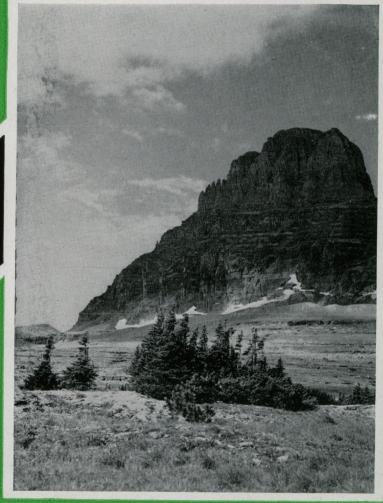
NORTHWESTERN Sanks

DECEMBER 1943



GOING-TO-SUN MOUNTAIN

At the summit of Logan Pass, in Glacier National Park

YOU LOAN TODAY - AND COLLECT TOMORROW

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Current Business Information

Our correspondent connections with mid-west banks is mutually valuable to the banks we serve and to our own institution. Through our close association with banks through this territory, we are enabled to assemble current business information from every section and in turn disseminate it to our banker customers. We cordially invite your business on the strength of our ability to render your bank a worthwhile service.



MERCHANTS NATIONAL BANK

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Cedar Rapids

Iowa

Member Federal Deposit Insurance Corporation



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Just an everyday man—happens to be an insurance agent. Of course, he's not going to go to Tokyo personally—Uncle Sam has other nephews looking forward to that trip . . . but he's helping to pay for it.

And he's actively demonstrating the American capacity for organization—the "pull-together" that puts this country shoulder to shoulder with its fighting men wherever they are. For instance, he's been cooperating with our company in sponsoring its Ninetieth Anniversary War Loan campaign, which provided that:

All new gross premiums collected on fire and other policies written by the Home during the last nine months of 1943 were to be invested in War Loan Bonds. These purchases have been OVER and ABOVE the normal government bond purchases which the company has continued to make.

THE HOME & Insurance Company NEW YORK

FIRE * AUTOMOBILE * MARINE INSURANCE

Ninetieth Anniversary Year



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

"Appreciate Your Editorial"

"I was delighted to receive your recent letter and appreciate your forwarding me a copy of your editorial entitled 'Dear Eddie V. Rickenbacker', which you published in the Northwestern Banker.

"Again, many thanks for your interest and hope our paths may cross in the not too distant future."

> Eddie Rickenbacker, President and General Manager, Eastern Airlines, 10 Rockefeller Plaza, New York City.

have done the wrong thing. Once in a while, it does a soldier over here a great deal of good to have someone remind him that there really is such a place as home, and that he, too, was once nothing but a mere kid. We see so many small youngsters over here that get in our hair and gripe us to no small extent. Perhaps we too often impress them with our old age and never give them much of a chance. My idea is that these kids are not at all like those back home, and therefore should be treated

"Frankly, your little chat did make me

homesick, but please don't feel that you

"Loans Holding Even"

"Deposits here are going up quite rapidly, and loans are holding about even with our average for the past four or five years.

"You might be interested to know that I began work as an employe of this bank twenty-five years ago in November, and that this year the earnings of the bank will be the best in all that period."

D. H. Dingsley, Cashier, Rowley Savings Bank, Rowley, Iowa.

A Letter from "Somewhere"

Editor's Note.—The following letter from Corporal Alvin Warren Johnson, son of Alvin Johnson, president of the Live Stock National Bank, Omaha, was written to his mother from ''somewhere'' on the fighting front.

"Dear Mother:

"I enjoyed reading through your ancient diary with you. It also brought back memories of the past which have all but been forgotten during these many months overseas. I could see you laughing over the many clever sayings of your all-too-intelligent children(?) Guess my prayers were not answered in respect to future wars, but the good Lord has kept me from being afraid. For this, I have had reason to be very thankful.



CORP. ALVIN WARREN JOHNSON

differently. The most successful method is to leave them alone. Then, too, the local 'dead-end kids' have been through a very great deal more of life than their brothers back in the U. S. A., and this has to be taken into consideration. All in all, it is a tough mental proposition.

"Those packages you have sent me have not started to roll in as yet, but I do not

doubt but what the process should start soon. Today is almost the first day that there has been no mail for us since the time when the mail first started rolling in here. So far, I have received 290 letters from various sources. You realize of course that I have tried very hard to give what news is possible. Of late there has been too little time for reading and writing and sleeping.

"Must admit that during the past three days I have taken time out to catch up on some of the stories and articles appearing in the various magazines. There have been some mighty good as well as accurate articles written by this author and that, in this magazine and that, concerning the recent invasions. Naturally, I have read these with interest. Have noticed also that Time has been featuring a few of our big name generals on the cover page of their publication. Personally, I'll have much to relate when I do manage to wend my weary way home.

"My usual human interest stories will have to be withheld for the present due to many reasons, but the biggest is that I haven't been around enough to pick any new stuff up. Glad to hear that the Dell is now larger and more comfortably furnished. Miss the old stomping grounds and the gang I used to find there. From all reports, that 'old gray mare' ain't exactly what it used to be. I suppose this roughtumble gang of mine will soon change my atmosphere of nongaiety into one of laughter and wild tales about the wars if ever they are put together in one place long enough again.

"One of the old R. A. F. liaison officers, should now say two of 'em, just came into the office, and the place is going mad. These two men are really swell, and smart, too. I don't know where they have been, but we have missed them just the same. Some of our more interesting tales are now going about the room; so perhaps something censorable might osmos itself into these pages giving you sort of an inside account of my recent past. Better quit this pounding for a while before I mention suthin' I oughtent. They're kidding this pudgy officer pretty well now as he limps his way out of the office. His limp, I think, was caused by a mosquito bite on his foot. He has lived a rugged life, this man.

"As far as I am concerned, everything is coming along quite well. All the news sounds very good, and I keep on wondering what it is all leading up to. I don't look for anything breathless breaking much before the thawing starts on George's Lake and the younger gang makes tracks for their various 'shacks.' Sure wish it would, though.

"The August 9th Life just came in and I had to thumb through it or else lose even a fleeting glance at it. I noticed a thorough coverage of the Sicily deal, even mentioned one of my original homes.

"Seems as though a few more reports have come in since I began this letter; so I will have to be shoving off pretty soon. A plane just swooped down over us mighty low, but it was one of the boys. The August 3rd Herald came in also along with U. S. News of August 6th. Should give me some interesting reading for later on

(Turn to page 26, please)

How and Where in Latin America



Inter-American trade is vital to the economy and solidarity of our hemisphere. War has both emphasized its importance and increased its complexity.

For this reason current information on economic and exchange conditions within the Americas is essential to all those engaged in inter-American commerce. Our numerous correspondents supply us with such information from every commercially important city in Central and South America. These same correspondents—leading banks in their communities—offer through us special facilities for the prompt handling of collections.

These Chase facilities which are always at the disposal of our domestic correspondent banks provide a valuable service for their own customers.

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

DECEMBER 1943



FORTY-EIGHTH YEAR

NUMBER 677

Oldest Financial Journal West of the Mississippi River

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	State Banking News		
	Minnesota News		
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	North Dakota News		
	Nebraska News		
•	Junior News		
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	Iowa News		
	New Waterloo Bank Interior		
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Frank P. Syms			
Vice President	The Directors' Room		
Eifth Aug Suite 1006	THE DIRECTORS KOOM		

A Few Short Stories to Make You Laugh...

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Suite 1806



Across the Desk From the Publisher

belifford De Puy

Dear John L. Lewis:

Perhaps when the history of this war is written, you will be considered the greatest labor leader of our time—but we doubt it.

Perhaps when this war is over and 10,000,000 boys in the armed services return to work, they will say you contributed most to helping win the war—but we doubt it.

Perhaps you think the shutting down of coal mines, which in turn prevented the production of steel, which in turn delayed the manufacture of tanks, trucks and airplanes, was a contribution to the war effort—but we don't.

Perhaps you think your blustering, bombastic, domineering method of trying to appear bigger than the Government itself will add fame and glory to your name when the history of labor legislation is written—but we doubt it.

No, Mr. Lewis, you have done more to harm, hurt and destroy the labor union cause in America than any man in all its history.

If coal miners have had grievances against their employers—if working conditions should have been improved—if wages should have been adjusted, or if any other questions or grievances needed to be adjudicated, then we say they should have been discussed, and they were, and they should have been settled by arbitration, and they were. But, with the greatest war in which America has ever been engaged, the miners should never have been ordered to strike.

The miners should have kept on working while you were arbitrating.

The trouble with you, Mr. Lewis, is that every time you negotiate, whether or not it is with the mine operators or with the Government, and the decision is not to your liking, then you get mad and call a strike.

When the boys in the Solomons were living in the mud and the rain, and many times without enough ammunition, did they strike because they wanted better living conditions and shorter hours and more pay? No. They kept on fighting.

When the American troops landed on the shores of Italy under the withering fire of the German guns from the shore batteries and the odds were tremendously against them, they didn't quit—they kept on fighting.

And your miners should have kept on working, Mr. Lewis, if for no other reason than because we are at war.

No, Mr. Lewis, we think your history of your management of labor unions in America, and especially of the miners' union, has been a blot on labor's banner which it will take many, many years to erase—and besides we wouldn't want to be in your shoes when 10,000,000 soldiers come marching home after this war is won.

Dear Eric A. Johnston:

As president of the Chamber of Commerce of the United States, we think you are doing the finest job that has been done in a long time.

Your various speeches about business—about industry—about labor—and about the Government have been timely, forceful and constructive.

In speaking of the Government, you said, "If you run to the Government the Government will run you."

That is exactly true, but it is also just what many business men and laboring men are doing. If they have a problem that seems tough and hard to settle, they go to Washington and only make conditions worse in the "District of Confusion."

We were especially interested, Mr. Johnston, when you said, "Our economic system is not dying of old age. It is dying from its chains—the restraints, restrictions and exactions that are fastened on it by some trade associations, some labor unions and some governmental units: Trade associations and cartel combinations that seek to create monopolistic conditions, hold prices up, and keep production down. Labor unions which overstep their function of insuring decent wages and hours, and keep production down.

"Labor unions which overstep their function of insuring decent wages and hours, and seek to increase labor costs through unreasonable restrictions on output, resistance to productive new devices, and a score of other destructive regulations. Governments—federal, state and city—that load every kind of business with unnecessary regulations, that strangle enterprise and then lie in wait for the successful man in order to confiscate the profits he may make from an investment in which he has risked a fortune.

"In a complicated society, I recognize that government must make and enforce rules and regulations. But we must have the maximum freedom of enterprise and the minimum of government controls consistent with a modern industrial civilization.

"Our system suffers not from lack of opportunity, but from the bureaucrat and the tax collector. There is but one salvation for our crippled giant. Unbind him! Strike the chains from his limbs, and then behold him labor!"

To unshackle business from Government competition and control is the greatest problem facing American business today.

Speaking of our postwar competition with England, a prominent British envoy said recently that, "Your far greater efficiency in production will be balanced by our far greater efficiency in government. You have the world's most efficient big business and its least efficient big government."

If, however, our "least efficient big government" tries to run our "most efficient big business" our big business as well as our little business will be further hampered by inefficient government control.

So, we say to you, Mr. Johnston, keep up your fight for free enterprise—keep up your fight for the American system—keep up your fight against the blighting control of government bureaucracies.

Dear Rt. Hon. Reginald McKenna:

As Ex-Chancellor of the Exchequer and one of the leading bankers of England, we were interested in your suggestions about postwar reconstruction and monetary reforms.

As you know, your own country is tending much more towards Socialism than is the United States, although this seems strange to those of us who think of England as being on the conservative side when it comes to political reforms.

Some political reformers believe that the entire banking system of England should be taken over by the government, and even some politicians with Socialistic tendencies have the same ideas in the United States.

That most of these political reformers show a "regrettable lack of acquaintance with actual banking practice" is very well pointed out in your article on this subject which we read recently when you said, "Among plans for postwar reconstruction and monetary reform, it is regrettable that some proposals show a lack of acquaintance with actual banking practice. such plan overlooks the fact that if a bank is to remain solvent an addition to its liabilities must be offset by an equal addition to its assets; others would have the effect of putting an end to banks altogether by compelling them to hold cash against the entire amount of deposits placed with them. The most widely advocated proposal is a sweeping claim that the banks should be nationalized.

"The term nationalism is not clearly defined but it must be presumed that the assets and liabilities of all banks are to be taken over by the State and that banking is to be operated as a State monopoly. It is not suggested that the banks are inefficient, or financially unsound, or that the public would find the service of a State monopoly more convenient or economical than that of banks working under the stimulus of competition.

We quite agree with you, Mr. McKenna, that the public would not find banks more efficiently run or more financially sound if they should become a State monopoly, and certainly government owned banks would not "banish unemployment and want."

We hope, Mr. McKenna, that you can keep your English politicians "thinking straight" as far as banking reforms are concerned. And then when you have done that we will be glad to suggest several groups in America where your "suggestions" will also be most helpful.

From The Far Flung Battle Fronts, the Camps and the Seven Seas—these Patriotic Employees

R. H. Allison
Ed Bliquez
J. C. Brekken
Ellis W. Conkling
Rex G. Cox
Clyde Cramer
E. L. Cumpston
Richard L. Davis
Clarence Dickson
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Joseph P. Fox
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Howard Franklin

Robt. Galloway
David G. Gault
Joseph P. Gedden
Harold R. Holmes
Wm. R. Hill
Kenyon Knowles
Paul McDonnell
Karl Morris
Geo. T. Nelson
R. K. Neswold
Everett Newcomb
George Noah
George Olsen
Fred Owens

Dale Pearson
Barton Peddicord
Philip C. Rachford
John Quiner
C. W. Sanner
Irwin Shaw
Dale C. Smith
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Donald Walsmith
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OF DES MOINES

In Extending Their Sincerest
HOLIDAY GREETINGS

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

Do We Owe It to Ourselves?

Some People Refuse to Worry Because They Say We Owe the Billions of National Debt to Ourselves. Do You Agree With That Argument?—A Northwestern Banker Survey

ITH the national debt approaching \$200,000,000,000, and with a possibility of it reaching \$300,000,000,000, we hear many presumably intelligent people say, "Why worry—we owe it to ourselves, don't we?"

It seemed to us that thus lightly brushing aside a few billion dollars represented rather an unusual brand of reasoning, so The Northwestern Banker conducted a survey among presidents of the larger banks of the country, asking them to give us their reaction to the above question. Among the replies received were the following:

"An Absurd Argument" SIDNEY MAESTRE

President
Mississippi Valley Trust Company
St. Louis

The "we-owe-it-to-ourselves" argument used to justify the statement that a large public debt imposes no burden becomes, when pushed too far, palpably absurd. If each person were taxed exactly in proportion to his income derived from his holdings of the public debt, the argument might be valid. This condition is, however, unrealistic.

"With the present distribution of ownership of the public debt, the payment of the principal and interest involves a transfer of funds from one group to another, and it is as a result of the transfer of funds that the burden of the public debt arises. The transfer involves a redistribution of wealth and this redistribution probably would take place in a manner so as to lower the productivity of the economic system. In the first place, there is administrative waste and delay. Not all the funds withdrawn by taxation will be returned immediately. This will bring about disorganization of trade and commerce. In the second place, the funds used to pay the debt or interest may be raised by unwise taxation. It would be easy to raise funds by imposing taxes that would lower the national income, reduce the level of investment and discourage production by unduly raising prices. In the third place, the price level at which the national debt will be paid off will probably be below the existing one. This will increase the real burden of the net debtors and result in a gain on the part of the creditors.

Finally, the repayment of obligations owned by the commercial banking system may not represent even a transfer of funds but a withdrawal of purchasing power. The purchasing of Government securities by the banking system at the present time has drawn attention to the danger of inflation which may result from the creation of purchasing power. This fact has already been pointed out in connection with nearly every war loan drive. The repayment of the obligations held by the banking system would in much the same manner reduce the volume of funds. In short, purchasing power would be destroyed. This process might result in the imposition of even greater burdens upon the economic system resulting from deflation.

"It must be admitted, however, that this argument has seldom been advanced by responsible economists without substantial qualifications, but even these modified versions have probably understated the difficulty of paying the interest and principal of public debt without seriously hampering industrial expansion and growth. In short, the repayment, or even the carrying of the public debt in the postwar years will introduce vast problems in the transfer of funds and the redistribution of wealth which will probably serve to lower the level of national income and industrial produc-

"Budget Must Be Balanced" ROLFE O. WAGNER

President Capital City State Bank Des Moines

"I do not agree with the above statement. It is true that practically all of our national debt is owed to our own citizens. Nevertheless, in my opinion, after the war the national income must be maintained at a sufficiently high level to balance the budget and service the debt. If the federal budget is not balanced within a reasonable period after the end of the war, I feel we will definitely have something to worry about."

"Definitely No" FRED W. THOMAS Vice President

Vice President First National Bank Omaha

"Definitely no. We look about and see quite a number of businesses built up after a lifetime of effort lost by the owner. Those businesses and business men that survive are carrying a tax load that may jeopardize the future existence of their business. It appears that too much of this tax load is spent in waste and inefficiency. However, the more recent attitude of congress toward demanding greater efficiency in expenditure of tax funds gives some encouragement.

"A national debt of any amount with a tax load to support it is justified if necessary to win the war and save our natural resources for ourselves. Frankly, I am not so much concerned over the amount of the national debt, provided it is efficiently disbursed for the purposes desired by Congress and the people. But there will come a time when we must get back to a more able and sensible way of doing things."

"Wash Your Neighbor's Clothes" PHILIP R. CLARKE

President
City National Bank & Trust Company
Chicago

"The idea that the size of the Federal debt need not cause any worry 'as long as we owe it to ourselves' is, in my opinion, about as sound as the idea said to have prevailed among the citizens of an early Grecian town that they could make a living by taking in each other's washing."

"Not That Simple" T. B. STRAIN President

President

Continental National Bank

Lincoln

"I wish that the only answer to give to your question would be 'Why worry about it, we owe it to ourselves, don't we?' Unfortunately, I don't believe it will be quite as simple as that unless we want to repudiate debt or set up the pins for inflation within the country. I think, as is always the (Turn to page 27, please)

 $Northwestern\ Banker\ December\ 1943$ Digitized for FRASER

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Savings & Loan as an Investment Outlet

By ALLISON WAUGH

Director, Financial Development Company, Chicago

ORE than 100 years ago the institutions which we now know as savings and loan associations or as building and loan associations had their origin back in Pennsylvania. Sponsored by groups of public spirited individuals, it was devised as a community enterprise set up to provide funds for the purpose of building of homes by the people of the community. Since that dim distant day and age the industry of building and loan has grown to large proportions, reaching into every state in the union and to almost every community of any importance. The building and loan association is a mutual institution. This means that the institution itself is owned, lock, stock and barrel, by the "depositors," commonly known as members. The members of the institutions elect their own directors or trustees and the directors or trustees elect the executive officers. The affairs of the association are in direct charge of the board of directors, but they are indirectly under the constant supervision of the real owners and members.

The modernized 1943 development of the building and loan association is quite different from the old type institution, but it retains all of the excellent characteristics which have been adopted because of the tremendous success of these institutions. Today there are a group of about 2,500 of these associations known as Federally insured savings and loan associations. This group comprises approximately 1,500 associations, which have received and operate under charters from the Federal government. To this group is added nearly 1,000 state chartered associations which have fully qualified to meet the requirements of the Federal authorities, have become members of the Federal Home Loan Bank System, members of the Federal Savings and Loan Insurance Corporation and which have standardized upon the rules prescribed by these Federal authorities.

It has been said that the modern Federally insured association is extremely similar to the savings department of the average commercial bank and that to all intents and purposes it is actually a mutual savings bank and is a fundamentally integral part of American finance and banking. We must observe that in commercial banking we have two types of banks, the Federally chartered "national banks"

and the state chartered state banks. We must draw the parallel that the savings associations offer the Federally chartered "Federal Savings and Loan Association" and the state chartered states building and loan corporation. We must further note that the commercial banks which offer insurance of deposits are usually members of the Federal Reserve System and are

always members of the Federal Deposit Insurance Corporation and we must note the parallel that all insured associations are members of Federal Home Loan Bank system and also members of Federal Savings and Loan Insurance Corporation. The Federal Reserve System operates through 12 regional banks and forms the banking system for member banks, while the Federal Home Loan Bank system, operating through 12 regional banks, forms the banking system for the insured associations.

