

NORTHWESTERN *Banker*

JULY
1943



H. R. KURTH

President, Minnesota Bankers Association
President, Citizens Bank, Hutchinson, Minnesota
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How the War Has Come to the Farm

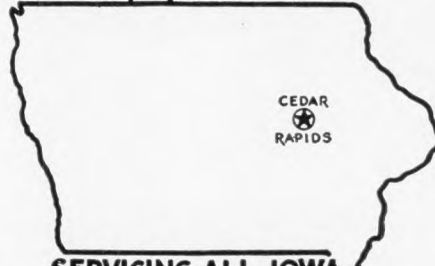
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A correspondent account with this bank guarantees prompt handling of checks, notes, drafts, and collections. It provides unusual facilities for credit information and other bank-to-bank services.

More and more bankers throughout the middlewest are finding it profitable to carry an account with this institution.

A CEDAR RAPIDS BANK



MERCHANTS NATIONAL BANK

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 E. B. ZBANEK, Building Manager

Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation



Northwestern Banker, published monthly by the De Puy Publishing Company, at 527 Seventh St., Des Moines, Iowa. Subscription, 35c per copy, \$3.00 per year. Entered as Second Class Matter January 1, 1895, at the Post Office at Des Moines, Iowa, under Act of March 3, 1879.



★ KEEP ON BUYING WAR BONDS ★

POSITIVE IDENTIFICATION - important for Soldiers . . . and Checks

Today, every American Soldier wears two identical identification tags bearing his serial number, inoculation record and other essential data. » » Why two tags? Because Uncle Sam plays safe — takes no chances of slip-ups in the identification of personnel. » » For similar reasons of security, leading Banks and Business Houses today use checks which are DOUBLY IDENTIFIED! Not only is the

issuing organization's name lithographed or printed on the check — but its trade-mark or special design is repeated — front and back — in the check paper itself! This individualized Safety Paper, originated by George La Monte & Son, is available through your lithographer or printer. » » Such DOUBLY IDENTIFIED checks offer maximum protection against alteration and counterfeiting.



Note how the trade-mark design and wavy lines appear on the back of the check in perfect register with the front. The endorsement is protected as well as the face.

LA MONTE *Safety* PAPER

GEORGE LA MONTE & SON

NUTLEY, N. J.



The wavy lines are a La Monte trade-mark



Official U. S. Navy photograph

**THEY'RE
ALL ACES
TODAY**

Blinding speed, armored planes and devastating firepower have eliminated the individual ace—the “knight of the air”—from modern aerial warfare. Now it is the perfect coordination in precision teamwork of *every* echelon and *every* squadron that “rings the bell” in air battle.

That is why American fighters and bombers are writing such glorious new pages in history. Americans are brought up on teamwork—in play, in business and in war. In the fire insurance industry, for example, despite the handicaps of the manpower shortage and drastically curtailed transportation, agents are continuing to bring insurance protection to American homes and industries. And besides giving efficient service to policyholders, agents are active in civilian defense—another important form of protection.

Moreover, they are still further proving their teamwork ability by patriotically cooperating with our company in its modest contribution towards national war financing through the Ninetieth Anniversary War Loan campaign, which provides that:

All new gross premiums collected on fire and other policies that the Home writes for the balance of the year are being invested in War Loan Bonds. These purchases are OVER and ABOVE the normal government bond purchases which the company is continuing to make.

In the air or on the ground, teamwork is the American way—the short-cut to Victory!

☆ **THE HOME** ☆
Insurance Company
NEW YORK
FIRE ★ AUTOMOBILE ★ MARINE INSURANCE

Ninetieth Anniversary Year

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Statement of Condition, June 30, 1943

RESOURCES

CASH AND DUE FROM BANKS	\$ 943,768,352.68
U. S. GOVERNMENT OBLIGATIONS, DIRECT AND FULLY GUARANTEED	2,548,663,686.79
STATE AND MUNICIPAL SECURITIES	77,379,783.82
STOCK OF FEDERAL RESERVE BANK	6,016,200.00
OTHER SECURITIES	122,814,076.28
LOANS, DISCOUNTS AND BANKERS' ACCEPTANCES.	717,908,709.96
BANKING HOUSES	36,215,027.42
OTHER REAL ESTATE	5,432,358.29
MORTGAGES	7,327,882.90
CUSTOMERS' ACCEPTANCE LIABILITY	4,101,112.50
OTHER ASSETS	12,979,244.50
	<u>\$4,482,606,435.14</u>

LIABILITIES

CAPITAL FUNDS:	
CAPITAL STOCK	\$100,270,000.00
SURPLUS	100,270,000.00
UNDIVIDED PROFITS	49,842,417.63
	\$ 250,382,417.63
DIVIDEND PAYABLE AUGUST 2, 1943	5,180,000.00
RESERVE FOR CONTINGENCIES	15,252,664.25
RESERVE FOR TAXES, INTEREST, ETC.	5,855,792.88
DEPOSITS	4,193,352,244.27
ACCEPTANCES OUTSTANDING	\$ 10,019,894.95
LESS AMOUNT IN PORTFOLIO	5,540,766.71
	4,479,128.24
LIABILITY AS ENDORSER ON ACCEPTANCES AND FOREIGN BILLS	41,573.12
OTHER LIABILITIES	8,062,614.75
	<u>\$4,482,606,435.14</u>

United States Government and other securities carried at \$741,894,297.50 are pledged to secure U. S. Government War Loan Deposits of \$513,420,301.82 and other public funds and trust deposits, and for other purposes as required or permitted by law.

Member Federal Deposit Insurance Corporation

Northwestern Banker July 1943

Mr. Banker...

Field Warehousing Gives You These Important Advantages

- 1: Enables you to take on new borrowing accounts with safety because Field Warehouse Receipts provide you with first security on a borrower's inventory and a control of the proceeds of sales of that inventory.
- 2: Permits you to extend increased lines of credit to deserving customers.
- 3: Gives you increased earning power.
- 4: Low cost of Field Warehousing service makes unsecured or poorly secured loans unnecessary.

Here Are Some of the Many Types of Inventories That Are Being Field Warehoused Today

STEEL AND IRON	SEED CORN AND FIELD SEEDS	COAL AND COKE
GROCERIES — WHOLESALE	CANNED GOODS	PETROLEUM PRODUCTS
LUMBER AND BUILDING MATERIALS	WOOLEN AND COTTON GOODS	
WOOL	EGGS	SOY BEANS
	Shell, Frozen, Powdered	

Why not make use of our Field Warehousing Service to safeguard loans . . . to increase profits? Our Iowa office will give prompt, careful attention to your inquiry. Free consultation service obligates you in no way whatever.

St. Paul Terminal Warehouse Company

St. Paul, Minnesota

IOWA OFFICE

510 Iowa-Des Moines National Bank Building
Des Moines, Iowa

T. C. CANNON, DISTRICT MANAGER

Telephone 4-2353

OTHER OFFICES AT: CHICAGO • DETROIT • NEW YORK • MEMPHIS • ATLANTA • PITTSBURGH • MILWAUKEE

Dear Editor



The following letters were received from Northwestern Banker readers. Your views and opinions on any subject will be gladly published on this page.

"Interesting Correspondence"

"My correspondence is becoming more and more interesting, and, as George Cosson says, we are at least starting some thought on post-war money questions. The fact that you voluntarily published my ten suggestions in the NORTHWESTERN BANKER I think has given force to the argument.

"Recently I sent my material to President Hansen of the State University of Iowa, stating that if it looked interesting to him to have it presented at the Inter-American Conference. His secretary wrote me that he was absent from the city but my communications were turned over to Dr. C. A. Phillips, Dean of the College of Commerce. I do not have the report as yet.

"Walter Lippmann's secretary wrote me a very gracious letter thanking me for my material and stating that Mr. Lippmann was away on his vacation but it would certainly be called to his attention on his return.

"Ex-president Hoover, with whom I have corresponded, in the Hoover-Gibson articles as published in the current *Collier's* magazine, stated that we must have international stabilized currency. Up to this time no one, in all my correspondence, has objected to the return of international bi-metalism.

G. M. TITUS, *President*
Titus Loan and Investment
Company, Muscatine, Iowa

"Bring Back Memories"

"Really difficult for me to keep up personal correspondence except when someone like you sort of 'jars' me into realizing that life has its more pleasant sides, too.

"We are going to pull off a dinner meeting in connection with our annual stockholders' meeting this year on July 20th, in celebration of twenty-five years of banking history behind us. If this goes well and is favorably received by the

stockholders, expect it will be an annual event. Our comparative earnings for the period up until the 15th of June show an increase of over \$1,000 over a year ago, with loans down almost \$30,000. Making 90 per cent of our loans on a time payment basis with very few real estates.

"Enjoy reading the NORTHWESTERN BANKER each month, which usually takes place late at night just before turning out my light. The pictures, of course, of the fellows I know in Iowa sure look good to me. Noticed Hugh McCleery of Laurel, formerly cashier of the Grinnell State, in the last issue. With his pipe in hand it brought back memories of the many times he would place his lighted pipe in his coat pocket. I can see him yet jumping around and pounding his pocket to put out the fire."

C. M. AMANN, *Cashier*
Farmers and Merchants Bank
Rudolph, Wisconsin

"The Editorials Are Good"

"A lot of education is gained by me from reading the NORTHWESTERN BANKER. Copies have been coming to my desk for a good many years.

"The editorials are good. 'Twenty Years of Banking from 1922 to 1942', an editorial in the last issue, was particularly good, as well as the other editorials in that issue."

ORVAL W. ADAMS, *Vice President*
Utah State National Bank
Salt Lake City, Utah, and
Past President of the American
Bankers Association.

"Extra-Curricular Work"

"Thanks very much for the excellent reproduction of the charts on page 15 of the June issue of the NORTHWESTERN BANKER. I also appreciate the space given to talk.

"I was called upon to talk to the Supervisors of State Banks at a meeting of 19 states in Kansas City the other day.

Ralph Bunce was with me so we put up our charts and told them our story just to give them an indication of the extra-curricular work the Iowa Department of Banking is doing."

MEL W. ELLIS, *Superintendent*
Department of Banking
State of Iowa

"A Letter to Uncle Sam"

(Editor's Note—The following, although not a letter to us, was an open letter appearing in the local newspaper in Montevideo, and we believe well worth publication in every community.)

"DEAR UNCLE:

"Out in western Minnesota's best farming country, we who work in the Security National Bank issued War Bonds during the April Second War Loan campaign to the cash-value amount of \$204,111.50.

"Don't misunderstand us. We're not bragging about the volume of bonds bought through us. Nor about the amount of work we did writing them out. (Although we feel it is all right to point out that this work is done without pay or profit to our bank or to any other bank doing similar work.)

"And we assure you of our readiness to pitch in and help every time a War Loan campaign come along. We feel it our duty to do this volunteer, unpaid service just as many of our neighbors in this community are doing.

"We are handling 128 active Ration Bank Accounts. Another non-profit line of work.

"Investments by this bank of funds in U. S. Bonds amounts to \$1,730,000.

"WE ASK YOU NOW TO REALIZE that banks have to 'make a living' in order to be able to carry on the many forms of war work. They have to make a living if they are to pay rent and taxes; bread and butter to employes; and at least a small rate of interest to savings depositors.

"SO, UNCLE SAM, we ask for your cooperation, too. Let's not have any more—rather let's have less—of the credit agencies that operate on subsidies from you and take business away from local banks. You cripple enterprise when you go into the lending business with Federal subsidies.

"Another thought—Don't ask for cumbersome and unnecessary reports. And we know you will try to be careful and make good use of the money that your citizens have dug up out of their hard work."

Yours Actively for Victory,
THE SECURITY NATIONAL BANK
Of Montevideo, Minnesota

"The Banker and the Exporter"

"Enclosed please find a copy of my booklet 'The Banker and the Exporter.'

"Because of the increased use of letters of credit, the information contained in the booklet, and particularly the text of the Uniform Customs and Practice should be of interest to bankers.

"I should appreciate your listing the booklet in the NORTHWESTERN BANKER, mentioning that it may be obtained free upon request."

A. M. STRONG, *Foreign Department*
Public National Bank and Trust
Company of New York



IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK

Statement of Condition, June 30, 1943

ASSETS

Cash on Hand, and Due from Federal Reserve Bank and Other Banks . . .	\$203,704,260.26
U. S. Government Securities	655,260,719.05
Other Securities	2,250,272.81
Stock in Federal Reserve Bank	3,088,100.00
Loans and Discounts	163,910,370.62
First Mortgages on Real Estate	8,877,956.43
Headquarters Building	16,887,600.00
Other Real Estate	721,367.50
Liability of Customers for Acceptances	1,359,516.61
Other Assets	2,625,987.37
	<u>\$1,058,686,150.65</u>

LIABILITIES

Deposits	\$942,663,032.52	
Official Checks	3,334,650.44	\$945,997,682.96
Acceptances	\$3,257,838.55	
Less Amount in Portfolio	1,401,919.13	1,855,919.42
Reserve for Taxes and Other Expenses		2,250,164.25
Dividend payable July 1, 1943		750,000.00
Other Liabilities		550,490.12
Unearned and Deferred Income		1,941,909.24
Capital Stock	\$50,000,000.00	
Surplus and Undivided Profits	55,339,984.66	105,339,984.66
		<u>\$1,058,686,150.65</u>

United States Government Securities are stated at amortized cost. Of these, \$116,020,551.25 are pledged to secure deposits of public monies and for other purposes required by law.
Member Federal Deposit Insurance Corporation

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JULY
1943

NORTHWESTERN *Banker* DES MOINES

FORTY-EIGHTH YEAR

NUMBER 672

Oldest Financial Journal West of the Mississippi River

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Publisher

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Associate Publisher

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NEW YORK OFFICE

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Vice President

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CONVENTIONS

AMERICAN BANKERS ASSOCIATION

American Bankers Association, Wal-
dorf-Astoria Hotel, New York City—
Week of September 13.

Financial Advertisers Association,
Edgewater Beach Hotel, Chicago—
October 19-20-21.

STATE ASSOCIATIONS

Iowa, Fort Des Moines Hotel, Des
Moines—September 5-7.

The Directors' Room

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Across the Desk From the Publisher

What 42 Production Credit Associations Are Doing in Four States

There are some banks which are not troubled much with government competition in their local communities but there are many others who have to face it each day.

It is hard for us to understand why it is that the government is constantly competing with banks who in turn are doing their utmost to help finance the war through the purchase of War Bonds for their own portfolios and through assisting in the sale of them to their local depositors.

	Iowa
1. Loans to Members.....	\$7,971,730
2. Salaries and Travel.....	155,761
3. Total Income	392,526
4. Net Earnings.....	87,749

Just to show what 42 Production Credit Associations in the 8th Farm Credit Administration District have been doing, and which territory includes Iowa, Nebraska, South Dakota and Wyoming, Frank Warner, Secretary of the Iowa Bankers Association, and his "Committee on Government Competing Agencies" have made a most exhaustive survey on PCA competition.

In order to give you briefly what these government competing agencies are doing in this area,

"The Banker Is in a Preferred Position"

Bankers may feel that with all the worries and problems which they face from day to day, that the banking business seems at times a hard and unsatisfactory line of endeavor.

However, merchants, manufacturers, and industrialists are facing many problems which are frequently much harder and more complex to

we feel sure that the condensed figures below will be highly illuminating.

Senator Wheery of Nebraska has introduced a bill to liquidate the RACC. Hearings on this bill are about to commence and it is hoped that it will be passed by a substantial majority.

As Secretary Warner so ably points out, the \$7,971,000 of PCA loans in Iowa could be absorbed by the 436 banks who have to meet the PCA competition if these banks would increase their loans by approximately \$18,283. This should not be an impossibility when banks are loaded

	Nebraska	South Dakota	Wyoming
	\$5,035,533	\$4,264,976	\$1,560,788
	106,896	87,831	27,635
	298,644	249,570	91,367
	75,375	68,110	31,143

with surplus funds to lend and, furthermore, banks can handle this volume with less red tape and at less cost to the borrowers than they are now paying the PCA.

We can see no reason for the continuation of government financing which was created for emergency purposes, but which still continues long after the particular emergency has passed.

Get busy with your senators and congressmen now on this important issue.

solve than those faced by the banking fraternity.

In presenting the brighter side of the banking picture, A. L. M. Wiggins, chairman of the Committee on Federal Legislation of the American Bankers Association, believes that bankers today are "In a Preferred Position" and gives his reasons by saying: "I would like to point out to you one fact about American banking, about the banking business, that impresses me as a

businessman for whom banking is only one of his interests. I sometimes think that bankers have no appreciation of their relative position in our national economy. You may not agree with me, but from my observations in Washington throughout the past eight or ten years and through personal experience with many types of business throughout these years, **I want to say to you that in my opinion banking has the least troubles and difficulties in this war period and that it has greater assurance of what the morrow will bring forth than any business with which I am connected. The profits may not be great, the difficulties may at times seem to be insurmountable, but compared to the problems and difficulties and threats that this war has brought on our industries and our institutions of trade, the banker is in a preferred position.**

“Examine the statement of your own bank and you will discover that your deposits have increased and with that increase the Government has provided a source of income which represents additional revenue to your institutions to take care of your increased expenses.

“Compare your situation with that of the merchants in your community. In one of my businesses we operate a little meat market, and we sell \$5,000 worth of fresh meat a month. I would point out to you who are complaining about the troubles and difficulties and expense of ration banking, that you don't know anything. I wish that every banker who opens his mouth about the problems and troubles of ration banking could run a meat market for thirty days. We not only have to count our coupons one by one and add them up and put them in the envelopes but we have to count them when the women come in to buy a pound of meat. We have had to increase our personnel 50 per cent in order to take care of the increased cost and the increased activity required by the rationing program, and not only that, but we are operating under price ceilings and, gentlemen, don't overlook the fact that banking is not under price ceilings. We have operated under price ceilings which have reduced the markup 6 per cent on meat; and whereas in this little department of a large store, with a \$5,000 business a month, formerly we made a profit of \$200 to \$240 a month, today we are losing \$250 to \$275 every month without any opportunity to overcome that loss, and the Government has

made no offer to take care of the out-of-pocket cost to us of the handling of these ration coupons.

“I say to you, when we are criticizing, complaining, condemning, in our own field, take a look around you and talk to the merchants and the businessmen of your community, many of whom are passing out of the picture.

“I merely make these suggestions, gentlemen, because we are too prone to criticize everything that affects us personally and to overlook the broader picture and the greater sacrifices that others are being called upon to make.

“I would also call your attention to the charter under which we operate, a charter which gives us certain rights and privileges in doing business within our respective territories, a type of business different from the grocery store or from the filling station or the automobile business. It is one of the few kinds of business chartered by the Government and operating on a large scale in which the customer furnishes 90 to 95 per cent of the funds with which we make profits for our stockholders. The merchant puts up all his own capital, and it is only his own capital and borrowed money with which he can make profits on his business.

“We are indeed in a fortunate business in this time of stress and strain and reorganization and losses of business generally, and so let us take a fair look at ourselves when we are prone to criticize and condemn and let us recognize and thank God that we have as few troubles and as few difficulties as we have.”

No one knows what future legislation may be passed by congress affecting the banking business of America, but it is our belief that no “revolutionary” laws are likely to be passed because the banking business today is already under the strictest supervision and regulation that it has ever been, consequently bankers should look hopefully into the future realizing that their next big job will be one of financing business and industry for the post-war period, which we trust is not too far off.

In the meantime consider the “preferred position” of the banking business today.

Clifford DePuy

STATEMENT OF CONDITION

At Close of Business

June 30, 1943

"Iowa's Friendly Bank"

CENTRAL NATIONAL BANK AND TRUST COMPANY

of Des Moines

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

RESOURCES	LIABILITIES
Cash and due from Federal Reserve and other banks \$19,814,617.27	Common Stock ----\$1,000,000.00
United States Gov- ernment Securi- ties ----- 21,980,660.14	Preferred Stock -- 250,000.00 \$ 1,250,000.00
Obligations of United States Governmental Agencies ----- 2,808,251.72 \$44,603,529.13	Surplus ----- 525,000.00
Municipal Securities ----- 4,271,313.33	Undivided Profits ----- 367,791.16
Market Bonds ----- 1,103,222.87	Reserve for Retirement of Pre- ferred Stock ----- 250,000.00
Loans and Discounts ----- 9,462,584.70	Other Reserves ----- 249,217.68
Customers' Liability on Loan Com- mitments ----- 190,000.00	Discount Collected ----- 52,581.78
Overdrafts ----- 5,281.34	Loan Commitments Outstanding-- 190,000.00
Stock Federal Reserve Bank ----- 52,800.00	DEPOSITS
Accrued Interest Receivable----- 141,034.70	Demand ----- \$42,929,899.57
Bank Premises and Equipment --- 346,857.06	Savings ----- 2,854,749.48
	Public Funds -- 11,507,383.46 57,292,032.51
Total ----- \$60,176,623.13	Total ----- \$60,176,623.13

United States Government and other securities carried at \$9,380,309.10 are pledged to secure public and trust deposits and for other purposes as required or permitted by law.

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*D. R. WITHINGTON
ASSISTANT CASHIER
GEO. L. NISSLY
ASSISTANT TRUST OFFICER
ALBERT C. ROBERTS
ASSISTANT TRUST OFFICER

*On leave of absence serving in U. S. Armed Forces



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

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

SIMEON E. LELAND, chairman of the board of directors of the Federal Reserve Bank of Chicago, is also chairman of the department of Economics of the University of Chicago and when the board had their meeting in Des Moines recently, Mr. Leland expressed the opinion that "the law recently passed by the Iowa legislature requiring all banks to clear checks drawn on them at par," was a good piece of legislation.

C. S. "Hap" Young, president of the Federal Reserve Bank in Chicago, told the luncheon guests in Des Moines that the April War Loan support from Iowa was most excellent and that he knew the same support would be given to the new financing which has been announced.

Incidentally, "Hap" gets up at 6 o'clock every morning and is down to the Federal Reserve Bank by 7:30 a. m., being the first one on the job.

J. H. Dillard, vice president of the Federal Reserve Bank in Chicago, told us that the bank now has approximately \$5,000,000,000 of assets and that since the first of the year they have

held meetings of the Federal Reserve Bank board at Milwaukee, Detroit, Minneapolis, and just recently in Des Moines, the thought being to get in closer contact with the business men and bankers in various areas throughout the Seventh Federal Reserve District.

Ralph E. Flanders, president of the Jones and Lamson Machine Company of Springfield, Vermont, and a member of the board of directors of the Federal Reserve Bank of Boston, spoke to the luncheon meeting and among other things said, "Our postwar problem is discovering the factors which stimulate private initiative, employment and production. As those factors are discovered and applied, the banking structure both will be relieved gradually of its burden of government financing and be presented with opportunities for business loans and investments.

"Tax policy, of course, is one of the major elements in a sound long-time policy. We must resign ourselves to heavy taxation if we are to keep government indebtedness under control. It is not so much, however, the amount

as the kind and distribution of taxes which have been at fault.

"We still must depend largely upon the income tax. But its incidence upon business must be decreased."

We have received a very interesting folder entitled "**A Grand Place to Work**," which was prepared by the personnel department of the Bankers Trust Company, 16 Wall Street, New York, for the purpose of having something simple and effective to leave with vocational advisers at the various high schools in New York City and adjacent territory, so that these advisers in turn could distribute copies among young women about to graduate.

The responses so far have been exceedingly favorable to this story about the Bankers Trust Company.

The opening paragraphs of the folder tell "Why You'd Enjoy Working in This Bank," and go on to say, "These days you can take your pick of a good many different kinds of work. You know that and so do we. But we think you would enjoy working in Bankers Trust Company . . . and here are the reasons why.

"Please weigh these reasons carefully, for it is an important decision you are about to make. Discuss it with your parents and with your vocational adviser at school. Then come in to Bankers Trust Company and talk it over. Read on and you will see how simple and pleasant we have tried to make it for you."

Following this, six reasons are given telling of the advantages in being associated with Bankers Trust Company.

We think this is very timely and if you are interested in receiving a copy, we are sure Bankers Trust Company will be glad to send you one.

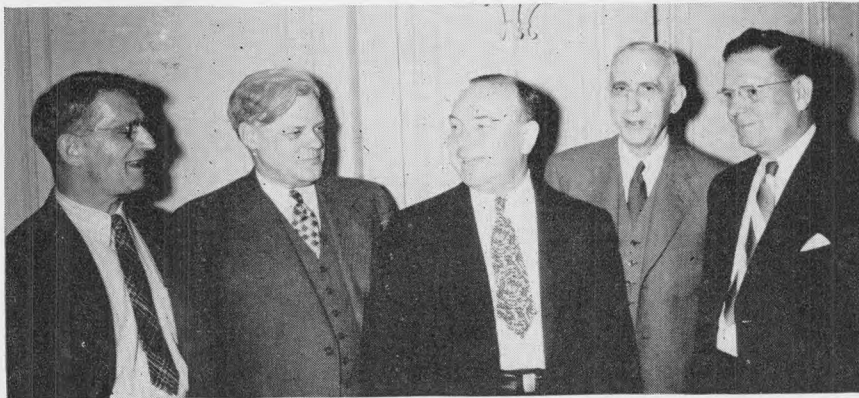
James F. Adams, vice president and cashier of the Community Savings Bank of Edgewood, Iowa, didn't send us the following "**Tribute to the New Deal**" but it did appear in the Edgewood News and we think that the "tribute" is a masterpiece, and here it is: "**Never before have so many done so little for so much.**"

One of our banker friends writes us that the new classification in the army is now "**5-F**" which means a **single man with children.**

One heading of a news item in the South Dakota Section of the June issue of the **NORTHWESTERN BANKER** was: "**Quits Drugs to Become Banker.**" We are not sure whether it is much more

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Federal Reserve Meeting in Des Moines



Officers and directors of the Federal Reserve Bank, Chicago, this year are holding meetings in various sections of the Seventh District, and last month Des Moines was honored with one of the sessions. In the picture above, taken at the Des Moines meeting, from left to right, are **W. W. Waymack**, deputy chairman of the board; **C. S. Young**, president; **Simeon E. Leland**, board chairman; **H. P. Preston**, first vice president; and **Frank D. Williams**, Class A director from Iowa City.

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The South Dakota Convention

T. N. Hayter, Sioux Falls, Elected President

FOLLOWING the usual custom of advancing the former vice president to president, the South Dakota Bankers Association elected **T. N. Hayter**, vice president of the First National Bank and Trust Company, Sioux Falls, as chief executive of its organization at the closing session of its convention held last month in Mitchell. Second in command will be **H. R. Kibbee, Jr.**, vice president of the Commercial Trust and Savings Bank, Mitchell, who was named to the office of vice president of the association. **Mildred E. Starring** continues as acting secretary, carrying on the duties of her husband, **George M. Starring**, who is in the service. It was recommended that these officers hold office until the next regular convention of the association, the stipulation

being made in view of the fact that war restrictions might prevent holding an annual meeting next year at the usual time. **Aberdeen** was selected for the 1944 convention city, when, as, and if a convention is held.

Ralph M. Watson, president of the Northwest Security National Bank, Sioux Falls, as state vice president for the American Bankers Association, presided over the ABA election session. Mr. Watson reported that 87.5 per cent of all South Dakota banks are now members of the American Bankers Association. In the ABA election, **John M. Thompson**, vice president and cashier of the Bank of Centerville, was named to the executive council. **H. N. Thomson**, vice president of the Farmers and Merchants State Bank, Presho, becomes a member of the ABA nom-

inating committee, with **William Rempfer**, cashier of the First National Bank, Parkston, as alternate. South Dakota vice presidents of the several divisions were elected as follows: national bank, **A. E. Dahl**, president Rapid City National Bank; savings bank, **William C. Duffy**, vice president Union Savings Bank, Sioux Falls; state bank, **F. F. Phillippi**, cashier Dakota State Bank, Milbank; and trust division, **R. A. Pankow**, trust officer First National Bank and Trust Company, Sioux Falls. **Pierce McDowell**, vice president of the Northwest Security National, Sioux Falls, acted as secretary for the ABA meeting.

Harold Thomson, vice president of the Farmers and Merchants State Bank, Presho, president of the South (Turn to page 44, please)



AT THE SOUTH DAKOTA CONVENTION—Reading from left to right, upper left—**T. N. Hayter**, new Association president, vice president First National Bank, Sioux Falls; **Mildred I. Starring**, acting secretary of the Association; and **H. R. Kibbee, Jr.**, new vice president, vice president Commercial Trust & Savings Bank, Mitchell. Upper right—**Julius Bertsch**, cashier Fulton State Bank; **William C. Rempfer**, cashier First National Bank, Parkston; **A. T. Hagen**, president First State Bank, Claremont; and **C. R. McCain**, assistant cashier First National Bank, Spearfish. Lower left—**William C.**

Rempfer, **Mildred I. Starring**, **L. L. Lillibridge**, president Burke State Bank; **Lois J. Halversen**, Association office, Huron; **R. M. Engle**, cashier Minnehaha County Bank, Valley Springs; **K. L. Szymanski**, cashier Farmers & Merchants Bank, Scotland; **George Behl**, president Farmers & Merchants State Bank, Scotland; and **L. Christensen**, president Minnehaha County Bank, Valley Springs. Lower right—**C. J. Poshusta**, vice president and cashier Underwood State Bank, New Underwood; **V. B. Klikeman**, cashier Parker State Bank; and **A. C. Lemme**, cashier Farmers State Bank, Lyons.

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The Minnesota Convention

H. R. Kurth, Hutchinson, Named President at Annual Meeting in Minneapolis

MEMBERS of the Minnesota Bankers Association, at their fifty-fourth annual convention, held last month in Minneapolis, elected **H. R. Kurth**, vice president of the Citizens Bank, Hutchinson, as president of their association, advancing him from the office of vice president which he held last year. The new vice president of the association is **Wilbur F. McClean**, vice president of the Minnesota National Bank, Duluth, with **A. P. Lechtman**, cashier of the Farmers State Bank, Osseo, elected treasurer. **William Duncan, Jr.**, Minneapolis, will, of course, continue as secretary.

Aside from the usual get-together meeting the evening before the one convention day, and the annual dinner, the Minnesota meeting this year was of a strictly business nature. Registration exceeded expectations with more than 1,100 in attendance. Entertainment at the stag party consisted largely of war movies, followed by a generous bite to eat. **Jack Maloney**, assistant cashier of the First National Bank, Minneapolis, and chairman of the local clearing house committee, in charge of convention arrangements and details, with the help of his committee did a grand job of showing everyone a good time and making them feel at home.

Commenting on the many activities

of the Minnesota Bankers Association during his year in office, **Larry Olson**, vice president of the Midland National Bank of Minneapolis and president of the association, said in part:

"We are living in an inflated economic period which calls for close supervision of our earning assets represented by loans and investments. Many banks are operating on a reduced income and I think are reconciled to the fact that they will not enjoy the profits to which they have been accustomed. In my judgment, the manner in which we conduct banking today will determine the future for banking in the years to come when the war is over and we again live in a peace economy. In the meantime, exercising our knowledge of good and reasonable extension of credit, for which there is no substitute, we must aggressively search out good loans, serve the interest of our communities and yet maintain the principles of sound banking. I am sure all of this is being intelligently done by the bankers of Minnesota, and when we are functioning normally again, we will have preserved the chartered system of banking which we know today and which is so important to us and to the people of this nation.

"Many of our sons and associates,

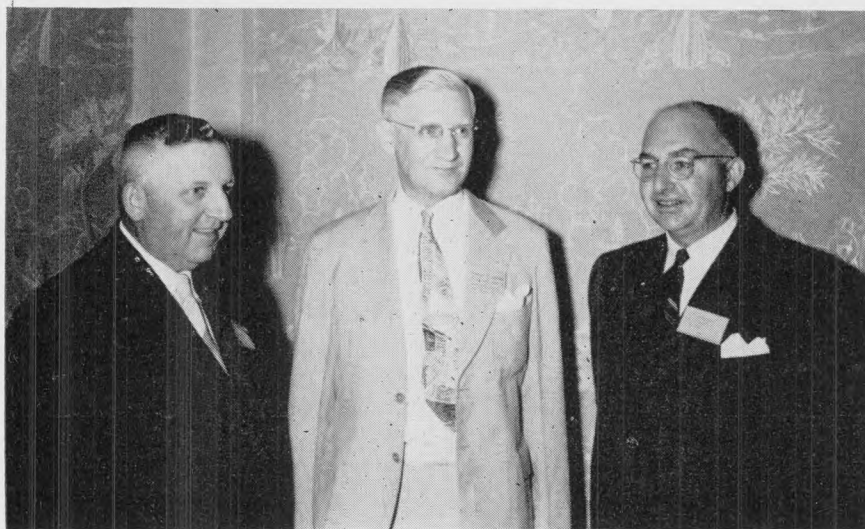
and others near to us, have answered the call of our country and are serving in the armed forces in various capacities and on many fronts. Some have already paid the supreme sacrifice—many others will give their lives before the war is over. To them we pay tribute and honor—they are making the REAL sacrifice.

