

NORTHWESTERN *Banker*

**JUNE
1951**



**How We Rented
314 Safe Deposit
Boxes in 30 Days**

—Page 15

WITNESS SIGNING OF U. S. STEEL STOCKS—See Page 5

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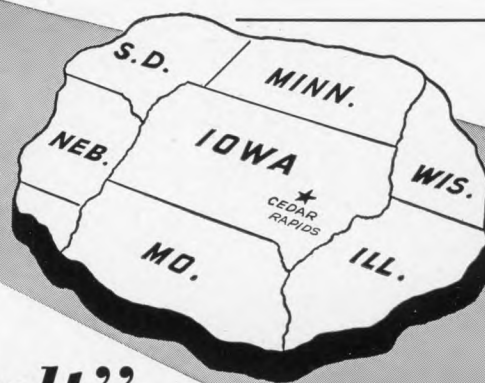
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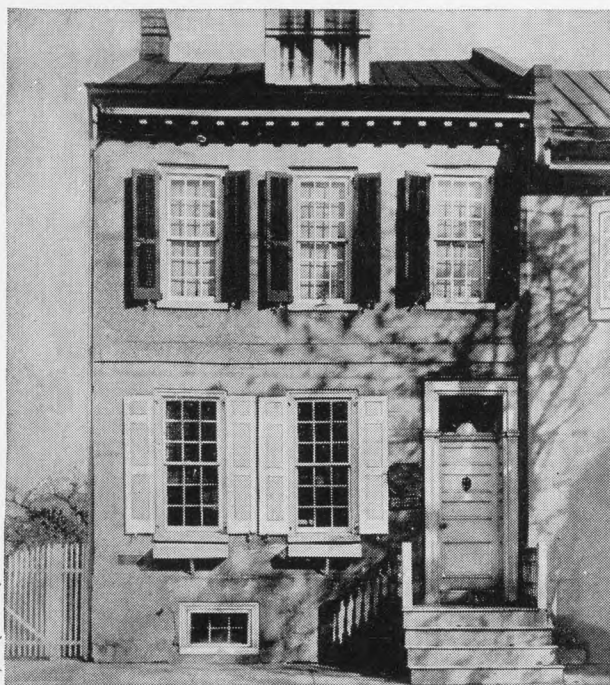
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F A M O U S A M E R I C A N H O M E S

James Fenimore Cooper

AMERICA'S FIRST SUCCESSFUL NOVELIST



Author of more than thirty novels, many travel books and countless pamphlets, James Fenimore Cooper had no literary aspirations until he was thirty and wrote his first book only because he could never refuse a dare. When an inferior novel prompted him to declare that he could write a better one, his wife challenged him to try, and Cooper went to work to prove his point. The resulting novel, however, was most unfavorably received.

If Cooper's first book had been successful, probably he would never have attempted another, but characteristically he "made the stumbling-block the stepping-stone." Although he doubted that a story with an American setting would be popular, "The Spy," his second novel, was acclaimed both here and abroad.

Cooper was born in Burlington, New Jersey, in 1789 and the following year moved with his family to a settlement at Cooperstown, New York, which had been established by his wealthy and prominent father. From a boyhood spent in this region, still a wilderness inhabited by Indians, James acquired the frontier lore on which he based his "Leather-Stocking Tales."

A member of the class of 1806 at Yale, Cooper left at the end of his third year to ship before the mast, and that voyage was followed by several years as midshipman in the U. S. Navy. This experience was responsible for Cooper's sea stories which, despite friends' warning that they could not be made interesting, proved highly successful and started a new school of fiction.

By an odd coincidence the house where Cooper was born adjoins the birthplace of another American associated with the sea. That man was Captain James Lawrence, the naval hero who, as commander of the *Chesapeake* during the War of 1812, uttered the famous words, "Don't give up the ship."

Cooper's last years were spent for the most part at Cooperstown where he died in 1851. His birthplace, under the custody of the Burlington County Historical Society, is a lasting memorial to America's first outstanding novelist.

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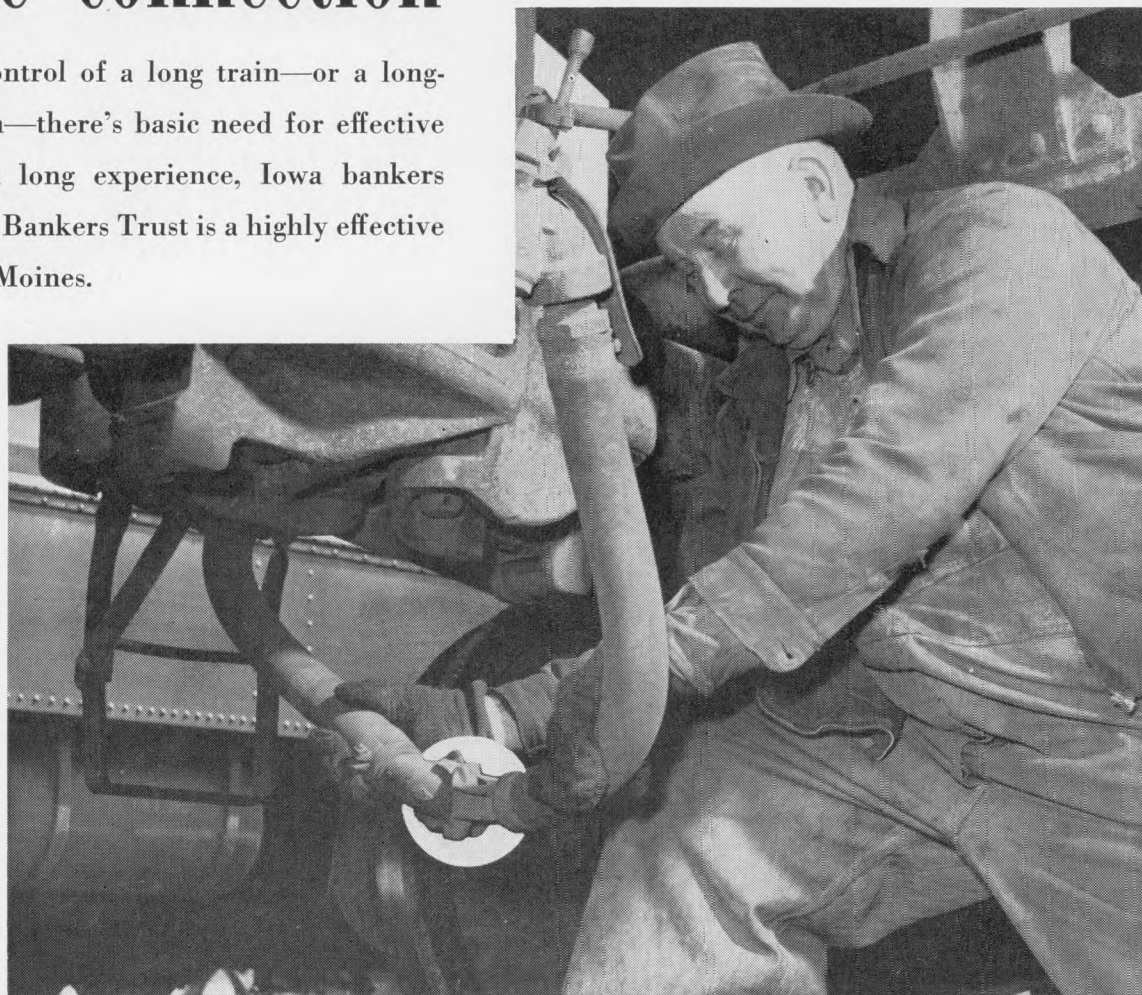
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Northwestern Banker, June, 1951

Dear Editor



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

"Good Articles"

"Will you please send me four more copies of your March issue of the NORTHWESTERN BANKER. I find there are some unusually good investment articles in that issue."

R. T. Crowe, White-Phillips Company, Davenport, Iowa.

"Great Help"

"I want to compliment you especially on the fact that you have placed in your new 1951 Iowa-Nebraska directory not only the telephone numbers of the bank but the hours in which they are open. This, of course, is a great help to our boys in planning their trips."

Verne L. Bartling, Assistant Vice President, First National Bank of Chicago, Chicago, Illinois.

"Very Prosperous"

"You were very kind to give me the opportunity of writing a short article for the NORTHWESTERN BANKER with reference to my trip to Europe.

"Unfortunately, I do not feel that I spent enough time there to be an authority on European conditions. Naturally, the Marshall plan is extremely popular among both the Italians and French and I believe it has created a great deal of good will for us.

(Turn to page 6, please)

ON THE COVER

The picture on the front cover of this issue of the NORTHWESTERN BANKER shows an interested group of spectators watching first use of a certificate writing machine for United States Steel stocks in Chicago.

Left to right, they are: Arthur T. Leonard, vice president of City National Bank and Trust Company, Chicago, co-transfer agent; Arthur C. Wilby, vice president of United States Steel Company, and James E. Day, president of the Midwest Stock Exchange, Chicago.

Miss Virginia Lee operates the machine which is filling out the first stock certificates.

NORTHWESTERN Banker

DES MOINES

Oldest Financial Journal West of the Mississippi • 56th Year • No. 767

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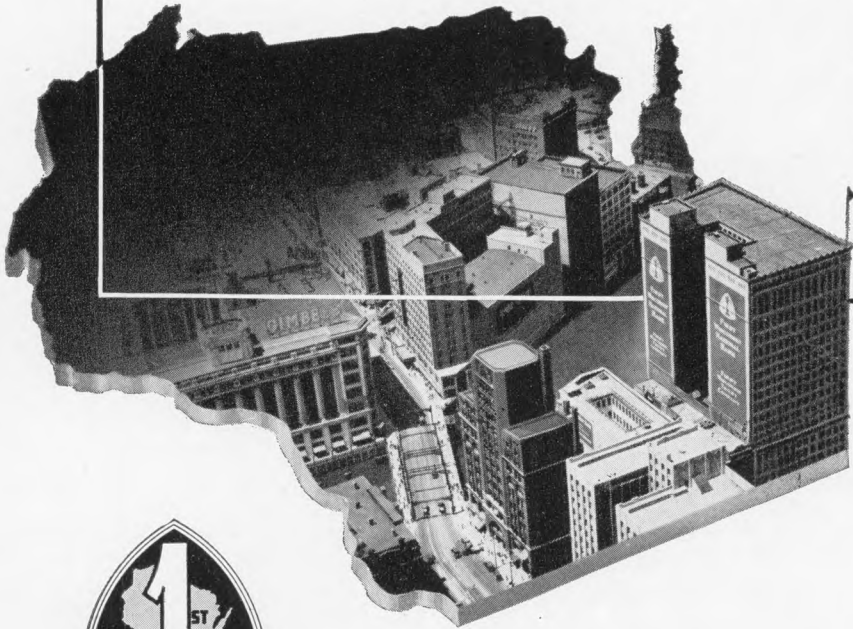
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Northwestern Banker, June, 1951

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DEAR EDITOR

(Continued from page 5)

"Conditions seem to be very prosperous in all the countries that I visited and very little mention of potential war is made unless some inquiry is made of the individual with reference to it. All European countries still show the effects of the last war and are extremely war-weary. I doubt very seriously if we can count on a great deal of manpower support from any of them in case an emergency arises as they are absolutely sick of war and do not want any more bombings to take place within the confines of their countries.

"Nearly all European countries are doing everything possible to promote the tourist trade as it brings a great many American dollars into their countries which are badly needed. Both the French and Italians seem to be working very hard in the rehabilitation of their countries and industry generally seems to be at a high peak. America is looked upon as the world leader and the land of great opportunity."

Rufus Crosby Kemper, President, City National Bank and Trust Co., Kansas City, Missouri.

"Considerable Controversy"

"Thank you for your letter calling attention to the article entitled 'Shall the RFC Be Abolished?' in the May issue of the NORTHWESTERN BANKER. As you know, this is a subject of considerable controversy at the present time."

Guy M. Gillette, United States Senator from Iowa.

"Thanks for the Article"

"Thank you for the nice story on our bank clinic, as published in a recent issue of the NORTHWESTERN BANKER. We feel it was most successful, and are looking now to another one for next spring."

R. I. Stout, President, First National Bank, Tekamah, Nebraska.

"Appreciate Opinions"

"Just a note to thank you sincerely for your letter of May 7, and for making available to me the results of your survey on the question 'Shall the RFC Be Abolished?' I also appreciate having the opinions you express in your editorial on the subject."

Senator Kenneth S. Wherry, Washington, D. C.

"Glad to Read Your Paper"

The officers of our bank enjoy the NORTHWESTERN BANKER very much, and personally I am always glad to read your editorial page, 'Across the Desk from the Publisher'."

E. J. Loutzenheiser, Vice President, Gothenburg State Bank, Gothenburg, Nebraska.

"The R.F.C."

"I have your letter of May 8 and thank you for forwarding to me a copy of the May, 1951 NORTHWESTERN BANKER, along with the editorial which you wrote for the April issue, on the RFC situation.

(Turn to page 8, please)

Satisfactory Results...



Satisfactory results usually emerge when the Chase and a correspondent put their heads together to discuss a particular problem. For Chase service has the advantage of *personal* interest and the willingness to take time to understand *all* the conditions involved.

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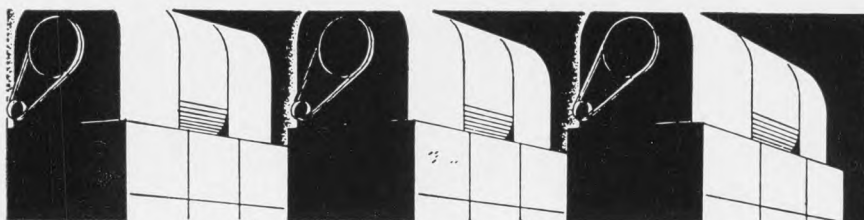
Analyses of investment portfolios

Safekeeping of securities

Full foreign services

Many personal services

Northwestern Banker, June, 1951



REFRIGERATION MACHINERY industry of the Los Angeles Metropolitan Area ranks first in the nation in this field. Latest official census figures (covering firms primarily engaged in this work) set the annual dollar value added by manufacture at more than \$17,800,000. Employees number in excess of 3,600.

SECURITY-FIRST NATIONAL BANK

OF LOS ANGELES

Statement of Condition

March 31, 1951

RESOURCES

Cash and Due from Banks	\$ 301,176,444.03
U. S. Government Securities	\$883,759,192.58
State and Municipal Securities	58,317,681.53
Other Bonds and Securities	16,785,181.46
Loans and Discounts	448,289,202.31
Earned Interest Receivable	5,071,648.47
Customers' Liability under Acceptances and L/C	4,859,039.90
Bank Premises	4,501,505.20
Other Assets	293,900.30
TOTAL	\$1,723,053,795.78

LIABILITIES

Capital	\$ 30,000,000.00
Surplus	30,000,000.00
Undivided Profits	39,195,779.98
Reserves for Interest, Taxes, etc.	14,130,856.91
Interest Collected—Uncleared	3,188,458.79
Acceptances and Letters of Credit Liability	4,878,504.65
Other Liabilities	193,945.02
Deposits—Time	\$ 596,080,743.84
—Demand ..	1,005,385,506.59
TOTAL	\$1,723,053,795.78

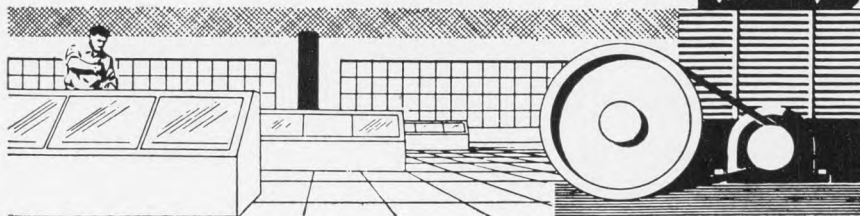
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DEAR EDITOR

(Continued from page 6)

"I am very glad to have this information and sincerely appreciate your interest in forwarding it to me."

Senator B. B. Hickenlooper,
Washington, D. C.

Investment Officer

Irving Trust Company has announced the promotion of Olavi Silvonen from assistant vice president to



OLAVI SILVONEN
Now Vice President
Irving Trust Company

vice president of the company in its investment activities.

Mr. Silvonen was graduated from Brown University in 1932. Since then he has been continuously engaged in investment work, except for war service in the Navy.

On Bank Board

Dr. Charles Allen Thomas, president of Monsanto Chemical Company, was elected a director of First National Bank in St. Louis, at a recent meeting of the board. The board also announced the resignation of William M. Rand as a director. Mr. Rand, who retired as president of Monsanto on May 1st, resigned his directorship because of plans which will require his absence from St. Louis a major portion of the time.

Dr. Thomas joined Monsanto Chemical Company in 1936 as central research director and was executive vice president from 1947 until he succeeded Mr. Rand as president on May 1st. He is a director of Monsanto, Southwestern Bell Telephone Company, St. Louis Union Trust Company and the Chemstrand Corporation.

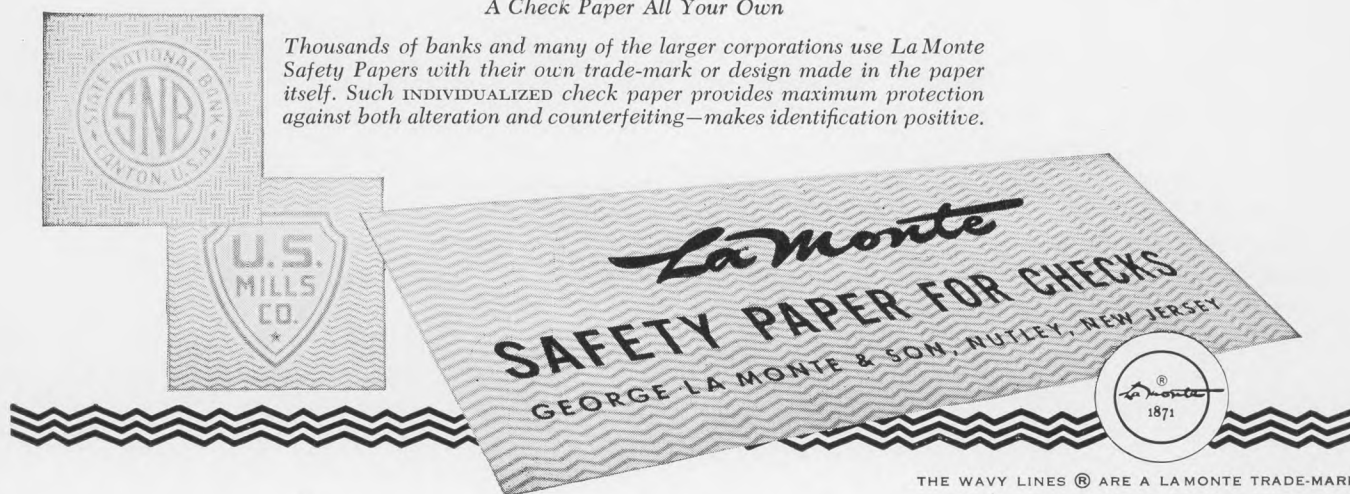


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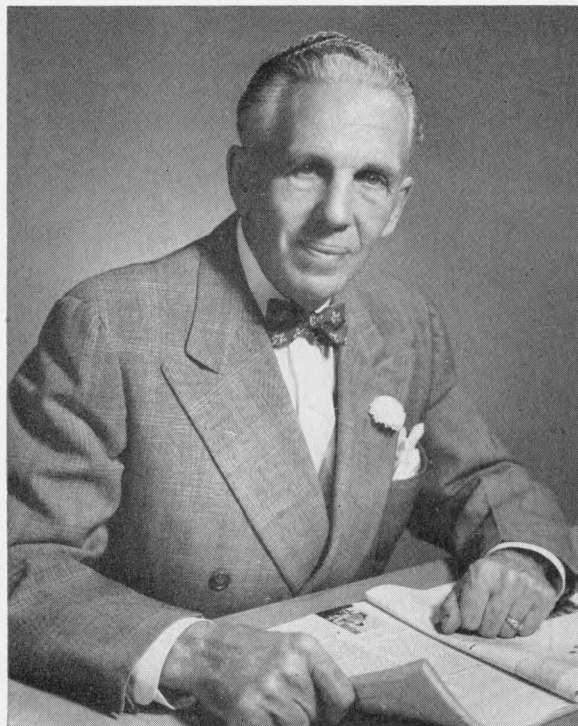
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Northwestern Banker, June, 1951



Across the Desk From the Publisher

Dear Correspondent Bank Officers:

Anywhere in the United States.

What are the requirements for a successful representative of a city bank in the correspondent division?

In the March issue of the *NORTHWESTERN BANKER* this question was discussed on page 10 in a letter to William G. Walter, vice president of the Bank of Norton, Mississippi.

Mr. Norton had made a speech on this subject in which he said, "First of all, a correspondent bank must have as its representative a man well trained in all phases of banking—a man who can intelligently discuss problems frequent to a country bank, not just any country bank but the particular bank he is visiting."

Then the *NORTHWESTERN BANKER* remarked that, "Your suggestion that the correspondent bank representative should be able not only to talk about the problems of a country bank, but he must be able to discuss the problems of the particular bank he is visiting, strikes a responsive chord because we believe that only upon that basis can be built the close personal and friendly relationship between the country banker and the city banker."

Subsequently, the *NORTHWESTERN BANKER* received a letter from the Chairman of the Board of a large city bank in which he referred to the *NORTHWESTERN BANKER* editorial and said:

"Please have the fellow who conducted your survey give those replies another once-over as to this element of giving advice and service. Where is the guy who can talk about the problems of 'A country bank' as well as **THE** particular bank and give honest, intelligent, comprehensive advice? How many such could one ordinary city bank have in its stable, and who is going to run the city bank while they are out master-minding all these problems?

"Now, in black-on-white this sounds like I'm again trying to pick a fight. I'm not! Just believe 100% in the idea of being helpful as a business philosophy and as an essential bank procedure. Putting the theory into practice, however, is a horse of another color."

In replying to this distinguished bank official, whose opinion and good judgment the *NORTHWESTERN BANKER* values most highly, we wrote, "Your suggestions and questions are certainly most worthwhile, and we hope that we did not convey the idea that we think a city bank representative should be omniscient.

"Now regarding the giving of advice and service to country banks, a *NORTHWESTERN BANKER* survey indicated that the **most important services that city correspondent banks now give to their country bank customers** are as follows, in the order of their importance:

- "1. Transit Service.
- "2. Safekeeping.
- "3. Investment Advice.
- "4. Personal Services.
- "5. Collections.
- "6. Carrying Excess Loans.
- "7. Credit Information.
- "8. Advice on Bank Operations.
- "9. Foreign Department Service.

"Certainly no representative of your bank or of any other city bank should be expected to be an expert on **all of these nine (9) subjects**, but when he calls on **a country bank**, he can ascertain what the main problem is the bank would like to have solved. He can then give his best advice and supplement it with the information and advice of the officers in charge of the particular department in the city bank.

"If the city bank representative doesn't know the answers himself, he can at least get additional help and assistance from his associate officers.

"Above all, I think the most successful representative of a city bank is the one who makes his country bank customers feel that he is genuinely interested in **THEIR PROBLEMS** and will do his best to help solve them.

"No one city bank officer knows all the right answers—nor should he be expected to know

them. What country bankers really want is a city bank representative who has a sympathetic understanding of their problems, and a willingness to try and solve them by whatever means are needed for arriving at as near the right answer as possible."

Dear Maple J. Harl:

*Chairman, Federal Deposit Insurance Corporation,
Washington, D. C.*

Your recent report on the activities of the 13,446 insured commercial banks for the year 1950 makes very interesting reading since that year was the most profitable one for banks, "in the history of this nation."

As your report pointed out, Mr. Harl, "Net profits after taxes advanced 13 per cent during the year to \$937 million. Stockholders of the banks shared directly in this prosperity with record dividends of \$391 million or 42 per cent of net profits after taxes.

"Gross current operating earnings of \$3,931 million were greater than those of any previous year and exceeded the previous peak of 1949 by 9 per cent. The greatest part of the increased earnings came from loans, which reached a peak volume in the history of this country. The average rate of return on loans advanced only slightly to 4.34 per cent. Total income from loans increased 14 per cent over 1949, to \$2,008 million. Interest on United States Government obligations of \$1,015 million was practically the same as in 1949. Income from other securities increased by 12 per cent and service charges on deposit accounts by 9 per cent, but together these sources provided only about a tenth of total current earnings.

"Current operating expenses totaled \$2,445 million in 1950, 7 per cent above 1949. Almost half of this amount went for wage and salary payments. The average bank officer earned \$6,327 and the average bank employee \$2,483, both slightly more than in 1949.

"The combined effect of higher net current operating earnings and lower net charge-offs was to increase net profits, both before and after income taxes. Income taxes were almost a third higher, amounting to \$428 million. Record profits after taxes of \$937 million represented an average return of 27.72 per cent on basic common capital and 8.51 per cent on total capital accounts, the highest rate of profits since 1946.

"All but \$4 million of the \$391 million dividends and interest went to common stockholders. This represented a direct return of 11.45 per cent on this stock, the highest rate of dividend payment in the history of the Corporation. Profits

retained in capital accounts, amounting to \$546 million, represented the principal source of addition to bank equities during the year."

Probably the three most outstanding items in your report, Mr. Harl, are these:

1. The average rate of return on loans was 4.34 per cent.
2. An average return of 27.72 per cent on common capital.
3. A return of 8.51 per cent on total capital accounts.
4. Dividends of 11.45 per cent on common stock.

This is certainly an enviable record of the banks of the United States and reflects the careful and judicious management exercised by the active officers of these 14,000 commercial banks in the United States.

Dear Ben H. Wooten:

President, First National Bank, Dallas, Texas.

There is nothing the Communists would like better than to have our inflation reduce the buying power of our currency to the point where a depression would set in and they in turn with their Fifth Column activities could move in and "take over".

You brought this out very effectively, Mr. Wooten, when you stated that, "In order that the economy may be sound, the American dollar must also remain sound. It is our first line of defense, and the emblem of security throughout the world. Lenin declared that the way to destroy a capitalistic country is to debauch its currency and let inflation wreck it from within."

If we are to prevent "debauching" of our currency, we must, as you suggest, do the following things:

1. Reduce government expenses to the actual needs for defense and civilian economy.
2. Subsidies for high price commodities should be discontinued.
3. Speculative credit should be prohibited on a voluntary basis.
4. The defense effort should be on a pay-as-you-go basis from taxes.

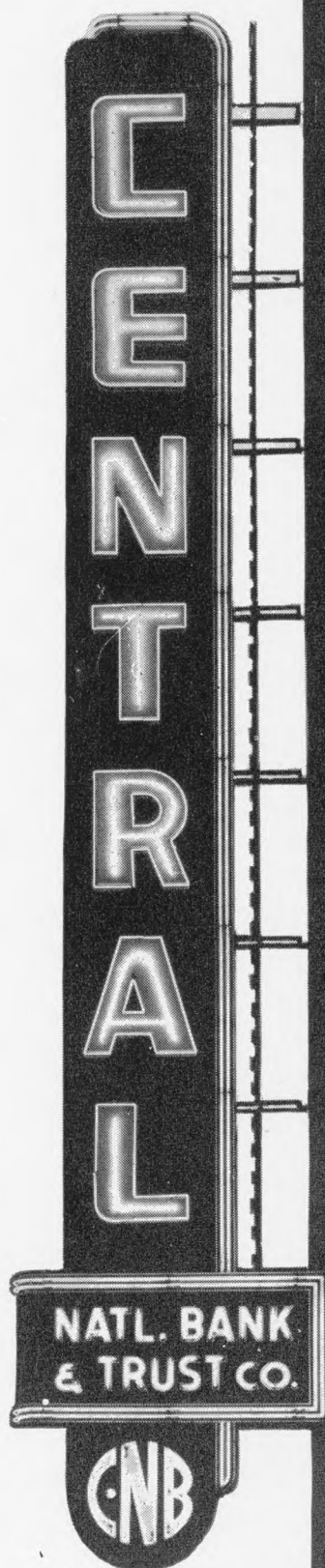
We have the power and the strength to defend the dollar and to bring about the necessary changes, and the only thing needed now is a united will power on the part of every American citizen to do his part in defending the dollar, which in turn means defending his own way of life.

Clifford DePuy

Northwestern Banker, June, 1951


Night
and Day

the Guidepost
to Complete,
Efficient
and Friendly
Correspondent
Service
in Des Moines



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A Barrel of Fun

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

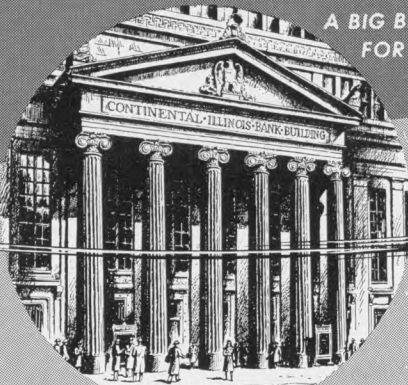
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To our customers—to the Post Office—and to us, this symbol has *always* meant *hurry* these checks on their way.

Mail in LOCK BOX H is picked up by our messengers at frequent

intervals, night and day, seven days a week. Our prompt processing of the items is carefully geared to:

- mail arrival times
- check clearing hours in Chicago and other cities
- outbound train and plane schedules

For all your sendings—use LOCK BOX H envelopes. A free supply—regular or air mail—on request.

Continental Illinois National Bank and Trust Company of Chicago

LOCK BOX H, CHICAGO 90, ILLINOIS

Member Federal Deposit Insurance Corporation

Northwestern Banker, June, 1951

How We Rented 314 Safe Deposit Boxes in 30 Days

Written Especially for
The NORTHWESTERN BANKER
By L. W. ROSS
Vice President
Council Bluffs Savings Bank
Council Bluffs, Iowa

TO START out, there was a question in all of our minds whether or not we could rent 200 safe deposit boxes in the 30 days set for the contest. When the final count was in we had actually rented 314. The top contestant rented 51 boxes and earned a commission of \$84. This is how we did it:

Recently the bank had installed 1,334 new safe deposit boxes, thus making a total of 4,100 boxes, a large number for a bank of this size. The leasing of these new boxes was going along very slowly. Each day there would be possibly one or two rented and one surrendered, and because some of the directors had been a little pessimistic about the expense for this many new boxes, it was resolved to do something about it.

With the help of other banks which had similar experiences we developed a plan for a campaign which was presented to all of the employees on Thursday, March 29th, in anticipation of the plan starting April 1st and running through that month. We had buttons made up for each one to wear and prospect cards printed up as shown below:

COUNCIL BLUFFS SAVINGS BANK

Name of Prospect	
Address of Prospect	
Salesman	Date Solicited
Date Opened	Amount \$

We decided to pay each employee one-half of the amount of the box rental for one year, put all of the names in a hat and give a prize to the first three names that were drawn out, to choose up sides and establish two teams with the understanding that the losing team would treat the winning team at the end of the campaign.

So much enthusiasm was evidenced after this meeting it was determined to jump the gun and start the campaign the next day. The teams met before banking hours and elected a captain and a secretary and went to work. Everything moved along and at the end of the first five days we had rented 79 boxes and had over 300 prospect cards in the file. The goal, of course, was to rent 200 boxes during the month and we were very pessimistic about being able to accomplish this.

The second evening I noticed the following ad in the local column of personal news and ads:

For safety deposit boxes see Ernie Boehm at Council Bluffs Savings Bank. After hours call 3-6743.

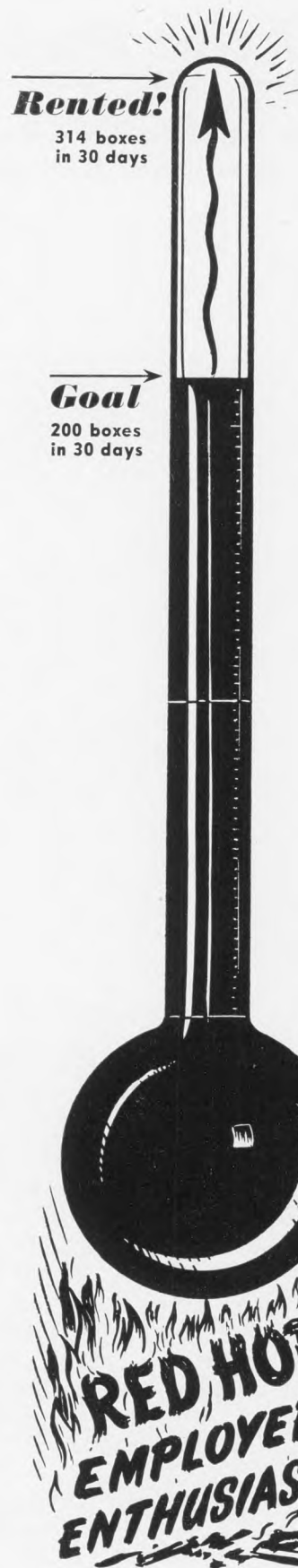
Then two or three days later the following ad:

ERNIE BOEHM, now out of business. Get your SAFETY DEPOSIT BOX NOW from Spetman or Starr Company. Council Bluffs Savings Bank.

Everything was done in fun and, as always, there were many interesting experiences.