The accounts in insured banks are insured for safety by a Federal instru(Turn to page 27, please)

A. B. A. Agricultural Committee



The Agricultural Commission of the American Bankers Association met in St. Louis last month, where the above picture was taken. Seated around the table, starting with Mr. Wiggins at the upper left, are A. L. M. Wiggins, president, American Bankers Association; True D. Morse, Doane Agricultural Service, St. Louis; G. C. Hunter, executive vice president, Peoples Bank, Roxboro, N. C.; D. J. Needham, general counsel, American Bankers Association, Washington, D. C.; H. M. Emerson, cashier, First National Bank, Lewiston, Idaho; John E. Wise, president, Willard United Bank, Willard, Ohio; Thomas E. Noel, president, First National Bank, Memphis, Texas; Dr. E. C. Young, dean of Graduate School, Purdue University, Lafayette, Ind.; Oluf Gandrud, president, Swift County Bank, Benson, Minn.; G. H. Nesbit, vice president, First National Bank & Trust Company, Fargo, N. D.; Alonzo Petteys, vice president, Farmers State Bank, Brush, Colo.; Paul M. Jones, assistant cashier, Old Phoenix National Bank, Medina, Ohio; J. P. Culpepper, vice president and cashier, Bank of Alapaha, Alapaha, Georgia; C. W. Bailey, president, First National Bank, Clarksville, Tennessee, chairman, Food for Freedom Committee, American Bankers Association; Kenneth J. McDonald, president, Iowa Trust and Savings Bank, Estherville, Iowa; A. G. Brown, deputy manager, American Bankers Association, New York; Warren Garst, cashier, Home State Bank, Jefferson, Iowa; E. L. Boston, president, First National Bank, Angleton, Texas; John H. Crocker, vice president, Citizens National Bank, Decatur, Ill.; H. P. Parker, president and treasurer, Capital Savings Bank & Trust Co., Montpelier, Vermont; Dr. Van B. Hart, extension professor of farm management, Cornell University, Ithaca, N. Y.; Elwain H. Greenwood, secretary, Oregon Bankers Association, Portland, Oregon; Otis A. Thompson, president, National Bank & Trust Company, Norwich, N. Y.; chairman, Agricultural Commission, American Bankers Association; E. H. Mevis, cashier, Farmers Merchants National Bank, Princeton, Wisconsin; W. L. Smith, vice president and cashier, First National Bank, Lake Geneva, Wisconsin; R. N. Downie, president, Fidelity State Bank, Garden City, Kansas; Charles T. O'Neill, vice president and trust officer, National Bank & Trust Company, Charlottesville, Virginia, chairman, Subcommittee on Agricultural Credit of Federal Legislation Committee, American Bankers Association: Ben S. Summerwill, president, Iowa State Bank & Trust Company, Iowa City, Iowa; John N. Thomson, vice president and cashier, Bank of Centerville, Centerville, South Dakota.

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

HAT a fine way to start a trip east for a month by having the Rocket two hours late into Chicago, then missing the Commodore Vanderbilt to New York by eight minutes and arriving on the 20th Century to find that your hotel (name on request) reservation made a month previous was not available because "guests had not checked out as expected."

Aside from those slight inconveniences everything started off smoothly.

Conversation overheard in a Pullman smoker between two sailors: "Why shouldn't they draft pre-Pearl Harbor fathers; the winning of this war is more important to them than it is to us?"

Interesting scene in **Childs** at 45th and Broadway was an old lady about 76, sitting at a front window table eating crackers and cheese at 3:00 p. m. on a Sunday afternoon and drinking two jiggers of whiskey for "cheese chasers," we presume.

When the **Metropolitan** opened its 60th season this year, the **Diamond Jubilee** occasion brought out many of the top celebrities of New York society and not for years. "have so many or so fabulous jewels been on public display." said the critics.

However, Mrs. Henry L. Doherty, widow of the public utilities magnate, didn't care for the "whole thing" and was photographed with "thumb to nose" in the familiar sign of contempt.

Describing this interesting episode, one reporter said, "Mrs. Doherty arrived about half way through the first act of Moussorgsky's grim opera, Boris Godunoff. The opera was grim, but Grace Doherty was not. By the end of the first intermission she seemed to know all the photographers in the Sherry's bar by their first names. When they finally turned their lenses on her, she unexpectedly made that now famous gesture, the first time ever seen in the 60-year history of the Met.

The Met celebrated its Diamond Jubilee with an opening that was notable for jewels, if not for Old Guard Society names.

Most conspicuously not-present at the opening was that Queen of American Society, Mrs. Cornelius Vanderbilt, without whom no Met opening is quite legal.

"Janet of France" was a famous headliner in vaudeville a number of years ago and now operates a very delightful cafe at 237 West 52nd Street, New York City. Signs on the walls are reminiscent of Leon and Eddies. For example, "Alcohol is the only beverage which makes man see double and feel single."

Donald K. Clifford, a cousin of ours who lives in Bronxville, and his beautiful wife had a birthday party for their fourteen-year-old daughter and kindly invited us along with "twelve other girls." After dinner we all went to see the Colgate radio program "Can You Top This?" at Radio City and, as far as we were concerned the "best show" was watching these youngsters have fun and enjoying every "wise crack" of the Colgate comedians.

Between making out your government reports, read "Challenge to Freedom," by Henry M. Wriston, president of Brown University. It is a grand book and in one chapter he says, "The bureaucratic architects put floors under wages and ceilings over prices—but they did not leave room between floor and ceiling for a free man to stand upright."

Governor Thomas E. Dewey of New York believes in the future of our 48 states when he says, "In the period ahead the states will be strong. They alone will have survived the war without overburdening debt. They express the vitality and resurgence of a free people. They are unafraid of the future. They are untrammeled by the weariness and defeatism that comes from the repeated fumbling of overcentralized government which believed

Heads lowa SWPC Office



LaVerne M. Barlow, who resigned recently as OPA rent administrator for Polk county, Iowa, has been named district loan agent for the Smaller War Plants Corporation, with headquarters in Des Moines. The territory under his supervision covers all of Iowa, with the exception of six counties adjacent to Omaha, Nebraska. Mr. Barlow for many years has been engaged in commercial and investment banking in

In the picture above, Mr. Barlow is receiving congratulations from regional officers of the Smaller War Plants Corporation and from local bankers. In the picture, from left to right, are George D. Jorgensen, assistant vice president, Iowa-Des Moines National Bank & Trust Company; Mr. Barlow; E. A. Schroeder, assistant regional loan agent, SWPC, Chicago; Arthur P. Murphy, regional loan agent, SWPC, Chicago; E. F. Buckley, president, Central National Bank, Des Moines; Carl W. Mesmer, vice president, Bankers Trust Company, Des Moines; Arthur Donhowe, vice president, Central National Bank, Des Moines, and Leslie H. Bean, district manager, SWPC, Des Moines.

that this country was built to saturation in 1932."

Jack Sheehan, the star in "Lady Behave," now playing at the Ambassador Theater, New York, says to the leading lady of the show, "On my salary, I can't support you and the government, too."

Mayor F. H. LaGuardia is not as popular as he once was, at least with Patrolman David Liebman, who made the statement at a public gathering in New York that crime conditions were very bad and that the mayor was to blame for the "lowest state of morale that has existed in the police department for many years." Maybe the "Little Flower" is fading.

Toffenetti Restaurant on 43rd and Broadway is the only eating place in New York where the customers who eat downstairs are brought back up to the first floor on an escalator—and not necessarily because they have overeaten.

Col. Willard Chevalier, publisher of Business Week, spoke to the Boston Advertising Club while we were there on "What Shall We Do With Victory?" and emphasized that American industry had made good in a big way during the war, and must continue to do so when peace is declared, by maintaining (1) A high level of employment, (2) A high level of production and (3) High efficiency.

A Hartford, Connecticut, newspaper carried the following advertisement, just before turkey day: "Enjoy your Thanksgiving dinner for only \$1.50 at the Arcade Drug Store."

Seen on the sign boards through New England "Gorton's Cod Fish Cakes ready to fry will return when peace comes." As far as we are concerned, they can stay away permanently—although peace will be most welcome.

The first question all visitors to New York ask is, "When can I get tickets to 'Oklahoma'?" and the answer is "About next spring."

Two soldiers talking in the Grand Central Station, after finishing furloughs at home: "Girls are funny these days, if you take them out twice and kiss them a few times, they want to know when are we going to get married, and I am for waiting until the war is over." "So am I," replied the

other soldier, "let's tackle one job at a time."

"Carmen Jones" is a new all-colored musical show which opened in

Boston while we were there. Billy Rose is the producer and Oscar Hammerstein II arranged the play.

Our guess is that it will be a Broadway hit.

Some PCA "Grass Roots" Figures

THE demand of the nation's banks for the elimination of the unfair government subsidized competition of Production Credit Associations, made possible by the income they enjoy on the \$120,000,000 of government capital subsidy, was placed before Congress last month by the American Bankers Association in four days of hearings held by the Select Committee on Agriculture to investigate the activities of the Farm Security Administration.

Among the many witnesses who testified for the A. B. A. was M. W. Ellis, Iowa superintendent of banking, who, from all reports, got right down to the grass roots of the matter, and gave the Congressmen some hard, cold facts. One of the exhibits presented by Mr. Ellis was the chart shown below, comparing 1942 PCA operations in Iowa and Nebraska with the earnings of 542 Iowa banks during the same pe-

riod. Careful analysis of the chart will be found most interesting. As a part of his testimony, Mr. Ellis said:

"If the little communities in the country cannot develop enough volume to support a bank, probably they are not entitled to banking service. Nor are we of the opinion that the PCAs should continue unless they can stand on their own feet. I do not think the PCAs should require any subsidy from the U.S. Government, and I think they should be released from this control over their officers and directors. I think they should be allowed to go on their own and be really and truly cooperatives. I want both set up as free enterprise under the free enterprise system. I want all PCAs to be free enterprise as strictly farm cooperatives, and I want the banks to be allowed to operate as free enterprise also."

COMPARISON OF 1942 PCA OPERATIONS IN IOWA AND NEBRASKA

17	Earnings and Expenses for Each Unit of \$100,000 Iowa State Chartered Banks—Resources Iowa Production Credit Associations—Resources Nebraska Production Credit Associations—Resources	\$	es of 754,215,000 12,430,000 8,672,000
1.	Number of \$100,000 Units	17 Iowa PCAs 124.3	14 Neb. PCAs 86.7
2. 3. 4.	Earnings: Interest on Loans 1,624 Interest on Bonds 401 Fee and Miscellaneous 438	2,259 51 205	2,681 171
5. 6.	Operating Revenue 2,463 Recoveries 173	2,515 16	2,852
7.	Gross Revenue	2,531	2,860
8. 9. 10.	Expenses: Salaries—Office and Field	1,105 147 101	1,098 135 128
11. 12. 13. 14. 15.	Taxes 207 Interest Paid 395 Charge Outs 233 All Other Expenses 416	1,353 1* 697 8 408	1,361 1 808 0 412
16.	Total Expense	2,467	2,582
17. 18.	Operating Profit 592 Estimated Direct Subsidy \$79,920 592	64 643	278 592
19.	Profit and Subsidy	707	870

Do Majority Stock Interests Always Measure Ownership Rights?

MAJORITY stock interest in each of three widely separated North Dakota state banks was owned by one individual. The banks were small and had only a few employees each. The number of employees of one of the banks was so small that the North Dakota Unemployment Compensation Law was not applicable thereto unless it was considered along with the two other banks to be an employing unit. Should it be so considered merely because a majority of its stock was owned as above outlined?

No. In a recent decision the North Dakota Supreme Court held that the mere fact that one person is shown to be the owner of the majority of the stock in each of three separate banking corporations does not constitute one of them an employer for Unemployment Compensation Law purposes. It is to be inferred from the decision that if the individual operated the banks as though they were one institution the holding would have been to the contrary. A ruling similar to that in North Dakota may be found in Missouri.

An Iowa farmer and his wife made out a joint will in which they named their friend, an Iowa banker, executor and in which they devised to the survivor for life all of the property owned by them with the remainder to their children. The farmer died and the will was duly probated by the banker. Subsequently the wife died. Was it in order to probate the will as controlling for her estate also?

Yes. In the absence of compelling reasons requiring a different handling, of which there were none here, a joint will devising a life estate to the survivor of the testators with the remainder to third persons is entitled to be probated upon the death of each testator.

Hickenloopah, a Minnesota banker, died in that state leaving a will which provided, among various matters, that \$500 should be paid to each of his five daughters. One of the daughters, Mrs. Geneva Jones, had predeceased him. Prior to her death, Mrs. Jones had had

These and Other Timely Legal
Questions Are Answered

By the

LEGAL DEPARTMENT

no children, but she was survived by her husband and he was alive at the time of Hickenloopah's death. Should Mrs. Jones' husband receive the \$500?

No. Situations similar to the one outlined are governed by the common law in Minnesota which holds that a legacy lapses by the death of the legatee before that of the testator. Since the legacy lapsed the husband of the predeceased daughter was not entitled to it.

Suppose that, in the preceding question, Mrs. Geneva Jones had had two children during her lifetime and they had been alive at the time of Hickenloopah's death. Would they have been entitled to the legacy?

Yes. Situations similar to this are covered by statute in Minnesota and the common law rule does not apply. This statute provides that if a child or other blood relative of a testator, to whom a devise or bequest has been made, dies before the testator, leaving issue who survive the testator, such issue shall take the same estate which such devisee or legatee would have taken if he had survived.

Suppose that, in the first question regarding the Hickenloopah will, Hickenloopah had made bequests of \$500 to each of his daughters other than Mrs. Jones and, as to her, made a special bequest of \$1000, reciting, as an incident thereto, that it was to discharge an indebtedness owed by him to her for funds advanced to him by her. Would the legacy have lapsed in such circumstances?

No. A gift by will, given to discharge a debt or obligation and not as a bounty, does not lapse upon the death of the beneficiary before that of the testator. This is true even though the debt is barred by the statute of limitations or is otherwise not legally binding.

A South Dakota banker was also a highway contractor in that state. As an incident to some of his work for the state he entered into a contract with the state which provided that he was not to perform any extra work on the project involved without a written order to do so. Despite this provision in the contract he did certain extra work. When he presented his bill therefor it was refused. Can he recover?

No. Stipulations requiring a written order for any alterations or extra work are frequently inserted in contracts for public works and have been often construed by the South Dakota Supreme Court to be binding on the parties and to prevent a recovery for extras by a contractor when there is no compliance with such provision.

A North Dakota bank sold a truck owned by it to Dickersback on installments. The conditional sales contract evidencing the deal provided that if Dickersback defaulted in his payments the bank could repossess the truck without legal process. Dickersback defaulted. Could the bank repossess the truck without court proceedings if it could do so without breach of the peace or unlawful trespass?

Yes. Where a conditional sales contract expressly provides for repossession without legal process upon default, such repossession need not be obtained through court proceedings if it can be accomplished without breach of the peace or unlawful trespass. The North Dakota Supreme Court has so held in a recent decision.

Suppose that, in the preceding question, the bank, as an incident to the repossession of the truck had agreed with Dickersback that it would hold the truck for five days in which he might make good his default. Suppose further that, in violation of its agreement, the bank sold the truck to Snow, who had no knowledge or notice of the

(Turn to page 28, please)

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https://fraser.stlouisfed.org Federal Reserve Bank of St. Louis

Finish the War-Insure the Peace

A Program Outlining What Should Be Done to Bring the War to a Successful Conclusion, and the Terms Upon Which the Peace Should Be Made

By George W. Woods

Executive Vice President First National Bank Council Bluffs, Iowa

The War Program

- 1. Continue fighting until all Axis armed resistance be crushed.
- 2. United Nations to occupy and set up provisional government in Axis territories until four other war objectives are achieved; namely,
 - (a) Disarmament of Axis nations to bare necessities for internal policing.
 - (b) Victor nations to change or adjust national boundaries in manner best designed to promote and preserve future peace.
 - (c) Victor nations, through their own civil and military representatives, shall determine all punishments to be inflicted upon loser nations, and citizens thereof; and these victor nations shall immediately give effect to such punishments. No such punishments, however, shall be carried forward and beyond period of military occupation.
 - (d) Victor nations, by fair policing and maintenance of order, shall give the peoples of each nation ample opportunity to set up a form and character of government which these peoples may choose by their own votes in a free election.
- 3. Co-incident with the military occupation and achievement of the preceding objectives, the United Nations, under the leadership of Russia, Great Britain, China and the United States, but with participation advice and counsel from other nations whose vital interests are affected, shall prepare a Global Treaty which shall be governed by principles and specific provisions, as outlined in the following program.



GEORGE W. WOODS Has War-Peace Program

War

Is not Messianic

Is not idealistic

Is not altruistic
Is not Christian
Requires no forgiveness of crime or wrong doing

Peace

It seeks to be realistic and practicable.

It recognizes and respects the sovereignty of each independent nation, and,

It assigns to each sovereign nation both freedom and responsibility to manage its own economy and to develop its own culture, short of external physical aggression.

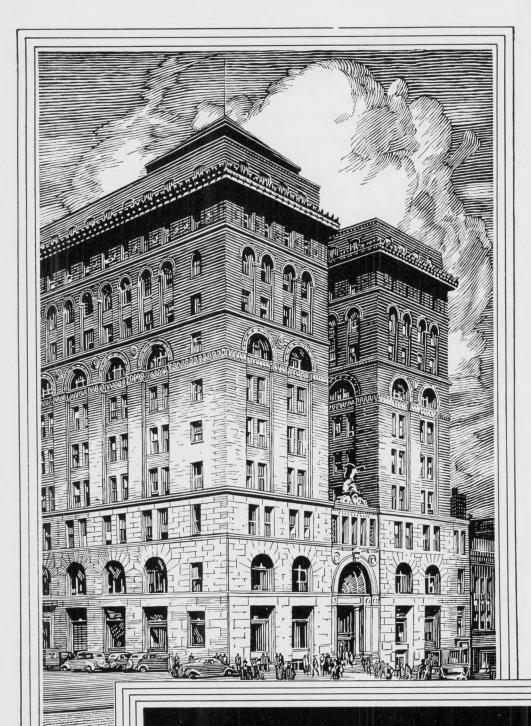
The Peace Program

- 1. Least possible injury to every nation, including Axis nations.
- 2. No fines or indemnities against any nation.
- 3. United States shall not attempt to collect for lend-lease aid to associate United Nations.
- 4. No punitive trade restrictions or discriminations. All countries to be on "Favored Nation Basis."
- 5. An international health and sanitation organization may be established with the consent of the signatory nations, but no other permanent international organization with delegated powers shall be set up.
- 6. Conflicts or problems as to race, religion, political ideologies, educational objectives, shall be reserved for solution by the government of the nation within which these problems arise, unless such conflicts should result in a war which spreads into adjacent countries.
- 7. Germany, Italy and Japan shall not be allowed to re-arm in any degree without the specific consent and approval of Russia, Britain, China and the United States, and/or other nearby nations whose vital interests may be directly threatened by such rearmament.
- 8. Russia, Great Britain, China and the United States shall agree in the Treaty to render a world service in the interest of peace and order as limited and defined within this section. Any nation requiring protection against actual or threatened aggression may ask the four nations named, plus any other nations whose vital interests are directly involved, to designate competent and impartial representatives to constitute a board of inquiry to ascertain the facts and to report the facts, with the board's recommendations, to their home government for appropriate action, but each board of inquiry thus created, or called into being, shall be discharged when it shall have performed its one specific

