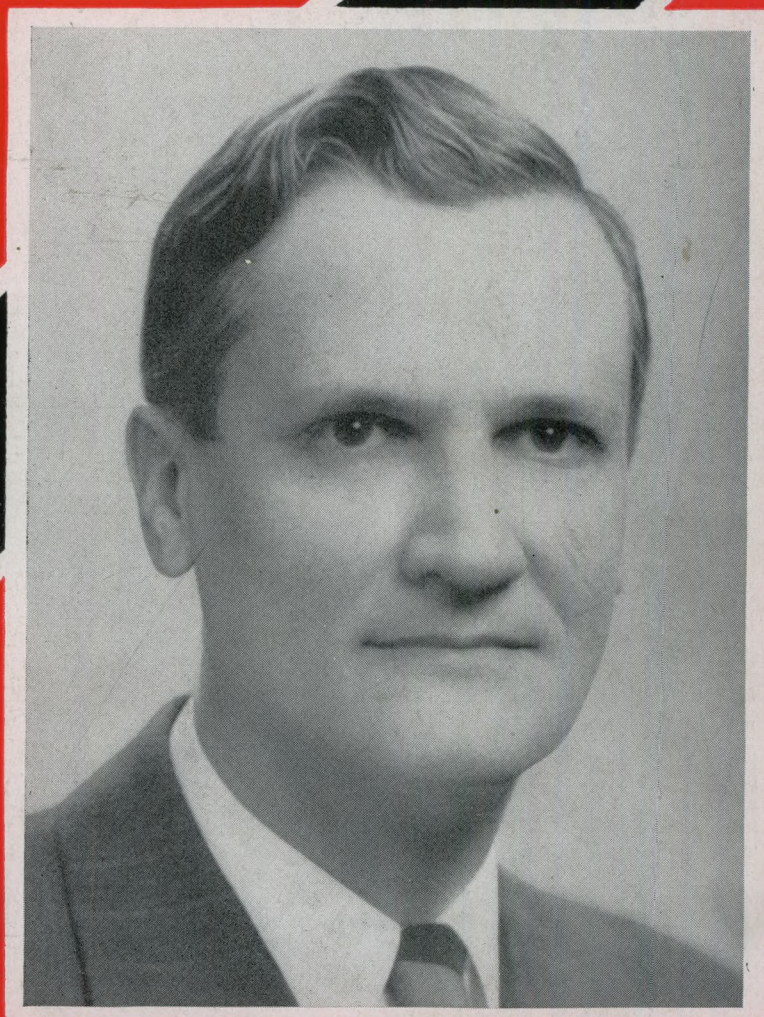


NORTHWESTERN *Banker*

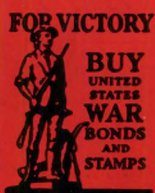
JANUARY
1945

OUR 50th YEAR



J. F. PETERS

Newly appointed Director of Banking for Nebraska. See Page 57.



BANKING OUTLOOK FOR 1945

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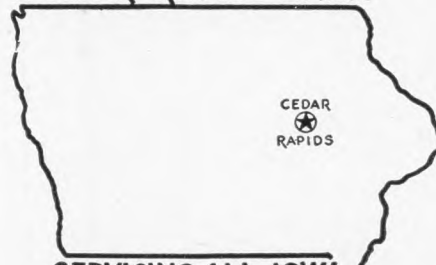


As We Enter 1945

Modern equipment, experienced personnel and a sincere desire to render efficient service, insure the very best of correspondent service at the Merchants National Bank.

As we enter 1945 we extend a cordial invitation to all who can make use of the friendly cooperation at this 64-year old bank.

A CEDAR RAPIDS BANK



SERVICING ALL IOWA

THE MERCHANTS NATIONAL BANK OFFICERS

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

Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation





The Value of PRECAUTION!

Every person with a grain of common sense knows that an automobile can't argue the right of way with a locomotive. Yet, despite safety gates, warning bells and watchmen, there are many serious accidents each year due to the collision of motor vehicles and trains. » » No one can estimate what this tragic toll would figure did the railroads of America not take every precaution to safeguard grade crossings. » » Nor is it possible to compute the number of raised and altered checks—were

there no such thing as safety paper. » » For the "check artist" is still with us. And bankers everywhere will tell you that, lacking this highly effective means of curbing his activities, their problems would be vastly multiplied—and public acceptance of checks as money jeopardized. That is why so many of America's leading banks and business organizations specify "LaMonte"—Standard of Safety in check protection for nearly three quarters of a century.

For samples of LaMonte Safety Paper see your Lithographer or Printer—or write us direct.

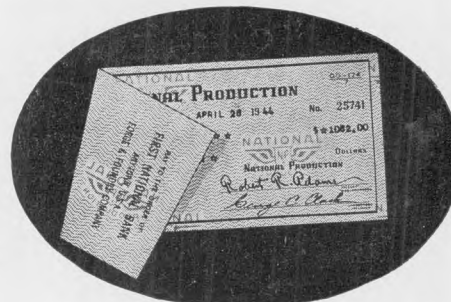
LA MONTE
GEORGE LA MONTE & SON

Safety PAPER
NUTLEY, NEW JERSEY



The Wavy Lines are a LaMonte Trade Mark

We supply many banks and business organizations with their own INDIVIDUALLY IDENTIFIED Safety Paper. The issuing organization's Trade-Mark is in the paper itself and appears on both the front and back of the check. Such INDIVIDUALIZED paper provides maximum protection against counterfeiting—saves Banks sorting time—helps prevent errors.



OUR 50th YEAR

Northwestern Banker January 1945

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

STATEMENT OF CONDITION, DECEMBER 30, 1944

RESOURCES

Cash and Due from Banks	\$ 900,689,410.72
U. S. Government Obligations, direct and fully guaranteed	2,899,834,061.16
State and Municipal Securities	108,605,889.49
Other Securities	135,574,896.74
Loans, Discounts and Bankers' Acceptances	1,041,046,484.23
Accrued Interest Receivable	11,470,847.95
Mortgages	6,566,439.66
Customers' Acceptance Liability	6,656,246.61
Stock of Federal Reserve Bank	7,050,000.00
Banking Houses	34,941,796.76
Other Real Estate	3,983,963.07
Other Assets	3,583,919.27
	<u>\$5,160,003,955.66</u>

LIABILITIES

Capital Funds:	
Capital Stock	\$111,000,000.00
Surplus	124,000,000.00
Undivided Profits	49,800,385.68
	\$ 284,800,385.68
Dividend Payable February 1, 1945	5,180,000.00
Reserve for Contingencies	11,338,137.44
Reserve for Taxes, Interest, etc.	11,240,827.64
Deposits	4,835,219,257.93
Acceptances Outstanding	\$ 11,563,912.27
Less Amount in Portfolio	4,315,828.12
	7,248,084.15
Liability as Endorser on Acceptances and Foreign Bills	124,332.72
Other Liabilities	4,852,930.10
	<u>\$5,160,003,955.66</u>

United States Government and other securities carried at \$1,265,557,440.00 are pledged to secure U. S. Government War Loan Deposits of \$1,094,886,463.41 and other public funds and trust deposits, and for other purposes as required or permitted by law.

Member Federal Deposit Insurance Corporation

FIELD WAREHOUSING

THE

MODERN METHOD OF INVENTORY FINANCING

Some of your present customers . . . as well as others whose business you would like to have . . . may find their working capital insufficient for their needs.

Many have inventories that offer sound opportunities to you for Warehouse Receipts Loans. Our Field Warehousing Service enables you to make those loans against inventories stored right on the borrower's own premises.

Warehouse Receipts make it possible for you to lend in excess of open-line credit limits, safely and profitably.

We are specialists in Field Warehousing. Our experience is long . . . our responsibility recognized.

Without obligation, our representative will call on request and explain how our Field Warehousing service provides collateral on inventories on the owner's location . . .

St. Paul Terminal Warehouse Co.

ST. PAUL, MINN.

— Iowa Office —

515 Iowa-Des Moines National Bank Building
DES MOINES
TELEPHONE 2-1203

T. C. CANNON, DISTRICT MANAGER

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MINNEAPOLIS	MILWAUKEE	INDIANAPOLIS
DETROIT	CHICAGO	NEW YORK
PHILADELPHIA	PITTSBURGH	SYRACUSE
MEMPHIS	ATLANTA	CHARLOTTE
		ALBANY, GA.

"The only company engaged in Field Warehousing with an office in Iowa"

IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK

Statement of Condition, December 31, 1944

ASSETS

Cash and Due from Banks	\$212,081,108.37
U. S. Government Securities	747,793,042.01
Other Securities	5,913,418.41
Stock in Federal Reserve Bank	3,088,100.00
Loans and Discounts	267,469,809.96
First Mortgages on Real Estate	5,731,743.45
Headquarters Building	15,516,800.00
Other Real Estate	47,777.65
Liability of Customers for Acceptances	1,216,724.78
Other Assets	3,730,840.83
	<u>\$1,262,589,365.46</u>

LIABILITIES

Deposits	\$1,138,426,116.70	
Official Checks	2,615,095.97	\$1,141,041,212.67
Acceptances	\$4,081,078.30	
Less Amount in Portfolio	2,518,566.50	1,562,511.80
Reserve for Taxes and Other Expenses		4,142,482.79
Dividend payable January 2, 1945		1,250,000.00
Other Liabilities		6,289,830.21
Capital Stock	\$50,000,000.00	
Surplus and Undivided Profits	58,303,327.99	108,303,327.99
		<u>\$1,262,589,365.46</u>

United States Government Securities are stated at amortized cost. Of these, \$302,175,003.00 are pledged to secure deposits of public monies and for other purposes required by law.

Member Federal Deposit Insurance Corporation

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For this service, our thanks

As a rule, wounded men talk very little. They've learned to "take it." Many live in a secret, silent world of pain—but they *know*. They know and are grateful. They remember the horrors of that last battle . . . They remember the Red Cross worker bending over them . . . the plasma . . .

Then, the hospital, with all their precious lives before them . . . Their gratitude for the innumerable small, but vitally important comforts brought to them by Red Cross Nurse's Aids and Gray Ladies is expressed by eyes grown bright—or a simple "thanks."

Only a few of us can actively serve the

Red Cross in the far-flung battle areas, but there is something we can *all* do no matter where we are. We can humbly share our blood . . . We can divide our time . . . We can give our money . . . We *can* and *must* help.

Make an appointment at your nearest blood donor center today . . . Join the hosts of Americans on the home front who are helping to make the Red Cross contribution in World War II the greatest mass effort of mercy the world has ever known . . . We must all deserve that "thanks" of our fighting men who have given so much for us.



This is the tenth of a series of advertisements dedicated to the American Red Cross by

THE HOME INSURANCE COMPANY, NEW YORK

FIRE . AUTOMOBILE . MARINE

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, December 30, 1944

RESOURCES

Cash and Due from Banks.....	\$ 502,196,051.50
United States Government Obligations, Direct and Fully Guaranteed.....	1,638,809,259.06
Other Bonds and Securities.....	55,938,824.93
Loans and Discounts.....	401,391,526.48
Stock in Federal Reserve Bank.....	3,600,000.00
Customers' Liability on Acceptances.....	743,038.28
Income Accrued but Not Collected.....	6,042,339.50
Banking House.....	11,100,000.00
	<u>\$2,619,821,039.75</u>

LIABILITIES

Deposits.....	\$2,447,740,085.79
Acceptances.....	765,474.98
Reserve for Taxes, Interest and Expenses.....	13,488,484.35
Reserve for Contingencies.....	18,109,934.35
Income Collected but Not Earned.....	247,880.55
Capital Stock.....	60,000,000.00
Surplus.....	60,000,000.00
Undivided Profits.....	19,469,179.73
	<u>\$2,619,821,039.75</u>

United States Government obligations and other securities carried at
\$671,480,074.87 are pledged to secure public and trust deposits and for
other purposes as required or permitted by law

Member Federal Deposit Insurance Corporation

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Corporation*

HENRY C. VON ELM
Vice-Chairman of the Board

ALBERT N. WILLIAMS
*President, Western Union
Telegraph Company*

MANUFACTURERS TRUST COMPANY

Condensed Statement of Condition as at close of business December 31, 1944

RESOURCES

Cash and Due from Banks	\$ 445,668,127.31
U. S. Government Securities	1,205,104,025.83
U. S. Government Insured F. H. A.	
Mortgages	5,142,007.22
State and Municipal Bonds	19,941,305.85
Stock of Federal Reserve Bank	2,220,300.00
Other Securities	21,606,252.39
Loans, Bills Purchased and Bankers'	
Acceptances	367,338,388.54
Mortgages	13,304,092.86
Banking Houses	11,771,030.67
Other Real Estate Equities	633,361.99
Customers' Liability for Acceptances	2,954,175.03
Accrued Interest and Other Resources	4,615,019.49
	<u>\$2,100,298,087.18</u>

LIABILITIES

Preferred Stock	\$ 8,009,920.00
Common Stock	32,998,440.00
Surplus	33,000,000.00
Undivided Profits	19,604,009.64
	<u>93,612,369.64</u>
Reserves for Contingencies, Taxes, Unearned Discount, etc.	10,598,757.96
Dividend on Common Stock (Payable Jan. 2, 1945)	824,959.50
Dividend on Preferred Stock (Payable Jan. 15, 1945)	200,248.00
Outstanding Acceptances	3,438,845.06
Liability as Endorser on Acceptances and Foreign Bills	240,764.82
Deposits	1,991,382,142.20
	<u>\$2,100,298,087.18</u>

*United States Government securities carried at \$330,979,384.29 are pledged to
secure U. S. Government War Loan Deposits of \$300,866,523.95 and other public
funds and trust deposits, and for other purposes as required or permitted by law.*

Principal Office: 55 Broad Street, New York City

68 BANKING OFFICES IN GREATER NEW YORK

European Representative Office: 1, Cornhill, London, E. C. 3

Member Federal Reserve System

Member New York Clearing House Association

Member Federal Deposit Insurance Corporation

*Preferred shares, all of which are held by institutions and other investors, have a par value of \$20 and are
convertible into and have a preference over the Common to the extent of \$50 per share and accrued dividends.*

Bank of America

NATIONAL TRUST AND SAVINGS ASSOCIATION

CALIFORNIA'S STATEWIDE BANK

Condensed Statement of Condition December 30, 1944

RESOURCES

Cash in Vault and in	
Federal Reserve Bank	\$ 568,173,476.83
Due from Banks	341,278,076.67
TOTAL CASH	\$ 909,451,553.50
Securities of the United States Government and	
Federal Agencies	2,422,250,219.16
State, County, and Municipal Bonds	253,777,778.18
Other Bonds and Securities	59,926,366.64
Stock in Federal Reserve Bank	4,110,000.00
Loans and Discounts	894,436,930.52
Accrued Interest and Accounts Receivable	11,472,717.33
Bank Premises, Furniture, Fixtures, and Safe	
Deposit Vaults	24,994,255.65
Other Real Estate Owned	559,537.69
Customers' Liability on Account of Letters of Credit,	
Acceptances, and Endorsed Bills	17,816,420.29
Other Resources	328,353.72
TOTAL RESOURCES	\$ 4,599,124,132.68

LIABILITIES

Capital:	
Common (4,800,000 Shares)	\$ 60,000,000.00
Preferred (404,278 Shares)*	8,085,560.00
Surplus	107,000,000.00
Undivided Profits	33,779,200.87
Reserve for Increase of Common	
Capital	3,914,440.00
Other Reserves	6,381,177.62
Preferred Stock Retirement Fund	162,053.65
TOTAL CAPITAL FUNDS	\$ 219,322,432.14
Reserve for Bad Debts	9,068,878.35
Demand	\$2,732,589,013.83
Deposits	
Savings and Time	1,607,950,674.25
Liability for Letters of Credit and as Acceptor,	
Endorser, or Maker on Acceptances and	
Foreign Bills	18,536,262.82
Reserve for Interest Received in Advance	3,426,918.56
Reserve for Interest, Taxes, etc.	8,229,952.73
TOTAL LIABILITIES	\$ 4,599,124,132.68

* Issued at \$50 (\$20 Capital—\$30 Surplus), Annual Dividend \$2. Preferred to extent of and retirable at issue price and accrued dividends.

This statement includes the figures of the London, England, banking office.

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



Branches throughout California united for
strength and service





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

"Watched With Appreciation"

"I have watched with appreciation the splendid manner in which our Milwaukee Road advertisements were handled in NORTHWESTERN BANKER.

"With the conclusion of our 1944 schedule I feel that an expression of thanks for the good positioning as well as a word of praise for the uniformly fine printing are in order.

"We anticipate a continuation of our pleasant relations in 1945."

J. V. GILMOUR, Vice President, Roche, Williams & Cleary, Inc., 135 South La-Salle Street, Chicago 3, Illinois.

"Beat His Brains Out"

Editor's Note: The following letter was received from 1st Lieutenant Norman A. Miller, formerly of the NORTHWESTERN BANKER, who is now fighting in Germany and who recently received the bronze star medal for bravery in action.

"I went through my first civilian air raid last night and let me tell you it's a weird feeling in a large city to hear the moan of that siren and know you are the target.

"We are the only Americans here as my outfit was the only one on the break through with the French tanks. We dashed clear through miles of defenses still under construction on the other side of the mountains, and with P-47's tearing up retreating columns we dashed with the French clear to the Rhine. Boy, it's exciting to know you're the first one in one of the largest and most important Nazi towns but it is more exciting than I care for at times.

"We have 50,000 Germans cut off behind us now and we have taken about 6,000 here in the city as prisoners. I haven't seen much of the city as we only clean out a few blocks each day.

"I was in on the capture of the first 400. Their major wanted to surrender to the Americans only if they could go to the States and they wanted to pick the states so we gave them their choice.

"Boy, I'm glad every time we can get 300 or 400 off the streets. The French sure don't fool with them. We were fighting down one street, house by house, and French tankers were fighting down the next. All

(Turn to page 55, please)

OUR 50th YEAR

NORTHWESTERN Banker

DES MOINES

FIFTIETH YEAR

NUMBER 690

Oldest Financial Journal West of the Mississippi River

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NORTHWESTERN BANKER, 527 Seventh St., Des Moines 9, Iowa, Telephone 4-8163

CLIFFORD DE PUY, Publisher

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Associate Publisher

HENRY H. HAYNES
Editor

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Advertising Assistant

MARGUERITE BROWN
Office Supervisor

SADIE E. WAY
Circulation Department

NEW YORK OFFICE

Frank P. Syms, Vice President, 505 Fifth Ave., Suite 1806 Telephone MUrray Hill 2-0326

Northwestern Banker January 1945



Across the Desk

and enterprise, must adopt some form of the capitalistic system and use the hope of reward as the fundamental philosophy of its government if it is to permanently achieve greatness.

That we have always had pessimists is indicated by the statement of just three great men of history. The great English Prime Minister William Pitt in 1800 said: "There is scarcely anything around us but ruin and despair." The brilliant Disraeli in 1849 said: "In industry, commerce and agriculture, there is no hope." On the day of his death in 1851, the Iron Duke of Wellington lamented: "I thank God that I am spared the consummation of the ruin that is gathering around us."

Perhaps to some of those in this country, as well as other parts of the world, these statements seem exceedingly true now, but no one ever solved a problem by committing suicide but only by facing facts and trying to find a solution for them.

National socialism is not the answer to the troubles of the capitalistic system, as you have pointed out, Mr. Flynn, but it is our belief that it must be some form of an incentive system—call it what you will—if this nation and other nations of the world are to serve their own peoples and go forward to benefit all mankind.

"As We Go Marching," let us make every effort to be marching towards the goals which mean the "preservation of our essential political liberty."

Dear John T. Flynn:

Your book, "**As We Go Marching**," should be read by every American, because in it you discuss the destructive elements in American life which parallel the same Fascist destroying developments in Italy and Germany.

You ask, Mr. Flynn, "**If national socialism is not the answer to the troubles of the capitalist system—then what is? The question is a fair one. My own answer is that as between the troubles of the capitalist system and national socialism I will take the present system no matter how great and difficult its troubles. Anything rather than the degenerate, the degrading forms of existence which Fascism requires.**"

With this statement, we quite agree, but we cannot deny the fact that with a socialistic labor government in control, such as we have today, that "some intelligent and rational solution must be found to our present problems or the fraudulent messiahs will have their way."

We must fight on, Mr. Flynn, for the proper solution to our economic problems.

If the United States goes down in defeat from within, it will be the fault of all of us. Therefore, we must continue our efforts for good government and intelligent representation in the Halls of Congress.

We, too, Mr. Flynn, believe that we should look on the brighter side of our present problems, no matter how dark and black they seem at times.

We believe that every country in the world, if it is to rise to its greatest height of development

Dear Fred L. Crawford:

As a member of the House Banking and Currency Committee, we were interested in your recent statement, in which you first praised the banks for their help in financing the war and then criticized them for not taking care of the credit requirements of their customers.

In one place you said, "**When the financial history of this war period shall have been written, one of the brightest pages will carry the story of the faithful manner in which the commercial banks of the United States responded to the war needs of the Treasury**," and in another place you said, "**Banks are miserably failing in meeting the credit requirements of our people.**"

"It is my frank opinion that the banking fraternity has long overlooked vast opportunities, and that it is now high time aggressive leaders in the industry take the initiative and design credit creating machinery which can meet the terms of

From the Publisher

Government loans, and thus make it unnecessary for individuals to deal with Government agencies insofar as the obtaining of credit is concerned. Either that, or let bankers prepare for real Government competition."

We do not quite understand what you mean, Mr. Crawford, when you say, "Design credit creating machinery which can meet the terms of Government loans."

As far as we know, every legitimate demand for funds is being met by the banks throughout the nation. Just recently state-wide bank credit groups have been established to help in the post-war financing of small business.

Also, when you consider the "terms of Government loans," you must remember that banks have to meet the low Government interest rates and still show a profit if they expect to stay in business, although Government agencies have no such a worry because their operations are financed out of the Treasury.

In a recent survey made by the American Bankers Association, it indicated that banks of the country had made 24,000,000 loans and that the average new loan was \$1,700 and we hardly think, Representative Crawford, that with such a record you can honestly say that banks are "failing miserably to provide credit to their customers."

Thanks for your bouquets, but we think your brickbats were unnecessary and unwarranted!

Dear Pope Pius:

Your recent "message to the world," offering a program to secure Peace and prevent social revolutions was most excellent, but will it be followed?

Your plan for a **Society of Nations**, in which all states should have equal rights to abolish aggression under the slogan, "**War Against War**," reminds us of Woodrow Wilson's famous statement that World War I was being fought, "**To make the world safe for Democracy**."

Whether your program will have any better success than Woodrow Wilson's remains to be seen, but certainly something besides the rule of political gangsters must rise to the surface in the liberated countries if we are to have any kind of sound leadership for the masses of Europe, because, as you say, "**the masses are an easy plaything in the hands of anyone who exploits their instincts and impressions, ready to**

follow in turn, today this flag, tomorrow another."

The reports from Europe indicate that the working classes are definitely leaning to the left, and how much revolution there will be in the various countries before some form of sound leadership with a stable government emerges, remains only to be seen, but a "War Against War" cannot succeed until stabilized governments are established throughout the continent.

Dear Marriner S. Eccles:

In a recent speech, you said, "**A high level of consumer's expenditures is the basic requirement for postwar prosperity**," and with this we agree, but if a high level of national income is to be maintained through "**public works or benefits, financed out of the national treasury**" as you also mention, then we are again trying to create prosperity through spending. This program is all right on an emergency basis but certainly not as a permanent program.

Dear Northwestern Banker Readers:

With this issue of THE NORTHWESTERN BANKER we begin our 50th year of service to banks and bankers.

The world of banking and finance in the last half century has had many ups and downs; has participated in two world wars, and will soon be helping to carry out the postwar problems which will be facing the United States. Through this half century THE NORTHWESTERN BANKER has endeavored to conscientiously and faithfully record from month to month the kaleidoscopic changes in the banking picture.

We hope that we may continue to have this same opportunity for many years to come.

The June issue of THE NORTHWESTERN BANKER for 1945 will be devoted especially to our 50th Anniversary and we will have more to say on this important event at that time. But now may we express our sincere appreciation to all our friends who have made our pathway so pleasant, so exciting and so interesting as we have gone along.

That 1945 may be a **Victorious** year is also our sincere wish.

Clifford DePuy

Central

National Bank and Trust Company

On Fifth Avenue — Between Walnut and Locust — Des Moines

STATEMENT OF CONDITION ★ DECEMBER 30, 1944

ASSETS

Cash and Due from Federal Reserve and other banks.....	\$19,170,563.76
United States Government Securities....	27,484,030.72
Obligations of United States Governmental Agencies	1,826,894.25
	\$48,481,488.73
Municipal Securities	6,293,150.62
Market Bonds	545,374.09
Loans and Discounts.....	16,647,427.72
Overdrafts	326.78
Stock Federal Reserve Bank.....	60,000.00
Accrued Interest Receivable.....	208,082.63
Bank Premises and Equipment....	318,806.26
TOTAL.....	\$72,554,656.83

LIABILITIES

Common Stock	\$ 1,000,000.00
Preferred Stock	250,000.00
Surplus	750,000.00
Undivided Profits ...	558,693.55
Other Reserves	293,397.28
	\$ 2,852,090.83
Reserve for Retirement of Preferred Stock	250,000.00
Reserve for Taxes.....	150,317.65
Discount Collected	73,056.38

DEPOSITS:

Demand	\$53,626,182.21
Savings	4,269,895.08
Public Funds	11,333,114.68
	69,229,191.97
TOTAL.....	\$72,554,656.83

U. S. Government and other securities carried at \$20,069,415.48 are pledged to secure U. S. War Loan Deposit Account, Public Funds and Trust Department Funds.

DIRECTORS

G. E. BRAMMER
Brammer, Brody, Charlton & Parker

E. F. BUCKLEY
President

HARRY GOLDMAN
President, C. C. Taft Co.

WM. J. GOODWIN
Chairman, Board of Directors

ROBERT K. GOODWIN
President, Redfield Brick & Tile Co.

H. F. GROSS
Secretary, Iowa Mutual
Tornado Insurance Assn.

MARK L. JOHNSON
Real Estate

B. REES JONES
President, Town Mutual Dwelling
Insurance Company

GUY E. LOGAN
President, Standard Chemical Co.

WALTER E. MUIR

GEORGE A. PEAK
Real Estate

JULIAN A. PEVERILL
President, Hudson Jones Auto Co.

CHAS. N. PIERCE
Vice-President, Langan Paper Co.

WALTER L. STEWART
Gibson, Stewart & Garrett



50 YEARS OF FRIENDLY SERVICE

Member F. D. I. C.



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

OUR 50th YEAR

Northwestern Banker January 1945



How Our Directors *Direct*

Executives of Well-Operated Banks Tell How Their Directors
Contribute to Better Bank Management

---A Northwestern Banker Survey---

EDITOR'S NOTE: *This is the second in the series of articles on "How Our Directors Direct." The first group of bankers to tell of their directors' activities appeared in the November NORTHWESTERN BANKER. Here is what four more officers say:*

O. C. Stusrud, president, Goose River Bank, Mayville, North Dakota:

"I believe we have as outstanding a board of directors as any bank in this community or surrounding territory. They are very active in all the activities of the institution, not only in the directors' room, where they meet very regularly, but also in outside activities such as studying the livestock situation as it would affect our loans, and also other agricultural matters and new ideas which may come up.

"These matters we often discuss at our meetings in order that it can be passed on to our customers as we may see fit."

A. E. Dahl, president, Rapid City National Bank, Rapid City, South Dakota:

"We have a very unique situation here, in that our five officers are also our five directors. Although two of the directors are only semi-active and have outside interests, they have their desks here at the bank and spend most of their time here.

"This gives us an opportunity to have a directors' meeting almost at any time, as the need arises. It is very seldom a person comes in for a loan, no matter how large, that we

cannot give him an answer on his first call.

"We feel that our directors all being active in the bank as officers, we can give service that cannot be excelled. Our directors also being officers, they are perhaps the best informed board of directors about the activities of the bank. There is very little that goes on of major importance at our bank that is not known to our directors. They, likewise, also know most of our customers, which in turn enables us to render a superior service."

Opal A. Luce, cashier, American National Bank, Arlington, Iowa:

"During a period about a year ago when we were faced with a serious help shortage, our Board of Directors all took a personal interest in securing additional help, making personal contacts and interviews with various prospects.

"All of our Directors are always willing to discuss the details of our service charges when asked to do so by our bank customers or non-customers. There have also been times when customers have contacted some board member about securing a loan when they were a little hesitant in asking a bank officer first. The board member then immediately notified some bank officer and we in turn contacted the customer and secured the loan.

"In several instances our directors have personally inspected and helped appraise farm property and chattel mortgage property.

"We feel that our board of directors is one large family, always working for the interest of the bank as well as for the other board members."

F. J. Cleary, vice president, First National Bank, Grand Island, Nebraska:

"The First National Bank of Grand Island has over a period of many years endeavored to instill into the members of our directorate the feeling that they are members of the bank's official family and as such bear a direct responsibility in the conduct of the bank.

"This response to the needs of the bank's supervision has extended over many years and has resulted in regular and punctual attendance at meetings and response to assignments, which we have endeavored to mete out impartially and with a view to request from those best qualified in the premises.

"Furthermore, our directors' committees have been encouraged to feel that our officers and personnel are always ready to render every assistance to help them in their special duties such as directors examinations, discount committee meetings and investment discussion, both for the Commercial and Trust Departments.

"It is to be assumed that the functioning of the bank itself is a reflection of the functioning of its board and the policy and success of a bank will usually explain the policy and activi-

(Turn to page 50, please)

Northwestern Banker January 1945

OUR 50th YEAR

"Banking and Business Conditions As I See Them"

Officers of City Banks Comment on Current Conditions and
Give Their Opinions on What's Ahead for 1945

FROM their close contact, through travel and correspondence, with this middlewestern area, officers of the larger banks in the country are well acquainted with economic progress in this territory, and as we go into 1945 we have asked them to give to NORTHWESTERN BANKER readers their views on current banking and business conditions.

That the future will bring many changes is noted in the following paragraph from "Prospects for Business in 1945" by Brig. Leonard P. Ayres, vice president of the Cleveland Trust Company, in which he says:

"Both 1945 and 1946 are destined to be years of transition from a wartime economy to a peacetime economy. The transition is already under way on a very small scale. As it expands and extends it will go forward on a huge scale and for a long time. It will not be simple or easy because it will involve so many fundamental changes for so many people that its developments cannot have the characteristics of simplicity and ease. We are quite safe in assuming that 1945 will be a year of great events, and one which will bring to this country a good deal of social, financial, and business turmoil."

Officers of larger banks who responded to our request for information write as follows:

"Some Tough Problems Ahead"

ROLAND C. IRVINE
Vice President
Chase National Bank
New York

As has been true during most international conflicts, the present volume of business activity, including both war and civilian products, is being maintained on a plane high above peacetime levels. A large portion of industrial output has been purchased directly by the government and, apart from supplies sent to our armed forces, something more than a billion dollars of American products are going abroad each month.

OUR 50th YEAR

Should business follow a course similar to that of previous war periods, we can expect a smaller output of goods when the war comes to a close. Changes in personnel, in products, in plants and in methods of financing are also to be expected as war demands subside. Unquestionably, we are going to be confronted with some tough problems in the New Year.

Probably because we have been so anxious to see this terrible conflict end as soon as possible, many of us have been indulging in wishful thinking on this score. Therefore, it seems to me that rather than attempt to forecast the future we should put forth our greatest efforts in the coming year towards devising ways and means of strengthening our banking and business structure so that we may be prepared as best we can for any eventuality. We find it necessary to develop improved methods of domestic

of 1944, commonly known as the "G. I. Bill," offers an exceptional opportunity to build good will. Returning veterans may rightfully expect good counsel and sound advice for their plans to fit themselves back into civilian life. I think a tremendous amount of good will can be built in this activity alone, which should result in more profit in the future.

"Optimistic for 1945"

H. H. ECHTERMEYER
Vice President
Live Stock National Bank
Omaha

The majority of the bankers in this territory have had a good year and without a doubt are in the soundest condition in banking history.

In my discussion with them, I am led to believe that the next year will be as successful if crop conditions continue to be favorable. The bankers

"Banks Are Missing Many Chances to Lend Their Money for War Production — Sending Business to Government Agencies"

distribution and new concepts in the development of foreign trade. American business must be ready to win the peace.

"Good Will Through G. I. Bill"

F. M. COVERT
Assistant Cashier
Drovers National Bank
Chicago

In my contact with country banks I find that most everyone is thinking about earnings in the future. With loans being paid off daily it is necessary that we look to other avenues for income. Bankers, in my opinion, are not as a whole good will builders; in this connection it seems to me that the Service Men's Readjustment Act

generally are optimistic about business conditions for 1945, but their main thought is to help bring the war to a satisfactory conclusion as soon as possible and they are putting forth every effort towards seeing that this is accomplished. With this in mind, they are urging their customers to purchase War Bonds to the limit of their ability.

"Give Thought to Investments"

W. B. WHITMAN
Assistant Vice President
Manufacturers Trust Company
New York

I can foresee no change in business conditions during 1945. From all indications, there appears to be in sight no immediate termination of the war

Northwestern Banker January 1945

Banking and Business Conditions As I See Them

in Europe and the defeat of Japan will take at least another year. This, of course, will necessitate continued production on the part of our large industries for the war effort and the raising of more livestock and food products, not only for the armed forces and ourselves, but, also, to tide over the conquered territories until they are self-sustaining.

Reconversion to peacetime industry will certainly come much more slowly than many of us had thought; for more rather than less labor will be required for war production, and some of it

ness. But as a country we have never done things half way, no matter what it cost us, and there is no reason to believe that any of us will hesitate in this most serious crisis in our national history.

"Satisfactory Financial Position"

B. M. WHEELOCK
Vice President
Security National Bank
Sioux City

Immediate business conditions in the Sioux City trade territory of north-

loans in our banks seems to have held up fairly well, but otherwise loans are generally on a declining basis.

As the war ends and we reach the reconversion period many complex problems will arise in agriculture, business and banking. Upon the good common sense and good judgment of our bankers may well depend the success with which our business and general system of private enterprise comes through this period of reconversion.

"Trend Toward Inflation"

PAUL T. BETZ
Vice President
Live Stock National Bank
Chicago

For the duration at least, it would appear that business has quite generally resigned itself to the premise that the economic system must necessarily (will be required to) operate within a rigid framework. That is the position in which we find ourselves today.

Most of the current thoughts and discussions regarding business are being devoted to postwar probabilities and possibilities. Two quite definitely opposing schools of thought are in evidence. The one holds that when the self-imposed wartime restraints on spending are removed, prices will rise—may even run away—and that prudence requires hedging against inflation. Reversely, the other school holds that with the end of the war will come deflation, provoked by the closing down of hundreds of war factories, demobilization of the armed forces and by millions of people being automatically thrown into unemployment. They contend that the resultant reduction in the flow of spending must result in depressed prices.

"Actual Conditions in the Money Market Indicate That Rates Will Remain Low for Some Time to Come"

may have to come from the agricultural areas. Certainly our farms, which are now sorely undermanned, may be facing even more difficult times.