One of the junior officers inquired of an old customer about renting a safe deposit box and the customer said he really didn't need one as he made his deposits during the day. The officer said he thought possibly he misunderstood him and the customer said he thought he was talking about the night depository outside the bank. The officer then took time out to take him back and explain to him about the safe deposit vault and the customer was simply flabbergasted. He said that he had always thought that a bank should offer some such service but actually didn't know that any banks did; that in all the years he had been coming into the bank he had never been back in our vault and had

(Turn to page 26, please)



Diversify Your Services, Then Tell the Public About Them

**Here Are Eight Ideas We Have Used to
Build Business During the Past Year**

Written Especially for
The NORTHWESTERN BANKER
By HAROLD E. MORGAN

Manager, Consumer Loan Department
The Farmers National Bank
Shelbyville, Indiana

THINK the key to success of any banking institution is first to offer diversified services in all departments, then second to place in effect an advertising program to let the public in your community know and hear about your services.

Throughout our entire program we try to keep the name of the Farmers National Bank in front of the customer or prospective customer at all times possible. All of our advertising carries the name "The Friendly Bank." To live up to this we try to have some employee or officer speak to each person as he enters our bank. Just a friendly exchange of morning greetings like this goes a long way in public relations.

In addition to our normal bank advertising we have found promotional pieces and advertising novelties to be among the best ways of keeping our name before the public eye. Here are some of the things we have done during the past year:

1. Cellophane money envelopes.
2. Free pennies for parking.
3. Free umbrella service.
4. Lobby postage machine.
5. Lounge chairs.
6. 4-H calendar franchise.
7. Customer entertaining.
8. Three advertising novelties.

1. Cellophane money envelopes. We purchased some cellophane envelopes to stuff new money in during our Shelby County Centennial Celebration. These envelopes were purchased for about \$6.35 a thousand and new bills in denominations of one, five, ten and twenty were inserted and circulated from our bank. These envelopes were given out some 30 days in advance of the Centennial Celebration week of August 6th to 13th.

The bank name was imprinted on one side with the invitation to attend the Centennial week. On the reverse side of the envelope appeared the dates of the celebration, and a line reading "Please help to keep this bill circulating in this envelope." We had very satisfactory results from the advertising and publicity received for the Shelby County Centennial, as well as for our own bank. I received approximately 20 letters from banks and business firms around the midwest wanting more information in regard to the use of the cellophane envelopes to be distributed in connection with new money.

I had one inquiry from an employer in the south who is now using these envelopes to pay all employees, so that the pay roll each week from his institution is circulated in these envelopes throughout the community.

2. Free pennies for parking. We have been furnishing free pennies to all customers while they are doing banking with us. These pennies are distributed at the windows by the tellers and given out by all employees and officers of the bank. At Christmas time a special folder containing a penny was given to each customer. In addition to the bank name the card read "Season's Greetings. The Bank with the Christmas Spirit the year 'round."

3. Free umbrella service. We now have a neat rack in our lobby holding six umbrellas to be used by our customers during rainy days. Umbrellas are signed for similar to library book service and are returned by customers at their convenience. Five days is the limit on umbrella service.

4. Lobby postage machine. Only just recently we installed a Shermack postage machine in the lobby of our bank. This is another service which has drawn much favorable comment from patrons.

5. Lounge chairs. Since many of our customers use our lobby to meet their friends or to wait for others to finish their banking business, we purchased two comfortable lounge chairs for customers' convenience where they can rest if they desire.

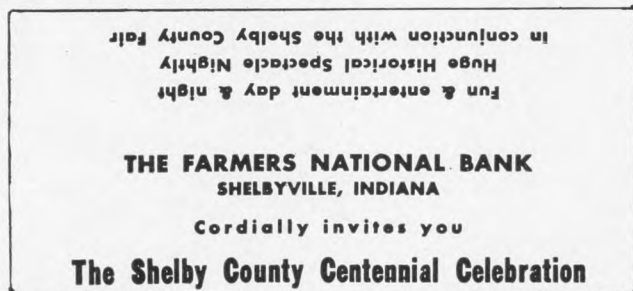
6. 4-H calendar franchise. At the present time we are using a 4-H calendar franchise in our county. We purchase the calendars and they are distributed by the 4-H workers.

7. Customer entertaining. One service for which we have become noted is our customer entertaining, such as invitations to dinners and baseball games to groups of 10 to 20 during the summer evenings. We take them to a well-known dining spot in Indianapolis, then to a baseball game. Needless to say, we have received enthusiastic response to this good will gesture.

(Turn to page 44, please)

BELOW—Copy appearing on cellophane money envelope distributed by Farmers National Bank prior to the Shelby County Centennial celebration.

RIGHT—This little Christmas card had a penny enclosed in slots under "Season's Greetings" for bank patrons to use in parking meters.



Two More Bankers Say: "R.F.C. Should Not Be Abolished"

Their Important Views Are Expressed in
Special Letters to the NORTHWESTERN BANKER

GEORGE A. MALCOLM, President

Drovers National Bank
Drovers Trust and Savings Bank
Chicago, Illinois

IN MY opinion, the RFC has a real place and function in the financial structure of the country, provided it is administered with common sense, sound banking principles and a sense of private and public morality.

I think it may safely be said that, in the various regions away from Washington, where local bankers have acted as members of advisory committees of the RFC, and their recommendations have been followed, the loans

have been sound and proper, the record of repayments excellent, losses at a minimum and the administration proper and free of scandal.

The present controversy brings to my mind my predecessor, the late William C. Cummings, who was president of the Drovers Banks for many years and chairman of the advisory committee of the RFC in Chicago. He brought to that work diligence and understanding, a lifetime of banking experience,

adherence to sound banking principles and the interest and enthusiasm which he brought to his every undertaking. His advice and judgment and that of his associates were usually followed, and the Chicago branch of the RFC made a fine and outstanding record.

I see no reason why the RFC should be abolished. It can render a real service to the financial life of the country if it is honestly and competently administered, with proper regard for sound banking principles and public and private morality such as William C. Cummings exemplified in his business and personal life.

E. E. MANUEL, President

George State Bank
George, Iowa

The May issue of the NORTHWESTERN BANKER published some pros and cons on the RFC and it was rather interesting to read some of the statements of prominent bankers. It is my opinion that probably these bankers who have arrived at their conclusions did so on the spur of

the moment without proper information concerning the Reconstruction Finance Corporation.

I have tried to follow the testimony on the investigation conducted in Congress about the RFC and from this testimony it seems to me that if the average banker would really find out what the Reconstruction has done since its organization, his opinion probably would be different from what he says about abolishing it at this time.

I have prepared a statement relative to my findings and it would probably be of some interest to the bankers generally to know just what has happened in the RFC.

I am herewith enclosing same for your inspection and will appreciate any criticism which you may have on the matter at this time:

"I, for one, should very much dislike seeing the RFC being abolished, notwithstanding the fact that a lot of unfavorable publicity has come out during the current investigation. I feel that the RFC, over-all, has done a very good job and should be continued.

"Our bank has handled several participation loans with the RFC and we never have had a loss, nor have we ever called upon the RFC to carry or take up their guaranteed portion. We have made these loans as a service to our community to small business men, such as our local garage, for the building of a new needed building; to our local hardware operator to purchase needed space and so on. All were real estate loans on town property covering comparatively small equities at the beginning.

"Therefore, it is my feeling that the RFC ought not to be abolished until the problem of providing financial assistance to small business enterprises has been dealt with more effectively than it has up to the present time. The large correspondent banks in our area inform us that they are not interested in making participation loans in our town and, in fact, do not make any participation loans with their country banks. About the only loan they will consider is an over-line for a short period of time on a direct assignment of collateral.

"Let us proceed cautiously when we contemplate the abolition of the RFC, because it has served well the pur-

(Turn to page 32, please)



GEORGE A. MALCOLM



E. E. MANUEL

Iowa Law Permits Bank Transactions on Holidays

**New Bill Effective July 4th Covers All
Bank Transactions Aside from Scheduled Hours**

By ROY A. SWEET
Executive Vice President
Story County State Bank
Story City, Iowa

(Editor's Note: Roy A. Sweet is chairman of the 14-man legislative committee of the Iowa Bankers Association.)

DURING the recent session of the Iowa General Assembly, the Iowa Bankers Association presented and sponsored a bill, H. F. 213, known as "Holiday Bank Transactions Statute." As the title of this bill indicates, it permits banks at their option to remain open for transacting business on legal holidays. However, one of the most important features of this bill is that it deals with transactions that are made during other than straight office hours.

Following is a copy of the bill and explanatory statement as was furnished to members of the legislature by the Legislative Committee of our Association. The bill was passed and will become a law on July 4, 1951.

A BILL FOR

An Act to legalize the payment, certification or acceptance of a check or other negotiable instrument by a bank or trust company in this state performed after banking hours or any legal holiday.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Nothing in any law of this state shall in any manner whatsoever affect the validity of, or render void or voidable, the payment, certification, or acceptance of a check or other negotiable instrument or any other transaction by a bank or trust company in this state because done or performed on any legal holiday or during any time other than regular banking hours, if such payment, certification, acceptance or other transaction could have been validly done or performed on any other day; provided that nothing herein shall be construed to compel any bank or trust company in this state, which by law or custom is entitled to close for the whole or

any part of any legal holiday, to keep open for the transaction of business or to perform any of the acts or transactions aforesaid on any legal holiday except at its own option.

EXPLANATORY STATEMENT

1. This bill can be known as a "HOLIDAY BANK TRANSACTIONS STATUTE." It is substantively identical with the provisions of the uniform bill prepared and recommended by the Legal Department of the American Bankers Association. The uniform measure or some modification of it has already been adopted in a number of states, among which are:

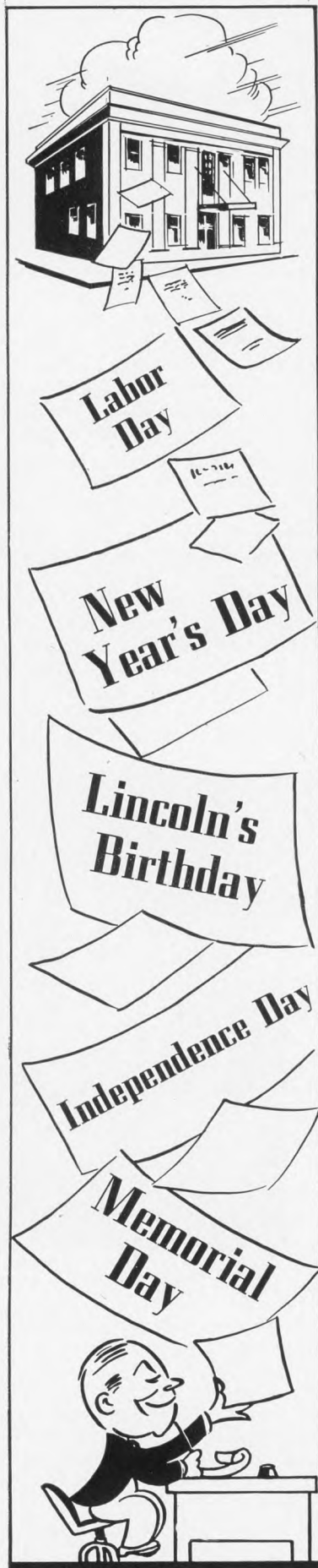
Florida, Indiana, North Carolina, Idaho, Montana, Ohio, Texas.

The purpose of the bill is to enable banks, where they may wish to do so, to remain open for business as other local places of business may now do on various Legal Holidays, and render banking services to their customers on such days, without the danger or likelihood of incurring certain legal liabilities with respect to the "Payment, certification, or acceptance of a check or other negotiable instrument or any other transaction." Today there are potentially the following Legal Holidays set out in section 541.85 of the Iowa Code:

1. Sundays.
2. New Year's Day.
3. Lincoln's Birthday.
4. Washington's Birthday.
5. Memorial Day.
6. Independence Day.
7. Labor Day.
8. Armistice Day.
9. Christmas.
10. General Election.

11. "And any day appointed or recommended by the Governor of this state or by the President of the United States as a day of fasting or thanksgiving."

2. Why it is legally risky for banks to remain open and transact business on Legal Holidays the same as they do on other days can be briefly



explained as follows: From section 541.86 of the Iowa Code, 1950, the following is quoted:

"541.86 Time of Maturity. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls on Sunday, or A HOLIDAY, the instrument is payable on the NEXT SUCCEEDING BUSINESS DAY." (Memo: Part in caps made so by writer.)

It will be noted that the foregoing referred to statutes, sections 541.85 and 541.86, as well as sections 541.195 and 541.198 of the Code, provide that any instrument payable on demand or falling due on a holiday is in fact payable on the first succeeding business day. Also, that if the days of grace allowed by the statute should expire on a holiday, such a period of grace is extended to the first following business day.

There is, of course, no direct provision in our state laws against a bank remaining open on legal holidays. However, no bank would think of remaining open on the Sabbath. Nor would it desecrate that day in violation of section 729.1 of the Code. With respect to the other legal holidays, banks' attorneys throughout the state have consistently advised and warned banks that the provisions of section 541.86 of the Code above referred to would make it very risky for any bank to remain open for general business on any such day. The reasons may be explained by just two examples: Supposing a bank remained open on a legal holiday and (1) paid certain checks or (2) turned down certain checks for insufficient funds, as the case might be. The DRAWER of any one of such checks would, pursuant to such section of the Code, have the right in the first instance to stop payment on his check on the very next morning after the legal holiday. In the second example the DRAWER of a check would by such section of the Code have the right to make a deposit at the opening of the banking hours on the very next morning to cover his check that he had drawn but which the bank had turned down on the holiday before. It can be seen that legal dishonor in the one case and legal payment in the other case as a practical matter is barred by the provisions of such section of the code. Therefore, the banks' attorneys everywhere have advised our banks and trust companies to adopt the general rule of doing NO business whatsoever of any kind on a "legal holiday" as designated by our state law. The number of such cases, of course, is very much in the minority when compared with the large volume of transactions that might be carried on by a bank if

Mr. Weatherball Goes to Work

Written Especially for
The NORTHWESTERN BANKER
By JIM LARSON
Advertising Department
Northwestern National Bank
Minneapolis, Minnesota

MEET Mr. Weatherball" the ad said and, with a full-page send-off in the Minneapolis dailies, Northwestern National Bank's newest salesman was introduced recently to the public.

Since that time the new figure has symbolized Northwestern in the bank's newspaper advertising, in window displays, direct mail pieces, posters and floor displays.

Mr. Weatherball is a personable fellow, always smiling and cheerful. As such, he is proving effective in portraying Northwestern as a friendly and courteous institution.

He bears a striking resemblance to the weatherball, the sign that flashes weather information by visual code from atop the main bank building and from all ten Northwestern Banks. The weatherball signs have become Upper Midwest institutions, and Mr. Weatherball's genial personality indicates that he is indeed a "chip off the old block."

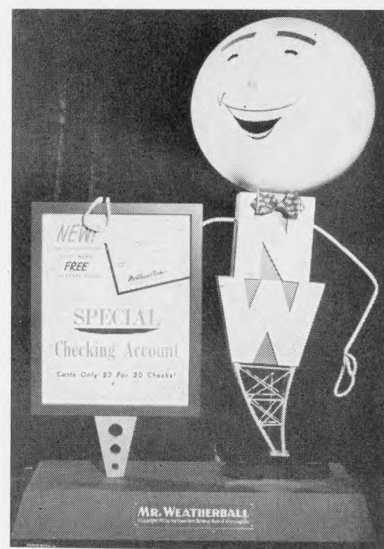
The birth of the eye-catching figure came about as part of Northwestern's policy to develop the bank's personality in the minds of the public as effectively as possible. Giving a bank a personality is often a problem in the field of advertising, but it is a task well worth undertaking. In Mr. Weatherball, the bank feels that it has a representative symbol that is human, intriguing and easily understood.

Mr. Weatherball's first sales job was in a recent special checking promotion and, according to his "sales manager" in the new accounts department, he came through with the proverbial flying colors. In five weeks over 1,300 new special checking accounts were opened and 5,571 special checks were processed through the check printers.

He appeared in a bank's full-page newspaper ads, as a five-foot tall animated display in all Northwestern

Bank lobbies, in window displays, in miniature billboard displays, and in the direct mail phases of the continuing campaign.

Although he has worked principally on the special checking promotion to



This five-foot, ten-inch animated Mr. Weatherball floor display is in the lobby of Northwestern National Bank, Minneapolis. Mr. Weatherball's head moves slowly from side to side. Signs are changed from promotion to promotion.

date, he will be put to work on forthcoming campaigns as they develop.

With that in mind all permanent displays were constructed with consideration of their use in other bank promotions. One of these days Mr. Weatherball will find himself recommending installment loans or savings, all in his own inimitable way.

Mr. Weatherball hasn't been on the Northwestern staff for long, but everyone at the bank is certain he will ably represent the bank for many years to come.—The End.

it remained open on a legal holiday. However few such cases may be, no bank nor any other line of business if put in the position of a bank would care to knowingly take on such a risk and subject itself to possible litigation and impairment of understanding and good relations with its customers and the public in general.

3. The tendency in the more recent years has been rather to keep adding to the number of legal holidays in order to commemorate or honor some event rather than to reduce the number. Each new legal holiday required our banks to remain closed that one more day regardless of their own

(Turn to page 24, please)

Northwestern Banker, June, 1951

News and Views

OF THE BANKING WORLD

By BEN HALLER, JR., Associate Editor

DAVID H. REIMERS, president of The Live Stock National Bank of Chicago, announces that live stock feeders in Iowa now can get the latest live stock prices at Chicago Union Stock Yards by tuning in sta-



DAVID H. REIMERS
President
Live Stock National Bank, Chicago

tion KXEL, Waterloo, Iowa, at 11:40 a.m., Central Standard Time, Monday through Friday. The bank is sponsoring this market report for the benefit of its many friends in Iowa.

* * *

Maple T. Harl, chairman of the Federal Deposit Insurance Corporation, has released the Corporation's 1950 yearly report of operations, which shows that F.D.I.C. banks will receive a credit of 56 per cent on the yearly assessment for 1951 (estimated on Page 19, November, 1950 *Northwestern Banker* at 55 per cent). The credit is to be applied against the semiannual assessment due July 1, 1951, with any excess credit to be applied to the next assessment due January 1, 1952.

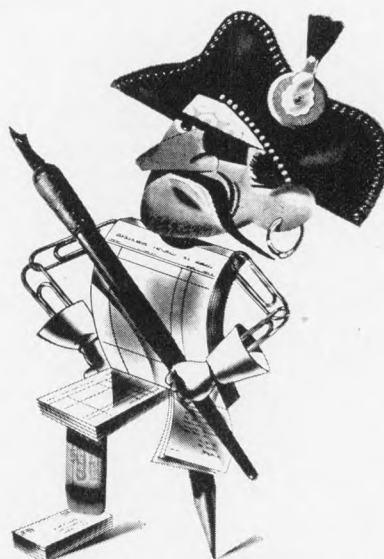
The F.D.I.C. report shows assessment income of \$122,682,611. Operating expenses and losses totaled \$8,171,127, leaving net assessment income of \$114,511,484. Pursuant to the F.D.I.C. Act approved September 21, 1950, 40 per cent of this amount (\$45,804,593) is to be transferred to the Corporation's capital account, and the remaining 60 per cent (\$68,706,890) to be credited pro rata to insured banks (estimated on Page 17, October, 1950 *Northwestern Banker* in round figures as \$68 million).

The new F.D.I.C. Act also provided for repayment in two instalments to the U. S. Treasury of interest on capital stock while it was outstanding at 2 per cent interest. Outstanding capital was \$150,000,000 to the United States and \$139,299,556 to the Federal Reserve banks. The first instalment of \$40,281,155 interest was paid December 30, 1950, the second instalment is due before July 1, 1951. Surplus now stands at \$1,243,947,029.

* * *

One of the most clever promotional pieces we have seen for some time is a new brochure from the **Addressograph-Multigraph Corporation** which features the "**Paperwork Pirate**" throughout the four pages of written copy and illustrations. Using the "Pirate" as a theme to show how paperwork plunders profits, the folder has a table showing comparisons between typical paperwork procedure and mechanized procedure the Addressograph way, indicating the savings by the Addressograph method.

Mechanized handling of paperwork in small and large businesses saves in every department, such as payroll, accounts receivable, inventory, purchasing, stockholder records, personnel, advertising and production. The com-



The "**Paperwork Pirate**"—a composite of pen, pencil, eraser, paper clips, forms and Addressograph's imagination.

pany suggests making the "Paperwork Pirate" walk the plank by writing the home office in Cleveland, Ohio for a free copy of the booklet, "The Principal Clerical Task of Business."

George V. La Monte, president of George La Monte & Son of Nutley, New Jersey, manufacturers of La Monte Safety Paper for checks, recently celebrated the "80th Anniver-



GEORGE V. LA MONTE
His company celebrates 80th anniversary
of the invention of Safety Paper

sary of the Invention of Safety Paper" which was patented in 1871 by the founder of the company, **George La Monte**.

The widespread acceptance of Safety Paper for checks has proven how well justified was the original idea of the founder of this well-known company.

* * *

In a recent issue of the *New York Times*, they made reference to the *NORTHWESTERN BANKER* "Survey on Correspondent Banking," which was the basis of a report issued by the *New York State Bankers Association* to its members.

* * *

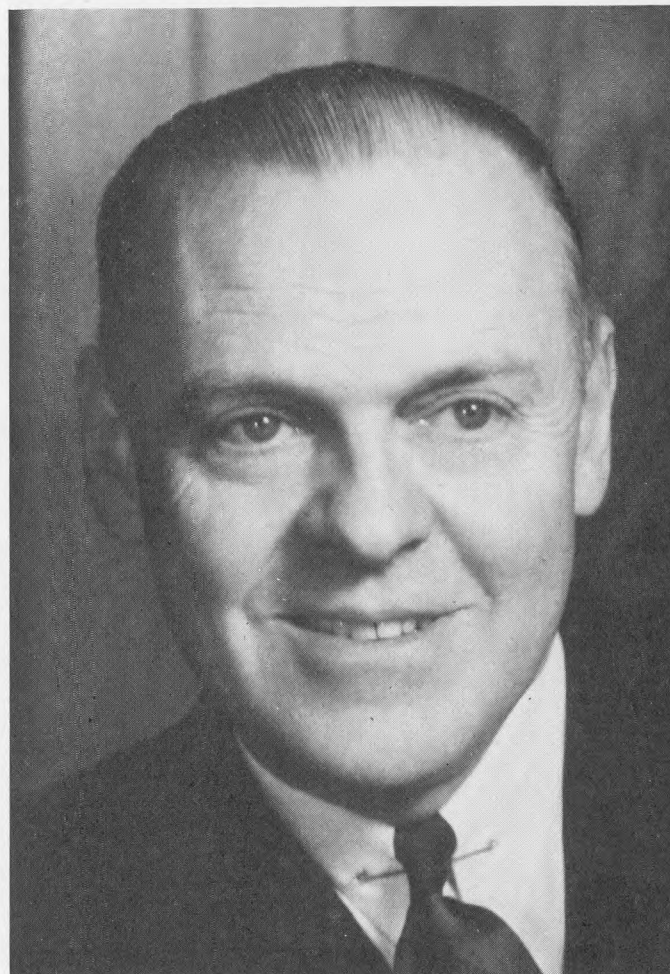
Believe It or Not: Several months ago the **Chicago Lumber Company**, established in Omaha in 1876, decided to erect a full-scale replica of its first office as its display for a lumber convention in the Omaha city auditorium. The **Omaha National Bank** loaned the firm part of the fixtures it used for the "Bank Within a Bank" during remodeling last fall. These fixtures consisted of old safes, old-style office equipment, etc.

Among them was a copy of a newspaper published in 1876. Its interest (Turn to page 34, please)

Bankers You Know

J. F. Sullivan, Jr.

President
Crocker First National Bank
San Francisco, California



... Possesses great administrative ability as well as being a star salesman.

ONE of the leading members of the banking fraternity on the west coast is J. F. Sullivan, Jr., president of the Crocker First National Bank of San Francisco. He serves as a senior member of the San Francisco Clearing House Association and is consulted on any developments of major importance to banking, not only in San Francisco, but in the entire state of California.

Mr. Sullivan's rise to the presidency of the Crocker First National has been relatively rapid and he possesses great administrative ability, as well as being a star salesman. He started with the bank as assistant cashier and successively held the positions of assistant vice president and vice president prior to his election as president of the bank. In his opinion, the problem bankers must solve today is "mak-

ing profits stand up in the face of rising costs of doing business."

The employees of the bank usually refer to him as "Jerd." He is on a first name basis with most of them and they all admire and respect him. His desk is situated on the back platform in the main lobby of the institution where he is easily accessible to anyone who wants to drop by for a visit.

Mr. Sullivan is never too busy to see anyone who calls on him when he is in the bank. One of the most remarkable things about him is that day in and day out he finds time to visit with anyone who cares to see him. He treats everyone alike and will listen to a plea for a \$10 donation for a school magazine, as well as a request for thousands of dollars for some charitable purpose.

As a native son of San Francisco, the city itself is his first love, next to banking. He is one of San Francisco's outstanding citizens and devotes much of his time to any civic enterprise which means the betterment of the city. He served as chairman of the Police Commission for a four-year term and serves on the boards of many charitable institutions.

He was educated at St. Bridget's, St. Ignatius, Boone's Preparatory and the University of California. He was married to Josephine Drown on May 24, 1924.

Mr. Sullivan is a member of the Catholic Church, he is affiliated with Chi Psi fraternity, and is a registered Republican. His hobbies are golf and his home work shop.

Bank Brings in New Fertilizer, Farmers Increase Acreage Yield

**Five-Pound Sample Bags of 8-16-0
Prove Soil Production Can Be Aided**

*Written Especially for
The NORTHWESTERN BANKER
By VIRGIL E. WARREN
Executive Vice President
Auburn State Bank
Auburn, Nebraska*

A FUNDAMENTAL knowledge we all have is that the banking business, and all business in the community, only has growth and success by virtue of the maximum success of its customers.

We fell upon a cooperative banking method to increase greater production for our farmers. Our procedure was developed by observing the natural yield of the soil and crop conditions of the territory which we serve but, like many other counties, the yields grew less year after year on this good soil. With this thought in mind, there must have been some natural reason why this productivity lessened.

It was then disclosed that in the days when Nemaha county was yet known as "The Nebraska Territory," and even before the state of Nebraska was admitted to the Union, the first of the westward bound immigrants crossed the Missouri River at Brownville, Nemaha county, Nebraska. The settlement spread out in the adjacent area west over the county. The soil, since this early date, was tilled and farmed, and is known as the oldest agricultural district in the state of Nebraska.

Study Fertilizer

We took up the study of fertilizer to demonstrate its benefit and use to the farmer with respect to increasing his income. The farmer knows that these prosperous times are giving him high prices for what he raises, but that he is also paying out much more money than he ever did in expenses to raise these high priced crops. Therefore, to make his required profit, the farmer must plan each year and realize that he should spend some money—produce better livestock—to justify his heavy expense and enable him to grow bigger crops per acre.

His ever-increasing cost of farm equipment and planting expense cuts down his take home profit, unless he does something about more production on the acres for which he pays out

the high operation costs. In other words, it costs just as much to farm a poor crop as it does a good one.

Bob Garst of Coon Rapids, Iowa, who is considered to be one of the foremost agricultural experts in the country, paid us a visit in Auburn in early 1950. He scheduled a meeting on a day it was pouring down rain to tell the farmers about increased production by the use of fertilizer. Mr. Garst explained that when a farmer says, "That land needs seedin'," he means "fertilizing the land to give the grain and grass more protein value to feed their livestock." He also told them about the feeding value of the corn cobs, which are usually burned. From this talk was gained a great deal of interest.

8-16-0 Samples

After this meeting Mr. Garst said to us, "Why don't you have some fun with these farmers? Just sack up some 8-16-0 and give it to them to try out in their oats field on their poorest soil." In following this suggestion we contacted Arnold Ernst, a local seed dealer; Frank Heskett of Heskett & Stitzer Implement Company, and John White of White Farm Supply, who are fertilizer dealers, and joined with them to hand out these samples for oats at our bank.

We advertised that we would give away free sample fertilizer at the Auburn State Bank. We pointed out to farmers what it would do for them and how to spread it on their poorest spot in the field by stepping ten steps each way, which is equal to 1/40 of an acre. By so doing, they could multiply this yield by 40 and see what the full yield would have been had they used 8-16-0 over all the field.

In March, 1950, we gave away, free, 537 five-pound bags, containing a planting instruction tag, from our bank lobby, and had each farmer sign his name for his fertilizer. It cost them nothing, and each farmer gave it a trial on his own land in the poorest

spot he knew of, and proved to himself what commercial fertilizer will do for him.

We also had posted in our lobby a poster, explaining what mixture to use per acre and the plantings to put it on, giving the expected increased yields.

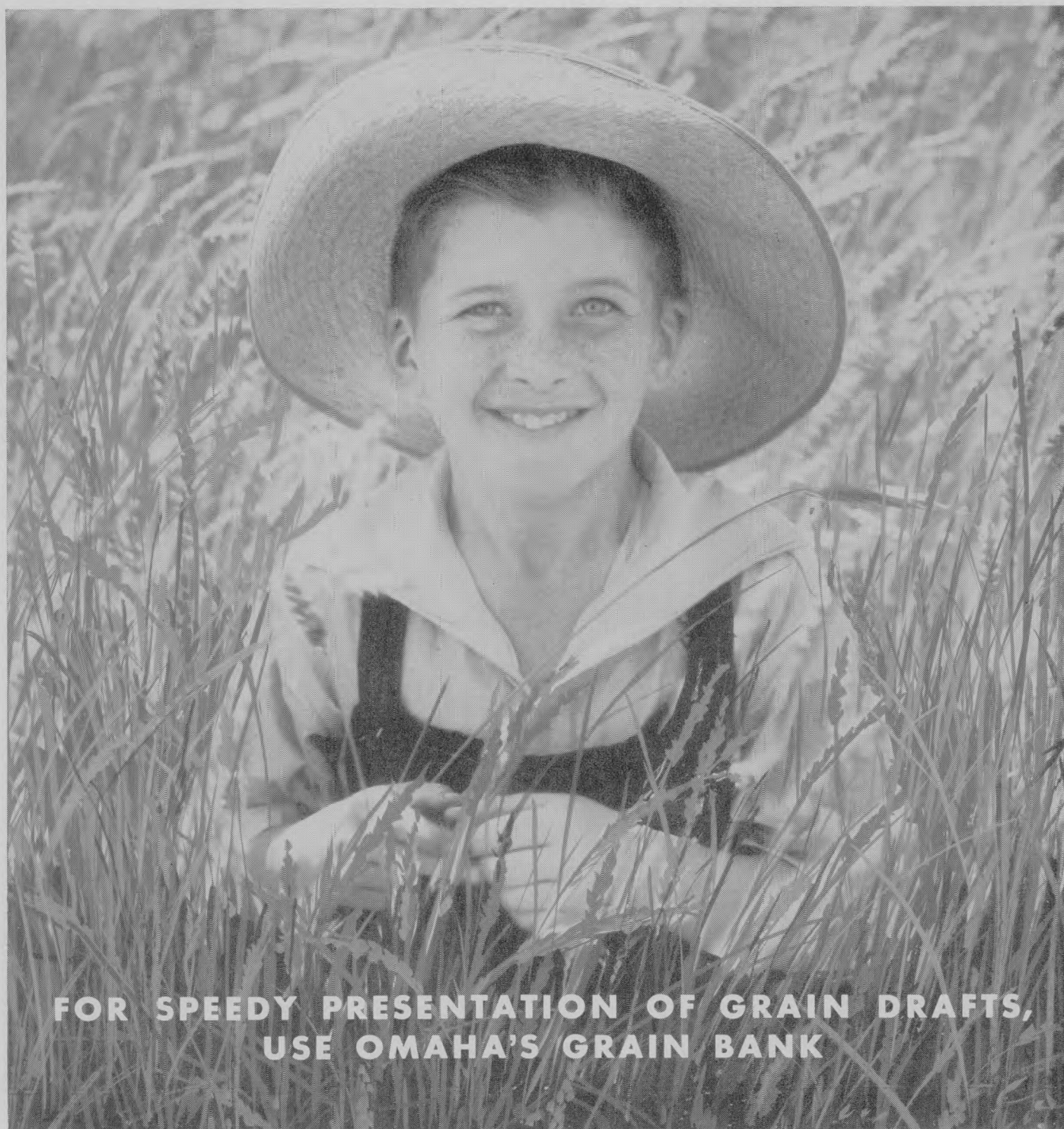
One man from a nearby town came into the bank after he harvested his oats and said, "I owe you fellows an apology. I took your bag of fertilizer home and set it on the shelf on the back porch, and it is still sitting there. What I wanted to tell you was that, on the way home that day, I thought if you fellows think enough of commercial fertilizer to loan money on it, it would have to be all right." The next day, after getting the free sample, he had returned to Auburn and bought enough to spread on about 20 acres of high ground where he needed it most, letting the lower field go, which was poor ground. He said, "I could hardly believe my combine, the high ground gave me about 15 bushels per acre more than my good ground."

Many similar experiences, such as the above, have been told to us, and we have taken pride in having a part in the initiation of this development. These free, five-pound bags were given out in March, 1950, and today we have the largest general distribution here in Nebraska. Where this fertilizer is applied, the maximum success is being attained.

Banking Viewpoint

From a banking viewpoint, we were fortunate to join interests with our dealers in this development. It gave us the answer to three carry-over loans. We insisted they use fertilizer last year, based on the experience of our partner in the banking business, Vergil Lehr, president of the Auburn State Bank, who has used fertilizer for years on his farms in Nebraska and Illinois, and as a result each of these loans paid out in full.

(Turn to page 44, please)



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

The Omaha National Bank

FARNAM AT SEVENTEENTH

Do Your Young People Know What "F.D.I.C." Means?

