

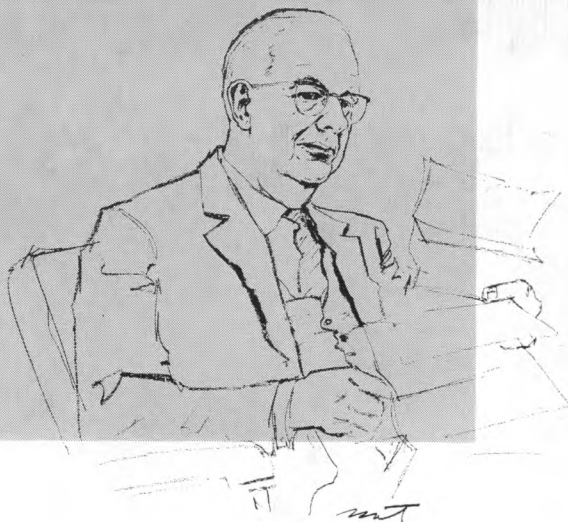
NORTHWESTERN *Banker*

APRIL
1962



IOWA BANK PRESIDENT WELCOMES CUBAN REFUGEE BANKER TO HIS NEW JOB—Page 25

S. E. Coquillette,
Chairman of the Board



Stanley Mohrbacher, Vice President,
Installment Loan Department

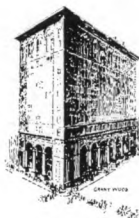


Joseph McAndrew, Director,
MNB Electronic Datacenter



*Correspondent Banking is a Personal Service
at The Merchants National*

As an MNB Correspondent Bank customer you will enjoy the services of an organization with the experience, knowledge and reputation—to help you with any financial problem or situation. But even more important, our bank uniquely tailors its services to your particular problems and preferences. This personal service is no doubt one of the reasons why over half of all Iowa banks are Merchants National correspondents. If you aren't one of them, we'd like to tell you more about us. Just give us a call.



**Merchants
National**

THE MERCHANTS NATIONAL BANK OF CEDAR RAPIDS
MEMBER F.D.I.C.



How An Alert Banker Landed Important New Business

Recently an officer of one of our correspondent banks in a neighboring state spotted two surveyors sighting a field outside his town. Being both community-minded and alert for new business, he questioned them and learned that a large Chicago firm had an option on the land for a branch plant site.

The bank officer went right to work. He called his friends at The Northern Trust, requesting information about the company and its plans. We immediately went to work, discovering that the Chicago company was a highly desirable prospect for him. The proposed branch would be a source of substantial new business in our correspondent's area. How could we help him obtain the new plant account?

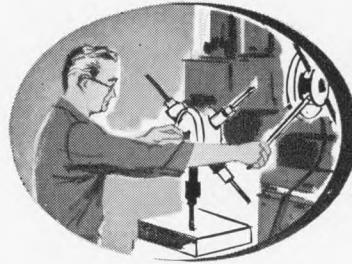
A Northern Trust officer promptly called on the Chicago company's chief financial officer and recommended the correspondent bank. At the same time he arranged an early meeting between the company treasurer and an officer of our correspondent.

The result? *Our correspondent got the new plant account, as well as the personal accounts of many of the plant executives.*

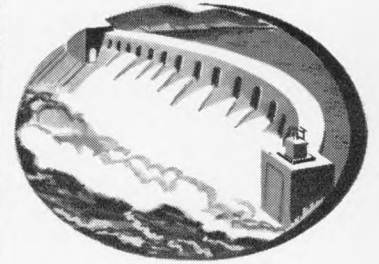
While we naturally can't assure such an outcome every time, we always work closely with our correspondents, placing at their disposal our facilities and our staff—*promptly.*

Wouldn't your bank benefit from such personal service? It *will*, as a correspondent of The Northern Trust.

The
NORTHERN TRUST
Company
NORTHWEST CORNER
LASALLE AND MONROE BANK



MANUFACTURING



PUBLIC UTILITIES



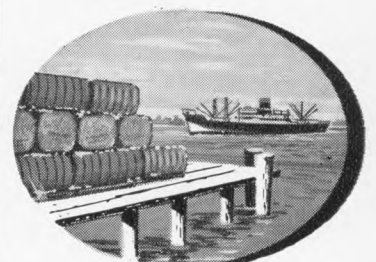
RETAILING



EUROPEAN COMMON MARKET



AVIATION



COMMODITIES

Your man at the Irving takes your point of view

Pinpoint the areas of interest that mean profitable business to you—and you'll find a man at the Irving ready to assist you. His flexibility and experience in visualizing your needs can lead to expanded business opportunities for you and your customers.

To aid you further, he can draw upon the resources of Irving men familiar with operations in many fields—Manufacturing, Public Utilities, Retailing, the European Common Market, Aviation or Commodities—just to name a few.

And in addition to the usual banking serv-

ices, your Man at the Irving very often can help you develop new business contacts, advise you in advance about businesses to be established in a region, or introduce you to the man who makes the decisions in a national organization—all with your best interests in mind.

Constantly traveling throughout the country, Irving representatives are ready to work with you. When questions arise, your Man at the Irving can be reached quickly and easily on his own direct dial phone. Look upon him as a member of your own staff and consult him freely.

IRVING TRUST COMPANY

Capital Funds over \$155,000,000 One Wall Street, New York 15, N.Y. Total Assets over \$1,750,000,000

GEORGE A. MURPHY, *Chairman of the Board*

WILLIAM E. PETERSEN, *President*

National Division—H. MILLER LAWDER, *Senior Vice President in Charge*

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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Moves to Chicago Area

James E. Fletcher, assistant vice president of the American Express Field Warehousing Corporation, has been appointed manager of the Chicago office with headquarters at 208 South LaSalle Street. He will be in charge of the firm's business in the Great Lakes Region.



J. E. FLETCHER

Well-known by bankers of the middlewest, Mr. Fletcher has been in charge of field warehousing activities for his company in the Iowa and Nebraska area for 15 years, headquartering in Des Moines.

Don Tracy, who has handled the company's business in the District of Columbia and Maryland area for the past four years, will succeed Mr. Fletcher in the Iowa and Nebraska area with headquarters in Omaha.

Chase Promotes 3 Men

The Chase Manhattan Bank in New York has announced the promotion of three members of its correspondent bank portfolio review division.

Ralph W. Berrey has been named assistant vice president and Hilliard Farber and Donald W. Forsyth have been made assistant treasurers.

London Opening



FORMAL OPENING ceremonies in London marked the beginning of operations of Continental Illinois National Bank & Trust Company's first branch bank overseas. The opening marked the establishment of the first overseas branch by an inland United States bank. **David M. Kennedy**, right, Continental board chairman, is shown greeting the branch's first customer, discount broker **Ronald B. Gillett**.

NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your APRIL, 1962, reading

68th Year No. 897

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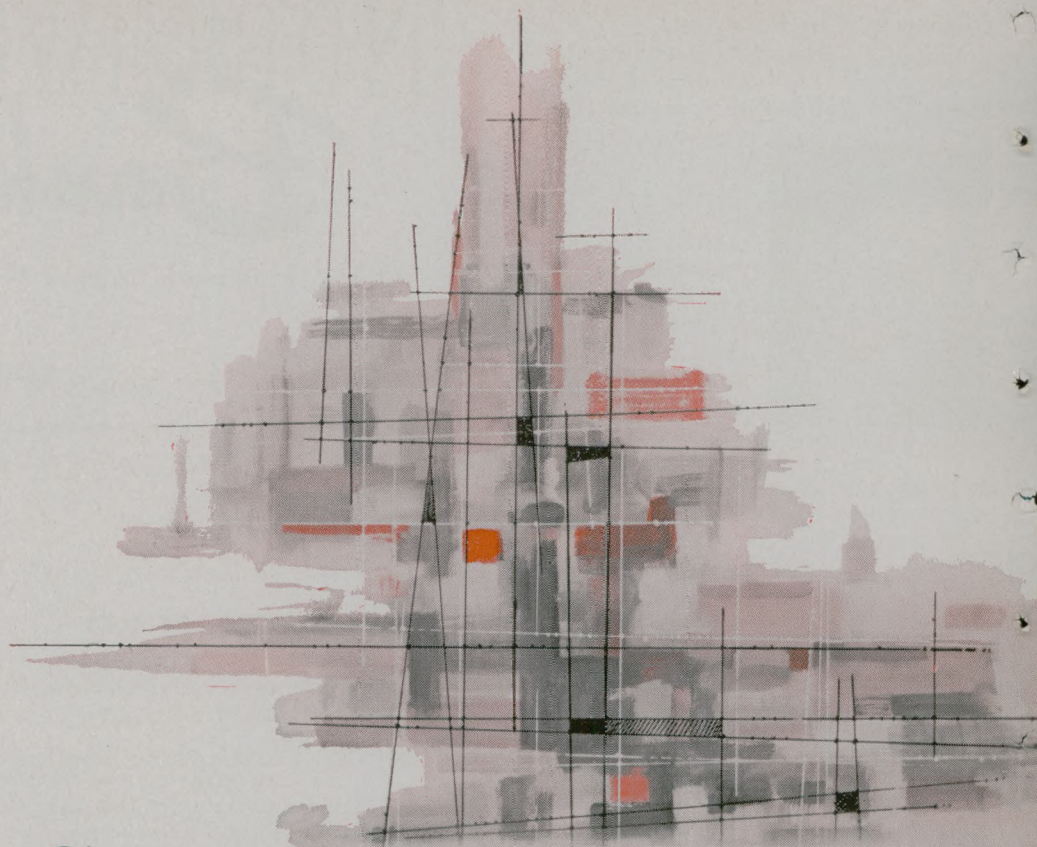
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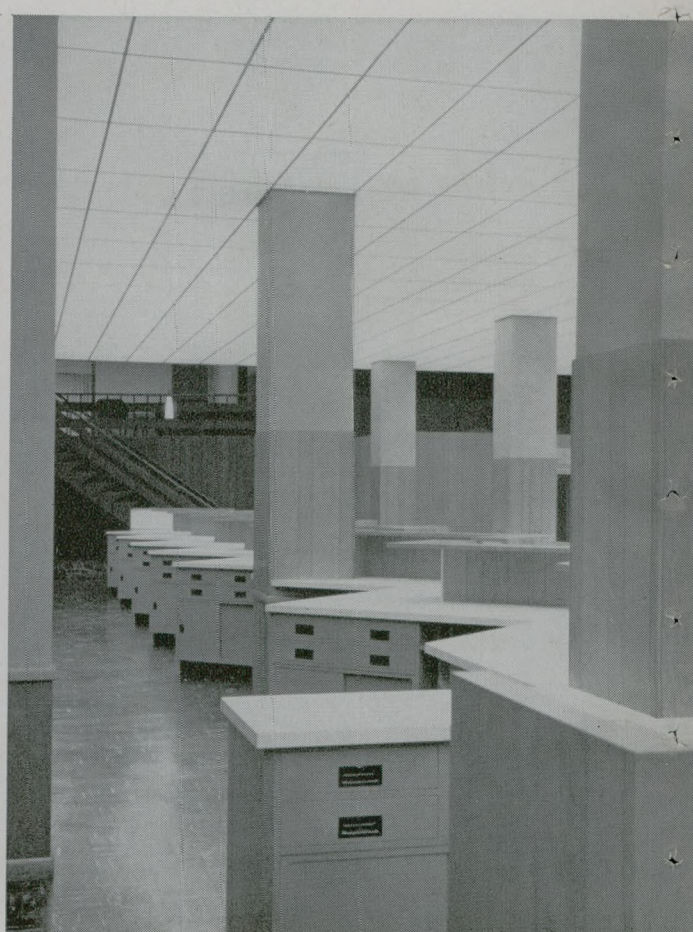
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Northwestern Banker, April, 1962

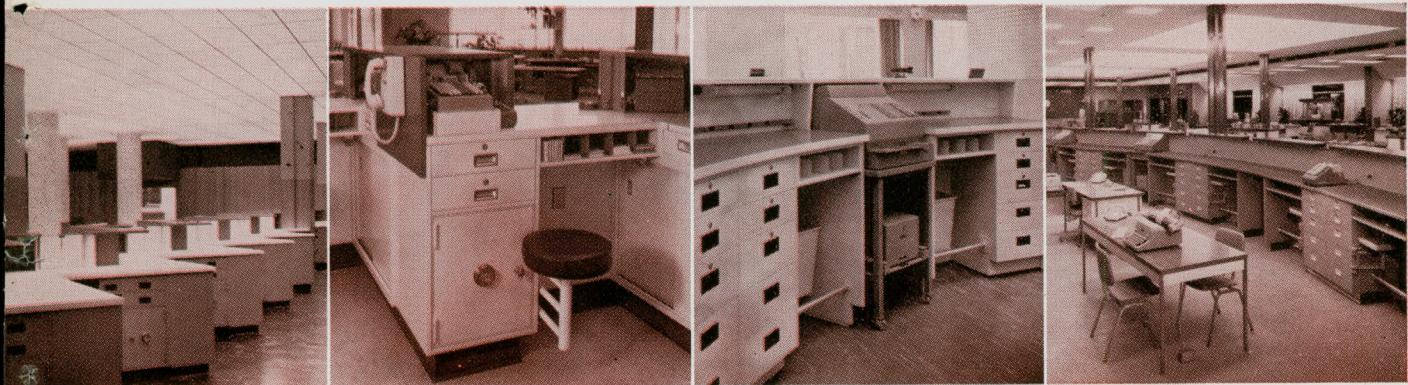


Bank Counter Equipment



Northwestern Banker, April, 1962

in the Diebold Tradition



The same quest for product perfection that produced the Diebold-Basic vault door and has resulted in the finest bank equipment for more than a century, is now embodied in Diebold Bank Counter Equipment.

Unique in its engineering and design, Diebold Bank Counter Equipment fulfills your requirements today . . . anticipates those of tomorrow through utilization of the modular concept. To this end, Diebold Bank Counter Equipment accomplishes what we call "engineered teller efficiency" . . . does so within a framework of good looks completely worthy of your organization's name and position.

New Diebold Bank Counter Equipment literature that conveys the scope, function and styling of this equipment is now ready for you. Simply use the coupon to secure your copy without obligation.



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Please send me your new literature on
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Name -----

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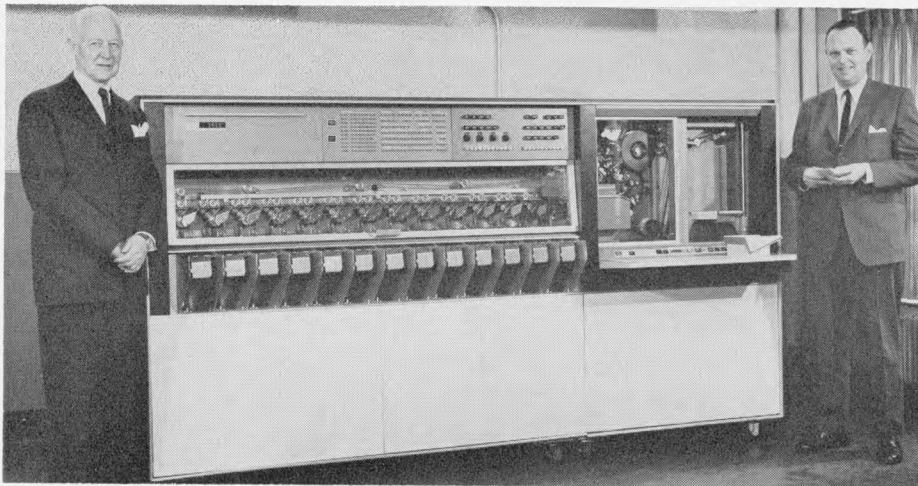
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State -----

DIB-1896

In Canada: Diebold of Canada, Ltd., Toronto • Ahern Safe Co., Montreal

1st of K.C. Starts Automation



AUTOMATION EQUIPMENT installed at the First National Bank of Kansas City includes this IBM Reader Recorder. It sorts and reads checks and deposit slips at the rate of 950 per minute. It will be in operation May 1. Shown with the new machine are **Taylor S. Abernathy**, left, First National board chairman and chief executive officer, and **Barret S. Heddens, Jr.**, president. They explained features of the new program to 200 correspondent bankers at a meeting in Kansas City last month.

THE First National Bank of Kansas City will be the first bank in the Missouri-Kansas area to utilize an integrated magnetic tape computer for demand deposit accounting, bank officials reported early last month, as the initial unit of the automated complex, the IBM Reader Sorter, was placed in service.

In discussing some of the technical details of the equipment, Taylor S. Abernathy, chairman and chief executive officer, and Barret S. Heddens, Jr., president, stressed the fact that bank employment and advancement opportunities should increase through additional volume and improved services made possible by automation.

As an example, First National should be able to substantially increase its flow of transit business through high-speed operations, they disclosed. The bank has been developing a staff of automation specialists since 1958.

The 1412 Reader Sorter will be used primarily for posting checking accounts, correspondent demand deposit accounting, and transit operations. When connected to the magnetic tape computer, about May 1 next month, it will transmit magnetic ink data into the computer for posting checking accounts.

The computer, which was scheduled for delivery April 1, and ready for use a month later, will store customer records on high density magnetic tape and transmit them into the computer at a speed of 42,000 characters per second. It will process deposit accounting, savings accounting and other related bank accounting applications.