The banks, too, must continue to subordinate their activities completely to the war effort and the needs of the government, helping to finance war production, handling ration accounts, and promoting the sale of bonds. There is no prospect, as I see it, of any increase in the volume of commercial loans until reconversion sets in to a marked degree; there may even be some loss of this business; for most concerns and farmers have plenty of cash with which to meet their seasonal demands. Banks will consequently have to give careful thought to their investments in United States government bonds, which are now their principal source of income, from the angle of their tax liability. But the banks are missing many chances to lend their money for war production and are allowing business to resort to government agencies for the necessary funds. This situation can and should be remedied. Increasing balances on deposit, and the low return on them to the banks, have reduced materially the income from service charges, and would seem to call for some readjustment in the basis of these charges.

I believe that we have not been realistic enough about the task involved in winning the war. It will probably require greater effort and greater sacrifice than we have realized, and therefore a much slower return to our normal ways of living and doing busi-

ness. But as a country we have never done things half way, no matter what it cost us, and there is no reason to believe that any of us will hesitate in this most serious crisis in our national history.

The year of 1944 has brought ample moisture and generally good crops. Our farmers are doing an excellent production job despite shortages in some instances of labor and machinery, and have just completed harvesting a bumper corn crop.

This is one of the great livestock producing and fattening areas of our country. With present livestock and crop prices, the end of the year finds our farmers in a relatively sound and generally satisfactory financial position. Business in general has benefited from this favorable condition. Those businesses which have suffered

"A Tremendous Amount of Good Will Can Be Built Around Complete Cooperation With the G. I. Bill"

from lack of merchandise to sell are looking forward to expanded operations at the end of the European war. There is apparently no doubt of the demand and ability of our trade area to purchase when merchandise is available.

Banks in our territory show deposits at a high level with earnings in 1944 generally satisfactory. In the cattle feeding territory the demand for

It is quite obvious that the future omens many uncertain phases for our economy, therefore, to attempt to predict definitely just how these uncertainties will unfold, or when, would be absurd. No one has ever been able to accurately forecast the future. However, there are certain fundamental aspects of our economy which seem to be so well established as to be self-prognosticating with respect to

their future course: one is that actual conditions in the money market indicate that rates will remain low for some time to come, and the other is that the liberal element in government has been gaining in power. Both of these conditions or trends are fundamentally inflationary and are bound to have a profound influence in that direction, yet it would be absurd to assume that transition from a war economy to a peace economy could be accomplished without experiencing price adjustments of varying degrees.

A reasonable conclusion to be drawn from an over-all view of banking and business conditions is that it behooves everyone to exercise his best judgment and keep alert to the probable effects of ever changing conditions.

"Two Objectives for 1945"

V. L. BARTLING
Assistant Vice President
First National Bank
Chicago

As we look ahead to a new year, it is desirable for us to analyze current banking and business conditions, and to obtain as clear a perspective as possible of the months ahead.

Few, if any, persons, have the wisdom or foresight to forecast with any assurance the ebb and flow of business. There are far too many unpredictable factors. However, there are two fundamental objectives which are imperatives in the thinking of bankers in the coming year.

First, we must take every step essential to the sound and successful financing of the war. That means encouraging in every way greater and greater ownership of the government debt by our people, and the holding by individuals of government securities to maturity.

Second, as bankers we need to encourage each of our customers to place his financial affairs in sound condition. The severe dislocations of war sooner or later bring serious economic changes and difficult problems, which will be successfully met only by those who have reduced their debts, built their surpluses, and strengthened their financial positions.

The banker has the responsibility of holding these objectives for 1945 clearly before the individuals and businesses of his community.

Shortened

Indian chieftain (making speech to his tribe): You all know me as "Old Chief Trainwhistle", but since I am extremely democratic, I hope that, for short, you will feel free to call me "Toots."

OUR 50th YEAR

Assets and Liabilities Increase

EARLY last October, the Comptroller of the Currency released the semi-annual report of assets and liabilities of all active banks in the United States and possessions as of June 30, 1944. These data were compiled from call reports of national banks and from information provided by State bank supervisors. Comparable figures from previous reports have been used in the preparation of the accompanying tables and charts covering the period December 31, 1939 through June 30, 1944.

Assets

Assets of all active banks increased from \$77.6 billions on December 31,

1939 to \$139.6 billions on June 30, 1944. This was an increase of \$62.0 billions or 80 per cent.

Liabilities and Capital Accounts

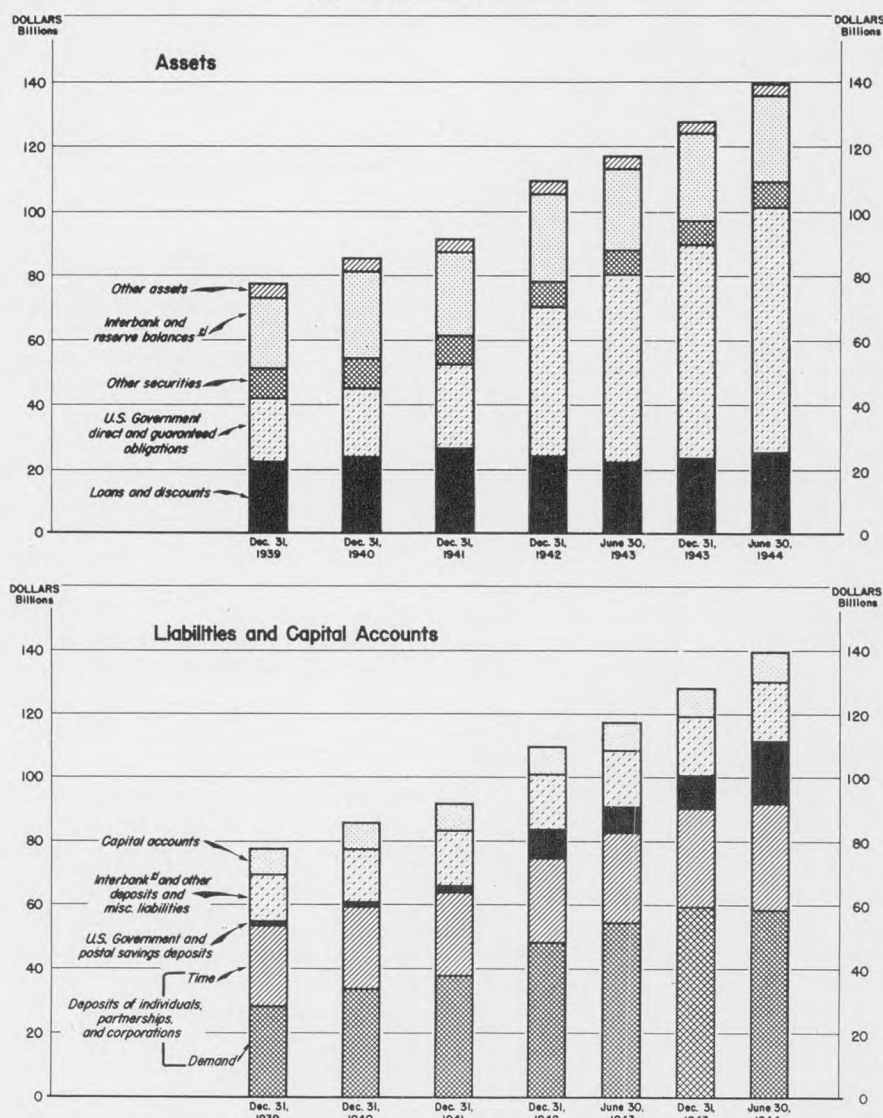
On the liability side of the balance sheet the increase of \$62.0 billions from December 1939 through June 1944 was concentrated in the growth of deposits.

Demand deposits of individuals, partnerships, and corporations increased from \$28.2 billions at the end of 1939 to \$59.4 billions by December

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ASSETS AND LIABILITIES OF ALL ACTIVE BANKS IN THE UNITED STATES¹

December 31, 1939-June 30, 1944



¹ Includes territories and insular possessions

² Commencing with December 31, 1942, reciprocal interbank demand balances with banks in the United States have been excluded. For December 31, 1941 and prior dates, demand balances were reported gross.

Source: United States Treasury Department

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Facts About G. I. Home Loans

Answers to the Questions the Home-Buying Veteran Will Probably Ask When Seeking a Loan Under the G. I. Bill of Rights

EDITOR'S NOTE: *Guaranteed loans to veterans, covered under the "G. I. Bill of Rights," come under four classifications.*

First, the purchase or construction of a home, defined in the regulations as a "dwelling consisting of not more than four family units, or any combination dwelling or business property, the primary use of which is occupation by the veteran as his home."

Second, purchase of a farm, including land, buildings, livestock, equipment, machinery or implements.

Third, purchase of a business, including land, buildings, equipment, machinery, supplies, or tools.

Fourth, for repairs, alterations and improvements in, or for payment of delinquent indebtedness, taxes or special assessments on a dwelling, including a farm dwelling, owned and used by the veteran as his home.

The questions and answers below, compiled by the Worcester Federal Savings and Loan Association, Worcester, Massachusetts, apply only to that portion of the G. I. Bill of Rights dealing with home loans.

Q. Who is eligible for a G. I. Home Loan?

A. Any honorably discharged veteran of World War II having at least 90 days of active service, or honorably discharged by reason of injury or disability incurred in service.

Q. What is the time limit for making a G. I. loan application?

A. Within two years after separation from service, but not more than five years after the war ends.

Q. What kind of property qualifies as a home?

A. Any residential property of not more than four family units, or any combination of home and business property, the primary use of which is occupation by the veteran as his home.

Q. What are the chief loan qualifi-

cations required by the Veterans' Administration?

A. 1. That the proceeds of the loan be used for payment of the purchase price of the dwelling or the cost of construction.

2. The terms of payment must bear proper relation to your present and anticipated income and expenses.

3. The property is suitable for dwelling purposes.

4. The purchase price or construction cost should not exceed the reasonable normal value of the real estate.

Q. What is the liability of the veteran who finances a home under the G. I. plan?

A. A veteran is expected to meet all payment obligations except the first year's interest on that portion of the loan which is guaranteed by the government. After the first year, all costs and payments are the responsibility of the veteran.

Q. Who supplies the money for G. I. loans?

A. The qualified lending institutions.

Q. What is the maximum time allowed for repayment in full of a G. I. loan?

A. 20 years.

Q. What proportion of the cost or purchase price of a home can be obtained as a loan under the G. I. Law?

A. The law contemplates a 100 per cent loan where it is needed by the veteran up to certain price limits.

Q. How does this work out?

A. There are two lending plans.

1. The lending institution may advance whatever is needed to pay the cost or purchase price of a home. In this case, the government guarantees 50 per cent of the loan or \$2,000,

whichever is less. The lender assumes the risk on the balance of the loan. (Example: A home costs \$6,000 and the veteran needs the entire amount. The government guarantees \$2,000, and the lending institution's risk is on the remaining \$4,000. All loans under this plan bear an interest rate of 4 per cent.)

2. The borrower may elect to use an FHA insured first mortgage and a 4 per cent second mortgage (not to exceed 20 per cent of the cost or purchase price of the property) to be guaranteed by the government under the G. I. Law. The \$2,000 limitation on the G. I. loan applies here also.

Q. Does the Government guaranty of a loan decrease as the loan is paid down?

A. Yes, it decreases pro-rata with the loan.

Q. Can a veteran already owning a home secure a G. I. loan?

A. Yes. The Government will guarantee loans for the purpose of making repairs, alterations, or improvements in, or paying the delinquent part of indebtedness, taxes, or special assessments on residential property owned by a veteran and used by him as his home. Loans for the above purposes will be guaranteed up to 50 per cent or \$2,000, whichever is less. Loans may also be obtained for the construction of a new home, in the event the veteran might wish to rent the home he already owns.

Q. Can a G. I. loan be increased in the future to pay for property improvements or repairs?

A. Yes, if the increase is approved by the Veterans' Administration.

Q. Who approves a G. I. loan in the first place?

A. The Veterans' Administration is the final authority in guaranteeing or refusing to guarantee a veteran's G. I. loan.

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

JOE C. WILLIAMS, vice president of the Commerce Trust Company, Kansas City, had an especially festive holiday season since his son, **Joseph Campbell Williams, Jr.**, was married to **Jeanne Dodds**, daughter of Mr. and Mrs. **Eugene Maxwell Dodds**, at the Country Club Christian Church in Kansas City.

Joseph C. Williams, Jr., is with the Medical Corps of the Army of the United States and is stationed at Washington University, St. Louis.

H. G. Wells, the British novelist, seems to think that Prime Minister **Winston Churchill** has "now outlived his role." The author recently said, "If we do not end Winston, Winston will end us. His ideology, picked up in the garrison life of India, on the reefs of South Africa and in the maternal home and conversation with wealthy Conservative households, is a pitiful jumble of incoherent nonsense. He has served his purpose. A Boy Scout is better equipped."

James F. McPherson, cashier of the City National Bank and Trust Company of Kansas City, with whom we had lunch at his bank recently, told us that they had 58 boys in the service from his institution.

Taylor S. Abernathy, vice president of the First National Bank of Kansas City, presents one of the most interesting bank statements in the country. His bank has a capital stock (paid in) of \$250,000, and with this original investment the bank has earned an additional amount of \$7,749,000, which is now represented by their capital, surplus and undivided profits account. The total deposits are over \$215 million.

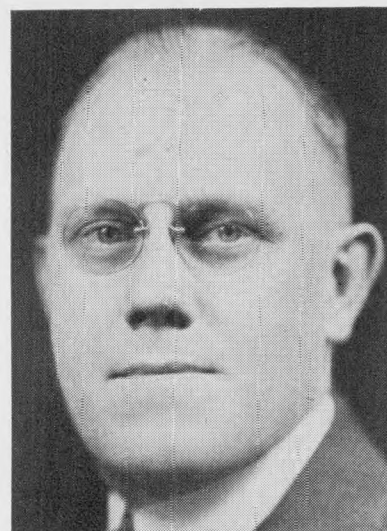
General Victor A. Yakhontoff, member General Staff Russian Armies in World War I, was the principal speaker at the Kansas City Rotary Club, which we attended recently, and the General pointed out that Russia was really helping the United States in its fight against Japan by immobilizing about one million Japanese troops along the Manchurian border in order to prevent any anticipated invasion which Russia might make at this point.

OUR 50th YEAR

Emil A. Stake, 56, vice president and cashier of The First National Bank of Chicago, died recently at the Evanston Hospital. He entered the bank in 1904, and was elected assistant cashier in 1919, assistant vice president in 1923, vice president in 1926, and, in addition, became cashier in 1944.

He was born in Chicago, October 25, 1888. Mr. Stake took a prominent part in Chicago civic and business affairs, notably the Community Fund and Boy Scouts. He was treasurer of the Chicago Board of Trade, and a member of the executive committee of the Downtown Council.

Mr. Stake was a member of the Commercial, Union League, Bankers, Chicago Athletic, Economic, Skokie Country, and Mid-Day Clubs. He also was a prominent Mason.



EMIL A. STAKE

Surviving are his widow, Clara M., a daughter, June Doris, a son, Arthur Frederick, his mother, Mrs. William Stake, and a brother, Ernest W.

The NORTHWESTERN BANKER asked **Louis H. Northrop**, assistant vice pres-

Financial Advertising Men at Lunch



During the recent meeting of the Financial Advertisers Association at the Edgewater Beach Hotel in Chicago, those enjoying a square meal at the round table, reading from left to right in the foreground, are: **Daniel J. Healy**, Metropolitan Trust Company, Chicago; **Marvin K. Brown**, Hearst Advertising Service, Chicago, and **Julius K. Waibel**, advertising counsel, Continental Illinois National Bank & Trust Company, Chicago.

In the background, from left to right around the table, beginning at the left of Mr. Healy, is **Ralph W. Moorhead**, associate publisher, NORTHWESTERN BANKER, Des Moines; **M. W. Petter**, assistant cashier, Empire National Bank & Trust Company, St. Paul; **Clifford De Puy**, publisher, NORTHWESTERN BANKER, Des Moines; **Emerson De Puy**, Navy V-12, Ames, Iowa; **R. W. Dawson**, Albert Frank-Guenther Law, Inc., Chicago, and **Frank J. Reynolds**, Albert Frank-Guenther Law, Inc., New York.

Northwestern Banker January 1945

Letters to Bank Customers

Are an Effective Good Will Builder

WE WERE organized in November of 1920, with a capital of \$50,000, and a surplus of \$7,500 in direct competition with an old established institution that had been in business for forty years.

We are located in a strictly rural community with a population of 1,200. There are eight banks in the county, and the county seat is 12 miles away. We have no large industries or factories of any kind with the exception of a small tomato canning factory that operates about two months during the year.

Upon organizing, we selected the name of "The Rockford National Bank," which was a direct appeal to the people of Rockford, and the surrounding community.

We selected as our slogan "Service Plus Courtesy," and tried in every way possible to conduct our business to comply with our slogan. We have always impressed upon our help the importance of applying the "Golden Rule" when dealing with the public.

We had a slow but steady growth, and in August, 1930, we were able to take over our competitor.

We have on our board of directors five of the leading business men in our town who take an interest in being a director, thus cooperating in every way possible with the cashier in conducting the business of the bank.

For several years we used to give away at Christmas a very expensive art calendar. Then we changed to pocket-books, but too many people called for them who were never in our bank before, which made it rather expensive. We have also given away to

By O. L. Disher

Cashier

Rockford National Bank, Rockford, Ohio



O. L. Disher and daughter, Saundra Lee

the school children, at the beginning of the school year, pencils and rulers.

Advertise

We used to run a different ad in our local newspaper every week, but our editor is now in the armed forces, and his printing office is closed for the duration. In fact, we have tried many different ways of advertising during the past twenty-four years I have been cashier of The Rockford National Bank.

One never knows the amount of good will established by the different modes and methods of advertising. However, we sincerely believe that our plan of direct mail to certain individuals upon

certain occasions that we established about four years ago, has been our most effective means of advertising and good will builder.

As we stated in the beginning, we are located in a small town in a strictly rural community where everyone is well known.

Possibly our plan would not work so well in the larger cities, but for **our small town**, we have found it to be successful, and our customers very appreciative. We know we have gained favorable publicity. We call our plan "Say it with letters."

There are always events happening in our community such as deaths, weddings, births, newcomers, graduates, and sickness. Immediately upon hearing of these happenings, we send them a letter; a copy for each occasion is herewith enclosed.

The plan is inexpensive, not much detailed work is necessary, very easily conducted; the letters are well received, and a great deal of good will publicity is obtained.

Here is the wording of several of the letters which go out to our customers and prospects.

"We are pleased to welcome you to our community and to number you with our many good citizens."

"We wish you to know the personnel of this Bank expresses its sympathy and condolence to you and family at this sad hour."

"Officers of this Institution congratulate you upon your graduation and express the wish that these years of training may guide you into a career of genuine SUCCESS."

"May the baby who has come to live with you be a blessing to you throughout your life."

NEWS AND VIEWS

ident, First National Bank, to tell us a little something about the cause of Mr. Stake's death, and in a letter to us Louis said, "Emil, several weeks ago, went home apparently suffering from a stiff neck and a headache. This later on developed to such an extent that he suffered a cerebral hemorrhage. His doctors took him to the Evanston Hospital, where every medical care was given him, and apparently they thought that, with rest and proper care, he was on the road to recovery. But complications set in;

Northwestern Banker January 1945

Emil's blood pressure was very high, and his death occurred."

R. J. Bushman, assistant vice president, Union National Bank in Kansas City, Missouri, who has been with his institution for 24 years, started his banking career in Alden, Iowa. The Union National, of which **George R. Hicks** is president, has deposits of over \$58 million.

Fred A. Irish, chairman of the board of the First National Bank of Fargo, North Dakota, remembered us again this year with a jar of their famous

North Dakota white clover honey. Fred says that regardless of the C. I. O. or A. F. of L. the bees pay no attention to the 40-hour week and work overtime without extra pay.

Fred M. Staker, vice president, Commerce Trust Company, Kansas City, invited us to have lunch with him at the University Club when we were in Kansas City. When Fred came with the Commerce Trust Company 33 years ago, the deposits were \$6 million and since that time they have grown to over \$375 million.

(Turn to page 78, please)

OUR 50th YEAR



STATEMENT OF CONDITION

December 31, 1944

RESOURCES

Loans and Discounts.....	\$ 14,770,057.75
Overdrafts	412.26
State and Municipal Bonds.....	10,491,004.86
Other Bonds Bought for Investment.....	2,158,258.23
Stock in Federal Reserve Bank.....	120,000.00
Bank Office Building.....	499,000.00
Furniture and Fixtures.....	1.00
Income Earned But Not Collected.....	352,745.48
Bonds of United States and Government Agencies.....	\$75,794,862.81
Due from Federal Reserve Bank.....	20,739,229.00
Cash and Sight Exchange.....	23,573,646.22
	<hr/>
	\$148,499,217.61

LIABILITIES

Capital Stock	\$ 2,000,000.00
Surplus	2,000,000.00
Undivided Profits	1,197,390.88
Reserve for Contingencies.....	525,904.87
Accrued Taxes, Interest and Other Expenses.....	223,305.34
Dividends Declared and Unpaid.....	40,000.00
Deposits	142,512,616.52
	<hr/>
	\$148,499,217.61

The Omaha National Bank

Member
Federal Deposit Insurance Corporation
OUR 50th YEAR

Northwestern Banker January 1945



PHIL R. EASTERDAY
 "—we found it intriguing."

What Will Deposits Be When the Debt Is 300 Billion

1. Deposits may increase 60 per cent over January, 1944, or to \$174 billion.
2. Make your own estimate for your bank using the figures shown here.

By P. R. Easterday

Chairman of the Board
 The First National Bank of Lincoln, Nebraska

PARTLY for recreation and partly in seriousness, these tables shown with this article, were recently prepared for the purpose of obtaining some idea as to what figure commercial bank deposits might reach at the "peak" date, if and when government bonds totalled 300 billion dollars. The projection was carried far enough to include a readjustment of bond holdings by "all others," also an increase in commercial loans, and also a return toward normalcy of the outstanding large amount of circulation. An allowance is also made for a possible credit from salvage.

The projection produced the surprising total for deposits of 174 billion dollars—60 per cent more than the total of 106 billion as of January 1, 1944, and 50 per cent more than the reported total of 114 billion for June 30, 1944.

We doubt if the average banker fully appreciates the substantial rise in the deposit level yet to come.

Maybe some NORTHWESTERN BANKER readers will doubt this increase. Let them go over these tables and make their own calculations, and it is my guess that in the majority of cases any change made will result in a larger, rather than lesser, increase in deposits.

Assuming this percentage increase to be correct, of course no banker should necessarily assume that his institution will get its full proportion of the additional deposits, as there will doubtless be shifting to different localities. However, to the extent that any institution increases less than this percentage, naturally some other institution at some other locality will increase just as much more.

(Turn to page 49, please)

Northwestern Banker January 1945

GOVERNMENT BOND HOLDINGS

(In millions)		After salvage of \$25,000 from War plants, equipment and supplies		
	1-1-44	At peak		
Outstanding Govt. Bonds	\$168,700	\$300,000		\$275,000
In Govt. Agencies	—16,900	—30,000		—30,000
In public hands	\$151,800	\$270,000		\$245,000
	(1)	(2)	(3)	(4)
Bonds held	1-1-44	Subsequent adjustments between banks and "all others"		Final, after readjustment
Coml. Banks	\$ 60,600	\$25,000	+\$25,000	\$110,600
Fed. Res. Banks	11,500	8,000		19,500
	\$ 72,100			\$130,100
Mutual Sav. Bks.	6,100	4,000		10,100
Ins. Companies	14,700	8,000		22,700
All others	58,900	48,200	—25,000	82,100
	\$151,800	\$93,200		\$245,000

THE BANKING SITUATION

(In millions)		(A)	(B)	(C)	(D)
	1-1-44	After \$50,000 increase in bond holdings and corresponding deposit increase	After \$10,000 loan expansion and corresponding deposit increase	After \$8,000 decrease in currency holdings and corresponding deposit and cash increase	
Govt. Bonds	\$ 60,171	\$110,171	\$110,171	\$110,171	
Loans	19,199	19,199	29,199	29,199	
Other securities	6,179	6,179	6,179	6,179	
Cash reserves	27,816	27,816	27,816	35,816	
Other assets	1,730	1,730	1,730	1,730	
	\$115,098	\$165,098	\$175,098	\$183,098	
Deposits	106,619	156,619	166,619	174,619	
Other liabilities	707	707	707	707	
Capital accts.	7,771	7,771	7,771	7,771	
	\$115,098	\$165,098	\$175,098	\$183,098	
Reserves	26%			20%	

OUR 50th YEAR



The **LIVE STOCK** *National BANK of Chicago*

UNION STOCK YARDS • TELEPHONE YARDS 1220

Statement of Condition

December 30, 1944

RESOURCES

Cash and due from banks.....	\$16,896,791.01
U. S. Treasury bills and certificates.....	17,000,000.00
U. S. Government bonds and notes	9,090,700.00
State and municipal securities.....	170,304.15
Other marketable bonds.....	567,447.90
Loans and discounts.....	7,821,890.07
Federal Reserve Bank stock.....	75,000.00
Bank building.....	375,000.00
Interest earned, not collected.....	79,499.32
Current receivables and other assets.....	103,165.60
	<u>\$52,179,798.05</u>

LIABILITIES

Capital.....	\$ 1,000,000.00
Surplus.....	1,500,000.00
Undivided profits and reserves.....	211,189.68
Unearned discount.....	28,844.98
Deposits.....	49,439,763.39
	<u>\$52,179,798.05</u>

Board of Directors

FREDERICK H. PRINCE

ROBERT J. DUNHAM
Investments

RICHARD HACKETT
*General Manager, Central
Manufacturing District*

ORVIS T. HENKLE

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

WILLIAM J. O'CONNOR
*General Manager, Union Stock
Yard & Transit Co.*

RALPH M. SHAW
Winston, Strawn & Shaw

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

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

SERVING AGRICULTURE AND INDUSTRY

Since 1868

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

OUR 50th YEAR

Northwestern Banker January 1945

Does Endorsement by Other Than Payee Always Constitute a Forgery?

CLAMP signed a demand note in Iowa in 1927 payable to a savings bank there. In 1934 the bank was placed in receivership and the note was held as part of the assets. The receiver held the note until 1942 when it was sold to Taylor. Taylor sued thereon in 1943. Clamp defended on the ground that the 10 year statute of limitations had run. Was the defense good?

Yes. A note payable on demand is payable upon the date of its execution and is barred by the statute of limitations in 10 years in Iowa. Consequently, the only problem here was whether the statute continued to run while the bank was in receivership. In a recent decision on the matter the Iowa Supreme Court held that it did not, and in doing so, pointed out that precedents for its action exist in Illinois, Texas, Georgia and Massachusetts. Oklahoma holds to the contrary.

A number of banks in Wisconsin agreed to indemnify another bank for losses it might sustain if it assumed the liabilities of a third bank then experiencing a heavy run during the panic of 1931. Subsequently the banks that agreed to indemnify refused to make good the losses on the ground that the contract entered into by them was ultra vires. Should they be sustained in this position?

No. A bank, like any other corporation, has the right to make any contract necessary to effect its purpose, or to conduct its business, and, in the circumstance involved, the indemnifying contract was not ultra vires. The Wisconsin Supreme Court so held in a recent decision.

Barborton signed Stillwater's name, as indorser, to certain checks in Minnesota, obtained the funds due thereon, and used such funds to buy groceries for Stillwater. He had not been specifically authorized to affix Stillwater's signature to the checks and, in doing so, he had no intention to defraud Stillwater. Actually he spent every cent received for groceries for Stillwater and Stillwater accepted them with full knowledge of the

Northwestern Banker January 1945

This and Other Timely Legal Questions Are Answered

By the

LEGAL DEPARTMENT

source of the funds used in the purchase. In such circumstances did Stillwater ratify the indorsement.

Yes. An unauthorized signature on a note, check or other instrument under circumstances not constituting the crime of forgery may be ratified. Minnesota, Indiana, Texas, Wisconsin and other states have so held. Since there was no intent to defraud there was no crime of forgery and the acceptance of the groceries with full knowledge of the means used to obtain the funds therefor constituted a ratification by Stillwater of the use of his signature by Barborton.

Packard was a regular employe of a light company owned by a banker. He was inducted into the U. S. Army and thereafter was honorably discharged on June 1, 1942. On the same day he asked his former employer to give him back his job. He was entitled to the job, but his employer failed to give it to him until October 1, 1942. Could Packard recover the salary he would have earned during the four months' delay?

Yes. Under federal law any person inducted into the Army who has been honorably discharged and who has left a position other than a temporary position and who is physically fit and still qualified to perform the duties of such position, and makes application for reemployment within forty days after his release from military service, is entitled to be restored to his former position. As an incident thereto such person is to be compensated for any loss of wages or benefits in the event his employer does not observe the law.

A building and loan association was indebted to John Russell. He dies. To satisfy the indebtedness, the asso-

ciation issued a check calling for payment to the order of "Estate of John Russell." Was the legal effect of this to make the check payable to a fictitious person and therefore payable to bearer?

The answer to this question would be yes in Minnesota, Missouri, Mississippi and Georgia and no in Iowa, Michigan, Illinois, Kentucky and Pennsylvania. This difference in holding arises because of varying interpretations by the courts of the Negotiable Instruments Law. Those holding in the affirmative adopt a strict interpretation of the wording of the statute. Those holding in the negative hold that the obvious intention of the maker should control. Probably the most recent decision by a state court where the matter was one of first impression was in Pennsylvania where the latter view was adopted.

Hill, a banker, had a minor daughter. The minor daughter negligently damaged certain property belonging to a neighbor. In the absence of a statute to the contrary was Hill liable for the damage?

No. It is well settled under common law that a parent is liable for the torts of his child only on such grounds as would make him liable for the torts of any other person. The mere relationship of parent and child is not sufficient to hold the parent liable for torts committed by his child in the absence of a statute to the contrary.

Referring to the preceding question and assuming no statute to the contrary, was Hill's minor daughter liable for the tort committed by her?

Yes. Infants are liable for torts committed the same as adults where there is no statute to the contrary.

Suppose in the second preceding question Hill has agreed voluntarily to pay the neighbor for the damage and subsequently refused to do so. Could the neighbor recover from Hill on breach of contract to pay?

No. Where a child has committed
(Turn to page 28, please)

OUR 50th YEAR



CENTRAL HANOVER BANK AND TRUST COMPANY

NEW YORK

Statement of Condition, December 31, 1944

TRUSTEES

Louis S. Cates
Colby M. Chester
John B. Clark
Jarvis Cromwell
Bernard M. Culver
George W. Davison
Johnston de Forest
Thomas Dickson
Walter G. Dunnington
William A. Eldridge
William F. C. Ewing
Robert L. Gerry
William S. Gray, Jr.
George M. Moffett
John K. Olyphant, Jr.
Benjamin O'Shea
Eustis Paine
Auguste G. Pratt
Lucius F. Robinson, Jr.
John P. Stevens, Jr.
Henry P. Turnbull
William Woodward

ASSETS

Cash and Due from Banks	\$ 307,584,295.27
U. S. Government Securities	1,166,188,821.64
State and Municipal Securities	21,239,795.15
Other Securities	28,089,540.90
Loans and Bills Purchased.	377,122,740.24
Real Estate Mortgages	2,629,426.16
Banking Houses	13,600,008.00
Interest Accrued	3,880,403.86
Customers' Liability Account of Acceptances	1,402,079.08
Total	\$1,921,737,110.30

LIABILITIES

Capital	\$21,000,000.00
Surplus	60,000,000.00
Undivided Profits.	29,210,173.27
Reserves:	
Taxes, Interest, etc.	8,028,094.30
Dividend:	
Payable January 2, 1945	1,050,000.00
Acceptances	1,539,131.68
Deposits	1,800,909,711.05
Total	\$1,921,737,110.30

There are pledged to secure public monies and to qualify for fiduciary powers
U. S. Government Securities \$513,276,144.21

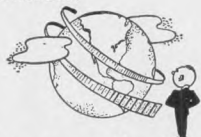
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

★ THE ★ HAMMERMILL ★ COLUMN ★

According to generally accepted estimates, the banks in this country handled more than ten billion checks in 1944! That's more than double the number handled in 1938. One customer alone, your Uncle Sam, needed around 500 million checks to meet his payroll.

Yet the banks shouldered this staggering responsibility as a matter of course. They asked for no special commendation. And the public just took it for granted that their billions of checks would be cashed, deposited, or transferred speedily, safely and accurately.

At that, perhaps this is the finest tribute bankers could wish. It's a silent expression of trust more eloquent than any testimonial.



But when we realize that nearly every one of those ten billion checks was handled by as many as three banks—sometimes more—we can see that the number of transactions involved soars to astronomical proportions.

Which brings to mind the case history of just one of those checks, uncovered in a survey made by Hammermill among bankers. It was one of those "headache checks" you are all too familiar with. The amount of this check was coyly tucked away in the upper right-hand corner. The rate of pay was where the amount should have been.

In the first bank that handled this little beauty, it caused four hours of extra work. In the second bank that received it, fifteen more hours were wasted. In the third bank, this same check was responsible for forty hours of extra labor!



Fifty-nine hours of lost time. More than a full week's work for one employee!

Fourteen such examples of badly designed checks, taken right out of actual use, have been put together by Hammermill in a compact little book called "BUSINESS CHECKS—their proper planning and design."

And a model check is shown giving the "8 essentials of good check design." These are based on interviews with many bankers, and conform to the specifications approved by A.B.A.

If you do not have a copy of "BUSINESS CHECKS," we believe you may find it helpful in meeting the "headache check" problem. If you'd like a copy, drop us a line. You'll not be bothered by "follow up." No salesman will call. Hammermill Paper Co., Erie, Pa.

Northwestern Banker January 1945

Irving Trust War Loan Display



A featured Sixth War Loan display on view in the Fifth Avenue Office of Irving Trust Company, New York, was this Army Air Force Five Man Raft. The raft is mounted against a pillar and a large photo of a rescue at sea from one of these rafts is on the floor of the raft behind the seat. Above the raft in a large white cloud effect is a war bond appeal.

Its full equipment was displayed around the raft on a long table draped with blue cloth and decorated with white nautical rope. Each item was identified and briefly described by lettered cards. Spotlights illuminated the entire exhibit from above.

LEGAL QUESTIONS

(Continued from page 26)

a tort and the parent subsequently promises to pay for the damage done, the parent is not liable for breach of contract if he later refuses to pay. Such a promise is made without consideration, and no valid contract is created.

Wilson dies owning 1000 shares of stock in a closed corporation that he had acquired twenty years before at \$100 per share, the fair market value at that time. As an incident to the acquisition of the stock Wilson granted to the corporation an option to purchase it at any time within 50 years at the \$100 per share price paid by him. When Wilson died, stock in the corporation not involved by any purchase option was valued at \$500 per share. Should Wilson's stock be valued at \$100 per share for federal estate tax purposes?