Nebraska Banker Makes Survey at Local High School on This Subject

DO YOUR customers and the people in your town know that you pay the cost of the FDIC? Do they even know what the initials FDIC stand for? Particularly, do the young people who constitute your future customers know the answers to these questions?

W. E. Young, vice president of the Cozad State Bank, Cozad, Nebraska, wanted to know how familiar high school students are with the Federal Deposit Insurance Corporation, its functions and how it is supported, so he prepared the questionnaire which appears on this page. He had it submitted to the Social Science class of the Cozad High School anonymously through the teacher, and results of the four question quiz were tabulated. After a 12-day period of time, during which the students were given information about the FDIC, the same test was given again.

The tabulated "before" and "after" results are shown at the left and right of the questionnaire on this page.

Four potential answers were supplied to each of the four questions, with only a check mark needed to identify the correct answer. The information concerning the FDIC was supplied after the first test by means of a blotter from the Cozad State Bank which told that the initials FDIC mean Federal Deposit Insurance Corporation, that the bank buys insurance to protect its customers' deposits and that the Cozad State Bank had paid \$1,456.20 for such protection during 1950. The number \$1,456.20 appeared in three places on the blotter, in one

Questionnaire

This questionnaire does not affect your grades in Social Science.

You do not sign this test.

You have four choices in each question. Your paper should contain only four check marks.

Before		After
	1. The letters FDIC stand for	
5	____ Faculty, Deans, Instructors Combined	1
31	____ Federal Deposit Insurance Corporation	38
7	____ Foreign Department Investigating Committee	4
	____ Factories Decreasing Ice Consumption	
	2. When you see the initials FDIC, you think of	
12	____ A Branch of the government	4
5	____ Schools	2
26	____ Banks	37
	____ Houses	
	3. The purpose of FDIC is to	
2	____ Promote Communism	1
35	____ Insure bank deposits	41
6	____ Increase teachers' salaries	1
	____ Increase use of ice	
	4. FDIC derives its income from	
19	____ Private individuals through deductions from pay checks	16
19	____ Taxes	19
	____ Sale of gasoline	
5	____ Earnings of lending institutions	8

instance being superimposed in red ink over the rest of the copy in type that was one and one-fourth inches high.

A noticeable increase was made on the second test in the number of correct answers to the first three questions. It will be noted that replies to Question 4 changed very little, indicating that only a small percentage of the students still understood the fact that the cost of the FDIC is paid

for by the banks themselves.

This is the first attempt Mr. Young has made in testing any segment of the public on their information about the FDIC. Mr. Young states he will be happy to answer the questions of any bankers in regard to the survey or the procedures used in Cozad. He is planning "to do more work on it in the future to see if we can do something about those answers."—The End.

BANK TRANSACTIONS ON HOLIDAYS

(Continued from page 19)

desires or wishes to remain open for business the same as other local places of business may remain open on certain holidays. Thus it will be seen that the purpose of this proposed measure is a very simple but a very important one; it is merely requesting that the General Assembly make it possible for our banks to safely re-

main open as other local business places may do on various legal holidays in order that such banks may extend their banking services to the greater convenience of the general public and customers who may need banking services on various legal holidays. This measure, it will be noted, does not require banks to remain open on legal holidays any more than stores, factories, offices or other local business places are required to remain open on legal holidays. The general

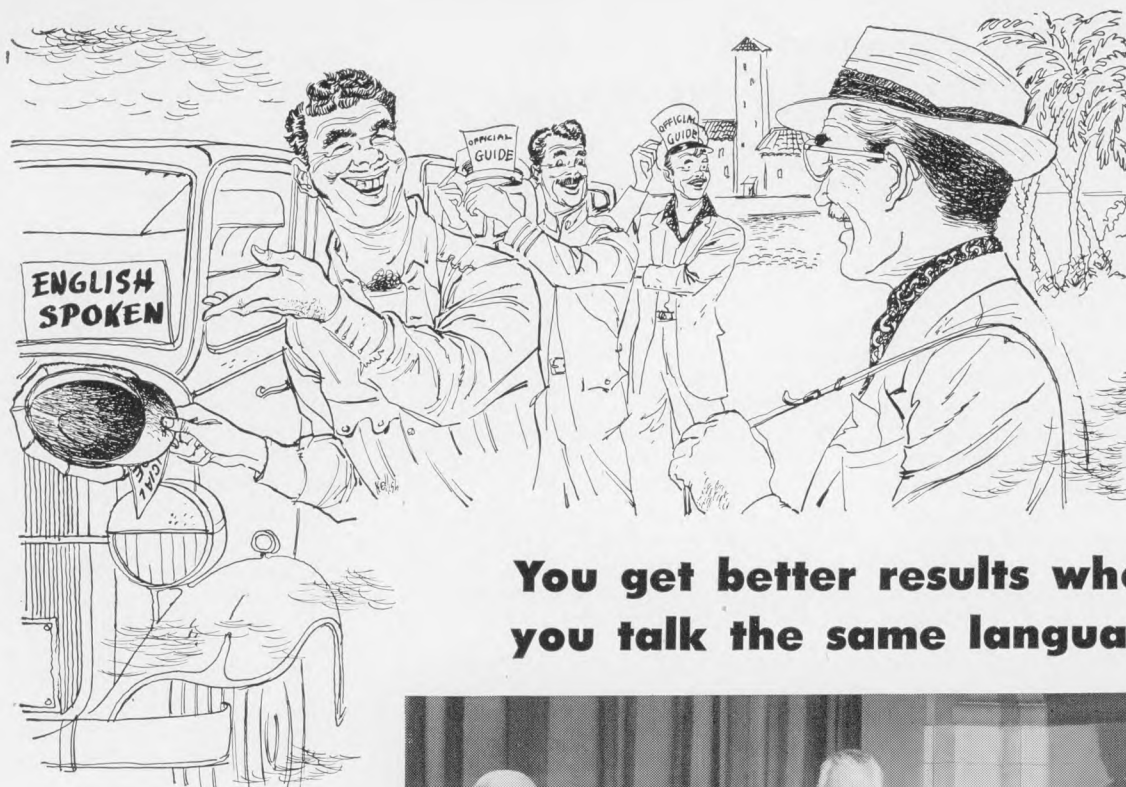
purpose of this bill, it will be seen, is to try to put banks on a parity with such other places of business with respect to remaining open for business on various legal holidays. This bill was recommended by the IOWA BANKERS ASSOCIATION and the STATE BANKING DEPARTMENT.

Sincerely yours,

R. A. Sweet, Chairman

State Legislative Committee of
IOWA BANKERS ASSOCIATION

—The End.



**You get better results when
you talk the same language**

John J. Anton, Vice-President in charge of Division F, discusses with correspondent bankers their problems of bank management, earnings, and bond portfolio; and explains the recently inaugurated Rapid Router. This new service provides even faster collection of checks and other items. It is one of the reasons so many banks have found it profitable to maintain correspondent relationships with The First.



DIVISION F

JOHN J. ANTON, *Vice-President*
GAYLORD A. FREEMAN, JR., *Vice-Pres.*
MELVIN H. THIES, *Asst. Vice-Pres.*
VERNE L. BARTLING, *Asst. Vice-Pres.*
EDWARD DECKER, *Asst. Vice-Pres.*
CHARLES F. NEWHALL, *Asst. Vice-Pres.*
JOHN S. GLEASON, JR., *Asst. Vice-Pres.*
VICTOR C. VON MEDING, *Asst. Cashier*
LAWRENCE J. BERRY, *Asst. Cashier*
H. STANLEY PICKFORD, *Asst. Cashier*
ERNEST J. HULTGREN, *Asst. Cashier*

Under the unique Divisional Organization of The First National Bank of Chicago, the officers of each division are intimately acquainted with the activities, trends, and problems of the industries on which they concentrate their efforts.

Division F, for instance, deals exclusively with providing financial services to other banks and bankers:—collection and loan facilities; credit information; foreign banking, bond, and trust services; assistance in tax, insurance, planning, remodelling, and personnel problems; and many out-of-the-ordinary services.

No matter what business you are in—no matter whether it is large or small—you and the particular group of officers of The First National Bank with whom you discuss your financial requirements—thoroughly understand each other.

And . . . you get better results when you talk the same language.

EDWARD E. BROWN, *Chairman of the Board*

JAMES B. FORGAN, *Vice-Chairman*

HOMER J. LIVINGSTON, *President*

HAROLD V. AMBERG, *Vice-President*

HUGO A. ANDERSON, *Vice-President*

WALTER M. HEYMANN, *Vice-President*

HERBERT P. SNYDER, *Vice-President*

**BUILDING WITH CHICAGO
SINCE 1863**



The First National Bank of Chicago

DEARBORN, MONROE AND CLARK STREETS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, June, 1951

How We Rented 314 Safe Deposit Boxes in 30 Days

(Continued from page 15)

just assumed that it was forbidden territory and was for the use of employees only.

On another occasion, one of the junior officers started back with a personal friend with the remark that he supposed she was going back to the safe deposit vault to cache some of her money and she said that was exactly what she was going to do. He didn't think to ask her about renting a box simply, assuming that she already had one, so he was certainly startled when she asked the vault custodian if she had any safe deposit boxes to rent.

We think that part of the reason

for our success is the fact that boxes here are somewhat difficult to rent in other banks and so the time was most opportune.

Originally, for convenience, one team was called the White team and the other the Blue team. Only a couple of days had elapsed and these had changed to the C.B.S.B. Winners for the White team and the 200 Club for the Blue team. The sixth morning of the contest we had a meeting of the employees and showed the ABA film "Pay to the Order Of," which we had purchased from the ABA for the school library here. Behind the screen was the following sign:

Direct Contact with Correspondents Throughout the Nation

We cordially invite you to join our many correspondents who, through the years, have found association with us both pleasant and profitable.

Member Federal Deposit Insurance Corporation



**THE FIRST
NATIONAL BANK
IN ST. LOUIS**

ST. LOUIS' LARGEST BANK

**"FOR A SAFETY DEPOSIT
BOX, See only members
of the
200 CLUB
OUR MOTTO:**

**We will not resort to
trickery or mud slinging"**

In this meeting, because the word "safety" was misspelled on the sign, we were able to bring out that we should talk safe deposit boxes rather than safety deposit boxes. Already we had established the fact that we should refer to the custodian's key as a GUARD KEY rather than as a pass key or a master key.

ON APRIL 16th WE PASSED THE 200 MARK!!!

Next to the last day was Saturday, and only a half day, but 19 boxes were rented, bringing the score up to 284. Naturally we had become ambitious to reach the 300 mark, but this seemed impossible, but when the curtain went down closing the contest on Monday, April 30th, we were astounded to find that 30 boxes had been rented on that day, bringing the total up to 314.

A couple of nights later the losing team, having rented only 137 boxes, entertained the winning team—which rented 177 boxes—with ice cream, cake and coffee. Every employee's name was put into the box even though some did not rent any boxes. Three names were drawn out for prizes. First prize was \$20, second was \$10 and third was \$5.

Our president, not having rented a box, was subjected to a great deal of chiding by everybody in the bank and it was arranged beforehand to draw his name out of the box for the booby prize. He was then presented with a gift wrapped book which was entitled "How I Raised Myself From Failure to Success in Selling."

Everyone worked hard, had lots of fun, and the contest was a great success!—The End.

New Director

Raymond J. Morfa, chairman of the board and director of the Missouri-Kansas-Texas Railroad Company, has been elected a director of the Republic National Bank, it was announced by Fred F. Florence, president.

A native of Chicago, Illinois, Mr. Morfa started his business career in 1916. During World War I he was a pilot in the U. S. Army Air Force. His business associations have included Pathe Industries, Chicago; Pearsons-Taft Company, Chicago, and Allegheny Corporation, Cleveland.

"...Yes, Art, we buy and sell our Government bonds through Bankers Trust in New York. Because they're a primary dealer all prices are net. And their over-all advice on our account has been very helpful..."



When you buy Governments from Bankers Trust—you deal direct

As a primary dealer in U. S. Government bonds, notes, certificates, and discount bills, we maintain *an inventory* of these securities in our Trading Department.

This means that your orders placed with us are executed without delay—no red tape or outside telephone calls. Immediate confirmation of orders can mean an important saving for your bank.

Moreover, this service is rendered to our customers at the lowest possible cost—*all prices are net*.

We are glad to work with you on your bond account, advise you on the arrangement of maturities, and suggest switches from one issue to another as market movements provide favorable opportunities.

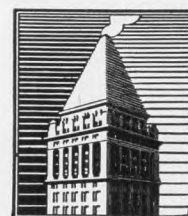
In addition, our Bond Department is a leading dealer in State and Municipal issues. We are prepared to answer your questions regarding

this segment of your portfolio.

For full information on how this service can benefit your bank, write Bond Department, Bankers Trust Company, 16 Wall Street, New York 15, N. Y. Telephone REctor 2-8900 when we can be of assistance. Our teletype numbers are NY 1-3333 for Governments and NY 1-850 for State and Municipals.

BOND DEPARTMENT
BANKERS TRUST COMPANY
NEW YORK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, June, 1951

Reserve City Official

R. Crosby Kemper, president of City National Bank & Trust Company, Kansas City, Missouri, was elected vice president of the Association of Reserve City Bankers at the association's convention at White Sulphur Springs, West Virginia.

John H. Yonts, vice president of City National Bank, has been elected secretary-treasurer of the Western Missouri Division of Ducks Unlimited.

Staff Changes

At a meeting of the board of directors of the Mississippi Valley Trust Company the following changes were

made in the official staff:

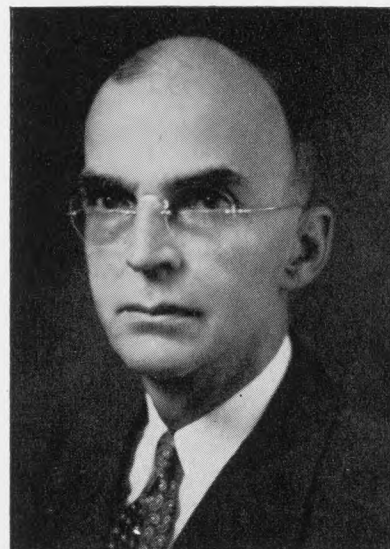
Paul J. Harbaug, formerly assistant secretary, was elected secretary; Anna M. Goehler and Leo Klein were elected assistant secretaries, and Raymond J. Weidle was elected assistant real estate officer.

At another meeting of the board Oliver F. Schaettler was elected assistant secretary.

Norman Shaffer Joins Bankers Service Company

Norman B. Shaffer, vice president of the Continental Illinois National Bank and Trust Company of Chicago, who is retiring as of July 1st, will im-

mediately join the Bankers Service Company of Des Moines, Iowa, as senior vice president, according to an announcement by Henry H. Byers, president of the Bankers Service Company, which company deals in the purchase and sale of banks. Mr. Shaffer



NORMAN B. SHAFFER
With Bankers Service Company

has purchased a substantial interest in the company and will also serve as a member of its board of directors.

Mr. Shaffer is widely known throughout banking circles in the middle-west, where he has spent his entire banking career. A native of Iowa, he was born and reared at Altoona where he began his banking career. After serving many years as a country banker, he became affiliated with the Iowa State Banking Department in June, 1921 and subsequently served as its chief examiner and deputy superintendent.

Mr. Shaffer gave up his connection with the Iowa State Banking Department October 5th, 1925 to become associated with the correspondent bank division of the Continental and Commercial National Bank of Chicago, which is now a part of the Continental Illinois National Bank and Trust Company.

Throughout his many years of service, Mr. Shaffer has made a host of friends and his advice and counsel have been eagerly sought and highly respected by bankers throughout the nation. He will make a valuable addition to the staff of the Bankers Service Company.

Chapter President

Edward H. Duncelmann, assistant cashier of The Public National Bank and Trust Company of New York, has been elected president of New York Chapter, American Institute of Banking, for the 1951-52 term. Mr. Duncel-

MEMO FROM: *Townsend Griffin*

TO: *Fred Bogert*

Have you seen the latest full-page American Express Travelers Cheque advertisement?

It will be running in The Saturday Evening Post and Holiday during June — just when most of our depositors are getting set for their vacation trips.

I understand from the American Express people that this full-color ad is available to banks as a colorful display piece. They are also offering statement enclosures, newspaper mats, etc. I think it would be a good idea to send for this material because in addition to helping our bank get the most benefit from American Express advertising, it will remind our depositors of a service they're sure to appreciate.

After all, Fred, we owe it to our depositors to take the same good care of their funds while they're away, as we do when they're here. Will you please take care of this matter right away? Just write to American Express Company, 65 Broadway, New York 6, N. Y.

mann has been active in A.I.B. affairs for a number of years, having served as a member of the board of governors since 1945; chapter treasurer, 1949-50; second vice president and first vice president, 1950-51.

No Shutdown

For the first time since the peak production period of World War II, the Todd Company of Rochester, New York, this year will eliminate its customary plant shutdown for vacations, A. Richard Todd, executive vice president, said.

Mr. Todd said all departments will be kept in full operation for the remainder of the year to enable the firm to meet increased demand for its products, which include Protectograph check writers, check signers, and protected, insured checks.

Rate Increased

Edward E. Brown, chairman, announced that the directors of The First National Bank of Chicago, at their regular meeting last month, voted to increase the rate of interest paid on savings deposits to 1½ per cent per annum. This increase in the rate paid will be effective with the semi-annual period beginning July 1, 1951. The current rate of 1¼ per cent for the period ending July 1, 1951, has been in effect since January of 1940.

Over 343,000 savings depositors of The First National will receive approximately \$1,000,000 a year in additional interest on their savings of over \$406,000,000, which they have on deposit with the bank.

Harvey Whitney Dies

Harvey Eames Whitney, former vice president of Bankers Trust Company, New York, who retired in 1949, died last month after an 11 weeks' illness. He was 70 years old and resided at 305 Woodside Avenue, Ridgewood, New Jersey.

Mr. Whitney came to Bankers Trust Company in 1918, as credit manager, and in 1919 was elected assistant treasurer and was transferred to the banking department. He became assistant vice president in 1926 and vice president in 1943. From 1932 to his retirement he had his office at 44th Street and Fifth Avenue, where he was a well-known figure in the Grand Central business district.

Dividend

The First National Bank in St. Louis last month declared a dividend of \$1.50 per share, payable 50 cents a share on May 31st, August 31st and November 30th. This is the same dividend that was declared last May. Capital of the bank is \$12,000,000 and surplus \$13,000,000.

CROCKER FIRST NATIONAL BANK OF SAN FRANCISCO

*You can bank on us for every
correspondent bank service you
or your customers need on
the Pacific Coast.*



Member Federal Deposit Insurance Corporation

Northwestern Banker, June, 1951

Effective July 1st

The board of directors of the City National Bank and Trust Company of Chicago at its regular monthly meeting approved an increase in the interest rate on savings deposits from 1¼ to 1½ per cent, effective after July 1, 1951.

At the same meeting, Joseph M. Connell was elected to the position of assistant cashier.

Interest Increased

The directors of the Harris Trust and Savings Bank, Chicago, at their regular board meeting recently, voted to raise the annual interest rate paid

on savings deposits from 1¼ to 1½ per cent, to take effect as of July 1, 1951, computed in accordance with the provisions of the by-laws. The interest for the period January 1, 1951, July 1, 1951, credited as of July 1, 1951, will be at the rate of 1¼ per cent.

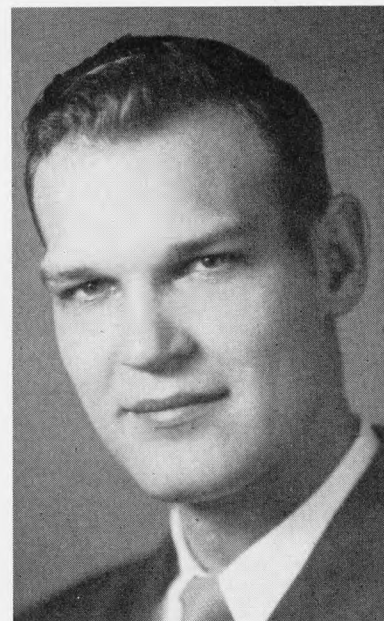
The purpose of this action is to give the public added encouragement in thrift and systematic saving, which are so important to the individual and national welfare.

To Call on Banks

The addition of C. Paul Lindholm to the staff of the banks and bankers department of Northwestern National Bank, Minneapolis, has been an-

nounced by D. E. Crouley, vice president and head of that department. Mr. Lindholm will be traveling in Minnesota.

Mr. Lindholm is a native of Maple Plain, Minnesota. His father, P. F.



C. PAUL LINDHOLM
Banks and Bankers Department
Northwestern National, Minneapolis

Lindholm, is vice president and cashier of the State Bank of Maple Plain. He is married and makes his home in Maple Plain at the present time, commuting to his job at Northwestern. He joined Northwestern in 1948. He has been on the tellers' staff until his present appointment.

Enlarge Capital

Directors of the Valley National Bank, Phoenix, have announced plans to enlarge the capital funds of the bank by \$3,100,000, and to increase the common stock outstanding from 650,000 shares to 1,000,000 shares. Expansion of the bank's capital would be handled in two steps, as follows: (1) a stock dividend of 150,000 shares to be first distributed to present stockholders on a pro rata basis, (2) an offering of 200,000 additional shares to be made thereafter at \$15.50 per share.

If stockholders vote favorably on the recommendation of directors, the bank's common stock capital will be increased from \$3,250,000 to \$5,000,000, and the surplus account will be increased from \$5,000,000 to \$7,100,000. With undivided profits and reserves in excess of \$3,000,000 and preferred stock of \$700,000, total capital funds of the bank would then aggregate about \$15,800,000, an amount greater than the combined capital funds of all Arizona banks five years ago.

STATEMENT OF CONDITION

NORTHWEST SECURITY NATIONAL BANK

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

April 9, 1951

RESOURCES

Cash on Hand, in Federal Reserve Bank, and	
Due from Banks and Bankers.....	\$11,695,880.69
U. S. Government Obligations.....	15,879,071.65
State and Municipal Bonds.....	1,361,729.55
Other Bonds and Securities.....	1,408,679.18
	<hr/>
	\$30,345,361.07
Stock in Federal Reserve Bank in Minneapolis.....	45,000.00
Overdrafts	19,133.13
Loans and Discounts.....	14,732,892.39
Commodity Credit Corp., Grain Loans.....	145,006.54
Banking Houses, Furniture and Fixtures.....	501,551.36
Includes Banking Houses at Sioux Falls, Brookings, Chamberlain, Dell Rapids, Gregory, Huron and Madison, all clear of encumbrance.	
Interest Earned but Not Collected.....	161,348.81
TOTAL	\$45,950,293.30

LIABILITIES

Capital Stock—Common	\$ 500,000.00
Surplus	1,000,000.00
Undivided Profits and General Reserves.....	629,098.29
	<hr/>
	\$ 2,129,098.29
Reserve for Interest, Taxes, and Other Expenses.....	268,515.80
Interest Collected but Not Earned.....	113,050.99
Deposits:	
Time	\$ 7,475,625.30
Demand	34,944,254.60
U. S. War Loan.....	1,019,748.32
	<hr/>
	43,439,628.22
TOTAL	\$45,950,293.30

BRANCHES AT

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

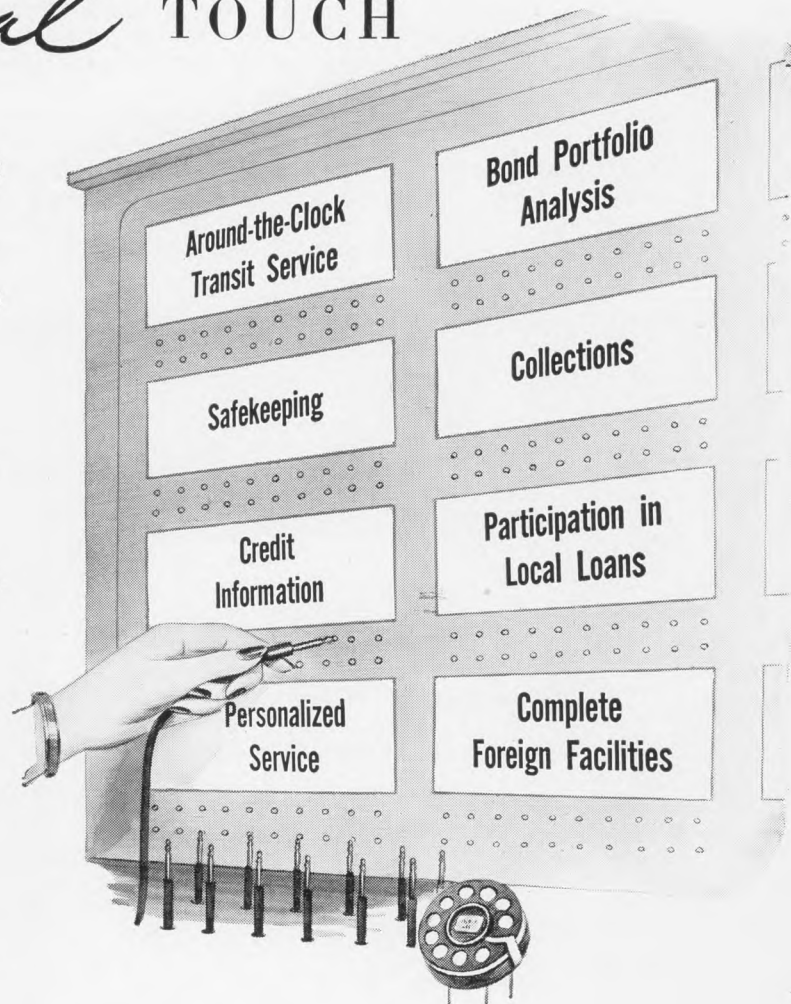
Affiliated with Northwest Bancorporation
Member Federal Deposit Insurance Corporation

CORRESPONDENT BANKING WITH A *Personal* TOUCH

THESE are just a few of the many different ways National City Bank serves its correspondents. Add fast service and plenty of it and you'll see why our correspondents enjoy prompt and constructive help with their individual problems.

For example, we have been accumulating for many years credit information on hundreds of thousands of foreign and domestic names. Our 54 overseas branches speed to us the latest and most accurate foreign information of all kinds. Our 67 domestic branches blanket the entire New York area.

Consider the advantages of adding these facilities to your own, and the increased service it will mean to your customers. Consult with us now for complete details.



THE NATIONAL CITY BANK OF NEW YORK

Head Office: 55 Wall Street, New York

67 Branches throughout Greater New York

First in World Wide Banking

Member Federal Deposit Insurance Corporation

54 OVERSEAS BRANCHES

ARGENTINA

Buenos Aires
502 Bartolomé Mitre
Flores
Plaza Once
Rosario

BRAZIL

Rio de Janeiro
Porto Alegre
Recife
(Pernambuco)
Salvador (Bahia)
Santos
Sao Paulo

CANAL ZONE

Balboa
Cristobal

CHILE

Santiago
Valparaiso

COLOMBIA

Bogota
Barranquilla
Medellin

CUBA

Havana
402 Presidente Zayas
Cuatro Caminos
Galiano
La Lonja
Caibarien
Cardenas
Manzanillo
Matanzas
Santiago

ENGLAND

London
127 Old Broad St.
West End
11 Waterloo Pl.

FRANCE

Paris
(International Bank-
ing Corporation)

HONG KONG

Hong Kong

INDIA

Bombay
Calcutta

JAPAN

Tokyo
Nagoya
Osaka
Yokohama

MEXICO

Mexico City
54 Avenida
Isabel la Católica
Republica

PERU

Lima

PHILIPPINES

Manila
Juan Luna
Port Area
Cebu
Clark Field

PUERTO RICO

San Juan
Santurce
Arecibo
Bayamon
Caguas
Mayaguez
Ponce

REP. OF PANAMA

Panama

SINGAPORE

Singapore

URUGUAY

Montevideo

VENEZUELA

Caracas

Two More Bankers Say: "R.F.C. Should Not Be Abolished"

(Continued from page 17)

pose for which it was intended.

"I certainly do not want to defend a fur coat or a 5 per cent commission, but want to submit to you that an agency which in 19 years of its existence made and serviced 631,351 business loans totalling \$16 billions, with losses of \$134 million, and over-all has shown a net profit of \$600 million is, in my opinion, not the corrupt or loosely run enterprise which many people think.

"The record of the RFC is somewhat

commendable when we take into consideration the fact that, for the most part, if not altogether, the loans were made during depressed or emergency times upon such applications as were rejected by the local banks throughout the country (these are direct loans).

"The unfortunately sordid side of RFC operations has been exaggerated to some extent and out of all proportion, while the wholesome and productive story in its favor has been suppressed or ignored. With all the scan-

dal, the influence and the favoritism, the RFC has a loss record of about 1 per cent on more than 600,000 loans. Each of these loans was made after the applicant produced certification from the bank with which he does business, and from one other lending institution, that credit was unavailable. That the so-called reject loans pay out 99 per cent seems sufficient evidence that banks should support the continuation of the RFC. I believe some states, over a period of time, have records of the average loss in their banks, which runs close to the 1 per cent.

"Since 1932, the average RFC loan has been for \$35,000, and 19 out of every 20 loans have been for less than \$100,000. The Commerce Department counts three million so-called small businesses. The RFC made 500,000 small loans, so one out of every six of the small businesses have procured loans at some time or other.

"So, before the RFC is abolished we had better devise some government guarantee of business loans, similar to FHA or the Veterans Administration guaranty. Oh, yes, I have heard so many of the bankers say the government will be guaranteeing all loans but, in most instances, these bankers brag about the volume of FHA and VA loans they carry in their portfolios. I say go slowly in abolishing the RFC, especially the participation loans with banks. It has been successful in our community, and probably in your own, too."—The End.

Service Record

In appropriate ceremonies held in the bank lobby, four members of the staff of Crocker First National Bank of San Francisco were inducted into the Quarter-Century Club.

Edward P. Commins, installment loan department; Kenneth P. Pfarrer, trust department; Harold W. Charters, head commercial teller, and Arthur A. Danahy, building maintenance, were awarded gold watches signaling the completion of 25 years of service.

Promotions

The following officers of the Chase National Bank, New York, have been promoted to second vice presidents by the bank's board of directors:

Foster R. Clement, Jr., of the mid-western district; Thomas F. Glavey of the insurance department; John K. Fitzgerald of the 42nd Street Branch, and Louis A. Russo of the legal division.

Newly appointed to the official staff were Robert J. Pollock, retirement system, and Theodore Ramsland, broker's loan, assistant cashiers, and Henry R. Newsholme, personal trust officer.



PROMPT SERVICE
on your
Chicago items

Drovers highly trained staff combined with Drovers specialized facilities provide prompt, efficient service on all your Chicago items and collections.

You will appreciate, too, the immediate personal attention that each of your out-of-the-ordinary items receive from an experienced Drovers executive.

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

Members, Federal Deposit Insurance Corporation



**Let us help you meet
industry's new demands**

If increased industrial activities in your locality are challenging your facilities, remember that Irving Trust Company can help you to offer specialized advice in various industries, and a complete range of banking services. Join the nation-wide family of progressive banks who are correspondents of Irving Trust. We invite your inquiries on any phase of this service.



IRVING TRUST COMPANY

ONE WALL STREET • NEW YORK 15, N. Y.

WILLIAM N. ENSTROM, *Chairman of the Board*

RICHARD H. WEST, *President*

Domestic Banking Division

NOLAN HARRIGAN, *Senior Vice President in Charge*

Capital Funds over \$118,000,000

Total Resources over \$1,200,000,000

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION
MEMBER OF THE COAST-TO-COAST "BANK WIRE" SYSTEM

NEWS AND VIEWS

(Continued from page 20)

for the Omaha National had been a report of a speech by **Senator Millard**, then president of the bank. When the lumber company officials turned the newspaper over, they found on the other side an announcement of the opening of the Chicago Lumber Company. By further coincidence, one of the old photographs supplied by Omaha National pictured a group of Western Union boys sitting on the steps of the old Omaha National in 1903. Right in the front row was **Larry Simpson**, now president of the Chicago Lumber Company!!

* * *

One of the last important links with a bygone era in American history was broken last month when the

fighting heart of **Charles Gates Dawes** came to an easy rest at the age of 85. General Dawes was chairman of the board of the City National Bank and Trust Company, Chicago, at the time of his death.

He was a lawyer by profession, a banker by choice, a soldier by necessity and a statesman by public acclamation. Born August 27, 1865, the last year of the Civil War, General Dawes received his LL.B. at Cincinnati Law School in 1886, practiced law in Ohio and Lincoln, Nebraska, and a few years later went to Illinois where he directed McKinley's campaign in Illinois during the presidential race of 1896.

From 1897 to 1901 he was Comptroller of the Currency, then organized the Central Trust Company in Chicago

in 1902, serving as president, then chairman from 1902 to 1931; then as chairman in 1931-32 of the Central Republic Bank and Trust Company. This was succeeded in 1932 by the City National Bank and Trust Company and General Dawes had been chairman since that time.

He joined the Army Engineers as a Major in June, 1917, went to France the following month and in 1918 became attached to the A.E.F. high command as a Brigadier General. He was well known for his work in 1918 and 1919 on the Liquidation Commission of the A.E.F. and the War Department, and later as president of the commission to study the question of German reparations and their budget. He was honored by U. S., British, French, Belgian and Italian governments and received the Nobel Peace Prize in 1925.

