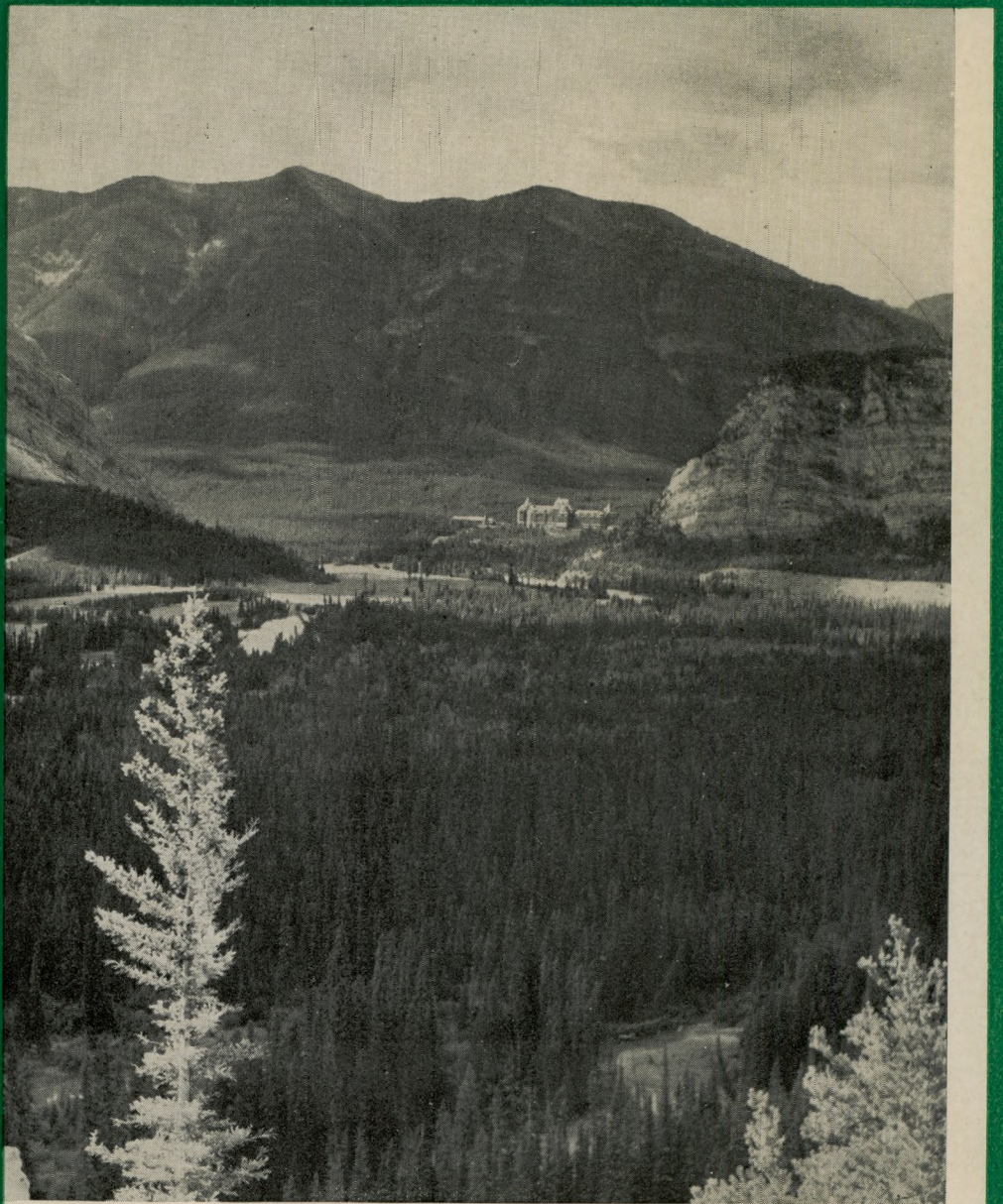


NORTHWESTERN *Banker*

NOVEMBER
1946



Claude Borrett Photo

**FAA Meets in
California—Page 16**

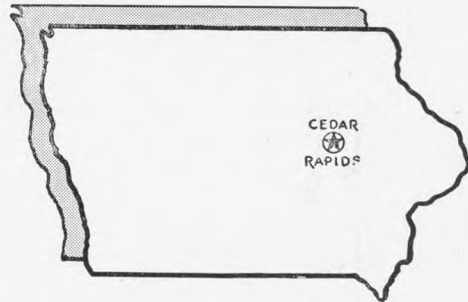
BANFF SPRINGS—CANADIAN ROCKIES VACATION SPOT



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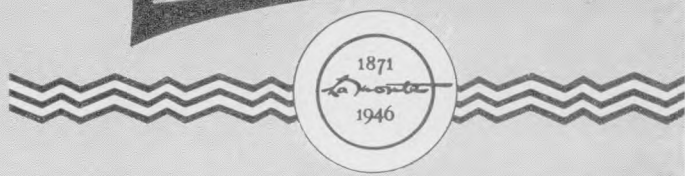
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OF THE CITY OF NEW YORK

STATEMENT OF CONDITION, SEPTEMBER 30, 1946

RESOURCES

Cash and Due from Banks	\$1,117,906,752.69
U. S. Government Obligations.	2,388,788,164.93
State and Municipal Securities	159,182,713.24
Other Securities	182,488,946.22
Loans, Discounts and Bankers' Acceptances	1,087,026,158.95
Accrued Interest Receivable	11,908,087.96
Mortgages	7,951,334.84
Customers' Acceptance Liability	10,447,370.26
Stock of Federal Reserve Bank.	7,500,000.00
Banking Houses	32,944,779.34
Other Real Estate	1,507,295.65
Other Assets	2,783,923.52
	\$5,010,435,527.60

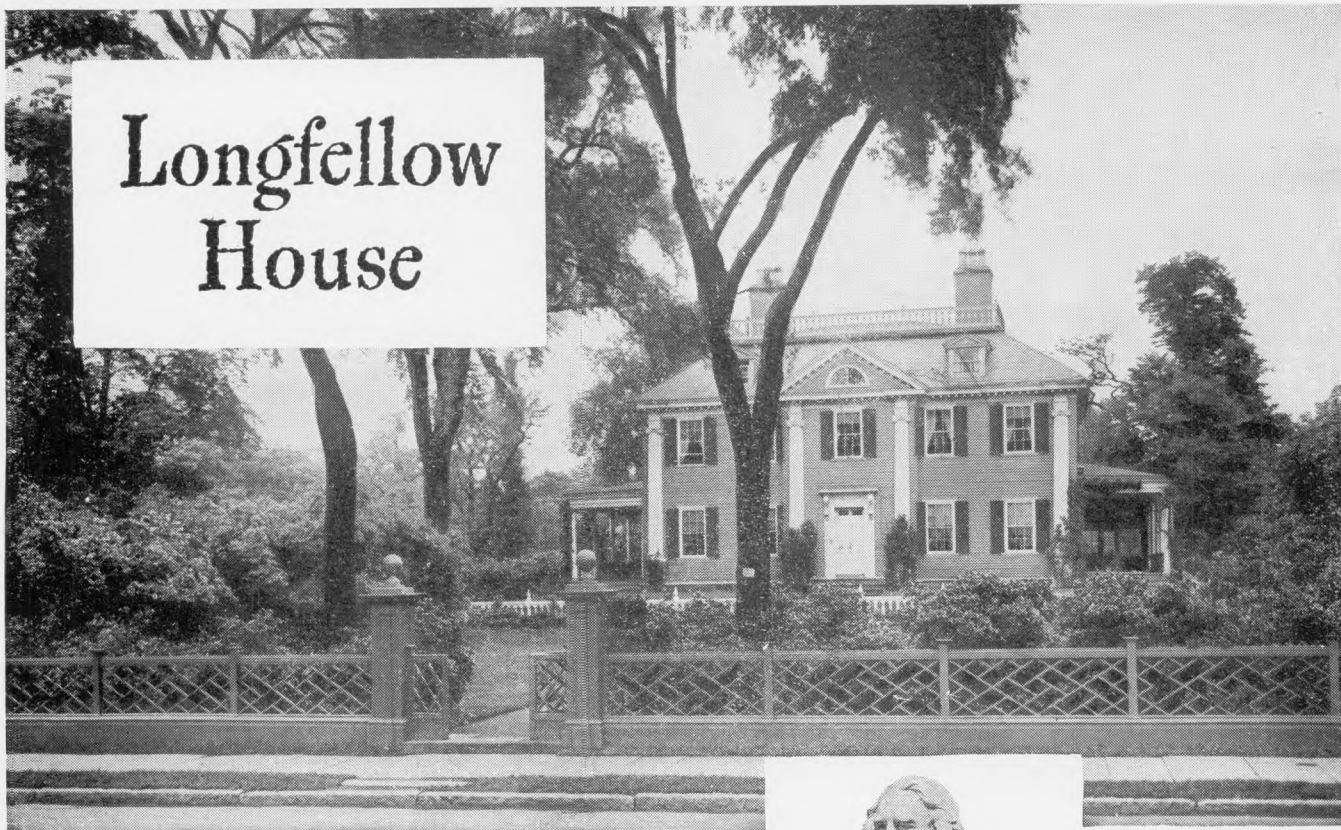
LIABILITIES

Capital Funds:	
Capital Stock	\$111,000,000.00
Surplus	139,000,000.00
Undivided Profits	62,102,303.58
	\$ 312,102,303.58
Dividend Payable November 1, 1946	2,960,000.00
Reserve for Contingencies	15,144,344.13
Reserve for Taxes, Interest, etc.	14,789,860.79
Deposits	4,642,025,138.07
Acceptances Outstanding . . . \$ 15,714,674.17	
Less Amount in Portfolio.	3,896,411.08
	11,818,263.09
Liability as Endorser on Acceptances and Foreign Bills	1,813,358.49
Other Liabilities	9,782,259.45
	\$5,010,435,527.60

United States Government and other securities carried at \$660,464,340.00 are pledged to secure U. S. Government War Loan Deposits of \$359,090,263.76 and other public funds and trust deposits, and for other purposes as required or permitted by law.

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Longfellow House



LONGFELLOW HOUSE in Cambridge, Massachusetts is one of America's most beloved homes, for it was there that our favorite poet wrote many of his most delightful poems.

When Henry Wadsworth Longfellow assumed the professorship of modern languages and belles-lettres at Harvard, he was fortunate in securing rooms in the Craigie Mansion. This house in "Tory Row" was built in 1760 by John Vassall, a distinguished financier of the period. At the outbreak of the Revolution, the owner was forced to leave the country because of his sympathies, and the mansion was confiscated. It soon became the favorite rendez-

vous of the Colonial troops, and Washington used it for his headquarters for a long period. Mrs. Washington joined her husband while he was stationed there, and the house and grounds were the scene of many brilliant Colonial festivities. In 1793, the estate was purchased by Andrew Craigie, whose widow was eventually forced to open her home to

paying guests. Longfellow was assigned an apartment which included the room used by Washington as his private chamber. In this room the poet wrote the immortal "The Wreck of the Hesperus." In 1843, Longfellow was married to Frances Elizabeth Appleton and the couple was presented with the house as a wedding present from the bride's father.

During the latter years of his life many honors were bestowed on the poet, and his

home, which had always been very dear to him, had become the meeting place of many illustrious guests. However, his closest friends were probably the children of Cambridge, for the house was always filled with them. In fact, on his seventy-second birthday they presented him with an armchair made of wood from the chestnut-

tree of his "The Village Blacksmith."

Many of the distinguished poet's works are based on the American scene and include such widely read and loved titles as "Hiawatha," "Poems on Slavery," "Tales of a Wayside Inn," "The New England Tragedy," "The Hanging of the Crane," "The Old Clock on the Stairs," "Evangeline," and "The Courtship of Miles Standish."

The Home, through its agents and brokers, is America's leading insurance protector of American Homes and the Homes of American Industry.



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Longfellow's study, gathering place of nineteenth century literati.

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The river, the Delaware, was here when Philadelphia was new, carrying its tiny colonial traffic. As the city and the need grew, the river grew in service to accommodate it—today it bears the water traffic of a great city.

Similarly, The Philadelphia National Bank has grown with the city and the nation—amplifying its services to meet new conditions, new requirements.

The experience of a century is a steadying thing. The Philadelphia National looks back over good times and bad—wars, booms, depressions. Through all, it has worked with and for other banks in communities throughout the nation, discharging its functions honorably and efficiently.

The formula of survival and growth has been a forward-looking adaptability based on sound banking principles—and good relations with other banks as a useful correspondent.

THE PHILADELPHIA NATIONAL BANK

Organized 1803

PHILADELPHIA 1, PA.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, November, 1946

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MANUFACTURERS TRUST COMPANY

Condensed Statement of Condition as at close of business
September 30, 1946

RESOURCES

Cash and Due from Banks	\$ 523,928,051.50
U. S. Government Securities	1,221,787,131.38
U. S. Government Insured F. H. A. Mortgages	3,756,005.67
State and Municipal Bonds	30,862,317.34
Stock of Federal Reserve Bank	2,475,000.00
Other Securities	24,375,722.37
Loans, Bills Purchased and Bankers' Acceptances	521,056,713.20
Mortgages	11,079,425.61
Banking Houses	11,379,226.40
Other Real Estate Equities	275,797.29
Customers' Liability for Acceptances	8,790,774.12
Accrued Interest and Other Resources	5,699,310.27
	<hr/>
	\$2,365,465,475.15

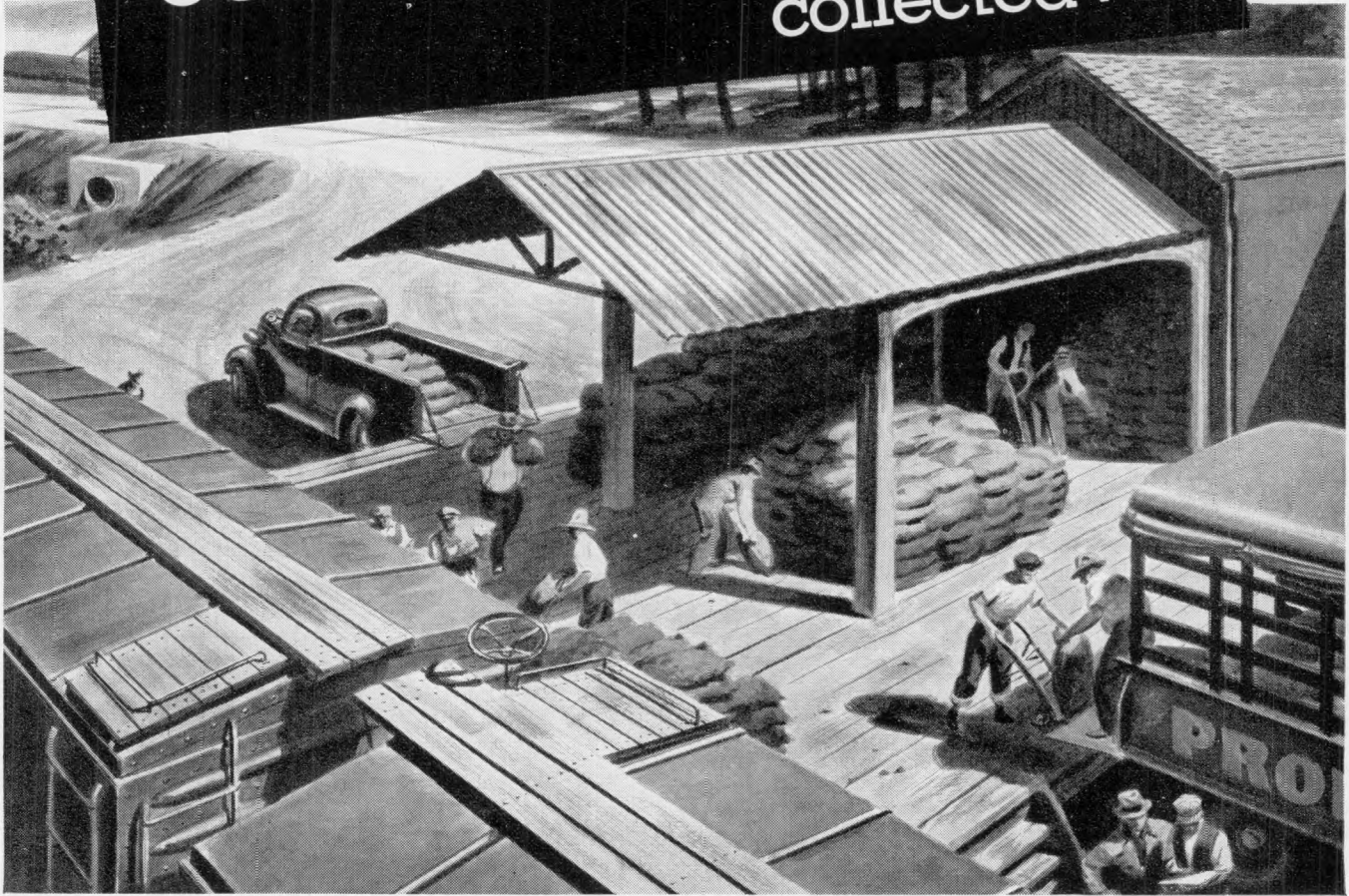
LIABILITIES

Capital	\$41,250,000.00
Surplus	41,250,000.00
Undivided Profits	35,127,079.64
	<hr/>
Reserve for Contingencies	9,516,865.22
Reserves for Taxes, Unearned Discount, Interest, etc.	9,506,258.39
Dividend Payable October 1, 1946	1,237,500.00
Outstanding Acceptances	10,059,548.60
Liability as Endorser on Acceptances, and Foreign Bills	208,338.00
Deposits	2,217,309,885.30
	<hr/>
	\$2,365,465,475.15

*United States Government securities carried at \$177,837,111.64 are pledged to
secure U. S. Government War Loan Deposits of \$141,127,569.73 and other public
funds and trust deposits, and for other purposes as required or permitted by law.*

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Northwestern Banker, November, 1946

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.

"Fascinatingly Written"

"I would appreciate several copies of the colored picture that appeared in the current issue of the NORTHWESTERN BANKER. Thank you.

"I look with anticipation each month for the NORTHWESTERN BANKER because it contains so many interesting articles pertinent to the times in addition to being so fascinatingly written.

"Yours for continued expert advice to the bankers of the Great Northwest."

Herman R. Lawrence, Assistant Cashier, First National Bank, Fairmont, Minn.

"Very Timely Survey"

"Your survey entitled 'Why I Chose My Bank' is very timely and very interesting. What surprised me was the eleventh reason. I have always been under the impression that personal solicitation was an important factor. I think that ties in somewhat with the other reason, 'I knew someone in the bank'."

R. R. Brubacher, President, The Toy National Bank, Sioux City, Iowa.

"A Dinger"

"Your article on 'Why I Chose My Bank' is a 'dinger.' We are going to do something about it in our bank."

V. W. Johnson, President, First National Bank, Cedar Falls, Iowa

"Pass It On"

"Many thanks for sending me a reprint of the article 'Why I Chose My Bank,' from the October NORTHWESTERN BANKER.

"I will take this home tonight and read it over the week-end and will pass it on to those here in the bank I think might be interested in it."

O. G. Alexander, Assistant Vice President, Bank of Manhattan Company, 40 Wall Street, New York.

"Each Issue a Humdinger"

"I have no way of telling how long I will be around. Get weaker from day to day, (Turn to page 24, please)

NORTHWESTERN Banker

DES MOINES

Oldest Financial Journal West of the Mississippi • 51st Year • No. 712

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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, November, 1946



Across the Desk From the Publisher

Dear James H. Kennedy:

As vice president of the Philadelphia National Bank and chairman of the special committee which prepared the booklet "**Know and Accrue Your Taxes**," we want to congratulate you on the fine piece of work which you and your associates have done.

Your work was undertaken on behalf of the Bank Management Commission of the American Bankers Association and you deserve real praise for your untiring efforts.

The question of taxation as it applies to banks is a very important one and your booklet gives a careful explanation and a plan for periodically determining and accruing tax liability on earnings and profits.

The statement in your **Foreword** explains very well the object of your booklet: "**At the present time there are many complications and technicalities in federal income taxation. The material in this study was prepared from an educational point of view to acquaint bankers with these complications and technicalities. It has been streamlined as much as possible and at the same time reflects a full picture. All the essential and fundamental factors needed not only to accrue income taxes but to prepare the tax reports are shown in the text, and it can be used more or less**

as a 'bible' by bankers generally. The information furnished should be of real assistance to many bankers in preparing yearly tax reports and in many instances avoid the need and expense of outside tax service."

Since all taxes now rank as the second largest individual cost factor it is highly important that every bank should know more about proper methods of keeping taxes reduced to a minimum.

Dear Elliott Roosevelt:

Now that the November 5th elections are over and the results speak for themselves, we cannot overlook a statement which you made regarding Senator Arthur H. Vandenberg, Republican Senator from Michigan and a representative at the peace conference in Paris.

In our opinion, Senator Vandenberg during the past few years has grown tremendously as a statesman and representative of the United States in our discussion of foreign affairs.

He has called a spade a spade and does not believe in any pussyfooting in our relations with Russia.

Yet in a speech which you made recently, Mr. Roosevelt, you said that, "**Senator Vandenberg is a betrayer of the people of the United States.**"

It was interesting to note that your speech was made in New York at a dinner sponsored by the Independent Citizens Committee of the Arts, Sciences, and Professions which is noted for its left wing communistic tendencies.

Who do you think is doing the real job of betraying our country—Senator Vandenberg or the communists?

Dear C. W. Bailey:

There were a number of very important resolutions passed when you were elected president of the American Bankers Association and one of them which impressed us very much had to do with the nationalization of business and industry which is taking place in many countries throughout the world.

The association very wisely opposed any such trend in the United States in its resolution which said:

"**The governments of many countries are turning toward nationalization of business and industry in the belief that it will bring about economic stabilization in their countries without realizing that nationalization of the industries upon which people depend for their very existence is certain to depreciate the ability of the people of the nations to maintain and raise their standards of living.**

"In the interest of all countries of the world, we recommend that all peoples strive to create a system of government under which private enterprise can prevail.

"This applies to the people of the United States equally with those in other areas as the private enterprise system under which we have built up such a marvelously efficient and productive economy can easily be destroyed if we are not alive to its preservation."

Bankers, businessmen and industrialists in the United States must continue to prove that corporations and organizations privately operated and owned can and will continue to give better service and better results to their depositors and to their customers than could possibly be obtained if their institutions were nationalized and operated by the government.

The nationalization of business in America is a threat and at the same time a challenge which we are sure will not go unheeded.

Dear Henry Ford II:

For years your company has been known to pay high wages to workers, therefore, when you speak on the problems of labor, what you say is worth listening to.

Recently you said: "Labor's right to strike is being widely misused. Such familiar practices as 'feather-bedding' and the slow-down strike spring from reactionary thinking by labor and lead to decreased production. This is exactly the opposite direction from the one we must take if we are to achieve our goals. It (the strike) has become today a political weapon for the acquisition of power, it has become a method for establishing or entrenching labor monopolies. It has been and is being used by enemies of American freedom to cause domestic unrest and to cut our productivity. The indiscriminate use of the strike must certainly have the effect of reducing the standard of living of the wage earner by raising costs."

There are very few who will deny that the strike is being used as a political weapon and that it is being used by outside forces to cause American unrest. Surely the best elements among American labor in the United States are not in favor of these trends within their own organizations.

When the shipping strike and the truck drivers strike tied up New York a few weeks ago, Dorothy Thompson remarked: "Our greatest metropolis is as paralyzed as though blockaded by a foreign army. A few thousand truck drivers, who, their own leaders admit, are 'out of control' are closing down the working places of tens of thousands of

other workers. Construction is at a standstill; offices are closing; the garment trades are strangled; the food shops are empty; and the city's determination to run the blockade—for that is exactly what it is—anticipates clashes, possibly armed clashes. Armed clashes in the roads and streets are civil war.

"Yet the income of the average man in the United States is the highest in history. Most of the rest of the world is starving because of physical circumstances beyond control. Our production out of which alone anyone can be fed, clothed, and housed, is halted not because our plants are being dismantled by victors, but because they are closed down by the very persons whose own livelihoods depend on their continuous operation."

It seems to us that when our own citizens become more powerful as **enemies from within** than **foreign enemies are from without**, that our labor and management problems are due for drastic revamping and changes.

Dear Joseph E. Birnie:

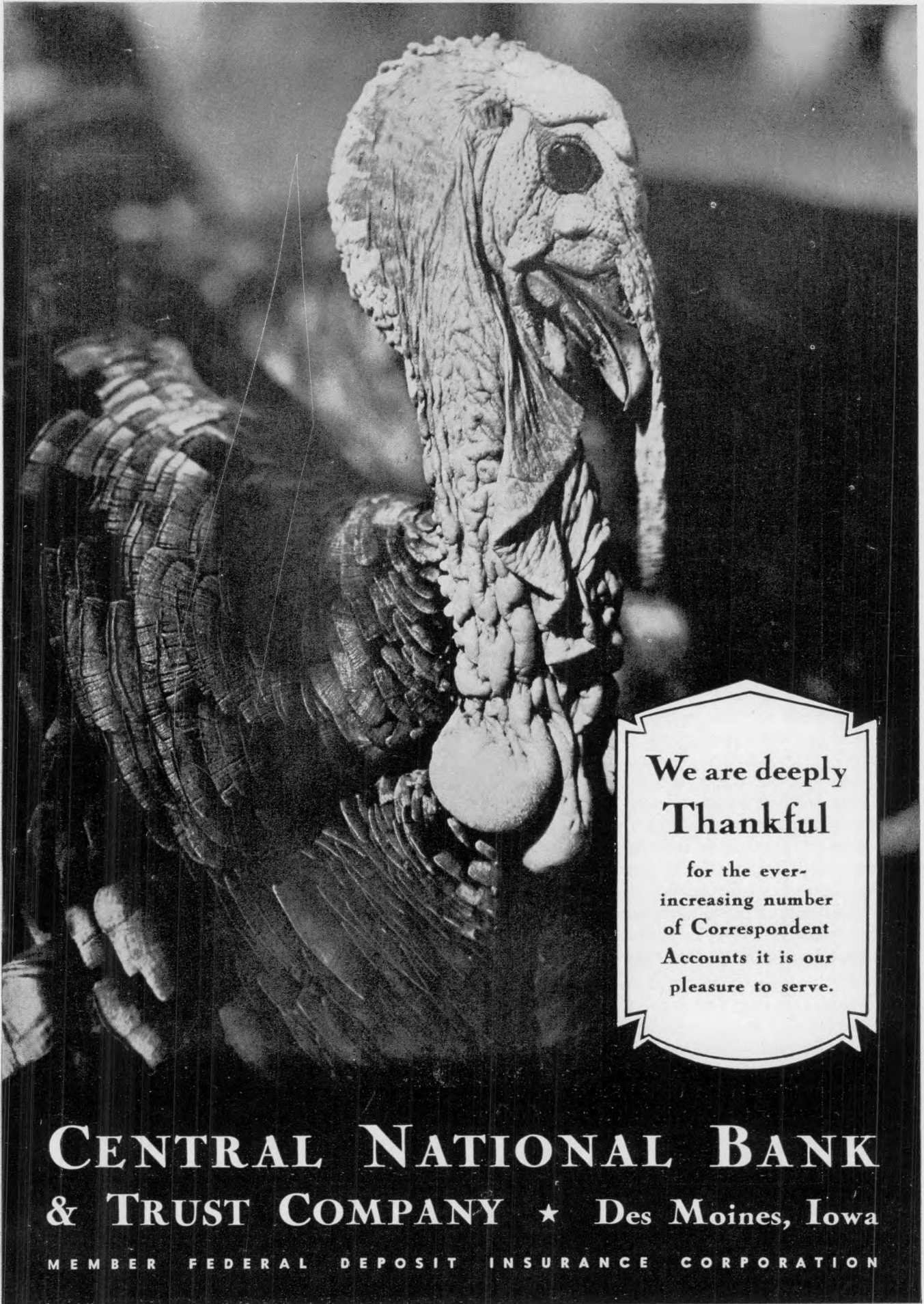
With some economists predicting a "slight recession" and with others saying that we may face a "real depression" we were interested in your speech before the Consumer Bankers Association expressing the idea that there are many factors which indicate that we do not necessarily face another depression.