"What we may do is insignificant in comparison. May our actions reflect our loyalty to all of our fighting men and women; may we protect and vigorously guard all that they have left in our care, so that their efforts for humanity shall not have been in vain, and that upon their return they may be proud and happy to again take their place among us. May it be the will of Providence that this war may soon end, and Victory be ours, to be used wisely and justly in bringing lasting peace to all the world."

We thoroughly agree with **Dr. Herbert Heaton**, professor of economic history at the University of Minnesota, one of the convention speakers, when he said that instead of the "four freedoms" we hear so much about—freedom of worship, speech, and from want and fear—there is a fifth one, namely, freedom of enterprise. We can retain the original four, but if we lose freedom of enterprise we have lost the thing America has always stood for and the thing which has made this country mighty.

New members of the Minnesota Association executive council, elected for a three-year term, were **W. A. Putnam**, vice president, First & American National, Duluth; **S. J. Schafer**, cashier, Farmers State Bank, Waubun, and **George E. Buscher**, executive vice president of the Alexandria State Bank. **L. O. Olson**, immediate past president, also becomes a council member for one year.

At their annual meeting, held during the convention sessions, ABA members in Minnesota elected **L. O. Olson**, vice president of the Midland National, Minneapolis, as a member of the ABA executive council; **B. M. Peyton**, president, Minnesota National Bank, Duluth, to the ABA nominating committee, and named **O. G. Jones**, president, Goodhue County National Bank, Red Wing, as alternate. Those ABA members elected vice presidents of the several divisions were: national bank,



H. R. Kurth (left), president of the Citizens Bank, Hutchinson, and new president of the Minnesota Bankers Association; **L. O. Olson**, vice president Midland National Bank, Minneapolis, immediate past president of the Association; and **W. F. McClean**, vice president Minnesota National Bank, Duluth, and new vice president of the Minnesota Association.

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A. A. Habedank, president, Ada National Bank; savings bank, **George G. Cowie**, vice president, Farmers & Mechanics Savings, Minneapolis; state bank, **B. W. Lloyd**, cashier, Citizens State Bank, Fulda, and trust division, **Paul Reyerson**, vice president and trust officer, First National Bank, Minneapolis.

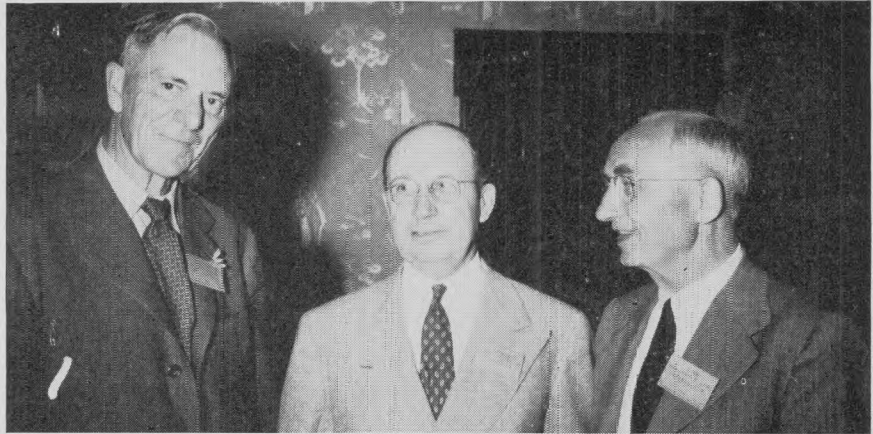
Speaking on "Ration Banking," **Wilbur F. Lawson**, chairman of the ABA ration banking committee and vice president of the First National Bank, Boston, said in part:

"The envelope system has been the most disturbing factor of ration banking. The committee has consistently refused to ask the banks to test-check any part of the envelopes. In our conferences with the OPA, several plans have been discussed and the committee feels it is possible to work out a better system than is now offered by the OPA in their plan of verification of 3 per cent of the envelopes. The ration banking committee wants to cooperate with the OPA and does not want a single bank to withdraw from the plan; neither does the committee wish to sanction an unsound plan. The partial verification of the contents of envelopes by the banks is considered unsound. It creates a serious manpower situation in many banks, but worse than that, it creates a customer relations problem for, among other things, it would be exceedingly bad business for any bank to report its good customers to the OPA—the policeman.

"Ration banking is an essential part
(Turn to page 42, please)

AT THE MINNESOTA CONVENTION

—Reading from left to right, 1—**A. J. Veigel**, St. Paul; **C. B. Brombach**, vice president First National Bank, Minneapolis; and **W. C. Krop**, executive vice president Farmers & Merchants State Bank, Stillwater. 2—**F. G. Hinze**, J. M. Dain Company, Minneapolis; **J. H. Julig**, president First National Bank, Hutchinson; **F. G. Rogstad**, president Becker County National Bank, Detroit Lakes; and **Leslie Scholdt**, Scholdt Company, St. Paul. 3—**G. E. Parsons**, cashier Security State Bank, Pillager; **W. A. Gray**, vice president City National Bank, Duluth; and **Robert K. Evans**, vice president Security Bank & Trust Company, Owatonna. 4—**Mrs. S. Ilstrup**, Farmers State Bank, Darwin; **Mrs. F. W. Shandorf**, Dundas State Bank; **William Duncan, Jr.**, secretary Minnesota Bankers Association; **Mrs. W. E. Revier**, Dundas Bank; and **Mrs. A. G. Reiter**, Security State Bank, Howard Lake. 5—**J. R. Nims**, executive vice president Staples State Bank; **Jacob Rigg**, Minnesota banking department, Ada; and **K. O. Sattre**, vice president and cashier Blue Earth State Bank.



New War Financing Plan

Northwestern Banker Survey Reveals What Bankers Think About the New Set-up to Sell War Savings Bonds

PROTEST was voiced recently by bankers in many states because of the new plan instigated by the United States Treasury to sell Bonds and Stamps to finance the war program. Secretary of the Treasury Morgenthau has junked the Victory Fund Committees which have been working through the banking system and through security houses in raising money for war purposes, and has turned the job over to the War Savings Staff, of which there is an organization in each of the 48 states.

The change in set-up has already been made and while, of course, bankers everywhere will continue to cooperate to the fullest extent in helping to finance the war, the NORTHWESTERN BANKER asked a number of them in these middle western states to give their thoughts and opinion on the consolidation of the several units which will now be known as the War Finance Committee. Letters received in response to our request read as follows:

Glen T. Gibson, president, Exchange Bank, Gibson, Nebraska:

"In making this change, of course, it would relieve the Victory Fund Committees of a lot of hard work. Every good citizen of the United States has only one object in mind regardless of the work, which is winning this war.

"I don't know what the War Savings Staff would do for Mr. Morgenthau. We all know that the Victory Fund Committees have worked very hard and in every instance have put the Bond sales over the top. It looks to me as though changing horses in the middle of a stream at this time might be very disastrous. The old saying is that 'The proof of the pudding is in the eating.' I believe that the Victory Fund Committees have made good and with no politics mixed into this Victory Fund Committee it surely must have been their loyalty to the government that has prompted them to sell these Bonds, with no political aspirations in view.

"I believe that Mr. Morgenthau will find that with this new War Savings Staff he would not have the organized banking group behind them that the Victory Fund Committee have at this time. To organize this new group will

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take time and time is the very essence of this war. I believe it would be a great mistake to make this change."

A South Dakota banker writes:

"I have your letter in regard to the consolidation of the Victory Fund Committee and the War Savings Staff, and it appears to me that they are just taking away the punch that it takes to put over these Bond drives that come up two or three times a year. The bankers, as a whole, are always more or less working with the War Savings Staff during the full year, but they do feel free to exert a little extra effort when they are called upon to put over these big drives. And in consolidating these two organizations they may feel that they have already done all they could through the year by working with the War Savings Staff. So I believe it is a bad mistake in consolidating them."

Here is a reply from a North Dakota banker:

"In response to your recent letter with reference to the plan being sponsored to eliminate the Victory Fund Committees, will state that it is our opinion that such committees have done a splendid job in the War Bond campaigns which have been carried out.

"Without a doubt in mind the proposed change would do nothing more than establish more political appointees, with very little experience, which in my opinion we have too many of in this day and age."

D. E. Gallatin, cashier, State Bank, Benkelman, Nebraska:

"Our reaction is this—why change from a system which has got the job done so well as it has been done? It may be there are a number of political 'refugees' who have so long been out of the need of work to make a living and are now needing another soft job with good salaries while they can get the banks to do the work in putting out the bonds.

"We think that the past drive in our county and surrounding counties was ably and nicely handled, and quotas were easily oversubscribed, so why the change?"

Homer M. Boyd, cashier, First Trust & Savings Bank, Anthon, Iowa:

"From the record already established, we believe the Victory Fund Committees have done a grand job selling Bonds to finance the war effort, and we strongly urge the Treasury Department permit the present organization of such committees to continue to function as it has been doing."

G. H. Hernet, cashier, McIntosh County Bank, Ashley, North Dakota:

"In our county it would make very little difference, as the War Savings Staff includes all the bankers in the county anyway. I am county chairman and in the towns with banks the bankers are the chairmen for their respective towns.

"I do think, though, that in the last drive the bankers did a swell job and I can't imagine any group of men who could have done better. In our Ninth Federal Reserve District the Twin City bankers put it over with a bang."

A banker from Nebraska writes:

"It so happens that I have been chairman of the War Savings Staff for our county and during the last Bond drive I was also asked to act as chairman in this county. I therefore used the same people who had been helping on the War Savings Staff and added a few additional.

"Our county has never had a Victory Fund Committee. This is, no doubt, because our county has but five banks and is not thickly populated.

"I was not aware that the War Savings Staff was made up of political appointees; at least I have never been accused of being a New Dealer. Of course, appointments at the top may be political. In my case I was requested to serve as chairman for this county and considered it my patriotic duty to do so."

H. C. Danforth, vice president and cashier, First Dakota National Bank, Yankton, South Dakota:

"With the record that the Federal Reserve Banks have made with the last Bond sale and knowing that the Victory Fund Committees have really worked, it would seem a great mistake to now turn the job over to the War

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The North Dakota Convention

Large Delegation Elects H. A. Fischer, of Washburn,
As President

NORTH DAKOTA bankers, at the forty-first annual convention of the North Dakota Bankers Association held last month in Fargo, elected **H. A. Fischer**, cashier of the Farmers Security Bank, Washburn, as president of the Association. Serving with him will be **A. C. Idsvoog**, president of Grafton National Bank, as vice president; **Clarke Bassett**, vice president of Merchants National Bank, Fargo, as treasurer; and **C. C. Wattam**, Fargo, was re-elected secretary. There were about 200 registered for the convention, which under present traveling conditions was considered a very good attendance. Aside from the stag party held the evening of Friday, June 18th, at which "Officer Mulcahey" of St. Paul told North Dakota bankers where they could go, and why, the

meeting was of strictly business nature.

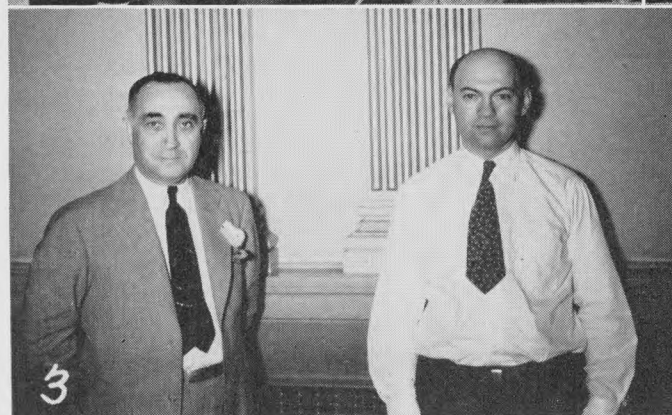
ABA officers of the North Dakota Bankers Association were elected as follows: Member nominating committee, **Fred A. Irish**, president, First National Bank, Fargo; alternate, **H. A. Fischer**; State vice presidents—national bank, **E. G. Bloodow**, president, Security National Bank, Edgeley; savings bank, **F. B. Heath**, president, Dakota National Bank, Bismarck; state bank, **M. G. Pederson**, cashier, First State Bank, Hope; and trust, **Carther Jackson**, cashier, First National Bank, Grand Forks.

With the schedule of dues based on resources of member banks, and with these resources at the moment at top-notch figures, it was found that the Association was in a position to collect

more funds in dues than was necessary to the efficient operation of the organization, so at the meeting in Fargo a new schedule was adopted scaling down somewhat from former figures. Provision was made to allow the executive committee to make future adjustments in dues as resources of member banks made it seem advisable.

In his address as president of the North Dakota Association, **J. O. Milsten**, president of the First National Bank, Belfield, pointed out that the bank of today certainly is not the monster that many of the public seem to think. Banks are serving the public in many ways, he said, and have helped to build Democracy to the position this country now holds in world affairs. In spite of Government

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AT THE NORTH DAKOTA CONVENTION—From left to right, 1—**C. C. Wattam**, secretary of the North Dakota Bankers Association; **A. G. Divet**, Fargo, former attorney for the Association; and **George Thorp**, Fargo, present attorney for the North Dakota Bankers Association. 2—New officers of the North Dakota Bankers Association, **H. A. Fischer**, president, cashier Farmers Security Bank, Washburn; **A. C.**

Idsvoog, vice president, president Grafton National Bank; and **Clarke Bassett**, treasurer, vice president Merchants National Bank, Fargo. 3—**N. I. Roop**, vice president First National Bank, Bismarck; and **H. W. George**, cashier Bank of Steele. 4—**C. W. Clow**, president Merchants & Farmers Bank, Cavalier; and **F. D. McCartney**, vice president First National Bank, Oakes.

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Conditional Sales Contracts

Are Subject to Same General Rules as Applicable
to Mortgages

MORRELL, an Iowa banker, was the executor of an estate there. As such it became one of his duties to see that Baker received certain monies as a life tenant, which monies were to go to Nuttall on Baker's death. As an incident thereto, Nuttall, the remainderman, sought to require that the life tenant furnish him with security to protect him against possible loss of his remainder interest in the funds. Would it be possible for Nuttall to require that Baker do this?

Yes. A court, in its discretion, has the right to require a life tenant of personalty, consisting of money or its equivalent, to give security for the protection of remaindermen.

Hagerstown, a Nebraska banker, owned a farm in that state. He leased it to Sorenson for three years. Subsequently, the banker deeded the property to Gregory, who knew of the lease. Did Gregory receive the property subject to the lease?

Yes. Where a landlord has leased real estate to one person and then conveys it to another the landlord cannot convey to the grantee a greater interest than the landlord himself possesses.

As an incident to procuring an automobile in Iowa, Bradley executed in favor of a finance company a promissory note which provided that it matured November 5, 1940. Along with the note he signed a conditional sales contract calling for a November 5, 1941, maturity. Which maturity date should prevail?

The 1940 maturity prevails. Instruments executed at the same time and as a part of the same transaction will be construed together. However, where there is a conflict between the terms of a note and of a mortgage given to secure it, the former must prevail. This general rule applicable to mortgages was recently held to be applicable to conditional sales contracts by the Iowa Supreme Court.

Olsen owned two adjoining lots in a
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These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

town in Minnesota. He built a house on one of the lots and ran the underground drain for sewage across the other lot to the main sewer. Subsequently he mortgaged the house and lot on which it stood. The mortgage was not paid when it fell due and the mortgagee foreclosed and bought in the premises at the foreclosure sale. The mortgage was silent regarding any right to use the drain crossing the second lot. Did the purchaser acquire such right?

Yes. Where an owner of a lot installed plumbing in a dwelling house thereon and connected it with a sewer drain extending across his adjoining lot, an implied easement to use the drain passed under a mortgage subsequently executed by the owner and the foreclosure thereof. The purchaser at the foreclosure sale became the owner of the easement as an appurtenance to the property on which the dwelling house was situated.

A bank acquired a vacant tract of land in a mortgage foreclosure proceeding. Certain people living near the land asserted that they had a right of way to come and go across the land and that this came to them through prescription, or, in other words, through long continued use. It developed that the coming and going did not have a definite and certain line or path. Were they, nevertheless, entitled to a right of way?

No. To acquire a right of way by a prescription the use must be confined to one definite and certain line or path. Travel over a tract of land in various courses or directions for the prescriptive period is insufficient to establish a right of way over any particular path.

Jordan sold certain merchandise on credit to Lockhart in Nebraska. Connor guaranteed the payment of the bill. Lockhart did not pay as agreed. The statute of limitations ran as to Jordan's claim against Lockhart and Connor. Thereafter, Lockhart made certain payments on the indebtedness. Connor did not know of this or authorize or ratify Lockhart's action. Did the payment by Lockhart operate to toll the running of the statute of limitations insofar as Jordan's claim against Connor was concerned?

No. Partial payments made without authority or consent of a surety do not toll the statute of limitations as to such surety.

Suppose that in the preceding question Connor knew of the payments by Lockhart but did nothing to authorize or ratify them. Would such knowledge operate to toll the running of the statute as to Connor?

No. Knowledge of the making of partial payments by a principal does not of itself affect the liability of a surety nor operate to toll the running of the statute of limitations as to him.

An Iowa banker died leaving a will in which he made a bequest to his widow and a bequest to a friend. His assets were not sufficient to satisfy both. Should the widow's bequest be satisfied first?

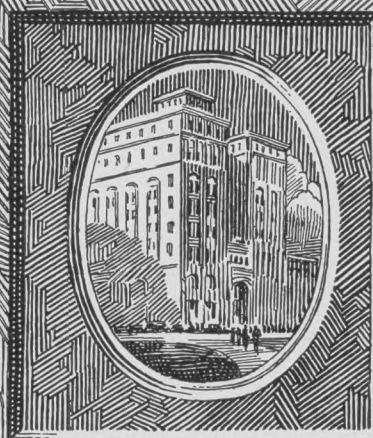
Yes. Where the assets of a testator's estate are insufficient to satisfy both a bequest to the testator's widow and another bequest, it is presumed that the testator would have intended to prefer his widow had he known of such insufficiency.

A dispute arose between a loan company and a washing machine agency in South Dakota. In the ensuing litigation the matter was carried to the supreme court of that state. The decision of the supreme court did not end the litigation and further proceedings were had in the trial court which were subsequently appealed to

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Equipped
For All
BANKING
Needs

The Omaha National Bank



ALWAYS
AT YOUR SERVICE

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War and the *Farmer*

How the War Has Come to the Farm

A POPULAR pastime in the early months after Pearl Harbor, especially on the part of "wise men from the east," was that of telling us poor, benighted heathen of the "hinterland" that we apparently did not know there was a war going on and that our country was in it. Many of us did not accept this message too kindly because we believed we were as alert as the rest of the land. No one has the temerity to come from Washington or any other place with such a message now. The effects of war have made themselves felt in one way or another to all of us long before this. Let us take stock of what some of those effects have been.

One thing which war has done is to change the agricultural scene from one of price-depressing surpluses to one of ration-producing shortages. What has produced this change? Clearly, it is not due to the failure of the farmer to produce. With the help of a favorable season, farmers produced a record output in 1942. South Dakota bankers know what drouth can do to farm output. Should we not give special thanks for the fact that if we had to have severe drouths they come in times when surpluses were available and not in a year like 1942 when the need for a large output was so great? I am sure all of us devoutly hope that we may escape the visitation of disastrous crop failure for the duration.

The major explanation for the changed picture is found in the enlarged demand. War requirements have turned considerable unemployment into a shortage of manpower. Wage payments and national income in terms of dollars have gone up very decidedly. The resulting effect on the demand for farm products is irrefutable proof of the importance to the farmer of full employment and production in nonagricultural lines.

Another source of increased demand is the need of our armed forces. Many men in service are more active and better fed than in civilian life. It is necessary to build up stockpiles in various battle areas of the world in order that our boys may not lack food when they get there and this adds to the drain on supply.

Our exports were at a low ebb during the depression period before the war. Foreign purchasing power was not available. Our own restrictions

By O. B. Jesness
 Chief of Division of
 Agricultural Economics
 University of Minnesota

Address before the
 South Dakota Bankers Association



O. B. JESNESS
 Warns of Inflation

had acted as a noose to strangle our trade.

There is one factor on the supply side which should not be overlooked. Demands of the war on shipping and losses resulting from undersea warfare limit various imports. This is the reason for the coffee shortage and is an important factor in the sugar situation.

The commodities for which war demand has been particularly strong include dairy products, meats, eggs, fats and oils, and certain fruits and vegetables.

Requirements have not outrun supply in all lines. Cotton, which presented a serious surplus problem prior to the war, still remains in ample supply, at least in the case of shorter staple cotton. This comes as a surprise to some who have discovered shortages in certain lines of finished cotton goods. These are due to limitations of processing facilities rather than of raw cotton.

You men know from your business contacts how farm incomes have increased during the war. Not only have prices gone up, but total farm income has gone up even more because of the larger output to which the higher prices have applied. Farmers of the United States had a total cash income of about \$16,000,000,000 in 1942, compared with about \$8,500,000,000 as an average for 1935 to 1939.

This does not mean that farmers have run out of problems. Labor and machinery shortages are especially serious handicaps to full production.

Price is another factor in a prominent role on the agricultural stage. Farmers welcome a more favorable price situation after a period of years when returns have seemed entirely too low. There are those who profess to be spokesmen for agriculture who argue that the farmer should now be permitted to reap the full benefit of the present demand by letting prices have free rein.

One popular argument is that the only way to get increased output is by using high prices as the incentive. Price normally plays a very important function as a director of farm output. But there are some limitations of which sight must not be lost. The farms of the country now are at or near capacity production and raising prices generally will not expand that capacity. It would be different if ample labor and equipment were at hand. Then capacity could be increased quickly. That is not the case today.

Price plays a varied role in our economic life. As has been pointed out earlier, normally price is a director of production. Price also serves to distribute or ration supplies under normal market conditions. Still another important function of price is that of distributing income. Farmers want higher prices, the worker wants higher wages, the business man wants higher profits, because they mean higher incomes.

The problem of placing a fair valuation on the contribution of an individual or group to society is a difficult one. No automatic exact registering device is available for this purpose. Normally, we rely heavily on the operation of forces in the market place to establish these values. Controls needed during war limits very decidedly the adequacy of the market for this job.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, June 30, 1943

RESOURCES

Cash and Due from Banks	\$ 457,840,293.57
United States Government Obligations,	
Direct and Fully Guaranteed	1,424,617,208.73
Other Bonds and Securities	76,594,117.19
Loans and Discounts	260,869,504.50
Stock in Federal Reserve Bank	3,000,000.00
Customers' Liability on Acceptances	893,692.36
Income Accrued but Not Collected	4,854,961.53
Banking House	11,550,000.00
Real Estate Owned other than Banking House	1,360,772.02
	\$2,241,580,549.90

LIABILITIES

Deposits	\$2,090,709,847.98
Acceptances	894,315.60
Reserve for Taxes, Interest and Expenses	7,738,756.97
Reserve for Contingencies	17,275,529.44
Income Collected but Not Earned	285,490.64
Common Stock	50,000,000.00
Surplus	50,000,000.00
Undivided Profits	24,676,609.27
	\$2,241,580,549.90

United States Government obligations and other securities carried at
\$361,370,032.06 are pledged to secure public and trust deposits and for
other purposes as required or permitted by law

Member Federal Deposit Insurance Corporation

Northwestern Banker July 1943

...THE...
PHILADELPHIA
NATIONAL BANK

Organized 1803

June 30, 1943

RESOURCES

Cash and due from Banks	\$193,367,809.72
U. S. Government Securities	452,309,070.09
State, County and Municipal Securities	14,795,620.32
Other Securities	34,853,001.51
Loans and Discounts	78,672,247.18
Bank Buildings	2,600,000.00
Accrued Interest Receivable	2,092,501.95
Customers Liability Account of Acceptances	2,226,089.99
	<u>\$780,916,340.76</u>

LIABILITIES

Capital Stock	\$14,000,000.00
Surplus	21,000,000.00
Undivided Profits	13,482,161.62
Reserve for Contingencies	3,178,350.14
Reserve for Taxes	2,928,072.63
Dividend (Payable July 1, 1943)	875,000.00
Unearned Discount and Accrued Interest	152,315.08
Acceptances	2,479,339.58
Deposits	722,821,101.71
	<u>\$780,916,340.76</u>

EVAN RANDOLPH, *President*

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

Philadelphia, Pa.

Winning the war ought to be the major concern today.

The threat of inflation is a matter of concern to all. During the last war inflation was somewhat of a novel experience. Many found the intoxicating stimulus of rising prices a very pleasant sensation. They were not aware of the terrible headache of deflation which was to follow. That headache was still a fresh memory when this war broke out and there is strong sentiment in favor of holding inflation in check. Unfortunately, there is still lack of realism in regard to what is necessary to avoid inflation.

Why we are threatened with inflation during a major war is not hard to see. Meeting war requirements increases activity and employment and thereby adds to income in terms of dollars. Production is shifted extensively from civilian to war goods. The dollar income rises at the very time the supply of goods and services available to civilians goes down. Let nature take its course and the result is runaway prices. To avoid such a consequence, price control and rationing are instituted. Higher taxes and sale of War Bonds are necessary to absorb the excess spending power for which goods are not now available.

What is needed is for each one of us to personalize his responsibility for inflation control. If inflation gets out of hand we may expect to have to go through the inflation wringer. Inflation brings distress in its wake. Inflation is not selective. It drives up farm costs as well as farm prices. The farmer knows from experience that when the bubble breaks, his prices fall faster and farther than his costs. That spells disaster for the farmer, the country banker and many others.

This is why everyone should give his whole-hearted support to make price control and rationing work effectively. This is why everyone should put as large a share as possible of his current income into government bonds. You bankers appreciate the inflationary dangers of adding to the already excessive spending power by having the government rely on loans from commercial banks. Purchase of bonds from current incomes reduces this danger and also helps by taking spending power out of the civilian market where supplies are short. Taxes are notoriously unpopular but the welfare of the country and the curbing of inflation demand that taxes during this period be raised to the limit.

There is still a certain lack of realism in regard to the sacrifices which war involves. The sacrifices made by the men in the armed forces and their families are understood. People also

THE EXECUTIVE WHO STOPS TO THINK . . .



Knows that "10% for War Bonds isn't enough these days"

Workers' Living Costs going up . . . and Income and Victory Tax now deducted at source for thousands of workers . . .

Check! You're perfectly right . . . but all these burdens are more than balanced by *much higher FAMILY INCOMES for most of your workers!*

Millions of new workers have entered the picture. Millions of women who never worked before. Millions of others who never began to earn what they are getting today!

A 10% Pay-Roll Allotment for War Bonds from the wages of the family bread-winner is one thing—a 10% Pay-Roll Allotment from each of several workers in the same family is quite another matter! Why, in many such cases, it could well be jacked up to 30%—50% or even more of the family's *new money!*

That's why the Treasury Department now urges you to revise your War Bond *thinking*—and your War Bond *selling*—on the basis of *family incomes*. The current

War Bond campaign is built around the family unit—and labor-management sales programs should be revised accordingly.

For details get in touch with your local War Savings Staff which will supply you with all necessary material for the proper presentation of the new plan.

Last year's bonds got us started—*this year's bonds are to win!* So let's all raise our sights, and get going. If we all pull together, we'll put it over with a bang!

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

NORTHWESTERN BANKER



you've done your bit
. . . now do your best!



Northwestern Banker July 1943

90 YEARS AGO . . . in 1853,

back in the days of the horse car . . .



this bank was organized to help meet the growing financial needs of thriving young Milwaukee (then a seven-year-old city of 20,000 souls).

TODAY . . . metropolitan

Milwaukee is one of America's major war production areas; and all the facilities of this 90-year-old bank . . . Wisconsin's largest . . . are pledged to one end: To help speed the victory of Freedom's forces!

The First Wisconsin National Bank ranks 31st in size among the 15,000 banks in the U. S. Over 85 per cent of the hundreds of banks in Wisconsin are First Wisconsin correspondents.

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  Established 1853

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

recognize that we cannot have business as usual. But we apparently have difficulty in getting rid of the delusion that war creates prosperity. War adds to the national income in terms of dollars, therefore we think it means prosperity, and become concerned about making sure we get our share. War does not create prosperity. It is, instead, a destructive, costly activity which demands sacrifices of all. Inflation provides no escape from the sacrifices of war. Instead, it intensifies them. Instead of seeking our share in the imagined gains, we ought to be accepting our share of the costs. The monetary gains are illusory; the costs are real.

Attention already has been called to how war activity has demonstrated the importance to farmers of full employment and activity in nonagricultural lines. What the domestic market for farm products will be like will depend upon whether we have active business or stagnation. The shift over from war to civilian production is going to be far from easy. Plants will have to be changed and some will be closed because of their unsuitability for peacetime production. Many workers will have to be shifted to new jobs. Returned soldiers will need to be located. These involve real problems. On the other side, inability to produce civilian goods in full is building up unfilled demands for housing, automobiles and a host of other durable goods. There will be a large accumulation of savings seeking goods. In fact, the problem in the immediate post-war years is going to be one of maintaining effective inflation controls until output catches up with demand. There is considerable reason for expecting fairly active business for some time after the war. What happens in the longer run depends on how well we function. There will be no lack of wants. The problem is one of organizing our affairs so that full use of resources for the satisfaction of those wants may be realized. Like winning the war, this is a job which calls for the full cooperation of everyone.

What about the idea that world needs are going to produce a strong demand for American farm products after the war? Undoubtedly, dire want will continue in some war-torn countries after the end of the war. The United States will have an important stake in restoring order out of chaos. Food will be an important aid to this end. This country, no doubt, will continue to share its food supplies in the early months after war. Supplies from Canada, Australia, the Argentine and other surplus areas also will be drawn upon for this purpose.

(Turn to page 33, please)

Selling Life Insurance to Farmers

Treat Him As a Business Man

HAVING spent some thirty years in selling life insurance to farmers, I have seen the market among them change and develop, in direct relation to change and development of farming.

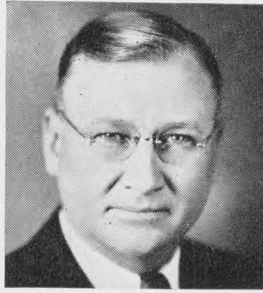
Thirty years ago farming was conducted in a more or less haphazard manner. Today it is a highly developed industry and probably at no time has the farmer held so important a place in the public life of our Nation as he does today. They say Food Will Win the Peace. Therefore, if that be true, the farmer's place in the scheme of things is very high.

If consideration is given to the investment in the average farm and its equipment, livestock, feed for the livestock, and the farm buildings necessary to the successful operation of the farm, we must come to the realization that the farmer is every bit as big a business man as his city neighbor and, in most cases, he has a larger investment.

Now since this is true, he has earned and is entitled to the same consideration and respect as is his city neighbor. We have been told that it takes careful planning to sell insurance, and this is no less true in rural areas than it is in urban areas. In the past, the farmer was a good-natured outdoor fellow who would allow us to waste his time. Today he cannot do that. He has a big job on his hands and manpower is very scarce. The salesman who goes onto a farm, and doesn't very soon state his business, won't have much opportunity of selling the farmer. The farmer has gotten a lot smarter in the last ten or fifteen years and, in most cases, he wants his time conserved. He wants the salesman who comes to his farm to state his business. Therefore, it is important to come to the point and make a presentation.

I find it is important today, more

By William J. Lucas
New York Life Insurance Co.
Mitchell, South Dakota



WILLIAM J. LUCAS
Talk the Farmer's Language

than ever before, partly on account of the necessity of conserving gasoline and rubber, partly because of the changed thinking of the farm people, to know something about the farmer that I am calling on—always to know his name—to know somebody who knows him, to be able to point to some of my company's policyholders in his neighborhood and, above all, to talk to him in terms that he understands and in relation to his business.

As I said, come to the point quickly. One method I have found that works for me is to tell the farmer who I am, be sure to mention his name and I frequently say, "I don't believe we have met before, but I have seen you before, and a friend of yours told me to see you."

I then proceed to show him that during the past ten years, the average interest earnings on government bonds has dropped from a little over 4 per cent to a little under 2 per cent. In other words, the earnings on government bonds has decreased a little over 50 per cent, and yet the cost of life

insurance has increased very little. I then try to bring out that at a time like the present, he should give serious consideration to the purchase of the balance of insurance that he may need, bring out what Vice President Wallace said to the effect that "Every farmer should have enough life insurance to at least make a substantial payment on his mortgage and have some left over to assist the family while they are getting adjusted to the loss of the operator of the farm."

