

# NORTHWESTERN *Banker*

MAY, 1946



**How a Minnesota Bank  
Helped Its Dairy  
Farmers—Page 21**

**Graduate School of Banking Faculty Members Confer—See Page 32**





*The Finest in Bank Service*



*A Cedar Rapids Bank  
Servicing All Iowa*

# THE MERCHANTS NATIONAL BANK

**CEDAR RAPIDS, IOWA**

Member Federal Deposit Insurance Corporation



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



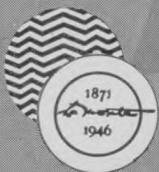
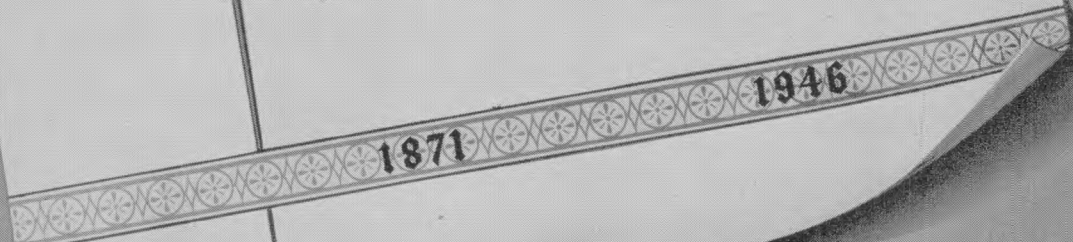
# **S**eventy-Five Years

**I**n 1871 George La Monte secured his patent for the manufacture of Safety Paper and produced National Safety Paper, the first practical product of its kind. Therefore, we are appropriately celebrating our Seventy-Fifth Anniversary in the year 1946.

**I**t is fitting on such an occasion, for us, the successors to George La Monte, to acknowledge our tribute to his ingenuity, courage, foresight and integrity, and to pledge anew our aim to continue to carry on the business of George La Monte & Son on the same high plane on which it was founded seventy-five years ago.

**W**e salute our many friends in the banking and business world. We give them our promise to maintain the high qualities of our products and service. To our loyal and faithful employees, we extend our sincere greetings and acknowledge our deep appreciation for their untiring efforts in aiding the continued progress of the Company.

GEORGE V. LA MONTE  
PRESIDENT



**LA MONTE**  
GEORGE LA MONTE & SON

*Safety*

**PAPER**  
NUTLEY, NEW JERSEY



CONTINENTAL ILLINOIS  
NATIONAL BANK AND TRUST COMPANY  
OF CHICAGO

COMMERCIAL BANKING  
CORPORATE AND PERSONAL TRUST SERVICES  
FOREIGN BANKING FACILITIES  
UNITED STATES GOVERNMENT AND  
MUNICIPAL SECURITIES  
SAVINGS DEPARTMENT

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



# JEEPS

## to South America

These Jeeps, on their way to Colombia, are the first large commercial shipment to be made since the end of the war.



Central Hanover's Foreign Department brought the South American distributor and American manufacturer together—and Central Hanover's Letter of Credit financed the shipment.

Whether your interest is in exports or imports, you will find at this Bank every facility for handling your foreign trade transactions *in any part of the world.*

We welcome inquiries about your specific problems in the foreign field.

## CENTRAL HANOVER BANK AND TRUST COMPANY NEW YORK

London Branch . . . 7, Princes Street, E. C. 2



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, May, 1946





*Did you ever see*  
*a Dream* **BURNING?**

**H**OMES like this represent the realization of yesterday's dreams . . . dreams that materialized as the result of thought, saving, and hard work . . . the fulfillment of years of careful planning. Part of the dream was protecting the home . . . but the owner may find that the fire insurance and other property coverages he carefully planned are inadequate today . . . that soaring replacement values would prevent rebuilding anything like his present home at its original cost.

Urging policyholders to keep pace with value, alert Home producers today are recommending new property appraisals, with new insurance adjustments wherever necessary, reflecting the sound judgment and experience of The Home — America's leading insurance protector of American Homes and the Homes of American Industry.

☆ **THE HOME** ☆  
*Insurance Company*  
NEW YORK

FIRE • AUTOMOBILE • MARINE



# MANUFACTURERS TRUST COMPANY

Condensed Statement of Condition as at close of business  
March 31, 1946

## DIRECTORS

- EDWIN M. ALLEN  
*Chairman, Mathieson Alkali Works, Inc.*
- EDWIN J. BEINECKE  
*Chairman, The Sperry & Hutchinson Co.*
- EDGAR S. BLOOM  
*President, Atlantic, Gulf and West Indies Steamship Lines*
- ALVIN G. BRUSH  
*Chairman, American Home Products Corporation*
- LOU R. CRANDALL  
*President, George A. Fuller Company*
- CHARLES A. DANA  
*President, Spicer Manufacturing Corp.*
- HORACE C. FLANIGAN  
*Vice-President*
- JOHN M. FRANKLIN  
*President, United States Lines Company*
- CHARLES FROEB  
*Chairman, Lincoln Savings Bank*
- PAOLINO GERLI  
*President, La France Industries, Inc.*
- HARVEY D. GIBSON  
*President*
- JOHN L. JOHNSTON  
*President, Lambert Company*
- OSWALD L. JOHNSTON  
*Simpson Thacher & Bartlett*
- CHARLES L. JONES  
*The Charles L. Jones Company*
- SAMUEL McROBERTS  
*New York City*
- JOHN T. MADDEN  
*President, Emigrant Industrial Savings Bank*
- JOHN P. MAGUIRE  
*President, John P. Maguire & Co., Inc.*
- C. R. PALMER  
*President, Cluett Peabody & Co., Inc.*
- GEORGE J. PATTERSON  
*President, Scranton & Lehigh Coal Co.*
- HAROLD C. RICHARD  
*New York City*
- HAROLD V. SMITH  
*President, Home Insurance Co.*
- ERNEST STAUFFEN  
*Chairman, Trust Committee*
- GUY W. VAUGHAN  
*President, Curtiss-Wright Corporation*
- HENRY C. VON ELM  
*Vice-Chairman of the Board*
- ALBERT N. WILLIAMS  
*Chairman, Western Union Telegraph Company*

## RESOURCES

Cash and Due from Banks . . . . .	\$ 366,135,931.04
U. S. Government Securities . . . . .	1,417,231,943.04
U. S. Government Insured F. H. A. Mortgages . . . . .	4,117,598.72
State and Municipal Bonds . . . . .	29,229,124.12
Stock of Federal Reserve Bank . . . . .	2,475,000.00
Other Securities . . . . .	22,137,946.81
Loans, Bills Purchased and Bankers' Acceptances . . . . .	527,435,424.21
Mortgages . . . . .	7,743,719.52
Banking Houses . . . . .	11,381,530.67
Other Real Estate Equities . . . . .	324,003.73
Customers' Liability for Acceptances . . . . .	6,840,417.05
Accrued Interest and Other Resources . . . . .	6,380,908.53
	\$2,401,433,547.44

## LIABILITIES

Capital . . . . .	\$41,250,000.00
Surplus . . . . .	41,250,000.00
Undivided Profits . . . . .	31,893,451.33
	\$ 114,393,451.33
Reserve for Contingencies . . . . .	9,623,899.91
Reserves for Taxes, Unearned Discount, Interest, etc. . . . .	7,935,840.10
Dividend Payable April 1, 1946 . . . . .	1,237,498.20
Outstanding Acceptances . . . . .	7,946,118.50
Liability as Endorser on Acceptances and Foreign Bills . . . . .	673,517.90
Deposits . . . . .	2,259,623,221.50
	\$2,401,433,547.44

*United States Government securities carried at \$456,840,260.93 are pledged to secure U. S. Government War Loan Deposits of \$427,751,906.02 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  
**69 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*

## *High-Speed 24-Hour Service*

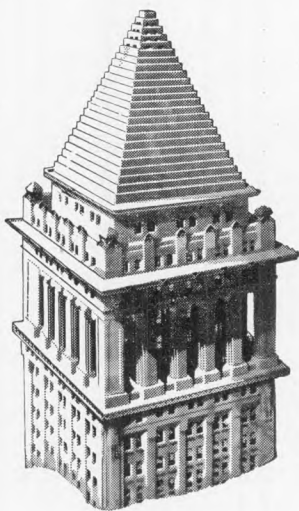
This means day and night performance to serve our correspondents better in presenting their items wherever payable. Bankers Trust Company invites inquiry from correspondent banks with a view to securing full benefit of mail and express schedules, both rail and air, and expediting the handling of transit items forwarded to us.

# BANKERS TRUST COMPANY

NEW YORK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

### *A Partial List of Bankers Trust Company Services to Banks*



Collection of Par and Non-Par Checks	Servicing Loans to Brokers and Dealers
Collection of Notes, Drafts, Coupons, Matured Bonds and Other Items (Domestic and Foreign)	Investment Information
Transfer of Funds, Remittances and Domestic Money Orders	Receipt and Delivery of Securities
Credit Information	Commercial and Travelers Letters of Credit
Commercial Paper Purchases	Safekeeping of Securities
Dealers in United States Government, State and Municipal Securities	Consultation on Pension and Profit-Sharing Plans
Participation with Correspondent Banks in Loans to Local Enterprises	Co-Paying or Exchange Agent, Co-Transfer Agent or Registrar, and Co-Depositary
	Trust and Reserve Accounts
	International Trade and Foreign Banking Facilities



**TO BANKS  
WITHOUT A FOREIGN DEPARTMENT**

*Seeking Profitable,  
Timely Business*

LETTERS OF CREDIT—both domestic and foreign—are increasingly used as a financing method by business today—whether as buyer or seller. There are definite, practical reasons for this trend—time saved, flexibility permitting quick decisions in concluding a deal, and reduced time involved in credit investigation.

You do not need a foreign department to participate in this trend. *You* provide the judgement of credit and knowledge of the character and standing of the borrower; we provide the mechanics of issuing the Letter of Credit. Your customer benefits, and both your institution and ours are adequately compensated.

Write us about Letters of Credit and we will explain how we can “get together” on handling such transactions.

**THE PHILADELPHIA  
NATIONAL BANK**

PHILADELPHIA 1, PA. ★ ORGANIZED 1803

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

# *Where There Is an Inventory There Is a Potential Loan !!*

And when secured by our Warehouse Receipts covering that inventory, stored at the owner's own location, a sound and profitable loan will have been created. . . .

Inventories are the basic assets of manufacturers, processors, producers and dealers. . . .

Our Field Warehousing facilities place inventories in banking collateral form and enable banks to extend larger loan accommodations to deserving customers and to others whose business they would like to have. . . .

Our Warehouse Receipts will solve the problems confronting bankers in meeting the financing needs of many customers, or others, who maintain inventories on hand. . . .

Every degree of safety surrounds our Warehouse Receipts. We are specialists in Field Warehousing . . . our experience is long . . . our responsibility recognized. . . .

*We invite bankers to request our counsel whenever they are interested in lending against inventories—without any obligation or cost on their part.*



## **St. Paul Terminal Warehouse Co.**

ST. PAUL, MINN.

### IOWA OFFICE

515 Iowa-Des Moines National Bank Building

DES MOINES

TELEPHONE 2-1208

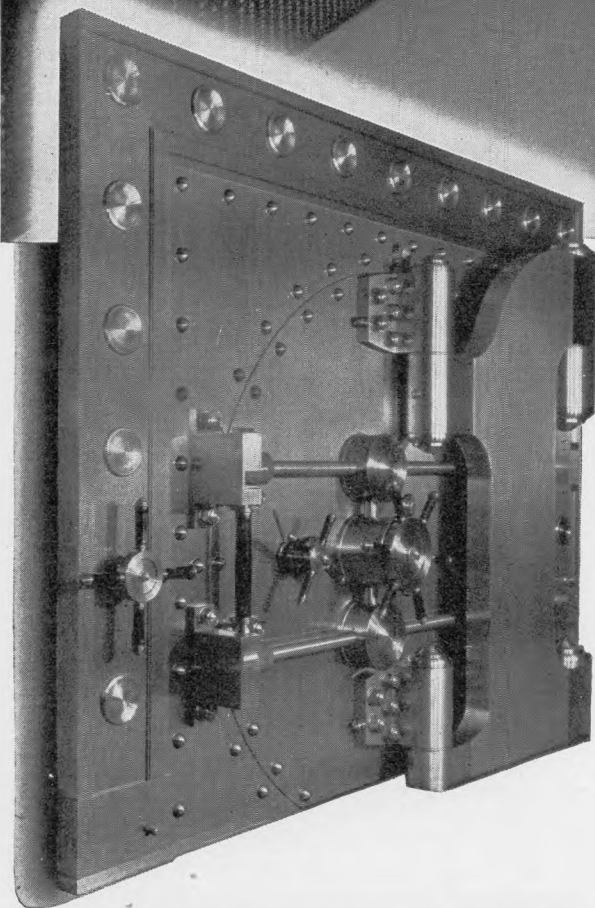
T. C. CANNON, DISTRICT MANAGER

### OTHER OFFICES

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

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





• This message is addressed to thoughtful bankers and their architects. Each of you is familiar with Herring-Hall-Marvin's century of leadership in metalcraft engineering. But today we come to you with entirely new standards of bank protection — a new conception of architectural beauty — conveniences that are years ahead — with inbuilt standards of trouble-free service never previously achieved. Many of these improvements, now obtainable, are too far advanced to publicize! We'd prefer to tell you about them. Consult your local Herring-Hall-Marvin office — or write, wire, phone us direct.

## HERRING-HALL-MARVIN SAFE CO.

Manufacturers of Bank Vault Equipment - Bank Counters - Tellers' Buses and Lockers - Safe Deposit Boxes - Night Depositories - Bank and Office Safes

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St. Louis, Atlanta, Houston, Philadelphia,  
Los Angeles, Detroit, Pittsburgh

OTHER AGENCIES ALL OVER THE WORLD

Northwestern Banker, May, 1946

# TOWARD SOUND PORTFOLIO MANAGEMENT

The years ahead are likely to be difficult ones in bank portfolio management. Never has there been greater need for sound basic investment policy.

To banks interested in receiving outside counsel as a check on their own investment judgment, we offer

*—a portfolio review and conclusions in line with what we believe to represent sound policy in investing bank funds.*

We invite you to avail yourself of this service.

★ ★ ★

“Bank Investment Portfolio Management Under Current Conditions,” is the title of a helpful booklet recently published by the Irving. We shall be glad to send you one or more copies upon request.

## IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK 15, N. Y.

*Member Federal Deposit Insurance Corporation*



## Dear Editor:



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

### "Few Banks Have Done More"

"My attention has been called to the article entitled 'Bank Service—Heart of Your Community' which appears in the April, 1946, edition of your splendid publication, the NORTHWESTERN BANKER.

"As president of our Chamber of Commerce let me thank you for this courtesy you have extended the Beresford community by giving us this publicity. Incidentally, the First National Bank of Beresford, South Dakota, and its vice president, Arthur P. Olson, have certainly earned the compliments you gave them. Few banks or for that matter any other institution have done more than ours has to help build a community."

*I. A. Nichols, President, Beresford Chamber of Commerce, Beresford, South Dakota.*

### "Outstanding in Appearance"

"Your new styling in the NORTHWESTERN BANKER, plus the return of the fine coated paper made your April issue outstanding in appearance and readability.

"The treatment of the article by Ken Wells was, I thought, excellent both as to physical appearance and as to editorial discernment in picking for sub-captions the two parts of the article that would be of particular interest to your readers and would, therefore, intrigue them to read the article."

*Robert Lindquist, Assistant Vice President, American National Bank and Trust Co., Chicago, Ill.*

### "I Wonder About Them"

"I could not find anything in the March issue of the NORTHWESTERN BANKER to throw any light on the old timers per your letter of February 12th. By the way, why were you working on the holiday? You say, 'Of course, as you know, many of these have now gone to their reward,' etc. No, I did not know that any of those I listed were dead. I think of a lot of old convention goers from day to day and wonder about them. The NORTHWESTERN BANKER locates some for me in nearly every issue—latest, George

Way Williams, an associate in Iowa Loan & Trust, and A. E. Cass.

"Grace and I very much enjoyed the letters of Evelyn and Emerson De Puy—both very interesting and informative. Grace says Evelyn looks so much like her grandmother, but I think she more resembles her parents. Anyway, she is mighty sweet looking and I bet you are proud of her."

*Leo Stevens, Reconstruction Finance Corporation, 523 West 6th St., Los Angeles 14, Calif.*

### "A Shy Beggar"

"Keep an eye on dear Winston Churchill. He is spreading it on pretty thick. He wants something. He is quite a shy beggar. In olden days when our country was blessed with patriots instead of politicians, they dumped the tea in the ocean and stood for rights and independence. Now they fete the same John Bull when he comes over with the sole intention of legally depriving us of a few billion \$!!!

"Call on the ghosts of a few patriots and kick that whole royalty outfit of England

and sundry other foreign countries into the ocean. In that way we would protect our people, preserve our independence and uphold our dignity. He would never have amounted to a hill of beans had we not come out from amongst them decades ago and remained separate. Don't let the foreign wolves in sheep's clothing fool you."

*Dr. E. C. Junger, President, Soldier Valley Savings Bank, Soldier, Iowa.*

### "Counteract Lending Agencies"

"Thanks for your interest in what we have been doing out here to stimulate loans for small business, as shown in your 'Across the Desk' letter to me in the NORTHWESTERN BANKER of March, 1946.

"You may be interested in a few cold facts showing what Bank of America has been doing in a practical way to counteract the 'lure of the siren call' of the political lending agency.

"At the height of war production activity, regional offices for the Smaller War Plants (Turn to page 82, please)

## U. S. National's 25 Year Club



**FIRST ROW—LEFT TO RIGHT,** Elizabeth M. Kolb, Myrtle L. Johnson, Lucille R. Massie, Luludell Kern, Linnea A. Pearson and Katherine C. Wilbur. **Back row—Left to right,** Harold V. McLean, Carl H. deWaal, Nels L. Sholin, Austin L. Vickery, Leo M. Brown, Herbert M. Bushnell, Elmer A. Wenberg, Ellsworth Moser, Victor B. Caldwell, Richard M. Brown, Arthur D. Anderson, Thomas F. Murphy, Mathias S. Schicker and James L. Shields.

AT A recent meeting of the 25-Year Club of The United States National Bank of Omaha, the twenty officers and employes who make up the present club membership were presented with Hamilton wrist watches, delivery of which had been delayed by wartime restrictions.

At the time of its organization in January of 1944, a policy of three weeks' vacation and presentation of a wrist watch to incoming members was established. New members are admitted in January of each year, at which time club officers are elected for the ensuing year. The vacation policy, also delayed by the war, is to be inaugurated this year.

The twenty members have a combined service record of 622 years, one month. Leading is Thomas F. Murphy, a vice president, with 40 years, ten months continuous service.

Club officers elected for the 1946 term are Elmer A. Wenberg, president; Carl H. deWaal, vice president, and Katherine C. Wilbur, secretary-treasurer.

The above picture was taken on the occasion of the presentation of the watches by Ellsworth Moser, executive vice president of the bank. The only member of the club not shown in the picture was Harry E. Rogers, assistant vice president.

# THE CHASE NATIONAL BANK

## OF THE CITY OF NEW YORK

*STATEMENT OF CONDITION, MARCH 30, 1946*

### RESOURCES

Cash and Due from Banks . . . . .	\$ 875,762,967.03
U. S. Government Obligations . . . . .	2,960,277,204.87
State and Municipal Securities . . . . .	113,591,019.24
Other Securities . . . . .	156,235,486.10
Loans, Discounts and Bankers' Acceptances . . . . .	1,315,612,455.72
Accrued Interest Receivable . . . . .	14,040,396.40
Mortgages . . . . .	7,604,937.84
Customers' Acceptance Liability . . . . .	8,690,632.43
Stock of Federal Reserve Bank . . . . .	7,500,000.00
Banking Houses . . . . .	33,646,673.40
Other Real Estate . . . . .	2,898,479.16
Other Assets . . . . .	2,650,390.61
	<u>\$5,498,510,642.80</u>

### LIABILITIES

<b>Capital Funds:</b>	
Capital Stock . . . . .	\$ 111,000,000.00
Surplus . . . . .	139,000,000.00
Undivided Profits . . . . .	56,792,459.41
	<u>\$ 306,792,459.41</u>
Dividend Payable May 1, 1946 . . . . .	2,960,000.00
Reserve for Contingencies . . . . .	14,108,415.33
Reserve for Taxes, Interest, etc. . . . .	17,201,323.87
Deposits . . . . .	5,140,086,545.25
Acceptances Outstanding . . . . .	\$ 10,557,865.65
Less Amount in Portfolio . . . . .	1,026,365.49
	<u>9,531,500.16</u>
Liability as Endorser on Acceptances and Foreign Bills . . . . .	130,376.61
Other Liabilities . . . . .	7,700,022.17
	<u>\$5,498,510,642.80</u>

United States Government and other securities carried at \$1,398,010,096.94 are pledged to secure U. S. Government War Loan Deposits of \$1,080,690,772.86 and other public funds and trust deposits, and for other purposes as required or permitted by law.

*Member Federal Deposit Insurance Corporation*



# What Do You Think?

**Question: How far do you think banks can go in the consumer credit field?**

**R. A. Schneider**, vice president and cashier, Security State Bank, Sheldon, Iowa: "I think that banks should go the limit on consumer credit loans. To get this business, banks must take care of the dealer's current needs, take his floor plan financing as well as the installment paper. To get this business, we must set up reserves for the dealers, meet their rates and make it profitable for the dealers to give this business to their local banks, instead of out-of-town finance companies. The public would rather deal with their own banks and it is up to the banks to tell their dealers that the local banks want this business and that the dealer will also benefit from that relationship."

**M. H. Johnston**, cashier, Sawyers Savings Bank, Seymour, Iowa: "I think banks can go as far in the credit field as security will permit, and therefore should be careful."

**J. A. Allen**, president, First National Bank, Milaca, Minnesota: "Our experience in the consumer field has been very good. I am rather inclined to feel that there are no real limits. If it is possible to get quality installment financing, one should take all that is available. However, as far as our own bank is concerned, we cannot expect to get any more than 20 per cent of our deposits or approximately \$400,000."

**Gorden Maxam**, vice president and cashier, Community State Bank, Lake Preston, South Dakota: "I think that it would be dangerous for the banks to go too far into the field of consumer credit for it might cause disastrous results in later years through over purchase on the part of many who could obtain articles and pay for them on the installment basis who could not obtain them otherwise."

(Turn to page 81, please)

# NORTHWESTERN Banker DES MOINES

Oldest Financial Journal West of the Mississippi • 51st Year • No. 706

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### NORTHWESTERN BANKER

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

CLIFFORD DE PUY, Publisher

RALPH W. MOORHEAD  
Associate Publisher

HENRY H. HAYNES  
Editor

BEN J. HALLER, JR.  
Associate Editor

ELIZABETH COLE  
Advertising Assistant

HAZEL C. HADLEY  
Auditor

SADIE E. WAY  
Circulation Department

### NEW YORK OFFICE

Frank P. Syms, Vice President, 505 Fifth Ave., Suite 1806

Murray Hill 2-0326

Northwestern Banker, May, 1946



## Across the Desk From the Publisher

*Dear Dr. John H. Williams:*

In your discussion of "Economic Trends" before the first postwar conference sponsored by the Federal Reserve Bank of Minneapolis, you emphasized that "when the government fixes low interest rates, there is a tendency for all rates to go down. We see the effects in the stock market as people with money to invest seek a higher rate.

"The combination of declining interest rates and redundant money supply tends to push money into the market with an inflationary effect."

As vice president and economist of the Federal Reserve Bank of New York, we know you have given this question much thought and we also know that cheap money is an inflationary force.

Low interest rates on the other hand have permitted the Treasury to borrow cheaply and have kept the public debt burden lighter than it otherwise would have been.

Also, corporations and railroads have been able to reduce their fixed charges by refunding at lower rates. Another group, the owners of mortgaged homes, have been benefited.

On the other side of the picture, low interest rates have not been welcomed by individuals, depending on income from bonds, mortgages, savings deposits and other forms of fixed investment.

Commercial banks, although they have suffered from lower bond yields, have increased their earning assets and the bond income of individuals,

taken as a whole, is greater today than it has ever been before.

We must face the fact, Dr. Williams, that the government, with its huge national debt which makes it the biggest borrower in the world, will probably continue for some time to come its policy of low interest rates and therefore, bankers and investors must take this fact into consideration in their future plans.

---

*Dear Chester Bowles:*

While most of us associate you with OPA, since March of this year you have been head of the Office of Economic Stabilization, the main function of which is to coordinate the various parts of the economy to keep it moving along on as even a keel as possible.

The job you have is a big one because you must help to protect the 181 billion dollars in liquid assets which the United States Treasury estimates is the amount of funds held by the public at the end of 1945.

Whether the public speculates with this money or whether it saves it, will depend to a large extent upon the stabilization of our government economy which is basically the job you now have.

Figures from the Treasury report indicate that the public has their 181 billion dollars invested as follows:

**Thirty-one billion in E Bonds.**

**Twelve billion in F and G Bonds.**

**Twenty-one billion in all other forms of government securities.**

**Total, 64 billion in government securities.**

**That leaves 117 billion dollars as follows:**

**Thirty-seven billion in checking accounts.**

**Twenty-six billion in currency.**

**Twenty-nine billion in savings accounts in commercial banks.**

**Twenty-five billion in other savings.**

In your new department, Mr. Bowles, we wish you every success. As we see it, you are now trying to protect the billions held by the public where before you were trying to regulate the price of butter.

---

*Dear Dr. Harold C. Urey:*

Your discussion of the use we should make of atomic energy is most interesting and thought provoking.

As a member of the faculty of the University of Chicago and because you were winner of the 1934 Nobel Prize in chemistry, you were chosen as one of the men to make the atomic bomb. Therefore, what you have to say is very pertinent.



In a recent speech you said:

**"We must decide which type of atomic energy we want. It is absolutely impossible to have both. The atom can be used wholly for peace or wholly for war.**

**"If no effective control of the atom bomb is developed, the next step would be a race to see who could produce the most bombs and use them first.**

**"If you see any move to put the military in control of atomic development—fight it."**

First of all, it has seemed to us that atomic energy, which has long been a known factor to scientists, should in some way be harnessed and used for peaceful and industrial development.

Electricity, when it was first discovered, was a great new force and while it is still used today to ignite weapons of war and destruction, its main purpose has been to help increase the benefits which mankind could enjoy.

This same atomic energy should be corralled and brought under control to drive power plants and help the wheels of industry to turn more rapidly, rather than to be used for the creation of atomic bombs which can destroy mankind completely.

Therefore let us hope, Dr. Urey, that atomic energy will be used wholly for peace and not for war.

### *Dear Fred A. Vinson:*

An analysis of "who pays the freight" in Federal taxes shows that it is the citizens in the \$1,000 to \$2,000 group who pay 21.14% of the total which is the largest amount.

So as Secretary of the Treasury, Mr. Vinson, you will help the greatest number of taxpayers when you reduce taxes in this group.

The figures for all classes based on 1943 estimates which are the latest available are as follows:

<i>Net Income Class</i>	<i>Amount, 1943</i>	<i>Per Ct. 1943</i>
Under \$1,000.....	\$ 359,000,000	2.99
\$1,000 to \$2,000	2,534,000,000	21.14
2,000 to 3,000	1,395,000,000	11.64
3,000 to 4,000	1,243,000,000	10.37
4,000 to 5,000	874,000,000	7.29
5,000 to 10,000	1,233,000,000	10.28
10,000 to 25,000	1,385,000,000	11.55
25,000 to 100,000	1,710,000,000	14.26
100,000 to 200,000	570,000,000	4.75
200,000 to 500,000	395,000,000	3.30
500,000 to 1,000,000	180,000,000	1.50
1,000,000 and over	111,000,000	0.93
Totals .....	\$11,989,000,000	100.00

Here are some interesting facts which we also noted, Mr. Vinson, from the Treasury figures:

1. The highest income tax return was for the year ending June 30, 1945, and amounted to \$18,600,000,000.
2. The estimate income tax return to the Federal government for the year ending June 30, 1946, is \$14,866,000,000, but this amount may be exceeded.
3. Federal income taxes are expected to "level off" at about \$10,000,000,000 to \$12,000,000,000.
4. Taken by percentages of the total taxes paid in 1, 2, 3 order the figures are these:
  1. \$ 1,000 to \$ 2,000 21.14%
  2. 25,000 to 100,000 14.26%
  3. 2,000 to 3,000 11.64%
  4. 10,000 to 25,000 11.55%
  5. 3,000 to 4,000 10.37%

The figures plainly show that those in the lowest brackets pay the largest aggregate amount of the taxes because there are more of them and because in the higher brackets where the percentages are practically confiscatory there are very few persons in the millionaire class.

And again, Mr. Vinson, we suggest that government expenses be reduced so that taxes may be reduced.

### *Dear Marriner S. Eccles:*

As Chairman of the Board of Governors of the Federal Reserve System, we are interested in the report in your recent Bulletin which indicated that, "member banks made a net profit after taxes of \$749,000,000 in 1945 and that the ratio of net profits to invested capital was 11 per cent. About one-third of the net profits was paid out as dividends to stockholders and the remainder was added to capital accounts."

The article further pointed out that, "nearly all of the wartime growth in bank earnings is the result of income and profits from United States Government securities. Earnings from other sources remained almost unchanged over the war period, while income from Government securities increased rapidly and now constitutes almost half of gross earnings."

Your prediction, Mr. Eccles, that, "Profits reported for the first half of 1946 may, however, exceed the 1945 average," is most encouraging.

*Clifford DePuy*

Northwestern Banker, May, 1946

*We Make Every  
Human Effort to  
Treat Every*

*Correspondent  
Account*

*As though it was the  
only one we had.*

*Central National  
Bank and Trust Company  
Des Moines, Iowa*

*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.*

**Northwestern Banker, May, 1946**



# What Bankers Should Know About the Wage-Hour Law

## Executive and Administrative Exemptions Present Difficult Problems to Many Banks

**M**ANY violations of the Fair Labor Standards Act seem to result from misunderstandings of both the requirements of the Act and its applicability.

A Federal Court decision last summer holding a Georgia bank porter under the protection of the law because part of his time was spent as a messenger—a decision that received wide publicity—has served to clarify the thinking of many people on coverage under the Act: it depends not on the job title, but on the actual work done by the individual employe. If he is engaged in interstate commerce or in work necessary to the production of goods for commerce, he is covered.

Under court interpretations this includes most employes of most banks. Some of the banking activities regarded in interstate commerce and therefore covered by the Act include such work as receiving and transmitting in interstate commerce checks, notes, drafts, commercial paper of various kinds and evidences of indebtedness and other articles or subjects of commerce; receiving and transmitting of communications, documents and instruments relative to transfer of tangible and intangible property in other states; interstate activities related to

membership in the Federal Reserve System or in the Federal Deposit Insurance Corporation. These activities listed are merely illustrative and are by no means exhaustive. Where any doubt exists on this or other questions, consultation is urged with the regional offices of the Wage and Hour Division, U. S. Department of Labor, in Minneapolis or in Kansas City, which will furnish interpretations based on the decisions of the Courts.

Pending further court clarification, the Division does not seek to enforce the Act for those employes of banks who are wholly engaged in maintenance, such as washing, cleaning or removing waste. If an employe spends part of his time in such work, however, and the remainder as a watchman, guard or messenger, among many other duties, he comes clearly under the protection of the law. This and other lines of demarcation under the Act are established by court decisions and not by the Wage and Hour Administrator.

As has been noted, the executive and administrative exemptions from the minimum wage and overtime provisions of the Act sometimes give difficulty in specific banking situations, especially as to tellers and cashiers.

