

NORTHWESTERN *Banker*

APRIL
1954



NEW PRESIDENT FOR BANK OF AMERICA

Minnesota-born S. Clark Beise (left) receives congratulations from A. J. Gock (center), chairman of the board, and Carl F. Wente, retiring president, on his election as president of the Bank of America in San Francisco. (Page 8)

**How Refunds Are
Figured on Installment
Loans Paid Before Due**

—Page 15

Chartered to Serve Iowans

The Merchants National Bank was organized 73 years ago by men with faith in the future of a pioneer state. It was chartered on March 22, 1881. Reaching this milestone presents an opportunity to re-state our correspondent banking policy of complete cooperation and unexcelled service. Just as 1954 finds us in the dawn of Iowa's proud growth, so today we look forward also to ever-growing service to our many banker friends. Iowa's record stands as a historic tribute to the independent banking system. In the years ahead we are pledged to continue seeking avenues to both safeguard and expand that time-tested system.

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THE Merchants National Bank

OF CEDAR RAPIDS, IOWA



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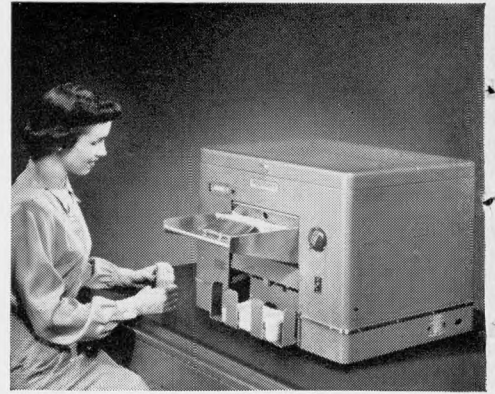
GEORGE LA MONTE & SON, NUTLEY, NEW JERSEY



Northwestern Banker, April, 1954

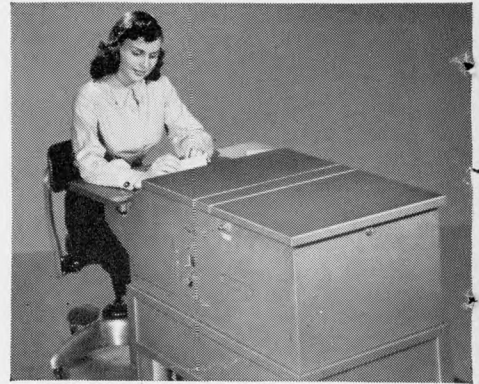


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Dear Editor



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

"Excitement Subsided"

"I have before me your 'letter' in the March NORTHWESTERN BANKER to the Honorable Herbert Lehman, Senator from New York, and I quote from the following:

"Since President Eisenhower took office, over 2,200 government employes have been dismissed for security risks. In other words, they are disloyal or out and out Communist cooperators or sympathizers."

"The following is quoted from Peter Edson, noted Washington columnist:

"Of 2,429 'security risk' (italic his) separations, 422 turned out to have something in their files on a 'subversive nature' (italic his). And once it was announced, all the excitement over this inflated issue immediately subsided."

"It seems to me that—unless you have proof of your statement quoted above—you owe an apology to Senator Lehman and your readers for this deliberate—or ignorant—distortion of fact.

"May I add—if you feel that I should be investigated because of this letter, please forward same to the gentleman (???) from Wisconsin."

Leonard J. Wegman, Vice President, Citizens Savings Bank, Anamosa, Iowa.

Editor's Note: Figures on the total number of "security risks" dismissed from the government changes from month to month, but the most recent figures were given by Vice President Richard Nixon who said, "More than 2,400 employes have been separated from the government under the security risk program."

It is interesting to remember that on February 2, 1954, when the Senate voted 85 to 1 to furnish \$214,000 to the investigation committee of which Senator Joseph McCarthy is chairman, that Senator Herbert Lehman of New York voted FOR the committee appropriation.

"Stock Market Five Years Behind General Economy"

"I was interested in your 'Across the Desk from the Publisher' letter in the February NORTHWESTERN BANKER, to Keith Funston on the Stock Exchange Plan. I may be able to answer some of the questions you

DEAR EDITOR . . .
(Turn to page 8, please)

NORTHWESTERN Banker

DES MOINES

Oldest Financial Journal West of the Mississippi

59th Year

No. 801

IN THIS APRIL, 1954, ISSUE

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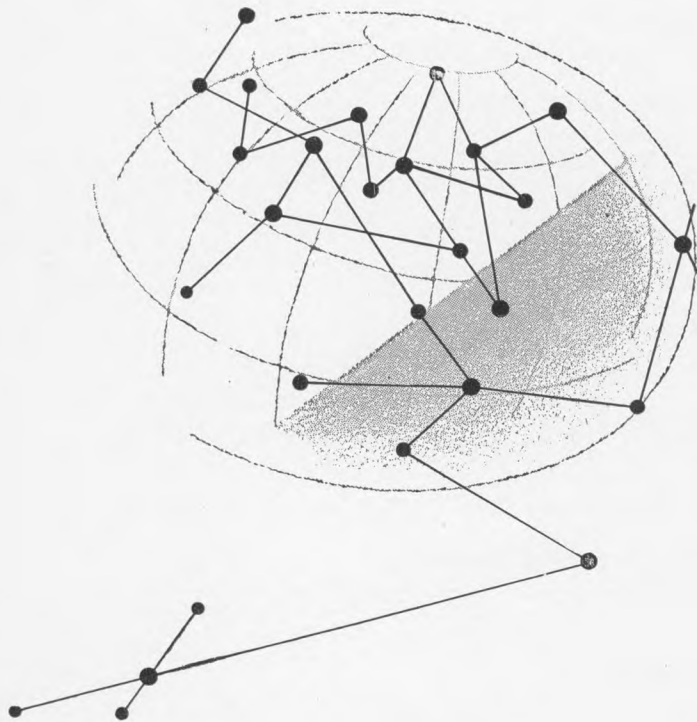
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S. Clark Beise Named to Head Bank of America

S. Clark Beise, son of a country doctor, and one who as a youth yearned to be a banker rather than follow his father's profession, achieved the highest post in private enterprise banking last month when he was named president of the Bank of America, world's largest bank. He is successor to Carl F. Wenthe.

The appointment was effective April 1st, when Mr. Wenthe attained the age of 65 and retired as an acting operating officer of the bank. Mr. Wenthe will retain his seat on the board, however, and will also maintain some of his committee appointments.

Mr. Wenthe had previously retired at 60, but was called back to take the presidency on the death of L. M. Giannini in August, 1952.

Mr. Beise, the new president, was one of the "discoveries" of A. P. Giannini, founder of the bank. A graduate of University of Minnesota, Mr. Beise had served with banks in that state and Michigan and in the Ninth Federal Reserve District as a national bank director, before coming to California to examine banks in the Twelfth District.

After seeing him in action, Mr. Giannini invited the young banker to join the Bank of America organization, which he did in 1936. Mr. Beise earned rapid promotion to vice president, then to executive vice president; was elected to a seat on the board of directors, succeeded Mr. Wenthe as chairman of the managing committee in 1949, and attained the post of senior vice president in 1951.

Following the board meeting, at which he was elected, Mr. Beise stated he stood solidly for the Giannini banking philosophies on which the institution had been built. "It was the dynamic spirit of this organization that attracted me to it," he said, "and I intend to do all I possibly can to keep that spirit alive and to maintain the Bank of America as the leader in modern, enlightening banking."

DEAR EDITOR . . .

(Continued from page 7)

raised, as the Stock Exchange Plan is patterned in part after an Employee Stock Purchase Plan which we have been working on for a couple of years. I am enclosing a booklet on it and I think you will find it of interest, as it embodies all the best points of all such plans and eliminates the unfavorable ones.

"On the query as to what will happen when the stock market goes down, I think this can only be answered by going over the figures of individual stocks over a period of two or three years. In a three-year

DEAR EDITOR . . .

(Turn to page 68, please)

It's a Red Letter Day!



INTRODUCING THE

Director 200

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Across the Desk From the Publisher

Dear De Witt Emery:

*President, National Small Businessmen's Association
Evanston, Illinois*

In an analysis which you made of the Social Security Act and the increased rate of 2 per cent which went into effect the first of this year, you made what the NORTHWESTERN BANKER thinks were some very pertinent remarks:

1. The new rate will not provide "more or better security."
2. Social Security funds are paid into the U. S. Treasury and are not kept in a separate trust fund.
3. The increased rate simply gives the Treasury more money to spend and also increases the national debt.
4. The money is used to pay current expenses of the government.
5. Each year Congress appropriates for Social Security the amount the Social Security Board says will be necessary to pay benefits and operating expenses for the next year.
6. The Treasury gives the Social Security Board an I.O.U. in the form of a special issue non-negotiable government bond covering the difference between Social Security collections and the amount appropriated by Congress for Social Security.
7. These special bonds are added to the national debt, and "so far as I know there isn't any security for anyone in debt."

8. On December 31, 1953, the Social Security Board had 18 billion, 800 million dollars in its "reserve" and all of it invested in the non-negotiable government bonds created for this purpose.
9. Since all of this money has been spent for "current expenses" of the government, there is **no reserve fund** and the only way that Social Security can be paid in 1954 or 20 or 30 years from now, is **by taxing all the people** through the Treasury and then allocating the funds needed each year to pay the benefits promised. The reserve fund "is a 100 per cent fallacy."

Certainly, no insurance company would operate on such a basis, and if it did, we have laws which would put it out of business—yet the same government which passes laws to protect the policy holders of insurance companies will not apply the same rules and regulations to the Social Security program. Perhaps you are correct, Mr. Emery, when you say "**Social Security is the biggest fraud that was ever put across on an unsuspecting public.**" Your suggestions are to have the "**whole Social Security set-up overhauled and put on a realistic basis.**"

A plan which you recommend includes these suggestions:

1. Put social security on a voluntary basis. You can sign up for it if you want it or you can pass it up if you don't want it.
2. Remit Social Security funds directly to the Social Security Board, thereby passing the Treasury and preventing the Treasury from spending the money as fast as it gets to Washington.
3. Have the Social Security Board pay its own operating expenses and current benefits out of the collections it receives, the balance of the funds each year to be invested in government bonds purchased in the open market. If this is done, then any time the Board needed cash it would sell bonds in the open market just as any insurance company or any investor does. The special issue government bonds the board now has are non-negotiable and can only be sold back to the Treasury, which may or may not have the money when the board needs funds.
4. When the change-over is made from a compulsory basis to a voluntary basis, give everyone now covered the opportunity of dropping his coverage and drawing out what he has paid in or continuing to pay as he has done in the past. Every new worker added to the working force would have the privilege of taking Social Security or not as he chooses.

These four ideas give each individual "**the right of choice,**" which is also one of the basic principles

upon which this country was founded.

Whether this congress will do anything about changing our present law remains to be seen, but it would be sound economics to do so, just the same.

Dear Charles A. Lindbergh:

*Aviator, Scientist and Author
Darien, Connecticut*

Everyone who holds freedom and survival as precious elements in our society, to be fostered and protected, would do well to ponder and study carefully some recent remarks of yours.

These were made in New York when you appeared before the Institute of the Aeronautical Sciences to receive the Daniel Guggenheim Award for "pioneering achievements in flight and air navigation."

You said:

"If we do not control our science by a higher moral force, it will destroy us with its materialistic values, its rocket aircraft and its atom bombs.

"Short-term survival may depend on the knowledge of nuclear physicists and the performance of supersonic aircraft, but long-term survival depends alone on the character of man.

"While we concentrate our attention on the tools of economics, and war, we must not neglect the basic means of surviving, the basic reason for survival, man himself."

We thus ask ourselves if we are so **smart** scientifically that we may destroy ourselves and all mankind, but so **dumb** that we do not know how to survive and live as free men.

The "**higher moral force**" to which you refer, Mr. Lindbergh, has a greater value than all our atomic power.

Our job now is to harness the new inventions of science to make the world a better place in which to live, and not just to destroy mankind everywhere. This is a task to which scientists and humanitarians must give their thought and attention in an ever increasing measure, if man is to be master of himself and not be destroyed by the inventions of his own laboratory.

Dear Joseph R. McCarthy:

*Republican Senator from Wisconsin
Washington, D. C.*

If any left wing, Communist sympathizers, either here or abroad wanted to find out how "you rate" with your fellow Senators, they only need to remember that the Senate voted 85 to 1 to give you \$214,000 to continue your subcommittee funds to investigate the subversion and corruption in the government.

In the final vote, 44 Republicans, 40 Democrats, and 1 Independent voted in favor of the funds.

Senator Fulbright, Democrat of Arkansas, was the only one to register a negative vote.

To show how bad the Communist infiltration had proceeded at Fort Monmouth, New Jersey, an Army officer, a captain when he testified and later promoted to a major, refused to testify under oath "when asked if he had attempted to recruit soldiers into the Communist party."

You recommended, Senator McCarthy, that the major and every other officer who had anything to do with his promotion be court martialed.

Your score of 85 to 1 looks impressive to us—and it should also look that way to the low-down, double-crossing Malenkov and Molotov followers.

Dear Herbert Hoover:

Former President of the United States

You suggested that our best remedy for preventing any "slide" in business is "by reducing taxes, if necessary, to increase the buying power of all the people so they can absorb the surplus production and jack up the standard of living another notch."

Such a plan was followed after World War I and World War II when taxes were reduced and as a result business improved.

After World War I:

1. Federal government taxes from corporations and individuals with \$5,000 or more of income subject to tax, fell from 27.81 per cent in 1918 to 7.82 per cent in 1929.
2. Private spending from 1918 at the war activity peak to 1929 increased 90 per cent.

After World War II:

1. Taxes were reduced from 1946 through 1949 and during that period private spending and investment also rose 90 per cent.
2. In 1948 consumer spending was 63 per cent more than was spent in 1944.

With the excess profits tax removed from corporations and a 10 per cent tax reduction now in effect for individuals it is hoped that this will increase **consumer demand** and prevent any "dip" or "slide."

Also, the government must work toward a **balanced budget** by cutting **unnecessary expenses**.

Some economists believe we should increase **production first**, but we now have a surplus in many commodities, so the NORTHWESTERN BANKER believes as you do, Mr. Hoover, that the stimulation of **increased consumer demand** should come first—and **reduced taxes** will help accomplish this purpose. Then with an **increased demand** we will get **increased production** and, in turn, better business.

Clifford DePuy

Announcing . . .

24 HOUR TRANSIT SERVICE

In order to speed the collection of transit items for our Correspondent Banks and after several months of preparation, we now have in operation a NIGHT TRANSIT SERVICE.

This enables us to make overnight presentation of items on many Iowa and out-of-state points.

Fast Nationwide Air Mail Service.

We welcome your inquiry.

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

Northwestern Banker, April, 1954



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"Recently we installed a National "135" Unit Plan Posting Machine to handle our commercial accounts. This new machine does the job with greater accuracy and neatness, and with far less time and effort than formerly. We were glad to see how pleased our bookkeepers were with the easy operation of this machine,

which has reduced personnel turnover to a minimum.

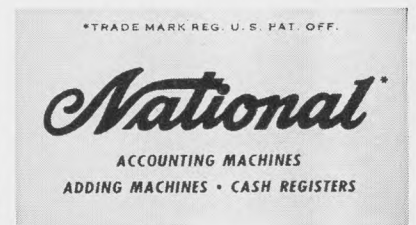
"Our savings through using the National Unit Posting Plan have exceeded our highest expectations. It has more than repaid its cost every two years—giving us more than 50% annual return on our investment.

"Our 5 National Tellers' Machines also return us their cost in a little over a year by saving us several thousand dollars annually, because they handle our increased business activity without the need

for employing 2 additional tellers."

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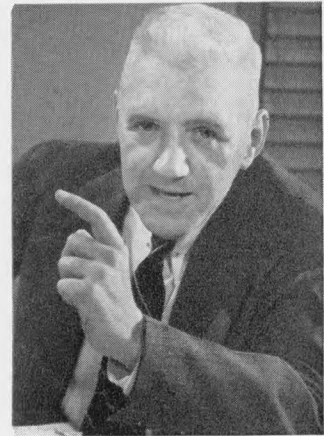
Northwestern Banker, April, 1954

How Refunds Are Figured on Installment Loans Paid Before Due

Booklet Gives Charges by Months

Written Especially for
The Northwestern Banker

By **JOHN C. HOF**
Vice President, Easton-Taylor
Trust Company, St. Louis



SOMETIMES it is difficult and occasionally impossible to convince a customer that he is not being short-changed when he pays his loan in full six or eight months ahead of the scheduled maturity date. We do not want anyone to leave the bank with that impression and I thought it would be good customer relations to be able to give the customer a printed folder showing how the refunds are computed, so he could take it home with him and read it on his own good time. In symposiums on installment credit procedure I noted several times when bank officers commented on the difficulty of satisfactorily explaining refunds on prepayment of loans. If bank officers find it difficult, surely the interviewers and

collection men would also find it hard to give an intelligent answer.

J. Reuben Darr, regional representative of Bankers Security Life Insurance Society, happened to drop in our bank when I was considering preparation of such a folder and he was quite impressed with the idea. He made some suggestions, and we finally worked out the folder, "Here's How Refunds Are Figured on Installment Loans Paid Before Due."

As stated in the four-page folder we distribute to all our installment loan customers, the American Bankers Association set up the method explained in the folder for determining refunds on loans paid before due. It has been adopted by a number of

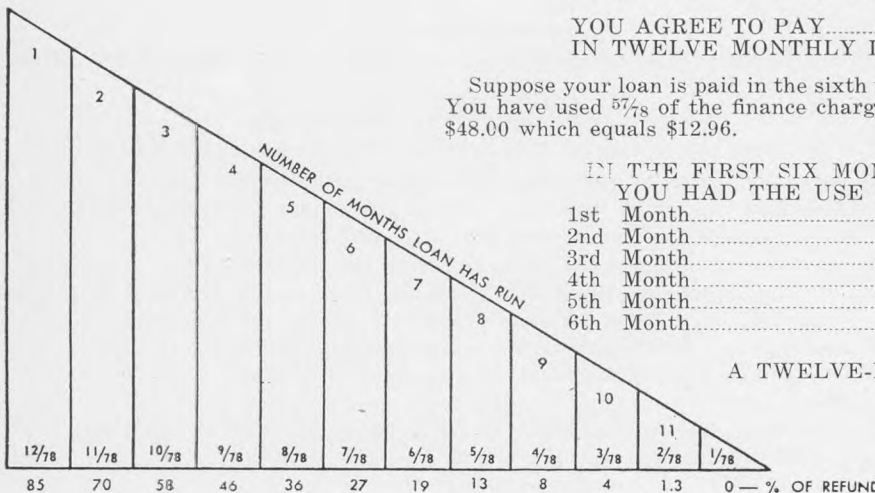
states and it is mandatory under the Missouri law.

In this folder the two inside pages provide a working example of a typical loan in the amount of \$1,200 for one year (see chart below). By outlining the charges per month and using a 12-month chart we can show our customers exactly how much refund is due at any time a loan is prepaid. The back page of the folder tells how a 24-month note is figured, which is based on 300 units rather than the 78 units for a 12-month note.

In several instances where we have used this folder the customers seemed to be pleased with the idea of having a printed explanation, and so far we have not had anyone tell us that we were unreasonable.—End.

SUPPOSE YOU BORROW.....	\$1200.00
THE FINANCE CHARGE IS.....	48.00
YOU AGREE TO PAY.....	\$1248.00
IN TWELVE MONTHLY INSTALLMENTS OF \$104.00	

Suppose your loan is paid in the sixth month instead of running the full twelve months. You have used $\frac{57}{78}$ of the finance charge and would get a refund of $\frac{21}{78}$ or 27% of the \$48.00 which equals \$12.96.



IN THE FIRST SIX MONTHS YOU HAD THE USE OF		IN THE SECOND SIX MONTHS YOU HAD THE USE OF	
1st Month.....	\$1200.00	7th Month.....	\$ 600.00
2nd Month.....	1100.00	8th Month.....	500.00
3rd Month.....	1000.00	9th Month.....	400.00
4th Month.....	900.00	10th Month.....	300.00
5th Month.....	800.00	11th Month.....	200.00
6th Month.....	700.00	12th Month.....	100.00

A TWELVE-MONTH NOTE IS COMPOSED OF 78 UNITS

If your loan is paid in full in the sixth month, run a line around the first six columns. You have used $\frac{57}{78}$ of 73% of the finance charge, giving you a refund of 27%. 27% of \$48.00 is \$12.96.



← **WINNERS** in the "Youth Can Help" essay contest on safe driving, sponsored by the Farmers State Bank of Hamel, Minnesota, proudly display their prizes. Left to right are: **H. J. Dorweiler**, president of the bank; **Judy Bigalke**, first place winner; **Curtis Jensen**, second place winner; **Larry Roberts**, third place winner, and **Eugene Morin**, vice president of the bank. Mr. Dorweiler and Mr. Morin presented the prizes.

Essay Contest for Young Drivers Pays Off for Sponsoring Bank

Part of Public Relations Program That Has Helped Bank Grow

*Written Especially for
the Northwestern Banker*

By C. O. DORWEILER
**Cashier, Farmers State Bank
Hamel, Minnesota**

WE ARE located in Hamel, which has a population of 133 and is unincorporated. Our trade area has a maximum radius of about six miles, as country banks are located within five to six miles in all directions but the east. To the east our area extends about seven miles to the suburbs of Minneapolis. Both bank groups, the mutual savings bank and the savings and loan associations also serve the area to the east, as we are but 14 miles from the Minneapolis court house. Our bank was organized 35 years ago with \$12,000 capital, but now it is over 10 times that much, with about \$2 million on deposit. We attribute our entire success to our public relations program.

Our recent "Youth Can Help" contest, for instance, had no direct connection with the banking business but nevertheless proved to be good public relations which did directly affect our bank business.

We have an insurance agency in connection with the bank and therefore I have had many occasions to make out numerous auto accident reports and follow them through to final settlement. From this experience over a period of years, I concluded that youthful drivers were good drivers but when involved in an accident were not treated the same as the older classes.

In fact, I concluded that youthful drivers, right or wrong, were being condemned because of age before all facts were given and insurance compa-

nies were not able to take cases involving youthful drivers into court, for general public sentiment was against them.

I always wanted to do something about this but never really knew where to start. I finally toyed with the idea that if youth itself was allowed in some manner to express itself, possibly some good would result. This is what precipitated the idea of an essay contest. I toyed with the idea myself for quite some time and then talked the matter over with the other directors. They were of the opinion that it could be worked out but were afraid that the cost was too great and the amount of work required would be more than we could handle.

At this stage many questions arose

and it became apparent that it was much more complicated than I had originally anticipated. It was finally decided that we would investigate the matter much further before making any announcement or decision. This was early in 1953.

I then contacted one of our local newspapermen, Mike Vucas, of the *Minnetonka Herald*. He was very enthusiastic about the idea, but in my conversations with him still more questions arose. We finally decided that if this was to be done, it had to be done very thoroughly and suggested that we make tentative plans and a survey of the costs and other details before any final decision was made.

We then called in Miss Joyce Countryman, publicity director of the Min-

OTHER public relations programs carried on by the Farmers State Bank of Hamel include:

1. Use of 3 or 4 weekly newspapers in the Hamel area.
2. Consistent use of motto: "Always At Your Service—All Ways."
3. Annual Christmas party for children of grade school age and under. This past Christmas there were 700 in attendance to receive candy and small toys, with officers, directors and staff assisting.
4. Free use of community room in bank for local meetings since new building constructed in 1948. Bank has since added complete kitchen and service for about 50, in addition to fixing up the room into a small auditorium. In 1953 there were 190 meetings booked into this room. Bank feels advertising value of this project is much greater than its cost.
5. Miscellaneous advertising and goodwill items such as uniforms for Legion baseball team, Midget and Pee Wee baseball teams and town basketball team; financial support of civic projects.

netonka *Herald*, and she agreed to make the survey. She was very enthusiastic about the plan and spent considerable time on it. Before a survey and budget could be made we had to determine the area which proved the greatest problem. After many discussions, it was decided that we would have to include entire rural Hennepin county and finally decided that the area would be established by high school areas. No less than 15 banks are in this area.

Age limitations also proved difficult but we finally decided to limit it to and including 19-year-olds, but bar college students. College students were barred, for we were afraid that if they were not, the high school students would not enter and the entries would not be in large enough numbers.

Emphasis on Ideas

Methods of judging were discussed and we insisted from the beginning that greatest emphasis would be placed on the ideas rather than English and technicalities, for the main purpose was to obtain ideas.

A tentative list of judges was listed and then an estimate was made. It was determined that by not making prizes too large and by systematic promotion we could take care of everything for a little less than \$1,000. At this point we decided to go ahead with it and set aside the \$1,000. This included the following prizes: One hundred dollar savings bond, first prize; \$50 savings bond, second prize; \$25 savings bond, third prize; \$10 cash each fourth and fifth prizes; \$5 cash each sixth, seventh, eighth, ninth and tenth prizes.

Miss Countryman contacted the first three judges we listed and all readily accepted. The advertising matter was prepared in advance and the first public announcement was made simultaneously in all the local newspapers with one-half page ads. The same day various members of the bank and of the *Minnetonka Herald* contacted all the principals and driver instructors in the high schools and as many of the clergy as possible. News items appeared in all of the local papers and releases were given to the high school papers. Posters were displayed in all public places and fliers were distributed in the schools.

Well Advertised

The advertising continued for four consecutive weeks in the papers and news releases also appeared. I also noted many news items concerning the contest in papers outside of the area, and several in the *Minneapolis Star and Tribune*.

I received many letters about the contest and particularly treasure a letter I received from the Hon. C. Elmer

Employees Rented 200 New Deposit Boxes in 2 Weeks

Written Especially for
The Northwestern Banker

By **DON LORMOR**
Vice President

Bank of New Mexico
Albuquerque, New Mexico

WHEN our bank purchased 200 additional safe deposit boxes for the head office in Albuquerque we worked out plans for an employe contest to rent these boxes that proved very satisfactory.

Each employe was given a white ribbon with the number 200 on it. They were to wear these ribbons all during the month of the contest. The ribbon, of course, was to incite curiosity and get the customer to ask what it was for, giving the employe the opportunity to explain the contest and attempt to rent a box to that customer.

One dollar was paid for each box rented, with an additional \$10 going to the employe renting the most boxes during the month. Five dollars was paid to the second best salesman.

The employes took to the contest very enthusiastically and not only rented all 200 boxes, but did so the first two weeks of the contest.

Jack Vogel, head teller at the Bank



WINNER — Jack Vogel (left), head teller at Bank of New Mexico head office in Albuquerque, receives \$60 first prize check from Vice President Don Lormor for renting 50 safe deposit boxes during two weeks of month-long contest.

of New Mexico's head office, won first prize, receiving a check for \$60.—End.

Anderson, Governor of the state of Minnesota. I also noted various editorials in some of the papers. I attempted to clip and save them but as yet have not had time to place them in a scrap book.

Entries were slow in coming and I was quite concerned, but the last few days many entries arrived. We must have done a fair job in publicizing the contest for many entries had to be thrown out because they were from way out of the area. One was even received from California.

All entries were sent to Miss Countryman at Wayzata. She opened them, assigned a number to each and had three copies typed and forwarded the copy to each of the judges. In this way the judges had no possible chance of knowing who the entrants were or their address. Some of the essays themselves revealed the general area they were from.

Judges Pick Winners

Each judge classified the entries in his own order. The day before announcement of winners they met to correlate their findings. They had no difficulty whatever, as surprisingly

each had the first five exactly the same, and each had chosen the same ten, so it was only a matter of rearranging numbers 6, 7, 8, 9 and 10.

The judges called Miss Countryman on the morning of December 23rd and gave her the numbers of the winners and the order. She managed to contact all of the students and inform them that they were winners (but not which place) and requested them to appear at the bank lobby that evening at 8:00 to receive their prizes.

All winners but one were able to come and none of them knew where they placed. The prizes were presented by Mr. Vucas of the *Herald*, President H. J. Dorweiler and Vice President Eugene Morin. A large crowd was present, as many of the winners' parents were present and the kiddies were still in visiting Santa Claus. We had several pictures taken.

Unfortunately one of the winners was unable to attend and one of the winners became ill during the presentation, so we decided to take the win-

ESSAY CONTEST . . .

(Turn to page 54, please)

Northwestern Banker, April, 1954



DON W. SCHOOLER

"The bank feels that with complete servicing of farmer loans our losses have been held to a minimum."

How We Developed A Farm Program for Our County Seat Bank

Written Especially for
The Northwestern Banker
By **DON W. SCHOOLER**
Assistant Vice President
The Citizens National Bank
Chillicothe, Missouri

A NUMBER of country banks are becoming interested in developing an agricultural or farm program, which will provide better services and improve the bank's public relations with its farmer customers.

Fourteen years ago the Citizens National Bank of Chillicothe, Missouri, embarked upon such a program and I was hired, as a Missouri College of Agriculture graduate, as a full-time agricultural representative to develop a farm program for this bank.

Outline

An outline of the agricultural program carried on during the past year by this bank, which is located in north central Missouri within a town of 9,000 population, is as follows:

1. Originating and writing all types of farmer agricultural loans.
2. Making field inspection and appraisal of all livestock, equipment, feed and crops offered as security on chattel mortgage loans.
3. Making farm real estate appraisals.
4. Servicing all agricultural loans of any type in which there are problem cases, or where repossession or foreclosure may be involved.
5. Solicitation of new agricultural business, through calling on farmers that have recently moved into the community, or through contacts made at public sales and similar gatherings.
6. Developing and making FFA and 4-H Club project loans.
7. Keeping agricultural credit files up to date.

8. Attending all types of agricultural meetings, representing the bank.
9. Conducting a "Farmers' Forum," to which the bank invites 200 farmers and agricultural leaders to a series of three meetings, held on consecutive Monday nights during November to hear outstanding agricultural speakers, followed by questions and discussion. After each session all the guests shared refreshments of coffee, soft drinks, sweet rolls and doughnuts as compliments of the bank.
10. Conducting a county-wide "Pasture Improvement Contest" in which 50 farmers competed for \$700 in cash prizes offered by the bank.

Field Inspections

One of the most important phases of the bank's agricultural program is the servicing of its farmer loans through field inspection and appraisals. Rather than hit and miss type of farm visits and inspections, a plan was devised by Edgerton Welch, executive

vice president and a director, whereby the board of directors appointed a loan discount committee of three directors, consisting of Mr. Welch representing the "inside" of the bank, and two directors who are not active officers to represent the directors of the "outside." They hold a loan discount committee meeting each Saturday morning for one hour before the bank opens. This meeting is also attended by myself and the other active officers of the bank.

All of the notes that will be coming due within the next ten days or two weeks are discussed, and a brief memorandum is made on each line of credit, as to whether it is satisfactory to renew, whether to be paid when due or whether I should make a complete farm inspection and inventory appraisal, and report back to the committee before a decision is made on the line of credit. By conducting this type of meeting, every loan officer in the bank knows exactly what the recommendations of the loan discount committee is and naturally proceeds to service the respective lines of credit accordingly.

Set Date for Visit

Any farmer borrower who is recommended to be inspected for the coming week is written a letter suggesting that I will be at the borrower's farm at a specific time and date during the coming week to visit with him and would appreciate the borrower taking enough time to go over his inventory at that time.

All of these appointments are kept on a desk calendar on my desk so

For comparison, here are some figures on the operations of the Citizens National Bank of Chillicothe, Missouri:

Capital and Surplus	\$ 500,000
Deposits	8,250,000
Agricultural loans to 625 farm customers	\$1,500,000
Other bank loans	2,080,000
Total loans	3,580,000

that anyone in the bank will know where the agricultural representative is working at any time.

