

# NORTHWESTERN *Banker*

**JUNE  
1948**



**Conventions:**  
**North and**  
**South Dakota—Page 21**  
**Minnesota—Page 22**

**SCHOOL FOR BANK PUBLIC RELATIONS MEN—Page 13**

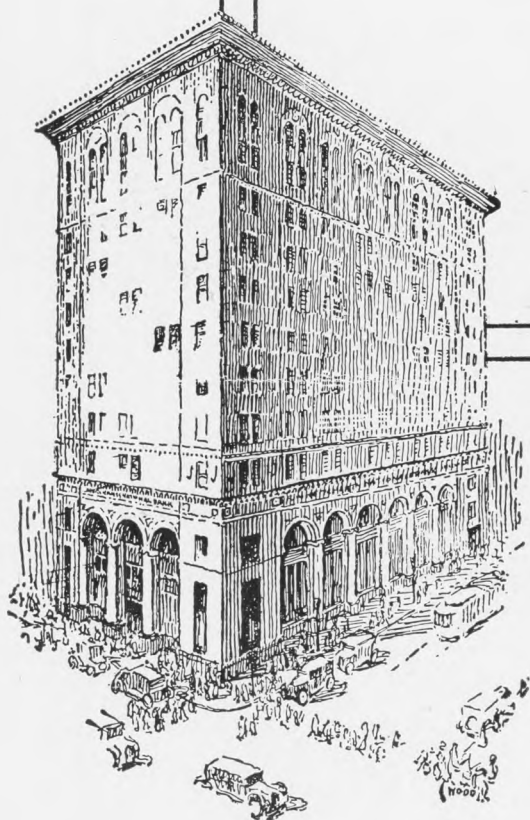
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**Cedar Rapids Iowa**

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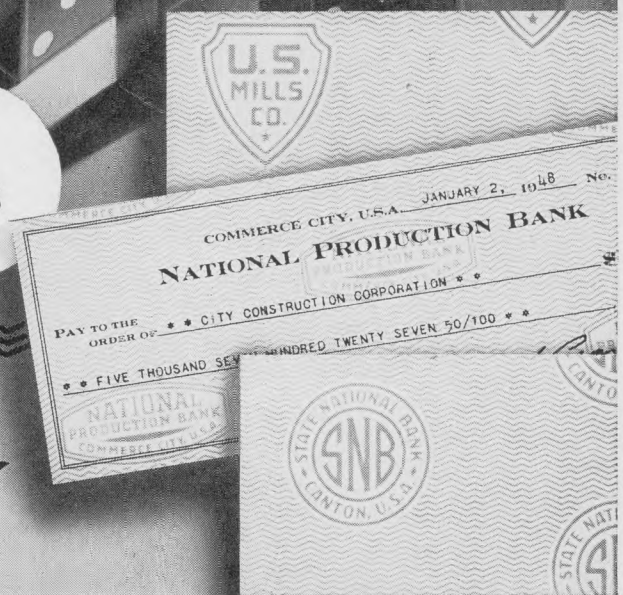
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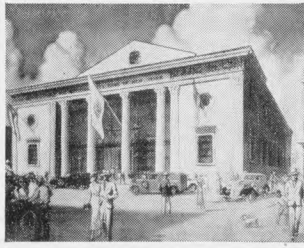


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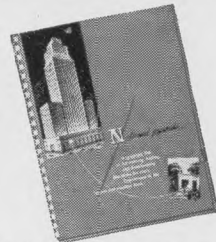


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Northwestern Banker, June, 1948

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# Whipple House

## *"The Whirr of Spinning Wheels"*

"LAWRENCE YE INDIAN," valued at four pounds, was numbered among Captain John Whipple's worldly possessions in his will drawn in 1683. The numerous household items in his inventory, including "basons, pottingers and silly bub pots," together with his homestead, farm lands, "piggs, coves and swyne," mark him as unusually wealthy for the period.

The captain was the second of three John Whipples who lived in the old homestead



*Mischievous boys dropped a calf down this chimney.*

in Ipswich, Massachusetts, that bears their name. Though the exact date when the earliest section of the house was built has not been determined, the first John Whipple acquired it in 1642. As Deacon and later as Ruling Elder, this eminent Puritan was one of the leaders in church and town government.

Elder Whipple's son, Captain John, was a businessman and soldier. While serving in King Philip's War he gained possession of the Indian mentioned in his inventory. As his son, Major John, had six daughters but no male heir, the house passed to the major's daughter Mary and her husband and was owned by their descendants until 1838.

Now the headquarters of the Ipswich Historical Society, the Whipple house is considered one of the best examples of earliest seventeenth-century colonial architecture in New England.

Faithfully restored to its original period, it recreates in the imagination the daily life of the Puritans. As the Ipswich historian, Rev. Thomas Franklin Waters, has said, "The old pavement in the dooryard rings again with the hoof-beats of Capt. Whipple's horse hurrying to lead his troopers to repel an Indian assault . . . the whirr of spinning wheels, the rumble of the loom overhead, the beat of the

churn, the roar of great winter fires, the hissing of meats on the long spits, the voices of children at play or demurely reciting the catechism, the good wife's chat with neighboring gossips . . . all the history of other days becomes a speaking witness to the simplicity of the old Puritan home life."



*Household implements used by the Puritan family.*

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*Insurance Company*  
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**"We intend  
to make full  
use of it"**

*"The service which your  
institution extends at all times  
is something we think can  
hardly be equalled and  
we intend to make full use of it."*

Extract from a letter received from  
one of our correspondent banks



FOR many years it has been the aim of the Chase National Bank to make its service to its thousands of correspondent banks highly efficient and helpful.

Numerous letters—such as the one

quoted above—are gratifying proof that this phase of Chase banking service has been performed with success and satisfaction to banks both in this country and abroad.

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*Member Federal Deposit Insurance Corporation*



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L. & R. DAVIES COMPANY No 05693  
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L. & R. DAVIES COMPANY  
*G. Signature*

What's the amount payable?

No 17416  
CHICAGO NOV 7 1947  
and 14/100 DOLLARS  
POLICY NO 62031  
AL  
ERE  
A.  
*Signature*

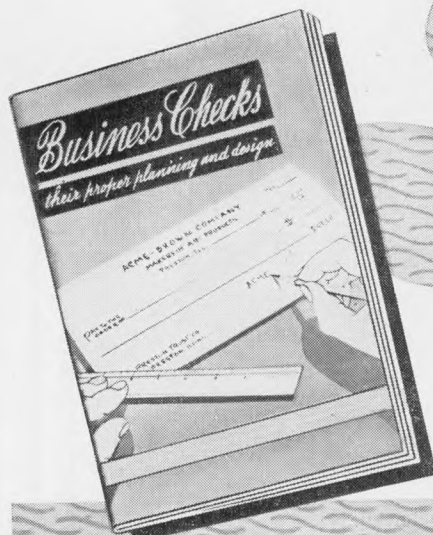
Three numbers, none of them the amount.

FORM A  
May 11, 1947 DATE CASHED  
and Deposit Co. HOTEL  
Sixty-Nine DOLLARS \$ 40/100  
*Signature*

Cost 17 hours tracing error.

## What is wrong with these checks

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Why did every one cost the bank time and money?



... for the right answers

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You'll find Hammermill's idea-book "BUSINESS CHECKS" a stimulating refresher. It shows 15 examples of time-wasting faults taken from checks in actual use. Then it gives the 8 Essentials of Good Check Design—all based on interviews with bankers and conforming to recommendations of A. B. A.

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Name ..... Position .....  
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There are two other pleasing designs to choose from.

# IOWA-NEBRASKA BANK DIRECTORY

*Published by*  
NORTHWESTERN BANKER  
DES MOINES

COMPLETE INFORMATION  
ON ALL BANKS IN  
IOWA and NEBRASKA  
= ACCURATE  
DEPENDABLE  
POCKET SIZE

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## 1948 EDITION

of "Iowa-Nebraska Bank Directory"

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Please send.....copies of your 1948 Iowa-Nebraska Bank Directory to us, and we will remit at the rate of \$2 per copy upon receipt of your Directory.

Name.....

Address.....

City.....State.....

*Northwestern Banker, June, 1948*



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DES MOINES, IOWA OFFICE  
 515 Iowa-Des Moines National Bank Building  
 T. C. Cannon, District Manager

ST. PAUL MINNESOTA

## Dear Editor



The following letters are from Northwestern Banker readers. Your views and opinions on any subject are welcome in this column.

### "Directory Most Helpful"

"We just couldn't keep house without the very fine Iowa-Nebraska Directory which we received recently."

Laverne M. Barlow, Manager, Thomson & McKinnon, Des Moines, Iowa.

### "Valuable Contribution"

"Just a line to say that as per usual, the NORTHWESTERN BANKER folks did themselves proud all the way on our recent Group trip special train. We people in Nebraska have appreciated so much for a long while the valuable contribution you folks make towards the successful meetings we have been able to hold in the past.

"We truly hope that you will be with us again next year."

J. O. Peck, President, Nebraska Bankers Association, Columbus, Nebraska.

### "Appreciate Directories"

"I want to thank you for the six copies of the Nebraska-Iowa Bank Directory received just before going on our Group trip.

"We cannot get along without these directories around this shop.

"Henry Haynes, Editor of the NORTHWESTERN BANKER, was again one of our best (Turn to page 40, please)

## ON THE COVER

The group of buildings pictured on the cover page of the NORTHWESTERN BANKER this month includes Wieboldt School of Commerce on Northwestern University's downtown campus in Chicago, where the School of Financial Public Relations, sponsored by the Financial Public Relations Association, will be held August 16th to 28th this year.

Registrations this first year are limited to 50 members of FPRA. Residence for those attending will be in Abbott Hall, near the school. The total cost for the two weeks' course, including board and room, is \$200 per enrollee.

# NORTHWESTERN Banker DES MOINES

Oldest Financial Journal West of the Mississippi • 53rd Year • No. 731

## IN THIS JUNE, 1948, ISSUE

### EDITORIALS

Across the Desk from the Publisher..... 14

### FEATURE ARTICLES

Dear Editor..... 13  
 Frontispiece..... 17  
 How Machines Save Time and Money for Banks—  
 A NORTHWESTERN BANKER Survey..... 18, 19  
 Will Business Increase Or Decline?..... Joseph L. Snider 20  
 Joint Convention—North and South Dakota Associations..... 21  
 The Minnesota Convention..... 22  
 News and Views of the Banking World..... Clifford De Puy 24  
 Bankers You Know—William A. McDennell..... 25  
 Must a Trustee Make An Accounting for His Activities?—Legal..... 26

### BONDS AND INVESTMENTS

Investment Planning Should Lead Toward the Conservative Side...  
 ..... Raymond Trigger 35

### INSURANCE

How We Try to Keep Our Policyholders Happy... Clifford B. Reeves 39

### STATE BANKING NEWS

Minnesota News..... 43  
 Twin City News..... 44  
 South Dakota News..... 49  
 Sioux Falls News..... 49  
 North Dakota News..... 55  
 Nebraska News..... 57  
 Omaha News..... 58  
 Lincoln Locals..... 60  
 Iowa News..... 63  
 Group Meeting Gossip..... Clifford De Puy 66  
 Group Meeting Pictures..... 67  
 Des Moines News..... 72  
 Bechtler Once Did Large Business in Private Coins..... 72  
 Conventions..... 73

### IN THE DIRECTORS' ROOM

Rehash of Old Rehashes..... 74

### NORTHWESTERN BANKER

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

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 Des Moines Insurance Directory, Iowa-Nebraska Bank Directory.



## Across the Desk From the Publisher

*Dear Earl O. Shreve:*

*President, Chamber of Commerce of the United States*

You have voiced the sentiment of every true citizen of the United States when you say "America must remain strong."

In the strength of our nation lies the future hope and success of the world, and you very aptly expressed the thoughts of millions of your fellow countrymen, when you said: "**America must be strong! America must keep building—growing—creating. The creative genius of American enterprise lights the way to national strength—to security—to freedom—and we earnestly hope—to peace. Our obligation is to nourish and develop the genius of enterprise for the huge tasks that we see ahead.**

"**A strong America will continue to be the rallying point for all nations that yearn for freedom and liberty. In union there is strength. In strength there is independence. In freedom, America will continue to build—and to grow—through the initiative and genius of enterprise. The hope of the world is a strong America—fulfilling its destiny to create—and to build.**"

As you also well pointed out, America can only become strong where there is a partnership of capital and management and labor and where teamwork of government and business go hand in hand with the farm and the factory.

America today faces its greatest test as well as its greatest opportunity in all of its history.

We have full confidence that America will remain strong, but it will take the combined efforts of all of us to achieve the goal which you have so ably expressed.

*Dear J. L. Robertson:*

*Deputy Comptroller of the Currency*

"Two heads are better than one," has been recognized as good business.

That certainly applies to banking, and the **Northwestern Banker** has always believed that bank directors should take an active part in the management of the institutions with which they are connected.

A "one-man bank" may be very successful, but it might be even more so if the directors took a more active interest. Also, in case any mistakes do occur, it's better to have the combined judgment of **the directors**, plus the man in charge, rather than have any faults or criticisms placed on the managing officer alone.

You very properly ask the question, "**How active is the directorate of your bank? How many of the individual directors have accepted their position solely for the prestige it carries? How many of them exercise the same degree of aggressive leadership to improve the bank that they employ in their own businesses?**

"What do your executive officers do to get the best men to serve as directors, and to stimulate greater participation by the directors? Do your executive officers keep the members of the board fully informed of what is going on in the bank? Do they consider board meetings as necessary evils? As social interludes? Or as real opportunities to obtain the benefit of the combined wisdom of the directors in exploring policies, procedures and practices, as well as to obtain the approval of loans and investment?

"Is your bank one of those which has a chief executive officer who feels that the bank is his own, to do with as he pleases; who thinks that he alone knows how the bank should be operated; and who permits no one (either directors or other officers) to look behind the scene he himself paints with his own brush?

"In far too many instances we have found that the board of directors did not know what was going on, until after it was too late. Too many banks are one-man banks. It is not necessary for me to 'spell out' here the shortcomings of such institutions, but I do wish to comment that the best bank managements are based on well-knit, well-organized harmonious groups of men rather than one individual genius."

We believe as you do, Mr. Robertson, that team work pays and that an intelligent, active and alert board of directors is of definite value to any institution.

### *Dear George Bernard Shaw:*

*Writer-Author-Stalin Stooge*

In one of your recent sensational, senile, socialistic sophistries you praised Premier Josef Stalin as a sensible and practical representative of European socialism.

**“As a Communist, he believes, and so do I, that Communism will permeate and convert the world, but he knows that an attempt to impose it by force would ruin Russia and himself.”**

So you want the world converted to Communism do you, Mr. Shaw?

And do you think that Communism is not being imposed by force in Russia?

Furthermore, if the world is converted to Communism, Mr. Shaw, you would not be leading the easy carefree life you have lived for 91 years on the island of England.

They tell us that you live mostly on fruit and NUTS—perhaps the latter have affected your thinking, but since you are a man of letters, may we answer you with the following quotations:

1. **“Discomfort guides my tongue and bids me speak of nothing but despair.”**

—Richard II, Act III

2. **“For the good that I would,  
I do not; but the evil  
which I would not, that I do.”**

—Romans VII, 19

3. **“If you share the crime of your friend,  
you make it your own.”**

—Publius Syrus

4. **“Successful crime is dignified  
with the name of virtue;  
the good become the slaves  
of the impious, might makes right,  
fear silences the power of the law.”**

—Lucius Seneca

5. **“Pray do not mock me;  
I am a very foolish fond, old man;  
And, to deal plainly, I fear I am not in my  
perfect mind.”**

—King Lear

In any case, Mr. Shaw, at 91 years of age, Communism will not have a chance to bother you very much, but there are others who have a longer life to live and who would like to exist in a world of peace and friendship, and not one dominated by the iron heel of the ruler in the Kremlin.

So back to your fruit plate, Mr. Shaw, and take an extra helping of **NUTS**.

### *Dear Charles J. O'Neill:*

*Chairman, Agricultural Commission*

The report of your Agricultural Commission of the American Bankers Association makes very good reading, Mr. O'Neill, but it also points out the fact that bankers should be careful to look for any danger signals which may be ahead and guide themselves accordingly in making farm loans.

Comparing farm land prices of 1920 with 1948, using the 1912 to 1914 average as a base of 100, your report indicates that most of the states have not yet had farm prices reach the boom figures they did 28 years ago.

In the NORTHWESTERN BANKER territory, the figures are as follows:

#### Farm land prices

	1920 Boom Peak	1948 Farm Values
Illinois .....	160	150
Iowa .....	213	150
Kansas .....	151	163
Minnesota .....	213	157
Missouri .....	167	116
Montana .....	126	129
Nebraska .....	179	126
North Dakota .....	145	110
South Dakota .....	181	91

Your report further indicates, Mr. O'Neill, that “the financial position of farmers of the United States is the strongest on record, with assets increased from \$4.9 billion to \$22 billion in 1947. Their total debt at the beginning of 1947 was \$8.2 billion as against \$10 billion in 1940. Farm mortgage debt in 1947 was \$4.7 billion, approximately one-half of mortgages owed by American farmers at the end of World War I.

“It should be remembered that when prices in general start to recede, those on farm commodities tend to drop faster than those on things the farmer buys. Then a reduced net income may not support a debt placed on land purchased during high prices.

The Northwestern Banker believes that the farmers of the United States will continue in the strong position in which they now find themselves and that likewise bankers will use their good judgment in not extending loans on fictitious or inflated values of farm land.

*Clifford DePuy*

Night

and Day



the Guidepost

to Complete,

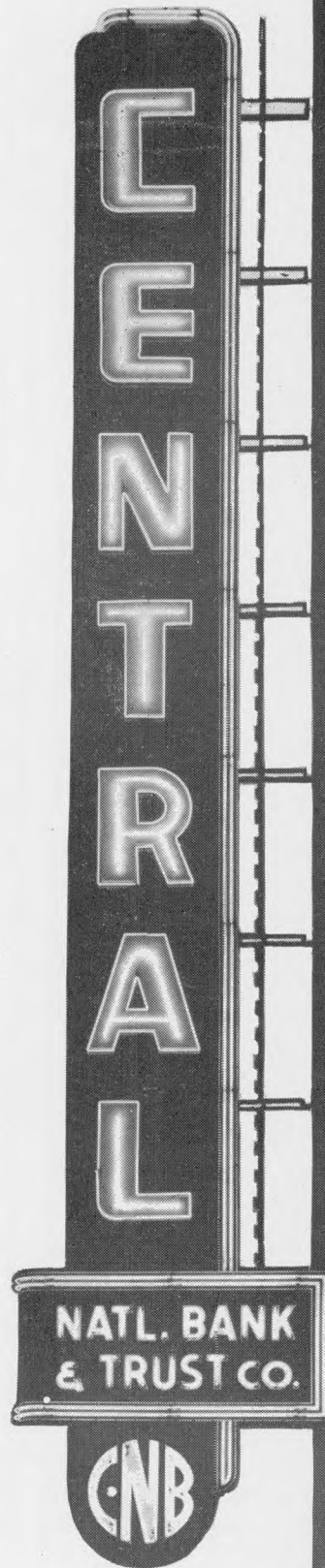
Efficient

and Friendly

Correspondent

Service

in Des Moines



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

Northwestern Banker, June, 1948



**ADDRESSOGRAPH**—Above is the Addressograph installation in the Central National Bank of Columbus, Nebraska. After describing the many uses to which the bank puts this machine, **Howard Burdick**, cashier, says: "We feel there are other uses for the Addressograph which we will discover as we go along. We have had the machine only five months, and have not as yet discovered its full possibilities."

## ***How Machines Save Time and Money for Banks***

**Users of Modern Equipment Tell How They Have Speeded Up Clerical Operations and Reduced Overhead**

### **A NORTHWESTERN BANKER SURVEY**

**T**HIS is the second of a series of articles on modern bank equipment and how its use saves money for banks. The first article was published in the May issue of *The Northwestern Banker*. The third of the series will appear in the July issue.

**R. I. STOUT**

**President, First National Bank  
(Population 2,000—Deposits \$4,000,000)  
Tekamah, Nebraska**

"In the last five years our deposits rose from one million to four million dollars. About two years ago we had a complete turnover in help, and we soon found out that our bank needed modernizing, both in building and mechanized equipment.

"Our counters were modernized, we enlarged our work room, redecorated the entire bank in cheerful colors, and installed a new system of lighting known as cold cathode, which, after

eighteen months' experience we find most satisfactory and superior to the fluorescent lighting we were using. We also air conditioned our work room and found that our bookkeepers and clerks were able to do their work easier, faster, and with more comfort.

"At the counters we installed Johnson Lightning coin changers. We feel that they increase the efficiency and speed of the teller while he is waiting on his customer. We use Monroe adding machines at each window, as well as an electric Monroe check writer. We have purchased a Downey-Johnson coin counter and find that this machine saves hours of time.

"Up to a couple of years ago we were using the batch proof method for handling our items. Our volume grew so we were running from eight to fifteen proofs per day, and it was

necessary for two people to run proofs continually during banking hours. With inexperienced help we found that it was almost impossible to have the proofs run and balanced for posting by three o'clock, which is our closing time.

"After investigating all types of machines we purchased a National Cash Register proof machine. With the installation of it, the constant worry of proofs being off and unbalanced completely vanished. One person can easily handle the number of items in a day that two handled before. We feel that the machine does away with all confusion caused by listing, batching, checking, and proving our deposits by the batch method as the machine is in balance every minute of the day. The operators we have used so far have been girls

**MICROFILMER**—The Recordak Junior microfilming unit is a desk model combination photographing machine and film reader. It is particularly adapted to the needs of the community bank or for auxiliary service in larger institutions. It photographs documents up to 9½ x 14 inches in size, bound or unbound, on 16mm. film.

It leases for \$15 per month, including installation and maintenance.

who have had no experience except posting individual ledgers and they learn to operate the machine in a week's time.

“This machine operates continually and gives instant proof on all deposits taken from the tellers. All items are immediately sorted while the deposit ticket is being proved. If a deposit or credit is out of balance, the machine locks and warns the operator so she can immediately find where the error has been made and correct it. The machine has twenty different keys and at the end of the day will give a separate total on each. It also gives seven adding machine tapes, which are used as remittance letters. We take pictures on our Recordak of transit items, both the face and back, so it is not necessary to type a description of each item. The only mistakes that we have had were due to bad figures where the customer makes the same error and once in a while a missort due to the human element with which you have to contend under any system.

“At closing time the head teller is advised by the operator of the proof machine the amount of cash he should have. We use cash in and out slips. Immediately after closing time each teller counts his cash and returns it to the head teller. If the total cash fails to agree with the correct amount, only then is it necessary for each teller to compute what his individual cash should be by listing his cash in and out slips and deducting from or adding to the amount he received from the teller at the start of business.

“The cost of this machine is less than 75 cents per day over a ten-year period and will do the work of at least one and a half persons proving with the batch proof method. While we

(Turn to page 53, please)

**TO CANCEL CHECKS**—At the right is the Cummins Model 300 portable electric perforator in use for canceling checks. It permits each bookkeeper to cancel checks in two or three minutes' time. This model was completely created and designed since the war, and replaced a machine of ten times the weight which would cost twice as much if manufactured today.





JOSEPH L. SNIDER

Professor Snider received his A.B. degree from Amherst in 1915, his A.M. from Harvard in 1918, and his Ph.D. degree in 1923.

He is a member of Phi Beta Kappa and has been professor of business economics at Harvard Business School since 1925.

The *Northwestern Banker* believes that its readers will be interested in this very timely article from a recent issue of the *Harvard Business School Alumni Bulletin*, which material Professor Snider gave us permission to publish.

THE question which concerns us all is, of course, whether the declines in agricultural and food prices, which occurred early this year, signify the early collapse of our prosperity. My own guess on this question is "no."

Looked at rationally the price declines which have already taken place are a favorable development. We had been conscious for a long time that agricultural and food prices were abnormally high, that they constituted the most dangerous aspect of our inflation, and that some correction was desirable to avoid severe consequences later on. Therefore, the price drops should be thought of as a constructive development. Then, too, the strong supports of our prosperity are still essentially intact.

THE country has the financial resources to continue buying at boom levels. Attention has frequently been called to the high levels of money in circulation and of bank deposits. Not so well known is the fact that large volumes of savings are being made. Personal savings have been running at a rate of approximately \$12 billion a year, which is extremely high when compared with the prewar rate when annual savings of \$5 billion were large. The current high rate of savings indicates the possibility of a level of expenditures even higher than at present if the people of the country should so determine. Credit conditions also suggest the continuation of high level expenditures. Despite the rapid increase of bank loans during the last two years, strain on the supply of credit has not developed."