Many of them may be exempt. Frequently, however, a teller or a cashier in a small bank may be the only employe or one of few employes and will of necessity perform a large amount of non-exempt work. In such a case, unless the employe is in sole charge of the establishment and is in other respects qualified as an executive under the regulations he would not ordinarily be exempt as an executive employe. The administrative exemption does not, in general, apply to employes who perform any non-exempt (non-administrative) work. However, the performance, as an incident of an administrative job, of some routine work which is functionally related to the carrying on of the employe's exempt administrative duties (duties involving the exercise of discretion, independent judgment, etc.), would not defeat the exemption. Since responsibility for making a correct classification is assumed by the employer claiming the exemption, he may wish to consult the Division if the status of an employe is not entirely clear.

There is a distinction between an executive and an administrative employe under the regulations (Part

(Turn to page 81, please)

### EXECUTIVE EMPLOYEES

1. Must have as his primary duty the management of an establishment or a customarily recognized department or subdivision, and
2. Must customarily and regularly direct the work of other employes and exercise discretionary powers; must have authority to hire or fire or make suggestions and recommendations which will be given particular weight, as to the hiring, firing, advancement and promotion of the subordinate employes, and
3. Must not perform nonexempt work (work of the same nature as that performed by non-exempt employes) more than 20 per cent of the number of hours worked in the workweek by the non-exempt employes under his direction, except where the employe is in sole charge of an independent establishment or a physically separated branch establishment.
4. And must receive minimum pay of \$30 per week, on a salary basis.

### ADMINISTRATIVE EMPLOYEES

1. Must, with the exercise of discretion and independent judgment:
  - (a) regularly and directly assist an executive or administrative employe, where such assistance is non-manual in nature, or
  - (b) perform under only general supervision, responsible non-manual office or field work, directly related to management policies or general business operations, along specialized or technical lines requiring special training, experience or knowledge, or
  - (c) execute only under general supervision non-manual assignments and tasks directly related to management policies or general business operations.
2. And must receive minimum pay of \$200 a month or \$50 a week on a salary or fee basis.



# *How a Minnesota Bank Helped Its Dairy Farmers*

**The Project Now Operates Throughout Eleven Counties  
And This Year Will Breed 10,000 Dairy Cows**

**W**HAT many banks throughout the nation are doing to promote the prosperity of the communities they serve is well illustrated by the experience of the Minnesota Valley Breeders Association, with headquarters in New Prague, Minnesota. This Association was originally sponsored and financed by the State Bank of New Prague, of which A. G. Sirek is vice president and cashier, and from its small start five years ago has grown into a project covering several counties. The man who organized the Minnesota Valley Breeders Association was Wallace Miller, at that time county agent for Scott County, and now manager of the Association.

## **Association History**

From a small beginning of 1,200 cows signed up in the fall of 1941, the Minnesota Valley Breeders Association has grown until there are now between 9,000 and 10,000 cows to be bred this coming breeding season.

The members of the Minnesota Valley Breeders Association are located in Scott, Le Sueur, Rice, Dakota, Hennepin, Carver, Wright, Meeker, Sibley, Nicollet and Waseca counties.

On August 1, 1945 the Minnesota Valley Breeders Association consisted of five units with a technician located at New Prague, Wayzata, St. Peter, Waterville and Dassel.

When the breeding season starts this fall there will be two new units—one at Glencoe, which will include McLeod county, and one at Fairfax, which will include part of Renville county. It is assumed that many farmers will desire to join this fall.

Anyone desiring to make use of artificial insemination service should sign up as soon as possible, as there is only a limited number that can be taken care of with the present number of sires at the headquarters.

There are 14 Holstein, 4 Guernsey and 2 Jersey sires. Almost three-fourths of the cows bred artificially are Holsteins.

## **Headquarters at New Prague**

The headquarters of the Minnesota Valley Breeders Association is located in the buildings of the Southern Min-

nesota Livestock Show at New Prague. The 20 sires are housed in a barn 100 feet by 60 feet. A modern laboratory and office is also located at the headquarters.

Every other day semen is shipped to the technicians, from New Prague, who provide service to the members located within the local unit.

## **Financial Success**

Anyone who joins a business organization is interested in its financial

tunity to use choice sires that should result in greatly improving the type and production of the offspring.

Farmers who take advantage of artificial insemination are likely to have an excellent market for their surplus stock for several years following the war.

The cost of breeding cattle artificially is usually less than natural breeding, as an extra cow can be kept in place of the sire. The income from butterfat and sale of calves from the



**THE ABOVE PUREBRED HOLSTEINS** are the result of artificial breeding as practiced by the Minnesota Valley Breeders Association.

success. When the Minnesota Valley Breeders Association started business it was necessary for the members to sign notes amounting to the breeding fees for the first year. The notes were used as credit to borrow money from a local bank. The money was used to remodel buildings, purchase equipment, supplies and sires.

The obligations have all been paid. The organization owns the sires, considerable farm equipment, five acres of land and several cars.

At present the membership fee (for which members paid \$5.00) is worth several times that much.

The notes the original organizers signed were returned after the first year of operation. New members now join without signing notes.

## **Advantage of Breeding Artificially**

Through artificial insemination of dairy cattle, dairymen have an oppor-

extra cow will usually more than offset the cost of breeding artificially the entire herd.

The real benefits to members, however, come after several years, when the herd is largely made up of offspring from the association sires. The average production of butterfat should be much greater and the surplus animals should have a greater sale value.

Where artificial insemination is practiced, sires are not kept on farms and there is no danger of members of the family getting injured by the animals.

Diseases of cattle that are spread through the sires can be entirely controlled.

Artificial insemination is much more efficient than natural breeding. Instead of breeding 10 to 20 cows to a sire, through artificial insemination a well bred sire may have 500 and more calves each year. # #

# News and Views

OF THE BANKING WORLD

By Clifford De Puy

**D**ONALD R. RICHBERG, former National Recovery Administrator and a former active New Dealer, describes some of the labor leaders of today in these terms:

"William Green, president of the American Federation of Labor, is a 'drifter who never leads but follows carefully the wishes of the labor politicians,' and under orders, Mr. Green recently welcomed the return of John L. Lewis and his United Mine Workers to the A. F. of L. 'with all the enthusiasm of a rabbit welcoming a bulldog,' though years ago Mr. Green had denounced Lewis in scathing terms."

Philip Murray, president of the Congress of Industrial Organizations, 'plays a most unhappy part as captive of the underground in his Communist-infested organization.'

John L. Lewis is a 'great tragedian in the title role of "I want

what I want when I want it.'" His United Mine Workers,' asserted Mr. Richberg, "is an industrial union which has been trained to accept the law laid down by John L. Lewis as superior to any other law."

When you leave the **Stork Club**, 3 East 53rd Street, New York City, you find one of their post cards in your coat pocket which is the only thing FREE you get while there, where cocktails are 90 cents apiece. The Stork Club received its name from a lady who was one of the original group who financed the corporation and who at the time was pregnant. However, the only "babies" you see at the club wear **diamonds** and not **diapers** and drink **martinis** not **milk**.

**Pierre's** at 15 Elm Street, New Canaan, has no connection with the famous and fashionable hotel in New York by the same name, but is oper-

ated by **Izzy Cohen**, who made his place popular by issuing memberships in the "NEW CANAAN MARCHING AND CHOWDER CLUB" with his restaurant as headquarters and since there are more Harvard men in New Canaan per capita than any other town in the country, he makes them "pay double entry fee (\$1.00) and they may call no non-Harvard members by their first names for a period of one year." Also members must have "IN THEIR ANCESTRY A MINIMUM OF ONE HORSE THIEF OR THE EQUIVALENT."

As the "war brides" arrive from Europe we were interested, as perhaps you will be, in a paragraph from a letter sent by **Evelyn Depuy** who is attached to the 16 Port Headquarters of the American Red Cross, Clubmobile Service in Le Havre, France. In her letter she said: "There are 16 Frenchmen waiting passage home who are married to WACs and now we're starting the 'Get the Bridegrooms Home.' As the first ship of French brides sailed, there was much excitement in port over them since 40 of them were sent home because they had (V. D.) venereal disease and 16 of them are registered prostitutes. Many of them have adopted their younger brother or sister to take to the States as 'their' child—what darling girls our boys have married. It costs \$4,000 to take those motley girls home as they've had to rebuild the whole ship, with compartments for each one—plus interpreters—plus nurses—plus recreation, and care for the babies."

At the "Chesterfield Supper Club" radio show at the National Broadcasting Studio in Rockefeller Center, we enjoyed **Jerry Colona** as the guest star. He can roll his eyes and mustache as well as sing in a style he has made famous.

The United States Senate Restaurant is no longer open to the public in Washington, D. C., owing to the food shortage, but we had luncheon in the room reserved for members of the PRESS and which has the same menu and included among other things a "60-cent Luncheon" of "Barbecued Spareribs, Sauerkraut, Parsley Potatoes, Assorted Breads, Choice of Des-

(Turn to page 82, please)

## Installs New Loan Department



To provide personal, friendly, financial service, the **Live Stock National Bank of Omaha** has made the second step in the postwar expansion of its service by establishing a personal loan department. Earlier in the year it announced an inaugural step of 24-hour transit service for correspondents.

**Marvin Werve** will be in charge of the new department. Mr. Werve, a graduate of Creighton University Law School, joins the Live Stock after six and one-half years of experience in the personal loan field.

The personal loan department will share newly remodeled quarters with the savings department to facilitate banking service. Pictured above at the counter are the three members of the savings department and they are from left to right **Vlasta Kadavy**, **Eleanor McDonough** and **Anna T. Olsson**, head of the department.

Northwestern Banker, May, 1946



## G. I. LOAN QUESTION BOX—

# How Does an Officer Apply for a Loan?

By **WALTER T. ROBINSON**  
Iowa Loan Guarantee Officer, who answers the things you want to know about the Servicemen's Readjustment Act



Walter Robinson discusses loan procedure with a veteran

**Q. What form of separation paper is an officer required to furnish the lending institution in connection with application for loan?**

A carbon copy of Certificate of Service, Notice of Separation or Certificate of Satisfactory Performance of Duty provided that it is signed, in ink, by the commanding officer of the separation center and countersigned by the officer. Typewritten signatures are not acceptable.

**Q. If the above forms are submitted, can a Loan Guarantee Certificate and Certificate of Eligibility be issued?**

No. They cannot be issued until the expiration of terminal leave at which time the officer must submit his original separation certificate which will

be endorsed and handled as if it were an original discharge certificate.

**Q. How can an officer obtain a loan while on terminal leave?**

Lender will submit the signed carbon copy of separation paper with Loan Report for prior approval. Certificate of Approval will be issued subject to confirmation at expiration of terminal leave, upon submission of original separation certificate.

**Q. How may a Certificate of Eligibility, FA Form 1870, be issued to veterans hospitalized pending final discharge?**

By presenting a statement from the commanding officer of the institution in which he is hospitalized that the veteran had ninety days active service,

or, in cases of less than ninety days active service that his disability was incurred in line of duty and that the veteran at the time of such statement may be eligible for discharge other than dishonorable.

**Q. What procedure should be followed in the event of a lost discharge certificate?**

Veteran is required to apply for a "Certificate in lieu of Discharge" or other authenticated copy of his separation papers from the branch of service from which he was discharged.

**Q. Is a loan for the purchase of a Trailer eligible for guaranty if the trailer is to be occupied as a home?**

Only if the trailer is dismantled and  
(Turn to page 80, please)

## How Home Loans Are Processed

### I. AUTOMATIC GUARANTY WITHOUT PRIOR CONFIRMATION— SUPERVISED LENDERS ONLY:

- A. Within 30 days after loan has been made and funds disbursed Lender will submit the following forms:
  - (1) Form 1820, Home Loan Report
  - (2) Form 1803, Appraisal Report
  - (3) Original Discharge or Form 1870, Certificate of Eligibility
  - (4) Note, if endorsement of guaranty is desired
- B. Veterans Administration will prepare and forward Form 1861-a to New York for reservation of guaranty and report of loan closed.
- C. When Form 1861-a is returned from New York, Veterans Administration will issue Form 1899, Guaranty Certificate, or endorse the note. If Insurance has been requested, Certificate of Insurance Credit will be issued instead of Loan Guaranty Certificate.

### II. WHEN PRIOR CONFIRMATION HAS BEEN REQUESTED:

- A. Lender will submit:
  - (1) Form 1820, Home Loan Report
  - (2) Form 1803, Appraisal Report
  - (3) Original Discharge or Form 1870
- B. Veterans Administration will send Form 1869, Request for Reservation to New York. When Form 1869 is returned from New York, Form 1866 Certificate of Approval will be issued and Form 1870, Certificate of Eligibility and original discharge returned to lender.
- C. Lender will send to the Veterans Administration, Form 1876, Certificate of Disbursements.
- D. V. A. will send to lender Form 1899, GUARANTY CERTIFICATE, or Form 1871, CERTIFICATE OF INSURANCE CREDIT.

# Service Charges That Are Fair to the Bank and the Customer

## A Manual That Will Aid Country Banks to Provide the Widest Possible Checking Account Service in Their Communities

FOLLOWING up on its cost analysis service to country banks now in its second year, the Commission on Country Bank Operations of the American Bankers Association has sent to the country banks of the nation a manual, "Checking Account Service Charges for Country Banks," designed to help banks adopt service charges based on a thorough study of their individual costs. What the com-

mission has done has been to evolve a simplified service charge program for country banks which will enable them to give the widest possible checking account service in their communities on a profitable basis that is fair alike to the customers and the banks.

The plan does not recommend uniformity of service charge rates. The commission realizes that there is a wide variation of operating costs and

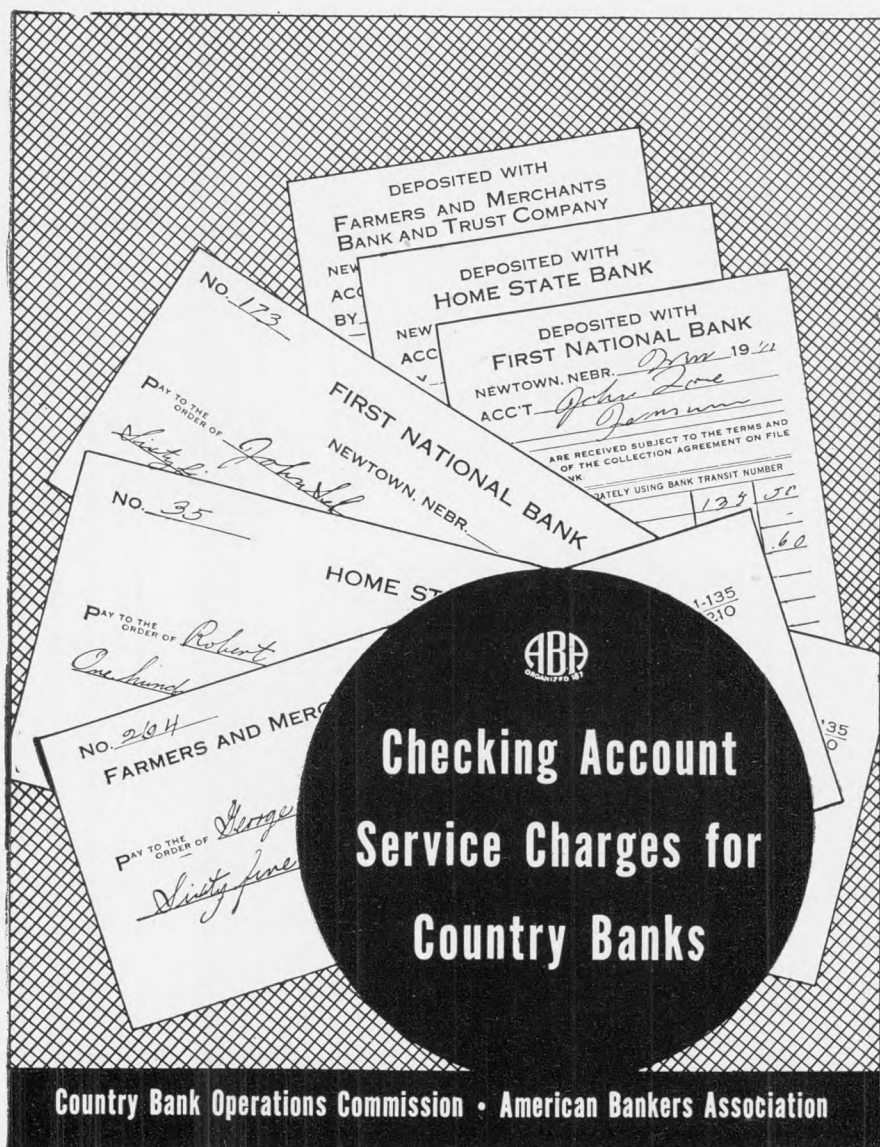
income as between individual banks, and it states that uniformity as between banks should be limited to the method used and that the individual bank should adopt rates applicable to its own operations.

In making the study on which the manual is based, the commission corresponded with many of the country's leading authorities on bank operations, interviewed numerous bank depositors, and made use of material from the cost analysis reports prepared by the commission covering operating costs of approximately 3,000 country banks. From this study was formulated the simplified service charge plan, which has been tested by time and experience in large and small banks in all parts of the country and which any country bank can use readily and easily.

Even before the turn of the century, the subject of service charges and account analysis came up for discussion at meetings of bankers. Much progress on this problem was made by the larger banks which organized departments to analyze accounts and which charge for their services in cases where accounts do not earn enough to cover the cost of their maintenance. Some of the smaller banks, on the other hand, attempt to solve this problem through the use of old-fashioned flat service charges or measured (metered) plans.

In recommending use of the simplified analysis service charge plan, the A. B. A. commission says: "It is generally recognized that the complete analysis plan reaches the highest point of equity between depositors and the bank. However, in view of the relatively complicated and intricate detail involved in complete analysis, it is not considered practical for use by country banks. The added expense would be entirely out of proportion to the resulting benefits to the banks. The depositor would also lose the advantage of the lowest possible operating costs consistent with fairness to him and the bank."

The plan recommended by the commission provides for the following: (1) a maintenance factor, (2) same per item rate for ledger entries, including



IN THIS MANUAL the Commission says: "The first requirement of a successful service charge program is that it be equally fair to both customer and the bank."

Northwestern Banker, May, 1946



## About Bankers You Know

checks paid and deposits made, and out-of-town items in deposits, and (3) an earnings credit or allowance based on the minimum monthly balance.

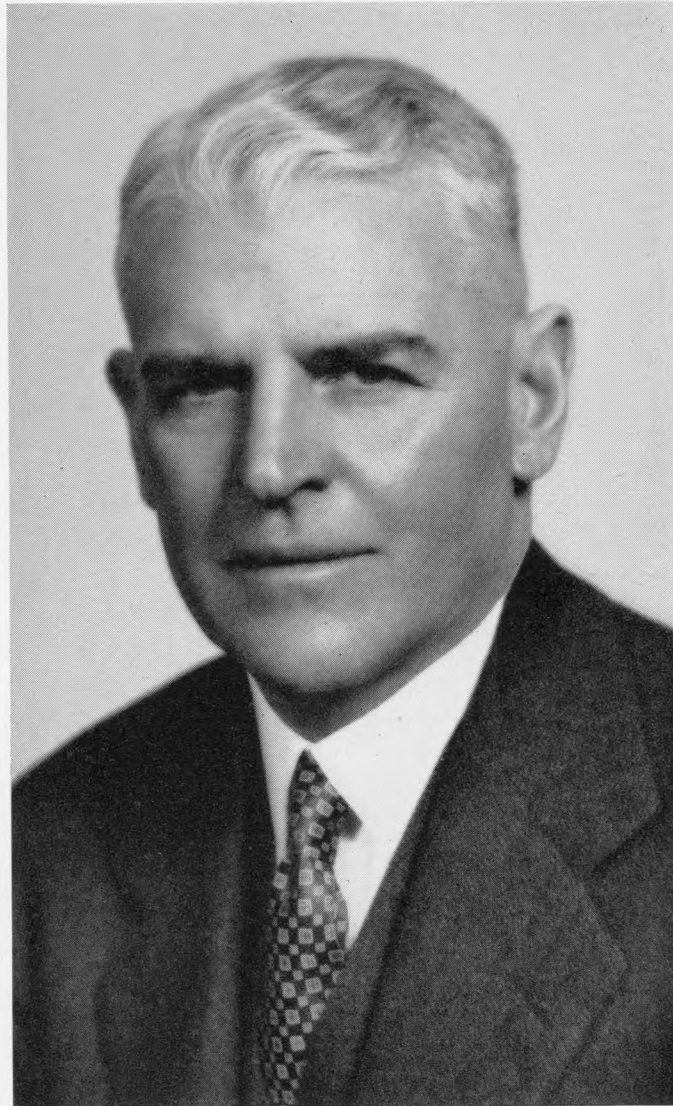
"There's a basic cost in the handling of every account irrespective of size or activity," the commission points out in discussing maintenance charges. "This cost includes rendering statements, balancing ledgers, ledger sheets, pass books, portion of vault expense, portion of rent, heat, lights, depreciation and other overhead, administrative expenses, and cost of maintaining personnel ready to serve at all times.

"The handling of deposits is one of the most costly factors in servicing checking accounts," the manual continues. "Transit or remittance items are the most costly of those items on which deposit rates are established.

"The first requirement of a successful service charge program is that it be equally fair to both the customer and the bank," the commission says. It recommends that the banker be informed as to what his costs are by a cost analysis of his bank, and that his bank's directors and entire bank staff should be completely familiar with the service charge plan and should also be convinced of its fairness to both the customer and the bank.

"The millions of Americans who use the services of country banks want strong banks. They recognize that to be strong the banks in their communities must operate at a fair profit. The facts of your bank's costs, when clearly and accurately explained, give your bank the customer understanding necessary to the successful selling of a service charge plan," the commission asserts.

The A. B. A. Country Bank Operations Commission is headed by Chairman William C. Rempfer, president of the First National Bank, Parkston, South Dakota. The Service Charge Committee of the commission, responsible for the new checking account service charge manual, includes R. A. Bezoier, vice president, First National Bank, Rochester, Minnesota, chairman; R. H. Britton, vice president and cashier, First National Bank, Rochester, New Hampshire; J. W. Brown, Jr., president, First National Bank, Sylacauga, Alabama; S. A. Neilson, president, Bank of Gowanda, Gowanda, New York; T. E. Burch, president, Security State Bank, Wewoka, Oklahoma; Howard Hambleton, vice president, Citizens National Bank, Waxahachie, Texas, and C. D. Tedrow, president, Citizens First National Bank, Princeton, Illinois.



**ARTHUR WILLIAMSON McCAIN**  
President, Chase National Bank of New York  
"He began as a bank clerk in Jonesboro, Arkansas"

FROM a clerkship in the Bank of Jonesboro, Arkansas, to the presidency of the world's largest bank, the Chase National Bank of New York, is the record accomplished in just 32 years by Arthur Williamson McCain. He was elected president of the Chase National last month at the regular meeting of the board of directors. Mr. McCain has served as a vice president in the commercial banking department of the bank since 1929.

Arthur W. McCain was born in Little Rock, Arkansas, on April 26, 1894. He was graduated from the high school at Jonesboro, Arkansas, and from Washington and Lee University at Lexington, Virginia, where as an undergraduate he was elected a member of Phi Beta Kappa, honorary fraternity.

After completing his college course in 1914, he began his banking career as a clerk in the Bank of Jonesboro. He worked there for two years and then was selected in 1916 to become a member of the student training class of the National City Bank of New York. Following a brief period at the head office, he was assigned to the bank's foreign department, operating in South America. It was here he received some of his most valuable training. In 1918 he became sub-manager of the Santiago, Chile, branch, and later held the same position in Rosario, Argentina. Four years later he joined the First National Bank of Boston as assistant manager of the branch in Buenos Aires, Argentin-

(Turn to page 54, please)

## LEGAL

# Is a Second Mortgage on a Home Loan Valid?

**Q.** Burdensome owed Jacobs \$5,000 which was secured by a mortgage on his home in North Dakota. The mortgage went into default and Burdensome refinanced it through a \$4,000 first mortgage with the Federal Home Owners' Loan Corporation and a \$1,000 second mortgage with Jacobs. The refinancing transaction occurred in 1933 and was entirely open and above board. The Home Owners' Loan Corporation knew of the second mortgage and was not defrauded in any way by the dealings of Burdensome and Jacobs. Was the second mortgage good?

Yes. A second mortgage, taken by a mortgagee with the knowledge of the Home Owners' Loan Corporation, in an amount not exceeding the difference between the amount of the original mortgage debt and the new mortgage debt running to the Corporation, is not against public policy, violates no state or federal statute, is based on sufficient consideration, and will be enforced in the absence of a secret agreement between the mortgagee and the mortgagor as to the second mortgage or fraud on the loan corporation. The North Dakota Supreme Court so held in a recent decision.

**Q.** Morris became indebted to Smith. As security therefor Morris assigned to Smith certain life insurance policies. Morris paid his indebtedness to Smith and shortly thereafter died without securing a reassignment of the policies. The assignment was absolute on its face and Smith sought to collect on the policies. Could he do so?

No. Although an assignment of an insurance policy is absolute in form, it may be shown to have been intended to serve only as collateral security. In a case of such showing the assignee's rights in the policy are limited to the amount of the debt secured, plus interest and premiums, if the latter were paid by the assignee. Since there was

### This and Other Timely Legal Questions Are Answered by the LEGAL DEPARTMENT

no debt to Smith involved here, he could not take anything under the policies.

**Q.** Bradley executed a mortgage in favor of a Nebraska bank covering certain property in that state in good faith and for a valuable consideration. Through oversight the mortgage was not recorded promptly. Schommer obtained a judgment against Bradley for \$2,000. He commenced proceedings to levy on and sell the property. Before a sheriff's deed was issued the bank recorded its mortgage. Did the mortgage take precedence over the judgment?

Yes. Under Nebraska statutes a prior unrecorded deed or mortgage, made and delivered in good faith for a valuable consideration, will take precedence over a judgment, provided such deed or mortgage is recorded before any deed to the realty is recorded which is based on the judgment.

**Q.** Brannon fraudulently prevailed upon Sell to sign a negotiable promissory note for \$5,000. Sell could not read and the character of the instrument had been misrepresented to him. He was not negligent in signing it. Clamp subsequently became a bona fide holder of the note through appropriate endorsements. Did Sell have a good defense against a suit by Clamp on the note?

Yes. It is established law, with a few comparatively minor exceptions, that fraud as to the character of the paper signed is a good defense against a bona fide holder of negotiable paper,

if the signer was free from negligence. Decisions supporting this may be found in Indiana, Iowa, Kansas, Minnesota, Mississippi, Missouri, Nebraska, Ohio, Oklahoma, Texas, Wisconsin, and other jurisdictions.

**Q.** Suppose that, in the preceding question, Sell was able to read but did not read the note and signed it in reliance upon representations by Brannon that the instrument was of another character. Would Sell, as an ordinary proposition, have a valid defense against Clamp in such circumstances?

No. As an ordinary proposition, one who, being able to read, signs a negotiable instrument in reliance upon representations of the person dealt with that the instrument is of another character is guilty of negligence as a matter of law and is precluded from asserting a defense of fraud as against a bona fide holder of the paper. There are decisions supporting this rule in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Mississippi, Missouri, Ohio, Texas, and other jurisdictions.

**Q.** An Iowa banker and his wife conveyed certain property owned by them to a trustee for their children. The trust deed was silent as to whether it could be revoked. Subsequently the transferors changed their minds about the trust and sought to revoke it and have the property returned to them. Could they do so?

No. Unless the power of revocation is expressly reserved in a conveyance creating a trust estate the instrument is irrevocable. There are several decisions supporting this legal principle in Iowa and, for that matter, in other jurisdictions, including California.

**Q.** A South Dakota banker and his wife were divorced. They had three minor children and the divorce was granted in line with an elaborate

(Turn to page 78, please)





*Complete  
Banking Service*

**The Omaha  
National Bank**

*Member Federal Deposit Insurance Corporation*

*Northwestern Banker, May, 1946*

# Your Bank and the Postwar Savings Program

The Promotion of Thrift Is of Benefit to All,  
As Well as a Matter of Self-Interest to Bank and Bankers

IT IS generally conceded that the management of the public debt is one of the foremost problems facing our nation today. It is important to the returning G. I., the corner drug-store owner, the home owner and the laborer as it is to the banker with the million dollars or a hundred million dollars now on deposit in his bank. This problem is of the utmost importance to every American. If we face the issue and give it proper consideration it can be handled and managed for the benefit of all concerned—if not managed properly it will give us plenty of headaches and constant trouble.

At least two committees and probably more are making an exhaustive study of the \$275,000,000,000 national debt and its effect on the welfare of the country as a whole. I do not know, of course, what these committees will recommend but I am confident that all groups will agree on two points:

(1) The necessity of maintaining widespread ownership of the public debt, and

(2) The necessity of continuing sale of Savings Bonds to individuals and other non-bank investors and to gradually reduce the amount of Bonds held by banks.

The United States Savings Bonds Division of the Treasury is being continued for the purpose of performing these two functions, among several others. No one, the banker or the individual of the nation, can afford to take a passive attitude toward the operations of the Savings Bonds Program.

The soundness of our national economy will depend to a degree on how well we are able to carry through this program.

We of the Savings Bonds Division are not a bunch of bureaucrats seeking to interfere with the operations of your business but from the beginning this division and its predecessor, the War Finance Committee, have sought to operate efficiently and at a minimum cost to the tax-payer and in cooperation with banking, industry and labor.

The success of the Savings Bonds Program will depend to a great degree,

as in the past, upon the cooperation received from bankers. Therefore, we ask your cooperation in a plan which I am confident will be mutually advantageous:

## The Job Ahead

As we view the task ahead I would like to suggest these specific ways in which bankers can be most helpful to the Savings Bonds Division of the Treasury:

**1.** Will you urge upon the employers in your community the continuation of the Payroll Savings Plan for the purchase of Savings Bonds? A recent survey made for the Treasury indicates that 90 per cent of the people of the country already on the Payroll Savings Plan wish to have it continued. This plan is most important in encouraging habits of thrift and regular savings that many people first acquired during patriotic buying of War Bonds.

**2.** We particularly request that the banks continue as issuing agents and, wherever possible, maintain a special window or booth for over-the-counter sale of Savings Bonds.

**3.** We ask that bankers cooperate with our education program to reach school pupils with the thrift plan for Savings Bonds and Stamps. Regular savings by our youngsters will redound to the benefit of banks in years to come.

**4.** We ask your assistance in bringing to the attention of farmers in your community the availability and desirability of Savings Bonds. The majority of the farmers of the nation prefer to buy Savings Bonds through their banker. Ownership of Savings Bonds will make the farmer a better credit risk.

**5.** We should like to have all bankers allocate **at least one line** in all their advertising to the support of this program. The line could be as simple as this: **"Buy and hold United States Savings Bonds."**

**6.** We urge that you stress the advantages of Series F and G Bonds, particularly the latter, to trust officers.

By **MORRIS M. TOWNSEND**  
Director Banking and  
Investment Section, U. S.  
Savings Bond Division  
Washington, D. C.

Prevailing low interest rates make it very difficult for trust accounts, insurance companies, savings and loan associations and other non-bank investors to find suitable outlets for their funds. You will be doing these customers and investors a favor by recommending Series G Bonds.

Some bankers are worried about redemptions. The smart banker will see in his redemption window an opportunity to make temporary personal loans to tide over a situation which would otherwise force the unnecessary redemption of bonds. An understanding person at the window, or a sign to the effect:

"Consult us about a personal loan before cashing your bonds" would, I believe, produce business for your bank and at the same time reduce the unnecessary redemption of Savings Bonds. # #

## A.B.A. Executive Council

More than 400 bankers from all parts of the country attended the annual spring meeting of the Executive Council of the American Bankers Association held at the French Lick Springs Hotel, French Lick, Indiana, last month. The administrative committee of the association also met at French Lick.

