

# NORTHWESTERN *Banker*

JULY  
1955



**At the 1955 Ag  
Credit School**

—Page 18

**Keep That Key  
Man**—Page 21

**AT THE MINNESOTA CONVENTION**—Newly-elected president, Minnesota Bankers Association, Donovan E. Crouley, vice president, Northwestern National Bank, Minneapolis, receives the gavel from retiring president, William G. King, executive vice president, First National Bank, Grand Rapids. (Page 45.)

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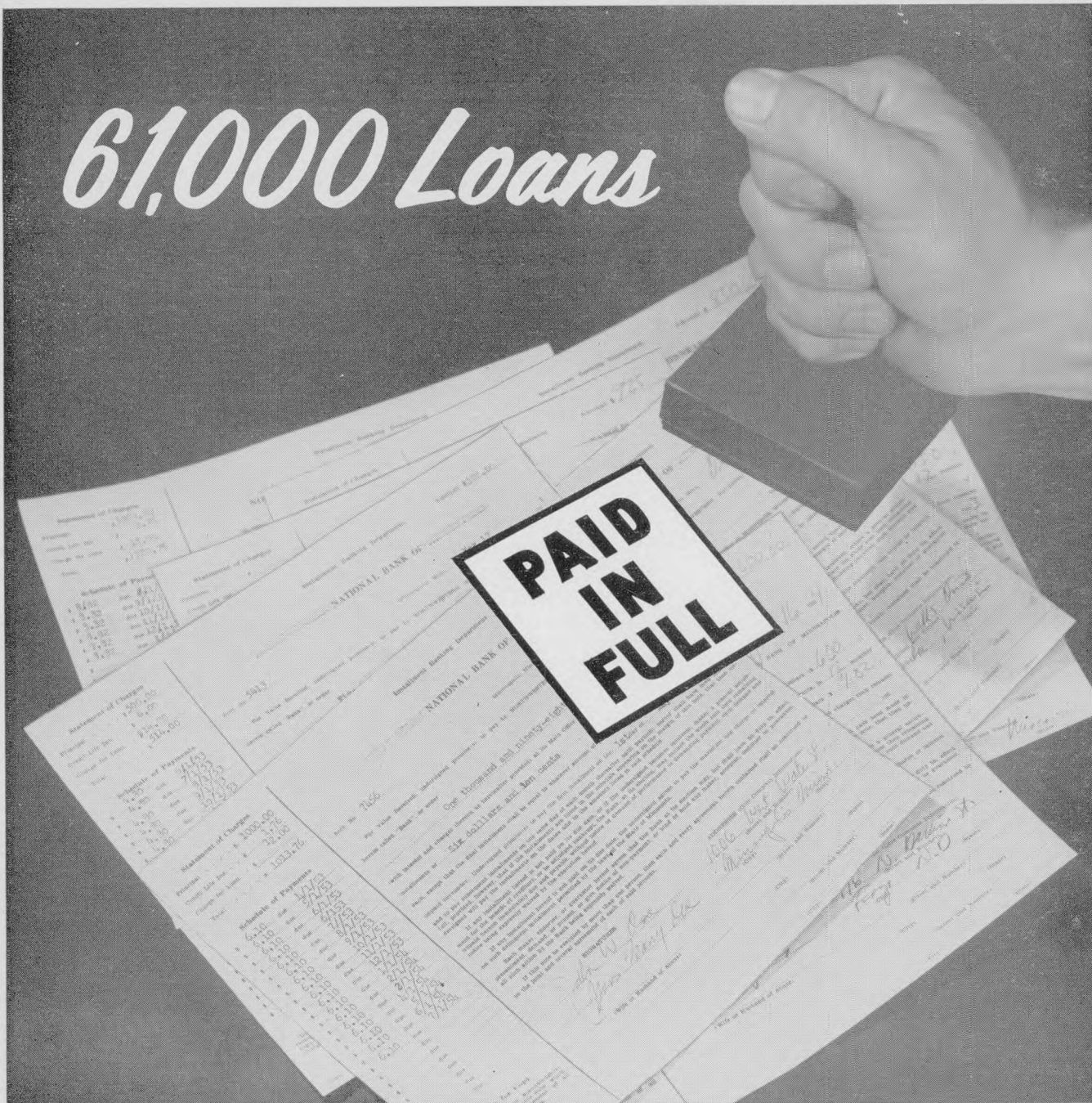
**THE Merchants National  
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CEDAR RAPIDS, IOWA



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Northwestern Banker, July, 1955

the more  
your designer  
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operations

*the more profitable your  
new quarters will be*

You wouldn't consider hiring a bookkeeper whose foremost qualifications were that he wrote a beautiful hand and posted figures neatly. Your bank requires *qualified* bookkeepers, well-grounded in *specialized* knowledge and experience. Otherwise even petty errors could cost you time, money — and many customers.

The same logic applies in selecting an organization to design new banking quarters — but here your bank's entire future is at stake. Functional efficiency, work output, customer attitudes, ability of new quarters to *attract* new business — all can benefit vitally from your designer's creative talent, *if he has a thorough knowledge of banking methods and operations.*

This is why bankers prefer our specialized services. We have both the banking know-how and the architectural talent to design beauty *around* function . . . and thus create profitable new quarters. We have completed nearly 3,000 bank projects across the nation, and average a completed project every 3 working days.

Years of analyzing bank operations have given us an inside knowledge of banking business. Our designers pioneered scientific space planning, engineered back counters, and many other new trends in bank layout . . . have brought to banks a bold new concept of *design* as a magnet to attract new business, new customers.

Demand for our services enabled us to assemble an organization of bank designing *specialists*—the world's largest. This we have built into a *teamwork* operation that plans and designs banks of all types — from small neighborhood banks with modernization budgets of less than five thousand dollars to new multi-story bank office buildings costing millions of dollars.

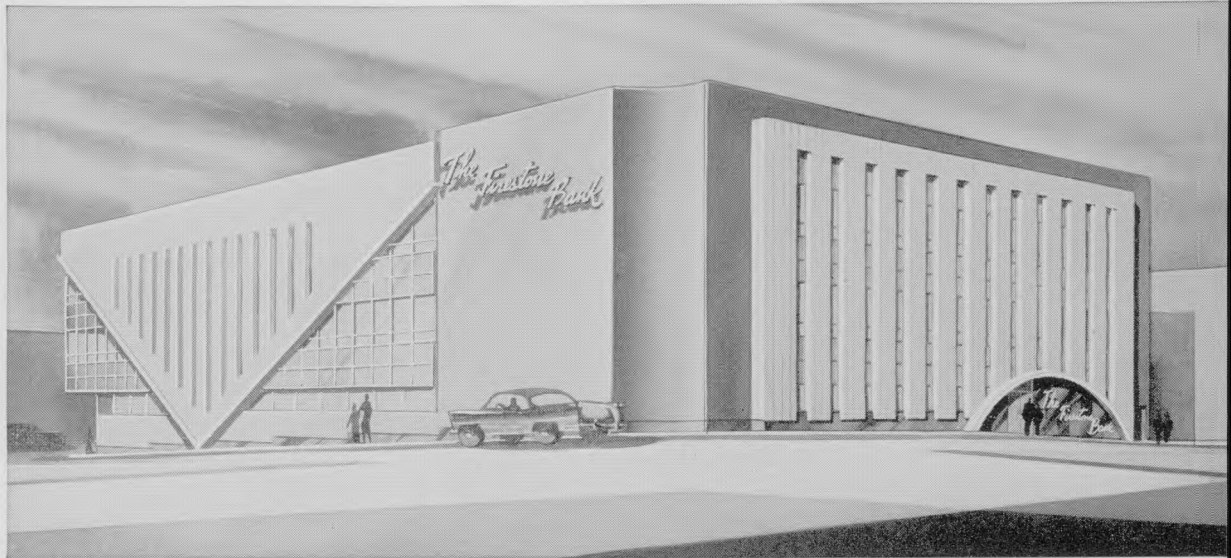
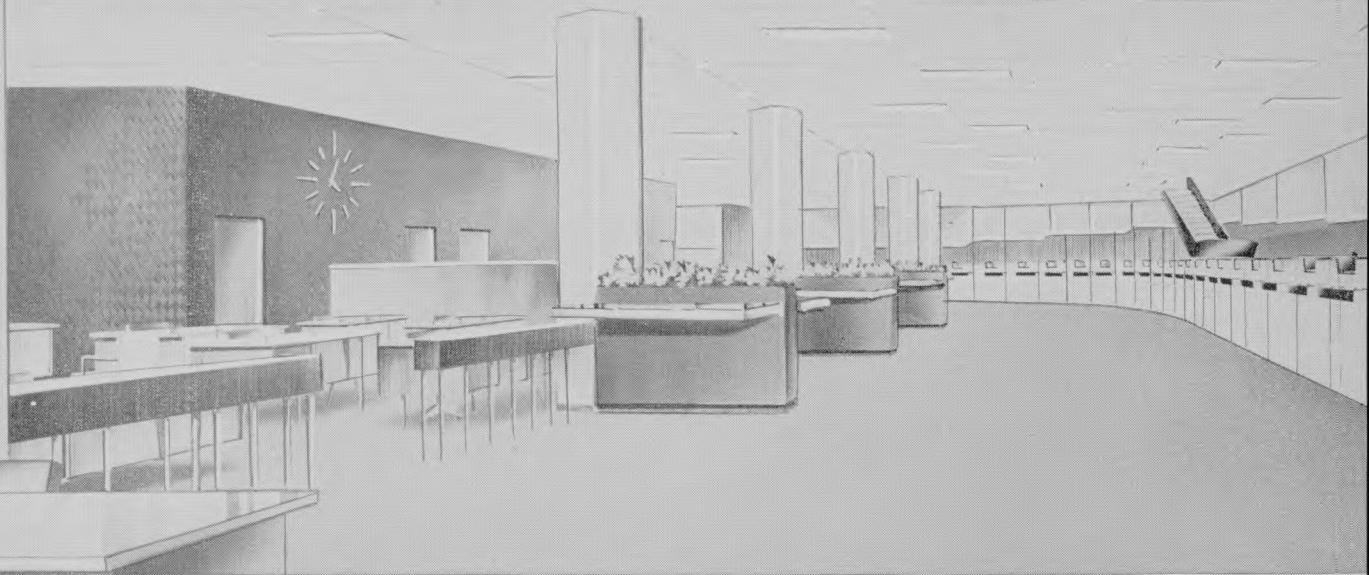
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what happens  
to business  
after a bank  
modernizes?

On or about \_\_\_\_\_ we contemplate:

- |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|
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| NEW BUILDING             | MODERNIZED QUARTERS      | NEW FIXTURES             | MODERNIZED FIXTURES      |

NAME \_\_\_\_\_

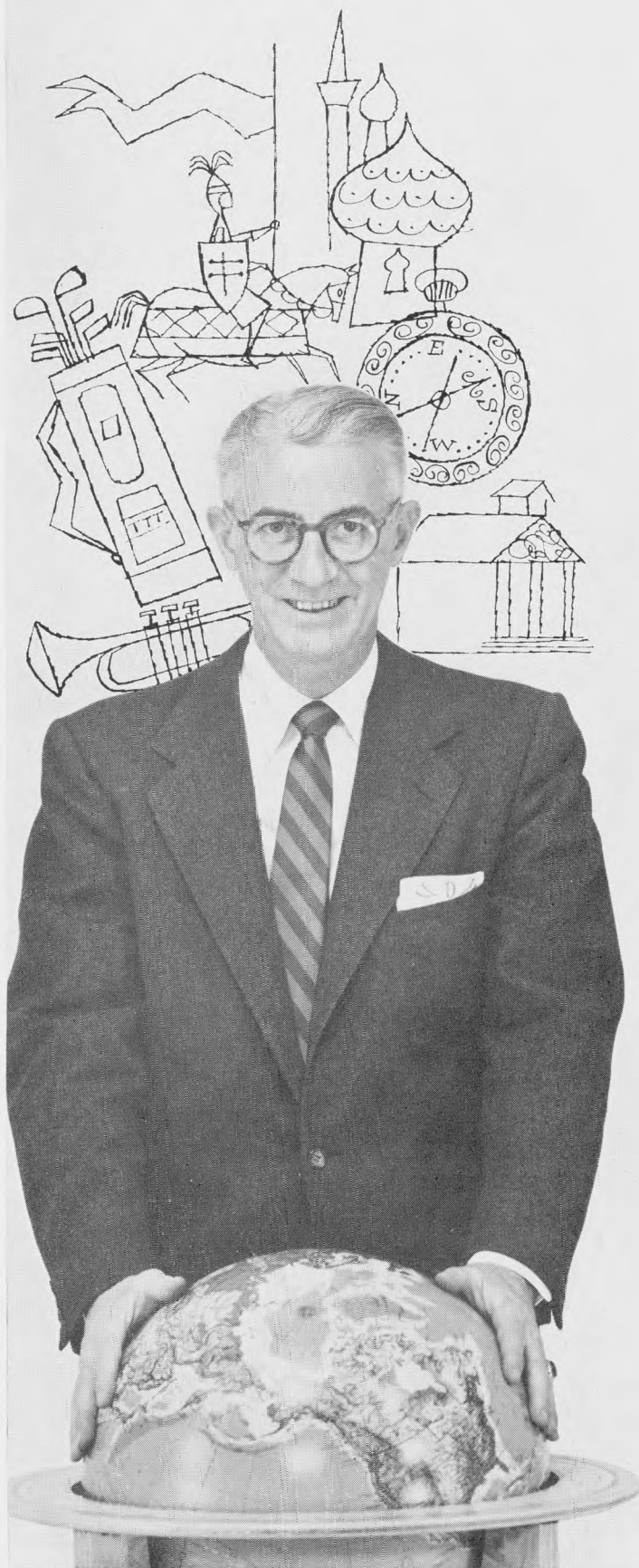
TITLE \_\_\_\_\_

BANK \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

# A thousand years

## and 6,000 miles from Byzantium



The Dovalas are a traveled people. A thousand years ago a Dovale headed East from his home in Catalonia to defend Byzantium against the invading Turk. Today, another DOVALE (Everett C.) heads west, south and north from Chicago for the American National Bank.

Chicago born, on his own since the age of 13, Mr. Dovale grew up in the banking business. He got his education the hard way—night school at the YMCA college and at Northwestern University. A hot trumpet helped pay the bills. (He's a card-carrying union musician.)

Mr. Dovale has a wife Marjorie, a daughter Judith Ann, 15, a son John, 10, and an above average golf game. He's active in scouting, P.T.A., and other important community activities.

Mr. Dovale has been a member of our staff for 25 years. He is typical of the men who travel for us to acquaint bankers with the many special services we perform for correspondent banks.

### **American National Bank and Trust Company of Chicago**

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Northwestern Banker, July, 1955

# Dear Editor



# NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

IN THIS JULY, 1955, ISSUE

61st Year No. 816

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

### “Read It Conscientiously”

“Thank you very much for your nice write-up in your last issue of our convention in Fargo. I think you have done a very excellent job of covering the convention.

“I read your magazine very conscientiously as I always find a good deal of valuable banking material in it.”

*Lee M. Stenehjelm, President, North Dakota Bankers Association.*

### “Fine Advertising Medium”

“The NORTHWESTERN BANKER will make a very fine advertising medium. I looked over your magazine carefully. It is fine. I was surprised at the very fine quality of the layout and printing. You are doing a fine job . . . but I should have known that only the best comes out of Des Moines.”

*Frank D. Jackson, Jack-Bilt Corporation, 906 Central Street, Kansas City 6, Missouri.*

### “My 50 Years”

“Thank you for your nice letter of congratulations on my 50 years in the banking business. I hope that our paths may cross in the near future as I would enjoy chatting with you.”

*J. Cameron Thomson, President, Northwest Bancorporation, Minneapolis, Minnesota.*

### “A Profitable One”

“The efficient and friendly manner in which you handled our account in the NORTHWESTERN BANKER during the past six months has made our association a cordial, as well as a profitable one and would seem to justify the further use of your services.”

*Don Johnson, Art Director, Central States Health and Accident Association, Omaha, Nebraska.*

### “Another Endeavor”

“We want you to have one of the first copies of ‘Up to Date in Kansas City,’ a new publication of ours which we plan to put out on a monthly basis.

“As you know, we at Commerce Trust are continually striving to bring desirable new business and industry into Kansas City, having long felt that the future growth of

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## NORTHWESTERN BANKER

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our bank is tied directly to the growth and prosperity of our metropolitan area. This publication therefore is but another endeavor on our part to interest corporation executives in the Kansas City area.

"Our mailing list, which numbers in the thousands, has been carefully selected to reach those companies all over the nation which we feel might be contemplating an expansion or decentralization of activities."

*E. J. Flinn, Vice President,  
Commerce Trust Company,  
Kansas City, Missouri.*

### New Vice President

The election of Arthur V. Royds as vice president of the American National Bank and Trust Company of Chicago was announced by Lawrence F.



A. V. ROYDS

Stern, chairman, following a meeting last month of the bank's board of directors. Mr. Royds, who will serve as a commercial loaning officer, has spent his entire business life in the Chicago area, and comes to American National with a background of over 25 years of active banking experience.

### In Trust Department

Edmund D. Januchowski was elected an assistant trust officer at La Salle National Bank, Chicago, last month. The announcement was made by John C. Wright, president and chairman of the board. Mr. Januchowski has been with La Salle since 1946 in the personal trust administration division of the trust department.

### Todd Purchase Official

The Todd Company, Inc., of Rochester formally became a wholly owned subsidiary of Burroughs Corporation of Detroit last month when officials of both companies consummated the acquisition agreement at Detroit.

Under the terms of the agreement, stockholders of the Todd Company will receive one and one-third shares of Burroughs stock for each share of Todd stock held. There are 350,000 shares of Todd stock outstanding.

Announcement of the acquisition was made by John S. Coleman, president of Burroughs Corporation, and George L. Todd, president of The Todd Company.

The Rochester company will maintain its own identity and continue its own research, manufacturing and marketing organization. Officers, management and personnel will continue in the same capacities.

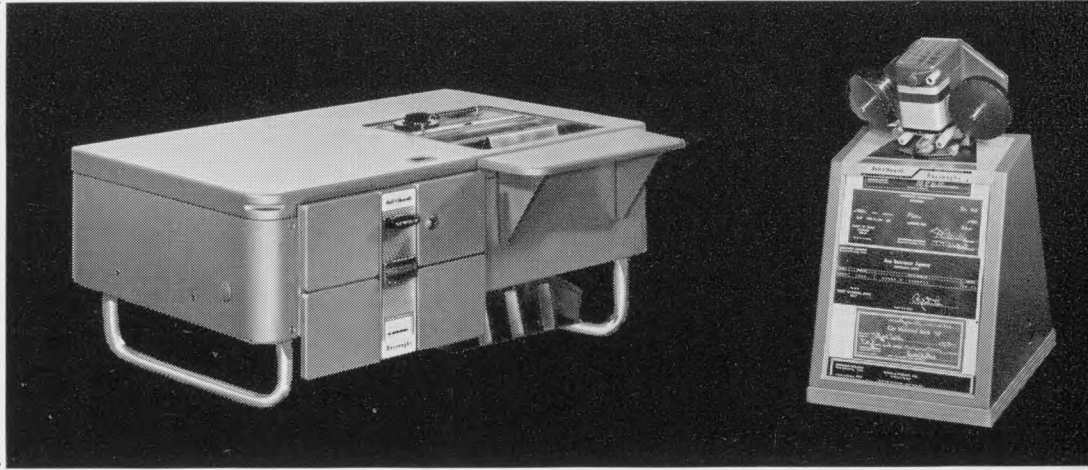


# Now! New!

# What'll you have ?

## The NEW Model 205 Microfilm Recorder

For situations in which you want a separate recorder, we recommend this compact equipment. It's actually a Micro-Twin with the Reader removed, thus giving you extra working space.



## The Micro-Twin Recorder-Reader

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## The NEW Model 206 Microfilm Reader

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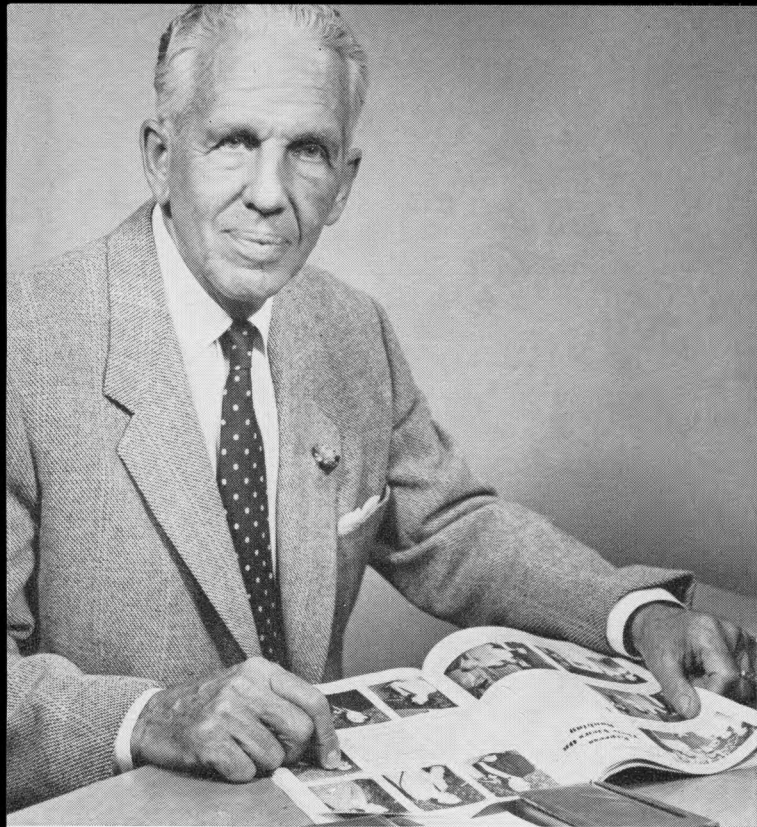
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## ACROSS *the* DESK from the Publisher

### *Dear Dr. Arthur H. Upgren:*

*Dean, Amos Tuck School of Business,  
Dartmouth College*

You recently expressed the belief that an expanding economy requires expanding debt. We prefer this expansion in private debt in order to minimize the role of government and to assure the utilization of resources which the private enterprise system gives us.

Banks are in business to loan money, and if they do it intelligently and carefully, it will help our increased productivity in this country.

What we do worry about, Dr. Upgren, is the fact that our national debt is expanding and is not being reduced.

Robert B. Blyth, assistant to the Secretary of the Treasury, believes the huge national debt can serve constructive purposes and mentioned that the public debt interest, which is paid, "helps to provide jobs, encourage habits of thrift and help people plan for the future."

In the opinion of the NORTHWESTERN BANKER, Dr. Upgren, there is a vast difference between private debts and public debts, because private debts must be reduced and must be paid off if the individual or firm is to stay in business. We can

see no advantage in constantly increasing our national debt even though, as Mr. Blyth mentions, "it encourages habits of thrift," but by what method we do not know.

The interest which is paid on the government bonds held by private individuals must first be taken from other individuals from their earnings in order to pay this interest.

America faces a great future and it will be helped and assisted by the careful use of bank credit, and at the same time national expenses should be reduced and along with it the national debt.

### *Dear William Mc. Martin:*

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

You recently recommended that federal agencies be given authority over bank mergers involving state banks.

Why, Mr. Martin, should national bank authorities have any jurisdiction over state bank mergers, any more than state superintendents of banking would have authority over national bank mergers?

Let us keep our national and state bank authorities separated, as they are now, thus giving us our dual banking system under which the country has grown and prospered.

Grant L. Robison, president of the National Association of Supervisors of State Banks of Carson City, Nevada, opposes your program and expresses it this way:

*"In this country we have a dual banking system. The authority of the state supervisors is parallel, not subordinate to, that of their opposite numbers in the federal system. In all mergers or consolidations where the continuing institution is to operate under state charter, the appropriate state banking official should have sole control. He will be just as mindful as any federal official of the dangers implicit in over-concentration of bank assets in a few institutions or in the stifling of healthy competition. I have followed closely the testimony before the Celler subcommittee and have yet to find that any laxity in approving mergers can be laid at the door of a state supervisor. Such concentration as has been shown to exist appears to be greater in the national than in the state bank field."*

Bank mergers for the past two years, and for the first four months of this year are as follows:

1953—116 Bank Mergers

1954—207 Bank Mergers

1955 (4 months)—81 Bank Mergers

It is estimated that for all of 1955 the total mergers will be about 240.

Of the 14,461 banks in the United States, 4,800 of them are national banks and 9,508 of them are state banks and trust companies.

*Out of the total state banks of 9,508, there are*

7,800 of them which are not members of the Federal Reserve System. In case any of these non-member banks should wish to merge, it certainly seems logical that such a merger should come under the supervision of the state banking authorities and the Federal Deposit Insurance Corporation rather than either the Federal Reserve Board or any other authority.

The state bank supervisors of the United States over a period of years have done their work in a most admirable manner, and should not have their prerogatives infringed upon by the Federal Reserve Board in any of the cases of the 7,800 non-members of the Federal Reserve System.

### *Dear Walter Reuther:*

*President, C.I.O., Detroit*

You secured from Ford and General Motors not a "guaranteed annual wage," but a "layoff benefit." But, how far can any **wage plan** be guaranteed by industry or any type of business?

Can you guarantee customers?

Can you guarantee sales?

Can you guarantee profits?

Can you guarantee no future business declines?

Can you control our economy?

No, Mr. Reuther, neither you, nor anyone else, can guarantee any of these propositions. Every business involves risk, and the C.I.O. like every other segment of our economy must so adjust its wage agreements that it will benefit when business is **good** and be ready to take **less** when business is **bad**.

*If labor unions are planning to "strangle business" they will also be hung by the same rope, for every union man is a consumer as well as a producer and as prices rise, and rise, because of increased wages, the laboring man will be forced to pay more for what he buys.*

The C. I. O. Oil Chemical and Atomic Workers International merged several months ago, and now feels so strong that before long as a result of such tremendous power, it says, it will "**hold the economic welfare of the United States and Canada in its hands.**"

And then what?

Will the power of the C.I.O. Auto Workers and the Oil and Chemical workers plus all the allied unions force manufacturers to their knees, with demands for an annual wage plus a dozen other monetary requirements which the entrepreneurs may not be able to meet?

For example:

American Motors (Nash-Hudson) lost \$654,000 during the first quarter of 1955 when the automobile industry was booming. Nevertheless, Vice President Leonard of the United Auto Workers said: "We must seek an annual wage from Amer-

ican Motors. Their employees need it even more than the bigger firms."

