

NORTHWESTERN *Banker*

MARCH
1943



RAIN, SNOW AND MIST

Picturing an expanse of City Hall Park, New York City, on a gloomy winter afternoon. See page 32.



Country Bankers Division is Organized

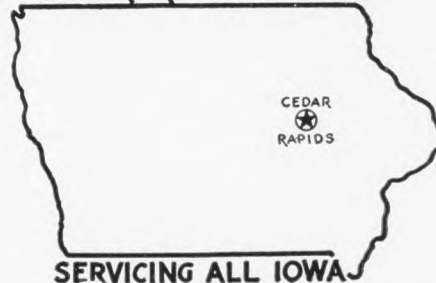


Our Number One Task

Today's Number One task for bankers is to help finance industry, farming and the livestock business, so they may furnish ample material and food for our armed forces.

We believe this is our work and yours and we will gladly cooperate with you and your customers in this vital effort.

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Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation



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FOREWARNED *is* FOREARMED



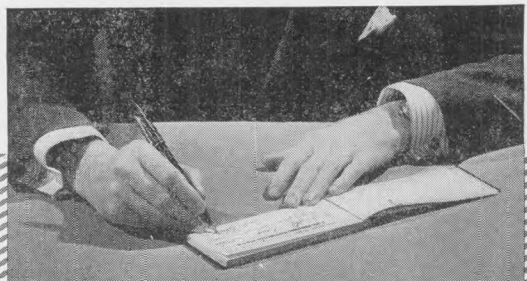
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Day after day and night after night, the men and women of America's Civilian Army of Defense are on guard. A mighty army—over 10,000,000 strong—competent, resourceful, specially trained. » » In a significant, though less dramatic fashion La Monte Safety Papers serve the interests of preparedness and protection in Business

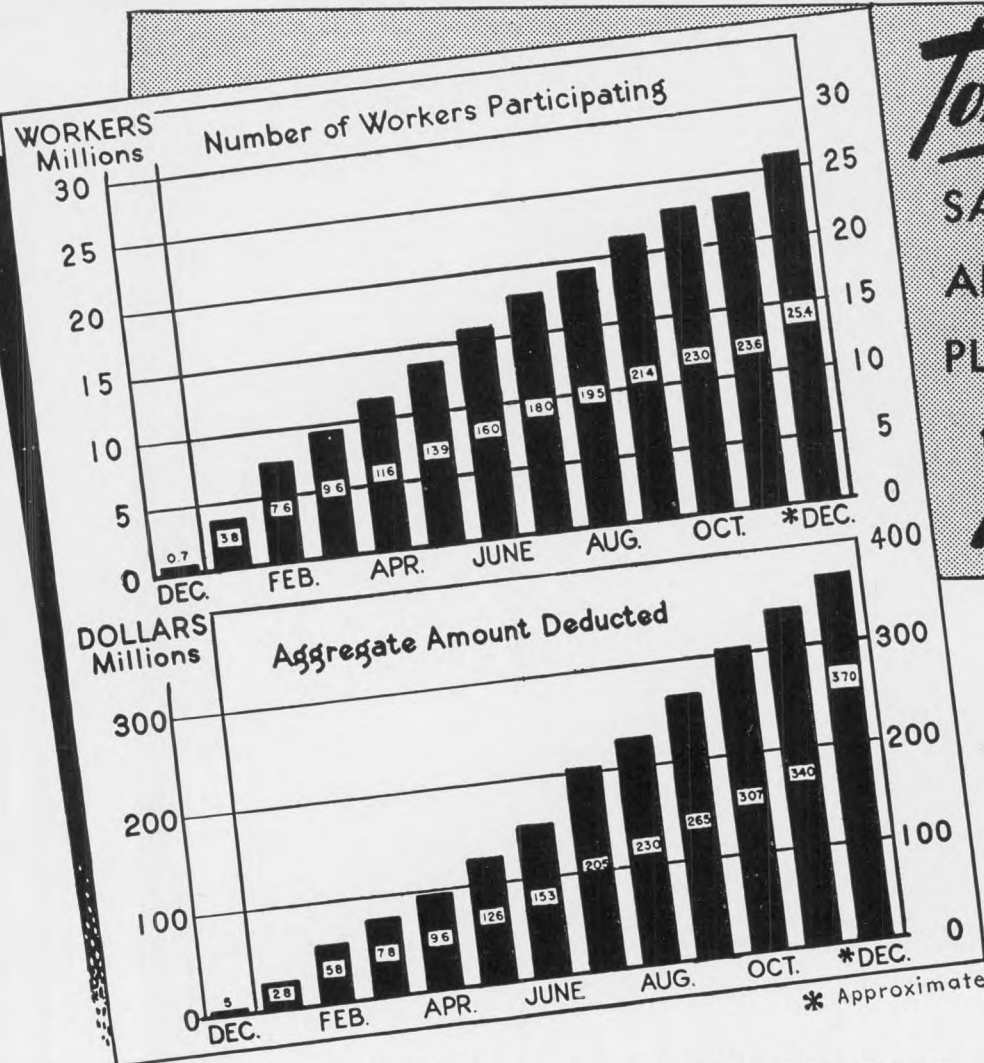
and Banking. They reduce to a minimum the risk of financial loss and the attendant confusion which results from the fraudulent alteration or counterfeiting of checks. In fact, it can be fairly stated that since the invention of Safety Paper by George La Monte in 1871, this product has played an increasingly important role in *checking and controlling* such abuses of our *major medium of exchange—THE CHECK.* » » Thus does La Monte help safeguard the myriad transactions that make up the Business of War—and of Peace.

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Tomorrow's
 SALES CURVES
 ARE BEING
 PLOTTED . . .
Today

THESE CHARTS SHOW ESTIMATED PARTICIPATION IN PAYROLL SAVINGS PLANS FOR WAR SAVINGS BONDS (Members of Armed Forces Included Starting August 1942)

STUDY THEM WITH AN EYE TO THE FUTURE!

There is more to these charts than meets the eye. Not seen, but clearly projected into the future, is the sales curve of tomorrow. Here is the thrilling story of over 25,000,000 American workers who are today voluntarily saving close to FOUR AND A HALF BILLION DOLLARS per year in War Bonds through the Payroll Savings Plan.

Think what this money will buy in the way of guns and tanks and planes for Victory today—and mountains of brand new consumer goods tomorrow. Remember, too, that War Bond money grows in value every year it is saved, until at maturity it returns \$4 for every \$3 invested!

Here indeed is a solid foundation for the peace-time business that will follow victory. At the same time, it is a real tribute to the voluntary American way of meeting emergencies that has seen us through every crisis in our history.

But there is still more to be done. As our armed forces continue to press the attack in all quarters of the globe, as war costs mount, so must the record of our savings keep pace.

Clearly, on charts like these, tomorrow's Victory—and tomorrow's sales curves—are being plotted today by 50,000,000 Americans who now hold WAR BONDS.



Save with
War Savings Bonds

This space is a contribution to America's all-out war effort by
 NORTHWESTERN BANKER



FIRE INSURANCE IN THE WAR

As the guns of our fighting men blaze on the battle fronts from Africa to the South Seas, fire insurance continues to play a vital role on the home front.

Months before our entrance into the war, the "industry which protects other industries" had quietly and effectively thrown its inspection and engineering facilities into the task of helping to safeguard the industrial plants of the nation from sabotage and carelessness. Losses in manpower and essential materials which would have been equivalent to serious military reverses have thus been prevented; substantial savings to taxpayers likewise effected.

Further, the agents and brokers of the fire insurance industry are bulwarks of strength on the civilian front. Without thought of profit to themselves, agents, brokers and companies alike have shown, in handling millions of dollars of War Damage insurance, how an essential industry can be mobilized effectively to carry on a vital war function in cooperation with the government.

Moreover, insurance in all its phases is being maintained in our national life, thus strengthening civilian morale on a vital home front and permitting greater concentration on the war effort. Insurance dollars are going into U. S. Treasury Victory Loan Bonds and the securities of war industries, thus helping to buy guns, planes, tanks, ships.

Finally, we take deep pride in stating that 35% of the male employees of The Home Insurance Company are now with the armed forces.

★ ★ ★

We submit herewith our annual statement. This year the figures are especially important, for they reflect a year of insurance in war time. Behind the dollars and cents lies a human story of even greater significance.

President

STATEMENT

December 31, 1942

ADMITTED ASSETS

Cash on Hand or in Banks and Trust	
Companies	\$ 20,215,068.12
United States Government Bonds	12,378,338.50
All Other Bonds and Stocks	71,248,522.76
First Mortgage Loans	383,779.32
Real Estate	3,879,315.95
Agents' Balances, less than 90 days due	7,666,305.78
Reinsurance	
Recoverable on Paid Losses	1,076,289.00
Other Admitted Assets	135,861.61
Total Admitted Assets	\$116,983,481.04

LIABILITIES

Reserve for Unearned Premiums	\$ 49,707,620.00
Reserve for Losses	11,017,422.00
Reserve for Taxes	4,521,522.00
Reserve for Miscellaneous Accounts	813,505.75
Funds Held under Reinsurance Treaties	59,045.61
Total Liabilities Except Capital \$ 66,119,115.36	
Capital 15,000,000.00	
Surplus 35,864,365.68	
Surplus as Regards Policyholders 50,864,365.68	
Total \$116,983,481.04	

Note: Bonds carried at \$3,447,281.00 amortized value and cash \$50,000.00 in the above statement are deposited as required by law. All securities have been valued in accordance with the requirements of the National Association of Insurance Commissioners. On the basis of actual December 31st market values, total Admitted Assets would be increased to \$120,423,617.78 and Surplus to Policyholders would be increased to \$54,304,502.42.

DIRECTORS

LEWIS L. CLARKE	WILLIAM S. GRAY	CHARLES G. MEYER
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UNITED STATES GOVERNMENT AND
MUNICIPAL SECURITIES**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

MARCH
1943

NORTHWESTERN *Banker* DES MOINES

FORTY-EIGHTH YEAR

NUMBER 668

Oldest Financial Journal West of the Mississippi River

IN THIS ISSUE

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CONVENTIONS

AMERICAN BANKERS ASSOCIATION

Spring Meeting, Executive Council,
Waldorf-Astoria, New York—April
9-14.
American Institute of Banking, Chi-
cago—June 9-10.

STATE ASSOCIATIONS

Texas, Fort Worth—May 25-27.
Indiana, Indianapolis—May 26-27.
Minnesota, Hotel Nicollet, Minneapo-
lis (tentative)—June 16-18.
Wisconsin, Milwaukee—June 23-24.

OTHER ORGANIZATIONS

Industrial Bankers Association, Edge-
water Beach Hotel, Chicago—May
17-18.

Editorials

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

Feature Articles

Frontispiece—"Ship Ahoy"..... 11
Barnyard Loans Are Among the Best..... *John F. O'Neill* 12
A Bank That Grew Up With Nebraska..... 13
News and Views of the Banking World..... *Clifford De Puy* 14
Country Bankers Division Organized..... *Ben DuBois and W. B. Hughes* 15
Bankers Comment On "Country Bankers Association"..... 16
Financial Advertisers Discuss War Time Problems..... 17
North Dakota Is Ready for 1943..... 18
What Banks Can Do to Conserve Equipment..... *H. E. Hoffer* 20
What About a Bequest in a Will?—Legal Department..... 21

Insurance

How to Prevent Rural Fires in a War Emergency..... *Reuben Brigham* 23

Bonds and Investments

Complete Investment in Governments a Sound Move..... *James H. Clarke* 31
Banquet for New Head of Omaha Stockyards..... 32

State Banking News

Minnesota News..... 35
Twin City News..... *James M. Sutherland* 37
South Dakota News..... 41
North Dakota News..... 43
Nebraska News..... 45
Omaha Clearings..... 47
Lincoln Locals..... 49
Iowa News..... 53
Two Iowa Groups Convene..... 57
Iowa News from Here and There..... *J. A. "Joe" Sarazen* 61

The Directors' Room

A Few Short Stories to Make You Laugh..... 70



Across the Desk From the Publisher

Public Buys 22 Billion of Government Securities in 1942

During the past year, according to figures recently published by the Federal Reserve Board of Washington, the absorption of government securities by non-banking investors increased very greatly in 1942, at which time investors other than banks purchased 22 billion dollars of government securities compared with 7 billion in 1941.

This is a healthy development and it is hoped that the public during 1943 will continue to increase its purchases of war bonds.

As far as the ownership of United States government securities by banks and insurance companies is concerned, the figures at the end of the year were as follows:

1. Commercial Banks.....41.3 Billion Dollars
2. Insurance Companies....11 Billion Dollars
3. Federal Reserve Banks 6.2 Billion Dollars
4. Mutual Savings Banks 4.6 Billion Dollars

At the end of the year, it is estimated that the investor group of the public held marketable issues amounting to 15.1 Billion Dollars and non-marketable issues of 21.2 Billion Dollars, and in commenting on these holdings the Federal Reserve Bulletin said, "In order to protect the investor against the possibility of loss of principal, non-marketable securities have been offered which will be redeemed by the Treasury at fixed prices. In addition, the policy of the Treasury and of the Federal Reserve System has been directed towards the stabilization of prices and yields of marketable securities. Investors in nonmarketable securities know in advance the prices at which they will be

able to redeem their securities on any future date that they may find it necessary to do so. Investors in marketable securities know that prices and yields are stabilized and that they will obtain no higher yields by deferring purchases to a future date".

Thus, every reason is given for the public to participate in the purchase of bonds to help win the war.

No Need for Regional Agricultural Credit Corporation

Recent investigation by the Byrd committee of the United States senate into needless government expenditures, has been inquiring into the Regional Agricultural Credit Corporation under the resolution presented by Senator Wherry of Nebraska.

Information received so far by the committee indicates that there is no real need for a revival of this additional lending corporation.

Governor of the Farm Credit Administration, A. G. Black, appearing before the committee, made these statements, "We want to guard against the possibility that other agencies won't or can't take care of loans. We make no claim that lack of credit is a bottleneck in the food production program.

"We will be happy if we make no loans under the RACC.

"It is estimated that operation of 7 lending programs under the Farm Credit Administration cost \$40,000,00 annually.

"I have heard that country bankers were unduly disturbed over the establishment of the

RACC, and we have been surprised at the concern evidenced by the bankers."

Certainly, there is no need for the revival of this additional lending government agency with the banks loaded with money which they will be glad to loan any legitimate borrower.

Adding 5 Million Workers Without Hiring a Single Man

With the passage of the 48 hour week, we have definitely increased our capacity to produce without, at the same time, hiring a new man or woman.

In a recent statement on this subject, Leonard C. Ayres, well-known economist of Cleveland, said, "In our industry the average working week is about 42½ hours. If it should be increased to 48 hours, and if the increase should apply to all workers except those in agriculture and domestic service, the change would be equivalent to adding 5 million workers to our labor force."

Since the 48 hour program has now become a law, you can see, as Colonel Ayres points out, this has the effect of adding 5 million to our labor force without hiring a single man.

Should Eliminate FDIC Assessments on War Loan Contracts

It is to be hoped that the Senate Banking Committee will urge prompt enactment of the bill to eliminate FDIC assessments on War Loan Accounts of banks and their elimination from reserve requirement basis.

The proposed change under the bill would operate only for the duration of the war and six months thereafter.

Leo T. Crowley, chairman of the Federal Deposit Insurance Corporation, and Marriner S. Eccles, chairman of the Federal Reserve Board, recently testified before the Senate Banking Committee urging the elimination of these FDIC assessments.

According to Chairman Crowley, the income of the FDIC in 1942 was \$55 million and estimated income for 1943 is \$70 million, indicating that the Corporation could afford the removal of the war loan accounts from deposit insurance liabilities. He said that war loan deposits in banks average about 1½% of Treasury net borrowings.

Chairman Eccles told of the Reserve System's

campaign to encourage war loan accounts in banks and declared that the enactment of the bill would not only aid the banks, but would encourage the establishment of such accounts. Banks, he said, were not now enthusiastic about war loan funds upon which they had to pay ½ of 1% interest for FDIC insurance.

Banks have no particular desire to secure war loan funds when they have to pay interest for FDIC insurance, and we think the elimination of this assessment is in line with good business and sound banking.

Trading "Governments" for a Profit Not Favored

A good many bankers are purchasing governments and expect to hold them to their maturity date. Other bankers have purchased governments, sold them at a profit and then repurchased other government securities.

In speaking before the New York State Bankers mid-winter conference, Allan Sproul, President of the Federal Reserve Bank of New York, suggested that bankers should not look upon their governments from a trading standpoint but that they should be purchased and held until maturity.

Mr. Sproul said, "It will do no good to the banking profession if any number of you continues to look on the Government security market as merely another market in which you trade for profit. Nor is the question of buying Government securities any longer solely a question of your own special requirements. The time has come for each bank to do its share in each issue of Government securities offered for bank subscription."

It is our firm conviction that, "each bank is doing its share" in the purchase of governments as indicated by the recent statements published at the end of the year.

However, we do not believe that it is necessary to make an iron-clad rule that no banks shall trade out of one government issue and purchase another if for some reason the bank feels that that is a desirable procedure to follow. We do believe, however, that most banks are purchasing their bonds to hold for the "duration."

Clifford DePuy

Complete In Its
Correspondent Services



Always Prompt
and Courteous In
Its Attention to All
Correspondent Needs



"Iowa's Friendly Bank"

**THE CENTRAL NATIONAL BANK
AND TRUST COMPANY**

Fifth Avenue Between Locust and Walnut

DES MOINES, IOWA



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 March 1943

Barnyard Loans Are Among the Best a Bank Can Make

The Study and Analysis of Farmers' Chattel Mortgage Operating Loans
From the Banking Holiday in 1933 to the Present Day

THE object of my study was to examine farmers' chattel mortgage operating loans to determine the economic value and benefits to be derived by both lender and borrower, and the relation of such benefits to the general welfare of the community. The analysis was made from the perspective of a bank credit officer charged with the responsibility of properly investing deposit funds. We found that the vast army of people employed in the production of agricultural commodities need, and do use, operating capital in large quantities, although in smaller individual amounts than do producers of industrial products.

Many farmers have very limited capital, hence the need for an analysis of the nature of the security which they can offer. We considered the hazards inherent in such loans, some of which differ from those of other industry. The collateral remains in the borrower's possession and is daily used by him. Personal property is easily transported and sold.

Delivered collateral cannot be easily manipulated by the borrower to defeat the lien.

Farming is usually a family enterprise, and all members must cooperate to make it a success.

There are many other hazards, and I endeavored to outline methods of reducing them to the minimum.

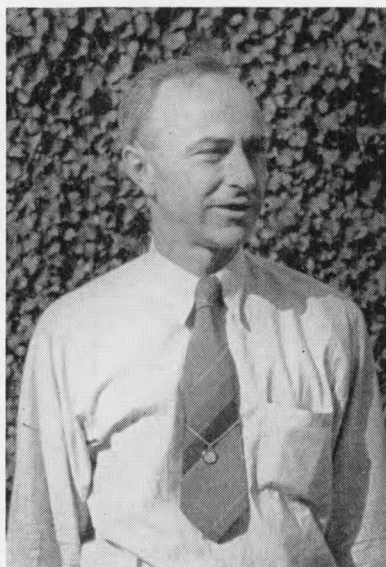
I began this analysis with a time of great upheaval in the economic history of our nation—the Banking Holiday.

In March 1933 our bank had 56 loans secured by farm chattels of the borrowers. All were not originally made as operating loans. Some were tag ends of loans made for other purposes when the makers were in better financial circumstances. Regardless of this, all loans of the barnyard type were included in the analysis. By March of the following year, nearly 63 per cent of the total of these loans had been collected. During this same period, only 14 per cent of all other loans had been paid.

In other words, these barnyard type loans contained approximately two

By John F. O'Neill

Cashier
First Trust & Savings Bank
Armstrong, Iowa



JOHN F. O'NEILL

and a third times the liquidity exhibited by all other loans held by the bank. The collection period covered one year.

We submit that it is seldom a bank is called upon to deplete its deposits more than half in such a period of time.

We found that the liquidity contained in these loans was not always predicated upon the worth-debt ratio of the borrower.

Eleven of the 33 lines which were fully paid during the twelve months had a worth to current debt ratio of less than 1.00.

On only one loan in the group was a loss sustained. This loss was less than 1 per cent of the volume, and less than one-eighth of the then current interest rate. I may add that we have not

sustained a loss on a loan of this kind since. What other class of loans can show a better record?

Liquidating authorities report greater percentages of recoveries on farmers' loans adequately secured by farm chattels than on those supported by fat financial statements.

The safety of this type of loan has since been demonstrated by the experience of the Regional Agricultural Credit Corporation and the Production Credit Corporation, both of which are government agencies.

We know of no other source from which such safe, profitable and desirable loans can be secured to fill the need in earning assets in banks in good agricultural communities. We found that borrowers of this type long remain patrons of the bank serving them.

Our territory has a high percentage of tenant farmers, but despite the laws of nature, economic changes, and the whims of man, eight years later, 38 of the 56 men in this group were still our patrons.

Thirteen of them were still borrowers.

By means of chattel mortgage security, these 56 farm families were extended the needed credit which enabled them to continue as independent individuals, maintaining and supporting themselves without becoming public charges.

Some of my conclusions based upon the findings of this analysis and experience as an officer of a country bank are as follows:

That farmers' chattel mortgage operating loans are sound from the standpoint of safety of principal. They contain sufficient liquidity to meet the normal requirements of country banks to whose life-blood they contribute.

Their small loss ratio, their relative liquidity, coupled with a substantial interest return, and eligibility for re-discount purposes, make them desirable as bank assets.

(Turn to page 27, please)

A Bank That Grew Up With *Nebraska*

This Year Marks the 65th Anniversary of the McDonald State Bank of North Platte—Here Are Some Interesting Highlights in the History of the Institution and of the McDonald Family—W. H. McDonald Is Chairman of the Board of the Bank

IN 1855, Charles McDonald arrived in the then territory of Nebraska. He was a member of the Territorial legislature for several terms, including the second, which were held in Omaha—then the capital. While there he met his wife, Miss Orra B. Henry, and they were married in Omaha in 1858. They occupied the farm on which Mr. McDonald had first settled—in Richardson county, Nebraska.

On January 15, 1860, Mr. McDonald moved to Cottonwood Spring, where he traded for a two-room log cabin and put in a small stock of goods and began to build his Overland Ranch and Trading Post on the old Oregon and Overland Trails. Later, Mrs. McDonald joined him, and was the first white woman to be permanently located in what is now Lincoln county. There were thousands of pilgrims, or overland travelers, passing over the road going to all of the western territories and Oregon and California.

In June, 1861, William McDonald—the subject of this sketch—was born, being the first white child born in this county—then called Shorter county—and his earliest playmates were little Sioux papooses, members of the various bands who camped near the McDonald ranch in the summertime to trade. The squaws thought W. H. was the prettiest child they had ever seen, and they kept his mother continually supplied with fancy beaded moccasins until he began to wear boots. On one occasion, W. H. was “borrowed” by the Indians and carried to their camp and kept there all afternoon.

The McDonald ranch was built of red cedar timber cut in Cottonwood Canyon just south of the ranch. It was 225 by 300 feet, with a stockade 8 feet high clear around the outside. On two sides were the buildings—one story dwelling and log store 24 by 40 feet (two stories), together with Pilgrim room, store house, blacksmith shop and stables for about 65 horses.



W. H. McDONALD
He knew Buffalo Bill

The Indians, and they were estimated to have about 25,000 warriors, became very much dissatisfied with the large amount of travel over the highway through the buffalo and wild game country, and they got so “bad” that the United States government established the first fort between old Fort Kearney and Fort Laramie, Wyoming, about 500 yards west of the McDonald ranch, in October, 1863.

The first soldiers detailed to build the fort, first called Camp McKeen, made themselves at home on the McDonald ranch until they got their buildings ready for occupation.

It later became better known as Fort McPherson and became one of the most important government posts in the western part of the United States. Besides many high ranking officers serving there, were such well-known Indian fighters and scouts as Major Frank North, chief of the Pawnee Scouts; his brother, Captain

Lute North, Buffalo Bill Cody, Texas Jack, Buffalo Chips, and others.

Buffalo Bill came to the Fort in 1869 as chief of United States Scouts with the 5th Cavalry. The government built him a residence a few feet west of the McDonald ranch where he resided until he and Texas Jack went on the stage in 1872.

In 1872, Mr. McDonald having sold his ranch to the United States government, moved to North Platte, where he resided and did business until his death in 1919. When he moved to North Platte, a great part of the transportation business was done with bull teams and young Bill, having always been able to swing and crack a long bull whip, helped in the moving by driving one of the 3-yoke bull teams into town, much to the envy of the other young boys who were watching him. His father opened up a farm and general store, and W. H. worked in both after school hours, or herding a small herd of cattle his father also owned.

After the Union Pacific Railroad arrived in 1866, a large number of cattle ranches were started in the country and W. H. was delighted to attend and help on the roundups.

In the spring of 1877, a small private bank was started in North Platte by Lester and J. C. Walker, under the title of Walker Bros., and on January 1, 1878, Charles McDonald bought the controlling interest of Lester Walker and operated the bank as McDonald-Walker until November, 1878, when he became sole owner and the bank then became the “Banking House of Charles McDonald.” When state supervision of banks was introduced, the title was shortened to Bank of Charles McDonald, with capital of \$30,000.

While W. H. McDonald had assisted in the bank at various times during school vacations, he became permanently connected with the bank in

(Turn to page 28, please)

Northwestern Banker March 1943

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

IF YOU want to spend a delightful and pleasant discussion on Turkey, its customs and its traditions, just invite **Huntington Turner**, vice president of the Chemical Bank & Trust Company of New York, to be your guest, as he spent three years in Turkey and knows all the officials from the top to the bottom.

Recently we had the pleasure of entertaining "Hunt" at our home for "tea" and he told us of his experiences when his bank sent him to Turkey to build a modern hospital at Manisa in order to carry out the trust agreement of an estate valued at more than 10 million dollars, which was left by **Morris Schinasi**, a wealthy Turkish tobacco producer in this country.

This job took three years and brought "Hunt" in contact with all the leading officials of Turkey.

Incidentally, Mr. Turner received much of his early education in Europe and speaks French fluently.

In the present conflict, he says that Turkey is definitely for the United States, as they do not trust either Germany or England, but have great faith in the United States because after World War No. 1 we desired no additional territory in Turkey's realm of influence.

We still can't figure out how Huntington Turner, one of the handsomest bankers we know, ever missed the call to Hollywood—his father, a prominent lawyer, always wanted to be an actor.

Captain Eddie Rickenbacker, whose thrilling articles on the "Pacific Mission" has stirred the country, also brought back with him a message to American labor which is arousing a great deal of discussion. He said when he first returned that if the soldiers in the Solomon Islands could be exchanged for the men in the factory that production would be doubled in 30 days.

Just recently he has addressed the New York legislature, and at that time he said, "You cannot demand that the mass of common folk shall think only of winning the war if the aristocracy of labor unionism is thinking only of more dues and more power—and the inner clique of bureaucracy is thinking only of a fourth term."

Northwestern Banker March 1943



"ADMIRAL" FRANK C. WELCH
AND SON, TED

The NORTHWESTERN BANKER obtained this picture of these two distinguished sailors and then asked the one on the right, better known as **Frank C. Welch**, president of the Peoples Savings Bank of Cedar Rapids, to tell us "all about it," and here is what "**Admiral Welch**" wrote the NORTHWESTERN BANKER:

"During the last war, I was one of the supply officers on the U.S.S. *Wilhelmina*, a troop transport. When Ted was home after receiving his commission at Abbott Hall, Northwestern University, I managed to squeeze into the old uniform and we had this picture taken. You will observe I got into it even though it bulges in spots.

"Ted is now an officer aboard a destroyer with the Atlantic fleet. He likes it fine, and will no doubt make a much better naval officer than his old man ever was."

Also, additional honors have come to "Admiral" Welch, as **Frank P. Powers**, president of the Kanabec State Bank of Mora, Minnesota, and president of the State Bank Division of the A. B. A., has appointed the "Admiral" to serve on that division's "Committee on Federal Supervisory Agencies."

On June 30, 1943, **President Roosevelt's** authority to cut the gold content of the dollar expires. He has had this authority for 10 years.

Unless Congress acts before then, the content of the dollar will be frozen at 15 5/21 grains of gold nine-tenths fine, and the money in the stabilization account automatically will go into the treasury's general fund.

Many senators are opposed to the continuation of this power, and among those is **Senator Moore** of Oklahoma, who believes that a contest on the issue would show "whether Congress is going to reclaim the powers that never should have been delegated to the executive."

H. Donald Campbell, president of the Chase National Bank, recently said farewell to the 1,000th Chase man to leave for war service. He was **Jack G. Fuchs**, who has been a member of the brokers department for the past 15 years.

Paul L. Hardesty, manager of the insurance department of the Chamber of Commerce of the United States, in a recent letter to us said, "Your editorial in the January issue of the NORTHWESTERN BANKER, 'Who Built America Anyway?' was read by me with admiration and approval. I took occasion to refer it to our president, **Eric A. Johnston**. The religious, political and economic implications of the statements of the divine you quoted are so unthinkable that I shall not undertake an analysis in this letter."

A. W. Bird, cashier of the Dyersville National Bank, had over \$1,736,000 deposits in his bank as of December 31, 1942. During the past year this institution has sold over \$300,000 worth of War Bonds to their customers.

Mr. Bird has done a very clever thing in his bank statements and has used the inside pages of a four-page folder to tell the "Importance of Dyersville as a Business, Trading and Banking Center."

