

NORTHWESTERN *Banker*

**DECEMBER
1948**



**What About Business
for 1949?**

Survey—Pages 14, 15, 16

CHRISTMAS SPIRIT PERMEATES BANKS—Page 9

MEETING THE CHALLENGE

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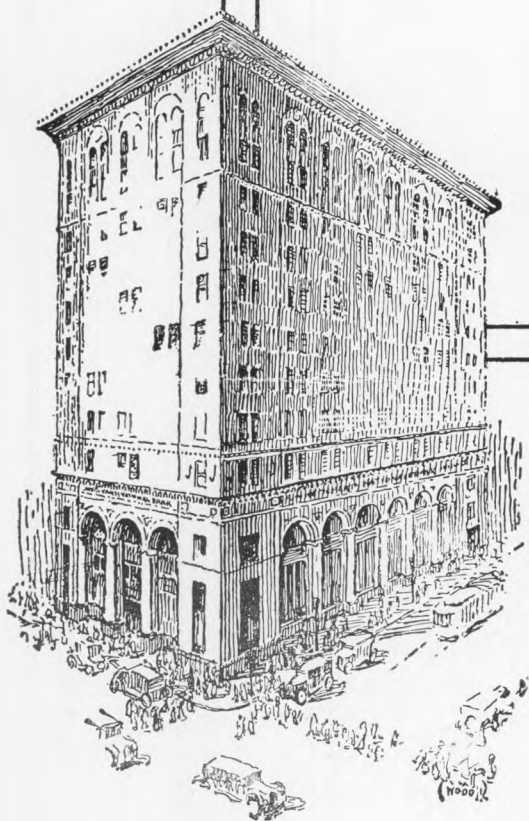
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Famous American Homes



Van Alstyne's
Headquarters for a Cause



A view of Van Alstyne's before preservation was undertaken

ON the New York to Buffalo highway in the town of Canajoharie stands a handsome low-lying stone structure—famous throughout Mohawk Valley as the Van Alstyne House. Now the Fort Rensselaer Club, place of social functions, it was once the chief meeting place of a hardy band of pre-Revolutionary patriots.

When Marte Janse Van Alstyne built his house in 1749, he was constructing not only a home but a vantage point from which he could closely supervise and protect his nearby mill. So successful were he and his partner in this and other enterprises that Canajoharie soon gained a wide reputation as a lively and important trade center.

With the approach of the Revolutionary War, Canajoharie became the Valley's knot of resistance in the pending fight for freedom. As early as 1774, in defiance of Tory overbearance, a group of local patriots organized the Tryon County Committee of Safety, choosing as their meeting place the home of a sympathetic Van Alstyne. Shortly after, this same body of men fired the first shots of the war west of the Hudson River.

Never palisaded but always a strong point of defense, Van Alstyne House served as legislative, judiciary and military headquarters for the committee through 1775. The plans and decisions made here during this time did much to bring about the final independence of that sparsely settled country. Almost two years before the Declaration of Independence, these patriots of Tryon County had bound themselves to follow the regulations set forth by the First Continental Congress.

Thereafter, the fame of Van Alstyne House was such that many distinguished men and women went out of their way to pay it a visit. General Washington himself, and his staff, dined and lodged here in 1783. A later guest, Tom Moore the Irish poet, inspired by this attractive site,

was said to have here begun his famous poem with the following opening lines:

*"From rise of morn to set of sun
I've seen the mighty Mohawk run"*

Today the Van Alstyne House—its architecture and masonry faithfully preserved by the Fort Rensselaer Club—retains its original style and dignity. Furnished in true Colonial style, it houses also many valuable Mohawk Valley documents, relics and historic works of art. It remains a fitting memorial to the enterprising forefathers whose resourceful efforts were a great contributing factor in winning the American cause for independence.

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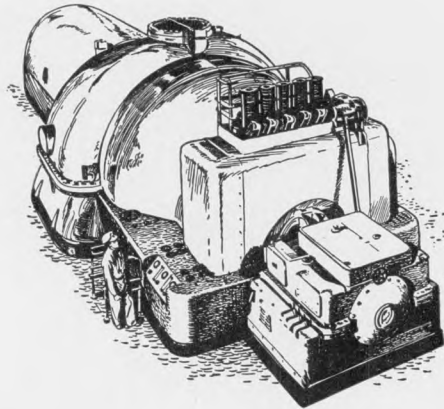
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Public Utilities
 OFTEN POSE UNUSUAL PROBLEMS?

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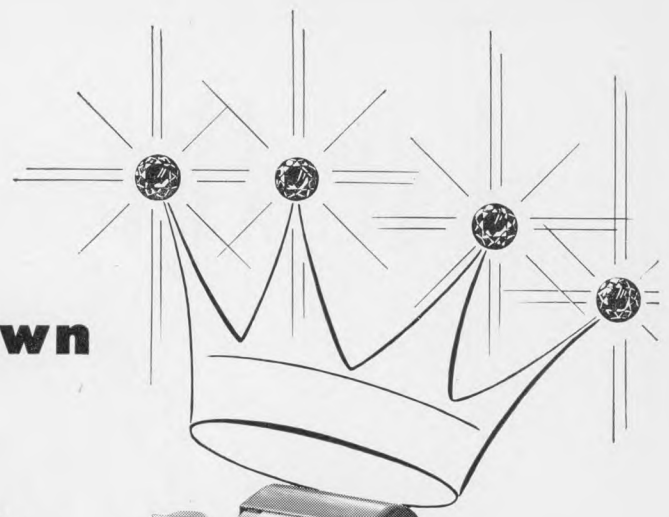
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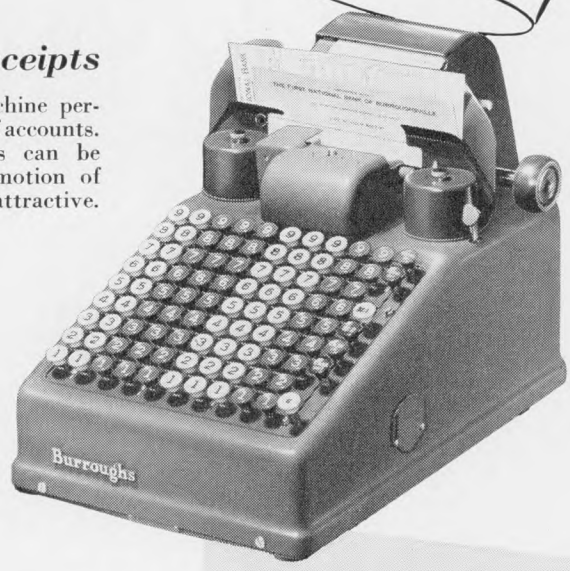
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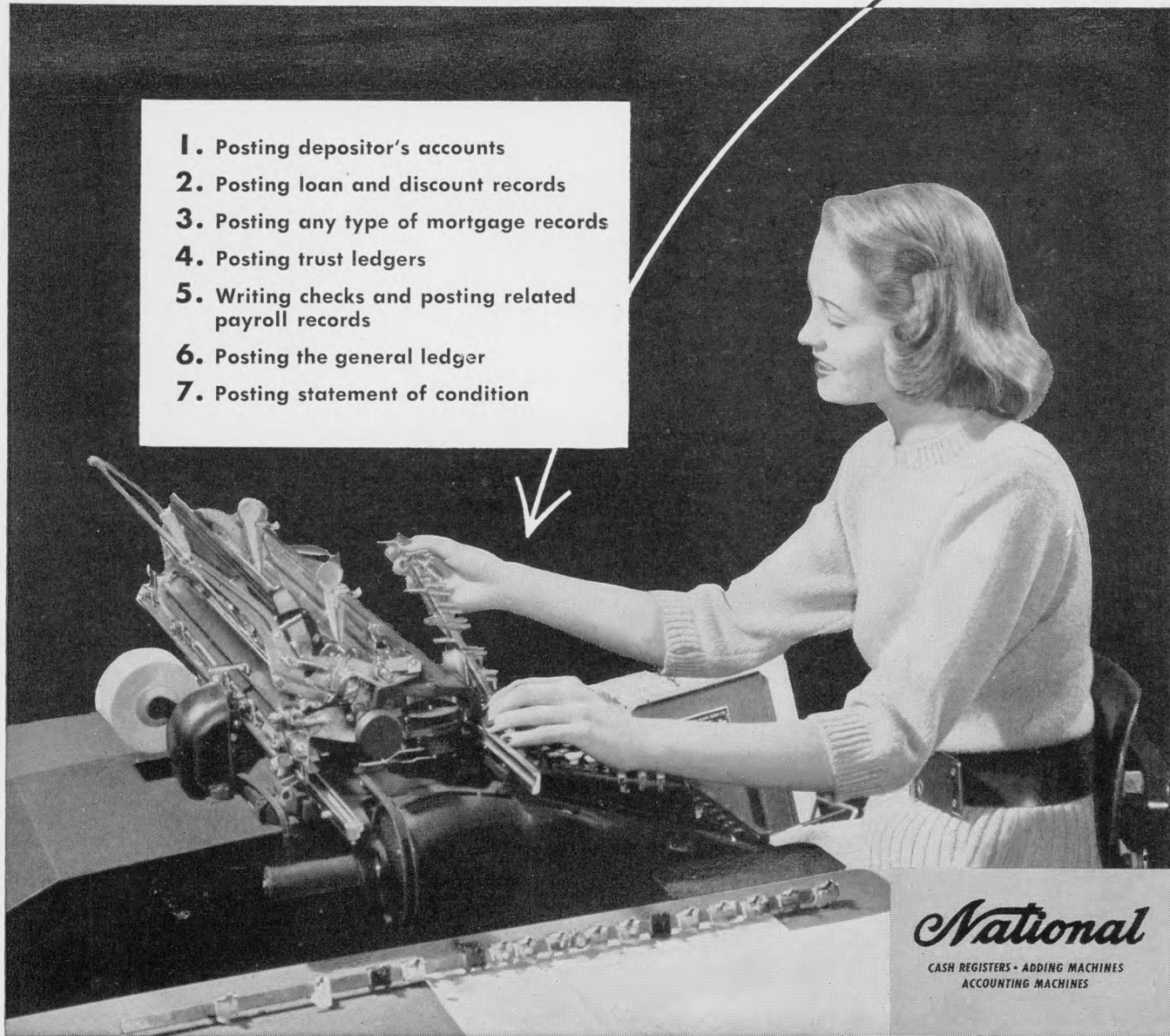
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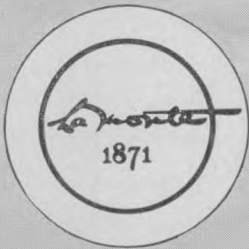
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Northwestern Banker, December, 1948

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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.

"Your Constructive Viewpoint"

"We read with interest each publication of your excellent NORTHWESTERN BANKER. In our opinion, you are rendering and have rendered through your exceptionally fine magazine a tremendously constructive service to the dual system of banking.

"Speaking of the dual system of banking, we feel that the banks and bankers of this nation should follow most carefully the report of the Hoover Commission insofar as it affects banking in that nothing should be allowed or permitted which would in any way weaken the confidence of the 90 million depositors throughout the nation, especially

(Turn to page 42, please)

ON THE COVER

Each Christmas season thousands of banks throughout the nation join in the holiday festivities in their own individual ways—bank lobby decorations, choral groups and Christmas letters to bank customers.

Typical of the warm, friendly Christmas spirit displayed by the country's banks are two features in this December NORTHWESTERN BANKER. Our cover picture shows holiday crowds in the lobby of the First National Bank of St. Paul enjoying the musical program presented by the First National Male Chorus. This program is given throughout the week before Christmas.

The music is piped from the main lobby, where the giant First National Christmas tree dominates the room, and is heard on the first five floors of the bank, in the streets on all four sides of the bank, and at the four outlying First Group banks. The all-employee chorus is directed by Christopher Herseeth, assistant cashier.

Another typical bank observance of Christmas is outlined in a feature story about the First National Bank of Lincoln, this story and accompanying picture appearing on page 17 of this issue of the NORTHWESTERN BANKER.

NORTHWESTERN Banker DES MOINES

Oldest Financial Journal West of the Mississippi • 53rd Year • No. 737

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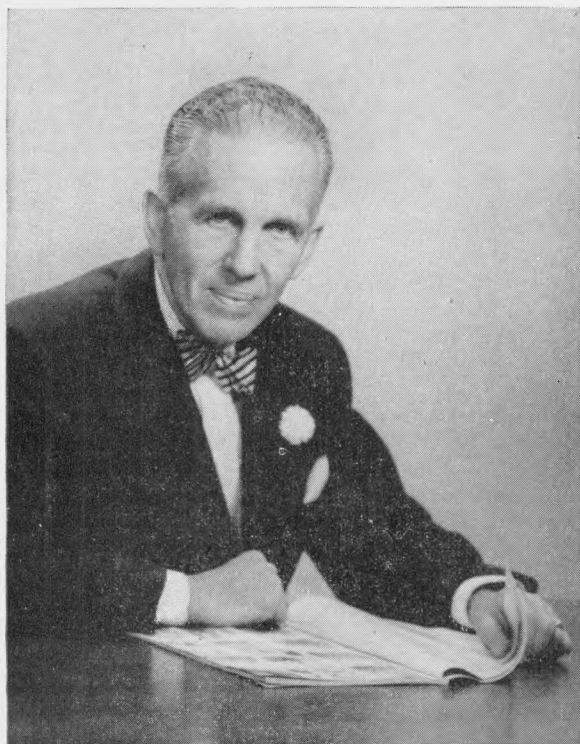
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Across the Desk From the Publisher

Dear Arthur W. McCain:

President, Chase National Bank of New York

Not long ago, we attended a bankers convention where the speaker told of the difficulties of securing adequate help for banks because young high school and college graduates were being lured away by industry which apparently would provide better salaries and better working conditions.

We were therefore interested, Mr. McCain, to read your remarks on "Banking as a Career" and the advantages which young men and women could find in following banking as a profession.

As you said, "The college graduate today who takes up banking will find in it many fields of interest in which, by ability and hard work, he may achieve a position of responsibility and be of real service to his fellow men. Being associated with a bank provides certain prestige. The public holds in high regard those who are chosen to fill banking positions. The public knows that these people are chosen because of character and ability. Also, a banking position provides more than average security and stability. A bank selects its personnel with the purpose of giving them adequate training and keeping them for a long time.

"Money and buildings and equipment are essential parts of a bank, but in reality people make

the bank and give it character. Each person shares in the responsibility of accomplishing a wide variety of tasks. If you have an active and sincere interest in business, you want a career which will test your mettle, one which gives you opportunity to use all the skill and ingenuity you can muster, one which brings you into close personal relationships with many important people of varied interests, one which traverses the whole scope of business in its opportunities—and one which carries compensation in line with services rendered—then the banking profession is worthy of your consideration."

It is certainly true that "people make the bank and give it character" and it is therefore desirable from the bank's standpoint to get high grade young people to enter the banking profession and likewise it is up to the banks of the country to provide proper compensation and working conditions which will make banking, as a career, a desirable and worthwhile opportunity for them.

Dear Herbert J. Boettler:

Vice President, First National Bank in St. Louis

Your recent analysis of bank credit policies is a most interesting one, Mr. Boettler, and the NORTHWESTERN BANKER quite agrees with you that bankers should not be blamed for increased money in circulation which has been caused by deficit financing and which in turn has created higher prices.

This policy, as you well point out, is one which was adopted by the government and was a plan over which bankers as such had very little to do.

Certainly, therefore, banks should not be blamed for inflationary prices because of a 250 billion dollar national debt.

As you put it, "Bank credit policy has been under fire from various quarters for the past few months. The strenuous criticism has given the widespread impression that the banker is responsible for the inflationary problem now facing the country. This attack on bank credit policy has been based upon the fact that the volume of money in circulation plus bank deposits has tripled in the last 10 years. It has increased from about 60 billion dollars in 1939 to almost 180 billion dollars on June 30, 1948. At the same time, it is pointed out that in the same period the physical quantity of goods available for purchase in the United States, excluding shipments abroad for relief and military requirements, has increased only 75 per cent. There is no doubt that the far greater increase in the money supply than in the supply of goods is the basic cause of high prices. Responsibility for this situation cannot, however, be placed upon the commercial bankers.

"We bankers should do what we can to protect ourselves against the unfair criticism that commercial bank policy is responsible for high prices.

The problem facing bankers today is to see that they educate the public to these facts so that the criticism will be placed where it belongs and that place is certainly not on the banks.

Dear Robert Lindquist:

President, Financial Public Relations Association

First of all, may we congratulate you on the fine work which you and your association has done during the past year in creating better "public relations" on the part of the banks towards the public.

There certainly is no more vital need than to continue to create good will between bank customers and bank officers.

As you have very ably presented it, **"Banks currently stand high in public favor and esteem, but we must not let ourselves be tempted to relax our public relations efforts in any way. Public opinion is fickle and can change quickly, particularly toward banking which depends so much for its well being on general business conditions.**

"We are all aware of actions and proposals of the federal government which step by step are taking from banks more and more of their management functions and responsibilities. We are also conscious of the attitude toward banking on the part of new political bodies and organized groups. It all adds up to the fact that long-range political and economic trends are moving banks inexorably toward government domination and ultimate ownership—unless banks everywhere, on Main Street and Wall Street, realize the vital importance of thinking of their responsibilities in terms of people as well as in terms of dollars.

"And the important part of public relations is not so much what is done, but the spirit in which it is done—of seeing beyond the dollar sign and thinking of our job as one of serving and pleasing people!"

Yes, indeed, public opinion is "fickle," as we found out in the last election, and for that reason it behooves bankers everywhere to continue to have their contacts with the public pleasing and satisfactory.

This does not mean that every loan that is requested should be granted, in fact many of them should not be granted, but it is a manner in which loans are declined and the advice and counsel given which will determine whether the applicant for a loan will go away feeling friendly toward your bank or otherwise.

The finest asset in any bank statement is "good will" even though it may not show as a separate item, it is interwoven with every financial transaction which you make.

Dear Floyd M. Call:

Secretary, Florida Bankers Association

There is nothing more important these days than educating "young America" about banking and the "economic facts of life."

For that reason the NORTHWESTERN BANKER is glad to know that the Florida Bankers Association has undertaken a statewide program to familiarize high school students with banking operations.

As we understand it, your association is making material available for teachers to use in their classes, using a set of 5 posters and charts which will be supplied every county superintendent and bank in the state.

This is certainly a most commendable program and it is greatly needed in these days when the free enterprise system is being criticized from without and being undermined from within.

Let's hope that more bankers associations follow the fine example which you and your association are setting for them.

Dear Harry S. Truman:

The Elephant Tamer

You certainly Galluped back into the White House, but we understand that Gallup is now walking.

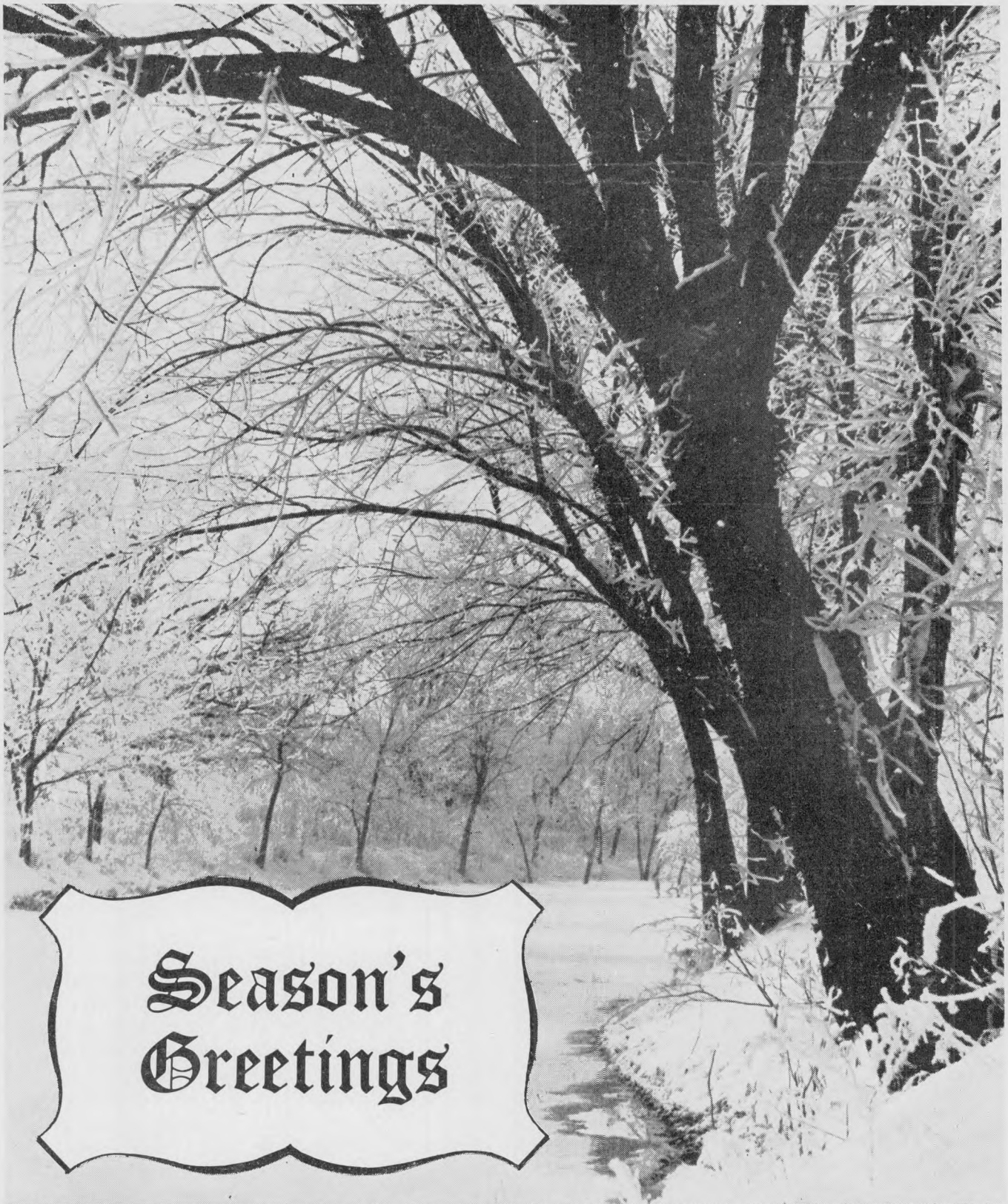
Anyway there were over 24,454,517 of us who hoped that the elephant symbol might again fly over the Capitol at Washington, but your 24,047,205 ballots won enough electoral votes to tame the elephant.

The NORTHWESTERN BANKER will continue to express its opinion on current affairs from time to time, but sincerely hopes that you can live up to your promise of bringing us PEACE in our foreign affairs. That is a tough assignment for any president, but this is also no time to pussy-foot with communism if we expect to have a democracy where a free expression of political opinion can still be made at the "voting polls."

In how many other countries can the citizens choose their political leaders by ballots—not very many—and in most cases it is bullets, not ballots, that decide.

So you continue, Mr. President, as the standard bearer of the greatest nation on earth, and every one of us should do our part to help keep it so.

Clifford DePuy



Season's
Greetings

CENTRAL NATIONAL BANK
& TRUST COMPANY ★ Des Moines, Iowa

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



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

What About Business for 1949?

Will Business Be Better or Worse?

What Is the Farm Outlook?

Will Truman Policies Hurt or Help?

Prominent Bankers Express Their Views to
The NORTHWESTERN BANKER in This
Important Survey of What's Ahead for 1949

IN ORDER to ascertain what bankers think about the business outlook for 1949 the NORTHWESTERN BANKER conducted a telegraphic survey among bank officials throughout the United States and the general opinion of these reports which are presented in this article is on the optimistic side.

Here are what these bankers say in answer to this NORTHWESTERN BANKER survey:

"GOOD THROUGH 1949"

By MILTON TOOTLE
President, The Tootle-Lacey National
Bank, Saint Joseph

"In my opinion, on account of the demands from Europe, national preparedness, the housing shortage and continued shortage of production in certain lines, such as automobiles, etc., business will continue good through 1949."

"OPPORTUNITY FOR PROGRESS"

By E. CHESTER GERSTEN
President, The Public National Bank and
Trust Company, New York

"The past year has seen much progress, both domestic and foreign, toward regaining balance between demand and production. The year ahead affords opportunity for further progress; the balance here, in all but a few lines, may be completed.

"Now, emphasis is placed more than ever on clear and logical thinking. Successful and profitable operations are being attained by many despite transition from seller's to buyer's markets, as reward for sound training and long experience. Leadership and management that have weathered competition can surmount today's problems.

"We stress clear thinking now because political actions by our government here at home and by our government and foreign powers abroad, are unpredictable. We face here higher wages, taxes, and, generally, costs of doing business.

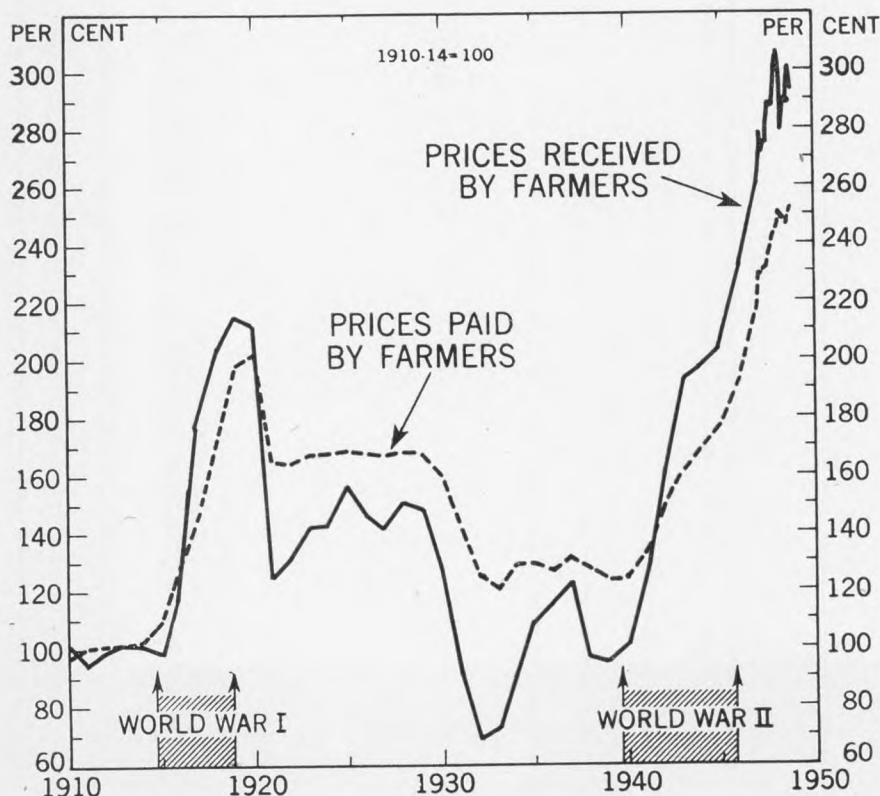
"Our national wealth and natural resources have been greatly depleted. Our individual industriousness and courage have been increased. We did it before and we can do it again. So, while definite changes in social and economic trends seem indicated, this is a nation activated by majorities and 'majorities' are the backbone of our business and economic activities. I continue to believe that those who work hard under conservative, flexible planning should find ample compensation for effort.