Northwestern Banker December 1943

MANAGEMENT RATING CHART FOR BANKS

INDEX	THE SUPERIOR BANK	THE INTERMEDIATE BANK	THE RETROGRESSIVE BANK
MANAGEMENT	 Officers and key employes chosen because of ability. Qualified by training to carry out policies as decided by the directors. Ability and qualifications of officers and key employes given full consideration in making promotions. Principal officers are frequently invited to meet with the board of directors. Directors work with the officers in obtaining new business. 	 Officers in many cases chosen or promoted because of seniority or through the influence of stockholders and directors. No officer outside of the president is a member of the board of directors. 	 Officers do not meet with the directors. Officers and employes consider themselves and are considered as hired hands. Vacancies in official staff filled from outside the organization.
POLICIES	 Policies and methods of operations formulated by officers based on complete knowledge of community needs, requirements and the qualification and ability of officers and key employes and submitted to directors for criticism and decision. Definite policies established as to type of business desired and methods of handling present business, investments and loans. Staff thoroughly acquainted with policies. Bank has pension system, grants vacations with pay and covers personnel with group insurance. Directors and officers actively cooperate in civic affairs. Bank cooperates with other banks in town and supports activities of banking association groups. 	 Policy making function of the board of directors weak. No policies established as to investment program, new business, loans or public relations. Officers not consulted or acquainted with policies. No pension system, but group insurance. Directors and officers do not actively support civic affairs. Bank does not cooperate with other banks in town. Support but do not take an active interest in banking association groups. 	 Policies determined by the president or chief executive officer without consultation with others. Officers not acquainted with the policies or practices of the bank as to loans, new business, investments. No pension system, no vacation policy, no group insurance. Does not cooperate with any bank or group.
INVESTMENTS	 Investment program based on accurate analysis of deposit trends and seasonal requirements. Investments selected, based on the makeup of deposits without primary concern as to return. Maturity of bonds spaced so that a definite percent of securities mature each year. Proper consideration in the investment program for temporary money. Investments restricted as to number of issues, depending on size of bank, to allow more complete analysis and following. 	I. Investment program based on guess work or the knowledge of one officer. No definite program. Selection of investments depending on ratings and yield. No definite program about spacing maturities. Proper consideration not given in investment program for temporary money.	 No investment program. Type and kind of investment dependent on rates, advice of investment house or persuasiveness of investment solicitors. No thought given to proper spacing of maturities. Increases in deposits, because of the absence of deposit analysis, remain uninvested. Investment portfolio cluttered up with small investments in too many issues.
OPERATIONS	 Use of modern and up-to-date machinery and equipment. Budge-tary provisions for periodical replacements. Supervision of departments and divisions good. Work well planned and scheduled and special machinery, utilized to fullest extent of capacity, employed to obtain increased efficiency. Duplication of work and detail held to a minimum. Forms and systems periodically revised and modernized. Operating divisions located to give maximum of efficiency. Work space is properly ventilated and lighted, and procedures set up to effect the minimum of fatigue. Sufficient rest rooms conveniently located. Lunch room and first aid station with nurse in attendance available for employes. 	Equipment fairly modern. Only replaced when beyond repair and then only as a unit. Supervision of departments and divisions fair. Work well planned, but full advantage not taken of peak and valley volume. Specialized machinery not used to fullest capacity. Work duplicated. Too much attention paid to inconsequential detail. No attention paid to revision of forms or changes in methods and procedures to permit work efficiency. Departments and divisions not conveniently located. Work space poorly lighted. Bank designed for looks, not efficiency. Little thought given to employe welfare.	 Equipment old and obsolete, resulting in high unit costs. General supervision of departments and divisions made by the chief operating officer only. A one-man bank. Work schedules not planned to develop efficient methods. No specialized machinery used. Duplication of work. Unnecessary practices. Multitude of forms used. No attempt made to combine or simplify to use for more than one service. No thought given to location of departments and divisions to obtain more efficient operations. Poor lighting throughout bank. No thought given to employe welfare.
BUDGETARY	 Departments and divisions operate on a budget. Expenses minimized into classifications. Chief executive furnished reports at proper intervals on volume and performance of all departments and divisions which show variation between budgetary and actual expenses. Adequate provisions made for depreciation, reserves and taxes. Management has definite knowledge of the effect of increases or decreases in activity. Absolute control of expenses. 	Department and division records only show itemized expenses for the current month. Budget is fixed and does not provide for flexibility in case of increases or decreases in volume. Provision not adequate in the budget for proper reserves and depreciation. No centralized control of expenses.	No concept of the use of scientific control of expenses. Management not sufficiently acquainted with expenses and income of the bank to plan ahead. No knowledge of the effect on costs of increases or decreases of the volume of activity. Depreciation, if taken on furniture and fixtures, building and equipment, is inadequate. Reserve for contingencies or losses not based on factual or risk experience.
COST	 All expenses of the bank correctly allocated to departments and divisions, classified as to functions, and correctly spread so as to periodically reflect the dollar and cents divisional expenses for labor, overhead, maintenance, management, depreciation and promotional, etc. All control records tie up with standard costs under direction of accounting division and make provision for adequate reserves. Cost system so complete so as to not only reflect actual cost, but possible minimum costs. Cost system provides for the complete utilization of men, material and methods, and reflects periodical volume of activity, so as to permit proper and economical allocation of labor. Cost system is used as the important factor in planning, new business and advertising. 	out summarizing dollars and cents expenses for labor, over- head, methods, management and promotional. 2. No connection between control records and standard costs or provision for adequate reserves. 3. System does not reflect changes in item cost brought about through increases or decreases in volume or indicate the opportunity for improving methods of operation. 4. Cost system inoperative as an important adjunct to man- agement. 5. Service charge schedules and account analysis methods in u:e adopted from those in use by other banks and do not reflect the actual situation or give proper consideration to	 Management is not acquainted with the volume of activity either on a daily, weekly, monthly or yearly basis or knows cost for performing services. Service charge schedules and account analysis methods in use were adopted from a plan used by another bank which in turn were adopted from a plan used by yet another bank.
	6. Service charge schedules and account analysis methods are based on actual costs for performing services plus an equitable share of general overhead and profits. Proper consideration is given to all income factors such as taxes, investment and loaning costs. 7. Cost system and its connection with service charge schedules and account analysis methods reflects competency of management.	all income factors.	This chart has been prepared and is being distributed by Marshall Corns and Company, Inc., management engineers and consultants of Chicago. Space here per- mits the listing of but six headings under the "Index" column. In the complete chart there are thirteen items of management operation listed.



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

The Omaha National Bank

You Loan Today-Collect Tomorrow

A Word of Caution Not to Let Mounting Deposits Lead Into the Path of Hazardous Loaning

NKS first came into being because they were needed in Revolutionary times to finance new governments. The first bank of which we have any record, the Bank of Venice, established in 1171, grew out of the financial necessities of the Republic of Venice, and financed the borrowings of that government. The Bank of Genoa, in 1320, and the Bank of Amsterdam, in 1609, had similar origins. Perhaps the main purpose of the creation of the national banking system in 1863 was to finance the war between the states, and set up a national currency.

All commercial banks, and the then newly created Federal Reserve System, helped to finance our participation in World War No. 1, and the enormous job of financing World War No. 2, confronts us now. The war is today recognized by most people as the principal business of our country. Bankers are carrying a heavy load in the War Loan Campaign, and doing an excellent job of it, and I want to commend you for it. You bankers are contributing more toward the war effort in time and energy than any other class of business.

When the war is won, and we are going to win—the tide has already turned—we will then face a difficult reconstruction period. There is going to be a mighty struggle in the postwar era. We will stand in the ruins of a war-torn world in which a large part of the human race will be starving and suffering without any means to feed and clothe themselves, and without a properly organized government.

However, we must recognize that every community, and every individual, in this great land of ours, will be affected economically and financially by the war in which we are now engaged. There will be a period of severe, sweeping readjustment when the war is over.

A good many of you bankers should have a vivid recollection of the economic and financial readjustments which followed the first World War. We are faced with a new set of circumstances today which is a challenge to our foresight and ability. Just as a bridge engineer must know the load to be carried, so must the banker,

By Erling Haugo
Superintendent of Banks
Pierre, South Dakota

bank examiner, and bank supervisor, anticipate in advance the needs to be met by the banks, and every weakness in every bank must be corrected.

The history of banking in our country has taken us through various experimental stages, including the period of so-called "Wild-Cat Banking," when banks were opened one day, and closed almost the next.

The various abuses and losses in banking brought on governmental bank supervision. As many of you bankers know, original bank supervision consisted mainly of a few moderate regulatory laws. In the beginning, supervisory officials required only reports from the banks under their jurisdiction. Later they acquired bank examiners who came into your bank, counted the cash, glanced at the daily statement, and then went fishing, dining and wining, with the cashier.

Supervisor Responsible

The task of a bank supervisor has not changed since the beginning of bank supervision. We are charged with the responsibility of protecting bank depositors or creditors from loss of their funds.

Bankers and bank supervisors have just reason to be proud of the improvement, which has taken place in the banks and banking system during the past few years. The situation today stands in marked contrast to the confusion of a few years back. The asset position of our state banks today is stronger than at any time in our history. The banks originally organized and in existence at the end of the Revolutionary War were capitalized solely by the pledge of real estate. Today banks are capitalized not only with cash, but are required to have a surplus account, and build up undivided profits and reserve accounts as a cushion against losses. Investments in real estate and other fixed assets, are held to a minimum. In the past five years investments in fixed assets have been reduced from

about 25 per cent of total capital account, to 10 per cent.

Today a definite routine for bank examination has been established, and the examiner's most important duty is to make an appraisal of all of the bank's assets to establish solvency. Here is where we come to the yard-stick

Yardsticks also have a history, and before the German horde took possession of Paris, and its art and historical treasures, there was a closely guarded bar of platinum reposing in one of the government buildings, which was made in 1799, and established the exact length of the meter. During all these years this piece of metal has never been shortened or lengthened.

Supervising agencies have recognized that the yardstick for certain types of investments of banks cannot change over night with the fluctuation of the market, and have more and more applied the old adage that what goes up must come down.

It is natural for us to become pessimistic during a depression, and optimistic during a boom, when a reverse of our attitude would help to stabilize conditions.

I read a letter written by a farmer customer to his banker, who informs me that he retrieves this letter from his files and re-reads it whenever he becomes too optimistic.

"October 17, 1932

"Dear Mr. Banker:

"Your letter of the 14th received on Saturday and I hasten to reply. On account of present conditions, I cannot do as you demand. But I will offer to pay you interest in the same proportion as I am being paid for my labors and what I produce. I have some steer calves for sale at \$30 to \$40 each. I am offered \$8 to \$10 each. I have some grain to sell at 80c to 90c per bushel. I am offered 4c to 8c per bu. According to that, I will offer you three or four dollars as equal payment of the interest I owe you on that \$200 note. If the bank examiner don't like it, tell him to examine the prices we are offered for what we produce compared with the price of manufactured produce.

"I feel certain that you are calculating to foreclose the mortgage right

away, regardless of whether I pay you the interest as you ask or not. Now aint that a fair and honest offer?

Yours truly,"

Now this farmer was applying the principal of shortening the yardstick, and I am sure we aren't in favor of that.

If we did not have to contend with fluctuating markets the banking business as well as most other businesses. would be comparatively simple. When you make a loan today, you are making it on tomorrow's market. Why gamble on the future? You as a leader in your community, will be doing that community a service by maintaining a conservative, uniform yardstick, and in that way keep criticized loans from your note pouch. The customer who expands his business during the boom period, and increases his debt in proportion, will be right back where he started when the tide turns. But that customer who holds his business, and scales down his debt during inflationary periods, will be in a position to ask your aid and be materially benefited by such aid, if a depression follows.

Capital Ratio

With the rapid rise of deposits in banks there has been a lot of talk about capital ratio. The National Bank Department and the Federal Deposit Insurance Corporation have for years used the yardstick of 10 to 1 of capital account to deposits. Capital in their language means total capital account, including capital, surplus, undivided profits and reserve. Our state law, recently amended, provides a capital ratio of 15 to 1, but includes only capital and surplus, to deposits after direct Government obligations, cash, and due from banks, have been deducted. This might be construed by some as changing the yardstick, but is recognized by leading bank authorities as being only a change in its applica-

Quoting the U. S. Comptroller of Currency, "The office of the Comptroller of Currency . . . takes the position that it is the nature and quality of assets, rather than any fixed ratio which determines the adequacy of protection afforded by the capital structure."

Under the present inflation, and we must recognize that we are in an inflationary period, with rising deposits, banks are of course doubling and tripling investments in U. S. bonds, both as a patriotic measure, and as a source of revenue to replace decreasing investments in loans. Surely banks should not need capital reserves to protect such investments in the same proportion as in investments in loans to individuals, which are subject

to hazards of the elements, crop conditions, supply and demand, and human frailties.

In closing let me leave a word of caution. In these fast moving times, no one knows what tomorrow holds in store for us. For most of you, profits are good. Is it not prudent under present uncertain conditions to be contented with fair profits, which you can be reasonably sure of keeping, rather than to gamble on the future by an all-out effort for high profits from loans which might be hazardous? The safe course is to use the unchanging yardstick.

Labor Shortage

Smith: "Did you hear about Jones, the banker? He has stolen \$100,000 of the bank's funds and run away with the hotelkeeper's wife."

Miller: "Good heavens! Who will teach his Sunday School class?"

Mark One Up

A big-time insurance agent was enlisting. "Well," said the Sergeant, "I suppose you're such a big shot you'll expect a commission?"

"No," the agent replied. "I'll take a straight salary."

Here's How We Fit Into The Banking Picture

We are experienced, extensive and responsible operators of Field Warehouses.

We have developed a proven method of converting borrowers' inventories, no matter where located, into SOUND BANKING COLLATERAL. Without cost or obligation, ask our Iowa office about Field Warehousing service covering such inventories as seed corn and field seeds; shell, frozen and powdered eggs; wool; soy beans; canned goods; wholesale groceries; and how Field Warehousing works to safeguard loans . . . to increase profits for Banks.

ST. PAUL TERMINAL WAREHOUSE COMPANY

St. Paul, Minn.

- IOWA OFFICE -

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

> T. C. CANNON, District Manager Telephone 4-2353

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Visiting Along the Lake

Brief News of Chicago and Milwaukee Banks

By HENRY H. HAYNES, Editor

HICAGO banks, along about November 15th, were wondering about a number of things, the principle one being what reaction would result from the charge-back of exchange, which on that date went into effect there. The charge-back came as the result of a recent ruling put in operation by the Federal Reserve Board. As this is written the trend was not in evidence, but it was anticipated the action would create little disturbance. The authority of the Federal Reserve to arbitrarily make such a ruling was questioned in some quarters, but it is not likely any test cases will develop.

Men and women in the armed forces from Chicago banks are going to be well remembered this year as, of course, they always are. Up to November 1st the First National Bank of Chicago had 470 people in uniform, including eight WAVES and SPARS. The Northern Trust has 185 men and women in the service; the American

National Bank and Trust has 65; the Live Stock National, 18, and the Drovers, 30.

At the Continental Illinois National, where the American Legion Post of the bank sponsors all activities relating to bank employes in the armed forces, there are 487 in the service. The Continental Illinois Legion Post sends these people gifts four times each year, and this year as a Christmas remembrance, those in service are receiving a box packed with many useful and entertaining items. As Julius Waibel, publicity director of the Continental says, included in the box is something to smoke, something to eat, something to provide entertainment, and something useful. Among the items are playing cards, gum and candy, soap, cigarettes, a toothbrush and toothpowder, an entertainment book, razor blades, and a cribbage board. The legionnaires and the girls in the bank pack and mail the packages. Mr. Waibel also supervises publication of a monthly magazine to service folks called "Contact," which is full of names and letters from those in the service and news about what is going on at the home front in the bank.

The American National of Chicago this year is getting out a large folder of Christmas cards to each individual now in the service formerly employed in the bank. When opened out the "card" will be several feet square and carry pictures of bank employes and interior views of the bank.

James H. Clarke, assistant vice president of the American National, spent a week in New York City last month, calling on banks and investment houses. Among others in New York City he visited with was Marcus Nadler, economist for the Central Hanover National Bank. Mr. Nadler expects to be in Chicago in January.

Talking to Alden S. Bagnall, vice president of the Live Stock National Bank, he said that someone in his bank is constantly writing letters and sending gifts to those in the service. When the war is over these people will come back to their jobs in the bank, and probably to better jobs, Mr. Bagnall feels, since many of them will be better able to accept increased responsibility.

At the Live Stock National, when I called there, were **Percy Ebbott**, vice president of the Chase National Bank in New York City, and **Louis Jacoby**, Chase representative in Chicago. Messrs. Ebbott and Jacoby were visiting with **David Reimers**, president of the Live Stock National, and others in the bank.

Frank Covert, assistant cashier of the Drovers National Bank, is still active in OCD, and also as a new outlet for his civic activities, he is now a director and treasurer of the University of Chicago Settlement House, which is located a short distance from the bank. A personally conducted Covert tour through the settlement house disclosed the many advantages the youngsters derive from having access to recreation and study which such an institution affords. The settlement house also sponsors a summer camp for boys, located in Indiana not far from Chicago. Eleven dollars will keep a boy in this camp for a week, and Frank says when one sees the improvement in character resulting from just a short stay at the camp, the investment is almost equal to the purchase of a War Bond.

The officers of the Drovers National hear from **Fred Cummins** occasionally. Fred is a radio operator in the sub-

93 YEARS OF PEACE AND WAR AND GROWTH

THERE wasn't much of the present U.S.A. mapped in geographies on November 20, 1850, when the first train steamed forth on what today is part of The Milwaukee Road.

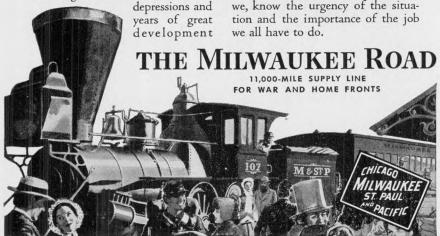
The little five-mile line of 1850 is now an 11,000-mile transcontinental railroad linking the industrial cities of the east and middle west to the World ports of the Pacific Northwest.

Through wars and rumors of wars, depressions and

and prosperity, The Milwaukee Road has written its share of American history.

Today all that our free America means is being challenged. And we of The Milwaukee Road, in concert with the rest of the nation, are helping to fling back that challenge.

Our friends and patrons—both passengers and shippers—are co-operating to the limit. They, as well as we, know the urgency of the situation and the importance of the job we all have to do.



Northwestern Banker December 1943 Digitized for FRASER

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marine service and so far has been stationed off the east coast.

An Iowa farmer in a big way is C. Ray Phillips, president of the LaSalle National Bank. Mr. Phillips owns 700 acres of some of the best farm land in Dallas county, and anyone familiar with Iowa knows what Dallas county soil is like. He makes periodic visits to his farm and says that some day he may come to Iowa to make his permanent home.

According to Herman Slocum, personnel officer of the Harris Trust Company, this bank has a total of 136 men and women in the service. At the time of Pearl Harbor the bank employed 383 men and 356 women. Now the bank employs 296 men and 433 women, a decrease of 87 men and an increase of 76 women. The Harris Trust sends its bank bulletin to the service people each week, everyone of them receives The Readers Digest regularly and, of course, a package at Christmas time.

Charles A. Carey, assistant cashier at the Harris Trust, is a dog fancier and raises Boxers. He recently sent a Boxer pup to an army officer friend of his stationed at Moline, Illinois.

Out of 915 employes the First Wisconsin National Bank, Milwaukee, has 115 people in service. This year each of those in the armed forces will receive an individually imprinted Christmas card, in which they will find an order for money, the order being easily cashable at any point on the globe.

The annual First Wisconsin Christmas party will be held this year on December 23rd and will honor the members of the Quarter Century Club, particularly those attaining that distinction this year. There are 117 present members—29 new members will be inducted December 23rd, making the total 146. **Don Harper**, assistant cashier of the First Wisconsin, says it will be a few more years until he will be a member of the Quarter Century Club.

Opens Iowa Office

The Farmers National Company of Omaha, Nebraska, farm management organization, has opened an Iowa office in Des Moines, with J. Wesley Graham of Fort Dodge, Iowa, as manager. J. Carl Rush, who managed farms for the Equitable Life Insurance Company of Iowa eight years, is field supervisor in the Des Moines territory. Graham formerly managed the company's Fort Dodge office. The Farmers National was founded in 1929 by Cornelius J. Claassen.

"Twice the Work with Fewer People"

It's almost a universal condition among banks today—to have to carry a heavier load of activity than ever, with a reduced staff.

In spite of this handicap, the banks of the Nation are continuing to carry on beyond what has been expected of them in the past.

Notable among these is "3-1".

...THE...

PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Resources over \$750,000,000

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

Season's Greetings

from



MUTUAL

Fire Insurance Co.

Des Moines, Iowa

9th & Grand

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

How We Collect Premiums

Local Agents Describe the Methods They Use to Bring in Delinquent Accounts

O FIND out what collection methods local agents are using to the best advantage these days, we have recently completed a survey among a number of prominent underwriters. We asked them what methods they employed to bring the premium payment into their office, mentioning that we presumed they used collection letters of some kind. and asked them to send us a sample or two of such letters. We were somewhat surprised to learn from the replies to our survey, that collection letters are not being used at all—as one agent puts it. "We find that shoe leather and ringing doorbells is the only way"-so you had better save up your shoe ration stamps.

A number of replies state that collections are comparatively easy now, probably because more people are working at increased incomes. Here is what local agents have to say about collections:

"We Have No Letters" EARL R. WILSON Lincoln, Nebraska

"We simply don't have any form of collection letters and never have had. When a collection letter is necessary, which is seldom, we make it very individual and personal and, if possible, we write no letter at all, but simply contact the individual. As a matter of fact, our credit loss over a 20-year period has been less than one-tenth of 1 per cent."

"Collections 100 Per Cent" HARRY P. PRATT Grandy-Pratt Company Sioux City, Iowa

"For the last two years our collections have been almost 100 per cent. When any of our customers get behind over thirty days, we put on their

monthly statement that the bill will have to be paid immediately, to comply with government regulations. Whether or not we come under these regulations, I am not positive, but people are getting to the point where they are paying their bills, and insurance premiums are no exception."

"Few Collection Problems" C. F. LISCOMB

Charles F. Liscomb Company Duluth, Minnesota

"We do not use collection letters. I am still old-fashioned enough to believe that the money can be collected in by the salesmen producing the business, and that shoe leather and bell ringing is about the only way to pull in delinquent accounts. As a result, I am very happy we have had few collection problems."

"Collect on Foot" LEON E. MORSE McCargar-Morse Company Council Bluffs, lowa

"I do not have any particular collection letters which would be worth publishing from the standpoint of their value to others. Most of my collecting is done by foot rather than by mail, and we have never made it a practice to use any certain form of collection letter."