I try to compliment him on the fact that he really is a business man in the true sense of the word.

I recommend that in solicitation of farmers that only words be used that are familiar to the farmer. Don't use high-sounding life insurance terms. This is very important. If he doesn't understand you, he isn't going to buy. We don't buy the things we don't understand. A good sales talk to any one is the painting of a picture that will appeal to that individual and, naturally, the pictures that appeal to the farmer are agricultural pictures and what life insurance will do in his own case.

I recommend that the prospect be given an opportunity to express himself. Today the mortgage debt on farms is probably less than it has been in the last fifty years, and the debt is financed at probably the lowest rate of interest in fifty years. These things should be taken into consideration.

In review, I would say, concentrate efforts to a small area because you can refer to other policyholders and friends in that area that both of you know. Be sure to know the prospect's name and use it in your conversation. A man's name is the sweetest sounding word in the English language, to him. Be simple in the presentation, be brief in the solicitation. When you get through, don't waste his time. He will



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

Northwestern Banker July 1943

appreciate it. He will be glad to give you information on other people in the neighborhood.

As to plans of insurance—today farmers are much more easily sold on limited payment life policies. My favorite form for farmers is the thirty payment life. The premium isn't much higher than ordinary, and it is a little less than twenty pay and it has the appeal of the definite date it will become paid up, regardless of whether dividends are allowed to remain with the company or not.



Des Moines, Iowa

BANKER AGENTS WANTED

The oldest mutual company of its kind in America offers liberal agency contracts covering—

- AUTO INSURANCE
- TORNADO INSURANCE
- TOWN DWELLING INSURANCE
- HAIL INSURANCE
on Growing Crops

Surplus to Policyholders
\$1,369,325.58

50 years of proven protection.

Write for our liberal proposition to bank representatives.

Heads Mutual Surety Company

The State Automobile Insurance Association of Des Moines has announced the appointment of William N. Plymat as vice president in charge of its surety division.

At the same time the board of directors of the Mutual Surety Company of Iowa has announced Mr. Plymat's election as president of the latter company. In these two positions he succeeds Russell F. Lundy, who has become connected with a casualty company in Oklahoma.

Mr. Plymat is well known in surety and legal circles in Des Moines, since he has practiced law in Des Moines for a number of years and has served as counsel for the Mutual Surety Company. He received his law degree from the University of Minnesota and then entered general law practice in Des Moines. He is active in Des Moines business club circles, having served on the board of directors of the Des Moines Advertising Club and he is at present secretary of the University Club of Des Moines. He has also taught for a period of two years in night school at the Drake University College of Commerce.

The surety division of The State Automobile Insurance Association has developed a substantial volume of business in seven states, including Iowa, Minnesota, Nebraska, Kansas, Colorado and North and South Dakota. The Mutual Surety Company operates entirely within the state of Iowa and became affiliated with State Auto a year ago.

The State Automobile Insurance As-



WILLIAM N. PLYMAT
Heads Surety Company

sociation is one of the outstanding organizations of its kind in the United States. Total admitted assets as of December 31, 1942, were \$1,783,223, with a surplus of \$402,788.

Arnold Named Chairman of Bond Sales

O. J. Arnold, president of Northwestern National Life Insurance Company, has been named chairman of the new Minnesota War Finance Committee, which will direct War Bond sales in the state, following the organizational pattern being established throughout the country. Appointment was made by Secretary of the Treasury Henry Morgenthau, Jr.

Mr. Arnold has served as chairman of the Minnesota War Savings Committee since its organization two years ago. The new program is described by the Secretary as "streamlining and amplifying in order to concentrate on individuals and to sell bonds to a still greater number of people." Responsibility for sales to banks, insurance companies and government bond dealers will continue to rest with the Federal Reserve Banks which directed the Second War Loan drive.

"An excellent job has been done in Minnesota so far," Mr. Arnold said. "In the April drive it is no exaggeration to say it made one of the best showings of any state in the first essential of the program—distribution of War Bonds to a constantly growing number of people. Before the drive the state consistently ranked from 14th to 16th in the volume sale of Series E Bonds; in April it rose to 8th place among all the states.

"I am confident that all groups will

ALL ALLIED MUTUAL policies are NON-ASSESSABLE

Investigate Our Agency Proposition

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

Including the Pioneer Farm Liability Policy

"Allied Mutual Pays"

ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Building

Des Moines, Iowa



Northwestern Banker July 1943

integrate their efforts and carry on harmoniously with each worker placed where he can be most effective. It is acutely necessary that we divert a larger share of the income dollars of all citizens out of spending channels where they compete with vital war needs and tend to drive the cost of living upward. That is the big job ahead, and we will need to build and expand on the present organization to accomplish it."

Officer in Oklahoma Company

Russell F. Lundy, Des Moines surety executive, has gone to Tulsa, Oklahoma, to become secretary and director of the National Mutual Casualty Company of Tulsa. He was president of the Mutual Surety Company of Iowa since 1936, and vice president of the surety division of the State Automobile Insurance Association since March, 1942.

In his new connection with the National Mutual Casualty Company, Mr. Lundy will be working with another former Des Moines executive, Perry D. Inhofe, who became president of the company a year ago, after many years of service with the Hawkeye Casualty Company of Des Moines.

The National Mutual Casualty writes all lines of casualty business, specializing in workmen's compensation, automobile insurance, and fidelity and

surety bonds. It is licensed to do business in 15 states of the west and southwest. Net premiums last year were \$916,000 and this year's total will probably exceed a million dollars.

THE NORTH DAKOTA CONVENTION

(Continued from page 19)

competition in many lines, banks are doing their utmost to serve their customers, and to bring the war to a successful conclusion.

North Dakota school children went 2,100 per cent over their quota of 37 jeeps to 800 jeeps, more than the total sales of war stamps for the states of Ohio and Indiana to top the sales of any state in the nation in the "Buy a Jeep" campaign conducted during April.

This was the statement of **F. P. Conklin**, president of the Provident Life Insurance Company of Bismarck, state chairman of the federal bond sales campaign, before the North Dakota Bankers Association.

William Duncan, Jr., secretary of the Minnesota Bankers Association, spoke at Fargo on "Bankers Participation in the Rationing Program", urging all bankers to cooperate to the fullest extent, and assuring his listeners that many of the rough spots in the program would be ironed out in the near future.

John A. Graham, North Dakota state examiner from Bismarck, cited some



*It takes the Guess
out of YES*

Insurance does take the guess out of yes. Any good banker would make a loan if the paying record of the borrower were good and the collateral sufficient. Many good loans have turned sour simply because of insufficient insurance. Bankers prefer to write the insurance on property upon which they have made a loan.

Our Banker Agents in the several states in which we operate number in the hundreds for reasons that mean money in their pockets and lower cost loans.

Write today and ask for an explanation of Western's Superior Service!

Western Mutual Fire Insurance Company

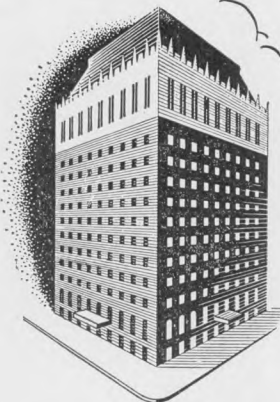
9th and Grand, Des Moines



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

Northwestern Banker July 1943

Omaha is Proud...



of this outstanding hotel, noted as the civic, social and travel center of the city. There's far more to enjoy but it is far from being expensive.

HOTEL FONTENELLE

Official A.A.A. hotel. Home of the National Aeronautic Assn. Headquarters of civic clubs including: Rotary, Kiwanis, Blue Goose, Lions, Optimists, Ad-Sell, Omaha Executives.

interesting figures in comparing number of state banks, their capital, and deposits, beginning in 1939, and coming up to date. There are fewer banks, a small increase in capital, but a tremendous increase in deposits—the latter 44 million in 1939, and 129 million at the close of 1942. His figures were quoted to show that we were leading up to inflation, which is of course with us now in a mild form, the question being whether it can be controlled. Mr. Graham explained several of the new laws pertaining to banking passed by the North Dakota legislature this year. He warned banks to adhere strictly to service charges as suggested by the State Department, so that in the event legislation is sought to elimi-

nate service charges altogether, banks of the state will present a united front and have a much better background from which to state their side of the picture.

Details of the Decatur Plan, a somewhat simplified system of applying service charges, was explained in full by **R. H. Barry**, of Fargo. Numerous questions were asked Mr. Barry, all of which were capably answered, and while the plan seemed worthy of adoption in most banks, it was conceded that there would be individual instances where the plan would not work to its fullest advantage.

Unless travel restrictions and other conditions beyond control make it impossible, the 1944 convention of the

North Dakota Bankers Association will be held in **Devils Lake**. The convention had been scheduled for Devils Lake this year. The matter of selection was left to the executive committee to decide at a later date.

Fargo is the home town of **John V. Haas**, assistant cashier of the Northern Trust Company, Chicago. We had it from **Mary Welch**, of the Fargo National Bank, that John is one of the greatest football players Fargo ever produced, leading the home team to many victories in his high school days.

NEW WAR FINANCING PLANS

(Continued from page 18)

Savings Staff, which we know are purely political appointees. Believe the banks who have put so much into this without any charge whatsoever should voice a strong objection."

Guy Cook, cashier, **Foster County State Bank**, Carrington, North Dakota:

"Replying to your letter in regard to the heading up of the War Savings Bond drives would say that we have a banker at the head of the War Savings Staff in this state so that we do not have the question raised in your letter."

Bank of America

NATIONAL TRUST AND SAVINGS ASSOCIATION

CALIFORNIA'S ONLY STATEWIDE BANK

Condensed Statement of Condition June 30, 1943

RESOURCES

Cash in Vault and in	
Federal Reserve Bank	\$ 389,032,264.76
Due from Banks	195,091,420.19
TOTAL CASH	\$584,123,684.95
Securities of the United States Government and	
Federal Agencies	1,470,535,823.79
State, County and Municipal Bonds	179,303,819.22
Other Bonds and Securities	53,871,604.02
Stock in Federal Reserve Bank	3,720,000.00
Loans and Discounts	777,652,890.15
Accrued Interest and Accounts Receivable	7,915,530.23
Bank Premises, Furniture, Fixtures and Safe	
Deposit Vaults	26,715,718.78
Other Real Estate Owned	2,407,138.17
Customers' Liability on Account of Letters of Credit,	
Acceptances and Endorsed Bills	20,265,659.10
Other Resources	1,125,917.26
TOTAL RESOURCES	\$3,127,637,785.67

LIABILITIES

DEPOSITS:	
Demand	\$1,844,142,252.67
Savings and Time	1,093,124,260.32
Liability for Letters of Credit and as Acceptor,	
Endorser or Maker on Acceptances and	
Foreign Bills	20,578,360.83
Reserve for Interest Received in Advance	3,705,645.30
Reserve for Interest, Taxes, Etc.	4,561,586.30
Capital:	
Common (4,000,000 Shares)	\$ 50,000,000.00
Preferred (406,132 Shares)*	8,122,640.00
Surplus	62,000,000.00
Undivided Profits	20,349,641.64
Reserve for War Contingencies, etc.	13,919,040.87
Other Reserves	3,002,244.09
Reserve for Increase of Common	
Capital	3,877,360.00
Preferred Stock Retirement Fund	254,753.65
TOTAL CAPITAL FUNDS	161,525,680.25

TOTAL LIABILITIES \$3,127,637,785.67

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

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



Branches throughout California united for strength and service



THE NEW YORK TRUST COMPANY

Capital Funds . \$45,000,000

100 BROADWAY

MADISON AVENUE
AND 40TH STREET

TEN
ROCKEFELLER
PLAZA



★
BUY
WAR
BONDS

Member of the Federal Deposit Insurance Corporation

Governments *After* the War

Don't Count Too Much on Corporate and Municipal Offerings



JAMES H. CLARKE

Following the slashing victories of May, the war news was much milder in June. The final operations on Attu were completed, and the softening up process on Italy and the surrounding islands continued. The best news—in a negative sense—came from the Russian front. Here—as we write this on June 28th—the Germans have failed to launch the expected offensive. With only a couple of months of good fighting weather ahead of them in Russia—with the United Nations striking and striking hard in the Ruhr Valley—with the U-boat campaign pretty well stopped—it seems that the German forces are on the defensive.

Domestic news got the headlines in the past four weeks. The three walk-outs by the coal miners, plus innumerable strikes in all parts of the country, were more serious than any foreign developments. No one has yet figured out whether John L. Lewis, by signing a truce which expires October 31st, has won a victory or suffered his first defeat. The next few weeks will determine that, and no one should be surprised if, under government operation, further concessions are made to the miners. These, indeed, are unusual times. With a government in Washington wholly sympathetic to the laborers' point of view, we nevertheless hear of new strikes each day. Where we will drift on the home front under such a combination of circumstances is difficult to foretell.

One has but to read the Washington letters—any one of them—to understand the lack of coordination which prevails in government bureaus. That this is increasing rather than decreasing is indicated on all sides. Fortunately, the Armed Forces and the Army personnel in Washington are doing a good job of it—as are the American manufacturers—which may be sufficient to offset eventually the lack of efficiency in government bureaus.

In June the stock market had an up and down course but it was gen-

The Month's Market Maneuvers Prepared for The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

erally higher. As we write this there are still a couple of days of trading, but it is not likely that these will change the general figure. On June 7th the Dow-Jones industrial averages hit a high point of 143.08, but following this the market eased downward for a couple of weeks to 138.79. In the last week of the month, however, the market recovered its losses, and as we write this on Monday morning it appears that the average will make a new high for this month.

This is a market which has not responded to the usual influences. It is pretty well agreed that earnings of individual corporations will be smaller, and that cuts in dividends—which have been so much in evidence—will continue. Rising taxes and lower margins of profit seem quite certain to continue also. At the same time, however, there are vast sums of money seeking investment. This fact alone is a reason for such a strange phenomenon as a rally of several points in a stock on the news of a dividend cut. This is the kind of a market which will have to run its course. But it is also the kind of a market which can be expected to appear in these uncertain times.

The government bond market has continued strong. Bankers who have sat on the side lines holding idle cash for years are, in many cases, buying now. Those who have followed the policy of keeping fully invested are buying whenever their cash positions permit. Today (June 28th) the treasury is offering the first notes we have seen in a long time. These 1½ per cent notes due September 15, 1947, answer the demands of bankers throughout the country for this type of security, and a large over-subscription is expected. This, of course, will be past history when this article appears in print.

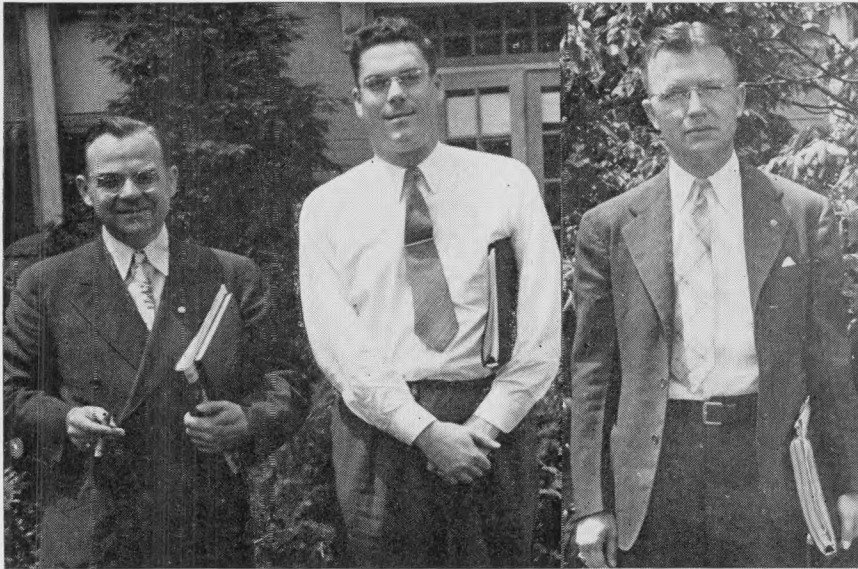
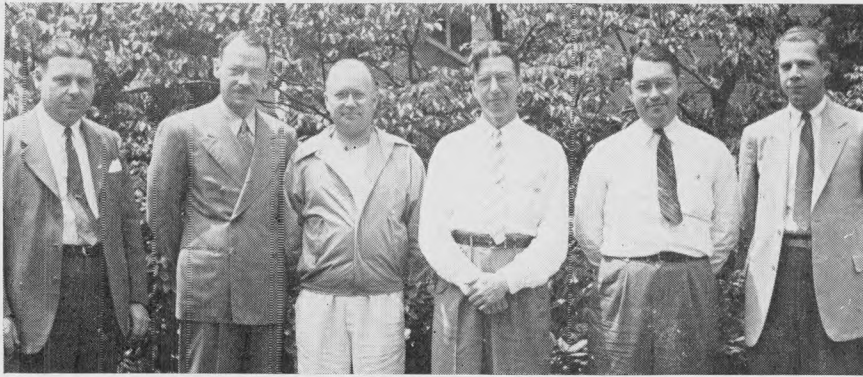
It is expected that in September the Treasury will offer its program for taxes in the year 1944. That this plan will suggest substantial increases, both in individual brackets and corporate taxes is a foregone conclusion. These tax plans will be a part of the Treasury's longer term outlook to finance the war through 50 per cent raised by taxes and the other 50 per cent through the sale of Bonds. It is expected that the Treasury will ask for an increase in corporate taxes from the present 40 to 50-55 per cent. However, it is recognized that the 55 per cent may very well be just a bargaining figure and that something around 45-50 per cent will be finally accepted. In any event, it is apparent that taxes in 1944 will present a much more serious problem to almost everyone than they do this year.

Municipal prices have continued high and new offerings are scarce. A year ago the yield on the 25 long term bonds in the Dow-Jones index was 2.43 per cent but since then it has dropped to 1.93 per cent. This is one of the best concrete indications of the rise in prices that has taken place. As long as tax exemption remains, and as long as there is such a scarcity of new municipal offerings, it is probable that prices will continue at high levels.

Better grade corporate bonds, quite like municipals, are following a similar pattern, being both high priced and scarce. With the government competing for practically all the bond funds in the market, there is little likelihood of a change during the war period. Many guesses are being made as to what will happen after the war. In the security underwriting field it is generally believed that the end of the war will mark the beginning of an era of corporate and municipal financing. There is a possibility, however, of an error in this thinking. It is known that in England the government is considering definite plans to restrict such financing to the public in order that it may continue to borrow money rather freely. Under such circumstances the government would stand ready to loan money to corporations or to municipalities where there is a legitimate need and where it would help the general prosperity of the country. This, we assume, would

Northwestern Banker July 1943

Bankers Go Back to School



Pictured above are bankers from Iowa, Nebraska and Minnesota who this year attended the Graduate School of Banking at Rutgers University for the two-weeks course. In the upper picture from left to right are **Don E. Crowley**, Northwestern National Bank, Minneapolis; **Harold C. McConnell**, Federal Reserve Bank, Minneapolis; **A. W. Mills**, Federal Reserve Bank, Minneapolis; **Alan H. Moore**, First National Bank, Minneapolis; and **William R. Chapman**, Midland National Bank & Trust Company, Minneapolis.

In the lower picture are **Richard W. Trefz**, Beatrice State Bank, Beatrice, Nebraska; **John F. Warner**, First Trust Company, Lincoln, Nebraska; and **Herbert L. Ollenburg**, Hancock County National Bank, Garner, Iowa.

continue for a few years' time—at least until the government market was no longer the tremendous factor it is today. All bankers who have given serious thought to the market for gov-

ernment bonds following the war should be quite interested in following plans which our own administration may devise and develop for the post-war period.

A.B.A. Candidate

Harold V. Amberg, vice president of The First National Bank of Chicago, is the candidate of the Illinois bankers for vice president of the American Bankers Association. This action was taken at a meeting of the Council of Administration of the Illinois Bankers Association, at which time President George R. Boyles called attention to the fact that over two years ago the Chicago District of the Illinois Bankers Association had formally presented the name of Harold V. Amberg for the office of second vice president of the American Bankers Association, which action later was endorsed at the meeting of the A.B.A. membership in Illinois.

This continued endorsement was given Amberg in spite of his refusal to project himself as a candidate or to make any campaign for the office. The bankers in Illinois feel that he is highly qualified, that his leadership would be a broad one nationally, and that it would do much to expand the benefits of banking service to industry and agriculture, as well as to the general public.

Heads Missouri Bankers

Kearney Wornall, who was elected to the presidency of the Missouri Bankers Association at the war time conference held in St. Louis, last month, has been identified with the banking business for more than 26 years and is widely known among banks and other financial institutions in the south and southwest trade territory.

Mr. Wornall is vice president of the City National Bank & Trust Company of Kansas City, Missouri, having served in this capacity for the last ten years.

The new president of the Missouri Bankers Association is 52 years of age, having been born in Kansas City on April 5, 1891. He was educated in the schools of Kansas City and later attended the University of Missouri where he was awarded the degree of bachelor of law.

At a regular meeting last month, the City National Bank & Trust Company



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

of Kansas City increased the surplus of the institution by \$250,000. Surplus of the City National now stands at



KEARNEY WORNALL
Missouri Bankers Head

\$2,000,000, undivided profits are \$624,097, and the bank is capitalized at \$1,000,000.

Quarterly Dividend

The 182d consecutive quarterly dividend of The Northern Trust Company has been declared by the directors. This dividend of \$4.50 was payable on July 1st to stockholders of record June 15, 1943.

Increase Surplus

S. Sloan Colt, president of Bankers Trust Company, announced that the board of directors of the company voted to transfer \$25,000,000 from undivided profits to the surplus account, to transfer \$7,000,000 from general reserve to undivided profits, and to write down the book value of its banking premises by \$2,000,000. As a result of these transfers surplus is increased to \$75,000,000, making a total of \$100,000,000 of capital and surplus.

"We were glad to take this action," said Mr. Colt, at the meeting of the board of directors, which is held each year on the anniversary of the birth of Henry P. Davison, founder of Bankers Trust Company, and as marking the progress of the bank in the fortieth year of its operation."

Does There?

Breathes there a man with soul so dead—

Who's never turned his head and said:

"Not bad!"

WAR AND THE FARMER

(Continued from page 26)

Parity prices have been the proclaimed goal of agricultural programs of the past decade. It is not at all unlikely that we will continue to employ some governmental program to influence price. Here again is a problem which requires careful thought and sound reasoning. Parity price has a strong suggestion of justice and fairness. It is so easy to assume that it represents an exact measure of what farmers are entitled to. At the best

parity is only a rough indicator of price relationship. There is no fixed relationship among prices which should endure for all time. We live in a dynamic economy. Products, methods, techniques and markets are subject to change. The price structure needs flexibility and should not be frozen to some situation of the past. If farmers insist on government control of prices, they must expect to accept government direction of production as well.

There is frequent question today with regard to the respective roles of government and of private endeavor

A Sound, Popular SHORT TERM INVESTMENT

☆ ☆ ☆

Consolidated collateral trust debentures of the Federal intermediate credit banks are joint and several obligations of these banks, established under an Act of Congress twenty years ago.

The Debentures are legal investment for trust funds, insurance companies and savings banks in New York and other States. They are eligible to secure all fiduciary, trust and public funds, including war loan deposit accounts, under authority or control of officers of the United States. They are approved security for deposits of postal savings funds.

Maturities to six months may be purchased by the Federal reserve banks and are acceptable by them as collateral for fifteen day loans to member banks. Denominations of \$5,000, \$10,000, \$50,000, \$100,000, maturing in three to twelve months, are offered periodically through recognized dealers and dealer banks at current market rates.

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

in the years ahead. Private enterprise clearly is faced with a challenge to operate so effectively in public interest that there will be no real question about its continuance. That challenge involves ways and means of utilizing resources to the fullest for the satisfaction of the wants of mankind. The driving force needs to be one of enlightened selfishness which recognizes the importance of general welfare. Agriculture, labor, industry, business, as well as government, need statesmanship of the highest order in their leadership in meeting the complex problems which lie ahead. The responsibility for developing, selecting and supporting that leadership is shared in by all.

LEGAL QUESTIONS AND ANSWERS

(Continued from page 20)

the supreme court. On the second appeal was it possible to have the supreme court re-examine the issues decided by it in the first appeal?

No. Whatever has been decided upon by one appeal cannot be re-examined in a subsequent appeal of the same action. The prior decision of the supreme court is final upon the issues coming before it in the first appeal.

Carroll, an Iowa banker, and other members of his family became involved in a dispute with a memorial park as to the type of markers that could be used for the grave of Carroll's mother. The memorial park had

a rule allowing only bronze markers placed flush with the sod and applied it throughout the park. Was the park within its rights in insisting that such rule be observed?

Yes. Cemetery associations have the right to provide by reasonable rules of general and uniform operation for the improvement and adornment of their cemeteries and the lots therein. A rule allowing only bronze markers appropriately placed is reasonable if

it is applied generally to a section in a cemetery or to an entire memorial park. The supreme court of Iowa so held in a recent decision.

Your Payroll Department

The freezing of vital materials was no deterrent to The Todd Company, Rochester, New York, check and checkwriter manufacturers, in their desire to continue the fabrication of a payroll form-holding device which has been found indispensable to war plants. The device, known as the Form-Master, which, according to a recent survey, saves 61.6 per cent of man-hours in payroll departments, is now made entirely of wood. The new design is also said to make possible many improvements in operation. Because of the elimination of vital materials, the company is continuing to fabricate the device and to install it in war plants where its use has already reduced man-hours, assured more accurate posting of payroll records, and alleviated the burden of payroll work entailed by increased employment.

The Form-Master is a form-holding device used to expedite the posting of payroll data. Through its use employes' checks or cash payroll statements, payroll summary sheets, and individual earnings records—source material from which government reports are compiled—are posted at the same time. This procedure, involving three simultaneous postings, obviates the necessity of individual postings

For Outstanding Service

UNITED STATES TREASURY DEPARTMENT



For distinguished services rendered in behalf of the War Savings Program this citation is awarded to

Northwestern Banker

Given under my hand and seal on

June 9, 1943

Henry Morgenthau Jr.
SECRETARY OF THE TREASURY

Above is a facsimile of the citation received by the NORTHWESTERN BANKER from the United States Treasury in recognition of the outstanding service rendered by this publication to the War Bond Campaign.

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

Northwestern Banker July 1943

and likewise eliminates copying errors. Payroll departments employing the Form-Master are able to operate on reduced staffs and to release many employees to vital defense operations.

To Head Chest Drive

Harold P. Klein, vice president of the Iowa-Des Moines National Bank & Trust Company, has been named general chairman of the 1943-44 Des Moines Community and War Chest campaign.

Mr. Klein served as chairman of the executive committee of the chest and vice chairman of the 1942 community and war chest drive.

In addition to various other activities in connection with community



HAROLD P. KLEIN
Named General Chairman

chest work, he has served as treasurer of the Des Moines Chamber of Commerce and the Polk County Infantile Paralysis committee and as Polk county chairman of the Navy Relief Society.

Chase Board Member

Austin S. Igleheart, executive vice president of General Foods Corporation, was elected a member of the board of directors of the Chase National Bank at a recent meeting of the board.

Mr. Igleheart has spent his entire business career in the packaged food industry, since his graduation from the University of Wisconsin in 1912. For 14 years he was associated with the management of Igleheart Brothers, Inc., at Evansville, Indiana, until the Iglehart company joined General Foods in 1926. He was elected a vice

president of General Foods Corporation in 1929 and became executive vice president in 1938.

Mr. Igleheart also is first vice president of Grocery Manufacturers of America and a director of the Borden Company and of the Chicago and Eastern Illinois Railroad. His residence is in Greenwich, Connecticut.

Bankers Trust, New York

At the meeting of the executive committee of Bankers Trust Company on June 24th, two new officers were elected—Mr. George C. Bennett, insur-

ance manager, and Harld P. Gundersdorf, manager, tax department.

At a meeting of the board of directors of Bankers Trust Company a dividend of 35 cents per share was declared on the capital stock, payable July 1, 1943, to stockholders of record at the close of business June 11, 1943.

Eye Openers

Visitor (at asylum): "Do you have to keep the women inmates separated from the men?"

Attendant: "Sure. The people here ain't as crazy as you think."

SUPPLEMENTARY

FINANCING

for Surplus Credit Lines

General Finance Corporation specializes in credit lines based on Accounts Receivable, Inventory and Machinery. Because of the capital nature of these loans they are not acceptable to many banks. Yet banks receive many such requests from worthy enterprises, and it is difficult to see such situations go unsatisfied, especially where firms are valued bank customers in other ways.

Several prominent banks, unable to make such loans themselves, have brought their customers and General Finance Corporation together. As a result, the customer received the special credit he required and General Finance Corporation obtained a valued customer on a basis that in no way conflicted with his normal banking relationship.

We welcome additional opportunities to be of similar service to banks—and their customers.

GENERAL FINANCE CORPORATION

184 West Lake Street
Chicago

6200 Woodward Ave.
Detroit



The "FRIENDLY BANK"

EMPIRE National Bank of SAINT PAUL

Serving St. Paul and the Northwest

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1943

Directors Are Elected

The annual meeting of the stockholders of the Root River State Bank, Chatfield, Minnesota, was held last month. H. J. Sisson, Edward J. Healy, Miss Ruth A. Haven, Miss Catharine Howard and G. A. Haven were elected directors for the ensuing year. After the stockholders' meeting the directors met and the present officers were continued: G. A. Haven, president; Miss Catharine Howard, vice president and cashier, and Dwaine Spelhaug, assistant cashier (on leave with the armed forces).

Pioneer Banker Passes

Funeral services were held at Lake Benton last month for Alfred Soderlind, 87, prominent Lincoln county pioneer and banker, who passed away at the Tyler hospital.

A community leader, Mr. Soderlind had served in many positions of trust. He settled in Ash Lake township in 1886.

To Council of A. I. B.

S. J. Kryzsko, assistant cashier and assistant trust officer of the Winona National & Savings Bank, Winona, Minnesota, was elected to the executive council of the American Institute of Banking at Chicago during the organization's wartime conference.

Twelve members make up the executive council of the A.I.B., the educational section of the American Bankers Association. Four are elected every year for terms of three years each.

Mr. Kryzsko has served in the Winona A.I.B. chapter in all its official positions and on all its committees. In addition, he has served on numerous state and national committees and has been associate councilman for southern Minnesota since 1939.

He was one of several Winonans attending the A.I.B. meeting. Others were: J. E. Krier, chairman of the Kryzsko-for-council campaign committee; William P. Theurer, local chapter chairman and campaign vice chairman, and B. F. Perkins.

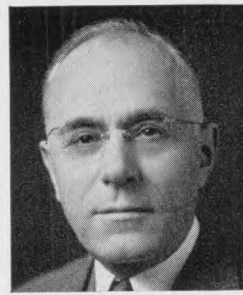
Mr. Kryzsko was elected for a three-year term.

David L. Colby, assistant vice president of the Boatmen's National Bank of St. Louis, was elected A.I.B. president. Mr. Colby, vice president of the institute for a year, succeeded David E. Simms, acting manager of the Salt Lake City branch of the Federal Reserve Bank of San Francisco.



H. R. KURTH
President
Hutchinson

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Cashier at Windom

The First National Bank, Windom, Minnesota, which has been running rather short handed since the resignation of B. C. Grangaard, now has a new cashier in the person of William L. Palm. Mr. Palm was in the service but was discharged from the army this spring. He is experienced in the banking business, having spent fifteen years in this type of work.

New Cashier at Taunton

J. W. Canton has been engaged as cashier of the Taunton State Bank (Minnesota), to succeed Mrs. Jessie Jensen, who is retiring.

Mr. Canton took over his duties in May. He has had 25 years of banking experience and comes highly recommended.

Bezoier Addresses Bankers

R. A. Bezoier, vice president and cashier of the First National Bank at Rochester, Minnesota, was chief speaker at a meeting of the Southeastern Minnesota Clearing House Association at Preston, which includes the counties of Fillmore, Houston, Olmsted and Winona.

Cashier Resigns

H. L. Smith, who for the past year has served as cashier of the Pipestone National Bank, will leave in the near future for Lakefield, Minnesota, where he will become associated with the Farmers State Bank of that place.

As yet no successor has been named to fill the vacancy that will exist in the Pipestone bank.

Officers Named

Election of H. L. Harrington as cashier and C. A. Fockens as assistant cashier of the First National Bank, Winona, Minnesota, was announced by President G. M. Robertson following a meeting of the board of directors recently.

Mr. Harrington, who has been assistant cashier, succeeds C. W. Britts

as cashier. The latter, now on active duty as a lieutenant in the navy, is vice president and director of the bank and is on leave of absence from these two positions.

Resigns Position

R. S. Deeren, head teller at the Winona National & Savings Bank, has resigned his position to become associated with the Standard Oil Company in the capacity of sales supervisor covering the Pipestone territory. His resignation became effective June 15th.