"As the master adjusts his sails to the varying winds, so must bankers and their industrious clients lay their courses according to the rules of the game current or foreseen. Caution is in order and risks must be appraised with greater conservatism so that regardless of veering trends, hardships can be avoided. It is time for caution but not for pessimism."

"GOOD BUSINESS"

By JOSEPH F. RINGLAND
President, Northwestern National Bank
of Minneapolis

"Estimating future trends in our economy is even more hazardous than guessing elections, but it is still necessary to arrive at some kind of an assumption for purposes of charting the course of a business. With farm income and employment at an extraordinary level, we are looking forward to another year of good business in the northwest, although we would be neither surprised nor disturbed if it should run somewhat lower than the current year. We shall observe moisture conditions next spring with particular interest, since with each passing year a poor crop becomes more probable, and if we should have a poor crop next summer, our deposits could, of course, be expected to decline next



Farm Prices. This chart portrays the prices paid and prices received by farmers.

fall. In general, we are laying our plans on the expectation that business conditions in 1949 will not differ too materially from those of 1948."

"EXCELLENT PRICES"

By **T. B. STRAIN**
President, The Continental National Bank of Lincoln

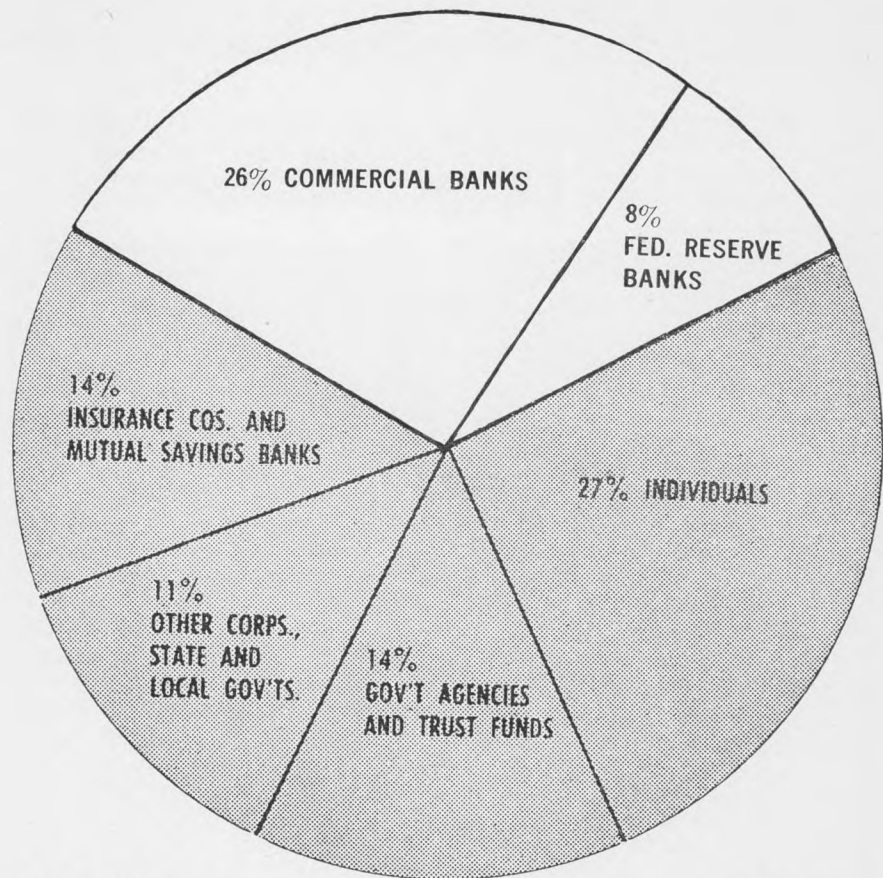
"I will expect business in our section of the country to continue along in the early part of 1949 at least as it is at the present time. We have had good crops, excellent prices, and the money will be spent for machinery and improvements and will circulate in trade channels. I believe that our housing development has about reached its peak and will be greatly surprised if building continues at anywhere near the 1948 rate. I am inclined to believe that the Congress will not rush into any legislative programs materially affecting the economy of the country."

"CONTINUED HIGH PRODUCTION"

By **WILLIAM A. McDONNELL**
President, First National Bank in St. Louis

"There are so many political and international factors involved in the business outlook that forecasting beyond the immediate future is little more than guesswork. The situation is complicated by the uncertainties that will continue to exist until the new administration reveals the extent to which it intends to redeem in the near future its promises of expanded social welfare projects, low rent housing and agricultural assistance. Furthermore, there is every reason to expect an expanded defense program. In view of the inflation already existing, one thing is certain: that any substantial further increase in government expenditures will add fuel to the fires of inflation already burning.

"Accordingly, until we are more certain of administration plans, it is only possible to appraise the business outlook on the basis of existing available information. On the whole, the odds seem to be in favor of continued high levels of production and employment in most of the basic heavy industries. Increasingly, however, the pipelines are being filled and adequate supplies of soft goods are available. As a consequence, some lessening in labor shortages in industries devoted to light manufacturing can be anticipated, although this may be soon absorbed if the administration carries out some of its indicated ambitious plans. In any event, it would seem that further pressure for increased industrial wages, and their consequent price increases, can be expected in the



National Debt. The above chart shows the ownership of the national debt and that more than one-third is held by commercial banks and the Federal Reserve.

Satisfactory Profits

"The underlying economic forces are of such a nature that, apart from some specific fields, business activity will be high enough to produce satisfactory profits."

Envy of the World

"Let us all remember that we in the United States are living under conditions that are the envy of the people in any other country on the globe. This should give us confidence."

Caution Not Pessimism

"Caution is in order and risks must be appraised with greater conservatism so that regardless of veering trends, hardships can be avoided. It is time for caution but not for pessimism."

1949 To Be As Good As 1948

"In general, we are laying our plans on the expectation that business conditions in 1949 will not differ too materially from those of 1948."

Election Results Absorbed

"The shock of the misguessed election results is rapidly being absorbed, as reflected in the bond market since November 2nd. I feel certain that with the large domestic and foreign load of obligations this country must service and discharge, business momentum will continue and be sustained. Tax money must continue to flow in, and production in large volume maintained."

Very Favorable

"General business is good here at present. Retail sales are holding well, bank deposits are again increasing, and money demand is up.

"Excellent crops, good prices, and a resultant optimistic buyer demand promise very favorable general business conditions in this area through at least the early part of 1949. An average crop prospect by mid-year 1949 would quite certainly assure some continuance of such condition."

affected industries. Measured by dollar volume, business generally should continue good but become increasingly spotty, with the problems of management greatly increased as a result of the squeeze between rising costs, higher taxes and lower profits. Because of tougher operating and competitive conditions, the percentage of business failures can be expected to increase—particularly for marginal ventures. In short, while the boom cycle should continue into 1949, its momentum in many important lines of business can be expected to decrease progressively, unless government support is stepped up to the point where results are highly inflationary. It seems needless to add that, the longer the cycle lasts and the higher prices go as a result of artificial stimulants, the greater will be the severity of the inevitable adjustment that must sooner or later take place."

"IMMEDIATE FUTURE GOOD"

By **GEORGE W. HOLMES**
President, The First National Bank
of Lincoln

"At more or less frequent intervals the American public enjoys viewing future conditions with alarm, particularly following a political change. I see no reason for great concern as regards the immediate future. This is definitely true in the area that the NORTHWESTERN BANKER covers intensively.

"We are all aware that we have a tremendous national debt which must be handled carefully. On the other hand, this should not be too difficult of accomplishment.

"We are also aware of the fact that the people of our area are relatively free of debt, and have tremendous assets both in money and in grain and livestock, which will be marketed through the months that follow.

"Inflation is naturally a problem we must face, and as available supplies of goods meet normal demand, some readjustment will ensue.

"Many of the conditions which bankers may 'view with alarm' can be cured, or certainly helped, if each banker will give careful attention to his own note case, and be prepared to give sound advice and counsel to any of his customers who may be attempting to embark on speculative ventures.

"Reasonably good business for 1949 can be anticipated, and the effects of any readjustment softened by the attention that each of us gives to our own individual institution.

"Let us all remember that we in the United States are living under conditions that are the envy of the

people in any other country on the globe. This should give us confidence."

"CAUTIOUS OPTIMISM"

By **SIDNEY MAESTRE**
President, Mississippi Valley Trust
Company, St. Louis

"Industrial activity is currently at an extremely high level. Indeed, the output of goods is close to the maximum attainable with the existing industrial plant. At this high level the forces of contraction and expansion are approximately in balance, and an appraisal of business conditions to prevail in 1949 is essentially a task of determining which of these opposing forces will gain ascendancy.

"Currently, weaknesses are appearing in certain sectors of the economy. In many lines the 'pent-up' demand of the war years has been satisfied and, consequently, buyers' markets are appearing. Moreover, some consumers have apparently withdrawn from the market in anticipation of lower prices. This hope will probably not be fulfilled in many lines. Another factor tending to reduce the demand for goods is the fact that the projected postwar expansion programs of a great many, although not all, firms have been completed. Moreover, the decline in the volume of exports is exerting a depressing influence. In the financial sector of the economy the psychological effect of rising interest rates may have discouraged investment in new capital equipment. The application of stricter credit standards by most lenders, especially in the real estate field, is tending to reduce the volume of additional credit available to business. Recent legislation permitting the Federal Reserve Board to establish higher reserve requirements and to reinstate consumer credit controls has also tended to limit the amount of credit available to business. While the actual effect is difficult to assess at the present time, the prospect of higher taxes and other restrictive legislation may restrain business activity in the coming year.

"On the other hand, there are certain forces which may tend to prolong the current high level of industrial activity and to intensify the inflationary movement of prices. Since the economic system is operating almost at capacity, the injection of any additional purchasing power will tend to result in even higher prices. Of course, if a decrease occurs in any sector of the economy, the additional purchasing power may merely offset the decline and thus maintain the current high level of production without affecting prices. Additional purchasing power is likely to appear in the

form of increased governmental appropriations for domestic rearmament, military aid to foreign governments, and economic assistance under established programs. Appropriations for reclamation and river basin development projects, low-cost housing, and other domestic programs may exert additional pressure.

"Merely to list the components of the expansive as well as the contractive forces in the current economic structure is to show how precarious is the balance between them. Furthermore, no consideration has been given to the time at which these factors may influence the trend of industrial activity. It is almost impossible to judge at the present time how urgent the need for economic and military expenditures will be nor the alacrity with which the American government will respond. It seems, however, reasonable to assume that such expenditures will not exert an appreciable influence until at least the second quarter of 1949.

"It seems reasonable, therefore, to conclude that if a downturn in business does occur, it is not likely to be either severe or prolonged. On the other hand, unless the government undertakes an intensive rearmament program or engages in open hostilities, the inflationary forces are not likely to induce sky-rocketing prices.

"Business activity in the coming year can, therefore, be viewed with a cautious optimism. Bankers and business men should be cautious since there are readjustments which must be made and because the business community does not yet know the extent of the international aid program or the domestic program. At the same time, the underlying economic forces are of such a nature that, apart from some specific fields, business activity will be high enough to produce satisfactory profits, although the record highs of recent years may not be exceeded."

"HIGH BUYING POWER"

By **A. G. SAM**
President, First National Bank
Sioux City, Iowa

"A banner year crop harvest has again been realized for this area, insuring again a high buying power for the coming year. However, 1949 business prospects are confronted with many unpredictable possibilities. Mainly these unforeseeable results, dollar-wise, would appear favorable while awaiting the new administration policies crystallizing in the next coming months.

"The shock of the misguessed election results is rapidly being absorbed,

(Turn to page 61, please)

MODEL TRAIN—Several visitors to the First National Bank of Lincoln, Nebraska, watch in fascination as the scale model electric train skims around the intricate maze of tracks. Youthful visitors are given free stick candy by bank guards at the lobby door.



How One Bank Makes Kids Happy at Christmas

Free Stick Candy and Scale Model Railroad Setup Draw Many Visitors to Bank During the Holidays

CHRISTMAS is for the kids, and the First National Bank of Lincoln, Nebraska, is typical of the thousands of businesses throughout this country that intend to keep this happy arrangement just that way.

Youthful visitors to the First National Bank during the holidays are greeted with a friendly smile by the bank guards and presented with cellophane-wrapped stick candy. This makes a big hit with the youngsters, and perhaps more important, with the accompanying parents who are pleased at the attention shown to their own "pride and joy."

Moving on into the main part of the lobby, a large Christmas tree carries out the motif of the season and during the 1948 holidays music will be heard throughout the bank's upper and lower lobby.

Centrally located in the ground floor lobby is a genuine Christmas scene, a model electric train with all the trimmings. Several years ago this feature was installed as part of the Yuletide celebration at the First National, with just a small train operating around the Christmas tree.

It became such a popular drawing card, however, that it is now set up as a separate unit, as shown in the picture on this page. The train set-up now includes a full grown model railroad on a platform in the middle of the lobby. The layout includes several automatic switches, warning lights, alarm bells, switchmen at highway crossings and the inevitable whistle.

Scale Model Ads

Taking advantage of the tremendous amount of interest showered on the train display, the First National wisely seized this opportunity to do a good job of public relations and business promotion for the bank itself. Scale model billboards, which mention such bank services as savings, checking accounts, small loans, mortgage loans and commercial loans, are placed around the platform where they can be seen easily.

The train naturally draws a great number of youngsters, all of whom receive their gift of candy from the bank guards. And, as you might have

suspected, a very good share of the interested spectators at the train display is composed of grown-ups who are there ostensibly to show their little boys and girls what makes the wheels go round.

Free Candy

Word about the free candy and the electric train whistling its way around the First National lobby soon gets around Lincoln when bank attendants get the annual display in readiness. To help along this word-of-mouth information, advertisements in the newspaper and over the radio remind readers and listeners that they are invited again to visit the First National Bank to see the Christmas decorations—and don't forget to bring the children! Bank officers feel that the resultant publicity could not help but create good will.

Similar scenes will be going on all over the country this month and should serve to express to the American public the fine spirit of good will, helpfulness and cheerful service that American bankers stand ready to give the year round.—The End.



"A rugged Irishman, an enthusiastic flyer and a capable executive"

Bankers You Know

Russell L. Stotesbery

President, The Marquette National Bank
of Minneapolis

A RUGGED Irish ancestry, an enthusiastic enjoyment of flying and unlimited executive ability are highlights in the make-up of Russell L. Stotesbery, president of the Marquette National Bank of Minneapolis. A man with 31 years of financial background, his ready acceptance of managerial responsibilities and his outstanding ability in handling important duties have carried him to the upper executive level in every business enterprise with which he has been associated.

In 1944 Mr. Stotesbery became a stockholder in the Marquette National Bank, and in 1945 was elected president. A fast-growing institution, the Marquette National has enjoyed an increase in deposits from \$6,500,000 in 1940 to over \$32,000,000 at the present time. To keep pace with this growth, Mr. Stotesbery announced last month an increase of \$300,000 in the capital stock of the bank. Total capital is now in excess of \$1,250,000, with \$500,000 in capital, \$500,000 in surplus and the remainder in undivided profits.

Russell Stotesbery was born September 6, 1900, in Bigstone County, Minnesota, the grandson of an Irish immigrant who had settled in Bigstone County. After receiving elementary and high school education

he started in the banking business in August, 1917, at the First National Bank of Ortonville, Minnesota. From 1919 to 1922 he was with the Security National Bank of Watertown, South Dakota, then in 1922 joined the Federal Bank and Trust Company, which is affiliated with the Federal Discount Corporation. Later he became vice president of the Federal Discount Corporation, a position he still continues to hold, and his son, Edward, is associated with him in this \$6,000,000 institution.

From 1922 to 1944 Mr. Stotesbery was a stockholder and director in several Iowa banks—the Dyersville National Bank, Dyersville; the Jackson State Savings Bank, Maquoketa, and was part of the group that organized and was one of the first directors of the Peoples Savings Bank at Waterloo. In 1939 he and Lynn Fuller, now vice president of the Marquette National, purchased controlling interest in the Illinois National Bank of Quincy when the latter bank's assets were \$4,000,000. In 1945 after joining the Marquette National Bank they disposed of their holdings in the Illinois National, which then had assets of \$17,000,000.

Mr. Stotesbery was elected president of the University National Bank of Minneapolis in 1944, continuing

in this position also at the present time. He is also director of the Chicago-Lake State Bank of Minneapolis and both of these banks have identical deposits of \$5,800,000.

Well-liked and highly thought of by officers, employes and customers alike, Mr. Stotesbery is always cooperative with everyone in the bank, eager to help associates work out their day to day problems. At the bank's social affairs he can always be counted on to join in the fun along with the rest of the employes.

Commenting on current problems facing bankers, Mr. Stotesbery states, "I am somewhat optimistic as to economic conditions in the immediate foreseeable future. By and large, business conditions in 1949 should continue on a high level. It is difficult to foresee any serious depression while the demand for consumer goods continues strong. Even though we continue to view the future with some degree of optimism, such reasoning must be tempered by maintaining a watchful eye on loans, particularly of an inventory nature, as many lines of production have and will continue to catch up to the point where excess inventories can cause serious losses to borrowers when values begin to decline, as they surely will."

(Turn to page 63, please)

News and Views

OF THE BANKING WORLD

By CLIFFORD DE PUY, Publisher

D J. NEEDHAM, general counsel of the American Bankers Association of Washington, D. C., in a recent statement said, "I have no worry that the 81st Congress will pass any legislation which will be detrimental to banking."

We certainly hope that Mr. Needham's prognostication is correct.

Arthur J. Morris, president of the Morris Plan Banks, told us at a banquet the other night that their 200 banks had made 50 million loans amounting to \$15,000,000,000 since the first Morris Plan Bank was established at Norfolk, Virginia, in 1910, and that their losses had been less than one-fourth of 1 per cent.

W. A. Sawtell, president of the Stock Yards National Bank of South Omaha, published figures in his recent "bulletin" which indicates why many farmers and livestock raisers no doubt voted Democratic.

Very seldom have we ever changed Presidents at the top of a business cycle.

Here are the comparative top prices paid for livestock recently:

	1948	1947	1942	1937
Corn-Fed Beef Steers	\$40.50	\$35.00	\$16.65	\$18.00
Corn-Fed Cows	22.50	20.50	12.00	8.75
Corn-Fed Heifers	36.00	30.75	15.15	15.55
Feeding Steers	30.00	28.00	14.50	12.00
Hogs	27.50	30.00	15.30	11.40
Average Weight of Hogs	243 lbs.	245 lbs.	286 lbs.	253 lbs.
Fat Lambs	25.75	24.50	14.75	10.65
Feeder Lambs	23.50	22.50	13.00	10.25

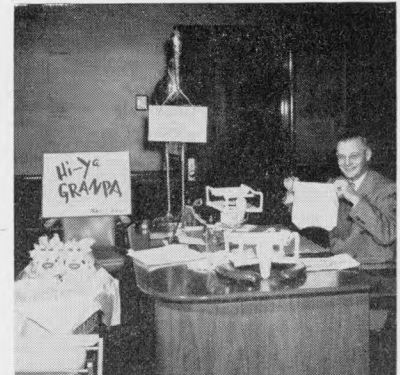
Marriner S. Eccles, member of the board of governors of the Federal Reserve System of Washington, spoke before the Iowa Bankers Convention. He commenced his remarks by explaining why he continued on after President Truman had denied him the chairmanship.

"When the chairmanship of the Federal Reserve System was denied me, I continued to stay because I was interested in trying to work effectively toward assisting in economic stabilization. Also I wanted to conquer my pride."

Evans Woollen, Jr., president of the American Bankers Association, from Indianapolis, Indiana, believes that "we shall have international anarchy so long as we fail to have understanding among nations.

"We have a hybrid of individualism and collectivism in our government and will for a long time, and probably will not have a pure economy of free enterprise in our lifetime."

Ed. F. Buckley, president of the Central National Bank and Trust Company, Des Moines, was a grandfather twice on the same day last month, "a double feature," when his daughter-in-law, Mrs. Ed. F. Buckley, Jr., pre-



ED. F. BUCKLEY Exhibiting the gifts he received when he became "a double feature" grandfather

sented the family with twins, named "Mike" and "Steve."

Ed. F. Buckley, Jr., is associated with the Collins Radio Company of Cedar Rapids, Iowa.

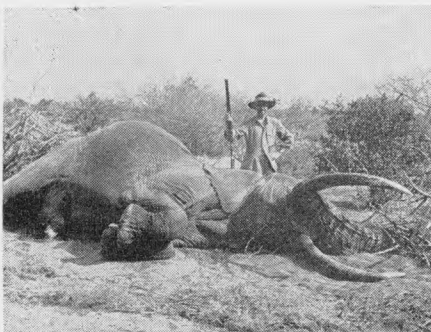
P. M. Underwood, manager of the Bank Division Department of the Chemical Bank and Trust Company, New York, has made a very interesting comparison of insured commercial banks in the United States.

In his analysis Mr. Underwood pointed out that, "Since the establishment of Federal Deposit Insurance Corporation, deposits in all insured commercial banks had practically trebled by December, 1947. While the percentage of deposits represented by cash had declined, the amount invested in U. S. Securities had increased and the over-all liquidity as represented by cash and governments had become considerably higher.

Mrs. J. R. Kenner, wife of the president of the Nebraska Bankers Association and president of the Thayer County Bank of Hebron, is one of the beautiful women of her state, with her prematurely white hair and her charming "school girl complexion."

(Turn to page 66, please)

Northwestern Banker, December, 1948



BIG SHOTS. Two "big shots" in wild game hunting in Africa were achieved by V. O. Figge, president of the Davenport Bank & Trust Company, Davenport, Iowa.

Pictured on the left is a big elephant which was shot just before the Republican Elephant also got shot, "but not killed," by Harry Truman.

On the right is a two-horned rhinoceros which is no doubt the "new 1949 Model." Both of these trophies were killed by Mr. Figge in East Africa, on a 6,000 mile trip through the jungles and forests.

LEGAL

Can Trustee for An Estate Engage in Self-Dealing?

Q. A Chicago, Illinois, bank acted as trustee of an estate. It, as such trustee, bought from itself, as a bank, certain bonds for investment. Losses were sustained on the bonds by the estate and the bank made them good with interest. It, at all times, acted in good faith in the matter. In the final settlement of the accounts of the estate the bank sought compensation from the estate for its services in acquiring the bonds. Was it entitled to have an allowance made on its behalf of such compensation?

No. A trustee may not engage in self-dealing in the performance of its duties which results in loss to the trust. When it does it must make good the loss, as was done here. In addition the trustee is not to be allowed any compensation for that part of its activities which resulted in the loss even though it acts in good faith and makes good the loss with interest.

Q. McCarthy, a banker, made application for a policy of life insurance and was given a medical examination, the results of which showed that he was in good health. Shortly thereafter, he was stricken with a severe case of pneumonia from which he ultimately died. While he was ill, the insurance company delivered the policy to his home. It had no knowledge of his condition at that time. Did the insurance policy, in such circumstances, become valid and binding under the general rules of law applicable thereto?

No. It is well settled in most jurisdictions that the delivery of a policy of insurance to an insured while he is in good health is a condition precedent to the policy coming into being as a valid contract. If the insured is not in good health when the policy of insurance is delivered, no recovery can be had under it. This is true even though the insured in good faith believes that he is in sound health at the time the policy is delivered.

Q. A major oil company owned a filling station on one corner of a busy Northwestern Banker, December, 1948

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

street intersection in Chicago, Illinois. It bought a lot on the opposite corner intending to erect another station there. Subsequently it decided not to do so and sold the lot to a fraternal organization that wanted to erect a club house thereon. As part of the deal, which was acceptable to all concerned, a restrictive covenant was placed in the deed to the effect that no filling station could be operated on the property, and that, if such was attempted, the title to the lot would revert to the oil company. The fraternal organization's plan fell through; it fell upon hard times and sought to have the restriction annulled. Could it do so?

No, according to a recent U. S. Circuit Court of Appeals, Seventh Circuit, decision involving an analogous situation. The restrictive covenant was inserted by the oil company for the protection of its nearby station and to keep the business at that location from being diluted. This action on its part was reasonable, normal and proper. The covenant was not *ultra vires* or in violation of public policy on such matters.

Brown, a North Dakota banker, also operated a jobbing business there. He hired Green as a salesman for such business and turned over an automobile to him for use as though it were his own. One evening Green and White, an acquaintance, went for a drive to get some cool air. Green grew tired and had White help him out by driving. White became involved in an accident. Brown's liability insurance provided that the car would be used for business and pleasure and that it covered, in addition to Brown, any person incurring liability while using the car, provided such use was with Brown's permission. Did Brown's insurance cover White?

Yes, according to a recent North Dakota Supreme Court decision involving similar facts. Green did not abandon the car or its use when he surrendered to White the guidance of the wheel. He was still the director of the enterprise, still the custodian of the instrumentality confided to his keeping, and still the "master of the ship." Green had Brown's full permission to use the car for both business and pleasure as though it were his own. The circumstances in which Green had White drive for him were such that White was legally responsible for its use and Brown's permit to Green to use the car was so broad that it extended to White's operation of the vehicle on Green's behalf.

Q. Dervin, a banker's son, obtained a \$10,000 life insurance policy in 1942 while in the U. S. Army. The policy was issued by one of the big insurance companies and his father was named beneficiary. It provided that a restricted amount, roughly premium payments plus interest, would be paid in lieu of the face amount if death occurred outside of the United States while the insured was in the military forces of any country "engaged in war." Dervin, while still in the Army, accidentally fell from a hotel window in France on October 3, 1945, and was killed. Was his father entitled to \$10,000 under the policy?

Yes. Unless it is obvious that terms in an insurance contract are intended to be used in technical connotation, they will be given the meaning that common speech imports. The words "engaged in war" in common speech mean actual warfare, terminated by the capitulation of the enemy forces. Since the United States was not engaged in war as contemplated by the wording of the policy under the proper interpretation to be given such wording, the beneficiary can recover its face amount.

Q. A confidence man swindled a widow in Texas out of \$250,000 by representing that the funds were

(Turn to page 68, please)

We Offer
**TO OUR CORRESPONDENTS,
 "RECORDAK" PROTECTION
 AGAINST**

LOSS IN THE MAILS:

We now Recordak all items drawn on points outside of Omaha.