A complete inspection and appraisal report is made up on any farmer-borrower so recommended by the discount committee. This report is complete with the borrower's name, address, date of inspection, location, memorandum space, description and appraisal of livestock, machinery, equipment, feed and growing crops, and space for a summary and total of these items. It includes a fixed and current total financial status, and a space for listing chattel mortgages on record. Also space for listing potential income and expenditures, items of personal history, such as age, health, family background, credit standing and reputation.

A page is allotted for comparison statements, where the summary of five years' financial statements can be studied at a glance to determine whether the borrower is progressing or declining.

When this report is completed and placed before our discount committee they can quickly analyze the capital, capacity and character of the applicant or the borrower.

Losses at Minimum

In the past 14 years the Citizens National's agricultural loans have averaged from three quarters of a million to well over a million dollars. During this period of time the average yearly charge-off for agricultural loan losses has been held to a conservatively low figure. The bank feels that with complete servicing of farmer loans our losses have been held to a minimum.

The bank also feels it will be in a much stronger and more confident position to extend agricultural credit in the future, should the profit margin for farming and agricultural operations continue to narrow.—End.

No Carbon Inserts

A new paper which provides multiple copies of business forms without the use of carbon paper inserts is announced by The National Cash Register Company.

The treated paper utilizes the reaction of a colorless chemical coating with a clay-like material. It is expected to receive widespread application in the business world.

Advantages of using the paper for multiple copies include the elimination of smudging, speeded efficiency in handling forms, and an end to the dirt and bother of carbon paper inserts.

Called NCR (No Carbon Required) paper, the new product will be marketed in limited quantities this year and will be priced to compete with

Independent Bankers In Detroit This Month

Dates Are April 28-30 at the Sheraton-Cadillac Hotel

THE national convention of the Independent Bankers Association will be held in Detroit, Michigan, April 28, 29, and 30, with headquarters at the Sheraton-Cadillac Hotel. A record attendance is expected with possibly 1,500 delegates from almost every state in the Union.

It is planned that a special train will leave from Minneapolis which will



W. RANDOLPH BURGESS
Convention Speaker

carry bankers from the Ninth Federal Reserve district and points west. Bankers from the southwest and south are expected to join the train at Chicago.

For those wishing to extend their trip beyond the dates of the convention itself, there will be a post-convention tour to Niagara Falls, Toronto, and New York City and return. This is practically an all-expense tour, with possibly the exception of meals while in New York City.

carbon paper systems, the company said.

The process uses combinations of two different coatings on ordinary paper, depending on how many copies are desired.

Electronic Machines

The possibility that the bank of the future will sort, list, balance, post and file checks with electronic machines instead of by hand moved a step toward realization recently when the new committee on check mechanization of the American Bankers Association held its first meeting in Wash-

Headlining the array of outstanding speakers at the convention will be Randolph Burgess, now in the United States Treasury Department, a former president of the American Bankers Association, and for many years a top executive of the National City Bank of New York.

Soapy Williams, governor of Michigan, will greet the bankers while they are in Detroit, as will also Spike Evans, a former governor of the Federal Reserve Bank.

Another speaker is Earl Cook, chairman of the Federal Deposit Insurance Corporation. Chairman of the House of Representatives Bank Committee, Hon. Jesse Walcott is also on the program.

D. Emmert Brumbaugh, president of the First National Bank, Claysburg, Pennsylvania, and president of the Independent Bankers Association, will preside at all business sessions.

At this writing, negotiations are in progress to bring Vice President Nixon as a convention speaker.

A part of the convention will be a tour of Greenfield Village, an early American community assembled and built by the elder Henry Ford to preserve the mode of living during Colonial days. You will see pioneer schools, mills, foundries, churches, and samples of early day handicrafts, crockery, and wearing apparel.

Another entertainment occasion will be an opportunity to see Cinerama, known as the motion picture magic.

Attendance at sessions of the convention will have an opportunity to win a sensational attendance prize, a trip to Bermuda for two, through the courtesy of the American Express Company. In addition, the winner gets \$250 in American Express Travelers Cheques.

ington, D. C. The committee, which is a working group of the association's Bank Management Commission, is headed by Raymond C. Deering, chairman of the commission and vice president and comptroller, Manufacturers Trust Company, New York City.

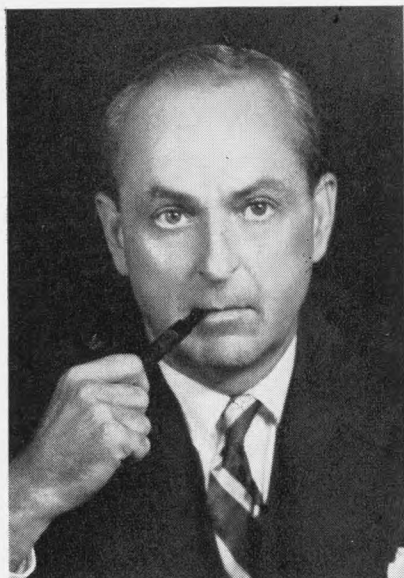
The committee was organized to study the possibility of mechanization of check handling within banks. Because of the rising cost of competent personnel and the tremendous increase in the use of checks, the daily processing of checks has become one of the most expensive and time-consuming of bank operations.

News and Views

OF THE BANKING WORLD

By Ben Haller, Jr., Managing Editor

THE old saying, "Like father, like son," received a new twist recently when **Milton Tootle**, president of the Tootle-Lacy National Bank of St. Joseph, Missouri, was selected "Outstanding Boss of St. Joseph for 1953." This followed by one year the



MILTON TOOTLE
Named "Outstanding Boss of
St. Joseph for 1953"

selection of his son, **Gilbert**, assistant vice president of the bank, as "Outstanding Young Man in 1952." Both awards are bestowed annually by the St. Joseph Junior Chamber of Commerce.

Mr. Tootle was voted the "Outstanding Boss" based on the following:

1. Installation of a profit sharing plan for employes.
2. Adoption of the National Chamber of Commerce "Explain Your Business" program.
3. Establishment of an employes' lounge in the bank.
4. Piping of music to all working departments of the bank, as well as the lobby.
5. Placing of benches outside the bank building for the comfort of people waiting to catch buses.
6. Setting up the bank's now-famous Friday night coffee hour, at which time coffee is served to bank customers from 4:00 to 6:00 p. m.

* * *

The **American Bankers Association** confirms a trend that has been particularly noteworthy in the midwest and

that is the extensive amount of new construction, additions and remodeling going on in banks. An A.B.A. survey reports that 1954 will see banks of the United States contracting for approximately \$475 million of construction. The survey, based on 4,700 bank reports, shows 578 banks planning additions, including parking space, and 364 will build drive-in installations, of which 18 will be "snorkels."

There are 358 new bank buildings, 323 annexes or additions, and 603 large scale modernization jobs in immediate prospects, states the survey. A substantial portion of this new building will be in the midwest. Detailed replies indicate extensive use of modernizing equipment, and new facilities aimed at both employe and customer comfort.

* * *

With annual convention time approaching for many state associations we are reminded of a common complaint heard at many previous conventions and group meetings: "I can't read the names on the badges!"

We heard this plaintive plea during our first state convention eight and a half years ago, but paid little attention since we could read the fine print at 10 feet with no trouble. Lately we've taken more of an interest, for about two years ago they started printing badge names smaller — so small, in fact, it was necessary to invest in a pair of glasses just to take to conventions. Sure enough, with the glasses we could read the names!

However, at a recent group meeting the names were slightly smaller again, so we'll have to join forces with the convention followers who belong to the "WHN Club" (What's His Name).

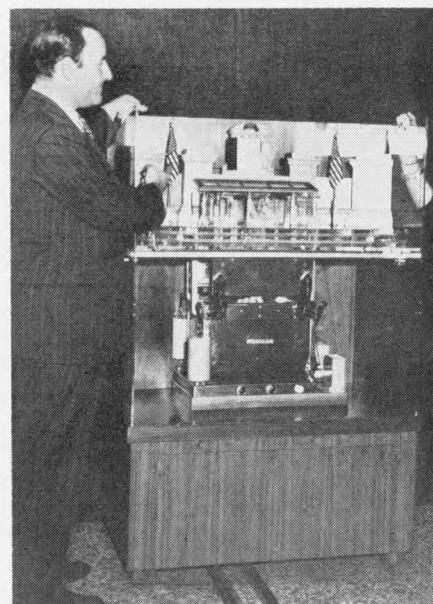
Or perhaps all convention managers will provide us with badges like those supplied by the Minnesota and Iowa Bankers Associations and the Federal Reserve Bank of Minneapolis. These name plates are hand-lettered in large size or printed with a typewriter using oversized keys.

* * *

Scale model hobbyists would turn green with envy if they would stop in at **Mosler Safe Company's** show room at 320 Fifth Avenue in New York City. On display there is a built-to-scale working model of the world's largest safe. The original safe is in the National Archives Building in Wash-

ington, D. C., where it protects priceless originals of the Declaration of Independence, the Constitution and Bill of Rights.

The scale model contains an intricate working mechanism that is electrically operated and all encased in glass so the working parts can be seen in motion. The model operates just



SCALE MODEL—Edwin H. Mosler, Jr., president of Mosler Safe Company, points to a detail in the built-to-scale working model of the world's largest safe, which was built by Mosler and is in the National Archives Building in Washington, D. C.

like its counterpart, with huge doors swinging open on top of the 50-ton safe so the documents can be raised to viewing position on the display floor by means of an electric elevator, then returned to their overnight resting place at another touch of the button.

* * *

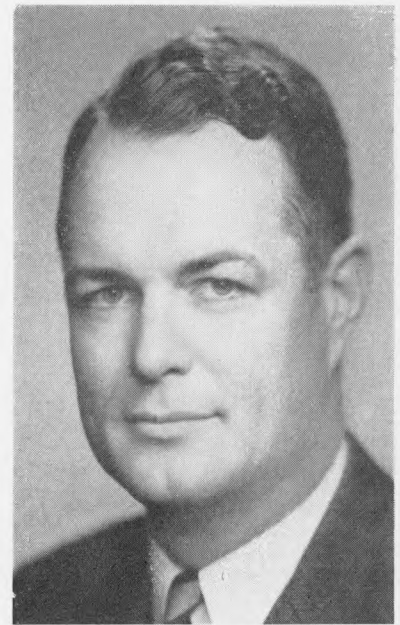
The **Illinois Bankers Association** has a new executive vice president. He is **A. T. Etcheson**, who has been executive director of the Executives Club of Chicago for the past seven years. Previously, Mr. Etcheson was a public relations officer during World War II and served as director of public relations for the Sixth Service Command. He served in various positions with U. S. Gypsum Company for eight years prior to his military service. Mr. Etcheson is a University of Illinois graduate.—End.

Through Monthly Stock Purchase Plan—

Bankers Can Help Industry Attract New Equity Capital

**There Is Urgent Need for Direct Investment by
More Individuals to Keep Economy Prosperous**

**By G. KEITH FUNSTON
President
New York Stock Exchange
New York, N. Y.**



G. KEITH FUNSTON
"I have asked your cooperation for what
I conceive to be a great endeavor"

A CONSTANT flow of new equity capital is just as essential to the health of a dynamic economy as sun and air are to a field of growing corn.

Where does this capital come from? Well, there are several sources. The two major ones, as you know, are depreciation and retained earnings, which together account for roughly one-half of the source of all corporate funds used for new plant and equipment. In the case of depreciation, however, industry frequently needs more funds than are available in their depreciation reserves, which are usually based on original cost.

In the case of retained earnings, there are two problems: First, high corporate taxes, which reduce the amount that a corporation can retain for expansion; second, the responsibility of management to pay the owners of their business a decent wage in the form of dividends.

Debt Financing

Another major source of corporate funds is debt financing, and here we run into a situation which is causing grave concern among business men, bankers, industrialists, economists and government officials.

In 1950 the net total of new long-term corporate bond issues was \$2 billion; in 1951 the total stepped up to \$3.6 billion; and in 1952 the figure had ballooned to \$5.5 billion.

Since World War II, for every dollar industry has raised by new stock issues, it has obtained \$3.50 by increasing its long-term and bank debt.

Gross debt of all private corporations has increased 90 per cent since the end of 1945.

Where to Get Capital

It's all well and good to cry from the roof tops that equity capital must be provided; we've also got to say where it's coming from. And the answer is right at your finger tips: The greatest untapped source of equity capital is the fund of liquid savings held by the people of America. Total savings are now at an all-time high, yet only about 8 per cent of the amount added to savings each year is being channeled into direct equity investment.

The need, the urgent need, is for direct investment by the immense number of families which are financially able to invest in equities.

A recent study for the Stock Exchange disclosed that some 21,000,000 families would appear to be in that category. Yet, at this moment, just a small percentage of these families has

seen fit to invest any part of their savings in the equity securities of our great corporations.

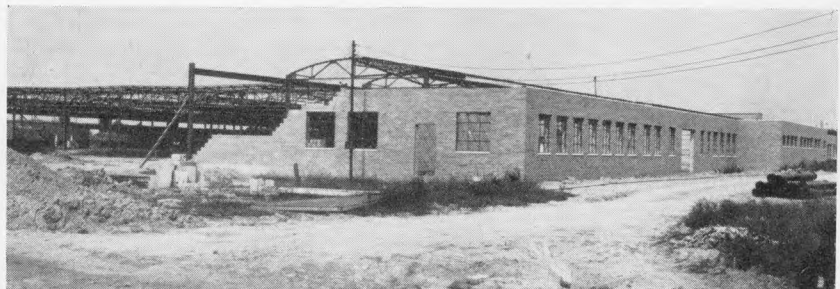
Clarification

I'd like to clarify what I mean when I speak of families who are financially able to invest. I do not propose that savings accounts be closed out on a national scale and the owners start a mass rush to buy stocks, nor do I propose that the cash equity in millions of insurance policies be converted into common stocks, no matter how sound they are. And I do not want to imply that there is any such thing as a tailor-made formula which will automatically determine who should invest how much.

Equity investment is only one facet of a well-rounded personal financial program. Certainly no family should invest in stocks without having a cash reserve for emergencies in the form

STOCK PURCHASE . . .

(Turn to page 43, please)



NEW CAPITAL is needed by many businesses for expansion that is necessary to meet demands for increased production and to keep pace with technological advances.



Bankers You Know

Thomas J. McCullough

President

First St. Joseph Stock Yards Bank
St. Joseph, Missouri

"... is willing to devote many hours of hard work to his profession."

IT IS a great tradition in this country for a man to work his way to the top, carefully learning each step of his business as he progresses, and no finer example of this tradition could be found than Thomas J. McCullough. Starting as a bookkeeper in the First St. Joseph Stock Yards Bank, South St. Joseph, Missouri, Mr. McCullough has worked in every position of the bank up to his present position as president.

These promotions came, not as automatic occurrences, but because he possesses a quick mind, and is willing to devote many hours of hard work to his profession. When asked what his hobbies were, Mr. McCullough once replied, "I've never had time for too many hobbies besides banking." This exemplifies the truth of another statement once made by an associate of his: "Tom is a hard worker—he came up from the bottom in the bank, and all of his time and energy has been devoted to progress of the Stock Yards Bank."

Thomas J. McCullough was born February 5, 1905, in Stanberry, Missouri. He attended public schools in St. Joseph, and in 1921, was graduated from Christian Brothers College in that city. He also holds a degree from the American Institute of Banking.

In 1924, Mr. McCullough became associated with the Stock Yards Bank as a bookkeeper, and three years later was promoted to assistant cashier. Shortly after this he took time out from his banking activities to marry Fern Trader in 1927.

After serving a number of years with the bank Mr. McCullough moved through a series of promotions that covered all departments of the South St. Joseph Stock Yards Bank: He was made cashier and director on May 31, 1944; vice president and cashier, January 14, 1946, and full vice president on June 30, 1947. In January, 1954, he was elected president of the bank.

Although Mr. McCullough has little time for personal hobbies outside of banking, he has been active in civic

and fraternal organizations including Elks Lodge, Knights of Columbus, St. Joseph Cathedral, Chamber of Commerce and South Side Rotary Club in St. Joseph. He also holds the office of first vice president in the industrial division of the South Side Commerce Club.

Asked what is the most important problem facing bankers today, Mr. McCullough advises: "To continue to operate good sound banks, adequately serving the needs of your community, being constantly aware of any detrimental legislation affecting the free enterprise and the dual system of banking."

Mr. McCullough holds the respect of other fields besides banking. It has been said of him: "Tom is well thought of by those in the livestock industry with whom he comes in contact, and there are many. He is considered a good livestock banker. He knows values, and all the Yards has great confidence in him and his judgment."—End

The Callahan Case

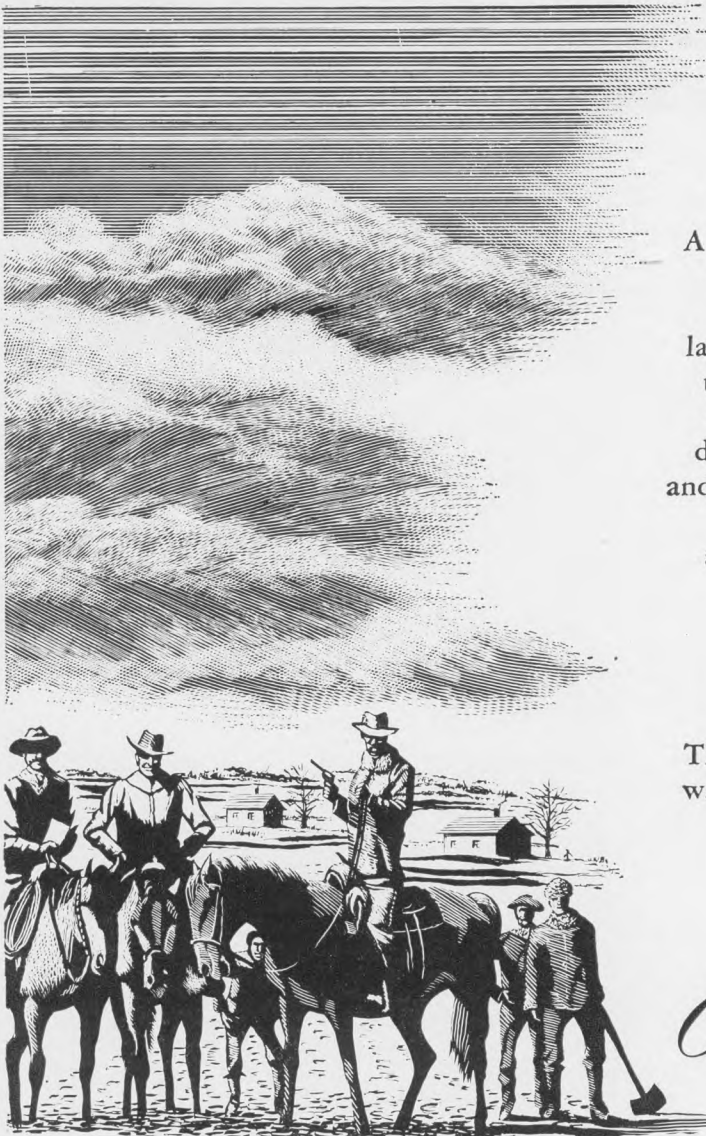
The Omaha Claim Club was organized in 1854 to protect the "land rights" of early settlers. It often used stern measures to secure these rights.

A famous example was the case of one Callahan, who had settled upon a piece of land in the west part of the city. A member of the Claim Club wanted the land, but Callahan refused to give it up. Members of the Claim Club cut a hole in the ice on the river and ducked him in it until he agreed to sign a quitclaim deed. After the ducking, he was too weak from cold and exposure to hold a pen. Two doctors administered a stimulant (three stiff doses of straight whiskey), and he revived sufficiently to scrawl his signature at the bottom of the deed. His death a year later, was partly due to the aftereffects of this affair.

Today, as it celebrates its 100th birthday, Omaha is one of the great cities of the Middle West. The Omaha National Bank, chartered when the town was twelve years old, joins with the people of Omaha in celebrating their centennial, proud of the part it has played in the *building of a city.*

The Omaha National Bank

Helping Omaha Grow Since 1866



John Andrew

Member Federal Deposit Insurance Corporation

One of a Series

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 Federal Reserve Bank of St. Louis

Safe Deposit Association to Meet in Minneapolis May 27-29

THE American Safe Deposit Association will hold its 1954 convention in the Nicollet Hotel in Minneapolis May 27, 28 and 29. The Minnesota Safe Deposit Association will be host to the meeting. Co-chairmen of the general convention committee are Rustan O. Thayer, president, Fifth Northwestern National Bank, Minneapolis, and John M. Kane, vice president and cashier, Empire National Bank, St. Paul.

The co-chairmen report there will be an unusual opening day program, featuring a "Get Together" party. Entertainment the second day will include luncheon, a scenic drive, a cocktail hour, buffet supper, and boating at the White Bear Yacht Club. On the final day will be the president's reception dinner, a floor show, and dancing.

A special program of entertainment has been arranged for ladies attending the convention. On the agenda are visits to a style show in downtown Minneapolis, and to the Betty Crocker kitchens. Each lady also will be presented with a gift.

Registrations for the convention

may be sent to R. C. Hilliard and Lawrence Larson, co-chairmen of the registration committee, in care of the Northwestern National Bank in Minneapolis.

The program of speakers for the meeting follows:

"Let's Take Inventory"—D. D. Scanlon, assistant secretary, Continental Illinois Safe Deposit Company.

"Good Publicity for Safe Deposit"—Mrs. Mary Rachel Forsythe, manager, safe deposit department, Citizens National Bank, Evansville, Illinois.

"Our Mounting Problems"—Richard L. Middleton, vice president, Corn Exchange Safe Deposit Company, New York City.

"Profits Are Possible"—Louis E. Friese, vice president, Security-First National Bank, Los Angeles, California.

"Are the Hazards in State Deposit Operations Real or Fancied?"—A. L. Wissman, manager, safe deposit vault, First National Bank, Philadelphia, Pennsylvania.

"Safe Deposit's Role in the Bank Family"—C. Henry Reinhardt, Jr., treas-

Trophy Award



HONORARY CHIEFTAIN—In appreciation of the **Valley National Bank Trophy** awarded the championship team in the Arizona All-Indian Basketball Tournament, **Jerry Sahmaunt** (right), an employee of the Phoenix Area Office of the Bureau of Indian Affairs, helps adjust a headdress on **Carl A. Bimson**, VNB president, while naming him an honorary tournament "chieftain." **Jasper J. Porter** (left), tournament chairman, tells Bimson that proceeds will be used to establish scholarships for Indian youths at Arizona colleges. North Phoenix High School gym was the site of the competition in which 15 Indian teams from all sections of the state were entered.

urer, Rutherford Trust Company, Rutherford, New Jersey.

Panel Session—The panel will include operations men and attorneys outstanding in the safe deposit field.

*...place your
Chicago affairs
in GOOD
HANDS*

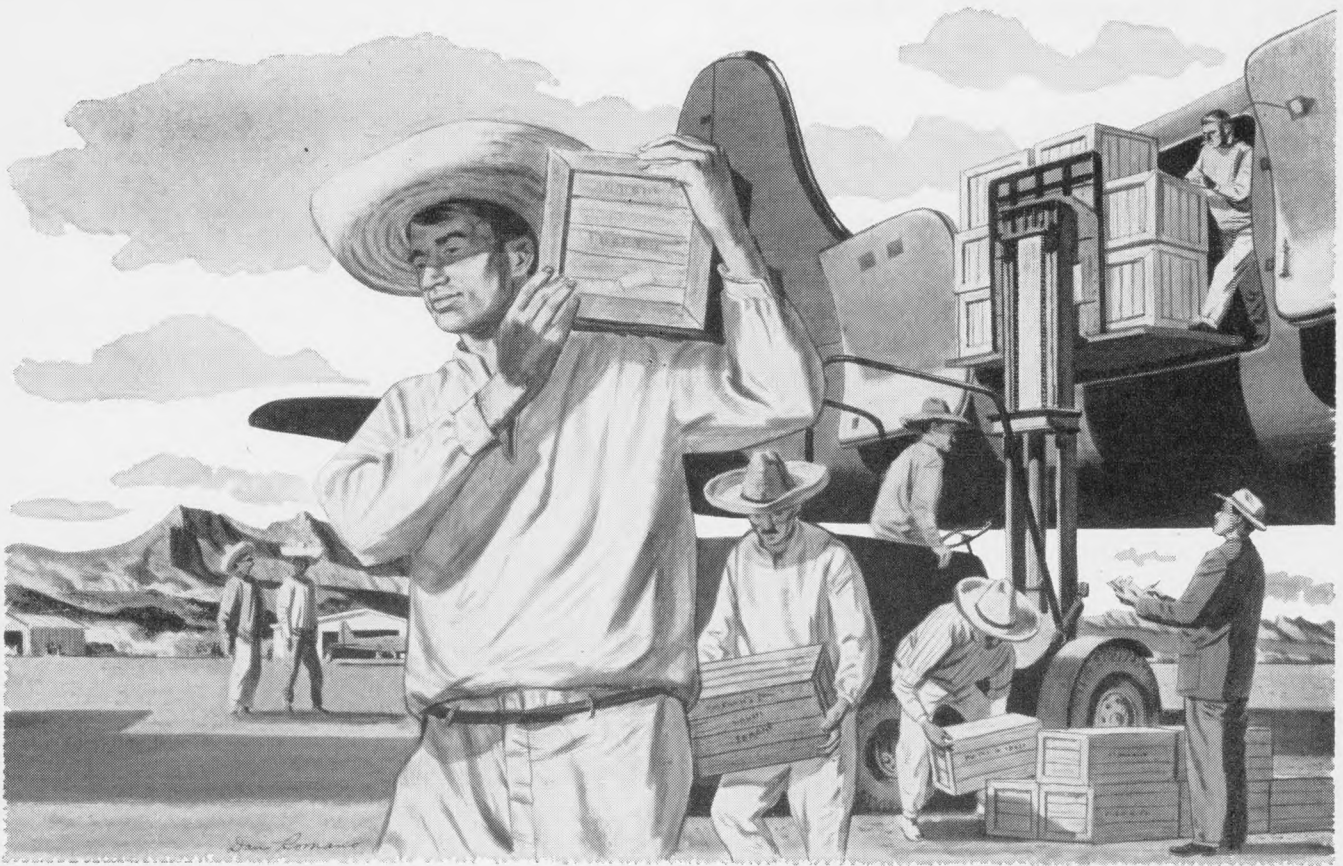
Provide your Chicago accounts with the complete facilities...prompt attention...and efficient service of an outstanding financial institution. Our extensive services are at your immediate disposal.

**CITY NATIONAL BANK
AND TRUST COMPANY of Chicago**

208 SOUTH LA SALLE STREET

(Member Federal Deposit Insurance Corporation)





A Complete International Banking Service

...for you and your customer!

In every part of the world, Bank of America's long-established credit, collection, and payment facilities offer you and your clients rapid handling of any commercial problem. For information write or wire Bank of America, 300 Montgomery Street, San Francisco, or 660 South Spring Street, Los Angeles — attention International Banking Department.

Bank of America
 NATIONAL TRUST AND SAVINGS ASSOCIATION
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OVERSEAS BRANCHES: London • Manila • Tokyo • Yokohama • Kobe • Osaka • Bangkok • Guam.
REPRESENTATIVES: New York • Mexico City • Milan • Paris • Zurich • New Delhi. Correspondents throughout the world.
BANK OF AMERICA (INTERNATIONAL), New York, a wholly owned subsidiary; overseas branch, Duesseldorf.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1954

FPRA Regional Meeting

A REGIONAL meeting of the Financial Public Relations Association, including a number of middle-western states, will be held on April 12th in Oklahoma City, with headquarters at the Skirvin Hotel.

The morning session will be devoted to a panel discussion of the following subjects:

"How Banks Become Good Neighbors," "How to Get Along With People," "How to Get Constructive Publicity," "How to Develop a Public Relations Attitude Throughout the

Bank," "How to Get, Keep and Develop Profitable Business," "Where Do Public Relations Begin?," "Do People Understand Our Business?" and "How Much Should I Allocate to Advertising?"

Members of the panel are: Rod MacLean, first vice president, Financial Public Relations Association; assistant vice president, Union Bank & Trust Company, Los Angeles. W. W. Delamater, second vice president, Financial Public Relations Association; vice president, Tradesmens Land Title

Bank & Trust Company, Philadelphia. William E. Singletary, third vice president, Financial Public Relations Association; vice president, Wachovia Bank & Trust Company, Winston-Salem, North Carolina. Harold W. Lewis, treasurer, Financial Public Relations Association; vice president First National Bank, Chicago.

The afternoon meeting will consist of a number of clinics, all held simultaneously. The clinic subjects, with their respective chairmen and vice chairmen, are as follows:

Advertising—Chairman, C. A. Hemminger, director of advertising and public relations, First National Bank, St. Louis; vice chairman, T. Arthur Williams, assistant vice president, Central Bank & Trust Company, Denver.

Commercial Development — Chairman, George J. Watts, vice president, Republic National Bank, Dallas; vice chairman, A. J. Rhodes, vice president, Omaha National Bank Omaha.

Installment Credit—Chairman, Reed Sass, vice president, Fort Worth National Bank, Fort Worth; vice chairman, Oliver Howard, vice president, Citizens National Bank, Abilene, Texas.

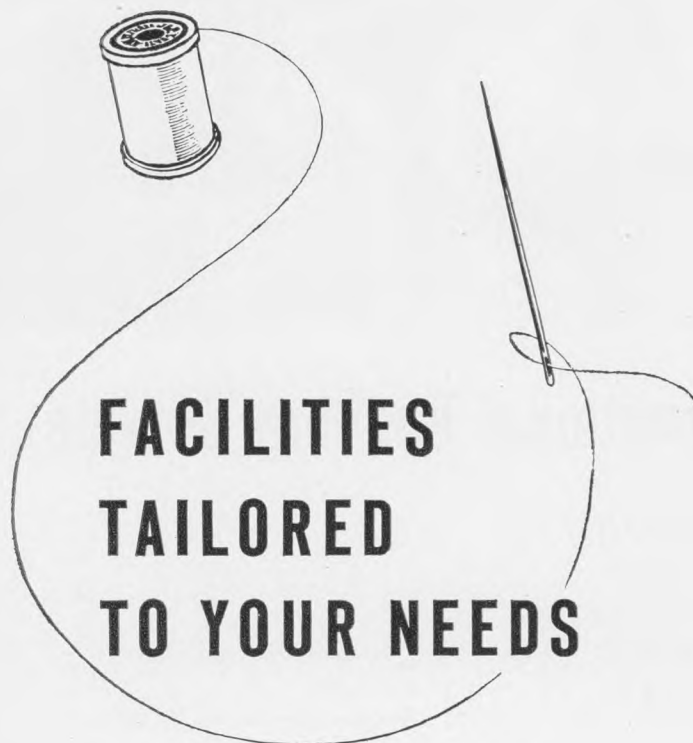
Savings and Mortgage—Chairman, King Bennethum, assistant vice president, First National Bank, Minneapolis; co-chairmen, Sam Cantey III, assistant vice president, First National Bank, Fort Worth; Robert Wekesser, vice president, National Bank of Commerce, Lincoln, Nebraska; Paul Snyder, assistant vice president, Security National Bank, Sioux City, Iowa; E. J. McBride, cashier, The Commercial Bank, Blue Hill, Nebraska.

Staff Relations—Chairman, William D. Meacham, executive vice president, First National Bank, Eldorado, Arkansas; vice chairman, A. Gordon Bradt, second vice president, Continental Illinois National Bank and Trust Company, Chicago, Illinois.

Fed Director

Appointment of Ira A. Moore, president, Peoples National Bank of Grand Rapids, Grand Rapids, Michigan, as a director of the Detroit branch of the Federal Reserve Bank of Chicago for an unexpired term ending December 31, 1956, was announced by C. S. Young, president of the bank. The appointment was made by the board of directors of the Federal Reserve Bank of Chicago at its meeting held last month.

