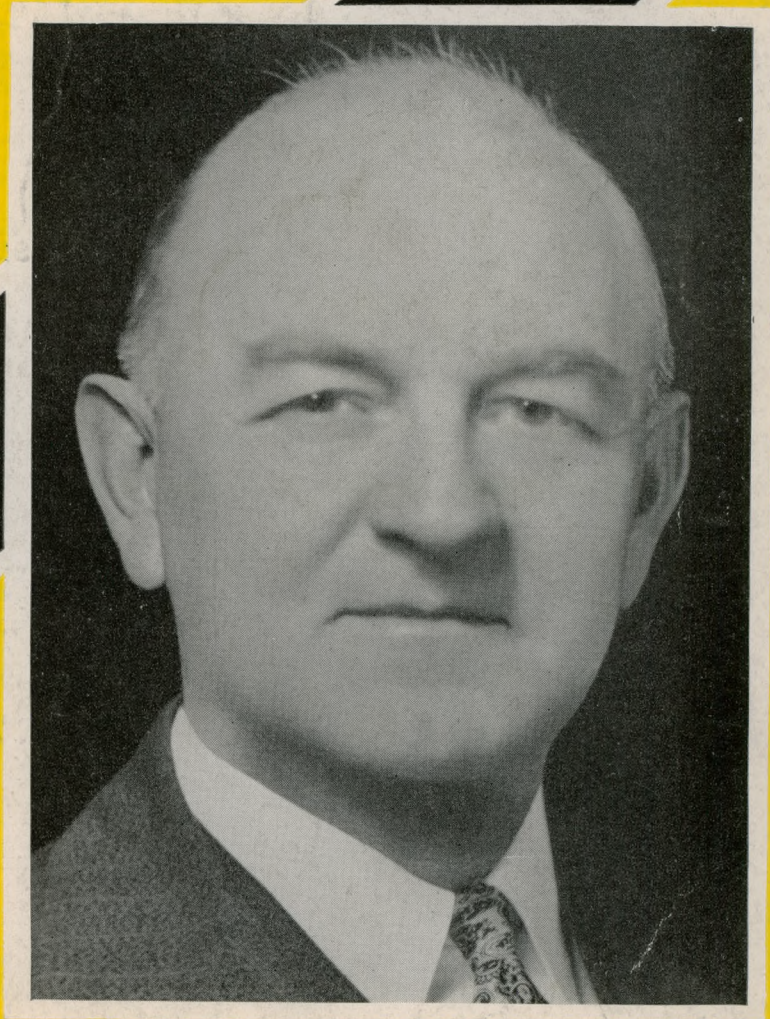


NORTHWESTERN *Banker*

OCTOBER
1943



A. L. M. WIGGINS

President, Bank of Hartsville, Hartsville, South Carolina.
President, American Bankers Association. See page 00.

NEBRASKA BUSINESS OUTLOOK GOOD

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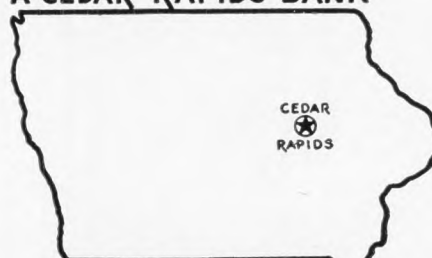


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How Washington is helping us win

At Valley Forge, at Trenton—*somewhere*, General George Washington uncovered an American principle that will win *this* war for us. He discovered that Americans, shoulder-to-shoulder, can generate an *extra* effort that's often the margin of victory.

It's *working* today—just as it did in our original battle of freedom. Of course, our soldiers aren't ragged and hungry as Washington's men often were—but you'll notice those medals the boys are winning are rewards for merit *beyond the line of duty*.

It holds for the home front, too. *We've* noticed it in the fire insurance industry. There are fewer men available, severe transportation difficulties, and more work than ever. Yet pro-

tection is still being given—you don't see any signs "Sorry, No Insurance." And just for good measure, you'll notice that insurance agents are in the forefront of civilian defense activities.

Our company keenly feels the need to contribute *our* modest "something extra", so . . .

All new gross premiums collected by The Home for the balance of 1943 are being invested in War Bonds—OVER and ABOVE its normal bond purchases.

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NEW YORK

FIRE ★ AUTOMOBILE ★ MARINE INSURANCE

Ninetieth Anniversary Year

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.

"You Overlooked Our Governments"

"In the August issue of the NORTHWESTERN BANKER, you were good enough to include the American National Bank of Nashville in the listing of large city banks showing their June statements.

"Under the heading 'Bonds and Securities', you showed the amount as \$10,592,920. In referring to our statement, we find that, exclusive of United States Government securities direct and/or fully guaranteed, the total was \$10,802,853.26, which if added to the Governments of \$73,527,968.74 would make a total of \$84,330,822.00.

"We assume that your statistician overlooked our Governments, which are the principal part of our investments, in making up this total. Enclosed is a copy of our June 30th statement for your files, and we again wish to thank you for including our bank in the classification designated above."

C. H. WETTERAU, *Vice President, The American National Bank, Nashville, Tenn.*

"Appreciate What You Said"

"Your editorial reference to me under the heading 'Dear Jesse Jones' in the August issue of the NORTHWESTERN BANKER, has been called to my attention.

"I want you to know that I appreciate what you had to say."

JESSE H. JONES, *Secretary of Commerce, Washington, D. C.*

"If You Are Right, God Pity My Grandchildren"

"Can't you find some other day the NORTHWESTERN BANKER would reach this office than a Monday morning? It gives me a bad start for the week. For instance, this morning, I don't know just why I did it, but I turned to your text 'Across the Desk.' Probably I just intended to look at the picture of the nice-looking fellow up there in the corner without any intention of reading what he said.

"Seriously, I am disturbed that you should make such complimentary remarks about Roane Waring, the Commander of the American Legion. Leaving out your and his tirade against Henry Wallace, I am thinking more about his isolationism. I just can't believe that he speaks for the majority of the American Legion. If that is true, then I would feel that it would be just as well for my boy to be in some concentration camp as a Conscientious Objector instead of being in the Army. If Waring is speaking for the majority of the American people, then this war is being fought just as much in vain as the last one. There were a few of us who felt, when that little handful of senators prevented us from joining the League of Nations, we were headed for another war.

"Then when the American people, turned to NORMALCY with Harding, Fall, Hoover, and Dougherty, they made another war certain.

"If it happens that we now turn to Bricker, Taft, Vandenberg or Dewey, then we are headed again, just as sure as can be, into another war.

"Honestly, I'm disturbed when I see a publication of your influence backing Waring, who seems to belong in the same category as Lindbergh, Nye, Wheeler, and the rest of their ilk. Again I hope you are wrong. If you are right, God pity my grandchildren."

E. H. WARNER, *Secretary and Treasurer, Merchants Mutual Bonding Company, Des Moines.*

The following letter is an answer by Roane Waring to the one above from E. H. Warner.

"No Place for an Isolationist Nation"

"I have your letter enclosing criticism of one E. H. Warner, who makes the statement that I am an isolationist. Mr. Warner is entirely wrong and has evidently

based his assumption upon excerpts from some of my addresses which have been published and which did not state fully my position on the future peace.

"In every address I have made I emphatically stated that I was not an isolationist; that there was no place in this world for an 'isolationist nation.'

"Again I have said: 'America can never again crawl into a shell and remain there while the world crashed around her.'

"I have repeatedly said that 'America should and must take a definite stand, in concert with other peace-loving nations, for the security of the world.'

"We cannot constitutionally, by treaty or any other act, other than amendment to the American Constitution, give the authority to any international tribunal, whether we call it a world court or not, to, by a decision, order out the armed forces of America to enforce one of its decrees. We must come back to Congress in the long run to declare war. It is perfectly all right, and I thoroughly approve of a treaty with Great Britain and such other nations as we may desire, binding ourselves to protect the peace of the world and binding ourselves, if that peace is broken, to go out and fight and protect it, but we can only fight when Congress, recognizing its obligation under that treaty, which I am sure it would do, declares war. We cannot at the time make the treaty, set up an international court of which we are only one member, and give it the authority to call out the international police force, including America's Army and Navy, without the sanction of Congress at the time given.

"I appreciate very much your editorial in the September NORTHWESTERN BANKER and I am quite sure that you will agree with me that we have no authority in the world to delegate to an international court or super-government the right to declare war for America, and that is the only thing that I have ever opposed. I am thoroughly in favor of the strongest treaty that can be written, committing us in concert with Great Britain and such other nations as we desire to choose, to preserve and protect the peace of the world."

ROANE WARING, *National Commander, The American Legion, Indianapolis, Ind.*

"Time to Break Silence"

"The editorials in the September issue of the NORTHWESTERN BANKER should be an inspiration to all patriotic Americans to publicize and if necessary criticize the acts and aims of public officials.

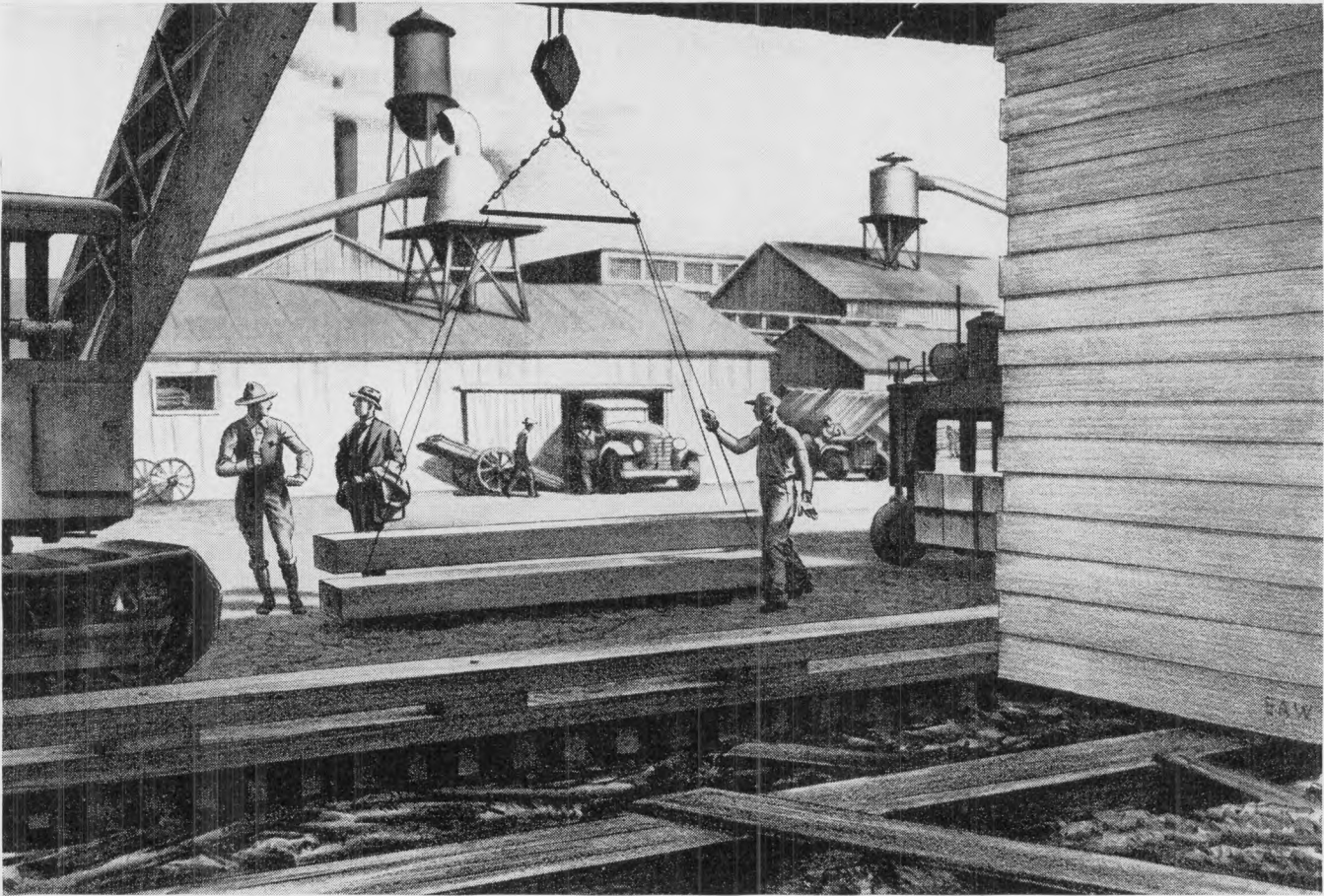
"For the past ten years we have been hushed into silence with the threat that it was unpatriotic to criticize those close to the top in the administration.

"It is now time for us to uncover the mismanagement and deceit of those who have assumed authority as well as to commend the honest endeavor of those who have proven themselves efficient and worthy.

"The NORTHWESTERN BANKER has been doing a good job along this line and all loyal Americans should join with you."

A. J. CRAY, *President, Exchange State Bank, Lime Springs, Iowa.*

(Turn to page 70, please)



“You can Bend that White Oak—*with your Hands*”

Heart of white oak, which once had to be treated for a year before it was fit for the “ribs” of PT boats and other vital naval craft, now goes to sea in a fraction of the former time. There’s a reason.

A Mid-west lumber company had a secret process, by which lumber is treated in great vats to make it *several hundred times more pliable* than normally. Giant kilns then reduce a year’s drying time to two weeks. But—to produce this treated lumber on a wartime scale—the company

needed a large part of the country’s available supply of heart of white oak.

In conjunction with the company’s local bank, the Chase promptly helped to finance the purchase of needed materials—with the result that the operations of the company have been speeded—more PT boats are in action and just that much more pressure is brought against the Axis sooner. In ways such as this, banking, on many fronts, is helping to speed victory.

THE CHASE NATIONAL BANK
OF THE CITY OF NEW YORK

Northwestern Banker October 1943

OCTOBER
1943

NORTHWESTERN *Banker* DES MOINES

FORTY-EIGHTH YEAR

NUMBER 675

Oldest Financial Journal West of the Mississippi River

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STATE ASSOCIATIONS

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October 11-12.

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Across the Desk From the Publisher

Dear W. L. Hemingway:

First, let us congratulate you on the completion of a very fine year as president of the American Bankers Association, and second, let us applaud you most enthusiastically for what you said in your annual address about government spending, thrift, and economy.

It has only been a few years since bankers in your position didn't dare to breathe or say a word about any fiscal policies in Washington, and let the politicians tell them what to do, but now the situation has changed.

We are in World War II and the government needs money, and bankers have helped to furnish this money, both through the purchase of bonds for their own institutions and through the sale of them to individuals, and therefore bankers have a right to speak, and we are glad that as the retiring president of the American Bankers Association, you spoke out boldly at New York when you said, "**We cannot expect to weather another emergency if we follow the same course of excessive spending and taxing which we have followed in the past.**"

"Let us boldly denounce as unsound those men and measures which lead to the destruction of our American economy and let us proclaim that energy and enterprise, self-denial and thrift provide the only road to individual and national prosperity.

"The same rules that apply to the conduct of the individual hold true for the government.

"There is an obligation binding the president, and that is that he not permit men in his administration to take advantage of the war emergency to permanently fasten upon us an economy alien to our tradition."

No indeed, Mr. Hemingway, the administration cannot continue calling every situation an emergency in order to continue unsound government financing which must eventually lead us to inflation and disaster.

And just to prove that there was a time that Franklin **Deficit** Roosevelt agreed with what you said, here is what he said at Pittsburgh in 1932:

"If the nation is living within its income, its credit is good. If in some crisis it lives beyond its income for a year or two, it can usually borrow temporarily on reasonable terms. But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay, and continues to pile up deficits, it is on the road to bankruptcy."

America is great, Mr. Hemingway, America is powerful, but you put it very concisely and cogently when you said that the same financial rules which apply to the conduct of an individual hold true for the government.

Evidently President Roosevelt does not believe in that statement and he has apparently long since forgotten what he said in 1932 at Pittsburgh.

Dear Guy M. Gillette:

As the Democratic Senator from the Hawkeye state, we were very much interested in your statement concerning the fourth term for the present New Deal incumbent at the White House.

You said, "**The election of President Roosevelt to a fourth term would be a 'threat to democracy.'**"

"I am definitely opposed to a fourth term, more so than I was to a third term, and everyone knows

how I fought a third term. I would oppose a fourth term for my own father."

As a matter of fact, Senator, Democracy was threatened when a president was elected to a third term, and let it be remembered that he forced his name upon the convention, and he was **not drafted**.

If any Democrat, or Republican, or New Dealer, or a member of any other political party is elected for a fourth term as President of the United States or for 16 years, then Democracy as we know it has lost the vitality and the vigor which helped to make this the greatest nation in the world.

You do not believe in perpetual officer holders in this country—and neither do we.

Dear John Roy Carlson:

Every loyal citizen of the United States should read your marvelous book *Under Cover*.

That you are still alive is a miracle because your experiences of four years in the Nazi underworld of America meant that you took your life in hand many times.

You have made a real contribution in showing how Axis agents and their enemies **within the United States** are plotting to destroy our own government.

Your book is all the more powerful because as an Armenian now 34 years of age and who came to this country when you were 12, your patriotism and loyalty to America is more than proven by everything that you have said and written in *Under Cover*.

Your conclusions were especially appealing to us when you said:

"It so happens that I believe in our democratic capitalist order. I have no property and no money to speak of, but it is the system under which I have found the greatest measure of happiness and self-expression. And I have written this book as an exposé of those forces which look upon capitalist Democracy as the only remaining obstacle to their international authoritarian schemes, and are determined to crush it at any cost.

"It was the spirit of fair play which first struck me when I came to America twenty-two years ago. I came from a land of oppression, of fear and age-long hatreds. I dread seeing this country, my adopted homeland, swept by those same ancient winds of bitterness and prejudice. I felt the first

cold gusts of those winds as I drifted through the shadowy alleys of America's fascist underworld and determined to do my part to check it.

"I feel that my debt to America is an eternal debt, a debt timeless, transmittable from father to son to grandson—a debt payable on demand, instantly during national emergency as well as during peacetime, payable so long as this country remains what it started out to be: a haven for the oppressed, granting equality and opportunity, liberty and justice for all who seek it and deserve to have it. May this blessed nation of ours never degenerate to a system of government by some, for some. May it forever remain a government by all, for all. There is no greater privilege at this moment, no greater honor as we look upon skies free of raining death, to a land free from the barbarisms of war, to a future more promising than any on this strife-torn earth, than to serve this, our home, our country.

"This is my faith."

This, too, is our faith, Mr. Carlson, and if the capitalistic system is destroyed in this country, and if our government **"degenerates to a system of government by some for some"** then everything that we have worked for and our forefathers have worked for for 150 years will be lost.

So we say, let the light of publicity show up those agents who are now under cover and would destroy the United States.

Your contribution to the cause has been magnificent.

Dear William Jeffers:

Congratulations on doing a fine job as U. S. Rubber Administrator.

We need more men like you in governmental affairs who are not afraid of hell and high water when it comes to criticism or obstacles and who can perform their duties and return to their regular business with a satisfaction that they have served their country well.

Your statement that **"I had a job to do, and I got it done"** should be hung over the desk of every political appointee in Washington. The only trouble with most of them is that they have a job but they don't get it done.

Again, congratulations to you, Mr. Jeffers.

Clifford DePuy



*Where Efficiency and
Friendliness are Team-mates
in the handling of all Corre-
spondent and Transit Items.*

"Iowa's Friendly Bank"

CENTRAL NATIONAL BANK
AND TRUST COMPANY · DES MOINES, IOWA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



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



Photo courtesy Minneapolis-Moline

Following good crops this year, Nebraska farmers have already begun their fall plowing to start their Food for Freedom program for 1944.

NEBRASKA BUSINESS OUTLOOK

GOOD!

A Northwestern Banker Survey

Bankers Reporting on Business and Agricultural Conditions Say Trade Conditions Are Bright in the "White Spot of the Nation"

IN ITS annual survey on agricultural and general business conditions in Nebraska, The NORTHWESTERN BANKER presents here letters from bankers in numerous sections of the Cornhusker State which provide a cross-section of information indicating another year of good crops, good prices, and satisfactory bank income.

While in some localities in Nebraska crop prospects are not quite as good as they were last year at this time, more particularly with regard to corn, by and large the State will enjoy practically the same or more dollar income. During August while most other sections of the country were getting plenty of moisture, and in some cases too much, there was a deficiency in many parts of Nebraska. This cut the corn yield to a certain extent, but since this year there was a considerable increase in corn acreage, the bushel yield will be about the same. The small grain crop in the State was very good.

Last year at this time Nebraska

farmers were fearful of a labor shortage, and the situation was serious. Reports this year, however, do not mention any shortage of labor, but say that more farms have been bought or rented, which would indicate that those returning to the soil feel they can find sufficient help to harvest their crops.

General business on the whole is reported excellent, the only difficulty being the same as most other places—merchants are having a hard time to find goods with which to stock their shelves.

Letters from bankers throughout Nebraska read as follows:

"Will Have Plenty of Feed"

J. O. PECK

President
Central National Bank, Columbus

Crop conditions through the central part of Nebraska have been hurt to quite some extent due to the dry weather and heat which visited this

section during the month of August. The farmers who are active feeders naturally are going to be affected by this condition. In addition, those feeders with whom we have visited express considerable reluctance to invest heavily in feeders on account of the Government's program which is in effect with regard to placing a ceiling on fat cattle. The Government's program has caused more empty feed yards in this area than has the drouth conditions. There is considerable old corn left in the cribs in our territory and that feed coupled with the good small grain crop and plenty of hay will provide a sufficient amount for our people to carry over their herds during the winter.

Our deposits, which amount to \$6,200,000 are the highest they have ever been during the history of this bank. We are constantly on the lookout for different types of loans, and we do not miss an opportunity to take care of the credit needs of people and firms located in this community.

Northwestern Banker October 1943

Nebraska Business Outlook Good!

"Fall Weather Good"

F. A. JOHNSON
President
Bank of Burwell

The potato crop here was very good, but the small grain ran rather light. Our irrigated corn has made a good crop, and alfalfa also fair to good. Pastures are only fair, since we have had a dry summer. Our Fall weather is starting out favorably, however, and we hope more moisture will get into the ground.

"Land Is Selling Freely"

WARREN B. FOWLER
Cashier
Harlan County Bank, Alma

Farming conditions in our territory are good. The wheat crop was good this year and has been good for the past three years. Corn has been good for the past two years. Since July we have had little rain, therefore, the corn crop is being cut short, and will have 15 to 20 bushel corn which promised at one time to be 30 to 40 bushels. The acreage of corn appears to be considerably more than last year. We are very well stocked with cattle and hogs with ample grain, hay and rough feed and grass to feed.

The good crops and prices have placed our farmers in better financial condition than we have known for many years. Many of them are out of debt or are rapidly getting out. Many farmers are buying land, in some cases paying cash in full or at least making a substantial down payment. Land has been selling quite freely with some advance in price. Land that would have sold a few years ago at \$15 to \$25 per acre is now moving at \$25 to \$40.

Business conditions with merchants appear very good in nearly all lines. When our farmers are prosperous, the merchants are also. Nearly all lines—groceries, clothing, farm machinery, garages, filling stations, and others have had a fine volume of business—all are making good money. We have had two good cafes close, also, one plumbing business closed, when owners took up defense jobs because of the attractive high wages.

There has been no acute shortage of labor either with the farmers or merchants. Not as much available labor as we would sometimes like to have, but yet enough to get the job done.

Our bank, like all others, is experiencing the highest deposits in history. Before the war about \$500,000, now \$1,200,000. Loans down about 30

per cent in the last year. To adjust, we ceased paying interest on time deposits a year ago, have increased our holdings of government bonds by about three or four times, and have increased service charges.

This country is subject to drouth and if we should have a crop failure next year, the picture will change to one much less pleasant. Our prosperity depends greatly upon moisture. We have been very fortunate these last few years.

"Best in Ten Years"

DANIEL S. HINDS
President
State Bank of Stella

The crops in Southeast Nebraska are better than we have been used to in the last ten years. Corn yields will be above normal. There is a growing tendency toward dairy cattle, and poultry. Produce prices have been very good. The increase in hogs has been more or less in keeping with production in corn belt areas.

Depositors are beginning to accumulate comfortable balances. There is very little speculative movement in land. Most land is pretty well paid for at the time of contract. Only small unpaid balances are being carried over. General feeling is that this upward movement is only temporary and the recession following is apt to be severe.

There is practically no cattle feeding here now. Twenty years ago cattle feeding was one of the major operations. Bank loans are at an all time low while deposits are at an all time high. There were in times past about as many deposits, but these were in the hands of a relatively few people. Our wealth is spread out more evenly now. A great deal of the land held by insurance companies has found its way to private investors and home owners.

In conclusion, I would like to say that this country is in a good shape to stand a recession. Dairy cattle and dual purpose cattle, hogs and chickens, small real estate loans, and practically no way to spend money, has put this community in fine shape financially.

"Conditions Very Good"

ROY D. SMITH
President
Deuel County State Bank, Chappell

The agricultural conditions, as well as business conditions in this section, are very good at this time. We are in a wheat growing territory and also

bordering on the livestock territory. Both of these industries have been very good. The roll-back of the price of meat upset some of the livestock feeders but perhaps for the long pull this may be an advantage in the banking business, inasmuch as the market will not have as long a way to come down as heretofore.

In this territory we are pretty much in favor of crop insurance for wheat farmers and especially a guaranteed price, i.e. CCC loans. We can do without the crop insurance but think quite a lot of the CCC wheat loans as a hedge against radical changes in price of wheat and grains.

"Short of Farms to Rent"

J. R. MUELLER
Vice President
First National Bank, Syracuse

In reply to your request for a survey of general business and agricultural conditions in our territory, I must say that it is my opinion they are very good.

Business conditions in my estimation have never been better except for one thing, and that is the merchants are having trouble getting enough merchandise to satisfy the buying public.

We enjoyed our first one and one-half inch of rain in about four weeks, and it will help very much, although some damage has been done to the immediate vicinity corn crop. We did, however, have a good small grain crop and we are going to have lots of corn to shuck this fall.

A year ago it was thought that we would have many vacant farms due to the shortage of farm help but that is not the story now. In fact, we cannot find enough farms to place all the renters. We are short of farms to rent.

Bank deposits are the largest they have ever been and the bank loans are about the lowest they have ever been.

"Business Very Good"

V. E. ROSSITER
Vice President
Bank of Hartington

Business in our city is very good, and it is only a question of our merchants being able to get the goods to sell—as a result they are emptying their shelves and increasing their bank deposits.

We had a very good small grain crop of oats and barley and our corn on the average will make half a crop

(Turn to page 27, please)

Wartime Was *Work Time* at Iowa Convention

Current Financial Problems Discussed at 57th Annual Meeting
Last Month in Des Moines



IF THEY needed further evidence to prove that bankers conventions are necessary to the war effort, we wish that Director Eastman and his ODT staff could have attended the 57th annual meeting and War Work Conference of the Iowa Bankers Association held last month in Des Moines. There were more than 1000 registrations—the major part of every conference session was devoted to discussion as to how banks and bankers could better speed war activity—the sessions started on time with a full attendance—there was so much to talk about that at noon on the second day the session ran an hour overtime—the sessions closed with every banker still in his chair, eager to get all the information he could about the perplexing problems which wartime brings. Iowa bankers came to work and learn, and did both—all of which should be most gratifying to Mr. Eastman.

Climaxing many years of service to the Iowa Bankers Association and its several subdivisions, **V. W. Johnson**, president of the First National Bank, Cedar Falls, was elected to the presidency of the organization, succeeding

AT THE IOWA BANKERS CONVENTION—Reading from left to right: 1—**J. Robert Cornell**, vice president and cashier First National Bank, Spirit Lake, newly elected vice president and treasurer of the Iowa Bankers Association; and **Vivian W. Johnson**, president First National Bank, Cedar Falls, new Iowa Association president.

2—**R. V. Prokop**, president, and **Edward Wolf**, cashier, both of the Griswold, Iowa, State Bank. These men were attending their first Iowa convention, having been associated with banking in Nebraska prior to their purchase of the stock of the Griswold State Bank.

3—**W. Dean Vogel**, assistant cashier Live Stock National Bank, Omaha; **Wesley T. Heckt**, president Grundy National Bank, Grundy Center; and **E. A. Ebersole**, vice president and cashier State Central Savings Bank, Keokuk.

B. A. Gronstal, president of the Council Bluffs Savings Bank, who has carried on so well for the past year. **J. Robert Cornell**, executive vice president of the First National Bank, Spirit Lake, was named vice president and treasurer of the Association. In accepting the honor conferred upon him, Mr. Johnson recognized the serious problems now confronting the Nation's bankers, and pledged his every effort toward helping to solve the many difficulties facing Iowa bankers today.

Two organizations affiliated with the Iowa Bankers Association also elected officers at the annual meeting of the parent Association—the Iowa Junior Bankers Association, and the Iowa Association of Bank Auditors and Comptrollers.