Last year the spring meeting of the Executive Council was not held because of wartime travel restrictions, and in lieu of this a meeting was called in New York of the administrative committee and chairmen of the various commissions, committees and councils.

The Executive Council is the governing body of the association and is made up of 124 bankers representing the banks of the 48 states and the District of Columbia.



# *This Money travels fast*

More than three-quarters of a century's experience has taught us to appreciate the value of speed in the transmission of proceeds from the sale of live stock in Chicago. When your customers

ask their commission men to route their money through this Bank, the advice of credit goes to you on the day of receipt. The Stock Yards post office is just across the street and no time is lost.

*We will be pleased to send you instruction cards to give your shippers.*

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

ESTABLISHED 1868



DAVID H. REIMERS, *Pres.*

*Member Federal Deposit Insurance Corporation*

★  
★ **THE** ★  
★ **HAMMERMILL** ★  
★ **COLUMN** ★

Payroll bandits have adopted a new technique. They have given up violence and a racing getaway for a sedate and subtle approach. Instead of forcibly shooting it out with police as they relieve a messenger of the payroll, they now allow the bank to give them the money. Yes, give!

★ ★ ★

*The plan is brand new. The perpetrators are being sought. But the scheme is so simple that there is a chance of its spreading from city to city—perhaps to your own.*



The episode opens with a routine banking transaction. A man goes to a teller's window posing as an employee of one of the bank's substantial customers. He makes a deposit to that firm's account.

★ ★ ★

*The deposit consists of checks, most of them drawn on out-of-town banks. As is customary, the depositor presents two slips to the teller. One is for the bank records, the other is stamped by the teller and returned to the depositor to show his office that the deposit was made.*

★ ★ ★

There is nothing about the phony employee's actions to arouse the teller's suspicion. He's friendly. He may remark casually that his boss has added this banking chore to his other duties. He leaves with a cheerful smile.



*The deposit has been timed so that it is made a day or so before the firm customarily draws cash for its payroll. Later that day the phony employee appears again at the same teller's window. This time he presents a payroll check—a clever forgery. Since he has made a large deposit that same day, the teller has no doubt that he is employed by the firm, and he cashes the check.*

★ ★ ★

The theft is not discovered until a bona fide employee of the firm presents the real payroll check—or until the checks deposited by the forger return with the notation that no such accounts exist. This is a very smooth trick—as nearly fool-proof as any that have come to light in a long time. But a very simple precaution would nullify it—just a rule that any teller must positively verify the identity of any depositor unknown to him.

**For the general protection of your customer's checks, why not have them produced on Hammermill Safety? Today, with manufacturing restrictions eased, this fine check paper is better than ever. We'd like you to see its improved quality and color range. A note on your bank letterhead will bring samples. Just address Hammermill Paper Company, 1513 East Lake Road, Erie, Pennsylvania.**

## 8,662 G.I. Loans in Branch 8

Of the 117,234 G. I. loans approved in the United States as of April 5th, nearly 8 per cent were processed in the states of Minnesota, Iowa, Nebraska, North and South Dakota. E. R. Benke, Deputy Administrator of Branch-8, in Minneapolis, has revealed.

The figures show that the veterans in our area are taking advantage of the benefits provided them, as the present and potential veterans population in the five states represents 5.3 per cent of the nation's veteran population, or 1,016,886, Mr. Benke said.

Total loans approved in the area reached 8,662 on April 5th, an increase of 2,581 over March 2nd.

Types of loans processed in the area are as follows:

### NEBRASKA

Home .....	1,011	1,514
Farm .....	124	213
Business .....	86	128
	1,221	1,855

### NORTH DAKOTA

Home .....	120	172
Farm .....	69	112
Business .....	43	73
	232	357

### SOUTH DAKOTA

Home .....	115	193
Farm .....	124	195
Business .....	62	95
	301	483

### MINNESOTA

	As of March 2	As of April 5
Home .....	1,274	1,729
Farm .....	179	232
Business .....	211	287
	1,664	2,248

### IOWA

Home .....	2,194	2,978
Farm .....	326	512
Business .....	143	229
	2,663	3,719

### Loan Chart in Demand

A revised version of its highly demanded G. I. Loan Procedure Chart has been sent by City National Bank and Trust Company of Kansas City, Missouri, to all its correspondent bank customers and to a selected list of banks in its territory. Other banks wishing this simplified procedure chart may obtain one by writing City National. The original chart was in such demand that four printings were necessary.

## A Good Looking "Mirage"



**LIKE THE SIGHT OF A LIMPID SPRING** in a desert to a thirsty traveler, is this attractive bungalow front to the home-wanting customers in the lobby of City National Bank & Trust Co. of Kansas City, Missouri. But, mirage-like, it isn't really a house, but the almost life-sized replica of the front of one on the bank's balcony floor, behind which is a free Home Planners' Information Center that has proved popular with the bank's customers past all expectations. Co-sponsored with the American Builder magazine, this display of plans and booklets and catalogs of equipment for prospective home builders and remodelers has had a hard time keeping stocked with literature, so great has been the demand. Even the few not interested in a new or modernized home agree that it's a pretty decoration for the bank's balcony.





Emblem of Republic National Bank of Dallas, which appears as part of the surface design of its checks.



## Another leading bank using Hammermill Safety

Republic National Bank of Dallas was established in February, 1920. Since that time its resources have grown from \$500,000 to more than \$300,000,000!

Today it is the sixty-third largest bank in the United States—recognized as one of the

most influential institutions in the Southwest. We are proud that its checks are on Hammermill Safety paper. The sample check shown below is on chainline Hammermill Safety with a reproduction of the bank and its emblem as part of the surface design.

*It's easy to write on*

# HAMMERMILL SAFETY

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

## Announce Program for A.B.A. Savings, Mortgage Conference

SOME of the leading authorities in the fields of savings management and mortgage financing will speak at the Mid-Western Regional Savings and Mortgage Conference sponsored by the savings division of the American Bankers Association at Des Moines, Iowa, May 27th and 28th, according to Myron F. Converse, president of the savings division, who is also president of the Worcester Five Cents Savings

Bank, Worcester, Massachusetts.

In a letter announcing the complete two-day program, mailed to the 3,000 banks of Iowa, Missouri, Minnesota, North and South Dakota, Kansas and Nebraska, which have been invited to participate in the conference, Mr. Converse says: "As you can see from the attached completed program, we have secured some of the leading authorities in the country to discuss many of

the most pressing problems confronting our banks today.

"Morning and afternoon sessions on Monday, May 27th, will be devoted primarily to savings management. Mortgage merchandising will be emphasized at the Tuesday morning session. Tuesday afternoon will be devoted entirely to loans to veterans, including credit for business and modernization as well as home and farm mortgages.

"Most of the addresses will be short so that there will be plenty of time for a full and free discussion from the floor. It has been our experience that often the best results of the conference come from the ideas presented by those in the audience."

Members of the Des Moines conference committee include: Herbert L. Horton, president, Iowa-Des Moines National Bank and Trust Company, Des Moines, Iowa, chairman; E. F. Buckley, president, Central National Bank and Trust Company, Des Moines; C. A. Christopherson, A.B.A. Savings Division state vice president, and chairman of board, Union Savings Bank, Sioux Falls, South Dakota; W. R. Courtney, A.B.A. Savings Division state vice president, and president, Mexico Savings Bank, Mexico, Missouri; John de Laittre, A.B.A. Savings Division state vice president, and vice president and treasurer, Farmers and Mechanics Savings Bank, Minneapolis, Minnesota; William Gough, A.B.A. Savings Division state vice president, and cashier, Bank of Commerce, Chanute, Kansas; B. A. Gronstal, A.B.A. Savings Division state vice president, and president, Council Bluffs Savings Bank, Council Bluffs, Iowa; B. F. Kauffman, president, Bankers Trust Company, Des Moines; Frederick M. Morrison, president, Valley Bank and Trust Company, Des Moines; F. E. Stewart, A.B.A. Savings Division state vice president, and cashier, American State Bank, Williston, North Dakota; R. O. Wagner, president, Capital City State Bank, Des Moines; Frank Warner, secretary, Iowa Bankers Association, Des Moines; C. F. Witt, A.B.A. Savings Division state vice president, and president, South Omaha Savings Bank, Omaha, Nebraska.

## The Seal of Approval— Constant Growth

That banks find our service eminently satisfactory is evidenced by the steady growth of our roster of correspondent banks. It is a source of gratification to us that much of this progress is the result of recommendations of satisfied customers.

We offer to your bank a quality service suited to your special requirements. Our objective will be to cooperate with you so closely and efficiently that you will unhesitatingly recommend us to other banks. Your inquiries will receive our prompt and interested attention.

### AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON  
Member Federal Deposit Insurance Corporation



### Graduate School Makes Plans for 1946 Session

(See Cover Photo)

Meetings in New York City last month for its annual spring conference was the nationally representative 52-man faculty of The Graduate School of Banking of the American Bankers Association. This group, unique in the banking field, comes from all sections of the country and meets in April



# THE PUBLIC NATIONAL BANK AND TRUST COMPANY OF NEW YORK

37 Broad Street

## CONDENSED STATEMENT OF CONDITION

March 31, 1946

### RESOURCES

Cash and Due from Banks .....	\$ 94,657,209.30
U. S. Government Securities .....	300,499,780.86
State and Municipal Securities .....	9,445,795.06
Other Securities .....	2,799,586.74
Loans and Discounts .....	145,508,341.91
Customers' Liability for Acceptances .....	1,597,773.48
Stock of the Federal Reserve Bank .....	660,000.00
Banking Houses .....	1,891,844.90
Other Real Estate .....	20,143.66
Accrued Interest Receivable .....	1,048,412.50
Other Assets .....	292,816.23
	\$558,421,704.64

### LIABILITIES

Capital .....	\$ 9,625,000.00
Surplus .....	12,375,000.00
	\$22,000,000.00
Undivided Profits .....	5,276,273.90
	\$ 27,276,273.90
Dividend Payable April 1, 1946 .....	226,875.00
Unearned Discount .....	498,284.50
Reserved for Interest, Taxes, Contingencies .....	4,223,163.55
Acceptances .....	\$ 3,697,928.25
Less: Own in Portfolio .....	1,770,300.78
	1,927,627.47
Other Liabilities .....	178,111.47
Deposits .....	524,091,368.75
	\$558,421,704.64

*Securities carried at \$76,053,968.80 are pledged to secure U. S. Government War Loan Deposits of \$73,566,891.70 and other public and trust deposits, and for other purposes as required or permitted by law.*

MEMBER: N. Y. CLEARING HOUSE ASSOCIATION • FEDERAL RESERVE SYSTEM  
FEDERAL DEPOSIT INSURANCE CORPORATION

each year for a conference devoted to the purpose of completing plans and the teaching program for the summer resident session, which is held at Rutgers University during the last two weeks in June.

Three of the Graduate School of Banking faculty members are pictured on the cover page. From left to right, they are O. Howard Wolfe, vice president of the Philadelphia National Bank; Howard E. Randall, vice president of the First National Bank of Boston; and Eugene E. Agger, professor of economics of Rutgers University at New Brunswick, New Jersey.

The original faculty of The Graduate School of Banking, when it opened in 1935 with 200 students, consisted of

10 men. Seven of these men are still on the faculty. The other three have left the banking and teaching professions.

The opening of the 1946 resident session will mark the beginning of the G. S. B.'s twelfth year. Beginning with a student enrollment of 200, it soon reached a capacity of 600, dropping somewhat during the war. This year the student body will be the largest in the history of the school.

The new or freshman class this year will consist of 270 men. The junior class will consist of 258. And the senior or graduating class will have 176. This makes a total student body of 704.

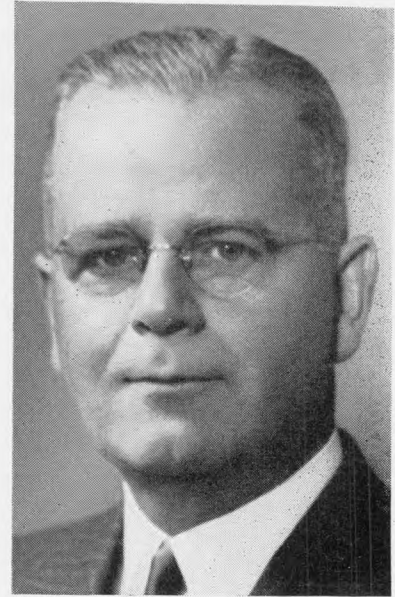
The Graduate School of Banking

was inaugurated in 1935. Its first class was graduated in 1937. With its commencement exercises next June, it will have graduated 1,546 bank officers.

### Celebrates Anniversary

Safety paper for bank checks and drafts is celebrating the 75th anniversary of its invention by George La Monte in 1871. It is a significant milestone in American banking.

In that year, three-quarters of a century ago, George La Monte, then engaged in the paper business in New



GEORGE V. LA MONTE  
"George the Third"

York, obtained the basic patents for a scientifically protected paper that would safeguard negotiable instruments from alteration. He called it National Safety Paper.

Mr. La Monte, after much experimentation, patented a simple idea but a fundamental one. Because of its effect in freeing checks and drafts from the fetters of suspicion and delay and thus facilitating payments in national trade and inter-state commerce, possibly his invention should rank with other more dramatic developments such as the telegraph and the telephone. The importance of the La Monte invention has been rather overlooked in economic history, but it may be doubted whether the speed and efficiency and economy with which 14,500 banks throughout the United States now serve their 90,000,000 depositors in making 90 per cent of their total payments by check could ever have come about without it.

In the first three months of 1946, payments by check in the United States totaled \$250 billion, indicating



**TO SERVE YOUR CUSTOMERS**

**WHO DEAL ABROAD**

For several decades correspondent banks have provided services to their customers through our Foreign Banking Department. These established facilities again are being used by our customer banks. The long and wide experience of our Foreign Department is at your disposal.

**THE NORTHERN  
TRUST COMPANY**

50 SOUTH LA SALLE STREET, CHICAGO 90, ILLINOIS

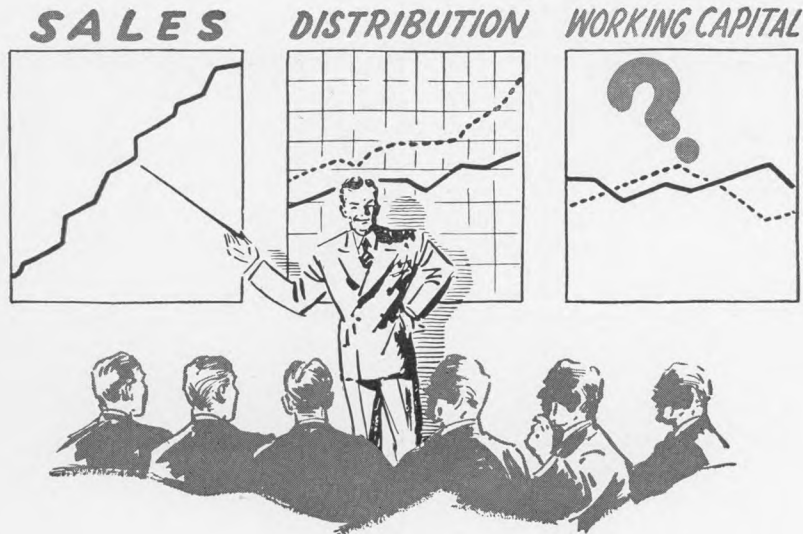
Member Federal Deposit Insurance Corporation



INVENTORY . . . THE BASIC ASSET OF INDUSTRY

An **INVENTORY**

**LOAN** is often  
*the answer to  
 your Customer's  
 request for Addi-  
 tional Working  
 Capital . . .*



Through the FIELD WAREHOUSING SERVICE of the St. Louis Terminal Warehouse Company—your customer's marketable inventory of raw materials, semi-finished or finished goods (remaining on the premises of the business location) may be s-p-e-e-d-i-l-y and economically collateralized for an *additional loan*.

This modern method of commercial financing presents an excellent way—to increase your Loan Portfolio of Borrowers on a profitable and well-secured basis.

*Your Protection*

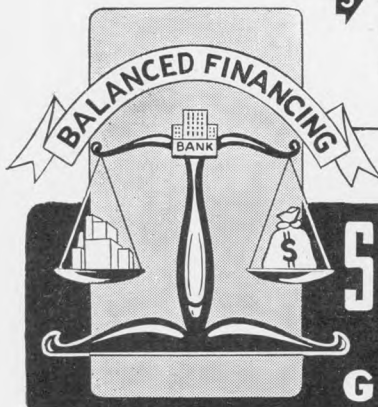
- 1 **Value** of the Merchandise.
- 2 **Our ability, experience and skill**—supported by our Warehousemen's Legal Liability and Employee's Fidelity Bond, underwritten by The Hartford Accident and Indemnity Co.
- 3 **Our Record Stands**—not one dollar of loss to Lending Agent, Bonding Company or Ourselves.



Loans based on FIELD WAREHOUSE RECEIPTS Increasing in volume!

A preferred collateral recognized by many Financial Institutions.

**WRITE OUR NEAREST OFFICE**  
 Let us explain the safety and Economy of our FIELD WAREHOUSING SERVICE.

**FIELD WAREHOUSING DIVISION****ST. LOUIS TERMINAL WAREHOUSE CO.**

SERVING INDUSTRY OVER TWENTY YEARS

**GENERAL OFFICES—ST. LOUIS MO.**

CHICAGO • CINCINNATI • DALLAS • KANSAS CITY • MEMPHIS

a check turnover at the rate of \$1,000,000,000,000 a year, the greatest in our history.

The manufacture of safety paper at the La Monte plant in Nutley is constantly under careful control. Every sheet is accounted for, and extreme care is taken to avoid having any sheets fall into irresponsible hands. All spoiled sheets are shredded to make them unfit for printing or lithographing. Thus, the banks and corporations who use individualized La Monte Safety Paper containing their own trademarks or designs are assured of additional protection against counterfeiting.

The substantial growth of bank deposits and growing number of bank depositors is steadily expanding the safety paper requirements of American banking. Throughout its seventy-five years it has always had a George La Monte at its head. The original George La Monte actively headed the business until 1904 when he was succeeded by his son, George M. La Monte. In 1927 the third generation, George V. La Monte, succeeded to the presidency of the company and is still its head. George V. La Monte, Jr., has now rejoined the company after a tour of naval duty in World War II during which he saw action in the Pacific.

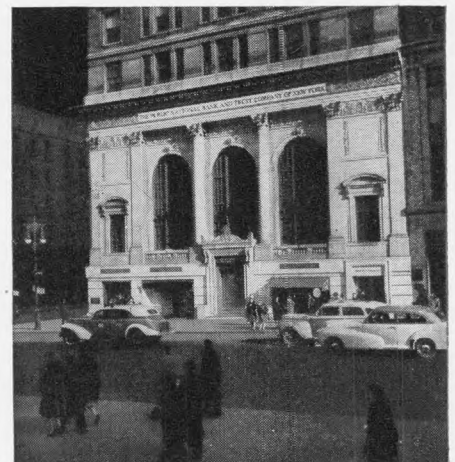
## Opens New Office

E. Chester Gersten, president of The Public National Bank and Trust Company of New York, has announced the opening of the bank's new office at the southeast corner of Fifth Avenue and Forty-second Street.



E. CHESTER GERSTEN  
President of Public National Bank

Thomas M. Keefe, vice president, who comes from the main office of The Public National Bank and Trust Company at 37 Broad Street, heads the new office. Prior to his joining The Public National, Mr. Keefe was associated with the uptown office of The New York Trust Company. Associated with Mr. Keefe are Henry S. Sanders, vice president, who was a senior credit officer for many years, supervising the lending activities of a large branch group, and James P. Walsh, assistant vice president, who was chief oper-



Public National's New Office

• when **SOME SPECIAL SERVICE** is required

We consider it a privilege to be able to serve our correspondents in the many friendly, personal ways which can prove so helpful.

When you seek assistance of the specialized variety, aside from routine correspondent needs, we urge you to call on us. You'll find that correspondent banking at Mississippi Valley Trust Company, whether your needs be routine or otherwise, is always "something special".

MISSISSIPPI  
VALLEY  
TRUST  
CO.

91 YEARS OF

BANKING EXPERIENCE

ST. LOUIS 2, MISSOURI

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



ating officer at the Broadway and 24th Street office. In addition to these officers, the office will be staffed with highly experienced and efficient personnel, many with long service in the bank, including several who are returned veterans.

The new central location is the culmination of a long search for suitable banking quarters in the Fifth Avenue area. The bank's steady growth and extension of its banking facilities over the past few years have made it inevitable that such a location would be needed. The new office will serve the interests of its many depositors in the midtown area and provide Public National service for new accounts.

The office, which comprises 15,000 square feet of banking space, is regarded as one of the finest banking quarters in the city. The spacious and conveniently situated quarters were especially designed for banking operations. Adequate safe deposit facilities are provided.

The most recent statement of condition, March 31, 1946, of The Public National discloses capital, surplus and undivided profits totalling \$27,276,000, deposits \$524,091,000, and total resources \$558,422,000.

### Home Cost Up 44 Per Cent

It costs 44 per cent more to build a home today than in 1940; the house that could be built for \$5,000 in 1940 costs \$7,200 today, and will cost still more six months from now, according to a study by Northwestern National Life Insurance Company of Minneapolis.

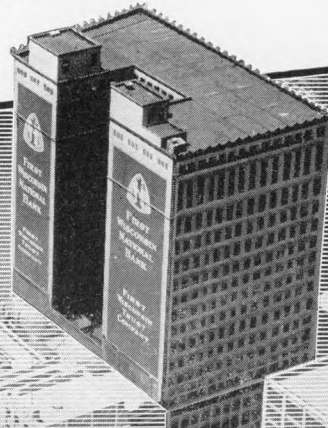
Questionnaire surveys have disclosed that four out of five veterans want homes costing \$6,000 or less. By shoddy construction, popularly known as jerrybuilding, a house can be thrown together for close to 15 per cent less than the cost of good, sound construction; thus the house costing \$7,200 could be cut to just about \$6,000. Veterans and all prospective home buyers need to beware of a possible epidemic of jerrybuilding, the survey warns. The vast postwar home construction field is likely to attract a certain proportion of "slick" operators. Therefore the prospective buyer should deal with a well established, reputable concern, or at least be assured of expert inspection during construction, by the mortgage concern which finances the home.

Average rise in home building costs in 26 principal United States cities since 1940 has been 44.4 per cent, according to the report, which is issued by the insurance company's Family Economics Bureau.

# Ready - with facilities, facts, contacts

The First Wisconsin is at your service in Wisconsin with complete, modern facilities... with on-the-ground knowledge of Wisconsin business, industry, agriculture... plus correspondent contacts with over 85% of all the banks throughout this state. At your service — and always ready to serve in many ways that go beyond the usual limits of mere routine efficiency.

**BANKS AND BANKERS DIVISION**  
 GEORGE T. CAMPBELL - Vice President  
 RICHARD J. LAWLESS - Asst. Vice President  
 DONALD A. HARPER - Asst. Vice President



**FIRST WISCONSIN NATIONAL BANK**  
 OF MILWAUKEE • Wisconsin's Bank for Banks

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

# Guaranty Trust Company of New York

FIFTH AVE. OFFICE  
Fifth Ave. at 44th St.

MAIN OFFICE  
140 Broadway

MADISON AVE. OFFICE  
Madison Ave. at 60th St.

To be opened: ROCKEFELLER CENTER OFFICE, 40 ROCKEFELLER PLAZA

LONDON • PARIS • BRUSSELS

## Condensed Statement of Condition, March 31, 1946

### RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers . . . . .	\$	515,525,209.75
U. S. Government Obligations . . . . .		2,060,896,995.82
Loans and Bills Purchased . . . . .		897,933,684.37
Public Securities . . . . .	\$	85,583,920.32
Stock of the Federal Reserve Bank . . . . .		7,800,000.00
Other Securities and Obligations . . . . .		16,841,543.81
Credits Granted on Acceptances . . . . .		2,882,936.45
Accrued Interest and Accounts Receivable . . . . .		10,940,502.94
Real Estate Bonds and Mortgages . . . . .		1,585,249.90
Items in Transit with Foreign Branches and Net Difference in Balances between Various Offices Due to Different Statement Date of Foreign Branches . . . . .		6,694.43
		<u>125,640,847.85</u>
Bank Buildings . . . . .		9,369,527.19
Other Real Estate . . . . .		145,201.13
Total Resources . . . . .		<u>\$3,609,511,466.11</u>

### LIABILITIES

Capital . . . . .	\$	90,000,000.00
Surplus Fund . . . . .		170,000,000.00
Undivided Profits . . . . .		54,865,940.97
Total Capital Funds . . . . .	\$	314,865,940.97
General Contingency Reserve . . . . .		36,368,646.60
Deposits . . . . .	\$3,086,756,982.26	
Treasurer's Checks Outstanding . . . . .		7,007,175.85
Total Deposits . . . . .		3,093,764,158.11
Bills Payable . . . . .		132,000,000.00
Acceptances . . . . .	\$	6,562,176.48
Less: Own Acceptances Held for Investment . . . . .		3,679,240.03
	\$	2,882,936.45
Liability as Endorser on Acceptances and Foreign Bills . . . . .		135,213.00
Dividend Payable April 1, 1946 . . . . .		2,700,000.00
Accounts Payable, Reserve for Expenses, Taxes, etc. . . . .		26,794,570.98
		<u>32,512,720.43</u>
Total Liabilities . . . . .		<u>\$3,609,511,466.11</u>

Securities carried at \$989,985,381.40 in the above Statement are pledged to qualify for fiduciary powers, to secure public moneys as required by law, to secure Bills Payable, and for other purposes. This Statement includes the resources and liabilities of the English, French, and Belgian Branches as of March 26, 1946.

EUGENE W. STETSON  
Chairman of the Board

W. PALEN CONWAY  
Chairman of the Executive Committee

J. LUTHER CLEVELAND  
President

WILLIAM L. KLEITZ  
Vice-President

### DIRECTORS

GEORGE G. ALLEN Director, British-American Tobacco Company, Limited, and President, Duke Power Company  
WILLIAM B. BELL President, American Cyanamid Company  
F. W. CHARSKÉ Chairman, Executive Committee, Union Pacific Railroad Company  
J. LUTHER CLEVELAND President  
W. PALEN CONWAY Chairman of the Executive Committee  
CHARLES P. COOPER Vice-President, American Telephone & Telegraph Company  
WINTHROP M. CRANE, JR. President, Crane & Co., Inc., Dalton, Mass.  
STUART M. CROCKER President, Columbia Gas & Electric Corporation

JOHN W. DAVIS of Davis Polk Wardwell Sunderland & Kiend  
ARTHUR C. DORRANCE President, Campbell Soup Company  
CHARLES E. DUNLAP President, Berwind-White Coal Mining Company  
GANO DUNN President, The J. G. White Engineering Corporation  
WALTER S. FRANKLIN Vice-President, The Pennsylvania Railroad Company  
LEWIS GAWTRY  
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# Stay With Long Term Governments— But Don't Chase Them

**It Looks Like a Modest, Carefully Controlled  
"De-Flation" Is in the Making**

**By RAYMOND TRIGGER**  
Investment Analyst  
New York City

ONCE again the actual course of events has crossed-up the experts. Bond prices resumed their upward trend in the closing days of March. In high disrepute is the rough and ready, over-simplified art of forecasting long-term bond prices. The credit base has been narrowed, insignificantly thus far, but a trend emerges. In the few weeks from the end of February to early-April, Federal Reserve credit shrank \$830,000,000, and excess reserves fell by \$320,000,000. In sum: The ever-expanding money supply in the country has contracted a little. Nothing like deflation is in the cards, but a modest, carefully controlled "de-Inflation" is in the making.

There will be a smart reduction of total Federal obligations outstanding by the end of this fiscal year. Already close to \$5,000,000,000 have been paid off and the total should be \$7,400,000,000 by July 1st. Left with little choice, in view of the pressing need for even a modest return, investors, banks and non-banks have been rolling over into the higher-yield, albeit longer-term, obligations.

Two to six-year terms have weakened notably, in relation to long non-bank 2½s in recent weeks. Thus yield on the 2s of December 1951/49 to call date has risen 17 basis points while that provided by long, non-bank 2½s fell seven or eight basis points. Most of this is the result of operations by non-bank investors since the long "bank" 2½s rose, price-wise, no more than a single basis point.

Inevitably, relative changes in yield create opportunities. At the moment, the most appealing buys are in the two-three year bracket. The 2s of March 1950/48 yield almost 1 per cent and the 2s of December 1951/49 will

**This is a discussion of factors affecting your investment portfolio. If you have any questions, or if you find yourself in disagreement with comments herein, your letters, addressed to the NORTHWESTERN BANKER, will be welcome and will be answered here if the subject matter is of general interest. Under no circumstances will the editor of this column discuss specific securities.**

return 1.15 per cent. The longer 2s have held up better, marketwise, and are relatively less interesting. There's little justification for reaching out three years further to call date for a yield betterment of only 0.15 per cent.

Shifting forces just reported have had little effect on Certificates and the one-year stuff. They've been relatively firm. One-year Certificates gave way one basis point, net, between early March and April 3. Briefly, while adjustments to the 5 per cent war loan call were being made in the closing week of March, they were somewhat heavier, but came back encouragingly in later trading.

It may be that this short-lived unsettlement, due to a call for cash to care for the mid-March and later debt retirement operations, has set a pattern that will prevail for the next several months. If so, the concern from here out will once again be for a place to invest the existing plethora of funds. This naturally expresses itself in renewed confidence in the level of long-term interest rates.

Reviving demand for commercial loans has had no disturbing effect.

For the moment, at any rate, the member banks and larger financial institutions have the market comfortably in hand. Admittedly, the potential control powers of the authorities have been in no way impaired and will doubtless be invoked as and when and if the times seem to call for such action. There is, however, ample justification for making haste slowly at this time.

It is enough at present to keep a weather eye cocked on the longer-term effects of waning excess reserves and waxing demand for commercial loans.

Official policy is as yet undefined. Not too much weight should be attached at this time to widely publicized remarks made by Treasury's Vinson some three months ago. A lot has happened since the date of the Secretary's Annual Report—January 21st. The Treasury has heard, with however little relish, the strong voice of Federal Reserve's Eccles and has listened, at least to the extent of not slashing the rate on Certificates. For the nonce, then, our "easy money" advocates have been gently rebuffed.

All this boils down to the likelihood that a "middle of the road" policy will prevail. Stay with long terms; but don't chase them. Look to the shorter terms for the investment of new money.

The corporate market has been without particular feature in the past several weeks, firming only in line with the "bank" 2½s. This, however, has been due more to call prices which now place a virtual ceiling on high grade corporates with such notable exceptions as the Union Pacific 2½s and 2¾s, the currently non-callable Virginian Ry. 3s and Kansas City Terminal 2¾s of 1974. Another issue was

added to the unrestricted category by the offering of \$125,000,000 Shell Union Oil 2½s of 1971 at 101½ on April 15th. This 2A issue, yielding some 45 basis points more than the bank 2½s without being restricted by a nearby call price, is relatively attractive. Sinking Fund will retire 67 per cent of the issue. The initial sale was nevertheless on the slow side.

Giving evidence of greater selectivity, a number of recent syndicates have had to be terminated. Among these are the Union Pacific 2½s of 1991 and the Great Northern 2½s of 2010. Union Pacific 2½s are still only moderately attractive, fractionally under the offering price of 102.19, but Great Northern 2½s are a buy at the 1½ point

concession now prevailing and yielding more than Sopac 2¾s of 1996. The \$25,000,000 Great Northern 2¾s of 1961 are still on the sticky side at the syndicate price of 100 and may be due to break in view of the 2.33 per cent yield from Southern Pacific 2¾s of 1961, especially since long Great Northerns failed to stand up relative to long Sopacs. The better Great Northern credit has not been reflected pricewise.