A special feature is the computer's

versatile printer, capable of printing reports and customer documents at the rate of 1,285 lines per minute. It, too, will be the first printer of its kind in the Missouri-Kansas area. The versatile printer will be a vital element in a highly advanced system of trust accounting, developed and tested by the trust department of First National Bank.

Under this new system, all customer asset records will be maintained on magnetic tape. Records will be updated daily at a high rate of speed, allowing almost instantaneous access to current trust statistics. The versatile printer will then provide more clear and comprehensive statements than ever before.

National Cash to Use NCR

The National Cash Register Company, which gave birth to the term "cash register," has announced that in the future it will identify itself chiefly by its initials, "NCR."

The 78-year-old company will continue to use its full corporate name, but many products will eventually carry the initials "NCR" in a newly designed nameplate. Advertisements, letterheads, and other company material will also feature the initials "NCR." The new symbol supplements the trademark "National" which will continue to be used on certain products and in certain countries.

The new company mark was developed after several months' study and research. The letters "NCR" are of modern sans-serif design and each letter is set off in a "box" to symbolize the modular aspect of the company's products.

®
LeFebure

*Representatives
in the
NORTHWESTERN
BANKER
trade area:*

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Le Febure Corporation
716 Oakland Rd. N.E.
W. J. Redmond

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M. R. Pearson

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2726 - 53rd St.
C. Hayward

MASON CITY
310 So. Taylor Ave.
G. H. Howard

MASON CITY
209 So. Kentucky
H. M. Kerr

SIOUX CITY
401 Queens Court
W. L. Drommer

SIOUX CITY
2134 Kennedy Drive
G. Vinson

MINNESOTA

MINNEAPOLIS, 24
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D. Clark

MINNEAPOLIS, 10
3537 W. Fuller St.
L. Clark

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1821 University Ave.
D. A. Oie

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G. A. Tauer

MONTANA

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J. J. Stoneking

NEBRASKA

OMAHA, 11
3915 Curtis Ave.
J. P. Car

SOUTH DAKOTA

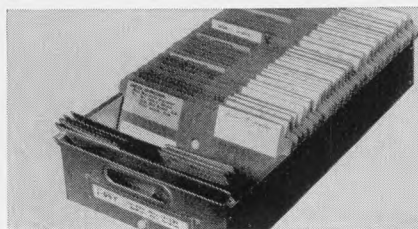
SIOUX FALLS
P. O. Box 893
P. Tucker

*Representatives throughout
the United States and
many countries of the
Free World*

From
any
position
Check Filing
is
far more
efficient
with



CHEXPEDITER



Insertable style
VERTI-GUIDE tabs
are especially designed
for Chexpediter.
Available in
several sizes
and colors.

At all times, under the Chexpediter check filing system, 70% or more of the accounts in the file are *completely accessible* . . . without interruption of work being done by another person at the same unit. By comparison to most other methods of check filing, Le Febure Chexpediter makes accounts *as much as 200% more accessible!*

The design of Chexpediter necessitates tie-up of minimum filed media at any one time. Reference to accounts is simplified and speeded up.

High capacity standard Chexpediter contains 40 trays and four pull-out shelves as work surfaces. Complete operator comfort is gained from proper working heights. Flexible, modular construction; maximum capacity.

Write for complete information

**Le Febure
Corporation
Cedar Rapids, Iowa**

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IS MORE THAN
JUST A
PIECE OF
PAPER...



...the
"STEEL-
STRONG"
TRADE MARK®

AUTOMATIC
COIN WRAPPER
... has a "personality!"

1 WITH THIS
WRAPPER MISTAKES
ARE IMPOSSIBLE!



2 AMOUNT
AND
WINDOWS
ALWAYS
IN
REGISTER!

3 WRAPS ALL COINS
FROM 1¢ TO \$1

None other is so accurate. Made by special machine that affords this unusual precision... any chance of error is eliminated. The patented red bordered windows revealing amount and denomination of coins, afford "ease of visibility". The "Steel-Strong" Automatic Wrapper is unequalled by competition!

THE NO. 1 SELLER
IN AMERICA!

The C. L. DOWNEY
Company
HANNIBAL, MISSOURI
World's Largest Mfr.
of Coin Wrappers

SEE YOUR
DEALER OR
SEND FOR
FREE SAMPLES
Dept. W

To Stem Gold Outflow—

Lincoln Banker Suggests U.S. Let Tourists Use Its Foreign Credits

A PLAN for providing at least a partial solution to the knotty balance of payments problem with foreign nations has been proposed by Byron Dunn, chairman of the National Bank of Commerce Trust & Savings, Lincoln, Nebr. Basic elements of the proposal have been accepted by the United States Treasury and the State Department.

The plan provides for American government employees, servicemen, U. S. tourists and businessmen to make use of United States government credits in foreign countries instead of paying additional American dollars for goods or services purchased in those countries. In a number of countries the United States will sell goods, especially food, and receive "credits" in local currency instead of payment in dollars.

Mr. Dunn's proposal is for Americans, whether government workers or private citizens, to use these "credits" while traveling or working in the foreign country. This eliminates additional dollar expenditures, as these dollars in turn can be exchanged by the foreign nation for our gold. Mr. Dunn has been discussing this suggestion with Treasury officials for some time and states it has been favorably received. Mr. Dunn wrote the following report to the NORTHWESTERN BANKER:

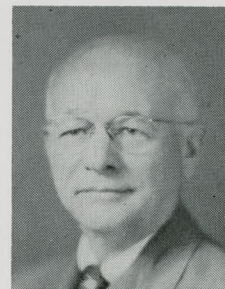
"Years ago when I found that a lot of our factories were opening foreign branches, I could see that we would be losing our balance in export and import, which would affect our gold.

"I started to discuss the problem with the various men in Washington, particularly the Secretary and Under-Secretary of the Treasury.

"It is my theory that we should limit the amount of United States currency taken out of our country by our travelers and Government representatives, but to sell them some of our currency frozen in those countries, at a discount. It is my understanding that we sell goods to foreign countries that can't pay; Uncle Sam picks up the tab and leaves the money in the foreign country. If that money could be made available to our travelers, our diplomats, congressmen and servicemen, they wouldn't need to take more currency with them, all of which comes back here and we have to pick it up.

"Since I have been discussing this problem, new arrangements have been made. I understand that the new

agreement states that part of the proceeds can be used by our embassy and military missions. Our State Department has trouble negotiating these deals because the foreign countries want our money. Personally, I am cold towards a country that needs our food but refuses to negotiate so we receive some payment. Our Under-Secretary of the Treasury has given a sympathetic ear to the problem and is working on it."



BYRON DUNN

The Under-Secretary, in correspondence with Mr. Dunn, noted that the suggestion was incorporated in Public Law 480 authorizing such use of foreign credits. He explained, however, that the over-all extent of such transactions may likely be relatively small. The reason for this is that the countries where amounts of currency are held in excess of our needs are in general not ones where the bulk of American tourism takes place. Also, they are less-developed nations suffering from shortages of foreign exchange which is one reason that the U. S. agreed to accept foreign currency payments in the first instance.

However, a few countries have agreed to such use of currency held by the U. S., it is reported and this will be made available as outlined above.—End.

Los Angeles Promotions

Robert M. Howe has been elected a vice president of Security First National Bank, Los Angeles, it was announced recently by Lloyd L. Austin, chairman. Mr. Howe will devote his time to consumer marketing activities.

Mr. Austin also announced the advancement of J. Louis Munoz, Jr., to assistant vice president in charge of international business development.

On Mercantile Trust Board

Kenton R. Cravens, chairman of the board of Mercantile Trust Company, St. Louis, has announced that M. R. Chambers has been elected to the board of directors of the bank. Mr. Chambers is president of International Shoe Company.



Approximately 95,000,000 Americans will take vacation trips of at least three days during 1962, at a cost that will exceed

21 billion dollars. Vacation Club plans available through local financial institutions make many of these trips possible.

“Getting to know you” the third step

When this family learned the value of regular weekly savings through Christmas Club membership, they took their first step toward the achievement of their financial goals. The second step was inevitable . . . the proper use of *all* the services of their local financial institution.

Now they are enjoying the third step . . . a happy one for them and a profitable one for you. They have learned, along with millions of others, that their “vacation pay” somehow never gets

set aside for vacations. Rent, food, taxes, utilities, insurance take care of that. So they joined Vacation Club, still another service they learned about after getting to know you.

Won't you get to know us and the services we offer? For over fifty years our services have been helping financial institutions to know their customers better. Just drop a note and we will arrange for a staff member in your area to contact you. No obligation, of course.

**SEND FOR OUR FREE BOOKLET ON VACATIONS AND
THE VACATION CLUB PLAN**

Christmas Club
a Corporation

230 Park Avenue, New York, N. Y.

Founded by Herbert F. Rawll

Builds Character • Builds Savings • Builds Business for Financial Institutions

*Photograph courtesy of
the New York Savings Bank*



Northwestern Banker, April, 1962



And don't forget to drop
these "Hot Transit" Items
off at the **MARS NATIONAL
BANK**

We aren't, of course, yet using interplanetary missiles to deliver transit items. But, we are utilizing every available present-day mode of transportation to provide the speediest possible Correspondent Service . . . on an "around-the-clock" basis. We're anxiously awaiting the privilege of serving you.

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CORRESPONDENT BANK

Central

NATIONAL BANK & TRUST COMPANY

DES MOINES, IOWA
Telephone—CHerry 3-8181

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1962



BOY'S BEST FRIEND

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

Northwestern Banker, April, 1962

FPRA Regional Is Slated for Chicago, April 30

THE midwest regional meeting of the Financial Public Relations Association is scheduled for Monday, April 30 at the Sheraton-Chicago Hotel in Chicago. Advance registrations indicate another heavy attendance for this one-day, "miniature national convention," according to Robert H.

O'Toole, regional chairman of the meeting. He is vice president of the Pullman Trust & Savings Bank in Chicago. He said the usual "Early Bird Reception" will be held Sunday evening, April 29.

The theme for this meeting and the other two regionals to be held April 25 in Buffalo, N. Y., and May 4 in San Francisco is "Advance Planning for Added Profits." All parts of the program will be geared to this theme.

The complete program follows:

Sunday, April 29
Sheraton-Chicago Hotel

P. M.
6:00—6:45 Early Bird's Reception.

Monday, April 30

A. M.
8:00 Registration.

9:00 "Society for the Prevention of Lost Sales"—Informal showing of FPRA's new sound slide films.

9:30 General Session.
Address—Charles J. Scanlon, President, Federal Reserve Bank of Chicago.

Symposium by FPRA Officers: "Planning for Staff Selling"—Ernest G. Gearhart, Jr., First Vice President FPRA and Vice President, The First National Bank of Miami, Fla.

"Planning a Customer Call"—Harold W. Lewis, Second Vice President FPRA and Vice President, The First National Bank of Chicago.

"Planned Publicity"—Charles H. Hoefflich, Third Vice President FPRA and President, Union National Bank & Trust Company, Souderton, Pa.

"Planning the Advertising Budget"—Robert A. Bachle, Treasurer FPRA and Vice President, National Boulevard Bank, Chicago.

"FPRA Can Work for You Best—with You"—Vernon Schwaegerle, Executive Vice President FPRA, Chicago.

Question and Answer Period.

P. M.
12:15 Luncheon Session (Speaker to be announced).

2:15—3:15 Departmental Sessions (simultaneous).

Not-so-large Banks:
"Better Merchandising for Country Banks via Do-it-Yourself Research."

"The Bankers Responsibility in Our New Agriculture."

Larger Banks:
"Present Status and Changing Role of the Bank Marketing Function."

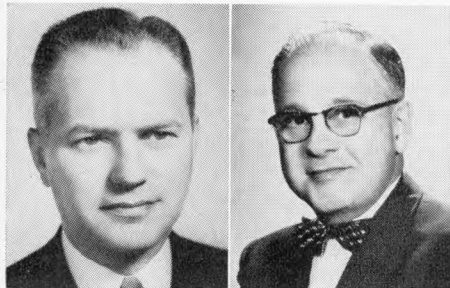
"What Do You Do with Automation Equipment the Other 20 Hours Each Day?"

3:30 "Your Customer—Your Best Prospects"—J. R. Ozanne, J. R. Ozanne Associates, Chicago.

"A New Look at the Corporate Image"—John J. McDevitt, Jr., Lippencott and Marguelies, New York.

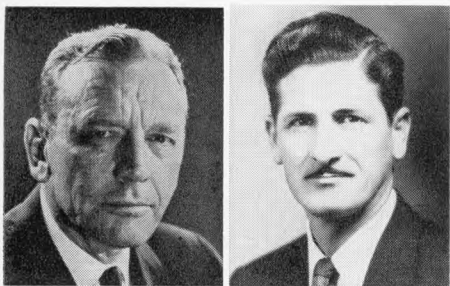
5:30 Reception.

6:30 Banquet—Address: "Give Public Relations the Stature It Deserves"—John P. Anderson, President FPRA and Vice President, First National Bank of Passaic County, Paterson, N. J. Adjournment.—**End.**



C. J. SCANLON

J. P. ANDERSON



H. W. LEWIS

E. G. GEARHART



R. A. BACHLE

V. SCHWAEGERLE

WHO IS FIRST IN ARIZONA?

(\$756,807,000)

(Year-end resources of all 11 Arizona banks)

2 3 4 5 6 7 8 9 10 11

Member Federal Deposit Insurance Corporation

Attention Bankers:

WESTERN AND SOUTHERN

Will Help You Promote Your

CREDIT LIFE PROGRAM

For Complete Information Contact Our

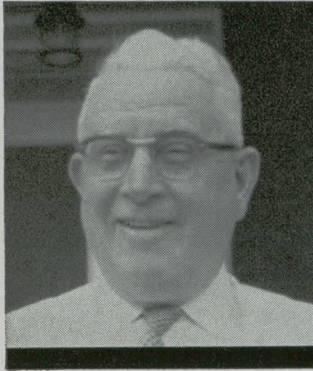
CREDIT INSURANCE DEPARTMENT
P. O. Box 1119
Cincinnati 1, Ohio

THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

A Mutual Company

William C. Safford, President

"Methods perfectly tailored to the needs of a smaller bank"

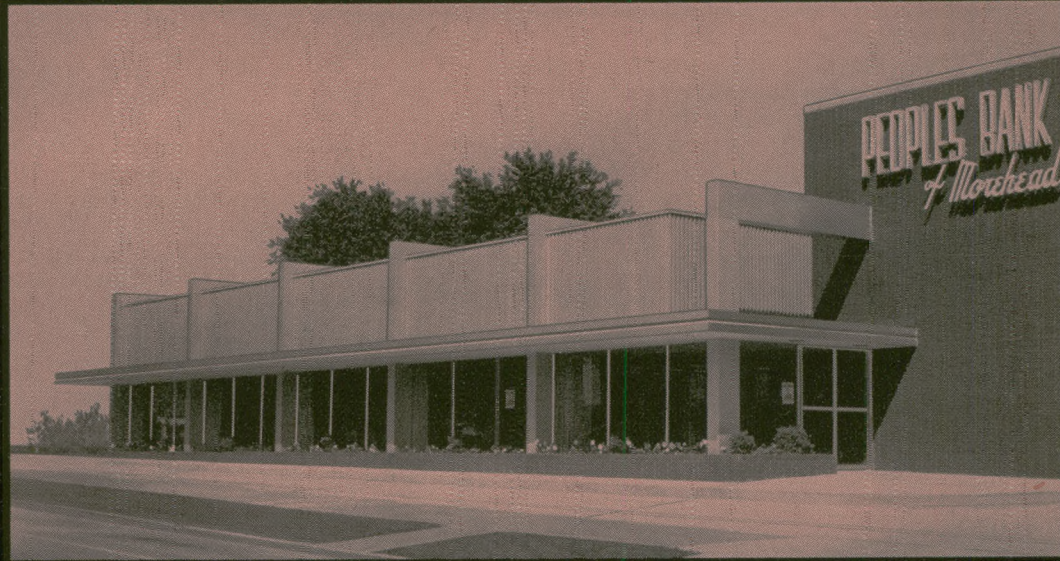


C. P. Caudill, president,
Peoples Bank,
Morehead, Kentucky

Says C. P. CAUDILL, president, Peoples Bank, Morehead, Kentucky: "When we first approached Bank Building, we weren't sure they'd be interested in a relatively small bank like ours. But we found they had wide experience in working with smaller banks such as ours, and knew our problems thoroughly. Their methods are *perfectly* tailored to our needs as well as those of larger banks. The results prove it. Since we began modernization in 1957, deposits are up 34% and we have 50% more depositors."

Top-flight design is especially important to the smaller bank today. Expanding services require that every square foot be precision-engineered for maximum efficiency and profit. At Bank Building Corporation, your plans pass under the experienced eyes of financial building specialists who've created hundreds of smaller banks. Their practical know-how can give you *exactly* the building you want. Call or write, no obligation.