He was appointed first director of the U. S. Bureau of the Budget in 1921, was elected vice president of the United States in 1924 to serve with Calvin Coolidge, was ambassador to Great Britain from 1929-32, then as his last public office he served as president of the newly-founded Reconstruction Finance Corporation in 1932.

To all of these efforts he brought a vigorous, direct approach to the heart of the problem. Although he was more than fourscore years of age, General Dawes had accepted only the day before his death the appointment as general chairman of the committee to welcome General Douglas MacArthur to Chicago on his recent tour of several major cities.

His will filed for probate in Chicago indicates that General Dawes left a gross estate of more than one million dollars, most of which was left in trust for his children and a sister. Servants were given bequests of \$10,000 each and all of the General's valuable papers were left to Northwestern University.

* * *

The new president of the Missouri Bankers Association is **George U. Richmond**, vice president, American National Bank, St. Joseph. Other officers are: Vice President, **W. R. Courtney**, president, Mexico Savings Bank, Mexico, and Treasurer, **John Rogers**, cashier, First National Bank, Milan.

Missouri bankers adopted resolutions supporting the fight on inflation, the voluntary credit restraint program and discouraging of speculative loans.

* * *

O. Paul Decker, vice president of the American National Bank and Trust Company, Chicago, has written an excellent article on the subject, "Will Commercial Banks Continue to Buy Municipal Bonds?" in which he says:

**In Kansas City,
It's City National
for...**



Years Ahead Facilities



Speedy Handling of Grain
and Other Drafts



Superior Bond Service



Day and Night Transit



Help with Excess Loans



Complete Trust Service



Credit Information



World-Wide Direct
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Convenient Location



Friendly Kansas City
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Check These **4** Reasons Why

**City National Gives You
Faster, More Efficient Service
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- 2** Years Ahead Facilities
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Conveniently near Kansas City's Board of Trade Building, City National presents grain drafts for collection promptly. In Kansas City, speedy messenger service is used . . . out of town, our years ahead correspondent facilities.

You're invited to route grain and other drafts to City National for quickest collection.

CITY NATIONAL

Bank & Trust Company



Kansas City 10, Mo.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, June, 1951

"On balance, if I had to reach conclusions today, I would hazard the guess that banks will continue to buy municipal securities of the bank ma-



O. PAUL DECKER
Vice president
American National Bank of Chicago

turity range in about the same amount as their run-off, maybe a little less but not much. On balance, I would anticipate that total commercial bank holdings of municipal bonds will not be

larger at the end of 1951 than at the end of 1950, and could well be a little smaller."

Investors Mutual, Inc., largest mutual fund managed by Investors Diversified Services, Inc., has passed the 100,000-shareholder mark, reports Harold K. Bradford, president. The fund, which has total current net assets of more than \$265,000,000, now has more than 102,000 shareholders making it the first investment fund to attain that total.

"This broadening scope of ownership has put Investors Mutual in the select 'first 15' American corporations having 100,000 or more shareholders," Mr. Bradford pointed out.

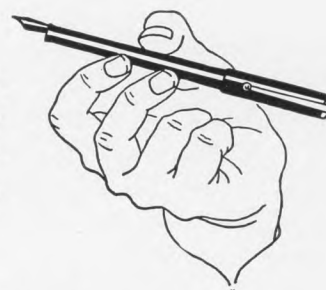
According to most recent available figures, he said, only five manufacturing companies, seven public utilities companies, one bank and one railroad have more shareholders.

* * *

Management Woes: A recent court decision awarded workers premium pay under a union contract for working through the regular lunch period after they were ordered to take their lunch hour early on a day when the power plant went out of commission, according to a Commerce Clearing House report. Management had unwittingly overstepped its rights under the workers' contract, the court held.

And they wonder why labor-man-

This pen cost \$625 in 1950!



An innocent looking fountain pen, you say.

That's right, but it cost one busy bank officer \$625 last year.

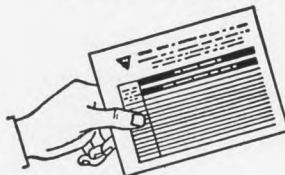
That was the price, in officer time, of signing bank checks by hand, with a pen. It could have been worse, too—hand signatures are easy to forge and copy.

Now—for the first time—you can find out the actual price your bank is paying for hand-signed checks.

The new Todd Time-Study Chart gives you the whole costly, dangerous picture at a glance.

For example: If a \$12,500 a year officer signs 500 checks a week, he's wasting \$625 annually, in time alone—he's exposing countless "samples" of his signature to possible crooks and forgers and he's making 26,000 extra demands annually on his health and energy.

Send for the Todd Time-Study Chart today. And get the facts about the Todd Protectograph Signer—the machine that signs 50 checks a minute—that stops check crimes where they start and provides positive control over check issuance.



MAIL THE COUPON NOW

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Address _____

City _____ Zone _____ State _____

By _____

NWB-6-51



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Through 50 years of specialization in the underwriting and distribution of bonds, notes and debentures, Halsey, Stuart & Co. Inc. has been identified with debt issues totaling more than 24 billions of dollars—the obligations of representative borrowers in virtually all major fields and localities of the United States.

This firm is equipped to serve intelligently not only the buyer with modest requirements but the investor of sizable funds as well. Send without obligation for our latest select offering list.

OPPORTUNITIES IN MUNICIPALS

The expanded issue volume of municipal bonds has created new investment advantages in this field. In addition to tax exemption, favorable yield and security, the broadened opportunity for diversification in municipals contributes to their desirability. A

suggestion of the variety and quantity of municipals available is found in the fact that in the last five years alone Halsey, Stuart has been identified with the underwriting and distribution of issues aggregating more than \$4 billions and originating in 47 of the 48 states.



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Garfield 3305

agement relations continue to be strained!

* * *

William G. Rabe, chairman of the trust committee of the board of directors of Manufacturers Trust Company, New York City, has been elected a director of the Beech-Nut Packing Company of Canajoharie, New York.

In addition to his office at Manufacturers Trust Company, Mr. Rabe serves as a trustee of the estate of the late Harvey D. Gibson, with whom he had been associated for many years.—The End.

New Canadian Taxes

Canada's new taxes will doubtless succeed in providing the government with funds for soaring defense expenditures, but the over-all anti-inflationary effect of the budget is more open to conjecture. This assessment of the federal budget appears in the Bank of Montreal's latest Business Review, which emphasizes that the country's economy lacks, at present, the actual capacity to meet all that is demanded of it.

Stating that an objective appraisal of the budget must be made from two viewpoints, the B of M comments that the new tax measures "will no doubt prove effective" in providing the central authority with funds for rapidly mounting defense outlays.

The overriding problem, as the bank sees it, is the fact that "the physical capacity of the economy as it is now operating is insufficient to satisfy all the demands that are being made upon it." As the Minister of Finance said in his budget speech, "We cannot allow the defense program to suffer, nor would we wish to see a reduction in the levels of ordinary personal consumption . . . it is largely in the field of capital investment and consumer durables that room will have to be made for the defense program."

New Booklet

Current reference experience seems to indicate that management is facing problems which parallel World War II conditions where inadequate and cumbersome reference equipment frequently contributed to operational bottlenecks. A new booklet calling attention to Linedex, an efficient and fast form of visible reference, is now available by writing to the Management Controls Division, Remington Rand Inc., 315 Fourth Avenue, New York 10, New York. Linedex is designed to furnish accurate, fast and economical flow of such information as will expedite industrial and business transactions.

Banks Operating Voluntary Credit Restraint in an Uneasy Economy

Many Washington Officials Think "Voluntary Control" Is Used to Prove Need for Wide Compulsory Powers

By RAYMOND TRIGGER
Investment Analyst
New York City

BANKERS Agree to Police Own Operations"; "Banks Line Up for Voluntary Credit Control"; "Federal Reserve Sets Credit Squeeze"; "All Aid Urged to Put Across Credit Control"; "Muddled Credit Control"; "Bankers Get Down to Brass Tacks on Credit Control"; "Warns on Loans Not for Defense."

Those are but a few of the hundreds of recent headlines on the same subject. No wonder that "credit control" has virtually monopolized banking comment.

While there was a wide divergence of thoughts expressed, there was one unanimous conclusion: Bankers would do well to govern credit restrictions themselves rather than have arbitrary and unworkable rules forced upon them.

The program in its larger aspects seems to be: First, prevent the credit base from expanding; this has been fairly well accomplished. Second, restrict use of the present credit base; this is under way now. The third step would be to reduce that base and in that phase the enlarged power the Federal Reserve is expected to seek would come into use.

News Item

Anent credit control, there was a news item a few weeks ago that did not attract the attention it deserved, particularly as applied to the announced policy of the restraint committee to prevent "serious further bond market decline." Newspapers throughout the country carried stories from Washington, stating that Treasury officials were inclined to do all refunding operations for the near future in short-term issues on the theory that a much more favorable market would be met for long-term bonds during the spring of 1952.

The better bond market in 1952 was expected on the theory that the Voluntary Credit Restraint activities would be successful in fore-



ing municipals, counties and states largely out of the market by limiting requests to absolutely essential borrowing and to borrowing that would not compete with the defense program for men or materials. This, according to the expressed theory, would vastly increase the funds seeking investments that would be drawn to long-term government issues next year.

Ostensibly, this theory was not official nor did it stem from any official of the Treasury. But the stories were alike and, in the majority of cases, even in the several by-lined stories by well-known Washington correspondents, there were many words and even sentences exactly alike. That would indicate in the parlance of the newspaper world that the story was "planted," i.e., issued to the press from the Treasury with the order that no direct quotation was to be made.

Fingers Crossed

A statement issued and broadcast in that manner is the nearest thing

to an official statement that can be had. The procedure is followed when there is strong hope that a policy can be followed but a slight possibility that coming events might render it impossible. So it would seem that the Treasury is pretty sure there will be a better bond market—higher prices and lower rate of return—next year, but is keeping its fingers crossed.

The first result of the restraint activities, in so far as security markets were concerned, was witnessed in the municipal group. The Voluntary Credit Restraint Committee passed an order that borrowings by cities and states for any purpose other than that which would help the defense program were to be frowned on. This eliminated one important call for bids and probably will mean scant bidding for some issues and cancellation of other plans for financing by some municipalities.

It can be expected, therefore, that the coming months will see a drastic reduction in all new borrowings. At the same time there will be interest and dividend payments and other income seeking a source of investment and the view of the Treasury in its "unofficial" statement may well prove the correct one. The National City Bank of New York outlines the situation at present as:

Signs

"All the signs were that the authorities wanted to get out of the business of manipulating and supporting the long-term bond market. The holder of marketable government bonds has been rather forcibly reminded that the Treasury promises no more than payment of interest and principal when due and that the obligation he holds contains no guarantee against adverse price fluctuations.

"There is increased caution abroad, not only among lenders, but also among borrowers conscious of the

Northwestern Banker, June, 1951

more selective attitude on the part of the lender. The dollar in hand is held in higher esteem because the borrowed dollar does not come so easy. The savings institution is using less effort to hunt out profitable new outlets for funds and more effort to attract new funds. This is all to the good in a time of inflation."

Real Test in Summer

The real test of the restraint program will be experienced in July and August when seasonal influences will tend to create an attempt at credit expansion in the mortgage and other fields. There is some belief that the voluntary restraint policy will have to be reinforced at that time with higher money rates and possibly by

further restrictions upon credit by direct regulation.

There is belief that the Federal Reserve Board has a good chance of getting from Congress additional power to increase reserve requirements of member banks. If such power were granted, it probably would be used.

A policy of this sort by the Reserve would not mean that the voluntary credit restraint plan should be written off as a failure, however. If the Reserve followed such a policy it would be for the purpose of reducing bank deposits and making less money available for the banks for lending. In this manner the "voluntary" efforts would be augmented.

The fact that bankers will cooperate in the voluntary restraint effort, and thus bring about conditions that will strengthen bond markets as they limit new offerings, is influenced to some extent by the thought expressed by one banker: "So-called 'voluntary control' programs are considered by many Washington officials, on the basis of experience in two world wars and the present fractional war, to be something you put into effect in the early stages of an emergency to demonstrate conclusively that compulsory control powers should be legislated."

That there are such "officials in Washington" there is no doubt. They not alone want stricter credit restrictions legislated, but are the backers of more harsh controls on practically everything.

The view that the "voluntary" program will be followed by harsher measures if the desired reduction in so-called "unessential" borrowing does not result was expressed by Rudolph Smutny, a member of the Voluntary Credit Restraint Committee and partner in Salomon Bros. & Hutzler. In a speech before the Municipal Forum that attracted widespread attention, he emphasized that cooperation in credit rationing is essential so as "to retain freedom of action for our industry."

Markets Saturated

In many lines of consumers goods the evidence was clear that the markets were saturated, merchants were overstocked and overcommitted. Business had been borrowed from the future. While wholesalers' inventories were at a peak last month this did not cause the concern as did the loaded position of retail establishments. However, the failure of Easter demand to reach the dimensions the merchants expected, together with the start of the "voluntary" credit tightening in the mercantile field, brought correction at the retail level. Housewives had not had such bargains in some time as experienced in the "sales" of recent weeks.

However, it has been clearly demonstrated in the past that when the worker has money he spends, or his wife spends for him. The current inventory correction period with its accompanying uneasiness in the speculative security markets is regarded generally as a transient phase. As industry's defense operations swing into full gear during the summer and fall there is not a little likelihood that the apparent "oversupply" in some goods of the moment may turn into a "shortage." The result most likely would be reflected in security market price trends.

Perhaps the best description of pres-

STATISTICS

Figures can be misleading at times, especially when they are slanted towards the predetermined objective of the statistician. At other times they can be most revealing, particularly when they make us more conscious of an existing condition which has significance to us.

A case in point concerns the size of checking account balances thruout the country. Some of them are very large indeed, but 95% are less than \$5,000 and, of this majority group, the average is \$536.78—or at least that is what it was last year and it probably has not changed much since.

Well, this comes as no surprise but it does re-emphasize the fact that the normal market reached by banks is made up of little fellows. This conclusion, in turn, encourages us to step up the program of merchan-

dising to the masses. As we pointed out way back in the 30's, "retail banking needs more salesmen," and these little bits of factual information give added weight to that viewpoint.

Despite the forty million checking accounts in existence at this time, each year those two million people who never saw an elephant similarly never had checking accounts, and they should have them. The right to issue their own "personal currency" is something in which they would take pride and for which they would be willing to pay. The opportunity to acquaint them with the importance of this precision-built disbursing machine is before us all the time and presents a constant challenge to reach this ever-changing group of prospects.



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PUBLIC UTILITY, INDUSTRIAL AND RAILROAD SECURITIES
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ent uneasiness comes from the April issue of *Lloyd's Bank Review*, where the "bear market without tears" is discussed. It's a bear market, says the *Review*, that springs from "a change in the psychological atmosphere and from a rise in interest rates that is unaccompanied by large-scale unemployment and declining industrial activity.—The End.

New Investment Firm

Norman V. and Douglas M. Conway have established the investment firm of Conway Brothers, a partnership, at 1006 Liberty Building. They will deal in corporate stocks and bonds, mutual funds and municipal bonds.

Both formerly were associated with the investment firm of Shaw, McDermott & Company, Des Moines. Norman is a graduate of Drake University and has been in the investment business since 1936. Douglas has been in the investment business since 1938.

Both were with the former firm of Murdoch, Dearth & White, Inc., until 1947 when they became co-managers of the corporate department of Shaw, McDermott & Company.

Another brother, James E. Conway, has joined the new firm as cashier. He has wide experience in the credit field and recently was credit manager of Gately's department store.

Become Officers

Arthur C. Allen and C. D. Sherman were elected assistant cashiers of California Bank, Los Angeles, at a meeting of the board, according to Frank L. King, president. Mr. Allen was formerly vice president and cashier of the Arkansas Valley Bank, Pueblo, Colorado, coming with California Bank last February. He is assigned to the bank's main office.

Capital Increased

At a special meeting of shareholders of The National City Bank of New York, the proposal to increase the capital funds of the bank by the sale of one million additional shares of its capital stock was approved. A total of 78.8 per cent of the 6,200,000 shares outstanding were voted in favor of the proposal with less than one-half of 1 per cent opposed. Wm. Gage Brady, Jr., chairman of the board, presided at the meeting.

The additional shares will be offered at \$40 per share to all shareholders on a pro rata basis of one new share for each 6.2 shares held.

The proposed sale of stock will add \$40,000,000 to the capital funds of the bank. The capital stock will be increased from \$124,000,000 to \$144,000,000 and the surplus from \$136,000,000 to \$156,000,000.

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S. W. Coe & Company
Springfield, Illinois

Colonial Finance Company
Lima, Ohio

Commercial Discount Corporation
Chicago

Consolidated Finance Corp.
Indianapolis, Ind.

Contract Purchase Corporation
Detroit

Interstate Finance Corporation
Dubuque, Iowa

Interstate Securities Company
Kansas City, Mo.

Mercantile Acceptance Corporation
San Francisco

Mercantile Discount Corporation
Chicago

Merchants Acceptance Co.
Chicago

National Discount Corporation
South Bend

North American Acceptance Corporation
Chicago

Northern Illinois Corporation
De Kalb, Ill.

Securities Acceptance Corporation
Omaha

Winter & Hirsch, Incorporated
Chicago

ASHWELL & COMPANY
176 WEST ADAMS STREET
CHICAGO, ILL.

Commercial Paper Collateral Loans

St. Louis Banks Plan Merger

W. L. HEMINGWAY, chairman of the board of directors of the Mercantile-Commerce Bank and Trust Company, and Sidney Maestre, presi-

dent of the Mississippi Valley Trust Company, both of St. Louis, have announced that the boards of directors of their respective institutions have

approved a plan whereby the assets and business of the two trust companies would be merged upon approval of the plan by their stockholders and by the federal and state supervisory

Your Lawrence man offers you this Inventory Survey



Next time inventory figures in a loan application, call in your Lawrence man. He's as near as your telephone.

From his experience with inventories in many lines, he can determine for you if a given business lends itself to field warehousing.

Why not call on his experience?

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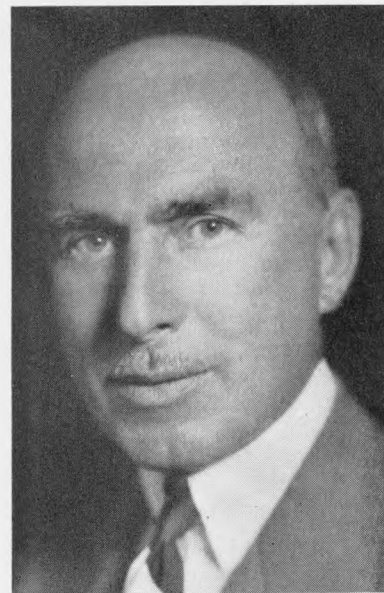
FACILITATES LOANS AGAINST INVENTORY

SAN FRANCISCO
37 DRUMM ST.

CHICAGO
100 N. LA SALLE ST.

NEW YORK
72 WALL ST.

Offices In All Principal Cities



SIDNEY MAESTRE

Now president, Mississippi Valley
Would be chairman of new bank

authorities. The merged institutions would be known as the Mercantile Trust Company.

Messrs. Hemingway and Maestre stated that the plan provides that stockholders of the Mississippi Valley Trust Company will receive in the aggregate 325,000 shares of \$25 par value stock of the merged trust company in exchange for the 240,000 shares of \$25 par value stock of Mississippi Valley Trust Company now outstanding, and that the stockholders of Mercantile-Commerce Bank and Trust Company will receive in the aggregate 500,000 shares of the \$25 par value stock of the consolidated trust company, together with an interest in certain surplus assets which the Mercantile-Commerce Bank and Trust Company will withhold from the new institution.

It was announced that all officers and other personnel of the two institutions will be retained by the merged trust company and that the ranking officers would be:

Chairman of the board, Sidney Maestre, now president of Mississippi Valley Trust Company.

Chairman of the executive committee, W. L. Hemingway, now chairman of the board of Mercantile-Commerce Bank & Trust Company.

President, Gale F. Johnston, now president of Mercantile-Commerce Bank and Trust Company.

Executive vice presidents, Eugene J. Mudd and Hord Hardin, now execu-

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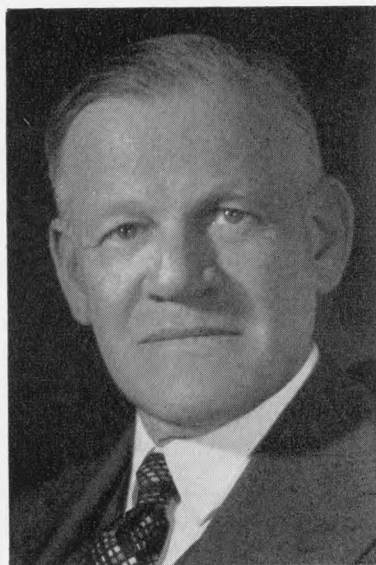
(MEMBER FEDERAL DEPOSIT INSURANCE CORP.)



tive vice presidents of Mercantile-Commerce Bank & Trust Company and Mississippi Valley Trust Company, respectively.

At present the Mercantile-Commerce

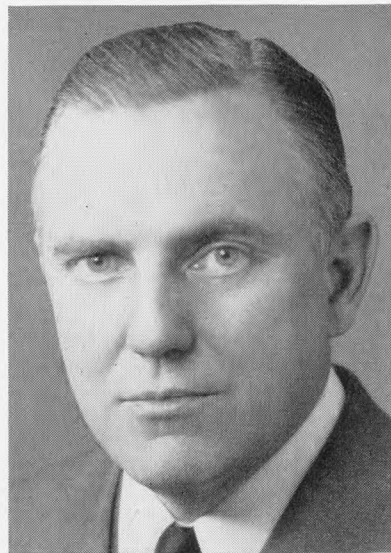
683,827, and total deposits are \$350,636,539. The Mississippi Valley Trust Company has total assets of \$243,412,198. Capital is \$6,000,000, surplus and undivided profits total \$10,272,533, re-



W. L. HEMINGWAY

Now chairman, Mercantile-Commerce Bank
Would be chairman of executive committee

Bank and Trust Company has total assets of \$383,938,727. Capital is \$12,500,000, surplus is \$7,500,000, undivided profits are \$7,740,626, reserves are \$1,



GALE F. JOHNSTON

Now president, Mercantile-Commerce Bank
Would be president of new bank

serves are \$973,465, and deposits are \$225,409,477.

The merged institution would have combined assets of \$627,350,925, and combined deposits of \$576,046,016.

Market Predictions supplied wholesale via little-known formulas to Investment Managers, Counsellors, Brokers, Corporations. Free Information. Phillip G. Miller, 2716 Van Buren St., Wilmington, Delaware.

53%

A \$26.8 million increase during 1950 brought our year-end deposit total to an all-time high of over \$251 million — 53% of all bank deposits in Arizona.

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BECAUSE—the investment requirements of your bank are given individual attention by our Investment Division... by men whose sound experience and background qualify them to render you this service.

BECAUSE—securities handled for your account are bought and sold in the market. That means prompt, efficient service at the most advantageous price.

BECAUSE—our Investment Division is prepared to consult with you on particular bond portfolio problems and to offer specific suggestions based on your individual needs.

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And it won't surprise any

ALTHOUGH we have been in business for over 100 years . . . more installations of Mosler bank protective equipment were made in 1950 than in any other year. But what makes us even prouder is the fact that, *for more than a century*, no Mosler bank vault has ever failed to give complete protection. Neither fact, however, is likely to surprise any banker. For, after all, over 70% of the nation's banks (and leading businesses) *rely* on Mosler protective equipment.

The **Mosler Safe** *Company* SINCE 1848

World's largest builders of safes and vaults . . . Mosler built the U. S. Gold Storage Vaults at Ft. Knox and the famous bank vaults that withstood the Atomic Bomb at Hiroshima



Banker in the World

AMONG THE HUNDREDS OF BANK INSTALLATIONS MADE

BY MOSLER IN 1950, ALONE:



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VALLEY NATIONAL BANK	Phoenix, Ariz.	WESTERN LIFE INSURANCE CO.	Helena, Mont.	FIRST NATIONAL BANK	Ponca City, Okla.
NATIONAL BANK OF EASTERN ARK.	Forrest City, Ark.	AMERICAN NATIONAL BANK	Sidney, Nebr.	AMERICAN NATIONAL BANK	Sapulpa, Okla.
SECURITY FIRST NATIONAL BANK	Los Angeles, Calif.	NEVADA BANK OF COMMERCE	Reno, Nevada	THE FIRST NATIONAL BANK	Eugene, Oregon
BANK OF AMERICA	San Francisco, Calif.	NATIONAL STATE CAPITAL BANK	Coacoca, N. H.	FEDERAL RESERVE BANK	Portland, Oregon
FIRST NATIONAL BANK	Lamar, Colo.	FIRST SAVINGS & LOAN ASSN.	East Paterson, N. J.	FIRST NATIONAL BANK	Portland, Oregon
COLORADO STATE BANK	Denver, Colo.	UNION COUNTY TRUST CO.	Elizabeth, N. J.	THE U. S. NATIONAL BANK	Portland, Oregon
HARTFORD CONNECTICUT TRUST CO.	Hartford, Conn.	FAIRLAWN-RADBURN TRUST CO.	Fairlawn, N. J.	THE FIRST NATIONAL BANK	Erie, Penn.
PHOENIX ST. BANK & TRUST CO.	Hartford, Conn.	HOWARD SAVINGS BANK	Newark, N. J.	U. S. NATIONAL BANK	Johnstown, Penn.
RIVERSIDE TRUST CO.	Hartford, Conn.	NATIONAL BANK & TRUST CO.	Passaic-Clifton, N. J.	CENTRAL PENN NATIONAL BANK	Philadelphia, Penn.
FIRST NATIONAL BANK	Dover, Del.	FIRST NATIONAL BANK & TRUST CO.	Paterson, N. J.	THE PENNSYLVANIA CO.	Philadelphia, Penn.
CHASE FEDERAL SAVINGS & LOAN ASSN.	Miami Beach, Florida	FIRST NATIONAL BANK	Melrose, N. M.	THE PHILADELPHIA SAVINGS FUND SOCIETY	Philadelphia, Penn.
BANK OF GEORGIA	Atlanta, Ga.	EAST BROOKLYN SAVINGS BANK	Brooklyn, N. Y.	TRADESMEN'S NATIONAL BANK & TRUST CO.	Philadelphia, Penn.
C & S NATIONAL BANK	Atlanta, Ga.	DIME SAVINGS BANK	Brooklyn, N. Y.	MELLON NATIONAL BANK & TRUST CO.	Pittsburgh, Penn.
AMERICAN NATIONAL BANK	Brunswick, Ga.	GREATER N. Y. SAVINGS BANK	Brooklyn, N. Y.	PEOPLES FIRST NATIONAL BANK & TRUST CO.	Pittsburgh, Penn.
COLUMBUS BANK & TRUST CO.	Columbus, Ga.	MARINE TRUST CO.	Buffalo, N. Y.	INDUSTRIAL TRUST CO.	Providence, R. I.
FOURTH NATIONAL BANK	Columbus, Ga.	M & T TRUST CO.	Buffalo, N. Y.	FIRST NATIONAL BANK	Greenville, S. C.
FIRST NATIONAL BANK & TRUST CO.	Macon, Ga.	CITY NATIONAL BANK & TRUST CO.	Gloversville, N. Y.	THIRD NATIONAL BANK	Nashville, Tenn.
SAVANNAH BANK & TRUST CO.	Savannah, Ga.	UNION TRUST CO.	Jamestown, N. Y.	CAPITAL NATIONAL BANK	Austin, Texas
IDAHO FIRST NATIONAL BANK	Boise, Idaho	HERKIMER COUNTY TRUST CO.	Little Falls, N. Y.	FT. WORTH NATIONAL BANK	Ft. Worth, Texas
HOME FEDERAL SAVINGS & LOAN ASSN.	Chicago, Ill.	BANK OF MANHATTAN CO.	New York, N. Y.	FIRST NATIONAL BANK	San Antonio, Texas
THE FIRST NATIONAL BANK	Crown Point, Ind.	BRONX SAVINGS BANK	New York, N. Y.	THE WAGGONER NATIONAL BANK	Vernon, Texas
CITIZENS NATIONAL BANK	Evansville, Ind.	CHASE NATIONAL BANK	New York, N. Y.	WALKER BANK & TRUST CO.	Salt Lake City, Utah
INDIANA NATIONAL BANK	Indianapolis, Ind.	CHEMICAL BANK & TRUST CO.	New York, N. Y.	GRANITE SAVINGS BANK & TRUST CO.	Barre, Vermont
FIRST STATE BANK	Britt, Iowa	NATIONAL CITY BANK OF N. Y.	New York, N. Y.	CITIZENS NATIONAL BANK	Alexandria, Va.
FIRST STATE BANK	Pittsburg, Kan.	9TH FEDERAL SAVINGS & LOAN ASSN.	New York, N. Y.	SOUTHERN BANK OF NORFOLK	Norfolk, Va.
LINCOLN BANK & TRUST CO.	Louisville, Ky.	METROPOLITAN LIFE INSURANCE CO.	New York, N. Y.	BANK OF VIRGINIA	Richmond, Va.
CENTRAL SAVINGS BANK & TRUST CO.	Monroe, La.	MUTUAL LIFE INSURANCE CO.	New York, N. Y.	HOME INSURANCE CO.	Richmond, Va.
OUACHITA NATIONAL BANK	Monroe, La.	NEW YORK TRUST CO.	New York, N. Y.	FEDERAL RESERVE BANKS	Seattle, Wash.
PAN AMERICAN LIFE INS. CO.	New Orleans, La.	SWISS BANK	New York, N. Y.	NATIONAL BANK OF COMMERCE	Seattle, Wash.
MAINE SAVINGS BANK	Portland, Maine	GENESEE VALLEY TRUST CO.	Rochester, N. Y.	SEATTLE TRUST AND SAVINGS BANK	Seattle, Wash.
COUNTY TRUST CO.	Baltimore, Md.	UNION TRUST CO.	Rochester, N. Y.	SEATTLE FIRST NATIONAL BANK	Yakima, Wash.
EQUITABLE TRUST CO.	Baltimore, Md.	FIRST TRUST & DEPOSIT CO.	Syracuse, N. Y.	FIRST NATIONAL BANK	Terra Alta, W. Va.
SUBURBAN NATIONAL BANK	Silver Spring, Md.	LINCOLN NATIONAL BANK & TRUST CO.	Syracuse, N. Y.	SEYMOUR STATE BANK	Seymour, Wis.
BROOKLINE TRUST CO.	Brookline, Mass.	ONONDAGA COUNTY SAVINGS BANK	Syracuse, N. Y.	RAWLINS NATIONAL BANK	Rawlins, Wyo.
GREAT BARRINGTON SAVINGS BANK	Great Barrington, Mass.	SYRACUSE SAVINGS BANK	Syracuse, N. Y.	BANCO DE CREDITO REAL DE MINAS	Rio de Janeiro, Brazil
GRANITE TRUST CO.	Quincy, Mass.	PEOPLES NATIONAL BANK & TRUST CO.	White Plains, N. Y.	ROYAL BANK OF CANADA	Montreal, Canada
WELLESLEY NATIONAL BANK	Wellesley, Mass.	PEOPLES LOAN & SAVINGS	Statesville, N. C.	BANK OF NOVA SCOTIA	Toronto, Canada
NATIONAL BANK OF DETROIT	Detroit, Mich.	FIRST NATIONAL BANK	Drake, N. D.	BANCO DE BOGOTA	Bogota, Columbia
AMERICAN NATIONAL BANK	St. Cloud, Minn.	THE CENTRAL TRUST CO.	Cincinnati, O.	BANCO DE COMERCIO S. A.	Mexico City, Mexico
THE PEOPLES BANK	Ripley, Miss.	PREBLE COUNTY NATIONAL BANK	Eaton, O.	BANCO DE VENEZUELA	Caracas, Venezuela
PARK NATIONAL BANK	Kansas City, Mo.	FIRST NATIONAL BANK	Middletown, O.		
SOUTHEAST STATE BANK	Kansas City, Mo.				

Many of the banks above have been customers of The Mosler Safe Company for over 75 years

DIVERSIFY SERVICES

(Continued from page 16)

8. Three advertising novelties. We have three small novelty pieces that we are giving away at the present time. One is an aluminum ice tong set, to be used for hot dishes or ice cubes, and the second is a padlock key chain, the quantity on each of these being 1,000. The third item is a salad set, made up of a wooden spoon and fork. We got 500 of these sets.

How much benefit do we receive from all this? It is impossible to measure good will in tangible results, but last year our bank experienced an

increase of approximately \$1,000,000 in deposits, which is better than a 20 per cent gain over year-end figures of 1949. We feel that we have a very aggressive bank for a community of 13,000 people. In our installment department alone we have nearly 2,200 customers with outstandings of \$850,000.

I believe a bank should offer diversified services, then let the public know about them.—The End.

Promotes Officials

E. Chester Gersten, president of The Public National Bank and Trust Com-

pany of New York, has announced the promotion of the following at the main office of the bank: James F. O'Donnell, assistant vice president to vice presi-



JAMES F. O'DONNELL
Becomes vice president
Public National Bank, New York

dent, and John J. Kubach, manager of the foreign department, to vice president in charge of that department.

Select Insurance for Select Risks!

● GOOD HEALTH MEANS GOOD INCOME!

Our Accident and Sickness Policies
Will Pay You Additional Income
During Periods of Disability.

● READY CASH FOR HOSPITAL AND SURGERY Bills Mean Speedier Recovery!