'Interview the Customer Personally' ALEX H. CÁSE

Case & Son Marion, Kansas

"This is one problem which we have never solved in a satisfactory manner. and one which I am almost inclined to believe defies solution in a small town.

"However, we have the advantage in a small town of soliciting the renewal of the insurance personally and arrive at a definite agreement as to

when and how the premiums are to be paid. This agreement, preceding delivery of the renewal, works out except in a small per cent of the cases. In cases where the premiums become delinguent, we interview the customer personally and, in some cases, prefer to have a small charge account against such customers so that they know they will be on a cash basis before any more policies are issued to them, that is, where they are chronic de-

"Our other collections are handled usually with just a return envelope on the flap of which is listed the amount due and a request for payment. We secure this return envelope and incorporated formal message from one of our companies and it may be copyrighted or at least one of their own ideas."

"All Situations Are Different" IVAN H. ANTON Ivan H. Anton Agency

Des Moines, Iowa

"We have tried every type of collection letter and have yet to find any one form or any one thought that works in most cases. Our experience has been that all situations are different and we find very few principles that will apply in even a majority of the

"It Takes Shoe Leather" GEORGE COWTON

Cowton Insurance Agency Grand Island, Nebraska

"I have, as yet, to find a series of collection letters that do the job. I find it takes shoe leather and personal calls to get in the collections nowadays.

"Even with money plentiful in these towns where government projects are located, people seem indifferent to letters of any kind."



SCARBOROUGH & COMPANY Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative Des Moines, Iowa

"Personal Contact" JOSEPH BARKER, JR. Foster-Barker Company Omaha, Nebraska

"In this office persistence and politeness have been the keynote of our collecting. We have always been very polite, but very persistent, and seemed

Experience Service Cooperation

Manned by officials with years of experience, our Correspondent Bank Division renders a complete service, conducted in an intimate and personalized manner.

The guiding policy is one of cooperation in all matters of mutual interest.



Member: New York Clearing House Association, Federal Deposit Insurance Corporation to get the money. We do not have any form of collection letter which we use. Anything we write is just routine and most of it is done by personal contact."

After the War

More Americans plan to buy a new automobile within the first year after the end of the war than any other major item; a new home is the second most frequent purchase found on Mr. and Mrs. America's postwar shopping list, it is shown by replies to an inquiry made to 25,000 policyholder families of Northwestern National Life Insurance Company.

A new radio ranks third among postwar purchases now planned, and an extensive trip, either U. S. or foreign, is close behind, the survey shows.

Eager anticipation of coming improvements and new "gadgets" described in current newspaper and magazine articles and advertisements, was disclosed by replies which listed such items as home air conditioning, plastic kitchen equipment, and frozen food cabinets. Almost two-thirds of the prospective postwar home owners stated their intention to build, rather than buy, suggesting a desire to incorporate new ideas in construction and equipment.

Joins Employers Mutual

Employers Mutual Casualty Company of Des Moines has announced the appointment of C. Leonard Williams as home office underwriter.

Mr. Williams has been an underwriter for the Des Moines branch of the Massachusetts Bonding and Insurance Company for the last fourteen years. Prior to that he was with the Federal Surety Company for several years in similar work.

Mr. Williams is a former secretarytreasurer of the Casualty and Surety Club and has been a resident of Des Moines for 20 years.



(Continued from page 5)

tonight. Was mighty impressed with a few of the choice pin-ups chosen by my khaki brethren back there in the good old U. S. A. Guess they have more time for that sort of thing than we do over here. It may even be interesting for us when we do get home.

"Incidentally, when people ask you what sort of an outfit I am in, don't just say Airs Corps, tell them the 64th Fighter Wing. You see, Mother, I am mighty proud of this organization, and know that when the time comes, the entire nation will have good reason to feel as I. We are new and we are different, but we are mighty tough and what we are doing is important. Your son has learned much, and is bound to learn more before it is all over. In that Life I mentioned, notice the article concerning Caniff's drawings. It is mightly interesting.

"Mother, I must close. Thanks to you and Dad for keeping me so well informed on the news and so regularly. I trust that you are keeping the home fires burning, and saving one of those meal tickets special for me. I haven't had a good piece of steak since the one I wrote about before we took over Tunis."

Your loving son,
WARREN.

"Minority Always Rules"

"Your card referring to page 57, November issue of the Banker, is received and article read. Reaction is that our old friend did a very good job—and since I have consented to dive in am hoping that our membership may decide it good business to man the Council with men noted for their ability to 'talk cold turkey' even if in church.

"Noted Lee Wiggins' opening address in which he asserted that there would be majority rule but with protection for the minority. Advised him that he had perhaps overlooked the fact that the MINORITY had always governed, ruled and managed the A. B. A. and that they didn't need a damn bit of aid, assistance or protection; but

Resources of

OVER TWO MILLION DOLLARS

Experience of

OVER TWENTY-FIVE YEARS

Now dedicated to the Surety and Fidelity Bond needs of the Middle West.



The State Automobile Insurance Association

DES MOINES, IOWA

Northwestern Banker December 1943
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https://fraser.stlouisfed.org Federal Reserve Bank of St. Louis was hoping that he would reverse the order, a helluva task, and get some semblance of rule, regulation and management by the rural bankers who represented not less than 75 per cent of the dues paying members; and since only a very small per cent of the rural bankers ever attended A. B. A. convention, the likelihood was that the big town bankers would continue in the saddle. However, I believe that Wiggins is sincere and if he doesn't accomplish anything, he will go down fighting the A. B. A. machine.

"There is no intent on my part as a Democrat to in any way try to influence you Republicans as to whom your nominee should be for the presidency. And, with this preamble, conclude that it will be safe for me to commend your letter to Mr. Willkie, for I, too, have long ago concluded that he is a courageous, sound thinking individual and is not being led about with a ring in his nose. So, of course you birds will nominate whosoever you damn please, but just wish you to know how fully I concur in your judgment as regards the gentleman."

Leo J. Wegman, President, Citizens Savings Bank, Anamosa, Iowa.

"Bankers in Overalls"

"Thanks for the page taken from the NORTHWESTERN BANKER of May, 1927. That was a great Group Meeting with all of the bankers clad in overalls and carrying their dinner pails to the plant for lunch with the workmen. I was a hard worker in those days but nevertheless they were interesting."

M. E. Ellis, Superintendent, Department of Banking, Des Moines, Iowa.

"Colonel W. G. Edens Gets Around"

"Following the A. B. A. meeting I hung around the Waldorf-Astoria until Saturday, the 18th, then spent the weekend at the home of my old friend, Wilbur Forest, associate editor of the Herald Tribune, on Long Island. He and his wife both hail from Peoria. Monday, the 20th, some friends gave a luncheon for me at the Cloud Club, 67th story of the Chrysler Building. Tuesday I spent in Wall Street calling on bankers and other acquaintances, pausing for a minute at the grave of Alexander Hamilton in Old Trinity Churchyard. Wednesday, the 22nd, I took that D. L. & W. R. R. from Hoboken to Binghamton, N. Y., to attend the 60th anniversary of the foundation of the B. of R. T. The next day I motored up through the beautiful Genesee Valley to Buffalo and then on to Cleveland. While there went out to old Hiram College where Gen. Garfield graduated, and talked to the faculty and student body for an hour.

"I was so sorry to read of the passing of our friend, W. G. C. Bagley of Mason City—a fine gentleman. I held him in high esteem."

> W. G. Edens, 1212 West North Shore, Chicago 26, Illinois.

DO WE OWE IT TO OURSELVES?

(Continued from page 12)

case, that this debt will have to be paid somehow or other from the sweat of the brow. If our national income can be maintained anywhere near the figure that now prevails, it will of course be much easier to accomplish the payment of the debt than it would be if we went back to national income of prewar days. Again I say that your question isn't just that easy to be answered and books could be written concerning it."

SAVINGS & LOAN AS AN INVESTMENT OUTLET

(Continued from page 13)

mentality, known as the Federal Deposit Insurance Corporation. This insurance extends to all accounts of \$5,000 or less. The accounts in the insured associations are insured for safety of principal by another Federal instrumentality, the Federal Savings and Loan Insurance Corporation, which is owned 100 per cent by the Federal government. All accounts up to \$5,000 in these insured associations are protected by this insurance. Surely it may be said that we have two parallel banking types.

Donates 4-H Prizes

A prize list of 22 awards to winning Nebraska 4-H Beef Club members was announced recently at the University of Nebraska college of agriculture. Alvin Johnson, president of the Live Stock National Bank of Omaha, is the donor.

First prize was \$50 cash and a trip to the National Club Congress in Chicago, all expenses paid. Second winner received \$25 and an all-expense

MERCHANTS BONDING COMPANY

Incorporated 1933

Home Office VALLEY BANK BUILDING Des Moines, Iowa

This is Iowa's oldest surety company.

A progressive company with experienced, conservative management. We are proud of our hundred and fifty bank agents in Iowa.

To be the exclusive representative of this company is an asset to your bank.

Write to
E. H. WARNER
Secretary and Manager

To Our Scores of BANKER AGENTS . . .

We Wish You ...



"A Christmas Season Full of Contentment and our mutual Prayer that "Permanent Peace on Earth" may return soon to a War Weary world.



ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President

Hubbell Building

Des Moines, Iowa

club week trip to the college of agriculture. Each boy or girl placing third to twenty-second in the state received \$5.

LEGAL DEPARTMENT

(Continued from page 16) agreement, the next day after it was repossessed. Would Snow obtain good title as against Dickersback?

Yes. A promise by a conditional vendor, after lawfully repossessing the property under the purchaser's default, to hold it for a definite period to give the vendee an opportunity to try to secure funds with which to make

good the default, will not defeat the rights of a bona fide purchaser to the property acquired through a sale thereof by the vendor in violation of the promise.

A Nebraska banker and his wife were co-owners of a farm in that state. They deeded it to one of their children under a contract which provided that the grantee would make certain payments to their other children and gave the other children the right to foreclose in the event the payments were not made. After the deed was delivered and the gift transaction was completed the grantors and grantee

entered into a supplemental agreement cutting out the right of the other children to foreclose. The other children did not enter into the supplemental agreement. Was it valid as to them?

No. The provision for the payment by the grantee of certain sums to the grantors' other children and the security therefor became a completed gift inter vivos as of the time of the deeding of the property and the subsequent attempt to modify the gift to the disadvantage of the donees by an amendment executed by the original grantors and grantee of the deed was invalid.

Hubbard, a Louisiana banker, turned in his automobile to a dealer in that state and received from the dealer a credit to be used on demand in the purchase of a new car. At the time Hubbard was leaving on an extended business trip and wanted to wait until his return to take delivery of the new automobile. When Hubbard got to the point that he wanted the new car the dealer was unable to deliver because of rationing. The credit allowance had been in excess of the value of the car. Should the dealer pay Hubbard cash in the amount of the credit?

No. In a recent decision in Louisiana it was held that a credit to be applied on the purchase of a new automobile from a dealer by a prospective purchaser, representing in amount the sum allowed on a used car turned in by the latter, should not be paid over in full to the purchaser when, due to government rationing, it becomes impossible for him to buy a new car from the dealer, but rather, there should be paid over to the prospective purchaser by the dealer, a sum of money representing the actual value of such used car.

Special Meeting

A special meeting of the stockholders of the Drovers Trust & Savings Bank, Chicago, has been called by the directors for Wednesday, December 22, 1943, to consider the increase of the capital stock of the bank from \$350,000, consisting of 3,500 shares of par value of \$100 each, to \$500,000, consisting of 5,000 shares of par value of \$100 each, by the transfer of \$150,000 from the surplus of the bank, and distribute such increased capital stock by the declaration of a stock dividend.

Pursuant to a resolution by the board of directors, the transfer books of the Drovers Trust & Savings Bank were closed at the close of business on November 22nd, and are to remain closed until the opening of business on Monday, December 27, 1943.

Federal Intermediate Credit Bank Consolidated Debentures Offer...

Desirable Short Maturities

THEY AFFORD a popular medium through which institutional funds, earmarked for temporary employment, may be invested securely at favorable term rates. These obligations of the twelve issuing banks are made available regularly for subscription in denominations ranging from \$5,000 to \$100,000, due at convenient intervals up to one year. Debentures which mature within six months are acceptable as collateral security for fifteen-day borrowings by member banks of the Federal Reserve System.

THE FEDERAL INTERMEDIATE CREDIT BANKS

Requests for other salient information respecting the above described issues should be addressed to

CHARLES R. DUNN, Fiscal Agent
31 NASSAU STREET NEW YORK 5, N. Y.

Federal Reserve Bank of St. Louis

Postwar Problems

Every Banker Should Give Thought to Them, Because the Day Is Not Far Off When He Will Be Face to Face With Them



The "peace scare" predominated the news in November and markets were lower. The stock market, under the leadership of war stocks, dropped precipitously on some JAMES H. CLARKE days as the fear of cancellation of con-

tracts, or at least slackened activity, threatened. The bond market, especially in the higher grades, gave a fairly good account of itself, but in general November was a poor month for investors. The exception to the trend—which proved the rule—was the liquor securities which advanced sharply on spectacular dividend news.

Military leaders were unanimous in disclaiming any knowledge of a breakup in Germany, but rumors of a conference of Stalin, Churchill and Roosevelt, plus a rather optimistic statement by Lord Halifax, were enough to influence investors in the belief that we are either near the end of the European war, or at least have passed the peak of our war effort. This, despite the fact that the progress of fighting in Italy has been extremely slow, and that counter-attacks of the Germans on the Russian front have been at least moderately effective.

As we near the end of the year and look forward to 1944, it is apparent that to even the most pessimistic we have made great progress in the past 12 months in overcoming Germany. We have at least reached a point now where we can see the end in sight, and with it, the beginning of many postwar problems.

With the end of the war in Europe these problems will be presented to the industry of the country, and to the banks as well, even though the war with Japan continues for some time. The type of war which the Japanese front will require differs in many respects from the one we are now fighting in Europe, and that factor in itself will necessitate a number of changes.

Some of those who have studied the postwar problems rather thoroughly, and have had the courage to put their

The Month's Market Maneuvers Prepared for The Northwestern Banker

By James H. Clarke Assistant Vice President American National Bank & Trust Co. Chicago

thoughts into print, have expressed considerable confidence in the period following the war, although in almost every case they have been reticent about expressing a firm opinion on the first six months to a year in the afterthe-war period.

It seems likely that the Japanese war will not require as large a land army as we will have in the spring of 1944, and this may mean the release of three to five million men who are now in the army. It is also likely that such a war will not require the large home front army which we have, and an equal number of men can be released from industry. Some of these men will be absorbed by increases in industrial production for civilian use, but it is also possible that an unemployment problem will be presented which will require government projects in the way of public works and the like.

It is apparent that despite lessened war activity, the government will have to continue financing a huge public debt, and that taxes will remain high. The problem of raising such taxes is closely tied in with a high national income-which, of course, is only possible if business activity continues at a rate much higher than we enjoyed in any period preceding the war.

It is impossible in such short space to discuss the postwar problems which we may face, but every banker should give considerable thought to them as the day may not be far off when he will be face to face with them. We have already mentioned the possibility of public works and unemployment. These are but two of many problems. For instance, what will happen to the large productive capacity that has been built up with government money? What about the high wages which the

unions have been able to establishwill such wages stand up when there is unemployment and competition for jobs? What will happen when the government starts unloading its large inventories acquired for war purposes, but not used? What will happen to interest rates following the war, when both the government and private industry are competing for capital? The recent elections have shown some trend away from the present party in power. What changes will the Republican party make if it is successful next year? Will we have inflation following the war when restrictions on prices are removed? Or, on the other hand, will the unemployment which results bring about a deflation? These and other questions too numerous to mention face every banker in this country, and their solution is not easy. We recommend them to you, however, for your consideration.

In bringing to a close this year-end article, we are inserting this personal note. Early in 1938 we started this monthly page, and for six years, during peace and war, we have each month discussed the problems of the market-but, more important, the investment problems which bankers have faced. With this issue we bring to an end these articles. We have thoroughly enjoyed contacts with our readers, especially those who have written to us or chatted with us, either to agree or disagree. We hope that in one way or another these contacts will continue.

A Christmas Poem

It has been the custom of the United States National Bank, Omaha, since many from that organization went into the armed forces, to send these people a Christmas gift, and this year the gift is taking the form of a money order. Instead of a letter of good wishes, which would usually accompany such a remittance, this year Miss Ruth M. O'Keefe of the bank wrote a poem to go with each gift. We know you will

It's a year since a poem Went out from these portals, Enclosing a check To be spent by you mortals.

Northwestern Banker December 1943

It doesn't seem possible Time is so fleeting, But here once again We are sending a greeting.

From the sands of the desert To the snows of the north, To the jungles of Burma This message goes forth.

Since we cannot just yet Say the battle is over, We're well on our way To the old days of clover.

You're scattered and stationed All over the world, 'Neath the great flag of freedom, Forever unfurled. We think of you often, And especially now, For the Yuletide's approaching Fast as Time will allow.

The stores are as bare As the cupboard of old, And the wares are synthetic, A sight to behold.

So, like last year, we thought That the best thing to do Would be send you the cash For a real whooperdoo.

Spend it wisely or willfully, Just as you wish, The money is yours, You can name your own dish. We wish we could see you And tell you "Hello," Shake hands with each one And say, "How goes the show?"

But since that little fete Doesn't come on the list, Just have one for us And remember you're missed.

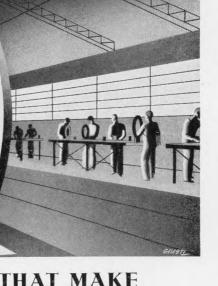
'Til the happy day comes, When we say it to you, Merry Christmas, Happy New Year And lots of luck, too.

—The Stay-at-Homes.

Envelope Firm Changes Name

The Berkowitz Envelope Company, Des Moines, has changed its name to Tension Envelope Corp. in order to co-ordinate production, advertising and marketing with its New York City affiliate, so that it can carry on its national merchandising program under one name.

Albert Berkowitz, president, said



LITTLE PARTS THAT MAKE A GREATER VICTORY

JUST as each of the thousands of small parts in a great bomber is vital to its operation, so are the thousands of smaller manufacturers who produce those parts essential to the operation of America at war. Doubtless in your area there are prime contractors and sub-contractors who have assumed greater responsibilities, requiring larger scope than in former years.

As an aid to correspondent banks in serving such customers, the broad experience of the American National Bank and Trust Company in the analysis and financing of war contracts has frequently proved valuable. Possibly we can be equally helpful to you.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET
AT WASHINGTON

Member Federal Deposit

Insurance Corporation

ALBERT C. BERKOWITZ
Vice President and General Manager

postwar expansion plans are involved in the name change. He added that company executives believe the paper products industry will expand into the packaging of foods, particularly since

The Berkowitz Envelope Company in Des Moines was founded in 1924 by the late John R. Ford, E. B. Berkowitz and Walter J. Berkowitz.

dehydration has been developed as a

wartime necessity.





H. R. KURTH President

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Cashier At Braham

The First National Bank at Braham, Minn., recently added to its employes Assistant Cashier Carl O. Knutson, formerly of Warren and Hallock. Mr. Knutson's banking experience, ranging from bookkeeper to cashier, covers 25 years. Since his resignation last February from the Hallock bank to accept a position with the United States Department of Labor, he had been employed with that department's Wage and Hour division.

He has two sons in military service, one in the Navy and one in the Army Air Corps, commissioned a second lieutenant at the Stockton Air Field, California. A daughter is employed in Minneapolis. A brother, Oscar Knutson, is District Judge at Warren.

Bankers in School

C. J. Lieser, of the Burray County State Bank of Slayton, Minn., and Wm. Koolman of the State Bank of Chandler, were among 300 bankers, accountants, lawyers and farm managers who went back to school last month. They attended a school of instruction in farm bookkeeping and income tax preparation in St. Paul.

They learned how to keep farm financial records, how to interpret state and federal income tax laws and how to make out the 1943 income tax report which Uncle Sam requires farmers to file by December 15. The "students" will help individual farmers throughout the state in these requirements.

Banker Resigns

Ralph M. Jones, assistant cashier of the First State Bank of Okabena, Minn., resigned his position recently. Mr. Jones has sold his interest in the bank and for the time being his plans are indefinite. Mr. Jones, better known as "Casey," has been with the First State Bank 18 years.

Charter Extended

Organized 30 years ago, the corporate existence of the Farmers State Bank, Eyota, Minn., has been extended 30 years, to 1973.

The bank began business in 1913, with W. A. Laidshaw, president; T. F. Underwood, vice president, and E. F. Helm, cashier. Mr. Underwood still is active in the lumber business here. Mr. Helm now resides in Wingon

In March, 1928, the bank took over

Two Join Staff

Two new employes were added to the personnel of the First State Bank, Floodwood, Minnesota, last month. E. M. Graf, Denhoff, N. D., came to take over the cashiership. Mrs. S. C. Shipley, Floodwood, started as a bookkeeper.