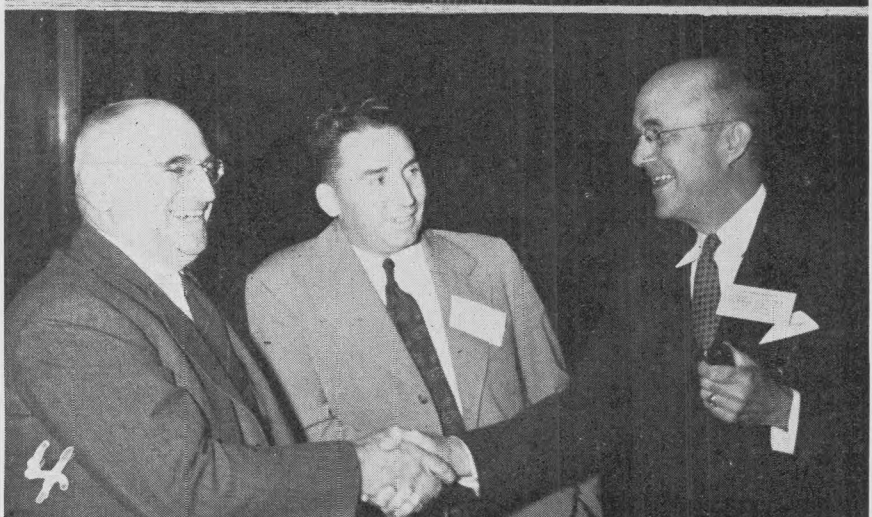
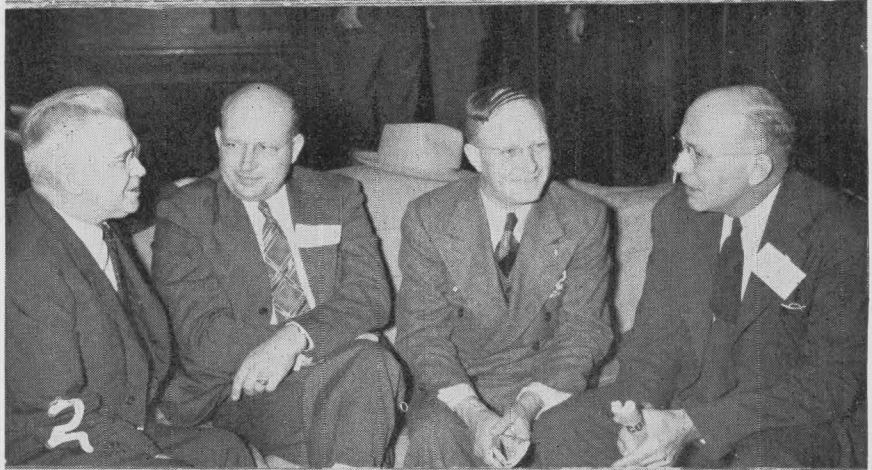
Robert G. Lexvold, assistant cashier of the Farmers Trust & Savings Bank, Spencer, was named president of the Iowa Junior Bankers Association, other officers being **L. A. Rodenbaugh, Jr.**, cashier of the Iowa State Bank, Des Moines, vice president; and **Hazel Reinholtz**, Central National Bank, Des Moines, secretary and treasurer. Junior Bankers named group chairmen for the odd numbered Iowa groups as follows: Group One, **D. C. Kent**, assistant cashier Cherokee State Bank; Group Three, **R. E. Wiley**, assistant cashier First National Bank, Mason City; Group Five, **Harold Spencer**, assistant cashier Oakland Savings Bank; Group Seven, **Charles Kriz**, Cedar Rapids; and Group Eleven, **K. H. Robertson**, assistant cashier Columbus Junction State Bank.

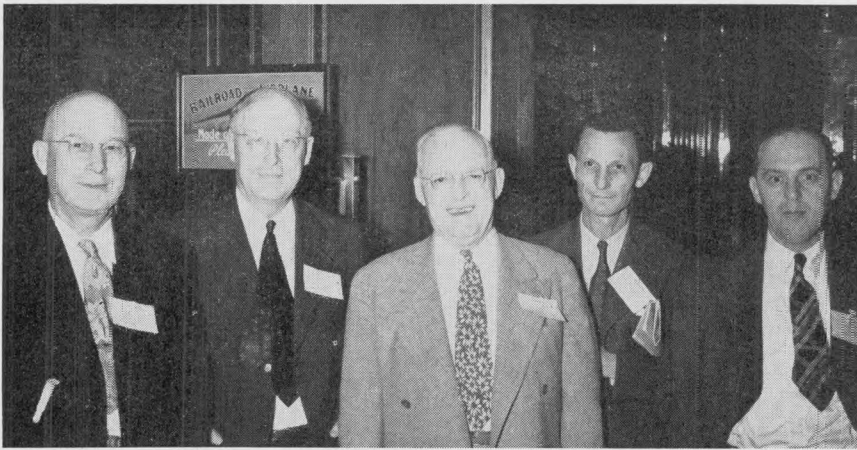
AT THE IOWA BANKERS CONVENTION—Reading from left to right: 1—**Robert G. Lexvold**, assistant cashier Farmers Trust & Savings Bank, Spencer, and president Iowa Junior Bankers Association; **L. A. Rodenbaugh, Jr.**, cashier Iowa State Bank, Des Moines, vice president Iowa Junior Bankers Association; and **E. B. Wilkinson**, Iowa City, junior examiner Iowa department of banking, and president of Iowa Association of Bank Auditors and Comptrollers.

2—**R. E. Ketman**, Holley & Sons, Des Moines; **K. A. Coates**, cashier Peoples Savings Bank, Crawfordsville; **H. B. Hammer**, executive vice president and cashier State Bank of Wapello; and **G. M. Barnett**, president Guthrie County State Bank, Guthrie Center.

3—**Harry S. Lekwa**, cashier Ackley State Bank; **Bruce Townsend**, executive vice president City National Bank, Clinton; and **J. A. Barlow**, president State Bank of Dumont.

4—**William C. Rempfer**, cashier First National Bank, Parkston, South Dakota; **W. R. Warner**, assistant vice president Union National Bank, Kansas City; and **Dean H. Lightner**, vice president First National Bank, Mason City.





Edward B. Wilkinson, Jr., junior examiner in the Iowa banking department, Iowa City, heads Iowa Auditors and Comptrollers for the coming year; vice president is **W. R. Hatter**, assistant cashier Iowa County Savings Bank, Marengo; and **Frank Tamse**, assistant cashier Capital City State Bank, Des Moines, becomes secretary and treasurer. Directors of the organization are **W. P. Ronan**, assistant cashier Decorah State Bank; **R. W. Lewis**, assistant cashier Security National Bank, Sioux City; **O. H. Johnson**, assistant cashier Ames Trust & Savings Bank; and **R. G. Lexvold**, Spencer.

Instead of waiting until September 15 to estimate what your income will be for the current year, in the future, starting next March 15, or prior, you are going to have a chance to guess what it will be for the entire year of 1944, leaving you just a mere matter of nine months to shoot at, or worry about, as the case may be, according to **J. Call Dickinson**, tax attorney of Des Moines, who told bankers about the "Federal Current Tax Payment Act of 1943." Starting March 15, 1944, unless the act is changed at some future date, each year from now on you must file a return, if any, at which time necessary correction is made on your filing for the previous year and estimate of income made for the entire current year, with, however, a final estimate permitted Dec. 15 of each year. Apparently the only difference between figuring your income tax by this method, and a Bingo game, is that you are allowed to call your own numbers, and furnish your own corn.

With so many former employes in the armed forces or in war industry,

(Turn to page 57, please)

AT THE IOWA BANKERS CONVENTION—Reading from left to right: 1—**E. F. Sorg**, president Farmers State Savings Bank, Independence; **W. W. Blasier**, president Farmers State Bank, Jesup; **W. G. C. Bagley**, Des Moines, treasurer of Iowa; **P. E. Sorg**, assistant cashier Farmers State Savings Bank, Independence; and **C. E. Stewart**, cashier Farmers State Bank, Jesup.

2—**Ben S. Summerwill**, president Iowa State Savings Bank & Trust Company, Iowa City; **V. P. Cullen**, vice president National Bank of Burlington, Burlington; and **H. A. Berg**, assistant cashier First National Bank, Fairfield.

3—**Don O. Farley**, president Blue Grass Savings Bank; and **Harry G. Nicolaus**, president, and **Robert H. Nicolaus**, assistant cashier, Wilton Savings Bank, Wilton Junction.

4—**F. J. Iwert**, cashier Malvern Trust & Savings Bank; **F. Van Erdewyk**, president and cashier Breda Savings Bank; and **F. G. Sapp**, a stockholder of the Breda Savings Bank.

What Is the Most Important Problem Facing Bankers NOW? When Do You Think the War Will End And Why?

A Northwestern Banker Survey

During the Iowa Bankers Convention Last Month a Number of Bankers Were Asked Their Opinions on the Two Questions Above. The Interviews Were Made by Evelyn De Puy, Associate Editor (for the day), of the Northwestern Banker, and Are Presented in This Article

What Is the Most Important Problem Facing Banking Now?

1. **C. B. Mills**, past pres. of the I.B.A., Moline, Ill.: "Roosevelt's idea of giving away lend lease is our biggest problem, along with getting this war over as quickly as possible."

2. **L. H. Fink**, cashier, American Savings Bank, Tripoli, Iowa: "It is difficult to get enough good loans, although we are looking for worthwhile farm loans."

3. **W. J. Hein**, vice president Mississippi Valley Trust Company, St. Louis: "Government lending agencies are the biggest problem."

4. **E. A. Landess**, asst. cashier, Polk City Savings Bank, Polk City: "I think the foremost problem is finding good investments for our money. Cattle loans have helped a great deal, but there are not enough other types of loans, as the farmers, who have more money than ever before, pay off their loans quickly."

5. **R. R. Brubacher**, president, The Toy National Bank, Sioux City: "The lack of demand for money is the most important problem."

6. **Vincent Yager**, vice president, Harris Trust and Savings Bank, Chicago: "To arrange financing of clients inventory when war contracts are cancelled and until they get settlement from the government is a vital problem. The new change in V loans may enable us to do just that."

7. **Lawrence A. Kempf**, 2nd V. P., The Northern Trust Co., Chicago: "One of the present day banking problems is subsidized government agencies which are competing with the banks."

8. **Donald A. Harper**, Asst. V. P., The First Wisconsin Nat'l. Bank., Mil-



EVELYN DE PUY
She Asked the Questions

waukee, Wisconsin: "A lot of attention will be needed from the bankers to help straighten out the post-war problems."

9. **Ralph Eastburn**, president, Iowa State Bank & Trust Company, Fairfield: "The earning power of the banks through service charges and interest rates is always a foremost problem."

10. **Frank Warden**, vice president, Central National Bank & Trust Co., Des Moines: "The most important problem is post-war readjustment and what it will need in the way of credits. What happens to the business world will affect banking."

11. **J. Robert Cornell**, V. P. & cashier, First National Bank, Spirit Lake: "Loaning money and trying to tie it in

with the inflationary tendencies is a grave problem today."

12. **H. C. Moret**, cashier, Northwestern State Bank, Orange City: "Farmers are paying off their loans, both personal and on real estate, which reduces our interest income. The help situation is also a big problem."

13. **H. A. Berg**, assistant cashier, First National Bank, Fairfield: "How to make money is always an important problem. One way to remedy this is through more service charges."

14. **W. Dean Vogel**, assistant cashier, Livestock National Bank, Omaha: "Keeping bank loans up, while competing with government agencies is also a difficult problem."

When Do You Think the War Will End and Why?

1. **L. J. Schuster**, president, Clinton National Bank, Clinton, Iowa: "It's going to take a long time before we can get the material and enough men to lick the Japs, probably by the end of 1945. The weakness of the Japs is their bad eyes, but we will beat them by coming down from the Aleutians. The Germans are yellow, while the Japs will fight to the end, so I predict the war in Europe will be over by June 1944."

2. **V. L. Bartling**, assistant vice president, The First National Bank of Chicago, Chicago: "The Germans will be out of the running in five or six months, but as it will take a year to settle with the Japs, the whole war will be over by the spring of '45."

3. **George A. Malcolm**, vice president, Drovers National Bank, Chicago: "The war will end after the election. Stalin

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Northwestern Banker October 1943

Lee Wiggins Heads A B A

W. Randolph Burgess Named Vice President and
W. J. Waller Becomes Treasurer

A. LEE M. WIGGINS, president of the Banks of Hartsville, South Carolina, was elected president of the American Bankers Association at the recent annual meeting of the organization held in New York City. Mr. Wiggins succeeds **W. Linn Hemingway**, president of the Mercantile-Commerce Bank & Trust Company, St. Louis.

Elected to the vice presidency was **W. Randolph Burgess**, vice chairman of the National City Bank, New York. Mr. Burgess entered his banking career in 1920 as deputy governor of the Federal Reserve Bank in New York, and became associated with the National City Bank in 1938, in his present capacity. As vice president of the American Bankers Association, he will succeed to the office of president next year.

Wilmer J. Waller, vice president and cashier of the Hamilton National Bank, Washington, D. C., was elected treasurer of the Association. He is a former president of the District of Columbia Bankers Association, is a member of the National War Loans Committee of the A. B. A. and is chairman of its Committee on Priorities.

F. Raymond Peterson, president and chairman of the board of the First National Bank of Paterson, New Jersey, was elected president of the National Bank Division. At the same meeting, **R. Otis McClintock**, president of the First National Bank and Trust Company, Tulsa, Oklahoma, was elected vice president.

Wood Netherland, vice-president, Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri, was elected president of the State Bank Division, and **Claude F. Pack**, president, Home State Bank, Kansas City, Kansas, was elected vice president.

Fred F. Lawrence, treasurer, Maine Savings Bank, Portland, Maine, was elected president of the Savings Division, and **H. R. Templeton**, vice-president, Cleveland Trust Company, Cleveland, Ohio, was elected vice president.

Henry A. Theis, vice president of the Guaranty Trust Company of New York City, was elected president of the Trust division.

Frederick A. Carroll, vice president and trust officer of the National Shawmut Bank of Boston was elected vice

By Frank P. Syms

Vice President
The Northwestern Banker
New York

president of the division and **James W. Allison**, vice president of the Equitable Trust Company of Wilmington, Delaware, was made chairman of the Executive Committee.

Lauder W. Hodges, executive manager, California Bankers Association, San Francisco, California, was elected



W. RANDOLPH BURGESS
Vice President
American Bankers Association

president of the State Secretaries Section of the American Bankers Association.

At the same meeting, **G. Harold Welch**, secretary, Connecticut Bankers Association, New Haven, Connecticut, was elected vice president.

Convention Notes

The official registration list released by the American Bankers Association contained only the names of official delegates to the meeting and other officials. However, even its total ran over the 1,300 mark. The unofficial total for the attendance was around 2,500.

All of the sessions were well attended and many bankers and delegates said that they seemed to prefer the limitation of the A. B. A. activities to official sessions, with a minimum of entertainment, for it gave them a better chance to visit around with their friends in the many New York Bank Headquarters rooms, and to see the sights of the city.

One of the most delightful informal affairs was the luncheon given by the Bankers Trust Company of Des Moines. It was attended by the many Iowa bankers and their wives that were attending the convention, and a very good time was had by all. **L. Nevin Lee**, assistant vice president of the bank, was on hand to receive the many guests and he was well aided by **Richard R. Rollins**, who was in the uniform of a lieutenant of the Navy. If any of your friends are wondering how they would look in the nice new slate gray color, just ask Dick to show them.

Among the ladies present were **Mrs. E. F. Buckley**, **Mrs. A. T. Donhowe**, **Mrs. Byron McKee**, **Mrs. Ben Summerwill**, and **Mrs. V. W. Johnson**.

Just before the luncheon started **Dick Rollins** assigned one lady to each table. I don't know how the other tables made out, but **Mrs. Byron McKee** certainly kept the boys at her table on their toes every minute. She started the conversation by asking if they knew why the new bonds were lettered E. F. and G. It appeared that the **E** is for **Eleanor**, **F** for **Franklin**, and **G** for **God**; and one will note that the other two come first.

Frank Warner, popular secretary of the Iowa Bankers Association, was also present. In making out his name card the young lady in charge of registrations went in for abbreviations in a big way and this is the way it appeared on his lapel: **1A Bnkrs Assn.** Frank said he was certainly glad they didn't leave off the final N.

Frank Welch of the Peoples Savings Bank was present in all of his glory. He said he always enjoyed reading the **NORTHWESTERN BANKER** after one of **Cliff's** visits East, because he liked to see how many bankers gave away a free meal. It always served as a guide for his future visits.

L. L. Davis, formerly in charge of

the Bank Supply Division of Remington Rand and now, due to the war, operating on behalf of the Tabulating Machine Division, said that the luncheon was the best hotel meal that he had had in three months. Which would seem to infer that Mrs. Davis was still tops in the culinary department.

Just to show you that bankers are a lot more human than many of us think while visiting the Men's Bar, **Orval Adams**, former president of the A. B. A., came in for a coke. A few minutes later I heard him remark to one of his friends, with a handful of toasted crackers, "They charged me twenty cents for a coke, so I'm getting even with them."

Gene Voss, genial, generous, and gallant representative of the Continental Bank and Trust Company of New York, was in very active evidence and had among his guests **A. G. Sam**, president of the First National Bank of Sioux City.

Daniel O'Meara, vice president, **Arthur W. Somers**, assistant cashier, and **John T. Barry**, new middle western representative of the Public National Bank & Trust Company, were very active and very much in evidence at their headquarters room. One of their main problems was keeping the waiter on duty—but the service was efficient and effective. As a sample of just how much service this bank renders, one of the visiting bankers wished to do some fishing while in New York. So, Mr. Somers made arrangement for both hotel and fishing accommodations at Peconic Bay—one of the best fishing areas in the East—for this gentleman.

The Central Hanover Headquarters rooms were occupied in direct proportion to their number of correspondent bank accounts—which means they were crowded—and **Alfred Ellinger**, vice president of the bank, made sure that everything was shipshape and ran smoothly by conferring with the Maitre d'Hotel in his own native French.

In the Manufacturers Trust Company rooms, **H. A. Walsh**, assistant secretary and an ardent member of the water brigade for over four years now, assisted in the distribution of liquid refreshments. One wondered if the gleam in his eye, concealed a shaking of the head as each new portion was distributed. **William B. Whitman** was out of town attending the Iowa Bankers Convention.

The many friends of **Roland Irvine** of the Chase National Bank will be delighted to know that he is back at his desk and if anything looks more hale and hearty than ever. As one banker said, "All he did was get rid

of one of his chins." Roland decided not to risk the reception that he would have received at the meeting itself so he held forth at his own desk in the Chase's head office; and many a banker made the necessary trek to greet him and hear one of his latest jokes.

Delegates to the ABA convention from several midwestern states were as follows:

Iowa

Bramwell, D. D. and wife, president, First National Bank, Hampton.

Buckley, E. F. and wife, president, Central National Bank & Trust, Des Moines.

Coquillette, S. E. and wife, president, Merchants National Bank, Cedar Rapids.

Cullen, V. P., executive vice president, National Bank of Burlington, Burlington; executive council.

Doolittle, Clyde H., vice president, Iowa-Des Moines National Bank & Trust Co., Des Moines; executive committee Trust Division, 1944.

Fredricksen, C. L., president, Live Stock National Bank, Sioux City.

Frost, Julian, executive vice presi-

dent, Decatur County State Bank, Leon.

Gossett, C. R., president, Security National Bank, Sioux City; executive council elect.

Gronstal, B. A. and wife, president, Council Bluffs Savings Bank, Council Bluffs; agencies in competition with banks, State Bank Division, 1943.

Groszkruger, Paul, president, Citizens National Bank, Belle Plaine.

Harris, C. F., president, State Bank Gladbrook, Gladbrook.

Horton, Herbert L., president, Iowa-Des Moines National Bank & Trust Co., Des Moines; committee on federal legislation.

Johnson, V. W. and wife, president, First National Bank, Cedar Falls; president Iowa Bankers Association.

King, J. E., president, Peoples National Bank, Albia; nominating committee.

Lee, L. Nevin, assistant vice president, Bankers Trust Co., Des Moines.

McGee, R. K., vice president, Clarke County State Bank, Osceola.

McKee, B. L. and wife, vice president, Muscatine Bank & Trust Co., Muscatine; executive council.

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Financial Advertisers to Have War Service Program

DEVOTING most of its program to special war services performed by banks, the Financial Advertisers Association will convene for a two-day conference at the Edgewater Beach Hotel, Chicago, October 19, 20 and 21. President L. E. Townsend, assistant vice president, Bank of America, California, will open the session at noon on Tuesday, October 19, following a meeting of the board of directors and senior advisory council in the morning.

Announcement of the convention to members of the F.A.A. said, "Time was when the concept of the word 'convention' was elbowbending. Today convention means elbowtouching of serious-minded people, availing themselves of the opportunity to do some 'collective thinking for individual action.'

"It is patriotic—it is vital war effort to think and work together these days. The essence of victory for our nation rests in collective thinking—using the best ideas of all and blending them together for collective action."

Highlight of the program will be the appearance at the Wednesday evening dinner of Capt. Eddie Rickenbacker. Other well known bankers and business men on the program include: Earl L. Kelly, vice president, Bank of America, San Francisco, California; T. Spencer Shore, vice presi-

dent and treasurer, General Tire & Rubber Co., Akron, Ohio; Don U. Bridge, special consultant, War Finance Division, Treasury Department, Washington, D. C.; James W. Irwin, assistant to the president, Monsanto Chemical Company, St. Louis, Missouri.

In addition to the general sessions to be addressed by the speakers mentioned above, there will be departmental sessions on Tuesday and Wednesday afternoons, two buffet breakfast conferences, two panel discussions, "The bank's part in winning the war" and "Bank promotion in wartime" and the closing luncheon, Wednesday noon, addressed by President-elect L. F. Gordon, vice president, Citizens and Southern National Bank, Atlanta, Ga.

Instead of the usual convention exhibit of member advertising, an Exhibit Book, following the successful pattern of last year, will be published, containing outstanding examples of advertising used by members during the past year. Fred Botzum, advertising manager, Firestone Park Trust and Savings Bank, Akron, is editor.

Chairman of the program committee for the convention is Robert Lindquist, advertising manager, American National Bank & Trust Co., Chicago, Ill.

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Are Repairs to Trucks Covered Under Highway Construction Bond?

DICKERSBACH, a banker, also operated a tire repair shop in South Dakota. He repaired, at his shop, the tires of a contractor's trucks that were used in hauling crushed rock in the construction of a highway. The contractor did not pay for the repairs. As an incident to procuring the highway contract, the contractor had furnished a bond securing claims for "material, supplies, tools, appliances and labor" in carrying out the provisions of the highway construction contract. Could Dickersback recover under such bond?

Yes. According to a recent South Dakota Supreme Court decision, the payment for repairs on tires furnished for trucks used for hauling crushed rock in the construction of a highway are within the provisions of a highway contract bond securing claims for "material, supplies, tools, appliances and labor" in carrying out the provisions of the highway construction contract.

Farrell died in South Dakota, leaving a will and numerous heirs. Some of the heirs sued to break the will, claiming that the testator was not of sound mind. These heirs were unsuccessful in their suit and the court found that the testator was of sound mind. Later on, certain other heirs, who were not parties to the original suit, sought to break the will on the same ground. Was the finding in the first suit binding on them?

Yes. Where it is determined in one will contest suit that the testator is of sound mind, such determination is conclusive in a second and subsequent suit even though the parties in the second suit did not take part in the first suit filed.

Jordan, a banker, was the executor of an estate in Iowa. Under the decedent's will he was authorized to sell the property of the estate. He made a contract with Snow to sell a farm belonging to the estate subject to court approval. Later he secured a substantially higher bid and gave Snow an opportunity to meet it, which Snow declined. The contract to sell the property to Snow was not submitted to the court for approval and Jordan refused to go through with the deal. Was such action proper?

These and Other Timely Legal Questions Are Answered

By the

LEGAL DEPARTMENT

Yes. Where an executor, after executing a contract for the sale of a farm subject to court approval, receives a bid at a substantially higher price, it is proper that he not present the first contract to the court for approval, give the first bidder an opportunity to meet the subsequent higher bid and, upon the bidder's failure to do so, decline to complete the deal on the lower basis.

Shakewell entered into a contract with Mussel in North Dakota to sell certain real estate there on installments. The contract provided that Mussel would pay the taxes. This Mussel did not do. Instead, he let the taxes default and bought the property at a tax sale. Could he validly assert that he obtained good title as against Shakewell through such dealing?

No. A vendee under a contract of sale of real estate who is legally obligated to pay the taxes on the premises is estopped from asserting, as against the vendor, a tax title having its inception in the vendee's default. This is true even though there has been no collusion or bad faith in the vendee's acquisition of the tax title.

Morrell, a Minnesota resident, died leaving a substantial part of his estate to Baker, his banker and long-time friend. Baker was not related to Morrell by blood or marriage, but there had, for many years, existed a confidential relationship between them. At the time of making the will Morrell was of sound mind, clearly understood the transaction, exercised a free will in the act, and was under no restraint or undue influence. Some of Morrell's heirs sought to have the gift to Baker declared invalid. Could they do so?

No. The mere existence of a confidential relationship does not, as a matter of law, operate to bar the right of a beneficiary to receive a gift. If the

donor was at the time of sound mind and clearly understood the transaction and exercised a free will in the act, being under no restraint or undue influence, such gift will be supported.

Nuttall, a South Dakota banker, acquired a tax title to a building in that state. His title was such that it did not amount to ownership in fee. He procured and paid for fire insurance on the premises, telling the general agent the facts regarding the condition of his title. The general agent, in turn, reported these to his head office. The policy, as issued, contained no reference thereto. A fire occurred and the building was destroyed. The insurance company sought to escape liability under the policy because it did not contain an endorsement to the effect that the banker did not hold title in fee. Could it do so?

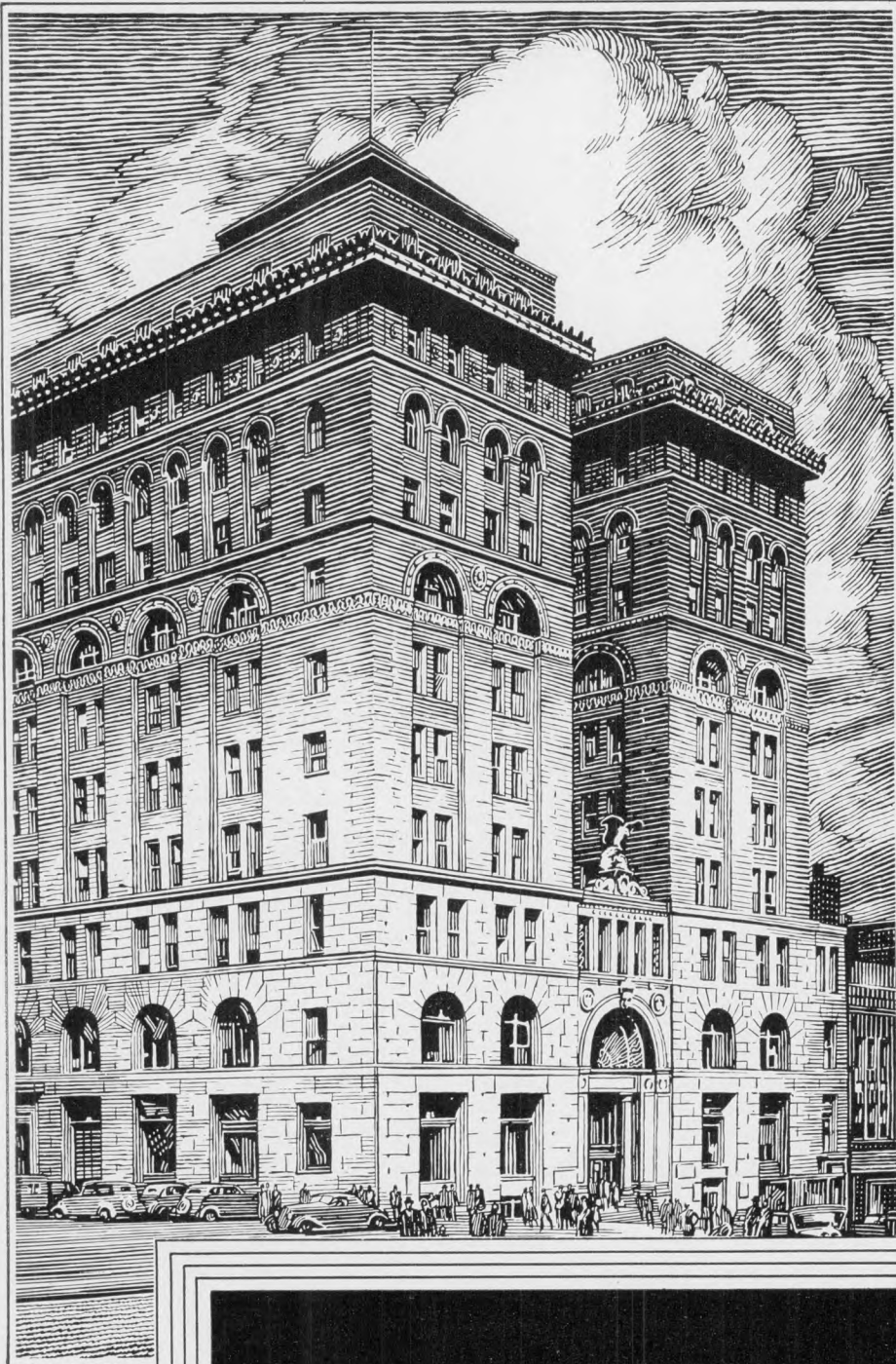
No. In a recent decision involving substantially similar facts, the South Dakota Supreme Court held that, where a general agent of an insurer knew that the applicant did not have title in fee to the property on which he sought fire insurance and reported the facts to the insurer and the insurer accepted the premium and issued the policy, the insurer was estopped from asserting the invalidity of the policy for failure to have the facts pertaining to the title endorsed upon the policy.