Henry Canenburg, president of the Commercial Bank of Bassett, Nebraska, in a letter to the NORTHWESTERN BANKER, said, "In reading your February issue I was much impressed with **William B. Hughes**, secretary of the Nebraska Bankers' Association, article "Country Banker's Association to be Organized". I believe that that should be done as we must have an association of small banks working together if we desire to exist. If there

(Turn to page 63, please)

Country Bankers Division of the Independent Bankers Association Is Organized at St. Louis Meeting

By Ben DuBois, Secretary
Independent Bankers Association

and William B. Hughes, Secretary
Nebraska Bankers Association

MR. DuBOIS SAYS:

"We had the most successful council meeting that we have ever had—some 20 states were represented and many helpful ideas were submitted.

"The council approved unanimously the creation of our **Country Bank Division** of the Independent Bankers Association, with **E. E. Placek**, president First National Bank, Wahoo, Nebraska, president and the writer as secretary. We feel that with this division the problems of the forgotten country banker will be better taken care of.

"The growth of this Association seems to be inevitable and our influ-



BEN DuBOIS
"—Growth Seems Inevitable"

ence will follow in proportion. Subsidized socialized credit is naturally repugnant to every thoughtful American. PCA competition is arousing the country bankers in no uncertain terms and the last move of the Agriculture Department to resuscitate the RACC has stirred up real indignation.

"With an investigation of socialized

farm credit in the offing and the attitude of the present Congress such as it is we feel assured that there will be an investigation ordered that will surprise the Nation in its findings. We are grateful to Senator **Kenneth S. Wherry** of Nebraska for the introduction of this resolution and we are confident that Senator **Harry F. Byrd's** Committee will do a thorough job.

"With the bankers of the country thoroughly aroused to the socialistic trend and with the general support that will follow we feel that our efforts supplemented by the support of the ABA will not be futile.

"We are sending you two resolutions adopted by the Council. There was no change in the Council's membership or in the executive or appointive offices."

Mr. Hughes says:

"There were thirty present at the meeting of the Executive Council of the Independent Bankers Association at St. Louis. They represented territory from Colorado to South Carolina; from Minnesota to Louisiana; from Pennsylvania to Texas.

"**N. B. Matthews** of Stamford, Montana, presided.

"The meeting opened with a statement by Secretary **Ben DuBois** concerning the new Patman Bill, HR 316, to freeze branch banking as is. He said the bill has been improved. He looks for a renewal of the push to extend branch banking. The situation in the various States was canvassed, and the caution was expressed and emphasized that the bankers in the few States having anti-branch bank statutes must be as alert as others, for a National branch bank law would spoil their situations very quickly.

"Luncheon was served in an adjoining room, after which the meeting heard **Emil E. Placek**, **E. W. Rossiter** and **Wm. B. Hughes**, all from Nebraska, on **subsidized** competition of

the Production Credit Association; the uphill eight months fight to get any sort of activity against PCA's by the American Bankers Association, or support from other State Associations; the quick and willing assistance given by Secretary DuBois of the Independent Association; the apparent need of some organization to champion small country banks without the necessity of a long fight for assistance, and the proposal that the meeting ratify the informal creation by Secretary DuBois and President **A. P. Drummond** of a Country Bankers Division of the Independent Bankers Association.

"Secretary DuBois explained that in order to get started promptly he had secured informal consent to send out the first of a series of letters to go to all members of Congress and to a long list of others, to be followed at ten-day intervals with other similar letters. A copy of this first letter is as follows:

"During the War Emergency all nonessential government bureaus and agencies should be eliminated, and those agencies with government subsidized capital should be required to return such capital into the United States Treasury, to help finance the War.

"The personnel of such bureaus and agencies, if released would help solve the labor shortage. Thousands of men and women are on the payroll of such bureaus and agencies that serve no useful purpose, making the taxpayer's burden just that much heavier.

"What is Congress going to do about it?"

Yours very truly,
E. E. Placek, President
Country Bank Division.

"A discussion of the situation, and of the services the I.B.A. might contribute, ensued.

"A resolution authorizing the formation of a Country Bank Division was adopted unanimously.

"Means of building up membership

Northwestern Banker March 1943

in the various States were discussed and plans laid for intensive effort for new members to provide for the cost of carrying on a campaign against subsidized credit.

"A dinner at 7:00 P. M. was the concluding function, bringing to an end a busy day during which the enthusiasm for this new field of work was clearly manifested."

Resolution Asking Passage of Patman Bill

WHEREAS, The Independent Bankers Association was organized for the purpose of opposing branch banking, and

WHEREAS, branch banking is monopolistic in tendency and detrimental to our national economy, and

WHEREAS, The only logical method of holding this movement in check is through Federal legislation, and

WHEREAS, There is now a bill before the House Banking Committee,

being H. R. 316 introduced by Wright Patman of Texas, that, if passed would prohibit further branch banking expansion,

THEREFORE, BE IT RESOLVED, That the Executive Council of the Independent Bankers Association in session at St. Louis, Missouri, does now reaffirm its unalterable opposition to branch banking and does urge upon Congress the necessity for the passage of this bill.

Resolution on Production Credit Associations

WHEREAS, For the purpose of meeting an emergency, certain Government subsidized lending agencies were created, and

WHEREAS, An abnormal and unnecessary expansion has been made in Production Credit Corporations and Field offices amounting to an increase of 53 per cent in 1941 and numerous new branch offices have been added

since, all after the emergency has passed, and

WHEREAS, Contrary to the principles of the American system, the Production Credit Corporations and Associations are aggressively seeking, with the help of a subsidy from the Government, and its taxpayers, and exemption from taxes, to solicit and take from commercial banks the agricultural loans that compromise the principal earning assets of such banks, and

WHEREAS, Said subsidy furnished to the Production Credit Corporations and Associations in the amount of \$120,000,000 created an unnecessary burden on the Treasury of the United States and on the taxpayers,

NOW, THEREFORE, BE IT RESOLVED, By the Executive Council of the Independent Bankers Association, in session at St. Louis, Missouri, urges the Congress to recall this subsidy to the end it may be employed in financing the war.

Bankers Comment on Organization of "Country Bankers Association"

IN the February issue of the NORTHWESTERN BANKER there was an article on page 10 on "Country Bankers Associations to Be Organized" by William B. Hughes, secretary, Nebraska Bankers Association of Omaha.

The following letters sent the NORTHWESTERN BANKER comment on this article. Since these letters were written, the "Country Bankers Division" of the Independent Bankers Association has been created. A story on this will be found in this issue of the NORTHWESTERN BANKER, page 15.

"Country Bank Division" Should Be Under A. B. A.

In commenting on a separate "country bankers organization" as referred to in the February issue of the NORTHWESTERN BANKER, K. O. Sattre, vice president and cashier of the Blue Earth State Bank, Blue Earth, Minnesota, in a letter to the NORTHWESTERN BANKER said, "I feel that this organization would be somewhat superfluous. Such a division should be set up in the A. B. A. with every proper representation in the management of the national association. I believe that we would get further

faster by organizing a 'Country bank division' under the A. B. A. than in setting up a whole new organization. In this way a unity of all bankers' interests could also be effected."

"ABA Not of Much Use to Smaller Banks"

"We are glad to give our views regarding the article you published in the February issue of the NORTHWESTERN BANKER in respect to a Country Bankers Association organized to fight P. C. A. competition," says R. E. Cocklin, vice president, Wauneta Falls Bank, Wauneta, Nebraska. "We are in for anything that will help beat this thing that is trying to be unloaded on the country banks to take away their already low earnings. **We do not consider the American Bankers Association of much use to smaller banks except for the code they put out.**

"Regarding ration banking it is going to be a terrible nuisance and with the prospect of losing two-thirds of our experienced help, we cannot look upon it with much favor but it seems that it is going to get worse and worse."

A. B. A. Had to Be "Smoked Out"

"We very much like Mr. Hughes' article appearing in your February issue of the NORTHWESTERN BANKER," says Robert D. Beery, president of the Union State Bank of Browns Valley, Minnesota. "The Country Bankers are fortunate indeed to have men with the courage and ability of Mr. Hughes fighting their cause. It is highly important that the country bankers have an association of their own working in harmony with the Independent Bankers Association, who have lead the fight against government socialized credit. It is very disappointing that our great American Bankers Association, presumed to represent all the banks of the country, is so made up that it is difficult for them to appreciate the Country Bankers problems. However, we are very appreciative to witness now the splendid effort being made by the A. B. A. in opposition to the various governmental socialized credit agencies. **It is unfortunate for the National Association that they did not take immediate action rather than wait until being 'smoked out.'**"

Financial Advertisers Discuss *War Time Problems*

How Financial Institutions Can Further the Sale of Government Bonds—
Trust Business and the Post-War Economy—What Financial Institutions
Should Be Doing Now in Advertising—These Were a Few of
the Questions Discussed at the Chicago Regional Meeting
of Financial Advertisers Association

REPRESENTATIVES of the Financial Advertisers Association from six states met last month at the Edgewater Beach Hotel in Chicago to discuss current wartime financial advertising problems.

It could be described as a "Lou-Lew" of a meeting or as an "L" of a good meeting if you prefer, because **Lou Townsend, Lewis F. Gordon, Lewell Lafferty** and, of course, **Lucy David** all participated in this very interesting one-day convention.

Clifford S. (Hap) Young, president of the Federal Reserve Bank of Chicago, told the convention that the total bank deposits of the nation now amounted to 102 billion dollars and that financial advertising had helped to maintain the good will of the customers who made these deposits as well as to assist in selling them government bonds.

Francis F. Patton, chairman of the Chicago Victory Loan Committee, said that when a bank buys bonds it is inflationary and that the excess purchasing power, which is now being created, must be absorbed either by taxes or the purchase of government securities. In 1929 the national income was 85 billion dollars and in 1943 it may reach 135 billion dollars.

At the present time, we are spending \$6,000,000 per month for war.

As far as government bonds are concerned, either the commercial banks will "sell 'em or buy 'em".

Victor Cullin, assistant secretary of the Mississippi Valley Trust Company of St. Louis and past president of the F. A. A., believes that banks should have some brand new ideas for trust department business after the war is over. The longer the war lasts, the more the government is likely to take over the trust business

We should put more glamour into our trust business when the war ends. Common trust funds for various

groups in industry could be started. The future of the trust business rests in **doing business with more and more people who have less and less.**

Lewis F. Gordon, vice president of the Citizens and Southern National Bank of Atlanta and vice president of the F. A. A., believes that the advertising of American firms is the best in the world because it represents the individual thought of each company.

He said he analyzed 901 ads shown in recent F. A. A. Bulletins and that 33 separate subjects were discussed, and his main criticism was that there was a lack of cohesion in bank advertising. Bank advertising programs should have a definite objective and advertisements should have familiarity in their physical form.

He said the house organ, which is published for their bank, is edited by the employes themselves.

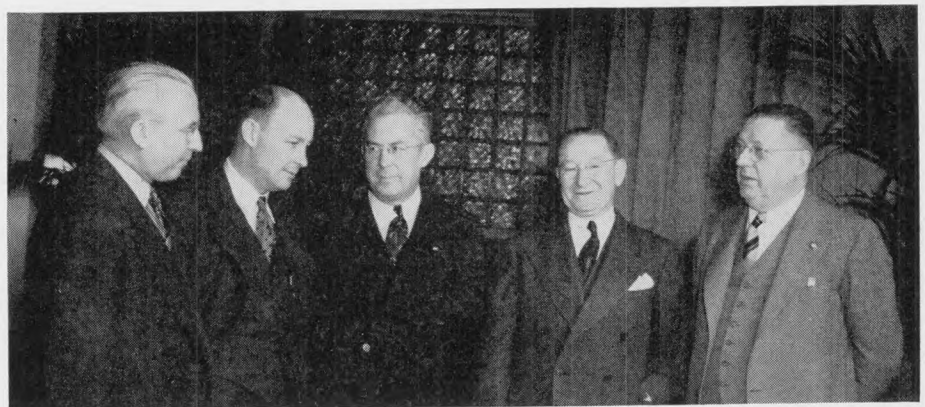
Mr. Gordon told the convention about how he writes the copy for each

bank advertisement based on current events and appeals to the human emotions, and as a result of which, many of his ads are reprinted by industrial firms and sent to their own employes. The advertisement which has been reprinted more times than any other is entitled, "**Somebody's Boy**".

J. Lewell Lafferty, vice president of the Fort Worth National Bank of Texas and vice president of the F.A.A., believes that the outlook for bank loans during the post-war period is most encouraging because many new types of business (airplane, chemicals, plastics) and a re-establishment of former industries (automobiles, etc.) will mean much to the American economic system.

Manufacturing improvements developed during the war will no doubt result in economies being effected

(Turn to page 66, please)



OFFICERS OF THE FINANCIAL ADVERTISERS ASSOCIATION

Left to Right—**Preston E. Reed**, executive vice president F.A.A., Chicago; **J. Lewell Lafferty**, vice president Ft. Worth National Bank, Ft. Worth, Texas, and second vice president F.A.A.; **Lewis F. Gordon**, vice president Citizens and Southern National Bank, Atlanta, and first vice president F.A.A.; **Lou E. Townsend**, assistant vice president Bank of America, San Francisco, and president F.A.A.; and **Fred W. Mathison**, assistant vice president National Security Bank, Chicago, and treasurer F.A.A.

Northwestern Banker March 1943

With Abundant Sub-soil Moisture,
and With Ample Supplies of Better
Seed Varieties---

North Dakota Is Ready for 1943

Every Farmer in the State Will Produce All He Can With the
Help, Power, and Equipment Which Is Available

NORTH Dakota produced \$483,180,181.00 of new wealth in 1942, or \$6,532.00 for each of the 73,962 farm units, according to the 18th annual economic review of the Greater North Dakota Association.

Ideal temperature and moisture conditions made all crops produce prolifically in all sections of North Dakota. Normal grain prices and greatly increased prices for livestock, dairy and poultry products, due to war demands, resulted in the most profitable year in the state's history.

This year's production of new wealth is 33 per cent higher than last year's total farm income of \$363,576,977.00. The 1942 income approaches the half billion mark, in the state's second successive bumper crop.

North Dakota exceeded all other states with 67,454,00 bushels of barley, or one-sixth of the nation's total crop.

North Dakota produced 149,844,000 bushels of all wheat, millions of which are stored over the state in prairie cities of newly constructed granaries, enlarged grain elevators, converted storage bins, stored ammunition to win the war and secure the peace.

Wheat and durum, in spite of a reduction of 834,000 acres in 1942, yielded at the rate of 20.5 bushels per acre, the highest state average ever recorded, for a total of nearly 150 million bushels.

North Dakota, growing more acres of durum than any other state, raised 85 per cent of the U. S. supply for 1942, and the crop yielded at the rate of 22 bushels per acre.

Responding to the war needs, this state doubled the acreage of the normal 10-year average of flax, producing 9,184,000 bushels, in spite of serious inroads of rust.

Livestock Income Gains

Heavy feed crops and excellent ranges gave farmers an opportunity to fit livestock for heavy marketing and

to retain feed reserves and ample breeding stock on farms.

Livestock prices today average 30 per cent above a year ago, and heavy marketing of all surplus animals, together with an increased inventory value of \$37,760,308.00 for animals retained on farms, bring the value of livestock and livestock products to a total of \$172,541,621.00.

A 50 per cent increase in the production of hogs and uniformly fine increases in other livestock classes, coupled with the fact that North Dakota led all states in the percentage of increase of chickens raised on farms, helped the state in topping the per capita sales of war bonds last November, in paying for farms, and in making an all-time record for liquidating public and private debt.

\$3,000,000 of Coal

There was an increase in production of lignite coal of 122,106 tons over 1941, or a total production of 2,469,364 tons, says J. B. Crowe, State Mine Inspector. Price ceilings and the shortage of labor cut down the number of operating mines from 248 to 201, and 1,572 miners were employed during the period from July 1, 1941, to June 30, 1942. The value of the lignite mined was given as \$3,099,663.68. From the figures given, GNDA estimates that some 761,000 tons were manufactured into briquettes up to June 30, 1942, with production at the Lehigh Briquetting plant greatly increased since that date.

\$6,532.00 Per Farm

Governor John Moses states that North Dakota furnished 38,000 men to the armed services, an almost equal number to the nation's defense industries, and, in spite of resultant labor shortages, modern mechanized mass production methods produced \$6,532.00 for each of the 73,962 (1940 census) farm units.

Farm labor shortage slowed the sale of farms, which totalled 9,000 in 1941. Besides causing the cancellation of contracts and leases, the farm labor shortage caused reduction of farm herds, and war prices helped increase the number of farm auction sales. However, many farms were sold to actual operators by the Federal Land Bank, counties and the State of North Dakota, insurance companies, and other agencies, and "payments on these farms reached an all time high," says B. E. Groom, GNDA secretary. "Debt payment and the elimination of all speculation was the dominant idea of all farm operators."

Many Farm Sales

The Board of University and School Lands received an average of \$15.00 per acre on 400 farms sold early in the year, stopped all sales on March 1, until this fall. With less than a half dozen foreclosures in 1942, more than 80 buyers paid contracts in full and "collections the past month have been better than at any time in the past 20 years," says Commissioner E. E. Swanston.

With 2,000 land sales made in 1941 the Federal Land Bank of St. Paul sold 1619 farms the past year, according to F. W. Peck, president, who reports collections have been excellent both years.

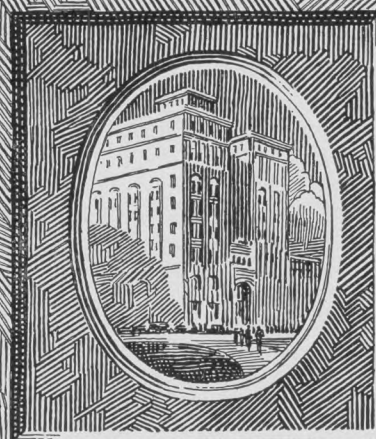
Some 30 insurance companies owned approximately 2700 farms in the state at the start of the year. There are indications that practically all of the smaller holdings were sold, as well as other units that might be affected by the state's anti-corporation farming law, have disposed of their farm lands.

"A survey made in June shows that a majority of the counties of the state have disposed of practically all desirable farm properties," says Secretary B. E. Groom. "Land and tax pay-

(Turn to page 38, please)

Equipped
For All
BANKING
Needs

The Omaha National Bank



ALWAYS
AT YOUR SERVICE

Member
Federal
Deposit
Insurance
Corporation

Northwestern Banker March 1943

What Banks Can Do to *Conserve* Supplies and Equipment

This Is the Time to Devise New Conservation Methods—Not Only for the Duration of the War, but to Make It an Every-Day Policy

IN ORDER to conserve bank equipment and supplies it is imperative that we make it a watchword to save and conserve as we have never done before.

It has long been the policy of our banks to serve, and to serve well, those thousands of customers who depend on us for practically everything relating to business and finance.

With the advent of the war, this dependence has increased a hundred-fold, especially in the larger banks of this nation. We have been called upon to issue war bonds, to handle the added thousands of checks issued to our soldiers and sailors, along with the checks by the AAA to our farmers, pension checks, etc. All these items are handled swiftly and efficiently because of the modern and up-to-date equipment employed by our banks. I don't believe that any of us have ever stopped to think of the tremendous responsibility and faith which we place in our equipment, especially in our posting and adding machines. As a matter of fact, such machines as adding machines, posting machines, and our change machines might rightfully be called precision machinery. If our machines were not precision built, they would not have a place in the modern bank, for we cannot only hope that our totals and balances are correct; they *must* be correct. Since this is true, why do so many banks mistreat and abuse their equipment the way they do? I would venture to say that there are hundreds of machines in our banks that do not receive so much as a pleasant look for months, yes, maybe years on end unless they fail to function properly. They are never given even a drop of oil, to say nothing about a thorough cleaning once in a while. Would it not be well to stop right here and think what would happen to our banks were we suddenly deprived of our automatic machines and other equipment?

With the freezing of posting-machines, typewriters and adding machines, can we continue to give the

Northwestern Banker March 1943

By H. E. Hoffer

Assistant Cashier

*The National Bank of Waterloo
Waterloo, Iowa*

same service to our customers to which they are accustomed? Possibly this question can better be answered a year or two from now; we will then be in a better position to know how well we took care of our equipment.

I believe we can continue to give the proper service only if we give our equipment the proper treatment. If we adhere to the following rules, our equipment will go a long way toward lasting for the duration of the war:

1. Keep all machines free from dust

Four Rules for Making Equipment Last Longer

1. Keep all machines free from dust and well oiled. Keep them covered when not in use.

2. Whenever possible, put your posting machines, adding machines, and typewriters under contract with a reliable firm or competent individual for inspection at regular intervals.

3. Require employes to report immediately to the proper authority, should the equipment he is using fail to function normally.

4. Acquaint all employes with the problem at hand, such as the cost of the equipment they are using, and that it cannot be replaced.

and well oiled. Keep them covered when not in use.

2. Whenever possible, put your posting-machines, adding machines and typewriters under contract with a reliable firm or a competent individual, for inspection at regular intervals.
3. Require employes to report immediately to the proper authority, should the particular equipment which he is using fail to function normally.
4. Acquaint all employes with the problem at hand, such as the cost of the equipment which they are using, and that it cannot be replaced. I am sure they will cooperate to our entire satisfaction.

The matter of bank supplies has not turned out to be the problem which we at first anticipated. Not many banks, if any, have suffered materially from the lack of supplies, with the possible exception of those supplies which contain steel or rubber. We all know that it is impossible to purchase steel equipment such as filing cabinets, office desks, etc.; however, it was not so long ago that manufacturers of steel equipment painted their products to resemble wood, and now the manufacturers of wooden equipment are painting their products to resemble steel, and they are doing a pretty good job of it. In fact, one almost has to feel of these new wooden products to be satisfied that they are not steel. So, if we really need new filing cases and office equipment, we need not fare so badly.

Pins, staples, paper clips and steel pens are practically indispensable to the modern bank. All of these items are, however, becoming more and more difficult to purchase. There is but one way to conserve on pins, paper clips and staples, and that is to use them sparingly. We can make our pens last longer by cleaning them daily and by using an ink that is less corrosive.

Rubber bands are no longer on the
(Turn to page 29, please)

Can a *Bequest* in a Will Cover Payment for Past Services?

A RETIRED Iowa banker died leaving a will in which he bequeathed \$1,000 to a friend. It is happened that the friend had done considerable work for the banker in his last days with the understanding he was to be paid therefor. The will did not provide that the bequest was in lieu of payment for services. Can the friend recover from the estate for his services and also be entitled to the bequest?

Yes. Generally, a legatee who has performed services for a decedent may receive payment for such services unless the will indicates the bequest is intended in payment therefor. In some cases a bequest may be presumed to be in payment for services, but they are not in point here.

During her last illness, Geraldine Everett, holder of a life insurance membership in a fraternal beneficiary association, told a friend that on her recovery she wished to arrange for a change of beneficiary. The change was never made up to the time of her death in Iowa, where she had resided all of her life. The by-laws and membership contract prescribed that a change of beneficiary could be made only on compliance with a certain outlined procedure. Inasmuch as the procedure was not followed, was the beneficiary changed?

No. The procedure prescribed by the contract to effectuate a change of beneficiary was not complied with and the beneficiary therefore remained unchanged. There are a few exceptional cases where strict compliance with contract provisions in these matters will not be required but they are not in point here.

Pollard, a Minnesota banker, employed a lawyer in that state to prosecute a claim for damages there. The attorney filed suit thereon. While the suit was pending Pollard settled it without consulting his attorney. Could he do this?

Yes. Minnesota recognizes the rule that a party may settle a controversy without advising his attorney of it.

These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

The reason for the rule is found in the policy that there should be an end to litigation and that compromises and settlements should be encouraged.

A Minnesota bank rented to various tenants certain rooms on the second floor of the building owned and occupied by it. An employee of one of the tenants was injured when she was struck by shattered glass of the vestibule door which was slammed shut by a sudden gust of wind accompanying an approaching storm. Should the bank be held liable for damages if it could be shown that the premises were not maintained in a reasonably safe condition?

Yes. A landlord must maintain premises under his supervision so that they will be reasonably safe for use by tenants and those who come upon the premises by reason of the tenants' occupation. When he fails in his duty to protect others against the operation of natural forces, he will not be relieved from liability by the fact that such forces operated with unusual and sudden violence.

The Wisconsin Supreme Court recently had before it the question of whether a gift tax law could be made applicable to a completed gift made prior to its enactment. It will be recalled that it has been held in that state that an income tax applicable to past earned income is valid. How would you say the Court ruled on the gift tax matter?

The Court held that a gift tax law cannot constitutionally be made applicable to a completed gift made prior to its enactment. In so holding it was indicated that the constitutionality fea-

ture was the reason for making a distinction between gift and income taxes in these situations.

Is it possible, in Iowa, for two adjoining landowners by occupancy to cause to be established between their properties a legally binding boundary line which does not coincide with the true boundary?

Yes. Occupancy to a boundary line recognized by an express or implied agreement of the adjoining owners may ripen into title, even though it does not coincide with the true boundary.

An Iowa banker was a member of the county board of supervisors of the county in which he resided. An abstract and title company located at the county seat approached the board with a proposition to lease the basement of the courthouse for use as office space. The legislature had not granted power to lease to the board. Could the board make a valid lease?

No. The county board of supervisors of an Iowa county has no power to rent a portion of the county courthouse, in the absence of a legislative grant of such power. The Iowa Supreme Court so held in a recent matter involving this question.

Wilson owned a tract of land in Nebraska that was subject to a \$5,000 mortgage. He defaulted on the mortgage and went into bankruptcy. Was it possible for the mortgage holder to foreclose in the state courts?

Yes. In a similar situation recently, the Nebraska Supreme Court pointed out that the bankruptcy court may authorize a mortgagee to foreclose in a state court a mortgage on real estate of a bankrupt mortgagor.

Van Slyke leased a farm in North Dakota to Pedles. A third person over whom the landlord had no control prevented Pedles from farming the land. The landlord had not guaranteed Pedles quiet and peaceable possession of the land against all persons. Could

(Turn to page 69, please)

NATIONAL SURETY CORPORATION

VINCENT CULLEN, *President*

FINANCIAL STATEMENT

December 31st, 1942

ASSETS

Cash in Banks		\$ 2,353,929.15
Investments:		
Bonds of U.S. Government and its Agencies	\$7,798,855.00	
Other Bonds	2,484,124.85	
Preferred Stocks	4,516,650.00	
Common Stocks	8,130,091.15	22,929,721 00
Premiums in Course of Collection, Not over 90 Days Due		1,152,201.58
Capital stock of National Surety Marine Insurance Corporation, a wholly owned subsidiary		1,747,400.50
Accrued Interest and Rents		45,300.71
Reinsurance and Other Accounts Receivable		51,791.25
Home Office Building		500,000.00
TOTAL ADMITTED ASSETS		\$28,780,344.19

LIABILITIES

Reserve for Losses and Loss Adjustment Expenses		\$ 4,513,512.56
Reserve for Unearned Premiums		6,402,923.37
Reserve for Commissions, Expenses and Taxes		2,302,135.10
*Contingency Reserve		531,768.10
Capital	\$ 2,500,000.00	
Surplus	12,530,005.06	
Total Capital and Surplus		15,030,005.06
TOTAL		\$28,780,344.19

*Includes \$31,768.10 representing difference between total values carried in assets for all bonds and stocks owned, and total values based on December 31, 1942 market rates furnished by National Association of Insurance Commissioners.

Bonds carried at \$1,093,821.18 are deposited for purposes required by law and bonds carried at \$30,640.50 are deposited as collateral on surety bonds required in court proceedings.

How to Prevent *Rural Fires* In the War Emergency

Reducing the Loss of Life and Loss of Property This Year by One Half
Will Save 1,700 Lives and \$1,000,000 Worth of
Property in Rural Areas

WAR is as inexorable as an x-ray in searching out the strong and weak spots in the sinews and fiber of a nation. And in the war we are now fighting, a weak spot is a danger spot, be it on the battle front or on the home front. Here on the home front we have now, just as we did in the days before the war, the blight of rural fires—fires that destroy 3,500 lives every year and consume over \$200,000,000 worth of property on our farms and throughout our rural areas. Every 15 minutes, day after day, week after week, month after month, a farm building is burned somewhere in the United States. The lives that are lost cannot be replaced. And today the replacement of buildings that are burned, stock that is lost, and equipment that is destroyed is becoming increasingly difficult.

Before the war it was difficult to get people excited enough about our unthinking scorched-earth carelessness to undertake an all-out fire prevention and control program. Yes, I know, a good deal of hard work was done by associations such as the National Fire Protection Association and by other professional workers in the field. But I am sure that all of you will agree with me that it has been an uphill fight. Overcoming human apathy and carelessness under ordinary conditions is a struggle that at times makes even the most determined lose heart.

Recognizing the seriousness of the fire situation in rural areas and realizing that under wartime conditions the hazards from fire are greatly increased, Secretary of Agriculture Wickard last

By Reuben Brigham
Assistant Director Extension Work
U. S. Department of Agriculture
Washington, D. C.



REUBEN BRIGHAM

year requested the Extension Service to assume leadership in the Emergency Rural Fire Control Program. This program encompasses that vast territory needing a fire prevention and control program that lies between the work of the Office of Civilian Defense in cities and towns of over 2,000 population and the work of the United

States Forest Service and other agencies in forested areas.

Today, under the leadership of State Extension Services and cooperating agencies, there are over 100,000 trained rural fire fighters organized into 10,000 fire-fighting companies on guard to protect rural America from destructive fires. The work of organizations is continuing vigorously.

Going along hand in hand with the work of organizing rural fire-fighting companies is an educational program reaching practically all of the nation's 6,000,000 farm families and many rural non-farm families. Since the inception of the Emergency Rural Fire Control Program millions of rural families have used the fire-hazard check sheets prepared by the Cooperative Extension Service and distributed by neighborhood leaders.