New Assistant at Mora

J. T. Heaney of Burk, Iowa, has been engaged as assistant cashier of the Kanabec State Bank, Mora, Minnesota, and assumed his duties last month.

Mr. Heaney has had 20 years' experience in bank work, the past 12 years as cashier of the Burk Savings Bank.

Popular Banker Dies

A. C. "Augie" Larson, popular Pequot Lakes bank cashier, passed away last month at the University Hospital in Minneapolis where he had gone for treatment.

Funeral services were held at the Norwegian Lutheran Church.

Lafayette Cashier Retires

Henry Johnson retired last month as cashier of the Citizens State Bank of Lafayette, Minnesota. He was forced to relinquish his position on account of failing health. He will be succeeded by V. F. Quist, who has been assistant cashier of this bank since 1933. Alfred E. Precht of New Ulm will succeed Mr. Quist as assistant cashier.

New Assistant at Elmore

Clyde E. Thomas of Deer River, Minnesota, is the new assistant cashier at the First National Bank of Elmore, assuming his new duties early in June. Mr. Thomas has many years of banking experience and comes highly recommended.

C. E. Johnson Heads Empire National Bank

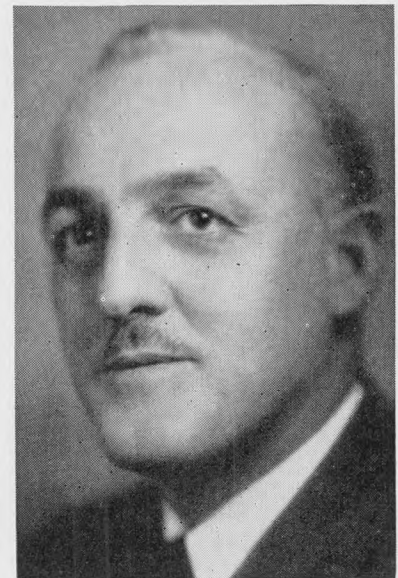
C. E. Johnson, for seventeen years a vice president, has been elected president of the Empire National Bank, St. Paul. He succeeds J. F. Ringland who resigned to become a vice president of the Guaranty Trust Co. of New York.

Wilfrid E. Rumble, a director, was elected chairman of the bank's executive committee.

Mr. Johnson was born in St. Paul, graduated from Central High school and became a messenger of the old Capital Bank in 1906. The bank was at Fourth and Jackson.

In 1924 when the Capital was merged with the Merchants National, Mr. Johnson stayed on for a couple of years as liquidating agent of Capital assets.

In 1926 the present Empire National was formed as the National Exchange



C. E. JOHNSON
President Empire National Bank

Bank in St. Paul and Mr. Johnson was made vice president. The name was changed to the present one about three years later.

Mr. Johnson is a former president of the Athletic club, former treasurer of the St. Paul Association, is a trustee of Osman Temple and on the board of the Salvation Army. He is a member of the Kiwanis Club.

The total resources of the Empire National Bank and Trust Company are now over \$17,000,000 and the officers are **Alex Highland**, chairman of the board; **C. E. Johnson**, president; **C. T. Dedon**, vice president and cashier; **H. W. Blake**, vice president and trust officer; **R. H. Fayfield** and **John M. Kane**, vice presidents; **A. W. Warn**, **M. W. Petter**, **P. A. Kippels**, assistant cashiers, and **E. J. Jones**, comptroller.

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STATEMENT OF CONDITION

First National Bank of Minneapolis

as at June 30, 1943

RESOURCES

Cash on Hand and Due from Banks	\$ 71,094,091.25
U. S. Government Bonds (Direct and Fully Guaranteed)	163,293,370.00
Guaranty Fund (U. S. Bonds with Commissioner of Banks)	570,000.00
Loans and Discounts	34,151,904.48
Other Bonds and Securities	9,624,773.34
Overdrafts	5,822.56
Bank Buildings	534,995.08
Customers' Acceptance Liability	336,492.00
Interest Earned but not Collected	525,609.54
Other Assets	26,990.52
Total Resources	\$280,164,048.77

LIABILITIES

Capital Stock	\$ 6,000,000.00
Surplus	6,000,000.00
Undivided Profits	4,390,580.43
Reserve for Interest, Expenses, Taxes, Etc.	1,199,841.38
Interest Collected but not Earned	55,291.28
Letters of Credit and Acceptances	336,492.00
Other Liabilities	69,672.35
Deposits	262,112,171.33
Total Liabilities	\$280,164,048.77

DIRECTORS

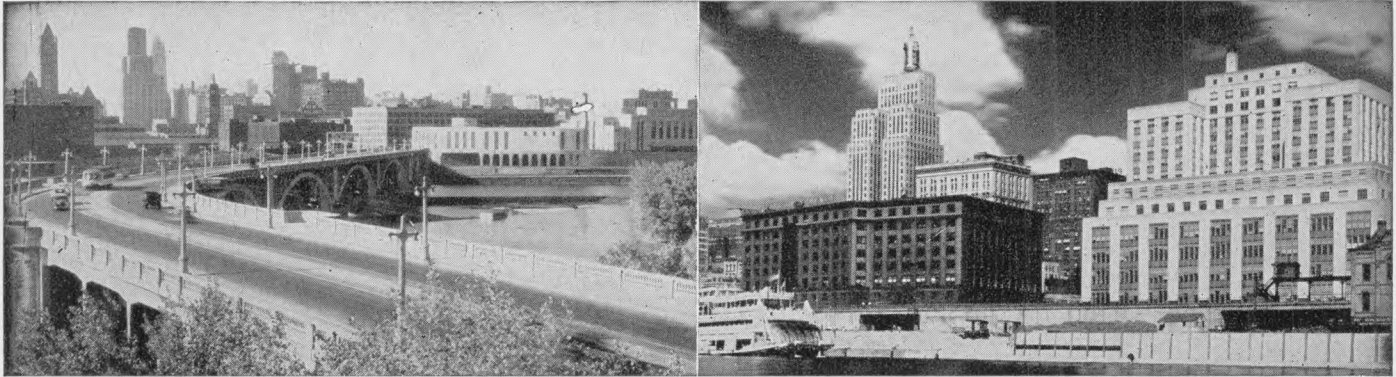
Henry E. Atwood, Vice President, The B. F. Nelson Manufacturing Co.
Russell H. Bennett, Mining Engineer
Daniel F. Bull, President, The Cream of Wheat Corp.
J. G. Byam, Vice President
E. L. Carpenter, Retired
Franklin M. Crosby, Vice President, General Mills, Inc.
Paul V. Eames, President, Shevlin, Carpenter & Clarke Co.
John H. Hauschild, President, Chas. W. Sexton Co.
Horace M. Hill, President, Janney, Semple, Hill & Co.
W. L. Huff, Vice President and Treasurer, Minneapolis-Honeywell Regulator Co.
C. T. Jaffray, Chairman, M., St. P. & S. Ste. M. Ry. Co.
John H. MacMillan, Jr., President, Cargill, Inc.
Sumner T. McKnight, President, S. T. McKnight Co.
W. G. Northrup, President, North Star Woolen Mills Co.
S. G. Palmer, President, S. G. Palmer Co.
A. F. Pillsbury, Director Pillsbury Flour Mills Co.
L. E. Wakefield, President
Robert W. Webb, Vice President
C. C. Webber, President, Deere & Webber Co.
H. R. Weesner, Chairman Board, Wabash Screen Door Co.
F. B. Wells, Vice President, F. H. Peavey & Co.
C. J. Winton, Jr., President Winton Lumber Co.
Sheldon V. Wood, President and General Manager, Minneapolis Electric Steel Castings Co.
Edgar F. Zelle, President Jefferson Transportation Co.

U. S. Government obligations and other securities carried at \$59,636,129.96 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION

TWIN CITY NEWS



SIGURD UELAND, counsel of Federal Reserve Bank of Minneapolis, has been elected vice president and counsel by directors, according to announcement by **John N. Peyton**, president.

Mr. Ueland, who formerly carried on his work as counsel for the bank in connection with his private law practice, assumed full-time duties at the bank July 1st.

Twin City Bond Club held its annual picnic last month at Midland Hills Golf Club—with the affair this year restricted to a strictly Twin City party because of wartime restrictions on travel.

The party was handled by a committee including **Ray F. Weidenborner** of Henderson-Weidenborner, Inc., St. Paul, chairman; **Cecil Burnham**, First National Bank, Minneapolis; **Elmer Williams**, Allison-Williams Co., Minneapolis; **H. N. Tufvesson**, H. M. Byllesby & Co., Minneapolis; **Rollin Andrews**, J. M. Dain & Co., Minneapolis; **Fred Goth**, Piper, Jaffray & Hopwood, St. Paul office; **Clarence Finger**, Milwaukee Co., St. Paul office, and **Charles Loomis**, First National Bank, St. Paul.

Directors of Minnehaha National Bank, Minneapolis, have elected **Eugene R. Locke** assistant cashier of the bank.

Mr. Locke entered the banking business in 1928 at the First National Bank, where he spent 13 years in the transit, credit and personal loan departments. After a year in the Minneapolis office of First Service Corporation, he joined the staff of Minnehaha National in January, 1942.

Harold H. Wiley, veteran Minneapolis investment man, has been elected vice president of J. M. Dain & Company. Mr. Wiley was assistant executive secretary of the Hennepin County

By James M. Sutherland
Special Correspondent

War Finance Committee during the April War Bond drive. He was connected with Wells Dickey Company for 22 years prior to its dissolution several months ago. Also elected vice president was **Charles R. Bennett**, associated with J. M. Dain since Wells Dickey closed.

Lyman E. Wakefield, president of First National Bank of Minneapolis, has been appointed to the board of trustees of the Carnegie Endowment for International Peace.

Officials of member banks of First Bank Stock Corporation held their annual conference in Minneapolis early in June to discuss credit and operating methods and policies under wartime conditions.

The 63 affiliated banks represented at the meeting are located in Minnesota, North and South Dakota and Montana. **Clive T. Jaffray**, First Bank chairman of the board, presided.

29th Birthday

The Grand Rapids (Minnesota) State Bank observed its 29th birthday as a financial institution in Itasca county on Tuesday, June 15th. Scanning the record of the growth of the bank during the 29 years, C. C. Wilcox, its president, found reason to be pleased.

The bank continued at Warba until November, 1936. It was organized with a capital of \$10,000. When the move to Grand Rapids was made, the footings were around \$100,000. Now they total \$776,000, a healthy growth in seven years. The capital has been increased to \$32,500, and the capital account is \$65,000.

C. C. Wilcox is still the president, and Albert Erlandson of Warba is vice president. Other directors are H. J. Dockstadeer, G. L. Finnegan and R. J. Beckfelt.

Change in Personnel

Not many changes have taken place in the personnel of the First National Bank of Carlton, Minnesota, but the course of time makes changes necessary in every business. For almost forty years, with the exception of four years, John F. Hynes has been president of this financial institution. Recently Mr. Hynes decided to resign his position, owing to the poor condition of his health and the desire to take things easier.

Alfred H. Lee was elected president of the bank, succeeding Mr. Hynes, with Ray A. Butts retaining the position of vice president and cashier, and Miss Hilda Larson as assistant cashier. Alfred W. Lee will be the bookkeeper and general utility man.

W. W. Churchill, 86, Dies

William Wallace Churchill, retired Rochester banker and treasurer of the grand encampment, IOOF of Minnesota for 43 years, died at his home last month after a three weeks' illness. He was 86 years old and would have been 87 on June 25th.

A Rochester banker for 47 years, he was executive vice president of the Union National Bank for 23 years until his retirement September 15, 1936.

Annual Golf Tournament

The Twin City Bond Traders Club is holding its annual golf tournament on Thursday, July 15th, at the Midland Hills Country Club. All Twin City dealers are invited to the event, which in past years has been one of the high spots of the year.

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Members of the committee in charge of arrangements are Chuck Reiger, Jamieson & Company; By Kairies, Merrill Lynch, Pierce, Fenner & Beane; Paul Matsche, Paine, Webber, Jackson & Curtis, St. Paul; and Al Plumley, First National Bank, Minneapolis.

A young lady and her aunt, returning home from work on pay day, were relieved of their money by a stick-up man. The young lady, rushing over to a policeman, exclaimed, "I've been robbed of my pay and my aunt's pay!" "Cut out the pig Latin and tell me what happened," the copper ordered.

Minnesota News Notes

By J. E. TYLER, Special Representative

A LOIS SEGNER, vice president and director of the American State Bank of Watertown, Minnesota, died suddenly last month. He had been a director in the bank since its organization in 1916.

Edward B. Strate, 71, widely known in St. Paul banking circles, where he had been identified many years with the Merchants National Bank and

subsequently with First National Bank after the merger of the two institutions, died recently at his summer home on Lake Koronis, Minnesota. He had been retired since 1933.

C. J. Katzenmeyer, formerly assistant cashier, First National Bank, Elmore, has been named cashier of the Farmers State Bank of Hayward, Minnesota, supplanting **H. R. Lexvold**.

M. J. Ellingson has again assumed duties as assistant cashier of the Farmers State Bank of Hope, Minnesota, where he was employed from 1936 to 1941. During his absence, Mr. Ellingson was connected with the Bank of America, Los Angeles. C. E. Srsen is president of the bank.

B. A. Miller, assistant cashier, First National Bank, Albert Lea, Minnesota, has been commissioned lieutenant (j. g.) with the Navy Air Corps. Lt. Miller was connected with the bank six years and is the son of B. R. Miller, cashier, Citizens State Bank, Glenville, Minnesota.

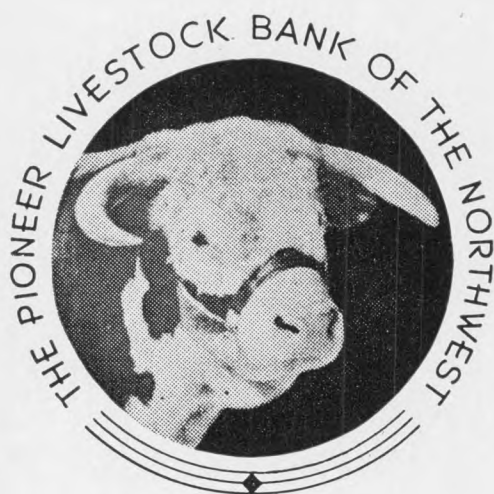
The **State Bank of Clarks Grove**, Minnesota, is redecorating the interior of their building, lining the walls and ceiling with celotex.

Valeria Bonk, employe of the Northwestern State Bank of Appleton, Minnesota, was married recently to D. L. Buchanan. She has been connected with the bank for three years and will continue with her work there.

At a meeting held last month at the Golf Club, Le Seuer, Minnesota, to organize a committee for Economic Development, **E. B. Cosgrove**, Le Seuer Canning Company, was elected chairman of the South Minnesota District, and **E. C. Meierbachtol** was elected community chairman.

The **State Bank of Le Seuer**, Minnesota, has instituted new service charges which have been gracefully accepted by the public. Fifty cents is the base charge on all checking accounts, allowing one free check for each \$10 of minimum balance. All checks over minimum are 4 cents each. Since instituting the new service charges, the bank has shown a decided increase in revenue.

The interior of the **First State Bank of New Market** is being redecorated.



A Logical Correspondent

During the year 1942 South St. Paul commission firms received 6,400,000 head of livestock, for which 218 million dollars was paid to producers and feeders. No other agricultural commodity produced in this territory approaches livestock in importance.

South St. Paul is your livestock market. You can improve the service to your customers through an account with us.



The Stock Yards National Bank

South Saint Paul, Minn.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1943



Another
wartime contribution
by RECORDAK

A Current Kodak Advertisement . . .
appearing in leading national magazines
reaching more than 18,600,000 readers.

VITALLY
NEEDED
BLUEPRINTS

via **RECORDAK**

PRECIOUS weeks in these "Miracles of Swift Repair" may be saved by Recordak—which you, as bankers, helped pioneer and perfect.

These savings are made possible by Recordak's photographic accuracy, photographic completeness, photographic speed in reproduction, and photographic reduction to a fraction of the bulk of the original drawings.

All these advantages are familiar to the thousands of banking institutions who find Recordak Photographic Accounting Systems invaluable today in maintaining high levels of economy and efficiency in the face of difficult wartime conditions.

RECORDAK CORPORATION

350 MADISON AVENUE, NEW YORK, N. Y.

(Subsidiary of Eastman Kodak Company)

MIRACLES OF SWIFT REPAIR...

aided by Kodak's Recordak System

OUR NAVY "came back" after Pearl Harbor to fight again—and again. The Nation's life depended on miracles of repair . . .

A set of blueprints for a destroyer covers a quarter of an acre, and may be filed in Washington—yet quick reference to these plans and specifications on the spot is essential to a workmanlike repair job.

After the hell of Pearl Harbor, the Navy isn't waiting for tons of blueprints to be shipped. Little rolls of 35-mm. microfilm can cut priceless weeks from the time required to send a battered ship back into action.

Through Kodak's *Micro-File Recordak System*—the photographic method behind V...-Mail—the Navy condenses, on microfilm, the bulky original plans. These can be flown halfway around the world within hours . . . or are already on hand at distant repair bases.

This is only one of many instances where Recordak is increasing the effectiveness of America's war effort.

"Ration banking," war maps

Recordak was originated to duplicate, on microfilm, every check cleared through a bank—safeguarding depositors, and simplifying banking. It was



Above—Fantastic patterns of flame as the magazine exploded on the destroyer Shaw at Pearl Harbor. End of the Shaw?

Right—This is the same Shaw. She was floated . . . repaired in San Francisco.



Official U.S. Navy Photographs

revolutionary, but no one could have foreseen its manifold destiny.

Your ration coupons have become as essential as money. They are turned in by your dealer to his bank. The larger banks—90% of them—have Recordak machines, which photograph the record of their ration transactions with dealers and wholesalers.

Our fighting forces, in new offensives, carry Recordak duplicates of available maps and photographs of the region.

In Selective Service, Recordak made error-proof copies of each of the 9,000 numbers—critical in the lives of 17,000,000 young Americans—as they were drawn.

Your food rationing problems? Think of the bookkeeping job that your dealer, his bank, wholesalers, and the Government must do to keep *their* records straight! At the bank Recordak does much of this work—tirelessly, without a chance of error.

In our war industries, engineering drawings and shop orders that could occupy acres are reduced by Recordak to "capsule" size.

Your Social Security records and your War Bond purchases are micro-filmed by Recordak.

The U. S. Census—going back to 1790—is now in this condensed, time-proof form.

In its greatest crisis, civilization has found a way to preserve its "heart" as well as its "hard business head." You realize this as you read the V...-Mail letter of your boy—his own writing, flown to you on a thumbnail bit of film halfway around the world . . . Eastman Kodak Company, Rochester, N. Y.

Serving human progress
through Photography

RECORDAK OFFICES

EXECUTIVE OFFICES

350 MADISON AVENUE, NEW YORK, N. Y.

ATLANTA

LOS ANGELES

BOSTON

NEW ORLEANS

CHICAGO

PHILADELPHIA

CLEVELAND

PITTSBURGH

DALLAS

PORTLAND, ORE.

DENVER

SAN FRANCISCO

HOUSTON

WASHINGTON, D. C.

Additional developing facilities at

KANSAS CITY, MISSOURI and JACKSONVILLE, FLORIDA

MINNESOTA NEWS

P. J. Gallagher, prominent Faribault business leader and a director of the State Bank of Faribault, died suddenly at his home. Mr. Gallagher had served as director of the bank since January, 1928.

E. Lowell Olson, formerly in the loan department, Marquette National Bank of Minneapolis, is now stationed



LT. E. LOWELL OLSON

at Camp Butner, North Carolina. He enlisted June, 1942, and graduated from Fort Benning, Georgia, in January of this year. Lt. Olson is the son of **J. G. Olson**, cashier, Citizens National Bank of Madelia, Minnesota.

E. Grunklee, cashier of the Hardwick (Minnesota) State Bank, recently visited his son Eugene, who is in training at the U. S. Naval Training Station, Farragut, Idaho.

Robert Milbrath, formerly bookkeeper at First State Bank, Okabena, Minnesota, is now in the U. S. Marines, stationed in Utah. **Cordelia Ruthenbeck** has taken over his duties at the bank.

Vance Weaver, assistant cashier of Buffalo National Bank, Buffalo, Minnesota, believes that P. C. A. competition is more harmful to county seat banks than to outlying banks. He says that while the percentage of loss is small, the competition is still felt.

Orin Samstad, for the past two years assistant cashier at the Fergus Falls (Minnesota) National Bank, has gone

to Montevideo to take over the cashier duties at the Union State Bank, replacing **C. J. Lieser**. Mr. Lieser has accepted the position of cashier at the Murray County State Bank of Slayton, Minnesota.

Sgt. Stanford Trotter, former teller, Northwestern State Bank of Dawson, Minnesota, has recently been home on a visit. Sgt. Trotter has been in the Service for two years and was wounded in the North African campaign.

Duluth News

PERCY R. PASCOE, assistant vice president of Northern National Bank, is a new director of the Governmental Research Bureau, Inc., Duluth tax research body. . . . **Willard F. Ario**, president of the Duluth chapter of the American Institute of Banking, was installed as assistant treasurer of the Duluth Junior Chamber of Commerce. . . . The Junior Chamber's annual din-



The First National Bank of Chicago

Statement of Condition June 30, 1943

ASSETS

Cash and Due from Banks,\$ 389,460,494.33	
United States Obligations—Direct and fully Guaranteed, Unpledged,	\$724,004,910.56	
Pledged—To Secure Public Deposits and Deposits Subject to Federal Court Order, 248,570,731.49		
To Secure Trust Deposits,	39,595,348.84	
Under Trust Act of Illinois,	519,334.08	1,012,690,324.97
Other Bonds and Securities,	82,972,671.11	
Loans and Discounts,	298,964,069.29	
Real Estate (Bank Building),	4,352,992.40	
Federal Reserve Bank Stock,	2,400,000.00	
Customers' Liability Account of Acceptances,	986,192.81	
Interest Earned, not Collected,	3,916,679.25	
Other Assets,	329,384.68	
		\$1,796,072,808.84

LIABILITIES

Capital Stock,\$ 30,000,000.00	
Surplus,	50,000,000.00	
Other Undivided Profits,	4,800,150.09	
Discount Collected, but not Earned,	666,116.35	
Dividends Declared, but Unpaid,	900,000.00	
Reserve for Taxes, etc.,	4,830,558.60	
Liability Account of Acceptances,	1,093,365.52	
Time Deposits,	\$ 184,261,150.87	
Demand Deposits,	1,256,399,690.69	
Deposits of Public Funds,	263,112,594.02	1,703,773,435.58
Liabilities other than those above stated,	9,182.70	
		\$1,796,072,808.84

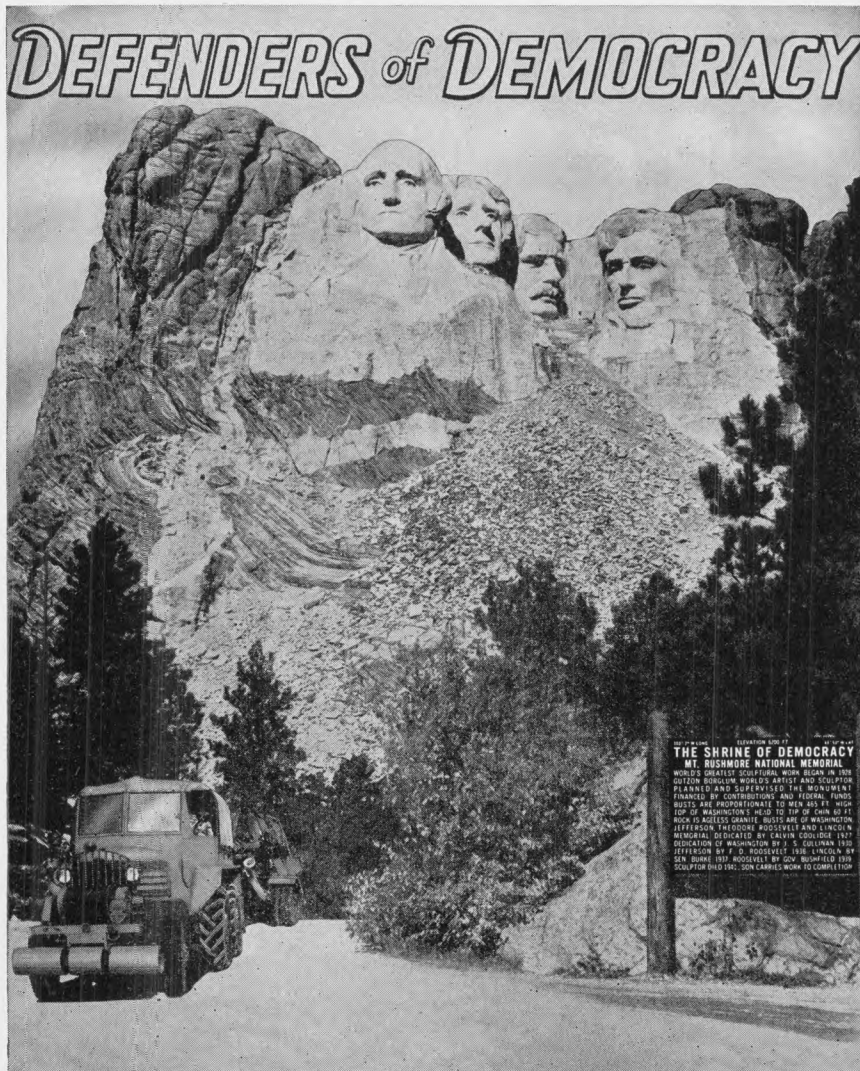
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1943

ner meeting in June was addressed by **Dr. Arthur J. Upgren**, economist and vice president of the Minneapolis Federal Reserve bank. . . . **Charles O. Applehagen**, a director of Western National Bank, announced his retirement as general sales manager of Pickands, Mather & Company in Duluth after 41 years with the firm. . . . **Wilbur F. McLean**, new vice president of the Minnesota Bankers Association, is

vice president of Minnesota National Bank of Duluth, former president of the Duluth Chamber of Commerce, and is this year's treasurer of the Minnesota Arrowhead Association. . . . **Lloyd W. B. Hegg**, assistant vice president of Northwestern State Bank, was re-elected president of the Lakeview Golf Club in Duluth for his fourth consecutive term. . . . **Thomas G. Bell**, a director of Pioneer National Bank in

West Duluth, was re-elected vice president of the Samaritan Life Association. . . . **Alfred Hoel**, president of Western National Bank in West Duluth, became a grandfather when a son was born to his son and daughter-in-law, Lieut. and Mrs. Ronald W. Hoel. The lieutenant has been in the naval air service for five years. . . . **John Dwan**, son of John C. Dwan, assistant trust officer of First and American National Bank, was graduated in June from Lake Forest Military Academy at Lake Forest, Illinois. . . . **J. W. Lyder**, vice president and trust officer of Northern National Bank, was elected vice president of the Duluth Rotary Club to fill the unexpired term of the late Harold G. Glenn. Mr. Glenn was a director of Western National Bank.



WASHINGTON, JEFFERSON, ROOSEVELT, LINCOLN—Each, with a background of farming or ranching, gave inspired service to the nation. American farmers have inherited the spirit, as well as the ideals, of these national heroes . . . and today, VICTORY is the great harvest that lies ahead.

It has been Minneapolis-Moline's privilege to work arm in arm with American farmers, in peace and war. Foresightedly, in 1938, MM originated the "JEEP." Pictured here, against the majesty of Mt. Rushmore's imperishable monument, is the largest MM "JEEP" rolling an anti-aircraft gun up the



mountain. Again, MM machinery, converted to military needs, holds its place among the great defenders of democracy.

By every means at its command, MM is urging farmers to keep their machinery in good repair . . . to return every bit of scrap to the steel mills . . . to buy War Bonds and Stamps.

When Victory is in sight, we can turn again to full-scale output of machinery to produce food and fibre, etc. For the present we are building all farm machinery allowed under government limitation orders and Quality products for our armed forces.

THE SHRINE OF DEMOCRACY
MT. RUSHMORE NATIONAL MEMORIAL
WORLD'S GREATEST SCULPTURAL WORK BEGAN IN 1926
GUTTEN BRONSON WORLD'S GREATEST AND SCULPTOR
PLANNED AND SUPERVISED THE MONUMENT
FINISHED BY CONTRIBUTIONS AND FUNDING. FUND
BUSTS ARE PROPORTIONATE TO MEN 65 FT HIGH
TOP OF MONUMENT 560 FT TO TIP OF EAR 21
JEFFERSON, LINCOLN, ROOSEVELT AND WASHINGTON
MEMORIAL DEDICATED BY CALVIN COOLIDGE
LEGATION OF WASHINGTON BY U. S. GOVERNOR 1937
OFFICER OF WASHINGTON BY U. S. GOVERNOR 1937
SEN. BROWN 1937 ROOSEVELT THE LARGEST BY
SCULPTOR DIED 1937; SON CARRIES WORK TO COMPLETION

THE MINNESOTA CONVENTION

(Continued from page 17)

of the war effort. American banking has an opportunity to distinguish itself. The banks want to be helpful to the nation. The ration banking committee does not want any banks to withdraw from the ration banking plan. However, we must take a firm stand as we cannot have the police duties of the OPA imposed upon the banks. What we want is a sound plan by which the banks can go along with the government and make ration banking really successful in every respect."

In his speech of acceptance following his election as president of the Minnesota Bankers Association, **H. R. Kurth** said he knew that the effort to win the war would be the first order of business for Minnesota bankers, and that they would respond to the fullest in any demands made upon them. Every branch of the association, he said, must cooperate to that end. **Larry Olson**, outgoing president, was presented with a beautiful engraved wrist watch as a token of his many accomplishments during his year in office.

A. G. Sam, president of the First National Bank of Sioux City, used to play tackle on the old First National of Minneapolis football team. The late **Paul Leeman** also played on this team.

There were three banks in Minneapolis and three in St. Paul which had football teams and the annual playoff game, to see who was the season's winner, took place at Thanksgiving time. All of this happened about 1907.

Charles M. Nelson, vice president and cashier of the Northern Trust

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

Northwestern Banker July 1943



*... there are fighting bankers
in the Northerly Midwest sector*

SHELLS, guns and ships—tanks, planes and bombs, fighting men at the front, draftees in training camps, the workers filling the factories—taxpayers and air-raid wardens—all depend on *one thing* which is basic to Victory—**FOOD**.

The Northerly Midwest territory produces what it takes to wage war—the harvests of the grain fields, the meat, the milk, the butter, and the cheese—the staples of the nation's nourishment.

The fighting bankers in this district are missing no opportunities to make food producing loans—to see that bank funds are at work on farms, in creameries, in processing plants.

They are not ignoring such opportunities as they may have to aid in keeping up the tremendous tempo of other industries in their communities—those which are turning out products for war use, and for the essential needs of civilians.

The fighting banker may muse at times that his role is too remote from the battle fronts—that it lacks the dramatic quality of other war tasks. He will do well to put such thoughts aside and redouble his “fighting in his own backyard”—the place he is best equipped to make his maximum contribution to the war. If he is doing his utmost in wartime banking he is a substantial producer of our basic weapon—**FOOD**.

The First National Bank of Saint Paul

Minnesota's Oldest Banking Organization
Affiliated with First Bank Stock Corporation
Member Federal Deposit Insurance Corporation



Northwestern Banker July 1943

Company, when he came to Minneapolis to attend the Minnesota Bankers Convention, rode about half way with the engineer on the Chicago Northwestern train. Whether this will give Charley more experience for "engineering" some more good business deals for the Northern Trust Company remains to be seen.

H. R. Kurth, the new president of the Minnesota Bankers Association, and who so successfully conducts the Citizens Bank at Hutchinson, Minne-

THE MAN WHO'S PAID TO KEEP YOU WELL

FOR its current national advertisement NWNL has borrowed the adage that the Chinese pay their doctor only so long as he keeps them well. Whether legendary or not, this shrewdly devised relationship serves to illustrate the principle that NWNL agents under the Arnold System are paid, not primarily for new insurance they sell, but for keeping their clients' insurance programs in good health.

The purpose of the Arnold System, as announced in 1939, is "to better reward better service". Just how well it is accomplishing this is shown by the fact that over the four year period 1938-42 the average annual income of Arnold System agents increased 75 per cent. That its effect is to encourage a higher quality, more efficient agency operation is attested in many ways, not the least of which is the fact that average monthly production of new agents contracted during 1942 was more than twice as large as that of agents placed under contract in 1938.

Such a soundly conceived system of compensation, geared to public demand and to current needs of the business and harnessed with modern selection and training programs, helps to explain NWNL's vigorous, healthy growth, the result of a steadily growing body of satisfied policyholders.