Bank Head Succumbs

Sylvester Anthony Steffen, 65, president of the Merchants Bank, of Winona, Minn., prominent in Winona civic and club activities and in banking circles, died last month at his home, after an illness of almost three months.

Mr. Steffen had been associated with the Merchants Bank since 1897, having served as messenger boy, bookkeeper, teller, assistant cashier, cashier, vice president and president. He had been president of the bank since 1920.

He was a member of the Winona County Clearing House Association of which he had served as president, the Winona County, Minnesota and American Bankers Association; the Southeastern Minnesota Clearing House Association; the Winona Association of Commerce, of which he had served as a director; the Izaak Walton League; the Arlington Club, in which he had served as a member of the board of directors, and the Winona Country Club of which he was at one time a member of the board of governors.

Appointed Chairman

Frank P. Powers, president of the Kanabec State Bank of Mora, Minn., has been appointed chairman of the committee on the American system of banking of the state bank division of the American Bankers Association, it was announced by the late Wood Netherland, vice president of the Mercantile Commerce Bank and Trust Company of St. Louis, Missouri, who was president of the association's state bank division.

New Construction in St. Paul



Construction and equipment of the new Western State Bank, St. Paul, was completed recently by the Leslie Schuldt Company, of St. Paul, and the picture shows the lobby interior banked with flowers on the opening day.

MINNESOTA NEWS .

the assets of the Citizens State Bank, and present footings are \$700,000. Officers are Louis Hammel, president; Clarence Talen, executive vice president, and Elizabeth A. Steichen is cashier.

In the first published report of the Farmers State Bank in January 1914, total footings were \$28,500, including \$50 in gold.

Vote Increase

An amendment has been published to the certificate of incorporation increasing the capital stock of the Security State Bank of Howard Lake, Minn., to \$25,000, the increase being voted at a stockholders' meeting recently.

Association Meets

The officers, directors and employes of the First National Bank of Kiester, Minn., were hosts recently, entertaining the members of the Faribault County Bankers Association.

The speakers of the evening were State Representative E. O. Lund of

Bricelyn, who talked on his work connected with the legislature; K. O. Sattre, vice president, Blue Earth State Bank, who talked on ancient economic measures and the present day, and barter trade.

H. I. Muir of Winnebago, who is now holding, and has held, responsible assignments with the Farm Credit Administration, maintaining offices in Milwaukee, Wis., talked on various Farm Credit measures and commented on those he believed should be preserved as a cushion in the preservation of our American way of life.

Director Becomes President

At a meeting of the board of directors of the First National Bank of Spring Valley, Minn., J. M. Sample was elected president to succeed the late Lyle Hamlin. It is the first change in the presidency for over 25 years as Mr. Hamlin became the head of the bank in 1906 when George Gullickson was elected cashier. Mr. Sample has been a director of the

bank for 15 years, and his father started as a director when the bank was organized as a national institution.

Breckenridge Banker Dies

Halvor L. Shirley, president of the First National Bank of Breckenridge, Minn., former mayor and member of the State Legislature, died at his home last month.

Surviving are two daughters, Mrs. K. R. Kennedy of Winnipeg and Mrs. John Lundh of Lompoc, Calif., and three sons Louis A. of Wishon, Calif., J. B. of Hopkins and Halbert Shirley of Breckenridge.

New Bank

Northwestern State Bank opened at Hallock, Minnesota, recently, succeeding State Bank of Hallock.

Stockholders and officers of the new bank include men who are interested in the Citizens State Bank of Roseau. The new bank is capitalized at \$40,000 and the surplus fund is \$8,000.

Name Chairmen

H. R. Kurth, Hutchinson, Minnesota, president of the Minnesota Bankers Association, announced appointment of chairmen for five standing association committees for the coming year. They are: Bank management, R. A. Bezoier, Rochester; agricultural, Alden Pearson, Detroit Lakes; government lending agencies, R. M. Storlie, Santiago; American Institute of Banking Education, Robert C. Rutherford, Minneapolis, and consumer credit, A. C. Armstrong, Duluth.

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DULUTH SIOUX FALLS
PRIVATE WIRES

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TWIN CITY NEWS



ILLIAM E. Briggs, 85, vice president of Northwestern National Bank, Minneapolis, from 1914 until his retirement in 1931, died last month. He came from South St. Paul, where he was vice president of Stock Yards National Bank. Mr. Briggs originated cattle loans to farmers in the Northwest. Burial was in Wyoming, Iowa, his birthplace.

Springer H. Brooks, St. Paul, resident partner of Piper, Jaffray & Hopwood, has been elected second vice president of the Association of Stock Exchange Firms. Election took place at a meeting of the board of governors in Richmond, Va.

Two directors of the Federal Reserve Bank of Minneapolis have been re-elected for three-year terms starting January 1, according to announcement by W. C. Coffey, chairman of the board. They are Shirley S. Ford, president of Northwestern National Bank, Minneapolis, Class A director, and Homer P. Clark, chairman of the board, West Publishing Co., St. Paul, Class B director.

Bernard L. Decheine has joined the St. Paul office of the Milwaukee Company as manager of its trading department. Since starting his investment career in 1933, he was associated with Piper, Jaffray & Hopwood, Inc.; Winthrop, Mitchell & Co.; Harris, Upham & Co., and J. M. Dain & Co. A year ago he went with Northwest Airlines.

T. W. Pelton, long active in investment circles, has joined the bond department of Northwestern National Bank, Minneapolis. For 18 years with the old Wells-Dickey Co., Minneapolis, was trader in the St. Paul office of the Milwaukee Co. for 10 months before going to Northwestern.

By James M. Sutherland Special Correspondent

L. E. Dunn, corporate trust officer of First Trust Co. of St. Paul State Bank, was elected president of the Corporate Fiduciaries Association of Minnesota at the annual meeting in St. Paul.

Other officers named were: vice presidents, E. D. Stowe, assistant secretary, trust department, Northwestern National Bank, Minneapolis, and S. K. Platt, trust officer and assistant vice president, First and American National Bank, Duluth; secretary-treasurer, Lew Wallace, assistant secretary and assistant trust officer, trust department, First National Bank, Minneapolis.

Some 500 members of the Minneapolis chapter, American Institute of Banking, attended the annual commencement party at Nicollet Hotel. Paul W. Petterson, chapter president and assistant mortgage loan officer of Marquette National Bank, stressed the importance of occupational education as "the surest road to personal progress."

Mr. Petterson also introduced visiting A.I.B. officials, who included S. J. Kryzsko, assistant cashier, Winona (Minnesota) National & Savings Bank and member of the national A.I.B. executive council; Fred Goff, First National Bank, St. Paul, and St. Paul chapter president; and Willard F. Ario, assistant cashier of First and American National Bank, Duluth, and Duluth chapter president.

Maynard Rue of J. M. Dain & Co., Minneapolis, president of Twin City Bond Traders Club, has appointed committee members for the coming year, as follows:

Executive—Mr. Rue; Paul Matsche of Paine, Webber, Jackson & Curtis, St. Paul, club vice president; Oscar Bergman of Allison-Williams Co., Minneapolis, secretary; Jack Talbot of Northwestern National Bank, Minneapolis, treasurer; George Jackish of Harris Upham & Co., Minneapolis, national committeman; William Lau of Bigelow-Webb, Inc., Minneapolis; C. C. Rudd of Piper, Jaffray & Hopwood, Minneapolis, and Walter Space of Woodard-Elwood & Co., Minneapolis.

Membership—Theodore W. Pelton of Milwaukee Co., St. Paul; E. B. Kairies of Merrill Lynch, Pierce, Fenner & Beane, Minneapolis, and Carroll H. Babcock of Piper, Jaffray & Hopwood, Minneapolis.

Entertainment—C. J. Rieger of Jamieson & Co.; Robert M. Rice of R. M. Rice & Co., and Robert Mc-Naghten of Williams-McNaghten Co., all of Minneapolis.

Publicity—**Kermit B. Sorum** of Allison-Williams Co., Minneapolis.

Official photographer—A. J. Grun of First National Bank, Minneapolis.

Twin City banking circles were shocked by the tragic death of the wife and daughter of Edgar L. Mattson, chairman of the board of Midland National Bank & Trust Co., who were killed at Greencastle, Indiana, when their car was demolished by a train.

Mrs. Mattson had gone to Lafayette, Indiana, to visit the daughter, Marion, who is professor of child psychology at Purdue University. The two were returning from a weekend visit to Spencer, Indiana, when the accident occurred. Funeral services for both were held in Minneapolis.

J. Raymond Smith, comptroller of Northwestern National Bank, has

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been appointed chairman of the bank management committee of the Exchequer Club of Minneapolis, while William F. Kunze, vice president of Marquette National Bank, heads the program committee. Both appointments were made by President L. R. Oberg.

Barney W. Janicke has been elected a director of Fifth Northwestern National Bank, Minneapolis, to fill the vacancy caused by the death of Peter Hove

Appoint Successor

At a meeting of the board of direc-

tors of the First National Bank of Owatonna, Minnesota, held recently, Ruth Walker was elected assistant cashier, to succeed Clarence J. LaRoue, who recently was inducted into the Navy.

The officers and directors of the First National Bank feel Miss Walker is well qualified for her new position. She has had considerable banking experience, coming to Owatonna in 1936 from the Pipestone National Bank at Pipestone.

Miss Walker attended the University of Minnesota and the California College of Commerce at Long Beach. Remodeling

New fixtures were installed in the First National Bank at Starbuck, Minnesota. A beautiful white Italian marble cut to fit the old counter, with a matching green Italian marble base adds greatly to the appearance and lets in more light. Above the marble will be a decorative glass. Three teller windows were installed, making it possible to accommodate the volume of business during the busiest hours of the day.

New green desk linoleum covers the counters.

Recently accoustical celotex was put in the ceiling of the bank.

Elected to Board

William A. Patterson of Chicago, president and director, United Air Lines, last month was elected to the board of the City National Bank and Trust Company of Chicago. Since 1929 Mr. Patterson has been prominently identified with the aviation industry, and particularly, air transpor-



WILLIAM A. PATTERSON On City National Board

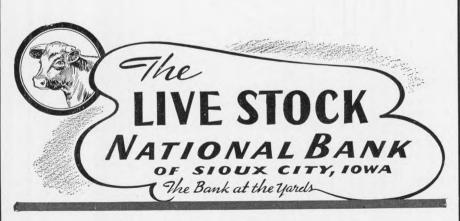
tation. He has contributed much to the advancement of both local and national business and civic affairs, and is now serving as chairman of the corporate and special gifts division of the Community and War Fund Drive in Chicago.

Aside from being president and a director of the nation's oldest airline, he is a director of the Air Transportation Association of America, Insurance Company of North America, Illinois State Chamber of Commerce, and director-at-large of the Chamber of Commerce of the United States.

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T. N. HAYTER President Sioux Falls

SOUTH DAKOTA NEWS

Acting Secretary
MILDRED STARRING



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

Corn Show

The National Bank of South Dakota and the J. C. Mullaney Grain Company, at Vermillion, South Dakota, had a week-long corn show in the lobby of the bank. Clarence Shanley, extension supervisor for the south-eastern South Dakota district, judged the event at which ten cash prizes were awarded.

Incorporate Bank

Articles of incorporation for the Citizens Bank of Colome, South Dakota, have been filed recently with the secretary of state, and the banking department said the new bank probably will open about January 1, 1944. There is one bank in operation at Colome.

The articles said the Citizens Bank will be capitalized at \$25,000 and listed F. E. Newlon, Ed Musilek, Hector Demers, R. E. Woolhiser and A. C. Stenson, all of Colome, as directors and holders of 76 of the authorized 250 shares of stock.

Hurley Has Bank

The Hurley State Bank opened for business last month. Capital for the new institution has been furnished by local persons, and they have also provided the management. Officers are: R. L. Rayburn, president; Dr. Edw. Joyce, vice president; and E. G. Breen, cashier. Directors are M. H. Ruden, Roy Flyger, Charles W. Sanborn, and Dewey Benson.

Hurley has been without local banking facilities since the fall of 1932. Predictions are being made that several new business enterprises will locate here soon after the bank begins operations.

Buy Bonds

As deposits in the 125 South Dakota state banks continued to swell during the third quarter of 1943, the funds were being invested by the banks in government bonds, an abstract of con-

ditions of state chartered banks indicated.

Deposits had increased \$29,315,067 in the past nine months, and during that time bank holdings of government bonds increased by \$29,860,590.

The \$19,257,985 increase in deposits in the past three months boosted the total to \$109,537,611, State Banking Superintendent Erling F. Haugo announced. State banks held \$46,634,367 in government securities.

The abstract indicated borrowers retired \$846,012 in loans since June 30. The total of loans and discounts was \$23,925,286.

Twenty years ago, Superintendent Haugo said, there were 480 state banks reporting a total of \$151,298,066 in deposits, \$140,119,780 in loans and discounts and investment of \$2,406,543 in all types of bonds. The comparable current figure for the last item is \$52,044,921.

Remodel

Work was started at the Commercial State Bank at Wagner, South Dakota, recently. The entire interior of the bank is being changed and a new counter and private office is being installed. A long counter, the length of the building, will take the place of the old one.

Four Million

Deposits in the four Lincoln County, South Dakota, banks have reached almost four million dollars, according to the statements recently published by them. This would not include money deposited by Lincoln County residents in banks in Alcester, Beresford, and Sioux Falls. These same four banks have also purchased over two and one-half million dollars in United States Government securities.

The January statement of the Lennox Exchange Bank is not available but those of the other three, the Fairview Bank, the Harrisburg Bank and the Farmers State Bank of Canton, South Dakota, furnish interesting figures.

These three banks have purchased almost a million and a half dollars more in government securities than they held in January of this year. Loans and discounts have dropped \$213,190.50 in that period, according to the same reports.

New Manager

C. F. Bain was named assistant manager of the Gregory branch, at Gregory, South Dakota, of the Northwest Security National Bank of Sioux Falls in a recent meeting by the board of directors. Mr. Bain will replace Walter Johnson who will be transferred to another banking institution of the Northwest Bancorporation.

Business Up

Business volume in Mitchell, South Dakota, as measured by bank debits, was six per cent above the level attained in 1942. The total debits for this year to date indicate a 39 per cent increase, compared with the same 10 months of 1942.

These bank debits figures are released each month by the Federal Reserve Bank of Minneapolis, and represent the volume of checks drawn by depositors against their bank accounts to pay for goods, services, debts, etc. They are considered a good indicator of general business trends in a given locality and reflect cash income received by farmers and government spending to cover payrolls and purchase war materials in addition to general business volume.

Safekeeping Bonds

The Community Bank at Hartford, South Dakota, recently installed a new safekeeping service for War Bonds. This service provides a safe, convenient and inexpensive method of keeping War Bonds and the bank advises all who do not have safety deposit boxes to avail themselves of this service

Sioux Falls News

PPOSITION of the South Dakota Bankers association to continuation of government subsidized lending agencies, in direct competition with banks, was officially expressed by **T. N. Hayter,** association president and vice president of the First National Bank and Trust company.

Hayter, together with John Thompson, chairman of the bankers association committee on government subsidized lending agencies and vice president of the Bank of Centerville; Rye

Northwestern Banker December 1943

SOUTH DAKOTA NEWS

Kibbee, vice president of the Commercial Trust and Savings Bank at Mitchell; Tom S. Harkison, vice president of the National Bank of South Dakota in Sioux Falls, and William Duffy, vice president of the Union Savings Bank in Sioux Falls, attended a meeting of officials of the South Dakota Farmers' Union on the invitation of John Skagge, president.

The Farmers' Union earlier had criticized "the bankers' avowed determination to eliminate the Production Credit association."

"PCA is building large reserves," Hayter said, "and we are opposed to the government subsidizing a lending agency in competition with the banks.

"Our position supports the stand maintained by leading farm organizations as they oppose the control of agricultural credit by political forces.

"It is recognized that direct relief by the government in time of serious economic stress may involve some granting of loans from public funds as a temporary expedient. However, the continued practice of making uneconomic loans from public funds, without adequate consideration of the ability of the borrower to repay, and with the losses socialized at the expense of the taxpayers, violates the principles on which credit rests, and thereby endangers the foundation of a sound credit structure."

Members of the executive committee, South Dakota war savings staff, assembled in Sioux Falls for a meeting called by Walter Burke, committee chairman and cashier of the Pierre National Bank. Purpose of the dinner meeting was to eliminate any weak spots in the state organization prior to the Fourth War Loan drive in January, according to C. A. Christopherson, executive director of the war savings staff and president of the Union Savings Bank in Sioux Falls. The meeting was well attended, with all sections of the state represented except the northeastern counties, whose delegates were snowbound.

Frank E. Duffy, son of William C. Duffy, vice president of the Union Savings Bank, has been commissioned a second lieutenant in the army air forces at Miami Beach, Florida. He was assigned to active duty at the air technical school at Orlando, Florida.

Ralph Watson, president of the Northwest Security National Bank and recently-elected president of the Sioux Falls Chamber of Commerce, presided for the first time last month at a membership meeting of the organization when Frank J. Lonergan, Portland, Oregon, grand exalted ruler of the Elks lodge, was the principal speaker. Among the committee chairmen named by Watson is Tom S. Harkison, vice president of the National Bank of South Dakota, who heads the Chamber's membership committee for the coming year.

A sharp decline in Sioux Falls bank clearings during October, when compared with the September level, was attributed by local bankers to the Third War Loan campaign, which left little "loose money" available for commercial transactions. Another factor in the business curb was extended Indian summer weather which cut deep into normal demands for winter merchandise. The October total of bank clearings was placed at \$11,888,-918.83, compared with \$13,083,174 in September. Despite the drop, October clearings remained 6.8 per cent ahead of the same month a year ago. For September, the comparable gain was 18 per cent, while in August it was 25 per cent.

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H. A. FISCHER President Washburn

NORTH DAKOTA NEWS



C. C. WATTAM Secretary Fargo

List Key Bankers

In each county of the state the officers of the North Dakota Bankers Association name one banker to serve as key man in all matters pertaining to the work of the association and to cooperate with the Greater North Dakota Association in its projects in the counties.

F. A. Irish, director of the U. S. Chamber of Commerce, agricultural committee of the American Bankers Association, and chairman of the agricultural committee of the state organization, with C. C. Wattam, secretary of the state organization, named the key bankers for 1934-44 as follows:

Adams, L. V. Skoglund, Hettinger; Barnes, A. C. Thorkelson, Valley City; Benson, C. E. Erstad, Maddock; Billings, J. F. Tester, Medora; Bottineau, W. T. Munn, Westhope; Bowman, D. G. Hogoboom, Bowman; Burke, R. C. Wiper, Bowbells; Burleigh, E. D. Saltzman, Bismarck; Cass, W. E. Strehlow, Casselton; Cavalier, L. E. Callahan, Munich; Dickey, B. R. Crabtree, Ellendale; Divide, E. G. Hanson, Crosby; Dunn, H. M. Weydahl, Killdeer.

Eddy, Martin Aar, New Rockford; Emmons, G. A. Lenhart, Hazelton; Foster, J. C. Hoffert, Carrington; Golden Valley, T. E. Hudson, Beach; Grand Forks, Theo. H. Tufte, Northwood; Grant, A. O. Flatland, Carson; Griggs, A. C. Brown, Hannaford; Hettinger, H. C. Bowers, Regent; Kidder, Verne Wells, Robinson; LaMoure, Sharpe Preutz, Kulm; Logan, George Laney, Napoleon.

McHenry, M. T. Thompson, Towner; McIntosh, J. J. Doyle, Wishek; McKenzie, O. N. Stenehjem, Watford City; McLean, H. A. Fischer, Washburn; Mercer, Robert M. Stroup, Hazen; Morton, J. R. Madsen, Mandan; Mountrail, E. O. Lerberg, Parshall; Nelson, John P. Lamb, Michigan City; Oliver, E. H. Johnston, Center; Pembina, Franklin Page, Hamilton; Pierce, H. O. Lyngstad, Rugby; Ramsey, Blanding Fisher, Devils Lake; Ransom, E. N. Kittelson, Enderlin; Renville, E. L. Hubbard, Mo-

hall; Richland, C. A. Bonzer, Lidgerwood; Rolette, W. P. Campbell, Dunseith

Sargent, G. A. Klefstad, Forman; Sheridan, E. C. Wahl, McClusky; Sioux, Frank Fiske, Fort Yates; Slope, M. E. Johnson, Amidon; Stark, I. E. Giedt, Richardton; Steele, M. G. Pederson, Hope; Stutsman, K. A. Werner, Streeter; Towner, H. R. Rendahl, Cando; Traill, O. C. Stusrud, Mayville; Walsh, K. D. Bennett, Park River; Ward, W. E. Tooley, Minot; Wells, Edwin Lysne, Harvey; Williams, C. B. Neal, Williston.