THE WHIMS OF DEPOSITORS:

Ofentimes a depositor wants a description of a particular item after it has been deposited. Recordak supplies this information without delay.

THE HAZARDS OF FIRE:

In case of loss of an item which has been Recordak-ed, we can supply a photostatic copy immediately. Usually we can collect on this photostat without the necessity of securing a duplicate check.



DISHONESTY AND FRAUD:

Recordak offers immediate proof in case of a forgery when the item has been paid and destroyed.



**The Omaha
 National Bank**

Member Federal Deposit Insurance Corporation

FARNAM AT SEVENTEENTH

BANK for SALE

INVESTMENT
\$67,500

For Controlling
stock—(52%)
Priced under the book
value.

ANNUAL NET
EARNINGS \$22,500

SALARY, CHIEF
EXECUTIVE, \$4,500

This is an old established bank and the only bank in a town of approximately 1,000 population in a good agricultural community.

The banking house, which cost over \$25,000, is carried on the books at \$1.00. The bond account shows an appreciation.

It is not located in Iowa. Further information will be given only to bona fide prospective purchasers and only after they have executed our Bank Purchaser's application.

This bank, now available, is but one of the many fine opportunities available through our service, from a minority interest in a profitable country bank requiring an investment of \$18,000 to the controlling stock of a large bank requiring an investment of \$300,000.

WRITE today for our Bank Purchaser's Application.

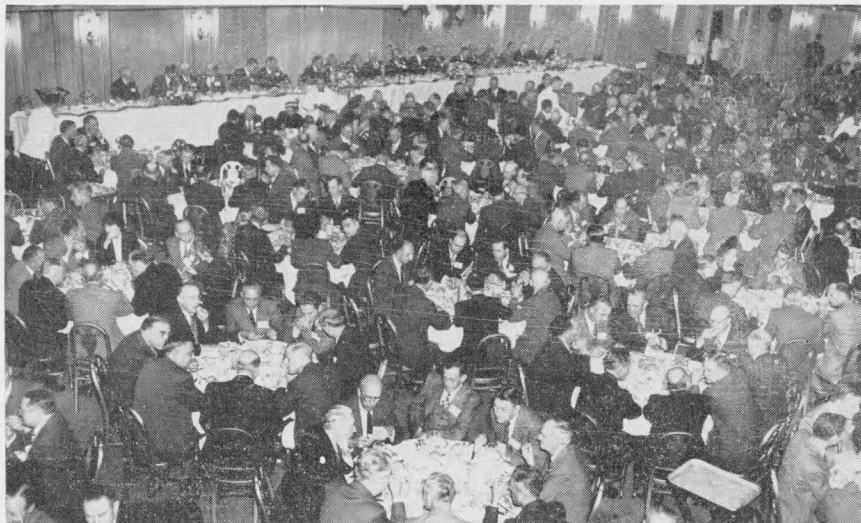
Bankers Service Co.

HENRY H. BYERS, President
HARRY B. GIPSON, Vice President

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

(Offices in the Register & Tribune Bldg.)

Conference in St. Louis



IN ST. LOUIS—The 1948 annual conference of bank correspondents of the First National Bank in St. Louis was held at Hotel Jefferson, in St. Louis, last month. Pictured above are a number of the 450 officers and representatives of correspondent banks from 15 states who were registered for the one day conference. The attendance was larger than last year.

In the morning open house was held at the First National Bank. William A. McDonnell, president of the First National Bank, presided at the luncheon meeting.

Walter W. Smith, chairman of the First National Bank, presided at the evening session. The guest of honor and speaker was Beardsley Ruml, chairman of the board of R. H. Macy & Co., Inc., New York City, and a former chairman of the Federal Reserve Bank of New York. Mr. Ruml's subject was: "Current Problems of Fiscal Policy." A number of St. Louis business and professional leaders were also guests of the First National Bank at the evening session.

Capital Stock Increase

In a recent letter to stockholders, directors of California Bank, Los Angeles, asked consent to amend the articles of incorporation to increase the authorized capital stock from the present 260,000 to 400,000 shares.

It is the present intention of the board to give consideration to an initial offering to stockholders of rights to subscribe to 40,000 shares. "However," the letter continues, "in view of the time that must necessarily elapse before the amendment will become effective, plans for the offering must be indefinite because of possible changes in market and other conditions."

If the amendment is adopted by stockholders, the letter points out, the additional shares will be available to be issued from time to time without delay incident to further amendment of the articles.

Assistant Secretary

Manufacturers Trust Company, New York, announces that Brian T. Moran, Jr., has been appointed an assistant secretary.

A native of Philadelphia, Mr. Moran began his banking career in 1925 with the Pacific Bank in New York City. He has been with Manufacturers Trust Company since 1941, during

which time he has been associated with the bank's comptrollers department, specializing in tax work.

1949 Convention

Chairman of the committees for the 47th annual convention of the American Institute of Banking, to be held in Portland, Oregon, May 30 through June 3, 1949, have been announced by Pierre N. Hauser, national president of the institute and vice president of The First Wisconsin National Bank, Milwaukee, Wisconsin. The A.I.B. is the educational section of the American Bankers Association.

All of the committee chairmen are associated with Portland banks.

1949 Yearbook

Under the direction of Bon D. Grusing, advertising and sales promotion manager, the Minneapolis-Moline Power Implement Company of Minneapolis, has produced and is distributing among its dealers a calendar which probably has the world's largest circulation.

It is actually a combination of calendar and catalog of the company's many farm equipment products. Some 2,000,000 of these calendars will eventually reach farmers in every state in the union, and past information re-

A year to remember



IN 1948 BANKERS HAVE PLAYED A PART IN NATIONAL AFFAIRS UNPRECEDENTED IN AMERICAN HISTORY

At the beginning of the year now drawing to its close the bankers of America, through the American Bankers Association, went to the government with a program of voluntary control designed to channel credit into productive and non-inflationary uses.

They provided industry with a program, actually put into action, to combat inflation. This was a memorable step in government-industry relations. It symbolized the constructive role—earned over the years—which bankers play today in safeguarding the national economy . . . and in the affairs and welfare of their respective communities.



veals that at least 90 per cent of these calendars will be on display once they reach the farmers' homes.

This year's edition fosters school safety, and the ten youngsters who appear in the cover painting reproduction are all Twin Cities boys and girls who posed for the picture. The three sons of Mr. Grussing, Bruce, Ted and Bon, Jr., are all portrayed.

Talks to Bankers

The Bankers Club of Chicago held its annual dinner meeting last month, with the address given by Paul S. Russell, president of the Harris Trust and Savings Bank, Chicago, who re-

cently returned from Europe and North Africa. Mark A. Brown, executive vice president of the Harris Trust and president of the Bankers Club, presided at the meeting.

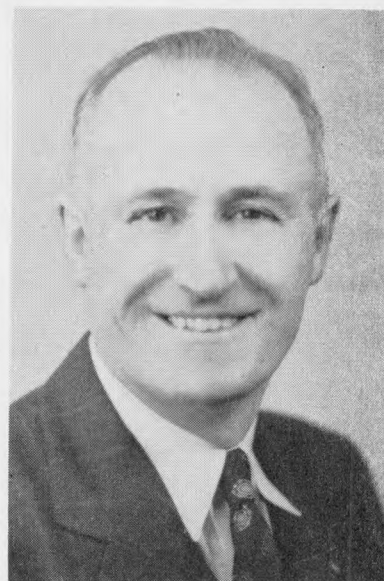
Promotion

The First National Bank in St. Louis has announced the promotion of Wyllys K. Bliss from assistant vice president to vice president. Mr. Bliss is a loan officer of the bank, specializing in insurance loans, and also has general supervision of the bank's savings department.

Mr. Bliss has been an assistant vice president since February 16, 1945.

Joins Charles E. Walters Company

Charles E. Walters Company, bank sales organization of Omaha, Nebraska, announces the addition to the per-



LEO GOETHE
Heads Placement Department

sonnel of their company of Leo Goethe, who comes from St. Paul, Minnesota, where for 23 years he was associated with General Foods Corporation as district representative. He is a veteran of World War II, having served in the Marine Corps for more than three years. With his family he is now established at 4811 Underwood Avenue in Omaha. Leo brings to this company a wealth of experience in salesmanship. He is presently assigned to duties of the placement department, handling bank personnel and other office activities, and looks forward with anticipation to the pleasure of meeting and serving friends and clients of Walters System.

To School Council

Fred G. Harrison, vice president, Champaign County Bank & Trust Company, Urbana, Illinois, has been appointed to a three-year term on the advisory council of the School of Banking at the University of Wisconsin, sponsored by the Central States Conference of bankers' associations. This appointment has been announced by Harry C. Hausman, chairman of the board of trustees of the school and secretary of the Illinois Bankers Association.

Mr. Harrison, whose term on the advisory council will expire in 1951, was graduated from the school with the class of 1948.

**May we quote that,
Mr. Author?**

...thank you!



"Cashing a Check

**Use American Express
Travelers checks only
... American Express
checks are known to
all the little people;
there's seldom the
slightest question of
their validity."**

Yes, Mr. Fielding is right. We thank him—and so will travelers everywhere. Your bank's customers can turn American Express Travelers Cheques into cash anywhere in today's travel world...

What does this mean to you?

It means that when you sell American Express Travelers Cheques you keep your customers confident that

you are providing the best possible service... the kind of service that brings customers back to your bank again and again.

For effective point-of-sale promotion material, write W. H. Stetser, Vice President, American Express Company, 65 Broadway, New York 6, N. Y.

Protect Your Customers—Sell

**AMERICAN EXPRESS
Travelers Cheques**

Most Readily Accepted—Most Widely Known

MONEY FLOWS, SHUTTLES FLY

*- you get
your cloth!*



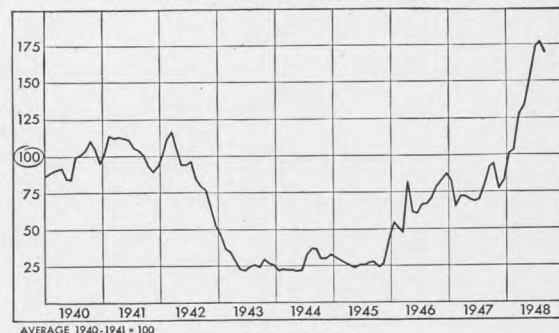
When the United States went to war in 1941, the Chase National Bank had on its books textile loans running to many millions of dollars. In the following years these loans were paid down to about a fifth of their former total as the industry went to work to meet both Government and civilian needs.

Now Chase textile loans have again risen sharply as plants have been expanded and war-worn and obsolete machinery replaced during a period of higher costs.

In meeting the fluctuating demand

for credit, versatile Chase service has helped to push the raw textile fibers over the long road which ends in a new suit, skirt, or handkerchief for you.

CHASE TEXTILE LOAN INDEX



*Banks can broaden
their service to customers
by using Chase facilities*

THE CHASE NATIONAL BANK
OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

Northwestern Banker, December, 1948



Need help in
WISCONSIN?

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.



Member of
the Federal Deposit
Insurance Corporation

**FIRST WISCONSIN
NATIONAL BANK
OF MILWAUKEE**

Jackson Heads Mid-Continent Division

Ralph T. Reed, president of the American Express Field Warehousing Corporation, announces the formation of its Mid-Continent Division, with its



T. STANLEY JACKSON
Expands Supervision

central office located at 120 South La-Salle Street, Chicago.

T. Stanley Jackson, vice president, has been placed in charge of the new division and will direct the activities of the Chicago, Detroit and Minneapolis offices, serving the midwestern, midsouthern and northwestern states.

Mr. Jackson, who heads the new mid-Continent Division, is widely known, not only to field warehousing people throughout the United States, but is likewise a familiar figure in the banking field, since he has attended bankers' conventions throughout the midwest for a great many years. At one time he traveled this area for one of the large Canadian banks and built up a tremendous acquaintance in the banking field.

During the past several months he has been in charge of the Minneapolis office of the American Express Field Warehousing Corporation.

Re-elect Directors

Walter J. Cummings and William C. Heath have been re-elected directors of the Federal Reserve Bank of Chicago for a term of three years, commencing January 1, 1949, and expiring December 31, 1951.

Mr. Cummings is chairman of the board of the Continental Illinois National Bank and Trust Company of Chicago and Mr. Heath is president of the A. O. Smith Corporation, Milwau-

kee, Wisconsin. Both gentlemen were unopposed.

Dates Announced

The dates for the 75th Annual convention of the American Bankers Association have been announced by Merle E. Selecman, secretary of the association. The convention will be held in San Francisco October 30 to November 2, 1949. The invitation to San Francisco was extended to the A.B.A. on behalf of the San Francisco Clearing House Association by its president, Carl F. Wente, senior vice president of the Bank of America N.T. & S.A. The last time the association met in San Francisco was in 1936.

In making this announcement, Mr. Selecman said that convention city committees of San Francisco bankers will be named early in 1949. He stated that hotel application forms will be sent to the A.B.A. membership about March or April of next year. No applications will be accepted by the hotels directly, he explained. All will be handled by the local hotel committee after it is organized. Official hotel reservation forms will be mailed to the membership in ample time. The selection of headquarters hotels will also be announced at a later date.

Dividend

A regular dividend on the common stock of the Bank of America has been declared by the board of directors of the bank for the current semi-annual period. The dividend of \$1.25 per share for the six months, at the regular annual rate of \$2.50 per share, is payable on December 31, 1948, to shareholders of record at the close of business November 30.

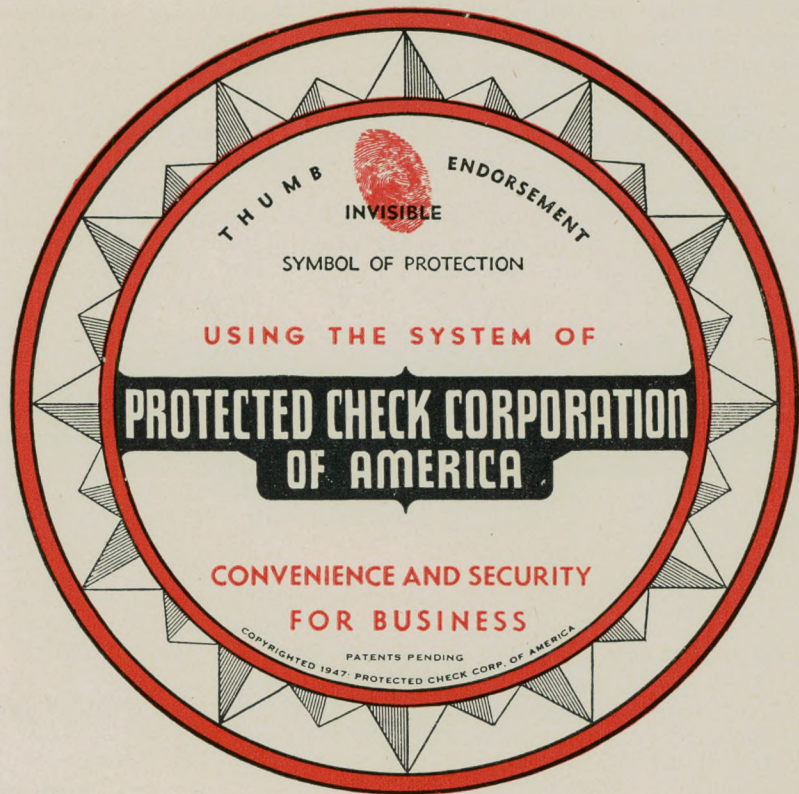
Burroughs Sales Increase

Consolidated operations during the first nine months of 1948 of Burroughs Adding Machine Company resulted in net income of \$9,997,515, or 12.9 per cent of sales, as compared with \$4,403,050, or 10.47 per cent of sales for the same period of 1947. John S. Coleman, president of the company, announced recently.

During the first nine months of this year, gross income from sales amounted to \$77,580,000, as compared with \$42,037,853 for the first nine months of 1947.

As a result of improved manufacturing methods and increased personnel, unit production during the first nine months of 1948 was 53 per cent higher than during the same months of 1947.

Not only were costs of doing business in 1948 considerably higher than for the same period in 1947, due to



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increased wages and prices of materials, but also larger amounts of money were needed to conduct the increased volume of business and protect basic investments during this inflationary period than ever before.

Average straight time factory wages per hour during the month of September, 1948, for Burroughs Detroit, Schaefer, and Plymouth Plant employes were 9.8 per cent higher than during the same month of 1947, and the total number of dollars paid Burroughs employes in these three plants for the first three quarters of this year were \$44,782,046, as compared with \$30,151,000 for the similar period in 1947.

The only payments which did not increase for the first nine months of 1948, as compared with 1947, were dividends to stockholders which for the period were 45 cents a share in both years.

Currency Display

The City National Bank and Trust Company of Kansas City, Missouri, has prepared a display of currency which shows the ruinous growth of inflation which came to Greece and Germany. The currency's descriptive text is fastened to four panels and

may be exhibited in a variety of ways. Banks wishing to show this display for a short time in lobbies, windows or fair booths may, without charge, get this display by writing City National Bank.

Financial Men Elect New Officers

Allen Crawford, vice president of the Bankers-Equitable Trust Company of Detroit, was elected president of the Financial Public Relations Association at its 33rd annual convention in Florida. Mr. Crawford succeeds Robert Lindquist, vice president of La Salle National Bank, Chicago.

The association, which has 1,342 members in banks and financial institutions throughout the United States, elected three vice presidents, who are in line for advancement to the presidency in successive years. They are:

First vice president, **John N. Garver**, vice president, Manufacturers & Traders Trust Company, Buffalo, New York.

Second vice president, **Philip K. Barker**, vice president, Granite Trust Company, Quincy, Massachusetts.

Third vice president, **Hugh J. Bernard**, vice president, Second National Bank, Houston, Texas.

Harve H. Page, second vice president of Northern Trust Company, Chicago, was elected treasurer of the FPRA to succeed **Chester L. Price**, advertising manager of City National Bank & Trust Company, Chicago. The office of executive vice president is held by Preston E. Reed of Chicago.

Eight members were elected to the FPRA board of directors. They are:

For three-year terms: Willis B. Conner, Jr., assistant vice president, Merchants National Bank, Indianapolis; J. J. Lawlor, advertising department, National City Bank, New York; Jerrold Owen, director public relations, Central Bank, Oakland, California; B. H. Tuttle, director public relations, First National Bank, Memphis, Tennessee; W. Leroy Ward, Jr., executive vice president, Fidelity National Bank, Baton Rouge, Louisiana, and Frank R. Warden, vice president, Central National Bank & Trust Company, Des Moines, Iowa.

For an unexpired two-year term: John R. Christie, vice president, Buchanan & Company, Inc., Los Angeles, who succeeds himself.

For an unexpired one-year term: Miss Virginia O. Valentine, advertising manager, State-Planters Bank & Trust Company, Richmond, Virginia, to fill the vacancy created by the election of Hugh Bernard as vice president.

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Divergent Market Reactions Follow Election Results

Common Stocks Confirm Bear Market; High Grade Bonds, Governments and Municipals Show Strength

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

ENOUGH time has elapsed now for the security markets to indicate their several reactions to the November elections. They have been divergent, of course. Common stocks, according to one widely-followed theory, "confirmed" a bear market shortly after it became clear that the Democratic party would continue to direct the affairs of the country for at least two years more.

The high-grade bond market, on the other hand, rose, led by government bonds, including issues eligible for purchase by commercial banks and the non-eligibles. The municipal bond market gave an even more impressive exhibition of strength, aided, doubtless, by the prospect of even greater "value" attaching to exemption in the face of almost certain higher taxes.

The common stock market has been influenced by the dual prospect of an administration in power which will continue to be, at best, unfriendly to private enterprise and the possibility that the general industrial boom may be leveling off. The latter factor has contributed to higher bond prices on the general theory that industry will tend to reconsider and, probably, revise pending plans for capital expansion.

A leveling off in the current rate of industrial production could hardly come as a surprise. For almost three years, business has been booming in response to heavy and sustained outlays on new plant and equipment by business, in mounting residential construction and by consumer purchasing of durable goods. The sum of new capital funds required by these forces was far greater than the total of current savings in the period. Consequently, there was a steady pressure on bond prices.

Bear Market

The bear market in common stocks that is now, belatedly, "confirmed" is

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.

supposed to have started in June, 1948. But even the most sincere followers of The Dow Theory do not profess that the theory will tell them how far, or for how long, the 1948 bear market in stocks will run. It is well outside the province of this column, of course, to undertake to supply the answers to those questions. Nonetheless, the course of the common stock market does have an effect on the bond market. It may be worth reporting, then, that the current "bear" market in stocks likely would be reversed promptly should the great body of common stock investors conclude that a great deal more inflation is in store, or that was on a grand scale is probable within a year or so.

Presumably, a "hot," or shooting war is fairly remote. But there is little to suggest that the continuing "cold" war will end soon. Strained relations with Russia could persist for many years and yet not erupt into full-scale war. This view, or something like it, appears to have the most supporters. Its implications, so far as the common stock market goes, are neither good nor bad, but neutral, rather. It would mean a continued draining off of this country's resources in an effort to bolster the resistance and to, ultimately, restore the economic stability of the countries of western Europe.

These efforts, it may be presumed, will be continued within the framework of a balanced budget. If so, taxes must be raised even higher. Against that, though, the outlook would also include continued extremely high production levels and virtually full employment at inflated wages. This should lift national income high enough to sustain the expected heavier taxes. Given no national calamities and no shooting war, why might not the stock market jog along in the same old rut almost indefinitely?

Continuing Pattern

In fact, it may be observed, the conditions just outlined as a possible future pattern have prevailed for several years. For at least two years, relations with Russia have been strained, domestic production, employment and income have all been extremely high and taxes have been high and productive of fantastic income for the government. As a sidelight on what the stock market may think about a continuation of such conditions, there is the record. Whether considered a "bull" or a "bear" market, the range of industrial stocks as measured by the Dow-Jones average, has been 163-193 for the past two years. The rails have swung within a 41-65 range in the same period.

Assuming an unchanged background, why should not the market adhere to that drab pattern? If the assumption is allowed, the conclusion is that the course of common stock prices over near-by years should not have any pronounced effect on bond prices. There are other reasons for looking forward to a rather colorless bond market for some time ahead.

It may be true that business will defer some of its unfinished business, but it is hardly likely that all projected outlays for new plant and equipment will be junked just because the Republicans were not successful in 1948. There is, in fact, at this

writing an impressive volume of financing registered with SEC, or on the way to early registration. A great deal has been accomplished in the way of new plant and equipment since early 1946, but the entire demand has not been satisfied. The utilities, notably, are evidently in need of great sums of money in order to sustain the vigorous growth required to satisfy the demands made upon it by industry and individuals.

Utilities Position Excellent

Since the statistical position of the utility industry generally is excellent, it can raise new capital, or refund old debt, on fairly economical terms. Cer-

tainly, the industry, in view of its extraordinary vitality and the upward trend of rates, can borrow at rates well within its capacity to pay. Why, then, should utility managers not go ahead with their plans? If they do, there should be a supply of new offerings fully sufficient to satisfy investment demands and a reversal of the buyers' market in existence right up until the elections cannot be expected to persist for any great length of time.

Government bonds shared in the post-election strength and the pegged issues rose modestly above support levels. The thought has been aired

that the entire bond market may have turned the corner. There is, it is admitted by those who hope for a reversal of trend, no statistical evidence to support that view as yet. It is urged, in rebuttal, of course, that while it cannot be proved that the corner has been turned, it cannot be disproved on the basis of evidence in hand. An argument that rests on double negatives, though, is not too persuasive.

The upward move by governments since the election has shoved the question of "to peg, or not to peg" into the academic category for the moment. But, over near-by weeks, seasonal factors tend to restrict credit and to lower bank reserves. Even more important, the Treasury's working balance is running low. If deficit financing it to remain with us, the pressure on government bond prices will soon be evident again.

Since the administration which initiated "pegs" will remain in control of fiscal matters, it is entirely likely that the pegs will be continued, despite all that has been said against them. Deficit financing and the diversion of longer term governments into the portfolios of the Federal Reserve Banks are anathema to the classicists, but they were not re-elected to office in November.

Fresh Controversy?

The controversy may rage afresh within a month or so, but nothing new will be said for or against the policy of low-cost borrowing by the Treasury. Nor will the problem of continuing to peg prices in the interests of an "orderly" market be beyond the capacity of the Washington money managers. They have the power and, clearly enough, they have the determination.

With the probability of indefinite maintenance of government bond prices enhanced by the outcome of the elections, it is clear that a fair number of investors bought governments on the theory that losses would be small, at worst, and profits might be worth while. Those sufficiently nimble have, or may yet take, a quick profit on the operation. But the success or failure of a trading operation over a period of a few weeks is no guide for longer term investment undertakings.

The evidence, so far as it can be appraised to date, suggests that the bond market has not "turned the corner." Governments, it appears, will be held firmly in hand, but the remainder of the market has no such reassuring prop under it. Even in the case of governments, there is always the outside chance that the pegs will be lowered, although the devotion to

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a 2½ per cent rate on long-terms appears to be as torrid as ever.

Moderately lower pegs, of course, would mean modest write-downs by holders of governments. The prospect is not pleasing. The only answer is to continue cautious. Caution has paid handsome dividends over the past two years and it is hard to see any good reason to throw it overboard at this stage.

Swiss Bankers' Experience

For what it is worth, the recent experience of Swiss bankers may be reported. In general, the Swiss franc is regarded as one of the world's hardest of hard currencies. The Swiss went through two wars unscathed. Nonetheless, when that country's fiscal authorities insisted on floating a 300,000,000-franc, 10-year conversion loan at 3¼ per cent interest, the result was a resounding failure a few weeks ago. The commercial banks, paid a 1 per cent commission, took up about 50,000,000 francs of the loan and saw it drop sharply in price as soon as the subscription books closed. The recognized view now is that 4½ per cent interest net will be the standard minimum rate on long-term loans in Switzerland.

In Switzerland, as in the U. S., taxation is heavy and the cost of living is high. In that country, as a

result, workers feel that there is less incentive for saving and, since the old-age insurance system started on January 1, 1948, wages are taxed another 2 per cent. This, of course, cuts into what the worker might have saved and, at the same time, he concludes that the old-age insurance will take care of him regardless. There is a degree of similarity between the U. S. and Switzerland.

This column considers that the bond market has not turned the corner, but a contrary view has at least arguable support. To those who conclude that the general situation has changed sufficiently to justify optimism on bond prices, though, this thought is submitted. Ordinarily, the bond market turns, when it does turn, in an extremely leisurely fashion. In the past, a fundamental change in the trend of bond prices has taken place over a matter of three months and more. Thus, the investment portfolio manager who plans to take a more aggressive position may still take time to pick and choose, to await soft spots, before actually putting his plans into action.

