

NORTHWESTERN *Banker*

SEPTEMBER
1948



What Bankers Think of Raising Rediscount Rate

—Survey on Page 21

PAUL PORTER (RIGHT), J. P. WOLCOTT DISCUSS INFLATION—Page 15

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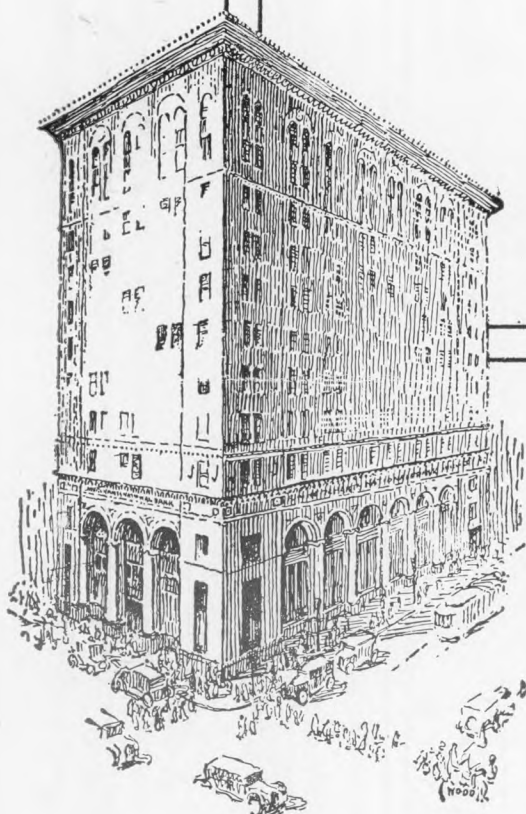
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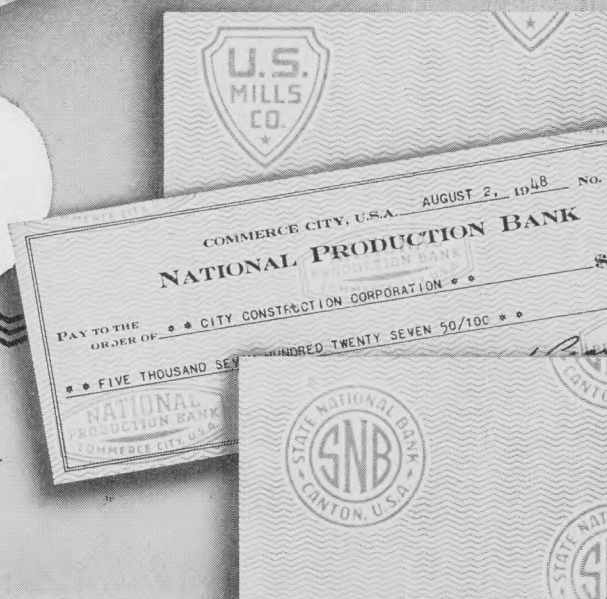
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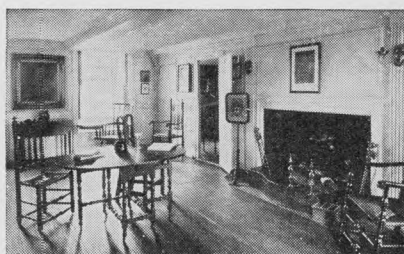
The Home of Dauntless Spirits IN THE FIGHT FOR POLITICAL FREEDOM



Captain Nicholas Gilman, Jr.

COURIERS on horseback galloped through-out the countryside bearing the news when the Declaration of Independence was adopted. In Exeter, New Hampshire, the fateful message was dispatched to Colonel Nicholas Gilman, whose son, young John Taylor Gilman, then read it in the public square while the townspeople listened "with unutterable emotion."

The house where the message was delivered was built in 1721 by Nathaniel Ladd, a member of one of Exeter's more prominent families who were among the first settlers. Another Nathaniel Ladd sounded the trumpet that signaled an early revolt against the royal governor and was the only one of the rebels crafty enough



The Major General John Sullivan Room

to escape trial. One eccentric member of the family kept a coffin in the house in case of sudden demise and invented a pair of wings which he maintained would enable him to "cleave the air like a bird" until he experimented from an upstairs window.

In 1747 the house was bought by Daniel Gilman and for many years was owned by members of the Gilman family who were said to be as numerous as the sands on the seashore and who played an influential role in affairs of state and nation. One of the most distinguished was Colonel Nicholas Gilman who as state financier earned the title of "the brains of the Revolution in New Hampshire." Important meetings were held, state secrets discussed and the Battle of Bennington planned in the room in

his house which served as the treasury. Another room was used as the jail where debtors were chained to an iron ring which may still be seen.

Nicholas' son, John Taylor Gilman, proved his patriotism at an early age by marching off to Cambridge with a band of volunteers the morning after the Battle of Lexington. He succeeded his father as state treasurer and served a number of terms as governor. At the alarm of Portsmouth in 1814 he took personal command of a large detachment of militia. His brother, Captain Nicholas Gilman, Jr. who was on Washington's staff, participated in many important battles and later served as delegate to the Constitutional Convention and as Senator from New Hampshire.

The Ladd-Gilman house is now owned by the New Hampshire Society of the Cincinnati and is commonly known as Cincinnati Memorial Hall.

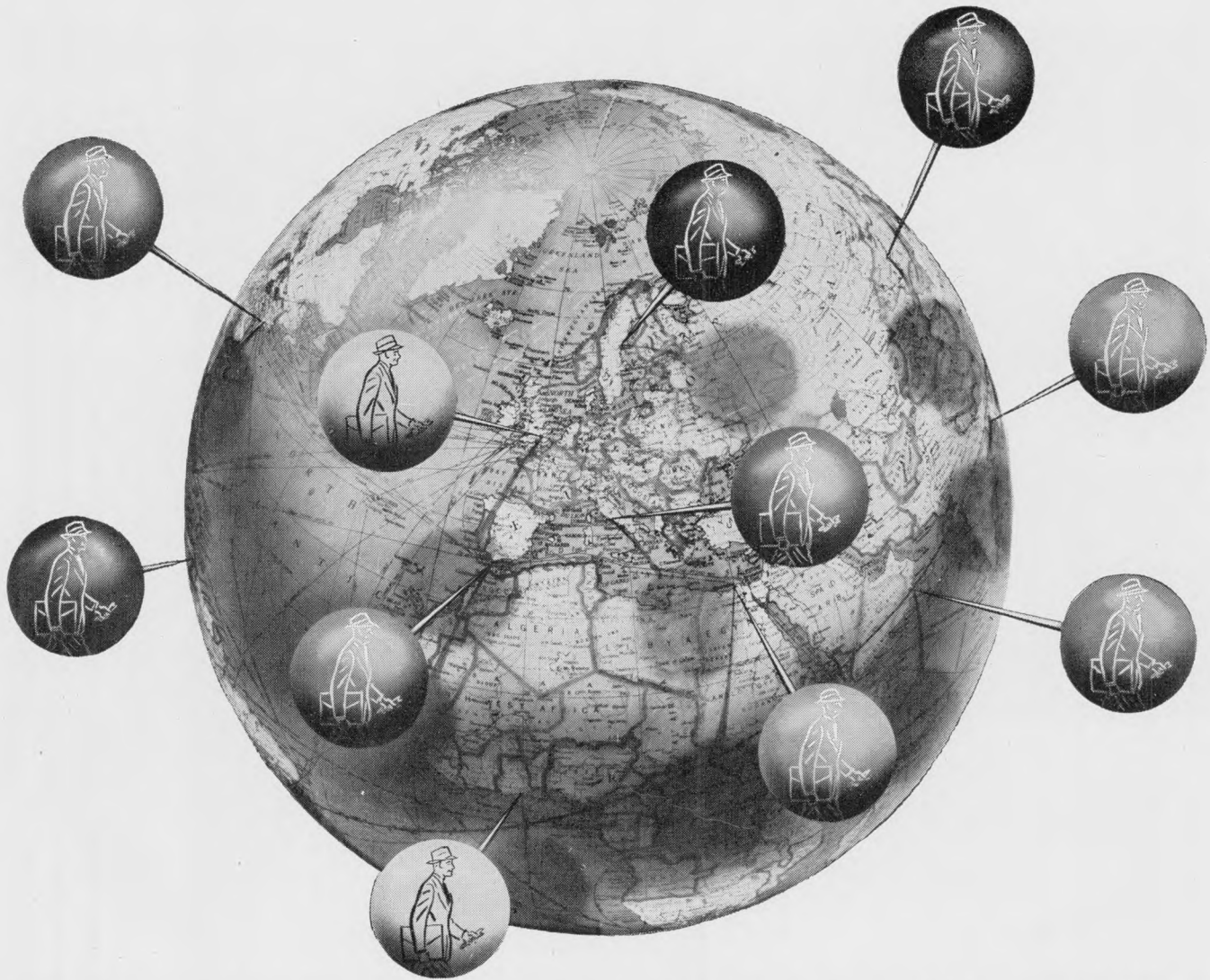
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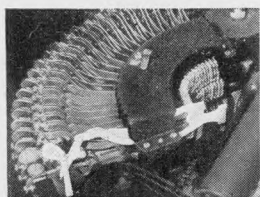
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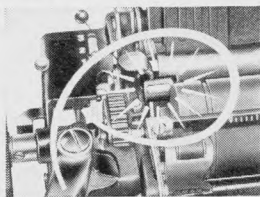
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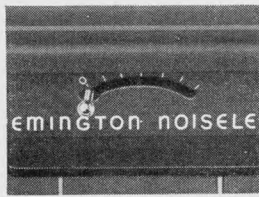
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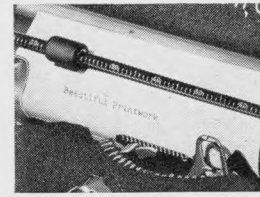
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Dear Editor



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

"Why Should Banks Make Unsound Home Loans?"

Editor's Note: Some time ago, *Look Magazine* sponsored the building of a home to cost \$7,500. Since this article appeared, the publication has issued a news release in which it says, "The recent tightening up of bank loans is the major snag in solving the low cost housing crisis. Building loans for people in the \$7,500 class are hard, if not impossible, to get today. The majority of people in this price range cannot raise the necessary down payment for construction loans; many haven't even land purchase money, and distributors cannot be asked to assume these burdens."

Frank P. Syms, 505 Fifth Avenue, New York, who represents the Regional Banking Journals of which the NORTHWESTERN BANKER is one, received a copy of the release and answered it to the editors of *Look* as follows:

"I have just finished reading a news release from your publication, entitled 'Financing Proves Bottleneck of Low Cost Housing Problem' and as I assume that

(Turn to page 72, please)

ON THE COVER

Paul Porter (right) former OPA administrator and now a special adviser to President Truman, is shown conferring with Congressman Jesse P. Wolcott (Republican, Michigan), when he appeared before the House Banking Committee at the recent special session of Congress called by the President. As committee chairman, Mr. Wolcott reviews a chart presented by Mr. Porter as part of the President's proposed anti-inflation program. When this photograph was taken, Mr. Porter was requesting legislation which would give the administration authority to roll back prices on cost of living items to last November. For the fate of this request, and a report on other recent financial rulings, turn to "Across the Desk from the Publisher," page 16.

NORTHWESTERN Banker

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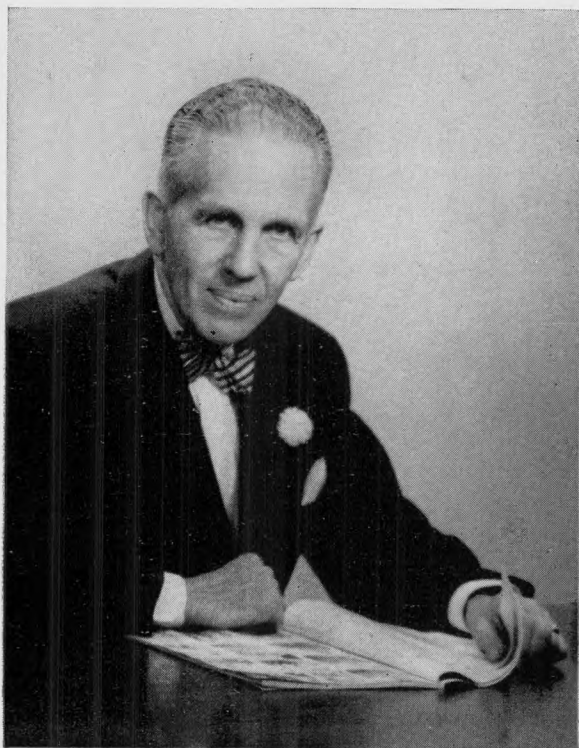
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Northwestern Banker, September, 1948



Across the Desk From the Publisher

Dear Thomas B. McCabe:

Chairman, Federal Reserve Board, Washington, D. C.

The 80th session of Congress passed some legislation aimed at putting a slight pressure on the inflation brakes. The four methods as outlined by Congress are these:

1. One year Treasury certificates have been raised from $1\frac{1}{8}$ per cent to $1\frac{1}{4}$ per cent as of October 1, 1948.

2. Federal Reserve rediscount rate has been raised from $1\frac{1}{4}$ per cent to $1\frac{1}{2}$ per cent.

3. Congress passed an amendment to the Federal Reserve Act which empowers the Federal Reserve Board to increase the required reserves of all member banks by 4 per cent on demand and $1\frac{1}{2}$ per cent on time deposits. It is not expected that the Federal Reserve Board will take any action under the new powers until after October 1, 1948.

4. Effective September 20, 1948 to June 30, 1949, "Regulation W" goes into effect with several changes over the previous law.

The new "Regulations" include the following:

(a) A $\frac{1}{3}$ down payment on automobiles.

(b) A 20 per cent down payment on most household appliances.

(c) A time limit of 15 months for completing all payment of \$1,000 or less, with 18 months as the final date for purchases above \$1,000.

In the opinion of the NORTHWESTERN BANKER, Mr. McCabe, we believe this new legislation is a "warning signal" which may be helpful in preventing a further inflation trend, but we also believe that the causes lie further back than our large money supply. The main cause of all present day inflation is the tremendous spending by the United States government which has been going on for 16 years.

One authority gives the following 8 reasons for our present high prices:

1. Government's spending more than it took in.

2. Rationing and price control in war years—without adequate wage control.

3. Necessary shooting away of about half the country's production in the war years, but failure to tax back from consumers—to take out of existence—the extra bonds and money printed during the war to pay for that war production.

4. High cost of government in peacetime—taking almost 20 per cent of the country's production and income for its own purposes.

5. Paying subsidies to put and keep prices up—even in a seller's market.

6. Round after round of post-war general wage increases to most everybody—thus diluting further the value of money because there was no corresponding individual contribution to increased production.

7. Too-anxious consumer demand for available production.

8. Spending of savings and too much unnecessary buying on credit.

With the Marshall Plan in operation and with an increase in our expenditures for war purposes, it does not appear that government spending will be lessened very much in the near future. In the meantime, the monetary regulations which have been passed will at least have a psychological effect and will let borrowers realize that money will cost a little more.

One prominent New York banker in a letter to the NORTHWESTERN BANKER expressed his views by saying, "Let me say that the results of credit moves of this sort are never predictable. All one can say is that the recent move is in the right direction. These credit moves have a tendency to slow down both inflationary psychology and inflationary credit. Whether or when one of these credit moves will bring a turn in the general situation is unpredictable."

"It should also be added that the present inflationary movement is not now in the main a credit inflation. The real source of the inflation is in spending by the United States Government, and in other governmental policies, including the support of farm prices at too high levels."

In the United States there are approximately 7,000 banks which are members of the Federal

Reserve System and these are the only ones which are affected by the new reserve requirements which may go into effect October 1st.

In the final analysis, Mr. McCabe, it is a question whether our present inflation, our high prices and the constant demand for higher wages on the part of the unions can be held down by such mild monetary legislation—in some respects it is like locking the barn door after the horse has escaped, but now we must lasso him if we can.

Dear Herbert Hoover:

Only Living Ex-President, U. S. A.

During the celebration of your seventy-fourth birthday last month, you gave a marvelous definition of what America means to you, and the NORTHWESTERN BANKER believes if every American would be guided by the inspiration of your words, it would be a better country in which to live.

In your address you said, "**America means far more than a continent bounded by two oceans. It is more than pride of military power, glory in war, or in victory. It means more than vast expanse of farms, of great factories, or mines, magnificent cities, or millions of automobiles and radios. It is more even than the traditions of the great tide westward from Europe which pioneered the conquest of a continent. It is more than our literature, our music, our poetry. Other nations have these things also. It is those moral and spiritual qualities in free men which fulfill the meaning of the word American. And with them will come centuries of further greatness to our country.**"

Russia today knows nothing of what the spirit of America means to us, or to many other people around the world who would like to live as Americans do, but your personal example, Mr. Hoover, is indeed an inspiration to every true lover of freedom and of the American way of life.

Dear J. L. Robertson:

Deputy Comptroller of the Currency, Washington, D. C.

We think your plan is a very good one—to issue a digest of opinions and interpretations of law which will help act as a guide in the conduct of national banks throughout the country.

In commenting on this idea, you said, "We must always remember that the goals of bankers and of bank supervisors are basically identical—namely, the ultimate maximum benefit and development of American banking. It is my conviction, and I hope that of all State and Federal supervisory authorities, that there is everything to gain by frank and honest disclosure of the things we are trying to do and the reasons for doing them, by

willingness to consider every honest criticism and suggestion, by willingness to admit errors and scrap unsound doctrines and procedures and to build better ones.

"Even so, real improvement of bank supervision is dependent upon the sincere interest of bankers, expressed through their aggressive cooperation, and giving rise to constructive suggestions."

If our American banking system, Mr. Robertson, is to continue in its dual capacity, with national banks and state banks, the NORTHWESTERN BANKER feels sure that the bankers of the country are anxious to cooperate with their bank examiners whenever they call at their respective institutions.

Our independent banking system must always be kept on a strong, sound and liquid basis if it is to withstand the encroachment of those who wish to have all of our banks controlled by the national government.

Dear John K. Langum:

Vice President, Federal Reserve Bank of Chicago

The NORTHWESTERN BANKER has already devoted another editorial to the question of inflation, but we believe that it cannot be too frequently discussed at this time, and we were, therefore, interested in recent remarks of yours that, "**We are high up in a major inflation boom. The best time to do something about the next depression is during the preceding boom.**"

You then cited figures to indicate how far we had gone along the upward spiral showing that, "The consumer price index is up 73 per cent since 1939. The wholesale commodity price index is up 117 per cent. Personal income—all wages, rents, salaries, dividends and other income of every kind—is at the rate of \$211,000,000,000 a year now. It was \$73,000,000,000 in 1939 and only \$85,000,000,000 in 1929. By 1945 it had reached \$172,000,000,000.

"Outstanding consumer credit at the end of June, 1948, was \$14,200,000,000, up 26 per cent in a year and up 153 per cent since V-J Day."

Your figures, Mr. Langum, show how big the "inflation blaze" has become, and the recent laws passed by the 80th Congress will sprinkle a "few drops of water" on the fire without putting it out, and are precautionary measures which we hope and believe will help the inflation fire to at least gradually subside.

Clifford DePuy

Northwestern Banker, September, 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, September, 1948



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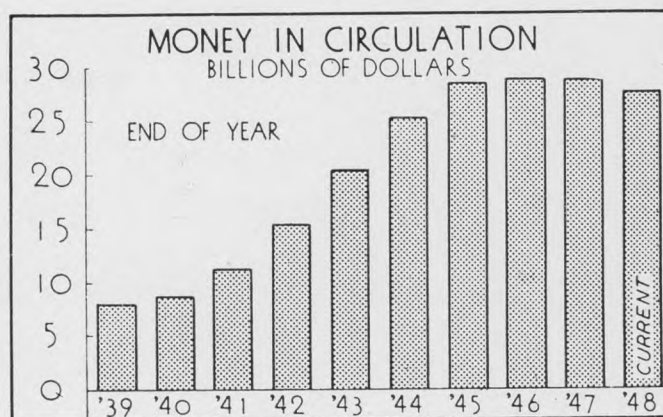
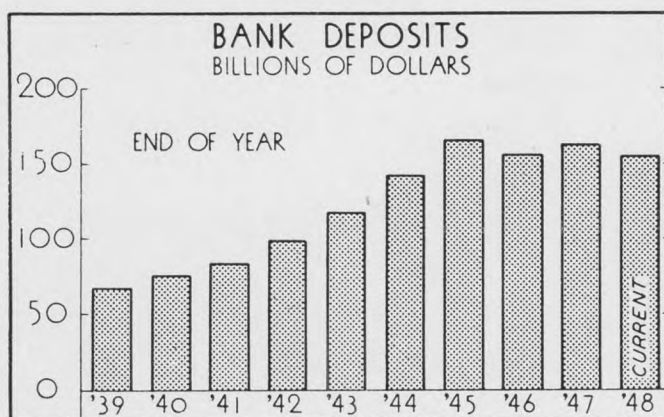


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What Bankers Think of Raising Rediscount Rate

A NORTHWESTERN BANKER Survey

L. M. GIANNINI

President, Bank of America
San Francisco, California

WHEN the Federal Reserve rediscount rate was raised from $1\frac{1}{4}$ to $1\frac{1}{2}$ per cent the NORTHWESTERN BANKER asked a number of prominent bankers what effect they thought this might have on helping to slow down inflation.

The opinions of these bank executives are the basis of this survey.

