

NORTHWESTERN *Banker*

JULY
1948



**How to Make
Inventory Loans
With Safety—Page 21**

NEW PRESIDENTS OF THREE STATE ASSOCIATIONS—Page 15

Statement of Condition, June 30, 1948

UNITED STATES DEPOSITARY

RESOURCES

| | |
|---|-----------------|
| Loans and Discounts..... | \$11,500,457.06 |
| United States Government Securities..... | 26,299,000.00 |
| State, County, and Municipal Bonds..... | 20,514,991.98 |
| Other Bonds | 831,133.84 |
| Overdrafts | 17.55 |
| Bank Premises | 848,826.92 |
| Cash on Hand, Due from Banks and U. S. Treasurer..... | 22,517,018.63 |
| | <hr/> |
| | \$82,511,445.98 |

LIABILITIES

| | |
|-------------------------|-----------------|
| Capital Stock | \$ 500,000.00 |
| Surplus | 3,600,000.00 |
| Undivided Profits | 555,076.51 |
| Deposits | 77,856,369.47 |
| | <hr/> |
| | \$82,511,445.98 |

*A Cedar Rapids Bank
Servicing The Midwest*



**THE
MERCHANTS NATIONAL
BANK**



OFFICERS

- | | |
|--|---|
| JAMES E. HAMILTON, Chairman Executive Committee | R. W. MANATT, Vice President |
| S. E. COQUILLETTE, Chairman of the Board | L. W. BROULIK, Vice President |
| JOHN T. HAMILTON II, President | PETER BAILEY, Cashier |
| MARK J. MYERS, Vice President | R. D. BROWN, Assistant Cashier |
| GEORGE F. MILLER, Vice President and Trust Officer | O. A. KEARNEY, Assistant Cashier |
| MARVIN R. SELDEN, Vice President | STANLEY J. MOHRBACHER, Asst. Cashier |
| FRED W. SMITH, Vice President | EVERETT C. PRATT, Assistant Cashier |
| | C. F. PEREMSKY, Assistant Cashier |
| | VICTOR W. BRYANT, Assistant Cashier |
| | JAMES E. COQUILLETTE, Assistant Cashier |

Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation

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THE NATIONAL CITY BANK OF NEW YORK

Head Office • 55 WALL STREET • New York



Condensed Statement of Condition as of June 30, 1948

Including Domestic and Foreign Branches But Not Including The Affiliated City Bank Farmers Trust Company

(In Dollars Only—Cents Omitted)

ASSETS

| | |
|---|------------------------|
| Cash, Gold and Due from Banks | \$1,461,486,097 |
| United States Government Obligations (Direct or Fully Guaranteed) | 1,788,510,291 |
| Obligations of Other Federal Agencies | 20,026,721 |
| State and Municipal Securities | 245,222,036 |
| Other Securities | 82,591,319 |
| Loans and Discounts | 1,308,134,577 |
| Real Estate Loans and Securities | 2,682,977 |
| Customers' Liability for Acceptances | 37,020,477 |
| Stock in Federal Reserve Bank | 7,200,000 |
| Ownership of International Banking Corporation | 7,000,000 |
| Bank Premises | 28,128,039 |
| Items in Transit with Branches | 6,115,385 |
| Other Assets | 1,561,915 |
| Total | \$4,995,679,834 |

LIABILITIES

| | |
|---|------------------------|
| Deposits | \$4,645,527,278 |
| (Includes U.S. War Loan Deposit \$37,481,988) | |
| Liability on Acceptances and Bills . . \$50,217,295 | |
| Less: Own Acceptances in Portfolio | 10,424,319 |
| | 39,792,976 |
| Reserves for: | |
| Unearned Discount and Other Unearned Income | 5,370,967 |
| Interest, Taxes, Other Accrued Expenses, etc. | 25,971,263 |
| Dividend | 4,650,000 |
| Capital | \$ 77,500,000 |
| Surplus | 162,500,000 |
| Undivided Profits | 34,367,350 |
| Total | \$4,995,679,834 |

Figures of Foreign Branches are as of June 25, 1948.

\$302,660,341 of United States Government Obligations and \$2,272,208 of other assets are deposited to secure \$228,380,560 of Public and Trust Deposits and for other purposes required or permitted by law.

(Member Federal Deposit Insurance Corporation)

DIRECTORS

| |
|---|
| WM. GAGE BRADY, JR. Chairman of the Board |
| W. RANDOLPH BURGESS Chairman of the Executive Committee |
| HOWARD C. SHEPERD President |
| SOSTHENES BEHN Chairman and President, International Telephone and Telegraph Corporation |
| CURTIS E. CALDER Chairman of the Board, Electric Bond and Share Company |
| GUY CARY Shearman & Sterling & Wright |
| EDWARD A. DEEDS Chairman of the Board, The National Cash Register Company |
| CLEVELAND E. DODGE Vice-President, Phelps Dodge Corporation |
| A. P. GIANNINI Founder-Chairman, Bank of America National Trust and Savings Association |
| JOSEPH P. GRACE, JR. President, W. R. Grace & Co. |
| JAMES R. HOBBS President, Anaconda Copper Mining Company |
| AMORY HOUGHTON Chairman of the Board, Corning Glass Works |
| ROGER MILLIKEN President, Deering, Milliken & Co. Incorporated |
| FREDERICK B. RENTSCHLER Chairman, United Aircraft Corporation |
| GERARD SWOPE Honorary President, General Electric Company |
| REGINALD B. TAYLOR Williamsville, New York |
| ROBERT WINTHROP Robert Winthrop & Co. |



THE NEW YORK TRUST COMPANY

100 BROADWAY

MADISON AVENUE AND 40TH STREET • TEN ROCKEFELLER PLAZA

CONDENSED STATEMENT OF CONDITION JUNE 30, 1948

ASSETS

| | |
|---|-------------------------|
| Cash and Due from Banks..... | \$162,002,269.64 |
| United States Government Obligations..... | 239,181,991.15 |
| Other Bonds and Securities..... | 5,596,905.19 |
| Loans and Discounts..... | 252,275,453.46 |
| Real Estate Bonds and Mortgages..... | 40,606.01 |
| Customers' Liability for Acceptances..... | 1,139,820.38 |
| Interest Receivable and Other Assets..... | 2,261,154.73 |
| | <u>\$662,498,200.56</u> |

LIABILITIES

| | |
|--|-------------------------|
| Capital..... | \$15,000,000.00 |
| Surplus..... | 35,000,000.00 |
| Undivided Profits..... | <u>15,078,602.71</u> |
| General Reserve..... | 2,980,745.99 |
| Reserve for Bad Debts..... | 1,298,706.07 |
| Dividend Payable July 1, 1948..... | 600,000.00 |
| Acceptances..... | 1,435,787.91 |
| Reserve for Taxes and Other Liabilities..... | 1,785,888.89 |
| Deposits..... | <u>589,318,468.99</u> |
| | <u>\$662,498,200.56</u> |

United States Government obligations carried at \$12,611,401.63 in the above statement are pledged to secure United States Government deposits of \$7,042,708.18 and other public and trust deposits and for other purposes required by law.

TRUSTEES

| | | |
|--|--|--|
| MALCOLM P. ALDRICH New York | RALPH S. DAMON President American Airlines, Inc. | ADRIAN M. MASSIE Vice President |
| GRAHAM H. ANTHONY President Colt's Manufacturing Company | FRANCIS B. DAVIS, Jr. Chairman of the Board United States Rubber Company | SETON PORTER President, National Distillers Products Corporation |
| ARTHUR A. BALLANTINE Root, Ballantine, Harlan, Bushby & Palmer | SAMUEL H. FISHER Litchfield, Conn. | ROBERT C. REAM President American Re-Insurance Co. |
| JOHN E. BIERWIRTH President | WILLIAM HALE HARKNESS New York | MORRIS SAYRE President Corn Products Refining Co. |
| ALFRED A. COOK New York | HORACE HAVEMEYER, Jr. President The National Sugar Refining Co. | CHARLES J. STEWART Vice President |
| WILLIAM F. CUTLER Vice President American Brake Shoe Company | B. BREWSTER JENNINGS President Socony-Vacuum Oil Co., Inc. | VANDERBILT WEBB Patterson, Belknap & Webb |
| | J. SPENCER LOVE Chairman of the Board Burlington Mills Corporation | |

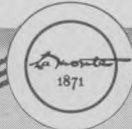
Member Federal Deposit Insurance Corporation

TIME TELLS

Building a reputation for a product takes time and concentrated effort. Both factors have contributed to make "La Monte" the best known and most widely used check paper. For more than three-quarters of a century we have specialized in the production and development of safety paper — and only safety paper.

La Monte
SAFETY PAPER FOR CHECKS

GEORGE LAMONTE & SON, NUTLEY, NEW JERSEY



THE WAVY LINES ® ARE A LA MONTE TRADE-MARK

A Check Paper All Your Own

Thousands of banks and many of the larger corporations use La Monte Safety Papers with their own trade-mark or design made in the paper itself. Such INDIVIDUALIZED check paper provides maximum protection against both alteration and counterfeiting — makes identification positive.



Whether it's advice on Utility financing, or cash to pay the Doctor's bill...

ONE IS A FAR CRY from the other. But performing many and widely diversified services for individuals, firms, corporations and institutions typifies this modern-day bank.

You know, for instance, that many operating utility companies have become independent under the "Holding Company Act" and now must arrange their own financing. Through a specially organized Public Utility Department, the Irving Trust is aiding a number of



such companies to formulate fiscal programs. Today, this institution also provides complete service to many individuals who never before used commercial bank facilities. For example, we lend money at low bank rates to pay doctors' bills and for many other constructive purposes.

Our prosperity depends, of course, upon our all-around usefulness to more and more people and organizations. Services performed have reached a record total.

CONDENSED STATEMENT OF CONDITION, JUNE 30, 1943

| ASSETS | | |
|--|-----------------|---------------------------|
| Cash and Due from Banks | | \$ 310,037,021.09 |
| U. S. Government Securities | | 384,424,389.96 |
| Other Securities | | 4,089,449.14 |
| Stock in Federal Reserve Bank | | 3,150,000.00 |
| Loans and Discounts | | 413,238,296.59 |
| First Mortgages on Real Estate | | 3,447,060.66 |
| Headquarters Building | | 14,651,600.00 |
| Customers' Liability for Acceptances Outstanding | | 9,675,785.32 |
| Other Assets | | 3,303,664.43 |
| | | <u>\$1,146,017,267.19</u> |
| LIABILITIES | | |
| Deposits | | \$1,013,334,529.72 |
| Acceptances | \$11,114,374.26 | |
| Less Amount in Portfolio | 939,384.48 | 10,174,989.78 |
| Reserve for Taxes and Other Expenses | | 2,551,873.77 |
| Dividend Payable July 1, 1943 | | 1,000,000.00 |
| Other Liabilities | | 3,462,999.00 |
| Capital Stock | \$50,000,000.00 | |
| Surplus | 55,000,000.00 | |
| Undivided Profits | 10,492,874.92 | 115,492,874.92 |
| | | <u>\$1,146,017,267.19</u> |

United States Government Securities are stated at amortized cost. Of these, \$24,311,123.60 are pledged to secure deposits of public monies and for other purposes required by law.

BOARD OF DIRECTORS

HARRY E. WARD, *Chairman of the Board*

WILLIAM N. ENSTROM, *President*

O. L. ALEXANDER
*President, Pocahontas Fuel
Company Incorporated*

GEORGE F. GENTES
Vice President

MICHAEL A. MORRISSEY
*Chairman of the Board,
The American News Company*

FLETCHER W. ROCKWELL
*Chairman of the Board,
National Lead Company*

HENRY P. BRISTOL
President, Bristol-Myers Company

I. J. HARVEY, Jr.
*President,
The Flintkote Company*

PETER S. PAINE
*President,
New York & Pennsylvania Co.*

WILLIAM J. WARDALL
*Chairman of the Board,
The Best Foods Inc.*

REID L. CARR
*President,
Columbian Carbon Company*

HAROLD A. HATCH
*Vice President,
Deering Milliken & Co., Inc.*

LEROY A. PETERSEN
President, Otis Elevator Company

RICHARD H. WEST
Executive Vice President

JOHN F. DEGENER, Jr.
C. A. Auffmordt & Co.

DAVID L. LUKE, Jr.
*President, West Virginia
Pulp and Paper Company*

J. WHITNEY PETERSON
*President,
United States Tobacco Company*

FRANCIS L. WHITMARSH
*President,
Francis H. Leggett & Company*

WILLIAM K. DICK
New York, N. Y.

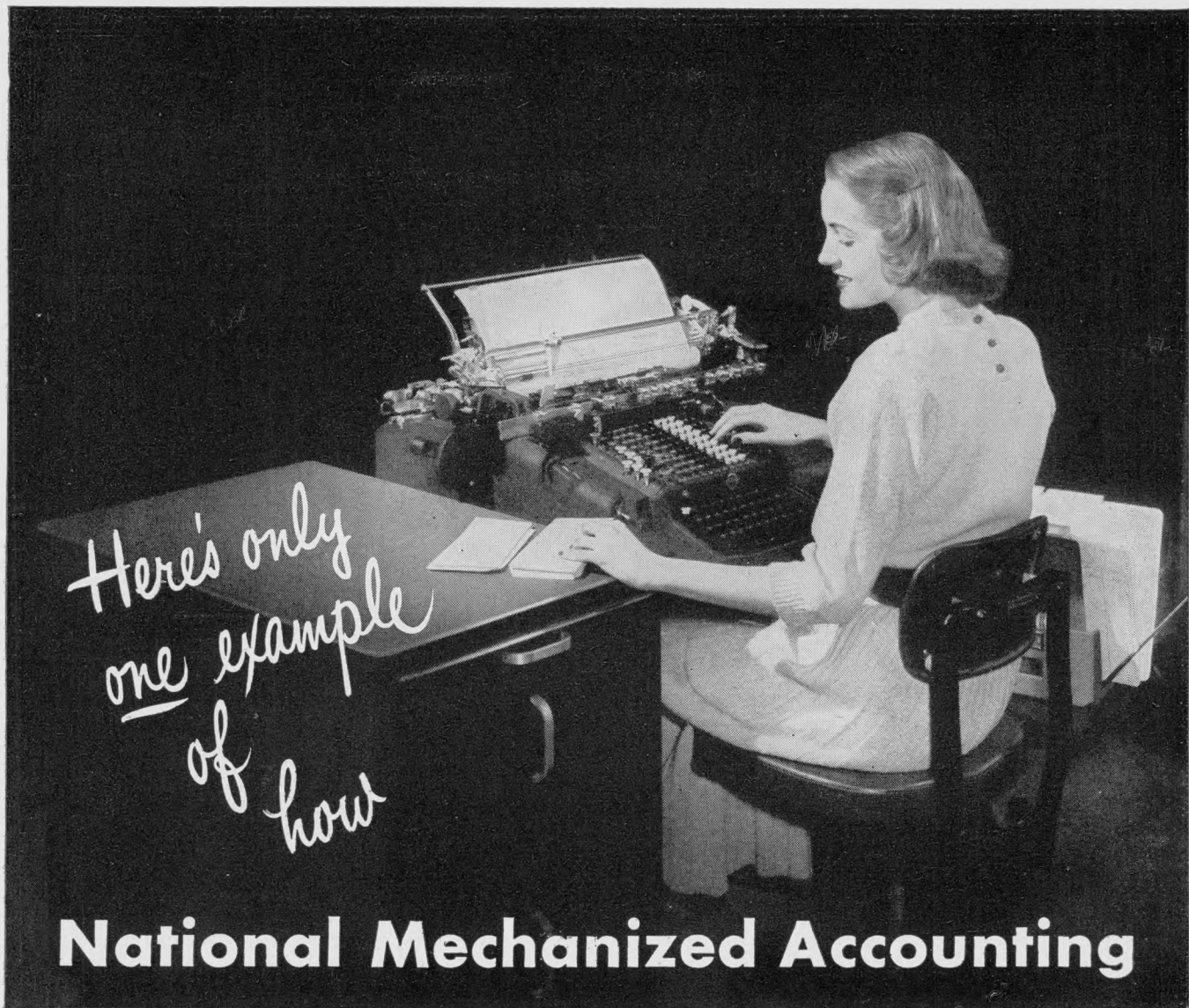
HIRAM A. MATHEWS
Vice President

JACOB L. REISS
*President,
Reiss Manufacturing Corporation*

IRVING TRUST
Company

NEW YORK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



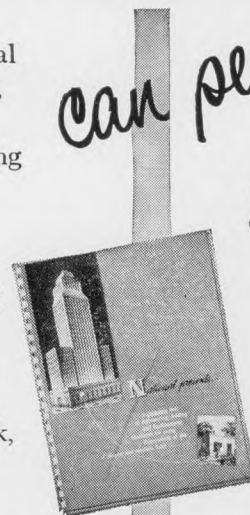
*Here's only
one example
of how*

National Mechanized Accounting

Every bank must handle these 8 accounting jobs: Commercial Ledgers, Loans and Discounts, Mortgages, Trust Accounting, Savings, Payroll, Daily Statement, and General Ledgers. In a matter of seconds, the National Multiple-Duty Accounting Machine changes from any one of these jobs to any other. For its removable form-bars simply lift off and snap on — no screws, catches, or fittings to fuss with.

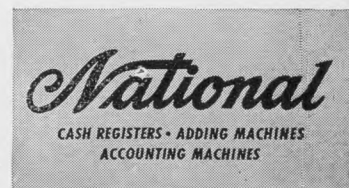
In a small bank, a single National Multiple-Duty Accounting Machine will be kept busy all day handling all 8. In a larger bank, separate machines may be assigned to handle any one, or more, of these 8 basic functions.

No matter what the size, or the specific need, of your bank, there is a National system designed expressly to serve it. You'll find them all described in the interesting and useful 60-page illustrated booklet shown at the right. Arrange for your copy through your local National representative. Or, write to The National Cash Register Company, Dayton 9, Ohio. Sales and Service Offices in over 400 cities.



*can serve
your bank!*

A NEW, ILLUSTRATED BOOKLET of some 60 pages describes the services of each of the National line. Shows how they can speed work in every department of your bank. Ask your local National representative for a copy of this valuable booklet. You'll find it informative and helpful. Have it ready when accounting problems arise.



THE NATIONAL CASH REGISTER COMPANY

Northwestern Banker, July, 1948

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, June 30, 1948

RESOURCES

| | |
|--|--------------------|
| Cash and Due from Banks | \$ 629,772,380.30 |
| United States Government Obligations | 1,125,745,357.30 |
| Other Bonds and Securities | 59,926,795.11 |
| Loans and Discounts | 438,145,894.55 |
| Stock in Federal Reserve Bank | 4,050,000.00 |
| Customers' Liability on Acceptances | 1,379,146.70 |
| Income Accrued but Not Collected | 6,139,998.81 |
| Banking House | 10,050,000.00 |
| | \$2,275,210,572.77 |

LIABILITIES

| | |
|--|--------------------|
| Deposits | \$2,082,217,706.10 |
| Acceptances | 1,387,726.70 |
| Reserve for Taxes, Interest and Expenses | 7,517,037.96 |
| Reserve for Contingencies | 18,105,727.03 |
| Income Collected but Not Earned | 434,377.36 |
| Capital Stock | 60,000,000.00 |
| Surplus | 75,000,000.00 |
| Undivided Profits | 30,547,997.62 |
| | \$2,275,210,572.77 |

United States Government obligations carried at \$228,891,757.67
are pledged to secure public and trust deposits and for other
purposes as required or permitted by law

Member Federal Deposit Insurance Corporation

Unquestionable Value as a Representative

"We wish to take this opportunity to express to you and to your institution our appreciation for the expeditious and accurate manner in which you executed our wishes. Every detail was handled most satisfactorily. Your value as a representative of our interests in New York has again made itself unquestionable."

Extract from a letter
received from one of our
correspondent banks



One of the advantages offered by the Chase as a New York correspondent is the close familiarity and insight of its officers into banking and business conditions in all sections of the country.

This information, constantly available in the Chase offices, can be readily used in connection with the problems or needs of the customers of correspondent banks.

Broaden customer service with Chase correspondent facilities

THE CHASE NATIONAL BANK

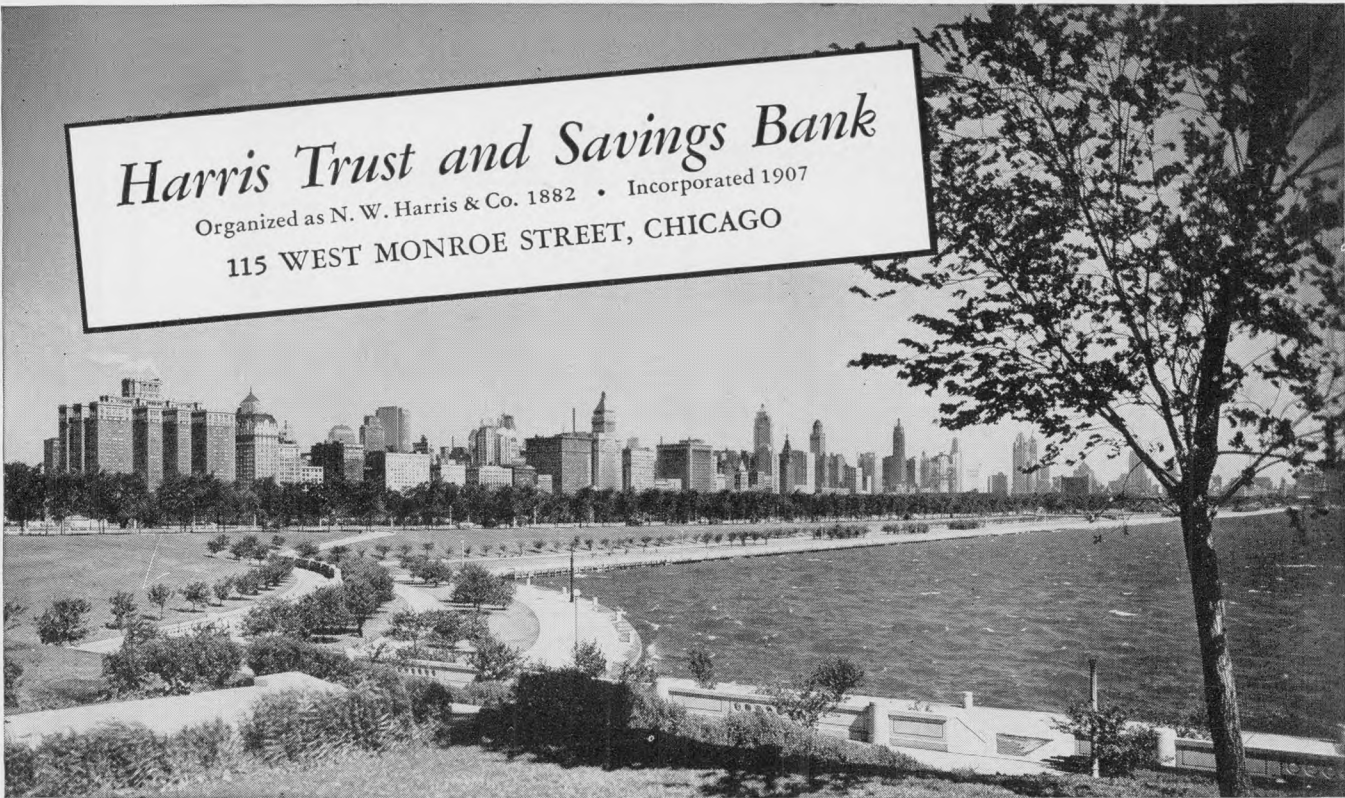
OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

Northwestern Banker, July, 1948

Harris Trust and Savings Bank

Organized as N. W. Harris & Co. 1882 • Incorporated 1907
115 WEST MONROE STREET, CHICAGO



Statement of Condition

June 30, 1948

Resources

| | |
|--|-------------------------|
| Cash on Hand and Due from Banks | \$152,749,940.22 |
| U. S Government Securities | 177,375,279.29 |
| State and Municipal Securities | 31,144,354.61 |
| Other Bonds and Securities | 9,441,214.54 |
| Loans and Discounts | 166,965,235.30 |
| Federal Reserve Bank Stock | 600,000.00 |
| Customers' Liability on Acceptances and Letters of Credit | 1,222,920.84 |
| Accrued Interest and Other Resources | 2,133,350.04 |
| * Bank Premises | 1,352,962.64 |
| Total | \$542,985,257.48 |

Liabilities

| | | |
|---|------------------|-------------------------|
| Capital | \$ 8,000,000.00 | |
| Surplus | 12,000,000.00 | |
| Undivided Profits | 6,494,712.50 | \$ 26,494,712.50 |
| General Contingency Reserve | | 6,792,863.16 |
| Reserve for Taxes, Interest, Etc. | | 2,788,221.35 |
| Dividend Payable July 1, 1948 | | 240,000.00 |
| Acceptances and Letters of Credit | | 1,222,920.84 |
| Demand Deposits | \$457,855,145.91 | |
| Time Deposits | 47,591,393.72 | 505,446,539.63 |
| Total | | \$542,985,257.48 |

United States Government Obligations and Other Securities carried at \$54,684,204.00 are pledged to secure Public and Trust Deposits and for other purposes as required or permitted by law.

*After improvements this account will be increased to about \$1,700,000

Member of Federal Deposit Insurance Corporation

Directors

| |
|---|
| JAMES M. BARKER Chairman, Allstate Insurance Company |
| MARK A. BROWN Executive Vice-President |
| THOMAS DREVER President, American Steel Foundries |
| FRANK R. ELLIOTT Chicago |
| FRED G. CURLEY President, Atchison, Topeka & Santa Fe Railway Company |
| ARTHUR B. HALL Hall & Ellis |
| STANLEY G. HARRIS Chairman of Executive Committee |
| WAYNE A. JOHNSTON President, Illinois Central Railroad |
| JOHN L. McCAFFREY President, International Harvester Co. |
| F. B. McCONNELL President, Sears, Roebuck & Co. |
| JOHN McKINLAY Chicago |
| FRANK McNAIR Chicago |
| A. H. MELLINGER Director, Illinois Bell Telephone Co. |
| CHARLES H. MORSE Director, Fairbanks, Morse & Co. |
| GUY E. REED Vice-President |
| PAUL S. RUSSELL President |
| WILLIAM P. SIDLEY Sidley, Austin, Burgess & Harper |
| HAROLD H. SWIFT Vice-Chairman of Board, Swift & Co. |
| STUART J. TEMPLETON Wilson & McIlvaine |



CENTRAL HANOVER

BANK AND TRUST COMPANY

NEW YORK

TRUSTEES

GEORGE W. DAVISON
Honorary Chairman

LOUIS S. CATES
*Chairman of the Board
Phelps Dodge Corporation*

COLBY M. CHESTER
*Honorary Chairman
General Foods Corporation*

JOHN B. CLARK
President, The Clark Thread Co.

JARVIS CROMWELL
*President
William Iselin & Company, Inc.*

BERNARD M. CULVER
*Chairman of the Board
Continental Insurance Company*

JOHNSTON DE FOREST
Attorney

THOMAS DICKSON
*President
Berlin and Jones Company, Inc.*

WALTER G. DUNNINGTON
*Attorney
Dunnington, Bartholow and Miller*

WILLIAM A. ELDRIDGE
Vice President

WILLIAM F. C. EWING
*Executive Vice President
Alexander Smith and Sons Carpet Co.*

ROBERT L. GERRY
President, The Gerry Estates, Inc.

WILLIAM S. GRAY, JR.
President

C. JARED INGERSOLL
*Chairman of the Board
Kansas, Oklahoma and Gulf Railway Co.*

K. T. KELLER
President, Chrysler Corporation

GEORGE M. MOFFETT
*Chairman of the Board
Corn Products Refining Co.*

JOHN K. OLYPHANT, JR.
Vice President

BENJAMIN O'SHEA
*Director
Union Carbide and Carbon Corporation*

EUSTIS PAINE
*Chairman of the Board, New York and
Pennsylvania Co., Inc.*

AUGUSTE G. PRATT
*Chairman of the Board
The Babcock and Wilcox Company*

GWILYM A. PRICE
*President
Westinghouse Electric Corporation*

LUCIUS F. ROBINSON, JR.
*Attorney
Robinson, Robinson and Cole*

JOHN P. STEVENS, JR.
President, J. P. Stevens & Co., Inc.

HENRY P. TURNBULL
Montclair, New Jersey

WILLIAM WOODWARD
New York, N. Y.

Statement of Condition, June 30, 1948

ASSETS

| | |
|--|---------------------------|
| Cash and Due from Banks | \$ 415,486,774.54 |
| U. S. Government Securities | 606,485,001.77 |
| State and Municipal Securities | 41,912,635.73 |
| Other Securities | 12,946,993.29 |
| Loans and Bills Purchased. | 450,287,764.77 |
| Real Estate Mortgages | 5,540,936.14 |
| Banking Houses | 11,724,008.00 |
| Interest Accrued | 2,846,686.06 |
| Customers' Liability on Acceptances Outstanding | 7,010,563.30 |
| Total | \$1,554,241,363.60 |

LIABILITIES

| | |
|--------------------------------|---------------------------|
| Capital | \$21,000,000.00 |
| Surplus | 80,000,000.00 |
| Undivided Profits. | 27,578,640.91 |
| Total | \$ 128,578,640.91 |
| Reserves: | |
| Taxes, Interest, etc. | 8,156,275.37 |
| Dividend: | |
| Payable July 1, 1948 | 1,050,000.00 |
| Acceptances | \$10,918,633.30 |
| In Portfolio | 3,472,732.91 |
| Deposits | 1,409,010,546.93 |
| Total | \$1,554,241,363.60 |

There are pledged to secure public monies and to qualify for fiduciary powers
U. S. Government Securities \$33,839,244.49

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

The "personal" story behind the pictures...

A widow now enjoys the security and regularity of income provided by the foresight of her husband. — A preserved inheritance has enabled a young man, orphaned early in childhood, to purchase a business. — A trust under her father's Will has made it possible for a daughter to complete her higher education. The money management which protects the security of these people, and thousands like them, is administered by your bank!

This is the business of Manufacturers Trust Company's Personal Trust Department — competently, efficiently, and economically to administer Estates and manage Trust property placed in its keeping. The bank welcomes the opportunity to assume and discharge these responsible duties either alone or with others. And the fees for this service are fixed by law and are no more than those paid to individual executors or trustees.

In the statement below, the assets of these estates and trusts do not appear because they are not the property of the bank. They are, as required by law, separately and responsibly held by the bank as the sole property of the estate or trust to which they relate.

This is one of Manufacturers Trust Company's most personalized services—for no two estates, no two trusts, are ever alike, and each requires different understanding, yet always expert management. It is another *human* chapter in the story of money at work . . . a service of our bank that promotes financial safety and security for our families, our neighbors, and our community as a whole.

Harvey D. Gibson
PRESIDENT

CONDENSED STATEMENT OF CONDITION As at close of business June 30, 1948

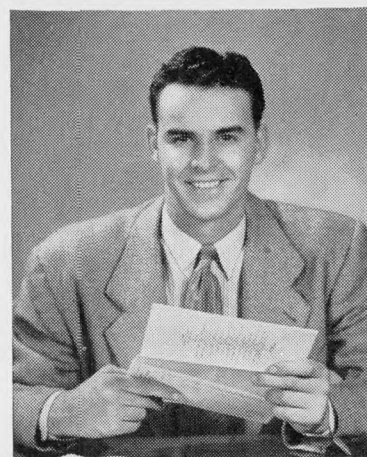
RESOURCES

| | | |
|---|-------------------|---------------------------|
| Cash and Due from Banks | \$ 602,840,245.16 | |
| U. S. Government Securities | 1,023,252,343.68 | |
| U. S. Government Insured F. H. A. Mortgages | 2,938,264.45 | |
| State and Municipal Bonds | 21,078,705.28 | |
| Stock of Federal Reserve Bank | 3,037,500.00 | |
| Other Securities | 18,769,921.37 | |
| Loans, Bills Purchased and Bankers' Acceptances | 555,347,284.04 | |
| Mortgages | 15,160,439.39 | |
| Banking Houses | 10,206,041.24 | |
| Other Real Estate Equities | 233,980.73 | |
| Customers' Liability for Acceptances | 5,891,554.86 | |
| Accrued Interest and Other Resources | 6,932,883.73 | |
| | | <u>\$2,265,689,163.93</u> |

LIABILITIES

| | | |
|--|-----------------|---------------------------|
| Capital | \$41,250,000.00 | |
| Surplus | 60,000,000.00 | |
| Undivided Profits | 25,425,176.07 | 126,675,176.07 |
| Reserve for Contingencies | | 6,874,630.95 |
| Reserves for Taxes, Unearned Discount, Interest, etc. | | 5,555,158.19 |
| Dividend Payable July 1, 1948 | | 1,237,500.00 |
| Outstanding Acceptances | | 6,669,342.90 |
| Liability as Endorser on Acceptances and Foreign Bills | | 2,319,435.62 |
| Deposits | | 2,116,357,920.20 |
| | | <u>\$2,265,689,163.93</u> |

United States Government and other securities carried at \$62,616,384.25 are pledged to secure public funds and trust deposits and for other purposes as required or permitted by law.



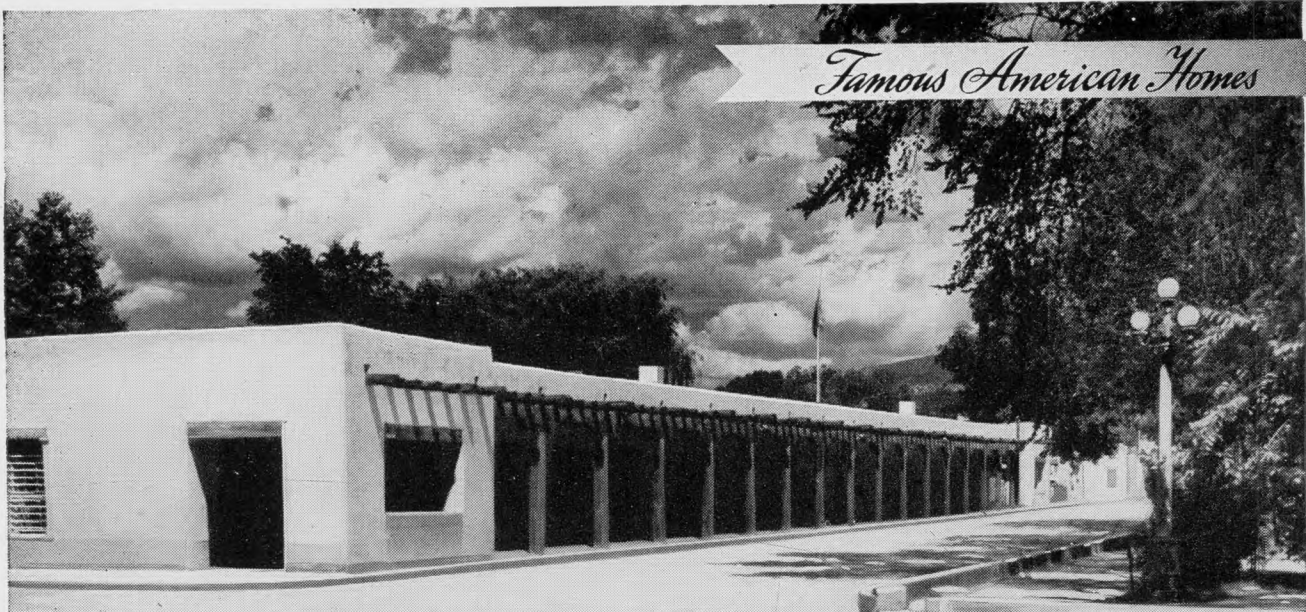
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THE ADOBE PALACE

*"Here Conqueror and Conquered
Live Again"*

SPANISH grandees . . . Franciscan friars . . . Indian warriors . . . frontiersmen . . . soldiers of many nations have passed in history's long pageant through the portals of the Palace of the Governors in La Villa Real de la Santa Fe. The massive adobe walls have witnessed scenes of bloodshed and terror no less than ceremonies of regal pomp and splendor.

The palace was built in 1610, the year Santa Fe was founded, and served as the governor's residence and headquarters. In the early days of Spanish rule Indians were tried there on charges of witchcraft and rebellion. Here four Indians found guilty of murdering missionaries were hanged and their alleged accomplices were whipped and sold into slavery. In 1680, provoked by these and similar acts, an Indian uprising forced one thousand of the townspeople to

seek refuge in the palace where they withstood several days' siege. Then the Indians cut off the water supply, the livestock in the patio began to die and the Spaniards' suffering became almost unbearable. Though the governor was able to rout the Indians temporarily by a surprise attack, he was compelled to abandon the province and for twelve years the Indians held sway until New Mexico was reconquered by General Diego de Vargas.