The board of directors of the Detroit branch was increased from five to seven members following the assignment of the entire lower peninsula of Michigan to the branch territory at the close of business December 31, 1953.



**FACILITIES
TAILORED
TO YOUR NEEDS**

Many out of town banks have been pleased to find that our facilities for serving correspondents are tailored particularly to fit their requirements.

Prompt, accurate transit service—ample "safekeeping" facilities—seasoned investment counsel.

We will welcome an opportunity to tell you more about these and other services we are prepared to offer your bank.

American National Bank and Trust Company of Chicago

LA SALLE AT WASHINGTON, CHICAGO 90, ILLINOIS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



approaching new york

Every day some 11,000 travelers arrive in New York by air. When their plane wings in over lower Manhattan, this dramatic, bird's-eye view of the city's financial center is spread out before them.

Here is the head office of the Chase National Bank where scores of businessmen and bankers from out of town are welcomed every day.

At Chase these visitors find officials who are familiar with

trade developments and business methods in foreign markets as well as in all parts of the United States. They also find in New York a network of Chase branches whose staffs are in touch with the diverse business interests and enterprises of the city.

Chase stands first in loans to American industry, and for many years has also been number one in correspondent bank relationships. Almost half of the banks in the country which

maintain banking connections in New York have selected the Chase National as depository.

If you are considering a New York banking connection, why don't you talk to the people at Chase?

THE Chase

NATIONAL BANK
OF THE CITY OF NEW YORK

HEAD OFFICE: Pine Street corner of Nassau

Member Federal Deposit Insurance Corporation

Northwestern Banker, April, 1954

Denver Has New 4-Lane Drive-In



DENVER, Colorado's, first downtown drive-in banking service was recently opened to the public by the **Central Bank & Trust Co.** During the two-day grand opening over 8,000 motoring people went through the four drive-up lanes, while many hundred more uncounted pedestrians inspected the special walk-up window.

The enlarged banking quarters and drive-in, constructed at a cost of nearly \$40,000, includes four drive-in and one walk-up teller windows. These windows and teller booths are connected with the main bank by subway. The entire facilities are under roof.

Three of the drive-in facilities are shown in the picture above.

Elected Vice President

Conrad C. Jamison, manager of the research department of Security-First National Bank of Los Angeles, has been elected vice-president of the bank, according to an announcement by George M. Wallace, chairman of the board and chief executive officer.

Mr. Jamison, who has been associated with the bank since 1937, is a member of the Governor's Commission on Small Business, the research committee of the Los Angeles Chamber of Commerce, and the industrial plant location committee of the California State Chamber of Commerce.

Mr. Wallace also announced that George L. Woodford, Jr., has been elected assistant vice president and manager of Security-First National's credit department. Mr. Woodford is a vice president of the Los Angeles Junior Chamber of Commerce and a member of the Los Angeles Bank Credit Men's Association.

Public National Promotions

E. Chester Gersten, president of The Public National Bank and Trust Company of New York, has announced the appointment of Edwin L. Emery as vice president. Mr. Emery, formerly an assistant vice president, is in charge of the bank's accounts receivable loan department at main office. Other promotions announced were: Henry J. Dengel and George R. Montgomery to assistant vice presidents from assistant cashiers, and Arthur Rudolph to assistant vice president from assistant cashier, and William A. Brindley, Jr., to assistant cashier from credit supervisor.

Diebold Elects Nelson

Elmer W. Nelson has been named a vice president of Diebold, Incorporated, Canton, Ohio, as a result of action taken by the board of directors at a meeting in New York City.

Having been associated with Diebold for more than 40 years, Mr. Nelson is widely known as an expert on bank vaults and bank security equipment. His first employment was with Diebold in St. Paul, beginning in 1911. In his lifetime of Diebold service he has been stationed in Canton, Boston and New York City, filling such major positions as advertising manager, Diebold New England manager, general manager of dealer sales, New York branch manager, eastern division manager, and sales manager, eastern bank division, as well as consultant on foreign contracts.

Payment Completed

Guy T. O. Hollyday, commissioner of the Federal Housing Administration, has handed a check to Secretary of the Treasury George M. Humphrey in the amount of \$16,500,000, which completes payment to the Treasury of approximately \$85,900,000.

The check represents the final installment on the repayment in full of \$65,500,000 advanced by the United States Treasury Department to provide operating capital and establish the various insurance funds, plus interest in the amount of \$20,400,000 at the rate of 2½ per cent.

Insurance written to date by the FHA under all of its programs is in excess of thirty billion dollars.

OVER 640 BRANCHES TO SERVE YOU IN CANADA

One of the world's larger banks, The Canadian Bank of Commerce, maintains more than 640 branches from Newfoundland to British Columbia. We are equipped to cooperate with United States banks whose customers are interested in Canadian markets, raw materials, or industrial developments.

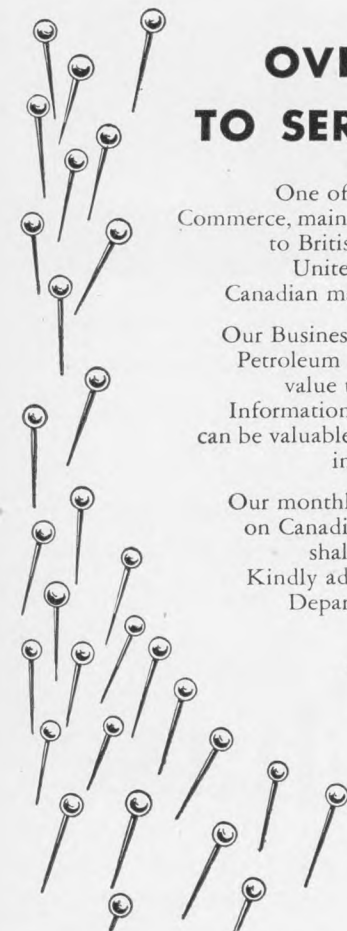
Our Business Development Department in Toronto, and our Petroleum & Natural Gas Division in Calgary are of special value to bankers and businessmen south of the border.

Information from these sources or from any of our branches can be valuable by giving an up-to-date picture of opportunities in Canada for United States enterprise and capital.

Our monthly Commercial Letter carries a wide range of data on Canadian industry, mining, agriculture and finance. We shall be glad to place your name on the mailing list. Kindly address your request to our Business Development Department, 25 King Street West, Toronto 1, Canada.

The Canadian Bank of Commerce

Head Office — Toronto
New York • San Francisco • Los Angeles
Seattle • Portland, Ore.
and more than 640 Canadian Branches





To help you in making sound decisions on your commercial loans, we have what we believe is the greatest body of specialized information available. It goes far beyond printed information. It is intimate, firsthand knowledge of markets, plants and processes, gathered by our officers in the field.

All this began back in the early 1900's with a simple, but new, organizational idea. Instead of assigning groups of lending officers in the Commercial Department to *geographical territories*, they were assigned to Divisions handling small groups of related *industries*.

In the years since, officers in each one of those Divi-

sions have handled financing for their group of industries *alone*. So, because each Division specializes, its officers get to know their industries *intimately*.

The services of each and all of these Divisions are available to our correspondents through our Division F, which specializes in bringing what we have learned — to you.

This is only one of the many correspondent services of The First National Bank of Chicago. If you would like to talk over all these services, just write, wire or phone. A Divisional specialist from The First will call on you — at your convenience.

EDWARD E. BROWN, *Chairman of the Board*
 JAMES B. FORGAN, *Vice-Chairman* HOMER J. LIVINGSTON, *President* WALTER M. HEYMANN, *Executive Vice-President*
 HAROLD V. AMBERG, *Vice-President* HUGO A. ANDERSON, *Vice-President*
 GAYLORD A. FREEMAN, JR., *Vice-President* HERBERT P. SNYDER, *Vice-President*



The First National Bank of Chicago

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1954

A.I.B. Convention Program

THE advance program for the 52nd Annual Convention of the American Institute of Banking, which will bring hundreds of young bankers to Los Angeles, California, next June 7th to 11th, is announced by the Institute president, Stetson B. Harman, assistant vice president and trust officer, First Trust and Savings Bank of Pasadena, California.

The key speakers at the convention, which will have the Statler and Biltmore Hotels as co-headquarters, will address the two general business sessions. One opens the meeting and the other is on the closing day. Everett D. Reese, president of the American Bankers Association and president, The Park National Bank of Newark, Newark, Ohio, will be the featured

speaker at the opening session on Monday, June 7th. Leslie E. Gehres, Rear Admiral, United States Navy (retired) and executive vice president, Constitutional Foundation, Inc., San Diego, California, will address the closing session on Friday, June 11.

Among the other outstanding events on the convention program will be the National Public Speaking Contest for the A. P. Giannini Educational Endowment prizes on Monday evening, June 7th; the National Convention Debate for the Jesse H. Jones National Convention Debate Fund prizes on Tuesday evening, and the National Publicity Exhibit, to be judged on Monday.

Monday afternoon and all day Tuesday and Thursday will be devoted

primarily to a series of conferences on various phases of banking, such as trust business and investments, business development and advertising, credits, bank management and operations, and savings and mortgage banking. Conferences will also be held on A.I.B. educational, chapter administration, public relations, and women's activities.

All day Wednesday of the convention week will be devoted to a trip to Catalina Island, including luncheon on the Island. Other social activities will include a "Get Acquainted Hour" on the opening day, informal dancing after the evening sessions, and a grand ball in the Hotel Statler on Friday evening, June 11th.

Each of the conferences on general banking subjects will be arranged by a different banker who will preside during the conference itself. These "departmental conference leaders" are: Alan Moore, vice president, First National Bank, Minneapolis, Minnesota, for the Bank Management and Operations Conference; Earl I. Vaughn, vice president, Bank of America N.T. & S.A., Los Angeles, California, for the Business Development and Advertising Conference; J. Kaye Ewart, vice president, National Bank of Washington, Tacoma, Washington, for the Credits Conference; O. Parker Bullard, assistant treasurer, Home Savings Bank, Boston, Massachusetts, for the Savings and Mortgage Conference, and Felix Montano, trust officer, Hartford-Connecticut Trust Company, Hartford, Connecticut, for the Trust Business and Investments Conference. Alton P. Barr, executive vice president, Security Commercial Bank, Birmingham, Alabama, will be chairman of the Departmental Conferences.

Award Winners

Richard E. Smith of the LaSalle National Bank, Chicago, is the winner of first place in the annual John F. Amberg Awards contest, it is announced by Chicago Chapter, American Institute of Banking.

Second place was awarded to Bruce Klingbeil of the Northern Trust Company. Four members tied for third place and duplicate prizes were awarded to Patricia Dennin of the Old Second National Bank, Aurora, and three employes of the Continental Illinois National Bank & Trust Company, Russell P. Lipari, John W. Nelson, Jr., and Jo Ann Stepanich.

Dividend

Directors of Chemical Bank & Trust Company declared the regular quarterly dividend of 50 cents a share on the capital stock, payable April 1, 1954, to stockholders of record March 15, 1954.

Government Securities and your Bank

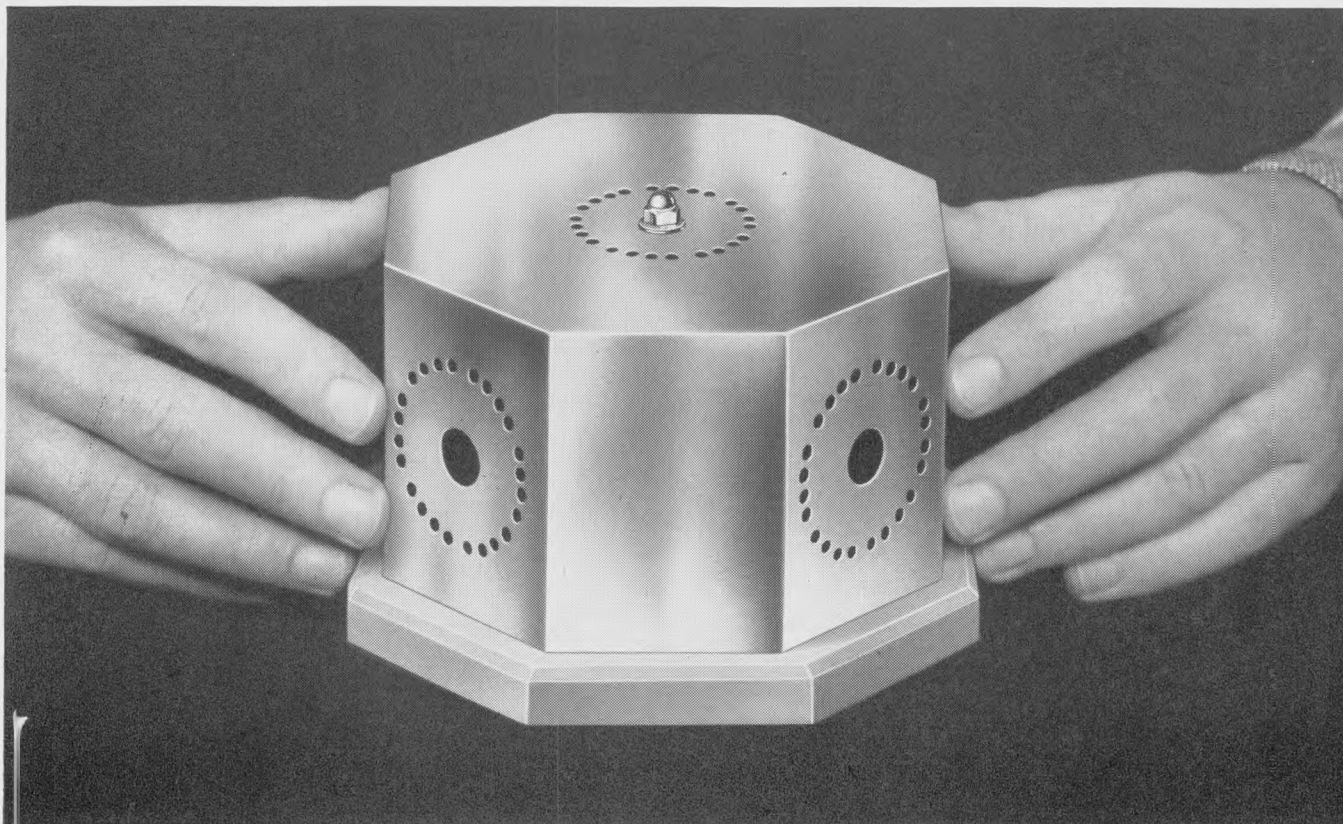
THE management of the portfolio of United States Government securities is a major job in every bank today. To aid our correspondent banks in this task, we send them a weekly quotation sheet, buy and sell government securities for them as agent without fee and if desired hold the securities in safekeeping without charge.

This is only one of many services we have been rendering banks and bankers throughout the Middle West for over three-quarters of a century. We shall be pleased to explain these services in more detail.

The
LIVE STOCK
National **BANK** *of Chicago*
ESTABLISHED 1868
UNION STOCK YARDS



Member Federal Deposit Insurance Corporation



How this magic "ear" can make your bank safer

A sound barrier that has never been successfully broken

The small metal object you see above is an amazingly sensitive electronic "hearing" device. Only 5¼" in diameter, it fastens to the ceiling of your vault . . . "listens" every night for the suspicious sounds a burglar makes . . . and (by means of other units) rouses the police and the whole neighborhood when it *hears* them.

Accidental alarms practically impossible

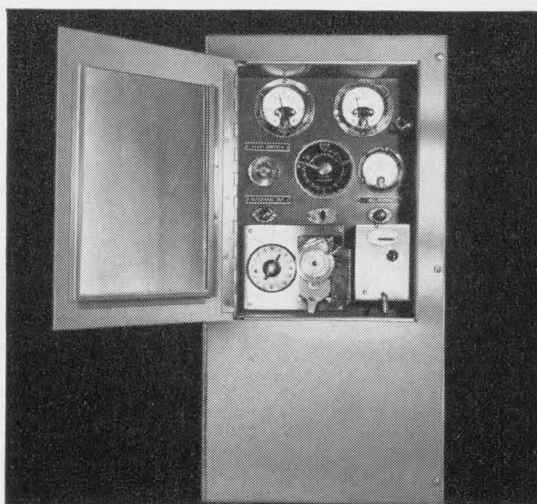
This equipment, known as the Mosler-Duplex Microphone System for Vault Protection, has been welcomed by bankers everywhere. It brings a big saving in burglary insurance premiums (up to 65%), and all but eliminates accidental alarms. Once the "Sound Regulator" on the Control Panel inside your vault is set, it will respond *only* to sounds of direct attack on the vault—not outside street noises. The vault alarm unit may also be connected to special Mosler-Duplex hand or foot contacts for Day-Raid protection.

If *your* protective equipment does *not* include a modern alarm system, isn't your bank falling *short* of the Grade "A" 100% safety it should have? Mail the coupon, now, for details about this unique Mosler-Duplex system.

IF IT'S MOSLER . . . IT'S SAFE

The **Mosler Safe** Company
Since 1848

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



"Brains" of the Mosler-Duplex Microphone System is this stainless steel Control Panel, which can be installed flush inside the vault.

The Mosler Safe Company, Dept. NB4
32nd Street and Fifth Avenue, New York 1, N.Y.
Please send me (check one or both):

- Complete details about the Mosler-Duplex Microphone System for Vault Protection.
 Complete information about Mosler-Duplex Day-Raid protective equipment.

NAME POSITION
COMPANY
ADDRESS
CITY ZONE STATE

Northwestern Banker, April, 1954

Motorized Film Reader

In a new motor-driven microfilm reader, announced by Recordak Corporation, subsidiary of Eastman Kodak Company, magnifications of 23, 30 and 40 times are available by simply interchanging the lenses. At these magnifi-



NEW Recordak Motorized Film Reader offers magnifications of 23, 30 and 40 diameters by interchanging the lenses. All controls are within easy reach just below the eye-level screen. Three kinds of 16 mm. microfilming methods can be viewed on the reader screen.

cations, 16 mm film images produced by the standard, duo, or duplex microfilming methods can be viewed at high legibility and eye comfort.

A precision-built desk model, the new motorized reader has all film loading and operating controls located on the front of the reader within easy reach, just below the eye-level screen. A single knob controls both the direction and the rate of film travel across the reader screen. Scanning speed of

the film, in either direction, can be adjusted from slow to high speed for rapid advancing and rewinding. Another control switch provides continuous film movement automatically at any selected scanning speed, desirable either for locating a specific image or for inspection purposes. An accessory foot control is also available for added convenience.

Through the use of rotating, optical flats, the images remain in sharp focus at all times, whether the film is at rest or in motion. By simply turning another control, the images may be rotated through 360 degrees and placed in a correct, upright reading position on the screen. A lateral control moves the film from side to side so that the full width of the film can be viewed. This is necessary for duo and duplex types of films at certain reductions.

The Recordak Motorized Film Reader is available for immediate delivery. With one lens assembly, the reader is priced at \$825 or can be rented for \$20 a month. Additional lens assemblies for varying the magnification and a foot switch for starting and stopping the film are available as accessories at extra cost.

Named Vice President

Appointment of Stephen F. Casco as a vice president of Manufacturers Trust Company was announced by Horace C. Flanigan, president.

Mr. Casco was first employed by the old Chatham-Phenix National Bank and Trust Company in 1925 as a messenger, and came to Manufacturers

Trust Company through the merger of that bank in 1932. He became a chief clerk in 1935 and a branch super-



STEPHEN F. CASCO
Vice President

visor in 1938. In 1945 he was advanced to assistant comptroller and in 1953 was appointed an assistant vice president and assigned to the installment loan department.

Mr. Casco is a member of the class of 1948, Graduate School of Banking, Rutgers University. He also is a member of Manufacturers Trust Company's "President's Committee on Employee Relations," which visits all offices and departments to talk with employes, learn their problems and survey the conditions under which they work.

There's a JAEGER Bank Interior Installation Near You! BANK FIXTURES AND INTERIOR BANK REMODELING

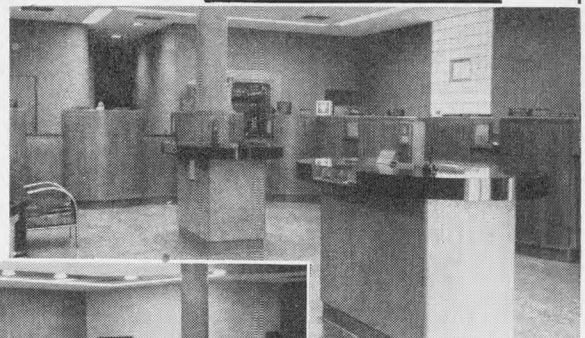
LOOK TO JAEGER FOR RESULTS

Jaeger Manufacturing Company is staffed with experienced engineers and designers who will be happy to consult with you or your architect about your Bank Remodeling or Bank Fixture needs. Every Jaeger job is backed by over 70 years' experience.

JAEGER Manufacturing Co.

8th and Vine Streets Des Moines, Iowa
BANK FIXTURE HEADQUARTERS SINCE 1883

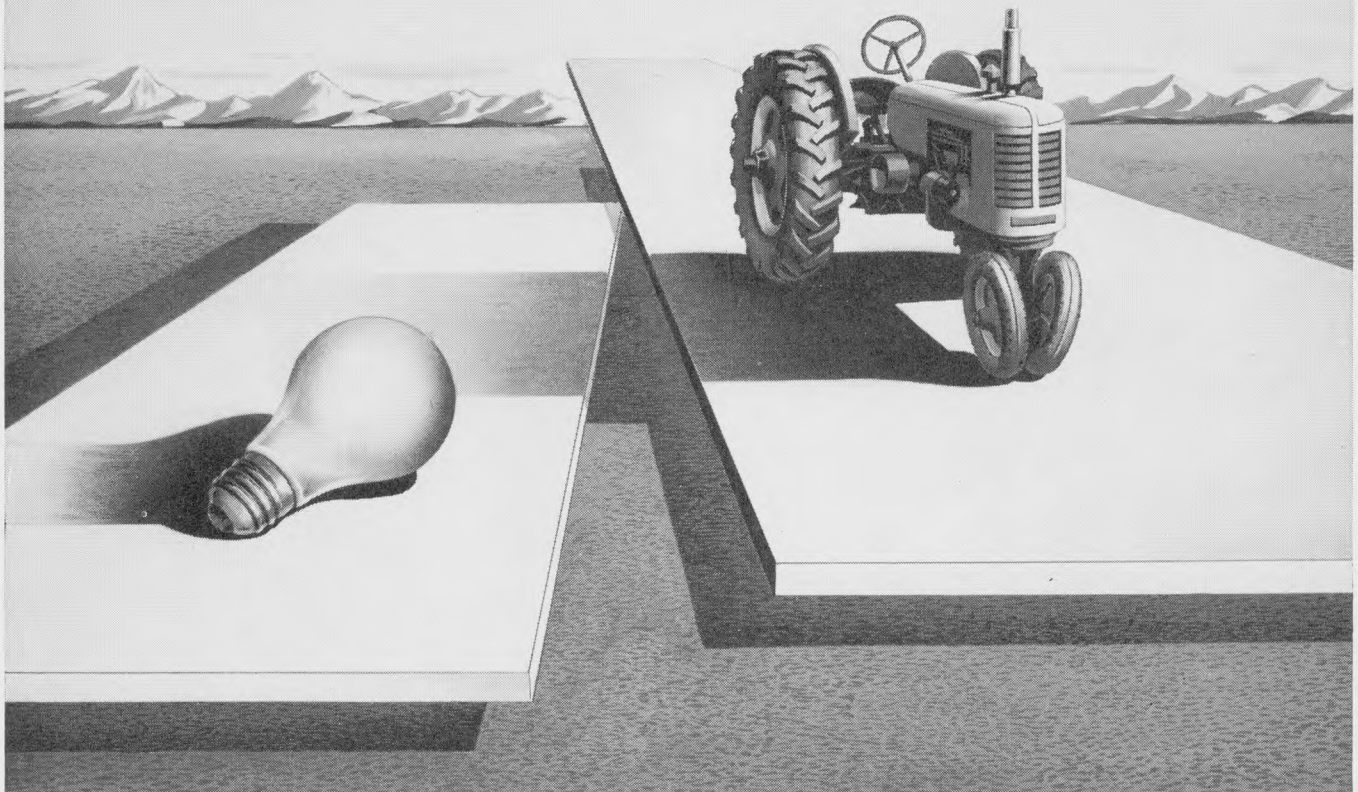
MANUFACTURERS of BANK,
STORE and OFFICE FIXTURES



Another JAEGER
Bank Interior
Remodeling Job,
Boone, Iowa,
State Bank and
Trust Company



WHAT DO THESE HAVE IN COMMON?



They are both good collateral when secured by a LAWRENCE FIELD WAREHOUSE RECEIPT

And there are countless other commodities which are Grade A collateral when covered by a Lawrence receipt. Bank officers throughout the United States, Canada and Mexico welcome inventory loans secured this way since each Lawrence warehouse receipt is backed by the *integrity* of the Lawrence Warehouse Company — a continuously successful operation for forty years.

In addition, each Lawrence receipt is backed by legal liability and fidelity bonds

totaling \$1,000,000 at *each* of the more than 2500 Lawrence field warehouse locations. Such comprehensive coverage affords unsurpassed *security* for banks and other receipt holders.

Consider, too, Lawrence *facility* — typified by the exclusive Lawrence-IBM Commodity Collateral Report for loan officers. Electronically compiled, this record keeps the banker always up to date on inventory values, while reducing the cost of servicing commodity loans.

LAWRENCE ON WAREHOUSE RECEIPTS

LAWRENCE
SYSTEM

... IS LIKE CERTIFIED ON CHECKS

LAWRENCE WAREHOUSE COMPANY

NATIONWIDE FIELD WAREHOUSING

37 Drumm Street, San Francisco, California

100 N. La Salle St., Chicago 2, Ill. • 79 Wall Street, New York 5, N.Y.

OFFICES IN PRINCIPAL CITIES

Northwestern Banker, April, 1954

Investment School

The second annual session of the Institute of Investment Banking will be held at the University of Pennsylvania, Philadelphia, during the week of April 12th, it was announced by T. Jerrold Bryce, Clark, Dodge & Company, New York, president of the Investment Bankers Association.

A three-year executive development program is offered by the Institute for partners and officers of member firms and other personnel being trained for positions of increasing responsibility. It is sponsored by the education committee of the I.B.A., in cooperation with the Wharton School of Finance and Commerce.

The project is an outgrowth of the highly successful investment banking seminars held in Philadelphia under the same sponsorship in 1951 and 1952. The seminars provided a one-week refresher course for seasoned personnel. The response by the industry to the two-year seminar experiment was most favorable and led to the establishment of the Institute in the spring of 1953 to provide a permanent and more extensive training opportunity for the securities business.

Two programs are being offered in 1954: A first year curriculum for those just enrolling in the Institute, and a second year curriculum for those who attended the 1953 session.

Bank Bookkeeper

The National Cash Register Company has just announced the "34" bank bookkeeping machine, lower priced companion to the well-known Class 31 line.

The "34" retains the hydraulically operated carriage of the Class 31, as well as its system of automatic con-



A NEW bank bookkeeping machine, recently announced by the National Cash Register Company.

trol through detachable "form bars" at the front of the machine, which may be switched in a matter of seconds to change from one bookkeeping job to another. Typewriter models will be equipped with a standard keyboard, electric typewriter.

Features of the "34" include direct subtraction from every total, a "reverse" key which permits immediate correction of any error made, and the ability to clear all totals automatically. Carriage functions, including dating, tabulation, vertical spacing, opening, closing and return, are fully automatic.

The new machine will be manufactured in both typewriter and non-typewriter models to cover a wide range of bank bookkeeping needs. Further information may be obtained by writing directly to the company at Dayton 9, Ohio.

St. Paul Terminal

In its year-end statement for 1953, the St. Paul Terminal Warehouse Company lists total current assets at \$1,172,521, of which \$418,170 is in cash, \$454,811 in U. S. government and marketable securities, and \$236,423 in trade receivables. Other investments come to \$261,715, thence is \$1,649,524 in property, plant and equipment, making total assets of \$3,083,760.

Total current liabilities are shown as \$531,972. Capital stock and surplus of the company is \$1,881,097.

In addition to the company's financial responsibility as reflected in this report, holders of warehouse receipts are insured up to \$3,000,000 against any loss for which the company may be legally liable with a limit of \$1,000,-

DROVERS LOCATION

MAKES IMMEDIATE CREDIT

POSSIBLE ON LIVESTOCK PROCEEDS

The Drovers National Bank* is located at Chicago's Union Stock Yards. We give our correspondents immediate credit for proceeds of livestock sold on the Chicago market by their farm customers. Let us help speed up the availability of your funds.

We invite your inquiry.

**The Drovers National Bank is a direct member of the Chicago Clearing House Association and the Federal Reserve System. It has provided continuous service to correspondent banks since February 12, 1883.*



The Drovers Banks

Drovers National Bank and Drovers Trust & Savings Bank

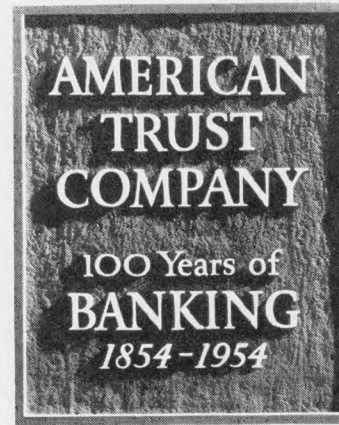
UNION STOCK YARDS, CHICAGO 9, ILLINOIS

Members, Federal Deposit Insurance Corporation

COMBINED RESOURCES OVER ONE HUNDRED MILLION DOLLARS

24-HOUR TRANSIT SERVICE

Our 24-hour Transit service and air mail dispatch often make funds available days earlier. Many correspondents save valuable time by air mailing *all* western items to AMERICAN TRUST COMPANY. This 24-hour Transit operation assures you swift service. Our many offices and west-wide relationships offer exceptional facilities for collection. Air mail your West Coast items to AMERICAN TRUST COMPANY, *San Francisco*.



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



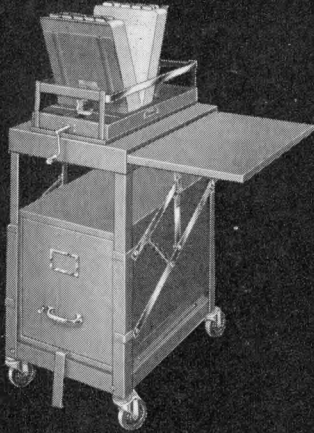
Statement of Condition December 31, 1953

RESOURCES		LIABILITIES	
Cash on Hand and in Banks	\$ 249,950,198.22	Deposits	\$1,197,772,363.16
U. S. Government Obligations	376,741,423.70	Acceptances Outstanding	1,897,163.04
State, County, and Municipal Bonds	55,397,897.89	Reserve for Unearned Discount	8,297,808.85
Other Bonds and Securities	21,254,302.22	Reserve for Interest, Taxes, etc.	6,935,480.63
Stock in Federal Reserve Bank	1,650,000.00	Other Liabilities	2,007,135.40
Loans and Discounts	560,093,534.72	Capital Funds:	
Bank Premises and Equipment	10,676,164.45	Capital Stock	20,000,000.00
Other Real Estate	1.00	Surplus	35,000,000.00
Customers' Liability under Acceptances	1,889,801.46	Undivided Profits	13,381,551.59
Accrued Interest Receivable and Other Assets	7,638,179.01	Total Liabilities	\$1,285,291,502.67
Total Resources	\$1,285,291,502.67		

United States Government and other securities carried at \$137,475,029.75 are pledged to secure U. S. Government Deposits, other public funds, trust deposits, and for other purposes as required or permitted by law.