Elected to Association

W. P. Campbell of the Security State Bank, Dunseith, North Dakota, was elected president of the Northwest North Dakota group of the North Dakota Bankers Association, at the meeting held in Minot, North Dakota. Conrad J. Olson of Sanish was named vice president, and Harry Grant of Minot, secretary-treasurer. G. A. Stenehkem of Watford City was chosen as a member of the executive committee.

Cashier Returns

W. D. Johnson and family arrived in Cando, North Dakota, from Minneapolis, and Mr. Johnson resumed his duties, formerly held as cashier at the First State Bank in Cando, last month.

R. E. Wordelman, recent cashier at the bank, left with his family for Spring Valley, Minnesota, where they have bought and will operate a dairy farm.

O. J. Olson Dies

O. J. Olson, cashier of the National Bank at Wahpeton, North Dakota, since 1923, died last month.

In 1913 he was elected register of deeds and re-elected several times. He was elected to his fifth term but resigned to become cashier of the National Bank, a position he has held since. He was also director of the bank.

He was at one time president of the Wahpeton Chamber of Commerce,

served as treasurer for several years for Bethel Lutheran church and was a member of the Wahpeton school board for several years. A Past Noble Grand of Wahpeton Odd Fellows Lodge and a trustee of that organization, he was also a member of the Wahpeton Masonic Lodge, and was recently a delegate to the National Republican Convention.

Vice President Dies

Oscar Herum, of Carpio, North Dakota, member of the Ward county selective service board since April, 1942, who for many years was cashier and later vice president of the First National Bank in Carpio, died last month in Minot where he had been a patient.

For some time prior to his death he had been vice president of the state taxpayers' association, in addition to serving as a director for this district.

He had been active in circles of the North Dakota Bankers Association and of its northwest group, and had been identified with many other organizations and movements of a civic character.

Gets Bank Service

The Almont Exchange at Almont, North Dakota, opened last month, gives Almont and community limited banking service.

The safe and fixtures of the old Farmers & Merchants State Bank were moved to Almont and were installed in the John Gillis building.

The Almont Exchange is under the management of John Gillis.

New Cashier

Miss Lee Johnston resigned as cashier of the Forest River branch at Grafton, North Dakota, of the Walsh County State Bank and her place has been taken by Mrs. Harry Yon.

Services for Pioneer Banker

Funeral services were held in the Sheldon, North Dakota, Presbyterian Church for Royal E. Kratt, pioneer Sheldon banker, who died last month. Dr. Ward F. Boyd of Fargo officiated. Interment was in the Sheldon cemetery. Committal services were conducted by the Masonic Lodge. Mr. Kratt came to Dakota Territory from New York state in 1880. In 1909 he assisted in the organization of the Commercial State Bank of Sheldon. He married the former Helen Cree in Sioux Falls, South Dakota, January 1, 1914. Mr. Kratt was an active member of the Masonic Lodge.

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NEBRASKA NEWS



WM. B. HUGHES Secretary Omaha

Tekamah

To Replace Cashier

Wayne Lambertz, who has been employed at the Safeway store for several years, will join the staff of the Washington County Bank, Blair, Nebraska, soon, it has been announced. Louis Murdoch, cashier of the bank, is to leave soon for military service.

President Weds

Mr. and Mrs. Hoyt Osborn, Battle Creek, Nebraska, are announcing the marriage of their daughter, Ava, to J. J. DeLay, president of the DeLay National Bank of Norfolk, Nebraska, which took place recently in Chicago.

Mr. and Mrs. DeLay, following a wedding trip, arrived in Norfolk to make their home.

The youngest daughter of Mr. and Mrs. Osborn, Mrs. DeLay was born and reared southwest of Battle Creek. She taught school in Madison county a number of years, and in recent years has been teaching in the public schools at Phoenix, Arizona.

Mr. DeLay is widely known in banking circles in the middlewest.

Works in Grand Island

Irene Schnase of Rockville, Nebraska, began working at the First National Bank in Grand Island last month.

New Bookkeeper

Max Medcalf of Chambers is the new bookkeeper at the Citizens State Bank, Clearwater, Nebraska, beginning work last month. Mr. Medcalf is a graduate of the Chilicothe, Missouri, Business college in Missouri. He also is a graduate of the Chambers high school.

He has had experience in the Chambers State Bank.

Honor Bank Employe

Last month First National Bank employees at Holdrege, Nebraska, gave a dinner party honoring Jo Titus, who will be leaving soon for the navy.

Mrs. B. V. Hanson and Mrs. Wm. Lindstrom had charge of the general

arrangements. The patriotic theme was carried out in the table decorations with red, white and blue candles and a bouquet of white chrysanthemums and red carnations, serving as the centerpiece.

Announce New Cashier

Announcement was made by C. H. Rowan, president of the Nebraska State Bank, at Broken Bow, Nebraska, that A. W. Line has accepted a position as cashier of the institution.

Mr. Line is well known to a great many people not only in Broken Bow but in all sections of the county. He served as deputy county treasurer for a number of years resigning about a year ago to represent an insurance company in management of farm properties in this county.

Mr. Line has had experience in the ranch business and also in the banking business in the southern part of this county in years past.

Surplus Up

The Bank of Burchard, at Beatrice, Nebraska, has increased its surplus from \$5,000 to \$10,000, by a vote of the directors. F. H. Obermann is cashier and manager of the bank.

To Help Farmers

With a view to giving better service to farmers in Pawnee county, the National Farm Loan Association at Beatrice, Nebraska, has employed Clyde Barton of Pawnee City to handle matters pertaining to Federal Land Bank loans.

In announcing Mr. Barton's selection, Axel M. Steen, secretary-treasurer of the farm loan association, said the arrangement will enable applicants for loans and present member-borrowers to transact their business in Pawnee City at any time, rather than going to Beatrice or waiting for the secretary-treasurer to make his regular visit to Pawnee City.

Mr. Barton has agreed to accept payments on loans and assist in making out applications, as well as handling

other matters related to the activities of the farm loan association and the Federal Land Bank.

Cashier Injured

Miss Jeannette Shepherd, assistant cashier of the First National Bank at Valentine, Nebraska, suffered serious injuries recently when she was thrown from a horse, but is making a good recovery. Miss Shepherd and Miss Evelyn Wilson, registered nurse at the Valentine clinic, had been horse-back riding in the Minnekadusa canyon and were returning to town.

She was unconscious for many hours and X-rays showed a fracture of the skull above one ear. One hip was also badly bruised. Miss Shepherd is resting well at the general hospital.

Distribute Checks

Trustees of the Schuyler State Bank, at Schuyler, Nebraska, F. J. O'Brien, Frank Noha and T. A. Compton, are inviting depositors of the institution as of December 27, 1933, to call at the bank for their interest checks, which are now ready for distribution.

Payments are at the rate of 7.247 per cent, and this is the last detail in closing the affairs of the depositors committee.

Junior News

From the Nebraska Junior Bankers Association

John Lauritzen, Editor

S ERVICE charges and the bank situation are two such important items that the entire column this time is devoted to what the Farmers and Merchants National Bank at Oakland, Nebraska, is doing, so as to let you know what other banks are thinking about along these lines. The following is a quote from the copy that Chase Neumann of that bank has sent in. Incidentally there is no man in the Nebraska Junior Bankers Association who is working harder at helping the organization to live during these times than Chase Neumann. Any amount of praise given to him for his work in the Junior Association is insufficient. Mr. Neumann says:

"With bank help destined to be an ever increasing problem until the duration of the war, every bank is forced to review its routine operations, with the idea of saving time. One important time-consuming operation has

Northwestern Banker December 1943

NEBRASKA NEWS

always been the collection of monthly account service charges. We have recently saved two hours out of three formerly required to analyze accounts, at the same time retaining most of the features of account analysis. We have done this by cutting our former thirtyday run of balances to two, namely the high balance for the month and the low balance for the month. We have made the method a single machine operation simplified to the point where it can be done by the simple addition and subtraction of four figures, taking approximately 10 seconds per account not figuring the time required to write the result. Our basis for account analysis is as follows:

Credit

For analysis purposes only interest is computed on the average balance at 20 cents per \$100.00 per month (approximately 21/2% per annum).

Debit

Overhead and maintenance	
monthly	.50
Checks Paid, each	.03

We now arrive at an answer on a typical account as follows:

(For explanation purposes we will take an account writing 20 checks. maintaining an average balance of \$300 on which the highest balance during the month was \$450 and the lowest \$150.)

Place .50 in the cents column of any combination adding and subtracting machine.

Add .60 which is 20 checks times three cents.

Now subtract .45 which is the high balance \$450. with the decimal moved three places to left and subtract .15 which is the low balance \$150. with the decimal moved three places to left.

Now total is .50 or the amount of the service charge for the month.

It is granted that such an example gives complete accuracy as to the result that would not be obtained in actual operation. However by actual test of one month's work we found accounts varied only two to eight cents one way or the other except in instances of an extremely high or low balance maintained for a few days in the account. These we run for the full 30 day period."

A Wave

Miss Netha McGee, daughter of Mr. and Mrs. Dave McGee, who recently joined the WAVES, left for duty last month. She is the first Clearwater woman to join this organization. Miss McGee has been employed at the Citizens State Bank, Clearwater, Nebraska.

Deposits High

The deposits of the American National Bank in Sidney, Nebraska, has hit an all time high, according to a bank statement recently published.

Total deposits, as listed in the statement, are \$4,249,056.83, approximately \$1,200,000 more than in the statement for the end of June of the current year.

The increase alone in the past months amounts to more than the total deposits of the bank eighteen months ago, and compares with the balances in 1935 and 1936 when the total deposits ran in the neighborhood of six and seven hundred thousand dollars.

24-HOUR TRANSIT NATIONWIDE CONTACTS

The Right Combination

FRIENDLY OFFICER INTEREST

LARGE LENDING CAPACITY

EVERY BANKING SERVICE

30 YEARS EXPERIENCE

for Correspondent Service

CITY NATIONAL BANK & TRUST CO.

18th & Grand

Member Federal Deposit Insurance Corp. Kansas City, Mo. Resources \$80,000,000.00

BANKS Bought and Sold

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



The TOOTLE-LACY

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

Federal Reserve Bank of S



P ROPERTY valued at \$744,098 was listed in an inventory, filed in county court at Omaha, of the estate of Robert P. Morsman, retired Omaha banker, who died recently. He had served as president and later as chairman of the board of the United States National Bank of Omaha until his retirement

The inventory did not include life insurance and two trust funds.

The Farm Credit Administration board at Omaha has announced the election of **E. J. Petrik** as vice-president and treasurer of the Production Credit corporation of Omaha. He had been treasurer of the PCC since 1937. A native of South Dakota, he has been with the FCA since 1934. Previously, he was in the agricultural banking field in South Dakota for 13 years.

He succeeds H. A. Viergutz, whom the FCA board elected vice president of the Federal Land Bank of Omaha.

Omaha bank deposits set an all-time record of \$339,194,650 when figures were announced Oct. 18 in response to a call from the comptroller of currency.

The total was \$40,913,101 more than

that of June 30, this year, when it was \$298,281,549.

Total loans Oct. 18 were \$50,083,644, an increase of \$7,361,204 over \$42,722,840 reported last June.

The Live Stock National Bank of Omaha has increased its surplus account from \$750,000 to \$1,000,000, giving the institution a combined capital and surplus of \$1,500,000, it was announced by **Alvin E. Johnson**, president.

Mr. Johnson said that, to illustrate the bank's consistent growth, capitalization totaled \$100,000 when the bank opened 36 years ago.

Surplus account totaled \$100,000 10 years ago, he said, and deposits at that time were \$5,000,000, compared to more than \$50,000,000 now.

Harold T. Landeryou, vice president of Smith-Landeryou Company, Omaha investment bankers, was elected most worthy grand patron of the General Grand Chapter, Order of Eastern Star, at the triennial session in Chicago.

Mr. Landeryou became the first Nebraskan in the lodge's history to hold such a high post in the grand chapter, which has jurisdiction over chapters

in the United States, Alaska, Nova Scotia, Panama Canal Zone, Mexico, Hawaii and, in peacetime, China and the Philippines.

He is past patron of the Ak-Sar-Ben O.E.S. chapter at Omaha and past grand patron of the Nebraska Grand Chapter. He also is past potentate of Tangier Temple of the Shrine at Omaha.

Seven downtown and South Side banks in Omaha distributed more than \$400,000 in savings to 7,000 Christmas club members the latter part of November.

The money won't all be used for Christmas, however. Some will help pay income taxes, local taxes, doctor's and dentist's bills, and will go for war bonds.

Number of Christmas club members in Omaha was smaller than a year ago because bankers urged previous members to consolidate payments into one account, to reduce bookkeeping,

A. G. Black, head of the farm credit administration at Washington, told the house committee on agriculture recently that under present financial conditions, local banks and private lending agencies "probably will handle most of the loans now being made by the government-financed production credit associations."

He added, however, that there was no way to predict how long present financial conditions would exist or how long farm prices would remain at present high levels.

Nebraska was one of only 10 states to reach its Series "E" war bond quota in the recent drive, the final Federal Reserve Bank report to the treasury department disclosed.

"We feel that we have accomplished our prime job," said **W. Dale Clark,** president of the Omaha National Bank, who served as state bond drive chairman. "We are proud of our 'E' bond record."

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

FRED T. BURRI ASST. CASHIER Member Federal Deposit Insurance Corporation

NEBRASKA NEWS .

The state's quota of \$32,000,000 of Series "E" bonds was oversubscribed by a million dollars, Mr. Clark said. This indicated a broad distribution of the bonds throughout the state, he added.

A. C. "Cub" Potter, longtime head of Burns, Potter & Co., Omaha investment banking house, has joined Alex Brown & Sons in New York City as a sales representative.

Farmer and rancher directors of 42 production credit associations in the four states of the Omaha farm credit district have re-elected **Fay C. Hill,** stockman and banker of Gordon, Nebraska, to his fourth term on the farm credit administration board of Omaha. His election was announced by Nels G. Kraschel, general agent of the FCA at Omaha, after a mail vote.

In making postwar plans, Omaha should take a lesson from the men who half a century ago gave the city its greatest industry, meat packing, according to **Alvin E. Johnson**, president of the Live Stock National Bank of Omaha, Nebraska chairman for the National Committee on Economic Development, and chairman of the Omaha Chamber of Commerce postwar planning board. He spoke recently before the Omaha Rotary club.

Among those caught in Omaha's early-November near-blizzard were Steve Wirtz of the Omaha National Bank, Richard Krimlofski and Wheeler Platt. They were marooned on the Missouri river from Saturday night to Monday evening, while hunting. The trio did not attempt to sail their boat down the river from Blair to Omaha until the wind had subsided, for fear the boat would be dashed against the dikes.

A decided trend in mortgage loan reduction due to increased family earnings is evident in Omaha and the remainder of the state, according to Leslie E. Martin, president of the Nebraska Savings and Loan Association. Those who are not paying off their mortgages are placing their earnings in savings accounts and are buying war bonds, he said.

Savings and loan associations in the Nebraska league ranked 13th among similar organizations in other states in war bond purchases during the September drive, Martin, who is state secretary, said. With a quota of \$3,500,000, Nebraska associations bought \$6,557,000 in bonds—22.4 per cent over their quota.

Among those who entertained for Mrs. John H. Schirding, of Petersburg, Illinois, the former Jessie Clark, daughter of Mr. and Mrs. W. Dale Clark of Omaha, who has been visiting her parents, with her small daughter, Catherine, were Mrs. C. W. Mead, Mrs. Ray Ridge, Mrs. Walter Savidge and Mrs. S. R. Kirkpatrick. Mrs. Schirding's father is president of the Omaha National Bank.

John Lauritzen of the First National Bank of Omaha has been chosen by the Omaha Junior Chamber of Commerce to represent the Junior Chamber on Postwar Planning Board. In this position Mr. Lauritzen will work with other Postwar Boards throughout the country in an effort to determine where the younger men must fit into the world to follow.

Fred W. Thomas of the First National Bank of Omaha has been vice president of the board of directors of Brownell Hall Episcopal School for Girls. Mr. Thomas has served on the

board for a good many years, and has been most active in the affairs of the school.

C. D. Saunders, as a member of the board of directors of the Omaha Chamber of Commerce, is on the board to solicit funds for the promotion of future business for this territory of the country.

A new baby girl, Mary Teresa, arrived at the home of Mr. and Mrs. A. J. Hallas not long ago. Mr. Hallis is vice president of the Stock Yards National Bank.

Deposits Climb

With "new money" already making its appearance in Columbus, Nebraska, bank deposits continue to climb to new highs each month, the business barometer of the Chamber of Commerce indicates.

Bank deposits were \$7,805,595.36, compared to \$7,593,561.94 for the previous month, and \$4,978,712.47 for last year at this time.

Files as Delegate

Christopher J. Abbott, Hyannis rancher and banker, last month became the first candidate to complete his filing for election as delegate at large to the national Republican convention. Abbott's petition, filed with Secretary of State Frank Marsh, bore more than 2,500 signatures from the four congressional districts.

Named a Director

At a stockholder's meeting recently, Raymond Kepner was elected as a member of the Board of Directors of the First National Bank of Osceola, Nebraska

"at the crossroads of Omaha"

FIRST NATIONAL BANK



B ANK clearings in Lincoln for the month of October, 1943, took a drop from the clearings for September, with a total of \$17,035,461 compared with \$19,061,703 in the preceding month. However, the mark this October is higher than that of October, 1942, by \$1,422,657, the figure last year having been \$15,612,804.

For the first ten months of 1943 total clearings were \$171,478,332. This is \$26,703,374 more than the \$144,774,958 reported for the corresponding total for the same period of last year, and revealed a more than satisfactory increase in business for the current year to date.

It was believed that large checks made out in the third war loan drive in September, thus adding to the total amount of bank clearances—even though from one local bank to another—contributed to the decrease in monthly clearances shown for October.

Harold D. Johnson, assistant director of the department of banking, announced that three bank receiverships are pending. The Farmers State Bank of Callaway has paid 52 per cent and will be closed with little loss to stockholders. The Professional Cooperative Credit Association of Lincoln has paid out 50 per cent and another dividend will yet be paid. The Midland Savings Bank has paid all creditors and 44 per cent to stockholders. Final settlement is awaiting the possibility of striking oil on 750 acres of Texas land. As an indication of the changed conditions in the state, between 1929 and 1932 there were 115 bank receiverships.

A final depositors dividend of 10.4 per cent has been declared by the

YOUR STATE BANKERS ASSOCIATION OFFICIAL SAFE, VAULT AND TIMELOCK EXPERTS

F. E. DAVENPORT & CO. OMAHA

liquidation committee of the Nebraska National Bank of Grand Island. In spite of the adverse conditions prevailing during the liquidating period the trustees were able to realize enough out of the assets to pay total dividends representing 93.43 per cent of the original deposits.

Goes to lowa

A. F. Goblirsch has resigned his position as assistant cashier in the Petersburg State Bank, at Petersburg, Nebraska, and has taken a position in a bank in Dunlap, Iowa. Delbert Schafer has taken Mr. Goblirsch's place in the bank.

Bank President Dies

Harve H. Ostenberg, 65, prominent Scottsbluff businessman since 1910 and president of the Scottsbluff National Bank, Scottsbluff, Nebraska, died suddenly of a heart attack at his home recently.

Mr. Ostenberg was born in Fremont, Nebraska, on June 16, 1878, the son of Mr. and Mrs. Otto Ostenberg. He attended school in Wahoo, Nebraska, Doane College and Nebraska University where he was a member of Sigma Alpha Epsilon fraternity.

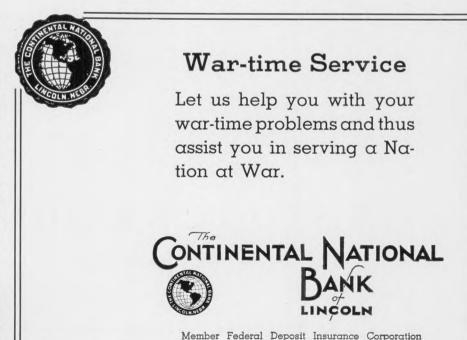
From 1905 to 1910 he was cashier of the Farmers and Merchants Bank at Malmo, Nebraska, and in 1910 came to Scottsbluff and organized the Scottsbluff National Bank with his brother, the late W. H. Ostenberg. In the same year he also organized the First National Bank at Bayard and the Gering National Bank.

The Gering Bank was later sold, but he retained his interest in the Bayard Bank and was an officer at the time of his death. The Scottsbluff National Bank absorbed the old First National Bank of Scottsbluff.

Changes Position

Announcement was made by L. W. Titus of the First National Bank of Holdrege, Nebraska, that A. I. Rauch, manager of the Hastings Production Credit Association, has been employed by the bank and assumed his duties last month, handling loans and farm paper for the bank.