During the Spanish rule, rebellious Indians and others were imprisoned in the palace dungeon, including a number of Americans charged with entering the province for unlawful purposes. Among the latter were David Meriwether, later territorial governor of New Mexico, and Major Zebulon M. Pike.

After being occupied for more than two centuries by the Spanish and Mexicans, in 1846 the palace again changed owners when General Stephen Watts Kearny conquered New Mexico



The Ecclesiastical Room, showing many early church furnishings.



Lewis Wallace

without firing a shot. During the American territorial period which followed, one of the most noted governors was General Lewis Wallace who wrote part of *Ben Hur* while a resident of the palace.

Now occupied by the School of American Research, Museum of New Mexico and Historical Society of New Mexico, this oldest government building in the United States continues to stand as a monument to the colorful history of the Southwest and a shrine of the several cultures, races and flags which have known it.

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The Rito de los Frijoles Room

"My Remington Noiseless is paying dividends"



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SO QUIET it cuts down tellers' "window-fatigue!"



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"You can actually concentrate since our Remington Noiseless Typewriters joined the bank. And they're paying real dividends in the form of less fatigue, less strain, and greater efficiency all 'round. My Noiseless rates continuous praise for the crisp, distinctive appearance of our letters and reports, too. That's why my boss says he's drawing a *double* dividend . . . typing perfection plus quiet!"

Here's Proof!—that Quiet increases typist's efficiency and gives maximum return on your "typing station" investment

Assuming you spend approximately \$2,500 annually to operate one "typing station" * — you can readily see that an increase of as little as 5-10% is vital if you expect to get maximum returns from your investment.

Tests conducted by Dr. Donald A. Laird, director of the Psychological Laboratory of Colgate University, proved that a typist expends 20% more energy under noisy conditions . . . and that her production is reduced

about 5%. Therefore, it was concluded, a 15% reduction in noise brings a 5% increase in typing efficiency!

Let your nearby Remington representative make a free survey to see if any outmoded typewriters are boosting office costs in your bank. At the same time, he can show you how the Remington Noiseless gives quiet, efficient typing at lowest net cost.

* Salary of operator, supplies, rent, taxes, etc.



Makers of Remington KMC, Quiet Deluxe KMC and Portable Typewriters.

Remington Rand

THE FIRST NAME IN TYPEWRITERS

Dear Editor



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

"Superb Coverage"

"I would like to express my gratitude to the NORTHWESTERN BANKER for the superb coverage you gave our Joint Convention. Your cooperation was excellent. Please accept this brief note as a sincere expression of your efforts. If I, or this office, can be of any service to you, please call upon us."
Carl E. Bahmeier, Jr., Executive Secretary, South Dakota Bankers Association, Huron.

"Read With Interest"

"Let me again congratulate you on your editorials which I read with much interest in the May issue of the NORTHWESTERN BANKER. Incidentally, your stories on both (Turn to page 69, please)

ON THE COVER

Three state bankers associations held their annual conventions in the Twin Cities last month. The North Dakota and South Dakota Associations held a Joint Convention in Minneapolis and St. Paul, with members of the Clearing House of both cities supplying the entertainment.

The Minnesota Bankers Association held its annual meeting in Minneapolis.

In the picture on the cover, from left to right, are J. M. Lloyd, Yankton, South Dakota, president of the South Dakota Association; M. O. Grangaard, Minneapolis, president of the Minnesota Association; and Arne A. Gregor, Leeds, president of the North Dakota Bankers Association.

From the background of the picture, it would appear the conventions were held in Minnesota's north woods. However, the picture was taken in the North Shore Room of the Hotel Nicollet, in Minneapolis, the walls of which are covered with enlarged photographs of scenes along the north shore of Lake Superior. The three new presidents are standing in front of one of the wall decorations.

**NORTHWESTERN
 Banker
 DES MOINES**

Oldest Financial Journal West of the Mississippi • 53rd Year • No. 732

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NORTHWESTERN BANKER

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

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DE PUY PUBLICATIONS: Northwestern Banker, Underwriters Review, Des Moines Insurance Directory, Iowa-Nebraska Bank Directory.

Northwestern Banker, July, 1948



Across the Desk From the Publisher

Dear Joseph C. Bevis:

Vice President, Opinion Research Co.

When you made your original survey for the Association of Reserve City Bankers, we gave it careful study and consider it a very fine document on the important subject of the public's appraisal of banks and banking.

Your recent speech before a bankers convention on this same topic re-emphasizes again the need for bankers and businessmen to be ever alert in presenting the best "public relations" program which they can to their customers and to the general public.

As you point out, "The public's attitudes toward banking, as well as toward other businesses, are matters of long-term growth and accumulation. They come from textbooks and from the lips of teachers. They come from day-to-day reading and radio listening. They come from doing business with you and from the word that is passed on to friends and acquaintances by your customers and by your own employes.

"One important principle emerges from this study. It is this: the greater a person's contact, familiarity, and knowledge of banks, the greater is his understanding of banks' problems and the more favorable is his attitude.

"Conversely, non-customers of banks, for example, are almost invariably more critical of banks

Northwestern Banker, July, 1948

and banking than any other group in the population.

"If banks can find ways of increasing their contacts with the public and can thereby increase the public's knowledge and understanding of their operations, the pay-off in increased goodwill is almost certain."

One of the questions you asked is: "Would you tell me which one (of these five businesses) you think is the most important to the country?"

| | |
|---------------------------------|-----|
| Banks | 46% |
| Telephone company | 13 |
| Insurance companies | 11 |
| Department stores | 9 |
| Personal finance companies..... | 2 |
| All same | 13 |
| No opinion | 6 |

"More than seven out of every 10 people (73%) consider banks the most important of the five industries because they believe they are essential to the rest of the economy, they are the backbone of all business."

Another part of your survey which proved very interesting to the NORTHWESTERN BANKER was the fact that 63 per cent of the people of the United States are against government ownership of banks, while 22 per cent favored and 15 per cent have no opinion, which indicates that the preponderance of evidence is in favor of banks being continued as private institutions.

Nevertheless, "eternal vigilance" is necessary by every banker in the country to improve his good will relations with the public in every possible way.

Dear Donald K. David:

Dean, Harvard Business School

For some time the NORTHWESTERN BANKER has believed that we are not going to kill or replace Communism with bullets, but only with ideas.

A recent address of yours brings out a similar idea in discussing business leadership and the war of ideas when you say: "Every day it is becoming increasingly clear that we are engaged in a war of ideas; a war of ideals. Democracy and Totalitarianism are the adversaries. The stakes are high. Almost everyone believes that it will be a long conflict, unless a shooting war is resorted to in a futile attempt to resolve the conflict more quickly."

A shooting war will accomplish nothing as far as fundamental ideas or ideals are concerned, and therefore, it becomes increasingly important that businessmen, bankers, and all other citizens in the United States do their part to make the right decisions which in turn will keep our present economy functioning at its best and highest level.

As free individual citizens, we are making constant decisions and it is the combined aggregate of these decisions that decides and determines the course of our economics, of our politics and our national life.

As you well said, "In the eyes of some impatient critics the very strength of our society is a weakness. We are in truth a society composed of millions of centers of initiative. Almost every citizen, and literally every businessman, day after day, makes decisions which shape our society. It is not planned neatly and completely at the top; its planning is done at all levels from bottom upwards. A complex system and one difficult to understand, but it works. And it has given us something that few people have ever had—freedom of opportunity.

"And, in turn, this freedom of opportunity is our greatest potential asset in the conflict with the totalitarians. This means that the leadership of our society as a whole can be continuously reinforced and revitalized by recruits from all segments of our population. Providing places for talent thus developed requires a dynamic, risk-taking, and venturesome setting. No rigidly limited and confined party membership narrowly defines the source from which our leadership may come. No single center of initiative controls our destiny.

"The way to make our system work better is perfectly clear. You cannot improve the system by superimposing all-pervasive planning at the top; that does not improve the system—it changes it. The way to do it is to improve the quality of the decisions all along the line. Let them be made where they are now; but improve their quality."

Let us, therefore, continue the capitalistic system under which individual initiative and effort has shown its greatest progress, but let us also as you point out, Dean David, "improve the quality of the decisions we make."

Also, the NORTHWESTERN BANKER agrees thoroughly with your idea of improving and developing our business leadership, and as you emphasize: "I cannot predict what lies ahead in the present conflict of systems, the battle of ideals. I am certain, however, that the continuing development of competent and responsible business leadership is one of the prime essentials in the creation of an impregnable position against the long-run challenge of totalitarianism."

Dear Emil Schram:

President, New York Stock Exchange

You were quite reassuring, Mr. Schram, when you stated that "we have already entered the post-war period of stabilization."

In these so-called unstable times, this made us stop and think, and we certainly hope that you are correct.

Of course, you also gave the admonition, "provided we keep our heads, I do not fear runaway inflation nor do I look for the great depression whose failure to appear has so chagrined the Marxian economists and statesmen.

"We cannot hope to attain absolute stability—it is not part of a dynamic economy. However, if we do not depress business psychology unnecessarily, and adopt voluntary restraints, I see no reason why a large volume of goods and services cannot continue to be produced and taken off the market."

Certainly, we are going to "need our heads" to keep us out of war, in which case we might lose them unnecessarily.

Dear Dr. Ernest O. Melby:

Dean of Education, New York University

"Knowledge is power" is a slogan which we have always thought had real meaning, and we still do, but along with knowledge must come understanding and a belief in moral values if our world is to be made a happy place in which to live.

You emphasize this, Dr. Melby, by saying: "Democracy should be made to work at home. It can't be made to work simply by getting more knowledge. You would think education is the answer to our problems, but it is not the solution to world understanding, or the solving of the community's problems. In the last century we have had more education than ever before and also have killed more people in this half century than ever before. Since VJ-day we have not been able to make up our minds on where we are going and we have lost our moral leadership."

It really is a terrifying thing when we realize that while our education has reached the highest point in the last 100 years, we have at the same time, killed more people than in any other period of the world's history.

First, we must, as you have also emphasized, make our Democracy work at home, so that we can present a real example of how 150 million people can get along together, in one place on this earth's surface.

Then by our own example we can help others to do likewise throughout the world.

It is a tremendous task, but let's hope the United States will be one place where people will learn how to cultivate each other and not kill each other.

Clifford DePuy

Northwestern Banker, July, 1948



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, July, 1948

Central

National Bank and Trust Company

Fifth and Locust Street — Des Moines

STATEMENT OF CONDITION AT CLOSE OF BUSINESS JUNE 30, 1948

ASSETS

| | | |
|--|------------------------|-----------------|
| Cash and due from Federal Reserve and other banks | \$26,876,806.63 | |
| United States Govern- mental Securities .. | 25,930,944.44 | |
| Obligations of United States Governmental Agencies | 2,259,071.11 | \$55,066,822.18 |
| Municipal Securities | 7,241,299.06 | |
| Market Bonds..... | 1,089,210.09 | |
| Other Investments..... | 260,001.00 | |
| Loans & Discounts..... | 25,808,443.75 | |
| Overdrafts | 2,019.72 | |
| Stock Federal Reserve Bank..... | 75,000.00 | |
| Accrued Interest Receivable..... | 233,524.16 | |
| Bank Premises & Equipment..... | 585,857.10 | |
| TOTAL..... | \$90,362,177.06 | |

LIABILITIES

| | | |
|--|------------------------|-----------------|
| Common Stock | \$ 1,250,000.00 | |
| Surplus | 1,250,000.00 | |
| Undivided Profits..... | 940,748.96 | |
| Other Reserves | 1,027,360.20 | \$ 4,468,109.16 |
| Reserves for Taxes, Interest and Other Expense..... | 123,939.43 | |
| Discount Collected..... | 190,986.75 | |
| Deposits | 85,579,141.72 | |
| TOTAL..... | \$90,362,177.06 | |

U. S. Government and other securities carried
at \$7,729,582.98 are pledged to secure U. S.
War Loan Deposit account, Public Funds, and
Trust Department Funds.



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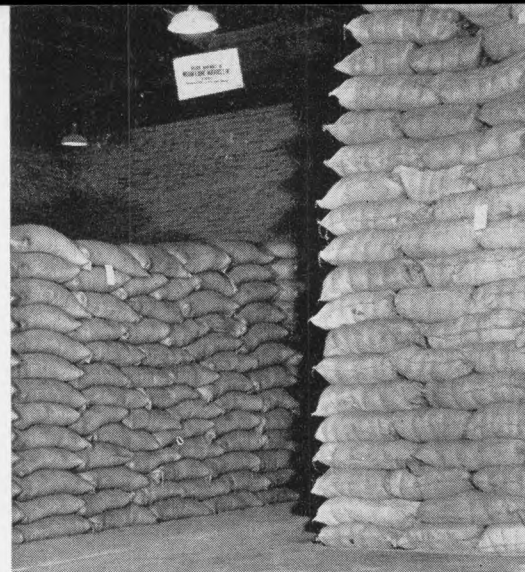
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NEW YORK 22, N. Y.

How to Make Inventory Loans with Safety

Field Warehouse Receipts Open New Channel for Investment of Bank Funds

By **DAVID H. COFFMAN**
Vice President
William H. Banks Warehouses, Inc.



WAREHOUSING COMPANIES protect against loss by maintenance of sound liability and fidelity coverage on all employes and custodians. Periodic audits and physical inspections of warehouses like the one pictured above are made at regular intervals by qualified inspectors.

IT IS indeed a far step from the time, some 56 years ago, when William H. Banks was contacted by an officer of one of the large Chicago banks to evolve some method whereby his bank could finance safely the inventory of one of its very good customers, who had already borrowed up to the limit which the bank could advance to him on an unsecured basis.

The customer had a good reputation and a large inventory, but the bank could not solve his problem.

From the plan then developed by Mr. Banks, to fit this particular case, has grown the present Field Warehousing System, which has so thoroughly and adequately enabled banks throughout the country to make desirable inventory loans with safety.

Warehouse receipts afford a fundamentally sound, economic protection for the bank advancing funds. They make available for the bank's customer his inventory as collateral in connection with further expansion requirements and his financing program, with no inconvenience to the user of the service, as the inventory remains right on his own premises and is readily available for proper release at all times. The expense involved in connection with this service is very nominal and the requirements are reasonable.

Operations Increasing

A study of statistics indicates that Field Warehousing operations have increased in number some 1500 per cent in the last ten years, evidencing very conclusively that banks and other sources of available funds are quite generally recognizing the security afforded through this medium of col-

lateral, and opening the way to satisfactory loans to its customers.

It has been held in the highest courts that transfer of title is complete through the warehouse receipts and the specified inventory is thereby delivered into the possession of the warehouse receipt holder. And, of great importance, is the fact that warehouse receipts usually enable the bank to increase materially to any customer the legal percentage of loan as based upon the bank's capital.



DAVID H. COFFMAN
"Sound, economic protection"

Warehouse Service

A field warehouseman does not advance money to his customer. His service is designed:

First—to enable his customer to borrow money, or to obtain credit in the most flexible manner, by pledging his inventory, and

Secondly—to protect the holder of the warehouse receipt who has advanced or loaned money on the said inventory.

Thus, the warehouseman performs the service of conversion of the inventory for the convenience of pledging it as collateral to a bank loan and thereby to give security for credit extended. The warehouse receipt, as above pointed out, is documentary evidence of title.

Warehouseman Liable

The warehouseman is legally liable for failure to deliver, as provided by the Uniform Warehouse Receipts Act. Most field warehouse companies protect against loss by the maintenance of legal liability insurance and fidelity bonds covering their employes, including all custodians. To minimize losses, periodic audits and physical inspections are made at regular intervals by qualified inspectors employed by the warehouseman.

In accepting Warehouse Receipts as collateral, the banker or credit man takes these factors into consideration. Reliance is placed not only upon the borrower and his ability to repay, but also upon the validity and specific nature of the warehouse receipt. In the integrity and responsibility of the warehouseman lie the true protective features and value of the field warehouse receipts.—The End.

How Save Time

Users of Modern Equipment Tell How They Have Reduced Overhead



READING MICRO-FILMED bank records is facilitated by the new Film-a-record Reader-Desk being used in the picture above. Even an inexperienced operator can load this new Remington Rand unit and locate any image on a 100-foot roll of indexed film in less than 60 seconds without leaving her chair. Film can be traveled through the Reader-Desk at 150 feet per minute and can be stopped instantly by turning a single control knob. Complete operating controls are located in a recess at the base of the screen.

THIS is the third of a series of articles on modern bank equipment and how its use saves money for banks. The first two articles were published in the May and June issues of *The Northwestern Banker*. The fourth of the series will appear in the August issue.

E. E. WIEMER

**Cashier, Citizens National Bank
(Population 14,000—Deposits \$6,911,500)
Boone, Iowa**

"Our directors and officers are in favor of labor-saving changes and mechanizing our operations in order to reduce costs and make it more pleasant for our employes in the operation of the bank.

"After careful study of our costs, we have found that modern machinery can reduce our per unit cost of handling the various items and also speed up the entire operation. Some of the equipment that is serving us very well in reaching this end is as follows:

"A good telephone system which is very flexible to be used for the trunk lines and also to be used for inter-communication for the various departments of the bank: tellers, bookkeepers, officers, etc.

Northwestern Banker, July, 1948

"Dictaphones for the officers who have considerable amount of correspondence thereby relieving the stenographer to do other work while the officer is dictating and making it convenient for the officer so dictation can be given at any hour of the day when perhaps the stenographer would not be available.

"Automatic cashiers for the various tellers to speed up their handling of cage work and more rapidly serve the public.

"Cardineer system to facilitate the handling of safety deposit box customers and for a better record of all entries and collection of rental on the boxes.

"National Proof Machine for the proof department which speeds up the efficiency of the tellers and also makes the items more readily available for the bookkeeping department and the other departments waiting for the day's transactions. This machine alone has cut off at least two hours or more per day of work than was previously handled in our proof department and facilitates the handling of errors.

"The Addressograph installed in

the bookkeeping department for the use of heading up ledger sheets and statements.

"National Cash Register posting machines to handle all of our posting. These three new machines give us positive alignment whereby we are able to produce a statement which presents a very commendable appearance. This eliminates the tabulation from column to column and provides an automatic count of all checks handled. Lastly, it gives the operator complete visibility of posting at all times.

"Burroughs Posting Machines are used for handling the note ledger posting and general ledger posting. This modern posting equipment makes it possible to handle a larger number of items each day more easily, much more rapidly and accurately.

"Sortergraf use saves at least three unit handlings of checks as they are prepared for posting of the day's work.

"Cummins Electric Perforator for the cancellation of checks is three times faster than the hand-operated machine.

"Through the above, we have been able to save time, do the work more easily and efficiently with a satisfaction to operator in using modern equipment."

CLIFFORD G. WESTON

**Assistant Vice President, The First
National Bank
(Population 87,000—Deposits \$48,635,000)
Lincoln, Nebraska**

"Most banks today are devoting a great deal of attention to improving the speed and efficiency of internal

Machines and Money for Banks

A NORTHWESTERN BANKER SURVEY

bank operations. Activity is being maintained at a high level, yet, unfortunately, the banking industry, together with other industries, is faced with a real problem in its endeavor to attract desirable and competent workers.

"We in our bank have been particularly anxious, therefore, to investigate any new methods of bank operation which have come to our attention, as we are convinced that the employment of such new procedures and modern equipment will contribute materially to operating efficiency and should reduce expenses in the long run.

"I have briefly described below some of the new methods installed recently in our bank and our experience with them.

Proof Machines

"Four proof machines have been installed since the war. These machines, of course, prove the accuracy of each deposit. A distribution of checks is made at the same time, and a control set up on each 'sort.' Clearing items are so handled that they require no further work. Certain transit items, such as those collected through Federal Reserve Banks, are also sorted in the first operation and need only to be endorsed and photographed before mailing. Cross-checking for errors, we found, was eliminated after the installation of proof machines. All items, whether transit, on us, or clearings, move through the bank at a faster rate than before, and the balancing of the various departments is facilitated.

"A 30 per cent decrease in the number of employes engaged in central proof work has been made possible

(Turn to page 82, please)



↑ **ALLEN-WALES** adding machines for years have been standard bookkeeping equipment in many business offices and banks. The machine in photo above is latest model.

↓ **THE MONROE** bank bookkeeping unit shown in operation in the picture below has a special desk, machine and ledger tray providing the operator with a complete working unit.



New Officers North Dakota Association

President, Arne Gregor, president, Farmers State Bank, Leeds.

Vice president, J. F. McEntee, president, Citizens State Bank, New England.

Secretary, C. C. Wattam, Fargo (re-elected).

Treasurer, Clarence B. Olson, vice president, Merchants National Bank & Trust Company, Fargo.

North Dakota A. B. A. Elections

Member nominating committee, F. A. Irish, chairman, First National Bank & Trust Company, Fargo.

Alternate, Arne Gregor, president, Farmers State Bank, Leeds.

Vice president, National Bank Division, Fred Orth, president, First National Bank, Grand Forks.

Vice president, State Bank Division, Sharpe Pruetz, cashier, Kulm State Bank.

Vice president, Savings Bank Division, W. E. Tooley, vice president and cashier, First National Bank, Minot.

Vice president, Trust Division, Pershing Boe, assistant trust officer, First National Bank & Trust Company, Fargo.

ANTICIPATING with pleasure an event to which they have been looking forward ever since the invitation was extended almost a year ago, members of the North Dakota and the South Dakota Bankers Associations and their families found the joint convention of these associations held in Minneapolis and St. Paul last

The Dakotas in Joint Convention

North and South Dakota Associations Hold Annual Meetings in Twin Cities

month fully up to their expectations. As the country editor puts it, "A good time was had by all."

Total registration for the joint meeting totaled nearly 600, of which 500 were from the Dakotas, with the balance made up of Twin City bankers and those from the larger towns in the east and middle west.

South Dakota

As noted on this page, J. M. Lloyd, vice president of the American State Bank, Yankton, was elected president of the South Dakota Association, succeeding Arthur Dahl, president of the Rapid City National Bank. T. M. Harkison, president of the National Bank of South Dakota, Sioux Falls, was named vice president, and will succeed to the presidency of the association next year. Certain activities in Sioux Falls in which Mr. Harkison felt he should participate prevented his attending the joint convention.

Carl E. Bahmeier, Jr., of Huron, was re-elected secretary and treasurer of the South Dakota Association. New

New Officers South Dakota Association

President, J. M. Lloyd, vice president, American State Bank, Yankton.

Vice president, T. M. Harkison, president, National Bank of South Dakota, Sioux Falls.

Secretary-treasurer, Carl E. Bahmeier, Jr., Huron (re-elected).

South Dakota A. B. A. Elections

Member nominating committee, H. N. Thomson, vice president, Farmers & Merchants Bank, Presho.

Alternate, L. C. Foreman, president, Corn Exchange Bank, Elkton.

Vice president, National Bank Division, Noel Klar, vice president and cashier, First National Bank of the Black Hills, Rapid City.

Vice president, State Bank Division, B. L. Laird, executive vice president and cashier, Security State Bank, Tyn-dall.

Vice president, Savings Bank Division, J. W. Bryant, vice president, Commercial Trust & Savings Bank, Mitchell.

Vice president, Trust Division, R. A. Pankow, trust officer, First National Bank & Trust Company, Sioux Falls.

to the office less than a year ago, Mr. Bahmeier is already conducting the affairs of the association like a veteran. Everybody calls him "Carl," which is usually a sign of success in any endeavor.

In the South Dakota business session, President Dahl reported the largest membership in history, with only two non-member banks in the state—

(Turn to page 43, please)

At the North and South Dakota Joint Convention —→

THE PICTURES at the right were taken at the joint convention of the North Dakota and South Dakota Bankers Associations held last month in the Twin Cities. Reading from left to right, those pictured are:

1—**J. M. Lloyd**, vice president of the American State Bank, Yankton, South Dakota, and new president of the South Dakota Association, receives the gavel from **Arthur E. Dahl**, president of the Rapid City National Bank, immediate past president.

2—**Arne A. Gregor**, president Farmers State Bank, Leeds, North Dakota, and new president of the North Dakota Association; **J. F. McEntee**, president Citizens State Bank, New England, new vice president; and **C. H. Olson**, vice president Merchants National Bank, Fargo, new North Dakota treasurer.

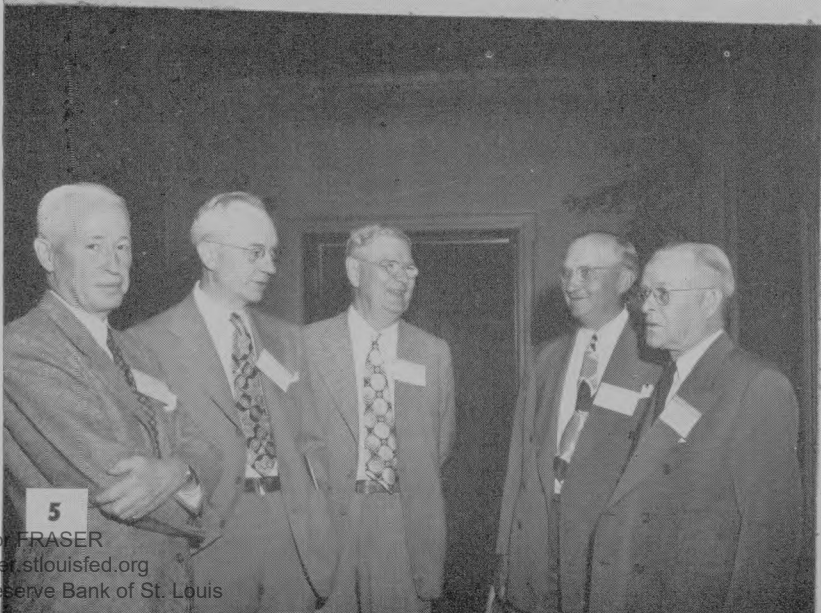
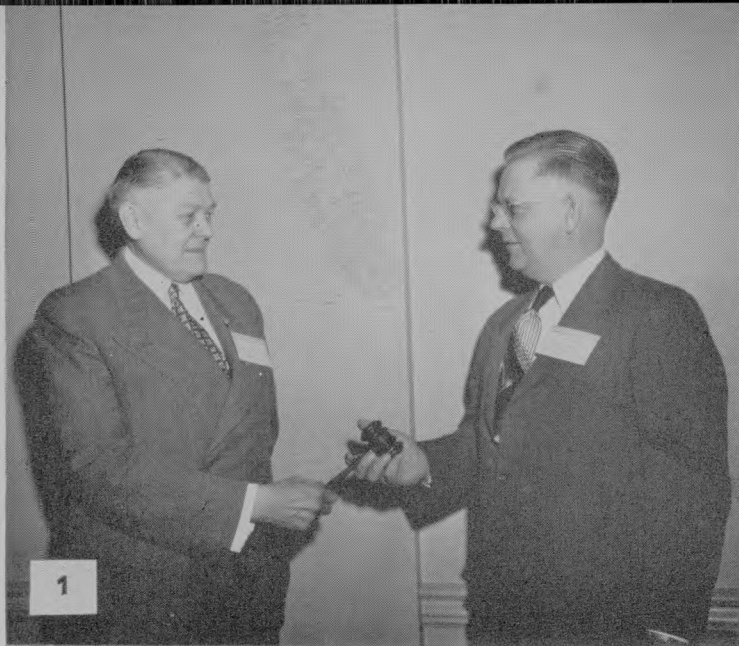
3—Six North Dakota bankers: Front row, **F. A. Foley**, Rolette County Bank, Rolla, immediate past president of the North Dakota Association; **H. C. Bowers**, manager Bank of North Dakota, Bismarek; and **Fred Irish**, chairman of the board First National Bank, Fargo. Second row, **J. A. Murphy**, veterans administration, Fargo; and **N. I. Koop**, vice president

First National Bank, Bismarek. And in the rear, **L. E. Smith**, vice president and cashier Fargo National Bank.

4—**Sharpe Pruetz**, cashier Kulm State Bank; **A. W. Eastman**, cashier First National Bank, Milnor; **F. D. McCartney**, vice president First National Bank, Oakes, all the foregoing from North Dakota; **John N. Peyton**, governor Federal Reserve Bank, Minneapolis; and **H. Clay McCartney**, director Midland National Bank, Minneapolis.

5—**Karl Goldsmith**, president Fort Pierre National Bank, Ft. Pierre, South Dakota; **H. M. Grant**, president Union National Bank, Minot, North Dakota; **J. R. McKight**, president Pierre National Bank, Pierre, South Dakota; **C. H. Lockhart**, president First Citizens National Bank, Watertown, South Dakota; and **L. T. Morris**, chairman of the board of the same bank.

6—**Donald A. Coyle**, assistant treasurer, New York Trust Co., New York; **Ralph M. Watson**, president Northwest Security National Bank, Sioux Falls, South Dakota; **Russel Prudden**, Prudden's Digest, New York City; and **Arthur Larson**, Federal Reserve Bank, Minneapolis.



Minneapolis Banker Heads Minnesota Association

M. O. Grangaard Chosen President at Near-record Meeting of 1,300 Registrants

M. O. GRANGAARD, vice president of the First National Bank in Minneapolis, was elected president of the Minnesota Bankers Association at the concluding session of the annual meeting of the association held last month in Minneapolis. He succeeds John Carlander, president of the State Bank of Faribault.

N. A. Welle, vice president of the First National Bank, Bemidji, was named vice president and Guy S. Bacon, president of the Empire State Bank, Cottonwood, becomes treasurer.

Robert E. Pye, Minneapolis, continues as secretary of the Minnesota Association, through whose efforts the fifty-eighth annual meeting functioned smoothly and well. Nearly 1,300 were registered at this 1948 convention.

At the Minnesota American Bankers Association elections, John Carlander was named to the executive council,

his term expiring in 1951. A. W. Hoese, president, Security State Bank, Glencoe, was named to the A.B.A. nominating committee from Minnesota, with A. H. Haakenson, vice president and cashier, Austin State Bank, as alternate.

State vice presidents for the A.B.A. were elected as follows:

National bank division, George Meinz, vice president and cashier, American National Bank, St. Cloud; savings division, Willis A. Putman, vice president, First and American National Bank, Duluth; state bank division, J. Brogger, president and cashier, State Bank of Butterfield, and trust division, H. C. Hinze, vice president and trust officer, First National Bank, Winona.

While the ladies were enjoying a drama review as their special evening entertainment, the bankers attended the pre-convention smoker, a tradition

at Minnesota conventions. The dinner was served cafeteria style, the main entrees being ham and roast beef. At the start of the line the roast beef looked like at least a quarter of a steer; when every plate was filled the roast beef had disappeared. Those Minneapolis banks, hosts at the pre-convention smoker, know conventionites like good food and plenty of it.

In his address at the morning session, President Carlander suggested a three-point program for Minnesota bankers—to combat inflation in every way possible, to establish a personnel program of education to prepare the younger folks in the banks to take over when present officers feel like they want to relax a bit, and to lend every cooperation to the agricultural activities of their communities.

In a survey prepared by Lloyd Borg, director of the Mid-Continent Survey, (Turn to page 43, please)

At the Minnesota Convention →

(All reading from left to right)

1—Officers of the Minnesota Bankers Association: **Robert E. Pye**, secretary, Minneapolis; **N. A. Welle**, vice president First National Bank, Bemidji, new vice president of the Association; **M. O. Grangaard**, vice president First National Bank, Minneapolis, and new president Minnesota Association; and **Guy S. Bacon**, president Empire State Bank, Cottonwood, newly elected treasurer.

2—**Verne Bartling**, assistant vice president First National Bank, Chicago; **William H. Miller**, vice president City National Bank, Chicago; **Porter L. Willett**, vice president Central Hanover, New York City; and **George Mitchell**, vice president De Luxe Check Printers, St. Paul.

3—A group enjoying the hospitality of three St. Paul bankers—**J. H. Brogmus**, president Minnesota State Bank; **R. M. Gesell**, president Cherokee State Bank; and **Ed Ehlers**, West St. Paul State Bank.

4—**J. Brogger**, president and cashier State Bank of Butterfield; **Albert Henderson**, cashier First State Bank, Clearbrook; **Carl W. Jensen**, vice president First State Bank, Clearbrook; **K. T. Martin**, assistant vice president First National Bank, Minneapolis; **Andrew Alm**, executive vice president Fidelity State Bank, Luck, Wisconsin; and **Donald T. Lawler**, cashier Crookston National Bank.

5—**Robert E. Pye**, Minnesota Association secretary, Minneapolis; **Mrs. Frank Powers**, Mora; **John Carlander**, president State Bank of Faribault, and immediate past president Minnesota Association; **H. E. Olson**, director Ogilvie State Bank; **Mrs. Olson**; and **Frank Powers**, president Kanabec State Bank, Mora, and treasurer American Bankers Association.

6—**Al Junge**, assistant cashier Northwestern National Bank, Minneapolis; and **R. C. Schall**, manager field warehousing division St. Paul Terminal Warehouse Company, St. Paul.

7—**A. F. Johnson**, executive vice president Merchants State Bank, North Branch; **Donald Buckman**, assistant cashier First National Bank, St. Paul; **R. M. Jones**, vice president and cashier La Crescent State Bank; **F. J. Hyland**, assistant cashier First National Bank, Hastings; and **L. C. Avenson**, assistant cashier Farmers State Bank, Dorset.

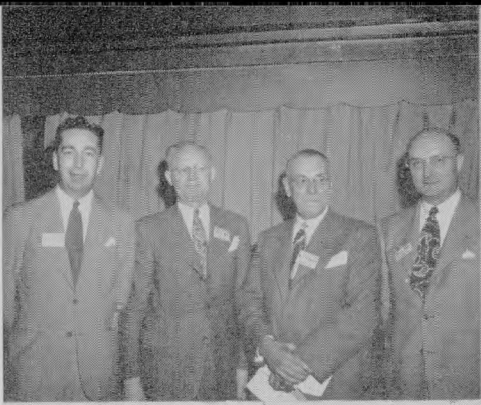
8—**F. E. Hansen**, cashier State Bank of Kenneth; **H. R. Hommedal**, president State Bank of Rush City; **Stanley Evans**, assistant cashier Live Stock National Bank, Sioux City, Iowa; **Roger W. Peavey**, president Security National Bank, Faribault; and **Larry Olson**, vice president Midland National Bank, Minneapolis.

9—A section of the **Burroughs** display at the Minnesota convention in Minneapolis.

10—**W. C. Holt**, president Calumet State Bank; **Fritz Conrad**, vice president Northwestern National Bank, Minneapolis; **C. B. Arvesen**, cashier Otiseo State Bank; **Wayne Reimer**, Bank of America, San Francisco; **L. O. Kirby**, vice president First National Bank, Hibbing; **B. G. Berg**, vice president and cashier Security State Bank, Kenyon; **R. E. Rogde**, president Princeton State Bank; and **Eldor Pick**, cashier Security National Bank, Amboy.

11—A group enjoying the singing in the headquarters of the Marquette National Bank, Minneapolis. Facing the camera in the foreground is **Ben Du Bois**, president First State Bank, Sauk Centre, and secretary of the Independent Bankers Association.

12—**W. D. Heupel**, vice president First National Bank, Mobridge, South Dakota; **F. C. Aarestaad**, president First National Bank, Denison, Iowa; **J. Schad**, cashier Farmers and Merchants State Bank, Roslyn, South Dakota; **Leonard Gisvold**, assistant vice president Northwestern National Bank, Minneapolis; **C. O. Thompson**, cashier First Security Bank, Underwood, North Dakota; and **George S. Coonrod**, assistant vice president Marquette National Bank, Minneapolis.



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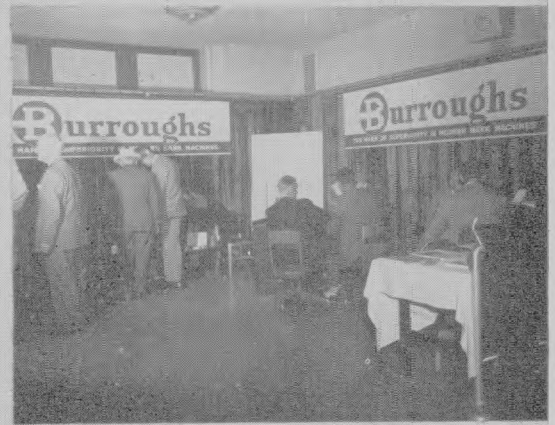
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7



8



9



10



11



12

News and Views

OF THE BANKING WORLD

By HENRY H. HAYNES, Editor

CHARLES MILLS, former president of the Iowa Bankers Association, and now a resident of Moline, Illinois, was in Des Moines last month to attend the graduation from Roosevelt High School of his granddaughter, **Mary Mills**. Mr. Mills celebrated his 81st birthday on June 19th. He is planning to attend the 1948 Iowa Bankers Convention in October—he hasn't missed an Iowa convention for many years.