*Exterior: Fresh, modern
design that would command
favorable attention in
any size community*



*Interior below:
A functional layout
that builds business*



FREE!
Send today for
"How to build
an outstanding
**COMMUNITY
BANK**"

*Photos! Ideas! A fresh
look at design trends of
today's smaller banks*

Bank Building  *Corporation*
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ST. LOUIS, 1130 HAMPTON AVENUE • ATLANTA • CHICAGO • DALLAS • NEW YORK • SAN FRANCISCO



American Express Has Aids for Banks' Travelers Check Sales

A NEW "package" of sales promotion aids has been released to the nation's banks by American Express Company.

Leaflets, posters and point-of-sale displays, along with television, radio and newspaper advertising materials are included in the 1962 program. They promote various consumer banking services, including loans, safe deposit boxes, and savings accounts.

American Express distributes all of these promotional materials to banks in quantity, on request, and without charge. They are designed to increase bank traffic and sales while reminding consumers of the travelers cheque service.

Featured in this year's set of materials is a motion display, a set of bank staff training aids, and a series of full-color legal holiday notices. A motion picture film, "Careless Cash," suitable for both staff training and bank public relations, dramatizes the role of bank services in helping consumers protect their funds.

A portfolio describing all promotional materials is available by writing to James A. Henderson, vice pres-



IDENTIFYING MATERIALS developed by American Express Company to aid banks in promoting services are shown here being checked over by **Horace Foulks**, assistant vice president, and **Ann Lapatriello**, assistant in the advertising department. Last year the company distributed over 40 million pieces of print material to banks.

ident, American Express Company, 65 Broadway, New York 6, N. Y. Requests for the materials themselves also may be addressed to him.

City National, K.C., To Build Huge Vault

Plans were formally announced last month by the City National Bank and Trust Company, Kansas City, for the construction of the largest bank vault for the storage and safekeeping of securities in any commercial bank in Kansas City.

Construction was to start immediately on the vault which is to be located some 20 feet below the street level, surrounded by solid rock and below the bank's present safe deposit vaults. It will be the first commercial bank vault in the area to be built of a specially designed, heat-treated type of metal with interlaced layers of steel webbing. Other protection measures to be utilized will be the latest in electronic alarm systems, a 15 inch vault door and the routing of all pipes, conduits, etc. through a specially protected vestibule area surrounding the vault entrance.

The over two thousand square feet of space within the vault itself features a filing system with rotating storage racks that are accessible from floor to ceiling. The vault will also have its own heat pump to control the vault temperature year round.

The protective vestibule around the vault door is electronically controlled and includes vertical panes of bullet resistant glass that provide added safety even when the vault door is open.

Basketball Party

Out of town bank customers of the First National Bank of St. Joseph, Mo., have been invited to attend the bank's annual Basketball Party. The yearly event is always held in conjunction with the final round of the Women's National A. A. U. Basketball Tourney in St. Joseph. The tourney this year will conclude on Saturday, April 7, and the bankers and their wives will meet with the hosts from First National for a reception and dinner prior to the game.

Talcott Has Record Year

Invested funds in all five operating units of James Talcott, Inc., reached record highs during 1961, according to the company's annual report, issued last month. The five units are: Commercial financing, factoring, industrial time sales, rediscounting and leasing. Total funds invested by the company rose from \$250,000,00 at the end of the last quarter of 1960 to \$332,000,000 at the end of 1961, an increase of about 33 per cent, the report indicates.

As previously reported, consolidated net income for 1961 was \$5,215,296, a 19 per cent increase from net earnings of \$4,377,030 for 1960.

National Boulevard Bank of Chicago

In the Wrigley Building • 400-410 N. Michigan Ave. • Superior 7-2323

*Tailor-made
correspondent
bank services*

Northwestern Banker, April, 1962

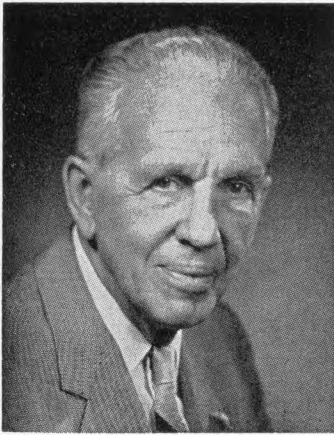


These are builders' tools. One tool is missing—credit. Smaller-town bankers are builders . . . helping to finance the building of all kinds of enterprises—from stock feeder pens to schools. Our business is to help build the financial ingenuity—and loaning versatility—of our customer banks. We can provide the 'missing tool.' May we serve you, too?

 **American National Bank**
AND TRUST COMPANY OF CHICAGO/LA SALLE AT WASHINGTON

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION FRANKLIN 2-9200

Northwestern Banker, April, 1962



ACROSS the DESK from the Publisher

Dear William
McChesney Martin:

Chairman, Board of Governors,
Federal Reserve System,
Washington, D. C.

With interest on our national debt of over \$9 billion a year, wouldn't it be wonderful if *just once* the administration would recommend *reducing* our total expenditures and thus our total taxes.

If *just once* the president would announce that this year, or almost any year, that \$1 billion or \$10 billion would be applied to reducing our \$308 billion national debt, it would be marvelous.

The chances of having this done are very slim indeed, but the alternative is to spend our way into national bankruptcy.

In discussing America's financial solvency you said: "*The least we can do for our country is to stop asking it to do more for us. . . . Is it too much to expect the richest society the world has ever known to get its income and expenses into line—in one way or another—so that it isn't perennially passing out IOU's instead of paying its bills?*"

It may be "too much to expect," Mr. Martin, but it is *sound business* and sound economics to *stop* piling up our national debt.

* * *

Dear George Champion:

Chairman, Chase Manhattan Bank, New York.

It has always seemed to us that taxes paid by a bank or any other corporation should not be *more* than the *stockholders receive* who own the business.

The government contributes *nothing* to the management or the wise counsel or the constant effort and energy that goes into making a bank a success.

In your own statement for 1961 you "set aside \$59,634,000 or \$4.27 per share for *income taxes* applicable to operations."

You "paid \$34,583,000 in cash dividends or \$2.50 per share to 100,000 stockholders."

Thus the government received \$25,000,000 *more income* than the owners of your bank (\$59,000,000 less \$34,000,000 equals \$25,000,000).

Is this just and fair?

Certainly not, but it will never be changed until our total national government expenditures are drastically reduced—and that may be a long, long way off.

* * *

Dear J. F. Kennedy:

President of the United States,
Washington, D. C.

In your budget of \$92.5 billion you hope to have a surplus of \$500 million, based on estimated receipts of \$93 billion.

This is a very thin "margin" to work on, Mr. President, and we don't believe you will make it, and especially since not in one year since World War II have financial budget results come within \$1 billion of the first estimates.

The following figures give the items in the 7 largest estimated budget expenditures for the fiscal years 1962 and 1963.

Estimate of 7 Largest Budget Expenditures

(In Millions of Dollars)

| | 1962 | 1963 | Increase or Decrease |
|--------------------------|--------|--------|-------------------------|
| 1. Defense | 48,250 | 49,700 | + 1,450 |
| 2. Treasury | 9,973 | 10,431 | + 458 |
| 3. Agriculture | 7,177 | 6,709 | — 468 |
| 4. Veterans | 5,560 | 5,285 | — 275 |
| 5. Health and Welfare | 4,469 | 5,183 | + 714 |
| 6. Atomic Energy | 2,830 | 2,880 | + 50 |
| 7. Foreign Aid | 1,935 | 2,235 | + 300 |

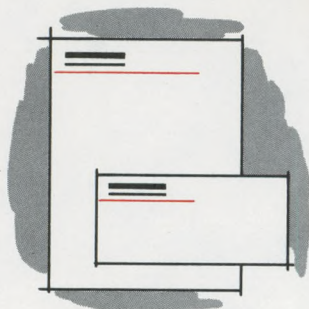
Your hope, Mr. President, is to balance the budget by having a very marked rise in the level of our economy, while on the other hand you want to raise the national debt limit \$10 billion, or from \$298 billion to \$308 billion, or in other words borrow enough money to cover the overdraft (if any) in your budget.

Clifford DePuy

another
FIRST

from the upper
midwest's best
known postman





match your letterheads with

HEINRICH Rippletex ENVELOPES

NEW—an envelope that says "quality" in everything but price . . . imprints beautifully. This page is a sample of the special Rippletex paper stock.

NEW—an envelope that has the look and feel and speckle-free whiteness of expensive bond paper envelopes—at way less than the price of bond. Tear out the page, cut out and fold up the envelope—hold it up against your bond letterhead stationery.

NEW—an envelope you can afford to use to dress up your mail by matching your letterheads . . . and also use for special announcements and direct mail advertising campaigns, thanks to its low cost.

PRICE:—Rippletex envelopes are priced well below bond—in fact, they are only slightly higher than ordinary white wove! Call for specific prices according to quantities and sizes you will need, and your imprinting requirements.

Order today—from the Heinrich plant nearest you



HEINRICH ENVELOPES

Heinrich Envelope Co.
108 Washington Ave. N.
Minneapolis 1, Minnesota
FE. 3-3571

• **Heinrich Envelope Co.**
Box 222 • Boone, Iowa
Phone 112-515-GE 2-1262

• **Superior Envelope Co.**
158 James Street East
Winnipeg, Manitoba, Canada
WH 3-0796

Diebold Gift



SAFE AT HOME — World Series pitching hero, **Whitey Ford**, 25-game Yankee winner last year, tries the combination of a Diebold home safe presented to him by **Tommy Henrich**, former Yankee right fielder and first baseman, now working for Diebold, Inc. The safe was presented at Whitey Ford Night ceremonies at Levittown, L. I., N. Y., at which 900 youngsters and parents honored the pitcher. The Williamsburgh Savings Bank sponsored the affair.

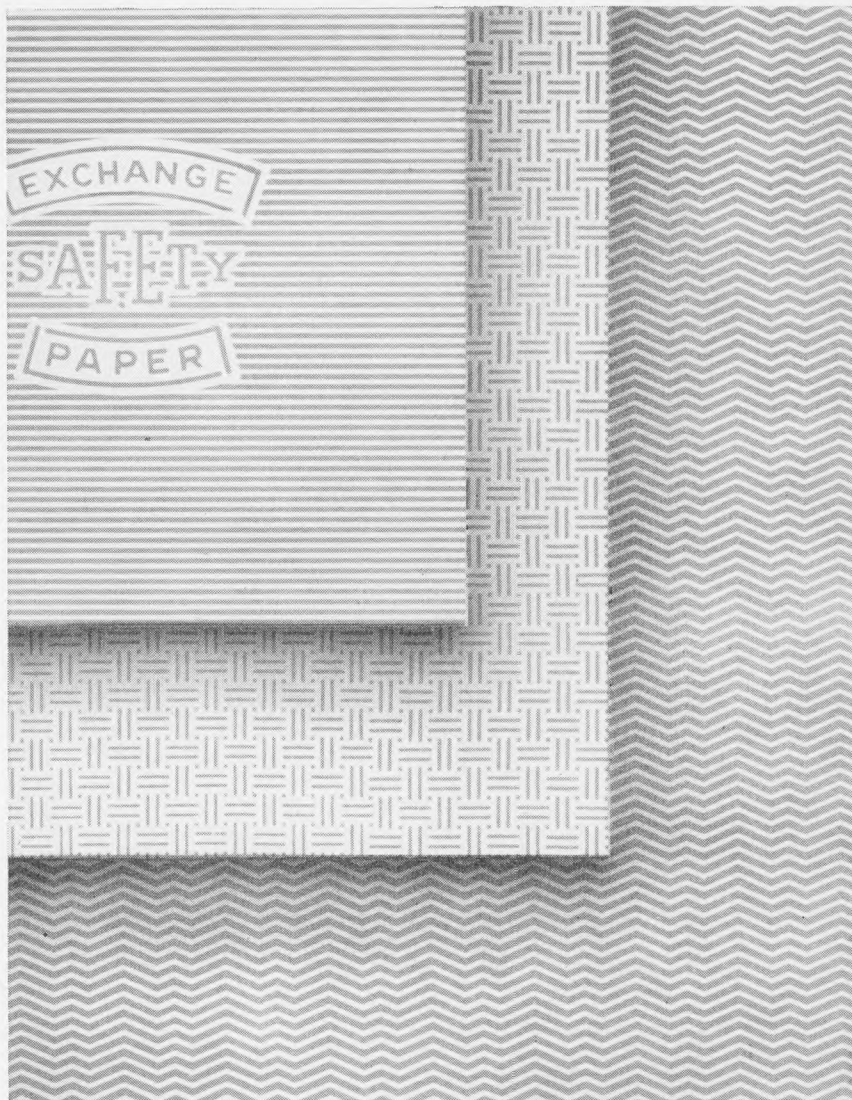
Candidate for A.B.A. Treasurer

John H. Crocker, chairman of the board of the Citizens National Bank of Decatur, Illinois, last month was unanimously endorsed for the office of treasurer of the American Bankers Association for the 1963-1965 term by Group 8 of the Illinois Bankers Association.

Following this action, Mr. Crocker also received the endorsement of Jacob W. Myers, president, and the officers of the Illinois Bankers Association, which action was unanimously approved by the executive committee of the Association.

Mr. Crocker is the second midwestern banker to announce for the A.B.A. treasurer post in recent weeks. As reported in the March issue of the *NORTHWESTERN BANKER*, John B. Keeline, president of the Central Trust and Savings Bank at Cherokee, Iowa, announced his candidacy for the same post in February, receiving the support of the Iowa Bankers Association.

Mr. Crocker has been active in affairs of the Illinois Bankers Association for many years, serving as treasurer in 1927-28, then on the executive committee and council of administration. He was A.B.A. state vice president in 1941, has served seven terms on the executive council, six terms on the agricultural commission and three terms as chairman of the latter committee. He is presently serving his second three-year term as a director of the Federal Reserve Bank of Chicago.



THE CHECK LOOK IS THE QUALITY LOOK

The familiar safety paper appearance tells your customers their checks are on a quality paper — created specifically for check use to provide protection against alteration and counterfeiting.

To give your checks the quality look, do as so many banks do — specify LA MONTE SAFETY PAPER.

La Monte

THE
WAVY LINES, ®
THE NAMES
BASKETWEAVE ®
AND EXCHANGE ®
AND THE
DISTINCTIVE
BASKETWEAVE LINES
ARE
LA MONTE TRADE-MARKS.



**SAFETY PAPER
FOR CHECKS**

GEORGE LA MONTE & SON • NUTLEY 10, NEW JERSEY

Northwestern Banker, April, 1962

NCR Develops New Check Sorter

A NEW document sorter, which will electronically read and sort 1,620 checks a minute, has been jointly developed by Pitney-Bowes, Inc., and the National Cash Register Company.

The new "Class 403" machine will handle intermixed documents of varying sizes, thicknesses, and weights. It is believed to be the fastest machine yet announced for sorting bank checks, deposit slips, and other documents.

In a joint announcement, Pitney-Bowes and NCR said the 403 sorter will incorporate a new high-speed transport and a new reading mechanism which will make it possible for a bank to sort checks more than 30 times faster than by manual methods.

Pitney-Bowes will manufacture the mechanical transport of the sorter and NCR will produce the electronic reading mechanism. The sorter will be marketed to banks exclusively by NCR.

NCR also markets the Pitney-Bowes NCR Class 402 sorter to banks. More

than 200 of these machines have been installed in banks throughout the country. The Class 402 sorts at a speed of 750 items a minute.

"NCR's new Class 403 sorter has been developed especially for those banks with a volume requiring a greater sorting speed than that of the Company's Class 402 sorter," according to H. C. Keesecker, vice president, marketing.

First deliveries of the new sorter are scheduled for mid-1963. The machine has been priced at \$90,000 and can be rented for \$2,000 a month.

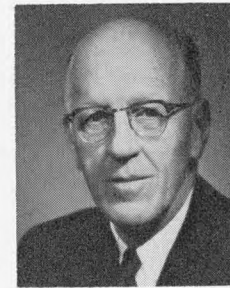
Joins Northern Trust

Raymond E. Zelder has been appointed associate economist of the Northern Trust Company, Chicago.

A graduate of Harvard, Mr. Zelder also received his Ph.D. degree at the University of Chicago. His previous business associations include Eastman Kodak and The Bank of America.

Bankers Trust Promotions

Robert C. Morris, vice president of Bankers Trust Company, New York, has been elected first vice president, William H. Moore, chairman, announced last month. Mr. Morris is in charge of the bank's bond department and the investment portfolio.



R. C. MORRIS

Elected assistant vice presidents were Morgan J. Murray and John W. Kelly. Mr. Murray is in the controller's department. Mr. Kelly is assigned to the eastern banking division.

"Career Days" Panelists

Jack Smith, vice president of LaSalle National Bank, Chicago, was moderator of a banking panel for "Career Days" at the University of Iowa in Iowa City last month.

Appearing with him in this program to interest senior university students in the banking profession were these three young bankers: David Cox, a trainee with Harris Trust & Savings Bank, Chicago; Don Magnuson, a trainee at National Bank of Detroit, and Robert Krane, Iowa-Des Moines National Bank, Des Moines.

Mr. Smith, a native of Des Moines, and the three panelists all were graduated from the University of Iowa.

Resigns at 1st of Denver

John B. Welborn, executive vice president of The First National Bank of Denver, has resigned from the bank, effective April 1, 1962.