Le Febure

**M-K ADJUSTO
TRAY-BINDERS
and Hi-Lo STANDS**



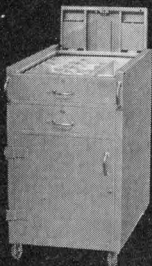
Le Febure SORTERS

SAVE TIME
SAVE WORK
SAVE SPACE



**STEEL BANK
and OFFICE UNITS**

to fit your needs
and space.



Tray housing
counter units, teller
units, accounting
machine desks,
savings tubs, money
buses, double
capacity files and
cycle billing equip-
ment . . . insulated
if required.

**TRAINED REPRESENTATIVES
IN MOST PRINCIPAL CITIES**



Complete Line of Tray-
Binders, Stands, Record
Handling and Housing
Equipment.

**Le Febure
CORPORATION
CEDAR RAPIDS, IOWA**

000 at any warehouse location, auto-
matically reinstated in case of loss.
This coverage is the most complete
and comprehensive offered to the hold-
ers of warehouse receipts.

Elected Director

R. E. McNeill, Jr., president of The
Hanover Bank, New York, has been
elected a director of American Smelt-
ing & Refining Company.

Mr. McNeill also is a director and
member of the finance committee of
Chrysler Corporation, a director and
member of the executive committee of
Fidelity & Casualty Company of New
York, and a director of the New York
Board of Trade, New York Chapter of
American Red Cross, Alexander Smith,
Incorporated, National Surety Corpo-
ration, National Surety Marine In-
surance Corporation, Niagara Fire
Insurance Company, Northern Insur-
ance Company, and Assurance Com-
pany of America.

He joined The Hanover Bank as a
vice president in 1940 and was elected
president and a trustee in 1950.

Wooten Honored

Governors of four states joined at
an invitational dinner March 22nd in
Dallas to pay tribute to Ben H. Wooten,
immediate past chairman of the
board of the Federal Home Loan Bank
of Little Rock.

The speakers at the testimonial af-
fair honoring the president of the

First National Bank in Dallas included
Governors Francis Cherry of Arkan-
sas, Edwin L. Mechem of New Mexico,
Johnston Murray of Oklahoma and
Allan Shivers of Texas.

Hosts for the dinner were the sav-



BEN H. WOOTEN

ings and loan associations which are
members of the Federal Home Loan
Bank in the five-state ninth district
comprising Arkansas, Louisiana, New
Mexico, Mississippi and Texas. The
dinner was held during the annual
convention of the Southwestern Sav-
ings and Loan Conference at the Baker
Hotel, March 21st to 25th.

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Trends of Cattle and Hog Prices

SEVERAL years ago, David H. Reimers, president of the Live Stock National Bank of Chicago, prepared two live stock charts, one showing the long term trend of fat cattle prices at Chicago, with prices of feeders related thereto, and the other showing over a similar period the trend of hog and corn prices in relation to each other, both going back to include the period of World War I.

To provide a convenient record of past market performance, the bank has had these charts extended from time to time. The last previous issue brought this information down to December 31, 1950. "Since that time," says President Reimers, "we have witnessed rather wide fluctuations in the corn-hog ratio, and one of the most drastic breaks in the cattle market in the history of the industry. We feel, therefore, that it is appropriate at this time to again bring these charts down to date."

The charts have now been extended to December 31, 1953, and fluctuations since 1945 are noted in the two illustrations appearing herewith.

Going back some few years, prices of top beef cattle in 1919 showed a high of \$22, with a drop to a low

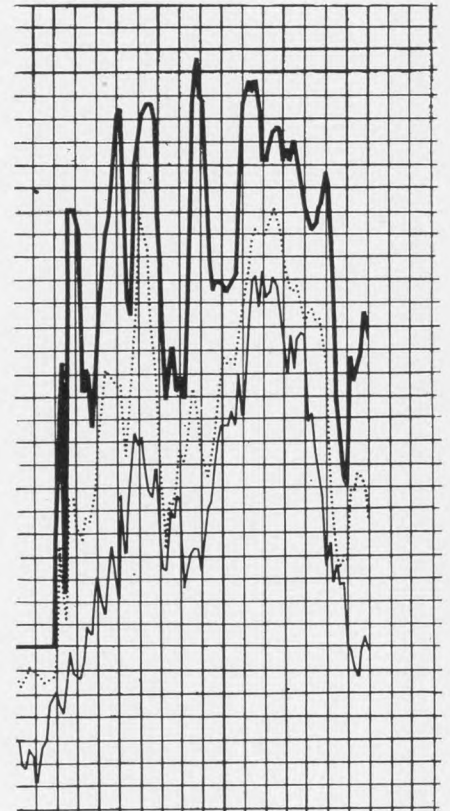
point of \$10 in 1922. In 1927 another high of \$19 was reached, followed by a low of \$7 in 1933. The next high came in 1937, when \$21 was reached.

Prices then rose gradually to a leveling off in 1945, at which point the accompanying chart picks up the fluctuations, which are marked, as can be noted. Top steer prices reached a high of almost \$44 at the end of 1949, came down to \$33 in 1950, climbed to \$43 in 1951, dropped to a low of \$25 in 1953, and then went back up to \$32 at the end of last year. Other averages followed much the same fluctuation, as can be noted on the chart.

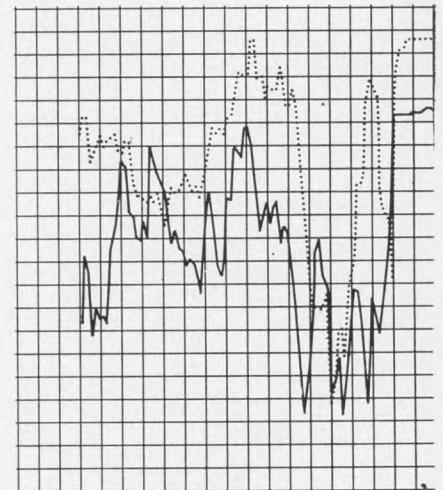
Now referring to the trend of hog prices, the high of \$22 reached in 1919 was never even approached closely until it was exceeded in 1947 with a top of nearly \$28. In those intervening years, prices ranged from a low of \$3 in 1933, to highs of \$16 in 1943. Similar to cattle, there was a leveling off in 1945 at about \$15, where the chart illustrated starts, then the jump of \$26 to \$27 in 1946, 1947 and 1948. The next low of \$15 came at the end of 1949, after a sharp drop from the previous year. Then with changes ranging from \$16 to \$24, the end of

1953 saw the hog market in Chicago topping around \$23.

Copies of both the complete cattle and hog charts, which also give much other statistical information on cattle, hog, and corn prices, may be obtained by writing Mr. Reimers at the Live Stock National Bank, Chicago 9, Illinois.



TREND of beef cattle prices at Chicago. The heavy line shows top steer prices, the dotted line is the average steer prices, and the light line shows average stocker and feeder prices.



TREND of hog and corn prices at Chicago. The solid line shows the average price per 100 pounds of live hogs, and the dotted line the average price of 10 bushels of corn.

WHAT'S NEW?

We hear a lot these days about how the bank check of the future will be processed almost entirely by electronics. Much of this is conjecture. Some of it is very real. All of it is beyond our comprehension. Nevertheless, as check manufacturers serving more than twelve thousand banks a year, we must try to understand the mechanics of each new device as it attains the status of practicability, and we must find ways and means to apply it to our business if it serves the needs of our market.

We do not scoff at electronic "reading" or any of the wonderful things now in the experimental or pilot model testing stage, but we cannot afford to allow such highly technical projects to blur the immediate problems of the day. Actually, as of now, the only departure from conventional paper check handling, with existing

machine capacity to do the job, is in the field of punched card checks. These have been adopted by a number of corporations and banks for heavy disbursements, and in a limited way by certain banks for individual checking accounts. Accordingly, we are now equipping our plants to serve a portion of this market.

Our first concern will be the imprinting of these card checks instead of the production of large orders, because it is in the handling of small imprint orders that we can best serve our bank customers. We think the machines we are developing will enable us to execute a lot of little orders in an efficient manner and at a nominal cost. So, if your bank is now contemplating furnishing imprinted punched card checks to your small account customers, we would welcome the opportunity to explain our methods.



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The answer is this: *When you work with the Harris the whole bank works with you.*

And that's just what makes the Harris Bank so unusual. It works with you in a very personal way. A way that is unique in a bank this size.


You begin by getting together with a Harris Bank officer for a talk-and-listen session. You talk. He listens.

And from that time on he becomes your personal representative in the bank . . . working with you and for you to give you the benefit of the

varied talents and facilities of the entire bank.

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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*.

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In addition, our Bond Division is a leading dealer in State and Mu-

nicipal 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 Division, 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 DIVISION
BANKERS TRUST COMPANY
 NEW YORK

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A Borrower's Market Is Again Controlling Bond Prices

The Bargain Basement Seems to Have Closed
So Far as Investors Are Concerned

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

THE bond market has just registered the sharpest switch in movement of the postwar period. Prices of prime fixed-interest securities are now bid to about where they were when the Federal Reserve stopped supporting market prices of government securities early in 1951.

As a result, the swollen investment yields that were so tempting last year to banks with free investment funds have just about vanished. The bargain basement, so to say, is closed again, so far as investors are concerned. And so long as the present business slowdown continues, the bond buyer will continue to be at a disadvantage—in a word, it is a borrower's market again.

Early in March the Treasury's issue of Victory bonds sold above par. This was the first time this happened since the market was put on a free basis in March of 1951. Likewise, new issues of AA-rated public utility bonds were marketed at yields of less than 3 per cent for the first time in three years. And the Treasury's 90-day discount bills have been selling for many weeks at yields approximating 1 per cent.

Turnabout Sudden

The most striking part of this turnabout is its suddenness. It took the Victory bonds two years to fall in price from 100 to 89½, but it took less than one year for them to climb back to 100. As for the discount bills, it took about six years to rise in yield from less than 1 per cent to 2½ per cent, but it took only about ten months to drop back to less than 1 per cent again.

A hue and cry was raised last year about the "suddenness" of the rise in interest rates and of the fall in bond prices. But nobody said "boo" about the fact that the interest rates have since fallen twice as fast as they rose. There seems to be a complacent feeling that just because the Federal Re-



serve did nothing to stop the decline in interest rates, it will leave no stone unturned to prevent such rates from rising in the future. This does not at all follow.

In retrospect, it can be seen that it was not necessary for the Federal to intervene in the market last year to the extent that it did for the purpose of swelling bank reserve funds. The authorities, because of the business recession, only took pains to make sure that if their calculations went awry, the resulting error would be on the side of easy money, not on the side of renewed credit restraint.

The result, of course, was that the Federal, by reducing bank reserve requirements and by expanding repeatedly holdings of government securities, was a major force in precipitating the abrupt market comeback. This much cannot be denied.

Was It Planned?

Yet how much was "planned that way" and how much of it was merely fortuitous? This should be an arresting question to investment specialists tempted to impose on the future any

pleasing pattern of the past. It is indeed tempting to deduce from the record of the past year that the Federal Reserve has been carried away hook, line and sinker, by a compulsion to make money cheap and keep it that way. Market operators, wishful about the return of "guaranteed" bond prices and profits, are finding that cynicism comes easy when it comes to impugning the professed "sound money" objectives of the Federal Reserve and the Treasury. For operators underwriting market positions with their own money, this kind of thinking can turn out to be expensive. For trust officers handling other people's money it can be dangerous.

For it happens repeatedly that Federal Reserve "neutrality" toward the market is often misconstrued by the spirit of the day. When bond prices are falling because securities offerings exceed available investment money, a "neutral" Federal Reserve policy in effect becomes one of "restraint" and is so regarded. Conversely, in a rising bond market, Federal Reserve "neutrality"—that is, aloofness from the market—is held to reflect an official bias toward easy money.

This is as it should be—up to a certain point. The point is that the Federal changes its mind about the availability and cost of credit not as the result of some mystical conversion to a new money ideology, but simply whenever economic conditions undergo a fundamental change.

Federal Reserve Can Change Mind

The only safe conclusion is that the Federal has changed its mind in the past and can be counted on to do so in the future. The question is when? As this is written, it would appear that any shift by the credit authorities away from easy money is at least months off. In fact, the next restrictive move may not even come from the Federal, but from the Treasury, should the latter decide to borrow

any sizable amount of cash at long term. It is sensed that the Treasury, now that it is riding a restored "bull market" in bonds, will not delay much longer in tapping the long-term market again. Most guesses are that such an offering will be made in the early summer.

Such is the background for the market's current offerings of taxable and tax-free yields. Seasoned prime securities—such as top-grade corporate investments, prime railroad equipment trust certificates, and choice state and local government debt—have trailed only slightly behind Treasury securities in staging a comeback. For example, new AA-rated public utility bonds carrying issue yields of 2.9 per cent, seem to be pretty fully priced.

Investment Opportunities

The best investment opportunities still seem to lie in newly-fashioned securities which are well secured but have not yet won portfolio acceptance commensurate with their worth. Among these are bonds carrying special guarantees, such as the obligations of the International Bank for Reconstruction and Development; the tax-free serial bonds of local housing authorities having subsidy contracts with the Public Housing Administration, and the state and local revenue bonds of school building authorities.

The buoyant market in which the World Bank floated its last issue of

securities—3½ per cent debentures due in 1969—carried the bonds to a premium of 104 and developed in the secondary market the greatest demand for the bonds of the international lending institution since it was founded.

Early in March, the yield spread between the World Bank's new 15-year 3½s and new AA long-term public utility bonds was nearly one-fourth of 1 per cent, with the bank on the long side. This is hard to justify against the fact that the bank is backed by a pledge of more than \$3,000,000,000 of United States government funds, and against the further fact that the bank's loans still total less than \$1,000,000,000, with annual amortization income rising rapidly.

The last sale of the public housing bonds had the good fortune to take place under most favorable market conditions. The borrowing authorities incurred an average borrowing cost of 2.338 per cent, against 2.741 per cent last December. The improved pricing was reflected in yield scales which began at 0.75 per cent for bonds due in 1955 to 2.65 per cent for bonds due in 1995. This is a far cry from the tax-free yields ranging up to 3 per cent which were available last year, but it is still attractive, relatively speaking.

The RFC Pool

The liquidation of the Reconstruction Finance Corporation is centering

attention on a pool of about \$77,000,000 of loans in which the Federal Agency is offering certificates of interest bearing 3½ per cent. This is intended to transfer the credit from public to private hands. It comes in the wake of the three offerings of Commodity Credit Corporation loan participation certificates totaling nearly \$1,000,000,000 and bearing interest ranging from 2½ per cent to 2¾ per cent. The certificates of interest in the CCC loans bear the government's guarantee; the RFC offering does not.

The market occasionally brings into focus the difference in yields stemming from the prime credit of orthodox type and that stemming from new-type securities designed to fill certain special needs in public administration. For a recent example, Massachusetts issued new general obligations running out to 1989 the same day that the Georgia State School Building Authority offered new revenue bonds maturing over 20 years. The Massachusetts tax-secured bonds were priced to yield from 0.8 per cent to 2.4 per cent, while the shorter Georgia obligations were priced to yield from 1.2 per cent to 2.85 per cent.

Continuing good demand for the new revenue bonds of the local Pennsylvania school authorities has caused yields on this type of credit to fall sharply, assuring substantially lower costs to new districts borrowing in the market. Recent new-issue yields ranged from 1.5 per cent to 3 per cent for serials of the Tullytown Authority maturing from 1955 to 1974, and from 1.10 per cent to 2.8 per cent for serials of the Fall Township Authority maturing from 1955 to 1984.—End.

Dividend

The board of directors of Guaranty Trust Company of New York has declared a quarterly dividend of 75 cents per share on the capital stock of the company for the quarter ending March 31, 1954, payable on April 15, 1954, to stockholders of record at the close of business March 15, 1954.

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Monthly Stock Purchase Plan

(Continued from page 21)

of a savings account or government bonds, and protection against catastrophe such as through insurance.

But equity investment—with, let me emphasize again, the proper financial backlog—does offer to the investor advantages which are available in no other form of investment.

Number of Programs

If you believe that a sensible, well-planned equity investment has a place in the savings program of those of your customers who have adequate liquid savings, and if you feel that as the financial leaders of your community it is part of your job to see such a program carried out intelligently, then there are a number of plans you can adopt beyond your primary function of counseling.

One of the finest contributions of the banking system to financial security has been the development of the Christmas Club Savings Plan, which facilitates the creation of a fund of capital built for a specific purpose.

Perhaps that idea might be extended to create another savings plan for the periodic purchase of securities. You have a list of customers ready-made for such an operation, the customers of your bank who have

amassed adequate savings accounts and are looking around for new investment outlets.

Monthly Plan

The idea for such a savings plan is responsible for a new era in the history of personal investment which was opened several weeks ago by member firms of the New York Stock Exchange with inauguration of the "Monthly Investment Plan."

This plan permits people of modest means to become owners, on a budgeted cash payment basis, of any of 1,200 stocks listed on the New York Stock Exchange.

Periodic investments in any one stock may be as modest as \$40 or as large as \$999, either monthly or quarterly, and the investment period chosen by the investor may be for one, two, three, four or five years.

Dividend payments may either be reinvested or taken in cash.

Periodic Investing

The investor's periodic payments are invested promptly in the exact number of shares (and fractions of a share figures to four decimal places) that his funds will pay for. For example: \$50 will purchase 2.6206 shares of a stock priced at \$18 or 0.2621 of a share of a stock quoted at \$180, and

it will also pay the broker's commission.

The "Monthly Investment Plan" involves no joining fees, no penalties, no surcharges, no hidden commissions and no extras of any kind.

An investor can quit the plan at will and, in such event, all full shares will be registered in his name and mailed to him; while any fractional shares will be sold and he will receive a check for the proceeds.

Many member firms of the Stock Exchange, which have offices in mid-west cities, are now offering the "Monthly Investment Plan" to investors.

Need for Cooperation

I have asked your cooperation for what I conceive to be a great endeavor, the endeavor to get across the concept that equity capital must be available in adequate amounts if this country is to continue to grow and prosper, the endeavor to channel a larger portion of the public's savings into free American enterprise where it will work for their benefit and for the benefit of all.

If I have sounded importunate, I know you will understand my conviction that the need is great. My strong hope is that our two great industries will work as a team in keeping a great and free nation strong and prosperous.—End.

Union Securities Corporation

— as a convenience to investors located in the Mid-West area, has arranged to clear its securities purchases through the Harris Trust and Savings Bank, 115 West Monroe Street, Chicago 90, Illinois.

Further information regarding this service may be obtained from this corporation.

Union Securities Corporation

65 Broadway, New York 6

Telephone: HAnover 2-4800

BOSTON

BUFFALO

CLEVELAND

HARTFORD

PHILADELPHIA

SYRACUSE



PHOTOGRAPH BY RICHARD BEATTIE

To every Uncle in the whole wide world...

UNCLES are more wonderful than anybody, and children can never have enough of them.

When Uncles come to visit you, they bring you candy and presents, and they talk to you like you were a grownup yourself, and they let you do things your mother mostly won't let you do.

My favorite uncle is Uncle Ralph. He's sick in the hospital with cancer, and people say that he is going to die because they found out about it too late. They say that only a miracle can save him, and you can't expect miracles.

But my father told me about an Uncle *he* had once (did you know fathers have uncles, too?) And this uncle was supposed to die for sure because he had something called diabetes. But he's alive now, though he's very old and lives in St. Petersburg, because they found something called insulin.

Maybe somewhere scientists will find something that will save my uncle. Dad says they're trying all the time and they're making lots of progress, but they need more money.

Last year, he says, people gave the American Cancer Society enough so they could spend almost \$5,000,000 to try to find new cures for cancer. Dad

says that is more than ever before, but it is less than four cents a year for each American. That doesn't seem like much, because I get more than that for gumdrops, in just a week, when I'm good.

I thought if all the other uncles knew about this, then they would send more than four cents—lots more. Won't you—? Please.

Cancer
Man's cruelest
enemy
strike back

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American Cancer Society

GENTLEMEN:

- Please send me free information on cancer.
- Enclosed is my contribution of \$..... to the cancer crusade.

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

Simply address the envelope:
CANCER c/o Postmaster, Name of Your Town

Northwestern Banker, April, 1954

How Windstorm Claims and Losses Are Adjusted

Agents Give Details of How They Handle This Important Factor of Agency Operation

A NORTHWESTERN BANKER
Survey

NEARLY one-fifth of windstorm claims are over-paid; contractors' estimates on repairs are loaded in about one-third of the cases, and in 29 per cent of windstorm claims, depreciation is not considered in the settlement.

These facts were brought out in a survey on windstorm claims and losses made by the NORTHWESTERN BANKER among 1,000 local agents. In checking their answers on the questionnaire, and in making their comments on the several questions asked, agents were requested not to sign their names and not give their location. Information obtained as the result of this survey is unbiased, and the comment by local agents on the several questions is quoted here directly as it appeared on the questionnaires.

Answers to the questions are charted on this and the following pages. Reference to the charts, and the comment, is explained in greater detail.

CHART 1

Does Your Agency Adjust Its Smaller Windstorm Claims? As noted on Chart No. 1, 78 per cent of the agents say they do adjust their smaller windstorm claims, and 22 per cent

said they do not. However, of those who do adjust, the limits vary widely. Some said they adjusted up to \$10 only, others up to \$25, some to \$50, and a very few made their own adjustments as high as \$100. Above the several limits named, depending on the agent, the claim is serviced by an adjuster.

For the second part of this question, **"Do You Investigate These Claims or Pay the Repair Bill Presented by the Assured?"** 62 per cent said they do investigate repair bills, while 38 per cent do not. Many agents qualified their reply to this question, particularly those who said they made no investigation, by saying they were so well acquainted with their customers they felt it unnecessary to investigate.

Comment

Some of the comment on this question reads as follows:

"Many times a few minutes' investigating a claim, and the premises, results in selling more coverage to value, in the majority of cases."

* * *

"Although it is the practice of some agents to assume the attitude, 'We'll pay your claim and give you the mon-

ey—what you do with the money is your own business. You can buy peanuts with it if you want to,' the practice in this office is to encourage the assured to repair the damage, after it has been investigated, and then pay the repair bill. This is to guard against paying for the same damage more than once."

* * *

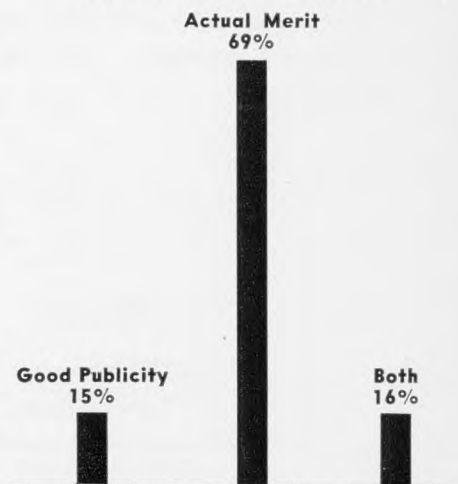
CHART 2

Do You Feel That Small Windstorm Losses Should Be Paid on the Basis of Good Publicity, or on Actual Merit?

As noted on the chart, 69 per cent of the agents replied that small losses

CHART NO. 2

Should Small Windstorm Losses Be Paid on the Basis of Good Publicity, or on Actual Merit?



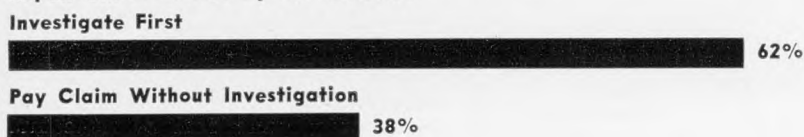
should be adjusted on actual merit only. Fifteen per cent said "good publicity" was the manner in which they adjusted small claims, while 16 per cent said they considered both merit and publicity. Of those who checked "both," a few said it depended on the amount involved; if the amount was

CHART NO. 1

Does Your Agency Adjust Its Smaller Windstorm Claims?



If the Answer is YES, Do You Investigate, or Pay the Repair Bill Presented by the Assured?



Northwestern Banker, April, 1954

small, they thought it was good publicity to pay the claim without investigation and regardless of merit.

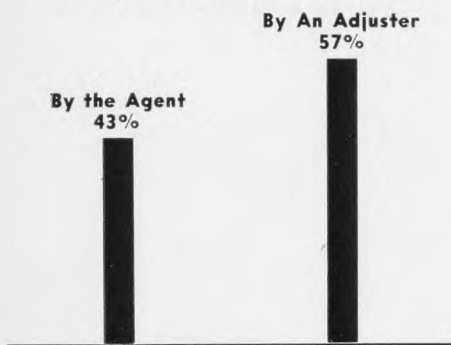
CHART 3

Of Your Total Number of Windstorm Losses, What Percentage Is Handled by You, Or by an Adjuster?

As noted on the chart, agents say that on the average 43 per cent of the

CHART NO. 3

Of Your Number of Windstorm Losses, What Percentage Are Handled by You, or by an Adjuster?



windstorm losses occurring through their agency they handle themselves, and the balance of 57 per cent is handled by adjusters. The highest percentage figure of losses handled by agents, and there were several re-

ported, was 95 per cent. Of the losses referred to an adjuster many more, in proportion, said they let the adjuster handle their losses 100 per cent.

CHART 4

Generally Speaking, Do You Think Windstorm Claims Are Over-paid, Under-paid, or Fair to Both Company and Assured?

Answering this question, 81 per cent of the agents said they thought windstorm claims were paid on a basis fair to both company and assured, while 19 per cent, or nearly one-fifth of those replying, said such claims were over-paid. Not one agent said claims were under-paid.

A number of agents who checked the "fair" column qualified by saying they knew many small claims were probably over-paid. Of those who felt claims were over-paid, many said in their opinion the adjuster was at fault. Quoted here is some of the comment on this question:

"Alleged roof damage is our greatest bone of contention. By and large, companies pay too much, often when there is no damage at all, only deterioration."

"In our opinion, when the agent adjusts small losses, the cost to the company is less than when the adjuster makes the settlement. We feel

small losses are over-paid by adjusters."

"To over-pay is just as poor business as to under-pay."

CHART NO. 4

Generally Speaking, Do You Think Windstorm Claims Are Over-Paid, Under-Paid, or Fair to Both Company and Assured?



"My observation has been that adjusters, both company men and independents, are inclined to be much more liberal in settlements than the assured expects."

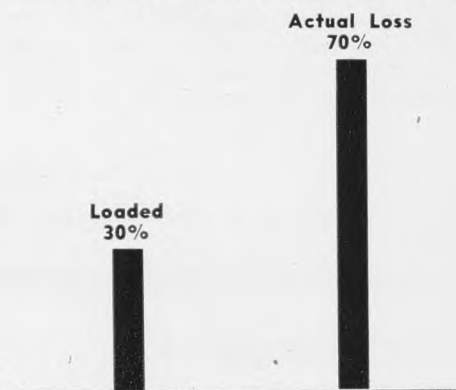
CHART 5

On Windstorm Losses, Do You Think Contractors' Estimates Are Loaded, or Represent Actual Loss?

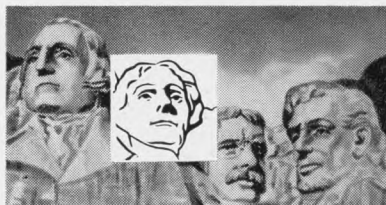
Thirty per cent of contractors' estimates on repairing windstorm losses

CHART NO. 5

On Windstorm Losses, Do You Think Contractors' Estimates Are Loaded, or Represent Actual Loss?



are "loaded," according to the replies of agents answering the above question, and 70 per cent say they believe such estimates represent the actual loss. Some agents feel it is the fault



"All men are endowed with certain inalienable rights . . . life, liberty, and the pursuit of happiness"

JEFFERSON'S wise thinking, spurs into action the man eagerly looking for a profitable achievement of future happiness. If you are a man like this and capable of general agent responsibility—National Reserve Life offers you real opportunity. In the rich region west of the Mississippi, our one hundred and fifty-eight million dollar company is currently moving forward in a dynamic expansion campaign. Correspondence and exchange of information will be held in mutual confidence. Be wise—send now for complete information without obligation, to help you achieve success in, "life, liberty, and the pursuit of happiness!"

Write W. E. Moore, Agcy. V. P., Agcy. Hq., Topeka
S. H. Witmer, Chm. of the Board H. O. Chapman, Pres.



NATIONAL RESERVE LIFE INSURANCE COMPANY

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GREAT NORTHERN INSURANCE

COMPANY
A Stock Company

FIRE AND CASUALTY INSURANCE

Minneapolis

Home Office — McKnight Building

Minnesota

Northwestern Banker, April, 1954

of the agent himself when claims are finally paid on a "loaded" basis, since they or the adjuster should be more alert.

* * *

CHART 6

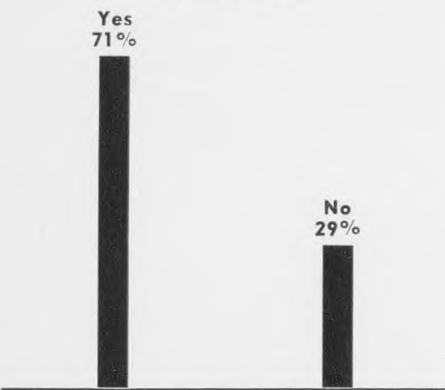
Do You or the Adjuster Insist on Depreciation on Windstorm Repair Bills, Where Such Repairs Result in Betterment to the Buildings Damaged?

Answering this question, 71 per cent of the agents replying said they insisted on depreciation if betterment resulted; 29 per cent said they did not, apparently ignoring the possibility of betterment.

An analysis of the comment on this question shows that the size of the

CHART NO. 6

Do You or the Adjuster Insist on Depreciation on Windstorm Repair Bills, Where Such Repairs Result in Betterment to the Buildings Damaged?



loss has a bearing on how the adjustment is made. A number of agents say no depreciation is taken on small losses. One agent says he pays losses in full on storm doors if the door is less than eight years old. The large majority of those answering "no," however, let it go at that, with no qualification.

Comment

Here is comment quoted directly from a number on the questionnaires:

"Any assured knows whether or not there should be depreciation. If there is, and the adjuster or the agent does not take it, he has lowered himself in the eyes of the assured, because the latter will think he is either dishonest or a sucker."

* * *

"This is a very dangerous subject and should be avoided except in obvious cases."

"If the building was insured to value for replacement when the policy was written, I do not see how depreciation would enter into the adjustment."

* * *

CHART 7

Are You Satisfied With the Manner in Which All Your Companies Handle Windstorm Losses?

It should be gratifying for company folks who service windstorm losses to learn that 96 per cent of the agents answering this survey said they were satisfied with the manner in which their companies handled such claims.

Only 4 per cent expressed dissatisfaction, and of these objections none were of too serious a nature.

Suggestions made by agents for improvement in handling windstorm losses fell into three main classifications: the agent should be permitted to issue drafts from his own office on small claims, a rather severe criticism of adjusters in general, and other suggestions of general nature. There were, of course, many compliments of company cooperation. Quoted below are a few suggestions indicative of those received:

COLORADO INSURANCE GROUP

Colorado Credit Life
 Colorado Insurance Company
 Colorado Credit Life Underwriters
Insurance for Financial Institutions

"Pays When Your Borrowers Can't"

ALLEN J. LEFFERDINK C.L.U.
PRESIDENT



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Associate your agency with the most aggressive, fastest growing General Agency in America. Here you'll have the finest insurance markets in the country, including House Trailer and Long Haul. We'll help you build a bigger and better agency.

DORNBERGER & CO.

"The Department Store of Insurance"
 Gas Company Bldg., Sioux Falls, S. D.