Your experience as president of the Morris Plan Bank of Georgia at Atlanta has given you an interesting background on which to base your opinions.

It has been our belief, Mr. Birnie, that there is no need for the United States to face a serious depression if we can once again get "our team" to work as it did during the war.

We cannot produce if we constantly have strikes, and labor in turn cannot receive the wages it would like to get if it doesn't produce. Perhaps we need a new coach, but whatever the difficulty may be, we have the money to buy, we have the demand for goods and the economic future of this country should be one of prosperity unless we decide to commit business suicide by refusing to produce the articles which are so much needed right now.

Clifford DePuy



We are deeply
Thankful

for the ever-
increasing number
of Correspondent
Accounts it is our
pleasure to serve.

**CENTRAL NATIONAL BANK
& TRUST COMPANY ★ Des Moines, Iowa**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, November, 1946



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, November, 1946

News and Views

OF THE BANKING WORLD

By Clifford De Puy

JOSEPH STAGG LAWRENCE, vice president, Empire Trust Company, New York, edits their monthly "Letter" and does a mighty fine job of it. In one of his recent statements he said, "Psychologically the country has softened and it is here that we find the greatest contrast between 1946 and 1846. In the latter year the spirit of risk-taking, the voluntary and cheerful assumption of hardship was in the air. **Acquisitive Americans of means wanted more in an age in which the pursuit of wealth required no apology, success invited no penalty.**"

Nelms Black, Oklahoma business man, in a recent book on "How to Organize and Manage a Small Business," published by the University of Oklahoma press, says that, "400,000 Americans go into business for themselves each year, but only 35 per cent succeed, the other 65 per cent fail within 2 years for two reasons, lack of experience, and because of the high cost of mistakes." Also, Mr. Black

pointed out that 50 per cent of small business failures keep no business record.

James W. Hubbell, vice president of the Bankers Trust Company, was given very favorable mention in a recent article in the *Saturday Evening Post* about Des Moines. Referring to Mr. Hubbell it said, "**Jim was an excellent polo player, and it is the fond conviction of some Iowans that he would have been national amateur golf champion if he had been loyal to his putter and traitor to his money.**"

The article might have added that on the Wakonda Country Club course, one of the toughest in the nation, Jim frequently shoots a 71 which is 2 under par for the course.

In addition to his banking activities, Jim is also secretary-treasurer of the Equitable Life Insurance Company of Iowa, of which his brother, Fred W. Hubbell, is president.

Incidentally, Fred was also an ex-

cellent polo player although this was not mentioned by the *Post*.

Mrs. Henry H. Haynes, wife of the editor of the *NORTHWESTERN BANKER*, attended the Financial Advertisers Convention with her husband in San Francisco, and in reporting on some of the things she saw, said, "From the moment we drove onto the Oakland Bay Bridge, San Francisco thrilled me. Through the tunnel, off the bridge, onto California Street, where I fairly screamed when I saw the hill we had to climb."

The next day Mrs. Haynes with some other friends, was taken for another drive around the city which she described as follows: "Four of us were driven down to the docks to see the huge ships, onto the fish wharf, around to the Yacht Club, back up to the top of Telegraph Hill where we all alighted and stood in silence at the beauty. There the moon shone down on us and the Bay in all her glory, twinkling lights on Treasure Island ahead of us, to the left the Golden Gate Bridge lighted, to the right the Oakland Bay Bridge, then we turned around and had this wonderful view of the city. The 'Mark Hopkins' with its huge blue star ablaze, and the rest of the skyscrapers bathed in moonlight. Reluctantly we left here and drove through China Town, up Powell Street hill and on to our hotel."

Miss Joan Holmes, daughter of **George W. Holmes**, president of the First National Bank of Lincoln, was selected as one of the Ak-Sar-Ben countesses from Lincoln for the coronation ball which was held in Omaha last month. This is the first resumption of those famous festivities since 1941.

Frank C. Rathje, president of the Chicago City Bank & Trust Company and of the Mutual National Bank of Chicago, and immediate Past President of the American Bankers Association, was honored by Monmouth College of Monmouth, Illinois, when the college conferred upon him a degree of Doctor of Laws.

This high honor came to Mr. Rathje immediately after the completion of an outstanding year of service to

(Turn to page 70, please)

Financial Advertising Officers



NEW FAA OFFICERS. Seated, (left), **Swayne P. Goodenough**, vice president, Lincoln Rochester Trust Company, Rochester, New York, new president, and **Robert Lindquist**, assistant vice president, American National Bank & Trust Company, Chicago, first vice president.

Standing, left to right, **Allen Crawford**, vice president, Bankers Trust Company, Detroit, second vice president; **Chester E. Price**, advertising and publicity manager, City National Bank & Trust Company, Chicago, treasurer, and **John de Laitre**, vice president and treasurer, Farmers & Mechanics Savings Bank, Minneapolis, third vice president. (See page 16 for complete coverage.)

Bankers Say Saturday Closing Would Hamper Good Service

**Closing Laws Will Curb Individual Rights and
Aid Subsidized Government Lending Agencies**

A NORTHWESTERN BANKER SURVEY

IN THE wake of nation-wide discussion on the subject of banking hours, the NORTHWESTERN BANKER recently made a survey among midwestern bankers, asking them the following question:

Should laws be changed so that banks could legally close on Saturdays the year around? Close summer months only?

The response to this question, as indicated in the answers below, shows that these midwestern bankers, in all except one case, mention the word "service." In spite of the fact that they undoubtedly would enjoy another free day, they first think of how service to their customers would be affected. Since this is primarily an agricultural belt, most feel that closing all day Saturday would not be a wise move. Here are their replies:

Ben B. McNair, vice president and cashier, Columbus Bank, Columbus Nebraska: "The question of favoring laws that would make it legal for banks to close one day per week or Saturday afternoon, seems to me to be the very thing that most bankers like to eliminate, 'regulations!'"

"For we who claim to favor individual enterprise and initiative, to favor laws that tend to curb our individual rights seems absurd.

"Bankers spend their money advertising the service they offer the public and then serve them with shorter hours than any other business. After all a bank has little to sell that could not be obtained from a governmental agency, so why penalize the people that make it possible for you to exist?"

"I personally feel that this question is not worthy of consideration in the rural communities."

V. W. Johnson, president, First National Bank, Cedar Falls, Iowa; "Legislative action giving authority to banks to close one day per week in the summertime, or the full year around, has been obtained in several of the states,

particularly along the eastern seaboard. If there is strong sentiment among Iowa bankers for similar authority, there would appear to be no valid reason why it should not be sought from our General Assembly.

"There are many bankers who believe that our institutions are open to the public too few hours even now, and that our customers are entitled to more, and not less, service. They feel that the tendency to crowd too much activity into a shorter work week is already overdone. These people also feel that competing financial institutions and lenders, in which the government subsidized agencies (to whose methods we bankers often object) are included, will find shorter banking hours an added competitive advantage. It has also been said that less efficient bank help would result from the divided attention caused by more free time.

"Of course these arguments have a strong validity. On the other hand, we might inquire if they give full recognition to the impact which the 40 hour week and the minimum wage laws have had on rising bank costs. Might there not be an added number of jobs available, if open hours were fewer? Certainly the technological advance in bank accounting and the machinery with which to do it now requires less man hours per unit of production. Finally, most bankers need to give attention to the agitation for better wages and working conditions in banks coming from the union labor movement, just now being felt in this country.

"In between these viewpoints will no doubt be found the proper key to procedure. In our neighborhood we have closed on Saturdays at 1 o'clock for many years and usually we are out of the bank by 2:30 at the latest. Our staff seems to like the arrangement and the public has accepted it very graciously. We are therefore well satisfied with the status quo but if there were a concerted movement

among Iowa bankers for one day per week closing legislation, we would have no objection to the move insofar as our bank is concerned."

Blanding Fisher, Ramsey County National Bank, Devils Lake, North Dakota: "In this part of the country where our business is so largely agricultural, I doubt very much if the banks could close on Saturdays without greatly inconveniencing our farm customers.

"Here in Devils Lake, we close at one o'clock on Saturdays and find that this works very nicely. We also feel that it would not be advisable to change our present days of business so that there would be any day of the week on which we would not give service to our customers, except on Saturday afternoons and the legal holidays that we observe."

Charles Kriz, cashier, United State Bank, Cedar Rapids, Iowa: "We think that our community is not quite ready for Saturday closing. However, we feel that Saturday closing should be considered as one of the possibilities of banking hours of the future.

"From our standpoint at the United State Bank it will really be better to close some other day."

Marie Bechtel, cashier, The Bank of Cresbard, South Dakota: "As I see it in our community, depending on agricultural resources, it would not be for the best to close on Saturdays at any time of the day or months during the year or any other day of the week.

"We are rather handicapped with help and we do try to get our work done within the banking hours, as it is, and feel as though if we did not take care of it daily, the work would pile up and not be taken care of as it should be. Therefore, I think we should keep our banking time as we have it now and give our customers that same service as we have in the past." # #

Northwestern Banker, November, 1946

Work, Weather and Warm Welcome Feature FAA in 'Frisco

**Convention Committee Convinces Critics That
California's Claim to Cordiality Is Correct**

**By HENRY H. HAYNES, Editor
The NORTHWESTERN BANKER**

SWAYNE P. GOODENOUGH, vice president of the Lincoln Rochester Trust Company, of Rochester, New York, was elected president of the Financial Advertisers Association at the thirty-first annual convention of the organization held last month in San Francisco. Mr. Goodenough succeeds Dale Brown, assistant vice president of the National City Bank, Cleveland, to that executive office.

Registration at the convention was 550, with 39 states and Canada represented. Total membership in the FAA is now 1,138. Dale Brown said in his report that during his term of office he had traveled 28,000 miles and visited 24 states.

Other officers named were: first vice president, Robert Lindquist, assistant vice president American National Bank & Trust Company, Chicago; second vice president, Allen Crawford, vice president Bankers Trust Company, Detroit; third vice president, John deLaittre, vice president and treasurer, Farmers & Mechanics Savings Bank, Minneapolis; and treasurer, Chester L. Price, advertising and publicity manager, City National Bank & Trust Company, Chicago.

Directors elected to serve the FAA for the coming year were Dale Brown;

Raymond K. Meixsell, public relations director, Troy Savings Bank, Troy, New York; Paul A. Albus, assistant vice president, Continental Bank & Trust Company, New York City; Grace M. Mack, advertising manager, Mississippi Valley Trust Company, St. Louis; John L. Chapman, trust officer, City National Bank & Trust Company, Chicago; Lee Matthews, executive vice president, American Trust Company, South Bend, Indiana; Hugh J. Bernard, vice president, Second National Bank, Houston, Texas; H. G. Nicholls, cashier, First National Bank, Madison, Wisconsin; Leslie K. Curry, vice president, Mercantile Commerce Bank & Trust Company, St. Louis. Charles B. Wilbar, assistant cashier, National Shawmut Bank, Boston; Ruel Smith, Time, Incorporated; O. E. Manning, manager, Grey & Bruce Trust & Savings Company, Owen Sound, Ontario, Canada; E. S. Patterson, president, First-Central Trust Company, Akron, Ohio; Louis H. Bieler, president Germantown Trust Company, Philadelphia; Lester B. Johnson, advertising manager, American Trust Company, San Francisco, and H. L. Flynn, assistant vice president Cleveland Trust Company.

The delightful hospitality of the

FAA hosts on the coast and the ideal weather experienced during the convention combined to make the 1946 meeting in San Francisco one long to be remembered. Everything that could possibly contribute to the comfort and pleasure of the many visitors from "inside" was anticipated, and reversing the oft-heard statement, the San Franciscans admitted the continued sunshine was just a little "unusual." (To those interested, a little fog did roll in three days after the convention closed.)

Two things impress a "first-timer" about an FAA convention. The first is the good-fellowship enjoyed among the members—it seems to be a contest to see who will be the first to extend a hand of greeting, and when one finds everybody doing that it makes for a feeling of brotherhood that can be experienced no other way. Second, FAA conventions are "work" meetings, not just by the officers and those members from the host city, but by everyone—breakfast every morning at 7:45 with everybody registered at their tables by that time, a luncheon every noon, and a dinner every night, and of course morning and afternoon departmental and general sessions—and—all attend

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At the FAA in San Francisco →

THROUGH THE RANGE FINDER on his camera, the NORTHWESTERN BANKER photographer spotted a number of delegates attending the FAA convention in San Francisco and their pictures are shown on the opposite page. Reading from left to right, they are:

1. **David R. Houser**, assistant vice president, Germantown Trust Company, Philadelphia, and **Harry G. Duntemann**, assistant cashier, First National Bank, Chicago, talking over one of the receptions held the night before.

2. **D. J. Wessling**, president, Wessling Services, Inc., Des Moines, and **Chauncy E. Brockway**, president, First National Bank, Sharon, Pennsylvania, enjoying a few minutes' visit between meetings.

3. **Russell G. Palmer**, advertising and publicity, Bank of America, San Francisco, watches as **C. A. Hemminger**, advertising manager, Bankers Trust Company, New York City, checks over the remainder of the day's program.

4. **Preston E. Reed**, executive vice president of the FAA, listens as his assistant, **Lucy David**, reads from the notebook of a busy secretary.

5. **Lester B. Johnson**, advertising manager, American Trust Company, San Francisco, and general chairman of the convention, and **L. E. Townsend**, vice president, Bank of America, San Francisco, and chairman of the convention executive com-

mittee, chat with **Harold Klein**, vice president, Iowa-Des Moines National Bank and Trust Company, Des Moines.

6. **Anna T. Olsson**, advertising manager, Live Stock National Bank, Omaha, and **Grace M. Mack**, advertising manager, Mississippi Valley Trust Company, St. Louis, brush up on a few program notes before attending the next meeting.

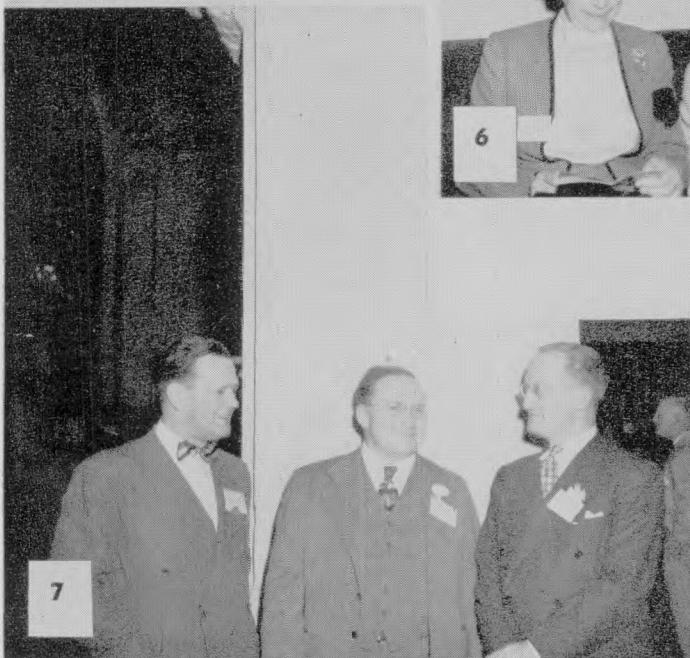
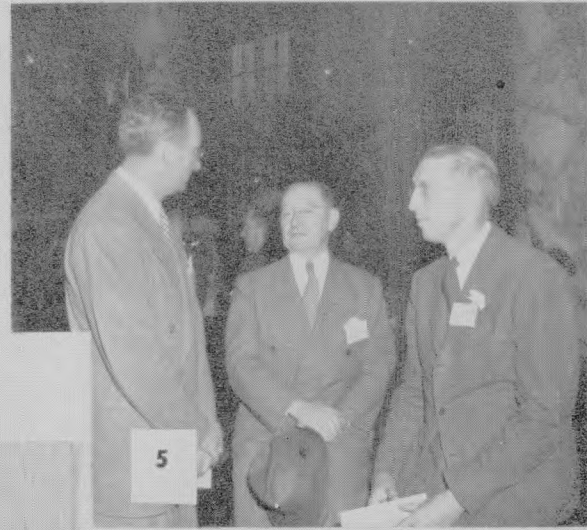
7. **Robert Lindquist**, assistant vice president, American National Bank, Chicago, and new first vice president of the FAA, receives congratulations from **John F. Wilhelm**, president, Hoosier State Bank, Hammond, Indiana, and **J. M. "Pete" Easton**, vice president, Northern Trust Company, Chicago.

8. **Merrill Anderson**, president, Merrill Anderson Company, New York City, and **Albert E. Felsted**, advertising manager, First National Bank, St. Paul, take time out for a relaxing smoke.

9. **R. W. Dawson**, Albert Frank-Guenther Law, Chicago, visiting with **Mrs. Waibel** and **J. K. Waibel**, advertising manager, Continental-Illinois National Bank, Chicago.

10. An all-Iowa group meets in the lobby. **Frank Warden**, vice president, Central National Bank and Trust Company, Des Moines; **Mrs. Frank Warden**; **Mrs. C. F. Harris**; **C. F. Harris**, president, State Bank, Gladbrook; **Mrs. L. W. Ross**, and **L. W. Ross**, president, Citizens State Bank, Oakland.

Northwestern Banker, November, 1946



How to Solve the Legal Angles Involved in Making G. I. Loans

Your G. I. Loan Question Box

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

Q. Is a loan for the purchase of a building located on leasehold ground to be classified as a real estate loan or a personal property loan, for the purpose of determining whether the applicant is entitled to a maximum guaranty of \$4,000, under a real estate loan, or a maximum guaranty of \$2,000, under a non-real estate loan?

A. Section 36:4301 (bb) of the Regulations states: "Real estate loans—Any obligation incurred for the purchase of real property or a leasehold estate as limited in these regulations, or for the construction of fixtures or appurtenances thereon or for alterations, improvements or repairs thereon required by the regulations to be secured by a lien on such property or is so secured." Section 36.4350(a) gives three types of title—fee simple, leasehold, and life estate. It points out that a leasehold estate, running or renewable at the option of the lessee for a period of not less than 14 years from the maturity of the loan constitutes an eligible real estate loan. Therefore, it is the opinion of this office that a loan on a building located on leasehold ground, said leasehold complying with the requirements of the regulations, is classified as a real estate loan within the purview of this Act.

Q. The regulations state that the veteran must become vested with a merchantable title. In case in the conveyance of title or deed, the mineral rights are reserved, is a loan based on such title eligible under the Act?

A. Yes. Section 36:4350(b) appears clearly to make eligible for the guaranty a loan secured by proper lien, notwithstanding that the veteran does not become vested with a merchantable title to the entire fee simple, if the only reason he does not acquire such title is that he does not acquire the subsurface rights (outstanding min-

eral rights). It appears, therefore, that there is, in fact, no reason, insofar as the guaranty by Veterans Administration is concerned, for a lender to hesitate about making loans otherwise proper on property on which the mineral rights are outstanding.

Q. To what extent is guaranty or insurance credit available in connection with loans to veterans when the title



WALTER T. ROBINSON
Answers Your Questions

to the home or other real estate is taken in both the name of the veteran and the veteran's spouse? (It is immaterial whether the veteran is a male or female.)

A. It has been determined that the guaranty is to be measured by the total value of the property owned by the veteran and his or her spouse, where the ownership is based on the usual husband and wife relationship, whether the property is held as (1) community property; (2) as a tenancy or by the entirety; (3) in joint tenancy, or (4) as a tenancy in common.

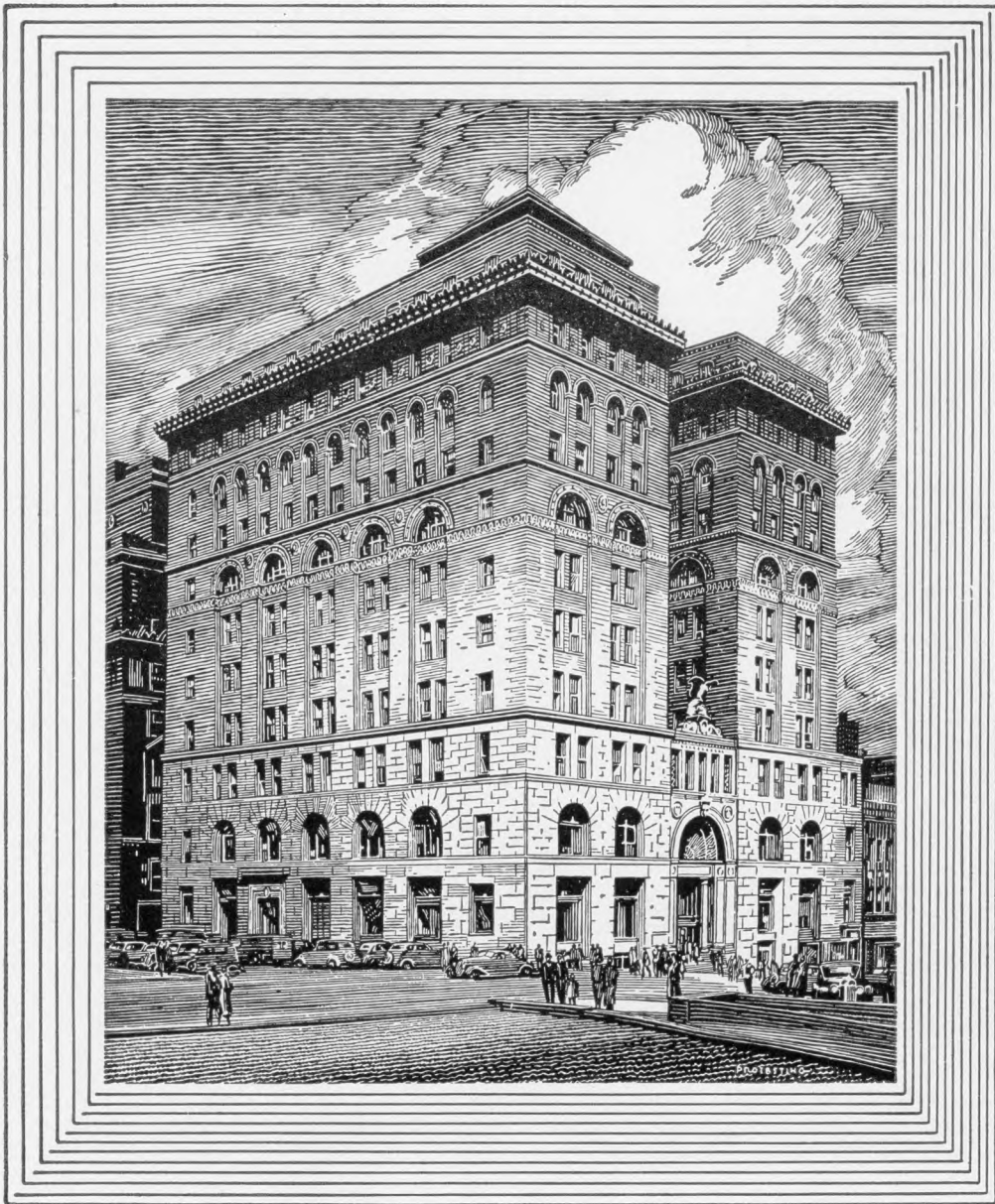
Q. Is it required that the abstract of title go back to the Government, or may the abstract be furnished from the plat?

A. In such cities or towns where it is customary to furnish abstract from the plat and in such places as lending agencies, to wit: insurance companies, savings and loan associations, banks, etc., follow this practice and it is good commercial usage, there is no reason why it should not be followed in furthering purchase of real estate under the Servicemen's Readjustment Act. This decision is based on the premise that abstracts of this nature normally carry a general qualifying clause showing that at the time of the plat the title, up to and including the platting, has either undergone litigation or judicial determination such as to base a good and merchantable title of property that has been subsequently platted.

Q. When a note has been drawn for the maximum maturity of 25 years, and in the event delayed amortization in new construction cases beyond the permissible maturity of 25 years, what process should be followed?

A. The guaranty of loans otherwise valid, aside from the deviation as to the maximum prescribed maturity, is not vitiated by reason of the fact that such loans will mature in full in slightly more than 25 years. The only loss that could be suffered by the lender because of this excessive maturity would be as to the guaranty of such installments as fall due after a 25-year period. However, to avoid any such deviation and possible slight loss, an extension agreement may be entered into between borrower and lender, setting out the delayed amortization during the process of construction, and stating that the delayed payments will be paid concurrently with, and as a

Turn to page 20, please)



Prompt Transit Service

THE
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 NATIONAL
 BANK

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Northwestern Banker, November, 1946

About Bankers You Know



HENRY E. ATWOOD

President, First National Bank in Minneapolis

“Noted for his ability to inspire loyalty and confidence among his associates”

MOVING forward with the self-confidence and business acumen that has been inspired by 27 years of experience in industry and finance, Henry E. Atwood today holds the presidency of one of the middlewest's finest banking institutions, the First National Bank of Minneapolis.