Final Election Thought

A final thought on the election results is that the position of tax-exempts has been strengthened. There is every reason to expect that exemp-

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We would much rather make six per cent (after taxes, that is) on a one

dollar and thirty-five cent sale than six per cent on a forty-cent sale. Bankers would much rather invest one dollar and thirty-five cents — and get it back — than spend forty cents and not get it back. The public would much rather buy Personalized Checks for one dollar and thirty-five cents than get forty cents worth of ordinary checks for nothing.

So here we have a situation where apparently everyone benefits thru the introduction of this plus factor. Perhaps that is why banks from coast to coast are enthusiastically selling DeLuxe Personalized Checks.



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tion will be worth more as taxes rise. The exempt market started downward earlier than the general bond market and went further. Relatively, tax-exempt obligations are cheaper than taxables. Finally, the electorate turned down roughly half of the proposals laid before them for approval. Thus,

the supply of municipals likely will not be unwieldy or too much for the market to digest.

Certain, special types of municipals, more particularly the so-called revenue issues, are brought to market at unusually generous yields. Each, of course, must be studied on its indi-

vidual merits, but in cases where the engineers, the lawyers and the investment bankers associated with the project, are outstanding in their respective fields, the likelihood is that the obligation is sound. When yields of around 3 per cent are available, and insurance companies are prominent buyers, there is an implied further endorsement. The indicated approval of the insurance companies is important, because these buyers are little interested in tax exemption, but do want to feel reasonably sure that they will get the interest and principal when due.—The End.

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Personnel Manual

Hailed as a milestone in the recruitment and training program being developed by the Investment Bankers Association of America, a new Personnel Selection Manual is currently being made available to member firms, according to John F. Fennelly, Glore, Forgan & Company, Chicago, chairman of the I. B. A. education committee.

The manual and related interviewing and testing materials are based on a study of the abilities and characteristics responsible for success in investment banking work. More than 600 individuals from member firms, including partners, executives, senior salesmen, traders, analysts, and other personnel, were tested and interviewed as a part of the study.

The completion of the project was the responsibility of a sub-committee of the education committee under Nathan D. McClure, Harriman Ripley & Company, Incorporated, Chicago, chairman.

Merry
Christmas to You

... and our Sincere Thanks for another year of fine cooperation



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8 Reasons for Long-Range Insurance Prosperity

Expanding Markets and More Favorable Business Conditions Indicate a Bright Outlook

By M. R. DODSON
Executive Vice President and Actuary
Ohio National Life Insurance Company
Cincinnati

FACTS and figures of statistics indicate long-range prosperity for all of us who make life insurance our business. Contrary to popular belief, actuaries can be optimistic!

Juvenile Insurance

1. A. The grass roots of the life insurance market is represented by people. Recent estimates place the population of the United States at slightly over 145 millions. That is the same thing as adding six states the size of Ohio, or thirty states the size of Nebraska, or 160 like the state of Wyoming. Besides we now have about 40 million family units in this great country of ours as compared with 24 million in the year 1920. This growth in the number of people alone should bring about a continuation of the high plateau of life insurance sales.

During 1947 the United States birth rate was over 26 per thousand of population as compared with a prewar rate of under 18 per thousand, or an increase of almost 50 per cent; 1947 was the highest birth year on record and, although I get my statistics from an entirely different source than those obtained by Walter Winchell, it is indicated that the birth rate for 1948 will be just as high if not higher. Obviously, therefore, we are going to have a great many more children in the United States for the next generation. While this may constitute a real problem for our boards of education, it certainly should mean the



M. R. DODSON
"Actuaries can be optimistic"

selling of a huge volume of juvenile life insurance.

B. In addition, the life insurance industry's attitude towards juvenile risks has changed for the better during recent years. You are all familiar with the fact that most companies, in connection with the adoption of the so-called Guertin Legislation, moved to a full benefit at age one basis for juvenile insurance. While this should encourage the sale of life insurance, the really important factor of the change is the indication that

the selection departments of the insurance companies no longer fear juvenile insurance as they did a number of years ago.

The death rate at the extremely young ages has dropped tremendously. Companies have now written juvenile insurance for a sufficient time to have more adequate mortality investigations of this type of business. We have found no evidence of market anti-selection against the company. More and more insurance companies are liberalizing their underwriting rules on juvenile risks. We are accepting larger policies on individual juvenile lives—amounts we would not accept before.

Educational Policies


2. As the years pass, this bumper crop of new infants will reach the age where parents will become more and more concerned with the cost of their schooling. This means educational insurance should grow in popularity. Even assuming that the birth rate drops back to the prewar level, there still will be many thousands more people in these United States than were expected before the war. More children per family means more need for life insurance.

In 1938 parents of children under 15 bought only 70 million dollars worth of life insurance on the lives of their offspring. By 1944 this figure had grown to 850 million dollars. In 1947, according to Institute of Life Insurance estimates, the purchases of

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Northwestern Banker, December, 1948

juvenile life insurance approached the three billion dollar mark! Total life insurance in force on the lives of children under 15 increased to nearly 15 billions at the close of 1947.

Women's Market

3. Before the war women were buying about 20 per cent of the policies sold and we wanted to increase this percentage, but we did very little about it. Then along came World War II and sales to women zoomed up to over a third of the policies sold. We began to hear a great deal about the importance of the expanding women's market. Since the war, with the return of the armed forces, the amount

of policies bought by women is running at about three billions a year, which is the all-time high record. It is now predicted that if present high employment rates continue, by 1950 one out of every three women over 14 years of age will hold a job. This surely indicates an expanding women's market.

Smart working girls are no longer waiting for heaven to protect them! They are protecting themselves and are doing it in a pretty big way. Moreover, as they step up the business ladder, their incomes run into some fancy figures. Our underwriting department is seeing more and more applications for sizable amounts of insurance on

female lives. Don't miss your opportunity in this new field!

Retirement Income

4. Besides the high birth rate and the increased number of women in industry, the population as a whole is living longer and there are more old men and old women in our population. In 1940 the number of people in the United States age 65 or over was 9,000,000. Now there are 10,600,000 and it is estimated that by 1975 there will be 17,500,000. It is the life underwriter's duty to see that as many of these people as possible are adequately taken care of during their old age, not only by adequate provision of beneficiaries, but by the selling of retirement income insurance.

Higher Living Standard

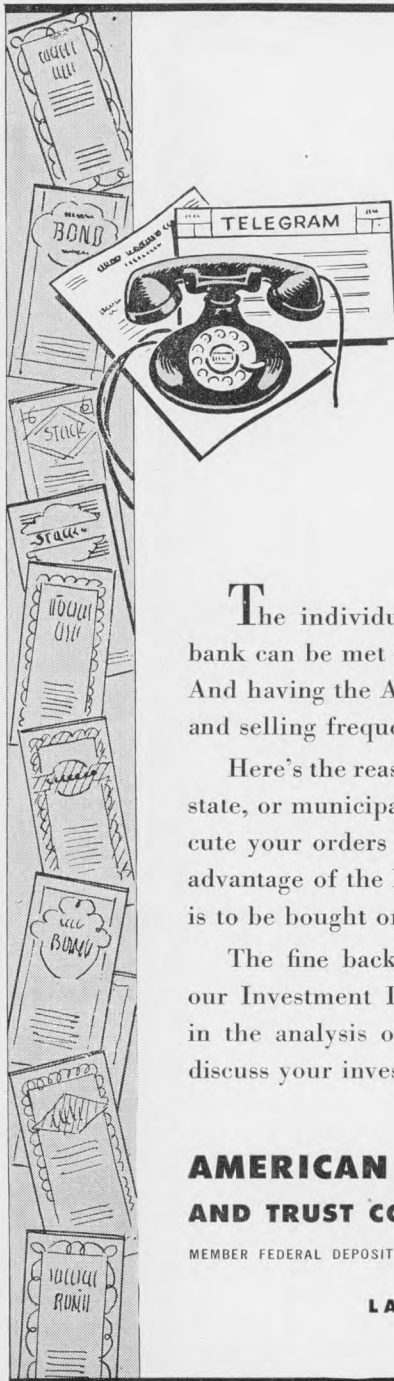
5. There are now about 13,000,000 families in the United States earning less than \$2,000, as compared with 33,000,000 in 1938. Those 20,000,000 extra families are now making more money; for example, in the \$3,000 to \$5,000 range there are now over 12,000,000 families compared to less than 2,000,000 in 1938. In the over \$5,000 classification, the number has changed from only 800,000 to over 9,000,000 in the same period.

Higher Surplus Income

6. And speaking of this higher standard of living, did you know that, in spite of higher costs of living, the surplus income of individuals is higher than it has ever been before? Authoritative sources indicate that disposable income available for discretionary spending or saving will probably attain an annual rate of 94 billion dollars over and above the comparable surplus income in 1940. This takes into full account the higher taxes that are being paid and a 70 per cent increase in consumer prices that apply to basic living costs. Stated another way, the average family this year will have approximately \$2,400 of surplus income as compared with \$750 surplus income in 1940.

Now if people are willing to spend this surplus income for items on which prices have doubled or tripled in the past few years, surely they will be willing to put more dollars into an adequate life insurance program. Do you realize how very little the cost of insurance has increased in a corresponding period of time? Take, for example, an ordinary life policy issued at age 35. Back in the depths of the depression, that policy was quoted in our rate book at a non-participating premium per thousand of \$19.91. The average twenty-year net cost of that same insurance protection today, according to our current rate book, is

(Turn to page 69, please)



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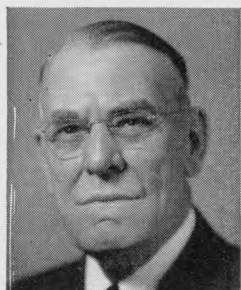
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Minnesota NEWS



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Open House Celebration

The Farmers National Bank of Minnesota Lake, Minnesota, observed its 45th anniversary of founding last month with an open house celebration attended by bankers from 14 other cities, in addition to the many guests from Minnesota Lake.

The Farmers National was organized in the fall of 1902, the bank building was erected during the following months and in the fall of 1903 the doors were opened for business. First president of the bank was Herman A. Zabel. Six other men have followed him in the presidency of the bank, G. A. Breske holding that position at the present time. Other officers in the bank are: E. L. Kauffmann, cashier, and D. J. Townsend, Helen Jean Beyer and Lila Roessler, assistant cashiers.

Since the opening date in 1903, the Farmers National has increased deposits from \$7,756 to \$1,673,800, and is capitalized at \$11,940.

4-H Club Fun Day

The Le Sueur, Minnesota, Commercial Club sponsored its first annual 4-H Club Fun Day in the school auditorium at LeSueur last month with 1,000 4-H Club members attending from Le Sueur, Nicollet, Sibley and Scott counties.

One of the interested promoters of this activity was J. T. Peterson, president of the State Bank of Le Sueur, who reports an excellent turnout and program, but added that already plans for an improved Fun Day next year are being made by the Commercial Club.

Hits \$10,000,000 Mark

The First National Bank of Hibbing, Minnesota, completed its 50th year recently by crossing the \$10,000,000 mark in deposits. This total makes the bank the largest on the Mesaba range. Directors and officers observed the occasion at a dinner honoring President S. R. Kirby.

Purchase Wisconsin Bank

A. P. Garnatz, president of the Farmers State Bank of Lyle, Minnesota, and his son, Keith A. Garnatz, former cash-

ier of the Farmers State Bank and more recently in the loaning division of the LaSalle National Bank of Chicago, have purchased the interest of W. F. Dietlein in the Dairyland State Bank at Bruce, Wisconsin, with stations at Sheldon and Exeland.

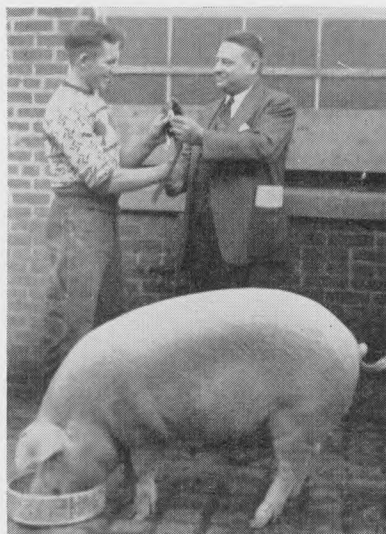
Keith Garnatz, who was elected president last month and who is now taking active charge of the Dairyland State Bank, resigned his position at the Chicago bank.

G. B. Stanton, assistant cashier of the Farmers State Bank at Lyle, has been elected assistant cashier of the Dairyland State Bank.

New Director

Dr. F. R. Kotchevar was elected a director of the First National Bank at Eveleth, Minnesota. He will fill out the unexpired term of Grove Gable.

Bid Price Record



Donald Crouley, vice president Northwestern National Bank of Minneapolis, congratulates Donald Kvasnicka, Pratt, Minnesota, upon winning top honors at the Junior Livestock Show in South St. Paul. Young Kvasnicka exhibited the Grand Champion Chester White barrow shown in the above picture and the Northwestern National made a record bid of \$3.75 a pound, paying the farm youth \$1,035 for the 276-pound animal.

Honor Youth Leaders

The thirteenth annual Leader's Recognition banquet, sponsored by the Jackson County Bankers Association, was held at the Alpha, Minnesota, town hall. The banquet was attended by approximately 200 adult leaders, junior leaders and representative of the county's banks.

L. P. Wagner, president of the Bankers Association and cashier of the First National Bank in Jackson, gave a welcome to the group.

Member banks include First National and Jackson State, Jackson; First National and Farmers State, Lakefield; First National, Heron Lake; First State, Okabena, and Farmers & Merchants State, Alpha.

C. W. Sagvold

C. W. Sagvold, 48, assistant cashier of the State Bank of Cyrus, Minnesota, died last month. He had been associated with the State Bank of Cyrus for the past 31 years. He is survived by his wife, one son and one daughter.

County Bankers Meet

John O. Huso, president of the First State Bank of Storden, Minnesota, was elected president of the Cottonwood County Bankers Association at a meeting of the group held recently in Jeffers. Mr. Huso formerly served the group as secretary-treasurer. Willis D. Schroeder, cashier of the Farmers State Bank at Mountain Lake, was elected to that post at the meeting.

25th Anniversary

Albert C. Armstrong, president of the Northwestern State Bank, Duluth, the recipient last month of a number of floral gifts from friends on his 25th anniversary as a member of the city's banking fraternity. Mr. Armstrong joined the bank's forerunner, the Duluth Morris Plan Company, in 1923 and became president in 1938.

Anoka Banker Married

Dr. G. J. Hastings, president of the First National Bank of Anoka, Minnesota, and Mrs. Sophia Nathe, Minneapolis, were married in Minneapolis last month.

Chisago Bankers Hosts

The annual Chisago county 4-H Achievement Dinner was held in Center City, Minnesota, last month. This annual event is sponsored by the Chisago County Bankers Association to honor 4-H Club members and junior and adult leaders for outstanding achievement during the year. More than 50 medals and prizes were awarded.



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25,000 checks an hour pass through Northwestern Bank's huge, air conditioned Proof Transit Department. Yet every item gets fast, up-to-the-minute individual attention with the newest in machines and automatic equipment operated by alert, skilled personnel.

Mark Spinner, Transit Department Manager, left, points out to Keith Barnett, Assistant Cashier, Department of Banks and Bankers, the personal attention each remittance receives, while discussing with him the Proof Transit Department's operations.

Your bank can enjoy the advantages of Northwestern's modern, fast-moving Transit Department too, by making full use of its facilities. We are as near as your telephone, typewriter or telegraph.

Department of Banks and Bankers

D. E. CROULEY, *Vice President*
 F. W. CONRAD, *Vice President*
 K. M. BARNETT, *Asst. Cashier*

L. P. GISVOLD, *Asst. Vice President*
 A. F. JUNGE, *Asst. Cashier*
 L. M. BROOM, *Representative*

Northwestern



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Twin City News

THE Marquette National Bank of Minneapolis has increased its capital fund to exceed \$1,250,000, according to a recent announcement by **Russell Stotesbery**, president.

The increase was effected by payment of a stock dividend of \$150,000, or \$50 a share from undivided profits, and issuance of 1,000 shares of new capital stock at a paid-in value of \$150,000.

The bank's capital structure now includes capital stock of \$500,000, consisting of 10,000 shares of \$50 par value, and surplus account of \$500,000, plus undivided profits approximating \$250,000.

More than 50 bankers from Minnesota, North and South Dakota gathered in St. Paul recently for a regional inter-chapter faculty conference sponsored by the American Institute of Banking.

Roy A. Johnson of the Drivers Exchange Bank of South St. Paul was general chairman. **LeRoy Lewis** of New York, education director of the AIB, conducted the conference.

Various phases of the banking business were discussed. Those in attendance were asked to transmit their instructions to their chapters.

Directors of Northwest Bancorporation recently declared a dividend of 50 cents per share, together with a special dividend of 10 cents per share on the 1,547,767 shares of stock outstanding.

This makes total dividends for 1948 \$1 a share, the same as in 1947, according to **J. Cameron Thomson**, president.

Frank E. Pearson, former Minnesota superintendent of banks, died recently in Fort Wayne, Indiana, at the age of 78. Services were conducted in Pipestone, Minnesota.

Mr. Pearson became associated with the Pipestone State Bank in 1890 as bookkeeper. He was elected cashier in 1895 and vice president in 1908, and held the latter position at the time of his appointment as superintendent of

banks by Gov. J. A. O. Preus in 1921. He served in that capacity until 1923.

Dr. J. Marvin Peterson, research director for the Minneapolis Federal Reserve Bank, spoke at the annual meeting of the Minneapolis Retailers Association recently.

F. A. Amundson, state commissioner of banks for Minnesota, gave an address at a dinner sponsored recently in St. Paul by the Minnesota League of Credit Unions.

E. E. Thwing, assistant secretary of the St. Paul Federal Land Bank, escaped injury recently when his automobile skidded, then rolled over near St. Paul. His wife was injured in the accident.

Open house was held recently at the **First Bloomington Lake National Bank** of Minneapolis to celebrate completion of extensive remodeling work begun last spring.

A new addition has been provided at the rear of the building. The entire structure is air-conditioned. Commercial tellers' machines were installed, and a new luncheon space provided for employees.

Deposits of the bank now total more than \$11,000,000. It is an affiliate of the First National Bank of Minneapolis. Officers include **John G. Maclean**, president; **A. S. Newcomb**, vice president; **Leonard R. Oberg**, vice president; **Carl D. Strom**, cashier, and

Londell W. Johnston, assistant cashier.

Directors are Mr. Maclean, Mr. Newcomb and **Alvin T. Anderson**, **Anton G. Hanson**, **Keith K. Keller**, **H. Knudsen**, **Dayton Rogers**, **Theodore O. Sather** and **Carl H. Swanson**.

Members of the public speaking club of the American Institute of Banking's St. Paul chapter heard talks by **Veronica Brisbois** and **Warren Hinze** at a recent dinner meeting of the club. **Anne McGrath**, chairman, presided.

Charles W. Burges, vice president and cashier of the Security National Bank of Edgely, North Dakota, and **Ray C. Lange**, president of the Chippewa Canning Company, Chippewa Falls, Wisconsin, recently were named directors of the Federal Reserve Bank of Minneapolis, according to announcement by **Roger B. Shepard**, chairman of the board.

Mr. Burges is a new member of the nine-man board, and Mr. Lange was re-elected to the position he has held since 1943. Both will serve three-year terms, beginning January 1st.

Mr. Burges has been active in North Dakota banking since 1910 and is a past president of the North Dakota Bankers Association. He succeeds **F. D. McCarthy**, president of the First National Bank of Oakes, North Dakota, who was not a candidate for re-election.

Paul G. Bremer, vice president of

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the American National Bank of St. Paul, died of a heart attack recently after collapsing in the St. Paul city hall. He was 61 years old.

Mr. Bremer also was secretary-treasurer of the Jacob Schmidt Brewing Company of St. Paul, and served that firm as legal adviser. He was a graduate of the University of Minnesota and Yale University law schools.

Among survivors is a brother, **Otto Bremer**, chairman of the board of the American National Bank. Funeral services were held at St. Mary's Episcopal church, St. Paul, of which Mr. Bremer was a member.

Two Minneapolis bankers took prominent parts in the city's Sister Elizabeth Kenny foundation campaign in November.

Patrick Colbert, assistant cashier of the First National Bank of Minneapolis, served as a chairman of the city wards committee. **John P. Knutson**, assistant cashier of the Midland National Bank of Minneapolis, was chairman of the downtown business district committee.

J. Cameron Thomson, president of the Northwest Bancorporation, spoke at a recent dinner meeting of the Harvard Business School Alumni club in

Minneapolis. **Arnold J. Ryden**, of the Northwestern National Bank of Minneapolis, was in charge of reservations for the dinner.

A new home planning center has been established by the Farmers and Mechanics Savings Bank of Minneapolis. It will be conducted in cooperation with Better Homes and Gardens magazine, and will furnish the public information on building, remodeling and decorating and house plans. **Henry S. Kingman** is president of the bank.

For the first time in Minnesota, deposits in state banks and trust companies now exceed \$1,000,000,000, according to a recent announcement by **F. A. Amundson**, Minnesota state commissioner of banks.

Deposits of all kinds increased \$29,851,246 during the third quarterly period of the year to a total of \$1,004,528,734. Mr. Amundson's report covers 499 state banks, one savings bank and four trust companies.

The report shows an increase of \$6,560,306 in loans and discounts for the three-month period to a total of \$272,000,075.

Program details for the 1949 Farm Forum to be sponsored March 10th and 11th by the Minneapolis Chamber of Commerce were announced recently by **H. E. Atwood**, general chairman of the forum and president of the First National Bank of Minneapolis.

According to Mr. Atwood, the list of speakers will be headed by **Senator George Aiken**, Vermont Republican. The forum will be open to farmers and businessmen of the midwest area.

Joseph R. Byers, former officer of the Northwestern National Bank of Minneapolis, died recently in Pasadena, California; friends in Minneapolis were notified. He was 73 years of age.

Twenty-four new members were inducted recently into membership in the Clipper club, organization of employes who have served 25 years or more in the First National Bank of Minneapolis or its affiliates.

Inducted were **Andrew M. Blood**, **Anna M. Condon**, **M. O. Grangaard**, **Ralph V. Hagen**, **William J. Holman, Jr.**, **William R. Jackson**, **Mary E. Joy**, **Clarence E. Ladd**, **Dorothy Lawson**, **Laura W. MacMains**, **Myrtle Mahoney**, **Hazel R. Nelson**, **Waldemar E. Nelson**, **Arthur C. Regan**, **Sophie Riley**, **Arthur M. Rolfsnes**, **Philip W. Schrader**, **Lee A. Short**, **Helen M. Stellick**, **Melvin H. Swanson**, **Ludwig C. Vobayda**, **Lew**



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MINERAL WELLS, Texas

Wallace, George H. Wetley and William H. Williams.

William E. Neudeck, assistant vice president and manager of the bank's St. Anthony Falls office, was toastmaster at the dinner. Club officers are **Charles Cells, Gordon Olson, Mildred Olson, Herbert Hamren, Jarl Olsen, Jessie Millar, George Hirsch, Carl Turnrose and Ben Woodworth.**

A new series of advertisements similar to those opposing communism, which won the Columbia Heights State Bank national recognition, was announced recently by **Herbert Woodward**, vice president of the bank and originator of the ads.

The new series, based on "Why I'm Proud to Be an American," will show that private enterprise is responsible for the nation's blessings, Mr. Woodward said.

They will emphasize that America has the greatest freedom, the most intelligent labor and labor unions, the most productive farmers, finest machinery, best and most widely read publications, finest churches and schools.

Bert K. Johnson, who was associated with the First National Bank of Minneapolis for 15 years, died recently in Minneapolis at the age of 61. At the time of his death he was manager of the Tolversen agency in Fulda, Minnesota, an insurance and farm management firm.

Gordon Murray, vice president of the First National Bank of Minneapolis, addressed member of the Minneapolis Retail Credit Association recently on "The Importance of Credit in the National Economy of Today." **Merth E. Mortenson**, vice president of the Marquette National Bank of Minneapolis and president of the association, presided at the meeting.

Creation of a Minnesota economic development foundation was urged recently in a report by the Minnesota Economic Development council. Serving on the suggested board of 25 directors would be the presidents of the **Minnesota Bankers Association** and the **Federal Reserve Bank of Minneapolis**. Other economic interests of the state also would be represented.

W. L. Eiler, cashier and vice president of the Security State Bank of Cannon Falls, Minnesota, was killed recently when the light plane he was flying crashed at Cannon Falls. His 12-year-old son, **Quentin**, was injured seriously.

Mr. Eiler was mayor of Cannon Falls

about five years ago and also served at city clerk. He was grand master of the grand lodge of United Workmen, with offices at St. Paul. A veteran of World War II, he was 38 years old.

Heads Anoka Bank

James B. Berry was elected president of the State Bank of Anoka, Minnesota, last month following the accidental death of R. W. Schmidt. Mr. Berry had been vice president of the bank. E. L. Jorgensen was elected to the board of directors to fill the vacancy caused by Mr. Schmidt's death. J. J. Schmidt was advanced from assistant cashier to the position of vice president.

Mr. Schmidt's death apparently occurred when he stumbled in a field while carrying his 12 gauge shotgun, the discharge striking him in the head. His death was one of a number of hunting casualties during the fall hunting season in Minnesota.

W. L. Eiler

W. L. Eiler, 38, cashier of the Security State Bank at Cannon Falls, Minnesota, was killed last month when his private plane spun into the ground near his home. His 12-year-old son, Quentin, was critically injured in the crash. Mr. Eiler had flown over his home, waving to his wife and another son, Jimmy, when motor trouble developed and the crash resulted.



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Sell Blackduck Bank

The Blackduck State Bank, Blackduck, Minnesota, has been sold to a group of Blackduck and Bemidji business men. Cashier I. J. Hauge, who has been managing officer of the bank, was advised by his physician to retire from the bank and subsequently sold his stock. President H. C. Baer sold most of his stock also, but was renamed president of the bank by the new stockholders. Tom Abrahamson has sold his entire stock and resigned as vice president.

In addition to Mr. Baer, the new officers of the bank include Dr. H. A. Palmer, vice president, and O. E. Jamtaas, cashier. The latter had been as-

sistant cashier in the bank previously. The board of directors now consists of Mr. Baer, Dr. Palmer, J. C. Huffman, Fred Magnuson and Mr. Jamtaas.

Deposits of the Blackduck State Bank currently are about \$850,000 and total capital accounts were \$57,000.

Organize A.I.B. Classes

Twenty-five officers and employees of six banks gathered at the State Bank of Le Sueur, Minnesota, recently to organize a study group under the American Institute of Banking.

The gathering elected E. C. Schmid, assistant cashier of the State Bank of New Prague, as its chairman, and R. J. Effretz, assistant cashier of the

State Bank of Belle Plaine, its vice chairman. The group will be known as the Minnesota Valley Study Group. Ronald Harrison, assistant vice president of the Marquette National Bank of Minneapolis, will be the instructor for the first course. Meetings are to be held at the First National Bank of New Prague.