Eugene H. Adams, president, made the announcement stating, "We regret exceedingly to announce that John B. Welborn will leave the bank to engage in the ranching business in Wyoming. Mr. Welborn has purchased a ranch near Pinedale and plans to move from Denver in April or May."



J. B. WELBORN

Mr. Welborn joined the bank in 1931 and was named senior vice president at the time of the merger between the First National and the International Trust Company in August, 1958. He was elevated to executive vice president in June, 1961. He will continue as a director.

PERIPHERAL GADGETS

Our budget for machinery and equipment this year provides for the acquisition of certain items which only a few years ago would have looked strange in a print shop. For example, we note that \$90,000 is allocated for 15 machines to clean electrotypes used to print bank names on catalog checks. Formerly we scrubbed them by hand and sometimes we got them clean, but now we dunk them in a solution on a 2-minute cycle and really get them clean. Seems like a lot of money to spend but the end result is sharper printing.

Another little item of \$46,000 is set up for 23 tape regenerators which we use to "read" punched paper tape on reorders. They read fast and give us accurate tape reproduction for the automatic Teletypesetters that operate our typesetting machines. Here is one for \$28,000 to buy planing plates, which enable us to gently plane the type in the printing chase without damaging the slugs used for encoding. And another, for \$27,500, for control accessories to hang on eleven new presses in order to

make them print the way we want them to print.

Then we notice such items as Add-Punches, mat detectors, Tickometers, Lowerators, microfilm units, packaging machines, and eight different types of conveyors. We will, of course, acquire presses and other conventional equipment, but these peripheral gadgets are beginning to run into important money and each year more of them creep into our budget. It would be difficult to measure the value of any one of them, but in the aggregate they are beneficial to us.

As we search for better methods to achieve product uniformity, we frequently cook up refinements which do not always show up in the product itself and yet they represent a substantial outlay of money. However, having searched for them and having found them, we cannot afford not to adopt them. We ourselves know they help to build "the plus you get from us" and over the years we think their significance becomes apparent to those who use our checks.

DELUXE

DELUXE CHECK PRINTERS INC.

CLIFTON NORWALK PAOLI CLEVELAND DETROIT INDIANAPOLIS
CHICAGO KANSAS CITY ST. PAUL DALLAS CHATSWORTH PORTLAND

JOHN PISARKIEWICZ

... and Frank Lexa, head of Mercantile's International Department, arrange an air mail transfer of funds to Leeds, England, to accommodate a vacationing customer of a correspondent bank.



ASSISTANCE OVERSEAS

...one of 58 types of correspondent service provided during the month by YOUR MAN FROM MERCANTILE

Other services this month included, to mention just a few ... purchase of Federal funds ... guidance on loan proposals ... public relations counsel ... staff training assistance ... and publication of an economic letter. More than 100 separate correspondent services are regularly furnished by Mercantile. *How many has your bank used?*

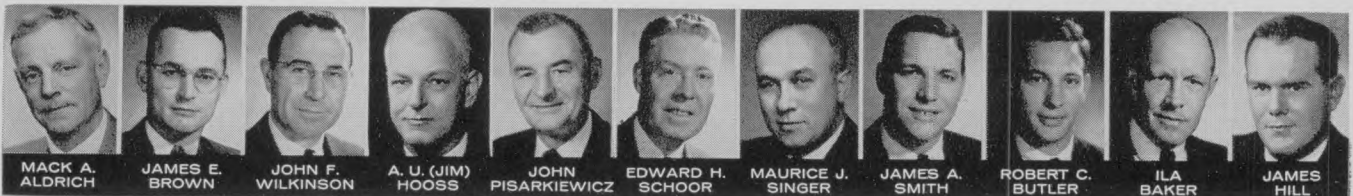
MERCANTILE

MEMBER F.D.I.C.

TRUST

COMPANY

SAINT LOUIS 66, MISSOURI



MACK A. ALDRICH

JAMES E. BROWN

JOHN F. WILKINSON

A. U. (JIM) HOOSS

JOHN PISARKIEWICZ

EDWARD H. SCHOOR

MAURICE J. SINGER

JAMES A. SMITH

ROBERT C. BUTLER

ILA BAKER

JAMES HILL

NEW GROWTH AND NEW DEVELOPMENTS CALL FOR A NEW MARK!



To symbolize the many new systems, services and products which THE NATIONAL CASH REGISTER COMPANY offers businesses everywhere, we have adopted a new business mark...



New mark of The National Cash Register Company, dedicated to providing the finest in total systems... from original entry to final report—through NCR accounting machines, cash registers, adding machines and electronic data processing. 1,039 offices in 121 countries—78 years of helping business save money.

NEW FROM NCR—"TOTAL SYSTEMS" TO SERVE YOU BETTER. New technological developments now enable NCR to serve business faster, more efficiently than ever before with "Total Systems."

An NCR cash register in a retail store... an NCR accounting machine in an office or bank... NCR adding machines wherever figures are handled—all can provide media that flows to NCR electronic data processing systems.

Today you'll find NCR Data Processing Centers in certain major cities... which represent the beginning of a nationwide network.

NEW FROM NCR—NEW DEVELOPMENTS IN HIGH SPEED COMPUTER SYSTEMS. The unique Card Random Access Memory ("CRAM") developed for the NCR 315 computer stores more than 5 million characters of information on plastic cards.

The versatile NCR 390 and NCR 310 computers bring electronics to thousands of businesses of all kinds.

NCR's new optical reading system, which permits direct processing of printed data without first converting it to a machine language, will create revolutionary advances in handling records.

NEW FROM NCR—NEW PRODUCTS FROM RESEARCH AND DEVELOPMENT. More than 2,000 people are working at NCR on many new and important projects.

Encapsulation—the method by which liquids or solids can be enclosed in microscopic capsules—holds the promise of tasteless castor oil, "dry gasoline," more stable rocket fuels, and many other things.

Other dramatic developments are a new NCR "rod memory" that switches in billionths of a second, and new photochromic data-storage techniques based on color changes which occur under varying wave lengths of light.

After Castro takes his bank . . .

Cuban Banker Begins New Career in Iowa

A Northwestern Banker Interview with
RIGOBERTO ARECES
Auditor
Nevada National Bank
Nevada, Iowa



MR. AND MRS. RIGOBERTO ARECES

I WILL be grateful if you will write in your story to your banker-readers that they can obtain good, qualified bank help from the great number of former bankers of Cuba who are now waiting in Miami for job opportunities." This was the plea made during a NORTHWESTERN BANKER interview last month with Rigoberto Areces, 48, now with the Nevada National Bank, Nevada, Iowa.

"The banking systems of the United States and of Cuba (before Castro) are practically identical and most of the 500 former bankers available are highly qualified," he continued. "American bankers can contact the Cuban Refugee Emergency Center in Miami and study records that have been compiled on these men and that have been approved by the Federal Bureau of Investigation."

A New Career

Mr. Areces, who fled Cuba with his family only a few hours after Castro militiamen took over his bank, seized the opportunity to leave Miami the first part of last winter to begin a new career in the Iowa community of approximately 4,500 people.

He is regarded as "very brave" by his friends in Miami for venturing so far from familiar ground to accept a job in midwestern U.S.A.—unknown territory.

"Many are afraid," he said, "but they are familiar with Miami—a big city—and do not know how warm and friendly and helpful the people in the rest of the United States can be.

"When I returned to Miami two weeks ago to get my wife, I was really in the spotlight as scores of friends were asking 'What is Iowa really like?' and 'How do you like your job . . . the people?'" In fact, I was put on radio and TV in Miami and gave reassurances to Cuban refugees—fine Cuban families—that there is yet opportunity for them to rebuild their

lives in various sections of the United States. I talked for 30 minutes."

"Outstanding Man"

Sam McHose, president of the Nevada National, later told this interviewer that Mr. Areces "certainly is an outstanding man. It takes an outstanding man to come alone, at age 48, to a small Iowa community to start a new life. We had heard that a select group of Florida bankers had interviewed former Cuban bankers and were acting as a sifting committee. We studied records and finally picked Mr. Areces from three we were considering. I am pleased that we did and we are planning to make him the bank's first full-time auditor."

"Banking in the United States and in Cuba (before Castro) is very sim-

stripped and crops from the country now are stored in it."

This is a hard blow to a man who was a partner in the bank his father founded in 1896. He operated the bank with a brother and a sister and was vice president and manager of the loan department. Also, the Areces family owned the Areces Hotel in Havana and 56 square miles of sugar plantations around Colon. All of this, too, was confiscated by Castro.

Nevada Opens Arms

How has Nevada taken to the former Cuban banker and his wife? The writer found many people in the community who knew them and who smiled with real Iowa friendship when they discussed the new family. Mr. Areces is sincere, easy to talk to and makes friends quickly. His wife is beautiful and charming and has made an impact on the Nevada social scene. Her manner and natural charm are such that several Nevada women have asked her to come to their homes to teach them Spanish. The all-afternoon sessions are a combination Spanish lesson-social visit, usually complete with coffee, tea and cookies, so Mrs. Areces is "having a wonderful time" as she describes it.

"How about this record Iowa winter? What did you think of it?" they were asked. They admitted having seen snow before, but not "falling snow."

"It was wonderful," both agreed.

What does Mr. Areces think about Cuba's future? Two or three months ago he was optimistic as Castro committed himself and his efforts to Communism, thereby losing the support of many Catholic followers. But, he is worrying now that Cuba may be lost forever to Communism because the people, even though they are be-

COVER PHOTO

WARM IOWA WELCOME is extended former Cuban banker, **Rigoberto Areces**, right, by **Sam McHose**, president of the Nevada National Bank.

ilar," said Mr. Areces. "We made agricultural loans, installment loans, offered the same interest rates on savings, encouraged savings with promotions . . . and Cuban bank employees had a good way of life.

Castro Takes Bank

"This is all different now. Many banks have been closed. The people have only enough to live on and nothing left for savings."

There were four banks in Colon, Mr. Areces' home town of about 30,000 population, but now there is only one. A bank in Cuba now exists as a number, such as Branch No. 36 of the National Bank of Cuba. Castro's militiamen took everything from the banks they closed. "We had air conditioning, background music, nice furniture and fixtures," he said, "and they took it all. The building was

CUBAN BANKER . . .

(Turn to page 48, please)

Northwestern Banker, April, 1962

4 Ways Government Can Help

1. Grade for Quality and Yield
2. Check Grade Difference Between Areas
3. Curtail Meat Imports
4. Strengthen Packers and Stockyards Act

OF ALL the many different income sources of today's farmer, none is quite as important as his cattle sales. These account for 21 to 22 per cent of all farm cash sales. Hogs, lambs, and other protein meats account for another 32 to 34 per cent of farm income. Clearly, this is an important segment of farm income and has a great bearing on the over-all economy of agriculture.

Though I am a plain farmer and cattle feeder—not an expert in any sense—past experience and problems often have caused me to wonder about our present farm program, and the Washington attitude toward agriculture. Certainly, I do not want the federal government in my business, nor do I want to see government controls in the livestock industry. But, I do have some definite ideas on how the government can help the cattle feeder, with very little cost, and I would like to pass four of these ideas on to the readers of the *NORTHWESTERN BANKER*.

Grade for Quality and Yield

I First, our government agencies could provide a great benefit to the cattle industry on a whole by making some major changes in the present systems of grading carcass beef. Today, practically all beef is sold on the basis of U.S.D.A. government grade, and this naturally has a great bearing on the carcass and live cattle price. There has been a very noticeable trend in the meat business in the past few years toward the "meat-type" steer.

Under our present grading system the retail outlet gains the big percentage of the added cutout value of this type of steer, very little advantage goes to the packer, and practically nothing to the actual producer of the meat type steer. Yet, there is a tremendous range in the retail value of cattle that grade the same under our present system. The yield of the prime cuts—loin, rib, round, and chuck—may vary all the way from 40 to 70 per cent of the entire carcass. That value range is far greater than the range in market prices to the feeder.

Tests have been run on two steers weighing within ten pounds of the same weight on the hoof, and their dressing percentage almost identical; yet, the retail value of one was actually \$51.10 more than the other. It is impossible to tell how much benefit the feeder received from this, but it is safe to say it was considerably less

than the \$4.55 per cwt. that the cutout value showed could be realized only at the retail level.

The Department of Agriculture has been doing some experimental work in this field for some time, referred to as dual grading. Instead of one carcass designation we would have two. One, the grade, would denote quality, and the other, the yield score, would denote the quantity of retail cuts.

The Department must see some need for this to conduct these experiments, and I would like to see this form of grading pushed and put into practice within the Federal grading system. The producer would then get some of the price advantage for producing the type of animal that today's meat trade demands.

Check Grade Difference Between Areas

2 Another segment of our Federal grading system that I would like to see checked is the so-called differences of the same grade between different areas in our country. The government agencies say there is very little difference between grades in various areas and that this is merely sales talk on the part of the packers. Nonetheless, in visiting with many meat and cattle men who have had years of experience in the business, there is a tendency to believe that there are some variations.

If this is the case, then it is definitely a situation that should be corrected, because a large percentage of carcasses are sold entirely on the grade in the large wholesale meat markets. This gives an unfair advantage to the producer who is producing a lower grade carcass, but is getting a better grade on it because he happens to be operating in an area where the feed available or the feeding program does not produce a large percentage of choice carcasses. Once meat is graded it sells at practically the same price, according to each grade, in the wholesale markets. And, if one or any part of the industry is in a position where it must produce a better carcass in order to get the same grade, then that particular section is working under a handicap. This naturally raises the cost of production, cutting the gross profit.

This is a very controversial subject and I do not profess to know the answers, but I do know there is meat being shipped from some of the river markets, ungraded, and then graded at the destination with the hope of

Cattle Feeder



Written Especially for
The Northwestern Banker
 By **GEORGE H. SPENCE**
Agriculture Representative
American National Bank
and Trust Company, Chicago

getting a better grading. I believe this is a part of our industry that should be checked.

Curtail Meat Imports

3 Another area in which I think the government could help the livestock industry is in curtailing the unbridled importation of meat. When prices started to rise in 1957, a flood of imported beef began entering this country. In 1958, 8.4 per cent of the total beef consumed here was imported. In 1959, imports amounted to 8.3 per cent and in 1950, 5.9 per cent. The total figures are not yet released for 1961, but I understand imports are up again. Figures quoted in the April, 1960, issue of *Western Livestock* stated that we imported 40 times as much mutton, 15 times as much beef, and about 16 times as much pork from abroad as we imported only eight years ago. We have come to the very unusual position where we are the second largest importers of meats in the world today.

And all this is being brought into a country that is supposed to be plagued with an over supply of cattle and hogs as well as a tremendous stockpile of cereal feed grains! While we spend millions to support grain prices, we import meats that could be produced here with this same grain. I realize that imported beef is used primarily for processing and ends up in sausage, wieners, hamburger, bologna, and so forth, but it is still meat and as long as it is available it takes sales away from domestic producers.

The tariff rate set up in 1930 on beef and veal, frozen or fresh chilled, was six cents per pound, but in 1947 a tariff change cut this to three cents per pound. At the same time the United States reduced the duty on cattle weighing 200 pounds from 2½ cents to 1½ cents on the first 200,000 head imported annually. The duty of 2½ cents per pound remained the same on cattle from 200 pounds to 700 pounds, but the rate on cattle over 700 pounds was reduced from 3 cents per pound to 1½ cents per pound on the first 400,000 head entering in any 12-month period. Simultaneously, the tariff was reduced from 3 cents to 2½ cents per pound on all cattle entering this country over the above specified numbers. Along with this change, tariffs were cut on preserved meats from 20 to 10 per cent.

All these tariff cuts were in the face of a rising econ-

omy, inflation, and increased operating expenses for American producers.

Look at the change in the over-all economy since 1930. Costs and all other price levels have more than doubled. To give the American producer any protection, our tariffs should have been doubled, but instead they have been cut nearly in half. How long can the domestic producer continue to subsidize the manufacturers, by the importation of cheap meats, so they can sell their products abroad? With today's general economy, it is my belief that American producers should insist on doubling the 1930 levels of tariffs on all meat imports.

Strengthen Packers and Stockyards Act

4 Another segment of our livestock industry that I think should have more and better supervision falls under the jurisdiction of the Packers and Stockyards Act. Passed in 1921, this act originally applied to terminal markets. Due to the decentralization of the livestock business, the act was amended in 1958 to extend its provisions to all interstate transactions in livestock by packers, dealers, and market agencies in all marketing outlets. I believe the Packers and Stockyards Administration is doing a good job today, but as a result of the fast-changing marketing system, its problems are many and complex. For instance:

A. One of the current problems has to do with weighing procedures, the practice of adjusting weights to compensate for the shrink or fill of animals being sold. This is called the "pencil shrink" and is a certain per cent of the animal's total weight, agreed upon at the time of the sale, and deducted from the live animal's actual weight. This, to me, is a double shrink as the producer has already taken a normal shrink in sorting the animals, trucking and other general hauling. This extra shrink allows the buyers to pay a higher live price and creates an unbalanced and fictitious market.

This weight adjusting could just as well be handled through price adjustment and would be much less confusing to the actual producer. This practice was started by direct country buying, and has now spread to some sale barns on fat cattle. Almost certainly it will have to spread to terminal markets in the future, if they are to stay on an equal price basis.