Ben DuBois of Sauk Centre, Minnesota, secretary of the Independent Bankers Association, reports the membership now stands at 2,183, covering an area of forty states. On a recent automobile trip from Biloxi, Mississippi, back to Minnesota, Mr. DuBois picked up 35 new members for the Independent Bankers Association.

C. Arthur Hemminger, advertising manager of the American National Bank & Trust Company, was elected president of the Chicago Financial Advertisers Association at a recent meeting.

He succeeds **Charles C. Greene**, vice president of Doremus & Company, who was named a director, ex officio.

Heads Wisconsin Alumni



STANLEY C. ALLYN

Mr. Allyn, president of the National Cash Register Company, of Dayton, Ohio, is the new president of the University of Wisconsin Alumni Association. Mr. Allyn was graduated at Wisconsin in 1913.

As an illustration of the rush of business in these United States, and particularly in the agricultural sections, **F. D. McCartney**, vice president of the First National Bank of Oakes, North Dakota, says that in the month of September, 1947, clearings in his bank amounted to more than \$3,500,000, including the city of Oakes, population 1,800, and the trade area of the bank.

Mr. and Mrs. **Talbot Peterson** of Appleton, Wisconsin, are the parents of a daughter, Frances, born June 30th, weighing 6 pounds and 13 ounces.

Mrs. Peterson is the former **Evelyn Prouty De Puy**, daughter of **Clifford De Puy**, publisher of the NORTHWESTERN BANKER, and Mrs. De Puy.

We like to stop at the **Hotel Nicollet** in Minneapolis because the accommodations are tops, and the employees the most courteous of any hotel we visit, but we can't understand this one-piece-of-toast business in the Nicollet coffee shop. In the greatest milling center in the world, where flour flows freely, a special request is necessary to get two pieces of toast. It starts our day all wrong.

Leon R. Gruber, cashier, Drivers National Bank, was elected president of the Chicago Conference of the National Association of Bank Auditors and Comptrollers at the organization's annual meeting.

Other officers elected included: Vice president, **John J. Endres**, auditor, Federal Reserve Bank, Chicago; secretary, **Charles P. Heilmann**, auditor, American National Bank and Trust Company of Chicago, and treasurer, **Robert N. Vieracker**, auditor, Industrial National Bank.

There were flowers on the desk of **Paul Frenzel**, vice president of St. Paul Terminal Warehouse Company, on Friday, June 11th, for that date is his birthday. St. Paul Terminal has expanded its facilities recently to include an office in Omaha, operating under the supervision of the Des Moines office.

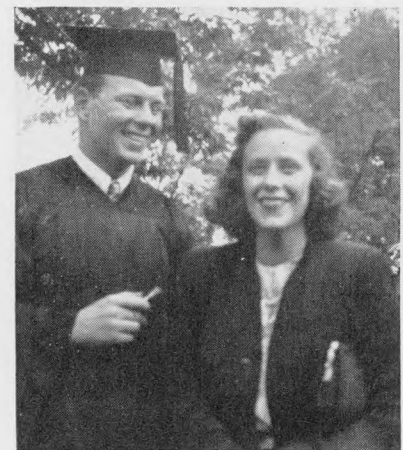
A number of years ago a young man named **Bill** attended the University of Minnesota, and because he had to work

his way through school, got a job as assistant in the chemistry laboratory. He planned, when he graduated, to go to Johns Hopkins and major in chemistry, but to do this he needed more money, so when he got out of the University he became superintendent of schools in Hastings, Minnesota. Later the superintendent of schools at Red Wing, Minnesota, died, and Bill attended the funeral. It seems that members of the school board of Red Wing were to be pallbearers so, after the services, one of the members asked Bill if he would like to ride with him to the cemetery. The invitation was accepted, during the trip he visited with the president of the board, and by the time the party reached the cemetery, Bill was hired to take the place of the man in the hearse ahead.

Bill is now a prominent banker and civic leader in Minneapolis—**William F. Kunze**, vice president and trust officer of the Marquette National Bank.

On June 19th **Miss Ann Jackson**, daughter of **Mrs. Martin Miller** of New Canaan, Connecticut, and **Dr. John Wagner Jackson** of Fort Plain, New York, was married to **Emerson Prouty De Puy**, son of **Clifford De Puy**, publisher of the NORTHWESTERN BANKER and Mrs. De Puy.

Mrs. De Puy attended Knox School



MR. AND MRS. EMERSON DE PUY
From Diplomas and Degrees to Budgets and Bills

at Cooperstown, New York, and graduated from Katharine Gibbs School of New York.

Mr. De Puy graduated from Iowa State College at Ames, where he re-

(Turn to page 80, please)

Statement of Condition

June 30, 1948

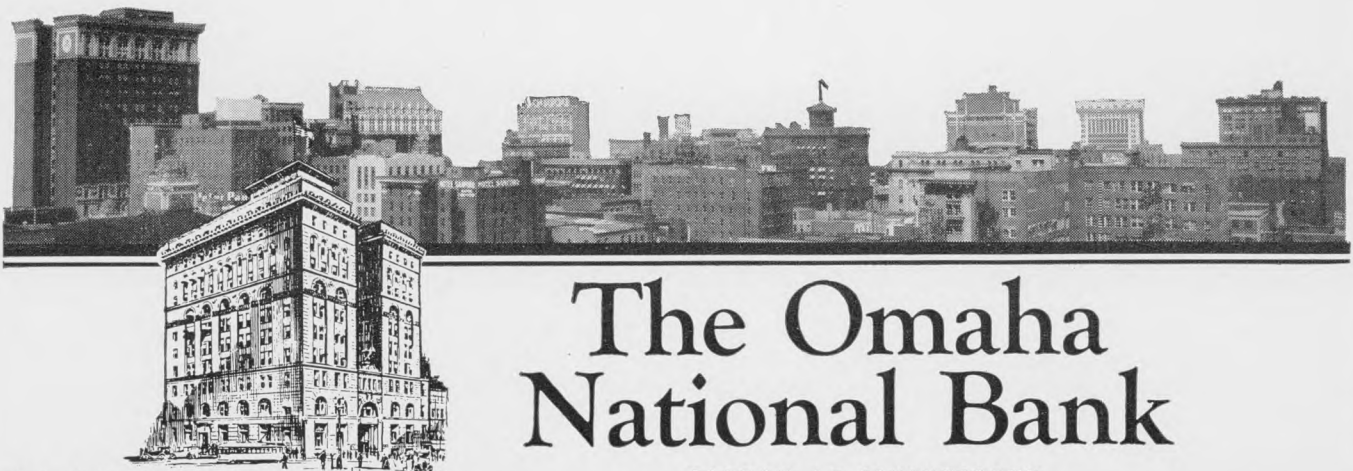
RESOURCES

| | | |
|---|------------------|-------------------------|
| Loans and Discounts..... | \$ 26,795,737.17 | |
| Overdrafts | 805.21 | |
| State and Municipal Bonds..... | 8,917,977.30 | |
| Corporation Bonds | 911,204.70 | |
| Stock in Federal Reserve Bank | 150,000.00 | |
| Bank Office Building | 411,500.00 | |
| Furniture and Fixtures | 1.00 | |
| Income Earned But Not Collected..... | 295,605.14 | |
| Bonds of United States and Government Agencies \$57,067,856.77 | | |
| Due from Federal Reserve Bank | 18,685,153.98 | |
| Cash and Sight Exchange | 25,120,942.37 | 100,873,953.12 |
| | | <u>\$138,356,783.64</u> |

LIABILITIES

| | | |
|--|-----------------|-------------------------|
| Capital Stock | \$ 2,500,000.00 | |
| Surplus | 2,500,000.00 | |
| Undivided Profits | 2,247,090.61 | |
| Reserve for Contingencies | 894,753.65 | |
| Accrued Taxes, Interest, and Other Expenses | 246,702.42 | |
| Dividend Declared and Unpaid | 50,000.00 | |
| U. S. Government Deposits | \$ 4,146,918.34 | |
| Deposits | 125,771,318.62 | 129,918,236.96 |
| | | <u>\$138,356,783.64</u> |

United States Government and other securities carried at \$15,907,198.65 are pledged to secure public and trust deposits and for other purposes required by law.

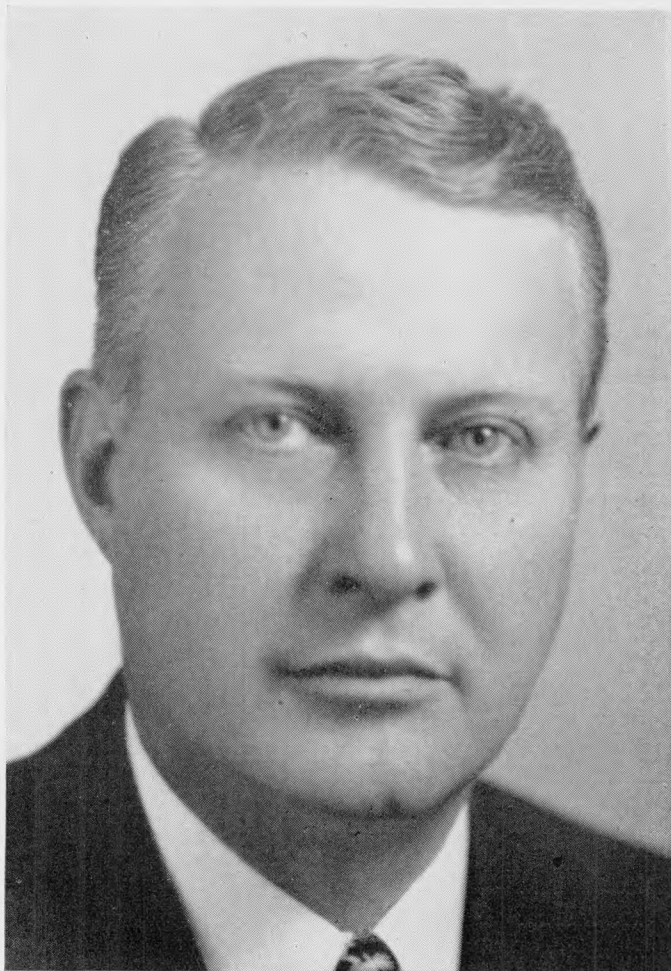


The Omaha National Bank

Member Federal Deposit Insurance Corporation

FARNAM AT SEVENTEENTH

Northwestern Banker, July, 1948



"An unlimited capacity for organization"

Bankers You Know

Joseph F. Ringland

President, The Northwestern National Bank
of Minneapolis

THE weighty responsibilities that accompany the presidency of the Northwestern National Bank of Minneapolis have been taken up by Joseph F. Ringland with the same challenging aggressiveness he has displayed on every task undertaken during his 24-year banking career. Any honor accruing from his position as chief executive of the largest bank in the Northwest Bancorporation has been relegated to the background by Mr. Ringland. He prefers to devote his entire energies to the furtherance of sound, progressive banking ideas.

An intense interest in guiding the financial affairs of a bank entrusted with \$342,705,411 in deposits of thousands of businesses and individuals is a quality developed early in his banking experience by Mr. Ringland. His recent election to the board of directors of the Reserve City Bankers is indicative of his basic banking qualifications, which include an unlimited capacity for organization.

As a young, progressive banker, Mr. Ringland is master of the knack of being common to his bank and his employees. His admirable quality of having a genuine interest in each worker is one greatly respected by the

1,200 staff members of the Northwestern National Bank.

Joseph Ringland has the welfare of the middlewest at heart, for he was born in Wayne, Nebraska, July 22, 1901. He attended Iowa State College at Ames, Iowa, then moved back to his native Nebraska for his first bank position. He was associated with the United States National Bank of Omaha from June, 1924, to March, 1934. At that time he was elected vice president of the Great Falls National Bank in Great Falls, Montana, remaining at that bank until his election to the presidency of the Stock Yards National Bank of South St. Paul in January, 1937. Six years later he moved over to the Empire National Bank in St. Paul with the same title.

Just six months later, in June, 1943, Mr. Ringland left this position to move to New York as vice president of the Guaranty Trust Company. He returned to the midwest at the end of a year, as vice president of the Northwestern National Bank. In July, 1945, the board of directors announced his election as president.

Mr. Ringland was married to Rebecca Moore on October 25, 1930, and

they have two sons, Joseph Jr., who is 16 years old, and James, age 13.

His capabilities as a good businessman did not go unnoticed outside the banking realm. He has been named to the directorate of the Northwestern National Life Insurance Company, the Northwestern Fire and Marine Insurance Company, Red Owl Stores, Inc., the Minneapolis Chamber of Commerce, and the Minneapolis Area Council of the Boy Scouts of America. In addition he is on the boards of the Northwestern National Bank and the Northwest Bancorporation. Last year he took on the job of general chairman of the \$2,300,000 Community Chest Campaign in Minneapolis and put it over the top.

As his business associates and other friends will verify, Mr. Ringland is more than a participant in recreational activities—he is definitely competition. He plays golf and hunts and fishes like he works, throwing himself wholeheartedly into the sport, enjoying every minute of it. He is a member of Woodhill Country Club, Minneapolis and Minikahda Clubs, Minnesota Club of St. Paul, Chicago Club of Chicago.



The
LIVE STOCK
National BANK of Chicago

UNION STOCK YARDS • TELEPHONE YARDS 1220

Statement of Condition

Close of Business—June 30, 1948

RESOURCES

| | |
|--|-----------------|
| Cash and due from banks..... | \$18,282,788.36 |
| U. S. Treasury securities (Average maturity less than 18 months) | 26,016,990.97 |
| State and municipal securities (Average maturity less than 2 years) | 1,732,591.24 |
| Other marketable bonds..... | 318,804.73 |
| Loans and discounts..... | 9,380,732.32 |
| Federal Reserve Bank stock..... | 75,000.00 |
| Bank building..... | 275,000.00 |
| Interest earned, not collected..... | 181,738.98 |
| Current receivables and other assets..... | 99,274.00 |
| Total..... | \$56,362,920.60 |

LIABILITIES

| | |
|--|-----------------|
| Capital..... | \$ 1,000,000.00 |
| Surplus..... | 1,500,000.00 |
| Undivided profits and reserves..... | 308,578.39 |
| Unearned discount..... | 33,525.44 |
| Liability under Letters of Credit..... | 61,678.00 |
| Deposits..... | 53,459,138.77 |
| Total..... | \$56,362,920.60 |

Board of Directors

FREDERICK H. PRINCE

JOHN W. AUSTIN
*Treasurer, Union Stock Yard
& Transit Co.*

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

IVAN E. BENNETT
Vice-President

WILLIAM WOOD PRINCE
*Trustee, Central Manufacturing
District*

RICHARD HACKETT
*General Manager, Central
Manufacturing District*

RALPH M. SHAW
Winston, Strawn & Shaw

ORVIS T. HENKLE
Industrialist

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

DAVID H. REIMERS
President

SERVING AGRICULTURE AND INDUSTRY

Since 1868

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, July, 1948

LEGAL

Can a Man Found to Be Innocent Sue Bank for Malicious Prosecution

Q. Certain bonds were stolen from a bank. Shortly thereafter they were found in Smith's possession and he had no explanation to offer regarding how he happened to have them. Criminal charges of larceny were brought against him. He was acquitted at the trial. Thereafter he sued the bank for damages for malicious prosecution. In such circumstances could he recover?

No. The rule is well established that, in the absence of a reasonable explanation, the possession of recently stolen property shows such a probable cause for regarding the possessor to be the one who stole the property as to justify prosecuting him on a charge of larceny and the prosecutor of such charge, in those circumstances, is not liable for malicious prosecution if the possessor of the stolen property is ultimately acquitted. Alabama, Illinois, Iowa, Kentucky, Mississippi, and the federal courts are among the jurisdictions in which specific holdings to this effect may be found.

Q. Hodges, a banker, leased certain real estate to a tenant for a term of years and then had to go away for his health. There was no lease provision or other special circumstances requiring the tenant to pay the taxes and the brother of the banker, who was to look after the property, failed to pay them. The property was sold at a tax sale and the tenant bought it in while it was being occupied by him under the lease. Was it legal for him to do so?

The majority of the courts hold that one in possession of real estate as a tenant may acquire a title thereto based on a sale for taxes or assessments in the absence of special circumstances imposing upon him the duty of paying the taxes or assessments. Arkansas, Kansas, Missouri, Oklahoma, Texas and Wisconsin are among the states following this general rule. A contrary view is taken in some jurisdictions, however, and these include Alabama, Kentucky, Michigan and Nebraska.

Q. Ohio and Illinois are two states

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

in which cognovit promissory notes are legal, that is, notes which contain provisions to the effect that an attorney can confess judgment thereon. Assume that a person gives such a note to a bank and then leaves the state. Assume, further, that the maker is away for the period of limitations specified for such instruments in the statutes and then returns. Can the bank effect collection or is the note barred by the statute of limitations because the bank could have, at any time, secured a judgment thereon by having an attorney appear and confess the liability in court?

The statute of limitations did not run on the note because of the absence of the maker from the state and the bank could recover a judgment on the note on his return even though it could have, during his absence, obtained a judgment on the instrument by confession. In so deciding the Ohio and Illinois courts point out that the laws of their respective states provide that while a person is away the running of the statute of limitations is suspended and that, since the law does this and nothing more, there is no justification for them to hold that the existence of the confession of judgment clause causes the limitations statute to run against the creditor.

Q. A banker's son was involved in a very bad automobile accident in which a person was killed. The driver was, as an incident thereto, charged with two criminal offenses: one, driving an automobile while under the influence of intoxicating liquor and, two, manslaughter based on culpable negligence in the operation of an automobile. He was tried before a jury on the manslaughter charge and acquitted. In view of that acquittal, could he thereafter be convicted on the intoxicated driving charge?

Yes. Separate offenses are involved

in driving an automobile under the influence of intoxicating liquor and manslaughter based on culpable negligence in the operation of an automobile, even though the two offenses arise from the same occurrence or transaction, and a party who commits such offenses may be prosecuted separately for both offenses without being subjected to double jeopardy. Florida, Mississippi, and Tennessee are among the states so holding.

Q. A bank received, as holder in due course, a promissory note that had been made out to two payees. The endorsements and other aspects of the transactions leading up to the acquisition of the instrument by the bank were all in due form and good order. Did the fact that the note was made out in the first instance to two payees render it non-negotiable?

No. The Uniform Negotiable Instruments Law provides, among various things, that a promissory note may be drawn payable to the order of "one or some of several payees." Prior to that law, instruments for the payment of money to two or more persons were frequently held to be non-negotiable but such holdings are no longer applicable in view of the quoted statutory provision.

Q. Feike, a banker, owned an Iowa farm through the center of which flowed a stream of water. By erecting some dikes and digging some ditches he was able to change the course of the stream so that it flowed along the outskirts of the property. This made more land available for cultivation and was considerably to his advantage. One of his neighbors became disturbed at his activities and sought to enjoin them. Actually, no one was harmed, or could be harmed, as a result to the dikes and ditches. Should Feike be sustained in his activities regarding them?

Yes. A property owner can turn a stream of water in any manner he sees fit on his own land so long as he does not cast it upon the lands of adjoining owners to their damage or interfere with any riparian rights belonging to



The First National Bank of Chicago

Statement of Condition June 30, 1948

ASSETS

| | | |
|---|-------------------|--------------------|
| Cash and Due from Banks, | . \$ | 538,989,316.38 |
| United States Obligations—Direct and fully Guaranteed, Unpledged, | \$584,435,178.55 | |
| Pledged—To Secure Public Deposits and Deposits Subject to Federal Court Order, | 94,792,000.00 | |
| To Secure Trust Deposits, | 65,224,571.52 | |
| Under Trust Act of Illinois, | <u>524,480.00</u> | 744,976,230.07 |
| Other Bonds and Securities, | | 89,972,309.17 |
| Loans and Discounts, | | 789,556,563.39 |
| Real Estate (Bank Building), | | 2,644,468.39 |
| Federal Reserve Bank Stock, | | 4,050,000.00 |
| Customers' Liability Account of Acceptances, | | 2,675,634.40 |
| Interest Earned, not Collected, | | 4,661,563.04 |
| Other Assets, | | <u>258,535.56</u> |
| | | \$2,177,784,620.40 |

LIABILITIES

| | | |
|--|-----------------------|--------------------|
| Capital Stock, | . \$ | 60,000,000.00 |
| Surplus, | | 75,000,000.00 |
| Other Undivided Profits, | | 4,028,030.85 |
| Discount Collected, but not Earned, | | 1,156,723.92 |
| Dividends Declared, but Unpaid, | | 1,200,000.00 |
| Reserve for Taxes, etc., | | 15,504,777.54 |
| Liability Account of Acceptances, | | 3,300,933.31 |
| Time Deposits, | \$ | 388,117,660.65 |
| Demand Deposits, | | 1,476,698,122.36 |
| Deposits of Public Funds, | <u>152,777,632.12</u> | 2,017,593,415.13 |
| Liabilities other than those above stated, | | <u>739.65</u> |
| | | \$2,177,784,620.40 |

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, July, 1948

California Bank *Los Angeles*

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

Statement of Condition as of June 30, 1948

RESOURCES

| | | |
|--|-----------------|-------------------------|
| Cash and Due from Banks | \$97,905,421.15 | |
| United States Government Securities | 225,944,948.11* | |
| Obligations of Other Federal Agencies | \$ 4,612,741.95 | |
| State, County and Municipal Bonds | 15,652,546.82 | |
| Other Bonds and Securities | 539,993.72 | 20,805,282.49* |
| Federal Reserve Bank Stock | | 390,000.00 |
| Ownership of California Trust Company | | 1,475,324.66† |
| Loans and Discounts | | 100,270,533.37 |
| Bank Premises, Furniture and Fixtures | | 1,173,376.96 |
| Earned Interest Receivable | | 1,650,802.77 |
| Customers' Liability under Letters of Credit and Acceptances | | 2,326,283.14 |
| Other Resources | | 341,229.23 |
| TOTAL | | \$452,283,201.88 |

LIABILITIES

| | | |
|--|------------------|-------------------------|
| Deposits: Demand | \$259,842,376.89 | |
| Time | 155,435,791.68 | |
| United States War Loan Deposit | 5,490,164.54 | |
| Other Public Funds | 8,756,684.78 | \$429,525,017.89 |
| Reserve for Interest, Taxes and Expenses | | 1,556,247.08 |
| Unearned Interest Collected | | 1,141,031.34 |
| Letters of Credit and Acceptances | | 2,399,278.64 |
| Capital Stock | 6,500,000.00 | |
| Surplus | 6,500,000.00 | |
| Undivided Profits | 4,661,626.93 | 17,661,626.93 |
| TOTAL | | \$452,283,201.88 |

*\$22,178,661.50 pledged, according to law, to secure Public Funds and Trust Deposits.

†California Trust Company—owned by California Bank and devoted exclusively to trust service—has Capital of \$1,000,000.00, Surplus of \$505,000.00 and Undivided Profits of \$249,955.93.

OFFICERS

FRANK L. KING, *President*

Senior Vice President

ALLAN HANCOCK

Vice President and Counsel

CHAS. E. DONNELLY

Vice Presidents

W. F. BRANDT ARTHUR T. BRETT G. M. CHELEW C. C. DE PLEDGE

W. WAYNE GLOVER F. S. HANSON H. E. HUDSON T. E. IVEY, JR.

F. M. MAGEE JOSEPH MAGOFFIN J. G. MAULHARDT H. J. MENDON

B. B. ODELL R. A. REID F. HOWARD RUSS, JR. J. A. SHINE

A. H. SMITH J. H. STEENSEN CLIFFORD TWETER

O. S. AULTMAN, *Cashier*

MEMBER FEDERAL RESERVE SYSTEM & FEDERAL DEPOSIT INSURANCE CORPORATION

others. This is a well settled, general rule of law which is supported by several Iowa Supreme Court decisions and various other authorities.

Q. Clamp entered into a contract with Matchless, a banker, to sell to him a certain farm. Matchless performed his part of the contract but it developed, as the transaction came to be concluded, that Clamp did not have title to the property. Instead of suing Clamp for damages, Matchless sued him for specific performance of the sales agreement. Could he secure a favorable judgment since Clamp had no title?

No. A vendor who has no title or interest in the land which he contracts to convey will not be required specifically to perform, since equity will not require him to obtain title. Cases so holding may be found in Illinois, Kansas, Michigan, and other jurisdictions.

Q. Eggwood, a South Dakota banker, owned a building in that state which he leased to Hobart for grocery store purposes for three years. The lease provided, among various things, that Hobart would not use the premises for any unlawful business or purpose whatsoever. Despite such lease provision Hobart operated the store under a fictitious name without registering it with governmental authorities as required by state law. Was the lease subject to forfeiture because of this?

Yes, according to a recent South Dakota Supreme Court decision. A lessor may control the use of the premises owned by him by inserting such conditions in the lease with reference to the use thereof as he pleases and it is not for the lessee to say that they are unreasonable. The South Dakota statutes plainly provide that it is unlawful for any person to engage in business under a fictitious name without registering it. Since Hobart was operating unlawfully the lease was violated and such instrument could therefore be forfeited by the landlord.—The End.

Promotions

Promotions of five officers of the Chase National Bank to positions of higher rank and the appointment of several clerical employes to the official staff, all effective July 1, were announced by the bank.

Promoted officers were: Lowell E. Ullery, to vice president in the Petroleum Department; David Rockefeller,

to second vice president in the Foreign Department; Jesse F. Skelton, to second vice president at Rockefeller Center Branch; Robert Wetzler, to second vice president at 73rd Street Branch, and Reginald P. Russell, to assistant cashier in the Credit Department.

Newly appointed officers were: Joseph L. Kelly, custody officer, Trust Department; Leonor F. Loree, II, assistant cashier in the bank's far-Western district, and the following assistant managers at New York City branches; Frank J. Dowd, 42nd Street; Winfield F. Hanrahan, 57th Street; Ira O. Smale, Rockefeller Center, and Stanley B. Smith and Clinton B. Thomas, Times Square.

Wells Promoted

The board of directors of the American National Bank and Trust Company of Chicago promoted Kenneth R. Wells, assistant vice president, to the office of vice president of the bank.

Mr. Wells is in charge of the industrial division which specializes in



KENNETH R. WELLS
Now Vice President

the financing of installment sales of heavy industrial equipment and also home improvement and repair work for dealers and contractors.

Prior to joining the bank in 1939, Mr. Wells was associated with one of the major finance companies for more than ten years. He served in many capacities and obtained a thorough knowledge of installment financing business.

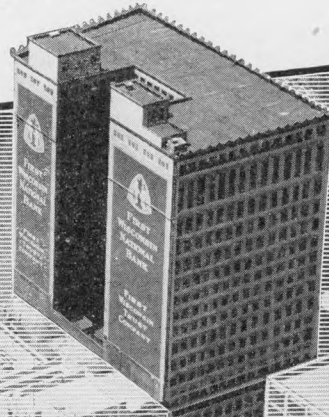
A native of Minnesota, he graduated from the University in that state in 1927 and also holds a diploma from the Graduate School of Banking at Rutgers.

Ready - with facilities, facts, contacts

The First Wisconsin is at your service in Wisconsin with complete, modern facilities... with on-the-ground knowledge of Wisconsin business, industry, agriculture... plus correspondent contacts with over 92% of all the banks throughout this state. At your service — and always ready to serve in many ways that go beyond the usual limits of mere routine efficiency.

BANKS AND BANKERS DIVISION

GEORGE T. CAMPBELL - Vice President
RICHARD J. LAWLESS - Asst. Vice President
DONALD A. HARPER - Asst. Vice President



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

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Guaranty Trust Company of New York

140 Broadway

Fifth Ave. at 44th St. Madison Ave. at 60th St. Rockefeller Plaza at 50th St.

LONDON • PARIS • BRUSSELS

Condensed Statement of Condition, June 30, 1948

RESOURCES

| | |
|--|---------------------------|
| Cash on Hand, in Federal Reserve Bank, and | |
| Due from Banks and Bankers | \$ 680,832,855.44 |
| U. S. Government Obligations | 1,123,217,847.28 |
| Loans and Bills Purchased | 870,076,683.69 |
| Public Securities | \$ 78,525,795.32 |
| Stock of Federal Reserve Bank | 9,000,000.00 |
| Other Securities and Obligations | 10,294,152.93 |
| Credits Granted on Acceptances | 14,040,589.77 |
| Accrued Interest and Accounts | |
| Receivable | 7,726,124.16 |
| Real Estate Bonds and Mortgages | 1,321,660.50 |
| | <u>120,908,322.68</u> |
| Bank Premises | 4,858,969.78 |
| Other Real Estate | 38,946.40 |
| Total Resources | \$2,799,933,625.27 |

LIABILITIES

| | |
|--|---------------------------|
| Capital | \$ 100,000,000.00 |
| Surplus Fund | 200,000,000.00 |
| Undivided Profits | 63,848,493.22 |
| Total Capital Funds | \$ 363,848,493.22 |
| Deposits | \$2,310,497,816.86 |
| Treasurer's Checks Outstanding | 41,718,679.50 |
| Total Deposits | 2,352,216,496.36 |
| Acceptances | \$ 20,367,441.68 |
| Less: Own Acceptances Held | |
| for Investment | 6,186,442.60 |
| | \$ 14,180,999.08 |
| Dividend Payable July 1, 1948 | 3,000,000.00 |
| Items in Transit with Foreign | |
| Branches | 967,691.04 |
| Accounts Payable, Reserve for | |
| Expenses, Taxes, etc. | 65,719,945.57 |
| | <u>83,868,635.69</u> |
| Total Liabilities | \$2,799,933,625.27 |

Securities carried at \$90,235,817.59 in the above Statement are pledged to qualify for fiduciary powers, to secure public moneys as required by law, and for other purposes.

J LUTHER CLEVELAND
Chairman of the Board

WILLIAM L. KLEITZ
President

DIRECTORS

GEORGE C. ALLEN Director, British-American Tobacco Company, Limited, and President, Duke Power Company
WILLIAM B. BELL President, American Cyanamid Company
F. W. CHARSKIE Chairman, Executive Committee, Union Pacific Railroad Company
J. LUTHER CLEVELAND Chairman of the Board
W. PALEN CONWAY
CHARLES P. COOPER Vice-Chairman of the Board, American Telephone and Telegraph Company
WINTHROP M. CRANE, Jr. President, Crane & Co., Inc., Dalton, Mass.
STUART M. CROCKER President, The Columbia Gas System, Inc.
JOHN W. DAVIS of Davis Polk Wardwell Sunderland & Kiendl
CHARLES E. DUNLAP President, Berwind-White Coal Mining Company
GANO DUNN President, The J. G. White Engineering Corporation
WALTER S. FRANKLIN Executive Vice-President, The Pennsylvania Railroad Company

LEWIS GAWTRY
JOHN A. HARTFORD President, The Great Atlantic & Pacific Tea Company
CORNELIUS F. KELLEY Chairman of the Board, Anaconda Copper Mining Company
MORRIS W. KELLOGG Chairman of the Board, The M. W. Kellogg Company
WILLIAM L. KLEITZ President
CHARLES S. MUNSON Chairman, Executive Committee, Air Reduction Company, Inc.
WILLIAM C. POTTER Retired
GEORGE E. ROOSEVELT of Roosevelt & Son
EUGENE W. STETSON Chairman, Executive Committee, Illinois Central Railroad Company
THOMAS J. WATSON President, International Business Machines Corporation
CHARLES E. WILSON President, General Electric Company
ROBERT W. WOODRUFF Chairman, Executive Committee, The Coca-Cola Company

Member Federal Deposit Insurance Corporation

To Chicago Bank

Edward M. Cummings has been elected a second vice president of the Continental Illinois National Bank and Trust Company of Chicago. Mr. Cummings formerly was an assistant vice president of the Chemical Bank and Trust Company of New York.

Guy Wickes Cooke

Guy Wickes Cooke, 70, of 728 Colfax Street, Evanston, Illinois, died last month at St. Francis Hospital after a short illness. He was formerly assistant cashier of The First National Bank of Chicago, and for thirty-three years was in charge of the bank's advertising, retiring in 1943, after forty-three years of service. He was one of the organizers of the Financial Advertisers Association, now the Financial Public Relations Association, and a life member of the American Institute of Banking. He is survived by his widow, Sarah Mac Adam Cooke, a son, Richard, and a daughter, Mary.

Book Program

First among large banks to initiate a great books program is the Harris Trust and Savings Bank of Chicago. Twice a month a group of about thirty-five employees meet in the bank library to discuss a great book. These meetings are a series of great books seminars, sponsored by the Great Books Foundation, now being carried on all over the country. Among the books that this group has studied or will study are *The Declaration of Independence*, *Plato's Apology*, *Aristotle's Politics*, *Shakespeare's Hamlet* and *St. Augustine's Confessions*. Each discussion is guided by two leaders, employees who have been trained in the art of asking questions.

Continental Changes

At the regular meeting of the board of directors of the Continental Illinois National Bank and Trust Company of Chicago last month, the following changes were made in the official staff:

From assistant cashier to second vice president, Harry L. Jones; newly elected second vice president, Lynn T. Hannahs, Jr.; newly elected assistant cashiers, Andrew J. Paine and Fred W. Shewell.

Lynn T. Hannahs was formerly an assistant vice president of the Commercial National Bank and Trust Company of New York before recently joining the staff of the Continental Illinois.

Assistant Vice President

The Mercantile-Commerce Bank and Trust Company of St. Louis recently

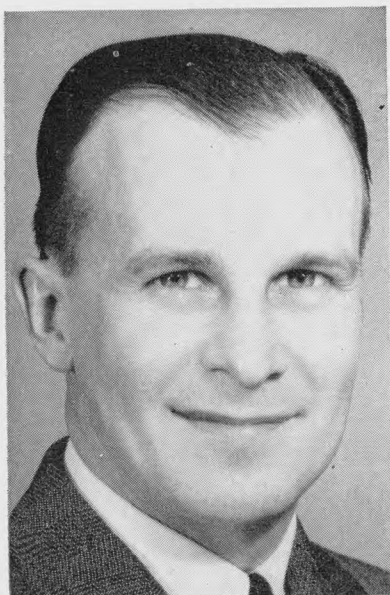
announced the appointment of John B. Mitchell as assistant vice president. Mr. Mitchell has been associated with the bank since 1936. He is a graduate of St. Louis University and during the war served for three years as an officer in the United States Coast Guard.

New Board Member

Leroy A. Wilson, president of the American Telephone and Telegraph Company, was elected a member of the board of directors of the Chase National Bank, it was announced by Winthrop W. Aldrich, chairman of the Chase board.

Iowa Representative

The Harris Trust and Savings Bank of Chicago has selected Robert F. Balsley to serve as one of its Iowa



ROBERT F. BALSLEY
Will Travel Iowa

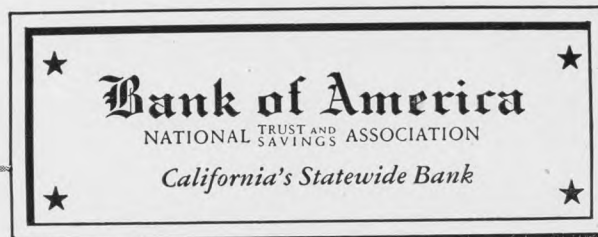
representatives. He will spend much of his time calling on banks in Iowa.

Mr. Balsley graduated from the University of Chicago in 1933 and came to the Harris Trust and Savings Bank immediately thereafter. Except for two years in the Navy he has since served in the trust, credit, municipal investment and research departments of the bank.

Nominated

Hal H. Dewar, partner in the San Antonio investment firm of Dewar, Robertson & Pancoast, has been nominated as the next president of the Investment Bankers Association of America, it was announced by Julien H. Collins, Julien Collins and Company, Chicago, president of the Association.