BENTLEY G. McCLOUD

President, First National Bank of Chicago

"I do not believe that it will have any drastic effect either in connection with the general business situation or in the slowing down of inflation. However it is a warning signal, and the commercial banks in turn will raise the rates to their customers, which should indicate to the latter that they should be careful of their future commitments, and not take any speculative position on inventory or on expansion policy. If you will look back over the Federal Reserve record for a period of years, you will notice that it has always been the logical policy of the Reserve Banks to raise rates when they believe there is a danger of over-expansion on the part of general business."

F. ABBOTT GOODHUE

President, Bank of the Manhattan Company
New York, New York

"The recent increases in the discount rates of the Federal Reserve Banks present another step in the trend toward gradually but moderately firming interest rates that has been in progress since the spring of



1946. In itself, the influence of the higher discount rates is largely psychological, for the volume of Federal Reserve discounts and advances is low and is likely to remain so since member banks in need of funds are apt in most instances to sell government securities rather than to borrow. But taken in conjunction with other steps, i. e., the higher rates on United States certificates of indebtedness and bills, the reimposition of controls on consumer credit, and the cautioning statements of supervisory agencies against over-liberal loan policies, the increase in Federal Reserve discount rates represents the application of mild but nonetheless essential anti-inflation pressures."



"The raising of the rediscount rate seems to indicate the entrance of a fairly long period of steadily firming interest rates which in theory, at least, should be anti-inflationary. The most immediate effect of increasing the rediscount rate has been a rather general increase of interest rates on prime loans by a similar amount. However, even with this increase, the current level of interest rates will still be very low.

"The effect of this increase on the general business situation is bound to be reflected in an upward trend in the entire rate structure, which in turn may have a tendency to slow down the inflationary trend to some degree. If this effect is accomplished, it should be helpful to the nation's economy."

R. E. WALES

Vice President, Tootle-Lacy National Bank
St. Joseph, Missouri

"Referring to the question asked, as to what effect the raising of the Federal Reserve rediscount rate from $1\frac{1}{4}$ to $1\frac{1}{2}$ per cent will have on the general business situation, especially as it relates to slowing down inflation:

"It is our opinion that the present rediscount rate of $1\frac{1}{2}$ per cent will have little effect, if any, on the situation although we feel that it is a step in the right direction. The Ad-

(Turn to page 39, please)

Northwestern Banker, September, 1948



Bankers Name Their Choice For President

**Five-State Survey Favors
Dewey by Wide Margin**

A NORTHWESTERN BANKER SURVEY



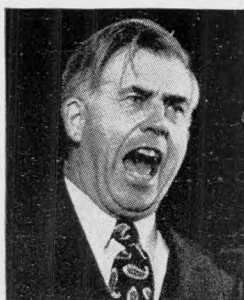
THOMAS E. DEWEY
Republican

89.5%



HARRY S. TRUMAN
Democrat

8.5%



HENRY A. WALLACE
Progressive

1%

No Choice

1%

IN ORDER to ascertain the political feeling among bankers in the NORTHWESTERN BANKER territory, a cross section of bankers in Iowa, Nebraska, Minnesota, North and South Dakota, were asked, "to express their choice for the next president of the United States."

The names of Wallace, Truman and Dewey were listed so they could check them, and a space was left for comments.

Based on the total number of votes received at the time the NORTHWESTERN BANKER went to press, the figures are as follows:

Dewey	89.5% of votes cast
Truman	8.5% of votes cast
Wallace	1.0% of votes cast
No Choice	1.0% of votes cast

Total 100%

Comments by bankers answering the NORTHWESTERN BANKER political poll included the following:

"Officers and directors and all Republicans regard Governor Dewey as an able candidate"

"I believe Dewey can show the way back to true Democracy"

"Should have been Stassen"

"Vandenberg"

"A change in these places will not hurt anybody"

"How about Harold Stassen?"

"It's time for a change"

"No more 'New Deal' "

"I don't want a crackpot like Wallace nor a vacillating executive in the White House so what choice could a person make but Dewey?"

"Wallace? Hell, no"

"There isn't a statesman in the group"

"Mr. Dewey will bring to the Government sensible financial manage-

ment, the best in men fitted to handle foreign affairs. He will eliminate at least most of the shysters in government, all of them if he can. Snyder, et al, are not even important for the County Court House"

"Urge your concerted effort as a prominent publication in combating present day trends toward socialistic and communistic activities of our government, and the gradual release of the government handling and regulating private enterprise"

"There is no other logical choice but Dewey"

"There are 4 votes in this bank for Dewey"

"Dewey—but definitely!"

"We feel Gov. Dewey will have more and better cooperation in the House and Senate and will be an influence for sounder business, political and international matters"

"I believe Dewey will make a good President"

"It is imperative to have business management established in our National Life. Why rob the taxpayer of his earnings to let the government spend like a drunken sailor and then call it a curb on inflation"

"With men such as Dewey and Warren and with records like they have, they should be able to give the whole country the same kind of service"

"Let us pray—Dewey"

"Expect business-like administration from Dewey"

"Wallace seems a little pink—Truman—too small for the job, originally came out of the wrong gang—Kansas City"

"The Republicans are all for the rich and keep everybody's nose to the (Turn to page 44, please)



BUILDING INFORMATION—Here is one view in the Home Planning Department of the Iowa State Trust & Savings Bank, Estherville, Iowa, with **K. J. McDonald**, president, discussing promotion plans with **Mrs. Lester McCleary**, one of the Depart-

ment personnel. Note the model homes in the background, the rack for current magazines on the rear wall, and another rack at the left for free building literature.

How a Bank Operates Its Home Planning Department

What the Iowa Trust and Savings Bank of Estherville, Iowa, Has Done to Promote Home Loans

AFTER a little over a year of operation, the Home Planning Department of the Iowa Trust and Savings Bank of Estherville, Iowa, has proved successful to the point where now it takes its place among the many other community-building services which the institution has available, according to K. J. McDonald, president.

This Home Planning department came into being as the result of an idea one of his employees gave Mr. McDonald. The suggestion was made that since so many people seem to go into home planning and building completely ignorant of the many structural and financial pitfalls awaiting them, why couldn't the bank, which was interested in making loans to

prospective home-owners, do something about helping these builders avoid costly mistakes?

Mr. McDonald discussed the idea

with his wife, who graduated in art from the University of Minnesota, and who has had experience in merchan-

(Turn to page 67, please)

INTERIOR DECORATING — Another view in the Home Planning Department shows **Mrs. Kenneth Kautz**, left, and **Mrs. K. J. McDonald**, both standing, helping two local women with their decorating problems. The wall case contains books on interior and exterior building and designing.



News and Views

OF THE BANKING WORLD

By CLIFFORD DE PUY, Publisher

ROBERT E. DRISCOLL, president of the First National Bank of the Black Hills, Rapid City, South Dakota, in addition to being a very fine banker, is now included in the list of "authors," as he has just written a book, **"Seventy Years of Banking in the Black Hills,"** which covers the period from 1876 to 1946.

The book is dedicated to his father, **Robert Henry Driscoll**, of whom he says, **"He inspired confidence because people knew such confidence was never misplaced."**

In commenting on the pioneers in the Black Hills, Mr. Driscoll says, "My father has told me that the early day businessmen, early day bankers and early day lawyers were far and above the average men in these groups. He, himself, was a Harvard graduate and college teacher before he came west, and his first roommate in Deadwood was a Princeton graduate. One of his early associates was a Congressman from Kentucky, and several of his early banker friends had held responsible positions in New York, Boston and elsewhere.

"We can think of no better way to tell this than by telling the story of 70 years of banking in the Black Hills which is the story of several banks that merged into what is now the First National Bank of the Black Hills. To do this is to tell of the men who founded and operated those banks."

The International Bank for Reconstruction and Development for the fiscal year ended June 30, 1948, had a total income for this period of \$18,703,978. After deducting expenses amounting to \$11,577,848 and amounts for the Special Reserve aggregating \$3,051,478, the net income for the year was \$4,094,652. This was sufficient to eliminate the deficit of \$1,063,805 existing on June 30, 1947 and to provide a net income at June 30, 1948, of \$3,030,847.

During the year, the subscribed capital stock of the bank increased \$261,500,000 as the result of the subscription to 2,000 shares by Australia, and 380 shares by Finland, and the subscription to 6 additional shares by Paraguay, 133 additional shares by Egypt, and 96 additional shares by Iran. The total subscribed capital stock at June 30, 1948, amounted to \$8,286,000,000.

John McHugh, former president of the Chase National Bank of New York

and at one time president of the First National Bank of Sioux City, died recently at the age of 83.

Mr. McHugh was born in Belleville, Ontario, Canada, on August 29, 1865. He came to the United States in 1891, starting his banking career with the State Bank of O'Neill, Nebraska.

In 1898 he joined the Iowa State National Bank at Sioux City of which he became president. He later merged



JOHN MCHUGH
1865-1948

four banking institutions to form the First National Bank. In 1910 he was elected president of the Iowa Bankers Association. He left Sioux City for New York in 1915 and became associated with the Mechanics and Metals National Bank which in 1926 merged with the Chase National Bank.

He was a former president of the New York Bankers Association and for 18 years was on the executive committee of the American Bankers Association.

Mr. McHugh retired in 1943 and at the time of his death was living in Chappaqua, New York. He is survived by his widow, **Mary McHugh**, and a daughter, **Mrs. Gerald F. Beal**, of New York.

Dale Carnegie, author of "How to Win Friends and Influence People," should re-read his own book, because a recent statement he made **should help him to lose friends and alienate people about as fast as anything.**

Mr. Carnegie sailed recently for England, and speaking of that country, he said, "The English are a better-mannered and a better-speaking people than the Americans. The English had culture and grand manners when there was nothing in America but the Indians. The people who immigrate to America are not usually members of established families. They are usually unlettered farmers, tradesmen and workers."

And yet England comes to us for our dollars and our goods in spite of our "unlettered farmers and workers."

You better stay in England, Mr. Carnegie.

The total income received by individual Americans in 1947 reached an all-time high of 190 billion dollars, which averages out to \$1,323 per capita, according to the commerce department.

The per capita income was up 9 per cent from the 1946 average of \$1,213. The grand total was up 11 per cent from the 1946 figure of 171 billion dollars. States in the northwest farm belt led the parade, pocketing 20 per cent more cash than the previous year.

The far west showed last year's smallest relative increase of any region. Decline of war industry after V-J Day was cited as the principal reason.

Nevada's citizens were, on the average, the richest in the nation, with a per capita income of \$1,842. Lowest average was Mississippi's \$659.

At the top of the scale, behind Nevada, were New York, \$1,781, and North Dakota, \$1,678.

Iowa's per capita income was \$1,144 for 1947.

All 15 southern states were among the 16 states in the nation with the lowest averages.

One of the most youthful bankers we know of is **A. J. Cray**, president of the Exchange State Bank of Lime Springs, Iowa, who played 18 holes of golf on his 84th birthday.

Mr. Cray has been president of the Exchange State Bank since April 1, 1907, and, while he spends his winters in California, he still takes an active interest in the affairs of his institution.

If there are any more "young bankers" in their 80's who still play golf, the NORTHWESTERN BANKER would like to hear about them.

(Turn to page 49, please)

Bankers You Know

George E. Porter

President, The First National Bank
of St. Joseph, Missouri



"Heading into his 49th year in the banking business"

GEORGE E. PORTER, chief executive of the widely known First banks of St. Joseph, Missouri, is heading into his 49th year in the banking business. Mr. Porter is president and chairman of the board of the First National Bank and First Trust Company and chairman of the board of the First St. Joseph Stock Yards Bank. The combined resources of these three financial institutions is \$40,000,000 with deposits of the two banks aggregating \$37,324,000.

Mr. Porter began his business career working at the Farmers Bank of Maitland, Missouri, in 1900; then was with the Tootle-Lemon National Bank (now the Tootle-Lacy National Bank) until 1907. For the next 20 years Mr. Porter was engaged in selling commercial paper and in the investment and mortgage business, a phase of his career which gave him

that extra experience that has made his judgment so valuable to fellow officers at the First banks. Whether it is a personal or a business matter brought to his attention by any officer or employee of the bank, Mr. Porter gives it the same careful analysis that has always characterized his work.

After leaving the Tootle-Lemon Bank in 1907 he went with the commercial paper firm of Hollingshead and Campbell of New York. For one year he was connected with the Chicago office, traveling throughout the middlewest. In 1908 he joined the firm of McCluney and Company of St. Louis, commercial paper dealers, remaining with them until 1915, when he moved to St. Joseph and formed a co-partnership (Ford and Porter) with Frazer L. Ford, late president of the First National Bank of St. Joseph, and dealt in bonds and first mortgage

real estate loans. He was in the active management of this firm until 1927 when he joined the force of the First National Bank and the First Trust Company as first vice president and director. He continued in this capacity until Mr. Ford's death in April, 1947, when he was elected to his present positions.

George Porter and Mary Lacy were married in 1912 and they had four children, Mary Lacy, now Mrs. Gerald C. Snyder, Waukegan, Illinois; George E. Porter, Jr., who was lost at Bataan; Ellen Lacy, now Mrs. Robert R. Clark, Portland, Oregon, and Graham G. Porter, assistant cashier of the First National Bank of St. Joseph.

Mr. Porter is trustee of several St. Joseph charitable trusts and has relationships with several other business and civic groups.



Joseph M. Dodge, President, American Bankers Association

NATIONAL leaders in the fields of education, industry, and finance are among the speakers who will address the 74th Annual Convention of the American Bankers Association, which will be held in Detroit, Michigan, September 26th-29th, it is announced by Joseph M. Dodge, president of the ABA, who is president of The Detroit Bank in the convention city.

The convention sessions, which will begin on Monday, September 27th, with meetings of the four divisions of the Association, will be preceded by a full day of meetings of committees, commissions, councils, and working groups on Sunday, September 26th.

Because of the size of the convention, which will bring more than five thousand bankers to Detroit, joint headquarters will be maintained at the Book-Cadillac and Statler Hotels; and some of the division meetings will be held at other hotels in the city.

Among the speakers at the general and division meetings are Dr. Marcus Nadler, professor of finance, New York

University, New York; Gwilym A. Price, president, Westinghouse Electric Corporation, Pittsburgh; John Lawrence McCaffrey, president, International Harvester Company, Chicago; Fred I. Kent, director, Bankers Trust Company, New York; Dr. Kenneth McFarland, superintendent of schools, Topeka, Kansas; John W.

Bank Women to Meet

The 26th Annual Convention of the Association of Bank Women will be held at the Hotel Fort Shelby, Detroit, September 24th, 25th and 26th. Miss Willa A. Riley, Association president and assistant vice president of the Florida National Bank of Jacksonville, has appointed Miss Helen E. Gray as general chairman. Miss Gray, personnel assistant for women at the Northern Trust Company in Chicago, announces that the program is practically complete and has as its theme, "Progress with Vision." A large attendance is expected from among the 850 members.

The A. B. A. Convention

**Dates of 74th Meeting in Detroit Are
September 26-29, With Headquarters
At Book-Cadillac and Statler Hotels**

Remington, vice president and trust officer, Lincoln Rochester Trust Company, Rochester, New York; Preston Delano, comptroller of the currency, Washington, D. C.; H. E. Cook, director, Federal Deposit Insurance Corporation, Washington, D. C.; Lawrence Clayton, board of governors of the Federal Reserve System, Washington, D. C.; and President Dodge.

Four Divisions

The four divisions of the Association will have their annual meetings and elections of officers on Monday, September 27th. In the morning, the Savings and Mortgage Division will meet at the Detroit-Leland Hotel, and the State Bank Division at the Statler Hotel. The National Bank Division and the Trust Division will meet in the afternoon, the National Bank Division at the Statler and the Trust Division at the Detroit-Leland.

The annual meeting of the State Association section of the ABA will be held starting at 2:00 p. m., Monday, September 27th, in the English Room of the Book-Cadillac Hotel, it has been announced by Harry C. Hausman, president of the section and secretary of the Illinois Bankers Association. The program includes addresses by Mr. Hausman; Ford B. Russell, president, The Farmers National Bank and Trust Company, Ashtabula, Ohio; Merle E. Robertson, president, Liberty National Bank and Trust Company, Louisville, Kentucky; Fred W. Greene, executive secretary, North Carolina Bankers Association, Raleigh; and Harold Stonier, executive manager, ABA, New York. A business session will follow with election and installation of new officers.

General Session

The first general session of the convention will be held on Tuesday morning at the Detroit Masonic Temple. President Dodge and Mr. Price will deliver the principal addresses at this session. Henry H. Sanger, chairman of the executive committee of the Man-

(Turn to page 51, please)

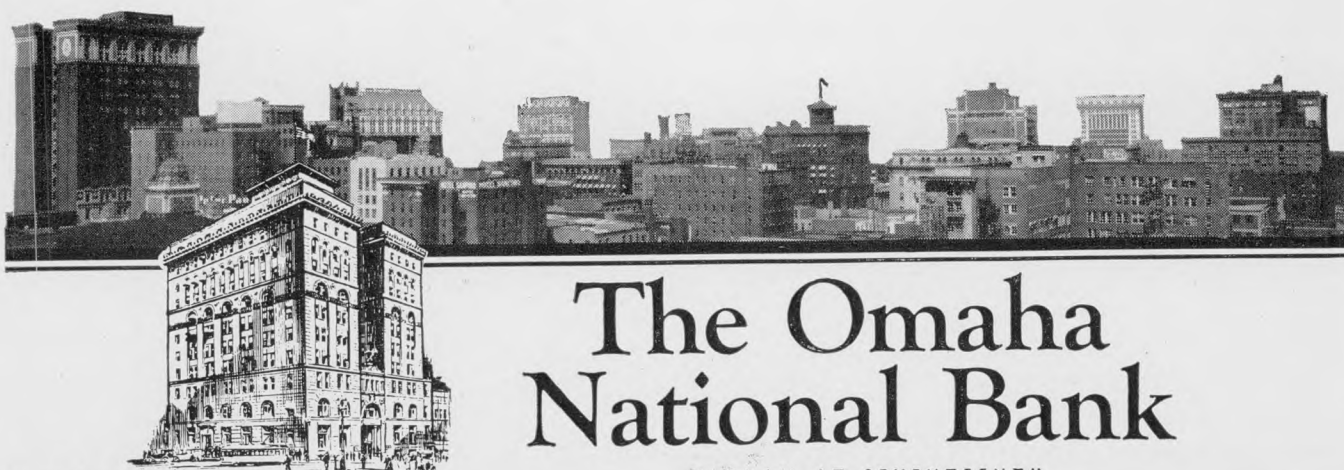


OVERNIGHT COLLECTION AND TRANSIT SERVICE



Direct Sending

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



The Omaha National Bank

FARNAM AT SEVENTEENTH

Member Federal Deposit Insurance Corporation

Northwestern Banker, September, 1948



SIGNING A CHECK with his thumbprint in the above picture is **L. P. Peterson** (right), blind operator of the Omaha Radio Engineering Institute, as **John M. Sperry**, assistant cashier (left), opens the first checking account for blind persons. This new special system of checking accounts for the blind was devised by the Omaha National's paying teller **E. R. Oglebay**, who watches the procedure here.

THE Omaha National Bank of Omaha, Nebraska, has inaugurated a new service. It has developed a special check for the use of blind people, and the first such checking account was opened last month by a young blind man named LaVon P. Peterson.

Several months ago, Eugene R. Oglebay, paying teller at The Omaha National Bank, read an article about the Radio Engineering Institute, operated by the same Mr. Peterson. He visited the school and was so intrigued with what he learned about the activi-

ties of the blind that he decided to attempt to devise a check which the blind could use.

Consultations followed with A. J. Rhodes, assistant vice president of The Omaha National Bank; with Mr. Lawrence Cooke of the J. P. Cooke Company, makers of rubber stamps; with members of the FBI; with Mr. Irving Benolken, of the Klopp Printing Company, and finally a plan was evolved.

Thumb Prints

The lines for the date, number, amount, and payee's name and sig-

nature are raised, as well as the dollar sign. There are two raised oblongs on the right for thumb prints. The blind person puts his right thumb print in the upper oblong at the time he gets his checks. When he is ready to negotiate a check, he places his thumb print in the lower oblong and affixes his signature, or a facsimile signature, over the signature line. At the extreme right of the check are four raised numbers, \$5, \$10, \$25, \$100. The blind person indicates the limit on the check he is writing either by placing his thumb print over the proper number, or by making a circle around it.

This check is designed for a blind person who cannot sign his own name. If such a blind person can operate a typewriter, he can make out the entire

(Turn to page 57, please)

THE FIRST CHECK made out by **L. P. Peterson** in the photograph at the top of the page is shown below. He filled the check out himself at the Omaha National Bank according to the procedure outlined in the above story. The raised portions of the check, similar to the Braille system for blind reading, stand out in this picture.

The Omaha National Bank

8-6-48 nr. 1

OMAHA, NEBR. NO.