Our Hospital and Surgery Policies Are Designed
for Individuals and Their Family Groups



Over 45 Years of Successful Service
to Many Bankers

Write for Application and Literature

MINNESOTA COMMERCIAL MEN'S ASSOCIATION

PAUL CLEMENT, *Secretary*

2550 PILLSBURY AVENUE
MINNEAPOLIS 4, MINNESOTA

BANK HELPS FARMERS INCREASE ACREAGE YIELD

(Continued from page 22)

If you wish to call this advertising or bank promotion, we feel it is the most satisfactory contact and promotion program we have ever had. The fact that we piled these five-pound bags of fertilizer in our bank lobby, and recommended it by offering to loan the money for its purchase, still is making quite an impression on the old and new users of this county. We firmly believe that the use of commercial fertilizer in these corn and grass states will greatly increase the cash income.—The End.

Printers
AND
BOOKBINDERS
PHONE
4-4224
KOCH
BROTHERS
FOURTH and GRAND
DES MOINES

INSURANCE

7 Sales Slants to Spur Summer Selling

By **BEN HALLER, JR.**
Associate Editor
The Northwestern Banker

SUMMER is the perennial time of year for rejuvenation, reinvigoration and in general a renewal of those efforts that so often lie dormant through winter months. If you haven't succumbed to summer fever yet and wish to plan your activities for the next few months, here are a few ideas you can try on your sales portfolio for size:



Calling on customers forms the very foundation of successful insurance selling. Hit and miss calling means hit and miss income. Consistent calling means consistent income. You've heard top producers and veteran agents, sales supervisors and fieldmen proclaim many times the value of budgeting your time by planning calls in advance, making a certain number regularly, week in and week out. Just for the fun of it, why not give this system a fair trial, to prove either that these people are talking through their collective hat, or just by a long shot they may be right. After all, the most that can happen is that you will improve your volume and income!

When you decide to follow this system of a prescribed number of calls per day and per week, keep accurate records so you'll know where you stand. Ask one of your fieldmen or your home office; they'll give you all the assistance you need.

It wouldn't hurt to remember that it's just a wee bit difficult to get enthused about providing security for a family or a business when everything is conducted by mail or phone or possibly a brief personal call every year or so. If you want the real thrills in

insurance, make personal calls whenever possible. Closer relationship with your customers means greater confidence by them in you and it doesn't take a second guess as to who they will call immediately with any kind of insurance problem.

Just for a start, jot down the names of four persons you should call on, then make sure you see at least one of them each day until the list is finished. When those four are contacted, try four more. The results will surprise and please you.



When was the last time you went through your complete file of clients on whom you

carry auto policies? Do you know the average limits carried by all these clients? Do you think they are adequate in the light of today's high costs and high court judgments? Do you think you can explain to people why they should carry higher limits? Then why not tell them? One agent successfully uses this method: He calls personally, telephones or writes a letter to tell the customer he just noticed his limits were only at 10/20/5 so he increased them to 50/100/25 or 100/300/25, the increase in premium for the extra thousands in protection being only a few dollars. Maybe your customers don't even know they can get such high limits. Have you asked

SCHOOLGIRL, 9, INJURED BY CAR Tells of High Accident Toll

Believe Woman Victim of Fire

DAMAGE SUITS IN DEATH SMOG BRING \$219,942

2 FROM D. M. DIE IN PLANE CRASH

... was injured... Fighting in... has cos...
critically Monday afternoon when the lives of...
... less t...
... Damage suits claiming \$4,398,850...
... after a disastrous mill town smog...
... in October, 1948, were settled out...
... of court Tuesday for an estimated...
... \$219,942.
... The 131 suits were filed against...
... the American Steel and Wire Co.,...
... which operates a plant in nearby...
... Donora, Penn. Suits claimed the...
... company was responsible for...
... persons, made 5,000 ill and dam-...
... aged property and livestock.
... The first case was to be tried...
... Tuesday. Counsel for both sides...
... held a conference and the settle-...
... ment was announced.

Findings of an autopsy here in-
dicate... 28,
burned to death in last week's
home fire in which her three
children also died, ...
said Monday.

Polk county's coro-
ner, said "it is pretty definite"
that ... was alive when
the fire broke out last Wednesday
in the Fetters home, ...
poisonous fumes which killed 20
persons, made 5,000 ill and dam-
aged property and livestock.
It will be "a few days,"
ever, until authorities have "defi-
nitely" determined the cause of
death, ... added.
The autopsy was perform-

... and two
were killed
when their
cactus
north of
the Associ-
... identified
at the
United
... The
... as
... are vic

SAMPLE news stories of local accidents bring your sales talk close to home.

SCARBOROUGH Associates Group Insurance Plan covers the entire bank staff, including Directors. It provides the most complete benefits at lowest cost. Let us send you the details.

Scarborough
ASSOCIATES, INC.

FIRST NATIONAL BANK BUILDING, CHICAGO 3, ILLINOIS

PROVIDING GROUP LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT, ACCIDENT AND SICKNESS, HOSPITAL AND SURGICAL BENEFITS

them? Here's one good reason for doing so:

A salesman for a Wisconsin cheese firm drove his car onto the railroad tracks, derailing the speeding train, destroying his car and causing extensive damage to the train. The railroad sued the salesman's firm and was

awarded damages for \$250,000. Result? The firm went bankrupt paying the court award because the salesman carried ridiculously low limits on his car.



We all know what would happen to the average family if the wage earner's steady salary should come to a sudden halt due to an accident. Fixed household bills would continue, extra bills would pile up for doctors, hospital and treatment. The question you must answer in regard to your own clients is "What have I done to protect them against this contingency?" After you've answered your own question, decide how you can improve that part of your agency record for giving complete service. Your own experience, and insurance company files, are full of examples showing what happened when coverage was not carried and how families were cared for when accident insurance was in force.

Don't take it for granted that everyone has it. One casualty company, for instance, reports that a limited survey shows only 9 per cent of automobile policyholders carry accident insurance. Agents making the survey estimated that 42 per cent of the remaining 91 per cent constituted excellent accident prospects.

Income doesn't necessarily stop when the car is put out of commission, but practically every car is lovingly insured. What about the old man? With him idle, the car can sit there forever and it won't buy any groceries!



Are you inclined to say, "Not enough prospects, why fool with it!" when a specialty coverage is mentioned? Why not look at it this way. Instead of just considering that specialty coverage as one item, consider the entire group of special types of coverage, then see how many prospects you would have.

Everybody doesn't own a boat, but the chances are that at least several men in your town do. Opportunities to sell rain insurance for local celebrations, county fairs, etc., don't happen very often, but they do happen occasionally. And someone with an expensive hobby isn't interested in how many other hobby prospects there are; he's interested only in getting some coverage on his stamp albums, paintings, woodworking equipment, etc.

If compiled on one page, the names of people who should be interested in these various types of coverage will make a longer list than you can imagine. And don't forget, once a small policy is sold, it leaves the door wide



"SURE I'M PROUD OF MY COMPANY!"

"Their constant efforts to give me better contracts to sell—their long-range plans to make me happy and prosperous—those are the reasons I represent the Policyholders National Life."

P. S. "Their Special Cooperation with Bankers helps, because I'm a Banker, too."

W. E. MOORE, Agency Vice President

Policyholder's National Life Ins. Co.

Home Offices

SIOUX FALLS, SO. DAKOTA

MERCHANTS MUTUAL BONDING COMPANY

Incorporated 1933

Home Office
2100 GRAND AVENUE
Des Moines, Iowa

This is Iowa's oldest surety company. A progressive company with experienced, conservative management.

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

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

E. H. WARNER
Secretary and Manager

W. W. WARNER
Assistant Secretary

Northwestern Banker, June, 1951

IN CANADA

To United States banks, the Royal Bank offers a comprehensive continent wide correspondent service north of the border. Information available on trade contacts, market opportunities, factory sites, etc. Enquiries invited.

THE ROYAL BANK OF CANADA

New York Agency
68 William Street
New York 5, N. Y.

Over 750 branches in Canada, the West Indies, Central and South America; New York, London and Paris. Correspondents the world over.

HEAD OFFICE — MONTREAL

Assets exceed

\$2,497,000,000



open for soliciting the full lines of personal and business insurance that person controls.



Hardly a day goes by without at least one news story appearing in every daily newspaper about a burglary, theft or armed robbery. The rapid rise of this type of crime is appalling. Police detective bureau files are replete with reports that prove the systematic work of burglars. They know almost the instant a family is gone for a week-end or vacation. When the family returns, the sad story is reported to police. If your customers are shown the alarming statistics in a fashion that brings it home to them, such as a page of clippings from your own local newspaper, it will help sell residence and outside theft or a three D's policy to commercial accounts.



Two tailor-made programs for civic work and building agency prestige are the annual spring and fall campaigns of spring "Clean-Up, Paint-Up Week" and "Fire Prevention Week" in October. There are numerous ways in which each agent can participate. Every person should contribute to civic welfare in some fashion, and this is a good method for you to accomplish that duty, and at the same time gain a little publicity for yourself. Here is another instance where your company or fieldman can help you by providing tested direct mail folders, letters, promotional pieces and advertising copy or mats to fit these and numerous other cases. The only trouble is that these materials will never make a dime for you when they sit in the home office or in your agency storage room. Just give them a try and watch the law of averages work.



With the continued growth and public acceptance of insurance, it becomes more and more necessary for insurance agents to know more than just a little bit about everything. The public has a right to expect insurance agents to be able to provide he answers to their perplexing insurance problems. Increased knowledge of insurance operations pay its way in dollars and cents far above any amount invested for training courses.

A number of companies offer excellent home office training school programs and their value is proved by the success of their thousands of graduates. The most professional approach to building better informed agents is the Chartered Property and Casualty Underwriter training program that requires the better part of three or more years for completion.

If you haven't considered really studying for your job or haven't had the opportunity for taking one of these insurance courses yet, it will be to your advantage to do so as soon as possible.—The End.

Sell Control

As a surprise to most people of Sutton, Nebraska, it became known recently that Mrs. Samuel G. Carney and son, Samuel M. Carney, were selling the controlling interest in the City State Bank of Sutton back to the former stockholders, J. M. Weber, Robert Figi and Harry Schmidt.

These men sold their stock, which gave Mr. Carney controlling interest, only a few months ago. Mr. Carney's sudden death placed his bank holdings with his wife and only son.

Ends Long Civic Service

James G. Whitney, president of the Whitney Loan and Trust Company Bank in Atlantic, Iowa, ended 54 years of continuous service as Atlantic city treasurer last month. Mr. Whitney was not a candidate for re-election. His successor is O. A. Otto, vice president of the Whitney Loan and Trust. Mr. Whitney first took office in 1897.

THE IOWA GROUP

IOWA MUTUAL INSURANCE COMPANY

Since 1900

IOWA MUTUAL CASUALTY COMPANY

DeWitt, Iowa

Multiple Lines — Non-Assessable Policies

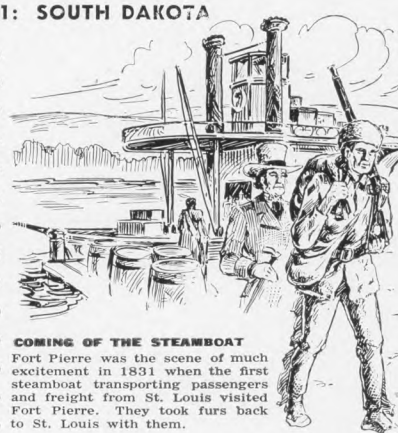
Agency Companies

HIGH SPOTS IN HISTORY

11: SOUTH DAKOTA



FRANCE CLAIMS TERRITORY
A Frenchman by the name of Francois Verendrye visited South Dakota in 1743. With him were his brother and two trappers. At the present site of Fort Pierre they buried a plate claiming the territory for France. School children uncovered the plate in 1913.



COMING OF THE STEAMBOAT

Fort Pierre was the scene of much excitement in 1831 when the first steamboat transporting passengers and freight from St. Louis visited Fort Pierre. They took furs back to St. Louis with them.

ALSO A HIGH SPOT . . .

. . . among insurance agents is the service of these great companies. They know they get speedy, efficient service . . . claims are paid promptly . . . and they get constant home office co-operation. That's why the trend is to Hawkeye-Security and Industrial.

HAWKEYE-SECURITY INSURANCE CO. INDUSTRIAL INSURANCE CO.

Des Moines, Iowa



Northwestern Banker, June, 1951

Serving the INDEPENDENT BANKER and the people of America



Each year in America millions of our young people finish their schooling and enter business. Each passing year new enterprises are started. In every community new buildings are rising to replace outmoded structures.

An important factor in this ever changing scene is the Independent Banker. Ever conscious of his civic and community obligations, he encourages thrift, helps in making new enterprises a reality, and, more often than not, supplies the funds for new construction.

The Marquette National Bank is proud of its opportunity to serve the Independent Banker, and his assumed objective of perpetuating the American way of life and, with it, the independent dual banking system.

DEPARTMENT OF BANKS AND BANKERS

Charles C. Rieger
Vice President

Otto H. Preus
Assistant Vice President

Russell L. Stotesbery
President

Lynn Fuller
Executive Vice President

Marquette
NATIONAL
Bank
OF MINNEAPOLIS



**STRONG FRIEND OF
THE INDEPENDENT BANKER**

MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

Northwestern Banker, June, 1951

The Minnesota Convention

Sixty-first Annual Meeting to Be in Minneapolis on June 13th and 14th

BANKS and bankers of Minneapolis will be hosts again this year to members of the Minnesota Bankers Association, who will go there for two full days of learning and entertainment on Wednesday and Thursday, June 13th and 14th. Headquarters will be at the Hotel Radisson.

With registration starting at the hotel early the morning of the 13th, the remainder of the morning will be devoted to the Bank Operations Conference.

Immediately following the noon luncheon, reports of the nominating and resolutions committees will take place in the hotel ballroom, to be followed by a Credit Conference which will complete the afternoon program.

Instead of the usual Stag Smoker, which heretofore has featured the entertainment for the first convention evening, this year the big attraction will be the Bob Hope Show, to be staged at the Minneapolis Auditorium.

At the morning session on June 14th, President W. A. Putman will give his address; J. O. Christianson of the University of Minnesota will discuss the Agricultural Short Course Scholarship Plan; the members of the American Bankers Association will hold their annual meeting, and the session will close with President Putman presiding over the Minnesota Association election.

High spots of the afternoon program will be talks by Sylvia Porter of the *New York Post*; Col. Jesse Auton, and James E. Shelton, president of the American Bankers Association.

Lawrence F. Gould, president of Carleton College, will be the speaker at the annual banquet in the ballroom of the Hotel Radisson, with the convention closing with dancing in the ballroom.

The detailed program reads as follows:

Wednesday, June 13th

A. M.

- 8:30 Registration Desk Opens—Mezzanine, Hotel Radisson.
Golf tournament.

- 10:30 Bank Operations Conference—Ballroom, Hotel Radisson, W. A. Garratt, presiding.

"Practical Operating Methods for Country Banks"—J. M. Patton, president of South Dakota Bankers Association.

"Personnel Problems"—D. T. Lawler, president, Crookston National Bank.

Address—Harry E. Mertz, secretary to Technical Committee of the National Association of Bank Auditors and Comptrollers.

P. M.

- 1:30 Report of Nominating Committee; report of Resolutions Committee—Ballroom, Hotel Radisson.

- 2:00 Credit Conference—O. U. Habberstad, presiding.

Report by Ora Jones, Jr., chairman of sub-committee on Credit Files.

"Agricultural Lending"—T. L. Westra, Northwest Security National Bank, Sioux Falls, South Dakota.

"Farm Machinery and Equipment Financing"—R. E. Sprague, Sprague State Bank, Caledonia, Minnesota.

"Voluntary Credit Restraint"—A. H. Quay, president, First National Bank, Minneapolis.

Discussion.

Bob Hope Show—Minneapolis Auditorium.

Thursday, June 14th

A. M.

- 8:30 Registration Desk Opens—Mezzanine, Hotel Radisson.
9:30 Call to Order—W. A. Putman, president, M.B.A.



WILLIS A. PUTMAN
President
Minnesota Bankers Association
Vice president
First and American National Bank
Duluth

Invocation.

President's Annual Address—W. A. Putman.

"Agricultural Short Course Scholarship Plan, M.B.A."—J. O. Christianson, director, Agricultural Short Courses, University of Minnesota.

A.B.A. Meeting and Elections—Wayne Blackmarr, Wayzata State Bank, A.B.A. state vice president, presiding.

M.B.A. Elections—W. A. Putman, presiding.

P. M.

- 1:30 Call to order.
4-H Club presentation and Future Farmer award.

Address—Sylvia Porter, *New York Post*.

"Air Power in Korea"—Col. Jesse Auton.

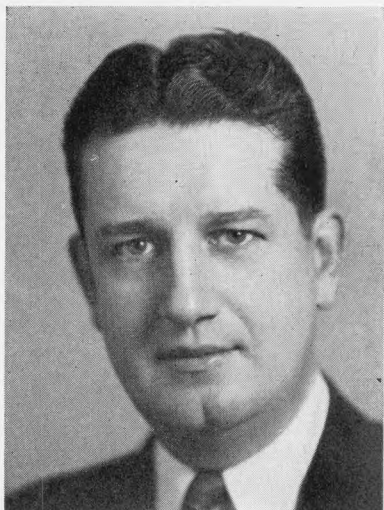
Address—James E. Shelton, president of American Bankers Association.

- 6:30 Annual Banquet—Ballroom, Hotel Radisson.

Address—Lawrence F. Gould, president, Carleton College, Northfield, Minnesota.

- 9:30 Dancing—Ballroom, Hotel Radisson.

Northwestern Banker, June, 1951



GEORGE S. HENRY
General Chairman
Vice President, First National Bank

Convention Committee Chairmen



KENNETH T. MARTIN
Entertainment
Vice President, First National Bank



KEITH M. BARNETT
Golf
Assistant Cashier
Northwestern National Bank



E. WALTER ENGSTROM
Banquet
Assistant Vice President
Midland National Bank



S. R. SILVERNESS
Registration
Assistant Vice President
Marquette National Bank

Resigns As President

Walter A. Zastrow, president of the First National Bank of Hopkins, Minnesota, since 1946, submitted his resignation to the board of directors to be effective June 30th. No successor has been named.

Mr. Zastrow joined the bank in 1940 as executive vice president and managing officer. He began his banking career in 1921 with the First National of Minneapolis and after three and one-half years there went to the Wayzata State Bank. He was cashier of that bank when he moved to Hopkins.

Northwest Meeting

The Northwest Division of the Minnesota Bankers Association held its

spring meeting at Argyle, Minnesota, last month.

Forty-six members of the association were present, representing the banks at Baudette, Williams, Warroad, Roseau, Badger, Greenbush, Karlstad, Hallock, Stephen, Thief River Falls, Warren, Middle River, Holt and Argyle.

The meeting consisted of a round table discussion, during the course of which Robert Johnson of the Federal Reserve Bank of Minneapolis talked on the various government regulations now in effect.

Caution on Borrowing

Clarke Bassett, president of Merchants National Bank and Trust Com-

pany, Fargo, North Dakota, cautioned business men against borrowing in an address before a National Affairs Conference sponsored by the U. S. Chamber of Commerce in Redwood Falls, Minnesota.

Mr. Bassett told the meeting that group thinking and individual action can help to prevent the continuation of an inflationary trend.

15th Time on School Board

Sam Frederickson, cashier of the First State Bank of Okabena, Minnesota, was elected last month for the 15th time as a member of the board of directors of the Consolidated School Board. When he completes this three-year term he will have served on the board continuously for 45 years.

Advertisement



Minnesota

"Roll of Honor" Banks



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

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

TOWN	BANK	OFFICER	CAPITAL	SURPLUS PROFITS
Aitkin	First National Bank	Ben R. Hassman	\$ 100,000	\$ 233,000
Altura	Altura State Bank	Cyril Kramer	25,000	38,000
Aurora	State Bank of Aurora	J. A. Aspie	25,000	63,000
Barnum	State Bank of Barnum	John Mike	25,000	51,000
Breckenridge	First National Bank	Peter Seterdahl	50,000	77,000
Browns Valley	Union State Bank	Stanford Ronning	25,000	49,000
Butterfield	State Bank of	J. Brogger	12,000	40,000
Carlos	First State Bank of Carlos	H. R. Ness	25,000	27,000
Chanhasen	State Bank of Chanhasen	F. J. Schneider	10,000	21,500
Chisago City	Chisago State Bank	Holga Muus	25,000	35,000
Clara City	Clara City State Bank	B. A. Behrends	25,000	90,000
Clarksfield	Farmers and Merchants State Bank	C. E. Elkjer	50,000	60,500
Clarks Grove	State Bank of Clarks Grove	R. B. Johnson	25,000	75,000
Clearbrook	First State Bank	A. Henderson	25,000	42,000
Courtland	Courtland State Bank	John C. Kettner	10,000	27,000
Deerwood	First National Bank	R. O. Lee	50,000	124,897
Duluth	City National Bank	G. J. Maier	600,000	706,000
Duluth	First & American National Bank	W. A. Putman	2,000,000	4,100,000
Duluth	Western National Bank of Duluth	H. J. Olson	100,000	157,000
Dundas	Dundas State Bank	F. W. Shandorf	15,000	17,000
Edina	First Edina State Bank	E. W. Oredson	100,000	170,000
Elbow Lake	First National Bank	H. B. Johnson	50,000	100,000
Ellendale	Ellendale State Bank	S. J. Sande	25,000	36,000
Eveleth	Miners National Bank	George Bodovinitz	50,000	77,000
Fairfax	The Citizens State Bank	W. B. Frank	25,000	82,000
Good Thunder	First National Bank	H. E. Glaeser	25,000	45,000
Grand Marais	Grand Marais State Bank	A. M. Anderson	25,000	61,000
Hope	Farmers State Bank	A. M. Ellingson	25,000	42,000
Hutchinson	Citizens Bank	H. R. Kurth	150,000	181,000
Lakefield	Farmers State Bank	S. P. Boise	50,000	74,000
Lamberton	Farmers & Merchants State Bank	A. P. Schaar	75,000	119,000
Little Falls	American National Bank	O. K. Ripplinger	100,000	242,600
Mabel	First State Bank	Chas. Dahling	25,000	56,000
McIntosh	First National Bank	C. M. Berg	50,000	100,000
Melrose	Melrose State Bank	H. C. Stalboerger	50,000	98,000
Milaca	First National Bank	H. J. Dahlstrom	100,000	100,000
Minneapolis	First National Bank	J. A. Davis	6,000,000	17,104,546
Minneapolis	Fourth Northwestern National Bank	C. P. Anderson	150,000	231,000
Minneapolis	Marquette National Bank	R. L. Stotesbury	500,000	1,633,000
Minneapolis	Midland National Bank	W. E. Brockman	1,000,000	2,100,000
Minneapolis	Northwestern National Bank	Donovan E. Crouley	5,000,000	16,000,000
New Prague	State Bank of New Prague	A. G. Sirek	50,000	100,000
Otisco	Otisco St. Bank	C. B. Arvesen	10,000	15,000
Pipestone	First National Bank	E. J. Feldman	150,000	625,000
Prinsburg	Prinsburg State Bank	S. H. Lee	20,000	29,131
Rice	First State Bank	T. X. Terhaar	20,000	25,391
Rochester	Union National Bank	O. U. Habberstad	200,000	400,000
St. James	First National Bank	W. C. Wagner	50,000	142,000
St. Paul	Minnesota State Bank	J. H. Brogmus	50,000	57,000
Sleepy Eye	First National Bank	P. E. Wilms	50,000	161,000
South St. Paul	Stock Yards National Bank	R. L. Smith	250,000	742,000
Spring Valley	First National Bank	L. E. Fiegel	50,000	94,000
Thief River Falls	Northern State Bank	George W. Werstlein	100,000	129,000
Ulen	Northwestern State Bank	A. J. Anderson	25,000	33,000
Wilmont	First National Bank	E. L. Meyer	25,000	52,942
Winnebago	First National Bank	G. M. Seaberg	50,000	204,000
Winona	Winona National & Savings Bank	S. J. Kryzsko	200,000	933,000
Worthington	State Bank of Worthington	A. W. Hoodecheck	100,000	145,000

Northwestern Banker, June, 1951



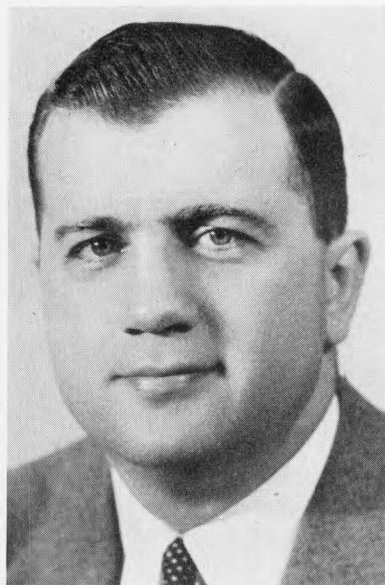
Twin City News

FOUR Minneapolis bankers were among a delegation of more than 20 Minneapolis businessmen who represented the Minneapolis Chamber of Commerce at the 39th annual meeting of the United States Chamber of Commerce in Washington.

They are Clarence Hill, chairman of the board of directors, and **Winston L. Molander**, assistant vice president of the Northwestern National Bank of Minneapolis; **Ashton Carhart**, vice president of the First National Bank of Minneapolis, and **Arnulf Ueland**, president of the Midland National Bank of Minneapolis.

* * *

Election of **Carl B. Pohlada** as a member of the board of directors and vice president of the **Marquette National Bank** of Minneapolis, and as president



CARL B. POHLAD
Director and Vice President
Marquette National Bank

of the Chicago-Lake State Bank of Minneapolis was announced recently by Russell L. Stotesbery, president of Marquette.

Mr. Pohlada has been associated with Marquette in a supervisory capacity since 1948. He also is a vice president of the Federal Discount Corporation of Dubuque, Iowa.

Northwestern Banker, June, 1951

Directors of the **First Bank Stock Corporation** recently declared a quarterly dividend of 30 cents per share on the capital stock of the corporation, payable June 11, to stockholders of record at the close of business May 21. The previous quarterly dividend was 25 cents per share paid March 12.

The new payment is the 54th consecutive dividend to be declared by First Bank Stock, and raises to \$41,646,160 the total of dividends paid by the corporation since its founding in 1929.

* * *

Ralph Emerson, assistant manager of the credit department of the Northwestern National Bank of Minneapolis, has been elected president of the Minneapolis chapter of the American Institute of Banking.

Other officers elected are **William Bronner** of the Federal Reserve Bank of Minneapolis and **Owen Harris** of the University National Bank of Minneapolis, vice presidents, and **Berma Cooper** of the Marquette National Bank of Minneapolis, treasurer.

* * *

A quarterly dividend of 35 cents a share has been declared by the board of directors of the **Northwest Bancorporation**, payable to holders of record May 10. A similar dividend was paid February 26. Last year the corporation paid regular quarterly dividends totaling \$1.20 a share.

* * *

R. L. Federman, vice president, comptroller and secretary of the Northwest Bancorporation, has been named chairman of the program committee for the 1951 midwest regional conference of the National Association of Cost Accountants, Floyd C. Ashley, general chairman, announced recently.

* * *

Ground was broken recently for St. Paul's newest bank building, the **First Security State Bank** of St. Paul, at Raymond and University avenues, just across the street from the bank's present quarters in the Midway district. The bank received permission from the national production authority to

proceed with work on the \$300,000 structure.

* * *

Goodwin Anderson of the Empire National Bank of St. Paul has been elected president of the St. Paul chap-



GOODWIN ANDERSON
President, St. Paul A.I.B.

ter of the American Institute of Banking and assumed office June 1.

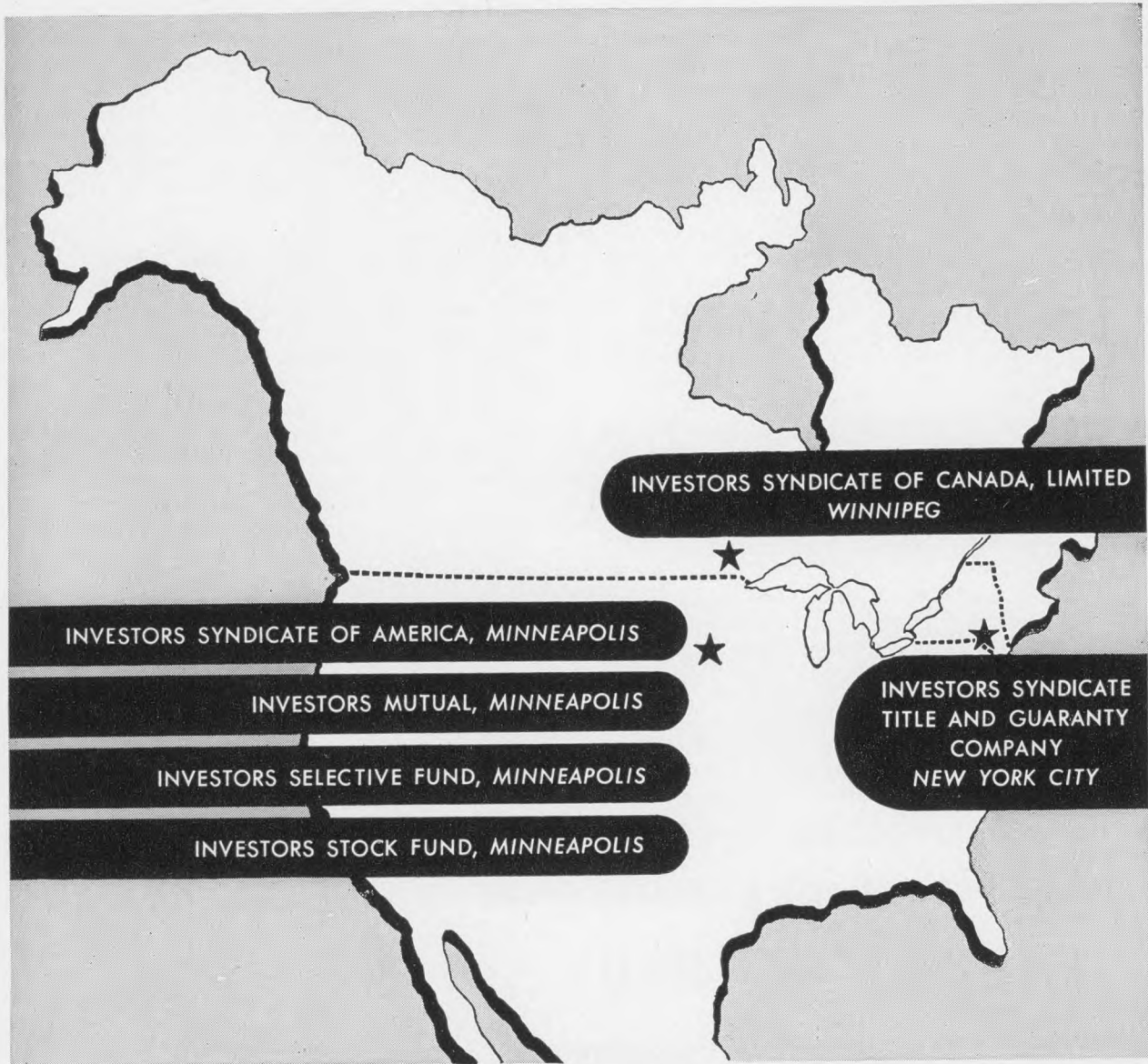
George Maier of the Cherokee State Bank of St. Paul was elected vice president; **Marguerite Brawley**, American National Bank of St. Paul, second vice president; **Lorraine Martindell**, First National Bank of St. Paul, third vice president; **Ruth Ascher**, First Trust Company, secretary, and **Richard Long**, First National Bank of St. Paul, treasurer.

* * *

Clarence A. Wisby, assistant cashier of the Northwestern National Bank of Minneapolis, was elected president of the Northwest World Trade Club.

* * *

V. P. Chamberlain, vice president and treasurer of the Boyd Transfer & (Turn to page 54, please)



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TWIN CITY NEWS

(Continued from page 52)

Storage Company of Minneapolis and a member of the board of directors of the Lake Street office of the Northwestern National Bank of Minneapolis, recently was elected president of the Mayflower Warehousemen's association at the group's convention in Colorado Springs.

* * *

Ronald B. Harrison, cashier of the Marquette National Bank of Minneapolis, has been elected to a two-year term as first vice president of the Minneapolis Council of Parent-Teacher Associations, Incorporated.

* * *

Clarence R. Chaney, vice chairman of the board of directors of the Northwestern National Bank of Minneapolis, spoke at a session of the Clergy and Business day program in Minneapolis recently. Mr. Chaney is active in many civic and religious organizations.

* * *

Carl M. Peterson, assistant cashier of the First National Bank of St. Paul, talked on "Financing and Foreign Trade" to students in money and banking at the College of St. Thomas in St. Paul recently. Mr. Peterson was in First National's foreign department for 17 years and is president of the

International Trade Association of St. Paul.

Two Minneapolis bank presidents were re-elected members of the board of directors of the Soo Line railroad at the annual meeting recently. They are **Arthur H. Quay**, president of the First National Bank of Minneapolis, and **Henry S. Kingman**, president of the Farmers & Mechanics Savings Bank of Minneapolis.

* * *

Bankers must assume the responsibility of promoting thrift as the only sure way of fighting inflation, **John de Laittre**, vice president of the Farmers & Mechanics Savings Bank of Minneapolis, told more than 100 bank women at a dinner meeting of a 12-state conference of the Association of Bank Women recently in Minneapolis.