Anyone meeting Henry Atwood is immediately impressed with his straightforward cordiality and sincerity, his wonderfully engaging personality and his sense of humor. Mr. Atwood is noted for his ability to get along with other people and to inspire loyalty and confidence among his associates.

He was elected president of the First National Bank June 29, 1945, and since taking over his duties, has displayed a remarkable capacity for sensing promptly the essentials of any situation under discussion and penetrating without delay to the heart of the matter. His judgment, with respect both to persons and events, reflects his varied experience as teacher, investment banker, manufacturer and commercial banker.

Henry Atwood was born at Keeseville, New York, on November 22, 1895. He entered Dartmouth College in 1909, received his Bachelor of Arts degree from that school in 1913 and his Master's degree from Harvard in 1914. On June 19, 1917, he was married to Marian Woodward and they have two sons and one daughter, John A., Roger W. and Carol Atwood Daniels. During World War I Mr. Atwood served in the Cavalry from 1917 to 1919 and was discharged as a Captain.

After completing his army service in 1919 he entered the investment business. In 1924 he was named bond officer for the Minneapolis Trust Com-

Northwestern Banker, November, 1946

pany, holding that position until 1933 when he was elected vice president of the First National Bank of Minneapolis, where he remained for three years. It was in 1936 Mr. Atwood began a nine year connection with the B. F. Nelson Manufacturing Company as vice president and a director. Since April, 1943, he has been a director of the bank and served on its trust committee. When the late Lyman E. Wakefield was named chairman of the board of directors in June, 1945, he was recalled to full time duty at the bank in his present chief executive capacity. However, he is still a director of the B. F. Nelson Company.

Mr. Atwood is a registered Republican. His principal hobby is golf and he is a member of the Minneapolis, Minikahda, Woodhill, Minnesota and Chicago clubs.

G. I. QUESTION BOX

(Continued from page 18)

part of, the final installment within the permissible 25-year maximum period. In other words, the delayed installments would be ballooned and made to mature as of the final maturity date within the 25-year period. An executed copy of such extension agreement should be placed of record and submitted to the Loan Guarantee Office. In such cases, it is not mandatory that the loan be changed unless the parties concerned desire to do so.

Q. In the case of personal property loans, are veterans' guaranteed and likewise insured loans excepted from Regulation W?

A. Section 8(o) of Regulation W provided for the exception from Regulation W of loans guaranteed under the Act. At that time, we had only guaranteed loans. The amendment to the Servicemen's Readjustment Act, which provided for guaranteed or insured loans, caused the question to be raised as to whether both guaranteed and insured loans were exempt from Regulation W. It has since been ruled by the Federal Reserve Board that due to the fact that the objective of both the guaranty and the insurance is the same, that consequently both guaranteed and insured loans are excepted from this Regulation.

Q. Can a veteran who is a minor obtain a guaranteed loan in Iowa?

A. No. A minor who is not married cannot make a legal contract under the Iowa statutes. It is contemplated that a bill will be introduced at the next session of the Iowa Legislature to remedy this situation.

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THIS BANK has been closely identified with the live stock industry in Chicago for more than three-quarters of a century. We know the importance of speedy transmission of proceeds of live stock sales and for years have had these credits in the hands of Midwest bankers the next day. This is only one of our many services used by bankers throughout the Middle West.

The

LIVE STOCK *National* BANK *of Chicago*

ESTABLISHED 1868

UNION STOCK YARDS

Member Federal Deposit Insurance Corporation

Northwestern Banker, November, 1946

LEGAL

Can Foreclosure Be Made Against Administrator of Insolvent Estate?

Q. Under South Dakota law an unpaid chattel mortgage ceases to be valid as to the mortgagor's creditors six years after it is filed of public record. Gray held such a mortgage executed in his favor by Best, who died approximately seven years after its filing. Best's estate was insolvent. Gray sought to foreclose against the administrator who resisted, asserting that, since the estate was insolvent, Best's creditors, who were numerous and included two banks, were the real parties in interest and that the mortgage was not valid as to them. Should the administrator be sustained in his contention?

Yes. The South Dakota Supreme Court so held in a recent decision which was one of first impression in that court. In a well reasoned opinion by Judge Smith it was pointed out that the authorities are in conflict but that the decision rendered by the court is in accordance with the majority view which is that an executor or administrator of an insolvent estate may successfully resist, in the right of the creditors, the foreclosure of a mortgage void as to them.

Q. Suppose that, in the preceding question, Best's estate had been solvent and ample to pay all of his creditors. Suppose further that the ultimate parties in interest, insofar as Gray's mortgage was concerned, were Best's heirs. Could the administrator have successfully resisted Gray's foreclosure action in such circumstances?

No. Even though the six year limitation fixed by statute had run, the mortgage subsisted as a valid lien as against the mortgagor, his heirs and legatees, and it was therefore binding upon the administrator of the mortgagor's estate. Such rule has been established law in South Dakota for a considerable period of time.

Q. Pereau, a policeman in an Iowa city, retired on a half-pay pension. Thereafter he returned to active serv-

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

ice for approximately two years because of the national emergency and received a policeman's salary during that period. Was he entitled to the payment of his pension also during that time? One of the local bankers was involved because he was mayor of the city.

Yes. The Iowa Supreme Court held recently that a policeman who, after retiring on a half-pay pension, returns to active service for a time by reason of an emergency, and who receives a policeman's salary during such period, does not thereby lose his vested right to payment of the pension during such period. Somewhat similar holdings may be found in Minnesota and Nebraska. There are contra holdings in Illinois.

Q. A trust officer of a bank was confronted with a situation where one of his friends died and the will of the decedent could not be found. The facts were that a will had been in existence and in the testator's possession but for some unknown reason it had been lost and could not be made available. Probate proceedings were undertaken to establish it as a lost will. In order to do so was it necessary to overcome a presumption that the will had been destroyed by the maker?

Yes, according to the general rule on matters of this kind. This rule, which finds support in decisions in Alabama, Nebraska, and other states, is that, where a will was last seen in the possession of the testator and was subsequently lost, it is presumed to have been destroyed by him.

Q. Suppose that, in the preceding question, the will, instead of having been seen last in the possession of the

maker, was traced last to the possession of another. In such circumstances would the proponents of the lost will, as a general rule, have to overcome a presumption that the testator had destroyed it?

No. Where a lost will is traced last to the possession of another there is no presumption at law that the instrument was destroyed by the testator. It has been so held specifically in Texas and Missouri. In such cases there is, nevertheless, a burden on the proponents to show that the will was not revoked.

Q. Brown, a duly licensed and acting agent for a fire insurance company, agreed verbally with Willett, a North Dakota banker, that his company would insure certain personal property owned by Willett in that state for \$1,000, the insurance to become effective from the time of their conversation. The insurance company was incorporated in, and had its home office in, another state. Brown was paid fees by it for business placed by him. Before the policy could be issued in the home office and returned to North Dakota Willett suffered a loss by fire of the property. Could Willett recover even though he had no policy?

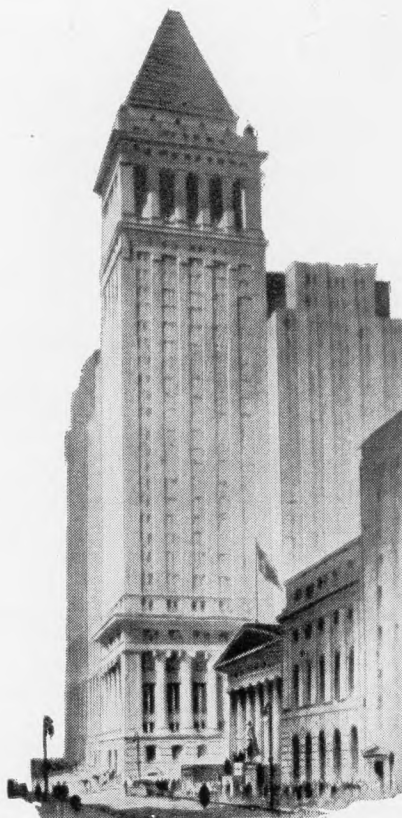
Yes. The fact that the agreement between Willett and Brown was verbal does not prevent a recovery by Willett as Brown's action in making the verbal contract bound his company. The North Dakota Supreme Court so held in a recent analogous decision, pointing out that such an agent has authority to make a preliminary verbal contract of insurance pending the issuance of a written policy.

Q. Dopf, a Minnesota banker, also operated a construction business in that state. He entered into a contract to erect a building which, among various things, bound him to pay all material bills. In carrying it out he hired a carpenter as a subcontractor to do

(Turn to page 45, please)

A Partial List of Bankers Trust Services to Banks

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



These and other specialized services are used daily by our correspondent banks. You are invited to discuss any problem in which you feel we can be of assistance.

BANKERS TRUST COMPANY

NEW YORK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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

The boom in new small businesses and stores has brought a new danger to banks. The so-called "proposition" gentry are going quietly into action in various parts of the country.

★ ★ ★

They are a clever ring of forgers who plan each job with experienced skill, shoot for high stakes and stay far in the background. The forged checks are passed directly in the bank servicing the account.



Here's how they work. A member of the gang ferrets out a shady store owner with larceny in his heart. With the hundreds of new stores opening up these days, finding such a merchant is not difficult. Once found, he acts as a front for the gang.

★ ★ ★

Members of the proposition mob secure signatures of a large depositor in the same bank used by the crooked storekeeper. A clever penman studies the signature and then imitates it so well that it will pass any cursory inspection.

★ ★ ★

A forged check of from \$2,000 to \$5,000 is given to the storekeeper. He deposits it to his account. Since it appears to be a routine transaction, the teller accepts the check. A few days later the storekeeper draws out the cash, turns it over to the gang, and receives his cut.

★ ★ ★

Once they've shown him how easy it is, the gang has him repeat the routine three or four times in a month, withdrawing as much as \$15,000 to \$25,000. The mob specializes in jewelry, furs — luxury line shopkeepers with whom large transactions are not unusual.



When the storekeeper is questioned he is well prepared. He presents phony bills of sale which show that he did not turn over the merchandise until the checks had cleared — thus passing the onus to the bank. Actually he never turned over any merchandise at all.

★ ★ ★

There is no simple way to detect these expert forgeries. A good plan is to check the background of any new store account.

★ ★ ★

Another good plan is to give your customers' checks the protection afforded by Hammermill Safety. A note on your bank letterhead will bring samples of this fine check paper. Address Hammermill Paper Company, 1513 East Lake Road, Erie, Pennsylvania.

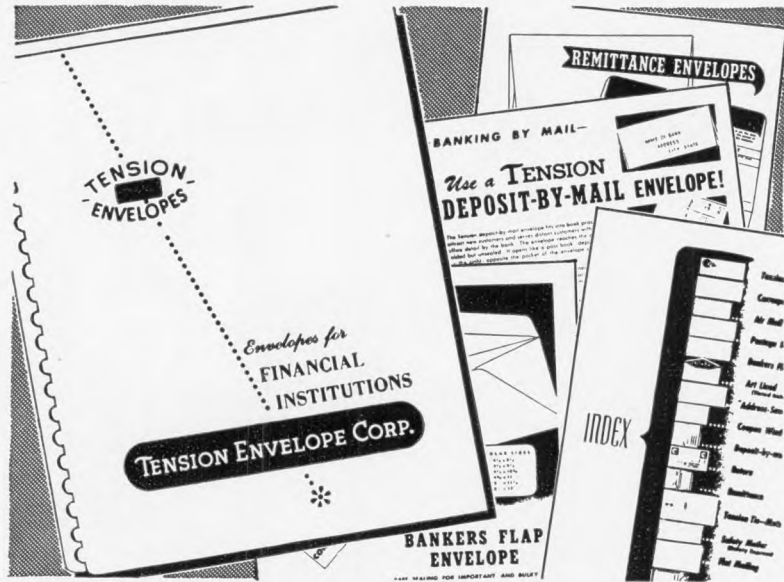
Northwestern Banker, November, 1946

Envelope Manual for Banks

THE first envelope manual for banks ever devised has just been released by the Tension Envelope Corporation as part of a specialized service to financial institutions.

With complete illustrations, descrip-

Banks, insurance companies, securities dealers, and other financial institutions desiring copies of the manual "Envelopes for Financial Institutions" may obtain them by writing Tension Envelope Corporation, 1912 Grand Ave-



ILLUSTRATIONS FROM THE ENVELOPE MANUAL for banks are shown in the picture above. Just released by the Tension Envelope Corporation, it is the first manual of its kind ever published.

tions and use recommendations for envelopes which have proven most valuable to the banking world, the colorful pages graphically illustrate how each envelope best serves the various needs of banks, insurance companies, securities dealers and other financial institutions, and points out many special applications.

From correspondence envelopes through specially designed envelopes, such as the Deposit-by-Mail Envelopes, each illustration is accompanied by a comprehensive discussion of the services the envelope can perform within a financial business house.

Particular emphasis is placed on methods of obtaining the greatest value from the envelope. A staff of creative artists is offered to aid in the design of envelope advertising space and corner cards—and specially trained representatives of the company are available to discuss particular problems.

Attached to the inside back cover of the book is a pocket placed there to keep possessors of the manual up to date. From time to time, samples of new envelopes, data on postal regulations, price lists, short-cut ideas, and other valuable information will be sent to supplement the reference material already contained.

nue, Des Moines 14, Iowa, or by contacting the nearest Tension representative.

DEAR EDITOR

(Continued from page 9)

which is the natural progress of the disease, but am comfortable, have but little pain, go to the table for my meals and sit up considerably.

"Each of the issues of the NORTHWESTERN BANKER you sent me are certainly hum-dingers, especially the September issue. I wonder if your Dad and I will talk over your accomplishments when we get together.

"Thank you a million, dear old friend, and every good wish to you and your family."

*Leo E. Stevens, 840 Locust,
Pasadena, California*

"A. J. Bird Is Our Cashier"

"We have your letter addressed to Leland G. Hix, Cashier. At the time Mr. Hix returned from the service we wrote you a letter stating he had returned to this bank as assistant cashier, then when your bank directory was published you still persisted in listing Mr. Hix as our cashier and omitting the name of A. J. Bird who is our cashier. Would you therefore kindly correct your records to read that A. J. Bird is our cashier and that Leland G. Hix is our assistant cashier?"

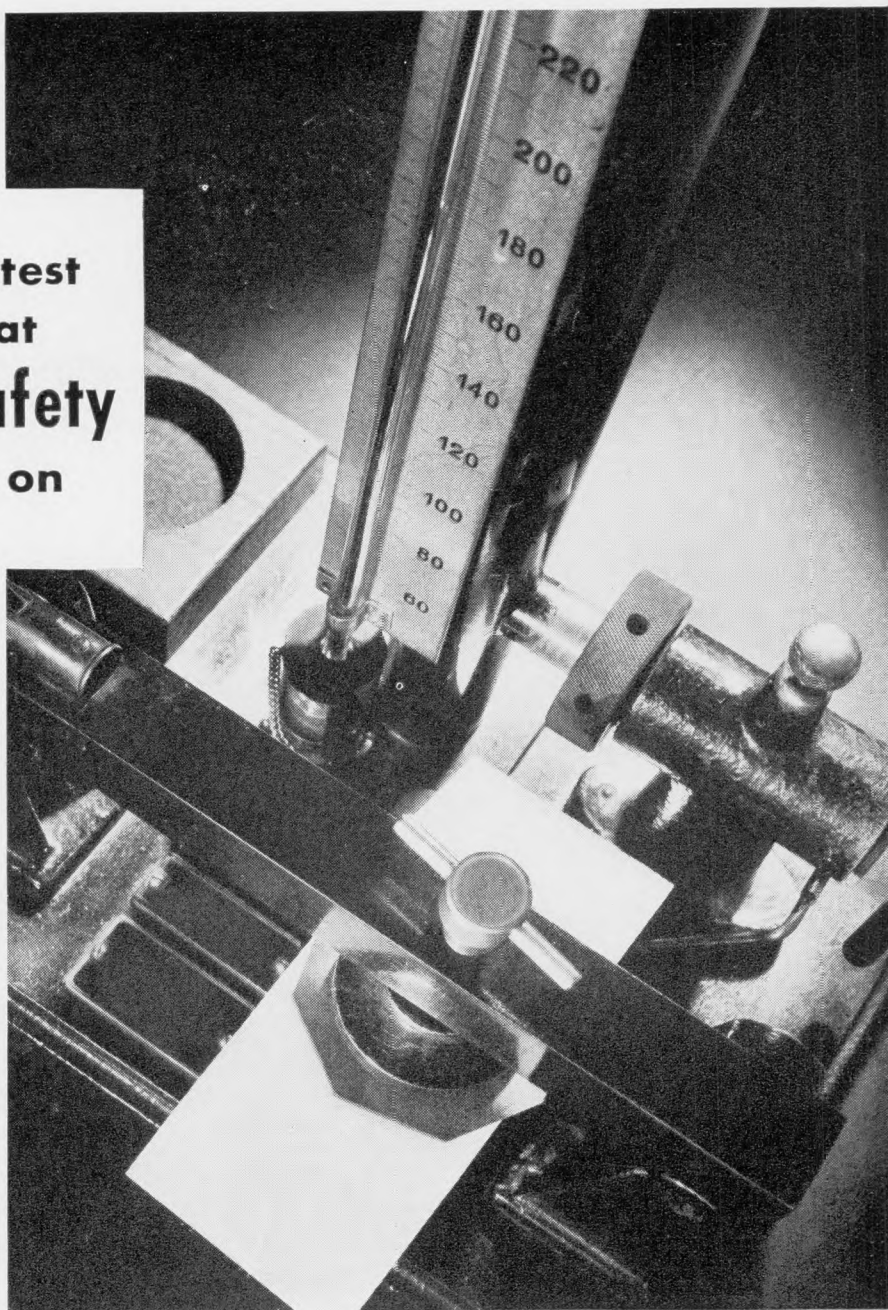
*Paul Groszkruger, President,
The Citizens State Bank,
Belle Plaine, Iowa.*

This smoothness test
 makes sure that
Hammermill Safety
 is easy to write on



FROM CHIPS TO
 PULP TO PAPER
 HAMMERMILL CONTROLS
 EVERY STEP IN
 PRODUCING

**HAMMERMILL
 SAFETY**



Hammermill Safety is made complete *in one mill*. Every characteristic that contributes to a fine check paper is tested by Hammermill's own technicians in one of the most modern testing and control laboratories in the papermaking craft. That is why it is the uniform check paper—uniform in smooth writing surface, protective qualities, color and strength. A note on your bank letterhead will bring samples. Address Hammermill Paper Co., 1513 East Lake Road, Erie, Pa.

*Safety Paper Division
 Hammermill Paper Company*

Northwestern Banker, November, 1946

To Aviation Council

Marvin E. Holderness, who will retire January 1, 1947, as vice president of the First National Bank in St. Louis, became associated with The Aviation Council of Metropolitan St. Louis,

Inc., as executive manager last month, according to a joint announcement made by Walter W. Smith, president of the First National Bank, and George B. Logan, president of the Aviation Council.

Mr. Smith stated that the bank is

contributing the services of Mr. Holderness for his unexpired term as "evidence of the bank's interest in developing aviation as a great industry in the St. Louis area," and of the bank's



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MARVIN E. HOLDERNESS
Associated with Aviation Council

"desire to see the St. Louis area take its rightful place as the air center of America."

Mr. Holderness, who is treasurer and chairman of the finance committee of the Municipal Opera Association, has a long record of aviation interests, including service on the Airport Commission appointed by the late Mayor Henry W. Kiel for the construction of Lambert-St. Louis Airport.

Mr. Holderness has been elected an honorary life member of the Financial Advertisers Association, of which he was a founder.

J. S. Coleman New President

John S. Coleman has been named president of the Burroughs Adding Machine Company, Detroit, succeeding Alfred J. Doughty who resigned as president and a director on the advice of his physician. The change was effective last month.

In addition to the resignation of Mr. Doughty and the appointment of Mr.

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to Banks

Northwestern Banker, November, 1946

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, September 30, 1946

RESOURCES

Cash and Due from Banks.....	\$ 533,034,982.86
United States Government Obligations.....	1,342,454,085.80
Other Bonds and Securities.....	43,042,690.94
Loans and Discounts.....	379,644,125.69
Stock in Federal Reserve Bank.....	3,600,000.00
Customers' Liability on Acceptances.....	921,425.12
Income Accrued but Not Collected.....	5,480,822.23
Banking House.....	10,575,000.00
	\$2,318,753,132.64

LIABILITIES

Deposits.....	\$2,134,474,310.27
Acceptances.....	921,425.12
Reserve for Taxes, Interest, and Expenses.....	12,937,107.08
Reserve for Contingencies.....	18,108,299.75
Income Collected but Not Earned.....	255,101.23
Capital Stock.....	60,000,000.00
Surplus.....	60,000,000.00
Undivided Profits.....	32,056,889.19
	\$2,318,753,132.64

United States Government obligations and other securities carried at
\$282,229,233.18 are pledged to secure public and trust deposits and for
other purposes as required or permitted by law

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Northwestern Banker, November, 1946

How a Banker became a Magician

and turned a predicament into an opportunity!



A True Story of how a midwestern banker, by recommending Lawrence Field Warehousing, turned an automotive parts manufacturer's predicament into an opportunity.

(Reading time 49 seconds)

THIS is the story of an automotive parts manufacturer who obtained a year's contract for drop forge units from his principal customer. Simultaneously he was offered a "special buy" on all the steel bars and rods he would need to fill the entire order.

Here was an opportunity for extra profits, but it had a string tied to it!

The manufacturer had to take delivery of the bars and rods on a sight draft basis. And he had no cash. And his open line of credit was not enough to handle the deal.

What had been an opportunity now remained a predicament until our banker worked magic by introducing the manufacturer to Lawrence Warehouse Company.

The banker knew that the bars and rods could be field warehoused under Lawrence System economically and without disrupting the manufacturer's production schedule. To the banker the workings of Lawrence System was a familiar story. Lawrence Field Warehouse Receipts were issued on the bars and rods. These Receipts were accepted by the banker as collateral, and with the receipts as security he was able to lend the manufacturer the additional money needed.

In the same manner, for thousands of business men, American Bankers have worked magic with Lawrence Field Warehouse Receipts for more than 33 years.

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NEW YORK 5, N. Y.
72 Wall Street

Denver 2, Colo.
First Nat. Bank Bldg.

St. Louis 2, Mo.
Boatmen's Bank Bldg.

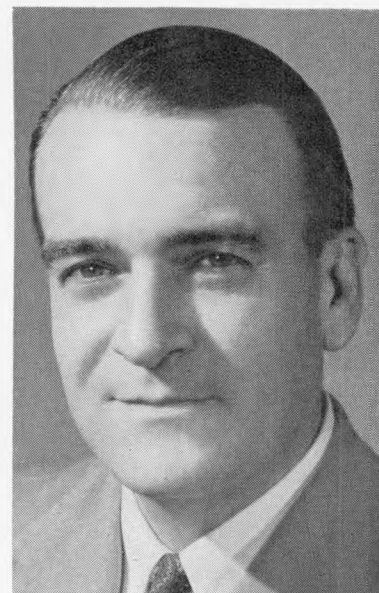
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933 Mulberry Street

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Atlanta • Chattanooga • Jacksonville • Orlando • Cincinnati • New Orleans • Houston
Dallas • Seattle • Portland, Oregon • Stockton • Fresno • Washington, D.C.

Coleman, Burroughs also announced a number of other executive changes from within its own ranks.

These changes involved promotion of:

Laurence V. Britt, former executive vice president, to chairman of the



JOHN S. COLEMAN
President, Burroughs Adding Machine Co.

board of directors and chairman of a newly-formed executive committee.

John L. Stewart, formerly vice president and treasurer, to the position of executive vice president. Mr. Stewart now combines the duties of executive vice president and treasurer.

Thomas G. Long, Burroughs legal counsel for the past 30 years, to the board of directors, filling the vacancy there caused by Mr. Doughty's retirement.

Raymond G. Bower, director and general factory manager, to vice president, engineering.

Ray R. Eppert, sales manager, to vice president, marketing.

Sheldon F. Hall, former special representative in Washington, to assistant secretary and assistant treasurer.

Bank of Manhattan Director

Frederick Sheffield, a member of the law firm of Webster & Garside, has been elected a member of the board of directors of the Bank of Manhattan Company. He is a member of the Association of the Bar of the City of New York and the American Bar Association. He is a director of F. A. O. Schwarz, a trustee of the Trudeau Sanatorium, of the New York School of Social Work and the Community Service Society and a member of the board of managers of St. Luke's Hospital.

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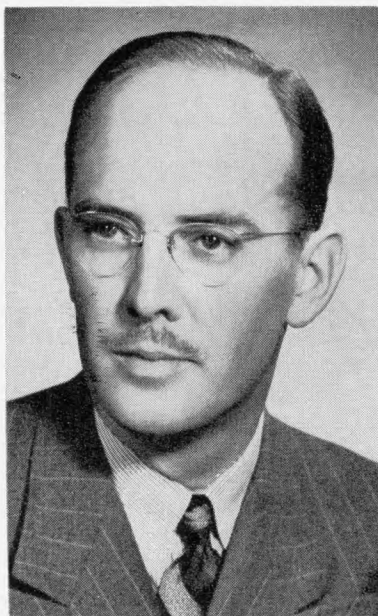
Indianapolis

Detroit

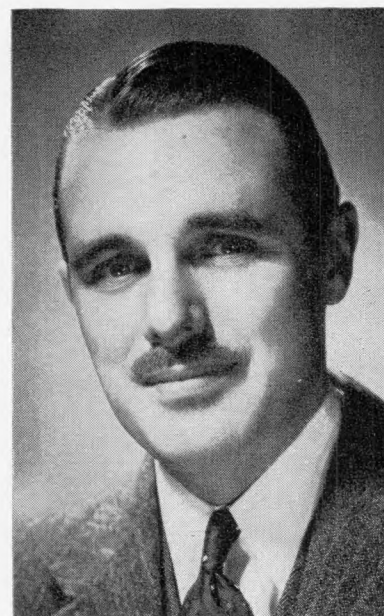
Royal Bank of Canada Promotions

A. F. Mayne and C. B. Neapole have been promoted to the rank of general

visior of the bank's foreign branches since July, 1945. Mr. Neapole has been



C. B. NEAPOLE
Promoted by Royal Bank of Canada



A. F. MAYNE
Named a General Inspector

inspectors of The Royal Bank of Canada, according to announcement by the bank. Mr. Mayne has been super-

first assistant manager of Montreal branch for the past six years.