Scarborough's Loss Prevention program will save your bank many headaches and many dollars. It is yours along with the broadest protection at the lowest cost.



Scarborough & Company Insurance Counselors to Banks

FIRST NATIONAL BANK BUILDING • CHICAGO 3, ILLINOIS • STate 2-4325

"It used to be that nobody expected payment on windstorm coverage unless there had actually been a windstorm. But now a lot of people expect payment when someone slams a door, or for losses that are not supposed to be covered by the policy."

* * *

"This locality has had two bad windstorms. Practically all the damage was to roofs, and to the so-called approved type, and very little to cedar shingles. The approved roof has a much lower rate; it looks to me like the cart is on the wrong end of the horse."

* * *

"Windstorm coverages have almost degenerated to a condition where we are providing maintenance instead of insurance. The insuring public does not realize that it costs almost 50 per cent of their premium dollar to handle these small maintenance claims for them."

* * *

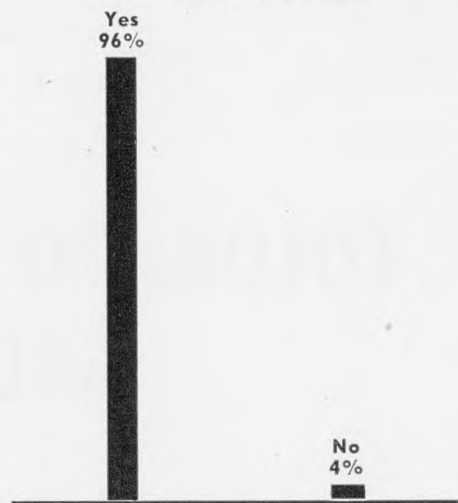
The NORTHWESTERN BANKER welcomes this opportunity to bring to its readers this unbiased discussion, through the survey method, of windstorm claims and losses. In closing, we would like to quote an agent whose statement we believe reflects the feeling of most of those in the business:

"It has been the policy of this agency to act in fair cooperation with the

companies we represent, and to also consider ourselves the agent of those who have placed insurance with us. Based on 20 years in the business, we find this attitude not only gains the

CHART NO. 7

Are You Satisfied With the Manner in Which All Your Companies Handle Windstorm Losses?



confidence of our policyholders, but also that of companies and adjusters. Too many agents step out of the pic-

ture when the adjuster takes over which, in my opinion, stamps the agent as an insurance peddler instead of the exponent of service which he should be. My business motto is 'No policy is worth a cent until something happens.' When something does happen, I see to it that the contract is settled fairly to all concerned."—End.

Sales Promotion

While not considered standard equipment on any automobile, a massive Mosler safe was prominently featured at the International Motor Sports Show held recently in New York.

Prior to the opening of the affair, half a million certificates with possible combinations to the safe printed on them were distributed in New York City. Signs in hundreds of retail stores alerted the public to the show and explained that a Mosler safe held the big prize. All that was needed to win was the right combination.

The safe was equipped with a Mosler snoop-proof "Counter-Spy" dial capable of 1,000,000 combinations.

All of the certificates turned in at the show were saved and on the final night more than 400,000 of them were placed in the safe for the drawing of the grand prize.

At the close of the show, Edwin H. Mosler, Jr., president of the Mosler Safe Company, dug into the huge pile of tickets and came up with a combination which gave the winner a round trip to Paris via TWA.

Regional Trust Conferences

Two regional trust conferences—one in Los Angeles, California, and one in Chicago, Illinois—will be held in 1954 under the auspices of the trust division of the American Bankers Association, it was announced by N. Baxter Maddox, president of the division. Mr. Maddox is vice president and trust officer of The First National Bank of Atlanta, Atlanta, Georgia.

In Los Angeles the 28th Western Regional Trust Conference will be held at the Hotel Statler on August 19th and 20th. The hosts for this conference will be the Southern California Trust Officers Association.

In Chicago the 23rd Mid-Continent Trust Conference will be held at The Drake Hotel, November 4th and 5th. The hosts for this conference will be the Corporate Fiduciaries Association of Chicago. The states represented in the conference will include Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Texas and Wisconsin.

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

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

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

E. H. WARNER
 President and Manager
W. W. WARNER
 Secretary-Treasurer

Moves Farm Department

The Mutual Benefit Life Insurance Company will transfer its farm investment department operations to Ames, Iowa, it was announced by H. Bruce Palmer, president of the company.

"In the interests of improved efficiency and economy," Mr. Palmer explained, "we are transferring the farm



IRA S. HODDINOTT
Farm loan department manager
for Mutual Benefit of Newark

investment department to a point more nearly central to its actual field of activities. Accordingly, a building has been purchased in Ames and, after alterations have been completed, it will become the headquarters of the farm investment department."

It is anticipated that the remodeling will be completed by September 1st. The Ames office will be under the supervision of Ira S. Hoddinott as resident vice president under authority from the board of directors to conduct the farm loan business of the company. Mr. Hoddinott, who has been vice president in charge of farm investments in the home office, joined the company in 1931 and traveled throughout 13 states as farm loan inspector. He came into the home office the following year to assist in establishing farm loan branch offices.

About nine men and their families will be transferred by the company to Ames. Including the personnel of the present Ames branch office, a total staff of about 40 people is contemplated, of which about half will be recruited locally.

The farm investment department has conducted its business through branch offices and financial correspondents located in strategic centers to serve 26 states. At the close last year the company had a total of \$106,444,410 in farm mortgages on its books, of which \$31,831,730 was in the Ames branch office.

Insurance Booklet

An eight-page pamphlet, "Why Are We Interested in Your Life Insurance?" is being distributed by the Republic National Bank of Dallas, Texas.

Printed in color and illustrated with cartoons, the pamphlet cites examples of persons in varying circumstances, pointing out ways in which insurance can provide added financial security and protect against the collapse of family and business plans.

The pamphlet shows how insurance can be made to pay off the mortgage on a home, provide an education for children, protect against business loss, protect investments and assure an accumulated reserve for dependents.

Publication of the booklet by the

bank was acclaimed by Raymond Campbell, Jr., president of the Dallas Chapter, Chartered Life Underwriters, who was presented with the initial copy of the pamphlet by Fred F. Florence, president of the bank.

The Dallas Chapter, Chartered Life Underwriters, has the largest study class now enrolled in the United States, and the class last year achieved one of the highest passing averages in the nation.

The first distribution of the booklet was made in customers' statements and a second mailing was to executives of insurance companies throughout the United States. About 50,000 copies of the booklet have been distributed.

That New MORTGAGE PROTECTION PLAN Is A Real LOAN BUILDER



Bankers who have seen it agree . . . here is one of the finest mortgage protection plans of all. It provides maximum protection to you and your customers at minimum costs. In fact, the net cost in most cases is only a fraction of one per cent per year for the duration of the mortgage. It's "tailor-made" to fit your customers' needs. Let us give you the complete story.

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WALLACE L. BOSS
President
St. Paul

Minnesota NEWS



FLOYD W. LARSON
Secretary
Minneapolis

Fosston Installs Vault

The Farmers State Bank, Fosston, Minnesota, has installed a new and larger vault, according to Lorence Granum, cashier. The new addition has made possible new safety deposit boxes, which are much in demand in the Fosston community.

Joins Dodge Center Bank

Carl Beireis, formerly assistant cashier of the Security National Bank, Faribault, Minnesota, is now cashier at the Dodge Center State Bank, Dodge Center, Minnesota.

A. C. Brill, who is executive vice president, is retiring after 15 years of service, effective August 1, and Mr. Beireis will take over his duties at that time.

Honor Houston Banker

Recognition for 50 years of banking service was accorded L. H. Briggs, president of the Security State Bank, Houston, Minnesota, recently. A special certificate was awarded Mr. Briggs by the officers and directors, and an editorial paying tribute to his fine service to the community was published in the *Houston Signal*.

Brooten Anniversary

The State Bank of Brooten, Minnesota, observed its 60th anniversary last month by holding an open house. The bank also sponsored a program at the Brooten high school. John O. Bohmer, president, and other members of the bank's staff spent considerable time delving into community history in order to make the program one of real interest.

The state bank of Brooten was established by John Bohmer way back in 1894. At that time it was known as the Bank of Brooten.

"Treeville" Program

More trees and more effective local conservation practices are the objectives of a revised and expanded "Treeville" program Minnesota Bankers Association is launching for 1954 and the years to come.

A comprehensive program to coordinate tree-planting activities at the county level has been carefully organized by the agricultural and con-

servation committee and forestry sub-committee of the Minnesota Bankers Association, in cooperation with the Minnesota department of conservation, agricultural extension division of the University, U. S. Soil Conservation Service, U. S. agricultural stabilization and conservation committee, and vocational agricultural division of Minnesota department of education.

George M. Robertson, president of the First National Bank, Winona, is chairman of the Bankers' Agricultural Conservation Committee, Andy G. Sirek, executive vice president of the State Bank of New Prague, is chairman of the forestry sub-committee.

Gaylord's 50th Year

The Citizens State Bank of Gaylord, Minnesota, celebrated its 50th anniversary recently by holding a special birthday dinner in honor of the event, according to I. M. Nelson, president.

E. P. Hoerschgen, prominent Gaylord businessman for nearly 50 years and who now resides in Rushford, is still a director and was one of the bank's organizers. Total deposits are now \$2,100,000.

Crosby Election

Richard O. Lee, cashier of the First National Bank, Crosby, Minnesota, was elected to the board of directors recently. He has been with the bank for the past year, coming from the First National Bank, Deerwood, to take over the duties of Robert Harte, who became ill last May.

Lonsdale to Build

Plans and specifications are being drawn up for a new bank building for the State Bank of Lonsdale, Minnesota, reports J. J. Jirik, vice president and cashier.

New Marshall Directors

M. H. Ruder and Charles H. Lutz were named to the board of directors of the Western State Bank, Marshall, Minnesota, at a stockholders meeting recently.

Mr. Ruder and Mr. Lutz replace Don Molter and Fay Spreiter on the board. Mr. Ruder is vice president of the American National Bank of St. Paul,

and Mr. Lutz is the Dodge-Plymouth dealer in Marshall.

Bird Island Remodels

The State Bank of Bird Island, Minnesota, held open house recently in honor of its newly remodeled quarters, according to Ed Collins, president.

A new front was constructed of buff-faced Roman brick and a new vault and storage room were built at the rear. Three private offices have been built in the front of the bank for the officers and four teller's windows are to the rear of the offices. Paralleling the offices and teller's windows is the lobby. Fixtures are of blonded birch and buff-faced Roman brick. Recessed fluorescent lights are in a staggered pattern for the most efficient lighting.

The rear of the old bank building has been renovated and now contains the bookkeeping and safe deposit box departments. The old vault is now the safe deposit vault, and all new double lock boxes have been installed

Albert Lea Elects

L. L. Carlson has been elected assistant cashier of the Security State Bank, Albert Lea, Minnesota, it was announced recently by A. L. Lund, president. He succeeds Ralph Jacobson, who resigned recently.

Fairmont Remodels

Progress on remodeling is being made by the Martin County Bank, Fairmont, Minnesota, according to C. F. Holden, cashier, and work was scheduled for completion early this month.

Entirely new interior features have been planned for the convenience of both the public and the bank's employees.

A new walk-in vault partitioned off into two rooms with a wall of safety deposit boxes is now completed, and a completely new vault has been installed in the basement.

An offset front entrance and modern dimensional pylons involved in the window construction will prove to make the building one of Fairmont's finest.

70th Anniversary

The State Bank of New Prague, Minnesota, held open house recently in observance of the bank's 70th anniversary of founding. Directors, officers and staff attended a dinner in commemoration of the event.

Present officers are Dr. E. E. Novak, president A. G. Sirek, executive vice president; J. J. Turek, vice president; E. C. Schmid, cashier, and Lucille Nickolay, assistant cashier.



Twin City News

A CAREER in banking or insurance appeals to more sophomores and juniors at North high school in Minneapolis than any other field of endeavor.

Attraction of such a career was disclosed in a survey at the school made in connection with the Minneapolis Chamber of Commerce's annual career day program.

A total of 22.4 per cent of the two classes indicated they favor banking and insurance. Almost as popular was automotive and mechanical work, with 21.6 per cent.

* * *

Election of **Robert O. Bowstead** and **Gale T. Kesler** as assistant vice presidents of the Northwestern Bank Building Company has been announced by **Goodrich Lowry**, president of the building company.

Mr. Bowstead joined the Northwestern National Bank of Minneapolis in 1929, has been with the building company since 1952. Mr. Kesler, an architect, joined the building company in 1951.

* * *

Lyman E. Wakefield, Jr., of the First National Bank of Minneapolis, has been elected a member of the board of directors of Northwest Airlines.

He succeeds the late William Tudor Gardiner, banker and former governor of Maine.

A statement by a company executive said Mr. Wakefield joined the board "at the request of important Twin Cities interests who recently acquired substantial holdings in Northwest Airlines stock."

* * *

Arnulf Ueland, president of the Midland National Bank of Minneapolis, is one of six new directors of the Minneapolis Chamber of Commerce. He took office April 11 for a three-year term.

* * *

The Minneapolis chapter of the American Institute of Banking was to hold its annual speech contest recently. **John Barber** heads the speech committee. The winning contestant will compete in the semi-final and final contests

June 8th at the national AIB convention in Los Angeles.

* * *

Clyde M. Jorgensen, president of the Fourth Northwestern National Bank of Minneapolis, has been re-elected chairman of the board of the Minnesota Hospital Service Association (Blue Cross).

* * *

Bids for a building to be constructed by the **First Robbinsdale State Bank** were opened recently, with the project slated to cost about \$250,000. It will be at the northeast corner of West Broadway and Forty-second Avenue North.

* * *

Raymond Scott, assistant comptroller of the Northwestern National Bank of Minneapolis, headed the Minneapolis team of auditors who, along with St. Paul members of the National Association of Cost Accountants, conducted their second annual mid-year audit of the books of 73 Junior Achievement companies in Minneapolis and St. Paul. The accountants do the work on a volunteer basis.

* * *

Two St. Paul bankers have been named to three-year terms on the board of directors of the St. Paul Chamber of Commerce.

They are **Russell H. Johnson**, vice president of the First National Bank of St. Paul, and **Clarence A. Maley**, vice president of the American National Bank of St. Paul.

The organization at its annual election changed its name from the St. Paul Association of Commerce, reverting to the original title under which it was incorporated January 10, 1867.

Elected president was **Albert R. Shiely**. He is executive vice president and general manager of the J. L. Shiely Company of St. Paul.

* * *

Ashton Carhart, vice president of the First National Bank of Minneapolis, has been elected to membership in the Association of Reserve City Bankers, an organization of bankers from key financial centers. Mr. Carhart is the third First National officer

to be elected to the association, which limits membership to 450.

* * *

The First National Bank of Minneapolis has announced the retirement of two veteran officers, **James A. Murphy**, vice president, and **David L. Johnson**, assistant cashier.

Both were honored by fellow officers at a dinner in the Minneapolis club.

Mr. Murphy started with the bank in 1906, becoming chief clerk in 1916 and an officer four years later. He had been a vice president since 1946.

Mr. Johnson's first banking job was with the former National Bank of Commerce of Minneapolis in 1907. In 1910 he joined the former Hennepin County Savings Bank of Minneapolis which, through a series of mergers, ultimately became part of First National.

* * *

Russell L. Stotesbery, president of the Marquette National Bank of Minneapolis, announces that the comptroller of the currency has approved plans for the bank to increase its capital stock by \$500,000. This will increase the bank's total capital and surplus accounts to \$2,000,000, plus undivided profits approaching \$500,000. During the last six months of 1953, deposits increased more than \$6,000,000. Total resources reached \$52,600,000, a 12.9 per cent gain over June 30, 1953.

Marquette plans to move to new and larger quarters in the La Salle building at Seventh and Marquette. This will give the bank almost 50 per cent more floor space.

* * *

The **Federal Reserve Bank** of Minneapolis reports that its 1953 volume showed an increase over 1952, reflecting the Northwest business pace during the year.

The bank processed 79,889,940 checks, 9.5 per cent more than in 1952. The dollar volume was \$25,198,024,000, a decline of 4.9 per cent.

Federal government checks cleared showed a 4.2 per cent gain. Coin counted was up 8.7 per cent, with currency about the same as in 1952. Coin

wrapped gained 36 per cent. Government securities functions increased 11.2 per cent in number.

* * *

Twenty-one members of the board of directors of the Northwest Bancorporation were re-elected following the annual meeting of corporation stockholders in the Northwestern National Bank of Minneapolis, according to **J. Cameron Thomson**, president.

Renamed from Minneapolis were **James F. Bell, Harry A. Bullis, Benton J. Case, Thomas L. Daniels, Donald C. Dayton, John B. Faegre, Frank T. Hefelfinger, Clarence E. Hill, John S. Pillsbury, Joseph F. Ringland, Augustus L. Searle, Harold W. Sweatt, Mr. Thomson and Valentine Wurtele.**

St. Paulites re-elected were **Wilfrid E. Rumble and Walter G. Seeger.** Others are **Fred Bohlen, Des Moines; Edward B. Cosgrove, Le Seur, Minnesota; Sanford B. Cousins, Omaha; J. Morrell Foster, Ottumwa, Iowa, and Ward Lucas, Winona, Minnesota.**

* * *

The First National Bank of Minneapolis has been sponsoring men's forums for five years, but public interest shows no sign of slackening off.

Enrollment for this year's forum which wound up March 29 and 30 again was high, totaling more than 500. **King Bennethum**, assistant vice president, was in charge of the program.

* * *

Carol Anderson, senior clerk in the auditing department of the Marquette National Bank of Minneapolis, has been nominated as one of 10 candidates for the Jean Arnot Reid award of the National Association of Bank Women.

The award goes annually to a woman graduate of the American Institute of Banking. Miss Anderson, who completed her AIB courses last year, was selected for her scholastic average of 95.3. She is the third Minneapolis woman to be nominated for the award.

Alice Catlin of the Farmers & Mechanics Savings Bank of Minneapolis was recommended for the award in 1938, and **Francis Baker**, secretary to

the president of the First National Bank of Minneapolis, in 1940.

The winner will be announced at the association's national convention in Houston next October.—End.

Thad Pease

Thad Pease, 87, former vice president of the First National Bank, Chatfield, Minnesota, died recently.

Surviving are a son, William O. of Chatfield; a daughter, Mrs. M. O. Amundson of Chatfield; 13 grandchildren and eight great grandchildren.

Dawson Promotion

The Northwestern State Bank of Dawson, Minnesota, held a recent meeting and elected Henry Bolstad vice president. He succeeds John L. Mahlum, who passed away recently.

To Former Position

C. E. Hart, former resident of Miller, South Dakota, who has owned an implement company at Luverne, Minnesota, will return to take up his former position of vice president of the Hand County Bank.

New Appointments

C. R. Crever was appointed president of the First State Bank, St. Joseph, Minnesota, at the recent stockholders meeting. He succeeds his father, the late J. C. Crever in the position. William Meinz was promoted from assistant cashier to cashier, to fill the post vacated by Mr. Crever.

Le Center Promotions

The elevation of C. C. Traxler to the executive vice presidency and J. A. Stotko to the position of cashier highlighted the annual meeting of the shareholders and directors of the First National Bank of Le Center, Minnesota.

Richfield Directors

The three new directors of the Richfield State Bank, Richfield, Minnesota, elected at the annual stockholders meeting were: D. H. M. (Mike) Eames, Clarence Christian, and Reed Macomber, vice president of the bank in charge of mortgage loans.

John L. Mahlum

John L. Mahlum, former business leader in Dawson, Minnesota, and vice president of the Northwestern State Bank of Dawson, died recently as the result of a heart attack.

Stock Increase

The Citizens State Bank of Clara City, Minnesota, announced recently that it has increased its capital stock from \$25,000 to \$50,000.

Virginia

Arthur A. Fossum, cashier of the First National Bank of Virginia, Minnesota, was named vice president and cashier and Mrs. Esther B. Doig was named assistant cashier at the annual meeting of the stockholders and board of directors in Virginia recently.

Buffalo Elects

At the annual meeting of the Buffalo National Bank, Buffalo, Minnesota, James W. Peterson, former cashier, was made vice president and cashier, and Ruth B. Lundsten was made executive vice president.

Moorhead Elects

The names of three new directors elected to the board of the First National Bank in Moorhead, Minnesota, were announced recently.

They are I. T. Stenerson, Jacob F. Kiefer and A. E. Bergland.

New Bank

Application is now being prepared for a new bank in Ortonville, Minnesota, to be known as the Tri-County State Bank.

The organization group includes among others, Carl B. Hasslen, Floyd Lundell, Stanley Lohmann, Harvey Ellerd, Reuben Mueller, Dr. Alford Hanson, J. B. Franta and Winton Lindman.

A. L. Neuman, now vice president and cashier of the Citizens' Bank of Morris, Minnesota, will be president of the new bank.

Surplus Increase

Stockholders of the First National Bank of Barnesville, Minnesota, voted

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Minnesota Commercial Men's Association

2550 Pillsbury Ave. So.

Minneapolis 4, Minnesota

to add another \$10,000 to surplus at the bank's annual meeting held recently.

The additional \$10,000 brings the surplus up to \$80,000, which, added to the bank's capital of \$50,000 brings the total capital and surplus to \$130,000.

Crookston Man Honored

Fifty years of banking service to the city of Crookston, Minnesota, was noted recently when Harry L. Marsh, president of First National Bank there since 1923, was honored by the staff and directors of the bank.

Bank Purchase

It was announced recently that C. A. Lowen of Chisholm, Minnesota, purchased the controlling interest in the Watson State Bank, Watson, Minnesota, from Oscar G. Sederberg and Esther J. Sederberg.

Goodhue Meeting

The annual meeting of the stockholders of the Goodhue State Bank, Goodhue, Minnesota, was held recently. Reports showed that total capital accounts have passed \$100,000 and total assets exceed one and one-half million dollars, reflecting the financial growth of the community.

ESSAY CONTEST . . .

(Continued from page 17)

ners, the judges and the parties who helped us to a little dinner party at a later date.

Wide Publicity

Many newspaper articles appeared in the local papers concerning the winners and there has not been a week since but what something has appeared in at least one of the papers. We intend to follow through by publishing a winning essay occasionally. One judge, C. L. Bowers, manager of public relations and traffic safety of the Minnesota AAA, requested that ne be allowed to retain his copies of the entries for further study and possible use of some of the ideas presented in his work. This request was readily granted.

I was always convinced that all our teen-agers are capable drivers and that those who exercise this ability are among our best drivers, and that it is only a few who don't exercise this ability who are causing the adverse public sentiment. This is borne out by the entries and I particularly notice that all essays stress mental attitude of drivers as a very important factor.

As in any undertaking, there are always some odd after effects. Many times I have been asked, "Are you going to make this an annual affair?" or "What are you going to try next?" or "Where is the percentage for you?" One banker asked, "Why didn't you contact us? We would have been glad to go in on it." Possibly our greatest mistake was not to contact all the rural banks and make it a larger contest with much larger prizes.

No immediate business results were expected from the promotion of the contest. This is where we were definitely mistaken. Business effects are decidedly noticeable and already greater than we believed would result in a year.

It may seem to some that the cost of this contest and our other activities is quite great, but when weighed against the results, it is nominal.—End.

Dividend

The board of directors of the City National Bank and Trust Company of Chicago, at its regular monthly meeting in March, declared a dividend of 50 cents per share of stock, payable on May 3, 1954, to shareholders of record as of the close of business on Tuesday, April 20, 1954.

THE BANK



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- CLIFFORD L. ADAMS
Vice President
- WILLIAM C. SCHENK
Vice President
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Vice President
- JOHN S. HAVER
Cashier
- JAMES L. SMITH
Asst. Cashier and Auditor
- KINLEY W. SMITH
Asst. Cashier
- BEN E. HOLTDRIF
Asst. Cashier
- RAWS A. JENSEN
Asst. Cashier
- R. K. DRAPER
Representative

Confidence

Confidence is the basis of any good and enduring correspondent relationship, and at the Live Stock National, you will find the three factors which lead to confidence—

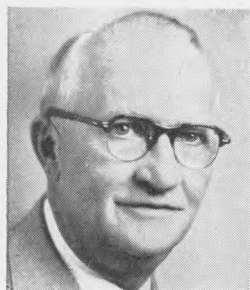
- 1—Experienced officers whose judgment you can trust.
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At the Live Stock, you can be confident your account is properly handled.



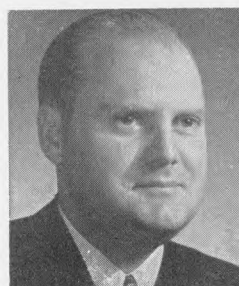
The
LIVE STOCK NATIONAL BANK
Sioux City, Iowa

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



CARROLL H. LOCKHART
President
Watertown

South Dakota NEWS



CARL E. BAHMEIER, JR.
Secretary
Huron

J. T. Sanger, vice president. He has assumed his new duties.

Mr. Temanson comes to Vermillion from Minneapolis where he has been serving in the Credit Department of the First Service Corporation. He succeeds Ole H. Bondhus who resigned recently to become vice president and director of the Freeborn National Bank at Albert Lea, Minnesota.

Anniversary Dinner

Recently the Citizens Bank, Colome, South Dakota, entertained the bank directors and employees and husbands and wives at dinner, in honor of the 10th anniversary of the institution.

Mr. and Mrs. A. C. Stenson, acting hosts, Mr. and Mrs. Roy Woolhiser, Mr. and Mrs. Hector Demers, Mr. and Mrs. Fred Larson, Mr. and Mrs. Victor Vavra, Mr. and Mrs. Jack Peters, Mr. and Mrs. Randy Stenson and the Misses Peggy Vavra, Cecelia Rohde, Doris Schulte, Marlene Shippy and Earlean Dedlow enjoyed the dinner.

Elected to Board

W. D. (Dan) Heupel, vice president and manager of the Moberge branch of the First National Bank of Aberdeen, South Dakota, was elected to the board of directors of the First National Bank of Aberdeen at the institution's annual meeting. Others elected to the board were Chester C. Lind, formerly of Moberge, now of Aberdeen, and Fred Roesch.

Humboldt Meeting

The annual meeting of the stockholders of the Community Bank, Hartford, South Dakota, with branches at Humboldt and Colton, was held recently.

Fred W. Carls and Raymond E. Dana were named as new directors. Dan C. Wood was re-elected chairman of the board and is president of the bank. N. F. Van Vleet is vice president and manager of the Humboldt branch, and William J. Berdahl is vice president and manager of the Colton branch. Other officers include Fred W. Carls and Raymond E. Dana as vice presidents and M. M. Haugen as cashier.

Appointment

Kenneth G. Klatt, cashier of the Dakota State Bank, Tripp, South Dakota, was appointed recently to the state advisory council of the Employment

New Director

O. M. Hovland has been elected a director of the State Bank of Waubay, South Dakota, following the recent death of Earl E. Odell. Mr. Odell was also a vice president of the bank, but was inactive in that capacity.

South Dakota Short Course

The 1954 agricultural short course for bankers will be held at Pierre on April 7th and 8th. Included in the course are lectures, films, and panel discussions on current and future agricultural problems. The program runs for the two days noted above.

Among the speakers will be Earl Crouse of the Doane Agricultural Service; Carroll Plaughter, of the Hormel Company; and a representative from the office of Secretary of Agriculture Benson.

In Brookings

Joseph Garrity has joined the staff of the Security National Bank, Brookings, South Dakota, it was announced by Horace Fishback, president. Garrity will be a teller.

He formerly was with National Airlines in New York City as flight superintendent and assistant dispatcher.

Bank Reports

Reports from South Dakota's 134 state banks indicate that 1953 was a good year in the state—at least from the financial point of view.

An abstract of the condition of state banks as of December 31, 1953, released by State Superintendent of Banks Roy H. Fenner, showed \$272,134,094 in total deposits, a gain of 3.68 per cent over total deposits in December the previous year.

Demand deposits in the banks at the end of last year were \$181,929,440, a gain of 0.85 per cent above the previous year. Demand deposits include checking accounts of individuals and businesses.

Time deposits, however, showed a greater gain, from \$49,456,032 in December, 1952 to \$55,183,122 at the end of 1953—an increase of 11.5 per cent.

Loans held by the banks also gained during the year. They reported \$102,088.31 on loan last December—15.5 per cent higher than the year before.

At the end of 1953, loans constituted 37.5 per cent of total deposits and at the end of the previous year, loans were 33.6 per cent of all deposits.

U. S. Government obligations to the banks were \$124,449,844 at the end of last year, nearly \$4 million less than in 1952.

Henry W. Hinrichs

Funeral services were held at Sturgis, South Dakota, for Henry W. Hinrichs, pioneer Brule county businessman, and founder of several local and Blacks Hills business establishments.

In 1897 he came to the Kimball State Bank as bookkeeper, bought an interest in the bank, and three years later acquired a larger interest and became cashier.

He expanded his banking interests by acquiring an interest in the bank at Chamberlain, the Bank of Bijou Hills, established the First National Bank of White Lake and the Farmers State Bank of Pukwana.

All Re-elected

All directors of the Campbell County Bank, Herreid, South Dakota, were re-elected at a meeting recently. The following officials and employees retained their positions:

Joe Wolf, president; Andrew Huber, vice president; Bill Block, cashier; John Riedlinger, Lloyd Klautt, assistant cashiers, and Lyla Huber, teller.

Vermillion Manager

Stanley G. Temanson has been appointed assistant manager of the Vermillion branch of the National Bank of South Dakota, it was announced by

THE NATIONAL BANK OF SOUTH DAKOTA

Huron

Sioux Falls

Vermillion

Member Federal Deposit Insurance Corporation

Affiliated with FIRST BANK STOCK CORPORATION

Security Commission and U. S. Employment Service.

Bank Tour

Nineteen members of the Letcher high school chapter of the Future Farmers of America toured the Mitchell National Bank, Mitchell, South Dakota, recently.

E. M. Dean

E. M. Dean, former president of the Farmers State Bank, Canton, South Dakota, died recently at the Canton hospital following a heart ailment.

In 1943, Mr. Dean became president of the Farmers State Bank and was named to the board of directors last year.

Stock Dividend

The annual stockholders' meeting of the Bank of Alpena, Alpena, South Dakota, was held recently and a 5 per cent capital stock dividend was declared and paid.

New Look

The interior of the Deuel County National Bank, Clear Lake, South Dakota, took on a new look recently, following a painting job. Walls of the bank were painted a soft green shade.

Tri-County Speaker

Fred Gilmore, assistant to the president of the Federal Land Bank of Omaha, was speaker at the annual stockholders' meeting of the Tri-County National Farm Loan Association held at Beresford, South Dakota, recently.

Volga Promotions

Edward C. Lee was named president of the First National Bank of Volga, South Dakota, at the meeting held by the board of directors. He succeeds his brother, the late Charles E. Lee, whose death recently left the presidency vacant.

Howard Lee was promoted to the

position of cashier and John Amundson, who has been connected with the bank for several months, was named assistant cashier.

New member of the board of directors is John S. Bortnem, filling the vacancy caused by the death of Charles E. Lee.

Forty Years

E. J. Pearson recently marked the completion of 40 years of service with the Brandon Savings Bank, Brandon, South Dakota. Mr. Pearson is president of the bank.

Information Service

Information of special interest to its customers is now being furnished by the Mitchell National Bank, Mitchell, South Dakota, through a newly-installed Dow-Jones Business and Financial News Service.

Rapid City Election

Walter Pailing, affiliated with the Rapid City National Bank, Rapid City, South Dakota, for the past 19 years, was elected to the board of directors at the annual stockholders' meeting recently. Other officers elected to the board included A. E. Dahl, H. J. Devereaux, Earl Keller and W. E. Shoberg.

Eugene Pester, who recently came here from Lincoln, Nebraska, was elected vice president of the bank.