Through the use of these check sheets farm families throughout the land voluntarily scored fire hazards on their farms and also checked fire-fighting equipment they had available. Of course, just checking YES or NO on the fire-hazard check list is only a part of the battle against rural fires. What all of you will naturally want to know is, "What does the farmer do when he finds out that hazardous fire conditions exist?" Down in Greene county, Indiana, a neighborhood leader recently reported to his county agent that he knew the program is getting results, because since he gave his neighbor a check list his neighbor had ordered materials to fix his flues. There isn't anything especially spectacular about a neighborhood leader



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

giving his neighbor a fire-hazard check sheet, and following that the ordering of the materials to eliminate the hazard. In any case it won't make a headline story. Of course, if the neighbor had decided that fire hazards were just a part of life and hadn't bothered to fix the flues, and the house had burned down, it would have made a story. Even then, it would not have been exactly a headline story unless, along with the house, lives were lost.

Rural fire-fighting companies have been organized throughout the nation. All the members of these companies have received or are receiving organized training in fire prevention and

fire control. That these fire-fighting companies know how to do the job is evidenced by examples we have received in Washington from many states.

Equipment and tools used by fire-fighting companies range from spray rigs to shovels and rakes. Tractors and plows are used in making fire lanes in case of grain fires or fire threatening farmsteads or woodlands. And the men who make up these companies know how to use water from domestic systems efficiently in combating fires.

Before going too far afield on details of the rural fire-control program I'd like to go into the responsibilities

assigned to the Federal Extension Service by the Secretary of Agriculture in his memorandum to Director M. L. Wilson. In that memorandum the secretary requested that the Extension Service assume leadership in organizing rural America against destructive fires. Immediately after the secretary's request, the Extension Service developed and conducted a nation-wide educational campaign to help rural people in identifying and eliminating fire hazards and in organizing volunteer companies and making use of available facilities for fire control. To develop this program an Emergency Rural Fire Control Program, adaptable to state use, was outlined with the following four objectives:

1. To eliminate all fire hazards on the farm, in farm buildings, and in rural areas generally.
2. To educate all rural people in rural fire prevention for the protection of life and property.
3. To prepare for use and maintain all fire-fighting facilities and equipment, both on a community and an individual farm basis.
4. To organize and develop rural fire-fighting units for each community.

All State Extension Services have now been aided by the Federal Extension Service in launching this wartime program. Educational materials of many types have been prepared and sent to state extension workers to give them further aid, but the big job is right out there in the states, counties, communities and neighborhoods.

Close contact and coordination of effort is maintained with the fire-prevention programs of the Office of Civilian Defense and the United States Forest Service, and materials prepared by these agencies have been distributed for them through State and county extension offices. An example of this is the help extension workers are giving OCD and cooperating agencies in organization of the Forest Fire Fighters' Service.

In all this tremendous job of organizing rural America against fire, I want to acknowledge for the Extension Service the help from national organizations and associations promoting fire prevention and safety.

Many of the 1,500,000 4-H Club boys and girls are active in the work of preventing and controlling the destruction of vital resources by fire in rural America. Particularly significant are the fire-prevention projects being carried out by 4-H Clubs in Oregon, California, Kansas, Connecticut and New Hampshire. But in all states 4-H boys and girls are putting their shoulder to the wheel and contributing their youthful energy and drive to this pro-

22 Years of Successful Operation

Read these figures . . . they tell the story!

Net Losses Paid Since Organization . . \$2,538,705.17

Net Surplus, Dec. 31, 1942 432,581.62

YEAR AFTER YEAR, Square Deal continues its record of outstanding growth and leadership as the Largest Exclusive Hail Insurance Company operating in Iowa and Missouri. Square Deal provides insurance at cost . . . pays losses within ten days after adjustments are approved. We have a few exclusive agency openings in Iowa and Missouri. Write us.

SQUARE DEAL Insurance Company

C. FRED MORGAN, President Valley Bank Bldg., Des Moines, Iowa

gram as well as many other wartime programs. 4-H Clubs in California and Connecticut have organized fire patrols. Other clubs have raised money for fire-fighting equipment, and some have rebuilt trucks for fire-fighting companies.

Fire prevention and safety programs go along hand in hand; they do not operate in separate compartments. The person who has unsafe work habits is likely to be careless with regard to fire as well. Essentially, success of the rural fire-control program hinges to a great degree upon developing attitudes of mind in the rural population that will keep everyone constantly on the alert. Around 80 per cent of fires on farms and in rural communities are the result of human carelessness or failure to take simple precautionary measures.

In looking ahead in 1943, we need to set some definite goals to be reached, just as cities are doing in traffic accident campaigns: (1) Let us reduce the loss of life from rural fires by one-half this year. Attainment of that goal would probably mean the saving of some 1,700 lives. (2) Let us reduce the loss of property by one-half. If we do this we will save for the nation \$100,000,000 worth of buildings, equipment, food and other materials. To do these two things will require a determined effort—it means a real man-size job for each and all of us.

Our goal for 1943 then is—the saving of 1,700 lives and 100 million dollars' worth of property on the farms and in rural America.

Social Security Program

A broader social security program—perhaps an Americanized version of the Beveridge plan—need not injure our national economy and business need not fear its effects, if our planners face economic realities as practically as does the Beveridge report itself, declared O. J. Arnold, president of Northwestern National Life Insurance company, in reporting here today on his company's war-time progress.

But unless it is realized that Americans must have the incentive to produce the wealth necessary to support such a program; unless there is ample encouragement of men who are willing to take the risks of creating new wealth, a social security program can only be a tragic disappointment to the people, he stated.

Mr. Arnold praised the Beveridge report as "a thorough-going, realistic study of the whole program of social insurance from the British standpoint." He pointed out that it deals with several practical economic real-

ities which must be faced in setting up any broad social security program: It emphasizes that benefits must be set so as to leave with the individual citizen a strong urge to rise above the level of benefits provided; it emphasizes the need for "full employment" to prevent a social insurance program from becoming too great a burden on the productive economy of the nation.

He cited these as examples of a realism which has not always been apparent in our thinking in this country.

"Here," he said, "we have tended to talk too much about benefits and not enough about the means of provid-

ing them. Our national economy can support a basic standard of social well-being provided we also have freedom of production, and encouragement for men who are willing to take the risks of creating new wealth."

Announcing that his company's insurance in force has now passed the half-billion-dollar mark, Mr. Arnold took occasion to reassure those who feel that a social security program necessarily competes with and menaces private insurance companies and other business institutions.

"I am heartily in favor of a just and soundly planned social security program, and am not at all afraid of ill

Financial Statement of **IOWA'S LARGEST CASUALTY INSURANCE AND BONDING COMPANY**

Statement as of December 31, 1942

OFFICERS

J. W. GUNN
President-Treasurer
JOHN F. HYNES
Vice Pres.-Secretary

DIRECTORS

DR. D. E. BAUGHMAN
Pres., Fort Dodge
Serum Co.
Fort Dodge, Iowa

ANSEL FRANKEL
Pres., Frankel
Clothing Co.
Des Moines

H. L. HJERMSTAD
Pres., Citizens Fund
Fire Insurance Co.
Red Wing, Minn.

DR. L. E. KELLEY
Physician & Surgeon
Des Moines

FRANK KOHRS
Pres., Kohrs Packing
Company
Davenport, Iowa

O. B. MCKINNEY
General Agent
Denver, Colorado

GEO. E. PATTERSON
Spec. Representative
Des Moines

W. Z. PROCTOR
Attorney-at-Law
Des Moines

H. W. READ
Secy., Iowa Valve Co.
Oskaloosa, Iowa

R. W. WEITZ
Contractor
Des Moines

M. J. WILKINSON
Supl. of Agents
Des Moines

R. L. WOOD
Treas., Wood Brothers
Thresher Company
Des Moines

ASSETS

U. S. Government Bonds—Market Value	\$2,338,905.00
Other State and Municipal Bonds—	
Market Value	989,832.50
No bonds ever owned by the company have been in default as to interest or principal.	
Cash in Banks	1,297,568.85
Stocks—Market Value	43,470.00
Real Estate Mortgages	330,661.19
Interest Accrued	17,685.16
Premiums in Course of Collection—	
Not Past Due	654,454.05
Current balances due from agents and policyholders.	
Real Estate (Home Office Bldg.)	129,570.69
TOTAL ADMITTED ASSETS	\$5,802,147.44

RESERVES

Reserves for Claims	\$2,365,882.31
Funds set aside to fully pay all incurred and expected losses.	
Reserve for Unearned Premiums	1,507,217.73
Funds set aside to return to every policyholder the unearned premium in event of cancellation of his policy.	
Reserve for Taxes	150,000.00
Taxes, Commissions, Reinsurance, etc.	
All Other Reserves	293,795.26
TOTAL LIABILITIES	\$4,316,895.30
Reserve for Contingencies	200,000.00
SURPLUS	1,285,252.14
	\$5,802,147.44

EMPLOYERS MUTUAL CASUALTY COMPANY **Des Moines**

Fidelity and Surety Bonds—Automobile, Plate Glass, Burglary, Public Liability, Workmen's Compensation Insurance

Northwestern Banker March 1943

effects on the life insurance business from the 'floor' of economic well-being created by such a program," Mr. Arnold declared. "The free American will never be content to spend his life on any kind of a 'floor'. He will always want to raise himself and his family above that level. Therefore he will continue to buy life insurance."

Wartime scarcities are now demonstrating that economic security does not consist of pensions or of money itself, but of actual goods and services—the real comforts of life, he said.

"We are now meeting scarcities and will experience still more, even though we have money to buy," Mr. Arnold pointed out. "Some of these scarcities are unavoidable, resulting from war and its necessary dislocations and re-

strictions. Others should have been avoidable, and result from past blundering and from unnecessary handicaps on American production. However they all help to drive home the basic fact that production, not money, is the real wealth of the country. No sound social security plan will overlook the first and foremost job, which is to encourage the creation of an ever-greater supply of wealth for the nation."

Square Deal Insurance Co.

Despite heavy hail losses during 1942, the Square Deal Insurance company, whose home office is Des Moines, made an outstanding record of the year, the report of the company made

by C. Fred Morgan, president, reveals.

Hail losses for the year were exceptionally high throughout the state, Mr. Morgan said. "The company's income for the year amounted to \$687,478 resulting in a business increase of approximately 36 per cent," Mr. Morgan announced. "Likewise substantial gains were made in assets and surplus of the company. A 36 per cent increase in surplus boosted the company's surplus to \$432,581."

Square Deal was originally organized by and for farmers and has continued under that policy for the 22 years of its existence. It is now rated as Iowa's largest exclusive hail insurance company. In addition to operating in Iowa, Square Deal also operates in Missouri.

At the recent annual meeting of the company, C. Fred Morgan of Des Moines was re-elected president. Other officers are Fred K. Hawley, Laurens, vice-president; Merele D. Morgan, Des Moines, secretary; M. P. Allen, Des Moines, assistant secretary; Grant McPherrin, Des Moines, treasurer; and Lon Osler, Griswold, and Grant McPherrin, directors.

Fiftieth Anniversary

Nearly five hundred insurance officials and agents from eleven states were to meet in Des Moines March 4th, for the Golden Anniversary celebration of the Farmers Mutual Hail Insurance Company to be held at Hotel Fort Des Moines, President C. P. Rutledge announced last month.

The meeting was to open at 10 a. m. and continue through the evening to pay special recognition to W. A. Rutledge who on March 4th completes fifty years' service as secretary of the company.

The morning meeting of visiting officials and agents was to feature a discussion of plans and underwriting problems for 1943, and a report on 1942 business of the company. In addition the morning session was to include an address by Colonel Frank Halligan of the Iowa Selective Service Board.

At a noon luncheon at Hotel Fort Des Moines 120 agents of the company who wrote \$100,000 or more in 1942 business were to be special guests of honor. These agents are from Iowa, Nebraska, Colorado, Kansas, Wisconsin, Indiana, Ohio and Illinois.

The afternoon session was planned to include talks by company representatives from each state in which the company does business and an address on modern selling methods by W. K. Neimann, Des Moines Agency

GENERAL AMERICAN LIFE INSURANCE COMPANY

WALTER W. HEAD, *President*
St. Louis, Missouri



Financial Statement • December 31, 1942

ASSETS

CASH ON HAND AND IN BANKS.....	\$ 8,159,170.84
BONDS—	
① U. S. Government.....	21,842,808.93
① Other Bonds.....	9,176,261.72
CASH AND BONDS.....	\$ 39,178,241.49
FIRST MORTGAGE LOANS ON REAL ESTATE.....	44,080,794.10
HOME OFFICE BUILDING.....	920,000.00
OTHER REAL ESTATE.....	13,198,565.41
REAL ESTATE SALES CONTRACTS.....	572,186.98
STOCKS.....	2,295,131.00
OTHER ADMITTED ASSETS (Principally amounts payable to the Company—not yet due).....	385,236.33
INTEREST AND RENTS ON INVESTMENTS ACCRUED BUT NOT YET DUE.....	762,384.46
INTEREST AND RENTS DUE ON INVESTMENTS (None of which is past due more than 90 days).....	256,796.33
NET PREMIUMS IN COURSE OF COLLECTION.....	1,939,322.88
② BALANCE OF INITIAL POLICY LIENS.....	7,009,931.00
LOANS TO POLICYHOLDERS.....	23,694,383.78
③ TOTAL ASSETS.....	\$134,292,973.76

LIABILITIES

④ POLICY RESERVES.....	\$122,808,381.43
PREMIUMS AND INTEREST PAID IN ADVANCE.....	802,536.60
RESERVE FOR TAXES.....	674,605.92
ESCROW FUNDS (Deposited by mortgagors for payment of taxes and expenses).....	305,017.00
RESERVE FOR ACCOUNTS UNPAID (Not yet due).....	399,279.34
POLICYHOLDERS' DIVIDENDS.....	1,414,302.12
TOTAL.....	\$126,404,122.41
PORTION OF CURRENT YEAR'S EARNINGS AVAILABLE FOR FUTURE DIVIDEND DECLARATION TO PARTICIPATING POLICYHOLDERS.....	716,580.00
CONTINGENCY RESERVE.....	4,923,802.04
Under Purchase Agreement.....	\$4,002,686.31
For Group Insurance.....	671,115.73
Other.....	250,000.00
CAPITAL STOCK AND GUARANTY FUND.....	500,000.00
SURPLUS.....	1,748,469.31
⑤ TOTAL LIABILITIES.....	\$134,292,973.76

① Actual Market Value of Bonds is more than \$1,410,000 in excess of the amounts shown above.
 ② Does not include liens totaling \$937,181 which have been discharged by payments in cash or credits by policyholders, nor \$162,553.66 liens on dividends on deposit, both of which items will share in future lien reductions.
 ③ Includes assets in "Old Company Account" established under Purchase Agreement dated September 7, 1933, on file with the Superintendent of the Insurance Department of the State of Missouri, (copy of which agreement may be obtained from him or the Company), against which the Superintendent reserved a lien to protect certain liabilities therein described and fully included among the liabilities in this statement. Status of Old Company Account on file with the Superintendent and with the Company.
 ④ Full net legal reserves on policies issued by General American Life are secured by deposit of approved securities with the Superintendent of the Insurance Department of the State of Missouri. The capital stock, guaranty fund, and surplus are additional protection to all policyholders.

* * *

MULTIPLE LINES: Participating • Non-Participating • Salary Savings • Juvenile Sub-Standard • Annuities • Commercial Accident and Health and Hospitalization Group Life • Wholesale Insurance • Group Accident and Sickness • Group Accidental Death and Dismemberment • Employee and Dependents Group Hospitalization with Surgical Procedure Benefits.

Manager of the Bankers Life Company.

W. A. Rutledge, secretary of the Farmers Mutual Hail Insurance Company and one of its founders, was to be honored at a dinner in Hotel Fort Des Moines ballroom, commemorating his fifty years as secretary of the company. As a feature of the dinner a history of the company was to be presented by Secretary Rutledge covering its founding by a little group of farmers in Sac county in 1893, the early underwriting methods followed, the growth of mutual insurance in Iowa, and personal reminiscences of the pioneer insurance leaders.

Presidents and other officials of leading mutual insurance companies and associations from Iowa and ten other states were invited to the Golden Anniversary banquet honoring Secretary Rutledge. President C. R. Rutledge was to preside at the banquet and talks to be given by F. O. Rutledge, assistant secretary of the company; Harry P. Cooper of Indianapolis, secretary of the National Association of Mutual Insurance Companies; Charles R. Fischer, Iowa Insurance Commissioner; William Koch, president of the National Life Insurance Company and H. W. Byers, head of the Auto Claim Department of the Farmers Mutual Hail Insurance Company.

Farmers Mutual Hail Insurance Company was fifty years old on March 4th and is now the largest company of its kind in the world. The company now has over 70,000 policy holders and assets of \$1,848,000.

BARNYARD LOANS ARE AMONG THE BEST

(Continued from page 12)

They fill an economic need and contribute to the welfare of the bank, the borrower, and the community, and thus to the nation in general.

Such loans can be soundly made upon a commercial basis or as an intermediate term credit. Renewals of such loans do not necessarily cause them to be classified as capital investment loans because sufficient assets of a current nature are contained in the collateral to cover the debts and can be sold to retire them.

By the process of applying the proceeds of sales and the discontinuation of further advances to the borrower the loan automatically retires itself.

A potential and active market is maintained at all times for farm commodities.

In contrast to the capital assets of industry there exists at all times a

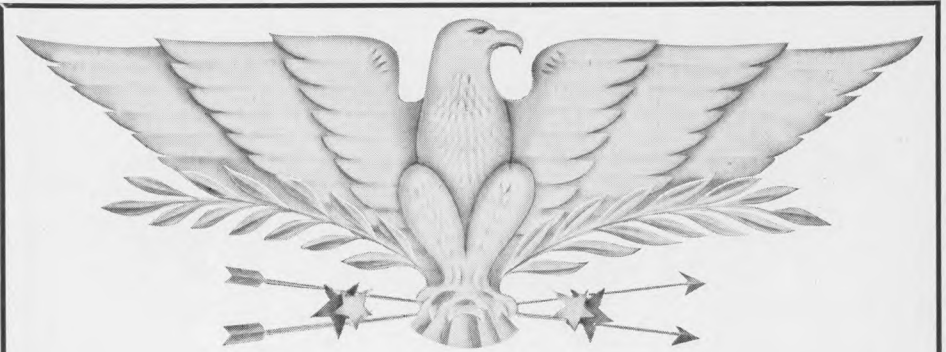
reliable market for the capital and semi-capital assets of the farmer.

The worth-debt ratio of the borrower is not as important in this type of lending as in loans for many other commercial purposes.

The purpose to which the proceeds of the loan are put is important. We have experienced little difficulty with loans made for the purpose of increasing the borrower's earning assets and thus his income.

Farmers' operating loans cannot be made at the banker's desk and forgotten. Care and diligence are required

in their inception. Inspections should be made to give the lender an opportunity to judge the quality of the livestock, the facilities for their care, and the efficiency and aggressiveness of the borrower. The assets should be sufficient to retire the debt and allow the farmer to continue operations on a sustenance basis, and thus assure ultimate retirement of the loan. The borrower's income is received from the sales of pledged property. All sales must be accounted for to the lender. Thus a joint control of the farmer's business is vested in the operator and the lender.



DEPENDABILITY

For Your
Protection From...

FIRE
TORNADO
LIGHTNING
EXPLOSION
HAIL
RIOT
CIVIL OUTBREAK
VEHICLE DAMAGE
FALLING AIRCRAFT
SMOKE DAMAGE
from **FURNACE**
RENTAL INSURANCE

It's an enviable reputation of which we are justly proud when agents and policyholders say of us, "They are dependable". We endeavor always to give dependable insurance service and in cooperation to provide reliable, trained field men willing and ready to aid you as an important part of your Western Mutual Agency Contract.

FIRE AND AUTO POLICIES
Legal Reserve

Western Mutual Fire Insurance Co.

9th and Grand

Des Moines, Iowa



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

Relatively Speaking

"For heaven's sake," wrote Tommy to his wife, "don't send any more of those nagging letters while I'm at the front. I want to fight this war in peace."

Child's Play?

Mrs. Neighbors: "But isn't your son rather young to join the army?"

Mrs. Malaprop: "Well, he is very young, but then, you see, he is only going to join the infantry."

A BANK THAT GREW UP WITH NEBRASKA

(Continued from page 13)

April, 1882, and has worked in it steadily, except for 4 years—1894 to 1898—when he was receiver of the United States Land Office at North Platte. In December, 1898, his father becoming bedfast, W. H. again gave his entire time to the bank.

In January, 1902, the bank was incorporated as the McDonald State Bank, with Charles McDonald, president, and W. H. McDonald, cashier. In 1910, W. H. McDonald became vice president and served with his father until his father's death in April, 1919, when he became president of the bank, which position he held until March, 1926, when he became chairman of the board upon the election of George J. Taylor as president, and has continued chairman ever since.

In 1903, W. H. McDonald organized the Maxwell State Bank of Maxwell, Nebraska, and was president of that institution until he sold his interest in June, 1905. He organized the Gandy Bank at Gandy, Nebraska, which later on, upon completion of the Kearney branch of the Union Pacific to Stapleton, was moved to Stapleton and the name changed to Bank of Stapleton. Mr. McDonald has always been, and still is, the president and main stockholder of this bank.

When George J. Taylor became president of the McDonald State Bank, Mr. McDonald retired from active service in the bank and started out to see what the world looked like. He has journeyed as far as the Samoan and Hawaiian Islands, visited 14 or more European countries, including the British Isles and Ireland.

In 1898 he attended the American Bankers Association meeting at Kansas City, where the first steps were taken to inaugurate the Nebraska Association. He missed attending the first two meetings of the Nebraska Bankers Association, but has only missed one since—which his father, Charles McDonald, attended on his 90th birthday.

W. H. McDonald has attended a number of American Bankers Association meetings, and was vice president of the State Bankers Division a number of years ago. He has been on the executive council several times and was chairman of the executive council for one term. He is also one of the original members of the 50 year club of the Nebraska Bankers Association.

He was the confidante and banker of Buffalo Bill Cody, financing all of Colonel Cody's wild west shows.

Now all ALLIED MUTUAL policies

- ★ Full Coverage Automobile
- ★ Workmen's Compensation
- ★ Public Liability Lines

are **NON-ASSESSABLE**

Investigate Our Agency Proposition

ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Building

Des Moines, Iowa



Central Surety and Insurance Corporation

Financial Statement, December 31, 1942

ADMITTED ASSETS

Cash (in Banks and Office).....		\$ 1,573,163.86
Bonds:		
U. S. Government (Direct or Guaranteed).....	\$3,888,175.18	
State and Municipal.....	3,765,429.57	
Railroad.....	49,725.82	
Federal Home Loan Banks.....	55,000.00	
Federal Intermediate Credit Banks.....	65,000.00	7,823,330.57
Total Cash and Bonds.....		\$ 9,396,494.43
Central Surety Fire Corporation Stock.....		558,086.85
Real Estate Owned.....		75,000.00
Real Estate Sold Under Contract.....		23,653.70
Mortgage Loans on Real Estate.....		42,048.62
Premiums in Course of Collection (not over 90 days).....		980,441.90
Accrued Interest on Investments.....		64,409.10
Other Admitted Assets.....		20,958.62
Total Admitted Assets.....		\$11,161,093.22

LIABILITIES

Reserve for Claims.....	\$4,036,510.74	
Reserve for Unearned Premiums.....	2,451,969.65	
Total Claim and Premium Reserves.....		\$ 6,488,480.39
Reserve for Commissions, Taxes and Other Liabilities.....		829,327.52
Voluntary Contingency Reserve.....		100,000.00
Total Reserves.....		\$ 7,417,807.91
Capital.....	\$1,000,000.00	
Surplus.....	2,743,285.31	
Surplus to Policyholders.....		3,743,285.31
Total Liabilities.....		\$11,161,093.22

Securities carried at \$626,261.51 in the above statement are deposited for purposes required by law.

Bonds are carried on amortized basis. Market value of bonds exceeded their book value, at December 31, 1942, by \$165,040.59. No bonds were in default either as to principal or interest at December 31, 1942.

Market value of invested assets of Central Surety Fire Corporation exceeded their book value, at December 31, 1942, by \$27,300.32.

HOME OFFICE KANSAS CITY, MISSOURI

R. E. McGINNIS, President

SAN FRANCISCO

• CHICAGO

• NEW YORK

What Banks Can Do to Conserve Equipment

(Continued from page 20)

market, and can only be obtained with a priority number. As most of us do not have a priority rating, we must get along without them or use a substitute. A great number of banks still have quite a sizable supply of bands on hand. These banks are conserving their supply by using the gummed manilla strap which is, and has been, offered by most bank supply houses for quite some time. These manilla straps prove very successful when used to bundle checks for your last of the month statements, and for bundling checks for clearing house exchanges.

Some of us still have paper stocks which were purchased prior to December 7th. This paper is of a pure white color. Compare this paper with the supposedly white paper which you purchased recently; you will find that the quality and texture are the same, but the white has become a bit gray. This grayish color appears mostly in the cheaper grades of paper, those with a little or no rag content. The papers of all rag content will continue to be white, for the now vital chlorine used to bleach paper is not needed in the manufacturing of all rag content paper. A number of banks are conserving on their better grades of paper, such as their letterheads, by writing on both sides of the sheet. Others are using letterheads about one-half the size of those normally used. These half sized sheets have proved very satisfactory, especially when used for writing short or routine letters.

A great many banks render regular monthly statements to their customers. This custom entails the needless giving away of hundreds of statement sheets each month. Statement sheets are costly, and it is apparent that the banks that make up regular monthly statements for their business accounts only, and who make up individual account statements only when the statement sheet is filled, are effecting quite a sizable saving. The practice of rendering statements to individuals only when their statement sheets are filled has been in effect at The National Bank of Waterloo for many years, with no ill results.

If some of us are still using the old-fashioned ink pots on our customers' desks, we should throw them out, for they are very inefficient and wasteful. They should be replaced with one of the more modern fountain pens—there are many such pens of good make on the market. We made this replacement at our bank about

four years ago, and the saving in ink alone was a pleasant surprise. We also enjoyed the comments of our customers. A record was kept for the first year to determine the amount of ink used. We found that we used only two and one-half quarts, as compared to thirty-six quarts used annually under the old method. We also, under the old method, had to change pen points almost daily; we now change points two or three times a year.

Tellers can be very helpful in con-

serving bank supplies. Very often tellers will hand out a three-on-a-page checkbook containing three to five hundred checks, when a single checkbook containing only fifty to a hundred checks would answer the purpose just as well. Sometimes a customer will ask for a check filler and the teller will hand him three or four. Tellers are also inclined to hand out coin wrappers in quite large quantities to anyone who asks for them. Usually those people who ask for a large

50th Annual Financial Statement

As of December 31, 1942

OF AMERICA'S LARGEST EXCLUSIVE DWELLING INSURANCE COMPANY

ADMITTED ASSETS

Cash in Banks and Office.....	\$ 284,833.18
Federal Savings and Building and Loan Assns.....	298,000.00
Bonds:	
U. S. Government.....	\$900,391.53
Canadian Government	149,595.34
Federal Land Banks.....	89,568.75
State and Municipals.....	390,257.98
Public Utilities	10,235.71
	<u>1,540,049.31</u>
Accrued Interest	13,831.29
Agents' Balances (Not over 90 days).....	32,276.11
Other Assets	601.85
Total Admitted Assets.....	<u>\$2,169,591.74</u>

LIABILITIES

Reserve for Losses in Process of Adjustment.....	\$ 19,302.78
Reserve for Taxes and Expenses.....	17,975.39
Unearned Premium Reserve.....	794,351.53
Guaranty Fund	\$ 200,000.00
Surplus	1,137,962.04
POLICYHOLDERS' SURPLUS	<u>1,337,962.04</u>
Total	<u>\$2,169,591.74</u>

Insurance in Force, \$572,101,055.00

Town Mutual

DWELLING INSURANCE COMPANY

Organized 1892

Hubbell Building, Des Moines

B. REES JONES, President

LESTER T. JONES
Vice President

FRANK H. DIRST
Secretary

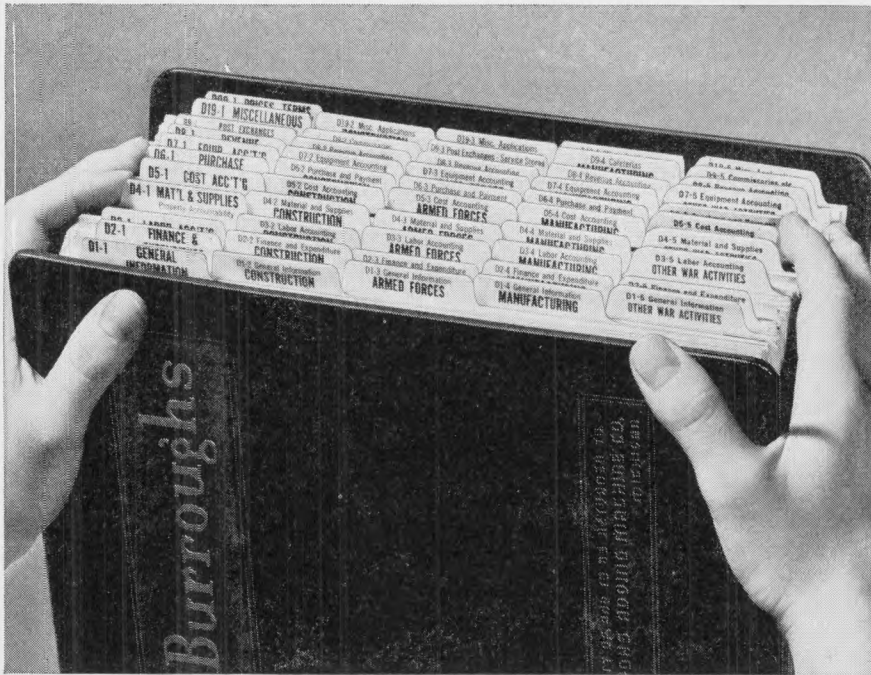
GRANT McPHERRIN
Treasurer

DIRECTORS

Harry F. Gross, *Des Moines*
Frank H. Dirst, *Hampton*
Lester T. Jones, *Des Moines*
O. B. McKinney, *Denver, Colorado*
R. J. Sullivan, *New Hampton*

R. Lloyd Young, *Oelwein*
Rex H. Fowler, *Des Moines*
Clyde L. Herring, *Des Moines*
Grant McPherrin, *Des Moines*
B. Rees Jones, *Des Moines*

Northwestern Banker March 1943



Owing to the character of the information contained in this portfolio, it is not for general distribution. It is available for review, through local Burroughs offices, to industrial and government officials directly concerned with war accounting problems.