The American Motors and Studebaker-Packard stocks are selling at new lows in anticipation of being forced to sign guaranteed annual wage contracts. The more intelligent workers of these two companies are disturbed by the prospect; they realize that they will get **insecurity** out of the **security** gained for Ford and General Motors members.

Nothing can be iron clad in an economy as dynamic as ours, if it is to continue to keep the wheels of industry spinning and employment at a high level.

What you started at Detroit, Mr. Reuther, and was referred to by General Motors as "**A bitter pill to swallow**" will have repercussions through all other industries.

As Henry G. Riter, president of the National Manufacturers' Association, said:

*"Who guarantees the sales and income of any manufacturing company or any retail store or any professional man?"*

*"Our only hope for security—national and individual—lies in a sound and expanding economy. You can't keep the economy expanding inside a straightjacket like the guaranteed annual wage.*

*"Sales, profits, income, all rest in the hands of one person . . . King Customer."*

You didn't get a complete guaranteed annual wage agreement in your new 3-year contract, Mr. Reuther, but a "layoff benefit." However, in the statement you made a few months ago, you said, "we are going in year after year and ask for more and more and more because we are entitled to more and more and more." In the meantime, we suggest you give some thought to the people who really employ you—Mr. and Mrs. Customer.

### *Dear Nikita Khrushchev:*

*First Secretary, Soviet Union, Moscow*

When you were wooing Marshal Josip Broz (Tito) of Yugoslavia during your recent trip to Belgrade, you said, "*we considered it desirable to have mutual confidence established between our parties which base their activities on teachings of Marxism-Leninism, and that we make common cause to throw off the capitalistic yoke.*"

The greatest capitalistic country in the world, Mr. Khrushchev, has already loaned or given to Yugoslavia \$231 million.

The trouble with you, Comrade Khrushchev, is that you are mad at, and jealous of, Tito because he has done so well without you.

*Clifford DePuy*

**Our  
Transit  
Department is**



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"Burning the Midnight Oil" is normally applied to an insatiable search for knowledge. In our particular case, our Transit Department "burns the midnight oil" in order to receive, process and dispatch all transit items with the maximum speed and efficiency—at the minimum of elapsed time.

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**Des Moines, Iowa**

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

**Northwestern Banker, July, 1955**



# *Efficiency* IS PART OF THE *Beauty*



Here is an example which proves the error in the cliché "Beauty is only skin deep". While eye appeal is quite apparent there's even more beauty in the efficient up-to-date methods built into this small bank interior design.

With this modernization comes the profitable new business attracted by these new facilities.

We'd like to show you how modernization can improve your operating efficiency and attract new business for you. Whether yours is a small project or a large one, your request will receive immediate attention. No obligation, of course.



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## ***Field Warehousing— A Process for Progress***

*Written Especially for  
The Northwestern Banker  
By NEIL A. BRYNING  
Vice President and General Manager  
Douglas-Guardian Warehousing Corporation  
New Orleans, Louisiana*

**I**T IS certainly no secret that a large percentage of the so-called "small" businesses are under-capitalized. The fact that such a condition exists does not impugn the honesty and integrity of the owners and/or management, nor is it an indication that the product being manufactured or merchandised has limited salability and the business concerned with it, therefore, lacking growth prospects.

The condition of under-capitalization is almost a tribute to the American theory and practice of economy—it is a statement of fact that anyone with a good idea and a good product and a willingness to work hard can carve a place for himself in our business community—a place that can be ever expanding according to inherent value of the product and the degree of excellence of management.

The fact remains that a capital structure that is too severely restricted may greatly retard the growth rate and may even materially afflict the competitive position of a very sound business. This struggle may affect management in such a way that its dynamism is neutralized and the philosophy changes from one of growth expectancy to acceptance of status quo. There is no such thing in the business world as status quo—forward or backward, a business is going to go somewhere.

### **Normal Risks**

So the problem distills to—What shall be done about it? The components of "normal business risk" are so numerous as to defy more than a very meager listing here, but they include first the inherent quality of the product and management, then marketability, domestic competition and possibly foreign, possible natural haz-

ards affecting supply of basic ingredients, etc. Further, the various components have varying effects on various businesses and even within the same business at different stages of its development.

The bank, or banks, of the locality in which the growing business is located is the logical source of supply of the needed capital. However, the banker is well aware of the components of business risk and he is, therefore, more than justified in limiting his commitment on an open line basis and perhaps denying making any at all.

It has occasionally happened that money obtained on open line for a stated purpose is used for speculative purposes, or even for setting the president's wife's brother up in a small venture that will necessitate the brother's moving out of the president's house and restoring the house to tranquillity. It is debatable whether the latter will so improve the president's disposition as to benefit the business materially but it is certain that the capital position of the business will be just as sorely stretched as it was before the loan.

### **Proper Use**

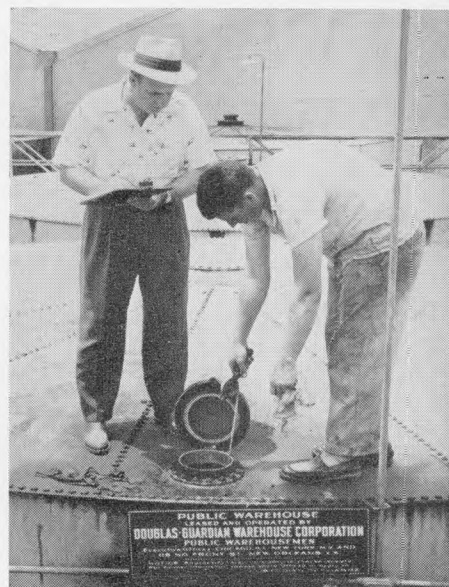
The banker is entitled to the assurance that money loaned will be used properly. The problem of making a larger amount of money available to the business than is justified on an open line basis can be solved by both banker and business with confidence by using the Douglas-Guardian Plan. The plan is not rigid; the legal basis is the well-known Uniform Warehouse Receipts Act and within that framework can be established an operation to fit almost every business and industry.

Although field warehousing is a relatively new industry, the use of terminal warehouse receipts in the financing process has been widespread and over a period of many, many years. In effect the bona fide field warehouseman brings to the business the practices of terminal warehousing and the availability of the warehouse receipt as a medium of finance, rather than necessitating the transport of the goods, often impossible, to the terminal warehouse in order to take advantage of receipt financing.

The warehouse receipt as the instrument in a secured transaction permits under banking law the lending of

### **WAREHOUSING . . .**

(Turn to page 40, please)



**WAREHOUSE INSPECTORS** determine by physical inspection merchandise under receipt.

*Northwestern Banker, July, 1955*



## **Bank Officers, Through a Newly-Organized Public Speakers' Bureau . . .**

# **Take Banking's Story Direct to the People**

**By WILLIAM P. SCOTT**  
*Assistant Vice President*  
*La Salle National Bank*  
*Chicago, Illinois*

**T**HERE are a great number of people who take banking for granted . . . without realizing the vital role banks play in the economy. Very probably, this is largely the fault of the banks themselves. It is our job to give the public a down-to-earth picture of what banks are, what they do, and why they do it.

At La Salle National Bank, concerted study has been given this problem. How best could we present the story of banking and a picture of various operations and services in easily-digested form? Our answer is the La Salle Speakers Bureau. Several officers and staff members are now ready to present the message of banking to church, school, civic, industrial and social groups.

### **"Widely Diversified Subjects"**

Months of study and training have been devoted to perfecting texts and delivery, and the subjects are widely diversified as to context and group appeal. Most of the talks employ visual aids in one form or another. Some texts are designed for banking groups and banking schools, an additional aim being to serve our own industry as well as the general public.

Invitations to request the services of these speak-

ers are now being mailed. It is our hope that many will avail themselves of this new service—a service designed to benefit both the public and the banking fraternity. The messages we have to bring are not lectures, and we plan to talk **with** our audiences rather than **at** them. We hope to bring out the very human qualities and elements of our business, and to help dissolve the myth of austerity which has been our heritage for too many years.

### **"Topics Listed"**

Talks offered through the La Salle National Bank Speakers Bureau include:

"Why You Need a Checking Account"—a 15-minute presentation, with flannel-board illustrations, directed to high school student age groups. Talk describes the advantages, mechanics, and costs of a personal checking account.

"Your Community Bank"—a half-hour illustrated talk for laymen. Basic banking principles and "behind the scene operations" presented in simple style. Discussing the importance of banks in the economy, how they are established, how they function, and how they earn money.

"So You Want to Borrow Money"—a half-hour presentation with flannel-board illustrations for the laymen. A straightforward presentation of the lending function of banks, describing types of loans, procedures, etc. The importance of analyzing the prospective borrower's situation, his requirements and the best way for him to borrow is stressed. Illustrates the consideration and efforts banks make to counsel and advise to the best interest of the customer.

"The Banking Function"—a 20-minute illustrated talk designed for laymen. An interesting discussion of the vast range of services a bank performs for the public, the community, the government and industry.

"How Banks Serve Women"—An illustrated talk running approximately 30 minutes designed primarily for ladies' groups. This talk presents banking from the distaff viewpoint. Do banks recognize the vital role of the woman customer? Do they plan



**MR. SCOTT SAYS,** "This program gives bank officers and staff men an opportunity to give the public a down-to-earth picture of the vital role banks play in the economy. Most of the talks employ visual aids in one form or another."

### **BANKING'S STORY . . .**

(Turn to page 26, please)



**W**HEN a bank leases safe deposit boxes, it undertakes responsibilities which, if not properly handled, could result in serious trouble. In offering this service, the bank implies that it has special facilities for keeping valuable property safe. It is only natural that the courts will hold the banks to a high degree of responsibility. Since the bank has no knowledge or control of the contents of the boxes, it is especially vulnerable to erroneous and fraudulent claims.

When a renter alleges that property is missing from his box and the claim is brought to court, they carefully investigate the bank's operation of its safe deposit box department. It is important that the bank use the safest and most careful methods. This includes the handling and custody of keys, caution in misrepresenting its equipment, and the procedure of actual entry to the box.

#### Safe Handling of Keys

The customer's key and the bank's guard key are danger points of the safe deposit department. The manner in which they are handled is vital to safe operation. Therefore, it is essential that the care given the keys at all times is such that the bank could never be found negligent. Only those persons authorized to grant entry to boxes should have access to the guard key. Allowing a customer to leave his key at the bank for his convenience should be positively prohibited.

A few years ago, I attended the Agricultural Credit School at Iowa State College. On the annual farm field trip, we stopped at a bank in central Iowa. While visiting with one of the tellers, a customer came in to enter his safety deposit box. The teller handed him the guard key and he entered the vault alone. If this was the regular practice in this bank, they were definitely leaving themselves wide open for trouble if they ever got into court.

#### Don't Over-sell

All employees should be cautioned against over-selling the bank's responsibility or over-emphasizing the safety of the vault. Care should be taken in making statements as to the vault being fireproof or burglarproof. Otherwise the bank may have to prove that its equipment meets its representations and may assume needless liability in the event of losses through fire or burglary.

In articles on safe deposit procedure the term **positive identification** is given special emphasis. To make an example that applies to our own every day procedure, just what does positive identification mean?

Bill Smith runs a store down the street from the bank. He comes in and wants to enter his box. We've known him for years and know he has a box so we let him in. But suppose his wife or young son comes in and wants access to the box. What do we do? We check the card to see if they are authorized to enter. That's the only safe way to do it.

#### Suggested Procedure

To carry on, the following rules or procedures should be watched closely:

1. **No authorization to enter a box should be taken over the phone.**
2. **Have the customer sign the admission card.**
3. **After the lock has been opened, the customer should have the box in his possession at all times. If he wants**

**to take something out of the bank for a few minutes, lock it while he is gone. Never open the box itself or handle the contents.**

4. **If the customer leaves anything out of his box, it should be checked by more than one person in the bank and, if necessary, an affidavit made describing same. When the customer calls for it, a receipt should be taken.**

This procedure should be followed by everyone granting access to boxes, from the president to the most humble clerk, and be done in every entry regardless of how frequently the customer comes in or how well the customer is known. No exception should be tolerated.

Adoption of such a procedure in granting access to boxes will help prevent claims and will afford a strong defense when a claim arises. Further-

more, it will give to the staff a confidence that they are doing the job right, and to the customer the knowledge that every precaution is being used for his protection.—\$\$

## Handling Safe Deposit Box Business

*... in a Country Bank*

By **HARLAN A. POSE**  
*Assistant Cashier  
First National Bank  
New Hampton, Iowa*



Have the customer sign the admission card.

*Northwestern Banker, July, 1955*



**LEFT**—Good, rich Iowa subsoil is being brought to the surface by an auger operated by **Professor H. B. Howell** of Iowa State College. Banker-students in the background are comparing soil samples and appraisal data. **RIGHT**—**Doctor W. G. Murray** is



congratulating bank officers for their guesses on how much the college had paid for a farm west of Ames. Four or five more farms were visited during the two field trips, part of each year's curriculum.

## **Ag Credit School Makes Better Farm Bankers**

By **WALTER T. PROCTOR**  
*Associate Editor*  
*The Northwestern Banker*

**F**IFTY-EIGHT bankers from Iowa, Nebraska, Illinois, Minnesota and the Philippine Islands were in attendance at the 10th Annual Agricultural Credit School held recently at Iowa State College, Ames, Iowa. This is the largest enrollment in the history of the school which offers a two-week course each summer by Iowa State College, in cooperation with the Iowa Bankers Association.

This unique school had its inception in June, 1946, when the first classes were held after many months of planning by bankers and school officials. Although agricultural credit was discussed at various other banking schools, there were none that were devoted exclusively to a thorough study of this subject so important to midwest bankers. Consequently, the Iowa Bankers Association worked out its present program with Iowa State College for an annual Agricultural Credit School.

The careful planning and thought that went into the first school is evidenced by the fact that relatively few changes have been made necessary in the 10 year history of the school. Those subjects which are of practical importance to agricultural bankers are stressed.

For instance, the 1955 curriculum covered agricultural policy, farm appraisal, administration of agricultural

credit and general agriculture. The curriculum is arranged so alternate courses of study are given every other year. In this manner, bankers attending the school in an even-numbered year and an odd-numbered year cover a complete curriculum and receive a certificate of completion of the school.

Besides classroom work, lectures, and study material provided by the school, students are given practical problems. Many of these are solved in the classroom, but one day during each of the two weeks, Doctor W. G. Murray, head of the department of economics and sociology, and H. B. Howell, associate professor of agricultural economics, takes the banker-students to farms in the area for field study and land appraisal.

On appraisal trips the group, equipped with clipboards, pencils and augers, tramps over different sections of a farm, tests the soil in sections where the value of the land appears to be different, observes the topography, notes the condition of buildings, then makes appraisals on the worth of the farm. This is of importance in considering how much a bank should, and safely could, lend the farmer-owner.

Another valuable part of the program takes place at the end of the two-weeks' school period. Students are divided into small groups of four

or five and given a complete financial picture of a farmer who is making an application for a loan. With all the necessary facts before them, each group must act as a board of directors or loan committee for their "bank" and make recommendations on the loan, giving their reasons for granting or denying the application.

The Agricultural Credit School is not billed as one which says its students will "know all" in connection with farm financing problems. On the contrary, it is specifically designed to teach and review those fundamentals of farm banking which are of practical value to bankers in agricultural communities. Many older bankers, realizing the years of experience necessary to learn much of this knowledge, are grasping the opportunity to have their farm representatives and younger staff members attend this school and learn this information in a shorter length of time from professional instructors.

During the duration of the school, the bankers live in a modern dormitory on the campus at Iowa State College. Graduation is held the second Friday of the two-week course, and men who have completed the four weeks' work over the two-year period receive a certificate of completion, signed by officials of the college and of the Iowa Bankers Association.

Men who attended the ag credit school years ago testify to the value of practical farm knowledge they acquired while in Iowa State's classrooms or on the school's farms near Ames.

Here's what some of these men have to say:

**Howard M. Logan**, vice president, First Trust and Savings Bank, Merville, Iowa: It was a great privilege for me to attend the first session of the Agricultural Credit School at

Iowa State College. The courses were presented in an interesting manner and on a practical basis. All of the material given has been used by me in the past ten years, particularly the soils course in which we were urged to apply liberal amounts of phosphate fertilizer on soils of the type in this area. I brought this information to the attention of the other officers of this bank and we have urged the application of proper commercial fertilizers to our customers. This year a new fertilizer distributing plant was built in Merville.

I had just been released from the United States Navy in 1946 and my renewed contact with the college through the school prompted me to re-enroll at Iowa State College in the fall and I graduated in Agricultural Economics in 1948. In view of my experience I would certainly recommend that other bankers attend this school, especially those who are dealing with customers in the agricultural field.

**Darrell J. Lindbom**, assistant cashier, The Live Stock National Bank, Chicago, Illinois: Our president, David H. Reimers, recognized the value of this educational program, and in 1949 provided the opportunity for me to enroll with all expenses being absorbed by the bank. The purpose of the school is to offer younger bankers a working knowledge of agricultural credits. Of course, experienced loan officers not only can broaden their knowledge but also receive information to implement their methods of servicing loans. The program may be favorably compared to a seminar in agricultural credits and represents an accelerated program of instruction.

Subjects and discussions on farm appraisal, agricultural outlook, agricultural credit, administration of agricultural credit, agricultural research, banking law—to mention some—are all very important. For me, however, farm appraisal deserves special recog-

nition, for this subject gave consideration to soil types and fertility, crop and livestock production, farm management, farm product prices, proximity of location to markets, legal description, topography, depreciation and taxes. It is not difficult to visualize the benefits to be derived from the course.

The four weeks of school at Ames definitely contributed to my ability in submitting better reports and created a feeling of confidence when conducting interviews with farmers. Recreational activities also resulted in making and developing valued friendships. To me, the school is essential for those engaged in the farm credit field.

On this, the 10th Anniversary of the Agricultural Credit School, I want to commend the officials of the Iowa Bankers Association and Iowa State College for initiating and supporting this excellent educational program.

**Jon A. Nelson**, vice president, the Home Trust and Savings Bank, Osage, Iowa: This provides me with an opportunity to say that I received a better understanding of farm problems, and a greater appreciation of the necessity, as a banker, to be very close to the farmer and his problems in order to do a proper job for all of the community, as a result of my attendance at the Agricultural Credit School. As proof that I would recommend other bankers attend the school, the man who took my place in the Farmers State Bank at LuVerne, Iowa, Edward Lindebak, attended the recent session of the school.

Attendance at this school would be, at least, a broadening influence on any banker and beneficial, directly, to any banker who works face to face with the farmer and his credit needs.

Congratulations are in order for the Agricultural Credit School, of course, and the *NORTHWESTERN BANKER* is to be congratulated, as usual, for recogni-



**FRANK WARNER**, right, secretary, Iowa Bankers Association, Des Moines, inspects the leaves of some corn for signs of corn borers with **Robert Helgerson**, left, assistant cashier, Iowa State Savings Bank, Creston, and **E. V. Hoffman**, assistant vice president, First National Bank, Sioux City.



**STARTING BACK** to their cars for a trip to another farm, these young men have an opportunity to visit and make new friends from the various banks throughout the state.

tion that it gives to all worthwhile banking endeavors.

**Floyd L. Anderson**, cashier, The Harlan National Bank, Harlan, Iowa: Inasmuch as the school runs only two weeks per year it is impossible to delve into any subject very completely, however, a lot of good ideas are brought out which gives a person

**AG CREDIT SCHOOL . . .**  
(Turn to page 42, please)



**LEFT**—Checking their answers to a practical problem in soil worth are, left to right: **E. R. Manuel**, cashier, George State Bank, George, Iowa; **John Reid**, assistant cashier, Security State Bank, Hubbard, Iowa; **Keith Strothers**, cashier, Hardin County Savings Bank, Eldora, Iowa; **Bernard D. Miller**, representative, Drivers National Bank, Chicago, Illinois; **Mark Schakel**, assistant vice president, Jasper County Savings Bank, Newton, Iowa; and **Robert D. Reibsam**, assistant cashier,



**RIGHT**—Computing the value of one farm on the trip are, left to right: **W. H. Tausz**, assistant cashier, First National Bank, Hawarden, Iowa; **Paul W. Mockovak**, assistant cashier, Farmers State Bank, Yale, Iowa; **R. E. Colton**, assistant cashier, New London State Bank, New London, Iowa; **Orville W. Allender**, assistant cashier, Henry County Savings Bank, Mt. Pleasant, Iowa; and **Domingo E. Paulino**, inspector of branches, Philippine National Bank, Manila, Philippines.

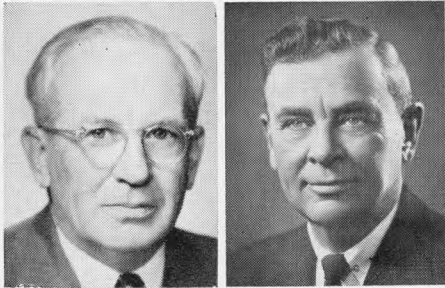
# News and Views

OF THE BANKING WORLD

By BEN HALLER, JR., Editor

**T**WO nationally prominent life insurance company presidents have been elected to the board of directors of The Chase Manhattan Bank, it is announced by **John J. McCloy**, chairman.

They are **Ray D. Murphy**, president of the Equitable Life Assurance Society of the United States, New York, and **J. Doyle DeWitt**, president of The Travelers Insurance Companies, Hart-



R. D. MURPHY

J. D. DEWITT

ford. Mr. DeWitt succeeds Francis W. Cole, former chairman of Travelers, who is retiring from the bank board.

Mr. Murphy has been with the Equitable Society 42 years, serving as president since 1953. He is also president of the Life Insurance Association of America.

Mr. DeWitt, a native Iowan, who attended Drake University in Des Moines, began his insurance career with The Travelers office here in 1925, and advanced through a number of executive posts, climaxed by his election as president of the company in December, 1952.

These two men bring a total of 72 years of business experience to the Chase Manhattan board, and their companies have a total of \$40 billion of life insurance in force. The Equitable Society has approximately \$24 billion in force and the Travelers has approximately \$16 billion in force.

\* \* \*

The first new bank building to be erected in the Milwaukee area for 25 years was started last month when the First Wisconsin National Bank broke ground for its new Citizens office. It was designed by **Edwin J. Kraus**, manager of the bank's real estate department.

The new building, designed to provide approximately 200 per cent more space than the present Citizens office, is planned for completion early in

1956. It will be of one-story, contemporary design. Plans include 5,000 square feet of parking space, four drive-in windows, air conditioning and modern fixtures and interior design.

\* \* \*

"It's a dream come true."

That's what a Jefferson City, Missouri, grandmother said last month when informed that she had won first prize in the national secretary's contest sponsored by **Mosler Safe Company** of Hamilton, Ohio.

The winner is **Mrs. Marie Agniel**, 58, who has eight grandchildren, four of whom live in Jefferson City. Her prize is a two-week all expense paid TWA tour of Europe for two, plus \$1,000 in cash.

She hopes to visit her youngest son, S/Sgt. David Agniel, 21, who has been stationed in Germany for three years. Six months ago he married a girl there whom his mother is looking forward to meeting.

Mrs. Agniel's oldest son, Lucien, 36, is press attache at the U. S. Embassy in Vienna, where he lives with his wife and four children.

The contest was designed to acquaint secretaries and their bosses with the danger of storing valuable records in obsolete record safes. According to Mosler, the prize includes stops at London, Paris and Brussels, but the itinerary can be changed to allow Mrs. Agniel to visit her sons.

\* \* \*

## Test Your I. Q.

Here is a chance to **Test Your I.Q. and Win a Prize**. Five dollars first right answer, \$3 second correct answer and \$2 for third answer. Send your answers to Ben Haller, Editor, the **NORTHWESTERN BANKER**, 306 Fifteenth Street, Des Moines, Iowa. The post office receiving stamp date on your envelope will be used as basis for judging the time your letter was mailed.

**Here is the problem:**  
**Connect the nine (9) dots by drawing four (4) only straight lines without removing pencil or retracing.**

. . .  
 . . .  
 . . .

The **Junior Achievement Bank of Dallas**, one of 17 Dallas firms operated by and for high school youngsters, has just ended a very profitable business year, according to the bank's "Annual Report," an eight-page brochure recently distributed to JA stockholders.

The bank's statement of condition showed total resources of \$3,784.02. Income, including service charges, checks sold and interest on investments totaled \$226.03. Disbursements, including salaries, rent and other operational items amounted to \$168.27, leaving gross profits of \$57.76.

Part of a nation-wide Junior Achievement program for youngsters 15 to 21 years of age, the sponsor of the Junior Achievement Bank was the Republic National Bank of Dallas.

Head of the advisors for the Junior Achievement Bank was Vice President **William Z. Hayes**.

\* \* \*

In connection with a coming election at the Federal Reserve Bank at Chicago, **R. O. Byerrum**, president of the University National Bank in Chicago, has written the **NORTHWESTERN BANKER** as follows:

"A new Class 'A' director of Group 2 of the Federal Reserve Bank of Chicago will be elected this fall and it



J. H. CROCKER

gives me great pleasure to commend to the favorable consideration of everyone, **John H. Crocker**, president and chairman of the board of The Citizens National Bank of Decatur, Illinois.

"Mr. Crocker received his education at Millikin University and Northwestern University. He served his country well and honorably during both World Wars.

"His entry into the banking business was with Crocker & Company, bankers at Maroa, Illinois, in 1920. He joined the Citizens National Bank of Decatur in 1936 and in 1950 was elected president and chairman of the board.

"Mr. Crocker is eminently qualified to represent all the bankers of this class with courage, wisdom, fairness and ability that is so necessary in one elected to that high office."—\$\$

**HERE'S HOW to . . .**

# Keep That Key Man

*Written Especially for  
The Northwestern Banker  
By ERNEST W. FAIR  
Boulder, Colorado*

**A**VERAGE employee turnover in business is nothing more than a routine headache, but when a key man leaves the bank, a major problem always arises. Finding his replacement is seldom easy, and the dollars and cents loss in training someone else to take his place can be high.

The smoothness of any business operation depends on retaining such key personnel on the staff. Each time one leaves, employers must not only go through the costly process of finding and training a replacement, but also assume added duties themselves in the interim.

One method of preventing such a situation is to recognize the reasons why such men leave the staff, and do something about them in advance.