Leola Promotions

Clarence Knudson, for the past several years cashier of the Leola State Bank, Leola, South Dakota, was elevated to the post of president, at a stockholders' meeting recently.

David Thomas, who has been assistant cashier for several years and more recently a stockholder, was elevated to the position of cashier.

Sioux Falls News

NEW officers of the Sioux Falls Clearing House Association took office. They are **W. W. Baker**, presi-

dent; **W. C. Duffy**, vice president, and **M. J. Colton**, secretary-manager.

Mr. Baker is president of the First National Bank, Mr. Duffy is president of the Union Savings Bank, and Mr. Colton is vice president of the National Bank of South Dakota.

* * *

Carl E. Voigt, vice president of the Northwest Security National Bank, was elected as a new director of the Sioux Falls Community Chest.

A. J. Jordan Jr., a director of the National Bank of South Dakota, was re-elected as a Community Chest director.

* * *

At the annual meeting of the National Bank of South Dakota, **Earl G. Miller** was advanced from assistant cashier to assistant vice president, and **James T. Brick** was promoted from assistant trust officer to trust officer. All other officers were re-elected.—End.

On Vacation

James S. Neely, vice president and head of the correspondent bank department of City National Bank & Trust Company, Kansas City, Missouri, has been vacationing in Florida with Mrs. Neely.

Following his custom of more than 15 years' standing, Mr. Neely headquarters at St. Petersburg and spends his time visiting training camps of various Big League baseball teams.

Assistant Cashiers

Earl J. Kilian and Louis E. Straub of the methods and planning department, First National Bank in St. Louis, have been appointed assistant cashiers of the bank, it was announced by William A. McDonnell, president.

Mr. Kilian began his banking career with First National in 1921 as an office boy. He later served as teller and as a member of the industrial service department.

Mr. Straub started with First National in 1929 in the distributing department and later served in the analysis and auditing departments of the bank.

Educational Fund

Last month the National City Foundation marked its 25th birthday. This unique educational trust fund of The National City Bank of New York, one of the few of its kind established and maintained by a banking institution anywhere, was incorporated in March, 1929, "to assist voluntarily, deserving young men and women employed by the bank, or by any of its affiliated or subsidiary corporations, present or future, to obtain better and higher practical and cultural education and training than their means or the cir-

CANADA'S FIRST BANK

Coast-to-Coast

BANK OF MONTREAL



New York - 64 Wall Street San Francisco - 333 California Street
Chicago: Special Representative's Office, 38 South Dearborn Street

600 Branches Across Canada • Resources Exceed \$2 Billion

Northwestern Banker, April, 1954

cumstances of their employment make possible."

In its final quarter century, the National City Foundation has granted 219 individual awards and 1,221 group awards, for domestic and foreign travel and for educational purposes. During last year alone, 160 awards were made, by far the largest number in any one year. Upon the theory that whatever is best for an employe is best for the institution, much has been done since 1929 to enlarge the capacities of the bank's staff members and to increase the efficiency of the institution as a whole. Young candidates are selected for college awards or for attendance at the American Institute of Banking. Other types of educational grants to more mature staff members more often represent some special project conducted by the universities, such as training in work simplification, credit and management, or public relations. In 1953 the Foundation financed evening study programs for 134 employes.

New Director

John W. Carpenter, chairman of the board of both Southland Life Insurance Company and Texas Power & Light Company, has been elected a member of the board of directors of the Republic National Bank, according to an announcement by Fred F. Florence, president of the bank.

Born on a farm in Navarro county, Texas, near Corsicana, Mr. Carpenter today is one of the state's leading industrialists, but is equally well known

for his outstanding efforts in the field of civic service.

Banker Retires

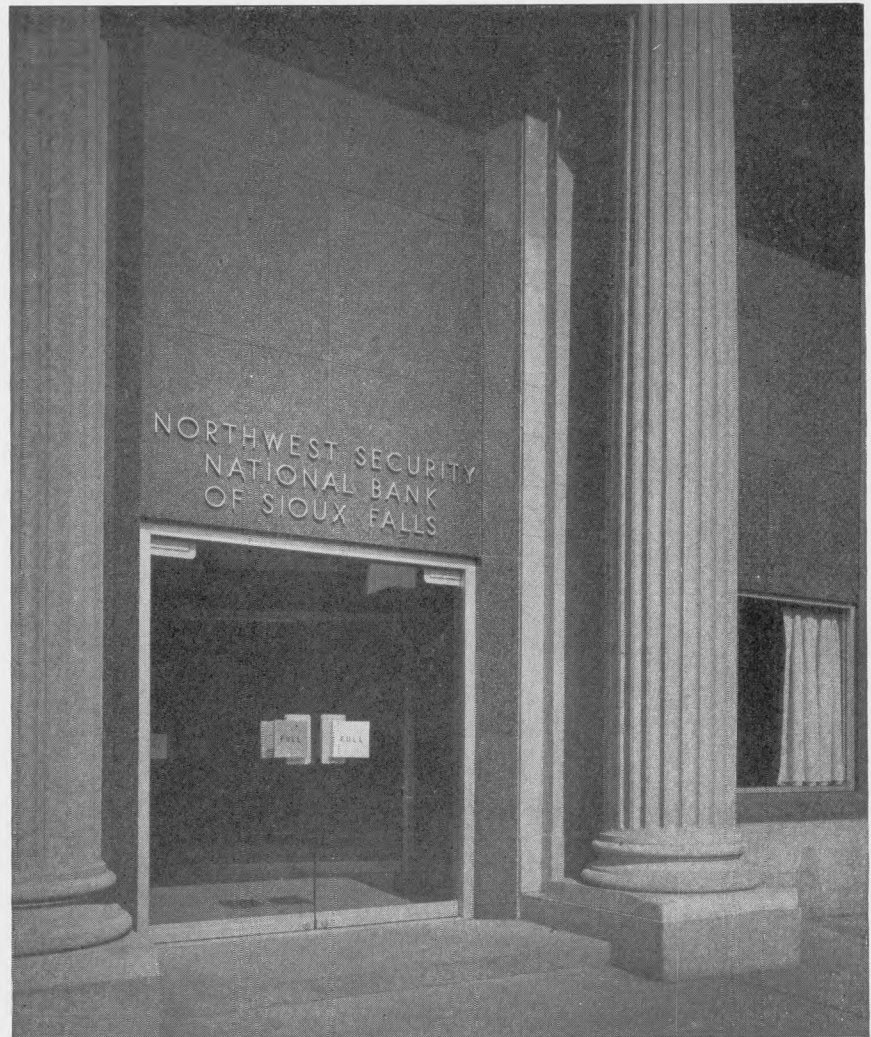
George W. Hall, vice president in charge of the Oakland, California, operations of Crocker First National Bank, brought his banking career to a close recently, having reached retirement age.

He is succeeded by Charles Pratt, Jr., vice president and long-time Oakland resident, who has been with the bank for 45 years. No other personnel changes are contemplated.

First National, Kansas City

In its 68th year, the First National Bank of Kansas City, Missouri, realized total operating earnings of \$5,077,465.09, with operating expenses amounting to \$2,831,833.22, after taking into account depreciation, recoveries, profits on the bond account, etc., but before income and excess profits taxes. These taxes to Federal and State Governments amounted to \$1,234,243.03, so that a final income for the year of \$1,011,388.84 was realized.

Of the net income, \$360,000 was paid in dividends to stockholders at the



NORTHWEST SECURITY NATIONAL BANK

of Sioux Falls, South Dakota

South Dakota's Leading Bank

BRANCHES AT

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

Affiliated with Northwest Bancorporation
Member Federal Deposit Insurance Corporation

Arizona

The NATION'S FASTEST GROWING STATE

A Great Place in which to . . .

WORK LIVE PLAY

VALLEY NATIONAL BANK

LARGEST BANK IN THE ROCKY MOUNTAIN STATES

Home Office: Phoenix

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

regular rate of \$3.00 per share and \$651,388.84 was placed in undivided profits.

As a part of its resources of \$286,983,932, the First National lists cash and due from banks, \$101,925,826; U. S. government securities of \$102,282,335 and loans and discounts of \$70,538,382.

Deposits of the bank at last year-end were \$271,217,366.

All-Time Record

Confidence in the outlook for 1954 was expressed by Stanley C. Allyn, president of The National Cash Register Company, in making public the annual report to shareholders cover-

ing 1953 operations of the world-wide organization which manufactures cash registers, accounting, adding and other business machines.

Marking the largest volume of sales in the company's 70-year history, consolidated sales of all products and services last year totaled \$260,913,000, a 15 per cent increase over the \$226,555,000 for 1952.

Net income for the year was \$11,088,000, a 9 per cent gain over the \$10,133,000 for 1952. This represents earnings of \$5.12 per share on 2,166,787 shares outstanding at the end of the year, or \$5.63 per share on 1,969,807 shares outstanding at the beginning

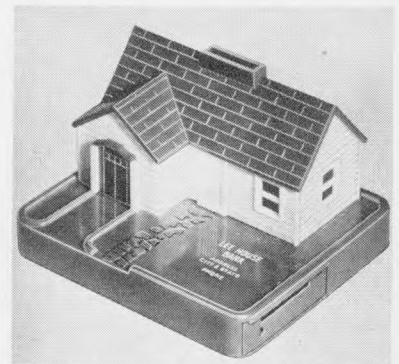
of the year, as compared with \$5.14 per share for 1952. A stock dividend of 10 per cent was declared to holders of record December 1, 1953.

Savings Bank

An attractive, all-purpose savings bank, to draw new depositors and retain present accounts, to raise money for building churches and improvements and by many other users of remembrance advertising, is being marketed as neat promotional giveaways for banking firms by the Lee Plastic Manufacturing Company in Bridgeport, Connecticut.

This sturdy, three-inch high bank appears in the form of a desirable family bungalow, thus suggesting to savers a reason for opening or maintaining bank accounts. A prominent space on the lawn of the home is provided for the name of the individual bank, gold-stamped upon request by the Lee Company.

The gay-colored bank, also recommended as an ideal gift and advertising remembrance, holds approximately \$50 in coins. Embodying all the fine details of a practical home, this Lee bungalow of brilliant Styrene plastic has movable garage doors, open windows, flag-stone path, stone wall, green lawn, white clapboard siding and other features. The manufacturer claims the colors are permanent, not just paint.



THIS three-inch-high bank is in the form of a family bungalow, suggesting to savers a reason for opening or maintaining bank accounts.

Down the chimney slot go small coins up to and including 25-cent pieces, while 50-cent pieces are placed in openings on the side of the lawn. All are removed by a special sliding partition.

The banks weigh approximately four ounces each, measure $4\frac{1}{4}$ x $4\frac{7}{8}$ inches, depth and length, and come in individually packed corrugated boxes. Individual price about 28 cents. For the names of dealers who sell these Lee banks, write direct to Lee Plastic Manufacturing Company, 173-175 Lee Avenue, Bridgeport, Connecticut.





in handling

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NATIONAL BANK OF TULSA

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North Dakota NEWS

SHARPE PRUETZ
President
Kulm



C. C. WATTAM
Secretary
Fargo

School a Success

The following comment appeared in a recent bulletin from the office of the North Dakota Bankers Association:

"The Junior School of Banking which was recently concluded was the most successful, since the inception of the school. This year 42 young bankers were enrolled from every corner of the state. The students in attendance were most enthusiastic about the school and the arrangements that had been made. A great wealth of information concerning banking was disseminated to the young people in attendance, which should be reflected in an increased interest in our banks on their part."

Pembina Station

Through its chief deputy examiner, J. B. Rhud, the state of North Dakota announces that the Citizens State Bank of Neche, Neche, North Dakota, has been granted permission to establish and operate a paying and receiving station at Pembina.

With Grand Forks Bank

Jack Drannen has joined the Red River National Bank in Grand Forks, North Dakota, as manager of the consumer finance department. He succeeds Lex Wilkinson who left the bank to take a position in Indianapolis, Indiana. Mr. Wilkinson also was assistant vice president at the bank.

Mr. Drannen comes to Grand Forks from Huron, South Dakota, where he was manager of the timepay department of the branch there for the National Bank of South Dakota. He is married and has no children.

To Head Bank

J. E. Argue was elected president of the Bank of Hamilton, Hamilton, North Dakota, at the annual meeting. Other officers are H. E. Page, vice president; Franklin Page, cashier, and Ella Mae Rowe, assistant cashier. Directors are Robert Kippen, Jean Argue, J. E. Argue, F. Page, and H. E. Page.

Bank Debits

Bank debits in North Dakota's 13 major cities last January totaled \$184,

703,000, a decline of 9 per cent, or some 18 million dollars from January of 1953.

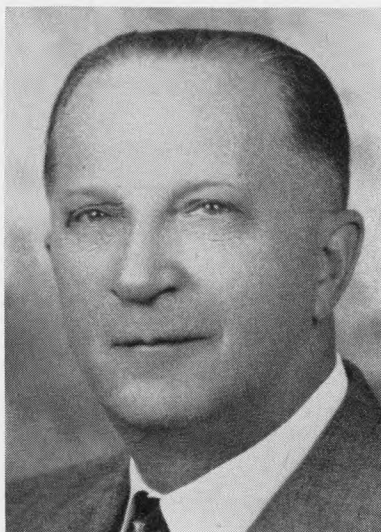
Four cities, Williston, Bismarck, Mandan and Valley City, showed increases from January of last year while the remainder showed decreases. Williston was high with an 8 per cent rise, while Mandan was next with 7 per cent. Bismarck showed a 5 per cent gain and Valley City was up 2 per cent.

Fargo had the greatest decline with an 18 per cent drop from January of 1953.

Charles W. Burges

Charles W. Burges, 69, Edgeley banker and a past president of the North Dakota Bankers Association, died unexpectedly at his home last month.

Mr. Burges had worked as usual the day before. Death was believed due to a heart ailment.



CHARLES W. BURGES
1885-1954

He was co-owner and an officer of the Security National Bank of Edgeley, North Dakota, and a director of the Federal Reserve Bank of Minneapolis.

He was born in England November 13, 1885. He is survived by his wife

at home and a son, Richard, Aberdeen, South Dakota.

He was born in England Nov. 13,

New Officers

At the annual meeting of the First State Bank of La Moure, North Dakota, all officers and directors were re-elected with these exceptions: M. J. Lere and Arthur Goehl were elected vice presidents.

M. J. Anderson was named cashier.

Dickinson Elections

All officers of the Liberty National Bank of Dickinson, North Dakota, were re-elected by the directors following the annual meeting of the stockholders, with the following exceptions:

Vincent A. Fisher was promoted from assistant cashier to vice president and Joe W. Kostelecky from assistant cashier to cashier.

Retires at Minot

Directors of the First National Bank in Minot, North Dakota, were hosts at a dinner recently, the guest of honor being Walter E. Tooley, who has retired as vice president of the bank.

Mr. Tooley, who has been with the same banking institution since 1908 when he came to Minot, was handed a gift and told it could be spent in connection with a winter vacation trip he and Mrs. Tooley contemplate.

Resigns at Richardton

At the annual meeting of the stockholders and directors of the Farmers State Bank of Richardton, North Dakota, a few changes in officers were made.

August Koesel, a stockholder of the bank since organization in 1917 and director and vice president of the bank, resigned his position as an officer of the bank. Succeeding him as director and vice president is his son, Fred Koesel, local Chevrolet dealer.

John C. Phillips, assistant cashier of the bank for a number of years, has been promoted to cashier.

Frank R. Scott

Frank R. Scott, 69, chairman of the board of the Merchants National Bank and Trust Company, Fargo, North Dakota, died recently in a Fargo hospital.

Mr. Scott had been hospitalized for a heart ailment February 3rd but apparently was recovering when death came unexpectedly.

He had been president of the Merchants Bank from 1935 until 1949 when he retired from active duty with the bank and was elevated to the post of chairman of the board.

Savings Bond Meeting in Fargo

A MEETING to discuss the 1954 sales of U. S. Savings Bonds to the public was held early last month in Fargo. Bankers from North Dakota, South Dakota, and Montana were in attendance.

The meeting was called to order at the Gardner Hotel by William H. Neal, chairman of the American Bankers Association Savings Bond Committee and senior vice president of the Wachovia Bank and Trust Company, Winston-Salem, North Carolina.

Attending the session from Fargo were Adrian O. McLellan, president of the Merchants National Bank and Trust Company and North Dakota Savings Bonds chairman; A. M. Eriksmoen, cashier of the Dakota National Bank; F. A. Irish, chairman of the board, and Harold D. Crosby, president of the First National Bank and Trust Company, and C. C. Wattam, secretary of the North Dakota Bankers Association.

Also attending from North Dakota were Fred Orth, president of the First National Bank, Grand Forks; J. F. McEntee, president of the Citizens State

Bank, New England; Evan D. Saltzman, president of the First National Bank, Bismarck; J. R. Madsen, president of the First National Bank of Mandan, and John H. Spink, cashier of the Foster County State Bank of Carrington.

Representatives of banks from Montana also attended; and representatives from South Dakota in attendance were Carl E. Bahmeier, Jr., executive secretary, South Dakota Bankers Association; Walter K. Johnson, vice president, South Dakota Bankers Association, and vice president and cashier, Farmers State Bank, Estelline; and Charles Winner, state director, Treasury Department, U. S. Savings Bonds Division, Sioux Falls.

At the luncheon meeting, service awards were presented by McLellan to volunteers who have been active in Savings Bond work in North Dakota for a period of years. Silver pins for more than 12 years of continuous volunteer service were presented to Wattam, Orth, Crosby, Saltzman, and Madsen. A bronze five-year pin was awarded to McEntee.

Open House

The First National Bank of Glendive, Montana, had open house last month in observance of its 50th anniversary, it was announced by G. P. Drowley, president.

The open house was scheduled from



G. P. DROWLEY
President, First National Bank
of Glendive, Montana

9 a.m. to 4 p.m. On display was an exhibit of American currency supplied by the Federal Reserve Bank of Minneapolis.

At least 4,000 people visited the bank during open house, in addition to a group of 74 visiting bankers and their wives who were entertained at a dinner.

The First National purchased assets of the Merchants National Bank in Glendive in 1946, continuing operations under the name of First National. The Merchants National building was remodeled by 1948, and added quarters were provided earlier this year when the bank occupied office space adjacent to the bank building.

Mr. Drowley is the third president of the First National since its founding March 8, 1903. He was president of the Montana Bankers Association in 1952 and at present is state vice president for Montana of the American Bankers Association.

When the bank opened for business in March, 1904, it had deposits of \$4,586. Deposits today are \$5,500,000, the president said.

Opens in Shelby

The new Toole County State Bank, Shelby, Montana, was opened to the public for the first time last month. The fireproof building features new safe deposit box facilities, 24-hour envelope and night depository service and the latest in vault and safekeeping equipment.

All directors of the bank were re-elected for 1954. They are: J. Hugo



New Director

Don S. Waite has been elected a director of the Northwestern Bank in Lewistown, Montana.

Son of a Central Montana pioneer and a prominent livestock man, he is a life-long resident of that area.

For many years, he was head of the Waite Land and Livestock Company.

New in Billings

Construction on a new building to house the Security Trust & Savings Bank of Billings, Montana, is expected to begin this month, according to an announcement by O. M. Jorgenson, president of the banking firm.

The site consists of five lots. The bank building, a three-story structure, will occupy 75 by 140 feet of the area. The remaining 50 by 140 feet on the north side of the lot will be used for parking and drive-in banking facilities. The drive-in system is believed to be the first installation of its type in Montana.

Mr. Jorgenson said that footings, air-conditioning and heating facilities

and the elevator service plan have been designed to accommodate the expansion of the building to a 10-story



MODERNISTIC—Here is an artist's sketch showing how the new building of the Security Trust and Savings Bank, Billings, will look when completed. Construction is scheduled to start soon.

structure. Completion of the proposed structure is anticipated within about one year after construction begins.

Bank Building & Equipment Corporation, St. Louis, has charge of the project.

Walter Breazeale

Funeral services were conducted recently for Walter Breazeale, 84, retired rancher.

The deceased homesteaded on Sarpy Creek after coming to Montana 62 years ago.

Mr. Breazeale served on the board of directors of the First National Bank in Hysham, Montana, for the past 25 years.



VIEW of new Toole County State Bank building.

Aronson, Douglas Parker, A. E. Crumley, John C. Kiehlbauch and John E. Parker. When the directors met, the following were elected: President, Aronson; vice presidents, Parker and Crumley; cashier, C. A. Callan; assistant cashiers, A. E. Anderson, John E. Parker and James H. Parker.

The capital stock of the bank has been raised from \$50,000 to \$100,000, making a capital and surplus account of \$200,000.

Goes to Hardin

LeRoy Wallin has accepted a position as executive vice president of the Big Horn County State Bank at Hardin, Montana.

William H. Reilley

William H. Reilley, 68, executive vice president of the Meyer and Chapman Bank of Red Lodge, Montana, since 1941 and a former Custer County treasurer, died recently in a Billings hospital.

Death was attributed to a heart condition. He had been in ill health for the last three months.

Before coming to Red Lodge January 1, 1941, Mr. Reilley served as president of the Warren Bank of Hardin for five years. Before moving to Hardin in 1936, he served as Custer Coun-

ty treasurer. He served as cashier for the Miles City National Bank for several years.

Buys Building Property

The Montana National Bank of Havre, Montana, has announced the purchase of property on the northwest corner of Second Avenue and Second Street, to be used as a possible location for a new banking home.

R. M. Lockwood, president, stated that in view of the Montana National's growth in recent years, it is necessary to consider larger quarters. The site which the bank has acquired measures 60 feet along Second Street and 140 feet along Second Avenue.

On February 1 the bank completed 36 years of service to Havre and northern Montana. Deposits have increased from \$2,091.45 on February 4, 1918, to \$8,293,545.73 on the anniversary date this year. The staff of the bank has grown and now numbers 18 officers and employees.

Manager Lewiston Office

J. Melvin O'Neal has been made manager of the Lewiston office of The Idaho First National Bank, to succeed George P. Anderson, who died suddenly. John A. Schoonover, president of The Idaho First National Bank, Boise, announced the action of the bank's executive committee.

Mr. O'Neal has been employed by Lewiston banks since 1925, having commenced his banking career at that time with The First National Bank of Lewiston, where he was employed until 1940 when he became associated with The First National Bank. He became assistant manager of the Lewiston office of The Idaho First National Bank in 1947.

Mr. Schoonover announced that J. A. Wetzel and Robert A. Wood will continue as assistant managers and Richard H. Clay and Charles T. Green as assistant cashiers of the Lewiston office of The Idaho First National Bank.

Will attract new accounts and retain present accounts.

SAVINGS BANK

Size 4 1/4" x 4 7/8" x 3 1/2"

Made of brilliant Styrene Plastic, in contrasting colors. Fine details of a real home. Movable garage door, open windows, flagstone path, stone wall, green lawn, shingle roof, clapboard siding and other features. Permanent colors — not just paint. Holds approximately \$50 — priced as low as 28c each.

LARGE SPACE FOR IMPRINT—IN GOLD

Send for list of representatives

THE LEE PLASTIC MFG. CO.
173-175 Lee Ave., Bridgeport, Conn.

FLORIDA VACATION

\$59.50 WEEK

with COUNTRY CLUB PRIVILEGES

Unbelievable but true, many brick ground floor villas with bedroom, living room, electric kitchen, tile bath, completely furnished, \$59.50 weekly. Two and three-bedroom villas slightly higher. At the ocean, playgrounds, shopping center, private country club.

Free booklet. Write today.

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ORMOND BEACH, FLA.

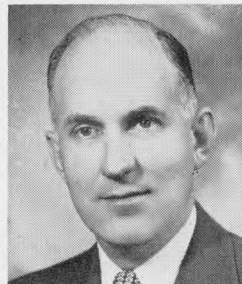
DAYTONA BEACH AREA



EDWARD HUWALDT
President
Grand Island

Nebraska NEWS

HARRIS V. OSTERBERG
Secretary
Omaha



Group Meetings Highlights

HARRIS OSTERBERG, secretary of the Nebraska Association, has announced the highlights of the programs which will be presented at the several Nebraska Group Meetings which will be held the week of April 19th to 23rd. The meetings start in Alliance and conclude in Lincoln.

Featured after dinner speaker at Groups One, Two, Four, Five and Six is Micheal MacDougall, known as "The Card Detective." His hands, "the fastest in the world," perform incredible feats with cards he has never seen before and also give amazing demonstrations with dice and other gambling "gimmicks" used by professional gamblers to fleece the unwary.

The after dinner speaker at the Group Three meeting in Norfolk will be Ernest R. Rosse. It has been said that Mr. Rosse has the humor of Mark Twain, the philosophy of Mr. Dooley, and the wit of George Ade.

Afternoon meetings in each of the group cities will be headed by an official of the United States Department of Agriculture, Washington, D. C. As we go to press, the name of this speaker is not available.

Others to appear on the afternoon program will include Dick Donahoe, manager of the Nebraska Conservation Foundation; Mr. Osterberg, who as secretary will discuss the Nebraska Association and its program, and George Hedlund, vice president of the Washington County Bank at Blair, chairman of the association's group insurance and pension committees.

Some additional programming will be prepared and presented by the local groups in each city. As usual, a luncheon and dinner will be held during each meeting, with entertainment sponsored by the local committee.

The group special train, carrying about 60 group trippers, will make each town.

Handle County Funds

Three Madison, Nebraska, county banks have increased their securities in Federal Treasury bonds in order to offer securities for additional Madison

county funds deposited in those banks.

First National Bank of Newman Grove, \$60,000 in bonds, increasing the limit that the county may deposit to \$100,000.

Bank of Madison, \$30,000, increasing the limit to \$100,000.

The Farmers National Bank, Madison, \$20,000, increasing the limit to \$95,000.

Auditors Meet

Bankers from 17 towns and cities attended a regional meeting of the National Association of Bank Auditors and Comptrollers at Holdrege, Nebraska.

Conducting the question and answer session were Philip Johnson and William Messenger, certified public accountants from Lincoln.

Vice president of the group is Tom Varney, Jr., of Broken Bow, while T. J. "Tom" Waldo is secretary-treasurer.

Bankers registered from Hastings, Grand Island, Kearney, Broken Bow, Sumner, Gothenburg, Hildreth, Orleans, Loomis, Wilcox, Eustis, Cozad, Wood River, Beaver City, Loup City and Ansley.

1954 Group Meetings

The 1954 Group Meetings of the Nebraska Bankers Association will be held April 19 to 23, inclusive. As usual, the Special Group Train will again tour the state, leaving Omaha the evening of Sunday, April 18.

The dates, Group numbers and places of meeting are as follows:

Date	Group	City
April 19	Four	Holdrege
April 20	Six	Alliance
April 21	Five	Kearney
April 22	Two	Fremont
April 22	Three	Norfolk
April 23	One	Lincoln

Edward Huwaldt Heads Nebraska Association

Edward Huwaldt, executive vice president of the Commercial National Bank, Grand Island, Nebraska, was elected president of the Nebraska Bankers Association, to fill out the unexpired term of W. H. Munger of North Platte. Mr. Munger was forced to resign the presidency of the association because of illness.

Mr. Huwaldt was born and reared on a farm in Pierce county, Nebraska. He graduated from the University of Nebraska in 1913. After several years on the faculty of the Grand Island



EDWARD HUWALDT
Heads Nebraska
Association

High School, he served as principal of the Kearney High School and South High School in Omaha. Mr. Huwaldt entered the banking field at the Live Stock National Bank, Omaha, in 1918, where he served as assistant cashier for four years. From 1922 to 1931 he was cashier of the Carroll State Bank at Carroll, Nebraska.

Mr. Huwaldt returned to Grand Island in 1931 as executive vice president of the Commercial National Bank. He will complete 23 years in that position on April 9th. During this time he served as chairman of wartime bond drives and on various committees of the Nebraska Bankers Association. He has been active in church, Masonic and civic affairs. He is an elder of the First Presbyterian Church and general chairman of its new building committee. He is past grand master of Masons in Nebraska and served as president of several civic organizations, including the Chamber of Commerce, Rotary Club, Community Chest and G. I. Industrial Development Corporation.



Omaha News

W. B. MILLARD, JR., president of the Omaha National Bank and chairman of the local Committee of American Industry, said that business corporations of America contributed \$1,367,979 to 79 medical schools during 1953.

He stated that 11 member corporations in Omaha raised a fund of \$2,944 after they joined the organization late last year.

* * *

Douglas county can deposit money in a bank, regardless of the fact that a county commissioner is one of the bank's directors.

That was the ruling recently by County Attorney **Eugene Fitzgerald** at Omaha.

The opinion was requested by the county board.

The question was raised by Commissioner Robert Munch. He had challenged the legality of using the Live Stock National Bank as a depository for county funds because County Commissioner Harold Bergquist is a director of the bank.

Commissioner Munch pointed out that state law prohibits county commissioners from "doing business with the county."

Mr. Fitzgerald held that the bank case does not come within the meaning of the law. Mr. Fitzgerald remarked, "If carried to extremes, any public official even with a postal savings account, couldn't use the mails."

* * *

Fairmont Foods Company directors, meeting at Omaha, declared a quarterly dividend of \$1 per share on the 4 per cent preferred stock and 30 cents a share on the common, 15 cents of which was a special dividend.

All were payable April 1st to stockholders of record at the close of business March 15th.

* * *

Omaha business indicators at the close of February showed that the city continued as one of the bright spots on the economic map of the nation.

Bank clearings and debits, building permits, utilities figures and postal

and grain receipts all showed increases over the first two months of 1953.

A survey by **D. C. Forbes & Sons** listed Omaha as one of the "ten best cities from a business standpoint."

Bank clearings of \$601,974,000 for February were up 7.2 per cent over February a year ago, while debits of \$596,791,000 were up 7.4 per cent. Building was up 13.5 per cent.

* * *

At the first report dinner in the Ak-Sar-Ben membership drive in Omaha, Drive Chairman **John F. Davis** stated that half of the 12 Governor-Councillor teams had met their quotas. Mr. Davis is president of the First National Bank of Omaha. It was the civic group's 60th annual drive. The goal was 19,000 members.

Among teams that met or exceeded their quotas were those captained by **E. F. Pettis**, former banker, and **Dana Bradford**; **Jess Thurmond** and **Robert Hall**, former banker; Mr. Davis and **Edward T. Foster**.

* * *

The Omaha central business district will have more than 4,500 new parking spaces under the long-range plan of the Omaha Downtown Parking Association, which filed incorporation papers recently. The association's articles call for \$3,000,000 in authorized capital, up to 30,000 shares of common stock at \$100 a share.

The association will have the power to build, lease or operate parking facilities or similar enterprises.

Louis Somberg is president of the association. Other officers include **E. F. Pettis**, former banker, vice president; **John Lauritzen**, vice president of the First National Bank of Omaha, and **C. P. Swiler**, vice presidents.

W. Dale Clark, chairman of the board of the Omaha National Bank, is treasurer of the association.

* * *

Henry G. Kiddoo, 88, of Omaha, father of Guy C. Kiddoo, Chicago banker who is a former officer of the Omaha National Bank, died recently in Omaha.

The Northern Natural Gas Company of Omaha had net income of \$8,487,988 in 1953, or \$2.58 a share, compared to a net of \$7,718,463, or \$2.82 a share in 1952. President John Merriam reported at the annual stockholders' meeting.

* * *

The Union Pacific Railroad, with headquarters in Omaha, reported net income of \$4,355,963 for January, compared to \$4,849,116 for the same month last year. Gross revenue was \$37,070,953 in January, 1954, compared to \$39,850,969 in January, 1953.

Directors declared the regular semi-annual dividend of \$1 a share on preferred stock and \$1.25 a share on the common stock, both payable April 1st to stockholders of record March 8th.