The six banks organizing the study group are the State Bank and the First National of New Prague, State Bank of Lonsdale, State Bank of Belle Plaine, State Bank of Le Sueur and the Northwestern State Bank of Jordan.

Minnesota Association Will Sponsor Youths

The youth activities committee of the Minnesota Bankers Association has recommended that the association sponsor four Minnesota 4-H Club members who will attend the annual 4-H Congress in Washington next June.

N. V. Torgerson, president of the Farmers State Bank at Adams, said the committee plans to have the outstanding 4-H members attend the association's annual meeting June 8th-9th, where they will receive the awards.

The agriculture committee of the MBA also voted to make a survey of Minnesota bankers to find out what they are doing to assist farm activities and what can be done by member banks.

Crookston Bank Officers

Virgil L. McGregor was elected chairman of the board and Donald T. Lawler was advanced to the presidency of the Crookston National Bank, Crookston, Minnesota, at a recent meeting of the new board of directors.


The election followed sale of majority stock by the estate of the late president, G. O. Hage, his widow, and a brother, Rasmus Hage of Warren. All three had been on the bank's directorate. Their places on the board have been taken by Dr. M. O. Oppegaard, R. A. Mason and C. J. Tvedten, all of Crookston.

E. A. Zitzer, also a board member, was elected vice president, taking the position vacated by Mr. McGregor. No new cashier has been appointed as yet.

Minneapolis Man Speaker

William R. Chapman, vice president of the Midland National Bank of Minneapolis, was guest speaker at a noon luncheon last month of the White Bear Association. Mr. Chapman discussed the bank's place in the community, describing various internal operations of the bank and its service to the city.

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To the right, to the left and front and rear, we are practically surrounded by millions of dollars worth of cattle, hogs, sheep, packing plants and the Sioux City Stock Yards. On every hand are feeders, shippers, packers, grain men, and thousands of men and women who direct the conversion of the live stock of the great Northwest into bacon and beef for your table.

With this splendid location—right in the "Yards"—plus years of experience in the live stock business, where can you equal the correspondent service available here at the Live Stock National Bank in Sioux City?

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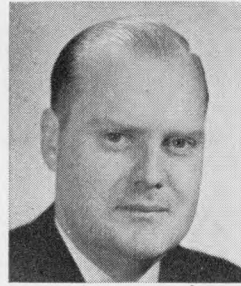
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South Dakota NEWS

J. M. LLOYD
President
Yankton



CARL E. BAHMEIER, JR.
Secretary
Huron

1948 Group Meetings

HERE in brief is a summary of the activities of South Dakota Group meetings held November 1st through 6th. The following officers were elected to Group positions:

Group 1—President, H. C. Danforth, vice president and cashier, First Dakota National Bank, Yankton; vice president, C. W. Harrington, president, Dakota State Bank, Colman; secretary, R. B. Knudsen, assistant cashier, American State Bank, Yankton.

Group 2—President, E. O. Anderson, vice president, Farmers & Merchants Bank, Watertown; vice president, Earl Baertsch, Peoples Bank, Conde; secretary, L. L. Mann, vice president and cashier, Clark County Bank, Clark.

Group 3—President, O. E. Fristad, cashier, Mitchell National Bank, Mitchell; vice president, Leland Steele, vice president, Farmers & Merchants Bank, Huron; secretary, L. A. Meyers, assistant manager, Northwest Security National Bank, Huron.

Group 4—President, Max Gutz, cashier, First National Bank, Selby; vice president, Clarence Knudson, cashier, Leola State Bank, Leola; secretary, Dale Leshner, cashier, Citizens Bank of Mobridge.

Group 5—President, Ralph Mattson, vice president and manager, Branch First National Bank of Black Hills, Hot Springs; vice president, Earl Keller, cashier, Rapid City National Bank, Rapid City.

The following were selected as host cities for next year's Group meetings: Yankton for Group 1; Watertown for Group 2, Huron for Group 3. Groups 4 and 5 will select their meeting place at a future date.

Carl E. Bahmeier, Jr., secretary, says the attendance at the Group meetings was the largest in the history of the South Dakota Bankers Association. Included on the programs were: J. M. Lloyd, Yankton, president of the South Dakota Bankers Association; Josh Lee, nationally known humorist and member of the Civil Aeronautics Board; Harold D. Fewings, Leola, A. A. A.

Office; F. M. Clark, Minneapolis Federal Reserve Bank; Robert Callaghan, John Hancock Life Insurance Company, Minneapolis, and the presidents of each Group.

Cashier at Lake Preston

Harmon Kopperud, president of the Community State Bank, Lake Preston, South Dakota, announces the election of Mark Atwood as cashier of that institution.

Mr. Atwood, a native of South Dakota and a former resident of Lake Preston, has had banking experience in several South Dakota banks, and comes to the Community State from the Foster County State Bank, Carrington, North Dakota, where he has been cashier for the past two years.

In Sioux Falls Bank

George Beck, Hawarden, Iowa, has accepted a position as teller in the Gregory branch of the Northwest Security National Bank of Sioux Falls, South Dakota.

Mr. Beck has been in the employment of the Northwestern National Bank of Minneapolis and for the past one and one-half years has been with the Sioux Falls banking firm.

He fills the position created by the recent resignation of Paul McKee.

Heads New Department

A new department, known as the TIMEPAY bank credit financing plan, is being instituted at the National Bank of South Dakota, Sioux Falls, Tom S. Harkison, president of that institution, announced.

It is in charge of Sterling H. Davis, former branch manager for a large finance organization in Billings, Montana. TIMEPAY is a system of financing purchase of automobiles, farm equipment, home appliances, refrigerators, and radios. Through it FHA loans for home repair, improvement and modernization are also obtainable.

Open House

Residents of Madison, South Dakota, and vicinity were invited to an open

house event at the Security Bank & Trust Company, in connection with the corn show staged by the bank.

About 100 entries of corn were received, with five ears entered by each grower. They were displayed in the lobby on a rack built along the wall.

Branch Opens

Kadoka, South Dakota, citizens are now able to go to a bank in their own town for the first time in 20 years.

A bank has opened there under the management of the Belvidere State Bank.

James Pier is in charge of the new branch.

With Sinai Bank

Vernon Buck has recently resigned a position which he held for eleven years with the Northwest Security Bank in Madison, South Dakota, to accept a position with the First State Bank at Sinai, and has purchased a home in that town for the occupancy of his family.

County Meeting

A meeting of the Deuel-Hamlin County Bankers Association was held in Estelline, South Dakota, recently. Presiding was H. F. Anderson, cashier, Deuel County National Bank, Clear Lake, chairman of the group.

The group discussed numerous banking topics, also ways that the banks can encourage farmer participation in soil conservation.

Those present were L. C. Ribstein and Harvey Eichinger, Bruce; L. A. Jacobson and Neil Jacobson, Bryant; C. N. Halverson, Castlewood; A. G. Berger, H. F. Anderson and N. A. Dobie, Clear Lake; L. C. Foreman and R. F. Petschow, Elkton; L. A. Lohr, Lake Norden; F. A. Olson and C. G. Martinson, Toronto; James Erickson and Lynn Kalvig, Hayti; Carl Bahmeier, Huron; Fred Beskow, Walter K. Johnson, Laurence Gratz, Virgil Moul, C. P. Leonard and A. J. Lundberg, Estelline.

Sioux Falls News

Frank J. Cinkle, vice president and cashier of the National Bank of South Dakota, was re-elected treasurer of the Sioux Empire Fair association, of which he was also named director for three years. Dr. S. A. Donahoe, a director of that bank, was re-elected vice president of the fair association. Tony Westra, agricultural and livestock representative of the Northwest Security National Bank, was named to the fair association's executive committee.

Funding bonds in the amount of \$17,000 were sold by the city of South Sioux Falls to the Union Savings

Bank. The city commission accepted the bank's bid of 2 per cent interest plus a \$20 premium. The bond issue was floated to pay off indebtedness against the municipality. It was approved in an election this fall.

O. A. Bray, assistant cashier of the Northwest Security National Bank, was re-elected illustrious grand treasurer of the Grand Council of Royal and Select Masons of South Dakota at its 32nd annual assembly at Aberdeen.

Tom S. Harkison, president of the National Bank of South Dakota, announced that his institution has added a new department, known as the **Timepay** bank credit financing plan. It is in charge of **Sterling H. Davis**, former branch manager for a large finance organization in Billings, Montana.

C. A. Christopherson, chairman of the board of the Union Savings bank, addressed the annual rally and dinner of the Minnehaha County Historical society. He voiced hope that the Truman administration and Congress will be able to work out an amicable understanding with the Soviet Union. The former U. S. representative suggested a meeting of authorized representatives of all countries concerned in the controversial issues to be solved.

Hubert Loonan, president of the Loonan Lumber Company and resident of Sioux Falls since 1902, died at his home at the age of 85. He had been in failing health for about a year.

He opened a bank in Hudson, South Dakota, before founding the Loonan Lumber Company in that town in 1888.

W. E. Perrenoud, cashier of the First National Bank and Trust Company, was re-elected to a two-year term as director of the Minnehaha Country club.

DEAR EDITOR

(Continued from page 9)

in view of the fact that the FDIC stands foursquare and alert to their protection at all times.

"In this connection, it is most interesting to note that we are now in the fifth year in which there has not been a bank receivership, involuntary liquidation or a loss of a single dollar to any depositor in an insured bank. Thanks to the cooperation of bankers and publishers like you, this performance is an all-time record for America.

"We sincerely appreciate your constructive viewpoint in 'Across the Desk from the Publisher' on our approach to the problem of adequate surety coverage which, in the final analysis, definitely insures and protects the equity and/or the stockholders' interest in the banks so insured because, as you know, when a bank fails as the result of lack of integrity of an officer or an employe, the first things to be plowed under is the capital structure. We, therefore, feel that a bank should carry the primary maximum coverage recommended by the ABA Insurance Committee; furthermore, excess, which can be purchased at a very nominal rate, should be carried equal to the capital structure of the bank. Thus, the stockholders' interest is insured at all times."

*Maple T. Harl, Chairman,
Federal Deposit Insurance
Corp., Washington, D. C.*

"Good Human Interest Stories"

"I was very well impressed with your article 'About Bankers You Know' in the last issue of the NORTHWESTERN BANKER.

"These little side lights on the great and near great are good human interest stories."

*Fred W. Thomas, President,
First National Bank, Omaha,
Nebraska*

"Very Interesting"

"We do enjoy reading the NORTHWESTERN BANKER each month as it is very interesting to read the bank news from many states."

*L. E. Callahan, President,
The First State Bank,
Munich, North Dakota*

"Comprehensive Coverage"

"As I believe I have told you on other occasions, the NORTHWESTERN BANKER is 'tops' on our list because of its lively, interesting and comprehensive editorial coverage."

*C. A. Hemminger, Assistant
Cashier, American National
Bank & Trust Company,
Chicago, Illinois*

"Like It Very Much"

"We look with interest for the arrival each month of the NORTHWESTERN BANKER, as we like it very much."

*J. O. Whealon, Assistant
Cashier, Farmers State
Bank, Marcus, Iowa*

"Punch and Effectiveness"

"Fortunately for me, a copy of the NORTHWESTERN BANKER comes to my desk regularly and I enjoy it thoroughly. Allow me to congratulate you on the punch and effectiveness of your column, 'Across the Desk from the Publisher'."

*Paul M. Underwood, Manager,
Bank Division, Chemical
Bank & Trust Company,
New York, New York*

"We Like It Very Much"

"We like the NORTHWESTERN BANKER and Clifford De Puy's editorials very much. More power to him."

*E. H. Sutherland, President,
First National Bank, Beemer,
Nebraska*

"Favorably Impressed"

"I was glad of the opportunity to become acquainted with you and I trust that I shall be seeing you from time to time during the coming year. From what I have seen of your publication, the NORTHWESTERN BANKER, I am very favorably impressed."

*Evans Woollen, Jr., President,
The American Bankers
Association, Indianapolis, Indiana*

"Appreciate Fine Cooperation"

"We certainly appreciate the very fine cooperation that we have received from the NORTHWESTERN BANKER since establishing our new firm in Des Moines. It has meant a great deal to us and has been a big part in our success."

*H. H. Byers, President,
Bankers Service Company,
Des Moines, Iowa*

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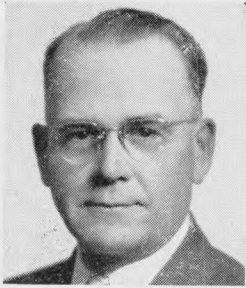
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ARNE A. GREGOR
President
Leeds

North Dakota NEWS



C. C. WATTAM
Secretary
Fargo

Winter Conference in Fargo

MORE than 150 members of the North Dakota Bankers Association attended a one-day Winter Conference in Fargo.

The morning session was in charge of Fred Krueger, former Internal Revenue agent, and now associated with the Northwest Audit Company. He spoke on the new features of the Federal Income Tax law, and set up an all-inclusive individual tax problem and demonstrated how it should be worked out.

Following Mr. Krueger, A. W. Sands of the Western State Bank of St. Paul and past president of the Minnesota Bankers Association, discussed the ruling of the Internal Revenue Department with respect to reserves for bad debts.

The afternoon session was devoted to a panel discussion of Estate Analysis, the new Federal Estate and Gift Tax Laws, and Joint Tenancy. Burns W. Swenson, assistant vice president and trust officer of the Northwestern National Bank and Trust Company of Minneapolis; Adrian McLellan, vice president and trust officer of the Merchants National Bank and Trust Company of Fargo, and Philip B. Vogel, attorney of Fargo, handled the panel discussion.

The meeting adjourned at 4:00 p. m. and the Exchange Charge State Bank Legislative Committee held a meeting for the purpose of discussing the legislative plans for the coming session.

New Group Officers

Following is a list of the group officers elected by the North Dakota Bankers Association:

Northwest Group

President, Lloyd Nelson, cashier, Scandia American Bank, Stanley.

Vice president, W. L. McClung, cashier, State Bank of Kenmare.

Secretary-treasurer, T. A. Solheim, vice president, American State Bank, Williston.

Member state nominating committee, Lee Stenehem, assistant cashier,

First International Bank, Watford City.

Member State Executive Council, A. R. Weinhandl, president, First National Bank, Minot.

Southwest Group

President, T. W. Sette, Bank of North Dakota, Bismarck.

Vice president, A. T. Zimmerman, cashier, Bank of Beulah.

Secretary-treasurer, E. P. Daniels, cashier, First State Bank, New Leipzig.

Member state nominating committee, I. E. Giedt, cashier, Farmers State Bank, Richardton.

Members State Executive Council, two years, Verne Wells, president, Security State Bank, Robinson; one year, C. J. Bowers, cashier, First State Bank, Regent.

Southeast Group

President, H. I. Turner, cashier, Farmers State Bank, Heaton.

Vice president, A. W. Eastman, cashier, First National Bank, Milnor.

Secretary-treasurer, Harry Lundholm, cashier, First National Bank, Valley City.

Member state nominating committee, Earl Shaw, president, Fargo National Bank, Fargo.

Member State Executive Council, M. G. Pederson, cashier, First State Bank, Hope.

Northeast Group

President, John P. Lamb, cashier, Lamb's Bank of Michigan City.

Vice president, O. K. Anderson, cashier, First State Bank, LaMoure.

Secretary-treasurer, C. P. Austinson, cashier, Farmers State Bank, Leeds.

Member state nominating committee, Franklin Page, cashier, Bank of Hamilton.

Member State Executive Council, Fred Hoghaug, vice president, Ramsey County National Bank, Devils Lake.

Buys Bank Stock

M. G. Pederson, cashier of the First State Bank of Hope, North Dakota, recently purchased all the stock held by the president, Henry Northridge and

at a directors' meeting was elected president of the bank, to succeed Mr. Northridge, and now holds the official titles of president and cashier.

John H. Irhy of Hope was elected to serve as a member of the board of directors, to fill the vacancy caused by the resignation of Henry Northridge.

Sound Financially

Even though the cost of things farmers and ranchers use are continuing upward, North Dakota agriculture is maintaining a sound financial position, according to F. A. Irish, GNDA treasurer and chairman of the board at the First National Bank and Trust Company of Fargo.

Mr. Irish, who is chairman of the agricultural committee of the North Dakota Bankers Association, was recently given notice that North Dakota has once again been awarded a 1,000 per cent rating in the American Bankers Association for service rendered agriculture. This honor has come to the state annually for a dozen years.

Personnel Changes

Election of a new officer and the promotion of three of the bank's personnel to officers' posts is announced by William Stern, president of the Dakota National Bank, Fargo, North Dakota.

Owen J. Boyle, associated with the bank for 26 years and cashier since January, 1942, was named as vice president and director, to succeed the late Ralph Butterwick.

Succeeding Mr. Boyle as cashier is Anker Eriksmoen, a native of Leeds, North Dakota. Mr. Eriksmoen, a graduate of the American Institute of Banking, was associated with the First National Bank of Crosby, North Dakota, for several years and served as cashier, leaving there in 1932.

Promoted to assistant cashiers are M. Agnes Newman and Joel R. Egeberg, both graduates of the American Institute of Banking.

To Cando

Election of William D. Johnson of Minot as president of the First State Bank of Cando, North Dakota, and as a member of the bank's board of directors has been announced.

Mr. Johnson, who formerly was on the Cando bank's official staff, has returned to assume his new duties.

Minot Officer

Election of Russell Mousseau of Havre, Montana, as vice president of the Union National Bank at Minot, North Dakota, was announced. He is assuming his new duties at once, succeeding William D. Johnson who recently resigned to become president of the First State Bank of Cando.



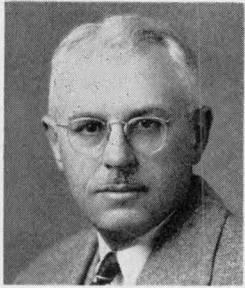
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J. R. KENNER
President
Hebron

Nebraska NEWS



CARL G. SWANSON
Secretary
Omaha

were found which had been written on the Allen State Bank which formerly occupied the same building. Among these checks was one of special historical interest.

It was written on the account of the Allen Cornet Band, by W. F. McDonald, manager, payable to Woods and Linafelter in the amount of \$2.65 and was paid November 1, 1904. Notation in the corner of the check says, "Team to Emerson 10-4 \$2.50. Feed for Isreal's team 5-24 15c."

Carl E. Anderson, one of the present owners of the Anderson Pharmacy in Allen, says he remembers the occasion for which the check was drawn. The Allen Cornet Band, in which he played cornet, journeyed to Emerson, 18 miles southeast of Allen, to participate in a political rally at which Wm. Jennings Bryan spoke in behalf of his candidacy for President of the United States.

Bank checks really tell their story and make permanent records for all time.

Good Public Relations

An example of good bank public relations is portrayed in the special interest of Cozad, Nebraska, State Bank takes in livestock promotion in its community.

At the Dawson County Fair this past fall the bank had a photographer take colored pictures of each calf exhibited. Later at a dinner for the winning boys and girls the pictures were shown on a large screen. Then later the bank mailed the transparency to each of the exhibitors, with the following letter:

"We are happy to present with our compliments a small picture of the calf which you exhibited at the County Fair.

"We cannot tell from the pictures which of you took prizes, but we do know that Dawson county got the job done at the State Fair.

"However, prize money or ribbons are not the important part of the project which you have completed. The important thing is that you have become better acquainted with livestock feeding.

"We hope that you will continue in this work next year and if we can be of any assistance to you in any way we will appreciate you coming to us personally with your problems."

Changes at the United States National

The board of directors of The United States National Bank, Omaha, has announced the election of Fred Peters to be assistant vice president. Mr. Peters is well known in banking circles in Nebraska. He was appointed director of banking for the state of Nebraska by former Governor Dwight Griswold and served in that capacity until 1947 when he purchased control

ily since that time and three generations of the family have operated continuously and with honor this same bank in Yutan where Fred Peters' brother, H. H. Peters, is now president.

At the same meeting the board promoted Austin L. Vickery from assistant vice president to vice president in charge of the correspondent bank division, where Mr. Peters, as assistant vice president, will serve.



AUSTIN L. VICKERY
Vice President



FRED PETERS
Assistant Vice President

of the Bank of Ashland, which he recently sold when it was then consolidated with the Farmers and Merchants Bank of Ashland.

Mr. Peters, 49, was born at Elba, Nebraska, and has lived in the state all of his life. He attended Fremont High School and graduated from the University of Nebraska College of Law. For many years he was cashier of the Bank of Yutan, which was organized by his grandfather in 1890. This bank has been in the Peters fam-

Mr. Vickery entered the employ of The United States National Bank in 1908 as a messenger. He was made assistant cashier in 1923 and cashier in 1940. He was elected assistant vice president in 1946.

Check Tells Story

Millard M. Martin, cashier of the Security State Bank of Allen, Nebraska, says that while workmen were remodeling their bank building recently a quantity of old paid checks

Did you know that your Banker's Blanket Bond does not protect your Cash Letter while it is in transit by mail or express? Ask about our Cash Letter Policy, which fills the gap.

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to Banks

Northwestern Banker, December, 1948

J. R. Kenner Named President of Nebraska Bankers Association

More Than 1,000 Bankers and Wives Attend 51st Annual Convention in Omaha

J. R. KENNER, president of the Thayer County Bank at Hebron, was elected president of the Nebraska Bankers Association at the group's 51st annual convention at the Hotel Fontenelle in Omaha last month. Mr. Kenner succeeds J. O. Peck, president of the Central National Bank of Columbus. More than 1,000 people attended the convention.

Newly elected vice president is W. H. Pierce, president of the First National Bank of Shelby and the First National of Osceola. Austin L. Vickery, vice president of the United States National Bank in Omaha, remains as treasurer and Carl G. Swanson was renamed secretary with headquarters in Omaha.

Elected to three-year terms on the executive council were Burnham Yates, vice president, First National Bank, Lincoln, representing Lincoln; Adolph Thuman, president, State Bank of Trenton, representing Group 4, and John F. Davis, vice president, First National of Omaha, representing Omaha.

At the American Bankers Association session, William N. Mitten presi-

dent, Stephens National Bank, Fremont, and Glen T. Gibson, president, Exchange Bank, Gibbon, were elected to the executive council. Mr. Kenner is the new member of the A.B.A. nominating committee and elected as alternate was V. E. Warren, executive vice president, Auburn State Bank, Auburn.

Vice Presidents

The four A.B.A. state vice presidents elected were: National bank division, A. J. Jorgenson, president, American National of Sidney; savings and mortgage division, C. F. Witt, president, South Omaha Savings Bank; State bank division, O. W. Johnson, vice president, Bank of Burwell, and trust division, Howard Hadley, vice president, Continental Bank of Lincoln.

Mr. Peck began the speaking part of the program with his president's report in which he vigorously scored the federal government for its attitude in attacking the problem of inflation. Mr. Peck said, "Political expediency, rather than good, sound economics, has been the basic program for tackling inflation." He said the government should take steps to seek correc-

tive remedies for the causes and not wink at the symptoms. He stated that additional controls are not the answer for they deal with the effects of inflation and not the causes.

Mr. Peck made the suggestion "that the Treasury build a substantial surplus by a reduction in non-defense expenditures and, if necessary, by an increase in taxes, and use the proceeds for debt retirement. Such a process would reverse that which causes inflation."

No Big Changes

D. J. Needham, general counsel for the A.B.A. in Washington, D. C., told Nebraska bankers that he did not think President Truman's administration would make many changes in the country's national economic life that would affect bankers. He forecast housing loans and control of subsequent operations by the federal government. He predicted an increase in taxes for everyone; predicted an attempt by government to institute price controls and broadened Social Security and also predicted failure for attempts to control commodity prices:

At the Nebraska Convention →

A FEW OF THE 1,100 BANKERS and their wives who attended the 51st annual convention of the Nebraska Bankers Association at Hotel Fontenelle in Omaha are pictured on the opposite page. Reading from left to right in each photograph they are:

1. Association officers—Treasurer **Austin L. Vickery**, vice president United States National, Omaha; President **J. R. Kenner**, president Thayer County Bank, Hebron; retiring President **J. O. Peck**, president Central National Bank, Columbus; Vice President **W. Howard Pierce**, president First National Banks in Osceola and Shelby, and Secretary **Carl G. Swanson**, Omaha.

2. **Howard L. Burdick**, cashier Central National Bank, Columbus, and **E. W. Rossiter**, president Bank of Hartington.

3. **John Changstrom**, vice president; **W. B. Millard, Jr.**, senior vice president; **David F. Davis**, vice president; **Jack Rhodes**, assistant vice president, and **James H. Moore**, vice president, all of Omaha National Bank, Omaha.

4. A banquet group—At lower left is **K. G. Caterson**, Lincoln, seated beside his wife, **Mrs. Caterson** (back to camera). Others, reading left to right, around the table are: **Mrs. C. A. Masilko**, whose husband (out of picture at left) is cashier of the Stock Yards National, Omaha; **John McCumber**, vice president Stock Yards National; **Mrs. McCumber**, and **Edwin Gardner** and **J. T. Shewell**, both vice presidents Farmers Bank, Nebraska City.

5. **Harry D. Miller**, president First National Bank of Stanton; **Ernest Hanson**, vice president First National of Wahoo, and **D. J. Needham**, general counsel for American Bankers Association, Washington, D. C.

6. **H. J. Bornholdt**, vice president Commercial State Bank, Wausa; **A. G. Sam**, president First National Bank of Sioux City; **J. F. McDermott**, vice president First National of Omaha; **Fred W. Thomas**, president First National of Omaha, and **J. M. Brower**, president Fullerton National Bank, Fullerton.

7. **Paul Hansen**, vice president Live Stock National Bank of Omaha, admiring the buffet luncheon setup in the Live Stock rooms.

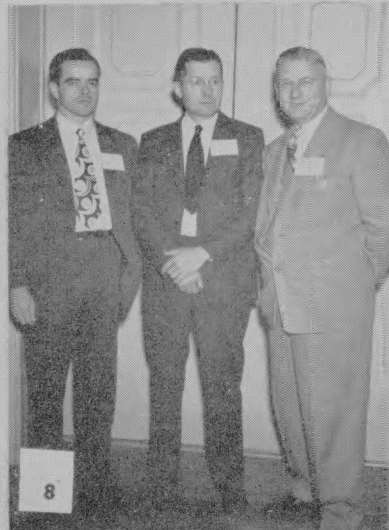
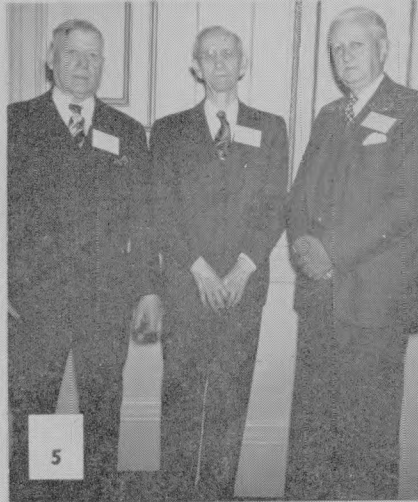
8. **John E. Van Horne**, cashier Farmers State Bank, Pawnee City; **Roy Percival**, cashier First State Bank, Scottsbluff, and **Albert A. Held**, executive vice president National Bank of Commerce, Lincoln.