An employe of a railroad operating in Ohio and New York was indebted to a bank in Ohio. The indebtedness was not paid when it fell due and the bank brought suit. While the suit was pending the employe was transferred to New York. The bank obtained a judgment which was not paid. Thereafter it garnished, in Ohio, the railroad for which the debtor was working in New York. Was the garnishment valid?

Yes. When an employe of a railroad operating in Ohio and New York was transferred from Ohio to New York prior to the recovery of a judgment against him in Ohio, the judgment creditor in Ohio is entitled to recover from the railroad in Ohio garnishment proceedings on the wages due the employe.

Shallcross, an Illinois banker, owned

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MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

Northwestern Banker October 1943

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

MERLIN SPENCER, Associated Press newsman, just back from the Southwest Pacific, in a recent speech said, "**The Southwest Pacific area has been so low on the government priority list that it was only recently that they sent us Eleanor Roosevelt.**"

John L. Lewis has been condemned by the CIO Union of the United Electrical, Radio and Machine Workers of America as "unfit to be a leader in the American Labor Movement."

This condemnation was passed in a resolution at the 9th annual convention of this organization, and in the resolution it said, "**John L. Lewis has placed his personal ambitions and greed for power above the welfare of the people . . . he has resorted to strike action in violation of labor's no-strike policy . . . he has fought against price control and rationing and all efforts to stabilize the national economy . . . he has continuously sought to disrupt the organized labor movement by raiding other unions. . . .**"

Lt. H. G. Nordberg is now located at Loras College in Dubuque and in a letter to the **NORTHWESTERN BANKER** said, "I have been in the Navy for almost a year now and am at present officer in Charge of the Navy War Training Service at Loras College in Dubuque." Before entering the service, Jerry was in the Minneapolis office of E. H. Rollins and Son.

John V. Haas, assistant cashier of the Northern Trust Company of Chicago, has recently received his civilian's pilot license. He took his flying lessons at Wheeling, Illinois, starting in June of this year and has recently completed 50 flying hours. John says that he has always been enthusiastic about flying and believes it is one of the coming developments of our post-war period when we realize that we can go to any point of the world in 60 hours.

Clarence S. Rye, vice president of the Little River Bank and Trust Company of Miami, Florida, in a recent letter to us said, "I am enclosing my check in payment of a renewal subscription to the **NORTHWESTERN BANKER**. I assure you that I enjoy reading your

Northwestern Banker October 1943

fine publication and especially the personal notes covering so many bankers whom I know."

Frank Warner, Secretary of the Iowa Bankers Association, did a bang-up job with the two day convention of the State Association last month. Bankers on every hand were congratulating him on a fine program, well planned subjects for discussion, and the very fine banquet which was held on Sunday night where almost 1,000 were seated at the tables.

Frank has long been known for his efficiency and attention to details in arranging a program and his many capabilities were never more in evidence than this year.

In the printed report the Iowa Association had total receipts for the last fiscal year from June 1, 1942, to June 1, 1943, of \$43,041 and total expenses were \$39,209 and the balance of receipts over disbursements for the year was \$3,832.

Norman B. Shaffer, vice president, and **Arthur Frey**, assistant cashier, of the Continental Illinois National Bank and Trust Company of Chicago, called at the office of the **NORTHWESTERN BANKER** during the Iowa convention and Norman also stopped at Altoona, Iowa, to visit with his father and mother who are now both in their eighties but hail and hearty.

Charles C. Kuning, vice president of the American National Bank and Trust Co., was host at the famous "breakfast party" which he always gives during the Iowa Convention.



This is one time when the little pigs were killed for a good purpose and together with the scrambled eggs from the farms of Iowa, Charlie was as always an excellent chef and a delightful host.

Charles B. Mills, president of the Iowa Bankers Association in 1901 and 1902, was elected president of the Ex-Presidents Club at the State Convention which was held last month. Charlie's home is now in Moline, Illinois, and he has been a regular attendant at all Iowa gatherings for many years.

Miss Ruth Slife, daughter of **C. A. Slife**, cashier of the Farmers State Bank of Hawarden, Iowa, and Mrs. Slife, was married recently to **Lt. Jess C. Bennett, Jr.**, of Denver, Colo.

Mrs. Bennett attended the University of Denver at Denver, Colo., and Mr. Bennett attended the University of California at Los Angeles.

At present Lt. Bennett is a squadron navigator having originally received his commission in the army air corps at Orlando, Florida.

Preston Delano, Comptroller of the Currency, in speaking before the National Association of Supervisors of State Banks is opposed to branch banking and in his remarks said: "**The office of the Comptroller of Currency is anxious that whenever possible the independent bank shall continue to do its important job in our economy. We are opposed to the building up of great banking systems and chains which, by their very size and power, threaten the financial self-sufficiency of our small communities, and thus the independence of their industries, their agriculture and their individuals.**"

Robert Strickland, president of the Trust Company of Georgia, Atlanta, spoke on "Government War Financing and Its Effect on Our Economy" before the American Bankers Association last month and this was one of the most outstanding speeches delivered at this gathering. Among other things, Mr. Strickland said:

"**Finally, these proponents of prosperity through debt tell us that there is no debt because we owe it to ourselves. This doctrine can only be supported by the collectivist theory that all property belongs to the state, and that the state has no obligation to repay that which it takes from its subjects. With more than one-third of our citizens as direct owners of government obligations, and countless other millions indirect owners as holders of life insurance policies, of bank**

(Turn to page 32, please)

WE SHALL BE GLAD TO
MEET YOU AT
THE
NEBRASKA BANKERS CONVENTION
LINCOLN, OCTOBER 11 and 12



ALVIN E. JOHNSON
President

H. C. KARPFF
Vice President

R. H. KROEGER
Vice President

PAUL HANSEN
Cashier

L. V. PULLIAM
Asst. Cashier

W. DEAN VOGEL
Asst. Cashier

H. H. ECHTERMEYER
Asst. Cashier

EARL R. CHERRY
Asst. Cashier

C. G. PEARSON
Asst. Cashier

T. J. PRICE, JR.
Asst. Cashier



LIVE STOCK NATIONAL BANK
OMAHA

Resources Over \$50,000,000.00

Member Federal Reserve System and Federal Deposit Insurance Corporation

46th Convention

NEBRASKA BANKERS ASSOCIATION

Lincoln—October 11-12
Headquarters—Hotel Cornhusker



JAMES D. MILLIKEN
Acting President

MEMBERS of the Nebraska Bankers Association will convene in Lincoln, Nebraska, on Monday and Tuesday, October 11 and 12, for their Forty-Sixth Annual Convention, with headquarters and all sessions at the Hotel Cornhusker.

The Nebraska convention this year will be a business conference in every sense of the word. Every available minute of the time the delegates spend at the meeting will be taken up with discussion of important topics relating to banking and current problems affecting the business. The usual pre-convention registration routine will be eliminated, although some means will be taken to get the names of those attending, perhaps having them fill in a card and leave with the secretary just as a matter of record. Bankers these days have two important jobs to do—win the war and operate a good bank, and have no desire to be away too long from either of those objectives.

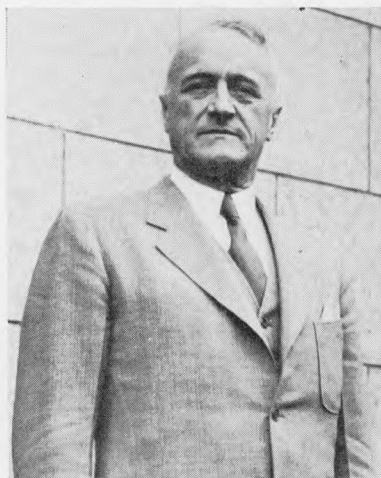
Late afternoon on Monday, October 11, the executive committee of the Nebraska Bankers Association will go into session. This will be followed by the annual convention dinner at which will be one speaker, and some entertainment. At the dinner there will be a special table for past-presidents of the Nebraska Association, and a similar arrangement will be made for members of the Fifty-Year Club.

The one-day business session of the meeting will open promptly at 9:30 Tuesday morning, with James D. Milliken, chairman of the Nebraska executive council, presiding as acting president. It will be recalled that Robert

Clarke, elected president of the Association last Fall, is on leave of absence in Red Cross duty with the Armed Forces, and Mr. Milliken, executive vice president of the Fremont National Bank, has taken over in the emergency.

The program on Tuesday will be largely of the discussion type, with a number of topics on the agenda, rather than devoting the time to a number of pre-arranged speeches. One speaker from outside the State may be on the program, in addition to John W. Kennedy of the Federal Reserve Bank of Kansas City. The latter will speak on War Loan Accounts.

Between the morning and afternoon sessions Lincoln bankers will be hosts to those attending the convention at a buffet luncheon served at the Hotel



WILLIAM B. HUGHES
Secretary

Cornhusker, which will give visitors a chance to visit. The program in the afternoon will start promptly at 1:30 and adjourn at 4:30, in time for those who wish to catch late afternoon trains home, or to have plenty of time to motor to their destinations.

Ladies are cordially invited and expected to attend the dinner on Monday evening, and the luncheon on Tuesday. Although Tuesday, October 12, is a legal holiday in Nebraska, we understand all department stores and other downtown business establishments will be open.

A word from Association Secretary William B. Hughes advises that from advance information he has received, the attendance at this Lincoln convention promises to equal that of last year in Omaha.

Howard Freeman, cashier of the First National Bank, heads the committee of Lincoln bankers in charge of local activities, assisted by W. S. Battey, vice president of the Continental National Bank, and Byron Dunn, executive vice president and trust officer of the National Bank of Commerce.

Two speakers at the Nebraska Convention, among others, will be Herbert V. Prochnow, vice president of the First National Bank, Chicago, and John Kennedy, formerly of the Kansas City Federal Reserve Bank and now assistant vice president of the First National Bank, Kansas City. There will be several discussion leaders in addition to the aforementioned speakers.



Today there is a greater necessity than ever for intelligent feeding of live stock.

Our part is to assist in the financing of feeding operations.

Located in the Omaha Stock Yards we are especially equipped to give prompt and efficient service on all live stock transactions.

Stock Yards National Bank of South Omaha

OMAHA, NEBRASKA

Member Federal Deposit Insurance Corporation



Northwestern Banker *October 1943*

Currency Stabilization

The Guaranty Trust Company of New York announces the salient points of its own basic program for international exchange stabilization and world trade recovery in the current issue of *The Guaranty Survey*, its monthly review of business and financial conditions in the United States and abroad. This proposal is offered in lieu of the tentative plans for the same purpose made public by the British, Canadian, and United States governments, the adoption of any one of which or any combination of the same would be undesirable, the Guaranty Trust Company states.

Gold Base Essential

"It is our belief that no method of stabilization yet devised or suggested is so sound or so easily operated as the international gold standard—with free coinage of gold, free markets and private ownership of gold, and currencies freely convertible into gold, both for domestic use and for shipment abroad," *The Survey* continues.

"If the abnormal conditions that exist at the close of the war make an immediate return to the free gold standard by some nations impossible, it may be necessary for such nations to resort temporarily to the gold exchange standard, whereby countries

with inadequate gold reserves 'tie' their currencies to those based on gold by using their bank balances in gold-standard countries as reserves in lieu of actual gold holdings. Restoration of the free gold standard, however, should be the universal objective.

"The success of this or any other program must depend finally on the adoption and general pursuance of sound internal economic and political policies—balanced budgets, reasonable tariffs and trade regulations, avoidance of central bank and Treasury operations that interfere with the price reactions essential to the operation of the gold standard and, in general, governmental policies that promote business confidence instead of destroying it. Every individual knows that his promises to pay will not be accepted by his neighbors unless he keeps his financial affairs in order. Similarly, no country can expect to have its currency acceptable at a stable value in world markets unless its fiscal affairs are under control, its price level is reasonably stable and its internal economy is functioning smoothly and productively. Internal stability is a prerequisite to international stability.

"If sound governmental policies directed toward this end are followed, the gold standard can work successfully in the future, as it did in the past. If such policies are not followed, international trade and finance will break down under any conceivable system.

Two Postwar Problems

"After the war the world will be faced with two distinct and separate problems. One will be that of readjustment to a peacetime basis. Stores of many consumable commodities will have been nearly exhausted, and in many instances the means of production and transportation will have been destroyed or badly impaired. In large part, these must be replaced and rebuilt on credit; but the task cannot be done on short-term credit, and it should not place an undue strain on the international exchanges. It should be dealt with through sufficiently long-term credit to make final liquidation possible without unnecessary interference with the normal foreign trade structure. The United States can well afford to contribute with other nations toward the rehabilitation of the world by providing long-term credit, partly because it is good business to promote such rehabilitation, partly because humanitarian considerations require it and partly because the distribution of certain surpluses that will exist at the end of the war will aid in the solution.

1871---1943

Working Together

In wartime it is more essential than ever that bankers should work together and counsel with each other on rapidly changing economic problems. That's why we believe the 1943 Nebraska Convention to be held here in Lincoln October 11 and 12 should be attended by every Nebraska banker.

To the Nebraska Bankers Association we offer sincere congratulations for its 53 years of staunch service. We rejoice in knowing this bank has actively participated in Association activities during that entire period of time.



THE FIRST NATIONAL BANK

of

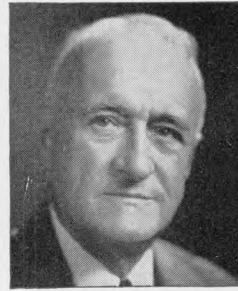
LINCOLN, NEBRASKA

Member Federal Deposit Insurance Corporation



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

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Nebraska Business Outlook Good

(Continued from page 13)

have a very large number of hogs and cattle in this locality and our farmers believe they will have enough feed to get them ready for market along with the corn which they have held over.

During this year a large number of our tenant farmers have purchased farms at reasonable prices. This movement of our land getting into the hands of the farmer operator is a healthy condition, and while the short crop this year may slow up the land buying, we believe our farmers and business men are in a position now to carry on as they have never been able to do before.

"Cattle in Good Condition"

E. C. DAVENPORT
President
Nebraska State Bank
Valentine

Our territory is predominantly a cattle raising area, although we have considerable farming operations in the territory. Our cattle ranges are in excellent condition and all our ranchers were able to complete their haying operations in about the usual length of time, despite the labor shortage.

The cattle on our ranges are in good condition. It is anticipated that they will go to the feeder buyers, weighing considerably more at delivery time than a year ago. We have harvested a normal small grain crop, but the prospect generally for a corn crop over our territory is not favorable to measure up to the production of last year.

The large increase in deposits of the banks in this territory is reflected by the satisfactory prices prevailing for cattle and hogs. The volume of excess reserves is similar to like conditions of banks generally throughout the country. Government bond holdings have been increased substantially in all the banks of this area and prac-

tically all of the banks have reduced the rate of interest paid on time and savings accounts to one per cent.

Guy Becker in Army

Guy Becker, cashier from the Bank of Burwell, Burwell, Nebr., who was inducted into the army recently, is now stationed at the Topeka army air base, at Topeka, Kansas, where he is a weather observer. This is familiar work to Guy, as he has been an official weather observer for several years.

New Bookkeeper

Miss Betty Lou Markuson has a position in the bookkeeping department of the First National Bank, David City, Nebr., succeeding Miss Lois Johnson, who is under contract to teach school near Lemar, Mo., the coming year.

Vacationing

Miss Mattie Ralston has resumed her duties at the McDonald State Bank of North Platte, Nebr., after vacationing for two weeks.

West Coast Vacations

The Misses Jeanette Shepard and Della Ballard have each returned from their trips to the Pacific coast and have resumed their duties in the First National and Nebraska State banks of Valentine, Nebr., respectively.

Southeastern Nebraska Bankers Elect

Fred Bruning of Bruning, Nebraska, was elected president of the Southeastern Nebraska Clearing House Association during a meeting of that organization at the Mary-Etta hotel in Fairbury last month. He succeeds H. R. Killinger of Hebron as president of the association.

R. W. Trefz of Beatrice was named vice president to succeed Bruning, and W. W. Decker of Beatrice was re-elected secretary-treasurer.

Rep. Carl T. Curtis was the principal speaker during the evening. He was introduced by A. J. Denney of Fairbury.

Herman Banker Weds

Fred Robertson, of Herman, Nebraska, and Miss Hallie Cook, of Fontanelle, were united in marriage Saturday evening, August 28th, at the Methodist parsonage in Herman, Nebraska.

Mr. Robertson is vice president of the Herman State Bank.

Earl Schuler

Between 700 and 800 friends and relatives attended the funeral services for Earl Schuler, 42, vice president of the Security National Bank of Laurel, Nebr., who died suddenly last month.

Regional Vice President

Miss Anna T. Olsson, manager of the savings department of the Live Stock National Bank, Omaha, was named regional vice president for the Midwest Division of the Association of Bank Women, which recently concluded its annual convention in New York City.

Miss Henriette J. Fuchs, trust officer of the Underwriters Trust Company, New York, was named president of the organization.

Junior News

*From the Nebraska
Junior Bankers Association
John Lauritzen, Editor*

MAJOR ORVILLE CHATT has been a visitor in Tekamah during the last month. Major Chatt who in civilian life has served for many years as a director of the First National Bank of Tekamah left his position as Nebraska's War Bond Director early in 1942 to enter the Intelligence Division of the Army. Since that time he has seen active service in both England and Africa where he has been doing briefing for the Army Air Forces. One of the news pictures released during Churchill's visit to Africa shows the famed Winston giving an attentive ear while Major Chatt reads out final instructions to a group of pilots about to take off on a bombing mission.

Northwestern Banker October 1943

Don Ryan of the First National Bank of Omaha reports from New Guinea that they are now having their winter down there, and that it gets plenty hot during the days, but is cold

at night. Don is getting fat and he feels that the army life isn't half as bad as many would lead us to believe.

Chase Neumann of the Farmers and Merchants National Bank of Oakland is the proud father of a baby girl. Mrs. Neumann and the baby are both doing well while Chase is getting rid of more than his share of cigars.

Feeder cattle purchases in the Oakland vicinity have thus far lagged about a month behind those of a year ago with at least two thousand fewer cattle in the yards to date. Whether indicative of the final decision of the livestock feeder to curtail his operations greatly or not, it is still too early to say.

Peyton Respass of the First National Bank of Omaha is in the finance division of the army. When payroll time comes he sets up a table (weight 120 lbs.) which he carries along with him and goes to work. This specially built table has room for all of his records, can be carried like a suitcase when folded, and serves as a desk when ready for work; thus he sets up quarters amongst the sand fleas and spiders out on maneuvers.

In Army Air Corps

Paul Warren Shooll, son of Paul W. Shooll, associate editor of The Northwestern Banker and who travels Nebraska extensively representing this publication, recently enlisted in the Army Air Corps. Paul Schooll, Jr., expects to complete his training in a few months and be ready for active combat duty.

Leave of Absence

Miss Pauline Launsby of Omaha is in Lyons (Nebraska) spending part of her vacation with her mother, Mrs. Annette Launsby. Pauline is employed at the Live Stock National Bank in South Omaha and has a months' leave of absence.

Bookkeeper Resigns

Miss Bernice Nissen, bookkeeper at the Osmond (Nebraska) State Bank since last February, last month resigned the position she has capably and faithfully held. Miss Nissen felt that her work was badly needed at the Nissen farm home northwest of Osmond.

Ratekin Takes Bank Position

Clarence Ratekin, until recently treasurer of the Rulo Cooperative Credit Association, has taken a position in the Richardson County Bank at Falls City, Nebraska.

Mr. Ratekin has been associated with the association and with the bank before it for the last 15 years.

Farm Production Is Vital To the War Effort

Our business system applied to tenant-operated farms not only insures maximum production, while restoring and maintaining fertility, but also relieves owners of many War-Time worries.

FARMERS NATIONAL COMPANY

388-396 Brandeis Theatre Bldg.
Omaha, Nebraska

Field Supervisors
At 14 Iowa and Nebraska Points

FARM MANAGEMENT
"From the Ground Up"

BANKS Bought and Sold

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



OUR 80th ANNIVERSARY

Charter No. 209

FEEDER BUYERS

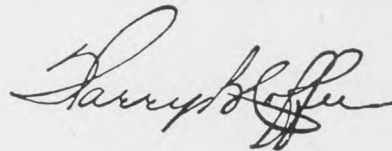
Are Coming to OMAHA!

Faced with travel restrictions, more cornbelt feeder buyers are coming to the world's second largest feeder market--OMAHA.

As the second largest beef-packing center, Omaha also offers an urgent demand for grass-fed cattle for slaughter. This means a dependable, two-way competitive market for your stock.

Lambs, too, are finding an expanding packer and feeder demand at Omaha.

UNION STOCK YARDS COMPANY OF OMAHA (Ltd.)



President



Northwestern Banker *October 1943*

They Are Coming to Lincoln

City Bankers Who Are Planning to Attend the Nebraska Convention

MORE than fifty bankers from large cities outside of Lincoln, including Omaha, and those from Missouri, Iowa, Illinois, and New York, have indicated their intention to attend the annual meeting of the Nebraska Bankers Association in Lincoln on October 11 and 12. The list on file in the office of the Northwestern Bankers is as follows:

Chicago

American National Bank & Trust Company: Charles C. Kuning, vice president.

City National Bank & Trust Company: William Miller, vice president; and L. K. Billings, assistant vice president.

Continental Illinois National Bank & Trust Company: W. E. Resseguie, assistant cashier.

First National Bank: Emil A. Stake and Thomas J. Nugent, vice presidents; Verne L. Bartling, assistant vice president; and Leroy F. Winterhalter, assistant cashier. Herbert V. Prochnow, vice president, will be a speaker on the Nebraska program.

Kansas City

City National Bank & Trust Company: Dale R. Ainsworth, vice president; and Tom Collins, publicity director.

Commerce Trust Company: Fred B. Brady, vice president; and Albert G. Gunner.

New York City

Central Hanover Bank & Trust Company: F. M. Hampton, assistant secretary.

Chemical Bank & Trust Company: Huntington M. Turner, vice president.

Manufacturers Trust Company: R. A. Lockwood, vice president; and William B. Whitman, assistant secretary.

Omaha

First National Bank: F. W. Thomas, C. D. Saunders, and J. F. Davis, vice presidents; E. F. Jepsen, assistant cashier; and John Lauritzen.

Live Stock National Bank: Alvin E. Johnson, president; Henry C. Karpf and R. H. Kroeger, vice presidents; Paul Hansen, cashier; and L. V. Pulliam, C. G. Pearson, H. H. Echtermeyer, W. Dean Vogel, Earl Cherry, T. J. Price, Jr., assistant cashiers.

Omaha National Bank: R. R. Ridge, John A. Changstrom, and James H. Moore, vice presidents; C. O. Darner, cashier; and S. J. Wirtz, A. J. Rhodes, T. R. Noonan, assistant cashiers.

Stock Yards National Bank: James B. Owen, chairman of the board; W. A. Sawtell, president; A. J. Hallas, vice president; John McCumber, cashier; and W. M. Costello, field representative.

United States National Bank: Ellsworth Moser, executive vice president; Austin L. Vickery, cashier; and Nels L. Sholin and Edward W. Lyman, assistant cashiers.

St. Joseph

American National Bank: R. R. Calkins, president.

First National Bank: George E. Porter, vice president; and V. P. Meyer, assistant cashier.

NATIONAL BANK OF COMMERCE

Lincoln, Nebraska

"THE BANK OF EXPERIENCED SERVICE"
(Organized August 4, 1902)

We extend a hearty welcome to the 1943 Annual Convention of the Nebraska Bankers Association here in Lincoln, October 11-12.

OFFICERS

M. WEIL,
President

BYRON DUNN,
Executive Vice President
& Trust Officer

ALBERT A. HELD,
Vice President

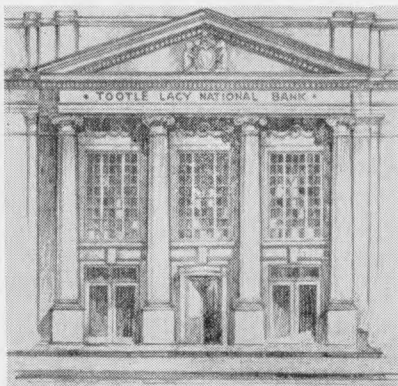
JULIUS WEIL,
Vice President

ERNEST C. FOLSOM,
Vice President

PAUL BOGOTT,
Cashier

GLENN YAUSSE,
Asst. Cashier and
Asst. Trust Officer

Member Federal Deposit Insurance Corporation



The TOOTLE-LACY

SINCE 1889 WE HAVE SPECIALIZED AS "A BANKERS' BANK"

Northwestern Banker October 1943

• NEBRASKA NEWS •

Tootle-Lacy National Bank: E. H. Zimmerman and Milton Tootle, III, vice presidents.

Sioux City

First National Bank: Fritz Fritzon, vice president.

Live Stock National Bank: Carl L. Fredricksen, president; Mark A. Wilson, vice president; and Henry C. Lindiski, assistant cashier.

Toy National Bank: R. R. Brubacher, president; and E. E. Erickson, vice president and cashier.

**Beemer Banker
Breaks Vertebra**

A. J. Leuthauser, cashier of the First National Bank of Clarkson, Nebr., is in a West Point hospital, where he was taken early last month for an X-ray examination to determine the extent of his injuries suffered in a fall from a ladder while working in his yard.

It was found that he had fractured a vertebra.

Buys Lewellen Bank

Carl Beard, Lewellen businessman, has purchased control of the First National Bank of Lewellen, Nebr., from the principal stockholder, B. C. Delatour.

Beard has extensive property holdings in Lewellen and Oshkosh, and owns several farms in Garden county on the south side of the North Platte river. J. L. Katz, who has been associated with the bank for several years, will assume active management.

Resigns at Wymore

Gordon Jones has resigned his position as assistant cashier at the Wymore (Nebraska) National Bank, and has accepted a like position with the Abbott Bros., owners of seven banks in the western part of the state.

Joins Clerical Staff

Fred Herre, Auburn, Nebraska, has joined the clerical staff of the Plattsmouth State Bank.

New Service at Geneva

The Geneva (Nebraska) State Bank announces a new checking account service called the "PAYC" Pay-As-You-Check Plan. It is a new service designed for those who desire the conveniences of a checking account without maintaining a minimum balance, the only requirement being a deposit sufficient to cover checks written. There are no monthly service fees or activity charges on these accounts.

The only cost is 5 cents per check plus a nominal handling charge made on out of town checks at the time the deposit is made. The cost of the book of twenty checks is \$1. Customers may

write as few or many checks as desired, thereby controlling their own cost. The no minimum balance requirements now make it possible for everyone to carry a checking account.

**Bank Organized in
Battle Creek**

Organized immediately following a vote to liquidate the Battle Creek Co-operative Credit Association, the new Battle Creek State Bank opened for business last month. Officers and directors named were B. E. Adkins, Norfolk, president; H. F. Walz, vice president; E. H. Doering, cashier; Chas. C. Zimmerman, G. A. Koester and W. C. Traub, the latter five all residents of Battle Creek.

The bank will start with a paid up capital of \$12,500, a surplus of \$2,500 and undivided profits of \$1,000, a total



Nebraska Bankers:

WELCOME
to
LINCOLN

The
**CONTINENTAL NATIONAL
BANK**
of
LINCOLN

Member Federal Deposit Insurance Corporation

NATIONAL BANK ST. JOSEPH, MO.

MILTON TOOTLE, JR.
PRESIDENT

GRAHAM G. LACY
VICE PRESIDENT

E. H. ZIMMERMAN
VICE PRESIDENT

MILTON TOOTLE, III
VICE PRESIDENT

R. E. WALES
CASHIER

FRED T. BURRI
ASST. CASHIER

*Member Federal Deposit
Insurance Corporation*

of \$16,000. Checking accounts of members of the credit association will be transferred to the books of the new bank.

Aron Heads Crete Bank

Thomas J. Aron was elected president of the Crete State Bank of Crete, Nebraska, at an election held August 28th. He fills the vacancy caused by the death of William S. Collett. Mr. Aron becomes the third president of this bank which has been serving this community for the past forty-six years.

In 1897, the bank was chartered by T. H. Miller, and is now the oldest institution of its kind in the community.