* * *

The United Community Services of Omaha honored the leaders of the 1953 over-the-top Community Chest drive and elected board members at a recent meeting.

Among those cited at the gathering in the Blackstone Hotel for leadership in the drive were **H. H. Bergquist**, chairman of the budget committee; **M. R. Abrahams**, **M. Cooper Smith** and **Victor L. Toft**, chairman of the campaign committee.

Given Red Feather "Oscars" for their work in reaching the \$1,192,000 goal were **Fay F. Bowerman**, **Edwin Schafer**, **Dr. E. Dexter Henry**, **Steve Brace**, **Alfred Ellick**, **Laurance Hoagland** and **Mrs. W. J. Feiler**.

Edward Lyman, vice president of the United States National Bank of Omaha, was re-elected to a three-year term on the board of directors.

* * *

The **Farm Credit Administration** of Omaha received a new name at its board of directors' meeting recently.

Hereafter, it will be known as the Farm Credit District of Omaha.

* * *

Resignation of **Harold R. Browning**, vice president of the First National Bank of the Black Hills at Rapid City, effective June 1, was announced.

Mr. Browning will assume the vice presidency of the **United States Bank of Omaha** with which he was associated from November 1931 to February 1933.

Mr. Browning, a native of Orchard, Nebraska, came to Rapid City in 1933 in the capacity of assistant cashier at the First National Bank. In January 1944 he was promoted to his present position. Mr. Browning's banking career began in Orchard at the Citizens State Bank, 12 years before he went to Omaha.—End.



Convenience

Close to the livestock buyers, commission men and the great packing plants, Stock Yards National Bank is most convenient for all who do business at the great Omaha livestock market.

THE ONLY BANK IN OMAHA'S GREAT UNION STOCK YARDS

STOCK YARDS NATIONAL BANK

Omaha, Nebraska

MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1954

St. Joseph News

A. B.C.D. Bankers' Association elected **Fred James**, Home Bank of Savannah, Missouri, president at its annual meeting January 27th in St. Joseph. He succeeds **Milton Tootle Jr.**, Tootle-Lacy National Bank, St. Joseph. **William F. Enright Jr.**, Empire Trust Company, St. Joseph, was named secretary-treasurer to succeed Mr. James. The association represents Andrew, Buchanan, Clinton and DeKalb counties.

* * *

American National Bank opened its new sidewalk teller's window March 22nd, this being, as far as is known, the second of its kind in the state of Missouri. One was installed previously at Jefferson City.

American National's new window has a stainless steel canopy. Arrangements have been made with the city for three-minute parking in front of the window during banking hours.

After hours, normal one-hour parking is in effect.

The bank has engaged former Police Lieutenant **Joseph Reynolds**, who recently retired from the St. Joseph police department. A well-liked officer, he will be on duty on the sidewalk to direct patrons of the window and to keep the parking spaces for the proper use.

* * *

Milton Tootle, Jr., vice president and cashier of Tootle-Lacy National Bank of St. Joseph and an artist was honored at the Nelson Gallery of Art in Kansas City March 13-29 with the showing of a piece of statuary of which he was sculptor. The exhibit was sponsored by the Mid-American Artists Association, the Kansas City Art Institute and School of Design, the Nelson Art Gallery and Atkins Museum. Six states were represented. Artists could submit only two works and out of those only one could be chosen. Of the 532 works submitted 162 were chosen for exhibit.

Succeeds Father

Roger S. Thorley has succeeded his father, the late Harry G. Thorley, to the presidency of the Commercial National Bank of Ainsworth, Nebraska. The son has also been elected a director.

Officers of the bank now are Roger S. Thorley, president; D. H. Troxel, vice president; T. E. Ritter, vice president and cashier; J. W. Quesenbery, vice president; and Orfa Carr, assistant cashier.

25th Anniversary

Approximately 650 people visited the Wakefield National Bank, of Wakefield, Nebraska, when the institution celebrated its 25th anniversary early last month, according to A. L. Pospisil, president.

Mr. Pospisil has been with the bank for the past 18 years, and Robert E. Anderson, cashier, and Roy S. Wiggins, assistant cashier, have been with the bank since its organization.

The lobby of the bank was filled with floral gifts from local business firms, and from some of the larger city institutions.

New Cashier

William Fox is the newly elected cashier of the First National Bank, Albion, Nebraska. Succeeding Al Mongerson, Mr. Fox has recently returned to Albion after spending eight months in Greenland.

R. C. Huffman

Funeral services were held at Neligh, Nebraska, for R. C. Huffman, Elgin, who passed away recently.

In the summer of 1908 he went to Elgin and was associated with his uncle George N. Seymour, in the Elgin State Bank. During 1910 he supervised the building of the first electric plant to serve Elgin and from that time until 1946 he devoted the greater part of his time to that field.

At the time of his death he was chairman of the board of directors of the National Bank of Neligh.

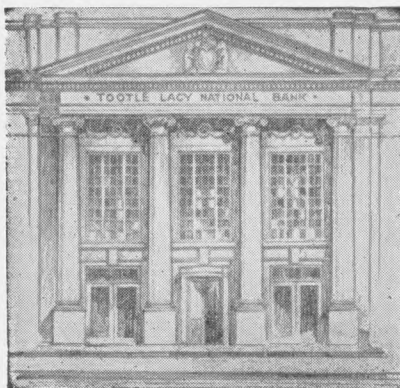


In Lincoln—The Continental—

Immediate and personal attention
to your requirements
in Nebraska's Capital City

The
**CONTINENTAL NATIONAL
BANK**
of
LINCOLN

Member Federal Deposit Insurance Corporation



IN ST. JOSEPH
No Other Bank Gives You
MORE* for YOUR MONEY
Than the

TOOTLE-LACY

MILTON TOOTLE
PRESIDENT

R. E. WALES
EXEC. V. P.

FRED T. BURRI
VICE PRESIDENT

E. H. SCHOPP
VICE PRESIDENT

E. L. CRUM
VICE PRESIDENT

Exterior Completed

A renovating program that began several months ago on the Crete, Nebraska, State Bank has been nearly completed.

However, bank officials said that an interior remodeling program is now in the planning state. They did not disclose a definite date as to when the work would begin.

The outside work included a complete new brick walling job as well as new steel windows and aluminum doors. New drains were installed on the roof and a new covering was placed on that portion of the building.

Open House

The recent open house of the Roseland, Nebraska, State Bank was attended by 400 people. The open house was a part of the bank's observance of its 50th anniversary. The bank was organized in 1900 by the late Ed Hall and has been under continuous management of the Hall family since. Present officers are Ed Hall, president, and Leland Hall, chairman.

Increases Capital

The Bank of Wilber, Nebraska, increased the amount of its capital stock from \$20,000 to \$30,000 following authorization for such a move granted at the annual meeting of stockholders.

Stockholders heard a report reflecting growth in all departments of the bank during the year past.

Directors Edward A. Beck, Alice Beck, Blanche V. Hroch, Peggy Hroch and Theresa Bartos were re-elected.

Andrew Hensen

Andrew Hensen, for many years a resident of Minden, Nebraska, died there last month. In 1914 he organized the Nebraska National Bank, of Minden, which later was merged with the Minden Exchange National Bank.

He was one of those originally active in the Tri-county Irrigation Project, and was a director of the Central Nebraska Power and Irrigation District.



A Bankers Bank

SINCE 1886

"The First" has developed carefully its relationships with correspondent banks. This, with the friendly cooperation of its officers, has built into "The First" a service that is traditional.



FIRST NATIONAL BANK
of Kansas City
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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

NATIONAL BANK ST. JOSEPH, MO.

MILTON TOOTLE, JR. CHAS. BURRI GILBERT TOOTLE A. E. LABOUFF PAUL R. ABERSOLD PHOEBE BUZARD ROBERT DOUGLAS
VICE PRES. & CASHIER ASST. VICE PRES. ASST. VICE PRES. ASST. CASHIER & AUDITOR ASST. CASHIER ASST. CASHIER TRUST OFFICER

Member of Federal Deposit Insurance Corporation

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eral Reserve Bank of St. Louis

Northwestern Banker, April, 1954

Third Term

Senator H. K. Diers, of Gresham, Nebraska, representative of York and Seward counties in the state legislature, has filed for a third term.

A resident of Gresham all of his 57 years, Senator Diers has been in the grocery business for 28 years. Prior to entering the grocery business, he was associated with the Gresham State Bank and a bank at Gretna for twelve years.

Talks to Farmers

Gerald Stahl, field man of the Nebraska Conservation Foundation, Inc., talked to the Adult Farmers Class re-

cently at Oxford. Mr. Stahl talked on soil testing and soil fertility.

A change in the regularly scheduled topic for the evening, the speaker was obtained from the Nebraska Bankers Association through the Security State Bank.

Soil Meeting

The twelfth annual meeting of the Harlan County Soil Conservation District was held at Alma, Nebraska, last month.

James Kenner of Hebron, Nebraska, was the featured speaker of the evening. Mr. Kenner is president of the Nebraska Conservation Foundation.

He is also president of the Thayer County Bank, a land owner, and is an outstanding conservationist. Mr. Kenner's talk was of great interest to all because of his down-to-earth understanding of conservation as it applies to Nebraska farms and ranches.

Named Director

Tom Wake, president of Jones National Bank at Seward, Nebraska, was named one of the nine-member board of directors of the Woodman Accident Company in Lincoln at the company's annual meeting.

Also named to the board was Burnham Yates, president of the First National Bank of Lincoln. Both men were cited for their outstanding work in the business field.

New Members

Twenty-eight banks in 14 states joined The National Association of Bank Auditors and Comptrollers during the past few weeks, according to an announcement by the association's second vice president, Robert H. Goodwin, who is chairman of NABAC's organization committee.

Among the banks joining was the First National Bank of Hawarden, Iowa, and the following from Nebraska:

Broken Bow State Bank; Campbell State Bank; Fort Kearney National Bank, Kearney; Republican Valley Bank, Kearney; Platte Valley State Bank, Kearney; Republican Valley Bank, Orleans; Roseland State Bank and the State Bank of Hildreth.

New Burroughs Machines

A new line of Burroughs full-keyboard adding machines with modern, streamlined styling and many new features designed for ease and flexibility of operation has been announced by John S. Coleman, president of Burroughs Corporation.

OFFICERS

J. A. Greenfield
Chairman of the Board

T. J. McCullough
President

M. E. Blanchard
Vice President and Cashier

H. H. Broadhead, Jr.
Vice President


L. J. Komer
Assistant Cashier

Clemens P. Drag
Assistant Cashier

Better Qualified

Being a livestock bank, we feel gives us the advantage of serving you and your customers better at this Central Public Market.

We look forward to seeing you at the Nebraska Group Meetings.



FIRST
St. Joseph
STOCK YARDS
BANK
South St. Joseph Missouri

"ONLY BANK IN THE YARDS"

Member Federal Deposit Insurance Corporation

First National Bank of Omaha

Oldest National Bank From Omaha West

Member Federal Deposit Insurance Corp.

Commerce Trust Correspondent Conference



CONFERENCE—With **Joseph C. Williams**, president, presiding, **Commerce Trust Company** of Kansas City last month welcomed more than 700 registrants at its 1954 Conference of Bank Correspondents. With business sessions morning and afternoon, bankers were entertained with a luncheon, a dinner, and a top-notch stage show in the evening.

Pictured above on the left, from left to right, are **Mr. Williams**, president of Commerce Trust Company; **Max von Schrader**,

president of the Union Bank & Trust Company, Ottumwa, Iowa, and **Richard Dunlap**, vice president of Commerce Trust.

In the Conference picture on the right are **John Painter**, assistant vice president, Commerce Trust; **Don Hansen**, assistant vice president, City National Bank, Hastings, Nebraska; **Mrs. Hansen**; **P. V. Miller**, vice president, Commerce Trust, and **H. Livingston**, vice president, First National Bank, Fairbury, Nebraska.

In formally announcing the new line, which has been named the "Director 200" line, Mr. Coleman said, "Burroughs engineers and industrial stylist, George W. Walker, have combined their talents to produce an adding machine embodying many of the features long sought in general pur-

pose adding machines, and styled to blend harmoniously with the most modern business surroundings."

Among outstanding features of the new machines are adjustable spacing controls which permit multiple spacing of figures on the tape from one to five spaces or a maximum of five-sixths

of an inch. This provides room for tape notations and flexibility for use with bookkeeping forms. These controls also provide "pop-up answers" from the total key, which allows the operator to tear off the tape below the total figure without twirling the platen knob forward.

In COLORADO...

We Can Serve You Best

Why not make us your "Mile-High"

CORRESPONDENT

"THE CENTRAL"
ON TARGET FOR TOMORROW
BANK & TRUST CO.
15th and Arapahoe Denver

MEMBER: FEDERAL DEPOSIT INSURANCE CORPORATION

FEDERAL RESERVE SYSTEM

Northwestern Banker, April, 1954

Lincoln News



LINCOLN bankers are charting final plans for the annual meeting of Group One on April 23rd, capping a

week of group gatherings at seven points in Nebraska.

In Lincoln, bankers are expecting to

entertain 350 to 375 persons at the evening meeting. Some 150 will be on hand for the men's luncheon and an estimated 100 for the women's luncheon earlier in the day.

* * *

Fred S. Aldrich, vice president of Continental National Bank, has scheduled conferences in West Virginia and Minnesota.

He will attend the spring meeting of the American Bankers Association executive council, of which he is a member, in White Sulphur Springs, West Virginia, April 18th, 19th and 20th.

Mr. Aldrich will attend the annual meeting of the Sixth District of the National Retail Credit Association in St. Paul, Minnesota, May 9th, 10th and 11th. He is past president of the Sixth District and currently is a member of the district's board of directors.

* * *

The **Lincoln Chapter** of the American Institute of Banking has scheduled a spring meeting May 4th in Lincoln. Professor Richard Bourne of the University of Nebraska College of Business Administration will be guest speaker. He will discuss human relations.

Wilber Baack, assistant cashier of the National Bank of Commerce, is president of the Lincoln Chapter.

* * *

Seven representatives of two Lincoln banks attended the Cornhusker Conference of the National Association of Bank Auditors and Comptrollers in Betarice in March. Representing First National Bank were **Lyle Stoneman**, vice president; **Henry Crane**, assistant vice president; **Dale Shoemaker**, auditor, and **Dan Sullivan**, assistant auditor. National Bank of Commerce representatives were **Wilber Baack**, **Chet Nielsen** and **Herman Brockmeier**.

The group's next meeting will be held in the spring in Seward. Election of officers will be held at that time.

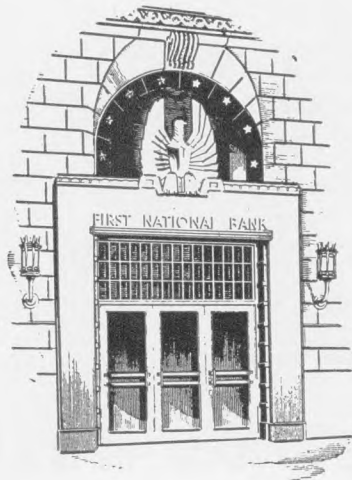
* * *

A total of 906 women attended the Women's Finance Forum in March. The forum, fourth of its kind, was conducted by **First National Bank** and **First Trust Company** and was held at First National Bank.

* * *

Mrs. Byron Dunn, wife of the president of National Bank of Commerce,

Our 83rd Year



Nebraska Bankers

The group meetings of the Nebraska Bankers Association are to be held the week of April 19 this year. We are looking forward to seeing and visiting with you during these meetings.

THE FIRST NATIONAL BANK OF LINCOLN

10th and O Streets

Lincoln, Nebraska

Member Federal Deposit Insurance Corporation

BANKS BOUGHT AND SOLD

49 YEARS OF CONFIDENTIAL DIGNIFIED SERVICE

The Old-Reliable

CHARLES E. WALTERS CO.

1313 FIRST NATIONAL BANK BUILDING OMAHA, NEBR.

has been released from the hospital, where she was treated for a serious illness. She is recovering at home.

Albert Held, executive vice president of National Bank of Commerce, and Mrs. Held are spending a month's vacation in Ft. Lauderdale, Florida.

Joan Dwehus has taken a leave of absence from her duties in the personnel department of National Bank of Commerce, to spend a six weeks' holiday visit in Hawaii.

Miss Dwehus is the daughter of **A. E. Dwehus**, president of the State Bank at Dannebrog, Nebraska.

Leonard W. Childs

Leonard W. Childs, 76, former cashier of the City National Bank of York, Nebraska, passed away at Long Beach, California. In ill health a long time, death came after a light stroke.

Mr. Childs was a native of Rockford, Iowa. He came to York as a young man and was associated with his uncle, H. M. Childs, in the operation of the City National Bank. He held the office of cashier.

Nebraska Figures

Deposits in Nebraska state banks at the close of business in 1953 reached an all-time peak of \$447,490,411, J. F. McLain, state banking director, said.

Assets in the 289 banks show an increase of \$14,600,000 over the reports of the same date a year ago.

Guaranteed grain loans constituted 32 per cent of all loans and totaled \$51,900,000. Chattel mortgage loans, largely secured by livestock, grain and machinery, totaled \$60,700,000 less than was reported a year previous.

Installment loans, largely on automotive vehicles and home appliances, amounted to \$11,400,000.

The total resources of the banks amounted to \$484,223,824, an increase of \$14,627,329 over the \$469,596,494 reported at the end of 1952. Total liabilities were \$448,777,788. Capital accounts were \$35,446,035, an increase of \$2,568,873 during the year.

New Director

The annual stockholders' meeting of the Citizens State Bank, Clearwater, Nebraska, was held at which five directors were elected for the year: John F. Thiele, Frank Mapes, J. W. Bennie, Guy P. Miller and Amos Switzer. Four of the old directors were re-elected. Amos Switzer, the

new director, was elected to take the place of Vern Kimes, deceased.

Loan Manager

Lowry Lindell has been named manager of the American Securities Corporation, it was announced by officials of the American National Bank, Sidney, Nebraska.

Meet:



Glenn Yaussi
Senior V. P.



Robert Wekesser
Vice President

*at the Nebraska
Group Meetings*

April 19th to April 23rd

NATIONAL BANK of COMMERCE
LINCOLN, NEBRASKA

52 Years at 13th and O Streets
Home of Complete Banking Service
Organized Aug. 4, 1902

Member Federal Deposit Insurance Corporation

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

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.

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

FIRST NATIONAL BANK BUILDING, CHICAGO 3, ILLINOIS



YOUR TRANSIT ITEM MAY BE HERE

The busy folks shown above are part of the hard working transit department at the Live Stock National Bank. Day or night . . . Sundays and holidays, transits arrive and leave. Sometimes saving up to a day's time for you. If you can use the speed which only a twenty-four hour department can provide, see Live Stock National Bank in Omaha. The bank with the extra-measure of friendliness.

**LIVE
STOCK**

NATIONAL BANK

OMAHA, NEBRASKA

MEMBER OF FEDERAL RESERVE AND FEDERAL DEPOSIT INSURANCE CORPORATION



LEE A. HOLLAND
President
Washington

Iowa NEWS



FRANK WARNER
Secretary
Des Moines

Iowa Banking Conference Draws 203 from 62 Counties

THE 33rd annual State banking conference of members and officers of the Iowa Federation of County Bankers Associations and the Iowa Junior Bankers Association was held last month in Des Moines. Both are affiliated with the Iowa Bankers Association. Two hundred three men and ladies were registered, representing 130 banks in 111 towns. Sixty-two of the 99 counties in Iowa were represented.

Heading the Federation of County Bankers Associations as president is Robert M. Moehn, president of the Carroll County Bankers Association and vice president of the Commercial Savings Bank of Carroll. The new vice president is Vic B. Perkins, president of the Kossuth County Association, and executive vice president and cashier of the Farmers Savings Bank, Whittemore. Elected secretary was Charles E. Krejci, president of the Linn County Association, and assistant vice president of the Peoples Bank and Trust Company, Cedar Rapids.

At the election of the Iowa Junior Bankers Association, C. W. Fishbaugh, assistant cashier of the Security Trust and Savings Bank, Shenandoah, was named president. New vice president

is James E. Moore, assistant cashier, Tipton State Bank, and the new secretary is L. F. Gericke, assistant cashier, Postville State Bank.

Iowa Association President Lee Holland explained in full the RFC certificate plan, which got into action last month. President Holland said the Comptroller of the Currency in Washington has given the certificates the green light for national bank investment and the Iowa banking department has also given its stamp of approval up to the legal limit of 20 per cent.

Speaking on the duties of the outside farm representatives in the country bank, Herbert E. Taylor, field representative with the Onawa State Bank, said no loans should be made to a farmer without first visiting the farm, at the same time checking carefully the arrangements the farmer intends to make to get the note paid on the due date. He tries to visit the farm of each of the depositors of his bank at least once a year. The Onawa State Bank has held terracing contests which have developed into projects of unusual interest, says Mr. Taylor.

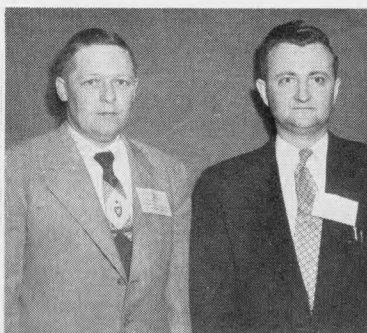
C. W. Anderson, executive vice president of the City State Bank, Madrid,

told how his bank now has in effect strict rules on deposit box keys and visits to deposit boxes, and told of a number of serious incidents which arose before the bank required such strict rule observance. Adherence to rules, he believes, avoids all mistakes and misunderstandings and, in the long run, makes for much better public relations.

Speaking on real estate mortgage lending D. L. Middleton, assistant vice president of the Security National Bank, Sioux City, said it has become necessary that more complete and thorough study be made on each mortgage application. Loaning on 60 per cent of the appraised valuation is sometimes too high; the percentage should be lowered in many cases. Some borrowers should be put on a monthly repayment basis and, of course, some on longer terms. He wants all his loans to pay out in ten years. Mr. Middleton mentioned the good cooperation received from the Veterans Administration, but said it was not so good from the FHA.

J. F. Kennedy, president of the First National Bank, New Hampton, speaking on "The Country Bankers and Agriculture," said the country banker, directly or indirectly, is tied in closely with agriculture. Almost all dollars coming into his community to start with are farm dollars. Fifty-two per cent of Iowans live in towns under 10,000, where returns from agriculture are by far the primary income of the community. He said farmers are still the largest group in this country which stand for free enterprise.

Arthur J. Cade, vice president of the Consumer Credit Insurance Association and executive vice president of Old Republic Credit Life Insurance Company, Chicago, told the story of credit life insurance and how it works for banks. His company last year



CONFERENCE—Speakers on the program of the recent State Banking Conference in Des Moines included the group in the photo at left above, who are (left to right): **Kenneth H. Dietz**, immediate past president of Iowa Junior Bankers Association and assistant cashier, Walcott Trust and Savings Bank, Walcott; **Lee A. Holland**, president, Iowa Bankers Association, and executive vice president, Washington State Bank, Washington, and **Robert R. Rigler**, immediate past president of Federation of County Bankers Associations and cashier, Security State Bank, New Hampton.

CENTER—**L. F. Gericke** (left), assistant cashier, Postville State Bank, Postville, and new secretary of Iowa Junior Bankers Association, and **James E. Moore**, assistant cashier, Tipton State Bank, Tipton, and new vice president of the Junior Bankers.

RIGHT—**Professor C. A. Iverson**, head of the dairy industry department at Iowa State College and a program speaker, called on **Dora Springer** of the Iowa Bankers Association staff to help him cut some of the cheese made at the college by his department.

1954 Iowa Group Meetings

The following are the dates and meeting places for the eight Group Meetings of the Iowa Bankers Association to be held in May. As further information on the meetings becomes available, including programs, it will appear in coming issues of the NORTHWESTERN BANKER.

Group	Date	Meeting Place
5	Tuesday, May 4	Council Bluffs
6	Wednesday, May 5	Newton
10	Thursday, May 6	Lake Wapello
7	Friday, May 7	Independence
4	Tuesday, May 18	Dubuque
8	Wednesday, May 19	Monticello
3	Thursday, May 20	Charles City
2	Friday, May 21	Storm Lake

wrote nearly a billion of this type of coverage and all companies combined wrote \$7 billion. Bank customers, he said, seem to like credit life insurance.

An interesting feature of the afternoon session was a talk by Professor C. A. Iverson, head of the Dairy Industry Department at Iowa State College in Ames, on the topic, "New Form of Fresh Concentrated Milk and What It Means to the Iowa Dairy Industry." Professor Iverson described the research that went into developing the present type of fresh concentrated milk being distributed on an experimental basis to Iowa farm families by his department.

Through laboratory processes most of the water is removed from the milk, making it possible to put the concentrate of three quarts of milk in one quart bottle. The milk is then extremely thick and can be used for

whipping cream, coffee cream, or thinned back to its original state by adding water in the home.

The value of this process is that it allows farm families to get milk delivery once a week and at the same time eliminates the need for having three times the number of bottles that must be kept refrigerated from one week's delivery to the next. The fresh concentrate milk will keep for a week or more under these conditions.

The college is interested in advancing the use of fresh concentrate on Iowa farm tables in order to bring farm family consumption of milk up to a proper diet point. At present, he reports, many Iowa farm families are extremely deficient in milk diet, a principal reason being because it costs too much to milk cows and process the milk on the farm just for family consumption, and on the other hand the

dairies cannot provide regular enough service with present types of milk to satisfy farm needs. Consequently, the long-lasting, fresh concentrate type of milk is an answer to this two-fold problem. In addition, the increase in milk consumption by farm families would be a big step toward firming the dairy industry market.

Professor Iverson also displayed samples of cheese produced by his department and reported that sales of these cheeses continue very high.

Iowa's new "Certificate of Title Law" received close scrutiny from several speakers well informed on the subject, and they gave their audience the principal points in which bankers should be interested in regard to loans, foreclosures, repossession and disposition under the new law.—End.

Halsey, Stuart Appointee

Paul Jordan of Peoria, Illinois, is the new Iowa representative for Halsey, Stuart & Company, it was announced recently.

Mr. Jordan, who succeeds the late H. Holden Smith, has had nearly 25 years experience in the investment business, and has been with Halsey, Stuart & Company in Peoria for the past 24 years.

His offices will be at 301 Insurance Exchange Building in Des Moines, and his telephone is 2-7455.

County Banks Organize

After many years during which the Dubuque County Banks have not been associated, the representatives of banks from Dubuque, Epworth, Farley, Worthington, New Vienna, Luxemburg, and Dyersville met recently and reorganized the Dubuque County Bankers Association.

Officers elected for the forthcoming year were Olan Tegeler, cashier of The State Bank of Worthington, as secretary-treasurer, G. W. Corken, vice president of the Dubuque Bank & Trust Company of Dubuque, as vice president, and A. W. Bird, cashier of Dyersville National Bank, as president.

The purpose of the Dubuque County Bankers Association is to foster and support any measure deemed for the general welfare of the county at large, or the members, and particularly such measures as will tend towards better banking methods.

Oldest in Iowa
First in Size and Service
in Southwest Iowa
A Strong Bank Since 1856



COUNCIL BLUFFS SAVINGS BANK

COUNCIL BLUFFS, IOWA

Member Federal Deposit Insurance Corporation

BANKS BOUGHT and SOLD
A CONFIDENTIAL, PERSONAL SERVICE
FOUNDED ON 25 YEARS EXPERIENCE
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Credit Information

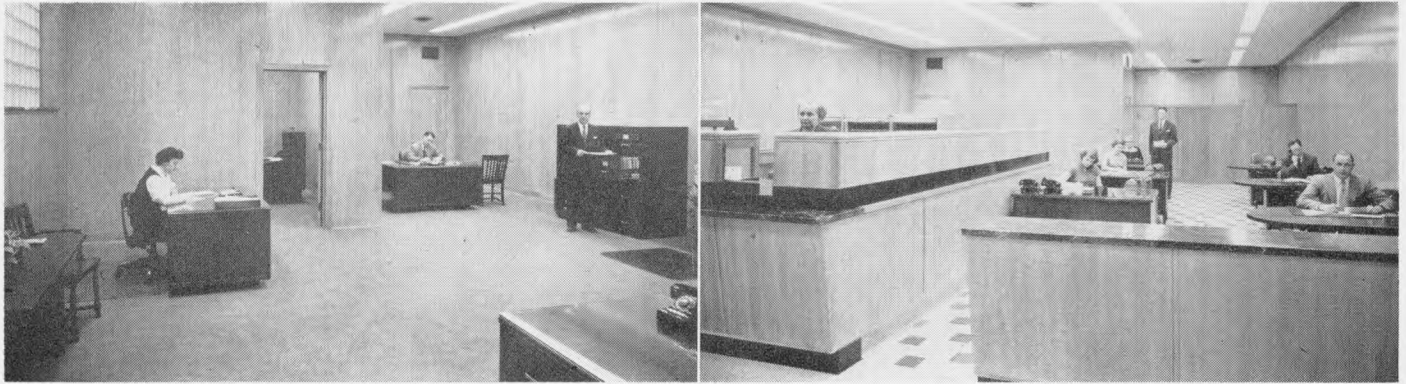
Our extensive sources of information enable you to get swift, accurate answers to your credit inquiries. This comprehensive credit knowledge is available to correspondents at Bankers Trust Company.

Bankers
Trust Company
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Des Moines, Iowa

*Member: Federal Deposit Insurance Corporation
Federal Reserve System*

New and Expanded Quarters



REMODELED—The Security National Bank, Sioux City, has recently completed the expansion and remodeling of the trust department, and the personal loan department, of the bank. The bank took over additional ground floor space for the two departments, and also expanded the real estate and transit and bookkeeping departments.

On the left, above, is a view of the new trust department

quarters, and on the right the entrance to the personal loan department.

About 2,000 people came to view the new quarters when they were officially opened last month, enjoying the coffee and favors which were made available. All of the officers and personnel of the bank were on hand to greet the many customers and friends.

Carl Shafer

Carl Shafer, 59, president of the Cleghorn, Iowa State bank and a very well known cattle buyer and feeder,

died recently as a result of injuries received in a car accident that occurred as Mr. and Mrs. Shafer were driving to Paullina from their home at Cleghorn. He was being treated in the Sioux Valley hospital at Cherokee following the almost head-on collision with another car.

Mrs. Shafer received facial lacerations, chest injuries and several fractured ribs. She is recovering from her injuries.

and the Grundy County Savings Banks of Grundy Center, Iowa.

Present officer personnel is: Wesley T. Heckt, president; Wm. Groote, vice president; Dale Bee, cashier; Sara Lee Yoder and Mary Ellen Stock, assistant cashiers; Darlene Weseman and Betty Graham, tellers.

Operates in Courthouse

Decatur County State Bank employees conducted "business as usual" in the courthouse in Leon, Iowa, after a fire in the bank last month.

The fire ruined the bank basement and some first floor equipment. The two-story brick building is owned by the bank. Harris E. Long, bank president, estimated the loss at \$30,000.

The bank was allowed temporary use of a courthouse room with access to the county's vault.

Louis Buenneke

Louis Buenneke, 55, president of the Maynard, Iowa, Savings Bank died last month following an auto accident in Oelwein.

Doctors said Mr. Buenneke suffered a cerebral hemorrhage, lost control of his car and went over a curb, smashing into a light pole.

He is survived by his wife, Gladys; three sons, Don of Hazleton, Paul of Oelwein, who works in the Maynard bank, and Bob, who works at the Arlington bank; a daughter, Mrs. John Schubert of LaCrosse, Wisconsin, and five grandchildren.

It pays to keep posted on Agricultural developments

"I saved \$10,000 by spending \$20"....
"I'd have been \$10,000 ahead"....
"Your advice saved my farm".