The \$30,000,000 issue of Pennsylvania Company Serial Notes met selective buying with easy going for the most attractive maturities. The issue has been well placed, but not completely, and that mostly because of withdrawal of over a third of the total amount by underwriters for their own retail dis-

tribution. Longer maturities have plainly been priced to reflect the status in respect to the State of Pennsylvania 4 mill tax, and are thus not generally attractive to investors in other states.

United Biscuit 2¾s of 1966, with a 3B rating and offered at 102 to yield 2.61 per cent quickly went to 103½ to yield 2.53 per cent. This makes the recently offered Tennessee Gas & Transmission 2¾s of 1966, with a 1A rating look particularly attractive at a price only fractionally higher to yield about 2.50 per cent. # #

### Selling 46,000 Shares

Knapp and Company, Cedar Rapids, Iowa, investment securities dealers, the partners of which are Russell F. Knapp, Henry I. Gundling, Sam S. Johnson and Lowell M. Taylor, were instrumental in forming an underwriting group to sell 46,050 shares common stock of Curtis Companies, Inc., Clinton, Iowa. Upon authorization by the principal stockholders of Curtis, an underwriting group composed of Cruttenden & Company, Chicago; First National Bank of Lincoln, Nebraska, and Knapp and Company was organized. The sale of this stock is in behalf of certain stockholders with Curtis Companies receiving no proceeds and the Curtis family retaining the majority of the outstanding stock.

Organized in Clinton, Iowa, in 1866 by C. F. Curtis and G. M. Curtis, Curtis Companies has grown from a small planing mill into one of the largest and best known manufacturers of a complete line of stock woodwork used in home building.

Curtis Companies own and operate seven thoroughly modern, well-equipped woodworking factories, in Clinton, Iowa, and Wausau, Wisconsin, with others located in Chicago, Lincoln, Minneapolis, Sioux City, Iowa, and Topeka, Kansas.

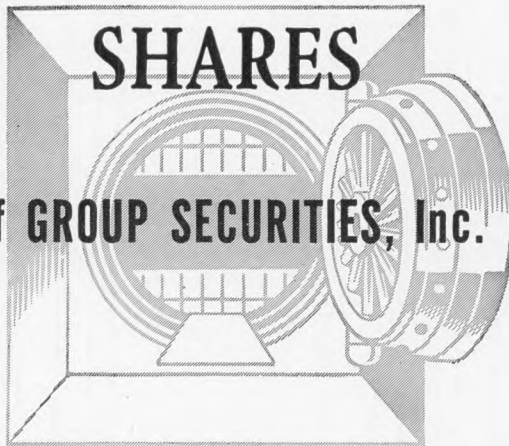
During the early years of the war the company produced woodwork used in prefabricated homes and later manufactured wooden ammunition boxes.

### Elections Announced

S. Sloan Colt, president of Bankers Trust Company of New York, has announced the election of Edmund F. Ebert, formerly assistant treasurer, as an assistant vice president. Mr. Ebert will be associated with E. S. Chappell in the commodity division of the banking department. Edgar C. Earle also was elected an assistant vice president and will assist W. F. Rutherford in the personnel department. Edgerton P. T. Jennison and Harry F. Tappan were elected assistant treasurers and will continue their association with the credit and security research department.

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## G. L. Todd Named President

George L. Todd, executive vice president, was elected president of The Todd Company, Inc., of Rochester, New York, disbursement-equipment manufacturer, at an annual stockholders and directors meeting held recently. He replaces Walter L.



WALTER L. TODD  
Now Board Chairman



GEORGE L. TODD  
Becomes President

Todd, who has become chairman of the board of directors.

Simultaneously announcements were made of the promotion of L. S. Callaghan to the post of treasurer, a responsibility formerly held by George L. Todd in connection with his duties as executive vice president, and of the election of Raymond H. Barr, manager of the company's machine division, to the board of directors.

A graduate of Cornell in 1926, George Todd spent a year at Princeton where he took post-graduate work and immediately thereafter, in June, 1927, joined the company established in 1899. In his early years he served chiefly as director of sales and became executive vice president in 1938. In that capacity he has been in charge of

merchandising activities and organization procedures for the company.

Walter L. Todd, the former president, has been associated with the organization since 1909. Following training in various departments of the business, he became active in sales work and from 1912 to 1917 was general sales manager. In the Navy Department in Washington during World War I, he returned to devote himself to general management, research, and product development activities. He became president in 1931.

Other officers of the company, re-elected, are: A. Richard Todd, vice

president in charge of manufacture; Charles E. Bradford, secretary; and L. S. Callaghan, treasurer and comptroller.

## Handles Veterans Loans

John Pisarkiewicz, who recently returned to the Mercantile-Commerce Bank and Trust Company of St. Louis, after four and one-half years of military service, has been appointed manager of the bank's war veterans' loan department. He will handle all interviews in connection with loans to veterans under the provisions of the servicemen's readjustment act.

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In addition, the members of our staff are well acquainted with all types of securities and various market activities, and are competent to provide valuable assistance in the many investment problems facing the institutional investor.

In view of prevailing market levels, the services of such a well-rounded Institutional Department more than ever may prove to be helpful and constructive. We shall be glad to discuss the facilities of this department with you at your convenience and in confidence.

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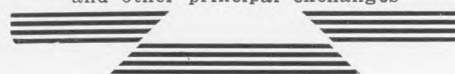
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**Joins Bankers Trust, N. Y.**

C. A. Hemminger has become a member of the newly created Development Department of Bankers Trust Company of New York as advertising manager.

For the last three and a half years Mr. Hemminger has been director of the New York State Bankers Association's news bureau and editor of the New York State *Banker*.

Prior to joining the New York State Bankers Association Mr. Hemminger was director of public information for the Taxpayers Federation of Illinois, director of publicity for the State of

Illinois Department of Public Works and Buildings and editor of several Illinois newspapers.

**Americans Eating Better**

Despite the current crisis in the food situation, the American public has been eating better than is generally appreciated, and the food outlook is relatively promising for this year, according to The Northern Trust Company of Chicago's "Business Comment" for May.

Annual per capita food consumption from 1942 through 1945 averaged about 8 per cent over the 1935-1939

average, with a 1944 peak of 11 per cent above 1935-1939.

"The fact that all foods were not equally in good supply led many people to the erroneous conclusion that scarcities predominated in the overall pictures. With the exception of butter and sugar, however, civilian allotments of most major categories of food were either equal to or exceeded prewar supplies," the article points out.

A factor causing distortion of the over-all picture was the tremendous demand generated by increased purchasing power. Income payments to individuals more than doubled, while food prices rose only 40 per cent.

**Joins Trust Department**

The board of directors of the First National Bank of Omaha has elected John Shelton Bundy assistant trust officer. Mr. Bundy went to Omaha



JOHN S. BUNDY  
Assistant Trust Officer

after serving three years with the army finance department in the Pacific Theatre. Prior to that time he was in the investment department of the Michigan Trust Company at Grand Rapids, Michigan. He had previously spent five years with Halsey Stuart Company, investment bankers in Chicago.

**Baseball Party**

Four hundred correspondent bankers from five states attended a baseball party last month, when the Kansas City season opened, as guests of City National Bank & Trust Company of Kansas City, Missouri. City National was host at a banquet at the Hotel Muehlebach the evening following the game.

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### Foreign Trade Boom

The export business of the middle west will reach around four billion dollars annually, or about 38 per cent of the total, after normal trade relations are resumed, A. M. Strong, vice president and head of the foreign department of the American National Bank and Trust Company of Chicago, told members of the American Institute of Banking at their forum last month in the Chicago Bar Association quarters.

"In 1939 total manufactures of the United States were approximately 57 billion dollars. The central west produced over 21 billion, or 37.6 per cent. The Chicago industrial region almost trebled its output of goods since the beginning of the war, rising from 4.3 billion dollars in 1939 to 11.9 billion in 1944."

He said official estimates are for exports of goods and services reaching 10 billion dollars a year and "since about 38 per cent of our exports come from this area, the middle west exports will be close to four billion dollars."

The foreign trade outlook for the United States was never brighter and for the next few years will exceed all previous records. He added, however, that business men in the central west must get rid of the erroneous impression that foreign trade is complicated and hazardous.

"There is no basic difference between a foreign and a domestic transaction. An export to Brazil or an import from Australia, if competently handled, can be as simple and as safe as a sale in Indiana or a purchase in Michigan. Our traders must understand that foreign business is as safe an enterprise as domestic transactions, that the credit loss on foreign transactions is extremely small, and that if ordinary safeguards are applied it is as safe to sell in Uruguay as it is to sell in Chicago.

### Returns to Chemical Bank

Colonel Alfred G. Tuckerman has returned to the Chemical Bank & Trust Company of New York after four years' service with the United States Army. He is an assistant manager at the bank's Madison Avenue and 46th Street office.

### Elected Director

Harry C. Kilpatrick, vice president of Manufacturers Trust Company of New York, in charge of the real estate and mortgage management department, has been elected a director of the Mortgage Conference of New York, an

association of lending institutions which hold mortgage investments in Greater New York.

Mr. Kilpatrick returned to the bank recently after serving as a lieutenant colonel in the Engineers Corps during the war.

### Elected Vice President

Thomas J. McCullough has been elected vice president of the First St. Joseph Stock Yards Bank of St. Joseph, Missouri, and will also continue as cashier, a position he has held for some time.

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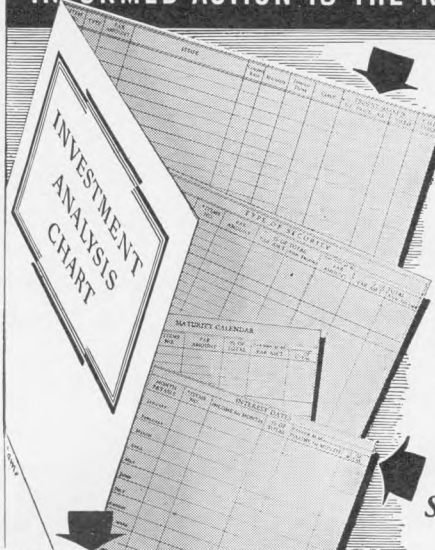
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For informed action in maintaining a balanced fund structure, utilize this helpful appraisal chart. Many find it useful not only in classifying but in maintaining a reference record of bonds, stocks and mortgages. A copy will be sent upon request, without obligation.

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Your inquiry concerning an Agency Contract will receive prompt attention without imposing any obligation on you. Write us today.

## **WESTERN MUTUAL FIRE INSURANCE CO.**

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# *My Best Selling Aid Is the Telephone*

## **How Cold Canvass by Telephone Brought Top Production in One Year**

WHEN I decided in the spring of 1943 to go into life insurance in New York City I hardly knew anybody in town to be approached as a prospect or prospective "center of influence." Thus, I felt that cold canvass should be tried first.

My home was situated in Jackson Heights, a good middle-class suburb with apartments and two-family houses, the right section to start with, but not a section for ringing doorbells.

It was a heavy decision which I then made—SELLING BY PHONE.

I rented the geographical telephone directory for my county, as it exists for all urban territories, which lists the subscribers by streets. I absorbed all that was written about selling by phone and prepared a very brief approach. I checked it with the watch until I had it down to two minutes. Then I rehearsed it in front of a mirror in order to learn to keep constantly smiling. The gist of my speech was that as a licensed life insurance man I was giving in this section a free public service regarding the Social Security benefits.

I realized that most men could be reached at their home only at night. But that short time was needed for the actual visit. So, in order to utilize the daytime I had to phone the wife, try to arouse her interest and make through and with her a tentative appointment with the husband for after dinner.

It was a Tuesday at 10 a. m. when I sat down at my desk, took a deep

**By WERNER KRAFT  
College Point, N. Y.**

breath, gathered all my courage and started. That morning I phoned for two hours and dialed about 30 times. Ten of these calls were useless; the wife wasn't in. Ten wives either rejected or volunteered the information that the husband was a civil servant, in the army, a self-employed person or whatever other reason eliminated Social Security.

The husbands of 10 wives, who were at the phone, were eligible. From them I got varying replies and reactions, for example:

"My husband knows all about Social Security."

So I replied: "That's fine, but suppose something happens to him between now and tonight, then his knowledge would be of no use to you. And it is mainly for the benefit of the wife and the children that this service is given. And since there is no charge anyway, there is no harm in discussing it for half an hour tonight, is there? When are you through with your dinner?"

From this morning's calls I arranged for five appointments spread over two evenings and one morning. All these appointments were, of course, very loose. Some wives had not understood what it was all about. Some forgot to tell their husband about it. But all that did not matter. The main thing was that when I came in that evening I had reason for coming and I could



WERNER KRAFT  
"The Telephone Is My Friend"

state that I had arranged this visit with the wife.

Most men were first very reserved. But in almost all cases they asked me in and hardly any visit lasted less than an hour. Sometimes I parted close to midnight after refreshments had been served. Needless to say that when a man has finished his day's work, had a good dinner and is then willing to chat with you he is relaxing and in a more favorable mood than at any office time.

On Saturday of my first week I sold

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to Banks

Northwestern Banker, May, 1946

my first policy, \$5,000 ordinary life. Since that time I have sold that same customer two more \$5,000 life policies. A year later I acquired the broker's license, and before I had notified my clients, this first customer happened to phone me for household fire and burglary insurance and a fur floater. A

few months ago he bought a car and bought the auto insurance from me.

Long before I had finished phoning all Jackson Heights prospects, I had picked up through these contacts most valuable business contacts. To give an example, I had made a tentative appointment with a wife. When I came

in the evening the husband had an air-raid-warden meeting. When I tried the third time I caught the couple leaving the house for an informal after-dinner visit at friends. The man and I sat down for a few minutes in the lounge of the house and chatted about the Social Security benefits, whereupon he became so interested that he asked his wife to go out alone while he took me back to his apartment. In two visits I overhauled his entire life insurance program and told him that in consideration of his entire situation he need not buy more insurance.

I still have his voluntary letter of thanks written on the stationery of his firm, of which he was then a junior executive.

It is not always important to sell to the first prospect. It can be more important to build up a "Center of Influence" and an executive of one of the leading industries is certainly a most desirable center of influence.

When after four months I was "through" with phoning Jackson Heights homes, I had built up not only valuable direct business, but also contacts with the Manhattan business section of New York. These I followed up thereafter and supplemented by telephone-canvassing of Manhattan offices.

In Jackson Heights, contacting the home for an evening visit, the Social Security approach as a bridge to life insurance was ideal. When contacting offices by phone I found that anything related to life insurance was hampering—on the phone only.

That was the instigation for me to take out the broker's license in order to have a wide variety of ways of approach. When phoning offices I found the comprehensive personal liability policy an ideal starter—for three reasons:

A small matter as far as size of premium is concerned.

A complex of risks which everybody understands and which concerns everybody.

A field which is neglected to an



Sorry, sir, the family's away for the week-end!

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amazing extent.

In brief, just the ideal door or conversation opener.

Just before I became a broker my first 12 months in life insurance ended. My paid-for production during this period would have qualified me for the top club of any company had I sided with one company exclusively.

If I had to start all over again I would not mind the place nor any lack of acquaintances. One dependable friend who will bring me sufficient business everywhere I shall always have—The Telephone. # #

### Bank Has Legion Post

Initiation and installation ceremonies of the recently-organized First-Chicago Post No. 985 of The American Legion were held in the main banking lobby of The First National Bank of Chicago last month. The state champion ritual team of Naval Post No. 372, under the direction of Clarence Harper, chairman of the State Ritual Committee, conducted the initiation ceremonies. Perce Brautigam, past Cook County Commander, was the installing officer. The bank's orchestra of 50 pieces and choral club of 75 voices provided suitable patriotic music and songs for the occasion.

The First-Chicago Post was organized in February by employes of The First National Bank of Chicago, of whom 567 served in World War II, and to date has 310 members.

The Post plans active participation

in welfare, Americanism, veterans' rehabilitation, and other Legion activities. The officers of the Post are:

Commander, John S. Gleason, Jr.; senior vice commanders, Edward H. Martin and Ross A. Munn; junior vice commanders, James H. McGrath and Robert C. Nordell; adjutant, William J. Korsvik; finance officer, John A. Foy, and sergeant-at-arms, Joseph A. Crowley.

### Diebold Elects

At the 87th annual meeting of the stockholders of Diebold, Incorporated, held at the executive offices in Canton, Ohio, last month, three new members were elected to the board of directors and six members were re-elected. Of the three new members, two are from New York City, Daniel Maggin and John R. Barry, and one, James C. Gruener, is from Cleveland. The nine men elected to the board of directors are:

John R. Barry, New York City; George H. Bockius, Canton, Ohio; Orville H. Foster, Jr., Detroit, Michigan; James C. Gruener, Cleveland, Ohio; Wm. C. Knorr, Cleveland, Ohio; Daniel Maggin, New York City; Eliot Ness, Cleveland, Ohio; J. Brenner Root, Canton, Ohio; and Loren E. Souers, Canton, Ohio.

At the meeting of the new board of directors immediately following the annual stockholders' meeting, the following officers were named to lead the company through the ensuing year: Eliot Ness, chairman of the board of directors; George H. Bockius, presi-

dent; Daniel Maggin, vice president; A. W. Jackson, vice president in charge of sales; Lyman H. Clark, vice president in charge of industrial relations; John P. Paca, vice president in charge of product engineering; John E. Raber, vice president in charge of production; Ramon Wyer, treasurer; Loren E. Souers, secretary, and John W. Kemper, assistant treasurer and assistant secretary.

Mr. Maggin's post as vice president is a new one in which he will serve as industrial and financial consultant.



### Longer life for people past 40

If you are forty today, your chance of celebrating your 70th birthday is excellent. Even this comforting picture may soon change for the better, as geriatrics adds extra years to the probable life span.

"Geriatrics?"

We call it "the science of helping older people enjoy life longer." It embraces preventive medicine as well as remedies . . . diet, exercise, mental and physical adjustment to advancing years. Its aim is to make the last half of life a time of fulfillment, years of pleasure and accomplishment.

Perhaps its most welcome boon is the allaying of fear and misgivings that come in later life. True, illnesses tend to multiply with age. But geriatrics promises to make them less threatening. Indeed, among the two hundred or more drugs discovered yearly, some—such as sulfa, penicillin, and streptomycin—may some day rout completely diseases long believed the almost inevitable fate of the elderly.

But health is only half the prescription for a happy old age. The other is financial solvency, based on a sound savings and life insurance program.

Such a program demands the best advice you can find. Because your NWNL agent is paid not for the amount of insurance he sells you *but for the amount you keep in force*, he has a prime interest in providing you with the right kind and amount of insurance, measured by what you need and can afford.

He can help you to peace of mind and a happier life, through *all* its years.

**NORTHWESTERN National LIFE**  
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ARNOLD PRESIDENT SECURITY FIRST MINNEAPOLIS MINNESOTA

*This is an adaptation of NwNL's latest national advertisement*

Northwestern Banker, May, 1946

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This strong, well managed company supplies hail insurance at low cost. Makes settlement promptly. Investigate.

**SQUARE DEAL**  
**Insurance Company**  
(Mutual)  
DES MOINES, IOWA



Des Moines, Iowa

## BANKER AGENTS WANTED

A strong mutual company in its 54th year offers liberal agency contracts covering—

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

Surplus to Policyholders  
\$2,312,763.00

53 years of proven protection.

Write for our liberal proposition to bank representatives.



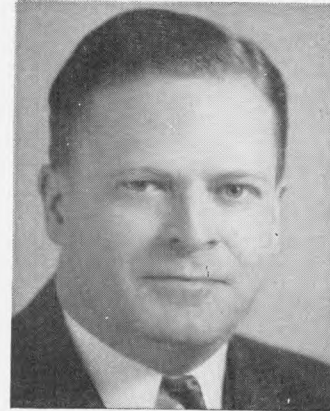
## This is NORTHWESTERN Bank's Six-Man Team for Complete Bond Service



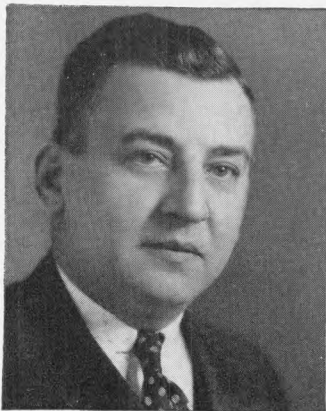
WENDELL T. BURNS  
Vice-President



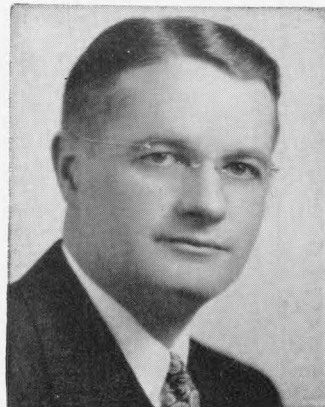
E. ROSS COLBURN  
Assistant Secretary



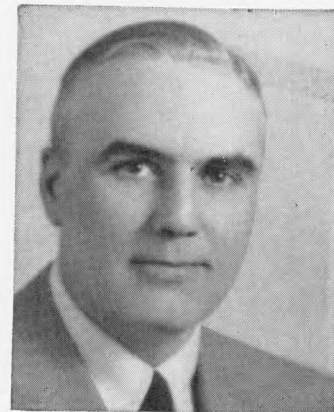
WINSTON L. MOLANDER  
Assistant Secretary



O. JACK TALBOT  
Representative



T. W. PELTON  
Bond Trader



JOHN H. MIDDLEMIST  
Representative

These are the men who are ready and willing to assist our Correspondent Banks with every type of problem concerning their Bond Portfolios.

Their specialized experience and their wide market contacts, together with our library of investment information, are at your disposal. Ask us for assistance in reviewing and planning your portfolio.

We specialize in the sale and purchase of Municipal and Government Bonds.

Joseph F. Ringland, *President*

### DEPARTMENT OF BANKS AND BANKERS

D. E. Crouley  
*Vice President*

L. P. Gisvold  
*Asst. Vice President*

Carl F. Wieseke  
*Asst. Cashier*

A. F. Junge  
*Asst. Cashier*

Keith M. Barnett  
*Representative*

Morrow Peyton  
*Representative*

## NORTHWESTERN NATIONAL BANK of Minneapolis

Marquette Ave.—Sixth to Seventh St.

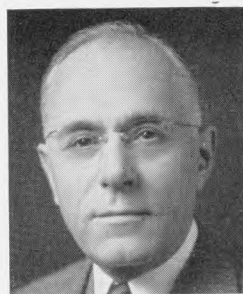
*Member Federal Deposit Insurance Corporation*





**GEORGE A. BEITO**  
President  
Gonvick

## Minnesota NEWS



**WILLIAM DUNCAN, Jr.**  
Secretary  
Minneapolis

### Meet in Moorhead

Representatives of 23 Park Region Clearinghouse Association banks met in Moorhead, Minnesota, Country Club last month, with O. M. Alme, president of the association and vice president of American State Bank of Moorhead, presiding. The association includes banks of Clay, Becker, Wilkin and Otter Tail counties.

Following a dinner, the association was addressed by G. N. Reppe of Grand Meadow, Minnesota. Mr. Reppe, who is chairman of the G. I. loan committee of the Minnesota Bankers Association, discussed the work of his committee and stressed the responsibility of bankers in proper administration of the G. I. bill. He urged bankers to give wise counsel and courteous treatment to veterans and to encourage them in sound business investments.

Other speakers at the meeting included Jerry Murphy of Fargo, North Dakota, loan guarantee officer of the Fargo Veterans Facility Office, and George M. Beito, president of the Minnesota Bankers Association.

Next meeting of the association will be in July at a place to be named. Besides Mr. Alme, other officers of the association are J. Score, Vergas, Minnesota, vice president, and B. C. Barrett, Detroit Lakes, Minnesota, secretary-treasurer.

### Lengthy Naval Tour Ends

George Povey, discharged from the U. S. Navy after four years of service, is now back with the Cherokee State Bank of St. Paul as teller.

### Elected Assistant Cashier

H. E. Krog, recently discharged from the army, has been elected assistant cashier of the Farmers & Merchants State Bank at Stillwater, Minnesota.

William D. Klapp, formerly an assistant National Bank examiner, with headquarters in Minneapolis, has also joined the staff of The First National Bank as an assistant cashier.

Mr. Klapp is a veteran, having served in the European area for about a year and terminating his service last November. He has been connected with

the banking profession for the past 15 years.

The Farmers & Merchants Bank is now in the midst of an expansion program and is moving into new quarters which are being remodeled across the street from the present location.

### Duluth Veteran Returns

William C. Lontz has returned to his duties as assistant cashier of the Bank of Commerce and Savings of Duluth, Minnesota, after three and one-half years service in the army finance department at Camp Ripley, Minnesota, and a prisoner of war camp at Atlantic, Nebraska.

### Elected Cashier

Russell Gilbert, just back from the army, was elected cashier of the Sturgeon Lake State Bank of Sturgeon Lake, Minnesota, by the board of directors at the last meeting. Before entering the army, Mr. Gilbert held the position of assistant cashier. Dorothy Anderson, who took over Mr. Gilbert's duties during his service, is assistant cashier.

J. Monroe Cunningham, president of the bank, has retired but no successor has been named as yet.

### Advanced to Presidency

At the last meeting of the board of directors of the Arlington State Bank of Arlington, Minnesota, O. H. Schwirtz was elected president. E. M. Besch, a stockholder in the bank, was elected vice president to fill the vacancy left by Mr. Schwirtz's appointment. All other officers remain the same.

### New Officers Named

Advancement of H. J. Dorweiler from the position of vice president to president was announced recently by the Farmers State Bank of Hamel, Minnesota. D. D. Dorweiler, who is back from more than three and one-half years of service in the North Atlantic and European waters, has been named vice president. Other officers of the bank are Eugene Morin, vice president; C. O. Dorweiler, cashier, and Robert Roehl, assistant cash-

ier. Mr. Roehl has just left for the army. In addition to the officers mentioned above, H. F. Hughart completes the board of directors.

### Announce Promotions

The board of directors of the Sibley County Bank of Henderson, Minnesota, voted Edwin B. Maurer in as president from his old position of cashier, which he held for eight years. E. H. Schrupp is now vice president and cashier. Two new directors have been added and they are R. A. Hendrickson and L. A. Schreiber. Other directors are: Joe Wiest, Bernard Maurer, C. F. Whitford, Mr. Schrupp and Edwin B. Maurer.

### Becomes Cashier

Vance Weaver was elected cashier of the Buffalo National Bank of Buffalo, Minnesota, at a recent board meeting. He succeeds M. L. Lundsten, vice president and cashier, who died last month. Mr. Weaver had served as assistant cashier for many years before his promotion.

### Joins St. Michael Bank

R. E. Sims has joined the Security State Bank of St. Michael, Minnesota, on his return from 32 months of active duty with the U. S. Navy. He saw service in Okinawa, and many other points in the Pacific. Before entering the navy, Mr. Sims was cashier at the Farmers State Bank of Darwin, Minnesota. He holds the same position now with the Security State Bank after his election to that post by the board of directors.

### Back With Madison Bank

Alden R. Chester has returned to the Klein National Bank of Madison, Minnesota, to his job as teller and bookkeeper after three years of army duty.

### Named Cashier

L. R. Barker has been elected cashier of the First State Bank of Brown-ton, Minnesota, upon his release from the army after 47 months of active duty. Prior to his entry into the army Mr. Barker was with the First State Bank of Medford, Minnesota.

### Cashier at Little Falls

James A. Irving of Milaca, Minnesota, was elected cashier of the American National Bank of Little Falls, Minnesota, it was announced by Frank L. Hartmann, president.

Albert A. Barton, who has been serving as vice president and cashier, will

relinquish the latter office and will continue as vice president.

Born at Milaca, Mr. Irving attended school there and also business college at Fargo, North Dakota. He began his banking career at Fargo in 1934 and since 1939 has been assistant cashier of the First National Bank at Milaca.

The American National is an affiliate of First Bank Stock Corporation.

## JAMIESON & COMPANY

Members  
New York Stock Exchange  
and Other Principal Exchanges

★  
STOCKS

BONDS

★  
COMMODITIES

MINNEAPOLIS FARGO  
ST. PAUL GRAND FORKS  
DULUTH SIOUX FALLS  
EAU CLAIRE

Private Wire to All Principal Markets

### Forty Cent Dividend

Directors of Northwest Bancorporation declared a dividend of 40 cents per share on 1,548,767 shares of stock outstanding, payable May 25, 1946, to stockholders of record as of the close of business May 10, 1946.

### Elect Assistant Cashier

Election of John L. MacDermond, former North Dakota and Minnesota banker, as assistant cashier of the First National Bank of Lewiston, Montana, has been announced by A. W. Johnson, president. R. S. Baker, who has been vice president of the bank, becomes vice president and cashier.

### Joins Midland Bank

Albert W. Gray, who for fourteen years has been a member of the staff of Moody's Investors Service, has been elected vice president of Midland National Bank of Minneapolis, according to Arnulf Ueland, president.

Mr. Gray began his banking and investment career as a clerk in the Trust Department of Northern Trust Company, Chicago, upon graduation from Wayland Academy in 1923. He left this position in 1924 to enter Knox College at Galesburg, Illinois, from which he was graduated in 1928.

In 1929 he was employed by Lawrence Stern & Company, Chicago, as a security analyst in the research department of the company. In 1932 he entered the employ of Moody's Investors Service as a junior adviser, later being advanced to senior investment adviser for a group of banks served by the company from its Chicago office.

### Frank S. Mayer

Frank S. Mayer, 65, banker and civic leader in Young America, Minnesota, died at his home last month. Mr. Mayer had been cashier of the Young America Bank since 1900.

### G. I. Committee

S. R. Kirby, Jr., vice president of the Northern National Bank of Duluth, Minnesota, has been named to a seven-member G. I. loan committee of the Minnesota Bankers Association. Other members of the committee are: G. N. Reppe, Grand Meadow, chairman; W. O. Johnson, Minneapolis; N. N. Tallakson, Willmar; George W. Werstlein, Thief River Falls; W. H. Williams, Minneapolis, and Ralph H. Comaford, Minneapolis. The committee has been set up to give advice and guidance to war veterans on financial matters concerning the G. I. Bill of Rights.

### Six-County Meeting

Approximately 60 members of the Six-County Regional Clearing House Association had dinner and held a meeting at the Princeton Hotel in Princeton, Minnesota, last month. The subject under discussion was the revised regulations of the veterans administration in the G. I. Bill of Rights.

Twenty-seven banks in the following six counties are included in the membership of this region: Benton, Isanti, Kanabec, Mille Lacs, Pine and Sherburne.

C. S. Morton, who is president of the association this year, presided at the meeting. L. H. Sherf of Isle is vice president. Leonard Machart of Pine City is secretary-treasurer.

### Truman Banks Merge

The Peoples State and the First National banks of Truman, Minnesota, have merged under the name of the Peoples State Bank with total assets of over \$2,000,000. Officers of the new bank are as follows: President, B. J. Dallman; vice president, L. J. Hinton; cashier, E. A. Fenrick; assistant cashiers, E. H. Breunning and R. L. Krause. Directors are Mr. Dallman, Mr. Hinton, Mr. Krause, J. H. Wolf and A. M. Hinton.

## SERVICE

It has been a long time since we dared write an advertisement about service. Of course, in a relative sense we had good reason to brag a little throughout the wartime period, but we felt that to speak relatively about service would, in effect, dilute its meaning. But now we really are on the ball and our service is the good old pre-war standard.