Pay to the order of

O. P. P. D.

\$ 3.65

three and 65/100.. DOLLARS

27-2 1030

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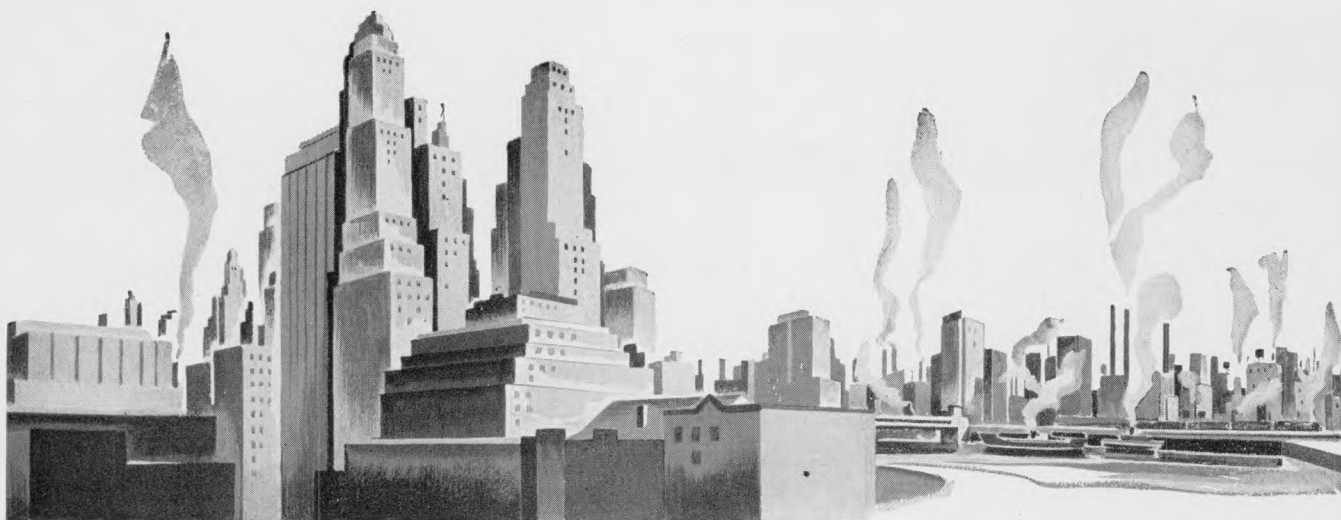
SIGNATURE PERSONAL STAMP

RIGHT THUMB PRINT

RIGHT THUMB PRINT

This is a Special Check for the use of a blind person. When properly executed it is negotiable the same as any other check for an amount not exceeding the figure marked below.

\$5 \$10 \$25 \$100



Serving both Industry and Agriculture



Located in the heart of the Union Stock Yards and Chicago's great Central Manufacturing District, we have served farmer and manufacturer as well as hundreds of correspondent banks for over three-quarters of a century. This long and varied experience is at your disposal. If you are seeking a Chicago connection, we cordially invite you to write us.

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LIVE STOCK
National BANK of Chicago

ESTABLISHED 1868
UNION STOCK YARDS

Member Federal Deposit Insurance Corporation



Northwestern Banker, September, 1948

LEGAL

Are Damages Recovered for Loss of Profits Taxable on Federal Income?

Q. Derbes, a banker, operated an electrical equipment concern as an individual. Due to various wrongful activities by Smith, certain profits were lost by Derbes in that business. Derbes sued Smith in court for damages on account of the loss of those profits and recovered from him. When Derbes went to pay his federal income tax the problem arose of whether the amount of the recovery was taxable as income. Was it?

Yes. It is well settled that the recovery of damages for the loss of profits results in income for federal income tax purposes. While the Internal Revenue Code specifically excludes from gross income the amount of any damages received on account of personal injuries or sickness, this exception does not apply to damage recoveries for lost business profits. Actually, in these cases, the main problem is often whether the recovery is based upon a loss of income or represents damages for lost capital. If the latter is involved, the money received is a return of capital which may not be taxable. Damages paid because of injury to the good will of a business are generally treated as a return of capital.

Q. North Dakota, generally speaking and subject to various limitations, exempts from taxation farm structures and improvements located on agricultural lands. Bogart bought a large lot, which had been duly platted and dedicated, in a city in that state, used it for farm purposes, and erected a house and barn thereon. He sought to take advantage of the tax exemption, asserting that by reason of his use of the two structures for farming purposes they should not be taxed. Was he entitled to the exemption?

No, according to a recent North Dakota Supreme Court decision. In so holding the court pointed out that there are two tests to use in determining whether the exemption applies: the character of the land and the nature of the structure. As regards the character of the land, the court held that, since the buildings in

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

question were located in a city, they were on urban, rather than agricultural, land and, therefore, were not exempt from taxation.

Q. Collins conveyed by warranty deed a timber tract of land to Mapes. The title was attacked by a stranger to the transaction and Mapes hired a lawyer to protect his interest. He did not notify Collins that the title had been called into question or request him to defend the litigation under his covenant of warranty. Mapes was successful in having his title upheld. Thereafter he sought to recover from Collins the attorney's fees paid by him in the litigation. Could he do so?

No. To entitle a purchaser to recover attorney's fees which he has paid in defending title to land bought by him under a warranty deed from his grantor it is necessary that he give such grantor notice that the title has been questioned and that he first ask his warrantor to defend the title. If he does not do this, he is not entitled to recover from such grantor the attorney's fees paid out by him.

Q. Wagner, an Iowa banker, owned a farm in that state that he wished to sell. He entered into an agreement with a licensed real estate broker, giving him an exclusive listing on a commission basis for a six months period. The broker advertised the place and brought several people to see it. Before the six months expired and before a purchaser was obtained, Wagner decided not to sell and revoked the contract. The broker sued him, claiming he was entitled to recover an amount equal to the commission that might have been earned. Should he be sustained in such claim?

No. The broker could recover, however, for his advertising and other similar expenditures, plus a reason-

able compensation for services performed, that is, a fair amount for the time spent by him in showing the place. The general rule on matters of this kind is that a broker is entitled to recover, in the case of a revocation without cause of his agency, such expenses incurred and such reasonable compensation for services performed as were within the contemplation of the contract when it was entered into.

Q. As an incident to various flood control projects in different parts of the country the federal government has taken, by condemnation, some very extensive tracts of land which have been inundated by reason of the construction of dams and reservoirs. This has substantially affected tax revenues of various states, counties and other related governing bodies in which bankers have been interested. Would the fact that such revenues would be adversely affected bar such condemnation proceedings?

No. A possible adverse effect on the tax revenues of a state, county or other related governing body by reason of the exercise by the federal government of its power of eminent domain is no barrier to the exercise of that power. Whenever the constitutional powers of the federal government and those of the state come into conflict, the latter must yield.

Q. Newton, a South Dakota banker, parked his automobile in a public parking lot near his bank. He paid \$4 per month for the space. During week days there were attendants at the lot, but on Sundays there were not. One Sunday Newton left his car on the lot with the keys in it while he went to the bank to do some work. When he returned the car was gone. Someone had stolen it. It was recovered two days later in a damaged condition. Newton sought to recover from the parking lot owner for the damages. Could he do so?

No. The South Dakota Supreme Court has so decided in a recent decision involving similar facts, stating that in the circumstances it would be (Turn to page 57, please)

Is Your Bank Different?



D. R. WESSLING

*How can you make the public
think and say the right things
about your bank?*



DANIEL R. WESSLING, JR.



TEAMWORK — COORDINATION — RESULTS

There is a difference in banks. You feel it when you first step inside—in the atmosphere that prevails—in the glance you get from the man behind the desk or the person behind the counter.

In some banks the customers act as if it were no pleasure for them to be there. Officials are courteous and mean to be friendly, but—

Then step into another institution. How different! Those in charge radiate good will—and the customers are glad to be there.

Why the difference? Good Public Relations. That's the reason.

Back in 1922, over a quarter of a century ago, Wessling Services pioneered in Bank Public Relations. The basic principles, *personal touch and personal contact*, have made Wessling Services a leader in its field.

At every stage in the building of a Wessling Publicity Program—we incorporate the right kind of suggestions—suggestions which will lead people to think and say what you want them to think and say about your bank.

You will find that programs by Wessling Services are effective and are easy to carry out. Let us assist you in selecting your next program.

Wessling Services

Counsel on Bank Public Relations

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When you
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BANK STOCKS

Either control or minority
interest carrying an
active Executive Position

Twenty-four years of efficient,
confidential, personal service in
selling banks. Ask the country
bank department of any reserve
city bank.

BANKS FOR SALE

We have banks for sale rang-
ing in size from one million to
twenty million dollars and re-
quiring investments of \$50,000
to \$500,000 for control.

Bankers Service Co.

HENRY H. BYERS, President

Box 1435 Tel. 2-7800
Des Moines 5, Iowa

(Offices in the Register & Tribune Bldg.)

Elected Auditor

Directors of California Trust Com-
pany, Los Angeles, have elected F. J.
Boulton auditor, Frank H. Schmidt,
executive vice president, announced.
Formerly a tax consultant with the
Irving Trust Company, New York,
where he was employed twenty years,
Mr. Boulton joined the California
Trust Company staff in April, 1946.
During the war he served two years
in the European theater in the AAF
finance department.

North Dakota Representative

Joseph F. Ringland, Northwestern
National Bank president, Minneapolis,
has announced the appointment of
Laurence M. Broom to the bank's
correspondent bank department.

Transferring from the bond depart-
ment of the Northwestern National
Bank where he served over two years,
Mr. Broom's experience in banking
dates back to 1926. It was then that
he entered the Northwestern National
Bank as a messenger. In 1927 he was
transferred to the grain draft depart-
ment, followed in 1930 by his promo-
tion to the transit division, remaining
there until 1943. After two years of
service in the United States Army,
much of which was spent in the Pacific
theater of operations, Mr. Broom re-

turned to the Northwestern National
Bank, entering the credit department
in January, 1946. Later that same
year he was transferred to the bond



LAURENCE M. BROOM
To Bank in 1926

department, remaining there until his
present appointment to the depart-
ment of banks and bankers.

Mr. Broom is a native of Motley,

PROFITABLE BANK LOANS

Secured by Warehouse Receipts

Many of your customers have inventories
which could provide the basis for sound, profit-
able loans, when secured by warehouse re-
ceipts of the St. Paul Terminal Warehouse
Company.

CUSTOMER CONVENIENCE? The inventories
remain stored on your customers' premises.
Your investigation is invited!

ST. PAUL TERMINAL WAREHOUSE COMPANY

St. Paul, Minnesota

DES MOINES OFFICE
515 Iowa-Des Moines
National Bank Building

T. C. CANNON
District Manager

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MINNEAPOLIS MILWAUKEE CHICAGO
DETROIT NEW YORK BOSTON
BUFFALO INDIANAPOLIS PHILADELPHIA
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JULY 17, 1948

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on India. Churchill is furious

THE SECRET PAPERS OF HARRY L. HOPKINS

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SEPTEMBER 1948

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America's Traveling Companion

Ezra M. Cox 23
Future 25
Companion 29

From its office scattered over the world, the American Express Company finds lost relatives, makes weddings and provides a touch of America for the traveler away from home.

A VIVID FEATURE ARTICLE in the July 17th issue of *Collier's* and a condensation of it appearing in the September *Reader's Digest* have now brought the story of the PLUS SERVICES of American Express Travelers Cheques to over 14 million readers of *Collier's* and over 50 million readers of the *Reader's Digest* throughout the world.

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Minnesota. He attended Hamline University and is a graduate of the American Institute of Banking. "His new duties, representative to North Dakota, will begin immediately," said Mr. Ringland.

To Attend A.B.A.

Carl A. Birdsall, president, Continental Illinois National Bank and Trust Company of Chicago, will head his bank's delegation to the American Bankers Association convention at Detroit, September 26th, 27th and 28th.

Among those who will be in Conti-

mental Illinois headquarters at the Hotel Statler are:

James R. Leavell, director; Walter B. Allen, vice president; Francis M. Knight, vice president; Fred M. Naber, vice president; John W. Nichols, vice president; Norman B. Shaffer, vice president; O. B. Wallace, vice president; Arthur J. Frey, second vice president; Wilhelm R. Mesenbrink, second vice president; Wilfred E. Resseguie, second vice president; James P. Johnson, assistant cashier; George F. Kernan, assistant cashier; I celand C. Parkin, representative.

Announces Promotion

Eugene S. Northrop has been promoted from assistant vice president to vice president, Harvey D. Gibson, president of the Manufacturers Trust Company, New York, announced. Mr. Northrop is located at the bank's main office at 55 Broad Street.

Mr. Northrop was born in Kansas City, Missouri, in 1905, and graduated from the University of Pennsylvania in 1927. He became associated with the Manufacturers Trust Company in 1931. During World War II he served in the United States Navy on several aircraft carriers, leaving the service with the rank of commander.

Mr. Northrop is a graduate of the Graduate School of Banking at Rutgers, as well as a member of the Robert Morris Associates.

Federal Reserve Officer

Clarence W. Groth has been appointed assistant vice president of the Federal Reserve Bank of Minneapolis, assigned to the Helena Branch, Helena, Montana, according to J. N. Peyton, president of the bank.

Clinton J. Larson, assistant cashier assigned to the Helena Branch, has resigned his position to become vice president of the Conrad National Bank, Kalispell, Montana, according to a simultaneous announcement made by J. G. Edmiston, president of the Kalispell bank.

Beg Pardon!

In the August NORTHWESTERN BANKER reference was made to "W. G. Six-

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smith," advertising department, the California Bank in Los Angeles. The initials were correct, and the "Smith" part remains, but it should have been "Goldsmith." Our apologies to "Bill," who originally hailed from Minnesota, but is doing a fine job with the California Bank and likes the west coast.

Bank Equipment Ideas

For a number of months the NORTHWESTERN BANKER has been publishing a survey on "How Machines Save Time and Money for Banks." These articles have demonstrated how modern equipment has speeded up clerical operations and reduced overhead. This information has proven exceedingly helpful to the readers of the NORTHWESTERN BANKER.

Another valuable part of bank service is the pass book, because it not only keeps a record of deposits made by a bank's customers, but it also can be used as a piece of advertising material which the depositor never discards. Pass books should be made of durable material as well as being neat and attractive.

It is, therefore, important that every banker give careful thought when the question of purchasing pass books comes up for consideration.

New Treasurer

J. C. Thomson, president of Northwest Bancorporation, has announced the retirement on September 1st of Herbert Hallenberg, vice president and treasurer of the corporation. Mr. Hallenberg had been chief examiner of the Bancorporation from August, 1929, until January, 1947.

To succeed Mr. Hallenberg as treasurer, directors of Northwest Bancorporation elected Von E. Luscher, formerly vice president, to the position of vice president and treasurer.

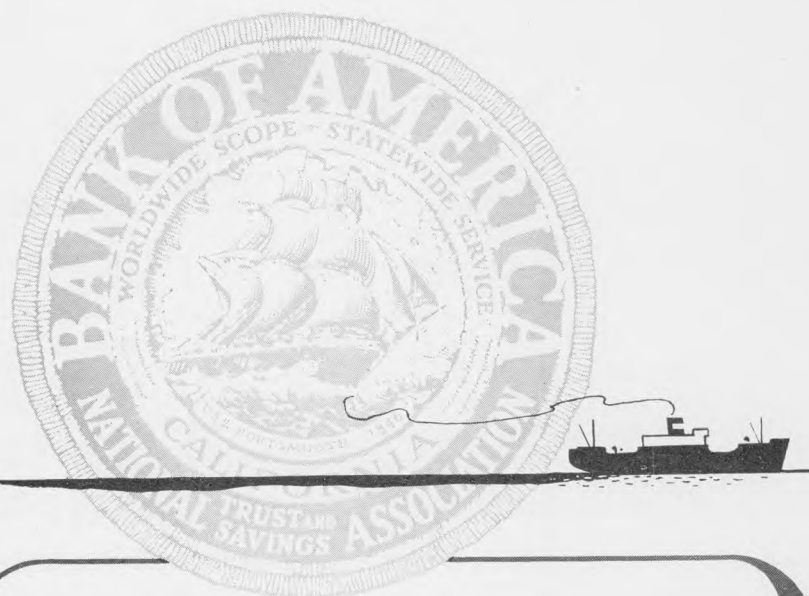
Director of Finance

John S. Coleman, president of Burroughs Adding Machine Company, announced the appointment of Kenneth C. Tiffany as director of finance at Burroughs.

In his new post Mr. Tiffany will be responsible for the supervision of budget activities in the company, and will also serve as an advisor to the president in accounting and financial matters. Prior to his appointment at Burroughs, he was a member of the staff of Price, Waterhouse & Company.

Will Be in Detroit

Officers of the Guaranty Trust Company, New York, in addition to William L. Kleitz, president, who will attend the American Bankers Association Convention in Detroit are:



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Dale E. Sharp and Broderick Haskell, vice presidents, general banking department; Harold M. Sherman, Jr., second vice president, general banking department; Kent G. Colwell, second vice president, foreign department; John V. Hendricks, assistant treasurer, U. S. government bond department; C. G. Schmidt, U. S. government bond department.

The headquarters of the Guaranty Trust Company in Detroit will be in the Book-Cadillac Hotel.

For Out-of-Town Banks

A unique service to assist out-of-town banks in a new business promotion has been launched in New York. This service is no longer in the experimental stage, having been in oper-

ation for the past year. It is a New York new business representative for banks in other cities which do not now have members of their own organizations on year 'round, full-time duty in the New York area.

This new service is being offered by John P. Anderson, with offices at 420 Lexington Avenue, who received his basic training in bank new business work with the Bank of America, N. A., of New York City, which was merged with the National City Bank in 1931.

The Anderson Service is offered to one bank only in a given area, and is performed on a retainer basis with a standardized sliding scale of fees depending upon the requirements of each bank.

Mr. Anderson works closely with

the out-of-town bank's New York correspondents. His activities in no way compete with or duplicate their efforts. Rather, what he does supplements their services. His work parallels the functions of the special representatives offices which some of the larger banks in the United States have in New York City. He functions for banks which are not large enough to have exclusive special representatives, but for whom, nevertheless, much potential new business originates in the New York area.

Railroad Fair

The Chicago Railroad Fair, held this summer, was the centennial celebra-



Ticket and Information Booth

tion of the "Railroads' Contribution to American Progress" during the past 100 years. The fair took hold of the public's interest in "world fair" proportions, the attendance averaging 48,000 per day. Chicago industrial concerns, banks, and business houses generally contributed advertising and other forms of publicity. The picture shows the ticket and information booth maintained in the savings department of the Continental Illinois National Bank and Trust Company of Chicago. On display are models of two of the earliest railroad engines, the Pioneer and the Tom Thumb, contrasted with a model of a modern streamliner.

Vice President

William Heuer, Jr., has been elected vice president of California Bank, Los Angeles, Frank L. King, president, announced. Mr. Heuer was formerly executive vice president of the First Bank and Trust Company, South Bend, Indiana.

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Bank Earnings Benefit From Increased Interest Rates

**Is Doubtful If Higher Reserve Requirements
Will Be Put Into Effect**

By RAYMOND TRIGGER
Investment Analyst
New York City

BELATEDLY, in the opinion of many, and certainly grudgingly, the Treasury has upped the one-year rate to 1½ per cent, a development that will hardly surprise readers of this column. It is a victory for the Reserve and Mr. Eccles; a defeat for the Treasury and Mr. Snyder.

The immediate repercussions likewise might easily have been forecast. Commercial paper rates have adjusted themselves. The Reserve's re-discount rate has been raised. Outstanding loans with the escalator clause now carry a higher rate. Banks' earnings, at least for the moment, have benefited. There remains, of course, the threat of higher reserve requirements. On this point, though, there is plain indication that the authorities would prefer to hold it as a threat, rather than to invoke it.

That is because higher reserves will be found most readily by dumping governments into the receptive lap of the Reserve Banks. The best place for the government's debt is in the hands of private savers, or in the hands of life insurance companies which act for them, and in the vaults of savings banks, again functioning as agents for private individuals. If the bonds of the government pay so little as not to attract private savers, the next best place is in the portfolios of commercial banks; the least desirable spot for governments is in the Reserve Banks. Unfortunately, the notion that governments should not sell below par means that the Reserve must buy without limit. The long-term 2½ per cent rate is still sacred in Washington.

If higher reserves are ordered, the banks owning too many governments to begin with, can hardly be blamed for turning them back to the Reserve in order to comply with instructions from on high. In passing, it's clear that as long as governments can be sold to the Reserve, the banks already have the equivalent in cash, in addition to actual cash, in a more than gen-

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.

erous amount. From the standpoint of earnings, though, the banks will suffer if forced to turn bonds paying 2½ per cent into non-productive "reserves."

Reserve Increase Not Imminent

Thus, the prospect is that commercial banks, if higher reserves are ordered, will sell governments to the only important buyer. Worse, they will sell more governments than needed to satisfy reserve requirements in order that they may have cash to lend to restore earning power. That is monetizing the debt at an accelerating pace. Presumably, the authorities are not too anxious for that to happen. And, of course, higher reserve requirements take not a single dollar out of circulation; indeed, the result might easily be the reverse. The way to combat inflation is to have fewer, not more, dollars seeking to buy such goods (the more goods the better, of course) as have been sent to the marketplace.

Altogether, then, it looks as though the authorities would go easy on hiking reserve requirements.

Higher Rates Good

The higher interest rates already on us, though, are all to the good. They spell better earnings for banks; a choosier attitude on the part of lending officers; a more thoughtful ap-

proach by borrowers since the cost will be higher. There might even be a fall in total credits allowed. Likewise, returns from investments other than governments should rise a little and, perhaps, enough to entice some private individuals to save what otherwise they would have spent.

There is, however, a cloud, a good deal bigger than a man's hand on the horizon. The fetish of a 2½ per cent rate on long governments is less defensible every time that short-term rates advance. If it is right to raise one-year rates, why should not longer term rates be proportionately adjusted? For the moment, and doubtless till early-November, the question is academic.

But the warning is clear. The position of intermediate and long governments has been further undermined in recent weeks. The inevitable cannot be defied indefinitely. The short-term rate has been raised. The Reserve for weeks has been ignoring the maturities through 1953. Last year, as a pre-Christmas Day treat, the old pegs were abruptly pulled. The pressure increases and the precedent exists. Still, there remains time to make ready. November is some way off.