*Northwestern Banker, June, 1948*

## Will Business Increase or Decline?

By JOSEPH L. SNIDER  
Professor of Business Economics  
Harvard Business School

We still have a large unsatisfied need for many types of products; we also have the wherewithal to continue buying at boom levels. There can be no question that we are still confronted with the housing shortage. Despite the considerable volume of residential construction during 1947, the shortage of residential space does not seem to have been reduced noticeably. In fact, it may be that the number of added residential units has not kept pace during the past year with the number of added family units. There has been no sustained period of active building since the late 1920's. The accumulated demand for housing since that time calls for a considerably longer period of active building than we have yet had since the end of the war.

### Automobile Demand

Automobiles continue to be one of the most significant items of consumers' goods in short supply. Automobile statisticians believe that it will require two to three years more for the stored-up demand for cars to be filled.

There also appear to be large unfilled demands for miscellaneous products which use steel, both consumers' goods and items of capital equipment. Despite an operating rate well over 90 per cent in almost every week for more than a year, and despite some increase in steel-making capacity, the steel companies are still unable to supply fully the needs of their customers. This situation suggests that shortages of miscellaneous products using steel will continue. The recent price strength in the steel industry points in the same direction.

The country has the financial re-

sources to continue buying at boom levels. Attention has frequently been called to the high levels of money in circulation and of bank deposits. Not so well-known is the fact that large volumes of savings are being made. Personal savings have been running at a rate of approximately \$12 billion a year, which is extremely high when compared with the prewar rate when annual savings of \$5 billion were large. The current high rate of savings indicates the possibility of a level of expenditures even higher than at present if the people of the country should so determine. Credit conditions also suggest the continuation of high level expenditures. Despite the rapid increase of bank loans during the last two years, strain on the supply of credit has not developed. **In fact, the banking position is such that additional credit could be extended for both business use and consumer expenditure. The expansibility of spending is further suggested by the low level of the velocity of turnover of bank deposits at present compared with earlier periods of great business activity and high prices.** A greater volume of transactions could be financed without any increase in the amount of credit extended, provided the owners of bank deposits would use their deposits more frequently than has been the recent practice.

### Rational Versus Irrational

I used the word "rationally" above, suggesting that on a rational basis the business outlook was for continued prosperity. But we must recognize that business conditions are not determined wholly on a rational basis. There is an element of irrationality,

(Turn to page 32, please)

# Joint Convention— North and South Dakota Associations

## Combined Meeting Held Under Auspices of Twin City Clearing House Association



A. E. DAHL  
President  
South Dakota Bankers Association

CULMINATION of plans which have been in the making for several years will be realized this month when members of the North Dakota Bankers Association and the South Dakota Bankers Association come to the Twin Cities of Minneapolis and St. Paul to hold their annual meetings on Friday and Saturday, June 11th and 12th. The convention will be held under the auspices of the Twin City Clearing House Association.

Headquarters and registration for the meeting will be at the Hotel Nicollet in Minneapolis, and unless otherwise indicated, convention sessions will be held in the main ballroom of that hotel, as well as the Stag Party on the evening of Friday, June 11th. On Saturday evening the scene will shift to the St. Paul Hotel, in St. Paul, for the social hour and the banquet, to be followed by dancing.

Registration will start at 8:00 a. m., Friday, the 11th, on the mezzanine floor of the Hotel Nicollet, continuing through that day, and again on Saturday. There will be a registration fee of \$5 per person. All social functions will be informal, and for the most part the convention badge will admit the wearer to all entertainment and social events.

The golf tournament will start at 10 o'clock Friday morning at the Midland Hills Golf Course, and continue throughout the day, although it is suggested that participants start their rounds as early as possible. The Stag Smoker will start at the Hotel Nicollet at 7:30 that evening, followed by a stage show, and a buffet supper at 10 o'clock.

On the convention committees of Twin City bankers, the general committee is headed jointly by L. O. Olson, Midland National Bank, Minneapolis, and Elmer Volkenant, First National Bank, St. Paul. Chairmen of the special convention committees are as follows:

Banquet—L. L. Leider, First National Bank, St. Paul; Hotel Reservations—A. F. Junge, Northwestern National Bank, Minneapolis; Golf—George Henry, First National Bank, Minneapolis; Ladies' Entertainment—Charles Cochran, First National Bank, Minneapolis; Registration—E. W. Engstrom, Midland National Bank, Minneapolis; Smoker—L. P. Gisvold, Northwestern National Bank, Minneapolis; Symposium—Allyn Brown, American National Bank, St. Paul; and Transportation—Lloyd Leider, First National Bank, St. Paul.

The program for the general convention sessions reads as follows:

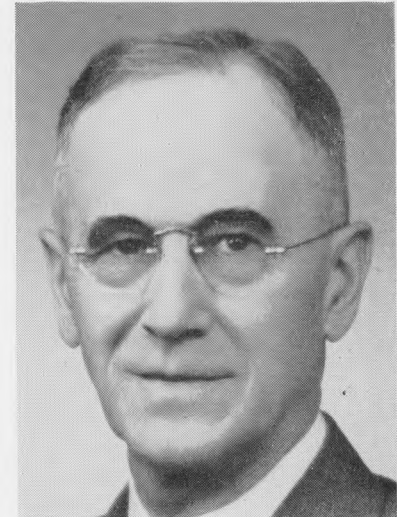
### First General Session

Saturday Morning, June 12th  
Main Ballroom—Hotel Nicollet

- 10:30 Call to Order—A. E. Dahl, Rapid City, president, South Dakota Bankers Association, and president, Rapid City National Bank, presiding.
- 10:35 Address of Welcome—John C. Carlander, president, State Bank of Faribault, Minnesota.
- 10:45 Response.
- 10:50 Address—"Machine Operation," Fred Prentice, Burroughs Adding Machine Company.
- 11:25 Address—Evan Woollen, Jr., Indianapolis, Indiana, vice president, American Bankers Association.
- 12:00 Announcements and adjournment of First General Session.

### Second General Session

Saturday Afternoon, June 12th  
Main Ballroom, Nicollet Hotel



F. A. FOLEY  
President  
North Dakota Bankers Association

- 1:45 Call to Order—F. A. Foley, president, North Dakota Bankers Association; vice president, Rolette County Bank, Rolla, North Dakota, presiding.
- 1:50 Address.
- 2:35 Address—Dr. George P. Conger, head of Philosophy Department, University of Minnesota.
- 3:15 "World Situation at Home and Abroad"—Alex Dreier, Commentator
- 3:45 Address—Robert Lindquist, President, Financial Public Relations Association, Vice President, LaSalle National Bank, Chicago.  
Announcements and final adjournment.

### Saturday Evening, June 12th

- 5:15-6:30 Symposium—Cassino, Hotel St. Paul, St. Paul, Continental Ballroom.
- 6:45-8:45 Banquet (admission by ticket only).  
Address—Gordon Volkenant, Minneapolis Honeywell Company.
- 9:00-12:00 Dance—Continental Ballroom, St. Paul Hotel, St. Paul.  
All social features will be informal.  
Busses will leave the Nicollet Hotel beginning at 4:30 p. m. Return busses leave for Minneapolis at midnight.  
(Turn to page 55, please)



JOHN CARLANDER  
President  
Minnesota Bankers Association

# The Minnesota Convention

Wednesday and Thursday, June 16 and 17—  
Headquarters at the Hotel Nicollet

urer, Guy S. Bacon, president Empire State Bank, Cottonwood.

Nominated for the council of administration are: Wallace L. Boss, vice president, First National Bank, St. Paul; Frank L. Hartmann, president, American National Bank, Little Falls; and Leonard Machart, vice president, First National Bank, Pine City. The fourth new member of the council elected each year customarily is the retiring president.

Convention activities will begin with golf at 9 o'clock Wednesday morning, June 16th, at the Golden Valley Country Club. Golf playing will continue through the day. Registration at the Nicollet will open at 12 noon.

A buffet dinner will be served in the main ballroom of the Nicollet Hotel at 6:30 p. m., followed by the usual presentation of golf prizes, a show and other entertainment. This smoker has always been one of the convention high spots and needs no introduction to veteran bankers. This year, however, the committee has added something that still remains Top Secret on the entertainment agenda until the night of the smoker.

## Ladies Entertainment

The ladies will have special entertainment the night of the men's smoker. Genevieve Nevin of Northwest Bancorporation is chairman of the ladies entertainment committee.

Business sessions will begin Thursday morning, June 17th, at 9:30 and continue through the day with time out at noon for lunch. No special luncheon has been planned for this day. Retiring President John Carlander will deliver the president's annual address. Two speakers have been arranged for the morning program and annual elections will follow immediately thereafter.

Three top-notch speakers have been scheduled for the afternoon meeting. After these addresses there will be a social hour followed by the annual banquet in the main ballroom. Clayton Rand of Gulfport, Mississippi,

will be the banquet speaker, giving bankers some serious thoughts with the right amount of humor interspersed through his talk.

After the banquet is over there will be dancing until midnight.

Miss Nevin has arranged a special luncheon and program on Thursday, June 17th, for all ladies attending the convention. Among others at this luncheon will be Mrs. Virginia Safford, columnist, who will for the first time give a talk on her recent trip around the world.

## Committee Members

All possible advance arrangements have been made by the convention committees and the following are those who have devoted a great deal of time and effort towards the planning of this annual meeting:

General Committee—Chairman, D. E. Crouley, vice president, Northwestern National Bank; M. O. Grangaard, vice president, First National Bank; L. O. Olson, vice president, Midland National Bank; and C. C. Rieger, vice president, Marquette National Bank.

Entertainment Committee—Chairman, L. P. Gisvold, assistant vice president, Northwestern National Bank; J. M. Downes, assistant cashier, First National Bank; George Coonrod, assistant vice president, Marquette National Bank; and C. C. Sommer, assistant vice president, Midland National Bank.

Banquet Committee—Chairman, J. J. Maloney, assistant vice president, First National Bank; A. W. Gray, vice president, Midland National Bank; Otto Preus, Marquette National Bank; and A. F. Junge, assistant cashier, Northwestern National Bank.

Golf Committee—Chairman, George Henry, assistant cashier, First National Bank; K. M. Barnett, assistant cashier, Northwestern National Bank; R. B. Harrison, assistant vice president, Marquette National Bank; and Silas Olson, Midland National Bank.

Registration Committee—Chairman, E. W. Engstrom, assistant cashier, Midland National Bank; and Z. (Pat) Pelland, Federal Reserve Bank.

FROM the first teeoff to the last strains of "Goodnight Ladies," the Minnesota Bankers Association's annual convention in Minneapolis this month promises to live up to the tradition of highly informational, good-fellowship conventions that have been so popular in past years.

The convention opens the morning of Wednesday, June 16th, and continues through the evening of Thursday, June 17th, with Hotel Nicollet as headquarters. Officers of the Minnesota Association have been bending every effort to present a well rounded out speaking program to the membership during the formal part of the meeting. Minneapolis bankers on the various committees planning for the convention have come up with another fine slate of entertainment for bankers and their wives.

Election of new officers for the coming year will take place Thursday morning. Present officers of the Association are president, John Carlander, president, State Bank of Faribault; vice president, M. O. Grangaard, vice president, First National Bank, Minneapolis; treasurer, C. E. Cadwell, treasurer, First National Bank, Farmington; and secretary, Robert E. Pye, Association headquarters in Minneapolis.

## Nominations

At its recent meeting, the convention nominating committee proposed the following three men for election as Association officers at the convention: President, Mr. Grangaard; vice president, A. N. Welle, vice president, First National Bank, Bemidji; and Treas-

# **General Committee For the Minnesota Bankers Convention**



Chairman  
D. E. CROULEY  
Northwestern National Bank  
Minneapolis



C. C. RIEGER  
Marquette National Bank  
Minneapolis



M. O. GRANGAARD  
First National Bank  
Minneapolis



L. O. OLSON  
Midland National Bank  
Minneapolis

## **Bonds to Farmers**

The Security Loan Drive for the sale of United States Savings Bonds offers a splendid opportunity for country bankers to help farmers and help their communities, according to A. L. M. Wiggins, Under Secretary of the Treasury, and former president of the American Bankers Association.

In a letter to H. Frederick Hagemann, Jr., chairman of the A.B.A. Committee on Treasury Savings Bonds, Under Secretary Wiggins suggested that the 3,500 county key bankers who represent organized banking in every rural county of the United States be enlisted in a campaign to promote the building of farm financial reserves in United States Savings Bonds.

"As a former country banker," Under Secretary Wiggins writes, "I know that bankers have many contacts with farmers, both individually and in groups, and that practically every county has a county key banker who serves as liaison between the banks and the farmers. I know from personal experience that farm people need to have their financial reserves in the safest possible form where they will be readily available. United States Savings Bonds meet these qualifications."

## **Employe Manual**

"Your Job With American National," an illustrated employe manual, has been distributed to the 500 employes

of the American National Bank and Trust Company of Chicago.

The booklet, which is illustrated with action photographs taken in the bank, gives a brief history of the bank, describes its functions and services, explains personnel policies and employe benefit programs, and discusses customer relations and new business.

In its concluding chapter, the booklet points out that the customer is the real boss of everyone engaged in banking.

In dealing with the customer, the booklet declares, it is the employes' responsibility to "please him, serve him well, and show him that we appreciate his business."

*Northwestern Banker, June, 1948*

# News and Views

OF THE BANKING WORLD

By CLIFFORD DE PUY, Publisher

**N. BAXTER JACKSON**, chairman of the Chemical Bank and Trust Company, announces the appointment of the following to the official staff of the bank, all of whom were formerly officers of the Continental Bank and Trust Co.

In the Domestic Banking Department as vice presidents: **Charles S. Parker, Jr., Mark B. Peck, Herbert M. Prior** and **John T. Seam**. As assistant vice presidents: **Paul A. Albus, Harold Brummer, Daniel A. Finlayson, Jr., John F. Hughes** and **James J. Mead**. As assistant secretary: **Robert J. Lockton**.

In the Foreign Department as vice president: **Einar Hammer**. As assistant vice president: **Harold H. Hollingshead**. As assistant managers: **Otto Bruggeman, David Sime** and **Dominic A. Suplina**.

In the Corporate Trust Department as vice president: **Harry C. Thompson**.

At the 30 Broad Street office as vice presidents: **Thomas F. Bennett** and **Ferdinand M. Bissell**. As assistant vice presidents: **Percy J. Hebard, Peter C. Newell** and **Arthur H. Queren**. As assistant secretary: **Russell L. Hauser**. As assistant treasurers: **M. J. G. Logan** and **John W. Marx**. As assistant comptroller: **Walter E. Sparling**, and as assistant personnel director: **Roger Hornby**.

**Bennett Cerf**, writing in the Saturday Review of Literature, says, "According to legend, the word 'Dixie' stems from the issuance of a Louisiana ten-dollar banknote, a 'dix,' issued by the old Citizens Bank on Royal Street. Ten-dollar bills circulated freely in those lush days, and awed visitors referred to the town as the 'land of dixies.'"

**Reuben A. Lewis, Jr.**, publisher of "Finance," died last month in Chicago at the age of 52, and was buried in his home town of Birmingham, Alabama.

Mr. Lewis purchased the former "Chicago Banker" in 1941 and changed the name to "Finance."

In June 1946, Mr. Lewis fell from his living room on the 6th floor of the Maryland Hotel and fractured both legs and arms and also suffered internal injuries, but in spite of this, he carried on his duties as editor, mainly by the use of the long distance telephone.

Surviving are his widow, the for-

mer **Catherine Mohan Richardson**; a daughter, **Barbara**; two sons, **Reuben Alexander, 3rd**, and **Mitchell Ives**, children by a former marriage, and his mother, **Martha Louise**, of Dallas, Texas.

**Preston E. Reed**, executive vice president of the Financial Public Relations Association, is making elaborate plans for the "School of Financial Public Relations" to be held August 16th to 28th at Northwestern University.

The case history method will be introduced in 1 hour sessions for 5 days in the second week of the school.

The main subjects which will be discussed are newspaper and magazine advertising, public relations, customer relations, and employe relations.

One prominent business man has this sign displayed over his desk, "When two men invariably agree on all matters, one of them is unnecessary."

**Ernest Baughman**, economist for the Federal Reserve Bank of Chicago, believes that most farm sales are now being made to farmers. In the last quarter of 1947, he points out that 45 per cent of the land sales were to owners adding to their acreage, and 13 per cent to city people looking for investment or a hedge against inflation, 3 per cent to speculators, 5 per cent to war veterans and 34 per cent to tenant farmers.

**Winston Churchill**, speaking recently about a united Europe, said,

"I am not an enemy of any nation. I am not against any race or nation. It is against tyranny that we take our stand. This tyranny presents itself in various forms but whatever liveries it wears, it is always the same and demands that we oppose it.

"We find ourselves in harmony with the government of the United States of America whose great services to mankind in this period of tension and strain demand our heartfelt gratitude and our undying support."

In case you are not sure who the next president of the United States will be, here is the information straight from **President Harry S. Truman**, who told a Democratic rally in Washington recently that "I want to say to you that during the next four years there will be a Democrat in the White House, and you are looking at him."

Sorry to disappoint you, Harry, but we don't think you will even be sitting on your balcony after the November election.

The U. S. Savings Bond sales have just about kept even with the bond redemptions, so thus far the sale of government securities has not been a very effective weapon against inflation.

**Marriner Eccles**, former chairman of the Federal Reserve Board of 12 years, is losing his influence since **Thomas B. McCabe** has become chairman and some authorities believe that it will not be very surprising if Mr. Eccles resigns before the end of 1948.

Incidentally, there are many bankers who would welcome that good news.

**Juan Peron**, president of Argentina, expects to realize about 1 billion dollars for his country from purchases to be made by other countries with Marshall Plan dollars.

Thus one of the great collaborators with the Nazis hopes to get a very nice slice of our good American dollars.

**John S. Coleman**, president of the Burroughs Adding Machine Company, reported net earnings for the first quarter of 1948 as \$2,731,000. This compares with \$1,006,587 for the same period last year.

(Turn to page 52, please)





## Bankers You Know

# William A. McDonnell

President, First National Bank  
in St. Louis



"This is a time which calls for caution"

**D**IRECTORS of the First National Bank in St. Louis made a wise decision recently when they selected William A. McDonnell as president of that institution. Mr. McDonnell's energies seem to be boundless, a direct complement to his many fine talents which have carried him from a lawyer's office in Little Rock, Arkansas, to the presidential chair of the country's 35th largest bank whose deposits are in excess of \$400,000,000. He became associated with banking 21 years ago. Through the past two decades, he has acquired excellent experience in many bank positions. His views on current banking problems are highly respected and are summed up in his following statement to the *Northwestern Banker*:

"This is a time which calls for caution. We may be sure that this boom is not going to last forever. We have enjoyed a period of eight years in which it has been almost impossible to make a bad loan. During six of these years, our deposits have expanded very rapidly due to deficit fi-

nancing rather than any effort on our part. During this period the rising tides of inflation have floated many an old wreck, thus enabling us to enjoy large recoveries of old assets which were charged off in the thirties. It has in fact been a period of almost riskless banking. We have had a picnic in which we couldn't lose.

"In my opinion, the picnic is just about over. We are back in the business of taking risks—of reaping rewards for good judgment and suffering the penalties for bad.

"I think that now is a good time for us to become highly selective in our credits—not only from the standpoint of cooperating in the ABA anti-inflation program by restricting loans to those for essential productive purposes—but also selective in the quality of loans for any purpose, however worthy. These are good times to be building up reserves for losses which are sure to show up somewhere down the line. In this respect, the recent ruling of the Treasury Department which permits the setting up of re-

serves for losses on the basis of a twenty-year experience constitutes a great break for banking. The plan, of course, is one which every bank should adopt.

"The banks of the nation are today in a very strong condition. The greatest service we can render this country during these uncertain times is to keep them so."

Mr. McDonnell's business career began in 1919 in Little Rock, after he had returned from World War I in Europe where he was a Captain and Operations Officer of the 6th Field Artillery Brigade. He practiced law until 1927 when he became vice president of the Federal Bank and Trust Company of Little Rock. In 1928, he was elected to a similar position with the Bankers Trust Company in the same city, remaining with that bank until 1933 when he was named executive vice president of the Commercial National Bank in Little Rock. Through 1944, he was also a director of the Little Rock Branch of the St.

(Turn to page 71, please)

*Northwestern Banker*, June, 1948

## LEGAL

# Must a Trustee Make An Accounting for His Activities?

**Q.** Cullenbine, a banker, died leaving a will which created a trust and which named one of his associates as trustee. The instrument contained a provision to the effect that the trustee need not account to the beneficiaries for his activities in handling the trust. Prior to the termination of the trust the trustee defrauded the estate of certain sums. Could the beneficiaries, generally speaking, require an accounting in such circumstances even though such would be contrary to the provisions of the will?

Yes. The generally prevailing view is that a provision purporting to relieve a trustee of all duty to account whatsoever is without effect as against allegations and evidence of fraud, bad faith, or other deliberate wrongdoing. At the most, such a provision operates only in the protection of honest trustees. Iowa, Kansas, Mississippi, Missouri, Minnesota, Nebraska, Ohio, Texas and the federal courts are among the jurisdictions so holding.

**Q.** Blake was trustee of a substantial estate in Minnesota. Over the years he personally acquired some of its assets without the knowledge of the beneficiaries. He did, however, make annual reports which received appropriate court approval. No questions were raised or appeals taken from such approvals. Nothing was said in those reports about his self dealing. When he went to make final settlement of his accounts the beneficiaries sought to recover from him for their losses on account of his personal purchases of estate assets. Did the facts that the annual reports had been duly approved by the court having jurisdiction over the estate and nothing further had been done about them prevent a recovery?

No. In a recent decision involving a similar situation the Minnesota Supreme Court held that the approval of the annual accounts by the court having jurisdiction over the estate did not prevent the beneficiaries from recovering from the trustee for self dealing. In so holding the Court pointed out

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

that the matter of self dealing was not involved in the annual accounting proceedings, particularly since they were silent as to that feature of the trustee's conduct.

**Q.** Johnson died leaving a will which provided that Beckman, his life-long banker friend, should be the executor of his estate. Johnson had certain assets at the time of his death consisting of shares of stock which were of a speculative nature. Beckman did not sell them immediately and they declined in value. He did, however, sell them within a reasonable time. Could Beckman, as an ordinary proposition, be held liable for the loss?

No. It is well settled that an executor or an administrator cannot ordinarily be held responsible for a loss due to the decline in market value of shares of stock which have come into his hands as assets of the estate merely because he does not make an immediate sale thereof, even assuming that a sale is proper or that, because of the nature of the security, a sale must eventually be made. He is allowed a reasonable time within which to sell and is not to be held liable for loss unless he retained the securities beyond a reasonable time for their sale.

**Q.** Dyer occupied a North Dakota farm as a tenant of Buckley. Some years before Buckley had verbally rented the property to him for a year at rental of one-fourth of the crops. There had been no specific renewal of the lease but Dyer and Buckley had continued on as though there had been. Buckley failed to pay the taxes and the property was sold at a tax sale to Aldrich. As an incident thereof the county auditor did not notify Dyer of the expiration of the period of

redemption. The statute then applicable provided that such notices should be given to various persons and listed the person in possession of the land involved as one of them. Was Aldrich's tax title faulty because Dyer was not notified?

Yes. The North Dakota Supreme Court so held in a recent decision. Dyer and Buckley, by their course of dealings, were presumed to have renewed the hiring of the farm on the same terms and for the same time each year and Dyer, therefore, was legally in possession of the premises as the redemption period expired. He was not a mere licensee. Since the statute required that notice of the expiration of the time to redeem should be given to the person in possession and such was not done in this instance, Aldrich did not receive a good title through his tax sale purchase.

**Q.** In their dealings with negotiable instruments banks are sometimes confronted with situations where a check or promissory note will come to them with material interlineations made thereon which are obvious and are in a different handwriting and with different ink than the rest of the instrument. If such a check or note is paid or taken may such interlineations prevent a bank from successfully asserting that it is a holder in due course?

Yes. The majority of the decisions support the broad proposition that if a reasonable inspection of a negotiable instrument would disclose a material alteration indicating that it was probably made by someone other than the original draftsman, it is not regular upon its face, and one who takes it in that condition has not the rights of a holder in due course, as against evidence that the alteration was made after it left the maker's hands and without his consent.

**Q.** A Nebraska bank was asked to make a loan secured by a mortgage on certain real estate in a city there. The property had been acquired at a delin-

(Turn to page 29, please)

A STRAIGHT LINE IS THE SHORTEST  
DISTANCE BETWEEN TWO POINTS



**OVERNIGHT**  
COLLECTION  
AND TRANSIT  
SERVICE



- We are strategically located to give you the quickest collection and transit service.
- To insure the best results flowing from our central location we send your items by air or rail mail, whichever is faster.
- To save time and money, we route all collections and transit items direct, wherever possible.