Proud Grandfather

E. N. Solomon, assistant cashier of the First National Bank of Omaha is the proud grandfather of a son born to Lt. and Mrs. Dean Swanson. Lt. Swanson is serving in the Air Corps.

"It's great, speeding along like this. Makes you glad you're alive."

"Glad? I'm amazed."

NEWS AND VIEWS

(Continued from page 22)

deposits, and other evidences of participation and ownership, it is necessary that there be no misunderstanding that the debt is a debt to be treated as such. To be renewed, extended, and refunded from time to time, as the needs of our government require—but also to be regularly reduced and ultimately paid. But it is not reassuring to hear of a highly-placed government economist, on being asked as to any plans being formed to retire the debt replying, 'I have never even heard the matter discussed.' If that statement implied an indifference to the obligation, or an intent to avoid the responsibility of the debt, it would be well that an authoritative voice be raised with definite assurance that no such collectivist notions will be tolerated in America.

"Rather must we, as bankers, and as advisers to the managerial system of American industry, point out to both labor and management, in a spirit of serious and sincere cooperation, that the payment of our debts rests wholly on the maximum production of goods,

the establishment of new industries, the maximum individual efficiency in both management and labor, and the restoration of our government to its historic role of an unprejudiced umpire.

"More work, greater production, high pay to the efficient through incentive plans; lowered costs, lowering prices, wider distribution of goods; economy and thrift by government and citizens alike; sustained profits and industrial expansion from earnings; balanced budgets, decreased borrowings and debt payment—these and these alone can maintain a sound standard of living; these alone will pay our national debt; these alone can guarantee a continuation of a democratic form of government for our nation; these alone will enable us to meet our international responsibilities."

Ralph H. Cake, president of the United States Savings and Loan League and president of the Equitable Savings and Loan of Portland, Oregon, has worked out what is to be known as "The Home Planners' Institute" which is an educational and savings program for prospective home owners.

We are proud of our close association through the years, both in name and deed, with the Banking Fraternity.



Over 138 Millions in Force
Over 41 Millions of Assets

• NEBRASKA NEWS •

It is estimated that one million homes a year will be built in the first 10 years after the war, and that if the average home costs around \$4,000, this means that a total for home building will be approximately \$4,000,000,000 a year in the postwar period.

Absorption of Exchange Charges a Violation

Based on circumstances surrounding activities of a certain bank brought to its attention, the Federal Reserve Bank has ruled that absorption of exchange charges on checks by banks consti-

tutes a payment of interest on demand deposits in violation of Section 19 of the Federal Reserve Act and the board's Regulation Q. The ruling was reported in the September bulletin of the Federal Reserve Board, made by the law department of the system.

Quoting from the bulletin, it says:

"In the circumstances, the Board of Governors expressed opinion that on the basis of the facts presented, the absorption of exchange charges by the member bank in question constitutes a *payment of interest* within the meaning of the general law and is therefore a payment of interest on de-

mand deposits in violation of Section 19 of the Federal Reserve Act and of the provisions of the Board's Regulation Q."

Announces Slogan

During the Third War Loan Drive the First National Bank in St. Louis used on its Audichron the slogan of the drive, "Back the Attack—With War Bonds." The Audichron is located in the bank's lobby and automatically gives a brief message and the time of day over the telephone when its number is called.

Advertisement

"ROLL OF HONOR" BANKS

... NEBRASKA ...

It is an honor to be listed among the HONOR ROLL BANKS. It indicates that the bank has SURPLUS and UNDIVIDED PROFITS equal to or greater than its capital



The banks listed on this page are some of Nebraska's outstanding "Honor Roll" Banks. By careful management and sound banking they have achieved this enviable position. These banks will be especially glad to handle any collections, special credit reports or other business in their communities which you may entrust to them. Correspondence is invited.

TOWN	BANK	OFFICER	CAPITAL	SURPLUS & PROFITS
Avoca.....	Farmers State Bank.....	Elmer Hallstrom.....	\$ 15,000	\$ 25,000
Blue Springs.....	Blue Springs State Bank.....	F. J. Patton.....	20,000	20,420
Bruning.....	Bruning State Bank.....	Fred H. Bruning.....	25,000	40,690
Franklin.....	Franklin State Bank.....	P. L. Slocum.....	25,000	40,000
Fremont.....	Stephens National Bank.....	J. G. Edloff.....	100,000	117,637
Grand Island.....	First National Bank.....	F. J. Cleary.....	200,000	577,000
Lincoln.....	National Bank of Commerce.....	Paul Bogott.....	350,000	1,038,555
Loomis.....	First National Bank.....	W. B. Abrahamson.....	25,000	46,000
McCook.....	First National Bank.....	Rolland Larmon.....	75,000	165,000
Mitchell.....	First National Bank.....	C. W. Wright.....	50,000	137,477
North Bend.....	Platte Valley Bank.....	Emil E. Wolf.....	30,000	50,000
Omaha.....	Live Stock National Bank.....	Paul Hansen.....	500,000	1,065,000
Omaha.....	Omaha National Bank.....	David F. Davis.....	2,000,000	3,070,000
Ponca.....	Bank of Dixon County.....	F. R. Kingsbury.....	25,000	35,000
Stanton.....	First National Bank.....	A. P. Pilger.....	50,000	167,000
Stromsburg.....	Stromsburg Bank.....	E. C. Nordlund.....	30,000	45,000

Northwestern Banker October 1943



Omaha Clearings

THE First National Bank of Omaha on August 26 celebrated its eightieth birthday. It was on that day, in 1863, that the bank was chartered and became the first national bank between Omaha and the Pacific coast. An elaborate prospectus was issued by the bank to commemorate the anniversary.

To mark the occasion, friends and customers sent baskets of flowers, messages of congratulation and best wishes. The flowers filled the lobby of the bank.

Previous to 1863 was the period of "wildcat" banking, a time when many banks issued money in excess of their assets and then closed, making their issues worthless. Banking as it is known today started with the bank act of 1863.

Edward Creighton was the first president of the First National Bank of Omaha, and **Herman Kountze** was the first cashier. These men also were in charge of the Union Pacific groundbreaking ceremonies that summer in the nine-year-old "village" of Omaha

for the overland rail line that was to open the west.

The bank's first home was a one-story frame building on the north side of Farnam street, west of Twelfth. Later, it occupied a two-story brick building at the southeast corner of Farnam and Thirteenth, then a six-story building there, and finally its present 14-story structure at Sixteenth and Farnam, hub of Omaha's business district.

Other presidents of the bank have been **Herman** and **Augustus Kountze**, **Count John Creighton**, **Frederick H. Davis** and the latter's son, **T. L. Davis**, now president of the institution.

Resources of the bank have grown from \$65,000 in 1863 to \$65,000,000, and its capital has increased from \$35,000 to nearly \$3,500,000.

Ford E. Hovey, president of the Occidental Building and Loan Association of Omaha, was named chairman of the financial division of the Douglas county war bond campaign committee. He had the responsibility of conducting the third war loan drive in September among the large financial institutions, insurance companies, and individuals of the investor type.

Ratification by 90 per cent of its 443 farm loan associations has put into effect the program of the Federal Land Bank of Omaha to refinance the local associations, it was announced by **E. N. Van Horne**, president of the bank.

The program will consolidate the 443 local farm loan associations into approximately 200 associations, effecting a substantial savings in operational cost, President Van Horne stated. Under the program, the Omaha land bank will restore the stock of all financially-unsound associations to par value. The cost to the land bank will be about \$7,400,000.

The local associations affected are in Nebraska, Iowa, South Dakota and Wyoming. They are farmer-owned organizations, with their members as stockholders.

Lieutenant Commander **J. B. Frazier, Jr.**, of the naval reserve, surprised his family in Omaha recently by returning for a month's leave after a year's service in Iceland. Many social events were held for the Fraziers. Mr. Frazier was Omaha resident vice president of

The Stock Man's Problems—

—are not a mystery to us. Our experience has been gained in handling these problems each day. That experience may be of value to you and your customers.

The efforts we make in assisting in the increased production of vital meat is not in competition with local banks. But we are anxious to work with your bank toward the solution of your problems.

O F F I C E R S

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

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OMAHA

A. C. Allyn Company, investment bankers, from which he is now on leave for the duration.

Mrs. W. Dale Clark, wife of the president of the Omaha National Bank, has returned from a stay at Estes Park, Colo., where she was at the Elkhorn Lodge.

Mr. and Mrs. John R. Lauritzen have purchased the Einar Hoel residence in Omaha at 118 South Sixty-ninth street in Cedarknoll addition. The house was built two years ago. Mr. Lauritzen is associated with the First National Bank of Omaha. Mrs. Lauritzen, former queen of Ak-Sar-Ben, is a daughter of **Mr. and Mrs. T. L. Davis**.

Alvin E. Johnson, president of the Live Stock National Bank of Omaha, and state chairman of the committee for economic development, addressed a joint meeting of the Chamber of Commerce and Lions Club at Hastings, Neb., recently. His topic was "Post-war Planning and Industrial Development."

For fliers who do not have a minute to spare, Red Cross airport canteen workers at Omaha, through the ingenuity of **Mrs. H. M. Bushnell**, wife of the president of the United States National Bank of Omaha, have provided that necessary "postcard home." All the information a family wants most to hear is printed on the card and all a service man has to do is give his address to a worker and answer a few questions. The card is filled in and mailed for him.

Five more blocks of tax-free municipal bonds were sold by the Nebraska board of educational lands and funds recently.

(Turn to page 36, please)



Lincoln Locals

PROSPERITY on Nebraska and Iowa farms was reflected in the announcement the Lincoln joint stock land bank has repaid \$375,000 in collateral notes in six months, two and one-half years before maturity.

W. E. Barkley, Lincoln, president of the bank, added the bank also has paid off \$130,000 on a reconstruction financing company loan of \$1,330,000.

The bank in 1934 had 1,700 financed farms in Iowa and Nebraska. Today it has only 30 in Iowa and 250 in Nebraska.

On March 1 this year the bank issued \$1,500,000 in collateral notes for three, five and seven year terms. The \$375,000 payment paid off the three-year-term obligation.

Harold A. Prince and W. P. Mullen,

attorneys for a group of former directors of the defunct Farmers State Bank of Wood River, sued by M. D. Lyhane, another director, for an accounting under an agreement to share losses, suggested to the supreme court that it follow the example of District Judge Spikes, who "concluded that it was far better to let the corpse rest in peace rather than to disturb a handful of ashes." Years ago the bank was in need of money, and the directors borrowed from other sources, some mortgaging their lands, to supply the need. As security each took out of the bank's portfolio a like amount of notes. In 1934 Lyhane brought suit complaining that other directors had taken good notes out of his envelope and substituted worthless notes that the bank examiner had thrown out. In 1934 the

GREETINGS
TO THE
**NEBRASKA BANKERS
ASSOCIATION**

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GREETINGS

to

**NEBRASKA BANKERS
ASSOCIATION**

As you meet in Lincoln, October
11-12 for your Annual
Convention

**Monroe Calculating
Machine Company, Inc.**

472-474 Aquila Court
OMAHA, NEBRASKA

413 Security Mutual Life Ins. Bldg.
LINCOLN, NEBRASKA

**MONROE ACCOUNTING
MACHINES FOR
BANKS**

supreme court decided against him. Seven years later he brought the present suit.

Wade Martin, director of banking, said that a final payment of 18 per cent of \$12,430 had been made to depositors of the defunct **Citizens State Bank of Shubert**. The banking department took the bank over Sept. 21, 1942. A previous payment together with the final brings the total paid to

\$53,864 or 78 per cent. Claims amounted to \$69,056.

The **Federal Land Bank** of Omaha filed a brief in support of its appeal to the Supreme Court on the \$10,379 lien against the Dawes county property of Mrs. Laura Palmer.

The bank maintains that the land should be taken over, while the defending real estate owner says that the mortgaged property has a fair value, and the company bid is too low.

OMAHA CLEARINGS

(Continued from page 35)

The board sold \$108,000 worth of Village of Grant bonds to the **Kirkpatrick-Pettis** company of Omaha for \$114,000.

One hundred and fifty-two thousand dollars of City of Crawford bonds went to **Wachob-Bender** company of Omaha for \$164,000.

Wachob-Bender also bought Clay Center School District bonds in amount of \$15,000, and Clay Center municipal bonds for \$47,550.

Robert Schweser of Omaha purchased \$13,000 of Village of Callaway bonds for \$14,255.

The sale brought to \$1,148,615 the total of bonds sold. Par value of all bonds sold was \$1,029,550, the state thus netting a profit of \$119,115, which was to be invested in 2½ per cent government bonds.

Mr. and Mrs. Lawrence Brinker, who have been among the Omahans at Lake Milona, Minn., near Alexandria, this summer, returned home early in September. Mr. Brinker heads the investment banking firm bearing his name.

Also back from their Lake Milona summer home are **Mr. and Mrs. T. L. Davis**. Mr. Davis is president of the First National Bank of Omaha. Others returning from Milona were **Mr. and Mrs. Walter B. Roberts**. Mr. Roberts heads the National Company of Omaha.

Robert H. Hall, executive officer of the North Side Bank of Omaha, was chairman of Omaha's premiere showing of the Warner Brothers film, "Watch on the Rhine," starring Bette Davis, which featured the Omaha war bond campaign during September. The premiere was at the Paramount theater.

It was estimated that the premiere was a "five million-dollar house." Highlight of the performance was the personal appearance of five enlisted men from the five different armed services, each of whom had won decorations in combat on the fighting fronts. Also present were a number of film stars, including Mary Brian.

Miss Anna T. Olsson, department manager of the Live Stock National Bank of Omaha, was named regional vice president of the Association of Bank Women at its twenty-first annual convention in New York City recently.

*The Shout
That Spells
DISASTER*



How much would you loan on a burning building? The answer to this question is obvious. If the building were fully insured the collateral would not be impaired. For that reason bankers insist on insuring against the world's greatest destroyer of property today. Banker agents have found Western Mutual service entirely adequate and that is the reason so many of them represent Western Mutual as agents in their own communities and make sure collateral on their loans is properly protected and get paid handsomely for rendering this service.

Better cooperation from a company that does things "just a little better"!

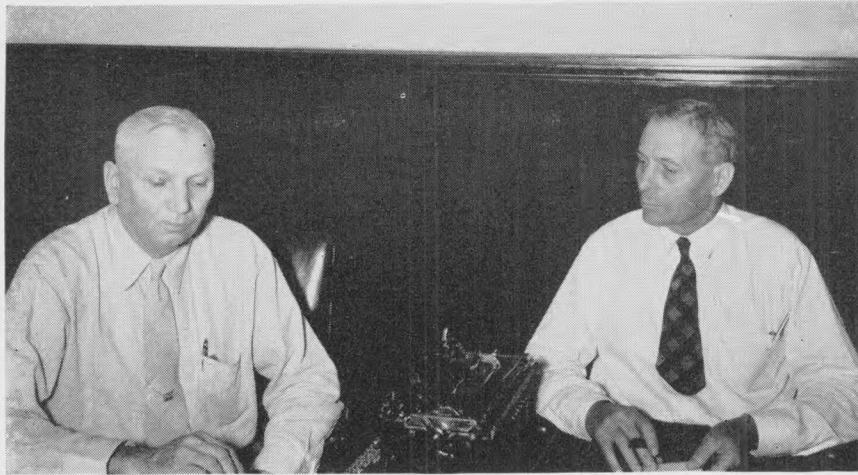
WESTERN MUTUAL
Fire Insurance Co.

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Des Moines, Iowa



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



Emil E. Wolf, left, vice president and cashier of the Platte Valley Bank, and J. M. Easom, manage a profitable bank local agency at North Bend, Nebraska. Mr. Easom is the manager of the agency.

\$13,000 in Hail Premiums

This Local Agency Thinks Business Is Good in Nebraska

OUT in North Bend, Nebraska, there is an insurance agency partnership that is doing very well, thank you—that of Easom and Wolf, operating in the Platte Valley Bank, but entirely separate from bank sponsorship, although Emil Wolf is vice president and cashier of the banking institution. The agency is managed by J. M. Easom, who has no connection with the bank, outside of having his office in the back room.

By this time the hail premiums for 1943 have all been paid, we hope, and the greater part of the losses have been taken, but during the hail writing season last spring the Easom & Wolf Agency wrote the astounding total of \$13,000 in hail premiums, which is nice volume for any middle western rural agency. Plenty of moisture, a good stand of crops and good prices for those crops in the offing, all made for "easy selling" of hail coverage last spring, according to Mr. Easom. While

An Interview with

J. M. Easom

North Bend, Nebraska

he was very modest about it, we can't help but feel it took a certain amount of systematic calling and thorough selling to roll up that premium volume.

"When it comes to renewals," said Mr. Easom, "I figure about 80 per cent of our annual writing fall into this classification. We have the policies all written in advance, and hand them to the customer personally, assuming, of course, that he will renew. There is a certain psychology to this method, naturally, but we realize insurance is an intangible and about the only time a customer sees or realizes what he gets for his insurance premium is when he holds the actual policy in his hand. After that either we take it for safe

keeping or the customer puts it in his bank box, and probably forgets about it until we hand him another policy at renewal time. Unless a loss occurs, and then, of course, the customer learns the real value of an insurance policy in a hurry.

"Having been in business in this community for a number of years," continued Mr. Easom, "we know just about everybody by their first name, and we would be foolish not to cash in on this business advantage. However, people are moving about right now more than they ever did before, due to circumstances brought on by the war, and we need to be more on our toes to keep acquainted with newcomers. It is the changing population which makes up the other 20 per cent of the business on our books—some of these stay and become permanent residents of our community and, of course, others are here today and gone tomorrow."



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

It should be noted that when Mr. Easom says he has the renewal policies prepared in advance he does not do so without first ascertaining whether the value of the property, through natural causes or new construction, has increased to where it should have added coverage to be adequately protected. Mr. Easom says he is careful not to go to extremes on increasing the coverage because of increased values, but he feels it is just good business to let the customer know his values are higher and give him the advantage of larger coverage. Making an offer of increased coverage and

having it refused is a much better way to hold business than to overlook the point and have a loss occur. Then the agent is really on the spot.

Mr. Easom feels that insurance is especially easy to sell in these items, when everyone that wants to work is making good money. This applies to automobile business which shows a little increase this year, he said. Farmers have plenty of money now, too; they are all using their cars, and being in a farming community, a good agent will take advantage of the opportunity. Even with good hail business and other farm coverage, Mr. Easom says

his agency writes more in the city than in the country.

When asked what his advice would be to the young man going into the insurance business, Mr. Easom named three sure-fire rules for success—make a thorough study of the business—put in a lot of time—and make as many contacts as you can, because you have to see to sell.

With First National, Kansas City

John Kennedy, formerly executive manager of the General Motors Acceptance Corporation in Kansas City, joined the correspondent bank department of The First National Bank of Kansas City last month. He becomes an assistant vice president.

Kansas and Missouri will be the principal states in which Mr. Kennedy will travel. He also will travel in Colorado, Nebraska and other states in the Tenth district.

For the past seventeen years Mr. Kennedy has been associated with the

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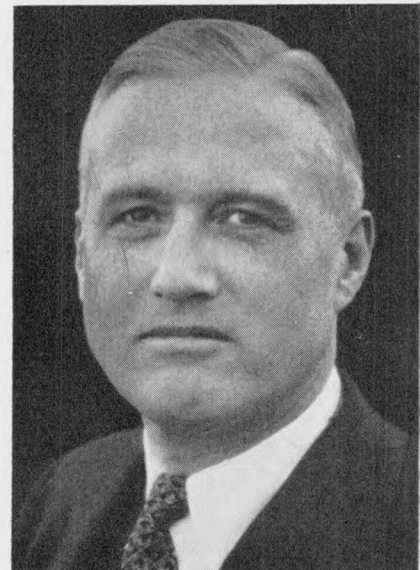
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Surety Division

The State Automobile Insurance Association

DES MOINES, IOWA



JOHN KENNEDY
With First National Bank

General Motors Acceptance Corporation, taking a leave of absence in March to assist at the Federal Reserve Bank of Kansas City in some special work related to the U. S. Treasury's war financing program.

In 1926 he entered the employ of the General Motors Acceptance Corporation and in 1928 he was given full responsibility of handling the company's banking relations in the northern part of the San Francisco Federal Reserve district. He was transferred to Kansas City in 1936.

New Taxes Not to Affect Banks

Will Be Some Increase in Taxes Which Will Have to Be Offset in Most Banks By Larger Purchases of Government Bonds



JAMES H. CLARKE

During September the stock market attempted to interpret all kinds of news, but found the job too difficult. Early successes in Italy brought about selling based on possibilities of a short war and,

hence, a drying up of war orders. The talk made by President Roosevelt of a long war, and the fight on the beaches of Salerno, however, changed the picture. Stocks then rallied. In fact, enthusiasm was strong enough to carry them into new high territory, but as we write this they are beginning to show some weakness.

From the action of various groups of stocks, however, it is apparent that investors in general believe that the end of the war is not too far off. Stocks which were attractive a year or two ago have been selling off, while other securities—which will be better off when peace comes—have been attracting attention. The stock market never looks back, and in looking forward today it is saying that while the shooting is not over, on the other hand the earnings of the so-called “war babies” have seen their best days.

Shares of railroad companies naturally suffer in times like these. Investors believe that it will be impossible for the railroads to report the substantial earnings in peace times that they have during the war. This seems very logical, of course. Then, too, a large number of railroads have now used up their excess profits credits and will be more affected by taxes in the future. On the favorable side, however, it can be said that most roads have drastically reduced their funded debt, which will place the common stocks in a better position to share in whatever post-war profits there may be.

The high grade bond market has continued to be very strong. Some of the second grade bonds, especially in the rail category, have suffered from the same factors which we mentioned in connection with the stock market. As we write this, the Third War Loan Drive is in progress, although it prob-

The Month's Market Maneuvers Prepared for The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co.
Chicago

ably will be over when this article appears in print. In the past, government bonds have usually declined in such a period, but despite this Drive prices have remained strong throughout the whole Treasury list. For instance, it would be natural to expect that the markets on the outstanding 2s of 1951/49 and the 2s of 1952/50 would be affected marketwise by the new offering of 2s due 1953/51. This, however, has not proved to be true this time, as there has been practically no recession at all in these markets. In short, it is logical to believe that when the new 2s of 1953/51 can be traded in the market after the offering to the banks in October, they will be worth $\frac{1}{4}$ to $\frac{1}{2}$ point premium.

We do not have the final figures, of course, but preliminary estimates indicate that there is a very heavy buying in the 2s of 1953/51, but unfortunately sales of the “war bonds” themselves have been lower than anticipated. The ill-timed announcement that Washington is again considering a forced savings plan may have something to do with the comparatively poor sales of the Series “E” bonds. Whatever may be the reason, it is apparent that the secret of placing a large number of these bonds in the hands of the public—outside of their regular payroll deductions—has not yet been solved.

Until the final figures are in on the Third War Loan Drive, it is not possible to make an accurate estimate as to the size of the offering which will be made in October to the banks. It is known, of course, that the Treasury will offer a one year $\frac{7}{8}$ % Certificate of Indebtedness, and the 2 of 1953/51. Some guesses made in financial circles indicate that if the September Drive is a success in the sense that there is a sizable over-subscription, the bank offering in October may be as low as \$3

billions. In any event, the figures released by the Treasury on its requirements for the balance of the year indicate that the October financing will be on a moderate scale. This may very well force the banks into the market for issues which are already outstanding, and seems to augur well for the various 2% issues which the Government has sold in the past year or two.

It is not now expected that the Tax Bill which will be written before the end of the year will greatly affect the position of the banks. There undoubtedly will be some increases in taxes which will have to be offset in most banks by larger purchases of government bonds. The program which we have constantly advocated of keeping fully invested remains valid as the opportunities to loan money become increasingly scarce. Country banks which have suffered so severely from the competition of government agencies now have one glimmer of hope, however. The resolution recently passed at the American Bankers Association Convention demanding a Congressional investigation of the Production Credit System may eventually be helpful. Bankers in the West are especially to be congratulated for their long fight on this.

LEE WIGGINS HEADS A. B. A.

(Continued from page 19)

Nuckolls, James, executive vice president, Hardin County Savings Bank, Eldora.

Sam, A. G., president, First National Bank in Sioux City, Sioux City; state vice president National Bank Division, 1942-43.

Summerwill, Ben S. and wife, president, Iowa State Bank & Trust Co., Iowa City.

Sursa, Charles V., president, Muncie Industrial Co., Muncie.

Von Schrader, Max, cashier, Union Bank & Trust Co., Ottumwa.

Waite, R. W., vice president, Waterloo Savings Bank, Waterloo; executive council.

Warner, Frank, secretary, Iowa Bankers Association, Des Moines; committee American System of Banking, State Bank Division.

Welch, Frank C. and wife, president, Peoples Savings Bank, Cedar Rapids, Committee on Federal Legislation.

Minnesota

Arntzen, A. E. and wife, president, Farmers & Merchants State Bank, Ap-

Northwestern Banker October 1943

pleton; Federal Legislation Committee State Bank Division, 1943.

Carlander, John, president, State Bank of Faribault, Faribault.

Dabelstein, C. F., president, Olmsted County Bank & Trust Company, Rochester.

DuBois, Ben, president, First State Bank of Sauk Centre, Sauk Centre.

Duncan, William, jr., and wife, secretary, Minnesota Bankers Association, Minneapolis; chairman Ration Banking Committee, State Secretaries Section.

Erickson, Elmer V., president, Cambridge State Bank, Cambridge.

Grangaard, M. O., vice president, First National Bank & Trust Co., Minneapolis.

Headley, Louis S., vice president, First Trust Company of Saint Paul State Bank, Saint Paul; executive council.

Hoese, A. W., president, Security State Bank, Glencoe.

Humason, H. B., president, American National Bank, St. Paul; executive committee National Bank Division, 1944.

Johnson, C. E., president, Empire National Bank & Trust Co., St. Paul.

Johnson, W. N., vice president, Northwestern National Bank, Minneapolis.

Jones, O. G., and wife, president, Goodhue County National Bank, Red Wing; executive council, 1945.

Kurth, H. R., president, Citizens Bank, Hutchinson; president Minnesota Bankers Association.

Matzke, H. C., president, City National Bank, Duluth; executive council.

O'Brien, Frank C., vice president, Northwestern National Bank of Minneapolis, Minneapolis.

Olson, L. O., vice president, Midland National Bank & Trust Co., Minneapolis; executive council elect.

Sterner, J. J., president, Citizens State, Winsted.

Peterson, J. T., president, State Bank of LeSueur, LeSueur.

Peyton, B. Murray, president, Minnesota National Bank, Duluth; Commerce and Marine Commission.

Powers, Frank P. and wife, president, Kanabee State Bank, Mora; executive council.

Preston, Otis R., vice president, Federal Reserve Bank, Minneapolis.

Thomson, J. Cameron, director, Northwestern National Bank, Minneapolis; research council.

Welle, N. A., cashier, Arlington State Bank, Arlington; A.B.A. state vice president.

Wilson, A. E., vice president and chairman of trust committee, First National Bank, Minneapolis; common Trust Funds Committee Trust Division, 1943.

Iowa Investment Bankers Meet



MEMBERS of the Iowa Investment Bankers Association held their annual picnic and outing the afternoon and evening of Wednesday, September 8, at the Wakonda Country Club, near Des Moines. The occasion was a somewhat quiet affair, compared to the frills and entertainment enjoyed in former years, but was entirely in keeping with the spirit of these wartimes. A number of investment bankers from out in the state were in attendance, as well as a few from Chicago.

In the picture above, from left to right, is **Ralph Knudsen**, Iowa securities commissioner; **Robert Alexander**, Blair Philips & Company, Davenport, Association president; **Sherman Fowler**, assistant vice president of the Iowa-Des Moines National Bank & Trust Company, secretary and treasurer; and **John Brady**, Chicago, secretary of the National Security Dealers Association.

Wyard, Willis D. and wife, president, First & American National Bank, Duluth.

Montana

Olsson, Harold, vice president, Ronan State Bank, Ronan; nominating committee.

Nebraska

Alter, I. R. and wife, executive vice president, First National Bank, Grand Island.

Johnson, Alvin E., president, Livestock National Bank, Omaha.

Koelling, A. J., president, City National Bank, Hastings.

Martin, Wade R., superintendent of banks, Lincoln.

Milliken, J. D., executive vice president, Fremont National Bank, Fremont.

Mortensen, C. J., president, Nebraska State Bank, Ord.

Peck, J. O., president, Central National Bank, Columbus; executive council.

Placek, Emil E., president, First National Bank, Wahoo.

Ridge, Ray R., vice president, Omaha National Bank, Omaha; executive council.

Trefz, Richard W. and wife, president, Beatrice State Bank, Beatrice.

Waugh, Samuel C. and wife, executive vice president, First Trust Company of Lincoln, Lincoln; executive council.

North Dakota

Fischer, H. A., cashier, Security Bank, Washburn; State Legislative Council, 1943.

Irish, Fred A., president, The First National Bank and Trust Co., Fargo; nominating committee.