Some Guessing Necessary

That suggests that the shrewd and prudent management of investment funds will try to peer through the fog and to guess what a Republican administration will aim at. A Republican administration, it appears, must be taken for granted, beginning next year. All the respected political wise-aces grant the Presidency and the House; most rather expect a Republican Senate as well. The southern Democrats in revolt seem to be aiming at recovering their party, however shattered, and restoring it for a real contest in 1952. The followers of Wallace, likewise, seem to be more concerned with 1952 than 1948. A miracle might do something for the Truman Democrats. Short of money and

miracles, this faction seems to be concentrating on certain seats in the Senate. But the only well-heeled and determined party concentrating on winning in 1948 seems to be that of the Republicans.

If, for argument's sake, it is granted that the Republicans will win in November, what may be expected of them? They'll go in with some extremely competent and proven administrators at the top level and the signs point to the injection of some fine brains into the Treasury. Granted that they will be politically minded, they will start laying plans for 1952. Above all, they will want to avoid any

serious mishaps in late 1951 and during 1952.

If the premise is granted that inflation has gone too far in this country; that prices are too high; and, among other maladjustments, the national debt of \$253,267,236,266 is not only too large, but definitely unwieldy; what might be the grand strategy?

Is a Recession the Answer?

The answer suggests itself. A recession, short of a "bust," of course, is inevitable. The sooner the better, then. Once over and done, a healthy recovery should set in and carry the

incumbents on to fresh victories in 1952. Surely the strategists high in the Republican party have not forgotten the history of the early '20s.

The Republicans turned out the Democrats in 1920 and, in 1921, there was a short, but severe adjustment. It was, perhaps, more nearly "drastic" or "violent" than "severe," but it was, mercifully, brief. The record shows that the electorate had forgotten it by 1924—a Republican year—and the boom which followed the 1921 episode had by no means subsided in 1928—another Republican year. The 1929 debacle was resisted energetically; it persisted till it had lasted till mid-1932. In the Fall of that year, the Republicans were dismissed.

With such a record to contemplate, how can the Republicans fail to conclude that, however distasteful the medicine may be, the sooner it is taken—in sufficient large quantity—the sooner the recovery sets in?

The records of post World War I will also disclose that government bonds sold far below par—some into the middle 80s—and that the Victory issue was for five years at the rate of 4% per cent, if memory serves. Consider the contrast with a 2½ per cent rate on the longest governments today and the inflation unchecked and the inevitable aftermath not yet upon us! Say nothing of a total government debt which costs \$5,200,000,000 a year merely to service, say nothing of reducing; and is still not lodged nearly enough with bona-fide long-term investors.

It may be profitable to consider just what a government bond promises. It is no more than an undertaking to pay stated interest at specified dates and, upon maturity, the principal. The government bond has not been engraved which carries on it any undertaking, expressed or implied, to be always marketable at, or above, par. The amiable Reserve has virtually emasculated itself of its power to control money rates by playing along with a Treasury Department which fancied low coupons and high quotations on its bonds. But the Reserve has lately been rather less co-operative. The members of its Board hold office for good, long, comfortable terms. Treasury top men are appointed. The Reserve may sense a change in the offing.—The End.

Committee Chairman

Kenneth R. Wells, vice president of the American National Bank and Trust Company of Chicago, has been appointed chairman of the committee on legislation, installment lending division, Illinois Bankers Association.

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The marketability of municipal bonds—the readiness and promptness with which they can be sold—has broadened in recent years. This is due to their increased attractiveness to investors who find their federal tax exemption valuable, to an increase in the amount of municipals issued, and to a growth in the number of investment houses and banks actively trading in them. All of these factors are expected to further broaden and enlarge the marketability of municipals.

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What Bankers Think of Raising Rediscount Rate

(Continued from page 21)

ministration in trying to protect the carrying charges on the national debt, at low levels, while raising the Federal Reserve rediscount rate, is rather contradictory.

"The demand for money in our trade area is still subnormal and our loans about a third of our total investments. We are raising rates and meeting little, if any, resistance; however, it is our opinion that rates must advance substantially above the present rate to really be effective."

LAWRENCE F. STERN

President, American National Bank & Trust Company of Chicago

"The increase in the Federal Reserve rediscount rate from 1¼ to 1½ per cent, coupled with one-eighth of 1 per cent increase in the one-year certificate rate, in my opinion, will not in themselves have a very material effect on either the general business situation or the slowing down of inflation. This change in interest rates, however, supplementing the other slight upward changes which we have seen over the past year and a half, seems to be fundamental. In other words, it gives evidences of being another step in a complete reversal of the general interest picture which we saw in the period 1933 to 1946. Such a change could very well be the forerunner of a down trend in business and serve as a brake on the inflation spiral. This is especially true when one recognizes that there are other deflationary forces in the offing.

JOSEPH F. RINGLAND

President, Northwestern National Bank of Minneapolis, Minn.

"The recent increase in the Federal Reserve rediscount rate from 1¼ per cent to 1½ per cent has been largely psychological. Since the war, banks have been only occasional borrowers and, of course, they have substantial holdings of short government securities with which to replenish reserves. However, we should not overlook the importance of the rediscount rate as an influence on other interest rates.

"During the past year, we have witnessed a gradual return to a more flexible interest pattern for short term governments and corresponding adjustments in the rediscount rate. Simultaneously, the commercial banks, cooperating through the A.B.A., have taken steps to help stem inflation by

moderately increasing their interest rates and more carefully screening loans. All of these instruments working in concert—a more flexible interest pattern for government securities; the change in the rediscount rate and a general increase in the entire pattern of interest rules—should have a marked effect in curbing inflationary credit."

1,000 Members

The Quarter Century Club of Guaranty Trust Company of New York last month marked the admission of its 1,000th member with a luncheon at the bank at which Creighton D. Lummis of the comptroller's department received the club's official emblem and membership certificate No. 1,000. Officials of the club, President William L. Kleitz of the bank, and associates of Mr. Lummis' department were present.

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New Vice President

S. H. Witmer, president of Policyholders National Life Insurance Company, Sioux Falls, South Dakota, announces the appointment of W. E. Moore as agency vice president.

Mr. Moore has been for many years a personal friend of the company's officials, who are all familiar with his past record of accomplishment. In his new capacity as agency vice president he will have complete charge of

agency activities and be responsible for promotion and development of new business, including recruiting, training and augmenting the present agency force.

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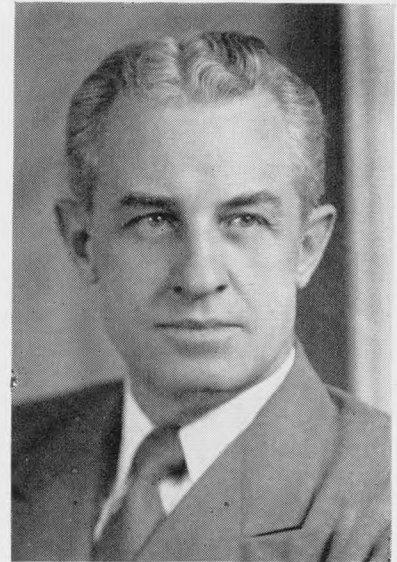
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W. E. MOORE

With Policyholder's National

experience in the fire and casualty business, Mr. Moore joined the ranks of the Pacific Mutual as an agent of that company in Sioux Falls, South Dakota, on January 1, 1930. Two years later he was made general agent in Sioux City and later transferred as general agent for the state of Kansas with headquarters at Wichita.

Mr. Moore assumed his new duties during the Policyholder's Agency Convention at Estes Park.

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INSURANCE

How the Agent Can Get More Bond Business

There Is a Need for Corporate Surety Protection For Private Construction Contracts

By **CHARLES G. ROTH**
Surety Claims Division
National Surety Corporation
New York City

IN THE early history of this country contracting was in a chaotic state. Suppliers of labor and materials were never certain of payment. Suppliers were forced to load their prices to make sure that the profitable ventures would offset their losing ventures.

In 1791 the state of Maryland passed a law to help land owners improve their property. In order to induce the suppliers to cooperate, this law gave them protection. The first mechanics' lien statute had been conceived and enacted. Its popularity caused its spread, so that in the next 50 to 100 years all of the states adopted laws designed to protect the suppliers of contractors.

Whenever contracts are attractive to suppliers we find that prices are lower, performance is better and defaults are fewer. Public opinion is a powerful factor. It has already forced the adoption of laws by five states which require owners to take bonds for the protection of suppliers, if the owners want relief from the burdensome mechanics' lien law provisions. It seems safe to predict that some day, not too far in the future, the construction industry will be stabilized through the adoption of laws requiring bonds for the protection of suppliers on all contracts, private as well as public works.

The adoption of the Bonded Competitive System for private contracts is evidence that public opinion has determined that private construction

contracts are entitled to the benefits of the procedures which the public au-



CHARLES G. ROTH
 "Thar's Gold in Them Hills"

thorities had worked out and developed in the public works contract field.

It is common knowledge that concentration on war contracts, plus ordinary current needs and developments, has piled up a tremendous backlog of non-military construction.

Private construction contracts present a market potentially capable of producing in excess of 50 million dollars of premium each year which could yield you millions of dollars of additional commissions. Normal produc-

tion protects approximately 10 per cent of the total of private construction contracts. The unbonded 90 per cent presents its challenge to the American Agency System and the surety industry.

Knowledge Is Necessary

Any agent who wishes to build up a volume of contract bond business must learn how to produce desired results. A contract bond is not to be had merely for the asking. Contract bonds are so hazardous that they must be carefully underwritten. Most contractors experience difficulty in securing all of the bonds for all of the contracts they wish to undertake. The agent who knows the general underwriting requirements is several jumps ahead of his competitor.

A knowledge of underwriting requirements will permit the agent to differentiate between good, bad and borderline risks. He will know what facts are necessary to justify approval of the risk. He will develop and present those facts fully with the first presentation. He will avoid disapproval or need for resubmission which premature incomplete submission invites. He will avoid delays incident to need for developing additional information. Such delays present competing agents their best opportunity to take the business. These delays involve not only the risk of loss of the particular item of business, but also of the account and of all the insurance

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coverage which usually follows the contract bond.

How to Get the Business

Every producer has his own method for getting business. Each one of you has one or more strong points which you turn to your advantage. By combining with such strong points the best of the methods and procedures which have brought success to the large producers of construction contract bonds you can hope to realize the dream of every agent. You can hope to reap the benefits of super-production.

The most successful producers of construction contract bonds claim that they achieve their best results by giving good service to their customers and to those who might become their customers. To render this service they find that it pays to make and maintain the best of contacts and friendships.

They also advocate the wide acquaintance with contractors, material suppliers, public officials, architects, engineers, bankers and capitalists. They join all civic and semi-public organizations. They seek committee work on these bodies. They make contacts and cement friendships with the personnel of all the boards and departments which have control over

the award or supervision of contracts. These are the state highway, state engineering and state architects departments, the county commissioners, the county engineers, the city officials, engineers, architects and inspectors.

They make it a point to attend all contract lettings because by attending the lettings they are afforded the opportunity for renewing friendships, for making new friends and performing service that bring business. Such attendance impresses the contractors with the fact that they are always on the job. By being present they protect their own business and place themselves in the way of getting new business. They know that the ability to execute the required bonds on the spot will sooner or later place them in a position to take business away from competitors. They say that time is very often the most important element, especially in a situation where the contracting officer may be impatient, where he may desire the immediate execution of the contract and the immediate delivery of the bond. They know that being on the job affords them opportunity for business which would otherwise not be within their reach.

They become familiar with all types of contracts and with the classes into which these contracts are divided for rating purposes. They are careful to keep abreast of rates and rate changes so as to avoid being placed in the embarrassing position which attends the inability to quote a rate or the necessity for changing a quotation once given.

They compile complete records covering all of the contractors who operate in their territory, whether or not

A RESERVOIR OF CHECKING ACCOUNTS

Among those millions of people who maintain savings accounts, but who do not pay by check, can be found a vast, untapped checking account market. Very little effort has been made to reach this market for seven years and it appears timely now to go to work on it.

We suggest that you send a letter to all savings account customers who do not maintain checking accounts, stating the advantages of paying by check and emphasizing the low service charge cost. As an inducement offer them our "Free Fifty" package, which would start them off with top quality Personalized Checks. Our "Free Fifty" is a little package containing 50 Personalized Checks, together with a check register, a

deposit record, and a nice, gold-stamped cover. We sell it to banks for 60 cents, including postage mailed direct to the customer, and the bank in turn presents it to its customers at no charge, with the understanding that subsequent orders will be purchased.

Under this plan you not only reduce your operating costs by switching savings withdrawals to checking withdrawals, but you also recover the full cost of the checks themselves after the complimentary supply has been used. Thus you secure service charge paying checking account customers and increase proportionately the relative number of "thrift" accounts in your Savings Department.

De Luxe
CHECK PRINTERS
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Manufacturing Plants at:

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is the expressed result of our plan with each of our many Banker Friends who qualified for our Annual Expense-paid Vacation, held this year at Estes Park. Join this hard working, hard playing group next year. For details contact

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Insurance Company**

SIOUX FALLS, SO. DAKOTA

the contractor is a customer. They make it a point to know the type of work which each of these contractors prefers. They compile their information from all available sources, such as rating bodies, boards, associations and banks, as well as by direct information from the contractor. They know the personnel of each contractor organization and compile data covering the hobbies and affiliations of the top officers.

They understand that many other types of insurance coverage follow the contract bond. For that reason they make themselves expert on all types of collateral coverage. Sound advice, good suggestion and competent handling of insurance business which opportunity throws their way helps to bring other business.

They say it is most important to obtain advance information concerning prospective contracts. Their sources of such advance information are their contacts and friendships, the daily newspapers, trade publication, public records and advertisements. Some of them find it helpful to subscribe to news services like Dodge Reports to obtain advance information of the prospective contractors, likely bidders, the names of the owners, architects and other officials who may have supervision or authority thereon. Thus they can be first in offering their service as insurance advisors to the owners and architects. They check their records on contractors to determine which of the contractors might be interested in the type of work being offered. They find that advance information places them in better position to discuss construction contract matters. They telephone the contractors to learn if they intend to bid on certain types of work. They find that their phone calls often pave the way for giving service and getting business.

There is a huge market potential in the private construction contract field, particularly in industrial and utility construction. It beckons with alluring promise of rich reward.—The End.

A. M. Joslyn

A. M. Joslyn, 65, director of the First National Bank in Anoka, Minnesota, REA and past president of the Anoka County Farm Bureau, died recently. He had been in the hospital for five weeks.

For a number of years he operated an insurance agency in the First National Bank Building.

A. J. Gock Honored

Fellow Bank of America officers and associates paid tribute recently to A.

J. Gock, chairman of the bank's board of directors, on the 45th anniversary of his embarkation on a banking career.

The chairman of the board of the largest bank in the world started his career with the City and County Bank of San Francisco 45 years ago, becoming associated with Bank of America, then Bank of Italy, in 1912. He became an officer of the bank in 1914, vice president and director in 1925, vice chairman of the board of directors in 1935, and came to Los Angeles

in charge of the bank's southern California activities in 1939.

In 1945 he was elected chairman of the board of directors, succeeding A. P. Giannini, who retired at that time with the honorary title of founder-chairman.

Time Out

"Oh, pshaw! I left my watch upstairs."

"Never mind. It'll run down."

"No, it won't. There's a winding staircase."

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.



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IS prompt, efficient collection of Wisconsin checks and drafts important to you? Do you ever need first-hand facts about sources of supply in Wisconsin? . . . credit information? . . . market data? . . . who's who?

Whatever your requirements — routine banking service, special information, or off-the-beaten-path assistance — the chances are that the facilities, long experiences and statewide contacts of the first Wisconsin National Bank of Milwaukee can supply the answer.

This bank is the largest in the state . . . 29th in size among all banks in America . . . and over 92 per cent of the hundreds of banks throughout Wisconsin are First Wisconsin correspondents.



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Insurance Corporation

**FIRST WISCONSIN
NATIONAL BANK
OF MILWAUKEE**

BANKERS NAME THEIR CHOICE FOR PRESIDENT

(Continued from page 22)

grindstone. They want everything lower and can we afford that with the enormous government debt? The Democrats have had too many laws and regulations. Ninety per cent of the people would be in jail if everybody were arrested for wrongs in the last 6 years, and of course Wallace is supposed to be a Communist which we cannot favor. If Wallace were not a Commy, I would favor his platform"

What the final political outcome will be in the November election is yet to be decided, but most political prognosticators favor Gov. Dewey as the next president, but they believe he will have to put on a good strong campaign, and that it will not be a "walk-over."

No one can tell now what the Russian situation may be at the time the voters go to the polls, but the international situation, cost of living, housing and many other questions will come up in the voters' minds, as they cast their ballots, and as one banker said in replying to the NORTHWESTERN BANKER survey, "16 years under one gang is too much, no matter which one."—The End.

Wins Award



John K. Grogan, left, Minneapolis, is \$400 to the good—having won that sum for an idea accepted by the Employees Suggestion System at First National Bank of Minneapolis. He is pictured receiving the award from H. E. Atwood, First National president. Mr. Grogan was given the award for his suggestion regarding internal operations in the bank's credit department, where he is employed. The prize is the largest paid since inauguration of the First National's suggestion system two years ago. An average of twenty-five suggestions a month are submitted by the bank's employees.



Minnesota NEWS

M. O. GRANGAARD
President
Minneapolis

ROBERT E. PYE
Secretary
Minneapolis



50 Year Banker

Hilding F. Krook, New Ulm, Minnesota, last month resigned as cashier of the Citizens State Bank, after a half century with the bank. Mr. Krook had been in the banking business for 58 years. He was succeeded by W. F. Huevelmann.

Back at Work

Lawrence Paulson, president of the Farmers State Bank at Rothsay, Minnesota, who submitted to a serious operation at Northwestern Hospital in Minneapolis recently, has returned to his home at Rothsay and is back at his desk now.

T. K. Troe

T. K. Troe, vice president and cashier of the First National Bank at Emmons, Minnesota, died last month at the home of his daughter, Mrs. Vernon Wrolstad, at Pequot Lakes, Minnesota. Death was due to a heart attack. He had been in ill health for several months. Mr. Troe had been in the banking business in Emmons for 43 years.

Mrs. Troe was in a hospital at Rochester at the time of his death.

Surviving are his wife; his daughter, Mrs. Vernon Wrolstad; four grandsons; his stepmother; one sister; five half sisters and one half brother.

Increase Surplus Account

The board of directors of the Fidelity State Bank of Minneapolis, at a recent meeting, increased the surplus account of the bank by \$50,000, according to announcement made by C. Herbert Cornell, president.

This is the second such increase of the bank in a little more than a year.

The total capital structure of the bank is now over one-half million dollars.

The capital is listed at \$200,000, surplus \$200,000 and undivided profits and reserves of over \$100,000.

Serving with Mr. Cornell in management of the bank are the following: Herbert C. J. Olson, vice president; O. M. Anderson, Emmett L. Duemke, Emil Gustafson, George Hunt, Henry Johnson, Seeman Kaplan, Dr. Frank

Mach, Nels Swanson and Carl Thompson, directors.

Modernizing Bank

Modernization activities have been under way at the Middle River State Bank, Middle River, Minnesota, with the installation of glass blocks in the top part of the window frames. The doorway will also be enclosed in glass blocks, and a new door installed.

S. J. Bredeson, cashier, states that other major improvements are also contemplated.

August H. Lidberg

August H. Lidberg, 62, vice president and cashier of the First National Bank at Red Wing, Minnesota, died last month after an illness of more than a year. Mr. Lidberg was treasurer of the Red Wing Elks Club for 25 years. He is survived by his wife, four daughters, three grandsons, two brothers and one sister.

Now Covered by F.D.I.C.

The State Bank of Danube, Minnesota, is now covered by Federal Deposit Insurance, according to an an-

nouncement made by officers of the bank.

A.I.B. Appointments

Completion of the national organization of the American Institute of Banking through the appointment of associate councilmen to assist the twelve executive councilmen in carrying on the work of the institute is announced by Pierre N. Hauser, newly elected national president of the A.I.B. Mr. Hauser is vice president of the First Wisconsin National Bank, Milwaukee, Wisconsin.

Each executive councilman has several states in his jurisdiction and associate councilmen are appointed to assist him in the promotion and development of institute chapters and study groups. The name of the executive councilman is shown in capital letters above the names of the states and associate councilmen in his territory. Those who served last year and were reappointed are indicated by an asterisk.

CHRISTIAN RIES:

Iowa—*Clarence A. Reibert, Iowa-Des Moines National Bank, Des Moines. Minnesota — Vincent R. Smythe, State Bank of Park Rapids, Park Rapids.

Nebraska — *Theodore A. Spaustat, Live Stock National Bank, Omaha. *Clifford G. Weston, First National Bank, Lincoln.

North Dakota—*Adrian O. McLellan, The Merchants National Bank and Trust Company, Fargo. *L. M. Stenehjem, First International Bank, Watford City.

South Dakota—Russell B. Knudsen, American State Bank, Yankton.

Employees Chorus Wins Favor



SINGING BANKERS—More than 50 members of the Northwestern National Banks in Minneapolis organized the EON Chorus two years ago to give opportunity to all bank employees with musical abilities and interests a chance to express their talents. Numerous appearances have been made in and around Minneapolis. Under the direction of **Bruce Sielaff**, former Northwestern National employee, the chorus meets regularly throughout the year for practice sessions that are looked forward to with great enjoyment. The success of the EON Chorus is noted by its record of having won second place the past two years in the Aquatennial chorus contest, a feature of the annual spectacle which draws groups from all parts of the state.



MEMBERS of the Minnesota Bankers Association, headed by **M. O. Grangaard** of Minneapolis, supported National Farm Safety Week recently by publicizing the purposes of the week and by setting up demonstrations, displays and contests so that the accident record could be reduced. Mr. Grangaard also is vice president of the First National Bank of Minneapolis.