"EASIER"

In all likelihood the man who operated the linotype to set the type for this advertisement made no errors at all because after the matrices dropped down into position before actually entering the machine he was able to verify each line. This double check is made easy for him by die stamping the letter on the side of each matrix, but it could be made EASIER for him if the side of the matrix was blackened and the letter itself treated with white or a bright colored pigment.

A considerable amount of technological development is the result of trying to make things EASIER for the workman. In the old days we used to try to find ways and means of doing things faster. We still do, of course, but in so many instances if we focus on how to do them EASIER, we find the solution to doing them faster.

Take sorting and filing checks, for example. All checks are sorted and filed correctly in banks, but is the

work easy enough? Can it be done EASIER? If bank people could sort by printed names instead of written names, couldn't they do the work EASIER, hence faster and with greater accuracy? Obviously they could, and how much is it worth? And how can you get printed names on checks?

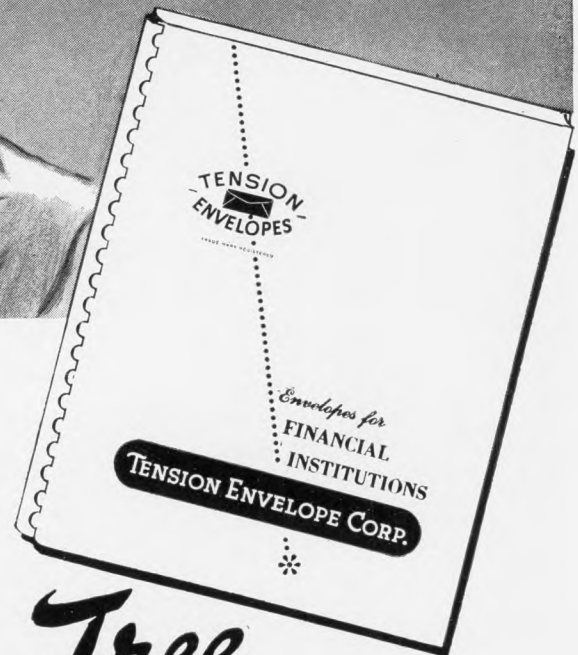
That's where we come into the picture. All you have to do is to place one of our small folders describing Personalized Checks in each monthly statement and give your customers an opportunity to order them. You will get enough response to convince yourself that people like them and your operating people will be impressed with their value in sorting and filing. Then we keep right on supplying you with new folders and you keep right on placing them in your depositors' statements. The first thing you know a lot of your customers will be using imprinted checks and your sorting and filing will be faster, more accurate . . . and EASIER.



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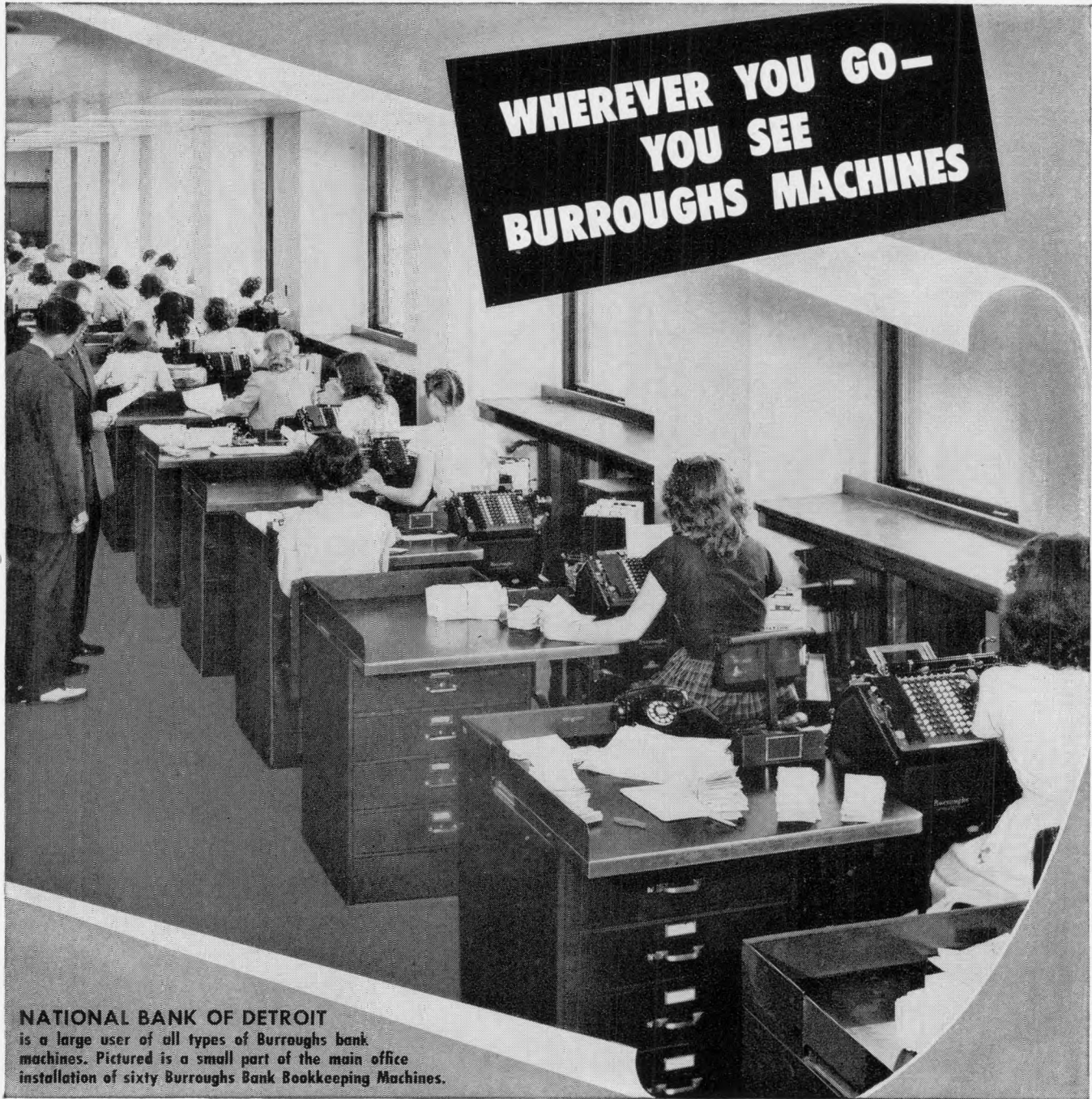
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Northwestern Banker, November, 1946



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Northwestern Banker, November, 1946

Commercial Banks Should Watch the Municipal Market

A Review of Municipals, Corporates and Governments With Probable Coming Trends

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

DURING the war municipal financing fell close to 400 millions in one year and less than a billion dollars of bonds have been marketed thus far in 1946. The great bulk of the business was for refunding outstanding issues and to raise the money with which to pay maturing obligations. Additionally, there was a steady stream of maturities which were met without recourse to borrowing. As a consequence, the total of outstanding municipals fell from 19.2 billions in 1941 to around 16.2 billions by mid-1945.

Because of tax features, municipals have unusual appeal to certain types of investors who are pretty steadily in the market. Commercial banks generally do not find it profitable to hold large amounts of municipals, but the mid-1946 total of close to four billions owned by them is not unimpressive and was around 20 per cent of the total then available to all investors.

The general condition of the country's commercial banks and the trend of earnings suggests that a growing number of these institutions may find it expedient to keep a modest proportion of total assets in these obligations. Because of the flood of municipals likely to come to market over the next two or three years, however, it is unlikely that the proportion of the total supply held by banks will increase, although there may well be a rise in the dollar amount of these investments held by banks.

From the point of view of the potential commercial bank buyer of municipals the outlook is more than agreeable. The commercial bank which contemplates gradual acquisition of some municipal bonds will stress yield and quality. Prices have dropped about 10 per cent this year from the all-time peaks of last April. A typical,

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.

fair-to-medium grade bond due in 20 years currently will yield 1.75 per cent, entirely free of tax, to maturity.

This is not generous, by any means,

but it is considerably better than the meager returns available early in 1946. The price, of course, reflects to a major degree the tax-exempt status. The prospect that taxes generally will be so much reduced as to significantly lessen the appeal of exemption is remote. The long battle waged by federal authorities to upset the right of states and political subdivisions thereof to exempt their obligations from taxation appears finally lost and probably has been definitely shelved. Prices, then, will likely respond mainly to supply and demand factors in the future.

The price decline in 1946 probably reflected temporary developments. Practically all professionals were fully aware that there would be a postwar flood of new municipals; at first, mainly for veterans and thereafter for long-

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deferred public works and extensions and repairs to existing facilities. Accordingly, professional buyers and sellers looked forward to a decline such as actually occurred. Another factor was the performance of governments, for the yields from governments, even though only partially tax-exempt or fully taxable, have a direct bearing on the price a tax-conscious investor will pay for exemption.

The government bond market may well fluctuate within quite narrow ranges for a long time to come, but the fundamentals in the situation point ultimately to somewhat higher returns and, consequently, a slow, extremely long-term drift toward lower prices. Thus, with a greatly enlarged supply of municipals ahead and some slow pressure on prices from the trend of governments, the buyer of municipals should have the advantage for at least several years.

The great flood of municipals in prospect also means that the buyer will have a wide variety of credits from which to make his selection. Accordingly, he likely will not have to do a great deal of searching and seeking to find just what best fits the needs of any particular portfolio. All that he will have to do is sit back and wait for the opportunity to specify just how many of just what maturity will suit him. On the score of price, too, it is only logical to expect that the underwriting syndicates will no longer bid prices that include a premium, measured against outstanding issues, because some merchandise is better than none; but that they will strive to acquire new issues at discounts from the

prevailing prices of older issues because the new bonds will not be "seasoned" marketwise and because they will have to be "merchandised," rather than rationed to pet accounts.

In sum, the time may be approaching when commercial bankers will again find it profitable and practical to keep in fairly close touch with the municipal markets.

The Corporate Bond Market

After having given some signs of indigestion in July, the market in new corporate bonds had a period of rest and readjustment in August and September. Since then it has given mild indications that it is about ready to recover insofar as volume is concerned and that it will not undergo any pronounced decline for some time to come. The character of the prospective market in new corporates, however, may be quite different than in 1945 and in the first quarter of 1946.

During 1945, the great bulk of the business was in refunding operations. There were two major incentives; high prices and worthwhile excess profits tax savings. Prices, to be sure, rose a little more in the first quarter of 1946, but the special inducement stemming from excess profits tax savings disappeared at the close of 1945. Thus, the volume of refundings in the first quarter of 1946 receded from the record peaks attained in the second half of last year.

As prices eased in the second quarter of this year, the opportunity to refund profitably was correspondingly restricted, while at the same time new money demands became more insistent. Ordinarily, new money operations

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are undertaken for a variety of reasons, and the cost of money is by no means the major factor in the decision to go ahead. New money flotations did expand notably in the June quarter of this year. The \$330,000,000 total was the largest for a single quarter since 1931. The volume likewise was 40 per cent of all corporate financing in the three months, whereas it was only 5 per cent of the year earlier total.

All signs point to a strong resurgence of new money financing from here on. No doubt a good many corporations would like to get needed funds through the sale of equities, but the general stock market outlook is hardly propitious. There are exceptions, of course, of which Bell Telephone of Canada is an outstanding recent example, but the great majority probably will be obliged to borrow. There may be some temporary financing by way of bank loans, but the bulk of the business ahead likely will be done in bonds.

The volume of financing by the railroads is not expected to be nearly as large as was predicted earlier this year. The market action of rail bonds seems to have taken care of that. There are a handful of top-credit candidates that may carry out their plans to refinance, but other sections of industry must be counted on for the greater part of new money omissions likely to be seen for many months. A minor exception is railroad equipment financing. Here the need is marked and financing will be limited only by the ability of suppliers to turn out the rolling stock. On the other hand, many rail equipment issues will be quite small and many other operations will be financed

through one or a few large financial institutions.

Public utilities and many important segments of general industry will come into the market for new money as it becomes possible to buy plant and equipment. Additional funds are also needed to carry expanding inventories at rising prices and to finance growing receivables.

The corporate bond market may undergo some further internal correction as prices of lower grade obligations are brought into line with yields now obtainable from the best quality issues, but the period of instability for

top-flight bonds appears to have ended. Indeed, in recent weeks, offerings of (Turn to page 38, please)

REPRESENTATIVE MUNICIPAL LISTINGS
Compiled by The Northern Trust Company, Chicago
(as of October 22, 1946)

Montgomery, Alabama	4	1-1-67	2.70
Arkansas Highway	3 1/4	4-1-66	2.10
Los Angeles, California	1 1/2	8-1-65	1.65
New Orleans, Louisiana	4 1/2	12-15-78	1.90
Baltimore, Maryland	4	10-1-64	1.35
Boston, Massachusetts	1 1/4	8-1-66	1.45
Detroit, Michigan	2 1/4	6-1-62	1.85
St. Paul, Minnesota	1 1/2	10-1-66	1.45
Kansas City, Missouri	4	11-1-65	1.70
Newark, New Jersey	4 3/4	10-1-66	1.90
New York State	1 1/2	12-4-66	1.20
Cleveland, Ohio	1 1/2	9-1-68	1.60
Oklahoma County, Oklahoma	1 1/4	7-1-66	1.75
Salem, Oregon	4	7-1-73	1.60
Clintonville, Wisconsin, S/D	1 1/2	4-15-63	1.45
Rawlins, Wyoming	2	9-1-63/56	1.90

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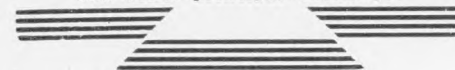
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Bank Credit Officer Must Pass on Adequacy of Insurance on Loans

By **JAMES R. HALE**, Special Representative
The Hartford Fire Insurance Co.
New York City, New York

THE credit officer of a city bank recently made this remark: "Local agents should see all of their policyholders now and make certain that their insurance is adequate."

Why should a bank credit officer be concerned about the adequacy of your customers' insurance? Is this just another intrusion where a third party may disturb your customer relationship, or is it an added opportunity to serve your policyholders? If we look at the picture from the credit officer's viewpoint, we will be forced to admit that he not only has a right but he is duty-bound to pass on the adequacy of insurance where credit is involved. Nearly every loan agreement contains some such clause as the following:

Maintain insurance in responsible companies in such amount and against such risks as is customarily carried by owners of a similar business and property.

Maintain insurance against such risks and such amounts as the bank deems necessary.

Undersigned shall insure and keep insured all real and personal property for the full insurable value thereof, against such risks and in such companies as may be satisfactory to the bank.

If you and your customer will accept the credit officer as a third party entering your sailboat, you both may find in the years ahead that he will do his part to keep the boat afloat, and to be of material assistance to you.

Term Loans

Regardless of the type of credit your policyholder may use, and whether or not property is pledged to secure the



JAMES R. HALE
"Insurance is credit officers' duty"

loan, the adequacy of his insurance becomes a triple responsibility—his, the bank's and yours. Even if your policyholder does not use bank credit, he probably deposits his funds at some bank or banks. A severe loss or claim for which he is liable—whether fire,

marine, casualty or surety—means the bank may lose a depositor and you may lose a customer, if he is not adequately insured.

When a credit officer reviews an application for bank credit, he tries to determine the type of loan which will best serve the applicant. If long-term credit is required, it may be to the best interest of the borrower to arrange a term loan. Such loans have a final maturity exceeding one year. Usually they run from one to ten years and are repaid monthly, quarterly, semi-annually or annually. Generally, the plant facilities are pledged as security for the loan.

The credit officer who approves a term loan must analyze the particular business involved, its place in the industry, capacity of management, past, present and potential earnings, plant layout and design, and possibility of quick obsolescence. He must make certain that the borrower's plant will remain intact, and that it can stay in continuous operation. The credit officer will have done his job when he passes on the credit; you will have done your job when you have provided coverage against such risks and in such amounts as will protect both your customer's and the bank's interest. An insurance survey is often desirable.

Other Types of Loans

Credit surveys indicate that more and more property owners will use bank credit in the future. Each type of loan presents its own hazards. For

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Northwestern Banker, November, 1946

instance, the coverage you would provide to protect the borrower and the bank's interest under a loan secured by field warehouse receipts would differ from the coverage you would write under a loan secured by accounts receivable. Production equipment loans, agricultural loans for modernization, for new farm machinery, to build new tenant houses, to buy livestock, etc., personal loans, consumer credit, and automobile loans will be made by many banks. Almost any type of legitimate credit your policyholders may require is now available.

Loans Now Outstanding

The credit officer needs your assistance now to check the adequacy of the borrowers' insurance on outstanding loans. Especially is this true on term loans. Repayments may reduce the bank's interest in your customers' property, real and personal, but if he is underinsured, or if all risks are not checked, you may be the third man in the boat who failed to do his share. ##

(Editor's note: This story is reprinted from the HARTFORD AGENT, with the special permission of the Hartford Fire Insurance Company, Hartford, Conn.)

American Express Office

New sales and operating offices of the American Express Field Warehousing Corporation were opened last month in the Lawyers Trust Building at 111 Broadway, New York, U. T. Thompson, vice president, has announced. Administrative offices of the corporation will remain at American Express headquarters, 65 Broadway.

Travels Two More States

Frank Fuchs, assistant vice president, First National Bank, St. Louis, will now travel in Kansas, Iowa, Colorado and Nebraska. He formerly traveled in Missouri, in addition to Kansas and Iowa.

INVESTMENTS

(Continued from page 35)

strictly high grade bonds have been extremely well received, although it was necessary to price bonds realistically; that is, a few basis points under the yields obtaining from comparable but well seasoned issues.

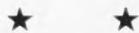
The institutional buyer, then, will proceed with caution. For the present the best grade obligations coming on the market are also the best buys. Later on, when the needs of these borrowers have been satisfied and the market for somewhat lower grade obligations gives a fully adequate correspondingly greater yield, bonds in these categories will have more appeal.

The Government Bond Market

Although the administration has conferred with several groups of institutional investors and listened to a lot

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Established 1929

of sound advice, there is little likelihood of anything startling coming from Washington before 1947. Should there be a wholly unexpected sharp rise in government bond prices, whatever program the Treasury is deliberately crystallizing might be accelerated, but otherwise major decisions and important actions will be put over until next year.

The campaign to revive the interest of small investors in Victory bonds will produce some colorful efforts and may even turn the tide on "E" bonds, lately being redeemed in volume greater than new sales, but the usual pre-Christmas urge to spend likely will make its appearance this year.

Debt reduction by the use of unneeded war loan balances presumably will end with the close of 1946 and pressure on banks' reserves will thereby be eased. At the same time, there is nothing to indicate that "cheap" money advocates have lost much ground lately, which means that prices will have to be supported when necessary.

Perhaps early next year the prospective sale of long-term 2½s to investors other than commercial banks will be launched. The proceeds, presumably, will be largely devoted to retiring more of the unwieldy burden of short-term government debt. This may involve some increase in the over-all cost of

servicing the federal debt, but if national income in 1947 comes anywhere near the high levels predicted, no serious problem will be created.

The combination of the need to maintain prices in order that a long-term loan can be successfully floated and the prospect that such an operation will add greatly to the total supply of long governments suggests strongly that the market will be "floored" and "ceilinged," respectively, and that fluctuations will be limited in extent in both directions. Altogether, the outlook is for stability at levels obtaining in recent weeks.

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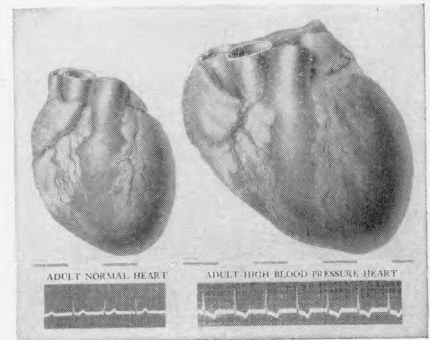
Allied Mutual pioneered this worry-free protection which defends the farm owner in case cattle get into neighbor's corn, loose horse injures motorist on highway, hired man is hurt by tractor—or any one of a hundred other common farm hazards. Up to \$250 medical, surgical, hospital payments for hired men or hired girls regardless of responsibility. Essential protection. Easy to interest farmer. Investigate for your agency. Write

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Harold S. Evans, President

Hubbell Building

Des Moines 7, Iowa



Longer life for people past 40

At the left above is a normal, healthy heart. Chances are, yours is like that.

The other is a heart enlarged far beyond normal by the prolonged impact of high blood pressure. It is an example of one type of "heart disease", and heart disease as a whole is the greatest killer of Americans today.

Yet, thanks to medical science, the person whose heart is being affected by high blood pressure has more reason for optimism than ever before. By means of timely examination, including the use of electro-cardiogram and X-ray, a physician can accurately detect impairment of the heart muscle resulting from high blood pressure or other cause. Having diagnosed it, he has at his disposal new medical substances and new techniques which are proving highly successful in controlling such heart disorders and in promising more comfortable living for persons so affected.

All this is embraced by geriatrics—the science of helping older people enjoy life longer. The result: If you are 40 today, you may reasonably look to another 30 years or more of pleasure and accomplishment.

Just as important as good health to the enjoyment of those years is financial solvency, based on a sound program of savings and life insurance. Your NWNL agent is paid not primarily for the amount of insurance he sells you but for the amount you keep in force because it satisfies you.

NORTHWESTERN *National* LIFE
INSURANCE COMPANY
G. L. ARNOLD, PRESIDENT
MINNEAPOLIS, MINNESOTA

Adapted from NWNL's latest national advertisement

Northwestern Banker, November, 1946

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OVER 2,900,000 DOLLARS

Experience of

OVER TWENTY-SEVEN YEARS

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



Surety Division

The State Automobile Insurance Association

DES MOINES, IOWA

STATEMENT OF CONDITION

First National Bank of Minneapolis

as at September 30, 1946

RESOURCES

Cash and Due from Banks	\$ 86,929,887.79
United States Government Securities	189,420,410.40
Other Bonds and Securities	13,203,688.99
Loans and Discounts	70,790,155.28
Accrued Interest and Accounts Receivable	801,816.15
Customers' Acceptance Liability	1,009,214.65
Bank and Office Buildings	825,414.90
	\$362,980,588.16

LIABILITIES

Capital Stock	\$ 6,000,000.00
Surplus	10,000,000.00
Undivided Profits	4,089,584.00
Unallocated Reserves	1,204,898.83
Reserve for Interest, Expenses, Taxes, etc.	2,134,792.15
Acceptances and Letters of Credit	1,009,214.65
Other Liabilities	120,380.93
Deposits (Includes U. S. War Loan Deposit of \$31,443,724.33)	338,421,717.60
	\$362,980,588.16

DIRECTORS

Henry E. Atwood, *President*
 Atherton Bean,
Executive Vice President,
International Milling Co.
 Russell H. Bennett, *Mining Engineer*
 Daniel F. Bull, *President,*
The Cream of Wheat Corp.
 J. G. Byam, *Vice President*
 John Cowles, *President,*
Minneapolis Star Journal and
Tribune Co.
 Franklin M. Crosby, *Vice President,*
General Mills, Inc.
 Donald D. Davis, *President,*
Minnesota and Ontario Paper Co.
 Paul V. Eames, *President,*
Shevlin, Carpenter & Clarke Co.
 John H. Hauschild, *Chairman of*
the Board, Chas. W. Sexton Co.
 Horace M. Hill, *President,*
Janney, Semple, Hill & Co.
 W. L. Huff,
Executive Vice President and Treas-
urer, Minneapolis-Honeywell
Regulator Co.
 C. T. Jaffray, *Chairman of the Board,*
First Bank Stock Corporation
 John H. MacMillan, Jr., *President,*
Cargill, Inc.
 Sumner T. McKnight, *President,*
S. T. McKnight Co.
 Howard I. McMillan, *President,*
Osborne-McMillan Elevator Co.
 W. G. Northup, *President,*
North Star Woolen Mill Co.
 S. G. Palmer, *President,*
S. G. Palmer Co.
 A. F. Pillsbury, *Director,*
Pillsbury Mills, Inc.
 Robert W. Webb, *Vice President*
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Board, The Wabash Screen Door Co.
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F. H. Peavy & Co.
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Winton Lumber Co.
 Sheldon V. Wood, *President and*
General Manager, Minneapolis
Electric Steel Castings Co.
 Edgar F. Zelle, *President,*
Jefferson Transportation Co.

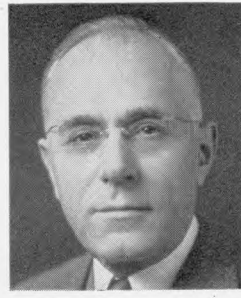
United States Government obligations and other securities carried at \$62,864,300.00 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION
 AFFILIATED WITH FIRST BANK STOCK CORPORATION



Minnesota NEWS

A. W. SANDS
President
St. Paul



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Resigns at Taunton

Pernall Canton has resigned as assistant cashier of the State Bank of Taunton, Minnesota, to resume his studies at the University of Minnesota. Mr. Canton has a part time job with the University National Bank of Minneapolis. Richard Kwiatkoski is the new assistant cashier.

Winona A.I.B. Meeting

George Greenwood, Portland, Oregon, national president of the American Institute of Business, was principal speaker at the annual fall banquet of the Winona chapter of the A.I.B. held at the Winona Country Club recently. There were 85 members in attendance.

B. J. Snyder, First National Bank, announced the educational program for the coming year and there will be two classes. S. J. Kryzsko, 2nd vice president and trust officer, Winona National and Savings Bank, has a class in consumer credit and the other class is a study of negotiable instruments.

Hit One Million Mark

Totals for the First State Bank of Isanti, Minnesota, went over the million dollar mark recently for the first time in the bank's history. In July, 1940, when Hilding A. Erickson took over as president, total footings were \$185,000. Capital stock is \$25,000 and surplus and undivided profits are \$26,483. Total deposits are just under the \$1,000,000 mark.

Other officers of the institution are Henry A. Hansen, vice president; Geneva L. Peterson, cashier, and Gladys Peterson, assistant cashier.