The practice also leads to other irregularities. For instance, a dealer buys livestock with such a "pencil shrink," then immediately resells it on the representation that the original weight ticket was the buying weight. This is one reason a cattle feeder should never take western weights unless he check-weighs the cattle at their destination and makes sure that his transportation shrink is not excessive.

B. Another problem that I would like to see the Packers and Stockyards Administration control is the bonding of country buyers. All operators on terminal markets and sale barns must be bonded to guarantee payment for the producers' livestock. But the packer can buy cattle direct without a bond. We have had actual experiences where packers have gone broke and the producer was never paid for his fat cattle.

C. Still another lamentable practice is the withholding of money owed, not paying for cattle until they are graded by the packer. Many times these carcasses are already sold and moved from the packing house before the producer is paid.

D. One final procedure I would like to see eliminated (if the Packers and Stockyards Administration has the power) is the practice of sale barn operators starting the price and many times buying the cattle that go through

CATTLE FEEDER . . .

(Turn to page 41, please)

Northwestern Banker, April, 1962

"Your whole organization depends and succeeds on communication. The best idea in the world cannot be carried out unless it can be communicated to those responsible for carrying it out. Good communication makes for a good team effort."



Management Succession And Staff Training

By **PAT DuBOIS**
*Executive Vice President
First State Bank
Sauk Centre, Minnesota*

IN MY opinion there will be no pat solution or clearly-defined chapter on management succession and staff training. I think this is an individual bank matter and the solution will be changed from time to time by changing conditions and demands.

Management succession is the basic responsibility of the board of directors and senior management in each bank. It is their responsibility to select capable executive personnel and to lay down fundamental lines of procedure. It is important that executive management carry out the business of banking.

Once the responsibility for management succession has been recognized by the board, it becomes the basic responsibility of management.

Train Reliable Men

It is necessary that top management seek out reliable personnel, employ them and establish training programs which provide education and training. Responsibility for the training program must be divided between staff members in proportion to their ability and authority. In larger banks, designated officers have the major responsibility. In many cases, these men are specialists. In smaller banks, these matters fall to the president, who is all things to his bank.

In some banks there exists a lack of understanding of responsibility and authority. This brings strained working relationships, inefficiencies and often the deterioration of a good employee. Management must define

areas of responsibility and that authority must be clearly outlined.

Among many excellent schools for development of bank personnel are the A.I.B., the Graduate School of Banking and the School of Banking at Madison, Wis. Seminars are held by bank organizations frequently and it is important that management introduce their people to courses of study and encourage their attendance. The best, most successful method of encouragement is the paying of the course and expenses involved in attending. If we are to develop qualified individuals for advancement, we must be willing to do what other industries do—foot the bill!

Three Basic Steps

Material for training bank personnel is almost unlimited. A.B.A. has a whole series carefully worked out and are excellent. A.I.B. courses have well-prepared training materials and many colleges have special courses for improving bank personnel.

To develop employees for higher-level management positions, there are three basic steps to be followed:

1. Clarify the job requirements of executive positions in the bank.
2. Appraise the individual's performance on his present job as measured against the requirements determined in Step One.
3. Plan the counseling and development of the person so areas of need can be filled or weaknesses corrected.

It is not necessary that supervisors hold an official title, but they are at

the first level of management and hold key positions in a bank. Some of the greatest problems banks have had have been caused by poor organization and training of supervisors. Too frequently the practice has been to select as supervisor the employee with the longest service or the highest skill of operation.

It is important, during the training program, to evaluate the progress being made and to counsel with the trainee. Develop his ability to make a decision and to carry it out.

For Team Effort

The program should be devised to educate, coordinate, develop leadership and responsibility. It should be conducted under the best leadership possible and should help personnel fully understand the function of the bank and its departments. One method is staff meetings, called and conducted in an informal thought-provoking manner. These meetings bring out little problems and permit common understanding and corrections before they grow into serious proportion. Also, they help develop a team effort and a better working relationship at all levels of employment.

In many instances the person first considered for advancement is the son or other relative of the present banker. Often, his rise is faster than that of the others, so it is advisable that special emphasis in the training program and education be encouraged. Too often the son or relative finds himself faced with responsibility before he is prepared. His struggle sometimes is not in the best interests of the bank. But with proper education and training he can be better prepared.

Probably the most important aspect of staff training and management succession rests in communication between the board and management, management and staff, staff and personnel. Communication is your memo, your newspaper ads, your radio and

STAFF TRAINING . . .

(Turn to page 44, please)

WE KNOW that providing term financing for small business is a relatively new field for many banks, a field which many banks, quite understandably, are reluctant to enter. But it is exactly this type of financing that so many small businesses need if they are to grow and prosper and that is why the SBA financial assistance program exists.

In our new Simplified Bank Loan Participation Plan we have made a very determined effort to provide a ready means whereby banks can supplement their lending activity to small firms seeking term loans. We think we have succeeded, and this is evidenced by the ready response we have received from so many banks. Our new plan was put into effect last September and in four months of operation more than 550 loans totaling more than \$33 million were approved. At present a strong 25 per cent of the loan applications coming in are under this plan, and since some 85 per cent of these applications are approved, it is evident that the SBA is moving strongly in the direction of heavy reliance on the support and assistance of the private banks.

Expands Loan Volume

We think this is a healthy trend, and we believe you will agree. We believe, also, that through this program we can help the banks to give greater service to their small business customers, and thus help strengthen their communities.

For example, a bank desiring to be prudent and yet progressive may budget \$2 million of its lending funds for term loans to deserving small businesses in the community. When this \$2 million has been committed, the bank would be inclined—in order to stay within its budget—to stop considering any more loans of a term nature.

But now consider the bank's position if it had made these term loans under our simplified plan, with the bank taking a 25 per cent share and the SBA 75 per cent. The bank could then have advanced within the community \$8 million in term loans and yet the bank's exposure would remain at the budget limit of \$2 million. Of course, under this program, a bank may take a larger share than 25 per cent if it cares to. Indeed, we are

Representatives of the Small Business Administration have presented details of its new Simplified Bank Loan Participation Plan to banker groups in many states. Mr. Hendricks delivered this address at the recent mid-winter conference of the Minnesota Bankers Association.

SBA Simplifies Term Loans Through Banks

By **LOGAN B. HENDRICKS, Director**
*Office of Loan Processing, Small
Business Administration, Washington, D. C.*

happy to have them do so as we want to keep as much small business term financing as possible in the private banking system. In some cases a bank must take a larger share than 25 per cent if there is considerable existing bank debt to be refunded from the loan.

Meets Credit Needs

But we are also happy to have the banks take full advantage of this program by taking a 25 per cent participation, for through this method of collaboration with SBA a bank can meet the credit needs of many customers it might otherwise be unable to serve. This accomplishes our main objective of helping finance small business and doing it by utilizing the services and credit knowledge of the private banks.

I cannot emphasize too strongly that the very heart of this plan is our heavy reliance upon the bank's credit judgment, based on its knowledge of

its customers and its experience in the banking field.

By eliminating unnecessary paper work and procedures, we have shortened the application form used in the plan to one page. I am speaking here of the form which the bank fills out and sends to SBA, asking it to participate in a loan.

The SBA can review the new simplified application form very quickly. In fact, in most instances, we are able to notify the bank of our decision

SBA TERM LOANS . . .

(Turn to page 52, please)

Example 2

Downtown National Bank

\$100,000 term loan to small business at 6 per cent, with 75 per cent SBA deferred participation. Bank collects 6 per cent interest, pays SBA $\frac{3}{4}$ per cent on SBA's \$75,000 share, and nets a little more than $5\frac{1}{4}$ per cent on investment largely guaranteed by the government.

Advantages: 1. Safety and quality of a government bond. 2. Higher yield than bank can obtain on any other government security. 3. Liquidity of asset because 75 per cent of loan may be sold to SBA at any time.

If SBA participates actively in loan, it pays the bank $\frac{1}{2}$ per cent of the interest on SBA's share of loan for servicing the entire loan. Bank retains 6 per cent on its 25 per cent of loan.

Example 1

Downtown National Bank

Budget for term loans to small businesses \$2,000,000

With SBA 75 per cent participation and bank 25 per cent, total budget for term loans can be . . . 8,000,000

Bank's exposure remains. 2,000,000
N.B. National Bank need not count SBA share of deferred participation loan against its own legal lending limit.

*From
Comments
at the Montana
Agricultural Credit
Conference in
Bozeman*

AGRICULTURE in America is changing with each day. Technological advances are changing the methods of farming and ranching and narrowing profit margins are changing the size of each unit. With the changes in agricultural methods will come changes in agricultural financing. Methods of financing a farmer or rancher today may be of little value to the farmer or rancher of the 1970's.

Following are comments from three persons on the future of the farmer and rancher and on the future of agricultural financing. They discuss who the rancher and farmer of tomorrow will be, the problems of agriculture and agricultural financing in the future, and the methods of financing that may be used to meet the needs of space age farmers and ranchers.

These comments were made at the recent Montana Bankers Association's Agricultural Credit Conference:

PROBLEMS OF THE FUTURE

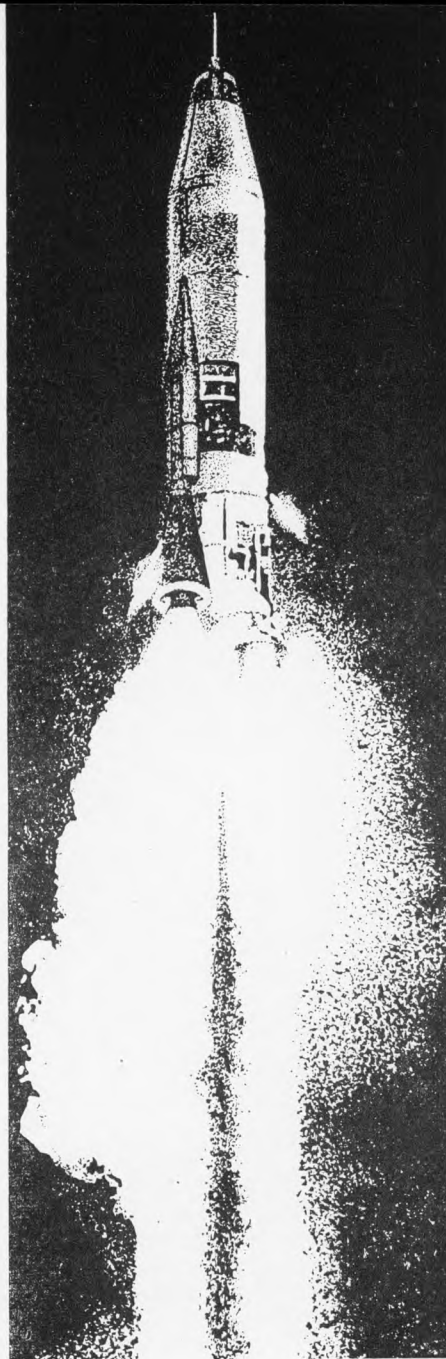
■ A. M. GREENSHIELDS, *executive vice president, First National Bank, Brown- ing, Mont.:*

As we look at agriculture financing today and into the future, there are three areas that need particular attention. If we are to meet the future needs of our farm and ranch customers and of our stockholders we must pay particular attention to (1) Government and Quasi-Governmental Agencies, (2) Improving Correspondent Relationships, and (3) Selection of the Rancher and Farmer of the 1970's.

Correspondent Banks

A recent study by the agricultural committee of the American Bankers Association reveals that in 1961 one

Northwestern Banker, April, 1962



out of every three banks serving agriculture received one or more otherwise acceptable applications for agricultural credit for amounts larger than it could handle.

A good correspondent relationship with a large bank is a must for the small country bank if it desires to meet the competition. The small bank must give consideration to carrying an adequate balance in its account with the city correspondent in order to make it worthwhile for the city bank to provide the additional services required.

The country bank must provide adequate forms on which to relay all pertinent information regarding the loan so that the city bank can ascertain the credit factors readily. Many of us

Financing

are inclined to forget that a situation in our own back yard, of which we have intimate knowledge, is only as clear as mud to our city correspondent unless we pass on all of our knowledge.

Some reasonable understanding must be arrived at between the country bank and its city correspondent providing for the servicing of the loans. In our own bank we do all the servicing. However, if it were necessary and requested by us that the agricultural representative of our city correspondent come out to assist in servicing a participation, we would anticipate being charged a percentage of the expense of the trip relative to our participation in the loan.

Last, but not least, the officer in the country bank and the officer in the city bank responsible for agricultural loans, must have a mutual respect for each other as agricultural credit men.

Government Competition

I believe that many bankers in the 1930's, when most government competition originated, felt that relief meas-



A. M. GREENSHIELDS

ures were only temporary and that they would gradually fade out of the picture as the agricultural economy recovered from the depression and the drought.

This wishful thinking has not materialized.

Even though most banks serving agricultural areas are willing and able to furnish sound agricultural credit, the governmental competition is rapidly expanding. I believe that such competition is permanent and that it behooves us as bankers to devise ways and means to meet and live with it.

Agriculture for the Future

Tomorrow's Operators

Management always has been an important factor in the extension of farm and ranch credit. However, in the past few years it has become a major problem. Many of our farm and ranch operators today are unable to cope with the narrowing margin between costs and income. Many also are unable to cope with improved methods and new technology, and it would appear that some of them would be better off in some other line of endeavor.

All lenders in the agricultural credit field are financing units where it is a known fact that the management is weak. We cannot afford to continue to finance applicants for agricultural credit who do not have the potential ability to do the job that will be required in the future. We have a responsibility as lenders to pick the individuals who will be ranching and farming in the 1970's. The success or failure of those engaged in agriculture tomorrow will in a large part depend on the sound judgment of the lenders of today.

CUSTOMERS OF THE FUTURE

■ CHARLES E. SWEENEY, *vice president, Big Horn County State Bank, Hardin, Mont.*

When we try to visualize who the rancher and farmer of tomorrow will be, we as commercial bankers, are trying to determine our role in agricultural financing from today into tomorrow.

If we can determine who will be the farmer and rancher of tomorrow, it will be much easier to determine the effect the transition from today into tomorrow will have upon ranchers and farmers and to determine the

role commercial banks play in agricultural financing of the present and the future.

The size unit the rancher and farmer of tomorrow operates will be of vital significance. It is pretty much common knowledge that the trend of the past several decades has been toward larger and fewer units in agriculture.

This is explained readily when we consider that increased efficiency resulting from increasing size to a certain point diminishes unit costs. Another result of this transition to larger units is the disappearance of the smaller, sub-marginal farms that are unable to compete with the larger, more efficient units.

It also is apparent that mechanization has tended to force agricultural operators to increase the size of their units to fully utilize modern equipment.

A recent survey conducted by the Department of Agriculture shows that the average smaller operator cannot meet his annual depreciation costs and will ultimately go out of business. It also shows that the average smaller income operators is very reluctant to decrease his living expenses in any manner proportionate to income. Results of this survey are shown in the accompanying chart.

It is obvious that with the increase in size, capital requirements will be much greater. The big question is: "Where will this capital, or land, or equipment, or livestock come from for those who don't have it?"

The more fortunate will be able to obtain backing from parents or relatives who do have it, and who are willing to risk it. Those who have proper security and have demonstrated management talent, character and ability, will obtain capital through

Montana Farm Comparison

| Items | Large | Small |
|-----------------------------------------------------|-----------|----------|
| Number of Farms | 10,446 | 15,141 |
| Average Size (Acres)..... | 3,772 | 1,063 |
| Capital Investment: | | |
| Land | \$ 81,391 | \$27,296 |
| Buildings | 12,119 | 4,394 |
| Machinery | 13,089 | 6,827 |
| Livestock | 16,020 | 5,484 |
| Total..... | \$122,619 | \$44,001 |
| Cash Receipts (Marketings & Government Payments) .. | \$ 28,952 | \$ 7,650 |
| Cash Expenses | 11,236 | \$ 3,316 |
| Net Cash Income..... | \$ 17,716 | \$ 4,334 |
| Federal Income Tax (Family of 4)..... | \$ 2,944 | \$ 81 |
| | \$ 14,772 | \$ 4,253 |
| Less Living Allowance..... | 3,600 | 3,600 |
| Available to Service Debt and Replace Capital..... | \$ 11,172 | \$ 633 |
| Annual Depreciation | \$ 2,421 | \$ 1,217 |

“Credit Is Provided Best By Financing the Farm As a Single Unit of Operation”

friends, banks or other lending institutions.

Managerial ability will be most important in the success of a farm in the future. Even with sufficient capital and adequate size, some operators will not last long if they do not have management ability.

However, marginal farms still will exist tomorrow. Some operators will be willing to accept a sub-standard living to stay in business. Also, some of the good farmers of today will go backward to become the marginal farmer of tomorrow.

In general, the ranchers and farmers of tomorrow will be those with larger units, larger amounts of capital or a way to get it, and much better managerial ability than that of the average operator today.

The farm or ranch operators of today that possess the managerial ability, the potential and willingness to increase in size, and the necessary capital, or access to it, will still be in business tomorrow.

Also, there will be those in business tomorrow who are not in business today. I believe this class of operators will average fewer in numbers each year, as the requirements of getting into agriculture become increasingly demanding. Those of this group who do succeed will be superior managers and more fortunate than many of the farmers and ranchers of today.