Rauch is well known in Holdrege and Phelps and surrounding counties. He served for nearly four years as the manager of the Holdrege branch office of the Production Credit Association before being promoted to manager of the association and moving to Hastings more than a year ago.



Figures Speak for Themselves

Proof of satisfactory service to our customers is evidenced by the following comparative statement.

October	19th,	1908	380,120
October	19th,	1913	1,963,412
October	19th,	1923	4,776,831
October	19th,	1933	4,978,330
October	19th,	1943	52,751,827



OFFICERS AND DIRECTORS

ALVIN E. JOHNSON President

H. C. KARPF Vice President

R. H. KROEGER Vice President

PAUL HANSEN

L. V. PULLIAM Asst. Cashier

H. H. ECHTERMEYER Asst. Cashier

C. G. PEARSON Asst. Cashier

W. DEAN VOGEL Asst. Cashier

EARL R. CHERRY Asst. Cashier

T. J. PRICE, JR. Asst. Cashier

W. P. ADKINS Chairman

H. B. BERGQUIST Coal and Grain

L. S. BURK Chicago

JAS. J. FITZGERALD Pres. Commercial Sav. & Loan Assn.

T. E. GLEDHILL Farmer

LEO T. MURPHY Mgr. Allied Mills, Inc.

JAMES L. PAXTON, JR. Pres. Paxton-Mitchell Co.

HERMAN K. SCHAFER Pres. Maney Milling Co.

CARL A. SWANSON
Pres. Jerpe Com. & Cold Storage Co.

J. L. WELSH Butler-Welsh Grain Co.



LIVE STOCK NATIONAL BANK OMAHA

This Bank Has No Affiliated Companies

Member of Federal Reserve System and Federal Deposit Insurance Corporation



V. W. JOHNSON President Cedar Falls



FRANK WARNER Secretary Des Moines

Bank Manager

Mr. Fred Risser of the First State Bank, Chariton, Iowa, announced the appointment of Henry Ivan Ford as the new resident manager of the Russell office of the First State Bank

Dies in Omaha

Garwin, Iowa, friends received word of the death of Ralph G. Richards last month. The Richards lived in Garwin for a number of years while he was connected with Garwin State Bank. Mr. Richards has been an invalid for several years. He is survived by his wife and two children, Mrs. Robert Hughes of Omaha, where he passed away, and a son, Vernon, who lives in Kansas.

Get New Posts

At a special called meeting of the directors of the Farmers State Bank of Jewell, Iowa, last month, Frank H. Ferbitz, Jewell business man, was elected president of the bank, to succeed Elmer T. Rorem, whose retirement as president, director and stockholder of the bank was announced.

At the same time Alma C. Rorem was elected to succeed Elmer T. Rorem as director of the bank.

Employes Hear Editor

John W. Carey, managing editor of The Journal and Journal Tribune, of Sioux City, Iowa, spoke before 120 employes and officers from seven Sioux City banks at the monthly forum dinner meeting of Sioux City chapter, American Institute of Banking, in the Mayfair Hotel.

Mr. Carey's address included reminiscences of early day Sioux City events. Sponsoring the program was a group of Security National Bank employes under chairmanship of Charles R. Gossett, bank president. Alvin G. Nelson, institute chapter president, was master of ceremonies.

Smith Goes to Leon

IOWA NEWS

Dwight L. Smith, vice president of the Central State Bank & Trust Company of Elkader, Iowa, submitted his resignation at a meeting of the board of directors of the bank last month. The board accepted Mr. Smith's resignation but has yet done nothing toward selecting his successor.

Mr. Smith will take a similar position in the Decatur County State Bank at Leon.

Dressed Up

Hundreds of pounds of needed copper and brass are made available for war production while the appearance of the interior of the Iowa Trust & Savings Bank Building, Oskaloosa, Iowa, has been improved and modernized by remodeling operations.

The heavy brass grill work of the cage around the counters has been replaced with attractive mahogany counter fixtures of the latest design. The grill separating the safety deposit vaults from the lobby has been replaced with low mahogany partitions and doors.

The interiors of the counter boxes are arranged to facilitate the handling of banking supplies and are to be illuminated with the latest type of fluorescent lighting. Other lighting changes are also contemplated.

Becomes Director

Clarence E. Nicholson of Conesville, Iowa, has been named director of the Columbus Junction State Bank at Columbus Junction, to fill the vacancy on the board created by the death of Roy Aringdale.

He is owner and operator of a farm, president of the Louisa County Mutual Insurance Company, and secretary-treasurer of the Iowa Experimental Association at Conesville.

Hear Economist

At a meeting of the Louisa-Washington County Bankers Association,

held in the community room at the "Y" at Washington, Iowa, an address was given by Walter Garver, agricultural economist for the Federal Reserve Bank of Chicago.

Mr. Garver, whose duties take him over a large area to gather ideas on economic questions to be used as a basis for securing favorable legislation, spoke on the question of subsidies which is before Congress now.

In Des Moines

The following employes of the Brenton Banks were guests of Mr. and Mrs. W. H. Brenton in Des Moines recently: Miss Thelma McClure and Miss Grace Cain of Jefferson; Miss Florence Berdin and Miss Calista Wiese of Emmetsburg; Miss Dorothy Helmick and Mrs. Geraldine Batershell of Dallas Center; Miss Ina Burket of Granger; Mrs. Marjory Orr of Waukee; Miss Mary Rees, Miss Mary Jane Stewart and Miss Guinevere Barth of Perry: Mrs. Eunice Winter of Adel: Miss Ruth Shiffett of Dexter; Mrs. Doris Smith and Mrs. Della Shogren of Vinton; Mrs. Lucille Potts, Miss Hattie Johnson and Miss Mary Doris Donohoe of Grinnell. Luncheon and tea were served at the Brenton home, with a business meeting in the afternoon. In the evening the guests were entertained at dinner at the Des Moines Club. Out-of-town girls were luncheon guests of Miss Helen Rinehart at Younkers Tea Room.

Ex-Banker Dies

I. B. Robinson, 62, died in his home in Hampton last month after a lingering illness.

He was born in Hampton April 2, 1881, attended the Hampton schools and the State University of Iowa at Iowa City.

Mr. Robinson was a former vice president of the old Franklin County State Bank, of Hampton.

Handle Corn Loans

The Story County Bankers Association is going to handle corn loans for Story county farmers without asking the government for aid.

This was the unanimous agreement reached at a meeting at Nevada.

Guests included three state commerce commission officials who explained the Iowa Warehouse Law on corn and grain. They were Commissioners Carl Reed and David Long and Superintendent Ray Johnson of the warehouse division.

Northwestern Banker December 1943

IOWA NEWS

Increase in Surplus

The board of directors of the Iowa-Des Moines National Bank and Trust Company, at its November meeting, voted to increase the bank's surplus account in the amount of \$250,000 by transferring that sum from the undivided profits account, Herbert L. Horton, president, announced.

The total capital structure of the bank now exceeds \$5,000,000, make up as follows: Common stock, \$2,500,-000; surplus, \$1,500,000; undivided profits and unallocated reserves, \$1,035,000.

Horton said the total resources of the bank are now more than \$100,000,-000, the highest total ever recorded by an Iowa bank.

On the Job Again

Word from L. L. Arendt, cashier of the Gibson, Iowa, Savings Bank, says that M. L. Arendt, vice president, is again on active duty at the bank. M. L. Arendt suffered an attack of malta fever last August, and only recently has been able to be up and around.

Two Million More

Bank clearings for Sioux City, Iowa, for 1943 show an increase of \$2,612,408 over clearings for 1942, with all business generally showing an increase, according to the financial figures released by the Chamber of Commerce.

Double Capital Stock

A special meeting of the stockholders of the Graettinger State Bank at Graettinger, Iowa, was held last month for the purpose of voting upon an increase in the capital stock from \$12,500 to \$25,000. The increase will not represent the sale of new stock but will be paid out of the undivided profits.

Ida County Banker Dead

Frank M. Stewart, 77, vice president and director of the Ida County State Bank, died at his home at Ida Grove, Iowa, recently. Mr. Stewart had been ill since he suffered a stroke.

To Officiate

H. N. McMaster, Correctionville, was elected to the presidency of the Woodbury County Bankers Association after a dinner attended by about thirty-five members.

B. M. Wheelock, vice president of the Security National Bank, Sioux City, Iowa, was elected vice president of the bankers group, and H. W. Hays, Moville, secretary-treasurer. W. G. Nelson, assistant vice president of the Livestock National Bank, Sioux City, presided.

Mail Yule Checks

Approximately \$130,000 which has been deposited during the past year as Christmas savings in two Clinton banks offering this service, were dropped in the mails December 1st as a highlight of postwar prosperity week which began November 29th.

This Christmas club plan, which is fundamentally a corporation and founded and presided over by Herbert F. Rawll of New York, has become in the past decade a widely concentrated national plan, and this year \$420,000,-000 will be distributed to about 7,500,-000 members. The week's title is a name designed by the corporation only for the duration to replace the National Prosperity Week designation, and the cash dispersal is annually the highest point of the period.

THE CHECKS YOU BUY and give away

... never make you any money. They increase your cost of doing business. BUT the checks you SELL imprinted with a customer's name cost you NOTHING.

What, for example, do you pay in the course of a year for large size over-the-counter checks-and for which you receive nothing in return? Certainly everyone who uses a business size check should have his name printed on it.

Those Newport and Compact style check books - so popular in the East-they too are costly, when they are given away. But when they're imprinted you can recover your full cost.

Imprinted checks - whether Personalized pocket check style or business style three-on-a-page, are easier for you to handle, the customers prefer them and you save all the cost.

Anything as personal as a checking account-and checks are the personal currency of the individual - should be truly personalized. All customers don't know that imprinted checks are available or how inexpensive they are.

Why not tell them? Show them your

De Luxe Catalog. And if you would like a supply of statement enclosures to make your message stronger, write us and we'll be happy to send whatever

vou can use.

Manufacturing Plants at

CHICAGO KANSAS CITY CLEVELAND ST. PAUL NEW YORK



SCARBOROUGH & COMPANY

Sold to Banks

Sold to Banks

Des Moines, Iowa

Wartime Design for Christmas Buying



This month comes Christmas—war or no war.

To our friends and business associates in banks throughout Iowa, we extend sincere holiday greetings.

And since there IS war, how wise to combine warbuying with Christmas buying.

Yes—this year and every year 'til Victory, the No. 1 Christmas gift is a War Bond.

Sometimes folks seem weary of hearing about War Bonds. The Marines are weary of hearing Jap planes, too—but the only way to silence those planes for keeps, is to keep buying War Bonds.

So we'll all buy more—in '44.



BANKERS TRUST COMPANY 6th and DES MOINES



Cedar Rapids Cashier Dies Stricken Armistice Day by a heart

Stricken Armistice Day by a heart attack, Frank G. Kanak, 58, cashier and a director of the United State Bank, which he helped organize in 1922, died in a Cedar Rapids hospital.

He started in the banking business with the Merchants National Bank in Cedar Rapids in 1906 and, after a period there, became associated with a bank at Thornburg, returning to Cedar Rapids with the old Central State Bank.

He left the Central State Bank to serve 20 months in the army, 13 months overseas, in World War I. On his return he was associated with the Ulch Brothers State Bank of Solon until 1922 when he helped organize the United State Bank in Cedar Rapids.

He began as a teller with the United State Bank, working his way to cashier.

Former Banker Dies

Harry K. Denmead, for many years a resident of Marshalltown, Iowa, and an official in the old First National Bank, died suddenly last month at his home in Fort Madison.

This Experience may be useful to you...

has co-operated with banks throughout the middle west in extending credit facilities to sound commercial borrowers.

This experience is at your disposal without obligation.

The

LIVE STOCK

National BANK of Chicago

ESTABLISHED 1868

UNION STOCK YARDS

75th Anniversary Year

Member Federal Deposit Insurance Corporation

Banks Merge

Merger of the First National Bank and the First Trust and Savings Bank at Remsen, Iowa, was announced last month, when the approval of the state banking department of the consolidation became final.

The name of the new institution, its location and the personnel have not been announced. The First National Bank was organized in 1903. The present officers are Barney Bunkers, president, and W. G. Sievers, cashier. The First Trust and Savings Bank organized under the Toy National Bank interests by the late James F. Toy of Sioux City in 1887. Officers of the bank are E. H. Spiecker, president, and M. H. Niggeling, cashier.

The total deposits of the two institutions were over \$2,000,000. This will leave Remsen with two banks, the other being the Farmers Savings Bank.

Sell Bank

M. J. Grogan of Chariton and K. C. Mowery of Ottumwa have sold their stock in the Peoples State Bank at Batavia, Iowa, to W. K. Bromwell, president of the Hardin County Bank in Eldora. For the present time the bank will be under the old management.

Bank Fire

Fire of undetermined origin threatened to destroy the local building of the Story County State Bank at Roland, Iowa, when flames were seen belching from the basement windows.

The damage was mostly to the beams under the main floor, which were badly charred, and the electric wiring. It is estimated that the loss will amount to approximately \$300, which is covered by insurance.

St. Louis Meeting

K. J. McDonald, president of the Iowa Trust and Savings Bank at Estherville, Iowa, went to St. Louis, Missouri, where he attended a meeting of an American Bankers Association committee on country bank procedure, of which he is chairman.

Edward Drew, New York, deputy manager of the American Bankers Association, accompanied McDonald to Missouri and also attended the meeting of the committee.

Mr. Drew was guest speaker when bankers of Emmet, Dickinson, Palo Alto and Clay counties met for a county bankers meeting at the Gardston Hotel.

IOWA NEWS .

New Teller-Auditor

Elwood W. Compton of Des Moines has accepted a position as teller-auditor in the First State Bank at Webster City, Iowa.

He was with the Bankers Trust Company, Des Moines, where he was employed for 16 years.

Now a Major

Leonard J. Wegman, vice president and a director of the Citizens Savings Bank, Anamosa, Iowa, and the Dyersville National Bank, son of Leo J. Wegman, has recently been commissioned a major.

Since entering the service two years ago, Major Wegman attended Finance



MAJOR LEONARD J. WEGMAN

School at Fort Benjamin Harrison, Indianapolis. He was then transferred to Maxwell Field, Montgomery, Alabama, where he served a year as deputy finance officer. He was then transferred to Cochrane Field, Macon, Georgia, where he served some six months as finance officer. On July 1, 1943, he was transferred to George Field, Lawrenceville, Illinois, as finance officer, with further jurisdiction of Maxwell Field, Seymour, Indiana, and Lockbourn Field, Columbus, Ohio. During this interim he had been promoted to the rank of captain and has now just been commissioned as a major. He is at this time located at George Field, Illinois, about ten miles east of Vincennes, Indiana.

YOUR STATE BANKERS ASSOCIATION OFFICIAL SAFE, VAULT AND TIMELOCK EXPERTS

F. E. DAVENPORT & CO. OMAHA

Women Change Positions

Veronica Portz, who has been with the Crawford County Trust & Savings Bank in Denison, Iowa, for the past 14 years, has resigned her position and has gone to Omaha to enter the employ of the North Side Bank, taking a position that is considered an advantageous advancement.

Edna Stephens, who had been with the Crawford County Trust & Savings Bank since its reorganization, and with the old Crawford County State Bank for some 15 years, is at present filling the position made vacant by the resignation of Miss Portz.

Vice President Found Dead

E. A. Romack, 73, vice president of the bank at Packwood, Iowa, and a large landowner in this community, was found dead in his farm home three miles northwest of Packwood last month.

A coronor's inquest was held and it was decided that death was due to natural causes, probably during his sleep.

A Broad Background

Our substantial number of direct affiliations, our dependable transit department, and our intimate knowledge of farming and the livestock business enables us to offer unexcelled correspondent service in the Sioux City area.

Whether it is a downtown item or a livestock, grain or hay transaction, we can serve you promptly and efficiently throughout Sioux City.

A. G. Sam, President

J. P. Hainer, Vice President Fritz Fritzson, Vice Pres. and Cashier

J. T. Grant, Assistant Cashier

J. R. Graning, Assistant Cashier E. A. Johnson, Assistant Cashier

W. F. Cook, Auditor

Member Federal Deposit Insurance Corporation



New Waterloo Bank Interior



Above is pictured two views of the interior of the new **Peoples Savings Bank**, Waterloo, Iowa. At the left is a view from the entrance, looking through the lobby toward the safe deposit vault at the rear. Another lobby view on the right



looks from the rear to the entrance to the bank. George E. Allbee, president of the bank, says the institution is showing a steady and consistent increase since its opening a few weeks ago, and the officers are pleased with the results.

Tenth Birthday

The Citizens National Bank at Boone, Iowa, recently marked its tenth anniversary of service to the people of Boone county.

Since its founding in 1933, the Citizens National has enjoyed a steady growth until today it has 2,712 check-

ing accounts, 1,797 savings and time deposit customers, and 1,002 loan accounts.

Four Counties Meet

A four county meeting of the bankers of Dickinson, Emmet, Kossuth and Clay counties was held at Estherville,

Iowa, last month, attended by about 75 bank officials and employes.

J. Ed Drew, deputy manager of the American Bankers Association, addressed the group and, in reviewing the impressive war record of the banks, pointed out that in addition to financing the production of war materials, banks were providing a valuable service to the nation through the sale of War Bonds, handling ration banking, providing a banking service for military camps, and performing vital fiscal services for the armed services and government departments.

Everything Is Important!

As time is of the essence in war, so we believe promptness, accuracy and understanding to be of the essence in the handling of the business of our correspondents.

We regard everything as important. The casual inquiry for information gets the same serious attention as a transaction involving large sums.

We retain and invite new business on this basis.

SECURITY NATIONAL BANK

SIOUX CITY, IOWA

CHARLES R. GOSSETT, President B. M. WHEELOCK, Vice President ALBERT C. ECKERT, Vice President R. EARL BROWN, Cashier DANIEL B. SEVERSON, Trust Officer FRANK H. ABEL, Assistant Cashier ALVIN G. NELSON, Assistant Cashier ROBERT W. LEWIS, Assistant Cashier

Leaves Banking

Harold Ziegler, manager of the savings department at the First National Bank at Oelwein, Iowa, resigned his post to enter the public accounting field. He left the bank to become associated with M. G. Stebbins, tax consultant and accountant.

Ziegler has been employed by the local bank for 14 years. He left the University of Iowa, where he was taking a business course, to become teller. Four years ago, on the death of George Falk, he was promoted to savings department head. He is also city treasurer.

Bank officials have not announced his successor.

Twenty-five Years

Kathryn Dickkut was guest of honor at a surprise dinner party recently at the Englewood Tea Room, given by owners, employes and officials of the Central State Bank at State Center, Iowa. She completed 25 years of faithful and efficient service with the Central State Bank this year. In recogni-

· IOWA NEWS ·

tion of this, Fred B. Gilbert, in behalf of the group, presented Miss Dickkut with a jeweled wrist watch.

Dinner Meeting

Clayton county bankers and their wives, numbering fifty-five, gathered at the Masonic Temple, Strawberry Point, Iowa, for a dinner and program.

Speaker of the evening was Senator G. W. Hunt of Guttenberg, who told of his trip by air from Clayton county to Hawaii two years ago to see his son who was ill.

British Banker Speaks

How a united Britain is preparing already for postwar reconstruction was described by a noted British economist, W. J. Hinton, representative of the British Information Services in New York, New York, who came to Des Moines under the auspices of the Des Moines chapter of the American Institute of Banking.

Hinton, who is a former head of the British Institute of Banking, said emphasis is being placed on greater social equality and wider distribution of wealth.

Promotions

Announcement of the promotion of B. L. McKee to the position of executive vice president of the Muscatine Bank and Trust, Muscatine, Iowa, and of Boyd Jordan to the position of cashier, formerly held by Mr. McKee, was made following a meeting of the board of directors held recently.

William F. Siemers, Bert P. Olsen and Ed C. Rosenmund continue as the bank's three active assistant cashiers in place of the four formerly serving in this capacity. F. Warren Allen, an assistant cashier, is in active military service. Harold E. Lemkau was elected to the office of auditor. No further changes were made in the officers at the bank.

Ames Bank Personnel

C. F. Cadwell was named president of the Union Story Trust & Savings Bank, Ames, Iowa, at an election by the board of directors. He fills the position left vacant by the death of the late Frank Schleiter. George Judisch was named chairman of the board of directors, composed of A. H. Munn, W. T. Barr, Louis H. Judisch, C. G. Lee, C. F. Cadwell, C. F. Curtiss, L. W. McElyea, N. L. Nelson and Adolph Shane.

Mr. Cadwell came to Ames in 1933, after banking experience at Dunlap,

and a year later entered the service of the bank as an assistant vice president. This year he was named cashier when Mr. Schleiter was named president of the institution.

Henry Martin, who was with the bank at Gilbert as manager of that branch, after returning from the World War, served there until he came to Ames in 1933 as an assistant cashier. He now succeeds Cadwell as cashier of the institution.