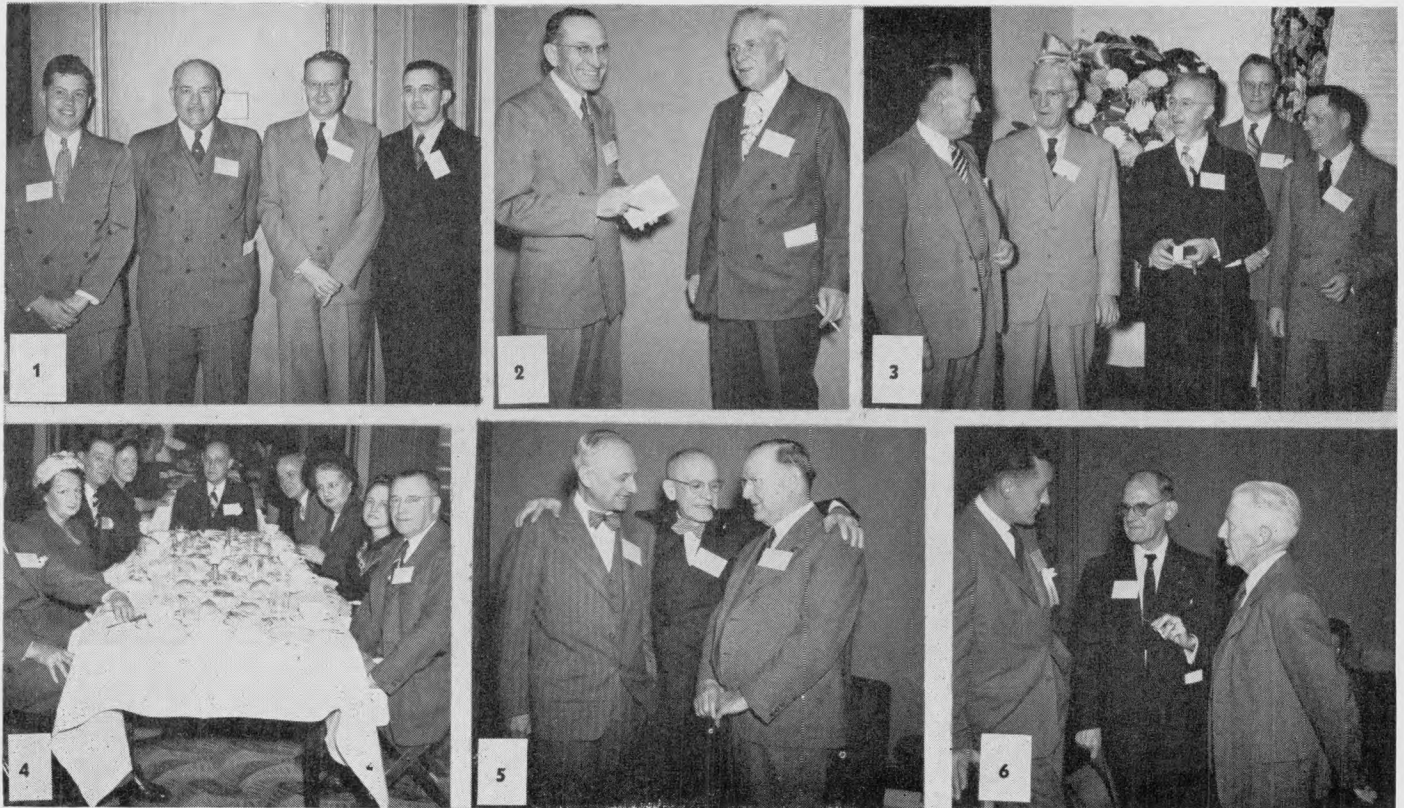
9. **O. A. Riley**, president Hastings National Bank, Hastings; **B. W. Harrington**, vice president Franklin State Bank, Franklin; **Perry Slocum**, executive vice president Franklin State Bank, and **O. W. Johnson**, vice president Bank of Burwell.

10. **Ernest Hultgren**, First National Bank, Chicago; **Tom Cannon**, district manager St. Paul Terminal Warehouse Company, Des Moines; **Fred W. Trier**, Ashwell and Company, Chicago; **Nevin Lee**, vice president Bankers Trust Company, Des Moines, and **Frank Fuchs**, vice president First National Bank of St. Louis.

11. **David Coffman**, vice president William H. Banks Warehouses, Inc.; **B. M. De Lay**, assistant cashier The De Lay National Bank, Norfolk, and **Mrs. De Lay**.

12. Part of the crowd of 1,000 served in the main ballroom and mezzanine rooms at the annual banquet.





Seen at the Nebraska Bankers Convention

ONE GROUP of pictures taken by the Northwestern Banker at the Nebraska Bankers Association's 51st annual convention in Omaha. Left to right in the above photographs are:

1. **George Dunlap**, First National Bank, Lincoln; **J. M. Pucelik**, president Spencer State Bank, Spencer; **H. J. Bornholdt**, vice president Commercial State Bank, Wausa, and **George Barta**, Spencer State Bank.

2. **Louis Novak**, cashier Bank of Brainard, and **A. J. Jorgenson**, president American National Bank, Sidney.

3. **Austin L. Vickery**, vice president United States National Bank, Omaha; **Glen G. Hampton**, vice president Gothenburg State Bank, Gothenburg; **P. J. Ternus**, cashier Farmers State Bank, Humphrey; **Fred Peters**, assistant vice president United States National Bank, Omaha, and **Harlan D. Wells**, vice president First National Bank, Scottsbluff.

4. Waiting for dinner at the annual banquet are, reading

left to right, **Mrs. Fuchs**; **Frank Fuchs**, vice president First National Bank, St. Louis; **Mrs. Ray R. Ridge**, whose husband is senior vice president of the Omaha National Bank, Omaha (Mr. Ridge is seated at near end of table just out of picture at left); **Jack Frost**, assistant cashier Chase National Bank, New York; **Daniel J. Monen**, vice president Omaha National Bank; **Mrs. Monen**; **Miss Loretta Sears**, Omaha, and **H. C. Larson**, cashier Citizens State Bank, Decatur.

5. **Otto Kotouc, Sr.**, president Home State Bank, Humboldt; **Carl D. Ganz**, vice president National Bank of Commerce, Lincoln, and **H. A. Schneider**, president Plattsmouth State Bank, Plattsmouth.

6. **John R. Lauritzen**, assistant vice president First National Bank of Omaha; **Charles S. Stone**, City National Bank, Hastings, and **George O. Unruh**, president Mondamin Savings Bank, Mondamin, Iowa.

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said legislation for socialized medicine will be introduced and might possibly pass; predicted an increase in minimum wages to a level of about 60 to 65 cents an hour, and spiked any talk of a big depression.

The final speaker on the first day's program was Major General Lewis A. Pick, co-author of the Pick-Sloan project for development of the Upper Basin of the Missouri River.

Tax Session

One of the most interesting sessions of the convention turned out to be the "early bird" breakfast meeting in the Black Mirror Room at the Fontenelle. More than 200 bankers heard Laurens Williams, Omaha attorney, discuss "Bank Reserves for Losses and the Revenue Act of 1948," going into the many details of this recent legislation which was instigated by E. W. Rossiter, president of the Bank of Hartington. A.B.A. Counsel Needham hailed the "reserves for losses before taxes" legislation as the biggest single accomplishment of banking for 1948. After delivering his prepared talk, Mr. Williams answered a number of questions from Nebraska bankers. The information contained in his talk is of such importance to bankers everywhere that the NORTHWESTERN BANKER will feature Mr. Williams' remarks next month in the big January, 1949, issue.

Claude L. Benner, vice president of the Continental American Life Insurance Company in Wilmington, Delaware, told the assembly that higher interest rates were not in the offing and that higher interest rates probably are not coming immediately. Dr. Benner said another year also would undoubtedly take care of the bulk of industrial expansion that has followed World War II and this should ease the money demand. He said interest rates should be higher to offset the loan demands now being made.

Former Nebraska Governor Dwight Griswold gave a report on "A Nebraskan in Greece," which contained observations made by Mr. Griswold when he was head of an American mission to Greece during the past year. The purpose of the mission was to supervise expenditures of money and materials purchased and placed on loan to the Greek government.

The convention site for 1949 will be the Cornhusker Hotel in Lincoln on October 11th and 12th.—The End.

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OMAHA



○ MAHA banks began paying out Christmas savings to depositors the middle of November.

The 9,269 Omaha Christmas Savings Club members and the total of such savings, more than \$663,000, set all-time records. Eight of the nine Omaha banks have Christmas Savings Clubs.

The 1947 total was slightly more than a half million dollars.

In 1940, when 11,000 persons had Christmas savings accounts, the total was only \$400,000.

Nearly half the city's total was paid out by the **United States National Bank**. Its \$300,000 fund went to 3,500 depositors, a 10-year record. The savings also were being paid out at the **Omaha National, First National, Live Stock National, Packers National and**

Stock Yards National, the South Omaha Savings and Douglas County Banks.

Not all of the money goes for Christmas presents. Much of it is used to meet taxes and insurance premiums and a lot of it helps make installment purchases. Some is used also to start regular savings accounts.

Christmas finds Omahans with slightly less money in regular savings accounts than a year ago, bankers stated. The HCL has put a dent in most savings. The total, however, is up from the summer low, caused by the long packing house strike.

Ellsworth Moser, executive vice president, United States National Bank of Omaha, was one of the members of the undefeated 1915 Nebraska Corn-

OFFICERS

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Chairman of the Board

J. A. Greenfield
President

T. J. McCullough
Vice President

M. E. Blanchard
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L. J. Komer
Assistant Cashier

H. H. Broadhead, Jr.
Assistant Cashier

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huskers football squad who got together recently at a hunting lodge near Scottsbluff, Nebraska. At the reunion they lived over again memories of the greatest of all the "Stiehm Rollers." All played under Coach E. O. (Jumbo) Stiehm on the '15 team, which overrode eight straight opponents, including Notre Dame, and scored 282 points to their opponents' 40.

John B. Cook, Scottsbluff packer, was host at the duck hunting get-together. Others present were **Dr. Ted Riddell**, Scottsbluffs; **H. H. (Tim) Corey**, president of the Hormel Packing Company, Austin, Minnesota, and **Mike Selzer**, Scottsbluff soft drink company official.

W. B. (Bob) Millard, senior vice president of the Omaha National Bank, has been elected president of the Knights of Ak-Sar-Ben, Omaha's internationally-known civic organization.

Mr. Millard, as Ak-Sar-Ben King in

1941, served until 1946 because no Ak-Sar-Ben coronation balls were held during and immediately after World War II. This was the longest "reign" in Ak-Sar-Ben history, exceeding that



W. B. MILLARD, JR.
Elected President of Ak-Sar-Ben

of Willard D. Hosford, during World War I, by three years.

As president of Ak-Sar-Ben, Mr. Millard succeeds **J. E. Davidson**, manager of the Omaha Public Power District, who had been president nine years. Mr. Davidson will continue as a member of the board of governors.

Mr. Millard has been vice president.

H. M. Bushnell, president of the United States National Bank of Omaha, was elected vice president. **W. D. Lane**, new King of Ak-Sar-Ben, was re-elected secretary-treasurer.

Mr. Bushnell also was re-elected, with **Robert H. Storz** and **Russell J. Hopley**, to a four-year term on the board of governors.

Mr. Bushnell was re-elected president of the Ak-Sar-Ben Bridge Association. He also serves on that group's executive committee.

From Sweden came a banker and a manufacturer for a visit in Omaha recently. They were **Ollie Kallman**, who is associated with the foreign department of a Stockholm bank, and **Stular Werner**, who operates a wood-processing firm, in Stockholm.

Both serve on the Y.M.C.A. board of trustees and came to America as official representatives of the Y in Sweden.

Dale Clark, president of the Omaha National Bank, and **Carl A. Swanson**, head of the food concern bearing his name, entertained the visitors. Mr. Swanson recently returned from a trip to Sweden.

Miss Catherine Ann Coad, only daughter of Mr. and Mrs. **Arthur L. Coad**, was crowned queen of Ak-Sar-Ben at the 1948 coronation ball in Omaha.

The queen's father is president of the Packers National Bank of Omaha.

Serving as a ringbearer to Ak-Sar-Ben's queen at the coronation ball was **Carol Davis**, daughter of Mr. and Mrs. **John F. Davis**. Her father is vice president of the First National Bank of Omaha.



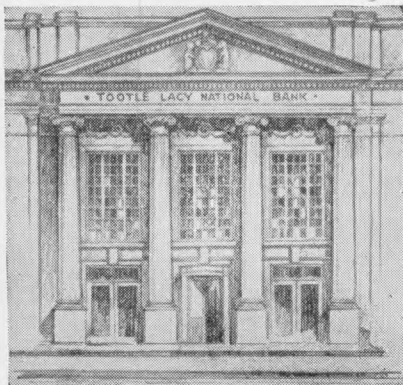
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MORE* for YOUR MONEY
Than the

TOOTLE-LACY

MILTON TOOTLE
PRESIDENT

FRED T. BURRI
CASHIER

R. E. WALES
VICE PRESIDENT

Her grandfather is **T. L. Davis**, chairman of the board of the First National. Her great grandfather, the late **F. H. Davis**, also was president of the First National many years.

Richard H. Mallory, vice president, United States National Bank of Omaha, has been named head of the 1948 Christmas Seal campaign in Omaha for the Nebraska Tuberculosis Association. Omaha's quota is \$46,000.

The campaign opened November 22nd, when 66,000 letters were mailed to Omaha and Douglas county homes.

J. F. McDermott, vice president of the First National Bank of Omaha and a Knight of St. Gregory, presided at a dinner in Omaha recently, when an Omaha physician, a non-Catholic, **Dr. Adolph Sachs**, was made Knight Commander with the Star of the Order of St. Gregory the Great, by decree of Pope Pious XII. It is one of the highest awards of the Roman Catholic Church. It signifies "exceptional contribution toward the welfare of man."

The memory of the late **Victor B. Caldwell**, father of **Victor B. Caldwell, Jr.**, vice president of the United States National Bank of Omaha, was honored at the recent fiftieth anniversary meeting of the Omaha Association of Credit Men at Hotel Paxton.

The home of the late **Alvin E. Johnson**, former president of the Live Stock National Bank of Omaha, has been sold by his widow to Russell C. Anderson of Omaha. The residence is at 101 South Fifty-fourth Street. The sale involved \$18,500.

Northwestern Bell Telephone Company directors, meeting in Omaha, voted to shorten from 45 to 31 years the term of the \$60,000,000 debenture bond issue which the firm was to sell November 16th.

The change means that the debenture now will mature in 1979 instead of 1993. The bids were to be taken

in New York. The **United States National Bank** of Omaha has been designated as trustee.

Mrs. Gould Dietz, the former Mrs. Luther Kountze, died recently in Santa Barbara, California, where she had gone from her Omaha home to visit a daughter. She was the former Alice Andreesen, whose father established a large wholesale business in Omaha in the early days.

Representative Howard Buffett of Nebraska, Omaha investment banker before he went to Washington, was one of those defeated at the general election in one of the many "upsets."

Mr. Buffett, a Republican, was defeated after a neck-and-neck race with Democrat **Eugene O'Sullivan**, Omaha lawyer. Mr. Buffett served the Second Congressional District. He plans to return to his Omaha home after his term expires.

L. C. McVea, assistant cashier, Omaha National Bank, spent a good part of his recent vacation in a telephone booth.

He is chairman of the trips which the Omaha Chamber of Commerce Tribe of Yessir makes to neighboring towns, and he was on the phone almost constantly urging business men to make the second trip of the season to David City, Nebraska.

The Northern Natural Gas Company, with headquarters in Omaha, has filed with the Securities and Exchange Commission a registration statement covering proposed sale of \$6,000,000 of serial debentures dated November 1, 1948. They will mature serially from 1966 through 1969.

The transaction contemplated competitive bidding by underwriters and resale to the public.

Net proceeds will be used to replenish working capital and for additional construction in 1949 to increase gas transmission capacity.

Northern Natural plans later to issue and sell additional common stock.

Capital Increased

An increase of \$500,000 in the capital stock of the Live Stock National Bank of Omaha, recently authorized by its board of directors, was approved at a special stockholders' meeting, Henry C. Karpf, president, announced.

The increase was effected by declar-



HENRY C. KARPF
Announces Stock Increase

ation of a \$500,000 stock dividend. This action, Mr. Karpf said, is in line with the policy of the bank's directors to provide an adequate capital ratio to the bank's substantial growth. The capital structure now includes common stock of \$1,000,000, surplus of \$1,000,000, and undivided profits and reserves exceeding \$800,000.

Promotion

K. G. Harvey, president of the Douglas County Bank, has announced the promotion of Henry R. Roose from cashier to vice president and cashier.

Mr. Roose has been connected with the Douglas County Bank since July 1, 1942. His first position in the bank was that of auditor. He was advanced

***MORE personal service — *MORE types of service — *MORE friendliness — *MORE people who are interested in you.**

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ASST VICE PRES.

E. L. CRUME
ASST VICE PRES.

MILTON TOOTLE, JR.
ASST. CASHIER

Member Federal Deposit
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to assistant cashier and then cashier, which position he has held since December of 1944. He is also a member of the board of directors.

Prior to his connection with the Douglas County Bank, Mr. Roose was in the employ of Mr. Harvey for over four years in the automobile finance business. He is a native of Omaha, and graduated from North High School in 1934.

Becomes Cashier

Dallas Wetzel, resident of Norfolk the past thirty-two years, recently assumed his duties as cashier of the Nebraska State Bank at South Sioux City, Nebraska.

Mr. Wetzel has had twenty-two years of experience in the banking business. He started his career as a teller in the old Nebraska State Bank at Norfolk and later was promoted to cashier. He served twelve years in a bank and ten years in bank liquidation work.

Sixty Years

The Citizens National Bank of Wisner, Nebraska, observed its 60th anniversary this year.

The bank was organized October 17, 1888, as the Citizens State Bank, with F. B. Van Dorn, Sylvester Emley, William Stuefer, J. H. Emley and J. W. Kinzel as incorporators and the first board of directors. F. B. Van Dorn was elected president; J. W. Kinzel, vice president, and J. H. Emley, cashier. The authorized capital was \$60,000, but when the bank opened for business some weeks later, the actual paid in capital was \$9,026.84. At the close of the books on the opening

day deposits were \$727.80 and the loans were \$2,373.

The first correspondent bank, the Omaha National Bank, and another early correspondent, then known as the Union Stock Yards National Bank of South Omaha, are still serving the Citizens National Bank in the same capacity, the latter under the name of Stock Yards National Bank. Other early correspondent banks, no longer in existence under their original names, were Western National Bank, the Merchants National Bank, Omaha, and Commercial National Bank, Fremont.

To Remodel Building

The Nebraska State Bank, South Sioux City, Nebraska, will enlarge its present building and install new facilities for the accommodation of its customers, Vice President H. L. Brune has announced.

"The bank's present quarters will be completely remodeled and integrated with new construction on the now vacant property which was purchased for that purpose in 1945," Mr. Brune said.

Many new facilities will be installed for the accommodation of the bank's customers. A new and larger safety deposit vault will be installed with more safety boxes, which have been scarce for some time. More teller windows will be added.

Mr. Brune said the front of the building will be faced with Indiana limestone.

Construction will be started, he added, just as soon as detailed working drawings, which are being prepared, can be completed.

First National Elections

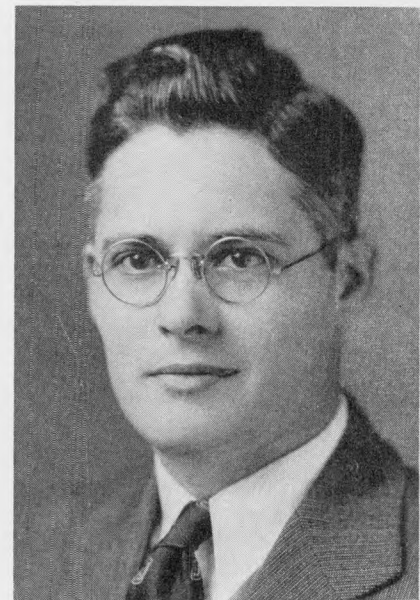
The First National Bank of Lincoln, Nebraska, has announced the election of Clifford G. Weston and Lyle F. Stoneman as vice presidents of the bank. Both previously held the title of assistant vice president and have



CLIFFORD G. WESTON

been associated with the bank for years.

Mr. Weston joined the staff at the First National in January of 1920, and subsequently worked in most of the



LYLE F. STONEMAN

departments in the bank. In 1940 he was placed in charge of the bank's operating division and personnel and functioned in that capacity until June of this year when he became supervisor of the activities in the bank's newly established lower lobby, including the savings, installment loan department and the safe deposit vaults.

The Season's Greetings

**with the wish that 1949 will be a Prosperous
and Happy Year for our many friends.**

DIVISION OFFICES:

Des Moines, Iowa ●	St. Louis, Missouri ●	Madison, Wisconsin ●
Angola, Indiana ●	Grand Rapids, Mich. ●	Fayetteville, Arkansas ●
	Weslaco, Texas ●	

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BANK Field Warehouse Receipts **INDUSTRY**
Bridging THE GAP Between
BANKING and INDUSTRY

Long active in American Institute of Banking work, Mr. Weston has been an associate councilman of that organization for the past two years.

Mr. Stoneman first entered the employ of the bank in 1936. In 1941 he joined the examining staff of the Federal Deposit Insurance Corporation and assisted in examining banks in Nebraska and elsewhere in the 10th District until 1944. At that time he rejoined the staff of the First National Bank of Lincoln as an assistant cashier in the correspondent banking division, which department he now heads.

Live Stock Promotions

Appointment of Armand S. Chaves to the newly created office of comptroller of Live Stock National Bank of Omaha has been announced by H. C. Karpf, president. According to Mr. Karpf, establishment of the new

Mr. Souba has been with the Live Stock National Bank since 1935. He is a member of the Junior Chamber of Commerce, vice president of the Omaha-Council Bluffs Conference of Bank Auditors and Comptrollers, and president of the local chapter of American Institute of Banking.

New Director

At a recent meeting of the board of directors of the First National Bank, O'Neill, Nebraska, Wm. J. Froelich was elected a director.

Due to the death of the late Joe Mann, a vacancy existed in the membership of the board and Mr. Froelich was selected to fill the position.

Cashier at Scotia

Clarence H. Sixel has resigned his position as cashier of the Farmers State Bank, Plymouth, Nebraska, and has purchased an interest in the State

Bank of Scotia, where he becomes cashier.

Mr. Sixel came to Plymouth in 1935 to succeed B. M. Hanson. He had previously worked in the State Bank of Harbine. He was assistant cashier until in 1945 when he was promoted to cashier.

Mr. Sixel is succeeded in the Farmers State by Charles Backer of Daykin who becomes cashier. Mr. Backer has been assistant cashier of the Jefferson County Bank at Daykin since December 1, 1945. He came to the bank as a teller from Alexandria.

Dividend

The board of directors of the Irving Trust Company, New York, has declared a quarterly dividend of 20 cents per share on the capital stock of the company, par \$10, payable January 1, 1949, to stockholders of record at the close of business December 14, 1948.

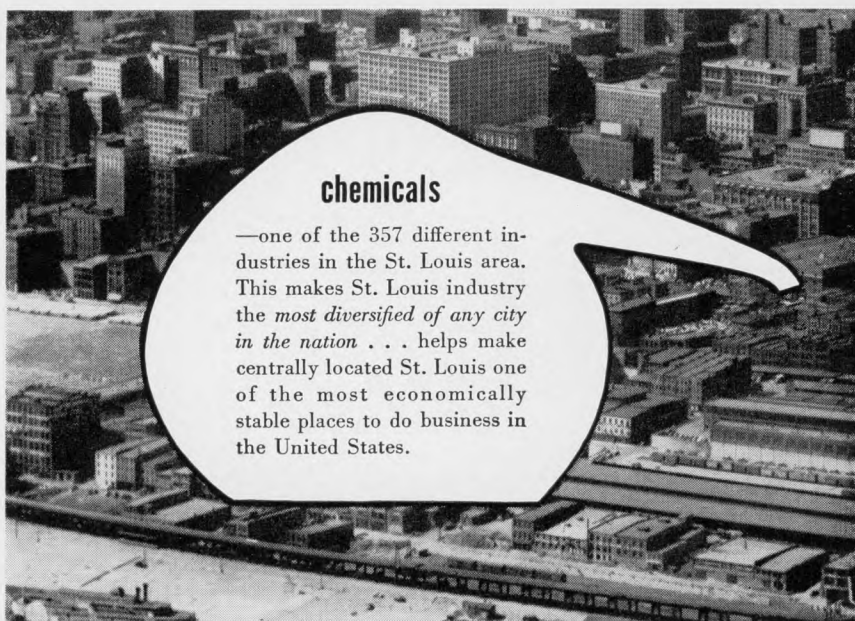


A. S. CHAVES L. E. SOUBA
Receive Promotions

post was necessitated by the growth of the bank in recent years.

Mr. Chaves has been auditor of this bank for the past two years. Prior to that he was for ten years assistant national bank examiner in the office of comptroller of the currency. He resigned that post in order to become associated with the Live Stock National Bank.

He will be succeeded as auditor by Lester E. Souba, former assistant auditor. Mr. Souba and Mr. Chaves have won national and international recognition for the ASC-LES accrual system for installment discounted loans which they originally designed as an accommodation for correspondents of Live Stock National Bank. Chaves is also currently active with the National Association of Bank Auditors and Comptrollers on a committee whose function is to handle the problems of small banks.



chemicals

—one of the 357 different industries in the St. Louis area. This makes St. Louis industry the most diversified of any city in the nation . . . helps make centrally located St. Louis one of the most economically stable places to do business in the United States.

Our experience in serving so many different kinds of industry over a period of 90 years proves especially valuable to our correspondents.

Whatever your problems, you'll find our complete correspondent service of real value.

We invite you to join our many correspondents who find their association with "The First in St. Louis" (the largest bank in the area) both pleasant and profitable.

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SANTA...

...HAS A 24-HOUR SCHEDULE TOO!

Round the world in one day . . . that's Santa's schedule. It calls for speed, accuracy and no delays. But then, Santa only has to meet his schedule once a year. At Live Stock National Bank we're on a 24-hour schedule all year long. Our schedule also calls for speed, accuracy and no delay.