Commercial banks will play an important role in determining who will be the rancher and farmer of tomorrow. Bankers must keep one eye on the present and the other on the future.

Bankers Must Use Judgment

As lenders, bankers must use their best judgment and utmost discretion to insure that tomorrow will be profitable for the bank as well as for the agricultural customer.

Young operators who have the potential to be in business tomorrow must be given proper guidance. By the same token, those who lack the necessary quality to be the operators of tomorrow, must be dealt with fairly but firmly. The rancher and farmer of tomorrow will be allowed very few wrong decisions. Margins will be too fine for him to remain in business if he guesses wrong too often.

Bankers must continue their duties with the deepest sense of responsibility, integrity and concern for the

ranchers' and the farmers' tomorrow also is the bankers' tomorrow.

FINANCING IN THE FUTURE

■ DR. SHERWOOD O. BERG, head, *Agricultural Economics Department, University of Minnesota, Minneapolis:*

Is the commodity financing approach to agricultural lending adequate for today's farms?

The common approach used today is that a farmer's credit needs are appraised from a viewpoint of financing feeder cattle, dairy, farm machinery, broiler, etc. This is a fragmentary pattern.



DR. S. O. BERG

Increased size of commercial agriculture units has led us to the point where lending agencies must be in a position to finance an entire farm operation rather than just a portion of it. Generally, split lines of credit result in more limited availability of credit than a farm operation warrants.

Credit is provided best by financing the farm as a single unit of operation. Under such a system we would not break credit down into short-term, intermediate and long-term segments.

I suggest that in the year ahead we have need for an open line of credit. This would mean the expanded use of open-end mortgages. Such an arrangement would reduce, or eliminate, the cost of new loans because it would reduce successive appraisals, titles and the like. It would provide the one-stop, one-package credit that farmers need.

The increased size of operations and larger capital requirements per farm suggests a need for a change in our philosophy toward the holding of farm debt. At the present time, it is the goal of every young married farm couple to achieve full ownership of their farm. This is what society has set up for them as a goal of achievement.

With the tremendous capital requirements in agriculture today, is it reasonable to expect this? Might it not be possible to purchase a farm worth \$200 per acre, borrowing \$50

per acre on the farm initially, amortizing \$50 per acre during the course of the lifetime. In time, the loan would be reduced to \$100 per acre. Only interest payments on outstanding debts would be required with optional principal payments.

Under such an arrangement, the borrower's earnings over interest cost could be used to maintain or improve production efficiency or the farmer's level of living. The lender would have a relatively riskless loan, and presumable higher returns in other loans in agriculture since the permanent investment reduces administrative costs in the loan portfolio.

There is further justification for relatively low equity in farm real estate. This permits a relatively easy transfer of the farm from one generation to the next; moreover, it would be certain that the control of management will remain with the individual operator.

Admittedly, this idea requires a substantial shift of our attitude toward debt, but the system has worked successfully in other countries, namely those in the Scandinavian area.

Can our present lending institutions adapt their organization to our new, pressing needs? In a sense we are adjusting. We are beginning to use other forms of equity financing.

For example, there has been considerable growth in the use of land conditional sales contracts. Family farm corporations are also making their appearance. These are at least partial answers to the capital problem in agriculture.

Research Key to Change

Research is recognized as the key of adjusting to change. There is need for capable, imaginative men in finance administration to face the tremendous changes in agriculture. To meet the research and development needs of changing agriculture, it may be wise for a number of commercial banks in an area to integrate the function of agricultural lending so that a core of specialists could be developed.

As changes occur in our general economy and in agriculture in particular, there is a real need for a thorough reappraisal of our credit institutions. There are needs for local lending agencies to be capable of taking on larger loans for much longer periods of time; for single agencies to meet the varied demands of the single borrower; and the need for borrowers and lenders alike to keep abreast of the technical revolution in our agriculture and in our rural communities.

"A satisfied customer is your greatest business developer. He's so proud to be considered important to your bank . . . and because of the warm friendship he receives from you he just can't keep it to himself. He's going to tell others how good you are."



Improve Customer Relations

. . . with this easy 5-point plan

WE HAVE been rated at the bottom of the friendliness chart many times by our customers . . . and this wouldn't be so bad except that we are competing with credit unions, savings and loan companies, small loan companies, sales finance companies, life insurance companies, agencies of the federal government and even the federal government itself . . . and we're losing ground all the time.

One of the primary reasons for this loss is our public relations. It has made progress the past few years, but there's room for more improvement.

Banks Can Benefit

Public relations is defined to include your relations with the community, your customers, your government, your churches and all other people or groups with whom you or your bank have contact. All banks can benefit by having these various publics think well of the banking profession generally.

Two major steps in establishing a forward-looking public relations program in a bank are (1) bank management must inaugurate policies to guide the program and give it impetus and (2) the entire staff must be informed and educated as to bank policy and to banking generally.

No program will be effective if the staff isn't part of it. To a great many of your customers, the teller and not your president or the cashier represents the bank. So, it is important that the bank's public relations policies and techniques of handling customers be clearly defined, understood and practiced by everyone in the bank.

Let's develop better customer relations.

Common Criticisms

A large eastern bank recently had an independent survey conducted among its customers to determine the most common criticisms. Many of these may not apply to you or your bank, but many will:

1. Unfriendly attitude.
2. Indifference.
3. Lack of courtesy.
4. Apparent disinterest.
5. Cold, impersonal service.
6. Only interested in money, not customers.
7. Talks only with fellow employees.
8. Does other work while customer waits.
9. Hard to get information.

By DAVID A. SHERN
Assistant Vice President
First National Bank of St. Paul
St. Paul, Minnesota

10. Lack of recognition.
11. Sent from window to window.
12. Impatience.

Did it dawn on you as you read the list that most criticisms center on the human element? We hurt their feelings and this is intolerable! People can stand a lot of physical inconvenience if they are made happier in the end. They are king. They're our bread and butter and without them we have no bank . . . no job.

We can just as easily inflate their ego and make them feel they are the

most important people in the bank. When you do this, you have at your command the most powerful advertising medium ever devised. A satisfied customer is your greatest business developer.

A 5-Point Plan

Here is a 5-Point Plan for improving customer relations. Use it. Practice it. I promise you your customers will leave the bank with a smile instead of a frown.

1. Togetherness.
 2. "We'll take care of everything."
 3. "May I suggest" . . . ask for business.
 4. Compliment liberally.
 5. Thank sincerely.
- Now, let's discuss them individually.

Point 1—Togetherness. An individual alone is tragic, pathetic. People are basically insecure and dependent. They always have sought companionship. They need assurances that they are not alone.

Nowhere is this more true than in a bank. We built our banks like mausoleums . . . they echo with every footstep. The customer feels so self-conscious he can't help but want to get out as fast as he can. Furthermore, the whole business of banking is a mystery to him. When they have a problem, they don't need to be chastised, they need the assurance of a teller or officer who will say, "Well, let's see if we can work this out together."

Use "us" and "we" and "together"

5-POINT PLAN . . .

(Turn to page 46, please)

Northwestern Banker, April, 1962

Advance Refunding By Treasury Is Successful

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

THE windup of winter saw the bond market seething with unexpected strength. The climax of a succession of bullish surprises was the response to the Treasury's last advance refunding—the most sweeping of the five moves of Washington since June of 1960 to stretch out the maturity of the public debt.

Within a fortnight after holders of more than \$5,000,000,000 of Treasury obligations had accepted the Treasury's extension of maturity invitation, most Treasury issues of long term were selling at higher prices and lower yields.

Fifteen Treasury issues were selling at market yields of 4 per cent or more in mid-February. A week or so after the advance refunding closed, the number of Treasury issues selling at yields of more than 4 per cent had shrunk to eight. This despite the fact that holders of more than \$1,200,000,000 of war bonds due in 1972 turned them for 3½s due in 1990 and holders of more nearly \$3,000,000,000 of 3s due in 1964 and 2½s due in 1965 exchanged them for 4s due in 1971 and 1980.

Price Resistance Disappears

As the investment market place began to sense fully the implications of the Treasury's alert and bold revamping of the debt structure, much of the resistance of institutional investors to the price levels of the late winter bond market began to disappear.

Few efforts were made to outwait invest-banking syndicates that had priced aggressively new issues of prime public utility bonds purchased at public sealed bidding. Within a few weeks, the going yield on prime utility bonds of corporate issue shrank from around 4.6 per cent to well below 4.5 per cent.

It took more than a few days to distribute fully a \$300,000,000 issue of

American Telephone & Telegraph bonds at a price to yield 4.52 per cent, but once the success of the new telephone issue was assured, the institutional investors made no serious effort to resist the marketing of prime new corporate issues at yields of under 4½ per cent. The Duke Power Company put out an issue of 4½s that moved quickly to a substantial premium. Thereafter the bond syndicate pricers designated a yield of 4.43 per cent for a new issue of West Penn Power obligations. This, too, was a success.

Municipal Purchases Up

The enlargement of commercial bank holdings of prime local government securities due in from 15 to 20 years has gone on all winter. Instead of the buying interest waning after mid-winter, the purchases seem to have been stepped up, with many institutions joining in after having been indifferent at the start. This bank buying has depressed the yields on prime municipals due in 20 years by 25 yield basis points. The statistics on the whole indicate, however, that bank buying of municipals has been no greater than in recent years.

The rush of the banks to buy the tax-sheltered local government bonds in the yield-rich, middle-long maturities gives emphasis to what probably has been the single major influence for higher bond prices—the fact that the 1961 business recovery fell short of the briskness and breadth predicted for it.

Not wanting to be caught illiquid, with investment portfolio holdings of other than short term—securities that could be changed to lendable money only at a loss—the banks this time were all set with secondary reserves of liquid assets for the boom that never came.

4 Per Cent Interest a Factor

The rush into long-dated municipals was touched off late last year by the decision of the Federal Reserve System to allow the business lending institutions to pay up to 4 per cent interest on savings deposits. Most banks hastened to exploit to the full the new authority for making them, in the savings deposit field, more competitive with mutual savings banks and building and loan associations.

The successful outcome of the Treasury's last advance refunding underscores the same point. The Treasury debt conversion created a new bond—4s of 1971—which were subscribable by holders of either the 3s of 1964 or the 2½s of 1965. The new 1971 maturity attracted—mostly from banks—conversions totaling \$2,802,000,000, while the reopened 4 per cent issue due in 1980 attracted conversions of only \$558,000,000.

"Operation Nudge" Dead?

The Treasury's debt extension makes for a wry commentary on "Operation Nudge"—the move made early in 1961 to force down the long-term rate at the same time that the short-term was being pushed up to check the gold outflow. The fact is that since June of 1960—the first advance refunding effected under the Eisenhower Administration—more than \$22,000,000,000 of public debt has been extended in maturity by advance refunding undertakings, of which the 1962 operation was the most sweeping. Of the total, about \$10,000,000,000 represented extensions of maturity running from 9 to 28 years.

It is open to question, of course, whether such an extension of public debt in the long-term area is consistent with the Kennedy Administration's repeated commitment to reduce long-term interest rates. But so is the Kennedy commitment. As for the arbitrary move of the government to dence—thus far only tentative—of a pay bondholders, on debt not yet due, more interest than that designated in the bond contract, it is probably true that public utility companies answerable to Federal regulation in financial matters would not have been able to follow a like course without Washington raising the cry of scandal. It is indisputable, however, that the Treasury's recasting of the public debt structure on a more balanced basis is in the public interest. Few will be critical of the opportune way the Treasury has moved to this end during a period of economic pause, one in which the requisitions of private

INVESTMENTS . . .

(Turn to page 50, please)



Nyhavn Canal, Copenhagen—just 20 minutes from a Bank of America office. Photo by Philip Lustig.

Man-on-the-spot . . . in Copenhagen. Planning distribution in Denmark? His contacts could prove invaluable. A new plant in Pakistan? Check with our Karachi staff. From Los Angeles to Lagos—in California, across the U.S.A., around the world—**BANK OF AMERICA** can simplify your operations, safeguard your interests. When you need the services of a man-on-the-spot, get in touch with Bank of America — first in banking.

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Commerce Trust Plans Conference

MORE than 1,000 bankers are expected to converge on Kansas City for Commerce Trust's 1962 Conference for Correspondent Banks to be held April 4. The all day business session which features 5 prominent speakers will be followed by a social hour, dinner and a star-studded show.



J. M. KEMPER, JR.

Registration begins at 8:30 in the morning at the Hotel Continental and the day's events get underway at 9:45 a.m. with a message of welcome from Commerce Trust president, James M. Kemper, Jr. The moderator for the business program will be Bill M. Lamberson, vice president in charge of the bank's correspondent bank division.

Various officials of the bank's staff also will participate to point out how other departments in the bank can serve the needs of correspondents.

In the morning "Automation for Small Banks" will be the topic of

guest speaker, Neal J. Dean, vice president in charge of management and information systems for Booz, Allen & Hamilton, Inc., of Chicago.

"Why Our Bank Permitted a City Bank to Take Over Its Bookkeeping," will be the subject of Kriss W. Barnes, executive vice president of Poudre Valley National Bank, Fort Collins, Colorado.

The luncheon speaker, Dr. Charles Kimball, president of the renowned Midwest Research Institute in Kansas City, will speak on "Some Economic Benefits from Space Exploration."

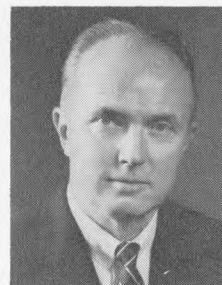
In the afternoon session, Dr. Gordon W. McKinley, vice president and chief economist for F. W. Dodge Corporation of New York will discuss "The



N. J. DEAN



K. W. BARNES



DR. C. KIMBALL



W. M. WILLY

Outlook for Business, Prices and Interest Rates in the Year Ahead."

The concluding guest speaker on the program is W. M. Willy, president of the Security Bank, Madison, South Dakota, who will bring to the group his address, "An Audit Program in the Smaller Bank."

Staff Gets Annual Report

The ninth annual "Report to the Staff" of the First National Bank in St. Louis was mailed to the homes of the bank's 1,000 staff members. The report's introduction is by James P. Hickok, chairman of the board, and John B. Mitchell, president.

Written in simple, every day language, the report shows employees how operating income was realized from loans, investments and fees for services performed and spent for income taxes, interest, supplies, services, salaries, employee benefits and dividends to stockholders.

The booklet also includes pictures of new directors and bank officers and staff members who were advanced to new positions during the year.

The First National staff of 1,052 employees is made up of 486 men and 566 women—which includes 172 employees with 25 years or more of service.

The booklet cites the fact that the bank's employees, participating in an incentive award program, brought in \$719,969 of new business during 1961, compared with \$634,154 the previous year.

Staff members received a total of \$2,339 for acquiring this volume of new business. Twenty six suggestions were accepted and put into practice during the year for a total of \$341 in cash awards.

Diebold Appointments

The international division of Diebold, Inc., at Canton, Ohio, has announced the appointments of Charles A. Rogler as sales manager of Mexico and Central America, and of Jorge E. Triana as sales manager of the Caribbean and South American district. These promotions were revealed by Raymond Koontz, president.



Do your *Clients*
have questions about
TAXATION...
in CANADA?

"Your Guide To Business in Canada," published by Canada's First Bank, includes a survey in laymen's language of the major Canadian taxes affecting your clients' business or personal interests in Canada. These include Federal and Provincial taxes, and special subsidiaries, investment companies and oil, natural gas and minerals. Your Canadian-minded clients will find it "must" reading.

To obtain your copy, write on your letterhead to our nearest U.S. office, or to the Business Development Department, Head Office.



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850 BRANCHES IN CANADA, U.S., GREAT BRITAIN AND EUROPE • RESOURCES EXCEED \$3,525,000,000

Northwestern Banker, April, 1962



Exclaimed Douglas Davis:

“You can almost see Europe from here!”

We ran across H. Douglas Davis, President, Plainfield Trust State National Bank of Plainfield, New Jersey, and Vice President David Scott, international banking specialist in Chase Manhattan's U. S. Department, admiring the view from our sixtieth floor. Asked if he cared to say why his bank had selected Chase Manhattan as its New York correspondent, Mr. Davis replied:

“Don't mind at all. In a word—service. Take today, for instance. Came in town to see Dave about an urgent export problem I thought would take a couple of days to un-

ravel. Nothing of the sort . . . took a couple of phone calls! . . . Say, you can almost see Europe from here!”

Working with Chase Manhattan's international bankers does make it seem that way. For wherever you or your clients do business abroad, or plan to, you are as close to foreign trade facts and figures (and banking services) as if you were there—through Chase Manhattan's global network of branches, representatives, and correspondents.

Chase Manhattan's foreign trade knowledge, experience, contacts, and results . . . these add up to another

good reason why nearly half of all banks with a New York correspondent depend on Chase Manhattan.

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BANK**



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Northwestern Banker, April, 1962

IBA's 1st V.P. Resigns After Advocating Branch Banking

R. J. CASTILLE of Lafayette, Louisiana, has resigned as first vice president of The Independent Bankers Association. Mr. Castille is president of the Guaranty Bank and Trust Company in Lafayette.