The only way to stop inflation is to save more and spend less, Mr. de Laittre said.

The Farmers & Mechanics executive was the only man to participate in conference sessions of the association, which is headed by **Marion Mattson**, assistant cashier of the Northwestern National Bank of Minneapolis.

* * *

Northwest business activity for the first four months of 1951 showed a 22 per cent gain over the corresponding period last year, based on a com-

parison of bank debits for 133 cities reporting to the **Federal Reserve Bank** of Minneapolis. Total bank debits of these cities for the four months were \$12,553,033,000, compared with \$10,313,735,000 for the first four months of 1950.

Minneapolis four-months debits totaled \$4,832,356,000, a 26 per cent gain over last year. St. Paul's total was \$2,184,791,000, a 17 per cent increase.

* * *

Walter Dorle, president of the Northwestern State Bank of St. Paul, announced recently that the bank's board of directors has elected **R. V. Kochendorfer** vice president and cashier of the bank.

Mr. Kochendorfer, formerly cashier of the Stockyards National Bank of South St. Paul, assumed his new position June 1. He had been associated with the Stockyards bank since 1937, becoming cashier in 1949.

* * *

John J. Strapp, assistant vice president of the American National Bank of St. Paul, has been re-elected treasurer of Saintpaulites Incorporated.

* * *

M. H. Strothman, Jr., vice president of the Federal Reserve Bank of Minneapolis, warned recently in a speech that any relinquishment of the credit control approach to economic and defense problems would lead to rationing, priorities and price controls.

He spoke at the 17th annual Institute of Industrial Banking held in conjunction with the annual convention of the American Industrial Bankers Association in Minneapolis.

His talk was given before some 200 industrial bankers, heads of personal loan departments of commercial banks, and finance company's executives from the United States, Hawaii and Canada.

* * *

John de Laittre, vice president of the Farmers & Mechanics Savings Bank of Minneapolis, has been elected to membership on the council of administration of the National Association of Mutual Savings Banks.

* * *

F. A. Amundson, vice president of the Midway National Bank of St. Paul, discussed the history of banking and its service to the public at the annual commerce conference and spring bankers' conference recently at the

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University of Wisconsin, Madison, Wisconsin.

* * *

The First National Bank of St. Paul held open house recently in connection with the opening of its \$350,000 addition at Fifth and Minnesota streets.

Housing the bank's budget and loan departments, the two-story addition is connected with the bank's first floor lobby by a diagonal arcade which runs through the addition.

Julian B. Baird, president of the bank, said the budget and loan departments now have triple their former floor space. The two basement levels of the addition connect with the First parking garage, bringing the parking garage's capacity to 350 cars, making it the largest ramp-type garage in the Northwest, Mr. Baird said.

The addition spreads the area covered by the bank to more than three-fourths of the block enclosed by Fourth, Fifth, Minnesota and Robert streets.

* * *

Anthony Dokken of the Northwestern National Bank of Minneapolis was elected president of the Twin City conference of the National Association of Bank Auditors and Comptrollers.

Other officers are **James Goblisch**, First Grand Avenue State Bank of St. Paul, vice president; **Walter Howe**, First National Bank of Minneapolis, secretary, and **W. M. Kortum**, Western State Bank of St. Paul, treasurer.

* * *

Twenty public high school counselors, including William Davini, assistant superintendent of St. Paul schools, inspected the American National Bank of St. Paul recently and analyzed prospective bank jobs for their students. A tour of bank departments was arranged by **Rollin O. Bishop**, president of the bank, and **M. A. Ahlberg**, bank cashier and operations officer. The bank has inaugurated a part-time employment program to train high school seniors for banking positions, and the counselors made the tour to gain information for vocational guidance.

* * *

Arthur H. Quay, president of the First National Bank of Minneapolis, was elected treasurer and a director of the Association of Reserve City Bankers at the group's annual convention in White Sulphur Springs, West Virginia.

* * *

Thomas F. Wallace, chairman of the board of directors and former president of the Farmers & Mechanics Savings Bank of Minneapolis, was among alumni of the University of Minnesota to be awarded outstanding

achievement medals recently by the university.—The End.

Special Dinner

A large delegation of Duluthians attended the annual Minnesota Congressional dinner held in conjunction with the U. S. Chamber of Commerce in Washington, D. C., recently.

They were Willis Wyard, First and American National Bank, president; Charles F. Liscomb, Liscomb-Hood Company, president and treasurer; Victor F. Ridder, publisher of the *Duluth News-Tribune and Herald*; Mrs. Ridder; J. R. Van Horn, associate publisher; Gustaf A. Nordin, managing editor; Robert B. Morris, Cham-

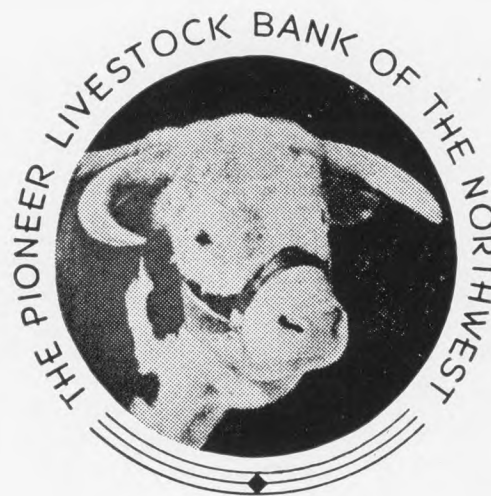
ber of Commerce executive secretary, and Lewis G. Castle, Northern Minnesota National Bank president.

Julius H. Barnes, Duluth and New York industrialist and president of the U. S. Chamber of Commerce from 1922 to 1925, was an honor guest at the U. S. Chamber dinner.

The Minnesota dinner was sponsored jointly by the Duluth and Minneapolis Chambers of Commerce and the St. Paul Association of Commerce.

Gust Carlson

Gust Carlson, 86 years of age, and for many years president of the First State Bank of Wyoming, Minnesota, died suddenly at his home in Forest



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 President

MARK A. WILSON
 Senior Vice President

CLIFFORD L. ADAMS
 Vice President

WILLIAM C. SCHENK
 Vice President

JOHN S. HAVER
 Cashier

STANLEY W. EVANS
 Asst. Vice President

JAMES L. SMITH
 Asst. Cashier and Auditor

KINLEY W. SMITH
 Asst. Cashier

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Here at the Live Stock National Bank you get ALL your Sioux City service wrapped in one package. This is possible because of a rare combination of favorable location (in the Sioux City stock yards), long experience, plus a strong network of correspondent banks in South Dakota, Iowa, Nebraska and Minnesota.

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The
LIVE STOCK
National Bank

of **SIoux CITY**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Lake recently. He was a director of the bank at the time of his death.

Joins Winnebago Bank

M. C. Nelson, formerly of Carthage, South Dakota, has joined the First National Bank in Winnebago, Minnesota, as assistant cashier. During the past five years he has been associated with the Farmers State Bank of Carthage, more recently as assistant cashier. Prior to that time he had served in the United States Navy for three and a half years. He attended Huron College in South Dakota, then taught school for a short time.

With Benson Bank

The appointment of John Dahl of Minneapolis in the insurance department of the Swift County Bank at Benson, Minnesota, was announced recently by Oluf Gandrud, bank president.

Since his discharge from the Air Corps in 1945, Mr. Dahl has been working in Minneapolis as a public and private accountant.

Mr. Dahl was born in Osnabrock, North Dakota, and is a graduate of the Osnabrock high school. He was graduated from the University of North Dakota in Grand Forks in 1940 and was employed at the American National Bank in Little Falls, Minnesota, until his entry in the Air Corps in 1942.

Assistant Cashier

B. J. Dallman, president of the Peoples State Bank of Truman, Minnesota, announces that E. W. Nelson joined the staff last month as assistant cashier.

Mr. Nelson has recently been employed with the First National Bank of Miles City, Montana. He served with the U. S. Navy Air Force as a pilot for three years during World War II.

New Assistant Cashier

H. V. Fitzpatrick was elected assistant cashier at the Murray County State Bank, Slayton, Minnesota, by the board of directors.

Mr. Fitzpatrick was deputy county treasurer in 1942.

**MORE MINNESOTA NEWS
 ON PAGE 61**

**BANKS BOUGHT
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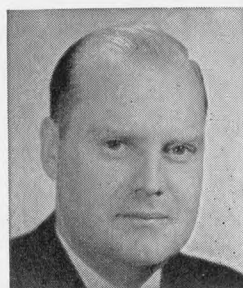
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South Dakota NEWS

J. N. PATTON
President
Mitchell



CARL E. BAHMEIER, JR.
Secretary
Huron

Business Meeting

Directors of the First National Bank of the Black Hills and managers in charge of banking offices were in Belle Fourche, South Dakota, last month for their regular monthly business meeting.

Ernest B. Ham of Piedmont, Meade County rancher and member of South Dakota Brand Board, took up his duties as a director.

The day's meeting closed with a banquet session. R. E. Driscoll, as board chairman, presided.

Other directors present were Guy N. Bjorge, Lead; John A. Boland, Rapid City; A. A. Coburn, Deadwood; W. E. Dickey, Spearfish; R. E. Driscoll, Jr., Lead; C. O. Gorder, Deadwood; Fred P. Hampton, Sturgis; J. E. Horgan, Rapid City; F. S. Howe, Deadwood; Kenneth C. Kellar, Lead; DeWitt Malvin, Belle Fourche; John M. Ryan, Rapid City.

Officers of the Belle Fourche bank were present for the banquet session.

New Staff Member

Elmore L. Johnson of Centerville has been named assistant cashier of the Citizens Bank of Vermillion, South Dakota, it was announced by Ray G. Stevens, president. Mr. Johnson has assumed his new duties in the bank.

Mr. Johnson is a native of Clay County having been born in Garfield Township near Dalesburg. For the past 20 years he has been with the Bank of Centerville.

Sheep Breeder

A. W. Powell, vice president, cashier and owner of the Roberts County National Bank, Sisseton, South Dakota, has served for several years as president of the Dakota-Minnesota Columbia Sheep Breeders Association.

The Columbia Sheep were developed by the United States Department of Agriculture as large sheep with heavy fleeces. Many Columbia rams produce

a 25 pound fleece in 12 months, and most ewes average over one pound of fleece growth a month.

Mr. Powell announces sales sponsored by his association this year will be held in South Dakota, North Dakota and Minnesota from August 29th through October 26th.

New Building

The Dakota State Bank in Milbank, South Dakota, has approval for construction of a new building at a cost of \$40,000. The new building will be a one-story structure with front of granite and brick.

Work on the new bank building will be started during the summer, Fred Phillippi, bank president, said.

Remodeled

Louis Steckmann, vice president of the First National Bank of Miller, South Dakota, announces that recent remodeling operations of the bank building are about completed. The change provides more bookkeeping space, a room for the insurance department, and more office space for executives of the bank.

Canton Meeting

Bankers of the Canton, South Dakota, area were entertained at a dinner given by the Farmers State Bank of Canton. The meeting was held in the bank's Courtesy Room.

Following the dinner an informal program of talks and discussion was conducted with E. M. Dean presiding. H. G. Mosby, Harrisburg, discussed the new federal "voluntary restraint of credit" regulations, as did also John Thomson of Centerville.

Harold Bogue discussed new state and federal laws. Hogan Iverson spoke briefly regarding bonds. O. D. Hanson, Elk Point, discussed the Federal Deposit Insurance Corporation. Erling Haugo, Sioux Falls, also spoke.

Rotary Speaker

Carl Bahmeier, Jr., executive secretary of the South Dakota Bankers Association, last month addressed the Mitchell, South Dakota, Rotary Club on "Competitor Relations."

In his talk Bahmeier stressed the fact that a business, industry or profession which practices unfair competition and is always bickering with or back biting its members not only harms the group itself in the eyes of the public but is harmful to the individual members.

Sioux Falls News

LIVER A. BRAY, retired assistant vice president of the Northwest Security National Bank, died at a local hospital after an extended illness. He was 61 years old. Coming to Sioux Falls from LeMars, Iowa, in 1912, he had been in the bank's employ since that time.

A 33rd degree Mason, he was for more than 30 years treasurer of El Riad Shrine, and was grand treasurer of the grand bodies of chapter, council and commandery of the Knights of Pythias.

Surviving, with Mrs. Bray, are two sons, two sisters, a brother and six grandchildren.

Friends recalled that Bray was one of the few persons in this area who had received the Carnegie Medal. It was presented to him several years ago after he had risked his life to save a young boy from drowning in Iowa.

* * *

Carl Voigt has assumed his new duties as vice president of the Northwest Security National Bank. He was formerly vice president of the Northwest Bancorporation of Minneapolis and before that he was for 20 years vice president and manager of the Northwest Security National Bank at Huron.

* * *

C. A. Christopherson, chairman of the board of the Union Savings Bank, heads a committee in charge of a campaign to sell stock in Nordic Hall, a memorial to Norse pioneers who started coming to the Big Sioux valley in 1866. The building is already under construction. It will be used for banquets, conventions and recreation.

* * *

Local bank clearings increased from \$22,965,587.83 in April, 1950, to \$25,859,868.24 in April, 1951.

THE NATIONAL BANK OF SOUTH DAKOTA

Huron

Sioux Falls

Vermillion

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION

Northwestern Banker, June, 1951

Record-Breaking Attendance At South Dakota Convention

J. N. Patton of Mitchell Elected President

J N. PATTON, president of the Mitchell National Bank, was elected president of the South Dakota Bankers Association at the 59th annual convention of the organization, held last month in Sioux Falls. The convention this year was the largest in attendance ever held by the association, with 750 men and women at the banquet and stage show, which concluded the two-day meeting.

Elected vice president of the South Dakota Association at the convention was Erling Haugo, president of the Sioux Valley Bank, Sioux Falls. Mr. Haugo is a former banking commissioner of South Dakota.

Carl E. Bahmeier, Jr., who has sparked the association so effectively for the past few years, continues as executive secretary-treasurer.

At the brief business session of South Dakota members of the American Bankers Association, John M. Ryan, president of the First National Bank of the Black Hills, Rapid City, was named a member of the ABA nominating committee to serve at the national convention this fall, and Thomas E. Porter, president of the Security Bank of Webster, was elected alternate. The South Dakota convention endorsed Harold Brenton of Des Moines, Iowa, as its candidate for vice president of the American Bankers Association at the 1951 convention in Chicago.

Speakers at the convention all brought information of interest and value, but two talks were of the grass-

roots variety that appealed to country banks. One of these was "Manpower Situation in Country Banks," by W. M. Willy, president of the Security Bank & Trust Company of Madison, South Dakota. The possibility of war drain on bank personnel to a much greater extent than now exists has bankers thinking back to the help problem they faced during World War II.

Mr. Willy said there are 7,500 so-called country banks in the United States which have three to five employees. This number includes all officers and, during World War II, banks lost 32 per cent of their help to the armed forces. In the case of the small bank this would be about one employee per bank.

It was discovered, however, that women who were hired in large numbers by banks, can assume large responsibilities if such are given, and cites his own bank where he has a woman now making practically all his loans.

"It is probably our own fault that women have not been recognized before," said Mr. Willy. "Give them responsibility and they will surprise you. We are coming into what I think will be another manpower shortage, but here is what we are doing in our bank to offset it:

"Giving our employees better training, and operating a constant training plan.

"We have a definite recruiting plan. "Use more time-saving equipment.

"A satisfactory salary program.

"I firmly believe the above will solve the problem. It works in our bank and should in yours."

There was no discussion from the convention floor as to where the 1952 meeting would be held, but depending upon our completion of an auditorium now under construction, there is a possibility that the 60th convention of the South Dakota Bankers Association will be in Huron.—The End.

On Airline Board

Robert E. Driscoll has been elected to the board of directors of Western Airlines at the 25th annual stockholders meeting. Mr. Driscoll is chairman of the board of the First National Bank of the Black Hills in Rapid City, South Dakota.

50 Years

The Dakota State Bank celebrated its 50th anniversary on May 18th. The bank was opened in Wentworth, South Dakota, as the Wentworth Bank, on May 18, 1901. In 1935 the name was changed to Dakota State Bank and the head office moved to Colman, South Dakota, and a branch office established at Wentworth. In 1946 a branch office was also established at Chester, South Dakota.

A. J. Harrington, chairman of the board and who is still active and manager of the Wentworth office established the bank back in 1901. C. W. Harrington, president, and E. J. Harrington, cashier, are his sons.

At the South Dakota Convention —→

The pictures on the opposite page were taken at the 1951 meeting of the **South Dakota Bankers Association**, held last month in Sioux Falls. Reading from left to right, those pictured are:

1—Newly elected officers of the South Dakota Association: Vice President, **Erling Haugo**, president, Sioux Valley Bank, Sioux Falls; Secretary, **Carl Bahmeier**, Huron, and President, **J. N. Patton**, president, Mitchell National Bank.

2—**D. J. Needham**, Washington, D. C., general counsel for the American Bankers Association; **C. H. Lockhart**, president, First Citizens National Bank, Watertown, and **J. M. Lloyd**, vice president, American State Bank, Yankton. Just over Mr. Needham's shoulder is **B. J. McCartney**, Sioux Falls, of the United States Check Book Company.

3—**Tom S. Harkison**, president, National Bank of South Dakota, Sioux Falls; **William C. Duffy**, president, Union Savings Bank, Sioux Falls, and **H. R. Kibbee, Jr.**, president, Commercial Trust & Savings Bank, Mitchell.

4—**Mrs. Arthur E. Dahl**, Rapid City; **Tom C. Cannon**, Com-

merce Trust Company, Kansas City, Missouri, and **Mr. Dahl**, president, Rapid City National Bank.

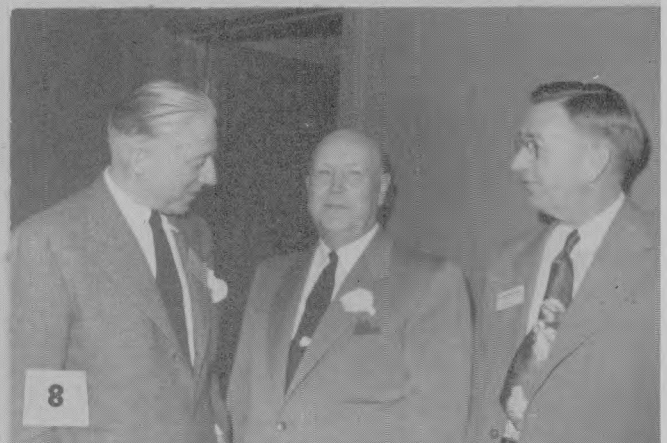
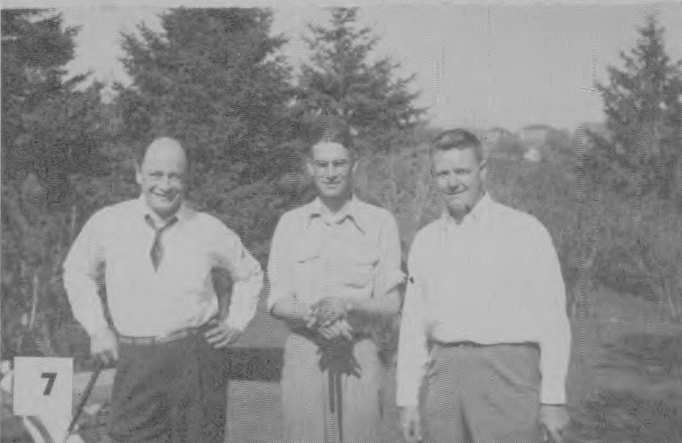
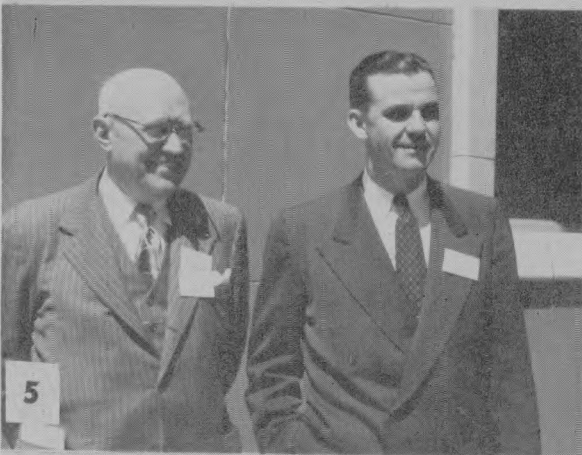
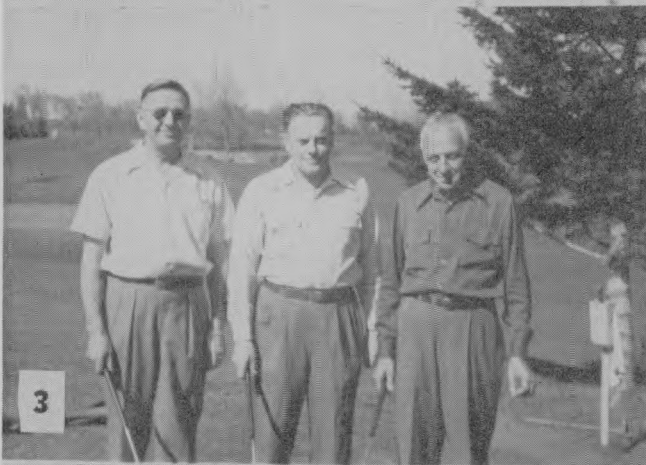
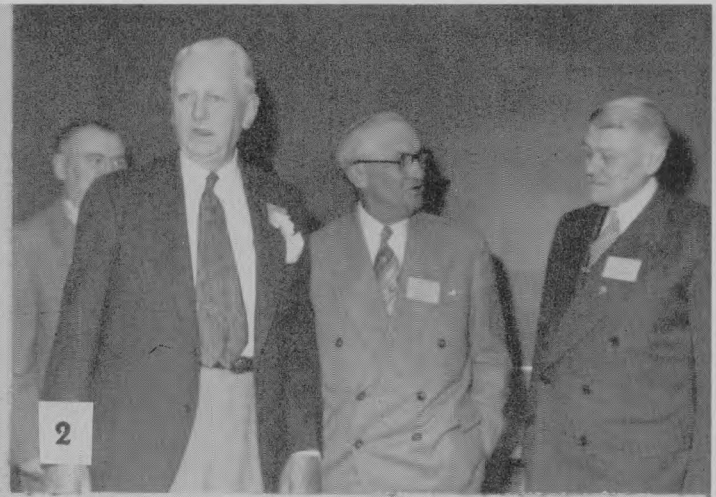
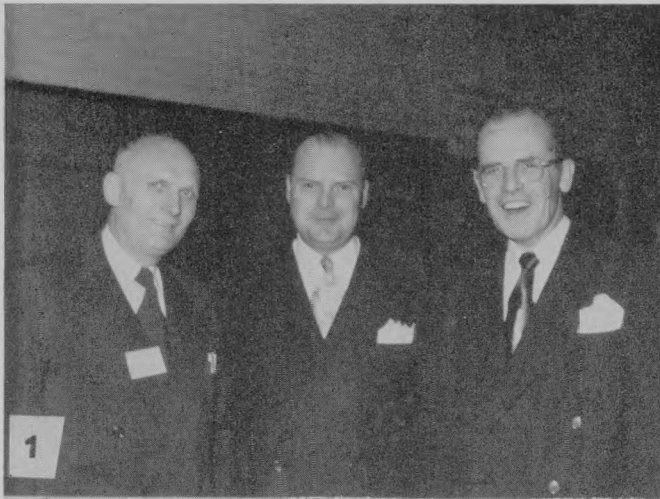
5—**Henry H. Byers**, president, Bankers Service Company, Des Moines, and **John C. Hemmerle**, First National Bank, Chicago.

6—**John B. Connors**, vice president, Security-First National Bank, Los Angeles; **J. L. Driscoll**, manager, Merrill Lynch, Pierce Fenner & Beane, Minneapolis; **William Reardon**, Sioux Falls; **Lloyd Smith**, president, Stock Yards National Bank, St. Paul; **A. L. Wikholm**, assistant vice president, American National Bank, St. Paul; **R. E. Driscoll**, chairman, First National Bank of the Black Hills, Rapid City, and **Jess Taylor**, Sioux Falls.

7—**John V. Haas**, second vice president, Northern Trust Company, Chicago; **John N. Thomson**, president, Bank of Centerville, and **Carl E. Haugen**, Chase National Bank, New York.

8—**Fred O'Hair**, executive director, Nebraska Conservation Foundation, Omaha; **Fred C. Christopherson**, editor, Sioux Falls Argus-Leader, and **Tom Harkison**, president, National Bank of South Dakota, Sioux Falls.

Northwestern Banker, June, 1951





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Make National Bank of Tulsa financing a part of your oil program. NBT has the facilities, resources and experience to assure you the vital assistance and fast service you need when engaged in sound oil operations. A confidential, beneficial discussion of your needs will be welcomed by one of our officers any time.



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Northwestern Banker, June, 1951



North Dakota NEWS

G. A. KLEFSTAD
President
Fargo



C. C. WATTAM
Secretary
Fargo

Oil Seminar Attracts More Than 400 People at Fargo

MORE than 400 people attended the oil seminar and banquet sponsored by the Fargo, North Dakota, Chamber of Commerce last month. Many bankers were present since the meeting took place on the evening preceding the North Dakota Bankers Annual Convention. Representatives of the oil industry from Oklahoma, Texas and Louisiana were also on hand.

Dr. Wilson Laird of Grand Forks, state geologist, told the gathering that Amerada Petroleum Corporation had filed application to drill a well in McKenzie county, 26 miles south of Watford City, and a well about 12 miles north of the Tioga well in Williams county.

Principals in the oil seminar included Earl Foster, executive secretary of the Interstate Oil Compact Commission, Oklahoma City; Earl Brown, general counsel of the Magnolia Petroleum Company, Dallas; C. H. Arnold, Fargo, seminar chairman, and Glenn M. Forgan, vice president of the First National Bank of Chicago.

The panel of speakers discussed the finding of oil, its processing and marketing, its financing and the regulation of oil development.

Two Employees

Two employees have been added to the staff of the Walsh County State Bank in Grafton, North Dakota, W. J. Johnston, president, announced. They are Miss Edith Monson, stenographer, and Mrs. Peter Seigny, bookkeeper.

The latest model of addressographs has been added recently to equipment used in the bookkeeping department of the Walsh County State Bank, Mr. Johnston said. The new machine replaces one in use for several years.

Receive Approval

An increase in common stock of the Garrison, North Dakota, State Bank from \$40,000 to \$50,000 has been approved by the state banking board.

Also approved was renewal of cor-

porate existence of the Souris, North Dakota, State Bank for 25 years.

To Resume Loans

Farm mortgage lending in North Dakota will be resumed July 1st, the Federal Land Bank of St. Paul announced.

The lending was halted 14 years ago because of state laws which conflicted with the farm loan act. Lending is being resumed as a result of action by the North Dakota legislature.

New legislation affecting foreclosures and deficiency judgments modifies the previous laws by eliminating certain features that were in conflict with the farm loan act, Leonard Nordman, regional manager of the Land Bank, said.

MORE MINNESOTA NEWS

County Election

The annual meeting of the Douglas County Bankers Association was held at the Interlachen Inn, Alexandria, Minnesota.

LeRoy Wollin, president of the Citizens State Bank of Brandon, was elected to succeed William Beery, assistant cashier of the Alexandria State Bank, as president of the association, while D. W. Johnson, assistant cashier of the First Farmers National Bank of Alexandria, was elected to succeed Mr. Wollin as vice president. Sam Meyers, cashier of the Citizens State Bank of Brandon, was elected to succeed Mr. Johnson as secretary-treasurer.

Frank E. King

Frank E. King, 71, president of the First National Bank in Grand Rapids, Minnesota, died recently in a Minneapolis hospital. Mr. King was prominent in the banking and lumber business in the northeast section of the state. He had been associated with First National Bank for 40 years.

Named Assistant Cashier

Stanley M. Morris, employee of the First National Bank of Rochester, Minnesota, since June 1, 1926, was elected assistant cashier at a meeting of the board of directors.

Mr. Morris, a major in the army, answered a recall to service with the Rochester unit of the 41st National Guard division last January, as regimental intelligence officer for the 41st. He was on detached service pending separation for physical disability at the time of his election by the bank.

Capital Increased

The board of directors of the Ellsworth State Bank, Ellsworth, Minnesota, has increased the capital stock from \$20,000 to \$30,000. This bank was started as a private undertaking by E. A. Brown in 1893 and so run until 1904 when it was incorporated as The German State Bank with a capital of \$15,000. During World War I the name was again changed to Ellsworth State Bank and the capital raised to \$20,000. E. A. Nelson is president; D. J. McCarron is vice president; Theresa Burke is cashier, and Lloyd J. Olesen is assistant cashier.

Duluth A.I.B. Officers

Newly elected officers of the Duluth Chapter of the American Institute of Banking are as follows:

James Claypool, City National, president; Berthold J. Brody, First and American National, first vice president; Alexander M. Castle, Northern Minnesota National, second vice president; Elizabeth Cheslak, Western National, secretary; Chester W. Wedin, Northwestern Bank of Commerce, treasurer; Mrs. Genevieve Johnson, Northern Minnesota National, women's committee chairman, and Hilma Linden, Alvin G. Schlagel, Gunder Schwanz and Lester Wedin to the board of governors.

Wood Lake Changes

The board of directors of the State Bank of Wood Lake, Minnesota, has announced the following changes in officers of the bank:

Dr. R. H. Kath has been elected chairman of the board, H. G. Hamre has been elevated to president, and Loyd Schroeder has been advanced to cashier.

Other changes in the organization included the naming of Miss Gloria Henke as assistant cashier and the addition of Miss Doreen Alke to the bank staff.

Other officers of the bank are: George Timm, vice president and director, and Harry Payne, director.

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SAFEKEEPING—Our vault facilities are exceptional—they, together with experienced personnel, assure the complete protection, efficient handling and, equally important, the immediate availability of your securities.

SPECIAL SERVICE DEPARTMENT—Orders for purchase or sale of securities are placed immediately by telephone to principal markets. Prompt attention given to all collections.

CASH ITEMS—All services available are used to expedite the presentation of your items—frequent messenger service to Federal Reserve Bank and Post Office assures you of the fastest service in this area.

CORRESPONDENT BANK DIVISION—Representatives of this division will be pleased to assist you whenever possible.

COOPERATION—The most important service we offer you as a correspondent is our complete cooperation in fulfilling your every banking need.

The
UNITED STATES
National BANK of Omaha

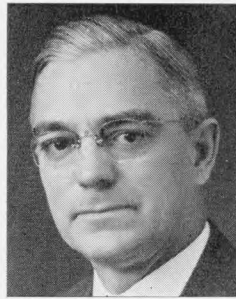
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



EARL H. WILKINS
President
Geneva

Nebraska NEWS

CARL G. SWANSON
Secretary
Omaha



Hartington Election

The Bank of Hartington, Nebraska, announced last month that the board of directors had elected V. E. "Vince" Rossiter as president, to fill the vacancy created by the death of his father, E. W. Rossiter.

Edgar M. Hoar, formerly the vice president of the bank, was named vice president and cashier. No other changes or additions to the bank personnel are contemplated.

Increases Interest

The First National Bank of Hay Springs, Nebraska, announces that the interest rate paid on time certificates of deposit and on savings accounts has been increased to 2 per cent per annum, payable semi-annually.

New Cairo Offices

The State Bank of Cairo, Nebraska, is building two attractive office rooms in the rear of the bank. Glass brick will be used above a four-foot wall to an over-all height of eight feet.

These offices will add to the appearance of the interior of the bank, as well as to the convenience of officials and customers.

Changes Position

Darlene Hinz has resigned her position as bookkeeper at the Farmers State Bank, Plymouth, Nebraska, and has taken a position with the First National Bank of Beatrice. She is succeeded at the Farmers State Bank by Ione Koenig.

Elected President

James L. Gray was recently elected president of the Coleridge National Bank, Coleridge, Nebraska, to fill the vacancy created by the death of his mother, Mrs. George A. Gray.

Mr. Gray has been in the banking business since 1938. He worked for the Farmers State Bank at Ellsworth,

Iowa, and also the First National Bank at West Des Moines, Iowa.

He was also an assistant national bank examiner in the Tenth Federal



JAMES L. GRAY
Heads Coleridge Bank

Reserve District for two years and is a graduate of the College of Business Administration at the University of Nebraska in class of 1937.

He has been cashier of the Coleridge National Bank since 1945, and his father, the late George A. Gray, founded this bank in 1902.

Nebraska Bank Week

"Let's Get Better Acquainted" will be the theme of Nebraska Bank Week, September 17th to 22nd, according to A. J. Rhodes, chairman of the committee on public relations for the Nebraska Bankers Association.

Similar projects have been highly successful in other states. By study of other plans and use of original ideas, applicable to Nebraska, an outstanding program has been arranged. The com-

mittee feels that the successful promotion of this cooperative program will do much to inform the public about bank service and create a better understanding of all banks.

Complete state-wide acceptance of Nebraska Bank Week, however, will depend upon the cooperation of all member banks in the use of the materials the committee is providing.

New Hastings Cashier

The city of Beatrice, Nebraska, has a vacancy in its community leadership and the Beatrice National Bank in its staff as Wayne Decker left recently to assume a position as cashier at the City National Bank in Hastings.

He has been assistant cashier at the Beatrice Bank since 1943.

Install Recordak

The Hardy State Bank, Hardy, Nebraska, always on tip toe to provide the community with the latest and the best in banking service, has installed a Recordak to make time-defying, indisputable, tamper-proof microfilm records of all items handled by the bank.