The Minneapolis Aquatennial, annual civic festival, meant added work for employes of **Midland National Bank** of Minneapolis—but they were glad to do it.

The bank had the task of counting money tossed into a large flag carried in the Aquatennial parade. So many coins were contributed that the flag split from the weight. Contributions went to the Crusade for Children, which assists needy children abroad.

Plans for a new building to house the **First Merchants State Bank** of St. Paul are being drawn, **John Entenman, Jr.**, vice president, announced recently. A site for the new edifice has been purchased at the northeast corner of E. Seventh and Mendota streets and E. Minnehaha avenue. Bank officials hope the project can be carried out within a year.

Organized in 1919, the bank changed its name to First Merchants in 1945. Affiliated with the First National Bank of St. Paul and the First Bank Stock Corporation, the bank has capital,

surplus and undivided profits of \$230,000 and deposits in excess of \$5,600,000.

Officers are **Herbert P. Buetow**, president; **William C. Riedel** and **Mr. Entenman**, vice presidents; **Arthur W. Melander**, cashier; and **N. Robert Hinsch**, assistant cashier.

Election of four new officers of the First National Bank of Minneapolis was announced recently by **H. E.**



J. R. WILSON



S. R. OMLIE

Named assistant cashiers

Atwood, president, following a meeting of the bank's board of directors.

Styrk R. Omlie and **John R. Wilson** were advanced to assistant cashiers in the department of banks and bankers. **Kenneth R. Johnson** and **Frank B. Krause** were promoted to assistant secretaries in the trust department.

Mr. Omlie joined First National in 1933. In 1940 he became a member of the investment research staff of the First Service Corporation. He returned to the bank in March, 1947, and

since has been with the department of banks and bankers. During the war he served in Europe with the army quartermaster corps.

Mr. Wilson became associated with the bank in February, 1948, after previously having been on the examining staff of First Service Corporation. He saw five years' service in the army during the war and was discharged as a captain.

Mr. Johnson is a graduate of the University of Minnesota law school. He has served in the income tax and probate divisions of the trust department. During the war he served three years in the marine corps.

Mr. Krause has been with the corporate division of the trust department since 1943.

Clarence W. Groth of Minneapolis recently was named assistant vice president of the Minneapolis Federal Reserve Bank and assigned to the Helena, Montana, branch, according to announcement by **J. N. Peyton**, president of the bank.

Mr. Groth has been with the bank since 1923. Since 1943 he has been an examiner. He will replace **Clinton J. Larson**, assistant cashier.

Lloyd L. Leider and **Donald L. MacGregor** of the First National Bank of St. Paul were scheduled to attend the fourth annual School of Banking at the University of Wisconsin at Madison. Mr. Leider is assistant cashier for country banks at First National and Mr. MacGregor is assistant vice president in charge of business development.

About 450 bankers were to attend the sessions, sponsored by the Minnesota Bankers Association and 15 other groups in the Central States Bankers Conference. Other bankers from the Twin Cities area planning to attend were **Harold E. Krog** of Stillwater and **Francis P. Woxland** of Hastings.

Bank debits in St. Paul for the first six months of this year were 14.7 per cent above those for a like period in 1947. In Minneapolis the increase

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MINNESOTA COMMERCIAL MEN'S ASSOCIATION

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Minneapolis 4, Minnesota

was 14.2 per cent. Debits in St. Paul for the period were \$2,806,248,000 and in Minneapolis \$6,176,428,000. For St. Paul, these figures show an increase of 174 per cent over the first six months of 1940. In Minneapolis, the increase was 163 per cent over the first half of last year.

Joseph F. Ringland, president of the Northwestern National Bank of Minneapolis, has been elected to the board of trustees of Shattuck School at Faribault, Minnesota.

Appointment of **Lloyd Wilkes** as executive secretary of the Minneapolis chapter, American Institute of Banking, was announced recently by **Ralph Spearing**, chapter president. He succeeds **Alan W. Giles**, who resigned.

Originally from Alexandria, Minnesota, Mr. Wilkes attended the University of Minnesota, the St. Paul College of Law, George Washington law school and New York University. He comes to the chapter from New York, where he was a representative of Brown & Bigelow, St. Paul advertising concern.

Formerly he was assistant manager of the Laundry and Dry Cleaners Machinery Manufacturers Association and the Laundry and Cleaners Allied Trade Association of New York.

New York bankers generally look for a conservative government and a reduction in government costs if Governor Thomas E. Dewey is elected president, **Harold Helm**, president of the Chemical Bank and Trust Company of New York, declared recently in Minneapolis.

Mr. Helm also said that American production looks favorable for the rest of this year because of accumulated demand for goods.

While in Minneapolis he was guest of **Midland National Bank** of Minneapolis and of **H. E. Atwood**, president of the First National Bank of Minneapolis. He was accompanied by **Huntington M. Turner**, vice president of the Chemical Bank.

Ade C. Boysen, assistant advertising manager of the First National Bank of St. Paul, was to attend a two-week school in financial public relations at Northwestern University last month. The school offered classes in applied psychology, techniques of public relations policy, effective use of words, salesmanship, effective speaking, advertising and the study of case histories.

Certain phases of American banking

procedure puzzle bankers in Sweden, reports **Ruth Anderson**, secretary to **F. F. Zander** of the Marquette National Bank of Minneapolis.

Miss Anderson, on her return from a five-week visit to Sweden, said Swedish bankers couldn't understand how American bankers could give loans on automobiles "How did we know that they had a car, was one of their questions," she declared. "And they wanted to know what security there was in a used car."

The **Northwestern National Bank** of Minneapolis was host recently to gladiolus growers of the Northwest. The annual gladiolus show was held in the bank's lobby.

Two Minneapolis women will be committee chairmen for the 26th annual convention of the Association of Bank Women in Detroit, Michigan, September 24th to 26th.

Marian E. Mattson, assistant cashier of the Northwestern National Bank of Minneapolis, will be program chairman. **G. Alice Catlin**, supervisor of the filing department of the Farmers and Mechanics Savings Bank of Minneapolis, will be publicity chairman.

Directors of the First Grand Avenue State Bank of St. Paul recently elected **Franklin E. Truax** cashier of the bank, according to an announcement by **Frank H. Delaney**, president.

Mr. Truax will succeed **Russell H.**

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● As a correspondent of this bank you can call upon us for many services to your customers. For them at your request we will:

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Johnson. The new cashier began his banking career in 1933 with the Farmers and Merchants Bank of Cavalier, North Dakota. In 1936 he went to the Minnesota National Bank of East Grand Forks, and in 1939 joined the staff of the Marquette National Bank of Minneapolis. He entered the employ of the First Grand Avenue Bank last April. He served four years in the army.

Mr. Johnson, prior to his transfer to the First Grand Avenue Bank in 1946, was employed at the First National Bank of St. Paul. He is returning there now as assistant cashier, according to an announcement by **Julian B. Baird**, president.

Horace M. Hill, prominent in Minneapolis business and banking activities, died recently at the age of 86. President of Janney-Semple-Hill and Company, wholesale hardware firm, since 1924, Mr. Hill was, in point of service, one of the three oldest directors of the First National Bank of Minneapolis and a director of the First Bank Stock Corporation.

Business in the Northwest during July continued at the accelerated pace which marked activities in May and June, according to bank debit figures for the Ninth Federal Reserve District released recently by the **Minneapolis Federal Reserve Bank**.

Total debits for the 133 cities in the district were \$2,886,285,000 compared with \$2,450,794,000 for July 1947, a gain of 18 per cent. For the first seven months of 1948 the figure was \$19,116,208,000, compared with \$16,680,873,000 for the same period in 1947, a gain of 15 per cent.

Minneapolis debits totaled \$1,103,433,000 in July, compared with \$936,011,000 last year, a gain of 18 per cent. St. Paul debits were \$467,327,000 for July, against \$410,001,000 last year, a gain of 14 per cent.

Paul W. McCracken resigned effective September 1st as director of research for the Minneapolis Federal Reserve Bank, a post he had held since 1945. He will become an assistant professor of business conditions at the University of Michigan school of business administration.

Succeeding him as research director is **Dr. J. Marvin Peterson**, head of the economics department of Miami University, Oxford, Ohio.

The final in a series of seven banking clinics held throughout Minnesota took place recently in St. Paul with bankers of the Twin Cities and surrounding areas in attendance.

M. O. Grangaard, president of the Minnesota Bankers Association and vice president of the First National Bank of Minneapolis, said that "while the clinics were held on an experimental basis this year, it is hoped that their highly educational nature will prove so valuable that they will be continued in future years."

Current banking problems were discussed by authorities at the clinics.

Election of **H. H. Corey**, president of Geo. A. Hormel and company, Austin, Minnesota, as a director of First Bank Stock Corporation of Minneapolis was announced by **Augustus H. Kennedy**, president, following a recent meeting of the board.

Mr. Corey has been president of the Hormel company since 1946. Associated with the company since 1920, he rose through various positions and was made a director in 1928. A year later he became a vice president. A native of Escanaba, Michigan, he is a graduate of the University of Nebraska and a veteran of World War I.

James A. Davis, cashier of the First National Bank of Minneapolis, is treasurer of the Hennepin County unit of the American Cancer Society. It was reported last month that **James A. Murphy**, vice president of the First National, was treasurer of the Hennepin County unit. Mr. Murphy is treasurer of the American Heart Association.

The BANK



at the YARDS

CARL L. FREDRICKSEN
President

MARK A. WILSON
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

Everything You Need

Here at the Live Stock National Bank in Sioux City, you find all the facilities of a big, city bank. You'll also find friendly man-to-man contacts that are characteristic of a smaller bank. Added together, they spell prompt service and friendly co-operation on all your items, including Sioux City or any out of town item.

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South Dakota NEWS

J. M. LLOYD
President
Yankton

CARL E. BAHMEIER, JR.
Secretary
Huron



Joins Huron Branch

Appointment of Cecil F. Stilgebouer as assistant manager of the Huron Branch, The National Bank of South Dakota, Sioux Falls, was announced last month by S. H. Finger, vice president and manager of the Huron Branch.

Mr. Stilgebouer has assumed his new duties and will be active in the bank's commercial loan department. Adding another official to the bank's staff is necessitated by the increase in the bank's business, Mr. Finger stated.

A native of Danbury, Nebraska, Mr. Stilgebouer was employed by the Live Stock National Bank of Omaha for the past six months as a livestock appraiser and inspector. Prior to that time, he was field man and accountant for the Santa Clara County Dairy Herd Improvement Association of San Jose, California. From 1940 to 1945, he was associated with the Bank of America N. T. and S. A., in San Francisco, in various managerial capacities, including manager of several branches.

Remodeling Bank

The Farmers State Bank of Stickney, South Dakota, is undergoing redecorating both inside and outside. The entire inside of the offices has been painted, with new light fixtures installed and new flooring covering the old floor.

Foreman Recovering

L. C. Foreman, president of the Corn Exchange Bank at Elkton, South Dakota, and former president of the South Dakota Bankers Association, was reported recovering last month at Rochester, Minnesota, following an operation.

Attends Banking School

J. S. Holdhusen, cashier of the Ipswich State Bank of Ipswich, South

Dakota, was gone last month for two weeks' attendance at the School of Banking at the University of Wisconsin, Madison. This was the second year of attendance for Mr. Holdhusen at the School which requires resident attendance for two weeks each year for three years for the certificate of graduation.

Remodeling at Claremont

The First State Bank of Claremont, South Dakota, was undergoing complete interior redecorating last month.

The ceiling and woodwork were being painted white and the walls a light green. Teller and paying windows and counters were being re-varnished.

Sioux Falls News

RESIGNATION of Roy H. Fenner, cashier of the Sioux Valley Bank, was announced by Erling Haugo, president of the institution. Mr. Fenner has acquired a major interest in a beverage concern here. He will remain on the board of directors of the bank.

Dr. Oscar Litteler, economist with the Federal Reserve Bank of Minneapolis, discussed economic trends before the Rotary club.

C. A. Christopherson, chairman of the board of directors of the Union Savings Bank, was one of 10 Sioux Falls men receiving a special award for membership of 25 years or longer in the Kiwanis club. The honors were conferred at a convention of the Minnesota-Dakotas district of Kiwanis International.

V. J. Lowe, vice president of the Northwest Security National Bank, was named treasurer of the 1948 Community Chest campaign here which

aims at raising \$62,600 this fall for 12 service agencies.

Tony Westra, agricultural and livestock representative of the Northwest Security National Bank, and Stan Morrill, who in a similar capacity represents the National Bank of South Dakota, assisted in judging livestock at the Lyon County, Iowa, fair, at Rock Rapids.

NEWS AND VIEWS

(Continued from page 24)

Bennett Cerf, who writes most interestingly in each issue of the *Saturday Review of Literature*, had these stories to tell about our "friends" in Russia. "It won't be long now before the Russians have that atom bomb," boasted the reporter from the *Worker*. "In about five years a dozen agents will pack bombs in suitcases, travel inconspicuously to the various capitals of decaying Western democracies, and boom! that will be that!" "Ridiculous," scoffed the *News* man. "Where do you think they're going to get the suitcases?"

"The party leaders were putting on a great show for visiting delegates from the provinces. Stalin himself took in tow a stalwart from the Caucasus who had never been in Moscow before. In one room of the Kremlin, he pointed to a microphone, and said, 'That little instrument is hooked up to the entire world. We pour out propaganda into it, and every person alive hears us.' The Caucasian was duly impressed. 'The whole world hears,' he marveled. 'I'd like to try it.' 'Okay,' conceded Stalin. 'You can say just one word into the microphone.' The Caucasian seized the instrument, took a deep breath, and hollered, 'HELP!'"

William A. Carson, for four decades identified with industry, finance and civic affairs in Evansville, Indiana, has been elected president of the Old National Bank.

At the same time, the resignation of Lewis R. Elkins as vice president of the bank was accepted.

Mr. Carson will succeed Robert D. Mathias who left to become president of the recently formed Chicago National Bank.

Bert D. Helscher, president of the

THE NATIONAL BANK OF SOUTH DAKOTA

Huron

Sioux Falls

Vermillion

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION

Keokuk County State Bank at Sigourney, Iowa, is just finishing 50 years of banking, and in a letter to the NORTHWESTERN BANKER said, "In regard to my being in banking 50 years this coming convention, it is quite a story going from the cornfields of Iowa and entering a banking career that has now extended over almost 50 years at this time. Many events have happened during that time, many ups and downs, but fortunately most of them ups or I wouldn't be in the business today."

George E. Porter, president of the First National Bank of St. Joseph,

Missouri, spent his vacation last month at Minaki Lodge, Minaki, Ontario, Canada, where he did not have to worry about the increased rediscount rate of the Federal Reserve or any other problems connected with current banking legislation.

When the president and vice president of the Security State Bank of Radcliffe, Iowa, declared "an extra family dividend," they announced it as follows:

"Announcing the arrival of new Executive Vice President Charles Richard Drake, born August 6, 1948, weight 8 lbs., 10 oz. Carroll L. Drake,

President, Rachael Drake, Vice President."

The NORTHWESTERN BANKER extends its sincere congratulations and hopes that the "corporation" will have many more "dividends."

The government lost \$170,169,000 on potatoes during the 1943-47 crop years. The government is now losing money on potatoes at the rate of 4 million dollars a week as the new crop moves to market.

The agriculture department is required by law to support potatoes at 90 per cent of parity until the entire 1948 crop has been marketed, which means that potatoes bought by the government are resold at 20c a ton for hog food. At 5c a pound we pay \$100 a ton for those we eat. Certainly cheaper "to be a hog."

John T. Hamilton II, president of the Merchants National Bank, Cedar Rapids, Iowa, spent most of the month of August at South Hampton, Long Island, where he joined his wife and son who had been spending the summer there. The family returned to Cedar Rapids shortly after Labor Day.

T. C. Kirkpatrick is managing editor of "Counterattack" which is an anti-communist news letter published by former FBI men at 55 West 42nd St., New York.

In one of their recent issues in which they give an analysis of 43 communist members who steered the Third Party Convention in Philadelphia, they give the inside story of Lee Pressman, a top Communist in the Wallace Party.

The report says, "Lee Pressman and John Abt were members of Communist Party cell in Agricultural Adjustment Administration under Henry Wallace a decade and a half ago. Pressman became the patronage dispenser of the Communists in Government. He found jobs for party members and fellow travelers in key posts in various departments and other agencies, especially National Labor Relations Board. Later he joined the newly founded CIO as its general counsel... but he continued to manipulate patronage in government. In CIO, Pressman was the Communists' 'Comrade Big' at National CIO headquarters. He stayed in CIO until early this year, when Philip Murray committed the CIO to a policy of opposing the Communists' Third Party. Then Pressman quit to go over to Wallace headquarters and become top man."

(Turn to page 68, please)

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
	<hr/>
Stock in Federal Reserve Bank in Minneapolis.....	\$33,955,040.06
Overdrafts.....	45,000.00
Loans and Discounts.....	3,933.12
Banking Houses.....	11,041,442.96
Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance.	240,000.00
Interest Earned but Not Collected.....	164,129.20
TOTAL.....	\$45,449,545.34

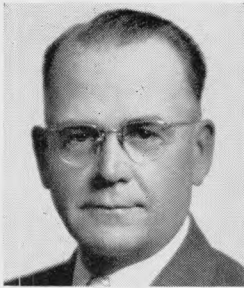
LIABILITIES

Capital Stock—Common.....	\$ 500,000.00
Surplus.....	1,000,000.00
Undivided Profits and General Reserves.....	593,608.66
	<hr/>
Reserve for Interest, Taxes, and Other Expenses.....	\$ 2,093,608.66
Interest Collected but Not Earned.....	242,433.95
Deposits:	56,428.09
Time.....	\$ 7,187,212.85
Demand.....	35,062,581.16
U. S. War Loan.....	807,230.63
	<hr/>
Other Liabilities.....	43,057,024.64
	50.00
TOTAL.....	\$45,449,545.34

BRANCHES AT

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

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North Dakota NEWS

ARNE A. GREGOR
President
Leeds



C. C. WATTAM
Secretary
Fargo

New Assistant Cashier

The First National Bank in Bottineau, North Dakota, has announced the appointment of Harold C. Refling to the position of assistant cashier. Mr. Refling has considerable training and experience in banking. Previously, he has been employed as assistant cashier of the First National Bank in Drake, prior to which he was with the National Bank in Jamestown, North Dakota.

Mr. Refling is a graduate of St. Olaf College, Northfield, Minnesota, and also a graduate of Northwestern University, Evanston, Illinois.

He served with the Army Air Force for a period of 42 months and was released to inactive duty in the Air Force Reserve with the rank of captain. He served overseas with the 614th Fighter Control Squadron.

Increase Common Stock

Two North Dakota state banks have been authorized by the state banking board to amend their articles of incorporation to provide for increases in common stock, J. A. Graham, chairman, announced last month.

They are the Security State Bank of New Salem, from \$20,000 to \$40,000, and the Security State Bank of Wishek, from \$15,000 to \$25,000.

Addresses Kiwanis Club

A. A. Mayer, cashier of the Dakota National Bank of Bismarck, North Dakota, recently appeared before the Kiwanis Club of Bismarck to give a talk on commercial banking procedures. He briefly sketched the history of American banking and traced the growth and development of various phases of bank activity.

R. H. Butterwick

Ralph Hayden Butterwick, 59, vice president of Dakota National Bank of Fargo, North Dakota, and resident of Fargo 24 years, died in a Fargo hospital recently.

Born at Milton, Dakota Territory (now Cavalier county, North Dakota), September 20, 1888, he was graduated from Milton high school and Valley City, North Dakota, Normal school.

He came to Fargo from a bank in Rolla, North Dakota, February 1, 1924, to assume the position of assistant cashier of Dakota National Bank.

He later was named cashier and in 1940 was elected a director of the bank. In 1942 he was named vice president. He had been a member of state and national bankers associations and served a term as president of South-eastern District, North Dakota Bankers Association.

A.B.A. CONVENTION

(Continued from page 26)

Manufacturers National Bank and chairman of the Detroit General Convention Committee, will extend greetings on behalf of the Detroit banks.

The second general session, to be held on Wednesday morning, September 29th, will officially close the convention. At this session will be the election of officers of the Association and adoption of resolutions. Addresses will be delivered by Dr. Nadler and Mr. McCaffrey.

At each of the Division meetings on Monday, September 27th, the president of the Division will deliver the opening address—Gordon D. Palmer, president of the First National Bank, Tuscaloosa, Alabama, for the National Bank Division; L. A. Tobie, president and treasurer, Meriden Savings Bank, Meriden Connecticut, for the Savings and Mortgage Division; Elwood M. Brooks, president of the Central Bank and Trust Company, Denver, Colorado, for the State Bank Division; and R. M. Alton, vice president in charge of trust department of the United States National Bank, Portland, Oregon, for the Trust Division.

Mr. Kent and Dr. McFarland will speak at the State Bank Division meeting.

The Savings and Mortgage Division will have a panel which will portray "A Mortgage Committee in Action." Participants will be Mr. Tobie; William A. Marcus, senior vice president of the American Trust Company, San Francisco; Rowland R. McElvare, senior executive vice president of the Bank for Savings, New York City; Howard B. Smith, treasurer of the

Middletown Savings Bank, Middletown, Connecticut; and H. R. Templeton, vice president of The Cleveland Trust Company, Cleveland.

The National Bank Division will feature a panel discussion in which the participants will be Mr. Delano, Mr. Cook and Mr. Clayton. Norfleet Turner, president of the First National Bank, Memphis, Tennessee, will be the moderator.