NORTHWESTERN National LIFE

INSURANCE COMPANY

O. J. Arnold,
President



Minneapolis,
Minnesota

sota, is a great golfer and, in fact, is known as "one-putt Helmuth." It is understood that sometimes he makes more money on the golf course than in the bank, and he has a Ruml Plan all his own by which he settles all bets after each hole. At the Minnesota convention he was presented with a "cash and carry" box so that he could make change after the play is completed on each green.

THE SOUTH DAKOTA CONVENTION

(Continued from page 15)

Dakota Association, in his address made the following statement:

"The Department of Agriculture now makes the majority of agricultural loans. It has nineteen different agencies functioning in the loaning field today.

"Country bankers who are best able to handle agricultural credits are spending their time selling government bonds to the public, investing huge surplus deposits in government bonds, and taking care of the ration banking needs of the community while inexperienced personnel of the federal agencies waste taxpayers' money and manpower in competing with each other as well as with the banks in seeking to control all available agricultural loans. While we have been fighting an uphill battle against unfair federal competition, we may find some compensation in the knowledge that

these same government agencies are riding for a terrific fall. We are experiencing a dangerously inflationary period with respect to farm chattels and conservative loans make up only a small percentage of present farm chattel prices. The federal government has ignored the basic principles of credit in making loans and when the day of reckoning comes, an angry electorate and Congress will do away with the Farm Credit Administration and its contemporaries."

An excellent discussion on ration banking, one of those fundamental, grass-roots kind that everyone could understand, was conducted by **William Duncan, Jr.**, secretary of the Minnesota Bankers Association. The speaker said the present reimbursement schedule would apply for six months while a survey is being made to obtain some actual cost figures. It is not intended that any bank shall profit from ration banking activities, but neither is it intended that any bank shall operate this activity at any great loss. Mr. Duncan feels that soon most of the cost problems will be ironed out, with the new schedule coming out sometime this month. Rest assured, he said, that the "bugs" will be eliminated as quickly as possible, but should some banks never find a schedule that will fit perfectly, it is still their patriotic duty to cooperate to the full. Banks will do their best to be accurate in handling the coupons, but are to assume no responsibility as to coupons collected nor to their classification. Mr. Duncan warned banks in small communities to go easy on ordering

Accident Insurance Paying \$5,000
Principal Sum with \$25.00 Weekly
Benefits Up to Two Years Costs
only \$2.00 Paid Up in Full to the
15th of December, 1943.

This policy offered by a successful
Association with 38 years of Suc-
cessful Service.

Hospital Reimbursement and Sick-
ness Policies also at the Same Low
Cost.

Write for Application and Litera-
ture.

Minnesota Commercial Men's Association

2550 Pillsbury Ave.
Minneapolis, Minn.

JAMIESON & COMPANY

Members

New York Stock Exchange
and Other Principal Exchanges

★

STOCKS

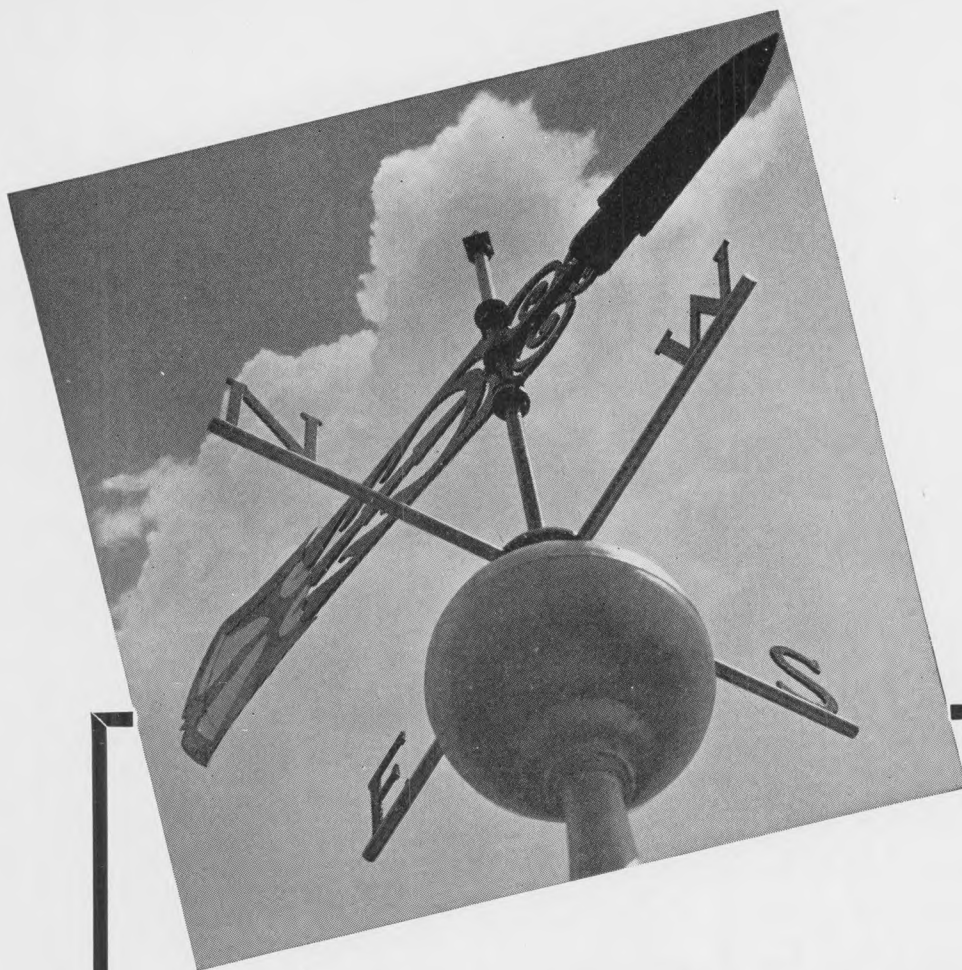
BONDS

COMMODITIES

★

MINNEAPOLIS FARGO
ST. PAUL GRAND FORKS
DULUTH SIOUX FALLS

PRIVATE WIRES



No Matter Which Way It Blows

Credit restrictions, rationing, price ceilings, a whole economic structure in the balance "Nothing is so certain as change."

The Northwestern Correspondent Banking Department

is keeping abreast daily of the momentous changes taking place.

We are ready to cooperate with you in an informative and helpful way.

USE "NORTHWESTERN" SERVICES

Department of Banks and Bankers

WM. N. JOHNSON
Vice President

F. W. CONRAD
Asst. V. Pres.

D. E. CROULEY
Asst. Cashier

L. P. GISVOLD
Asst. Cashier

NORTHWESTERN NATIONAL BANK

OF MINNEAPOLIS

Marquette Avenue: 6th to 7th Street

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker July 1943

supplies incident to ration banking, because they will find they will use far less than they at first thought.

The situation among the many government agencies in Washington is completely confused and befuddled, according to **D. J. Needham**, general counsel for the American Bankers Association, a speaker at the South Dakota Convention. Mr. Needham deplored the condition existing, suggesting that one solution might be a coordinator to bring organized chaos out of regimented confusion. In spite of all these obstacles of government

disunity, the American Bankers Association through its Washington office has been able to keep a fairly firm hand on its objectives in steering banking legislation into more or less proper or at least harmless channels, and is doing a good job for its members. The speaker suggested keeping an eye on all the talk about unity of banking which advocates one banking system, doing away with the state and national set-up, because this can lead only to all-out government control. Learn more, too, he said, about social security, because it is coming on a

much larger and broader scale than we now have.

Supplementing the business sessions were two gatherings in somewhat lighter vein—a stag party at the Mitchell Country Club, and the annual dinner. At the latter **O. B. Jesness**, chief of the division of agricultural economics of the University of Minnesota, gave an address on "War and the Farmer," a review of which is published elsewhere in this issue of the **NORTHWESTERN BANKER**.

Registration at the convention at Mitchell totaled 165—not so large as at previous annual meetings, but banks from all sections of South Dakota were represented. There were, of course, a number of bankers from the larger financial centers in attendance—Minneapolis, St. Paul, Chicago, New York, Duluth, and Sioux City, Iowa.

We learned at Mitchell, through the reliable grape-vine system, that the story on "The Directors' Room page of the June **NORTHWESTERN BANKER** about the new farm hand who, mistaking a cow for a mule, complained he couldn't put on the collar because its ears were frozen, brought some good-natured ribbing to **H. C. Linduski**, assistant cashier of the Live Stock National Bank, Sioux City. Mr. Linduski is now operating a farm upon where he lives, and his associates in the bank seem to feel that while he may know all the banking answers, his acquaintance with agriculture and mules is possibly deficient to the extent he might make the same mistake as the farm hand in the story. Be that as it may, his friends will get a real surprise when they see the magnificent crop of spaghetti now maturing on his farm.

At one of the sessions of the convention, **Tom Hayter** called attention to Mitchell as being in a class by itself in that in its two banks, there was a father-and-son combination in each, something that probably does not exist in many other cities. In the Commercial Trust and Savings Bank, **H. R. Kibbee** is president, with his son, **H. R. Kibbee, Jr.**, a vice president—and now vice president of the South Dakota Bankers Association. **M. F. Patton** is president of the Mitchell National Bank, and his son, **J. M. Patton**, is a vice president.

On the Firing Line

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

Our location, in the great Sioux City stock yards, enables us to handle your live stock, grain and hay items, promptly and intelligently. Our transit department is also geared to render complete service on all Sioux City items.

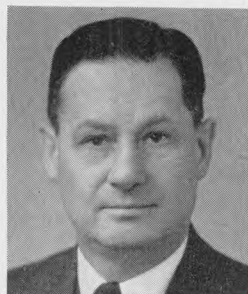
For almost a half century, we have made a specialty of correspondent service and we can help you, too, on all your items.

★ ★ ★



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

Member Federal Deposit Insurance Corporation



T. N. HAYTER
President
Sioux Falls

SOUTH DAKOTA NEWS



Acting Secretary
MILDRED STARRING

GEORGE M. STARRING
Secretary-Treasurer
Huron
(In the Service)

Adds Safety Deposit Boxes

To meet the demand for additional safety deposit boxes, the Corn Exchange Bank at Elkton, South Dakota, has added 100 boxes. Purchased from a former bank at Sisseton, the boxes were installed last month. Further additions will be needed in the future.

Bertolero Receives Promotion

John Bertolero, formerly head of the Miners and Merchants Bank in Lead, South Dakota, has been promoted to lieutenant colonel. He entered service two years ago with the 109th Engineers of the South Dakota National Guard, and is now somewhere in the British Isles, it is believed.

Directors Meet

The regular meeting of the directors of the Bank of Kimball, South Dakota, was held in June with the following directors present: Lloyd Cronholm of Ipswich, L. M. Larsen of Wessington Springs, and Mrs. J. H. Drips of Gann Valley. Ben Jones of Ipswich, a stockholder, also attended the meeting.

Dean Heads Bank at Canton

E. M. Dean, long time cashier of the Farmers State Bank of Canton, Canton, South Dakota, was named president of that banking institution at a recent meeting of the board of directors. Hogan Iverson was named cashier, succeeding Mr. Dean who held that position for 35 years. Mr. Iverson has been connected with the bank for the past 25 years.

P. S. Paulson was named vice president of the bank. C. E. Anderson was named a member of the board. Other members are Harold Bogue, Oliver Laxson and Knute Ulrickson.

Whetstone Association Elects

Verner Berg, cashier of the Stockholm State Bank, Stockholm, South Dakota, was elected president of the Whetstone Clearing House Association at a meeting held in Wilmot last month. Leonard Minerman of Dakota

State Bank branch at Revillo, was elected secretary-treasurer.

The Association, composed of all bankers in Grant and Roberts counties, met at the Wilmot auditorium for a fish supper and their semiannual meeting. Banking problems were discussed and Fred Phillippi, of the Dakota State Bank, spoke on the war bond program.

Veteran Banker Dies

A. J. Peterson, former Dawson, South Dakota, banker and a former resident of Deuel county, passed away last month. Mr. Peterson's father was Register of Deeds of Deuel county at the time the county seat was located in Gary.

Aberdeen Debits Show Gain

The volume of bank debits in May for Aberdeen indicates that business activity was 20 per cent above the same month last year, while figures for this year to date showed a 25 per cent increase when compared with the January through May period of 1942. These figures were released by the Federal Reserve Bank of Minneapolis.

Huron Debits Up 13%

The volume of bank debits in May, 1943, for Huron indicates that business activity was 13 per cent above the same month last year, while figures for this year to date showed a 27 per cent increase when compared with January through May, 1942.

Further Gains at Yankton

The volume of bank debits in Yankton in May was 20 per cent greater than for the same month a year ago, while for the first five months of 1943 the volume was 39 per cent higher than for the same period in 1942.

Changes at Stickney

E. G. Bormann, Jr., bookkeeper at the Farmers State Bank, Stickney, South Dakota, and son of the bank's cashier, has resigned his position and

is attending the university at Vermillion. Miss Kathryn Sprick has been elected to fill the vacancy. The Farmers State Bank is being painted both inside and out.

Sioux Falls News

T. N. HAYTER, recently-elected president of the South Dakota Bankers Association, has been prominently identified with civic activities in Sioux Falls during the past 12 years.

Now vice president of the First National Bank and Trust Company, he has served two terms on the board of directors of the Sioux Falls Chamber of Commerce, and was treasurer of the organization one year.

He has also been active in the Rotary Club, the Taxpayers Association and the Masonic Lodge.

Hayter has been in the banking business in South Dakota for 33 years. He began his career at Fedora, moved from there to Alexandria, and then spent 19 years associated with the First National Bank at Vermillion. After nine months with the First Service Corporation in Minneapolis, he came to the Citizens National Bank in Sioux Falls, and became associated with the First National Bank and Trust Company in 1935.

During his entire career, the longest vacation he ever enjoyed was of three weeks duration, except for a year spent in the army during the first World War.

As to hobbies, he plays a little golf at the Minnehaha Country Club, but prefers to work in his extensive victory garden.

"If I have any extra time, I expect this new job in the Bankers Association will take up the slack," he declared.

Hayter has two daughters, Mrs. Robert Brownell, Sioux Falls, and Helen, a student at the University of South Dakota.

Through the efforts of **Pierce H. McDowell**, vice president and trust officer of the Northwest Security National Bank, Sioux Falls, has moved into first place in the Northwest in naval officer procurement. McDowell is chairman of the civilian advisory board which recruits officer candidates.

Summarizing recruiting for the months of April and May, Commander M. A. Hefferman of the Bureau of Naval Personnel, Office of Naval Officer Procurement, Minneapolis, announced that the local board had referred 188 applicants, of which 46 were accepted.

Since the program was initiated, the

Northwestern Banker July 1943

board has referred 264 applicants, with 77 accepted, he added.

Sioux Falls replaced Duluth in first place by a margin of one recruit. Of 613 applicants interviewed in two months from South Dakota, North Dakota, Minnesota and Wisconsin, 64 were accepted.

John Morrell Foster, vice president of John Morrell & Company, meat packers, and manager of the Sioux Falls plant, has been named to the board of directors of the Northwest

Bancorporation, which controls 82 banks with 103 offices in Minnesota, Iowa, Montana, Wisconsin, North Dakota and South Dakota, through 95 per cent of stock ownership.

Foster was educated at Shattuck School, Lawrenceville, Iowa State College and the U. S. Naval Academy. He has been in the meat packing business his entire life except for a tour of duty, 1917-1919, as an officer in the U. S. Navy.

He is also chairman of the South Dakota committee on economic de-

velopment, and is interested in aerodynamics and the business side of aviation.

Oliver A. Bray, assistant cashier at the Northwest Security National Bank, is very active in all branches of the Masonic Lodge in Sioux Falls. In recent weeks he has been re-elected as treasurer of the grand chapter, Royal Arch Masons; Alpha Council No. 1, Royal and Select Masters; El Riad Temple of the Shrine; Sioux Falls Chapter No. 2, Royal Arch Masons, and Minnehaha Lodge No. 5, A. F. and A. M.

Among other offices, he also holds the title of wise master of Albert Pike Chapter, Rose Croix No. 2, and past of the Eastern Star. patron of Jasper Chapter No. 8, Order

Business statistics in Sioux Falls for the month of May revealed a "healthy trend", **C. A. Christopherson**, president of the Clearing House Association and the Union Savings Bank, concluded.

The month found the value of livestock receipts zooming to \$4,264,951.05, an amount 73 per cent above the level for May, 1942. Bank clearings, however, failed to show a corresponding increase, with the gain only 25 per cent above a year ago, compared with 33.3 per cent in April and 47 per cent in March.

The reason, Christopherson believed, was that war-swollen incomes of farmers in the Sioux Falls trade area are going into investments and savings accounts, as well as debt reduction, not reflected in the clearings tabulation.

Sioux Falls bankers were well represented at the South Dakota Izaak Walton League Convention at Madison in June. Delegates from the local chapter included **William Perrenoud**, cashier at the First National Bank and Trust Company; **Tom S. Harkison**, vice president of the National Bank of South Dakota; **Ralph Watson**, president of the Northwest Security National Bank, and **Pierce McDowell**, vice president and trust officer of the Northwest Security National Bank.

Appointments

The Mercantile-Commerce Bank and Trust Company, St. Louis, has announced the appointment of Joseph A. Glynn, Jr., as assistant trust officer and M. P. Breckenridge as statistician. Breckenridge was formerly assistant statistician of the bank.

BANKERS TRUST COMPANY

NEW YORK



CONDENSED STATEMENT OF CONDITION, JUNE 30, 1943

ASSETS

Cash and Due from Banks	\$ 289,234,207.81
U. S. Government Securities	789,385,549.65
Loans and Bills Discounted	308,417,549.41
State and Municipal Securities	21,099,340.20
Other Securities and Investments	46,663,674.02
Real Estate Mortgages	1,538,731.86
Banking Premises	14,006,481.22
Accrued Interest and Accounts	
Receivable	4,890,026.83
Customers' Liability on Acceptances	646,856.06
	<u>\$1,475,882,417.06</u>

LIABILITIES

Capital	\$25,000,000.00	
Surplus	75,000,000.00	
Undivided Profits	22,515,492.38	\$ 122,515,492.38
Dividend Payable July 1, 1943		875,000.00
Deposits		1,347,633,921.24
Accrued Taxes, Interest, etc.		3,426,854.33
Acceptances		
Outstanding	780,756.35	
Less Amount in		
Portfolio	94,312.86	686,443.49
Other Liabilities		744,734.92
		<u>\$1,475,882,417.06</u>

Securities in the above statement are carried in accordance with the method described in the annual report to stockholders, dated January 14, 1943. Assets carried at \$189,896,555.26 have been deposited to secure deposits, including \$169,548,617.98 of United States Government deposits, and for other purposes.

Member of the Federal Deposit Insurance Corporation



H. A. FISCHER
President
Washburn

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Opens Business Service Office

Resignation of M. J. Reichert as assistant cashier of the First National Bank of Mandan, North Dakota, was effective last month. Reichert, who has been employed by the bank for the past two years, will open a general business and insurance service office, with quarters in the Kennelly building, and will offer accounting and tax service to the general public, as well as a full line of insurance.

New Cashier at Cando

Reuben Wordelman, who has been appointed as the successor of W. D. Johnson as cashier at the first State Bank of Cando, North Dakota, has assumed his new duties at the bank.

Fargo Bank Debits Show Increase

Bank debits in Fargo for May were 5 per cent higher than for May, 1942, indicating a continued increase in the volume of business transacted, according to the report of the Minneapolis Federal Reserve Bank.

Former Casselton Banker Dies

Adolph Lebus of Casselton, North Dakota, retired farmer and former Casselton banker, died recently.

A former maintenance superintendent for the Fargo division of the North Dakota highway department, Mr. Lebus was well known in Cass county political circles, having recently run for county commissioner. He had been in ill health for more than a year.

Grand Forks Business Increases

Business in Grand Forks, North Dakota, was 25 per cent greater in volume for May, 1943, than it was for the same month a year ago, according to a report of bank debit figures released recently by the Federal Reserve Bank of Minneapolis.

The report indicated that debit figures to date for the year showed a 23 per cent increase compared with the same period in 1942.

Fargo News

WILLIAM F. STREHLOW, 74, pioneer business man of Casselton and cashier for the First National Bank of Casselton until his retirement in 1935, died in a Fargo hospital. He was the brother of **Max H. Strehlow**, Kindred banker who died recently.

R. H. Barry, who has been assistant cashier at the Merchants National Bank and Trust Company, has assumed the position of executive vice president of the Fargo Chamber of Commerce, a position to which he was named in May. Mr. Barry, with the Merchants National Bank and Trust Company for three and one-half years, formerly was with banks at Bismarck, North Dakota, and Minneapolis.

Capt. George J. Fischer of Wahpeton, vice president of the National Bank of Wahpeton, and the Richland County auditor for many years, has been assigned to a German prison concentration camp at Trinidad, Colorado. Captain Fischer is a veteran of World War 1.

Two Fargo bankers were delegates and another an alternate to the convention of the North Dakota department of the American Legion held in June at Grand Forks, North Dakota.

William Stern, president of the Dakota National Bank, and **Clarence H. Olson**, cashier of the Merchants National Bank and Trust Company, were delegates from the Gilbert C. Grafton American Legion post of Fargo, and **Earl L. Shaw**, president of the Fargo National Bank, was an alternate.

Wesley C. McDowell of Grand Forks, who has been active in North Dakota banking circles for many years, has been named executive secretary for the North Dakota general salvage branch of the War Production Board salvage division, announces **Linus E. Vorphal** of Minneapolis, regional chief, general salvage division.

Mr. McDowell, formerly of Marion, North Dakota, has lived in North Dakota for 57 years and served as a director of the Federal Reserve Bank at Minneapolis for nine years. He also has served as supervisor of the Chicago office of the Federal Deposit Insurance Corporation, covering activities in banks in Illinois and Iowa.

Mr. McDowell succeeds **E. E. Campion** of Bismarck who resigned June 1st. McDowell will headquarter in Fargo.

Fargo's four banks, the Merchants National Bank and Trust, Fargo National Bank, The First National Bank and Trust Company and the Dakota National Bank, adopted a new system of charges on checking accounts in June—the Decatur plan.

Charges under the new plan are:

A maintenance charge of 50 cents a month against each separate account.

A charge of 4 cents per item—that is, for each check or other item charged against the patron's account for the first 100 items.

A charge of 3 cents per item for all such sums in excess of 100.

A charge of 2 cents for each item deposited—a cash deposit being considered one item, and each check deposited being considered a separate item subject to the 2 cent charge.

Banks will allow a credit of 10 cents per \$100 on the minimum balance, that is, a credit against the smallest amount that was in the account during the month.

Under the new plan, the former charge of \$1 per month, made against accounts where the bank balance dropped below \$100 at any time during the month, is eliminated.

Elects Crossley and Owens

Robert J. Crossley, assistant cashier of The First National Bank, Chicago, was elected president of the class of 1943 of the graduate school of banking, at the permanent organization meeting of the class. L. C. Owens, Jr., assistant vice president of the Bank of New York in New York City, was elected secretary of the class which graduates this year.

Northwestern Banker July 1943

for
87 Years

SOUND
BANKING SERVICE



STATEMENT, JUNE 30, 1943

RESOURCES

Cash and Due from Banks.....		\$21,155,124.61
U. S. Government Obligations.....	\$30,091,743.74	
Municipal Bonds.....	1,850,511.46	
Other Bonds.....	1,646,097.65	33,588,352.85
Loans and Discounts.....		4,619,625.08
Bank Premises.....		735,000.00
Stock in Federal Reserve Bank.....		66,000.00
Other Assets.....		176,964.21
Total.....		\$60,341,066.75

LIABILITIES

Deposits—Commercial and Individual.....	\$30,411,017.75	
Banks.....	15,702,063.71	
Time.....	4,146,568.94	
Public Funds.....	3,917,509.05	
War Loan Account.....	3,415,136.25	\$57,592,295.70
Capital Stock.....	1,100,000.00	
Surplus.....	1,100,000.00	
Undivided Profits and Reserves.....	466,383.88	2,666,383.88
Other Liabilities.....		82,387.17
Total.....		\$60,341,066.75

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

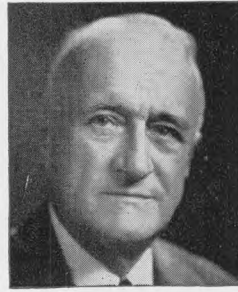
MEMBER FDIC

Northwestern Banker July 1943



R. F. CLARKE
(On leave of absence
with Red Cross)
Papillion

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Pierce Heads Bank At Osceola

W. H. Pierce, president of the First National Bank of Shelby, Nebraska, is to be the new owner of the First National Bank of Osceola. The Osceola bank will begin liquidation July 1st, according to Pierce, who said that his purchase of all the stock assured that the bank would keep it an operating concern.

The new owner will retain his interest in the Shelby bank.

New Cashier at Sidney

Marius Christensen has been named cashier of the American National Bank of Sidney, Nebraska, according to A. J. Jorgenson, president of the bank.

Christensen replaces Dale W. Reynolds, who resigned to accept a similar position with a bank at Cozad.

Mrs. Maggie Bartholomew has been promoted to the office of assistant cashier at the institution.

Honorable Discharge From Army

Joe Bauer has resumed his work at the Hastings National Bank, Hastings, Nebraska, following his honorable discharge from the army to return to work in industry. Bauer is 38 years old. He had been in the service for nine months.

Jay Paul Returns to Bank

N. J. Paul, who has been in the Forestry Department of the Soil Conservation office for a number of years, has returned to the St. Paul National Bank where he will serve. He replaces C. E. Arterburn, who plans to go to the West. The return of Mr. Paul to the bank which his grandfather had founded will be pleasing to his many friends.

Enters Bank Employ

Miss Maxine Eckles, who was a member of the graduating class of the

Plattsmouth, Nebraska, high school this year, has entered the employ of the Plattsmouth State Bank as one of their clerks and bookkeepers.

Begins Duties at Bank

Arlene Utemark has assumed her duties as bookkeeper at the First National Bank of Emerson, Nebraska. She succeeds Sterling Henderson, he having been inducted into the army and sent to the reception center at Fort Leavenworth, Kansas.

New Employee at Crete

Mrs. Willard Cole has accepted a position at the Crete State Bank, Crete, Nebraska, and began her duties there last month. She has been employed in the office of the Crete Mills and is a former employe of the City National Bank.

New Banking Hours

New banking hours have been established at the Bank of Hemingford, Nebraska. The bank will be open from ten o'clock a. m. to four o'clock p. m. and will remain open during the noon hour.

New Clerk at Ashland

Miss Mildred Simek has accepted a secretarial position at the Citizens National Bank of Ashland, Nebraska, taking the place of Miss Doretta Bundy.

Mitten Named Economic Chairman

William N. Mitten, president of the Stephens National Bank of Fremont, Nebraska, was appointed chairman of the committee for economic development there, it was announced by Alvin E. Johnson, Nebraska chairman for the CED, and chairman of the Omaha Chamber of Commerce industrial committee.

Mitten is a member of the Fremont chamber's board of trustees, chairman of the chamber's industrial committee, head of the good roads committee,

treasurer of the Nebraska 4-H Club fair of Fremont, belongs to the Fremont board of public works and is a member of the regional board of the Boy Scouts.

Mitten's appointment is the second to be made by Johnson. E. L. Smith, vice president of the Magee store of Lincoln, was recently named chairman for Lincoln.

Prominent Banker Dies

I. J. Wehrman, 69, cashier of the Commercial Bank at Nelson, Nebraska, and a prominent citizen of that city for many years, died in a Kansas City hospital last month.

Well known in state banking circles, Mr. Wehrman was always active in civic affairs at Nelson, serving for many years on the board of education, on the city council and in other positions of trust in his home community.

Saunders Named Treasurer

Charles D. Saunders, late cashier of the First National Bank in Denison, Iowa, and now vice president of the Omaha First National Bank, has been elected treasurer of the Omaha Chamber of Commerce. By virtue of his office he will be a member of the executive committee.

Extensive Remodeling For New Bank

Work began recently in making extensive changes in the banking room of the old American State Bank building at York, Nebraska, which was purchased last week by the York State Bank, soon to open.

The fixtures are being modernized by removing the tall glass partitions that separated the teller cages from customers. The heavy screens at the windows will be replaced with Venetian blinds. The walls of the room will get a complete decoration.

Asked when the new bank would be ready for business, R. W. Smith, the cashier, said it was impossible to say at this time.

Takes Place in Bank

Miss Alta Lindeburg has accepted the position in the Adams County Bank of Kenesaw, Nebraska, left vacant by the resignation of Mrs. Gishwaller.

Gage County Bankers Meet

A second meeting of the bankers of Gage county was held in Beatrice, Nebraska, with L. Boyd Rist, chairman, and Gordon Jones attending from Wymore. The meeting was given over to the solving of banking prob-

lems and it was unanimously decided that a uniform system of service charges should be agreed upon and placed in operation.

Plans are also underway to present the bankers' problems to the public by newspaper advertising, with the hopes that in this manner a better understanding can be reached with their customers.

Association Pays Dividend

A regular semiannual dividend paid to all investing members June 30, 1943, at the annual rate of 3 per cent was declared by the board of directors of the Nebraska City Federal Savings and Loan Association recently. The payment of dividends at this rate has been approved by the Federal Savings and Loan Insurance Corporation of Washington, D. C.

25 Years in Bank

Twenty-five years ago in June Paul Uds commenced working in the Farmers & Merchants Bank at Deshler, Nebraska. Friends extended him congratulations on his arriving at the first quarter century milestone in the banking business.

New Director

The directors of the State Bank of Burchard, Nebraska, held a business meeting in the bank last month. Along with other business transacted Harold Stake was elected as director to succeed the late Ben Wischmeier.

New Bank in Verdigre

Verdigre's newest business enterprise, the Bank of Verdigre, opened its doors to the public July 1. The Bank

of Verdigre is successor of the Verdigre Cooperative Credit Association.

The Bank of Verdigre will be a commercial bank and will carry on the usual business as the cooperative association.

Pawnee County Bankers Meet

The Pawnee County Bankers Association held a meeting in Pawnee City in June and all banks in the county were represented. These officers were elected: Chairman, John A. Barr, Pawnee City; assistant chairman, Guy F. Bonham, Table Rock; secretary-treasurer, Max Church, DuBois.

Howard Wilson Dies

Howard O. Wilson, 67, Omaha, vice president of the Live Stock National Bank, died at an Omaha hospital recently.

A former owner of a cattle ranch near Long Pine, Wilson was affiliated with the bank since 1921. He was a member of the Chamber of Commerce, Masonic lodge, Nebraska Bankers Association and the National Institute of Banking.

Bank Wall Collapses

A rather unusual accident occurred at the Citizens State Bank building, Haddam, Nebraska, recently. The outer layer of brick, which was faced with a stucco finish, gave way at one corner. A slab of brick and stucco about eight feet high probably had been loose for some time and it is thought that the heavy rain the previous night had loosened the brick still more, letting the wall collapse.

<i>The Oldest Bank in St. Joseph</i>	
AMERICAN NATIONAL BANK, St. Joseph, Mo.	
OFFICIAL STATEMENT	
June 30, 1943	
RESOURCES	
Loans	\$ 2,898,918.22
Banking House	125,000.00
Other Real Estate	None
Federal Reserve Bank Stock	12,000.00
United States Obligations	\$7,476,597.92
Cash and Sight Exchange	6,248,373.85
	13,724,971.77
LIABILITIES	
Capital Stock	\$ 200,000.00
Surplus and Profits	308,439.63
Reserves	10,000.00
Deposits—	
Banks	\$7,230,194.87
Individual	8,231,808.87
U. S. Government	780,446.62
	16,242,450.36
	\$16,760,889.99
HENRY KRUG, Jr., Chairman	
JOHN W. BROADDUS, Vice Chairman	BEVERLY PITTS, Cashier
R. R. CALKINS, President	A. H. BANSBACH, Assistant Cashier
GEO. U. RICHMOND, Vice President	JOHN T. RUTHERFORD, Assistant Cashier
Member Federal Deposit Insurance Corporation	

at the
CROSS ROADS → OF THE NATION IS OMAHA
→ OF OMAHA IS THE 1ST NATIONAL BANK
PLUS

**OVER 85 YEARS OF EXPERIENCE
MAKES THIS HOME-OWNED BANK
THE LOGICAL PLACE FOR SERVICE AND
DEPENDABILITY---SEND US YOUR CASH ITEMS**



Omaha Clearings

IN THE 20 weeks up to June 1st, Omaha piled up an impressive record in percentage of increase in weekly bank clearings for metropolitan cities, a report by Dun & Bradstreet, Inc., showed.

During that period, Omaha 14 times rated first in the nation in percentage of increase, four times was second, once fourth, and once thirteenth (the week of the disastrous Missouri river flood).