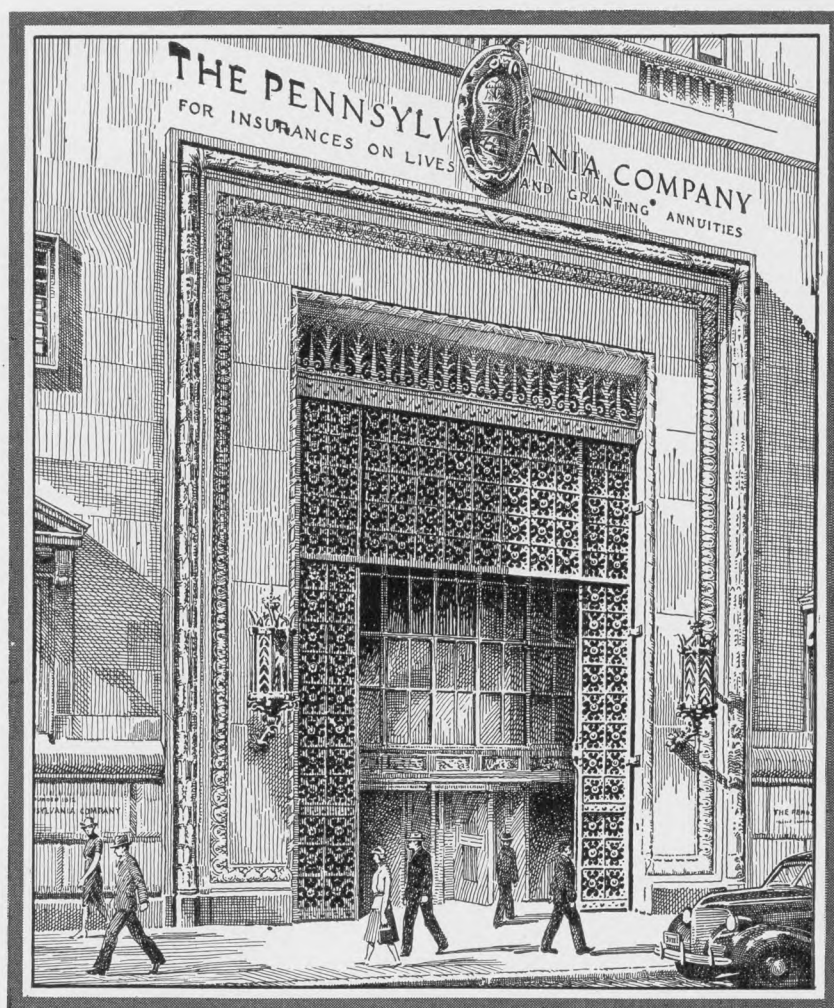
Yes. Where the stock of a decedent in a closed corporation or his interest in a business as a partner is subject at his death to an agreement of sale or to another's legally binding option to purchase at a fixed price, the fair market value for federal estate tax purposes is limited to such price, pro-

vided the price was fair at the time it was established.

The United States government under the authority of the Second War Powers Act, condemned part of a warehouse leased by Horton and used by him to manufacture, store and distribute bank machines, equipment, and supplies. Some five weeks were spent in removing Horton's property and much of the special equipment used on the premises which could not be moved had to be destroyed. In determining fair compensation for the condemnation, should the jury consider the moving expense and the loss resulting from the demolition of some of the equipment?

Yes, according to a recent Federal Circuit Court of Appeals decision. The general rule is that the fair market value of the property confiscated is to be paid in condemnation proceedings. Under this general rule the courts in the earlier decisions in many instances allowed compensation for only the fair market value of the bare real property taken. This strict attitude has been gradually relaxed in recent years and the decision mentioned herein represents a liberal, forward step in placing condemnations in as good a position as if their property had not been taken, which appears proper.

OUR 50th YEAR



Another leading bank using Hammermill Safety

This attractive wrought iron doorway is one of the architectural treasures of Philadelphia. It frames the entrance to the main banking room of The Pennsylvania Company for Insurances on Lives and Granting Annu-

ties. Founded in 1812, The Pennsylvania Company is one of the great financial establishments in the United States. We are proud that this bank uses Hammermill Safety for its customers' checks.



It's easy to write on
**HAMMERMILL
SAFETY**

MANUFACTURED BY HAMMERMILL PAPER COMPANY, ERIE, PA., FOUNDED 1898

California Bank

LOS ANGELES

WE INVITE ACCOUNTS FROM BANKS, CORPORATIONS AND INDIVIDUALS • SEND US YOUR PACIFIC COAST BUSINESS

MEMBER FEDERAL RESERVE SYSTEM & FEDERAL DEPOSIT INSURANCE CORPORATION

Condensed Statement as of Dec. 30, 1944

RESOURCES

Cash and Due from Banks	\$ 88,895,097.45
United States Government Securities	269,275,801.31*
Obligations of Other Federal Agencies	\$1,768,867.19
State, County and Municipal Bonds	3,827,063.92
Other Bonds and Securities	1,437,745.29
Stock in Federal Reserve Bank	300,000.00
Ownership of California Trust Company	1,475,324.66†
Loans and Discounts	53,226,468.37
Bank Premises, Furniture and Fixtures	895,885.88
Income Earned, Not Collected	837,135.65
Customers' Liability under Letters of Credit and Acceptances	402,665.25
Other Resources	98,189.00
TOTAL	\$422,440,243.97

LIABILITIES

Deposits: Demand	\$253,733,981.06
Time	114,828,886.07
United States War Loan Deposit	39,026,940.93
Other Public Funds	628,199.81
Reserve for Interest, Taxes and Expenses	576,573.77
Income Collected, Not Earned	216,748.67
Letters of Credit and Acceptances	438,409.99
Capital: Preferred	800,000.00
Common	5,000,000.00
Surplus	4,200,000.00
Undivided Profits	2,990,503.67
TOTAL	\$422,440,243.97

*\$41,856,203.13 pledged, according to law, to secure Public Funds and Trust Deposits.

†California Trust Company (owned by California Bank and devoted exclusively to trust service) has Capital of \$1,000,000.00, Surplus of \$500,000.00 and Undivided Profits of \$236,233.05.

OFFICERS

ARCH W. ANDERSON, *President*

FRANK L. KING, *Executive Vice-President*

Senior Vice-President

ALLAN HANCOCK

Vice-President and Counsel

CHAS. E. DONNELLY

Vice-Presidents

ARTHUR T. BRETT C. C. DEPLEDGE W. WAYNE GLOVER

F. S. HANSON T. E. IVEY, JR. F. M. MAGEE H. J. MENDON

F. HOWARD RUSS, JR. J. A. SHINE W. F. BRANDT

H. E. HUDSON J. G. MAULHARDT B. B. ODELL



Question: What is your opinion of the business prospects in your community for 1945?

P. N. Johnson, president, Farmers State Bank, Crosby, North Dakota: "Business for 1945 should be good, providing goods can be had. It should be exceptionally good if we again produce crops as we have the past four years. But crop or no crop, our people here have sufficient money on hand to insure good business conditions for at least one year."

J. A. Kucera, cashier, Clarkson Bank, Clarkson, Nebraska: "I think that business in our community will be good in 1945. It will compare very favorably with the business conditions in 1944. Our belief is based on the fact that our corn crop has been above average and that prices of farm products are stable and are in keeping with the production costs. The farmers have reduced their debts to a low level and practically everyone owns U. S. savings bonds which will serve as a good cash reserve and will take care of people's needs when other cash is unavailable. There is also much more livestock on the farms, especially many more cattle in feed lots than in previous years and these cattle will be marketed during 1945. For these reasons we expect good business throughout the whole year."

J. H. Nelson, cashier, Citizens National Bank, Charles City, Iowa: "I think business prospects for 1945 in this community are very good."

H. E. Swedburg, cashier, The Commercial State Bank, Clay Center, Nebraska: "We believe that general business prospects for this year in our community will be somewhat better than in 1944. This prediction is based on the prospect of more farm machinery available to the farmers—otherwise business will probably be about the same."

BANKERS TRUST COMPANY

NEW YORK



CONDENSED STATEMENT OF CONDITION, DECEMBER 31, 1944

A S S E T S

Cash and Due from Banks	\$ 312,525,167.20
U. S. Government Securities	1,059,569,241.35
Loans and Bills Discounted	444,931,343.47
State and Municipal Securities	9,646,523.19
Other Securities and Investments	47,855,644.28
Real Estate Mortgages	286,664.86
Banking Premises	15,548,833.64
Accrued Interest and Accounts Receivable. . .	5,433,484.93
Customers' Liability on Acceptances	978,434.84
	<u>\$1,896,775,337.76</u>

L I A B I L I T I E S

Capital	\$30,000,000.00
Surplus	80,000,000.00
Undivided Profits	27,344,871.13
Dividend Payable January 2, 1945	875,000.00
Deposits	1,726,073,556.53
Bills Payable	24,000,000.00
Accrued Interest, Taxes, etc.	5,403,816.90
Acceptances Outstanding . . . \$ 1,005,937.40	
Less Amount in Portfolio	25,425.25
Other Liabilities	2,097,581.05
	<u>\$1,896,775,337.76</u>

Securities in the above statement are carried in accordance with the method described in the annual report to stockholders, dated January 13, 1944. Assets carried at \$634,040,925.27 have been deposited to secure deposits, including \$583,022,892.44 of United States Government deposits, and for other purposes.

Member of the Federal Deposit Insurance Corporation

SOCIAL SECURITY

... a blow at mankind's ancient enemy



In January 1937, this company, in its national advertising, welcomed Social Security to the American scene. We felt then, as now, that through this law the nation had struck a telling blow at an age-old and dangerous enemy—destitution.

Social Security is not yet a perfect instrument, but the ingenuity and common sense of the American people should steadily improve it. We look forward to the day when a blanket of basic protection will cover *every* American family.

This will cost money. For Social Security is paid for by taxes, which do not themselves create wealth, but come from wealth created by the people. Only the savings and labor, the ingenuity and enterprise of an energetic, productive nation make Social Security possible. But such a nation can gladly assume its cost, in the conviction that a decent country must somehow maintain minimum living standards for all its people.

As we see it, Social Security is a proper instrument of a democratic society, by which it protects itself against the destructive effects of poverty.

Life insurance, on the other hand, is an instrument of the individual, by which he lifts his family as far above society's minimum standard as his own industry, intelligence and enterprise permit.

This is in the American tradition: For all the people, the things the *nation* needs—broader education, growing vision and understanding, assurance of the basic essentials of decent living. For the individual, the thing the *individual* needs—freedom to learn and earn as much, to go as far and as fast as he can and will.

In eight years since Social Security became a fact, American life insurance has shown substantial growth. This company, for example, now serves over 25% more policyholders than in 1937; the volume of protection it gives them and their families is nearly 50% greater. In these eight years it has paid over \$53,000,000 to policyholders and beneficiaries. Contingency reserves and surplus funds beyond legal requirements now stand at a record high; lapses are lowest in N^wNL's 60-year history.

As in past years N^wNL's complete financial statement, issued on New Year's Day, was the first to be published in 1945. Copies are available on request.

NORTHWESTERN *National* LIFE

INSURANCE

O. J. ARNOLD, President



COMPANY

MINNEAPOLIS 4, MINN.

This is a reproduction of N^wNL's current national advertisement.

90 Billion Fire Insurance in Force

Coverage in This Country Stands at New Peak, With Greatest Volume Of Such Protection Ever Pledged to the American Public

FIRE insurance in force in this country now stands at a new peak of \$90,000,000,000, the greatest volume of such protection ever pledged to the American public and well over twice the fire contracts in existence at the end of the First World War, it is pointed out in *The Index*, quarterly publication of The New York Trust Company. But since 1921, says the analysis, the average cost of this form of insurance to policyholders has declined about 40 per cent.

The report covers the historical development and financial growth of the 372 capital stock fire companies who, measured by premiums collected, provide about three-quarters of the property insurance in their fields.

"A significant commentary on fire insurance management," states *The Index*, "is the fact that the companies have maintained a high degree of diversification and unusual liquidity in their invested assets. At the end of 1943, an average of approximately 42 per cent of total assets was invested in stocks by 135 representative companies, as compared with 39.5 per cent in bonds, such investments conforming with state regulatory requirements. Included in the stock total are both common and preferred issues, along with substantial holdings of insurance stocks, the latter representing almost entirely stocks of affiliated companies—both fire and casualty—which companies in turn maintain investment portfolios that include large bond holdings.

"Between 1931 and 1943 cash and United States government bonds of those fire insurance companies increased from about 12 per cent to approximately 40 per cent of total assets, holdings of all other classes of bonds being reduced proportionately. There was also a switch in stock holdings, additions being made in insurance

and miscellaneous—mainly industrial—common stocks through reductions in bank, railroad and utility issues.

"Figures on total property protection running into billions are obviously an important measure of the economic and social usefulness of fire insurance, but they are not measure of the operating conditions of the business. Total net premiums earned less losses and all expenses incurred represent the net return from underwriting operations to which interest income from invested assets should be added to arrive at the over-all operating returns.

"During the war fire losses have risen steadily, as they did in the last war and several following years. The highest annual loss in history was \$561,980,751 in 1926. In 1942 loss was \$314,295,000, and in 1943 \$373,000,000. For the year ending October 31, 1944, the loss was \$420,360,000, as compared with \$361,485,000 for year ended October 31, 1943, and the largest loss for a similar period since 1931.

"Losses of last year had so affected companies reporting to the New York State Insurance Department that they

results are given before Federal income taxes.

"In spite of the depression of the 1930s, and in the face of continued lower average cost to the public, the fire insurance business increased its financial strength. In the twelve-year period since 1932, total fire premiums showed fluctuations within a range of \$90,000,000, but due to the steady growth of allied lines, there was almost an unbroken rise in the total of all kinds of premiums which were collected. Total net premiums in 1943 amounted to \$1,075,000,000, as compared with \$1,144,000,000 for the preceding year, the high point during this period."

Three major problems today challenge the ingenuity of management and the systems of group cooperation developed in the interest of solvent insurance under state regulation, the report concludes. They were summarized as follows: (1) A rising volume of fire loss during war years resulting in actual deficits in underwriting operations by the average fire insurance company. (2) Criminal indictments of

Year	Premiums Earned	Fire Losses (Per Cent)	Expenses (Per Cent)	Net Underwriting Profit (Per Cent)
1939	\$415,004,000	41.5	52.3	6.2
1940	418,835,000	43.4	52.2	4.4
1941	434,342,000	44.2	52.0	2.9
1942	463,277,000	42.4	52.8	4.8
1943	497,382,755	50.1	51.9	—2.0

were no longer recording a net underwriting profit on country-wide operations, in writing fire insurance only. The country-wide experience of these companies for the past five years is shown in the accompanying table, ratios being computed on the basis of net losses and expenses incurred to net earned premiums. The underwriting

a large section of the business, instigated by the Department of Justice under the anti-trust acts, although the Supreme Court has for seventy-five years held that fire insurance was not interstate commerce and Congress itself has left all regulation to the states. (3) Increasing pressure for lower rates, with substantial decreases already ef-

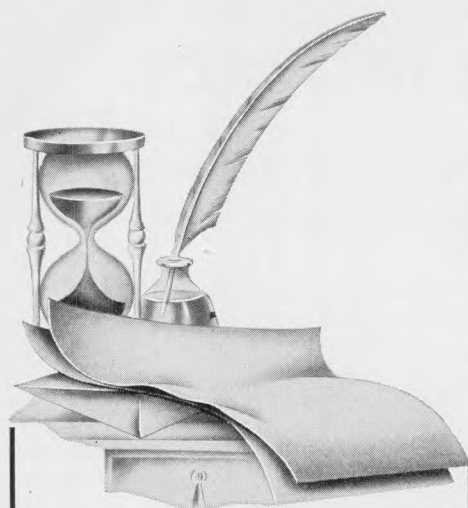


SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa



Resolved

THAT in the year 1945 we will give our clients the most complete insurance protection available.

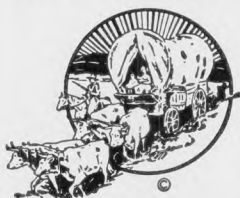
★ ★ ★

THAT we will serve the largest clientele in the history of our organization.

★ ★ ★

AND THAT we will be represented by the finest agents ever to serve the

WESTERN MUTUAL FIRE INSURANCE COMPANY



NINTH & GRAND DES MOINES 8, IOWA

fective in several states. Estimates were cited indicating that these reductions would cut premium volume at least \$21,000,000 a year.

Reviewing these problems in the light of the anti-trust case and pending legislation, the report concludes that "the supplanting of tried state regulation by untried federal regulation can hardly be justified on the grounds that investment portfolios will be managed better or that the buyer of insurance can be served more efficiently."

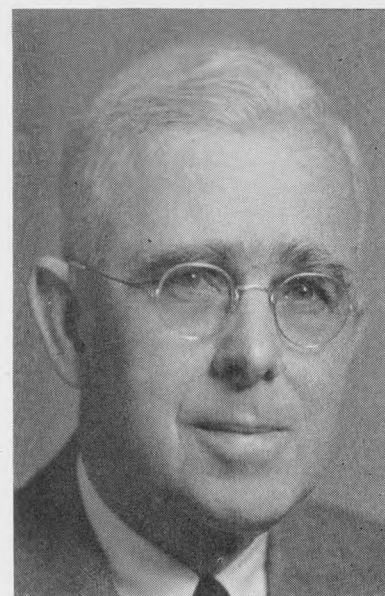
Retires

Henry W. Yates, vice president of the United States National Bank of Omaha in the trust department, retired the first of this month, under the retirement program of the bank, it was announced.

Mr. Yates, a member of one of the old banking families of Omaha, upon his retirement completes 44 years of banking service in Omaha. He was for 24 years with the old Nebraska National Bank and will have been with the United States National Bank for 20 years. He expects to retain his residence in Omaha.

Record Increase

The enormous upsurge in personal savings of the American people during 1944 is sharply reflected in life insur-



HENRY W. YATES
Retires from vice presidency

ance figures. A record total of premiums paid in by policyholders during 1944, a record increase in assets, and a \$42,000,000 rise in insurance protection in force are shown in the first of the year-end financial statements to be issued, that of Northwestern National Life Insurance Company. Other all-time highs may be expected to show up in the many other life insurance company reports to follow, O. J. Arnold, president of the Minneapolis concern, says.

Northwestern's total insurance in force stood at \$586,696,979 as of Decem-

MERCHANTS MUTUAL BONDING COMPANY

Incorporated 1933

Home Office
SOUTHERN SURETY 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

No Market Losses IF

you invest your
money from...

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- Endowment Funds
- Insurance Funds
- Pension Funds
- Cemetery Care Funds
- Individuals



— in our 3% Federally insured certificates, which have safety, liquidity and freedom from market losses.

George E. Virden, Secretary

The Russell County Building & Loan Association
RUSSELL, KANSAS

ber 31st, according to its annual report, compared with \$544,320,530 a year ago. Contributing to the gain was a further reduction in the lapse ratio to a new low, reflecting ability of the average policyholder to keep his insurance in force, Arnold pointed out.

Total assets of the company reached \$114,220,589, compared to \$103,048,866 as of the preceding year end. Capital, contingency reserves and surplus stood at \$8,730,770, compared with \$7,871,331 a year ago.

Reflecting further increases resulting from its various War Loan pledges during the year, by far the largest portion of the company's new investments in 1944 was in U. S. government securities, total holdings of which increased to \$55,520,792 as of December 31st, thus accounting for nearly 50 per cent of the total assets in the statement. The \$55,520,792 figure does not include an additional \$2,600,000 in bond purchases subscribed during the Sixth War Loan Drive and reserved for the company for future delivery, Arnold stated.

Exclusive of revivals and increases, sales of ordinary life policies by agents rose 12 per cent in 1944, totaling \$45,953,198, compared with \$40,962,352 in 1943, according to the report. Premium income increased from \$12,959,231 in 1943 to \$14,744,221 in 1944.

Chase Resources

The statement of the Chase National Bank for December 30, 1944, was made public January 3, 1945. Total resources of the bank were \$5,160,004,000, a figure higher than on any previous reporting date. This figure compares with \$4,675,384,000 on September 30, 1944, and \$4,679,974,000 on December 31, 1943.

Deposits, also at a new high figure for any reporting date, amounted to \$4,835,219,000, compared with \$4,352,960,000 on September 30, 1944, and \$4,375,582,000 on December 31, 1943. Cash in the bank's vault and on deposit with the Federal Reserve Bank and other banks amounted to \$900,689,000, compared with \$848,832,000 and \$1,050,012,000 on the respective dates; investments in United States government securities, \$2,899,834,000, compared with \$2,601,379,000 and \$2,603,172,000; loans and discounts, \$1,041,046,000, compared with \$913,837,000 and \$791,980,000.

On December 30, 1944, the capital of the bank at \$111,000,000 and the surplus at \$124,000,000, unchanged from September 30, 1944, compare with \$100,270,000 and \$134,730,000 on December 31, 1943. The change during the year reflects the transfer of \$10,730,000 from surplus to capital, effective January 13, 1944, following approval by the share-

holders at the bank's last annual meeting.

Doesn't Take Much

A few words mumbled in church and you're married; a few words mumbled in your sleep and you're divorced.

Analysis

If a man runs after money, he's money mad. If he keeps it, he's a capitalist. If he spends it, he's a playboy. If he doesn't get it, he lacks ambition. If he gets it without working, he's a parasite. If he gets it after a life of hard labor, he's a fool who got nothing from life.

Car Financing

Will locally purchased automobiles be locally financed when new cars become available?

Both you and Allied Mutual are interested in this. Let's get together.

Write



ALLIED MUTUAL CASUALTY COMPANY

Harold S. Evans, President
Hubbell Building Des Moines, Iowa

A GOOD RETRIEVER



Whether you are hunting game or sales, you need a good retriever. In hunting game it's a dog—in direct mail a return envelope. Return Envelopes are being soft-pedalled today to save paper. But they will be back in force after victory.

Tension knows how!

TENSION ENVELOPE CORP. *Originally* BERKOWITZ ENVELOPE CO.

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A New Sickness Policy Without the Restrictions or Reductions Common to Most Health Policies!

Pays at the Same Rate for Non-confining Sickness As Confining and also Provides for Partial Disability.

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MINNESOTA COMMERCIAL MEN'S ASSOCIATION
2550 Pillsbury Ave. Minneapolis 4, Minn.



THE NEW YORK TRUST COMPANY

100 BROADWAY

MADISON AVENUE AND 40TH ST.

TEN ROCKEFELLER PLAZA

CONDENSED STATEMENT OF CONDITION DECEMBER 31, 1944

ASSETS

Cash and Due from Banks	\$143,427,203.90
United States Government Obligations	438,608,355.08
Other Bonds and Securities	20,871,753.89
Loans and Discounts	196,120,055.71
Real Estate Bonds and Mortgages	1,206,104.41
Equities in Real Estate	75,631.43
Customers' Liability for Acceptances	321,283.48
Interest Receivable and Other Assets	2,086,112.96
	<u>\$802,716,500.86</u>

LIABILITIES

Capital	\$15,000,000.00
Surplus	30,000,000.00
Undivided Profits	<u>8,237,381.40</u>
	\$53,237,381.40
General Reserve	5,913,334.83
Dividend Payable January 2, 1945	525,000.00
Acceptances	371,808.86
Reserve for Taxes and Other Liabilities	4,420,217.69
Deposits	738,248,758.08
	<u>\$802,716,500.86</u>

In previous Statements the balance of the General Reserve account was not shown separately but was applied as a reduction of assets.

United States Government obligations and other securities carried at \$196,742,474.04 in the above statement are pledged to secure United States Government deposits of \$181,456,667.64 and other public and trust deposits and for other purposes required by law.

TRUSTEES

MALCOLM P. ALDRICH
New York

GRAHAM H. ANTHONY
Pres., Colt's Patent Fire Arms Mfg. Co.

ARTHUR A. BALLANTINE
Root, Clark, Buckner & Ballantine

JOHN E. BIERWIRTH
President

ALFRED A. COOK
Cook, Lehman, Greenman,
Goldmark & Loeb

WILLIAM F. CUTLER
Vice-President
American Brake Shoe Company

RALPH S. DAMON
Vice-President & General Manager
American Airlines, Inc.

FRANCIS B. DAVIS, JR.
Chairman of the Board
United States Rubber Company

SAMUEL H. FISHER
Litchfield, Conn.

WILLIAM HALE HARKNESS
New York

HORACE HAVEMEYER, JR.
Executive Vice-President
The National Sugar Refining Company

B. BREWSTER JENNINGS
President, Socony-Vacuum Oil Co., Inc.

HOWARD W. MAXWELL
New York

HARRY T. PETERS
New York

SETON PORTER
President, National Distillers
Products Corporation

ROBERT C. REAM
President, American Re-Insurance Company

MORRIS SAYRE
Exec. Vice-Pres., Corn Products Refining Co.

VANDERBILT WEBB
New York

Member of the Federal Deposit Insurance Corporation

How Bank Credit Group Plan Works

By Evan Randolph

President
The Philadelphia National Bank

1. All applications for loans come through originating banks.
2. Individual borrower does not make application to Bank Credit Group.
3. Purpose of Credit Group is to finance small business concerns during reconversion period.
4. Credit Committee accepts risk for the Group only on unanimous vote of its members.

IT IS a well known fact that a convert who originally opposed the Bank Credit Group plan, is more thoroughly imbued with the theory which he has adopted than the men who have originated the philosophy or have been the apostles of its teaching. When I first heard of the Bank Credit Group plan as expounded by its originators in the American Bankers Association I was opposed to it on the grounds, first, that it was unnecessary and, secondly, that it was like a rubber ball that might bounce back and hit one when not expected.

When I was approached by the officers of the Philadelphia Clearing House Association as to whether I would act as chairman in the formation of a Bank Credit Group for Philadelphia, I asked that I might be given time before answering so that I might study more thoroughly the situation. Receiving an affirmative reply to this request I went to New York and saw a number of my friends, who gave me considerable data in typewritten or mimeographed form, and after studying the matter carefully I came to the conclusion that I was willing to attempt the formation of a Bank Credit Group in Philadelphia, but that I was going to make it clear to every possible participant that the Group would never have a chance to handle what might be termed "the ordinary bank loan" but would only be asked to consider loans in which there was a real probability of some more or less ultimate loss.

The first step in forming the Philadelphia Group was to ask ten of the largest banks and trust companies in Philadelphia whether they would be interested in joining a \$10,000,000 group, and all ten banks agreed to join. An invitation was then extended to all of the banks and trust companies having their principal offices in Philadelphia, and at the present time twenty banks and trust companies in



EVAN RANDOLPH
"...a convert who originally opposed"

the city have signified their willingness to join such a group.

You may wonder how Philadelphia chose the figure of \$10,000,000, and I can answer you best by saying that Philadelphia banking resources are approximately one-tenth of those of New York, and with New York forming a \$100,000,000 group, \$10,000,000 seemed to be the right figure for Philadelphia. If by any chance more money is needed in Philadelphia, the first \$10,000,000 having been used in making loans by the Group, I have no doubt that an additional pool can easily be formed.

I presume that nearly all of you are familiar with what the Philadelphia and the New York Group plan agreements are, but I should like to point out certain highlights. Each member of the group agrees to take a certain percentage of any and all loans which are approved by the Group as a whole. In Philadelphia the percentage has

been arrived at by taking the resources of each financial institution as of June 30, 1944, after deducting a sum which is equivalent to the reciprocal balances a bank might have had on June 30th, and then in addition deducting the War Loan balance carried by the institution as of June 30th. The totals thus arrived at for the Philadelphia Group amount to \$2,238,692,000. Each bank's percentage of participation is then worked out pro rata, the largest percentage being 28.36 per cent and the smallest .52 per cent.

The purpose of the group is to implement, augment and undertake the financing (through loans or other credit accommodations) of small and medium-sized business concerns in the United States during the present reconversion period, which is expected to continue after the cessation of the present hostilities, by participating with originating banks in financing risks so undertaken which may be in amounts, for periods or upon terms or under conditions which may make usual banking accommodations unavailable. Let me point out that the individual borrower does not make an application to the Bank Credit Group, all applications for loans must come through an originating bank. The originating bank may be a member of the Bank Credit Group of Philadelphia but can be any bank within or without the Third Federal Reserve District. May I amplify that last statement? A borrower must go first to his own bank regarding any proposed borrowing. Then if it is a loan too large for that bank it would take the loan probably to its city correspondent, and if the loan was attractive and good the matter might possibly end there. If the city correspondent did not care for the loan, the local bank, called in the agreement the "originating bank," would either directly apply to the Group or do so through its corres-

Northwestern Banker January 1945

OUR 50th YEAR

pondent city bank. The originating bank must, however, be willing to take for its own account, if it is not a member of the Bank Group, a reasonable share in the loan which it

brings to the Bank Group on the same terms as the members of the Group. The actual servicing of the loan may be by the original bank or such member bank of the Group as may be

designated by the Credit Committee.

Now what, you will ask, is the Credit Committee? The Group Agreement states that the Credit Committee shall consist of one member or his alternate for each Member Bank, who shall be officers of such bank, and upon whom shall be conferred by appropriate action the necessary power and authority to commit the bank to accept participations up to the aggregate amount of that bank's commitment in the credit group. The Credit Committee shall accept risks for the account of the Group only by the unanimous vote of its members or their respective alternates. If any member of the Credit Committee says that his bank does not care to share in the loan being considered by the Credit Committee, the loan in question is then automatically turned down as far as the Bank Credit Group is concerned, although there is no reason why the remaining banks considering the loan should not advance the money requested to the borrower. But as I have just said, in this case it is not a group credit. To repeat, Article 4.5 of the Agreement says, "The Credit Committee shall accept risks for the account of the Group only by the unanimous vote of its members or their respective alternates." As you will see, no bank which is a member of the Group has to take a participation in a loan which it does not wish to share in. Another question you will want an answer to is, How will the Credit Committee approach the question of a loan? Let me quote again from the Agreement itself. Articles 5.2 and 5.3 say: "Before acting upon any request for participation by the Group in a financial risk the Credit Committee shall require appropriate historical, financial and other relevant data with respect to the prospective borrower or credit taker, the terms proposed by the Originating Bank, including the rate of interest upon the loan, resulting from its own negotiations with its customer, and advice as to the extent to which the Originating Bank is prepared to participate in such financial risk." (5.3) "The Credit Committee shall not entertain a financial risk in which the

Thomson & McKinnon BROKERS

MEMBERS NEW YORK STOCK EXCHANGE
AND ALL PRINCIPAL EXCHANGES

TAKE PLEASURE IN ANNOUNCING THE OPENING
OF THEIR NEW OFFICE

DECEMBER 21, 1944

216 - 218 EMPIRE BUILDING DES MOINES, IOWA
TELEPHONE 4-2127

UNDER THE MANAGEMENT OF
LAVERNE M. BARLOW

We own and offer

\$68,000

City of Dubuque (Iowa) Bridge Commission 2 $\frac{1}{4}$ %

First Mortgage Bridge Revenue Refunding Bond

\$20,000 due January 1, 1950, to yield 2.00%
20,000 due January 1, 1951, to yield 2.10%
8,000 due January 1, 1952, to yield 2.15%
10,000 due January 1, 1953, to yield 2.20%
10,000 due January 1, 1954, to yield 2.25%

Payable from revenues of the new Dubuque-East Dubuque Bridge. Net revenues for first full year operation to August 31, 1944, were 2.61 times maximum interest charge.

The income from these bonds is subject to Federal Income Tax.

Detailed circular on request.

WHEELOCK & CUMMINS

Incorporated

200 Equitable Building

DES MOINES, IOWA

Phone 4-7159



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

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Des Moines, Iowa

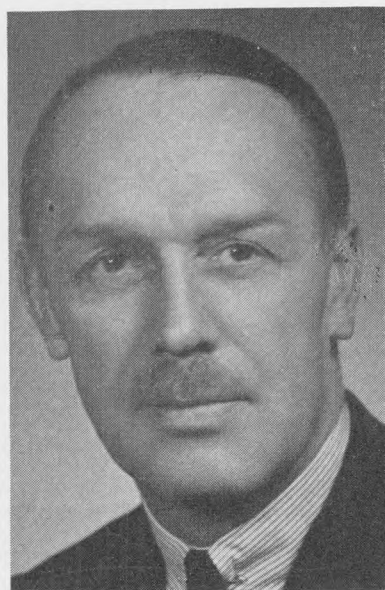
Originating Bank shall not have or retain a reasonable share of such risk on the same terms as the Members of the Group."

One more quotation from the Agreement: "It is provided that any Member of the Group may withdraw from and cease to be a party of the Group upon ten days' written notice to the Credit Committee, and after the expiration of said ten days' notice period no further commitment should be made by the Credit Committee for the account of such bank and the member and the alternate of such withdrawing bank shall cease to be a member or alternate of the Credit Committee." That, in brief, is a summary of the Philadelphia Bank Credit Group plan.

Royal Bank Appointment

Appointment of M. M. Walter as assistant general manager of The Royal Bank of Canada, has been announced.

Mr. Walter has been manager of the bank's main Montreal branch since 1938 and is well known in business and financial circles throughout eastern Canada. He was born in Ontario and began his banking career with The



M. M. WALLER
Assistant General Manager

Royal Bank of Canada in Oshawa in 1912. After gaining banking experience at a number of branches in his native province, he was transferred to the supervisor's department, Toronto, in 1924. Four years later he was transferred to head offices and subsequently was appointed assistant manager of Montreal branch. In 1938 he was promoted to the managership.

OUR 50th YEAR

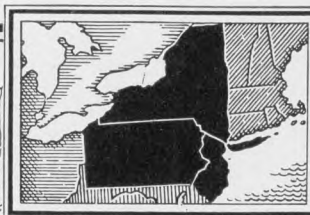
Christmas Gifts

Crosby Kemper, president of the City National Bank and Trust Company of Kansas City, Missouri, sent each of the 43 former employes of the bank now in the armed forces a Christmas box and a check for \$25.

Bankers Trust Promotions

At a meeting last month of the board of directors of Bankers Trust Company, New York, L. G. Payson and P. M. Tuttle, formerly assistant vice presidents, were elected vice presidents and W. J. Snow, Jr., who is now director of

NEW YORK • NEW JERSEY



PENNSYLVANIA

PROVIDING INVESTMENT CAPITAL

To *The Middle Atlantic States*

MOST populous and most highly industrialized, the Middle Atlantic States naturally rank high in capital requirements, in production of goods, and in wealth.

Center of shipping from the days of "Fulton's Folly"; of security trading since the days of the Buttonwood Tree; starting point of western migrations down the Ohio River and through the Erie Canal—these states have long been the spearhead of American progress.

In their internal development and

in making their resources available to other sections, The Middle Atlantic States have had frequent occasion to utilize the facilities of investment organizations such as our own thus providing both capital for growth and opportunity for prudent investors.

Indicative of its contribution to the progress of this area, Halsey, Stuart & Co. Inc. has participated as an original underwriter in almost 600 bond issues, totaling over \$2½ billions, of representative corporations and municipalities of the Middle Atlantic States.

HALSEY, STUART & CO. Inc.

CHICAGO 90, 123 S. LA SALLE STREET • NEW YORK 5, 35 WALL STREET
AND OTHER PRINCIPAL CITIES

BONDS

Public Utility

Industrial

Railroad

Municipal

A.C. ALLYN AND COMPANY

Incorporated

100 West Monroe Street, Chicago

New York

Milwaukee

Boston

Representatives: Waterloo

Minneapolis

Moline

Northwestern Banker January 1945

finance of the Farm Credit Administration at Kansas City, was elected an assistant vice president. The following promotions were also approved by the board:

E. M. Andel and F. W. Bristow, assistant treasurers, were elected assistant vice presidents; P. J. Dugan, building superintendent, becomes chief engineer; R. W. Parsons, of the bond department, becomes an assistant vice

president, and J. H. Morris was made assistant manager of the bank's London office.