And keeping that schedule has made Live Stock National the preference of hundreds of correspondent banks when it comes to rapid clearance on collection items.

Rather than bestow gifts at Christmastime, Live Stock National gives **Service** . . . day and night . . . the year round. Our "timetables" will prove the average transit item pauses little over a couple of hours before speeding on its way. Service like this can save as much as a day's time on transactions . . . build more profits and better customer relations for you. **RESOLVE** to start the new year right! Write for your supply of special 24-HOUR TRANSIT SERVICE ENVELOPES today!

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OMAHA, NEBRASKA

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HARRY W. SCHALLER
President
Storm Lake

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Charles S. McKinstry

Charles S. McKinstry, 51, president of the National Bank of Waterloo, Iowa, died in a Waterloo hospital late last month after a week's illness resulting from a heart attack.

Mr. McKinstry became cashier of the National Bank of Waterloo at the



CHARLES S. MCKINSTRY
1897-1948

time of its organization in 1933, was elected vice president in 1934 and served as president since January, 1946. He had previously been with the old Commercial National Bank in Waterloo from 1917 to 1933, with the exception of a year and a half spent in the service during World War I. He was also a director of the Iowa Savings Bank at Dike.

Mr. McKinstry was president of the Waterloo school board since 1942, and prior to this time had served 13 consecutive terms as president of the east side school board.

For a number of years Mr. McKinstry was active in Iowa Bankers Asso-

ciation affairs and through this channel made hundreds of friends in Iowa and throughout the middlewest. He was chairman of the committee on service for war veterans, had served as vice president for Iowa of the American Bankers Association in 1945-46, and was chairman of Group 7 of the Iowa Association from 1943 to 1945.

In another civic post, Mr. McKinstry was elected to the board of the Waterloo Chamber of Commerce in February, 1945, for a three-year term, his second term as a director. He was also treasurer from 1945 until this year. At the time of his death he was chairman of the finance committee of the mayor's Citizens Action Committee and was on the Black Hawk county War Bond committee during World War II.

He was appointed the first commanding officer of Waterloo's Company M of the Iowa State Guard, then in June was promoted to the rank of major and assigned to the Iowa general staff. He completed his Guard service as a lieutenant colonel.

Charles McKinstry was born February 18, 1897, at Rowan, Iowa; was graduated from Iowa State Teachers College at Cedar Falls in 1916. He is survived by his widow; three sons, Richard E., Waterloo; Robert C. and James E., the latter two both juniors in state universities; one brother, J. Albert, Fort Dodge, and one grandson, Michael.

Open Tipton Bank

The First National Bank of Tipton was opened for business last month with a big-scale opening day celebration. Hundreds of visitors from Tipton and surrounding area and a number of out of town bankers inspected the new quarters.

President of the new bank is Roger M. Bolton. James C. France and G. E. Gruenwald are vice presidents, J. M.

Huygens is cashier and Darrel Gavin is assistant cashier. Marianne Paulsen has been employed as bookkeeper.

Directors of the new bank are: Arnold L. Meier, Anders W. Mathers, Walter J. Kiehl, James Brady and J. H. Pfautz.

Capital of the new institution is \$75,000, with \$25,000 in surplus and undivided profits.

Increases Capital

The Lake City State Bank, Lake City, Iowa, recently increased its capital stock from \$25,000 to \$50,000 by declaration of a stock dividend. Surplus now is \$25,000, according to President Walter Jacobs.

Income Tax Schools

The fourth annual series of "Federal Income Tax Schools" sponsored by the Iowa Bankers Association was held last month. The three meeting places were Cedar Rapids, Fort Dodge and Sioux City.

The main part of each program was under the direction of Frank J. Blaser, assistant chief of the income tax division in the office of the collector of internal revenue, Des Moines. Mr. Blaser's discussions were contained in five separate subjects under consideration and a number of questions from the floor at each meeting were answered. The programs were carried through a morning and afternoon period.

All bankers, farmers, business men, lawyers, CPA's and any taxpayers wishing to attend were invited to the meetings, which were free of charge.

S. A. Vail

S. A. Vail, 84, president and chairman of the board of directors of the Gibson Savings Bank, Gibson, Iowa, passed away at his home in Gibson, recently.

Mr. Vail was one of the original directors when the bank was organized in 1912. In 1921 he was elected as president and chairman of the board and served in that capacity until his death. His advice and counsel will be greatly missed by the board and the entire bank staff. He had made hundreds of friends during his many years of bank service.

He is survived by his wife, two sons, seven daughters and many grandchildren and great grandchildren.

His son, Edward G. Vail, is also a member of the board of directors.

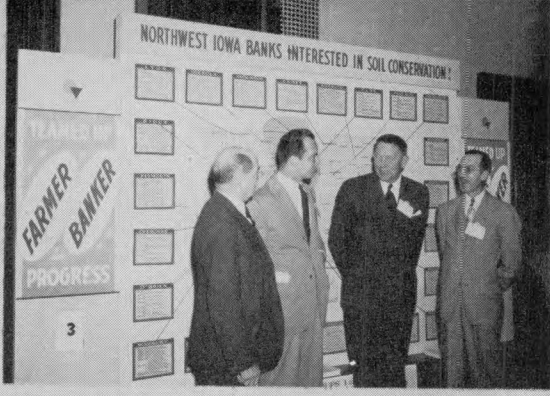
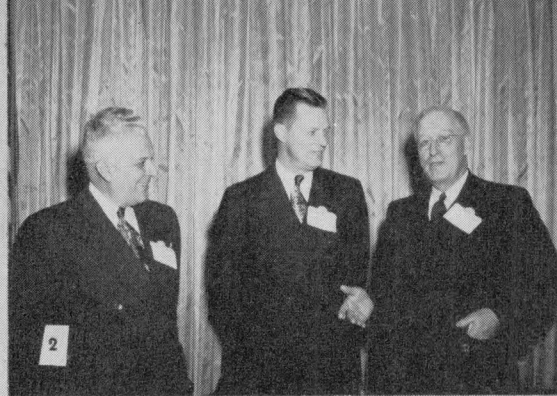
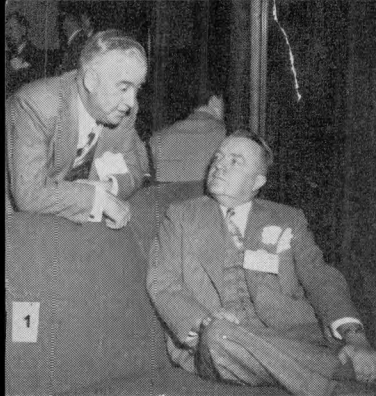
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Insurance Counselors  to Banks

Northwestern Banker, December, 1948



More Pictures from the Iowa Convention

AT THE IOWA CONVENTION, reading from left to right:
1. **John Anton** and **John Grier**, both vice presidents of the First National Bank, Chicago.

2. **J. V. Keppler**, cashier First National Bank, Dubuque, vice president and treasurer of the Iowa Bankers Association; **Harry W. Schaller**, president Citizens First National Bank, Storm Lake, and new president of the Iowa Association; and **W. W. Blasier**, president Farmers State Bank, Jesup, immediate past president of the Association.

3. **Frank Warner**, secretary Iowa Bankers Association; **W. W. Steele**, farm manager Steele State Bank, Cherokee; **Louis Bromfield**, author and farmer, Lucas, Ohio; and **R. E. Tool**, executive vice president First National Bank, LeMars.

4. **Leonard Moeller**, executive state agent St. Paul Fire & Marine Insurance Company, St. Paul; and **Ken Martin**, assistant vice president First National Bank, Minneapolis.

5. **Diane Horabin**, Iowa City; **Ben Summerwill**, president Iowa State Bank & Trust Company, Iowa City; **June Schmidt**, daughter of **W. F. Schmidt**, vice president of Iowa State Bank in Iowa City; and **Mrs. Summerwill**. The girls are members of Iowa University Scottish Highlanders band.

6. The four hosts at the American National Bank, Chicago, breakfast at the Convention—**Charles Kuning**, **Paul Decker**, and **Bill Whitman**, vice presidents, and **Walter Armstrong**, assistant cashier.

Purchase Ruthven Bank

V. O. Stafford, Storm Lake, for many years president and principal owner of the Ruthven State Bank of Ruthven, Iowa, has sold majority stock of the bank to Mr. and Mrs. John B. Keeline, Cherokee.

Mr. Keeline will succeed Mr. Stafford as president of the bank, of which both Mr. and Mrs. Keeline will be directors. The rest of the personnel will remain unchanged.

Mr. Keeline is president of the Central Trust & Savings Bank of Cherokee. He will give supervisory attention to the Ruthven State Bank. The sale was negotiated by the Charles E. Walters Company of Omaha.

Elect New Officers

L. H. Bueneke was elected president of the Maynard Savings Bank, Maynard, Iowa, at a recent meeting of directors. Mr. Bueneke formerly was executive vice president.

A. L. Evans was elected vice president and Paul A. Harrison was re-elected cashier.

W. H. Bischel Retires

Upon completion last month of his 50th year in the banking business, W. H. Bischel retired as president of the First Trust and Savings Bank of Aurelia, Iowa. He is succeeded in the presidency by H. H. Deyloff who has been with the First Trust and Savings for 25 years, more recently as cashier.

Mr. Deyloff's position as cashier is being filled by C. M. Johnson, a 10-year veteran with the bank who moves up from the assistant cashier's post.

The Cherokee County Bankers Association honored Mr. Bischel at a dinner in observance of his golden anniversary in banking. O. J. Strampe, cashier of the Farmers State Bank at Marcus, presided and Ralph R. Brubacher, president of the Toy National of Sioux City, spoke after the dinner.

New County Officers

Jay W. Hemphill, assistant cashier, Farmers State Bank, Yale, Iowa, was elected president of the Adair-Guthrie Counties Bankers Association at a meeting in Greenfield last month. He succeeds Jay E. Howe, vice president, Adair County Bank, Greenfield.

J. I. Vandevanter, assistant cashier, Guthrie County State Bank, Guthrie Center, is the new vice president and Jack Bosold, Casey, is secretary-treasurer.

Moves Into Bedford

William G. Young has been elected cashier of the State Savings Bank at Bedford, Iowa. Harold V. Dowell, manager of the office at Gravity, has been transferred to Clearfield where Mr. Young was manager. John E. Dille, formerly manager of the Moravia office for the Iowa Trust and Savings Bank of Centerville, is the new Gravity office manager.

This Money travels fast

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

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

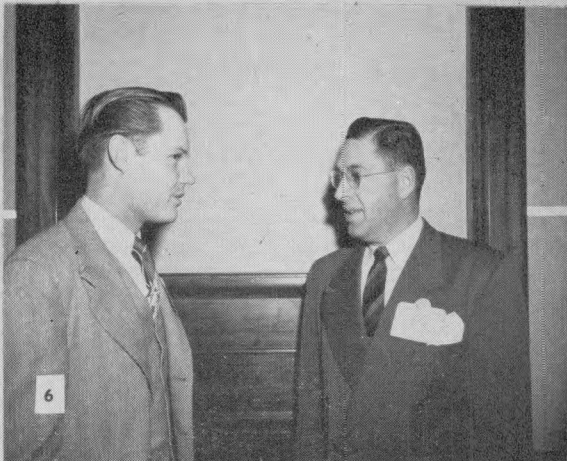
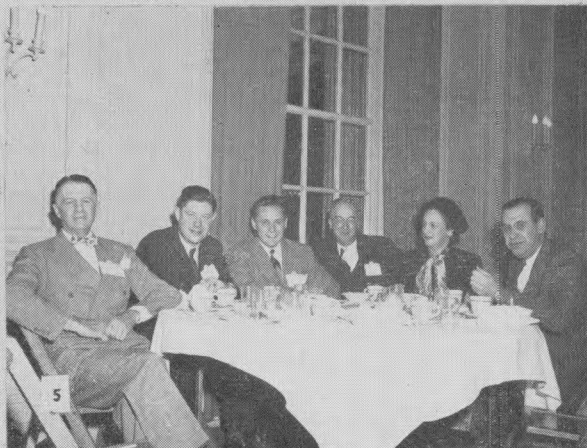
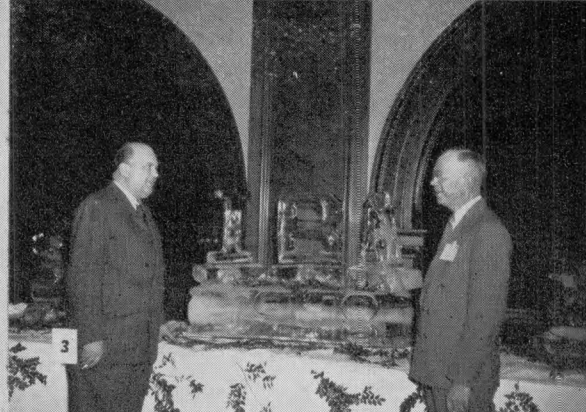
We will be pleased to send you instruction cards to give your shippers.

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 UNION STOCK YARDS

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More Pictures from the Iowa Convention

AT THE IOWA CONVENTION—From left to right:

1. **C. C. Ecklund**, vice president Poweshiek County Savings Bank, Brooklyn; **C. W. Fowler**, president of Poweshiek County Savings; and **Alden S. Bagnall**, vice president Live Stock National Bank, Chicago.

2. **Frank G. Ross**, vice president, and **Hugh R. Kirkpatrick**, both of the Chase National Bank, New York.

3. **Don Harper**, assistant vice president First Wisconsin National Bank, Milwaukee; and **Charles McKinstry**, president The National Bank, Waterloo, standing by the IBA table decoration for the Convention annual banquet.

4. **Charles Rieger**, vice president Marquette National Bank, Minneapolis; and **Verne Koons**, president First State Bank, Britt, Iowa.

5. **Frank Shonka**, **Ernest Tanner**, **John Lauritzen**, assistant vice president, and **Carl Bloom**, assistant cashier, all of the First National Bank, Omaha; **Mrs. C. M. Wegman** and **C. M. Wegman**, FDIC, Atlantic, Iowa.

6. **James Fletcher**, Iowa manager, and **David Coffman**, vice president, Chicago, both of the William H. Bank Warehouses, Incorporated.

Boost Capital \$25,000

The Citizens State Bank, Wyoming, Iowa, increased capital stock from \$25,000 to \$50,000 by payment of a stock dividend last month.

L. J. Olney

L. J. Olney, vice president and cashier of the Citizens State Bank at Olney, Iowa, died suddenly at his home last month. Mr. Olney apparently had been in good health and death was pronounced as due to a heart attack.

Vote Dividend

Directors of Northwest Bank & Trust Company, Davenport, Iowa, have declared the semi-annual dividend of \$2 a share on the capital stock of \$100,000.

The disbursement will be payable January 1st to stockholders of record of December 31st.

Move Into New Building

The Farmers and Merchants Sav-

ings Bank, Lone Tree, Iowa, is now doing business in its new building, which is completed except for the marble front.

The bank will hold its grand opening as soon as the marble front is put on.

William M. Pyper

Funeral services for William M. Pyper, 88, retired Council Bluffs, Iowa, banker, were held last month.

He joined the Council Bluffs Savings Bank as a clerk in 1882, and remained there until 1933, when he retired as cashier and director. He was a director of the bank until his death.

Sioux City Meeting

Milton S. Olson, Des Moines, president of the Iowa Mortgage Bankers Association, addressed members of the Sioux City Mortgage Bankers Association last month.

Mr. Olson said the organization's state convention will be held February 23rd and 24th in Des Moines.

M. C. Eidsmoe, president of the Woodbury County Savings Bank and president of the Sioux City Association, presided.

In Chamber Post

George Snider, teller at the West Des Moines State Bank, will succeed Garry Lenhart as secretary of the West Des Moines Chamber of Commerce, President John McLaren announced last month.

New Assistant Cashier

Robert Grabinski, Grundy County, Iowa, auditor since January 1, 1947, has accepted a position as assistant cashier in the Farmers Savings Bank at Grundy Center Iowa, according to I. T. Parkhurst, vice president.

A. R. Laudi

A. R. Laudi, 67, who was forced to resign because of ill health last June as cashier of the Chatsworth Savings Bank, Chatsworth, Iowa, died last

OUR SINCERE
APPRECIATION
FOR YOUR GOODWILL
AND PATRONAGE
IN 1948

VALLEY BANK AND TRUST COMPANY
DES MOINES

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

75th
ANNIVERSARY
YEAR

month at his home. Mr. Laudi had been ill since February. He had served as cashier of the bank for eight years, and had been in bank work in Iowa and Nebraska for 45 years.

Announce New Directors

The Federal Home Loan Bank board last month announced the following newly-elected directors of the Federal Home Loan Bank of Des Moines (serving Iowa, Minnesota, Missouri, North and South Dakota):

William Graham, secretary, First Federal Savings and Loan Association, Brainerd, Minnesota; John W. Ballard,

executive vice president, Safety Federal Savings and Loan Association, Kansas City, Missouri; W. L. Sloan, president, First Federal Savings and Loan Association, Sioux City, Iowa (re-elected); E. A. Kamp, president, Washington Federal Savings and Loan Association, St. Louis; Stanton R. Dahlen, secretary, First Federal Savings and Loan Association, Thief River Falls, Minnesota.

Moves to Granger

Herman Harvey, assistant cashier of the First National Bank, Perry, Iowa, was appointed cashier last month of the Granger office of the Brenton State

Bank of Dallas Center. He replaces Laurel Schulte who had resigned earlier. The First National of Perry is also a Brenton Bank.

Farm Representative

James B. Bullock has been appointed head of the agricultural department of the Farmers Trust and Savings Bank at Spencer, Iowa. He is an experienced farmer and well acquainted in Clay county.

Host to Feeders

The Council Bluffs Savings Bank, Council Bluffs, Iowa, was host last month to 265 farmer feeders at the annual Feeders Dinner sponsored by the bank. B. A. Gronstal, president, presided at the dinner meeting, presenting 4-H Club livestock display winners and the speakers of the evening.

Buy Wellman Bank

S. P. Sandy, president of the Wellman Savings Bank, Wellman, Iowa, for the past two and one-half years, has sold his interest in the bank to C. A. Perlenfein of Harvard, Nebraska, and Leonard Selko of Franklin, Nebraska.

Mr. Perlenfein is in charge as president and Mr. Selko is executive vice president. W. L. Phillips will remain in the bank as cashier.

Reorganize O'Brien Bankers

O'Brien county bankers reorganized their county association at a meeting held in Sanborn, Iowa, recently, following several years of inactivity.

Officers elected were: R. F. Green, vice president, Security State Bank of Sutherland, president; F. J. Pylman, assistant cashier, Sheldon National Bank of Sheldon, vice president; Ralph Hinman, president, First National Bank of Primghar, treasurer, and John Craven, president, Sanborn Savings Bank of Sanborn, secretary.

John M. Wormley

John M. Wormley, 84, former state representative and mayor of Kingsley, Iowa, died last month.

Mr. Wormley, retired attorney and resident of Kingsley for 59 years, died in Sioux City of coronary thrombosis. He was a stockholder in the Farmers Savings Bank, Pierson, Iowa, since 1908 and was a member of the board of directors for several years before retiring.

In 1917 Mr. Wormley was elected to the state legislature and served two terms.

Surviving are his wife, three daughters and five sons.

Headquarters
FOR
NORTHEASTERN IOWA BANKERS

☆ *More and more bankers are relying on the complete facilities of the National Bank of Waterloo. You also will find it to YOUR advantage to use the prompt, efficient service of this bank.*

MEMBER . . . FEDERAL DEPOSIT INSURANCE CORPORATION, FEDERAL RESERVE SYSTEM

THE
NATIONAL
BANK
OF
WATERLOO

Hold Quarterly Meeting

Members of the Washington-Louisa County Bankers Association gathered at Kalona, Iowa, last month for the quarterly meeting. Turkey dinner was served to 132 guests, after which a program of musical entertainment was provided, followed by an address by the pastor of the Trinity Episcopal Church at Iowa City.

Buys Missouri Bank

The Exchange Bank of Fairfax, Missouri, has been purchased by Ben L. Johnson of Iowa Falls, Iowa, who with his family will establish his home in Fairfax. Born and reared near Shenandoah, Iowa, the Fairfax territory, in the adjoining county southward, is not strange to Mr. Johnson.

Mr. Johnson started his banking experience in Shenandoah and for some years was cashier of the Iowa Falls State Bank of Iowa Falls. For the past few years he has been engaged in the bulk oil business, but sold out recently to return to banking.

The Exchange Bank of Fairfax has capital of \$25,000, surplus of \$25,000, undivided profits of \$30,000 and deposits of \$1,600,000. All contracting parties were represented by Charles E. Walters Company of Omaha.

Annual Turkey Shoot

Lester Marchant, teller, and Everett M. Griffith, vice president of the Iowa-Des Moines National Bank, Des Moines, tied for first place last month in the bank's annual turkey trapshoot at the Mrs. E. T. Meredith farm, hitting 25 straight shots. Frances Holcomb and Mrs. Marchant topped women shooters.

The annual affair attracted more than 215 officers and employes and their families. A noon picnic followed the morning's firing program.

Elect Finance Officers

Thomas L. Wood of the Stern Finance Company, Des Moines, was elected president of the Iowa Association of Finance Companies, to succeed W. H. Owen, Des Moines.

Elmer L. Burgeson of the O'Dea Finance Company, Des Moines, was elected vice president, succeeding L. A. Weinstock, Des Moines, and Douglas Lovett, Des Moines, was named secretary-treasurer, to succeed G. W. St. Clair, Vinton. Mr. Lovett is manager of the Des Moines office of the Interstate Finance Corporation.

Honored at Party

William Ellison, vice president of the Bankers Trust Company, Des

Moines, was honored as a new member of the Bankers Trust 25-Year Club by President James W. Hubbell at the bank's Christmas party December 14th. Mr. Hubbell presented Mr. Ellison with a wristwatch commemorating the occasion.

All officers and employes were guests of the bank management at the annual holiday party at the Fort Des Moines Hotel. Following the banquet bingo and other festivities were held.

Mr. Hubbell also announced the retirement of William Edenburn, a member of the credit department.

WHAT ABOUT BUSINESS FOR 1949?

(Continued from page 16)

as reflected in the bond market since November 2nd. I feel certain that with the large domestic and foreign load of obligations this country must service and discharge, business momentum will continue and be sustained. Tax money must continue to flow in, and production in large volume maintained.

"Despite the shadow of higher taxes, business should continue good for a long time. A program of thrift,

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Drovers specialized facilities and trained staff do speed collections. Drafts receive special handling in every part of Chicago . . . Remitting livestock proceeds is geared to save time . . . often a full day. The Drovers National Bank is a regular member of the Chicago Clearing House.

We invite you to use Drovers Service for all your Chicago items

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DROVERS NATIONAL BANK
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Northwestern Banker, December, 1948

economy, and budgeting is essential for government, business, and individuals alike, and should be adopted. It will go a long way toward cushioning the shock of the much discussed depression anticipated somewhere in the not too distant future. After all, what goes up must come down sooner or later."

"NOT MUCH TO FEAR"

By HENRY C. KARPF
President, Live Stock National Bank
Omaha, Nebraska

"Much will depend on the 81st Congress. At this time I feel there is a definite slowing down of business generally, probably a large percentage of it caused by fear. It would seem that with 60 million people gainfully employed and with the enormous crop which this country has produced this year, which is the creation of new wealth, also with support prices, there should not be too much to fear for at least the first half of 1949."

"FAIRLY GOOD"

By BRUCE TOWNSEND
President, The City National Bank
Clinton

"Assuming that the high level of business activity, which we are experiencing in recent years, is partially supported by inflationary forces, it would seem that we may experience a declining trend in all or part of 1949.

"Inflationary binges' tend to burn themselves out if not refueled. It appearing that the highest flames of our war inflation are now passing, our business curve will likely decline considerably before our 'economic managers' can restore the fire again to

high proportions, through increased government spending.

"America is a big and potent country, and like a great freight locomotive, gathers momentum slowly; therefore, if we are in a down curve, many months may be required in accomplishing a reversal.

"Business will undoubtedly be fairly good in 1949, but business people are never quite happy in a 'down market,' even though they are mindful of the need for more sober levels."

"LABOR BENEFITS"

By C. L. FREDRICKSEN
President, The Live Stock National Bank
Sioux City

"With reference to my views on the 1949 business outlook, am not too pessimistic with an inflationary administration.

"I feel that livestock prices for the first six months of 1949 should stay up fairly well. General business to the wholesaler, manufacturer and retailer has slowed up considerably. If the administration is as sympathetic to labor as their pre-election promises were, labor should benefit and purchasing power should be maintained or improved.

"With contemplated excess profits taxes to corporations, it will be unpopular to make money."

"CARE WITH LOANS"

By BYRON DUNN
President, National Bank of Commerce
Lincoln

"First, I feel that all businesses, including banks, need to do a good public relations job and not try to make excessive earnings, but try to give

good service to their customers as well as to the various problems of a national issue.

"As to whether prices are going up or down, to me that is just plain gambling and I think everyone should carry a reasonable amount of inventory to take care of their nominal needs, taking into consideration fluctuating purchasing power of the people in their own trade territory.

"I also feel that banks should put a lot of extra work on the handling of their loans. They should see that all their papers are correctly drawn, correctly filed and check their borrowers as to payment of all taxes and advise with them regarding the conduct of their business. This often proves enlightening to both the borrower as well as the bank."

"VERY FAVORABLE"

By TOM S. HARRISON
President, The National Bank of
South Dakota, Sioux Falls

"General business is good here at present. Retail sales are holding well, bank deposits are again increasing, and money demand is up.

"Excellent crops, good prices, and a resultant optimistic buyer demand promise very favorable general business conditions in this area through at least the early part of 1949. An average crop prospect by mid-year 1949 would quite certainly assure some continuance of such condition."

Bankers who made the following reports for the NORTHWESTERN BANKER business survey preferred not to be identified, but since their information is of a pertinent character, we are presenting it for your consideration.

"THE BEST COUNTRY"

"I do not want to be quoted, but I cannot help but believe we are going to continue to enjoy good business at least for the immediate future. After all, we do live in the best country in the world. Personally I have confidence in the American people."

"TRUMAN POLICIES"

"Until Truman and the rest of his gang give us some idea of what their policies are going to be, I frankly don't know what to predict."

"GOOD GRAIN CROP"

"It is apparent that we have, in this territory, a good crop of grain harvested, a sizable number of livestock on feed, and with the floor under the grain and hogs, it would look like the prices cannot decline to such a level where there would not be a sizable amount of money in our territory with

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which to do business. Employment is also running high and with those factors we should continue to have a good volume of business, regardless of the costs which are excessive, especially in building. However, we all have to realize that we are doing business on a dollar that is worth 50 cents in relation to values prior to World War II."

