the waitress.

"What's the difference?"

"The 40-cent ones are made of veal and pork, and the 50-cent ones are made of tuna."

Tit for Tat

Tenant: "I wish you would speak to the people upstairs. This morning at three o'clock they were jumping up and down and banging the floor. I won't stand for such disturbances."

Landlord: "How did you happen to hear them at that time of night?"

Tenant: "I was practicing on my saxophone."

Too Late

Judge: "Sorry, but I can't issue a license to your granddaughter; she's only 15 and too young."

Old Granny: "Lawdy, mister jedge, wat we gwina do; she's ol' 'nuf to do wat she's done did."

Nice Kitty

Two women were discussing a mutual acquaintance.

"She has a very magnetic personality," said one woman.

"She ought to have," replied the other woman. "Every stitch she has on is charged."

Upset

A fancy dress dance was in progress and the conversation was between two women sitting in a corner.

"Mrs. Smythe looks rather upset, don't you think?" said the first.

"I should think she does," replied the other. "You see, she came as a Hawaiian beauty, with grass skirts and all—and they awarded her first prize in the humorous section as 'The Old Thatched Cottage.'"

Northwestern Banker January 1943



Alibi

Wife: "Why do you always go into the garden when I sing? Don't you like to hear me?"

Husband: "It isn't that. I just want the neighbors to see I am not beating you."

In the Vicinity

Farmer (after lightning struck the tree under which his hired man had sought shelter): "How close did it come to you Sam?"

Hired Man (still trembling): "I—I—d-d-dunno, but it lit my pipe."

Saves Wear and Tear

"Hey, what time is it by your watch?"

"Quarter to."

"Quarter to what?"

"I don't know—times got so bad I had to lay off one of the hands."

Right on Time

Jack: "What are you doing for lunch today?"

Joe: "I've got to help my little cousin buy a Christmas tree."

Jack: "A bit early, isn't she?"

Joe: "Oh, no. She works in a defense plant, and they're two months ahead of schedule."

Cash No Object

Local Belle (flourishing a check for hospital from a visiting movie star): "Look what he gave me. It's for \$100."

Secretary: "Fine, but there's no signature here."

Local Belle: "I know, I cut it out for my autograph collection."

Here's to Death

Enquirer: "Do you believe in the survival of the fittest?"

Other Man: "No, I don't believe in the survival of anybody. I'm an undertaker."

Some Give-away

"Who gave the bride away?"

"Her little brother, Willie. He stood right up in the middle of the ceremony and yelled, 'Hurray, Louise, you've got him at last.'"

But Intimate

Newlyweds (having tipped the porter generously to keep their marriage secret): "Did you tell those people in the pullman we were just married? They look at us strangely."

Porter: "Lan sakes, boss, when they asked me is you just married, I said no; they just good friends that's all."

Snubbed

A young couple very much in love but rather temperamental worked in the same tool plant. One day the fellow got caught in one of those revolving machines and whirled through the air as it went around. His girl rushed over, switched the thing off and grabbed him in her arms as he fell to the floor. "Oh, George," she begged. "Speak to me."

The fellow looked up groggily. "Why should I?" he asked. "I passed you six times and you never spoke to me."

Ah, Yes

Lady: "You look strong enough to work and earn your living."

Tramp: "Yes, madam, I know it, and you are beautiful enough to go on the stage, but we both prefer the quiet, happy home life."

Over-night Magic

Californian: "Now in my state we can grow a tree that size in about a year. How long did it take you to grow that one?"

Floridian: "Can't say for sure, but it wasn't there yesterday."

Start Spinning

"I represent the Mountain Wool Company, ma'am. Would you be interested in some coarse yarns?"

"Gosh, yes, tell me a couple."

Quite the Reverse

Casey and Murphy were admiring a big London building.

"It's surprisin'," said Casey, with a knowing air, "how mortar binds all those hundreds of bricks together."

Murphy gave his companion a supercilious sneer.

"Whinever are ye goin' to learn a bit of sense, Casey," he replied.

"Sure and whatever d'ye mean?" queried Casey.

"Bricks aren't kept together by mortar," Murphy explained. "Mortar keeps them apart."

STATEMENT OF CONDITION • December 31, 1942

Resources

Loans and Discounts	\$3,487,500.86
Other Bonds and Stocks	15,000.00
Overdrafts	323.32
Customers Liability on Acceptances	12,552.60
Government Obligations, Direct and Fully Guaranteed	\$1,523,900.00
Municipal Bonds	149,391.12
Cash and Due from Banks	3,084,233.58
	4,757,524.70
	<hr/>
	\$8,272,901.48

Liabilities

Capital Stock—Common	\$ 200,000.00
Surplus	200,000.00
Undivided Profits	77,621.51
Reserves	61,634.46
Unearned Discount	27,476.69
Bank Liability on Acceptances	12,552.60
Deposits	7,693,616.22
	<hr/>
	\$8,272,901.48

Complete
facilities
for your
Des Moines
business



V ALLEY SAVINGS BANK DES MOINES

Member Federal Deposit Insurance Corporation



FOR the coming fiscal year the Federal Government's War-time budget requirements are estimated at one hundred billion dollars or more . . . a sum that approximates the total of the National debt outstanding today.

Success in the momentous War financing program that lies ahead calls for the assistance of Banks and Bankers to the limit of their ability, experience and resources. Such assistance **WILL** be forthcoming. For Banks and Bankers recognize this as their opportunity . . . their obligation . . . to help hasten the day of Victory and the restoration of Peace.

Let's resolve, therefore, as we go forward in 1943 to work harder at our jobs and do them better . . . to keep chins up here on the home front . . . to gladly make sacrifices . . . to give all-out support to Uncle Sam's War effort in every way.

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY

Member Federal Deposit Insurance Corporation