Lobby Display


In connection with its recent War Loan Drive activities, the Mercantile-Commerce Bank and Trust Company, St. Louis, showed an interesting display of old mechanical banks in its lobby, the banks being part of the col-

lection of I. A. Long, vice president. Some 45 banks were on display, bringing back memories of childhood saving days to many a depositor, when at the touch of a lever, figures moved, action took place with a mysterious whirring sound and their penny or other coin was swiftly deposited in the iron recesses of the bank—safe from temptation—and saved.

Heads Des Moines Branch

Thomson & McKinnon, national brokerage firm, last month opened a branch office in Des Moines at 216-218 Empire Building. The Des Moines office brings to a total of thirty-two such branches in the United States and Canada. Alfred W. Mansfield, Sr., a senior partner in the firm, as well as other members of the Chicago office, were in Des Moines for the opening. This office is the first to be opened by any New York stock exchange firm anywhere since the war started.

La Verne M. Barlow, well known to Iowa and middle western bankers and financiers, is manager of the Des Moines branch. For the past two years Mr. Barlow has been area rent director for the OPA, and more recently district loan agent for the Smaller War Plants Corporation. Prior to that he has been



Investors Mutual, Inc.

Prospectus on request from Principal Underwriter

INVESTORS SYNDICATE

MINNEAPOLIS, MINNESOTA

REPRESENTATIVES IN THE PRINCIPAL CITIES OF THE UNITED STATES

City National Bank and Trust Company of Chicago

Condensed Statement of Condition, December 31, 1944

RESOURCES

Cash and Due from Banks	\$ 78,783,867.46
U. S. Government Securities	160,617,727.67
State, Municipal, and Other Securities	6,062,646.17
Loans and Discounts	82,361,993.80
Federal Reserve Bank Stock	240,000.00
Accrued Interest	556,408.42
Customers' Liability on Letters of Credit and Acceptances	1,220,309.30
Other Resources	43,150.67
	<u>\$329,886,103.49</u>

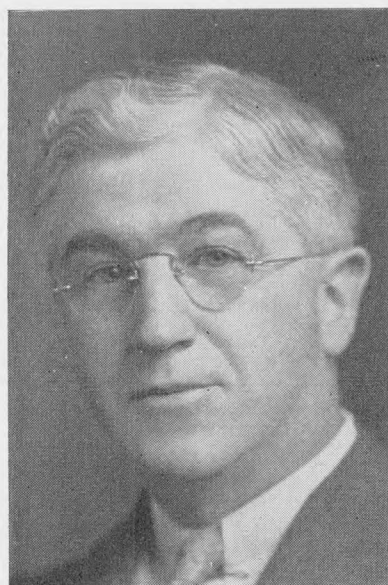
LIABILITIES

Capital	\$ 4,000,000.00
Surplus	4,000,000.00
Undivided Profits	1,313,474.35
Reserves for Interest, Taxes, and Contingencies	1,863,031.59
Reserved for Dividends Declared	160,000.00
Letters of Credit and Acceptances Outstanding	1,220,626.12
Other Liabilities	57,458.20
Deposits	317,271,513.23
	<u>\$329,886,103.49</u>

Member Federal Deposit Insurance Corporation

associated with banking and brokerage activities in Iowa for 33 years.

With its main office in New York, other units of Thomson & McKinnon are located in Chicago, Indianapolis and Toronto, Ontario. The firm is a member of the New York Stock Exchange and other principal exchanges



L. M. BARLOW
Des Moines Manager

in the country, with an organization of more than 500 men and women. The September 30, 1944, financial statement of Thomson & McKinnon lists total assets at \$25,942,997.97.

Heads Committee

Members of the \$10,000,000 Bank Credit Group of Philadelphia, which has been formed for the purpose of financing small and medium sized business concerns, at a recent meeting elected J. William Hardt, vice president of The Philadelphia National Bank, as chairman of the credit committee. Anthony G. Felix, vice president of the Pennsylvania Company for Insurances on Lives and Granting Annuities, is vice chairman, and O. Howard Wolfe, who for the past three years has been in the service of the United States government on leave of absence from his duties as a vice president of The Philadelphia National Bank, is secretary.

Surplus Increased

The surplus fund of The Northern Trust Company, Chicago, has been increased from \$6,000,000 to \$12,000,000 by the board of directors. Three million dollars was transferred from undivided profits and \$3,000,000 from reserves.

The 188th quarterly dividend was also declared, amounting to \$4.50.

OUR 50th YEAR

THE PHILADELPHIA NATIONAL BANK

The Oldest and Largest Bank in Pennsylvania
Organized 1803

Statement of Condition, December 30, 1944

RESOURCES

Cash and due from Banks	\$179,670,195.27
U. S. Government Securities	471,028,479.15
State, County and Municipal Securities	10,547,043.46
Other Securities	29,499,884.04
Loans and Discounts	78,800,074.86
Accrued Interest Receivable	2,176,993.07
Customers' Liability Account of Acceptances	2,403,399.12
Bank Buildings	1.00
	<u>\$774,126,069.97</u>

LIABILITIES

Capital Stock (Par Value \$20.00)	\$ 14,000,000.00
Surplus	28,000,000.00
Undivided Profits	9,958,268.70
Reserve for Taxes	2,531,815.94
Dividend (Payable January 2, 1945)	875,000.00
Unearned Discount and Accrued Interest	145,851.18
Acceptances	3,248,617.88
Deposits	
United States Treasury	\$101,518,722.75
All Other Deposits	613,847,793.52
	<u>715,366,516.27</u>
	<u>\$774,126,069.97</u>

Philadelphia, Pa.

Member of the Federal Deposit Insurance Corporation

Northwestern Banker January 1945

STATEMENT OF CONDITION

First National Bank of Minneapolis

as at December 30, 1944

RESOURCES

Cash on Hand and Due from Banks	\$ 83,593,293.88
United States Government Bonds (Direct and Fully Guaranteed)	222,067,649.25
Guaranty Fund (United States Government Bonds with State Treasurer to guarantee performance of Fiduciary Duties)	600,000.00
Loans and Discounts	52,460,413.27
Other Bonds and Securities	9,759,054.51
Overdrafts	15,552.37
Bank Buildings	401,811.92
Customers' Acceptance Liability	37,690.00
Interest Earned but not Collected	833,408.56
Other Assets	20,944.46
Total Resources	\$369,789,818.22

LIABILITIES

Capital Stock	6,000,000.00
Surplus	9,000,000.00
Undivided Profits	3,025,677.51
Reserve for Interest, Expenses, Taxes, etc.	2,341,908.14
Interest Collected but not Earned	60,959.06
Letters of Credit and Acceptances	37,690.00
Other Liabilities	29,589.59
Deposits (*United States Government War Loan Deposits included)	349,293,993.92
Total Liabilities	\$369,789,818.22

*United States Government War Loan Deposits \$90,877,835.10

DIRECTORS

Henry E. Atwood, *Vice President,*
The B. F. Nelson Mfg. Co.

Russell H. Bennett,
Mining Engineer

Daniel F. Bull, *President,*
The Cream of Wheat Corp.

J. G. Byam, *Vice President*

E. L. Carpenter, *Retired*

John Cowles, *President,*
Minneapolis Star Journal and
Tribune Co.

Franklin M. Crosby,
Vice President, General Mills, Inc.

Paul V. Eames, *President,*
Shevlin, Carpenter & Clarke Co.

John H. Hauschild, *President,*
Chas. W. Sexton Co.

Horace M. Hill, *President,*
Janney, Semple, Hill & Co.

W. L. Huff,
Vice President and Treasurer,
Minneapolis-Honeywell
Regulator Co.

C. T. Jaffray,
Chairman of the Board,
First Bank Stock Corporation

John H. MacMillan, Jr.,
President, Cargill, Inc.

Sumner T. McKnight,
President, S. T. McKnight Co.

W. G. Northup, *President,*
North Star Woolen Mills Co.

S. G. Palmer, *President,*
S. G. Palmer Co.

A. F. Pillsbury, *Director,*
Pillsbury Flour Mills Co.

Lyman E. Wakefield, *President*

Robert W. Webb, *Vice President*

H. R. Weesner, *Chairman Board,*
Wabash Screen Door Co.

F. B. Wells, *Vice President,*
F. H. Peavey & Co.

C. J. Winton, Jr., *President,*
Winton Lumber Co.

Sheldon V. Wood, *President and*
General Manager, Minneapolis
Electric Steel Castings Co.

Edgar F. Zelle, *President,*
Jefferson Transportation Co.

United States Government obligations and other securities carried at \$134,892,179.67 in the foregoing statement
are deposited to secure public funds and for other purposes required by law.

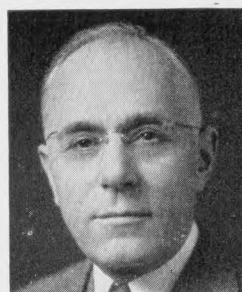
Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION



WILBUR F. McLEAN
President
Duluth

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Sells Bank Interest

The interest of O. A. Schultz in the First National Bank, Moose Lake, Minnesota, was acquired recently by N. A. Bauer, formerly assistant cashier of the First National Bank of Grand Rapids, and J. V. Quinlan of Hibbing and Reed Hauslaib of Coleraine.

Mr. Bauer at a meeting last month was elected president and cashier and Mr. Hauslaib and Mr. Quinlan, directors who, with L. H. Blacklock and F. A. Schweiger will constitute the new officers and directors of the bank.

The retiring officers and directors are O. A. Schultz, A. J. Wentz and F. Bergquist.

Heads Shelly Bank

George J. Johnson, senior vice president, American National Bank, St. Paul, will be the new president of the State Bank of Shelly, Minnesota, to succeed E. C. Hopkins, whose death occurred recently. Ed Engelstad, now cashier, will be advanced to vice president and will be operating officer of the bank. Alvin M. Aanenson will be cashier, succeeding Mr. Engelstad.

Modernizing

The force at the Sherburn National Bank, Sherburn, Minnesota, came out from behind the bars last month when the fixtures that have graced the bank since 1918 were removed. The bars that adorned the bank fixtures were taken out and the doors and fixtures cut down to two-thirds of the original height, and the interior has been completely streamlined.

In addition to the work on the fixtures, a new asphalt tile floor covering has been placed in the employees' portion of the bank. Further improvements are being considered, including a soundproofing arrangement.

Bank Pays Dividend

Holders of participating trust certificates of the Farmers State Bank of Waubun, Minnesota, are receiving, up-

on presentation of their trust certificates, a 40 per cent dividend or 20 per cent of the total deposit in the bank at the time of reorganization in 1933.

Ex Banker and Wife Killed

Bert Disney, 72, a retired Zumbro Falls, Minnesota, banker, and his wife were fatally injured last month when their automobile and a milk truck collided on the slippery highway near Lake City.

Mr. Disney was an appraiser for the Federal Land Bank and had conducted an insurance business since his retirement from banking.

Leaves Windom Bank

Paul J. Gillam has resigned his position as director and assistant cashier of the Windom National Bank, Windom, Minnesota, and also disposed of his interests in the bank. After his father's death on May 13, 1933, Mr. Gillam, who since 1925 had been em-

ployed in the bank, became a director and assistant cashier and also assumed the management of his father's business.

Stanley S. Gillam, the other son and brother, and one of the substantial stockholders of the bank, has also disposed of his interests, and at the present time is practicing law in Minneapolis.

Board Elects New Officers

At a meeting of the board of directors of the Citizens National Bank, Madelia, Minnesota, held recently, Arthur Jacobson was elected a director to fill the vacancy caused by the death of Dr. W. J. McCarthy.

At the same meeting G. V. Christiansen was elected president of the bank, to succeed the late Dr. McCarthy, and E. F. McCarthy was elected vice president.

Joins Backus Bank

Jack B. Seibert, formerly located at Little Rock, Arkansas, last month joined the Backus State Bank, Backus, Minnesota, as cashier of that institution. He was to assume his new duties at once.

Mr. Seibert has been associated with banks in Maquoketa, Jackson county, Iowa, and at Quincy, Illinois. Prior to his coming to Backus, he was National Bank examiner for the U. S. Treasury, with headquarters at Little Rock, Arkansas.

Discuss Postwar Taxes



Whether reduction in individual or corporation taxes will be the more important to postwar business was discussed last month at a meeting of Minneapolis Chapter, A. I. B. Pictured above at the speakers table are **G. Sidney Houston**, manager investment research department, First Service Corporation, St. Paul; **Oscar F. Litterer**, statistician Federal Reserve Bank, Minneapolis; **John F. Fennelly**, partner, Glore, Forgan & Company, Chicago; and **J. Cameron Thomson**, president Northwest Bancorporation and vice chairman Committee for Economic Development. Mr. Thomson is also chairman of the Committee on Economic Policy of the U. S. Chamber of Commerce, and chairman of the Northwest Research Committee.

Christmas Carols

During the holiday season the Twin City Federal Savings and Loan Association of Minneapolis contributed materially to the holiday aspect of that city by playing from its corner location Christmas carols on the association's Hammond electric organ. The association happened to purchase the organ a few years ago and President Roy W. Larsen says that this musical feature has made them many friends. During the year they loan the electric organ to various Minneapolis churches which cannot afford to purchase an organ.

Federal Reserve Member

Admitted to membership in the Federal Reserve System last month was the First State Bank of Meriden, Meriden, Minnesota. Directors of the bank are: Ed J. Buscho, W. P. Jones, H. J. Karsten, Fred Mundt, J. H. C. Schuldt and H. H. Wicklow. Officers are: Mr. Schuldt, president; Mr. Wicklow, vice president; Mr. Jones, cashier, and Alfred Schuldt, assistant cashier.

Amend Article

Section five of the certificate of incorporation of the State Bank of Hinck-

ley, Minnesota, has been amended to read:

"The amount of the capital stock shall be \$25,000, fully paid in, in cash, which shall be divided into 250 shares of 100 dollars each."

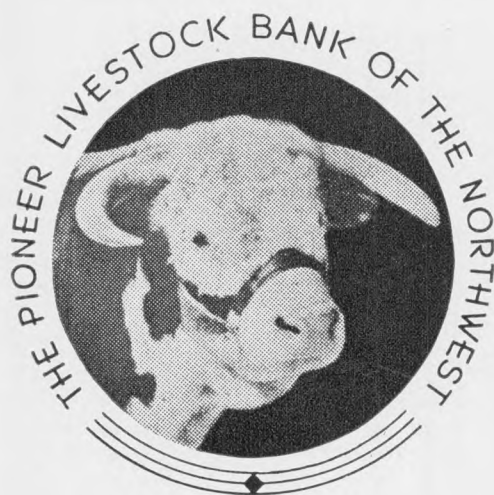
Represents Association

Stanford Ronning, cashier of the Union State Bank, Browns Valley, Minnesota, attended the state meeting of the Clearing House Groups of the Minnesota Bankers Association at a meeting held at the Nicollet Hotel in Minneapolis recently. Mr. Ronning represented the West Central Clearing House Association of which he holds the position of president. Twenty-three associations throughout Minnesota are members of the Clearing House Groups of the Minnesota Bankers Association.

Windom Cashier Dies

John J. Rupp, well-known Windom, Minnesota, banker, died at his home there recently. The Windom National Bank, of which he was cashier, underwent a change in ownership the first of September when Mr. Rupp sold out his interest.

Mr. Rupp's entire life was tied up with the banking business. He was employed in the Cottonwood County Bank of Windom from 1891 to 1902, all but his first two years as assistant cashier. He then became cashier of the Windom National Bank, which position he held until the time of the transfer last fall.



Statement of Condition December 30, 1944

RESOURCES

Loans and Discounts.....	\$ 1,982,281.80
Vault and Fixtures.....	1.00
Interest Earned not Collected.....	43,425.07
U. S. Gov't. Obligations.....	\$9,193,843.43
Other Bonds and Securities.....	620,099.51
Cash and Due from Banks.....	3,034,396.14
	12,848,339.08

TOTAL RESOURCES\$14,874,046.95

LIABILITIES

Capital	\$ 250,000.00
Surplus	250,000.00
Undivided Profits and Reserves.....	293,467.70
Other Liabilities	64,132.67
Deposits	14,016,446.58

TOTAL LIABILITIES\$14,874,046.95



The Stock Yards National Bank

South Saint Paul, Minn.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

JAMIESON & COMPANY

Members
New York Stock Exchange
and Other Principal Exchanges

★

STOCKS
BONDS
COMMODITIES

★

MINNEAPOLIS
ST. PAUL
DULUTH

FARGO
GRAND FORKS
SIOUX FALLS

PRIVATE WIRES

MIDLAND

NATIONAL BANK AND TRUST COMPANY

OF MINNEAPOLIS

Condensed Statement of Condition December 30, 1944

RESOURCES

Cash and Due from Banks-----		\$11,352,237.29
U. S. Government Securities-----	\$34,512,618.97	
Other Bonds and Securities-----	2,942,283.57	37,454,902.54
Loans and Discounts-----		10,485,237.17
Income Earned but not Collected-----		134,499.69
Other Resources-----		2,545.41
		<u>\$59,429,422.10</u>

LIABILITIES

Demand and Time Deposits-----	\$41,535,313.11	
U. S. War Loan Deposit Account-----	15,200,437.52	\$56,735,750.63
Reserves for Interest, Expenses and Taxes		142,742.71
Income Collected but not Earned-----		49,393.76
Capital Stock-----	\$ 1,000,000.00	
Surplus-----	1,000,000.00	
Undivided Profits-----	178,715.95	
Reserve for Contingencies-----	322,819.05	2,501,535.00
		<u>\$59,429,422.10</u>

U. S. Government and Other Securities carried at \$22,873,169.77 are pledged to secure public deposits and trust funds and for other purposes, as required by law.

OFFICERS

ARNULF UELAND	President
CALVIN W. AURAND.....	Vice President
W. E. BROCKMAN.....	Vice President
WILLIAM R. CHAPMAN.....	Vice President
LAWRENCE O. OLSON.....	Vice President
ROBERT S. STEBBINS.....	Vice President and Cashier
MELVIN D. BURT.....	Assistant Cashier
E. WALTER ENGSTROM.....	Assistant Cashier
JAMES A. GALBRAITH.....	Assistant Cashier
VICTOR W. MASER.....	Assistant Cashier
KENNETH D. MORLAN.....	Assistant Cashier
*CLIFFORD C. SOMMER.....	Assistant Cashier
EVERETT L. THOMPSON.....	Assistant Cashier
HARRY M. WILLMERT.....	Assistant Cashier
FRANK W. PETERSON.....	Comptroller

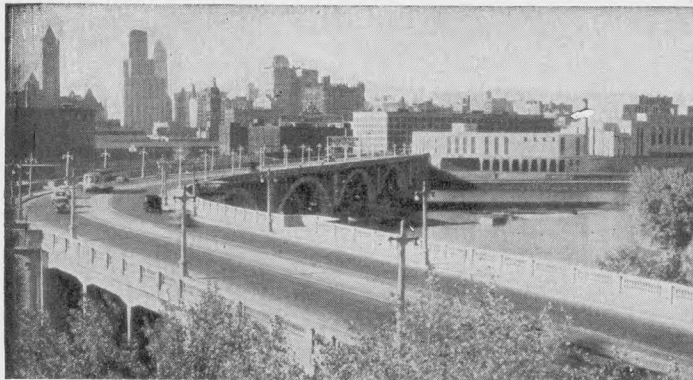
*On leave of absence with United States Armed Forces.

DIRECTORS

CALVIN W. AURAND	Vice President
N. C. BEIM	Chairman of the Board, W. H. Barber Company
FREDERIC B. CARR	President and Treasurer, Hallet & Carey Company
G. L. HEEGAARD	President, Mandan Mercantile Company
W. C. HELM	Vice President, Russell-Miller Milling Company
DR. O. B. JESNESS	Chief, Division of Agricultural Economics, University of Minnesota
CHARLES B. JORDAN	President and Manager, Jordan Stevens Company
BEN C. McCABE	President, McCabe Brothers Company
	President, International Elevator Company
M. CLAY McCARTNEY	President, Toro Manufacturing Company
HENRY J. NEILS	Sec.-Treas., Flour City Ornamental Iron Co.
J. R. RANDALL	President, Reserve Supply Company
EDW. A. SCHLAMPP	President and Treas., P. Schlampff & Son, Inc.
MAURICE SCHUMACHER	Building Contractor
SAMUEL SEWALL	Treasurer, Minneapolis Iron Store
ARNULF UELAND	President
PAUL E. VON KUSTER	President, David C. Bell Investment Company
JAMES C. WYMAN	Manager, St. Anthony & Dakota Elevator Co.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

TWIN CITY NEWS



V. E. MIKKELSON, president of Fidelity State Bank, Minneapolis, was named a vice president of the Minneapolis Civic & Commerce Association at the organization's annual meeting.

Lubin Boehme of Northwestern National Bank, Minneapolis, has been named chairman of the A. I. B. educational committee of the Minnesota Bankers Association. A former president of Minneapolis Chapter, American Institute of Banking, he succeeds **R. C. Rutherford**, who left his post as executive secretary of the local A. I. B. chapter to join national headquarters in New York.

Samuel P. Martin, 59, auditor of Farmers & Mechanics Savings Bank, Minneapolis, since 1927, dropped dead

By James M. Sutherland

Special Correspondent

outside the bank while on his way to see a doctor. He joined the savings bank in 1916 after earlier experience with the old Security National Bank. In 1935-36 he was president of Minneapolis Chapter, American Institute of Banking.

Clarence E. Hill, vice president of Northwestern National Bank, has been made chairman of the Minneapolis Civic & Commerce Association's new committee on war surplus disposal which will help firms interested in purchasing surplus war goods.

Joseph D. Sullivan, stockholder of Columbia Heights State Bank since its organization in 1937, has been named a director of the bank. Sullivan, a filling station and garage operator in Columbia Heights, is a member of a family which has lived in that district since 1864.

Otto Bremer, chairman of American National Bank, St. Paul, and interested in a number of other banks over the Northwest, was host to more than 100 persons, principally officers and directors of the various Bremer banks, at a dinner in Minnesota Club, St. Paul. George J. Johnson, senior vice president of American National, was toastmaster.

G. M. Phillips of Caldwell-Phillips Co., St. Paul, was elected president of the Twin City Bond Club at its annual meeting. Other officers named were **Rollin G. Andrews** of J. M. Dain & Co., Minneapolis, vice president; **Warren Gochenour, Jr.**, of Irving Rice & Co., St. Paul, secretary-treasurer. Members of the board of governors for two-year terms are **H. M. Tufveson** of H. M. Byllesby & Co., **J. P. Arms** of J. P. Arms, Inc., and **Donald E. McFarland** of Kalman & Co., all of Minneapolis.

Guy W. LaLone, vice president of First National Bank, Minneapolis, has been elected treasurer of Minneapolis Civic & Commerce Association.

Minnesota Bankers Association, Minnesota division of banking and the University of Minnesota will sponsor the annual state bankers' conference at the University February 12th and 13th. Canceled last year, the conference was reinstated after a poll

(Turn to page 48, please)

Departing Secretary Honored



Robert C. Rutherford resigned recently as executive secretary of the Minneapolis Chapter of the American Institute of Banking to become assistant to **Floyd W. Larson**, National A. I. B. secretary. Given a traveling bag and a War Bond by the Minneapolis Chapter, the above photo shows Mr. Rutherford accepting his gifts. Pictured, from left to right, are **L. O. Olson**, vice president of the Midland National Bank, Minneapolis, and a past president of Minneapolis A. I. B.; **Oscar Brown**, Baneredit Corporation, St. Paul, president St. Paul Chapter; **Mr. Rutherford**; **Chris Ries**, Federal Reserve Bank, president Minneapolis Chapter; **Bob Baker**, Northwestern National Bank, Minneapolis, chairman A. I. B. Forum Committee; and **Cal Rose**, assistant cashier, Northwestern National Bank, and past president Minneapolis Chapter.

Northwestern Banker January 1945

OUR 50th YEAR

Statement of Condition

NORTHWESTERN NATIONAL BANK

of Minneapolis
MINNEAPOLIS 2, MINNESOTA

(December 30, 1944)

RESOURCES

Cash and Due from Federal Reserve and Other Banks.....	\$ 94,058,732.76
U. S. Government Securities, direct and fully guaranteed.....*	249,839,333.78
Other Bonds.....*	9,535,067.59
Loans and Discounts.....	70,513,831.90
Stock in Federal Reserve Bank in Minneapolis	360,000.00
Customers' Liability on Letters of Credit and Acceptances.....	655,555.10
Interest Earned but not Collected..	907,276.32
Banking House.....	3,650,000.00
Other Resources.....	133,500.88
Total Resources	\$429,653,298.33

LIABILITIES

Capital Stock.....	5,000,000.00
Surplus	7,000,000.00
Undivided Profits	1,218,215.05
Reserve for Contingencies.....	2,866,742.58
Total Capital Accounts.....	\$ 16,084,957.63
Reserve for Interest, Taxes and Other Expenses.....	1,191,597.56
Interest Collected but not Earned..	372,622.86
Letters of Credit and Acceptances..	655,555.10
Deposits	411,348,565.18
<i>(U. S. Government War Loan Deposits included\$106,847,451.61)</i>	
Total Liabilities.....	\$429,653,298.33

*United States Government and other securities carried at \$145,782,882.19 are pledged to secure U. S. Government War Loan Deposits and other public funds and trust deposits and for other purposes as required or permitted by law.



The Northwestern Bank Building — Favored by business men who select their office homes for prestige and strategic location.

DIRECTORS

JAMES F. BELL
*Chairman of Board,
General Mills, Inc.*
BENTON J. CASE
*Director, Janney, Semple,
Hill & Company*
GEORGE B. CLIFFORD, JR.
*Treasurer, The Cream of
Wheat Corporation*
JOHN CROSBY
*Director
General Mills, Inc.*
THOMAS L. DANIELS
*Vice President
Archer-Daniels-Midland
Company*
G. NELSON DAYTON
*President
The Dayton Company*
JOHN B. FAEGRE
*Faegre and Benson,
Attorneys*
SHIRLEY S. FORD
*President
Northwestern National
Bank of Minneapolis*
F. PEAVEY HEFFELFINGER
*Vice President
F. H. Peavey and Company*
FRANK T. HEFFELFINGER
*President
F. H. Peavey and Company*
CLARENCE E. HILL
*Vice President
Northwestern National
Bank of Minneapolis*
FRANK P. LESLIE
*Vice President and Treasurer
The John Leslie Paper Co.*
ROBERT E. MACGREGOR
*Vice President
Northwestern National
Bank of Minneapolis*
CHARLES C. MASSIE
*President, Northrup, King
and Company*
ROBERT F. PACK
*Chairman of Board
Northern States Power
Company*
JOHN S. PILLSBURY
*Chairman of Board
Pillsbury Flour Mills
Company*
AUGUSTUS L. SEARLE
*President
Searle Grain Company*
LUCIAN S. STRONG
*President and Treasurer
The Strong Scott
Manufacturing Co.*
D. J. STROUSE
*President, Twin City Rapid
Transit Company*
HAROLD W. SWEATT
*President
Minneapolis-Honeywell
Regulator Company*
J. CAMERON THOMSON
*President
Northwest Bancorporation*
THEODORE WOLD
*Chairman of Board
Northwestern National
Bank of Minneapolis*
VALENTINE WURTELE
*President
Minnesota Linseed Oil
Paint Company*

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

TWIN CITY NEWS

of banks which indicated more than 200 will send delegates.

Julian B. Baird, vice president of First National Bank, St. Paul, and **Arthur R. Upgren**, vice president and economist of Federal Reserve Bank of Minneapolis, have been appointed by the Inter-American Commercial Arbitration Commission of the Pan-American Union as members of a Northwest committee to aid exporters who face disputes in business transactions with South American firms.

Itasca County Group Meets

At the meeting of the Itasca County Bankers Association at Grand Rapids, Minnesota, recently, H. J. Dockstader, cashier of the First National Bank of Bovey, was elected vice president. Harvey Latvala of the First National in Nashwauk was elected president; Robert Cameron, Deer River, secretary, and W. G. King, Grand Rapids, treasurer.

Add to Bank Staff

At a recent meeting of stockholders of the Root River State Bank, Chat-

field, Minnesota, provision was made for an increase in the number of directors. In accordance with the change, A. O. Krogen was elected as an additional director. At a meeting of the directors Beth Onstine was elected as assistant cashier of the bank.

Association Names Officers

The Douglas County Bankers Association's annual meeting was held recently at Alexandria, Minnesota.

George Buscher of Alexandria was elected president, to succeed I. S. Saetre of Evansville. N. E. Olson of Osakis was named vice president and Jim McGee of Alexandria became secretary-treasurer.

Clearing House Gathering

Nearly forty bankers, representing every bank in the four counties served by the Northwestern Minnesota Clearing House Association, attended the organization's annual fall meeting in Thief River Falls, Minnesota, recently. H. M. Heneman of Warroad, vice president, presided.

The principal speaker on the after-dinner program was William Duncan, Jr., secretary of the Minnesota Bankers Association. Short talks were also given by Wilbur McLean of Duluth, president, and George A. Beito of Gonsvick, vice president.

Ask for Bank at Racine

Application for a certificate to operate a bank at Racine, Minnesota, which is now without banking facilities, has been made to the commerce commission at St. Paul by three incorporators who are the owners of the First State Bank of Grand Meadow, G. N. Reppe, president; E. M. Reppe, vice president, and L. W. Reppe Burns, assistant cashier. The bank will be known as the First State Bank of Racine.

Extend Corporate Existence

Stockholders in the New London, Minnesota, bank, the Farmers State Bank of New London, last month voted to extend the corporate existence of their bank from January 11, 1945, when it was to expire, to January 11, 1975, it was announced by the officers, P. L. Peterson, vice president, and Alvin Ness, cashier.

Minneapolis Bank Director

Joseph D. Sullivan, Minneapolis, was elected a director of the Columbia Heights State Bank at a meeting of the board of directors.

He succeeds George S. Wilson, Min-

First and American National Bank

Duluth, Minnesota

Condensed Statement of Condition December 30, 1944

RESOURCES

Cash and Due From Banks.....	\$13,280,855.57
U. S. Government Securities.....	44,215,299.50
Municipal Securities	1,136,788.00
Other Bonds and Securities.....	1,477,310.75
Loans and Discounts.....	8,567,099.11
Federal Reserve Bank Stock.....	105,000.00
Banking House	1.00
American Exchange Property.....	1.00
Interest Earned but Not Collected.....	161,954.82
Overdrafts	2,990.58
	<hr/>
	\$68,947,300.33

LIABILITIES

Capital Stock	\$2,000,000.00
Surplus	1,500,000.00
Undivided Profits	760,448.97
Reserves	700,000.00
	<hr/>
Total Capital Accounts.....	\$ 4,960,448.97
Reserve for Interest, Taxes and Expenses.....	201,055.99
Discount Not Earned.....	33,008.76
Deposits	63,752,786.61
	<hr/>
	\$68,947,300.33

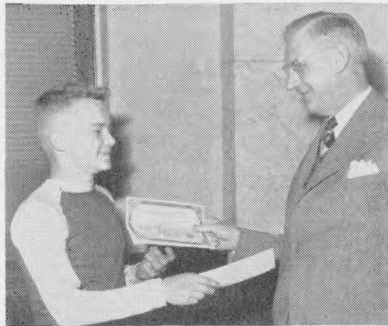
Duluth's Largest and Oldest Bank celebrates sixty-five years of continual service to banking and business houses of the Northwest.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION
AFFILIATED WITH NORTHWEST BANCORPORATION

neapolis, from whom he recently purchased the latter's stock. The bank's resources reached the one million dollar mark in June.

Olson Sells a Bond

The Golden Glove movement as sponsored by *The Star Journal and Tribune* Charities, Inc., in Minneapolis, did its bit in the recent War Loan drive. To set up a fund for postwar athletic activities for returning veterans, the Better Sports Committee which supervises the funds has invested \$3,000 in bonds. James Little, junior flyweight from the



James Little and Lawrence O. Olson

North Side, represented all Golden Glovers when he purchased the bonds from Lawrence O. Olson, vice president of the Midland National Bank as pictured here. This amount represents a surplus in the fund as a result of curtailed activities because of the war.

WHAT WILL DEPOSITS BE

(Continued from page 24)

If the projections shown in the tables are not sufficiently clear, we believe the following explanation will suffice.

Explanation of Tables

In preparing this, it is assumed that the peak of 300 billion dollars would be reduced 25 billion by salvage (a liberal reduction estimate), and that 30 billion will be held in government agencies and trust funds. This would leave eventually a total of 245 billion dollars in the hands of the public.

The Bond Table

Column 1: Indicates the holdings by various classifications of the amount of bonds in public hands on January 1, 1944.

Column 2: Subsequent issues of bonds to be taken by the public to bring the total to 245 billion, would amount to 93.2 billion. Inasmuch as for the first half of 1944 the commercial banks were either directly or indirectly purchasers of about one-fourth of the additional bond issues, we have estimated that their acquisitions of the bond offerings, yet to

OUR 50th YEAR

Statement of Condition

THE FIRST NATIONAL BANK OF SAINT PAUL

as of

December 30, 1944

RESOURCES

Cash on Hand and Due from Banks	\$61,783,018.04
U. S. Government Securities	169,742,436.60
Bonds and Securities	5,947,816.21
Loans and Discounts	56,599,432.94
Interest Earned but not Collected	606,113.04
Customers' Liability on Account of Acceptances, Letters of Credit and Foreign Bills	60,432.13
Stock in Federal Reserve Bank	450,000.00
Bank and Office Building	2,600,000.00
	<hr/> \$297,789,248.96

LIABILITIES

Capital Stock	\$6,000,000.00
Surplus	9,000,000.00
Undivided Profits	2,399,441.95
Unallocated Reserves for Losses	1,253,340.50
Reserve for Accrued Taxes, Interest and Expenses	1,184,845.08
Reserve of Manufacturers and Others on Notes purchased from them	65,007.21
Discount Collected but not Earned	73,960.78
Acceptances, Letters of Credit and Foreign Bills	60,432.13
Deposits (Includes United States War Loan Deposit \$71,508,614.72)	277,752,221.31
	<hr/> \$297,789,248.96

United States Government obligations and other securities carried at \$96,469,377.81 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

RICHARD C. LILLY, *President*

FREDERIC R. BIGELOW, *Chairman, Board of Directors*

DEPARTMENT OF BANKS AND BANKERS

Alden B. Lathrop, *Vice President*

Lee A. Sauer, *Assistant Cashier*

Rodney F. Sturley, *Cashier*

Elmer M. Volkenant, *Asst. Cashier*

Wallace L. Boss, *Assistant Cashier*

Member Federal Deposit Insurance Corporation

AFFILIATED WITH FIRST BANK STOCK CORPORATION

Northwestern Banker January 1945

come, would be 25 billion. The arbitrary amounts allotted to Federal Reserve Banks, Mutual Savings Banks, and Insurance Companies, are based on the approximate proportion of the total previously held. The remaining amount, 48.2 billion, is the amount left for "all others."

Column 3: Estimates the redeeming or sale by "all others" of 25 billion, and the addition of this amount to commercial bank holdings. It is conceivable that this estimate might be too low.

Column 4: The result, therefore,

at the "peak" date, would be the holding by commercial banks of approximately 110 billion of government bonds.