Wattam, C. C., secretary, North Dakota Bankers Association, Fargo.

South Dakota

Boos, O. J., president, Miner County Bank, Howard.

Dean, Roy, chairman of board, Rapid City National Bank, Rapid City.

Hayter, T. N. and wife, vice president, First National Bank and Trust Co., Sioux Falls; president South Dakota Bankers Association.



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

Rempfer, William C., cashier, First National Bank, Parkston; executive council, 1943.

Starring, Mrs. Mildred I., acting secretary, South Dakota Bankers Association, Huron.

Thomson, H. N. and wife, vice president, Farmers & Merchants State Bank, Presho; state chairman State Legislative Council.

Thomson, John N., cashier, Bank of Centerville, Centerville; executive council elect.

Watson, Ralph M. and wife, president, Northwest Security National Bank, Sioux Falls; A.B.A. state vice president.

Socialized Credits

Among the many resolutions passed at the convention was the following on subsidized and socialized credit:

The American Bankers Association reasserts its opposition to the socialization of credit by Government and to Government subsidized credit as expressed in the statement of the Association made on Jan. 21, 1943.

In order to carry out the objectives contained in that statement, the Committee on Federal Legislation is hereby directed:

(1) To continue its efforts to secure legislative relief for chartered banking from the destructive effects of such credit;

(2) To seek enactment of Senate Bill 914, introduced by Senator Wherry;

(3) To seek forthwith and vigorously support a thorough Congressional investigation of the Production Credit System in order that the truth as to the soundness of methods and cost of operations may be ascertained and given to the members of Congress and to the taxpayers of the nation; to seek such appropriate Congressional action as may be required to protect the American system of chartered banking against its destruction through Government subsidized lending operations. In order that the principles and issues involved in the Production Credit System may not be confused and complicated with those of other agencies, the Committee on Federal Legislation is directed to seek an investigation of the Production Credit System separate from all other agencies;

(4) To support the purposes of Senate Concurrent Resolution 8, introduced by Senator Butler; and

(5) To support the efforts of those farm organizations which are endeavoring to free agricultural credit from political control.

Woman Official Joins

Miss Alice G. WyKoff, assistant treasurer of the Morris Plan Bankers Association, has been elected to the Morris Plan 25-Year Club on completion of 25 years with Morris Plan, it

was announced by Richard H. Stout, president of the association. Miss WyKoff started her 25 years of uninterrupted services with the Morris Plan Co. of Waterloo, Iowa, with which she remained until a year ago when she assumed her present position with the Morris Plan Bankers Association.

Bank of America Promotions

Promotion of Harry R. Smith, assistant vice president in the banks and bankers department of the Bank of America, to the rank of vice president, has been announced by L. M. Gianini, president.

D. B. Bevier, assistant cashier in the same department, has been advanced to assistant vice president.

Quarterly Dividends

The board of directors of Manufacturers Trust Company declared the regular quarterly dividend of 50 cents per share on the Common Stock, payable on October 1, 1943, to stockholders of record on September 15, 1943.

The board also declared the regular quarterly dividend of 50 cents per share on the preferred stock, payable October 15, 1943, to stockholders of record on September 30, 1943.

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Des Moines

Edward H. Kane
Cedar Rapids

NEW YORK

CHICAGO

BOSTON

SAN FRANCISCO

PHILADELPHIA

LOS ANGELES

Opens Branch Offices

For more than a year, the St. Louis Terminal Warehouse Company has been schooling a staff of men in field warehousing operations, looking primarily toward the postwar era when the present war activity will be converted to peacetime production and distribution. The rapid increase in field warehousing demands has, however, impelled them to initiate their expansion program somewhat ahead of schedule and branch offices have been opened in Cincinnati and in Kansas City.

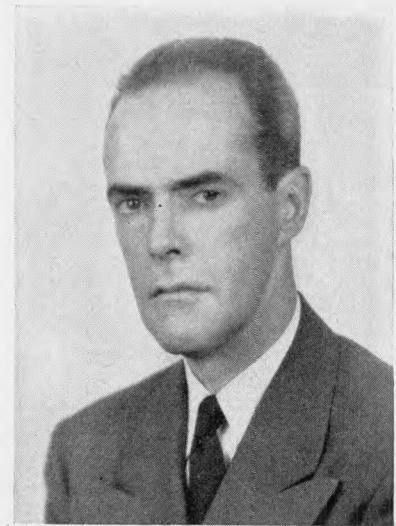
E. H. Moran, Jr., is manager of the

Cincinnati office in the Chamber of Commerce Building and Ward Goodloe has charge of operations in the Kansas City area with his office at 2020 Walnut Street.

Mr. Moran joined the St. Louis Terminal Warehouse Company in August of last year, coming from the Federal Reserve Bank of St. Louis. Previous to that, he had been with General Motors Acceptance Corporation and his entire business experience has been in the field of finance.

Ward Goodloe, prior to his association with the company, operated his own business as manufacturers' representative which he established in

1903. Mr. Goodloe is active in business and civic organizations, having served for four terms as president of the St. Louis Food Brokers Association and as representative from Missouri to the



E. H. MORAN, JR.
Heads Cincinnati Office

national organization. He organized and served as president to the National Specialty Brokers Association. During 1940-41 Mr. Goodloe was president of the St. Louis Rotary Club.

With these two branch offices, the



WARD GOODLOE
Manager in Kansas City

company is in a position to offer more immediate and complete service to the banks of the middle west whose activity in commodity loans through field warehousing is showing rapid growth.

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Substantial investors . . . such as commercial or savings banks, insurance companies, estates, business institutions . . . seek diversity for their portfolios. This desirable quality is inherent in debentures issued, as joint and several obligations, by the Federal Intermediate Credit Banks. These issues provide an unusual medium for safe employment of short term funds and are backed by sound agricultural paper widely varying as to region and enterprise, plus combined assets of the twelve obligors. Maturities range from three months to one year and are available in denominations of \$5,000 to \$100,000.

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CHARLES R. DUNN, Fiscal Agent

31 NASSAU STREET, NEW YORK 5, N. Y.

serve district, last month observed the one hundred and fortieth anniversary of its founding. When the Philadelphia National was organized, there were only about forty banks in the entire nation. Today the bank has deposits of more than \$725,000,000, and resources of \$780,000,000.

George Clymer, first president of the bank, was one of the signers of the Declaration of Independence. The



EVAN RANDOLPH
President Philadelphia National

Philadelphia National became a national bank in 1864, and has absorbed several other banks in its upward progress. Evan Randolph, present president of the Philadelphia National Bank, assumed that office in 1941.

Chemical Dividend

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

Dividend

At a meeting of the board of directors of Bankers Trust Company, New York, the regularly quarterly dividend of 35c per share was declared on the capital stock, payable October 1, 1943, to stockholders of record at the close of business September 13, 1943.

Customer: "I want a box of cigars, please."

Clerk: "Yes, madam, a strong cigar?"

Customer: "Oh, yes. My husband bites them terribly."

3 QUICK FACTS

1st

The First Wisconsin National Bank of Milwaukee is the largest bank in Wisconsin and the surrounding northwest area — 26th in size among all 15,000 banks in the U. S.

90

Established in 1853, the history of the First Wisconsin is a record of dependable service through 90 crowded years of peace and war!

85%

Nationally known as "Wisconsin's bank for banks", the First Wisconsin serves as Milwaukee depository for more than 85 per cent of the hundreds of banks in this important industrial-agricultural state.

P.S.

Today Milwaukee's factories and Wisconsin's farms are producing all-out for Victory! In that same spirit, all the facilities of this 90-year-old bank are pledged to the cause of Freedom — to help speed the final triumph over the brutal forces of tyranny.

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



**COMPLETE
SERVICE
for
FEEDER
LOANS**

PRIME BEEF, ready for market. That's the story behind the large volume of shipments from Northwest cattle feeders. Improved knowledge of feeds and feeding conditions, better stock and better practices, have all helped to increase profits.

Correspondents are invited to make use of "Northwestern's" complete service for live-stock feeder loans. We are as near you as your telephone, telegraph or typewriter.

USE "NORTHWESTERN" SERVICES

Department of Banks and Bankers

Wm. N. Johnson
Vice President

F. W. Conrad
Asst. Vice Pres.

D. E. Crouley
Asst. Cashier

L. P. Gisvold
Asst. Cashier

**NORTHWESTERN NATIONAL
BANK of Minneapolis**

Marquette Avenue: 6th to 7th Streets

Member Federal Deposit Insurance Corporation

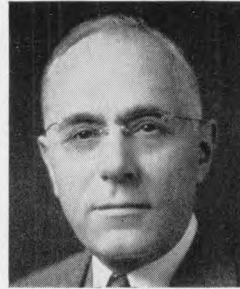


The Northwestern Bank Building—in the heart of the business district. The "Northwestern" Bond Department, conveniently located in this building, buys and sells U.S. Government, State and Municipal bonds—inquiries invited.



H. R. KURTH
President
Hutchinson

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Blue Earth Valley Association Meets

Use of tokens in the rationing program will in all probability replace many of the present stamps, according to William Duncan, Jr., secretary of the Minnesota Bankers Association, in addressing about 75 bankers of the Blue Earth Valley Clearinghouse Association who were in attendance at the annual meeting.

Other speakers on the program included Arthur D. Reynolds, head of the regional office of the collector of internal revenue, H. R. Kurth, president of the Minnesota Bankers Association, and F. A. Amundson, state banking commissioner.

Officers elected for the ensuing year were as follows: E. C. Wingen, Amboy, president; A. F. Weyer, Elmore, vice president; Clarence M. Banks, Vernon Center, secretary-treasurer; G. H. Hubmer, St. Clair, G. W. Beske, Minnesota Lake, and Ed Hohn, Delavan, directors. G. A. Uggén of Wells is the retiring president.

New Cashier at Medford

Announcement is made by the First State Bank of Medford of the resignation of Gordon Gilman as cashier.

Gilman will be succeeded by Stanley Stapher, who has been assistant cashier of the State Bank of Morristown.

During the past two years Stapher has become thoroughly acquainted with the banking requirements under guidance of Harlan Pye, cashier of the Morristown bank.

West Central Assn. Outing

The annual business meeting and outing of West Central Minnesota Clearing House Association was held at the club house on the Montevideo golf course. This organization is composed of bankers in Chippewa, Lac qui Parle, Swift and Yellow Medicine counties. Attending from Milan were Mr. and Mrs. I. M. Thompson, Miss Idella Ellingson and Miss Hazel Olson. The association elected the following offi-

cers for the ensuing year: Wm. Estrem, of Murdock, president; M. A. Anderson, of Madison, vice president, and G. J. Eggen, of Maynard, secretary-treasurer.

Rogness Heads Park Region Bankers

M. A. Rogness, cashier of the Lake Park State Bank of Detroit Lakes, Minn., was elected president of the Park Region Clearing House Association at its annual dinner meeting.

Other officers named were Peter Seterdahl, Breckenridge, vice president, and A. M. Alme, Moorhead, secretary-treasurer.

Speakers included A. D. Reynolds, St. Paul, state collector of internal revenue; Lief Gilstad, St. Paul, executive manager of the war bond committee; F. A. Amundson, state commissioner of banks; H. R. Kurth, Hutchinson, president of the state bankers association and William Duncan, secretary.

Bankers were present from Becker, Clay, Otter Tail and Wilkin counties.

Host to Minnesota Valley Association

One hundred bankers from six southern Minnesota counties gathered in St. Peter for the annual meeting of the Minnesota Valley Clearing House Association, at which they were guests of the First National Bank of St. Peter.

New officers elected at the meeting, and the officers they succeed are:

Wm. H. Grell, vice president, First State Bank of New Germany, was named president to succeed M. Sterner of Winsted.

Clarence T. Olsen, cashier, First National Bank of St. Peter, elected vice president succeeding Mr. Grell.

E. J. Mann, First State Bank of Brownton, elected secretary-treasurer succeeding Mr. Olsen.

Directors are: Floyd Strom, cashier, Elysian State Bank; George Vetter, cashier, State Bank of Klossner; W. J. Gatz, vice president, State Bank of Belle Plaine; H. J. Steffen, president,

American State Bank of Watertown; A. L. Olson, vice president, State Bank of Winthrop, and G. W. Harrington, president, First State Bank of Stewart.

Meeting in Ortonville

More than 120 bankers and their ladies from over West Central Minnesota were in attendance at the Western Minnesota Clearing House Association banquet at the Ortonville Golf club house.

Presiding over the meeting was O. T. Harrison, Clinton, retiring president, with E. N. Schoen, Ortonville, acting as toastmaster. Speakers included H. R. Kurth, president of the Minnesota Bankers' Association; F. A. Amundson, state bank commissioner; Lief Gilstad, executive manager of the War Finance Committee; Arthur D. Reynolds, collector of internal revenue, St. Paul, and William Duncan, Jr., state bankers' association secretary.

Reppe Heads Southeastern Group

George N. Reppe of Grand Meadow was elected president of the Southeastern Minnesota Clearing House Association at the annual meeting in Rochester.

G. Skogsmark of Kasson was elected vice president, and R. A. Bezoier of Rochester, secretary-treasurer, of the organization, which is composed of bankers in Mower, Dodge and Olmsted counties. Directors are Howard G. Hill of Brownsdale for Mower; W. E. Glarner of West Concord for Dodge, and Clarence Telen of Eyota for Olmsted.

Charles Wilkins of Austin, association president, presided at the program and business session.

Cashier Resigns at Tyler

J. M. Donahue, cashier of the Citizens State Bank, Tyler, Minn., has resigned after thirteen years of service, having accepted a position at the Walnut Grove bank.

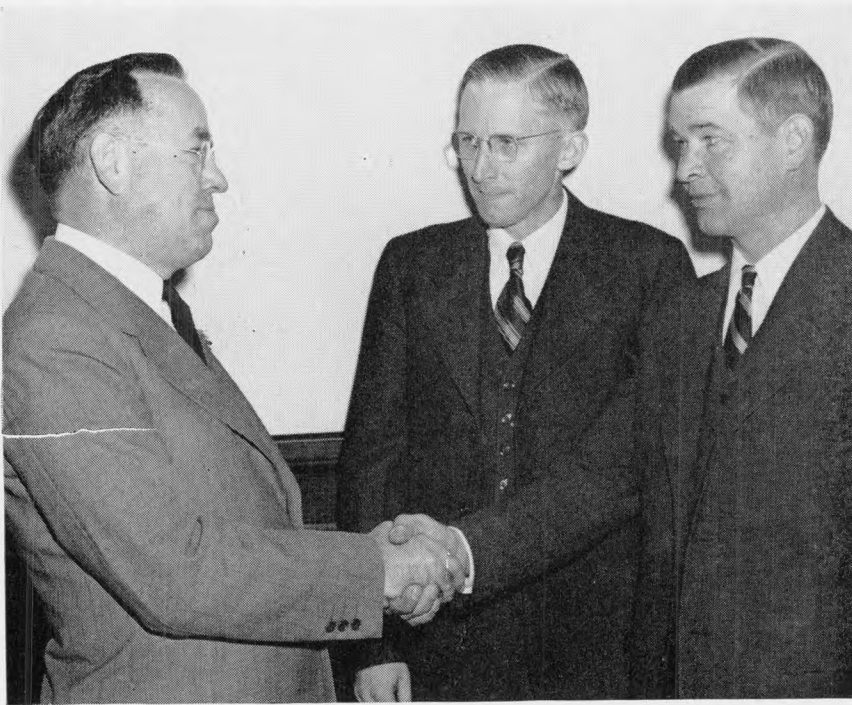
Sands Named to Bank Group

Arthur W. Sands, president of the Western State Bank of St. Paul, Minn., has been named on a committee of the American Bankers Association to study the postal savings system, W. L. Hemmingway of St. Louis, association president, announced recently.

On State Committee

W. R. Siems, vice president and cashier of the First State Bank of Williams, Minnesota, has been appointed to the important Bank Management committee of the Minnesota Bankers' Association.

Duluth Banker Foils Forger



Robert H. Magie, left, cashier of City National Bank of Duluth, congratulates Assistant Cashier Paul H. Peterson, right, whose quick eye led to the quick FBI and police action which terminated in the arrest of a bad check passer who flooded the south and midwest with \$1,300 in spurious paper while AWOL from a Texas army camp. In the center is Edwin B. Bredeson, teller of the bank, who spotted another one of the bad checks after Peterson had made the initial discovery.

AN ALERT Duluth, Minn., bank employe, ABI trained to spot the merest suspicion of fraud in a check, is credited with starting the police machinery which brought to a halt last month the ill-gotten good time of an AWOL army private, who left a trail of \$1,300 in spurious checks behind him in a ten-week tour of the South and Midwest at the expense of merchants in a dozen or more cities.

In jail in Duluth awaiting arraignment in federal court is James Walter Davis, 28 years old, self-admitted author of valueless checks—each one for \$36.50—passed upon business people in such cities as Dallas, Memphis, Chattanooga, Atlanta, Louisville, Cincinnati, Toledo, Detroit, Chicago, Madison, St. Paul and Minneapolis.

Wearing the uniform of an army lieutenant and presenting faked army credentials to win the trust of his victims, Davis drew the checks payable to fictitious persons by the names of Lieut. James A. Fortman, Lieut. James H. Rankin, and Lieut. James R. Leland. He had about \$95 in cash upon his person when arrested.

To wary, thorough Paul H. Peterson, assistant cashier of City National Bank of Duluth, was ascribed the initial move in getting FBI and police authorities into action—action which culminated in Davis' arrest Sept. 10 in Brainerd, Minn., 125 miles west of Duluth, within four hours after Peterson spotted one of five bad checks Davis had passed in Duluth on Sept. 9.

Peterson was filling in as a receiving teller for one of his fellow employes on vacation. He was fingering through the deposits of one of the bank's customers when he came across a check drawn on the "Bank of St. Paul."

"That's strange," he mused. "Bank of St. Paul? There's no such bank."

The check was made out on blank form. The words "Bank of St. Paul" were written in at the top as the bank against which the check was drawn. The amount was \$36.50. It was signed "Lt. James A. Fortman."

Peterson hurried to Cashier Robert H. Magie. They called over the merchant who had submitted the check for deposit. He recalled talking to

the "lieutenant" who had been in his shop the day before. "He showed me military credentials," he told the banking men. The story the merchant related convinced the bankers he had been duped.

The FBI was called in, Duluth police notified, the tracking down begun. Davis had stayed at a hotel the night before. He had checked out just before noon. He had boarded a bus for Glendive, Mont. Yes, the bus would make a stop-over at Brainerd. And it was there Davis was apprehended just as the bus was about to start on another leg of its journey. Davis was taken back to Duluth—and told all. Signed statements were obtained by FBI men. In charge was M. B. Rhodes, special agent of the St. Paul FBI office.

To Rhodes and Chief of Detectives Robert E. Donaldson of Duluth, Davis revealed the method of his operations, which began when he started a 14-day furlough July 2 at Abilene, Tex. He was stationed at an army camp nearby.

He had obtained an officer's uniform and lieutenant's bars, an ordnance department rubber stamp, a seal which impressed the words, "Colorado National Guard, Headquarters 45th Air Service."

Entering a men's clothing shop or jewelry store—those were his favorites—he would make a small purchase, then ask the merchant if he would mind cashing a check which Davis said he had received from his "buddy."

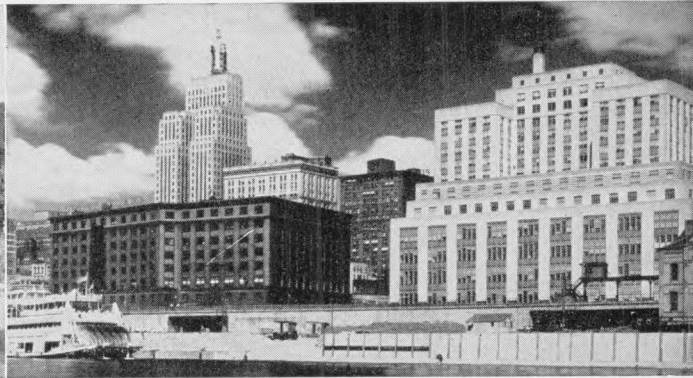
To affirm his story, he would show the merchant a letter, which was addressed to "Dear Jimmy," and conveyed the information that "enclosed is the last payment on your car. I hope that squares us up. If it doesn't, let me know. The boys here miss you and wish you well on the new job."

The "last payment" was in the form of a check drawn upon a bank in some other city, and signed with a name to match the signature on the letter. The letter, in turn, was stamped with the ordnance department rubber stamp, and bore the "Colorado National Guard" seal.

Davis would explain he was enroute to a station elsewhere in the country, needed an article of clothing or a gift for a girl friend, and the merchants, impressed with his uniform, bars, and credentials—and anxious to help out a soldier on a long jump from one side of the country to

(Turn to page 48, please)

TWIN CITY NEWS



Wayne T. Blackmarr, cashier of Wayzata State Bank, was elected president of the Rural Hennepin-Anoka Clearinghouse Association at the annual summer meeting at Spring Park, on Lake Minnetonka near Minneapolis.

Herbert S. Woodward, cashier of Columbia Heights State Bank, was named Blackmarr's successor as vice president, while **E. J. Schmitz**, assistant cashier, Security National Bank, Hopkins, succeeded Woodward as secretary-treasurer.

Elected directors were **H. J. Dorweiler**, cashier of Farmers State Bank, Hamel; **A. L. Lindman**, president and cashier, First National Bank, Anoka, and **S. H. Severson**, cashier, First National Bank, Hopkins.

Robert L. Smith, Minnesota securities commissioner, is receiving congratulations on his election as first vice president of the National Association of Securities Commissioners at its annual convention in Cincinnati.

Donald W. McGregor, honorably discharged from military service, was re-elected assistant cashier of Hennepin State Bank, Minneapolis. **Carl D. Strom**, assistant cashier at Hennepin since last November, was named to the same post at Bloomington-Lake National Bank. Both banks are affiliates of First Bank Stock Corporation. The two men have been associated with the First National group in Minneapolis since 1929.

Farmers & Mechanics Savings Bank, Minneapolis, has adopted the "split-rate" system on its interest dividends. Deposits up to \$2,000 will continue to draw 2 per cent interest, while amounts in excess of that will earn 1½ per cent. The \$5,000 maximum on deposits continues, according to **Henry S. Kingman**, president.

Trustees have voted the regular 2

By James M. Sutherland

Special Correspondent

per cent dividend on all deposits for the quarter ended Sept. 30, with the new annual rate in effect thereafter.

Net increase in deposits in recent months has been very substantial, requiring a relatively larger investment in Government securities at lower interest rates, Mr. Kingman explained. The split-rate system will enable the bank to continue payment of 2 per cent a year to the great majority of its depositors.

Presidents **J. Cameron Thomson** of Northwestern Bancorporation and **Lyman E. Wakefield** of First National Bank of Minneapolis will serve on important committees of the Chamber of Commerce of the United States. Mr. Thomson will be on the committee on economic policy, Mr. Wakefield on the finance department committee.

Federal Reserve Bank of Minneapolis has opened its new war bond annex in the old Farmers & Mechanics Savings Bank under general supervision of **Zeldon Pelland**. All transactions involving the public with series E war savings bonds are handled at the new location. Assisting Mr. Zeland are **Melvin Holmgren**, **William Bronner** and **Miss Ann Roers**. **Miss Frances Kersteter** is in charge of the bond safe-keeping department.

Hallock Bank to Liquidate

Directors of the Hallock (Minnesota) State Bank decided at a recent meeting to liquidate the institution and notified depositors to come and get their money. No deposits, the directors said, would be accepted after October 21. **M. J. Florence**, president,

said that with crops good and money plentiful, the institution has found it difficult to find borrowers.

Personnel Changes

The recent death of the late Henry A. Becklund brought about a number of changes among the personnel of the Northwestern National Bank of Litchfield, Minnesota. At a meeting of directors Art Tostenrud was named cashier of the bank and Miles Johnson, assistant cashier. Also serving as assistant cashiers are the Misses Mildred and Myrtle Oslund.

Austin Debits Increase

The volume of bank debits in Austin, Minnesota, during the month of August was 15 per cent above the level reached in August, 1942, while tabulations for this year to date indicate a 7 per cent increase when compared with the similar 1942 period.

Rochester Debits Spurt

The volume of bank debits in Rochester during August was 49 per cent above the level of the same month a year ago, while tabulations for the year to date indicate a 17 per cent increase when compared to the same 1942 period.

Harris Bank Stock Sold

The State Bank of Harris, Minn., has been purchased by Elmer V. Erickson of Cambridge and associates, the new owners taking over the bank last month. The institution was purchased from Judge A. P. Stolberg, O. W. Herreid and G. J. Jarchow. T. C. Blomgren of Cambridge has been elected cashier of the bank. The State Bank of Harris was organized in 1908. Its capital is \$25,000, surplus \$6,000 and undivided profits of \$3,000.

Northwestern Banker October 1943

Fred Behrends

Fred Behrends, 74, of Albert Lea, Minnesota, died last month, after an illness of five weeks.

Mr. Behrends was a stock buyer at Conger for many years and at the time of his death he was president of the Conger Bank.

DULUTH BANKER FOILS FORGER

(Continued from page 46)

the other—would willingly pass over the cash money.

The specific federal charge placed against Davis was impersonating an army officer and passing fraudulent checks on such representation. He waived examination when arraigned before the United States court commissioner in Duluth.

Davis muffed when he picked on the "Bank of St. Paul" to pass another dead one in Duluth—he told Rhodes and Donaldson five of them were accepted by Duluth shop people. But it was the alert eye and wary mind of Assistant Cashier Peterson which ended the deprecations, and saved

merchants in Northwest communities from the type of unwarranted money losses suffered by victims on Davis' south and midwest route.

Veteran employe of the City National Bank, who started his career as bank messenger 25 years ago, Assistant Cashier Peterson early this year was elected to a two-year term as a member of the board of governors of the Duluth chapter, American Institute of Banking.

Assistant at Mora

S. H. Andersen has been elected assistant cashier of the Kanabec State Bank of Mora, Minnesota, and assumed his new duties last month. Mr. Andersen was employed by the First National Bank of Madison, Wis., for twenty years. During the past year he has been located at Melrose, Minn., where he was office manager for the National Egg Dryers, Inc.

Named Vice President

At a meeting of the directors of the Martin County Bank, Fairmont, Minn., Fred Porter was named vice president to fill the vacancy left by the death of Charles Landin.

Harry Edwards was placed on the board of directors to fill the vacancy there, due to the passing of Mr. Landin.

Mr. Porter has been a director of the bank for several years, and will continue in that capacity together with his new duties.

Petersen Heads Monterey Bank

Alfred E. Peterson was elected president of the Farmers State Bank of Monterey, Minnesota, at a meeting of the board of directors last month. Mr. Peterson was formerly vice president of the bank. He fills the vacancy occasioned by the death of C. E. Landin. Elmer F. Peterson was elected vice president and cashier.

Minnesota News Notes

Sgt. Albert F. Kaiser, president of the First National Bank of Bagley, Minnesota, is now in North Ireland with the 42nd Repair Squadron, U. S. Air Corps. He has been in service about one year.

Private Morlan Melby (meteorologist), formerly head of the insurance department of the Northern State Bank of Gonvick, Minnesota, has recently been home on furlough. Another star in the bank service flag is for Lt. Commander Edwin A. Beito, U. S. Navy. Mr. Beito, one of the directors of the bank, also served in World War I.

IS THERE A PAPER SHORTAGE?

Quite obviously there is a shortage of pulp for paper and once again it is being emphasized. Because of this many of our bank customers are again asking, "Do you think you will have any trouble getting paper for checks?" Needless to say, our answer still is, "No."

Perhaps there isn't enough pulp to make enough paper to supply everyone with his full needs, but there is not now—and we doubt if there ever will be—any shortage of paper for functional forms needed in the conduct of a business.

All of us are consciously or unconsciously economizing on paper. We have saved considerable tonnage by streamlining our operations and eliminating reports. We have reduced

the use of paper by cutting down on size and weight and by reducing the amount of direct mail advertising. Everyone is doing something to effect a paper savings and, as a consequence, the total overall benefits must be great.

There isn't any question but what it will become difficult to get exactly the grade of paper wanted for every type of usage, but we would like to repeat here what we have been saying for the past two years; namely, that in our opinion the use of paper for bank checks will not be curtailed. Aside from the question of service there has never been any need for banks to load up on checks—there is no need to do so now.



Manufacturing Plants at

NEW YORK CLEVELAND CHICAGO KANSAS CITY ST. PAUL

Cash for Sickness

For a Few Cents a Day You can be Assured of a Cash Income During Sickness or Hospitalization

Sickness Policies paying up to \$200 per Month for as Long as Two Years of Total Disability, and Hospital and Surgical Policies Paying Cash Benefits for Hospitalization.

Only \$2.00 will pay for a single policy in full to the 15th of March, 1944.

No Medical Examination—Application and Literature Mailed on Request.

You Will Be Pleased with the Plan.