A typical week, that of May 19th, found Omaha first with a 54.1 per cent gain.

Other sharp increases: Portland, Ore., 29.9 per cent; Dallas, Texas, 25.2 per cent; Houston, Texas, 25.1 per cent; Kansas City, Mo., 22.8 per cent.

Nelson G. Kraschel, former governor of Iowa and now general agent for the Farm Credit Administration with headquarters at Omaha, recently received word at Harlan, Iowa, his former home, that his son, Richard, 24, test pilot for the Bell Aircraft Corporation, was killed at a training field between Buffalo and Niagara Falls, New York.

He died when his parachute failed to open after he had bailed out at low altitude from an army plane during a routine test flight.

Carl Chalstrom and son, **Arthur Chalstrom**, have acquired controlling interest in the Griswold, Iowa, State Bank from **T. C. Hornsby**, president of the bank since 1936, who will retain an interest and remain a director.

BANKS Bought and Sold
Confidentially and with becoming dignity
BANK EMPLOYEES PLACED.
38 Years Satisfactory Service
THE CHARLES E. WALTERS CO.
OMAHA, NEBRASKA

Mr. Hornsby went to Griswold from Omaha, where he was associated with the Regional Agricultural Credit Corporation. The elder Chalstrom is president of the Griswold bank, his son cashier.

A. E. Wilde of Cheyenne, Wyoming, has been elected vice president of the Federal Land Bank of Omaha to succeed **M. E. Welsh, Jr.**

Mr. Welsh recently was elected president of the Federal Intermediate Credit Bank of Omaha.

The election of Wilde took place at the May meeting of the Farm Credit Administration Board at Omaha.

Phil Hockenberger of Columbus, Nebraska, was elected president of the Nebraska League of Savings and Loan Associations at its annual meeting in Omaha recently.

He is president of the Consumers Public Power district.

Because of wartime conditions, the

convention program was streamlined and included roundtable discussions rather than a long list of speakers.

Little home construction, except in defense areas, was reported.

The "grand old man" of Nebraska building and loan associations, 95-year-old **T. L. Mathews** of Fremont, Nebraska, was again named president-emeritus of the association. He served as president many years.

Will Rowe of Fremont, **C. E. Grundy** of Grand Island and **E. M. Boyington** of McCook were elected vice presidents.

Bonds totaling \$105,000 to provide funds for river levee work, as a result of the disastrous Missouri river flood in May at Council Bluffs, were bought by the First National Bank of Chicago as bids were opened at a meeting of the Council Bluffs city council.

Interest rate on the bonds will be 1¼ per cent, and an \$800 premium paid by the buyers should lower the interest cost to 1.1 per cent, city officials estimated. Ten companies submitted bids on the bonds, which are issued on a 15-year basis.

"We are being fed economic theories instead of food and you have no idea what a poor diet that is," said **Fulton Lewis, Jr.**, the radio commentator, when he came to Omaha recently to speak at Central High school auditorium. He said he was "frankly alarmed" about the food situation. He made his usual broadcast while in Omaha.

After his arrival, he was guest of **Alvin E. Johnson**, president of the Live Stock National Bank of Omaha, at a breakfast, attended by 30 livestock and grain men.

"The only approach to the solution now seems to be to remove all price

REPORT OF CONDITION	
THE HASTINGS NATIONAL BANK	
HASTINGS, NEBRASKA	
JUNE 30, 1943	
RESOURCES	
Loans and Discounts	\$ 910,242.83
Overdrafts	1,069.51
Stock in Federal Reserve Bank	6,600.00
Bank Building	19,200.00
Furniture and Fixtures	3,847.86
Interest Earned but Not Collected	20,047.58
United States Government Bonds	\$3,859,185.81
Municipal Bonds and Warrants	98,003.43
Other Bonds	39,805.22
Cash and Sight Exchange	2,752,180.87
	6,749,175.33
LIABILITIES	
Capital Account	\$7,710,183.11
Common Stock	\$ 125,000.00
Surplus	95,000.00
Undivided Profits and Reserves	87,356.66
Deposits	7,402,826.45
	\$7,710,183.11
OFFICERS AND DIRECTORS	
H. G. PRATT, President	CHAS. E. DEETS, Cashier
J. LEO SWIGLE, Assistant Cashier	JOSEPH BAUER, Assistant Cashier
L. J. McCUNE, Assistant Cashier	HAZEL HORN, Assistant Cashier
C. E. BYERS	STEPHEN SWIGLE
	R. R. VANCE
Member Federal Deposit Insurance Corporation	

ceilings, keep rationing and try to go on from there," Lewis said.

Lewis said he was "fascinated" by the situation outlined by **Emil Placek**, Wahoo, Nebraska, banker-farmer, in which Placek is still being paid by the government to raise sweet clover on land that could be planted to corn.

While in Omaha, Lewis visited the stock yards with Mr. Johnson and **Harry B. Coffee**, former congressman who now is president of the Omaha Union Stock Yards Company.

Dale Clark, president of the Omaha

National Bank, was principal speaker at a Tribe of Yessir "stay-at-home" dinner honoring *The Omaha World-Herald* for winning the 1942 Pulitzer prize for public service, for originating and carrying out the scrap salvage campaign. Other speakers included **Leo Bozell**, new president of the Chamber of Commerce.

Mr. Clark also recently was re-elected president of the Omaha Y.M.C.A.

Nebraska bankers are pleased with passage of the Nebraska installment

loan bill, according to the Nebraska Bankers Association. The law removes the restrictions which have barred most local banks from making small installment loans. Heretofore, the loans by banks throughout the state, except in the larger cities, usually have been commercial or agricultural loans repayable in one sum.

Omahans saw a \$100,000 bill and the first piece of currency ever issued, when they attended an exhibit presented under the auspices of the secret service to fight an enemy that has been hampering the war effort in every city in the United States—counterfeiting, labeled the "silent saboteur" by government agents.

With service allotment checks topping the four million mark each month, forgers have been operating in lush fields. The methods of forgers as well as those of the counterfeiters are exposed by the exhibits and lectures, which continued in Omaha for several weeks. **The First National Bank** of Omaha and Orchard & Wilhelm Company were sponsors.

Mayor Dan Butler opened the show. For the fourth time in the history of the country, war stamps were printed in view of the public. The only other times this has been done were in New York, Detroit and Cleveland.

The \$100,000 bill on exhibition was stolen four times, and each time it was recovered by the secret service. Counterfeit bills were exhibited that were recovered in this section of the country.

"What we want to stress," said Secret Service Agent Fremont Strout, "is that this exhibition is one that is vitally concerned with the war effort and the pocketbook of every adult.

"Once you take a bad bill or indorse a bad check, you are stuck with it. We are trying to teach people how to defend themselves."

Douglas county has contracted with Omaha banks to borrow money at 1½ per cent, under the provisions of the tax anticipation note plan approved by the Nebraska legislature. The county has been paying 6 per cent interest on warrants.

Approving the contract, however, was merely an enabling act, and County Treasurer Ernest A. Adams said it might be possible for the county to get along the rest of this year without borrowing money.

Adams estimated the county will save more than \$25,000 a year in interest as the result of these financing procedures.

Commerce Trust Company

18-1

Established 1865

KANSAS CITY, MISSOURI

Member Federal Reserve System

Statement of Condition at Close of Business June 30, 1943

RESOURCES

Cash and Due from Banks.....	\$113,372,069.04	
U. S. Obligations, Direct and Fully Guaranteed..	134,361,016.47	\$247,733,085.51
State, Municipal and Federal Land Bank Bonds..	18,970,278.99	
Stock of Federal Reserve Bank.....	300,000.00	
Other Bonds and Securities.....	6,055,457.59	25,325,736.58
Loans and Discounts.....		56,792,468.33
Bank Premises and Other Real Estate Owned.....		1,942,501.00
Customers' Liability Account Letters of Credit.....		45,875.43
Accrued Interest Receivable.....		322,687.53
Overdrafts		3,926.87
Other Resources		4,627.83
Total Resources		\$332,170,909.08

LIABILITIES

Deposits		\$317,250,564.68
Capital	\$6,000,000.00	
Surplus	4,000,000.00	
Undivided Profits	4,553,934.34	14,553,934.34
Reserve for Dividends Declared.....		60,000.00
Liability Account Letters of Credit.....		45,875.43
Accrued Interest, Taxes and Expense.....		260,362.84
Other Liabilities		171.79
Total Liabilities		\$332,170,909.08

Member Federal Deposit Insurance Corporation

Northwestern Banker July 1943

County Board Chairman Leonard Bergman proposed the 1½ per cent rate, and **Ellsworth Moser**, executive vice president of the United States National Bank, which will be trustee for six Omaha banks under the contract, said: "There are lots of rates we'd like to get—but in the county's interest we are prepared to sign this contract at 1½ per cent." The contract runs to the end of this year.

It is the first time the county has had a "unified" financing procedure of this kind. In the past, bills were paid by warrant when a fund was depleted. The payee registered the warrant to draw interest, and disposed of it wherever possible. Now the county will pay in cash, handling the financing through the banks.

Ensign Nile Kinnick, 24, of Omaha, both all-American halfback and Phi Beta Kappa honor student at the University of Iowa, was killed while flying a fighter plane from an aircraft carrier in the Atlantic, his parents, Mr. and Mrs. **Nile C. Kinnick**, were informed by the navy one evening in June.

The next day, his father, an analyst for the Federal Land Bank of Omaha, appeared at his office as usual and attended a meeting of land bank executives, none of whom knew of the telegram which had come the evening before.

Kinnick turned down a \$15,000 professional football offer because he wanted to study law. He had completed one year in law school when he enrolled in the navy flying corps.

Mrs. Richard H. Mallory and daughter, Miss Ann Mallory, left June 15th for Cincinnati, Ohio, to join **Lt. Mal-lory**, USN, who is on leave from his duties as vice president of the United States National Bank of Omaha.

Miss Barbara Mallory remained in Omaha until she left June 22nd for Camp Nagawicka at Delafield, Wisconsin.

The Mallory residence in Omaha will be occupied during the family's absence by Lt. Robert E. Woods, USN, and Mrs. Woods.

Employed at Bank

Charles Korb has taken a position at the National Bank of Norfolk, Nebraska, and began his work there last month. He was formerly employed at the bank in West Point and then by the Central Finance Company in Norfolk.

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



Lincoln Locals

HENRY J. AMEN, Lincoln grocer, and **George Knight**, president of Citizens Bank, were appointed by Governor Griswold to directorships on the new Lincoln sanitary district board.

Frederick Warner, investment officer of The First Trust Company of Lincoln, was granted a leave to attend the graduate school of banking, which the American Bankers Association conducts at Rutgers University, New Brunswick, New Jersey.

The graduate school was founded in 1935 to provide advanced graduate study for officers of banks in all phases of banking, in economics, law, government, and philosophy. Six hundred bank officers have attended each year. Due to war conditions the enrollment this year is 400.

State Banking Director **Wade Martin** has announced the granting of a char-

ter to the York State Bank at York which has capital stock of \$50,000, surplus \$10,000 and undivided profits of \$5,000.

Martin said the bank is the largest in total capitalization to receive a charter since December of 1940, when a charter was issued to a state bank at Chadron.

An application to charter a bank at Verdigre was made to the state banking department with **J. J. Chalupnik** tentatively named as president of the new organization.

Other incorporators named include **V. W. Marshall**, **Dr. J. T. Bruce**, **Ben Roubicek** and **Adolph Kotrous**.

The capital stock will amount to \$15,000, surplus \$2,500 and undivided profits at \$500, although the right to increase the capitalization to \$25,000 was asked in the application.



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The
CONTINENTAL NATIONAL
BANK
of
LINCOLN

Member Federal Deposit Insurance Corporation

A law suit started in 1941 by eight national banks doing business in Nebraska and brought against Attorney General Walter Johnson and State Banking Director **Wade R. Martin**, has been dismissed without prejudice on motion of the plaintiffs.

In their petition, the various banks claimed that a bill just passed by the legislature of that year violated the rights and duties of national banks as subscribed by the Acts of Congress.

The action was dismissed because the last session of the unicameral legislated further on behalf of banks, causing the contention of the plaintiff to resolve itself into a moot matter.

Burdick to Army

Howard L. Burdick has resigned his position as cashier of the Central National Bank, Columbus, Nebraska, to enter the armed service of his country.

NEWS AND VIEWS OF THE BANKING WORLD

(Continued from page 14)

pleasant being a banker than taking drugs but at least this druggist quit the drug business to become a banker.

Harry J. Lazarus, who has been advertising manager, has been ap-

pointed assistant to the president of the Central National Bank in Chicago. **Carl F. Kuehnle** is president of the bank.

W. H. Brenton, president of Brenton Brothers, Incorporated, advises the NORTHWESTERN BANKER that **Ivan Trottnew** of Vinton has been elected a director of the Benton County Bank and Trust Company of that city. Mr. Trottnew is a farmer and manager of the local REA in Benton county, which is operated out of Vinton. All other directors were re-elected.

This bank was started June 6, 1942, and now has deposits of \$870,000.

Under circular WT of the Bureau of Internal Revenue, paragraph 2 reads: "It will be the duty of employers who withhold more than \$100 during the month to pay the amounts withheld to a depository authorized by the Secretary of the Treasury.

"These payments are to be made within ten days after the close of each calendar month.

"Employers may get from any bank the name and address of authorized depositories."

W. L. Spencer, president of the Oakland Savings Bank of Oakland, Iowa, was a caller at the NORTHWESTERN BANKER office recently and reported that deposits of his bank had reached an all time high of over \$1,250,000.

Mr. Spencer said that there was a great deal of cattle feeding going on in his area at this time. He also believes that the service charge program which is being worked out by **Superintendent Melvin Ellis** of the State Banking Department is a most excellent one.

G. W. McSweeney, president of the De Luxe Check Printers, Inc., Chicago, is suggesting that employers pay the service charges for their employees' checking accounts, and believes this would help not only the relationship between employers and employees but would also be a real benefit to the bank and these employee customers.

In commenting on this Mr. McSweeney says, "Will employers be willing to pay a service charge for employees' checking accounts? We certainly can't definitely say that they won't, and there are many reasons why they should. Employee relations are mighty important these days and millions of dollars are being spent for group insurance, medical service, safety programs, restrooms, recreation,

NATIONAL BANK OF COMMERCE

OF LINCOLN, NEBRASKA

At the Close of Business, June 30, 1943

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$ 2,727,316.36	Capital.....	\$350,000.00
Overdrafts.....	17.68	Surplus.....	400,000.00
Banking House, Furniture and Fixtures.....	223,250.00	Contingent Reserves.....	500,000.00
Real Estate.....	None	Undivided Profits.....	138,555.04
U. S. Bonds.....	20,150,000.00		\$ 1,388,555.04
Other Assets.....	5,667.74	Reserve for Dividends.....	14,000.00
Warrants.....	1,500.00	Letters of Credit.....	5,000.00
Customers Liability for Letter of Credit.....	5,000.00	Deposits.....	32,020,241.55
Stock Federal Reserve Bank.....	22,500.00		
Cash and Sight Exchange.....	10,292,544.81		
	\$33,427,796.59		\$33,427,796.59

M. WEIL, President

BYRON DUNN, Executive Vice President
and Trust Officer

ALBERT A. HELD, Vice President

ERNEST C. FOLSOM, Vice President

JULIUS WEIL, Vice President
PAUL BOGOTT, Cashier

GLENN YAUSSE, Assistant Cashier
and Assistant Trust Officer

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Out-of-Town Banks

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

CITY NATIONAL BANK

AND TRUST COMPANY of Chicago

208 SOUTH LASALLE STREET

(Member Federal Deposit Insurance Corporation)

Northwestern Banker July 1943

• NEBRASKA NEWS •

bus transportation, noonday shows, piped-in musical programs, and even free Turkish baths and violet ray treatments. Many of these gestures are sound and, of course, some of them are extreme. The point is that they cost a lot of money, so what is fifty cents or a dollar a month per employe if it will save him and his family time, gasoline, money order costs and cashing fees?"

H. L. Young, president of the Citizens and Southern National Bank of Atlanta, Georgia, has just published an advertisement entitled "A Message to Bank Men and Women" and tells of the fine work they are doing in helping to furnish the billions of "Fighting Dollars" with which to finance the war, and finishes his advertisement with these very effective words:

"You may not wear the uniform of service—your name will not make the headlines for heroic deeds—but you—the bank men and women of America—can be proud of your part in winning the victory which is sure to come. In such spirit do we salute you as a real Service Army."

"An Index of Confidence" is published each month by Brigadier General Leonard P. Ayres, vice president of the Cleveland Trust Company, and this Index is now higher than it has been at any previous time since the spring of 1937. The Index is based on the differences between the yields of corporate bonds of the highest quality and those of corporation bonds of medium quality. When investors are optimistically confident about the general business outlook, they simply regard the prospects of weaker companies as being almost as good as those of the strongest ones. When prospects for business become discouraging, investors seek safety rather than income, then the prices of the second rate bonds fall below those of the higher grade issue.

Ensign Darwin T. Lynner, a former Des Moines insurance man and now in command of a navy submarine patrol boat, was home on a short vacation recently and in discussing strikes and labor difficulties said, "I think you can safely say that the dominant thought of service men is one of impatience with strikers.

"You might just as well take a pot shot at the boys in the back as deprive them of the things they need through labor troubles. They're out there flipping coins for their lives—at \$50 a

month. The men at sea are not talking of 40 hours per week. They're working 12 hours out of every 24."

W. G. Morton, treasurer of the Onondago County Savings Bank of Syracuse, New York, in explaining his views about rating services says. "As far as rating services are concerned and their value to a portfolio manager, they are good historians and that is

about all. Everyone knows that the rule of investment is that of change, and the rating services do an excellent job of keeping track of these changes—about six months hence!"

O. A. Riley, vice president, Hastings National Bank, Hastings, Nebraska, in sending out his June 30th statement, said:

(Turn to page 67, please)

THE FIRST NATIONAL BANK

McCOOK, NEBRASKA

Condensed Statement at the Close of Business June 30, 1943

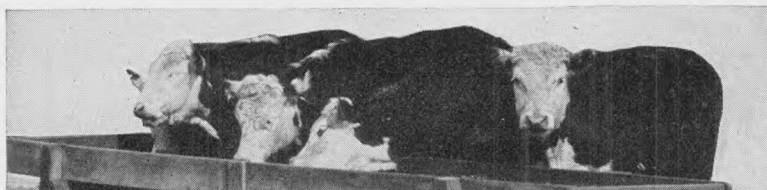
RESOURCES		LIABILITIES	
Loans and Discounts.....	\$ 669,818.81	Capital Stock	\$ 75,000.00
Overdrafts	165.77	Surplus Fund	47,000.00
Stock in Federal Reserve Bank....	3,700.00	Undivided Profits	47,988.84
Banking House, Furniture and Fixtures	19,062.67	Reserves	55,311.21
U. S. Government Bonds	\$2,130,634.57	DEPOSITS	4,288,471.77
Municipal Bonds and Warrants	323,763.08		
Other Bonds	33,226.00		
Cash and Sight Exchange	1,333,400.92		
	3,821,024.57		
	\$4,513,771.82		\$4,513,771.82

OFFICERS AND DIRECTORS

Rolland Larmon, President H. P. Waite, Vice President H. M. Krogh, Cashier
D. N. Cobb Max Billesbach, Assistant Cashier H. P. Sutton

Member of the Federal Deposit Insurance Corporation

THE ONLY BANK IN THE STOCK YARDS



IF YOU have excess livestock loans, ask us how we can help you be of increased service to your customers. We specialize in livestock banking.

OFFICERS

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

Member Federal Deposit Insurance Corporation

LIVE STOCK NATIONAL BANK

of OMAHA, NEBRASKA

Statement of Condition June 30, 1943

RESOURCES

Loans and Discounts.....		\$ 9,040,502.60
Bonds and Other Securities.....		102,271.00
Stock in Federal Reserve Bank.....		37,500.00
Banking House and Fixtures.....		1.00
Other Real Estate.....		None
U. S. Government Securities.....	\$22,540,705.01	
Cash and Sight Exchange and due from Federal Reserve Bank.....	15,597,951.66	38,138,656.67
		<hr/>
		\$47,318,931.27

LIABILITIES

Capital Stock (Common).....	\$	500,000.00
Surplus (Earned).....		750,000.00
Undivided Profits.....		315,275.30
Reserve for Taxes, Interest, Etc.....		234,883.75
Unearned Discount.....		4,445.51
Dividends Payable June 30, 1943.....		7,500.00
Deposits—		
Banks (Net).....	\$26,251,574.35	
Other Deposits.....	19,255,252.36	45,506,826.71
		<hr/>
		\$47,318,931.27

OFFICERS AND DIRECTORS

	ALVIN E. JOHNSON President	
H. C. KARPf Vice President		R. H. KROEGER Vice President
	PAUL HANSEN Cashier	
L. V. PULLIAM Asst. Cashier	C. G. PEARSON Asst. Cashier	H. H. ECHTERMEYER Asst. Cashier
W. P. ADKINS Chairman	L. S. BURK Chicago	H. B. BERGQUIST Coal and Grain
T. E. GLEDHILL Farmer	JAS. J. FITZGERALD Pres. Commercial Sav. & Loan Assn	LEO T. MURPHY Mgr. Allied Mills, Inc.
HERMAN K. SCHAFER Pres. Maney Milling Co.		CARL A. SWANSON Pres. Jerpe Com. & Cold Storage Co.
	J. L. WELSH Butler-Welsh Grain Co.	

Member Federal Reserve System and Federal Deposit Insurance Corporation



B. A. GRONSTAL
President
Council Bluffs

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Allamakee County Bankers Elect

The annual meeting of the Allamakee County Bankers Association was held in the Waukon State Bank, Waukon, Iowa, recently. Fred O'Riley, county agent and secretary of the War Board and Man Power committee of Allamakee county, spoke on the Man Power problem. W. F. Kneeland, Postville, chairman Allamakee county War Savings Staff, discussed the future sale of War Bonds.

The following officers were elected for the ensuing year: President, Moritz Kerndt, Jr., vice president, Kerndt Bros. Savings Bank, Lansing; vice president, J. E. Welch, cashier, New Albin Savings Bank; secretary-treasurer, Leo L. Samek, assistant cashier, Waukon State Bank.

Assumes Bank Duties

Starting last month, Miss Esther Drake took her place behind the counters at the Walnut State Bank (Iowa), where she will succeed Miss Helen Hamilton, who has served this establishment in a most efficient way for the past three years.

Assistant Resigns

Alvin G. Hansen, who for the past five years has been an assistant cashier at the Farmers Trust & Savings Bank, Spencer, Iowa, has resigned his position and will become assistant manager of the Pioneer Theater in Jefferson.

Johnson County Bankers Elect

Lester Bock of the First Capital National Bank of Iowa City has been elected president of the Johnson County Bankers Association. The newly chosen vice president is Frank Schweitzer of Oxford.

The secretary and treasurer of the association were re-elected for the ensuing year. They are Elmer J. Ulch

of Swisher, secretary, and O. E. Markitan of Solon, treasurer.

The retiring president is M. B. Guthrie and vice president for the past year has been Mr. Bock.

Purchases Control At Griswold

Carl Chalstrom and son, Arthur Chalstrom, both of Fenimore, Wisconsin, purchased controlling interest in the Griswold State Bank of Griswold, Iowa, from C. J. Hornsby, who is retiring because of ill health. Hornsby will remain on the board of directors. Carl Chalstrom will be president and Arthur Chalstrom, cashier. The Chalstroms formerly held banking interests at Primghar and Gaza.

Bank's Stock Increased

Stockholders of the Capital City State Bank of Des Moines, at a special meeting in Des Moines last month voted to increase the capital stock from \$150,000 to \$200,000 by adding a stock dividend of \$50,000.

The new capital structure of the bank is comprised of the \$200,000 capital stock, a \$100,000 surplus, and undivided profits and reserves in excess of \$50,000.

Karsten Heads Newton Bank

Directors of the Newton National Bank have announced the election of Orlo N. Karsten as president to succeed Harry C. McCardell, who died recently. Karsten has served as executive vice president the last eight years and has been associated with the bank since its organization 12 years ago.

Clyde A. Peck, former vice president, was named chairman of the board. Walter T. Robinson, former cashier, was elected vice president. Marc L. Hickman, former assistant cashier, will replace Robinson as cashier and Veva Childs was named assistant cashier.

Called to Service

Carl R. Casady, cashier of the Milton

Branch of the Cantril Savings Bank, has been inducted into the navy. Mr. Casady has been identified with the business interests of Milton for several years, and will be missed in the business circles of the town.

Safety Deposit Boxes Installed

Two hundred fifty new safety deposit boxes have been installed in the First National Bank of Oelwein, making a total of 1,160. The glistening new fireproof boxes are of metal that is practically indestructible and were ordered last December.

New Bank Manager

Joseph W. Holets, who lives on his farm near Ely, Iowa, has been appointed as manager of the Ely office of First Trust and Savings Bank. Mr. Holets, a native of Ely and an active farmer and community worker in that vicinity for more than 35 years, succeeds Jerry Bys, who resigned to become identified with the Federal North Iowa Grain Company in Cedar Rapids.

Re-elect All Officers

At a meeting of the board of directors of the Fredericksburg First State Bank, all of the officers of the institution were re-elected. They are: H. S. Kerssen, president; E. A. Ellison, vice president; C. E. Leach, cashier; W. F. Borcherding, assistant cashier, and Shirley Mikes, clerk. Directors of the bank include E. A. Ellison, H. S. Kerssen, Otto Koerth, G. A. Mattke, P. E. Morf and William McMeans.

Takes Banking Course

Herbert Ollenburg, cashier of the Hancock County National Bank of Garner, Iowa, has been in New Brunswick, New Jersey, for a two weeks' course at the Graduate School of Banking at Rutgers University.

Each year 200 bankers from all over the United States are invited to take this course, which consists of two weeks school for three years, thus making an annual enrollment of 600. This is the second year that Mr. Ollenburg is attending.

Deposits Up at Plainfield

The Farmers State Bank of Plainfield reported a \$130,000 growth in deposits during the year, at its regular stockholders' meeting last month.

It was also announced that nearly 65 per cent of the total bank deposits of \$550,000 was invested in cash and government bonds during the year.

The stockholders re-elected the same board of directors for another year:

Northwestern Banker July 1943

Geo. M. Vosseller, W. S. Lynes, F. R. Boyd, E. C. Zwanziger, Geo. H. Wedeking and H. C. Stevens.

Following the regular stockholders meeting, the board of directors met and elected Vosseller as president; Boyd as vice president; Stevens as cashier, and Ewald Remmers, assistant cashier.

Accepts Position

Dwight Prall, of Des Moines, has accepted the position of assistant cashier at the Hartford-Carlisle Savings Bank, Carlisle, Iowa. He is to fill the vacancy

made by the resignation of Robert Pendry a few weeks ago.

Change in Managers

K. C. Ruigh of Meservey, Iowa, has been appointed by the board of directors of the First State Bank of Thornton, to be manager of the Meservey office of the local financial institution. Mr. Ruigh succeeds H. S. Aamoth, who resigned from that position recently, and has accepted a position in a bank at Allison, Iowa.

Bancroft Banker Dies Suddenly

Leo M. Saunders, 45, cashier of the Farmers Trust and Savings Bank at Bancroft, Iowa, died suddenly from a heart attack last month. Funeral services were held in St. John's Catholic Church in Bancroft and burial was at St. John's Cemetery. Carl Pearson will fill the vacancy.

Takes FBI Post

A. E. Lindquist, Jr., has resigned his position with the Fort Dodge National Bank to accept an appointment with the Federal Bureau of Investigation.

Mr. Lindquist has gone to Washington, D. C., where he will take the training course the FBI gives its agents and investigators.

New Bank at Waterloo

Plans are rapidly going forward for the official opening of the new People's Savings Bank of Waterloo, Iowa, September 1st, according to George E. Allbee, president of the newly incorporated bank. The new bank will occupy ground floor quarters in the Black Hawk Building.

The complete list of officers and directors of the new bank in Waterloo include President George E. Allbee, branch office supervisor and public relations counsel for the Federal Discount Corporation of Dubuque; vice president, J. Peter Olesen, Waterloo contractor and real estate man, and cashier, William A. Dewess, secretary and manager of the Waterloo Morris Plan Company. New directors, in addition to the bank's officers, include Whitney Gilliland, member of the law firm of Swisher, Cohrt & Gilliland; Dr. A. A. Hoffmann, physician and surgeon; John H. Jensen, president, Federal Discount Corporation, Dubuque, Iowa; Roger C. Miller, secretary-treasurer and manager of the Crystal Ice & Fuel Company, and R. L. Stoesbery, vice president of the Federal Discount Corporation, Dubuque, Iowa.

The Federal Discount Corporation, with which Messrs. Allbee, Jensen and Stoesbery are connected, is well known throughout the middle west, having its main office in Dubuque with branch offices throughout Iowa, Minnesota, Wisconsin and Illinois.

The new People's Savings Bank will have capital stock of \$100,000, with \$25,000 surplus and \$10,000 undivided profits.

THE NATIONAL BANK OF WATERLOO

STATEMENT OF CONDITION

At the close of business June 30, 1943

RESOURCES

Cash and due from banks.....	\$ 4,926,166.75
Loans and discounts.....	2,226,499.93
U. S. Government securities.....	5,043,352.40
State, County and municipal securities.....	2,311,116.69
Other bonds.....	194,675.47
Stock in Federal Reserve Bank.....	15,000.00
Overdrafts.....	466.98
Furniture and fixtures.....	7,715.15
Accrued interest receivable.....	42,080.84
	<hr/>
	\$14,767,074.21

LIABILITIES

Capital stock—common.....	\$ 250,000.00
Surplus.....	250,000.00
Undivided profits.....	194,371.94
Reserve for taxes, interest, etc.....	86,035.45
Interest collected but not earned.....	6,029.96
Deposits.....	13,980,636.86
	<hr/>
	\$14,767,074.21

OFFICERS

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

Member Federal Reserve System

Member Federal Deposit Insurance Corporation

YOU may have read these words before. They have had wide circulation since their first appearance two months ago. In the belief that they are worth many readings, we respectfully reprint them here. Their message is particularly fitting for July, the month in which we observe the birthday-anniversary of American Liberty.

★ ★ ★ ★ ★ **QUESTION FOR AMERICANS** ★ ★ ★ ★ ★

What did you do for Freedom today?
A Marine on Guadalcanal,
Through a hail of lead and jungle hell,
Crept out to a wounded pal;
And he dragged him back through the slime and
muck,
Then, with never a thought of rest,
Back over that deadly route he went
And smashed a machine-gun nest.
It wasn't much fun—the bullets—the mud—
He may have been scared, but he hid it;
He only knew of a job to do
And he didn't quibble, he did it.
What did you do for Freedom today?
"All that you could." Think well—
One-millionth as much as that Leatherneck did?
—They buried the boy where he fell.

What did you do for Freedom today?
A Gob on a rubber raft
Drained the last wet drop from his water flask
Then threw it away and laughed.
For eighteen days on an endless sea
In a torment of pain he lay;
Drenched and chilled to the bone at night,
And burned to a crisp by day.
He wanted to live, but he knew in his heart
That the odds were a thousand to one;
But he drifted and hoped, consoled by a prayer,
And the thought of a job well done.
What did you do for Freedom today?
"All that you could," you declare.
But when you say it, remember the Gob
Who died on the raft out there.

What did you do for Freedom today?
Nine lads in a B-17
Ran into a flock of Messerschmitts

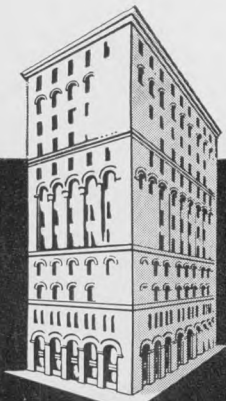
And died in their wrecked machine.
Oh, they didn't do bad with what they had,
But they flew through hell to do it;
They had smashed Berlin and a dozen "one-ten's"
But their number was up and they knew it.
They were full of holes, with no controls,
And their ship was a comet of flame;
But they stuck to their guns and the useless stick
And battled on just the same.
What did you do for Freedom today?
"All that you could." O.K.;
But if those nine boys in the B-17
Were to ask you, what would you say?

What did you do for Freedom today?
I think they've a right to ask.
You're in this fight just as much as they,
And with just as important a task.
Were you at your desk, or bench, or press,
And at work at the starting bell?
Did every minute of this day count?
And the job—did you do it well?
Did you buy a Bond or a Stamp today?
Or collect any scrap for the pile?
Did you save your grease or throw it away?
Did you drive just an extra mile?
Have you been down to the Red Cross Bank
And given a pint of your blood?
Did you send that V-mail letter today?
Did you hoard any rationed food?
Before you begin to complain and gripe
That life is all work and no fun—
Would you trade your dinner for Ration K?
Or your overtime pay for a gun?
Just stop every once in a while today
When your lot seems hard and lean,
And think of a Gob, and a Leatherneck,
And nine boys in a B-17.