In order to find the answers to this question, several such men who have changed jobs during recent months were surveyed. The results, in order of most frequent occurrence, and their explanations, are tabulated below:

## Better Pay

More key men leave their positions for this reason than any other. They cannot be blamed for such a step to improve their economic position. In some instances this represents a move out of their present field into another, but in most cases merely from one firm to another within the same field. The obvious solution is to make certain that such key men on the staff are paid close to, or on a level with, the salaries offered by competition. Another solution is to have a profit sharing plan with such individuals. A third method is to keep selling them on the future earning prospects they have by remaining with the firm.

Safest procedure is to keep ahead of the prevailing salary scale of the area with such individuals if at all possible. When you consider how much it costs to train such an individual's replacement this little extra pay boost may not cost as much as it appears at first glance.

## Unpleasant Conditions

This second factor covers many small details.

In some instances the reasons given may appear foolish to the employer, but they are serious to the employee.

Situations may exist in the organization that are distasteful to employees, yet are never apparent to the management. Then, when a job opportunity offering even at the same salary appears, they leap to take advantage of the proposition.

Here is where the old suggestion box comes in. No matter how cordial your relations may be with the staff, rare is the individual who will voice unpleasanties to his employer face to face. In many instances, however, he will express them anonymously through a suggestion box.

Another method is to make consistent inquiries among other employees with a view of finding how their fellow workers feel. Sometimes the people with whom the firm does business can help, and friends and acquaintances often will know of such situations before an employer can learn of them.

Your best method of combatting such situations is to be aware of the possibility of their existence and be ever watchful for them. Oftentimes the executive who feels most secure that nothing of this nature exists on his staff is the very one who is fostering several such irritations which may result in the loss of the key personnel of his staff.

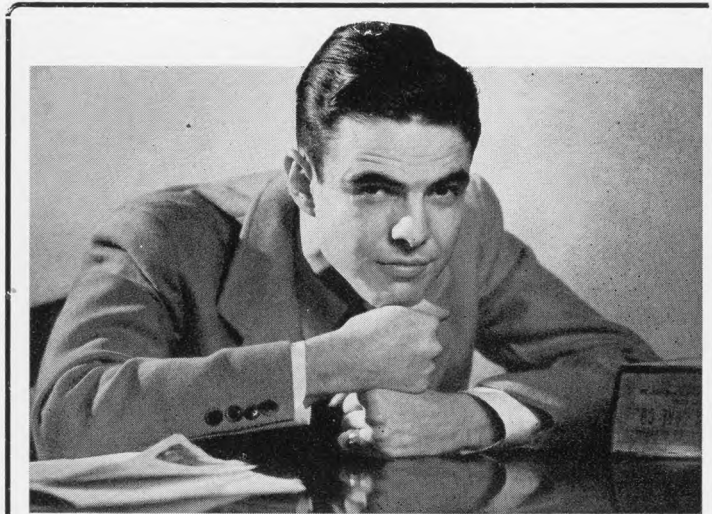
## No Future

Third in the list is this factor of which younger

men are particularly aware. Older employees often give little thought to their future with the business other than reasonable security. Younger men feel otherwise. When there are key individuals on the staff in the below 40 age group it is wise never to let up showing them how good a future they have with the firm.

One must make certain that his firm offers such employees just as good a future as they can find with any competitor anywhere in the area; not just locally.

"He's the best man we've ever had, and in a few years I plan to offer him a junior partnership," a business friend once said in discussing his assistant. But he never bothered to hint of this opportunity to the individual himself, and one morning found the man had resigned to

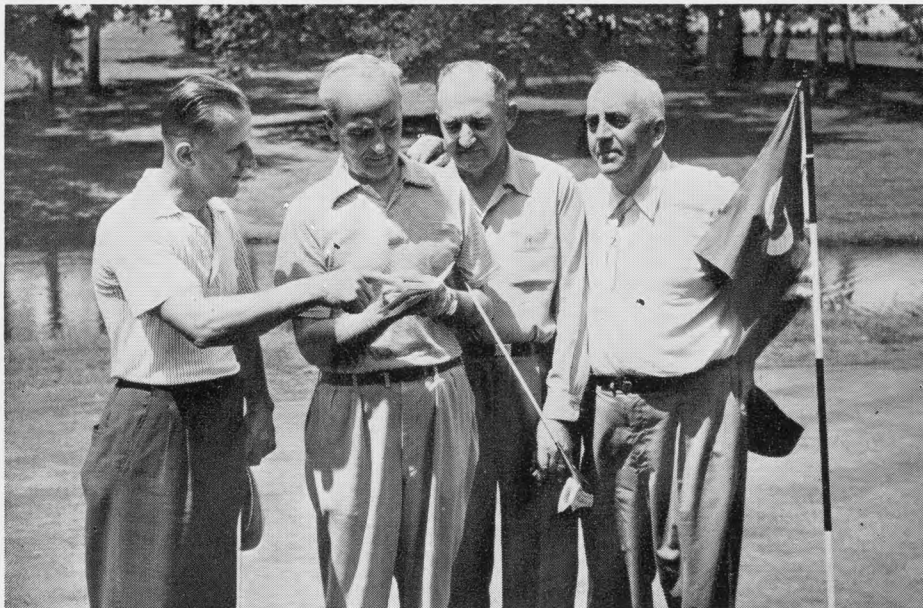


**A PROMOTION WAS COMING** up for this man, but his employer had failed to tell him about it, or that his work was far above average. One day, this man moved on to a position where the future was more apparent. This costs the employer several thousand dollars in many cases.

**KEEP THAT KEY MAN . . .**

(Turn to page 35, please)

*Northwestern Banker, July, 1955*



**COMPARING SCORES** at The Tootle National Bank's annual golf tournament for correspondent bank personnel are, left to right, **Victor Szczygiel**, assistant vice president of the Leavenworth National Bank, Leavenworth, Kansas—tournament winner; **Milton Tootle**, president of the host bank; **Bruce Gibbs**, Rock Port, Missouri; and **George Boettner**, president of the Bank of Atchison County, Rock Port.

## **Tootle National Sponsors . . .**

# **A Unique TV Show**

**T**HE Tootle National Bank of St. Joseph, Missouri, currently is sponsoring one of the more unusual golf tournaments in the middle west for personnel of its correspondent banks.

The bank has scheduled a 16-week series of television programs over station KFEQ-TV. Each of these programs is tied in with a golf tournament in one of the smaller cities in the bank's trade territory.

The winner of each local tournament is brought to St. Joseph, where he appears as guest of honor on the television program, which is in the form of a golf clinic.

The commercial of each program is a salute to The Tootle National Bank's correspondent bank located in the same town as the golf tournament winner of the week.

After the series is completed a final program is planned to honor the winners, who will play for the grand championship in St. Joseph. The series so far has proved most successful, and it looks like The Tootle National Bank's public relations department, like many of the golf scores, is well above par.

In addition to the golf tournaments which are tied in with the television programs, The Tootle National each

spring holds a tournament of its own at the St. Joseph County Club for its correspondent banks. More than 125 persons attended this tourney held last month.

The day included a noon luncheon at the club, followed by 18 holes of golf, a social hour and a buffet supper at which time prizes were awarded.

Winner of the 1955 tournament for correspondent banks with a score of 79 was Victor Szczygiel, assistant vice president, Leavenworth National Bank, Leavenworth, Kansas. Ending in a tie with Ogden C. Risley, president of the Excelsior Trust Company, Excelsior Springs, Missouri, who also shot a 79, Mr. Szczygiel was named winner following a toss of the coin. —\$\$

## **Installment Credit Manager**

Appointment of D. C. Sutherland, Bank of America vice president, to head the state-wide banking system's installment credit loan department at its San Francisco headquarters has been announced by President S. Clark Beise.

Mr. Sutherland was vice president-manager of the bank's main branch in Pasadena. He succeeds Lloyd Mazera, who has been appointed execu-

tive vice president and chairman of the general finance committee.

In his new post Mr. Sutherland will supervise the bank's consumer lending activities in its more than 550 branches throughout California.

## **Dual Unit**

Introduction of a new separate microfilm recorder and reader that will allow any business—large or small—to have a completely flexible inexpensive microfilming system has been announced by Noel L. Mudd, general sales manager, Burroughs Corporation.

The new reader has been designated as Model B. H. 206 and the recorder as Model B. H. 205, Mudd said. Both are competitively priced. They offer a full range of operating features to fulfill any business requirement.



**BURROUGHS** new Model 205 microfilm reader—flexible, compact and so lightweight it can be easily moved anywhere.

Both units are designed to allow the flexibility of microfilm recording in one location and reading at another. Dividing the units in this manner permits the customer to tailor the equipment for his particular job.

The reader, having an exclusive indexing meter, is so lightweight (only 16¼ pounds) and compact anyone can carry it, can be easily accommodated on a desk or table top. It is available with either or both 24 and 37 magnification. It features a scanning mechanism with adjustment to read documents on 8 mm, 16mm or 35mm film in any position for normal viewing.

A rotating film turret brings images of the documents to a natural reading position. The exclusive indexing meter permits straight-to-the-image location in seconds without lost time.



## Your American bank abroad...

Wherever you go—wherever you or your customers do business—you'll find Bank of America's global credit, collection, and payment facilities there to assist you. With overseas branches, traveling representatives, and correspondent connections in every part of the world, there's no job too small, too large, or too involved for us to tackle. For information, wire or write 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

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

BANK OF AMERICA (INTERNATIONAL), New York  
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REPRESENTATIVES: New York • Mexico City • Milan • Paris • Zurich • New Delhi • Havana

# What's New

. . . for Banks and Bankers

For more information about the items in this column and where they can be purchased, write Walter T. Proctor, Associate Editor, NORTHWESTERN BANKER, 306 15th Street, Des Moines, Iowa.

**A** FOUR-PAGE two-color booklet describing a newly developed pre-fabricated Airtube system is being offered by the manufacturer.

The booklet describes the system, suggests a variety of arrangements for installing the equipment in any type of building, and lists all components furnished in the "kit." Also provided are instructions for laying out and installing the double-tube system, including plan and side-view drawings.

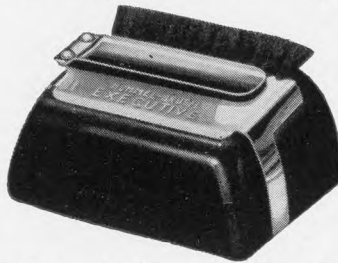
The bulletin illustrates how the Airtube package, priced at \$525 f.o.b. Syracuse, New York, will connect any two points up to 130 feet apart at either the same or different floor levels, and can be extended into a larger system if desired.

\* \* \*

"The Executive" will make a hit in your office. It is a Hummel-Brush

moistener and has many uses which save time, money and labor.

The moistener is handy for wetting envelope flaps quickly and efficiently, moistening stamps and labels, and is used in many banks for dampening



fingertips so the counting out of money throughout the day can be completed without errors due to dry fingers.

You will appreciate the improved "Water-Flo Backbone" moistening unit, which maintains uniform mois-

tening resistance and will not let your moistening become a victim of "insufficient water feed or brush sag."

Consider the full three-inch moistening width, which enables it to moisten wide-gummed envelope flaps, as well as number six and three-fourths, number tens, and wide address labels with ease.

And you can "slap" or "grab" this tip, in finger tip moistening, without getting the moistening unit out of line.

\* \* \*

**T**HREE efficient network systems are offered by a Chicago firm which explains the devices as follows: **Super-Network Dictation**—For offices with frequent group dictations. Dictation flows from hand set to centrally located magnetic belt recorder for instant recording. **Microphone Network**—Low-cost remote control dictation for offices with occasional dictation from a group. Requires no special wiring, no special installation. Only visible evidence is handsome, unobtrusive microphone. **Peirce Network Dictation**—For larger offices with inter-office dial systems. Any extension dial phone becomes a dictating instrument tied into a centrally located magnetic belt unit.

Any of these three systems reduces original equipment cost by making dictation available to more dictators at lowest cost per dictator; speeds flow of work—no wasted motion, no lost time; increases efficiency by helping organize and channelize work.

\* \* \*

The 1955 edition of the Cappel, Macdonald & Company catalog of merchandise prizes has been announced.

The new 64-page catalog displays 1,500 nationally advertised items to be offered by business firms as awards in sales contests and other incentive programs.

This 33rd annual edition features color and photographic techniques

## CATALOG CHECKS

It has often been said that the bank check is the principal connecting link between the individual and his bank. If that is true, then it naturally follows that the individual will be happier if he can use exactly the style of check he prefers. The quickest and easiest way to insure this is to allow him to make his selection from the DeLuxe catalog when he opens his account.

Most of these so-called "special" checks that used to be so costly—and still are if treated as specials—are standard forms in our catalog. There your customer will see payroll checks of all kinds, voucher checks of every style, interleaved carbon checks to meet most situations . . . in fact, just about any format or binding he might require. All of these checks are priced moderately and as a rule the customer pays the full price.

Large banks operating a number of

branches find our catalog of special value because it permits easy handling of orders in each branch by the people with whom the customer is in direct contact and to whom he looks for all his banking service. It relieves the pressure on the purchasing department by spreading the ordering detail. It creates a favorable impression on the customer because it emphasizes the scope of service he may expect to get in the particular branch where he has just opened his account.

So don't overlook the savings and convenience of the DeLuxe Standardized Check Catalog. It does a real job of supplementing the forms usually carried by the bank. It simplifies check ordering. It makes it easy for you to supply your customers with the checks they need. At the same time it saves you money, and over twelve thousand banks throughout the country find this saving worthwhile.



Manufacturing Plants at: CLIFTON, PAOLI, CLEVELAND, INDIANAPOLIS, CHICAGO, KANSAS CITY, ST. PAUL

Will attract new accounts and retain present accounts.

**SAVINGS BANK**



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

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.





SHOWN HERE ARE THREE of the bank's 7 National Teller Machines which handle the ever-increasing number of customers accurately, efficiently and quickly.



MR. HAROLD J. BACON, Executive Vice President, who evaluates below the performance of this bank's National System.



THE HOME STATE BANK of Crystal Lake, Illinois, where a National System provides maximum efficiency at minimum cost during a period of phenomenal growth.

## *"National* Machines in all Departments return 35% in yearly savings pay for themselves every 3 years!"

—Home State Bank of Crystal Lake, Crystal Lake, Illinois.

"In the last 8 years," explains Mr. Bacon, "our Bank has enjoyed phenomenal growth. The purchase of National Accounting Machines permitted us to cope with ever-increasing operational problems. Our National System now includes 7 Class 41 Bank Teller Machines, 2 Proof Machines, 3 Bookkeeping Machines, 1 Unit Plan Savings Machine and the very efficient Multiple-Duty Typewriter-Bookkeeping Machine, handling internal records and special applications.

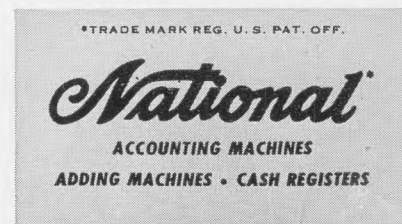
"Our Nationals provide many benefits such as simplicity of operation,

ease in training bank personnel and maximum in audit control. In addition, we realize many savings in lower stationary costs, elimination of overtime, reduced maintenance and depreciation costs, and above all, better utilization of bank personnel.

"We use National machines in all major operating departments of our bank and they return 35% in yearly savings. Thus they pay for themselves every 3 years! Continuing use pays us gratifying dividends on our equipment investment."

How would *you* like to have dividends like these for *your* bank? A

National System soon pays for itself out of the time and money it saves, then goes on year after year returning this saving as handsome profit. Your nearby National representative, a trained systems analyst, will gladly show you how Nationals can save time and money for *your* bank. Call him today. His number is in the yellow pages of your phone book.



**THE NATIONAL CASH REGISTER COMPANY, DAYTON 9, OHIO**  
977 OFFICES IN 94 COUNTRIES

Northwestern Banker, July, 1955

never before used in a prize catalog.

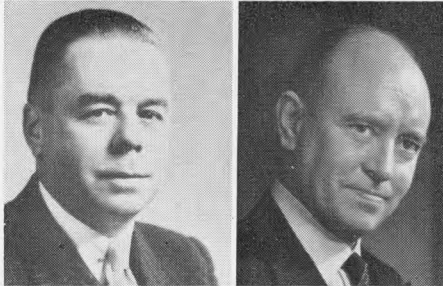
Items illustrated were all selected for quality and national popularity, and include hobby and sports equipment, home furnishings, appliances, clothing, housewares, silver, jewelry, tools, toys, and TV.

**Heads Canadian Council**

Two top appointments involving Bank of Montreal were announced last month. Gordon R. Ball, president of the Bank of Montreal, was elected chairman of the newly formed Canadian Council of the National Industrial Conference Board, it was announced by Monteath Douglas, director of the board's Canadian office.

The other appointment was that of Henry S. Wingate, New York, presi-

dent of International Nickel Company of Canada, Limited, as a director of the Bank of Montreal. Mr. Wingate also is a director of White-



G. R. BALL

H. S. WINGATE

head Metal Products Company, Inc., New York; Alloy Metal Sales, Limited, Toronto, and Centre d'Information du Nickel, S.A. (C.I.N.), Brussels.

**Staff Changes**

Two changes in the official staff of the Federal Reserve Bank of Kansas City were announced by H. G. Leedy, president. Howard W. Pritz, assistant cashier at the bank's Denver branch, has been appointed cashier of the Omaha branch, succeeding Urwin S. Berry, who retired. Mr. Pritz will be replaced at Denver by Jerry R. Zahourek of the Oklahoma City branch, who has been appointed an assistant cashier.

**Far West Manager**

The Chase Manhattan Bank in New York has announced the new assignment of Roger M. Keefe, assistant vice president, to the official staff, managing the bank's business in the far west.

For the past five years Mr. Keefe has been a commercial lending officer associated with the management group handling the bank's business relationships in the south. His new assignment embraces an area which includes Arizona, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Alaska and Hawaii.

Mr. Keefe joined the bank in 1945 after serving as an army major in the European Theater during World War II. He was appointed to the official staff in 1950 as an assistant cashier and was advanced to assistant vice president in 1953.

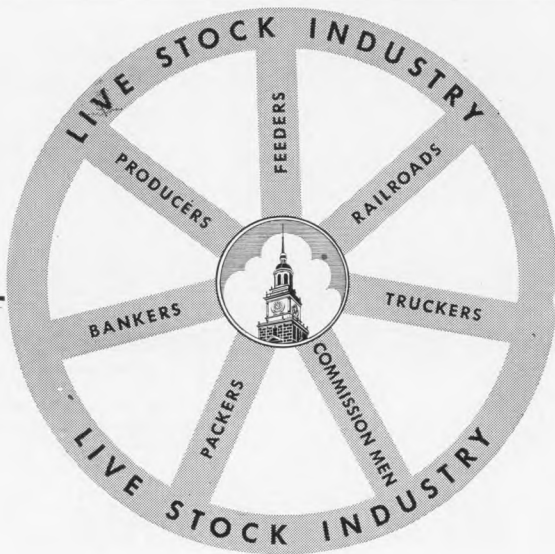
**BANKING'S STORY . . .**

(Continued from page 16)

services for her benefit? What can be done to attract the ladies? An interesting current topic which is gaining in importance daily.

Other talks include such interesting topics as: "Time Payments—Types and Trends," "Investing for the Individual," "Trusts—What They Are and How They Can Serve You," "Planning Your Estate," "Installment Financing," "Bank Operations," "Bank Portfolio Management," "The What and How of Public Relations," "Serve by Selling," "Overcome Sales Objections," "Building a Business Development Program," and "Building a Personnel Program."

This program, we believe, will be a service to the people, benefiting both the public and banking in general. —\$\$



The Live Stock Industry is a wheel of many spokes and this bank has been at its hub since 1868. We serve all branches of the industry—producers, feeders, railroads, truckers, commission men, packers and bankers. We invite *YOUR* business.

*The*  
**LIVE STOCK**  
*National BANK of Chicago*

ESTABLISHED 1868

UNION STOCK YARDS

Member Federal Deposit Insurance Corporation

DAVID H. REIMERS

Chairman of the Board & President

Harold P. Johnston · Alden S. Bagnall · Ivan E. Bennett · Paul T. Betz  
Vice-Presidents

Gordon P. Fairman · Frank J. Itzel · James L. Johnson · Joseph E. Lisek  
Assistant Vice-Presidents



## Some concrete facts about cement

**Banks play an important part in America's cement industry. Here's how**

• • •

Even though it's been through approximately 80 manufacturing processes and met some of the toughest specifications in U. S. industry, the cement being smoothed over above costs less than a penny a pound at the mill!

### Concrete Money

American cement making became an established industry in the late 1800s. As the industry grew, banks helped

supply the money necessary to build America's new Stone Age. To this day the bankers help finance the quarrying of lime and procuring of many other raw materials required for cement manufacture. They supply funds for plant expansion and product development. On the retail side, bank loans frequently help hardware and building supply men . . . making it easy for you to buy cement by the sackful or carload.

### Who Profits?

All of these loans add up to more than multimillion-dollar help to a vital industry. They illustrate clearly

that a competitive banking system, free to put money to work wherever and whenever opportunity for profit exists, is the most potent ally private enterprise can have.

This is so because men and women work wherever money works, and the fruits of their labor are a wider choice of fine products for all to enjoy.

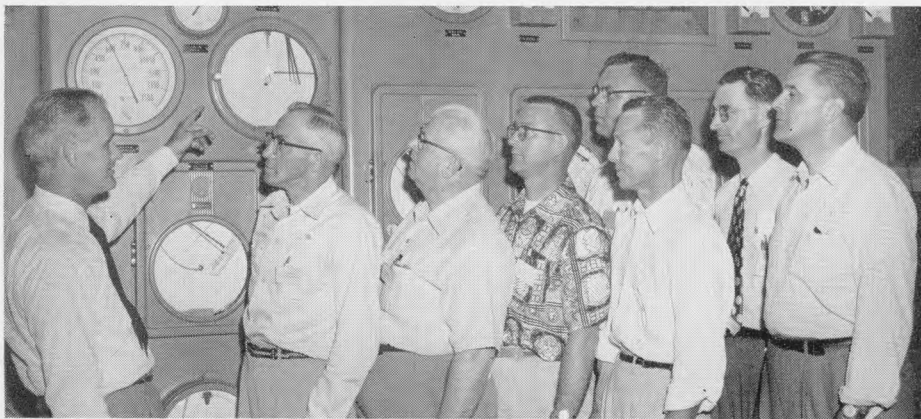
The Chase Manhattan Bank, a leader in loans to American industry, is proud of banking's contribution to the progress of our country.

### The Chase Manhattan Bank

HEAD OFFICE: 18 Pine Street, New York 15  
(Member Federal Deposit Insurance Corporation)

*Northwestern Banker*, July, 1955

## Farm Representatives Gather to Exchange Views



**B**ANK farm representatives from seven states exchanged views on the growing responsibilities of bank farm departments last month in a three-day program in Kansas City conducted by Spencer Chemical Company.

The farm representatives ("Bank FR's") were chosen by bank publications, with the advice of state banker associations and agricultural colleges, to participate in the first of a series of programs. Purpose of the event, called an "FR Seminar," was to develop information which could help

banks establish or broaden a farm department.

The "FR's" were: John Hardimon, State Bank of Bement, Bement, Illinois; John P. Perrier, First National Bank, Dodge City, Kansas; R. M. Bird, Goodhue County National Bank, Red Wing, Minnesota; Tony Westra, Northwest Security National Bank, Sioux Falls, South Dakota; Warren Langfitt, Centerville National Bank, Centerville, Iowa; Ryan Mason, First City Bank & Trust Company, Hopkinsville, Kentucky, and Carl Cramton, Security Bank, Ponca City, Oklahoma.

The program included a tour of Spencer's Jayhawk Works at Pittsburg, Kansas, the group flying to the works in a chartered plane in early morning. They returned in time to attend a New York Yankee-Kansas City Athletics game in Kansas City that night.

The next day was devoted to a detailed discussion of farm department projects and problems. Each farm representative elaborated on the questions, "How can an FR help increase the profits of his bank?" "What prior training and experience is best to fit a man for the FR profession?" and "What can an FR do to establish himself as a factor in his agricultural community?"

Fertilizer loans "made on the farm" and similar topics were discussed at length. There was a general consensus of opinion that in most cases farm representatives are needed to maintain good customer relationships, officers being too busy to watch farm accounts closely; that a qualified FR can increase the gross income of the farm customer; that loans are kept in better shape (through FR's) as a result of closer contact with the loan and the customer, and in general that a bank "will notice new names on the ledgers, bigger balances and a new look in the community" as a result of the efforts of a qualified farm representative.—\$\$

Through  
experience  
comes  
ability

Our wide experience in the handling of requirements for correspondent banks has given us the knowledge and reputation for prompt, complete and efficient service.

**CITY NATIONAL BANK**

**AND TRUST COMPANY of Chicago**

208 SOUTH LA SALLE STREET

(Member Federal Deposit Insurance Corporation)



# SPEED AND SERVICE

## IN COLLECTING CHECKS AND DRAFTS

### We Offer:

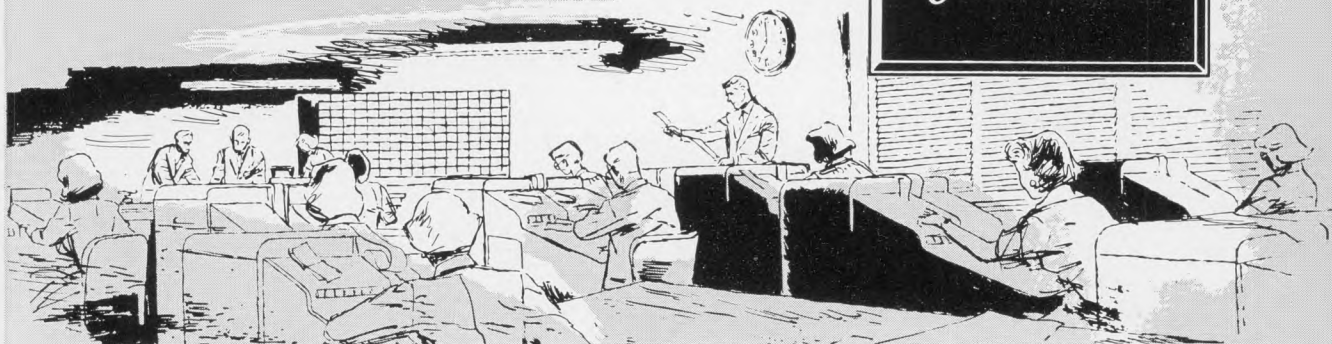
- ✓ Specialized Clearing and Transit Service
  - Round-the-clock Check Collection Processing
  - Special Saturday Operation
  - Simplified Cash Letter Preparation
  - Accelerated Availability Schedule
- ✓ Direct Routing Service to Branch Offices
- ✓ Domestic and Foreign Non-Cash Collection Service
- ✓ Maximum Use of Air Transportation

### You Benefit By:

- ✓ Quick Conversion of Items to Cash
- ✓ Early Return of Unpaid Items
- ✓ Reduced Credit Risks

AMERICAN  
TRUST  
COMPANY  
⊗  
BANKING  
*Since 1854*

94 BANKING OFFICES SERVING NORTHERN CALIFORNIA  
HEAD OFFICE: SAN FRANCISCO



## Statement of Condition

March 31, 1955

### RESOURCES

Cash on Hand and in Banks	\$ 258,206,381.94
U. S. Government Obligations	417,885,164.05
State, County, and Municipal Bonds	64,277,217.46
Other Bonds and Securities	24,771,889.89
Stock in Federal Reserve Bank	1,789,500.00
Loans and Discounts	637,911,048.67
Bank Premises and Equipment	12,192,934.71
Other Real Estate	1.00
Customers' Liability under Acceptances	1,001,438.59
Accrued Interest Receivable and Other Assets	11,711,780.09
<b>Total Resources</b>	<b>\$1,429,747,356.40</b>

### LIABILITIES

Deposits	\$1,322,020,712.84
Acceptances Outstanding	1,138,863.59
Reserve for Unearned Discount	9,399,799.05
Reserve for Interest, Taxes, etc.	12,403,926.15
Other Liabilities	6,935,020.57
Capital Funds:	
Capital Stock	22,250,000.00
Surplus	37,400,000.00
Undivided Profits	18,199,034.20
<b>Total Liabilities</b>	<b>\$1,429,747,356.40</b>

*United States Government and other securities carried at \$174,173,781.46 are pledged to secure U. S. Government Deposits, other public funds, trust deposits, and for other purposes as required or permitted by law.*

Member Federal Deposit Insurance Corporation

## Officers Appointed

At the regular meeting of the board of directors of The First National City Bank of New York held last month, two vice president and four assistant vice presidents were appointed.