“...a real contribution”

Long before Pearl Harbor, Burroughs technical systems and installation men were working with ordnance plants and war industries—with Army, Navy and government officials—to help them with their war accounting problems. As a result of the thoroughness and the outstanding work of these men, this Burroughs war accounting portfolio contains, we believe, the most detailed, comprehensive information yet compiled on methods and machines being used to handle practically every accounting procedure essential to the war effort.

BURROUGHS ADDING MACHINE CO.
DETROIT, MICHIGAN

**MANUFACTURING
FOR WAR**

The manufacture of aircraft equipment for the Army Air Forces, and the manufacture of Burroughs figuring and accounting equipment for the Army, Navy, U. S. Government and the nation's many war activities, are the vital tasks assigned to Burroughs in the Victory Program.

Burroughs

amount of wrappers and tubes are not cutomers of the bank. These wrappers cost in excess of 75 cents per box, and these people should be made to pay for the wrappers.

With the falling off of bank profits, and of our inability to purchase all of the items which we need, it would seem the logical time for all of us to devise new methods to conserve our equipment and supplies, not only for the duration of the war, but to make it an everyday matter-of-fact policy.
—THE END.

PCA TAKING ALL ATTRACTIVE LOANS

“The article, ‘Country Bankers Association to be Organized to Fight PCA Competition’, in the February issue of the NORTHWESTERN BANKER, is not only timely”, says Millard M. Martin, secretary-treasurer Allen Co-Operative Credit Association, Allen, Nebraska, “but is an encouragement to country bankers who will need more than encouragement if they are able to overcome the competition of the PCA and other forms of government competition. In our territory this government-backed lending agency has been carrying on a rather extensive drive to get more and more of the attractive loans from the country banks.

“The article on ‘How Your Bank Will Be Affected by Ration Banking’, is another of the class of articles you publish from time to time which deals with information that is really wanted by your readers. Ration banking may be a panacea for all government ills, but to my mind it is going to be a big headache for the small country banker. He has no extra clerical help who can be assigned to this extra work. The bank in the real small towns will not be troubled for a time because of very few wholesale accounts, but if the government likes this way of shifting its own work onto the banks, it will soon have every merchant carrying two or three separate accounts. The bank will furnish the supplies, the labor and the machines to take care of all this foolishness, and the government will pay such a small amount as to possibly take care of bare expense involved, but the banks will take it on along with the other patriotic work, glad to help out in the emergency, and hoping that it will last no longer than the duration.”

Frosh: “Are they very strict at Cornell?”

Soph: “Are they! Why, when a man dies during a lecture, they prop him up until the end of the hour.”

Complete Investment in Governments Appears to Be a Sound Move

The Cash Position of Many Banks Is Too High, and of Course Will Tend Higher



JAMES H. CLARKE

The war news was good again in February—at least on the Russian front—and markets were stronger. The news likewise was spectacular — with important Russian victories, with American troops

playing a large part in fierce fighting in north Africa, with continued U-Boat sinkings. At home, Congress was in revolt, the manpower commission was firing and being fired upon, news from the director of the draft made headlines, the president ordered a forty-eight hour work week, Donald Nelson fired Eberstadt from WPB and installed Wilson of General Electric as his right-hand man. And in the distance, the rumblings of the showdown between the administration and John L. Lewis became more ominous as the date of the expiration of the wage contract between the coal miners and the operators draws near.

Potentially there are numerous strikes in the offing. But likewise it is doubtful that many will be allowed to materialize. This war Congress apparently is not as patient about such matters as were previous ones—perhaps, growing casualty lists as our troops go into action on additional fronts will also stiffen the public's attitude toward "work or fight."

The markets have interpreted the outlook as bullish and stocks have been especially strong. Despite price fixing and rationing which played such a prominent part in the news in February, the market looks for higher prices for almost everything and the Dow-Jones average for industrial stocks at the close yesterday (February 24th; we are writing this the morning of the 25th to meet our deadline) was 129.58 compared with 125.58 on January 30th—a gain of four points. The strength in stocks has been quite remarkable in the face of predictions by a number of market commentators in the

The Month's Market Maneuvers Prepared for The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

past few weeks that the pace of the rise has been too fast, that the market has advanced almost uninterruptedly for ten months and a correction is over-due, that much of the buying has been in low priced stocks and has not been "well informed". These expert comments doubtless have had a good measure of truth in them—but there are times when markets refuse to follow the rules—maybe this is one. It is true, however, that recently it has taken a very large volume of trading to move the averages upward a point—so it is too early to dismiss the possibility of a setback.

The daily strength in the market is indicated by a check which shows that in 19 trading days to date, advances were scored 13 times and losses six times. In addition to the strength in stocks, the markets for municipal bonds and corporate issues—particularly the second grade rails—were likewise strong. In general, rail bonds saw the best levels they have recorded in many years—and with the outlook for earnings good, holders of these issues are becoming optimistic again. Many bankers who still hold rail issues which they have written down out of earnings are again within shooting distance, at least, of their depreciated value—with occasional profits here and there. But after the lickings which they have taken in rail bonds in the past 13 years, very little new buying interest will be created.

Shortly after this article appears in print, the treasury will make its an-

nouncement on the government financing which is coming some time in April. Currently we are led to believe that extra heavy pressure will be placed on the sale of securities to other banks—somewhat similar to the December, 1942, plan—but with increased attention to individuals, trusts, corporations and insurance companies. If we can assume that the goal of thirteen billions is the final decision of the treasury (this is a minimum figure and may well be revised) it is a good guess that present plans are to sell at least eight billions outside of banks. This is just a guess—but banks bought something over five billions in the December drive and the government probably will pattern its April drive along these lines.

Guesses as to what the treasury will offer to banks are numerous—too numerous to permit sound judgment right now. Bankers with whom we have talked have expressed a preference for a note—a four year 1½%, for instance—and a bond not to exceed ten years. A number of bankers who purchased the 1¼s due June 15, 1948, in the December financing are so well pleased with them that they would like to see a somewhat similar offering. At this writing there is not much evidence that such an issue will be repeated in this financing. Whether or not a Certificate of Indebtedness will be forthcoming is open to question—with present weight of opinion against it. In any event, bankers may be sure that one or more of the issues will be attractive—considering current markets and money rates.

For the past year or more we have advocated a fully invested government position for all banks. As loans have continued to decline—with the possibility of any change being remote—the soundness of a full investment in governments becomes more and more apparent. Cash positions of numerous banks, however, are still too high and continue to grow as loans are paid off. From an income standpoint, it does

Northwestern Banker March 1943

not seem to be sound to allow large cash accumulations when government securities ranging in maturities anywhere from 91 day bills to ten year bonds are available. While bills are of little interest to country banks, on the other hand the one year Certificates of Indebtedness are attractive in certain situations. Other government notes and bonds in the ten year classification which banks are buying include the 1 $\frac{3}{4}$ s of 3/15/45 and, the 1 $\frac{1}{2}$ s of 12/15/46, the 1 $\frac{3}{4}$ s of 6/15/48, and various 2% issues due in 1951/49. As mentioned before—there will also be new financing in April and, doubtless, one or more new issues which will be attractive to banks will be included.

There appears to be no good reason to penalize your bank unduly by staying out of the shorter government bonds. Even the dour prophets of after-the-war conditions can be reassured if they will make a study of these bonds.

ON THE COVER

The picture on the cover of the March *Northwestern Banker* is the handiwork of a member of the trust department of The Chase National Bank, New York—Paul J. Artale, who last month celebrated his fortieth anniversary with the Chase National. The portion of the picture shown on our cover is part of a larger illustration which appeared in a recent issue of *The Chase*, house organ of the bank. Mr. Artale has been taking pictures only during the past six years, and exhibits in "Rain, Snow and Mist" his mastery of an interesting hobby.

Nebraska News

Joins Bank Staff

Miss Mary Helen Staples, for the past year secretary at the city school superintendent's office, has resigned to succeed Mrs. Donald Feer on the staff of the Washington County Bank.

Bank Change

Frank Frana of Prague has accepted a position with the Commercial State Bank of Cedar Bluff, to take the place of Miss Wauneta Seaman, who resigned. Mr. Frana is an experienced banker and will be a great help in managing the bank.

Osmond

The board of directors of the Osmond State Bank, John and Burch Adkins, Al Lundstrom, Cap Theisen and Gus Marek, held their annual meeting recently.

John Adkins was reelected president and Gus Marek, vice president. Ted Goeres, employed in the bank since its founding several years ago, was made cashier.

Scotia

Elmer W. Larson, who has been cashier of the State Bank of Scotia since its organization in April, 1934, was elected executive vice president of the bank at a session of the board of directors which followed the annual stockholders meeting in January.

At the same time Albert Babcock, who has been serving as assistant cash-

ier, was named cashier. Miss Faye Cargill was advanced from bookkeeper to assistant cashier.

McDonald State, North Platte

The McDonald State Bank reelected its officers and directors at the annual meeting. Officials reported a very successful year, with bank deposits on the increase. Virgil Graham was elected as a new assistant cashier.

Officers are: W. H. McDonald, chairman; G. J. Taylor, president; L. B. Dick, vice president; J. Y. Castle, cashier; Mattie Ralston, John Barton and Virgil Graham, assistant cashiers. McDonald, Taylor, Dick, Castle and J. B. McDonald are directors.

The McDonald State Bank is in its 66th year. The bank was purchased by Charles McDonald, January 1, 1878, and before the purchase was known as the Bank of Walker. McDonald made the purchase from Major Lester Walker, then owner.

Until November of the following year, McDonald was sole owner and the bank was known as the Banking House of Charles McDonald.

W. H. McDonald, now chairman of the board, worked for his father in 1878 as bank solicitor.

Live Stock National

At the annual meeting of the stockholders of the Live Stock National Bank, Omaha, J. L. Welsh, principal owner of the Butler-Welsh Grain Company, of Omaha, Nebraska, was added to the directorate.

Mr. Welsh has been engaged in the grain business for the past 27 years. The Butler-Welsh Grain Company operates four terminal elevators having a three million bushel capacity. He is vice president of the National Grain and Feed Dealers Association, a director of the Omaha Chamber of Commerce, and a past president of the Omaha Grain Exchange.

The statement of condition of the bank as of December 31, 1942, shows

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

MARSHALL CORNS AND COMPANY

MANAGEMENT ENGINEERS
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CONSULTANTS
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BANKS AND BANKERS

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COST SYSTEMS
SERVICE CHARGE SCHEDULES
ACCOUNT ANALYSIS PROCEDURES

total deposits of \$36,134,602.76, having doubled its deposits during the past year.

The **Nebraska** legislature passed, 34 to 0, the bill of Senator Conklin, Hubbell banker, easing the application of the bank loan limitation law.

The measure provides that loans guaranteed by any federal reserve bank, the federal government or any agency thereof shall not be considered in applying the limitation of the amount that a bank may loan to any corporation, firm or individual.

Charges of discrimination were hurled last month against L. B. 43, which is a special small loan banking measure.

Small loan business men, automobile dealers and farmers joined in opposing the bill to give banks the right to charge interest not in excess of 9 per cent and to include minimum charges on installment loans.

The banking committee deferred action.

Under the proposal banks could deduct interest before the loan is made and make minimum charges in lieu of interest.

National Surety Corporation

The financial statement of National Surety Corporation, as of December 31, 1942, reflects the results of very satisfactory operations for the year.

Admitted assets are reported at \$28,780,344, an increase of \$2,367,990.

After increasing the loss reserve by approximately \$100,000, the premium reserve by \$400,000 and the reserve for taxes and expenses by \$740,000, there was added to surplus \$1,110,351. The surplus is now stated as \$12,530,005 which with capital of \$2,500,000 makes a surplus to policyholders of \$15,030,005.

The company continues in a strong liquid position, with cash and readily marketable securities nearly twice its liabilities. Holdings of United States Government bonds were more than doubled during the year.

Premium volume rose 10 per cent to \$10,616,450, the highest in the company's history. Loss and expense ratios continued favorable.

Socialized Credit

The revival of the Regional Agricultural Credit Corporation by the U. S. Department of Agriculture for the purpose of putting out \$225,000,000 of additional farm credit was characterized as inflationary, as a further step in the extension of socialized credit, and as an unnecessary measure by W.

L. Hemingway, president of the American Bankers Association, in a memorandum filed with Secretary of Agriculture Claude R. Wickard, analyzing the plan. Mr. Hemingway is president of the Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri.

The memorandum pointed out that the bottlenecks in food production are labor and machinery shortages, rather than credit, which is ample. It stated that if farmers are to be induced to increase their production in spite of hazards involved, a plan which would remove their fear of loss rather than more credit is what is needed, and suggested the consideration of the co-

operative crop insurance and other measures as a solution.

The Proprieties

Mike and Cassidy met in the lodge room.

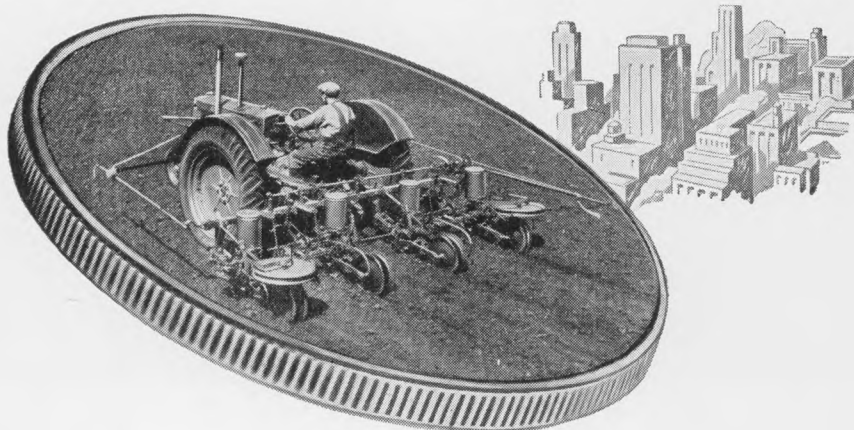
"Sure, Mike, my bhoys, and what's the idea of wearing a mourning band on your left leg?" asked Cassidy, wonderingly.

"Me mither has passed away, an' all an' all," said Mike miserably.

Cassidy scratched his head, puzzled.

"Why, then do you wear it on your leg instead of on your arm?" he asked.

"Well, she was my stepmither," said the other.



Discounting Farmers' Production Notes

With the recognition that food is a war necessity, and with the increased agricultural goals for 1943, production loans to farmers and ranchers assume greater importance. The twelve Federal intermediate credit banks offer to state and national banks, livestock loan companies, agricultural credit corporations and other local lending institutions their facilities for discounting loans made to produce Food for Freedom.

Funds for this financing will be obtained by the Federal intermediate credit banks from the sale of their debentures which are eligible as security, regardless of maturity, for all fiduciary, trust and public funds held under authority of the Federal Government and, up to six months maturity, for member bank borrowings from the Federal Reserve banks.

THE FEDERAL INTERMEDIATE CREDIT BANKS

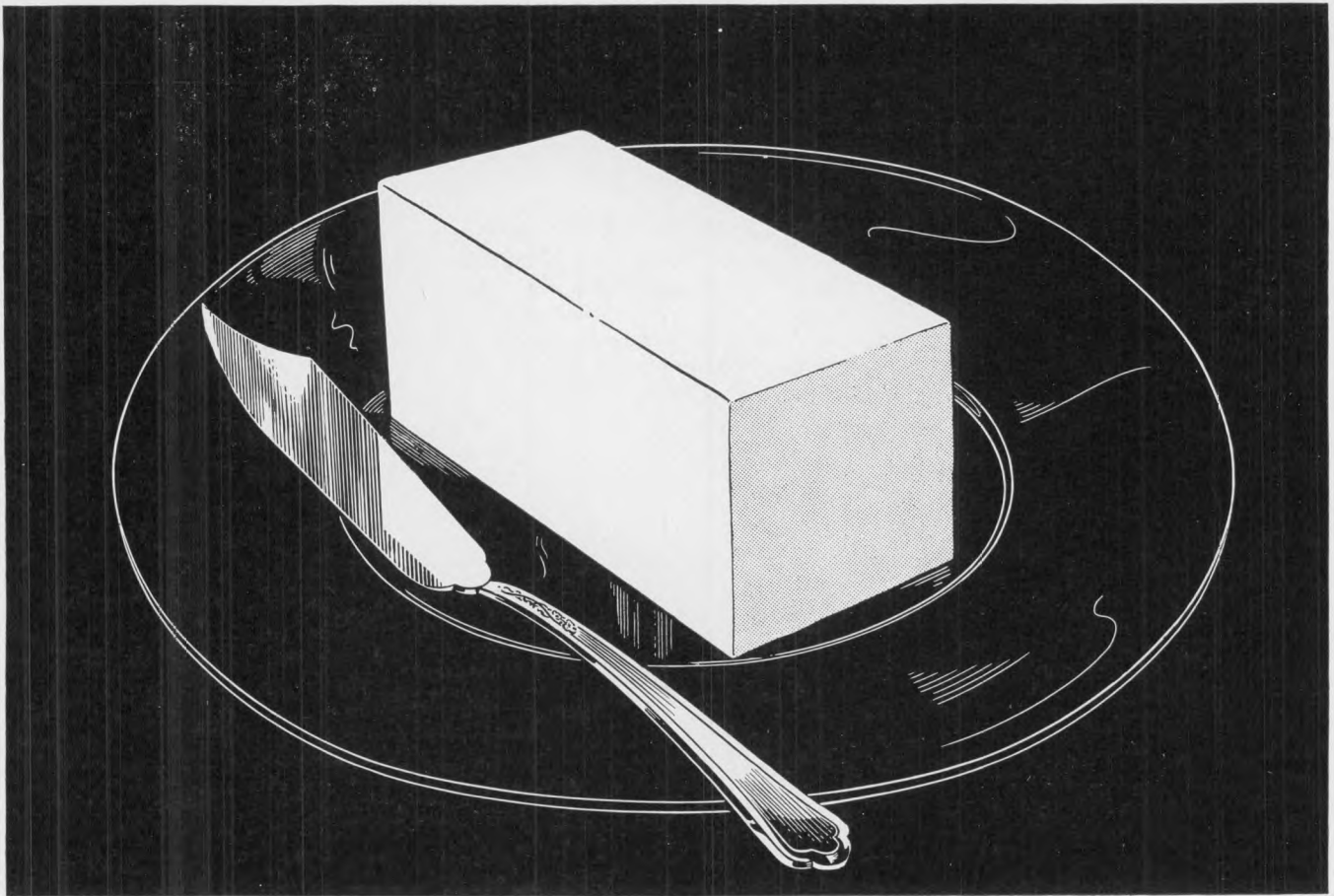
SPRINGFIELD, MASS.	LOUISVILLE, KY.	ST. PAUL, MINN.	HOUSTON, TEX.
BALTIMORE, MD.	NEW ORLEANS, LA.	OMAHA, NEB.	BERKELEY, CAL.
COLUMBIA, S. C.	ST. LOUIS, MO.	WICHITA, KAN.	SPOKANE, WASH.

Further information regarding the Debentures may be obtained from

CHARLES R. DUNN, Fiscal Agent

31 Nassau Street, New York, N. Y.

Northwestern Banker March 1943

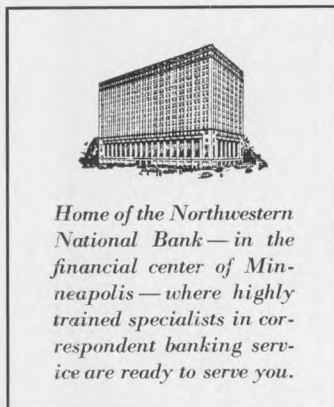


BUTTER and BANKING!

They *do* go together. Butter—all dairy products — are vital munitions of war. The government is asking dairy farmers to produce 122 billion pounds of milk in 1943 . . . milk which is to be made into butter, cheese, powdered milk, to feed our army, our own war workers, our citizens, our allies and the liberated countries. Milk production and conversion of dairy

products are costly—local banks will be called upon to finance the farmers, creameries, cheese factories, and dry milk plants. It will be their job to Finance for Victory!

Remember, "Northwestern" is ready and eager to help its correspondent banks. Our facilities are always at your service. You need only to write us . . . telephone, or wire, to get our full cooperation.



USE "NORTHWESTERN" SERVICES

Department of Banks and Bankers

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Vice President

F. W. CONRAD
Asst. Vice Pres.

D. E. CROULEY
Asst. Cashier

L. P. GISVOLD
Asst. Cashier

NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS

Marquette Avenue: 6th to 7th Streets

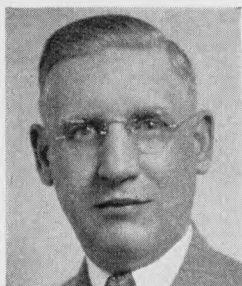
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker March 1943

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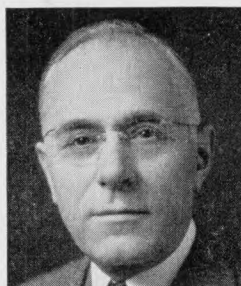
<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



L. O. OLSON
President
Minneapolis

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

New Directors Named

At the annual meeting of the stockholders of the First National Bank of Chatfield the following were elected directors for the coming year: Joseph Underleak, Wm. Tuohy, G. H. Underleak, E. F. Harnish, H. P. Thurber and F. G. Stoudt. The following officers were re-elected: President, Joseph Underleak; active vice president, F. G. Stoudt; cashier, A. O. Krogen; assistant cashiers, Beth Onstine and Walter Kretzschmar.

Healy Named President

Stockholders of First National Bank of Mapleton re-elected six directors at their annual meeting and voted to set the directorship in 1943 at that number. Harold Healy was elected the bank's president; C. J. Norton was re-elected vice president; W. F. Borchert, cashier; A. B. Borchert and Eldor Pick, assistant cashiers, and Shirley Will, bookkeeper.

New Teller

Steven M. Romanowski has accepted the position of teller and bookkeeper at the Columbia Heights State Bank. Mr. Romanowski has had 15 years' experience in Minneapolis banks.

New Officers

The Security State Bank of Pillager starts the new year with two new officers. Frank Swanson was named president and James E. Rearick, vice president, by the directors.

The stockholders also elected one new director, Oscar Swanson.

The directors elected by the stockholders include Frank Swanson, Brainerd, James E. Rearick, J. Albin Anderson, Oscar Swanson and Gus E. Parsons.

Annual Election Meeting

Karl L. Hanson was elected cashier and trust officer of the First National Bank of Hastings at the annual meeting of the bank directors. The posi-

tion had been vacant since the death of H. P. Schoen.

Other officers of the bank elected are, president, Truman P. Gardner; vice president, Irving Todd; assistant cashier and trust officer, Frank J. Hyland; assistant trust officer, Elizabeth M. Menk, and teller, A. P. Schmitz.

Prior to the directors meeting and election of officers the stockholders met and re-elected the following as directors: Truman P. Gardner, Irving Todd, M. J. Ruhr, Dr. G. T. Tierney and Karl L. Hanson.

New Cashier Named

Lester H. Gaugert was elected cashier of the First National Bank of Heron Lake at the annual meeting of the board of directors. He succeeds H. W. Tillemans who became cashier of the Farmers and Merchants State Bank at Minneota Jan. 1.

Other officers of the bank were re-elected at the annual meeting—J. O. Bondhus as president and Esther Nerge as assistant cashier.

O. J. Nelson, president of the First National Bank of Windom became the new member of the board of directors, succeeding H. W. Tillemans. The other directors of the bank are J. O. Bondhus, W. H. Jarmuth, Ernest Winzer and Wm. J. Mathias.

Veteran Banker Dies

Harry O'Dilley, 78 years old, cashier of the First National Bank of Northfield for 27 years, died last month following a five weeks illness.

Dilley joined the staff of the bank, Northfield's oldest business institution, in 1880, four years after the historic James Younger raid and had been an employe, stockholder, director and cashier during the 63 years he was connected with the bank.

Elects New Officials

At the annual meeting of the stockholders of the Detroit State Bank new officers were chosen for the ensuing year.

George J. Haas, who has been cash-

ier since the bank was organized in 1919, was elevated to the presidency, succeeding George J. Johnson of St. Paul.

B. C. Barrett of Staples, who has been connected with the banks of that city for the past twenty years, was chosen to succeed Mr. Haas as cashier.

C. C. Williams was chosen as vice president, Miss Alma Wachsmuth as assistant cashier, O. W. Timm as teller.

The directors elected were G. J. Johnson, C. C. Williams, R. C. Videen, George J. Haas and B. C. Barrett.

Annual Meeting

T. F. Spreiter was elected president of the Farmers Terminal State Bank of Newport at the annual meeting in January.

Other officers chosen are T. H. Matimore, vice president; Jeanette Matimore, assistant cashier; A. H. Bahs and Roy E. Bebermeyer, directors.

Duluth Debits Up 14%

The January, 1943, volume of bank debits in Duluth shows a 14 per cent increase when compared with the first month of 1942. These bank debit figures, which are released each month by the Federal Reserve Bank at Minneapolis, are representative of the checks drawn by depositors against their bank accounts, and indicate that payments are being made for goods, services, debts, etc. Debit totals are considered a good indicator of local trade volume and reflect, in addition, cash income received by farmers and money spent by the federal government to cover pay rolls and purchase war materials.

Names Officers

At a recent meeting of the stockholders and directors of the Farmers State Bank of Osseo, John M. Evans was elected a director and Donald J. Murphy was promoted from teller to assistant cashier. All former officers, Charles Hechtman, president; W. M. Neumann, executive vice president; A. P. Hechtman, cashier, and Joseph Chouinard, assistant cashier, were re-elected.

Joint Meeting

The annual meeting of the stockholders of the Karlstad State Bank was held jointly with the Greenbush State Bank. Present were directors G. P. Pihlstrom of Alvarado, Torger Folland of Halma, Alfred Carlson, G. M. Turnwall, N. O. Folland, Barney Folland of Karlstad, Joe Evans, Bill Ekstrand and Elmer Kjovik of Greenbush.

Park Rapids

At annual meetings of stockholders of Park Rapids banks, all officers and directors were re-elected. J. E. Flynn was re-elected president of the State Bank, R. W. Smyth, vice president and cashier, Ben Haberer assistant cashier, A. M. Way, J. A. Gutzler and A. W. Peterson directors. H. W. Ressler was re-elected president of the Citizens National, Mrs. Emma Boyer vice president, C. A. Fuller cashier, H. F. Hoffman assistant cashier, M. E. Smith and H. N. Bishop, directors.

Promotions in St. Paul Bank



HARRY W. WALLIN



JAMES G. GOBLISCH



MAX H. BRONER

WE'RE NOT "SITTING IT OUT"

NWNL Again Sets the Pace With a Forward-Looking Program for New Agents

NWNL is not "sitting out" the war.

It is attacking, with all the ingenuity and "know how" it can muster, problems which it believes cannot be solved too soon, and which will have an important bearing on the situation of life insurance — and of this Company — in the post-war world. One of these is the problem of the new agent.

The *Arnold System*, which rewards the agent primarily not for the amount of new insurance he sells but for the quality of service he renders, has in a little over three years bettered substantially the financial outlook of established NWNL agents and their standing in their respective communities.

Now NWNL is extending the principles of the *Arnold System* to new agents who can qualify under a well-rounded program designed to attract and develop competent, career agents — the kind of men who because of their capacity, training, and method of compensation will measure up fully to the bigger job which life insurance will face after Victory.

NORTHWESTERN National LIFE

INSURANCE COMPANY

O. J. Arnold,
President



Minneapolis,
Minnesota

HARRY W. WALLIN, for ten years cashier of the Grand Avenue State Bank, Saint Paul, has been promoted to vice president. Mr. Wallin has been with the bank since its organization in 1923 and served as assistant cashier from 1925 to 1933.

James G. Goblisch, who began his banking career as messenger in the Merchants National bank in 1924 and then later that same year as clerk at the Grand Avenue State bank, has been made cashier of the bank.

Max H. Broner, who started with the Grand Avenue State bank as bookkeeper in 1929 and has been serving as head teller for several years, has been given the title of assistant cashier.

The promotions were announced by Frank Schlick, president of the bank after the meeting of the board held recently. The bank is an affil-

iate of the First National bank of Saint Paul and the First Bank Stock corporation.

10 Per Cent Dividend

The Wanda State Bank, at its annual stockholders meeting declared a 10 per cent dividend. All the officers were re-elected: President, Christ Leuther; vice president, S. A. Bellig; cashier, Nick Leuther; assistant cashier, N. W. Jenniges; directors, Joseph Schwab, M. P. Gorres and Emil Timm.

Eveleth

At the annual meeting of stockholders of the two Eveleth banks, only two changes were recorded. L. J. Tobin and Dante Paciotti were named as new directors of the Miners' National Bank.

Other directors retained were Alfred Hoel, J. R. Schuknecht, L. G. Castle and George Ostrom. Mr. Ostrom was again named president of the bank; L. J. Tobin, vice president, and J. R. Schuknecht, cashier.

At the First National Bank the board of directors was retained. Directors are: R. England, Dr. C. W. More, Peter Peterson, W. R. Van Slyke, Abbot Whitman, George Whitman and R. M. Cornwell. Officers of the First National Bank are: George Whitman, president; R. M. Cornwell, vice president; G. R. Gable, cashier, and A. I. Naslund, assistant cashier.

On the Move

A ventriloquist attended a funeral unbeknownst to the mourners. Afterward one of them told another what had happened at the cemetery.