Fifty-eighth Year

The Adrian State Bank of Adrian, Minnesota, which was incorporated in 1889, began its 58th year of operation on October 23rd. From the time of its founding until 1906, the bank was operated by the Mylius interests, then it was taken over by Edwin Brickson, president, and other stockholders. The bank has a capital of \$40,000; surplus and undivided profits of \$64,021, and deposits of \$1,355,613.

Other officers are H. H. Martens,

vice president; H. G. Knips, cashier, and W. E. Marston and Hilda Carlson, assistant cashiers.

Cloquet Bank Joins Group

Announcement of the affiliation of the First National Bank, Cloquet, Minnesota, with the First Bank Stock Corporation group of banks was made last month by A. H. Kennedy, president of First Bank Stock Corporation.

The First National Bank of Cloquet was organized in 1900 and on September 30th it had deposits totaling \$6,831,000. Officers are Lynn S. Olson, president; C. I. McNair, Jr., vice president; W. N. Campbell, cashier; A. J. Anderson and C. K. Sunnarborg, assistant cashiers.

Distinguished Service Award

S. M. Waters, president of M. R. Waters & Sons, Minneapolis real estate and mortgage loan firm, has been given the 1946 distinguished service award of the Mortgage Bankers Association of America. The award is given annually for the most worthwhile service in the mortgage banking field. This year the association gave two awards, one to Mr. Waters and the other to Miller B. Pennell of Cleveland. Mr. Waters is a past president of the association and heads the Minneapolis firm founded by his father in 1883.

Open New Offices

The new banking offices of the Murray County State Bank of Slayton, Minnesota, were opened officially last month with an open house celebration which was attended by bankers from surrounding towns and several banking officials from Minneapolis, including J. Cameron Thomson, president of Northwest Bancorporation.

The bank's quarters have been completely modernized, with excellent lighting facilities, triple the old working space for employes, spacious lobby and private offices where customers may transact their business.

Officers of the bank are Robert P. Howe, president; C. J. Leiser, cashier, and Beverly Knutson, assistant cashier.

Legion of Merit Awarded

The U. S. Army's Legion of Merit Medal was presented last month to Chester D. Seftenberg, vice president and trust officer of the First and American National Bank of Duluth, at a ceremony at Wright Field, Dayton, Ohio.

Presentation of the award was made by Lt. Gen. N. F. Twining, commanding the air materiel command, as-



CHESTER D. SEFTENBERG
Receives Army's Legion of Merit

sisted by Maj. Gen. B. F. Chidlaw, deputy commanding general.

The citation read at the ceremony stated that Colonel Seftenberg's "outstanding performance" as the technical executive of the AAF materiel command, and "brilliant accomplishments" of projects vital to the success of the war effort reflected "great credit upon himself and the armed forces of the United States."

Mr. Seftenberg served 42 months in the U. S. Air Corps. For a time he was deputy chief of management control of the air technical service command on the staff of Lt. Gen. William S. Knudsen. He was released from the army December 27, 1945.

State Senator Nominee

Hans C. Pedersen, president, Farmers & Merchants State Bank of Ruth-ton, Minnesota, has filed a petition with 997 signatures to fill the senatorial vacancy on the nomination ticket caused by the death of Senator J. V. Weber last month. More than 1,900 voters signed the petition for Mr. Pedersen in the three counties of Murray, Lincoln and Pipestone, but since the law places a maximum of 1,000 signatures on such petitions he had to eliminate the extras.

Mr. Pedersen and Senator Weber made political history in a postcard

Northwestern Banker, November, 1946

primary last summer when they conducted an informal poll to decide who should file for the office and Senator Weber won by a few votes.

Regional Conference

A regional savings and mortgage conference sponsored by the American Bankers' Association will be held in

Minneapolis December 9th and 10th. Letters of invitation have gone out to some 1,500 banks in Minnesota, North and South Dakota and Wisconsin. The first day will be devoted to savings management problems and the second day to mortgage problems.

SPECIAL OFFER

Accident Insurance, \$5000 Principal Sum for only \$2.00 Paid Up in Full to the Middle of next March.

MINNESOTA COMMERCIAL MEN'S ASSOCIATION

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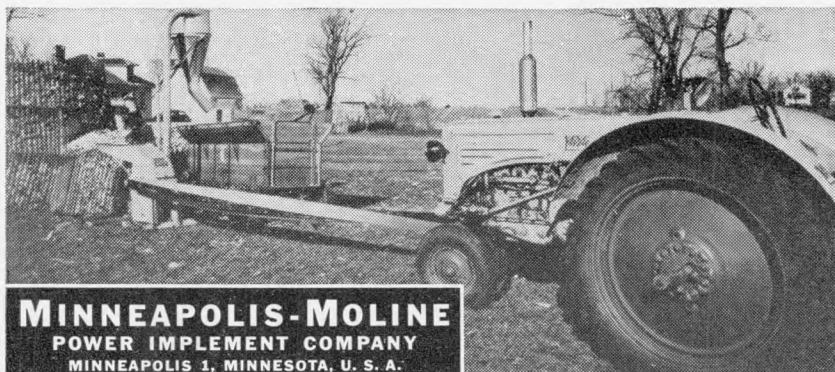
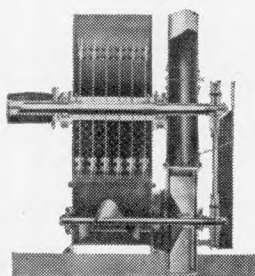
Reduce feed costs and increase livestock profits—grind your own feeds. It saves time and money and you have easily digestible feed for your livestock at all times.

Offered in both 10 and 13½ inch sizes, MM Hammermills give you high capacity grinding of feed and roughage of all kinds at low cost! For example, the new 13½ inch MM mill has a capacity of from 3,000 to 10,000 pounds of shelled corn per hour. It takes but 15 H.P. to run, yet will stand the gaff of 75 H.P. and grind a volume in proportion to power used. Thus it is adaptable for either custom or commercial grinding. Efficiently operated by tractor or engine power.

Top quality construction for big capacity and safe operation. MM Hammermills lead the field in many ways. Heavy all-welded boiler plate steel body and rotor chamber. Only a few moving parts. The 5 blade slinger-type fan and Rockwood pulley are firmly keyed and balanced on heavy duty drive shaft.

ENDURANCE . . . LONG LIFE

Acme soft center steel hammer tips with 4 carburized grinding edges are reversible for longer life. High carbon steel screens available with a wide variety of perforations. Rotor revolves on high grade anti-friction bearings sealed inside and out against dust and dirt. Extra large feed collector. Ask your MM dealer or write for more information about these trouble-free low cost MM Hammermills.



MINNEAPOLIS-MOLINE
POWER IMPLEMENT COMPANY
MINNEAPOLIS 1, MINNESOTA, U. S. A.

With Waseca Bank

Donald Johnson, former cashier of the Otisco State Bank and more recently employed in the Bank of Elk River, has accepted a position with the Farmers National Bank of Waseca, Minnesota, where he has been elected assistant cashier.

He started his banking career in 1930 in New Richland where he was employed by the First National Bank and later in the State Bank.

In 1936 he worked for the Marquette National Bank of Minneapolis before accepting a position as cashier of the Otisco State Bank. He was there for seven years before entering the Navy where he served during World War II for two years.

Named Assistant Cashier

L. O. Peterson has been elected assistant cashier of the First National Bank of Fergus Falls, Minnesota. Mr. Peterson was born in Fergus Falls and spent much of his earlier life there. Later he was engaged in business at Hankinson, N. D., and for the last few years has been connected with the national bank examiners in this territory.

Bank Debits Increase

Bank debits in Minnesota for September totaled \$1,717,276,000, an increase of 16 per cent compared with \$1,486,185,000 in September, 1945, according to the Federal Reserve Bank of Minneapolis.

Recent statements issued by banks from all over Minnesota indicate a continued upward trend in deposits and total footings of the banks with increases ranging from three per cent to 55 per cent.

Advisory Committee Member

H. E. Atwood, president of the First National Bank of Minneapolis, has announced the appointment of Henry S. Borman, general manager of the Franklin Co-operative Creamery Association, to the advisory committee of the bank's North Side Office, West Broadway at Washington.

Mr. Borman is a director of the National Dairy Council, president of the Franklin Co-operative Credit Union, and president-elect of the North Side Commercial Club. He is a past commander of the American Legion and at present is treasurer of the North Side Post's housing committee.



Twin City News

DIRECTORS of the First Grand Avenue State Bank of St. Paul have elected **James G. Goblisch**, cashier, to be a director and appointed three assistant cashiers, all returned servicemen. They are **Russell H. Johnson**, who was a member of the budget loan department of the First National of St. Paul until recently; **Charles A. Kjedsen**, an employee of the First Grand Avenue since last December; and **Malcolm W. Cutting**, bookkeeper and teller at the bank for five years.

Northwestern National Bank of Minneapolis has announced election of **Harry L. Tyson**, assistant cashier in the instalment loan department, and

By E. W. KIECKHEFER
Special Correspondent
Northwestern Banker

Walter R. Johnson, assistant cashier in the mortgage department.

Marquette National Bank of Minneapolis has elected **William A. Riek**, former assistant national bank examiner, to be auditor, replacing **E. L. Kulander** who has been named assistant cashier of the Chicago-Lake State Bank.

American National Bank of St. Paul

has named **Allyn W. Brown**, assistant cashier, to assist **Vice President Guy E. Dailey** in the bank's department of public relations and new business.

Ten new members were "signed on" the Clipper Club, comprising employees of the First Group of Banks in Minneapolis who have been with the organization 25 years or more. The new members are **C. A. Burnham**, **Arthur Cunnington**, **Joseph M. Downes**, **Percy Godfrey**, **George Hirsch**, **George J. Schaust**, **Stanley Schmit**, **Carl Turnrose**, **George J. Hruska** and **Ben S. Woodworth**.

Seven Twin Cities bankers went to Oklahoma City for the sessions of the

Of course, we would prefer to
meet you in person

... **B**UT we welcome the opportunity to serve your Duluth Correspondent Bank requirements. This modern, progressive bank is YOUR BANK. We desire to make it pleasant and easy for you to use its facilities!



**FIRST AND AMERICAN
 NATIONAL BANK**

OF DULUTH, MINNESOTA
 Member Federal Deposit Insurance Corporation

IMAGINATION



The seventh wonder of the ancient world was this gigantic statue of Apollo, called the Colossus of Rhodes. And yet the most important quality of the Colossus was not its size, but the imagination of its builder and the integrity of its design.

Imagination and integrity—two of the most important elements in human progress—are basic Todd principles. Imagination to continue to make banking safer and more profitable, and a manufacturing integrity that gives the Todd supplies you buy—whether they are checks, Protectograph checkwriters and signers, pass books, or other banking aids—a guarantee of skilled workmanship and dependability.

From time to time, as part of our work for bankers, we publish booklets of special interest to the banking profession. We will be glad to send you a list of their titles on request, so that you may order any copies you want, without expense or obligation.

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National Association of Bank Auditors and Comptrollers. They are **Dellos W. Palmer**, cashier, Chicago-Lake State Bank; **S. L. Jerpak**, comptroller, Marquette National; **Al Mills**, Federal Reserve, and **Sumner Sinclair**, auditor, of the Northwestern National; **Stanley Williams**, First National of St. Paul; and **Clarence Gieske**, cashier of the First Security State of St. Paul.

Clarence G. Haberland, manager, announces completion of remodeling and expansion of the West Broadway office of the First National Bank of Minneapolis.

Plans are moving forward rapidly for the **Federal Reserve Forum** at Minneapolis November 21st and 22nd, which will be attended by member bank officers and employees other than the executive heads. The program calls for sessions on banking and the community, a half day at the University Farm and a half day to be devoted to internal banking problems and another session at which banking outlook will be discussed. # #

Elect New Director

John Dengler, director of the Goodhue County National Bank of Red Wing, Minnesota, since 1922, resigned

from that post and the bank directors elected G. H. Boxrud to fill the vacancy. Mr. Dengler asked to be relieved of his duties some time ago.

Trust Meeting

Two Minneapolis bankers were among the officers elected at the annual meeting of the Corporate Fiduciaries Association of Minnesota held recently in the Nicollet Hotel in Minneapolis.

Those chosen to head the organization during the ensuing year are: president, Ulric C. Scott, trust officer, First Trust Company of St. Paul; vice presidents, E. D. Cardle, assistant trust officer, Marquette National Bank of Minneapolis, and J. R. Colbeck, vice president and trust officer, Northern Minnesota National Bank of Duluth; and secretary-treasurer, L. A. Short, trust officer, First National Bank of Minneapolis.

Guest speaker at the meeting was Colonel Allan M. Pope, president of the First Boston Corporation, who discussed recent stock market developments and other related subjects.

St. Paul Bank Director

The election of C. F. Codere, president of the St. Paul Fire & Marine

AS WIDE AS **CANADA** ITSELF

FOR information on market opportunities in Canada, sources of supply for raw materials and manufactured goods, for every type of normal banking service for your customers, call on The Royal Bank of Canada. Branches serving every important industrial area, hundreds of towns and villages, offer valuable points of contact in every part of Canada and Newfoundland. Your inquiries are invited.

THE ROYAL BANK OF CANADA
 Incorporated 1869
 HEAD OFFICE—MONTREAL
 New York Agency—68 William Street
 Norman G. Hart—Agents—Edward C. Holahan
 Branches throughout Canada and Newfoundland,
 in the West Indies, Central and South America.
 Offices in London and Paris

Insurance Company, to the board of directors of the First National Bank of St. Paul, was announced last month by Julian B. Baird, president of the bank.

Coming to the St. Paul Fire & Marine



C. F. CODERE
Director, First National, St. Paul

Insurance Company in 1908, Mr. Codere established the company's business in Canada and became assistant to the president in 1920. He was advanced to vice president in 1925 and in 1938 was elected president.

He has also held since 1938 the presidencies of two subsidiary companies, the Mercury Insurance Company and the St. Paul Mercury Indemnity Company.

LEGAL QUESTIONS

(Continued from page 22)

part of the work and agreed to provide him with funds to pay for the lumber used by him. The carpenter became indebted to a lumber yard for certain lumber used by him not only on Dopf's job but on other jobs as well. The carpenter sent the yard a check in an amount equal to the bill on Dopf's job from funds provided by Dopf. No specification was made by anyone that the check should be applied to any particular bill. The lumber yard applied it to bills then due other than the Dopf bill. Could it validly do so?

Yes, according to holdings in a number of jurisdictions including Minnesota, New York, Utah, and other states. These jurisdictions follow the rule that a creditor who has no direction from his debtor may apply payments made to him by the debtor as he sees fit even though he may know that such

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

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 OF MILWAUKEE • Wisconsin's Bank for Banks
 MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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 Federal Reserve Bank of St. Louis

payments arise from a suretyship debt. The courts so holding reason that the surety assumed just such a risk by his lax dealings and that he could have contracted to control the application of the funds for his protection. Some states, such as Illinois and Washington, take a contrary view and require payment application to the surety's indebtedness.

Q. Suppose that, in the preceding question, the carpenter's bill for the Dopf lumber was the only bill then due from him to the lumber yard at the time the check was sent. Suppose further that the carpenter had bought

and received from the yard other lumber but the bill thereon was not due for another sixty days. Could the lumber yard apply the check to the bill that was not yet due?

No. The rule referred to as the basis for answering the previous question in the affirmative is applicable only to cases where both debts are matured and the authorities supporting it state positively that the creditor cannot apply a payment to a claim that is not yet due and payable.

Q. Problems relating to the rights of adopted children to inherit are not

uncommon to those dealing with estate matters. In the absence of statutes specifically covering the matter do such children generally have the right to inherit from their natural parents subsequent to their adoption?

Yes. It is generally held that an adopted child is, in the legal sense, the child of both of its natural and of its adopting parents and that it is not, by adoption, deprived of its rights of inheritance from its natural parents unless a statute expressly so provides. # #

Joins City National

Ernest R. Esch, for nine years educational director and personnel administrator of National City Bank, New York City, has joined the staff



ERNEST R. ESCH
Joins City National, Kansas City


of City National Bank and Trust Company, Kansas City, Missouri, as personnel director.

Mr. Esch is a graduate of Park College, took graduate work and received his master's degree in administration at New York University, New York City. He served four years in the Marine Corps, taking part in the Okinawa campaign and saw service in China. Following his discharge in February, with the rank of captain, he became national director of education and employment for the Veterans of Foreign Wars, from which post he comes to City National.

More Malarkey

Young Bride: "I've sure got my husband where he eats out of my hand."

Older Bride: "Saves a lot of dish-washing, doesn't it?"



THE 3-C's!

This bank is always ready to help you buy, feed and market your cattle. We specialize in cattle, corn and cash!

We urge you to use this great Sioux City market—and to use this bank for your Sioux City correspondent.

THE

LIVE STOCK NATIONAL BANK

OF SIOUX CITY, IOWA

MEMBER F.D.I.C.

The Bank at the Yards

■

C. L. FREDRICKSEN
President

M. A. WILSON
Vice President

W. G. NELSON
Assistant Vice President

W. C. SCHENK
Cashier

C. L. ADAMS
Assistant Cashier

J. S. HAVER
Assistant Cashier

JAMES L. SMITH
Auditor

■



South Dakota NEWS

L. C. FOREMAN
President
Elkton

GEORGE M. STARRING
Secretary
Huron



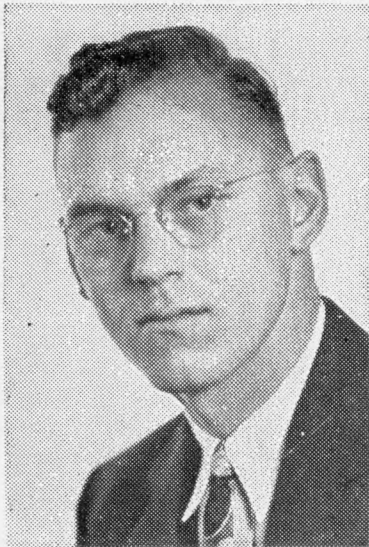
Receive "Merit" Award

The Rapid City National Bank was named among the 13 banks and 581 industrial and financial corporations to receive the "highest merit award" conducted by the "Financial World," New York financial weekly, in recognition of the 1945 annual statement report issued to their customers and stockholders. Other banks receiving the award are located in New York, Philadelphia, San Francisco, Cleveland, Cincinnati, Peoria, Tulsa, Pittsburgh and Evansville, Indiana.

The annual dinner for the recipients of the award was held at the Waldorf Astoria Hotel in New York and was attended by A. E. Dahl, president of the bank.

Agricultural Agent

Appointment of Tony Westra, Minnehaha county agent since November, 1945, as agricultural and livestock representative of the Northwest Se-



TONY WESTRA
Joins Sioux Falls Bank

curity National Bank was announced by Ralph M. Watson, bank president.

As well as representing the main bank office at Sioux Falls where he will have his office, he will serve through the six branch banks at

Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison.

In addition to continuing his work in furthering 4-H club projects, agricultural activities of the Sioux Empire fair, crop improvement work, dairying, herd improvement and purebred cattle sales, Westra will assist at other county fairs and the state fair and be available to all farmers in this area as an agricultural adviser, Watson said. Westra took over his new job November 1, when his resignation as county agent became effective.

He is a member of Sioux Falls American Legion post, the Lions club and the Izaak Walton league. Previous to coming here he was county agent of McCook county three years.

Bank Debits Up

Bank debits in Mitchell, South Dakota, for the month of September 1946 were 138 per cent of September, 1945, according to figures collected by the Federal Reserve Bank of Minneapolis. The first nine months of this year were 137 per cent of a similar period of 1945.

Bank debits in Aberdeen for September, 1945. The first nine months of this year were 128 per cent of a similar period of 1945.

Bank debits in Yankton for the month of September this year were 34 per cent higher than for the same month in 1945, and for the first nine months of 1946 they were 29 per cent ahead of the similar period last year.

Bank debits in Rapid City for September, 1946, were 59 per cent greater than September, 1945. The first nine months of this year were 44 per cent over a similar period of 1945.

The state of South Dakota showed an increase of 23 per cent in September of this year when compared with the same month in 1945. Cumulative totals for 1946 were 128 per cent of the first nine months last year.

Throughout the Ninth Federal Reserve district September debits were 119 per cent of the same month a year ago, while debits for the first nine months of 1946 rose to 118 per cent of the 1945 total.

Joins Federal Reserve

The Federal Reserve Bank of Minneapolis has announced the admission to membership in the Federal Reserve System of the First State Bank of Pierpont, South Dakota.

All Time High

Record sales of land and livestock have sent deposits in South Dakota banks skyrocketing to an all-time high of \$216,504,060 as of September 30th, Banking Superintendent Verne W. Abeel reported.

Deposits increased \$22,189,868 in state banks since June 29th, he said. The September figure was approximately \$32,000,000 in excess of the December 31, 1945, figure.

Reasons for the record deposits were seen in the fact that farmers did not sell last year's crops until this year. Likewise, livestock was held for the all-time high prices which came with the removal of OPA controls this year.

Mr. Abeel predicted that with sale of 1946 crops the final deposit figure for this year will soar to an even greater all-time record.

Abstract of bank reports based on the September 30th call for condition showed increases of \$24,865,829 in demand deposits and \$623,278 in time deposits. Net increase, however, was reduced somewhat by a \$2,374,649 decrease in U. S. government deposits and a decline of \$1,029,917 in those of the state and political subdivisions. Deposits by other banks decreased \$78,285.

Total demand deposits were \$159,896,294, and time deposits totalled \$30,914,647.

The abstract revealed an increase in loans and discounts from \$26,489,358 to \$30,264,274 plus a \$10,020,533 rise in U. S. government obligation holdings by banks. The latter item was \$128,935,537.

Total resources in all state banks on September 30th were \$227,134,797, an increase of \$22,641,385.

Sioux Falls News

A. B. CAHALAN, president of the First National Bank of Miller, has been named a member of the board of the executive council of the American Bankers Association. His appointment was made by C. W. Bailey, association president.

W. E. Perrenoud, cashier of the First National Bank & Trust Co., Sioux Falls, was chosen a director of the Minnehaha Country Club.

The former FBI cell block in the Northwest Security National Bank

Northwestern Banker, November, 1946

building in Sioux Falls—installed seven years ago and never used—was sold to the city of Highmore for use as an addition to the Highmore city jail.

Ralph M. Watson, president of the Northwest Security National Bank, was elected president of La Elbon Club in Sioux Falls.

Three Sioux Falls bankers were in attendance at a meeting of the South Dakota advisory committee of the U. S. savings bond conference at Huron last month. They were **C. A. Christopher**, chairman of the board of directors of the Union Savings Bank; **T. N. Hayter**, vice president of the First

National Bank & Trust Co., and **John P. McQuillen**, vice president and trust officer of the Northwest Security National Bank.

John Hinman, assistant cashier of the Northwest Security National Bank, Sioux Falls, was in a hospital in that city several weeks for medical observation and treatment.

Eugene T. Hobbs, assistant cashier of the Northwest Security National Bank in Sioux Falls, tendered his resignation from that post, effective November 1st, to become associated with an automobile firm. He was with the bank for 16 years.

Ed Eaton, teller of the Northwest Security National Bank, Sioux Falls, was called to Duluth by the death of his mother. He formerly lived at Duluth, being connected for 10 years with the City National Bank there.

Bankers Trust Changes

Following a meeting of the board of directors, S. Sloan Colt, president of Bankers Trust Company of New York, announced the following changes in title:

Charles Borman from deputy comptroller to vice president.

Julius Paul from treasurer to vice president and treasurer.

William F. Rutherford from assistant vice president to vice president.

St. Louis Man Promoted

The Mercantile-Commerce Bank and Trust Company, St. Louis, has announced the appointment of F. C. Lexa, assistant cashier, as assistant vice president.

New Chase National Official

Thomas H. McKittrick, whose term of office as president of the Bank for International Settlements in Basle, Switzerland, expired on June 30th, has been elected a vice president of The Chase National Bank and is now at the head office of the bank in New York City. Mr. McKittrick will give his attention to matters of policy involved in foreign relationships and loans, as well as to the operations of the bank in the foreign field.

Chicago Bankers School

Approximately one hundred Cook county bankers are attending a course in foreign banking and the financing of foreign trade, conducted by The First National Bank of Chicago. Classes are held each Monday and Thursday afternoons from 3:30 to 5:30, for a total of six weeks. The discussions cover such subjects as foreign remittances and collections, purchases and sales of foreign exchange, and import and export letters of credit, with the emphasis placed on the practical aspects of these subjects.

Good Public Relations

The Audichron, a machine in the lobby of the First National Bank in St. Louis, which gives the time of day over the telephone, is a hard worker for the Community Chest during the annual campaigns. Brief messages, such as "Do Your Best for the Community Chest," are heard by approximately 50,000 St. Louisans every 24 hours. Each message is followed by the name of the bank and the time of day.

STATEMENT OF CONDITION

NORTHWEST SECURITY NATIONAL BANK

of Sioux Falls, South Dakota
South Dakota's Leading Bank

SEPTEMBER 30, 1946

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$ 8,758,571.23	
U. S. Government Obligations	25,668,930.59	
State and Municipal Bonds	1,005,899.13	
Other Bonds and Securities	884,285.47	
		\$36,317,736.42
Stock in Federal Reserve Bank in Minneapolis		39,000.00
Overdrafts		14,191.51
Loans and Discounts		4,998,651.59
Banking Houses		268,750.00
Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance.		
Interest Earned but Not Collected		149,271.79
TOTAL		\$41,787,601.31

LIABILITIES

Capital Stock—Common	\$ 500,000.00	
Surplus	800,000.00	
Undivided Profits and Reserves	466,715.13	
		\$ 1,766,715.13
Reserve for Interest, Taxes, and Other Expenses		281,126.54
Interest Collected but Not Earned		17,710.93
Deposits:		
Time	\$ 6,257,683.39	
Demand	31,400,576.69	
U. S. War Loan	2,063,788.72	
		\$39,722,048.71
TOTAL		\$41,787,601.31

BRANCHES AT

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

RALPH M. WATSON
President

JOHN P. McQUILLEN
Vice Pres. and Tr. Officer

J. VIRGIL LOWE
Vice Pres. and Cashier

*Affiliated with Northwest Bancorporation
Member Federal Deposit Insurance Corporation*



North Dakota NEWS

C. W. BURGES
President
Edgeley



C. C. WATTAM
Secretary
Fargo

Bankers Again Head State Group

FIVE prominent North Dakota bankers were among officers and directors reelected at the annual meeting of the Greater North Dakota Association last month.