The new vice presidents are: Peyton F. McLamb, southern district of the domestic division, and Joseph E. Wheeler, Caribbean district of the overseas division, both of head office.



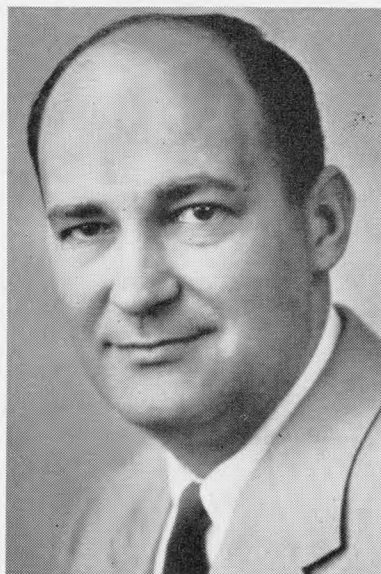
S. C. EYRE

New assistant vice presidents are: Stephen C. Eyre, mid-western district of the domestic division; Lawrence S. Heath II, New England district of the domestic division; Homer C. Lathrop, Jr., Park Avenue branch, and Neil J. Stevenson, 34th Street branch.

## Joins Walters Company

The staff of Charles E. Walters Company, Omaha, which this year marks its 50th anniversary of buying and selling banks, has been augmented by the addition of Robert Kunkel as vice president.

A native of Minnesota, Mr. Kunkel has 14 years of banking experience at Rapidan, Minnesota; Perry, Oklahoma



ROBERT KUNKEL  
Joins Omaha firm

and at Sleepy Eye, Minnesota. He will be active in making contacts with bankers regarding the buying and selling of bank stocks and furnishing qualified employees for bank positions.

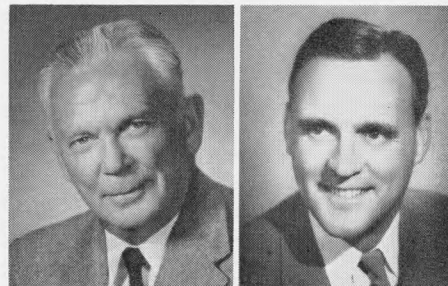
## Phoenix Changes

Directors of the Valley National Bank, meeting in Phoenix, Arizona, approved a number of major changes in the bank's top management echelon. Among the actions taken by the board were:

Election of H. L. Dunham to the post of vice chairman of the board,

where "he will devote the major portion of his time to long-range planning and other pressing management assignments," Carl A. Bimson, Valley Bank president, announced.

Promotion of James E. Patrick, currently a vice president in charge of operations and personnel, to executive vice president, succeeding Mr. Dunham.



H. L. DUNHAM

J. E. PATRICK

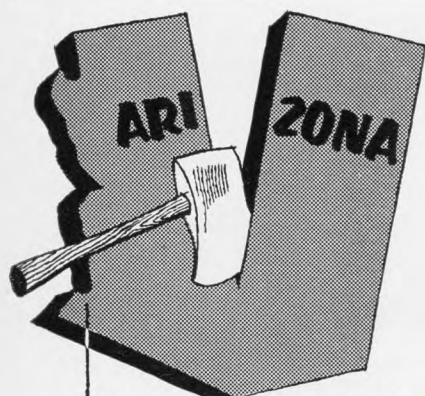
Supervision of the bank's home office operations added to the duties of James Dismuke, vice president and cashier.

Appointment of R. M. Long, assistant vice president, to succeed Mr. Patrick as head of operations and personnel.

## Chemical Promotes Three

Charles B. Love and Charles F. Richardson, former assistant managers, have been elected assistant vice presidents, it is announced by N. Baxter Jackson, chairman. Messrs. Love and Richardson are both with the bank's international division.

Also, Muriel F. Steele has been appointed assistant personnel director. Mrs. Steele has been in the bank's personnel department since 1945.



**DO SPLIT FED DISTRICTS GIVE YOU HEADACHES?**

There's an easy solution in ARIZONA . . . open an account with us and send us ALL your Arizona items.  
*Direct sendings to every Arizona bank every day!*

**36 OFFICES**

Home Office: PHOENIX



*Largest Bank in the Rocky Mountain States*

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, July, 1955

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https://fraser.stlouisfed.org  
Federal Reserve Bank of St. Louis

## Spencer Chemical Co. Announces The Bank FR\* Seminar

Kansas City, Mo.—Seven bank FR's (\*Farm Representatives) met here June 1-3 to attend a "Bank FR Seminar," the first in a new program sponsored by Spencer Chemical Company. Representing the states of Kansas, Iowa, Illinois, Oklahoma, South Dakota, Kentucky and Minnesota, the FR's discussed such questions as "How can an FR help increase the profits of his bank?" Their answers may help you in your farm business. Read the details in this and in future issues of this publication.

**Spencer Chemical Company**



**Supplies the Nitrogen**

Dwight Building

Kansas City, Missouri



## What happened to the waiting line?

Every year, fewer people wait in line to pay bills with cash . . . it's so much more convenient, quick, and *safe* to pay by check. But you give these new customers even more than convenience and safety when the checks you supply are lithographed on La Monte Safety Papers. You give them the feeling of *prestige* that comes with using a product of the highest quality. Investigate La Monte Safety Papers now. Your lithographer will show you samples . . . or we will gladly send them direct.



### A Check Paper All Your Own

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

THE WAVY LINES ® ARE  
A LA MONTE TRADE-MARK

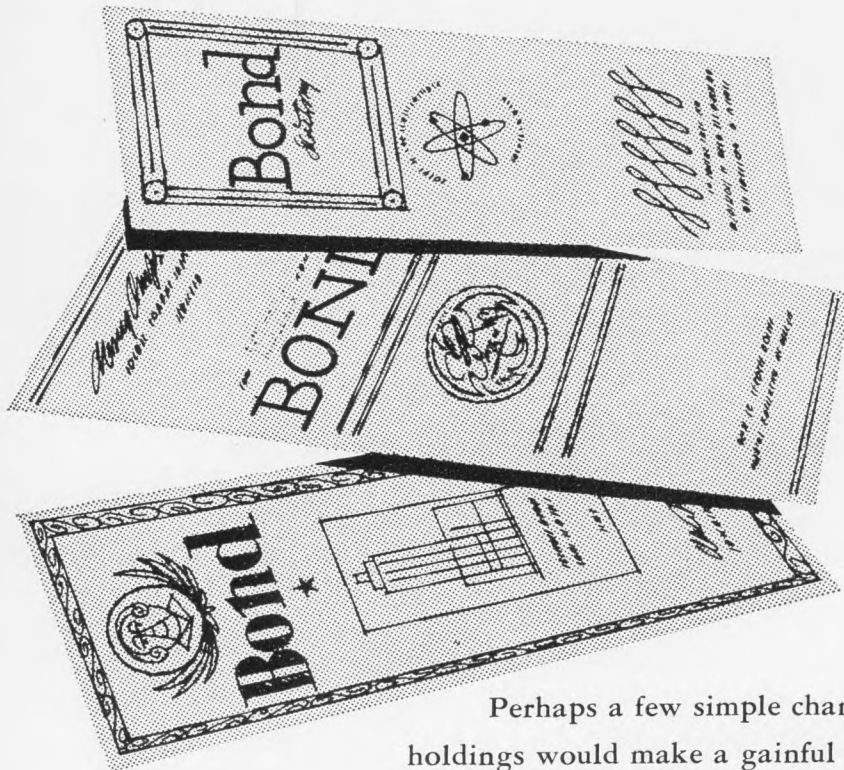


*La Monte*  
**SAFETY PAPER FOR CHECKS**

GEORGE LA MONTE & SON, NUTLEY, NEW JERSEY

Northwestern Banker, July, 1955

Is the net income  
from your investments  
satisfactory?



Perhaps a few simple changes in your holdings would make a gainful showing in the net earnings of your portfolio. Your phone call (STate 2-9000) or letter to our Bond Department will put us to work for you.

## Continental Illinois National Bank and Trust Company of Chicago

La Salle, Jackson, Clark and Quincy Streets  
LOCK BOX H, CHICAGO 90, ILLINOIS

*Member Federal Deposit Insurance Corporation*



# Free Market Is Stabilizing Force on Investment Securities

Past Month Has Been Noteworthy for Developments  
That Were Countered Quickly by Reverse Swings

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

**P**OWERFUL forces are influencing the relative standing of investment securities, but the stabilizing responses of a marketplace newly restored to freedom and flexibility are making it difficult to see immediately ahead much of significance other than further stabilizing fluctuations.

The bidding up of stock prices is switching discriminating investors out of the equity market into that for tax-exempt-bonds of local government. And when yields on investment grade corporate bonds rise high enough because of the greater lure of higher-yielding mortgages to investing institutions there are sure to be attracted some alert buyers back to the bond market.

## Past Month Noteworthy

The past month in the bond and money markets has been noteworthy for the play of developments countered quickly by stabilizing swings of reverse kind. Heaviness in the Government bond market was at last dispelled by persisting demand from pension and trust funds for the Treasury's new 3 per cent bond due in 1955. This newest long-term debt issue of the Government was bid up early this month to near 101½, a new high, and a yield of about 2.93 per cent.

The rise in the new Treasury issue was effective in reversing a downward price movement at work for weeks in high grade corporate obligations. The difference of institutional investors to prime new issues of corporate debt had gradually forced a rise of yields to a point where second-rate public utility bonds—that is, those with an A rating—had to be priced out to a 3.4 per cent yield basis to find ready buyers. Likewise, AA-rated utility mortgage debt had to be baited with yields up to 3.25 per cent.



The lasting strength in the Treasury 3s finally forced a reversal. New Detroit Edison 3¼s marketed at 100 were bid up quickly to yield 3.2 per cent and a new issue of Virginia Electric and Power bonds were brought out successfully by underwriters at a 3.2 per cent basis. Less prime utility debt was likewise bid up to yields of 3.3 per cent after having sold shortly after marketing at 10 basis points higher.

## Treasury Influence

For weeks, the Government market was influenced heavily by transactions related to the Treasury's cash and re-funding offer of 2 per cent fifteen-month notes. Many holders of the maturing debt were corporations who preferred selling their holdings or cashing them in to exchanging them for a new investment with a term of more than one year.

In all, \$3,200,000,000 of the matur-

ing certificates were turned in for the new notes and the balance of \$709,000,000 were redeemed for cash. The redemptions accounted for 32 per cent of that part of the maturing debt that was held outside of the Federal Reserve System. The companion cash offering of the 2 per cent notes amounted to \$2,500,000,000 and was oversubscribed comfortably.

The whole transaction could hardly be said to have been a happy one, however. One reason lay in the fact that the announcement of the terms came at the same time that personal income tax collections were taking money out of the market and bringing pressure on the reserve positions of the banks. The Federal Reserve helped out in the pinch by making market purchases that built up the excess of member bank reserves over borrowings to more than \$400,000,000. Central bank purchases of securities were reversed later in the month, by sales, however.

## Bill Yields Uneven

The course of Treasury bill yield trends has been uneven lately and difficult to interpret with any assurance. The average rate of discount at the weekly auctions moved up at one time to 1.47 per cent, only to drop back to under 1.4 per cent with the advent of June. On the whole, levels of short yields were a few basis points higher as this is written than in early May.

On the other hand, the commercial paper market was nudged to an easier position by the announcement early in June by C.I.T. Financial Corporation of a reduction of ⅓ of 1 per cent in its borrowing rate on new paper. The reduction was the first of its kind this year and offset a one-eighth of 1 per cent rise in late April. The new rates

range from 1½ per cent a year for 30-to-89-day notes to 2½ per cent for 270-day notes.

With no letdown in bank lending to business visible as the calendar heads toward summer, there is increasing talk of the likelihood of a rise in the prime commercial lending rate of the major banks, a charge that has been held at 3 per cent since March of last year. Should this occur, and should there be a rise in business like those common to the late summer and fall, it would seem that an increase in the Federal Reserve rediscount rate of 1¼ per cent would be in order.

#### Loans Change Picture

The bank lending picture is complicated by loans collateraled by other than Government securities. These credits have declined somewhat lately but they are still hovering near record highs. About half of this credit is held to reflect loans extended to margin buyers of stock shares. On the other hand, the business loans of the banks, with all of their bounce, are still trailing totals of last spring by about \$750,000,000.

The investment markets are beginning to look to Washington for the next move of the Treasury on the Government financing and debt management front. Substantial deficit financing is apprehended. From \$5-

000,000,000 up will have to be raised by the Treasury in the latter part of the year apart from refunding operations. A persisting question is the means and extent that the Federal Reserve may select for making reserve funds available to the banks for financing any Treasury deficit.

Should business remain buoyant, the central bank will find itself again in an awkward position. It is just too bad that when the economy is extended and the money supply has to be stretched to accommodate the needs of private business, the Treasury, too, is obliged to come to market, hand outstretched, for a share of the money. It should be the other way around.

#### Long Term Issue?

This anomalous role imposed on the Treasury by the Government's budgetary deficits in boomtime is engendering market discussions freighted with correspondingly strained conjecture. It is suggested that the point-and-one-half premium bid for the new Treasury 3s is an invitation for the Government to open the tap on another marketable long-term bond issue. At the other extreme, complaint is heard frequently that the current market supply of \$19,500,000,000 of Treasury discount bills is not enough to accommodate the tax-reserve needs of corporations as well as the liquidity-

reserve needs of the commercial banks.

Finally, it is suggested that a big money draft by the Treasury while the market is heavily extended may make it expedient for the Federal Reserve to decrease the reserve requirements of the banks again and offset any sloppy consequences by counter-sales of Government securities.

But all such conjecture relates to the second-string section of the nation's credit orchestra. The main performer is the private business segment of the economy. How things go there will have the most influence on the official money managers in their selection of market tools.

#### Turnpike Financing

Of more than passing interest to investors is the resumption of major borrowing by local government agencies to finance toll turnpike projects. The Florida Turnpike Authority got the procession going after nearly six months of inactivity in this field by selling a \$74,000,000 bond issue to finance construction of an expressway from Hollywood to Fort Pierce. These bonds were marketed successfully at a 3.25 per cent tax-exempt-yield basis.

The next turnpike authorities to line up for money were the Texas Turnpike Authority and the New York Thruway Authority. The Texas borrowing, the first from this state in the turnpike field, is for \$58,500,000, to finance construction of a road connecting Dallas and Fort Worth. The New York Thruway Authority borrowing, appointed for July, will be a \$125,000,000 issue of State-guaranteed bonds. This will bring the permanent financing of the \$1,000,000,000 New York expressway system up to \$725,000,000—\$375,000,000 on State-guaranteed bonds and \$350,000,000 on revenue bonds.—\$\$

#### Mosler Honors 217

More than 6,300 years of safe and bank vault manufacturing experience was honored recently at a series of dinners for 217 employees of the Mosler Safe Company marking the 1955 meetings of the Mosler Seniors, employees who have been with the firm 15 years or longer.

Of the 217 employees, 131 have been



*"We got  
the facts we needed  
from the Royal"*

American bankers have found that the Royal Bank can help them with their Canadian affairs—can help them serve customers with information on problems ranging from sales representation to choice of a factory site. For additional information, write to the Business Development Dept., at Head Office in Montreal.

Over 800 branches in Canada, the West Indies, Central and South America, New York, London and Paris.

## THE ROYAL BANK OF CANADA

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

HEAD OFFICE: MONTREAL • CANADA'S LARGEST BANK

WAYNE HUMMER & Co.  
CHICAGO

MEMBERS  
NEW YORK STOCK EXCHANGE

with the company 25 years or longer.

First in point of service is Mathew J. Braegger with 65 years. He is followed by Boyd M. Hamilton, 57 years; and Arthur Roden, 55 years.

Watches for 25 years service were presented in Hamilton to Laymon Burns, Thomas Smith and Richard G. St. John, by John Mosler, executive vice president.

### KEEP THAT KEY MAN . . .

(Continued from page 21)

join a competitor's staff. Then it was too late.

Lack of prestige of the individual firm accounts for many job changes within this group. Even the lowest paid employee must have a sense of pride in the firm for which he works. This is of even more importance with the ambitious type of employee whom you particularly wish to keep on the staff.

Building prestige is, of course, vitally important from a business standpoint. It is equally important that the employee need never apologize for being on the staff.

In firms where such prestige is high, some key men will remain on the staff at less pay than they could obtain elsewhere. That prestige is the kind which not only comes from outside, but is tendered within his own organization.

If a valued assistant must perform menial chores as part of his job, is given no recognition from the top, and never receives praise for extra effort he puts forth on the job, he has one of the best reasons in the world for leaving the staff for that of a competitor.

The prestige of the firm within the area also is of great importance in holding the loyalty of key men. It is vital also that the individual's position within the organization occupy equal prestige.

#### Insecurity

Future security of the worker today is in everyday's headlines. At no other time have key men been so conscious of the topic, and from all ap-

pearance, this will grow in importance.

The firm with a high record for employee retention is one in which a key man can feel secure in his job. The older the employee, the more important security becomes.

The best assurance of avoiding loss of key men because of this factor is making certain that every man knows his job is secure as long as he fills it properly. When he hears rumors of how former employees have been dismissed for trivial reasons, insecurity enters the picture, and no matter how well he may have been treated as an

individual, doubt will arise in his own mind.

Whenever any employee is dismissed, one should make certain that every other member of the staff knows just why. Never leave it to that individual to give others a false picture.

The foregoing five reasons why key men leave their positions are those mentioned most often. There are others, of course, but the executive who carefully guards against these five will have provided insurance against at least 95 per cent of the possibilities of losing a key staff man.—\$\$

## The Tax-Exempt Bond Market at Mid-Year 1955

### WHAT OPPORTUNITIES

may investors expect in today's market for state, municipal and other tax-exempt bonds? What developments are affecting it? What about supply and demand, prices, trends, outlook?

These and other factors bearing on the market are discussed and timely information is presented in our new 1955 Mid-Year Survey of the Tax-Exempt Bond Market, which is available to you without cost or obligation. You will find it helpful in appraising the tax-exempt yield, safety and other qualities of these bonds in relation to your own investment requirements.

Send for Mid-Year Survey and accompanying tax chart which shows the income required from taxable securities to equal the yield from tax-exempt bonds.

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## INSURANCE



**CARING FOR THE OFFICE** in the absence of **George B. Woodard, Sr.**, is his son, **George B. Woodard, Jr.**, and his assistant, **Genevra Lane**.

# *It Takes a Loss To Wake Up Some People*

*A Northwestern Banker  
Interview with  
**GEORGE B. WOODARD, JR.**  
Woodard Insurance Agency  
West Union, Iowa*



**HAPPY COUPLES** result when business losses are covered by business interruption insurance. The checks cover period while business is inoperative.

**I**NSURANCE agents today have an educational job on their hands—namely that of informing their customers and potential customers of the coverages they need. Continual effort is needed on the part of all agents to keep before the public the need for various insurance lines. And it sometimes takes a loss in the agent's territory to really sell his customers on a certain insurance coverage.

Such was the case in West Union, Iowa.

### Founded Early

The Woodard Insurance Agency was founded in that city in 1881 by R. O. Woodard and today is operated by George B. Woodard and his son, George B. Woodard, Jr. The agency, having been founded at an early date and being backed with good insurance companies, enjoyed a profitable existence through the year, relying for most of its business on the city population rather than upon farm customers.

Most of the agency's business has been and today still is in the fire insurance and allied lines. Business through the years has been quite steady, but efforts on the part of Mr. Woodard to sell West Union merchants on business interruption insurance had met with almost complete failure.

### Situation Changes

But that all changed in 1946. A cafe, which had been in business in West Union since 109, caught fire one cold November night. The fire started in the basement and burned out the stored products and timbers supporting the main floor. When the timbers became charred and weakened, the floor and all equipment fell into the basement inferno.

The collapse of the floor had a smothering effect and soon the fire died out, but not until all of the equipment was destroyed, the stored products in the basement completely burned and the entire building smoke damaged. Mr. and Mrs. Loftus, owners of the cafe, carried little insurance at the time and no business interruption insurance.

However they eyed the gutted ruins and decided that they would rebuild and remodel the cafe on their own—and today a new modern restaurant stands where the old cafe had been.

But a lesson was learned by all concerned. The cafe was necessarily closed for many months while in the remodeling stage; the fire insurance had been inadequate to meet the full cost of remodeling and there was no insurance to cover the cost resulting from the loss of income during the months the cafe was closed.

### Writes Merchants

Mr. Woodard took advantage of the situation and immediately set out to write business interruption insurance policies while the fire was still prominent in the minds of the merchants. He wrote business interruption coverages for nearly every merchant in town and increased the fire coverages for several others.

It took a loss to educate these people—to point out the value of being fully covered with proper insurance. Such is so often the case—the barn door is locked after the

### IT TAKES A LOSS . . .

(Turn to page 40, please)

*Northwestern Banker, July, 1955*

# ANNOUNCING

## new low price . . . only \$2200

### for Recordak Supermatic Microfilmer

Just check the features of this popular, large-volume microfilmer!

**1** Fronts and backs of documents are recorded simultaneously at 40-1 reduction, which is the highest ratio available today. This enables you to put over 29,000 check-size images on a 100-ft. roll of 16mm. Recordak Microfilm. All documents up to 11 inches wide can be photographed with maximum film economy.

**2** New, high-precision automatic feeder handles over 500 checks per minute

. . . over 200 letter-size documents. *As accurate as it is fast*, this built-in feeder has a separating device that all but ends possibility of documents overlapping. An electric counter shows you the exact number of pictures taken.



**3** Gives you 3 methods of recording to match varying requirements

- (1) Duplex—the fronts and backs of documents are recorded simultaneously side by side on the film.
- (2) Duo—the fronts of documents are recorded down one side of the film, then up the other.
- (3) Standard—the fronts of documents are recorded across the full film width.

**4** Exposes 2 rolls of 16mm. film simultaneously — you'll find this a wonderful convenience and saving when extra film copies are desired for vault storage, branch offices, other departments, etc.



**5** Choice of 5 reduction ratios—ranging from 40-1 (for maximum film economy) to 18-1 (for largest pictures). This increases your scope still further . . . and you can change from one reduction to another by simply interchanging the lens kits in the built-in film unit.

**6** Uses 35mm. film as well as 16mm. film . . . an advantage that will be especially appreciated when large side-by-side pictures are desired of the fronts and backs of accounting forms, statistical records, and other material containing numerous closely spaced entries.

**7** Greater convenience for your operator. She can concentrate on large volume production—

all controls are at her finger tips . . . easily reached from a sitting position. Documents are returned in correct sequence to a receiving tray above desk level. There is ample space for assembling documents prior to microfilming . . . plenty of leg room, too.



The Recordak Supermatic Microfilmer boasts attractive, all-metal design . . . is approximately 4 ft. high . . . requires less than 12 sq. ft. of floor space.

**AVAILABLE FOR IMMEDIATE DELIVERY**

One year of maintenance service at no extra cost.



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*Prices quoted are subject to change without notice.*

**Northwestern Banker, July, 1955**

# It Takes A Loss . . .

(Continued from page 37)

horse has been stolen. It is up to the agents to inform, educate and convince their customers of their insurance needs—and to sell them—before they have a loss.

Today, Mr. Woodard spends the greatest portion of his time outside of the office, as his son and his office assistant, Geneva Lane, do much of the actual office work. As his son puts it, "Dad is doing well to spend a full hour a day in the office, but don't feel that he is loafing, for he's not! Every second he is out of the office he's working; he's meeting with people, chatting with people, building up good

will for the agency. Sometimes he does it over a cup of coffee, sometimes on a street corner, or in the merchant's home or store. But all of the time he's working."

Very little actual soliciting is done, at least not on a cold call basis. The Woodards direct their efforts toward spending as much of their time with present assureds and prospective customers in establishing good will as is possible.

The agency recently purchased a Polaroid Land Camera to use in taking pictures of actual losses—fires, wrecks, disasters—to use in window displays in furthering their educational campaign to convince their customers to buy adequate coverages in all lines.

### Personal Gifts

The Woodards have found personal gifts one of their best forms of advertising, especially when supplemented with institutional newspaper advertising. Annually they present more than 300 yearbooks for recording appointments and other data, and other gifts such as pencils and key cases.

The only direct mail campaigns sponsored by the agency are during the hunting and fishing seasons when the agency pushes trip accident insurance.

Mr. Woodard, himself, has just returned from a trip to Florida's spring baseball training camps where he annually follows the major league teams

in action. And now he once more is preparing to begin his daily chats with his many friends in West Union, chats which lead to increased sales through good will.—\$\$

### WAREHOUSING . . .

(Continued from page 15)

larger sums, related to the capital and surplus of the bank involved, than would be allowed under open conditions; such allowance benefits the smaller bank without sacrificing security.