"Brother, you won't believe it," he said, still wild-eyed, "but when they began to lower Joe into his grave, the corpse says, 'Lemme down easy, boys.'"

"And did they finish burying him?" asked the paling listener.

"Man, I dunno! I didn't wait to see!"

Special Offer to Bankers

\$2.00 will pay for either Accident or Health Insurance in full to the 15th of June 1943.

Most liberal policies paying up to \$25.00 a week with \$5,000 accidental death benefit.

No Agents and No Medical Examination

Just write for information and application blank.

Paul Clement, Secretary

Minnesota Commercial Men's Association

2550 Pillsbury Ave.
Minneapolis, Minn.

TWIN CITY NEWS



TWO new directors of First Bank Stock Corporation were elected at the annual meeting of stockholders in Minneapolis.

They are **Daniel F. Bull**, president of Cream of Wheat Corporation, Minneapolis, and **I. A. O'Shaughnessy**, president of Globe Oil & Refining Company, St. Paul. Mr. Bull is a director of First National Bank of Minneapolis, Mr. O'Shaughnessy of First National Bank of St. Paul, both affiliates of First Bank Stock Corporation.

Directors reelected all officers and voted a dividend of 30 cents a share, payable April 1st to stockholders of record March 15th. The previous dividend October 1, 1942, also was 30 cents a share.

Three members of the Twin City Bond Traders Club have been named to committee posts of the National Security Traders Association. **George V. Jackish**, club president, of Harris, Upham & Company, has been placed on the War Bond committee; **W. W. Lewis of Bigelow-Webb, Inc.**, on the municipal committee, and **A. N. Plumley**, of First National Bank, Minneapolis, on the publicity committee.

R. W. Webb, vice president and chief of the trust department of First National Bank, Minneapolis, has taken over the added duties of president of Title Insurance Company of Minnesota. Formerly chairman of its board, Webb exchanged posts with **W. S. Jenkins**, president for many years.

After 25 years as treasurer of the Hennepin county chapter of the American Red Cross, **Theodore Wold**, chairman of the board of Northwestern National Bank, has resigned. He was honored by the chapter with the first honorary directorship in the local organization's history.

By James M. Sutherland

Special Correspondent

Clarence R. Chaney, vice president of Northwestern National, was named Mr. Wold's successor as chapter treasurer.

Henry S. Kingman, president of Farmers & Mechanics Savings Bank, was reelected a vice chairman, and **John deLaitre**, treasurer of the same bank, was reelected secretary.

Steven M. Romanowski has been named teller and bookkeeper at Columbia Heights State Bank. He has been connected with Minneapolis banks 15 years.

W. W. Wittenberg of Wittenberg-Merrick Company, Minneapolis, has been elected chairman of district committee No. 4, National Association of Securities Dealers. **Justus F. Lowe**, Minneapolis, was elected secretary.

Board of governors of the National Association of Securities Dealers has elected **Lawrence B. Woodward** of Woodard-Elwood & Company, Minneapolis, vice chairman.

Clarence Finger, formerly with Wells-Dickey Company, Minneapolis, which closed February 1st, has been named manager of the new St. Paul office of The Milwaukee Company. **T. W. Pelton** of the Minneapolis office of Wells-Dickey and **Karl D. Arnold** of the St. Paul office, are associated with him.

I. F. Cotton, 68, one-time president of Central State Bank and connected with other banks in the city and vicinity, died recently. He was head of the I. F. Cotton Investment Company.

Shirley S. Ford, president of Northwestern National Bank, has been reelected a trustee of Equitable Life Insurance Company of Iowa.

Alfred N. Plumley, of the investment department of First National Bank, Minneapolis, has been named to the publicity committee of the National Security Traders Association.

Two bankers have been elected to the board of governors of the Minneapolis Club. They are **Arnulf Ueland**, president, Midland National Bank & Trust Company, and **John DeLaitre**, treasurer, Farmers & Mechanics Savings Bank.

Eight members of the executive staff of Investors Syndicate, Minneapolis, have been promoted, according to announcement by **E. E. Crabb**, chairman of the board of directors.

West Frater and **J. R. Ridgway, Jr.**, were promoted from assistant vice presidents to vice presidents. Mr. Ridgway formerly was eastern sales manager; Mr. Frater was in charge of mortgage loan operations at Birmingham, Alabama. Both now assume new duties in the home office.

Elected assistant vice presidents were **James S. Lane**, formerly administrative assistant to the vice president and treasurer; **O. R. Neal**, an assistant secretary since 1926, and **Arthur E. Sanzenbach**, formerly in charge of the New York office.

Herbert E. Steinmueller was elected assistant treasurer, while **Paul W. Miller** and **Theodore N. Treat** became assistant secretaries.

Twin City Bond Traders club held its annual mid-winter party at Dyckman Hotel, Minneapolis, Feb. 25. Committee in charge included **J. E. Masek**, chairman, **Charles J. Rieger** and **Paul Matsche**.

Northwestern Banker March 1943

Postwar problems occupied more than 200 bankers who attended the fifth annual Minnesota Bankers Conference at the University of Minnesota last month.

The entire first morning's session was devoted to a series of talks by University scientists on various phases of scientific development affecting Minnesota's future. Mentioned specifically were possibilities in utilization of farm products for industrial purposes, development of metallic and non-metallic minerals not now commercially utilized.

Cellophane, rayon and similar products from Minnesota's vast aspen for-

ests, hydrogen, fertilizers and innumerable chemicals utilizing hydrogen, from North Dakota's tremendous lignite deposits; linen from now wasted seed flax straw, and commercial use of now valueless low grade iron ore deposits were among possibilities mentioned.

Need for increased scientific and technical training in secondary schools—a need brought out by present wartime shortages of persons with such training—was stressed by **Dean S. C. Lind** of the University's Institute of Technology, in his talk to the bankers.

Manpower and machinery shortages are the two major problems facing agriculture, **Dr. O. B. Jesness**, University agricultural economist, said. He urged that in dealing with all problems we must not ask for "special privileges," but "insist that the needs of the nation as a whole receive first consideration."

Arthur R. Upgren, vice president and economist, Federal Reserve Bank of Minneapolis, told the bankers: "With favorable prospects for business after the war, banking is presented with its opportunity to finance a full production by a free enterprise system that can yield on the basis of that full production the high levels of employment which are wanted."

Need for immediate postwar planning was cited by **Cyril James**, chancellor of McGill University, Toronto, adding:

"It will be vital for the United States, Canada and Great Britain to acquire domestic prosperity before we think of international panaceas; be-

cause those plans must not be interrupted by depressions and unemployment as they were after the last war."

According to **D. E. McFarland**, vice president of Kalman and Company, Minneapolis, the following members of their firm are now in the armed services: **C. Myron Webster**, Lieutenant S. G., U. S. Navy; **H. Duncan Bowen**, Lieutenant S. G., U. S. Navy; **Stanton Aby**, U. S. Army; **Keith R. Gilmore**, U. S. Coast Guard; **Kenneth W. Scully**, 2nd Lieutenant, U. S. Army Air Force.

Executive Vice President **O. H. Odin** of the Marquette National Bank, Minneapolis, is on vacation in the southland.

NORTH DAKOTA IS READY

(Continued from page 18)

ments enabled 28 of 53 counties to pay off all indebtedness."

The Bank of North Dakota sold 1180 of its 5334 farms the past year, many of them for cash, it is reported by **F. A. Vogel**, manager. As a result of collections the bank has paid \$1,500,000 in delinquent taxes during the past two years and since May 1942, paid the state treasurer \$2,000,000 plus large collections on open loans. Average investment in lands held is \$8.57 per acre. Sales made the past year averaged \$9.57 per acre.

"In every county and in numerous localities stories are told of men buying land during the past year or so and their harvesting a crop that has paid for the property in full," **Groom** says.

State Finances Good

The balance in all funds in the office of the state treasurer on December 21, 1942, was \$16,435,520.79, according to **V. L. Gilbreath**, deputy treasurer. During the year, \$1,234,000 of state obligations were liquidated. "The most gratifying information is the fact that our sinking fund, accumulated to meet state obligations upon their maturity, has increased \$1,734,332. This coupled with the liquidation of \$1,234,000 of state obligations during the past year results in a combined increase of the sinking fund and decrease in bonded indebtedness of \$2,968,332.21."

The total bonded indebtedness of the State of North Dakota is \$20,740,850, with \$4,592,953.83 in sinking funds to apply against above bonds.

Income and sales tax figures furnish the true barometer to business condi-

Twin City Federal Savings and Loan Ass'n

Statement of Condition
December 31, 1942

ASSETS

First Mortgage Loans	\$15,257,154.64
Loans on Passbooks and Certificates.....	16,456.07
Properties Sold on Contract	828,606.80
Real Estate Owned and in Foreclosure	63,366.35
U. S. Government Bonds	1,941,741.00
Furniture and Fixtures	37,000.00
Cash on Hand in Banks	606,172.07
TOTAL.....	\$18,750,496.93

LIABILITIES

Member Share Accounts	\$17,917,243.27
Advances from Federal Home Loan Bank...	NONE
Loans in Process.....	137,458.16
Other Liabilities.....	14,138.23
Specific Reserves.....	1,879.63
General Reserves.....	412,306.44
Undivided Profits.....	267,471.20
TOTAL.....	\$18,750,496.93

Additional members' accounts received in 1943 have increased the total resources to over 19½ million dollars. The current dividend rate of 3% has been maintained since 1936.

JAMIESON & COMPANY

Members

New York Stock Exchange
and Other Principal Exchanges



STOCKS

BONDS

COMMODITIES



MINNEAPOLIS FARGO
ST. PAUL GRAND FORKS
DULUTH SIOUX FALLS

PRIVATE WIRES

• MINNESOTA NEWS •

tions in the state, according to State Tax Commissioner John Gray, who reports both show a considerable increase over former years. In spite of the fact that car sales and the sales of other large machinery was curtailed the North Dakota sales tax totalled \$4,281,011.06 over the total of \$3,886,127.52 collected in 1941. Cigarette and snuff taxes in the state were highest in history with a revenue of \$692,331.71. North Dakota income taxes increased from \$769,021.20 to \$1,213,084.52.

Per Capita Bank Deposits

All banks in North Dakota were asked for a statement of deposits as of December 15, 1942, and for each of the four preceding years. A few failed to report, others have operated for less than five years, consolidations and liquidations made final figures indefinite in a few cases. Here are the figures:

1938	\$ 83,250,271
1939	108,778,386
1940	107,050,103
1941	141,982,173
1942 (December 15)	212,361,888

On a per capita basis of 641,935 (1940 U. S. census) the per capita bank deposits on December 15, 1942, were approximately \$330.

Ready for 1943

With abundant sub-soil moisture, ample supplies of better seed varieties, North Dakota farmers, inspired by patriotic appeals and the promise of continued good prices, stand ready to give their best efforts toward the production of great crops in 1943. Present worries include farm labor shortages, fear of shortages of tractor fuel, equipment and repairs. "The operating program of each individual farmer is to produce all he can with help, power and equipment on hand," the GNDA review states.

Gasoline Ration Advantage Of PCA's to Cease

Any advantages enjoyed by government sponsored agencies in the field of agricultural credit over country banks are expected to be removed by an interpretation of the gasoline rationing regulations by the Chief of the Mileage Control Section of the Office of Price Administration, according to the Washington office of the American Bankers Association.

In general, under the gasoline rationing regulation, any bank officer or employee who must travel more than 150 miles but not more than 470 miles a month by automobile in driving be-

tween his home and his bank or in the course of his occupation, is eligible for a supplemental gasoline ration (Class B Coupon Book) in addition to the basic gasoline ration (Class A Coupon Book).

If such occupational driving averages more than 470 miles a month, gasoline ration may not be allowed for such excess, unless it is preferred mileage. Preferred mileage gasoline rations (Class C Coupon Books) are issued only for necessary driving in carrying out certain purposes specified

in the Gasoline Rationing Regulations.

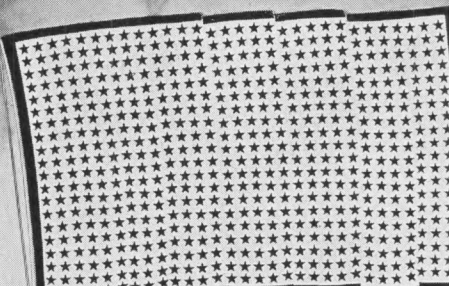
The interpretation of the Chief of the Mileage Control Section of the OPA referred to, specifically designates travel by bank employees or representatives for the purpose of examining farms or livestock offered as collateral for loans and rendering skilled advice to farmers in planning of farm operations as among the purposes for which preferred mileage gasoline rations may be issued.

It is expected that this interpretation will remove any doubt which may

ALL OUT FOR VICTORY


To over 600 MM employees in the armed services; to all the sons and daughters of MM Dealers, their customers, and their bankers who are now serving their country; to ALL those in the armed services of the United Nations on land, on sea, and in the air wherever they may be; to all the farmers who use our equipment or who intend to; and to all men everywhere who love freedom we make this statement:

BUY WAR SAVINGS BONDS AND KEEP 'EM!



All of us at MM are doing our best to back up the men on the FIGHTING and FARMING fronts.

MM was awarded the Maritime "M" Pennant, the Victory Fleet Flag and Maritime Labor



Merit Badges for employees by the U. S. Maritime Commission in recognition of MM's outstanding production achievement.

MM products are on almost every Maritime ship . . . so MM products help produce the food for freedom, and help get it to OUR BOYS in the service wherever they may be.

MM Employees are investing over 10% in War Bonds regularly on the Payroll Savings Plan. For this, MM was awarded the Treasury "T" Minute Man Flag.

MM was awarded the Governor's Safety Award. MM has a safety program in every plant. Think SAFETY and act SAFELY . . . your family and your country depend on you.

MM contributed to the War Production Fund of the National Safety Council to stop accidents that have killed or injured 11,600 American workers every day since Pearl Harbor.

MM was one of the first hundred firms in the United States to set up the Labor-Management Committee.


If this war had not been thrust upon us, we would far rather build ONLY farm machinery, farm tractors, etc.; but now WINNING THE WAR must be the first objective of all . . . because what good would it do if we could now give our customers all the machinery they might desire and we lost the war forever?

UNTIL VICTORY we will build all the farm machinery and repair parts allowed under Government Limitation Orders, and quality products for our Armed Forces to the full extent of our capacity!

Get all Scrap into the Big Scrap NOW!

"Care for Your Car, for Your Country"

"Brave Men Shall Not Die Because We Faltered"



THE JEEP—originated by MM in 1938 . . . so named by Army men in 1940 . . . later other small Army vehicles were also called Jeeps.

MINNEAPOLIS-MOLINE POWER IMPLEMENT COMPANY, MINNEAPOLIS, MINN., U. S. A.

previously have existed as to the eligibility of bank representatives necessarily driving in furtherance of agricultural production through financial assistance to farmers for Class C Coupon Books. This interpretation also makes it clear that the government sponsored credit agencies such as the PCA's will no longer have any advantage over banks in obtaining sufficient gasoline to visit farms for such purposes.

Chief Examiner

The appointment of A. L. Wilson

as chief examiner at the Detroit Branch of the Federal Reserve Bank of Chicago was announced by C. S. Young, president of the bank. Mr. Wilson will be in charge of the examination work throughout the lower peninsula of Michigan and will have offices at the Detroit Branch of the Federal Reserve Bank. He takes over his new duties, March 1.

The appointment of a resident examiner at Detroit is in line with the announced policy to build up the staff at Detroit in recognition of the important place which Michigan is tak-

ing in the banking activity of the Seventh Federal Reserve District.

Twin City Federal Shows Marvelous Growth

Roy W. Larsen, recently elected president of the Twin City Federal Savings and Loan Association at Minneapolis, reports to the NORTHWESTERN BANKER that his Association was No. 1 in growth comparing 1941 and 1942 with all Federal Associations in the country.

Members' accounts were increased over \$3,600,000 in 1942, and in 1941 the

MEAT RATIONING

•

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

•

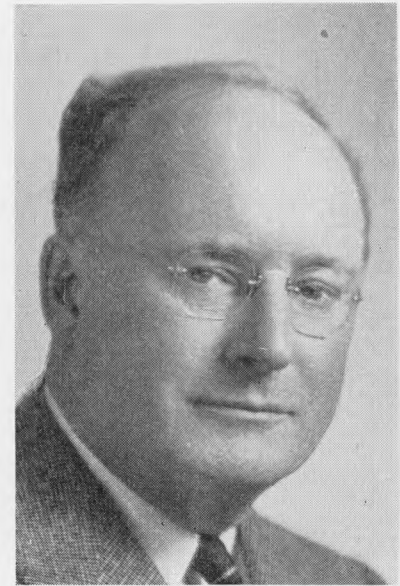
Because of meat rationing, bankers today must know more than ever about the live stock industry. New developments must be constantly studied in order to properly serve your customers.

This bank, by experience and location, is an ideal source for complete information on live stock facts and figures. We invite you to consult with us—and to use our complete Sioux City correspondent service.



The
**LIVE STOCK
NATIONAL BANK**
OF SIOUX CITY, IOWA
The Bank at the Yards

Member Federal Deposit Insurance Corporation



ROY W. LARSEN

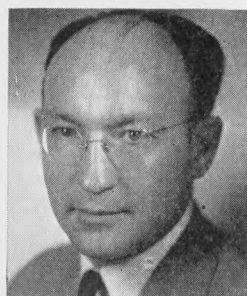
increase was over \$3,300,000, or a total of nearly \$7,000,000 in two years.

On December 31, 1942, the total assets of the Association were \$18,750,000 and a year ago they were \$15,692,000.

Also on December 31, 1942, first mortgage loans and contracts amounted to over \$16,000,000, and real estate owned has been reduced from a year ago from \$79,000 to \$19,000.

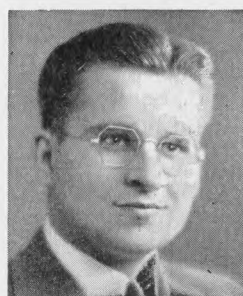
Members' accounts on December 31, 1942, amounted to \$17,917,000.

The officers and directors of the company are as follows: A. M. Blaisdell, chairman of the board; Roy W. Larsen, president; Henry Rines, vice president; B. N. Bell, secretary-treasurer; N. P. Benson, director; P. H. Grinager, director; L. W. Larsen, director; Dr. Carl L. Larsen, director; Glenn C. Morgan, director; Dr. C. M. Roan, director; J. B. Smith, director; F. H. Stinchfield, director; R. H. Rines, director; and C. M. Blackmun, director.



H. N. THOMSON
President
Presho

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Named Cashier

H. A. Bergren was elected cashier of the Citizens Bank of Vermillion to succeed F. E. Bowman, given leave of absence to enter the navy reserve.

Mr. Bowman is the third member of the Citizens Bank force who has been granted leave of absence to enter the service. Richard Stevens and Ronnie Campbell, formerly employed at the bank, are both taking basic training at Miami Beach, Florida.

Banking Department Reports

An unusual increase in bank deposits through the state is reflected in a comparative abstract prepared by the Department of Banking and Finance as of December 31, 1942, and June 30, 1942—a six month's comparison.

According to the report, the total deposits during the last six months period were \$80,222,543.63. The total deposits for the first six months period terminating June 30, 1942, were only \$56,034,366.26, showing an increase of \$24,188,177.37. The total resources for the last six months period was \$87,525,645.29. That of the preceding six months and June 30 was only \$62,944,701.73, showing an increase in resources of \$24,580,943.56.

No bank failures were recorded, and 125 state banks and 23 branch offices doing business in the state are included in the report. The banks have never been cleaner than they have been today, Erling Haugo, Superintendent of Banks, said.

Haugo took over the job of superintendent of banks four years ago. At that time the deposits for a year showed a total of only \$32,636,815.17. Comparing the deposits with the totals shown above, bank deposits have increased, during Mr. Haugo's regime, approximately 150%.

DeSmet Bank Elects

The Peoples State Bank of DeSmet at its annual meeting named Neal Meyer as a director, and Miss Jean Curley, second assistant cashier, to re-

place Miss Inez Anderson. Other directors will remain the same.

Ration Banking

In a letter to the NORTHWESTERN BANKER, M. D. Schamber, assistant manager of the Northwest Security National Bank at Chamberlain, reports that ration banking is working out fine in his bank. He says, "We are experiencing no difficulties with the set up and it has not been necessary to increase our personnel. Our people are having no difficulty in understanding the system."

Carstens Quits Bank

At the annual meeting of the directors of Wilmot State Bank, Paul J. Carstens, for 14 years cashier of this bank and its predecessors, disposed of his stock in the institution and tendered his resignation after having been elected for another year. J. M. Aasland, who has been assistant cashier and with the bank since June, 1924, was elected cashier to fill the vacancy, Ed Boehmke was made assistant cashier, and Jean Cameron, bookkeeper.

Deposits Rise

Deposits at the Farmers and Merchants Bank of Watertown showed a substantial increase during 1942, Andrew Kopperud, president, announced following the annual meeting of the bank's stockholders.

Officers elected for the bank for 1943 are: John H. Hanten, chairman of the board of directors; Andrew Kopperud, president; L. H. Loken, vice president; Harmon Kopperud, vice president; S. B. Crothers, cashier; Gus Roggeman, assistant cashier (now on leave of absence in armed services); Ray Matz, assistant cashier; and Arnold Koepke, assistant cashier.

The directors who were elected at the stockholders' meeting are: A. G. Berger, S. B. Crothers, John H. Hanten, Enoch Lindquist, L. H. Loken, Harmon Kopperud, L. M. Kopperud, Andrew Kopperud and Carl Peterson.

Renames Officers

The annual meeting of the First State Bank of Pierpont was held last month with all of the directors present.

All the officers were re-elected as follows:

J. A. Anderson, president.
F. M. Roberts, vice president.
O. E. Neuman, cashier

Elects New Officials

Officers and directors elected at the annual meeting of the First National Bank of Aberdeen were J. J. Warkentin and W. W. Thorp of Britton, A. R. Allen of Milbank, W. D. Heupel of Mobridge, M. B. Slaughter of Redfield, F. G. Suttle of Ellendale, N. D., and Dwight Campbell, G. H. Fletcher, H. M. Hanten, J. E. Koch, M. F. Pifer, Fred Roesch, George C Slater and F. B. Stiles of Aberdeen.

Koch, Pifer, Roesch and Heupel are additions to the board of directors.

The directors re-elected officers after promoting Koch to vice president from cashier and Pifer from assistant cashier to cashier.

Officers of the Aberdeen bank and its branches at Britton, Groton, Milbank, Mobridge and Redfield include: Aberdeen—F. B. Stiles, president; H. H. Hanten, Fred Roesch and J. E. Koch, vice presidents; M. F. Pifer, cashier; P. L. Kuechler and A. Severson, assistant cashiers; Britton—J. J. Warkentin, vice president and manager; A. E. Stoa, Pauline Pavlik, assistant managers; Groton—S. C. Young, manager; A. E. Heupel, acting manager; Milbank—A. R. Allen, vice president and manager; E. H. Benedict and H. H. Allen, assistant managers; Mobridge—W. D. Heupel, vice president and manager; George Goodell and Stanley Larsen, assistant managers; Redfield—M. B. Slaughter, vice president and manager; R. J. Crain and C. C. Crain, assistant managers.

Bank Changes Hands

The Bank of Wessington is now owned by Mr. and Mrs. S. P. Seiersen and son, Carl. W. F. Pautsch and U. G. Harris sold their interests to them.

This bank was formerly the Bank of Vayland and after the closing of the Farmers and Merchants Bank and the Citizens National Bank of Wessington, the Vayland bank was allowed to change its name and move to Wessington.

Parker Bank Meetings

At the annual meetings for the banks in Parker, the reports for 1942 were satisfactory and showed in-

creased volume of business transacted.

The First National Bank of Parker elected K. I. Shager, president; Peter Anderson, vice president, and V. L. Gotthelf, acshier. Directors elected were W. J. Schaefer, K. I. Shager, V. L. Gotthelf, Peter Anderson, A. S. Bogue.

At the annual meeting of the Parker State Bank officers were re-elected as follows: Alan Bogue, president; Mrs. Perisho and C. C. Benning, vice presidents; Vinal Clikeman, cashier; Grace Gunderson, assistant cashier. Direc-

tors are: Alan Bogue, Mrs. Perisho, C. C. Benning, V. B. Clikeman and E. C. Beebe.

Kimball Bank Elects

At the annual meeting of the stockholders and directors of the Bank of Kimball the following directors were elected for the coming year: Lloyd Cronholm and Mrs Alice Beebe of Ipswich, L. M. Larsen of Wessington Springs, Mrs. J. H. Drips of Gann Valley and R A. Johnson of Kimball.

The directors held their meeting and elected the following officers for the coming year: Lloyd Cronholm, president; L. M. Larsen, vice president; R. A. Johnson, secretary and cashier; and Eunice Hintz, assistant cashier.

Vice President Resigns

After over 46 years service with the First National Bank of the Black Hills, Mason Tyler has resigned the position of vice president and assistant manager of the Lead branch, retiring to his farm in the vicinity of Spearfish where he expects to spend most of his time.

Bank of Hoven

The Bank of Hoven reports an all time high in deposits. They also wish to announce that F. S. Graham sold his interest in the bank to a number of local people. Those taking over Mr. Graham's stock are Mike Arbach, Ben Lemler, George G. Schmidt, Josephine Mack, Marie Goebel, Mrs. Julia C. Yocum, St. Paul, Minn., J. F. Sargent and H. C. Westphal of Gettysburg, Mrs.

Teresa Moran of St. Paul, Minn., Miss Lena Hackl of Lakesville, Minn., and Sue Hackl, Hoven, S. D. At the annual meeting Ben Lemler was elected as chairman of the board of directors, Mike Arbach became president with J. F. Sargent and George G. Schmidt as vice presidents. P. J. Hackl was again elected cashier and Mrs. Marie Goebel assistnat cashier. Mrs. Katheryne Pickart, bookkeeper.

New Officials

At the annual meeting of the stockholders of the Citizens State Bank of Castlewood the following directors were elected: J. B. Vaughn, N. M. Kranz, W. H. R. Ching, J. G. Jensen and C. N. Halvorson. Upon adjournment of the stockholders meeting the newly-elected directors assembled in the director's room of the bank where a reorganization of the official staff for the new year was completed by electing J. B. Vaughn, president; C. N. Halvorson, cashier; N. M. Kranz, vice president; Alice Linn, assistant cashier; Betty Halvorson, bookkeeper.

Sioux Falls Clearing House

C. A. Christopherson, president of the Union Savings Bank, was re-elected president of the Sioux Falls Clearing House Association at the annual meeting of the organization. Other officers re-elected to serve during 1943 were Tom Hayter, vice president of the First National Bank and Trust company, vice president; and Ralph M. Watson, president of the Northwest Security National Bank, secretary and manager.

V WORK FOR VICTORY

This is the foremost obligation of American Banking today.

We are wholeheartedly using our resources to help finance the war effort, and stand ready to cooperate with other banks in this patriotic service.

IRVING
TRUST COMPANY
New York

Member Federal Deposit
Insurance Corporation

Out-of-Town Banks

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

CITY NATIONAL BANK

AND TRUST COMPANY of Chicago
208 SOUTH LASALLE STREET

(Member Federal Deposit Insurance Corporation)



J. O. MILSTEN
President
Belfield

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

New Ownership

Ownership of the First National Bank of Bowbells, which was founded in 1903 by the late A. C. Wiper, and which has been under the management of the Wiper family for 40 years, has changed hands.

L. Skjelset, coming here from Brayton, and R. J. Perrin and C. Hestekin, both of Rhame, are the new owners.

Skjelset is the new president and the executive officer in charge. Perrin is executive vice president.

R. C. Wiper, Bowbells, son of the founder, will remain with the bank in an advisory capacity for a year, as one of the vice presidents.

Dickey Bank Elects

Stockholders of the Farmers and Merchants State Bank of Dickey at their annual meeting elected the following directors for the coming year: James Waldie E. B. Roscoe, Gertrude Ferguson, Erwin Larson and Earl A. Scea.

Directors meeting the same day elected officers, thus: James Waldie, president; E. B. Roscoe, vice president; Earl A. Scea, cashier, and Arleene H. Whipple, assistant cashier.

Renames Officers And Directors

All officers and directors were re-elected at the Northwestern State Bank of Hillsboro at the annual meeting. Directors are J. I. Hegge, Leonard Beal, and C. L. Ferguson. They are, respectively, president, vice president and cashier, and assistant cashier. The annual report revealed the institution in sound financial condition with deposits of \$1,371,834.56.

Re-elects Officers

The annual stockholders meeting of the First National Bank of Wilton was held in the office of the institution. There were no changes made in the officers or personnel of the Bank. J. J. Schmid, who has been president of the bank for many years was re-elected;

Peter P. Leif and J. A. Schroeder, vice presidents; G. Hochhalter, cashier, and Evelyn Rykkeli, teller.

Shows Big Gain

Deposits in the Stock Growers Bank in Napoleon totaled \$827,028.83, a new high in the 42-year history of the local institution, Jan. 1. The bank didn't quite reach the million dollar class, footings the first of the year totaling \$887,835. A year ago deposits were \$467,000 and footings \$515,000.

At the annual stockholders meeting George Laney, president; F. B. Heath, vice president, and W. D. Heupel were re-elected directors. Mr. Heath, president of the Dakota National at Bismarck, attended the meeting. R. A. Mahrer is cashier.

Gain in Deposits

The First State Bank of Gackle had a nice gain in deposits in 1942, from \$295,000 to \$485,000. The footing increased from \$326,000 to \$486,000.

Bank Elects

A meeting of the directors of The Security National Bank of Edgeley was held in January and the following directors were elected: E. G. Bloedow, C. W. Burges, M. P. Fevold, A. G. Porter and S. G. Nagel.