"PRESIDENT'S MESSAGE"

"Difficult to make any prediction until we know what the President is going to recommend to Congress in his annual message and what will be the attitude of Congress."

"DEPENDENT ON CONGRESS"

"There are many things that might affect our economy, either upwards or downwards, which could be largely dependent on what action our 81st Congress takes, that I do think we must wait until that picture is a little more crystalized before we know what to expect along these lines."

Dividend

Directors of Northwest Bancorporation have declared a dividend of 50 cents per share, together with a special dividend of 10 cents per share, on the 1,547,767 shares of stock outstanding. Both dividends were payable on November 26, 1948, to stockholders of record as of the close of business November 10, 1948. This makes total dividends for the year 1948 of \$1.00 per share, the same as in 1947.

BANKERS YOU KNOW

(Continued from page 18)

Mr. Stotesbery, who is an outstanding aviation enthusiast, uses his own private twin-engined plane on business calls anywhere in the United States. He employs an experienced professional pilot as a Marquette National employe, who is available on a moment's notice to wing Mr. Stotesbery and other bank officers on their way to Detroit, Des Moines or Montana. Recently he attended the A.B.A. meeting in Detroit, a conference in French Lick, Indiana, and the Upper Peninsula Michigan group meeting at Hancock by plane, all in the space of one week.

Mr. Stotesbery is married and has five children. They are Russell L., Jr., 28, who has been in the Veteran's Hospital for 23 months as a war casualty undergoing major operations; Edward H., 26; Marion, 24; Amy, 22 and Carl Duane, 15.

Mr. Stotesbery was president of the

Minneapolis Clearing House in 1947. For 22 years he has been a member of the Elks, is a member of the Minneapolis Athletic Club, the Des Moines (Iowa) Club and the Bunker Hill Golf Club, Dubuque, Iowa. He is a past chairman of Dubuque County's branch of the National Society for Infantile Paralysis. In addition to his great love of flying, Mr. Stotesbery is an ardent fisherman and an enthusiastic bridge player.

Elected President

Lee A. Short, trust officer, First National Bank of Minneapolis, has been elected president of the Corpo-

rate Fiduciaries Association of Minnesota. He succeeds Burns W. Swenson, assistant vice president, Northwestern National Bank of Minneapolis.

Other new officers of the group are: Vice president, Sam W. Campbell, vice president and trust officer, Marquette National Bank, Minneapolis, and N. J. Whitney, president, Minnesota Trust Company, Albert Lea, and secretary-treasurer, Robert E. Towey, vice president and trust officer, Midland National Bank, Minneapolis.

Edward W. Spring, trust officer, First Trust Company of Saint Paul, was named chairman of the executive committee.

4-State Service

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A. G. SAM, President

J. T. Grant, Vice President

H. H. Strifert, Assistant Cashier

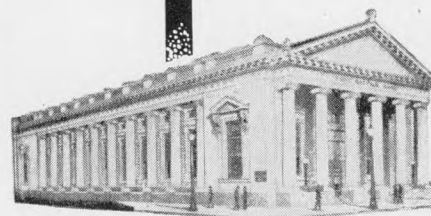
J. R. Graning, Cashier

K. J. Shannon, Assistant Cashier

E. A. Johnson, Assistant Cashier

W. L. Temple, Assistant Cashier

J. Ford Wheeler, Auditor



First NATIONAL
BANK
in SIOUX CITY

MEMBER FEDERAL RESERVE SYSTEM
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Origin of Field Warehousing

By P. W. FRENZEL
Vice President

St. Paul Terminal Warehouse Company

For many years field warehouse receipts have opened a new source for the investment of bank funds, and in this article the author, at the request of the NORTHWESTERN BANKER, gives his analysis of the beginning of field warehousing.

THE origin of field or custodian warehousing well may be said to be lost in antiquity, for it is necessary to delve back into history as far as the first book of the Old Testament of the Bible to find the earliest recorded testimony that warehousing at that time already was an established practice in the land of Egypt. From the same book it is apparent that this ancient land then possessed laws or customs relating to sureties and bondsmen and recognized the principles of the law of agency. It would seem to follow logically that the principles and systems of our modern field warehousing were established and practiced in those far away times. It is logical also to assume that this form of bailment has been practiced in essentially the same form down through the centuries in almost all of the lands of the known world as each in turn adopted laws whereby its subjects were governed.

The most important finding resulting from a search for the genesis of field warehousing is the establishment of the fact that field warehousing is of ancient rather than of recent origin. It has been in use in this country for generations, known variously as yard storage, custodian warehousing,

and by the now generally accepted term, "field warehousing." It has been said, naively enough but fallaciously, to be the brainchild of certain



P. W. FRENZEL
"May be lost in antiquity"

individuals associated with the business within our own generation. We have heard it stated vaguely that field warehousing originated "on the west coast, then proceeded across the country to the east," and similarly, "in the south," and "apparently simultaneously in several parts of the United States." To all of these statements; no matter how boldly stated, should have been appended a weak "I guess."

Distorted Claims

That such claims are mere figments of imagination is disclosed by an examination of the proceedings of the early annual conventions of the American Warehousemen's Association. Beyond question, custodian warehousing was well known at the time of the founding of this great trade association. At its second annual meeting in Chicago in 1892, S. W. Bailey, Jr., of the Union Storage Company of Pittsburgh, presented a paper entitled, "Yard Storage and Its Application to General Storage." In it Mr. Bailey related in part as follows:

"For the purposes of this paper I cannot do better than refer in a general way, and briefly, to some of the leading points in the experience of the Union Storage Company of Pittsburgh, Pennsylvania.

"The company was organized in 1880 for the purpose of doing a yard storage business exclusively, handling mainly large lots of pig, scrap, and other kinds of iron goods, assorting and grading same when required by the owner.

"In addition to storage yards at Pittsburgh, the company established branch yards in other cities and states, and issued negotiable warrants upon pig iron and other material stored therein. Upon material stored in a branch yard, the company issued negotiable warrants, and upon return of the warrants and payment of storage charges, would deliver in the storage yard the material described in the cancelled warrant. At the branch yards the owner of the material to be stored usually furnished the labor needed in weighing and piling. The storage company received a compensation for the use of its warrant or credit.

"We lease the premises and have a yardmaster there.

"During the first few years of the company's existence there was a great demand for yard storage, the company having in its custody as much as 60,000 tons of iron at one time. The business was profitable to the company, and a great convenience and benefit to the customers."

The year 1880 was some time ago. It antedated by many years the automobile and the airplane and practically all of the principal organizations now engaged in the business of field warehousing in the United States.

Old Company

Philadelphia Warehouse Company was another well-known firm that then conducted a field warehousing business throughout the east, spreading out to do business as far as the mid-western states. Apparently neither of these companies laid claim to be the

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originator or inventor of field warehousing, so there can be little doubt of its existence in the United States long before these specialists flourished.

For all practical purposes it is sufficient for us to know that field warehousing has had a long development in the United States and that its part in the commercial and financial life of the country was recognized and protected by our courts by the beginning of the present century. Its greatest growth took place during the two decades between World Wars I and II, and as now practiced by responsible bona fide warehousemen, it performs an invaluable service to banks in safely financing the expanding needs of present day commerce and agriculture.—The End.

A.B.A. Announces Manual

The Country Bank Operations Commission of the American Bankers Association will mail to all A.B.A. member banks a new manual to better acquaint them with the reserve method of treating bad debts for income tax purposes, it was announced by Richard W. Trefz, chairman of the Commission and president of the Beatrice State Bank, Beatrice, Nebraska. The manual, called "Reserve Method of Accounting for Bad Debts in Banks for Federal Income Tax Purposes," is an explanation of the procedure which was approved in Memo 6209 by the Bureau of Internal Revenue to eliminate the difficulties existing in setting up reserves for bad debts in banks.

Elected Trustee

Fred H. Haggerson, president of Union Carbide and Carbon Corporation, was elected a trustee of Central Hanover Bank and Trust Company at a meeting of the board. He fills the vacancy on the bank's board created by the resignation of Benjamin O'Shea, who had served as a trustee since 1942.

Mr. Haggerson has been with Union Carbide and Carbon Corporation for nearly 30 years, and was elected to the office of president in 1944. He is also a director and member of the executive committee of that corporation.

A.B.A. Membership

During the past association year the American Bankers Association enrolled 333 new banks, according to the annual report of the A.B.A. organization committee, submitted by Max Stieg, chairman of the committee and cashier of the Dairyman's State Bank, Clintonville, Wisconsin. The report was submitted to the Asso-

ciation's Executive Council at the 74th annual convention of the A.B.A. in Detroit, Michigan. The new memberships bring the total A.B.A. enrollment to 16,211 members (banks and branches), representing 97.3 per cent of all banks in the United States and 99 per cent of the nation's banking resources.

"Old-Timer" Dinner

Six hundred and thirty-nine Continental Illinois Bank "old-timers" attended the dinner party given at the Palmer House last month for the men and women who have been asso-

ciated with the bank 25 years or more.

The bank's veteran employes and pensioners total 845. A number of the retired people live at a distance from Chicago and were not at the dinner. The years of service of the guests ranged from 25 to 49 years, and 119 of these were women.

Among the guests with the longest service records were:

Frank F. Taylor, 49 years; Sidney A. Barclay, 47 years; George Loacker, 46 years; John J. Johnston, 45 years; Niels C. Knudsen, 45 years; Archie Ferguson, 44 years; Edward W. Bailey, 43 years; and Cornelius Vandervoort, 43 years.

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Safe Deposit Business

By **PAUL M. BECKER**

**Manager, Safe Deposit Division
First Wisconsin National Bank
Milwaukee**

**President, American Safe Deposit
Association**

WHEN the first safe deposit box was rented in the year 1865, there came into being a normal and a natural need for the development of the specialized knowledge necessary to the correct and successful conduct of the safe deposit business.

When the first safe deposit association was organized in New York in 1906, there came into being the first organized recognition of this need, plus the need for the dissemination and propagation of this knowledge which would give to the profession the high standards needed to protect and promote the general welfare of all those engaged in it, as well as the public which it served.

Today with approximately fifteen thousand vaults in the United States, and with these basic needs at least

as pronounced as ever, it is disturbing to find that in only sixteen states are there established safe deposit associations—perhaps twenty-five asso-



PAUL M. BECKER
President

ciations in all. It is even more disturbing to realize that in many states the actual safe deposit coverage is entirely inadequate.

I direct your attention to two deplorable, yet inescapable, facts:

1. That an institution which, according to reliable estimates, protects more wealth than the combined total of all bank deposits in the United States, has no organized identity in two-thirds of the states; and

2. That in some of the few states in which safe deposit associations have been organized, less than 10 per cent of the banks and safe deposit companies in the state are included in the membership of the safe deposit association, and in only one state is the membership greater than 50 per cent.

Significance Clear

The significance of these facts is clear. They indicate that while the need for the development of the specialized knowledge necessary to the correct and successful conduct of the safe deposit business has been met

with a very substantial degree of success (thanks to the splendid personalities and organizations who have made, and those who continue to make, these life-giving contributions), the equally pressing need for the dissemination and propagation of this specialized knowledge has not been and is not being met. Until this need is met, the safe deposit industry will never find its rightful place in the banking and economic picture.

I am speaking to you about your business, about my business, about the business of every bank and safe deposit company in this country. I am talking about the business of every state bankers association in this country and, if you please, I am speaking about the business of the American Bankers Association.

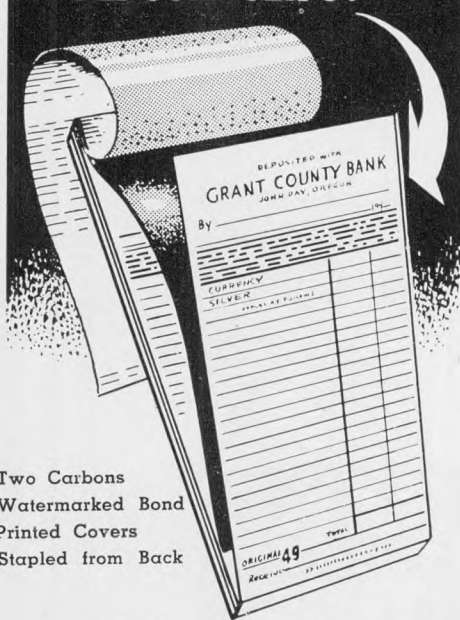
What are we waiting for? The Wisconsin Safe Deposit Association was organized in 1921. By 1938 we were at a veritable standstill. In fact, despite all efforts, we were going backwards. We sold the safe deposit idea to the Wisconsin Bankers Association at this time, and were rewarded with a subcommittee appointment. Two years later we attained the status of a full fledged committee. In 1945, what I believe to be the most efficient safe deposit manual in existence (and the only one of its kind), was published and distributed to every bank in Wisconsin. Such a thorough spread of safe deposit instruction and guidance is possible in no other way. In two years time the practical effects of this program have been clearly demonstrated. The Wisconsin Safe Deposit Association increased its membership more than 100 per cent.

NEWS AND VIEWS

(Continued from page 19)

E. Howard Hill, president of the Iowa Farm Bureau Federation, gave some good advice about credit recently when he said, No. 1, "Never abuse a line of credit"; No. 2, "Don't borrow more than you should"; No. 3, "Don't spend more than you have to for non-liquid assets"; No. 4, "Put some money away for a rainy day"; No. 5, "Live within your income."

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Northwestern Banker, December, 1948

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"THE STRONG FRIEND OF THE INDEPENDENT BANKER"

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

According to **Bennett Cerf** in the Saturday Review of Literature, **Dr. Morris Fishbein**, head of the American Medical Association, recalled one medico who wrote out a prescription in the usual legible fashion to which doctors resort on such occasions. "The patient used it for two years as a railroad pass. Twice it got him into Radio City Music Hall and once into Ebbets Field. It came in handy as a letter from his employer to the cashier to increase his salary. And to cap the climax, his daughter played it on the piano and won a scholarship to the Curtis Music Conservatory." . . .

Albert J. Robertson, vice president of the Iowa-Des Moines National Bank and regional director for the Hawkeye State for the U. S. Savings Bond Division, in speaking before the Iowa Bankers Convention, said there are now 75 million people who own 50 billion dollars of United States Savings Bonds.

Mr. Robertson pointed out that more than 90 per cent of all the bonds sold in Iowa are handled by the banks and that the banks must cooperate in the program of selling bonds to see that sales exceed redemption as they now do.

As a competent, skillful and pleasing officer, **J. Overly Peck**, president of the Central National Bank of Columbus and retiring president of the Nebraska Bankers Association, did a fine job at the 51st annual convention in Omaha.

Whenever you want a **Robert Ingersoll** to give you an oration on "Nebraska," just ask **Ralph D. Brooks**, attorney of McCook, Nebraska, to speak on his native state. We heard him at the Omaha Rotary Club and he is 100 per cent plus in telling the virtues of the Cornhusker state.

Former Governor **Dwight Griswold** of Nebraska who, during the two past years represented the United States in our affairs in Greece, told the Nebraska Bankers Convention that "the main trouble in Greece is that they have a population of 8 million living on a piece of territory the size of Nebraska and with their rocky and hilly country they cannot raise enough food to support that many people."

When asked if he thought we would have war or peace in Europe, he said, "I think we will have no peace and no war, but a continuation of one crisis after another which we may hope to continue without having war. The atomic bomb if it is dropped on Russia would settle nothing, because the ideas of Communism would not be

changed and we must do something to combat this false ideology. If we withdraw from Europe, it will all go Communistic."

The next time we have a national election, it will be better not to count the ballots until they are cast.

Some people are asking the question, "Will **George Gallup** now revive the Literary Digest and become its editor?"

Probably the best answer of all as to why **President Harry Truman** was re-elected was the fact that we have been at the top of a business cycle. Practically no President in United States history has been "kicked out of office" when the country was enjoying prosperity. President Hoover was defeated by President Roosevelt at the bottom of the business cycle in 1932.

As Senator **Robert A. Taft** of Ohio said, "The election of **President Truman** shows it is almost impossible to put an administration out of office at the very peak of a prosperity boom. We had thought that other circumstances would balance the boom factor, but they didn't do so. The fact that the vote in farm areas, as well as in industrial areas, was quite similar generally indicates both farmers and workers are pretty well satisfied with prosperity."

Louis Bromfield, editor, author and farmer, from Lucas, Ohio, told the

Iowa Bankers Convention that "only 10 per cent of the farmers are efficiently operating their farms. This percentage should be increased so that we will not have a "kept agriculture" as we do now with subsidies and parity payments."

Colonel William G. Edens, pioneer of the good roads movement in Illinois, observed his 85th birthday recently at the home of his son, **William M. Edens**, in Winnetka.

Colonel Edens, a vice president of the old Central Trust Company of Chicago prior to his retirement 18 years ago, has been prominent for many years in the American Bankers Association and was a long-time member of its executive council.

Colonel Edens was born in Richmond, Indiana, educated in public schools there, and began his career as a Western Union messenger, later entering railroad service as a brakeman. With John McCutcheon, the late George Ade and other fellow Hoosiers, he was a founder of the Indiana Society of Chicago.

He takes particular pride in his 62 years of continuous membership in the Brotherhood of Railroad Trainmen

(Turn to next page, please)

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American Minted Coins Are in Great Demand

First U. S. Coins Were Turned Out in 1793 in Small Quantities

SOME claim coin collecting is one of our oldest hobbies. Old coins date back for centuries, and it is claimed in those dark days people saved them as a hobby.

Here in America, however, our first coins were minted in 1793. The half cent piece catalogues \$20, while the one cent value lists twice as much. One of the scarce half cent coins is the 1796 which lists \$200. The scarce Indian head penny is dated 1877 and while it catalogues \$15, it brings about \$6 over the counter from a coin dealer.

There have been issued 48 distinct varieties of the 50c commemorative coins. The Iowa lists at \$5, and has proven a good investment, even though the centennial committee charged \$2.50 each for them. The Columbian Exposition 50c coin, issued in 1892 catalogues \$1.25 and the 1893 lists at \$1. They are difficult to sell

at \$1 each, while the 25c Columbian quarter soared to \$10, and the Columbian dollar has touched \$15.

The sky seems to be the only limit on gold coins, which you know, may legally be held by coin collectors. As a general rule all gold coins are worth double face. The commemorative gold coins, the McKinley lists at \$15, and is rare even though 10,000 were issued. Fifty dollar gold coins are selling for \$200 and more apiece. The condition the coins are in also determines their value. That is, a coin which has been worn will sell at a cheaper price than one which is un-circulated.


Even wooden nickels are collected by coin fans, and some are considered rare. Coin collecting is a big hobby with many followers.—Roy Lawrence, Anamosa, Iowa.

—reminder of a railroading youth in the days of hand-set brakes, link-and-pin couplings, and lamplit coaches.

Theodore Jacobs, president of the First National Bank of Missoula, Montana, published some highlights recently in "The 75 Year History of Montana's Oldest Banking Institution." The booklet was entitled "When the Checkbook Replaced the Poke."

When the bank opened in 1873 they had "individual deposits subject to check" amounting to \$17,352, and the deposits are now over \$11,900,000. The present officers of the bank are: Theodore Jacobs, president; Randolph Jacobs, trust officer; R. H. Dick, cashier; R. E. Noel, assistant cashier, and J. L. Kellogg, auditor.

him and the statute of limitations ran so as to bar any claim against him by her. The federal government, however, went after him to pay an income tax thereon. Should he be required to pay the tax?




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LEGAL QUESTIONS
 (Continued from page 20)
 used to locate certain gold bars which were part of a long lost treasure. He was convicted and sentenced to the penitentiary. The widow never sought to recover the money from



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Yes. There is a line of cases that runs to the effect that an embezzler does not have to pay a federal income tax on his ill gotten gains because title never passes to him. This is not applicable to swindling in Texas, however, for in that state title to the property acquired passes to the swindler and, because of this aspect, a federal income tax must be paid on the money received. The U. S. Circuit Court of Appeals, Fifth Circuit, has so held in a recent decision.

Gordon, a retired Minnesota banker, owned a building in that state in which he operated an insurance agency. There was also a restaurant and a bowling alley in the building, the owners being his tenants. All three and their patrons used the same stairs in the back as a means of ingress and egress to certain rest rooms. The stairs were dark and lights therefore had to be provided. Gordon furnished lights, swept, and otherwise exercised control over them. A customer of the restaurant, through no fault of his own, fell on the stairs one day while returning from a rest room because they were not adequately lighted. He sued Gordon for his damages. Was Gordon liable?

Yes. A landlord retaining control over a stairway, which is used in common by different occupants of his property and which is of such nature as to require artificial light in order to be safe, must adequately light such stairway for the protection of persons rightfully using it. When he does not do this and damages result he is liable therefor. The fact that the person damaged is a patron of one of his tenants does not permit the landlord to escape liability. The Minnesota Supreme Court has so hold recently.

8 REASONS FOR PROSPERITY

(Continued from page 34)

\$22.05, or an increase of only 10 per cent over the figure in use 15 years ago.

Better Interest

7. Life insurance management in general is optimistic over the interest rate for the first time in a good many years. Last year our interest rate experienced on new investments equaled for the first time in 15 years the interest yield in our total asset portfolio. This means a halt in the interest rate decline. In the life insurance industry in general, this leveling off is taking place at an average

rate of interest of about 2.9 per cent, varying between companies depending upon the type of investment policy. In recent months there has been an indication that life insurance investment counsel expect interest rates to increase. It is common knowledge in the investment field that there has been a firming of interest rates on mortgage loans. Many lending institutions formerly making 4 per cent loans are now insisting upon a minimum rate of 4½ per cent. If this trend continues, it will have a very great effect, and a favorable one, upon the earnings of life insurance companies and hence upon dividend distributions to policyholders.

Tax Decrease

8. I do not need to mention to you the expanded life insurance market caused by the recent reduction in Federal income taxes, particularly the changes brought about by the community property provisions. Many individuals did not feel the full effect of this tax saving until they filed their revised estimates of 1948 tax last June 15th. Many individuals are finding that they have more surplus income than they had counted upon. Don't

let those prospects get away from you. The strength of the institution of life insurance and its important role in the American way of life has been forcefully proven over and over again. Let's continue to expect a brilliant future ahead of us and our hopes will surely be realized.—The End.

Elmer O. Lukkasson

Elmer O. Lukkasson, 57, cashier of the First State Bank of Northome, Minnesota, died in a Bemidji hospital recently. He had been associated with the First State Bank since 1929.

CONVENTIONS

1948

December 13-15, National Credit Conference, A.B.A., Chicago, Sherman Hotel.

1949

October 11-12, Annual Convention, Nebraska Bankers Association, Lincoln, Hotel Cornhusker.

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In the DIRECTOR'S ROOM



Safe at Home

"Will your wife hit the ceiling when you come in this late?"
"Probably, she's a rotten shot."

Morning-after Observation

It isn't the ice that makes people slip. It's the stuff they mix with it.

Team Work

A man stepped up to a cigar counter and bought two 10-cent cigars. Another man pushed forward and said: "You sell those cigars three for a quarter, don't you?"

"Yes," replied the clerk.

Producing a nickel, the customer said, "I'll take the other one."

Canine Eloquence

The politician's dog greeted his master with glee, thumping his ridiculous stub of a tail on the floor in a veritable tattoo of joy.

"Now, that's devotion," his proud owner chortled. "He talks with his tail."

"I see," said a friend, "a stump speaker."

Thanks for the Buggy Ride

MacTavish stepped into the taxi and said, "Waterloo Station, my mon."

The driver quickly sized up the fare as a stranger in London and for three hours drove him all over the city instead of directly to his destination.

When he finally came to Waterloo Station, MacTavish darted up to a policeman and inquired, "Officer, what is the taxi fare from Euston to Waterloo?" The bobby told him.

"Woud you mind paying the driver?" MacTavish asked, giving the policeman the exact sum. "I've a train to catch." And with that he disappeared into the station.

Smart Worker

Moe: You only make \$30 a week and you support eight children? How do you manage?

Joe: Easy. There are 500 people working at the factory with me and every week I raffle off my wages for four bits a chance.

Inflation

Kitty: So you met Marian today.

Catty: Yes, I hadn't seen her for two years.

Kitty: Has she kept her girlish figure?

Catty: Kept it? She's doubled it.

Take Your Pick

Judge: Do you challenge any of the jury?

Defendant: Well, I think I can lick that little guy on the end.

For Keeps

Customer: Let me have some winter long underwear.

Clerk: Yes, sir. How long would you like them?

Customer: I don't wanna rent them. I wanna buy them.

Double Convincer

Daughter: But mother, I can't marry John. He's an atheist. Why he doesn't even believe there's a hell.

Mother: You go right ahead and marry him, dear. Between the two of us, we'll convince him he's wrong.

Just Waiting Hopefully

Private: An MP just hanged himself, sarge.

Sergeant: Holy smokes! Have you cut him down?

Private: No, sir. He ain't dead yet.

Politician

Old-Timer: My father was a great western politician in his day.

Friend: Yes? What did he run for?

Old-Timer: The border.

He Found Out

A negro was caught trying to sell insurance without a license and was hauled before the insurance commissioner.

"Don't you know," demanded the commissioner, "that you can't sell insurance in this state without a license?"

"Boss," replied the culprit, "dat splains de mattah. I done foun' out I couldn't sell none, but I didn't know what the reezin wuz until you tole me."

Trumped

Several years after the break-up of their love affair, the man met his old flame unexpectedly at a dance.

"Let me see," she said coldly, "was it you or your brother who used to be an admirer of mine?"

"I really don't remember," he replied affably. "Probably my father."

Experience

There was a heated argument going on in the court room one day. The case involved a woman who was hit by a car. The defending lawyer, eager to get his client's innocence across to the jury, said, "Mr. Smith couldn't be wrong; he's been driving cars for 15 years."

The prosecuting attorney, always a shrewd talker, countered quickly with: "In that case my client is certainly right. You see, she's been walking for 40 years."

Pigeon

A colonel and a major were sitting in a Washington cafe. Across the way sat a PFC and lovely lass. The colonel's interest prompted him to send this note to the private:

"I believe I studied with you at Yale, and the major thinks he studied with you at Princeton. Please come across and straighten us out."

The private replied by note: "I didn't study at Yale or Princeton, but I did study at the National School of Taxidermy and I'm taking care of this pigeon myself."

Least

A conductor was driven crazy at rehearsals because at least one member of the orchestra was always missing. After the last rehearsal he tapped his baton for attention and said, bitingly: "I want to thank the first violin publicly for being the only man in the orchestra who had the decency to attend every rehearsal."

The first violin hung his head and looked sheepish. "It seemed the least I could do," he said in a deprecating tone. "You see, I don't expect to show up for the concert tonight."



To all our friends in the banking
profession, we extend our best wishes for a Happy Holiday Season
—and a New Year of continued Success and Prosperity.



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