Named with Mr. Dewar were the following nominees for vice president:



Condensed Statement of Condition, June 30, 1948

RESOURCES

| | | |
|--|-------------------|---------------------------|
| Cash in Vault and in | | |
| Federal Reserve Bank | \$ 711,872,904.66 | |
| Due from Banks | 300,162,685.31 | |
| TOTAL CASH | | \$1,012,035,589.97 |
| United States Government Obligations, | | |
| direct and fully guaranteed | 1,714,314,431.70 | |
| State, County, and Municipal Bonds | 292,804,911.68 | |
| Other Bonds and Securities | 96,798,302.63 | |
| Stock in Federal Reserve Bank | 6,499,400.00 | |
| Loans and Discounts | 2,602,110,350.75 | |
| Accrued Interest and Accounts Receivable | 21,836,355.20 | |
| Bank Premises, Furniture, Fixtures and Safe Deposit Vaults | 39,271,961.47 | |
| Other Real Estate Owned | 71,451.35 | |
| Customers' Liability on Account of | | |
| Letters of Credit, Acceptances, and Endorsed Bills | 72,891,761.56 | |
| Other Resources | 599,773.94 | |
| TOTAL RESOURCES | | \$5,859,234,290.25 |

LIABILITIES

| | | |
|---|--------------------|---------------------------|
| Capital | \$ 106,646,375.00 | |
| Surplus | 110,000,000.00 | |
| Undivided Profits | 57,168,023.95 | |
| Reserves | 4,728,170.45 | |
| TOTAL CAPITAL FUNDS | | \$ 278,542,569.40 |
| Reserve for possible Loan Losses | 35,270,063.96 | |
| Deposits { Demand | \$2,994,322,620.63 | } 5,433,396,048.24 |
| { Savings and Time | 2,439,073,427.61 | |
| Liability for Letters of Credit and as Acceptor, | | |
| Endorser, or Maker on Acceptances and Foreign Bills | 77,195,692.69 | |
| Reserve for Interest Received in Advance | 13,426,867.66 | |
| Reserve for Interest, Taxes, etc. | 21,403,048.30 | |
| TOTAL LIABILITIES | | \$5,859,234,290.25 |

This statement includes figures of the Bank's foreign offices

Main Offices in Two Reserve Cities of California
SAN FRANCISCO • LOS ANGELES

Branches throughout California united for strength and service

Foreign branches: London, Manila, Tokyo



MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

MEMBER FEDERAL
RESERVE SYSTEM

Northwestern Banker, July, 1948

A. I. B. Honors Bill Irwin



HONORED—In recognition of his ten years of service as educational director of the American Institute of Banking, Dr. William A. Irwin was presented with a scroll and a testimonial to his service following the recent A. I. B. National convention. Dr. Irwin is now associate director of the Graduate School of Banking, and economist of the American Bankers Association.

In the picture above, from left to right: **Garnett A. Carter**, immediate past president of the American Institute of Banking and vice president of the Fulton National Bank, Atlanta, Georgia; **Pierre N. Hauser**, newly elected president of the A.I.B. and vice president of the First Wisconsin National Bank, Milwaukee, Wisconsin; **Dr. Harold Stonier**, executive manager of the American Bankers Association; and **Dr. William A. Irwin**.

Albert T. Armitage, Coffin and Burr, Incorporated, Boston; Hazen S. Arnold, Braun, Bosworth and Company, Toledo; John F. Fennelly, Gloré, Forgan and Company, Chicago; Joseph T. Johnson, The Milwaukee Company, Milwaukee; Laurence M. Marks, Laurence M. Marks and Company, New York.

Nominations, made by the board of governors of the Association, are considered tantamount to election in the I. B. A., which will act on the ticket at its annual convention scheduled for December 5 to 10 at the Hollywood Beach Hotel, Hollywood, Florida.

Home Promotions

The Home Insurance Company, New York, announces the following promotions, transfers and appointments in its New York, Philadelphia and Baltimore offices:

Arthur F. Herman has been promoted to vice president and secretary in charge of the automobile departments of The Home and The Home Indemnity Company. He formerly was vice president of The Home.

Malcolm A. Sedgwick has been promoted to vice president and secretary in charge of the investment department of The Home. He was formerly a secretary of The Home.

Norman S. White has been made vice president and secretary of The Home and will be transferred later to San Francisco to take charge of the Pacific Coast states. He formerly was a secretary of The Home.

R. E. Minner will become vice president and secretary of The Home and will be transferred to Chicago at a later date where he will be in charge of the middle western states. He formerly was a secretary of The National Liberty Insurance Company of America.

C. Harry Smith, formerly vice president and secretary of The Franklin Fire Insurance Company; Percy C. Buck, formerly secretary of The Franklin Fire; and Charles M. Mecke, formerly assistant secretary of The Franklin Fire, have been elected to similar positions with The Home Insurance Company.

Randolph Church, a former assistant secretary of The Homestead Fire Insurance Company, has been made an assistant secretary of The Home.

As of June 1, 1948, The National Liberty Insurance Company of America, The Franklin Fire Insurance Company and The Homestead Insurance Company were merged into The Home Insurance Company.

Kenneth H. Dunshee, public relations director of The Home Fleet of companies, has been appointed assistant secretary of The Home Insur-

IN BRAZIL—IT'S

The Royal Bank of Canada

Established in Rio de Janeiro for nearly 30 years, and with other branches in Santos, Sao Paulo and Pernambuco (Recife), the Royal Bank knows Brazil, offers a fully informed service to banks and business firms interested in that country. Enquiries are invited.

New York Agency—68 William St., New York 5, N. Y.

Over 700 branches in Canada, the West Indies, Central and South America; New York, London and Paris. Correspondents the world over.

HEAD OFFICE—MONTREAL

Assets exceed

\$2,000,000,000



ance Company. Roger Bayles also has been appointed an assistant secretary of The Home and will serve as an assistant in the investment department.

Burroughs Expansion

Expansion and improvement activities at the Burroughs Adding Machine Company resulted in the expenditure of approximately \$2,500,000 during the first five months of 1948, John S. Coleman, president of the company, announced in a letter to stockholders accompanying the company's 188th consecutive cash dividend.

"This expansion and improvement program, together with increased production, has imposed financial burdens heavier than at any other time in Burroughs' history," Coleman said.

"In addition to expenditures for new buildings, machinery, tools and equipment, \$20,000,000 are now being used to finance inventories necessary for our current production rate, as compared with \$12,000,000 before the war. Another \$2,500,000 more than in pre-war years are tied up in accounts receivable.

"Factors such as these," he said, "emphasize the necessity for Burroughs to have very substantial earnings and, in the interests of both stockholders and employees, to continually invest a large part of those earnings in the business."

UP 8% IN NINE YEARS

It's so nice to be able to practice restraint in advertising yet make the story impressive. Take our headline this month, for example. It simply means that the price of DeLuxe Personalized Pocket Checks, having been advanced last December from \$1.25 to \$1.35, is up only 8% in a nine-year period. We do not believe it would add to the impressiveness of this statement if we were to say "Down 46% in ten years," although that too would be true because ten years ago these checks really did sell for \$2.50.

In the face of steadily mounting costs we have held the price line pretty well, and not at the sacrifice of profit either because we do a lot better at \$1.35 than we did at \$2.50. The answer, of course, is ever-increasing volume. Certainly, covers have gone up, but they haven't gone up as much as they might had we not jumped our purchases from a hundred thousand to a half-million. Boxes have gone up, but since we buy two or three hundred thousand at a time instead of fifty thousand, they also have not advanced as much as they normally would.

Labor has gone up, but our people respond well to "doing things easier"

and their output has in large measure offset higher hourly rates. We have installed automatic Teletypesetter equipment at a cost of forty thousand dollars just to shave a little off the expense of casting a line of type. We have taken a simple little eighty dollar gold-stamping machine and, through the addition of "gadgets," have made it a one thousand dollar machine and improved its output in an eight-hour day from 400 to 1500 units. We have taken common, everyday printing forms and engineered them into precision units to take the guesswork out of printing. These things — and many more — we have done in order to hold the price line and to get ready to serve two million customers next year instead of the one million who bought DeLuxe Personalized Checks last year.

We don't share the view that price advances should be "passed on"; we think our responsibility as a manufacturer is first to find ways and means of "doing things easier," which is another way of saying doing them better, faster and cheaper. So we don't pass them on. Neither do we absorb them. It is our purpose to dissipate them and, to the degree we succeed, we hold down prices.



Manufacturing Plants at:

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

City National Bank and Trust Company of Chicago

Condensed Statement of Condition—June 30, 1948

| RESOURCES | LIABILITIES |
|--|--|
| Cash and Due from Banks - - \$ 93,819,196.80 | Capital - - - - - \$ 4,000,000.00 |
| U. S. Government Securities - - 144,467,238.95 | Surplus - - - - - 4,000,000.00 |
| State, Municipal, and Other Securities - - - - - 4,703,955.57 | Undivided Profits - - - - - 3,199,239.78 |
| Loans and Discounts - - - - 77,200,063.48 | Reserves for Interest, Taxes, and Contingencies - - - - 2,411,055.90 |
| Federal Reserve Bank Stock - - 240,000.00 | Dividend payable August 2, 1948 60,000.00 |
| Accrued Interest - - - - - 660,415.85 | Letters of Credit and Acceptances Outstanding - - - - 1,632,637.85 |
| Customers' Liability on Letters of Credit and Acceptances - - 1,622,637.85 | Other Liabilities - - - - - 130,736.47 |
| Other Resources - - - - - 135,511.44 | Deposits - - - - - 307,415,349.94 |
| <u>\$322,849,019.94</u> | <u>\$322,849,019.94</u> |

Member Federal Deposit Insurance Corporation

Dividend

The board of directors of Manufacturers Trust Company, New York, has declared the regular quarterly dividend on the bank's capital stock in the amount of sixty cents per share, payable on July 1, 1948, to stockholders of record on June 8, 1948.

On School Committee

William M. Sherrill, advertising and publicity manager, First National Bank in St. Louis, has been appointed to the Administrative Committee of the School of Banking, University of Wisconsin, by J. C. Welman, president of the Missouri Bankers Association.

Conclude Conferences

Irving Trust Company, New York, has concluded its eighth Investor Relations round table conference for officers of public utility operating companies, the final meeting of the current series which began last October. Taking part in the two-day session were top officials of ten leading utility operating companies located in Atlantic City, Chicago, Cleveland, Cincinnati, Hammond (Ind.), New York City, Shreveport (La.), and Wilmington (Del.). Irving arranged the meetings to aid operating company officials, many of whom have the added responsibility of obtaining adequate capital for construction and

other purposes since their divestment from a holding company which formerly took care of their financial requirements. Nearly one hundred senior officers, including three board chairmen, eighteen presidents, twenty-six vice presidents and fifteen treasurers, representing 45 companies operating in 19 states, have attended the meetings.

Dividend

At a meeting of the board of directors of The Northern Trust Company, Chicago, held June 15, the regular quarterly dividend of 4½ per cent (\$4.50) was declared payable July 1, 1948, to stockholders of record at the close of business June 15.

Dividend

At a meeting of the board of directors, Crocker First National Bank of San Francisco declared a regular quarterly dividend of \$3.50 per share payable July 1 to stockholders of record June 25. This is the 50th consecutive dividend paid by the institution.

The board of directors also announced the promotion of George M. Doyle from auditor to cashier effective July 1, 1948. Mr. Doyle succeeds J. A. White, vice president and cashier, who retires on June 30, 1948, after serving the bank for 42 years. Ira C. Chaney succeeds George M. Doyle as auditor effective the same date.

Surplus Increased

The directors of The First National Bank of Chicago, at a recent meeting directed the transfer of \$10,000,000 from undivided profits to surplus account. The capital of The First National Bank of Chicago is \$60,000,000, and with this transfer the surplus account is \$75,000,000.

California Bank

William L. Lary and Ralph J. Voss have been elected assistant vice presidents of California Bank, Los Angeles, according to Frank L. King, president. Voss has been assigned to the bank's Hollywood-Vine Office and Lary will continue in the loan supervision department at Head Office. Both joined the bank's staff in 1946 after service in the armed forces.

O. S. Aultman, cashier, California Bank, has been appointed chairman of the Commission on Bank Operations, California Bankers Association, H. M. Craft, Association president, announced. In addition to his one-year appointment as chairman, Aultman was designated a member of the Commission for a three-year term.

CHEMICAL & TRUST COMPANY

Founded 1824

165 Broadway, New York

CONDENSED STATEMENT OF CONDITION

At the close of business, June 30, 1948

ASSETS

| | | |
|--|-------------------|---------------------------|
| Cash and Due from Banks | \$ 407,904,968.37 | |
| U. S. Government Obligations | 440,410,477.04 | |
| State, Municipal and Public Securities | 106,517,483.53 | |
| Other Bonds and Investments | 5,330,171.29 | |
| Loans and Discounts | 529,393,201.25 | |
| Banking Houses | 149,793.50 | |
| Other Real Estate | 2,231,426.85 | |
| Credits Granted on Acceptances | 18,396,536.43 | |
| Accrued Interest and Accounts Receivable | 3,388,017.82 | |
| Other Assets | 1,461,095.55 | |
| | | <u>\$1,515,183,171.63</u> |

LIABILITIES

| | | |
|--|------------------|---------------------------|
| Capital Stock | \$25,000,000.00 | |
| Surplus | 75,000,000.00 | |
| Undivided Profits | 9,610,356.33 | \$109,610,356.33 |
| Reserve for Contingencies | 4,119,246.98 | |
| Reserves for Taxes, Expenses, etc. | 3,769,661.37 | |
| Dividend Payable July 1, 1948 | 1,125,000.00 | |
| Acceptances Outstanding | \$22,532,269.01 | |
| (Less own acceptances held in portfolio) | 362,884.65 | 22,169,384.36 |
| Other Liabilities | 13,694,829.15 | |
| Deposits (including Official and Certified Checks Outstanding \$37,119,021.58) | 1,360,694,693.44 | |
| | | <u>\$1,515,183,171.63</u> |

Securities carried at \$44,419,854.17 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

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

New Room for Employes



LET'S EAT—As an outstanding part of the new facilities of **The Northern Trust Company of Chicago**, the employes' cafeteria offers the latest in tasteful interior decoration. More than 1,000 of The Northern Trust staff are served daily in this well-appointed room. Complete with air-conditioning and soundproofing, the dining room also features a public address system which feeds music from an F.M. receiver in the lounge and recreation room.

Promotions and Changes

Edmund F. Ebert and Frank A. Klingsmith have been elected vice presidents of Bankers Trust Company, New York, and Charles F. Salkeld has been named an assistant vice president, it was announced by S. Sloan Colt, president.

At the same time it was announced that J. P. Dreibelbis, vice president, who has been in charge of the southwestern territory, will be in charge of the out-of-town division of the banking department. Mr. Ebert, previously an

assistant vice president, will succeed Mr. Dreibelbis in the southwestern area. Robert B. Hobbs, vice president, will assume direction of a new out-of-town group covering the South Atlantic States.

Dividend

The board of directors of the Chemical Bank and Trust Company declared the regular quarterly dividend of 45 cents per share on the capital stock of the bank, payable July 1, 1948 to stockholders of record June 15, 1948.

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Division Offices
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WESLACO, TEXAS • FAYETTEVILLE, ARK. • ST. LOUIS, MO.



Improved Check Signing

The First Wisconsin National Bank, Milwaukee, has adopted new and improved methods of issuing official checks of the bank, including a change-over from manager's checks to cashier's checks and the adoption of identical mechanical signatures on official checks issued by the main office and its 12 branches.

Better customer service, saving in bank officers' time, improved internal control and added prestige are cited by First Wisconsin officers as advantages of the new system.

The entire procedure is based on the shift from manual signing of offi-

cial checks to mechanical signing. The bank has installed 16 Protectograph check signers—one in each branch and four in the main office. All signers imprint the signature of the bank's cashier, A. G. Casper.

With First National

John K. Ewing, personnel supervisor and counselor at the Federal Reserve Bank of Minneapolis, is now a member of the personnel staff of First National Bank of Minneapolis, as assistant to Alan Moore, who will continue as the officer in charge of the First National's personnel department. Mr. Ewing has been associated with

the Federal Reserve Bank the past fourteen years. He began his banking career with the Webster and Atlas National Bank at Boston. During the past year, Mr. Ewing has been president of the Minneapolis chapter, American Institute of Banking.

George E. Roberts

George E. Roberts, former vice president and economic adviser of The National City Bank of New York, died last month at his home in Larchmont, New York, following a lingering illness. Mr. Roberts was in his 91st year.

Mr. Roberts was born August 19, 1857, in Colesburg, Delaware county, Iowa, a small town near Dubuque and no longer in existence. In 1871 the parental home in Centralia burned and the family moved to Manchester, Iowa, where he entered high school and two years later set out with his father in a covered wagon to explore the possibilities in western Iowa and eastern South Dakota. They went as far as Sioux Falls, South Dakota, but decided to settle in Fort Dodge, Iowa. Mr. Roberts finished his high school course there.

In 1898, he was appointed director of the U. S. Mint by President William McKinley; later he was reappointed by President Theodore Roosevelt but resigned in 1907 to become president of the Commercial National Bank of Chicago. In 1910 when the Commercial National and Continental National Banks merged he was reappointed to the Mint directorship by President William Howard Taft, resigning four years later on November 16, 1914, to join The National City Bank of New York, as assistant to the president. In 1919 he was appointed vice president, a position which he held until 1932 when he became economic adviser. He retired from the bank December 31, 1940.

Mr. Roberts had a sobriquet by which he was perhaps best known to long-time associates and that was "Father of the National City Economic Letter" which he edited for nearly twenty-five years. During this period the National City Letter became the most widely read publication of its kind in the United States, if not in the world, with a circulation today of 150,000.

Surviving besides his widow, Georgena Kirkup Roberts, are his sons, George Bassett Roberts, vice president of The National City Bank of New York; Henry Allison Roberts, assistant cashier of National City Bank; a daughter, Amy Roberts Springett, and five grandchildren.

MISSISSIPPI VALLEY TRUST COMPANY

ST. LOUIS 2, MISSOURI

Statement of Condition, June 30, 1948

RESOURCES

| | |
|---|-------------------------|
| Cash and Due from Banks..... | \$ 57,340,364.94 |
| U. S. Government Securities..... | 51,722,178.95 |
| (Including those pledged \$8,568,500.00) | |
| Other Bonds and Securities..... | 7,542,848.19 |
| Federal Reserve Bank Stock..... | 300,000.00 |
| Loans and Discounts..... | 87,190,155.71 |
| Customers' Liability on Acceptances and Letters of Credit..... | 390,357.62 |
| Real Estate..... | 201,728.99 |
| Accrued Earnings Receivable (Net)..... | 288,000.63 |
| Overdrafts..... | 23,842.09 |
| Other Resources..... | 135,226.61 |
| | <u>\$205,134,703.73</u> |

LIABILITIES

| | |
|---|-------------------------|
| Capital..... | \$ 6,000,000.00 |
| Surplus and Undivided Profits..... | 8,424,828.59 |
| Dividend Declared, payable August 2, 1948..... | 120,000.00 |
| Accrued Interest, Expenses and Taxes Payable (net) and Other Reserves..... | 1,088,674.66 |
| Acceptances and Letters of Credit..... | 390,357.62 |
| Other Liabilities..... | 375,069.81 |
| Deposits: | |
| U. S. Government, and Other Public Funds..... | \$ 6,027,609.27 |
| Other Deposits..... | 182,708,163.78 |
| | <u>188,735,773.05</u> |
| | <u>\$205,134,703.73</u> |

Member Federal
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Corporation



93 Years
of Banking Experience

Northwestern Banker, July, 1948

Retires at Northern Trust

Wilfred H. Bell, assistant secretary in the trust department of The Northern Trust Company, Chicago, retired last month after 49 years of service with the bank. He joined the bank in 1899 when it was ten years old. He was sixteen. His retirement marks the completion of the longest record of service of any officer or employe.

MINNESOTA CONVENTION

(Continued from page 26)

a number of financial questions were asked the public which were presented to Minnesota bankers in chart form. To the question "Where do you consider the best place for your savings?" the answers were bank, 37 per cent; savings and loan, 8 per cent, and Postal Savings, 52 per cent. "Where would you go to arrange for a mortgage loan?" Bank, 55 per cent; savings and loan, 26 per cent. Fifty-seven per cent of the people questioned are opposed to government ownership of banks. However, better public relations seem necessary when 61 per cent of the public feel banks are doing nothing to promote the activities of their communities.

The Minnesota Association closed its one-day meeting with a dinner and dance. Meeting place and dates for the 1949 convention will be chosen by the association executive committee.—The End.

"My Opinion"

Question: In your opinion, what is the most important thing we can do to improve American relations with Russia?

A. J. Borgerding, cashier, North American State Bank, Belgrade, Minnesota: "Keep on building an air force and fair sized army and at the same time try negotiating for a real and fair peace settlement."

Richard W. Trefz, president, Beatrice State Bank, Beatrice, Nebraska: "We should start acting like intelligent, thinking people, with a purpose and ideal in mind. Right now we have been running in circles. I believe in firmness in our dealings with Russia. A government headed by an ex-bank bandit and mass murderer is not in-

fluenced by pious talks. Restrict the number of Russian personnel in the U. S. to those admitted by Joe into the USSR. We must put our own house into order. Strikes and lawlessness form the bloodless road to Joe's conquests. We will lose our freedom only if we carelessly throw it away."

O. A. Otto, vice president, Whitney Loan and Trust Company, Atlantic, Iowa: "We have tried everything. It's high time every conscientious American citizen started praying for better relations and guidance for the leaders of Russia and our own country."

DAKOTAS CONVENTION

(Continued from page 24)

another achievement of Mr. Bahmeier.

The South Dakota constitution was amended to change the groups in the state to five, instead of seven. Group membership on the executive committee is also changed, now being two members from each group, instead of one as formerly. A new schedule of dues was also adopted for banks of over \$5,000,000 assets:

After some twenty odd years of service on the executive council of the South Dakota Association, Charles W. Christen, president of the First

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Members, Federal Deposit Insurance Corporation

Northwestern Banker, July, 1948

State Bank, Roscoe, is retiring from that office. Mr. Christen has attended 41 conventions of the South Dakota Bankers Association. He said this joint convention was his last, but we would like to gamble we will see him in Aberdeen next June. Aberdeen is the city for the 1949 South Dakota convention.

North Dakota

Arne A. Gregor, president of the Farmers State Bank, Leeds, heads the North Dakota Association for the coming year, stepping into the shoes of F. A. Foley who has conducted that office for the past twelve months. Newly-elected vice president is J. F.

McEntee, president of the Citizens State Bank of New England, with Clarence B. Olson, vice president of the Merchants National Bank, Fargo, elected treasurer. C. C. Wattam of Fargo, was re-elected secretary. It wouldn't be a North Dakota Association without Charley Wattam, who has so successfully engineered the affairs of the organization for many years past.

Fred Irish, chairman of the board of the First National Bank, Fargo, who has headed the agricultural committee of the North Dakota Association for many years, reported that North Dakota has been in the A.B.A.

1000 per cent class for the past 20 years. For a detailed report, Mr. Irish called on Leroy Pease, executive secretary of the Greater North Dakota Association. Mr. Pease said that in the nation, North Dakota is first in hard wheat and second in total wheat production; is first in barley, and third in oats production. Total value of North Dakota crops last year was 776 million, with livestock value of 225 million.

Resolutions passed at the North Dakota meeting opposed government subsidized credit; called for liquidation of



An idealized view of the Railroad Fair to be held on Chicago's lakefront, July 20 — September 7.

New Hiawatha to star at CHICAGO RAILROAD FAIR



This summer millions will attend a brilliant exposition of railroad progress. An entirely new afternoon Twin Cities HIAWATHA will add luster to this history-making Centennial.

A fine example of Milwaukee Road car building that will be on display is the car pictured here. Its distinctive Skytop Lounge is an observation room de-

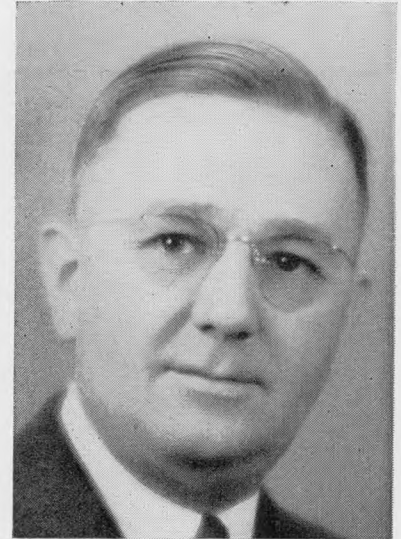
signed for more enjoyable sight-seeing. These Skytop Lounges are on the AM and PM Twin Cities HIAWATHAS, between Chicago-Milwaukee and St. Paul-Minneapolis. Cars of similar type will be on the Olympian HIAWATHA between Chicago and the Pacific north coast.

With 153 new cars being delivered, The Milwaukee Road will amplify its Hiawatha services. H. Sengstacken, Passenger Traffic Manager, 708 Union Station, Chicago 6, Illinois.

THE MILWAUKEE ROAD

Speedway of the Speedliners

Northwestern Banker, July, 1948



TOM K. HARKISON
Vice President for South Dakota

many government agencies; urged action by banks in the sale of Security Bonds, and thanked the Twin City bankers for their invitation and hospitality.

No further official action was taken by the association toward selection of a convention city for next year, inasmuch as Minot had been selected at the close of the 1947 convention, and was merely postponed to allow for the joint meeting this year. So it will be Minot in 1949.

At one of the special luncheons held during the joint meeting, at which Carl Bahmeier was host, among those present were:

Otis Preston, Minneapolis; Dr. George P. Conger, Minneapolis; Arthur Dahl, Rapid City; Fred Prentice, Burroughs Adding Machine, Kansas City; Robert Lindquist, Chicago; John Carlander, Faribault; Larry Olson, Minneapolis; Karl Goldsmith, Aberdeen; J. M. Payton, Governor Federal Reserve, Minneapolis; F. D. McCartney, Oakes, North Dakota; H. A. Fischer, Washburn, North Dakota; M. O. Grangaard, Minneapolis; J. M. Lloyd, Yankton; Clayton Tillander, Minneapolis, and Elmer Volkenant, Minneapolis.—The End.

Review of Current Events and Markets Favors Short Term Outlook

Many Factors for Commercial Bankers to Consider

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

DURING July and August, security markets generally tend to quiet down. It is the time of the year when most vacations are taken, for one thing; for another, Labor Day is traditionally the advent of the fall and winter season. This year there are added reasons for a steady, dullish period. The pattern for the market in governments has been pretty well disclosed; longs are to be supported, it appears, and the one-year rate on certificates is not scheduled for review till some time in September.

In addition to hot weather, vacations and tradition, 1948 is an election year, thus providing a further reason to defer positive plans and appropriate action till after the early November results are in. Altogether, the present would seem to be a good occasion to take stock of the general situation, with particular reference to what has already happened in 1948.

During the first quarter of the year, a possible reaction in business and security markets was rather widely discussed. Much has happened since then of major importance and sentiment has been considerably improved by these developments. A powerful influence contributing to the more cheerful view now prevailing unquestionably has been the strong trend toward higher outlays on defense, or rearming, in bolder language. The other, of course, is the ERP. Both, it appears, should continue as stimulants to the general economy for some years to come, the one notably in the domestic and the other primarily in the export field.

Other Factors

There are other factors. Among them may be named lower taxes; expanded capital outlays; cheap money and so on. Major industrial enterprises have at least shown significant reluctance to go along with a third round of wage increases and politicians with an ear close to the ground seem to feel that they can safely im-

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.

pose some curbs on the more extreme leaders of organized labor. It is altogether unlikely that price controls will be reimposed or that excess profits tax will be restored this year.

In international affairs, Russia, for the moment, has assumed a less irritating and bellicose attitude. The situation in Czecho-Slovakia is bad, but the outcome of the Italian elections was at least a partial offset. Russia has gained many of her major objectives and apparently gave up in Italy. Together, these developments could mean that the Kremlin has enough to digest and would really welcome a peaceful respite.

Among individual investors, businessmen and those in the higher income brackets are generally Republicans and generally pleased with their diagnosis of the November elections. It is also possible that the upward spiral of prices has been sharply braked. On the retail level, informed observers report some consumer-resistance to some prices and general insistence on quality as opposed to the reckless purchasing of almost anything for many months after the end of the war.

Dow Theory

Coming closer to the security markets, there was the widely-publicized confirmation of the Dow theory on May 14th. There have been a number

of instances in the past when such a "confirmation" was followed by a prolonged rise in stock prices. The SEC, in its year-long look-see at the prior "confirmation" (a break-through on the down-side, though) on September 3, 1946, came up with the conclusion, among others, that the theory really does influence a substantial fraction of security traders. This year's cheerful break-through has been followed by an entirely satisfactory performance by equities.

Then, there are earnings, dividends and stock prices to be considered. First quarter earnings in 1948 were perhaps 25 per cent above those attained in the corresponding 1947 period and the indications are that the relative improvement was maintained in the second quarter. Thus, on a price-earnings ratio basis, stock prices can only be called cheap. On a yield basis, too, with allowance for the low rate paid for borrowed money, stocks are not dear. The general picture remains bright when the matter of new equity capital is explored. Until recently, there wasn't enough. Too many corporations borrowed money they might prudently have raised by sale of equities. Lately, though, there has been a slight shift which could develop into a trend. It has been calculated that the amount by which taxes on the higher incomes has been lessened is, of itself, more than the amount of new money which went into stocks in 1947.

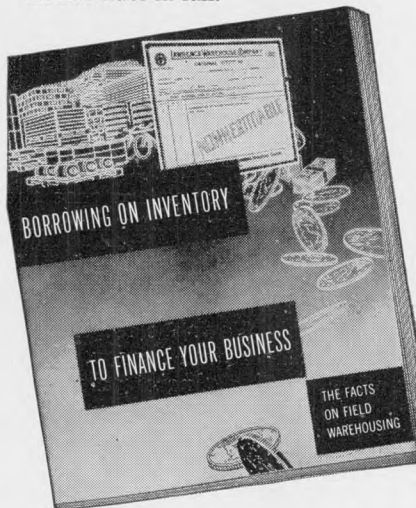
Finally, there is always the intangible of sentiment. Large investors, looking complacently ahead to a Republican victory and actually having more money to invest by reason of lighter taxes, doubtless will consider investments in equities with considerably more sympathy than they have exhibited for many years. Historically, election years, more times than not (13 out of the 20 which preceded World War II) have been periods in

Northwestern Banker, July, 1948

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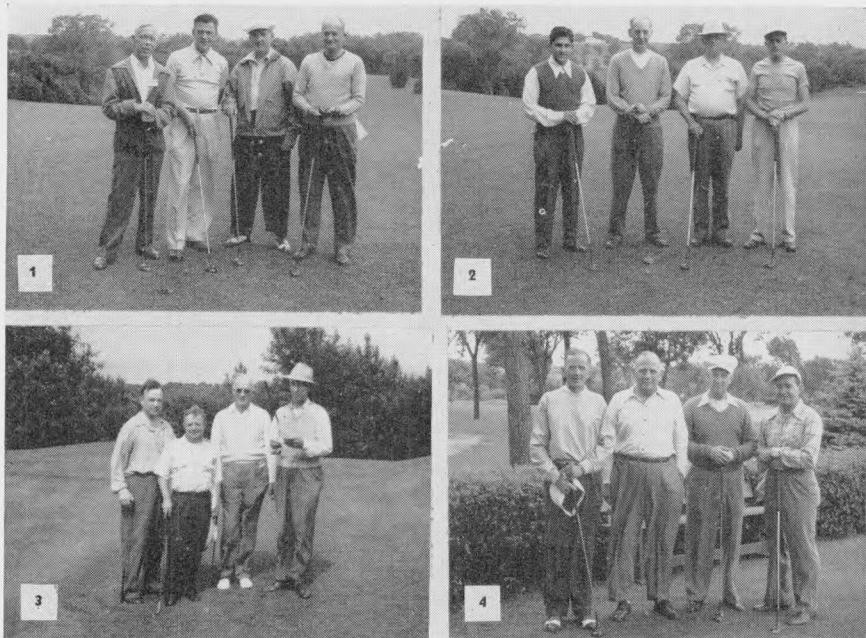
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Nebraska Investment Bankers Hold Field Day in Omaha



MEMBERS of the Nebraska Investment Bankers Association staged their annual Field Day in Omaha last month, with 108 members and guests in attendance. The event took place at the Omaha Country Club, where sports of all kinds were enjoyed.

Some of those enjoying the annual frolic are pictured above, left to right.

1—Percy Hampton, Bell Gouinlock, Toronto; John Shutz, Chiles, Huey Company, Omaha; Jack Sparks, Sparks & Company, Des Moines, and Jack Frazier, A. C. Allyn & Company, Omaha.

2—Dale Tintzman, First Trust Company, Lincoln; L. M. Rieckhoff, The Northern Trust Company, Chicago; Blair Phillips, Sr., White-Phillips Company,avenport, and Paul Wertz, Smith-Polian & Company, Omaha.

3—The winning golf foursome—Sam Waugh, First Trust Company, Lincoln; L. M. (Shorty) McCague, The National Company, Omaha; Paul Soule, A. R. Hughes & Company, Chicago, and Jim McCloud, Kirkpatrick-Pettis Company, Omaha.

4—Harry Smith, Smith-Polian & Company, Omaha; Fred Carpenter, John Nuveen & Company, Chicago; Frank Bender, Wachob-Bender Corporation, Omaha, and Jim Powell, Boettcher & Company, Denver.

which business improved. All of these more cheerful aspects of the general situation are, admittedly, essentially short-term in character and the picture is not made up entirely of constructive developments and possibilities.

The Dow Theory has given signals in the past of little worth; even wrong signals upon occasion. Money likely won't remain cheap indefinitely. Post-election years, in the past, have more often than not been ones in which the stock market lost ground. Over the longer range, it is clear that a peaceful Russia and a rearmament boom cannot both prevail indefinitely. Likewise, lower taxes and increased expenditures do not go hand-in-hand forever. Again, well-maintained higher profits are a time-tested incentive for higher wage demands. Prices may get out of hand again if expenditures on rearming and ERP

continue high. Finally, the present boom has already persisted for an unprecedentedly long time. However, on this score, the general atmosphere, the psychology of the situation, is just as important with respect to the longer as the near-term.

Reasons for Optimism

Under the circumstances outlined, it is perhaps just as well to concentrate on the near future. Here, there seems to be little reason to be apprehensive and more than a little to be optimistic.

The larger banks in the Central Reserve cities are indicated to have responded to the imposition of higher reserve requirements by selling short governments and adding modestly to their holding of intermediates and longs. The primary motive, doubtless, was a desire to maintain earnings, but the willingness to expand holdings of the longer governments and, at

the same time, to extend the average maturity of their government bond portfolios, is a sign of reasonable confidence in the near future.

Longer-term views of two of the country's largest banks may be deduced from a recent **Letter** of The National City Bank of New York and remarks of Mr. Aldrich, chairman of the board of directors of the Chase National Bank of New York. The **Letter** quoted, approvingly, Allan Sproul, president of the New York Federal Reserve Bank, who envisaged the ultimate need to "proceed further with increases in short term rates, so as to maintain a healthy degree of uncertainty as to future action, so as to keep the banks liquidity conscious, and so as to encourage them to use whatever reserve funds come into their possession (through gold imports, return flow of currency, Treasury expenditures, or otherwise) to purchase short governments."

Mr. Aldrich, condemning the Taft-Ellender-Wagner Act, asserted that the legislation includes a special supplemental program for extremely liberal mortgage and yield insurance in the case of rental housing. All of the provisions, he contended, will aggravate current inflation. "Surely, no general anti-inflationary program can prove wholly effective as long as Congress and the Administration continue to give support to current inflationary practices in the home mortgage field."

Continuing, he said, "Easy credit means easy debt. Easy debt at a time of inflated prices means extremely burdensome debt when prices decline. A period of inflation is a period in which debt should be reduced, not increased."

Near Future Calm

As a whole picture comes into focus, then, there emerges the promise of

at least a few months during which no untoward developments will disturb the managers of commercial banks' investment portfolios. Beyond that period, there are less reassuring possibilities. Near months, accord-

ingly, afford an opportunity to make such adjustments as a conservative appraisal of the longer future would require.

As to governments: the short obligations appear relatively more desirable; certainly so if the premise is

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and tax chart showing the relative value of taxable and tax exempt bonds for investors at various income levels, whether individuals, banks or other corporations.

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accepted that the long term trend is toward higher interest rates.

In the field of corporate bonds, generally speaking, prices of the better quality issues are not appealing. To too great an extent they depend on maintenance of an artificial price level for governments. Within the field itself, the best grade industrials appear to have an edge on comparable utility bonds and an even greater advantage over rail issues.