Other personnel of the bank remains the same, with some additions due to the removal of Fred Klein and other shifts occasioned by the war. George Richardson, who is an assistant cashier, also serves as treasurer of the city of Ames.

Bulging

Reflecting increased incomes since this country went on a wartime basis, Cedar Rapids, Iowa, banks were bulging with a total of \$43,462,845.51 in individual time and demand deposits, according to newspaper statements.

This total represented an increase of \$12,687,257.69 over the \$30,775,587.82 in individual deposits in the same banks as of 1940.



For Promptness

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The First National Bank of Chicago

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IOWA NEWS

Bankers Meet

Fayette county bankers meeting was held at West Union recently.

Attending from American National Bank were Misses Avice L. Rowell, Evelyn Toutsch, Mesdames Alice M. Newton, Opal A. Luce and Chas. F. Eckheart and Fred P. Gernand.

County officers elected at the meeting are: John Camp, assistant cashier, First National Bank, West Union, president; Harold Ziegler, manager, savings department, First National Bank, Oelwein, vice president; Opal A. Luce, acting cashier, American National Bank, Arlington, Iowa, secretary-treasurer.

Hold Election

The annual meeting of the stockholders of the Maynard Savings Bank, Maynard, Iowa, was held at the bank re-

cently. The following directors were elected: L. D. Rowley, Otto Schmitt, A. L. Evans, E. D. Creamer, E. H. Stewart, Henry Buenneke and Gerald Warnke. Following the stockholders meeting the directors met and elected L. W. Rowley president and Otto Schmitt vice president. L. H. Buenneke was retained as cashier and Paul Harrison as assistant cashier.

Goes to Sioux City

Frederik J. Hanna, who has been assistant cashier of the Landmands National Bank in Kimballton, Iowa, for two years, has resigned his position. He will leave soon for Sioux City where he has accepted a position in a bank.

Lee County Association

In a regular meeting of the Lee County Bankers Association, held in Hotel Iowa at Keokuk, Iowa, recently, Ray Schmitt, cashier of the Citizens State Bank at Donnellson, was named president; H. T. Edwards, cashier of the Farmers Savings Bank at Wever, vice president, and Aubrey V. Allen, assistant cashier of the Keokuk Savings Bank, secretary-treasurer.

The meeting followed a dinner in the Tiffany room and all member banks of the county were represented. In addition to the election the meeting included interesting discussions of banking problems.

Buys Bank

The Gillett Grove Savings Bank was acquired by the Farmers Trust and Savings Bank of Spencer and will be operated as a branch of the Spencer institution.

L. A. Witter, president of the Spencer Bank, said that Frank N. Wood, who has been cashier at Gillett Grove the last ten years, will be manager of the branch.

The transaction ends the independent career of the Gillett Grove Bank over a period of 40 years. C. D. Barnard of Gillett Grove was president and W. C. Stewart vice president. Deposits approximated \$250,000 and the capital and surplus amounted to about \$27,000.

Banker at Dubuque Dies

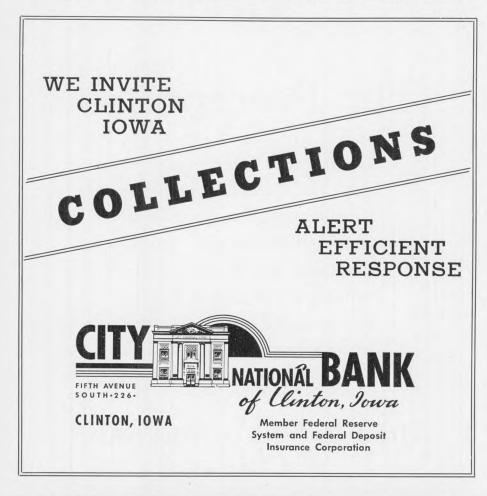
Ralph R. Blair, 60, executive vice president of the Dubuque Bank & Trust Company, and a former state bank examiner, died at his home in Dubuque, Iowa, after several months illness.

He was connected with the state banking department as an examiner from 1930 until July 1, 1935, when he became associated with the Dubuque Bank and Trust Company.

At the time of his death he was secretary of District 4, Iowa State Bankers Association.

Heads Municipal Department

Eugene W. Stetson, president of the Guaranty Trust Company of New York, has announced the appointment of Gordon Bisland Duval as second vice president in charge of the bank's municipal bond department. Mr. Duval has been associated with Halsey, Stuart & Company as assistant to the vice president in charge of municipal bond buying. He was born in Houma, Louisiana, on May 19, 1907, and was graduated from Princeton University in 1929.



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Twenty-five Years Ago

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

ELVIN A. TRAYLOR last month was elected president of the First Trust and Savings Bank of Chicago to succeed E. K. Boiset, who resigned on account of ill health. Mr. Traylor also becomes vice president of the First National Bank of Chicago and a director of both institutions.—S. T. Kiddoo, vice president of the Live Stock Exchange National Bank of Chicago, has been elected president. Mr. Kiddoo was formerly president of the South Dakota Bankers Association.-Frederick W. Gehle, editor of the Mechanic & Metals National Bank Journal of New York City, published letters in the October issue from former emploves of the bank now in service in France.-Le Roy A. Goddard, president of the State Bank of Chicago, has been elected chairman of the executive council of the Illinois Bankers Association, succeeding Nelson N. Lampert, deceased.—George F. Emery, cashier of the Live Stock Exchange National Bank, was elected to membership in the council.—John Fletcher, vice president of the Ft. Dearborn National Bank of Chicago, sees nothing but prosperity ahead for the live stock industry during the next five years.-R. W. Hawes, first vice president of the A.B.A., has been made treasurer of the United War Work Campaign in Missouri and chairman of the War Camp Community Service in St. Louis.-Hanford MacNider, son of Charles H. McNider, president of the First National Bank of Mason City, Iowa, has been commissioned a Major in the 9th Infantry for gallantry in action in the Battle of Chateau Thierry. -John R. Washburn of the Continental and Commercial National Bank has been recuperating at Excelsior Springs.-H. H. Cheyney, president of the Mills County National Bank of Glenwood, Iowa, announces that they

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All makes, all sizes, 100 per cent reconditioned. Complete with customer boxes, guard key and customers' keys. If you need safe deposit boxes check your needs with us. Over 6,000 boxes to choose from. We have sold boxes to banks in nearly one-third of the states in the entire country and we will gladly give you the names of these banks as references. Phone, wire or write J. E. Murphey, 1800 Dyer, St. Louis County, Missouri. Phone CHestnut 9000.

have recently moved into their magnificent new banking home.—J. B. McDougal, cashier of the Central State Bank of Des Moines, has entered the Marine Officers Training Camp at Paris Island, South Carolina.—C. J. Wohlenberg, cashier of the Holstein Savings Bank reports total resources

of his bank of \$1,400,000.—The directors of the Cedar Rapids National Bank gave a dinner in honor of **J. H.**Ingwersen of Clinton, one of the bank's directors who recently assumed his duties as vice president of the First National Bank of Duluth, Minnesota.—The largest bank in Henry County is the Farmers and Merchants Savings Bank of Mt. Pleasant, Iowa, which has deposits of \$800,000, according to **H. C. Weir,** president.—**Grant McPherrin,** vice president of the Central State Bank of Des Moines, was elected president of the Des Moines

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IOWA NEWS

Banker's Club.-George M. Reynolds, president of the Continental and Commercial National Bank of Chicago. spoke on the "Passing Procession of Events" before the Nebraska Bankers Association annual meeting in Omaha. -Deposits of Omaha banks on November 1, 1918, were as follows: Omaha National, \$23,479,190; U. S. National, \$17,736,693: First National, \$14,988,674: Merchants National, \$11,564,938; Stock Yards National, \$11,171,105; Live Stock National, \$8,638,057; Nebraska National, \$2,964,891; Packers National, \$3,656,415.—F. C. Holbert, president, and J. K. Friedebach, assistant cashier, of the First National Bank, Plainview, Nebraska, have purchased the controlling interest in the Farmers State Bank of Brunswick, Nebraska. Judge J. R. Hanna has been elected president of the Nebraska State Bank. Grand Island, Nebraska.—R. S. Rising. president of the National Bank of Ainsworth, Nebraska, has sold his interests to George D. Clisbe and T. E. Ritter of Ainsworth and C. W. Bish of Weeping Water .- A. O. Netland, president of the State Bank of Northfield, Minnesota, had deposits of \$570,-

298 on October 19, 1918.—P. H. Simons has been elected cashier of the Farmers and Merchants State Bank of Henderson, Minnesota.-The word "German" has entirely disappeared from Minnesota banks. - E. A. Hinsch, former paying teller of the National Bank of Commerce, St. Paul, has been elected assistant cashier of the bank. F. C. Smith, president of the Farmers State Bank of Platte, South Dakota, had deposits in his bank on November 1, 1918, of \$744,670.—The Sioux Falls National Bank has issued a souvenir booklet giving a comprehensive review of the growth of the city.—The large new brick building of the Security Bank, Winner, South Dakota, is nearing completion and will be ready for occupancy about January 1, 1919.—The First State Bank, Kildeer, North Dakota, has increased its capital stock from \$10,000 to \$25,000, according to Gunder Olson, president. R. E. Trousdale, president of the First National Bank of Mott, North Dakota, reports deposits of \$566,519.

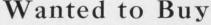
Christmas Checks

The First National Bank in St. Louis mailed checks totaling \$528,467 to 8,877 members of its 1943 Christmas Savings Club. This was a larger amount than last year, but the number of members was smaller. A large proportion of these funds now goes into War Savings Bonds.

Wood Netherland Dies

Wood Netherland, widely known banker and a vice president of the Mercantile-Commerce Bank and Trust Company, St. Louis, died at his home in St. Louis of a heart attack early last month. Mr. Netherland was 54 year old and, while he had been in ill health for some months, his death was unexpected.

He was president of the Bank of Mulberry, Arkansas, and cashier of the First National Bank of Fort Smith before coming to St. Louis in 1928 as

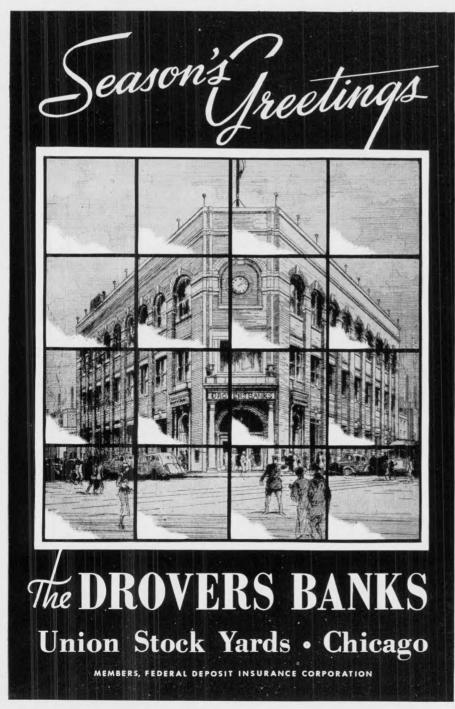


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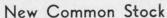
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vice president and treasurer of the Federal Intermediate Credit Bank and the Federal Land Bank. A year later he became president of both institutions.

In 1934 he became a vice president of Mercantile-Commerce and, during the same year, was appointed liaison officer in Missouri to act in promoting cooperation with the FHA. Last October he was elected president of the



Stockholders of American National Bank and Trust Company of Chicago, in a special meeting held last month, approved the issuance of 5,000 new shares of common stock to be offered to the holders of the present common stock for subscription at par of \$100 on the basis of one new share for each two shares held. It is contemplated by the bank's board of directors to issue near the end of the year an additional 5,000 new shares of common stock by means of a 50 per cent stock dividend on the 10,000 shares of common stock outstanding prior to the issuance of the purchase rights.

At the time of calling for the special



WOOD NETHERLAND

state bank division of the American Bankers Association, having previously served as vice chairman of the ABA committee on Federal legislation.

Burlington Director

H. M. Bushnell, president, United States National Bank, Omaha, was elected director of the Chicago, Burlington & Quincy Railroad Company, at a recent stockholders' meeting in Chicago.

The Burlington's board of nine directors is composed entirely of residents of the territory served by the railroad. Six are Chicagoans, R. Douglas Stuart, Wallace C. Winter, C. I. Sturgis, Ralph Budd, Edward Flynn and J. C. James; two are in St. Paul, C. E. Denny and F. J. Gavin, and Mr. Bushnell in Omaha. The Burlington has more mileage than in any other state.

Mr. Bushnell was born at Lincoln, Nebraska, in 1893, attended the public schools there and graduated from the University of Nebraska college of law. He entered the service of the United States National Bank of Omaha in 1919.

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stockholders' meeting, Lawrence F. Stern, president of the American National Bank, also announced that it is the intention of the board of directors to increase the bank's surplus fund from \$2,500,000 to \$3,000,000.

It is expected that the dividend to be declared in January, 1944, on the 20,000 shares of common stock then to be outstanding will be at the rate of \$6 per year. The rate on the 10,000 shares heretofore outstanding has been \$8 during the past three years.

Leads in Group Gains

A gain of \$3,643,396 in total assets was registered by the Twin City Federal Savings and Loan Association of Minneapolis and St. Paul for the first six months of 1943, according to Morton Bodfish, executive vice president of the United States Savings and Loan League.

This gain is the largest shown by any member of this group. With total resources now over \$25,000,000, the Twin City Federal Savings and Loan Association is the fourth largest Federal savings and loan association in the United States.

Announces Promotions

Jay Weil, president of Douglas-Guardian Warehouse Corporation, announces the election of Stanley D. Hart, New York office, and Dan B. MacDuff, Philadelphia office, as vice presidents of the corporation.

Both men have been with the company for a long period of time and are highly esteemed by the clients and receipt holders of Douglas-Guardian.

Mr. Hart will remain in charge of the New York and New England districts and Mr. MacDuff will continue to supervise the company's operations in the Tri-States and Pennsylvania.

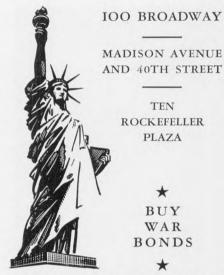
Substantial Gain

Total assets of over \$4,000,000 are shown in a recent statement of the Des Moines Building-Loan and Savings Association. This is a substantial gain over the association's midyear statement which, incidentally, was its 55th semi-annual statement. At that time the association, since organization, had paid out \$1,796,094 in dividends.

The present officers and directors in-

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clude Elmer E. Miller, president and secretary; Hubert E. James, assistant secretary; A. H. Minnis, chairman of board and vice president; E. S. Tesdell, counsel, and C. F. Townsend and C. L. Minnis, directors.

Stock Dividend

At a recent meeting of the board of directors of the Continental Illinois National Bank and Trust Company of Chicago, a special meeting of the shareholders of the bank was called for December 17, 1943, for the purpose of acting on a resolution increasing the capital of the bank from \$50,000,000 to \$60,000,000 by the declaration of a stock dividend of 20 per cent of the present capital. Each shareholder would receive one additional share of stock for each five shares held.

When cash dividends are hereafter declared, they will be payable on the increased stock, and it is contemplated that the present rate of dividend per share will be continued. The bank has been paying semi-annual dividends of \$2 a share.

It is contemplated, also, to increase the surplus account from \$50,000,000 to \$60,000,000, so that if the capital is increased, there will be \$60,000,000 of capital stock and \$60,000,000 of surplus.

The increases would be effected by transfers from undivided profits. A two-thirds vote is necessary to increase the bank's capital and, after authorization of the proposed increase, there would be 1,800,000 shares outstanding, compared with 1,500,000 shares at present. Par value of the stock is \$33 1/3 per share.

Additional Award

Lt. Col. A. V. Stallard, officer in charge of the Twin Cities Regional Office, Chicago Ordnance District, announces that the Minneapolis-Moline Power Implement Company has been awarded the United States Army Ordnance Banner for meritorious production.

This banner was awarded to the Automotive Plant, Minneapolis, Min-

nesota, and the Power Machinery Plant of Hopkins, Minnesota. The awards, including about 6,000 individual awards, were made last month by Col. John Slezak, deputy district chief of the Chicago Ordnance District. Presentation ceremonies were held at the Minneapolis plant in the forenoon and at the Hopkins plant in the afternoon.

The Army Ordnance Banner was awarded the Minneapolis-Moline plants for meeting schedules beyond the call of duty. The company is producing many items of Ordnance, some on a prime contract basis and many on a sub-contract basis. The wide variety and volume of production through the

use of available equipment has been a substantial contribution to the war effort. The Ordnance Department recognizes the skill of the management and of the men and women of Minneapolis-Moline Power Implement Company in the rebuilding of old machine tools and yet hold the close tolerances as specified for Ordnance material. The substitution for critical materials and the introduction of ingenious machining methods are especially noteworthy and played an important part in making this award. The safety record of the company is commendable as evidenced by the display of the Governor's Safety Award Banner in the plants.

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Charlie: Well, my gosh! I have to be at work by 7.

Lost?

The teacher was telling his class about the conquests of Alexander the Great.

"When Alexander had conquered India," he said, "what do you think he did? Do you think he gave a great feast to celebrate his triumph? No; he sat down and wept."

The children seemed a little disappointed at this childish exhibition on the part of the hero, so the teacher continued: "Now, why do you think Alexander wept?"

Up went a little hand.

"Well, Tommy?" said the teacher.

"Please, sir," said Tommy, hesitatingly, "perhaps he didn't know the way back."

Hardly One

CQ: "Two privates are asking for overnight passes. They say they are pals of the 1st sergeant."

Adjutant: "Nuts—no 1st sergeant ever had two friends."

Shades of Difference

The captain of a sailing vessel was questioning a new hand regarding his knowledge of ships and the sea. After repeatedly receiving wrong answers, he asked, in exasperation:

"Hang it all, man, tell me this: Where is the mizzen mast?"

"I don't know. How long has it been mizzen?"

Fine!

Mrs. Jones (kindly): "Hello, dear, how's the pain in the neck?"

Mrs. Green: "He's out playing golf."

Ingenious

Uncle Henry says: "When a woman's toe sticks out of her shoes she's fashionable. When a man's does, he's a bum!"

New Rank

Proud Mother: "They promoted my son Jerry for hitting the sergeant. They made him a Court Martial."

Northwestern Banker December 1943



Too Much

Private Doaks wanted to slip out of the barracks, unofficially, to see his girl. He went to the sentry to state his case.

"Well," said the sentry, "I'll be off duty when you come back, so you ought to have the password for tonight. It is 'Idiosyncrasy.'"

"Idio what?"

"Idiosyncrasy."

"I'll stay in the barracks."

Sure Cure

First Aid Instructor: "What is the first thing to do in case of a head wound?"

Pupil: "Put a tourniquet around the neck."

Poor Shot

Two Frenchmen had a quarrel and, after pouring abuse on one another, decided that the only way to settle the difficulty was to fight a duel. But after thinking it over one of them protested. He objected that both of them might be killed. Finally they agreed to toss for it, the loser to go behind a tree and shoot himself. So they tossed a coin and the loser departed, pistol in hand. There was a loud report and the winner of the toss rushed to the tree.

"Great Christopher!" gasped the enemy, "I've missed myself!"

No Handicap

Two Irishmen arranged to fight a duel with pistols. One of them was distinctly stout, and when he saw his lean adversary facing him he raised an objection.

"Bedad!" he said, "I'm twice as big a target as he is, so I ought to stand twice as far away from him as he is from me."

"Be aisy now," replied the second. "I'll soon put that right."

Taking a piece of chalk from his pocket the second drew two lines down the stout man's coat, leaving a space between them.

"Now," he said to the adversary, "fire

away, ye spalpeen, and remember that any hits outside that chalk line don't count!"

Let's See

"Will the scar show, Doctor?"
"It's entirely up to you."

Some Mistake

Hilda (learning to drive): That little mirror up there isn't set right.

Tillie: Why?

Hilda: I can't see anything but the car behind.

One Less

Guide: We are now passing the largest brewery in the world.

Soldier: I'm not.

Why Not?

"You have a wonderful form."
"Must we go over that again?"

The Difference

General MacArthur has, it seems, his lighter moments. One of his favorite yarns is that of a child who asked his father the difference between a Garand repeating rifle, and an ordinary gun. "Well, it's like this," replied the Dad. "It's just as if I spoke, and then your mother spoke."

Enough Room

Did you hear about the man from the Bronx who was wandering in the Libyan desert dressed in a bathing suit? He finally ran into an Arab, who blinked in amazement. "Why the bathing suit?" he asked.

"I am going to take a swim in the ocean," said the Bronxite.

"Swim in the ocean? Why the water's 800 miles from here."

The Bronx gent whistled in awe. "800 miles? Say, is this a beach!"

Wrong House

1st Commuter: You should be more careful and pull your shades down. Last night I saw you kissing your wife.

2nd Same: Joke's on you—I wasn't home last night.

They Don't Mind

Visitor: How do you tell the ganders from the geese?

Farmer: Oh, we never worry about that—just turn them all out together and let them figure it out for themselves.



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