The Bank Situation Table

Column A—Approximate statement of all commercial banks as of January 1, 1944.

Column B—Reflects addition of the 50 billion of bonds yet to be acquired, and adds this amount to the deposits which will be created by this additional purchase.

Column C—Makes allowance for a

commercial loan expansion of 10 billion, with corresponding deposit increase. This amount is slightly larger, it is believed, than the average estimate.

Column D—Contemplates a return of a substantial portion of the 23 billion outstanding currency holdings at the time the table was prepared. Previous to 1940, the outstanding currency was less than 7 billion. It would seem quite conservative to estimate that this item would be reduced at least to 15 billion at the "peak" date. There is, therefore, added to the deposits 8 billion dollars to come from this source, and this amount is also reflected in the cash reserve.

HOW DIRECTORS DIRECT

(Continued from page 16)

ties of its board which is an integral department of the bank and whose composition is all important in its performance.

"Our bank has been fortunate in the composition of our board. We have had for many years a directorate of members who, successful in their own businesses, have been attracted to this bank because of its sound banking practices and who have brought to us not only their own judicious advice but have acquired knowledge of practices necessary to operate a successful bank."

ASSETS AND LIABILITIES

(Continued from page 19)

31, 1943 and then declined to \$58.4 billions by June 30, 1944.

Time deposits of individuals, partnerships, and corporations increased 31 per cent from \$25.4 billions in December 1939 to \$33.4 billions in June 1944.

United States Government deposits (including postal savings deposits) increased from \$0.9 billions in December 1939 to \$10.5 billions in December 1943 and to \$19.7 billions in June 1944.


Capital accounts of all banks increased from \$8.3 billions to \$9.4 billions from December 1939 through June 1944. Capital notes and debentures and preferred stock decreased \$0.2 billions during the period where as common stock increased \$0.1 billions. Surplus, undivided profits, and reserves increased \$1.2 billions.

Cause To Worry

1st Soldier (as bombs burst overhead): No need to worry, if a bomb has my name on it, I'll get it anyway.

2nd Same: But my name's Smith!

OUR 50th YEAR



REPORT OF THE CONDITION OF
The Live Stock National Bank
SIOUX CITY, IOWA
At the close of business December 30, 1944

RESOURCES	
Loans and Discount's	\$ 2,687,212.01
United States Bonds and Notes	10,358,338.34
Municipal Bonds	583,948.61
Federal Reserve Bank Stock	18,000.00
Interest Earned, Not Collected	48,087.38
Cash on Hand and Due from Banks	7,035,339.46
	\$20,730,905.80

LIABILITIES	
Capital Stock	300,000.00
Surplus	350,000.00
Undivided Profits	38,348.31
Reserves for Interest and Taxes	68,325.30
Reserve for Contingencies	120,807.02
Interest Collected, Not Earned	6,164.97
Deposits:	
Time and Demand	17,352,773.72
U. S. War Loan Deposit Account	2,494,486.48
	19,847,260.20
	\$20,730,905.80

C. L. FREDRICKSEN President	M. A. WILSON Vice President	W. G. NELSON Assistant Vice President
W. C. SCHENK Cashier	H. C. LINDUSKI Assistant Cashier and Manager of Air Base Facility	C. L. ADAMS Assistant Cashier
J. S. HAVER Assistant Cashier		JAMES L. SMITH Auditor

THE

LIVE STOCK

NATIONAL BANK

OF SIOUX CITY, IOWA

MEMBER F.D.I.C.

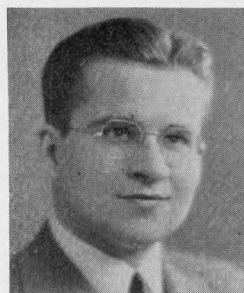
The Bank at the Yards

Member Federal Deposit Insurance Corporation



H. R. KIBBEE, JR.
President
Mitchell

SOUTH DAKOTA NEWS



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

Acting Secretary
LOIS J. HALVORSEN

Named District Director

T. M. Brisbine, cashier of the Sanborn County Bank in Woonsocket, South Dakota, was elected director of District 6 of the Greater South Dakota Association at a meeting of the members of the district in Huron.

Mr. Brisbine, former president of the South Dakota Bankers Association and former member of the South Dakota Banking Commission, succeeds Jess C. Burns of Huron, who has served six years, or two terms, as director.

Banker Dies Suddenly

L. S. Eaton, assistant cashier of the State Bank of Alcester, South Dakota, was taken suddenly ill and passed away at a Mitchell hospital recently.

Mr. Eaton was about 50 years old and had been connected with the State Bank of Alcester for the past 25 years.

With Iroquois Bank

C. C. Frohlich of Clark, South Dakota, has joined the staff of the Farmers and Merchants State Bank, Iroquois, South Dakota, and will take the place of Mrs. L. A. Hollenbeck, who is giving up her position as bookkeeper which she has held for several years.

Joins Bank Staff

Christ Grondahl, grocer and meat dealer of Clear Lake, South Dakota, for more than 20 years, has accepted a position in the Deuel County National Bank of Clear Lake. He succeeds John Thaelke, who moved to Gary the first of the year.

FDIC Member

The new Gary State Bank, Gary, South Dakota, has qualified for insurance of deposits by the Federal Deposit Insurance Corporation.

Two Employees Added

The services of H. C. Bierwirth of Sioux City, Iowa, and Linnea Peterson have been secured to add to the work-

ing force of the State Bank of Alcester, Alcester, South Dakota.

Mr. Bierwirth was the executive vice president of the Iowa Joint Land Bank and has been associated with this institution some ten years.

The bank stock owned by H. B. Bartlett has been purchased by Mr. Bierwirth and he will take the former's position on the board of directors. E. F. McKellips, the managing officer and executive vice president of the bank, will shift part of his load by turning over the post of cashier to Mr. Bierwirth.

Miss Peterson has been secured to fill the position of bank stenographer.

Christmas Party

Thirty-five guests attended the annual Christmas party for the Security Bank and Trust, Madison, South Dakota, employees and their families and the directors and their families. The after dinner program was introduced by the bank president, W. M. Willy. The evening was concluded with an exchange of gifts.

Key Banker

For the ninth consecutive year, Brookings county, South Dakota, banks have participated with more than 150 other banks in South Dakota to win the annual American Bankers Association "1,000-Plus" award for outstanding service to farmers, it was announced last month by Charles Lee, cashier of the First National Bank of Volga, who has been designated by the South Dakota Bankers Association as Brookings county key banker.

Sioux Falls Officers

Filling of two new assistant cashier positions in the National Bank of South Dakota, Sioux Falls, South Dakota, one by promotion and the other by added personnel, was announced recently by Tom S. Harkison, president of the institution. The new officers are: W. J. Corcoran, auditor for the past three years and previously with

the auditing department of the First Bank Stock Corporation, and Ross E. Hunt, who comes from Park River, North Dakota, where he was cashier of the First State Bank. Mr. Hunt was also formerly with the First Bank Stock Corporation, serving in the credit department.

A.B.A. Committeeman

John N. Thomson, vice president and cashier of the Bank of Centerville, South Dakota, was named to the chairmanship of the American Bankers Association subcommittee on agricultural credit of the committee on federal legislation, last month.

Mr. Thomson, who was named to the subcommittee last year, succeeded Charles T. O'Neill of Charlottesville, Virginia, as chairman. As such he heads one of the 40 working groups in the nationwide bankers association.

Postwar Credit Committee

Establishment of a postwar credit committee of the South Dakota Bankers Association was announced through the organization's state office at Huron by H. R. Kibbee, Jr., Mitchell, president.

Heading the committee is Ralph M. Watson, president of the Northwest Security National Bank of Sioux Falls.

Other members of the new committee are:

R. S. Banfield, president of the Aberdeen National Bank; A. E. Dahl, president of the Rapid City National Bank; J. M. Patton, president of the Mitchell National Bank; J. M. Lloyd, Yankton, president of the American State Bank; C. H. Lockhard, Watertown, president of the First Citizens National Bank; W. M. Willy, Madison, vice president of the Security Bank and Trust Company, and John N. Thomson, Centerville, vice president and cashier of the Bank of Centerville. Mr. Thomson also is a member of the postwar credit commission of the American Bankers Association.

Name Iroquois Banker

L. A. Hollenbeck, cashier of the Farmers and Merchants Bank of Iroquois, South Dakota, has been designated by the South Dakota Bankers Association as Kingsbury county key banker.

The award, which is an honor shared by all South Dakota banks, is made on the basis of "regular" and "extra" services available from the banks to their farmer customers. This year recognition is given to banks in South Dakota and to the South Dakota Bankers Association for exceptional work in farm credit, and for constructive projects to improve farming methods.

Northwestern Banker January 1945

OUR 50th YEAR

Sioux Falls News

RALPH M. WATSON, president of the Northwest Security National Bank, was one of three main speakers from South Dakota at a regional forum of community chairmen of the Committee for Economic Development, held in Minneapolis.

Watson spoke on the banks' part in financing postwar small business. Other speakers were Spencer S. Shaw, Watertown, South Dakota, and A. M. Eberle, Brookings, South Dakota.

Among the delegates attending the forum was Dr. W. R. Laird, South Dakota CED chairman, who is a director of the Northwest Security National Bank.

In his speech, Watson emphasized that if bankers meet the test and finance small business in their own communities, there will be no reason for the government to encroach further on the banks' function of loaning money.

Sioux Falls bankers played a leading part in opening a state-wide campaign

to double the membership and budget of the **Greater South Dakota Association**. Sioux Falls was selected as the key city in which to launch the organization's first concerted membership drive and efforts were termed highly successful.

With success already assured for Sioux Falls in the 6th War Loan drive, confidence was expressed by **C. A. Christopherson**, executive director of the state war savings staff and president of the Union Savings Bank, that the state's individual quota would also be exceeded by the close of the drive.

At the annual meeting of directors of the Sioux Empire Fair Association, **Frank Cinkle**, cashier of the National Bank of South Dakota, was re-elected treasurer of the association. Arrangements have already been made for an outstanding revue and carnival for the 1945 edition of the fair, scheduled for August 21st-26th.

When the Federal Reserve Bank of Minneapolis held a conference at Mitchell last month, Sioux Falls representatives present were **Ralph M. Watson**, president of the Northwest Security National Bank, and **P. H. McDowell**, vice president and trust officer of the bank. A similar conference was held at Rapid City.

At the meetings, the Federal Reserve Bank's economic and statistical staff presented the results of research on postwar problems. Speakers included Franklin Parsons, an agricultural economist; Paul McCracken, economist, who discussed past and future trends in bank deposits; Arthur Uppgren, vice president and economist, who discussed the relation of South Dakota business to national and international affairs, and Oliver Powell, first vice president, who outlined South Dakota bank earnings and assets.

Pvt. William H. Brenton, son of **W. Harold Brenton**, prominent Des Moines banker, has completed his aerial radio training at Sioux Falls Army Air Field, and has reported at Las Vegas, Nevada, for further training.

Oliver A. Bray, assistant cashier of the Northwest Security National Bank, is a prominent figure in Sioux Falls Masonic organizations. In the past month he was re-elected treasurer of Minnehaha Lodge No. 5 and El Riad Shrine Temple, secretary of Sioux Falls Chapter No. 2, RAM, and recorder of Alpha Council No. 1 and

Guaranty Trust Company of New York

Fifth Ave. at 44th St. 140 Broadway Madison Ave. at 60th St.

London: 11 Birchin Lane, E. C. 3; Bush House, W. C. 2

Condensed Statement of Condition, December 31, 1944

RESOURCES

Cash on Hand, in Federal Reserve Bank, and	
Due from Banks and Bankers	\$ 519,876,568.15
U. S. Government Obligations	2,362,481,367.07
Loans and Bills Purchased	826,356,970.19
Public Securities	\$ 55,253,524.53
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities and Obligations	27,049,236.86
Credits Granted on Acceptances	3,060,979.90
Accrued Interest and Accounts	
Receivable	12,188,286.59
Real Estate Bonds and Mortgages	1,609,493.08
	106,961,520.96
Bank Buildings	9,649,172.19
Other Real Estate	836,282.98
Total Resources	<u>\$3,826,161,881.54</u>

LIABILITIES

Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	42,222,570.91
Total Capital Funds	\$ 302,222,570.91
General Contingency Reserve	33,520,902.91
Deposits	\$3,432,887,604.54
Treasurer's Checks Outstanding	8,149,036.21
Total Deposits	3,441,036,640.75
Federal Funds Purchased	21,750,000.00
Acceptances	\$ 6,578,084.22
Less: Own Acceptances	
Held for Investment	3,517,104.32
	\$ 3,060,979.90
Liability as Endorser on Acceptances and Foreign Bills	82,590.00
Foreign Funds Borrowed	246,486.00
Dividend Payable January 2, 1945	2,700,000.00
Items in Transit with Foreign Branches and Net Difference in Balances between Offices Due to Different Statement Dates of Foreign Branches	815,324.12
Accounts Payable, Reserve for Expenses, Taxes, etc.	20,726,386.95
	27,631,766.97
Total Liabilities	<u>\$3,826,161,881.54</u>

Securities carried at \$1,211,049,727.96 in the above Statement are pledged to qualify for fiduciary powers, to secure public moneys as required by law, and for other purposes. This Statement includes the resources and liabilities of the English and French Branches as of December 26, 1944, and Belgian Branch as of October 31, 1941.

Member Federal Deposit Insurance Corporation

• SOUTH DAKOTA NEWS •

Cyrene Commandry No. 2. Bray has been Shrine treasurer here for 24 years.

P. H. McDowell, vice president and trust officer of the Northwest Security National Bank, presided at a recent meeting of the Sioux Falls Knife and Fork Club, at which James Pond, noted lecture bureau manager, spoke on the subject, "Celebrities I Have Met."

Wide publicity followed an exploit of Lt. Donal Engen, first pilot on a B-24 bomber and son of **H. O. Engen**, cashier of the Union Savings Bank. Just before going overseas, Lt. Engen took the 10 men of his flying crew to Hollywood and arranged for them to visit Deanna Durbin, movie star. They spent the entire day as guests of Miss Durbin. Lieutenant Engen had met the star in 1939, when, as a high school student, he wrote a book to earn funds for the trip to the film capital. Lieutenant Engen has two brothers in the service, Lieutenant Lee Engen, serving with an infantry unit on the western front, and Bob Engen, a pharmacist's mate in the Navy with the Pacific fleet.

A large crowd was on hand for the annual Christmas party for employees of the **Northwest Security National Bank**, at the Cataract Hotel. Following a banquet, gifts were distributed and an evening of games and entertainment was enjoyed.

Ralph M. Watson, president of the Northwest Security National Bank, was named chairman of a postwar credit committee of the South Dakota Bankers Association by **H. R. Kibbee, Jr.**, Mitchell, president. Kibbee said South Dakota would join a nation-wide movement to make bank credit available for every sound and constructive need of agriculture, industry and business. The committee is to study methods whereby every competent individual, firm and corporation in the state that needs bank credit will be accommodated if the money is to be used for some constructive purpose that will serve the private enterprise economy of this country.

Sumner Sinclair, auditor of the Northwestern National Bank of Minneapolis, visited Sioux Falls recently to organize a chapter of the National Association of Bank Auditors and Comptrollers. He was a guest of officers and employees of the four Sioux Falls banks. **Melvin I. Orms**, assistant cashier of the Northwest Security Na-

tional Bank, presided at the meeting. He has been named NBAA vice president for South Dakota.

W. E. Perrenoud, cashier of the First National Bank and Trust Company, is now serving as a member of the public relations committee of the South Dakota Bankers Association.

Banker Addresses BPW

T. Ralph Mattson, manager of the Hot Springs Branch of the First National Bank of the Black Hills, addressed a group of Business and Pro-

fessional Women at a meeting held recently in Hot Springs.

Mr. Mattson discussed postwar construction and organization.

Bank Gives 4-H Awards

Pennington county 4-H Club leaders were honored recently in Rapid City, South Dakota, at the sixth annual Recognition banquet in the Methodist Church.

Awards of \$5, donated by the Rapid City National Bank to facilitate club work, were made to 12 clubs which had completed the 1944 program.

STATEMENT OF CONDITION NORTHWEST SECURITY NATIONAL BANK

of Sioux Falls, South Dakota

"South Dakota's Leading Bank"

DECEMBER 30, 1944

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$ 6,267,702.61
U. S. Government Obligations	18,494,929.67
State and Municipal Bonds	838,075.91
Other Bonds and Securities	476,859.07
	\$26,077,567.26
Stock in Federal Reserve Bank in Minneapolis	30,000.00
Overdrafts	1,057.41
Loans and Discounts	3,671,884.31
Banking Houses	300,000.00
Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance.	
Interest Earned but Not Collected	96,480.63
TOTAL	\$30,176,989.61

LIABILITIES

Capital Stock—Common	\$ 500,000.00
Surplus	500,000.00
Undivided Profits and Reserves	505,289.20
	\$ 1,505,289.20
Reserve for Interest, Taxes, and Other Expenses	122,497.89
Interest Collected but Not Earned	10,673.79
Deposits:	
Time	\$ 3,946,759.83
Demand	22,099,468.53
U. S. War Loan	2,492,300.37
	\$28,538,528.73
TOTAL	\$30,176,989.61

BRANCHES AT

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

BANKING FACILITY AT
SIOUX FALLS ARMY AIR FIELD
Sioux Falls, S. D.

FRED H. HOLLISTER
Chairman

RALPH M. WATSON
President

United States Depository
Member Federal Deposit Insurance Corporation

OUR 50th YEAR

Northwestern Banker January 1945



A. C. IDSVOOG
President
Grafton

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Joins Jamestown Bank

Ed Mosher, assistant cashier of the First National Bank, Valley City, North Dakota, the past four years, has been named cashier of the National Bank in Jamestown and started work there recently.

Leaves Park River Bank

Ross E. Hunt, who has been employed at the First State Bank in Park River, North Dakota, has accepted a position with the National Bank of South Dakota at Sioux Falls. His position at Park River has been filled by Carl Sherwood of Lidgerwood.

Bank President Dies

John Ottis, 63, president of the Kindred State Bank at Kindred, North Dakota, died recently in a Fargo hospital where he had been a patient since September. Mr. Ottis had been associated with the Kindred bank since 1902 and served as cashier before being appointed president. He served as

president of the Kindred board of education for 25 years, president of the Kindred Commercial Club, and directed various war activities in the community.

Compete for Award

For the thirteenth consecutive year, North Dakota banks have competed in the contest to win the annual American Bankers Association "1,000-plus" award for outstanding service to farmers, it was announced by F. A. Irish, chairman of board of the First National Bank & Trust Company of Fargo, and treasurer of the Greater North Dakota Association.

North Dakota farmers at the beginning of July, 1944, were using \$15,386,000 of bank credit, of which \$2,921,000 represented commodity loans, \$747,000 were farm mortgages, and \$11,780,000 were direct loans to finance farmers' current operating expenses or livestock and equipment. At the same time North Dakota farmers' loan held by

the Production Credit Associations, which are government subsidized lending agencies, totaled \$2,078,000.

The report also shows that North Dakota banks have available for farm production loans a total of \$66,765,000 in 1944, or approximately five times the amount needed to take care of the annual needs of all farms in the state for this kind of credit.

Pay 45% Dividend

A 45 per cent dividend, amounting to \$44,106, has been paid to depositors of the closed Citizens Bank, Minot, L. R. Baird, Bismarck, receiver of closed banks, announced.

With a 5 per cent dividend paid November 29, 1941, this brings to 50 per cent the amount of deposits repaid to Minoters and others who had funds in the Citizens Bank when it closed its doors in July, 1931.

Mr. Baird expressed belief that there is probably enough on hand to enable the receivership to pay off the remaining 50 per cent.

Hold Reserve Meeting

Bankers of central and western North Dakota attended a day-long conference in Bismarck conducted by representatives of the Federal Reserve Bank of Minneapolis.

The meeting opened with Franklin Parsons, agricultural economist for the bank, speaking on the farm outlook. Paul McCracken, writer on economics, discussed past and future trends in bank deposits.

Speaker at the noon luncheon in the Patterson Hotel was Arthur Upgren, vice president and economist for the bank, who spoke on the relationship of North Dakota to business and international economy.

Oliver Powell, first vice president of the Minneapolis Bank, talked on "North Dakota Banks, Their Earnings and Assets," and some phases of the national money market.

The conference held at Bismarck and another at Fargo the following day were exceptionally well attended, there being 102 at Bismarck and 106 at Fargo. The bankers, directors and businessmen were guests at lunch of the Federal Reserve Bank.

The North Dakota Bankers Association is indebted to the president and staff of the Federal Reserve Bank of Minneapolis for making these very interesting programs available to the bankers in North Dakota.

Group Insurance

The North Dakota Bankers Association was advised last month by the Occidental Life Insurance Company,

The First National Bank and Trust Company of Fargo

FARGO, NORTH DAKOTA

Statement of Condition December 30, 1944

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$ 1,458,960.56	Capital	\$ 350,000.00
Overdrafts	1,896.53	Surplus	350,000.00
Stock in Federal Reserve Bank ..	21,000.00	Undivided Profits & Reserves ..	250,815.47
Bank Building	215,000.00	Interest Collected, Not Earned ..	8,082.01
Interest Earned, Not Collected ..	50,679.93	Deposits (Including War Loan	
Quick Assets:		Deposits, \$2,258,691.22) ..	17,494,226.66
U. S. Gov't.			
Bonds	\$11,964,436.03		
*Municipal Bonds	336,966.22		
*Other Bonds	206,023.99		
Cash & due			
from Banks	4,197,960.88		
	16,705,387.12		
	\$18,452,924.14		\$18,452,924.14

* At market or less.

Officers

F. A. IRISH.....Chairman of the Board
G. H. NESBIT.....President
H. D. CROSBY.....Vice President
G. W. JENSON.....Vice Pres. and Cashier

G. H. MAY.....Assistant Cashier
R. J. SCHMALLEN.....Assistant Cashier
M. W. LOFFER.....Assistant Cashier
M. C. FREMSTAD.....Assistant Cashier

The Oldest Bank in North Dakota

Member of the Federal Deposit Insurance Corporation

Affiliated with **NORTHWEST BANCORPORATION**

carrying the group insurance for North Dakota banks, that membership in this policy was restricted after January 1, 1945, and that the employes of any bank who seek membership after that time would only be admitted after medical examination.

To Federal Loan Bank

Lloyd A. Rulien, secretary of the Grand Forks Building and Loan Association, has been elected a director of the Federal Home Loan Bank of Des Moines, Iowa, for a term of two years, beginning January 1st. He succeeds Harry Thompson, president of the Gate City Building and Loan Association of Fargo.

The bank, with assets of more than \$21,000,000, serves the eighth district comprising the states of Iowa, Minnesota, Missouri and North and South Dakota, in which there are 241 member building, savings and loan associations.

DEAR EDITOR

(Continued from page 11)

at once all hell broke loose and every G. I. and every tank fired weapons from pistols to 75 mm's in the windows. About 20 Krauts were in there and one waved a white flag. We ceased firing and motioned for them to come out. As the third one walked out with his hands up the French cut them all down with machine guns.

"One place a French tank (lend-lease) caught fire and a crew member climbed up out of the turret and held his hands up but a sniper got him. About 20 French soldiers ran in the house and brought the sniper out, held him down on the sidewalk and beat his brains out with the butts of their rifles. I love to fight with those birds as they do a good job.

"One night in the rain up in the Vosges mountains the Germans had burnt the town and the French had captured three of the Krauts so they buried them alive in the typical French front yard manure pile.

"Thanksgiving day (FDR's) I had the honor of seeing my prediction come true—to be here for turkey. We had the turkey all right in our kitchen but it was on the other side of the mountains and we were drawing rations from the French. Today (Sunday) we are having our good old American turkey—we split the difference with the Democrats!

"Thanksgiving night I was in charge of 400 Nazis so I picked out one cook who spoke good English, as he had cooked in the Astor Hotel in New York seven years, and had this bird cook Nazi food for us in their barracks. We took over these barracks which they had left only an hour before. We sure had a happy bunch of Americans as they love to paw through Nazi supply rooms, etc., for souvenirs.

"We took 400 prisoners (medics) from the largest civilian hospital in Europe and

finally put them to work back up there. Nazis also control the light plants in this burg but that's not our choice. If they knew we used their radios to listen to New York news to find out what goes on up at the other end of the city they would probably cut off our power. Some fun, heh?

"Didn't tell you about my close one. I was leaning against a building (hugging it, I think correspondents call it) and a German anti-tank shell hit the other side of the building and came out just over my head

and went merrily on its way leaving me covered with bricks. Maybe you think old Dynamite wasn't sweating that time.

"We also recaptured 70 Americans the Krauts were holding here. Poor boys hadn't eaten except Kraut hardtack for 5 days as it seems our P-47's upset the Kraut supply system."

LT. NORMAN MILLER, Co. D
313th Inf. APO 79, New York.

An easy way to build good will

HERE is what a banker accomplishes these days by selling American Express Travelers Cheques:



HE SATISFIES a need felt by far more of his customers than ever before—what with the unprecedented rush of wartime travel.



HE SUPPLIES Travelers Cheques that have the deserved reputation of being "good as gold" everywhere—including Army and Navy Post Exchanges throughout the world.



HE SELLS guaranteed safety for travel funds. And the amount of those funds, to service men and their visiting wives and parents, is apt to be a considerable part of everything they have.



HE FURNISHES cheques which, if lost or stolen, are easily and quickly refunded.



FINALLY, he provides the complete customer satisfaction that makes firm friends for the future.

The sale of American Express Travelers Cheques is backed by newspaper and radio advertising. Advertising copy for local sponsorship is available without charge. A folder reproducing these advertisements will be sent to you upon request, by W. H. Stetser, Vice President, American Express Co., 65 Broadway, New York 6, N. Y.

American Express
TRAVELERS CHEQUES



89 YEARS SOUND BANKING SERVICE

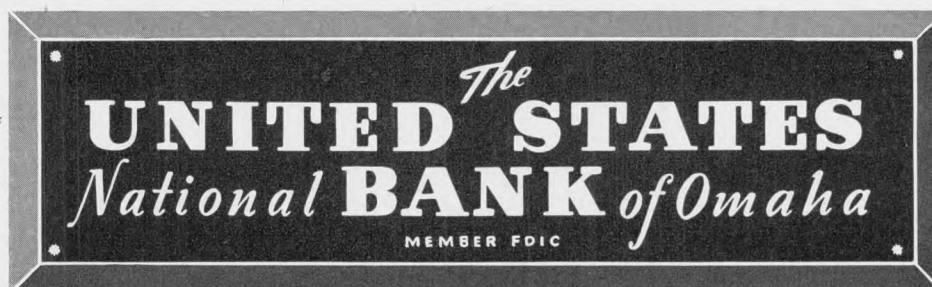
STATEMENT, DECEMBER 30, 1944

RESOURCES

Cash and Due from Banks.....		\$20,897,073.35
U. S. Government Obligations.....	\$50,269,772.55	
Municipal and Other Bonds.....	2,481,877.51	52,751,650.06
Loans and Discounts.....		7,212,314.60
Bank Premises		705,000.00
Stock in Federal Reserve Bank.....		75,000.00
Other Assets		211,582.93
		<hr/>
		\$81,852,620.94

LIABILITIES

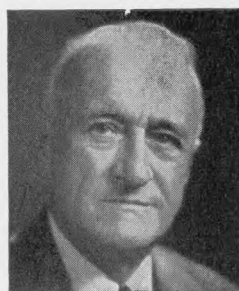
Deposits		\$78,487,718.05
Capital Stock	\$1,100,000.00	
Surplus	1,400,000.00	
Undivided Profits and Reserves.....	691,045.52	3,191,045.52
Other Liabilities		173,857.37
		<hr/>
		\$81,852,620.94





EDGAR McBRIDE
President
Blue Hill

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Howells Bank Opens

The Howells Bank, Howells, Nebraska, opened its doors for business last month after the community had been without banking facilities since the Howells State Bank closed its accounts and went out of business six months ago.

The new bank opens with J. A. Novak as president and cashier, and Frank Tillmann, vice president. The board of directors include Frank Konzel, Josef Drahota and Emil Sobota.

For the present Mr. Novak has the assistance of Margaret Fiala and Edward Honcik in serving the public.

Valentine Banker Dies

Milton Valentine Nicholson, 85, president of the First National Bank of Valentine, Nebraska, and first mayor of Valentine, died there last month at his home.

Mr. Nicholson joined the bank in 1886 and had been active in its affairs until five years ago when he was incapacitated because of illness. He had served as a member of the town board while Valentine was a village.

He was a member of the Nebraska State Bankers Association's 50-year club and served on the Valentine school board for 23 years.

Director of Banking

(See cover photo)

On December 11, 1944, Governor Dwight Griswold of Nebraska, appointed J. F. "Fred" Peters state director of banking. Mr. Peters is married and has two children, a daughter in Chicago and a son in high school. He was born in Howard county, Nebraska, graduated from the Fremont high school and the University of Nebraska College of Law in 1922. He has had twenty years of banking experience, most of the time as cashier of the Bank of Yutan.

Increase of \$25,000

An increase of the capital stock of the First National Bank of McCook, Nebraska, from \$75,000 to \$100,000 was approved last month. After this increase was set up on the books the capital is now shown as \$100,000, surplus \$55,000, undivided profits \$50,000, and reserves \$62,000.

This bank was chartered in 1885 and in August will be 60 years old.

Draw Up Articles

Articles of incorporation have been drawn up for a commercial bank to be known as the Platte Center Bank, Platte Center, Nebraska.

The authorized capital stock of this corporation is \$50,000. This corporation was to begin business on the 2nd of this month or as soon thereafter as authorized by the Department of Banking of the State of Nebraska.

Former Winslow Banker Dies

Henry P. Weitkamp died at his home in Omaha last month. He was a retired hardware dealer of Winslow, Nebraska, where he lived until 1936 when he came to Omaha. He was one of the organizers and former president of the Winslow State Bank.

In Philippines

Shirley J. Norton, earlier connected with the York FSA office, and later associated with York State Bank, York, Nebraska, as assistant cashier, relates an interesting story of his participation in the reoccupation of the Philippines by MacArthur and his men. Private Norton is not strictly a combat soldier but as a signal corpsman in the 24th Division he was in the thick of the fighting in the invasion of Leyte Island.

He said in part, "For the most part our work was in an exposed position on the ground or up in a tree. We were unable to dig foxholes because we moved about so much.

"After the first few days we encountered little of the red hot stuff, but snipers were with us all the way across the island."

New County Group Officers

The annual meeting of the Saunders County Bankers Association was held in Wahoo, Nebraska, last month and the association elected the following officers:

W. A. Harnsberger of Ashland, president; J. F. Peters of Yutan, vice president; C. G. Hohl, secretary-treasurer. The executive committee includes Elmer Henderson of Cedar Bluffs and R. E. Novak of Valparaiso.

Pay Eighth Dividend

Dividend No. 8 to depositors in the former American State Bank, York, Nebraska, is announced by C. H. Kolling, trustee. The dividend makes a total of 73 per cent paid to depositors with likelihood that remaining assets will yield more.

REPORT OF CONDITION

THE HASTINGS NATIONAL BANK

HASTINGS, NEBRASKA

DECEMBER 30, 1944

RESOURCES

Loans and Discounts	\$ 855,815.75
Overdrafts	217.81
Stock in Federal Reserve Bank	7,500.00
Bank Building	15,000.00
Interest Earned but Not Collected	26,060.03
United States Government Bonds	\$6,294,698.16
Municipal Bonds and Warrants	135,853.45
Other Bonds	75,097.54
Cash and Sight Exchange	2,257,716.34
	8,763,365.49

LIABILITIES

Capital Account	
Common Stock	\$ 125,000.00
Surplus	125,000.00
Undivided Profits and Reserves	122,317.86
Deposits	9,295,641.22
	\$9,667,959.08

OFFICERS AND DIRECTORS

H. G. PRATT, President	CHAS. E. DEETS, Cashier	O. A. RILEY, Vice President
J. LEO SWIGLE, Assistant Cashier	JOSEPH BAUER, Assistant Cashier	
L. J. McCUNE, Assistant Cashier	HAZEL HORN, Assistant Cashier	
C. E. BYERS	STEPHEN SWIGLE	R. R. VANCE

Member Federal Deposit Insurance Corporation

State Bank Joins FRS

The Gordon State Bank, Gordon, Nebraska, became a member of the Federal Reserve System recently. All national banks are a part of the Federal

Reserve System. State banks, however, are governed under the state banking department but may join the Federal Reserve System by meeting the qualifications.

Reorganize Bank

In a reorganization recently of the Bank of Paxton, Paxton, Nebraska, Hubert L. Kildare was elected president and Mrs. Freda H. Eginton, vice president, an announcement from the bank stated.

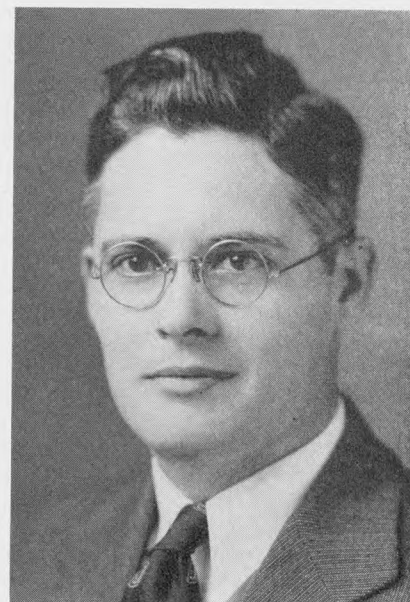
J. F. Fleak will continue as cashier, with Mrs. Dorothy Rudd, assistant cashier and Betty Ann Eginton, bookkeeper.

Mrs. Eginton succeeds her late husband, Pete Eginton, as a director in the bank.

New Assistant Cashier

Announcement is made that Lyle F. Stoneman has been elected assistant cashier of the First National Bank, Lincoln, Nebraska.

Mr. Stoneman graduated from the



LYLE F. STONEMAN
New Assistant Cashier

University of Nebraska in 1935, and was with the First National until February, 1941. At that time he joined examining forces of the Federal Deposit Insurance Corporation and has recently maintained his headquarters in North Platte. He returned to the First National in Lincoln in November, 1944, and will devote a major portion of his time to the business of correspondent banks.