—R. L. NICHOLSON

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**BANKERS TRUST
COMPANY**
6th and
Locust **DES MOINES**



Twenty-five Years Ago

Names in Northwestern Banker News From the July, 1918, Issue

THE following news items were published in the NORTHWESTERN BANKER 25 years ago in the July, 1918, issue.

Henry P. Turnbull is vice president of the Hanover National Bank of New York. . . . **Joseph Chapman** is vice president of the Northwestern National Bank of Minneapolis. He was born in Dubuque in 1871. . . . A bill has been introduced to guarantee

the deposits of national banks. . . . **M. A. Traylor**, president of the Live-stock Exchange National Bank of Chicago, said, "Let us awake to the full realization of what war financing means, and what our part in it is. Let us realize now that it is not so much the morale of the American army that our enemies fear as the morale of the American nation itself. Let us re-

member that while the Russian army was in the field, honeycombed with treason, officered and directed by traitors, as it was, it nevertheless achieved some splendid victories, filling Russian prisons with hundreds of thousands of enemy soldiers so long as Russia itself supported the war, and it was not until the morale, never too strong, of the Russian nation gave way that its armies surrendered, and peace and ruin fell upon that hapless land." . . . **John A. Cavanagh**, vice president of the Des Moines National Bank, said, "Socialism attacks every principle of sound finance. In opposing it I am not endeavoring to rouse any class prejudice whatever." . . . **Milo Gibbs**, cashier of the Bank of Northwestern Iowa at Alton, has many friends who are backing his candidacy for president of the Iowa Bankers Association. . . . **H. C. Nicholson**, cashier of the Packers National Bank of Omaha, reports a fine increase in deposits for their institution, and which deposits are now \$4,728,000. . . . **Lewis G. Harriman** was appointed assistant trust officer of the Guaranty Trust Company of New York. . . . **The Bankers Trust Company of New York** has voted to make a substantial cash payment to employees to assist in meeting increased living costs. . . . **The Mechanics and Metals National Bank of New York** has prepared a booklet telling the purpose and advantages of "Trade and Bank Acceptances." . . . **W. C. Cummings**, president of the Drovers National Bank of Chicago, attended his first Iowa state convention at Dubuque. . . . **Merrill Tilden**, **George Malcolm** and **C. T. Simmons** also represented the Drovers National at the convention. . . . **Charles E. Mitchell**, president of the National City Company of New York, in announcing a "Special Bank Investment Service," had this to say, "Our commercial purpose is, frankly, to buy and sell securities at a profit, but we recognize that we have no claim to the investment business of any bank except as the service rendered by us is not only efficient and intelligent but unusual in its features." . . . **The Home State Bank of Dunning**, Nebraska, has taken over the interests of the Dunning State Bank—**The Plateau State Bank** of Herman, Nebraska, has increased its capital from \$30,000 to \$50,000. . . . **W. S. Weston**, president of the First National Bank of Hartington, Nebraska, has resigned in order to become vice president of the Peters Trust Company of Omaha. . . . **C. D. Griffiths**, president and **W. W. Smith**, vice president of the State Bank of Wheaton, Minnesota, have sold their interests to a

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON
Member Federal Deposit Insurance Corporation

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS JUNE 30, 1943

RESOURCES

Cash and due from banks	\$ 36,503,702.27
United States Government obligations — direct and fully guaranteed	54,075,757.52
Municipal and other marketable securities	13,937,074.84
Loans and discounts	23,493,496.64
Federal Reserve Bank stock	123,000.00
Customers' liability on acceptances	14,400.00
Accrued interest receivable	293,465.84
Real estate owned	1.00
Other assets	75,865.42
	<u>\$128,516,763.53</u>

LIABILITIES

Capital stock — preferred	\$ 600,000.00
Capital stock — common	1,000,000.00
Surplus	2,500,000.00
Undivided profits	626,757.21
Preferred stock retirement fund	300,000.00
Reserve for taxes, interest, contingencies, etc.	955,619.74
Unearned discount	304,957.50
Liability on acceptances	14,400.00
Deposits:	
Demand	\$108,707,558.85
United States Government	6,093,516.82
Other public funds	4,772.30
Savings	7,379,181.11
Other time deposits	30,000.00
	<u>122,215,029.08</u>
	<u>\$128,516,763.53</u>

stock company of 52 local parties. The State Bank is the oldest incorporated bank in Traverse County. . . . **Albert Robb** has accepted a position in the Miners National Bank of Eveleth, Minnesota. . . . **The Stockman's State Bank** has been organized in Browning, Montana, with a capital of \$50,000. . . . **G. F. Burla**, president of the First National Bank of Hardin, Montana, has sold his interest in the bank. . . . The two banks of Corona, South Dakota, **The Roberts County State Bank** and the **Corona State Bank**, have consolidated. The deposits of the consolidated bank will be \$150,000. . . . **W. L. Montgomery**, president of the Bank of Winner, South Dakota, announces an increase in the bank's capital to \$50,000. . . . **George H. Johnston**, cashier of the Citizens State Bank of Wales, North Dakota, has been elected president of the Northeastern District of the North Dakota Bankers Association. . . . **E. C. Olson** was elected cashier of the First National Bank of Leeds, North Dakota.

Directors Meeting At Arlington

Ensign F. E. Breckner left for Chicago recently to report at the Navy Market office. Upon the completion of his duties there he will report to the Navy Supply Corps at Harvard University.

Ensign Breckner has been associated with the American National Bank of Arlington, Iowa, for the last year. At a meeting of the board of directors, Charles F. Eckheart was elected president, to fill the vacancy caused by the death of the late T. J. Ainsworth and Dr. O. C. Mische was made vice president.

Mrs. Vincent Luce, assistant cashier, will be in charge of the bank for the duration, or until Ensign Breckner returns, when he will again resume his duties as cashier.

H. R. Young, Wichita Falls, Texas, former cashier of the bank, was present at the board of directors meeting.

Changes Made at Emmetsburg

At the annual meeting of the stockholders of the Central Savings Bank and Trust Company of Emmetsburg, Iowa, several changes were made in the status of officers.

William Zunkel, vice president and cashier since the bank was purchased by its present owners in April, 1941, was advanced to the position of executive vice president.

Paul Shain was promoted to the posi-

tion of cashier and William Degan, formerly of Ayrshire, teller in the bank for the past year, was named manager of the Mallard branch of the bank.

W. H. Benton was re-elected president and Sevart Swanson of Ayrshire was named assistant cashier and manager of the Ayrshire office.

Buys Interest in Le Mars Bank

H. J. Harms of Brunsville recently purchased a major interest in the Le Mars Savings Bank by acquiring the stock of M. Kass, Joe M. Kass and

others. Mr. Harms is the new president of the bank.

Mr. Harms also has banks at Brunsville and Merrill.

First Annual Meeting

The first annual stockholders meeting of the Benton County Bank & Trust Company was held in Vinton, Iowa, recently. All old officers were re-elected. Ivan Trottnow, REA head, was elected a new director. The bank first opened for business on June 6, 1942. It has a capital of \$50,000. As-

A Greater Food Center

Because of the greater volume of food and livestock passing through the Sioux City market, more and more banks in Iowa, Nebraska, Minnesota, and South Dakota are finding a Sioux City correspondent connection valuable.

Our officers are experienced both in livestock farming and general bank business. We invite your correspondent account here 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

"Know Your Money" Exhibit in Omaha



Through the efforts of the First National Bank of Omaha, the Bureau of Engraving last month brought to that city an exhibit showing how money is manufactured by our government, and imparted information which the public should have to be able to detect counterfeit coins and paper money. The picture above was taken at the Omaha exhibit.

Mr. Batch and Miss Wilson of the Bureau of Engraving in Washington, D. C., stand by while John Lauritzen of the First National Bank of Omaha fingers the crank with which a one-quarter turn will print \$25 worth of Defense Stamps. Many broadcasts were made from the floor of the exhibit, hence the microphone.

sets now total more than \$900,000. Lloyd Bock is cashier of the year-old bank and Alfred Happel assistant cashier.

Resigns as Cashier

Raymond J. Meyers, for 22 years connected with the Boone State Bank & Trust Company, Boone, Iowa, closed his connection with that banking house recently. He had been the bank's cashier since 1933.

Trip to West Coast

Mr. and Mrs. D. R. Wessling of Des Moines made a trip to the west coast this month to attend the wedding of their daughter, Lois, to Lieutenant Arthur A. Henrikson, with the Medical Administrative Corps, attached to the Army Air Forces at Walla Walla, Washington. The date of the wedding was July 3rd. The Wesslings also attended their daughter's graduation last month at Northwestern University. Mr. Wessling is president of Wessling Services and is well known as a member of the Financial Advertisers Association.

Correction

The attention of our readers is called to an error appearing in the deposit figures of the First State Savings Bank of McGregor, Iowa, as published in the 1943 Edition of the Iowa-Nebraska Bank Directory. The deposits of the bank are published at \$52,938, whereas the deposits of the bank on December 31, 1942, the statement from which all Directory figures are obtained, were \$582,938. Please note this latter figure is the correct one.

Big Gain in Deposits

The College Savings Bank of Ames, Iowa, organized in 1916 with a capital of \$25,000, now has a capital account of \$100,000. Dividends have been paid at the rate of \$10 per share on the original 250 shares each year since 1927, when the present management took over. C. A. Knudson is president of the bank. Deposits have increased from \$91,000 in 1916 to \$2,500,000 as of May 31, 1942.



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

Northwestern Banker July 1943

Garwin

W. N. Townsend, president of the Farmers Savings Bank of Garwin, Iowa, is slowly improving from a heart ailment. E. N. Christensen, cashier of the bank, reports a large increase in business in that community. The Farmers Savings Bank has employed Mary Evelyn Rider as bookkeeper in that institution.

Veteran Banker Dies

M. C. Remington, vice president of The Home State Bank of Royal, Iowa, passed away recently at the age of 73. O. T. Bailey has been elected vice president to fill the vacancy caused by Mr. Remington's death and E. H. Kruse has taken his place on the board of directors.

Bank Head Passes

Six hundred people paid their respects recently to W. H. Brandt, president of Tri-County State Bank of Zearing, Iowa, who passed on last month at Rochester, Minnesota. Mr. Brandt was very active in public life and at the time of his death was county chairman of the Hardin County Soil Conservation Program.

Scholarship Award

William Howard, teller at the Iowa-Des Moines National Bank and Trust Company, has been given the scholarship award made annually by the Des Moines chapter of the American Institute of Banking to the person receiving the highest grades in the chapter's banking classes. Howard will get a trip to the next convention of the A. I. B. with all expenses paid.

Officers of the Des Moines chapter have been re-elected for the coming year. They are: James R. Brown, Iowa-Des Moines, president; S. G. Barnard, Bankers Trust, first vice president; Arnold Dressler, Central National, second vice president and treasurer; and Eldred McIntosh, Iowa-Des Moines, secretary.

Henry F. Kremer Recuperating

Word comes from Henry F. Kremer, veteran banker of Dyersville, Iowa, that he is now back at his desk, part-time duty, in his insurance agency, following several weeks of illness earlier this year. He underwent a major operation in a Dubuque hospital in March, spent three weeks there, then three weeks in Dubuque Sanitarium, and then returned to Dyersville to recuperate.

Mr. Kremer, who is well known to his many Iowa banker friends, is nearing the age of seventy-two. He was formerly president of the Dyersville National Bank, but sold his interests therein to Leo Wegman two years ago.

Former Banker Dies

Henry N. Halvorson, 72, of Clear Lake, Iowa, died suddenly at a hospital in Rochester, Minnesota, last month following a major operation.

Mr. Halvorson entered the Clear

Lake State Bank as cashier in 1917 and three years later was elected its president, continuing in that capacity until 1925 when the bank was consolidated with the First National Bank. Mr. Halvorson continued as president of the combined organization for a number of years.

Later he entered the field of insurance and at the time of his death represented a number of companies. He was also justice of the peace and secretary of the Clear Lake Federal Sav-



The LIVE STOCK NATIONAL BANK

of Chicago

UNION STOCK YARDS • TELEPHONE YARDS 1220

STATEMENT OF CONDITION

June 30, 1943

RESOURCES

Cash and due from banks.....	\$14,743,721.53
U. S. Treasury bills and certificates.....	16,203,942.75
U. S. Government bonds and notes.....	5,916,300.00
State and municipal securities.....	919,123.40
Other marketable bonds.....	798,633.64
Loans and discounts.....	5,446,539.89
Federal Reserve Bank stock.....	75,000.00
Bank building.....	400,000.00
Interest earned, not collected.....	85,465.23
Current receivables and other assets.....	35,513.66
	<u>\$44,624,240.10</u>

LIABILITIES

Capital.....	\$ 1,000,000.00
Surplus.....	1,500,000.00
Undivided profits and reserves.....	138,287.25
Unearned discount.....	26,654.08
Liability under letters of credit.....	2,200.00
Deposits.....	41,957,098.77
	<u>\$44,624,240.10</u>

BOARD OF DIRECTORS

FREDERICK H. PRINCE

ROBERT J. DUNHAM
Investments

RICHARD HACKETT
*General Manager, Central
Manufacturing District*

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

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

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

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

RALPH M. SHAW
Winston, Straun & Shaw

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

SERVING AGRICULTURE AND INDUSTRY

Since 1868

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

ings and Loan Association, now in its eighth year. Mr. Halvorson had been one of Clear Lake's leading businessmen for many years.

Bank Changes

Leonard H. Klinefelter, assistant cashier, has resigned his position at the Farmers Savings Bank, Grundy Center, to go into a defense job at Waterloo. Leonard was one of the top-notchers in the State Junior Bankers adding machine contest the last time one was held at Des Moines state convention.

Miss Hildegard Meinert has been given a place in the bank to help fill the vacancy. Miss Meinert is a local girl and a graduate of A. I. B. at Des Moines.

Chapman to Head C.F.A.

J. L. Chapman, assistant trust officer of the City National Bank and Trust Company, has been nominated for president of the Chicago Financial Advertisers for the year 1943-44, to succeed Paul P. Pullen, new business officer of the Chicago Title and Trust Company.

Other nominations were as follows: vice president, E. T. Kurzdorfer, assistant vice president, Uptown National Bank; treasurer, Fred W. Mathison, assistant vice president, National Security Bank; secretary, Miss Ruth Brannan, representative, Bozell and Jacobs; directors, David Dillman, Investment Bankers' Association; J. K. Waibel, advertising manager, Continental Illinois National Bank and Trust Company; Paul P. Pullen, new business officer, Chicago Title and Trust Company. Other directors whose term does not expire are: Don W. Laing, assistant secretary, Northern Trust Company, and Marvin Brown, representative, Rodney E. Boone Associates. Chester L. Price, advertising and publicity manager of the City National Bank and Trust Company, is chairman of the nominating committee.

Shapleigh Honored

A dinner in honor of Alfred Lee Shapleigh, one of the original founders and a director since organization of American Credit Indemnity Company of New York in 1893, was given recently by directors of that company at Baltimore, where the executive offices of the company are located.

Commemorating his long service with the carrier as a director and vice-president, Mr. Shapleigh was presented with a beautiful wrist watch on which was engraved the occasion and expression of esteem by other directors and officers.

Prominent businessmen and insurance executives, guests at the dinner, included: R. Howard Bland, chairman of board, U. S. F. and G.; E. Asbury Davis, president, U. S. F. and G.; Stewart McDonald, chairman of board, Maryland Casualty Company; Charles H. Roloson, Jr., president Central Insurance Company; Voris Lyons, Pennsylvania Casualty Company; W. Stanley Kite, president, Manufacturers Casualty Insurance Company; A. E. Benson, vice-president, Manufacturers Casualty Insurance Company.

Toastmaster was J. F. McFadden, president of the American Credit Indemnity Company.

On Faculty

William G. F. Price, vice president, American National Bank and Trust Company of Chicago, was a member of the faculty of the graduate school of banking at the ninth resident session at Rutgers University, New Brunswick, New Jersey, from June 14th to 26th. Kenneth R. Wells, assistant cash-

THE NORTHERN TRUST COMPANY

Statement of Condition, June 30, 1943

RESOURCES

Loans and Discounts.....	\$ 31,840,558.71
U. S. Government Securities.....	279,243,246.19
Other Bonds and Securities.....	98,812,692.09
Federal Reserve Bank Stock.....	270,000.00
Bank Premises.....	1,400,000.00
Customers' Liability, Account Letters of Credit and Acceptances.....	322,710.11
Other Resources.....	537,608.00
Cash and Due from Banks.....	115,812,491.34
TOTAL.....	\$528,239,306.44

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	6,000,000.00
Undivided Profits.....	5,857,104.57
Reserve for Taxes, Interest, etc.....	12,466,045.22
Dividend Payable July 1, 1943.....	135,000.00
Letters of Credit and Acceptances Outstanding..	331,547.48
Other Liabilities.....	105,009.78
Deposits:	
Demand.....	\$366,514,598.08
Time.....	81,604,860.85
U. S. Government.....	52,225,140.46
TOTAL.....	\$500,344,599.39
	\$528,239,306.44

United States Government securities carried in the above statement at \$59,392,862.57 are pledged to secure public and other monies, as required by law; and United States Government and other securities carried at \$550,945.75 are deposited with the State Authorities under the Trust Act.

Member Federal Deposit Insurance Corporation

BUY WAR BONDS

• IOWA NEWS •

ier, attended his second resident session while Allen P. Stults, assistant cashier, and Robert Lindquist, advertising and public relations officer, began the three-year course.

Mr. Price was a member of the commercial banking faculty group of the school for bank officers. The school is conducted by the American Bankers Association.

Declare Dividend

The board of directors of the Chemical Bank & Trust Company have declared the regular quarterly dividend of 45 cents per share on the capital stock of the bank, payable July 1, 1943, to stockholders of record June 15, 1943.

NEWS AND VIEWS OF THE BANKING WORLD

(Continued from page 57)

"The mid-year statement shows a deposit volume substantially larger than any bank has ever published in this territory. The rapidity of the increase brought many problems which were accentuated by the fact that during this period twelve of our young men joined the armed forces of the United States. With one exception, their

places, as well as new positions created by war activities, were taken by women. We are proud of the way these new employes have taken over their responsibilities."

We have been reading Bert Johnston's book "One Nation For Sale" and it is a most interesting volume. It points out how labor must sell its good points to capital and capital must sell its good points to labor, and the two of them must sell their combined services to the public.

The book covers more points than

these but this is an excellent book on the modern selling approach which should be applied to our national problems. If you haven't read the book, we can recommend it to you most highly.

Eric A. Johnston, president of the National Chamber of Commerce, in a recent speech said: "The only good news the Axis is getting is the bad news from the United States home front."

One of the statistical organizations



This summer, when the mercury stands at 100 plus in the shade, with no shade, take another look at this picture of Frank Covert, assistant cashier of the Drovers National Bank, Chicago, and think how nice it must be in the cool spot that Frank is enjoying. The picture was taken some time ago along the shore of Lake Superior, when Frank and a number of his friends made regular outing trips to a cabin located there.

UNION BANK AND TRUST CO.

OTTUMWA, IOWA

Member of Federal Reserve System

Statement of Condition as of June 30, 1943

■ ■ ■

RESOURCES

Loans and Discounts.....	\$ 1,901,074.89
Bank Building	102,500.00
Furniture and Fixtures and Safety Deposit Vaults.....	23,071.76
Other Real Estate.....	7,000.00
Stock in Federal Reserve Bank.....	18,000.00
Overdrafts	3,740.50
U. S. Bonds.....	\$3,857,602.89
Municipal Bonds	2,012,860.32
Other Marketable Bonds.....	980,208.74
Cash and Exchange.....	3,235,944.83
	10,086,616.78
	\$12,142,003.93

LIABILITIES

Capital (Common)	\$ 300,000.00
Surplus	300,000.00
Undivided Profits and Reserve.....	56,704.54
Dividend Payable July 1, 1943.....	15,000.00
Deposits	11,470,299.39
	\$12,142,003.93

■ ■ ■

OFFICERS

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

Member Federal Deposit Insurance Corporation

Northwestern Banker July 1943

First Trust and Savings Bank

CEDAR RAPIDS, IOWA

Statement of Condition

At Close of Business June 30, 1943

RESOURCES		LIABILITIES	
Loans and Discounts	\$ 590,406.70	Capital Stock (Common)	\$ 100,000.00
State, County, Municipal and other bonds	368,346.90	Surplus	40,000.00
Overdrafts	296.69	Reserve for Contingencies	50,000.00
Banking House and Fixtures	44,200.00	Other Reserves and Undivided Profits	14,191.01
Ely Office Banking House and Fixtures	1.00	Unearned Discount	2,928.41
U. S. Government Securities	866,521.03	Deposits	2,195,067.10
Cash on hand and due from banks	532,414.20		
	\$2,402,186.52		\$2,402,186.52

F. S. Mitvalsky, President
Dr. John C. Petrovitsky, Vice President
Frank J. Dvorak, Cashier

L. W. Stritesky, Assistant Cashier and
Trust Officer
Frank J. Stastny, Assistant Cashier and
Assistant Trust Officer

MEMBER FEDERAL DEPOSIT INSURANCE CORP.

recently compiled data covering the **National City Bank of New York** and its figures for loans and discounts, taken at the end of each year from 1938 to 1942, showed the following interesting figures:

1942	\$573,450,839
1941	618,810,573
1940	544,312,305
1939	530,725,122
1938	521,981,489

Semiannual Dividend

The board of directors of the City National Bank and Trust Company of Chicago, at their regular meeting June 29th, continued their policy of declaring a semiannual dividend of \$2.00 per share, of which \$1.00 will be paid on August 2, 1943, to stockholders of record as of July 20, 1943, and \$1.00 on November 1, 1943, to stockholders of record, October 20, 1943.

NATIONAL BANK OF BURLINGTON

BURLINGTON, IOWA

Statement of Condition as of June 30, 1943.

ASSETS		LIABILITIES	
Cash and Due from Banks	\$2,099,069.00	Capital Stock	\$ 200,000.00
U. S. Government Securities	2,778,346.82	Surplus	100,000.00
State, County and Municipal Bonds	982,155.29	Undivided Profits	63,532.27
Other Bonds	365,800.57	Reserve for Taxes, etc.	20,000.00
Loans and Discounts	1,101,045.18	Interest Collected but Not Earned	3,132.77
Overdrafts	142.64	Deposits	7,003,087.03
Stock in Federal Reserve Bank	9,000.00		
Bank Building	42,543.00		
Furniture and Fixtures	9,193.86		
Other Assets	2,455.71		
	\$7,389,752.07		\$7,389,752.07

John H. Witte, Jr., President.
Vincent P. Cullen, Executive Vice President.

Thomas L. Dyer, Cashier.
F. J. Norton, E. L. Hansknecht, Asst. Cashiers.

New Vice President

W. L. Hemingway, president of the Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri, has announced the election of Kenton R. Cravens, vice president of the Cleveland Trust Company, Cleveland, Ohio, as a vice president of Mercantile-Commerce. Mr. Cravens will be associated with the Commercial Banking Department and takes up his new position July 1st.

In 1941 Cravens was selected by the Federal Reserve Board to administer Regulation "W", which controlled and regulated installment loans. Following this appointment he returned to the Cleveland Trust Company, and in 1942 was again selected to represent the Federal Reserve Board in the guaranteeing of loans by the government under Regulation "V" by which the Federal Reserve Banks guaranteed certain bank loans to industry.

THE MONTICELLO STATE BANK

MONTICELLO, IOWA

Statement of Condition at the Close of Business, June 30, 1943

ASSETS		LIABILITIES	
Cash and Due from Banks	\$1,277,603.62	Time Deposits	\$3,162,066.59
United States Bonds	\$3,659,480.49	Demand Deposits	3,444,987.48
Municipal Bonds	341,774.39	United States War Loan Account	383,033.61
Other Bonds	52,541.38	Capital Stock—	\$6,990,087.68
Loans and Discounts	4,053,796.26	Preferred	285,000.00
Overdrafts	2,288,045.83	Common	115,000.00
Stock in Federal Reserve Bank	282.02	Surplus	400,000.00
Banking House	15,000.00	Undivided Profits	110,000.00
	25,000.00	Reserves	12,519.20
	\$7,659,727.73		147,120.85
			\$7,659,727.73

R. A. Cartano, President.
Frank E. Stimson, Vice President.

H. W. Stuhler, Vice President.
Halstead M. Carpenter, Cashier.

Member of the Federal Reserve System
Member of the Federal Deposit Insurance Corporation

Declares Dividends

The board of directors of Manufacturers Trust Company, New York, declared the regular quarterly dividend of 50 cents per share on the common stock, payable on July 1, 1943, to stockholders of record on June 15, 1943.

The board also declared the regular quarterly dividend of 50 cents per share on the preferred stock, payable July 15, 1943, to stockholders of record on June 30, 1943.

Portrait on Display

Rarely if ever has a large big-city bank had an opportunity to act as art gallery in displaying for the first time the latest work of an internationally

known artist, but the role fell to the American National Bank and Trust Company of Chicago when a portrait of Lincoln by Tino Costa was exhibited in its principal display window. Costa is a Frenchman living in Hollywood and is way up in the front ranks of leading portrait painters of the world. He has painted the Kings of Denmark, Sweden and Greece, the Duchess of Kent, Sir Basil Zaharoff, ex-President Hoover, General MacArthur, Marshall Foch and scores of others of the world's great.

But to Costa that sort of work left something to be desired as far as his own personal satisfaction was concerned. He felt he would prefer to have his work remembered by something of more universal appeal. As Abraham Lincoln has always greatly appealed to Europeans—probably more so than almost any other American—it was only natural that Costa might hit upon Lincoln as the type of subject he had in mind.

War Finance Committee

The Treasury Department has announced the unification of all future

government bond sales efforts in a single unit to be known in each locality as the War Finance Committee.

This committee will consolidate the staffs of the former War Savings Staff and the Victory Fund Committee. Headquarters of the Iowa War Finance Committee will be at 800 Walnut Building, Des Moines. No announcement has yet been made as to the organizational set-up.

The volunteer personnel of both former units will unite their efforts for all phases of the work, with specific phases such as payroll allotment, special events and publicity and war loan drives being assigned to groups within the organization best qualified for that particular phase.

The Secretary, Mr. Morgenthau, has announced that the national goal for the last six months of 1943 will be the sale of \$18,000,000,000 to individuals, the greatest stress being placed on the endeavor to guide the large percentage or surplus current income from all sources into the purchase of Bonds.

This will require the most effective and continuous work on the part of all to achieve this stupendous goal, but

it is a goal which every businessman, banker, farmer and wage earner can wholeheartedly endorse as one of the most effective ways to fight off the threat of inflation.

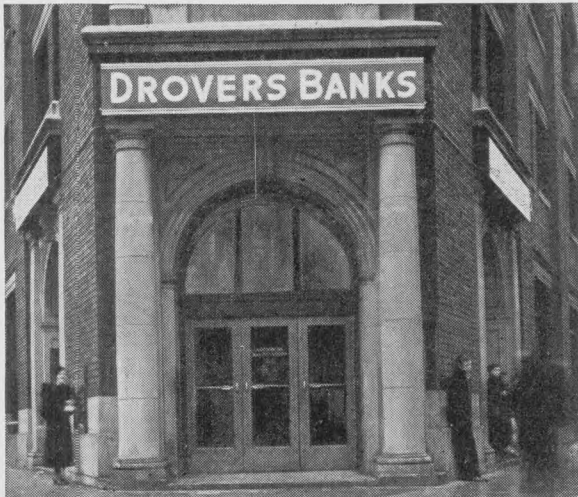
Bank of America

Reflecting the prosperity of California under war conditions, the statement of condition of Bank of America as of June 30, 1943, reveals that resources of the bank have passed the \$3,000,000,000 milestone.

Total resources were \$3,127,637,000, a gain of \$984,435,000 over a year ago. Deposits attained the historic peak of \$2,937,266,000, an increase of \$978,835,000 over a year ago and an increase of \$351,125,000 since December 31, 1942.

Loans and discounts outstanding, which aggregated \$777,652,000, decreased \$62,817,000, while investments and securities, amounting to \$1,707,431,000, increased \$441,681,000 over December 31, 1942. This increase was almost entirely in United States Government securities, bringing the bank's total investment in such securities to \$1,470,535,000.

Earnings for the half year, after op-



A LOGICAL CHOICE. If your customers ship livestock to the Chicago market, then the Drovers National Bank is a logical choice as your Correspondent.



MAKING PIGS of themselves. Good feeding is serious business these days when every pound of pork that can be produced is urgently needed in the Food-For-Victory program.

FOOD-FOR-VICTORY

A tremendous flow of transactions, based on pigs, passes across the Drovers counters daily. And Drovers Service multiplies itself many times as pork products speed along the channels of distribution in the Food-For-Victory program.



THEY'LL SOON BE ON THEIR WAY to keep a rendezvous with destiny. When your customers ship to the Chicago market, instruct the commission firm here to transmit the proceeds through the Drovers—for fast service.

DROVERS NATIONAL BANK DROVERS TRUST & SAVINGS BANK

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION

UNION STOCK YARDS • CHICAGO

Northwestern Banker July 1943

erating expenses and accruals for taxes, were \$14,278,000. From this total, \$2,637,000 was reserved for depreciation of bank premises and amortization of Bond premiums and \$2,181,000 was set up in reserves and applied to the absorption of losses and the revaluation of assets. After payment of \$5,207,000 in dividends at the annual rate of \$2.40 per share on the common stock and \$2 per share on the preferred stock, and after profit-sharing bonus to employes, capital funds were increased from earnings for the six months period by \$3,856,000. This, with the dividend, is equal to an annual rate of approximately \$4.33 per share on the common stock.

Following the policy previously established, one-half of the net increase in undivided profits for the period was

transferred to unallocated reserve for war contingencies.

Capital funds, including reserves, now total \$161,525,000, which is an increase of \$1,123,000 for the half year ended June 30, 1943, after the utilization of \$2,733,200 to retire 54,664 shares of preferred stock during the period.

Chase National Bank

The statement of the Chase National Bank for June 30, 1943, was made July 2nd. The deposits of the bank on that date were \$4,193,352,000, which compares with \$4,203,291,000 on March 31, 1943, and \$3,595,451,000 on June 30, 1942.

Total resources amounted to \$4,482,606,000 compared with \$4,482,656,000 on March 31st and \$3,869,464,000 a year

ago. Cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks, \$943,768,000 compared with \$1,025,488,000 and \$1,137,399,000 on the respective dates. Investments in United States government securities, \$2,548,664,000 compared with \$2,403,236,000 and \$1,573,405,000. Loans and discounts, \$717,909,000 compared with \$727,477,000 and \$822,753,000.

On June 30, 1943, the capital of the bank was \$100,270,000 and the surplus, \$100,270,000, both amounts unchanged.

The undivided profits on June 30, 1943, after deducting \$5,180,000 from that account for a semiannual dividend payable August 2nd, amounted to \$49,842,000 compared with \$49,353,000 on March 31, 1943, and \$40,800,000 on June 30, 1942.

The net earnings of the bank for the first six months of 1943 were \$1.35 per share, including net profits on securities amounting to 37c per share. In the corresponding period of 1942, net earnings were 76c per share, including net profits on securities of 16c per share.

Manufacturers Trust Company

The statement of condition of Manufacturers Trust Company as of June 30, 1943, shows deposits of \$1,416,802,430 and resources of \$1,517,315,839. Resources are reported in excess of \$1,500,000,000 for the first time. These figures compare with deposits of \$1,344,604,197 and resources of \$1,443,510,368 shown on March 31, 1943. On December 31, 1942, the respective figures were \$1,322,420,807 and \$1,419,495,474.

Cash and due from banks is listed at \$330,842,294 as against \$375,714,378 shown on March 31, 1943, and \$370,862,493 shown six months ago. United States government securities stands at \$805,566,229; three months ago it was \$676,984,890 and six months ago it was \$635,564,410. Loans, bills purchased and bankers' acceptances is now \$276,254,774 which compares with \$279,375,385 on March 31, 1943, and \$300,378,843 on December 31st last year.

Preferred stock is shown as \$8,307,640, common as \$32,998,440 and surplus and undivided profits as \$46,255,896.