**The Omaha  
National Bank**

FARNAM AT SEVENTEENTH

Member Federal Deposit Insurance Corporation

Northwestern Banker, June, 1948



## "Roll of Honor" Banks



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

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

### Minnesota

TOWN	BANK	OFFICER	CAPITAL	SURPLUS PROFITS
Aitkin	The First National Bank	T. R. Hassman	\$ 50,000	\$ 148,000
Appleton	Northwestern State Bank	A. O. Krebs	25,000	68,000
Aurora	State Bank of Aurora	J. A. Aspie	25,000	48,127
Austin	Austin State Bank	A. H. Haakenson	100,000	153,000
Belgrade	North American State Bank	H. G. Borgerding	50,000	74,000
Belle Plaine	State Bank of Belle Plaine	M. M. Gaffney	30,000	120,000
Blomkest	State Bank of Blomkest	James Matson	10,000	25,000
Braham	First National Bank	Oscar A. Olson, Jr.	50,000	66,000
Breckenridge	Farmers & Merchants State Bank	Duncan Barr	60,000	60,000
Ceylon	State Bank of Ceylon	C. E. Champine	25,000	55,000
Clarkfield	Farmers and Merchants State Bank	C. C. Elkjer	25,000	58,000
Cleveland	Peoples State Bank	C. E. Meislahn	25,000	25,000
Clarks Grove	State Bank of Clarks Grove	A. J. Lageson	25,000	45,000
Cyrus	State Bank of Cyrus	O. E. Bjorgaard	20,000	28,000
Deerwood	First National Bank	R. O. Lee	50,000	93,418
Duluth	Central State Bank	Lester Johnson	25,000	52,878
Duluth	City National Bank	R. H. Magie	600,000	643,000
Duluth	First and American National Bank	Willis D. Wyard	2,000,000	3,093,204
Excelsior	Minnetonka State Bank	O. W. Lundsten	50,000	74,480
Gonvick	Northern State Bank	Geo. A. Bieto	50,000	142,973
Grand Meadow	First State Bank	G. N. Reppe	25,000	43,000
Green Isle	Citizens State Bank	J. F. Mullen	10,000	107,634
Greenbush	Greenbush State Bank	I. S. Folland	25,000	58,000
Hallock	Northwestern State Bank	A. L. Wikholm	80,000	94,000
Henning	First National Bank	G. C. Clement	35,000	52,000
Hinckley	Farmers and Merchants State Bank	R. A. Nelson	25,000	35,000
Howard Lake	Security State Bank	H. W. Reiter	25,000	37,000
Kent	Kent State Bank	O. L. Olson	10,000	22,126
Kimball	State Bank of Kimball	E. A. Erickson	25,000	33,000
Lake Elmo	State Bank of Lake Elmo	E. A. Beutel	25,000	31,000
Lake Wilson	First National Bank	H. R. Lechvold	25,000	51,000
Lamberton	Farmers & Merchants State Bank	A. P. Schaar	25,000	94,000
LeCenter	First National Bank	Charles C. Traxler	45,000	57,000
Madelia	Citizens National Bank	J. G. Olson	50,000	61,000
Melrose	Melrose State Bank	H. C. Stalberger	40,000	59,232
Minneapolis	Midland National Bank	Arnulf Ueland	1,000,000	1,798,000
Minneapolis	Northwestern National Bank	Joseph F. Ringland	5,000,000	12,025,000
Morristown	State Bank of Morristown	Harlan Pye	20,000	21,000
New Richland	State Bank of New Richland	George Hovig	25,000	92,000
New Ulm	State Bank of New Ulm	Edward A. Stoll	40,000	252,717
Nicollet	Nicollet State Bank	E. C. Johannes	40,000	63,000
Osseo	Farmers State Bank	D. J. Murphy	50,000	68,000
Pequot Lakes	Farmers State Bank	J. C. Nelson	25,000	43,000
Plainview	Peoples State Bank	M. T. Duerre	25,000	84,000
St. Cloud	American National Bank	George J. Meinz	100,000	191,000
St. Joseph	First State Bank	John Stock	25,000	30,822
St. Paul	Empire Natl. Bank and Trust Co.	H. Wm. Blake	500,000	783,000
South St. Paul	Stock Yards National Bank	A. T. Larson	250,000	584,000
Silver Lake	Citizens State Bank	F. J. Burich	25,000	45,000
Stewart	First State Bank of Stewart	Lester Lipke	25,000	27,000
Sturgeon Lake	Sturgeon Lake State Bank	Kenneth Gay	20,000	24,000
Thief River Falls	Northern State Bank	George W. Werstlein	50,000	122,549
Wadena	First National Bank	H. E. Parker	50,000	200,852
Wanamingo	Security State Bank	E. E. Sevareid	40,000	57,000
Wilmont	First National Bank	E. L. Meyer	25,000	38,800
Winona	Winona National and Savings Bank	S. J. Kryzsko	200,000	717,000
Woodlake	State Bank of Woodlake	H. G. Hamre	25,000	31,000



# “Roll of Honor” Banks



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

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

## North Dakota

TOWN	BANK	OFFICER	CAPITAL	SURPLUS PROFITS
Ashley	McIntosh County Bank	G. H. Hernet	35,000	40,000
Carrington	Foster County State Bank	Mark Atwood	50,000	125,000
Crosby	Farmers State Bank	E. G. Hanson	50,000	90,000
Devils Lake	Ramsey County National Bank	Fred Hoghaug	100,000	153,188
Dickinson	The First National Bank	T. A. Tollefson	100,000	365,000
Fargo	First National Bank	G. W. Jenson	350,000	876,000
Golva	First State Bank	J. L. Tschita	20,000	28,000
Grafton	Walsh County State Bank	W. J. Johnson	75,000	111,519
Hatton	Farmers and Merchants National Bank	H. M. Nash	40,000	104,561
Hazelton	Bank of Hazelton	Ben Meier	15,000	33,000
Lankin	Citizens State Bank	R. F. Vorachek	25,000	85,000
Lidgerwood	First National Bank	Dan S. Riley	25,000	42,000
Minnewaukan	Farmers State Bank	V. A. Helberg	35,000	50,000
New Leipzig	First State Bank	E. P. Daniels	25,000	27,000
Souris	State Bank of Souris	C. H. Freeman	25,000	49,000
Steele	Bank of Steele	E. A. Wentz	25,000	66,000
Sterling	State Bank of Burleigh County	H. E. Wildfang	25,000	45,000
Streeter	State Bank of Streeter	J. L. Graf	15,000	24,000

## South Dakota

TOWN	BANK	OFFICER	CAPITAL	SURPLUS PROFITS
Arlington	Citizens State Bank	C. P. Stanwood	25,000	73,000
Armour	First National Bank	M. G. Winter	33,000	50,000
Castlewood	Citizens State Bank	C. N. Halvorson	25,000	57,000
Centerville	Bank of Centerville	J. N. Thomson	50,000	90,000
Delmont	Delmont State Bank	A. F. Litz	25,000	57,000
Doland	Security State Bank	M. J. Twiss	25,000	40,000
Highmore	First State Bank	W. W. Swanson	50,000	57,017
Langford	Langford State Bank	R. O. Williams	25,000	37,000
Menno	Menno State Bank	R. H. Sydel	25,000	40,000
Pierpont	First State Bank	J. A. Anderson	25,000	43,155
Pierre	First National Bank	L. L. Branch	50,000	59,560
Pierre	Pierre National Bank	James R. McKnight	50,000	77,000
Roscoe	First State Bank	H. J. Schipke	20,000	30,000
Rosholt	Rosholt Community Bank	L. F. Waddington	20,000	76,539
Sioux Falls	Northwest Security National Bank	J. Virgil Lowe	500,000	1,532,965
Toronto	Bank of Toronto	C. G. Martinson	25,000	65,000
Watertown	First Citizens National Bank	C. H. Lockhart	150,000	223,000
Wilmot	Wilmot State Bank	J. M. Aasland	25,000	53,000
Yankton	American State Bank	H. E. Edmunds	100,000	243,000

### LEGAL QUESTIONS

(Continued from page 26)

quent tax sale in the name of the city attorney and by him conveyed to the prospective borrower for a valuable consideration amounting to its true worth. The city attorney had acted on behalf of the city and the public records disclosed that the prospective borrower actually dealt with the mu-

nicipality in acquiring title. In so dealing, however, the parties did not follow the statutes applicable to the acquisition and sale of property by a city, which require competitive bidding and are mandatory. Since it was obvious that the statutes had not been followed, was the prospective mortgagor's title good?

No. The action of the prospective

mortgagor in paying to the city, and parting with, an amount equivalent to the worth of the property did not relieve the parties from the necessity of complying with mandatory statutory requirements. Even though this was a point favorable to him in equity, an equity court cannot set aside and render for naught the will of the people expressed in its solemn legislative enactments.—The end.

### Women Elect

The Association of Chicago Bank Women, at its annual meeting last month, elected the following officers for the coming year:

President, Miss Helen E. Burke, assistant cashier, Lake Shore National Bank; vice president, Miss Katherine Holt, secretary to E. E. Brown, chairman, First National Bank; secretary, Miss Edna Olund, secretary to George Boyles, president, Merchants National Bank, and treasurer, Miss Mary M. O'Brien, manager, credit department, Exchange National Bank.

The new president appointed the

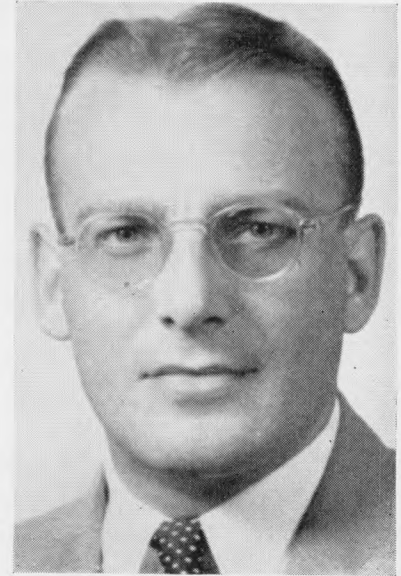
following as chairmen of standing committees:

Membership—Miss Agnes J. Olsen, assistant cashier, and assistant trust officer, Cosmopolitan National Bank. Program—Miss Fern Crabtree, secretary to B. G. McCloud, president, First National Bank. Finance—Miss Elizabeth Mills, secretary to G. A. Malcolm, president, Drivers National Bank.

### Opens Omaha Office

R. C. Schall, manager of the Field Warehouse Division of the St. Paul Terminal Warehouse Company, St.

Paul, Minnesota, announces the opening of a district office at 1105 First National Bank Building, Omaha, Nebraska. The opening of this office is the latest step in the company's program of expansion. This will enable



ELMER J. OTTESON  
Heads Warehousing Office

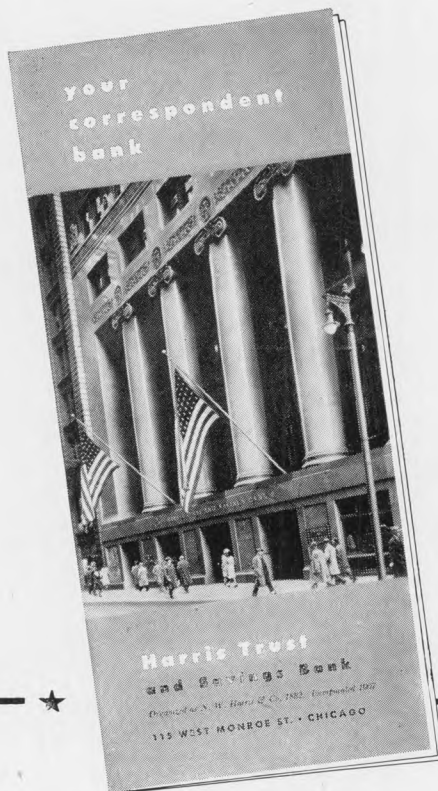
them to better serve banks and their customers in Nebraska, South Dakota, Missouri and Kansas. Mr. Schall stated the establishment of this office was necessary to meet the continually growing demand for warehouse receipts as collateral.

The office will be under the management of Elmer J. Otteson, who has had twelve years of extensive warehouse experience and is well qualified in this field. Mr. Otteson became associated with the St. Paul Terminal Warehouse Company in 1945, having served previously as warehouse examiner for the War Foods Administration in Washington, D. C.; Buffalo, New York, and Chicago. In addition, he served eighteen months with the Army Quartermaster Corps in the Canal Zone. Mr. Otteson is married and is a native of Cooperstown, North Dakota.

### Twelve Join Club

At the annual dinner held at Newark, New Jersey, last month, twelve new members were admitted to the Twenty-five Year Club of George La Monte & Son, safety paper manufacturers, Nutley, New Jersey. Ninety-two were in attendance, including members of the Twenty Year Club.

Each new member was presented with a handsome watch and a diamond-studded membership button by George V. La Monte, president of the company.



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### Named Comptroller

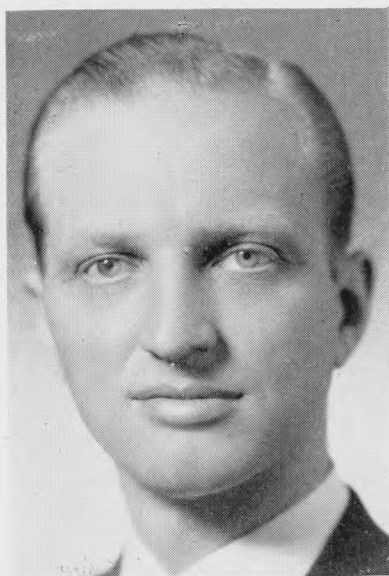
J. C. Thomson, president of Northwestern Bancorporation, has announced the election of Richard L. Federman, Minneapolis, as comptroller of the Bancorporation, effective July 1st. Mr. Federman has been manager of the Minneapolis office of Peat, Marwick, Mitchell & Company, auditors for the Bancorporation.

Born in Brookville, Indiana, Federman attended Brookville schools and graduated from Wabash College and Rice Institute. He is a member of the Minnesota Society for Certified Public Accountants, the American Institute of Accountants, the American Accounting Association, and treasurer of the Minneapolis chapter of the National Association of Cost Accountants.

### Calling on Banks

Ernest J. Hultgren is now traveling Iowa and Nebraska for the First National Bank, Chicago, working with Assistant Vice President Verne Bartling in that territory.

Mr. Hultgren started with the First



ERNEST J. HULTGREN  
Represents First National, Chicago

National in 1933, working in the clearings, transit, exchange, signature, and in-mail departments until 1941, when he went into the service. Entering as a private, he was discharged a major in April, 1946. Returning to the bank he traveled Indiana and Michigan before coming into the Iowa and Nebraska territory.

### Dividend

Directors of Bank of America have declared a regular semi-annual dividend of \$1.25 per share on the bank's common stock, payable June 30th to shareholders of record as of May 29.

## FOCAL POINT

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Bankers as well as business executives are invited to write for further information.

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Northwestern Banker, June, 1948

### New Securities Firm

Cedar Rapids has a new investment company. It is Figge, Vavra and Company, and members of the firm are Reginald B. Figge and John S. Vavra, both of whom are well known in Cedar Rapids and Iowa banking and investment circles.

Offices of the new firm are at 407 Merchants National Bank Building and they are members of the Chicago Stock Exchange.

Mr. Figge was with the Guaranty Bank and Trust Company of Cedar Rapids for 14 years and helped organize it. He was vice president and cashier of the bank when he resigned there recently. He comes from the well-known Figge banking family, his father being Fred J. Figge, veteran banker at Ossian, Iowa, and a brother, V. O., is president of the Davenport Bank and Trust Company, Davenport.

Mr. Vavra, who is one of Iowa's outstanding golf players, has been in the investment business a number of years. He was with Ernest Kosek and Company of Cedar Rapids for 11 years. He is a graduate of the University of Chicago, while Mr. Figge graduated from Creighton University at Omaha.

### Annual Convention

Nationally known leaders in the fields of education and banking are appearing on the program of the 46th Annual Convention of the American Institute of Banking, educational section of the American Bankers Association, held at Buffalo, New York, June 7th to 11th, inclusive, as announced by Pierre N. Hauser, vice president of the Institute and chairman of its convention program committee. Mr. Hauser is vice president

of the First Wisconsin National Bank, Milwaukee, Wisconsin.

Speakers at the two general sessions include Kenneth McFarland, superintendent of schools, Topeka, Kansas, who is nationally known as an educational executive; Dr. George W. Crane, Ph.D., M.D., an outstanding psychologist, author and lecturer; Joseph M. Dodge, president of the American Bankers Association, and president of The Detroit Bank, Detroit, Michigan, and Harold Stonier, executive manager of the A.B.A. Leading bankers from many parts of the United States will address the convention during the five days.

The convention consists of two general business sessions, one on Monday, June 7th, and the other on Friday, June 11th. The intervening time will be filled with Institute and departmental conferences, the National Public Speaking Contest for the A. P. Gianini educational endowment prizes, the National Convention Debate, and other activities which render conventions of the American Institute of Banking unique.

### WILL BUSINESS INCREASE?

(Continued from page 20)

irresponsible emotion, and panicky reaction involved in the factors which determine the actual course of business fluctuations. I would suggest that the key to the near-term business outlook may be found in the answer to the question, "Will the rational or the irrational attitude predominate in business decisions during the coming months?" If the decline in agricultural prices generates a wave of fear among business men and consumers, severe consequences should be expected.

Although I do not expect our prosperity to come to an end in the immediate future, I do expect that some time within the next three years we shall have a substantial business recession. I see no way of telling when such a recession will begin or just how severe it will be. **The reason that I mention an outside limit of three years is that by that time the principal shortages which constitute the basic support of our present prosperity will have been made up.**

As to the severity of the coming recession, I believe that it need not be as severe as the 1920-1921 decline, but that it could be as drastic as the depression of the early 1930's. What does take place will depend on what business and economic policies are followed from now on.

Here it is that the opportunities for leadership exist. One of the bitter experiences of earlier business cycles was that inventories in periods of



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great activity were really more dangerous than they looked. I think we are in one of those periods now where the apparent soundness of inventories may be deceptive. **I hope you are trying to get along with inventories as small as possible, and also that you have set up some reserves as a protection against inventory depreciation.**

The most decisive factor in determining whether the next recession will be moderate or very severe is the economic recovery of Europe. We are just about to start an ambitious program to help Europe recover economic stability. There is no guarantee that this program will succeed but it must be made to succeed, if it is humanly possible, because otherwise our own conditions, not to mention those in Europe, will become desperate.

**No effort should be spared to work out an adequate and effectively administered European recovery program. It is also essential that any program which is put into operation should be consistent with the dignity of European countries. Otherwise we shall probably not only fail to accomplish economic recovery abroad but shall create ill will for ourselves in the process.**

Although we hope for and may expect success to be achieved in this vital area, we should face the consequences

of possible failure and be prepared to meet them. If we should fail, we should then face not merely a drastic economic depression, but also further curtailment of our basic freedoms. **If a severe depression should come upon us, it seems almost inevitable that government control over business would be extended.** Freedom of economic activity in many directions would be further limited. This in itself would be regrettable but not so serious as the threats to our civil and political liberties which would reduce still further our economic liberty. History seems to show that the curtailment of one type of liberty threatens the preservation of other types.

#### Need for Moral Growth

If such dire conditions should come about, our problems would become primarily moral rather than economic, for the preservation of liberties is fundamentally a moral issue. It rests upon the moral fiber of our people.

For myself I believe that these qualities are not achieved merely by deciding to achieve them. **Something beyond our own wills is essential—a spiritual dynamic, as I see it.** It may be summed up in the famous phrase of William Penn of long ago: **"Men must be governed by God or they will be ruled by tyrants."**—The End.

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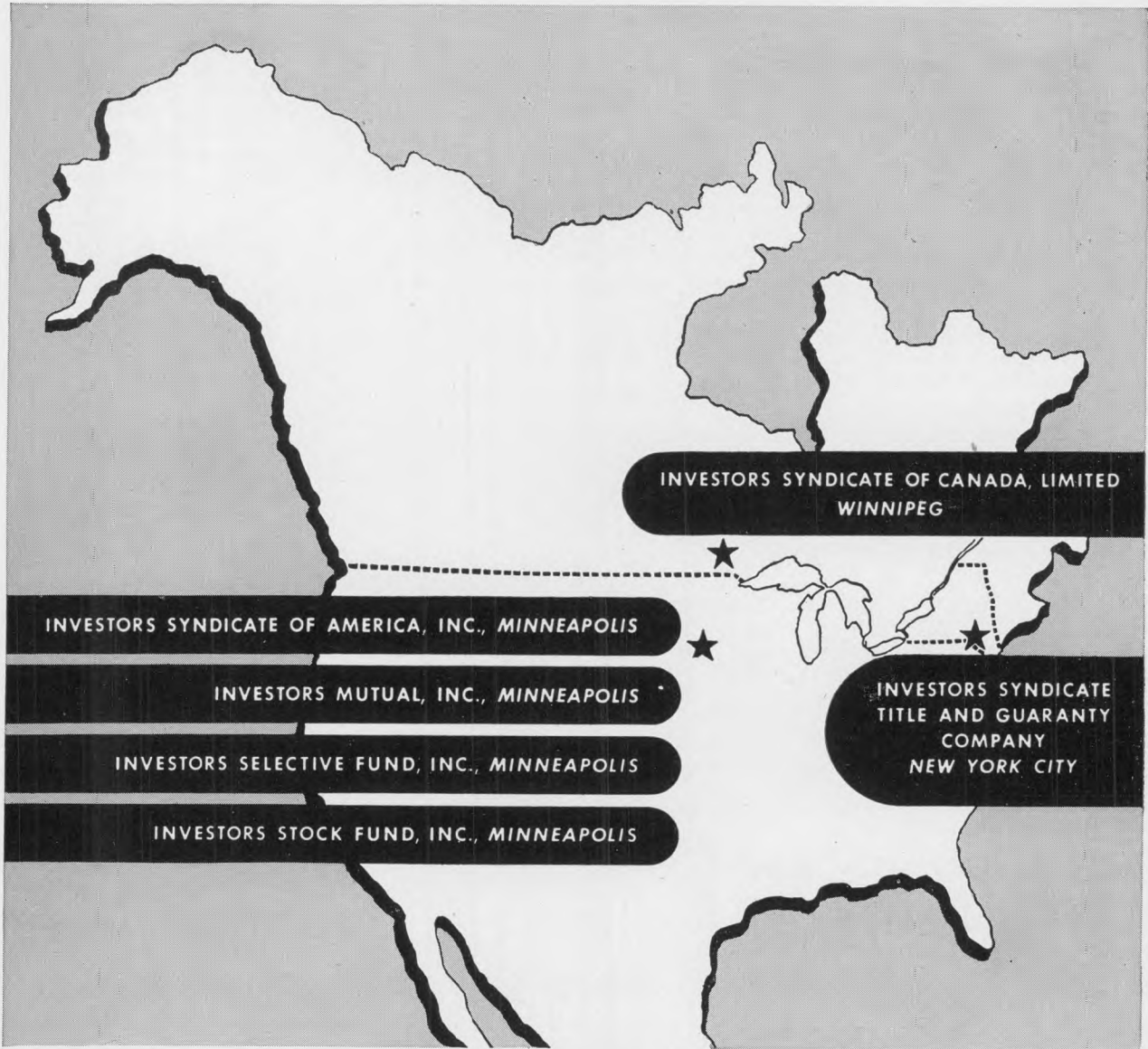
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# Investment Planning Should Lean Toward the Conservative Side

The Prudent Manager of Investment Funds Will  
Not Plan for More Than a Few Months Ahead

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

THE government bond market got another little jolt toward mid-May, largely unnoticed because of the bouncy, even ebullient stock market. Secretary of the Treasury Snyder loosed the news, a week ahead of time, that the mid-year financing would be done on the basis of one-year 1½s, instead of 1¼ per cent, or, alternatively, with shorter 1½s. The Secretary may have been irked at Allan Sproul, president of the New York Reserve Bank, who had, a day or two earlier, hinted at higher short-term rates. Whatever the motive, the government market was obviously caught unprepared and prices of intermediates and longs responded with snappy rises.

Mr. Sproul may also have offended other Washington money managers when he told a Congressional committee that, "More and more it seems to have become the habit to think of the system as a head office in Washington with twelve branches or subsidiaries in the twelve Federal Reserve districts and even to forget that the Board of Governors is a board and not a chairman with deputies, great though the powers of the chairman may be. More and more it has become the habit to minimize the value or deny the propriety of any private participation in the affairs of the System. I oppose those tendencies."