In the case of rail issues, of course, there remains the notable exception of equipment certificates. The unchanging highlights of these obligations are that they are, first, the usual means by which railroad companies

finance the purchase of locomotives, cars and rolling stock generally. Obviously, they are secured by a pledge of useful goods without which a railroad cannot function and, at the same time, rolling stock always has a ready market.

Equipment Trusts

Equipment trust certificates have always held a senior position in the capital structure of the railroads. The record for prompt payment of principal and interest is almost impeccable and, probably, is fully comparable to that of U. S. governments and the best municipal bonds. The cost of the pledged rolling stock is amortized;

often to the extent that the debt remaining outstanding on equipment which has been in use for several years is, relative to remaining usefulness, less than it was at the start. As an example, it has been calculated that "at the inception of the trust, the value of the collateral was 1.25 times the par value of the certificates outstanding, whereas when only the last maturity remains outstanding the depreciated value of the rolling stock would be approximately 4.70 times the amount remaining to be paid."

The serial maturities, in the case of a bank which buys equal amounts of each, is another feature that has long been considered desirable. It contributes a high degree of liquidity, comparable to that given by holdings of short-term governments.

In the case of some banks, of course, the tax feature is of consequence. Here, tax-free obligations of states and political subdivisions thereof are logical candidates for the consideration of the portfolio manager. Nor, when tax-exempts are being purchased, should "revenue" bonds be ignored. Usually, these obligations present greater analytical problems, but the larger yields far outweigh the more careful study required.

There are, doubtless, other "special" situations deserving of notice. Subject to close supervision, bonds of the World Bank, because of a combination of unusual factors, might well be one of such.

Unquestionably, fundamentally because of the tremendous forces at work reshaping the whole world, this is not a time which long-range, dogmatic opinions can be formulated. On the other hand, the investment portfolios of commercial banks should provide their share of over-all earnings. Since the longer-range outlook is obscure, attention must be concentrated on striving for better returns without sacrificing liquidity. About the only inviting avenues are those touched upon in earlier paragraphs.—
The End.

Bank Employees Honored

W. W. Crocker, president of Crocker First National Bank of San Francisco, last month awarded the customary gold watches for completion of 25 years of service to the bank to the following three employees: Charles A. Corrasa, new business department; Owen R. Kane, teller, and Warren M. Johnson, securities department. This brings to 98 the number of employees presently with the bank who have served for 25 years or more.

THE NORTHERN TRUST COMPANY

CHICAGO

Statement of Condition, June 30, 1948

RESOURCES

| | |
|--|-------------------------|
| Loans and Discounts..... | \$ 98,244,778.14 |
| U. S. Government Securities..... | 272,471,333.84 |
| Other Bonds and Securities..... | 112,631,797.50 |
| Federal Reserve Bank Stock..... | 450,000.00 |
| Bank Premises..... | 1,400,000.00 |
| Customers' Liability, Account Letters of Credit and Acceptances..... | 1,341,600.72 |
| Other Resources..... | 164,441.25 |
| Cash and Due from Banks..... | 148,379,076.64 |
| TOTAL..... | \$635,083,028.09 |

LIABILITIES

| | |
|---|-------------------------|
| Capital Stock..... | \$ 3,000,000.00 |
| Surplus..... | 12,000,000.00 |
| Undivided Profits..... | 5,941,528.92 |
| Reserve for Taxes, Interest, etc..... | 13,521,717.53 |
| Dividend Payable July 1, 1948..... | 135,000.00 |
| Letters of Credit and Acceptances Outstanding.. | 1,341,600.72 |
| Other Liabilities..... | 251,517.53 |
| Deposits: | |
| Demand..... | \$430,318,683.45 |
| Time..... | 159,098,821.38 |
| U. S. Government..... | 9,474,158.56 |
| TOTAL..... | \$635,083,028.09 |

United States Government securities carried in the above statement at \$13,590,984.39 are pledged to secure public and other monies, as required by law; and United States Government and other securities carried at \$517,309.17 are deposited with the State Authorities under the Trust Act.

Member Federal Deposit Insurance Corporation

INSURANCE

HAZARDS—Because of the extensive use of machinery, both on and off the premises, farm employes and visitors are exposed to many hazards for which the farmer is liable. He needs liability insurance protection.



A New Farmer's Policy to Swell Your Sales

**In Addition to the Direct Income It Produces,
It Makes a First Class "Foot in the Door"**

By CHARLES J. HAUGH
Secretary
Travelers Insurance Co.
Hartford

THE farmer's comprehensive personal liability policy, as announced early this year, consists primarily of an adaptation of the popular comprehensive personal policy to the requirements of the farmer.

The farmer's comprehensive personal liability policy gives the farmer and those members of his family residing with him the same type of personal liability insurance that he would obtain from the comprehensive personal form. It includes, on an occurrence basis, insurance against liability for bodily injury to members of the public and for damage to the property of others. The basic limit is \$10,000 per occurrence for bodily injury and property damage liability combined and, in addition, the policy affords, on an accident basis, \$250 of medical payments coverage. Increased limits for

liability or medical payments coverage, or both, of course, are available for an additional premium.

Through a modification of the definition of "business" as used in the comprehensive personal policy, the farmer's policy goes further and extends this same insurance to farming operations. Incidentally, this modified definition of "business" refers to farming operations as "farming and roadside stands intended principally for the sale of the insured's produce."

What does all this mean to the farmer in terms of the hazards to which he is exposed? He knows as we do that public liability losses do not occur very often. But I doubt that he realizes the variety of circumstances under which they occur or the possible cost of such losses when they do occur. Does it occur to the farmer that the

feed-truck driver who comes on the property with 100 pounds of scratch feed on his back may figuratively take the whole place away with him when he goes if, while there, he sustains a permanent disabling injury due to a defect in the premises? That truck driver is potentially more dangerous than the fires that farmers long ago learned to fear and protect themselves against.

The truck driver and others like him who come on the premises in the normal course of a day constitute an obvious exposure. What are some of the other situations and objects which can create accidents for which the farmer is likely to be liable? Here are a few, and you undoubtedly can add many others: dogs or farm animals that stray and injure people or property; farm tractors and machin-

Did you know that our Cash Letter Policy not only gives protection but enables you to cut operating expenses substantially? Ask us for details. You will not obligate yourself.

FIRST NATIONAL BANK BUILDING • CHICAGO 3, ILLINOIS • STATE 4325

Scarborough & Company

Insurance Counselors to Banks



Northwestern Banker, July, 1948

ery, particularly when they are used on the property of others in what may be referred to as "neighborly exchange;" construction, alteration or demolition of farm buildings; hunting and fishing accidents.

Fantastic Accidents

I believe you will agree that a prospect is less interested in speculation as to what might happen than he is in a statement of cases which have actually happened. Some of the accidents that happen around homes and farms are just what you might expect. Others are even more fantastic than anything that can be conjured up in the mind of an underwriter who recently graduated from law school. All the accidents mentioned here actually happened.

First, take cases of members of the public who, like the truck driver mentioned earlier, come on the insured's premises for one reason or another. The routine type of case is represented by the example of a woman who, while visiting, leaned against a veranda railing which was supported by a post that had rotted. The railing broke and she fell several feet to the ground sustaining miscellaneous injuries, including a broken wrist. For this she recovered \$2,000.

"Attractive nuisance" claims involv-

ing children seem to crop up in most cases from causes unlikely to be foreseen by a reasonable person. Consider the case of a small child visiting a poultry farm with his parents. While wandering around the property, he crawled into a chicken coop. There he encountered an unfriendly hen who attacked him and pecked deep gashes in his face. The parents sued the farmer and obtained a substantial settlement. Another case which has been widely publicized because it involved a record verdict of \$75,000 is that of a 10 year old boy who was playing on a truck on a farm near Niagara Falls, New York. The boy removed the cap from the gasoline tank located under the driver's seat. Later he stood on the running board idly striking two stones together. A spark from the stones ignited the fumes released from the open tank. The boy became enveloped in flames and, as a result, was disfigured for life.

Here is another case which shows a definitely careless act on the part of a farmer, in addition to illustrating the "attractive nuisance" doctrine. In Windsor, Connecticut, the children of a farmer and some neighbor's children were playing in a tobacco shed. One of the neighbor's children found a supply of dynamite caps stored in the body of an old milk wagon. He

"swiped" five of them, took them home and began to explore one of them with a pin. It exploded and blew off his left hand. The suit by his parents against the farmer was for \$10,000.

Dogs, of course, cause bodily injury, too, and in at least one case it was not even necessary for the dog to bite to cause the damage. In Nebraska, a dog ran out and barked at a woman passing on the road in front of his house. He made no attempt to bite her, but she became so frightened that she fell and sustained injuries. A court awarded her \$3,500.

There is no product liability exclusion in either the comprehensive personal or the farmer's comprehensive policy. In the farmer's policy, this has real significance. Farmers are in the business of producing food for human and animal consumption. If, through negligence, that food causes injury, the farmer faces costly claims.

Optional Coverages

As in the case of the comprehensive personal policy, coverage for such exposures as insured other than members of the family, residences rented to others, farms rented to others, boats, et cetera, is available under the farmer's policy at the option of the assured. In addition, there are three important optional coverages to which I wish to call particular attention.

Animal collision pays up to \$200 each for loss by death of such animals as cattle, horses or hybrids thereof, hogs, sheep or goats belonging to the insured, provided the death is caused

Statement of Condition

as of June 30, 1948

| ASSETS | | LIABILITIES | |
|--|-----------------------|-------------------------|-----------------------|
| First Mortgage Loans | \$8,750,886.60 | Member's Share | |
| Loans on Passbooks and Certificates | 63,084.79 | Accounts | \$8,158,481.36 |
| F. H. A. Title 1 Loans | 5,848.18 | Home Loan Bank Advances | 1,449,455.00 |
| Properties Sold on Contracts | 24,195.72 | Loans in Process | 150,000.32 |
| Real Estate Owned and in Judgment | 19,988.99 | Other Liabilities | 3,994.45 |
| Investments and Securities | 840,195.00 | Specific Reserves | \$ 1,418.05 |
| Cash on Hand and in Banks | 222,127.39 | General Reserves | 172,916.78 |
| Office Building | 51,423.27 | Undivided Profits | 63,089.10 |
| Furniture, Fixtures and Equipment, Less Depreciation | 8,970.86 | | 237,423.93 |
| Deferred Charges and Other Assets | 12,634.26 | | |
| Total | \$9,999,355.06 | Total | \$9,999,355.06 |

St. Paul Federal Savings & Loan Association

353 Robert Street, St. Paul, Minn.

Ga. 7593

OFFICERS AND DIRECTORS

LOUIS PETERSON, President GUSTAV C. AXELROD, Vice President and Attorney
 AXEL A. OLSON, Executive Secretary
 ROBERT W. OLSON, Assistant Secretary RUTH DORN, Assistant Treasurer
 CHARLES J. FLYNN ROBERT HEIN GEORGE H. LYSER DR. CARL G. BURTON

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and
Fire Insurance**



**CENTRAL STATES MUTUAL
INSURANCE ASSOCIATION**

Mt. Pleasant, Iowa

E. A. HAYES, President
O. T. WILSON, Secretary

Established 1929

by collision between the animal and a motor vehicle not owned or operated by an insured or any employe thereof while such animal is within a public highway and is not being transported.

Coverage for "custom farming" is optional. By this is meant coverage with respect to farm tractors, implements, draft animals, et cetera, while used under contract to others for a charge in connection with any farming operations. In other words, if a farmer has the equipment and agrees for a price to cut and bale the hay on other farmers' property, the coverage for these operations must be purchased separately. Because the other farmer or his employes will often work on or along with the insured's equipment, the public liability exposure is heavy and the accidents encountered are similar to those found under employers' liability or compensation.

Under the farmer's policy, employes' liability coverage is optional. This departure from the procedure under the comprehensive personal was made because farming operations are dangerous and the cost of employers' liability insurance is relatively high. Injuries to employes are often serious, and the more common types of farm accidents are well known. The behavior of livestock is unpredictable, and employes are regularly exposed to the operation of machinery. This latter hazard is often aggravated by the fact that the machines are in poor condition resulting from age, exposure or faulty repairs.

Rating

The rating of the farmer's policy is almost as simple as that of the comprehensive personal. The basic charge is \$10 and it covers a farm of up to five acres in size. This charge increases according to the acreage which is divided into typical groups. For example, the basic charge on a farm having between 80 and 160 acres is \$14, that for 400 to 500 acres \$22, and so on. For 2,000 acres, the basic charge is \$35. For all acreage above 2,000, the additional charge is 40c per (Turn to page 84, please)

Announce Promotions

Guaranty Trust Company of New York announces the appointment of John H. Schwoon, formerly assistant secretary, and Clifford R. Rohrberg, formerly assistant treasurer, as assistant managers of the foreign department, and of John G. Rhatigan as an assistant secretary in the banking department.

Elect Auditors Officers

Leon R. Gruber, cashier, Groves National Bank, Chicago, was elected pres-

ident of the Chicago Conference of the National Association of Bank Auditors and Comptrollers at the organization's annual meeting held at the Merchants and Manufacturers Club at the Merchandise Mart.

Other officers elected included: Vice

president, John J. Enders, auditor, Federal Reserve Bank of Chicago; secretary, Charles P. Heilmann, auditor, American National Bank and Trust Company of Chicago, and treasurer, Robert N. Vieracker, auditor, Industrial National Bank.

**FORTY YEARS
of Progress**

We are proud of our record in the Insurance field and of our Banker Representatives.

We write a complete line of **Fire - Windstorm - Automobile & Plate Glass Insurance**

**WESTERN MUTUAL
FIRE INSURANCE COMPANY**

NINTH & GRAND DES MOINES 8, IOWA

"Mutual Insurance Is American Insurance"

**MERCHANTS
MUTUAL
BONDING
COMPANY**

Incorporated 1933

Home Office
SAVINGS & LOAN BUILDING
Des Moines, Iowa

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

**YOU CAN GET THESE *ESSENTIAL
CASUALTY COVERAGES**

**What Is an
*Essential Coverage?**

It's protection against exposures of business men, employers and property owners which might mean bankruptcy should a jury return a verdict against you.

- Full Coverage Automobile • Workmen's Compensation • Manufacturers Public Liability • Contractors Public Liability Elevator Public Liability • Farmers Liability • Owners, Landlords, and Tenants Public Liability • Residence and Outside Theft • Storekeeper Burglary and Robbery • Comprehensive Personal Liability "Allied Mutual Pays"



**ALLIED MUTUAL
CASUALTY COMPANY**

Harold S. Evans, President

Hubbell Building

Des Moines 7, Iowa

Northwestern Banker, July, 1948

Statement of Condition

June 30, 1948

RESOURCES

| | |
|--|------------------|
| Cash and Due from Banks..... | \$108,513,478.79 |
| U. S. Government Obligations*..... | 127,489,940.22 |
| Other Bonds and Securities*..... | 16,732,173.76 |
| Loans and Discounts..... | 108,406,322.60 |
| Stock in Federal Reserve Bank..... | 450,000.00 |
| Customers' Liability on Acceptances..... | 1,260,445.53 |
| Income Earned but not Collected..... | 824,275.86 |
| Banking House..... | 3,200,000.00 |
| Other Resources..... | 24,239.78 |
| Total Resources..... | \$366,900,876.54 |

LIABILITIES

| | |
|--|------------------|
| Capital Stock..... | \$ 5,000,000.00 |
| Surplus..... | 10,000,000.00 |
| Undivided Profits..... | 2,066,728.71 |
| Reserve for Contingencies..... | 3,460,926.86 |
| Reserve for Interest, Taxes, etc..... | 1,290,420.45 |
| Income Collected but not Earned..... | 1,116,943.75 |
| Letters of Credit and Acceptances..... | 1,260,445.53 |
| Deposits..... | 342,705,411.24 |
| Total Liabilities..... | \$366,900,876.54 |

(Deposits include U. S. Government War Loan Account \$4,684,075.44)

*United States Government and other securities carried at \$59,145,949.55 are pledged to secure U. S. Government War Loan Deposits and other public funds and trust deposits and for other purposes as required or permitted by law.

Northwestern



National Bank of Minneapolis

Marquette Avenue—Sixth to Seventh Streets

Member Federal Deposit Insurance Corporation
Affiliated with Northwest Bancorporation

DIRECTORS

| | | | |
|--|---|--|---|
| JAMES F. BELL <i>Chairman, Committee on Finance and Technological Progress, General Mills, Inc.</i> | G. NELSON DAYTON <i>President, The Dayton Company</i> | FRANK P. LESLIE <i>Vice President and Treasurer, The John Leslie Paper Co.</i> | D. J. STROUSE <i>President, Twin City Rapid Transit Company</i> |
| BENTON J. CASE <i>Director, Janney, Semple, Hill & Company</i> | STEPHEN P. DUFFY <i>President, Hall Hardware Company</i> | ROBERT F. PACK <i>Chairman of Board, Northern States Power Company</i> | HAROLD W. SWEATT <i>President, Minneapolis-Honeywell Regulator Company</i> |
| CLARENCE R. CHANEY <i>Vice Chairman of Board, Northwestern National Bank of Minneapolis</i> | JOHN B. FAEGRE <i>Faegre and Benson, Attorneys</i> | JOHN S. PILLSBURY <i>Chairman of Board, Pillsbury Mills, Inc.</i> | HAROLD H. TEARSE <i>Vice President and General Manager, Searle Grain Company</i> |
| GEORGE B. CLIFFORD, JR. <i>Treasurer, The Cream of Wheat Corporation</i> | FRANK T. HEFFELFINGER <i>Chairman of Board, F. H. Peavey and Co.</i> | JOSEPH F. RINGLAND <i>President, Northwestern National Bank of Minneapolis</i> | J. CAMERON THOMSON <i>President, Northwest Bancorporation</i> |
| JOHN CROSBY <i>Director, General Mills, Inc.</i> | F. PEAVEY HEFFELFINGER <i>Executive Vice President, F. H. Peavey and Co.</i> | LUCIAN S. STRONG <i>President and Treasurer, The Strong Scott Manufacturing Co.</i> | VALENTINE WURTELE <i>President, Minnesota Linseed Oil Paint Company</i> |
| THOMAS L. DANIELS <i>President, Archer-Daniels-Midland Company</i> | CLARENCE E. HILL <i>Chairman of Board, Northwestern National Bank of Minneapolis</i> | | |



M. O. GRANGAARD
President
Minneapolis

Minnesota NEWS



ROBERT E. PYE
Secretary
Minneapolis

Moves to Littlefield

G. G. Klatt, who has been cashier of the Ogilvie State Bank at Ogilvie, Minnesota, since it opened in November, 1945, has resigned as cashier and director, to accept the position of cashier of the First State Bank of Litchfield, Minnesota. He assumed his new duties July 1st.

A. Dan Fiala, assistant cashier of the Bank of Willmar, is the new cashier of the Ogilvie State Bank. In June, 1936, he commenced work in the Kanabec State Bank where he spent several months in the bookkeeping department. From there he went to the Farmers National Bank of Alexandria, where he was bookkeeper and teller for over five years. In 1941 he transferred to the Bank of Willmar where he has been employed as teller and assistant cashier until the present time, with the exception of 38 months he spent in the armed forces—most of the time in the European Theater of Operations. He is married and has two children.

J. E. Holmgren, hardware merchant in Ogilvie for many years, has been elected director to fill the vacancy caused by the resignation of Mr. Klatt. Mr. Holmgren has been engaged in business in Ogilvie for over 20 years.

Buy Insurance Agency

The purchase of the John G. Peterson general insurance agency by the First National Bank of Battle Lake, Minnesota, was made public last month. The agency business will now be transacted at the bank.

Mr. Peterson, a long-time resident of Battle Lake, was with the old Monarch (Peavey) elevator there for 21 years and with the old First State Bank for 16 years until 1931 when he started in the insurance agency. Mr. Peterson plans to retire.

With Maynard Bank

W. A. Moen last month took over management of the Security State Bank of Maynard, Minnesota, from G. J. Eggen, who had been cashier there for the past 12 years. Mr. Eggen resigned recently and has announced no further plans than an extended western trip.

Mr. Moen is a veteran banker, having been associated with the Rolette State Bank at Rolette, North Dakota, since 1929. When he left the Rolette State Bank to move to Maynard he resigned as vice president and cashier.

Banker Injured in Collision

William F. Borchert, vice president and cashier of the First National Bank at Mapleton, Minnesota, was treated last month for a broken rib and other minor injuries suffered when his car was in a collision with another auto in Mapleton. Mr. Borchert's condition after the accident was reported as not serious.

Pass 70th Anniversary

An open house celebration marked the 70th anniversary of the First National Bank of Cannon Falls, Minnesota, last month. The bank was opened first in June, 1878, operating in that city until 1886 when the late Hiram Scriver of Northfield purchased the business and opened a private bank. In 1915 the bank was incorporated as the Citizens State Bank, then in 1933 was changed to the First National Bank.

Officers of the bank at present are Arthur T. Scriver, president; Albert Scriver, vice president; E. L. Peters, cashier, and J. O. Hagen, assistant cashier. Miss Patty Judge is bookkeeper and Miss June Duncan is teller.

First statement figures of the bank show deposits as \$14,790, while deposits on the 70th anniversary were \$2,404,605.

Enlarging Bank Space

Remodeling and enlarging of the West St. Paul State Bank is nearing completion, although Edwin Ehlers, vice president, estimates it will take another few weeks to clean up all details of reconstruction work. The bank will be double its original size with modern outer finish and completely modern interior finishings and fixtures.

Revive Goodhue Association

Inactive during the war years, the Goodhue County Bankers Association was reorganized at a dinner meeting at the St. James Hotel in Red Wing, Minnesota, last month.

H. H. Billings, Pine Island, was elected association president; O. A. Nesselth, Wanamingo, vice president, and L. L. Otterson, Red Wing, secretary-treasurer.

The group discussed bank operation and current laws governing banking institutions and also planned to conduct meetings more frequently in the future.

Nine of the 12 banks in Goodhue county were represented at the session with 20 in attendance.

Comfort for Visiting Bankers



CORRESPONDING COMFORT—New private quarters for the Correspondent Bank Department (above) of the **Northwestern National Bank** of Minneapolis have been set up on the bank's third floor. Equipped with davenport, comfortable chairs, plenty of magazines and the banking department's staff, files and data, visiting bankers will find this new, spacious room complete in every respect.

Northwestern Banker, July, 1948



TEN Twin Cities bankers were scheduled to attend the graduate school of banking at Rutgers university, New Brunswick, New Jersey, conducted by the American Bankers Association.

St. Paul men in the group are **Horace F. Chamberlain** and **Manuel H. Ruder** of the Federal Deposit Insurance Corp. and **Leon L. Smith** of First National Bank of St. Paul.

Minneapolis men are **C. Herbert Cornell** and **Loyal C. Simensen** of Fidelity State Bank, **Emmett J. Erickson** of Farmers & Mechanics Savings Bank, **James A. Galbraith** of Midland National Bank, **Goodrich Lowry** and **John Alexander Moorhead** of Northwestern National Bank and **Harold G. McConnell** of the Federal Reserve Bank.

Richard Stebbins of Northwestern National Bank of Minneapolis was named chairman of the newspaper advertising and window display committee for the 1948 Minneapolis Community Chest campaign.

Lawrence H. Peglow recently was promoted to assistant in charge of auditing at Midway National Bank of St. Paul, according to announcement by **A. L. Ritt**, president. Previously Mr. Peglow served as a teller and in the safe deposit, bookkeeping and transit departments of the bank.

Benjamin Faast, former vice president of the St. Paul Federal Land

Bank, died recently in Eau Claire, Wisconsin. He had been a member of the University of Wisconsin board of regents for 18 years.

Arnulf Ueland, president of Midland National Bank of Minneapolis, has been appointed chairman of a Minneapolis campaign to seek funds in a national drive against venereal disease.

Julian B. Baird, president of First National Bank of St. Paul, has been re-elected to the finance committee of the St. Paul Children's Service, a Community Chest agency.

Joseph Wolf of St. Paul, former Minnesota Democratic committeeman, died recently in St. Paul at the age of 73. Mr. Wolf at one time was vice president of the People's State Bank of Staples, Minnesota.

Robert O. Rutherford, son of Robert C. Rutherford, former executive secretary of the Minneapolis chapter, American Institute of Banking, has been awarded a naval reserve officer training corps scholarship. He will enter Duke university, Durham, North Carolina, in September.

The elder Rutherford now is assistant secretary in the national office of the American Institute of Banking.

Election of **Richard L. Federman** of Minneapolis as comptroller of Northwest Bancorporation was announced by **J. Cameron Thomson**, president.

Mr. Federman has been manager of the Minneapolis office of Peat, Marwick, Mitchell & Co., auditors for the corporation. A native of Brookville, Indiana, Mr. Federman is a graduate of Wabash college and Rice institute.

Ellsworth L. Ewy has been promoted from teller to assistant manager of the time credit department at Midway National Bank of St. Paul, **A. L. Ritt**, president, announced. Mr. Ewy formerly was cashier of the Sherwood State Bank of Sherwood, Wisconsin.

Henry S. Kingman, president of the Farmers and Mechanics Savings Bank of Minneapolis, was elected vice president of the National Association of Savings Banks at the association's 28th annual conference in Atlantic City, New Jersey.

John deLaitre, vice president of Farmers and Mechanics, was elected to represent Minnesota on the association's council of administration.

Mr. Kingman's election was the first time in 18 years that a savings bank west of the Alleghenies has been so honored by the association, most of whose members come from the Atlantic seaboard.

Thomas F. Wallace, former president of Farmers and Mechanics, advanced to president of the association in 1931, after having been elected vice president the preceding year.

Mr. Kingman has been a member of the organization's council of administration since 1931. He has been president and a trustee of Farmers and Mechanics since 1939.

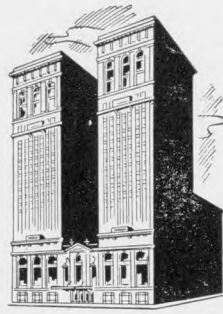
Gordon Malen of the First National Bank of Minneapolis is among six Minneapolis alumni of Macalester college, St. Paul, who helped organize a Minneapolis Macalester club.

Election of **Rollin O. Bishop** as first vice president and director of American National Bank of St. Paul was

SPECIAL OFFER

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

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



Statement of Condition

as at June 30, 1948

First National Bank of Minneapolis

RESOURCES

| | |
|---|-------------------------|
| Cash and Due from Banks | \$107,702,299.02 |
| United States Government Securities | 124,175,256.68 |
| Other Bonds and Securities | 19,668,671.00 |
| Loans and Discounts | 99,970,054.68 |
| Accrued Interest and Accounts Receivable | 769,514.08 |
| Customers' Acceptance Liability | 583,603.00 |
| Bank Premises and Furniture and Fixtures | 194,740.76 |
| Other Real Estate (For Future Development of Banking Premises) | 553,753.75 |
| Other Assets | 338,201.84 |
| Total Resources | <u>\$353,956,094.81</u> |

LIABILITIES

| | |
|---|-------------------------------------|
| Capital Stock | \$ 6,000,000.00 |
| Surplus | 11,000,000.00 |
| Undivided Profits | 3,642,383.80 |
| General Reserve for Contingencies | 1,866,464.17 |
| Reserve for Interest, Expenses, Taxes, etc. | 2,991,298.89 |
| Acceptances and Letters of Credit | 583,603.00 |
| Other Liabilities | 284,117.79 |
| Demand Deposits | \$277,321,976.13 |
| Time Deposits | <u>50,266,251.03</u> 327,588,227.16 |
| Total Liabilities | <u>\$353,956,094.81</u> |

DIRECTORS

Henry E. Atwood, *President*
 Atherton Bean,
Executive Vice President,
International Milling Co.
 Russell H. Bennett, *Treasurer,*
Meriden Iron Co.
 Daniel F. Bull, *President,*
The Cream of Wheat Corp.
 J. G. Byam, *Vice President*
 John Cowles, *President,*
Minneapolis Star and Tribune Co.
 Donald D. Davis, *President,*
Minnesota and Ontario Paper Co.
 Paul V. Eames, *President,*
Sheelin-McCloud Lumber Co.
 Harry J. Harwick, *Chairman,*
Mayo Association, Rochester, Minn.
 John H. Hauschild, *Chairman of*
the Board, Chas. W. Sexton Co.
 Horace M. Hill, *President,*
Janney, Semple, Hill & Co.
 W. L. Huff, *Executive Vice President,*
Minneapolis-Honeywell Regulator Co.
 C. T. Jaffray, *Chairman of the Board,*
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Cargill, Inc.
 Sumner T. McKnight, *President,*
S. T. McKnight Co.
 Howard I. McMillan, *President,*
Osborne-McMillan Elevator Co.
 W. G. Northup, *President,*
North Star Woolen Mill Co.
 S. G. Palmer, *Retired*
 Leslie N. Perrin, *President,*
General Mills, Inc.
 A. F. Pillsbury, *Director,*
Pillsbury Mills, Inc.
 H. R. Weesner, *Chairman of the*
Board, The Wabash Screen Door Co.
 F. B. Wells, *President,*
F. H. Peavey & Co.
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Winton Lumber Co.
 Sheldon V. Wood, *President and*
General Manager, Minneapolis
Electric Steel Castings Co.
 Edgar F. Zelle, *President,*
Jefferson Transportation Co.

United States Government obligations and other securities carried at \$54,559,500.00 in the foregoing statement are deposited to secure public funds and for other purposes required by law.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION • AFFILIATED WITH FIRST BANK STOCK CORPORATION

announced by **Otto Bremer**, chairman of the board of the bank.

Mr. Bishop has been supervising examiner of the Federal Deposit Insurance Corp., Ninth district, with headquarters in St. Paul, for the last 10 years. He succeeds **George J. Johnson**, who resigned recently. Mr. Bishop formerly was chief examiner of the Kansas state banking department.

David R. West, Minneapolis attorney and prominent in banking activities, died recently in Minneapolis after an illness of two months. He was 57 years old.

Mr. West was a director of Northwestern National Bank of Minneapolis, secretary and director of Northwest Bancorporation and chairman of

the Minnesota group of the Investment Bankers association.

J. Cameron Thomson, chairman of the Minnesota Community Research council, was host to Community Chest presidents and secretaries of Minnesota during the recent Minnesota welfare conference in St. Paul. Mr. Thomson is president of Northwest Bancorporation.

Granting of a charter to the Rockford State Bank of Rockford, has been announced by **F. A. Amundson**, Minnesota state banking commissioner. The bank opened for business recently with capital of \$25,000 and surplus of \$5,000. **W. A. Anderson** is president and **W. W. Lindquist** cashier.

Merth E. Mortenson, vice president of Marquette National Bank of Minneapolis, has been elected president of the Retail Credit Association of Minneapolis.

Adyline Johnson of Minneapolis has resigned as a secretary in Northwest Bancorporation offices to enter the field of music.

Miss Johnson is one of two finalists in the contralto section in a nationwide music contest. She will compete next fall for the \$500 first prize. She is studying in a Massachusetts opera school and will join the faculty of MacPhail School of Music in Minneapolis next fall.

She sang her "swan song" at a conference of bankers in the Minikahda Club of Minneapolis.

Penn Model village in Minneapolis, a group of 30 homes sponsored and financed by **Farmers and Mechanics Savings Bank** of Minneapolis, is coming in for widespread attention.

More than 30,000 persons inspected the homes as they were built. The houses were built from 13 basic designs. Farmers and Mechanics did a record \$16,250,000 in mortgage loans last year. A large proportion of these were home loans in Minneapolis. The bank has deposits of \$150,000,000 and total mortgage investments of more than \$50,000,000.

Harry W. Zinsmaster of Duluth, director of the First and American National Bank of Duluth, has been elected a director of Gamble-Skogmo, Inc., according to announcement in Minneapolis by **B. C. Gamble**, president.

Lawrence A. Doherty of First National Bank of Minneapolis was a finalist in the national public speaking contest held as a feature of the 46th annual convention in Buffalo, New York, of the American Institute of Banking.

Among Minneapolis businessmen participating in Hennepin county Grassland day recently was **Ashton Carhart**, vice president of the First National Bank of Minneapolis. Latest methods and equipment for hay and pasture farming were demonstrated in the program.

G. Sidney Houston, manager of investment research for the First National Bank of St. Paul and First Trust Company, addressed members of the St. Paul Rotary club recently. Mr. Houston said a recession is not likely this year, explaining that "peo-



THE HARVESTORS

MINNEAPOLIS-MOLINE POWER IMPLEMENT COMPANY
MODERN MACHINERY



Get All the Crop

Built to get all grain and seed crops under all combining conditions, MM HARVESTORS assure lowest cost harvesting per bushel, per acre and per dollar invested! Getting the grain, threshing, separating, and cleaning are "straight through" operations. Simplified V-belt drives permit ready adjustment of gentle-rubbing rasp cylinder to meet various crop conditions. Convenient levers vary height of cut from 2 to 40 inches, adjust header reel and "level" cleaning shoe. Copper-bearing sheet metal, all-steel welded rasp cylinder and concave, and ball or roller bearings on all high speed shafts assure efficient long life and low-cost harvesting. Scour-Kleen attachment for removing dockage from threshed grain, screening and pickup attachments, vertical sickle bar, sacking equipment, and other optional attachments give dependable MM HARVESTORS all-round versatility under all combining conditions.

Quality MM HARVESTORS offer long-life, trouble-free performance that excels on every combining job. Get all the details from your Friendly MM Dealer.

MINNEAPOLIS-MOLINE POWER IMPLEMENT COMPANY
MINNEAPOLIS 1, MINNESOTA

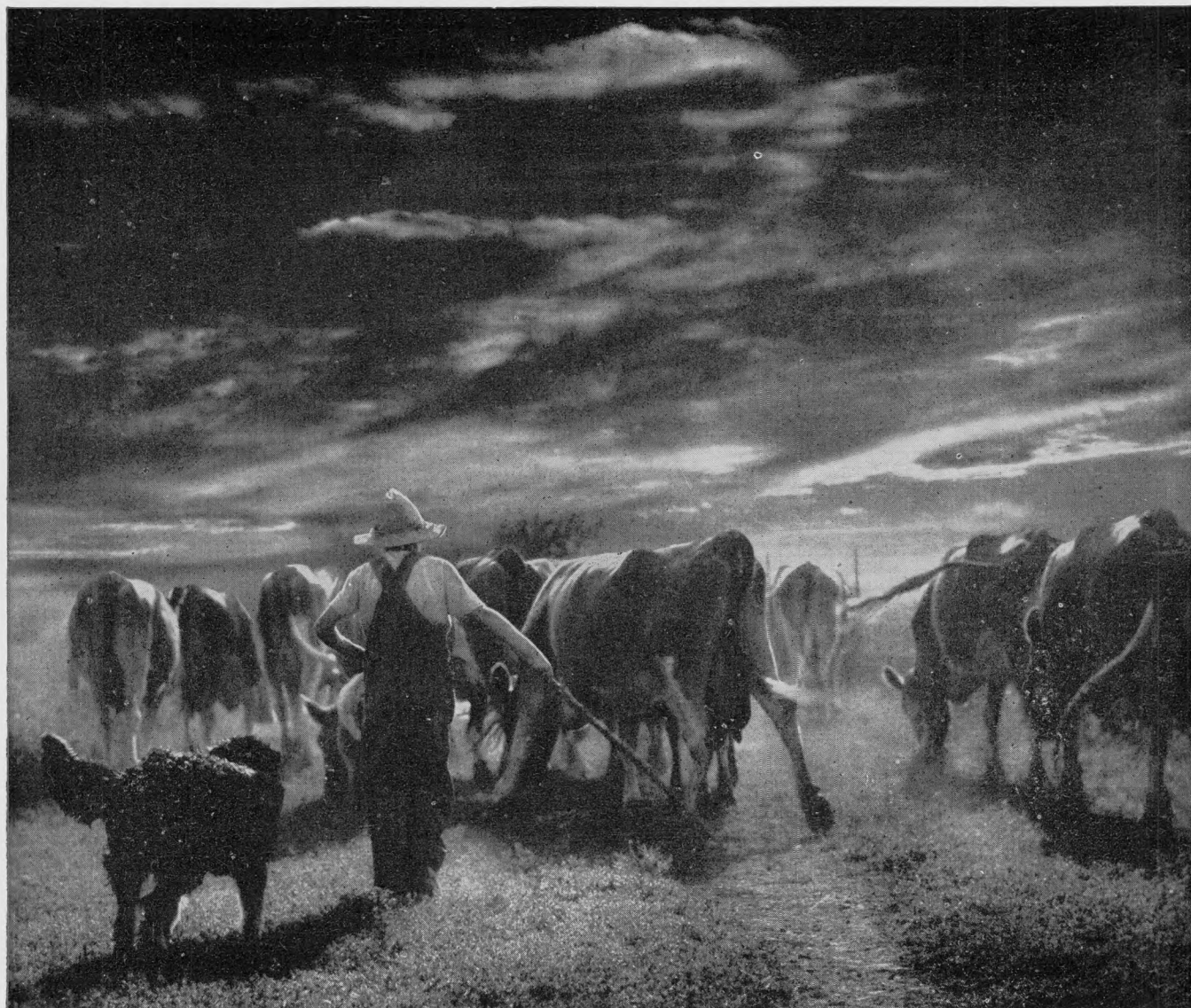


Photo Used by Permission of Raiston-Curina Co.