Chemical Bank

The Chemical Bank & Trust Company reported as of June 30, 1943, deposits of \$1,108,817,304 and total assets of \$1,203,538,173 as compared respectively with \$1,041,405,430 and \$1,133,964,753 on March 31, 1943. Cash on hand and due from banks amounted to

Farmers State Savings Bank

INDEPENDENCE, IOWA

Statement of Condition June 30, 1943

Resources

Cash and Due from Banks	\$1,037,794.14
Loans and Discounts	566,060.27
First Real Estate Mortgages	396,525.16
U. S. Government Bonds	1,414,818.76
Municipal Securities	183,731.99
Other Marketable Securities	24,475.00
Furniture and Fixtures	3,406.68
Overdrafts	1,335.06

\$3,628,147.06

Liabilities

Capital Stock (Common)	\$ 100,000.00
Surplus	50,000.00
Undivided Profits	68,872.95
Deposits	3,409,274.11

\$3,628,147.06

E. F. SORG, President

C. L. FIESTER, Cashier

E. E. EVERETT, Vice President

P. E. SORG, Asst. Cashier

Member Federal Deposit Insurance Corporation
22 Years of Continuous Service

CITIZENS SAVINGS BANK, Anamosa, Iowa

STATEMENT OF CONDITION, JUNE 30, 1943

RESOURCES

Loans and Discounts, Bonds and Securities	\$1,165,132.46
U. S. Government Bonds and Securities	433,809.75
Overdrafts	189.51
Furniture and Fixtures	3,000.00
Other Real Estate Owned	21,550.00
Due from Banks and Bankers, Cash and Cash Items	692,677.63
Total Resources	\$2,316,359.35

LIABILITIES

Capital Stock	\$ 60,000.00
Surplus	35,000.00
Undivided Profits and Reserves	24,947.50
Deposits Subject to Check	\$1,514,412.33
Savings Deposits	227,108.78
Time Certificate of Deposits	442,447.48
Demand C.D., Certified Check, Cashier's Check	11,950.57
Trust Funds	492.69
	2,196,411.85
	\$2,316,359.35

B. E. RHINEHART, Director and Board Chairman

HUGO DEININGER,

E. L. WEGMAN, President and Director

On leave in U. S. Army

D. A. DOWNING, Director

(Prisoner in Germany)

H. J. MAYBERRY, Director

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L. D. MURFIELD, Cashier

A. R. THOMAS, Director

R. M. DEYO, Assist Cashier

LEONARD J. WEGMAN,

H. D. Heefner, Assistant Cashier

On leave in U. S. Army

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\$244,628,666 compared with \$261,910,314; holdings of United States government securities to \$610,219,501 against \$509,560,659; bankers' acceptances and call loans to \$48,294,227 against \$37,472,099, and loans and discounts to \$125,642,126 against \$149,273,845.

Capital and surplus were unchanged at \$20,000,000 and \$55,000,000 respectively, and undivided profits were \$6,288,537 against \$5,805,606 at the end of March. The indicated net earnings on the bank's 2,000,000 shares (par \$10) amount to 69c per share for the second quarter of 1943, as compared with 60c for the same quarter a year ago.

FAA Convention

Adopting the descriptive phrase, "Collective Thinking for Individual Action," the Financial Advertisers Association will hold its 28th annual convention at the Edgewater Beach Hotel on October 19th, 20th and 21st. The convention in 1942 was held entirely by mail. The board of directors of the association has scheduled this year's shortened war advertising conference of two full days from noon on the 19th to noon on the 21st.

General chairman of the convention is Lewis F. Gordon, first vice president of the association and vice president of the Citizens & Southern National Bank, Atlanta, Georgia. Chairman of the program committee is Robert Lindquist, advertising and publicity manager of the American National Bank & Trust Company, Chicago, and a director of the FAA.

"Business every minute" will be the watchword of the convention, said L. E. Townsend, president, in announcing the decision of the board of directors of the association. Details of the program will be announced later.



I didn't want you to feel strange—so I baked beans!

American National, Chicago

Total resources of the American National Bank and Trust Company of Chicago totaled \$128,516,763 on June 30, 1943, compared with \$114,650,365 on December 31, 1942, and \$95,366,142 a year ago. Deposits increased during the twelve-month period from \$89,493,057 to \$122,215,029. Demand deposits which totaled \$82,014,901 on June 30, 1942, and \$97,345,242 on December 31st of last year, are now \$108,707,558. Savings deposits also increased during the year from \$6,146,689 to the present figure of \$7,379,181.

Total loans of the bank increased during the first half of this year from \$22,756,678 to \$23,493,496. Most of the increase in deposits for the six months' period is reflected in the bank's holdings of United States government obligations, direct and fully guaranteed, which increased from \$40,950,871 to \$54,075,757. Cash and due from banks showed a slight increase from \$34,332,131 to \$36,503,702, while the holdings of municipal and other marketable securities decreased from \$16,147,285 to \$13,937,074.

Undivided profits totaled \$626,757 on

The Waterloo Savings Bank

WATERLOO, IOWA

Statement of Condition as Made to Superintendent of Banking and The Federal Reserve Bank at the Close of Business June 30, 1943

RESOURCES

First Mortgage Loans.....	\$ 627,870.85	
Loans Secured by Collateral.....	781,902.31	
Commercial Loans Supported by Financial Statements	588,126.69	\$ 1,997,899.85
Overdrafts		1,350.23
Federal Reserve Bank Stock.....		13,050.00
Real Estate (former bank building included).....		73,700.00
Furniture and Fixtures.....		20,935.71
State, County and Municipal Bonds.....	123,311.93	
Market Bonds	79,548.51	
United States Government Bonds—Direct and Guaranteed	5,566,949.87	
Cash on Hand and Due from Banks.....	2,941,500.75	8,711,311.06
		<u>\$10,818,246.85</u>

LIABILITIES

Capital Stock	\$ 200,000.00	
Surplus	235,000.00	
Undivided Profits	27,890.57	\$ 462,890.57
Deposits		10,355,356.28
		<u>\$10,818,246.85</u>

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J. J. MILLER, Cashier
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V. SPALDING MILLER, Ass't Cashier
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CLYDE HINSON
JAMES G. EASTON

June 30, 1943, compared with \$463,780 on December 31, 1942. The preferred stock retirement fund was also increased \$45,000 during the half-year period and now totals \$300,000 out of a total preferred stock outstanding of \$600,000.

Experience Service Cooperation

Manned by officials with years of experience, our Correspondent Bank Division renders a complete service, conducted in an intimate and personalized manner.

The guiding policy is one of cooperation in all matters of mutual interest.

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BANK AND TRUST
COMPANY OF NEW YORK
ESTABLISHED 1908

*Member: New York Clearing House
Association, Federal Deposit Insurance
Corporation*

Tipton State Makes Fine Progress

The Tipton State Bank, Tipton, Iowa, as of the close of business June 30, 1943, shows an increase in deposits of \$665,000 since June 30, 1942, and the surplus account has been increased from \$52,500 to \$87,500, making a total capital and surplus of \$140,000, or 100 per cent increase in capital and surplus during the past two years.

J. W. Edge, president, reports that earnings have been very good and that they still have a sizable amount of chattel mortgages and FHA loans. While this is a cattle feeding country the farmers are not buying cattle because of present high prices.

Employees Booklet

Since banks do not have merchandise to sell but only intangibles—service and credit—the human element is most important in every phase of banking operation, Lawrence F. Stern, president, American National Bank and Trust Company of Chicago, declares in the foreword of "Your Bank and Your Job," a 48-page publication published by the bank for its employees.

The book is the latest activity in the bank's public relations program, an important part of which is being devoted to creating the best possible employe relations which officials believe are more important now than ever before.

"Your Bank and Your Job is designed primarily for new employes: in

bringing a quick understanding of the spirit of our bank and breaking down the strangeness that comes with new surroundings and new associates." The book, however, has been distributed to all employes of the bank to whom "it should be of interest in bringing a clarification of the practice in which they have already become established."

The foreword continues, "To all, an occasional re-reading of these pages is recommended. In our accumulation of day-to-day experiences, it is easy for us to lose sight of the long-range policies and ideals which should direct our activities. This book, frequently consulted, can be our guide on the road to success, both for the bank and for our individual careers."

The contents of the book are divided into six major sections, the first section, "The Bank and Its Services," describing the services rendered by the principal departments of the bank and the operating divisions into which they are divided. This material is not intended as a guide for operating procedure, but rather gives the employes a knowledge of the bank services from the customer standpoint and also an all-over picture of the bank's operations.

Plans Well Under Way

Plans for the forthcoming Third War Bond Drive, which will begin late in September and last three weeks, are already well under way, said W. L. Hemingway, president of the American Bankers Association, in an address before the annual convention of the Missouri Bankers Association. Mr. Hemingway is president of the Mercantile-Commerce Bank and Trust Company, St. Louis.

He described the Treasury's new state organizations for conducting the financing drive, which will be used for the first time in the September campaign, and urged all bankers to cooperate fully in making the drive a success by assisting the War Bond organizations now being formed in each state.

Mr. Hemingway declared that the committee on war borrowing of the American Bankers Association has recently taken part in a conference with the Secretary of the Treasury and the Federal Reserve officials, at which the

American Trust & Savings Bank

DUBUQUE, IOWA

Organized 1905

Incorporated 1912

STATEMENT OF CONDITION, JUNE 30, 1943

RESOURCES		LIABILITIES	
Cash and Due from Banks.....	\$1,927,963.68	Capital Stock	\$ 250,000.00
U. S. Government Bonds.....	5,104,002.89	Surplus	210,000.00
Federal Reserve Bank Stock.....	13,800.00	Undivided Profits.....	67,018.95
State, County and Municipal Bonds	708,378.69	Reserves	51,000.00
Other Bonds and Securities.....	338,508.58	Deposits:	
Loans and Discounts.....	1,164,088.35	Demand	\$4,772,215.97
Overdrafts	27.98	Time	3,504,977.10
Bank Building	50,000.00	U. S. Gov.	
		War Loan	
		Acct.	451,558.15
			8,728,751.22
	\$9,306,770.17		\$9,306,770.17

C. J. SCHRUP, Chairman of the Board
D. W. ERNST, President
ROY F. GLAB, Vice President
C. J. KLEINSCHMIDT, Cashier
A. L. VOGL, Assistant Cashier

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• IOWA NEWS •

September campaign and the new state organization system were discussed in detail.

He asserted that Secretary Morgenthau "intends to create the best organization possible in each state," and that the Secretary "urgently desires the continued assistance and cooperation of all the persons who heretofore participated in the War Savings activities and in the work of the Victory Fund Committees."

"The leaders of the new organizations have already been selected in some states, and they will be named as rapidly as possible in others," Mr. Hemingway declared. "The governors of the Federal Reserve System and the presidents of the twelve Federal Reserve Banks have offered their full cooperation and our committee on behalf of the American Bankers Association has assured the Secretary of the continued support of our members."

Mr. Hemingway traced the development of the new state organizations for conducting the forthcoming Third War Bond campaign. He asserted that as a result of the experience obtained in the First War Loan Drive, "the Treasury decided that better results would be obtained if both the War Savings organization and the Victory Fund Committees joined forces in the Second War Loan Drive of last April."

"The U. S. Treasury War Finance Committee was therefore set up to coordinate the combined activities of the two groups in that campaign. The president of the Federal Reserve Banks headed the new U. S. Treasury War Finance Committees in the respective districts and the sales were made through an organization which combined the efforts of War Savings and Victory Fund Workers.

"The Secretary stated to us that his advisors had told him that the results of this drive definitely proved the advantage of having a single organiza-

tion. They unanimously recommended to him that the sale of government securities be placed in one organization under one head. This immediately raised the question of how to integrate the two groups. For reasons that seemed compelling to him, Secretary Morgenthau decided to create the new organization along state lines, so that for the Third War Loan Drive, each one of the forty-eight states and the District of Columbia will have its own organization," Mr. Hemingway said.

He asserted that Secretary Morgenthau was highly pleased with the outcome of the previous financing drives,

"but he realizes that continually larger sums must be raised, and he is anxious to adopt the best possible method for raising the money," Mr. Hemingway declared.

Chicago Auditors' Election

William E. Harrison, assistant auditor, City National Bank and Trust Company, was elected president of the Chicago Bank Auditors Conference at its final meeting of the 1942-43 series, held last month. Harrison has been serving the group as its vice president. Other officers who moved up in accordance with the established tradition of succession are: Philip H. Cordes,

CONDENSED STATEMENT OF CONDITION

June 30, 1943

RESOURCES		
Cash and due from Banks		\$26,906,249.82
Bonds (carried at less than market value)		
U. S. Government and U. S. Government Guaranteed Bonds	\$26,436,196.88	
Federal Land Bank, State and Municipal Bonds	2,461,220.96	
High Grade Corporation Bonds	1,100,193.70	29,997,611.54
Federal Reserve Bank Stock		90,000.00
Loans and Discounts		21,823,690.97
City Bank Building—Unencumbered		105,000.00
Other Real Estate (Seven Properties)		7.00
Furniture, Fixtures and Safe Deposit Vaults (Cost \$100,000)		1.00
Customers' Liability Account Letters of Credit		21,000.00
Accrued Interest Receivable		175,641.59
Overdrafts		16,110.06
Total Resources		\$79,135,311.98
LIABILITIES		
Capital Stock (Paid in)	\$400,000.00	
Capital Stock (Earned)	600,000.00	\$1,000,000.00
Surplus (Earned)		2,000,000.00
Undivided Profits (Earned)		656,582.40
Invested Capital		3,656,582.40
Unearned Interest		88,455.98
Accrued Interest and Taxes		209,331.57
Our Liability Account Letters of Credit Issued		21,000.00
Deposits		75,159,942.03
Total Liabilities		\$79,135,311.98

The above statement is correct.

R. C. Kemper, President.

CITY NATIONAL BANK & TRUST CO., Kansas City

Member Federal Deposit Insurance Corporation

FIRST TRUST AND SAVINGS BANK

DAVENPORT, IOWA

Condition on June 30, 1943

RESOURCES		
Loans and Discounts		\$1,989,626.31
Banking House		50,900.00
Furniture and Fixtures		13,387.59
U. S. Government Bonds	\$1,390,394.37	
Municipal Bonds	254,058.95	
Other Bonds	208,308.85	
Cash and Due from Banks	2,485,230.85	4,337,993.02
Other Assets		3,688.90
Overdrafts		188.57
Total		\$6,395,784.39
LIABILITIES		
Capital	\$ 200,000.00	
Surplus	130,000.00	
Undivided Profits and Reserves	47,720.52	\$ 377,720.52
Deposits		5,990,833.89
Unearned Interest		27,229.98
Total		\$6,395,784.39

Member of the Federal Deposit Insurance Corporation



Wot's it gonna be—cash, credit or craps!

Northwestern Banker July 1943

auditor, Lake Shore Trust and Savings Bank, vice president, and Donald J. MacDonald, assistant auditor, Northern Trust Company, treasurer. The newly elected secretary is Frederick C. Messenger, auditor and controller, The Merchandise National Bank of Chicago. The Chicago Conference is one of the original members of the National Association of Bank Auditors and Comptrollers, which is composed of 50 conferences, functioning in the principal banking centers of the nation.

Annual Meeting

The annual meeting of the National Security Traders Association will be held at the Palmer House, Chicago,

August 20th and 21st, according to announcement by Perry Brown, of Newman, Brown & Company, Inc., New Orleans, Louisiana, and president of the association. Edward H. Welch, of Sincere & Company, is chairman of the arrangements committee. The nominating committee is headed by Ralph G. Randall, of Mason, Horan & Company, Chicago, Illinois, other members of which are Fumin Fusz, of Fusz-Schmelzle & Company, St. Louis; Edward W. Parsons, of Wm. J. Mericka, Cleveland; George V. Jackish, of Harris, Upham & Company, Minneapolis, and Walter J. Connolly of Walter J. Connolly Company, Boston.

Problems of the securities industry will be discussed and the War Bond Committee of the association will announce a program of assistance for the Treasury Department.

Temporary Financing

Jesse Jones, Secretary of Commerce, issued the following statement on June 19, 1943: "Several inquiries have been received from slaughterers of livestock concerning their inability to obtain temporary financing of their operations pending payment of subsidy recently announced on meat. Banks or others may extend credit to the slaughterers to cover the subsidy pay-

ments, with the definite assurance of the RFC that such payment will be made promptly. However, if financing cannot be readily obtained from local institutions, the RFC will make the loans. Agencies of the RFC are being instructed to make such loans promptly. The same assurance is extended to the creameries on the butter subsidy."

Guaranty Trust, New York

Resources, deposits and holdings of U. S. government obligations are reported at their highest totals on record, in the statement of condition of the Guaranty Trust Company of New York as of June 30, 1943. The comparative figures show total resources of \$3,073,489,040.21 on June 30th, as compared with \$3,015,473,614.70 at the time of the last published statement, March 31, 1943; deposits of \$2,758,836,790.61, as compared with \$2,666,261,390.29, and holdings of U. S. government obligations of \$1,841,302,185.91, as compared with \$1,827,681,573.24.

The company's capital and surplus remain unchanged at \$90,000,000 and \$170,000,000, respectively, and undivided profits total \$25,453,135.81, as compared with \$23,445,679.92 on March 31, 1943.

Closer Scrutiny Is Urged

Corrective measures regarding the issuance by federal agencies of unauthorized questionnaires, the existence of which are imposing an unwarranted burden on American business, have been reiterated by the advisory committee on government questionnaires, with the concurrence of the Bureau of the Budget.

With a few exceptions, requests for information, as defined by law, are subject to the review of the Bureau of the Budget and may not be issued by a federal agency unless authorized by the Bureau. The advisory committee, concerned with the circulation of questionnaires that have not been so authorized, advised businessmen to exercise more caution about those report forms that are suspect. "Inquiry should be made of the advisory committee, or of the Bureau of the Budget whenever doubt exists as to whether the use of a report form has been authorized," the committee announcement said. "Whenever desired, no disclosure will be made of the person or organization making the inquiry."

W. J. Donald, chairman of the advisory committee, added, "While inquiries about suspected forms may be made directly to the committee or to

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the Budget Bureau, businessmen may, if they prefer, write directly to the federal agency issuing the form, or instead to their trade association, Chamber of Commerce, retail organization, professional society, or other organization, which may in turn communicate in confidence with us.

"Business and industry are still largely unaware that a mechanism has been established by which governmental information requests can be kept to a minimum," Mr. Donald said. "With certain exceptions, particularly requests that are sent to less than ten respondents, and those originating from exempt federal agencies, such as the Bureau of Internal Revenue, every authorized request for information, however made, must have the Budget Bureau's approval. Report forms having such approval bear a Budget Bureau approval number, and in most cases an expiration date, both appearing in the upper right hand corner of the form. Whenever, owing to the absence of an approval number there is a fair presumption that the form is unauthorized, businessmen are urged to avail themselves of the opportunities afforded them for relief.

"The government is as determined as is business to keep reporting requirements to a minimum. The cost to American business, in both man-hours and dollars is very large. To the extent that reports are necessary, whether they be directly associated with the prosecution of the war, or essential civilian purposes, businessmen should and do cooperate without complaint. The Budget Bureau's approval numbers are symbols that consideration has been given to such necessity. Businessmen are, however, obligated to themselves and to the government to cooperate to the extent of scrutinizing requests for information from the point of view of eliminating those in circulation that have not been authorized."

Mr. Donald said also that particularly burdensome questionnaires, even if they have had Budget Bureau approval, may be made the subject of legitimate inquiry or complaint. Through the advisory committee, or its approximately 40 specialized sub-committees, businessmen may be heard whenever a form is reconsidered in advance of the date of its expiration.

The advisory committee is composed of representatives of the American Retail Federation, American Trade Association Executives, National Association of Commercial Organization Secretaries, Chamber of Commerce of the United States, Controllers' Institute of

America, National Association of Manufacturers, and National Industrial Council. Mr. Donald, chairman of the committee, is managing director of the National Electrical Manufacturers Association. Vice chairman and treasurer, respectively, are E. Chester Peet, assistant treasurer of the Shell Oil Company, and T. M. Brennan, executive director of the National Industrial Council. Russell Schneider is the committee's executive secretary.

The committee maintains offices at 1615 H Street, N. W., Washington, D. C., and has a staff in constant contact with the Budget Bureau and with business and industry. In a recent interim report of its activities, copies of which are available upon request, it cited numerous beneficial results already achieved in reducing the reporting burden on business.

Investment Research

Anticipating a big demand for capital from railroads, airlines and other transportation services after the war, the Railroad Securities Committee of the Investment Bankers Association of America has inaugurated research into the nature and extent of these requirements. In a preliminary report issued outlining the projected study, the committee said that billions may have to be raised to provide

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Write to
E. H. WARNER
Secretary and Manager

THE CLAY COUNTY NATIONAL BANK

SPENCER, IOWA

Condensed Statement of Condition June 30, 1943

RESOURCES		LIABILITIES	
Loans and Discounts	\$1,071,316.24	Common Capital Stock	\$ 100,000.00
Overdrafts	961.09	Surplus	43,000.00
Banking House	29,700.00	Undivided Profits	81,236.04
Furniture and Fixtures	8,238.50	Deposits	3,262,136.18
Federal Reserve Bank Stock	4,300.00		
Accrued Interest on Bonds Bought	57.63		
U. S. Bonds and Notes	602,803.84		
Obligations Guaranteed			
By U. S. Government	15,650.00		
Bonds of Other Governmental Agencies	5,115.50		
State, County and Municipal Bonds	113,685.18		
Cash and Due from Banks	1,634,544.24		
	2,371,798.76		
	\$3,486,372.22		\$3,486,372.22

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GRAND AVE. AT FOURTH DES MOINES, IA.

for new equipment and for the rehabilitation and modernization of the railroad properties, for new central control systems, new terminal facilities, new shops, the elimination of curves and grades and other similar improvements.

War conditions are preventing adequate maintenance and few roads are making proper cash provisions for deferred maintenance, the committee said. Total capital expenditures of \$1,000,000,000 a year for ten years following the war are predicted by some authorities, it said. Of this \$600,000,000 is expected to come from earnings and depreciation reserves, indicating that the roads would enter the public capital market for some \$400,000,000 a year.

Restoration of the credit of the railroads is essential if they are to have ready access to the necessary capital, the committee said. Public confidence was said to be returning to the carrier securities, "slowly and surely." The financial health of the railroads, on the other hand, is considered by the committee to be restored except for the lack of credit.

"Current abnormal earnings," its report said, "are enabling the roads to pile up large amounts of cash which they are using to reduce their debts through the purchase of bonds in the market. An amount close to \$400,000,000 was retired last year, exclusive of any reductions through reorganizations, and a substantially greater amount will be retired this year. Many of the so-called borderline railroads have cut down their interest charges to a level that would have been covered in most of the recent depreciation years."

This result in itself would not enable the roads to raise capital in a sound manner, according to the com-

mittee, which said, "Equity money must be attracted and it cannot be attracted unless there is sufficient earnings for dividends and then only after a record of dividend payments has been established."

Large public financing is anticipated in connection with a great expansion in aviation after the war. There is no question in the committee's mind about the investment bankers' ability to raise all the capital aviation will need, however. "Present market prices of the stocks of the airlines indicated the optimistic attitude of investors toward their future," it said. "New issues of securities, particularly of equities, can probably be quickly sold, but the big question is how much new capital will be needed during the first years following the war and how much will government want to supply."

As to the amounts of new capital, it was "conservatively" estimated that \$300,000,000 would be needed within three years after the close of the war for equipment on existing domestic lines without any allowance for expansions or extension into foreign fields. Other estimates cited indicate a total of \$1,500,000,000 for new equipment of domestic airlines during the first ten year period following the war. The committee, throwing these estimates out as indicative forecasts, promise to go more thoroughly into the prospects for aviation expansion and financing in a further report to be submitted at the association's annual meeting to be held in November.

Chairman of the committee is John S. Loomis of the Illinois Company of Chicago. Other members are: Ewing T. Boles, The Ohio Company, Columbus; F. J. Campbell, Wells, Fargo Bank and Union Trust Company, San Francisco; Pierpont V. Davis, Harriman Ripley & Company, New York; Fair-

TIPTON STATE BANK

TIPTON, IOWA

Statement of Condition of June 30, 1943

RESOURCES		LIABILITIES	
Cash and Due from Banks	\$ 504,563.04	Capital	\$ 52,500.00
Federal and State Bonds	706,944.00	Surplus	87,500.00
F.H.A. Insured Loans	452,033.13	Undivided Profits	6,935.17
Chattel Mortgage Loans	380,748.65	Reserves	1,000.00
Cedar County Farm Loans	138,658.90	DEPOSITS	2,153,884.51
Property Statement Loans	107,052.38		
Banking House—Fixtures	11,819.58		
Total	\$2,301,819.68	Total	\$2,301,819.68

J. W. EDGE, President

R. D. SWARTZLENDER, Cashier

DALE H. SMITH, First Assistant Cashier

Member Federal Deposit Insurance Corporation

A. E. RUMBLE, Assistant Cashier

LAVERNE D. SUCHOMEL, Assistant Cashier

man R. Dick, Dick & Merle-Smith, New York; Allen N. Jones, Morgan Stanley & Company, New York; Robert G. Rowe, Stroud & Company, Philadelphia; Percy M. Stewart, Kuhn, Loeb & Company, New York; and Henry S. Sturgis, First National Bank of the City of New York.

British Embassy

H. W. Auburn, formerly assistant vice president and European representative of Manufacturers Trust Company, New York, has been appointed a first secretary of the British Embassy in Washington, D. C. Mr. Auburn was in charge of Manufacturers Trust Company's representative office in London from 1937 to late 1940, since which time he has been on leave of absence from the bank and has been connected with the British Embassy in Washington.

Mr. Auburn was in active overseas service during World War I with the New Zealand Expeditionary Force, both as a gunner in the field and on the artillery staffs of the First Anzac Corps, Second Anzac Corps and XXII Corps, and was mentioned in Field Marshal Earl Haig's dispatches. Mrs. Auburn is with her husband in Washington, and their only son is in the British Army, having been in action from the earliest days of the fighting in France before Dunkirk.

Annual Meeting

The annual meeting of the Investment Bankers Association of America this year will be a three-day all-business session devoted to problems of war finance and private financing after the war, the association has announced. It will be held in New York November 3, 4 and 5, that location being selected to minimize travel of delegates, the greatest number of whom come from member houses in eastern cities.

Four additional investment houses have been approved for membership



While Johnny's home on furlough, let's drop down to Mike's place to see him!

in the association, it was announced. These are: Bingham, Walter & Hurry, Los Angeles; Hamlin & Lunt, Buffalo; E. A. Straw, Manchester, N. H.; and Vilas & Hickey, New York City.

Hal H. Dewar, Dewar, Robertson & Pancoast, San Antonio, and Walter J. Monro of Schoellkopf, Hutton & Pomeroy, Buffalo, have been elected members of the association's board of governors to fill vacancies.

Calls Plan Unsound

The procedure ordered by the Office of Price Administration for the verification by banks of the contents of envelopes containing ration coupons deposited in the ration coupon accounts in banks was characterized by the American Bankers Association as unsound in a protest filed with OPA Administrator Prentiss Brown by W. L. Hemingway, president of the A. B. A., and in a bulletin sent to all banks by the A. B. A. ration banking committee.

In his letter to OPA Administrator Prentiss Brown, Mr. Hemingway said, "In our opinion this procedure is definitely unsound and the forwarding of these instructions may seriously affect the continued smooth operation of the ration banking program."

The protest and bulletin were occasioned by instructions sent to the banks by Mr. Brown over the objections of the ration banking committee of the A. B. A., which OPA instructions direct the banks to count the contents of a minimum of three per cent of the envelopes deposited hereafter containing up to 500 coupons.

The bulletin points out that under the plan set up for the ration coupon banking system it was agreed that the only function the banks were to perform consisted of the "accounting and bookkeeping functions relating to ration evidences." It adds, "It was also understood to be a basic part of the procedure that coupons would be deposited on gummed sheets.

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IN THE DIRECTORS' ROOM

Fire!

Sentry: "Who goes there?"

Major: "Major Jones."

Sentry: "I can't let you proceed without the password, sir."

Major: "Drat it, man, I've forgotten it. You know me well enough."

Sentry: "Must have the password."

Voice from guardhouse: "Don't stand there arguing all night; shoot 'im."

When Is a Quarrel?

"What started the trouble between you and the plaintiff?"

"Well, your honor, it was like this. 'E threw 'is beer over me—I 'its 'im across the face wiv my bag of tools—then 'e cuts my 'ead open wiv a bottle—'an the next think we knows, we find ourselves quarrelin'!"

Preferred to Pay

"Gee!" exclaimed the sick man as the nurse let him sit up for the first time. "I wouldn't let them operate on me again for a million dollars!"

Just then the doctor came along, a worried look on his face.

"I'm sorry," he said to the patient, "but I shall have to open you again."

The convalescent let out a roar.

"Nothing doing," he cried. "I won't stand for it."

"But," argued the doctor, "it's something that just has to be done. You see, a terrible mistake was made. When I sewed you up I left one of my rubber gloves inside you."

The patient was incredulous.

"Is that why you want to open me again?"

"Yes," said the doctor.

The sick man smiled.

"Don't be silly," he said. Here's a dollar—go out and get yourself another rubber glove."

Progress

I once had a classmate named Guesser, Whose knowledge got lesser and lesser;

It at last grew so small,

He knew nothing at all—

And now he's a college professor.

Orders

To his Negro company of infantry in camp a black first sergeant spoke dire words: "From now on when Ah blows dis yere whistle, Ah wants to see a huge impenetrable cloud of dust come boilin' outa dem tents. An' when 'at dust clears away, Ah wants to find two rows of statues."



Hard Luck

A man walked reluctantly into a hat shop.

"I've just lost a bet," he said, "and I want to buy a soft hat."

"This is the softest we have," said the assistant.

The customer gazed at it speculatively.

"What I want," he said wistfully, "is something a little more tender. I've got to eat it."

O. K.—All But

It was kit inspection, and the soldiers had their things laid out on their beds. The orderly walked into the room and approached Private Brown.

"Three shirts, Brown?" he asked.

"Yes, sir. One on, one in the wash and one in the box," replied the private.

"Two pairs of boots?"

"Yes, sir; one pair on and one pair in the box."

"Two pairs of socks, Brown?"

"Yes, sir; one pair on and one pair in the box."

"Good! Now, where's the box?"

"Dunno, sir; I've lost it."

Punny

Customer: "My goodness, eggs are high!"

Grocer: "Sure, part of the war program."

Customer: "How?"

Grocer: "All the hens are making shells."



Every time I date the Lieutenant, he wants to know if I'm hiding any military secrets!

Proof

There was an absent-minded Sunday school teacher with whom the boys of his class liked to have fun. One day when the boys knew that their teacher was to read a certain passage from the Bible, they pasted together the connecting pages.

The teacher came into the room and began to read. When he got to the bottom of the page he read: "When Noah was 120 years old he took unto himself a wife who was"—then he turned the page—"140 cubits long, 40 cubits wide, built of gopher wood, and covered with pitch inside and out."

The teacher looked puzzled for a moment, re-read the passage, and then said: "Boys, this is the first time I have come across this passage in the Bible, but I am ready to accept it as evidence of the assertion that we are fearfully and wonderfully made."

Shrewd

Three managers of chicken farms in a foreign country, so the story goes, were being questioned by an investigator.

"What do you feed your chickens?" he asked the first.

"Corn."

"You're under arrest! We use corn to feed people!"

The second overheard this conversation, and tried to play safe.

"What do you feed your chickens?" came the question.

"Corn husks."

"You're under arrest! We use the husks to make cloth. And you?" he asked, turning to the third man.

"I give my chickens the money and tell them to go and buy their own food!"

Bargain Seekers

The farmer's wife was famous for miles around for her sharp tongue, but one day she had to stop nagging. A farm horse kicked her so badly that she had to go to a hospital.

During her absence there was a ceaseless stream of callers at the farm.

The farmer was touched.

"It's very nice of the neighbors, especially the men, to call and ask after the missus," he remarked to the maid-of-all-work.

"Aye, sir," replied the girl, "but most of them want to know if you'll sell the horse."

STATEMENT OF CONDITION • June 30, 1943

Resources

Loans and Discounts	\$2,948,109.41
Other Bonds and Stocks	15,000.00
Overdrafts	147.01
Customer Liability on Acceptances	11,144.40
Government Obligations, Direct and Fully Guaranteed	\$4,806,600.00
Municipal Bonds	163,737.50
Cash and Due from Banks	2,842,108.63
	7,812,446.13
	<u>\$10,786,846.95</u>

Liabilities

Capital Stock — Common	\$ 200,000.00
Surplus	200,000.00
Undivided Profits	80,864.18
Reserves	68,516.03
Unearned Discount	20,888.31
Bank Liability on Acceptances	11,144.40
Deposits	10,205,434.03
	<u>\$10,786,846.95</u>

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Persistent, vigorous cooperation in the sale of War Bonds continues to be the most important work Iowa Banks and Bankers can do toward winning the War.

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