Those refreshing observations provoked editorial comment by *The Wall Street Journal* also worth recording: "Congress intended, as Mr. Sproul pointed out, to make the System a blend of national authority and regional responsibility. There has been a tendency to forget that.

"There could hardly be a more dangerous development than to center control of the banking system in a body at Washington and then to have that body dominated by one individual. That individual would have a power

**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.**

far beyond that which the people would be willing to give any elected official; he could, if unchecked, change the economic and social system of the country."

## Credit Powers

Specifically, Mr. Sproul urged that the open market committee of the System be charged with the credit powers now exercised by the Board of Governors of the System. Also, he suggested that the open market committee be given control of discount rates, reserve requirements, margin requirements on the stock exchanges and related powers. The open market committee is made up of the seven governors of the System and five of the twelve presidents of Federal Reserve Banks and about all it does is buy and sell governments in accordance with the dictates of the governors. It has been in conflict with Marriner Eccles, former chairman of the Board, on matters of broad policy at times in the past.

Since this is an election year and since Senator Taft has a lively interest in the outcome, his opinion that his committee will not press for legislation on higher reserves in particular and a general over-hauling of the System at this session likely will prove entirely accurate. In passing, of

course, it is also most unlikely that the Eccles proposal for higher reserves will receive much serious attention.

Altogether, then, the picture of what lies ahead in the government market through November has not been greatly changed, welcome as Mr. Sproul's rather pointed remarks were. The 1¼ per cent rate for one-year certificates is coming, of course, but it may be deferred till September. The firm support pledged by the authorities for the longs has not been threatened. Against these relatively impermanent forces is opposed the underlying trend toward higher interest rates created by supply and demand.

The debt of the U. S. is large and unwieldy. Far too much of it comes due, or could be demanded, within one year. The yield from intermediates and longs is not large enough to create active demand from non-banking investors. There is still plenty of elbow room in which the authorities can operate, but some of it is "paper." The Treasury no doubt will run along for some time with cash receipts exceeding cash expenditures, regardless of how soon costs of defense and ERP lead to greater budgeted outlays than receipts. But it cannot do so indefinitely and is certainly piling up future headaches by spending current receipts such as social security taxes. It may be, of course, that a new administration will not feel bound to honor a 2½ per cent rate on long-term governments. Or it could be that the current extremely high levels of employment and national income will not continue forever. Thus, either through wisdom and courage, or under pressure of necessity, a somewhat more painful but correspondingly more prudent national fiscal policy will evolve.

## Investment Structure

The whole investment structure is artificial and strained, as has been

*Northwestern Banker*, June, 1948

pointed out by several eminent authorities. Recently, Mr. Schram of the New York Stock Exchange made the point succinctly and persuasively. Mr. Schram said, "The life insurance companies are making loans today which in my judgment belong in the commercial banking system, while the commercial banks are advancing credit where the funds should be obtained in the equity market. Both these conditions have been forced upon these lending agencies because the capital markets have not been in a position to provide the necessary funds."

Mr. Schram ascribed these evils to

unnecessary obstructions to the flow and function of risk capital in the form of double taxation of dividends, treatment of capital gains and discriminatory margin requirements. Here again, it may be observed, a new philosophy may be ushered in late this year and some or all of the causes enumerated by Mr. Schram removed.

Ignoring the possibilities of a new world war and of a continuing urge to "restore" Europe, from both of which expensive adventures this country may be spared, it is clear enough that no prudent manager of investment funds will plan for more than

a few months ahead. And that planning should lean far over toward the conservative side. It shouldn't be too difficult, either. In broad outline, intermediate and long governments are relatively less attractive holding than 90-day bills and one-year certificates. Advantage should be taken of opportunities to lighten holdings of long-terms such as were presented in May in anticipation of better yields from bills and certificates over near-by months.

**Corporate Portfolio**

Considering the number and variety of intangibles and incalculables in the existing situation and not ignoring the possibility of a depression—perhaps sharp and brief; or mild and prolonged—in general business, there appears to be the fullest justification for a careful pruning of the average corporate bond portfolio. There may be fundamental changes ahead which amount to a reversal of the trends of recent years. Among other things, there may be a notable volume of corporate offerings of good, and even top-grade, available for bank investment. Prices, of course, will have to be realistic and by this is meant that new bonds will have to look cheap when compared with comparable outstanding issues.

A development of this sort tends to be self-perpetuating. As attractively priced new bonds come to market, older issues are sold and the funds thereby released invested in the new. Consequently, when the next new issue is to be priced, the levels at which outstanding obligations are selling likely will be lower. Since, however, the volume of new emissions cannot be expected to be really large when compared with the total of seasoned outstanding bonds, most of which are practically permanently lodged with

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long-term, bona fide investors, the pressure on the entire price structure exerted by new issues will not be severe, although not to be wholly ignored.

Accordingly, the situation warrants continuing weighing of values and prices. In a rising market the portfolio manager is frequently in the happy position of declining to shift—at no improvement in quality, but at higher prices—into new issues. He really has less work and, at the same time, makes fewer mistakes and the market will at least obscure those he does, unfortunately, make. In a falling market, such as should at least be allowed for at this stage of economic cycle, exactly the reverse is true. Bargains, apparent or real, are coming up for thoughtful consideration at frequent intervals and hidden portfolio weaknesses are thrown into prominence by the appraisals of the marketplace.

In sum, it is of the first importance that all portfolio holdings be scrutinized; carefully, candidly and even pessimistically.

#### Municipal Market

The municipal bond market frequently is found to be pursuing an independent course. There are a number of reasons for this, of which tax shelter is only one and not always the most important. Marketwise one of the most important factors is that—at certain levels—large institutional buyers and modest individual investors will either buy or sell municipal bonds, practically speaking, with little regard to quality.

Thus, after almost two years of falling prices, insurance companies have returned to the municipal field and smaller investors likewise have evinced some interest. The municipal market, because of peculiar internal reasons, often undergoes an abrupt, fairly important change in price level, frequently somewhat later than would have happened in more responsive sectors of the investment security field. Thus, in the second half of 1947, prices dropped almost dizzily and the move carried well into 1948. The subsequent rally lifted prices to the best 1948 levels, but those were no higher than the lowest in 1947.

The evidence available for study indicates that municipals are now flattening out and steadying. This makes it easier for both finance officials and banking houses which specialize in the field to come together on terms appropriate to current conditions. The end result is that the investor may buy new offerings with greater confidence, usually with the comfortable conviction

that they are priced "right" to begin with.

Since all the really large veterans' bonus issues have been sold and the market has adjusted itself to postwar conditions and appears to have entered

upon a period of relative stability, a number of interesting tax-exempt revenue issues have come to market or are on the way. In one instance—the New Orleans railroad passenger terminal issue—something never before at-

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## ANNOUNCING TWO NEW CHECKBOOKS

We are pleased to announce the introduction of two new DeLuxe Personalized Checkbooks, both being the three-checks-to-a-page style and both employing the simple register for recording transactions.

While both books will have three hundred checks, the smaller, called "The Secretary", will be pocket check size and will sell for \$2.00 including gold-stamped cover, and the larger, called "The Executive", will be business check size and will sell for \$2.75.

Neither book will have a potential market comparable to our Personalized Pocket Checkbook, but they will "round out the line" for bankers who are recovering their check expense thru the sale of imprinted checks to their customers.

This will give banks three check

styles for those who prefer the simplified register method of keeping records; namely (1) The Pocket Style, (2) The Secretary for the home and (3) The Executive for the office, as well as the wide selection of styles and colors in our Standardized Business Check catalog, so practically all customer requirements can be satisfied without any investment by the banks.

The time is ripe now to establish a "Check Desk" from which all checks can be distributed. It can be an elaborate affair in the center of the banking floor or it can be of modest design at any convenient point. The young lady in charge will sell more than she gives away and check expense will quickly shrink. In addition, better control will be provided and swifter and more accurate sorting, posting and filing are assured. Write us for samples of the two new books.



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tempted was brought out. Since the issue was well received and since it appears to be a perfectly workable solution to problems of like nature in other cities, more issues of this sort are expected.

Also, the various bridge, tunnel, airport and similar authorities are working on plans to expand their facilities with money borrowed on tax-exempt bonds. These "revenue" exempts are not, generally speaking, of the same quality as orthodox municipals, but they frequently provide extremely liberal returns. Although each issue requires individual analysis, the broad outline is probably favorable enough to warrant the study involved. It is not a simple matter to create a new municipal bond, nor can it be done except after time-consuming preliminaries. It is even more difficult to set up an authority with the power to issue tax-exempt revenue bonds. And when this has been accomplished, the authority cannot blithely undertake any venture that comes to mind. If a facility is planned, rather exhaustive engineers' reports must indicate a strong presumption that the new facility will pay out.

Thus, there is little likelihood that the exempt market will be flooded with

a great number of unwisely conceived revenue bonds. At the same time, it is always possible that tax shelter will some day be more valuable than it is at present. Finally, almost all municipals mature serially which means that unless there is a steady flow of new bonds, the total outstanding shrinks every year. In fact, despite the huge state issues of bonds to pay bonuses to veterans, the total of municipal bonds in existence in this country is about two billion dollars less than it was in the mid-'30s.

Altogether, the tax-exempt bond market, influenced and supported by a variety of factors that are non-existent in the case of governments and corporates, offers investment opportunities to commercial banks that may well be carefully explored.—The End.

**Addresses Meeting**

A. M. Strong, vice president of the American National Bank and Trust Company of Chicago, addressed the annual meeting of the Bankers Association for Foreign Trade, which was held May 25th to 28th at Montebello, Canada, on the topic "Financing Air Shipments."

He also rendered a report as chair-

man of the Committee on Uniformity on Documents and Practices. The report deals with several important phases of foreign banking, including the controversial subject of "stale" bills of lading. The meeting will be attended by United States and Canadian bankers engaged in foreign banking and also by U. S. representatives of leading foreign banks.

**Elected Officers**

Talbot Babcock, formerly assistant vice president of The Continental Bank and Trust Company of New York, has been elected an assistant vice president at Bankers Trust Company, New York, and Martin N. Hendrick has been promoted to the position of assistant secretary, it was announced by S. Sloan Colt, president.

**Elected Director**

Wayne A. Johnston, president of the Illinois Central Railroad, will be elected a director of the Harris Trust and Savings Bank at a special stock-



WAYNE A. JOHNSTON  
Harris Trust Director

holders' meeting, June 7th, if the stockholders act favorably on a proposal P. S. Russell, president of the bank, made on behalf of the directors.

Mr. Johnston was elected president of the railroad in 1945 when, at 47, he was one of the youngest men ever chosen to head a major American railroad.

Mr. Johnston went to work for the Illinois Central in 1919, following his graduation from the University of Illinois. His first Illinois Central job was that of accountant in the office of the division superintendent at Champaign, Illinois.



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# INSURANCE

## How We Try to Keep Our Policyholders Happy

Through a Consumer Research System, Various Groups Are Asked Their Opinion on Details of Company Service

By **CLIFFORD B. REEVES**  
 Second Vice President  
 The Mutual Life Insurance  
 Company of New York

**O**PINION studies among various groups whose good will is important to your business are an excellent device for measuring attitudes toward the broad questions involved in the operation of your business. We found, however, that such general surveys did not provide us with informed answers on many detailed parts of our operations. The reason is that not enough of the people included in such surveys have had the particular experience with the company that enables them to give informed answers. Therefore, as a supplement to broad opinion studies, we have adapted to our use the technique that is generally known in industry as "consumer research."

This method can be used equally well by a life insurance company to test the quality of its services to policyholders. Each month, The Mutual Life audits one of its services in this way. Recently, for instance, we sent a letter and questionnaire to a random sample of more than 200 policyholders who had requested a change of beneficiary in the preceding 30 days. Thus, while all details of the transaction were fresh in their minds, we invited their criticism and their suggestions for improvement. We asked them specifically whether their request was handled promptly enough; whether the service was rendered courteously; whether they felt there were any unnecessary complications; and whether the forms we sent them were clearly understandable. Each month we are

covering in this way some different policyholder service.

Such studies do not purport to be opinion surveys, because no attempt is made to reach a cross-sectional sample. They are simple check-ups on the



CLIFFORD B. REEVES  
 Tells How to Keep Goodwill

service rendered, and are intended to give us the benefit of criticisms or suggestions that we might not otherwise receive. Their great value lies in the fact that responsive answers

can be obtained to detailed questions on technical transactions that policyholders have just conducted. Such surveys cost little to make and will provide tremendously helpful information.

### Third Method

A third method we use to keep abreast of public thinking about life insurance in general and our company in particular, is to follow press and radio opinion closely. Press clipping bureaus furnish us with all editorial comments that have a direct or an important indirect bearing upon life insurance. We also retain a radio monitor service which furnishes us promptly with transcripts of the opinions of radio commentators.

If an editor or radio commentator makes a valid criticism, we try to do something about it and thank him for a good idea. If the criticism is not valid, we try to explain the facts and thus prevent further unfounded criticisms. Newspaper editors and radio commentators, because of the unique position they occupy, can do more than any other two groups to influence public opinion about any business or company.


### Fourth Method

The fourth method we use to determine the preferences of our customers and the public is a plan for obtaining regular reports from our field underwriters, who are in direct contact daily with policyholders and the public. The compensation plan adopted some years ago by The Mutual Life pays our field

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## Scarborough & Company

Insurance Counselors  to Banks

Northwestern Banker, June, 1948

underwriters for periodic service calls on the company's policyholders. Regular reports are received on each of these calls, and one of the things reported on is the attitude or criticisms of the policyholder in question. These reports are carefully reviewed for sug-

gestions, criticisms or misunderstandings.

**Fifth Method**

The fifth and final way in which we endeavor to determine public preferences is through compilation and analysis of all complaints received. Unless they come to one central spot, no one in the organization will be fully aware of the number and character of the complaints received. Complaints are very often justified, and provide a basis for improvement of

procedures and services. They reveal bottlenecks and trouble-spots that can be corrected. Moreover, the decline or increases in the volume of complaints received over a period of time provides a reasonably accurate index of the quality of the job your organization is doing.

All of the methods I have described are, I believe, relatively simple and practical for virtually any life insurance company. Such a program costs some money—yes! But it provides a valuable check-up on the services for which you are spending many times as much money in the daily operation of your business. If it helps to improve the efficiency and benefit of such services, it will pay for itself many times over.

We have also used our opinion surveys to check the effectiveness of various promotional campaigns on which the company spends large sums annually; to test readership of our annual report; and to obtain the reaction of public, policyholders and our own people to recently introduced programs of various sorts. The surveys have provided guideposts for the improvement of such programs, and a continuing index of their effectiveness.

Every company spends a great deal of money on operations and services that are all intended to build business and good will. It certainly seems worthwhile to spend at least a little money to test public reaction to the things that are being done.—The End.

**DEAR EDITOR**

(Continued from page 13)

Group Trippers and we enjoy always having Henry around when bankers gather in Nebraska."

*Carl G. Swanson, Secretary, Nebraska Bankers Association, Omaha, Nebraska.*

**"Largest Town With One Bank"**

"In the latest issue of the excellent NORTHWESTERN BANKER, there is a news item stating that Eagle Grove is getting a second bank. As far as known, Eagle Grove was the largest town in Iowa with one bank, and now it will soon have two banks. The population of Eagle Grove according to the U. S. 1940 census was 4,024.

"Which is now the largest town in Iowa with one bank?"

"As far as known, Belle Plaine is probably that town.

"A very recent check on the number of families shows Belle Plaine with 1,200 families. On the basis of 3½ persons on the average to the family, this gives a present population of 4,200. In the U. S. census of 1940 the population of Belle Plaine is given as 3,202.

"This is an increase of 1,000 in 8 years and it has been just a gradual increase.

"Benton county, in which Belle Plaine is

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**ALLIED MUTUAL  
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**Harold S. Evans, President**

**Hubbell Building**

**Des Moines 7, Iowa**



located, is the largest hybrid seed corn producing county in the world. There is a large hybrid seed corn plant at Belle Plaine, also corn cannery, but the railway is the most important industry and it looks as if it will be a good deal larger before so very long. It makes the best central point on the Chicago & Northwestern double track main line between Chicago and Omaha, a distance of 488 miles. The railway is easing curves and reducing grades both west and east of Belle Plaine, to enable fast trains to run at the rate of about 100 miles an hour between Chicago and Omaha.

"Belle Plaine formerly had three banks.

"Is it the largest town in Iowa with one bank?"

*H. Roy Mosnat, 1306 10th Avenue, Belle Plaine, Iowa.*

#### "Liked Your Editorial"

"I liked your editorial in the May issue of the NORTHWESTERN BANKER on Bill Brady, President of the National City Bank of New York. What you say about Henry Wallace in another editorial is probably all right too, but I am not so sure that he will pay any attention."

*W. Dale Clark, President, Omaha National Bank, Omaha, Nebraska.*

#### "Honor Roll Bank"

"We are happy to send you a copy of our last statement, this being the first statement that we have published showing our Surplus equal to our Capital Stock. Our

Capital is \$25,000 and Surplus and Undivided Profits \$34,241.

"Conditions in this area, from the crop standpoint, are good. Have had sufficient moisture and the fields were never in better shape this time of year."

*T. F. Green, Cashier, Bank of Valley, Valley, Nebraska.*

#### "Very Helpful"

"I received in this morning's mail the 1948 edition of the Iowa-Nebraska Bank Directory.

"Thank you very much, Cliff. I am sure that it will prove very helpful to me.

*Donald A. Harper, Asst. Vice Pres., First Wisconsin National Bank, Milwaukee, Wis.*

#### 1948 Dividends

Directors of the First National Bank in St. Louis last month declared a dividend of \$1.50 per share, payable as follows: 50c per share payable May 28, 1948, to stockholders of record May 20th; 50c per share, payable August 31, 1948, to stockholders of record August 23rd; 50c per share, payable November 30, 1948, to stockholders of record November 22nd. A quarterly of 50c was paid February 27th of this year. The present dividend compares with \$1.20 per share declared last May. The bank's surplus is \$10,200,000, which is now equal in amount to capital.

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This is Iowa's oldest surety company.

A progressive company with experienced, conservative management.

We are proud of our two hundred bank agents in Iowa.

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

E. H. WARNER  
*Secretary and Manager*

W. W. WARNER  
*Assistant Secretary*



## HIGHWAYS TO BETTER BANKING

- All roads lead to the Summer and early Fall conventions. And the signs point to good times and frank discussions. Old-timers at these state bankers' conventions know how worthwhile it is to rub elbows, talk over problems, and swap ideas with the fellows from several counties away. If you take home with you even one good new idea, it's worth the trip . . . what's more, a change of scenery will relax you. Meet old friends and make new ones. Of course if you're among those meeting in Minneapolis, the welcome mat is out front for you at FIRST National. We hope you will pay us a visit.

# FIRST NATIONAL BANK OF MINNEAPOLIS

HENRY E. ATWOOD, *President*

---

### DEPARTMENT OF BANKS AND BANKERS

---

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K. T. MARTIN, *Asst. Vice Pres.*

J. M. DOWNES, *Asst. Cashier*

J. J. MALONEY, *Asst. Vice Pres.*

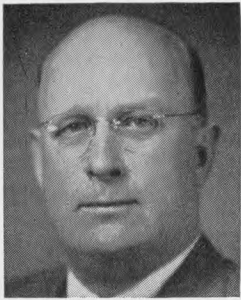
G. S. HENRY, *Asst. Vice Pres.*

C. E. CORCHRAN, *Asst. Cashier*

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*Northwestern Banker, June, 1948*



**JOHN CARLANDER**  
President  
Faribault

# Minnesota NEWS



**ROBERT E. PYE**  
Secretary  
Minneapolis

TENTATIVE dates for Clinics of the Minnesota Regional Clearing House Associations have been announced from the office of Robert E. Pye, secretary of the association. Arrangements for annual meetings and election of officers, to be held in connection with the clinics, are to be made by individual clearing house groups and have not been announced at this time.

The Regional Clearing House Association committee, composed of presidents of each Clearing House Association, met in Minneapolis last month, at which time the committee recommended to the state association's Council of Administration that the names of Clearing House Associations be changed to the territorial designation followed by "Division of the Minnesota Bankers Association."

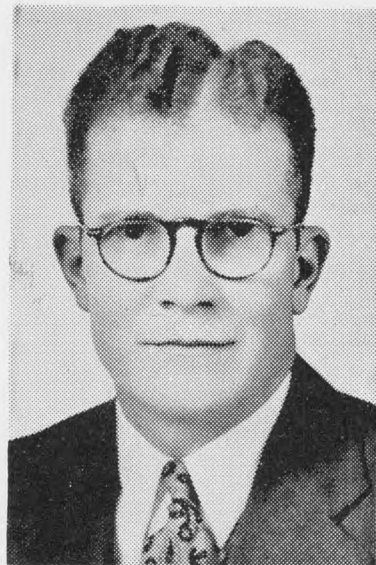
Following is the tentative schedule for the clinics, the program being arranged by Mr. Pye's office and meeting arrangements to be handled by each host association:

Date	City	Clearing House Associations
July		
20	Duluth	Arrowhead
22	Bemidji	North Central
24	Thief River Falls	Northwest and Red River Valley
26	Alexandria	Central Minn., Park Region and Western Minn.
28	Redwood Falls	Brown, Central Tri-County, Corn Belt, Southwestern, West Central and Redwood County
30	Faribault	Blue Earth Valley, Dairy Region, Southeastern Minn., Southern Minn. and Four County
31	St. Paul	Six County, St. Croix Valley, Minn. Valley, Rural Hennepin, Anoka and Wright County

## With Mankato Bank

P. R. Kenefick, president of the National Citizens Bank of Mankato, Minnesota, announces the election of Forrest Hedger as vice president at a recent meeting of the board of directors of the bank. He assumed his duties last month.

Mr. Hedger has been a resident of Tracy, Minnesota, all his life, graduating from the Tracy High School in 1931. In June of that year he was employed by the Farmers & Merchants State Bank of Tracy and has been cash-



**FORREST HEDGER**  
Vice President of Mankato Bank

ier of the bank since 1942. He is a veteran of World War II, entering the service in December, 1943, and being released from his service duties in October, 1945. Eleven months of this time was spent in Brazil. Mr. Hedger has been president of the Tracy Civic and Commerce Association, member of the Junior Chamber of Commerce, Kiwanis Club, American Legion and Tracy Volunteer Fire Department. He is married and has two sons.

Mr. Kenefick also announces that Edwin Bibbs is now assistant manager of the personal loan department of the National Citizens Bank.

## Marquette National Changes

Merth E. Mortenson, for 11 years cashier at Marquette National Bank of Minneapolis, has been elected vice president of the bank, according to an announcement by Russell L. Stotesbery, president.

Succeeding Mr. Mortenson as cashier is Lyle L. Stotesbery, brother of the bank president. His election was effective June 1st.

Mr. Mortenson joined Marquette National Bank in March, 1930, and was elected auditor in May, 1930; assistant



**MERTH E. MORTENSON**



**LYLE L. STOTESBERY**

cashier in April, 1934, and cashier in January, 1937.

The new Marquette vice president started in banking in 1914 at Farmers State Bank, Hampden, North Dakota.

Lyle J. Stotesbery was born in Big Stone county, Minnesota, and attended public schools, graduating from the high school at Ortonville. He later attended business colleges in South Dakota and Minneapolis.

For the past 16 years he has been vice president of the Union Savings Bank, Grand Mound, Iowa. Mr. Stotesbery owned controlling interest in the Iowa bank.

He is moving his family to Minneapolis, having purchased a home in one of the Minneapolis lake districts.

## With Rochester Bank

Donald H. Grina, formerly of Fergus Falls, Minnesota, and more recently employed by a bank in Astoria, Washington, recently was elected an assistant cashier of the Union National Bank of Rochester, Minnesota.

## Open Rockford Bank

The new Rockford State Bank of Rockford, Minnesota, was opened officially the first of this month. Managing the bank will be Mr. and Mrs. W. W. Lindquist, who are cashier and assistant cashier, respectively.

**MORE MINNESOTA NEWS  
ON PAGE 50**



**E**LECTION of **Joseph F. Ringland**, president of The Northwestern National Bank of Minneapolis, to the board of directors of Northwest Bancorporation, was announced by **J. Cameron Thomson**, president of the Bancorporation.

Mr. Ringland became vice president of Northwestern National in 1944 and succeeded to its presidency in 1945. Previously he was associated with The United States National Bank of Omaha, Great Falls (Montana) National Bank, Stock Yards National Bank of South St. Paul, Empire National Bank and Trust Company of St. Paul, and Guaranty Trust Company of New York.