Our workmanship is getting better too. During the war it slipped a little but it is bouncing right back. Some materials still are not so good but they also appear to be improving and before long should be back to normal. Our machinery naturally has taken a beating and some of it is operating on "borrowed time", but the new stuff is beginning to trickle in and it certainly looks wonderful.

Another thing that peps us up is the new crop of clean-cut youngsters who have just been added to our sales staff.

They are earnest and wholesome and we think you will like them just as much as we do. All but one of our veteran salesmen are back on the job, so for the first time in many years we will have full coverage in the field.

So what more could we ask for? A good product to sell; a good gang to sell it; a top-notch group to produce it; tested methods and specialized machines to speed up the flow in five plants; and a far-flung market that needs and can use what we have to offer. We're out after business and we can deliver the goods.

Whether you are interested in large or small quantities of lithographed checks or whether you want to institute a planned merchandising program for the sale of imprinted checks to your customers, we would like you to consider us as your source of supply. We know how to make only one thing, but we do mean "know how".

**De Luxe**  
CHECK PRINTERS  
Inc.

Manufacturing Plants at:

NEW YORK, CLEVELAND, CHICAGO, KANSAS CITY, ST. PAUL





## Twin City News

More than 1,200 bankers of the Northwest attended the Ninth District Conference of the **Minneapolis Federal Reserve Bank** to hear reports on the banking situation and outlook and to take part in the program of entertainment.

Among the speakers was **Dr. John H. Williams**, economic adviser to the Federal Reserve Bank of New York, who said he expects up to five years of business prosperity after labor-management troubles are settled and then a stretch of several years in which business will hold a stable and a profitable level.

**Paul W. McCracken**, Federal Reserve research director at Minneapolis, outlined the outlook for deposits in the Northwest in much the same manner as his recent FRB publication on the subject. **Franklin Parsons**, agricultural economist of the bank, reviewed the farm trends and **Oliver S. Powell**, first vice president, led a panel discussion on banking.

**William Duncan**, secretary of the Minnesota Bankers Association, has issued a 19-page booklet on on-the-job training for use by state bankers.

**W. E. Brockman**, vice president of the Midland National Bank of Minneapolis, has been re-elected president of the Minneapolis Civic Center Development Association which is seeking to improve the city's lower loop area with a parkway and public buildings. **Arnulf Ueland**, Midland president, speaking at the first annual meeting of the association, said Brockman would devote all time necessary to the project.

Among directors elected were **Russell L. Stotesbery**, president of the Marquette National; **William N. Johnson**, vice president of Northwestern National; **Guy W. LaLone**, vice president of the First National.

The Minnesota Commerce Commission, which earlier had approved the application of Commercial Credit Plan,

**By E. W. KIECKHEFER**

**Special Correspondent  
Northwestern Banker**

Inc., to do loan and savings business at Bemidji, Minnesota, has denied applications by the firm to do business at Austin, Faribault and Brainerd. Bankers of those three cities had opposed the applications.

**Dexter L. Andrews**, vice president and general manager of F. H. Pfunder, Inc., has been appointed a member of the advisory board of the Northwestern National Bank's Lincoln office in Minneapolis. He was a Red Cross field director during the war and is chairman of the industrial division in the 1946 Red Cross campaign.

Deposits during the first day of operation of the Highland Park State Bank—newest in St. Paul—totaled \$100,000, according to **President A. L. Ritt**, who also is president of the Midway National Bank, and Cashier **G. M. Olson**. The bank has capital of \$50,000 and surplus of \$10,000.

Members of the Midwest and Lake divisions of the Association of Bank Women celebrated their 25th anniversary at their April meeting. On the program were **Joseph F. Ringland**, president of the Northwestern Na-

tional of Minneapolis; **Henry E. Atwood**, president of the First National of Minneapolis; **John De Laitre**, vice president and treasurer of Farmers & Mechanics Savings Bank; **Charles E. Harmon**, assistant vice president of the Northwestern National, and **Miss Genevieve Nevin** of the Northwest Bancorporation.

**Albert W. Gray** has been elected vice president of the Midland National Bank of Minneapolis to head that bank's bond and investment department. He was a member of the staff of Moody's Investors Service for 14 years at Chicago.

Other changes at Midland included promotion of **Clifford C. Sommer** from assistant cashier to be assistant vice president after three years in the navy; assignment of **Richard W. Peavey** to the department of banks and bankers; appointment of **John P. Knutson** to be assistant manager of the credit department and of **Everett J. Swanson** and **Don R. Wyard** to the same department; selection of **Silas Olson** to assist in the mortgage loan department, **Ralph Spearing** to be assistant to Vice President **W. E. Brockman** in the new business, commercial credits and special services division, and **John S. Irons** to be assistant manager of the installment loan department.

Midland held a reception recently for 23 returned members of the armed forces.

### SPECIAL OFFER TO BANKERS

Sickness or Accident Policies paying up to \$50.00 a week paid up in full to the middle of June, 1946, for the small membership fee.

No medical examination and no red tape—Simply write for application and literature to

**MINNESOTA COMMERCIAL MEN'S ASSOCIATION**

2550 Pillsbury Ave. So.

Minneapolis 4, Minnesota

*Northwestern Banker, May, 1946*

### Vet at Marshall Bank

A new employe at the First National Bank of Marshall, Minnesota, is Howard School, assistant cashier, formerly of Hankinson, North Dakota, and a discharged veteran.

### Oakland Bank Liquidates

Stockholders of the State Bank of Oakland, Minnesota, have voted to liquidate their holdings and arrangements have been made for the First National Bank in Austin to assume the deposit liabilities of the Oakland bank. The bank has been in operation for 35 years. G. N. Reppe has been president of the State Bank.

### Hurbert Jansen

Hurbert Jansen, cashier of the Rogers State Bank in Rogers, Minnesota, died after a lingering illness recently. He had been associated the past 18 years with the State Bank as clerk, then as cashier, ever since his graduation from business college 18 years ago.

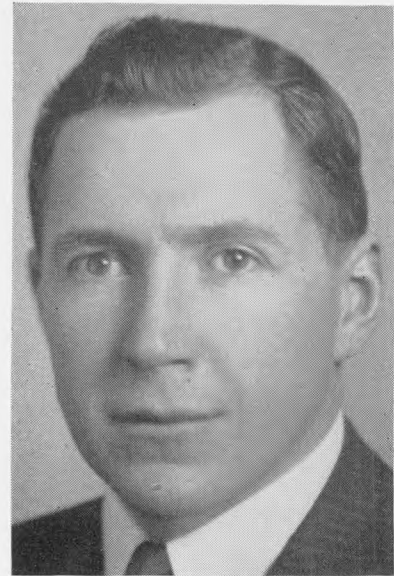
### Takes Six Months Leave

Wallace McMillan, vice president of the Houston State Bank of Houston, Minnesota, is enjoying a six months leave of absence from his duties by visiting his summer home in Hokah where he is looking after his stock business.

### Advisory Board Members

J. F. Ringland has announced the appointment of three new members to the advisory boards of Northwestern National Bank offices. Richard E. Crawford has been named to the board of the Lake Street office. He is president of the Minnesota Valley Natural Gas Company.

Dexter L. Andrews and DeWalt H. Ankeny have been named to the ad-



DEXTER L. ANDREWS  
On Advisory Board

visory board of the Lincoln office. Mr. Andrews is president and general manager of F. H. Pfunder, Inc., and Mr. Ankeny is vice president of Theo. Hamm Brewing Company and vice president of The Emporium, Inc.

### Granted State Charter

Permission for the establishment of the Plummer State Bank in Plummer, Minnesota, has been granted by the Minnesota state banking department. Principal stockholders in the new institution will be George Beito of Gonvick, who is also president of the Minnesota Bankers Association, and E. B. Lanager, Carl Swanson, Paul Schoenauer, O. L. Skatvold and F. J. Mack of Plummer. The building occupied by the former First State Bank has been purchased and it is hoped the new bank will be open early this summer.

### James B. Hove

Douglas county, Minnesota's oldest banker, James B. Hove, died recently at the age of 73 years. At the time of his death he was president of the Carlos State Bank of Carlos, Minnesota, an institution he organized a number of years ago. Previous to this he was associated with banks in South and North Dakota and in Minnesota.

## CHEMICAL & TRUST COMPANY

Founded 1824

165 Broadway, New York

### CONDENSED STATEMENT OF CONDITION

At the close of business, March 31, 1946

#### ASSETS

Cash and Due from Banks	\$210,528,634.46	
U. S. Government Obligations	605,489,185.98	
Bankers' Acceptances and Call Loans	189,133,177.82	
State and Municipal Bonds	75,147,085.23	
Other Bonds and Investments	62,368,645.54	
Loans and Discounts	273,234,091.16	
*Banking Houses	284,793.50	
*Other Real Estate	10,194.37	
Mortgages	213,992.68	
Credits Granted on Acceptances	2,821,501.38	
Accrued Interest and Accounts Receivable	3,625,031.58	
Other Assets	2,117,291.62	
		\$1,424,973,625.32

#### LIABILITIES

Capital Stock	\$25,000,000.00	
Surplus	65,000,000.00	
Undivided Profits	11,468,497.47	
Unallocated Reserves	4,402,947.06	105,871,444.53
Reserves for Taxes, Expenses, etc.	5,187,459.25	
Dividend Payable April 1, 1946	1,125,000.00	
Acceptances Outstanding	\$3,154,539.39	
(Less own acceptances held in portfolio)	164,040.83	2,990,498.56
Other Liabilities	711,342.93	
Deposits (including Official and Certified Checks Outstanding \$7,768,100.18)	1,309,087,880.05	
		\$1,424,973,625.32

Securities carried at \$329,841,788.16 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

\* } Assessed Valuation \$843,083.00

Charter Member New York Clearing House Association  
Member Federal Reserve System  
Member Federal Deposit Insurance Corporation



# How would you solve these banking problems?

THE PROBLEM	OUR SOLUTION
<p><b>BUTTER.</b> It was taking 8 days to get funds from San Francisco on drafts covering shipments of butter.</p>	<p>Drafts were airmailed by the First National to the San Francisco bank which in turn wired us when they had been paid and credited. Time lag cut more than half.</p>
<p><b>SAWDUST.</b> A correspondent bank's customer had a chance to sell a pile of sawdust to the U. S. Department of Agriculture as an ingredient for grasshopper poison. He didn't have enough money to finance loading and shipping, yet wouldn't get paid until sawdust was delivered.</p>	<p>First National cooperated to provide necessary funds. As each shipment was loaded we received a covering order, and the government made payment to us on the assigned contract until the loan was liquidated.</p>
<p><b>CATTLE.</b> A rancher needed \$20,000. His local bank could lend him only \$7,000.</p>	<p>The balance of \$13,000 was supplied by the First National, thus making it possible for the local bank to fill its entire line and keep a customer happy.</p>
<p><b>LUMBER.</b> Owner of a lumber yard knew where he could get about half a million feet of rough green lumber, but needed credit to buy, store, plane, saw and truck it. Amount exceeded lending limit of his local bank.</p>	<p>The local bank advanced as much of the loan as it could, and the First National made up the remainder. The loan was secured by trust receipts as provided under the Uniform Trust Receipt Act.</p>
<p><b>OIL.</b> Distributor of a specially treated oil used in road construction developed a volume of business requiring credit in excess of the lending limits of his bank.</p>	<p>When loans exceeded local bank's limit, the First National advanced additional funds on the distributor's notes endorsed by his bank without recourse.</p>

## FIRST NATIONAL BANK OF MINNEAPOLIS

HENRY E. ATWOOD, *President*

*Department of Banks and Bankers*

M. O. GRANGAARD, *Vice President*  
C. B. BROMBACH, *Vice President*  
W. A. VOLKMANN, *Vice President*

R. S. BANFIELD, *Vice President*  
J. J. MALONEY, *Assistant Vice President*  
K. T. MARTIN, *Assistant Cashier*

J. M. DOWNES, *Assistant Cashier*  
G. S. HENRY, *Assistant Cashier*  
C. E. CORCHRAN, *Assistant Cashier*

*Member Federal Deposit Insurance Corporation*

*Northwestern Banker, May, 1946*

**New Personnel Director**

The First National Bank in St. Louis recently announced the election of Ray J. Miller as personnel director. Mr. Miller, an assistant vice president, has been connected with the First National and the former Third National Bank since 1912. He began his banking career as a clerk in the clearing house department of the Third National, and later served in the transit and bill of lading departments of the First National. In 1929 he became assistant manager and in 1934 manager of the transit department. In 1938 he was elected an assistant cashier and in January, 1945, an assistant vice president.

**Named Vice President**

Roger F. Murray has been elected a vice president of Bankers Trust Company of New York, in charge of the credit and security research department, it was announced by S. Sloan Colt, president of the bank.

Mr. Murray has been associated with Bankers Trust Company since 1932.

*Let's Pretend*

When your bumper is itching to budge,  
A walker who simply won't budge,  
You'll think better my friend,  
If you'll only pretend  
That the walker's his honor, the judge!

**ABOUT BANKERS YOU KNOW**

(Continued from page 25)

tina, where he remained until 1928. In 1928 Mr. McCain's graphic knowledge of the details of foreign banking led to his appointment as vice president in charge of the National Park Bank of New York. A year later this was merged with the Chase National Bank where he continued as vice president and handled foreign loans on cotton, wheat and other commodities. His extensive experience with business in South America made him the logical choice to supervise the Chase's business in those countries.

His next position brought him into contact with bankers in the eleven states of the far west. Commercial banking relations with banks in these states have been his responsibility the past twelve years in addition to the states of New York and New Jersey.

Mr. McCain's diversified knowledge of banking has made his grasp of finance world wide in scope, a prime requirement for the man who must keep a watchful eye on the more than 5 billion dollars in deposits of people from all over the world.

The need for swift expansion of war plants and the production of military supplies found Mr. McCain taking a leading part in arranging credits for many industrial concerns. He has often been identified with the financing of aircraft manufacturing and air transport companies.

Mr. McCain was married to Marion Vinsonhaler of Little Rock, Arkansas, in 1924, and they have two daughters and one son. They live in Scarsdale, New York, where the family attends the Scarsdale Congregational Church. Mr. McCain is a member of the St. Andrew's Golf Club, the Maternity Club at Rye, New York, and the University Club in New York City.



**GROUP MEETINGS**

As Iowa banks resume their May Group Meetings in the postwar period, this bank extends warm greetings to every Group.

We were happy to be one of the hosts at our Group One Meeting in February. We will be equally glad to attend and share in your meetings to be held this month.

- C. L. FREDRICKSEN  
President
- M. A. WILSON  
Vice President
- W. G. NELSON  
Assistant Vice President
- W. C. SCHENK  
Cashier
- H. C. LINDUSKI  
Assistant Cashier
- C. L. ADAMS  
Assistant Cashier
- J. S. HAVER  
Assistant Cashier
- JAMES L. SMITH  
Auditor

THE

**LIVE STOCK  
NATIONAL BANK**

OF SIOUX CITY, IOWA

MEMBER F.D.I.C.

*The Bank at the Yards*



I want to complain about not being able to buy anything to complain about.





**C. O. GORDER**  
President  
Deadwood

## South Dakota NEWS



**GEORGE M. STARRING**  
Secretary  
Huron

### Joins Vermillion Branch

Appointment of Harry N. Dirks, recently returned from three years' service in the U. S. Navy, as assistant manager of the Vermillion branch of the National Bank of South Dakota, is announced by T. S. Harkison, president.

Following his graduation from the University of South Dakota, Mr. Dirks joined the bank at Sioux Falls in 1934. From 1941 until May, 1943, when he entered the navy, Mr. Dirks served in a supervisory capacity on the examining staff of First Service Corporation, operating affiliate of First Bank Stock Corporation.

### Two Banks Chartered

Verne W. Abeel, superintendent of banks for South Dakota, has announced the opening of two new banks in South Dakota during the past month. They are the Rushmore State Bank in Hill City and the Farmers State Bank in Irene.

The Rushmore State Bank opened April 9th with a capital of \$25,000, surplus of \$5,000 and undivided profits of \$2,500. Officers of the bank are John E. Loberg, president; H. M. Belmont, vice president, and R. L. Hockridge, cashier.

The Farmers State Bank opened April 20th with a capital stock of \$25,000, surplus of \$5,000 and undivided profits of \$2,500. Officers of this institution are C. H. Gunderson, president, and A. E. Diefendorf, vice president and cashier. The branch office formerly operated at Irene by the Security State Bank of Wakonda has been discontinued as of April 20th.

### C. H. Barrett

C. H. Barrett, 87, founder of one of the first banks in South Dakota and a leading citizen of Vermillion for nearly 60 years, died last month.

Mr. Barrett went to Vermillion in 1887 with L. T. Swezey and the two founded the Clay county bank. In 1904 it became the Vermillion National Bank.

He served as cashier until 1912 when, on the death of Mr. Swezey, he became president. In 1929 upon merger of the Vermillion National and

the First National banks Mr. Barrett was named president of the merged banks and served in the capacity until his retirement in 1931.

He is survived by his widow and one son, Charles, of Pittsburgh, Pennsylvania.

### Convention Plans

Plans for the annual convention of the South Dakota Bankers Association in Rapid City are practically complete. Topnotch speakers have been selected for the annual dinner and business sessions June 14th and 15th. Registration will be June 14th with golf facilities of the Meadowbrook Country Club available to all those attending. Requests for hotel reservations should be mailed to H. R. Browning, general chairman of the convention and vice president of the First National Bank of the Black Hills in Rapid City.

### Agricultural Program

A streamlined program for 1946 was adopted at a meeting of the agricultural committee in Brookings, South Dakota, recently. The meeting was held in cooperation with the staff of State College and the Extension Service.

The importance of an aggressive program on soil conservation for South Dakota was recognized by the committee in naming this as one of the main projects for 1946. S. W. Jones, secretary of the Greater South Dakota Association, attended the meeting and told committee members about the South Dakota Soil and Moisture Conservation Achievement Program being sponsored by that association, the South Dakota Press Association, South Dakota State College, and the State Soil Conservation Committee, and invited the organization to be a co-sponsor. The committee unanimously endorsed participation in this contest and subscribed to the award fund.

Support of youth activities programs also headlines the program for 1946. This is not a new project but one which has had the support of bankers for many years. New methods of increasing cooperation between club leaders, members and bankers will be developed.

Warren Garst, cashier, Home State Bank, Jefferson, Iowa, and member of the American Bankers Association Agricultural Commission, talked on the need for more effectively carrying on outside programs such as 4-H Club work.

A. G. Brown, deputy manager of the American Bankers Association and director of its Agricultural Commission, addressing members of the committee, stated that farmers and bankers have many common interests—both are vitally interested in a democratic America and should work together in maintaining private enterprise. Mr. Brown reviewed briefly the 1946 program adopted by the A.B.A. Agricultural Commission.

### Eleven Veterans Programs

Loan features of the veterans benefit program were discussed with South Dakota bankers in a series of eleven meetings last month scheduled by H. A. Bowman, chief of the loan guaranty division of the veterans administration, with the cooperation of the state bankers association. All banks and lending agencies in the area of each meeting place as well as all county veterans service officers were invited to attend the discussions which were conducted by Mr. Bowman.

### Heads Loan Department

Richard P. Peterson, well known throughout western South Dakota, has accepted a position as manager of the installment loan department of the First National Bank of the Black Hills. His activities in this capacity will cover the entire Black Hills region.

Mr. Peterson was for many years connected with the Securities Credit Corporation of Deadwood and has recently been discharged from the army after four years service.

Mr. and Mrs. Peterson are making their home in Rapid City.

### Increase Capital

Stockholders of the Farmers State Bank of Canton, South Dakota, have increased the capital stock of the bank from \$75,000 to \$100,000, E.M. Dean, Sr., president of the bank, stated. The decision to do so was made at a special meeting of the stockholders.

The increase will be accomplished by the present stockholders investing an additional \$25,000. The decision was made in order that the capital structure might be increased in proportion to the increasing bank deposits.

The Farmers State Bank will now have a total capital structure of \$166,000, including \$100,000 capital stock, \$50,000 surplus, and \$16,000 undivided profits.

# what makes a check *Really* safe?

Safety paper *alone* can't do it. Guarded manufacture—as in the production of currency—*alone* can't do it. Invisible inks that give sharply visible warning of attempted chemical alteration *alone* can't do it. Alone, the finest of checkwriters can't do it. Nor can the finest of check signers. Nor scientific methods of handling, counting, controlling, cashing and reconciling checks.

But take these safeguards *together*—(only in the Todd program of check protection will you find them all) and they form a barricade that stops check crime—pro or amateur, internal or external. Stops it *cold*.

A review of your own disbursement procedure by one of our specialists may reveal ways of eliminating risks, cutting costs and simplifying routine. It will be made on request; no obligation.



#### THE TODD CO., Rochester 3, N. Y.

Please give us facts about how to eliminate check-disbursement risks, cut costs, and simplify routines. We understand this entails no obligation on our part.

Name \_\_\_\_\_ Title \_\_\_\_\_

Bank \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_  
NWB-5-46

Northwestern Banker, May, 1946

## Heads Civic Group

W. P. Jones, president of the Citizens Bank of Mobridge, South Dakota, was re-elected president of the Mobridge Civic Association at a meeting of the new board of directors.

## Resigns as Cashier

Resignation of Gloyd O. Haugen as cashier of the Citizens State Bank in Clark, South Dakota, was accepted by the bank's board of directors at a recent meeting. The board immediately appointed C. R. Price to the position made vacant by the decision of Mr. Haugen.

## Sioux Falls

**E**LECTION of **S. H. Finger** as a director and vice president and manager of the Huron branch of the National Bank of South Dakota was announced by **T. S. Harkison**, Sioux Falls, president of the institution.

Mr. Finger succeeds **A. E. Schnad** who resigned to become cashier of the Commercial National Bank at Bozeman, Montana. He has been in Huron since April 22nd.

A native of Mankato, Minnesota, Mr. Finger began his banking career there in 1924 with the First National Bank. He later served for a period in 1940 with the credit department of First Service Corporation, operating affiliate of First Bank Stock Corporation in Minneapolis.

He then went to the Merchants' National Bank at Fargo, North Dakota, where he became assistant cashier. Since May, 1942 he has held a supervisory position on the examining staff of First Service Corporation.

Mr. Schnad has been an officer of the Huron bank since 1935. Prior to that he was assistant cashier of the First National Bank at Miles City, Montana, his home city.

All the aforementioned banks are affiliated with First Bank Stock Corporation.

Sioux Falls bankers in attendance at a Federal Reserve Bank conference in Minneapolis last month were **Ralph M. Watson**, president, and **P. H. McDowell**, vice president and trust officer, Northwest Security National Bank; **T. S. Harkison**, president, and **Frank J. Cinkle**, vice president and cashier, National Bank of South Dakota; **William C. Duffy**, president, Union Savings Bank; and **William W. Baker**, president, First National Bank & Trust Co.

**Commander T. S. Harkison** of Sioux Falls post, American Legion, who is president of the National Bank of

South Dakota, announced a plan for enriching the musical life of Sioux Falls through organization of a Legionnaires' chorus, band and drum and bugle corps. Members of the contemplated groups, he said, will be properly equipped and uniformed. "We have an excellent amount of talent in our ranks," Harkison declared.

Workmen have finished construction of a marble front for the new location of the Union Savings Bank at 118 South Main Avenue in Sioux Falls. **C. A. Christopherson**, chairman of the board of directors, expects interior fixtures to be installed within another six months. The bank has been in its new home since November 1, 1945.

**George Rice, Jr.**, Flandreau, an army returnee, has accepted a position in the main office of the Northwest Security National Bank in Sioux Falls.

**Frank McCormick**, athletic director at the University of Minnesota, addressed the Sioux Falls Rotary club at the invitation of its president, **P. H. McDowell**, vice president and trust officer of the Northwest Security National Bank.

## Country Bankers Help A.B.A.

Thirty-six country bankers, each a specialist in some phase of agriculture, assisted the advertising department of the American Bankers Association in preparing 12 short series of newspaper advertisements on selected types of agriculture, which have been made available to A.B.A. member banks.

While the advertisements stress the credit services with which banks are prepared to aid farmers in crop production, they also promote interest in well-balanced farming, soil conservation, and farm youth movements. The committee of 36 country bankers selected 12 farming subjects such as wheat, hogs, cotton, fruit, sheep, corn, poultry, and tobacco, and suggested to the A.B.A. advertising department what banks should say in advertisements on each particular subject. Then **Nicholas A. Jamba**, manager of the agricultural department of the National Bank and Trust Company of Norwich, New York, collaborated in writing and editing the copy, and in selecting illustrations. The newspaper advertisements, which are available in mat form, are informative in character and emphasize the services country banks offer to their farm customers.

## Cut-Up

What did the moron say as he cut open the mattress? "Spring is here."





## North Dakota NEWS

A. C. IDSVOOG  
President  
Grafton



C. C. WATTAM  
Secretary  
Fargo

### State Convention

Many applications for reservations for the North Dakota Bankers Convention to be held in Fargo on June 17th and 18th have been coming in and in many cases hotels have notified applicants that they were unable to take more reservations. Fargo Clearing Houses have appointed a committee consisting of O. J. Boyle, Dakota National Bank, chairman; M. W. Loffer, First National Bank and Trust Company; Ryan C. Harrington, Merchants National Bank and Trust Company, and Lester Smith, Fargo National Bank, as a hotel reservations committee and it is suggested that any bankers or other people who plan on attending the convention and who have not as yet made their reservations, write to the chairman of the committee or any member thereof. Plans for the convention are progressing. Assurance has been received from President Frank J. Rathje of the American Bankers Association and General Louis R. Pick, the co-author of the Pick-Sloan plan for the development of the Missouri River Basin, that they will address the convention. President A. C. Idsvoog of Grafton has also appointed a committee to arrange for a half day's session for a discussion of consumer credit and installment lending. There will be other interesting features.

### La Moure Bank Moves

The First State Bank of La Moure, North Dakota, has moved its offices to the first floor of the building and has expanded those quarters through remodeling.

### Attend Conference

Nearly a score of North Dakota bankers attended the federal reserve district conference in Minneapolis. Representatives of the State Bankers Association and of banks in large towns were in attendance.

### William Connolly

William Connolly, vice president of the Bank of Killdeer, North Dakota, died at his ranch near Killdeer last

month. The 84-year-old pioneer was the first Dunn county commissioner, helping organize the county in 1884 when he moved from Henderson, Minnesota.

### R. R. Wolfer

R. R. Wolfer, executive director of the war finance committee for North Dakota, died in Jamestown, North Dakota, recently after a lingering illness. He was 62.

Mr. Wolfer had been prominent in city, county and state activities for many years. At the time of his death he was vice president of the Greater North Dakota Association.

Mr. Wolfer was president of the Jamestown National Bank for many years and currently had been chairman of the board of directors. He established and operated the Jamestown Insurance Company. He is survived by his wife, two daughters, his mother, a sister and a brother.

## Fargo News

**Gate City Building and Loan Association** of Fargo, North Dakota, has purchased the O'Neil Block at the corner of Broadway and First Avenue, North, a portion of which it has occupied since 1939. The property includes two buildings, 58x150 feet in area, with full basement. At the time of the purchase there were two basement tenants, six ground floor tenants and six tenants in second floor offices.

The company plans to expand their own space to include floor space recently vacated by a dress shop which has moved to other quarters. Other tenants will not be disturbed for the present. The Gate City Building and Loan Association was established in 1923.

**Clarke Bassett**, president of Merchants National Bank and Trust Company of Fargo, North Dakota, and member of the executive council of the American Bankers Association, attended a meeting of the council in French Lick Springs, Indiana, April 14th to 16th. He was accompanied by

**Charles C. Wattam**, Fargo city attorney and secretary of the North Dakota Bankers Association. Only routine matters were discussed at the council, Mr. Bassett reports.

**Melvin C. Goodwin**, who was associated with First International Bank of Watford City, North Dakota, when he entered service three years ago, and who had previously been associated with the First National Bank of Williston, North Dakota, has been visiting his mother, Mrs. A. G. Goodwin, Fargo, North Dakota, and his wife in Ray, North Dakota, since his discharge from the army in March. He has not yet decided whether he will return to the banking business.

**James A. Irving**, who was clerk in the First National Bank and Trust Company, Fargo, North Dakota, from 1936 to 1939, and who left in the latter year to become assistant cashier of the First National Bank of Milaca, Minnesota, was elected cashier of the American National Bank of Little Falls, Minnesota, **Frank L. Hartman**, president of the Little Falls bank announces.

### Issued Financial Report

The Lawrence Warehouse Company, nation-wide operators of field warehouses, has just released its financial report for the year ended December 31, 1945, which shows the most successful year's operations in the company's more than thirty years' history.

Louis Benoist, president, said, in releasing the report, "The fact that our gross revenue increased \$1,029,000, or more than 16 per cent over the preceding year, which marked at that time the most successful year we had experienced, is evidence of the fact that field warehousing is playing a vital part in the return to peacetime activities. There is every indication that banks and finance companies are expanding their interest in inventory financing and are relying on field warehousing as their major vehicle in this expansion program."

At the year's end the company's balance sheet showed current assets of \$1,111,000 against current and total liabilities of \$435,000, leaving a net working capital of \$676,000, after making provision for taxes aggregating \$205,000. The company's statement showed cash of \$215,000, with receivables totaling \$834,000, over 90 per cent of which are secured by warehouse liens on merchandise. Capital stock was shown as \$586,545, with surplus of \$269,431. Gross revenue was reported as \$7,325,000, on which the company earned \$93,000 after provision for taxes.



# Another forward step in *Ninety Years of Progress*

"Clear view counters" are the basis of the new quarters of the Savings Department of the United States National Bank in Omaha.

The counters, with clear glass partitions and fronts, are believed to be the first of their kind for bank use. Latest type air conditioning, fluorescent lighting and sound absorbent walls further add to the comfort and convenience of customers.

The new department is decorated in harmonizing tones of gray.

Each window is equipped with automatic coin machines. New model posting machines are being installed to further speed up service.

The Savings Department is located on the first floor of the bank building, the heart of the Omaha downtown business district.



Northwestern Banker, May, 1946





V. E. DOLPHER  
President  
David City

## Nebraska NEWS



CARL G. SWANSON  
Secretary  
Omaha

### Elected Trustee

Kenneth G. Harvey, president of the Douglas County Bank in Omaha, has recently been elected to the board of trustees of the Nebraska Children's Home Society.

Mr. Harvey suffered an accident last month while riding one of his horses at his home west of Omaha and was confined to Methodist Hospital with a severely broken left leg.

### Boelus Bank in A.B.A.

The Boelus State Bank of Boelus, Nebraska, was one of 21 banks which joined the American Bankers Association recently, according to R. L. Dominick, president of the Traders Gate City National Bank of Kansas City, and chairman of the organization committee of the A.B.A. Harry Erickson is president of the Boelus State Bank.

### Walter T. Waldron

Walter T. Waldron, 65, vice president of the Arlington State Bank of Arlington, Nebraska, died at his home last month following a heart attack.

Mr. Waldron was born July 9, 1880, in Cass county, near Plattsmouth. He was a graduate of the Fremont Normal and entered the banking business at the Citizens Bank at Waterloo. He was connected with several banks throughout the state before going to Omaha where he lived for a number of years. He went to Arlington State Bank as vice president 16 years ago.

Survivors are his widow; three children, Mrs. Joseph Eaton of Louisville, Kentucky; Mrs. Robert Finley of Omaha, and Kenneth of Arlington; two grandchildren; a sister, Mrs. Grace Parker of Lincoln, and a brother, H. B. Waldron of Omaha. A son, Wendell, was killed in an automobile accident six months ago.