### A Third Party

It is of paramount importance, however, that the field warehouseman truly is a third party, so that his warehouse receipts and the bank's position as holder cannot be attached and jeopardized in court. The leaders in the field warehousing industry take pride in their position of holders of collateral and their financial responsibility. The field warehouseman has the unique privilege of being in a position to serve the banking profession as well as business.

The inventory, either raw or finished, possessed by the business may be its sole possession having any material collateral value. Field warehousing acts in such a way that through its custodianship the inventory retains its functional availability as a working part of the business and yet, to the bank, the collateral value remains intact or properly released on the bank's instructions.

The bank is thus secured in its function of rendering a valuable finan-

**dependable  
insurance  
service  
since 1900**



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EXTENDED COVERAGE**

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CEDAR RAPIDS, IOWA**

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Yes, our Protected Loan Plan will help you build more GOOD-WILL, LOAN and TIME SALES VOLUME. Write today for complete information about the oldest and finest credit life plan. We will also send you a copy of the BUSINESS BUILDER, which is a real loan and time-sales building help.

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GEORGE OLMSTED,  
President  
HARRY O'BRIEN,  
Vice President and Treasurer  
W. L. COBB,  
Executive Vice President



cial asset to one or many segments of the business community. The businesses themselves are permitted the growth and progress that additional working capital alone can provide.

**Electronic Equipment**

The major field warehousing companies have, in various degrees, utilized the wonders of electronic business machine equipment. This is particularly true in their internal accounting procedures, but has also been utilized in other aspects of the operation.

It is wise, however, to remember that field warehousing is to both bank and business—a service. It is a service that must be used wisely by business in order to be economical and efficient. Like 99 per cent of all services, the value received depends to a large extent upon individual management and control.

It is impossible to state too strongly the importance of the close personal association between the bank, field warehouseman, and the principals of the particular business. The great value of field warehousing is in its flexibility and adaptability to varying conditions in the business climate. From the standpoint of utilizing this great potential of flexibility and adaptability, the personalized and continual contact between the three working members is essential.

**Personal Contact**

Obviously, it is easy for the businessman and the banker, being located either in the same city or at close proximity to one another, to maintain this continual contact. The warehouseman should not delude himself nor should either the banker or businessman be deluded into thinking that electronic wonders may take the place of the very frequent visits to both by representatives of the field warehouse companies. And, further, both the banker and businessman should always have the assurance that the expert knowledge and willingness on the part of the field warehouseman is instantly available for whatever changes in procedure are necessary or desirable.

While the frequent visits with banker and businessman are paramount to maximum efficiency, those visits also provide the banker with a physical inspection and verification of the merchandise under receipt.

It can be stated unequivocally that

there is no substitute for this physical verification of the collateral and, if the banker desires, copies, with or without the value extensions of the inventory records furnished the field warehouseman's representative by the district office, will be willingly furnished. Field warehousing — The Douglas-Guardian Plan—is truly a process for progress.—\$\$

**Stanley A. Longmoor**

Stanley Allan Longmoor, 68-year-old vice president of the Republic National Bank, died May 24 in a Dallas hospital following a brief illness.

A native of Rockdale, Texas, Mr. Longmoor had lived in Dallas since 1917. He became a vice president of Republic in 1929.

*Another* OF THE MANY BANKERS  
PLEASED WITH THE *Service*  
OFFERED BY *Colorado Credit Life*



Mr. James N. Hasburgh (left), Manager of the Loan Department of the UNION NATIONAL BANK in DENVER, COLORADO, is shown receiving a claim check from Mr. C. Bosworth, Jr., Vice President of Colorado Credit Life. On this claim, the existing indebtedness paid off by Colorado Credit Life was \$935.00. The insured died after a very sudden heart attack, while on a business trip. The fact that his loan had been insured removed the distressing situation of debt for the deceased's widow.

*Colorado Credit Life* PAYS  
WHEN YOUR BORROWERS CAN'T...  
PAYS *Immediately!*

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**New Assignments**

The Northern Trust Company of Chicago has announced the promotion of N. Hall Layman from second vice president to vice president in the banking department.

Mr. Layman has been with The Northern Trust since 1937 and is a resident of Hinsdale, Illinois.



N. H. LAYMAN

E. N. STAUB

Two changes of assignment of banking department officers were also announced by The Northern Trust. E. N. Staub, second vice president, will assume duties with Division B, which covers a seven-state area to the north and west of Chicago which includes Iowa, Minnesota, Missouri, Kansas, Nebraska, North Dakota and South Dakota. He will also have specific industrial assignments within the Chicago metropolitan area.

William H. Rentschler, second vice president, joins Division C, which handles business in the eastern and New England states in addition to specific assignments in the Chicago area.

**Top Promotions**

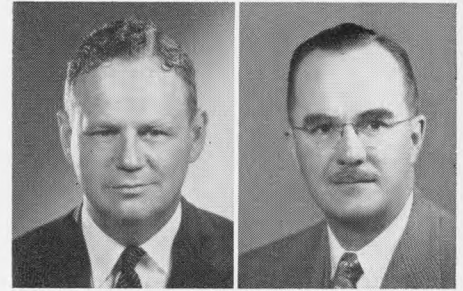
Spencer Chemical Company of Kansas City has announced two promotions in top sales management and the reorganization of its sales division into seven departments. These changes were made necessary by the rapid growth of the sales group and expansion into new fields.

H. R. Dinges, formerly assistant general sales manager, has been named general sales manager, and H. E. Bingham, who was acting director of product sales, has been named general manager of sales services. Mr. Bingham will head the activities of four departments—sales development, agricultural chemicals; sales development, industrial chemicals; traffic and advertising. Both men will report directly to J. E. Culpepper, vice president in charge of sales.

Mr. Dinges joined Spencer in 1947 as industrial sales manager, after serving for some time as southern district sales manager with the Mathieson Chemical Corporation. He later became director of product sales at Spen-

cer and in December, 1954, became assistant general sales manager.

Mr. Bingham joined Spencer in July, 1946, as traffic manager, after having



H. R. DINGES

H. E. BINGHAM

served the Pratt-Whitney Aircraft Corporation of Missouri in the same capacity. In June, 1947, Spencer named him director of traffic, which position he held until he was named acting director of product sales last December.

**AG CREDIT SCHOOL . . .**

(Continued from page 19)

food for thought when the school is over. A person is in close association with bankers from all over the state and a lot of different practices and problems are worked over for the benefit of everyone. It is safe to say it would be impossible to attend such a school and not gain some valued information and ideas.

I would heartily recommend this school to anyone who is able to get away for a couple weeks during the summer.

**E - X - T - E - N - D - E - D**

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**FIRE**  
**WINDSTORM**  
**INSURANCE**

**CENTRAL STATES MUTUAL INSURANCE ASSOCIATION**

Mt. Pleasant, Iowa

**E. A. HAYES**  
President

**O. T. WILSON**  
Secretary

Established in 1929

**G. K. Edge**, cashier, Farmers Trust and Savings Bank, Spencer, Iowa: As cashier of the Farmers Trust and Savings Bank of Spencer, Iowa, and as a graduate of the Agricultural Credit School of Iowa State College, I can recommend the course very highly. There was pleasure in the fellowship and comradeship of the Iowa Bankers who attended the school. The course offered exceptionally fine work in the fields of rural appraisals, crop rotation, farmer-banker relationships, and many others.

Agricultural banking can be greatly assisted by attempts made in schools like this one to face realistically the problems of the farmers in "on the spot training."

To any aspirant for training at Iowa State College, I commend most heartily this course in agricultural credit and especially do I commend the quality of instruction which may be received there.

**Gerald Clause**, cashier, Home State Bank, Jefferson, Iowa: Because of the changing nature of our agriculture, it has become increasingly important in recent years for banks to give more attention to agricultural financing. The problem of personnel to staff our banks and servicing agricultural areas is becoming more apparent each year.

We have sent seven men from our bank to the Agricultural Credit School held at Iowa State College in Ames, not to learn how to become farmers, but to study problems and operations dealing with farm financing.

I would certainly recommend the school to any banker dealing with farmers not only for the class room work, but also for the opportunity to discuss problems and operations with fellow bankers.

**William G. Murray**, head of the ag school says: Our Agricultural Credit School was started with the active co-operation and support of the Iowa Bankers Association because there was no school in the country that concentrated on the problems of the rural banker. There were short courses; many states have them, but no honest-to-goodness school where the bankers have to study as they do in other schools. Rutgers and Wisconsin have schools but they do not place the emphasis on farming that we do. We feel we have a mission and a challenge: To offer an agricultural credit course that will enable rural bank staffs to train themselves to meet the problems they are likely to face in their business.

Four results of our course have cheered us: (1) Each year a new vigorous, enthusiastic group of bankers enroll, (2) a large proportion of men who have had one year enroll to take the second and final year, at the end of which they get a certificate, (3) the alumni of the course tell us they have found their work useful, and (4) we have had continuous splendid support from Frank Warner and other members of the Iowa Bankers Association.

For the future we hope it will be possible to expand to a regular two year program with both a first and second year group, each with a different course of study.

This excellent school has been attended by 256 men during its 10-year history. All of them are striving for a common objective—to learn more about agricultural financing so they can better serve America's biggest businessman—the American farmer.—  
\$\$.

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Harold S. Evans, President

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Credit Insurance, Group Creditor, Life, Hospitalization, Mortgage Plans, and Disability Plans.

We specialize in serving financial institutions.

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WOW BUILDING, OMAHA 2, NEBRASKA, T. LESLIE KIZER, PRES.

**Banks and Other  
Customer Services Division**



GEORGE F. KASTEN  
*Vice President*



# *MEN Make the Difference*

*between mere routine efficiency and  
personal attention to your special needs*

Machines can calculate. Electronic brains can even remember! And the modern facilities of this bank are vital to the efficiency of First Wisconsin service. But *men* make the difference between mere routine efficiency and the kind of *personal* attention you expect—and get—as a First Wisconsin customer. The men pictured on this page head our special division supervising First Wisconsin service to correspondent banks and many business corporations. They welcome every opportunity to meet your *unusual* as well as your usual banking needs.



ROBERT A. ZENTNER  
*Vice President*



D. WESLEY CORRELL  
*Vice President*



DONALD A. HARPER  
*Vice President*



JOHN G. TOPP  
*Assistant Vice President*



L. J. SMOTHERMAN  
*Assistant Vice President*



MARK A. RUSCH  
*Assistant Vice President*

## **First Wisconsin National Bank**

**OF MILWAUKEE**

*Wisconsin's Bank for Banks*

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

*Northwestern Banker, July, 1955*

# Don E. Crouley Named President Minnesota Bankers Association

Record Breaking Crowd of 1,600  
Attends 65th Annual Convention

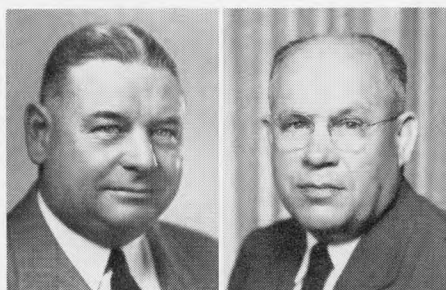
MINNESOTA'S bankers completed their three-day record breaking convention last month in Minneapolis with the election of a new president, vice president, treasurer and three councilmen.

Elected to head the Minnesota Bankers Association for a year's term was Don E. Crouley, vice president, Northwestern National Bank, Minneapolis. Elected vice president for a one year term was Andy Sirek, executive vice president, State Bank of New Prague, and treasurer of the association will be George E. Buscher, president, Alexandria State Bank.

Three bankers were nominated and elected to the council of administration for three year terms. They are: Robert C. Nelson, vice president, Northwestern State Bank of Hallock; Harold L. Hanson, executive vice president, First National Bank of International Falls, and Tom E. Olson, vice president, First National Bank of Starbuck.

Retiring from the presidency of the association is William G. King, executive vice president, First National Bank, Grand Rapids, who will serve on the ten-member council of administration for one year.

More than 1,600 bankers and bank employees jammed the convention headquarters building in Minneapolis during the three-day affair to hear talks from outstanding leaders in the



D. E. CROULEY      A. SIREK  
New President and Vice President  
of Minnesota Bankers Association

field of government, finance, business and public relations. The opening Monday of the convention featured a golf tournament, with Ferris Jones, cashier, First State Bank of Medford, winning the tourney at Interlachen Country Club with a 69 score on the par 73 course.

The business sessions on Tuesday and Wednesday mornings featured speeches by William Burger, Assistant United States Attorney General; Lewis

Castle, administrator, St. Lawrence Seaway; Mrs. Ivy Baker Priest, Treasurer of the United States; W. J. Klein, vice president, Allis Chalmers Company; Dexter M. Keezer, vice president, McGraw-Hill Publishing Company; Wendell T. Burns, senior vice president, Northwestern National Bank, Minneapolis, and Dr. Charles W. Mayo, Rochester, Minnesota.

At the Agricultural Breakfast, bankers heard Dr. G. Burton Wood, head, agricultural economics, Oregon State College, speak on "Faith, Hope and Parity." The 4-H Club of Minnesota was presented an award. The Future Farmers of America and agricultural scholarship winners representatives spoke briefly.

The convention banquet featured an hour long entertainment program and dance on Tuesday evening.

Eight veteran bankers received plaques for 50 or more years' membership in the organization. They are Oscar A. Olson, Sr., Braham; S. P. Steen, Clinton; S. B. Erickson, Jackson; A. M. Anderson, Grand Marias; Ora G. Jones, Sr., Red Wing; John W. Barton, Princeton; W. J. Browne, Wadena, and J. Cameron Thomson, Minneapolis.—\$\$



LEFT—Seated, left to right, are: N. H. Peterson, executive vice president, State Bank of Butterfield; R. A. Christianson, vice president, National Bank of Mankato, and William Kennedy, cashier, Elysian State Bank, Elysian. Standing are R. W. Crouley, cashier, Marquette National Bank, Minneapolis; B. G. Berg, vice president and cashier, Security State Bank, Kenyon;



R. L. LaFrance, executive vice president, Elysian State Bank, Elysian, and John Cleary, assistant cashier, Marquette National Bank, Minneapolis.

RIGHT—J. H. Grinnell, executive vice president and cashier, State Bank of Loretto; Otto Preus, vice president, Marquette National Bank, Minneapolis; Mrs. Grinnell, and A. E. Arntzen, president, Farmers and Merchants State Bank, Appleton.

Northwestern Banker, July, 1955

## Elk River Bank 70 Years Old

SEVENTY years of progress were celebrated this past month at The Bank of Elk River, Minnesota, when bank officers invited the bank's customers and friends to an open house for a "neighborly" cup of coffee.

There were drawings, prizes and gifts and favors for each bank visitor. M. J. Babcock is president; Dr. A. B. Roehlke, vice president, and M. J. Dwyer, executive vice president.

### Took Graduate Study

Three Duluth bankers attended the Rutgers University Graduate School of Banking recently. They are Iver A. Anderson and George G. Barnum, Jr., First and American National Bank, and John Marshall Harris, Northern Minnesota National Bank, both banks being in Duluth.

### New Parking Lot

First National Bank of Austin, Minnesota, has announced the purchase of a customer parking lot across from the bank, on Bridge Street.

At present the lot is leased by the city for public parking and this use will continue until the bank completes its plans later in the summer.

Robert F. Lichty, president, said the purchase of the parking lot was the first step in a program of expanding the bank's facilities. Further details will be made public soon, he added.

### Joins Stephen Bank

Laverne Norman, new assistant cashier, began his duties recently as a member of the staff of the Farmers State Bank, Stephen, Minnesota. Formerly of Roseau, he has had six years of banking experience in Roseau banks. Mr. Norman succeeds Clifford Mork.

### Returns to Adrian

James Wagner, recently discharged from the Army, has resumed the position in the Adrian State Bank, Adrian, Minnesota, which he held before entering the service.

### Minnesota Changes

Appointment of Roy M. Schuette as manager of the Timepay consumer finance department of First National Bank of Rochester, Minnesota, has been announced by Robert A. Bezoier, president.

Mr. Schuette goes to the First National of Rochester from Springfield, Missouri, where he owned an automobile sales business since 1947.

In his new position Mr. Schuette succeeds Raymond L. Roberts, assist-

ant vice president, who has assumed new responsibilities in the commercial banking department.

Also, Richard F. Glasoe, who has been associated since 1953 with the Aberdeen National Bank at Aberdeen, South Dakota, has left to accept a position as assistant manager of the Timepay department at the First National Bank of Windom, Minnesota.

He will be succeeded by George J. Blando, who returns to Aberdeen from the First National at Windom, where for the past two and one-half years he has been assistant cashier and Timepay manager.

### New Drive-In Bank

The Union National Bank of Rochester has announced plans to build a new drive-in bank on the site currently occupied by the Brackenridge Building on Second Street S.W.

### Officers Elected

Officers of the southeastern division of the Minnesota Bankers Association were elected at a meeting in Rochester last month when I. C. Rasmussen, state commissioner of banks, and Floyd Larson, executive secretary of the state association, were on the program.

Twenty banks in Mower, Dodge and Olmsted counties were represented at a dinner. Approximately 125 bankers and their wives and visitors attended.

Charles E. Palmer of Kasson was elected president; Joseph S. Cotter, Rochester, vice president, and C. J. Gislason of Lyle, secretary-treasurer.

### "Man of the Year"

Leonard E. Griffith, 32, has been named Duluth, Minnesota, man of the year by the Duluth Junior Chamber of Commerce.

He is advertising manager for the First & American National Bank in Duluth.

### New Minnesota Bank

J. Cameron Thomson, president, Northwest Bancorporation, Minneapolis, has announced the opening last month of the Silver Bay State Bank at Silver Bay, Minnesota. The new affiliate will serve an entirely new community created by Reserve Mining Company's taconite operation on the north shore of Lake Superior.

Directors are: Arthur O. Lorntson, Beaver Bay; George W. Peterson, Two Harbors; Ben Fenstad, Little Marais; Al Malmo, Silver Bay, and Edward Nauha of Two Harbors. The officers

are: Arthur O. Lorntson, president; George W. Peterson, vice president and cashier, and Roger O. DeBoer, assistant cashier.

Capitalization for the new bank is \$100,000, consisting of capital of \$50,000, surplus of \$30,000 and undivided profits of \$20,000. The bank is a member of the Federal Deposit Insurance Corporation.

### 50th Anniversary

The First National Bank of Hawley, Minnesota, held open house recently when it celebrated 50 continuous years of service to the community.

Free door prizes, lunch and a drawing for prizes were included in the day's activities. Officers, directors and employees of the bank were on hand to show the public through the bank and explain some banking operations.

The bank interior was completely redecorated for the event.

### Crookston Open House

More than 400 persons visited an open house at the First National Bank in Crookston, Minnesota, recently, according to Marvin Campbell, president.

The occasion was the bank's open house observance of Know Your Bank Week. Coffee and doughnuts were served and a free microfilming service was offered.

A \$25 bond was given as an attendance prize. Employees of the bank showed many of the visitors through the bank and explained various banking operations.

On hand for the open house were three of the bank's retired employees, each boasting more than 50 years of service. They are Harry Marsh, former president, and Miss Sue Monroe and Miss M. E. Walker.

### New Building Opening

"Open house" was held last month in the beautiful new building of the State Bank of Shelly, Minnesota. Ed Engelstad is president.

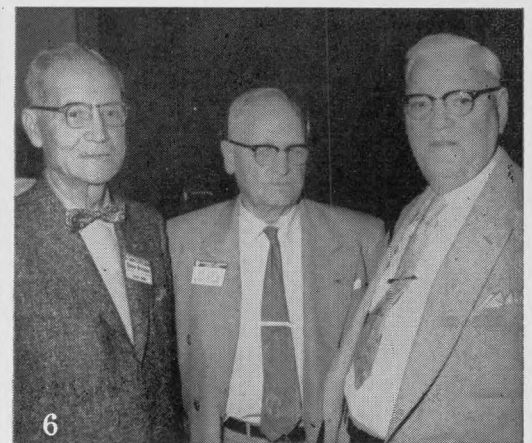
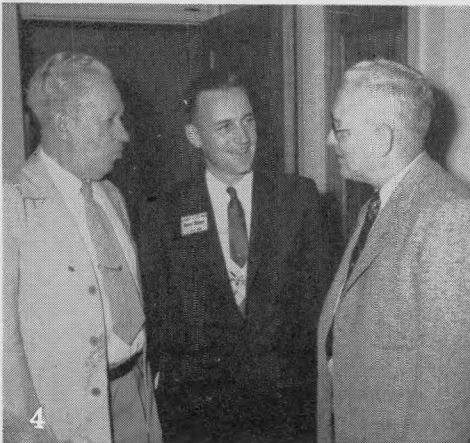
Free coffee and lunch was served to visitors who were urged to examine the quarters in the brick building.

A special eight page section in the *Valley Journal* conveyed congratulatory messages from the Shelly area and banking and business firms associated with the institution.

H. G. Boyer of Climax is vice president and Alvin Aanenson of Shelly is cashier.

### Remodeling at Ulen

A remodeling and redecorating project costing nearly \$5,000 is being completed at the Northwestern State Bank in Ulen, Minnesota. The ceiling has



**A RECORD CROWD** of more than 1,600 attended the Minnesota Bankers Convention last month. Pictured from left to right are some of those who were present for the 65th annual meeting:

1. **Elmer Erickson**, president, Cambridge State Bank, Cambridge, and **Irving Rasmussen**, commissioner of banks for Minnesota, St. Paul.
2. **E. C. Nelson**, vice president, Northwestern State Bank, Hallock, and **Robert G. Ziemer**, assistant cashier, Northwestern National Bank, Minneapolis.
3. **H. G. Hamre**, president, State Bank of Wood Lake, and **W. A. Grossman**, cashier, Hancock State Bank, Hancock.

4. **W. H. Ebert**, cashier, First State Bank, Le Center; **Henry Snyder**, representative, First National Bank of Saint Paul, and **J. B. McRobert**, director, Hardwick State Bank, Hardwick.
5. **F. W. Striemer**, president, Farmers and Merchants State Bank, Alpha, and his granddaughter, **Miss Mary Joyce Bracken**. Miss Bracken was the youngest registrant.
6. **Edwin Brickson**, president, Adrian State Bank, Adrian; **G. M. Seaberg**, president, First National Bank, Winnebago, and **S. B. Erickson**, vice president, First National Bank, Jackson. S. B. Erickson was one of the eight new members of the 50 Year Club.

been lowered and modern bank fixtures installed, according to President A. J. Anderson, Sr.

In addition to this, the institution gave away coin purses and pencils to all those who registered.

and J. Leraas of Citizens State Bank of St. Louis Park was elected vice president.

### To Austin Bank

William Strifert has joined the insurance department of the Austin State Bank, Austin, Minnesota.

A native of Rochester, Mr. Strifert joins the bank with several years' experience in the general insurance field.

After attending the Travelers Insurance School at Hartford, Connecticut, he entered military service.

### Silver Anniversary

Northwestern State Bank of Ortonville, Minnesota, recently brought to a conclusion a week of silver anniversary observance which, in the words of President Otto B. Schneck, was a "tremendous success."

More than 1,225 people registered for the \$200 in savings bonds which were given away as the result of a drawing.

### Central Tri-County Officers

At the annual meeting recently of the Central Tri-County Division of the Minnesota Bankers Association, A. H. Stellner of Lake Lillian was elected secretary-treasurer. Donald Norlie of the First State Bank of Litchfield was elected president. The Central Tri-County Division includes Kandiyohi, Meeker and Renville counties.

### Community Bankers Elect

Reed Macomber, vice president of Richfield State Bank, Richfield, Minnesota, was elected president of the Independent Community Bankers Association of Minneapolis at their recent meeting.

John Cadwell, vice president of Community State Bank of Bloomington, was elected secretary and treasurer,

### Central Division Officers

E. B. Richter of the American National Bank, Little Falls, Minnesota, was elected a director of the Central Division of the Minnesota Bankers Association at the annual meeting in St. Cloud.

Pat DuBois of the First State Bank of Sauk Centre heads the new slate of officers as president.

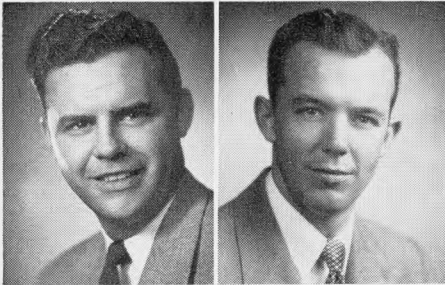
Groups from both Little Falls banks were present. Attending were C. E. Tillander, Mrs. H. A. Siewert, Marjorie Siewert, Al Swintek, Mrs. Edward Kerich and Urban Kapsner of the First National, and F. L. Hartmann, E. B. Richter, Mrs. L. P. Gendron, John Gargaro, Frank Harris, Joseph Korll, Al Tillman, Joan Holowicz, Frieda Petrich, Mrs. Leo Miller and Eleanor Knopik of the American National.

# Twin City News



**T**WO new officers were elected to the official staff of the American National Bank of St. Paul at a recent meeting of the board of directors.

**Jean R. Johnson**, former assistant trust officer of the First National Bank and Trust Company, Tulsa, Oklahoma,



J. R. JOHNSON

R. D. POWERS

was named trust officer and **Richard D. Powers** of the American National Bank was advanced to assistant trust officer. Their election was announced by **Rollin O. Bishop**, president of the bank.

\* \* \*

Organizational meeting of the new First Southdale National Bank was held last month, at which time **Donald W. Judkins** was elected president and other officers and directors were named.

The new bank expects to open its doors in the fall of 1956.

Directors are: **Wallace C. Dayton**, vice president and general superintendent of The Dayton Company; **Marcus W. K. Heffelfinger**, assistant to the executive vice president, Russell Miller Milling Company; **John W. Windhorst**, partner in the law firm of Dorsey, Colman, Barker, Scott and Barber; **Charles E. Corchran** and **Lyman E. Wakefield, Jr.**, vice presidents, First National Bank of Minneapolis, and Mr. Judkins.

Officers, in addition to Mr. Judkins, include Mr. Dayton, vice president, and **Keith P. Maxwell**, cashier. Mr. Maxwell has been associated with First Minnehaha National Bank since 1941 and has served as an officer since 1952.

Northwestern Banker, July, 1955

**Benjamin S. Woodworth**, assistant cashier and veteran advertising executive at First National Bank of Minneapolis, died last month at the age of 54.