Bancorporation directors also declared a dividend of 40 cents per share on 1,547,767 shares of stock outstanding, payable May 25th to stockholders of record as of the close of business May 10th.

A dividend of 40 cents per share was paid May 25, 1947, and a dividend of 40 cents per share, plus a special dividend of 20 cents per share, was paid November 25, 1947, making total dividends of \$1 per share for 1947.

The packinghouse workers strike in South St. Paul cut April business transactions there more than a third in comparison with last year, according to the **Minneapolis Federal Reserve Bank** report on bank debits for the Ninth federal reserve district.

Total South St. Paul bank debits totaled \$38,735,000 for April, a drop of 37 per cent under a year ago when they were \$61,029,000. For the first four months total debits were 6 per cent under the comparable period of 1947.

Total debits for Minnesota banks were 9 per cent higher for April than a year ago and 14 per cent higher for the first four months. Minneapolis debits increased 8 per cent for April and 15 per cent for the first four months. St. Paul debits increased 15 per cent for April and 17 per cent for the first four months.

Spring Valley, Minnesota, led the

Ninth district in gains for April with 47 per cent, followed by Fargo, North Dakota, and Hudson, Wisconsin, with 39 per cent.

**China R. Clarke**, manager of the Reconstruction Finance Corporation's Minneapolis loan agency, has been named president of the American National Bank of St. Paul.

Announcement was made by **Otto**



**CHINA R. CLARKE**  
President, American National Bank of St. Paul

**Bremer**, chairman of the bank's board of directors. Mr. Clarke succeeds **H. B. Humason**, who asked to be relieved of the presidency after spending 45 years with the bank. Mr. Humason will remain with the bank as executive adviser and member of the board of directors.

Mr. Clarke has been with RFC since May, 1938. Previously he was identified with banking activities in Minnesota, South Dakota and Montana for more than 25 years. He is a native of Helena, Montana.

Succeeding Mr. Clarke in the Minneapolis RFC post is **Arthur W. Carlson**, who has been regional director of the

war assets administration in Minneapolis for the last two years.

**John Carlander**, president of the Minnesota Bankers Association, spoke on WCCO, Minneapolis-St. Paul radio station, recently on "The Cost of Living and Inflation." He stressed the part that increased purchases of United States savings bonds can play in curbing inflation.

**F. H. Gahre**, a director of the North Side office of the First National Bank of Minneapolis, died recently. He was president of the former Bardwell-Robinson Company until his retirement two years ago.

Immediate prospects for American business are "excellent," **Thomas B. McCabe**, new chief of the Federal Reserve Board, told more than 1,000 bank executives from six midwest states who attended the annual conference of the Ninth District Federal Reserve Bank in Minneapolis.

Mr. McCabe said employment and business are at their highest points in the country's peacetime industrial history. He declared that regional banks should play an important part in making the policy of the federal reserve system.

Bankers attending the conference were from Minnesota, North and South Dakota, Montana, northern Michigan and part of Wisconsin.

**C. E. Melbye** of Minneapolis, a former examiner with the Minnesota state department of banking, has been named financial director of the Minnesota Swedish Pioneer Centennial committee. The centennial will be observed June 26th and 27th.

**Ralph V. Hagen**, cashier of First Hennepin State Bank of Minneapolis, was installed as treasurer of the Minneapolis Church federation at the organization's annual meeting recently.

Appointment of **Joseph D. Husbands**

**You'll find  
valuable sessions,  
worthwhile discussions -  
and hearty fellowship  
at the  
JUNE CONVENTIONS!**



Convention time is here! Yes, sir, June—the traditional convention month for progressive 9th District bankers—is again loaded with an interesting variety of important convention activities.

North and South Dakota bankers will give this month's convention programs a notable start with a joint meeting in the Twin Cities, June 11 and 12. We'll have the pleasure of actively participating in the Dakota convention—and we're looking forward to taking part in the Minnesota, Wisconsin, and Montana meetings as well.

The June convention programs offer most of us the year's best opportunity to take part in the discussion of recent banking developments and current banking problems. And, of course, the prospect of visiting with old friends, and meeting new friends is always a particularly pleasant aspect of these conventions.

We sincerely hope that you plan to attend—and that we can get together with you soon.



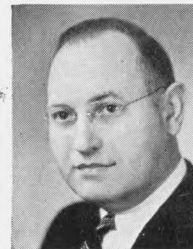
**CONVENTION SCHEDULE**

MINNESOTA BANKERS ASSOCIATION <i>Minneapolis . . . June 16-17</i>
WISCONSIN BANKERS ASSOCIATION <i>Milwaukee . . . June 21-23</i>
MONTANA BANKERS ASSOCIATION <i>Glacier Park . . . June 24-26</i>

**DEPARTMENT of BANKS and BANKERS**



Wallace L. Boss,  
*Vice President*



Elmer M. Volkenant,  
*Assistant Vice President*



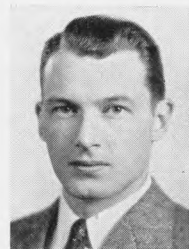
Lee A. Sauer,  
*Assistant Vice President*



Lloyd L. Leider,  
*Assistant Cashier*



Donald W. Buckman,  
*Assistant Cashier*



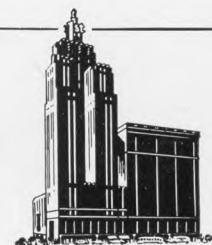
Donald L. Smith,  
*Representative*



Richard C. Lilly, *Chairman, Board of Directors*      Philip L. Ray, *Chairman, Executive Committee*  
Julian B. Baird, *President*

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**Northwestern Banker, June, 1948**

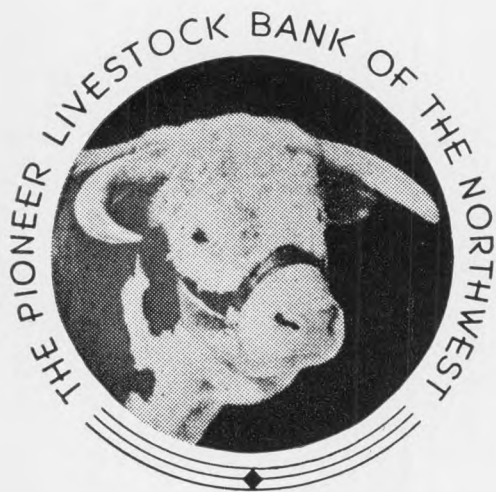
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**The Stock Yards National Bank**

South Saint Paul, Minn.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

to the board of directors of Third Northwestern National Bank of Minneapolis was announced by **George M. Christoferson, president.** Mr. Husbands will continue as vice president and cashier at Northwestern National's main office.

**Samuel F. Nelson,** former Minneapolis banker, died of a heart attack in New York recently. Services were conducted in the Lutheran church at Lanesboro, Minnesota, where he was born.

Mr. Nelson was a vice president of the old Millers and Traders State Bank of Minneapolis. At the time of his death he was associated with the Overseas Credit Corporation in New York.

The **Minnesota State Bank** of St. Paul celebrated its third anniversary recently with ceremonies in which employes and civic leaders participated. A birthday cake was presented to bank officers.

Four Minneapolis banks were hosts recently at a luncheon for 110 life insurance leaders from throughout Minnesota.

Northwestern National, First National, Marquette National and Midland National banks saluted the men who have placed in excess of \$250,000 of insurance during the past year.

Speakers were **Sam Campbell,** vice president of Marquette National; **Robert Towey,** vice president of Midland National; **Floyd Dwight,** assistant vice president of First National, and **Burns W. Swenson,** assistant vice president of Northwestern National.

**Henry T. Rutledge,** assistant vice president of Northwestern National Bank of Minneapolis, was elected to the board of directors of Asbury hospital of Minneapolis. He also was placed on the executive committee of the board.

**Alice Schneider** and **Ray Andresen** were elected vice presidents of the Girls and Group clubs, respectively, at First National Bank of Minneapolis. They will advance to the office of president next year. During the coming year the two organizations will be headed by **Hazel Nelson** and **Al Berglund,** both having been advanced to president.

**William F. Kunze,** vice president of Marquette National Bank of Minneapolis, and **M. O. Grangaard,** vice president of First National Bank of Minneapolis, have been named to the United States finance committee of International Peace Garden, Inc. Mr. Kunze is a former mayor of Minneapolis. The

organization sponsors a 2,200-acre peace garden between Manitoba and North Dakota, commemorating the friendship of the United States and Canada.

**Louis W. Hill, Sr.**, prominent in St. Paul banking and railroad activities, died recently at the age of 75. He had been ill several weeks. Services were conducted in St. Paul.

Mr. Hill, a son of Empire Builder James J. Hill, had served the Great Northern railroad in jobs ranging from clerk to chairman of the board. He retired early in 1929 from the directorate of the Northwestern Trust Company, and on February 5, 1935, he retired as chairman of the board of The First National Bank of St. Paul.

Two brothers whose interests led them into education and banking got together in Minneapolis recently to compare notes on their respective professions.

The brothers are **Philip H. Nason**, assistant cashier at First National Bank of Minneapolis, and **Dr. John W. Nason**, president of Swarthmore (Pennsylvania) college.

Dr. Nason stopped in Minneapolis before addressing Carleton College students at Northfield, Minnesota. He is a 1926 graduate of Carleton.

**Julia Cummings** of the St. Anthony Falls office of First National Bank of Minneapolis has been elected treasurer of the Minneapolis chapter, American Institute of Banking. **Harvey Petersen** of First National was elevated to first vice president from second vice president.

**Max B. Hight**, assistant secretary of the trust department at First National Bank of Minneapolis, has resigned to

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*Strength, Stability, Service*

Through years of service the First and American National Bank has met the needs of Duluth and the surrounding country. This has meant additional departments, new personnel, careful long-range planning, but only by so doing can a bank make itself a truly modern servant of its community. Today the First and American offers a complete banking service to its customers.

We are prepared to give other banks the same convenient helpful service that we offer each individual who deals with us.

**FIRST AND AMERICAN  
NATIONAL BANK OF DULUTH**  
DULUTH'S LARGEST AND OLDEST BANK

Member Federal Deposit Insurance Corporation.

Northwestern Banker, June, 1948

join the investment staff of the Mayo association at Rochester, Minnesota. He will be replaced at the bank by **Harvey N. Daniels** of the research department of First Service Corporation.

**Clarence R. Chaney**, vice president of Northwestern National Bank of Minneapolis, served as moderator at the 93rd annual meeting of the Congressional Conference of Minnesota recently at Mayflower church, Minneapolis.

Two Twin Cities bankers were among witnesses who testified at hearings before the Minnesota railroad and warehouse commission on a

Northwestern Bell Telephone Company request for telephone rate increases in eight Minnesota communities.

They are **G. S. Houston**, manager of the investment research department of First Bank Stock Corporation, St. Paul, and **Samuel H. Rogers**, vice president and investment analyst of Northwestern National Bank of Minneapolis.

**Henry S. Kingman**, president of Farmers and Mechanics Savings Bank of Minneapolis, and **Henry E. Atwood**, president of First National Bank of Minneapolis, were re-elected directors of the Soo Line railroad at the annual

meeting of the board. Mr. Kingman was elected to the executive committee to replace the late **Joseph Chapman** of Minneapolis.

Young women who participated in a search for talent contest sponsored by the St. Paul Dispatch and Pioneer Press and St. Paul Women's Institute were guests at a party in the officers club of First National Bank of St. Paul.

**J. C. Byam**, vice president of First National Bank of Minneapolis, was among speakers at a Minneapolis market forum designed to eliminate misconceptions and misinformation about the grain marketing system.

Funeral services for **Joseph Chapman**, 76, prominent Minneapolis businessman and banker, who died recently, were conducted in Minneapolis.

Mr. Chapman began a career in the banking business in 1888. From 1904 to 1907 he was cashier of Northwestern National Bank of Minneapolis. He was vice president of the bank until October, 1919.

At one time he was executive secretary of the Minnesota Bankers Association. He also was a trustee of Farmers and Mechanics Bank of Minneapolis.


Minneapolis bankers were among honorary pallbearers at his funeral. Included were **Clarence R. Chaney**, vice president of Northwestern National Bank of Minneapolis, and **Henry S. Kingman**, president of Farmers and Mechanics Savings Bank of Minneapolis.

**Arnulf Ueland**, president of Midland National Bank of Minneapolis, was elected to the board of directors of the Minneapolis Civic council for the 1948-49 term.

**Joseph F. Ringland**, president of Northwestern National Bank of Minneapolis, was elected a director of the Association of Reserve City Bankers at the organization's convention in Coronado, California.

Purchase of controlling interest of the Billings (Montana) State Bank by Northwest Bancorporation of Minneapolis was announced by **J. Cameron Thomson**, president of the Bancorporation, and **J. J. Mills**, president of the bank.

Mr. Mills becomes chairman of the board and **O. B. Silvey**, formerly president of the Daly Bank and Trust Company, Anaconda, Montana, president of the new Banco affiliate. **J. E. Vogel**, cashier, was promoted to vice president. Other officers retain their posts.



*The* BANK at the YARDS

**CARL L. FREDRICKSEN**  
President

**MARK A. WILSON**  
Vice President

**WILLIAM G. NELSON**  
Vice President

**WILLIAM C. SCHENK**  
Asst. V. Pres. and Cashier

**CLIFFORD L. ADAMS**  
Asst. Vice President.

**JOHN S. HAVER**  
Asst. Cashier

**JAMES L. SMITH**  
Asst. Cashier and Auditor

**KINLEY W. SMITH**  
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## South Dakota NEWS

A. E. DAHL  
President  
Rapid City

CARL E. BAHMEIER, JR.  
Secretary  
Huron



### Director at Rapid City

New director of the First National Bank of the Black Hills in Rapid City, South Dakota, is Robert E. Driscoll, Jr. He was elected recently at the directors' regularly monthly meeting to succeed the late George Philip.

The new director is the third generation of Driscolls to serve as a director of the bank. He is the grandson of the late Robert H. Driscoll, former president of the bank, and son of Robert E. Driscoll, Sr., the bank's current president.

Born in Lead in 1916, Mr. Driscoll graduated from Lead high school. He obtained his A.B. degree from Stanford University, Palo Alto, California, in 1937. Following graduation he worked for the American Colloid Company in Chicago for two years before deciding to become a lawyer.

He was an honor student at the University of Colorado law school, Boulder, from which he received his law degree in 1941.

Mr. Driscoll joined the army in 1942, received his discharge in 1945. Shortly afterwards he became an active partner in the Rapid City law firm of Philip, Leedom and Driscoll.

### With Frederick Bank

Kenneth Trapp of Milbank, South Dakota, who has been an examiner for the National Banking Department for more than a year, and who was previously employed by the First National Bank there, will soon re-enter the banking business.

He has accepted a position with the bank at Frederick, South Dakota, starting June 12th. He will replace one of the owners of the bank, who wishes to retire.

### Bank Employes' Picnic

Twenty-two employes of the First National Bank of Miller, South Dakota,

and their families, held a picnic at Lake Louise last month. A steak fry was enjoyed and the evening spent informally.

### Report Bank Remodeling

Plans for a \$65,000 enlargement and remodeling job on the Farmers and Merchants Bank at Huron, South Dakota, were reported last month, although the bank president, William M. Griffith, said plans still are indefinite. The reported alterations would include a 75 by 25 foot section on the rear of the building with a basement. General remodeling, plus the addition of new vaults, are included in the plans.

### Sioux Falls News

O. ENGEN, vice president and cashier of the Union Savings Bank, accompanied by Mrs. Engen, has returned from a five-week vacation at various California points including Los Angeles and San Bernardino.

Edna Jensen has taken a three-month leave of absence from her duties at the National Bank of South Dakota in order to visit with relatives and friends in Denmark. She sailed from New York City on the Gripsholm. This is Miss Jensen's first trip to the homeland of her parents, Mr. and Mrs. Hans Jensen, Viborg.

Robert Duane Scott, 23, an employe in the transit department of the First National Bank & Trust Co., was stricken last month by a fatal illness. Heart trouble was given as the cause of his death. His home was at Crooks, where his parents, Mr. and Mrs. Melvin Scott, live.

F. J. Cinkle, vice president and cashier of the National Bank of South

Dakota, is new president of the Sioux Falls Clearing House Association. W. W. Baker is association vice president and W. C. Duffy is secretary-treasurer. Mr. Baker is president of the First National Bank & Trust Co. Mr. Duffy is president of the Union Savings Bank.

The will of the late William C. Hollister, pioneer Sioux Falls banker and realtor, was admitted to probate court and the son, William G. Hollister, was named administrator of the estate. Testimony of appraisers set the value of the estate at approximately \$225,000.

The story of Sioux Falls banking activity is part of the new history of Minnehaha county written by C. A. Smith, local historian and lifelong resident of the county. Banking firms are prominent among the business institutions treated by Smith in his history, the first one of Minnehaha county to be published in nearly 50 years.

John S. Hinman, assistant cashier of the Northwest Security National Bank, was in Dallas, Texas, for the 11th mid-continent regional conference of the National Association of Bank Auditors and Comptrollers. Adolph Lodmell, vice president and assistant trust officer of that bank, attended the secretaries' council of the National Association of Real Estate Boards in Chicago.

Arthur B. Cahalan, Jr., of Miller, South Dakota, has entered the employ of the Northwest Security National Bank. A recent graduate of Northwestern University, he is the son of Arthur B. Cahalan, Sr., chairman of the board of directors of the First National Bank of Miller and a former president of the South Dakota Bankers' Association.

A Herring-Hall-Marvin rush hour depository has been installed in the lobby of the Northwestern Security National Bank.

### Council Secretary

Herbert V. Prochnow, vice president of The First National Bank of Chicago, recently was elected secretary of the Federal Advisory Council of the Federal Reserve System.

# THE NATIONAL BANK OF SOUTH DAKOTA

Huron

Sioux Falls

Vermillion

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION

**MORE MINNESOTA NEWS****Buys Belview Bank**

H. S. Aamoth, executive vice president of the Landmands National Bank of Kimballton, Iowa, has purchased controlling stock in the Belview State Bank and the residence property of Walter C. Dahl in Belview, Minnesota, and will move his family to Belview about June 15th, succeeding Mr. Dahl as cashier and active manager of the bank. Upon the advice of his physician, Mr. Dahl is retiring from active business and plans to move to California this fall.

Mr. Aamoth, a native of northwestern Minnesota, began his banking career at Flom, Minnesota, in August, 1925. He moved to Iowa five years later and entered the employ of the Citizens Savings Bank of Hanlontown, Iowa. In 1936 he moved to Thornton, Iowa, and to Kimballton in 1943, where he has since been executive vice president of the Landmands National Bank.

**Resigns at Mankato**

Announcement was made last month that A. L. Kallestad, assistant cashier of the First National Bank of Mankato, Minnesota, has resigned to accept a

position as cashier of the National Bank of Jamestown, North Dakota.

Harry M. Mackenzie, president of the First National, announced that Richard B. Jude will take over Mr. Kallestad's position as manager of the bank's Timepay Bank Credit and installment loan department.

A native of Blue Earth, Minnesota, Mr. Kallestad began his banking career there in 1927 with the First and Farmers National Bank. He went to the First National Bank of Mankato as auditor in 1942, and was elected an assistant cashier in 1945. Active in civic affairs, he has been a member of the Mankato Toastmasters Club and a director of the Mankato Credit Bureau.

Mr. Jude went with the First National of Mankato in 1939 from Maple Plain, Minnesota, and has been auditor of the bank the past year. During the war he served four years in the Army. Assigned to a tank destroyer unit, he held a captaincy at the time of his discharge.

**Promote Duluth Bank**

H. Warner Griggs has been named secretary of the Northern Minnesota National Bank of Duluth, Minnesota, it was announced last month by Lewis G. Castle, bank president.

He is the son of R. L. Griggs, chairman of the bank's board.

The post of secretary had been held by S. R. Kirby, Jr., who resigned the position to devote full time to his duties as a vice president of the bank.

During World War II, Mr. Griggs served three years in the United States Navy. He was formerly assistant vice president of the Duluth National Bank and prior to that attended Dartmouth College and the University of Minnesota.

**Wanamingo Bank High**

One of Minnesota's strong "Honor Roll Banks" is the Security State Bank of Wanamingo, which has surplus, profits and reserves of almost \$65,000, with capital of \$40,000.

Total assets of the Security State are \$2,103,583, according to its last statement.

Security State Bank officers include A. K. Syverson, president; E. E. Severeid, vice president; P. J. Langeness, vice president; C. D. Olson, cashier, and O. E. Naeseth, assistant cashier.

**Purchase Hopkins Bank**

Sale of a controlling interest in the First National Bank of Hopkins, Minnesota, to First Bank Stock Corporation was announced recently by F. H.

***We Salute Our Banker Friends*****ACHIEVEMENT****(Growth in Assets)**

January 1921, \$9,777

January 1922, \$74,273

January 1924, \$159,904

January 1928, \$256,039

January 1931, \$548,711

January 1934, \$713,967

January 1937, \$1,055,896

January 1942, \$2,394,410

January 1945, \$4,246,784

January 1947, \$6,202,488

January 1948, \$7,517,161

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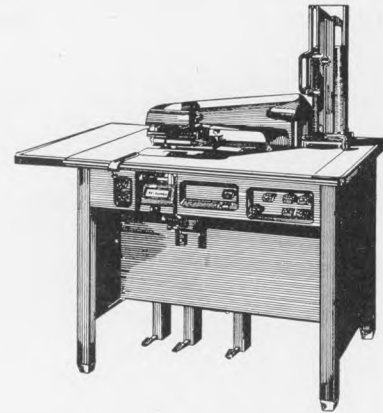
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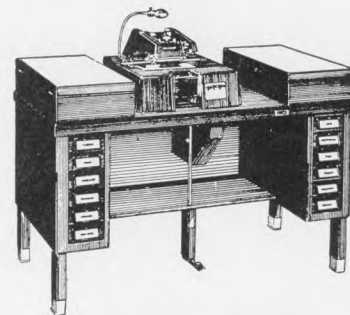


**Class 1900  
 Addressograph**

Models in this class of electrically-driven Addressographs offer users the full range of versatility of Addressograph methods, reducing expense and protecting profits and revenues in all kinds of business.

In addition to providing all fundamental advantages of Addressograph methods, Class 1900 models embody latest engineering developments which insure trouble-free production, quietness of operation, and convenience and comfort for the operator.

The machines introduce the desk-type design, with mechanism enclosed and large, unobstructed table-top. Operating speed is 100 impressions a minute.



**Class 900  
 Addressograph**  
*with Double Pedestal Desk*

Lowest-priced electric model.  
 Quiet . . . Simple . . . Fast.

Noiseless roller platen action  
 makes sharp, distinct impressions.

*Northwestern Banker, June, 1948*

Kriz and W. A. Zastrow, chairman and president of the bank, respectively, and by A. H. Kennedy, president of the corporation.

The sale culminates negotiations which have been in progress for some time. Through the purchase of this interest by First Bank Stock Corpora-

tion, the Hopkins bank becomes affiliated with 74 other prominent banks operating 79 banking offices in Minnesota, North Dakota, South Dakota and Montana. Among these banks is the First National Bank of Minneapolis.

Relations of customers with the bank will not be altered in any way,

Mr. Kriz and Mr. Zastrow stated. No changes of officers or personnel are contemplated.

Founded in 1905, the First National is Hopkins' oldest bank and the largest in rural Hennepin county. Through the years it has experienced steady growth and now has a capital structure totaling \$214,476 and deposits of \$3,874,000.

Officers of the bank, in addition to Mr. Kriz and Mr. Zastrow, are O. G. Cermak, vice president; S. H. Severson, cashier, and Mrs. D. M. Bergmann and William L. Moran, assistant cashiers. Directors include George W. Brum, Dr. J. Clute Bryant, Mrs. Angeline B. Souba and Messrs. Kriz, Zastrow, Cermak and Severson.

### Heads Mower County

G. S. Hanson, cashier of the Farmers State Bank at Elkton, Minnesota, was elected president of the Mower County Bankers Association at a recent meeting.

Vance Torgerson, cashier of the Farmers State Bank at Adams, was chosen vice president, and R. F. Lichy, vice president of the First National Bank of Austin, secretary-treasurer.

### NEWS AND VIEWS

(Continued from page 24)

Gross income for the company for the first 3 months of this year from all sales and services was \$21,625,000 compared with \$13,938,000 for the same period last year.

George L. McCarthy, the handsome president of the Recordak Corporation, just celebrated the 20th anniversary of the launching of this organization which he founded that many years ago. About one-half of all the banks in the United States are now using Recordak equipment.