R. J. Hughes, president, National Bank in Wahpeton, remains as president. F. A. Foley, president, Rolette County Bank, Rolla, was reelected a vice president; F. A. Irish, chairman of the board, First National Bank & Trust Co., Fargo, reelected treasurer; D. A. Stewart, president, First National Bank, Bowman, and F. D. McCartney, chairman and vice president, First National Bank, Oakes, reelected to the board of directors.

A nine-point program for the association's expanding efforts during the coming year was enunciated. Five new directors will be named soon by President Hughes. The association intends to participate in and actively promote every field of educational, industrial and agricultural endeavor possible in North Dakota.

Renew Charters

The applications of the following institutions for renewal of corporate existence were approved at a recent meeting of the North Dakota State Banking Board:

Peoples & Enderlin State Bank, Enderlin, North Dakota, for a period of twenty-five years from October 21, 1946.

Bismarck Building & Loan Association, Bismarck, North Dakota, for a period of twenty years from December 18, 1946.

Metropolitan Building and Loan Association, Fargo, North Dakota, for a period of twenty years from September 24, 1946.

Southeast Election

C. J. Haarsager, cashier, Litchville State Bank of Litchville was elected president of the Southeastern district of the North Dakota Bankers association in Valley City last month. He succeeds P. J. Schirber, president, James River National Bank of Jamestown.

M. G. Pederson, cashier, First State

Bank of Hope, was named vice president, and R. M. Hougen, vice president American National Bank of Valley City, was reelected secretary and treasurer. Mr. Schirber was named to the state executive committee, and A. C. Thorkelson, president, American National Bank of Valley City, to the state nominating committee.

Nearly 80 bankers attended the dinner held at the Rudolf Hotel, and the business meeting followed.

Named President

L. E. Callahan, president of the First State Bank of Munich, was named president of the northeast group of the North Dakota Bankers association at a meeting in Grand Forks last month.

Gilbert Brudvick, vice president and cashier of the Goose River Bank of Mayville, was elected vice president; Fred Hoghaug, vice president, Ramsey County National Bank of Devils Lake, secretary; S. N. Lommen, president, First State Bank of Buxton, member of the executive committee, and Theodore H. Tufte, cashier of the Northwood State Bank, was named to the state nominating committee.

Gain 7 Millions

Increases of more than seven million dollars in deposits and almost seven million dollars in resources in the period from September 30, 1945, to September 30, 1946, were reported by Greater Grand Forks national banks.

Following a call from the comptroller of the currency for a statement of the condition of all national banks at the close of business on September 30th, the three banks reported a total of \$31,275,586.11 in deposits and \$33,439,998.09 in resources.

At the end of September, 1945, deposits totaled \$24,195,304.93 and resources amounted to \$26,372,923.36.

Agriculture Report

North Dakota agriculture is currently in a stronger financial position than it was at the close of World War I, according to Gilman A. Klefstad, president, Sargent County Bank, Forman,

who has been designated by the North Dakota Bankers Association as chairman, Sargent County Bankers.

Reporting on the results of a national survey of bank lending in 1945 made by the Agricultural Commission of the American Bankers Association, he said that in North Dakota 68.2 per cent of the 69,649 North Dakota farmers did avail themselves of bank credit. The banks in the state which serve agriculture made 75,923 loans to 47,469 farmers last year for a total amount of \$40,277,000. On January 1, 1946, these banks had farm loans outstanding of \$18,529,000.

New Advertising Manager

Ben R. Meyer, president of the Union Bank & Trust Company of Los Angeles, announces appointment of Rod Maclean, widely known Los Angeles financial advertising man, to the post of advertising manager of the bank.

Mr. Maclean, whose newspaper ads have won nationwide recognition on



ROD MACLEAN
With Union Bank & Trust, Los Angeles

numerous occasions, has been a prominent figure in Los Angeles advertising circles for the past fifteen years and has been in western banking for 26 years.

He served two terms as secretary-treasurer and three terms as a director of the Advertising Club of Los Angeles. He is a director of the Financial Advertisers Association, and was program chairman for the association's national convention held in San Francisco last month, and has been a member of numerous committees devoted to civic betterment and community welfare.

Prompt Service On COMMODITY DRAFTS



COMPLETE CORRESPONDENT FACILITIES

OFFICERS

HERBERT M. BUSHNELL
President

ELLSWORTH MOSER
Executive Vice President

VICTOR B. CALDWELL
Vice President

HAROLD T. UEHLING
Trust Officer

RICHARD H. MALLORY
Vice President

ARTHUR D. ANDERSON
Cashier

THOMAS F. MURPHY
Vice President

JAMES L. SHIELDS
Assistant Cashier

CASPER Y. OFFUTT
Vice President

NELS L. SHOLIN
Assistant Cashier

EDWARD W. LYMAN
Assistant Vice President

ELDRIDGE C. McELHANEY
Assistant Trust Officer

HARRY E. ROGERS
Assistant Vice President

HENRY B. PIERPONT
Assistant Trust Officer

AUSTIN L. VICKERY
Assistant Vice President

LEO M. BROWN
Comptroller

The
UNITED STATES
National BANK of Omaha
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



GLEN T. GIBSON
President
Gibson

Nebraska NEWS



CARL G. SWANSON
Secretary
Omaha

Nebraska Leads Tenth District

NEBRASKA bank deposits during World War II years increased 315 per cent. They rose from \$311,571,000 June 30, 1939, to \$1,291,699,000 on December 31, 1945.

The percentage of expansion was greater than for any of the other states or parts of states of the seven-state Tenth Federal Reserve District.

These figures are included in an analysis of bank deposit distribution made by Clarence W. Tow, financial economist for the Federal Reserve Bank of Kansas City. Other conclusions in the report included:

Growth of bank deposits was greater in the Tenth District than in any of the other Reserve districts. Deposits grew in this district from \$2,117,000,000 to \$7,312,000,000 in that time. This was a 245 per cent increase.

Beats National Figure

Deposits for the country as a whole increased only 158 per cent, a gain of 64 billion dollars to 166 billions during the war.

Farm income was the largest factor in income payment increase in Nebraska, Colorado and Wyoming. It ranked second in the other states of the Tenth District. For the entire district, farm income accounted for one-fifth of the increase. War plant pay rolls and military payments each accounted for more than one-sixth of the increases.

Down From Peak

The importance of farm crops to the district is emphasized in this analysis.

As in the rest of the country, the analysis points out, bank deposits in the Tenth District have declined from their peak. From December 31, 1945, to June 29, 1946, total deposits decreased 8 per cent in city reserve member banks but were unchanged in the country banks.

Liquidating Agent

President Carroll Lewis of the Bank of Peru, Nebraska, has been appointed liquidating agent for the Nebraska City National Bank. Mr. Lewis is

cashier and trust officer of the Nebraska City Bank, which began voluntary liquidation last month.

Adams "Bank" Run

The shortage of shotgun shells brought a run on the Adams State Bank of Adams, Nebraska. But not because the scarce item was kept in the bank vault.

Instead the "run" resulted when a local dealer received a shipment of shells. He required each purchaser in line to show his hunting permit before he could buy ammunition.

The bank is the only place in town issuing hunting permits.

Nebraska Farms Strong

Nebraska agriculture is now in a stronger position financially than it was at the close of World War I, according to reports from a survey conducted by the agricultural commission of the American Bankers Association.

Farmers in Nebraska use only a sixth of the bank credit available to them. However, in 1945, 85 per cent of the 112,000 Nebraska farmers did avail themselves of bank credit. Ninety-five thousand Nebraska farmers borrowed three hundred million dollars in 1945. On January 1, 1946, farm loans outstanding totalled seventy-one million dollars, but banks had available for farm loans almost five hundred seventy million dollars.

Falls City Man Retires

Frank Buchholz, cashier of the First National Bank, Falls City, Nebraska, resigned his position last month, it was announced by the bank.

Edgar Roesch, who had been employed by the bank prior to entering the army during the war, has returned to the institution in the position of assistant cashier. He had been working for the Independent Lumber Company since returning from service.

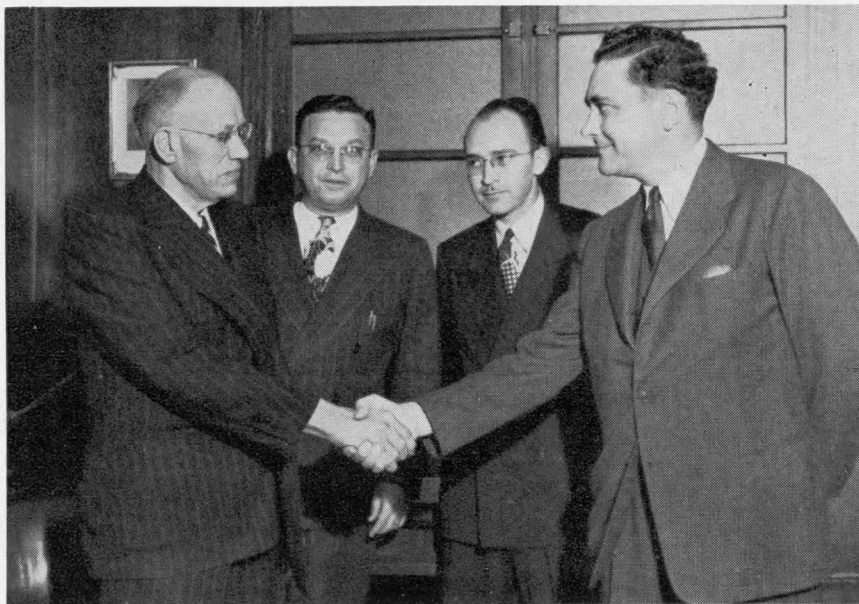
Mr. Buchholz had been connected with the First National Bank about 34 years. He became cashier on the death of J. S. Lord about eight years ago.

His plans for the future have not been announced.

Add Two Employes

New employes recently added to the staff of the Plainview State Bank, Plainview, Nebraska, are Dorraine Weber, stenographer and bookkeeper, and Gloretta Prange, bookkeeper and clerk.

New Cashier Is Congratulated



Alvin E. Johnson, (left), president of the Live Stock National Bank of Omaha, congratulates Chester G. Pearson, upon his promotion to cashier. In center are Elmer C. Olson who succeeds Mr. Pearson as assistant cashier and A. S. Chaves, who has joined the staff as auditor.

Nebraska Convention Has Record Attendance in Lincoln

Glen T. Gibson of Gibbon Heads Association for Coming Year

By **BEN HALLER, JR.**, Associate Editor
The NORTHWESTERN BANKER

NEBRASKA bankers took advantage of Columbus Day, a legal holiday in their state, and turned out 1,000 strong for the annual Nebraska Bankers Association Convention in the Cornhusker hotel in Lincoln last month. They were not disappointed, either, for the hard working Lincoln committees and Secretary Carl Swanson had a full two-day program prepared for them. In addition, the many bankers' wives who attended, were pleasantly entertained with style shows and luncheons.

Glen T. Gibson, president, Exchange Bank, Gibbon, was moved from the vice presidency of the association to the presidency. Elected to fill the position of vice president was **J. O. Peck**, president, Central National Bank, Columbus.

Representing the nominating committee, **A. J. Jorgenson**, president, The American National Bank of Sidney, also presented the following men as candidates for the Executive Council and they were unanimously voted in: **H. H. Echtermeyer**, vice president, Live Stock National Bank, representing Omaha; **Fred S. Aldrich**, vice president, Continental National Bank, representing Lincoln; and **W. H. Pierce**, president, First National Bank, Osceola, representing Group Two.

H. A. Schneider, Plattsmouth State Bank, was elected president of the State Association's Past President's Club, replacing **J. M. Sorenson**, executive vice president, Stephens National Bank, Fremont. **A. J. Jorgenson** of Sidney was named vice president.

At the A. B. A. session the following

men were elected: **I. R. Alter**, president, First National Bank, Grand Island, nominating committee, with **Otto Kotouc, Jr.**, vice president, Home State Bank, Humboldt, as alternate; **L. J. Titus**, president, First National Bank, Holdrege, vice president representing national banks; **Earl Wilkins**, president, Geneva State Bank, Geneva, representing state banks; **John Lauritzen**, assistant cashier, First National Bank, Omaha, representing savings banks, and **Howard Burdick**, cashier, Central National Bank, Columbus, representing trust divisions.

Resolutions were presented by **J. Y. Castle**, vice president and cashier, McDonald State Bank, North Platte.

Retiring President **V. E. Dolpher** introduced **Ernie Thompson** to the convention as the new assistant to

At the Cornhusker Convention in Lincoln

COLUMBUS DISCOVERED AMERICA IN 1492 and just 454 years later, Nebraska Bankers offered Christopher a vote of thanks when they took advantage of the legal holiday which honors him October 12th, and journeyed to Lincoln for their annual meeting. The Cornhusker conventioners turned out in numbers sufficient to top the 1,000 mark by a substantial margin. Some of the bankers and their wives are shown on the opposite page and reading from left to right in each picture they are:

1. **V. E. Dolpher**, retiring president of the Nebraska Association and president, First National Bank, David City, congratulating **J. O. Peck**, newly elected vice president of the Association and president, Central National Bank, Columbus, while **Glen T. Gibson**, new president of the Association and president, Exchange Bank, Gibbon, is receiving congratulations from **Carl Swanson**, secretary, Nebraska Bankers Association.

2. A tense moment in a Cardinal-Boston World Series game is reflected in the faces of **G. A. Gregory**, Federal Reserve Bank, Kansas City; **F. L. Ferrell**, cashier, Nebraska State Bank, Oshkosh, who is being reassured by **Wade Martin**, vice president, Live Stock National Bank, Omaha, that the Cards will come through, and **William N. Mitten**, president, and **Robert L. Voss**, vice president, both of the Stephens National Bank, Fremont, who look a bit worried about that Boston hit.

3. **Raymond Moley**, nationally known columnist, preparing to tell convention delegates about our "Political Horizons."

4. This friendly group at the social hour in the Cornhusker ballroom is made up of **Mrs. Edward Huwaldt**, **Charles B. Shapard**, assistant vice president, Mercantile-Commerce Bank and Trust Co. of St. Louis; **Edward Huwaldt**, executive vice president, Commercial National Bank of Grand Island; **Mrs. Fred Peters**, **Fred Peters**, Nebraska state director of banking, and **Mrs. Charles Shapard**.

5. **G. A. Gregory**, Federal Reserve Bank, Kansas City; **C. J. Mortensen**, president, Nebraska State Bank of Ord, and **Otto Kotouc, Sr.**, president, Home State Bank of Humboldt, during a "ten-minute" break.

6. Waiting for the "Call to Order" of the Saturday morn-

ing session are **F. R. Kingsley**, president, Minden Exchange National Bank of Minden; **B. O. Campbell**, vice president, First National Bank of Lincoln, and **G. E. Nelson**, vice president, Farmers State Bank of Millard.

7. **Carl Swanson**, Association secretary; **Edgar McBride**, past president of the Association and president, Commercial Bank of Blue Hill; **C. W. Bailey**, president of the American Bankers Association and president, First National Bank of Clarksville, Tennessee, and **R. W. Trefz**, president, Beatrice State Bank of Beatrice.

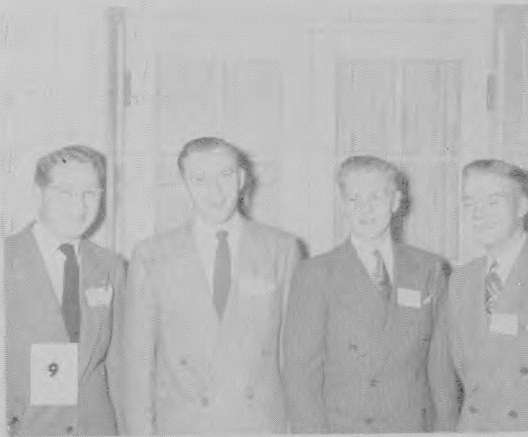
8. Compliments on the very fine Ladies' Program were presented by **Mrs. Carl Swanson** to **Mrs. Byron Dunn**, whose husband is president of the National Bank of Commerce in Lincoln.

9. Probably the youngest and without a doubt among the most handsome at the convention were these four Army and Navy veterans—**Charles Walcott**, Security National Bank of Sioux City; **Jack Nielsen**, City National Bank and Trust Company of Kansas City; **J. P. Krogh**, Stock Yards National Bank of Omaha, and **Ernie Thompson**, new assistant to the Association secretary.

10. Standing in this picture are **Mrs. Emil Placek**, whose husband is president of the First National Bank of Wahoo, and **Mrs. Estella Thorpe Smith**, vice president of the Bank of Brainard. Seated is **Mrs. C. W. Bailey**, wife of the new A.B.A. president.

11. Another "between sessions" shot, this time of **Ivan W. Hedge**, cashier, Filley Bank of Filley; **W. H. Pierce**, president, First National Bank of Shelby, and **Charles S. Stone**, City National Bank of Hastings.

12. The man on the left isn't really that tall. He is **Vincent Rossiter**, cashier, Bank of Hartington, snapped while standing on the mezzanine stairway talking to **Joe Grant**, vice president, First National Bank of Sioux City, Iowa; **Leon Markham**, state director of the U. S. Savings Bond division for Nebraska, and **Morris Townsend**, a prominent convention speaker and director of the banking and investment section, U. S. Savings Bond division, Washington, D. C.



Secretary Carl Swanson in the association office. He is a graduate of Omaha schools and was discharged recently from the Navy Air Corps where he served as a pilot.

Briefed for quick reading, here is what the speakers said at the convention:

Glen T. Gibson, president, Nebraska Bankers Association and president, Exchange Bank, Gibbon: "As bankers we must: (1) Develop a sounder quality of bank service; (2) provide adequate production credit; (3) provide the types of consumer credit our community needs; (4) make loans to vet-

erans on a sound basis. Our task is to think and plan and to lend a helping hand whenever and wherever we can."

C. W. Bailey, newly-elected president of the American Bankers Association and president, First National Bank, Clarksville, Tennessee, made one of his first appearances since his election when he addressed the assembly the first day on the subject "Five Talent Bankers." The title for his talk is taken from the biblical passage covered in verses 15-39 in the 25th chapter of Matthew. Mr. Bailey's interpretation of this passage was presented very forcefully when he compared it with the "talents" of bankers and pointed out the obligation that bankers have to dispose of these "talents" by doing a good job in their business dealings with customers and the public.

He then outlined a six-fold program which he said the country banker should strive to accomplish in order to secure the structure of agriculture.

(1) A diversified and well balanced farm program.

(2) Payment of the land mortgage debt.

(3) Setting up reserves of cash.

(4) Prevention of a farm land price boom.

(5) Conservation of the soil.

(6) Education of the farmers of the future.

Morris M. Townsend, director of banking and investment section, United States Savings Bonds division: "It is the long-range aim of the Treasury Department to spread the public debt as widely as possible so that more individuals may receive a greater share of the interest on the debt rather than to have the bonds concentrated in the hands of a few owners as they were shortly after World War I."

T. Albert Potter, president, Elgin National Watch Company, Elgin, Illinois: "Nebraska's low state debt is nothing to be proud of. I would much rather have the state debt high and the federal debt low because it brings home to the state and its constituents the amount of the debt much more clearly and pushes away the ever-reaching claw of the federal government.

"Bankers must re-educate the people to understand the importance of keeping an incentive to progress."

WE SEEK TO MAKE
OUR INTIMATE KNOWLEDGE
OF THIS TRADE TERRITORY
OF VALUE TO CORRESPONDENTS

The First National Bank

St. Joseph, Missouri

Member Federal Deposit Insurance Corporation

the Continental offers the complete service of its Foreign Department, including the handling of commercial letters of credit, export drafts, foreign remittances, and all other foreign transactions, to its correspondents. If you have specialized foreign banking problems that require the personal attention of Officers with contacts and experience abroad, we should enjoy serving you.

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BANK & TRUST COMPANY
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Member Federal Deposit Insurance Corporation

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

**IF IT PERTAINS TO LIVE STOCK
WE CAN SERVE YOU!**



Stock Yards National Bank

Omaha, Nebraska

MEMBER, F. D. I. C.

Northwestern Banker, November, 1946

J. V. Webster, vice president and cashier, First National Bank, Chadron: "It doesn't seem too much trouble for the government to establish an emergency any day of the week. Thus, government emergencies, because of an emergency, are continued in their existence and subsidized by the government. The fact remains that to continue them is unfair to private business. Eventually, the federal government, through its agencies, will be running the whole show and private business will be out the window.

"Our state and national banking associations must become interested and align themselves with other trade

associations and must convince Congress that the private lender must not be forced to face competition by subsidized government lending agencies."

E. W. Rossiter, president, Bank of Hartington, discussing a bill to provide for "Loss Reserves Before Taxes": "This legislation would aid bankers to more nearly attain impregnability of financial structure through providing a definite method whereby banks might establish loss reserves in years of good earnings against losses in years of depression and lean earnings." Mr. Rossiter said this bill was proposed unsuccessfully to the resolutions committee at the national A. B. A.

convention in Chicago recently. He stated the only way to get action on it is for small banks, which he said compose 80 per cent of the A. B. A., to all become interested and act on the bill.

R. G. Gustavson, Chancellor of the University of Nebraska at Lincoln: "At the present time enormous sums of money are being spent by the federal government mostly through the army and the navy in support of basic science. In some of our institutions the annual grants for basic science go into the millions.

"The important thing to notice is that all basic patents under this program will be owned by the federal government. It cannot be otherwise if the federal government furnishes the money.

"Universities today are crying for support of the basic sciences. Practically the only group to heed that cry has been the army and the navy. I therefore wish to appeal to you who believe in a free enterprise system to give thought to what is going on in our social structure."

Increase Capital

The capital of the First National Bank of Holdrege was increased from \$60,000 to \$100,000 last month.

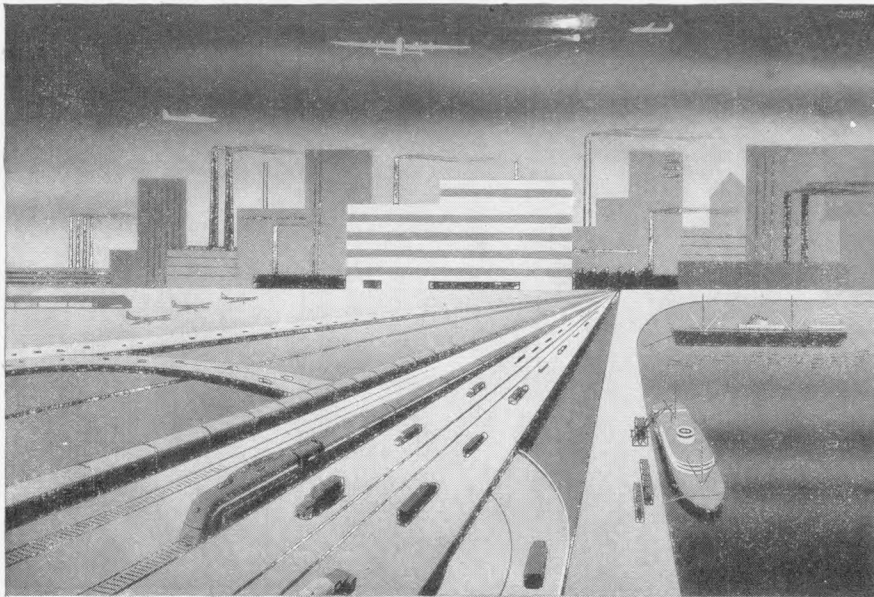
The directors of the bank on October 8th declared a stock dividend to all stockholders out of surplus of \$40,000. The comptroller of the currency notified the bank on October 15th that the increase in capital had been allowed by their office and the capital was increased as of that date.

This now gives Holdrege and its territory a bank with capital of \$100,000, surplus of \$100,000, and individual profits and reserves of over \$160,000. This is the first time the capital has changed since 1893 when L. J. Titus, president, purchased control of the bank from the original stockholders.

Identify Robber Suspect

A bank robber, now serving time in the penitentiary at Jefferson City, Missouri, for robbing a bank in Missouri, is suspected of being the man who robbed the Home State Bank in Humboldt, Nebraska, last spring. He previously served time in the penitentiary, and has a criminal record.

A representative of the FBI at Omaha was in Humboldt recently with pictures of the convict, for comparison with the one who robbed the bank. Otto Kotouc, Sr., president of the bank, and Betty Elaine Richardson, an employe, who were in the bank when it was robbed, looked over the picture and stated that it showed a resemblance to the man who robbed the bank, and they believe it to be the same man.



BUSINESS OPPORTUNITY

THE expanding peacetime trade throughout this nation is making the broad highway of commerce truly a road to business opportunity.

The American National is ready and willing to help correspondent banks keep their customers' road free from problems pertaining to finance. A number of banks have found the specialized knowledge and experience of our officers of practical value in finding the answers to financial questions confronting their customers. Possibly we can be similarly helpful to you.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

LA SALLE STREET AT WASHINGTON

Member Federal Deposit Insurance Corporation



OUR BUSINESS IS TO HELP BUSINESS



DEPOSITS in Omaha banks decreased nearly \$2,000,000 and loans increased more than \$10,000,000 between June 29th and September 30th, according to figures in response to a bank call as of September 30th.

However, current deposits were nearly four times those of pre-war days. The September 30, 1946, total was \$428,874,851, compared with \$430,834,850 on June 29, 1946.

In June, 1939, for example, total deposits were \$122,119,000.

Loans on September 30th this year totaled \$68,779,559.

The decrease in deposits was ascribed to the government's withdrawal of funds as payments on the national debt.

The loan increase reflected a greater demand for money.

Nebraska farm leaders and economists met with officers of the **Nebraska Bankers Association** in Omaha recently.

The purpose of the meeting, according to **Tom Leadley** of Lincoln, chairman of the Agricultural Section of the Nebraska Advisory Committee to the United States Savings Bond Division, was to formulate a program to be recommended to Nebraska farmers and ranchers as a guide for maintaining financial security in the postwar period.

Increased purchases of Series E

Savings Bonds were recommended as part of such a program.

W. B. Millard, Jr., vice president of the Omaha National Bank, took a leading part recently when the deed was signed, the checks handed over and the Omaha Veterans' Hospital site became the property of the Veterans' Administration.

Mr. Millard, as chairman of the Veterans' Hospital Committee, thanked the County Board for its part in procuring the site (formerly occupied by the Omaha Field Club's golf course).