BEN S. WOODWORTH

Mr. Woodworth began his career in 1921 with the former Minneapolis Trust Company, of which he ultimately became assistant secretary. When this firm was consolidated with First National, Mr. Woodworth continued with the latter as advertising manager. He was elected assistant cashier in 1946.

In addition, he was advertising manager of First Service Corporation, operations affiliate of First Bank Stock Corporation.

\* \* \*

An open house for the general public was held last month in the new quarters of the Marquette National Bank of Minneapolis, according to **Russell L. Stotesbery**, president.

The bank occupies the entire main floor, second floor and lower level

banking floor of the LaSalle Building, which has been renamed the Marquette Bank Building.

Employees and officers guided visitors to all parts of the bank. Free gifts were provided and a special prize of an all-expense vacation for two to Bermuda was given away in a free drawing.

\* \* \*

**Takao Akiyama**, editor-in-chief and member, board of directors, Sogen-sha Publishing Company, Tokyo, Japan, got some pointers recently on the relationship between publishing houses and banks in America when he visited **Raymond Clausen**, vice president, Northwestern National Bank of Minneapolis.

Mr. Akiyama is participating in the foreign leader program of the International Educational Exchange Service of the United States State Department.

\* \* \*

The Minneapolis Junior Chamber of Commerce paid tribute to Richfield State Bank as an outstanding institution in the state recently on a TV program called "Minnesota U. S. A."

**Reed Macomber**, vice president of the bank, was interviewed on the program by **Ellsworth Johnson**, chairman, Minnesota Development TV Show Committee, and answered questions concerning the bank's progress. **John Gallos**, narrator, made these comments in closing: "The Richfield State Bank is an independent bank, a neighborhood bank, a safe bank."

\* \* \*

A rescue squad of Northwestern National Bank of Minneapolis has just completed eight weeks of instruction under Minneapolis civil defense authorities. Northwestern's squad is qualified to use defense equipment to tunnel through debris to get to victims or rescue them from rooftops.

Squad chief is **Harry L. Tyson**, assistant cashier of the bank, and training instructor is **Merle Tommeraaen**, credit analyst at Second Northwestern.





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Construction of an eight-story addition to the Federal Reserve Bank of Minneapolis is under way and scheduled for completion next year.

Cost of the addition and modernization will be about \$5,000,000. The bank, at Fifth Street and Marquette Avenue in the heart of the Minneapolis financial district, will derive 100,000 square feet of additional floor space, according to **A. W. Mills**, first vice president.

\* \* \*

Employees at the Farmers & Mechanics Savings Bank of Minneapolis had themselves a man-sized counting job recently.

A 63-year-old man had been ordered by police to move from his skid row hotel room so the room could be cleaned. He asked if he could bring his "sack" with him to police headquarters.

There he astounded officers when he dumped the sack's contents on a desk. Out came \$5,754 in currency which the man said he had been saving in his room since he lost \$400 in a depression era bank failure.

Informed that bank deposits now are insured, he asked to be led to the nearest bank. It took eight men two hours to count the money, most of it in dollar bills.

\* \* \*

**G. R. Macomber**, vice president of the Richfield State Bank, has been

elected president of the Independent Community Bankers Association of Minneapolis. Other officers are: **Andrew L. Leraas**, Citizens State Bank of St. Louis Park, vice president, and **John S. Cadwell**, Community State Bank of Bloomington, secretary.

\* \* \*

**Gordon Murray**, president of the First National Bank of Minneapolis, has been named to the board of directors of the Association of Reserve City Bankers. He will fill out the term of **Frederic A. Potts** of Philadelphia, who was elected president.

\* \* \*

**Clarence A. Maley**, prominent St. Paul banker and civic leader, died recently at the age of 61.

Mr. Maley was vice president and trust officer of the American National Bank of St. Paul, with which he had been associated since 1909. He was a past president of the St. Paul chapter of the American Institute of Banking.

\* \* \*

**Donald W. Judkins**, cashier of the First Hennepin State Bank of Minneapolis, has been elected president of the board of directors of the Walker Art Center in Minneapolis.

\* \* \*

**Henry S. Kingman**, president of the Farmers & Mechanics Savings Bank of Minneapolis, has been re-elected president of the Minneapolis Founda-

tion, which administers bequests and gifts for local charitable purposes.

\* \* \*

**J. D. Holtzermann**, Minneapolis businessman and a member of the board of directors of the Fourth Northwestern National Bank of Minneapolis, has been elected to the board of directors of the University of Minnesota Alumni Association.

\* \* \*

The Maple Plain State Bank of Maple Plain, Minnesota, near Minneapolis, marked 50 years in business recently at an open house.

In its half-century of existence the bank has built its assets to \$1,167,125, with deposits of \$1,076,907. **Paul F. Lindholm** is president. **H. V. Miller** and **R. T. Styner** are vice presidents, and **Frank James** is cashier.

\* \* \*

**Floyd Simons**, a vice president of the Northwestern National Bank of Minneapolis, has been elected commander of the Downtown American Legion Post in Minneapolis. **Selmer L. Jerpbak**, president of the Richfield State Bank, is post historian.

\* \* \*

**Cyril L. Lamm** has retired from the First National Bank of Minneapolis where he had been assistant vice president since 1949. He started with the bank in 1911 and also has been active in civic and Masonic affairs.

\* \* \*

**H. C. Luick**, assistant vice president of the Northwestern National Bank of Minneapolis, has been elected vice president of the Minneapolis Association of Credit Men and its service affiliate, Associated Creditors.

\* \* \*

**Mrs. Antoinette E. Hlavacek**, assistant cashier of the Chicago-Lake State Bank of Minneapolis, has been elected to membership in the National Association of Bank Women, an organization of more than 2,000 women holding executive positions in banks and trust companies.

\* \* \*

At the age of 83, most people are well into retirement. Not so with **William F. Kunze**, vice president in charge of the trust department, Marquette National Bank, Minneapolis.

Mr. Kunze gets to the bank daily between 6:30 and 7 a. m. and walks up four flights of steps. A widower, he lives alone and does some of his own cooking and housework.

He was feted by bank employees at a birthday breakfast recently. Mr. Kunze is a former mayor of Minneapolis and a former member of the Minnesota legislature.

The secret of his vigor at 83? He replies: "Drinking coffee and voting Republican."

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## Minnesota Commercial Men's Association

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## BANK OF MONTREAL

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Chicago: Special Representative's Office, 141 West Jackson Blvd.

Seven Minneapolis bankers attended the graduate-school of banking at Rutgers University, New Brunswick, New Jersey, in June.

In the group were **Edward C. Brown, Jr.**, and **Roland T. Thuleen** of the First National Bank of Minneapolis; **Leslie H. Bundlie** of the office of the Comptroller of the Currency; **Raymond Clausen** of the Northwestern National Bank of Minneapolis; **Carl G. Forsberg** of the Farmers & Mechanics Savings Bank of Minneapolis; **John Peter Knutson** of the Midland National Bank of Minneapolis, and **John A. Sweeney** of the national bank examiner's office.

\* \* \*

Women in the banking industry were saluted by Powers Department Store of Minneapolis, in conjunction with the Minnesota Bankers Association in the form of a large newspaper advertisement in the Minneapolis *Star and Tribune* during the association's annual convention.

**Berma Cooper**, commercial teller at the Marquette National Bank of Minneapolis, was chosen by the store as a typical career woman in banking.

Miss Cooper has been with Marquette since 1945.

\* \* \*

**Louis S. Headley**, St. Paul banker and attorney, has been elected chairman of the board of trustees at Carleton College, Northfield, Minnesota. A 1907 graduate of Carleton, Mr. Headley retired in 1950 as president of the First Trust Company of St. Paul.

\* \* \*

Grand opening of the new First Edina National Bank was celebrated at an open house recently. The bank serves southwest Minneapolis and suburban Edina, Morningside, St. Louis Park and Richfield.

The new building features an air conditioned lobby, a drive-up teller's window and "drop-in tellers" for use after banking hours, new tellers' units, two entrances and a new lower level. The parking lot stores 125 cars.

\* \* \*

**Arnulf Ueland**, president of the Midland National Bank of Minneapolis,

announced recently that the bank will construct a drive-in banking facility adjacent to its building at Fourth Street and Second Avenue S.

Mr. Ueland said the bank has purchased a two-story building in mid-block. The ground floor will be utilized for mid-block banking. There will be limited parking space for cars within the structure.

Plans also call for a new bank entrance on Fourth Street immediately adjacent to the drive-in. The project is expected to be completed by September 1.

The second floor of the building will be available for future expansion of the bank's facilities, Mr. Ueland said.

\* \* \*

**Holten Svendsen**, president of the Franklin Co-operative Creamery Association, has been named to the advisory committee of the North Side office of the First National Bank of Minneapolis.

\* \* \*

**L. A. Doherty** of the First National Bank of Minneapolis has been elected to the board of the Northwest World Trade Club.

\* \* \*

**James C. Hoskins** has been elected assistant manager of the St. Anthony Falls office of the First National Bank of Minneapolis. He has been with First National since 1941.

## "Helping Hand"



**ARNULF UELAND**, president, Midland National Bank of Minneapolis, takes "things" in hand as he proceeds to milk the champion Guernsey of Minnesota, **Sanfadair L. Claudia**, in the lobby of the bank during the opening of June Dairy Month in the state. The Minnesota Bankers Association is cooperating with the Minnesota Dairy Industry Committee in promoting the month long observance. Helping President Ueland with the "milking" chores is pretty **Eleanor Maley**, Minnesota's reigning queen of the dairy industry.

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**Arrowhead Bankers Elect**

Eldred Sundberg was elected president of the Arrowhead Bankers Association at a recent meeting at the Pokegama Country Club near Grand Rapids, Minnesota. About 150 bankers from northeastern Minnesota attended the meeting.

Ray Butts, Carleton, is the retiring president. James Claypool, Duluth, was named vice president and Ray Kaatiala, Grand Rapids, secretary-treasurer.

George Fisher, Hibbing, president of the Minnesota Arrowhead Association, told of prospects for the tourist and travel business in the Arrowhead this year.

**Addition in Mountain Lake**

A 27-foot addition is being planned by the Farmers State Bank, Mountain Lake, Minnesota, to house its book-keeping department. The addition will be built in back of the present structure and will be 25 feet wide.

The interior of the bank will be completely remodeled so customers can be served more efficiently. The front of the present building will undergo a face-lifting and its modernized facade is expected to fill a prominent

place in Mountain Lake's attractive business district.

**50th Anniversary**

The First State Bank of New Market, New Market, Minnesota, celebrated the 50th anniversary of its incorporation last month with an open house at the bank.

The present directors are J. J. Zweber, R. R. Kaufenberg and Arnold Vogel. The officers at the present time are J. J. Zweber, president; R. R. Kaufenberg, vice president; Arnold Vogel, cashier, and Wilfred Vogel, assistant cashier.

Arnold Vogel started his banking career at the First National Bank of Shakopee in 1910. He was appointed cashier of the New Market bank January 30, 1913.

**Increase in Surplus**

Directors of the Northwestern State Bank of Ortonville, Minnesota, have approved an increase in surplus to \$100,000. Capital and surplus now total \$150,000, having tripled in the last 10 years, according to Otto Schneck, bank president.

The capital structure now totals more than a quarter of a million dol-

lars, consisting of the following: Capital stock, \$50,000; surplus, \$100,000; undivided profits and reserves, \$116,754.69, for a total of \$266,754.69.

**Remodeling in Tracy**

Plans for remodeling the Farmers and Merchants State Bank, Tracy, Minnesota, have been completed and work began July 1.

**West Central Election**

Paul Bergien of the Alexandria State Bank, Alexandria, Minnesota, was elected vice president of the West Central Division of the Minnesota Bankers Association at the annual election of the group held recently at Morris.

Mayo Johnson of the First Farmers National Bank of Alexandria and Neuman Olson, First National Bank of Osakis, were elected to the board of directors.

The group adopted a resolution reaffirming its previous action of endorsing George E. Buscher, Alexandria State Bank, as a candidate for treasurer of the Minnesota Bankers Association, at the election held at the annual meeting of the group in Minnesota last month.

**THE BANK****AT THE YARDS**

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**CLIFFORD L. ADAMS**  
Vice President  
**WILLIAM C. SCHENK**  
Vice President  
**STANLEY W. EVANS**  
Vice President  
**JOHN S. HAVER**  
Cashier  
**JAMES L. SMITH**  
Asst. Cashier and Auditor  
**KINLEY W. SMITH**  
Asst. Cashier  
**BEN E. HOLTENDORF**  
Asst. Cashier  
**RAWS A. JENSEN**  
Asst. Cashier  
**R. K. DRAPER**  
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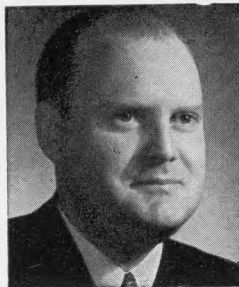
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## South Dakota NEWS



**CARL E. BAHMEIER, JR.**  
Secretary  
Huron

### Superintendent Resigns

State Bank Superintendent Roy H. Fenner has resigned to accept a position as vice president of the Rushmore State Bank in Rapid City, South Dakota.

Governor Joe Foss announced he has accepted the resignation, effective July 15.

Mr. Fenner was named superintendent in 1953 by former Governor Sigurd Anderson. Prior to that he had been affiliated with banks in Milbank and Minot, North Dakota, and Wilmot and Sioux Falls. He was chief examiner for the state banking department for three years.

He has been in the banking business since 1917.

### Junior Employee School

The Sixth Annual Junior Employee Conference, South Dakota Bankers Association, will be held on the campus of the University of South Dakota, Vermillion, from July 12 through 15. The classes will begin Tuesday morning at 9 and will conclude Friday noon. This will enable most of the registrants to work in their respective institutions Monday and Saturday of that week. An attractive panel of instructors has been secured for the conference, and Chairman Plowman and the education committee hope each bank in the state will be represented by at least one junior employee.

### Bank Award to 4-H Club

A traveling plaque for outstanding performance, awarded each year by the Live Stock Bank of Artesian, South Dakota, at the annual 4-H Club Talent Show for the clubs in Sanborn county, was awarded this year to the Union Farm Hands of Artesian.

### Reallocation of Taxes

The Rapid City, South Dakota, commission, meeting recently as a board of equalization, approved a resolution offered by the Huron city commission which asks for the reallocation of the taxes on the net earnings of South Dakota banks.

Under the present tax structure, banks are taxed 3 per cent on their

net earnings in lieu of a personal property tax. None of the tax is allocated back to the county, city or school district in which a bank operates.

The resolution would change the tax law so that counties, cities and school districts would receive a share of the tax.

### Heads Big Stone Bank

Ray Nelson, who has had eight years of banking experience, six of which were with the Pierre National Bank and two with the bank at Onida, South Dakota, has accepted the position as cashier and manager of the Big Stone City State Bank.

### Sioux Falls News

**TOM S. HARKISON**, president, National Bank of South Dakota, was elected president of the Sioux Falls Industrial and Development Foundation. The foundation was formed as a result of an 18-month effort by the industrial committee of the Chamber of Commerce.

\* \* \*

New officers of the Sioux Falls Chapter of the American Institute of Banking are: **Gordon Curren**, Northwest Security National Bank, president; **Dale Nelson**, Sioux Valley Bank, vice president; **Richard Munce**, Northwest Security National Bank, secretary, and **Earl Bendt**, Union Savings Bank, treasurer.

**Robert Miller**, National Bank of South Dakota, was elected, with Mr. Munce and Mr. Bendt, to the board of governors.

The election took place at a banquet addressed by **Carl Voigt**, senior vice president of the Northwest Security National Bank, and **Curtis Kuehn**, retiring president of the Sioux Falls Chapter, A.I.B.

\* \* \*

**Tony Westra**, vice president, Northwest Security National Bank, toured the Spencer Chemical Company's Jayhawk Works in Pittsburg, Kansas, as part of a bank farm representatives' program held in Kansas City.

\* \* \*

**J. V. Lowe**, president, Northwest Security National Bank, Sioux Falls, South Dakota, has announced the elec-

tion of four new assistant cashiers. They are **Eugene T. Hobbs**, **Eugene A. Garry**, **Richard G. Munce** and **Gordon J. Curren**.

Mr. Hobbs has been in the banking business for a number of years and presently is a loaning officer in the bank's installment loan department. Mr. Garry has been agricultural representative at the bank since 1952; Mr. Munce was assistant in the real estate loan department, starting with the bank in 1946, and Mr. Curren, starting with the Northwest Security National in 1947, has served in various capacities.—\$

### 60 at Tax Institute

Sixty Kansas City attorneys, specializing in tax and estate work, attended a tax institute last month sponsored by the trust department of City National Bank & Trust Company, Kansas City, Missouri.

Following a luncheon at the bank, the afternoon session opened with a talk by Joseph Trachtman, New York City attorney and professor in the graduate division of New York University law school. Mr. Trachtman, who is also tax editor for *Trusts and Estates* magazine, discussed changes and advantages in the new tax law as it pertains to trusts.

The second institute speaker was Robert Lawthers of Boston, director of benefits and pension business for the New England Mutual Life Insurance Company. He reviewed the new tax rules relating to insurance and analyzed insurance contracts and the use of options in estate planning.

Charles G. Young, Jr., vice president and trust officer of City National, concluded the meeting with a discussion of common trust funds and the regulations governing the operation of trust departments of national banks.

In the evening, City National entertained the institute group at a supper in the penthouse and roof garden of the bank. Speaker was Tom Collins, City National's publicity director.

### Famous Office Moved

The bank which for nearly half a century has served the foremost stage and screen personalities moved into sparkling new quarters last month at Broadway and 40th Street, Manhattan.

First National City Bank's Times Square branch moved a short block down Broadway to the site of the famous Empire Theatre. Many of the prominent theatrical stars whose voices echoed across the footlights of the Empire are customers of the bank who drop in frequently to transact business or to chat with Walter Brotherton, vice president in charge.

**Continental Director**

William A. Hewitt, president of Deere & Company, last month was elected a director of the Continental Illinois National Bank and Trust Company of Chicago, to succeed the late Charles D. Wiman.

Mr. Wiman, former president of Deere & Company, had served as a director of the bank since 1940.

Mr. Hewitt, after serving as lieutenant commander in the U. S. Navy, joined the Deere organization in 1948. He was elected a vice president and appointed general manager of the San Francisco branch of the John Deere Plow Company in 1950, and was elected a director of Deere & Company in April, 1951.

In 1954, Mr. Hewitt was named executive vice president of the parent company and this year succeeded Mr. Wiman as president.

**Elect New Director**

Guaranty Trust Company of New York announces the election to its board of directors of John T. Dorrance, Jr., assistant to the president of Campbell Soup Company. He has been associated with the Campbell Company since 1946 and is also a director of that company and a number of its affiliates.

Guaranty Trust Company also announces the appointment of Bernard F. Curry as a trust officer and of Robert C. Mervine as an assistant treasurer. Mr. Curry has been associated since 1947 with the law firm of Davis Polk Wardwell Sunderland & Kiendl. Mr. Mervine joins Guaranty after eight years service with Chemical Corn Exchange Bank, where he has been an assistant manager. Earlier he was with Yokohama Specie Bank, Ltd., in New York, and with Sperry Corporation.

**Retail Sales Manager**

Appointment of George G. Cronin as manager of the Mosler Safe Company's retail sales division was announced in New York by John Mosler, executive vice president.



G. G. CRONIN

Mr. Cronin will be responsible for all phases of Mosler's national branch operations. The position is new, created to add sales and administrative support to the firm's growing branch operation, Mr. Mosler said.

**All-Time Sales Record**

All monthly sales records in the 61-year history of Investors Diversified Services, Inc., Minneapolis, were broken during May, 1955, reported Grady Clark, vice president of sales. The grand total was \$83,705,646.

**Holds Sales Meeting**

Many new and constructive ideas for the operation of the Douglas-Guardian Warehouse Corporation, a national field warehouse corporation, were advanced at the annual sales meeting held in New Orleans in May. The meeting was directed by John J. Voelkel, Jr., president, and Neil A. Bryning, vice president and general manager.

Attending were officers in charge of various offices around the country, corporation attorneys and auditors. Among the points discussed were the protection afforded lending agencies by Douglas-Guardian warehouse receipts, the frequent audits of operations and the bond coverage of the corporation. Also discussed were sales plans and advertising procedures for the coming year.

The company is the only national field warehouse company with executive offices in the deep south.

*Even at night* the lights burn bright...

Member  
Federal Reserve System  
Federal Deposit Insurance Corporation

*the lights burn bright...*

*to speed up our Correspondent Bank's items*

**The Central's Nite Transit Service**

Deep into the night our Nite Transit force sorts and processes remittance letters, quickly and efficiently. This means reduced clearance time... faster check dispatch to destination... and shorter collection time for our correspondent banks.

*Join the Central's Correspondent Banks now using this fast Nite Transit Service. Call or write for our self-addressed remittance letters.*



**THE CENTRAL BANK & TRUST CO.**

15th and Arapahoe Streets, Denver, Colo.



## North Dakota NEWS

**LEE M. STENEHJEM**  
President  
Watford City

**C. C. WATTAM**  
Secretary  
Fargo



### Convention Dates Set

The 1956 convention of the North Dakota Bankers Association has been set for May 18 and 19 and will be at Williston, as reported in the June issue of the *NORTHWESTERN BANKER*.

### Elected Chapter President

Christie Bantz, Bank of North Dakota, Bismarck, was named president of the Missouri Valley Chapter, American Institute of Banking, recently at an evening banquet attended by 65 chapter members.

Mr. Bantz succeeds Emil Kautzman of the Dakota National Bank, Bismarck.

Other new officers are: Bill Krueger, First National Bank of Mandan, first vice president; Miss Phyllis Gross, Dakota National Bank, second vice president; Mrs. Charlotte Chase, Bank of North Dakota, secretary, and Pete Welk, Dakota National Bank, treasurer.

Professor I. E. Solberg of the Bismarck Junior College faculty presented certificates to 35 who recently completed a course in "Fundamentals of Banking."

### To Attend School

More than 100 young North Dakota bankers have signed up for the School of Banking this fall at the University of Wisconsin.

### Co-Hosts to Conference

The Central States Conference, an organization composed of the officers of 16 central states bankers' associations, will meet at Rapid City, South Dakota, July 16 to 19 for an association work shop. North Dakota Bankers Association will join with South Dakota as hosts to this organization.

### Lunt Heads A.I.B.

Bernard J. Lunt of Fort Worth, Texas, was elected president of the American Institute of Banking for 1955-56. Leroy S. Clark of New York City was elected vice president. The results of the election were announced at the closing business session of the

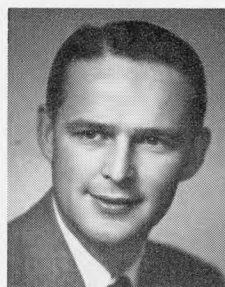
Institute's 53rd annual convention in Miami.

Mr. Lunt is assistant vice president of The Fort Worth National Bank and Mr. Clark is vice president of The Marine Midland Trust Company of New York City.

Four men were elected for three-year terms on the Institute's executive council. They are: Clarence Edner, First Western Bank & Trust Company, San Francisco, California; David Lloyd, Jr., Wyoming National Bank of Wilkes-Barre, Wilkes-Barre, Pennsylvania; Clifford A. Plumb, Merchants & Mechanics Bank, Flint, Michigan, and T. Crawford Clark, Jacksonville branch, Federal Reserve Bank of Atlanta, Jacksonville, Florida. Mr. Clark defeated Morgan W. Price, Jr., of the Florida National Bank, Orlando, Florida, for the only contested seat on the council.

### Tulsa Promotions

A new officer has been named to the correspondent bank department of the First National Bank and Trust Company of Tulsa, according to R. Otis McClintock, president.



**M. E. MITCHELL**

The new correspondent banker is **Mason E. Mitchell**, an assistant cashier. The move follows the promotion of Richard A. Wagner, 20-year veteran of the bank, to vice president and head of the department which works with banks in 21 states of the mid-continent and northwestern areas.

James K. Meredith, former well-known Tulsa attorney, also has been promoted to assistant trust officer of the First National Bank and Trust, according to Mr. McClintock.

### Bankers Trust Changes

B. A. Tompkins, for 37 years an officer of Bankers Trust Company and a director since 1925, has resigned as executive vice president to take up new duties as first vice president of

the newly formed Greater New York Association, Inc., the non-profit racing association authorized by recent legislation.

Three promotions and six new appointments to the official staff of Bankers Trust also were announced by S. Sloan Colt, president.

Elevated to the post of assistant vice president were Arthur B. Griffin, Jr., and E. G. Grimm, formerly assistant treasurers.

Promoted to the post of assistant manager of the London branch was David Summers, formerly auditor of the overseas office of Bankers Trust Company.

In addition to the recent promotions, four new assistant treasurers in the company's banking department were elected. They are Robert F. Ahlborn, C. Barse Haff, Frank Mauro and William L. Rockholz.

### McDonnell Reappointed

Reappointment of William A. McDonnell of St. Louis as chairman of the finance department committee of the Chamber of Commerce of the United States has been announced by Chamber President A. Boyd Campbell. Mr. McDonnell is president of the First National Bank in St. Louis and a vice president of the Chamber.

The finance department committee studies problems affecting domestic banking, monetary policy and business finance. It also deals with international fiscal and financial affairs.

### Home Office School

Personnel from all branches of Employers Mutual Casualty Company in the United States and Canada attended the company's Annual Conference and School at the home office in Des Moines early last month.

Principal purposes of the meeting were to discuss new policy contracts and changes in contracts recently introduced and to improve service rendered nation-wide by the company through its branch offices.

M. J. Wilkinson, vice president and superintendent of agencies, presided over the meeting. Luncheon speakers introduced by Mr. Wilkinson included W. A. Owens, dean of the department of psychology at Iowa State College, Ames, and Verne R. Martin, former salesmanager of Maytag Company, Newton, who is a nationally prominent sales executive.

J. W. Gunn, chairman of the board, and John F. Hines, president, addressed the meeting, in addition to several other home office and branch office officials.

## **John J. Burke, Butte, Named President By Montana Bankers**

MEMBERS of the Montana Bankers Association last month elected John J. Burke, president of the Metals Bank and Trust Company, Butte, as their new president for 1955-1956.

Other officers serving with Mr. Burke are First Vice President E. F. Galt, chairman of the board of the First National Bank, Great Falls; Second Vice President V. C. Hollingsworth, president of the Citizens State Bank, Hamilton, and Robert Wallace, who was re-elected secretary-treasurer.