### Now an "Admiral"

J. A. Novak, president and cashier of The Howells Bank of Howells, Nebraska, has been appointed Admiral in the Great Navy of the State of Nebraska, an honorary organization, by Governor Dwight Griswold. The com-

missions of appointment, signed by state officials, are given in recognition of special trust and patriotism.

### Donates Scholarship

The Stephens National Bank of Fremont, Nebraska, was donor of one of the 52 new \$150 scholarships subscribed for the summer camp for boys to be held at the University of Nebraska School of Agriculture at Curtis, Nebraska, this summer.

### Three More Employees

York State Bank of York, Nebraska, has added three new members to its clerical staff. Shirley Norton, a former assistant cashier, has returned to the bank after his discharge from the armed forces, to take charge of the farm management department. Hollis Gewecke, formerly connected with the bookkeeping department of Consumers Public Power District, has become a teller. Harold Meyer joined the bank to take over the insurance department.

### Assistant Cashier Home

Master Sergeant Donald H. Anderson, former assistant cashier of the City National Bank of Hastings, Nebraska, was to arrive home last month after service in Europe.

In service since 1942, Mr. Anderson has been overseas 17 months, serving with the 239th General Hospital in France, Germany, Italy and Switzerland.

### Resigns County Post

Bryan Watzke, who recently resigned as assistant county treasurer, has taken a position at the Richardson County Bank of Falls City, Nebraska, and assumed his new duties. With the exception of two years during which he served in the army, Mr. Watzke had been assistant county treasurer for the past seven years.

### Lyons Banker Injured

Matt D. Pond, president of the First National Bank of Lyons, Nebraska, suffered serious head and chest injuries when the car he was driving

collided with a transfer truck one-half mile out of Tekamah, Nebraska, last month. Mr. Pond was en route home from Omaha where he had been on a business trip. He was taken to St. Joseph Hospital in Omaha.

### Files for Board of Regents

Merl C. Townsend, vice president of the Fremont National Bank of Fremont, Nebraska, and former Dodge county agent for eight years, has filed for the third district's position on the University of Nebraska board of regents.

The district includes Antelope, Burt, Boone, Cedar, Colfax, Dakota, Dixon, Cuming, Dodge, Knox, Madison, Merrick, Nance, Pierce, Platte, Stanton, Thurston and Wayne counties.

### Charter Crofton Bank

The Crofton State Bank of Crofton, Nebraska, first bank to be chartered in the state in 1946, began business April 5th with \$25,000 capital paid in, and an authorized capitalization of \$50,000. Directors are: B. N. Saunders, president; M. A. Wakeley, vice president; August Mueller, True Gobel and C. M. Stenberg, cashier.

### Heads Columbus Chamber

Howard Burdick was revealed as the new president of the Columbus, Nebraska, Chamber of Commerce at the annual banquet of the organization held at the Columbus city auditorium last month.

Mr. Burdick is cashier at the Central National Bank in Columbus and a veteran of more than two years in the armed forces, having returned from overseas some weeks ago.

### Vice President Returns

C. F. Coffee, III, vice president on leave of absence from First National Bank of Chadron, Nebraska, has returned following three years in naval service. He has been separated from the service after hospitalization for pneumonia at Corona, California.

Mr. Coffee, a lieutenant (j.g.) was operations officer for a squadron flying remote controlled aircraft in experimental flights.

### Files for State Treasurer

W. T. Thompson, president of the First National Bank of Cozad, Nebraska, has completed filing for the Democratic nomination for state treasurer.

Mr. Thompson received his party's endorsement for the office at the pre-primary convention.

# Nebraska Bankers Learn About G. I. Loans

## How to Best Serve Veteran Tops All Other Subjects at Six Nebraska Group Meetings

By **HENRY H. HAYNES**  
Editor  
*The Northwestern Banker*

**U**NDER the capable direction of Carl Swanson, secretary of the Nebraska Bankers Association, group meetings in the Cornhusker state were held last month with the usual hospitality and goodfellowship that characterized such gatherings during prewar days. Beginning on April 22nd with meetings at both Fremont and Norfolk, other sessions were held at Hastings, Lexington, Alliance, closing at Lincoln on April 26th. The Nebraska Group Meeting Special Train was resumed this year, in which bankers and investment men visited the cities above. A list of those on the special train appears at the conclusion of this report.

V. E. Dolpher, president of the Nebraska Association, spoke at all the meetings. He outlined the aims and accomplishments of the association during the past few months, and suggested several new projects to be undertaken. President Dolpher urged all Nebraska banks to continue to sell the public on the purchase of savings bonds, and to urge their customers to keep the bonds they already have.

The sale of questionable securities is not permitted in Nebraska under the

provisions of its Blue Sky Law, and J. F. Peters, director of banking, urged bankers to be alert to such violations in their communities and report immediately to his department the operations of any individuals which appeared contrary to sound investment policy. This particularly applies to the attempt to get persons to sell their war savings bonds and invest in some little known enterprise.

Two hundred and ten banks in the Nebraska territory are now partners with the Reconstruction Finance Corporation in making loans, according to A. J. Eggers, district head of the corporation. Requirements for such loans are no different than any other kind, he said; they must be made on a sound basis and have reasonable assurance of liquidation.

William A. Fowler, representing the John Hancock Life Insurance Company, explained in detail the bank employe insurance plan as it is operative for Nebraska. Ninety-one Nebraska banks are now participating in the plan, 65 per cent of them on the non-contributory basis, which means that the bank pays all the premiums.

The subject that topped all others

at the Nebraska group meetings was the discussion on each program of the G. I. Bill of Rights with respect to loans, and no two men could have better led the discussion than did Sam C. Waugh, executive vice president of the First Trust Company of Lincoln, and Chester H. Grau, Nebraska loan guarantee officer of the Veterans Administration. Mr. Waugh opened the subject with a thorough and comprehensive presentation of the recently amended G. I. Bill, together with his suggestions on the several types of loans as such applied to banks. Then the subject was turned over to Mr. Grau, who was a veritable Information Please when it came to answering clearly and concisely the many questions proposed to him.

Here is what Mr. Waugh said in part:

"What about the picture right here on the home front in Nebraska? Frankly, we got off to a slow start, but since the first of the year the Veterans Administration loan division at Lincoln has been going like a house afire. Here are the impressive figures. For the term ending March 30th, a volume of loans of \$6,000,000, plus a volume of

### AT THE NEBRASKA GROUP MEETINGS

The pictures on the opposite page were taken by the NORTHWESTERN BANKER camera during the several Group Meetings held last month in various cities of Nebraska. Pictures of individuals are identified as reading from left to right.

1 and 2—These pictures were taken aboard the **Nebraska Bankers Special Group Train**, just as it was pulling into Alliance for the meeting of Group Six. The two groups are sitting in either end of the club-lounge car, and represent the majority of those making the train tour.

3—Here are three officers of the Nebraska Bankers Association, **Carl Swanson**, secretary; **Glen Gibson**, vice president, Gibbon, and **Vic Dolpher**, president, David City.

4—All those on the Group Train were guests of the **Lexington Chamber of Commerce** at breakfast the morning the Special arrived in that city. Here is a part of the crowd waiting for the dining room doors to open.

5—**Verne Bartling**, assistant vice president of the First National Bank, Chicago, and **C. H. Sudman**, vice president of the Guardian State Bank, Alliance.

6—**N. L. Sholin**, assistant cashier, U. S. National Bank, Omaha;

**Richard McMullen**, cashier, State Bank of Stella; **C. M. Asa**, cashier, Bank of Talmage, and **A. L. Vickery**, cashier, U. S. National Bank, Omaha.

7—**Charles Kuning**, vice president, American National Bank, Chicago, and **Alvin Johnson**, president, Live Stock National Bank, Omaha.

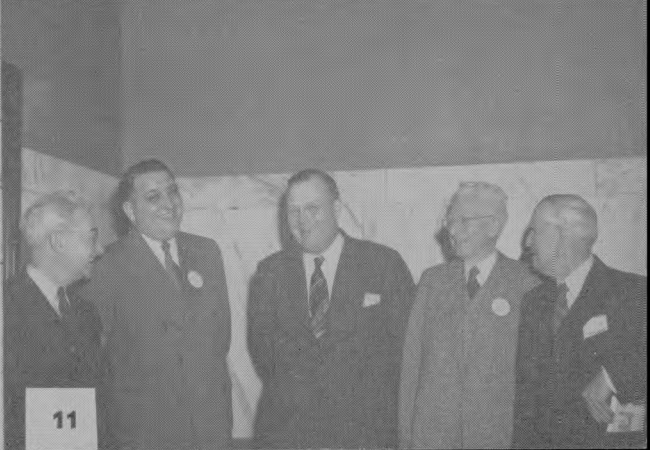
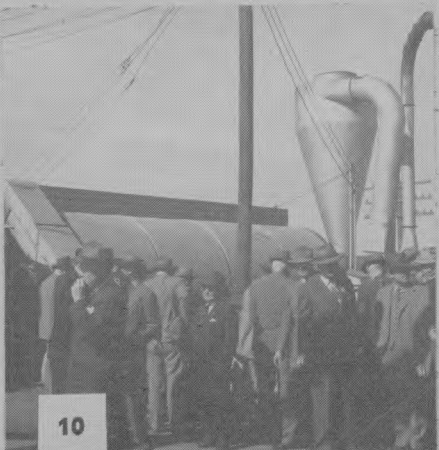
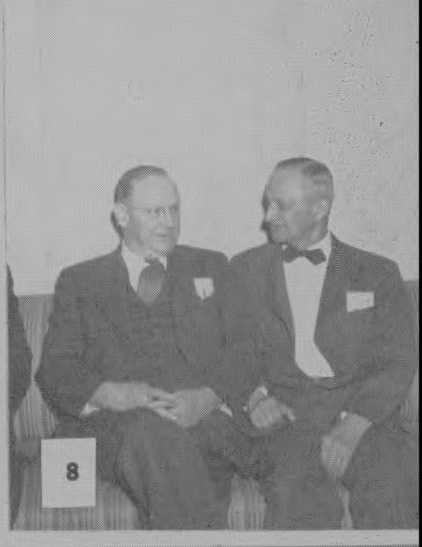
8—**H. A. Schneider**, president, Plattsburgh State Bank, and **Otto Kotouc, Sr.**, president, Home State Bank, Humboldt.

9—**E. M. Black**, cashier, First National Bank, Fullerton, and Group Two president, and **Charles Novak**, president, Bank of Brainerd, and vice president of Group Two.

10—Visiting bankers gathered around the hopper and drying cylinder of an alfalfa mill near Lexington. The green alfalfa is pulverized, dried and sacked in only five minutes.

11—**L. Boyd Rist**, vice president and cashier, Wymore National Bank; **H. H. Echtermeyer**, vice president, Live Stock National Bank, Omaha; **George R. Froelich**, executive vice president, First National Bank, Falls City; **George Woods**, president, First National Bank, Council Bluffs, Iowa, and **F. E. Slusser**, cashier, Bank of Clarks.





1,792 individuals loans with a total amount of \$6,602,496, with guaranties of \$3,233,308, has been approved. The average loan in Nebraska is \$3,685, and the average guaranty is \$1,805.

"In Nebraska our loans bear a lower average than nation-wide—\$4,350 national average and \$3,685 for Nebraska. Our percentage of guaranty of the loans is higher. For example, 48.9 per cent in Nebraska as compared with 42 plus per cent nation-wide.

"Of the total of 1,792 loans guaranteed in Nebraska up to March 30th, only 475 loans were in last year's business. In other words, 1,317, or 73.4 per cent of the total loans, have been made during the last three months.

"One week in March the Nebraska Veterans Administration loan division processed 182 loans, involving a total of \$750,000, with \$328,00 of guaranties.

Since March 28th up to April 19th there were 453 loans processed—350 homes, 53 businesses, and 50 farms.

"Now I should like to be just a little personal. When I returned from a meeting of the veterans committee in the late fall of 1944 and started to talk about the coming importance of G. I. loans, and more particularly the treatment the veteran should be accorded, I was a trifle discouraged, speaking mildly, with the attitude of some of the lenders with whom I talked. There was a noticeable lack of interest. I have had a banker tell me as recently as a month ago, 'I haven't had time to study the damn plan.' I bite my tongue to keep from asking in reply 'Where would we be today if the men who gave from one to five of the most important years of their lives had said, "Mr. Banker, I

haven't time to go out and fight for you and your damn business"?"

"At the same time I am very sympathetic toward the country banker, not quite so much sympathy for the city folks. The country banker worked during the war shorthanded with inexperienced help and was called upon to take part in War Loan drives, Red Cross campaigns, in addition to being beset with ration banking and what have you. Now that is largely passed and we do have an opportunity both in the city and country to pay in a small measure our debt by giving the best advice and counsel we are capable of giving to the men who have returned.

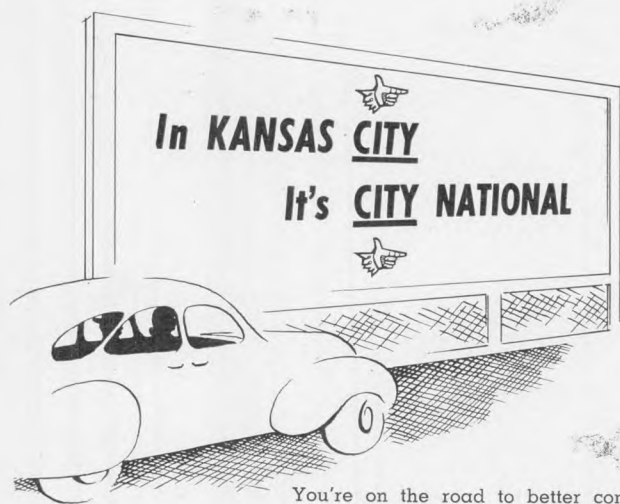
"When a veteran comes in to talk to me I like to feel this man and those like him saved our country, saved our business, if you please. We can imagine the lending of money is not a very pleasant business today in Berlin or Tokyo. This very veteran had the time to work for me and my family and for the business I represent. Surely I can take the time to talk to him and to see if I can be helpful in a measure in re-establishing him in civilian life.

"I hope I have not been too personal or too realistic in my approach. I feel sincerely if we deal fairly and patiently with these men, and I know they are not all good risks, who represent a cross-section, an entire generation, a most important segment in our future social and economic life, the future of our banking and lending business will be safe, but if we fail the future of private banking, to me, does not look too bright."

Among the full-time passengers on the Nebraska Bankers Group Meeting Special Train were the following:

**Fred S. Aldrich**, vice president, Continental National Bank, Lincoln; **A. A. Held**, vice president, National Bank of Commerce, Lincoln; **S. C. Waugh**, vice president, First Trust Company, Lin-

(Turn to page 64, please)



You're on the road to better connections when you pick City National as your Kansas City correspondent bank. Fast, 24-hour transit service, of course—and our alert officers, with their many contacts, can open doors for you in this area.

**CITY NATIONAL** *Kansas City's Favorite Bank*

18th & GRAND  
KANSAS CITY, MO.



**BANK & TRUST COMPANY**

Member Fed. Dep. Ins. Corp. Resources Over \$125,000,000.00

# First National Bank of Omaha

*Oldest National Bank From Omaha West*

Member Federal Deposit Insurance Corporation

Northwestern Banker, May, 1946





**ELLSWORTH MOSER**, executive vice president of the United States National Bank of Omaha, has been named chairman of the Advisory Committee of the Mayor's Citywide Improvement Committee of Omaha.

One of his first activities following the appointment was to outline the program before the Omaha Real Estate Board at a luncheon. The Advisory Committee will co-ordinate all activities in the campaign to further recommendations of the citywide committee.

Members of Mr. Moser's advisory committee include **Linn P. Campbell**, president of the Byron Reed Company; **Ray R. Ridge**, vice president of the Omaha National Bank; and **Russell J. Hopley**, president of the Northwestern Bell Telephone Company.

Two Omaha bankers were elected regents of Creighton University in Omaha recently.

They are **W. B. Millard, Jr.**, vice president of the Omaha National Bank, and **J. F. McDermott**, vice president of the First National Bank of Omaha.

Others elected regents include **Frank P. Fogarty**, vice president of Paxton & Gallagher and former general manager of the Omaha Chamber of Commerce, and **Ambrose J. Seitz**, vice president of the Union Pacific Railroad.

The four fill places on the board vacated by **William Jeffers**, who retired recently as Union Pacific president; **William Coad** and **D. B. Woodyard**; and by the vacancy caused by the death of **William Dising**.

For the second time since it was founded in 1927, the **Federal Land Bank** of Omaha is paying its own way without using a single cent of Federal money.

"The soundest, most solid, most prosperous condition ever" is the way **President E. N. Van Horne** described the institution's current condition.

At one time, during the depression, the Bank was in debt to Uncle Sam to the tune of \$40,000,000, mainly through funds advanced to carry farmers

through the hard times without losing their land.

But Midwest agriculture came back with a bang. After several years of high production and good prices, the Bank paid back the last of the Government funds in 1945 and is now adding to its reserves.

**John F. Davis**, a vice president of the First National Bank of Omaha, is out of the Navy after two years of service. He has returned to his desk at the bank. A lieutenant in the Naval Reserve, his last post was with the Twelfth Naval District at San Francisco. He is the son of **T. L. Davis**, president of the First National Bank of Omaha.

The first to arrive home, of a six-some who stayed at the Shoremede Hotel in Miami Beach, Florida, during a winter vacation, were **Mr. and Mrs. Lawrence Brinker** of Omaha. They were gone five weeks. Mr. Brinker is head of the Omaha investment banking firm bearing his name.

**Gordon D. Taft**, former Omaha investment banker, has been given the War Department's highest civilian award, the Gold Emblem for Exceptional Civilian Service.

Assistant Secretary of War Howard Petersen presented the emblem to Mr. Taft. For three years Mr. Taft has been chairman of the War Department Central Deferment Board.

**Mr. and Mrs. David Davis** recently had a visit from their son, Hospital Apprentice 1c David Davis, Jr., who is stationed at the Naval Hospital, Great Lakes, Illinois. David Davis, Sr., is a vice president of the Omaha National Bank.

**O. H. Elliott**, a vice president of the First National Bank of Omaha, was elected president of the Missouri Valley Chapter of the Robert Morris Associates at a recent meeting in Kansas City. Five hundred banks are represented in the group.

Other cities besides Omaha in the Chapter are Sioux City, Des Moines, Kansas City, Wichita, Tulsa, Oklahoma City, and St. Joseph.

**Matt D. Pond**, president of the First National Bank of Lyons, Nebraska, was in St. Joseph's Hospital at Omaha, following severe injuries suffered in an auto accident south of Takamah, Nebraska. He was returning home from Omaha when his car crashed into a parked truck.

**E. J. Connors** of the Union Pacific Railroad was recently added to the 12-man Ak-Sar-Ben Council at Omaha as aide to Ak-Sar-Ben Governor **W. B. Millard, Jr.** Mr. Millard is vice president of the Omaha National Bank. Mr. Connors also served as councillor to **William M. Jeffers**, former Union Pacific president, when Mr. Jeffers was a member of the Ak Board of Governors.

Reports from **Omaha banks** have coincided with a story from Washington that people are cashing War Bonds at a greatly accelerated rate.

Those in charge of bond redemptions at the banks said that people aren't asked why they are cashing bonds, but they usually volunteer the information. They need the money mostly to pay hospital and doctor bills, funeral expenses, for shelter and to tide them over until they get new jobs, according to the reports from bankers.

Those who cash the larger denominations of bonds usually do so because they want to buy homes and to pay as much as possible in cash, the reports showed.

**Miss Lorraine Landeryou**, a Delta Gamma at the University of Nebraska, has returned to Lincoln after her spring vacation in Palm Springs, California, with her parents, Mr. and Mrs. **Harold Landeryou**. Mr. Landeryou is recovering from a recent illness. Mr. and Mrs. Landeryou had been at a hotel in Palm Springs since the first of the year and returned to Omaha May 1st.

**J. R. Cain**, a vice president of the Omaha National Bank, who was born and reared in Falls City, Nebraska, was one of the Omahans given a special welcome at Falls City recently when the Omaha Chamber of Commerce Tribe of Yessir made a good will trip there. With Mayor George Lyon of Falls City, also a banker, Mr. Cain had a spirited ride in an old buggy.

**D. L. Diamond**, former Omahan, has been decorated with the Legion of

Merit at San Francisco, where he is assistant vice president of the Anglo-California National Bank.

The citation is in recognition of his services as lieutenant-colonel in the Overseas Branch, Supply Division, at the Los Angeles Port of Embarkation.

He was stationed there from February, 1943 to October, 1945.

Colonel and Mrs. Diamond live at Atherton, California.

People with \$2,500 already on deposit in the Postal Savings Depart-

ment look puzzled and disappointed when they are told at the Omaha Post-office: "We can't take your money."

Then it is explained to them that the limit on Postal Savings deposits is \$2,500.

According to William L. Eckhardt, assistant postmaster at Omaha, there has been a considerable increase in Postal Savings investors, because they can get 2 per cent interest instead of 1 per cent or none at all at most commercial banks. # #

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LINCOLN, NEBRASKA

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**GLENN YAUSSI**  
Vice Pres. and Asst. Trust Officer

**MARSHALL HEWITT**  
Asst. Vice President  
**PAUL SOGOTT**  
Cashier  
**WILLIAM STRATEMAN**  
Asst. Vice President  
**R. E. MILLER**  
Asst. Cashier  
**TED THOMPSON**  
Asst. Cashier

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36 - 1

## The First National Bank

St. Joseph, Missouri

Member Federal Deposit Insurance Corporation

### NEBRASKA BANKERS

(Continued from page 62)

coln; **J. F. Peters**, director of banking, Lincoln; **Carl Ganz**, vice president, National Bank of Commerce, Lincoln; **E. U. Guenzel**, vice president, First National Bank, Lincoln; **Edward Gillette**, state treasurer, Lincoln; **Chester H. Grau**, loan guarantee officer, Lincoln; **Lyle Stoneman**, assistant cashier, First National Bank, Lincoln; **John Lauritzen**, assistant cashier, First National Bank, Omaha; **J. A. Changstrom**, vice president, Omaha National Bank; **A. L. Vickery**, vice president, U. S. National Bank, Omaha; **John McCumber**, vice president and cashier, Stock Yards National Bank, Omaha; **Wade R. Martin**, vice president, Live Stock National Bank, Omaha; **H. H. Echtermeyer**, vice president, Live Stock National Bank, Omaha; **Alfred Eggers**, assistant manager, RFC, Omaha; **John M. Douglas**, investments, Omaha; **Fred Liles**, National Surety Company, Omaha; **L. M. McCague**, The National Company of Omaha; **Homer Peterson**, U. S. Check Book Company, Omaha; **John K. Friedebach**, cashier, Omaha Branch, Federal Reserve Bank of Kansas City; **Charles A. Masilko**, assistant cashier, Stock Yards National Bank, Omaha; **John F. Davis**, vice president, First National Bank, Omaha; **Howard Miller**, U. S. Check Book Company, Omaha; **Ray E. Stanley**, cashier, Packers National Bank of Omaha; **N. L. Sholin**, assistant cashier, U. S. National Bank, Omaha; **James H. Moore**, vice president, Omaha National Bank; **L. Dale Matthews**, c/o Kirkpatrick-Pettis Company, Omaha; **E. F. Jepsen**, assistant cashier, First National Bank, Omaha; **Dale R. Ainsworth**, vice president, City National Bank and Trust Company, Kansas City; **G. A. Gregory**, assistant vice president, Federal Reserve Bank of Kansas City; **Arden Bruch**, vice president, Stock Yards National Bank,

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



Kansas City; **Jack Nielsen**, City National Bank and Trust Company, Kansas City; **Karl Sagl**, assistant vice president, Commerce Trust Company, Kansas City; **Chas. C. Kuning**, vice president, American National Bank and Trust Company, Chicago; **W. E. Resseguie**, vice president, Continental Illinois National Bank and Trust Company, Chicago; **W. R. Mesenbrink**, assistant cashier, Continental National Bank and Trust Company, Chicago; **Verne L. Bartling**, assistant vice president, First National Bank, Chicago; **Henry H. Haynes**, editor, NORTHWESTERN BANKER, Des Moines; **T. C. Cannon**, St. Paul Terminal Warehouse Company, Des Moines; **Geo. W. Woods**, president, First National Bank, Council Bluffs, Iowa; **R. W. Yerg**, Chase National Bank, New York City; **Wm. N. Mitten**, president, Stephens National Bank, Fremont; **Howard W. Pierce**, president, First National Bank, Shelby; **Edgar McBride**, president, Commercial Bank, Blue Hill; **Glen T. Gibson**, vice president, Nebraska Bankers Association, Gibbon; **V. E. Dolpher**, president, Nebraska Bankers Association, David City, and **Carl G. Swanson**, secretary, Nebraska Bankers Association, Omaha. # #

### U. S. National Remodels

Banking efficiency and customer convenience were the two guiding principles followed by architects and builders while remodeling the savings department of the United States National Bank in Omaha.

The new quarters were recently opened after remodeling. Something believed to be entirely new in the banking rooms are the "clear view counters" which have caused favorable comment among customers. These counters of clear glass partitions and parts were designed by personnel of the bank and have been installed at each of the nine savings department windows.

All shadows are eliminated by the latest type of fluorescent light, and sound-absorbent walls cut down noise and increase customer and employe comfort. The statement department for delivery of monthly statements to commercial customers shares quarters with the savings department.

### BANKS Bought and Sold

Confidentially and with becoming dignity  
BANK EMPLOYEES PLACED.

40 Years Satisfactory Service

**THE CHARLES E. WALTERS CO.**  
OMAHA, NEBRASKA



## Lincoln LOCALS

STATE banks may legally invest in federal land bank bonds, for a sum in excess of 20 per cent of the paid-up capital and surplus of the bank, Assistant Attorney General Edwin Vail has ruled.

The seven-page opinion, requested by the state banking department, said "while the bonds of federal land banks may possibly not be regarded as commitments or agreements to take over or to purchase the same, still all federal land banks are liable for the payment of each bond, and the same provision applies also to consolidated bonds issued by all of the federal land banks."

Lincoln bank clearings for March totaling \$23,218,186, rose \$3,909,562 over the figures for the same month a year ago, Clearing House officials reported.

Total for the first quarter this year showed a gain of \$10,247,197 over the corresponding period in 1945 when the clearings aggregated \$53,752,691.

The March, 1946, clearings exceeded the February figure by \$3,795,752.

Approximately 45 persons attending a dinner meeting given by the First National, Continental National and the National Bank of Commerce for all Lincoln members and building and loan association members at the Lincoln Hotel heard an address by Sam Waugh, chairman of the service to veterans committee of the Nebraska Bankers Association.

"The purpose of the service to veterans committee of Nebraska Bankers Association is to bring to every banker and supervised lender in the state the story of the G. I. Bill of Rights and its recent amendments," Mr. Waugh stated. "Over six million dollars in G. I. loans have already been guaranteed by the veterans administration in Nebraska, and the majority of these loans have been approved since the first of January, 1946," he explained.

Mr. Waugh and Chester Grau, chief of the loan guarantee division of the veterans administration, held a discussion on the new amendments. Carl G. Swanson of Omaha, secretary of the Nebraska Bankers Association, and J. F. Peters, superintendent of banking, state of Nebraska, attended the meeting. The purpose of the meeting was to study the service men's readjustment act of 1944.

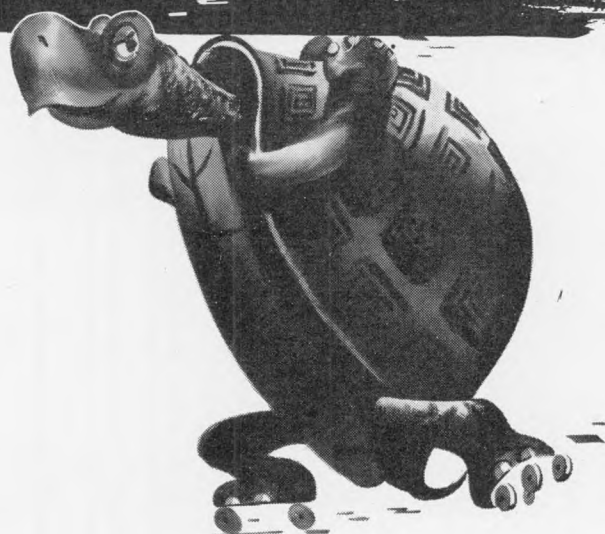


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**"FASTER SERVICE"**



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In most cases, a day's service is gained.

That's why more and more correspondents are turning to Live Stock's continuous 24-Hour Transit Service. It's the answer to faster service—better service—on all collection items.

Try 24-Hour Transit Service the next time you want A-C-T-I-O-N on rush business.

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**OMAHA, NEBRASKA**

Member F. D. I. C.

**T H E   B A N K   O F   F R I E N D L Y   S E R V I C E**







**F. L. SAWYERS**  
President  
Centerville

## Iowa NEWS



**FRANK WARNER**  
Secretary  
Des Moines

### Leaves New Hampton

A. C. Thiel, cashier of The Security State Bank of New Hampton, Iowa, has resigned his position and has gone to Warsaw, Illinois, to take a position as cashier with the Hill-Dodge Banking Company.

### Director at Grand Mound

Fred Bousselot has been elected a director of the Union Savings Bank of Grand Mound, Iowa. He fills the vacancy caused by the recent death of Marcus Kallenbach, a director since the bank opened in June, 1926.

### Retires After 47 Years

After 47 years in the banking business, Fred Durbin has retired as president of the Malvern Trust & Savings Bank of Malvern, Iowa, because of ill health.

He has sold his interest in the bank to Eugene W. Burdic of Plattsmouth, Nebraska, who becomes the new president. Mr. Burdic has been actively associated with the country banking business in Nebraska for the past sixteen years and is well known in Nebraska banking circles. He was just recently retired to inactive duty from service in World War II, having held the commission of lieutenant in the United States Navy, and served as a gunnery officer in the Atlantic theater of operations.

### Iowa Bank Superintendent

N. P. Black has been appointed Iowa State Superintendent of Banking by Governor Robert D. Blue.

He will fill the vacancy created by

the recent death of Melvin W. Ellis of Charles City. The appointment is effective immediately.

Mr. Black is president of the Dallas



**N. P. BLACK**  
Iowa State Superintendent of Banking

County Savings Bank at Minburn and cashier of the Perry State Bank at Perry, both of which he organized and controls. His home is in Perry.

Mr. Black organized the Minburn bank in 1914 and the Perry bank in 1927. He was vice president and treasurer of the Iowa Bankers Association last year.

The superintendent's salary, which is set by the state banking board, has been \$6,600 a year.

### Agricultural Meeting

The Iowa Bankers Association agricultural committee and 99 county agricultural planning committeemen met at Iowa State College in Ames last month. Warren Garst, cashier of the Home State Bank of Jefferson, Iowa, and chairman of the Iowa Association's agricultural committee and a member of the American Bankers Association agricultural committee, was in charge of the one day conference.

Panel discussions dealt with the subjects, "Outside Bank Farm Programs—Is There Need for Uniformity?," "Farm Accounting — New Farm Record Books," "Soil Conservation in Iowa," "Agricultural Credit School for Bankers," "Five One-Day Agricultural Regional Meetings for Bankers," and "Youth Work Among Young Iowa Farm People."

### Security National Moving

As this issue goes to press, the Security National Bank of Sioux City is moving into its new banking home and, according to President C. R. Gossett, the formal opening of their new quarters will take place about the third week in May.

Banks throughout the middle west which are interested in the formal opening will be advised as to the date of the big event, and Security National officers are looking forward to seeing many of their friends in the new bank building.

### Assistant Cashier Resigns

H. L. Roberts, who has held the position of assistant cashier of the Randall State Bank of Randall, Iowa, since last fall, has resigned and accepted a similar position with the Manning Trust and Savings Bank at Manning, Iowa.