A. G. Sam, president of the First National Bank in Sioux City, has been making fine progress with his institution, and in his report of April 12, 1948, the First National had a capital of \$400,000 and surplus and undivided profits of \$514,000.

Deposits have grown from December 31, 1940, when they were \$6,873,000 to April 12, 1948, when they were \$19,109,000.

The other officers of this very fine bank include: J. T. Grant, vice president; J. R. Graning, cashier; and E. A. Johnson, H. H. Strifert, K. J. Shannon, W. L. Temple, assistant cashiers, and J. Ford Wheeler, auditor.

WHEN YOU THINK OF RAPID CITY—the gateway to the beautiful Black Hills of South Dakota—

YOUR THOUGHTFULNESS in sending your customers and friends to the Rapid City National Bank will always have our sincere appreciation.

THE RAPID CITY NATIONAL is owned and thoughtfully managed by local people. From a small beginning 14 years ago, the Rapid City National is today a Twelve Million Dollar institution and the busiest bank in town.

OUR LATCH STRING is always out to bankers visiting the Black Hills. We will be happy to have you call and our friendly doors will always swing wide for you.

## The Rapid City National Bank

Member Federal Deposit Insurance Corporation

*Our best wishes . . .*

*to all Midwest Bankers  
for your 1948 convention*

*We invite you to visit our plant  
the next time you are in Sioux Falls*

TOURS 9:30 A.M. AND 1:00 P.M. EXCEPT  
SATURDAY AT 9:30 A.M. ONLY

**JOHN MORRELL & Co.**

*Established in England in 1827 • • In America since 1865*  
SIOUX FALLS, S. D.

## QUEEN CITY FIRE INSURANCE COMPANY

SIOUX FALLS

D. P. LEMEN, President

SOUTH DAKOTA

1905

Forty-three years of service

1948

**Oldest Packing Firm**

John Morrell & Company, packers of beef, pork and lamb, is the fifth largest and by far the oldest packer in the United States. Its beginning dates back to 1827 in the city of Bradford, England.

In 1868 the company established its first American packing plant in London, Canada, followed by one in Chicago in 1871. In 1877 operations were commenced in Ottumwa, Iowa, where the general offices are still located. In 1909 a plant was established in Sioux Falls, South Dakota, and another in Topeka, Kansas, in 1931. At the present time John Morrell & Company has three packing plants and sixteen branch houses employing approximately 10,000 people. In addition the company still has subsidiaries in England.

Today the large plant at Sioux Falls is one of the most compact, sanitary and up-to-date packing plants in the world, with facilities for killing 6,000 hogs, 900 cattle and 2,000 sheep daily. This plant has five branch houses and 200 salesmen covering the northern half of the United States, as well as many southern points, and ships approximately 10,000 carloads of products each year. For its employes, the company maintains a modern, well-equipped first aid department, with physician and nurses; a modern cafeteria; a monthly *Morrell Magazine*; a sports program; vacation with pay; free life insurance; a mutual aid association, and a retirement income plan.

**BANK MACHINE SURVEY**

(Continued from page 19)

have not decreased our help since installing it, it has not been necessary to increase our force, and even with inexperienced help we are able to do our work easier and faster. We have had but one service call in eighteen months.

"We have also installed National Cash Register flat posters. We believe all posting machine manufacturers will eventually come to them. The posting is absolutely uniform, but the main advantage is that with the rapid turnover of help that most banks have had since the war an inexperienced operator can learn to operate the machine readily. The ledger sheet is placed on the table of the machine in the same position each time, and you have merely to push a key for a check, a deposit, or a balance and don't have to worry about the carriage being in the right position. Also, there is no worry about the alignment. It is not necessary that you place the checks and deposits in the machine in any certain manner, which permits the

**Convention Greetings**

Officers and Directors of this bank and its branches in BROOKINGS, CHAMBERLAIN, DELL RAPIDS, GREGORY, HURON and MADISON extend warm greetings to our many friends and customers in South Dakota and adjoining states who will attend the 1948 Joint Convention of the . . .

**SOUTH DAKOTA  
AND  
NORTH DAKOTA  
BANKERS ASSOCIATIONS**

. . . to be held June 11-12 in the Twin Cities . . .



Remember, too, that your correspondent account is welcome here at "South Dakota's Leading Bank!"



**NORTHWEST SECURITY NATIONAL BANK**

of Sioux Falls, South Dakota

Capital Funds \$2,000,000.00

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- Stationery                      Office Supplies
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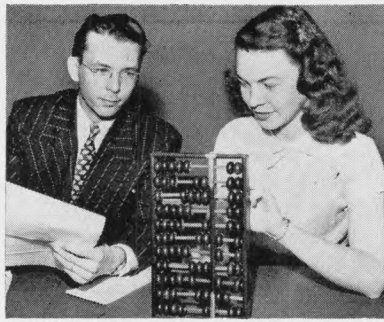
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222 South Phillips Avenue

Sioux Falls, South Dakota

posting of a check and a deposit and back to a check again where one has been overlooked without the moving of any carriage. We find our errors have decreased and feel that this is due to the simplicity of the operation of the machine. In the past we were using two machines and have increased this to three, thereby lightening the work on any one operator and making her available for other work.

"We have installed a new Addressograph which we use for heading our statement sheets. We keep our plates up to date at all times, ordering plates monthly before new statements are made up. Our statement sheets are headed in three places: on the state-



**FROM THE ORIENT**—An ancient oriental calculating device fits strangely into modernistic surroundings at The City National Bank and Trust Company of Kansas City, Missouri, where **Bruce Johnston**, and his assistant in the bank's foreign department, **Miss Patricia Hunt**, are shown operating an abacus. The machine, an arrangement of wooden beads on eleven rods, was sent to Johnston by a Hong Kong banker, with whom he has had dealings.

ment, on the service charge attached to the statement, and also on the analysis of the account. In that way our service charge slip is headed when the statement is made up.

"With our installations we feel that we have been able to maintain a higher standard of bookkeeping and also make our bank a better place for everyone to live and work."

**W. R. STORRS**

**Assistant Cashier, City National Bank  
(Population 43,000—Deposits \$9,970,000)  
Council Bluffs, Iowa**

"We are a bank with between 10 and 11 million dollars of total assets. We are fully mechanized in the following departments:

"(1) Commercial bookkeeping department, with four posters and necessary adding machines.

"(2) Proof department, with a central proof machine and a portable adding machine.

"(3) Installment loan department, with a window posting machine and an adding machine.

"(4) Discount and FHA department, with a special eight register machine for posting liability and FHA ledgers, plus needed adding machines.

"(5) Savings department, a window posting machine and auxiliary adding machine.

"(6) Transit department, a Microfilming machine, an adding machine and an endorsing machine.

"(7) Miscellaneous with a postage meter, a portable electric check cancelling machine, an Addressograph other necessary adding machines, dictating machines, typewriters, etc.

"Much of the above equipment has been purchased and installed in the past two and one-half years. The commercial posting machines and the check cancelling machine are replacements of former equipment. Most of the others are new additions, installed because of a carefully thought out program of mechanization. We are confident that we now have equipment that will make for a flexible set-up, permitting use of a minimum staff and tending toward greater accuracy, speed and better customer reaction.

"The installation of a central proof machine and microfilming equipment produced tangible savings greater than we had anticipated. Prior to the installation we were using four full-time employes and one part-time employe in our combined proof and transit department. In spite of an increased volume over the time of installation we are now operating the department with only two full-time employes. Further consolidations can be made in event of a sharp slump in volume. To detail all the results obtained from modern machinery and how they were accomplished would require writing a manual of our operations. Suffice it to say that our program is functioning satisfactorily with but a few kinks to be ironed out. Anyone wanting more detail is welcome to write or visit us.

"To use mechanical equipment to its greatest advantage requires a study of the capacity and adaptability of the machines used. Bank accounting machines appear expensive. A machine that is not producing near its capacity or that is not used for nearly all the operations to which it is adaptable, is not paying the return on the investment that it should. We watch our operating methods closely and are frequently experimenting with new ideas. The results are sometimes quite surprising."

# Diebold

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Now includes

**York Vaults—McClintock Alarms**

*Canton 2, Ohio*

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BURGLAR ALARMS • SAFES,  
CHESTS AND VAULT DOORS  
MICROFILM • ROTARY, VERTICAL  
AND VISIBLE FILING EQUIPMENT**

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*Nation-wide Service  
by Factory Trained Experts*

**Factory Branches in  
CHICAGO, DES MOINES  
and ST. PAUL**

**Banks and Bankers** will find this institution especially well equipped to handle their Chicago accounts. Our complete facilities are at the disposal of all in need of this service.

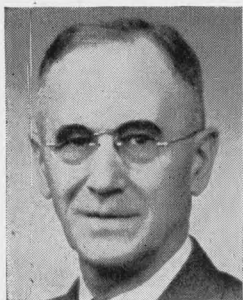
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**F. A. FOLEY**  
President  
Rolla

## North Dakota NEWS



**C. C. WATTAM**  
Secretary  
Fargo

### New Cashier at Walhalla

Ed Lorenz has been named cashier of the Walhalla State Bank at Walhalla, North Dakota, succeeding L. C. Fischer who was elected vice president of the bank. S. A. Fischer remains president of the Walhalla institution.

Mr. Lorenz had been employed by the bank previously and before his first affiliation with the Walhalla State Bank had worked for the Northwestern Bank at Langdon, altogether accounting for 12 years of banking experience.

More recently he had been associated with the Walhalla Motor Company and has served on civic and social committees.

### Former Governor Dies

Former North Dakota governor and congressman, Louis B. Hanna, died at his home in Fargo recently. Mr. Hanna had been ill during the past few months but more recently was reported in better condition.

Early in his business career he founded the private bank in Page which later became the First National Bank of Page. In June, 1889, he was elected to the vice presidency of the First National Bank of Fargo, which relationship he maintained for several years before selling his interests. He also served a six-year period as a director of the Federal Reserve Bank of Minneapolis. After a number of years of public service in North Dakota as state representative and senator, he was elected congressman at large from North Dakota in 1909 to the United States Senate. In 1913 he was elected governor of North Dakota, being re-elected to a second term which was completed in 1917 when he entered Red Cross service as a volunteer foreign service executive field director. For his services in France he was decorated by the French government.

Mr. Hanna held wide land and financial interests throughout North Dakota and the Pacific Northwest and was reputed to be one of North Dakota's richest men.

### Manages Bank

During the past month, Ben Meier,

vice president of the Bank of Hazelton, North Dakota, has been in charge of the bank while Cashier Herman E. Klautt was on vacation on the west coast.

Mr. Meier bought controlling interest in the bank the first of this year.

### Resigns at Jamestown

George Anderson has resigned his position as cashier of the Jamestown National Bank at Jamestown, North Dakota, to accept a position with Warner and Company in Fargo. Mr. Anderson has been cashier at the bank for seven years. At the same time he announced his resignation as company commander of Company H of the National Guard in Jamestown.

### JOINT CONVENTION

(Continued from page 21)

#### Friday Evening, June 11th For the Ladies

6:30-7:10 Assemble in Traffic Club rooms off lobby of Nicollet Hotel.

7:10-7:20 Busses leave for Woman's Club, 410 Oak Grove Street.

8:00 Welcome on Behalf of Twin

City Clearing House Banks—M. O. Grangaard, vice president, First National Bank, Minneapolis.

8:05 Presenting Fashions in Loveliness, with demonstrations in hairstyling and make-up—Myn-dall Cain.

9:00 Arleth Hasberle, Radio Personality of Radio Station WCTN.

9:30 Intermission

9:45 Refreshments.

10:15-10:30 Busses leave for hotels.

#### Saturday Afternoon, June 12th

12:15 Luncheon and Style Show—Young-Quinlan, 901 Nicollet Avenue, Little Auditorium, Fourth Floor.

### Director of Chase National

Leroy A. Lincoln, president of the Metropolitan Life Insurance Company, was elected a director of the Chase National Bank at a recent meeting of the Chase board, it was announced by Winthrop W. Aldrich, the Chase chairman. Mr. Lincoln succeeds Frederick H. Ecker, chairman of the Metropolitan Life, who had been a member of the Chase board for 31 years prior to his resignation. Mr. Ecker will maintain his close affiliation with the Chase National Bank by serving as a member of the real estate committee of the bank and as a member of the advisory committee of the bank's Metropolitan Branch.

In accepting Mr. Ecker's resignation, the board passed a resolution of appreciation for his unique and outstanding service to the bank.

Mr. Lincoln has been president of Metropolitan Life since 1936 and an officer of the company for 30 years.

# Announcing

## OUR 70th ANNIVERSARY

Organized in 1878, the FIRST NATIONAL BANK AND TRUST COMPANY of Fargo, is proud of its continuous association with the other banks of North Dakota. We are looking forward to meeting old friends and making new acquaintances at our convention in the Twin Cities, June 11-12.

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OF FARGO, NORTH DAKOTA

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**UNITED STATES**  
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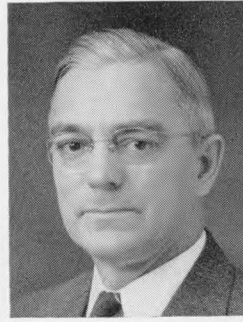




**J. O. PECK**  
President  
Columbus

## Nebraska NEWS

**CARL G. SWANSON**  
Secretary  
Omaha



### Honor J. J. DeLay

J. J. DeLay, president of the DeLay National Bank of Norfolk, Nebraska, whose first job in a bank paid him \$15 a month, was showered by his friends with letters, telegrams and bouquets last month in observance of his forty-fifth anniversary in the banking business. DeLay bank employes presented him with an attractive lamp.

His first job was assistant cashier in the Dixon State Bank. Soon after beginning that work he was given an increase in pay to \$25 a month. In addition to his pay he was permitted to sleep in the bank building.

He later was employed by the Hayden State Bank and Corn Exchange National Bank at Omaha, and from 1912 to 1917 was with the state banking department in South Dakota. He first became a bank president in 1917, the institution being at Beresford, South Dakota.

Mr. DeLay opened the DeLay National Bank, one of the leading financial institutions in that section of the country, in 1930. He is also president of the First National Bank at Beresford and the Bank of Madison, Nebraska. Deposits in the DeLay National Bank are approximately \$10,000,000 and combined deposits of the three banks are about \$15,000,000.

Mr. DeLay has in the past organized a number of banks in South Dakota, Iowa and Nebraska, all of which hold the distinction of having paid depositors 100 cents on the dollar.

As a young man his ambition was to be a doctor. After spending several years studying medicine he changed his plans and became a banker, at which he has been highly successful.

### On Beatrice School Board

W. W. (Bill) Cook, cashier of Beatrice National Bank of Beatrice, Ne-

braska, was elected head of the school board to succeed Andrew Overgard who resigned after 16 years.

### Frans Nelson

Frans Nelson, 88, former pioneer resident of Hartington, Nebraska, and Cedar county, died at his home in Long Beach, California, recently. He was quite prominent in Nebraska financial circles for a number of years.

Mr. Nelson was born in Sweden, moved to the United States with his parents, settling in Cedar county, and was reared in that section of the country. After receiving a college education at Yankton, South Dakota, he returned to Nebraska, later becoming affiliated with the First National Bank in Hartington where he served as cashier and president.

During his banking career he established a number of banks in Nebraska, and in 1910 founded the Commonwealth Life Insurance Company and the Commonwealth Building and Loan Association, both with headquarters in Omaha. Upon his retirement in the early 1920's, he moved to California where he again went into business, this time engaging in real estate transactions and building of new housing subdivisions. In California he was chairman of the Eagle Oil and Refining Company.

### Takes Navy Course

M. C. Bonham, assistant cashier at the State Bank of Table Rock, Nebraska, spent two weeks at Fort Leavenworth, Kansas, last month, taking a refresher course in the Navy school there. Mr. Bonham, whose rank in the U. S. Naval Reserve is lieutenant, is in charge of Naval Reserve activity in his section of the state.

### Speaks at Convocation

Richard W. Trefz, president of the Beatrice State Bank at Beatrice, Nebraska, was the principal speaker at a Doane College student convocation recently.

His subject was "America's Chance and Challenge."

### C. J. Abbott Honored

Christopher J. Abbott, Hyannis, Nebraska, rancher and banker, was elected one of the two vice presidents of the United States Chamber of Commerce in Washington, D. C., recently. Emil O. Shreve, vice president of General Electric, was re-elected as president.

### Lincoln Figures Up

Bank clearing figures in Lincoln, Nebraska, for the month of April totaled \$28,726,245, an increase of \$507,731 over the March total, and a jump of \$1,519,590 over April of last year, the Lincoln Clearing House Association disclosed last month.

Clearings for the first four months of 1948 amounted to \$114,523,060, as compared with \$109,397,369 for the same period in 1947.

### Resigns at Columbus

J. O. Thielen has resigned as a teller in the Central National Bank at Columbus, Nebraska, after more than 12 years of service in that capacity. He and Mrs. Thielen and son, Robert, have left for Berkeley, California, where they expect to make their home.

Succeeding him as teller at the Central National is Oliver Barjenbruch of Leigh, who has had seven years of experience in the Bank of Leigh from which he resigned a few weeks ago.

### New Bank at Franklin

Recently the stockholders of the proposed new bank at Franklin, Nebraska, met and elected officers. The bank has been named the Campbell State Bank.


The following stockholders were elected as directors: Earl VanSteenberg, Guy Danker, Dr. L. S. McNeill, Leo L'Heureux and Oliver Collison.

The board of directors elected Dr. L. S. McNeill, president; Leo L'Heureux, vice president, and Earl VanSteenberg, cashier.

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Northwestern Banker, June, 1948



**KENNETH G. HARVEY**, president of the Douglas County Bank of Omaha, who is chairman for Douglas County of the Security Loan Drive, has named **W. Dean Vogel**, vice president of the Live Stock National Bank of Omaha, as chairman of the community division of the county campaign. Representatives of 15 Omaha service clubs attended a meeting in Omaha to stimulate the sale of United States Savings Bonds.

**T. F. Green**, cashier of the Bank of Valley, was named county chairman of rural solicitation. He held a similar post in the major war loan drives.

The **Money-Sunk Investors** were hosts recently at their annual dinner for wives of members. The event was held at the Omaha Club.

**Arthur L. Coad**, president of the Packers National Bank of Omaha, has been elected president of the Omaha Chapter of Te Deum.

**Daniel J. Monen**, vice president in charge of the trust department of the Omaha National Bank, addressed the Creighton University School of Law in Omaha at the first of a series of three lectures on the practical application of trust administration. He is vice president of the Creighton Alumni Association.

Nine members of a four-state procedure committee were appointed by **E. N. Van Horne**, president of the Fed-

eral Land Bank of Omaha, to meet in Omaha to present the views of the 200 national farm loan associations in Nebraska, Iowa, South Dakota and Wyoming. Each of the nine is a secretary-treasurer of a cooperating farm loan association.

**John H. Patton**, son of Dr. J. M. Patton and formerly associated with Burns, Potter & Co., Omaha investment bankers, has joined the Omaha office of the investment firm of Paine, Weber, Jackson & Curtis, according to **Wilbur Fullaway**, manager of the firm's Omaha offices. Mr. Patton is a graduate of Grinnell College. The Omaha office of Paine, Weber, Jackson & Curtis is sales headquarters for the company's Omaha district.

The Nebraska Investment Bankers Association at its recent meeting in Omaha elected the following directors:

**James McCloud**, president; vice presidents, **Harold Polian**, **Ferdinand Smola**, **Raymond McGrath** and **Cecil Slocum**.

**Warren Chiles** was named secretary and **Edward Sorensen**, treasurer.

**Joseph W. Seacrest** of Lincoln, co-publisher of the Nebraska State Journal there, has been named a director of the Omaha Branch, Federal Reserve Bank of Kansas City.

Mr. Seacrest succeeds **L. E. Kurtz**, president of Fairmont Foods, Inc., of Omaha. Mr. Seacrest's term will continue until December 31, 1949.

**Fred Wallace** of Gibbon is chairman of the board of the Omaha Branch, which serves Nebraska and Wyoming. Mr. Seacrest's appointment was announced by the Federal Reserve Board in Washington.

**Omaha banks** handled check transactions totaling \$1,428,579,000 in the first three months of 1948. This was a gain of 5.1 per cent over the first quarter of 1947.

**Christina McGaffin** and **William Feser** were elected to the board of governors of the Omaha Chapter, American Institute of Banking, at the annual meeting recently.

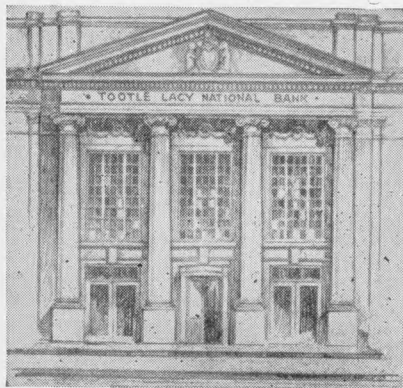
**John Lauritzen**, assistant vice president of the First National Bank of Omaha, has been named treasurer of the Omaha campaign committee of the Crusade for Children. **Howard Drew** is co-chairman of the Omaha drive.

**Ray R. Ridge**, a senior vice president of the Omaha National Bank, was one of three Nebraskans who invited Baron Silvercruys, Belgian ambassador to the United States, to attend the Thirty-fifth Division Reunion in Omaha early in June. Mr. Ridge, as president of the Omaha Chamber of Commerce; **Oliver Roberts**, Chamber general manager, and **Senator Hugh Butler** of Nebraska issued the invitation in Washington.

The ambassador told the group he hoped to attend, possibly accompanying **President Truman** to Omaha.

**Richard H. Mallory**, a vice president of the United States National Bank and president of the Omaha Downtown Kiwanis Club, and **Victor L. Toft**, Kiwanis vice president, will be delegates to the thirty-third annual convention of Kiwanis International June 8-10 in Los Angeles.

**Mrs. Victor B. Caldwell, Jr.**, wife of a vice president of the United States



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**MILTON TOOTLE**  
PRESIDENT

**FRED T. BURRI**  
CASHIER

**R. E. WALES**  
VICE PRESIDENT

National Bank of Omaha, and **Mrs. Dale Clark**, wife of the president of the Omaha National Bank, were elected vice president and treasurer, respectively, of the Omaha Tuesday Musical Club at the annual meeting. **Mrs. Herbert H. Davis** was elected president. The meeting was held at the home of **Mrs. Roy Page**. Mrs. Clark is beginning her second year in office.

**Marshall C. Dillon**, master teller of the Live Stock National Bank, was elected assistant cashier at a recent



**MARSHALL C. DILLON**  
Promoted at Live Stock National

directors' meeting. Mr. Dillon, a native of Omaha, has a service record of 33 years with the Live Stock National Bank. Entering the bank's service as statement clerk, he was appointed master teller in 1938.

He is married and has two daughters, Mrs. James P. Fabick of Des Moines and Mrs. Richard Q. Crotty of St. Louis, Missouri.

Bankers were among the speakers at the National Conference on Land Use in Omaha recently. They took part in a series of forum discussions.

They included **A. G. Brown**, deputy manager of the American Bankers Association; **C. W. Bailey** of Clarksville, Tennessee, past president of the A.B.A.; **Darryl R. Francis**, agricultural economist for the Federal Reserve Bank of St. Louis, Missouri; **W. W. Campbell**, past president of the Arkansas Bankers' Association and vice president of the A.B.A., and **O. Dooley Dawson**, vice president of the Second National Bank of Houston, Texas.

The Omaha City Council has given permission to the Omaha National Bank to construct a sidewalk with built-in heating pipes on the west side of the bank building.

The installation, which City Building Engineer **Rodman Brown** called the first of its kind in Omaha, will prevent ice from forming and will thaw snow.

President **V. J. Skutt** of the Omaha Community Chest has announced the

formation of a procedure committee to review a report now being undertaken on the Chest and its 31 agencies.

**W. Dale Clark**, president of the Omaha National Bank, will head the procedure committee. It will review the survey of Chest activities being completed by the Citizens' Service Committee. **Allen T. Hupp** is chairman of the service group.

District stockholder meetings of the Omaha Bank for Cooperatives were held recently at Columbus, Kearney and Fairbury. **President T. F. Tobin** said that managers and directors of all co-ops were invited.

To mark their silver wedding anniversary, **Mr. and Mrs. Ray R. Ridge** recently were hosts at a cocktail party at the Omaha Club. Mr. Ridge, a senior vice president of the Omaha National Bank, is president of the Omaha Chamber of Commerce.

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CH. OF THE BOARD

**E. H. SCHOPP**  
ASST. CASHIER

**E. L. CRUME**  
ASST. CASHIER

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*Northwestern Banker, June, 1948*

**Kenneth G. Harvey**, president of the Douglas County Bank of Omaha in suburban Benson, has been named Douglas County advisory chairman to the United States Savings Bond Division. **Allen T. Hupp** is state advisory chairman.