Wallace Spear, trust officer of the First National Bank of Omaha which had held the money in escrow, presented a \$34,000 check to **Joseph Fradenburg**, attorney for the Field Club, and \$2,000 to County Board Chairman **Roman Hruska** for the County's share. The County owned the site and the golf club had a long-term lease.

Nebraska bank deposits during World War II years increased 315 per cent. They rose from \$311,571,000 June 30, 1939, to \$1,291,669,000 on December 31, 1945.

This was the report of the **Tenth Federal Reserve District**, which said Nebraska's percentage of gain was greater than for any of the other seven states in the district.

Growth of deposits also was greater

in the Tenth District than in any of the other Federal Reserve districts.

Deposits for the country as a whole increased 158 per cent.

Mr. and Mrs. J. T. Stewart III spent the Columbus Day week-end at the Stewart cottage on Lake Okoboji. Mr. Stewart is vice president and cashier of the First National Bank of Omaha.

The Stewarts' son, **J. T. Stewart IV**, has entered Fountain Valley School at Colorado Springs, Colorado.

Mr. and Mrs. A. C. (Cub) Potter of New York City were recent guests of Mr. and Mrs. W. B. Millard, Jr., in Omaha. Mr. Potter is a former Omaha investment banker.

Friends of **Mr. and Mrs. J. B. Frazier, Jr.**, dined on antelope meat at a dinner given by the Fraziers recently at the Omaha Club. Mr. Frazier, Omaha investment banker, shot the antelope on a hunting trip in the mountains near Casper, Wyoming. He made the trip by train, plane and jeep.

Members of a new special committee on air transportation, appointed by Mayor Leeman of Omaha, include **J. F. McDermott**, vice president of the First National Bank of Omaha. **Francis P. Matthews** is chairman.

Richard Mallory's team, "The Sluggers," in the recent Omaha Chamber of Commerce membership drive, signed as a Chamber member **Maj. Gen. W. G. Livesay**, commander of Army forces stationed at Omaha. Mr. Mallory is vice president of the United States National Bank of Omaha.

When Omaha good will trippers visited Valentine, Nebraska, recently on their jaunt which also took them into South Dakota and Wyoming, they were welcomed by officers of the Bank

First National Bank of Omaha

Oldest National Bank From Omaha West

Member Federal Deposit Insurance Corporation

Northwestern Banker, November, 1946

of Valentine, including **President H. L. Kuhn**. Mr. Kuhn started in the banking business in Omaha in 1905 and went to Valentine in 1910.

In a photograph taken at the Valentine bank were **Homer H. Peterson**, Peterson Lithographing and Printing Company; **A. J. Rhodes**, Omaha National Bank; **Herb Echtermeyer**, Live Stock National Bank of Omaha; **John A. Changstrom**, Omaha National Bank; **Mr. Kuhn** and **John Rinn**, First National Bank of Omaha.

Stephen J. Wirtz, assistant cashier of the Omaha National Bank, was chairman of a discussion group at the Tri-State Conference of the National Association of Credit Men at Cedar Rapids, Iowa, last month.

Mr. Wirtz, president of the Omaha Association of Credit Men, was one of 400 credit executives from Nebraska, Iowa and South Dakota who attended the 22nd annual conference.

The old Bank of Florence elm tree will be spared, Omaha City Forester **Frank Pipal** said recently.

The tree, long a landmark in suburban Florence, stopping place of the Mormons in their early-day trek across the country, will be topped, instead of cut down as previously planned. The tree stands on city property near the old Bank of Florence building at 8502 North 30th Street.

Mr. Pipal decided to save the old tree after getting a number of protests against felling it.

Mr. and Mrs. Frederick W. Clarke, Sr., of Omaha recently observed their fifty-seventh wedding anniversary. Mr. Clarke is an investment banker. The couple has two children, F. W., Jr., of Omaha, and Mrs. Lloyd S. Smith of Washington, D. C. They have lived in Omaha since 1908.

For Omaha's Community Chest drive, **J. F. McDermott**, First National Bank, is chairman of the initial gifts committee, and **Richard H. Mallory**, United States National, co-chairman of the business division.

Ellsworth Moser, vice president,

United States National Bank of Omaha, was one of the speakers at a recent mass meeting of the personal contact bureau of the City-Wide Improvement Committee of Omaha. Mr. Moser is chairman of the Policy Advisory Committee. **C. W. Mead**, vice chairman, was another speaker.

W. Dean Vogel, vice president of the Live Stock National Bank of Omaha, is chairman of the Citizens' Public School Committee, which expected to make its recommendations on Omaha school problems last month. Mr. Vogel said the committee received a great deal of material from Omaha organizations pertaining to the school problem. The committee wrote all key organizations in the city.

Nebraska "Near Top"

The sound financial condition of Nebraska banks puts them in an enviable position compared with that of other states, according to **J. F. Peters**, state banking director.

Mr. Peters, upon returning recently from the national meeting of Directors of Banking, explained that after discussing conditions with other state officials, he decided Nebraska banks "rank near the top."



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of all departments assures rapid, efficient handling of every type of banking transaction. You are invited to use any or all of our facilities.

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First Trust Opens New Offices



ON HAND TO RECEIVE CONGRATULATIONS when the First Trust Company of Lincoln opened its new offices recently were **S. C. Waugh**, executive vice president; **George Holmes**, president, who is also president, the First National Bank in Lincoln, and **Bennett S. Martin**, vice president.

ON JUNE 29, 1911, a dividend of \$50,000 was declared by The First National Bank of Lincoln with which to organize The First Trust Company of Lincoln, Nebraska.

At that time the insurance agency belonging to George W. Holmes was purchased and Mr. Holmes became president of The First Trust Company. After some thirty-five years he is still the active head of The First Trust Company of Lincoln, as well as president of The First National Bank.

The capital at the present time of The First Trust Company is \$400,000, surplus \$200,000, and over \$200,000 undivided profits, as of June 29, 1946.

For over thirty-five years the Trust Company occupied space in the First National Bank Building, occupying the entire basement and having offices on the second floor, as well as taking over other space in the building. With the increased activity in The First Trust Company it was found that larger and more modern quarters were needed and the Trust Company has recently moved to their new office on the second floor of the Trust Building at 10th and O Streets.

The Trust Company, in their new quarters, have approximately 10,000 square feet of office space.

An open house was held for the customers and friends of the organization and during the day and evening 1,500 people were taken through the new offices. During the Nebraska Bankers Convention over 200 bankers and their wives visited the new quarters.

The First Trust Company activities cover many fields, including trust department, investment department, insurance department, city real estate department, mortgage department and farm management department.

The officers are: George W. Holmes, president; S. C. Waugh, executive vice president; Bennett S. Martin, Merle C. Rathburn and John C. Whitten, vice presidents; C. E. Hinds, treasurer; O. F. Schlaebitz, secretary-treasurer, and Milton F. Barlow, assistant secretary.



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It's a fact! The number of our correspondent banks is greater today than ever before. More and more of our correspondents are taking advantage of our continuous 24-hour transit service. Night and day transit service saves time . . . there's no delay. Items are received, processed and sent out the same night. Use our 24-hour transit service the next time business demands speed. Take advantage of our **complete** correspondent facilities.

ALVIN E. JOHNSON, *President*

LIVE STOCK NATIONAL BANK

OMAHA, NEBRASKA

Member Federal Deposit Insurance Corporation

Northwestern Banker, November, 1946



W. H. BRENTON
President
Des Moines

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Brenton Appoints Committees

W. H. BRENTON, president of the Iowa Bankers Association, and president of the Brenton State Bank, Dallas Center, Iowa, has announced the full roster of his committees. The chairmen and vice chairmen of those committees are:

Agricultural—Chairman, K. J. McDonald, president, Iowa Trust & Savings Bank, Estherville.

Agricultural Credit School Advisory—Chairman, Warren Garst, cashier, Home State Bank, Jefferson.

Auditing—Chairman, H. S. Lekwa, vice president and cashier, Ackley State Bank, Ackley.

Banking Analysis—Chairman, F. C. Moeller, president, Fort Dodge National Bank, Fort Dodge; Vice Chairman, Lee A. Holland, vice president, Washington State Bank, Washington.

Bank Taxation—Chairman, V. P. Cullen, executive vice president, National Bank of Burlington, Burlington; Vice Chairman, Thomas Farrell, cashier, First National Bank, Iowa City.

"Destruction List" of Bank Forms—Chairman, F. C. Atkins, vice president and cashier, Bankers Trust Company, Des Moines; Vice Chairman, E. H. Spetman, vice president and trust officer, Council Bluffs Savings Bank.

"Service for War Veterans Under G. I. Bill"—Chairman, M. C. Eidsmoe, president, Woodbury County Savings Bank, Sioux City; vice chairman, B. F. Kauffman, president, Bankers Trust Company, Des Moines.

Federal Legislative—Chairman, Ralph H. Miller, president, Iowa State Bank, Algona; Vice Chairman, Ben S. Summerwill, president, Iowa State Bank and Trust Company, Iowa City.

Federal Reserve—Chairman, C. A.

Edmonds, executive vice president, Central State Bank, Muscatine; Vice Chairman, George J. Schaller, chairman of board, Citizens First National Bank, Storm Lake.

Insurance—Chairman, R. A. Sweet, vice president and cashier, Story County State Bank, Story City; Vice Chairman, C. E. Baylor, president, First Trust and Union Savings Bank, Sigourney.

Installment Loan and Consumer Credit—Chairman, Robert W. Turner, president, City National Bank, Council Bluffs; Vice Chairman, W. Palmer Wilson, president, Oelwein State Bank, Oelwein.

Legislative (State)—Chairman, S. R. Torgeson, vice president, Farmers and Merchants State Bank, Lake Mills; Vice Chairman, A. T. Donhowe, vice president, Central National Bank and Trust Company, Des Moines.

"Post-War" Small Business Credit—Chairman, H. L. Horton, president, Iowa-Des Moines National Bank and Trust Company, Des Moines; Vice Chairman, C. E. Watts, president, Commercial State Bank, Pocahontas.

Public Relations and Educational—Chairman, E. F. Buckley, president, Central National Bank and Trust Company, Des Moines; Vice Chairman, J. H. Peterman, chairman of board, Page County State Bank, Clarinda; Vice Chairman, R. J. Galloway, vice president, Clear Lake Bank and Trust Company, Clear Lake.

Time Lock—Chairman, E. S. Kierman, cashier, Alton Savings Bank, Alton.

Trust—Chairman, F. A. Johnson, vice president, cashier and trust officer, First Trust and Savings Bank,

Davenport; Vice Chairman, Robert M. Baird, trust officer, State Savings Bank, Council Bluffs; Vice Chairman, Clyde H. Doolittle, vice president and trust officer, Iowa-Des Moines National Bank and Trust Company, Des Moines.

U. S. Savings Bonds—Chairman, G. M. Barnett, president, Guthrie County State Bank, Guthrie Center; Vice Chairman, B. D. Helscher, president, Keokuk County State Bank, Sigourney.

Council Bluffs Promotions

Appointment of three new officers and promotion of three others have been announced by the board of directors of the Council Bluffs Savings Bank.

Named to assistant cashier positions were Alvin C. Anderson, Lester H. Haas and James B. Gronstal.

E. H. Spetman, Sr., is now vice president and cashier, instead of vice president and trust officer. Fred Radtke was promoted from assistant to vice president, and Laverne Tollinger, from assistant to trust officer.

Other officers of the bank are B. A. Gronstal, president; John M. Jurgens, vice president; Wesley M. Grote, assistant cashier, and Paul Gronstal, auditor.

New Mt. Ayr Cashier

Grant A. Shifflett, a veteran in banking business and a resident of Ringgold county for thirty years, assumed his duties last month as cashier of the Security State Bank in Mt. Ayr, Iowa, according to announcement from Miller Christiansen.

Before World War I Mr. Shifflett was employed by the Citizens State Bank, Earlham; then he became associated with J. E. Fierce in the operation of the Tingley State Savings Bank for five years; spent five years in the First State Bank of Diagonal, then assisted for about a year in the Tingley bank again.

Fort Madison Totals

The Fort Madison Savings Bank of Fort Madison, Iowa, in its recent statement of condition, reports total deposits of \$9,307,917, and total capital accounts of \$433,788. The bank's loans stand at \$533,961.

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Northwestern Banker, November, 1946

Buy Randolph Bank Stock

J. S. Zdychnec, cashier, and Roy Longinaker, director, of the Randolph State Bank of Randolph, Iowa, have purchased all of the stock held by J. W. Kruse, former cashier who now lives in Pasadena, California. Mr. Kruse was cashier until 1928 when he moved to the west coast.

Two Bank Offices

Certificates for establishment of two bank offices in Iowa were issued last month by N. P. Black, superintendent of the department of banking in Iowa. They were issued to the Peoples Savings Bank at Cedar Rapids for an

office at Center Point, and the Jackson State Savings Bank at Maquoketa for an office at Bernard. The Bernard office was expected to open November 5th.

Return From Vacation

Mr. and Mrs. J. E. Henson and their daughter returned last month from a vacation trip through the South Dakota Black Hills, Yellowstone Park, southern Wyoming, Denver, Colorado Springs, and central Nebraska. Mr. Henson is cashier of the Louisa County National Bank, Columbus Junction, Iowa. He reports that although some crops were not up to par in some

places, the irrigated country was doing very well.

Ollie Office Gains

Deposits in the Ollie, Iowa, office of the Hayesville Savings Bank of Hayesville have reached \$125,000 during the first six months of operation. The office was opened last March and is under the managership of Leo Power. Prior to the opening of this office, the town of Ollie had been without a bank for 25 years.

Purchase Mondamin Bank

George O. Unruh and James Unruh have purchased the controlling interest in the Mondamin Savings Bank in Mondamin, Iowa, from the heirs of the M. T. McEvoy, Sr., estate. Mr. McEvoy, who died recently, was president of the bank for 43 years.

George Unruh and his son James were formerly in the banking business in Eagle, Nebraska, and left there recently after liquidating the Bank of Eagle.

To School in Missouri

John S. Zdychnec, son of J. S. Zdychnec, cashier of the Randolph State Bank, Randolph, Iowa, has enrolled as a cadet in the Wentworth Military Academy and Junior College at Lexington, Missouri. He graduated from the Randolph High School last spring.

Diversified

Sioux City is a great farming, livestock, wholesale and manufacturing center. Your correspondent needs here are therefore highly diversified.

The officers of this bank are closely in touch with all these lines of business. Our experience is equally diversified. Let the First National Bank serve you in Sioux City.

A. G. Sam, President

Fritz Fritzon, Vice Pres. and Cashier	E. A. Johnson, Assistant Cashier
J. T. Grant, Vice President	H. H. Strifert, Assistant Cashier
J. R. Graning, Assistant Cashier	R. E. Gleeson, Assistant Cashier
W. F. Cook, Auditor	

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IOWA BANKS boast of two Dale Smiths. They are shown above as they met in Des Moines recently. Just to keep the records straight, the one on the left is Dale C. Smith, assistant cashier, Central National Bank & Trust Company, Des Moines, and the man on the right is Dale H. Smith, cashier, Tipton State Bank, Tipton.

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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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A progressive company with experienced, conservative management.

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E. H. WARNER
Secretary and Manager

To Grand Mound

Walter Thiele has accepted a position as cashier with the Union Savings Bank of Grand Mound, Iowa, and will assume his new duties with that institution as soon as he can complete his work with the Iowa state corporation tax department, with which he has been connected for more than two years.

Mr. Thiele began his banking career in the First Trust & Savings Bank of Wheatland, serving as assistant cashier and cashier for 25 years, and following that was cashier of the Keokuk Savings Bank for four years. His experience in banking and tax matters make him a valuable asset to the Grand Mound institution.

He succeeds Martin T. Jensen who for the past 13 years has been in the Union Savings Bank as cashier.

Fifteenth Anniversary

The fifteenth anniversary of the organization and opening of the Guthrie County State Bank of Guthrie Center, Iowa, under its present management was observed last month.

In 1931, with G. M. Barnett as its president, the new organization took over the building which had previously housed the Peoples State Bank and

has continued since in the same location.

The present board is composed of C. H. Hinton, R. C. Norman, W. C. Burton, M. C. Barnett, H. E. Ellett and G. M. Barnett. The latter is president, R. C. Norman, vice president; M. C. Barnett, cashier. Some years ago the bank opened an office at Panora which has given service to that community under the management of J. I. Vandevanter.

C. C. Harshberger

C. C. Harshberger, 75, retired Onawa banker, died last month after suffering a heart attack. He was born in Woodbine. He was in the banking business in Cherokee and Monona counties. Surviving are his wife, a son and two daughters.

Named President Again

At a recent meeting of the board of directors, G. P. McGraw, veteran Pierson, Iowa, merchant, was elected the new president of the Farmers Savings Bank to replace Mrs. Alice Calta, who moved to Platte, South Dakota. The office is not a new position for Mr. McGraw, as he has held the same appointment previously and has also been a director for many years.

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ROCKEFELLER CENTER OFFICE
40 Rockefeller Plaza

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Condensed Statement of Condition, September 30, 1946

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$ 541,736,604.46
U. S. Government Obligations	1,768,219,333.89
Loans and Bills Purchased	716,219,359.56
Public Securities	\$ 92,888,592.58
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities and Obligations	10,885,966.47
Credits Granted on Acceptances	4,825,586.82
Accrued Interest and Accounts Receivable	11,151,112.46
Real Estate Bonds and Mortgages	1,424,945.21
	<u>128,976,203.54</u>
Bank Buildings	9,055,919.19
Other Real Estate	142,385.33
Total Resources	<u>\$3,164,349,805.97</u>

LIABILITIES

Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	59,634,595.29
Total Capital Funds	\$ 319,634,595.29
General Contingency Reserve	38,072,186.48
Deposits	\$2,743,520,455.52
Treasurer's Checks Outstanding	29,744,964.11
Total Deposits	2,773,265,419.63
Acceptances	\$ 11,605,911.28
Less: Own Acceptances Held for Investment	6,780,324.46
	\$ 4,825,586.82
Liability as Endorser on Acceptances and Foreign Bills	221,629.00
Dividend Payable October 1, 1946	2,700,000.00
Items in Transit with Foreign Branches and Net Difference in Balances between Various Offices Due to Different Statement Date of Foreign Branches	630,550.64
Accounts Payable, Reserve for Expenses, Taxes, etc.	24,999,838.11
	<u>33,377,604.57</u>
Total Liabilities	<u>\$3,164,349,805.97</u>

Securities carried at \$373,782,731.29 in the above Statement are pledged to qualify for fiduciary powers, to secure public moneys as required by law, and for other purposes.

This Statement includes the resources and liabilities of the English, French, and Belgian Branches as of September 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 Executive 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 & Kiendl
CHARLES E. DUNLAP President, Berwind-White Coal Mining Company
GANO DUNN President, The J. C. White Engineering Corporation
WALTER S. FRANKLIN Vice-President, The Pennsylvania Railroad Company
LEWIS GAWTRY
JOHN A. HARTFORD President, The Great Atlantic & Pacific Tea Company
CORNELIUS F. KELLEY Chairman of the Board, Anaconda Copper Mining Company
MORRIS W. KELLOGG Chairman of the Board, The M. W. Kellogg Company

CHARLES S. MUNSON President, Air Reduction Company, Inc.
WILLIAM C. POTTER Retired
GEORGE E. ROOSEVELT of Roosevelt & Son
EUGENE W. STETSON Chairman of the Board
ROBERT T. STEVENS Chairman of the Board, J. P. Stevens & Company, Inc.
THOMAS J. WATSON President, International Business Machines Corporation
CHARLES E. WILSON President, General Electric Company
ROBERT W. WOODRUFF Chairman, Executive Committee, The Coca-Cola Company

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On School Board

L. D. Krueger, vice president of the Central State Bank of Muscatine, Iowa, has been named to fill the unexpired term of the late J. Andrew Davidson as a director of the Muscatine Independent School District.

His appointment was the result of a special meeting of the school board.

Hold Farm Meetings

The Agricultural Committee of the Iowa Bankers Association sponsored ten one-day schools throughout the state last month on "Soil Management and Land Conservation." Chairman

Warren Garst, cashier, Home State Bank, Jefferson, and Vice Chairman K. J. McDonald, president, Iowa Trust and Savings Bank, Estherville, were in charge of arrangements for the meetings.

The meetings were held on a farm near town in the morning, and afternoon sessions were held in a hotel in town. Towns where these meetings were held and the local banker in charge of arrangements were:

Denison—T. C. Aarestad, cashier, First National Bank; Tama—R. W. Adair, vice president, Tama State Bank; Cherokee—George E. Wilson,

president, Cherokee State Bank; Fairfield—Ralph Eastburn, president, Iowa State Bank & Trust Company; Fort Dodge—A. A. Gerken, assistant cashier, The State Bank; Tipton—J. W. Edge, president, Tipton State Bank; Red Oak—George W. Atherholt, president, Montgomery County National Bank; West Union—C. W. Grimes, cashier, First National Bank; Chariton—M. J. Grogan, executive vice president and cashier, National Bank and Trust Company, and Mason City—Roy B. Johnson, assistant vice president, First National Bank.

Demonstrations of soil conservation practices were held on each farm and practical lectures provided by county agricultural agents.

Resigns As Cashier

Harold W. Bell has resigned as assistant cashier at the First Trust and Savings Bank of Alta, Iowa. On November 1st he took over his new duties as accountant in the Ralston Purina Company at Iowa Falls, Iowa.

Announces Retirement

After serving as cashier of the Exchange State Bank of Collins, Iowa, since December, 1915, J. R. Witmer announces that he will retire January first.

His successor, who took over the cashier's duties November 1st, is H. O. Sanderson of Diagonal, Iowa, who was cashier of the First State Bank of Diagonal. He has been in the employ of the same bank management for more than 20 years, having been connected with the First National at Shannon City before going to Diagonal.

C. R. Sheaffer Resigns

At a meeting of the board of directors of the Fort Madison Savings Bank in Fort Madison, Iowa, last month, George A. Beck, vice president and comptroller of the W. A. Sheaffer Pen Company, was elected a director to fill the vacancy created by the resignation of Craig R. Sheaffer.

Mr. Sheaffer's resignation was accepted by the board at the meeting.

Elected Director

The board of directors of The State Bank of Fort Dodge, Iowa, at a regular meeting recently, appointed R. G. Anderson of Fort Dodge to fill the vacancy on the board occasioned by the resignation of J. Floyd Rich.

Mr. Rich retired recently after long service with the bank.

Mr. Anderson is president of the Iowa Farms Company, which manages a large number of farms in northwest Iowa.



Welcome advice to holiday travelers!



A great many people who are planning to spend the holidays "with the folks" or elsewhere, will welcome the suggestion to carry American Express Travelers Cheques on their trip. They know that these cheques provide complete protection against theft and loss.

Frequently, bankers secure the names of prospective holiday travelers from local news items. Or clients may drop a hint about their plans when they call at the bank—thus making it easy to suggest the purchase of these safe, convenient cheques.

Advertising of American Express Travelers Cheques is constantly at work in magazines and newspapers. Newspaper mats are also available to banks for their own advertising. A folder illustrating these mats will be sent on request, together with any information you may need. Write W. H. Stetser, Vice President, American Express Company, 65 Broadway, New York 6, N. Y.

AMERICAN EXPRESS
Travelers Cheques

George Messenger

George H. Messenger, former Des Moines banker and first Iowa state banking superintendent, died at Kansas City, Missouri, last month.

Mr. Messenger was state superintendent of banking from 1917 to 1920. He was president of the former Mechanics Savings Bank in Des Moines from January, 1923, until the institution closed in December, 1925. At one time he also was president of a Linden, Iowa, bank.

New Banker in Family

Mrs. Mildred I. Newman, 33 year old cashier of the Iowa State Bank, Stockport, Iowa, is a proud new mother, having given birth to a 9½ pound baby boy, Sunday, October 27th. The baby has been named Ned D. Newman.

Mrs. Newman has been cashier of the bank for 14 years.

Sioux City News

FREDRICK J. HANNAH, loan representative, left the Woodbury County Savings Bank on October 31st to open a real estate office at Rockford, Illinois.

Don Nisson, Morningside State Bank, slipped away from his office for a few days of hunting and fishing in the Minnesota Lakes region. He had no special destination in mind, and planned to return to the bank after an absence of about a week.

Darlene Miller of the bookkeeping department of Woodbury County Savings Bank was recently hospitalized for an appendectomy. Her recovery was rapid and satisfactory, enabling her to return to the bank after only a brief absence.

Frank H. Abel, assistant cashier at the Security National Bank, and Lucille Monfort, head bookkeeper, were married October 10th. Following a two weeks trip to Chicago, the happy newlyweds will be at home in Sioux City. Mr. Abel is also manager of the Transit Department at the Security National Bank.

M. C. Eidsmoe, president of Woodbury County Savings Bank, was recently appointed chairman of the Committee on Service for War Veterans under G. I. Bill, by **W. H. Brenton**,

president of Iowa Bankers Association.

Lawrence Sloan, president of First Federal Savings and Loan Association,

TIME OUT

"TIME OUT" is necessary in a football game, but it does prolong the game . . . and for taking too much "time out" a team is penalized.

A certain amount of time is necessary in clearing your transit items, but the less "time out" required, the more profitable it is to you . . . and for excessive "time out" you pay a penalty.

That's where Commerce speedy 24-hour transit service counts in your favor . . . **by saving one to three days on collections.** This feature plus direct sending of items that is unequalled in the United States recommends the Commerce to you.

Commerce Trust Company

Capital Funds Exceed 20 Million Dollars

KANSAS CITY'S LARGEST BANK
Established 1865

MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

THE TOY NATIONAL BANK

For Your Sioux City Banking Connection

In the heart of down town Sioux City

Member F.D.I.C.

announced that **Martin E. Ramsey**, general manager of Curtis Companies, Inc., has been chosen a director of the association. The choice was made at a meeting of the board of directors held recently in First Federal's new offices at 511 Pierce Street.

Malcolm Erickson has returned to the Live Stock National Bank as a teller after two years in the Medical Corps.

Al Ferris, who also was with the armed forces, has returned to the bank as transit clerk.

Marjorie Smith has returned to her position as teller following her wartime absence as a marine.

Stanley Evans, who served as a captain in the U. S. Army Finance Section at Bremerhaven and Frankfurt, Germany, has returned to the Live Stock National Bank.

Unusual activity in every department of the Live Stock Bank has resulted from the extra heavy movement of live stock to and through the Sioux City market since meat controls were lifted. October 17th saw the longest line of stock trucks waiting to unload ever to await their turn at unloading chutes.