The announcement was made by O. D. Hansen, president of the Bank of Union County, Elk Point, South Dakota, immediate past president of the association and chairman of the nominating committee for the 1962 convention, to be held in Pittsburgh, at the Hilton Hotel, April 30 to May 2.

Mr. Hansen released this letter of resignation from Mr. Castille:

"Since you and your committee informed me in Pittsburgh on February 27 that I would not be recommended for president of our Association for the year 1962-63 for the reasons that: I favored branch banking; was advocating changing the headquarters of The Independent Bankers Association from Sauk Centre, Minnesota, to Washington, D. C.; and that statements made to the press should come from the president of the Association and not from our executive director, I hereby tender my resignation as first vice president of our Association, effective March 5, 1962."

Commented Mr. Hansen, "Members of the committee, all of whom are past presidents of the association, were concerned about statements by Mr. Castille in which he advocated extending branch banking to those states which do not now permit it, such as

Minnesota, Missouri, Illinois and Wisconsin. His position in this matter was contrary to association policy.

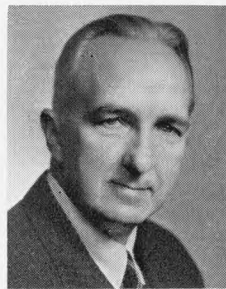
"None of the other points mentioned in his letter was an important factor in the committee's decision."

Bradford Brett of Mexico, Missouri, second vice president of the association, likely will be the committee nominee to the office of president at the Pittsburgh convention. Mr. Brett is president of The First National Bank in Mexico and is Missouri director of the association.

The committee will also nominate a first and second vice president at the convention.

Heads Fed Advisory Council

George A. Murphy, chairman of the board of directors, Irving Trust Company, New York, was elected president of the Federal Advisory Council of the Federal Reserve System for 1962 at a recent meeting held in Washington, D.C.



G. A. MURPHY

Reuben B. Hays, chairman of the board, The First National Bank of Cincinnati, was elected vice president.

Directors elected were: Ostrom Enders, chairman, Hartford National Bank and Trust

Company; Robert B. Hobbs, chairman, First National Bank of Baltimore, and Kenneth V. Zwiener, president, Harris Trust and Savings Bank, Chicago.

The above five constitute the executive committee of the Council.

Herbert V. Prochnow, president of The First National Bank of Chicago, was re-elected secretary, and William J. Korsvik, vice president, The First National Bank of Chicago, was re-elected assistant secretary.

Retires at B of A

After more than 35 years in the bond investment field, Russell A. Kent, vice president and head of Bank of America's bond investment depart-



D. L. GROVE

R. W. GILMORE

ment, retired at the end of February, it was announced by President S. Clark Beise.

The bank's government bond activities will now operate as a part of the cashier's department, under Vice President and Cashier Clarence H. Baumhefner, Mr. Beise also announced the following appointments:

David L. Grove, vice president-international relations and former head of the bank's economics department, has been named to administer the bank's government bond portfolio as vice president.

Robert W. Gilmore, now assistant vice president in the bond investment department, has been advanced to vice president and will supervise the bank's government bond operations.

Earnings Hit \$9,200,000

American Express 1961 net earnings reached an estimated \$9,200,000 compared with \$9,006,735 in 1960, Howard L. Clark, president, announced recently, following a meeting of the board of directors. These earnings are equal to \$2.06 per share for 1961, compared with \$2.02 for 1960. Gross income in 1961 totalled an estimated \$78,000,000, as against \$74,708,357 in 1960.

Mr. Clark also announced that the board had declared a quarterly dividend of 30 cents per share, payable April 2, 1962, to shareholders of record March 9, 1962. The company has paid dividends to its shareholders annually since 1870.

42 Years of Crop Hail Protection for Midwestern Farmers

STATEMENT OF CONDITION At Close of Business December 31, 1961

| ADMITTED ASSETS | Assets | Liabilities |
|-------------------------------------------|-----------------------|-------------|
| U. S. Government Bonds | \$2,151,699.32 | |
| Other Bonds | 610,096.73 | |
| Stocks | 135,799.82 | |
| Accrued Valuation | 38,895.80 | |
| Cash in Bank and Home Office | 425,021.12 | |
| Total Admitted Assets | \$3,361,512.77 | |
| LIABILITIES | | |
| Reserve for Federal and State Taxes | \$ 74,103.70 | |
| Other Liabilities | 4,334.49 | |
| Total Liabilities | 78,438.19 | |
| Surplus to Policyholders | 3,283,074.60 | |
| | \$3,361,512.77 | |

Securities carried at \$391,333.20 in above statement are deposited with public authorities as required by law.

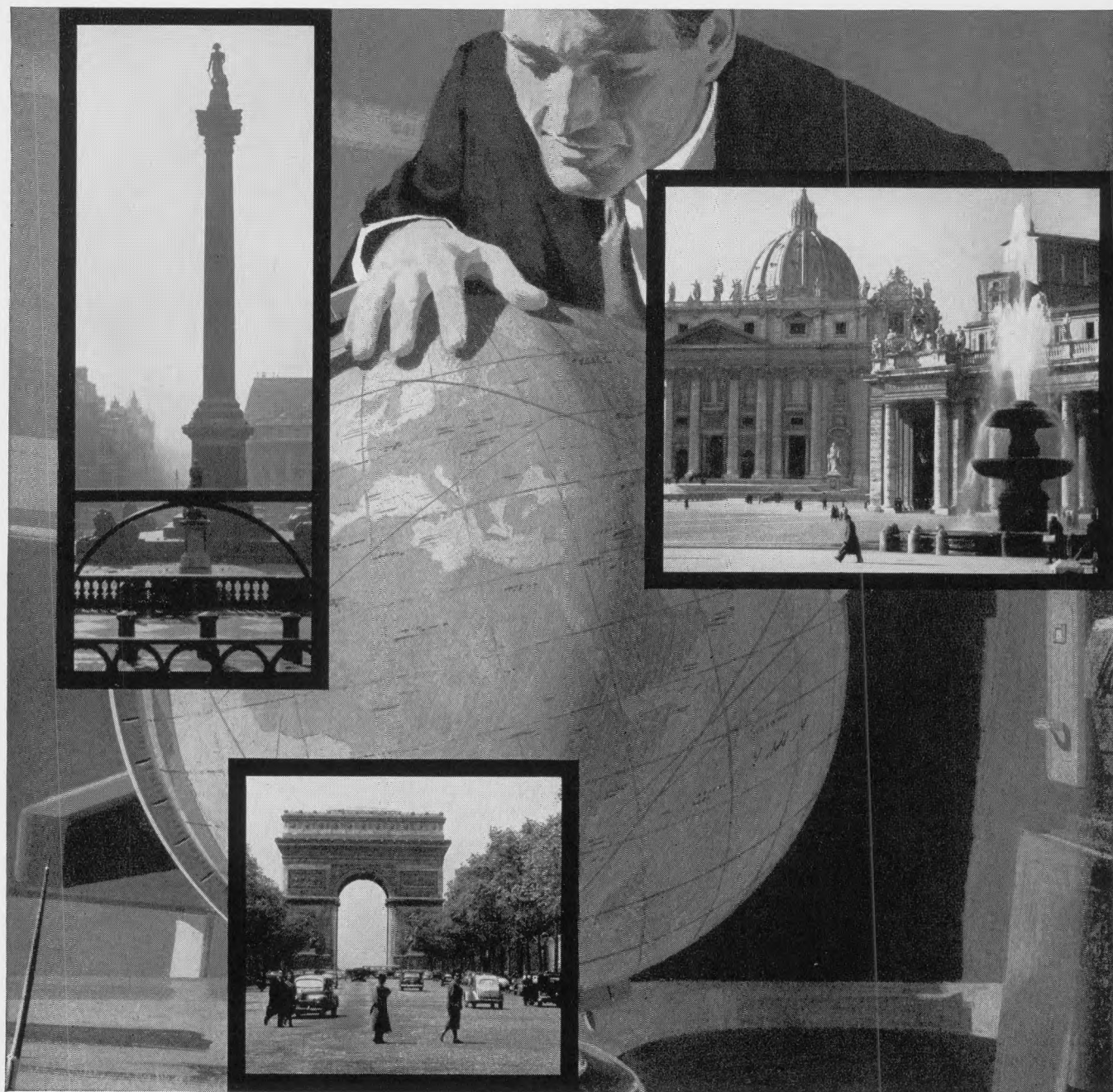
SQUARE DEAL INSURANCE CO.
(MUTUAL) DES MOINES 8, IOWA

Northwestern Banker, April, 1962

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Federal Reserve Bank of St. Louis



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Northwestern Banker, April, 1962

To View Automation System



CORRESPONDENT BANKERS will meet April 18 at the City National Bank and Trust Company of Kansas City to hear a full presentation of the bank's new demand deposit electronic data processing system. Visitors will be given a tour of the processing center which now is in full operation. A social hour and dinner in the bank's newly enlarged Roof Garden adjoining the center will be held following the presentation. Above, **Glen Densmore**, left, manager of the processing center, and **R. Crosby Kemper**, chairman, discuss unit operations. They will address the April 18 meeting. Other speakers will be Lex B. Wilkinson, v.p., American Fletcher National B&T, Indianapolis, and Jesse M. Lynch, senior consultant with Touche, Ross, Bailey & Smart.

NCR to Issue \$50,000,000 Sinking Fund Debentures

Robert S. Oelman, chairman and president of The National Cash Register Company, announced following a

recent board of directors meeting, that the company is filing with the Securities and Exchange Commission a registration statement covering a proposed issue of \$50,000,000 of sinking

fund debentures and a proposed issue of 319,090 additional shares of common stock of the company. The common stock is to be offered to existing stockholders of the company on the basis of one share for each twenty-five shares held.

The registration statement discloses that consolidated sales of The National Cash Register Company in 1961 totaled \$518,884,000, which represents an increase of 13 per cent over consolidated sales of \$457,822,000 for 1960, and that net income for 1961 was \$21,708,000, compared with \$20,024,000 for 1960, or an increase of 8 per cent.

Assistant Comptroller

Irving Seaman, Jr., president, National Boulevard Bank, Chicago, has announced the board of directors has named James L. Ringel assistant comptroller.



J. L. RINGEL

Mr. Ringel has been with National Boulevard Bank since December, 1961, and was formerly associated with Peat, Marwick, Mitchell & Company.



The new Mosler Auto-Banker lets this teller deliver any banking service to

4 Ways Government Can Help Cattle Feeder

(Continued from page 27)

the sale barn. Many times the operator owns the cattle he is selling. Naturally, he can control the price of any cattle that are sold through his auction, if he so desires. Most of the terminal markets, in the interest of fair marketing, have rules passed years ago that no member of the exchange can buy cattle that are consigned to him for sale, and this protects both the shipper and the buyer.

I do not mean to imply that sale barns are dishonest; in fact, they serve a very useful purpose in today's livestock marketing. But I do feel that all segments of the industry should operate under the same rules.

These are some of the problem areas in the livestock industry where I feel the government can give assistance. Again I state that I do not want to see extensive government intervention or control, for the livestock man stands as one of the last frontiers of rugged individualism. He is not well organized and he wants no subsidies. However, with the current big business trend, unionized labor, and a tendency toward a controlled economy, he has an uphill fight. I do believe that existing laws should be enforced and progressive legislation passed to help him stay the individual operator that he wants to be.—**End.**

Reports to Staff

The thirteenth annual *Report to the Staff* has been distributed to the more than 700 members of the American National Bank and Trust Company of Chicago, setting forth in detail all of the 1961 developments within the bank.

This report had its origin in the desire of management to communicate more effectively with the bank's staff. In the belief that most annual reports to stockholders were primarily aimed at informing investors about the finan-

cial progress of a company, American National saw the need for a separate report designed to tell employees of all aspects of the bank's year, including activities not directly related to the fiscal aspects of the company's operations.

This year's *Report* publishes the source and distribution of the bank's income, breaking down operating costs in detail. Also included is a review of the significant developments in each of the bank's various divisions, and these activities are illustrated profusely.

"We send the *Report* to the staff members' homes," Robert E. Strauss, president, commented, "and we have found that the families enjoy seeing photographs of the staff member's work areas as well as pictures of his co-workers."

A comprehensive review of the bank's profit sharing and pension plans is included in the publication. The *Report* indicates that the two funds had a combined value of \$5,547,346 at year-end. Currently, over 525 staff members participate in each of the plans.



a drive-in customer hundreds of feet from the main bank building

With closed-circuit TV and pneumatic carrier tubes, the new Mosler Auto-Banker Snorkel puts customer and teller on a face-to-face basis — though they're hundreds of feet apart! But there's more here than meets the eye: Because the teller is inside the bank she has access to all necessary records and she can deliver a full range of banking services with the Mosler

Auto-Banker...services which ordinary drive-in facilities simply cannot offer. Auto-Banker units have served up to 400 customers a day. That's about one minute per customer. (The deposit carrier travels 25 ft. per second. It's big enough to carry rolled coin and all papers involved in any transaction.) The Mosler Auto-Banker lets you serve customers better,

with fewer tellers. It eliminates delayed posting of transactions; requires less cash exposure; eliminates remote buildings; and it makes more parking space possible. Write to Mosler for further information. The Mosler Safe Company, Dept. NB 1, 320 Park Ave., N.Y. 22, N.Y.

Mosler
THE MOSLER SAFE COMPANY

Chemical Bank Starts Moving

TRANSFER of two of its largest banking offices, both in the heart of the financial district, was made recently by Chemical Bank New York Trust Company, Chairman Harold H. Helm announced.

The new locations are 67 Broad Street for the office formerly at 30 Broad Street, and 20 Pine Street for the banking quarters formerly at 165 Broadway.

The transfer of commercial banking operations from 165 Broadway marks the beginning of a 2-month moving

job for Chemical New York's head office. When the executive officers are relocated at the end of April, it will be the first time in the bank's 138-year history that its headquarters have not been on Broadway. Founded in 1824 as an auxiliary business by the New York Chemical Manufacturing Company, the bank was the first to open doors on Broadway — at 216 across from St. Paul's Chapel. Twenty-six years later, in 1850, the banking house was moved to larger quarters at 270 Broadway. It remained here until

1928 when a further expansion was made into 165 Broadway.

Today, Chemical New York maintains a total of 110 offices in New York.

Chemical New York's new office at 67 Broad is one of the most modern banking branches in Lower Manhattan. In addition to being larger, it is on the street floor whereas the previous location at 30 Broad was on the second floor.

At 20 Pine Street, the bank has been conducting a major renovation and expansion of the 38-story structure previously occupied by Chase Manhattan Bank and many of its tenants at 18-20 Pine Street and an adjacent property at 22-24 Pine Street. Completion of the building is scheduled for the end of 1962, at which time it will be occupied entirely by the Chemical Bank.

Vice President Huntington M. Turner, who has supervised the bank's commercial banking business in the downtown Manhattan area, will make his headquarters at 20 Pine Street. Associated with him will be Vice President Robert L. Cushing. Vice President George I. King will transfer from 30 Broad Street to the new office at 67 Broad Street where he will be in charge.

Joins Belgian Bank

Bradford A. Warner has been elected senior vice president and a director of Belgian-American Banking Corporation and senior vice president of Belgian-American Bank and Trust Company, it was announced by Louis Van Damme, president of both organizations.



B. A. WARNER

Prior to assuming his new duties, Mr. Warner was a vice president of Manufacturers Trust Company and, since September 8 last year, of Manufacturers Hanover Trust Company, in charge of business development.

Harris Bank Ups Surplus

Kenneth V. Zwiener, president, Harris Trust and Savings Bank, Chicago, announced last month that the bank's board of directors authorized the transfer of \$5,000,000 from undivided profits to surplus. The transfer raises the Harris Bank surplus account to \$32,700,000, and with \$27,300,000 in capital this brings combined capital and surplus to \$60,000,000.



From Air Flight to Our Own Fleet of Postal Trucks ---

To match the speed with which today's business is transacted the world over, the FIRST NATIONAL BANK of Kansas City maintains its own fleet of postal and express trucks.

These trucks are at the airport when the giant Jets and Props bring in the mail. They're at the union station and outlying points of the city at the very moment when pick-ups mean faster handling of business for our own bank and yours.

Yes—we have a great battery of IBM machines and other electronic equipment to handle the least intricacy of routine, but the need to "go places and get things" at a steady, high level pace can only be handled by our own trucking system. Just one more of the minor features that become major in one of the country's major banks.

The First National Bank . . .



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Northwestern Banker, April, 1962



Here's the microfilmer that will keep pace with your growth!

You're all set to handle more business with the new RECORDAK RELIANT 500 Microfilmer. It thrives on volume . . . has the features you want for your next microfilmer.

The speed you need. New RELIANT 500 Microfilmer photographs up to 500 checks a minute . . . larger size records at proportionate speeds.

Automatic features to increase all-around efficiency. Just load checks by the handful. RELIANT 500 feeds, microfilms, indexes them automatically. Even cancels or endorses them with accessory unit.

Unique interchangeable film units make RELIANT 500 almost twice as useful. Allow two or more departments (each with its own accessory film unit) to use the same RELIANT

500 . . . and still keep departmental records on separate film rolls.

"Twin-roll" microfilming with RELIANT 500 Microfilmer provides greater record security. It provides a duplicate, standby film record for off-the-premises security storage. So important nowadays.