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

1st Banks

Condensed Statement of Condition

First National Bank

of Saint Joseph, Missouri

and affiliated

First Trust Company

and

First St. Joseph Stock Yards Bank

of South Saint Joseph, Missouri

at the close of business December 30, 1944

RESOURCES

	First National Bank	First Trust Company	First St. Joseph Stock Yards Bank
Cash and Sight Exchange.....	\$11,913,917.01	\$ 90,746.06	\$ 4,288,987.62
U. S. Government Obligations, Direct and Fully Guaranteed.....	13,327,472.54		5,025,619.80
Other Bonds and Securities.....	1,865,420.39	193,312.33	614,378.15
Capital Stock in Federal Reserve Bank.....	25,650.00		10,000.00
Loans and Discounts.....	3,622,386.44		760,168.16
Bank Building, Real Estate and Other Resources.....	115,912.25	250.46	34,071.68
Total.....	\$30,870,758.63	\$284,308.85	\$10,733,225.41

LIABILITIES

Capital.....	\$ 500,000.00	\$100,000.00	\$ 250,000.00
Surplus and Undivided Profits.....	568,079.62	184,308.85	150,531.81
Reserves.....	37,342.41		16,566.19
Deposits.....	29,765,336.60	Trust Business Only	10,316,127.41
Total.....	\$30,870,758.63	\$284,308.85	\$10,733,225.41

Combined Deposits - \$40,081,464.01

Members of Federal Deposit Insurance Corporation

NATIONAL BANK OF COMMERCE

OF LINCOLN, NEBRASKA

Statement of Condition, December 30, 1944

RESOURCES

Loans and Discounts.....	\$ 1,383,375.31
Overdrafts.....	75.21
Banking House.....	145,000.00
U. S. Bonds.....	22,000,000.00
War Savings Stamps.....	1,500.00
Customers Liability for Letter of Credit.....	14,180.00
Stock Federal Reserve Bank.....	30,000.00
Cash and Sight Exchange.....	10,774,649.29
Total.....	\$34,348,779.81

LIABILITIES

Capital.....	\$500,000.00
Surplus.....	\$500,000.00
Reserves.....	500,000.00
Undivided Profits.....	75,654.97
Total.....	\$ 1,575,654.97
Reserve for Dividends.....	27,000.00
Letters of Credit.....	14,180.00
Deposits.....	29,401,888.90
War Loan Deposits.....	3,330,055.94
Total.....	\$34,348,779.81

M. WEIL, President

BYRON DUNN, Executive Vice President and Trust Officer

ALBERT A. HELD, Vice President

ERNEST C. FOLSOM, Vice President

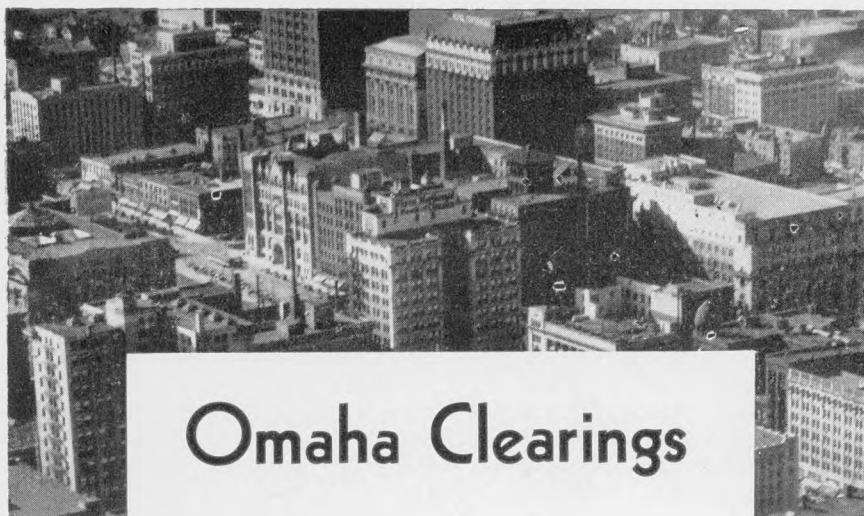
JULIUS WEIL, Vice President

GLENN YAUSSI, Assistant Vice President and Assistant Trust Officer

PAUL BOGOTT, Cashier

R. E. MILLER, Assistant Cashier and Assistant Trust Officer

Member of the Federal Deposit Insurance Corporation



Omaha Clearings

FORMATION of the Omaha Foundation, Inc., to administer charitable gifts and bequests so the intent of the donor will be carried out as needs change after his death, has been announced in Omaha.

It is the first such organization in Omaha, although 79 other cities have similar foundations. Its president is Dan Monen of the Omaha National Bank.

The Omaha Foundation will operate with a board of directors of 21 members. Seven will be ex-officio, including the president of the Omaha Clearing House Association.

Mrs. Paul Gallagher is vice president, **Casper Yost Offutt**, treasurer, and **William A. Sohl**, secretary. Board members include Mayor Dan Butler, **Thomas L. Davis**, president of the First National Bank of Omaha, and **Dale Clark**, president of the Omaha National Bank.

"The new group will never actively solicit funds or conduct a money-raising campaign," Mr. Monen said. "Its purpose is to be available to persons who wish to perpetuate their gifts."

Pfc. Howard M. Johnson, son of Mr. and Mrs. **Alvin E. Johnson**, recently wrote his parents as follows, after the Philippine invasion:

"Here I am still in the hospital area and I never felt better in my life. These few days of rest have done wonders for me. It is so easy to get infection in this climate, so they don't release you until they are sure. I have enough sulfa in me now. If we stopped for rain here, we'd never get any place. I have gone for three days without ever being dry. These are the things we'll laugh about when this is over. There is little beefing at the front.

"I just got a little shrapnel in my arms and side and it doesn't even hurt much. I must admit I was awfully lucky. A couple of fellows were killed outright and others badly wounded. I helped carry them back to the aid station across a chest-deep swamp, with enemy machine guns raking the field. Well, I got my Purple Heart the easy way.

"I am the company commander's bodyguard and right-hand man, and

operate his walkie-talkie, etc. It's a pretty hot spot I've got, but I like it."

From Sgt. **Charles C. Schneider**, former employe of the Omaha National Bank, came this letter from Belgium to his brother, W. T. Schneider, of Greenfield, Iowa:

"I am fine as far as health is concerned, but like so many million other boys, I am ready to go home. I'm not fooling myself, though. I know that time won't come until those Krauts pull down the swastika and some GI Joe runs up the colors. Yes, I have been in Germany."

Dale Clark, president of the Omaha National Bank and former president of the Board of Regents of the Municipal University of Omaha, was honored at a surprise luncheon at the Fontenelle Hotel in Omaha for his services to the University. Present and past members of the Board of Regents were hosts. A. D. Majors, president of the board, introduced Harry Jacobberger, who recounted Mr. Clark's record as a regent.

The Silver Beaver award, highest given in the Covered Wagon Area Council of Boy Scouts, was presented by **Dale Clark**, member of the advisory board, to Ralph E. Walter, Conrad H. Schoessler, and J. D. Crawford, at the annual dinner of the council. Mr. Clark was renamed to the advisory committee. Robert Hall was named to the area council as a member-at-large, as were **S. R. Kirkpatrick**, investment banker; **James H. Moore**, **Edwin Van Horne**, and **Dean Vogel**.

Employees of the Live Stock National Bank of Omaha attended their annual Christmas party and dinner at the Fontenelle Hotel December 12th. **Alvin E. Johnson** is president of the bank, which is celebrating its thirty-seventh anniversary.

First National Bank of Omaha

Oldest National Bank From Omaha West

Member Federal Deposit Insurance Corporation

OUR 50th YEAR

Northwestern Banker January 1945

Edward W. Lyman, assistant cashier of the United States National Bank of Omaha, has purchased the Happy Hollow residence of Arthur A. Lowman, former president of the Northwestern Bell Telephone Company, at 5204 Burt Street. Price was \$16,000.

Pvt. Ernest C. Coad, son of the late **J. Frank Coad**, former president of the Packers National Bank of South Omaha, was reported missing in action since November 22nd in Germany. His sister, Mrs. C. A. Jeffrey of Omaha, received the word recently. His wife, the former Elizabeth Tinley of Council Bluffs, and their three daughters are in Berkeley, California. Private Coad attended Creighton Prep and Creighton University. He entered the Army last February and has been overseas since September.

Team captains in the drive for funds for a Memorial Park in Omaha to honor World War II veterans include **David F. Davis**, Omaha National Bank; **Robert H. Hall**, North Side Bank; **Manning E. Handler**, investment banker; **Denman Kountze**, former banker; **Clarence L. Landen**, **Leslie E. Martin**, **E. F. Pettis**, former banker; **J. C. Rahel**, investment banker; **W. A. Sawtell**, Stock Yards National Bank, and **H. W. Yates**.

Clearing House Banks of Omaha gave \$10,000 and the Live Stock National Bank, in addition, was listed as a \$1,250 contributor. The Byron Reed Company donated \$2,000, the Securi-

ties Acceptance Corporation \$500, and the National Company of Omaha, \$500.

T. Sgt. Jack Lang, son of Mr. and Mrs. Harold Lang of Omaha and a former employe of the Live Stock National Bank before entering the Air Corps in September, 1941, has been listed as dead after being reported missing in action a year ago. He served as a radio operator and photographer. He held the DFC and the Air Medal with Oak Leaf Cluster. Memorial services were held at St. Bridget's Church. A brother, Sergeant James, is with the AAF in France.

Mrs. Henry A. Hovey, wife of the president of the Broadway National Bank of San Antonio, Texas, died December 13th. Her husband is former president of the South Omaha Savings Bank and the son of **Ford E. Hovey**, president of the Occidental Building and Loan Association of Omaha.

The Hoveys moved south three years ago because of Mrs. Hovey's health. She was the former Evelyn Oldham Lowe, daughter of Bishop and Mrs. Titus Lowe of Indianapolis, formerly of Omaha. She was born in Calcutta, India, in 1902.

She was a member of Pi Beta Phi Sorority. The Hoveys have two children, Constance and Ford, 2nd.

Two former bank messengers played the leading roles in a ceremony at the annual Christmas party of the Live Stock National Bank of Omaha. **R. H. Kroeger**, vice president of the bank

for 10 years, received a plaque, for 30 years of service, from **Alvin E. Johnson**, president. Both started as messengers.

Omaha should erect a memorial on Omaha Beach on the Normandy invasion coast, according to **Col. J. Francis McDermott**, chief of the War Bond and Insurance Branch, Seventh Service Command, and on leave from his duties as vice president of the First National Bank of Omaha. "The deeds performed there will live forever," he told the Dundee Kiwanis Club in a luncheon speech.

Colonel McDermott said that when he was entering New York harbor recently, after a mission to France and England, he heard a wounded soldier ask to have his cot raised so he could see the Statue of Liberty. Then the man said: "Hi ya, Old Lady, I'm certainly glad to be home."

O. P. Cordill, cashier of the Omaha Branch of the Federal Reserve Bank of Kansas City, has been named vice president of the parent bank, it was announced recently by President H. G. Leedy. Mr. Cordill becomes chief officer of the Oklahoma City, Oklahoma, Branch. He has been on the staff of the Omaha Federal Reserve Bank Branch since 1920 and cashier since 1942. He left for Oklahoma City recently.

H. W. Pierpont, who retired December 1st as president of the Standard Oil Company of Nebraska, at the same time that Standard of Nebraska was purchased by Standard of Indiana, is a director and member of the Executive Committee of the United States National Bank of Omaha.

A. Cuthbert "Cub" Potter, former Omaha investment banker, now of New York City, arrived recently to make a brief visit in his former home.

Alvin E. Johnson and **Dale Clark**, both past presidents of the Omaha Y. M. C. A., were among those honored at the Y's Centennial Dinner recently, when Grove Patterson of Toledo, Ohio, editor of the *Todolo Blade*, was principal speaker. Among other speakers was Charles W. Mead of Omaha.



Looking Ahead

Good correspondent service, to be lasting, must look ahead at tomorrow's problems. Here you will find such cooperation, based on long-range planning. We invite your account in Lincoln.

The
**CONTINENTAL NATIONAL
BANK
of
LINCOLN**

Member Federal Deposit Insurance Corporation

BANKS Bought and Sold

Confidentially and with becoming dignity
BANK EMPLOYEES PLACED.

39 Years Satisfactory Service
THE CHARLES E. WALTERS CO.
OMAHA, NEBRASKA



Lincoln Locals

BASIL O'Connor, president of the National Foundation for Infantile Paralysis, has announced the appointment of **T. B. Strain**, president of the Continental National Bank of Lincoln and head of the University of Nebraska Foundation, as Nebraska chairman for the annual March of Dimes drive to be conducted January 14th-31st.

"The officers and employees of banks can and must play an active part in the Sixth War Loan drive by instilling confidence in the purchasers of bonds and breaking down sales resistance, for they have the closest contact with the financial affairs of the public," **Leon J. Markham**, executive manager of the Nebraska War Finance Committee, declared in a recent address to the Lincoln Chapter of the American Institute of Banking and guests from local investment companies.

A unique and interesting exhibition of pictures of service men and women whose homes are in University Place are on exhibition in the windows of the **Citizens State Bank**. Just below each picture is the name and other data as to rank, service unit, etc. Up to date there are approximately 200 pictures on display. **Geo. Knight**, who planned the exhibit, invited those persons whose sons and daughters are in the service to bring or send in their pictures and the response has been very gratifying.

Sixty Years of Banking

Robert C. Boyd, president of the Carson National Bank of Auburn, Nebraska, has just celebrated his sixtieth year in the banking business. The bank was started many years ago by **John L. Carson**, who first operated at Brownville and later was a resident of Lincoln. Mr. Boyd is also head of the First National Bank of Johnson.

OUR 50th YEAR

New Cashier at Scotia

Benjamin C. Bilhorn of Crete, Nebraska, joined the State Bank of Scotia as cashier last month.

Mr. Bilhorn operated his bank at Kramer, Nebraska, until recently.

Former Banker Dies

A. J. Langer, formerly associated with the First National Bank, Humphrey, Nebraska, passed away at his home in Long Beach, California, recently.

Buys Bank Building

The City National Bank, Hastings, Nebraska, is now the owner-occupant

of the three-story bank building, having passed from the tenant classification last month with the transfer of title.

Directors of the bank now in a home of its own are: **Dr. E. C. Foote**, **Dr. A. A. Smith**, **L. J. Siekmann**, **Floyd A. Hansen** and **A. J. Koelling**.

Officers are: **Mr. Koelling**, president; **Mr. Hansen**, cashier, and **Vern Manahan**, **Carrie A. Stone** and **A. L. McDannel**, assistant cashiers.

In every barroom in the land,
The experts lend a helping hand
And exercise their mental power
Advising **Dwight D. Eisenhower**.

OVER SEVENTY-THREE YEARS OF BANKING EXPERIENCE

Statement of Condition

The First National Bank of Lincoln

LINCOLN, NEBRASKA

(Organized 1871)

AT THE CLOSE OF BUSINESS DECEMBER 30, 1944

ASSETS

Cash and Due from Banks.....	\$13,969,469.35
U. S. Government Bonds.....	34,322,867.33
Other Bonds and Securities.....	495,298.75
Federal Reserve Bank Stock.....	66,450.00
Loans	2,946,803.85
Interest Earned Not Due.....	132,389.03
Banking House	381,401.37
Total Assets.....	\$52,314,679.68

LIABILITIES

Capital Stock	\$1,500,000.00
Surplus	715,000.00
Undivided Profits	407,153.82 \$ 2,622,153.82
Reserves	203,376.96
Discount Unearned	9,943.46
Deposits	49,479,205.44
Total Liabilities	\$52,314,679.68

—OFFICERS—

P. R. EASTERDAY Chairman
GEORGE W. HOLMES President

HOWARD FREEMAN , Exec. Vice President	*CAPTAIN A. C. GLANDT . . . Cashier
L. C. CHAPIN Vice President	CLIFFORD G. WESTON , Asst. V. President
STANLEY MALY Vice President	R. J. BECKER Asst. V. President
B. O. CAMPBELL Vice President	G. H. CRANE Asst. Cashier
E. U. GUENZEL Vice President	LYLE F. STONEMAN Asst. Cashier

*On leave—in Military Service.

Member of the Federal Deposit Insurance Corporation

Northwestern Banker January 1945

*The Live Stock National Bank of Omaha
extends Greetings and Best Wishes
for the New Year
to all of its friends*

Statement of Condition, December 30, 1944

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$ 9,843,785.06	Capital Stock (Common).....	\$ 500,000.00
Bonds and Other Securities.....	163,368.90	Surplus (Earned)	1,000,000.00
Stock in Federal Reserve Bank.....	45,000.00	Undivided Profits	303,102.33
Banking House and Fixtures.....	1.00	Reserved for Taxes, Interest, etc.....	207,321.28
Other Real Estate.....	None	Unearned Discount	2,242.71
Interest Accrued on Government Securities, etc.	175,984.03	Dividends Payable January 2, 1945.....	7,500.00
U. S. Government Securities \$29,523,038.41		Deposits	56,827,127.44
Cash and Sight Exchange....	19,096,116.36		
	48,619,154.77		
	<hr/>		<hr/>
	\$58,847,293.76		\$58,847,293.76



OFFICERS AND DIRECTORS

Alvin E. Johnson, President

Henry C. Karpf
Vice President

R. H. Kroeger
Vice President

Paul Hansen
Vice President and
Cashier

W. Dean Vogel
Vice President

Wade R. Martin
Vice President

H. H. Echtermeyer
Vice President

L. V. Pulliam
Asst. Cashier

C. G. Pearson
Asst. Cashier

Earl R. Cherry
Asst. Cashier

W. P. Adkins
Omaha

H. B. Bergquist
Coal and Grain

L. S. Burk
Chicago

Jas. J. Fitzgerald
Pres. Commercial Sav.
& Loan Assn.

John R. Jirton
Live Stock and Grain
Morrill, Nebraska

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
O M A H A**

Member Federal Deposit Insurance Corporation



R. R. BRUBACHER
President
Sioux City

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Open Office at Bedford

The State Savings Bank of Sharpsburg, Iowa, was to open an office in the Lewis Building, Bedford, Iowa, about the first of the year, with Clifford Young of Sharpsburg in charge. H. S. Beck will be in charge of the bank at Sharpsburg.

Renew Charters

The state department of banking reported that it renewed the charters of 11 state banks and granted a new charter to a twelfth bank during the year ended last June 30th.

This was revealed in the annual report of Melvin W. Ellis, superintendent of banking, to Governor B. B. Hickenlooper.

The new charter went to the Everly State Bank, Everly, which had capital of \$32,500 and \$8,125 in surplus and profits.

Renewal charters were issued to the Clarence Savings Bank, Clarence; Emerson State Bank, Emerson; Farmers State Bank, Jessup; the State Central Savings Bank, Keokuk; Farmers Savings Bank, Keota; Farmers State Bank, Merrill; First Trust and Savings Bank, Remsen; Farmers Loan and Trust Company, Sioux City; Treynor State Bank, Treynor; Walnut State Bank, Walnut, and West Side State Savings Bank, West Side.

Six banks were granted fiduciary powers—Commercial State Bank, Af-ton; College Savings Bank, Ames; Buffalo Savings Bank, Buffalo; Everly State Bank, Everly; Humboldt Trust

and Savings Bank, Humboldt, and Farmers State Bank, Merrill.

Resigns as Assistant Cashier

M. Catharine Downey, assistant cashier of the Citizens State Bank, Donnellson, Iowa, for the past nine years, has tendered her resignation with that institution, effective last month, to join the FBI. Mary Ellen Driscoll will assume some of her duties and Helen Paisley has now joined the bank's staff as teller and bookkeeper to help fill the vacancy.

Champion From Clinton County

Championships are not a novelty to Clinton county, Iowa, cattle feeders—widely acknowledged as consistent producers of the finest finished beef in the country. Nevertheless, there is always a special thrill in a grand champion individual of outstanding quality, the honor won by Hereford "Teddy" and his feeder and exhibitor, Ben A. Greve, 17-year-old of Bryant, Clinton county, Iowa, at the recent Chicago Market Fat Stock Show. Grand champion in both the Junior Breeding Classes and the Open Class, able Judge John Burns of Texas said, "... if ever there was a steer that typified the statement 'good beef,' that was the steer. He has astonishing thickness, a perfect touch, and was finished to perfection."

This was quite a tribute to Benny's feeding and management practices, when another of Judge Burns' re-

marks is considered, "I have never judged a fat stock show with so many animals in it, and I have never seen such large classes where the quality of the animals was so uniformly excellent—not good, but excellent—from top to bottom."

"Teddy" was sold at 1,170 pounds to the Firestone Tire and Rubber Company, Akron, Ohio, for \$5,265, at \$4.50 a pound.

Early in January "Teddy" will go on tour in a special plastic-sided display truck, to visit experiment stations, farmers' weeks, and farm youth organization gatherings in connection with the Firestone farm youth activity program. Firestone Tire and Rubber



Ben A. Greve and Champion "Teddy"

Company devotes considerable time and expense to this activity, and "Teddy" is the fourth grand champion steer bought and exhibited by them as a part of this program.

A Postwar Program

The postwar program of the Citizens First National Bank, Storm Lake, Iowa, according to George J. Schaller, chairman of the board, has as its first objective "that bank credit shall be available to every competent person needing it for a constructive purpose." Its second objective is to plan with the farmers and businessmen to meet the readjustments that will be necessary during the coming reconversion period.



SCARBOROUGH & COMPANY

Insurance Counselors to Banks

First National Bank Building, Chicago

Horace A. Smith, Iowa Representative
Des Moines, Iowa

OUR 50th YEAR

Northwestern Banker January 1945

Gift to Drake

Eight Des Moines, Iowa, banks have joined in a \$100,000 gift to Drake University, it was announced recently.

The gift was not designated for any specific purpose, but was for use in the university's present program to raise funds to enlarge the campus, add six new buildings, modernize old structures and increase the endowment, President Henry G. Harmon of the university said.

The gift brought to \$1,250,000 the total assured in the \$2,000,000 program.

Banks which shared in the gift were: Bankers Trust Company, Capital City

State Bank, Central National Bank and Trust Company, Des Moines Bank and Trust Company, First Federal State Bank, Iowa-Des Moines National Bank and Trust Company, Iowa State Bank and Valley Savings Bank.

Joins Hull Bank

L. J. Dehn, formerly county treasurer of Lyon county, Iowa, last month became assistant cashier of the Iowa State Bank, Hull, Iowa, replacing Edward Pressler. Mr. Dehn was with the First National Bank of Doon, Iowa, before going into the treasurer's office.

Named Treasurer



C. L. FREDRICKSEN

Carl Fredricksen, president of the Live Stock National Bank, Sioux City, has been named treasurer of the Sioux City Industrial Development Council.

CONDENSED STATEMENT OF CONDITION

DECEMBER 30, 1944

ASSETS

Cash and Due from Banks.....	\$ 3,686,455.53
Loans and Discounts.....	3,286,767.48
U. S. Government Bonds.....	7,463,372.07
State, County and Municipal Bonds.....	231,149.68
Other Bonds and Securities.....	163,558.30
Stock in Federal Reserve Bank.....	21,000.00
Bank Building, Furniture and Fixtures.....	165,000.00
Other Assets.....	8,577.69
Customers Liability, Letters of Credit.....	20,640.00
	\$15,046,520.75

LIABILITIES

Capital.....	\$400,000.00
Surplus.....	300,000.00
Undivided Profits.....	21,379.31
Reserve for Contingencies.....	60,000.00
	781,379.31
Total Capital Account.....	44,800.21
Reserve for Taxes and Interest.....	41.00
Other Liabilities.....	20,640.00
Letters of Credit.....	14,199,660.23
Deposits.....	\$15,046,520.75

Member Federal Reserve System

Member Federal Deposit Insurance Corporation

A. G. Sam, President

J. P. Hainer, Vice President

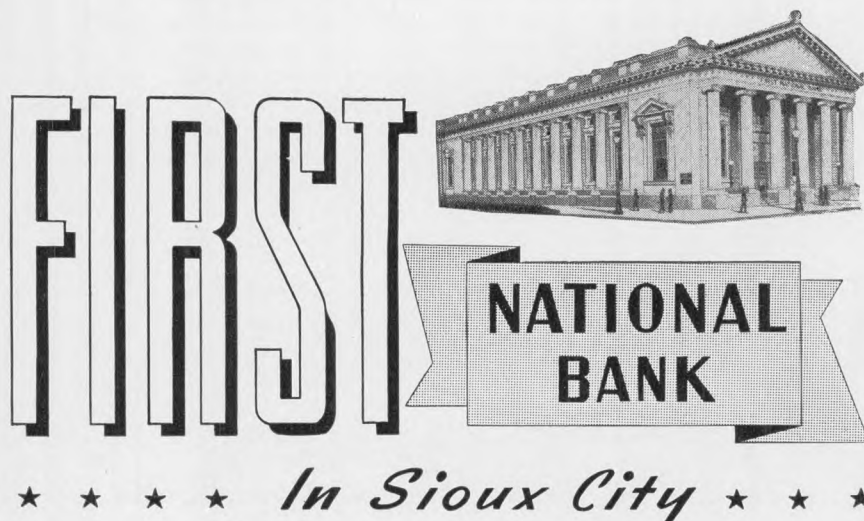
Fritz Fritzson, Vice Pres. and Cashier

J. T. Grant, Assistant Cashier

J. R. Graning, Assistant Cashier

E. A. Johnson, Assistant Cashier

W. F. Cook, Auditor



Mapleton President Dies

Charles I. Whiting, president and founder of the Mapleton Trust and Savings Bank, Mapleton, Iowa, passed away at his home last month.

On October 3, 1878, the Mapleton bank was organized, one corner of a hardware store being given over to the business. In 1894 Mr. Whiting became president of the bank and served continuously in that capacity for fifty years, until his death.

A Vice President

A. H. Hiegel was voted a promotion to the position of vice president of the Davenport Bank and Trust Company, Davenport, Iowa, at a meeting of the board of directors last month. Mr. Hiegel was a member of the staff when the bank was organized in 1932 and for the past several years has held the position of assistant vice president.

Pay 25 Per Cent

The South Ottumwa Savings Bank, Ottumwa, Iowa, last month began a 25 per cent payment on its trust certificates, President C. D. Evans announced.

The total outlay will be \$53,000.

This payment will bring to 75 per cent the amount paid on the trust certificates since the bank was organized following the bank holiday in 1933.

STATEMENT OF CONDITION • DECEMBER 30, 1944

Resources

Loans and Discounts	\$ 4,288,164.20
Other Bonds and Stocks	40,500.00
Overdrafts	27.56
Government Obligations, Direct and Fully Guaranteed	\$8,334,385.00
Municipal Bonds	167,075.00
Cash and Due from Banks	1,999,101.27 10,500,561.27
	<u>\$14,829,253.03</u>

Liabilities

Capital Stock—Common	\$ 200,000.00
Surplus	200,000.00
Undivided Profits	71,505.80
Reserves	87,663.83
Unearned Discount	14,079.32
Deposits	14,256,004.08
	<u>\$14,829,253.03</u>

**OFFICERS**

FREDERICK M. MORRISON
President

WINFIELD W. SCOTT
Vice President

J. R. ASTLEY
Cashier

EDWARD P. KAUTZKY
Assistant Vice President

ROY E. HUBER
Assistant Vice President

FRANK M. THOMPSON
Assistant Cashier

RAY THOMPSON
Assistant Cashier

Member Federal Deposit
Insurance Corporation

V ALLEY SAVINGS BANK

DES MOINES

Declare Dividend

A semi-annual dividend of \$2 per share on the capital stock of the First Trust & Savings Bank, Davenport, Iowa, has been declared by the directors. The dividend was payable January 2nd to stockholders of record December 23rd. A total of \$4,000 was paid on the \$200,000 capital stock.

Goes to Illinois

J. R. Roberts has accepted the position of cashier of the recently formed Erie State Bank, located at Erie, Illi-

nois, which is to be opened for business early this year.

Mr. Roberts has been cashier of the First National Bank of DeWitt, Iowa, coming from Marion, Iowa, in October of 1941.

Heads Des Moines C. of C.

Harold P. Klein, vice president of the Iowa-Des Moines National Bank & Trust Company, was elected president of the Des Moines Chamber of Commerce at its annual meeting last month. He served as treasurer of the Chamber

of Commerce in 1942-43, and last year was vice president of the organization.

Mr. Klein's entire business career has been in banking. His first job following his graduation from Notre Dame



HAROLD P. KLEIN
Chamber of Commerce President

was with the Iowa-Des Moines National Bank, where during the past 18 years he has risen to his present position with the institution.

Pioneer Banker Dies

Harry G. Huntington passed away at Council Bluffs, Iowa, last month after an illness of several years.

Mr. Huntington was born in Dixon county, Illinois, and when a young man came to Iowa, locating at Rock Rapids, where he became cashier of the First National Bank of that city, a position which he held until 1888 when he and his family came to Onawa, Iowa, where he established the Onawa State Bank, of which he was president until 1917 when ill health forced him to retire. Allen Muir, cashier, has been elected to fill the vacancy created by the death of Mr. Huntington.

Mrs. Florence Huntington was elected to the board of directors, which includes C. R. Nixon, O. C. Bakke and O. R. McNeill.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit Insurance Corporation

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS DECEMBER 30, 1944

RESOURCES

Cash and due from banks	\$ 44,473,863.03
United States Government obligations — direct and fully guaranteed	90,131,560.23
Municipal and other marketable securities	15,602,948.57
Loans and discounts	35,938,316.39
Federal Reserve Bank stock	150,000.00
Customers' liability on acceptances	107,889.23
Accrued interest receivable	437,138.54
Other assets	46,273.55
	<u>\$186,887,989.54</u>

LIABILITIES

Capital stock	\$ 2,000,000.00
Surplus	3,000,000.00
Undivided profits	907,649.63
Reserve for taxes, interest, contingencies, etc.	1,181,037.57
Unearned discount	373,388.14
Liability on acceptances	107,889.23
Deposits:	
Demand	\$146,045,331.24
United States Government	22,764,837.08
Other public funds	3,460.91
Savings	10,504,395.74
	<u>179,318,024.97</u>
	<u>\$186,887,989.54</u>

United States Government obligations and other securities carried at \$36,179,684.09 are pledged to secure public and trust deposits and for other purposes as required or permitted by law.

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

Bank Farm Manager

Bert Boatman of Bloomfield, Iowa, well known Davis county farmer, has replaced Walter Blasi as the farm manager for the Exchange Bank, Bloomfield, Edward Burchett, president, announced. Mr. Blasi resigned the position to move to the King farm, near Pulaski, which he recently purchased. Prior to becoming associated with the bank the first of this year he was superintendent in Davis county for the Iowa Highway Commission.

Decorated

The Farmers Trust and Savings Bank, Earling, Iowa, has just finished remodeling. The fixtures have been cut down, interior enlarged, a block floor laid and new furniture added, re-furnishing and rebuilding both the outside and inside.

Association Names Officers

Members of the Story County Bankers Association held their annual meeting last month in Nevada, Iowa. An important action of the group was the passage of a resolution to the Story County Postwar Planning Commission in their campaign to secure funds for current operations.

The banking group elected new officers as follows: Harold Fawcett, State Bank & Trust Company, Nevada, president; Henry Martin, Union Story Trust & Savings Bank, Ames, vice president; H. P. McNeil, Ames Trust & Savings Bank, secretary-treasurer.

Entertain Bank Staff

President and Mrs. R. H. Barber entertained the Citizens National Bank, Boone, Iowa, staff and their husbands or wives at a Christmas party last month at their home. The evening was enjoyed playing card games and with various other entertaining games, during which a gift exchange was also enjoyed.

Leaves Bank

Kenneth Seeley, employed by the Commercial State Bank, Afton, Iowa, since January 1, 1936, and its cashier since 1939, has resigned his position. Mr. Seeley has had charge of departmental work of the bank in addition to routine duties in which a large clientele was served in making income tax returns. He opened an office in Afton January 1st, where the income tax service will be continued, together with other services. He will retain his interest in the bank and remain on its board of directors.

OUR 50th YEAR

Pays Annual Dividend

The State Bank of Vinton, Iowa, last month paid 1944 dividends to its stockholders at the rate of \$5 per share. The dividend payment has been the same for a number of years.

Takes Over Branch Bank

W. J. Schwendeman of Hubbard, Iowa, has taken over his duties as cashier of the Aplington Bank, which is a branch of the Austinville Savings Bank of Austinville, Iowa, recently purchased by Carstens Brothers.

Mr. and Mrs. Abe Voogd are discontinuing their connections with the bank, Mr. Voogd having been in the bank 20 years. Mr. Schwendeman has been in the business for the last 30 years and before coming to Aplington was with the Security Bank at Hubbard.

Retires From Presidency

William Buxton, Jr., tendered his resignation from the presidency of the Peoples Trust & Savings Bank, Indianola, Iowa, at a meeting of the directors



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From livestock shipper to commission firm to packing company to cooler. Then to the ultimate consumer. . . . It's a long chain that meat and by-products follow . . . with many links. And each link helps make meat packing what it is today—America's third largest industry in product value.

The Drovers National Bank is located close to the throbbing heart of the world's largest stock yards. And for sixty-three years, the Drovers staff has specialized in dependable, rapid, and accurate service to bankers with important interests in the livestock field. *Your inquiry is invited.*

Members, Federal Deposit Insurance Corporation

UNION STOCK YARDS CHICAGO

147,700,000 Head
Butchered in 1943
(Cattle, calves, sheep,
lambs and hogs.)

Proceeds:
\$6,000,000,000
Pounds of Meat:
24,333,000,000

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

Northwestern Banker January 1945

last month. They elected Lieut. William Buxton, III, to succeed his father as president. The elder Mr. Buxton will continue as chairman of the board. He has been active in banking for 52 years.

W. N. Grant will act as executive vice president until Buxton returns from service with the navy. The two Buxtons are the largest stockholders in the bank.

Land Bank Director

John D. Adams of Des Moines has been re-elected for a four-year term as public interest director of the regional

federal home loan bank, James Twohy, governor of the Federal Home Loan Bank System, announced last month. The regional bank is located in Des Moines.

Resigns From Board

In order that he might give more attention to personal affairs, E. L. Williams has resigned as vice president and director of the Security Savings Bank, Marshalltown, Iowa, it was announced recently. To fill the vacancies thus created, J. M. Considine, vice president and general manager of the Marshalltown Manufacturing Com-

pany, was elected to the board of directors and N. C. Nielsen was elected as vice president.

Bank for Indianola

Application has been made for a state charter for a new bank to be opened in Indianola, Iowa, in the near future, of which W. Harold Brenton of Des Moines will be president.

Charles D. McCoy, assistant vice president of the Iowa-Des Moines National Bank, will move to Indianola to become executive vice president and cashier.

Mr. Brenton said the bank will have a capital stock of \$50,000, with surplus of \$10,000 and undivided profits of \$10,000, and has been approved by the Federal Deposit Insurance Corporation.

Mark 50th Year

Recently the Primghar Savings Bank, Primghar, Iowa, celebrated its fiftieth birthday, when it held open house from 2:00 to 10:00 o'clock. Guests were greeted by the bank's officials, A. E. Ohme, E. T. Peterson and W. A. Hoeven.

Streamlined

The Union Story Trust and Savings Bank, Ames, Iowa, has completed a \$5,000 remodeling job in its building.

The work resulted in a streamlining of the bank's interior with elimination of all cages, cutting the former metal partitions between the public and business sides of the bank down to the level of the marble partition work and the installation of walnut paneling.

Cashier at New Hampton

A. C. Thiel, assistant cashier of the Lancaster, Wisconsin, State Bank since 1931, has resigned to come to New Hampton, Iowa, as cashier of the Security State Bank, succeeding William E. Hurley, who has sold his interest in the bank to other stockholders.

Mr. Thiel was employed by the Goodhue, Minnesota, State Bank before going to Lancaster.