WRITE

Minnesota Commercial Men's Association

PAUL CLEMENT, Secretary
2550 Pillsbury Ave.
Minneapolis 4, Minnesota

MINNESOTA NEWS

Gerald Ley, assistant cashier Farmers State Bank, Watkins, Minnesota, is the proud father of a baby girl—Mary Jean—born recently.

* * *

G. Gunderson has resigned his position as assistant cashier of the First National Bank of Hawley, Minnesota. Carl Lepper, Jr., has been appointed to the vacancy.

* * *

The North Central Clearinghouse Association Group held its annual meeting at Douglas Lodge, Itaska State Park. New officers elected are: president, E. T. Sletten, vice president and cashier of First National Bank, Brainerd; vice president, G. H. Murphy, president Backus State Bank; secretary and treasurer, C. R. Swenson, cashier First National Bank, Cass Lake.

Directors are Julius Nelson, Crow Wing County; Elgin Phillips, Betrami County; C. J. Slsnpeter, Cass County; C. A. Fuller, Hubbard County; W. J. Brown, Wadena County and E. O. Lukkassen, South Koochiching County.

Duluth News

APPPOINTMENT of Stanley K. Platt, investment analyst, as trust officer and assistant vice president of First and American National Bank to succeed Howard P. Clark, resigned, was announced by George P. Tweed, the bank's chairman of the board.

Mr. Platt has been identified with the investment business in Chicago and Minneapolis for the last 10 years. He is a native of St. Paul and a graduate of St. Paul academy, the Tuck school of business administration, and a post-graduate of the University school of business.

Mr. Platt and his wife and three children planned to move to Duluth after Oct. 1.

John E. Hoff, a director of Bank of Commerce & Savings and president of the Duluth Board of Realtors, is guiding the body's publicity committee in preparing a series of advertisements to inform the public of the advantages of dealing with realtor board members.

The **Duluth city council** has initiated a move to refinance \$50,000 in 30-year bonds through an arrangement with the municipally-owned water, gas and sewage disposal department, which will complete a refunding plan started a year ago on a \$400,000 issue dated Jan. 1, 1914.

The sum of \$350,000 of the issue already has been refunded at 1.6 per cent interest. The original issue carried a rate of 4½ per cent. The remaining \$50,000 will be refunded by borrowing from the utilities department at 1½ per cent interest.

William F. Arndt, president of Coolerator Co. and a director of Northwestern State Bank, received word that his son, William Francis Arndt,

had been promoted from second to first lieutenant.

A nationally-recognized figure in his field and one of the oldest employees of the city of Duluth, **J. Allyn Scott**, city assessor, was honored Sept. 10th on the occasion of beginning his 34th year as a municipal officer. Mr. Scott is a director of Western National Bank of West Duluth.

FREEDOM FROM WANT



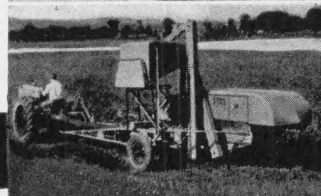
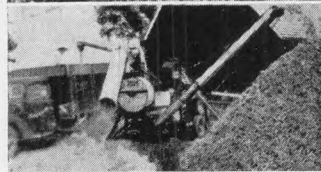
What about food after Victory'?

Just as the tide of victory flows in the wake of our advancing armies, the tide of peace—true, lasting peace—must follow in the wake of **FOOD**. Only with bread, and meat, and milk for babies, can we hope to begin the building of a better, saner world.

To the farmers of the world this great humanitarian job presents a challenge unparalleled in history. Every tillable acre of the world's soil must then be made to yield up its greatest gift of nourishment. Every acre must be guarded and preserved, to serve mankind the better in each succeeding generation. That ideal, realized, will serve the cause of peace better than all the treaties ever signed.

In the world of tomorrow modern farm machinery will play as important a part as it has in the Americas during the last 100 years. Modern machinery has allowed less than 20% of the population to produce more food, fibre and essential oils and many other products vital to the highest standard of living than 80% of the population could do before the advent of modern tractors and farm machinery.

Minneapolis-Moline builds a complete line of modern farm tractors and farm machinery for almost every condition and for the duration will build all of these products allowed under limitation orders.



MINNEAPOLIS-MOLINE
POWER IMPLEMENT COMPANY

Charles F. Liscomb, leader in the Duluth insurance field and a director of First and American National Bank, was elected national director for Minnesota of the National Association of Insurance Agents at the Minneapolis convention in September of the Minnesota Association of Insurance Agents. Mr. Liscomb also is chairman of the Duluth War Finance committee.

Dallas C. Wakeman, cashier and director of Western National Bank in West Duluth, was elected treasurer of Duluth chapter No. 59, Royal Arch Masons, at the chapter's first fall meeting in September.

Dr. William A. Coventry, "Duke Greysolon of the Ambassadors of Duluth" and a director of Northern National Bank, has conferred the title of "Ambassador Extraordinary of the Duchy of Duluth" upon these recent visitors to the Head of the Lakes city: **Governor Edward J. Thye** of Minnesota; **Colonel John Stilwell**, New York, president of the National Safety council; **Philip Murray**, Washington, president of the Council of Industrial Organizations; **Henry H. Heimann**, New York, executive manager of the National Association of Credit Men; **Morley E. MacKenzie**, Toronto, imperial potentate of the Order of the Mystic Shrine of North America, and **A. L. Sarcone**, Des Moines, publisher-editor of the American Citizen, Italian-American newspaper.

Four men identified with the banking field in northeastern Minnesota—the Arrowhead country—were elected to officer posts of the Minnesota Arrowhead association at the body's 20th annual meeting Sept. 17th in Hotel Duluth.

New president of the MAA is **Herman C. Matzke**, president of the City National Bank of Duluth, a past president of the Minnesota Bankers' association (1937-38), and a past president and treasurer of the North Star Boy Scout council of the Arrowhead region.

Named to two of the three vice president posts of the association were **Henry LaLiberte**, president of Cutler-Magner Co. in Duluth and a director of First and American National Bank, and **Allan M. Anderson**, vice president and cashier of the Grand Marais State Bank in Grand Marais.

Re-elected treasurer of the MAA was **Wilbur F. McLean**, vice president of Minnesota National Bank in Duluth, 1943 vice president of the Minnesota Bankers' association, and a past president of the Duluth Chamber of Commerce.

Richard L. Griggs, president of Northern National bank, Duluth, headed a reception committee which greeted Governor Edward J. Thye upon his arrival in the city to address the MAA meeting.

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and Other Principal Exchanges



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BONDS

COMMODITIES



MINNEAPOLIS FARGO
ST. PAUL GRAND FORKS
DULUTH SIOUX FALLS
PRIVATE WIRES

Twenty-five Years Ago

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

W. S. WESTON, who was elected president of the Nebraska Bankers Association, was for over 28 years president of the First National Bank at Hartington, Nebraska, but recently moved to Omaha and associated him-

self with the Peters Trust Company as second vice president.—**S. J. Frazier** of Minnesota says, "The government has endorsed the sentiment 'the saving habit is a saving grace'. It will save us and it will save the U. S. for we can't win the war without the money. The Yanks will win the war over there if we win it over here. They are facing the fires and furies of all Hell for you and me, and about all we are asked to face is a little inconvenience and a perfectly safe investment".—**John J. Arnold**, vice president of the First National Bank of Chicago, believes that, "From now on standard securities should be issued in small denominations beginning with \$10 values. Wage earners as well as farmers throughout our nation should be encouraged to become holders of the stocks and bonds of our railroads and public utility organizations."—**John A. Lewis**, vice president and cashier of the National Bank of Commerce of St. Louis, will leave that institution November 1st to become vice president of the Irving National Bank of New York City.—**The 44th Annual Convention of the American Bankers Association** in Chicago closed harmoniously with the election

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 October 1943

of **Robert F. Maddox** of Atlanta as president, **Richard F. Hawes** of St. Louis as first vice president, **John F. Drum** of San Francisco as second vice president, **James D. Hodge** of Seattle as treasurer.—**J. H. Ingwersen** has been elected vice president and director of the First National Bank of Duluth. He resigned the presidency of the Peoples Trust and Savings Bank at Clinton, Iowa, to accept the new position.—**William A. Bell** and **Hugh B. Shields** have been elected assistant cashiers of the Merchants National Bank of Billings, Montana.—**The German Savings Bank**, Halbur, Iowa, is changing its name to that of the Farmers Savings Bank.—**W. A. Sandburg**, assistant cashier of the First National Bank of Rockwell City, has resigned to become cashier of the Farmers Savings Bank of Lytton, Iowa.—**W. F. Ray** has been elected president of the Butler County Bankers Association. Mr. Ray is president of the State Bank of Allison, Iowa.—**Frank P. McDonald** has been elected vice president of the First National Bank of Boone, Iowa.—**D. P. Hogan**, of the Federal Land Bank of Omaha, Nebraska, believes, "That a Federal Land Bond is very attractive to investors as it furnishes every element of desirability from the investor's standpoint."—**Dan Morris**, president of the City National Bank of Kearney, Nebraska, has deposits in his bank of \$2,194,000.—Omaha banks had deposits on August 31, 1918, as follows: **Omaha National** \$25,000,000, **U. S. National** \$19,000,000, **First National** \$16,000,000, **Stock Yards National** \$10,000,000, **Merchants National** \$13,000,000, **Live Stock National** \$8,900,000.—**H. H. Prescott** has resigned his position at the Rochester National Bank of Rochester, Minnesota.—**H. H. Kemp** of Minneapolis has been elected president of the Merchants and Miners State Bank of Tower, Minnesota.—**F. W. Jumer** is president of the newly organized Peoples State Bank at Glencoe, Minnesota.—**B. F. Tunney**, cashier of the First State of Ada, Minnesota, has two sons in the service, one in a hospital in France and the other in an officers training camp in France.—**M. P. Ohlman**, president of the American State Bank of Yankton, South Dakota, has announced increase in the capital stock of that institution from \$25,000 to \$50,000.—**Leo Pottratz** has been made cashier of the Farmers State Bank of Flandreau, South Dakota, to succeed **L. B. Halverson**, who resigned to accept a position with the Sioux Falls Savings Bank.—**Fargo Bank Clearings** for September 12th were \$4,336,000, the largest in history.

...THE...
PHILADELPHIA
NATIONAL BANK

Organized 1803

PHILADELPHIA, PA.

Largest and Oldest Bank
in Pennsylvania

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

No Bottlenecks

There must be no bottlenecks preventing capital from flowing to every legitimate purpose after the war, Jay N. Whipple of Chicago, president of the Investment Bankers Association of America, said in speaking at the annual convention of the National Association of Securities Commissioners. "There can be no progress without venture capital," he said. "The jobs which we must have ready for returning servicemen," he added, "depend on industry getting the capital it needs for its postwar readjustment."

The investment bankers' war service has been to devote its professional experience to the Treasury's War Bond drives, which the I.B.A. president said was the most direct way during the war for the business to contribute to a sound economy after the war. "An army of new investors has arisen through this financing to back the armies in the field," he said. "This, together with the broad diffusion of income and wealth, has created a great number of potential capitalists."

"These individual investors," he said, "will be the most important source of

capital for industry to use in converting its facilities, building new plants and rehabilitating equipment after the war. This is because the heavy tax burdens on corporations prevent them from plowing back earnings which have been the normal source of a great deal of their capital in the past. High taxes had also restricted the ability of wealthy individuals to furnish capital in the large amounts that will be needed after the war.

"All the elements of prosperity and national well-being will be present when peace comes," he said. "Their proper integration and control is a challenge to the ingenuity and intelligence of all the people. The answer to this challenge will determine whether or not capitalism and freedom of enterprise, which have built this country, can be preserved, or whether we will turn to communism, socialism, or some other 'ism'."

"Our Production 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

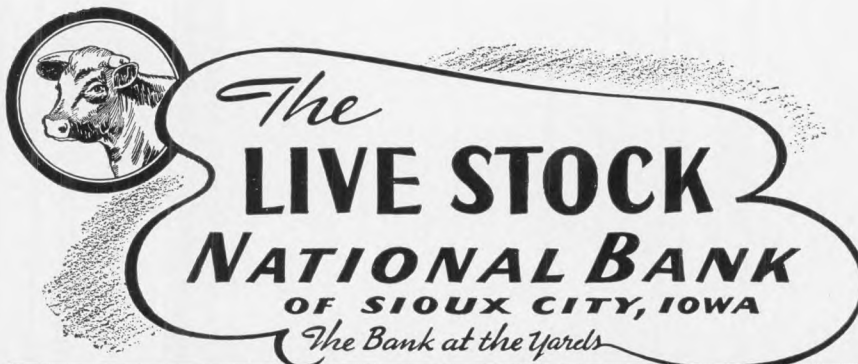
JAMES L. SMITH
Auditor

This bank, like other banks, is on a wartime basis, putting that extra Victory effort into every single transaction.

From our production lines roll a variety of "products" including the very finest kind of correspondent service.

For prompt service on livestock, hay and grain items and close cooperation on ALL Sioux City business we invite your account.

★ ★ ★



Member Federal Deposit Insurance Corporation

Surplus Increased

The board of directors of the Chase National Bank has authorized an increase of \$21,460,000 in the surplus account of the bank, raising it from \$100,270,000 to \$121,730,000. Capital remains unchanged at \$100,270,000.

This increase in the surplus reflects an enlarged capital position made possible as a result of recoveries, improved earnings, and profits realized on the sale of securities.

It was anticipated that the reserve for contingencies as of September 30th would amount to about \$12,300,000, compared with \$11,810,000 on December 31, 1942.

New Vice President

Appointment of Harry McClelland as vice president of Bank of America has been announced by L. M. Giannini, president of the institution.

McClelland, whose chief assignment will be to keep in touch with the various agricultural problems of the state, succeeds Jesse W. Tapp, who was recently elected president of Axton-Fisher Tobacco Co., Inc., Louisville, Kentucky.

McClelland is already widely known among California farmers, having been closely identified with the agricultural picture since 1931. In that year he left the State Department of Public Works to join the California Lands organization (now Capital Company). From 1933 to his current appointment he was vice president in charge of the firm's farm operations.

McClelland will maintain his office at the headquarters of the Bank of America in San Francisco.



T. N. HAYTER
President
Sioux Falls

SOUTH DAKOTA NEWS



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

Acting Secretary
MILDRED STARRING

Bank Picnic

About 175 officials and employes of the eight banking offices of the First National Bank of the Black Hills and their families attended a picnic at Pactola, South Dakota, recently.

Towns represented were Sturgis, Lead, Deadwood, Hot Springs, Belle Fourche, Spearfish, Newell and Rapid City.

The Sturgis and Rapid City groups chartered the RCBH and Western train to make the trip.

A ball game was a feature of the afternoon entertainment.

Change in Personnel

Miss Ethel Kroeger has resigned her position as bookkeeper at the Farmers State Bank of Flandreau, South Dakota. Her place here will be taken by Miss Evelyn Johnson, who has been at Clear Lake for some time with the FSA.

Calome Bank Liquidates

The stockholders of the Bank of Colome (South Dakota) have decided to liquidate the bank. The notes of the bank have been purchased by the Gregory branch of the Northwest Security National Bank of Sioux Falls, and the depositors will be paid in full. O. H. Pelletier is president of the bank, and Mrs. Pelletier is cashier; they own most of the capital stock.

The bank was capitalized at \$25,000 and had \$5,000 surplus. The deposits totaled about \$700,000.

Aberdeen Debits Up

The volume of bank debits in Aberdeen during July was 31 per cent above the level reached in July, 1942, while tabulations for this year to date indicate a 29 per cent increase when compared with the similar 1942 period.

Resigns as Cashier

Resigning his cashier position at the Chancellor State Bank of Chancellor, South Dakota, Henry G. Bossman has gone to Sioux City, Iowa, where he

will be employed with the Wincharger Corporation.

Mr. Bossman was employed in the Lennox Exchange Bank for over six years before going to Chancellor in April, 1940.

Former S. D. Banker Dies

George Carl Blum, for many years cashier of the Guaranty State Bank of Florence, South Dakota, died at Houston, Texas, following a brief illness.

Rapid City Debits Up

The volume of bank debits in Rapid City during the month of July was 2 per cent below the level reached in July, 1942, while tabulations for this year to date indicates a 21 per cent increase when compared with the similar 1942 period.

New Bank in South Dakota

Supt. Erling Haugo of the South Dakota banking department announced last month that charters had been granted for the Hurley State Bank in Turner county and for the Campbell County State Bank of Herreid.

Both are authorized for \$25,000 capital and \$5,000 surplus.

Incorporators for the Campbell County Bank are R. B. White, J. J. Rieker, Andrew Huber, Anna White and George E. Bickell, all of Herreid. Officers will be R. B. White, president; William Block, cashier, and Bickell, assistant cashier. It will be the only bank in the county.

The Hurley Bank incorporators are R. L. Rayburn, president; Dr. Edward Joyce, M. H. Ruden, Chas. W. Sanborn, and E. G. Breen, cashier, all of Hurley.

Sioux Falls News

BANKERS of Sioux Falls, as throughout the country, focused their attention throughout September on insuring the success of the Third War Loan campaign. They assumed responsibility for over-all organization, prepared pledge cards

and served on committees wherever needed.

In the state-wide organization, **C. A. Christopherson**, president of the Union Savings Bank, served as executive manager of the war finance committee, and **P. H. McDowell**, vice president and trust officer of the Northwest Security National Bank, was named regional coordinator for southeastern South Dakota.

Among the other regional coordinators were **R. S. Banfield**, Aberdeen, president of the Aberdeen National Bank; **H. R. Kibbee**, Mitchell, president of the Commercial Trust and Savings Bank; **J. M. Lloyd**, Yankton, vice president of the American State Bank; **L. T. Morris**, Watertown, president of the First Citizens National Bank; **Carl Odegard**, Huron, vice president of the Northwest Security National Bank, and **L. A. Pier**, Belvidere, president of the Belvidere State Bank.

In Sioux Falls, a door-to-door sales campaign was organized, with air raid wardens making the calls. Placed in charge of organizing the campaign and handling pledge cards was **T. S. Harkison**, vice president of the National Bank of South Dakota.

Among the many speakers who urged bond purchases at public meetings were Harkison, McDowell, **W. C. Duffy**, vice president of the Union Savings Bank, and **Frank J. Cinkle**, cashier of the National Bank of South Dakota.

Sale of war bonds was not the only civic campaign which occupied the attention of Sioux Falls bankers during September, however.

They also played a key part in the United Community and War Chest drive, which sought \$80,000 for local welfare agencies, aid to men of the armed services, and relief agencies of the United Nations and the conquered countries.

Of the \$80,000 goal, \$50,000 was assigned to the important advance gifts committee, headed by **Ralph Watson**, president of the Northwest Security National Bank. The committee was charged with the responsibility of soliciting gifts from business firms on the basis of ability to pay.

Other bankers on Watson's committee were **Tom Harkison**, vice president of the National Bank of South Dakota; **T. N. Hayter**, vice president of the First National Bank and Trust Company; and **William Perrenoud**, cashier of the First National Bank and Trust Company.

C. A. Christopherson, president of the Union Savings bank, served as treasurer for the entire fund campaign, and also was a member of the speakers' bureau.

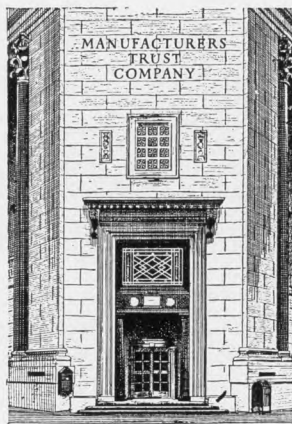
A well-known figure in South Dakota banking circles died this month. He was **James V. Langdon**, 68, who had been a banker at Hurley and Mission Hill, S. D., and was city treasurer at Yankton before he retired in 1936. He died at the home of his son, Robert S. Langdon, at Omaha.

Bank clearings, generally regarded as one of the best indices of business activity in Sioux Falls, registered a decisive gain in August over levels

established during the same month a year ago.

With clearings reported at \$13,175,311.43, the level was 25 per cent above that for August, 1942. In July the clearings had shown a 2.2 per cent decline.

Early last month officials of the First National Bank and Trust Company marked the 58th anniversary of the institution's founding by pledging "even greater service in the years that lie ahead."



SPECIAL AID TO BANKS

*in solving wartime
operating problems*

The expansion of war plants and establishment of local Army and Navy bases have greatly increased the services rendered by the nation's banks. New manpower problems have arisen, demanding the training of enlarged staffs.

Manufacturers Trust Company is helping to solve many of these problems by affording an advisory service. This service is founded on our experience in handling increased operations.

We cordially invite inquiries from banks regarding new wartime services or operating problems.

MANUFACTURERS TRUST COMPANY

PRINCIPAL OFFICE: 55 BROAD STREET, NEW YORK

68 COMPLETE BANKING OFFICES IN GREATER NEW YORK



Member Federal Deposit Insurance Corporation

Officers of the bank include **Martin J. Kuehn**, chairman of the board; **W. W. Baker**, president; **T. N. Hayter**, vice president; **W. E. Perrenoud**, cashier; **H. L. Jones**, assistant cashier, and **R. A. Pankow**, trust officer.

When the 900 members of Harold Mason Post of the American Legion held their annual election recently, they named **T. S. Harkison**, vice president of the National Bank of South Dakota, as second vice commander. In the normal course of events the position would place Harkison in the commander's chair two years hence.

Heads Morris Associates

At the fall conference of Robert Morris Associates, to be held in Buffalo, New York, on October 20 and 21, **Annulf Ueland**, president of the Midland National Bank & Trust Company, Minneapolis, will be inducted as president of the Morris organization. Mr. Ueland and other officers of Morris Associates



ANNULF UELAND

were elected at a recent proxy meeting held in Philadelphia.

Serving with Mr. Ueland in the Morris Associates official family will be **Carlisle R. Davis**, vice president of the State-Planters Bank & Trust Company, Richmond, Virginia, as first vice president; and **Kenneth W. DuVall**, vice president of the City National Bank & Trust Company, Chicago, as second vice president.

Never the Same Again

Jones: Don't talk like that, there's a lady present.

Brown: Sez you. After they go out with you they're reclassified.



H. A. FISCHER
President
Washburn

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Frank Huff

Word has been received of the death of Frank Huff, early day Divide county (North Dakota) businessman who died at his home in Wilmington, Cal.

Mr. Huff, Kermit, N. D., banker for many years, had lived in Plentywood, Mont., after moving from Kermit. He had continued in the banking and machinery business at Plentywood.

Portland Bank Opens

The First and Farmers Bank of Portland, North Dakota, has opened for business, succeeding the First and Farmers National Bank of Portland, which has gone into voluntary liquidation.

Williston Debits Grow

The volume of bank debits in Williston, North Dakota, during the month of July was 42 per cent above the level reached in July, 1942, while tabulations for this year to date indicate a 24 per cent increase when compared with the similar 1942 period.

Esmond Bank Liquidates

The First International Bank, Esmond, North Dakota, has discontinued accepting deposits and has gone into voluntary liquidation.

Former North Dakota Banker Says—

A. Hilliard, founder of the First National Bank of Dickinson, North Dakota, who now lives in Daytona Beach, Florida, says North Dakota looked good to him on his recent visit there. He contrasted it with some of the dry years, which he declared were sure to be repeated and warned against the temptation to plow up any more ground for crops. Mr. Hilliard established the First National Bank, with H. J. Whitley, in 1885.

A. B. A. Commission on Country Bank Operations

Creation of a nationally representa-

tive Commission on Country Bank Operations, composed of country bankers from 17 states, was announced by A. L. M. Wiggins, president of the American Bankers Association.

The commission, which will function under the chairmanship of Kenneth J. McDonald, president of the Iowa Trust and Savings Bank at Estherville, Iowa, will have for its responsibility the interests of country banks. It will study their problems of management and operation, and competition, their opportunities for the extension of their services, their needs for promotion material and other assistance, and will make such suggestions and recommendations as will help them to solve their problems and strengthen their position.

The new commission will not supplant other commissions and committees devoted to the interests of the country banks, such as the Agricultural Commission, Food-for-Freedom Committee, and the Federal Legislative Committee, and its Subcommittee on Agricultural Credit, but will supplement the activities of these groups.

The members are:

K. J. McDonald, president, Iowa Trust and Savings Bank, Estherville, Iowa, chairman; R. A. Bezoier, vice president and cashier, First National Bank, Rochester, Minn.; T. E. Burch, president, Security State Bank, Wevoka, Okla.; R. L. Eberhardt, executive vice president, Stockton Savings and Loan Bank, Stockton, Calif.; Glenn L. Emmons, president, First State Bank, Gallup, N. M.; Howard Hambleton, vice president, Citizens National Bank, Waxahachie, Texas; B. M. Harris, president, Yellowstone Bank, Columbus, Mont.; Clyde D. Harris, president, First National Bank, Cape Girardeau, Mo.; W. A. Montgomery, vice president, Bank of Edwards, Edwards, Miss.; C. C. Neumann, executive vice president, Farmers and Merchants National Bank, Oakland, Nebr.; Claude F. Pack, president, Home State Bank, Kansas City, Kans.; Eddie Pacot, executive vice president, Stockmen's Bank, Gillette, Wyo.; William

C. Rempfer, cashier, First National Bank, Parkston, S. D.; N. S. Schafer, president, First National Bank, Fort Atkinson, Wis.; R. B. Stewart, president, The Miami Deposit Bank, Yellow Springs, Ohio; C. D. Tedrow, president, Citizens First National Bank, Princeton, Ill.; John Wetzel, comptroller, Bayside National Bank, Bayside, New York, and J. E. Drew, deputy manager, American Bankers Association, secretary.

LEGAL DEPARTMENT

(Continued from page 20)

500 shares of stock in a corporation in that state. The directors unlawfully paid out certain funds belonging to the corporation and Shallcross filed a stockholder's derivative suit against them to recover the funds on behalf of the corporation. Shallcross was successful and the benefits of his suit went to the corporation. Was he entitled to recover his necessary expenses and disbursements, including an attorney's fee?

Yes. Where the plaintiff in a stockholder's derivative suit is successful and the benefit goes to the corporation, the plaintiff is entitled to recover his necessary expenses and disbursements, including an attorney's fee.

Axelson owned a building lot in Omaha, Nebraska. Special assessments were levied against the property to pay paving costs. These were void. Axelson knew of the assessment proceedings and the construction of the improvements but did nothing to stop them except that, after the work was completed and the assessments were levied, he brought suit against the city to quiet title to the property. Should he be successful in the proceedings?

Yes. Where special assessments against property to pay the cost of paving are void, knowledge of the proceedings and construction of the improvements will not estop the owner from avoiding liability therefor, and they cannot be enforced solely on the ground of the benefits of the improvements to the owners of abutting lots or lands.

A dozen people owned a farm in Nebraska jointly as co-tenants. Most of the owners claimed their interests through inheritance, although some had acquired their titles by purchase. Four of the owners brought suit to partition the property. Was it necessary to join all of the other co-tenants in the suit?

Yes. In a proceeding for partition, whether in law or in equity, all of the co-tenants are indispensable parties and such of them as do not join as plaintiffs must be made defendants.

WHERE Are Good Loans?



Perhaps they are right there at home, Mr. Banker. Check your files . . . canvass your local business situation . . . and you may develop several likely prospects.

Remember, St. Paul Field Warehousing Service today makes it possible for you to extend larger credit lines on a safe, profitable basis to almost any business . . . manufacturing, processing or wholesaling . . . which has inventory on hand.

For St. Paul Warehouse Receipts, issued against inventory, no matter where stored, are prime collateral for Bank loans. They give you first security on a borrower's inventory; they furnish you absolute control over the proceeds of sale of that inventory.

Why not use St. Paul Field Warehousing Service to safeguard loans . . . to increase profits . . . as so many other Banks are doing?

Ask our nearest office for complete information about our Field Warehousing Service covering any kind of inventory. Free consultation service obligates you in no way whatever.

We are the only company engaged in Field Warehousing maintaining an office in Iowa.

ST. PAUL TERMINAL WAREHOUSE CO.

ST. PAUL, MINN.

— Iowa Office —

510 Iowa-Des Moines National Bank Building
DES MOINES

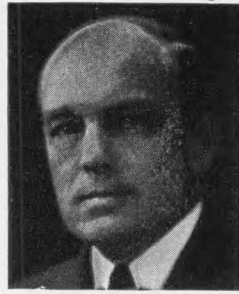
T. C. CANNON, DISTRICT MANAGER
TELEPHONE 4-2353

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V. W. JOHNSON
President
Cedar Falls

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Wartime Was Work Time

(Continued from page 16)

bankers have been forced to turn to inexperienced help to carry on. How the American Institute of Banking is helping to meet this problem was described by **S. J. Kryzsko**, assistant cashier of the Winona National & Savings Bank, Winona, Minnesota, and a member of the executive council of the American Institute of Banking. A. I. B. is fully prepared to help train these new employes, and have instituted a beginners' course, streamlined to fit the need for speed in learning, which gives the basic principles of banking and supplies the fundamental background to these young folks just coming into the business. Mr. Kryzsko urged that group study classes be continued—it is not the time to let down now, and lose all the gains made in classes during recent years.