Mr. Remington will speak at the Trust Division session. This annual Division meeting will also hear from two of the Division's former leaders; Walter S. McLucas, chairman of the board of the National Bank of Detroit, who was Division president in 1927-28, will extend greetings; Ralph Stone, retired vice chairman of the board of The Detroit Trust Company, whose record of activity goes back to his appearance as a speaker at the first meeting of the Division in 1897, will deliver an address on "Fifty Years of Trust Service."

Along with the business sessions of the convention and Association working groups, will be many special features. On Tuesday morning, September 28th, the annual agricultural breakfast of the ABA Agricultural Commission will be held in the grand ballroom of the Book-Cadillac.

The Detroit Symphony Orchestra, with Walter Poole conducting, will play at the Annual ABA Sunday Evening Hour to be held at Music Hall on Sunday, September 26th. Rose Suzanne DerDerian will be soloist.

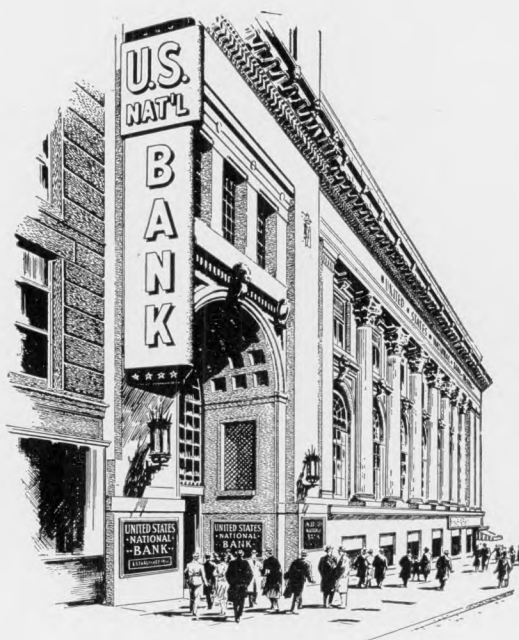
Social events on the program will include a reception and tea at four o'clock Sunday afternoon at both headquarter hotels, the Book-Cadillac and the Statler; a ladies' luncheon and fashion show, tendered by the J. L. Hudson Company department store, at the Masonic Temple Monday noon; trips through the Ford Motor Company plant, the Chrysler Corporation's Plymouth assembly plant and its engineering laboratory, and the Edison Institute Museum and Greenfield Village; also the opportunity to attend the Detroit Tigers vs. St. Louis Browns baseball games on September 28th and 29th. There will not be any golf tournament, but facilities will be available for those desiring to play golf.—The End.

Real Ambition

Captain (on ferry, shouting down into crew's quarters): Is there a mackintosh down there big enough to keep two young ladies warm?

Voice From Below: No, but there's a MacPherson who's willing to try!

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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



J. O. PECK
President
Columbus

Nebraska NEWS

CARL G. SWANSON
Secretary
Omaha



Heads McCook Bank

George F. Moss, who has worked for the McCook National Bank, McCook, Nebraska, for all but five years of the bank's 41-year existence, last month took office as president of the bank, succeeding the late Charles O'Brien.

Mr. Moss joined the McCook National Bank in June, 1912, as bookkeeper. He became cashier in 1928 and was electer vice president in 1947. Mr. Moss also served in two public offices. He served one term as mayor and is now in his fifth consecutive two-year term as city treasurer.

At the last board meeting the bank's board of directors delayed filling the vacancy on the board caused by Mr. O'Brien's death. Present directors are C. D. Purinton, M. O. Brown, Mrs. Mary Brady and Mr. Moss.

Other officers are: M. C. Brady, vice president; M. O. Brown, cashier, and H. E. Blum, assistant cashier.

New Personnel

George C. Soker, president of the State Bank of Hildreth, Nebraska, announced last month that Julius H. Mietzner of Wilcox and Kenneth Friedrichs of Macon Prairie have been employed by the bank.

Mr. Mietzner was born and raised on a farm a few miles from Hildreth, and for the past seven years has been with the First National Bank of Wilcox.

Pass 50th Anniversary

The Stockmen's National Bank of Rushville, Nebraska, was 50 years old last month. The bank was opened in August, 1898, just 15 years after the town was founded.

Present officers of the bank are: J. W. Hanks, president; Edwin B. Otteman, vice president; H. A. Dale, cashier, and Jerene Ward and Bennett F.

Johnson, assistant cashiers. Deposits now are in excess of \$3,000,000.

Uphold Record

Nebraska repeated again its record of oversubscribing the state quota in bond drives when Leland R. Hall, state director for the U. S. Savings Bond Division, reported last month that the final Security Loan checkup revealed Nebraska had achieved 123 per cent of its quota. Sales for the recent drive amounted to \$46,201,000, against the quota of \$37,500,000.

Mr. Hall stated that 69 counties exceeded their goal, six counties were over 90 per cent, seven counties had between 80 per cent and 90 per cent, and only 11 counties were less than 80 per cent subscribed.

Leading the list percentagewise was Wheeler county which sold \$53,631 for 335 per cent of its quota. Keya Paha county turned in an even 300 per cent record with \$111,031 sales in bonds. Douglas county, which includes Omaha, had the greatest dollar volume of sales, the total being \$13,144,532, or 102 per cent of its quota.

To date Nebraska sales are still 277 per cent of redemption and maturities.

Ashland Man Promoted

Carl H. Wiggernhorn, former vice president of the Farmers & Merchants National Bank of Ashland, Nebraska, and for the past two years a member of the staff of California Bank, Los Angeles, was recently appointed an assistant manager of the bank's Beverly Hills branch.

Helping 4-H Members

The Franklin State Bank and the Hildreth State Bank have arranged for 4-H Club leaders of Franklin county, Nebraska, to receive the national 4-H Club news magazine. The two

banks have been providing the magazine to 4-H leaders for the past several years.

Increase Capital

At a meeting of the stockholders of the Bank of Clarks, Nebraska, held recently, it was unanimously decided to increase the bank's paid up capital to \$25,000 by the payment of \$10,000 cash additional capital by present stockholders, pro rata as to their holdings.

This brings the bank's total paid in capital and surplus to \$40,000.

Placek Returns Home

Emil E. Placek, president of the First National Bank of Wahoo, Nebraska, returned home last month after a round-the-world trip during which he visited points in the Philippines he first saw as a soldier 50 years ago. Mr. and Mrs. Placek left on the tour last March.

Attend Banking School

Nine Nebraska bankers were in attendance at the Central States Conference School of Banking at the University of Wisconsin at Madison.

Among this group were: G. W. Taylor, cashier, McDonald State Bank, North Platte; Carl Mostrom, cashier, Farmers and Merchants Bank, Ceresco; B. M. De Lay, assistant cashier, The De Lay National Bank, Norfolk; and Max B. Horn, vice president, The First national Bank, Hay Springs.

Attending from Omaha were John R. Lauritzen, assistant vice president, The First National Bank; Charles W. Gorr, assistant cashier, and Britton Knight, comptroller, Omaha National; Lester E. Souba, assistant auditor, Live Stock National Bank, and William Doran, assistant cashier, Federal Reserve Bank. Sumner Slater, assistant trust officer at the Omaha National Bank, was an instructor.

George F. Harpster


George F. Harpster, 89, vice president of the Blue Springs State Bank at Blue Springs, Nebraska, died in a Beatrice hospital recently.

Mr. Harpster was a pioneer resident of Blue Springs, moving there in a covered wagon from his home town of Knoxville, Iowa. He was a 50-year member of the Masonic order and holder of the Jordan medal.

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Insurance Counselors  to Banks

Northwestern Banker, September, 1948



WILLIAM A. SAWTELL, president of the Stock Yards National Bank of Omaha, is one of four business men named as associate chairmen for the Community Chest campaign in Omaha this fall. The other three men are **Fred L. Haas**, president of Fred & Clark Haas, Inc.; **Frank A. McDevitt**, Omaha manager of General American Life Insurance Company, and **Ambrose J. Seitz**, traffic vice president of the Union Pacific Railroad.

They will assist General Chairman **Edwin N. Van Horne**, president of the Federal Land Bank of Omaha, in outlining preparations for the drive. All four men are prominent in Omaha civic affairs, Mr. Haas serving in 1946 as state chairman for the American Cancer Society drive and Mr. Sawtell, Mr. McDevitt and Mr. Seitz serving on

the Community Chest's board of governors, among their other civic activities.

Wives of some bank employees don't worry much when their husbands are out nights.

That's because their mates are studying to get better bank jobs.

More than 47,000 of the 320,000 bank employees in the United States are "hitting the books" according to **LeRoy Lewis** of New York City, educational director of the American Institute of Banking.

He was in Omaha for a regional meeting of AIB Leaders from eight states.

Mr. Lewis said that burning the midnight oil usually pays off, but added that there's no guarantee that

additional study is the road to a bank presidency.

The AIB is proud of its record as having the largest adult educational program affiliated with private industry. The AIB offers 19 courses, including law, economics, accounting and business administration. Ninety per cent of the officers of Omaha banks have taken at least some of the courses. Emphasis is placed on public speaking and debating in AIB chapters and study groups.

Twenty-two chapter and study groups were represented at the Omaha meeting. **Lester Souba** is president of the Omaha AIB chapter. Among those who attended the meeting were **Chris Ries** of Minneapolis, AIB Executive Council member, and **Carl A. Bowman**, Topeka, Kansas, secretary of the Topeka Bankers' Association. **Ted Spaustat** was chairman of arrangements for the meeting.

Few Omahans know that the roof of the **United States National Bank** building is a sun-deck where employees of the Bank can eat lunch or gather for noon-hour talkfests. A new floor has been laid and other improvements made.

Mrs. Dale Clark left July 27th on her annual vacation trip to Estes Park, Colorado. She will spend six weeks at Elkhorn Lodge in Estes Park Village. Mr. Clark, president of the Omaha National Bank, was to join her later.

Kirkpatrick-Pettis Company, Omaha investment banking firm, has purchased a 250-thousand-dollar Scottsbluff, Nebraska, School District building bond issue.

Interest rates will range from 2 to 3 per cent on the bonds, which mature serially in from three to 20 years. The bonds are part of a \$900,000 bond issue approved by voters last fall.

The month of August found **Mrs. J. T. Stewart, III**, at the Stewarts' summer cottage on Echo Bay at Lake Okoboji. Mrs. Stewart soon must begin the final push toward completing arrangements for the Ak-Sar-Ben Ball, for which she is chairman of the women's committee. Mrs. Stewart is the wife of the vice president-cashier of the First National Bank of Omaha.

With Mrs. Stewart at Okoboji were

CORRESPONDENT KNOW-HOW

George E. Porter, President

R. E. Jones, Jr., Vice President

J. D. McCaskey, Vice President

J. J. Walsh, Assistant Vice President

V. P. Meyer, Assistant Vice President

Walter Canter, Cashier

Lloyd A. Walker, Assistant Cashier

J. M. Ford II, Assistant Cashier

Graham Porter, Assistant Cashier

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Stock Yards National Bank

Omaha, Nebraska

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, September, 1948

her daughter, Gertrude, junior next fall at Duke University, and son, Jim, who has completed his studies at the Fountain Valley School, Colorado Springs.

Governor Val Peterson of Nebraska has appointed **T. H. Maenner**, Omaha realtor, to the board of directors of the Omaha Public Power District to succeed **Charles D. Saunders**, who has taken a banking post in Seattle, Washington.

The Northwestern Bell Telephone Company will sell \$60,000,000 in bonds, it was announced recently. The proceeds will go to pay for improvements and additions to the five-state system.

Russell J. Hopley, president, said the bonds will be dated about November 15th and will mature in about 45 years.

Milton Barlow, former Omaha banker, and his wife left Omaha recently

after a visit with Mrs. Barlow's mother, Mrs. George Johnston. They were en route home to Kansas City, Missouri, from a motor trip through Wyoming and South Dakota.

Despite recessions in some classifications nationally, Omaha business continues to go ahead of last year, according to a survey by the Business Research Department of the **Omaha Chamber of Commerce**.

Bank clearings and debits were among eight of the 12 major business barometers which showed gains for the first half of 1948 over the same period in 1947. The gain for clearings was 8 per cent, for debits 6 per cent.

Employment was up slightly for 42 reporting firms.

Guests at the home of Mr. and Mrs. **E. N. Van Horne** have been their son and daughter-in-law, Mr. and Mrs. Leonard Van Horne of Fargo, North Dakota. They spent a week in Omaha. E. N. Van Horne is president of the Federal Land Bank of Omaha.

Mrs. Peter O. McDermott, 80, mother of **J. F. McDermott**, vice president of the First National Bank of Omaha, and of **Edward K. McDermott**, Omaha attorney, died recently.

Sixty years ago, she and her late husband founded St. Bernard's hospital in Council Bluffs.

She is also survived by three other sons, including John R., San Francisco; Dr. William O., Los Angeles; and Paul H., Omaha.

Banker Heads Club

Jim Ivins, vice president of the Sioux National Bank of Harrison, Nebraska, was named president of the Harrison Community Club to replace Adin Abel, who failed to qualify after the regular election in June.

Mrs. Clara Kirk

Mrs. Clara Kirk, 78, died in a hospital in Lincoln, Nebraska, last month of bronchial pneumonia. She was the widow of the late I. A. Kirk, former president of the Exchange Bank of Gibbon, Nebraska, who died in 1944.

No Luck

One Fisherman: Have any luck?
Another: No. I can't get the cork out.



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CHARLES E. WALTERS CO.

OMAHA, NEBRASKA

SPECIAL CHECK FOR THE BLIND

(Continued from page 28)

check with no assistance whatsoever. The use of the thumb prints reduces the danger of forgery to an absolute minimum.

If any blind person desires a checking account and can sign his name, he may have checks identical with these, except that the raised oblongs for fingerprints have been removed.

The value of this new service to blind people is pointed up in a letter received by the Omaha National Bank from Alfred Allen, assistant director of the American Foundation for the Blind, Inc., in which Mr. Allen said:

"Again let us express our appreciation to you for your interest in the blind and our congratulations on having simplified for them the whole process of preparing their own checks."

Covered by Insurance

Officials of the bank's carrying insurance company have been consulted and they have approved the check as covered under the Forgery Section of their Bankers' Blanket Bond. The check has been copyrighted by The Omaha National Bank, and permission to use it will be given any bank without charge, subject only to the condition that the checks shall also be furnished the blind person without charge.

The Klopp Printing Company of Omaha, Nebraska, will print these checks up in pads of 25 each at a cost of \$32.00 for 500 or \$39.00 for 1,000, f.o.b. Omaha. They should be furnished with the name of the bank, name of city, A.B.A. bank number or routing symbol, and a letter stating that no charge will be made to the blind customer for the checks.—The End.

LEGAL QUESTIONS

(Continued from page 30)

unreasonable to hold that the parking lot owner accepted possession and control of the car so as to become liable for the damages resulting from its theft. The fact that there was no attendant present on the lot to accept the car was an important consideration in the adoption by the court of this view.

Q. A banker and his brother were

partners in a mercantile establishment in a state which had as one of its statutes the so-called Uniform Partnership Act. The establishment had several trucks and one of them, while being driven by one of the firm's drivers on company business, became involved in an accident due to the negligence of the driver. There was no insurance coverage and the injured party sued only the banker-partner. Was he liable for the full amount of the damages?

Yes. Under the Uniform Partnership Act the partners in an enterprise are jointly and severally liable for the wrongful act of one of their employees

which is within the scope of his employment. Because their liability is joint and several an injured plaintiff need not sue all partners but may sue and recover from any one or more of them. Michigan and the federal courts are among the jurisdictions in which specific holdings to this effect may be found.

Q. Morton, a Minnesota banker, owned a tract of land in that state upon which was located an airplane hangar. An airport commission was established for the area and, in assembling the various tracts involved to make the airport, it commenced pro-

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You'll appreciate City National's "years ahead" facilities and friendly personal interest. In Kansas City, you'll enjoy the convenience of free, 48-hour parking in our garage, and you'll like to use one of our roomy, private conference rooms . . . always at your disposal!

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ceedings to take over Norton's tract and building under its rights of eminent domain. As an incident to showing the value of the property the commission sought to prove that Morton had offered it for sale in the open market as of about the time of the condemnation for \$10,000. He was seeking \$20,000 for it from the commission. Could the commission offer the proof of the lower value?

Yes. In a recent decision involving analogous facts the Minnesota Supreme Court held that, in determining a value in an eminent domain proceeding, an offer to sell the property involved may be proved against the

owner as an admission of its value at or near the time of the offer. In so holding the court cited decisions in Illinois and Oklahoma to the same effect as precedents for its ruling.

Q. McKeon, an Illinois banker, was divorced by his wife. Alimony was decreed in her favor in an amount sufficient to maintain her in the station in life to which McKeon had accustomed her at the time of the divorce and prior thereto. Thereafter McKeon made a lot of money and amassed a substantial fortune. Because of this his wife asked for an increased alimony allowance. Was she

entitled to the increase requested?

No. The wealth amassed by the husband after the entry of the divorce decree and his increased income in and of themselves did not entitle his former wife to an increase in alimony payments. Her former husband was bound to maintain her only in the station in life to which he had accustomed her at the time of the divorce and prior thereto.

Q. Marble, a Nebraska banker, attended a farewell party for one of his cronies in that state who was going to Hollywood, California, to start a banana business. Pottery, a great practical joker, was also in attendance. In playing a practical joke on Marble, Pottery hurt him badly. Pottery had not intended any bodily injury and was in no way malicious in his actions. Could Marble recover from Pottery for his damages?

Yes. The fact that a practical joke is the cause of an injury to a person does not excuse the perpetrator from liability in damages for the injury sustained. When one does an act which proves injurious to another, an action in tort generally arises in favor of the injured person, although the act was done without malice and no injury was intended. The Nebraska Supreme Court so held in a recent decision.

Q. Dempster, a South Dakota banker, leased a farm in that state to his son. The son and his wife and ten children lived on the property and used it as their home. Dempster died leaving by will the farm to his son subject to a life estate in his, Dempster's, widow. As an incident to settling Dempster's affairs, which were quite involved, the son agreed with the widow that she should have the farm absolutely and free of his remainder interest therein. The son's wife did not sign the agreement. If the son and his family had homestead rights in the farm, the agreement was not valid because of its lack of her signature. Was it valid?

Yes. The agreement between the son and the widow was valid and the signature of the son's wife was not necessary. The son's remainder estate was a future one and, because his ownership would not take hold under the will until a later date, it would not support a claim to homestead rights. This would be true as long as the prior life estate in the widow continued. The South Dakota Supreme Court so held in a recent decision.

Q. Schneider, a North Dakota banker, owned and operated a gasoline

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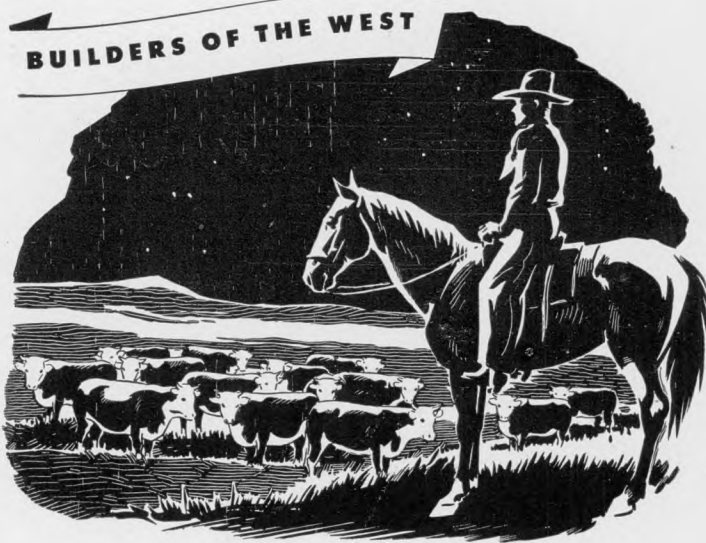
filling station in that state. One day Detwiler negligently drove his automobile into the pumps and station building and damaged them considerably. Detwiler's insurance company settled with Schneider for part of his loss and Schneider gave Detwiler a full release from liability. Schneider sought to recover the balance of his loss from his own insurance company. He had given Detwiler the release without consulting them. This release nullified any rights of subrogation Schneider's insurance company might have had against Detwiler. Would it, ordinarily, nullify any claim Schneider might make against his insurer?

Yes. If an insured settles with a tort-feasor or one primarily liable for a loss and releases him fully from all liability before his insurance company pays on a policy, it is generally held that such release destroys the insurer's right of subrogation and that such destruction is a complete defense to an action on the policy by the insured against his insurance carrier. North Dakota, as well as Indiana, Texas and Wisconsin, are among the states recognizing this rule.

Q. Benton had prepared, and duly executed, a will which named Aycock, an old banker friend, executor. Several months later Benton died. Aycock, who knew of the will, searched high and low for it but neither he, nor anyone else, was able to find it. There were no clues or information as to whether the document had been, or had not been, destroyed. It had been last seen in Benton's custody. In such circumstances would Benton be held in most states to have died without a will?

Yes. Where a person executes a will during his lifetime and thereafter had custody of, or access to, the instru-

(Turn to page 69, please)



From Dusk Till Dawn . . .

The trail herd stopped at sundown . . . but all through the night men watched and worked to hold the herd together so that the next day's work might not be delayed.

Here at the Inter-State "tomorrow's" work is handled more promptly and efficiently because of Inter-State's Night Transit Department. Adjoining the Kansas City Post Office and opposite the Union Station, this department receives, sorts and handles night mail, often saving a full day on many transit items. It is another plus value, typical of the unusual service the Inter-State offers to its correspondents.