SOME THINGS CAN'T WAIT

Come dawn, come dusk, it's milking time . . . every day. There's a right time to cut hay . . . a precise moment when the wheat and oats are headed, ready for harvest. . . . Nature won't allow some things to wait.

Often there are times when one of your customers needs a loan "right now" . . . to cover a commitment, to take advantage of an unexpected offer or bargain price, to meet a tax deadline. Perhaps his request means an "overline" for your bank. That's when we at Marquette hope you'll call on us. We're always ready to step in, in emergencies. And of course, we're always ready to help you with your day to day needs . . . to provide you credit information, trust service, a depository for securities, foreign remittance-and-collection service, and to act as your agent in the purchases and sale of government securities.

The Marquette National Bank is ready to serve you "right now" . . . and every day to come.

RUSSELL L. STOTESBERY
President

LYNN FULLER
Executive Vice-Pres.

DEPARTMENT OF BANKS AND BANKING

CHARLES C. RIEGER
Vice-Pres.

OTTO H. PREUS
Asst. Vice-Pres.



THE STRONG FRIEND OF THE INDEPENDENT BANKER

Northwestern Banker, July, 1948

ple still want to buy too many things and the Marshall plan and the federal income tax cut will help."

Calvin W. Aurand, vice president and director of Midland National Bank of Minneapolis, has been re-elected president of the Minneapolis Health Action committee's board of directors. The committee sponsors immunization clinics in the Minneapolis public health center.

A committee headed by State Representative **Robert Sheran** of Mankato has recommended abolition of the Minnesota constitutional provision requir-

ing double liability for state bank stockholders.

Mr. Sheran is chairman of the banks and corporations committee of the Minnesota constitutional commission. His report advocates virtual elimination of the entire constitutional section concerning banks and corporations.

Commenting on the proposed elimination of double liability for state chartered banks, the committee report stressed that "this has given nationally-chartered banks having only single liability undue advantage."

Installation of commercial tellers machines in the Empire National

Bank of St. Paul was announced by **C. E. Johnson**, president.

Mr. Johnson said the machines will provide the commercial account customer with receipts for deposits that are as complete and accurate as are cancelled checks for withdrawals. He also cited the time saving made possible by the devices.—The End.

Head of Loan Drive

L. P. Peterson, vice president and cashier of the Farmers State Bank of Lakefield, Minnesota, served as chairman for Lakefield's Security Loan Drive which ran concurrently through the past two months with the national loan drive sponsored by the United States Treasury.

New Officers at Boyd

R. E. Rogde, president of the Princeton State Bank in Princeton, Minnesota, recently purchased controlling interest in the Boyd State Bank at Boyd. C. C. Elkjer has been president of the bank. Mr. Elkjer also is president of the Farmers and Merchants State Bank at Clarkfield.

Russell Rogde, a son of the new Princeton State Bank's president, is cashier for the Princeton bank. T. Wesley Lynne remains there as assistant cashier.

In New Bank Location

The 45-year-old First National Bank of Carlton, Minnesota, was recently moved into its new quarters amid an open house for Carroll people. On hand to greet visitors were Alfred H. Lee, chairman of the board and president; Ray A. Butts, vice president and cashier; Hilda R. Larson, assistant cashier, and Renee Y. Williams, bookkeeper.

With Henning Bank

C. L. Markuson is the new assistant cashier at the First National Bank of Henning, Minnesota, replacing G. C. Flom, who resigned recently to enter private business in Henning.

Resigns at Sleepy Eye

Harry Ubl, assistant cashier at the State Bank of Sleepy Eye, Minnesota, resigned his position and entered the real estate and investment business last month with the John E. Blomquist Company of St. Paul.

**MORE MINNESOTA NEWS
ON PAGE 59**

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
Asst. Cashier

STANLEY W. EVANS
Field Representative

Direct Service— and Friendly

This bank has made a specialty of correspondent service for more than half a century, with particular emphasis on live stock transactions. Try us in the handling of your items on any point in our territory. Here you'll find direct service and a friendly interest in even your smallest problems.

The
LIVE STOCK
National Bank

of SIOUX CITY

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



South Dakota NEWS

J. M. LLOYD
President
Yankton



CARL E. BAHMEIER, JR.
Secretary
Huron

Bank Debits Increase

Latest reports from the Federal Reserve Bank at Minneapolis show that South Dakota enjoyed a 12 per cent increase in bank debits during May, 1948, as compared to May, 1947. May figures this year were \$175,122,000. The five month total of \$944,856,000 is a 14 per cent increase over the same period of 1947.

Yankton was the only South Dakota city showing a decrease when its debits were reported down 3 per cent in May. Sioux Falls reported \$68,343,000; Aberdeen, \$18,627,000; Rapid City, \$18,074,000; Mitchell, \$12,505,000, and Watertown, \$11,536,000. Bank debits in Huron totaled \$10,384,000 in May, an 11 per cent increase over May, 1947. The five month period for that city has netted a 5 per cent increase.

Resigns at Lake Preston

Alvin Heggelund resigned recently as cashier of the Community State Bank at Lake Preston, South Dakota, to accept another banking position with the Citizens State Bank at Walnut Grove, Minnesota.

Mr. Heggelund began work with the Community State Bank when he was graduated from high school and has worked there continuously, with the exception of time spent in service during the war.

In Beauty Contest

Althea Weaver, employed by the First National Bank in Rapid City, South Dakota, was to represent her home town of Hill City in the state beauty contest at Hot Springs earlier this month. Winner of the contest there will represent South Dakota in the Miss America Pageant in Atlantic City next September.

On European Tour

H. W. Clarkson, chairman of the board and president of the First State Bank of Buffalo, South Dakota, left recently for a several weeks tour of European countries. He was scheduled to return to the United States this month.

Mr. Clarkson went in the company

of E. W. Clarkson, who is a director of the First State Bank, and R. F. Raney and E. E. Papke, both of Lemmon. H. W. Clarkson also is president of the Bank of Belle Fourche, where E. W. Clarkson also is a director and makes his home.

W. W. Swanson

W. W. Swanson, 52, president of the First State Bank of Highmore, South Dakota, died in an Omaha hospital recently after being in ill health for the past year.

When Mr. Swanson completed his high school education he entered the First State Bank to work with his father, who had become prominently known throughout central South Dakota in financial circles. In 1917 he enlisted in the army air service, was graduated at Kelly Field, San Antonio, Texas, where he was commissioned, and took charge of personnel in an aircraft project for the army.

After his return from World War I duty he re-entered the bank and had been active there until his death.

He is survived by his widow and two children.

Branch Bank at Garden City

The Farmers and Merchants Bank of Watertown, South Dakota, converted its branch A office to a branch bank at Garden City July 1st.

Sioux Falls News

TOP price at the annual spring sale of the South Dakota Shorthorn Breeders' association in Brookings was \$840 on a yearling bull consigned by Dr. S. A. Donahoe, a director of the National Bank of South Dakota.

John McQuillen, vice president and trust officer of the Northwest Security National Bank, headed a Chamber of Commerce territorial acquaintance committee arranging a tour by about 80 local businessmen of the Fort Randall dam project at Pickstown. The trip was made in two chartered buses.

Harry Boyd, former South Dakota penitentiary guard, is the first uni-

formed guard and attendant to be employed by a local bank. Dapper in a powder blue uniform with dark blue stripes, he's to be seen daily in the lobby of the Northwest Security National Bank. He served in the European theatre of war with Gen. Patton's army during the late war.—The End.

MORE MINNESOTA NEWS

Bank Debit Report

Bank debits in 117 out of 133 cities surveyed in the Ninth Federal Reserve District were higher during May of this year than in May, 1947, according to figures released by the Federal Reserve Bank in Minneapolis.

Of 16 cities showing a drop in withdrawals from bank accounts, Lewiston, Montana, was low with the turnover 89 per cent of last year. In Minnesota, only five cities showed a decrease; Albert Lea dropping 8 per cent of last year's total; Litchfield, 92 per cent; Marshall, 97 per cent; South St. Paul, 92 per cent, and Winona, 95 per cent.

St. Paul was 106 per cent of last year's figures. Minneapolis was at 109 per cent. Moorhead was up to 141 per cent. The state as a whole was 108 per cent of last year's figures. There was one more business day this year than last which helped swell some totals.

Elect New Officers

F. L. Hartmann, president of the American National Bank of Little Falls, Minnesota, was named president of the Central Minnesota Division of Minnesota Bankers Association at the recent election meeting in St. Cloud. One hundred eighty were present.

Elected to office with Mr. Hartmann were Edwin W. Wendt, cashier, St. Stephen Bank, St. Stephen, vice president, and John H. Hansen, vice president and cashier, Merchants National Bank, Sauk Centre, secretary-treasurer.

Directors are C. I. Erstad, Sauk Rapids; R. M. Stoll, Pierz; A. J. Borgerding, Belgrade; G. H. Dinkel, Long Prairie, and J. B. Klasen, Holdingford.

Advances At Mankato

Election of Richard B. Jude as an assistant cashier at the First National Bank of Mankato, Minnesota, was announced recently by Harry M. Mackenzie, president.

It was announced last month that Mr. Jude was being placed in charge of the bank's timepay department handling consumer finance and the bank's installment loan business.

Gilbert O. Hage

Gilbert O. Hage, Crookston, Minnesota, banker and civic leader, died at his home recently following an illness of several months duration.

His death marks the end of a banking career which started in 1913 when he organized the Polk County State Bank of Crookston. At the time of his death he was president of the Crookston National Bank and also head of the Minnesota Fiber Manufacturing Corporation of Crookston. He was 66 years old.

Mr. Hage was prominent in banking circles throughout Minnesota and held many civic and institutional offices

during his lifelong career in Crookston. In 1913 he organized the Polk County State Bank of Crookston, serving as its cashier until 1916.

In 1916 he became president of the Farmers State Bank of Shelly, serving in that office until 1939.

In 1917 he organized the Crookston Trust Company which was converted into the Crookston National Bank November 21, 1945, with Mr. Hage serving as its president until his death.

In addition to operating the Minnesota Fiber Manufacturing Corporation's plant there, Mr. Hage held extensive farming interests in the Red River valley and was a member of the

Crookston Charter Commission, the Crookston Elks Lodge and the Methodist Church.

Announces Appointment

L. R. Ewart, president of the Citizens State Bank of Redwood Falls, Minnesota, has announced that Clark Arnott was appointed assistant vice president of the bank last month.

Banks Plow Back Profits

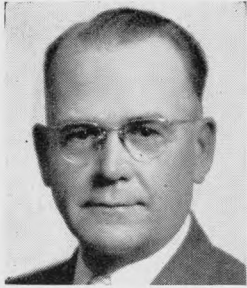
Sixty per cent of the total net profits of the national banks of continental United States in 1947 were plowed back into capital funds to add strength to the banking structure, according to Gordon D. Palmer, president of the National Bank Division of the American Bankers Association, and president of the First National Bank, Tuscaloosa, Alabama.

In the annual report of the president of the National Bank Division to the more than 5,000 national banks which are division members, Mr. Palmer discloses that the increases brought the capital funds total to \$5,407,000,000 by the year-end 1947. The report shows further that assets of the national banks expanded nearly 4.2 per cent to \$88,000,000,000, a sum exceeded only in 1945. "There was a considerable change, too," he said, "in the employment of these funds. Average holdings of investments, based upon the three condition reports, decreased 10.4 per cent, whole loans and discounts advanced 26.8 per cent. The over-all result of these changes was a decrease of 1.4 per cent in the average volume of loans and discounts and investments, and their failure by 1.5 per cent to maintain their 1946 ratio to 76.5 per cent to total assets."

Gross Earnings Up—Net Profits Down

Net profits of the national banks went down in 1947, despite the increase in gross earnings. The gross earnings, Mr. Palmer shows, "were 9.6 per cent higher than in 1946. This improvement, however, did not carry over into net. Instead, net profits before dividends were 8.4 per cent lower. The reduced net earnings, in spite of a steady gross rate on investments and a slight improvement in the loan rate (which, nevertheless, was lower than in any year prior to 1944) are attributable largely to an increase of 11.3 per cent in operating expenses. Taxes were a little higher; salaries and wages increased 15 per cent; recoveries and profits on securities were down considerably, and losses on loans, in excess of recoveries, were up sharply."

| STATEMENT OF CONDITION | |
|--|------------------------|
| NORTHWEST SECURITY NATIONAL BANK | |
| of Sioux Falls, South Dakota | |
| South Dakota's Leading Bank | |
| June 30, 1948 | |
| RESOURCES | |
| Cash on Hand, in Federal Reserve Bank, and | |
| Due from Banks and Bankers..... | \$10,960,915.77 |
| U. S. Government Obligations..... | 20,608,645.95 |
| State and Municipal Bonds..... | 939,040.82 |
| Other Bonds and Securities..... | 1,446,437.52 |
| | \$33,955,040.06 |
| Stock in Federal Reserve Bank in Minneapolis..... | 45,000.00 |
| Overdrafts..... | 3,933.12 |
| Loans and Discounts..... | 11,041,442.96 |
| Banking Houses..... | 240,000.00 |
| Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance. | |
| Interest Earned but Not Collected..... | 164,129.20 |
| TOTAL..... | \$45,449,545.34 |
| LIABILITIES | |
| Capital Stock—Common..... | \$ 500,000.00 |
| Surplus..... | 1,000,000.00 |
| Undivided Profits and General Reserves..... | 593,608.66 |
| | \$ 2,093,608.66 |
| Reserve for Interest, Taxes, and Other Expenses..... | 242,433.95 |
| Interest Collected but Not Earned..... | 56,428.09 |
| Deposits: | |
| Time..... | \$ 7,187,212.85 |
| Demand..... | 35,062,581.16 |
| U. S. War Loan..... | 807,230.63 |
| | 43,057,024.64 |
| Other Liabilities..... | 50.00 |
| TOTAL..... | \$45,449,545.34 |
| BRANCHES AT | |
| BROOKINGS, CHAMBERLAIN, DELL RAPIDS, GREGORY, HURON, MADISON | |
| Affiliated with Northwest Bancorporation Member Federal Deposit Insurance Corporation | |



North Dakota NEWS

ARNE A. GREGOR
President
Leeds



C. C. WATTAM
Secretary
Fargo

Gregor Appoints Committees

COMMITTEE appointments for the North Dakota Bankers Association have been announced by President Arne A. Gregor. The 1948-49 appointments are as follows:

Agricultural Committee

F. A. Irish, First National Bank & Trust Company, Fargo, chairman; Clarke Bassett, Fargo; A. L. Netcher, Fargo; R. J. Hughes, Wahpeton; L. C. Arndt, Minot.

Public Relations Committee

J. A. O'Brien, Dickinson, chairman; J. F. McEntee, New England; G. H. Hernet, Ashley; C. J. Haarsager, Litchville; M. G. Pederson, Hope.

Bank Management Committee

O. C. Stusrud, Mayville, chairman; V. Helberg, Minnewaukan; L. H. Van Horne, Fargo; Sharpe Pruetz, Kulm; O. E. Lerberg, Parshall.

Educational Committee

Lee Stenehjem, Watford City, chairman; W. S. Davidson, Jr., Williston; O. D. Weydahl, Halliday; E. M. Shafer, Fargo; J. B. Collison, Devils Lake.

Legislative Committee

M. J. Raschko, Dickinson, chairman; A. C. Thorkelson, Valley City; F. D. McCartney, Oakes; Martin Aas, New Rockford; T. H. Tufte, Northwood.

Consumer Credit Committee

A. B. Fitzloff, Fargo, chairman; W. E. Tooley, Minot; Lawrence Bue, Grand Forks; F. L. Durand, Jamestown; W. J. Johnston, Grafton.

Veterans Loan Committee

N. I. Roop, Bismarck, chairman; S. K. Roisum, Grand Forks; Erle Fouks, Valley City; T. A. Solheim, Minot.

Savings Bond Committee

C. W. Burges, Edgeley, chairman; Fred Orth, Grand Forks; Harry W. Grant, Minot; F. E. Stewart, Williston; E. W. Saltzman, Bismarck.

Special State Bank Legislative Committee

H. A. Fischer, Washburn, chairman; Sharpe Pruetz, Kulm; O. S. Freeman, Souris; O. N. Stenehjem, Watford City; D. W. Kelley, Webster.

Lions Club Officer

R. M. Hougen, vice president and cashier of the American National Bank of Valley City, North Dakota, has been elected president of the Valley City Lions Club.

Elected Cashier

A. L. Kallestad has been elected cashier of the National Bank of Jamestown, North Dakota, to succeed George A. Anderson, whose resignation was announced recently.

Mr. Kallestad resigned his position as assistant cashier of the First National Bank of Mankato, Minnesota, to accept the Jamestown appointment. He had been with the First National Bank since 1942 when he started as auditor. He was elected assistant cashier in 1945. Prior to this bank association he was associated with the First and Farmers National Bank of Blue Earth, Minnesota, where he was born.

Resigns at Larimore

A. N. Johnson resigned last month as cashier of the Elk Valley State Bank of Larimore, North Dakota, after 18 years of service with that bank. He is succeeded as cashier by C. H. Erbele who has been in charge of the National Farm Loan Association's district office in Larimore for over eight years.

Mr. Johnson has not announced any business plans for the future, but he has moved with his family to the west coast.

Heads Bismarck Jaycees

William Alan Van Vleet, assistant cashier of the Dakota National Bank of Bismarck, North Dakota, was elected president recently of the Bismarck Junior Chamber of Commerce. He was treasurer of the organization from 1942 to 1944 and second vice president in 1946.

Banking School Session

The North Dakota Bankers Association's school for beginners was held

last month for the first time, with 17 young people in attendance. At the end of the week-long school in Fargo, the Fargo Clearing House Association honored the 17 students with a dinner, at which time certificates of award were presented by Association President Arne Gregor.

Carl E. Bahmeier, Jr., secretary of the South Dakota Bankers Association, addressed the students, North Dakota Association officers and Fargo bankers, speaking on the subject of personnel-customer relations.

Leaves Rolette

W. A. Moen, vice president and cashier of the Rolette State Bank of Rolette, North Dakota, has resigned to move to Maynard, Minnesota, where he has purchased an interest in the Security State Bank as cashier.

Chicago Banks Merge

Robert D. Mathias, formerly president of the Old National Bank of Evansville, Indiana, is president of the newly organized Chicago National Bank, it was announced by Lester Armour, chairman of the board of directors.

The Chicago National Bank represents the consolidation of the Chicago Terminal National Bank with the Industrial National Bank of Chicago. Offices of the new bank will be at 120 S. LaSalle Street, the home of the Chicago Terminal Bank since 1946.

Resources are reported at \$60,000,000, with capital, surplus and undivided profits of \$5,250,000.

Heads Foreign Trade Group

Arthur W. Roberts, vice president in charge of the foreign department of Continental Illinois National Bank and Trust Company of Chicago, was elected president of the Bankers Association for Foreign Trade at the recent 26th annual meeting of that group in Montebello, Quebec.

The association was organized by middle western bankers. Membership consists of U. S. banks having foreign departments, Canadian banks, and foreign banks having agencies in the United States.

A Fifty Year Banker

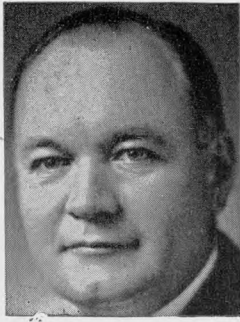
Roy R. Marquardt, vice president of The First National Bank of Chicago, celebrated the fiftieth anniversary of his employment with the bank last month, with business as usual the order of the day. His name now is added to the list of six other officers who, in the history of the bank, served for 50 or more years.

*FOR 92 YEARS
SOUND BANKING SERVICE*



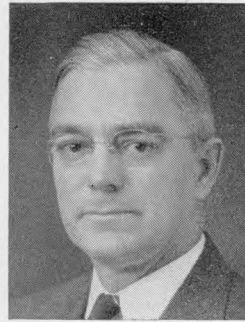
The
UNITED STATES
National BANK of Omaha

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



J. O. PECK
President
Columbus

Nebraska NEWS



CARL G. SWANSON
Secretary
Omaha

O. A. Riley Is President

O. A. Riley was elected president of the Hastings National Bank of Hastings, Nebraska, last month, and took over duties of his new office July 1st. He succeeds Howard G. Pratt, who retired from the presidency but retains his position as chairman of the board of directors. Mr. Pratt is moving to the west coast.

W. G. Nelson, vice president of the Live Stock National Bank of Sioux



O. A. RILEY
Now President of Hastings National

City, Iowa, was named to succeed Mr. Riley as vice president. He is expected to begin his new duties at Hastings August 15th.

Other officers will remain the same, with Charles E. Deets as cashier, C. L. Van Horne as assistant vice president, and J. Leo Swigle, Joseph Bauer and L. J. McCune as assistant cashiers.

Mr. Riley stated there will be no change whatsoever in the bank's present operating policies. He has been with the bank since its organization in 1919 when he first was cashier. In 1929 he was elected vice president, having served since then in that position and on the board of directors.

Bankers Clinic

As this issue of the NORTHWESTERN BANKER was going to press, Nebraska bankers attending the second Nebraska Bankers' Clinic were gathering at Doane College, Crete, for the three-day school in bank methods and operation.

Committee Chairman John Van Auken reported that about 250 men were expected this year as compared

to the 150 registered last summer. Harold Deitemeyer, cashier of the First National Bank of Beatrice, is chairman of the bank management committee which was helping make arrangements for the meeting.

An outstanding program with well-qualified speakers of national prominence had been announced on previous clinic programs. The NORTHWESTERN BANKER will carry a complete report of the second clinic in its August issue.

Robert J. Inness

Funeral services for Robert J. Inness, 57, were held in Osceola, Nebraska, recently. Mr. Inness, long associated with the United States Check Book Company, passed away suddenly as the result of a heart attack at his home in Omaha.

Many banker friends in eastern Iowa will remember Mr. Inness, as he represented the U. S. Check Book Company in that territory for over eight years. For the last several years he has been a member of the firm's office staff in Omaha.

He was a graduate of the University of Nebraska, a member of Sigma Phi Epsilon, and a member of the official board of the First Methodist Church of Omaha.

He is survived by his wife, Margaret; his mother, Mrs. James Innes, of Omaha, and his daughter, Mrs. Frederick L. Kempster, Chicago Heights, Illinois.

Arlington Bank Sold

Local business men and farmers have purchased controlling interest of The Arlington State Bank of Arlington, Nebraska. This bank, founded in 1890, has deposits of \$1,400,000.

H. C. McClellan, a resident of Arlington for 30 years, engaged in the real estate and insurance business has been named president. George E. Schoettger, who has been cashier of the Arlington State Bank since 1933, will continue to serve in that capacity. Harry Heillinger, until recently cashier of the First National Bank of Shelby, Nebraska, has been elected vice president.

L. D. Spalding, who has served as

president for the past 18 years, has retired and will live in California. G. K. Waldron, for several years executive vice president, has accepted the vice presidency of the York State Bank of York, Nebraska, to which city he has already moved with his family.

This sale was negotiated by Charles E. Walters Company of Omaha.

County Association Officers

Stanley J. Bednar, cashier of the Washington County Bank of Blair, Nebraska, was elected president of the Douglas-Washington-Sarpy-Burt County Bankers Association last month at a meeting held at Valley.

Chris Larson, cashier, Citizens State Bank of Decatur, was named vice president. Leonard Nelson, assistant cashier, The Farmers State Bank of Millard, becomes secretary to succeed Robert Hall of Omaha, who had held the position 22 years.

Karl Brown, vice president, Banking House of A. W. Clarke of Papillion, and Kenneth Harvey, president, Douglas County Bank of Omaha, are directors.

Elected Assistant Cashier

At a recent meeting of the board of directors of the Auburn State Bank, Auburn, Nebraska, Dick Wilson was elected to the office of assistant cashier.

Mr. Wilson has been with the Auburn State Bank for over two years and has served as a teller during this time. He entered the service of the bank upon his return from the armed forces overseas.

Increase Capital Stock

At a special meeting of the stockholders of the Security National Bank of Laurel, Nebraska, last month, the capital stock of the bank was increased from \$25,000 to \$50,000. This bank now leads all banks in Cedar county in capital structure, having \$50,000 capital stock, \$50,000 surplus and \$35,000 undivided profits. Deposits in the Laurel bank total \$2,850,000.

Plan Plowing Program

Saunders county farmers are pointing toward their county plow terracing contest, to be held August 12th on the E. E. Placek farm, three miles south of Wahoo.

The contest will be limited to 10 entries from the county. The competitors will be chosen by lot from applications submitted by August 5th.

Sponsoring the contest is the First National Bank of Wahoo, in cooperation with the Saunders county soil conservation district, the soil conservation service and the agricultural extension service.



W. DEAN VOGEL, vice president of the Live Stock National Bank of Omaha, was elected first vice president of the Omaha Symphony Orchestra Association at the annual meeting at the home of **Truman Morsman**. **John W. Swanson** is the new president. Mr. Morsman was named second vice president.

Mrs. W. B. Millard, Jr., wife of the vice president of the Omaha National Bank, was named courtesy chairman for the Orchestra Association.

Mrs. Frank Conlin has retired as president of the Symphony Association, after serving three years. **Richard Duncan** will continue as conductor of the orchestra. **Cecil Slocum** was re-elected orchestra manager.

John T. Brownlee of the Occidental Building and Loan Association, Omaha, was re-elected president of the Nebraska Savings and Loan League at its recent convention in Omaha. Other officers include: **H. T. Mitten**, Fremont; **Phil Sidles**, Lincoln, and **J. B. Douglas, Jr.**, Tecumseh, vice presidents; **Leslie E. Martin**, Nebraska

Savings and Loan Association, Omaha, re-elected secretary-treasurer.

Fred W. Thomas, president of the First National Bank of Omaha and **T. L. Davis**, chairman of the board of the same institution, were among trustees re-elected recently for three-year terms by the Clarkson Memorial Hospital Association of Omaha.

If you are a neck craner at the big crane on the job at the Omaha National Bank's half-million-dollar remodeling project, you can become a member of the SPEMBSE, complete with official membership card signed by **President Dale Clark**.

It stands for the Society for the Promotion and Encouragement of More and Better Sidewalk Engineers. The Society came into being for the benefit of the many "sidewalk superintendents."

Mr. Clark said that SPEMBSE membership cards would go to all who have endured some of these hardships of looking at the construction work: "Sand in eye, dirt in ears, callouses

on elbows, splinters in hand, flat feet and soiled clothing."

The bank erected a sidewalk "observatory" and was thinking of issuing a daily bulletin on the progress of the job. A suggestion box also was proposed.

Mr. and Mrs. Howard Johnson of Omaha are the parents of twins, a son, Howard, and a daughter, Deborah. They were born June 7th at an Omaha hospital. The father is a son of **Mrs. Alvin E. Johnson** and the late Mr. Johnson, who was president of the Livestock National Bank of Omaha.

Mr. and Mrs. Dean Vogel's son, Wayne, after his graduation from Omaha Central High School early in June, left for Point Barrow, Alaska, by plane. He will spend the summer with an Arctic survey group and plans to enter the University of Alaska at Fairbanks in the fall. The youth's father is vice president of the Livestock National Bank of Omaha.

Mr. and Mrs. Harold Polian and their daughter, Virginia, have returned from Gulfport, Mississippi, where they attended the graduation of Miss Maxine Polian from Gulf Park College. She was one of three girls honored for high scholarship. They spent several days on the Gulf Coast and in New Orleans before returning. Mr. Polian is an Omaha investment banker.

Charles W. Mead was succeeded as president of the Omaha YMCA by **T. H. Maenner** at the annual meeting. Mr. Mead is president of the Nebraska Bond and Mortgage Corporation.

Walter B. Lehmkuhl and **W. Dale Clark** were re-elected directors. Mr. Lehmkuhl is secretary of the Guarantee Mutual Life Company of Omaha. Mr. Clark is president of the Omaha National Bank.

"Omaha has progressed in gratifying measure and in many directions," **Ray R. Ridge**, retiring Chamber of Commerce president, said in his final message to Chamber members at the annual meeting. Mr. Ridge is senior vice president of the Omaha National Bank.

Taking over the helm of the Chamber this month is **Thomas H. Ashton**,



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A range of service particularly adapted to the every-day needs of Correspondent Banks

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| Charlotte | Shreveport |
| Jacksonville | |

Banks are invited to consult with the nearest St. Paul Terminal Warehouse Company office when customers request loans on inventories. Our trained personnel will give you the benefit of their knowledge and experience when you are lending against inventories stored on customer's premises. Our receipts are preferred collateral for sound, profitable loans. This company's experience assures you prompt service with safety.

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St. Paul Terminal Warehouse Co.

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T. C. Cannon, District Manager

ST. PAUL, MINNESOTA

manager of the Omaha plant of the Bemis Brothers Bag Company. He succeeds Mr. Ridge as president. **Charles S. Reed**, attorney, was elected vice president and chairman of the executive committee.

New Chamber directors include **Arthur B. Dunbar**, insurance man.

Mr. and Mrs. Guy C. Kiddoo of Winnetka, Illinois, stopped at the Blackstone recently to visit Omaha friends. Mr. Kiddoo is a former Omaha banker.

Miss Ann Pettis, daughter of **Mr. and Mrs. Donald L. Pettis**, received the Brown-Everetts annual award, for

the highest scholastic average during four years of high school, when she was graduated from Brownell Hall at Omaha early in June. Mr. Pettis is an Omaha investment banker.

T. R. Richardson, 57, president of the Western Securities Company of Omaha, died recently after an illness of six weeks. He came to Omaha in 1931 from Sioux Falls. He was a director of Augustana College at Sioux Falls.

Alfred E. Burr was elected to succeed Mr. Richardson as president of the company.

The Omaha Public Power District recently sold \$5,000,000 in electric revenue bonds for a net interest cost to the District of only 2.14658 per cent. That was below the current market average for municipal bonds.

The winner among three bidding groups was a syndicate headed by the **First Boston Corporation of New York**. **Kirkpatrick-Pettis Company** of Omaha and **John M. Douglas** participated in the winning bid.

Two other bidding groups were headed by **Blyth & Co., Inc.**, of New York, and **Halsey-Stuart, Inc.**, of Chicago.

Net interest cost to the power district during the life of the bonds, which mature serially until 1968, will be \$1,318,412.50.

Leonard Burch, Omaha banker and stockman, has been named a vice president of the Denver National Bank of Denver. He represented the bank at the Nebraska Stock Growers' Association convention at Omaha in June.

Mr. Burch became manager of the bank's livestock loan department.

Emmett Solomon of Honolulu, T. H., formerly associated with the First National Bank of Omaha before he entered service in World War II, was a guest of his mother, Mrs. E. G. Solomon, in Omaha during the Memorial Day holiday.

Many parties were given for Mr. and Mrs. Charles D. Saunders and their family before their departure for their new home in Seattle, Washington, last month.

Miss Marion Saunders, elder daughter of Mr. and Mrs. Saunders, was graduated from Omaha Central High School in June with high honors.—The End.

Open House at Plainview

About 1,000 persons attended the formal opening last month of the new banking offices of the Plainview State Bank in Plainview, Nebraska. Bankers from all over that section of the state, from Sioux City, Omaha, Lincoln and out of state were on hand to congratulate O. M. Jeffrey, president and cashier, on the distinctive new quarters.

The building is decorated in white birch veneer, is completely modern in

OVER SEVENTY-SEVEN YEARS OF BANKING EXPERIENCE

Statement of Condition

The First National Bank of Lincoln

LINCOLN, NEBRASKA

(ORGANIZED 1871)

At the Close of Business June 30, 1948

ASSETS

| | |
|---------------------------------|------------------------|
| Cash and Due from Banks..... | \$12,774,877.60 |
| U. S. Government Bonds..... | 25,908,383.66 |
| Other Bonds and Securities..... | 2,002,545.11 |
| Federal Reserve Bank Stock..... | 81,000.00 |
| Loans | 7,461,757.16 |
| Interest Earned, Not Due..... | 117,328.97 |
| Banking House | 499,060.00 |
| Total Assets | \$48,844,952.50 |

LIABILITIES

| | |
|--------------------------------|------------------------|
| Capital Stock | \$1,500,000.00 |
| Surplus | 1,200,000.00 |
| Undivided Profits | 547,059.59 |
| | \$ 3,247,059.59 |
| Discount Unearned | 46,436.65 |
| Reserve for Taxes, Etc..... | 81,533.37 |
| Deposits | 45,469,922.89 |
| Total Liabilities | \$48,844,952.50 |

OFFICERS

| | |
|---|---|
| P. R. EASTERDAY Chairman | A. C. GLANDT . Vice-Pres. and Cashier |
| GEORGE W. HOLMES President | R. J. BECKER Vice-President |
| HOWARD FREEMAN . Exec. Vice-President | CLIFFORD G. WESTON . Asst. V.-President |
| BURNHAM YATES Vice-President | LYLE F. STONEMAN . Asst. V.-President |
| B. O. CAMPBELL Vice-President | G. H. CRANE Asst. Cashier |
| E. U. GUENZEL Vice-President | R. A. GESSNER Asst. Cashier |

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OMAHA, NEBRASKA

interior design and presents one of the most pleasing appearances seen in smaller banks.

Heads Kimball Lions

J. I. Christiansen, president of the American National Bank of Kimball, Nebraska, was elected president of the Kimball Lions Club last month.

Campbell Bank Opens

The Campbell State Bank of Campbell, Nebraska, was authorized by the Nebraska Banking Department to commence operations July 1st. Authorized capital stock for the new bank is \$40,000, with paid in capital of \$32,500, paid in surplus of \$5,000 and paid in profit and reserve of \$2,500.

The Campbell State Bank also has been approved for membership in the Federal Deposit Insurance Corporation.

It was reported in the June NORTHWESTERN BANKER that this new bank would be located in Franklin, Nebraska. This was an error, as the bank is located in Campbell in the northeast corner of Franklin county. The Franklin State Bank is the only bank in Franklin, Nebraska.

Edward C. Davenport

Edward C. Davenport, 65, founder and president of the Nebraska State Bank of Valentine, died at his home last month.

A native of Fort Collins, Colorado, he attended Valentine high school and the University of Nebraska. In 1915 he founded the Nebraska State Bank. He was president of the Nebraska Bankers Association in 1927 and in 1938 was president of the Past Presidents club of the Nebraska Bankers Association.

Survivors include his widow; sons, Wade of Kansas City, Missouri, Richard L., of Valentine, Captain Robert J., Fort Myer, Virginia, and sister Mrs. Douglas Donald of Peekskill, New York.



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The Commerce is definitely a part of the great wheat growing, harvesting and marketing picture of the Southwest. The Commerce is "wheat minded"—its services are especially designed to meet the financial requirements of correspondent banks throughout the important wheat area.

Your grain drafts never rest in the Commerce. Immediate presentation is our policy. A separate unit of our City Collection Department handles exclusively all grain drafts drawn on members of the Board of Trade. More than 80% of the members of the Board of Trade have accounts with us. Their friendship and cooperation materially speed the collection of grain drafts. For quickest collection send your grain drafts to the Commerce.

Commerce Trust Company

Capital Funds Exceed 21 Million Dollars

KANSAS CITY'S LARGEST BANK

Established 1865 MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

First National Bank of Omaha

Oldest National Bank From Omaha West

Member Federal Deposit Insurance Corporation

Northwestern Banker, July, 1948

Moves to Shelby

Warren E. Johnson, formerly assistant cashier of the First National Bank at Osceola, Nebraska, has moved to Shelby where he has been elected cashier and member of the board of the First National Bank of Shelby. W. H. Pierce is president of both

banks. Mr. Johnson fills the vacancy left at Shelby by the recent resignation of Harry Heiliger, now vice president of the Arlington State Bank.