An interesting feature on the program of Iowa Junior Bankers and Auditors and Comptrollers was a panel on Ration Banking, conducted by **James R. Brown**, manager of the credit department of the Iowa-Des Moines National Bank & Trust Company. On the panel were **B. P. Olsen**, assistant cashier and auditor, Musatine Bank & Trust Company; **Frank J. Tamse**, auditor Capital City State Bank, Des Moines; **Blanche L. Stevens**, teller Perry State Bank; and **M. J. Dwigans**, assistant cashier Iowa State Bank, Des Moines. **John M. Kamerick**, in charge of ration banking for OPA in Iowa, acted as moderator. Most of the 131 questions submitted to the panel were answered, and announcement was made of the new increased payment schedule to banks for their services in this connection. It is thought this new schedule will in many cases double the amount banks have been receiving for handling ration coupons, the increase on the average running from 20 to 25 per cent.

Bankers were classed as among the

more important men in their respective communities by **Dr. Henry G. Harmon**, president of Drake University, who told those attending the conference that the "influence of bankers, not only as financiers but as confidential advisors, cannot be over-estimated. You bankers are wise and honest, and your standard of morals is high."

Vernon L. Clark, executive manager of the Iowa War Finance Committee, Des Moines, and **John J. Anton**, vice president of the First National Bank, Chicago, spoke on the responsibility of bankers in promoting the success of the Third War Loan, especially as the sale of bonds related to individuals. Mr. Clark said that Iowa farm income for 1943 was estimated at one billion seven hundred million, which meant that Iowa's investment in the loan should be right at the top.

John J. Anton said that politics should be secondary to patriotism when it came to buying War Bonds, since he believed too many persons were so "mad at the New Deal" they let their feelings interfere with giving all-out support to the war program. Even some banks, he said, are not investing all the bank funds they should in Government issues. Admitting there were two sides to the question as to whether bankers should solicit War Bond sales from their customers, he said that in the First National of Chicago all checking accounts of \$5,000 or more were listed, and someone on a committee of bank employes called on these individuals with large balances. During the drive last April, Mr. Anton said, his bank sold \$235,000,000 in War Bonds through this method.

The keynote of that part of the conference devoted to discussion of Government competing agencies and sub-

sidized competition was sounded by Iowa Association President **B. A. Gronstal**, when he said "Let us have one program", meaning bending every effort toward the elimination of the Production Credit Association. **S. R. DeCou**, cashier of the First National Bank, Woodbine, and chairman of the Iowa Association committee on Government competing agencies, presided.

Oluf Gandrud, president of the Swift County Bank, Benson, Minnesota, and chairman of the interstate committee on Government competing agencies for the Central States Conference, told of the findings of his committee and of the seriousness of the situation now confronting bankers because of the loss of loans to the P. C. A. His bank, and a number of other banks in Minnesota, have partially met P. C. A. competition by establishing a credit association in their own institutions, but apparently this is not the answer to the problem nationwide.

W. L. Smith of Lake Geneva, Wisconsin, vice president of the First National Bank there, and chairman of the Wisconsin committee on Government competing agencies, presented some convincing facts and figures on how bankers are footing the bill as taxpayers to support the PCA that competes against them. He showed how the United States treasury tosses out millions to keep the PCA's going, and then loses other millions in taxes which would be collected were the loans made on a free enterprise basis. Copies of the address of Mr. Smith were distributed in printed form.

Condemning the American Bankers Association in no uncertain terms for its inactivity with respect to helping its country bank members fight PCA competition, **E. W. Rossiter**, president of the Bank of Hartington, Nebraska, questioned whether the National organization would ever take a decided stand on the matter. Many bankers, he said, have lost faith in the ABA in recent years, largely because the "clique" at the top never seems to care what becomes of the little fellow at the bottom.

Ben S. Summerwill, president of the Iowa State Bank & Trust Company, Iowa City, concluded this part of the program with a summary of PCA activities, and also urged that efforts be concentrated on eliminating this one phase of subsidized competition.

The concluding session of the Iowa War Work Conference was termed a Bank Operations Clinic in Wartime, the several speakers outlining the numerous items of bank operating expense, and suggesting ways and means

Northwestern Banker October 1943

to either reduce the expense, or increase the revenue, to meet the cost and show a profit. Those leading discussions were **K. J. McDonald**, president Iowa Trust & Savings Bank, Estherville; **W. G. Jackson**, cashier Earlham Savings Bank; **S. C. Kimm**, cashier Denver Savings Bank; **John H. Crocker**, vice president Citizens National Bank, Decatur, Illinois; **M. W. Ellis**, Iowa superintendent of banking; and **William C. Rempfer**, cashier First National Bank, Parkston, South Dakota.

Mr. Crocker described in detail what has come to be known as The Decatur Plan, a system of service charges that has proved most workable in his bank, and has been adopted in many other institutions. Mr. Crocker thinks it is the nearest approach to a solution of the service charge problem, both from the standpoint of the customer and the bank, yet devised.

Mr. Rempfer is known all over the country for his research on analysis of bank operating expense, and during the past few months has been conducting research among 45 Iowa banks.

His findings, much too involved to present here, have been published in chart form by the Iowa Bankers Association, and while distributed to all attending the conference in Des Moines, are also available to other banks in Iowa making a request.

Iowa officers of the ABA elected at the convention in Des Moines were as follows: Executive Council for three years, **C. R. Gossett**, president Security National Bank, Sioux City; Member Nominating Committee, **J. E. King**, president Peoples National Bank, Albia; Alternate, **Herbert L. Horton**, president Iowa-Des Moines National Bank & Trust Company, Des Moines.

Vice President National Bank Division, **E. W. Jones**, vice president Iowa-Des Moines National Bank & Trust Company; Vice President Savings Bank Division, **E. A. Ebersole**, vice president and cashier State Central Savings Bank, Keokuk; Vice President State Bank Division, **C. F. Harris**, president State Bank, Gladbrook; and Vice President Trust Division, **Max**

von Schrader, cashier Union Bank & Trust Company, Ottumwa.

Iowa bankers, through their executive council meeting held immediately following the convention, have gone on record as favoring an annual convention in 1944, and have named the dates as **Sunday and Monday, September 3 and 4**, which includes the Labor Day Holiday as it did this year.

Among resolutions adopted by the Iowa bankers in conference session were the following:

"Whereas, the Iowa Bankers Association is opposed to any form of socialized credit, and,

"Inasmuch as we believe that the Production Credit Associations embody the worst features of this system, and

"Whereas, the Nebraska Bankers Association has offered a resolution to the Resolutions Committee of the American Bankers Association to be considered by it at its meeting in New York, September 12-15, 1943, referring particularly to the Production Credit Associations:

"Therefore, be it resolved, that we urge that the Resolutions Committee and Convention of the A.B.A. adopt such Nebraska resolution to which our Iowa Bankers Association would add the following:

"Be It Further Resolved, that it is the sense of the Iowa bankers attending this convention and discussing the P.C.A. competition, that that part of the Federal law providing subsidies for the Production Credit system should be forthrightly repealed returning thereby the \$120,000,000 to the U. S. Treasury; that if any P.C.C. at the time of the return of this capital is found to be inadequately capitalized, it shall be provided under proper amendment to the Federal law with the opportunity and privilege of obtaining such necessary capital at fair rates of interest from the R.F.C.; that all P.C.A.'s shall be required by the F.C.A. to charge a rate of interest on their agricultural loans that will be sufficient to enable P.C.A.'s and P.C.C.'s

We are pleased to announce the addition
to our Executive Staff
of

MR. GEORGE E. VIRDEN

FORMER BUILDING AND LOAN SUPERVISOR
STATE OF IOWA

FINANCIAL DEVELOPMENT COMPANY
(NOT INCORPORATED)

"Savings and Loan Representatives—Exclusively"
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Insurance Counselors to Banks

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Horace A. Smith, Iowa Representative
Des Moines, Iowa

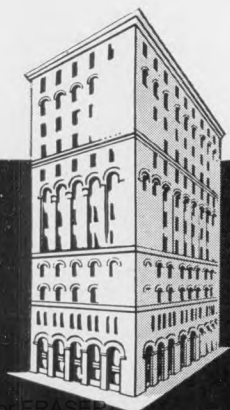


One way to succeed in your War Job

Yes, the headline means just what it says. One way to succeed in your war job—any job from selling war bonds to financing more food production—is to get a good night's sleep every night.

Of course, we don't always sleep like a top, either. There are plenty of problems in the banking business, that can easily keep fellows awake nights. But we do stumble on an answer occasionally . . . and we're always glad to share it with you.

So when you bump into something that's particularly puzzling, pass it along to us. Maybe someone has already told us the answer. If not, perhaps, you and we can work it out together—and earn a better night's sleep.



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



to build up a reserve adequate to accumulate a reasonable surplus account, pay losses and to liquidate any loan from the R.F.C.

"Whereas, the Federal Land Bank System was established on a cooperative basis, and H. R. 50 by Representative Fulmer, as reintroduced in the present Congress, strikes at the very spirit of cooperation by reason of government supply of capital funds; now, therefore, be it resolved that the Iowa Bankers Association goes on record as vigorously opposed to altering the basic structure of the Federal Land

Bank system as contemplated by the above named bill.

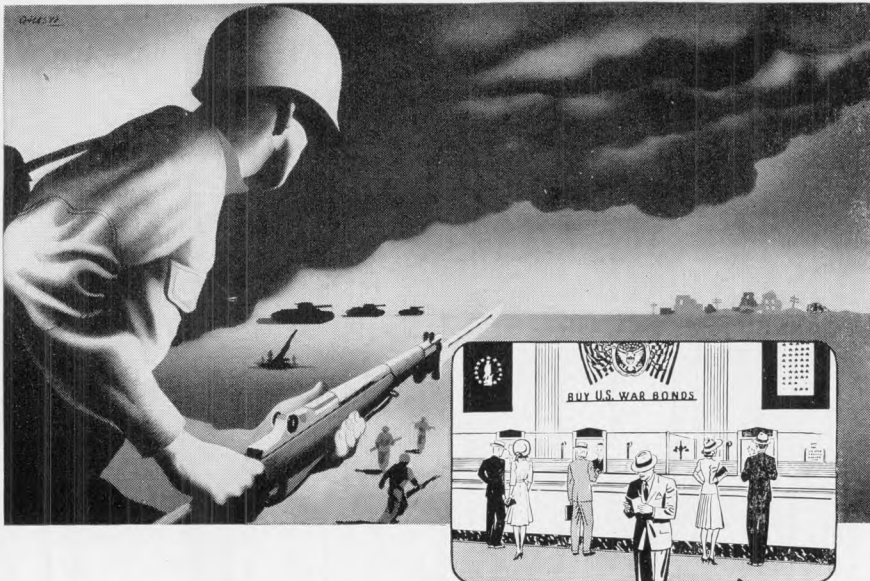
"We are opposed to further extension of branch banking and wish to go on record as favoring H. R. 316 by Representative Wright Patman, now pending in Congress.

"We are also vigorously opposed to legislation, such as H. R. 118 and H. R. 152 by Representative Patman, which would provide for Government ownership of the Federal Reserve Banks.

"We urge that a copy of Resolutions Nos. 2, 3 and 4 be placed in the hands

of the members of Iowa's Congressional Delegation.

"Whereas Secretary Morgenthau has stated that the banks of the nation have sold more than 85 per cent of all the war bonds and stamps sold, we commend the Iowa bankers on their fine record, and for their patriotism, for their giving of their time and experience and expense in putting over all of these War Bond drives as well as other patriotic campaigns; now, therefore, be it resolved, that in order that the banks of the nation be enabled to continue to furnish efficient service to the government and to their patrons, it is necessary that the banking business, for the duration of the war, be classified as an industry essential to the war effort which in effect would mean that its staff members' jobs were 'frozen' for the duration."



TO THOSE WHO HAVE GONE — AND TO THOSE WHO REMAIN

FROM the American National Bank and Trust Company of Chicago have gone forth many brave young men to the nine main theatres of war in which our troops are engaged.

Those who remain, and the young women and others who have taken the places of the men now on the front line, would not want to compare their modest contribution to the war effort to that made by those who endure the brunt of war's dangers and privations. However, it is some comfort to know that our bank, like others, is making a definite contribution to victory.

The banks of the nation are doing a most necessary work in promoting the sale of war bonds, in purchasing government bonds for their own account, in making loans to vital war industries, in handling ration coupons and large industrial payrolls and in many other ways. Those men and women who are doing this needed work can therefore feel they are helping in some measure to back their associates—and all others—who have gone to war.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit



Insurance Corporation

Convention Notes

A "BELIEVE it or not" took place at the Iowa Convention when **Tom Collins**, Kansas City speaker and humorist attended the convention and did not deliver an address. Tom, who is the newly appointed advertising and public relations counsel for the City National Bank of Kansas City, was attending the convention in his official bank capacity along with **Cashier James F. McPherson**.

It is doubtful if any Iowa bank was represented more completely at the Des Moines Convention than the Farmers Savings Bank of Martelle, Iowa. From this excellent Jones county financial institution all three officers were present, including **President E. C. Gotsch**, **Vice President C. L. Murfield**, and **Cashier Guy C. Martin**.

The annual banquet was one of the best in many years with about 900 reservations. The program was excellent, and **Frank Welch**, debonair Cedar Rapids banker, did an excellent job of presiding. A feature was the presentation of 14 past presidents, including Past President Welch. Those who took a bow were **C. B. Mills**, **Frank Epperson**, **J. L. Edwards**, **L. A. Andrew**, **W. G. C. Bagley**, **B. F. Kauffman**, **M. W. Ellis**, **R. W. Turner**, **S. R. Torgeson**, **E. A. Ebersole**, **C. R. Gossett**, **H. R. Young**, and **A. T. Donhowe**.

Of these, Mr. Mills dates back the farthest to 1902, the next in line being Frank Epperson in 1914.

Sioux City was well represented at Des Moines with **Carl Fredricksen**, president and **Mark A. Wilson**, vice



★ BACK THE ATTACK — BUY WAR BONDS

- Today, there are millions of men and women in this country who are working in jobs where, for the first time in their lives, they are being paid by check.

- And it doesn't take them long to catch on to the fact that a check is *safer than cash* — and offers many advantages. For example, if a pay check is lost or stolen the employee needs only notify his payroll clerk and payment will be stopped and another check issued.

- Also, most employees soon discover that getting paid by check is the first step toward putting their personal finances on a *sound, business-like* basis.

- For it is a simple matter to open a checking account — and once that is done there's no waiting in line at the bank or need for making a store purchase to get your check cashed. You either mail it or take it in yourself — or in many cases your employer will gladly send it direct to the bank for you each pay day.

- You don't have to be making big money to have a checking account. Many banks today feature a *special check service* which requires no minimum balance. You pay a small fee for this service based on the number of checks you draw — which is in most cases less than the cost of a money order or the carfare you would spend going around paying bills in person.

- And once you start paying bills by check you'll find it easier to save and budget your salary intelligently. You'll *know* where your money goes — and if there's ever an argument over whether or not a bill has been paid — *you'll win*, for your canceled check is a *legal receipt*.

- Yes, employees today realize that the company which *pays by check* is doing them a real service — one which keeps their dollars safer . . . makes them go further.

GEORGE LA MONTE & SON, Makers of Safety Paper for Checks, NUTLEY, NEW JERSEY



The wavy lines are a
La Monte trade-mark

president, from the Live Stock National Bank; **R. R. Brubacher**, president, and Vice President **E. E. Erickson**, from the Toy National Bank; **Charles R. Gossett**, president, and **B. M. Wheelock**, vice president, the Security National Bank, and **Fritz Fritzon**, vice president and cashier, doing the honors for the First National Bank. Genial President **A. G. Sam** missed the Iowa meeting since he was in training for the A. B. A. meeting last month in New York City.

As a contribution to the war effort

and in lieu of other entertainment, **Harry S. Lekwa**, vice president and cashier, the Ackley State Bank, suggested that Des Moines bankers might have arranged for visiting bankers a tour of their Victory Gardens. The gasoline handicap was too great, however, since some Des Moines bankers had victory gardens this year out in the country.

A welcome visitor at the Iowa convention was **Hoyt R. Young**, former associate president and now in the banking business at Wichita Falls,

Texas. Hoyt arranged his vacation so he could spend a couple of days at the Iowa Convention. Speaking of Texas, "summers," he says, "begin to cool off down there when the temperature falls to 110."

One of the interesting reports at the Iowa Convention was that of the Insurance Committee headed by Chairman **Elmer T. Rorem**, president of the Farmers State Bank of Jewell. In the report, it was stated that for two years not a single loss of money or securities was sustained by any Iowa bank through holdups. There were three attempted holdups between June 1, 1941, and June 1, 1942, but no losses resulted. Between June 1, 1942, and June 1, 1943, there were no holdups attempted whatever.

Farming has become a real hobby for many bankers including **Walter J. Hein**, vice president of the Mississippi Valley Trust Company, St. Louis, who attended the Iowa Convention along with **M. C. Hook, Jr.**, assistant secretary. Mr. Hein has a farm near St. Louis and is particularly proud of the thick juicy steaks he formerly broiled over a charcoal fire on his Missouri homestead.

Robert Root, for 18 years in the bond and investment business and particularly well known in Iowa, spent a day at the Iowa Convention in a new capacity. He recently left Blair-Bonner and Company, investment bankers, to become connected with the Ruan Transportation Company, headquartered in Des Moines. This firm is the largest transportation company of its kind in Iowa.

Walter T. Robinson, cashier of the Newton National Bank, has announced himself as a candidate for member of the ABA executive council from Iowa, election to take place at the 1944 convention of the Iowa Bankers Association. If elected, Mr. Robinson will succeed to the position on the Council of **B. L. McKee**, vice president and cashier of the Muscatine Bank & Trust Company, whose term expires next year.

Named Director

John B. Marsh of Lehigh has been appointed to the board of directors of the Fort Dodge (Iowa) National bank to succeed George Schnurr, who died recently.

B. J. Price, Fort Dodge attorney, a director of the bank, was elected Mr. Schnurr's successor as vice president.

The American Way

This bank takes pride in being an AMERICAN institution — operating under the AMERICAN WAY of life—and for free AMERICANS!

To the many banks in Iowa, Nebraska, South Dakota and Minnesota which maintain correspondent accounts with us, we are especially grateful.

We invite other banks to make use of our services, too.

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



Mr. Marsh, a lifelong resident of Webster county, is widely known as a farmer and cattle feeder. He was president of the First National bank of Lehigh for 25 years.

Other members of the board of directors are W. E. Cadwell, M. F. Jeffries, Frank C. Moeller, L. L. Pfaff, Mr. Price, and E. H. Zuerrer.

Mr. Moeller is president of the bank, Mr. Zuerrer cashier and W. H. Weiss, assistant cashier.

New Executive

N. L. Cotton, Lone Rock (Iowa) banker for the last 44 years, announced last month that his son, Angus L. Cotton, had become associated with the bank in an executive capacity.

The younger Cotton, who has for many years lived at Chicago, is already in service at the bank. He is a brother of Willis J. Cotton, who operates the Cotton Hatchery.

Bank Buys Champion Calf

The Hardin County Savings Bank of Eldora, Iowa, paid \$17.75 for Donald Sanders' grand champion Angus calf at the annual Hardin county 4-H club sale.

Accepts Bank Position

Miss LaVonne Diers has resigned her position as assistant bookkeeper



WOOD NETHERLAND

who is vice president of the Mercantile-Commerce Bank & Trust Company, St. Louis, was elected president of the State Bank Division of the American Bankers Association at the recent annual meeting in New York City



We thought we were laying groundwork for post war business when, more than a year ago, we began schooling an additional staff of men in Field Warehousing Operations. But the increasing demand for Field Warehousing Service has set our expansion program in motion ahead of schedule.

Now we are pleased to announce the opening of our first two branch offices . . . in Cincinnati and in Kansas City. Thus begins the extension of our service facilities for Banks of the Central States.

In charge of these offices are two of our most capable and experienced men.

KANSAS CITY, MO.

2020 Walnut Street

District Manager

WARD GOODLOE



CINCINNATI, OHIO

Chamber of Commerce Bldg.

District Manager

E. H. MORAN, Jr.

Let these men show you how we have collateralized inventories for many millions of dollars without one cent of loss to any lending agency, borrower, insurance or bonding company or to ourselves.

FIELD WAREHOUSING *Division*



ST. LOUIS TERMINAL WAREHOUSE CO.

General Offices • 826 Clark Ave. • St. Louis, Mo.

for the West Iowa Telephone Co. to accept a position with the Farmers Savings bank of Remsen, Iowa.

Accepts Position in Bank

Miss Mildred Jackes has resigned her position with the Iowa Great Lakes Broadcasting station at Spencer, Iowa, and has accepted a position with the Holstein State bank.

Primghar Bank Changes Hands

The majority stock of the Primghar Savings Bank passed from C. R. Wall, of Gaza, Iowa, to E. T. Peterson, exec-

utive vice president of the bank, and a group of associates, as a result of a transaction announced recently.

Through the purchase of Mr. Wall's interests in the bank, Mr. Peterson acquires enlarged interest in the institution and the bank acquires the following successful and well known stockmen of this community as shareholders: Bert Axdahl, George R. Cole, Oscar Guetschow, John Meyers, Sr., A. E. Ohme, George D. Smith, Eric Stark, Harry C. Thiesen and Lewis Witt.

Mr. Axdahl and M. Ohme have been named directors to complete the board, consisting of Wm. A. Hoeven, Wm. P.

Klink, R. J. Locke, Herman Mericle and E. T. Peterson.

The new officers of the bank are: A. E. Ohme, president; E. T. Peterson, executive vice president; Herman Mericle, vice president; W. A. Hoeven, cashier.

William J. Burke

William J. Burke, 76, former Missouri Valley (Iowa) banker and twice democratic candidate for congress in this district, died at his home at Spartanburg, S. C., last month.

Burke was president of the Valley Savings bank, but left Missouri Valley four or five years ago because of ill health.

Retires After 25 Years

At the close of business on the 31st day of August, Mrs. Roy R. Swartz completed a quarter of a century of invaluable service in the banking institutions in Mount Ayr, Iowa. She tendered her resignation several weeks previously to Carson Williams, executive vice president of the Security State bank.

New Employes

New additions to the bookkeeping staff at the Atlantic (Iowa) State bank who began work last month are Miss Ardis Smith of Griswold and Miss Marcella Retz of Wiota. Miss Smith has been employed with the Cass county AAA office here and Miss Retz was graduated last spring from the Wiota high school.

Capital Structure Doubled

W. A. Lane, president of the Security Savings bank, Marshalltown, Iowa, has announced that shareholders in the institution have voted to increase the bank's capital stock from \$50,000 to \$100,000. The new capital structure became effective September 1, Mr. Lane said.

Action of the stockholders, Mr. Lane said, was predicated upon the "growth of the business of the bank" and the desire to be in a position "to be better able to meet the demands of the community when and if its borrowing needs exceed the present demand."

Succeeds Father

Announcement is made that Albert F. Droll, cashier of the Hills Bank and Trust Company, Hills, Iowa, has been appointed to succeed the late William H. Droll, his father, as a member of the board of directors of the bank.

William H. Droll was a member of the board for 15 years.

SERVICE OF SPECIAL WARTIME HELP TO OUR BANKER CUSTOMERS



CORRESPONDENTS of The Northern Trust Company become in many respects "one of us" with access to a wealth of essential facts and figures, accumulated through an experience of more than a half-century of banking. Available to all correspondents is complete information on "V" loans, municipal and U. S. Government bonds, trust department techniques, and ration banking. You are invited to avail yourself of the helpfulness of our people and of our facilities.

THE NORTHERN TRUST COMPANY

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

Questions at the Iowa Convention

(Continued from page 17)

wants plenty, so I'm afraid the United States will be caught between England and Russia."

4. **Alden S. Bagnall**, vice president, The Livestock National Bank of Chicago: "The Germans aren't dumb and will quit when they see their downfall coming, which will be about November '44. It will take another year after that to beat the Japs."

5. **C. F. Harris**, president, State Bank, Gladbrook, Iowa: "The war in Europe will be over this winter. The Germans have always given up. It'll take another year after that to put the Japs out of the running."

6. **H. J. Lamp**, vice president, Bennett State Bank, Bennett, Iowa: "As far as Germany is concerned I've got a hunch that October 15, 1943 is the end for them."

7. **Arthur Frey**, assistant cashier, Continental Illinois National Bank & Trust Company of Chicago: "My opinion is that the end in Europe will come in the next 9 to 12 months, but if something should go amiss it won't take longer than the winter of '44."

8. **S. R. DeCou**, cashier, First National Bank, Woodbine, Iowa: "Germany will be out of the war by next spring. More pressure will be put on Japan in the next few months, and the fall of 1944 will be their debacle. A great deal depends on whether Russia joins us against Japan."

9. **Warren Garst**, cashier, Home State Bank, Jefferson, Iowa: "Germany will take another year and by concentrating all the Allied navies on Japan and cutting the Dutch East Indies line they will fall a year after Germany."

10. **W. G. C. Bagley**, state treasurer, Des Moines: "By October 1944 the world will have peace, but Germany will be licked before then."

11. **John H. Crocker**, vice president, Citizens National Bank, Decatur, Illinois: "The end for Germany will come in late '44, and it will take another year, or more, to finish off Japan."

12. **W. B. Griffin, Jr.**, cashier, Iowa State Bank & Trust Company, Fairfield, Iowa: "Early 1944 is the time Germany will fall, and by concentrating all our efforts on Japan they will be finished a short while thereafter—probably by the end of '44."

13. **A. F. Droll**, cashier, Hills Bank and Trust Company, Hills, Iowa: "Hitler will be out of the running by '44, and the rising sun will set in '45."

14. **Clay W. Stafford**, president, Ames Trust & Savings Bank, Ames: "I think the war with Germany is more over than it appears, so April 1, 1944, is my prediction for the end with them. We'll be through with the Japanese by September of '45."

15. **B. M. Wheelock**, vice president, Security National Bank, Sioux City: "As the Germans won't be able to carry through another summer, the war will be finished with them by

July of '44, but it will take at least another year to wear down the Japs."

16. **R. H. Griffin**, president, Odebolt State Bank, Odebolt, Iowa: "I have a son 15 years old and I expect him to be in the war. I'm convinced it won't be over for a long time, and a great deal depends on whether Russia or China signs a separate peace."

Resigns Work at Bank

Archibald Butler has accepted a position with the Reconstruction Finance Corporation in Chicago. Mr. Butler has been assistant cashier of the Mechanicsville Trust and Savings Bank, Mechanicsville, Iowa, where his resign-



For three-quarters of a century—in war and peace—in good times and bad—this bank has served farmers, business men and bankers throughout the middle west.

During three wars and five major depressions we

have been in close touch with both agriculture and industry in this territory. This experience, which our hundreds of correspondent banks have found of value, is offered to you without obligation.

The
LIVE STOCK
National BANK of Chicago

ESTABLISHED 1868

UNION STOCK YARDS

75th Anniversary Year

Member Federal Deposit Insurance Corporation

nation has been accepted. He plans to leave as soon as his vacancy can be filled. He has been affiliated with the bank since December, 1933.

New Cashier at Milton

Miss Cleo Wandel of Milton has tendered her resignation as assistant postmaster at Milton, Iowa, to become cashier of the State Savings Bank at Milton. She took over her new duties on September 27.

Miss Wandel will fill the vacancy resulting from the resignation of Mrs. Carl Casady, who plans to join her husband until he is sent overseas.

Waterloo Bank Holds Formal Opening

The People's Savings Bank, Waterloo's newest financial institution, held its formal opening October 1.

The bank, located in the Black Hawk building at Fourth and Commercial streets, started business operations the following day, Saturday, October 2.

The Federal Discount Corporation, whose president, John H. Jensen, and vice president, R. L. Stotesbery, both of Dubuque, Iowa, are members of the board of directors of the People's Savings Bank, will move its Waterloo

offices from their present location at 501 First National building to the site now occupied by the Waterloo Morris Plan Company at 162 West Fourth street some time this week.

The Federal Discount Corporation acquired, in February, 1942, controlling interest in the Morris Plan stock.

Under the new plan, the Federal Discount Corporation takes over the Waterloo Morris Plan stock in its entirety and the latter company will be dissolved.

Officers Chosen

At the annual stockholders' meeting of the Peoples State Bank, Missouri Valley, the following directors were elected: J. L. Tamsiea, D. F. Schwertley, John A. Kovar, Katherine Schwertley and Fred E. Egan.

The following were named as officers: J. L. Tamsiea, president; D. F. Schwertley, vice president and assistant cashier; and John A. Kovar, cashier.

Howard Wilding was elected clerk and Miss Ellen Skinner, bookkeeper.

Receivership Closed

E. R. Smith, Fairfield attorney, purchased the remaining assets of the Iowa State Savings Bank, Fairfield, Iowa, at the sale conducted by John Spalla, state director of receivership.

This sale closed the bank receivership, in progress since 1934. Dividends will be paid to holders, probably in 30 days.

The receiver, M. W. Ellis, state superintendent of banking, was represented by the Fairfield law firm of Thoma and Thoma.