Stanton H. Jacobson, recently discharged from the armed forces, having served about three and a half years in the South Pacific, has been elected assistant cashier to fill this vacancy. Mr. Jacobson was employed at the county auditor's office prior to accepting the assistant cashiership at the Randall State Bank.

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*Northwestern Banker, May, 1946*

### Joins A.B.A.

The Lee County Savings Bank of Fort Madison, Iowa, has become a member of the American Bankers Association, according to an announcement from A.B.A. headquarters. Altogether twenty-one banks in nine states joined the association in March.

### Completes Alterations

R. A. Sweet, cashier of the Story County State Bank of Story City, Iowa, announces completion of remodeling and alteration of the bank's quarters. New fixtures and a complete new front have been installed.

## Group Five in Council Bluffs

### PROGRAM

- 10:00 a. m. Registration and Visiting —Hotel Chieftain Lobby.  
 12:30 p. m. Luncheon — Hotel Chieftain.  
 1:30 p. m. Call to Order—Don C. Dougan, chairman, Group 5; president, Iowa State Bank, Hamburg.  
 1:35 p. m. Welcoming Remarks — George W. Woods, on behalf Council Bluffs Banks.  
 1:40 p. m. Response — H. E. Ross, president, City National Bank, Shendoah.

- 1:50 p. m. Naming Committees—Resolutions and Nominations.  
 1:55 p. m. Observations—Don C. Dougan, chairman.  
 2:10 p. m. Remarks—F. L. Sawyers, president, Iowa Bankers Association; president, Centerville National Bank.  
 2:20 p. m. Address—"G. I. Loan Law," —Walter T. Robinson, Loan Guarantee Officer, Veterans Administration, Des Moines, Iowa.  
 2:40 p. m. Discussion from the floor.  
 3:00 p. m. Address—Ernest R. Rosse, Philadelphia, Pennsylvania.  
 3:40 p. m. Remarks — N. P. Black, State Superintendent of Banks; cashier, Perry State Bank, Perry, Iowa.  
 3:50 p. m. Explanation Iowa Bankers Association Insurance Plan—E. L. Jenkins, Des Moines, Iowa.  
 4:00 p. m. Report of Committees — Resolutions and Nominations.  
 4:15 p. m. Comments—Frank Warner, secretary, Iowa Bankers Association, Des Moines.  
 4:30 p. m. Adjournment.

## THE SIOUX CITY AREA

Sioux City is the heart of a great farm and livestock market. Serving this market which extends into Iowa, Nebraska, South Dakota and Minnesota, is the First National Bank in Sioux City.

Our broad knowledge of farming and livestock, makes this bank your logical Sioux City correspondent. Let us serve you here, where you will find the best of Collection service at all times.

A. G. Sam, President

J. P. Hainer, Vice President

Fritz Fritzon, Vice Pres. and Cashier

J. T. Grant, Assistant Cashier

J. R. Graning, Assistant Cashier

E. A. Johnson, Assistant Cashier

R. E. Gleeson, Assistant Cashier

Harold H. Strifert, Assistant Cashier

W. F. Cook, Auditor



# FIRST

## NATIONAL BANK

★ ★ ★ ★ *In Sioux City* ★ ★ ★

### W. J. McGrath

Dr. W. J. McGrath, 74, president of the Central State Bank and Trust Company of Elkader, Iowa, died last month. Dr. McGrath was past president of the Clayton County Medical Association and held various positions in medical groups. He also served as physical examiner for the Clayton County Draft Board in both World Wars.

### County Meetings

At least seven county and inter-county bankers meetings were held during the past month. The most recent meetings reported to state association headquarters include meetings of Pocahontas; and Webster county bankers at Pocahontas; Marshall County Bankers Association at Marshalltown; Allamakee, Clayton, Fayette and Winnesiek County Bankers Associations at Postville; South Central Iowa Inter-County Bankers Association at Albia; Louisa-Washington County bankers at Ainsworth; Adair-Guthrie county bankers at Adair, and Webster county bankers' regular meeting at Gowrie, in connection with Gowrie Kiwanis Club.

### New Cashier at Tingley

Forrest P. Galbraith of Des Moines began his duties in the Tingley State Savings Bank of Tingley, Iowa, as cashier recently. He is taking the position vacated by D. L. McClure who resigned because of poor health.



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Finest of Service  
on Your Des Moines  
Transactions.



## VALLEY BANK AND TRUST COMPANY

AT FOURTH AND WALNUT, DES MOINES

Frederick M. Morrison, President  
Winfield W. Scott, Senior Vice President  
J. R. Astley, Vice President  
Edward P. Kautzky, Vice President  
Roy E. Huber, Vice President  
F. M. Thompson, Cashier  
Ray L. Thompson, Asst. Vice President  
Carl W. Altman, Asst. Cashier  
George W. Gill, Asst. Cashier

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## Program for Group 6 Meeting

May 8th, Marshalltown, Hotel Tallcorn

### PROGRAM

9:00 a. m. Registration—Hotel Tallcorn (registration fee \$2.00).  
 10:00 a. m. Meeting Called to Order—Hugh McCleery, chairman, group 6; cashier, Peoples Savings Bank, Laurel.  
 Invocation—Rev. George M. Thomas, pastor, First Congregational Church, Marshalltown.  
 Address of Welcome—Bertel Leth, president, Marshall County Bank-

ers Association; cashier, Producers Savings Bank, Green Mountain.

Response to Address of Welcome—Clay Stafford, president, Ames Trust & Savings Bank, Ames.

Appointment of Committees — (a) Resolutions; (b) Nominating.

Talk—F. L. Sawyers, president, Iowa Bankers Association; president, Centerville National Bank, Centerville.

Talk — Frank Warner, secretary, Iowa Bankers Association.

12:15 p. m. Luncheon—St. Mary's Auditorium, 200 South First Street.

1:00 p. m. Address — Ernest Robert Rosse, Philadelphia, Pennsylvania.

2:00 p. m. Talk—N. P. Black, State Superintendent of Banking.

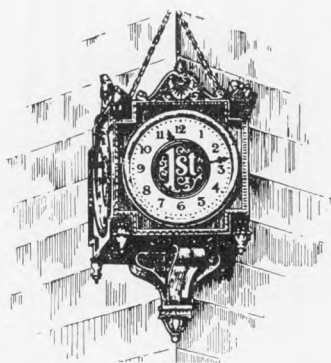
Address—Phil Hanna, financial editor, Chicago *Daily News*.

Address—Walter B. Garver, agricultural economist, Federal Reserve Bank of Chicago.

Talk—Walter T. Robinson, Loan Guarantee Officer, Veterans Administration, Des Moines.

4:15 p. m. Committee Reports — (a) Resolutions; (b) Nominating.

4:30 p. m. Adjournment.



## "First" for Banks

FOR more than 80 years promptness, efficiency, and friendly contacts have characterized The First National Bank of Chicago relationship with correspondent Banks.

These qualities have been developed by an intimate knowledge and appreciation of the problems and the needs of out-of-town banks. How successfully The First of Chicago has met the requirements of correspondent banks is attested to by the ever increasing number of banks that take advantage of the complete facilities available to them at The First.

Your bank is cordially invited to make this bank your Chicago correspondent.

## The First National Bank of Chicago

Growing with Chicago and the Nation Since 1863

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

### Celebrates 60th Year

The First National Bank of Paullina, Iowa, celebrated its 60th anniversary on April 1st, with the largest total assets since it was organized in 1886, amounting to \$3,087,133.

The president, Albert H. Meyer, has been with the bank for over 40 years. His untiring efforts and good banking sense have played no small part in the consistent growth and well being of the bank. Mr. Meyer started working in the bank in December, 1905.

When the charter was first issued the bank was known as the Farmers State Bank. It was originally organized by Stephen Harris, Ralph Dodge, L. N. B. LaRue, George Hakeman and William W. Johnson. In 1901 the late James F. Toy of Sioux City purchased the controlling stock in the bank, and in 1916 it was changed from a state bank to a national bank. Later in 1935 local stockholders purchased the Toy interests and it became a home owned institution.

The officers and directors of the bank are: A. H. Meyer, president; A. C. Fintel, vice president; C. G. Kislingbury, cashier; A. C. Horstman, assistant cashier; John Ginger, William Hellmann, H. J. Hibbing and O. J. Strampe, directors.

### New Cashier at Wellman

W. L. Phillips, formerly of Baxter, Iowa, has begun work as cashier at the Wellman Savings Bank of Wellman, Iowa, it was announced by S. P. Sandy, vice president.

Mr. Phillips' home originally was in Conrad. He has been in the banking business for eight years.

### Branch Office

A branch office of the Peoples Savings Bank of Waterloo, Iowa, will be established in Dunkerton, Iowa, some time in May, it was announced by George E. Allbee, bank president, following approval by the Iowa Banking



Department and the Federal Deposit Insurance Corporation.

The office will be located in two rooms on the first floor in the rear of the postoffice building, Mr. Allbee stated, and hours will be established in agreement with local merchants and farmers.

### Sponsors Soil-Saving

Prizes amounting to \$140 are listed in a county-wide soil conservation contest sponsored this year by the Iowa State Bank and Trust Company of Iowa City, in cooperation with the Johnson County Farm Bureau. Individual prizes from first to fifth are \$50, \$35, \$25, \$20 and \$10.

Cash awards are offered for the six best major practices of sound land use and soil conservation carried out on any farm in the county between September 1, 1945, and September 1, 1946.

### Sioux County Election

The annual meeting of Sioux County Bankers Association was held at the Town Hall in Alton, Iowa, following a dinner served by the ladies of the Presbyterian Church.

New officers elected for the coming year are: President, S. G. Vanden Brink, vice president and cashier of the Farmers Savings Bank of Boyden, Iowa; vice president, C. A. Slife, cashier of the Farmers State Bank of Hawarden, Iowa, and secretary, Earl Slife, assistant cashier of the Farmers State Bank of Hawarden.

### Edgar R. Cochrane

Edgar R. Cochrane, vice president and cashier of the Security State Bank of Keokuk, Iowa, died very suddenly at his home last month.

Mr. Cochrane had been a resident of Keokuk since 1897 when he came from Indiana to work with his brother-in-law, the late W. C. Maxwell, for the Burlington Route. He remained in the railroad business until 1905 when he transferred to the Keokuk National Bank, with which he has been associated since.

In 1924 he was elected vice president, a position he retained when the National and Security State Banks merged and which he held at the time of his death.

## Program for Group 7 Meeting

May 9th, Cedar Rapids, Hotel Montrose

### PROGRAM

10:00 a. m. Registration and Visiting, Montrose Hotel. (Registration fee \$2 for bankers, associates and ladies; \$3 for non-bankers.)

1:00 p. m. Meeting Called to Order and Remarks—Presiding, E. G. Engelbrecht, chairman, Group 7; cashier, Waverly Savings Bank, Waverly, Iowa.

Invocation—Dr. Marvin B. Kober, pastor, St. Paul's M. E. Church, Cedar Rapids, Iowa.

Address of Welcome—S. E. Coquette, chairman of the board, Merchants National Bank, Cedar Rapids, Iowa.

Response—W. W. Blasier, president, Farmers State Bank, Jesup, Iowa. Appointment of Committees — (a) Resolutions.

Address—"Report of Our Association," F. L. Sawyers, president, Iowa Bankers Association; president, Centerville National Bank, Centerville, Iowa; president, Sawyers Savings Bank, Seymour, Iowa.

## SIoux CITY NEWS

**SECURITY NATIONAL  
BANK IS MOVING TO  
NEW HOME, MAY 6**

**New Quarters Will Rate  
Among Finest In  
Middle West**

**Date of Formal Opening  
Will Be Announced Later**



Our new home at Sixth and Pierce Streets will be as modern as tomorrow. It will mean more room for us and better service for you.

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Address—"My New Job," N. P. Black, Iowa Superintendent of Banking.

Address—"G. I. Information to Date," Walter T. Robinson, loan guarantee officer, Veterans Administration, Des Moines, Iowa.

Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.

Report of Committees—(a) Resolutions.

4:30 p. m. Adjournment.

4:30 p. m. Conference of officers of county bankers associations with Group Chairman E. G. Engelbrecht, President F. L. Sawyers and Secretary Frank Warner.

5:00 to 6:00 p. m. Social hour — The Stables, Mezzanine Floor.

6:30 p. m. Banquet — Crystal Ballroom, Montrose Hotel, E. G. Engel-

brecht presiding; chairman Group 7. 7:30 p. m. Masonic Choir, under direction of Wm. Rinderknecht, vice president, Peoples Savings Bank, Cedar Rapids, Iowa.

8:00 p. m. Address—"What's Wrong With America?," Ernest Robert Rosse, humorist and philosopher, Philadelphia.

### Bernard A. Bohlke

Bernard A. Bohlke, 68, president of the Farmers Savings Bank of Remsen, Iowa, and vice president of the Pocahontas State Bank of Pocahontas, Iowa, died at his home recently.

Mr. Bohlke was born February 21, 1878, at Oledenburg, Germany. He came to Remsen at the age of 7 with his parents and had resided there since.

He had been associated with the

Farmers Savings Bank since its founding.

Survivors include the widow; two daughters, Mrs. O. J. Raveling of Remsen and Mrs. LeRoy Jones of Sioux City; a son, Arnold of Remsen, and a grandchild.

### Old "Business Calculator"

A few days ago a farmer called at the Hardin County Savings Bank of Eldora, Iowa, to have its president figure the number of bushels of corn in a circular crib, and the amount of oats in two bins.

The president, James Nuckolls, took from his desk an old "Business Calculator" issued with the bank's compliments in 1901, and noticed the ad on the back cover boasting of deposits of \$450,000, and a list of officers and directors. The present daily statement of the bank shows deposits of over \$5,000,000 and all the 1901 officers and directors are now dead except P. S. Davis, retired, and Mr. Nuckolls, then assistant cashier, now president.

### Earle D. Bellamy

Earle D. Bellamy, 60, of Knoxville, Iowa, a banker and utilities executive, died at a Des Moines hospital recently.

He was a director and one of the organizers in 1933 of the Community National Bank & Trust Company, Knoxville.

Mr. Bellamy and his brother, Herbert, in 1919 established the Knoxville Electric Company, which later was renamed the Marion County Electric Company. Since 1936 he had been a director of the Iowa Power & Light Company.

Since 1926 he had been manager and secretary-treasurer of the Bellamy Telephone Company, Knoxville. He was a director and was president three times of the Iowa Independent Telephone Association.

Surviving are his wife, two sons, Earl and James, and a daughter, Mary.

### Appointed Director

Judge Richard F. Mitchell has been appointed a director of the Fort Dodge National Bank of Fort Dodge, Iowa, it was announced by officials of the bank. He fills the vacancy on the board created by the recent death of R. P. Doud. Appointment is made by the board. Other members of the board are: M. F. Jeffries, J. B. Marsh, Frank C. Moeller, L. L. Pfaff, F. M. Rankin and E. H. Zuerrer.

### High Tide

Did you hear about the little moron who flooded his kitchen to see the kitchen sink?



*Henry Kiel Auditorium, facing Memorial Plaza in the heart of the downtown section of St. Louis, represents an investment of nearly \$7,000,000 and is outstanding among convention halls in the country.*

**The personnel, facilities, resources and experience to meet your correspondent requirements in the St. Louis area. You are cordially invited to use our services.**

**FIRST NATIONAL BANK**  
IN ST. LOUIS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



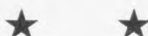
# COUNCIL BLUFFS

**Tuesday, May 7**

## GROUP FIVE

Bankers of Council Bluffs and Pottawattamie County are delighted to act as hosts to the 1946 Annual Group Meeting of GROUP 5. We have arranged a fine program and we cordially invite your attendance.

*May we count on your presence  
here Tuesday, May 7th?*



**City National Bank**  
**State Savings Bank**  
**First National Bank**  
**Council Bluffs Savings Bank**

**GROUP 5**

**MAY 7th**

## Program for Group 10 Meeting

May 10th, Ottumwa, Hotel Ottumwa  
**PROGRAM**  
 10:00 a. m. Registration at Hotel Ottumwa.  
 12:15 p. m. Luncheon at Hotel Ottumwa.  
 1:30 p. m. Meeting Called to Order—Julien Frost, chairman, Group 10, I.B.A.; vice president, Decatur County State Bank, Leon.  
 Invocation—Dr. Theodore H. Leonard, D.D., pastor, First Methodist Church, Ottumwa.

Address of Welcome — Merrill Gilmore, attorney, Ottumwa.  
 Response—S. H. Watkins, president, Iowa State Bank, Stockport.  
 Appointment of Committees by Chairman — (a) Resolutions; (b) Nominating.  
 Talk—"Two and Two Make Four," F. L. Sawyers, president, Iowa Bankers Association; president, Centerville National Bank, Centerville.  
 Talk—N. P. Black, State Superinten-

dent of Banking, Des Moines.  
 Address—"What and What Not," Ernest Robert Rosse, humorist and philosopher, Philadelphia.  
 Talk—"Livestock Industry of Southeast Iowa," R. G. Plager, manager, Agricultural Service Department, John Morrell Company.  
 Talk—"G. I. Lending in Iowa—Iowa Banks," Walter T. Robinson, Iowa Loan Guarantee Officer, Veterans Administration, Des Moines.  
 Talk—"Over-all Insurance Program for Officers and Staffs of Iowa Banks," E. L. Jenkins, supervisor in charge, Iowa Bankers Insurance Program for Iowa Bank People, sponsored by the Iowa Bankers Association, Des Moines.  
 Remarks—Frank Warner, secretary, Iowa Bankers Association, Des Moines.  
 Report of Committees.  
 Adjournment.

*Experienced Banking Service in*

# CANADA

To banks and business firms with interests in Canada we offer the facilities of The Royal Bank of Canada, with more than 500 branches from coast to coast. Your inquiries are invited.

Over 600 branches throughout Canada and Newfoundland

Cuba, Haiti, Puerto Rico, Dominican Republic

The British West Indies

Central and South America

Two branches in London, England

*Experienced foreign banking service in every part of the world*

New York Agency—68 William Street

## THE ROYAL BANK OF CANADA

*Incorporated 1869*

HEAD OFFICE—MONTREAL

Branches in Canada  
 from Coast to Coast



Resources exceed  
 \$2,000,000,000

### Muscatine Employes Back

Two employes of the Muscatine Bank and Trust Company of Muscatine, Iowa, F. W. Allen, assistant cashier, and Elza E. Standley, head of the commercial bookkeeping department, have just resumed their duties at the bank following their release from service.

### Cashier Retiring

Harold White, cashier of the First Trust and Union Savings Bank of Sigourney, Iowa, has moved to his farm north of Sigourney, and intends to take things a little easier from now on. His position at the bank is being filled by Marion S. Barnes, who will become the new cashier of the bank.

Mr. Barnes has been the First Trust and Union Savings Bank's manager at the Keswick office, and was assistant cashier in the firm.

K. F. McNeil of Lynnville will assume the duties of manager of the Keswick office, he formerly having

**Mr. Banker:**

Do you know that EVERY MONTH **36** MORE BANKS become subscribers to

## D. A. S. AGRICULTURAL DIGEST

There is no other agricultural information service just like it.  
 For sample releases and further information write to

**Doane Agricultural Service, Inc.**

Box 603, 206 Plymouth Bldg.

Des Moines 9, Iowa

Home Office—St. Louis

**You Should Have It!**



been cashier of the First State Bank of Lynnville.

The changes have now taken place and each man is working at his new position.

### G. W. Evans

G. W. Evans, 77, vice president and cashier of the Commercial Savings Bank of Lohrville, Iowa, and banker there for 43 years, died at his home last month.

### M. E. Toothacre Resigns

Mark E. Toothacre, 80, has retired as president of the Farmers & Merchants Savings Bank of Burlington, Iowa, a post he has filled for 25 years, and has been succeeded by Harry Simon, former cashier, who has been identified with the bank since its organization in 1916.

Other changes announced list promotion of Charles H. Walsh from assistant cashier to cashier, succeeding Mr. Simon, and Herbert Wittkamp from teller to assistant cashier, succeeding Mr. Walsh. H. Cosgrove Walsh was named to the board of directors.

Mr. Toothacre, although he has resigned as president, will continue as a director.

### Elected Director

Dean McLain, farm operator of the Champion Hill neighborhood south of Emerson, Iowa, was elected to the board of directors of the Emerson State Bank at its regular monthly meeting.

Mr. McLain fills a vacancy on the board caused by the death of M. W. Ellis of Des Moines.

### Goes to Sioux City

B. E. Holtdorf, mayor of Ireton, Iowa, the last ten years, has accepted an executive position with the Morningside Savings Bank of Sioux City, Iowa, and began his duties May 1st, H. H. Epperson, bank president, announced recently.

Mr. Holtdorf has been assistant cashier of the Security Savings Bank at Ireton the last 12 years. He was deputy clerk of district court at Orange City, Iowa, from 1932 to 1934. He has been with the Ireton bank a total of 20 years, and has served as president of the school board and secretary-treasurer of the chamber of commerce there.

### Veterans Manage Bank

Eldon Hess and Leo Schweers are in charge of the bank at Arcadia, Iowa, officials of the Carroll County State Bank have announced. The change in management became effective April 1st. The bank at Arcadia is a branch of the Carroll institution. Both Mr. Hess and Mr. Schweers are army veterans.

## Program for Group 2 Meeting

May 15th, Fort Dodge, Hotel Warden

### PROGRAM

10:00 a. m. Registration and Visiting—Warden Hotel (no registration fee). Ladies' headquarters, second floor parlor, Warden Hotel. Hostesses—Wives of the bankers who are members of the Pocahontas County Bankers Association.

12:00 Noon—No luncheon scheduled.

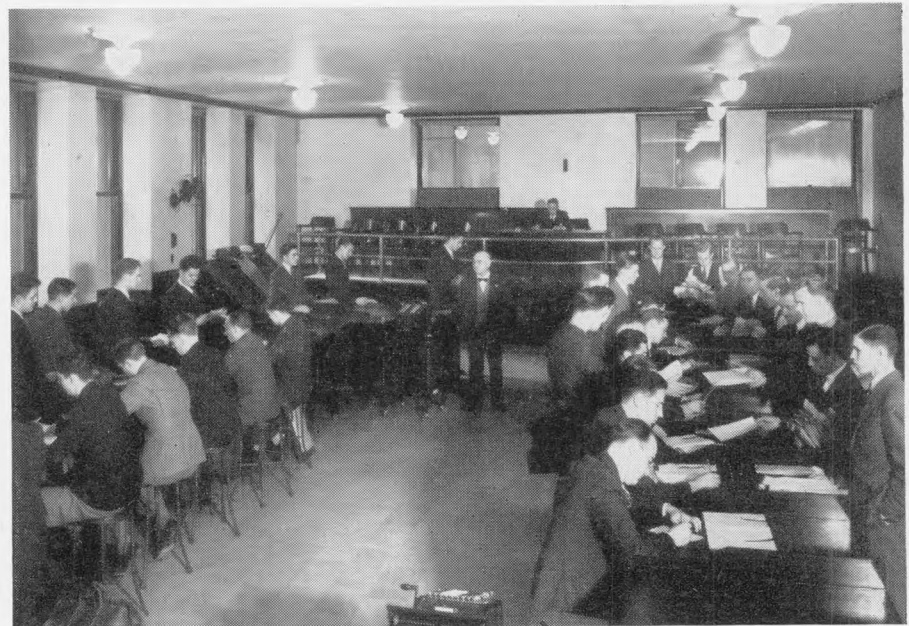
1:15 p. m. Ballroom, Warden Hotel. Meeting Called to Order and Remarks—Ben W. Olson, chairman,

Group 2; president, Security Savings Bank, Eagle Grove.

Invocation—Rev. W. T. Paden, pastor, First Presbyterian Church, Fort Dodge.

Address of Welcome—H. O. Beneke, president, Pocahontas County Bankers Association; cashier, Palmer State Bank.

Response to Address of Welcome—George J. Schaller, former president, Federal Reserve Bank of Chicago; chairman of board, Citi-



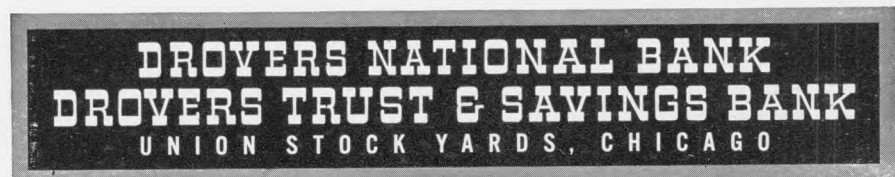
Chicago Clearing House in Action. Each business day at 10:30 a. m. thousands of checks are exchanged quickly and efficiently between direct members. And all in 12 minutes!

## A Complete Banking Service To Correspondent Banks

Many Iowa Bankers have found that the Drovers is a logical choice as their Chicago Correspondent. The Drovers National Bank is a direct member of the Chicago Clearing House. Its facilities for special handling of items throughout Chicago are complete. It supplies credit information on firms located anywhere in the United States. Transmitting of livestock proceeds is geared to save time—often a full day.

**Your Inquiry Regarding the Advantages of  
Drovers Service for Your Bank Is Invited**

*Member Federal Deposit Insurance Corporation*



Northwestern Banker, May, 1946

zens First National Bank, Storm Lake.  
 Musical Program—Music by Fort Dodge High School Choir.  
 Appointment of Committees — (a) Resolutions; (b) Nominating.  
 1:45 p. m.  
 Talk—F. L. Sawyers, president, Iowa Bankers Association; president, Centerville National Bank, Centerville.  
 Talk — Walter T. Robinson, Iowa Loan Guarantee Officer, Veterans Administration, Des Moines.  
 2:55 p. m.  
 Address—Ernest Robert Rosse, constructive humorist, Philadelphia.

Talk—"Postwar Installment Lending by Medium-Sized Iowa Banks," C. F. Cadwell, member, Installment Loan and Consumer Credit Committee of Iowa Bankers Association; president, Union Story Trust & Savings Bank, Ames.  
 3:50 p. m.  
 Remarks—N. P. Black, State Superintendent of Banking.  
 Talk—E. L. Jenkins, supervisor in charge, Iowa Bankers Insurance Program for Iowa Bank People, sponsored by the Iowa Bankers Association, Des Moines.  
 Remarks—Frank Warner, secretary,

Iowa Bankers Association, Des Moines.  
 4:15 p. m. Committee Reports — (a) Resolutions; (b) Nominating.  
 4:30 p. m. Adjourn.  
 4:35 p. m. Conference of County Association Officers.

**DES MOINES NEWS**

Opening of a new G. I. loan department to specialize in loans authorized by the government for returned service men was announced last month by the Valley Bank and Trust Company. **Frederick M. Morrison**, president of the bank, announced **J. Don Wissler** was appointed to head the new department.

Mr. Wissler returned to Des Moines several months ago after 2 years service in the Navy. Prior to joining the bank, he resumed his position as mortgage credit examiner for the Des Moines office of the Federal Housing Administration where he had been associated since 1939. Mr. Wissler is a graduate of Drake University law school.

**E. R. Bowlin** has been elected an assistant cashier of the Central National Bank and Trust Company. He



**E. R. BOWLIN**  
 New Assistant Cashier

has been in the budget loan department of the bank the past two years and formerly was credit manager of the Amana society. Mr. Bowlin attended the Massachusetts Institute of Technology, Northwestern and the University of Iowa.

He succeeds **Gurdon R. Parker**, who resigned to become manager and secretary-treasurer of the newly organized Homestead Securities, Inc., a finance company which specializes in

**Curtis Companies Incorporated**

**Iowa Corporation  
 Common Stock**

**Principle Exempt from  
 Iowa Monies and Credits Tax**

**Organized 1866. This Common  
 Stock should be bought now for  
 appreciation possibilities**

One of the largest and best known manufacturers of all interior and exterior woodwork used in modern home building.

Sale by prospectus only, copies of which may be obtained from the undersigned.

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**Russell F. Knapp  
 Henry Gundling**

**Lowell M. Taylor  
 Sam S. Johnson**

**325 Merchants National Bank Building  
 Dial 5189 Cedar Rapids, Iowa**

**Banks and Bankers** will find this institution especially well equipped to handle their Chicago accounts. Our complete facilities are at the disposal of all in need of this service.

**CITY NATIONAL BANK**

**AND TRUST COMPANY of Chicago**

208 SOUTH LA SALLE STREET

(MEMBER FEDERAL DEPOSIT INSURANCE CORP.)





automobile, household and signature loans.

**Herbert L. Horton**, president, and **Albert J. Robertson**, vice president, of the Iowa-Des Moines National Bank and Trust Company, attended the Reserve City Bankers convention in Palm Beach, Florida, last month.

**B. F. Kauffman**, president, and **J. G. Gamble**, director of the Bankers Trust Company, have just returned after vacationing in Florida. Mr. Kauffman has spent most of the winter in Florida and Mr. Gamble was there a few weeks.

Des Moines banks have announced new business hours for Saturdays starting May 4th. Banks will open at 9:30 a. m. and close at 12 noon. Previously they were open on Saturdays until 1 p. m.

**Warren Ferguson**, head teller at the Iowa State Bank, is returning to the bank after two years service in the Navy.

### Adds 576 Safety Boxes

The First National Bank of West Des Moines, Iowa, has completed installation of 576 additional safety boxes which brings the total number to 960 boxes available to bank customers. During the past three years too many people had to be turned away, but R. M. Messerschmidt, president, believes there are now enough available for all in the community.

### Bank Robber Sentenced

Iowa's first bank robbery since May 9, 1942, ended in a life term sentence for Clark Cummings, 25, just four days after he held up the Denmark, Iowa, office of the Farmers Savings Bank of Wever on April 23rd. He was apprehended in Rock Island, Illinois, one day after the robbery and was taken to Fort Madison, Iowa, where he signed a confession.

Quick thinking on the part of Mrs. Lois Woodroffe, branch office manager, saved the bank \$2,450. Cummings handed her a paper sack and demanded her to fill it up. She gave him the \$79 from the cash drawer, then said the rest in the safe was under time lock, although the safe was really unlocked at the time. He then left but was arrested in a box car in Rock Island the next day.

### Just Kibitzing

Teacher: "That's the third time you've looked on Bob's paper."

Pete: "I know—his writing is awful."

## Program for Group 8 Meeting

May 17th, Muscatine, Hotel Muscatine

### PROGRAM

9:30 a. m. to 1:00 p. m. Visiting and registration at Muscatine Hotel. Adjournal to Elks Club Room where C. H. Haesemeyer, chairman, Group 8, will preside, beginning at 1:30 p. m. Invocation—Rev. Stanley M. Fullwood, rector, Trinity Church. Welcome—Mayor Elmo Ferguson. Response—Bruce Townsend, secretary, Group 8. Appointment of Resolutions and Nominations Committee.

Greetings—F. L. Sawyer, president, Iowa Bankers Association. Address—Ernest Robert Rosse, Philadelphia. Iowa Bankers and Postwar Banking—Hon. N. P. Black, Iowa Superintendent of Banking. Veterans Loans—Walter T. Robinson, Iowa Veterans Loan Guarantee Officer. Remarks—Frank Warner, secretary, Iowa State Bankers. Committee Reports — Resolutions and Nominations. 4:15 p. m. Adjournment.

# WELCOME TO MASON CITY MAY 14th

The banks of Cerro Gordo County are happy to act as hosts to the Group 3 annual meeting in Mason City, Tuesday, May 14th. We promise you an enjoyable and profitable day.

Every detail has been arranged for your profit and pleasure, and we are anticipating a large attendance. Come and enjoy our Group 3 meeting, May 14th!