Omaha Bank 82 Years Old

Eighty-two years ago, on July 2, 1866, a year before Nebraska territory

became a state, The Omaha National Bank first opened its doors. Its first published statement showed total assets of \$218,890. Its last published statement shows assets of \$132,065,880. Only four presidents have served this institution during its entire history: Ezra Millard, 1866 to 1884; Joseph H. Millard, 1884 to 1920; Walter W. Head, 1920 to 1929, and W. Dale Clark, who has been president since 1929. W. B. Millard, Jr., senior vice president, is the grand nephew of Ezra Millard, and grandson of Joseph H. Millard.

Increase Capital Stock

Directors of the Citizens State Bank, Arapahoe, Nebraska, recently amended their articles of incorporation to change capital stock of the bank from \$15,000 to \$25,000. Surplus also is \$25,000. Officers of the Citizens State Bank are R. F. Emmett, president; Mrs. T. T. Emmett, cashier, and H. J. Dunn and Neal Billesbach, assistant cashiers.

Purchase Ashland Bank

The Farmers and Merchants National Bank of Ashland, Nebraska, has acquired assets and liabilities of the Citizens National Bank of Ashland, following purchase of all capital stock from J. Fred Peters who held controlling interest in the institution. Mr. Peters was president of the Citizens National.

This provides the Farmers and Merchants National Bank with capital and surplus of \$150,000 and deposits in excess of \$3,500,000, which is one of the largest business transactions ever accomplished in Ashland.

Announcement of the consolidation of the two banks came from Farmers and Merchants President Edwin A. Fricke in a letter to all depositors of the Citizens National.

Employees of the Citizens National, including C. N. Turner, cashier; W. F. Sanders, assistant cashier; Mrs. C. D. Lutton, Jr. and Mrs. Gerald Kitrell have been retained as regular employees of the Farmers and Merchants National Bank.

Mr. Peters is well known to Nebraska bankers, having served as state director of banking prior to his affiliation with the Citizens National Bank in February, 1947. His immediate plans for the future have not been announced.

The First National Bank
St. Joseph, Missouri

STATEMENT OF CONDITION
at the close of business June 30, 1948

| RESOURCES | |
|--|------------------------|
| Cash and Due from Federal Reserve and Other Banks..... | \$ 9,754,102.80 |
| U. S. Government Obligations | 13,967,750.49 |
| Other Bonds and Securities | 1,958,916.76 |
| Federal Reserve Bank Stock | 30,000.00 |
| Loans and Discounts | 3,913,366.75 |
| Bank Building, Fixtures and Other Real Estate..... | 1.00 |
| Interest Earned Uncollected and Other Assets..... | 77,975.96 |
| Total | \$29,702,113.76 |

| LIABILITIES | |
|--|------------------------|
| Capital | \$ 500,000.00 |
| Surplus | 500,000.00 |
| Undivided Profits | 261,449.35 |
| Reserve for Contingencies | 67,414.87 |
| Reserves for Taxes, Dividends, etc. | 52,305.76 |
| Deposits | 28,320,943.78 |
| Total | \$29,702,113.76 |

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

STATEMENT OF CONDITION

June 30, 1948

| RESOURCES | | LIABILITIES | |
|--|------------------------|-----------------------------------|------------------------|
| Loans and Discounts | \$ 9,561,038.36 | Capital | \$600,000.00 |
| Overdrafts | 2,150.47 | Surplus | 600,000.00 |
| Banking House | 100,000.00 | Reserves | 523,295.51 |
| U. S. Bonds | 17,164,000.00 | Undivided Profits | 167,708.32 |
| Other Bonds | 25,000.00 | | \$ 1,891,003.83 |
| Customers Liability for Letter of Credit | 5,000.00 | Reserve for Dividends | 24,000.00 |
| War Savings Stamps | 500.00 | Letters of Credit | 5,000.00 |
| Stock Federal Reserve Bank | 36,000.00 | Due to Federal Reserve Bank | 1,500,000.00 |
| Cash and Sight Exchange | 5,593,755.95 | Deposits | \$34,878,311.00 |
| Due from Federal Reserve Bank | 6,379,730.11 | War Loan Deposits | 568,860.06 |
| | \$38,867,174.89 | | \$38,867,174.89 |

NATIONAL BANK of COMMERCE

LINCOLN, NEBRASKA

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OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
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OMAHA

A.I.B. Convention in Portland

The 47th Annual Convention of the American Institute of Banking will be held June 13th-17th of next year in Portland, Oregon, the invitation of the Portland chapter of the organization having been officially accepted at this year's convention in Buffalo, New York, last month. The invitation on behalf of the chapter was extended by John Otto, of The United States National Bank of Portland.

A committee is working also on plans for the 1950 convention, marking the fiftieth anniversary of the American Institute of Banking, which was founded in Minneapolis in 1900 as the educational section of the American Bankers Association. This committee was appointed at last year's convention and will continue to function. It includes: Chairman, Clarence R. Chaney, vice chairman of the board, Northwestern National Bank, Minneapolis, Minnesota; vice chairman, E. V. Krick, senior vice president and cashier, American Trust Company, San Francisco, California, and Frank M. Totton, vice president, The Chase National Bank, New York, New York.

Remodel Winona Bank

Remodeling and modernization of the Merchants National Bank of Winona, Minnesota, has been completed according to J. R. Chappell, president.

Automatic doors are the first modern feature of the bank to greet customers. Remodeling of the interior included replacing iron tellers' cages with counters of low marble design, modern lighting fixtures and enlarging of officers' quarters.

Mercantile-Commerce Dividend

The board of directors of Mercantile-Commerce Bank and Trust Company of St. Louis declared the regular quarterly dividend of \$2 per share, payable July 1st to stockholders of record June 21st.

DEAR EDITOR

(Continued from page 15)

Paul Robeson and Henry A. Wallace are excellent and I hope that your narratives will be widely read."

P. J. Hebard, Assistant Vice Pres., Chemical Bank and Trust Co., 30 Broad St., New York City, New York.

"Much to Be Done"

"Thank you very much for enclosing page 24 of the May issue of your fine bank publication, the NORTHWESTERN BANKER. I enjoyed reading it immensely and want to thank you for the mention you have made of the survey I conducted earlier this year.

"There is so much to be done in the field of Bank Public Relations and the more we

can spread the gospel the better off our industry will be. Please know that we will deeply appreciate any news story or articles you may run in this connection in the NORTHWESTERN BANKER.

Willis B. Conner, Jr., Asst. Vice Pres., Merchants National Bank, Indianapolis, Indiana.

Want Faster Service on Grain Drafts?



Look to CITY NATIONAL

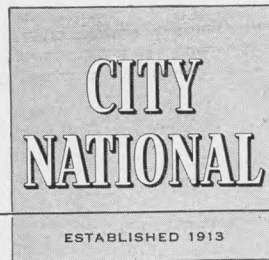
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City National, conveniently located near Kansas City's Board of Trade Building, gives fast, efficient service on grain draft collections. The personal attention of experienced, trained personnel is given to directing the routing of these drafts. In Kansas City, messenger service is used; out of town, our "years ahead" correspondent facilities speed service.

Join the fast-growing number of correspondent bankers who look to City National for efficient handling of their grain drafts.



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Insurance Counselors  to Banks

Northwestern Banker, July, 1948



PEOPLE MAKE A BANK

People, not facts and figures, are largely responsible for the success of a bank. That's why we're so proud of our friendly relations with the many different folks we serve, those who have made possible our great growth during 41 years of serving the middle-west. We're especially proud of the confidence entrusted in us by the friendly folks in more than 400 correspondent banks we now serve. Twenty-four hour transit service, investment portfolio planning, and many other profitable correspondent services provided through our team of officer-specialists help us to secure this confidence. If you are not taking advantage of these fast, efficient services, we want to make an invitation to you to make Live Stock National, of Omaha, your correspondent bank—where friendly folks are ready to serve you.

STATEMENT OF CONDITION JUNE 30, 1948

| RESOURCES | | LIABILITIES | |
|--|----------------------|---------------------------------------|------------------------|
| Loans and Discounts..... | \$20,149,371.33 | Capital Stock (Common)..... | \$ 500,000.00 |
| Municipals and Other Marketable Securities | 2,326,921.60 | Surplus (Earned) | 1,000,000.00 |
| Stock in Federal Reserve Bank..... | 45,000.00 | Undivided Profits | 1,102,035.23 |
| Banking House and Fixtures..... | 1.00 | Reserve for Taxes, Interest, etc..... | 299,713.69 |
| Other Real Estate..... | None | Unearned Discount | 94,686.21 |
| Interest Accrued on Government Securities, etc. | 219,211.16 | Deposits | 57,625,102.01 |
| U. S. Government Securities | \$18,779,799.08 | | |
| Cash and Sight Exchange | 19,101,232.97 | | |
| | <u>37,881,032.05</u> | | |
| | \$60,621,537.14 | | <u>\$60,621,537.14</u> |

OFFICERS and DIRECTORS

HENRY C. KARPFF
President

WADE R. MARTIN
Vice President

R. H. KROEGER
Vice President

PAUL HANSEN
Vice President

W. DEAN VOGEL
Vice President

H. H. ECHTERMAYER
Vice President

C. G. PEARSON
Cashier

L. V. PULLIAM
Assistant Cashier

A. R. STELLING
Assistant Cashier

ELMER C. OLSON
Assistant Cashier

LOUIS BARTA
Assistant Cashier

VICTOR W. NIELSEN
Cashier

MARVIN R. WERVE
Assistant Cashier

M. C. DILLON
Assistant Cashier

ARMAND S. CHAVES
Auditor

H. B. BERGQUIST
Coal and Grain

L. S. BURK
Chicago

J. J. FITZGERALD
President Commercial Savings and Loan Assn.

JOHN R. JIRDON
Livestock and Grain Morrill, Nebraska

LEO T. MURPHY
Vice President Allied Mills, Inc.

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President Maney Milling Co.

CARL A. SWANSON
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OMAHA, NEBRASKA

THE BANK OF FRIENDLY 24-HOUR SERVICE

Member of Federal Reserve and Federal Deposit Insurance Corporation

Northwestern Banker, July, 1948



W. W. BLASIER
President
Jesup

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Banks Remain Open Saturdays

AN OFFICIAL opinion handed down last month from the office of Iowa's Attorney General Robert L. Larson, stating that any Iowa bank may go on a five-day week by closing all day Saturday, has set off statewide discussions on the subject.

The opinion was made public after it had been requested by N. P. Black, Iowa superintendent of banking, acting at the request of attorneys for the Iowa Bankers Association.

After the attorney general's opinion in the affirmative on the question was returned to his office, Mr. Black informed every state bank in Iowa of this decision, setting forth certain rules to be followed in changing by-laws of the bank's articles of incorporation if the officers so desired to close either one-half day or a full day Saturday.

As this issue of the NORTHWESTERN BANKER goes to press, relatively few banks have informed the superintendent's office that they are closing half a day on Saturday, and not a single bank in Iowa has chosen to close all day Saturday. Mr. Black said he did not expect any banks in smaller towns to take advantage of the all-day closing ruling, because of business conditions prevailing in the communities on Saturday.

The request for the attorney general's opinion was made primarily because of larger city banks in Iowa, so that they could close all day Saturday as many businesses do, but a brief, unofficial polling of Des Moines bankers by the NORTHWESTERN BANKER indicates that Des Moines bankers do not desire nor think it wise to close all day Saturday. Three bankers stated that they thought it was time that bankers gave serious consideration to the matter of giving more service to the public

by being open more hours. The Saturday closing at noon instead of one o'clock as in the past was mentioned by two men.

It has been customary for some time in many banks in the state to close in the afternoon one day during the week so as to remain open on Saturday afternoon to provide service to people visiting and shopping in the community on that day. The attorney general's opinion, according to Mr. Black, still authorizes such closings, but does not authorize any other day except Saturday for all day closing.

In addition to Des Moines banks, who have done nothing officially on the subject, banks in Council Bluffs, Estherville and Marshalltown are reported as not being in favor of closing all day Saturday.

Cashier of Bluffs Bank

Charles W. Langmade has been named cashier of the First National Bank of Council Bluffs, George Woods, president, announced last month.

Mr. Langmade, who started working at the bank upon completing school 20 years ago, has been assistant cashier.

He succeeds Roy W. Maxfield, who has been vice president and cashier. Mr. Maxfield continues as vice president.

Don McCullen was named assistant cashier, succeeding Mr. Langmade.

Mr. McMullen joined the bank several years ago after army service and banking work at McClelland.

Promoted at Malvern

John Willard, assistant cashier of the Malvern Trust & Savings Bank since April 1, 1947, was named cashier at a meeting of the institution's board of directors.

Mr. Willard moved to Malvern from Davenport where he was with the Production Credit Association. He comes from a background of banking, as his father, John D. Willard, is president of the Home Savings Bank of Persia, Iowa.

Mr. Willard attended school at Doane College, Crete, Nebraska, and then served three years in the U. S. Marine Corps during World War II.

Increase Capital Stock \$15,000

Capital stock of The Farmers and Traders Savings Bank of Bancroft, Iowa, last month was increased from \$25,000 to \$40,000 by the board of directors. The \$15,000 was declared by a stock dividend. Deposits are \$1,300,000.

Lone Tree Annual Election

Stockholders of Lone Tree Savings Bank, Lone Tree, Iowa, held their annual meeting last month. All officers and directors were re-elected.

Directors are: W. R. Brewster, H. C. Buell, Vernon E. Burr, H. S. Hamilton, Joe Hotz, Jr., Ralph R. Hudachek and W. H. Wolford.

W. R. Brewster is president; Vernon E. Burr and H. C. Buell are vice presidents, and Ralph R. Hudachek is cashier.

Begin Expansion Program

Because of the increase of business volume The Emmet County State Bank at Estherville, Iowa, has taken over the entire first floor of the bank building and has started the first of the improvements program which will eventually bring the banking property entirely up to date. The entire program will be extended over a period of three or four years.

Burlington Name Change

At a special stockholders' meeting, held in Burlington, Iowa, recently, the name of the Burlington Savings Bank was changed to the Burlington Bank and Trust Company. At the same time it was voted to increase capital stock from \$100,000 to \$200,000 by transfer of \$100,000 from surplus to the capital account and by declaration of a 100 per cent stock dividend. Deposits in the Burlington Bank and Trust Company are at the \$10,000,000 mark.

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Insurance Counselors



to Banks

Northwestern Banker, July, 1948

Schedule Annual Gun Tourney

The annual picnic and vigilante shoot of the Scott County Bankers Association is all set for August 25th at the Scott County Sportmen's Club grounds at Bettendorf, Iowa.

This annual affair is a highlight of the association's yearly activity. The morning is devoted to a couple of hours of practice, a big lunch is served at noon and the entire afternoon is set aside for competitive shooting on the club range. Various vigilante teams have been entered in addition to teams representing the Davenport police department, the Muscatine po-

lice force and the Iowa Highway Patrol.

After tallying of scores and awarding of prizes the meeting is topped off with a dinner and informal get-together

Elected Director

E. E. Pearson has been named to the board of directors of the La Porte City State Bank of La Porte City, Iowa, to succeed the late Lyle J. Tutt.

Capital Stock Upped \$25,000

The Farmers State Bank, Charter Oak, Iowa, amended its articles to pro-

vide for a capital stock increase from \$25,000 to \$50,000; \$12,000 of this increase was brought about by payment of a stock dividend and the other \$12,500 of new stock was sold for cash.

Mount Ayr Bank Sold

The interests of the late Miller Christiansen in the Security State Bank of Mount Ayr have been acquired by Dillon L. Ross and Harold M. Ross of Council Bluffs and Lewis W. Ross of Oakland.

Harold M. Ross was elected president at a special meeting of directors.

Condensed Statement

At the Close of Business June 30, 1948

RESOURCES

| | | |
|------------------------------------|-----------------|-----------------|
| Cash and Due from Banks..... | \$23,849,164.59 | |
| U. S. Government Securities..... | 14,189,626.77 | |
| Other Securities | 5,863,853.63 | \$43,902,644.99 |
| Loans and Discounts..... | | 20,470,557.65 |
| Stock in Federal Reserve Bank..... | | 75,000.00 |
| | | \$64,448,202.64 |

LIABILITIES

| | | |
|---------------------------------|----------------|-----------------|
| Capital | \$1,250,000.00 | |
| Surplus | 1,250,000.00 | |
| Undivided Profits | 1,268,644.91 | |
| Reserved for Contingencies..... | 400,000.00 | \$ 4,168,644.91 |
| Reserved for Taxes, etc..... | | 32,233.73 |
| Deposits | | 60,247,324.00 |
| | | \$64,448,202.64 |

THE INTER-STATE NATIONAL BANK
 LIVESTOCK EXCHANGE BLDG. 16TH. AND GENESEE STS.
Kansas City  *Missouri*

Member of The Federal Deposit Insurance Corporation



HAROLD M. ROSS
New President of Mt. Ayr Bank

Dillon Ross has been actively engaged in the practice of law in Council Bluffs for more than 50 years. Lewis Ross has been in the banking business in Oakland, Iowa, for more than 30 years and is now president of the Citizens State Bank there.

Harold Ross is not a stranger to Mount Ayr and Ringgold county. For the past 30 years he has been engaged in the farm mortgage business covering that territory. Until he joined in acquiring the Mount Ayr bank he was a member of the firm of Miller-Ross Company of Omaha, local correspondents for the Penn Mutual Life Insurance Company.

With his family, consisting of his wife and son, Bob, he will establish his home in Mount Ayr. The other officers and personnel of the bank remain unchanged.

Charles E. Walters Company of Omaha represented all contracting parties.

With Mt. Pleasant Bank

Edward B. Wilkinson has been named cashier at the Henry County Savings Bank of Mt. Pleasant, Iowa, to succeed Dale Kelley, who recently re-

STATEMENT OF CONDITION
AS OF JUNE 30, 1948

RESOURCES

| | | |
|--|----------------|-----------------|
| Loans and Discounts | | \$ 9,179,639.22 |
| Other Bonds and Stocks | | 50,000.00 |
| Customers Liability on Letters of Credit | | 17,998.20 |
| Overdrafts | | 127.96 |
| Government Obligations | \$5,463,321.53 | |
| Municipal Bonds | 406,500.00 | |
| Cash and Due from Banks | 3,419,968.12 | 9,289,789.65 |
| | | \$18,537,555.03 |

LIABILITIES

| | | |
|---|--|-----------------|
| Capital Stock — Common | | \$ 600,000.00 |
| Surplus | | 200,000.00 |
| Undivided Profits | | 131,208.46 |
| Reserves | | 319,490.00 |
| Unearned Discount | | 75,390.98 |
| Bank Liability on Letters of Credit | | 17,998.20 |
| Deposits | | 17,193,467.39 |
| | | \$18,537,555.03 |

VALLEY BANK AND TRUST COMPANY
DES MOINES

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

75th
ANNIVERSARY
YEAR

Northwestern Banker, July, 1948

signed to accept a similar position at Burlington.

Mr. Wilkinson has spent nearly all of his time, since attending the University of Minnesota, in bank work.

He assisted in the organization of the United Home Bank at Mason City where he spent five years and two years prior to that had been in bank work.

For the last seven years he has been associated with the state banking department as a bank examiner.

New Bettendorf Bank

A new bank capitalized at \$250,000 is scheduled to open in Bettendorf, Iowa, within the next six months. Ap-

plication for a charter for the Bettendorf Bank and Trust Company by W. E. Bettendorf has been approved by the state banking department in Des Moines, although the charter has not been issued as yet. Bettendorf has been without banking facilities up to this time.

A bank building is under construction at the present time at Eighteenth and State Streets in Bettendorf, and is the first building of a completely new and modern shopping center planned for that community.

Frank Lettow, known in Iowa banking circles for 28 years, and for the past 15 years with the FDIC, is ex-

pected to be the executive officer of the bank.

Capital structure will be \$150,000 capital stock, \$50,000 in surplus and \$50,000 in reserves.

Corwith Bank Opens July 17

The Corwith State Bank is scheduled to open its doors for business in Corwith, Iowa, Saturday, July 17th. Articles of incorporation filed with the state department of banking indicate the following men as composing the board of directors: Edward M. Frey, E. C. Bartik, George E. Gaskill, and James W. Tindall. The First State Bank of Britt formerly operated a bank office in Corwith.

Officers of the new bank are Edward M. Frey, president, and E. C. Bartik, cashier. The selection of a vice president for the institution had not been announced earlier this month.

Capital structure of \$60,000 of the Corwith State Bank will consist of \$40,000 common stock, \$10,000 surplus and \$10,000 undivided profits.

After Bigger Game

One of Iowa's better known big game hunters, V. O. Figge, president of the Davenport Bank & Trust Company of Davenport, left last month to be gone four months in southeastern Africa on a hunting expedition. He was to fly from New York direct to Paris and from Paris to Cairo; from Cairo to Kenya Colony in British East Africa, which will be his headquarters. From there he will go to Tanganyika, and from there still farther south into northern Rhodesia.

For many years Mr. Figge has hunted wild game in the northern Rocky Mountains, covering Montana and Canada. This is his first trip to Africa. While in Africa he will be joined by an English big game hunter. Fifteen natives will handle and care for their supplies.

Declare Stock Dividend

Directors of the Farmers Savings Bank of Fostoria, Iowa, last month voted to declare a stock dividend of \$15,000 to increase the bank's capital from \$15,000 to \$30,000. Deposits of the Farmers Savings Bank are approximately \$1,500,000.

Cashier at Tingley

Ellery H. Kyle, former assistant cashier of the Fairfield National Bank at Fairfield, Iowa, will take over the duties of cashier of the Tingley State Savings Bank of Tingley, August 1st. He will fill the vacancy left by Walter J. B. Hynk, now of Villisca. Margaret Eighthme will continue as assistant cashier and Ross Clough as clerk.

Condensed Statement of Condition

JUNE 30, 1948

ASSETS

| | |
|---------------------------------------|-----------------|
| Cash and Due from Banks | \$ 5,779,117.47 |
| U. S. Government Bonds | 7,906,229.71 |
| State, County and Municipal Bonds | 171,917.38 |
| Other Bonds and Securities | 87,884.61 |
| Stock in Federal Reserve Bank | 24,000.00 |
| Loans and Discounts | 5,448,109.60 |
| Bank Building, Furniture and Fixtures | 163,423.07 |
| Other Assets | 4,468.26 |

\$19,585,150.10

LIABILITIES

| | |
|---------------------------|--------------|
| Capital | \$400,000.00 |
| Surplus | 400,000.00 |
| Undivided Profits | 140,014.18 |
| Reserve for Contingencies | 81,000.00 |

| | |
|--------------------------------|-----------------|
| Total Capital Account | \$ 1,021,014.18 |
| Reserve for Taxes and Interest | 32,811.44 |
| Other Liabilities | 101.00 |
| Deposits | 18,531,223.48 |

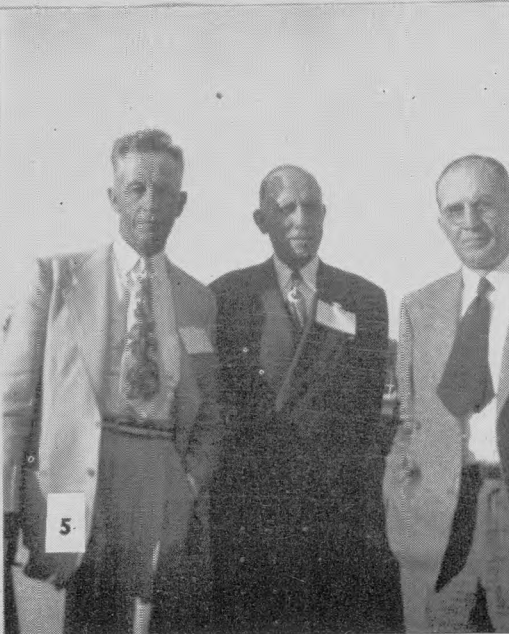
\$19,585,150.10

A. G. SAM, President

| | |
|----------------------------------|-----------------------------------|
| J. T. Grant, Vice President | H. H. Strifert, Assistant Cashier |
| J. R. Graning, Cashier | K. J. Shannon, Assistant Cashier |
| E. A. Johnson, Assistant Cashier | W. L. Temple, Assistant Cashier |
| J. Ford Wheeler, Auditor | |



MEMBER FEDERAL RESERVE SYSTEM
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



At the 1948 Iowa Group Meetings

(All names read from left to right)

1—**Joseph Snyder**, assistant secretary, Manufacturers Trust Company, New York; **L. N. Shonkwiler**, assistant cashier, Emmet County State Bank, Estherville, and **F. F. Mieras**, assistant state bank examiner, Des Moines.

2—**Frank Warner**, secretary, Iowa Bankers Association, Des Moines; **H. N. Rye**, vice president and cashier, Forest City Bank and Trust Company, Forest City, and **A. L. Kout**, president, First Nashua State Bank, Nashua.

3—**P. G. Folvag**, cashier, Benton County Savings Bank, Norway, and chairman, Benton County Bankers Association; **Lee Chandler**, cashier, Iowa Savings Bank, Dike, chairman, Group 7; **W. W. Summerwill**, vice president, Iowa State Bank and Trust Company, Iowa City, secretary, Group 7, and **N. P. Black**, State Superintendent of Banking, Des Moines.

4—**R. W. Barlow**, assistant cashier, State Bank, Dumont; **C. W. Conn**, vice president, Union-Whitten State Savings Bank, Union, chairman, Group 3 council of administration, Iowa Junior Bankers Association; **Robert W. Hadley**, cashier, Union-Whitten State Savings Bank, Union, and **Avery E. Johnson**, assistant cashier, Ackley State Bank, Ackley.

5—**Jeff Williams**, attorney, Chickasha, Oklahoma; **Ralph H. Miller**, president, Iowa State Bank, Algona, secretary Group 2, and **G. E. Alexander**, president, Farmers National Bank, Webster City, chairman, Group 2.

6—**Merton J. Klaus**, vice president, First Security Bank and Trust Company, Charles City, chairman, Group 3, and **Raymond C. Keister**, assistant vice president, First National Bank of Mason City, secretary, Group 3.

NEW officers were elected by Groups 2 and 4 which met recently, and these new officers are as follows:

Group 2: **G. E. Alexander**, Webster City, chairman, and **Ralph H. Miller**, Algona, secretary.

Group 4: **B. J. Baumgartner**, Elgin, chairman, and **Joe Menges**, Alta Vista, secretary.

Jeff Williams, lawyer for 25 years

from Chickasha, Oklahoma, was the inspirational and story-telling speaker at most of the Iowa Group Meetings and he was most enthusiastically received wherever he appeared.

He mixed good sound "Americanism" along with interesting stories which held his audiences at all times.

Some of his remarks were these:

"We may not have more troubles than we used to, but at least we can

hear our troubles more than we did because of the radio."

"Frank Warner is a man of meticulous precision and you are damn lucky to have him as secretary of the Iowa Bankers Association."

"We are the greatest 'pill-taking' nation in the world."

"Education is having a tough time catching up with increasing ignorance."

Among Jeff's many stories is the one about the young man who went to the doctor to have his heart examined and the doctor said, "Have you ever had any trouble with Angina Pectoris?" "I sure have, doctor, but that is not her right name."

Harry W. Schaller, president of the Citizens First National Bank of Storm Lake, was endorsed by Group 2 for the presidency of the Iowa Bankers Association when the state convention meets October 24th in Des Moines.

Wayne O. Hopkins, cashier of the Citizens State Bank of Webb, and chairman of Group 2 of the Council

of Administration of the Iowa Junior Bankers Association, told the bankers at Estherville that study groups would be started this fall for any bank desiring to do so, and that the American Institute of Banking subjects would be followed as a guide for the course.—The End.

Married at Grand Mound

William A. Dieckmann, bookkeeper and teller at the Dixon Savings Bank, Dixon, Iowa, was married to Miss Lois Whitmann last month at St. Phillip and James Church in Grand Mound, Iowa.

Mr. Dieckmann has been with the Dixon Savings Bank since November

1, 1947, and Miss Whitmann has been teaching in the high school at Wheatland, Iowa.

Resigns at Merchants National

Hans N. Boyson, associated with the Merchants National Bank in Cedar Rapids for 43 years, has resigned as vice president and director of the bank.

John T. Hamilton, president, announced that the board of directors



HANS N. BOYSON
Resigns at Merchants National after 43 Years

has accepted Mr. Boyson's resignation with regret.

"Mr. Boyson has been a workhorse for Cedar Rapids and a valuable asset to the bank," Mr. Hamilton said. "He is one of the best known bankers in Iowa. He knows practically every banker in the state by his first name."

Mr. Boyson gave ill health as his reason for resigning. He said he would devote his time to managing his farms near Marion and Waterloo.

Joining Merchants National Bank in 1904 as clerk, Mr. Boyson has been an officer of the organization since 1911. He has served for many years as a vice president and has had charge of correspondent bank business, as well as being a senior vice president in the loaning division.

Johnson County President

W. W. Summerwill, vice president of the Iowa State Bank and Trust Company, Iowa City, was elected president of the Johnson County Bankers Association at its annual meeting, held at the cottage of State Senator Leroy S. Mercer near Iowa City last month. Mr. Mercer is the retiring president and is vice president of the Hills Bank and Trust Company of Hills.

Other officers chosen are: Ralph

**AMERICAN NATIONAL BANK
AND TRUST COMPANY
OF CHICAGO**

LA SALLE STREET AT WASHINGTON
Member Federal Deposit Insurance Corporation

**STATEMENT OF CONDITION
AT THE CLOSE OF BUSINESS JUNE 30, 1948**

RESOURCES

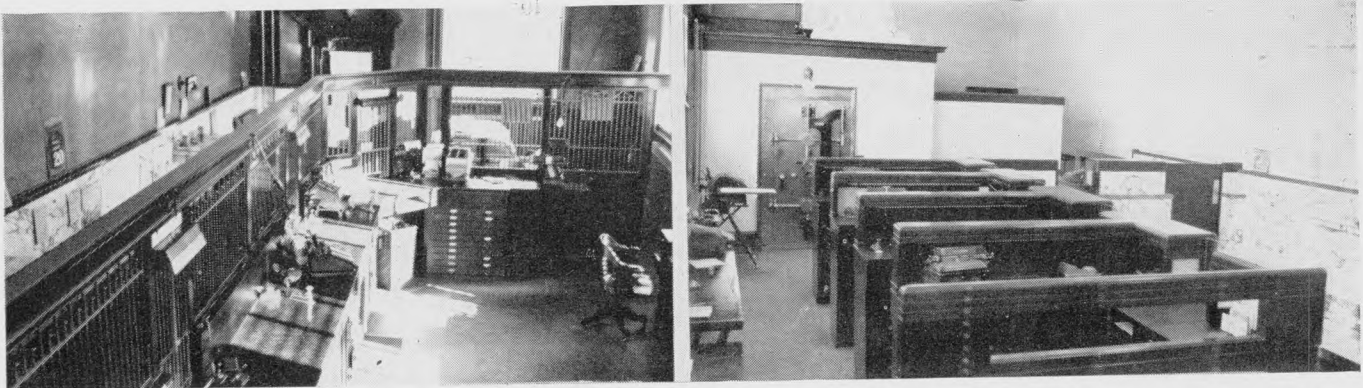
| | |
|--|-------------------------|
| Cash and due from banks | \$ 65,943,363.97 |
| United States Government obligations — direct and fully guaranteed | 63,067,077.05 |
| Municipal and other marketable securities | 25,202,372.04 |
| Loans and discounts | 66,653,071.58 |
| Federal Reserve Bank stock | 210,000.00 |
| Customers' liability on letters of credit and acceptances | 567,439.34 |
| Accrued interest receivable | 378,104.80 |
| Other assets | 147,854.65 |
| | <u>\$222,169,283.43</u> |

LIABILITIES

| | |
|---|-------------------------|
| Capital stock | \$ 3,000,000.00 |
| Surplus | 4,000,000.00 |
| Undivided profits | 1,001,532.24 |
| Reserves for taxes, interest, contingencies, etc. | 1,588,792.46 |
| Unearned discount | 964,309.18 |
| Other liabilities | 211,067.25 |
| Liability on letters of credit and acceptances | 567,439.34 |
| Deposits: | |
| Demand | \$180,576,442.72 |
| United States Government | 3,520,252.97 |
| Other public funds | 7,480,929.61 |
| Time | <u>19,258,517.66</u> |
| | <u>210,836,142.96</u> |
| | <u>\$222,169,283.43</u> |

United States Government obligations and other securities carried at \$32,176,685.80 are pledged to secure public and trust deposits and for other purposes as required or permitted by law.

Remodel Forest City Bank



ANOTHER OLD-FASHIONED bank grill has disappeared with the remodeling of the Forest City Bank and Trust Company at Forest City, Iowa. The above pictures show the bank as it formerly looked (left) and after the A. Moorman Company of Minneapolis completed the remodeling. Instead of three tellers'

windows there are now five. Lobby space was increased and a private office provided at the front of the bank. Marble from the old fixtures was removed, recut and used in the new set-up. The bookkeeping department occupies the back room of the adjoining office space to the bank.

Hudachek, cashier, Lone Tree Savings Bank, vice president; Elmer J. Ulch, assistant cashier, Swisher Trust and Savings Bank, re-elected secretary, and O. E. Markitan, cashier, Solon State Bank, re-elected treasurer.

Cashier of Merville Bank

Howard M. Logan, who graduated from Iowa State College in March, has been elected cashier and appointed to the board of directors of the First Trust and Savings Bank of Merville, Iowa. He is the son of President Charles W. Logan.

Raymond A. Hess has been elected to the board of directors to replace his father, R. E. Hess, who recently resigned after 25 years on the board.

Heads Shelby Bankers

L. O. Stoker, president, Farmers Savings Bank of Shelby, Iowa, was elected president of the Shelby County Bankers Association at their dinner meeting last month at the Harlan Country Club. D. E. Blakely, assistant cashier, The Shelby County State Bank of Harlan, was named secretary-treasurer. Retiring officers are Frank Hamilton and Howard Remien.

Top Loan Drive Quota

Honors for being the first to go over the top of its Security Loan Drive quota went to the southern division of Lee county, Roger F. Warin, state director of the savings bond division, announced earlier this month.

Sales of \$605,933 were credited to the winner against a quota of \$604,445. Sales credited to Iowa during the eleventh report week totaled \$54,850,962 and Mr. Warin said that reports

will be released by the Federal Reserve Bank weekly until final figures are available late in July or the early part of August.

Joins Stanwood Bank

Willard G. Hoyman has joined the official staff of the Union Trust & Savings Bank, Stanwood, Iowa. Mr. Hoyman was for a time secretary-treasurer of Maquoketa Production Credit Asso-

ciation until he joined the army for overseas service. He was severely wounded in action in New Georgia and was hospitalized in New Zealand. After his return he was appointed secretary-treasurer of the Waterloo Production Credit Association, from which position he is now resigning. Mr. Hoyman was born and reared near Stanwood and is well known to all patrons of the bank.

STATEMENT OF CONDITION

June 30, 1948

RESOURCES

| | |
|-------------------------------------|-----------------|
| Cash and Due from Banks | \$ 3,284,005.10 |
| Loans and Discounts | 3,342,443.03 |
| Bonds | |
| U. S. Governments | \$6,281,706.28 |
| Federal Land Banks | 311,798.49 |
| Municipals | 875,101.09 |
| Other Marketable Securities | 908,377.28 |
| Total Bonds | 8,376,983.14 |
| Stock in Federal Reserve Bank | 18,000.00 |
| Banking House | 34,910.18 |
| Furniture and Fixtures | 8,492.93 |
| Accrued Interest | 51,923.52 |
| Overdrafts | 1,223.12 |
| Other Resources | 5,301.20 |
| | <hr/> |
| | \$15,123,282.22 |

LIABILITIES

| | |
|---|-----------------|
| Capital | \$ 400,000.00 |
| Surplus | 210,000.00 |
| Undivided Profits | 128,523.27 |
| Reserve for Taxes, Interest, Contingencies, Etc. | 113,115.08 |
| Discount collected but not earned | 35,016.04 |
| Deposits | |
| Demand | \$9,409,977.52 |
| Time | 4,491,279.75 |
| U. S. Government War Loan Account | 335,370.56 |
| Total Deposits | 14,236,627.83 |
| | <hr/> |
| | \$15,123,282.22 |



FIFTH AVENUE
SOUTH-226

Member of the Federal Deposit Insurance Corporation, Washington, D. C.
\$5,000 — Maximum Insurance for Each Depositor — \$5,000

Iowa Association Is Active

DURING recent weeks the Iowa Bankers Association has been engaged in a number of worth-while activities of benefit to the general membership throughout the state. In addition to the recent group meetings and many county association meetings that have been held recently, the following is a resume of some of the state association's main activities.