Annual Meetings

A. O. Aune, president of the Northwestern Bank, of Langdon, and H. R. Rendahl, president of the First State Bank of Cando, attended the annual meeting of stockholders of the Rolette County Bank of Rolla. Re-elected as directors of the Rolla bank were Mr. Aune, Mr. Rendahl and F. A. Foley.

At the annual directors' meeting following, F. A. Foley was re-elected president of the Rolette County Bank for another year. H. R. Rendahl was elected vice president of the Rolla bank; Chas. E. Foy, cashier; Millie Mae Leonard and Lorraine Mueller, tellers.

After the Rolla meetings, Messrs. Foley, Aune and Rendahl went to

Cando, to attend similar meetings of the First State Bank of Cando. All were re-elected directors of the Cando bank. Officers elected for the Cando bank were H. R. Rendahl, president; F. A. Foley, vice president; and W. D. Johnson, cashier.

Square Nails

Contractor Dan Liane was called upon recently to tear up and replace the hardwood floor in the Farmers State Bank of Lisbon

To the surprise of Liane and bank officials the floor was found to have been put down with square nails, which indicated that it was the original one laid down when the bank building was built in 1888.

Much of the flooring itself was in good shape and could be used for replacement.

Annual Meeting

At the annual meeting of the stockholders of the Security State Bank of Dunseith all old officers were re-elected.

Following the meeting of the stockholders the following board of directors were all re-elected to serve for the next year: Mr. Wm. Gottbreht, Mr. J. J. Douglas, Mr. J. E. Lamoureux, Mr. W. E. Hosmer, and Mr. C. C. Watkins.

Following the election of the board of directors, Mr. W. E. Hosmer was elected president of the board, Mr. J. E. Lamoureux, vice president, Mr. W. P. Campbell was re-elected to the cashiership and Miss Mary J. Bengtson as assistant cashier.

Davis Heads Loan Association

J. E. Davis has been elected president of the First Federal Savings and Loan Association of Bismarck.

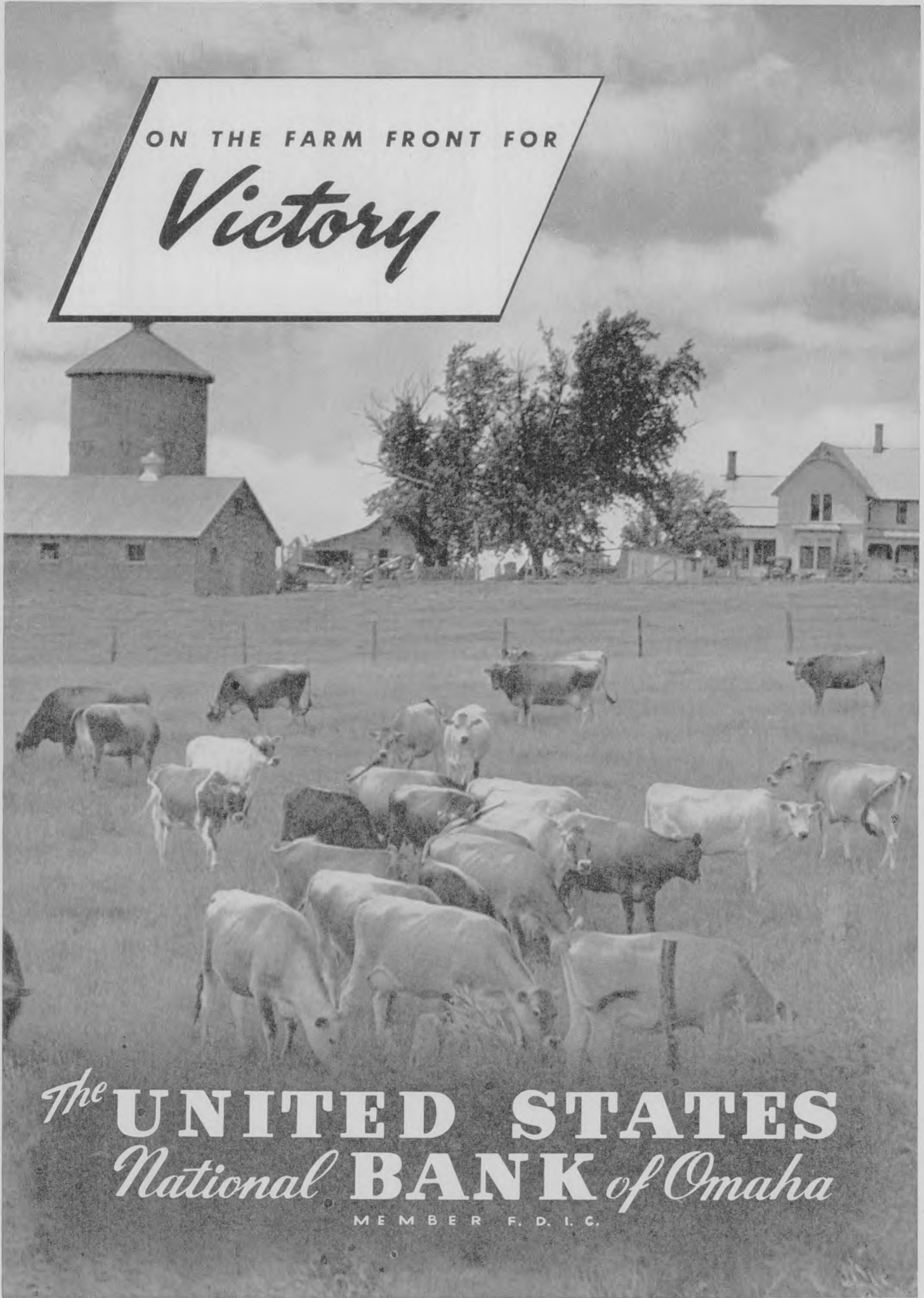
Other officers chosen at the annual meeting were George F. Shafer, vice president and counsel; B. O. Refvem, second vice president; Harry G. Hansen, secretary-manager; W. S. Graham, treasurer; Louise Heinemeyer, cashier; A. W. Mundy, P. R. Webb and L. C. Hulett Mandan, directors.

New Cashier at Drayton

At the annual meeting of the Drayton State Bank, R. H. Johnson was elected cashier to fill the vacancy caused by the resignation of L. Skjelset. Other 1943 officers elected were: Arthur Fleckten, re-elected president; Berniece Fleckten, re-elected vice president; and M. C. Kjos, assistant cashier.

ON THE FARM FRONT FOR

Victory



The **UNITED STATES**
National **BANK** *of Omaha*

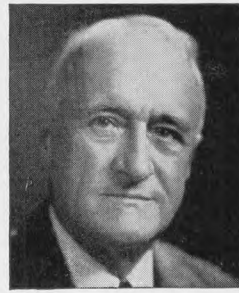
MEMBER F. D. I. C.

Northwestern Banker March 1943



R. F. CLARKE
President
Payillion

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

ant in F. W. Pivonka, formerly assistant cashier of The First National Bank of McCracken, Kansas.

Banker's Son in New Guinea

Orson M. Jeffrey, Jr., son of O. M. Jeffrey, president of the Plainview State Bank, Plainview, Nebraska, is now stationed in New Guinea, with the air corps, after having been in Australia for six months. He enlisted nearly a year and a half ago.

Annual Meeting

At the annual stockholders meeting of The First National Bank of Bancroft, Nebraska, the following officers and directors were elected: John Hermelbracht, president and director; Claus F. Peters, vice president and director; A. G. Zuhlke, cashier; G. H. Harms, assistant cashier and director; W. G. Munderloh, assistant cashier and director; Conrad Beineke, director. John Munderloh, vice president and director since its organization, resigned due to old age and ill health.

Bank Head Dies

Directors of the Central National Bank, Columbus, appointed a committee of board-members to consider the selection of a successor to M. M. Taylor, president of the bank, whose death occurred unexpectedly.

Pending consideration of a successor to Mr. Taylor, the board designated Cashier Howard Burdick as executive officer and Vice President Frank P. Dietz as trust officer for transaction of the bank's operations and official business.

A resolution in memory of Mr. Taylor was adopted by the board.

ing a directors meeting last week officers were announced as follows: C. H. Rowan, president; Dr. G. T. Erickson, vice president; T. S. Forsyth, cashier.

Increase in Assets

According to A. C. Peterson, cashier The First State Bank of Lodgepole, the total bank assets have increased 200% during the past three years. Mr. Peterson has a new assist-

Bond Buying Anniversary

The people of Avoca did a bit of bond-buying in January, on the basis of a single letter sent out by Elmer Hallstrom, cashier of the Farmers State Bank, as a sort of reminder that he was just completing 24 years' service in the bank and, he remarked casually, it might be an interesting community gesture if his customers would buy in the aggregate enough war securities to "cover" his tenure of office—or \$24,000.

The response was gratifying, to say the least. Total sales through the bank and postoffice amounted to \$38,475.15. Series G Bonds amounted to \$16,800; Series E (maturity value \$28,150) \$21,112.50, or a total of \$37,912.50, while sales of stamps and bonds through the postoffice were \$562.65.

To Army

D. Roger Thuman, assistant cashier of the State Bank of Trenton, received his degree from the University of Nebraska in January and is now in the army stationed at Ft. Logan, Colo.

Names New Officers

Announcement was made recently that Dr. G. T. Erickson has become a stockholder in the Nebraska State Bank, of Broken Bow, and that C. A. Owen, formerly a stockholder in the bank, had sold his interests. Follow-

Queen of England on His Desk



Pictured above is **Ray R. Calkins**, president, seated at his desk in the American National Bank, St. Joseph, Missouri. Mr. Calkins reports that resources of the American National increased from \$10,900,000 at the close of business in 1941 to nearly \$16,600,000 as of December 31, 1942.

The American National was organized in 1887 as a state bank, with **Henry Krug, Jr.**, **John Donovan, Jr.**, and **J. G. Schneider** among the organizers and first officers. The bank became a national institution in 1908. Mr. Krug is active in the bank as chairman of the board.

The picture on Mr. Calkins' desk, in the upper left corner of the above illustration, is of unusual interest. Taken about three months ago, it shows **Maj. Gen. Russell P. Hartle** and the **Queen of England** seated in an American jeep somewhere in Ireland. Gen. Hartle, a personal friend of Mr. Calkins, took over command of American troops in Ireland and England when **General Dwight Eisenhower** was placed at the head of our forces in North Africa.

Assistant Cashier to Army

Viron E. Baxter, assistant cashier of the Frenchman Valley Bank, Palisade, Nebraska, left last month for pre-aviation cadet basic training at Jefferson Barracks, Mo.

Deposits Pass Million Mark

Caused by the war-swelled incomes of farmer patrons, the First National Bank of Ord has a footing of over a million for the first time in many years, report Ralph E. Misko, president. This means an increase of

\$300,000 during the past year, quite directly attributable to war, making the First National the biggest institution in Valley county.

New Cashier

At the annual meeting of the stockholders and directors of The Guardian State Bank, Hyannis, the surplus of the bank was increased \$15,000 and the usual 5 per cent dividend on outstanding capital stock was declared. This increases the surplus account of the bank to \$90,000 which with \$125,000 capital and \$10,000 in contingent re-

serves makes the total capital account of the bank \$225,000.

All present officers of the bank were re-elected to their posts except that Howard E. Lichty was elected to the office of vice president and cashier. Donald Lichty was elected assistant cashier. C. H. Sudman, who has held the office of vice president and cashier, continues on as vice president.

Bank Director Dies

Mrs. Lou A. Conklin, 93, and director of the Hubbell Bank since 1883, passed away recently in a Deshler hospital. Mrs. Conklin was believed to have held one bank position longer than anyone else in the country.

100% Increase

Deposits at the Bank of Bertrand show a great increase in the past year.

According to cashier Tom Kingsley on December 31, 1941, but 81 thousand dollars were on deposit while on February 8, 1943, 177 thousand were on deposit. This shows better than a hundred per cent increase in this time.

New Bank

The Nebraska banking department has granted a charter to the Hardy State Bank of Hardy. The new bank is capitalized at \$15,000, has a surplus of \$3,000 and undivided profits of \$1,000. J. L. Scroggin, cashier Scroggin & Co. Bank of Oak, is president of the new institution. The new bank is the result of the Hardy Commercial Club's activities which started when the Farmers State was merged with the Security State of Superior when Charles L. Gillilan, president of the former, was called into military service.

Officers Re-elected

At the annual meeting of the Allen Co-Operative Credit Association of Allen, Nebraska, the following officers and directors were re-elected. **W. R. Ellis**, president; **Fred Lundin**, vice president; **Millard M. Martin**, secretary-treasurer; **W. T. Connell** and **David Tuning**, directors. The Association has in excess of \$200,000 deposits. Millard M. Martin of Allen, as chairman of the legislative committee for the Nebraska State Association for Co-Operative Credit Association, appeared before the Banking Committee of the Nebraska Legislature in Lincoln recently to discuss bills number 310 and 332 which affected the Co-Operative Credit Associations.



TO achieve the goal which the nation has set for itself—uncompromising victory in the shortest possible time—there must be a minimum of delay in every step of the production program. The working time of management, already overburdened, must be further conserved and devoted to production problems.

In banking, too, speed and efficiency are more than ever essential. The American National Bank and Trust Company of Chicago stands ready to cooperate with correspondent banks in every possible way to save time for them as well as for their customers.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON
Member Federal Deposit Insurance Corporation

OUR BUSINESS IS TO HELP BUSINESS

Northwestern Banker March 1943



Omaha Clearings

SURPRISE news from a two-day meeting of directors of the Farm Credit Administration of Omaha was the return of **Charles McCumsey**, former president of the Federal Land Bank of Omaha, to a high executive position with an affiliated FCA group.

Mr. McCumsey was elected president of the Federal Intermediate Credit Bank of Omaha, to succeed **C. A. Stewart**. Mr. Stewart came to Omaha from Chicago three years ago as president of the intermediate credit bank.

All officers of the land bank and the Production Credit Corporation of Omaha were re-elected. Election of officers of the Omaha Bank for Co-Operatives, of which **Jerry Mason** is president, was deferred until March.

Land bank officers are **E. N. Van Horne**, president; **M. E. Welsh, Jr.**, and **Leo E. Manion**, vice presidents; **George M. Fuller**, treasurer; **John Carmody**, secretary; **P. H. Stewart** and **Frank O. Osborn**, assistant vice presidents; **O. K. Pettingill**, assistant treasurer, and **Wayne E. Smith**, assistant secretary.

Production Credit Corporation officers are **Walter E. Anderson**, president; **H. A. Viergutz**, vice president; **E. J. Petrik**, treasurer, and **H. W. Anway**, secretary.

The Omaha FCA serves Nebraska, Iowa, South Dakota and Wyoming

Alvin E. Johnson, president of the Live Stock National Bank of Omaha, has been advanced from secretary to vice president of the state board of education for state normal schools. Mr. Johnson was succeeded as secre-

tary by Mrs. Evelyn A. Ryan of Grand Island.

Annual meeting of the Omaha National Farm Loan Association, which has four hundred members in the area, was held in suburban Benson. Speakers were **G. M. Fuller**, treasurer of the Federal Land Bank of Omaha, and **James P. Boler** of the internal revenue office.

Robert Hall, executive officer of the North Side Bank of Omaha and vice

ADDITIONAL NEBRASKA NEWS

Page 32

chairman of the downtown rationing board, said ration banking, the system by which banks take over the coupon accounting for sugar and coffee handled by wholesalers and large retailers, brought a flood of inquiries to Omaha banks, which were prepared to handle the new commodity accounts without delay.

J. L. Welsh, head of the Butler-Welsh Grain Company, of Omaha, was elected a director of the Live Stock National Bank of Omaha at its annual meeting. Mr. Welsh is also a director and vice president of the Farm Processing Corporation, a past president of the Omaha Grain Exchange and vice president of the National Grain and Feed Dealers Association. Other partner in the grain firm is Hugh Butler, United States Senator from Nebraska.

The Live Stock National Bank also re-elected all other officers and directors: **Alvin E. Johnson**, president; **H. C. Karpf**, **Howard O. Wilson** and **R. H.**

in St. Joseph

it's **FIRST
NATIONAL** *for---*

**COMPLETE
SERVICE**

(banking, trust
and bond facilities
available to corres-
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**FIRST
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St. Joseph, Mo.

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BANKS Bought and Sold

Confidentially and with becoming dignity
BANK EMPLOYEES PLACED.

38 Years Satisfactory Service

THE CHARLES E. WALTERS CO.
OMAHA, NEBRASKA

Kroeger, vice presidents; **Paul Hansen**, cashier; **L. V. Pulliam**, **C. G. Pearson** and **H. H. Echtermeyer**, assistant cashiers; **W. P. Adkins**, chairman of the board; **H. B. Bergquist**, **L. S. Burk**, **James J. Fitzgerald**, **T. E. Gledhill**, **Leo T. Murphy**, **Herman K. Schafer** and **Carl A. Swanson**, directors.

W. Dale Clark, president of the Omaha National Bank, was elected president of the Omaha Clearing House Association at the annual meeting.

T. L. Davis, president of the First National Bank of Omaha, was elected vice president, and **W. B. Hughes** was re-elected secretary and manager.

T. N. Rutter, 73, prominent in Omaha stock, bond and grain brokerage circles from 1918 to 1942 and resident of Omaha for that length of time, died recently at the home of a son-in-law, Dr. P. B. Willauer, in Philadelphia.

Under the leadership of **W. Dale Clark**, president of the Omaha National Bank, the Omaha Y. M. C. A. sponsored a membership drive during January. Mr. Clark is president of the Omaha Y. At the kickoff dinner,

speaker was R. Carter Tucker, international president of Optimist Clubs.

Charles D. Saunders, on leave from vice presidency of the First National Bank of Omaha to serve as chairman of Omaha's rationing board, said on his return from Washington recently that the oil and gasoline situation, particularly in the east, was more serious than the nation realized. He was in the capital for two weeks as member of a committee to discuss nationwide rationing problems.

Chairman **Lloyd C. Thomas** of the Nebraska Agricultural and Industrial Conference recently announced appointment of a legislative committee composed of state leaders in agriculture, business and civic activities to assist state legislators in considering legislation proposed at the statewide meeting of the conference in Columbus, Nebraska, December 5th.

General chairman of the committee is C. Y. Thompson, West Point, Nebraska. Members of the committee include **Alvin E. Johnson**, president of the Live Stock National Bank of Omaha, **Phil W. Moore**, **Earle Reed**, **W. J. Kirkbride**, **C. W. Hiner**, **Frank**

P. Fogarty and **J. E. Claussen**, all of Omaha.

When Mrs. Eva Kennard Wallace was named 1943 president of the Omaha Visiting Nurses Association, the board also chose Miss Catherine Thummel and Mrs. Harry S. Byrne vice presidents, to succeed Mrs. Drexel Sibbensen and **Mrs. Lawrence Brinker**. Mrs. Wallace also was president of the association in 1932, 1933 and 1934, and has been a board member 16 years.

Mrs. T. L. Davis, **Mrs. H. W. Yates**, **Mrs. Denman Kountze** and **Mrs. Ellsworth Moser** were among board members, whose terms expired this year, reelected.

Jesse E. Billings, who recently was named assistant secretary-treasurer of the Home Federal Savings and Loan Association of Des Moines, was a resident of Omaha 28 years, auditor of the Occidental Building and Loan Association during much of that time. He is a past president of the Omaha chapter, American Institute of Banking, and has been examiner for the Federal Home Loan Bank Administration and field representative for the Des Moines Federal Home Loan Bank for six years.

THE ONLY BANK IN THE STOCK YARDS



Let us cooperate with you in the making of cattle and sheep loans to your customers, so that your bank and ours may help in financing the meat needed to feed the fighting forces of the United States and her allies.

O F F I C E R S

FRAZER L. FORD, President
J. A. GREENFIELD, JR., Vice-President
HARRY H. MOHLER, Vice-President
RAY W. SNYDER, Cashier
T. J. McCULLOUGH, Asst. Cashier
M. E. BLANCHARD, Asst. Cashier

First St. Joseph
STOCK YARDS BANK

So. St. Joseph, Missouri

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Clearing House Meeting

Messrs. A. H. Shultz and Herman F. Meyer represented the Farmers State Bank of Scribner at the annual meeting of the First Nebraska Regional Clearing House association held in Fremont last month. Mr. Shultz was re-elected president of the association for a second term.

New Officers and Directors

The Genoa National Bank announces the election of the following directors, officers and employees at the annual meeting.

Directors: John Elm, E. L. Burke, Jr., Dr. Homer Davis, Eloise G. Burke and C. E. Pearson.

Officers are: John Elm, president; E. L. Burke, Jr., executive vice president; C. E. Pearson, vice president and cashier; W. M. Winell, assistant cashier; Eva K. Ford, assistant cashier; Shirley Winell, bookkeeper.

Cody Bank Sold

H. B. Skeen, who has been associated with the Bank of Cody since 1906, has disposed of his entire interest.

Mr. Skeen came to Cody in 1906 and purchased the bank from Spark Broth-

ers and continued at its head for thirty-seven years.

H. L. Severns, who has been associated with the bank since 1912, and in the capacity of cashier since 1917, has purchased control of the bank and associated with him will be Dr. O. W. Noyes of St. Louis, Missouri, Mrs. H. L. Severns and Chas. D. Shrider of Long Pine.

At the board of directors meeting, H. L. Severns was elected to the office of president; Mrs. Hazel Severns, cashier, and Miss Evelyn Tech, bookkeeper. Mr. Shrider will serve on the board of directors, along with the other officers.



Lincoln Locals

Bank Group Elects

A. E. Dwehus of Dannebrog has been elected president of the Platte Valley Regional Clearing House Association. He succeeds John Spear, Kearney. Other officers named at the annual meeting were J. C. Wilson, Wolbach, vice president; George W. Monson, Grand Island, secretary-treasurer; John Itzen, Palmer; Frank Farr, Aurora; Robert Armstrong, St. Paul; F. J. Cleary, Grand Island, and John Spear, members of the executive board.

Clearwater

The Citizens State Bank elected present directors for another year. The bank shows a prosperous year for 1942. The deposits of the bank have increased 55 per cent. The regular 5 per cent dividend was declared.

Immediately after the stockholders meeting the directors held their meeting. J. W. Bennie was elected president and Frank Mapes, vice president. The following officers were employed: H. D. Miller, cashier; Audrey F. Miller, assistant cashier, and Netha F. McGee, bookkeeper.

Lincoln

At the annual meeting of the First National Bank of Lincoln, Howard Freeman, cashier, was elected vice president and cashier. Earnest U. Guenzel, assistant vice president, became vice president, and J. H. Kingdom was named assistant cashier.

New Cashier

Clarence Castner, formerly of Auburn, has assumed his new duties as cashier of the Farmers & Merchants National Bank of Ashland.

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

STATE banks in Nebraska were never in a better financial condition, according to the state banking department. While the number of banks has been receding, the total assets have been rapidly increasing. At the present time there are 272 state banks, as compared with 285 a year ago, 279 on June 30, and 276 on Sept. 30. Total assets a year ago were 99 millions, on June 30, 107 millions, and on Sept. 30, 128 millions. The figures for Jan. 1 of this year are now being compiled, but it is certain that they will show an increase.

Nebraska depositors are gaining in security of their deposits while the country bankers are not making as much money as they once did. That accounts for a decreasing number of banks. Great increases in government bonds means a very modest return for the banks at present. But it is pre-

dicted that the rapid upturn in country prosperity will soon be reflected in bank profits.

There are 133 national banks in the state with total assets of over 388 millions.

Purchase of the controlling interest in the Havelock National bank from O. J. Hitchcock by **B. G. "Bernie" Clark**, cashier of the National Bank of Commerce, was announced. Mr. Clark said that he and his family would continue to live at their present home, 1401 South 15th, until a suitable location could be found in Havelock.

Mr. Clark first became associated with the National Bank of Commerce Dec. 1, 1917, and was on leave from Oct. 1 until Dec. 11, 1918, when he was discharged from the army. He has served the bank in various capacities since that time.



From actual experience we know what Nebraska banks expect from a Lincoln correspondent. By knowing what they want, then giving it to them, our correspondent relations have become increasingly broad in scope and satisfaction.

TRY CONTINENTAL NATIONAL BANK SERVICE!

**The
CONTINENTAL NATIONAL
BANK
of
LINCOLN**

Member Federal Deposit Insurance Corporation

Northwestern Banker March 1943



Above, center, Alvin E. Johnson, president, the Live Stock National Bank of Omaha, and on his right (facing the camera), Harry B. Coffee, new president of the Union Stock Yards Company of Omaha; on Mr. Johnson's left, Governor Dwight Griswold, of Nebraska.

Below, the crowd of five hundred who attended the banquet given by Mr. Johnson in honor of Mr. Coffee.

Banquet for New Head of Omaha Stock Yards

ONE of the largest and most interesting banquets ever staged in Omaha was put on last month at the Fontanelle Hotel in Omaha by President Alvin E. Johnson of the Live Stock National Bank of Omaha with Harry B. Coffee, the new president of the Union Stock Yards Company of Omaha as the guest of honor.

It was one of the most representative gatherings of its kind ever held in the middlewest and in attendance were 500 bankers, live stock feeders, producers, buyers, commissioned men, and government representatives.

Mr. Johnson presided as toastmaster, and brief speeches were made by E. R. Handy, vice president of the Stock Yards Company; E. A. Kelloway, C. J. Abbott, Hyannis, Nebraska; John R. Jirdon, Merrill, Nebraska; and Governor Dwight Griswold, an old friend of Coffee.

Following the dinner, most of the assembled guests had an opportunity to meet Mr. Coffee who is well-known throughout the middle west, both as a livestock producer and through

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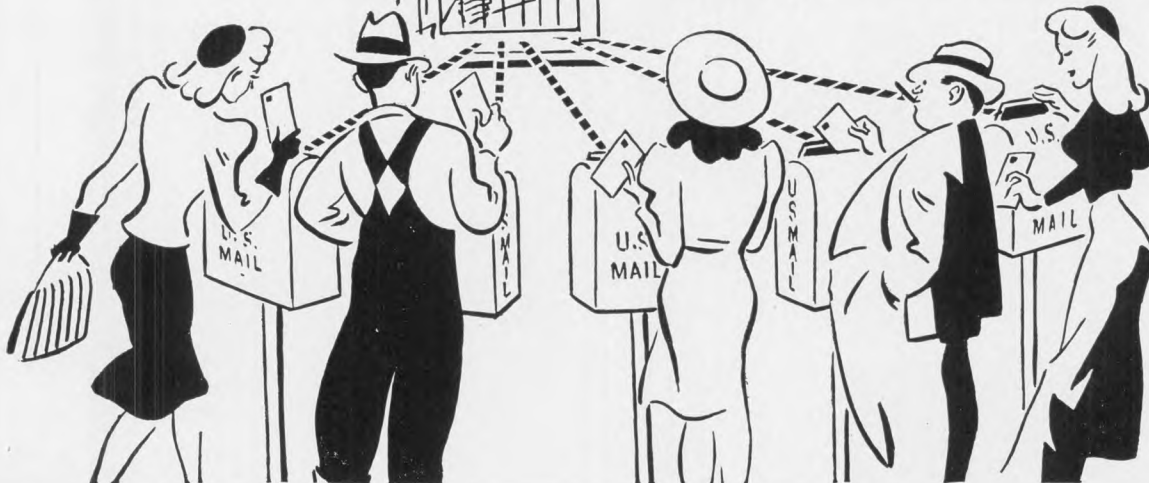
A 16-page illustrated booklet that shows every step in the operation of the plan. Includes sample envelopes.



Cuts down long lines at the tellers' windows. Enables you to handle your regular business with fewer employees. Saves your customers' gasoline, tires and time. Write for booklet.

BERKOWITZ ENVELOPE CO.
OF IOWA

1912 Grand Ave., Des Moines, Iowa



his political career, since he has served for a number of years as United States congressman from Nebraska.

In his response to the various speakers, Mr. Coffee said it was the finest welcome to a city that anyone could ever hope to receive, and he promised his full resources and energy in helping promote the Omaha livestock market. Mr. Coffee estimated the daily receipts to the Omaha market to be worth approximately a million dollars. He said 50 per cent of the cattle received at the Omaha market come from Nebraska and 81 per cent from Iowa and Nebraska combined. Thirty-six per cent of the sheep at the Omaha market come from Nebraska and 44 per cent from Iowa and Nebraska. Of the hog receipts 49 per cent come from Nebraska and 92 per cent from the Iowa-Nebraska territory.



RAY R. RIDGE

Mr. Ridge, a vice president of the Omaha National Bank, and associated with the institution for the past fifteen years, has been made a member of the board of directors. He came to the Omaha National from the First National of St. Joseph, Mo.

First Aid

A new first aid student observing a man on a darkened side street sprawled face downward, rushed over and began giving treatment for resuscitation.

Patient (with difficulty): Lady, I don't know what you're up to, but I wish you'd stop tickling me; I'm holding a lantern for a guy down in this manhole.

"AS WE GO MARCHING ON"

After little more than a year of war, America's progress in raising and training our armed forces and mobilizing the nation's industry for war work has been little short of miraculous.

Not only have we manned and equipped the greatest Army and Navy in our history, but we have continued to supply our allies with the munitions needed for their war requirements.

American bankers take pardonable pride in their contribution to this accomplishment—the financing of war industries, and the sale of Government War and Victory Bonds.

The public can rest assured that their banks will spare no effort to speed the final Victory.

...THE...

PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Resources over \$700,000,000

Member of Federal Deposit Insurance Corporation

Location

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Experienced Personnel

Enable us to give very
satisfactory service

SEND US YOUR OUT-OF-TOWN ITEMS
FOR CREDIT

We invite you to give our service
a tryout

LIVE STOCK NATIONAL BANK

O M A H A

Resources Over \$38,000,000.00

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B. A. GRONSTAL
President
Council Bluffs

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Quad-City Clearing House

The election of Louis B. Wilson, president of the State Bank of Rock Island, as president of the Quad-City Clearing House Association, featured the annual meeting and election held at the Davenport Bank & Trust Co. recently. Herman Staak, vice president and cashier of the Davenport bank, is the retiring president of the association.