## CERRO GORDO COUNTY BANKERS ASSOCIATION

CLEAR LAKE BANK & TRUST COMPANY.....	Clear Lake
SHEFFIELD SAVINGS BANK BRANCH.....	Dougherty
FIRST NATIONAL BANK OF MASON CITY.....	Mason City
UNITED HOME BANK & TRUST COMPANY.....	Mason City
FIRST STATE BANK BRANCH.....	Meservey
MANLY STATE BANK BRANCH.....	Plymouth
FARMERS SAVINGS BANK OF ROCK FALLS.....	Rock Falls
FIRST STATE BANK OF THORNTON.....	Thornton
VENTURA STATE BANK.....	Ventura

5:00 p. m. to 6:15 p. m. Cocktail Hour, Hotel Muscatine.  
6:30 p. m. to 8:00 p. m. Buffet Supper, Hotel Muscatine  
9:00 p. m. to 12:00 p. m. Dance, Hotel Muscatine.

### Woodbine Bank Host

One hundred and ten men, including cattle feeders from Harrison, Shelby, Monona and Crawford counties and bankers and newspaper men from Omaha and Council Bluffs, were present at a dinner and program in the Legion Hall in Woodbine, Iowa, last month.

The meeting was given under the

auspices of the First National Bank of Woodbine, the extension service of Iowa State College, and Paul W. Watts, Harrison county extension director.

Dinner was followed by an interesting program, with S. R. DeCou, cashier of the First National Bank, as toastmaster.

### Bank Building Goes Up

The new State Savings Bank Building in Council Bluffs, Iowa, was given the green light on construction despite a civilian production administration order drastically curtailing commercial construction. Local officials and the Bank Building and Equipment

Company of St. Louis believe the bank has priority to be built since all materials were ordered before the recent cutback in materials for this type of construction. Clyde Blanchard, executive vice president of the bank, said he is going to let interpretation of the CPA's order be done by the construction company and hope everything works out.

### IS A SECOND MORTGAGE VALID?

(Continued from page 26)

stipulation that made detailed provisions for the support and custody of the children. As a matter of fact, the divorce decree outlining the terms of the divorce followed such stipulation. Later on, due to a change in circumstances, the banker sought to have the decree modified. Could he do so even though it was based on a stipulation previously entered into by him?

Yes. A decree of divorce providing for the custody and support of the children of the divorced parents may be modified as circumstances require even though it is based upon an agreement or stipulation of the parties. In South Dakota the jurisdiction of the court in a divorce action to make suitable provision for children is a continuing one and it may from time to time vacate or modify previous decrees with reference thereto to meet changing conditions.

**Q.** Caldwell, a banker, was appointed guardian of the estate and person of Hobart, an incompetent. The estate was a substantial one that produced more income than was required to care for Hobart. Some of Hobart's relatives were poor and, prior to the guardianship, Hobart had aided them financially. He would probably have continued to do so had he remained of sound mind. Could Caldwell, with court approval, assist them from the income funds of Hobart's estate?

Yes. The general rule on matters of this kind is that surplus income from the estate of an incompetent may, with the approval of the court having jurisdiction, be applied for the benefit of those the incompetent would probably have aided if of sound mind.

**Q.** Suppose that, in the preceding question, the problem presented was an Iowa one of whether the guardian could, with court approval, contribute on behalf of his ward to a charity to which the incompetent had formerly been in the habit of contributing.



## Roominess...smoothness...silent comfort are yours on *The Hiawathas*

**I**T'S hard to beat a Milwaukee Road train for comfort and satisfaction. Consider a few of the many advantages of travel on the Speedlined HIAWATHAS.

**Complete facilities**—Step into the celebrated Tip Top Tap for a sandwich or beverage. Appetizing dining car meals at low cost.

**Room to move around**—you get not just a deep-seated reclining chair, but a whole car—or train—to stroll through. Roomy lounges; clean, well-equipped wash rooms.

**Smooth comfort**—modern train design and a seasoned, well-ballasted roadbed assure a smooth, silent ride.

**Scenic charm**—wide windows give you an unobstructed close-up of the rivers, forests, fields and villages.

**Weatherproof reliability**—storms hold no discomfort, fog doesn't delay. You get there *on time* on the HIAWATHAS.

**Speed with economy**—your trip on the HIAWATHAS starts and ends at downtown stations, you travel at high speeds, yet round trip coach fares are less than two cents a mile.

We're still busy carrying veterans home, but there'll be room for you on one of the HIAWATHAS. See your nearest railroad ticket agent for friendly travel counsel.

F. N. Hicks, Passenger Traffic Manager, Chicago

## THE MILWAUKEE ROAD

THE HIAWATHAS: CHICAGO {Milwaukee—La Crosse—St. Paul—Minneapolis  
Des Moines—Omaha—Sioux City—Sioux Falls

Northwestern Banker, May, 1946



Could the court having jurisdiction of the ward's estate validly approve such action?

Yes. The Iowa Supreme Court recognizes that the court having jurisdiction over an incompetent's estate may authorize donations by the guardian for charitable purposes to which the incompetent had formerly been in the habit of making contributions.

**Q.** Baker borrowed \$3,000 in Minnesota from Nuttall and Firth giving them as security a mortgage covering certain real estate owned there by him. The indebtedness was not divided as to any particular amounts, or otherwise, between Nuttall and Firth. When it came due Baker made payment to Nuttall of the entire amount and Nuttall gave Baker a release in full of the mortgage. Did the release operate to satisfy and cancel the mortgage?

Yes. Where an undivided debt secured by mortgage is owed to two or more creditors, it may, when due or thereafter, be paid to either or any one of such creditors, and the one or ones to whom it is paid may effectually discharge the debt and mortgage. It has been so held in several cases in Minnesota.

### Assistant Secretaries

At a meeting last month of the board of directors of Bankers Trust Company of New York, G. Ronald Ince, Frank J. Jones, Joseph C. Kennedy and Robert P. Ulm were elected assistant secretaries, and will continue their association with the Corporate Trust Department.

Charles A. Frank was elected an assistant treasurer and will be assigned to Division III of the Banking Department.

Joseph C. Bickford and Gordon Woodward, formerly assistant treasur-

ers, were elected assistant vice presidents and will continue their association with the Credit and Security Department. Effective May 1st, Mr. Bickford took charge of answering inquiries and providing investment service for correspondent banks and other institutional investors. Mr. Woodward will continue to supervise the credit work of the department.

### What a Fool Am I

Making a fool of yourself isn't such a bad mistake if you have sense enough to know who did it.



## EIGHT BANKING DIVISIONS ARE ALWAYS AT YOUR SERVICE

The correspondents of Mercantile-Commerce enjoy the counsel and services of any or all of the following completely staffed departments:

COMMERCIAL LOANS • TRUST • BOND  
FOREIGN • SAVINGS • REAL ESTATE  
CONSUMER CREDIT • SAFE DEPOSIT

In the operation of these divisions it is likely we have met and solved many problems which, perhaps, may confront you for the first time.

We invite you to take advantage of *all* of our facilities, knowledge and experience..for these eight departments are *always* at the service of our correspondent banking friends.

### OLD WAY-Slow, Wasteful, Tedious



...for  
**QUICK-  
ACCURATE--**  
Handling of Loose Coins  
**The DOWNEY  
CHANGE TRAY**  
THE MODERN WAY

**T**HIS aluminum Tray holds 10 coins each of pennies, nickels, dimes, quarters and halves in each of 68 staggered pockets for quick handling. Raised black figures on border mark pockets. Teller can make change with speed. Size of Tray: 12½ in. by 9 in. May be placed on counter, mounted on pedestal to save space or on short legs for nesting and storage in vault.

WRITE TODAY, to DEPT. G

The **C. L. DOWNEY Company**  
HANNIBAL, MISSOURI  
World's Largest Mfrs. of Coin Wrappers

**MERCANTILE**  **COMMERCE**  
Bank and Trust Company  
ST. LOUIS 1 MISSOURI

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

## G. I. Loan Question Box

(Continued from page 23)

installed on a permanent foundation on real estate owned or to be owned by the veteran.

**Q. May a veteran and his wife take title as joint tenants and not as tenants in common?**

Yes. The value of the interest owned by veteran and wife in property to be encumbered is the value on which the extent of the guaranty is to be predicated and the amount thereof is not to

be limited to value of interest owned by veteran exclusive of spouse's interest acquired by virtue of relationship only.

**Q. May real estate mortgage loans be refinanced?**

Only if delinquent.

**Q. May contracts representing equity in real estate be refinanced regardless of date?**

Yes.

**Q. What is there in the Act or Regulations to prevent a veteran from buying real estate on contract at a price which obviously would exceed any appraisal which might be made, pay the difference in cash, and after a few months apply for a loan to refinance the contract, thus evading the provisions of the act intended to protect him from inflated values?**

It is evident that this creates an evasion of the intent of the Act. Central Office advises that new instructions are in the process of preparation which will supplement Sec. 36.4306 (2) of the Regulations. Apparently no hard and fast rule can be established which will furnish benefits to meritorious cases and at the same time serve to overcome any attempted evasions. Where it is apparent to the lender or Loan Guarantee Officer that evasion of reasonable value is indicated, the case will be disapproved.

**Q. Who is responsible for soundness of the loan?**

Under the amendment the responsibility is largely delegated to the lender subject to reasonable value as determined by a designated appraiser. It now becomes the responsibility of the lender along with the appraiser to know that the value is reasonable and that the veteran's present and anticipated income bear a proper relation to the contemplated terms of payment.

**Q. May loans which have been previously guaranteed now be placed under the Insured Plan?**

No. Insurance must be requested at time Loan Report is submitted. Otherwise the loan is not eligible for insurance. Three per cent discount may be charged only in the case of insured loans on personal property.

It is essential and required that questions be answered. Forms have been shortened and simplified for benefit of lender but required information must be furnished. Automatic Guaranty or Request for Prior Approval must be indicated. "Has been" or "will be" answers whether guaranty is automatic or prior approval is requested. Save time and effort by submitting Loan Reports complete and correct.

*All Over*

She: You mustn't, Bill. You're an officer and a gentleman.

He: Not me! I was discharged yesterday.

## DIRECT SENDING OF ITEMS Unequaled in the United States

Commerce sends more items direct for collection than any bank in the United States.

This unexcelled service speeds up the handling of your transit items by saving you one day or more.

This pioneer 24-hour transit bank maintains night operations in the Kansas City Union Station. Mail is received at and delivered to the Post Office every 30 minutes day and night.

Here is unmatched swiftness and efficiency ready to serve you any time—and we are glad to serve you all ways—always.

# Commerce Trust Company

*Capital Funds Exceed 20 Million Dollars*

**KANSAS CITY'S LARGEST BANK**  
Established 1865

MEMBER FEDERAL DEPOSIT  
INSURANCE CORPORATION



**WAGE-HOUR LAW**

(Continued from page 20)

541, Code of Federal Regulations). The requirements for exemption in each of these classifications are separate and distinct. In no event can the employe meet the requirements for exemption as an executive employe if his salary is less than \$30 a week or as an administrative employe if his salary is less than \$200 a month or \$50 a week.

Compensation is not the only test, however, nor is it correct to say that because a man manages an establishment or a recognized department, he is an executive and necessarily exempt. Before an employe can be classed as an executive or administrative employe, he must meet all the basic requirements for such exemption. # #

**WHAT DO YOU THINK?**

(Continued from page 15)

**Ray A. Nold**, executive vice president and cashier, Rock Rapids State Bank, Rock Rapids, Iowa: "I think banks could take all the consumer credit business if made on a proper basis comparable to the requirements of Regulation W."

**J. P. Schutt**, president, Valley State Bank, Rock Valley, Iowa: "I think small community banks such as ours should take on only such consumer credit as is reasonably needed in their own particular communities. I still believe that we should not be too active in promoting instalment buying as cash buying is still the best for all."

**Frank H. Trueblood**, Bedford, Indiana: "I think the black market in my community is as bad, if not far more serious, than we are led to believe. My conviction is based upon instances that have happened personally, and upon information reliable beyond a doubt. Retail violators have been fined, but this information has not for some reason become public information—such as a news item in our one and only daily newspaper. Too, retailers in their desire to procure merchandise for resale have paid over the ceiling prices to secure such mer-

chandise, but have been reluctant to make a formal complaint—merely discussing it with members of the price panels who were powerless to act without a formal complaint.

"I certainly favor price control, but I mean real price control—to be continued, but easing off gradually as production increases."

*A Safe Bet*

A big-time gambler had just died. The funeral was well attended by his professional friends. In eulogy, the speaker said, "Spike is not dead. He only sleeps." From the rear came a voice, "I've got \$100 that says he's dead."

# THE CONTINENTAL BANK & TRUST COMPANY OF NEW YORK

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

## First Trust & Savings Bank

CEDAR RAPIDS, IOWA

Statement of Condition, December 31, 1945

RESOURCES	LIABILITIES
Loans and Discounts.....\$ 727,943.57	Capital Stock (Common).....\$ 100,000.00
State, County, Municipal and other bonds..... 490,348.56	Surplus..... 50,000.00
Overdrafts..... 872.95	Reserve for Contingencies..... 60,000.00
Banking House and Fixtures..... 44,200.00	Other Reserves and Undivided Profits..... 25,293.24
Ely Office Banking House and Fixtures..... 1.00	Unearned Discount..... 4,120.91
U. S. Government Securities..... 2,402,621.75	Deposits..... 4,466,459.31
Cash on hand and due from banks..... 1,039,885.63	
\$4,705,873.46	\$4,705,873.46

Bank opened for business November 5th, 1934

F. S. MITVALSKY, *President*  
DR. JOHN C. PETROVITSKY, *Vice President*  
FRANK J. DVORAK, *Cashier*  
L. W. STRITESKY, *Asst. Cash and Trust Officer*  
FRANK J. STASTNY, *Asst. Cash. and Asst. Trust Officer*

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FIRST NATIONAL BANK BLDG. • CHICAGO 3, ILL. • STATE 4325

Insurance Counselors to Banks

**DEAR EDITOR**

(Continued from page 13)

Corporation operating for California, Nevada, Arizona and a part of Eastern Oregon, during the first six months of 1944, received 329 inquiries, made 141 loans, dollar volume \$5,299,849. By contrast, in the single month of June, 1944, Bank of America made 13,000 unsecured loans aggregating \$61,000,000 in the same categories of small business. That was a typical month.

"In April, 1945, to aid postwar reconversion of small business, we introduced our Term Loans for small business for capital purposes. Under that plan we have already made 3,500 loans for amounts up to \$10,000,

for a total of \$11,500,000; an average of \$3,300 per loan.

"These loans were made to 84 different types of businesses. In addition many hundreds of thousands of dollars worth of term loans in amounts over \$10,000 have been made.

"Private enterprise banking can supply all the needs of sound business. The best way to convince both business and government of the truth of this claim is to follow this three word precept: Perform, then inform."

*E. A. Mattison, Executive Vice President, Bank of America, San Francisco, Cal.*

**"Silver Medal Award"**

"Dear Mr. De Puy: It is our very great pleasure to inform you that your name has been submitted to our Citation Committee for a silver medal award for the magnificent cooperation extended by the NORTHWESTER BANKER through you to the War Finance Division of the U. S. Treasury."

*Elihu E. Harris, Chief, Advertising, U. S. Savings Bond Division, Treasury Department, Washington, D. C.*

**Consumer Credit Service**

Bankers Trust Company of New York announces the opening of a consumer credit department, which will make personal loans from \$60 to \$3,500 to individuals, which are repayable out of income, and home modernization loans with repayment terms as long as 36 months. This service is offered in all Bankers Trust Company offices.

**Elected Honorary President**

Frederick E. Hasler, chairman and president of The Continental Bank & Trust Company of New York, was elected honorary president of The Pan American Society of the United States recently after having served the limit of six consecutive terms as president of the society. The election took place at the 34th annual meeting of the society which was held at the University Club. Thomas W. Palmer, counsel of the Standard Oil Company of New Jersey, was elected president.

The six years Mr. Hasler served as president were among the most active the society has enjoyed since its founding in 1912. During this period its cultural and educational influence was materially increased and its membership strengthened.

**NEWS AND VIEWS**

(Continued from page 22)

serts, Tea or Coffee." Must be the **Chester Bowles** influence to keep prices down.

Drove by the **Pentagon Building** as we didn't have time to go in and get lost. The estimated cost was 30 million but when completed it cost 101 million. When at "war strength"

**UNITED HOME BANK & TRUST CO.**

MASON CITY, IOWA

Statement of Condition at Close of Business December 31, 1945

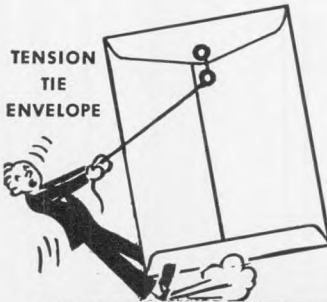
RESOURCES		LIABILITIES	
Loans and Discounts . . .	\$1,741,409.96	Capital . . . . .	\$ 100,000.00
U. S. Government and other		Surplus . . . . .	50,000.00
Bonds . . . . .	4,877,999.25	Undivided Profits . . . . .	97,874.78
Stock in Federal Reserve Bank	4,500.00	Reserve for Contingencies . . . . .	30,000.00
Safe Deposit Vault . . . . .	10,144.83	Reserve for Income Tax . . . . .	27,023.94
Furniture and Fixtures . . . . .	6,992.78	Deposits . . . . .	9,279,297.85
Overdrafts . . . . .	1,121.42		
Cash on Hand and Due from			
Banks . . . . .	2,942,028.33		
	<u>\$9,584,196.57</u>		<u>\$9,584,196.57</u>

**OFFICERS**

- |                                  |                                  |
|----------------------------------|----------------------------------|
| E. W. Clark, President           | F. F. Potter, Vice President     |
| W. E. Gildner, Vice President    | J. A. Van Ness, Vice President   |
| R. A. Potter, Cashier            | C. F. Weaver, Asst. Cashier      |
| W. Howard Stewart, Asst. Cashier | Claude E. Sিনnett, Asst. Cashier |

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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



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**THE TOY NATIONAL BANK**

*Specializing in Service to Correspondent Banks*

In the heart of down town Sioux City



there were 40,000 persons employed in the building and 300 telephone operators handled the "calls."

There is one "Officially Unknown Soldier" at Arlington Cemetery, but there are 4,000 other unknown dead buried there. The only president of the United States buried in Arlington is **William Howard Taft**. His wife is also buried with him. Head stones of Confederate soldiers are pointed and head stones of other soldiers are rounded.

Attended a 2:00 p. m. session of the **United States Senate** and counted about 15 senators in their places and "on the job" and among them was **Senator Robert H. Taft** of Ohio.

Saw the **Supreme Court** in action and heard a colored lawyer present his case for a client who had been put off a bus because he was a negro and sat in the "white section" instead of the Jim Crow part of the car. All members of the court were present except **Justice Robert Jackson** who was at the Nuremberg trials.

**J. Edgar Hoover** is still doing a wonderful piece of work as head of

the F. B. I. and we found additional evidence of it on our visit through his department. We were especially interested in the material his agents secured from the German saboteurs who came over in a German submarine and planned to blow up a dozen war plants and railroads but were apprehended in 14 days.

**Rev. Roeliff H. Brooks** is rector of Saint Thomas church, New York City, which was founded in 1823, but he evidently still feels that there are some "wayward souls" in each con-

gregation who do not fully believe in the efficacy of religion, as the Church Bulletin suggests to the parishioners, "May we remind those coming to the altar for Holy Communion not to leave their purses in the pews."

The University of Virginia at Charlottesville, Virginia, was founded in 1819 and has an enrollment of 3,000 students. A bronze plaque on one of the buildings says "**Woodrow Wilson**, Student 1879-1883, President, United States, 1913-1921. Founder League of Nations, 1919."

## For your traveling clients



1. "Will you cash this check for \$500, please? I'm about to start on another business trip. Seems to me all I do is travel, these days."



2. "Mr. Wooding, may I suggest that you carry your travel funds in American Express Travelers Cheques? They're as spendable as cash—and safer."



3. "If any of these cheques are lost or stolen, you simply report your loss to the nearest American Express office."



4. "The amount of your loss will be quickly refunded. More and more businessmen are using these Travelers Cheques."

**B**USINESSMEN making trips, and other travelers, will welcome a suggestion to safeguard their travel funds. For information about American Express Travelers Cheques and for advertising material, write **W. H. Stetser**, Vice-President, American Express Co., 65 Broadway, New York 6, N. Y.

## AMERICAN EXPRESS

### Travelers Cheques

## 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

At Monticello, the home of **Thomas Jefferson**, you realize again how diversified the interests of this great man were for during his 83 years before he died on July 4, 1826, he had been an architect, an inventor, a lawyer, a violin player and a great statesman.

At **Williamsburg, Virginia**, we visited again the restored buildings

## THE NEW YORK TRUST COMPANY



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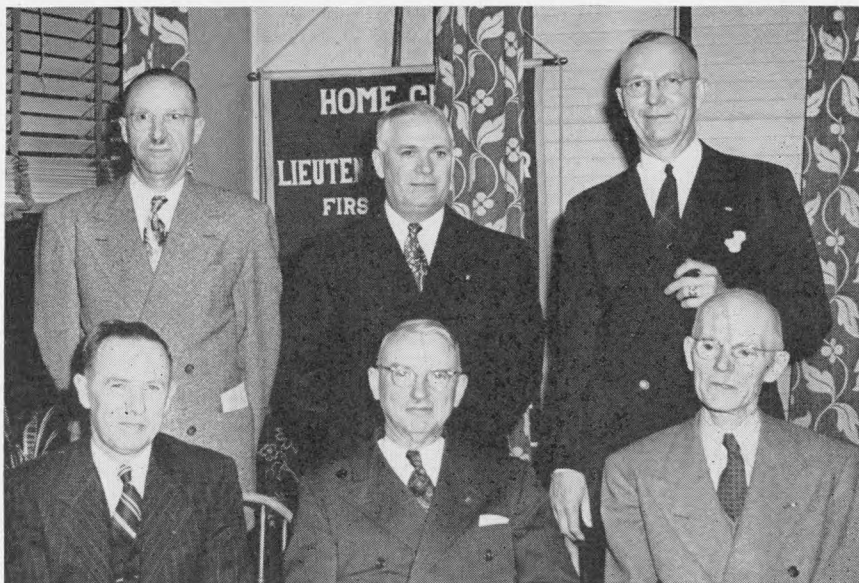
### Banks Sold or Bought!

quietly, quickly and in a personal manner

**JAY A. WELCH**  
BANK BROKER  
Haddam, Kansas

"37 Years Practical Banking Experience"

## Celebrate Fifth Anniversary



**THE IOWA STATE BANK'S** 33 officers and employees and their husbands and wives celebrated the bank's fifth anniversary last month at a dinner in the East Des Moines Club. The original staff of the bank was nine. Pictured above are the directors as they attended the dinner: From left to right, back row, **G. A. Framp-ton**, president, **A. E. Sargent**, **William A. Broquist**; bottom row, **Hugh N. Gallagher**, **George O'Dea**, vice president and chairman of the board, and **Ed O'Dea**, a brother of George O'Dea but not directly affiliated with the bank. The Iowa State Bank's report as of April 16th at the end of five years of operation shows assets of \$6,325,758 as compared with first day assets of \$125,000. Present deposits are \$6,114,078. Other officers are **George H. Borg** and **J. Hamilton Dawson**, vice presidents, **L. A. Rodenbaugh, Jr.**, cashier, and **M. J. Dwiggins**, and **Carl W. Moody**, assistant cashiers.

which so effectively "tell the story" of this capital and metropolis of the Virginia Colony during the 18th century. The project was started in 1927 by **John D. Rockefeller, Jr.**, and so far has cost \$20,000,000, but this amount does not appear anywhere in the literature about the place, but the plan is referred to as "Colonial Williamsburg, Inc."

Among many interesting facts are these two—Venetian blinds were invented in 1770 and used in the buildings of that time. Also in the "Raleigh Tavern" in the Apollo room the **Phi Beta Kappa** fraternity was founded in 1776.

In Dover, Delaware, is this sign, "Jimmie's Submarine Sandwiches." We assume you eat one and sink.

While in Cambridge, Mass., we had lunch with **Prof. Dan T. Smith** at the "Faculty Club" of the Harvard Business School. The school costs about \$1,000,000 per year to operate. This year they have had over 4,000 requests for information about the school and 1,400 applications received from which only 300 can be accepted for the next term.

Harvard University was founded in 1638 by **John Harvard**, a minister. One of the fine buildings of the University is the Widener Library which is a memorial to **Harry Elkins Widener**, who was killed on the Titanic in 1912. The library contains over 3,500,000 volumes. The total books in all the Harvard libraries is 5,000,000, including 250,000 volumes in the Business School alone.

**Roland C. Irvine**, vice president, Chase National Bank, New York, let us sample again the very fine cuisine in the bank's private dining room. Roland, who is a most delightful host and one of the best story tellers we know, also seemed to feel that his institution, which is the largest in the world, was in good shape with deposits of \$5,140,000,000 as of March 30, 1946, and with \$3,000,000,000 of their deposits invested in government bonds.

### To Reserve Meeting

C. Hobart Chase, vice president, First National Bank in St. Louis, attended the annual meeting of the Reserve City Bankers Association held in Palm Beach, Florida, April 8th to 10th.



## CONVENTIONS

May 7-17, Iowa Group Meetings.  
 May 20-22, Missouri Annual Convention, St. Louis, Jefferson Hotel.  
 May 23-25, National Association of Bank Auditors and Comptrollers, Ninth Annual Mid-Continent Regional Meeting, Milwaukee, Hotel Schroeder.  
 May 27-28, Regional Savings and Mortgage Conference, Des Moines, Hotel Fort Des Moines.  
 June 11-14, American Institute of Banking, Cincinnati.  
 June 12, Iowa Junior Bankers, Des Moines, Hotel Fort Des Moines.  
 June 12-13, Minnesota Annual Convention, Minneapolis, Hotel Nicollet.  
 June 14-15, South Dakota Annual Meeting, Rapid City, Hotel Alex Johnson.  
 June 17-18, North Dakota Annual Meeting, Fargo, Gardner Hotel.  
 June 19-20, Wisconsin Annual Convention, Milwaukee, Hotel Schroeder.  
 July 28-August 10, Central States School of Banking, Madison.  
 September 9-11, Iowa Annual Convention, Des Moines, Hotel Fort Des Moines.  
 September 22-23, A. B. A. Annual Convention, Chicago, Hotel Stevens.  
 October 7-10, Financial Advertisers Annual Convention, San Francisco.

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Special bank service and attractive proposition for banker agents.



## CENTRAL STATES MUTUAL INSURANCE ASSOCIATION

Mt. Pleasant, Iowa

E. A. HAYES, President

O. T. WILSON, Secretary

Established 1929

## Wessling Services

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

Des Moines 9, Iowa



# In the DIRECTOR'S ROOM



## Following Orders

Then there was the moron who ran away while he was making a cake. The directions said, "Put one egg in, then beat it."

## Harem Squeal

A sultan got sore at his harem and invented a scheme just to scare 'em:  
He caught a small mouse,  
Turned it loose in the house.  
(The confusion he called harem-scarem.)

## A Bit Too Much

A woman lay very ill. Having brought up a clever orphan girl, the sick woman called the orphan to her and said: "I shall soon leave my little children motherless. They know you and love you, and after I am gone I want you and my husband to marry."

The young woman, bursting into tears, said, "We were just talking about that!"

The wife recovered.

## Coaster Brake and All

It was a fashionable wedding. The bridegroom had no visible means of support save his father, who was rich. When he came to the stage of the service where he had to repeat:

"With all my worldly goods I thee endow," his father said in a whisper that could be heard all over the church:

"Heavens! There goes his bicycle!"

## Super Salesmanship

The Judge: "The lady says you tried to speak to her at the station."

Salesman: "It was a mistake. I was looking for my friend's sister, whom I had never seen before, but who's been described to me as a handsome blond with classic features, fine complexion, perfect figure, beautifully dressed and—"

The Witness: "I don't care to prosecute the gentleman. Any one might have made the same mistake."

## Full House

He: I'll bet you wouldn't marry me.  
So she called his bet and raised him five.

## Hubba, Hubba!

"Watchogotna packidge?"

"Sabook."

"Wassanaimuvitt?"

"Sadickshunery, fullinains. Wife's gonna gettaplecedog angottagettanaim-ferim."

## "By Their Deeds . . ."

Some men are known for their deeds, others for their mortgages.

## Almost the Same

Prof.: Young man, didn't you have a brother in this class last year?

Student: No, 'twas I. I'm taking this course over again.

Prof.: My! My! Extraordinary resemblance!

## Some Speed

Lawyer (to gorgeous witness): "Answer me, Yes or No!"

Witness: "My, you're sure a fast worker, aren't you?"

## Take It Easy

"I fell and hit my head against the piano."

"Didn't you hurt yourself?"

"No, I hit the soft pedal."

## Empty Victory

It was pouring. Two men who had quarreled went out in the rain to settle their differences. They fought until one got the other on his back and held him there.

"Will you give up?" he asked, and the reply was "No."

After a time the question was repeated, but again the reply was "No."

"Then," said the other, "will you get on top for a while and let me get under? I'm getting soaked."

## Following Directions

Two ants were racing at great speed across a cracker box.

"Why are we running so fast?" asked the first ant.

"Don't you see—it says 'tear along this dotted line,'" replied the second ant.

## Not Present

"I wonder what people wear in heaven," mused Mrs. Smith.

"I guess you'll want to wear the most expensive things," said Mr. Smith, "just like you do here on earth!"

"Well, dear, that shouldn't worry you! You won't be there to pay for 'em!"

## Model Bum

One evening a seedy looking beggar approached James Walker, New York's former mayor, and whined:

"Mister, could you give a fellow the price of something to eat?"

"You poor man," sympathized Walker. "Come on, I'll buy you a drink."

"I don't drink."

"How about a cigar?"

"Look, mister, I'm hungry and besides I never in my life smoked."

"How would you like me to place \$2 for you on a sure-winner horse tomorrow?"

"Maybe I've done lots of things wrong, but I never gamble," remarked the tramp. "Can't you cut all this talk and give me a dime for a cup of coffee?"

"Tell you what, I'll stake you to a whole dinner if you let me introduce you to my wife," suggested Walker. "I'd like to show her what becomes of a fellow who doesn't smoke, drink or gamble."

## How Shocking

"What you need is an electric bath."

"Oh, no, Doc, I had a brother drown that way at Sing Sing."

## Maybe Yes, Maybe No

"What kind of chickens do you like best, Rastus?"

"Well, white ones is easiest to find; but black ones is easiest to hide after you gits 'em."

## Unromantic

"So you met your wife at a dance, did you? Gosh, that must have been romantic."

"Naw, embarrassing. I thought she was home taking care of the kids."

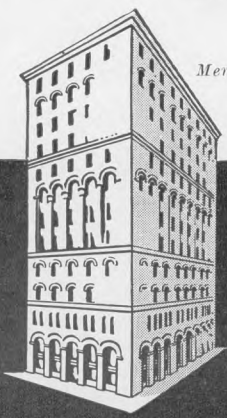




*Do you think  
our margin rules  
on real estate  
loans need  
revision?*

*Let's review them with  
Bankers Trust. During  
recent years, they've  
had wide experience in  
real estate loans.*

That's the right answer! In helping solve basic problems on mortgage loans—or in any of the other important ways in which an alert Des Moines correspondent can give valuable service to your bank—we welcome an opportunity to be helpful.



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As a large owner of Government bonds, this Bank, through its officers and directors, is giving continuing study and attention to this subject.

If problems arise in your Bank regarding distribution of maturities, the relationship of bond holdings to taxes, or other investment questions, a discussion of such matters with one of our officers may be helpful to you. Your inquiry is invited.

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