Credit School Graduation

Nine students at the third annual Agricultural Credit School, sponsored jointly by the Iowa Bankers Association and Iowa State College, were pre-

sented with certificates of graduation at closing exercises of the two weeks' school at Iowa State College in Ames last month. The final day was open house for Iowa bankers and their guests. A joint meeting of the agricultural committee of the state association and the Agricultural Credit School committee was held at the college. All visiting bankers, their guests and students at the school attended a dinner the last evening, at which time certificates were presented to the following men:

Jack C. Bell, assistant cashier, City

National Bank, Council Bluffs; W. E. Brown, assistant cashier, Tri-County State Bank, Zearing; Herman H. Harvey, assistant cashier, First National Bank, Perry; T. F. Jacobson, assistant cashier, Office of Story County State Bank, Story City, Roland; H. P. McNeil, assistant cashier, Ames Trust & Savings Bank, Ames; Robert L. Peterson, teller, Home State Bank, Jefferson; E. T. Savidge, representative, Agricultural Commission, American Bankers Association, New York; Rex J. Willis, assistant cashier, First National Bank, Riceville, and James A. Wolf, bookkeeper, Hancock County National Bank, Garner.

Bank Auditors' Meeting

The 11th annual meeting of the Iowa Association of Bank Auditors and Comptrollers was held last month at the Wakonda Club in Des Moines. After an afternoon of registration, golf and visiting, the annual dinner was followed by the business meeting. All officers were re-elected. They are: President, Harold E. Lemkau, assistant cashier, Muscatine Bank and Trust Company, Muscatine; vice president, W. P. Ronan, vice president, Decorah State Bank, Decorah, and secretary-treasurer, L. C. Siegner, assistant auditor, Iowa-Des Moines National Bank, Des Moines.

Agricultural Activities

A total of eight Iowa banks or county bankers associations are participating in and sponsoring some type of agricultural program at the present time, although there are undoubtedly more that have not come to our attention.

The Pilot Rock Plowing Match Association, which sponsors the state's oldest plowing contest, has announced that its terrace building and contour plowing contest will be August 19th and 20th. The second day will be devoted to complete renovation of a farm near Cherokee, Iowa. The Steele State Bank is one of the sponsors of this annual match. This contest is being carried out in connection with the Little Sioux Valley Flood Control Project which has been spotlighted recently by Congress as an experimental place for complete flood control. Construction of three earthen dams will be part of the renovation project at the selected farm.

The Central State Bank at Elkader, Iowa, is sponsoring a Soil District Pasture Contest in Clayton county. The purpose of the contest is to show that old pastures, or cropland converted to pasture, can be made more productive, that they can be made to yield a large amount of high quality feed throughout the entire growing season. Com-

UNION BANK AND TRUST CO.

OTTUMWA, IOWA

Member of Federal Reserve System

Statement of Condition as of June 30, 1948

RESOURCES

| | |
|--------------------------------------|---------------------|
| Loans and Discounts | \$ 4,544,388.83 |
| Bank Building | 89,000.00 |
| Furniture and Fixtures | 22,683.81 |
| Stocks in Federal Reserve Bank | 30,000.00 |
| Overdrafts | 889.43 |
| U. S. Bonds | \$3,791,941.43 |
| Municipal Bonds | 2,041,748.02 |
| Other Marketable Bonds | 557,833.35 |
| Cash and Exchange | 2,929,553.27 |
| | <u>9,321,076.07</u> |
| | \$14,008,038.14 |

LIABILITIES

| | |
|--------------------------------|------------------------|
| Capital | \$ 300,000.00 |
| Surplus | 700,000.00 |
| Undivided Profits | 130,249.49 |
| Dividends Payable July 1 | 15,000.00 |
| Deposits | 12,862,788.65 |
| | <u>\$14,008,038.14</u> |

DIRECTORS

J. H. ANDERSON
S. S. BARKER
C. C. COUPLAND
C. P. GLENN
MERRILL GILMORE
T. J. MADDEN

C. G. MERRILL
H. L. POLING
H. L. POLLARD
N. F. REED
FRANK VON SCHRADER
MAX VON SCHRADER

OFFICERS

MAX VON SCHRADER, President

CLARENCE P. GLENN, Vice President

J. C. BLACKFORD, Vice President

FRANK M. POLLARD, V. P. and Cashier

C. G. MERRILL, V. P. and Trust Officer

W. C. MILLER, Assistant Cashier

GEORGE HALLER, Assistant Cashier

Southern Iowa's Largest Bank

Member Federal Deposit Insurance Corporation

plete details have been issued to participants by the bank.

The First National Bank at Denison, Iowa, is sponsoring a Soil Conservation Contest among members of 4-H Clubs and Future Farmers of America chapters in Crawford county. Rules for the contest give points for various farming practices and progressive steps shown by contestants.

The First National Bank of Hampton, Iowa, is doing much to promote good will for that bank and banking in general through various activities of the past year. J. H. Boehmler, vice president, serves as treasurer of the local cooperative creamery; helped reorganize and serves as treasurer for the Franklin County Breeders Association; cooperated with Farm Bureau in putting on livestock shows; cooperated with Franklin County Fair Board in many ways.

The Grundy County Bankers Association recently mailed 600 copies of the booklet "That Soil of Yours" to farmers in Grundy county. The 73-page booklet on conservation of Iowa's valuable top soil was prepared by *Successful Farming* magazine, of Des Moines.

Marion county bankers are sponsoring their second annual Plow Terrace Contest near Otley next month. It was planned by the county association's executive committee to sponsor a junior contest in connection with the annual plow contest.

Receives Citation



AWARD—Henry J. Rohlif (left), assistant cashier of Continental Illinois National Bank and Trust Company of Chicago, receiving from Robert O'Boyle the American Legion citation awarded to the bank in recognition of service and cooperation with the National Employment Program of the Legion. The bank's servicemen, numbering 582, were offered reemployment, counsel, and guidance on their return to civilian life, and many other veterans—both men and women—were employed by the bank.

A. E. Muir, president of the Onawa State Bank at Onawa, and other officers of his bank have requested their outside farm representative, Herbert Taylor, to organize a county-wide plowing contest as a soil conservation demonstration. Mr. Taylor is at present working on plans for this contest.

Over at Harlan the Harlan National Bank, through President F. J. Lewis, is also holding a plowing contest as a soil conservation feature. The contest will be held on one of Mr. Lewis' farms four miles south of Harlan.

Increase Capital

The Iowa State Bank of West Bend, Iowa, has increased its capital stock

from \$20,000 to \$40,000 by issuance of a stock dividend.

Des Moines News

RAY JONES, trust officer of the Central National Bank and Trust Company, was attending the Graduate School of Banking at Rutgers last month. Before going east he went to Oklahoma City with Lew Cumpston, of the Central National's credit department, to attend the annual meeting of the SPEBSQSA (Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America). Mr. Jones is director of the Des Moines chapter's male chorus and Mr. Cump-

Statement of Condition

June 30, 1948

ASSETS

| | |
|---|-----------------|
| Cash on Hand and on Deposit with Banks..... | \$ 8,349,520.44 |
| United States Government Securities..... | 11,676,222.67 |
| Other Bonds and Securities..... | 232,066.94 |
| Loans and Discounts..... | 6,537,913.69 |
| Security National Bank Building, Vault and Fixtures | 330,369.70 |
| Federal Reserve Bank Stock..... | 30,000.00 |
| Other Assets | 6,778.65 |
| | \$27,162,872.09 |

LIABILITIES

| | |
|-------------------------|-----------------|
| Capital | \$ 500,000.00 |
| Surplus | 500,000.00 |
| Undivided Profits | 82,123.35 |
| Deposits | 26,080,748.74 |
| | \$27,162,872.09 |

DIRECTORS

Paul Bekins
Charles R. Gossett
Harold A. Jacobsen
Edward C. Palmer
George L. Booth
Otis P. Garrison
Wm. W. MacFarlane
George C. Pechstein
Harry P. Pratt

OFFICERS

Charles R. Gossett, *President*
B. M. Wheelock, *Vice President*
Albert C. Eckert, *Vice President*
Daniel B. Severson, *Vice President*
R. Earl Brown, *Cashier*
Robert W. Lewis, *Assistant Cashier*
Frank H. Abel, *Assistant Cashier*
Charles H. Walcott, *Assistant Cashier*
Orville Boe, *Assistant Cashier*

Howard L. Johnson, *Vice President and Trust Officer*

SECURITY

NATIONAL BANK

of Sioux City

Member Federal Deposit Insurance Corporation

ston sings in the chorus and also in one of Des Moines' quartets.

The Iowa-Des Moines National Bank has installed 768 new safe deposit boxes in the bank vault.

Mr. and Mrs. Robert Donhowe of Ogden, Iowa, became the parents last month of a baby daughter. Mr. Donhowe is a son of Arthur T. Donhowe, vice president of the Central National Bank in Des Moines.

Sioux City News

L. Fredricksen, M. A. Wilson and S. W. Evans of The Live Stock National Bank attended the joint South Dakota-North Dakota State Convention at Minneapolis. Mr. Evans re-

mained in Minneapolis to attend the Minnesota Convention.

J. C. Thomson, president, and Von Luscher, vice president of the Northwest Bancorporation, were in Sioux City on their regular pilgrimage and attended a directors' meeting and luncheon with the directors of The Live Stock National Bank.

W. C. Schenk, assistant vice president and cashier of The Live Stock National Bank, is on a vacation trip in California, accompanied by his wife.

John S. Haver, assistant cashier of The Live Stock National Bank, was elected president of the Sioux City Chapter of the American Institute of

Banking. He represented Sioux City at the National A. I. B. convention in Buffalo, N. Y.

Mr. Haver has been associated with



JOHN S. HAVER
Heads Sioux City A.I.B.

The Live Stock National Bank in various capacities, since 1929.

He completed two years in college, also an accounting course.

Mr. Haver instructed an A. I. B. class in Banking Fundamentals last year.

K. A. Scheibe and family went on a week's fishing trip in northern Minnesota last month. They stayed in the Sioux City Resort at Max, Minnesota.—The End.

NEWS AND VIEWS

(Continued from page 28)

ceived his Bachelor of Science degree in Mechanical Engineering. Following his service in the Navy, where he was commissioned an ensign, he attended Wesleyan University at Middletown, Connecticut, graduating there in June, 1948, with the degree of Bachelor of Arts. He is a member of Beta Theta Pi Fraternity.

Following a trip through New England and Canada, they plan to make their home in Des Moines.

Ray Franklin Kauffman, native and resident of Des Moines, has had published a Malayan spy story, "The Coconut Wireless." by the Macmillan Company. Mr. Kauffman lives at 107 Lincoln Place Drive. He is the son of Benjamin Franklin Kauffman, chairman, Bankers Trust Company of Des Moines.

Young Mr. Kauffman's life should be

| STATEMENT OF CONDITION | |
|--|------------------------|
| THE TOY NATIONAL BANK | |
| SIOUX CITY, IOWA | |
| June 30, 1943 | |
| ASSETS | |
| Cash and Due from Banks..... | \$ 8,513,622.66 |
| U. S. Government Securities..... | 12,801,893.64 |
| State and Municipal Bonds..... | 45,000.00 |
| Stock in Federal Reserve Bank..... | 27,000.00 |
| Other Marketable Bonds..... | 1,249,469.38 |
| Loans and Discounts..... | 4,225,510.25 |
| Banking House | 104,311.31 |
| Other Assets | 80,750.97 |
| | \$27,047,558.21 |
| LIABILITIES | |
| Capital (common stock only)..... | \$ 300,000.00 |
| Surplus | 600,000.00 |
| Undivided Profits | 103,151.00 |
| Demand Deposits | \$21,462,068.86 |
| Time Deposits | 4,514,207.42 |
| Total Deposits | 25,976,276.28 |
| Other Liabilities | 68,130.93 |
| | \$27,047,558.21 |
| <i>Member of Federal Deposit Insurance Corporation</i> | |

| STATEMENT OF CONDITION | | | |
|----------------------------------|-----------------------------------|--|-----------------------|
| FIRST NATIONAL BANK | | | |
| CEDAR FALLS, IOWA | | | |
| June 30, 1943 | | | |
| RESOURCES | LIABILITIES | | |
| Cash and Due from Banks..... | \$1,008,535.98 | Capital Stock | \$ 100,000.00 |
| United States Gov't Securities.. | 2,484,378.85 | Surplus | 58,000.00 |
| State and Municipal Bonds..... | 394,166.79 | Undivided Profits | 62,677.02 |
| Stock in Federal Reserve Bank.. | 4,650.00 | Reserves | 3,082.63 |
| Loans and Discounts..... | 539,948.10 | Deposits: | |
| Overdrafts | 82.30 | U. S. Gov- | |
| Banking House | 20,300.00 | ernment | \$ 100,253.92 |
| Furniture and Fixtures..... | 6,954.53 | Demand | |
| | | and Time.... | 4,135,002.98 |
| | \$4,459,016.55 | | 4,235,256.90 |
| | | | \$4,459,016.55 |
| V. W. Johnson, President | W. E. Brown, Cashier | Member Federal Reserve System | |
| J. B. Newman, Vice President | H. C. Messerer, Assistant Cashier | Member Federal Deposit Insurance Corporation | |

Flowers Displayed at Central National



BLOSSOM TIME—The spring flower show sponsored by the flower arrangement group of the Des Moines Garden Club was held in the Central National Bank and Trust Company recently. The photograph at left above shows three floral arrangements



in the bank's lobby display windows. The picture at right shows a bridal shower table which won first prize being admired by Ann Comer, secretary to E. F. Buckley, president of the Central National.

the envy of all adventurous people, for he has spent some seven years, most of them on the 45-foot schooner, *Hurricane*, which he built himself, sailing the Atlantic and Pacific and once circling the globe. During the war Mr. Kauffman was sent to Ceylon by the Office of Strategic Services. There he organized and conducted, via British submarine, clandestine missions into enemy territory.

It could be that "The Coconut Wireless," a thriller of British and Japanese jungle operations, is based on the author's actual knowledge of spying in Southeast Asia.

Ten import and export business men of Kansas City were guests at a luncheon in the dining room of **The City National Bank & Trust Company in Kansas City, Missouri**, to meet with a recruiting team of five army men just returned from Japan and the Philippines, headed by **Lt. Harold La-Coutoure**, a West Point graduate. These army men gave Kansas City business men first hand information and answered many questions concerning business conditions and opportunities in the far east.

A recent news bulletin from the Omaha Chamber of Commerce contains an impressive list giving brief facts about 49 of Omaha's main business and civic points. The news bulletin asks, "**Have you ever bitten your lip and mumbled abject apologies when you didn't know the answer to some explicit question about Omaha?**"

Have you ever sat in a mental stupor while someone from New York, Chicago, New Orleans or Pineapple Junction put you to sleep by extolling the virtues of his fair city?" For rebuttal and information on such occasions, the following facts are given as part of Omaha's prominent points:

Area, 41 square miles; bank debits, \$5,696,127,004 (1947); bank deposits, \$439,236,000 (1947); butter, Omaha leads the nation in butter production; home of internationally famous Boys' Town; average maximum temperature, 77.5

degrees, and average minimum of 22.4 degrees; more than 150 churches and missions; conventions, 243 in 1947, with 68,137 registered delegates; civilian labor force, 120,000; livestock, second largest in country; manufacturing, products value of \$737,000,000; military, Seventh Service Command Headquarters, new home of Strategic Air Command, Fort Crook and Fort Omaha; population, 270,000; railroads, 10 trunk lines, 73,000 miles of track, fourth largest in country, headquarters of Union Pacific; schools, 110 of all kinds;

American Trust & Savings Bank

DUBUQUE, IOWA

Organized 1905

Incorporated 1912

STATEMENT OF CONDITION, JUNE 30, 1948

| RESOURCES | | LIABILITIES | |
|---------------------------------|-----------------|-------------------------|-----------------|
| Cash and Due from Banks..... | \$ 4,341,052.09 | Capital Stock | \$ 250,000.00 |
| U. S. Government Bonds..... | 9,468,040.10 | Surplus | 350,000.00 |
| Federal Reserve Bank Stock..... | 18,000.00 | Undivided Profits | 181,702.94 |
| State, County and Municipal | | Reserves | 125,000.00 |
| Bonds | 801,970.25 | Deposits: | |
| Corporate Bonds | 90,871.26 | Demand | \$9,132,221.61 |
| Loans and Discounts..... | 4,215,661.32 | Time | 8,534,761.63 |
| Overdrafts | 158.21 | U. S. Gov. | |
| Bank Building | 50,000.00 | War Loan | |
| Other Assets | 103.35 | Acct. | 412,170.40 |
| | | | 18,079,153.64 |
| | \$18,985,856.58 | | \$18,985,856.58 |

OFFICERS

C. J. SCHRUP, Chairman of the Board
D. W. ERNST, President
ROY F. GLAB, First Vice President
C. J. KLEINSCHMIDT, Vice President
A. L. VOGL, Vice President and Cashier
N. J. GREIDEMAN, Vice President
M. J. BAUMHOVER, Assistant Cashier
MERLYN B. KURT, Assistant Cashier
J. L. RILEY, Assistant Cashier
I. L. KIELER, Assistant Cashier
HARLAN MELCHIOR, JR., Assistant Cashier

DIRECTORS

C. J. SCHRUP, Chairman
D. B. CASSAT
D. W. ERNST
ROY F. GLAB
W. N. GLAB
OTTO F. HENKER

Member Federal Reserve System

Member Federal Deposit Insurance Corporation

sales, wholesale and retail in 1947 were \$1,069,000,000 and \$274,000,000 respectively.

An interesting comparison shows that the largest industrial alcohol manufacturing plant in the world is located in Omaha, producing 17,500,000 gallons a year, while water consumption figures show Omahans consumed 14,952,840,000 gallons of water in 1947.

EQUIPMENT SURVEY

(Continued from page 23)

by the adoption of this system. I believe it of interest to note, also, that all of the individuals originally assigned to the operation of these machines are still on the job. I doubt that this lack of employe turnover would have been true had we continued to use the batch proof method.

Diebold

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CHICAGO, DES MOINES
and ST. PAUL

Window Posting

Another change instituted since the war involved our savings department which had been using the same equipment since the loose leaf ledger system was installed. A good deal of study and consideration convinced us of the desirability of using window posting and the so-called "no ticket" plan in this department and the change-over was effected in November, 1947.

"The use of this method makes it unnecessary for the depositor to use either deposit or withdrawal slips, and, incidentally, reduces the use of lobby check desks. The teller, upon receiving the passbook from the customer, places it and the customer's ledger sheet in a window posting machine and posts the desired amount; proper entries show the date, account number, amount of deposit or withdrawal, the resultant new balance and the individual teller's symbol. In the case of withdrawals, the customer's

signature is secured on the ledger card itself.

"Obvious savings accrue from the employment of this plan. Faster service is possible, both for the customer and for the bank. Sorting and filing of deposit and withdrawal tickets is done away with. Totals are accumulated in the posting machines on tapes which are collected in a locked compartment where they are held available for the bank auditor at the close of each day's business.

Bunching Checks

"Another process recently installed which has served to save time in our bookkeeping department is that of bunching checks on very active accounts and then posting only the total on the ledger and statement. This change was effected as the result of a survey made in July of 1947, which demonstrated that each day approximately 1,600 of the checks on us were drawn by only seventy-five depositors. Further investigation showed that the activity of many of these accounts was insufficient to fill a dozen ledger and statement sheets each month.

"It was determined, therefore, to bunch checks on such accounts as had ten or more checks a day. Such bunches are listed by a clerk on a duplicate ticket which is headed by the account name, date, and the statement, 'Items listed below are shown on your statement as one total. The original list is placed on the front of each bunch of checks and from it the bookkeeper posts the total with the symbol 'LST.' The duplicate of the list is retained with the day's deposit slips.

"This method has proved to be very satisfactory, both from the standpoint of the bank and from that of our customers. A real savings in statement and ledger sheets has been made possible. Posting errors have been reduced, and time has been saved in checking and preparing statements for issuance to customers at month end. Use of posting machines has been reduced approximately 20 per cent—another real saving. Customers seem to like the plan, as the number of statement sheets with which they must work have been very substantially reduced.

Bulk Money Cage

"Recently a bulk money cage has been installed in our lower lobby with the view of relieving congestion at paying and receiving windows. Two tellers are employed in this cage, handling large payroll accounts, large change orders, and the shipment of currency and coin to correspondent banks. They also serve those custom-

Business
MACHINES
TELEPHONE
4-4224
KOCH
BROTHERS
FOURTH and GRAND
DES MOINES

Federal Home Loan Bank of Des Moines

DES MOINES, IOWA

STATEMENT OF CONDITION, JUNE 30, 1948

| RESOURCES | | LIABILITIES AND CAPITAL | |
|-----------------------------------|-----------------|--------------------------------|-----------------|
| Cash | \$ 3,582,073.08 | Deposits — Members | \$ 5,000,717.26 |
| U. S. Government Obligations .. | 11,704,268.71 | Deposits — Others | 65,573.12 |
| Advances to Members | 30,438,048.00 | Accrued Interest Payable | 89,454.67 |
| Consolidated Obligations — Dis- | | Accounts Payable | 431.10 |
| count and Expense | 10,788.22 | Dividends Payable — | |
| Accrued Interest Receivable | 58,649.41 | July 8, 1948 | 113,364.81 |
| Other Resources | 845.19 | * Consolidated Obligations | |
| Furniture and Equipment | | Outstanding | 23,500,000.00 |
| (Cost \$10,386.26) | 1.00 | Capital Stock Subscriptions | |
| | | Paid In | 15,327,300.00 |
| | | Surplus: | |
| | \$45,794,673.61 | Reserves | \$1,612,781.21 |
| | | Undivided | |
| | | Profits | 85,051.44 |
| | | | 1,697,832.65 |
| | | | \$45,794,673.61 |

* Participation in \$306,500,000 Consolidated Federal Home Loan Bank Obligations issued by the Home Loan Bank Board and now outstanding, which are the joint and several obligations of the eleven Federal Home Loan Banks.

ers whose deposits require more than average time to verify.

Tellers' Machines

"We expect to install tellers' machines in receiving cages in the near future. The installation of these machines will do away with the need for passbooks for checking accounts. Instead, each depositor will be given a deposit receipt which will show the date, amount of deposit, and the particular teller's symbol. Cardboard folders designed to carry such receipts will be furnished by the bank. We understand that an appreciable amount of time is saved by banks which have been using this method.

Make Check Photos

"Check photographing equipment was acquired several years ago but has recently been replaced by a late model machine which automatically photographs both sides of a check in one operation and which requires less film.

"We have been well satisfied with the installation of the above procedures and intend to investigate thoroughly any other new methods which come to our attention. It is our belief that in the long run we will benefit from the increased efficiency of bank operations, even though the original cost of the new equipment required may be high."

G. R. ALLEY

Cashier, Ames Trust & Savings Bank
(Population 15,000—Deposits \$6,000,000)
Ames, Iowa

"Our bank certainly cannot be considered 'highly mechanized,' although during the past few years we have made slight progress in that direction through the purchase of some new equipment. These purchases have come about because of the necessity of handling an increased volume of business with a minimum of personnel. Labor-saving equipment we now have in operation includes the following:

"National Cash Register central proof machine.

"Recordak.

"Check Sortograph.

"Electric check canceller.

"Five Brandt automatic cashiers.

"Remington Rand safe deposit system control.

"The central proof machine is most effective in proving and sorting all deposits and other incoming items. In fact, we run all of our banking trans-

actions through it, thus sorting the items into their component divisions and securing separate totals during the operation. The general bookkeeper uses these totals in making up the balance at the end of the day. Transit items, with their listings, are photographed by the Recordak, making it unnecessary to prepare a description of the items forwarded to our correspondent banks. We believe these operations save us the time of at least one individual and, in addition, permit an even flow of items during the day into the bookkeeping and other departments of the bank.

"The Sortograph is a hinged file, with 350 divisions, used in our bookkeeping department primarily for sorting checks. Our bookkeepers find it very adaptable for the work.

"We have recently installed a safe deposit control system which gives a visible record of the lessor's ledger and signature cards. Its primary value is in the easy accessibility of information, serving as a safeguard for our safe deposit customers, as well as for ourselves.

"It is our opinion that each bank should study its own operations and determine its individual needs before installing any mechanized equipment. In most cases the equipment is rather

expensive, and if it does not fit into the general plan to provide lower operating costs or speed of operation, we do not believe acquisition of it would be desirable. In the main, however, that is a matter for each bank to determine.

"We have been very pleased with the results obtained from our recent additions of equipment, and believe they have reduced per item costs as well as providing much smoother operations."

E. A. EBERSOLE

Vice President and Cashier
The State Central Savings Bank
(Population 16,000—Deposits \$7,250,000)
Keokuk, Iowa

"Not all modern bank machinery is labor saving. In buying bank machinery it is important to consider not only performance, life expectancy and price, but repair services available from the manufacturer. No machine, regardless of cost, is any better than the repair service rendered.

"Bearing in mind the above facts we have been a firm believer in good equipment. Although our business has doubled in volume we are still doing the work with the same number of personnel. This we have been able to do because of new modern equipment.

"We think that our greatest sav-

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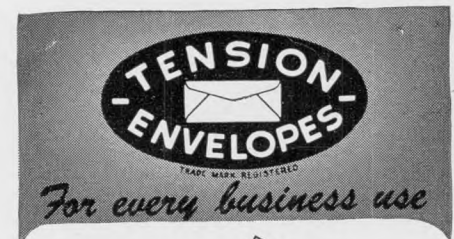
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TIMELOCK EXPERTS
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OMAHA

ing in labor and operating costs came from the installation of a modern proof machine. We have had a proof system for years and we think this is the best investment a bank can make. The installation can be just as expensive as you wish. This machine alone has been responsible for the greatest amount of time and labor saved on all operations beyond that point. Certainly with it all of the guess work has been taken out of balancing at the end of the day's work.

"Our business having doubled, the work in our transit department be-

came greater. To handle this increased work we secured a good filming machine and by photographing each check we were able to save about four hours on this work. Our transit operator now handles the increased work in a fraction of the time that it took before and a much better record is secured by this method. It is doubtful if the cost of operation is less but certainly we could not handle the increased work with the same personnel so we have a more efficient department with a more satisfied operator because of the ease with which the work is now done. We feel that by making the work attractive we can cut down the turnover in personnel in this one job and that alone is a great saving to the bank.

"To handle the increased flow of items through our commercial book-keeping department we purchased two new posters and our bookkeepers handle a maximum amount of accounts with these. They are fast and give a neat statement record to our depositors. New inking devices were installed to renew the ink in the ribbons and this will not only save the ribbon costs but the operators time in replacing them for the ribbon itself will last three times as long. The machines themselves require very little servicing and when they do it is quickly done thereby saving the operators time as well as the additional cost to the bank in overtime.

"Our general books are also posted on a new machine with a typewriter attachment which permits the operator to make his description as the posting is being done. This machine has many possibilities of use in different departments other than just for the general books and can be used every hour of the day through its adaptation to other work.

"Good machines not only save the operators many hours in doing their work but they save the bank untold dollars in expense. Perhaps one good machine fitted into your plan of work will free labor for some other operation in the bank. Good machines will not only make bank work more attractive but it will lessen the turnover in the labor needed to do the work."

2 True

A vacation consists of 2 weeks which are 2 short, after which you are 2 tired 2 return 2 work and 2 broke not 2.

POSITION WANTED in bank as second man. Married. Veteran. 24 years of experience. Can invest. Prefer town of 1,500 or more. Write C.R.S. c/o NORTH-WESTERN BANKER, 527 7th Street, Des Moines, Iowa.

NEW FARMER'S POLICY TO SWELL YOUR SALES

(Continued from page 51)

100 acres to 10,000, and 12c per 100 acres above 10,000 acres.

As in the comprehensive personal, there are additional charges for additional residences or farms; elevators; employers' liability; animal collision; custom farming; additional insureds; residences, farms or property rented to others; business pursuits; boats, et cetera. The employers' liability rates are per capita for inservants and are on a payroll basis for outservants, and vary by state. The charge for animal collision is a flat \$1 per year. Custom farming is rated at 50c per \$100 of receipts.

The comprehensive personal policy has a lot to offer and it has sold in volume unprecedented for anything of its kind. So many policies have been placed that it must in itself be contributing materially to the income of the agents who are pushing it the hardest. Entirely aside from the direct income it produces, agents who have tried have found it a first class "foot in the door." With its rating simplicity and appeal to the customer, it is an ideal first contact with a new account, and the follow-up sales growing from it can be far more valuable in total than the comprehensive personal business.


It is only reasonable to expect that the farmer's comprehensive personal liability policy will be just as good a business-getter in the relatively untapped rural areas as the comprehensive personal has been in the cities and towns. Agents serving these areas have and, for the next few years will continue to have, a rare opportunity to expand and solidify their business—an opportunity which may not again present itself for a long time.—The End.

Guaranty Trust Dividend

The board of directors of the Guaranty Trust Company of New York declared a quarterly dividend of \$3 per share on the capital stock of the company for the quarter ending June 30th, payable on July 1st to stockholders of record at the close of business June 9th.

Irving Trust Dividend

Irving Trust Company of New York announced last month that its board of directors declared a quarterly dividend of 20 cents per share on its capital stock, par \$10, payable July 1st to stockholders of record at the close of business June 7th.



HOLLINBECK
Stamp and Coin Co.
Royal Union Bldg.
Des Moines
Appraisals for tax and
estate purposes



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Lack of Word "Cents" on Some Coins Due to Government Error

FOR the last half-century a belief has persisted that the United States nickel of 1883 without the word "cents" is a valuable coin. The true story of this "centless" nickel has long been forgotten by most persons, who are under the impression that collectors are offering huge sums for them.

At one time this nickel did cause considerable trouble. In 1883, when they were first issued, the government neglected to add the word "cents" under the Roman figure five. This gave an idea to certain unscrupulous persons. They merely gilded the nickel, which bore only the figure five, and passed it off on the unwary as a \$5 gold piece.

Then the story got about that the government intended to call in all the

"centless" nickels and the public began saving them. A total of 12,000,000 had been coined and put into circulation and consequently they turn up frequently today.

As a matter of fact, the government did not call them in, but only stopped coining those without the "cents" and began coining a new design with the word "cents" directly under the figure five.

Both types of these 1883 nickels are common and command a small premium only when in bright new condition. Strangely enough, the nickel with the word "cents" is in much greater demand among collectors, than is the "centless" issue which is the cause of all the confusion.—By Stuart Mosher, editor of *The Numismatist*.

CONVENTIONS

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.

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Northwestern Banker, July, 1948



In the DIRECTOR'S ROOM



Some Saint

He: Every time I kiss you, it makes me a better man.

She: Well, you don't have to try to get to heaven in one night.

A Long Step

"How did you break your leg?"
"I threw a cigarette into a manhole and stepped on it."

Hard Boiled

She: Funny, no one seemed to realize what a bad egg he was when he was rich.

He: My dear, a bad egg is only known when it's broke.

Father Was Smart

"If I'd known you were so extravagant I would never have married you."

"If I hadn't been, father would never have let you."

One More Bore

Ocean Voyager: Don't the passengers make you tired with all the questions they ask?

Officer: Yes, very. What else is it you would like to ask?

Out Talked

A man had just bought a parrot at an auction after some very spirited bidding.

"I suppose the bird talks," he said to the auctioneer.

"Talks?" was the reply, "He's been bidding against you for the past half hour."

No Letup

"How's the public sentiment out here?" asked the politician, who was passing through a rural community.

"Still goin' strong," answered the native. "There were sixteen cars parked in my lane last night."

Hold Your Fire!

Pat (out duck-hunting): Don't shoot, Mike. The gun's not loaded.

Mike: I've got to. The duck won't wait.

Could Be

"Pa," said the subscriber's little daughter, "I know why editors call themselves 'we.'"

"Why?"

"So the fellow who doesn't like what's printed will think that there are too many of him to lick."

How True

Poet: This world is very unfair.

Friend: How so?

Poet: Well, a banker can write a bad poem and nobody does anything about it, but just let a poet write a bad check.

Well Said, Tony

Tony was being examined for naturalization as an American citizen and was doing very well. After answering with the names of the President and Vice President he was asked, "Could you be President, Tony?"

"No," came the quick answer.

The examiner nodded approvingly. "And why not, Tony?"

Tony squirmed. "'Scuse me. I gotta steady job now."

Issue in Doubt

"Where's Junior this afternoon, Mrs. Top?"

"Well, Mrs. O'Callahoon, if he knows as much about canoes as he says he does, he's out canoeing. And if he knows as much about canoes as I think he does, he's out swimming."

Safety First

Film Director: Don't forget now. You look around, discover that someone is chasing you, and then you dive off this 200-foot cliff.

Stunt Man: But there's only two feet of water at the bottom!

Director: Certainly. Do you think we want you to drown?

Business Partners

"Who's the swell man you was talkin' to?" asked Tony, the bootblack.

"Aw, him and me's worked together for years," answered Mickey, the newsboy. "He's editor of one of me papers."

Soft Answer

A very particular housekeeper was having her bedroom painted. Wishing to learn what progress the painter was making, she crept to the bottom of the stairs and listened. Not a sound reached her ears.

She: Painter, are you working?

Painter: Yes, ma'am.

She: I can't hear you making a sound.

Painter: I ain't putting it on with a hammer, lady.

Discovery

The professor was having his annual medical examination. "Stick out your tongue and say, 'Ah,'" commanded the doctor.

"Ah," obeyed the professor. "It looks all right," nodded the man of medicine, "but why the postage stamp?"

"So," said the professor, "that's where I left it!"

A Spanking Answer

A charming southern belle named Tandie was being courted by a rather stern young banker. When queried by a friend about the prospects of a matrimonial alliance, Tandie said flatly, "If that stuffed shirt proposes, I'll give him nothing but a deaf ear."

But less than a week later Tandie was wearing the young banker's square-cut diamond. Her friend commented, "I thought you said you'd be deaf to any proposal from him."

"Yes, I did," Tandie admitted looking at the great, gorgeous diamond in the engagement ring. "But I didn't say I'd be stone deaf."

The Family Journal

The preacher was visiting a home and wanted to read a chapter from the family Bible. The man of the household said to his little son:

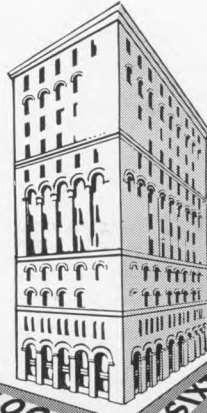
"Bobby, go and get the Bible—you know, the big book we read so much."

So in a little while Bobby came in carrying the mail-order catalogue.

Gone For Good

She: Where is your chivalry?

Him: I turned it in on a Buick.



On LOCUST At SIXTH

BANKERS TRUST COMPANY

Des Moines • Iowa



STATEMENT OF CONDITION

June 30, 1948

RESOURCES

| | |
|--|-----------------|
| Loans and Discounts | \$12,551,940.54 |
| Other Securities | 511,000.00 |
| Stock in Federal Reserve Bank | 60,000.00 |
| Real Estate | 5.00 |
| Furniture and Fixtures | 99,965.97 |
| U. S. Government Bonds \$35,963,229.16 | |
| Cash and Exchange . 16,962,725.29 | 52,925,954.45 |
| Customers' Liability on Letters of Credit and Trade Acceptances | 6,030.00 |
| | <hr/> |
| | \$66,154,895.96 |

LIABILITIES

| | |
|--|-----------------|
| Capital (Common Stock) | \$ 1,000,000.00 |
| Surplus | 1,000,000.00 |
| Undivided Profits | 1,000,000.00 |
| Reserve for Contingencies | 1,000,000.00 |
| Other Reserves | 118,018.89 |
| Reserves for Taxes and Interest | 101,886.43 |
| Deposits | 61,928,960.64 |
| Bank's Liability on Letters of Credit and Trade Acceptances | 6,030.00 |
| | <hr/> |
| | \$66,154,895.96 |



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CORRESPONDENT SERVICES INCLUDE:

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- The transfer of funds.
- Safe-keeping of securities.
- Credit information.
- Investment service on government and municipal bonds.
- Complete Trust Department services.
- Assistance with operations problems.

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