THE NORTHERN TRUST COMPANY

CHICAGO

Statement of Condition, December 30, 1944

RESOURCES

Loans and Discounts.....	\$ 54,073,975.15
U. S. Government Securities.....	481,213,899.18
Other Bonds and Securities.....	86,723,399.47
Federal Reserve Bank Stock.....	450,000.00
Bank Premises.....	1,400,000.00
Customers' Liability, Account Letters of Credit and Acceptances.....	544,845.90
Other Resources.....	230,861.49
Cash and Due from Banks.....	130,000,318.27
TOTAL.....	\$754,637,299.46

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	12,000,000.00
Undivided Profits.....	3,807,868.58
Reserve for Taxes, Interest, etc.....	9,877,032.53
Dividend Payable Jan. 2, 1945.....	135,000.00
Letters of Credit and Acceptances Outstanding..	546,869.90
Other Liabilities.....	82,269.56
Deposits:	
Demand.....	\$417,983,666.61
Time.....	100,817,203.63
U. S. Government.....	206,387,388.65
TOTAL.....	\$754,637,299.46

United States Government securities carried in the above statement at \$212,164,042.48 are pledged to secure public and other monies, as required by law; and United States Government and other securities carried at \$527,410.58 are deposited with the State Authorities under the Trust Act.

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BUY WAR BONDS

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STATIONERY
DEPOSIT SLIPS
ADVERTISING
SPECIALTIES

J. W. ROOVAART

1317 Forty-fourth Street
DES MOINES 11, IOWA
Established 1916

You Can Bank on the Future of Air Commerce

By A. M. Strong

Vice President

The Public National Bank & Trust Company of New York

WE do not, as yet, know the potentialities of air transportation, however, the progress made during the last five years and the plans announced by air carriers would lead me to believe that air freight is coming of age.

What is the role of the banker in air commerce? Fundamentally, there is no difference in bank financing of ocean cargo, land cargo or air cargo.

The banker's role is manifold. He provides the funds necessary for the

cost. The charge for letter of credit financing is as a rule one and one-half per cent per annum. The acceptance discount is now one-half per cent to five-eighths per cent per annum.

In financing shipments, whether in domestic or international traffic, banks as a rule consider the underlying merchandise as security for the transac-

tion. The bills of lading in ocean and land traffic give the bank as consignee or holder of the instrument title to the goods. The airwaybills presently used by the air carriers do not clearly define in whom title to the goods is vested.

You, of course, know that trade is not conducted on a cash-in-advance



A. M. STRONG
Air Freight Will Need Financing

transaction by extending credit to the importer or exporter, acts as the shipper's agent in collecting the value of the goods; acts for the buyer in undertaking to pay the seller for the shipment; provides foreign exchange; furnishes credit data and performs other functions.

Banks have established an efficient mechanism for these transactions. Through the irrevocable letter of credit, they underwrite the buyer's promise to pay for the goods. Through collection arrangements, they retain custody of goods shipped until payment is received. Through foreign exchange future contracts, they eliminate the risk of exchange fluctuation so that the parties to the transaction may pay and receive payment for the goods in the amounts originally expected.

All these functions are performed by banks at an extremely moderate

UNION BANK AND TRUST CO.

OTTUMWA, IOWA

Member of Federal Reserve System

Statement of Condition as of December 30, 1944

■ ■ ■

RESOURCES

Loans and Discounts.....	\$ 1,627,217.29
Bank Building	99,000.00
Furniture and Fixtures.....	23,769.17
Other Real Estate.....	4,600.00
Stock in Federal Reserve Bank.....	21,000.00
Overdrafts	3,924.54
U. S. Bonds.....	\$5,862,136.48
Municipal Bonds	2,161,903.00
Other Marketable Bonds.....	792,844.16
Cash and Exchange.....	3,704,412.65
	<u>12,521,305.29</u>
	\$14,300,816.29

LIABILITIES

Capital	\$ 300,000.00
Surplus	400,000.00
Undivided Profits	99,876.52
Dividend payable January 2, 1945.....	15,000.00
Deposits	13,485,939.77
	<u>\$14,300,816.29</u>

■ ■ ■

OFFICERS

FRANK VON SCHRADER, Chairman of Board and President	
H. L. POLLARD, Vice President	W. C. MILLER, Assistant Cashier
R. W. FUNK, Vice President	FRED DIMMITT, Assistant Cashier
MAX VON SCHRADER, V.-Pres. & Cashier	FRANK M. POLLARD, Asst. Cashier
C. P. GLENN, Assistant Cashier	C. G. MERRILL, Trust Officer
J. C. BLACKFORD, Manager Budget Loan Department	

Southern Iowa's Largest Bank

Member Federal Deposit Insurance Corporation

OUR 50th YEAR

Northwestern Banker January 1945

basis and that air transportation of cargo cannot develop fully without bank financing. The air carriers are aware of this situation and are co-operating with the banks in developing the proper documents.

I mentioned earlier that the financing of air shipments is identical with the financing of land or ocean shipments. There is, however, the time element which places air shipments in a different category. A commitment by a bank to finance an ocean shipment must necessarily cover a considerable period as it frequently

takes many weeks for the shipment to be transported from the interior to the port and from the port to destination. The situation is different when air shipments are involved. The time required to liquidate the loan is materially curtailed. This may eventually play an important part in bank financing and in the capital requirements for certain types of business.

There is every indication that the transportation of cargo by air is emerging from the express stage and is entering the freight stage. It will eventually take its place with the

ocean and land transportation. The banks have an important role in this development. They will provide the financial facilities necessary for air commerce.

Des Moines News

At their board meeting last month members of the **Central National Bank and Trust Company** voted to make an increase in the bank's surplus account of \$150,000, changing present surplus figures from \$600,000 to \$750,000.

President and Mrs. B. F. Kauffman, Bankers Trust Company, are enjoying the warm sun and out of doors these days at their winter home in Eustis, Florida.

Laird Fryer, assistant cashier at the Iowa-Des Moines National Bank and Trust Company, was elected president for the coming year of the Des Moines Mortgage Bankers Association at their meeting held last month.

Joining the staff of the Iowa State Bank last month was **Charles E. Fleenor**, who from 1937 until recently has been assistant cashier of the Farmers and Merchants Savings Bank, Waterville, Iowa. From 1928 to 1937 Mr. Fleenor was assistant examiner in charge in the state banking department. He started his banking career in 1909 in Manson, Iowa, and some time later was connected with the War Finance Corporation.

In addition to a Christmas bonus paid each year at that season to members of the **Central National**, this year the bank made payments totaling nearly \$100,000 under the title of past service benefits to bring all pension funds up to date.

Carl W. Mesmer, vice president of the Bankers Trust, reports a surprise visit from his son, Lt. Carl W. Mesmer, Jr., USMC, who was home on a 10-day furlough last month after 18 months in the South Pacific. Lieutenant Mesmer has returned to his base there.

The **Valley Savings Bank** entertained bank members, their wives, husbands and friends at their annual Christmas party held at the Des Moines Club with dinner and dancing.

Orville M. Garrett, vice president of the Iowa-Des Moines National, was re-elected president of the Des Moines Golf and Country Club for 1945.

MISSISSIPPI VALLEY TRUST COMPANY

BROADWAY AND OLIVE
ST. LOUIS 2, MISSOURI

Statement of Condition, December 30, 1944

RESOURCES

Cash and due from banks.....	\$ 50,348,400.20
U. S. Government Securities.....	105,608,276.40
(Including those pledged \$52,850,000.00)	
Other Bonds and Securities.....	11,301,916.24
Federal Reserve Bank Stock.....	252,000.00
Loans and Discounts.....	53,649,885.81
Customers' Liability on Acceptances and Letters of Credit...	326,827.81
Real Estate	930,991.04
Accrued Earnings Receivable (Net).....	507,878.95
Overdrafts	6,273.97
Other Resources	75,008.13
	<u>\$223,007,458.55</u>

LIABILITIES

Capital	\$ 6,000,000.00
Surplus and Undivided Profits.....	5,016,546.89
Accrued Interest, Expenses and Taxes Payable (Net) and Other Reserves	1,647,220.62
Acceptances and Letters of Credit.....	326,827.81
Other Liabilities	179,461.28
Deposits:	
U. S. Government, and Other	
Public Funds	\$ 39,961,420.83
Other Deposits	169,875,981.12
	<u>209,837,401.95</u>
	<u>\$223,007,458.55</u>

Member Federal
Deposit Insurance
Corporation



90 Years of
Banking
Experience

• IOWA NEWS •

Cashier J. R. Astley, of the Valley Savings, has been elected vice president of the Iowa Mortgage Bankers Association.

A. F. Erickson, assistant cashier of the Bankers Trust, gave the slip to some of the cold weather when he took a holiday trip to Texas to visit with relatives.

Former Banker Dies

Funeral services were held at Seattle, Washington, recently for Martin Hagensick, officer of a Guttenberg, Iowa, bank during the early thirties, and cashier of the Farmers Savings Bank in Edgewood, several years. During the depression period he was receiver of closed banks at Nauvoo, Illinois; St. Ansgar, and Northwood, Iowa.

Inwood May Have Bank

Inwood may soon have a new home-owned, home-operated bank, according to information released last month.

All capital stock for the proposed organization of a bank has been taken up, Cliff Pruitt announced.

It is understood that the new enterprise will take over the interests of the

branch office of Rock Rapids State Bank, under the management of Mr. Pruitt, who is to be manager of the new Inwood bank.

Joins Insurance Company

W. W. Linebarger has resigned his position as cashier of the Ruthven State Bank, Ruthven, Iowa, to accept a position as general agent for the American Mutual Life Insurance Company, with offices located at Storm Lake. Mr. Linebarger has been cashier of the Ruthven bank since its organization three years ago.

William Brennan, assistant cashier, has been appointed to fill the vacancy. Verla Nelson, who has been bookkeeper, will become the assistant cashier, and Lavonne Meng has taken her place as bookkeeper. Mr. Linebarger will continue his services at the bank as a member of the board of directors.

On Land Bank Association

P. J. Morrow, Logan, Iowa, secretary-treasurer of the Harrison County National Farm Loan Association, was elected president of the Eighth Fed-

SECURITY NATIONAL BANK

SIOUX CITY, IOWA

Statement of Condition December 30, 1944

ASSETS

Cash on Hand and on Deposit with Banks	-	-	\$ 5,456,299.43
United States Government Securities	-	-	8,819,196.62
Bonds and Securities	-	-	2,000.00
Loans and Discounts	-	-	5,457,116.56
Security Bank Building, Vault and Fixtures	-	-	100,000.00
Federal Reserve Bank Stock	-	-	24,000.00
Other Assets	-	-	441.98
			<hr/>
			\$19,859,054.59

LIABILITIES

Capital	-	-	\$ 500,000.00
Surplus	-	-	300,000.00
Undivided Profits	-	-	66,199.42
Reserves	-	-	13,340.20
Deposits	-	-	18,979,514.97
			<hr/>
			\$19,859,054.59

DIRECTORS

PAUL BEKINS Vice President, Bekins Van & Storage Co. President, Terminal Grain Corp. President, F. M. Slagle & Co.	GEORGE L. BOOTH President, Booth & Olson, Inc.
CHARLES R. GOSSETT President	HAROLD A. JACOBSEN Vice President and Secretary Albertson & Company, Inc.
WM. W. MACFARLANE President Macfarlane Coal & Lumber Co.	HARRY P. PRATT Vice President and Manager Grandy-Pratt Co.
OTIS P. GARRISON President, Wagner, Garrison & Abbott	☆ EDWARD C. PALMER Trustee, W. B. Palmer Estate
Vice President, Allied Laboratories, Inc.	
☆ Commander United States Navy Now serving with our armed forces	

OFFICERS

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

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BANKERS and FARMING

Every banker wants to know
What's Ahead?

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Initial cost \$15, including six months service and \$10 a year thereafter.

Doane Agricultural Service

INCORPORATED

Home Office: St. Louis, Missouri

The Oldest and Largest Farm Management and Appraisal Service in the United States.

For Complete Information and
Sample Releases, Write to

DOANE AGRICULTURAL SERVICE, Inc.
205 Plymouth Building
Des Moines 9, Iowa

OUR 50th YEAR

Northwestern Banker January 1945

eral Land Bank District Association of Secretary-Treasurers at the annual meeting held in Omaha recently.

Bank Expands

A new front and extensive remodeling is planned by the Union Bank & Trust Company, Ottumwa, Iowa, for its building just one door east of its principal business location, where modern offices will be constructed to house the bank's budget loan department.

Announcement was made last month by Robert W. Funk, Union Bank vice president, who said that new quarters

for the bank's budget loan department will be required to accommodate the increasing business in this department and an anticipated enlargement of the service following the war. J. C. Blackford is manager of the department.

Retired Banker Dies

Olof Nelson, 75, active in business in South Dakota and Sioux City until his retirement about a year ago, died last month in Sioux City, Iowa.

Mr. Nelson organized the Murdo, South Dakota, bank, of which he was president, and he later was associated

with the Mitchell National Bank as an official. In 1914 he went to Sioux City, and beginning in 1916 was president of the First Trust and Savings Bank there for 15 years. In later years he was connected with the Federal Regional Agricultural Credit Corporation, an association retained until his retirement.

Attends Tax School

George W. Morrow, cashier at the Guthrie County State Bank, Guthrie Center, Iowa, returned recently from Ames, Iowa, where he attended an income tax school, sponsored by the Iowa Bankers Association. Mr. Morrow received full information on the new income tax laws and will give assistance to bank patrons in the compilation of their tax forms. The service is one regularly offered by the Guthrie County State Bank.

Elected Club President

John Cruise, cashier of the Farmers Savings Bank, Massena, Iowa, was elected president of the Cass County Last Man's Club at its annual banquet at the Legion Memorial Building at Atlantic, Iowa, last month, and named secretary was Maurice Ostrus of Cumberland. About 125 attended the banquet, which Hugo Saggau of Denison, state commander of the American Legion, was the speaker.

List 1945 Officers

The regular annual meeting of the Lee County Bankers Association was held at Fort Madison, Iowa, last month, with President Ray Schmidt of the Citizens State Bank, Donnellson, in charge.

At the election of officers the banks represented cast an entire vote for the following: President, A. J. Vonderhaar; vice president, L. I. Peel, and secretary-treasurer, Paul G. Smith.

Mr. Vonderhaar is assistant cashier of the Iowa State Bank at Fort Madison. Mr. Peel is the new cashier of the Farmers Savings Bank of Wever, and Mr. Smith is the assistant cashier of the Security State Bank of Keokuk.

Commerce Trust Company

18-1

Established 1865

Kansas City, Missouri

Member Federal Reserve System

Statement of Condition at Close of Business December 30, 1944

RESOURCES

Cash and Due from Banks.....	\$125,183,913.28	
U. S. Obligations, Direct and Fully Guaranteed.....	192,856,503.34	\$318,040,416.62
State and Municipal Bonds.....	25,147,859.39	
Stock of Federal Reserve Bank.....	360,000.00	
Other Bonds and Securities.....	2,811,637.21	28,319,496.60
Loans and Discounts.....	59,579,592.56	
Bank Premises and Other Real Estate Owned.....	1,797,501.00	
Customers' Liability Account Letters of Credit.....	21,677.20	
Accrued Interest Receivable.....	596,366.44	
Overdrafts.....	26,742.81	
Other Resources.....	1,137.16	
Total Resources.....		<u>\$408,382,930.39</u>

LIABILITIES

Deposits:		
U. S. Government Deposits.....	\$ 42,307,389.78	
Other Deposits.....	348,688,542.09	\$390,995,931.87
Capital.....	6,000,000.00	
Surplus.....	6,000,000.00	
Undivided Profits.....	4,729,781.83	16,729,781.83
Liability Account Letters of Credit.....	21,677.20	
Accrued Interest, Taxes and Expense.....	629,486.87	
Other Liabilities.....	6,052.62	
Total Liabilities.....		<u>\$408,382,930.39</u>

Member Federal Deposit Insurance Corporation.

Banks Sold or Bought!

quietly, quickly and in a personal manner

JAY A. WELCH

BANK BROKER

Haddam, Kansas

"36 Years Practical Banking Experience"

Clerking Sales Made Easy



BANKS which make it a practice to clerk farm sales, and most country banks do, will be interested in this practical idea recently inaugurated by the Farmers Trust & Savings Bank, Spencer, Iowa. The bank has purchased an automobile trailer, fitted the interior into an office, installed adequate heating, and the trailer goes to all the farm sales in the community. Here is what L. A. Witter, president of the Farmers Trust & Savings Bank, says about their office trailer:

"We certainly would not like to clerk sales without it. I believe the farmers themselves think more of the trailer, actually, than we do. When farmers have been tramping around the farm in the yards and everywhere, they don't care to go into the house to settle and when it is cold weather, it is hard to get settlements unless you do go in the house. We used our car for quite awhile. By running the car and keeping the heater on, we did get quite a few settlements in. However,

that wasn't very satisfactory to have them piling into the car and all over everything.

"In this trailer we have our counter and adding machine. It is so much easier and you are comfortable. One of us does the writing until they are through with the little stuff and machinery. Then he goes to the trailer and the other one of us finishes up the sale on the livestock. We have

V Through 4 wars and many panics and depressions

KOCH BROTHERS

have weathered the storm. Today, as in past years, we will continue to successfully serve Iowa business men to the best of our ability.

Koch Brothers
PRINTERS
ESTABLISHED 1889
STATIONERS OFFICE OUTFITTERS BOOK BINDERS BUSINESS MACHINES
GRAND AVE. AT FOURTH DES MOINES, IA.

NOW WE CAN FURNISH **NEW BANK VAULT DOORS** and **NEW SAFE DEPOSIT BOXES**

WE HAVE A REPRESENTATIVE NEAR YOU

Our engineering service is available. May we help you with your remodeling or expansion plans? No obligation.

HERRING-HALL-MARVIN SAFE COMPANY

MAIN OFFICE AND FACTORY — HAMILTON, OHIO
BRANCHES: NEW YORK — CHICAGO — WASHINGTON

Manufacturers of

Night Depositories.
Tellers' Lockers.
Steel Counters.
Steel Transfer Cases.

Burglary-Resistive Chests.
"Point of Use" System Safes.
Personal Safes.
Steel Files.

We also have used Bank Vault Doors, Steel Vault Linings, Grilles, Night Depositories, Etc.

been able so far to get practically every settlement before leaving the place. We had one sale where there were 500 items sold. When we came home that night, we only had three on the list who hadn't settled and they were large items. One was for hay and they couldn't tell the exact number of bales.

"I can assure you we will never go without one."

Buys Building

The Central National Bank & Trust Company, Des Moines, has purchased

the Crocker Building, southwest corner of Fifth Avenue and Locust Street, from the Conrad Youngerman estate.

The seven-story Crocker Building, which was built in 1893, is valued at \$157,820 by the assessor's office. It has a frontage of 132 feet on Locust and 66 feet on Fifth.

The Central National Bank, 314 Fifth Avenue, occupies a building of the same area as the Crocker Building and adjoining it to the south.

New Iowa Bank

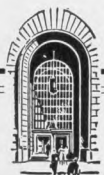
Manchester's second banking institution, the First State Bank, opened its doors to the public January 2nd. The paid-up capital stock of the new institution is \$50,000, a surplus of \$10,000, and undivided profits of \$5,000. Charles Kelley, until recently a resident of Manchester and who for several years was chief examiner of the Iowa Banking Department, is executive vice president of the bank. A. W. Stearns is president.

New Officers Named

Walter G. Kimball, president of The Commercial National Bank and Trust Company of New York, announced the appointment of Alexander Maximow as assistant manager of the Foreign Department, and Paul R. Vervoort as assistant cashier.

To New Positions

Robert Lindquist and Kenneth R. Wells were elected assistant vice presidents of the American National Bank and Trust Company of Chicago at the



THE ROYAL BANK OF CANADA

Head Office, Montreal

MORRIS W. WILSON
President

W. F. ANGUS
Vice-President

S. G. DOBSON
Vice-President and General Manager

Condensed Annual Statement as on November 30, 1944

ASSETS

Cash on Hand, in Banks and in Bank of Canada	\$ 377,752,788
Government, Provincial and Municipal Securities not exceeding market value	908,097,050
Other Bonds, Debentures and Stocks not exceeding market value	27,493,292
Call Loans	64,506,075
Commercial Loans	354,640,163
Bank Premises	12,276,454
Liabilities of Customers under Letters of Credit and other Assets	45,485,980
	<u>\$1,790,251,802</u>

LIABILITIES

Capital, Reserve and Undivided Profits	\$ 59,823,247
Notes of the Bank in Circulation	9,580,371
Deposits	1,676,884,696
Letters of Credit and Other Liabilities	43,963,488
	<u>\$1,790,251,802</u>

*Over 500 Branches in Canada and Newfoundland
61 Branches Abroad, including:*

LONDON, NEW YORK, HAVANA, BUENOS AIRES, RIO DE JANEIRO, SAO PAULO, MONTEVIDEO, LIMA, BOGOTA, CARACAS, BELIZE, NASSAU, also in PUERTO RICO, DOMINICAN REPUBLIC, HAITI, BARBADOS, DOMINICA, JAMAICA, ST. KITTS, TRINIDAD, MONTERRAT, ANTIGUA, GRENADA, BRITISH GUIANA.

NEW YORK AGENCY
68 William Street

NORMAN G. HART
EDWARD C. HOLAHAN
Agents



KENNETH R. WELLS
Assistant Vice President

December meeting of the bank's board of directors.

Mr. Wells, who as assistant cashier of the bank has been in charge of operations of its Industrial Loan Division, will continue in that capacity. Before joining the American National Bank in 1939, he was associated with the B. F. Goodrich Company, followed by ten years with the C.I.T. Corporation in various capacities. He is a graduate of the University of Minnesota and The Graduate School of Banking, and is a

OUR 50th YEAR

member of the National Construction Machinery Credit Group.

Mr. Lindquist, who has been advertising and publicity officer and personnel director of the bank, will also continue in his present capacities. Following graduation from the University of Michigan in 1923 he served as advertising manager of a bank in Grand Rapids, Michigan, and later as vice president of T. Harris Smith Associates,



ROBERT LINDQUIST
Assistant Vice President

Philadelphia, until coming to the American National in 1937. He was recently elected third vice president of the Financial Advertisers Association and is a member of the 1945 class of The Graduate School of Banking.

Elected Director

Henry C. Von Elm, vice chairman of Manufacturers Trust Company, New York, announces that at a recent meeting of the board of directors of the company, John T. Madden was elected a director.

Mr. Madden became president of the Emigrant Industrial Savings Bank on

January 1, 1945. He has been a vice president of Manufacturers Trust Company for some years, in charge of its office at Fifth Avenue and 43rd Street, and also had general supervision of its Midtown offices.

Treasurer Resigns

H. J. Lofgren, treasurer of the National Surety Corporation, has resigned, to become financial executive of Wm. B. Joyce & Sons, a family investment firm of the Joyce family now transacting no public business.

Mr. Lofgren was associated in the financial division of the old National Surety Company for more than 25 years, during the time Mr. Joyce headed that company, and took an active part with Mr. Joyce in its unique and successful reorganization.

Semi-annual Dividend

The board of directors of the City National Bank and Trust Company of Chicago at their last meeting of 1944 continued their policy of the past few years of declaring a semi-annual divi-



Nationally known as "Wisconsin's bank for banks," the First Wisconsin serves as Milwaukee depository for more than 85 per cent of all the banks in this state. This very fact often enables the First Wisconsin to offer unusually broad and helpful correspondent service that goes far beyond the limits of mere routine efficiency.

BANKS and BANKERS DIVISION: George T. Campbell... *Vice-President*
Richard J. Lawless, Donald A. Harper . . . *Assistant Vice-Presidents*

MAY WE PRESENT

Advertising that Sells

LESSING ADVERTISING CO.
DES MOINES

R. J. FLYNN, PRES. D. L. DUNGAN, SECY.

OUR 50th YEAR

**FIRST WISCONSIN
NATIONAL BANK
OF MILWAUKEE**

Member of the
Federal Deposit
Insurance Corporation

Northwestern Banker January 1945

dend of \$2 per share, of which \$1 will be paid on February 1, 1945, to stockholders of record as of January 20, 1945, and \$1 on May 1, 1945, to stockholders of record as of April 20, 1945.

The directors also declared an extra and additional dividend of \$2 per share to be paid March 10, 1945, to stockholders of record as of January 20, 1945.

"Mama, how do you get the cubic contents of a barrel?"

"I don't know. Ask your father."

Six-point Program Announced

Each of 4,000 country banks will have available for use during 1945 an accurate analysis of its own operating costs and a yardstick by which it can measure and improve efficiency in its various departments, according to K. J. McDonald, chairman of the Commission on Country Bank Operations of the American Bankers Association.

Mr. McDonald, who is also president of the Iowa Trust and Savings Bank, Estherville, Iowa, said this information

will be supplied to the banks as a result of the nationwide cost analysis project undertaken by the commission as a service without charge to the country bank members of the association with resources of \$5,000,000 or less. The cost analysis is a major feature of the commission's six-point program designed to aid the nation's 11,000 country banks.

Four thousand country banks have returned work sheets in answer to questionnaires mailed to them by the commission as the first step in the cost analysis. Mr. McDonald stated that final forms on which banks will report year-end figures, covering every phase of country bank operations from loans and investments to auction sales and ration banking, were to be mailed from A.B.A. headquarters shortly after Christmas.

When all forms have been returned, the commission will verify the reports and then proceed to compute, interpret and report on the operating costs of each bank.

Surplus Increased

The board of directors of the First National Bank in St. Louis voted additional compensation to employees in service prior to January 1, 1944, equivalent to one-half month's salary, and adjusted amounts for others. This is on the same basis as in previous years. The directors declared a dividend of \$1 per share, 60 cents of which is an extra dividend payable December 22nd to stockholders of record December 16th, and 40 cents payable February 28, 1945, to stockholders of record February 21st. The dividend declared is the same as last year. Also authorized was the transfer of \$700,000 from undivided profits to surplus, bringing total surplus to \$6,500,000.

Becomes Partner

Stephen Y. Hord became a general partner in Brown Brothers Harriman & Company on January 1, 1945, according to an announcement at the firm's principal office in New York. Mr. Hord has been the manager of the Chicago office for several years. He has general supervision over the firm's banking relationships in the middle west and, likewise, over its investment counsel business and extensive brokerage connections in this area.

Mr. Hord is a director of the Clear-

Bank teller with assistant cashier experience in country banks, wants position as cashier or assistant in small town bank. Write ADK c/o Northwestern Banker, 527 7th St., Des Moines, Iowa.

STATEMENT OF CONDITION

MERCANTILE-COMMERCE

BANK AND TRUST COMPANY

Locust-Eighth-St. Charles
ST. LOUIS, MISSOURI

DECEMBER 30, 1944



THE RESOURCES

Cash and Due from Banks	\$76,265,719.99
United States Government Obligations direct and guaranteed (incl. \$69,845,903.51 pledged*)	177,037,629.23
Other Bonds and Securities	26,928,002.38
Demand and Time Loans	54,295,586.95
Stock in Federal Reserve Bank in St. Louis	420,000.00
Real Estate (Company's Building)	2,790,536.40
Other Real Estate (Former Bank of Commerce Buildings)	1,500,000.00
Overdrafts	5,303.95
Customers' Liability on Acceptances and Letters of Credit	1,558,338.88
Other Resources	51,623.46
	<u>\$340,852,741.24</u>

THE LIABILITIES

Capital Stock	\$10,000,000.00
Surplus	4,000,000.00
Undivided Profits	5,411,625.56
Reserve for Dividend Declared	175,000.00
Reserve for Interest, Taxes, etc.	1,043,221.07
Unpaid Dividends	3,703.55
Bank's Liability on Acceptances and Letters of Credit	1,558,338.88
Other Liabilities	57,350.96

Deposits, Secured:

U. S. War Loan \$	51,724,635.39
Other Public Funds	9,869,831.24
	\$ 61,594,466.63

Other Deposits:

Demand	\$213,960,832.18
Savings	42,912,778.38
Time	135,424.03
	\$257,009,034.59
	<u>\$318,603,501.22</u>
	<u>\$340,852,741.24</u>

*All securities pledged are to the U. S. Government or its Agents, State of Missouri and the City of St. Louis, to secure deposit and fiduciary obligations.

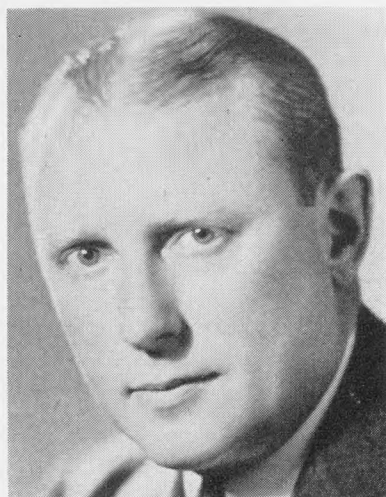
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

ing Machine Corporation and the Chicago Tunnel Company. He is also treasurer of the Chicago Council on Foreign Relations, a director of Passavant Hospital, and until recently chairman of the Chicago Council Boy Scouts of America.

The oldest and largest private banking partnership in the United States, Brown Brothers Harriman & Company celebrated the 125th anniversary of its founding in October of last year.

With Evanston Bank

George Williams, former Iowa banker, and for the past several years president of the State Bank & Trust Company, Evanston, Illinois, announces that as of January 2, 1945, Eugene L. Voss became associated with the



EUGENE L. VOSS
Evanston Vice President

Evanston institution as a vice president.

Mr. Voss was formerly vice president of the Continental National Bank, New York City, and resided in Winnetka, Illinois, from which point he traveled and directed the middlewestern activities of the New York bank.

Guaranty Trust

Statement of condition of the Guaranty Trust Company of New York shows total resources, deposits and U. S. government obligations at their highest points in the company's history. The previous high marks were reported June 30, 1944, when resources totaled \$3,601,236,269.04, deposits were \$3,190,800,362.23, and holdings of U. S. government obligations were \$2,178,737,312.79.

Capital and surplus remain un-

changed at \$90,000,000 and \$170,000,000, respectively, and undivided profits at \$42,222,570.91 compare with \$38,432,083.36, at the time of the last published statement, September 30, 1944, and with \$31,391,853.78 on December 31, 1943.

Must Be Careful

Smith: Where I come from we treat the help like the family.

Jones: Well, here we have to treat them with respect if we want them to stay.

MEMBER OF FEDERAL
RESERVE SYSTEM



MEMBER OF NEW YORK
CLEARING HOUSE ASSOCIATION

The CONTINENTAL BANK & TRUST COMPANY of NEW YORK

Statement of Condition

Close of Business December 31, 1944

RESOURCES

Cash and Due from Banks	\$ 34,798,793.57
U. S. Government Obligations	61,376,347.44
Municipal Bonds	14,107,506.50
Corporate Bonds	2,977,965.37
Federal Reserve Bank Stock	240,000.00
Loans and Discounts	62,766,460.34
Accrued Interest Receivable	583,052.98
Customers' Liability Under Acceptances Outstanding	383,197.16
Other Assets	45,101.16
	<u>\$177,278,424.52</u>

LIABILITIES

Capital Stock	\$4,000,000.00
Surplus Fund	4,500,000.00
Undivided Profits	1,289,436.33
	<u>\$ 9,789,436.33</u>
Dividend Payable, January 1, 1945	80,000.00
Other Liabilities	715,175.96
Acceptances:	
Outstanding	\$1,481,379.93
Less Amount in Portfolio	1,012,939.11
Deposits	166,225,371.41
	<u>\$177,278,424.52</u>

Securities carried at \$34,251,820.09 in the above statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, including \$33,079,974.98 of United States Government War Loan Deposits, and for other purposes.

Main Office: 30 Broad Street, New York

Branch Offices: 345 MADISON AVENUE - 512 SEVENTH AVENUE

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Farmers State Savings Bank

INDEPENDENCE, IOWA

Statement of Condition December 30, 1944

RESOURCES

Cash and Due from Banks	\$ 1,039,951.10
Loans and Discounts	549,773.35
First Real Estate Mortgages	337,466.52
U. S. Government Bonds	3,056,574.09
Municipal Securities	145,397.29
Furniture and Fixtures	2,747.59
Overdrafts	442.17
	<u>\$ 5,132,352.11</u>

LIABILITIES

Capital Stock (Common)	\$ 100,000.00
Surplus	100,000.00
Undivided Profits	38,445.11
Deposits	4,893,907.00
	<u>\$ 5,132,352.11</u>

OFFICERS

E. F. Sorg, President
C. L. Feister, Cashier

E. E. Everett, Vice President
P. E. Sorg, Assistant Cashier

Member Federal Deposit Insurance Corporation

OUR 50th YEAR

Northwestern Banker January 1945

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.

The
Public National
BANK AND TRUST
COMPANY OF NEW YORK
ESTABLISHED 1908

*Member: New York Clearing House
Association, Federal Deposit Insurance
Corporation.*

NEWS AND VIEWS

(Continued from page 22)

Fred's son, **Jim N. Staker**, is an ensign in the Navy and pilots a T.B.F., which is the torpedo bomber plane of the Navy, and is carrier based. Jim is somewhere in the South Pacific and was a sophomore at the University of Kansas when he joined the Navy. He is 21 years of age and is as handsome as any Hollywood star that you ever saw.

Hal Y. Lemon, vice president, National Bank of Detroit, was in St. Joe, Missouri, just before the holidays renewing old acquaintances and looking after some of his personal business affairs. St. Joe was Hal's home town.

Frazer L. Ford, president of the "1st Banks" of St. Joe, is one of the first members of his organization to arrive at the First National Bank in the morning, as he reaches there about 7:45 A. M. Under his able management, these institutions have made excellent progress and the deposits of the "First Banks" are now over \$40,000,000.

George E. Porter, vice president, First National Bank of St. Joe, invited us to have lunch with him and his beautiful and charming wife, **Mrs. Porter**, at the Benton Club.

This Club is composed of about 60 members and is one of the oldest clubs in St. Joe. Mrs. Porter is the daughter of **Graham Lacy**, one of the founders of the Tootle-Lacy National Bank.

Mr. and Mrs. Porter have two sons and a son-in-law in the Service and these include **Lt. Graham Porter** who is now taking post graduate work at Annapolis; **Capt. George E. Porter, Jr.**, who was in the Infantry and has been a prisoner on Bataan for three years, and **Lt. Col. Robert R. Clark II**, who is in Germany with the 104th Division of the 1st Army. Lieutenant Clark married **Ellen Porter** and they have two children, who, with their mother, are making their home at the Porter residence.

Ray R. Calkins, president of the American National Bank of St. Joe, and **Mrs. Calkins** enjoyed a pre-holiday visit to New York City, where they saw the latest shows and attended the Opera. Ray also checked up on the Wall Street bankers just to see how they were getting along.

George U. Richmond, vice president of the American National Bank, St. Joe, has two sons in the service who are **1st Lt. George U. Richmond, Jr.**, who was wounded in the battle at Saipan, and was in the hospital at Springfield, Missouri, and has been released for a period of inactive service; and **Lt. (jg) Charles K. Richmond**, who has already had one and a half years of service on a destroyer in the South Pacific.

Thos. J. McCullough, cashier of the First St. Joseph Stock Yards Bank, is kept pretty busy these days as he is on the rationing board for his district, and nobody gets a quart or a gallon without his permission, and we are referring to gasoline.