These extracts from letters from some of the many we have received from subscribers indicate the value of the practical advice of the

DOANE

Agricultural Digest

and its twice-monthly supplements—not only to farmers, but to those whose business is in anyway connected with farming.

Such information enables bankers to make sound decisions and recommendations when advising farmers or businessmen doing business with farmers.

More than 1900 banks renew their subscriptions each year because it pays to keep posted on Agricultural developments.

Write for Free Sample Releases which interpret trends and predict outlook on prices, production, markets, shortages and surpluses ahead.

DOANE

Agricultural Service, Inc.
Dept. 606, 306 Plymouth Bldg.,
Des Moines 9, Iowa.

County Election

George Aden of Webster City is the new president of the Hamilton County Bankers Association, having been elected to that position at the annual meeting held in Stratford last evening.

Mr. Aden, Farmers National Bank cashier, succeeds Denver Nucholls of Stratford.

Richard Obe of Ellsworth is the new vice president succeeding Steve Linn of Stanhope and Richard D. Desmond of Webster City is the new secretary-treasurer succeeding Wendell Lowe.

20th Anniversary

The Grundy National Bank observed its 20th anniversary last month. It was organized in March, 1934, just a year following the beginning of a National Bank Holiday proclaimed by Franklin Roosevelt a few days after he was inaugurated as president. The Grundy National is the successor to the former Grundy County National

Scarborough's planning and service are by-words in the banking fraternity. They are available to you, along with the broadest protection at the lowest cost.

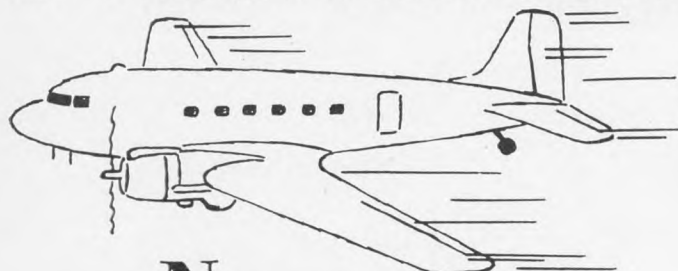


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Insurance Counselors to Banks

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There's plenty of *Action* in Northwestern Service



Nothing stands still when we handle your business in Northwestern's Bank and Bankers Department. And the members of the department get around, too! More than 110,000 miles were traveled last year to visit with our banker customers.

Part of Northwestern Bank service is getting to know you and your problems at your own desk. Part is a warm welcome when you are in the city. And part is always being as near as your telephone, telegraph or typewriter.

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- D. E. CROULEY, *Vice President*
- F. W. CONRAD, *Vice President*
- K. M. BARNETT, *Vice President*
- C. P. LINDHOLM, *Asst. Cashier*
- L. P. GISVOLD, *Vice President*
- L. M. BROOM, *Asst. Vice President*
- R. G. ZIEMER, *Asst. Cashier*

Northwestern



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Bankers Speak

Two neighboring bankers appeared before the Sanborn, Iowa, Lions club and held an open forum discussion on various financial topics. They were E. T. Peterson, president of the Primgar Savings Bank, and Ed Popp of the Hartley Security State Bank.

Among the topics discussed were livestock financing, hog marketing, dairy financing and FHA loans.

New Directors

At the recent annual meeting of the Centerville, Iowa, National Bank, three new directors were named, one of them being Warren R. Langfitt, manager of the bank farm service depart-

ment. The other two elected were Harlan C. Craver, president of the Craver Lumber Company, and Robert W. Greenleaf, vice president of Iowa Southern Utilities Company.

Farm Representative

Stanton E. Christie has accepted a position as farm representative with the National Bank of Burlington, in Burlington, Iowa.

Mr. Christie, 39, is a native of Wright county and was born and reared on a farm which his father still operates.

In 1938 he graduated from Iowa State College, Ames, where he majored in general agriculture. From 1938 to 1945 he was farm supervisor for the

Farm Security Administration in Taylor county. For the next three years he was with the U. S. Department of Agriculture as soil conservationist for Henry county. In 1948 he purchased a seed and farm supply business in Mount Pleasant which he operated until last year.

Anniversary

Last month the Nevada, Iowa, National Bank celebrated its twentieth year in business. The bank was started during the depression years with a small amount of capital and small deposits but has since grown to where the total assets of the bank total nearly four and a half million dollars.

Present directors of the bank include L. R. Bassett, H. W. Bowers, H. E. Hadley, Ray McHose, R. Fred Nelson, R. G. Pasley and D. F. Warnke.

Officers now include H. E. Hadley, chairman of the board, who has been a Nevada attorney for many years.

New Manager

Paul G. Sandhorst of Adair has been elected the new vice president and office manager in charge of the Woodward office of the Brenton State Bank of Dallas Center, Iowa.

Mr. Sandhorst succeeds Dennis Countryman, who has been with the Woodward office of the Brenton State Bank since July of 1943.

A native of southwest Iowa, Mr. Sandhorst was associated with the Whitney Loan and Trust Company Bank of Atlantic, Iowa, from 1939 to 1949. From 1949 to the present date, he has been an examiner for the Iowa State Department of Banking.

New at Sioux Rapids

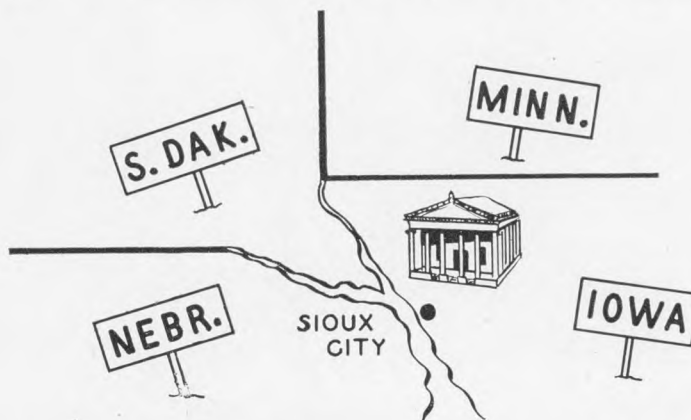
Ardyce Benson is now employed at the First State Bank, Sioux Rapids, Iowa. She has been attending the Commercial Extension Business college in Omaha, Nebraska, since last fall. Shirley Noble, a senior this year at the Sioux Rapids high school, is also working part time at the local bank.

Capital Increase

Six Iowa state chartered banks increased their capital stock by stock dividends recently, State Banking Superintendent N. P. Black said.

The Farmers Trust and Savings Bank, Buffalo Center, increased capital stock from \$50,000 to \$100,000; Decorah State Bank, Decorah, from \$100,000 to \$200,000; Iowa Savings Bank, Dike, from \$50,000 to \$75,000; Decatur County State Bank, Leon, from \$50,000 to \$75,000; Woodbury County Savings Bank, Sioux City, from \$200,000 to \$300,000, and Peoples State Bank, Winfield from \$25,000 to \$50,000.

Quick convenient correspondent service



Keypoint for this large 4-state market

Your correspondent banking business is quickly and efficiently handled by the First National in Sioux City. One reason is our location. We can transact negotiations within this important 4-state area in much less time than banks outside the area. And, of course, this means you can give your customers better service too. Then, there's the First National's many years of successful operation. Contact the First National for complete, convenient correspondent service.

JOE T. GRANT, *President*
HAROLD V. BULL, *Senior Vice Pres.*
WILLIAM L. TEMPLE, *Vice President*
EARL E. SNELL, *Vice President*
HAROLD H. STRIFERT, *Cashier*

EDWARD V. HOFFMAN, *Asst. V. Pres.*
ERNEST A. JOHNSON, *Asst. V. Pres.*
ERNEST A. KENNY, JR., *Asst. V. Pres.*
HOMER V. GARRETSON, *Asst. Cashier*
GEORGE D. VINSON, *Asst. Cashier*

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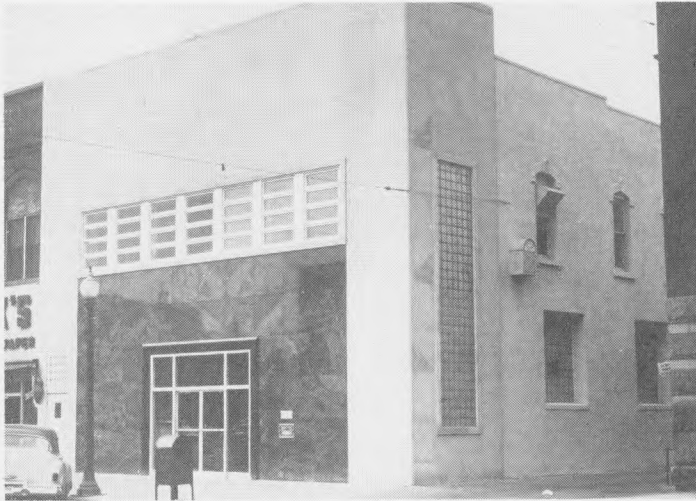
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FOR UNUSUAL
COOPERATION
ON YOUR
DES MOINES
TRANSACTIONS

VALLEY BANK AND TRUST COMPANY
DES MOINES

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Boone Bank Shows Remodeled Quarters



EXTERIOR VIEW of the Boone State Bank and Trust Company, showing the use of glass, black granite and brown and gray stone.



INTERIOR VIEW of the bank shows the new fixtures made of bleached walnut with one wall paneled in the same wood. Furniture also is bleached walnut.

VISITORS during the recent opening of the Boone State Bank and Trust Company of Boone, Iowa, saw one of the most completely remodeled and modernized banks in central Iowa. Quarters were enlarged to provide more working space, a completely new front was put on the building, and the interior presents an atmosphere entirely different from that prevailing in the banking rooms prior to remodeling.

H. C. Overbeck, president, said the bank has grown from deposits of \$1,500,000 in 1935 to its present total deposits of about \$7,500,000, this continued growth necessitating the new banking quarters which were just completed after 10 months of work.

The new front is of agate brown and gray Bedford stone with black granite facing around the 12-foot, all

glass main entrance. The interior of the first floor is entirely new. Floor space has been doubled. A modernistic sound-proofed ceiling has been built at several levels with recessed lighting and recessed air-conditioning outlets. Three of the sidewalls are painted and the fourth wall is covered with bleached walnut.

This wood matches all the fixtures and furniture in the main banking room, and these are of the latest design. The floor is green-toned marble, while the floor in the work area is of rubber tile construction.

Inside the beautiful main entrance patrons can either step up to the main bank floor or walk down a flight of steps to the installment loan and safe deposit departments. Both of these areas also have been completely made over.

New counters in the bleached walnut wood are arranged in convenient fashion on two sides of the main floor. Two private offices and a private area for three loaning officers are on the other side of the room. This area is completely carpeted.

The second floor contains a remodeled bookkeeping room and a remodeled directors' room, which also features bleached walnut fixtures and furniture.

The entire building has been air-conditioned. One of the most attractive features in the bank is the indirect lighting on the main floor which can be white, pink, purple, blue or a combination of these colors by central switch controls. This lighting is in addition to the two types of indirect white lights that provide normal lighting for the main floor interior.

Local contractors provided all the materials and services except the new bleached walnut fixtures throughout the bank, and these were designed and installed by Jaeger Manufacturing Company of Des Moines. The new building, with its furnishings, represents a cost of about \$90,000.

The Boone State Bank and Trust Company was organized December 7, 1883, and has shown continued growth in the intervening 71 years. The original "Boone County Bank" name was changed in 1911 to "Boone State Bank." In the 1920's this bank took over assets of two of Boone's six banks, and after the 1933 bank holiday, it was the only financial institution in Boone that reopened, the name at that time being changed to the present

<h1>PAYC</h1> <h2>Pay-As-You-Check</h2>	<p>the Simplified No Minimum Balance Check Plan</p>
<h3>UNITED STATES CHECK BOOK COMPANY</h3> <p>1311 HOWARD ST. OMAHA</p>	

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MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

MARQUETTE National BANK OF MINNEAPOLIS

Northwestern Banker, April, 1954

official name of Boone State Bank and Trust Company.

Officers of the bank are: H. C. Overbeck, president; Bertram P. Holst and F. C. Cooper, vice presidents; Ray Sherman, cashier, and H. V. Hanson, Kenneth D. Sundall and Bayard Williams, assistant cashier.

Brenton Banks Meeting

The 11th annual meeting of the women of the Brenton Banks was held recently in Des Moines.

Miss Catherine B. Cleary, assistant to the Secretary of the Treasury, of Washington, D. C., and W. H. Brenton were the principal speakers at a dinner.

Mrs. W. H. Brenton spoke to the group at a noonday luncheon and told of her travels with Mr. Brenton as vice president and president of the American Bankers Association.

Five discussion groups were conducted and were led by R. S. Kinsey, executive vice president of the Poweshiek County National Bank, Grinnell; H. B. Jacobson, vice president and cashier of the Dallas County State Bank, Adel; Russell Horn, vice president and office manager, Dexter office, Dallas County State Bank, Adel; Paul Shain, executive vice president of the Brenton County Bank and Trust Company, Vinton, and Miss Dorothy Helmick, treasurer of Brenton Companies.

Roberta Willits of the Dallas Center bank was general chairman of the meeting.

New Director

Eldon Anderson was appointed a director of the Commercial State Bank of Pocahontas, Iowa, at a meeting of the board of directors. He was appointed to fill the post left vacant by the death of Albert C. Shimon, who had filled the position for 21 years.

Mr. Anderson, manager of the Farmers Cooperative Company for several years, is well known in the community.

Other bank directors include: Chas. E. Watts, Alfred Miller, G. A. Hunt and L. A. Wood.

New in Creston

Robert A. Helgerson is now assistant cashier of the Iowa State Savings Bank, Creston, Iowa. Mr. Helgerson went to Creston from Ottumwa where he was engaged in real estate and loans business and served as a veterans administration appraiser for Ottumwa. He had been there eight years.

His family has long been associated with the banking and finance business. His father, the late Oscar Helgerson, was a banker all of his life and was vice president of the Houghton State Bank in Red Oak. He joined Hiram C. Houghton, Jr., in 1936 in

organizing the Houghton bank into a state chartered bank. His brother, Austin T. Helgerson is a state bank examiner.

County Meeting

Officers and directors of the banks in Grundy County, Iowa, met recently at Dike. After inspecting the newly remodeled quarters of the Iowa Savings Bank, dinner was served.

The program was in charge of Robert Grabinski, president of the Grundy County Bankers' Association. The officers for 1954 are composed of Leonard Klinefelter, vice president, and Bob Bickett, secretary-treasurer.

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Banking Facilities

for our Northeast Iowa Customers

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Member . . . Federal Deposit Insurance Corporation Federal Reserve System

Oldest in Des Moines

Des Moines Savings and Loan Association

Current High Dividend	Investments Insured To \$10,000
3%	

210 6th Ave. Dial 2-8303



Des Moines News

AFTER several months of preparation, **The Central National Bank & Trust Company** has announced 24-hour transit service to speed the collection of transit items for its correspondent banks, which enables the bank to make over-night presentation of items on many Iowa and out-of-state banks. Fast nation-wide air mail service is included in the set-up.

* * *

W. Harold Brenton, head of the Brenton Banks, and four other business men have applied for a charter for a National bank to be located on Ingersoll Avenue in Des Moines.

Applicants besides Mr. Brenton are **Louis C. Kurtz, Jr.**, **Earl Linn** and **Orville Dykstra**, all of Des Moines; **Neil T. Chadderton**, Marshalltown, and **George C. Kelly**, Dallas Center.

The proposed capitalization is \$280,000. Opening date for the bank would be late in 1954.

Several locations along Ingersoll Avenue are under consideration.

* * *

James W. Hubbell, chairman of the board of Bankers Trust Company, and Mrs. Hubbell, spent the month of March in Florida.

* * *

Reflecting an increased demand for safe deposit box rentals, the **Central National Bank & Trust Company** has recently installed 252 new safe deposit boxes of various sizes in its ground floor vault.

* * *

Arthur T. Donhowe, vice president of Central National Bank, and **Mrs. Donhowe**, are planning to attend the annual convention of the Independent Bankers Association in Detroit on April 29 and 30.

* * *

The Iowa-Des Moines National Bank's basketball team won the championship of the Des Moines Industrial League last month by completing its season undefeated in 10 games.

Herb Lavine, who is in charge of IBM operations in the bank, is team captain. The coach is **Cleo Johnson**,

a former member of the famous Harlem Globetrotters basketball team, and now on the Iowa-Des Moines National maintenance staff.

Wilbur L. Smith

Funeral services were held in Grundy Center, Iowa, for Wilbur L. Smith, age 64, widely known Grundy county farmer and livestock dealer.

Mr. Smith was a former director of the Farmers Savings Bank in Grundy Center, having resigned because of ill health.

Anniversary

The Peoples State Bank of Winfield, Iowa, is starting its second 20-year period of banking service to the community.

At the recent meeting when the renewed, amended and substituted articles of incorporation were accepted by the stockholders, the capital stock was increased from \$25,000 to \$50,000. This was done by a 100 per cent stock dividend to stockholders.

Officers of the bank are J. V. Gray of Mt. Pleasant, president; Dr. J. M. Wilson, vice president; and G. R. Arthaud, cashier. Other directors are J. W. Cox and F. E. Klopfenstein.

Mr. Arthaud has been cashier of the bank since its organization in February 1934.

Heads Rotary

L. W. Ross was elected by the board of directors as president of the Council Bluffs, Iowa, Rotary Club. Mr. Ross, president of the Council Bluffs Savings Bank, was elevated from the vice presidency. He will succeed Leo Ungar as president on July 1.

Buys Clinton Stock

L. J. Stotesbery, president of the Union Savings Bank in Grand Mound, Iowa, has purchased a large bloc of stock in the Iowa State Savings Bank of Clinton.

When contacted, Mr. Stotesbery ver-

ified the fact that he had entered into an agreement with Mr. Puttkammer of Chicago, a substantial stockholder, to purchase his stock as well as that of several other stockholders whom he represented.

He also explained that there would be a moderate remodeling program carried out at the bank to offer complete banking service, including a personal loan department.

Heads State Committee

A Tulsa banker and former Air Force officer, Russell F. Hunt, has been named chairman of a state-wide Oklahoma committee on a proposed "Air Academy" for the state.

Mr. Hunt, vice president of the First National Bank and Trust Company of Tulsa, is a national director of the Air Force Association and served as a lieutenant colonel in the Air Force in Africa and Italy during World War II. Prominent in civic affairs, he recently completed a year as president of Tulsa's Community Chest in its largest and most successful drive.

Objective of the organization which Mr. Hunt heads is to obtain a "West Point of the Air" for Oklahoma.

Atomic Energy

"Great promise for today and immense possibilities for tomorrow."

That is The Northern Trust Company's optimistic appraisal of the outlook for the commercial development and use of atomic energy by private industry.

The Chicago bank makes this point about the future of atomic energy in the March issue of *Business Comment*, its monthly economic bulletin:

"It is recognized that if the atom's full potential is to be realized, private enterprise must be allowed to exercise its ingenuity, initiative and competitive spirit."

In order to achieve this goal, President Eisenhower has suggested changes in the Atomic Energy Act of 1946 which would end the virtual government monopoly on atomic energy.

According to the bank, the government "would maintain security control, but the recommended changes would greatly increase the emphasis placed on developing commercial uses for atomic energy."

Canadian Prosperity

The importance of the United States market in determining the continued prosperity of the Canadian pulp and paper industry, is stressed by the Bank of Montreal in its *Business Review*.

Pointing out that it is in newsprint

where the industry scores over the rest of the 32 countries which produce it, the review notes that the U. S., Canada's biggest customer, absorbs more than all the rest of the world, and last year took 85 per cent of Canada's exports.

The U. S., it points out, uses 76.3 pounds of newsprint per capita annually, compared to 51.1 pounds in Canada, 32.2 in the U. K., and .4 in India. It has been estimated that one-half of the world's people use an average of less than five pounds per year, which leads the review to assume that an increase in literacy and living standards could produce "an enormous expansion in demand and would, in fact, require large additional sources of supply."

The review does caution that it would hardly be justifiable to assume that the trend of production in the past years, moving from a condition of short supply to a state of equilibrium, will serve as a gauge of growth for the years to come. It adds, however, that there is no reason to suppose that potential markets are close to being filled.

New Outbreak

Warnings of a new outbreak of bank embezzlements came from a Chicago firm of bank insurance counselors.

Scarborough & Company, in a survey just completed which covered the past 30 years, reported a definite correlation between the business cycle and discovery of embezzlements in banks.

The study revealed that embezzlements are discovered in greater numbers about two and one-half years after a drop in the business trend.

The firm pointed out that the large number of embezzlements during 1951 and 1952 followed on the wake of the business dip in 1949. During those years, in the wave of internal thefts which inundated particularly western Pennsylvania, West Virginia and Ohio, the Federal Bureau of Investigation reported over 1,000 embezzlements and "irregularities."

Scarborough & Company are insurance counselors to the Bank-Share Owners Advisory League, an organization of some 500 banks in 40 states set up to minimize bank embezzlements and failures through a stepped up program of asset controls, loss prevention and a \$1,000,000 loss "umbrella" for each bank—a unique group insurance policy which covers losses regardless of when they started.

Open House

An overflow crowd was present from the 3:00 p. m. opening until the

closing hour when the Wauneta Falls, Nebraska, Bank held open house in commemoration of the public presentation of their new building addition.

A total of 825 listed their names on the registration book.

DEAR EDITOR . . .

(Continued from page 8)

period every individual stock that I have figured has been up and down at least once and therein lies the virtue of the dollar averaging principle by which you buy more stock per dollar at the lower price and less per dollar at the higher price, resulting in a cost which is lower than the simple average of the prices. If we go into a drastic depression—a long depression where present dividend rates are drastically reduced—a lot of people will, of necessity, have to drop

out of such purchase plans and, of course, if anybody thinks that a depression is a possibility he shouldn't go into it. Personally, I don't have any worries about the general economy and I think the pessimistic psychosis that has been prevalent for several years has put the stock market five years behind the general economy.

"If you are interested in the enclosed booklet and following through on the individual records of some stocks which we have worked out in the last few years, I would be glad to go into it with you some time when you are in Chicago if you would drop in the office and join me for lunch. I am enclosing a summary showing results on Greyhound Corporation if the plan has been in effect for the past three years. Greyhound has fluctuated so little that the record is not spectacular, but it shows the possibilities of accumulating a nice investment over

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a period of time with a small amount of money."

Charles R. Perrigo, Hornblower & Weeks, 134 South LaSalle Street, Chicago 3, Illinois.

"Liked the Picture"

"Please send us three pictures of the



'Thoroughbred' as shown on page 15 of your March issue."

Miss Pauline Curry, c/o Boone State Bank & Trust Company, Boone, Iowa.

"I would appreciate very much receiving two copies of the picture, 'A Thoroughbred,' which appeared in the March issue of NORTHWESTERN BANKER.

"Thank you."

Janet Bechtold, Secretary; Paul C. Baichly, Division Credit Manager, Ralston Purina Co., St. Louis.

"Would you please send me four copies of the picture, 'The Thoroughbred,' appearing in the March issue of the NORTHWESTERN BANKER."

Mary Klaus, Manchester, Iowa.

"I would appreciate receiving a copy of the colored picture, 'Thoroughbred,' appearing in your March, 1954, issue.

"Thanks."

Florence Cassidy, 816 17th St., Sioux City 4, Iowa.

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In the DIRECTOR'S ROOM



Trigger Happy

A mountaineer took his son to school to enroll him. "What dya have?" he asked the teacher.

"We offer English, trigonometry, spelling, etc.," she replied.

"Well, give him some of that thar trigernometry; he's the worse shot in the family."

High Stakes

A Texas G. I. was playing poker with some English soldiers. He drew four aces. "One pound," ventured the Englishman on his right.

"Ah don't know how you'all count your money," said the Texan, "but ah'll raise you a ton."

Fish Bait

The telephone bell on a prominent economist's desk rang insistently. When he answered, a voice informed him, "You're all wet about the cost of living reaching a new high! My wife and I live sumptuously—eating everything we like—on 68 cents a week."

"Sixty-eight cents a week!" echoed the economist. "I can't believe it! Won't you tell me how? And to make sure I get the story straight, please speak louder."

"I can't speak any louder," came the answer. "I'm a goldfish."

Why Complain?

"Remember, children, when I was a boy I often went to bed hungry, and seldom had a square meal."

"Well, father," replied Willie, "that shows how much better off you are since you've known us."

Silly Question

Judge (to witness): Was your friend in the habit of talking to himself when he was alone?

Witness: To tell you the truth, Your Honor, I never was with him when he was alone.

No Passing

"We are now passing the largest brewery in Minneapolis," exclaimed the guide.

"Not me," said the tourist as he hopped off the bus.

Considerate

Father: Did I hear the clock strike three when you came home last night?

Son: Yes, Dad. It was going to strike eleven, but I stopped it so it wouldn't wake you up.

Shocking

Five-year-old Farm Boy: This "lectric fence keeps the pigs from runnin' away.

City Visitor: How's that?

Farm Boy: When the piggies back into the fence, there's a short circus.

Bright Student

The professor of chemistry was giving a demonstration of the properties of various acids.

"Now," he said, "I'm going to drop this two-shilling piece into this glass of acid. Will it dissolve?"

"No, sir," replied one of the students.

"No?" said the demonstrator. "Then perhaps you will explain to the class why it won't dissolve."

"Because," came the answer, "if it would you wouldn't drop it in."

CONVENTIONS

April 12-14, Association of Reserve City Bankers, Boca Raton Club, Boca Raton, Florida.

April 18-20, ABA Executive Council, The Greenbrier, White Sulphur Springs, West Virginia.

April 19-23, Nebraska Group Meetings.

April 29-30, Independent Bankers Association Annual Convention, Sheraton-Cadillac Hotel, Detroit.

May 4-7, First Week of Iowa Group Meetings.

May 10-12, Missouri Bankers Assn., Jefferson Hotel, St. Louis.

May 12-14, Kansas Bankers Assn., Kansas City, Missouri.

May 14-16, Spring Conference, Association of Bank Women, St. Louis, Park Plaza Hotel.

May 18-21, Second Week of Iowa Group Meetings.

May 21-22, North Dakota Bankers Assn., Hotel Dakotah, Grand Forks.

May 27-29, American Safe Deposit Association, Minneapolis.

June 4-5, South Dakota Bankers Association, Hotel Franklin, Deadwood.

June 7-11, A.I.B. 52nd Convention, Hotels Statler and Biltmore, Los Angeles.

June 9-11, Nebraska Bankers Bank Management Conference, Doane College, Crete.

June 11-12, Wyoming Bankers Association Annual Convention, Wort Hotel, Jackson.

June 14-15, Minnesota Bankers Assn., Hotel St. Paul, St. Paul.

June 14-16, Illinois Bankers Association Annual Convention, Drake Hotel, Chicago.

June 14-25, Iowa Bankers Agricultural Credit School, Iowa State College, Ames.

June 14-26, Graduate School of Banking, Rutgers University, New Brunswick.

June 21-23, Wisconsin Bankers Assn., Hotel Schroeder, Milwaukee.

June 24-26, Montana Bankers Association Annual Convention, Many Glaciers Hotel, Glacier National Park.

July 8-10, Central States Conference, Grand Hotel, Mackinac Island, Michigan.

July 26-August 7, FPRA School of Financial Public Relations, Northwestern University, Chicago.

August 23-September 4, Central States School of Banking, University of Wisconsin, Madison.

September 26-30, FPRA 39th Annual Convention, Statler Hotel, Washington, D. C.

September 27-30, Mortgage Bankers Association, Conrad Hilton Hotel, Chicago.

September 30-October 3, Annual Convention Association of Bank Women, Houston, Texas, Shamrock Hotel.

October 3-6, Robert Morris Associates, Statler Hotel, Cleveland, Ohio.

October 11-12, Nebraska Bankers Association, Hotel Fontenelle, Omaha.

October 13-15, National Association of Supervisors of State Banks, Sir Walter Raleigh Hotel, Raleigh, North Carolina.

October 17-20, ABA 80th Annual Convention, Atlantic City.

October 18-21, National Assn. of Bank Auditors and Comptrollers, San Francisco.

November 7-10, Iowa Bankers Association, Hotel Fort Des Moines, Des Moines.

LEGAL

Can a Trust Set Up for Charity Be Declared Void?

This and Other Questions Are Answered by the Legal Department

Q. Stowbridge, an Iowa bank director, died leaving a will in which he established a fund, the income from which was to be loaned to boys and girls in his home city for purposes of their education. The fund was to be administered by trustees and they were to charge interest at less than the going rate. All interest paid to the fund was to become part of it and available for other loans. Certain of the decedent's heirs sought to have the trust declared void as in violation of the rule against perpetuities. They should be sustained if the trust was a commercial loan enterprise. If it was a charitable trust, however, they should take nothing. Was the trust a charitable one?

Yes. The Iowa Supreme Court has so ruled in a recent decision citing the following authority in support of its position: "A trust to establish a fund to lend money to students to assist them in acquiring an education is charitable, although the borrowers are required to pay interest on such loans, provided that the interest so paid is to be used for the same purpose or for other charitable purposes." In addition, cases from Illinois, Florida, Kentucky, Texas, and elsewhere involving student loan funds were named as precedents for the Court's position.

Q. Graham executed a deed to Barker covering the oil and gas under a North Dakota farm. The notary's acknowledgment to it and its other aspects were regular in all ways. Subsequently Graham forgot about the Barker deed and executed one to Schommer. The Schommer deed carried a notary's acknowledgment. There was an error in the Schommer deed and a new one was signed. It was not acknowledged. Despite the lack of an acknowledgment, Schommer put his second deed on record. Barker recorded his deed shortly thereafter.

Northwestern Banker, April, 1954



LEGAL DEPARTMENT of the NORTHWESTERN BANKER

Could the acknowledgment on the first Schommer deed be used for the second so as to give it priority over the Barker deed?

No. Schommer's claim of title was dependent on the second deed and not the first. The acknowledgment on the first deed could not be taken from it and dealt with as though it was on the second instrument for recording purposes. A valid acknowledgment to the second deed would have required Graham going before a notary regarding it. Without such action no valid acknowledgment was possible. The North Dakota Supreme Court has so ruled in a recent decision.

Q. Jones started to sell a farm to Green in Nebraska. Green needed to finance part of the deal and Jones delivered the deed and abstract of title to a bank, at its request, for examination in connection with a possible loan. Thereafter the bank refused to return the documents. Jones sued it for them claiming the withholding was due to

collusion between the bank and Green. The bank sought to change the procedure to an interpleader case in which it set itself up as a stake holder. If successful it was entitled to recover its costs and attorney's fees. If the withholding was due to collusion between the bank and Green, should the bank prevail?

No. According to a recent Nebraska Supreme Court decision. A position of perfect disinterestedness, either direct or indirect, is indispensable to the maintenance of an interpleader proceeding and one asserting a right to interplead must, at the time he comes into court and thereafter, be entirely indifferent as between conflicting claimants. If Jones' allegations were correct, this test was not met and interpleader was not in order.

Q. A stove company deposited \$65,000 with a bank with instructions to pay it to a certain steel broker on presentation to the bank of a commercial invoice and railroad bill of lading covering 300 tons of rolled prime steel sheets of a specified gauge and number. The broker presented to the bank the papers designated, but they simply covered 300 tons of steel and did not go further. The bank paid out the \$65,000 to him. The stove company did not get what it bargained for and sustained a loss. Could it recoup such loss from the bank?

Yes. In a recent decision involving similar facts, it was held by the United States Court of Appeals, Second Circuit, in an opinion by Circuit Judge Learned Hand, that the payment by the bank was in material variance with the instructions to which it was bound and that the bank was rendered liable for the ensuing loss that resulted from its improper action in not observing the instructions.

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