**W. P. Adkins, Sr.**, 86, veteran South Omaha business man and civic leader, and former president and a director of the Live Stock National Bank of Omaha and of the Commercial Savings and Loan Association, died recently at his home.

**S. D. Thornton, Jr.**, 66, formerly associated with the Federal Land Bank of Omaha for 16 years and secretary recently of the National Farm Loan Association at Hartington, Nebraska, died recently at Hartington. Burial was at Neligh, Nebraska.

**Mrs. Wallace Spear** and her daughter, Sara, have been spending six weeks in Florida. They were at St. Petersburg most of the time. Mrs. Spear is the wife of the trust officer of the First National Bank of Omaha.

**Mrs. J. T. Stewart, III**, chairman of the Women's Committee for the Ak-Sar-Ben Ball, left recently for the east to look at costume designs and materials, to choose gowns for next fall's

coronation ball. Before going to New York, she stopped at Katonah, New York, to visit relatives. She was to spend a week-end at Durham, North Carolina, with her daughter, Miss Gertrude Stewart, a junior at Duke University.

Mrs. Stewart is the wife of the vice president-cashier of the First National Bank of Omaha.

**Miss Mercedes Caldwell**, daughter of Mr. and Mrs. Victor B. Caldwell, Jr., and **William Loring** of Omaha were married at St. Barnabas Episcopal Church in Omaha. The bride's father is a vice president of the United States National Bank of Omaha.

**Miss Barbara Mallory** and **Robert Alexander** of Park Ridge, Ill., also were married at St. Barnabas. The bride's parents are Mr. and Mrs. Richard H. Mallory. Mr. Mallory also is a vice president of the United States National Bank.

### Seward Deposits High

The four banks in Seward county, Nebraska, have deposits totaling \$11,827,686, according to official statistics released last month.

The two national banks at Seward have deposits amounting to \$38,427,328, while the national bank at Utica and the State Bank at Milford list deposits of another \$3,400,358.

### Promotions at Columbus

Officer changes in the staff of the Columbus Bank at Columbus, Nebraska, announced recently include the advancement of Julius F. Zastera to the position of vice president. Mr. Zastera had been an assistant cashier at the bank since 1942. Paul W. Abegglen was elected assistant cashier to fill this vacancy.

Elmer L. Bradley is president of the Columbus Bank, Ben McNair is vice president and cashier, and Arthur Klug is the other assistant cashier, along with Mr. Abegglen.



## Lincoln LOCALS

**B**ECAUSE of present day economic conditions, the extension of bank credit should be confined largely to loans that will further production rather than increase consumer demand, in the opinion of **Richard Rapport** of Hartford, Connecticut. He made the suggestion in one of the feature addresses at the annual conference in Lincoln of district No. 4, Association of State Bank Examiners. The district comprises Colorado, Kansas, Nebraska, Wyoming, Montana, New Mexico, Oklahoma and Texas. Mr. Rapport is president of the national association.

According to the speaker, the aggregate of loans made by commercial banks has been on the decline during the past eight weeks. At the same time, he added that this condition is due, in part, to a desire on the part of bankers to adhere to a program outlined last November by federal and state bank examiners urging members "to exercise extreme caution" when making loans.

Mr. Rapport also pointed out a need for examiners to continue fighting inflation. This can best be done, he explained, by continuing close scrutiny and classification of loans, watching

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due dates, and noting carefully all aspects of real estate and farm loans.

Other speakers at the conference were **Carl B. Sebring**, Oklahoma state bank commissioner; **Gordon Lindley**, assistant bank commissioner of Kansas; **J. M. Falkner**, Texas commissioner; **B. A. Welch**, Kansas commissioner; and **Dr. Karl Arndt**, professor of economics at the University of Nebraska.

**J. F. McLain**, Lincoln, Nebraska, director of banks and district chairman, presided at the meetings, and also at a dinner for which the Kansas City Federal Reserve Bank was host. **D. W. Wooley**, vice president of the host bank was a special guest, as were Lincoln banking officials.

Chairman McLain, chairman of the association, and **Frank Kunch**, chief small loan examiner of the Nebraska banking department, were the main speakers at the final session of the conference. Mr. McLain urged the importance of co-operative approaches by examiners trying to solve banking problems. Mr. Kunch told of the growth and development of small loan businesses through the personal loan departments of banks.

**Wheaton Battey**, vice president of the Continental National Bank, and president of the Lincoln Chamber of Commerce, announced recently that **Sam C. Waugh**, president of the First Trust Company, here, has been re-appointed as a member of the United States Chamber of Commerce national affairs advisory committee. Mr. Waugh also is a national counselor of the U. S. Chamber, representing Lincoln.

**Mr. and Mrs. Walker S. Battey** have announced the engagement and approaching marriage of their daughter, **Miss Beverly Battey**, to **Rodney R. Smith** of South Sioux City, Nebraska. A June wedding is being planned.

Miss Battey is attending the University of Nebraska, where she is a member of Kappa Alpha Theta sorority, and Delta Phi Delta, honorary art fraternity. Her father is vice president of the Continental National Bank.

Aggregate resources of Nebraska's 283 state banks showed a decline of \$22,737,130 from the first of the year to April 12th, **J. F. McLain**, state banking director, has announced. Reversal of the trend in this state started fol-

lowing the October 6, 1947, comptroller's call, but is in line with conditions in eastern states. Director McLain leans to the belief that the decline resulted from withdrawals to pay income taxes, along with heavier borrowings by farmers arranging to hold their assets, and businessmen to increase inventories.

While assets of the 283 banks were showing declines, capital surplus and undivided profits accounts gained \$704,461, \$173,950, and \$341,244 respectively. Time deposits, and government deposits also were higher, the former up to \$35,709,247 from \$34,324,864. The latter account showed a gain of \$8,743,832.



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M. E. BLANCHARD, Cashier	H. H. BROADHEAD, JR., Asst. Cashier

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Yes, we've the advantage of experience with some age on it. That tempering factor is important in sound banking, but we're also young in ideas . . . always looking for a new

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At the Bank of Friendly 24-Hour Service you get service at the drop of a hat—that means 24-hour transit service that saves as much as a day in most transactions.

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## Iowa NEWS



**FRANK WARNER**  
Secretary  
Des Moines

### Hardin County Meeting

The Hardin County Bankers Association held its second meeting of the year recently in Union, Iowa. Fifty-three members and guests heard Governor Robert Blue speak on "Iowa's Future Economics."

C. W. Conn, vice president of the county association and vice president of the Union-Whitten State Savings Bank in Union, presided over the meeting. He introduced Lafe Young of the FHA office in Des Moines, who described the work of the FHA in connection with banks. J. H. Peterman, bank director of the U. S. Savings Bond Division of the Treasury Department, also was introduced and he launched Hardin county on its current Security Loan Drive.

### Re-elect Merrill Officers

Stockholders of the Farmers State Bank of Merrill, Iowa, held their annual meeting last month, at which time all officers and directors were re-elected. Officers of the bank are H. J. Harms, president; George B. Main, vice president, and M. O. Nelson, cashier.

### Harrison County Meeting

Representatives of all nine Harrison county banks attended a meeting last month with 59 in attendance. H. L. Young of the FHA in Des Moines, and Donald M. Roberts of the FHA in Harlan were speakers.

### 60th Anniversary

The Onawa State Bank, Onawa, Iowa, which was opened for business May 15, 1888, last month passed the 60th year since its founding. In its 60th year of operations the Onawa State Bank, whose president is Allen E. Muir, passed the \$4,000,000 in deposits.

### Hold Annual Meeting

Directors of the Iowa State Bank at Clarksville, Iowa, were re-elected last month, as were all the officers. The official staff is made up of W. F. Busching, president; H. W. Reints, vice president; Clint Varnum, cashier, and

George W. DeBuhr and Carl Ressler, assistant cashiers.

### Iowa Auditors to Meet

The Iowa Association of Bank Auditors and Comptrollers will hold its annual meeting and election of officers at the Wakonda Club in Des Moines on June 26th.

### Manages Loan Division

Clarence H. Lawson, a native of Wilton Junction, Iowa, has been appointed manager of the installment loan department of the First Trust & Savings Bank, Davenport, Harold R. Bechtel, president, announced last month.

He fills a position that has been executed in the past by T. L. Vinyard, who was recently elected a vice president of the bank and is now devoting his attention to banking duties.

### Goes to Burlington Bank

Dale Kelley, assistant cashier of the Henry County Savings Bank at Mt.



**Howard L. Johnson**, who joined the staff of the Security National Bank of Sioux City last year as trust officer has been elected a vice president of the bank by the board of directors. Mr. Johnson will continue as head of the trust department.

Pleasant, Iowa, and for many years cashier of the Danville State Savings Bank, has been elected cashier of the Farmers & Merchants Savings Bank in Burlington.

### Resigns as Cashier

Frank C. Burke, cashier and long-time employe of the First National Bank of Missouri Valley, Iowa, last month announced his resignation.

Mr. Burke also announced that he will continue in business in Missouri Valley in a full time insurance agency operated by himself.

Appointment of a successor to Mr. Burke as cashier has not been announced.

### Sells Boyden Interests

S. G. Vanden Brink, vice president and cashier of the Farmers Savings Bank at Boyden, Iowa, has sold his interests in the bank to Henry and Leonard Rensink. Mr. Vanden Brink has been associated with the bank since June, 1912, with the exception of two years of army duty. He expects to complete his duties in the bank by the middle of this month. President of the Farmers Savings Bank is John Rensink, Sr.

### Returning to Hanlontown

Melvin T. Rye of Forest City, Iowa, has purchased the stock of E. E. Ronglin in the Citizens Savings Bank of Hanlontown. Mr. Ronglin is president of the bank and had acquired his interest in the bank from Mr. Rye three years ago. Mr. Rye will return to active management of the bank. Associated with him will be Marion O. Hall, who remains as cashier, and Nellie M. Rye, who has been vice president.

### With Keota Bank

Sama Manatt has been elected executive vice president of the Security State Bank of Keota, Iowa, following his purchase of a substantial block of stock in the institution. Other officers of the bank will remain the same, with W. F. Stoutner as president; John E. Leinen and Marvin F. Beery, vice presidents; Howard A. Stowell, cashier, and Thomas B. Mills and Sally Mayer, assistant cashiers.

Mr. Manatt is formerly of Kalona and Iowa City. He is a graduate of the University of Iowa law school and during the past 14 years has specialized in legal matters pertaining to agricultural credit with the U. S. Department of Agriculture. He is moving his family from Lincoln, Nebraska.

### Elect New Officers

G. L. Weissenburger was elected president of the Security State Bank of Keokuk, Iowa, last month, succeeding B. A. Gronstal of Council Bluffs, who had previously sold his interests there. R. J. McCleary continues as executive vice president of the bank. Mr. Weissenburger and James Huiskamp, Jr., were elected to the board of directors.

### Three Officers Advanced

Promotion of three officers and election of two new officers at the City National Bank of Council Bluffs have been approved by the board of direc-

tors, President Robert W. Turner announced last month.

Ira L. Hays, cashier, and Ronald H. Tornblom, assistant cashier, were named vice presidents, and Charles R. Hannan, assistant cashier, was elected cashier, succeeding Mr. Hays.

Tellers Jack C. Bell and Jack W. Schlemmer were both elected assistant cashiers. The board also accepted the resignation of Erik R. Hansen, assistant cashier, who left the bank to join a business machine firm.

### Credit School Opening

Iowa bankers and those of surrounding states have been reminded again

by the office of the Iowa Bankers Association of the annual two-week Agricultural Credit School which will run from June 14th through June 25th at Iowa State College in Ames. Curriculum for the course has been released, showing a complete complement of studies covering all practical phases of farm work in relation to bankers. One entire day the second week is devoted to a field trip and making a farm plan.

Although many schools and banker associations throughout the country offer some type of training in agricultural and farm credit for bankers, it is believed this particular school gives the most complete coverage of that important field.

Graduation exercises for those bankers finishing their second year at the school will be held June 25th, at which time all Iowa bankers are invited to attend the school and participate in any class or activity of the school. On the speaking platform at the banquet the evening of June 25th will be Warren Garst, Vivian Johnson, Leo Wegman and Harold Brenton.

### Add New Teller's Cage

An additional teller's cage was installed at the Commercial State Bank in Marshalltown, Iowa, recently, to meet the demands of increasing business. Extensive remodeling of the bank has been postponed indefinitely, according to G. H. Clark, president.

The recent statement of the Commercial State Bank shows it to be in excellent condition, with deposits in excess of \$4,500,000. Other officers of this bank are F. E. Brewer, vice president; L. G. Hix, cashier, and Russell W. Day, assistant cashier.

### Undergoes Operation

Willis Johnson, eastern Iowa representative of the United States Checkbook Company, underwent an operation in a Cedar Rapids hospital last month and is reported to be recovering rapidly. He was to remain in the hospital for three weeks and then be at his home for a month. Mr. Johnson will probably be visiting Iowa bankers again some time during the summer.

### Add Two Directors

E. H. Crow and Charles Mountain were elected to the board of directors of the West Des Moines State Bank last month. Forrest Galbraith, executive vice president of the bank, at the same time announced the appointment of George Snider as a teller. Mr. Snider has been city clerk for two years. H. S. Chase is president and is a director along with Ray Spencer and William Berg.



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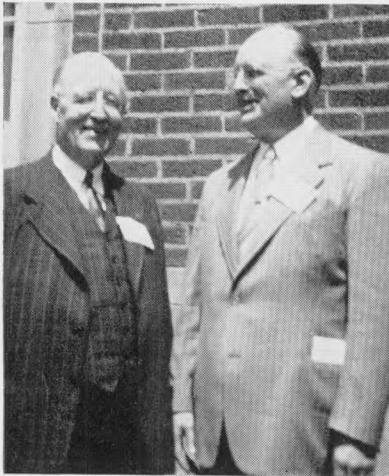
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*Northwestern Banker, June, 1948*



W. W. Blasier, President, Iowa Bankers Association and president, Farmers State Bank, Jesup, Iowa, and L. F. Kruse, Chairman of Group 5 and president, Mineola State Bank, Mineola, Iowa.

## Group Meeting Gossip

Who Was There and What  
They Said at the 1948  
Iowa Group Meetings

By **CLIFFORD DE PUY**  
Publisher,  
**THE NORTHWESTERN BANKER**



J. H. Peterman, Deputy State Director for Iowa U. S. Savings Bonds Division, U. S. Treasury Department, Des Moines, and W. L. Crumley, president Dallas County Bankers Association and Cashier of Dallas County Savings Bank, Minburn, Iowa.

**D**URING May a number of Group Meetings were held by Iowa Bankers, and the first half of these gatherings are reported in this issue of the *NORTHWESTERN BANKER*, and reports of the second half will appear in the July issue of the *NORTHWESTERN BANKER*.

### Group 8—Clinton

The new officers of Group 8 are: **E. L. Wegman**, vice president, Citizens Savings Bank, Anamosa, chairman and **J. Yvo Floerchinger**, De Witt, executive vice president, De Witt Bank and Trust Company, secretary.

**Bruce Townsend**, president of the City National Bank, Clinton, and retiring chairman of Group 8, presided at the luncheon and very ably introduced the speakers.

**L. J. Derflinger**, president of the Clinton National Bank and president

of the Clinton County Bankers Association, welcomed the bankers to the meeting and said that it had been 14 years since the Group had met in Clinton.

**Miss Marjorie Graybill** was not only beautiful herself, but did a "beautiful job" of leading the Clinton High School 60 member a cappella choir in several very fine songs.

**W. Bill Blasier**, president of the Iowa Bankers Association, and president of the Farmers State Bank of Jesup, has proven himself to be the "Edgar Guest" of the banking fraternity by very effectively quoting poetry to illustrate a part of his very interesting address.

In addition to his poetry, President Blasier made these observations:

"A banker is an adviser as well as a sympathizer.

"We must do something to reduce the over-supply of money and the under-supply of goods, so we can prevent further inflation.

"It is just as important, if not more so, for the small banks as well as the large banks to promote friendly public relations with their customers and prospects.

"Let's tell the people that the banks and not the government supplies the money to the Federal Deposit Insurance Corporation for their protection."

**N. P. Black**, state superintendent of banking for Iowa, discussed some of the legal questions facing bankers today, and reviewed some of the figures of the 558 state banks, comparing the December 31, 1947, call with the April 12, 1948, call.

At the end of 1947, deposits in state banks in Iowa were at an all time peak of \$1,607,000,000, and on April (Turn to page 68, please)

## At the Iowa Group Meetings →

**SALARIES, SECURITY BONDS AND SAFETY DEPOSIT SERVICES** were all discussed at the recent Iowa Group Meetings by the bankers shown on the opposite page, who from left to right are:

1. **C. K. Cullings**, secretary of Group 5 and president, Exchange State Bank, Exira, Iowa; **Dr. J. O. Christianson**, superintendent of School of Agriculture, State University of Minnesota, St. Paul, Minnesota; **Charles W. Langmade**, assistant cashier, First National Bank, Council Bluffs, and **W. L. Spencer**, president, Oakland Savings Bank, Oakland, Iowa.

2. **Hugh R. Kirkpatrick**, The Chase National Bank, New York, and **William L. Temple**, assistant cashier, First National Bank, Sioux City, Iowa.

3. **Robert Burns**, secretary, Clinton County Bankers association, assistant cashier, Clinton National Bank, Clinton; **Emil Johannsen**, treasurer, Clinton County Bankers Association, assistant cashier, City National Bank, Clinton, and **L. J. Derflinger**, president, Clinton County Bankers Association, and president, Clinton National Bank.

4. **H. C. Houghton, Jr.**, president, Houghton State Bank, Red Oak; **John M. McCumber**, vice president, Stock Yards National Bank of South Omaha, and **Cole H. Houghton**, assistant cashier, Houghton State Bank, Red Oak, Iowa.

5. **Mrs. Robert Henstorf, Jr.**, and **Robert Henstorf, Jr.**, cashier, First National Bank, Farragut, Iowa, and president, Southwestern Iowa Bankers Association.

6. **G. M. Barnett**, chairman of Group 6, and president, Guthrie County State Bank, Guthrie Center, Iowa, and **C. S. Johnson**, vice president, Dallas County Bankers Association, executive vice president, The First National Bank of Perry, Iowa.

7. **Charles H. Griesa**, vice president, Inter-State National Bank, Kansas City, Missouri, and **George D. Wood**, president, First National Bank, Council Bluffs.

8. **E. L. Wegman**, chairman, Group 8, vice president, Citizens Savings Bank, Anamosa, and **Mrs. E. L. Wegman**.

9. **C. D. Clausen**, president, Iowa Junior Bankers Association, assistant cashier, Citizens National Bank, Boone, Iowa, and **L. A. Good**, assistant cashier, City State Bank, Ogden, Iowa.

*Northwestern Banker*, June, 1948



**GROUP MEETING GOSSIP**

(Continued from page 66)

12, 1948, they were \$1,527,000,000 or a decline of 80 million dollars.

This was not surprising, according to Mr. Black, since federal and state taxes paid by Iowans in the first 3 months of this year totaled more than \$260,000,000 or 71 million dollars more than in the same period last year.

On December 31, 1941, deposits in state banks were \$589,000,000, thus deposits have increased nearly 3 times in state institutions since the war.

**J. H. Peterman**, Iowa deputy state director of the Savings Bond Division of the United States Treasury Depart-

ment, spoke on the necessity for purchasing United States Security Bonds in order to help prevent inflation, and said:

**"Bond-A-Month and Payroll Savings Plans are the two things that can lick inflation.**

**"It is important to distribute the national debt as widely as possible . . . and more important that the nation's debt is held by wage earners the nation over . . . rather than in the hands of large corporations.**

**"The citizens of this country must be taught to save again. If each wage earner sets aside part of his wages regularly the inflationary pressure will be cut down."**

**Robert H. Nicholaus**, vice president, Iowa Junior Bankers Association, and assistant cashier, Wilton Savings Bank, Wilton Junction, also gave a very interesting talk before the bankers of Group 8.

On the way from Clinton to the next Group Meeting at Oskaloosa, about 20 bankers were entertained at a delicious catfish dinner in Muscatine, given by **B. L. McKee**, executive vice president, **F. W. Allen**, cashier, and **R. H. Isensee**, assistant cashier of the Muscatine Bank and Trust Co.

Par for the course at "Ina Mae's" was 1 catfish each, but some of the bankers who had never enjoyed a catfish dinner before, raised their score to 2 and 3 "fish per each."

**Frank Warner**, the very able and efficient secretary of the Iowa Bankers Association, discussed the necessity of a more careful check on the protection of safety deposit boxes based on a recent survey which the Association has made.

Mr. Warner also emphasized the desirability of making banking more attractive to young people so that they would wish to enter the banking business in their own communities rather than finding employment elsewhere.

**Dr. J. O. Christianson**, superintendent of School of Agriculture, State University of Minnesota, St. Paul, spoke at each of the group meetings and presented many points of value to every banker present.

Among other things, Dr. Christianson said, **"It is more important what things we belong to, than what things belong to us."**

**Group 10—Oskaloosa**


**George Garton**, executive vice president of the First State Bank of Chariton, was elected chairman of Group 10, and **C. C. Williamson**, vice president of the First Trust and Union Savings Bank of Sigourney, was elected secretary.

Although the day was a little "cold and chilly," a good many of the ardent golfers tried out the Elmhurst Country Club.

The meeting was called to order by **Oliver Anderson**, chairman of Group 10, and cashier of the Farmers Savings Bank of Fremont.

The session was held at 7:00 p. m. at the Country Club.

Welcome to the bankers was given by **G. S. Krouth**, president of the Iowa Trust and Savings Bank, and also

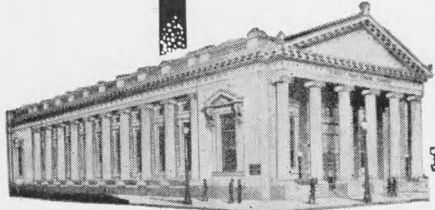


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president of the Oskaloosa Chamber of Commerce, and following his remarks the regular evening program was conducted.

**Group 6—Perry**

G. M. Barnett, president of the Guthrie County State Bank of Guthrie Center, was elected chairman of Group 6, and William Buxton, III, president of the Peoples Trust and Savings Bank of Indianola, was elected secretary.

In the absence of N. P. Black, superintendent of banking, who was in Chicago on business, Hugh R. Jackson, deputy superintendent of banking for Iowa, spoke on the general banking situation in Iowa and said that, "we must quit blowing into the balloon of inflation or it will break."

C. D. Clausen, assistant cashier of the Citizens National Bank of Boone, and president of the Iowa Junior Bankers Association, spoke on public relations, and said "Bank operation should be thought of as having 4 main functions . . . money, service, education and promotion.

"Our public relations should extend outside the bank as well as inside. The time has come once again when we should go out of our way to stimulate our customers' good will.

"Education pertaining to banking should be developed in our schools through visual education.

"Radio should be used to tell the people of our communities the purposes of banking and something of its operation."

L. M. Lanning, cashier of the City State Bank of Madrid, conducted a group discussion on the question of having banks close one afternoon each week.

**Group 5—Council Bluffs**

L. F. Kruse, president of the Mineola State Bank of Mineola, and chairman of Group 5, called the meeting to order at the luncheon gathering, following which the bankers were welcomed by Edwin H. Spetman, vice president of the Council Bluffs Savings Bank.

In addition to the regular speakers, who had been appearing on previous programs, Robert Henstorf, Jr., cashier of the First National Bank of Farragut, spoke on "A young banker's

view on banking," and among other things said:

"1. There is a lack of young men going into the banking business in rural communities today.

"2. What will happen when the government gets out of the business of guaranteeing loans?

"3. Banking is the least understood

by the public of any business.

"4. Salaries and working conditions in banks must be adjusted so they can compete with other businesses in the same locality.

"5. If we continue to have fewer and fewer young men in country banks, this will lead to chain banking."—The End.



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Northwestern Banker, June, 1948

### Resigns Cashier Post

Edward Pressler has resigned as cashier of the Security State Bank of New Hampton, Iowa. Mr. Pressler has not announced his future plans and no successor was appointed to succeed him as yet.

### Moves to Everly

Robert G. Lexvold, assistant cashier of the Farmers Trust and Savings Bank at Spencer, Iowa, last month was elected to succeed Carl Chalstrom at the Everly State Bank of Everly. Mr. Chalstrom has been executive vice president and cashier of the bank since its organization four years ago.