Other officers chosen were H. R. Chapman, cashier of the State Bank of East Moline, vice president, and C. J. Klingebiel, cashier of the Moline National bank, secretary-treasurer.

Changes Position

Miss Lucille Klein has resigned her position at the St. Ansgar Citizens State Bank and has accepted a position in the Ackley State Bank, her home town.

Named Bank Director

Fred A. Klopping, of Underwood, well-known west Pottawattamie county farmer, has been named a director of the Council Bluffs Savings bank at a board of directors meeting.

Klopping was installed immediately. He replaced John Keeline, who has become president of the bank of Cherokee.

New Cashier at Leon

Charles H. Kelley, of the state banking department, is the new cashier for the Decatur County State Bank at Leon. Kelley has been examiner-

in-charge of closed banks for the state banking department in the Manchester area for ten years, and has been associated with the state banking department for twenty-six years.

Killed in Action

Wyatt Wood, son of Mr. and Mrs. Frank Wood of Gillett Grove, and a corporal in the Army Medical Corps, has been reported as killed in action in the south Pacific.

Mr. Wood, who is cashier of the Gillett Grove Savings Bank, and his wife received a letter from their son just prior to the word from the War Department.

Resigns Post

Mrs. Ivan Shradel, bookkeeper at the Peoples Trust & Savings bank of Riverside for the past six years and town treasurer, has resigned and will join her husband, a lieutenant in the army at Belleville, Illinois.

Karsten Honored

O. L. Karsten, cashier and executive officer of the Newton National Bank, was felicitated by the Maytag Coffee Club recently, the occasion being his birthday. He was praised by James R. Rhodes who congratulated the banker on his great improvement in every way—even to his new born mustache—since he came back to his native Iowa after having been a banker at Kewanee, Illinois, for some years.

Formal Opening

The newly organized Maxwell State Bank had its formal opening in the office location of the Capital City State Bank, which discontinued operation January 30th.

The office personnel of the new bank includes D. E. Peters, cashier; Gladys Peters, assistant cashier, and Guy Cooper, active vice president.

The tentative board of directors of the new corporation to handle the affairs of the institution until the first annual meeting will include Forest F. Cooper, president, Guy Cooper, vice president, Rolfe Wagner, of Des Moines, Carl H. Hill, J. M. Atterberry, Mike Phelan and Dan E. Peters.

Bank Changes—Exira

Mrs. George Cannon, who has been employed in the Exchange State bank, Exira, the past three years as assistant cashier, resigned her position and has left for Long Beach, California, where she will make her home. Her husband is in the navy and is stationed there. Ray Anderson, cashier at the bank, was recently inducted into the service. Alva Jorgensen and Warren Christensen are assisting at the bank, taking the places of Mrs. Cannon and Mr. Anderson.

New Service Charges

At a meeting of the board of directors of the Clarence Savings Bank the following service charges were adopted: 35 cents per account per month. If only two checks or less have been charged per month the account will be classified as inactive and no charge will be made. \$1.00 per month will be charged against business accounts. Checks that create or increase an overdraft, each 25 cents.

Annual Meeting In Burlington

Annual meetings were held last month by both the Farmers and Merchants and West Burlington savings banks.

There was a good attendance of stockholders at the Farmers and Mer-



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Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

chants bank meeting at which officers reported a highly successful year with an unusual increase in business.

All directors were reelected and at their organization afterward renamed officers. Officers of the bank are: M. E. Toothacre, president; Oscar Riepe, vice president; H. R. Buettner, chairman of board; H. E. Simon, cashier; C. H. Walsh, assistant cashier. Directors: Mark Blaul, H. R. Buettner, James Kelly, Henry Koestner, Oscar Riepe, H. E. Simon, George Steingreaber, H. E. Toothacre, C. H. Walsh, and Mark A. Walsh.

J. J. Meyer, a director of the West Burlington bank since 1928 and president since 1937, tendered his resignation due to extended illness. J. L. B. Graham succeeds him as president.

Stockholders heard officers report a satisfactory year which ended December 31st, with an increased volume of business as compared to the previous year.

Directors elected by the stockholders: J. L. B. Graham, Frank J. Skesa, H. Kirkendall, C. H. Walsh and B. O. Ball. The directors elected the following officers: J. L. B. Graham,

president; Frank J. Skeva, vice president; L. Roy Trout, executive vice president; B. O. Ball, cashier; and H. G. Pierson, assistant cashier.

Elects Officers

At the board of directors meeting of the LuVerne bank the directors were all reelected. J. A. Nelson was named cashier with Dorothy Mae Lindebak as assistant cashier and Dorothy Swanson, teller.

Officers of the bank are president, J. A. Marty; vice-president, Lawrence Miller. The directors are Glenn Buchanna, H. T. Huff, H. P. Sorensen and A. A. Shipull.

New Board Member

At a recent meeting of the directors of Avoca State Bank, Clarence Rock was named to fill a vacancy on the board. He succeeds the late Henry T. Rock. Clarence is associated here with his brother in the Rock Hardware store.

Takes Bank Job

C. Lester Anderson, deputy county auditor for twelve and a half years, has resigned his position at the courthouse to accept an offer to become teller at the Houghton State bank.

New Bank Examiner

J. H. Redman of Indianola has been appointed as assistant bank examiner of the state department of banking. Mr. Redman had seven years banking experience at Correctionville.

New Assistant

George Cowles, deputy treasurer of Fayette county for the past two years, has tendered his resignation from that position to accept the post of assistant cashier at the Citizens' State Bank in Postville.

State Bank of Worthington

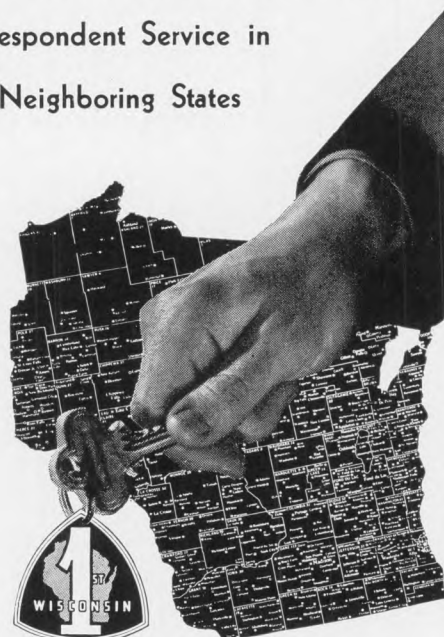
At the annual meeting of the State Bank of Worthington, Herman Burger was elected president, John L. Kramer, the vice-president, George Feltes, N. J. Feltes, all of Worthington, and Joseph Drees of Farley. A four per cent dividend was paid last year.

Change in Personnel

Mrs. Elmer Esbeck has resigned her position at the Landmands National bank, Kimballton, and expects to leave

YOUR MASTER KEY

to Unique Correspondent Service in
Wisconsin and Neighboring States



The First Wisconsin serves as Milwaukee depository for more than 85 per cent of all the banks in Wisconsin and Upper Michigan. This unparalleled "coverage" is the master key to prompt collection of checks and drafts throughout this area. Service keyed to these times!

BANKS and BANKERS DIVISION

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

**FIRST WISCONSIN
NATIONAL BANK**
OF MILWAUKEE

Member of the
Federal Deposit
Insurance Corporation

Northwestern Banker March 1943

COIN OF MAGNA GRAECIA 600 B.C.



OBVERSE



REVERSE

HERE'S WHERE COIN-STACKING BEGAN

In early times, coins were as hard to stack as marbles.

Then somebody got a great idea. About 600 B. C., craftsmen developed the incused coin.

Unlike early globular-shaped coins, these incused coins were thin and flat—and thus could be stacked. It was thought, too, that their form would discourage forgery.

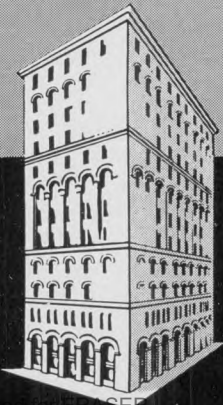
The design on the obverse side was re-

peated with modifications on the reverse side, and in concave form.

Shown above is an ancient incused coin of Crotona, an Achaian colony of Magna Graecia. This coin is a silver didrachm, weight about 8.72 grams. The design is the Crotonian tripod of the Pythian Apollo, who is said to have guided Myscellus, founder of Crotona, in selecting the site on which to erect this city. The Greek letters are the first three letters of the name Crotona.

NO. 3 in a series of advertisements featuring coins that reflect the historical progress of commerce. Previous advertisements featured ancient globular-shaped coins of historic significance.

TODAY, as in years B. C., progressive business men are always looking for a better way to handle each job. The constant application of this progressive spirit has built the Bankers Trust Company into one of Iowa's largest banks—a bank where correspondent accounts are especially welcome.



BANKERS TRUST COMPANY 6th and Locust DES MOINES



Saturday for De Sota, Kansas, to join her husband.

Miss Helen Thor will succeed Mrs. Esbeck at the bank. She is a daughter of Mr. and Mrs. Erik Thor, and has had some experience, working in a bank at Taft, California.

New Assistant

Leonard M. Pedersen has accepted a position as assistant cashier in the First Trust & Savings bank of Wheatland.

Mr. Pedersen is taking over the duties of Lloyd Endorf, who will short-

ly be called into Uncle Sam's armed services.

Mr. Pedersen is thoroughly familiar with all phases of banking, as he served four years as assistant cashier of the Calamus bank several years ago, and went from there to the Toronto Savings bank where he served as cashier until the closing of the bank.

R. M. Harben Promoted

R. M. Harben has been promoted to the position of vice president and assistant general manager of the Sioux City Stock Yards Company at Sioux

City, Iowa. He has been connected with this organization for many years. At the same time, Ray Rodine was made assistant secretary and treasurer.

Pass Two Million Mark

During the past month the Nevada National Bank has joined the \$2,000,000 list of Iowa bankers. Total resources have recently passed the two million mark, and it is anticipated the deposits will considerably exceed that amount, before April 1st.

Corn Loans are \$225,000.00. Local loans, \$575,000 and bonds \$700,000.

The bank also passed the \$100 mark in payment of common stock dividends this last January 1st. Such payment being on the original sale price of \$140 at the beginning of the bank in 1934.

While \$75,000 of the bank earnings have been credited up to surplus and reserves.

The bank's sale of Series E F and G bonds during 1942 exceeded \$300,000 and still its deposits gained over a like amount.

County Bankers Meeting

At the meeting of the Pocahontas County Bankers Association, all present officers were reelected—H. V. Reid of Palmer, president, Alfred Miller, Pocahontas, vice president, and Ed Carmody, Pocahontas, sec.-treas.

Main topics of discussion were the ration coupon banking, the 1943 war savings bond set-up, which was explained by Charles E. Watts, cashier Commercial State Bank of Pocahontas and county chairman on sale of bonds.

Vacancy Filled

Lloyd L. Lefebure had been elected director of the Fairfax State Savings Bank to fill the vacancy caused by the death of Wesley J. Sedlacek.

Tipton

At the annual meeting of the Tipton State Bank J. W. Edge was reelected president, and R. D. Swartzlender, cashier.

The year 1942 brought an increase in deposits of \$640,500, an increase in bills receivable of \$180,000, and an increase in government bond holdings of \$373,000.

The officers report very satisfactory earnings for the past year with a good local demand for cattle and real estate loans at the present time. This bank sold \$336,000 worth of war bonds to its customers during the past year and anticipates selling \$1,000,000 worth of such bonds during the current year.



A Bigger Job

In war time, business leaders of the community call on the banker for greater service. His connections in important centers help him to meet these increasing demands.

For many years, we have served the Sioux City trade area and you can depend upon the most exacting correspondent service at the First National Bank in Sioux City.

A. G. Sam, President

J. P. Hainer, Vice President

Fritz Fritzon, Vice Pres. and Cashier

J. T. Grant, Assistant Cashier

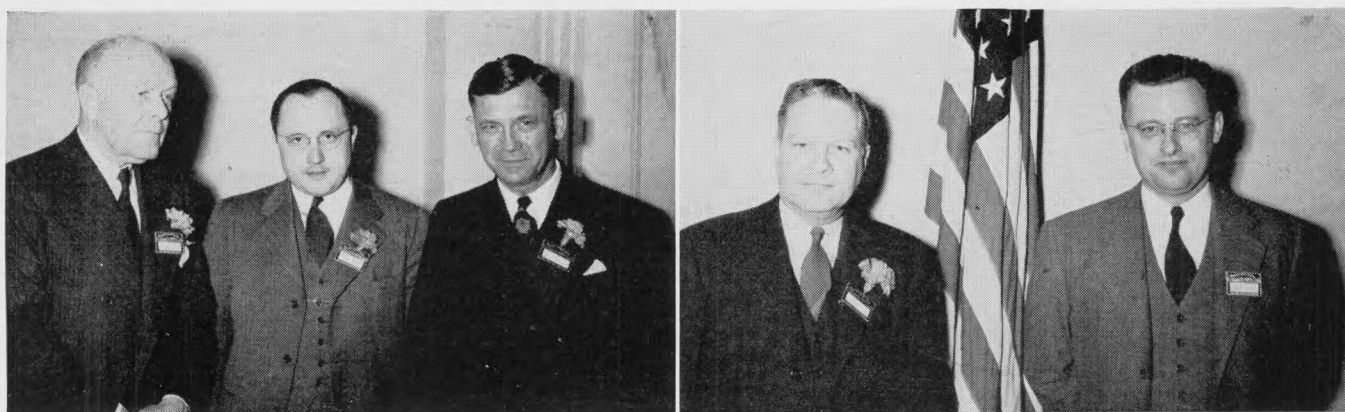
J. R. Graning, Assistant Cashier

E. A. Johnson, Assistant Cashier

W. F. Cook, Auditor

Member Federal Deposit Insurance Corporation

**FIRST NATIONAL
BANK
IN SIOUX CITY**



IOWA GROUP MEETINGS—At the left is **M. W. Ellis**, Iowa superintendent of banking; **John Langum**, chief economist of the Chicago Federal Reserve, appears in the center; and **B. A. Gronstal**, president of the Iowa Bankers Association. Mr. Ellis and Mr. Gronstal attended both February meetings—Group One in Sioux City and Group Eleven in Burlington. At the right, by the flag, is **R. J. McCleary**, vice president and cashier of the Security State Bank, Keokuk, new chairman of Group Eleven; and **L. N. Frescoln**, executive vice president and cashier of the First National Bank in Fairfield, new secretary of Group Eleven.

Two Iowa Groups Convene

Group One in Sioux City

THE annual meeting of **Group One** of the Iowa Bankers Association at Sioux City, on February 12—Lincoln's birthday—was an excellent meeting with an attendance even greater than anticipated. Registration was approximately 500. Credit for the success of the meeting goes to the efficient work of the convention committees of which **Carl Fredricksen**, president of the Live Stock National Bank, was chairman. While this attendance figure was slightly under that of last year, it was a fine turn out, considering the cold weather and transportation difficulties of today.

A feature of the Sioux City meeting was a resolution endorsing **R. R. Brubacher**, president of the Toy National Bank, Sioux City, for the presidency of the Iowa Bankers Association. Mr. Brubacher's candidacy had previously been endorsed by the Sioux City Clearing House Association. Ralph is widely known, and has always been an active worker in state association affairs.

George Wilson, vice president of the Cherokee State Bank, was elected president of Group One and **Henry Visser**, cashier of the First National Bank at Hawarden, was named secretary. Their election was unanimous.

With **A. J. Bertelsen**, cashier of the Morningside Savings Bank presiding, the Group One program moved along very satisfactorily. It began at the noon luncheon and concluded in time for the social hour which preceded the big banquet. The banquet speaker was **Lieutenant Clarence Campbell**, a physical instructor at the Sioux City



R. R. BRUBACHER
I. B. A. Presidential Candidate

Group Eleven in Burlington

Air Base. Lt. Campbell has an outstanding personality and a southern accent which was very pleasing to the crowd. He was an out fielder on the Cleveland Indians baseball team and is a close friend of Iowa's famous "**Bobby Feller**". In fact he was one of the small group in attendance at Feller's recent wedding in Waukegan, Illinois.

There was no morning session at Sioux City, but the **Junior Bankers** held a meeting and an Adding Machine Contest. **Mildred Barr** of the Rock Valley Bank at Rock Valley walked off with first honors in the contest.

President B. A. Gronstal of the State Association was one of the preliminary speakers at the Group One meeting. He made a special point on Production Credit Association Competition. He said "The P. C. A. is in the loan field not to provide credit to borrowers who can't get loans from banks, but to steal any or all loans from banks and such activity is financed by government funds and their fieldmen operate on "C" gas ration cards."

Iowa Banking Superintendent, **Melvin Ellis**, spoke briefly, emphasizing the value of service charges. He said that more than 20 Iowa counties have adopted the Iowa uniform service

Northwestern Banker March 1943

charge in recent months. He said that about all the banks can obtain these days in the way of income is from Riskless "B" income or service charges and from "riskless" government bonds.

"The alphabet man," **W. G. C. Bagley**, Iowa's congenial state treasurer, was on hand at Sioux City, and extended greetings during the program to his many banker friends.

George Schaller, veteran banker from Storm Lake, Iowa, was at the

Sioux City meeting. As the ex-president of the Chicago Federal Reserve Bank, George is once more back in the harness as a country banker, since his son Harry is in the armed services.

An interesting skit on ration banking was staged by the Sioux City A. I. B. under the supervision of **Carleton Van Dyke**, assistant cashier of the Toy National Bank.

There was an excellent attendance of women at the Sioux City meeting. More than 100 were there under the

supervision of **Mrs. Carl Fredrickson**, who headed the ladies entertainment committee. The majority of them stayed for the big banquet and enjoyed the excellent entertainment provided by a show troop from Omaha.

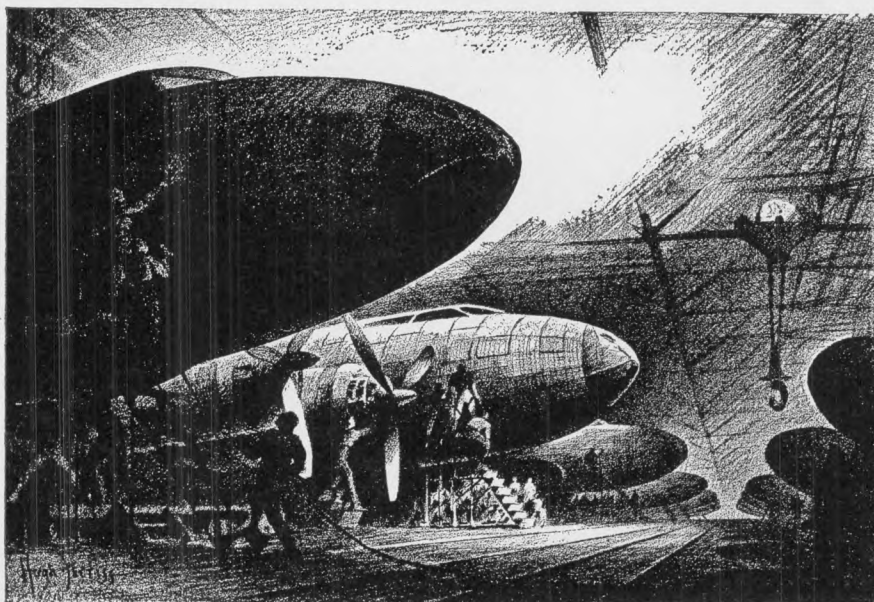
F. F. Patton, executive manager for the Victory Fund Committee of the Seventh Federal Reserve District made an excellent talk on "Federal Financing." Speaking plainly, he said "Banks must either sell war bonds or buy them. You are on the spot. We must even urge people to take money out of banks to buy bonds which is certainly a reversal of all our bank education and training."

Arthur Donhowe, vice president, Central National Bank and Trust Company, Des Moines, and last year's president of the State Association, was at the Sioux City meeting in speechless condition. He was suffering from a throat condition and hoarseness, preventing more than a whisper, but he enjoyed the meeting nevertheless.

In his address of response, **Harold Scott**, president of the Sibley State Bank said "We want to know two things, what is the war going to do to banks, and secondly what are banks going to do for the war." These two problems were paramount at the Group One meeting.

Inquiring bankers who wanted a lapel button just like the beautiful red and green button worn by **A. G. Sam**, president of the First National Bank of Sioux City, found they could easily obtain a similar button, the cost only \$1, and the object Norwegian War Relief. A. G. who is always a leader in community and war relief work has raised many dollars through the sale of these buttons. Incidentally, A. G. is again this year in charge of the "large gifts" section of the Sioux City Red Cross Drive.

Among the out of state guests at the Sioux City meeting was **Ralph Watson**, president of the Northwest Security National Bank of Sioux Falls. Ralph has a wide acquaintance not only throughout South Dakota but in adjoining states and as president of South Dakota's largest bank, he gets



Production Lines are Battle Lines

WAR-TIME BANKING SERVICE

—Geared to the Requirements
of Government, Industry
and Correspondent Banks
in a War Economy

BANKERS TRUST COMPANY

NEW YORK



Member of the Federal Deposit Insurance Corporation

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

• IOWA NEWS •

around wherever bankers meet. Incidentally, his banking group is one of the outstanding groups in the United States, particularly from the standpoint of earnings. Deposits at the first of the year were well in excess of \$21,000,000.

Herbert V. Prochnow, assistant vice president of the First National Bank, Chicago, made a splendid talk on "Problems of War Time Banking". He urged bankers to train their members for one or more extra jobs to take care of the personnel problem. Mr. Prochnow said "In the morning, no one comes in to borrow, and in the afternoon, the rush falls off a little". He advised banks to build up their reserves for the future, even to the extent of reducing dividends.

Another Sioux Falls visitor at Sioux City was **Tom Hayter**, vice president, First National Bank of Sioux Falls. Tom has made quite a study of improved bank bookkeeping methods and is glad to tell other banks of some of the short cuts that his bank has effected.

In his brief report in the Group One meeting, **Secretary Frank Warner**, warned banks not to over purchase on ration forms. He reviewed some of the banking legislation which is now up for consideration by the Iowa legislature, and presided over an interesting discussion of P. C. A. activities.

The concluding speaker on this topic was **E. W. Rossiter**, president of the Bank of Hartington, Nebraska, who has been very active in the work of middle western bankers in fighting P. C. A. competition.

Group Eleven in Burlington

R. J. McCleary, vice president and cashier of the Security State Bank, Keokuk, was named chairman of Group Eleven of the Iowa Bankers Association, at the annual meeting held in Burlington on February 22. **L. N. Frescoln**, vice president and cashier of the First National Bank in Fairfield, was elected secretary and treasurer. Attendance at the meeting was about the same as last year, totaling 200. Representatives from Chicago, New York, St. Louis, Kansas City, and Des Moines banks were on hand as usual to help Group Eleven

bankers celebrate the annual affair. One person was absent, however. Breaking a 28-year attendance record at Group Eleven meetings, **Frank Warner**, secretary of the Iowa Bankers Association, was busy with legislative matters in Des Moines.

The luncheon on Monday was followed by the usual program, with **Lee Huston**, Group chairman, as toastmaster. **B. A. Gronstal**, president of the Council Bluffs Savings Bank, and president of the Iowa Bankers Association, headed the brilliant array of speakers. Speaking of PCA competi-

tion, Mr. Gronstal said that "it is an agency setup and operated now for the sole purpose of stealing away from the banks in the agricultural communities all the good, short and medium term loans we country banks have." Our Government is spending our tax money to finance such operations, he said, and urged his listeners to write or wire their representatives in Washington to put PCA on a self-supporting basis, or close up shop.

M. W. Ellis, Iowa superintendent of banking, paid tribute to **Ralph Bunce** and his department examiners for the

FAST SERVICE
IN 1882
BUT FASTER NOW
THAN EVER

COLLECTING AND
TRANSMITTING
LIVE STOCK
PROCEEDS

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

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION

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

fine job they are doing, and introduced four of the examiners who were present. Asked for some "timely tips", Mr. Ellis suggested the adoption of the Iowa uniform schedule of account analysis,—get ready to change over to a par basis next July 1,—make adequate service charges—keep invested in United States securities, staggering maturity dates from one to twelve years—employ more women.

Chairman Huston said that the first meeting of Group Eleven was held in 1897, and has been held annually on

Washington's Birthday ever since. Seven men were at that first meeting so many years ago. One of those men was **Lyman Edwards**, and Mr. Edwards also attended this most recent meeting in Burlington.

One of the biggest problems of war, according to **John Langum**, chief economist of the Federal Reserve Bank, Chicago, is the problem of finance—how to raise money to pay for it. Three things must be accomplished—inflation must be checked, an orderly and flexible money market

must be maintained, and the American system of free enterprise must be preserved. Inflation is still a real danger to the country, the speaker said. Mr. Langum said four things control inflation—more taxes, control of wages and farm prices, the support of price controls and rationing, and an increase of the public debt outside of the banking system.

Among resolutions adopted were those insisting on unit banking only—protest against the revival of the RACC and all other Government agencies, with State and National association urged to fight such agencies—banks to maintain assets in strong, liquid condition—and lend all assistance to sale of War Bonds and Stamps.

Wages are not frozen to the extent many employers believe, and can be thawed, according to **Howard Chenhall**, inspector in charge of the Iowa Wage and Hour Office, a speaker to the Group Eleven meeting. Increases may be made in keeping with the higher cost of living, and at present this increase can run around 15 per cent. Further increases may be permissible as cost of living tends to rise, as it probably will. Banks having seven employees or less are not affected by the Wages and Hour Law, but many questions were asked Mr. Chenhall from bankers in the audience whose personnel was close to the border-line number. The speaker suggested that even though banks were not thinking of making any great amount of wage increase at the present time, it would be a good idea to make application for permission to make such raises, should the occasion arise.

After dipping into the gasoline ration book to travel to the meeting, and reading in the paper that morning all about the point system of rationing food, **Ed Ebersole** bobs up with a ration book outlining the program for the Group Eleven meeting. The coupons called for a liberal amount of everything—even the "A", which referred to that quiet hour just before the storm known as tea-time. One thing that will never be rationed is the Burlington brand of hospitality—that continues in full measure year after year.

Position desired by experienced bank man—age 43, married and one child. Am a Catholic, have college education and experience in both country and city banks. Write E. C. O., c/o Northwestern Banker.

A WEALTH OF SERVICE AND INFORMATION FOR CORRESPONDENTS



DURING its more than fifty years of continued service, The Northern Trust Company has accumulated a wide variety of facts, figures, and experience. Our correspondents draw freely upon this reservoir of helpful information. For example, regarding "V" loans, ration banking, commodity loans, and state, municipal and U. S. Government bonds, data are available for your use.

THE NORTHERN TRUST COMPANY

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



IOWA NEWS FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

THE Burlington Savings Bank had an increase in deposits during 1942 of \$691,000. Loans and Discounts in this period decreased \$619,377.

A. A. Jackson, formerly assistant cashier, Wayland State Bank, recently was made cashier of the Farmers Savings Bank, Kalona. **Ferd E. Skola**, president, reports payment in full of depositors segregated Trust Certificates.

Interest rates paid on deposits in **Burlington** banks since September 1, 1942, is 1 per cent on savings and certificates of deposit. New service charges instituted here January 1, is a base charge of 35¢ per month, 3¢ on each check written or each out-of-town check deposited. Credit to an account is 10¢ per hundred on the minimum balance during the month. Bankers here are enthusiastic over their new plan and prefer to use the minimum balance instead of the average balance.

A noticeable increase in deposits was made by the **National Bank of Burlington** during 1942. Deposits rose from \$4,719,588 to \$5,974,386, or an increase of \$1,154,800. Loans and discounts decreased \$277,370. Investment in government bonds increased more than \$1,100,000.

Service charges as suggested by the Iowa Department of Banking were adopted by the Farmers Savings Bank, Wever, last October. Service revenue from this source has tripled, according to Harry Edwards, cashier, with practically no complaint from customers. The bank pays 1½ per cent interest on deposits.

Iowa's dean of bankers, **James G. Whitney**, president of the Whitney Loan and Trust Company, Atlantic, recently celebrated his 79th birthday. He is on the job every day and does not wear glasses. On April 15 he will have rounded out 65 years of banking on the same corner.

Red Oak banks reduced interest rates the first of the year from 2 per cent to 1 per cent.

During the past year, deposits at the **State Central Savings Bank, Keokuk**, went from \$2,905,283 to \$4,214,900, or an increase of \$1,309,617.

At the **Security State Bank, Keokuk**, all preferred stock was recently paid off in full. Other real estate has been practically eliminated and during the last five years furniture and fixtures have been depreciated \$8,600.

The **Earlham Savings Bank** moved up \$25,000 from undivided profits to the surplus. The capital is now \$25,000, surplus \$50,000, and undivided profits of \$15,000.

The **Anita State Bank** pays 2 per cent interest to old customers and 1 per cent to new customers.

Deposits at the **Atlantic State Bank** increased \$1,000,000 during the past year. The bank has been paying 1 per cent interest on deposits for some time.

The **Menlo Savings Bank** and its Casey office now make a service charge of 2c on each check written by the customer. No charge is made to customers on out-of-town check deposited. Deposits here are over \$1,200,000.

While the checking account service charges as applied by the **Earlham Savings Bank** are not new, nevertheless we will review the plan here as it is the writer's opinion that if balances continue to pile up in banks and loan volume continues to decline, the plan, or a similar plan, will become universally popular.

A CHARGE ON ALL CHECKING ACCOUNTS OF 50c PER MONTH WILL ALLOW A CUSTOMER TO WRITE 15 CHECKS. A CHARGE OF \$1.00 PER MONTH WILL ALLOW 30 CHECKS. ADDITIONAL CHECKS ARE 3c EACH. There is no charge on inactive accounts and the bank offers an alternate plan of 5c on each check written. Customers pay \$1.00 in advance for a pad of 20 checks.