New Front

Work began recently on the new front at the Washington County Bank, Blair, Nebraska, which will complete the enlarging and remodeling program of the building.

There will be three large windows in the new front, each 58 inches in width.

The entrance will remain where it now is but the step will be changed to a slight incline which will make easier access to the building for many customers. The new entrance door will be all glass.

The balance of the front will be constructed of brick and this will be run up several feet above the ceiling line of the first story.

A new sign bearing the words "Washington County Bank" is also planned for the building.

New Hours

The Johnson County Bank, Tecumseh, Nebraska, has announced that it will be closed Saturday afternoons for an indefinite time this summer. Construction work on the bank building is stated as the reason for the shortened bank hours that day of each week.

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JOHN BUNDY, assistant trust officer of the First National Bank of Omaha for five years, recently accepted a position with the Seattle, Washington, First National Bank Trust Department.

Mr. Bundy joined the Omaha bank after three years of service in World War II. Before that, he was with the Michigan Trust Company at Grand Rapids.

He moved to Seattle May 1. Mr. and Mrs. Bundy were honored at many parties before their departure.

The **Carew brothers** of the Omaha National Bank were among nine former Merchants National Bank of Omaha employees who were given watches for 25 years of service at the Omaha National recently.

John and Tom Carew both started as messengers at the old Merchants

National. John had 17 years of service and Tom nine years before the Merchants National was taken over by the Omaha National in 1926.

John is now assistant cashier of the Omaha National and Tom is bookkeeper.

The watches were presented by **W. B. Millard, Jr.**, president of the Omaha National.

Others who received watches included **Sarah Feltman**, telephone operator; **Margaret Cusick**, analysis department; **Ethel Mellor**, women's department; **Franz J. Nelson**, accounting; **Laurine Sampson**, bookkeeper; **Thomas G. Williams**, assistant cashier, and **Grant Yates**, paying teller.

A. S. "Chico" Chaves, comptroller of the Live Stock National Bank, Omaha, Nebraska, has returned from a successful trip in Great Falls and Bill-

ings, Montana, where he assisted in the organization of two new conferences of the National Association of Bank Auditors and Comptrollers. Mr. Chaves was principal speaker at both meetings, speaking on the psychological aspect of bank auditing.

Ralph T. Henderson, 55, formerly associated with the Federal Reserve Bank, Omaha Branch, died in North Hollywood, California, recently after suffering a heart attack in a restaurant. His wife; one son, with the FBI in New York City; one sister, and one brother survive.

Harold Potter of the collection department of the United States National Bank of Omaha heard an unusual noise at his home one morning recently.

He and his family began a search. In the basement, they discovered a teal. The mystery was how the wild duck got into the locked house.

One guess was down the chimney, by-passing the furnace by way of an air shaft. The bird was freed.

James E. Musgrave, 42, of Oklahoma City, Oklahoma, vice president of the Fidelity National Bank of Oklahoma City, died recently of leukemia in a Columbus, Ohio, hospital.

He was the son of James H. Musgrave, former general superintendent of postal transportation at Omaha.

Harold S. Peterson, vice president of the Peterson Lithograph and Printing Company of Omaha, died recently at San Diego, California, after an illness of several years. Because of his health, he moved to the West Coast two years ago.

Survivors include his wife, the former Louise Gibbons of Kearney, Nebraska, who had been his classmate at the University of Nebraska; a son, Thomas; his parents, Mr. and Mrs. A. P. Peterson; two brothers, Emery and Homer Peterson, and four sisters. Burial was at San Diego.

Mrs. Mildred V. Rogers, 52, wife of Harry E. Rogers, who retired recently as assistant vice president of the United States National Bank of Omaha, died recently at her home in Omaha. She had been seriously ill for some time.

(Turn to page 66, please)

OFFICERS

G. E. Porter
Chairman of the Board

J. A. Greenfield
President

T. J. McCullough
Vice President

M. E. Blanchard
Cashier

H. H. Broadhead, Jr.
Assistant Vice President

L. J. Komer
Assistant Cashier

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Correspondent facilities at this bank are complete for the speedy handling of your St. Joseph items. And, back of our promptness, is the accuracy and skill needed to take care of your live stock, grain, hay and other items, on the St. Joseph market.



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WE CAN SERVE YOU"**



Stock Yards National Bank
Omaha, Nebraska

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, June, 1951

OMAHA NEWS

(Continued from page 64)

Other survivors include a daughter, Marilyn; two sons, William and Douglas, all of Omaha; her mother, Mrs. Selma Jensen of Stromsburg, Nebraska; two sisters, and two brothers. Services and burial were at Omaha.

J. Clifford Rahel, first vice president and treasurer of the Wachob-Bender Corporation, Omaha investment bankers, was one of five Boy Scout officials from Omaha's Covered Wagon Council who attended the National Council meeting in Chicago. He is president of the Covered Wagon Council.

A success story that started in the Lancaster County Bank at Waverly, Nebraska, 30 years ago came to light recently as Omaha credit men prepared to honor their national president.

He is **A. J. Sutherland** of San Diego,

California, president of the Security Trust and Savings Bank there. Mr. Sutherland was born at Waverly and attended University Place, Nebraska, High School. He was graduated from the University of Nebraska in 1918 and then returned to Waverly after service in the armed forces of two years.

"I was janitor at the bank and also wrote insurance," he recalled at Omaha. "That was one of the beauties of a small-town bank in those days. You could vary your experience."

W. Dale Clark, chairman of the Board of the Omaha National Bank, was host at a luncheon for Mr. Sutherland at the Fontenelle Hotel. The Omaha Credit Men's Association gave a banquet in his honor.

Walter Pleiss of the Omaha Branch, Federal Reserve Bank of Kansas City, is the new president of the Omaha Chapter, American Institute of Banking. He is supervisor of the fiscal

agency department, for marketable securities, at the bank branch.

Other officers of the AIB Chapter are **Alice Zadina** of the Live Stock National Bank, vice president; **Oliver Dutch** of the Omaha National Bank, treasurer, and **Maree Kolouch** of the North Side Bank of Omaha, re-elected secretary.

Margaret Fuller of the First National Bank of Omaha, **Robert Cunningham** of the Federal Reserve Bank, and Mr. Dutch were elected to the Board of Governors.

A. J. Hallas, vice president, Stock Yards National Bank, gave talks on the "efficient use of credit in livestock enterprises" before the Livestock Marketing School and again before the Agricultural G. I. class at Underwood, Iowa. At their annual meeting in Council Bluffs, **John Carlson**, auditor of Stock Yards National, was elected vice president of the Omaha-Council Bluffs Chapter of the National Association of Bank Auditors and Comptrollers.

Omaha outdistanced other Midwest cities and most other cities of the nation in percentage of gain in bank clearings during the first three months of 1951.

A Dun and Bradstreet compilation of clearings of 25 cities showed that Omaha banks reported clearings of \$1,985,765,000 during the first quarter of the year. That was 33.56 per cent more than in the first three months last year.

This percentage of gain ranked Omaha fourth, behind Cleveland, Seattle, and San Francisco.

The average increase for the 25 cities, including New York, was 22.07 per cent.

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For Friendly,
Satisfying Correspondent
Service . . . use

The
**CONTINENTAL NATIONAL
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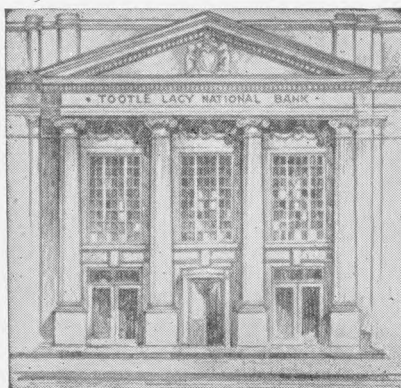
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BANK EMPLOYEES PLACED**46 Years Satisfactory Service****CHARLES E. WALTERS CO.**

OMAHA, NEBRASKA

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MILTON TOOTLE
PRESIDENT

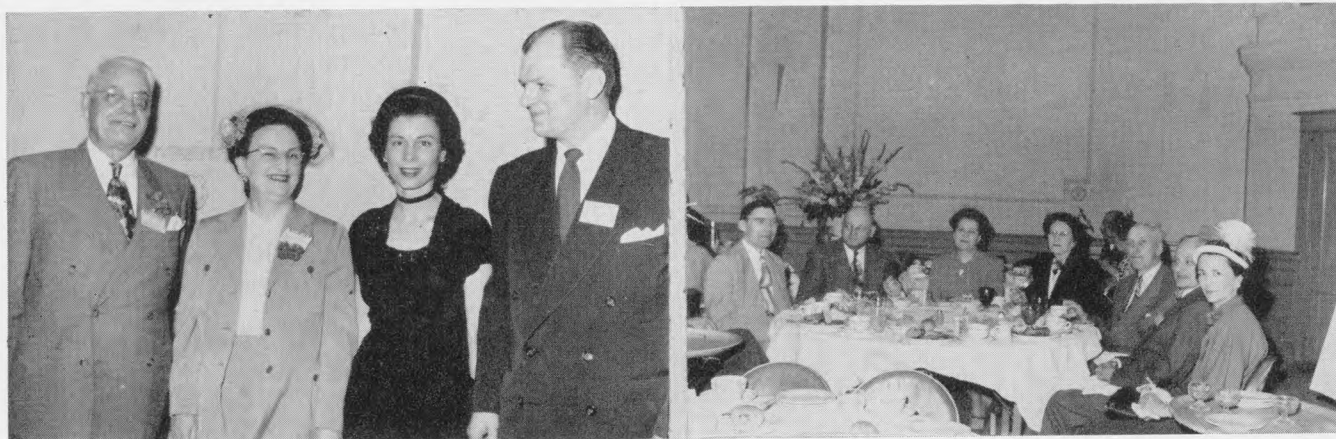
FRED T. BURRI
CASHIER

R. E. WALES
VICE PRESIDENT

GRAHAM G. LACY
CH. OF THE BOARD

Northwestern Banker, June, 1951

Six Nebraska Groups Meet And Elect New Officers



GROUP ONE—Above left, reading from left to right, are **Virgil E. Warren**, executive vice president and cashier, Auburn State Bank, and newly-elected president of Group One; **Mrs. Warren**; **Mrs. Max Schneider**; **Max Schneider**, assistant cashier, First National Bank, Lincoln, and new secretary-treasurer of Group One.

In the group around the table pictured right are the men who

pass on banking measures in the Nebraska unicameral legislature—**Hugo Srb**, clerk of the legislature; **Senator J. E. Beaver**, Beemer, member of the banking committee; **Mrs. Hugo Srb**; **Mrs. J. E. Beaver**; **Senator Ray Babcock**, Sidney, chairman of the legislative banking committee; **Senator Otto Kotouc, Sr.**, Humboldt, committee vice chairman, and president of the Home State Bank in Humboldt; and **Mrs. Otto Kotouc, Jr.**, whose husband is vice president of the Humboldt State Bank.

BECAUSE of the new problems which our present somewhat uncertain economy and the constant threat of another world war brings to banking, interest in the recently concluded meetings of the six groups of

the Nebraska Bankers Association reached a new high this year. While (Turn to page 69, please)

First National Bank of Omaha

Oldest National Bank From Omaha West

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

NATIONAL BANK ST. JOSEPH, MO.

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ASST. VICE PRES.

E. L. CRUME
ASST. VICE PRES.

MILTON TOOTLE, JR.
ASST. CASHIER

GILBERT TOOTLE
ASST. CASHIER

A. E. LA BOUFF
AUDITOR

Member Federal Deposit
Insurance Corporation

Northwestern Banker, June, 1951

Lincoln News



MAX PETERSON was elected president of the Lincoln chapter of the American Institute of Banking. He is associated with the Continental National Bank. He succeeds **Fred Hollingsworth**.

Our 80th Anniversary Year



We Are Looking Forward to
Seeing You at the
Meetings of the
Nebraska Bankers Clinic

THE FIRST NATIONAL BANK OF LINCOLN
LINCOLN, NEBRASKA

Member Federal Deposit Insurance Corporation

Named to the board of governors for the coming year were: **Virginia Brown** and **Ellis Dann** of the First National Bank; **Melvin Svoboda** and **Chester Neilsen** of the National Bank of Commerce, and **Bill Edgecomb** and **Betty Wurster** of the Continental National Bank.

* * *

Dr. Edgar Z. Palmer, head of the University of Nebraska's business research department, reports that bank lending in Nebraska has increased during the past six years.

Palmer said state banks loaned \$417,254,000 in 1950, compared with \$248,028,000 in 1944.

During the six-year period, farm loans increased two and a half per cent, real estate loans nearly three times, loans for business purposes four and a half times, and consumers loans 13 times.

Pressure of inflation and the post-war business expansion teamed to increase the state bank lending, Palmer said.

* * *

The employees of **The First National Bank** of Lincoln held their annual spring steak fry at Antelope Park last month. Despite intermittent showers, the people enjoyed an evening of dancing at the Park Pavilion.

* * *

Closing of banks on Saturday was made permissible by the Nebraska Legislature when they voted 31 to 10 to pass LB 328.

Senator Lee of Fremont told his colleagues it should be made clear the legislation is only "permissive."

"I don't want them saying the legislature made them close on Saturday," he explained.

"It's a week too late—they're already saying it," Senator Herbert Duis of Gothenburg commented.

* * *

The **First National Bank** of Lincoln and The First Trust Company of Lincoln held their annual stag party, May 23rd, at the Nebraska State Fair Grounds in Lincoln. A cafeteria type picnic supper was served. Through the years a strong rivalry has been built up over the annual softball game.

* * *

Joseph N. Martin of Lincoln died recently at Veterans Hospital.

He was a member of Westminster Presbyterian Church and the American Legion.

Until his recent illness he was president of the Farmers and Merchants

**YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA**

Bank at Milford and the Martin Farm and City Loan Company of Lincoln.

He was born at Ravanna, Missouri.

He became cashier of the Ravanna Bank, of which his father, the late H. T. Martin, was president.—The End.

GROUP MEETINGS

(Continued from page 67)

the attendance at the meetings, with the exception of Group One at Lincoln, was not quite up to average, enthusiasm and interest more than made up the difference. Particularly well received was the question and answer period, emceed by Burnham Yates, president of the First of Lincoln.

New officers for each of the Nebraska groups were elected as follows:

Group One—President, Virgil E. Warren, executive vice president and cashier, Auburn State Bank; vice president, E. R. Misko, vice president, First National Bank, York, and secretary-treasurer, Max Schneider, assistant cashier, First National, Lincoln. Mr. Warren served as acting president of Group One for the greater part of the past year.

Group Two—President, Howard Burdick, executive vice president and cashier, Central National Bank, Columbus; vice president, Harry Green, vice president, Bank of Valley, and secretary-treasurer, Don Byers, vice president and cashier, First National Bank, Osceola.

Group Three—President, M. B. Huffman, vice president, Farmers State Bank, Ewing; vice president, C. W. Fahnestock, president, Security National Bank, Laurel; secretary, Fred W. Muller, assistant cashier, DeLay National Bank, Norfolk, re-elected, and treasurer, Charles W. Fowle, assistant cashier, National Bank of Norfolk.

Group Four—President, Wiley Green, cashier, Wauneta Falls Bank; vice president, Minor Baird, president, Farmers Savings Bank, Superior, and secretary-treasurer, C. L. Van Horne, assistant vice president, Hastings National Bank.

Group Five—President, Tom Varney, Jr., president, Broken Bow State Bank; vice president, S. N. Wohlbach, vice president, First National Bank, Grand Island, and secretary-treasurer, Gordon Jones, president, Bank of Brady.

Group Six—President, D. W. Jorgenson, vice president, American National Bank, Sidney; vice president, J. R. Ivens, vice president, Sioux National Bank, Harrison, and secretary-treasurer, H. L. Carlson, president, Deuel County State Bank, Chappel.

With few exceptions the same speakers addressed all the meetings. Nebraska Association President Earl H.

Wilkins; J. F. McLain, director of banking; Wade R. Martin, vice president of the Live Stock National Bank of Omaha; A. J. Rhodes, vice president of the Omaha National Bank;

Hart Jorgenson, executive director of the Livestock Foundation of Omaha, and Fred O'Hair, executive director of the Nebraska Conservation Foundation, Inc., talked at all the meetings.

It's GOOD business to do business at HOME

It is always good business for a banker to patronize the firms in his community.

Likewise it has been good business for us to work **only** through the local banker on business in his **community**.

See Your Local Banker First

NATIONAL BANK of COMMERCE

LINCOLN, NEBRASKA

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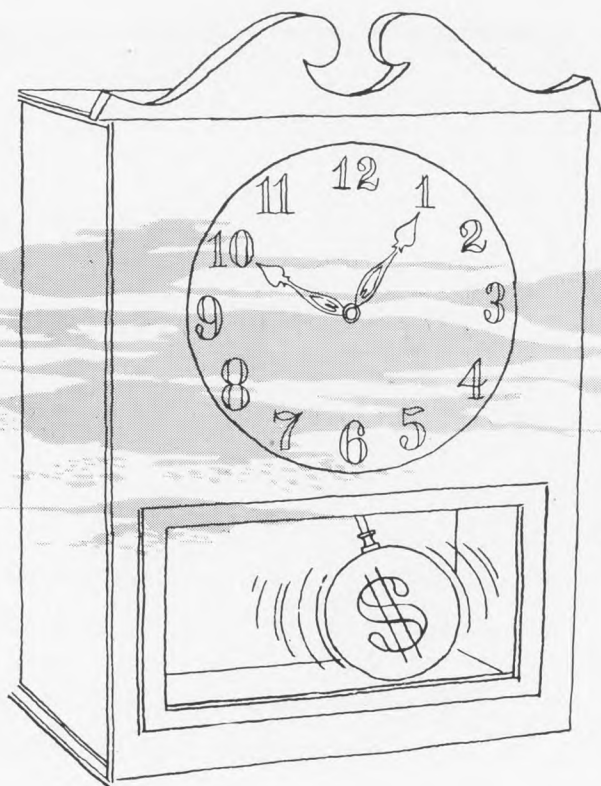
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No Minimum
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Money*

THAT old adage has been used many times . . . and it's still just as true as it ever was. Take transits for instance. The efficient transit department at Live Stock National Bank is busy night and day processing transits in order to save our growing list of correspondents sometimes as much as a whole day in clearing collection items.

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OMAHA, NEBRASKA

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Member of Federal Reserve and Federal Deposit Insurance Corporation

Northwestern Banker, June, 1951



J. H. PULLMAN
President
Sidney

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Announce Farm Credit School

THE SIXTH annual Agricultural Credit School is being scheduled at Iowa State College June 18 to 29, according to H. B. Howell, extension farm management specialist in charge of the school.

Sponsored by the Iowa Bankers' Association and the department of economics and sociology at the college, the school is designed to give bankers and bank employees special instruction in extending and administering farm credit.

Course work planned for the 1951 farm banking school includes studies of trends in production costs and income, land use, the national and international economic outlook, and principles used in appraisal of farms and personal property for loans, investment and taxes.

Besides instruction by members of the Iowa State College staff, bankers and others active in farm credit fields will lead discussions on banking law, chattel mortgages, case histories of farm loans and duties of a bank fieldman, Howell said. A one-day field trip to study various types of Iowa farms also is featured in the 10-day school.

Complete Remodeling

The First Trust & Savings Bank of Alta, Iowa, has just completed the remodeling of the interior of its building. Among other new features, modern light fixtures and teller cages were installed, according to John J. Gordon, cashier.

G. I. Clinic

The Third Annual "G.I. Loan Service and Claims Clinic" will be held Monday, June 11, 1951, at the Hotel Fort Des Moines in Des Moines, Iowa, according to Frank Warner, secretary of the Iowa Bankers Association.

Chairman of the clinic will be David Ruml, vice president of the Guaranty Bank & Trust Company, Cedar Rapids, Iowa. Aiding Mr. Ruml in taking charge of the meeting will be Vice Chairman N. J. Greteman, vice president of the American Trust & Savings Bank of Dubuque, Iowa, and Walter

T. Robinson, Iowa loan guaranty officer.

West Chester Story

The West Chester Savings Bank of West Chester, Iowa, was given an excellent writeup in a recent issue of the Washington, Iowa, *Evening Journal*.

The bank was organized in July 1900, and the article told how the bank has shown steady progress through more than 50 years, giving many interesting sidelights on events about the bank since 1900.

New Jefferson Officer

Robert D. McKee, former assistant cashier of the First National Bank of Perry, Iowa, has resigned to take a similar position with the Jefferson State Bank of Jefferson, Iowa, according to R. H. Maloney, executive vice president of the Jefferson bank.

Mr. McKee's home was in Indianola originally and he graduated in 1944 from high school. In 1949, he graduated from Iowa State College in Ames, Iowa, where he majored in industrial economics.

Praise Denison Banker

Thurman C. Aarestad, president of the First National Bank of Denison, Iowa, was properly recognized recently by *The Denison Bulletin* for his exceptional cooperation toward the planning and building of the new Crawford County Hospital.

In a story that occupied one-half of the front page, the newspaper had this to say about Mr. Aarestad, "He has earned the distinction of being the guiding light for many years in the county's hard work for a hospital. Since his arrival in Denison 10 years ago from Grafton, South Dakota, he has never ceased to work toward the goal that has now been culminated."

Re-elect Officers

The Farmers State Bank of Merrill, Iowa, held their annual meeting recently and the same officers were re-

elected. They are: H. J. Harms, president, G. B. Main, vice president and M. O. Nelson, cashier.

Bank Directory Change

Capital stock for the Farmers Savings Bank of North English, Iowa, is \$60,000.

It was incorrectly listed in the 1951 edition of the Iowa-Nebraska Bank Directory, and all subscribers should make this correction in their copies. All other information was listed correctly for the Farmers Savings Bank.

Honor Roy Johnson

At the annual meeting of the Cerro Gordo County Red Cross Chapter held in Mason City recently, Roy B. Johnson, vice president of the First National Bank, was elected an honorary life member of the executive board. The honor was accorded to him for having served more than twenty-five years as chapter treasurer, annual fund raising chairman, a member of the executive committee and as chapter chairman.

Chickasaw Meeting

The Chickasaw County Bankers Association met in New Hampton at the Colonial Room in the Miller Hotel recently, all of the several banks of the county being represented. The National Program of Voluntary Credit Restraint was the chief matter of discussion.

Elect R. E. Moyer

At a special meeting of the board of directors of the Farmers Savings Bank of Garwin, Iowa, Alfred Woehlk was appointed a director to fill the vacancy caused by the death of W. N. Townsend.

Mr. Townsend had been president of the bank since its organization in 1912.

R. E. Moyer, who has been vice president, was elected president and Henry H. Emke was elected as the new vice president.

George Elwell, cashier, continues as executive officer.

Grundy Meeting

At the Grundy County, Iowa, bankers meeting held recently at the Hemp Mill it was discussed closing all banks in the county on Thursday afternoons. Grundy Center banks were much in favor of the closing, stating that their help problem was a major factor in the closing, as the court house gave employees a half-day holiday each week, as do most other major businesses. On vote five of the seven banks agreed to close on Thursday

Northwestern Banker, June, 1951

afternoons, with Reinbeck and Dike banks agreeing to remain open. Credit regulations were also discussed at the meeting.

LeMars Bonds

Bidding was lively among the nine bidders present last month at the sale of LeMars \$220,000 school bond issue to raise funds for the construction of the new vocational school and classroom addition to the Central High School.

Henry Harms, bidding for the LeMars Savings Bank, in combination with the Northern Trust Company of Chicago were high bidders, with an offer which will fix the interest rate at approximately 1.78 per cent.

Elect E. T. Peterson

E. T. Peterson of the Primghar Savings Bank, Primghar, Iowa, was elected president of the O'Brien County Bankers Association at the annual meeting of that organization at Sanborn last month. Other officers chosen to serve for the coming year were: James Cravens of the Sanborn Savings Bank, vice president; and A. C. Horstmann of the First National Bank of Paullina, secretary.

Webster Group Meets

William Hopkins, of the Federal Bureau of Investigation, was the principal speaker when the Webster County, Iowa, Bankers Association held its annual joint meeting with the

Gowrie Kiwanis Club last month in Gowrie at the Legion auditorium.

Around 40 county bankers were guests of the local Kiwanians that night.

80th Anniversary

The Bedford National Bank of Bedford, Iowa, observed its 80th anniversary last month.

Capital stock and surplus of the Bedford National Bank is \$100,000. The present personnel of the bank consists of W. E. Crum, Jr., president; J. F. Longfellow, vice president; C. H. Cummings, cashier; W. E. Crum III, assistant cashier, who, with John M. Dinges are the present directors.

Jackson Group Meets

The Jackson County, Iowa, Bankers Association met in the Legion rooms at Preston last month. Dinner was served by the American Legion ladies followed by a business session and a social hour. Banks represented were Andrews, Baldwin, Bellevue, Maquoketa, Miles, Teeds Grove, Spragueville and Preston.

Madrid Hosts

The officers of City State Bank of Madrid, Iowa, were hosts to about 150 bankers recently. The meeting was held in the Legion hall, commencing at 5:30 in the afternoon, stopping at 6:30 for a splendid dinner served by ladies of the Legion auxiliary, and then returning to a discussion which lasted until about 9 o'clock.

The discussions were in charge of Walter Anderson of the City State Bank of Madrid and George Nelson, personnel manager for the Central National Bank & Trust Company of Des Moines.

Annual Meeting

Executive officers of 243 savings, building and loan associations in a five-state area were in Des Moines recently for the eighteenth annual stockholders' meeting of the Federal Home Loan Bank of Des Moines.

More than 550 persons from Iowa, Minnesota, Missouri, North Dakota and South Dakota were attending.

Robert J. Richardson, president of the Des Moines Home Loan Bank, presented the annual report to stockholders and introduced guests.

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W. L. Temple, Vice President

J. R. Graning, Cashier

E. A. Johnson, Assistant Cashier

H. H. Strifert, Assistant Cashier

K. J. Shannon, Assistant Cashier

E. E. Snell, Assistant Cashier

E. V. Hoffman, Assistant Cashier



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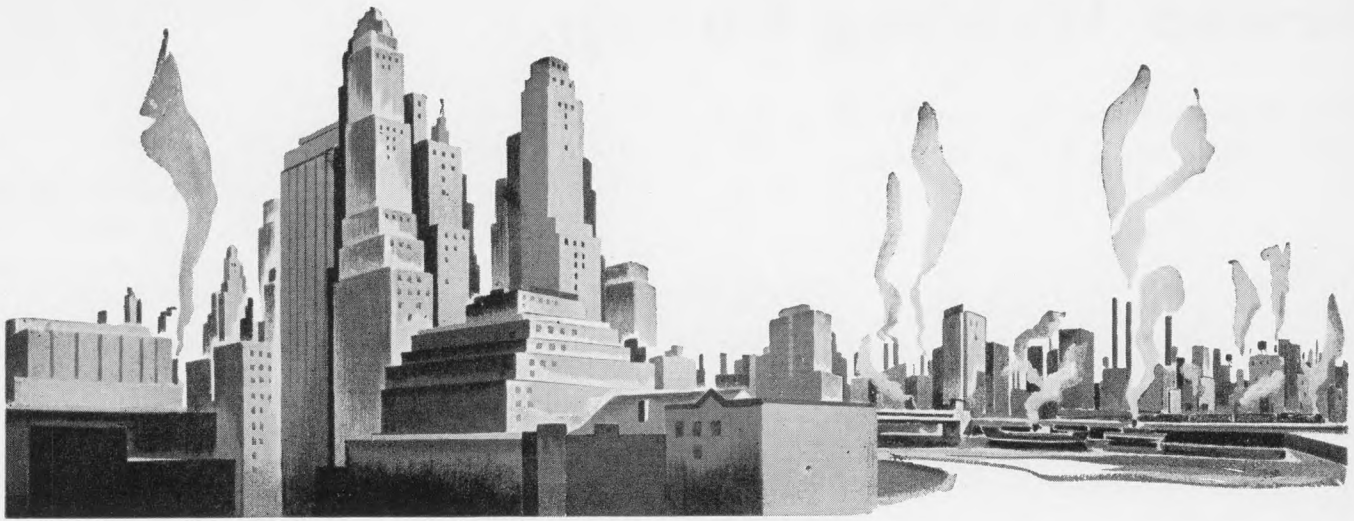
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Group Meeting Gossip

What Was Said and Heard at the First Four Of the Eight Iowa Group Meetings

THE first six of the Iowa Group Meetings took place during the month of May and were very well attended in spite of some rainy weather.

W. J. Otto, president of the Walnut State Bank of Walnut, Iowa, was elected chairman of Group 5, although he was not present for his "inauguration," as he was in Los Angeles attending his son's graduation from college.

* * *

Jim H. Pullman, president of the Iowa Bankers Association and vice president of the Fremont County Savings Bank of Sidney, Iowa, spoke at each of the Group Meetings on the



The President and The Secretary,
Jim and Frank

"Forward Look." Mr. Pullman emphasized that most country bankers were now making "productive loans which

E. A. Heiden (left), executive vice president of the Osage Farmers National Bank, Osage, was elected president of Group Three at its meeting in Iowa Falls last month. **L. C. Jorgensen** (right), cashier of the Citizens State Bank, Iowa Falls, was elected secretary.

Shown here greeting the bankers who attended the meeting of Group Four in Decorah last month are (left to right), **Alvin Renaas**, assistant cashier, Decorah State Bank; **Art Lindquist**, Merchants National Bank, Cedar Rapids; **Thomas Roberts, Jr.**, assistant cashier, Security Trust & Savings Bank, Decorah, and **W. P. Ronan**, vice president of the Decorah State Bank.



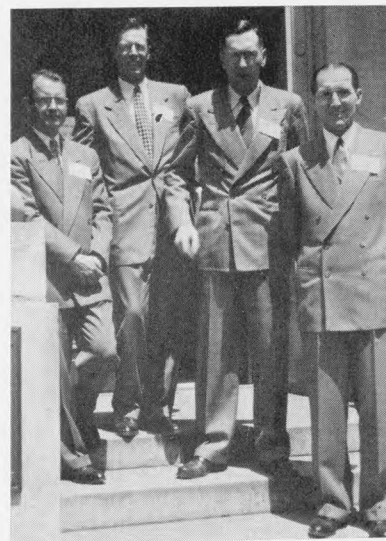
would benefit the national emergency."

* * *

Frank Warner, secretary of the Iowa Bankers Association, discussed some of the various bills which were introduced at the last session of the Iowa legislature and told of the part that the association and the Legislative Committee played in either fostering or objecting to these various pieces of legislation.

Mr. Warner pointed out that the association was making a survey as to the hours banks are open, and also to ascertain which half day or full day during the week, they were closed. Most banks now favor the Saturday afternoon closing.

(Turn to page 76, please)



At the Iowa Group Meetings

1. **Banker and Cash**—There is no bank that can get along without bankers or without cash, and this applies to the Council Bluffs Savings Bank, but in this case, these two important "items" are represented by two very charming young ladies, who are **Shirley Banker**, draft teller (left), and **Theresa Cash**, personal loan teller.

2. **Big Shots**—Left to right, the high-powered financiers in this picture are **N. P. Black**, State Superintendent of Banking in Iowa; **Delos J. Needham**, general counsel, American Bankers Association, Washington, D. C.; **Ben S. Summerwill**, president, Iowa State Bank and Trust Co., Iowa City, and **M. L. Abrahamson**, State Treasurer of Iowa, Des Moines.

3. **Two of a Kind**—These distinguished bankers helped to make the meeting of Group 5 a real success. On the left is **Charles W. Langmade**, assistant vice president of the Council Bluffs Savings Bank and newly elected secretary of Group 5, and **E. H. Spetman, Jr.**, assistant cashier and auditor, Council Bluffs Savings Bank, who was general chairman of the convention committee.

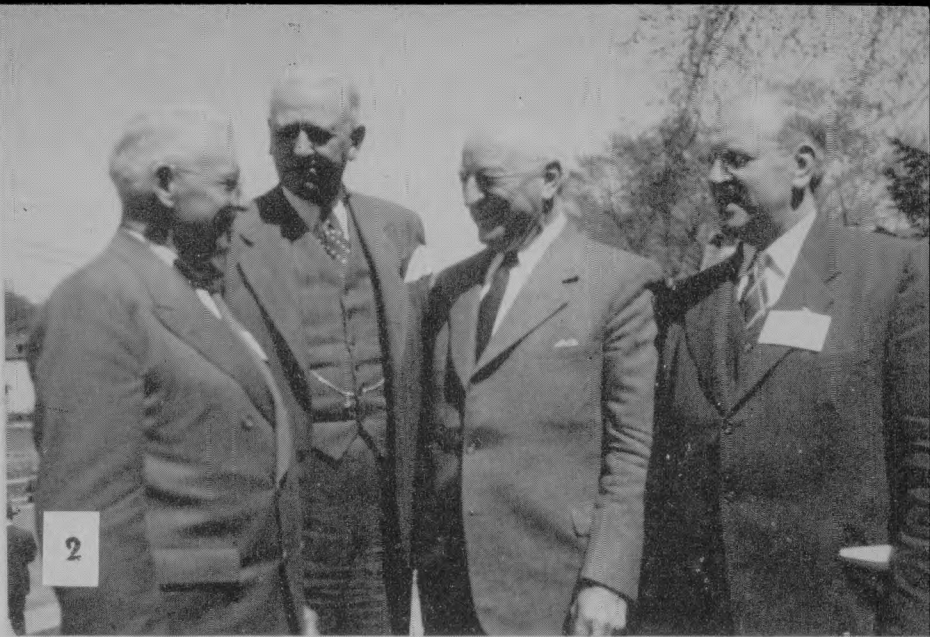
4. **Singing in the Rain**—**Scott C. Pidgeon**, president, Bankers

Trust Company, Des Moines; **William B. Whitman**, assistant vice president, American National Bank and Trust Company, Chicago; **Warren R. Langfitt**, manager, farm service department, Centerville National, Centerville; **F. L. Sawyers**, president, Centerville National Bank; **Marvin R. Selden**, vice president, Merchants National Bank, Cedar Rapids, and **George R. Garton**, president and cashier, First State Bank, Chariton.