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

Member of The Federal Deposit Insurance Corporation

First National Bank of Omaha

Oldest National Bank From Omaha West

Member Federal Deposit Insurance Corporation

Northwestern Banker, September, 1948

It Couldn't keep Pace

There once was a plesiosaurus
Who lived when the earth was all porous
But it fainted with shame
When it first heard its name,
And departed long ages before us.

It wasn't shame, of course, which caused the plesiosaurus to disappear from this part of the country it once roamed. It became extinct simply because it couldn't keep up with the changing world and its inhabitants.

Banks, too, know that it is a constant challenge to adapt their service to keep pace with the needs of their customers. Human habits change and it is up to bankers to be ready with the right service needed at the right time.

Knowing *your* business thoroughly . . . to be ready with the services you need when you need them . . . has been the rule on which our complete correspondent banking facilities have been developed during the past 41 years.

More than 400 local banks now look to the Bank of Friendly 24-Hour Service for swift, personal attention to their own needs . . . covering every type of banking assignments.

LIVE STOCK *National* BANK

OMAHA, NEBRASKA

THE BANK OF FRIENDLY 24-HOUR SERVICE

Member of Federal Reserve and Federal Deposit Insurance Corporation



W. W. BLASIER
President
Jesup

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Open New Bank

Between 2,200 and 2,500 visitors attended the opening day celebration of the new Eagle Grove National Bank at Eagle Grove, Iowa, last month. A number of out of town guests, including a number of bankers, attended the affair.

The Eagle Grove National Bank opened for business August 14th with capital of \$50,000, surplus of \$15,000, and undivided profits of \$10,000.

Officers of the bank are: W. H. Brenton, president; Francis T. Shadle, executive vice president; G. C. Kelly, vice president; L. J. Paulson, cashier, and C. S. Johnson, comptroller.

Mr. Shadle has been with the Palo Alto County State Bank at Emmetsburg for a short time and prior to that his home was for many years in Estherville. Mr. Paulson was formerly associated with the Boone State Bank and Trust Company as manager of its Boxholm office.

Earl M. Cary

Earl M. Cary, 67, vice president of the Jasper County Savings Bank at Newton, Iowa, and head of the bank's farm loan department, died last month after suffering a heart attack in his home.

Born in Killduff, he was a lifetime Jasper county resident.

He was associated with his uncle in the lumber business at Lynnvill until 1901, when he entered the banking business there. He was cashier of the bank there 17 years prior to joining the Jasper County Savings Bank staff 30 years ago.

Mr. Cary was a charter member of the Kiwanis Club and a member of the Chamber of Commerce.

He is survived by his wife; two brothers, Coral of Long Beach, California, and Herbert of Burlington, Iowa, and two sisters, Mrs. Viola Nyhouse, Denver, Colorado, and Mrs. John Van Gilst, Killduff.

Iowa Bond Sales

Roger F. Warin, state director of the United States savings bonds division for Iowa, announced last month that total Security Loan drive sales of

Series E, F and G Bonds, exclusive of special investors' purchases, amounted to \$74,596,632. Iowa's quota was \$100,000,000.

Sales to special investors, not including commercial banks, were \$10,870,000, while sales to commercial banks reached \$29,508,000. Total sales in all three classifications amounted to \$114,974,632.

Anthon Annual Meeting

At the annual meeting of stockholders and directors of the First Trust and Savings Bank at Anthon, Iowa, recently, all officers and directors were re-elected. It was voted to add \$5,000 to surplus, the capital structure now made up as follows: Capital, \$25,000; surplus, \$40,000, and undivided profits in excess of \$7,500.

Earl A. Hoffman is president, Frank C. Gothier is vice president, Homer M. Boyd is cashier, and W. R. Chicoine is assistant cashier. The first three are directors, along with Peter Jansen, Arnold Petersen, Fred Trecker and Carleton C. Van Dyke.

Joins Dexter Bank

Herbert F. Sturges was announced last month as new assistant cashier of the State Savings Bank at Baxter, Iowa. He succeeds Andrew H. Agena, who resigned to take a similar position with the Peoples Trust and Savings Bank at Indianola. Mr. Sturges has taught commercial work the past three years and has worked in the First State Bank at Churdan the past three summers.

West Chester Bank Sold

F. M. Lindenmeyer, who as cashier has guided the destiny of the West Chester Savings Bank of West Chester, Iowa, for more than 20 years, has sold his stock along with that of Henry Witthoft and Irvin E. Coffey, representing controlling interest, to Calvin C. Wolf and John R. Butler, Jr., and they assumed active management of the bank last month.

Mr. Wolf and Mr. Butler both served in the armed forces in World War II and after their return operated a general store at Lytton, Iowa, later en-

gaging in the finance business at Carroll, Iowa. Mr. Butler was formerly employed in the Lytton Savings Bank. Calvin C. Wolf grew up in the banking business, and his father, Alvin R. Wolf, was in the banking business at Lytton and Auburn, Iowa, for a number of years.

The new officers of the bank are: Alvin R. Wolf, president; John R. Butler, Jr., vice president, and Calvin C. Wolf, cashier. Mr. Lindenmeyer will continue as assistant cashier for a couple of months, after which he will move to Washington state where his children reside. This sale was negotiated by the Bankers Service Company, Des Moines, Iowa.

Advanced at Farley

J. L. Mahony, who has been with the Farley State Bank, Farley, Iowa, since 1916 and who held the office of assistant cashier, was recently elected to the office of vice president. John J. Ramm, who has been vice president for a number of years, still retains that position. Mr. Mahony still holds the position of assistant cashier in connection with his new position.

With Des Moines Firm

Sumner M. Macomber, formerly with Shuler Coal Company, is now associated with Graefe and Company, Des Moines, Iowa.

Mr. Macomber was graduated from Yale in 1940 and served in the United States Navy from graduation until October, 1945.

Mr. Macomber is married and has four children, including twin daughters born in June, 1947.

Pilot Rock Plow Match

One of the most successful plowing contests and demonstrations ever staged was the annual Pilot Rock Plowing Match held at Cherokee, Iowa, last month when 13,000 people congregated there to watch the champions go through their plowing paces.

A total of 49 entries from Iowa, Nebraska and South Dakota were received by the committee in charge. Winner of the terrace building match was William Muecks, Hinton, who defeated 11 other contestants.

Bankers in that territory have been active in support of this project aimed at soil conservation, especially R. E. Tool, executive vice president of the First National Bank in Le Mars, Iowa.

New in Fort Dodge

It is reported that the charter of the Burnside Savings Bank, Burnside, Iowa, is being moved to Fort Dodge. The new bank in Fort Dodge will be known as the Union Trust & Savings

Bank, and an office of this bank will be established in Burnside.

Dr. E. F. Beeh, Fort Dodge, is slated for president of the new bank. A vice president will be A. H. Johnson, farmer near Fort Dodge, and vice president and cashier will be O. B. Lundgren, who formerly was cashier of the bank at Burnside. E. P. Gutz, Hampton, is reported as an assistant cashier of the new bank.

Named to Board

At the annual stockholders' meeting of the Farmers State Bank of Marcus, Iowa, John Brady, a stockholder of the bank since its organization, was elected to the board of directors.

The board voted to increase the surplus of the bank, thereby bringing the capital and surplus to \$100,000, keeping the bank in the honor roll

position of banks in the state of Iowa.

All other directors and all the officers of the bank were re-elected at the meeting.

Elect New Director

Dr. Harold G. Buck, Ames, Iowa, dentist, was elected a member of the board of directors of the College Savings Bank at a meeting of the board recently, it was announced by C. A. Knudson, bank president. Dr. Buck will succeed the late David Edwards.

Resigns at Keota

H. A. Stowell has resigned as cashier of the Security State Bank at Keota, Iowa. He moved to Keota from Greenfield in December of 1946 to become cashier of the bank. Other officers of the bank remain the same and no appointment to fill the vacancy has been made.

Moves to Nebraska

Edward Pressler, formerly cashier of the Security State Bank of New Hampton, Iowa, moved to Harvard, Nebraska, with his family last month where he has purchased controlling interest in the Harvard State Bank.

Watch Plow Contest

A crowd of about 3,000 persons watched the contour and terrace plowing contests at Otley, Iowa, last month, which were sponsored by the Marion County Bankers Association. Demonstrations of spray painting and airplane spraying for grasshopper control were also made.

Guests were Governor Robert D. Blue and J. O. Christianson, superintendent of the agricultural school at the University of Minnesota. J. R. Drake, president of the Pella National Bank, introduced the program and was chairman of the arrangements committee.

Hold Turkey Dinner

The Farmers State Bank of Jewell, Iowa, was host to bankers and bank employees from banks of all other towns of the county at a meeting of the Hamilton County Bankers Association held in Jewell last month. The meeting was held at the Strand Cafe party room and was attended by 35 bankers of the county.

A turkey dinner was the feature of the gathering, the first new-crop turkey dinner of the season.

Our Own Golden Rule

It is OUR business to take care of YOUR business, just as you would do it if you were in our place. That policy assures you of prompt, accurate attention to your correspondent needs here at the First National Bank in Sioux City. It is our own "Golden Rule" and we want to share it with you, too.

A. G. SAM, President

J. T. Grant, Vice President

H. H. Strifert, Assistant Cashier

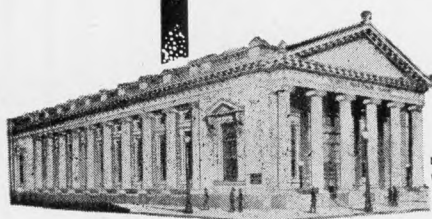
J. R. Graning, Cashier

K. J. Shannon, Assistant Cashier

E. A. Johnson, Assistant Cashier

W. L. Temple, Assistant Cashier

J. Ford Wheeler, Auditor



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Northwestern Banker, September, 1948

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VALLEY BANK AND TRUST COMPANY
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75th
ANNIVERSARY
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Northwestern Banker, September, 1948

Iowa Junior Bankers Plan Group Study Classes



MORE GROUP STUDY CLASSES for bank employees and junior officers were recommended by the Iowa Junior Bankers Association last month as a progressive step in developing better trained personnel in Iowa banks. At a joint meeting of the Association and Des Moines A.I.B. officers at the Des Moines Club, **Christian Ries**, Federal Reserve Bank of Minneapolis and a national A.I.B. officer, presented a summary of the steps necessary to organize a study group. Favorable comment on initiating more of these classes was expressed by the Council of the Iowa Junior Bankers Association as they voted to authorize group chairmen to appoint an A.I.B. chairman in each county in their respective groups.

Several of those attending the meeting in Des Moines last month are shown above. In the picture at left, reading from left to right, they are: **Clarence Reibert**, Iowa-Des Moines National Bank, Des Moines, and associate councilman for Iowa



A.I.B.; **John B. Monahan**, assistant cashier Bankers Trust Company, Des Moines, and president Des Moines chapter A.I.B.; **Christian Ries**, Federal Reserve Bank, Minneapolis, and member of the national A.I.B.'s executive council, and **C. D. Clausen**, assistant cashier Citizens National Bank, Boone, and president Iowa Junior Bankers Association.

In the picture at right, reading left to right, are: **Roy Ferguson**, Iowa-Des Moines National Bank and treasurer Des Moines A.I.B.; **Charles H. Walcott**, assistant cashier Security National Bank, Sioux City, secretary of the Iowa Junior Bankers and chairman of Group 1 of that group; **Arnold Dressler**, Central National Bank, Des Moines, and first vice president Des Moines A.I.B.; **C. W. Fishbaugh**, assistant cashier Security Trust and Savings Bank, Shenandoah, and chairman Group 5, and **Charles H. Beck**, assistant cashier Iowa State Bank, Morning Sun, chairman Group 11.

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SERVICE**

**when your customers have
business in Chicago**

While some of our correspondent banks are larger institutions located in cities, it is also our privilege to serve many progressive banks with customers residing mainly in rural districts.

Regardless of the size or location of your bank, the American National places special emphasis on assisting you to meet your customers' requirements. In every instance we offer prompt, experienced, interested cooperation that other banks have found of unusual value.

It is our constant endeavor to go beyond routine, and to render a "plus" type of service which more than meets the expectations of our correspondents and their customers.

Your inquiries are invited regarding any phase of this service.

**AMERICAN NATIONAL BANK
AND TRUST COMPANY OF CHICAGO**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

LASALLE AT WASHINGTON





Bankers have problems, too!

If it isn't one thing, it's another . . . what with the uncertainty of the weather and its effect on crops . . . new developments in production . . . the problem of keeping up-to-date on a score of different fields of business, commerce and agriculture . . . and the never-ending problem of holding present business while exploring new channels of activity . . . yes, bankers have problems.

The Marquette of Minneapolis has solutions to

many of the problems that plague the independent banker . . . and the know-how and enthusiasm to handle new problems as they develop. Call on the Marquette when you need help, we're as near as your telephone . . . or stop in for a visit the next time you're in Minneapolis.

RUSSELL L. STOTESBERY
President

CHARLES C. RIEGER
Vice President

LYNN FULLER
Executive Vice President

OTTO H. PREUS
Assistant Vice President

DEPARTMENT OF BANKS AND BANKERS

THE STRONG FRIEND OF THE INDEPENDENT BANKER

MARQUETTE *National* **BANK**

517 MARQUETTE AVENUE MINNEAPOLIS 2, MINNESOTA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, September, 1948

Resigns at Radcliffe

James Wm. Ryan, who has been cashier of the Security State Bank at Radcliffe, Iowa, since February, 1942, has accepted a position with the state tax department. He planned to begin his work with the state last month.

Ed Kaufmann

Ed Kaufmann, 45, vice president and a director of Quail & Company, investment securities dealers in Davenport, Iowa, died last month in the University Hospital, Iowa City.

A life resident of Davenport, Mr. Kaufmann was born February 1, 1903. He attended the city schools and later

graduated from the State University of Iowa, where he was affiliated with the Kappa Sigma fraternity. He joined Quail & Company in 1926.

Buy Bank Control

Purchase of a majority interest of the First Security Bank and Trust Company of Charles City, Iowa, by four officials of the bank was announced last month. E. L. Walleser, president of the bank, said that M. J. Klaus, vice president and trust officer; W. A. Herbrechtsmeyer, cashier; R. W. Zastrow, a director, and he had acquired the interest from H. M. Ellis and R. W. Ellis. R. W. Ellis is a vice

president also. Operation of the bank will be continued in local hands and there is no change in its officers, directors and personnel.

On Davenport Board

Frank H. Schierbrock, head of Schierbrock Motors, Inc., in Davenport and Rock Island, has been elected a director of the First Trust & Savings Bank of Davenport to fill a vacancy created by the death of Frank Morency. This gives the First Trust board a full authorized roll of 13 members. Mr. Schierbrock was associated with Charles Shuler, Jr., Leo J. Capen, Walter W. Paul and Otto Nobis in the recent purchase of the George M. Bechtel stock in the bank, and those men who were named to the board recently.

Elected Vice President

T. A. Nixon was elected vice president of the Pocahontas State Bank at Pocahontas, Iowa, at the annual stockholders' meeting held there recently. W. F. Rich of Ft. Dodge was re-elected president. Other directors include L. S. Homan and N. B. Homan of Remsen, and James Donahue of Pocahontas.

Bank personnel include J. J. DeLay, cashier; Loren Oleson, assistant cashier, and Bonalee Peterson and Robert Lorge, tellers.

Sioux City News

CARL L. FREDRICKSEN, president of the Live Stock National Bank at Sioux City, returned from a "flying" 10-day trip into western South Dakota and Nebraska last month. After calling on 32 banks, visiting with officers in these institutions and making personal observations along the trip, he reports that crop conditions are exceptionally good with hail damage in a few places, but the over-all crop situation is excellent. He also reported that an upward trend in deposits was expected by bankers after harvesting of crops and new shipments of livestock early this month to the live stock centers.

John Scott, Jr., president of the Morningside State Bank of Sioux City, left for the east last month to spend a month with his son, **Clark**, in New York City.

Clifford L. Adams, assistant vice president of the Live Stock National Bank of Sioux City, is taking over the duties of **William G. Nelson** who left the Live Stock National last month to go to Hastings, Nebraska, where he is now vice president. Mr. Adams will serve as a loaning officer at the bank.

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47th Street and Oakland Avenue
Stock Yards District
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TO BANKERS WHOSE CUSTOMERS
SHIP LIVESTOCK TO CHICAGO. IT IS THE SYMBOL
OF FAST, FRIENDLY SERVICE
IN COLLECTING LIVESTOCK
PROCEEDS.

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

Members, Federal Deposit Insurance Corporation

Promoted



HENRY K. LARSEN (above) was elected assistant cashier of the Toy National Bank of Sioux City at a recent directors' meeting. He will be assistant manager of the personal loan department.

Bank clearings in Sioux City in the first seven months of 1948 have exceeded 1947 figures for the same period by \$21,767,636, according to the **Sioux City Clearing House Association**. Clearings through July 31st were \$413,627,259, compared with \$391,859,623 for 1947. July 1948 totals were nearly \$60,000,000 for an increase of over \$3,000,000.

Stanley W. Evans, field representative of the Live Stock National Bank at Sioux City, attended the Central States Conference School of Banking at the University of Wisconsin. Before going to the two weeks' school at Madison, Mr. Evans spent two weeks at the Iowa National Guard encampment at Fort Riley, Kansas. He is a major in the Iowa Guard and is finance officer for the 34th Division.

William G. Schenk, cashier of the Live Stock National Bank at Sioux City, returned to his home from a Sioux City hospital last month and is reported to be recuperating satisfactorily.—The End.

BANK HELPS WITH HOME PLANNING

(Continued from page 23)

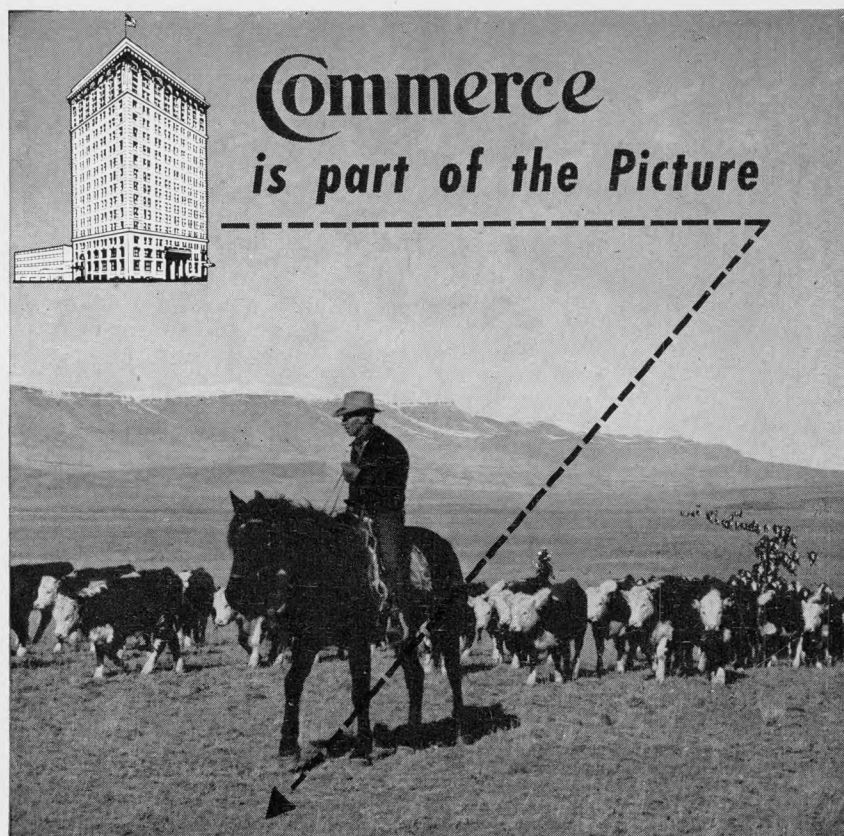
dising and home building. She was immediately enthusiastic. He talked with Mrs. Leo Fitzgibbons, who majored in home economics at the University of Iowa, and whose husband

is legal counsel and a director of the bank; with Mrs. Kenneth Kautz, a home economics major at Iowa State, whose husband is manager of the bank's agricultural department; and with Mrs. Lester McCleary, who for a number of years was an office manager for her father, a contractor and lumber dealer. It was the studied opinion of these people that such a project was needed in Estherville, would further round out the bank's facilities.

Finding quarters for the new department was easy. While completely modern in every respect, the Iowa Trust and Savings Bank, like many

of the older bank buildings, has a balcony about twelve feet wide extending the width of the lobby at the rear, with a broad stairway giving access to it from the side opposite the cages. With a high substantial railing on the lobby side, and not used for any other purpose, the balcony was a perfect spot. With the application of green paint in pastel shades to the floor and walls, and a number of pieces of furniture, the department was ready for occupancy.

Facilities of the Home Planning Department of the Iowa Trust and Savings Bank are built around several large blocks of complete architects'



For many years banks have found it advantageous in many ways to share their excess cattle loans with the Commerce. This 400-million-dollar bank is always in a preferred position to provide quick, efficient, cheerful cooperation for mutual benefit. We have a representative in the territory who devotes his entire time to cattle loans.

Commerce Trust Company

Capital Funds Exceed 21 Million Dollars

KANSAS CITY'S LARGEST BANK
Established 1865

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INSURANCE CORPORATION

Northwestern Banker, September, 1948

drawings and model homes, supplied by *Better Homes and Gardens*, a magazine published in Des Moines. The two model homes are fashioned of cardboard, in actual colors, and are quite complete as to detail. While there are numerous plans offered in the several architects' books, a new suggestion is made each month, and complete plans are furnished to the Home Planning Department. Also included in the *Better Homes and Gardens* service are blueprints, a list of needed materials, and all necessary specifications.