Des Moines News

The Bankers Trust Company has announced plans for expanding its quarters to include the room directly west of the bank and enlargement of several other departments as soon as construction materials are available.

B. F. Kauffman, president, in announcing the proposed remodeling program, said the size of the statement department will be more than doubled and six more tellers' cages

will be added on the main floor. Occupying the new office space provided by the room to the west will be the personal loan department. To the rear of this will be the trust department.

The flurry of fall conventions and meetings has kept Des Moines bankers on the move for two months. Traveling to the Financial Advertisers Association Convention in San Francisco last month were **Frank Warden**, vice president, Central National Bank & Trust Company, and **Harold Klein**, vice president, Iowa-Des Moines National Bank & Trust Company. Mr. Warden was re-elected to the senior advisory council.

Lehman Plummer, vice president, Central National Bank, visited in Cincinnati and Cleveland recently. In the first city he appeared before the Ohio Valley group meeting of the American Institute of Banking, where he spoke on "Future Trends of Consumer Credit." At Cleveland he addressed the national convention of the National Frozen Food Locker Association, discussing the future of the frozen food industry.

John de Jong, vice president, Iowa-Des Moines National Bank, has traveled farther this fall than any other Des Moines banker. He spent six weeks in Holland visiting relatives, making the round trip by airliner. Since his return to Des Moines a few weeks ago he has made 13 public appearances addressing groups ranging in size from 50 to 500 on the sights he saw in his native Holland and the business conditions there. He has also made one radio appearance, to say nothing of the many, many visits with friends about his reunion with brothers and sisters he had not seen for years.

Loans by **Des Moines banks** have shown a 40 per cent increase during the last year.

The loan total as of the latest bank call, September 30th, was \$69,203,047, as compared to \$49,539,760 in the fall of 1945.

Total resources dropped off \$8,681,383 from the all-time peak of \$303,987,006, and stood at \$295,305,623. Likewise, deposits fell from \$290,514,290 to \$278,471,057.

United States bond holdings were the only other item that showed an increase. The present figure is \$143,150,581, as compared to \$137,448,532 a year ago.

Committee appointments announced recently by **C. W. Bailey**, president of the American Bankers Association, include the appointment to two committees of **Herbert L. Horton**, presi-

CONDENSED STATEMENT FIRST NATIONAL BANK IN ST. LOUIS

At the Close of Business, September 30, 1946

RESOURCES

Cash and Due from Banks	\$111,481,569.55
U. S. Government Securities	200,038,112.11
Loans and Discounts	132,550,092.56
Other Bonds and Stocks	7,571,216.98
Stock in Federal Reserve Bank	531,000.00
Banking House, Improvements, Furniture and Fixtures	340,178.30
Other Real Estate Owned	941,002.00
Customers' Liability a/c Letters of Credit, Acceptances, etc.	1,812,929.95
Accrued Interest Receivable	936,183.12
Overdrafts	8,166.33
Other Resources	4,040.05
	<u>\$456,214,490.95</u>

LIABILITIES

Capital Stock	\$ 10,200,000.00
Surplus	7,500,000.00
Undivided Profits	8,498,583.49
Reserve for Contingencies	500,000.00
Dividend Declared, Payable November 30, 1946	240,000.00
Reserve for Taxes, Interest, etc.	1,970,547.11
Unearned Discount	182,328.03
Liability a/c Letters of Credit, Acceptances, etc.	1,936,415.95
Other Liabilities	14,314.96
Demand Deposits	\$333,554,029.66
Time Deposits	57,946,556.04
U. S. Government Deposits	33,671,715.71
Total Deposits	<u>425,172,301.41</u>
	<u>\$456,214,490.95</u>



Broadway / Locust / Olive

Member Federal Deposit Insurance Corporation

dent, Iowa-Des Moines National Bank, and the naming of **Harold Klein**, vice president of the same bank, as a member of the A.B.A. public relations council.

Mr. Horton has been appointed a member of the board of trustees of the Educational Foundation in Economics of the A.B.A., and reappointed a member of the subcommittee on Federal Deposit Insurance study of the A.B.A.

Recently, Mr. Horton was elected chairman of the board of trustees of the Banking Research Fund of the Association of Reserve City Bankers.

FAA CONVENTION

(Continued from page 16)

all of these things, including the wives of most of the delegates. Every financial institution who sends its advertising executive to an FAA convention can be proud of the way these folks come to work and learn.

Among the enjoyable evening parties attended by FAA'ers was one at which officers of the Bank of America were hosts to several hundred delegates. Guests met first in the Bank of America building and then went to the adjoining San Francisco Chamber of Commerce building for a social hour and a delightful dinner. Another dinner party was staged by the Wells

Fargo Bank & Union Trust Company.

Attendance at the "early birds" party, staged the evening before the official opening of the convention, was curtailed by about two hundred participants when the special train out of Chicago, which carried many of the New York delegates and those from points west of Chicago, was delayed first in Omaha because of worn equipment, and then several hours in the wilds of Wyoming on account of a freight wreck just ahead. But nobody was down-hearted and finally arrived safely.

When Harold Klein, vice president of the Iowa-Des Moines National Bank, Des Moines, boarded the special train, he brought with him 200 ears of prize Iowa corn, and an ear was given to all the FAA passengers, something new for those from the far East and South.

FAA members from Los Angeles had a chance to display their brand of Southern California hospitality when it was arranged that the special train would stop in L. A. for two days following the regular meeting in San Francisco, with sight-seeing trips and entertainment of various kinds in store for the conventioners. And then on its eastward journey, the special was to make a side trip to the Grand Canyon.

Where the Financial Advertisers will hold their convention in 1947 has not been decided. Bermuda was suggested, but the executive committee and directors will name the place. Wherever that place is and whoever the hosts are, the bankers of San Francisco have set an entertainment and hospitality record that will be a hard one to equal. ##

THE NEW YORK TRUST COMPANY

COMMERCIAL
BANKING
DOMESTIC AND
FOREIGN



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AND 40TH STREET

TEN
ROCKEFELLER
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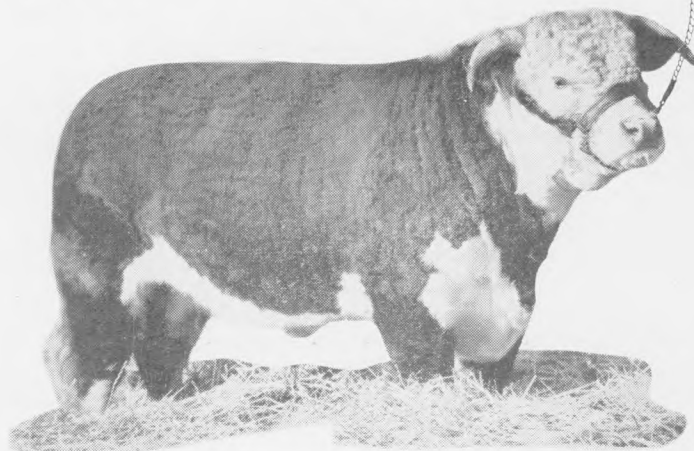
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Welcome

VISIT THE "INTERNATIONAL"

America's Greatest Live Stock Exposition
November 30th to December 7th

Bankers with important interests in the agricultural field will enjoy this advance showing of "styles" in live stock, because these styles will soon be translated into practical values in the farm herds of every rural community. In line with a long established custom, the Drovers' staff is making special plans to welcome bankers and their friends during this colorful week.



DROVERS NATIONAL BANK DROVERS TRUST & SAVINGS BANK

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION

UNION STOCK YARDS • CHICAGO

Northwestern Banker, November, 1946

Investment Bankers Meet

The 1946 annual convention of the Investment Bankers Association will be held in Palm Beach, Florida, beginning on Sunday, December 1st, and ending on Friday, December 6th. The Palm Beach Biltmore will be the headquarters hotel.

The convention program will provide for convention sessions or open meetings of the board of governors on each morning from Monday through Friday.

Starts Financial Agency

Harry J. Lazarus, vice president of Central National Bank in Chicago, announces the formation of the advertising

agency of Harry J. Lazarus & Company, with offices at 430 N. Michigan Avenue. Simultaneously with this announcement, C. F. Kuehnle, president of Central National, in announcing Mr. Lazarus' resignation, stated that the new agency had been appointed advertising counsel for Central National Bank and its correspondent banks.

Mr. Lazarus, who left the advertising field in 1941 to join Central National as director of public relations, rose to the position of assistant to the president, and at the age of 32 was elected vice president, one of the youngest senior officers of a national bank in this country.

As an officer of the Central National

Bank, Mr. Lazarus developed several booklets on human relationship involving bank public relations, one of which was acclaimed country-wide for



HARRY J. LAZARUS
Starts Own Advertising Agency

its complete picturization of the unusual services performed by Central National for its customers.

In re-entering the advertising field, Mr. Lazarus plans to inaugurate a special division in his agency that will specialize in advertising, public relations and merchandising service for banks and financial institutions, and a division that will handle general advertising.

NEWS AND VIEWS

(Continued from page 14)

American bankers in the presidency of the American Bankers Association. His activity in this field was consummated with a tremendously successful convention, attended by over 5,200 bankers, in Chicago during September.

Crawford J. Mortensen, president of the Nebraska State Bank of Ord, is a pretty husky young man, and we think we have found the reason—he drinks four **double** glasses of tomato juice each morning for breakfast just as a starter.

William N. Mitten, president of the Stephens National Bank of Fremont, Nebraska, has a young son, **Dave G. Mitten**, who is now a freshman at Stanford, and is former city golf champion of his home town. It is needless to say that he will be a member of the Stanford golf team this winter. Incidentally, Dad is also hitting the ball in the banking business, with deposits of over \$8,200,000.



The First National Bank of Chicago

Statement of Condition September 30, 1946

ASSETS

Cash and Due from Banks,	\$ 428,289,675.01	
United States Obligations—Direct and fully Guaranteed, Unpledged,	\$730,858,975.91	
Pledged—To Secure Public Deposits and Deposits Subject to Federal Court Order,	219,476,720.00	
To Secure Trust Deposits,	41,851,110.54	
Under Trust Act of Illinois,	533,840.00	992,720,646.45
Other Bonds and Securities,		104,540,243.33
Loans and Discounts,		574,368,383.34
Real Estate (Bank Building),		3,278,068.32
Federal Reserve Bank Stock,		3,600,000.00
Customers' Liability Account of Acceptances,		1,795,122.91
Interest Earned, not Collected,		5,645,011.24
Other Assets,		611,107.40
		<u>\$2,114,848,258.00</u>

LIABILITIES

Capital Stock,	\$ 60,000,000.00	
Surplus,	60,000,000.00	
Other Undivided Profits,	1,946,912.54	
Discount Collected, but not Earned,	1,050,898.65	
Dividends Declared, but Unpaid,	1,200,000.00	
Reserve for Taxes, etc.,	8,654,792.16	
Liability Account of Acceptances,	1,827,982.51	
Time Deposits,	\$ 334,961,770.14	
Demand Deposits,	1,384,230,985.59	
Deposits of Public Funds,	260,903,657.92	1,980,096,413.65
Liabilities other than those above stated,		71,258.49
		<u>\$2,114,848,258.00</u>

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Stanley Maly, who recently retired as vice president of the First National Bank of Lincoln, attended his 43rd Nebraska Bankers Convention last month and, as far as we know, holds the record in his state.

When it comes to song leaders, **Edward E. Becker**, senior vice president of the Continental National Bank of Lincoln, is one of the best, as he demonstrated at the Nebraska Bankers Convention. After the meeting was over, we had lunch one noon with Ed at the University Club in Lincoln and we were somewhat startled by the new painting on the north wall of the main dining room by **Keith Martin**, Lincoln artist.

The painting is a farm scene which includes 4 butterflies larger than 3 cows also shown in the picture. In addition to this are several rows of sunflowers which, of course, is the official flower of Kansas. Then there is a farm woman with a hoe but she is holding it as if she is about to make an 8 iron shot out of the rough.

Anyway, perhaps the picture is supposed to illustrate the Latin motto over the fireplace which says "Cultus Animi Cum Comitatus" or "Culture of the Mind With Companionship."

A. J. Rhodes, assistant cashier of the Omaha National Bank has sent the NORTHWESTERN BANKER a very interesting booklet, "**Your Personal Checking Account With the Omaha National Bank.**"

As Jack points out, the booklet was designed with three things in mind: "1, to tell the story of the personal checking account, and particularly to explain our account analysis; 2, to personalize the bank, and 3, to better our employe relations."

We are sure that Jack will be glad to send you a copy of this booklet if you have not already seen one.

Fred W. Ellsworth and **G. W. Owen, Jr.**, both vice presidents of the Hibernia National Bank in New Orleans, made a trip through the middle west visiting their friends.

PUBLISHER'S STATEMENT

Statement of the Ownership, Management, Circulation, etc., required by the Act of Congress of March 3, 1933, of the NORTHWESTERN BANKER, published monthly at Des Moines, Iowa, for October, 1946.

1. Name of Publisher: Clifford De Puy, Des Moines, Iowa. Associate Publisher, R. W. Moorhead, Des Moines, Iowa. Editor, Henry H. Haynes, Des Moines, Iowa. Associate Editor, Ben Haller, Jr., Des Moines, Iowa.

2. Owner: NORTHWESTERN BANKER COMPANY, Stockholders, Clifford De Puy, Frances Prouty De Puy, Des Moines, Iowa.

3. That the known bondholders, mortgagees and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages or other securities are: None.

CLIFFORD DE PUY,
Publisher.

Sworn to and subscribed before me this 20th day of September, 1946.

(Seal) HENRY H. HAYNES,
Notary Public.

(My commission expires July 4, 1948.)

While in Des Moines they were entertained by **Frank Warner**, vice president of the Central National Bank and Trust Company, and it was also our pleasure to have them as guests for "refreshments" at our home.

The Hibernia National Bank now has deposits of over \$115,711,000.

A. Ossipov broadcast over the Moscow radio recently that, "**Republican**

domination of Congress would be a national disaster." He also strongly endorsed the CIO Political Action Committee and the work it was doing.

The only national disaster we can think of would be to have our government dominated by Mr. Ossipov's Moscow controlled communists.

Fred M. Staker, vice president of the Commerce Trust Company, Kan-

CHEMICAL BANK & TRUST COMPANY

Founded 1824

165 Broadway, New York

CONDENSED STATEMENT OF CONDITION

At the close of business, September 30, 1946

ASSETS

Cash and Due from Banks	\$231,644,595.40
U. S. Government Obligations	576,995,649.53
Bankers' Acceptances and Call Loans	91,166,919.18
State and Municipal Bonds	72,980,458.92
Other Bonds and Investments	63,524,478.03
Loans and Discounts	252,473,368.31
*Banking Houses	254,793.50
*Other Real Estate	2,231,404.01
Mortgages	177,988.35
Credits Granted on Acceptances	4,852,111.98
Accrued Interest and Accounts Receivable	3,681,852.84
Other Assets	622,357.27
	<u>\$1,300,605,977.32</u>

LIABILITIES

Capital Stock	\$25,000,000.00
Surplus	65,000,000.00
Undivided Profits	13,097,452.85
Unallocated Reserves	5,691,189.67
	<u>\$108,788,642.52</u>
Reserves for Taxes, Expenses, etc.	4,927,197.58
Dividend Payable Oct. 1, 1946	1,125,000.00
Acceptances Outstanding	\$6,373,298.15
(Less own acceptances held in portfolio)	1,267,579.94
	<u>5,105,718.21</u>
Other Liabilities	230,719.36
Deposits (including Official and Certified Checks Outstanding \$27,282,461.79)	1,180,428,699.65
	<u>\$1,300,605,977.32</u>

Securities carried at \$126,899,131.23 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

* Assessed Valuation \$4,063,083.00

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

Wessling Services

Counsel on Bank Public Relations

D. R. WESSLING, PRESIDENT

Des Moines 9, Iowa

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Bank Supplies**DES MOINES BUILDING-LOAN &
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FOR YOUR ENJOYMENT . . .

Listen to the

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KRNT, 1350 KC 1 to 1:30 p.m. Sundays

sas City, introduced us to a new culinary concoction known as the "Pin-wheel Casserole," when we had lunch with him in the private diving room at his bank.

You ask Fred what was in it, but we can tell you that it had nothing to do with the 4th of July.

Joe A. Greenfield, Jr., vice president of the First St. Joseph Stock Yards Bank, already has 3 grandsons, but last month he was honored with his first granddaughter when Mrs. John F. Dailey had a daughter born in the Canal Zone in Panama. She is living there with her husband, Captain Dailey, who is in the Air Corps.

Ray R. Calkins, president, and George (Bud) Richmond, vice president of the American National Bank,

St. Joe, took us to lunch at the Benton Club. This was a few days before the election and the prediction of a Republican landslide was the main subject of conversation. # #

CONVENTIONS

November 7-8, Mid-Continent Trust Conference, Chicago, Drake Hotel.

November 18-19, A.B.A. Country Bank Commission Meeting, Mobile, Alabama, Admiral Semmes Hotel.

December 2, Investment Bankers Association, Palm Beach, Biltmore Hotel.

December 9-10, A.B.A. Regional Savings and Mortgage Conference, Minneapolis, Hotel Nicollet.

December 12-13, A.B.A. Regional Savings and Mortgage Conference, Indianapolis.

1947

January 23-24, A.B.A. Consumer Credit Conference, St. Louis.

January 30-31, Wisconsin Mid-Winter State Association Meeting, Milwaukee, Hotel Schroeder.

April 13-15, A.B.A. Spring Council Meeting, French Lick, Indiana, French Lick Springs Hotel.

May 19-21, 56th Annual Convention, Illinois State Association, Chicago, Palmer House.

June 20-21, Annual Convention, South Dakota State Association, Sioux Falls.

June 23-25, Annual Convention, Wisconsin State Association, Milwaukee, Hotel Schroeder.

October 6-8, 61st Annual Convention, Iowa State Association, Des Moines, Hotel Fort Des Moines.

How we can help our correspondents profit from foreign business

Remittances to foreign lands, letters of credit—used by both buyers and sellers to finance business—as well as other foreign transactions may be profitable to your bank if properly developed and handled. We shall be pleased to discuss this matter to show you how such business may benefit every one concerned.

Banks are cordially invited to make use of all of our facilities.

FOREIGN DEPARTMENT

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Organized as N. W. Harris & Co. 1882 • Incorporated 1907

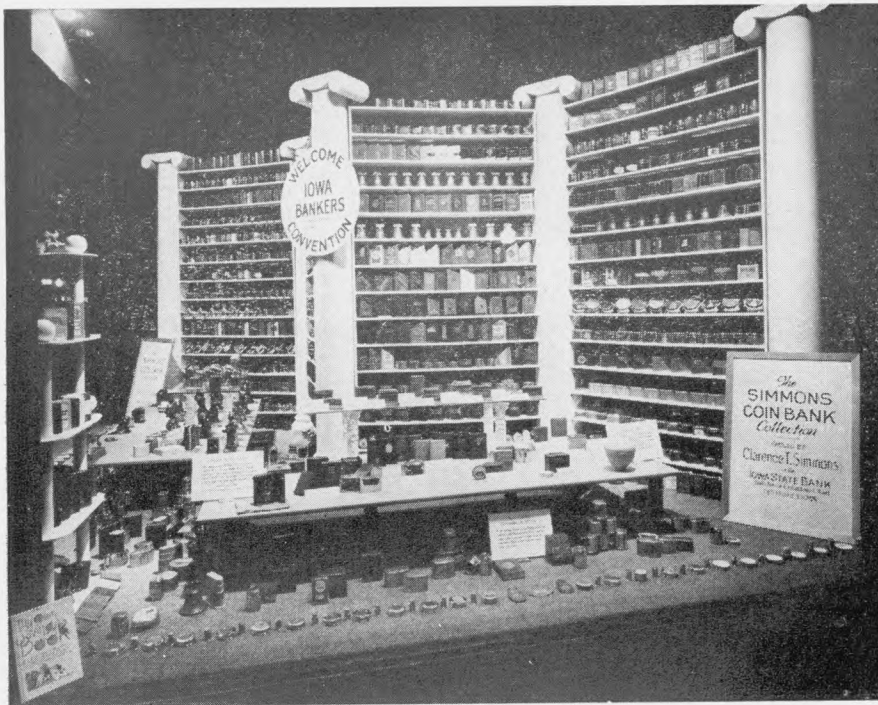
115 West Monroe Street, Chicago 90

Member Federal Deposit Insurance Corporation

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World-Wide Bank Collection



SALARIES, TAXES AND INTEREST RATES are three management headaches that don't bother bank-owner Clarence T. Simmons of Des Moines, for all of his 2,500 banks are of the coin bank variety. And variety is really the spice of Mr. Simmons' hobby, too, for there are at least 24 countries represented in his collection now with more on the way. His banks were displayed in a downtown Des Moines department store window during the recent Iowa Bankers Convention and drew hundreds of spectators.

One of the most interesting banks added since the war is a bank from the Post Office Savings Bank in London. It survived the London blitz but turned up with split seams and all its coins welded together from the heat of the bombing. Natives of India evidently don't hide their wampum under their skirts anymore for a savings bank from this country is also included.

Mr. Simmons, who is employed by the Iowa State Bank in Des Moines, began his collecting hobby while serving some years ago as a bank examiner. The banks are usually on display in his home. The very size of the collection gives Mr. Simmons his only problem. By the time he finishes dusting the last bank—it's time to start all over again!

R.J. FLYNN, Pres. D.L. DUNGAN, Secy.

Since 1907

Lessing Advertising Co. INC.

Advertising for Immediate Sales

DES MOINES

Trifles make for perfection!

We make a specialty of paying attention to trifles!

Home of Dobbs Hats and Kuppenheimer Good Clothes

Frankel's

DES MOINES

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OFFICE

Furniture

TELEPHONE

4-4224

KOCH

BROTHERS

FOURTH and GRAND

DES MOINES



In the DIRECTOR'S ROOM



In Technicolor

Judge: Mandy, you say this man promised to marry you? Have you anything in black and white to prove it?

Mandy: No, yo' honor. Jest black is all.

Holier Than Thou

Sister Brown: "Did you notice that extravagant-looking hat Mrs. Jones had on in church this morning?"

Brother Brown: "I'm afraid not. I must confess I was almost asleep."

Sister Brown: "A lot of good the services did you."

It Was Really Cold

An American and a Scotchman were discussing the cold experienced in winter in the north of Scotland.

"Why, it's nothing at all compared to the cold we have in the states," said the American. "I can recollect one winter where a sheep, jumping from a hillock into a field, became suddenly frozen on the way, and stuck in the air like a mass of ice."

"But, man," exclaimed the Scotchman, "the law of gravity wouldn't allow that."

"I know that," replied the American, "but the law of gravity was frozen, too."

True Story

Every day we hear stories of people who allow large sums of money to "trickle" through their fingers because of carelessness or because they are ignorant of important details. Stories of mislaid securities are abundant.

One authentic case recently involved an elderly woman whose visits to her safe depository were alert signals for attendants. On the last occasion she was seen to toss a paper in a waste basket. A guard picked it up and hastened after her.

"Madam," he said, "do you realize that you've just thrown away a \$10,000 bond?"

Eying him with surprise she replied: "Oh, that! It's no good now. I've just clipped the last coupon."

Easy Money

Private Jones, an inveterate and successful gambler, was such a demoralizing influence in his unit that his lieutenant, after trying unsuccessfully to reform him, sent him before the captain. After the interview the lieutenant was summoned.

"I've shown Private Jones he can lose a bet," the captain said. "I asked him why he couldn't stop betting, and he said: 'Sir, it's a habit I can't seem to lose. Why, I'll bet you a dollar right now you have a mole on your left shoulder.' Well, I knew darn well I hadn't, so I took off my shirt and showed him. He admitted he had lost and paid the dollar. I guess that'll hold him!"

The lieutenant was so noticeably silent that the captain asked: "What's the matter? Aren't you pleased?"

"No, sir," was the reply. "You see, on the way to your quarters Jones bet me \$5 he'd have the shirt off your back in five minutes."

Not Looking

"You're charged with throwing your mother-in-law out of the window. Guilty or not guilty?"

"Guilty, your honor. I did it without thinking."

"That's no excuse—you might have hit somebody on the head."

Wait a Few Years

A very shy high school boy, much to his parents' surprise, slicked up his hair one night, and they asked him where he was going. He replied very casually, "Over to see Mildred Brown."

They had hardly recovered from their surprise, when he walked back in. His father asked, "Well, didn't you see her?"

"Yes," he said. "And she would have seen me, too, if I hadn't ducked behind the garage."

The Old Squeeze Play

Marjorie: "So Harry is teaching you how to play ball?"

Mildred: "That's right, and when I asked him what a squeeze play was, I think he put one over on me."

Appeased?

They tell the tale of a Scot peasant whose daughter was kissed by a stranger. To assuage the wrath of the father the stranger tossed him a shilling.

"Siller!" shrieked the old man. "Siller frae the mon that brought the blush to the cheeks o' my bonnie Jean!"

And picking up the coin the proud Caledonian dashed it to the ground. Then he picked it up again and dashed it against the wall of his cottage. Then he picked it up for the third time and dashed it into his pocket.

Dead Giveaway

A man and his wife had just purchased a new rug for the living room, and feeling rather proud of it invited their next-door neighbors in to see it. They were duly impressed and praised the new acquisition effusively. The next morning the five-year-old son of the neighbor, who was not present the night before, requested to see the new rug. Much pleased that one so young should take so much interest, the lady showed her visitor into the living room.

The boy gave it quite a careful inspection, walking around and across it several times. Finally in a tone of disgust he exclaimed, "Huh! It don't make me sick!"

Just Starting

Young girl at perfume counter after looking at My Sin, Breathless, and the other lurid names: "Have you anything for a beginner?"

Indifferent

"The horn on your car must be broken."

"No, it's just indifferent."

"Indifferent! What do you mean?"

"It just doesn't give a hoot."

Shootin' the Bull

Small boy (running into a store): "Quick, help me; my father is being chased by a bull."

Clerk (excitedly): "What can I do?"

Small Boy: "Put a film in my camera."

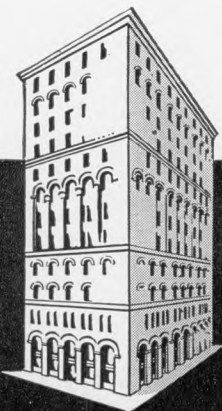
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