The 1955 convention was the largest convention in Montana's history, with more than 400 persons registering at Canyon Lodge in Yellowstone Park, a spot which annually has brought many out of state bankers back year after year.

At the meeting, Retiring President L. A. Christensen, president of the Bank of Glacier County, Cut Bank, was presented with a traveling bag after presenting Mr. Burke with the gavel of office.

Brooke Hartman, president of the Gallatin Trust and Savings Bank, Bozeman, was named president of the Twenty-five Year Club, replacing A. T. Hibbard, chairman of the board, Union Bank and Trust, Helena. First vice president of the club is Frank Sauer, president, First National Bank, Billings, while second vice presidency was voted to I. H. Bolitho, president of the First National Bank of Butte.

### **New Group President**

Ernest W. Iverson, Kalispell, Montana, was elected president of Group 3, Montana Bankers Association, at the group's recent annual meeting. Mr. Iverson succeeds A. P. Minde, Libby.

P. B. Bannister, Thompson Falls, was elected vice president, and H. S. Hanson, Polson, secretary-treasurer. Group 3 is made up of bankers in western Montana.

L. A. Christensen, Cut Bank, president of M.B.A., and R. C. Wallace, Helena, secretary, spoke to the convention.

### **Roy J. Covert**

Roy J. Covert, 80, who had been prominently identified with the city's financial history and its civic and business progress for more than 45 years, died at his home in Billings, Montana.

Mr. Covert was founder and president of the Covert Finance Company.

He was one of the incorporators of the Merchants National Bank and first joined the bank's staff as cashier. He later advanced to vice president and president.

The institution participated in organizing banks in Molt, Rapelje, Wheat Basin, Laurel, Bridger, Worden, Pompeys Pillar, and Hardin, Montana, and Lovell and Greybull, Wyoming.

When the Merchants National was merged in 1921 with the Yellowstone National Bank, Mr. Covert headed the new institution, the Yellowstone Merchants National Bank, as president. The banking house was taken over in 1923 by the Midland National Bank.

He left banking in 1923 to manage the Yellowstone Merchants Loan Company and within a year organized his own investment business, the Covert Finance Company, which he had since headed as president.

### **New Officers**

L. A. Christensen, president of the Bank of Glacier County, Cut Bank, Montana, has announced the resignation of Jack Mears as cashier and vice president.

Bank directors have elected R. R. (Bart) Bartschi of Boise, Idaho, as second vice president, and George Waggoner was advanced from assistant cashier to cashier.

Mr. Bartschi has been deputy to the commissioner of finance for the state of Idaho.

### **New Credit Officers**

Arthur J. Cade, executive vice president of the Old Republic Credit Life Insurance Company of Chicago, was elected chairman of the board of Consumer Credit Insurance Association at its fourth annual meeting, held at the Nippersink Manor, Genoa City, Wisconsin, last month.

Allen J. Lefferdink, president of Colorado Credit Life of Boulder, was elected association president.

The following were elected vice presidents: Dwight W. Hollenbeck, president of The Credit Life Insurance Company of Springfield, Ohio; and Theodore S. Sanborn, president of North Central Life Insurance Company of Saint Paul, Minnesota.

John D. Mace, vice president of Central States Health and Accident Association of Omaha, was elected secretary-treasurer.

William J. Walsh was re-elected general counsel of the association.

### **Machine "Reads" Checks**

The prototype of a new electronic device which "reads" travelers checks at the rate of 7,200 an hour and automatically punches the information into punch cards was demonstrated for the first time at The First National City Bank of New York by Burroughs Corporation.

The new Burroughs machine is designed to automatize final processing of the many million National City Bank travelers checks which are returned for payment annually from all over the world. It is described as the first workable bank equipment to "read" directly from a source document without the need of human intervention or an intermediate coding operation.

George A. Guerdan, vice president and cashier of The First National City Bank, said that the equipment has been undergoing successful field tests at the bank's Wall Street offices.

### **Six New Officers**

The appointment of six officers at Manufacturers Trust Company of New York, was announced last month by Horace C. Flanigan, president.

The new appointees are: George C. Wolf as vice president and officer-in-charge of the bank's Canal Street office; Daniel I. Sargent as an assistant treasurer; and Arthur C. Langsdorf, Frank R. Abell, W. Gordon Innes and Henry S. Mohr as assistant secretaries.

It was also revealed last month that two Manufacturers Trust officers have been appointed to high positions outside the bank. E. Vincent Curtaigne, a trust officer, has been named to New York City's new Transit Authority by Governor Averell Harriman. John I. McInerney, secretary, has been elected treasurer of the American Society of Corporate Secretaries.

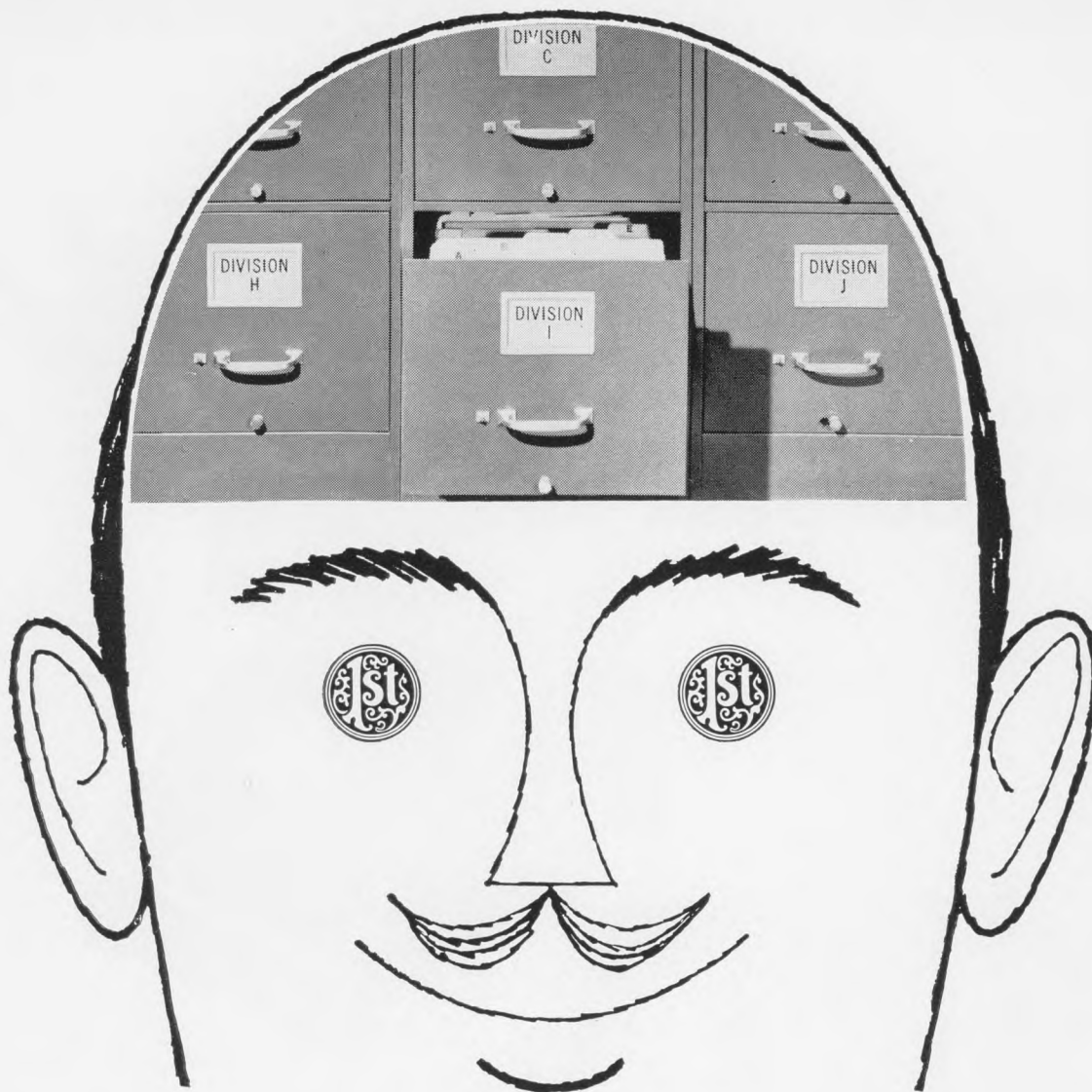
### **New Officers Elected**

Arch F. LeQuesne and E. L. Stone were elected vice presidents of California Bank, Los Angeles, at a meeting of the board last month. Frank L. King, president, announced.

C. D. Sherman, Paul E. Uhl, R. A. Walter, and W. H. Wieland, Jr., were elected assistant vice presidents. Elected assistant cashiers were C. D. Baillie, H. O. Benton, F. W. Peterson, C. W. Roberts, R. W. Starr, and E. S. Vojacek.

Sherman McFedries, former account executive with a Los Angeles advertising company, has joined the public relations staff of California Bank.





## Here's the information you need!

When you make decisions in commercial lending, you want the most current and accurate information available. Often it must go beyond what you can find in print and from your local sources.

That's where the officers of our Commercial Department can help you. You see, instead of serving a geographical area, they serve a certain group of industries. They have close, firsthand contact with

the fields they serve. As a result, their knowledge is up-to-date and it's specific.

This knowledge is available to you through our Division F—the Division that specializes in serving our correspondent banks.

If you'd like to benefit from this or any of our correspondent services, contact us today! A man 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*

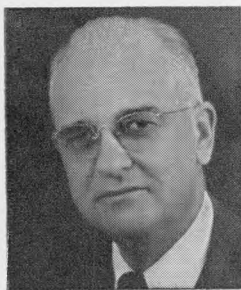
HUGO A. ANDERSON, *Vice-President* GAYLORD A. FREEMAN, JR., *Vice-President*  
 GUY C. KIDDOO, *Vice-President* HERBERT P. SNYDER, *Vice-President*



# The First National Bank of Chicago

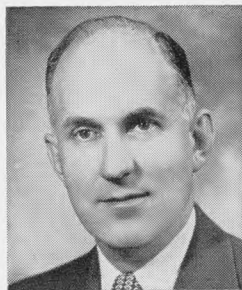
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION





**J. V. JOHNSON**  
President  
Tecumseh

## Nebraska NEWS



**HARRIS V. OSTERBERG**  
Secretary  
Omaha

### Bank's Farm Man

W. H. McDonald, chairman of the board of McDonald State Bank, North Platte, Nebraska, has announced the appointment of J. H. Toillion as agricultural representative for the bank.

J. Y. Castle, president of the bank, said Mr. Toillion will work in the country.

### Services Added

The Beatrice National Bank, Beatrice, Nebraska, has taken steps to extend its services by installing drive-in service and parking space for customers.

W. W. Cook, executive vice president of the bank, said space for this improvement will be a parcel of land, 100x140 feet, just south of the present bank building.

### Farm Meeting

The general farm meeting, held at the Wausa, Nebraska, auditorium recently, was attended by 200 farmers and interested spectators. This meeting was the first of a series of educational meetings sponsored by the Commercial State Bank, Wausa.

The program, covered farm social security, with H. F. Benjamin conducting the discussion. This was followed by a lecture on summer feeding on pasture, and stilbestrol feeding by Dr. Paul Guyer, extension animal husbandry department, University of Nebraska College of Agriculture.

### Harry L. Miller

Harry L. Miller, one of the founders of the State Bank of Scotia, Nebraska, and the bank's president, died last month of a heart attack. He had been president of the bank since 1934.

### Add Farm Man

Carl C. Dale, county agent of Valley County, Nebraska, has been employed by the Gering National Bank, Gering, Nebraska, as a good will ambassador in the field of livestock and agriculture.

### 75th Anniversary

Approximately 500 persons dropped in last month to offer their congratu-

lations to the officers and directors of the Richardson County Bank, Falls City, Nebraska, on the institution's 75th anniversary.

The bank received many gifts, flowers, congratulatory letters, cards and telegrams from individuals and banks, including those from New York and Chicago.

Representatives of The Tootle National Bank, First National Bank, and the St. Joseph Stock Yards Bank, St. Joseph; the First National Bank of Lincoln; Commerce Trust Company, First National Bank, and the Federal Reserve Bank of Kansas City; and the Omaha National Bank and the Federal Reserve Bank of Omaha attended the open house in addition to many banker friends from within the county.

### Saddle Awarded

Top honors as the best all-around cowboy in the rodeo at Harrison, Nebraska, went to two boys, Gary Trego, Sutherland, and Bruce Quintard, Harrison. The Sioux National Bank of Harrison offered a \$400 saddle to the best all-around cowboy, and it went to Mr. Quintard on the flip of a coin.

### C. H. Waldo

C. H. Waldo, president of the Commercial State Bank at Republican City, Nebraska, died last month after a heart attack.

### Open House Celebration

Nearly 400 persons attended the Security State Bank's 50th anniversary open house celebration in Broken Bow, Nebraska, last month. Representatives of Omaha and Lincoln banks were on hand.

### Martha Finlay Ralston

Martha Finlay Ralston, assistant cashier of the McDonald State Bank, North Platte, Nebraska, died last month at her home following a brief illness. A native of Ireland, Miss Ralston had been with the bank since 1926.

### Construction Begins

Construction began last month on the new Citizens State Bank, Thedford, Nebraska. The building will be 26 feet by 50 feet and will be of brick exterior with light weight pumice interior. No completion date has been set.

### Receives Diploma

Fred H. Yost, chairman of the board of Farmers & Merchants Bank, Milford, Nebraska, received his diploma last month from the Harvard High School. Mr. Yost left school 50 years ago without graduating. He enrolled in a University of Nebraska extension course some time ago and has completed units in history, government and English.

## York Bank Completes Remodeling



**REMODELING HAS BEEN COMPLETED** at the First National Bank of York, Nebraska. The newly remodeled quarters present a more pleasant banking atmosphere for the customers and a more efficient and comfortable working area for employees, according to **R. E. Misko**, executive vice president of the bank.



## Omaha News

**CLARENCE F. WITT**, chairman of the board of the South Omaha Bank, and **Mrs. Witt** have incorporated C. F. Witt, Inc., a real estate and insurance sales firm. The company also will make mortgage loans, Mr. Witt said.

The firm expects to go into business about August 1.

Articles filed with the secretary of state list authorized capitalization of \$10,000.

\* \* \*

"Common Stocks as Long-Term Investments" was the topic of **George H. Norton, Jr.**, vice president of the Omaha National Bank and president of the Nebraska Security Analysis Society, speaking before the Rotary Club at Hotel Fontenelle recently.

\* \* \*

**Ellsworth Moser**, president, United States National Bank, Omaha, has been named a vice president of the Omaha Chamber of Commerce.

\* \* \*

**Henry C. Karpf** and **Ralph E. Kiplinger** were elected last month by the Omaha school board to four-year terms on the University of Omaha Board of Regents. Their terms began July 1.

Mr. Karpf is vice chairman of the board of the Omaha National Bank.

Mr. Kiplinger is president of Guarantee Mutual Life Insurance Company.

The new members will replace

**George C. Pardee**, general counsel of Metropolitan Utilities District, and **Dean Vogel**, vice president of the United States National Bank of Omaha.

\* \* \*

In order to keep pace with the industrial growth of Omaha, directors of The United States National Bank have announced an increase of \$1,000,000 in the bank's surplus. Common capital now is \$2,000,000, surplus \$3,000,000 and undivided profits and unallocated reserves \$1,500,999, for total capital funds of \$6,500,999.

**Ellsworth Moser**, president, said the added surplus will permit an increase in the legal loan limit to \$500,000 for individual accounts.

\* \* \*

**Howard W. Pritz** has been appointed cashier of the Omaha branch of the Federal Reserve Bank. He succeeds **Urwin S. Berry**, who retired last month after more than 36 years at the branch.

Mr. Pritz assumed his duties July 1. He has been an assistant cashier of the Denver, Colorado, branch. He started with the Federal Reserve in 1928 as an office boy.

Mr. Berry's career began in 1919 as a bookkeeper in the Omaha branch. He became assistant cashier in 1942 and cashier in 1954.

His retirement came after a long illness.

**William E. Rhoades**, 88, retired vice president of the United States National Bank, died recently in Los Angeles.

He was the oldest thirty-third degree Mason belonging to Omaha Masonic bodies.

Mr. Rhoades went to work for the bank in 1884, was elected an officer in 1906 and retired in 1925.

\* \* \*

**Frank Hejl**, 67, Omaha National Bank, Omaha, retired the first of this month after 43 years in banking.

Forty-two years of his banking career were with the Live Stock National Bank which was merged last year with Omaha National.

Mr. Hejl became one of the best known workers in the bank in South Omaha through his ability to speak several Slavic languages.

\* \* \*

**William B. Hughes**, 79, former manager of the Omaha Clearing House Association and secretary of the Nebraska Bankers Association, died last month in Omaha. He had held both positions 40 years, retiring nine years ago.

When the Omaha branch of the Federal Reserve Bank was opened in 1917, Mr. Hughes declined an appointment as a director and its manager.

\* \* \*

**Win F. Guild**, 67, Omaha stock broker since 1922, died unexpectedly at O'Neill, Nebraska, recently. Friends said Mr. Guild had been visiting at O'Neill and apparently died of a heart attack.

Mr. Guild was manager of the Omaha office of H. O. Peet & Company.

\* \* \*

**Jacob Quin Mortenson**, 52, died recently at his home in Corpus Christi, Texas.

He was born and reared in Council Bluffs. Mr. Mortenson was employed by the United States National Bank 30 years before retiring in 1953.

\* \* \*

**Ellsworth Moser**, president of the United States National Bank, Omaha, is among five members appointed by **Governor Victor Anderson** to the newly-created Omaha Parking Authority. Mr. Moser's term is for four years.

The newly-created authority was formed for the purpose of studying possibilities of parking facilities beneath the Douglas county courthouse lawn.

### Underwriters of

#### IOWA AND NEBRASKA MUNICIPAL BONDS

Public Utility, Industrial, Railroad & Corporate Securities

### CENTRAL REPUBLIC COMPANY

INVESTMENT BANKERS

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INS. EXCHANGE BLDG.

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MEMBERS OF MIDWEST STOCK EXCHANGE

**BANKS** BOUGHT AND SOLD

50 YEARS OF CONFIDENTIAL DIGNIFIED SERVICE

*The Old Reliable*

**CHARLES E. WALTERS CO.**

1313 FIRST NATIONAL BANK BUILDING OMAHA, NEBR.

# Our Men Talk *Your* Language

Our loan men don't do all of their business across a desk. They often go right to your store . . . or plant . . . or shop . . . so you can show them what you need, on the spot.

They have a working knowledge of a lot of businesses, which helps them understand *your* problems and *your* needs.

No matter what kind of business you're in, you'll find a loan officer at The Omaha National Bank who knows the kind of financing you want.

A man you can do business with, because he talks *your* language.

## The Omaha National Bank

"Helping Omaha Grow Since 1866"

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

*Northwestern Banker*, July, 1955

## St. Joseph News

**THOMAS J. McCULLOUGH**, president of First St. Joseph Stock Yards Bank, was elected president of the St. Joseph Clearing House Association last month. **Milton Tootle**, president of Tootle National Bank, was elected vice president and **Charles F. Burri**, assistant vice president of Tootle National Bank, was re-elected secretary-treasurer.

\* \* \*

**J. M. Ford II**, president of First National Bank, St. Joseph, has been elected first vice president of the Citi-

zens Improvement Association of St. Joseph.

\* \* \*

**Benton Calkins, Jr.**, vice president and cashier of American National Bank, St. Joseph, left the middle of June on a trip to Mexico and will return early this month.

\* \* \*

**Tom J. Butler**, assistant cashier of American National Bank, vacationed in June in the Ozarks.

\* \* \*

**V. P. Meyer**, assistant vice president of the First National Bank, St. Joseph, is spending his vacation at home.

**M. D. Adams**, secretary of the First Trust Company, St. Joseph, took a vacation trip to Canada the latter part of last month.

\* \* \*

**Walter Canter**, vice president and cashier of the First National Bank, St. Joseph, returned last month from a fishing trip in Minnesota.—\$\$

## Holds Open House



SHOWN AT their bank's recent open house in Omaha are **Clarence Witt**, seated, chairman of the board of the South Omaha Bank, and standing, left to right, **C. B. Newman**, president; **Wanda Vosik**, assistant cashier, and **Ray F. Slizewski**, vice president and cashier.

## 94th Birthday

Twenty-four members of the Mutual Building and Loan Association, North Platte, Nebraska, last month honored William H. McDonald at a dinner at the country club. The occasion was to celebrate Mr. McDonald's 94th birthday.

Mr. McDonald, the first white child born in Lincoln County, was born in 1861. His father was founder of the McDonald State Bank. Among his firsts are (1) first white child born in Lincoln County, (2) son of the first couple to be married in Lincoln County, (3) a student in the first school in Lincoln County, a dugout at Fort McPherson in 1866, (4) a student in the first log school in North Platte, and (5) he was known as the youngest bull whacker in the country, herding cattle at the age of six.

A former janitor in the bank his father founded, he worked up to become president of that bank and the Maxwell State Bank, Bank of Gandy and the Bank of Stapleton.



**SPEED** is essential at harvest time, both in the cutting of the grain and in the handling of grain items. A night transit force working in the Union Station . . . the convenient location of the Bank to the Board of Trade Building . . . hundreds of direct clearing points are factors that enter into making the collection service of "The First" outstanding. We sincerely believe that if you will use this service you will be convinced.

"Since 1886"

**FIRST NATIONAL BANK**  
*of Kansas City*

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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.



**Scarborough & Company**  
Insurance Counselors to Banks

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



**L**IVESTOCK growers and feeders received \$1,500,000 every day for more than One-Half Billion Dollars worth of livestock sold in the Omaha Market last year.

**MOST OF THIS BUSINESS WAS HANDLED  
BY CUSTOMERS OF THIS BANK**

Proceeds from the sale of livestock reach you faster when you route them through Stock Yards National Bank.

*Serving the Livestock Industry 69 Years*

# STOCK YARDS NATIONAL BANK

LIVESTOCK EXCHANGE BLDG.

OMAHA, NEBRASKA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

**THE ONLY BANK IN OMAHA'S GREAT UNION STOCK YARDS**

# Lincoln News



**R. MAX PETERSON**, assistant cashier of the Continental National Bank, Lincoln, was a member of a panel discussing "Developing the Educational Program" at the national convention of the American Institute of Banking at Miami, last month.

\* \* \*

**Myron Weil**, vice president of the National Bank of Commerce, Lincoln,

last month was elected treasurer of the Lancaster County Division of the American Cancer Society, and secretary of the Lincoln chapter of the National Conference of Christians and Jews.

\* \* \*

Lincoln bank clearings for the first five months of 1955 showed an increase of \$3,630,545.67 over the same period last year. They are:

First five months, 1955, \$200,088,475.59; of 1954, \$196,457,929.92. May, 1955, clearings gained \$242,733.78 over May, 1954 — 1955, \$40,042,975.35; 1954, \$39,800,241.57.

\* \* \*

Approximately 60 persons attended a picnic of the Lincoln chapter of the American Institute of Banking last month.

\* \* \*

**Byron Dunn**, president of the National Bank of Commerce, Lincoln, recently attended a committee meeting of Global War Strategy at the Naval War College at Newport, Rhode Island.

\* \* \*

Moderator of a panel discussion at the central state conference meeting of the National Association of Bank Auditors and Comptrollers at Kearney, Nebraska, recently was **Herman Brockmeier**, vice president of the National Bank of Commerce, Lincoln. Subject of the discussion was "Protection of Cash and Prevention of Pilfering."

Other panel members were **Wayne Decker**, cashier of the City National Bank, Hastings; **George Keller**, vice president of the Lexington State Bank, Lexington; **W. Perry Rankin**, assistant cashier of the First Security Bank, Holdrege, and **Elmer Olson**, vice president and cashier of the Platte Valley State Bank, Kearney.

\* \* \*

**Paul Bogott**, vice president and cashier of the National Bank of Commerce, Lincoln, has been re-elected president of the Nebraska Tuberculosis Association.

\* \* \*

Now on a European vacation with his wife, **William Strateman**, vice president of the National Bank of Commerce, Lincoln, will attend the School of Banking in Wisconsin when he returns in August.

\* \* \*

**Don Kroger**, assistant cashier and trust officer of the National Bank of Commerce, Lincoln, last month spoke on estate planning and insurance trusts at a meeting of the Northeast Nebraska Association of Life Underwriters in Norfolk.—\$\$

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# 200 Attend Crete Bank Conference



Bank Management Conference Draws a Full House in Crete, Nebraska.

Leading Speakers Help Bring Good Attendance for Three-Day Meeting.

APPROXIMATELY 200 bankers from the state of Nebraska were in Crete, Nebraska, last month to attend the three day Bank Management Conference sponsored by the Nebraska Bankers Association in cooperation with Doane College, Crete.

Among the prominent speakers at the sessions were J. F. McLain, director of State Banking, and W. H. Williams, special agent in charge of the Omaha office of the Federal Bureau of Investigation. Mr. Williams talked on "External Protection." Other speakers included L. S. Hardin, acting head of the department of agricultural economics at Purdue University; H. E. Mertz, in charge of audits and controls for smaller banks; and several leading attorneys.

Bankers delivering key addresses at the conference included Cyril J. Jedlicka, vice president, City National Bank and Trust Company, Kansas City; H. E. Roof, vice president, Central Bank and Trust Company, Denver; Milton J. Hayes, vice president, American National Bank and Trust Company, Chicago; H. E. Swedberg, vice president, National Bank of Com-

merce, Lincoln; A. Gordon Bradt, second vice president, Continental Illinois National Bank and Trust Company, Chicago; A. F. Stepp, assistant

vice president, City National Bank and Trust Company, Kansas City; and W. M. Willy, president, Security Bank, Madison, South Dakota.—\$\$



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President  
Muscatine

## Iowa NEWS



**FRANK WARNER**  
Secretary  
Des Moines

### New Assistant Cashier

Mrs. Marian Jennings was elected assistant cashier, Citizens Savings Bank, Hanlontown, Iowa, to fill the vacancy caused by the recent death of Carl Lewis.

### Completely Remodeled

Farmers Savings Bank, Traer, Iowa, has been completely remodeled, and an open house was held last month so townspeople and bank friends from out of town could visit the bank, its officers and employees and see the beautiful new interior.

### Iowa Bank Changes

The Marion County State Bank, Pella, Iowa, has announced a capital stock increase by stock dividend from \$50,000 to \$100,000. The State Bank of Portsmouth's capital stock increase was from \$25,000 to \$50,000.