Byron Dunn, executive vice president of the National Bank of Commerce, Lincoln, Nebraska, in a letter to the NORTHWESTERN BANKER, told us of their special stockholders meeting, where they voted to increase their capital stock by a dividend of \$150,000, which increases the capital of the bank from \$350,000 to \$500,000. The surplus account was increased from \$400,000 to \$500,000 and in addition to this, the

Opened for Business October 15, 1934

Statement of the

IOWA STATE BANK & TRUST COMPANY

Iowa City, Iowa

December 30, 1944

RESOURCES

Cash and Due from Banks.....	\$2,241,148.16
U. S. Bonds.....	3,443,935.00
Other Bonds and Securities.....	121,224.34
CASH OR ITS EQUIVALENT.....	\$5,806,307.50
Loans and Discounts.....	1,956,435.61
Overdrafts.....	174.65
Banking House.....	53,300.00
Furniture and Fixtures.....	16,000.00
	\$7,832,217.76

LIABILITIES

Capital Stock.....	\$ 150,000.00
Surplus and Undivided Profits.....	121,601.64
Deposits.....	7,560,616.12
	\$7,832,217.76

■ ■ ■

OFFICERS

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

DIRECTORS

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

*Serving in the Armed Forces of the U. S.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

bank has a reserve account of \$500,000 and undivided profits of about \$100,000.

The bank started August 4, 1902, with a capital of \$50,000. The present official staff is as follows: **M. Weil**, president; **Byron Dunn**, executive vice president; **Albert A. Held**, **Ernest C. Folsom**, **Julius Weil**, vice presidents; **Paul Bogott**, cashier, and **Glenn Yausi**, assistant cashier and assistant trust officer.

Milton Tootle III, vice president of the Tootle-Lacy National Bank of St. Joe, Missouri, told us that he is still following his "Systematic Plan for the purchase of Government Securities," as outlined in the February 1943 issue of the *NORTHWESTERN BANKER*. Other bankers have followed Mr. Tootle's program and the most recent one to do so is **A. J. Martin**, vice president of the First National Bank of Houston, Texas. Milt's plan is based on "The permanent revolving fund," after deciding the amount which shall be placed in this fund. It is an excellent idea for any bank to follow.

The *NORTHWESTERN BANKER* was happy to receive a very novel Christmas greeting from **Captain Leo Mak**, well-known Iowa bond and investment dealer who is with the headquarters of the 12th Bomb Group, United States Army Air Force in India.

In line with its many progressive ideas for the betterment of agriculture, the Farmers National Company of Omaha is responsible for the attractive electrolyte below containing



the slogan by Daniel Webster, "When tillage begins, other arts follow," for use in various publications and circulars which may be gotten out by various types of business. **Cornelius J. Claassen**, president of the Farmers National Company, says that while

economists and business men after the first World War forgot that agriculture is the true foundation of our national economy, there are already signs that they may repeat this error after the current war. He says, "Certainly the city people who should be most actively concerned about the source of their prosperity, or the lack of it, are the chief forgetters."

Major Miles M. Mills of Des Moines, son of **Charles B. Mills**, of Moline, Ill., has been awarded the bronze star

medal for an outstanding contribution in connection with military operations in which his organization was engaged.

Major Miles also wears campaign stars in his European theatre ribbon for three major airborne invasions in Normandy, southern France and Holland, as well as the presidential unit citation ribbon for action in the D-day invasion of Cherbourg.

Ray A. Ilg, vice president of the National Shawmut Bank of Boston, is also chairman of the Publicity



The First National Bank of Chicago

Statement of Condition December 31, 1944

ASSETS

Cash and Due from Banks,	\$ 436,577,283.75
United States Obligations—Direct and fully Guaranteed,	
Unpledged,	\$668,441,361.49
Pledged—To Secure Public Deposits and	
Deposits Subject to Federal Court Order, 512,268,031.51	
To Secure Trust Deposits,	34,322,146.74
Under Trust Act of Illinois,	534,174.48
	1,215,565,714.22
Other Bonds and Securities,	96,720,150.67
Loans and Discounts,	455,767,737.70
Real Estate (Bank Building),	3,746,905.33
Federal Reserve Bank Stock,	3,000,000.00
Customers' Liability Account of Acceptances,	1,334,842.54
Interest Earned, not Collected,	4,955,943.01
Other Assets,	252,629.02
	<u>\$2,217,921,206.24</u>

LIABILITIES

Capital Stock,	\$ 50,000,000.00
Surplus,	50,000,000.00
Other Undivided Profits,	3,845,378.43
Discount Collected, but not Earned,	638,571.12
Dividends Declared, but Unpaid,	1,000,000.00
Reserve for Taxes, etc.,	8,443,361.99
Liability Account of Acceptances,	1,364,148.08
Time Deposits,	\$ 246,838,256.61
Demand Deposits,	1,311,804,115.31
Deposits of Public Funds,	543,979,261.60
	2,102,621,633.52
Liabilities other than those above stated,	8,113.10
	<u>\$2,217,921,206.24</u>

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

DES MOINES BUILDING-LOAN & SAVINGS ASSOCIATION

Oldest In Des Moines

411 6th Ave. Dial 4-7119

ELMER E. MILLER HUBERT E. JAMES
Pres. and Sec. Asst. Sec.

FOR YOUR ENJOYMENT . . .

Listen to the

"WORLD OF MUSIC"

KRNT, 1350 KC 10:30-11 a. m. Sundays

OUR 50th YEAR

Northwestern Banker January 1945

Committee of the Massachusetts Bankers Association, and in a recent letter to the *NORTHWESTERN BANKER* he told us of the plan which the Massachusetts Clearing House Banks have put into effect to assure credit for small business in the postwar period. In his letter to us, he said, "While this plan does not call for the formation of a big pool, it is our intention to reach the same goal as expressed in the program recently adopted by the Postwar Small Business Credit Commission of the American Bankers' Association and in full cooperation

with them—to seek actively to help those who may need loans.

"This action by the Boston Clearing House Association and the Massachusetts Bankers Association places Boston and Massachusetts with the other cities and states which have already formulated definite plans for assuring business all possible consideration for bank credit in the reconversion and postwar periods."

William B. Bauer, only son of **Earl Bauer**, assistant vice president of Commerce Trust Company, Kansas City,

Missouri, and Mrs. Bauer, was killed in a plane crash at El Toro Field, California, last month.

William Bauer was a fighter pilot in the Marine Air Corps. His plane had been grounded for repairs and Bauer had later taken it up for a test. At 500 feet the motor failed and he attempted to make a crash landing but in descent it was necessary to bank around a grove of eucalyptus trees. In doing so his wing struck a telephone pole resulting in a wreck which fired the plane and Bauer was burned to death.

At the time of enlistment in the fall of 1942, he was a sophomore at the University of Kansas. He was a Phi Delta Theta.

Earl Bauer is one of the best known bankers throughout the Southwest, especially in the state of Kansas.

Announce Promotions

At the annual meeting of the Iowa-Des Moines National Bank & Trust Company, Herbert L. Horton, president, announced the promotion of Laird M. Freyer from assistant cashier to assistant vice president and the election of Gerald O. Nelson to the position of assistant cashier.

Mr. Freyer, mortgage loan department officer, has been with the bank over 20 years and has been assistant cashier since 1930.

Mr. Nelson's promotion follows 18 years' experience in many departments of the bank. For the past three years he has been connected with the installment loan department.

All other directors and officers were re-elected.

Total deposits of the bank now are \$99,553,116.

New Vice Presidents

David T. Beals, president of the Inter-State National Bank, announces the election of Charles H. Griesa and Olney D. Newman as vice presidents of the Inter-State National Bank.

Mr. Griesa comes to the Inter-State from the Union National Bank in Kansas City. He originally came from Lawrence, Kansas, where he attended the public schools and the University of Kansas. During World War I he went to France to serve with the French army in 1916. Following the entrance of the United States in the war he joined our forces as an infantry officer attached to the 356th Infantry of the 89th Division. After the Armistice and a tour of duty in the Army of Occupation in Germany, he was assigned to the American Relief Admin-

CHEMICAL & TRUST COMPANY

Founded 1824

165 Broadway, New York

CONDENSED STATEMENT OF CONDITION

At the close of business, December 31, 1944

ASSETS

Cash and Due from Banks	\$252,018,057.00
U. S. Government Obligations,	
Direct and Fully Guaranteed	836,557,275.32
Bankers' Acceptances and Call Loans	77,035,291.14
State and Municipal Bonds	74,058,514.92
Other Bonds and Investments	53,888,496.74
Loans and Discounts	198,159,376.05
Banking Houses	359,793.50*
Other Real Estate	1,846,206.66*
Mortgages	351,835.54
Credits Granted on Acceptances	2,534,660.83
Accrued Interest and Accounts	
Receivable	3,772,993.97
Other Assets	254,253.67
	<u>\$1,500,836,755.34</u>

LIABILITIES

Capital Stock	\$20,000,000.00
Surplus	60,000,000.00
Undivided Profits	10,598,346.37
Unallocated Reserves	4,159,560.38
	<u>\$94,757,906.75</u>
Reserves for Taxes, Expenses, etc.	2,599,805.25
Dividend Payable Jan. 2, 1945	900,000.00
Acceptances Outstanding	\$3,883,351.56
(Less own acceptances held in portfolio)	346,056.70
	<u>3,537,294.86</u>
Other Liabilities	288,161.84
Deposits (including Official and Certified Checks Outstanding \$24,977,449.53)	<u>1,398,753,586.64</u>
	<u>\$1,500,836,755.34</u>

Securities carried at \$354,478,328.60 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

* } Assessed Valuation \$4,654,733.00

Charter Member New York Clearing House Association
Member Federal Reserve System
Member Federal Deposit Insurance Corporation



CHARLES H. GRIESA
Prominent in civic affairs

istration under Herbert Hoover in Austria and Czechoslovakia.

Mr. Griesa has been engaged in the banking business since 1920, and associated with the Union National Bank since its organization in 1933. He has taken a prominent part in civic affairs of Kansas City, and is widely known in banking circles.

Olney D. Newman of Garden City,



OLNEY D. NEWMAN
Comes from Garden City, Kansas

OUR 50th YEAR

Kansas, has resigned as president of the Garden National Bank, a bank he established in 1934, coming to Garden City from Coats, Kansas. He is well known throughout the middle west as well as in Kansas, as an outstanding bank executive. In 1940 he was president of the Kansas Bankers Association, and is now a member of the executive council of the American Bankers Association.

As president of the Garden National Bank, Mr. Newman has always been a booster for western Kansas farmers and live stock feeders, as well as civic and public improvement affairs.

Deposits of the Inter-State National Bank, according to their 1944 year-end statement, are \$69,514,506.00.

Excess of Two Billions

The statement of condition of Manufacturers Trust Company, New York, as of December 31, 1944, shows deposits of \$1,991,382,142, which include United States Government War Loan deposits of \$300,866,524. On December 31, 1943, deposits were \$1,580,909,261, which included United States Government War Loan deposits of \$133,098,432. Resources on December 31, 1944, were \$2,100,298,087, as compared with \$1,682,356,909 a year ago. This is the first time that Manufacturers Trust Company has shown resources in excess of two billion dollars in a published statement.

Cash and due from banks is listed at \$445,668,127, as against \$401,956,453

CONDENSED STATEMENT

FIRST NATIONAL BANK IN ST. LOUIS

At the Close of Business, December 30, 1944

RESOURCES

Cash and Due from Banks	\$107,858,488.16
U. S. Government Securities	253,470,128.81
Loans and Discounts	88,038,119.65
Other Bonds and Stocks	5,964,694.02
Stock in Federal Reserve Bank	501,000.00
Banking House, Improvements, Furniture and Fixtures	397,835.15
Other Real Estate Owned	1,100,006.00
Customers' Liability a/c Letters of Credit, Acceptances, etc.	838,232.56
Accrued Interest Receivable	1,046,613.93
Overdrafts	10,156.39
Other Resources	4,384.42
	<u>\$459,229,659.09</u>

LIABILITIES

Capital Stock	\$ 10,200,000.00
Surplus	6,500,000.00
Undivided Profits	6,180,405.55
Reserve for Contingencies	500,000.00
Dividend Declared Payable February 28, 1945	240,000.00
Reserve for Taxes, Interest, etc.	1,283,372.94
Unearned Discount	92,596.70
Liability a/c Letters of Credit, Acceptances, etc.	841,674.01
Other Liabilities	29,083.02
Individual Deposits	\$202,437,673.40
Savings Deposits	41,901,286.31
Bank Deposits	125,377,405.22
U. S. Government Deposits	58,622,871.70
City of St. Louis and Other Public Funds	5,023,290.24
Total Deposits	<u>433,362,526.87</u>
	<u>\$459,229,659.09</u>



Broadway • Locust • Olive

Member Federal Deposit Insurance Corporation

Northwestern Banker January 1945

twelve months ago. United States Government Securities stand at \$1,205,104,026; a year ago they were \$887,436,948. Loans, bills purchased and bankers' acceptances are now \$367,338,389 which compare with \$298,950,311 on December 31, 1943. Preferred stock is shown as \$8,009,920, common as \$32,998,440, surplus as \$33,000,000, and undivided profits as \$19,604,010.

Chemical, New York

In its statement for December 31, the Chemical Bank & Trust Company

reported deposits of \$1,398,753,587, compared with \$1,153,998,166, on December 31, 1943, and total assets of \$1,500,836,755 compared with \$1,249,514,079 a year ago. Cash on hand and due from banks amounted to \$252,018,057 compared with \$239,375,105; U. S. Government obligations to \$836,557,275 against \$657,728,406; bankers' acceptances and call loans to \$77,035,291 against \$63,769,792 and loans and discounts to \$198,159,376 against \$139,435,524.

Capital remains unchanged at \$20,-

000,000 but surplus shows an increase from \$55,000,000 to \$60,000,00 reflecting the transfer on October 19, 1944, of \$5,000,000 from unallocated reserves to surplus. Undivided profits were \$10,598,346 and showed an increase for the year of \$3,128,784 after the usual dividends of \$3,600,000, (\$1.80 per share).

Philadelphia National

The report of The Philadelphia National Bank for the year ended December 30, 1944, made public by Evan Randolph, president, shows an increase of \$2,277,017 in undivided profits for the year, which compares with an increase of \$1,812,018 reported a year ago.

Net earnings from current operations amounted to \$5,920,247, against \$5,870,116 in 1943. After adding profits on securities and other income and after deducting taxes, the amount applied to bond account, and miscellaneous charges, net income before dividends amounted to \$5,777,017, compared with \$5,312,018 a year earlier.

Capital, surplus and undivided profits amounted to \$51,958,269, as against \$49,681,252 at the end of 1943. During the year the bank increased its surplus account 33 per cent from \$21,000,000 to \$28,000,000.

In his report, Mr. Randolph stated that the market value of investment securities shows a substantial excess over the figures at which they are carried on the books of the bank.

Best Year

The Bankers Trust Company, Des Moines, reports 1944 as one of the best years in the history of the bank, according to L. Nevin Lee, vice president. Last year the Bankers Trust Company increased its surplus and undivided profits account, paid the regular 4 per cent dividend, and in addition just recently declared an extra cash dividend of 2 per cent to stockholders. Mr. Lee says the Bankers Trust Company anticipates another good year in 1945.

Employees Honored

Two veteran employees of the Mississippi Valley Trust Company of St. Louis were honored recently for the long and faithful years of service and were presented with gold watches by President Sidney Maestre. They are Henry C. Ibbotson and John F. Wieser.

Mr. Ibbotson began his career in banking at Mississippi Valley Trust Company in 1893, just three years after its beginning. In 1929 he was advanced from assistant secretary to assistant vice president. Much of his banking experience has been in the

MEMBER FEDERAL HOME LOAN BANK

STATEMENT OF CONDITION

December 31, 1944

HOME FEDERAL

SAVINGS AND LOAN ASSOCIATION

414 Sixth Street

Des Moines, Iowa

Officers and Directors

Arthur S. Kirk
President
Dr. Lawrence E. Kelley
Vice President
C. B. Fletcher
Secretary-Treasurer
Edith Keeling
Assistant Treasurer
Henrietta Albright
Assistant Secretary
Harold J. Howe
Counsel
Dr. Marvin J. Houghton
Dentist
Joseph N. Chamberlain
Real Estate & Insurance
J. T. Schilling
Iowa Power & Light Co.
Dr. John L. Hillman
President Emeritus
Simpson College
Capt. Jonathan M. Fletcher
In Military Service

ASSETS

Cash	\$ 274,370.47
United States War Savings Bonds.....	835,075.01
Stock in Federal Home Loan Bank.....	100,000.00
First Mortgage Loans.....	4,251,896.07
Repayable on monthly payment plan.	
Loans on Passbooks and Certificates....	6,999.51
Furniture and Fixtures.....	11,284.26
Office Building	127,843.17
Other Assets.....	2,603.04
These are prepaid expense items.	
	\$5,610,071.53

LIABILITIES

Savings and Investment Accounts.....	\$5,298,194.57
Each account is insured up to \$5,000.00.	
Loans in Process.....	28,534.05
New loans on which these funds have not been disbursed.	
Other Liabilities	6,961.16
These are current accounts.	
Dividends Declared and Unpaid.....	70,864.82
To be paid in cash on January 1, 1945, or credited on savings accounts.	
Reserves and Undivided Profits:	
General Reserves.....	\$101,762.85
Specific Reserves.....	69,764.08
Undivided Profits.....	33,990.00
	205,516.93
	\$5,610,071.53

We urge your careful analysis of this financial statement.



PHONE 3-0555

{ We invite you to call and talk with us about starting a savings account. Or write us for our booklet explaining how to open a savings account by mail. Each account is insured up to \$5,000. }

We are headquarters for (G. I.) Soldiers Loans and are in the market for all good home loans at rates from 4% to 6% according to classification.

We have grown \$2,224,460.65 during the year 1944

Northwestern Banker January 1945

OUR 50th YEAR

• IOWA NEWS •

discount department and of recent years he has been associated with the exchange department.

Mr. Wieser started at the State National Bank in 1894, and went with Mississippi Valley Trust Company as an assistant secretary at the time of the merger in 1929. During recent years he, too, has been in the exchange department. Much of his spare time, however, is spent at his farm outside of St. Louis, where he raises some record crops.

To Increase Capital

Shareholders of Bank of America were advised by L. M. Giannini, president, that because of the extraordinary growth of the bank the board of directors had adopted a resolution proposing an increase in the bank's capital stock by the issuance of 800,000 new shares of common stock. It is understood that this will be the largest single offering of new common stock in the history of the country. More than 140 underwriters and 800 dealers will participate in the nationwide offering, which will total in excess of \$40,000,000.

Giannini's communication to the shareholders pointed to a growth of more than two billion dollars in deposits in less than three years, bringing deposits to more than \$4,000,000,000 and placing the bank among the world's three largest banking institutions.

The new stock would increase capital funds of the bank by approximately \$40,000,000 to about \$220,000,000, exclusive of valuation reserves and after giving effect to the current dividend.

New Vice Presidents

Following a meeting of the board of directors of the American Express Company, Ralph T. Reed, president, announced the election of two new vice presidents of the company. Bert E. White, assistant vice president and passenger traffic manager in charge of domestic travel now on war leave with the United States Army, was elected vice president and general manager, travel, and Walter C. Rundle, assistant vice president in charge of foreign travel and until recently on loan to the Coordinator of Inter-American Affairs as direction of the Travel Division, was elected vice president, travel.

Northern Trust, Chicago

The 1944 net earnings of The Northern Trust Company, Chicago, after charging off all known losses and providing for taxes and additions to reserves, are \$1,129,673.26. This com-

pares with \$1,058,005.05 for the year 1943. Dividends of \$540,000 were paid and the balance of \$589,673.26 was added to undivided profits. The earnings are equivalent to 7.36 per cent on

the average capital stock, surplus and undivided profits.

The board of directors last month authorized an increase in surplus fund from \$6,000,000 to \$12,000,000 by a trans-

American Trust & Savings Bank

DUBUQUE, IOWA

Organized 1905

Incorporated 1912

STATEMENT OF CONDITION, DECEMBER 30, 1944

RESOURCES		LIABILITIES	
Cash and Due from Banks.....	\$ 3,392,009.60	Capital Stock	\$ 250,000.00
U. S. Government Bonds.....	12,433,923.08	Surplus	250,000.00
Federal Reserve Bank Stock....	15,000.00	Undivided Profits	134,979.91
State, County and Municipal Bonds	643,388.18	Reserves	63,000.00
Loans and Discounts.....	1,096,744.90	Deposits	16,933,159.70
Overdrafts	73.85		
Bank Building	50,000.00		
	\$17,631,139.61		\$17,631,139.61

C. J. SCHRUP, Chairman of the Board
 D. W. ERNST, President
 ROY F. GLAB, Vice President
 C. J. KLEINSCHMIDT, Cashier
 A. L. VOGL, Assistant Cashier
 M. J. BAUMHOVER, Assistant Cashier

Member Federal Reserve System.

Member of the Federal Deposit Insurance Corporation

THE LUXURY OF ILLEGIBILITY

A luxury is something we like to have but without which we can exist and even be happy. Well, we can exist very well indeed without illegible signatures on bank checks. These "scrawls of character" may be the pride of the writers but they are a headache to the youngsters who have to decipher them as they move swiftly thru the banks.

Checks circulate widely and wherever they go people must read them. Those who write them should extend to those who read them the courtesy of legibility. There is hardly a person in this country who wouldn't say "Pardon me" if he inconvenienced his neighbor, but too many are sublimely unconscious of the fact that they are discourteous when they require others to waste time trying to read their names.

It is assumed that people are sensitive about their signatures and that it would be undiplomatic even to suggest that theirs are not quite up to Spencerian standards. Bunk! A person signs his name as he does because he *wants* to sign it that way. He *likes* his signature, so let's not disturb it. Let him continue to enjoy the luxury of illegibility BUT elsewhere on his check his name should be printed.

Sooner or later *all* checks are correctly sorted, posted and filed, but what does it cost for this accuracy? How much more does it cost than it should? We wonder what the difference would be if all checks carried a printed name. We wonder if perhaps our Personalized Check program isn't somewhat more important than even we thought it was.

De Luxe
CHECK PRINTERS
Inc.

Manufacturing Plants at

NEW YORK CLEVELAND CHICAGO KANSAS CITY ST. PAUL

OUR 50th YEAR

Northwestern Banker January 1945

fer of \$3,000,000 from undivided profits and \$3,000,000 from reserves. Capital stock amounts to \$3,000,000, surplus funds \$12,000,000, and undivided profits \$3,807,868.58, a total of \$18,807,868.58.

Deposits rose to \$725,188,258.89, compared with \$519,682,491.53 a year ago, for a gain of \$206,000,000. Included therein are United States government deposits of \$206,387,388.65 and \$60,939,268.89 on the respective dates. Savings deposits increased \$14,000,000, from \$86,963,568.16 to a total of \$100,817,203.63.

Larger Net Earnings

Net earnings of \$507,525 for 1944 are reported for the American National Bank and Trust Company of Chicago by President Lawrence F. Stern in his annual report to stockholders. This figure represents net operating profits after provisions for reserves, taxes and contingencies, and compares with reported net earnings of \$381,344 for 1943.

Total deposits of the American National on December 30th amounted to \$179,318,025, a substantial increase over

the 1943 year-end total of \$140,538,092. President Stern pointed out in his report that, because the Sixth War Loan had been so recently completed, deposits in the Treasury's war loan account were at a high point at the close of the year. The year-end statement shows U. S. government deposits of \$22,764,837, compared with \$8,154,107 at the close of 1943. He added this comment: "Experience has shown that as such funds are disbursed in payment of war costs, the bulk of them find their way back into the banks in deposits of other forms. It may therefore be expected that bank deposits will continue to increase in the coming year."

NATIONAL BANK OF BURLINGTON

BURLINGTON, IOWA

Statement of Condition, December 30, 1944

ASSETS		LIABILITIES	
Cash and Due from Banks.....	\$2,551,755.47	Capital	\$ 200,000.00
U. S. Government Securities.....	4,332,868.20	Surplus	150,000.00
State, County and Municipal Bonds	1,312,150.12	Undivided Profits	78,463.36
Other Bonds	432,777.37	Reserve for Taxes, etc.....	30,000.00
Loans and Discounts.....	1,147,230.77	Interest Collected but not Earned.	1,382.10
Overdrafts	148.17	Deposits	9,376,952.28
Stock in Federal Reserve Bank...	10,500.00		
Bank Building	40,896.00		
Furniture and Fixtures.....	7,233.48		
Other Assets	1,238.16		
	\$9,836,797.74		\$9,836,797.74

John H. Witte, Jr., President.
Vincent P. Cullen, Executive Vice President.

Thomas L. Dyer, Cashier.
F. J. Norton, E. L. Hausknecht, Asst. Cashiers.

Member Federal Deposit Insurance Corporation

Capital and Surplus Increased

The capital and surplus of Mississippi Valley Trust Company, St. Louis, is now \$10,000,000. This change was effective on December 30th, and represents an increase of \$1,600,000 in the bank's surplus account. According to the December 30th statement figures, the bank's total resources are over \$223,000,000.

New High Mark

Bank of America's year end statement of condition shows capital funds at the new high mark of \$219,322,000. This is an increase of \$52,937,000 over a year ago, \$41,161,530 of which was realized from the issuance on December 29, 1944, of 800,000 shares of new common stock.

Deposits and resources were also established at new high levels. At December 30, 1944, deposits were \$4,340,539,000, a gain of \$842,386,000 over a year ago. Total resources were \$4,599,124,000, an advance of \$901,212,000 during the year.

Loans and discounts outstanding at the year end aggregated \$894,436,000, an increase of \$83,776,000 over December 31, 1943. Investments in securities amounted to \$2,740,064,000, an increase of \$644,632,000 over the previous year end, chiefly representing purchases of U. S. Government securities.

Bankers Trust, New York

The statement issued by Bankers Trust Company, New York, as of December 31, 1944, reflects for the first time the recent changes made in the capital funds of the company, with the capital account now standing at \$30,000,000 and surplus at \$80,000,000, in comparison with the previous amounts of \$25,000,000 and \$75,000,000 respectively. With undivided profits at \$27,344,871.13, the total capital funds amount to

Federal Home Loan Bank of Des Moines

DES MOINES, IOWA

STATEMENT OF CONDITION, DECEMBER 31, 1944

RESOURCES		LIABILITIES AND CAPITAL	
Cash	\$ 970,681.38	Deposits—Members	\$ 1,660,923.08
U. S. Government Obligations and Securities fully guaranteed by U. S.....	10,249,964.43	Deposits—Other Federal Home Loan Banks.....	1,500,000.00
Advances to Members	11,785,358.25	Accrued Interest Payable	24,482.36
Accrued Interest Receivable.....	70,109.12	Accounts Payable	973.06
Deferred Charges and Other Assets.....	2,678.23	Dividends Payable—January 4, 1945.....	57,971.60
Furniture and Equipment (Cost \$10,361.06).....	1.00	*Debentures Outstanding	7,000,000.00
	\$23,078,792.41	Capital Stock Subscriptions	11,677,600.00
		Surplus	
		Reserves	\$795,600.63
		Undivided Profits	1,156,842.31
			\$23,078,792.41

*Participation in \$66,500,000 Consolidated Federal Home Loan Bank Debentures outstanding, which are the joint and several obligations of the twelve Federal Home Loan Banks.

\$137,344,871.13, in comparison with \$125,366,747.03 at the end of 1943.

Part of the increase of \$11,978,124.10 in the total capital funds of the company during the year was due to the transfer of \$5,000,000 from the general reserve account to provide for the increase of \$5,000,000 in capital. In connection with this increase in capital, a stock dividend of \$5,000,000 was paid on December 29, 1944, to stockholders of record on December 12, 1944, on the basis of one share of additional stock for each five shares held.

Deposits totaled \$1,726,073,556.53, in comparison with \$1,594,694,072.48 at the end of 1943. The holdings of United States Government bonds amounted to \$1,059,569,241.35 which compares with the December 31, 1943, figure of \$950,441,228.19.

Surplus Increased

Directors of First National Bank of Minneapolis at a recent meeting increased the surplus of the bank \$1,000,000 by the transfer of that amount from undivided profits. Capital of the bank is now \$6,000,000, surplus \$9,000,000 and undivided profits \$3,025,000.

Lyman E. Wakefield, president, said the increase in capital structure is in line with recent growth in the bank's deposits.

Statement of Condition of THE CITY NATIONAL BANK OF CLINTON

CLINTON, IOWA

December 30, 1944

RESOURCES

Cash and Due from Banks.....		\$ 3,815,552.87
Loans and Discounts.....		2,306,134.33
Bonds:		
U. S. Government Securities.....	\$5,067,531.97	
Municipal Securities.....	852,454.00	
Other Marketable Securities.....	999,014.70	6,719,000.67
Stock in Federal Reserve Bank.....		18,000.00
Banking House.....		38,743.94
Furniture and Fixtures.....		5,581.82
Accrued Interest.....		41,348.64
Overdrafts.....		745.05
Other Resources.....		3,021.60
		\$12,948,128.92

LIABILITIES

Capital.....		\$ 400,000.00
Surplus.....		200,000.00
Undivided Profits.....		82,017.76
Reserve for Taxes, Interest, Contingencies, Etc.....		92,865.92
Discount collected but not earned.....		8,644.95
Deposits:		
Demand.....	\$8,267,499.53	
Time.....	3,084,423.62	
U. S. Government War Loan Account.....	812,677.14	12,164,600.29
		\$12,948,128.92

Member of The Federal Deposit Insurance Corporation, Washington, D. C.
\$5,000—Maximum Insurance for Each Depositor—\$5,000

Wessling Services

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

Plan to use an advertising program of well worded messages created by Wessling Services, Des Moines, Iowa

Des Moines 9, Iowa

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OUR 50th YEAR

Northwestern Banker January 1945

IN THE DIRECTORS' ROOM

Artistic

"You say Jane is a natural born artist?"

"Yeah—she knows exactly where to draw the line."

Via

St. Peter: How did you get here?

New Arrival: Flu.

Named

"Papa, what do you call a person who brings you in contact with the spirit world?"

"A bartender."

Assured

Passenger: You'll bring me back safe, won't you?

Pilot: I've never left anyone up there yet.

Frankly Speaking

C.O.: "Why aren't you working?"

Pvt: "I didn't see you coming, Sir."

Official Welcome

A tramp was sleeping behind a bunker on a golf course when the club secretary, prowling around, kicked him none too gently.

The tramp jumped to his feet and demanded: "Who are you?"

"I'm the secretary of this club," replied the official.

"Well, that's a hell of a way to get new members," said the tramp.

Getting Set

Browser: I'm sorry to keep you waiting, but I've been setting a trap for my wife.

Wowser: Too bad, whom do you suspect?

Browser: A mouse in the kitchen.

Pre-shrunk

Pvt.: "Do you shrink from kissing?"

Blonde: "Oh, my no, why if I did I'd be nothing but skin and bones."

Recovering

Doctor: "How's the patient this morning?"

Nurse: "I think he's regaining consciousness. This morning he tried to blow the foam off his medicine."

Knew His Wife

Jones was a druggist, and when his wife ran away with another man he

Northwestern Banker January 1945



inserted the following advertisement in the local paper:

"This is to notify the party who so kindly relieved me of my wife that I can supply him with liniments, bandages, arnica, healing salves, absorbent cotton, iodine, sleeping powders, and crutches at rock-bottom prices."

Wrong Friends

"My, my, how on earth did you come to get so completely intoxicated?" asked the magistrate.

"I got in bad company, Your Honor. You see, there were four of us. I had a bottle of whiskey—and the other three didn't touch the stuff."

Punishment

First Devil: Ha, ha! Ho, ho!

Satan: Why do you laugh?

First Devil: I just put a woman into a room with a thousand hats and no mirror.

Restored

C.O.: "How do you explain that barrel of beer I found in your room?"

Pvt.: "Doctor's orders, Sir. He said that drinking beer would restore my strength."

C.O.: "And did it?"

Pvt.: "Yes, Sir, when I bought that barrel I could hardly move it and now I can push it all around the room."

Gone

Cook: What'll I do, sergeant, the oil stove has gone out.

Supply Sergeant: Well, light it.

Cook: I can't—it's gone out the roof.

One Disadvantage

"Daddy, what is the curse of drink?"

"Being stuck with the check."

Sarcasm

A long-haired man was accosted by a little bootblack: "Shine your shoes, sir?"

He was disgusted by the dirt on the lad's face.

"I don't want a shine, my lad," he said, "but if you'll go and wash your face, I'll give you a dime."

"Righto, guv'nor," replied the boy, as he made his way to a neighboring fountain. Soon he returned, looking much cleaner.

"Well, my boy," said the long-haired one, "you have earned your dime; here it is."

"I don't want your dime, guv'nor," replied the boy. "You hang on to it and get your hair cut."

Alimony

Little Mary: What is alimony, Mother?

Mother: Alimony, my dear, is a man's cash surrender value.

Hold On

An American officer in Italy approached a wounded Nazi pilot who had been shot down and asked him, "Do you want us to bring you a priest?"

"Hitler is my priest," answered the German.

"Well, if you'll just try to hold on," said the American, "we'll get him for you."

Bonny Bairn

Two revelers approached a railway ticket window. One was carrying his friend in his arms. The weight caused him to stagger.

"Two tickets to Manchester," he said.

The clerk studied the money that was handed to him.

"Wait a minute," he said. "You only gave me the price of one ticket. How about your friend?"

The first man looked fondly at the fellow he was carrying in his arms.

"He's only a baby, mister," he explained. "Only four years old."

The astounded clerk took a second look.

"Four years old, my eye!" he cried. "Why, this fellow you're carrying is over six feet tall, weighs about 160 pounds—and has a beard as thick as a mattress!"

The ticket buyer dropped his burden unceremoniously.

"You idiot!" he howled at his pal. "I told you to shave!"

CONVENTIONS

Feb. 12, GROUP ONE, IOWA BANKERS ASSOCIATION, Sioux City.

Feb. 22, GROUP ELEVEN, IOWA BANKERS ASSOCIATION, Burlington.

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President, The Flynn Dairy Co.

DR. O. J. FAY
Surgeon

J. G. GAMBLE
Attorney

J. W. HOWELL
Pres., Warfield-Pratt-Howell Co.

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Assistant Cashier
Mgr. Personal Loan Dept.

A. F. ERICKSON
Assistant Cashier

K. L. DEBOLT
Assistant Cashier
Mgr. Mortgage Dept.

* In Government Service

Bankers Trust Company

STATEMENT OF CONDITION

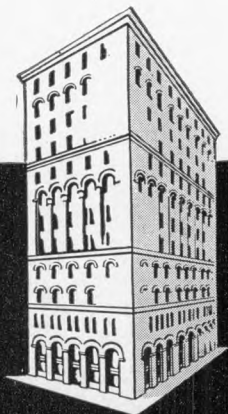
December 30, 1944

RESOURCES

Loans and Discounts	\$11,582,779.25
Other Securities	682,220.72
Stock in Federal Reserve Bank	60,000.00
Real Estate	6.00
Furniture and Fixtures	43,767.26
U. S. Government Bonds	\$31,901,026.74
Cash and Exchange	11,036,980.60
Customer's Liability on Letters of Credit and Trade Acceptances	42,938,007.34
	1,375.00
	<hr/>
	\$55,308,155.57

LIABILITIES

Capital (Common Stock)	\$ 1,000,000.00
Surplus	1,000,000.00
Undivided Profits	523,152.94
Reserve for Taxes and Interest	29,009.28
Other Reserves	420,443.59
Deposits	52,334,174.76
Bank's Liability on Letters of Credit and Trade Acceptances	1,375.00
	<hr/>
	\$55,308,155.57



BANKERS TRUST COMPANY

6th and Locust
DES MOINES





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