### Elect County Officers

John Thede, cashier of the Dixon Savings Bank, Dixon, Iowa, was elected president of the Scott County Bankers Association at the annual meeting held in Donahue. Grover Roehlk of Donahue is the retiring president.

Other officers chosen were: A. H. Hiegel, vice president of the Daven-

port Bank & Trust Company, vice president; B. F. McGee, assistant cashier of the Northwest Bank & Trust Company, Davenport, treasurer, and Glen H. Suiter, assistant cashier of the Farmers Savings Bank of Princeton, secretary.

### With Chatsworth Bank

Henry C. Linduski, associated with the Live Stock National Bank of Sioux City for a number of years, resigned recently to take over management of the Chatsworth Savings Bank, replacing Cashier A. R. Laudi, who was forced to retire from the bank because of failing health.

Mrs. Linduski is also with the Chatsworth Bank now as assistant cashier, taking the place of Ethel Davison.

### County Association Elections

Several county bankers associations in Iowa held annual meetings and elections recently. Following are latest available reports:

#### Boone County

Morris F. Miller, vice president of the Boone State Bank and Trust Company, was elected president of the Boone County Bankers Association, succeeding C. W. Anderson, executive vice president of the City State Bank at Madrid. Leonard A. Good, assistant cashier of the City State Bank, Ogden, and A. T. Donhowe, Jr., of the same bank, were re-elected vice president and secretary-treasurer, respectively.

#### Bremer County

L. H. Fink, cashier of the American Savings Bank at Tripoli, Iowa, was

elected president of the Bremer County Bankers Association; Howard C. Stevens, cashier of the Farmers State Bank at Plainfield, was named vice president, and S. C. Kimm, cashier of the Denver Savings Bank, was re-elected secretary. The meeting took place in Summer.

#### Grundy County

At the annual meeting held last month in Grundy Center, Iowa, I. T. Parkhurst, vice president of the Farmers Savings Bank of that city, was named president of the Grundy County Bankers Association. G. H. Ballard, cashier of the Peoples Savings Bank at Wellsburg, is retiring president. Other officers elected are: Marvin Graves, assistant cashier of the Iowa Savings Bank at Dike, vice president, and H. D. Martin, cashier of the First State Bank at Conrad, secretary-treasurer.

#### Jones County

Elected president of the Jones County Bankers Association recently was Leonard J. Wegman, vice president of the Citizens Savings Bank at Anamosa. Ralph L. Orth, cashier of the Citizens State Bank at Wyoming, became vice president; Adolph Stampe, assistant cashier of the Onslow Savings Bank, is secretary, and George Paulsen of the same bank is treasurer. Guy C. Martin, cashier of the Farmers Savings Bank at Martelle, and retiring vice president of the association, conducted the business meeting, which was held at Wyoming.

#### Sioux County

Sioux county bankers met at Hawarden last month and elected C. F. Sheel, president of the Hoppers Savings Bank, as their new president. He succeeds C. A. Slife, cashier of the Farmers State Bank of Hawarden. C. T. Juffer, cashier at the Security Savings Bank in Ireton, was elected vice president, and E. V. Slife, assistant cashier of the Farmers State Bank of Hawarden, was named secretary-treasurer.

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## To Manage Kimballton Bank

Dewey Kuiken of Delmar, Iowa, has purchased the stock owned by H. S. Aamoth in the Landmands National Bank of Kimballton, Iowa, and has been elected executive vice president. He succeeds Mr. Aamoth, who recently purchased the controlling stock in the Belview State Bank of Belview, Minnesota, and will move to Belview the latter part of this month.

Mr. Kuiken plans to take up his duties at Kimballton early in June. Both Mr. and Mrs. Kuiken are natives of western Iowa and before going to Delmar in 1945, Mr. Kuiken was employed as manager of the Maurice office of the Northwestern State Bank of Orange City, Iowa.

## BANKERS YOU KNOW

(Continued from page 25)

Mr. McDonnell was born at Altheimer, Arkansas, November 20, 1894. He attended public schools in Little Rock, and received his university education at Vanderbilt University in Nashville, Tennessee. In 1917, he was graduated from Vanderbilt with an LL.B. degree and was awarded the Founders Medal. He was married to Carolyn Vanderbilt Cherry, October 26, 1921, and they have a son, Sanford N. McDonnell, and a daughter, Mrs. David W. Black.

A recounting of Mr. McDonnell's activities other than his banking duties is evidence of the vitality and genial, attractive personality he possesses at the Federal Reserve Bank. In 1944, he joined the Mercantile-Commerce Bank and Trust Company of St. Louis

as vice president. In April, 1947, Mr. McDonnell accepted his election as executive vice president of the First National Bank of St. Louis and became its president at the annual meeting this year.

In the banking field alone, he served as president of the Arkansas Bankers Association in 1939-40; as executive councilman of the A.B.A. from Arkansas from 1942-44; as resolutions committee chairman at the 1943 A.B.A. convention; as chairman of the bank management commission for the A.B.A. from 1942-46, and is a member of the Association of Reserve City Bankers.

Mr. McDonnell has served on practically every type of civic and public welfare organization and more recently was elected vice chairman of the board of directors of the St. Louis Chamber of Commerce. He is a director of the St. Louis Union Trust Company, American Central Insurance Company and McDonnell Aircraft Corporation.

In spite of his extensive activities with his own business and with these many civic and public groups, Mr. McDonnell never misses an opportunity to step on a golf course any place. He has won numerous gold trophies in amateur tournaments. He is just as ardent a duck hunter as he is a golfer.

## Looked Natural

Barber: Haven't I shaved you somewhere before?

Sailor: Nope. I got that scar in the Battle of Lingayan Gulf.

## Meet Mr. H. S. Aamoth



Mr. Aamoth has purchased the controlling stock in the Belview State Bank and the residence property of Walter C. Dahl in Belview, Minnesota, and will succeed Mr. Dahl as Cashier about June 15th.

Upon advice from his physician to "take it easy" Mr. Dahl recently disposed of his farm near Belview. We received authority to provide a purchaser for his bank stock and residence on April 26th, decided that Mr. Aamoth was the logical purchaser, presented the opportunity to him, arranged an appointment, met him at Belview six days later and personally negotiated the sale.

Mr. Aamoth was born, reared and educated in Northwestern Minnesota. He took his first bank position at Flom in August, 1925. Five years later he entered the employ of the Citizens Savings Bank at Hanlontown, Iowa. In 1932 he married Blanche Henrickson of Ulen, Minnesota, moved to Thornton, Iowa, in 1936, and to Kimballton, Iowa, in 1943, where he has since been the Executive Vice President of the Landmands National Bank.

The purchase of the controlling stock of the Belview State Bank by the Aamoths represents the realization of a long cherished ambition to return to their native state and to acquire a bank of their own. We are happy to have had a part in helping to make their dream come true.

Mr. Dewey Kuiken of Delmar, Iowa, has purchased Mr. Aamoth's stock in the Landmands National Bank at Kimballton and will succeed Mr. Aamoth as Executive Vice President. Yes, we made that sale too. This bank has \$50,000 capital, \$50,000 surplus, \$41,466 profits and \$2,394,120 in deposits as of April 12th.

Consult us in confidence and without obligation when you plan to buy or sell a bank or an interest therein carrying an active executive position.

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Capital ----- \$ 150,000  
 Surplus ----- 100,000  
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## Bechtler Once Did Large Business in Private Coins

Man Who Came from Germany Issued \$2,241,850 Worth in Nine Years

THE most industrious of private coiners who established mints in early America was Christopher Bechtler. In 1830 he emigrated from Germany with his family and settled in Rutherfordton, North Carolina.

Christopher Bechtler and his son, August, were skilled metal workers. At that time, North Carolina was the gold producing center of the United States and it was not long before the Bechtlers found an opportunity to use their skill in handling metals. There was a long-felt need for a circulating media other than the gold dust and the scant supply of federal and state currency. So this enterprising German, with the help of his son, constructed a coining press and began to coin native gold. Their first coins, \$2.50 and \$5 gold pieces, appeared in

1831. Next year they added the \$1 denomination to their output.

Their coins were 20-carats or better fine, and of honest weight. The citizens welcomed these much-needed coins and it was not long before miners from North Carolina, South Carolina and Georgia brought their gold to Bechtler to be coined.

Bechtler coins circulated in the southwest for many years. Although they were not government coins they received the same consideration and local banks would always accept them at face value.

Very few have escaped the melting pot and the few that are in the hands of coin collectors are highly prized.—By Stuart Mosher, Editor of *The Numismatist*.

## Des Moines News

JOHN B. MONAHAN, assistant cashier in charge of new accounts at the Bankers Trust Company, was elected president of the Des Moines chapter of the American Institute of Banking at that group's annual meeting and election of officers last month. The dinner-dance meeting was held at the Hotel Kirkwood and attended by 125 members and their guests.

Other officers elected were: First vice president, **Arnold Dressler**, auditing department, Central National Bank and Trust Company; second vice president, **John Bauserman**, head

paying teller, Valley Bank and Trust Company; treasurer, **J. Roy Ferguson**, teller, Iowa-Des Moines National Bank; secretary, **Phyllis Carpenter**, bookkeeping department, Bankers Trust Company.

**Robert W. McGee** of the savings department at the Valley Bank and Trust Company was awarded the A.I.B. \$100 scholarship for scholastic achievement. Mr. McGee wrote a perfect examination paper concluding his current school year and had a perfect attendance record for all meetings. **Frances Holcomb** of the trust department at the Iowa-Des Moines National Bank also received 100 per cent on her examination paper. It is the first time that present members of the Des Moines A.I.B. recall that a perfect exam paper has been written.

The Des Moines Chamber of Commerce, whose president this year is **Richard R. Rollins**, sponsored a Good Will Tour around Iowa last month.

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 OMAHA



Mr. Rollins is an investment counselor representing Sheridan-Farwell and Morrison, Inc. A number of Des Moines bankers participated in the Tour, including **Erwin Jones** and **George Jorgensen**, vice presidents of the Iowa-Des Moines National Bank;

## CONVENTIONS

- June 7-11, American Institute of Banking, Annual Convention, Buffalo.
- June 10-12, Colorado Bankers Association, Annual Convention, Glenwood Springs, Hotel Colorado.
- June 11-12, North Dakota and South Dakota Joint Convention in the Twin Cities, Hotel Nicollet.
- June 15-16, Annual Convention, Minnesota Bankers Association, Minneapolis.
- June 16-17, Annual Convention, Minnatan, Annual Convention, Sheridan.
- June 19-July 3, Graduate School of Banking, Rutgers University, New Brunswick, New Jersey.
- June 21-23, Wisconsin Bankers Association, Annual Convention, Milwaukee, Hotel Schroeder.
- June 24-26, Montana Bankers Association, Annual Meeting, Glacier Park, Many Glaciers Hotel.
- June 24-26, Michigan Bankers Association, Annual Convention, Mackinac Island, Grand Hotel.
- July 8-10, Nebraska Bankers Association Clinic, Crete, Doane College.
- August 16-28, Financial Public Relations School of Public Relations, Chicago, Northwestern University.
- August 23-September 4, Central States School of Banking, University of Wisconsin, Madison.
- September 22-24, National Association of Supervisors of State Banks, Annual Meeting, Louisville, Kentucky, Hotel Brown.
- September 22-24, Mortgage Bankers Association, 35th Annual Convention, New York City, Hotel Commodore.
- September 24-26, Association of Bank Women, Annual Convention, Detroit, Hotel Fort Shelby.
- September 26-29, American Bankers Association, Annual Convention, Detroit.
- Oct. 24-27, Annual Convention Iowa Bankers Association, Des Moines, Hotel Fort Des Moines.
- November 4-5, A.B.A. Mid-Continent Trust Conference, Chicago.
- November 10-11, Nebraska Bankers Association, Annual Convention, Omaha, Hotel Fontenelle.
- November 29-December 2, Financial Public Relations Association, Annual Convention, Hollywood, Florida, Hollywood Beach Hotel.

**Edward Kautzky**, vice president of the Valley Bank and Trust Company; **Nevin Lee**, vice president of the Bankers Trust Company, and **Emmet Johns**, vice president and **Dale C. Smith**, assistant cashier of the Central National Bank.

Two hundred and sixteen members of the **Iowa Des Moines National Bank** staff and their guests attended the annual bank summer party last month at Wakonda Club. The dinner was followed by an evening of dancing.

Attending the annual meeting of Reserve City bankers in Coronado, California, last month, were **Ed F. Buckley**, president of the Central National Bank and Trust Company, and **Albert J. Robertson**, vice president of the Iowa-Des Moines National Bank.

**Roy Capps**, vice president of the Central National Bank, wrote a letter to **Publisher Clifford De Puy** of the **NORTHWESTERN BANKER** last month in which he says he and Mrs. Capps traveled to Taos, New Mexico, instead of staying in Hot Springs as previously planned. Mr. Capps says:

"Several days after arriving here in Taos they (intense sandstorms) ceased. So now we are enjoying this perfect mountain air. I am sure the germs in my lungs cannot continue to live on the fine sand and alkali dust I have been forced to breathe, so I should soon be in form to return to my desk in good old Des Moines. This is a wonderful country in which to recuperate."

**Ed Kautzky**, vice president of the Valley Bank and Trust Company, attended the annual convention of the National Association of Credit Men in Cleveland last month.

Offices of the Iowa Bankers Association in the Liberty Building are being extensively remodeled and rearranged to afford better facilities to meet the growing demands of the Association's office. The office of **Secretary Frank Warner** has been enlarged so as to provide a meeting room for Association committees when such meetings are to be held in Des Moines.

### General Sales Manager

Cummins Business Machines Corporation, Chicago, announces the appointment of **Leslie G. Langille** as general sales manager.

Les Langille has a solid background of 21 years of sales leadership exclusively in the office equipment field. He started in the sales organization of Pitney-Bowes in Chicago and later was promoted to branch manager for Pitney-Bowes in Milwaukee.

When Langille joined Marchant Calculating Machine Company in 1944 as manager of the Kansas City branch, he had had no previous experience in



LESLIE G. LANGILLE  
To Head Sales

the calculating field. Yet during his three years as head of this division sales volume showed such an amazing improvement that he earned Marchant's accolade of "Man of the Year" in 1947.

### C. A. Smith Retires

Harvey D. Gibson, president of Manufacturers Trust Company, announced the retirement of **Charles A. Smith**, vice president, at an officers' dinner last month.

Mr. Smith started with the bank on May 1, 1899, then known as The State Bank, when he was employed as a messenger. Working his way through the bank's many departments, he was promoted to executive vice president and director at the time **Harold Richard**, now a director of Manufacturers Trust Company, was promoted to president. Upon his retirement Mr. Smith was vice president at the bank's head office and will be remembered by his many friends in the diamond, jewelry, railroad and correspondent bank fields.

### Assistant Director

The appointment of **James M. Rountree** as assistant director, banking and investments, United States Savings Bonds Division of the Treasury Department, was announced by **Vernon L. Clark**, the division's national director.

Mr. Rountree, widely known throughout the country in financial circles, has been with the U. S. Department of Commerce for the past three years, serving as chief of its Finance and Tax Division of the Office of Small Business.



# In the DIRECTOR'S ROOM



**Second to None**

"She his best girl?"  
"No, just necks best."

**Not Any More**

"In the army they'll send you abroad six months after you join up."  
"Don't you believe it! I was in the Pacific for two years and never even saw a white woman."

**Rough, Too**

First Cow: What do you think of the new farm hand?  
Second Same: I think he's an awful jerk.

**Doesn't Mean a Thing**

"I don't know whether to recognize him here in the city or not. Our acquaintance at the seashore was very slight."  
"You promised to marry him, didn't you?"  
"Yes, but that's all."

**Fast Worker**

Father: All day you've been changing that dollar into silver, then back to a bill. What's the idea, son?  
Junior: Well, sooner or later somebody's gonna make a mistake and it ain't gonna be me!

**Not Permanent**

"Shay, lady, you're the homeliest woman I ever shaw."  
"Well, you're the drunkest man I ever saw."  
"I know, lady. But I'll get over it in the morning."

**No Loss Ratio**

"So Mabel has been married five years. Has she kept her figure?"  
"Kept it? She's nearly doubled it!"

**Happy Now**

"Do you still wake up with a grouch?"  
"No, I got a divorce."

**On Duty**

1st Policeman: Did you get that guy's number?  
2nd Same: No, he was going too fast.  
1st: Boy, that was a honey he had in the car with him!  
2nd: Wasn't she!

**Bare Facts**

Teacher: Describe the manners and customs of the people of South Africa.  
Student: They ain't got no manners and they don't wear no costumes.

**They Never Find It**

"How do you keep your children out of the cookie jar?"  
"Lock the pantry and hide the key under the soap in the bathroom."

**Crawl In**

Observer: How old are you, sir?  
Aged Mourner: I'm 98.  
Observer: Hardly worth going home, is it?

## INDEX OF ADVERTISERS

June, 1948

**A**

Addressograph Sales Agency.....51  
Allied Mutual Casualty Company.....40  
American Express Company.....36  
American National Bank and Trust Co. 33

**B**

Bankers Service Company, Inc.....71  
Bankers Trust Company—Des Moines...75  
Banks, William H., Inc.....71  
Burroughs Adding Machine Company... 9

**C**

Central National Bank—Chicago.....70  
Central National Bank and Trust Co.—  
Des Moines .....16  
Central National Insurance Company of  
Omaha .....59  
Chase National Bank..... 8  
City National Bank and Trust Co.—  
Chicago .....54  
Continental National Bank—Lincoln...61

**D**

Davenport, F. E. and Company.....61-72  
DeLuxe Check Printers, Inc.....37  
Des Moines Building, Loan and Savings  
Association .....70  
Diebold, Inc. ....54  
Drovers National Bank.....69

**F**

Farmers Mutual Hail Insurance Co  
of Iowa .....40  
Figge, Vavra and Company.....37  
First and American National Bank—  
Duluth, Minn.....47  
First National Bank—Chicago..... 6  
First National Bank—Minneapolis.....42  
First National Bank—Omaha.....60  
First National Bank—St. Louis.....32  
First National Bank—St. Paul.....45  
First National Bank—Sioux City.....68  
First National Bank and Trust Co.—  
Fargo .....55  
First St. Joseph Stock Yards Bank.....61  
First Wisconsin National Bank.....31

**H**

Hammermill Paper Company.....10  
Harris Trust and Savings Bank.....30  
Holley, Dayton and Gernon.....47  
Hollinbeck Stamp and Coin Company...72  
Home Insurance Company..... 7  
Honor Roll Banks.....28-29

**I**

Investors Syndicate.....34  
Iowa-Des Moines National Bank.....76  
Iowa Lithographing Company.....70  
Iowa-Nebraska Bank Directory.....11

**K**

Kalman and Company.....46  
Koch Brothers.....72

**L**

LaMonte, George and Son..... 3  
Lessing Advertising Company.....72  
Live Stock National Bank—Chicago...65  
Live Stock National Bank—Omaha.....62  
Live Stock National Bank—Sioux City..48

**M**

Merchants Mutual Bonding Company...41  
Merchants National Bank..... 2  
Midwest Beach Company.....53  
Minnesota Commercial Men's Assn....41  
Morrell, John and Company.....52  
Modern Fixture Company.....60

**N**

National Bank of South Dakota.....49  
National Bank of Waterloo.....64  
National Cash Register Company..... 5  
National City Bank of New York..... 4  
Northwest Security National Bank.....53

**O**

Omaha National Bank..... 27

**P**

Policyholders National Life Insurance  
Company .....50  
Public National Bank and Trust Co.....33

**Q**

Queen City Fire Insurance Company...52

**R**

Rapid City National Bank.....52  
Richter Personnel.....47

**S**

St. Paul Mercury Indemnity Co..... 38  
St. Paul Terminal Warehouse Co.....12  
Scarborough and Company.....39-57-69  
Security Savings Bank—Marshalltown..72  
Stock Yards National Bank—  
South St. Paul.....46

**T**

Tension Envelope Corporation.....72  
Tootle-Lacy National Bank.....58-59

**U**

United States National Bank.....56

**W**

Walters, Charles E., Company.....60  
Western Mutual Fire Insurance Co.....40  
Wheelock and Cummins.....36

Northwestern Banker, June, 1948



S<sub>uccess</sub> in banking

is not built on resources alone, but

on skillful management of resources.



**BANKERS TRUST CO.**

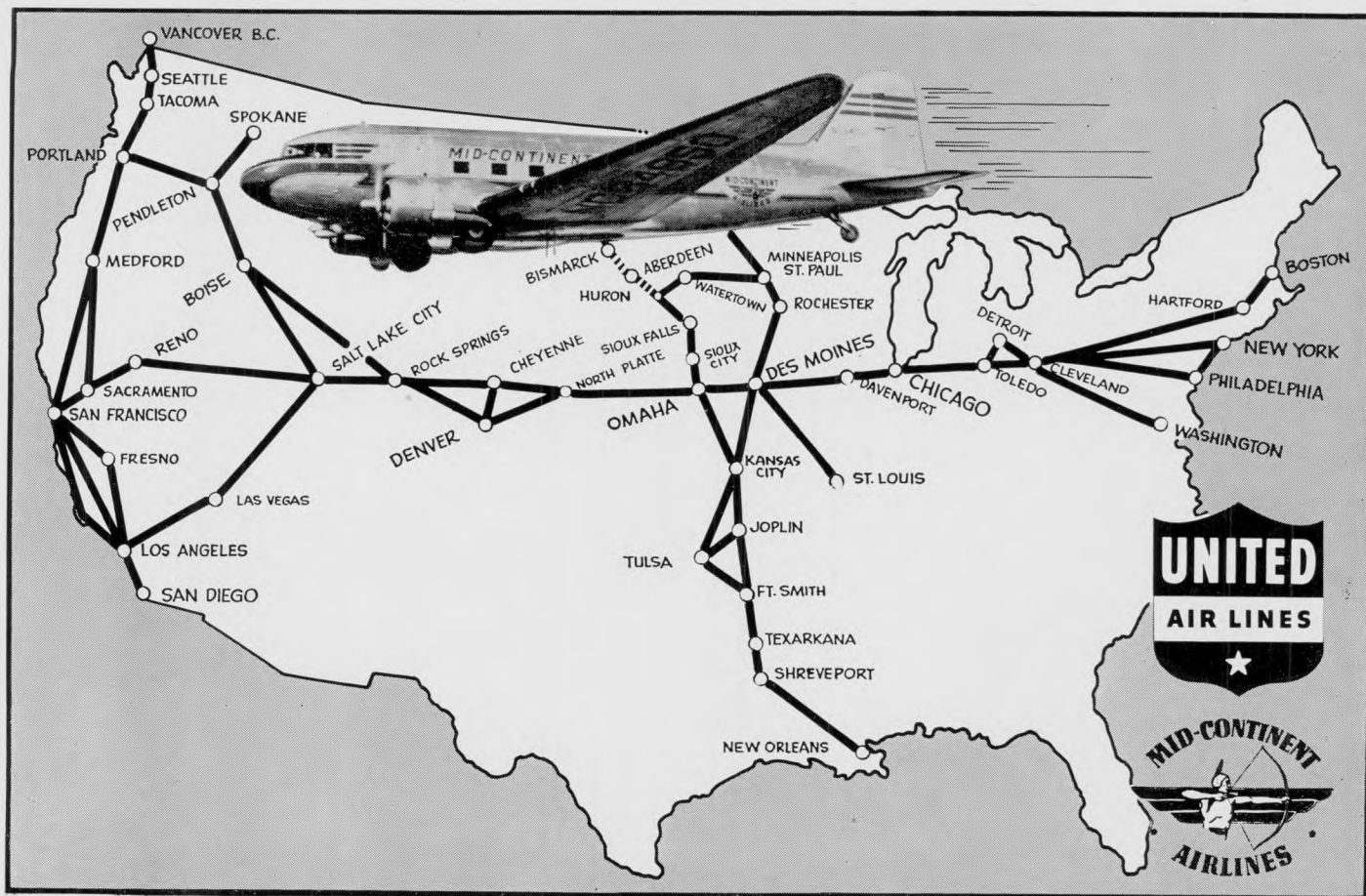
6th and Locust



Des Moines

*Member Federal Deposit Insurance Corporation*

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## Additional Flights Speed Transit Service!

Fast nation-wide transit and collection service is made possible by Des Moines' location at the junction of two important air lines . . . United's transcontinental East-West route and Mid-Continent's North-South system.

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Few cities enjoy the advantage of **direct service** by two major air lines, in addition to excellent railroad connections in all directions.

You and your Bank are cordially invited to use the fast, complete and dependable correspondent facilities provided by Iowa's Largest Bank to insure first-class banking service for your customers.



**A Strong, Dependable Correspondent Connection**

# IOWA-DES MOINES NATIONAL BANK

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