### Honorary Membership

The Winneshiek County Bankers Association voted Dale C. Smith, vice president, Central National Bank, Des Moines, an honorary membership in their organization at their meeting last month because of "Mr. Smith's contribution to the success of the meeting."

### To Wyoming Bank

Harlan Jacobsen, Wyoming, Iowa, has accepted a position at the Citizens State Bank, Wyoming. He is a graduate of Wyoming High School, and completed two years at Iowa State College, Ames, Iowa.

### 50 Years in Banking

Will A. Lane, Sr., president, Security Savings Bank, Marshalltown, Iowa, was honored for 50 years in banking at a recent surprise dinner, at which more than 75 persons were in attendance. He received a gold watch and the good wishes of N. D. Black, Iowa superintendent of banking; J. O. Bissett, LaMoille, director at the bank for almost 40 years; Erwin W. Jones, president, First Federal State Bank, Des Moines, and many

other friends in banking throughout the middle west.

### New Farm Manager

Gilbert G. Garton, son of George R. Garton, president, First State Bank, Chariton, Iowa, has been elected farm manager of that bank. The young Mr. Garton, who just returned from two years' service with the United States Air Force, most of the service in Japan, has majored in farm operations at Iowa State College, Ames, Iowa.

### Bettendorf Promotion

F. A. Lettow, executive vice president, Bettendorf Bank and Trust Company, Bettendorf, Iowa, has announced the promotion of John Hiett from head teller to assistant cashier.

Mr. Hiett was formerly associated with the First National Bank of Madison, Wisconsin, where he served in various capacities for more than 12 years.

He came to the Bettendorf Bank and Trust Company in 1954, from the

National Cash Register Company, where he served as accounting machine territory manager.

### "New Look" in Essex

The First National Bank, Essex, Iowa, celebrated its complete inside-and-out remodeling recently with an open house. The edifice of glass, brick and concrete represents the latest in modern banking's "new look" and embodies the most modern in banking methods and efficiency.

### Iowa-Illinois Change

John J. Gordon of Alta has been named cashier of the Pocahontas State Bank, Pocahontas, Iowa, to replace J. J. DeLay, who left the first of this month for Downers Grove, Illinois. Mr. DeLay, cashier since 1947, is executive vice president and cashier of the new Downers Grove National Bank there. He will also serve on the bank's board of directors.

Mr. Gordon, who is expected to take over his new post there August 1, is presently cashier of the First Trust and Savings Bank at Alta. He has been associated with the Toy banking interests for the past 25 years.

The Downers Grove National Bank will be capitalized at \$250,000, with \$150,000 in capital, \$50,000 in surplus and \$50,000 in undivided profits.

### Major Remodeling Soon

Directors of the Fidelity Savings Bank, Ottumwa, Iowa, have authorized a major remodeling of the bank's

## Free Milk in Sioux City



**CARL L. FREDRICKSEN**, second from right, president, The Livestock National Bank, Sioux City, Iowa, and **Marilyn Zenor**, left center, "tap" the mechanical cow for cool, refreshing milk that was offered free to the public to promote June—National Dairy Month. At the left are **Raws Jensen**, assistant cashier, and **Malcolm Erickson**. Cashier **John Haver**, right, tries a glass of the ice cold beverage.

interior and, according to Stanley A. Haw, chairman of the board, work will begin soon.

The project will include a new Main Street lobby of two stories, a new entrance on Market Street, lowering of the ceiling in the main banking room and construction of a second floor over that room for offices.

The present lobby will be entirely changed. The directors' room, now located directly above the lobby, will be removed, stairway to basement offices and safety deposit department will be changed and a new ornamental stairway will be constructed to give access to the new second floor. A new two-story front of glass will be installed.

New fixtures will be installed in the banking room.

### At Oskaloosa Opening

The Mahaska State Bank, Oskaloosa, Iowa, moved into its new home recently, and an open house for the public was held shortly after the change. Another open house for the bank's business friends was held later, and the following persons, introduced at the dinner by Russell S. Howard, president, were on hand to view the beautiful new building and offer congratulations:

Cashier and Mrs. F. G. Dusenbery, Vice President and Mrs. Ralph D. Hoar, Vice President Billie H. McKee, and other employees of the bank and their wives; the bank's directors and their wives; G. S. Krouth, president, Iowa Trust and Savings Bank, Oskaloosa, who introduced the officers and employees of his bank; the executive vice president of the Oskaloosa

Home Loan and Savings Association, who introduced his employees; bank officers from banks in nearby towns; Arthur J. Frey, vice president, Continental Illinois National Bank and Trust Company, Chicago; James W. Karraker, vice president, and John B. Rigler, assistant cashier, both with



**AT THE HEAD TABLE** are, left to right: Superintendent of Banking and Mrs. N. P. Black and Mahaska State Bank President and Mrs. Russell S. Howard.

Northern Trust Company, Chicago; Calvin W. Aurand, president, Gerald O. Nelson, and Everett M. Griffith, vice presidents, all three with Iowa-Des Moines National Bank, Des Moines; James W. Hubbell, chairman of the board, Scott C. Pidgeon, president, S. G. Barnard, secretary and trust officer, and Cy Kirk, Bankers Trust Company, Des Moines; Mr. and Mrs. N. P. Black and Mr. and Mrs. H. R. Jackson—Mr. Black is Iowa's superintendent of banking and Mr. Jackson, deputy superintendent—and the American Legion committee whose work contributed to the success of the open house.

### Johnson County Officers

The Johnson County Bankers Association elected officers at its annual meeting recently at Iowa City, Iowa, with Elmer Ulch, Swisher Trust and Savings Bank, elected president.

Other officers are: Ralph Hudachek,

Lone Tree Savings Bank, vice president; O. D. Bartholow, Iowa State Bank and Trust Company, secretary, and Thomas J. O'Brien, First National Bank, treasurer.

H. C. Houghton, First National Bank, is retiring president.

### Elected Cashier

E. T. Peterson, executive officer of the Primghar Savings Bank, has announced that T. W. Fitzgerald, Jr., has been elected cashier of that bank.

For the past three years he has been employed by the Industrial National Bank, in Providence, Rhode Island, where he acquired general banking experience in all fields of present day banking.

### Poweshiek County Meeting

Poweshiek county bankers and their employees recently attended a special meeting to hear a talk by R. W. Nebergall, chief of the Bureau of Criminal Investigation.

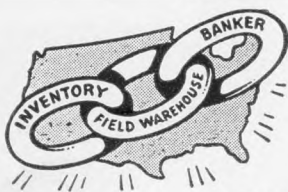
Arranged by Sheriff Bill Welsh in conjunction with the county bankers association, the meeting attracted 56 interested persons. The meeting was unique in that it was the first time that bank clerical workers had met with the bankers' association.

### Albia Stock Increase

Capital stock of the Peoples National Bank of Albia, Albia, Iowa, has been increased from \$50,000 to \$100,000, according to announcement made by J. E. King, president. The increase was in the form of a stock dividend.

The action increasing the capitalization was taken at a special meeting of the bank's stockholders.

Necessary approval of the Comptroller of the Currency was obtained and made effective last month.



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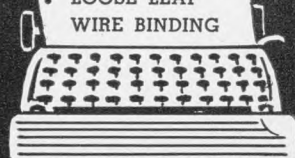
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### 100% Stock Dividend

Stockholders of the Merchants National Bank, Cedar Rapids, Iowa, have authorized the bank to issue a 100 per cent stock dividend from undivided profits, subject to the approval of the Comptroller of the Currency, according to John T. Hamilton II, president.



JOHN T. HAMILTON II

On April 11, 1955, capital stock was \$500,000; surplus, \$5,000,000; undivided profits, \$1,929,011, and deposits \$93,554,316.

### Capital Increase

A common capital stock increase has been announced by the Citizens First National Bank of Storm Lake, Storm Lake, Iowa. An increase of \$75,000 brings the common capital stock to \$150,000.

### 50th Anniversary

The Cumberland Savings Bank, Cumberland, Iowa, is celebrating its 50th anniversary this year. A recent article in the Cumberland *Enterprise* gave a complete history of the bank's beginning.

### Extensive Remodeling

An extensive exterior and interior alteration project at the Sheldon National Bank, Sheldon, Iowa, has just been completed and the net result is a modern, up-to-date bank in every respect.

A new inscription of porcelain-enameled steel has been installed, tellers' counters and check desks are of modern design, new light prima vera wood replaces the 50-year-old interior,

air conditioning has been installed and light fixtures and new floor tiling complete the "modern touch."

### Named Assistant Cashier

Appointment of Miss Cornelia Hirtzler of Mt. Vernon as assistant cashier of the Farmers State Bank of Marion, Marion, Iowa, has been announced by W. N. Shellenbarger, president.

Miss Hirtzler, who has had 14 years' banking experience, is a former assistant cashier of the Mt. Vernon Bank and Trust Company.

### Charles City Promotion

J. H. Nelson has been promoted from cashier to vice president of the Citizens National Bank, Charles City.

### New Auditor

Melvin L. Filkins has been appointed new auditor at the First National Bank, Sioux City, Iowa, according to J. T. Grant, president.



M. L. FILKINS

Mr. Filkins was an assistant examiner for the FDIC for about four years, working mostly in the Kansas-Oklahoma area. He was born in Omaha and is a graduate of Creighton University there.

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*\*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.*



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# Des Moines News



**John T. McCormick**, assistant vice president of the Iowa-Des Moines National Bank, is a member of the class of bank officers at The Graduate School of Banking, Rutgers University, New Brunswick, New Jersey, at its annual summer session.

Mr. McCormick, majoring in commercial banking, is one of more than 1,050 bankers attending the two-week session of the school, sponsored by the American Bankers Association.

To qualify for graduation, he must attend similar summer sessions again in 1956 and 1957. In addition, he must complete two years of extension work at home and will be required to write a thesis based on original research in some phase of finance.

\* \* \*

**Marshall A. Souers, Jr.**, has been named product group supervisor and

assistant to the advertising manager of the mix division of General Mills, Inc., Minneapolis, Minnesota.

Since 1953 he has been with the N. A. Winter Advertising Agency, Des Moines, where he was account executive for the Bankers Trust Company.

\* \* \*

**John deJong**, vice president of the Iowa-Des Moines National Bank, cele-



**CAKE OF PUMPERNICKEL** and a bouquet of roses adorn the desk of **John deJong** as tokens of esteem from customers, bank officers and employees, and other friends.

brated his 65th birthday last month, and a number of customers and employees of the bank stopped by his desk to extend their best wishes, and

view the "special" birthday cake he had received.

The "cake" was a round loaf of pumpernickel bread on which was one large birthday candle.

Mr. deJong was born in Amsterdam, Holland, and spent his early years in the import and export business in Genoa, Bucharest, and Amsterdam. He came to the United States in 1916 and was graduated from North Dakota State Agricultural College, after which he worked as assistant dairy commissioner for the state of North Dakota. During World War I he served as an inspector for the United States Navy.

He joined the Minnesota Loan and Trust Company, now a part of the Northwestern National Bank, in 1922, and came to the Iowa-Des Moines National Bank in 1932 as vice president. During and following World War II he was active in Netherlands war relief work, for which he was awarded the Netherlands Government Medal of Gratitude in June, 1947.

## New Loan Businesses

The American Acceptance Corporation filed separate articles of incorporation recently for firms in eight Iowa cities.

Each of the firms is capitalized at \$10,000. The cities involved are Atlantic, Boone, Centerville, Creston, Clarion, Cherokee, Fort Dodge and Oelwein.

The articles state the companies plan to carry on a general investment, finance and loan business.

Listed as officers are Jay Chernick, president; I. Chapman, vice president, and Harold Chernick, secretary-treasurer, all of Omaha, Nebraska.

## John A. Schmidt

**John A. Schmidt**, retired farmer and president of the Watkins Savings Bank, in Watkins, Iowa, for 21 years after being a director for 37 years, died last month two days after he and his wife had celebrated their 50th wedding anniversary. His children and attendants had visited him at the anniversary observance.

## Fort Dodge Open House

Employees, officers, directors and their wives were hosts during a recent open house at the State Bank of Fort Dodge, Fort Dodge, Iowa, as visitors

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# Dedicate First Iowa Tree Farm



**IOWA'S FIRST TREE FARM** dedication ceremonies were held in Garnavillo, Iowa, last month, as Iowa became the thirty-eighth state to enter the American Tree Farm System. (1) **Clyde Frudden**, right, president of the Commercial Trust and Savings Bank, Charles City, and chairman of the Iowa Tree Farm Committee, introduces Governor **Leo A. Hoegh**, Iowa, left. (2) Governor Hoegh is shown discussing the Tree Farm Project with **Kenneth J. Benda**, executive vice president, Hartwick State Bank, Hartwick. (3) Iowa's first six tree farmers receive their certificates from the governor.

saw the newly remodeled quarters of the bank.

Remodeling of the bank had been under way for the past six months and during all of the extensive re-vamping, business was conducted as usual.

Included in the project was expansion of the lobby to provide greater space for more convenience to the bank's customers, installation of a 20-

ton air conditioning system for the comfort of the customers and staff, complete redesigning of the tellers' cages for more efficiency and faster service, and lowering of the entire ceiling in the lobby and acoustic treatment of the ceiling.

### Iowa NABAC Officers

Paul Klingseis, Ames Trust and Savings Bank, Ames, Iowa, was elected

president of the Central Iowa Bank Auditors and Comptrollers at a recent meeting at the Newton Country Club, Newton, Iowa.

Other officers are: C. T. Williams, Jr., Bankers Trust Company, Des Moines, vice president; Don Lamb, City State Bank, Madrid, secretary-treasurer, and Kenneth Sandall, Boone State Bank & Trust Company, Boone, director.

More than 100 persons attended the meeting. Max E. Fuller, director of field education for the Maytag Company, was the speaker.

### Plan New Building

L. L. Bless, cashier of the Ventura State Bank, Ventura, Iowa, has announced that construction of a new one-story 40 by 44 foot Roman brick bank building will begin soon.

The site is at the east end of the lot where the present building is located. The new structure will face south.

October 1 is the tentative date set for completion of the building and occupancy. The bank recently sold a warehouse which occupied a part of the lot to Willard Brager for \$525.

Other officers of the bank are H. A. O'Leary, Mason City, president, and Theodore Wolfram, Jr., Ventura, vice president.



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# Signs New Building Contract



**CONTRACT SIGNING** took place recently at the Union Bank and Trust Company, Ottumwa, for the new building soon to be constructed as shown above.

**A** CONTRACT has been signed for the construction of a new building for the Union Bank & Trust Company, Ottumwa, Iowa, on Third Street, with the Bank Building & Equipment Corporation of St. Louis.

Max von Schrader, Union Bank president, said all work will be sublet,

with local contractors and builders doing the work. The St. Louis firm, one of the largest builders of financial institutions in the nation, also did the architectural work.

Construction is to start almost immediately and under terms of the contract, occupancy of the bank's new home is promised for May 9, 1956.

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# In the DIRECTOR'S ROOM



## Lesson Learned?

Then there's the story of a little boy who returned from his first Sunday School class. When his mother asked him what he had learned he replied: "Oh, all about the ten commandos."

## Check This

Pat had opened his first bank account and had taken to paying most of his debts by check. One day the bank sent him a statement, together with a packet of canceled checks. Of the statement Pat made neither head nor tail, but the returned checks greatly pleased him.

"Mike," he said to a friend, "sure an' it's a smart bank I'm doin' business wid now."

"How's that?"

"Why, Oi paid all me bills wid checks, and be jabbers if the bank wasn't slick enough to get ivery check back for me again."

## No Solution

Husband: Maybe we can figure out what the problem is.

Wife: I already know what the problem is. It's having too much month left over at the end of the money.

## Come In!

"I don't need any clothes," explained the nattily dressed man passing a second-hand store. "I have eight suits at home."

"Well," said the aggressive merchant, "bring them in. I'll make you a partner."

## Familiar Ring

Guide: This castle has stood for 600 years. Not a stone has been touched, nothing altered, nothing replaced.

Visitor: They must have the same landlord as we have.

## Same as Always

Girl: I maintain that love-making is just the same as it always was.

Fellow: How do you know?

Girl: I just read about a Greek maiden who sat and listened to a lyre all evening.

## Two Burdens

Grandma was giving the new bride a heart-to-heart talk. "Child, I hope your lot's going to be easier than mine," she said. "All my wedded days, I've carried two burdens—pa an' the fire. Every time I turn to look at one, the other goes out."

## Futile Chase

The fire department had just sent a fire engine roaring past fraternity row when an under-the-weather student stumbled out the door and began to dash wildly after the red wagon. He chased the screaming siren three blocks before dropping to the sidewalk.

## Takes on Education

Producer: I want a college graduate as chief of my scenario staff. Show me your diploma.

Applicant: Why no one carries his diploma around with him.

Producer: Well, say me a big word, then.

## Guilty Plea

Magistrate (to police officer who has arrested two Scotsmen for being intoxicated): How did you know they were under the influence of drink?

Officer: Well, McTavish was offering money to McPherson, who was refusing it.

## 20-20 Vision

Lawyer: You say you were about 35 feet away from the scene. Just how far can you see clearly?

Old Farmer: Wal, when I wake up I see the sun and they tell me that's about 93 million miles away.

## What, No Piano?

She had insisted on taking along every garment she owned and they arrived at the station loaded with baggage. "I wish," said the husband thoughtfully, "that we'd brought your piano."

"Oh, quit trying to be so funny," came her frigid reply.

"I'm not trying to be funny," said he wistfully, "I left the tickets on it."

## Bum Movie

The bandit walked up to the movie theater cashier, stuck a gun in her face and growled: "That's the worst movie I ever saw. Give me everybody's money back."

## Tough as Nails

The soldier was from Brooklyn and was on maneuvers in Oregon. Finding that he had a few minutes to himself he strolled out into the nearby woods and returned with several rattlesnake rattles.

"Where in the world did you get them?" asked one of his alarmed pals.

"Easy" replied the lad from Brooklyn, "I got them off a big woim."

## CONVENTIONS

July 16-19, Central States Conference, Hotel Alex Johnson, Rapid City, South Dakota.

July 24-August 6, School of Financial Public Relations, FPRA, Northwestern University, Chicago.

July 24-August 6, NABAC School for Bank Auditors and Comptrollers, University of Wisconsin, Madison.

August 22-September 3, Wisconsin School of Banking, University of Wisconsin, Madison.

September 25-28, American Bankers Association, 81st Annual Convention, Chicago, Illinois.

October 10-13, National Association of Bank Auditors and Comptrollers, Denver, Colorado.

October 11-12, Nebraska Bankers Association, Annual Convention, Cornhusker Hotel, Lincoln.

October 13-14, Western Regional Trust Conference, St. Francis Hotel, San Francisco.

October 13-16, National Association of Bank Women, Westward Ho Hotel, Phoenix.

October 23-26, Iowa Bankers Association, 69th Annual Convention, Hotel Fort Des Moines, Des Moines.

November 3-4, Midcontinent Trust Conference, Rice Hotel, Houston.

November 13-16, Robert Morris Associates, Annual Fall Conference, Dallas, Texas.

November 14-18, Financial Public Relations Association, Hollywood Beach Hotel, Hollywood, Florida.

December 1-3, A.B.A. National Agricultural Credit Conference, Morrison Hotel, Chicago.

## LEGAL

# Can Banks Sue and Recover Damages from a Municipality?

This and Other Questions  
Are Answered by the Legal Department

**Q.** Suppose that a bank owns a valuable piece of real estate and that a municipal sewage disposal plant is located near by. Suppose further that the plant comes to be operated so that it is a nuisance. Can the bank sue for and recover damages from the municipality even though it is a governmental unit?

Yes, as a general rule. In these cases the courts have been nearly unanimous in rejecting the contention that a municipality is immune from suit, either for damages or for abatement of the nuisance, merely because the offending sewage disposal plant has been constructed and operated under legislative history. Iowa, Nebraska, North Dakota, South Dakota and other states have so held.

**Q.** A depositor maintained a checking account in a South Dakota bank. The amounts on certain checks signed by him were raised by someone and duly cashed by the bank over a period of several months. Under South Dakota law a bank is not liable to a depositor for forged or raised checks unless he notifies the bank of what has happened within three months after the checks are returned to him. The depositor notified the bank about the raised checks, but the notification came after the three months' period had expired on some of the checks. Did he forfeit any right to recover them even though he might be able to prove the bank negligent?

Yes. In a recent decision involving analogous facts the Supreme Court of South Dakota held that under the three months' notice statute of that state, a bank is not liable for forged or altered checks unless it is notified by law and that such is true whether or not the bank was negligent. In so ruling, the court cited Kansas and other decisions as precedents.



**Q.** Suppose that in the preceding case the bank, within three months, had been notified by someone other than the depositor that there was a contention being made that the checks had been raised. To illustrate, suppose it had received a letter from the state's attorney outlining that contention. Could the depositor, because of this, recover on the checks in question which had been returned to him more than three months before he notified the bank concerning their alterations?

No. In the same decision the South Dakota Supreme Court held that, to recover, a depositor must himself notify the bank involved and that the bank will not be liable unless notification comes to it in conformity to the provisions of the statute. The fact that the bank might have been told, or that it might have information, that a contention was being made that check alterations had been made did not stop the running of the three months' period.

**Q.** Jordan bought certain real estate in Iowa at a foreclosure sale. The notice of the sale did not mention any outstanding interest and Jordan thought he was receiving a clear title. No one practiced any fraud on him in

causing him to have that concept of his purchase. He simply did not examine the title records. It developed that there was an outstanding interest. Jordan sued the party conducting the sale for damages. Could he recover?

No. The Supreme Court of Iowa has so held recently in a decision involving related facts. It said that, since no one conducting the sale practiced any fraud on the purchaser, he could not recover and that in these situations "The rule of caveat emptor prevails. The purchaser must examine, judge, and test for himself."

**Q.** A trust company became involved in a decedent's estate situation where two wills existed. The first appointed an individual the executor. The second will was made after and revoked the first. Such second will did not appoint that individual executor and he knew it existed. On the death of the testator the individual sought to probate the first will. A contest developed. He resisted the contest and, at the same time, remained silent regarding the second will. It subsequently came to light and was duly probated. Could the individual executor under the first will recover from the estate for his attorney's fees incurred during the contest?

No. Where an executor is otherwise entitled to recover from an estate for attorney's fees incurred in defending a will from attack, most courts have recognized that such an allowance should be made only where, in propounding the will and resisting contest, the executor acted in good faith. Here the individual executor was not acting in good faith in resisting the contest of the first will and was therefore not entitled to attorney's fees. Specific decisions exist in Nebraska, Iowa, Kansas and elsewhere which support this basic legal principle.—  
\$\$

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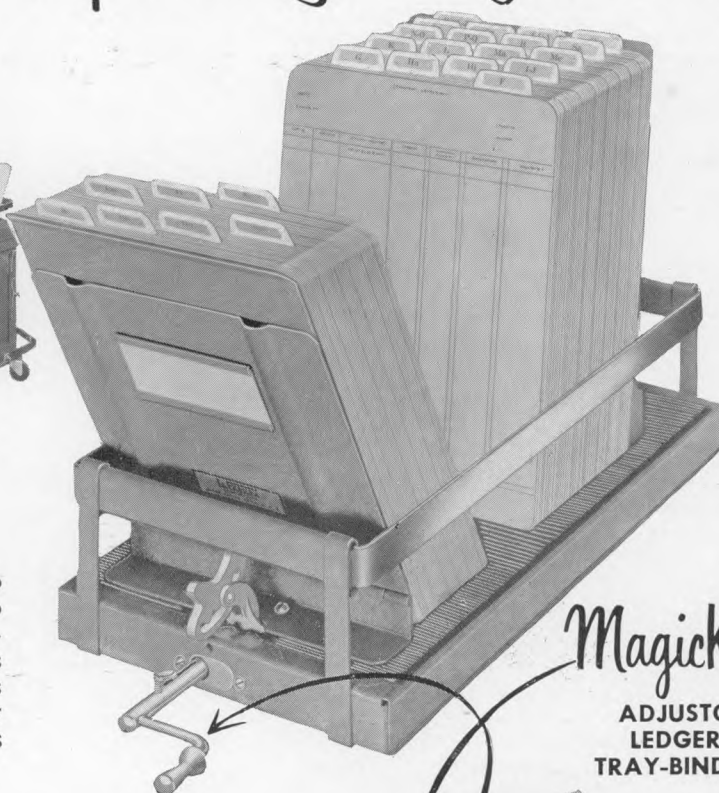
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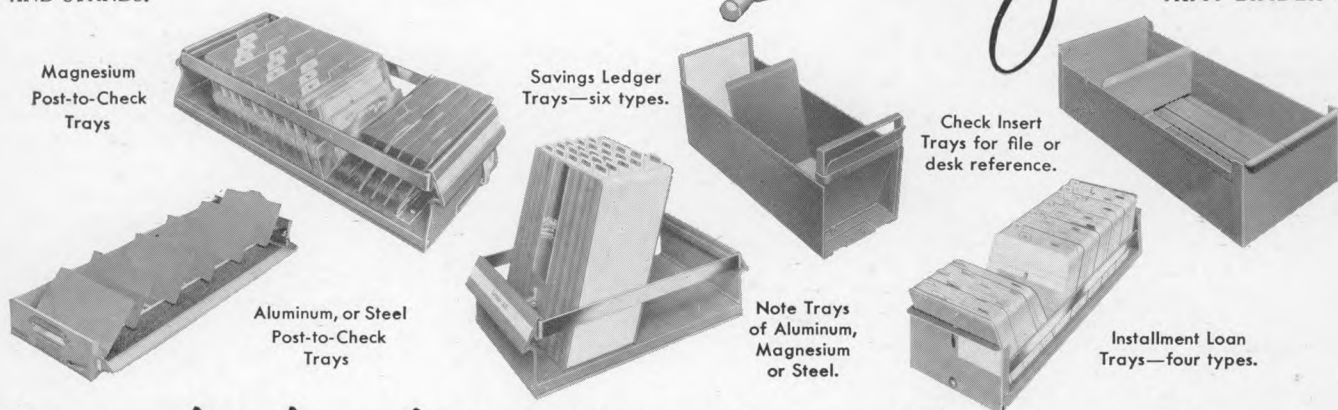


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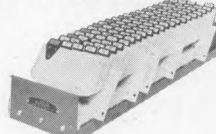
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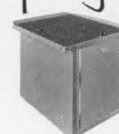
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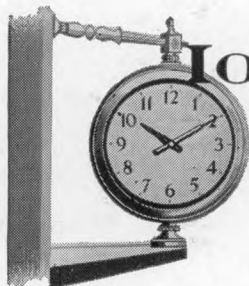
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