Coquillet Named to LaPlant Board

S. E. Coquillet, president of the Merchants National Bank of Cedar Rapids, Iowa, has been elected to the board of directors of the LaPlant-Choate Manufacturing company, succeeding H. N. Graves, whose term recently expired. The company's present board of directors consists of R. E. Choate, E. W. LaPlant, H. H. Cherry, E. M. Pinney, Clare Marshall, A. M. Tschirgi and Mr. Coquillet.

Onslow Bank Re-elects

The annual meeting of Onslow (Iowa) Savings Bank was held last month. Following officers were re-

Experienced bank man; city and country bank management. Can invest, available on short notice. Write HHH, care Northwestern Banker.

An Especially Timely Service—

Today bankers are interested to a greater degree than ever in the purchase of United States Government Securities. Naturally, the larger the volume of these purchases, the more care must be taken in selecting those issues best fitted to each bank's portfolio.

We invite you to consult with us in choosing the securities best suited to your requirements. Your problems concerning the various issues will be met with understanding and careful consideration.

MISSISSIPPI VALLEY TRUST COMPANY

ST. LOUIS

Member Federal Deposit
Insurance Corporation

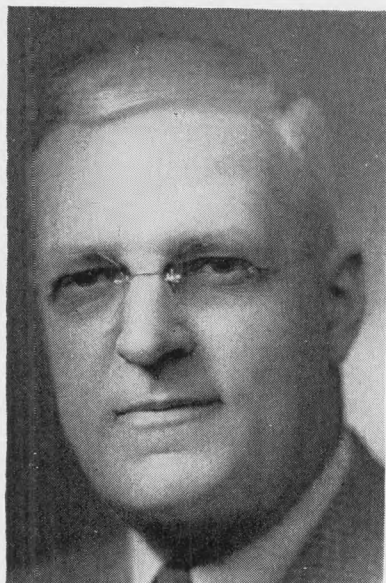


88 Years
of Banking Experience

elected: N. C. Holst, president; C. M. Holst, vice president; Howard Willison, W. K. Kennedy, R. E. Chaplin and George H. Paulsen, directors; George H. Paulsen, cashier, M. H. Ingwersen, assistant cashier, and Miss Luella Seehusen, bookkeeper.

Virден Appointed To Executive Staff

Announcement is made of the appointment of George E. Virден to the executive staff of Financial Development Company of Chicago. Mr. Virден brings to Financial Development Company a wealth of experience as a savings and loan executive and his skill



GEORGE E. VIRDEN
On Executive Staff

as a technician is regarded as most desirable to that company.

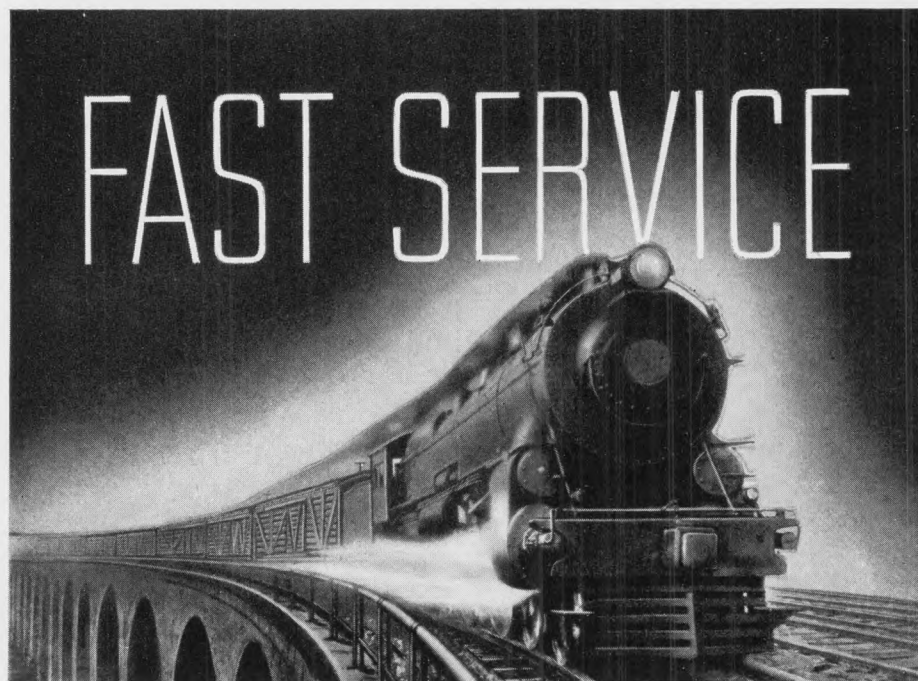
Mr. Virден was for several years savings and loan supervisor of the State of Iowa. In addition to his experience as supervisor he brings experience as one of the organizers of the Insurance Plan Building and Loan Association of Mount Pleasant, Iowa, as well as two associations in the State of California. He has assisted in the organization and modernization of a considerable number of associations in the State of Iowa.

Financial Development Company represents a group of several hundred

federally insured associations located in various sections of the country. The function of the company is to present the insured certificates of these associations to insurance companies, fraternal, universities and colleges, trust companies, retirement funds, cemetery associations and similar institutional accounts. The company was organized in 1937 by Allison Waugh and it confines its activities exclusively to the representation of savings and loan associations. This company was the first in this field of savings and loan

representation and it has pioneered for the past six years, making savings and loan certificates available to investors placing sums of from \$25,000 to \$2,000,000.

They do not invite individual accounts and the funds sent to associations are definitely the permanent accounts of these larger institutions. Actual analysis indicates a mortality of something less than 1/100 of 1 per cent over a five-year period, on these accounts. No brokerage funds are handled nor offered to associations.



PIG SHIPMENTS WILL SET A RECORD

During the New Marketing Year Starting This Month

The pig crop for 1943 will set a new all-time record of 127,000,000 head. This number is substantially larger than last year's 105,000,000 head, and far above the ten-year average of 73,148,000 head. The farmers' income from hogs will be higher during the coming twelve months than any time in history. Because of this huge pig crop, the marketing year starting in October will see more pigs shipped than during any previous year.

Bankers whose customers ship livestock to Chicago find that the cooperation of the Drovers National Bank helps them to render fast service in transmitting proceeds . . . after the sale is made here in the "Yards".

Pig Crop for 1943 Compared to 1942

Spring Pigs

1943.....	74,050,000
1942.....	60,946,000

Fall Pigs

1943.....	53,000,000
1942.....	43,721,000

Combined Pig Crop

1943.....	127,000,000
1942.....	104,734,000

Source: U.S.D.A.

Member Federal Deposit Insurance Corporation

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

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

Northwestern Banker October 1943

New Posting Machine

The Citizens State Bank, Humeston, Iowa, has installed a new modern posting machine which will speed up the work of calculating and keeping records.

Heads Lions Club

Herbert L. Ollenburg, vice president of the Hancock County National Bank, Garner, Iowa, has been appointed president of the Garner Lions club, succeeding George L. Whitney, who

resigned recently when transferred to Shenandoah by the Northwestern Bell Telephone Co.

New Closing Hours

Beginning last month the four Keokuk, Iowa, banks, the State Central, Keokuk National, Security State and Keokuk Savings, will close Wednesday afternoons.

This is in conformance with the practice of other banks throughout the county and in many other cities.

The city's grocery stores and meat markets are also closed at that time.

Under the new program the Wednesday banking hours will be from 10 o'clock in the morning to 12:30 o'clock in the afternoon. Hours on the other days of the week remain unchanged.

Andrew H. Schmalz

Services were held last month in Princeton, Iowa, for Andrew H. Schmalz, 75, Princeton banker, farmer and civic leader, who died in a hospital in Davenport after an illness of five days.

President of the Farmers Savings Bank of Princeton, Mr. Schmalz had been connected with the institution for more than 30 years. He was vice president of the American Mutual Fire Insurance Co. of Davenport and of the Community Building Co. of Princeton. He was clerk of Princeton township and had served as the township assessor.

Annual Meeting of A. I. B.

Alvin G. Nelson of the Security National Bank was elected president of Sioux City (Iowa) chapter of the American Institute of Banking during the business session at an annual meeting. John R. Granning of the First National Bank was elected vice president, and Kinley W. Smith of the Live Stock National Bank was elected secretary-treasurer.

The board of governors was re-elected for another year, including the officers and Len Lamar of the Toy National Bank, Allison R. Miller of the Woodbury County Savings Bank, Kermit A. Scheibe of the Morningside Savings Bank and Carleton C. Van Dyke of the Toy National Bank.

Buys Interest in Donnellson Bank

M. G. Addicks, former Newton banker and Jasper county treasurer who has been in Portland, Oregon, the past year, is coming back to Iowa and will be located at Donnellson, where he is acquiring an interest in the Citizens State Bank there. Mr. Addicks will serve as vice president and a director of the Donnellson Bank.

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH
BANK BROKER

Haddam, Kansas

"35 Years Practical Banking Experience"

In War, As In Peace

Neither war nor peace changes the basic reasons why hundreds of American banks continue to use Central Hanover as their New York correspondent—constructive advice on investment portfolios, personal attention to special needs, routine business handled with care and dispatch.

**CENTRAL
HANOVER BANK
AND TRUST COMPANY**

NEW YORK



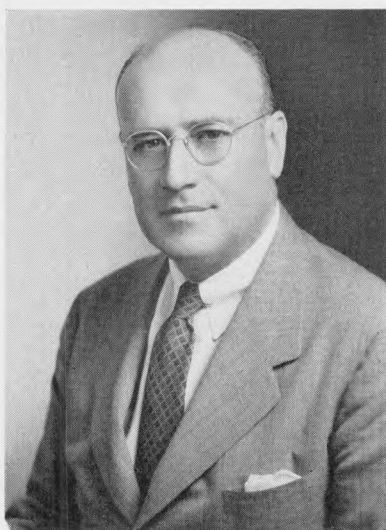
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

New Cashier at Wheatland

Albert Eggert, who was for many years cashier of the Northwest Davenport Bank, and has been on the office staff of the Davenport park board in recent years, has been named cashier of the First Trust & Savings Bank at Wheatland, Iowa.

Public National Representative

The appointment of John T. Barry as assistant vice president of the Public National Bank and Trust Company of New York, was announced recently by E. Chester Gersten, president of the institution. Mr. Barry has been



JOHN T. BARRY
Named Assistant Vice President

connected with the St. Louis office of the General Motors Acceptance Corporation for the past eleven years. He will be identified with the correspondent bank division of the Public National Bank and will devote the major part of his time to the middle-west, in which territory he is well known. A native of Illinois and a graduate of the University of Chicago, Mr. Barry started his business career in 1924 with A. G. Becker & Co., and became associated with the General Motors Acceptance Corporation in 1927 and served as manager of the St. Louis office since 1932.

Experienced bank man in city and country banks desires connection in small country bank in good farming community. Can invest \$5,000. Age 51, married, Protestant. Available after December 1. Good, clean record. Write R. W. M., care Northwestern Banker.

New Assistant at Kent

At a recent meeting of the directors of the Kent State Savings Bank, Kent, Iowa, Miss Ione Davis was appointed assistant cashier.

Takes Position With LeMars Bank

Kenneth Thunhorst has secured a position with the LeMars (Iowa) Savings Bank and has commenced his duties. Mr. Thunhorst is well known in Plymouth county, having lived at Craig in his early youth. He later

lived at Alcester and in Sioux City. Joe Kass, who has been associated with the bank since its inauguration, will leave for the west about the first of October.

Frank H. Schleiter

Frank Hilman Schleiter, a well-known business man of Ames, Iowa, died at his home recently of heart trouble.

Mr. Schleiter, 69, was born January 11, 1874, at Boone, and came to Ames in 1890 to attend Iowa State College.



For Promptness

FOR EIGHTY YEARS promptness has marked the service to correspondent banks of The First of Chicago. Today our Bank and Bankers Division is handling a nation-wide business, and invites accounts upon a basis that so long has proved mutually satisfactory.

The First National Bank of Chicago

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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

After graduating from Iowa State College, Mr. Schleiter worked for Parley Sheldon in the Story County Trust and Savings Bank. In 1903, he went to Galva, Iowa, where he managed his own bank, the Ida County Bank. In 1917 he returned to Ames where he became associated with Sheldon in the Story County Trust and Savings Bank.

January 1, 1932, the Story County Trust and Savings Bank and the Union National Bank merged into the Union Story Trust and Savings Bank, and Mr. Schleiter was then appointed cashier. In January of 1943, Mr. Schleiter was appointed as president of the Union Trust and Savings Bank, a position he retained until his death.

Four Service Stars

J. H. Brekken, cashier, Randall State Bank, Randall, Iowa, has four sons in the army. Lieutenant J. C. Brekken, Boise, Idaho; Pfc. B. G. Brekken, Engene, Oregon; A/C B. W. Brekken, San Antonio, Texas; and Aviation Cadet Carroll B. Kinseth (son-in-law), Phoenix, Arizona. The deposits of the Randall State Bank have passed the \$650,000 mark with total resources of \$700,000.

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This is Iowa's oldest surety company. A progressive company with experienced, conservative management. We are proud of our hundred and fifty bank agents in Iowa.

To be the exclusive representative of this company is an asset to your bank.



Write to
E. H. WARNER
Secretary and Manager

Correction

The Security Savings Bank of Farnhamville, Iowa, was moved to that city from Slifer on June 1, 1943, and not on June 1, 1934, as reported in the NORTHWESTERN BANKER, September issue.

Robert E. Anderson, assistant cashier of the bank, was granted a leave of absence early this year to enter the armed forces of the United States.

Resolution

At a meeting of the Buchanan County Bankers Association held at Independence, Iowa, the following resolution was unanimously adopted:

WHEREAS: The banks have large cash reserves with ample loanable funds to take care of the needs of their own locality and are entitled to all the loans in their own community; and

WHEREAS: The various subsidized governmental agricultural loan agencies are unfair competition to the banks, depriving them of a main source of income; and

WHEREAS: They are cooperating with the government on every effort, such as selling War Bonds and handling ration bank accounts;

THE NEW YORK TRUST COMPANY

Capital Funds . \$45,000,000



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BUY
WAR
BONDS



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THEREFORE BE IT RESOLVED, That if the government desires to support borrowers classed as light or marginal, that said loans be handled through the banks by the plan similar to FHA insured loans, as the officials of the banks are experienced men in the credit field thereby making them fully qualified to handle all loans, and thereby relieving the government of the greater portion of maintenance expense of the local office of present governmental agencies.

Wins Award

Mrs. Helen Kolczinski Famighetti, financial secretary of the Franklin Square National Bank, Franklin Square, Long Island, New York, is the winner of this year's Jean Arnot Reid Award given by the Association of Bank Women to an honor graduate of the American Institute of Banking, who to quote from the resolution covering this award — "is best fitted through the integrity of her character and efficiency of her work to represent women in banking.

Mrs. Famighetti, a graduate of Hempstead High School, has been with the Franklin Square National Bank since 1936—in the bookkeeping department, mortgage servicing department, special interest teller and at present her capacity is that of financial secretary.

The presentation of the award was made at the informal dinner held by the Association of Bank Women on September 11 at the Belmont Plaza Hotel, New York City.

The Association of Bank Women is a national organization of women holding executive positions in banking institutions.

Dear Editor



(Continued from page 5)

"Threshing Difficult"

"Our community has run into serious difficulty in getting our threshing done, due to the rains which have been almost continuous for the past ten days or two weeks. Considerable damage has been done to the unthreshed grain in shocks and to grain swathed for combining. Corn is good (September 4th) but needs about two weeks

to mature and frost may be expected any time now.

"I am acting as district chairman for Lidgerwood and surrounding townships in the coming Third War Loan bond sales campaign, which appears to be shaping up into a full-time job.

DAN S. RILEY, *President, First National Bank of Lidgerwood, North Dakota.*

"Let PCA Also Sell Bonds"

"At the district bond drive meeting, the folks in charge made it plain that they were calling on the bankers for the great bulk of the sales in the Third War Loan drive. That is OK, and the bankers will do a job, too.

"But why not suggest that the PCA be called on to sell enough bonds to equal their subsidy, so that they will, at least, pull their own weight?"

WARREN GARST, *Cashier, Home State Bank, Jefferson, Iowa.*

"All Labor Leaders Not Alike"

"I really enjoyed reading your editorial page in the September issue of the NORTHWESTERN BANKER, but want to disagree with you just a bit on your open letter to **Eddie V. Rickenbacker**. You state 'all of the labor union leaders gave him hell for his statements.' I believe you should have said 'all but one.'

"I am sending you under separate cover, three recent issues of the *Railroad Workers Journal*. Please read the editorials by Maurice R. Franks, National Business Agent of the Railroad Yardmasters of North America, Inc. I particularly want you to read the editorial in the March issue entitled 'Right Back of Rickenbacker.'

"In my opinion, this man Franks is one labor leader that is on the right track and he has courage enough to speak what he thinks. Next time you are in Chicago, I will introduce you to Mr. Franks. I believe he plans to speak in Omaha early in January, before the Omaha Executives Club.

"I am enclosing a few copies of reprints from the *Congressional Record* so that you will know that this man Franks is talking loud enough so that he is even being heard in Washington.

"I am sure you will agree with me that we should have more men like Maurice Franks as labor leaders. I just wanted you to know that all labor leaders do not think alike."

G. L. WRIGHT, *President, Publishers Business Service, Inc., 139 North Clark St., Chicago, Illinois.*

"Most Outstanding Magazine"

"Congratulations on the excellent manner in which you made up your September issue of the NORTHWESTERN BANKER. It is one of the most outstanding pieces of magazine publishing I have seen."

MARSHALL CORNS, *President, Marshall Corns and Company, 39 So. La Salle St., Chicago, Illinois.*

"A Humdinger"

"Let me pat you on the back for the September issue of the NORTHWESTERN BANKER. It's a humdinger and worth the whole year's subscription price. We will soon have finished fighting the Errors of dictators and sons of Heaven but the business world will long have to look for guidance and advice such as given us by you and your NORTHWESTERN BANKER. Let your light continue to shine."

DR. E. C. JUNGER, *President, Soldier Valley Savings Bank, Soldier, Iowa.*

"Unfair Government Competition"

"No one cares anything about the smaller country banks, anyway, only for what they can work them for. As I see it the handwriting on the wall is forecasting the forcing out of business of small country banks in the next few years. Unfair Government competition and also the same underhanded, chiseling methods used by larger neighboring banks are about to force most small country banks to yell 'Come and get it.'

"You probably do not remember and no doubt it never came to your notice, but



"To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have, with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured."

Woodrow Wilson
— 1917

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FRANKEL'S

DES MOINES

several years ago when this bank paid its depositors in full for their trust certificates and even refunded some of the stockholders' assessments, we sent the information to your office, expecting a writeup on it in the next issue of NORTHWESTERN BANKER. We were very proud of that accomplishment which was done comparatively early after release from SF 111. We got a very small mention on it. Many months later, however, some of the larger banks with much poorer percentage liquidations got plenty of mention and it still sticks in my memory. I think a small country bank that is deserving of credit and also patronizes the NORTHWESTERN BANKER to the extent we do is entitled to the same consideration as the larger outfits who know how to blow their own horns or 'get them blown for them.' This goes for all small banks comparable to us.

"But we will still run a clean bank the best we know and build up our reputation by the good word of our customers and stockholders."

GUY C. MARTIN, *Cashier,*
Farmers Savings Bank, Martell, Iowa.

"Best in 13 Years"

"The 'Across the Desk' column in your September issue was the best you have had since I have been reading your NORTHWESTERN BANKER—13 years.

"Your extracts from various articles were very much to the point and prove interesting reading."

E. CARROLL TABER, *Taber Lumber Company, Keokuk, Iowa.*

"Keep Up the Good Work"

"Your letters addressed to Henry A. Wallace, Roane Waring and others in the September issue of the NORTHWESTERN BANKER were very timely and right to the point. Also the letters addressed to Benito Mussolini and others in the August issue. Keep up the good work."

C. A. SLIFE, *Cashier, Farmers State Bank, Hawarden, Iowa.*

"A Sane Basis for Rebuilding America"

"Your article, 'Who Built America, Anyway,' in a recent issue of the NORTHWESTERN BANKER is the most practical thing I have seen on the way out of the depression, coming straight from the shoulders of a clear-headed business man and expressed in homely, forceful, American English, which cannot be misunderstood.

"Your support of 'rugged individualism'—of going ahead with new projects and new discoveries that will employ more labor and thus provide larger opportunities to increase our own incomes—can scarcely fail to im-

press the American people as a sane basis for the rebuilding of America after the war. In fact, it may be the basis for rebuilding the major part of the world after the war.

"Every thinking person who is to have a part in the new order of things should be familiar with what you have said. Is there not some way to get your article into wider circulation so that plans for 'rugged individualism' and 'free enterprise' may become the slogans, perhaps to express ideals for which the youth of our nation have longed but scarcely hoped for?"

LAURENCE C. JONES, *Principal, The Piney Woods Country Life School, Piney Woods, Mississippi.*

Assistant Cashier

The First National Bank in St. Louis has announced the election of Harry W. Heindenreich as an assistant cashier. He has been with the First National and its predecessor, the Third National Bank of St. Louis, for 37 years.

Near \$7,000,000,000 Mark

Nearly \$7,000,000,000 of war production loans and commitments by 428 of the nation's larger banks were outstanding on June 30th, according to the semi-annual report of war lending activity prepared by the American Bankers Association.

The survey shows that the total of bank loans and commitments for financing the manufacture of armaments and war supplies increased \$922,000,000 during the first half of 1943.

Of the \$6,914,618,000 of war loans and commitments outstanding on June 30th, \$678,000,000 were for construction of war plants and factories, and \$6,236,000,000 were for the purchase of raw materials and for other production expenses.

The \$6,236,000,000 of outstanding loans and commitments for purchase of raw materials and for other production expenses, is an increase of \$1,228,000,000 over the total of such loans outstanding at the end of 1942. This increase in loans parallels an increase in physical production of nearly all categories of war supplies and equipment during the first half of this year over the preceding six-month period.

On the other hand, the \$678,000,000 of loans for construction of war plants and factories outstanding on June 30th is a decrease of \$235,000,000 in such loans as compared with the total outstanding at the end of 1942. A downward trend in war factory construction and equipment loans began during the second half of 1942, by which time the conversion, construction, and equipping of war plants was nearly completed, and actual production of increasing

Wessling Services

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

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Des Moines, Iowa

amounts of war goods from these factories was begun. The decline in the outstanding total of these loans may be expected to continue because the plants and capital equipment of most war industries are now completed.

The future trend of bank loans to war industries for purchase of raw material and for other production expenses will be in direct relation to the trend of the output of the war plants.

Annual Meeting and Election

Hugh E. Powers, cashier, Lincoln Bank and Trust Company, Louisville, Kentucky, was elevated to the presidency of N.A.B.A.C. at this annual

meeting, held September 24th, in the Book-Cadillac Hotel, Detroit. Mr. Powers succeeds Ottmar A. Waldow, controller, National Bank of Detroit, who now automatically becomes a member of the Advisory Board for a period of four years.

Mr. Powers has traditionally been elevated to each successive position in the organization, since his first election into the official family as secretary, in 1940. He is a charter member of the Louisville Conference, and served as president of that conference in 1931. He has attended the convention of the National Association regularly since that time. He brings into his new posi-

tion, a broad knowledge of organization affairs gained through long years of service to the National Association.

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1889 to 1943

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Though selections may not be large and substitute merchandise displayed—rest assured we are doing our best to serve your immediate requirements—and at the same time enthusiastically support our country in the "All-Out War Effort."

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Chemical Analysis

Element—Woman

Occurrence—Found wherever man exists. Seldom in a free state, with few exceptions in the combined state.

Physical Properties — All colors, shapes and sizes and ages. Usually in disguised condition. Face covered with a film of composite material. Boo hoos at nothing and may freeze at any moment; however, melts when properly treated. Very bitter if not well used.

Chemical Properties—Very active. Possesses a great affinity for gold, silver, platinum, precious stones or anything of value. Violent reaction when left alone. Undissolved by liquids, but activity greatly stimulated when treated with spirits solution. Sometimes yields to pressure. Ages very rapidly, usually getting into permanently enlarged state. Fresh variety has great magnetic attraction.

Caution—Highly explosive when in inexperienced hands.

The Chinese Home

If you are invited to a Chinese Home, follow your host's lead: If he is modern and informal, you may be informal. If he is old-fashioned and stiff, then you can get plastered, too!

You can admire generally, but DON'T admire ONE object especially. For then courtesy requires your host to give you that object you are admiring. In other words—Don't keep STARING at his WIFE!

Not Quick Enough

Her car and his collided head-on. Both got out and, with a fine show of courtesy, began to apologize profusely.

She: "It was my fault and I'm sorry."

He: "Not at all, madam, I was to blame."

She: "But I insist it was my fault. I was on your side of the road."

He: "That may be true, madam, but I'm responsible just the same. I saw you coming for several blocks and I had ample opportunity to dart down a side street."

Naturally

Kate: "Why did you stop going out with that checker champ?"

Sally: "He was always trying to get me in a corner."

Northwestern Banker October 1943



The Name Is Mud

Four young men visiting the Orient before the war, who considered themselves exceedingly clever, had a Chinese servant upon whom they played all sorts of pranks.

One night they nailed his shoes to the floor. The next morning, without a word or sign of retaliation, he brought in their coffee.

Next day they put sand in his bed. The next morning he served their coffee smiling blandly, with no trace of resentment in his attitude.

So they decided to play no more tricks on such a good fellow, and told him so.

"No more nailee shoes to floor?"

"No."

"No more putee sand in bed?"

"No."

"Velly well, no more putee mud in coffee."

Darn It!

A girl who wears a cotton stocking

Need never give her door a locking

A girl who chooses other makes,

Gets all the runs and all the breaks.

Definitions

Corset: Something to keep waves out of WACS.

Apparent: That which has one or more children.

Cannibal: One who loves his fellow men.

Cross Purposes Department

Second Lieutenant: "Colonel, I've been trying to see you for a week, but you were busy, sir. When can I see you?"

Colonel: "Why don't you make a date with my secretary?"

Second Lieutenant: "I did, sir. We had a lovely time, but I still want to see you."

Nightly Affair

"Why didn't you yell like you said when I kissed you?"

"I'm still hoarse from last night."

Hard Boiled

Take one draftee, slightly green. Grate on sergeant's nerves. Add liberal portions of baked beans and corned beef. Season with a sprinkle of rain. Sweeten from time to time with chocolate bars.

Stir from bed at early hour. Soak in shower or tub daily. Dress in olive drab. Mix with others of his kind. Toughen with maneuvers. Bake in 110 degrees summer and let cool in below zero weather. Serves 140,000,000 people.

Give Him Air

Mess Sergeant: "You're not eating your fish. What's wrong with it?"

Soldier: "Long time no sea."

Why, Santy!

"Do you think you are Santa Claus?"

"No."

"Then leave my stocking alone."

Understanding Creatures

"Why do gentlemen prefer blondes?"

"Because the blondes, in great measure, know what the gentlemen prefer."

Keep It Quiet

Mrs.: When you wait on the guests at dinner, Nora, try and not spill anything.

Nora: No, ma'am. I won't say a word.

Not Yet

Taxi Driver: I take the next turn, don't I?

Voice from the rear seat: Oh, yeah?

One or Two

KP: "What's them, Sergeant?"

Sergeant: "Them's grapefruit."

KP: "Wouldn't take many of them to make a dozen would it?"

Nice Fit

Clerk at Oyster Counter: "Do you want large or small oysters, Madam?"

Mrs. Newlywed: "Just medium, I think. My husband wears a 15 collar."

Learned in the Law

Constable: "Hey, Miss, no swimmin' lowed in the lake."

Fair Young Bather: "Why didn't you tell me before I undressed?"

Constable: "There haint no law agin undressin'."

"TWO HEADS are better than one"

Announcing

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Edgewater Beach Hotel—Chicago

October 19-20-21, 1943

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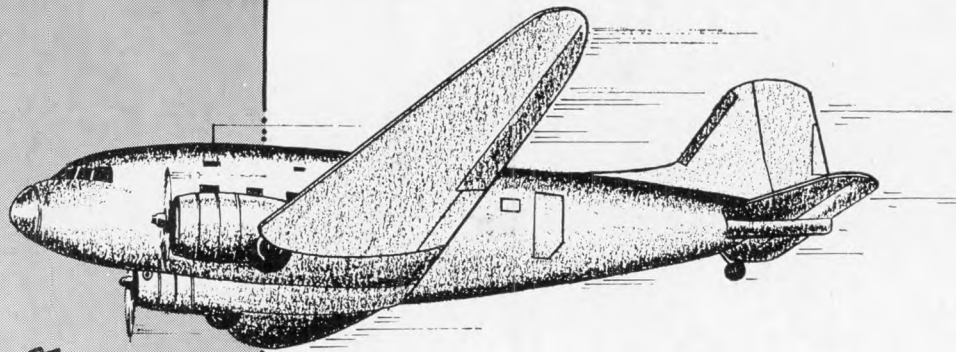
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