THE NEW YORK TRUST COMPANY

Capital Funds . \$37,500,000



100 BROADWAY

MADISON AVENUE
AND 40TH STREET

TEN
ROCKEFELLER
PLAZA

★
BUY
WAR
BONDS



Member of the Federal Deposit Insurance Corporation

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.



ESTABLISHED 1908

MEMBER

NEW YORK CLEARING HOUSE ASSOCIATION
FEDERAL DEPOSIT INSURANCE CORPORATION

The **Fort Madison banks** adopted the Iowa uniform schedule of service charges last September. One per cent interest is paid on deposits here.

The **Lee County Savings Bank, Fort Madison**, cleaned up all other real estate, retired balance of preferred last year, paid a 5 per cent dividend and added to reserves.

Raymond V. Sar, Shenandoah attorney, has been elected to the board of directors of the First National Bank, Shenandoah, and succeeds **G. J. Liljedahl**, deceased. The bank now has

capital, surplus and undivided profits of \$50,000 each.

Interest rates were reduced at Shenandoah February 1, from 1½ per cent to 1 per cent.

F. J. Iwert has been elected cashier of the Malvern Trust and Savings Bank. Before coming here, Mr. Iwert was cashier of the Security State Bank, Shell Rock, Iowa.

Page County banks adopted the Iowa schedule of service charges February 1, on a modified basis.

The **Randolph State Bank** makes a service charge of 50¢ per month on all checking accounts except a few business accounts.

The **Mineola State Bank**, like several other banks in this territory, makes a service charge of just 2¢ per check on each check written by the customer. Some of the banks also make a charge on out-of-town checks deposited.

Oakland banks pay 1 per cent interest on savings accounts, 6 months CD's and 1½ per cent on 12 month CD's.

At the **Avoca State Bank**, **Richard Coe** was advanced from teller to assistant cashier.

The **Avoca banks** still pay 2 and 2½ per cent interest on deposits.

Bank Management Company Organized

Announcement has been made of the formation of Marshall Corns and Company, management engineers and consultants.

Incorporated under Illinois law, the company is chartered to act in ad-

Medals for Bankers

Our armed forces reward meritorious service with decorations.

On the war production front Army and Navy "E's" are given for excellence in performance.

On the banking front, while no decorations are given, the cooperation of bankers in the war effort has been well recognized.

We are glad to cooperate with you in any of your problems.

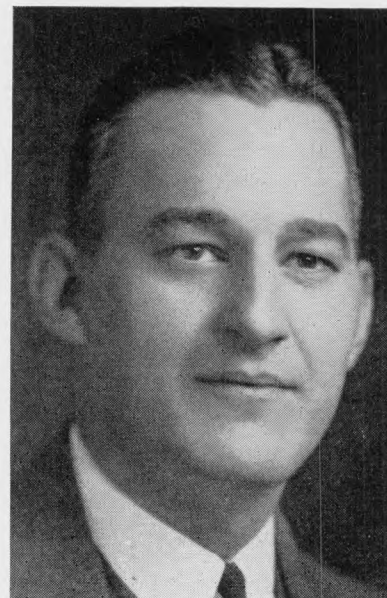
MISSISSIPPI VALLEY TRUST COMPANY

ST. LOUIS

Member Federal Deposit
Insurance Corporation



88 Years
of Banking Experience



MARSHALL CORNS

visory capacity to banks and bankers on management problems, and to furnish or install Accounting Procedures, Audit Systems and Controls, Cost Systems, Investment Programs, Marketing Surveys, and Organization Analysis to banks, bankers, and their customers.

• IOWA NEWS •

Marshall Corns, the president, was educated at Loyola Academy, Chicago, and St. Mary's College, Kansas. The early years of his banking career were spent with several small banks in Illinois, and prior to forming his own company was for a number of years one of the operating officers of the City National Bank and Trust Company, of Chicago. Mr. Corns has been a frequent contributor to banking publications on management and economic subjects, and is the author of "Better Bank Management". He is a member of the Academy of Political Science.

The directors of the company, in addition to Mr. Corns, are: H. E. Cotter, president H. E. Cotter and Company; Franklin Keller, president D. F. Keller Printing Company, and G. Rody Scheib, secretary-treasurer of Crown Steel Sales Company, and director of Industrial Metal Fabricators, Inc.

The principal office of the company will be located at 39 South LaSalle Street, Chicago, Illinois.

NEWS AND VIEWS

(Continued from page 14)

is any way that we can be helpful in forming this organization we would be glad to do so. I am very much opposed to government loaning agencies as there is plenty of money in private owned institutions that is begging to be loaned on desirable paper."

W. J. Ryan, who last month was elected assistant cashier of the Stock Yards National Bank of South St. Paul, Minnesota, started to work in the bank in September, 1941, and previous to that time, he had been with the First National Bank of Rice Lake, Wisconsin, for about two years and with the Bank of New Richmond, Wisconsin, about three years. His father is the executive officer at the New Richmond bank.

James F. Brynes, economic stabilization director, in a recent speech,

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH
BANK BROKER
Haddam, Kansas

"35 Years Practical Banking Experience"

said, "Scold the bureaucrats and brass hats as we do, we need them. Without bureaucrats and brass hats, we cannot win a total war."

E. C. Fishbaugh, president, Security Trust & Savings Bank of Shenandoah, in a recent letter to us said, "I greatly enjoy your editorial pages—they are thought provoking and I have formed a habit of passing them along to friends."

S. C. Aue, cashier of the First National Bank of Sioux Center, Iowa, was

clerk at a sale recently where **Bert Broek** sold some of his purebred Duroc hogs, and with three-fourths of the sale, or \$6,696, Mr. Broek purchased war bonds. His son, **Barney Broek**, is now in the service, and the father told those attending the sale that he was going to give his son all the help he could by buying war bonds, and this brought a rousing cheer from the filled pavilion.

During the sale there were 66 sows sold to buyers from 7 states, for an average price of \$133.25, the top sow selling for \$200.

in War

and Peace



For three-quarters of a century—in war and peace—in good times and bad—this bank has served farmers, business men and bankers throughout the middle west.

During three wars and five major depressions we

have been in close touch with both agriculture and industry in this territory. This experience, which our hundreds of correspondent banks have found of value, is offered to you without obligation.

The
LIVE STOCK

National BANK of Chicago

ESTABLISHED 1868

UNION STOCK YARDS

75th Anniversary Year

Member Federal Deposit Insurance Corporation

C. O. Strom, cashier of the First National Bank of Le Roy, Minnesota, reports a very excellent year for his institution, and in a recent letter to the *NORTHWESTERN BANKER*, he said, "I think perhaps you would like to know how things are shaping up at Le Roy, so I am sending you our last statement of December 31, 1942, which shows deposits of \$586,156 and capital of \$45,000.

"We re-elected all officers at the annual meeting—declared 8% dividend—and our deposits show an increase of about \$140,000 for the past year. We increased surplus and charged off on the bank building and fixtures in accordance with custom. We feel that we have had a successful year."

Ernest Osmundson, president of the Peoples State Bank of Thompson, Iowa, believes that his bank is topping the list in the Hawkeye state in the sale of war bonds and he is certainly doing a very fine job of it as indicated in a recent letter to the *NORTHWESTERN BANKER*. Here is what Mr. Osmundson said, "I have enjoyed the *NORTHWESTERN BANKER* for a good number of

years, and have always enjoyed **Joe Sarazen's** brief visits with us.

"It is with a great deal of interest that I read **H. G. Morrison's** (cashier of the Peterson State Bank, Peterson, Iowa) letter comparing his record with that of **Sam Torgeson**, cashier of the Farmers and Merchants State Bank, Lake Mills, Iowa, in selling war bonds. I notice that from May 1, 1941, to January 1, 1943, the Peterson bank sold to the public \$193,925 (maturity value) of war bonds, and that their deposits of June 30, 1942, were \$465,000, the percentage of war bonds sold during the 20 months were 41.7% (maturity value) of their June 30, 1942, deposits. Further on in the item, Mr. Peterson remarks that 'I think you will find we are just about first in the State of Iowa.'

"The deposits of my bank on January 1, 1942, were \$288,205 on June 30, 1942, they were \$312,321. From January 1, 1942, to December 31, 1942, we sold to our customers war bonds having the following maturity values, \$152,150 Series E—\$15,900 Series F and \$100 of Series G, making a total of \$168,150 sales during the year, which

amount to approximately 53.9% of our June 30, 1942, deposits. You will note I am using maturity values but I do believe that cost values should be used. The bonds that our customers bought during 1942 cost \$125,978.50, which is about 43.5% of our deposits on January 1, 1942.

"I don't think that I sold enough bonds in 1942, and I sincerely hope that a number of banks in Iowa will report better sales than mine. To stimulate the sale of bonds during 1943, and to save some money, we are not accepting time deposits, and are suggesting that holders of our time certificates invest their money in war bonds, as their certificates become due."

The Land O' Lakes News presents 10 points which they say "**cost so little and are worth so much,**" and they are so stimulating and helpful that we are presenting them to you and here they are—

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the poor by destroying the rich.
5. You cannot lift the wage-earner by pulling down the wage-payer.
6. You cannot keep out of trouble by spending more than your income.
7. You cannot further the brotherhood of man by inciting class hatred.
8. You cannot establish sound security on borrowed money.
9. You cannot build character and courage by taking away a man's initiative and independence.
10. You cannot help men permanently by doing for them what they could and should do for themselves.

If the "common man" is to be encouraged to buy refrigerators and radios for delivery after the war, paying for them now on the installment plan, the *New Yorker* views the situation with a tinge of sadness by saying—

"In the old days a man could at least keep a couple of bottles of beer in the icebox to cheer himself up when he got to worrying about his credit; now he won't even have the icebox. Also, we are going to be bothered by the inevitable transposition of big-business language into the future tense. 'Ask the man who's going to own one as soon the war is over and we get into production!' the advertisements will cry, and the credit man-



Above, Our War Bond Lobby Display

CITY  **NATIONAL BANK**
of Clinton, Iowa

FIFTH AVENUE
SOUTH-226

CLINTON, IOWA

Member Federal Reserve
System and Federal Deposit
Insurance Corporation



"They Like It"

"An excellent directory."

First State Bank, Belmond, Iowa.

"We substitute your excellent directory for the large directory."

State Bank of Liberty, Nebraska.

"It's the best directory published and just the right size so one can carry it in the pocket daily."

Bennett State Bank, Bennett, Iowa.

"Your bank directory is a very handy and complete book."

Lexington State Bank, Lexington, Nebraska.

The new 1943 edition of the Iowa-Nebraska Bank Directory will be ready soon. In it you'll find the most complete and latest information on Iowa and Nebraska banks, including personnel, capital, surplus, deposits, loans and discounts, bond holdings, correspondent banks and other valuable data.

Use the handy coupon at the right



Iowa-Nebraska Bank Directory _____, 1943
527 Seventh Street
Des Moines, Iowa

Gentlemen:

Please send _____ copies of your 1943 Iowa-Nebraska Bank Directory to us, and we will remit at the rate of \$2 per copy upon receipt of your Directory.

Bank _____

Officer _____

City _____ State _____

Northwestern Banker March 1943

ager, with a steely glint in his eyes, will murmur; 'Frankly, your delinquency will force us to repossess the machine—as soon as it is manufactured and delivered to you.'

Lee Chandler, cashier of the Iowa Savings Bank of Dike, points out in a letter to the NORTHWESTERN BANKER that in his town, with a population of 408, they have made a remarkable record in the sale of war bonds. In his letter to us, Mr. Chandler says:

"A recent article crediting the State Bank of Peterson, Iowa, with being the third largest bank bond seller in the United States in proportion to the size of its deposits stated that at that time they had sold 30.2% of their deposits in bonds.

"I believe that we may have surpassed this record as our figures as of

December 31, 1942, reflected the following facts: Our deposits on January 1, 1942, totaled \$460,001; during the year of 1942 we sold United States War Bonds to our customers with a cash value of \$142,965, which would mean a percentage of 31.7% as compared with deposits. I do not, of course, know the date on which the Peterson bank based its figures, but it would seem that January 1 would be the logical one to use since that is the date on which we started selling bonds for the year.

"In spite of the number of bonds sold, our deposits during the year increased \$72,374.61 and totaled \$552,376.35 on January 1, 1943."

Elliott W. Frank, prominent mid-western banker, has been appointed vice president of the LaSalle National Bank of Chicago.

In making the announcement C. Ray Phillips, president of the bank, outlined Mr. Frank's background. "Frank entered the banking field in southern Illinois about 20 years ago. Then for several years he served as National Bank Examiner for the Eighth Federal Reserve District, later becoming vice president of an outlying Chicago bank. He is considered an excellent choice to supplement the loan officers of the LaSalle National."

The exceptional growth of this bank since opening its offices in the Field building, he stated, has required considerable expansion of personnel.

FINANCIAL ADVERTISERS DISCUSS WAR PROBLEMS

(Continued from page 17)

which can be carried to the consumer—and when we recognize the vast back-log of purchasing power that is being built up through the purchase of War Bonds, Victory Tax Credits and other forms of savings, combined with the fact that the desire of the American people for those things which they have done without must be met, a most encouraging picture is presented. To assist in such a revival of trade, bank credit will be needed, not only in the fields of manufacturing and distributing, but by the ultimate consumer. The Personal Loan field should experience great strides after the war—for there will be at the disposal of the individual so many things that are desired—more modern homes, appliances, transportation facilities, all designed for their convenience and entertainment.

Robert Lindquist, personnel and public relations director of the American National Bank and Trust Company of Chicago and a director of F. A. A., speaking on present-day public relations problems said, "The war may have brought a revolution in the public relations of many types of business, but let us not jump to the false conclusion that banks are in-



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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

cluded in this group. Rather, war has intensified the need for maintaining the good will of our customers and increasing our services to them; at the same time, setting up new conditions and restrictions which make it extremely difficult to meet this need. There is no scarcity or rationing of bank services. Banks cannot point to empty shelves or overflowing lobbies and adopt a 'take it or leave it' attitude. Customers come in expecting no restrictions in the service to which they have been accustomed, and smarting perhaps from insults and delays they have suffered in other establishments, may be more critical than ever of their banks.

"No, war has not brought a revolution in bank public relations. But war has brought a revolution in the technique of bank public relations. And the key to this new technique is 'personnel'. The basis of sound public relations in a bank always have been a trained, loyal, enthusiastic personnel, and it continues to be true that we must build from within if we are to be successful. But today we cannot proceed to build our super-structure of public relations, confident that the personnel foundation provided for us is stable and strong. We must start by digging down and helping to build the very foundation itself. For much of the material in our old foundations has gone to war. We must select new material, test, train and mold with the old. Today there must be a complete merger of the thinking, planning, and functioning of the personnel and public relations programs of every bank, large or small."

Lou Townsend, assistant vice president, Bank of America, San Francisco, and president of the F. A. A. spoke at the evening banquet and a few of his very interesting observations were these:

"We need to advertise now to the public that they should keep their bonds until maturity. We are also using the slogan in our advertising, 'Buy Bonds for Victory and Save for Peace'."

"Over one million new people have moved to California during the past year and our bank has opened over 35,000 new accounts net.

"Advertising is the mouthpiece of thinking.

"Advertising is the greatest power

No. 75 Model Cummins Perforator, motor operated check cancelling machine. New. Perfect condition. Berkowitz Envelope Company, 19th and Campbell Streets, Kansas City, Missouri.

in the world, but it is like electricity and must be handled carefully.

"The turnover of accounts is the biggest cost in a bank.

"Bank advertising copy should be based **first on emotions, second on facts and figures, and third on humor.** And as an illustration of the first point consider the heading, **"I gave my daddy—can't you give 10%?"**

"That bank advertising still has a big job ahead is proven by the fact

that there are 50 million Americans who have never used a bank."

Julius K. Waibel, advertising counsel of the Continental Illinois National Bank and Trust Company of Chicago, presided at the noon-day luncheon as M. C., which either means **master of ceremonies** or in the banking business, **more cash.** Jake did a fine job and kept everyone in good spirits. Incidentally, in addition to his repertoire

1863



1943

CORRESPONDENT BANK Relations with The First National Bank of Chicago assure prompt handling of checks, notes, drafts and collections; afford facilities for the exchange of credit information, for checking investment portfolios, and other bank-to-bank services.

With The First National Bank of Chicago correspondent bank relationship is one of long duration, having been inaugurated in 1863. Today the Banks and Bankers Division is handling a nation-wide business, and invites accounts upon a basis that so long has proved mutually satisfactory.

**The First National Bank
of Chicago**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

of good stories, Jake is also famous for his **red, white and blue**, personally penciled letters.

Before he became vice president of the Citizens and Southern National Bank of Atlanta, 11 years ago, **Lewis F. Gordon** was vice president of the McGraw-Hill Publishing Corporation.

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

Through the Years 1889 to 1943

We've had our problems in the past, and we've successfully met them. We have our problems today--and with your help, we can overcome them again.

Though selections may not be large and substitute merchandise displayed--rest assured we are doing our best to serve your immediate requirements--and at the same time enthusiastically support our country in the "All-Out War Effort."

"Buy U. S. Bonds and Stamps"

KOCH BROTHERS
PRINTERS
ESTABLISHED 1889
STATIONERS OFFICE OUTFITTERS BOOK BINDERS BUSINESS MACHINES
GRAND AVE. AT FOURTH DES MOINES, IA.

Robert A. Brown, advertising manager of the First Wisconsin National Bank of Milwaukee, was unable to attend the conference as he was taking a little "sick leave" at the hospital. Everyone missed him, and hoped for his speedy recovery.

Vern Soash of the Minnesota Federal Savings and Loan Association of St. Paul, received word during the convention that his son, **Robert Soash**, had recently received his wings at Marfa Field in Texas.

Dale Brown, third vice president of the Financial Advertisers Association and assistant vice president of the National City Bank of Cleveland, was prevented from attending the meeting because of the recent death of his father.

Paul P. Pullen, president of the Chicago Financial Advertisers and advertising manager of the Chicago Title & Trust Company, did a very fine job as welcoming host.

Chester L. Price, advertising and publicity manager of the City National Bank and Trust Company of Chicago, did the official introducing at the afternoon meeting, where he allowed each speaker 10 minutes for his talk and then 20 minutes for discussion of each subject. A fine idea.

Preston E. Reed, the popular executive vice president of the F. A. A., told the conference that every month he is receiving new house organs from banks all over the country, and that evidently there is a definite trend to increase this form of communication among bank officers and employees.

Harry J. Lazarus, director of advertising of the Central National Bank in Chicago, and **Harold H. Stout**, vice president, both attended the luncheon meeting. **Carl F. Kuehne**, president of the bank, is recovering from an operation caused by a broken appendix.

Harold P. Klein, vice president of the Iowa Des Moines National Bank & Trust Company, suggested that the F.A.A. should now make a study to find out how best to help finance the purchase of civilian goods when the war is over, and to endeavor to keep this business for the banks rather than competing lending organizations.

G. W. McSweeney, president of De Luxe Check Printers, Inc., of Chicago, has three charming daughters who are **Louis**, age 13; **Mary**, 18; and **Peggy**, 21. The latter two girls are attending Lake Forrest.

Sharp Now With Banking Department

Eugene W. Stetson president, The Guaranty Trust Company of New

DES MOINES BUILDING-LOAN & SAVINGS ASSOCIATION

Oldest and Largest in Des Moines

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Years of

Low Cost
Hail
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Hawkeye Mutual Hail
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R. J. FLYNN, Pres.
D. L. DUNGAN, Secy.



Advertising

for
IMMEDIATE
SALES

Lessing Advertising Co.
INC.
Des Moines

York, announced that Dale E. Sharp, vice president, has been transferred from the trust department to the banking department and will henceforth be identified with the company's banking relationships in the middle west district, comprising Illinois, Michigan, Indiana, Minnesota, Wisconsin and Iowa.

Since his graduation from college in 1924 Mr. Sharp has been associated with the Guaranty Trust Company of New York and The National Bank of Commerce in New York (which merged with the Guaranty in 1929) except for a brief period when he was in the investment banking business. In recent years he has been engaged in the investment work of the trust department.

Mr. Sharp was born in Topeka, Kansas, in 1903 and was graduated from Washburn College in 1924 and from New York University, Graduate School of Business Administration in 1928.

advises that he is the only man who has been with the bank continuously since it was organized in 1913.

Oakland, Iowa

Directors of the Oakland Savings Bank declared the usual semi-annual dividend and a review of past year's activities showed an increase in all departments. Deposits are now more than a million, an all-time high, and earnings are satisfactory. W. H. Spencer continues as president of the institution, and also reelected were H. H. Spalti, vice president; J. J. Evans, cashier; and D. J. Spencer and Harold Spencer, assistant cashiers.

Kalona, Iowa

Fred E. Skola, president of the Farmers Savings Bank, advises that notice has been given to the public that all old depositors' trust certificates would be redeemed in full. Both banks in Kalona have now paid out one hundred per cent on their trusts, and both now have over a million dollars in deposits.

In Army

George E. Whitney, who for the past ten years has been connected with the First State Bank, Churdan, Iowa, is now in the Army.

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.

LEGAL QUESTIONS

(Continued from page 21)

Pedles recover damages for eviction from Van Slyke?

No. A landlord is not answerable in damages to a tenant for eviction from leased property unless the eviction be due to some wrongful act on the part of the landlord, either personally or by some person acting under his authority, or because of some paramount title.

Is it possible in South Dakota to set aside a judgment that has become final because of newly discovered evidence?

No. In South Dakota a judgment, after it has become final, will not be set aside upon the ground of newly discovered evidence. Such ruling is designed to prevent repeated litigation between the same parties in regard to the same subject of controversy.

Rock Valley, Iowa

Announcement comes from J. P. Schutt, president of the Valley State Bank, of the resignation of G. G. Vermeer as cashier of the institution, although he will remain on the board of directors as a vice president. John Roghair, Jr., formerly assistant cashier, has been named cashier, and Mildred Barb has been elected to the office of assistant cashier. Mr. Schutt

Index To Advertisers

A	
Allied Mutual Casualty Company.....	28
A. C. Allyn and Company.....	32
American National Bank and Trust Co....	46
B	
Bankers Trust Company, Des Moines.....	55
Bankers Trust Company, New York.....	58
Berkowitz Envelope Company.....	50
Burroughs Adding Machine Co.....	30
C	
Central National Bank and Trust Co.....	10
Central Surety and Insurance Corp.....	28
City National Bank, Clinton.....	64
City National Bank and Trust Company, Chicago.....	42
Continental-Illinois National Bank and Trust Co.....	6
Continental National Bank, Lincoln.....	49
D	
F. E. Davenport and Company.....	49-58
Des Moines Building, Loan and Savings Association.....	68
Drovers National Bank.....	59
E	
Elms Hotel.....	66
Employers Mutual Casualty Co.....	25
F	
Federal Intermediate Credit Banks.....	33
First National Bank, Chicago.....	67
First National Bank, St. Joseph.....	47
First National Bank, Sioux City.....	56
First St. Joseph Stock Yards Bank.....	48
First Wisconsin National Bank.....	54
G	
General American Life Insurance Co....	26
H	
Hawkeye Mutual Hail Insurance Association.....	68
Home Insurance Company.....	5
I	
Iowa-Des Moines National Bank.....	72
Iowa-Nebraska Bank Directory.....	65
Irving Trust Company.....	42
J	
Jamieson and Company.....	38
K	
Koch Brothers.....	68
L	
George LaMonte and Son.....	3
Lessing Advertising Company.....	68
Live Stock National Bank, Chicago.....	63
Live Stock National Bank, Omaha.....	52
Live Stock National Bank, Sioux City....	40
M	
Marshall Corns and Company.....	32
Merchants Mutual Bonding Company....	68
Merchants National Bank.....	2
Minneapolis-Moline Power Implement Company.....	39
Minnesota Commercial Men's Assn.....	36
Mississippi Valley Trust Company.....	62
N	
National Surety Corporation.....	22
New York Trust Company.....	61
Northern Trust Company.....	60
Northwestern National Bank, Minne- apolis.....	34
Northwestern National Life Insurance Company.....	36
O	
Omaha National Bank.....	19
P	
Philadelphia National Bank.....	51
Public National Bank and Trust Co....	61
S	
Scarborough and Company.....	23-53-66
Square Deal Insurance Company.....	24
T	
Town Mutual Dwelling Insurance Co...29	
Twin City Federal Savings and Loan Association.....	38
U	
United States National Bank.....	44
United States Treasury Department....	4
V	
Valley Savings Bank.....	71
W	
Want ads.....	60-67
Charles E. Walters Company.....	47
Jay A. Welch.....	63
Wessling Services.....	69
Western Mutual Fire Insurance Co.....	27

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 Federal Reserve Bank of St. Louis

IN THE DIRECTORS' ROOM

Give Her Time

Highway Patrolman: You have been doing sixty miles an hour. Don't you care anything about the law?

Pretty Miss: Why officer, how can I tell when I have only just met you?

A Record

Visitor: Don't you cut yourself pretty often with this straight-edged razor?

Mountaineer: Nar, I been shaving nigh on to five years now and I ain't cut myself either time.

Who To?

Teacher: "How do bees dispose of their honey?"

Tommy: "They cell it, I believe."

He Had 'Em All

It seems the gate broke down between heaven and hell. St. Peter appeared at the broken part and called out to the devil, "Hi, Satan, it's your turn to fix it this time."

"Sorry," replied the boss of the land beyond the Styx, "my men are too busy to go about fixing a mere gate."

"Well, then," grumbled St. Peter, "I'll have to sue you for breaking our agreement."

"Oh, yeah," said the devil, "where are you going to get a lawyer?"

Medically Described

A patient who complained of digestive troubles was told by a specialist that he was drinking too much and would have to knock off.

"Well," said the patient, "what am I to tell my wife?"

The doctor thought for a few minutes, then said: "Tell her you are suffering from syncopation. That will satisfy her."

The patient did as he was told. "What is syncopation?" asked his wife.

"I don't know," said the husband, "but that's what he said."

When her husband had gone out the wife looked up the word in the dictionary, and found that it meant: "Irregular movement from bar to bar."

Take Your Choice

Tourist (in village store): Wad-dya got in the shape of automobile tires?

Saleslady: Funeral wreaths, life preservers, invalid cushions and doughnuts.



Practical Man

A motorist stopped at an English teahouse, where he was supplied with some very hard and ancient cake. He glanced at the menu and sent for the manager.

"I see from your bill of fare," he said, mildly, "that your cakes are all home baked and that you supply socials and clubs."

"That's right, sir," said the manager.

"Well," said the customer, "just lend me one of your clubs, will you?"

That's Different

The applicant for a selling job was being interviewed.

"You say you've never had any experience selling in our line of goods?"

"That's right."

"What selling experience have you had?"

"None."

"Have you ever studied salesmanship?"

"No, sir."

"Then why did you come here and ask for a salesman's job?"

"I've got a brand new set of tires."

"Why didn't you say so in the first place? Where do you want to start? How would you like to cover all of Texas?"

Bad Shot

A Chicago gangster took it into his head to send his son to school.

They arrived in the principal's study.

"What ya got?" said the father.

"Sir, we offer arithmetic, trigonometry, spelling, etc."

"Waal, give 'im triggernometry. He's de woist shot in de family!"

Guilty!

The prisoner was on trial for stealing ducks. His counsel addressed the jury at length, pointing out that it had not been proved conclusively that the prosecutor had lost any ducks; that the ducks found in the prisoner's cottage were not those of the prosecutor; that the prisoner had established an absolute alibi.

Just as the judge began to sum-up, the prisoner interposed and asked if

he might say something. As an indulgence, this was permitted.

"All I want to say, gentlemen," he remarked, "is that I wish I'd never seen those birds."

Caught!

An American newspaper correspondent in Japan wrote to a friend, "I don't know if this letter will ever arrive, because the Japanese censor may open it." A week later he received a note from the Japanese post office saying, "The statement in your letter is not correct. We do not open letters."

Just to Be Safe

Joe: "How are you going out west?"

Jo-Jo: "We are going to drive my car. My companion is taking along a gallon of whiskey for rattlesnake bites."

Joe: "Fine. And what are you going to take?"

Jo-Jo: "A couple of rattlesnakes."

Resignation

This letter was received from an American conscript: "Dear Colonel: After four months of army life and much sober reflection, I have decided that I cannot support my wife in the manner to which she has been accustomed on my army pay. Kindly accept my resignation."

According to Orders

Out for a drive in her pony-cart, an elderly lady managed to get involved in some army maneuvers. As she approached a bridge a sentry stopped her.

"Sorry, madam," he said, "you can't cross this bridge. It's just been destroyed."

The old lady peered at it through her spectacles.

"It looks all right to me," she murmured. Then, as another soldier came along, she asked:

"Excuse me, but can you tell me what's wrong with this bridge?"

The soldier shook his head.

"Don't ask me, lady," he replied; "I've been dead two days."

Plenty Weak

Army Doctor: "Weak eyes, eh? How many lines can you read on that chart?"

Draftee: "What chart?"



V ALLEY SAVINGS BANK

... DES MOINES ...

Where complete facilities and
service are coupled with the
kind of cooperation
you will like.



Member Federal Deposit Insurance Corporation



Food from Iowa

AS ESSENTIAL AS BULLETS

Iowa Banks and Bankers are making an important contribution to the War effort by assisting the farmers of our State to produce more food.

Adequate financing, encouragement and cooperation on the part of his local Banker should help the farmer meet some of his present-day problems, which include serious shortages in labor, machinery and equipment.

More food from Iowa . . . to feed our own Nation and our Allies . . . is just as essential as bullets in continuing the march toward Victory.

Iowa Banks and Bankers have enlisted under the Food for Freedom banner for the duration to assist in the all-out mobilization of our State's great food producing resources.

**IOWA-DES MOINES NATIONAL BANK
& TRUST COMPANY**

Member Federal Deposit Insurance Corporation