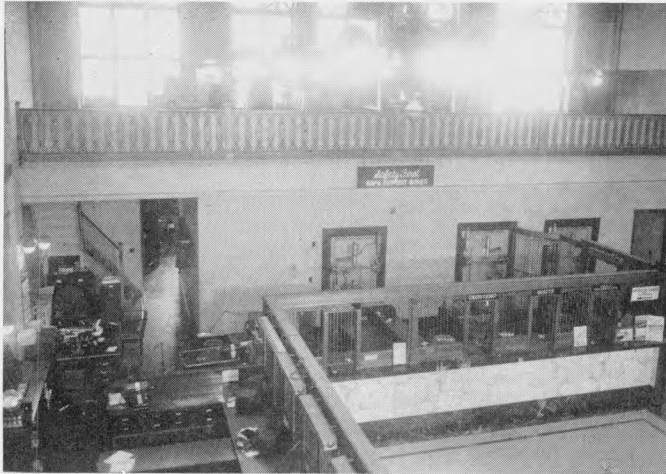
5. **The Tie That Binds**—These three handsome gentlemen believe in the "tie that binds" provided it is a polka dot bow tie which they all wear with youthful effectiveness. Left to right they are **Cecil K. Cullings**, president, Exchange State Bank, Exira, and retiring chairman of Group 5; **Clyde A. Blanchard**, president, State Savings Bank, Council Bluffs, and **Robert K. Popple**, assistant cashier, personal loan department, Bankers Trust Company, Des Moines.

6. **Two In and One Out**—Left to right are **P. G. Folvag**, cashier, Benton County Savings Bank, Norway, Iowa, and new chairman of Group 7; **W. W. Summerwill**, vice president, Iowa State Bank and Trust Company, Iowa City, retiring chairman of Group 7, and **S. C. Kimm**, cashier, Denver Savings Bank, Denver, Iowa, and new secretary of Group 7.

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Remodeled Bank in Clinton



BEFORE AND AFTER—An interior view of the City National Bank, Clinton, Iowa, is shown left above, before remodeling operations started. Compare it to the view taken from the same angle, since the remodeling has been completed.

In the picture at top right is **C. B. Bickle**, left, trust officer, and **J. H. Nissen**, vice president, standing near the passageway leading to the budget loan department and assembly room.



A THREE-DAY house-warming, or open house, was held in Clinton, Iowa, last month when the City National Bank celebrated the completion of its extensive interior remodeling and invited everyone interested to view the new fixtures throughout, placed in a complete re-arrangement of officers' quarters and working space.

Festivities started on a Monday, when 4,500 Clinton customers and friends of the bank toured the institution during a six-hour period. On the following day 125 bankers from western Illinois and eastern Iowa visited the City National, and were entertained at a dinner that evening. On Wednesday, members of the Mississippi Valley Chapter of National Association of Bank Auditors and Comptrollers, in Clinton for their regular monthly meeting, were shown the new quarters.

In the lower picture at the right, Henry Hansen, president of the Liberty Trust & Savings Bank, Durant, Iowa, congratulates Bruce Townsend, president of City National, on accomplishing a desire of many years. The Liberty Trust & Savings Bank is the oldest correspondent served by the City National.

The building occupied by The City National Bank for so many years was erected in 1912, when A. G. Smith was

president. The bank then had \$100,000 in deposits, and employed nine people, including officers. Deposits of the City National at the start of this year exceeded \$16,000,000, and the staff consists of 17 women and 20 men.

GROUP MEETINGS

(Continued from page 74)

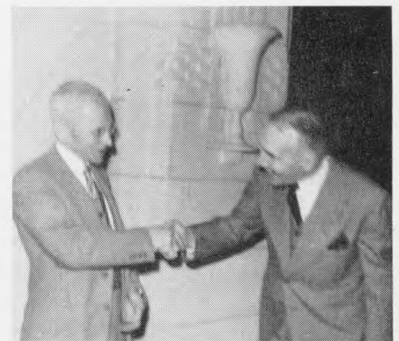
Leo J. Wegman, president of the Citizens Savings Bank of Anamosa, gave the response to the address of welcome at Muscatine and mentioned the fact that we were in the button center of the world, and said, "**I think we should send a few buttons to E. R. Gover of Chicago, supervising examiner for the 8th District of the FDIC, because I think he has lost some.**"

* * *

J. Yvo Floerchinger, executive vice president of the De Witt Bank and Trust Company of De Witt, Iowa, and chairman of Group 8, presided with a statesmanlike flourish which kept the meeting moving right on time.

* * *

F. L. Ludemann, Jr., wage-hour investigation supervisor for Iowa of the U. S. Department of Labor in Des Moines, discussed the new wage and salary stabilization regulation. He pointed out that all wages were frozen as of January 25, 1951, and then dis-



Henry Hansen, left, and Bruce Townsend

cussed the 10 regulations which made up this new government edict.

* * *

W. W. Summerwill, vice president of the Iowa State Bank and Trust Company at Iowa City, and retiring chairman of Group 7, appeared in a fancy tweed coat and a snappy yellow tie looking like the front page of *Esquire*.

* * *

D. J. Needham, general counsel of the American Bankers Association at Washington, D. C., told the Iowa City convention that "**lack of sound leadership in the Federal government is our greatest weakness today.**"

Among other statements by Mr. Needham were these:

"The Federal Reserve System is more muddled up today than ever before, and has gone into fields of activity it has no business to be in, but it should be put back where it will perform the functions for which it was

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originally established, and I hope in the next three years it will be greatly improved."

"Cooperative associations and savings and loan organizations pay no federal taxes at all and they should bear their just share of taxes the same as regular corporations."

"The postal savings system was established in 1910 and served a real purpose for awhile, but with less than 1,200 uninsured banks in the United States, there is no reason why the postal savings system should be continued. In fact, it should be liquidated at once, rather than continuing it and increasing the amount which can be deposited from \$2,500 to \$5,000 as a recent bill suggested."

"The Reconstruction Finance Corporation, while it has made some very bad mistakes, should be continued because if it is liquidated, some other agency will be established in its place."

* * *

C. Edward Dahlin, attorney for the First National Bank of Chicago, said that \$250 million represented the approximate losses last year from embezzlement and the forging of checks.

* * *

Two hundred bankers and their wives attended the Group 10 meeting in Chariton.

Despite the torrents of rain throughout the day, a few sturdy golfers enjoyed the beautiful nine hole golf course, since the Group 10 meeting was held at the Lake View Golf and Country Club.

The Group 10 meeting was an evening meeting, beginning with a banquet with Chairman C. C. Williamson, vice president of the First Trust and Union Savings Bank, Sigourney, serving as toastmaster. Ralph McGee, executive vice president of the Clarke County State Bank of Osceola, gave the response to the welcome.

The First State Bank and the National Bank and Trust Company of Chariton and the Farmers and Miners Bank of Lucas were hosts at the meeting.

* * *

Frank MacDavis, humorist and radio commentator of Springfield, Illinois, spoke at each of the meetings and emphasized that we should "take more time out for fun." He said that "peace of mind is sometimes hard to attain, although money and fame are somewhat easier to acquire," and suggested that each one should "plan your program of living."

* * *

N. P. Black, state superintendent of

banking, of Des Moines, gave an analysis of figures contained in the April 9, 1951, statements of the 556 state banks.

Among other things Mr. Black pointed out that the total assets of 556 banks were \$1,665,408,000, an increase of \$5,105,000 more than the "call" December 30, 1950.

Total deposits, \$1,548,024,000, an increase of \$2,163,000 more than the December 30th "call." In connection with this increase in deposits it is interesting to note that banks with total assets of \$15 million or more, eight in number, show an increase in deposits of \$3,918,000 and an increase

in loans of \$3,868,000, an increase in both deposits and loans, while the other 548 banks with assets less than \$15 million show a decline in deposits of \$1,800,000 and an increase in loans of \$15,868,000. You will notice in our smaller banks the trend in deposits is downward and the trend in loans upward. Not a healthy trend; they conflict one with the other.

Total demand and time deposits of individuals and corporations in all banks declined \$45,732,000—3.31 per cent; U. S. government, state and political subdivision deposits increased \$47,895,000—29.19 per cent. The gain in deposits, you will notice, has been

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in the latter class. Therefore, it appears doubtful if the total increase in deposits is a healthy showing.

The ratio of all loans, other than CCC loans, to deposits, increased from 35.95 to 37.18 per cent.

Total cash, U. S. securities and CCC guaranteed loans to assets declined from 58.60 per cent December 30th, to 57.44 per cent at the April "call."

Municipal bonds remained practically the same. Other bonds increased a trifle more than \$1 million—6.13 per cent. Bank building and equipment increased \$360,000—6.40 per cent.

Total basic capital increased from \$32,705,000 to \$33,383,000—2.07 per cent.

During the cattle feeding season of 1944 one bank financed 2,285 head of

feeding cattle, total cost \$163,070.22, an average of \$71.32 per head. In 1950, six years later, the same bank financed 2,518 head of feeding cattle, total cost \$429,270.07, an average of \$170 per head. The number of loans made were no more, but the dollar cost was nearly two and one-half times more. Now when you look at other prices—automobiles, tractors, farm machinery, building material, farm and city property values, etc.—you will find they have advanced in about the same proportion.

We are now told market values will never recede to low levels again and I hope they will not, but we were told the same thing in 1926-27-28-29, then in August, 1929, values declined rapidly. Corn to 10 cents a bushel, hogs at 2 cents a pound; no market for many corporate bonds; good municipal bonds sold for 50 cents on the dollar; government bonds as low as 82 cents on the dollar, and all values remained low until after the banking holiday in 1933.

For the past 17 years we have been favored with advancing markets, but how long will this condition continue? Again I say your guess is as good as mine, but I sincerely believe we should not be too greedy for profits. Let us keep our banks in such condition that we can so adjust our assets to meet any demands made by our depositors, keeping in mind always that checking accounts are payable on demand, savings accounts on short notice, if any notice is required, and time certificates when due.—The End.

Change Hours

Mason City's banks will close at 12 noon on Saturday hereafter, it was announced last month by the Mason City Clearing House Association. The closing hour on Saturday previously has been 1 p.m.

New Elliott Manager

R. C. Kipp has become the new manager of the Elliott, Iowa, branch of the Houghton State Bank. He succeeds George Wollenhaupt, who resigned.

Mr. Wollenhaupt has been manager since the branch bank was opened 16 years ago.

Increase Capital

The following changes took place in the status of Iowa chartered banks recently:

First State Bank, Thornton, increased capital from \$25,000 to \$50,000 by a stock dividend.

Iowa State Bank & Trust Company, Iowa City, increased capital from \$150,000 to \$200,000 by a stock dividend.

Marion County State Bank, Pella, retired \$11,500 preferred stock; increased common capital from \$25,000 to \$50,000—\$13,500 by a stock dividend and \$11,500 by new stock.

Farley State Bank, Farley, increased capital from \$25,000 to \$50,000 by a stock dividend.

State Bank of Wapello, Wapello, increased capital from \$25,000 to \$50,000 by a stock dividend.

Oran Savings Bank, Oran, increased capital from \$10,000 to \$25,000 by a stock dividend.

European Trip

Donald Rowe, president of the Fidelity Savings Bank in Ottumwa, Iowa, left with his wife to embark on a trip to Europe last month.

They are visiting their daughter and son-in-law, Dr. and Mrs. Jack Moyers in Copenhagen.

Ten Promotions

Ten persons were promoted to new positions at the Council Bluffs Savings Bank, Council Bluffs, Iowa, last month, Executive Vice President L. W. Ross announced.

Lester Haas, assistant vice president, was advanced from the bank's small loan department to the general loan division. He replaces James B. Gronstal, who resigned to join a Colorado bank.

Charles W. Langmade, formerly cashier, was named assistant vice president. Mr. Langmade will be in charge of the personal loan department vacated by Mr. Haas.

Paul L. Gronstal, formerly auditor, was advanced to the post of cashier and personnel director. Ed H. Spelman, Jr., assistant cashier, will retain his former duties and add that of auditor.

Duane A. Imirie, formerly chief teller, will advance to the discount cage, said Mr. Ross. The new chief teller will be Ernest W. Boehm, Jr.

Teller advancements included Andrew A. Adamson, who moves up to draft teller. Miss Shirley M. Banker, who was general bookkeeper, will move into Mr. Adamson's former post.

Bookkeeper advancements were Miss Eileen Finken, formerly head bookkeeper, to general bookkeeper, and Miss Rosemary Green to head bookkeeper.

Enters Hospital

Delmar Busse, executive vice president for the Citizens State Bank, Nora Springs, Iowa, entered the Jennie Edmundson Hospital in Council Bluffs last month for observation.

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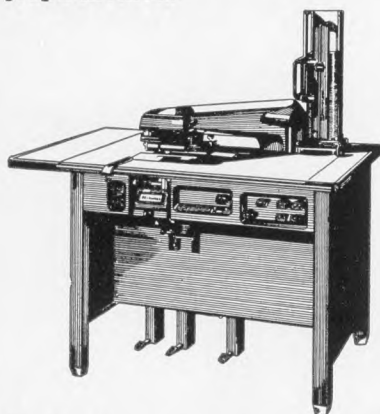
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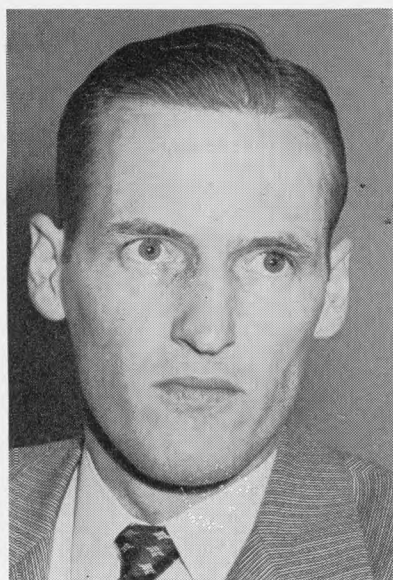
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DAVENPORT



Des Moines News

JAMES W. HUBBELL, chairman of the board of directors, Bankers Trust Company, has announced that **Hugh H. VanHosen** was elected as-



HUGH H. VANHOSEN
Elected assistant cashier at
Bankers Trust Company

sistant cashier and assistant manager, personal loan department, by the board of directors last month.

Mr. VanHosen began his career with the Bankers Trust Company in 1934. He started out as a messenger and later worked in the statement, proof and transit departments. He then served as teller until 1937. At that time he became a member of the personal loan department, where he has worked ever since, with the exception of four years in the Coast Guard during World War II.

* * *

Charles K. Grochala, assistant cashier of the Valley Bank and Trust Company, was elected president of the Des Moines Chapter of American Institute of Banking at the annual business meeting and banquet last month. He succeeds **C. Albin Rodine**, Iowa-Des Moines National Bank.

Other officers are: **Austin Graybeal**, Bankers Trust Company, first vice

president; **Fred Snider**, Central National Bank and Trust Company, second vice president; **John Klemm**, Iowa-Des Moines National Bank, treasurer, and **Robert Hewitt**, Valley Bank and Trust, secretary. Chairman of the women's division is **Marylyn Stiles**, Central National.

Speaker at the banquet was **Maurice Allendorfer**, Federal Reserve Bank, Kansas City, who is national executive councilman for District 10.

Wilma Seitman, Central National, was awarded a \$100 scholarship for scholastic achievement in classes prescribed by the national A.I.B. office. Standard certificates for completion of four study courses were given to **Marie Hulderson** and **John McCormick**. **Richard Lee Conway**, Dallas County State Bank, Adel, and **Dorothy Helmick**, assistant cashier, Brenton State Bank, Dallas Center, were awarded pre-standard certificates.

Mr. and Mrs. Grochala, **Mr. and Mrs. Rodine**, and **Hugh Van Hoesen**, Bankers Trust; **Melvin McKee**, Central National, and **Mrs. William Park**, Bankers Trust, were to attend the national A.I.B. convention in Pittsburgh early this month. Mr. Rodine is a member of the National Membership Enrollment Committee for 1951-52, and will address the Regional Conference in St. Louis on July 21st, on this subject. At the St. Louis meeting Des Moines will enter formally its bid to be host for the 1952 Regional Conference.

* * *

W. G. Kane, vice president, Central National Bank and Trust Company, attended the convention of the National Association of Credit Men in Boston last month. He represented central Iowa as delegate, and also represented District 8, comprising several

north central states, on the nominating committee. The two new national directors for District 8 are **F. G. Phillips**, Globe Machinery and Supply Company, Des Moines, and **Harold H. Berg**, Dakota Electric Supply Company, Fargo, North Dakota.

* * *

James R. Rasley, bond department salesman at the Iowa-Des Moines National Bank, took up his top-notch golf game this year where he left off last fall. In one week last month he scored a hole-in-one on No. 10 at the Des Moines Golf and Country Club, then won the "Chinese Open" at Clover Hills Golf Course with a 6 under par 64. Mr. Rasley is a former Iowa University golf champion.—The End.

Two New Officers

Frank C. Allen recently was named by the board of directors of the Farmers Savings Bank, North English, Iowa, as the new president. Mr. Allen had been vice president for ten years. The presidential vacancy was caused by the death of W. C. Carson a short time ago.

Richard G. Owen was elected by board members to fill the post of vice president, vacated by Mr. Allen.

R. S. Ferris is cashier of the bank.

Unusual Dinner

The board of directors of the Carroll County State Bank, Carroll, Iowa, had a meeting somewhat out of the ordinary last month at the cottage of President Carl J. Hess at Blackhawk Lake.

Before the regular business session, Mr. Hess served an elk steak dinner, which he prepared. He had bagged the elk in Montana last fall. Mr. Hess' son, John, assisted him at the dinner.

LeClaire Change

New employe of the Farmers Savings Bank of Princeton and LeClaire, Iowa, is Eugene F. House of Burlington, Iowa.

Claude C. Brown, cashier and manager of the LeClaire office of the

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IOWA LITHOGRAPHING COMPANY
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315 TWENTY EIGHTH STREET
DES MOINES
QUALITY • EXPERIENCE • SERVICE

Farmers Savings Bank, has announced that remodeling work will commence within the next month on the LeClaire office. A new brick front and all new fixtures and furniture will be installed as soon as possible.

New County Head

J. F. Gruenwald, cashier at the Farmers State Bank in Marion, Iowa, was elected president of the Linn County Bankers Association recently at a meeting at the Montrose Hotel in Cedar Rapids.

Other officers included Charles Kreji, Cedar Rapids, vice president; Peter Bailey, Cedar Rapids, secretary, and W. E. Beineke, Walker, treasurer.

Annual Meeting

All officers were re-elected at the annual meeting of the Jackson State Savings Bank, Maquoketa, Iowa, last month. It was announced that Kenneth Ehlinger will be manager of the branch office at Delmar, replacing Robert Tubbs who will come to the Maquoketa bank.

Spirit Lake Change

Wayne L. Vallie, formerly an employe in the Emmet County State Bank, Estherville, Iowa, has been ap-

pointed assistant cashier of the First National Bank in Spirit Lake, Iowa, succeeding Blaine Hoiem.

Mr. Hoiem will enter the real estate and insurance business.

Sac City Change

D. W. Wilcox of Arthur, Iowa, has been named cashier of the Citizens Savings Bank in Sac City. He comes from Arthur, Iowa, where he has been with the Arthur Savings Bank for the past 18 years.

Capital Increase

Stockholders of the Security National Bank, Sioux City, Iowa, voted to increase the bank's capital stock at a special meeting last month.

The increase is in the common stock of the bank to \$600,000 by the issuance of \$100,000 stock dividends, then another increase to \$800,000 by the sale of additional shares at a par value of \$100 each and a sale price of \$120 each.

The shareholders have the pre-emptive right to subscribe to the additional shares of stock and it was expected that they would exercise all their rights, C. R. Gossett, president, said.

"The reason for the increase in the capital structure of the bank," Mr.

Gossett added, "is that it is the opinion of the directors and officers that there is sufficient volume of business to justify the additional investment. Also, we all have confidence in the future of our city and trade territory."

New Officers

Owing to the death of J. D. Buser, president of the Louisa County National Bank, Columbus Junction, Iowa, changes have been made in the officers' staff as follows:

J. C. Richie was elected president and J. E. Henson was elected executive vice president and cashier.

Mrs. C. E. Dahl

Mrs. C. E. Dahl of Kiron died last month in the Immanuel Lutheran Hospital in Omaha. Mrs. Dahl had been ill for several weeks and while in Omaha submitted to several operations.

Wife of the cashier of the Kiron State Bank, Kiron, Iowa, Mrs. Dahl is survived by two daughters, Mrs. Jack Linquist of Omaha and Mrs. Leonard Bjella of Minneapolis, Minnesota, and one son, Jim, at home.

Cedar Officers

At the Cedar County, Iowa, Bankers Association meeting, held in Tipton recently, Oliver A. Hansen of the Liberty Trust and Savings Bank of Durant was elected as president of the association.

Carl Hassemeyer of the Union Trust and Savings Bank of Stanwood was elected vice president and L. D. Suchomel of the Tipton State Bank was elected secretary-treasurer.

Starts 26th Year

The Iowa State Bank started its 26th year in business in West Bend, Iowa, recently.

The bank opened with 43 accounts the first day and has grown to 1,145 accounts at the present time.

Boost Capital Stock

An increase of \$50,000 in capital stock of the Iowa State Bank and Trust Company, Iowa City, is announced by Ben S. Summerwill, president. Capital of the bank now is \$200,000. It is the second increase in capital since the bank was founded in October, 1934, with capital of \$100,000. It was increased to \$150,000 in December, 1941.

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Northwestern Banker, June, 1951

YOUR STATE BANKERS ASSOCIATION
 OFFICIAL SAFE, VAULT AND
 TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
 OMAHA



In the DIRECTOR'S ROOM



Easier Pickings

Rich Young Man (to blonde dancer): Tell me, why do you, a beautiful, talented and apparently educated girl, dance in a sordid place like this?

Dancer: Because I meet a great many more prominent young men here than I did when I was a public librarian.

Who Said What?

A visitor to a mental hospital noticed one of the patients running about the grounds, flapping his arms, and cackling. Puzzled, he turned to another man standing nearby.

"Can't anything be done for that fellow?" he asked.

"There is," was the reply, "but we need the eggs."

Let's Start Smoking

"How many cigars do you smoke a day?"

"About ten."

"What do they cost you?"

"Twenty cents apiece."

"My, that's two dollars a day. How long have you been smoking?"

"Thirty years."

"Two dollars a day for thirty years is a lot of money."

"Yes, it is."

"Do you see that office building on the corner?"

"Yes."

"If you never smoked in your life you might own that building."

"Do you smoke?"

"No, never did."

"Do you own that building?"

"No."

"Well, I do."

Cold Chicken

They were huddled closer together than houses in Boston. The lights were low—very low. He pressed his lips into her mouselike ear and whispered, "What are you thinking about, Darling?"

"The same thing you are. My Own," she shyly answered.

"I'll race you to the ice box!" he shouted gaily.

Not Much!

Husband: The woman next door has a new hat just like yours. I suppose now you want me to buy you another.

Wife: Well, it would be cheaper than moving.

Who's Crazy?

"Why did you put me in the same room with that fellow?" asked the indignant patient.

"The hospital is crowded," the doctor explained. "Has he been troublesome?"

"Troublesome! He's crazy! Keeps looking around and saying, 'No lions, no tigers, no elephants,' and all the time the room's full of them."

Invincible

A disgruntled school teacher handed in her resignation with the following comment:

"In our public schools today, the teachers are afraid of the principals, the principals are afraid of the superintendents, the superintendents are afraid of the board, the board members are afraid of the parents, the parents are afraid of the children, and the children are afraid of nobody."

CONVENTIONS

June 4-8, American Institute of Banking, Pittsburgh.

June 12-14, Annual Convention Illinois Bankers Assn., St. Louis, Hotel Jefferson.

June 13-14, Annual Convention Minnesota Bankers Assn., Minneapolis, Hotel Radisson.

June 18-20, Annual Convention Wisconsin Bankers Assn., Milwaukee, Hotel Schroeder.

September 30-October 3, Annual Convention American Bankers Assn., Chicago, Stevens Hotel.

October 11-12, Annual Convention Nebraska Bankers Assn., Omaha, Hotel Fontenelle.

October 21-24, Annual Convention Iowa Bankers Association, Des Moines, Hotel Fort Des Moines.

November 12-15, Annual Convention Financial Public Relations Assn., Hollywood Beach Hotel, Hollywood, Florida.

Seasick

Officer: Are you happy now that you're in the Navy?

Boot: Yes, sir.

Officer: What were you before you got into the Navy?

Boot: Much happier.

Finally!

"Perkins, Parkins, Peckham, and Potts—Good morning."

"I want to speak with Mr. Perkins."

"Who's calling, please?"

"Mr. Pincham, of Pincham, Pettam, Poppum, and Potter."

"Just one moment, please. I'll connect you with Mr. Perkins' office."

"Hello, Mr. Perkins' office."

"I want to speak to Mr. Perkins."

"Mr. Perkins? I'll see if he's in. Who's calling, please?"

"Mr. Pincham."

"Just one moment. Here's Mr. Perkins. Put Mr. Pincham on, please."

"Just one moment, please, I have Mr. Pincham right here. O.K. with Perkins, Parkins, Peckham, and Potts, Mr. Pincham. Go ahead."

"Lo, Joe? How's about lunch?"

"O.K."

And You?

Father: Your mother and I won't be here tonight, Johnny. Do you want to sleep alone or with Nursie?

Junior (after some deliberation): What would you do, Daddy?

I Should Soap So!

Greta was a little refugee. Rather bedraggled when she came to America, her foster parents put her on a strict bath routine. Greta took it for a week without so much as a whimper. Then one night she looked up through a face full of suds: "You folks don't want a refugee," she said calmly. "What you want is a damn duck."

Even Tougher

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

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

LEGAL

What Interest Rate Applies on Note Carried After Maturity?

Q. Suppose that a bank comes to own, through negotiation, a promissory note which provides simply for a certain rate of interest until maturity and which is silent as regards what rate applies after maturity. Suppose further that the note is not paid when due and that collection is effected a year after the maturity date. Is the interest rate applicable during that year the legal rate of interest in the event the legal rate is not the same as that specified as applicable to maturity in the instrument?

Yes. The decisions on this problem support the rule that the rate of interest after maturity upon an obligation reciting a certain rate expressly until maturity and silent as to the rate after maturity is the legal rate, whether larger or smaller than the rate recited in the obligation. A U. S. Court of Appeals has so held in a recent decision and similar rulings may be found in other jurisdictions including Wisconsin, Missouri, Tennessee, Mississippi, Ohio, Indiana, Kentucky and Alabama.

Q. When a person goes through bankruptcy his debts are discharged with certain exceptions, one of the exceptions being debts created by his fraud or misappropriation while acting in a "fiduciary capacity." Suppose that two men operate a partnership, that one of them misappropriates certain of its funds, and that he subsequently goes through bankruptcy. Is the debt created by such misappropriation discharged and something upon which no collection can be effected?

Yes. Misappropriation by a partner of partnership funds is not a misappropriation by him while acting in a "fiduciary capacity" within the meaning of the provision of the Bankruptcy Act excepting from the effect of a discharge in bankruptcy liabilities created by the bankrupt's misappropriation while acting in a fiduciary capacity. It has been so held in Minnesota, Nebraska, Kansas, Illinois, Texas, the federal courts, and elsewhere. The term "fiduciary capacity" used in the Act relates to technical and express trusts and not to those implied by law.



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

Q. A customer of a bank, while on a business visit there, was injured by a swinging door on the premises. It so happened that a door check, which, if in proper order, would have prevented the door from swinging so as to cause the injury, was not operating. This was known to the manager, who passed through the door daily for years, and he also knew of a previous similar injury. Was the bank liable for the injuries under the general rule of law applicable in these matters?

Yes. Actions for injuries such as the one here involved cannot be maintained solely upon the theory that swinging doors are dangerous in and of themselves. Under the general rule, however, recoveries are in order where there exists some dangerous condition in the construction or position of the doors, some defect in the doorstops or retarding devices, some omission on the part of the owner or tenant of the particular premises in question which subjected a person lawfully on the premises to injury through the careless use of such doors, or some negligent act on the part of his employee. The facts outlined fall within this general rule and support recovery. The recent decision on which this answer is based, incidentally, involved a California bank and a Minnesota bank was

involved in another decision some eight years ago in which the general rule was recognized.

Q. Clayton purchased certain personal property from Grafton in good faith, paid an adequate consideration for it, and had no notice of any infirmities in the seller's title. Grafton had previously bought it from a minor. After Clayton acquired the property the minor decided he wanted it back. Assuming there was no statute controlling such situations could the minor recover the property from Clayton under the general rule of law applicable?

Yes. The cases are mostly in accord with the view that, in the absence of statute, an infant who elects to disaffirm his sale of personal property to an immediate purchaser has the right to recover the property back from one who has purchased it from the latter for value, in good faith, and without notice of infancy.

Q. Suppose that a banker or some other individual or corporation owns and operates a ball park or a golf course in connection with which it might reasonably be expected that missiles would be batted or driven to adjoining streets or land in circumstance where people there might be injured. Is there any liability on the part of such owner and operator as respect to such injuries to such persons?

Yes. While the owner or operator of a ball park or golf course is not considered an insurer of the safety of persons on adjoining land, the inherent nature of the games requires that reasonable precautions be taken for the protection of such persons against injury resulting from them. If it is shown that harm ought to have been foreseen, either through past experience or by reason of inadequate fences or a dangerous location, the owner or operator will be held liable on account of such injuries, either on the theory of negligence or on the theory that a public nuisance has been created by the dangerous condition.

An Announcement...

ON JUNE 30, 1951

CENTRAL HANOVER BANK AND TRUST COMPANY
WILL SHORTEN ITS TITLE TO

THE HANOVER BANK

A CENTURY AGO The Hanover Bank was established at Hanover Square, New York. In 1929 it was merged with the Central Union Trust Company to form the Central Hanover Bank and Trust Company. Now for the purpose of simplification and to conform to common usage, the shorter corporate title has been adopted.

No change will be involved in the operations of the bank or in the services rendered. The Hanover Bank will continue its complete banking facilities and its modern and comprehensive Trust Department . . . and will be known for the correspondents it keeps.

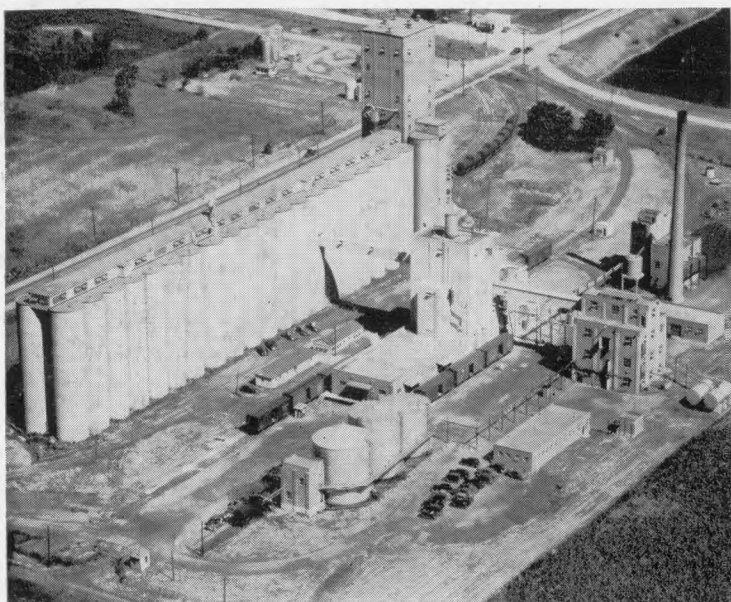
500 banks, in all parts of the Nation, have been correspondents of The Hanover Bank for more than half a century.



**CENTRAL HANOVER
BANK AND TRUST COMPANY**

NEW YORK

Member Federal Deposit Insurance Corporation



Air view of Spencer-Kellogg and Sons, Inc. plant, Des Moines

SOYBEAN Processing

**IS A \$100,000,000
BUSINESS IN IOWA**

"At present prices of \$3 a bushel, soybeans processed in Iowa in a year are worth more than \$100 million," according to a statement released this year by the State of Iowa. With 33 active plants processing 17% to 20% of the nation's soy oil, Iowa is now the second largest processor as well as the second largest grower of soy beans.

This Bank enjoys the opportunity of serving the banking needs of customers in the soybean industry, including the two processing plants pictured here. And we enjoy serving correspondent banks in the prompt collection of soybean drafts, an increasing number of which are routed to Iowa-Des Moines National Bank.

Iowa Banks and Bankers are invited to send their customers' grain drafts and other drafts to this Bank for fast and efficient collection service.



Soybean processing plant of Swift and Company, Des Moines



Iowa's Largest Bank
FOUNDED 1868

TOTAL RESOURCES OVER ONE HUNDRED MILLION DOLLARS

IOWA-DES MOINES NATIONAL BANK

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