In the Department is a complete library of home building and planning books. A wall rack contains a number of current periodicals relating to homes, and a large floor rack is filled with pamphlets and free literature covering almost all phases of building and materials. On display also are samples of building materials, supplied by local dealers.

The department is arranged on a broader scale than just home building and planning. There is ample space on the balcony to set up model rooms, full size, furniture for which is supplied by local furniture houses. Information is available on interior decorating, such as wall and floor coverings, draperies and curtains, with appropriate color schemes suggested.

Mrs. K. J. McDonald is in charge of the Home Planning Department of the Iowa Trust and Savings Bank, assisted by Mrs. Fitzgibbons, Mrs. Kautz, and Mrs. McCleary. The department is officially open two hours a day on three days each week, with the personnel on duty Tuesday, Thursday, and Saturday. On the other days customers of the bank, and visitors, are free to visit the department at any time during banking hours.

The Home Planning Department of

the bank is publicized through both direct mail and radio. The bank has a list of 600 names for direct mail purposes, and to this list have been mailed various pamphlets and booklets, many of which have been supplied by the Small Homes Council of the University of Illinois. All mailings of course cover various phases of home building.

Over its local radio station KIDC the bank for some time has sponsored a weekly fifteen-minute program titled "Evening Serenade." The basis of the program is music, with spot announcements of the bank's services not exceeding 5 minutes, covering the agricultural department, other departments of general banking, and of course, now the Home Planning Department. Mrs. McDonald writes the script when her department is on the air, and hers and Mrs. McCleary's are the voices heard.

Since many of the building plans are for farm homes, the Department has worked closely with 4-H and Farm Bureau members to interest them in using the services for any building or remodeling contemplated. The Women's Club of Estherville staged a tea for farm women, which featured a home planning program.

After a few months over a year of operation, Mr. McDonald figures his Home Planning Department has cost the bank \$1,000 maintenance expense the first year. In this amount is charged all items that relate to the Department—cost of the *Better Homes and Gardens* service, subscriptions to a dozen home magazines, share of direct mail and newspaper advertising, and share of radio time used. To this is added the salaries of the Department personnel, who are paid at the same hourly rate as the tellers of the bank.

Mr. McDonald considers his Home Planning Department well worth while. It doesn't take up much space, and its arrangement could be adapted to many banks. It has helped the Iowa Trust and Savings Bank acquire a select list of home loans, and has created a tremendous amount of goodwill in the community.—The End.

5 MINUTES FROM DOWNTOWN LOS ANGELES

At the Chelsea, every guest room is a large outside room, with its own private bath. All are beautifully decorated and designed for comfort. A truly outstanding downtown hotel perfect for those who wish to be in mid-city, and yet prefer a quiet home-like atmosphere. The Chelsea is near—Radio Center, Huntington Library, Forest Lawn Memorial Park, China City, Movie Studios, Beaches.

Rates from \$3.00.



NEWS AND VIEWS

(Continued from page 50)

Milton Tootle, Jr., son of **Milton Tootle**, president of the Tootle-Lacy National Bank of St. Joseph, Missouri, has been elected an assistant cashier and will follow in the footsteps of his illustrious family of bankers.

Also, **E. H. Schropp** and **E. L. Crume** have been promoted to the positions of assistant vice presidents of the bank. These men were formerly assistant cashiers of their institution.

Fisherman



FISH STORY No. 1 was entered in the vacation log book of **Erwin W. Jones**, vice president of the Iowa-Des Moines National Bank of Des Moines, recently when he went on his first fishing expedition and came back with the above prize catch. Mr. Jones is shown holding an eight-pound Northern pike he snagged at Perrault Lake in northwestern Ontario on his initial fishing venture.

Ben Du Bois, secretary of the Independent Bankers Association of Sauk Centre, Minnesota, reports that their organization now has a membership of 2,280 scattered through 11 Federal Reserve Districts.

In commenting on future legislation, Mr. Du Bois said, "The independent bankers of the country are realizing better than ever before that they must join together in opposition to banking concentration if independent banking is to maintain its status. While the Tobey-Wolcott bill failed of passage, it was successful in visualizing the issue and in the next session of the Congress more independent bankers

will be rallying to the support of a bill that will regulate the bank holding company."

Frank Warner, secretary of the Iowa Bankers Association, has presented a most complete "Statewide Survey of Rental Fees" and other related data in respect to safe deposit box business of Iowa banks.

Eight major questions were asked, two of which inquiring as to whether the banks' safe deposit vaults were burglar proof, and whether they carried insurance on their safe deposit boxes.

The size of boxes was given, together with the fees charged, also population of the various towns from which banks had sent in their reports.

This is a most detailed and worth while survey and reflects as always the meticulous care which **Secretary Warner** uses in the preparation of all of his very helpful surveys for Iowa banks.

An interesting comparison was made by the Cleveland Trust Company of the number of businesses in the United States which are now at an all time high. "Along with its human

population, the nation's business population has been increasing rapidly. The number of operating businesses made a new high record of 3,848,000 at the beginning of 1948, according to figures compiled by the Department of Commerce. This total may seem surprisingly large in view of the emphasis frequently placed on the 'bigness' of American business. It is true that large concerns conduct a substantial part of the nation's trade and industry. Yet small business is more closely woven into our economy than is sometimes realized—in fact if the above figure is divided into our total population, we have approximately one business for every 38 inhabitants.

"Probably almost half of these businesses are very small indeed, being operated by one individual or family and having no paid employees."

LEGAL QUESTIONS

(Continued from page 59)

ment, it is presumed at law, where the will cannot be found after his death, that such person destroyed the will with the intention of revoking it. Under this rule, the law would hold

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IN SIOUX CITY

A BANK FOR A BANK

THE TOY NATIONAL BANK

Member Federal Deposit Insurance Corporation

that Benton died without a will because of the presumption that since it could not be found, he revoked the document by destroying it.

Q. Suppose, in the preceding question, facts had been developed that showed that there had been no intent to revoke the will and that the reason that the will could not be produced was that it had been destroyed by a fire at Benton's house which had been caused because it was struck by lightning or some other like calamity. Suppose further that the contents of the will, its execution, and the other incidents thereto were clearly proven by reference to a copy retained by Benton's attorney, and otherwise. Would Benton, nevertheless, be held to have died intestate, that is, as though he had left no will?

No. It is perfectly in order, in appropriate cases and with proper evidence, to establish lost wills and give them full force and effect. The legal presumption that a will has been revoked which arises when it cannot be found may be overcome by substantial evidence warranting a holding to that effect. Such evidence is quite often

difficult to obtain, however, and the practical way to avoid involvement in those matters is to see that such an important paper is kept in a safe deposit box.—The End.

Named Trustee

The United States National Bank of Omaha has been designated as trustee for the proposed \$60,000,000 debenture issue of the Northwestern Bell Telephone Company, according to announcement of Russell J. Hopley, president of the 'phone firm.

Mr. Hopley said directors of the company, at a meeting earlier this month, designated the trustee and authorized necessary features of the proposed issue preliminary to submitting it to state and federal regulatory authorities for approval.

Original announcement of the issue, made on July 30th, stated that proceeds from the sale of the issue would be used to retire indebtedness incurred for improvements and additions to the Northwestern Bell Company's telephone plant.

Mr. Hopley, who is temporarily serving as Director of Civil Defense Planning under Secretary Forrester, came to Omaha from Washington for the board meeting.

Dogs Bite Man

Kearney Wornall, vice president of The City National Bank and Trust Company, Kansas City, Missouri, recently wore a pair of bandaged hands as testimony of the neighborliness and loyalty of two dogs. When Wornall was chastising his own dog for a breach of canine etiquette, his neighbor's dog, seeing the punishment, ran over to assist his pal and nipped Kearney severely. While Kearney was fending off the neighbor dog, his own pet came to the rescue of his friend and nipped Kearney also. Now Kearney is torn between admiration of the loyalty the dogs exhibited toward one another and the ingratitude of his own animal's biting the hand that feeds him.

Two Vice Presidents

Directors of California Bank, Los Angeles, have elected John S. Hartwell and Darwin A. Holway assistant vice presidents, Frank L. King, president, announced.

Now a Vice President

A recent promotion in the Bankers Trust Company, Des Moines, is that of William Ellison to vice president. Mr. Ellison, who formerly was assistant vice president, is connected with the commercial loan department of the bank.

Starting with the Bankers Trust Company as a bookkeeper in 1923, Mr. Ellison later became receiving teller, was advanced to assistant cashier in 1928, and was named assistant vice president last year.

Dividend

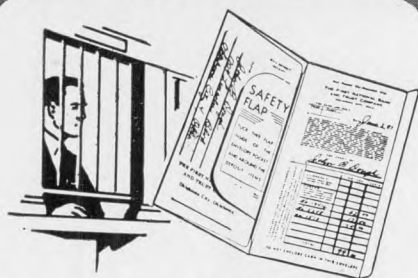
Irving Trust Company has announced that its board of directors has declared a quarterly dividend of 20 cents per share on its capital stock, par \$10, payable October 1, 1948, to stockholders of record at the close of business September 7, 1948.

1949 Convention

Dates for the 47th Annual Convention of the American Institute of Banking, which will be held next year in Portland, Oregon, have been definitely set for May 30 through June 3, it was announced by Pierre N. Hauser, national president of the institute. Mr. Hauser is vice president of The First Wisconsin National Bank, Milwaukee, Wisconsin.

The invitation to hold the 1949 convention in Portland was officially extended and accepted at this year's convention in Buffalo, New York. This will be the second time Portland has been host to the convention, the first having been in 1922.

The general chairman of the convention committee is C. B. Stephen-



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E. H. WARNER
Secretary and Manager

W. W. WARNER
Assistant Secretary

son, vice president of The First National Bank of Portland. C. C. Clarkson, vice president of The First National Bank of Portland, Sixth and Morrison Branch; Ralph Thom, assistant manager of The Bank of California N. A.; and Charles R. Harding, vice president of The United States National Bank of Portland, will serve as vice chairmen. These last three are past presidents of the Portland Chapter of the Institute.

Convention headquarters will be maintained in Hotel Multnomah.

Investment Field Day

The date for the Iowa Investment Bankers' Annual Field Day is Thursday, September 23rd, to be held in Des Moines.

Overnight headquarters for those interested is the Hotel Savery. The festivities will start with a breakfast at the Savery at 8:30 in the morning. Then the group will go to the Hyperion Field Club north of Des Moines, where golf and other forms of amusement will be the order of the day. Lunch and dinner will both be served at the Hyperion.

There will be the usual wealth of door prizes, and sweepstakes tickets are on sale at \$1 each. The registration fee is \$15 for members, and \$20 for guests. Hotel reservations can be made direct with the Hotel Savery, and reservations for the Field Day with Harry Westphal at the Iowa-Des Moines National Bank.

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Mt. Pleasant, Iowa

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

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Robert Morris Convention

The annual convention of the Robert Morris Associates will be held in St. Louis, Missouri, October 24-27, 1948. The executive committee for the meeting consists of the following bankers: Albert Wagenfuehr, executive vice president, The Boatmen's National Bank of St. Louis as chairman; F. Guy Hitt, first vice president, The Federal Reserve Bank of St. Louis as vice chairman; Harvey Welch, vice president, First National Bank in St. Louis; Wm. Schroer, vice president, Mississippi Valley Trust Co.; Walter L. Rehfeld, vice president, Mercantile-Commerce Bank and Trust Company; and Harold Keller, president, Mound City Trust Company. The general chairman is Eugene E. Fincke, assistant vice president of the Mercantile-Commerce Bank and Trust Company. The program committee has announced one of the principal speakers will be Marquis W. Childs, well-known Washington correspondent and writer. Headquarters for the conference will be at Hotel Statler.

Registration will begin on Sunday morning, October 24.

Civic Positions

Bank of America officials recently appointed to civic positions include:

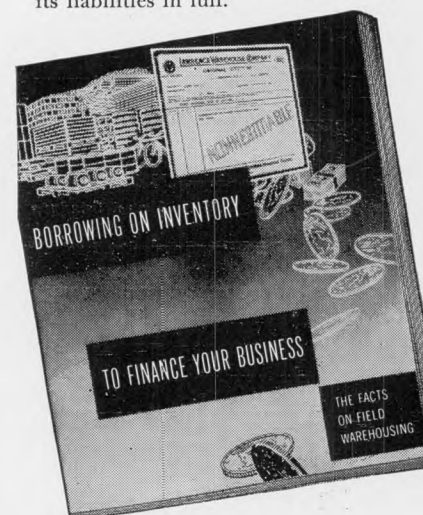
Phil Neal, manager of La Jolla branch, elected president of the La Jolla Chamber of Commerce; Graydon Hoffman, vice president and manager of the San Diego Main Office, appointed general chairman of the Community Chest's 1948 Red Feather campaign in San Diego; and Julian R. Davis, vice president and manager of the Long Beach Main Office, appointed chairman of the Advance Gifts Advisory Committee for the 1948-49 Community Chest campaign in Long Beach.

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Since 1907
Advertising for Immediate Sales
DES MOINES

DEAR EDITOR

(Continued from page 15)

it has been mailed out by you as a joke, I would like to reply to it in a similar vein.

"First, I want to compliment you on the wonderful push that items such as this will give the cause of Communism in this country. A country which was built on thrift and individual initiative but which today has declined to such an extent that 'the majority of the individuals, who looked at the houses that you are pushing, 'cannot raise the necessary down payment for construction loans, and many haven't even land purchase money.' It is certainly a terrible thing in this time when we have the greatest employment and highest wages in the history of our country, that hundreds of thousands of individuals are in such a position. And I agree with you that something should be done about it immediately.

"If the bankers of this country won't make loans to such unthrifty individuals, broad government help may well be the only way out. For, if the bankers of this country won't take the money of their depositors and put it into inflatedly priced houses, or lend it to individuals who won't be able to pay it back when the next depression hits, then the Government must do it. Yes, Sir! the Government must take the money that is paid to it in taxes by hard-working individuals, and spread it around a bit. After all it can always levy more taxes.

"And, as there is no depression in sight, the next best thing to do if we really want Communism—and it looks like *Look* does—is to push the Government debt out of sight, through financing of such projects; increase the taxes to pay for them and completely break down the financial structure of the country by belittling its banks and bankers. I always thought that a bank was in business to lend money on good security to individuals with a sound credit standing—at least that

was what I hoped was the picture when I became a bank depositor—but I can see from your statement that it is engaged today in keeping money out of circulation and thus causing a housing shortage.

"And, by the way, I have been looking at a new car and a new television set lately, and I wish you would arrange to have the Government start producing those things too, for I am sure that it would do it much cheaper than private industry, as it has no taxes to pay.

"Broad government help is the solution to all of our problems. Broad government help to every individual who wants a house, a car, a radio, a television set, whether he can afford it or not. For, with the Government producing everything, everything will be much cheaper.

"In fact all that we will have to pay is the FREEDOM which men have fought and died for for hundreds of years."

"Express Our Appreciation"

"Caught up on some of my reading in the quiet of my own home last evening and hasten to express our appreciation for your most kind expression from 'Across the Desk from the Publisher' addressed to Harold R. Dietemeyer, Chairman of our Nebraska Bank Management Committee.

"Your NORTHWESTERN BANKER statistical department did a fine job of extending the percentages pertaining to certain portions of each size group totals which adds a great deal to the information it was intended should be included in the survey."

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

"Congratulate You"

"The picture of your good-looking daughter-in-law and your son in the July issue, with the announcement of their wedding, is very attractive. I congratulate you upon this important family event.

"It doesn't seem possible that a man of your youth could have a son old enough to be married. Yet it must be, because whatever is printed in the NORTHWESTERN BANKER I accept as gospel, as do the other readers."

Joseph Bame, Manager Public Relations Dept., Commercial National Bank & Trust Co., New York, N. Y.

"The Northwestern Banker Helps"

"Thank goodness we have the NORTHWESTERN BANKER staff to help us over the rough spots. The material contained in and accompanying your letter was exactly what we needed. Thanks again for your grand cooperation and assistance."

Gordon M. Malen, First National Bank of Minneapolis.

"Good Reading"

"The editorials in the NORTHWESTERN BANKER would make good reading for every American citizen. I enjoy each issue of the NORTHWESTERN BANKER."

A. J. Cray, President Exchange State Bank, Lime Springs, Iowa.

Put this on
your list of
things-to-do
the next time
you're in
Des Moines!

A DOBBS Fall
Felt from this
Dobbs Store.

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CONVENTIONS

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.

October 10-13, 24th Annual Convention, National Association of Bank Auditors and Comptrollers, Atlanta, Georgia, Ansley Hotel.

October 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.

December 6-10, Annual Meeting, Investment Bankers Association of America, Hollywood, Florida, Hollywood Beach Hotel.



Old Paper Money Holds Interests for Collectors

Wildcat Notes and Reddog Currency Prove Intriguing

THE hobby of collecting obsolete paper money is one of the modern sidelines of the ancient hobby of coin collecting. It is less than a century old. The most popular field is that known as "broken bank notes." This term indicates notes of banks, both state and private, that have failed between 1790 and 1864. Their currency is often called "wildcat" or "reddog" currency.

Some of these old bills, which are unredeemable at banks, have unheard of values among collectors. Of especial interest are the early notes bearing the signatures of the signers of the Declaration of Independence. Such notes are in much demand.

The notes issued by the Kirtland Safety Society Bank of Kirtland, Ohio,

are also valuable on account of the signatures they bear. They are signed by the cashier, J. Smith, Jr., and this particular J. Smith was none other than the Joseph Smith who subsequently founded the Mormon Church.

The notes issued during the presidency of Washington are always sought for, as also are those which came from the presses of Benjamin Franklin and Paul Revere.

The majority of old bank notes were printed from engraved copper plates. The engraving was done by first-class artists of the period so that the vignettes on the bills are an excellent study of the art of those early days.—By Stuart Mosher, Editor of *The Numismatist*.

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In the DIRECTOR'S ROOM



In Mourning

Bellhop (after ten minutes): Did you ring, sir?

Man: No, I was tolling. I thought you were dead.

Quality Work

Prospective Buyer (inspecting new home being built): This house doesn't look too strong.

Contractor: Well, you've got to consider we haven't got the wallpaper on yet.

Comrades

Train Traveler: I just got out of prison this morning. It's going to be tough, facing old friends.

Another: I can sympathize with you. I'm just getting home from the state legislature.

Speedy

"Why are sailors referred to as 'fast workers'?"

"It's only natural — they're fleet men."

Wrong Recipe

Cannibal Cook: Shall I boil the missionary, chief?

Chief: Don't be silly! That's not a missionary, that's a friar.

Friendly Neighbor

"Daddy, Mr. Jones next door wants to borrow your corkscrew."

Father (putting on coat): "All right, son. I'll take it right over to him."

Tripped Up

"What do you mean, he was ruined by his untold wealth?"

"He didn't tell about it on his income tax."

Thrifty

Saddler (to Scotchman): You want only one spur? Of what use could one be?

Scotchman: Well, I figure if I can get one side of the horse to go, the other side will come with it.

Curiosity

"How are you getting your wife to come home so soon from her out-of-town visit?"

"I sent her a copy of our local paper with one item clipped out."

Fact, Not Fiction

"Since I have my new automobile, I don't have to walk to the bank with my deposits."

"That's nice. Drive over now, eh?"

"No. I just don't make any."

Wasting Time

"Daddy, I saw Mama kiss the ice man this morning."

"Ye gods! She wastes her time on him when we owe the grocer \$50!"

Fools 'Em

Circus Manager: You're pretty small to be a wild animal trainer.

Applicant: That's the secret of my success. They're waiting for me to grow a little larger.

Trade Secret

First Lawyer: As soon as I realized it was a crooked business, I got out of it.

Second Same: How much?

Too Strict

First Secretary: The new boss is o.k., only he's kinda bigoted.

Second Same: Whatdya mean, bigoted?

First: He thinks words can only be spelled one way.

No Tip

Departing Hotel Guest (to bellhop): Quick, boy, rush up to 318 and see if I left my pajamas. I've just got five minutes to make my train.

Bellhop (gasping for breath, two minutes later): Yes, sir. They're up there!

Brief Career

Director: Have you had any stage experience?

Applicant: Well, I once had my arm in a cast.

Odds Too Great

Doctor: Nine out of ten patients die during this operation. Can I do anything for you before we start?

Patient: Yes. Just help me with my hat and coat.

Bad Guess

Plumber: I came to fix the old tub in the kitchen.

Son: Ma, here's the doctor to see the cook.

Dead to Rights

Patient: I'm in love with you. I don't want to get well.

Nurse: Don't worry, chum, you won't. The doctor saw you kissing me and he's my husband.

Style Above Everything

The young man was waiting impatiently at the post office wicket while two female clerks were busy discussing one of their acquaintances.

"Her evening gown," said one, "was of metallic brocade, with a braided bow and full sleeves."

The patient one broke in with: "I wonder if you could get me a neat red stamp with a perforated hem, the whole business treated with a coating of beautiful mucilage and costing about four cents?"

Like a Skirt, Perhaps

Garage Mechanic: What's the matter, lady?

Mrs. Clutchbuster: They say I have a short circuit. Could you lengthen it while I wait?



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in our correspondent accounts measures, we believe, a growing
appreciation for the constructive manner in which we endeavor
to handle each item of correspondent business.



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**1948 CORN CROP TO
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Iowa's 1948 corn crop will set an all-time record, according to the latest Government forecast.

Estimates place average production at 60 bushels per acre. Total yield is estimated at 646,140,000 bushels. A bumper output of soybeans also is predicted, and a large crop of oats has been harvested.

Again this year, Iowa Banks and Bankers are invited to route their grain and other drafts to this Bank to insure fast and efficient collection service for their customers. May we serve you?



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