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Northwestern Banker, April, 1962

Management Succession and Staff Training

(Continued from page 28)

TV ads, your direct mail and outdoor advertising. Communication is the warmth and friendliness of answering your telephone, the exchange of ideas at staff and personnel meetings, coordinating employee effort in the daily job.

Communication Is Important!

It is the connecting link between your staff and your customer. Your whole organization depends and succeeds on communication.

It must be clear, concise . . . and it must be fair.

A good training program must include adequate training in communication. The best idea in the world cannot be carried out unless it can be communicated to those responsible for carrying it out. Many times management comes up with a splendid idea but neglects to communicate properly and clearly to the people they expect to carry it out. Good communication makes for a good team effort.

Through staff training, the bank's public relations program is launched.

All personnel who come in contact with the public are the frontline of public relations. We must train them so they are a credit to themselves and to their bank. A careless handling of a customer by a teller can often offset a tremendous amount of public relations effort by executive management.

The job of personnel training along the lines of good public relations is something we cannot afford to forget a minute.

I believe it is advisable for many of the smaller banks to train young men for advancement into larger institutions. I think it is wrong to assume that a young man should spend the rest of his life at the bank. Too many of our young men are getting away from banking as other industries realize the potential that exists and are quick to enroll them as employees.

Adequate Salaries

Bank salaries paid are important, as banking is compared to other industries. It is up to management. Bank personnel must be well paid and

banks must develop the earnings necessary to provide adequate salaries. We must secure, train and hold the best personnel possible in banking, but we cannot if we are not willing and able to pay salaries commensurate with other industries.

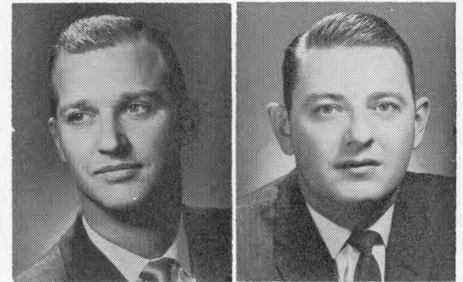
In conclusion, let me urge you to give serious consideration to your bank's management succession scheme and to staff and personnel training. Take a second look, try to see yourself, your staff, your employees as others see them. What kind of image are you creating? Hold staff meetings. Develop the team effort.

The importance of training is put to the test when the employee is delegated responsibility and authority. Advancement and training now continues through doing and responsibility. The employee's ability and performance should be evaluated and discussed with him.

The banking business is one of decision, responsibility, selling and public relations. If your staff is well trained and prepared, your satisfaction will be in knowing that your organization is performing at a high standard.—End.

Two Named Vice Presidents

Two assistant vice presidents, Robert F. Jackson, Jr., and Robert L. Hollis, were elected to vice presidencies last month at a meeting of the board of directors of the First National Bank of Kansas City, Mo.



R. F. JACKSON, JR. R. L. HOLLIS

Mr. Jackson joined First National Bank in 1949, was named assistant cashier in 1953 and was elected assistant vice president in 1958. As a member of the correspondent bank division, Mr. Jackson travels extensively, serving correspondent banks throughout Missouri.

Mr. Hollis, who became associated with First National Bank in 1954, was appointed assistant cashier the same year and was elected assistant vice president in 1958. Mr. Hollis also is a member of the correspondent bank division, traveling throughout Kansas, last year, after having served Oklahoma correspondent banks for several years previously.

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“Sorry, but” becomes “Yes indeed!” with Lawrence in the picture.



WHEN COLLATERAL IS A PROBLEM, YET INVENTORY AN ASSET, loan officers look upon Lawrence as a partner in successfully resolving a difficult loan application. This has been fortified by an unblemished record of almost fifty years, during which Lawrence field warehouse receipts have been held by more than 2000 banks.

Lawrence assures you maximum protection through the most comprehensive bond coverage...reduces your clerical detail by furnishing an I.B.M. Loan Officer's Monthly Collateral Report...and offers the largest, most experienced staff of trained field men operating the famed Lawrence System.

So, when inventory appears as a substantial asset on your client's statement, put Lawrence in the picture—and be secure!

LAWRENCE ON WAREHOUSE RECEIPTS



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Denver • St. Louis • Seattle • Wichita

OFFICES IN PRINCIPAL CITIES

Northwestern Banker, April, 1962

5-Point Plan . . .

(Continued from page 33)

as often as you can. I traded for a new car recently and the salesman used "we" throughout the discussion. When he went to see the boss about my offer, I felt that he and I were together getting the boss to meet our price offer.

Relieve Anxieties

Point 2—"We'll take care of everything." This can relieve a customer's anxieties faster than anything you can do and make him feel that you and the bank are the most friendly, helpful people in the world. When you tell a customer this you are telling him to forget his difficulty and

that you are relieving him of his load completely.

Point 3—"May I suggest." How many times have you said, "I can't cash this check for you. You'll have to see an officer?" You'll split your customer's thin skin twice. You've told him you can't do something he has asked you to do and you've told him he has to do something. A customer doesn't like to be told he has to do something.

People like to be asked, not told. How much better it would have been to have said, "I don't believe I know John Smith, maker of this check. May

I suggest that you have Don Olson, our cashier, okay it and then I'll be happy to cash it for you."

"May I suggest" also is the way to sell your many bank services!

Recognize Qualities

Point 4—Compliment liberally. People can put up with a lot of rough treatment, red tape and disappointment if you let them know you recognize their good points. When you turn down a loan, make your customer feel a lot better about it by starting out with a compliment. It really takes the sting out.

Point 5—Thank sincerely. Let your customer know you like him and really appreciate his business. And do this sincerely not mechanically. Today you need your customer's business. Tell him so.

Look what happens when you thank a customer for criticism. He comes into the bank angry because he has found an error in his statement. Go over it with him, determine who made the error, reconcile the error. If the bank made the error, thank him for calling you on it promptly. You've taken the wind out of his sails.

Don't try to escape the blame for an error by passing the buck. To the customer the bank made the error, and you are the bank to him at that moment, regardless of your position.

In conclusion, good customer relations are natural relations. Be courteous, friendly, sincere. Just be yourself. You don't have to be a loud glib, back-slapping extrovert to be a good salesman for your bank. People like you best the way you are. A sincere smile and a hearty laugh are worth a thousands words. Try to make your fellow man glad you were born.—End.

35th Anniversary

Richard H. Wayne, vice president and head of the correspondent bank division, Harris Trust and Savings Bank, Chicago, celebrated his 35th anniversary with the bank last month.



R. H. WAYNE

Mr. Wayne started with Harris Bank in 1927 in the mailing and messenger department and worked in the trust department before moving in 1936 to the banking department, becoming head of the correspondent bank division in 1948. He was elected assistant cashier in 1943, assistant vice president in 1947 and vice president in 1951.



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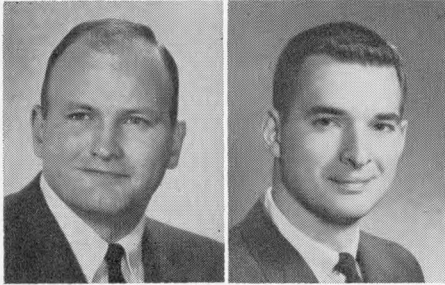
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Federal Reserve Bank of St. Louis

Will Travel for City National of Kansas City

Two additions to City National Bank and Trust Company's correspondent bank department have been announced by Executive Vice President F. Phillips Giltner. Charles Mehrer has been assigned the state of Missouri for City National while Van Cooper will assume like duties in the state of Kansas.



C. MEHRER

V. COOPER

Mr. Mehrer has been with City National of Kansas City since 1958 when he started in the bank's investment services department. A graduate of the University of Missouri and a member of Sigma Chi fraternity, he will be attending a Missouri convention for the first time this year.

Mr. Cooper, a native of Springfield, Mo., attended the University of Kansas before joining City National in

June of 1959. He started with the bank's personal loan department and this past January was appointed assistant cashier. Mr. Cooper will be attending his first convention this year, the Kansas convention early in May.

In addition to Cooper and Mehrer, two other City National correspondent bankers will be making convention "firsts" this spring. Vice President Sam Blasco will attend the Oklahoma convention in Oklahoma City, while Mr. Giltner, in charge of City National's bank division, will make his initial appearance at the Arkansas convention in Hot Springs.

Arizona Fastest Growing

Arizona will enter its 50th year of statehood with the unchallenged honor of being the nation's fastest-growing state according to the 17th annual edition of Valley National Bank's *Statistical Review*.

Ten out of 12 indices upon which economists rely in measuring economic growth find Arizona perched on the uppermost rung of the 50-state ladder says Herbert A. Leggett, vice president.

CUBAN BANKER . . .

(Continued from page 25)

gining to suffer hardships and food shortages, are afraid. They do not know whom to trust and are not allowed to congregate or even remain up past a certain hour. Also, he pointed out, the youngsters are becoming indoctrinated with Communist teachings, many of the older ones being sent to Russia for more learning.

Discusses Invasion Failure

Two of Mr. Areces' nephews were captured during the so-called Cuban invasion last year. He believes the attempt was poorly planned and said he was sick when he heard invasion forces had landed in Matanzas province, only 30 miles from his home. "The area is all swamps with just one little road," he said.

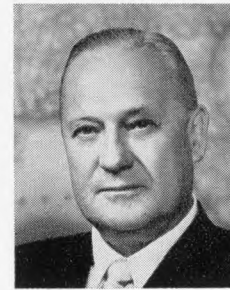
When no air support showed up,

the attempt collapsed. If only one U. S. airplane had flown over, he said, the people would have succeeded in ousting Castro. Men were fishing all along one area watching for planes and as the minutes spread into hours, they became sick because they could not relay the word.

The advent of the Areces family on the scene in Nevada, Iowa, is an excellent example of how people in the United States, particularly bankers, are willing to offer a hand to a man who is anxious to prove himself. Mr. Areces is such a man. "And," Mr. Areces reminds, "there are many more in Miami who are anxious to serve in midwestern banks."—End.

Gamble-Skogmo Report

Results of operations of Gamble-Skogmo, Inc., Minneapolis, both as a wholesale-retail merchandising organization and as a company with diversified investments, registered important progress during 1961, B. C. Gamble, chairman and president, said last month.



B. C. GAMBLE

Consolidated net sales for the year amounted to \$139,780,698 as compared with \$135,836 a year earlier.

Profit before taxes amounted to \$11,130,447, including the gain on the sale of investments, and compared with a 1960 pre-tax profit of \$28,051,121, which included the gain from the sale of Gamble-Skogmo's investment in Western Auto Supply Company, Kansas City, Mo.

Consolidated net income, after federal, state, and Canadian taxes on income, totaled \$6,603,109, including \$2,304,691 derived from the sale of Walker and Company, Michigan outdoor advertising firm, which was acquired in December, 1960, for roughly \$4,900,000 and sold on October 11, 1961, for approximately \$8,800,000 in cash and notes.

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plete picture of a situation. Get in touch with Division F today. An officer will be happy to explain, in detail, how our organization is set up to serve your needs with banking assistance tailored to current business trends.



The First National Bank of Chicago

Dearborn, Monroe, Clark & Madison Streets • Building with Chicago since 1863

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1962

Plan Arizona Skyscraper

A HIGH rise multi-million dollar skyscraper, towering 30 to 35 stories above the Phoenix skyline, will house the new home of Arizona's state-wide Valley National Bank system in the next few years.

Designed to be the tallest in the southwest, the structure will occupy the frontage on Monroe from Central to First Street, and on Central Avenue from Monroe to Van Buren.

Walter R. Bimson, chairman of the board, said the skyscraper "will be one of the most attractive in the southwest, with garden plazas, arcades, and parking.

No architectural renderings are available as yet. Mr. Bimson indicated a firm of national stature, working in concert with local architects, will prepare final plans.

Currently, Valley Bank operates 74 offices throughout Arizona, with at least one in each of the state's 14 counties. Four more are stated to open this year.

With resources in excess of \$750 million, Valley National now ranks among the 40 largest of the 14,000 commercial banks in the U. S.

Heads Business Development

Philip H. Milner, vice president of Manufacturers Hanover Trust Company, New York, has been appointed officer in charge of the bank's department of public relations and business development, it was announced last month. He succeeds Bradford A. Warner, who resigned recently.

Mr. Milner began his banking career as a clerk in the credit department of Manufacturers Trust Company in 1934 after attending Washington and Lee University.

In 1959 he was placed in charge of the bank's new office in the Time & Life Building in Rockefeller Center, where he remained until the merger of Manufacturers Trust and The Han-

over Bank in September, 1961. Since the merger he has been coordinator of business development for the bank's Metropolitan division, comprising its larger Manhattan branch offices.

The election of Gilbert D. Lawrence as vice president in charge of Manufacturers Hanover data processing and research program also was announced last month.

Mosler Safe Secretary

The election of Monroe Steinhacker as secretary of The Mosler Safe Company has been announced by John Mosler, president.



M. STEINHACKER

Mr. Steinhacker who was formerly associated with Pfeiffer and Crammes, also serves as Mosler's corporation counsel. He is a member of the Association of the Bar

of the City of New York and is vice president of the United Homes for Aged Hebrews.

INVESTMENTS . . .

(Continued from page 34)

business on the long-term capital market were not onerous.

In fact, the result of the advance refunding has been so satisfying to the Treasury that it is taken for granted there will be further moves in this direction unless the business upturn soon generates a force that so far has been lacking, a force that will swell bank loans to business and industry sizably and prod expanding enterprises to fund short-dated loans in the long-term market.

Business Outlook Better

With the passing of winter, the prospects for a more pronounced business recovery of this sort seems to be

better. The unemployment picture has been brightening. Moreover, the fact that the future international standing of the dollar has been brought into question has imposed on Washington the discipline of realistic thinking about how to stimulate, rather than handicap, the private enterprise economy of which the dollar is the international symbol.

The moves of the Kennedy Administration to spur industry to expand plants by the promise of tax incentives is one evidence of the new Washington attitude. Another is the partnership between the government and the Federal Reserve System to prevent the short-term interest rate here from becoming non-competitive with higher rates open to investors in the money markets of Europe. The pointed comment of the Federal Reserve Bank of New York in this respect is as follows: "As an objective of monetary policy, the defense of the international value of the dollar has come to occupy a position alongside the goal of stable domestic growth." This means that Washington has had to put aside a stock weapon in the anti-business arsenal and to bring back into official grace the notion, unfashionable for more than 20 years, of "sound money."

Harder Fed Credit Policy

Recent weeks have turned up evidence—thus far only tentative—of a hardening of Federal Reserve credit policy. During most of last year, Federal Reserve controls held the total of unpledged reserves of the commercial lending institutions to around \$500,000,000. In recent weeks, the ceiling for the aggregate of free reserves seems to have been lowered to \$400,000,000. This suggests that the central bank is sensing the buildup of the long-talked-about business expansion and is moving away from an easy credit policy to one of neutrality.

At the moment, the values in the bond market most difficult to appraise are those of the tax-exempt obligations of state and local governments. There can be no question but that much of the going prices for such obligations have been influenced strongly by the winter bank demand. Given a full-dress business recovery, it is difficult to see how the deposit institutions could continue to be buyers of the tax-sheltered investments at the rate of the winter months. And with the banking system a traditional buying source for a large fraction of the municipal bonds put out each year, it would not take much of a reduction in such buying to influence adversely the trend of municipal yields.—End.

NEWEST ALL-YEAR RESORT UNDER THE SUN



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DON DAVIS, General Manager



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AMERICAN EXPRESS TRAVELERS CHEQUES

Northwestern Banker, April, 1962

SBA Simplifies Term Loans Through Banks

(Continued from page 29)

within a few days after receipt of the request.

If we approve the loan, then the SBA funds are available upon call wherever the bank is ready for disbursement.

Bank May Use Own Forms

Incidentally, the bank may use its own form of mortgages and agreements, and does not need to submit copies of these until after the loan has been disturbed. In other words, our inspection of loan documents is in the nature of a post review.

If the bank wants to handle the loan on a deferred basis—that is, advance the entire proceeds of the loan, with SBA committed to underwrite 75 per cent or less—no loan documents need be submitted to the agency until such time as the bank wants SBA to take up its share.

One reason we developed this simplified participation plan was our hope that, as more banks become familiar with the advantages of making term loans to small business, they will make them without government participation.

SBA will participate in a loan on either an immediate basis, disbursing its share of the loan at the time the loan is closed, or on a deferred basis, providing its share of the loan when the bank asks it to do so.

Advantages to Banks

We believe that the deferred participation arrangement offers substantial advantages to banks.

First of all, it enables a bank to receive its normal interest rate on the full amount of the loan. The only fee the bank pays SBA is a percentage which varies from one-half of one per cent to one percent, depending on the SBA portion of the loan.

As an example, let us assume that a banker makes a \$100,000 term loan to a small business, at 6 per cent interest. Assume further that he sells SBA a 75 per cent participation, or \$75,000 of the loan.

The bank would then receive income at 6 per cent a year on the unpaid balance of the loan, less only three-fourths of one per cent on the SBA share. Thus the bank would obtain a rate of a little more than 5¼ per cent on an investment of some duration which had been largely guaranteed by the government.

Other Values

In addition to bringing a very attractive return to the bank, deferred participation loans offer other advantages which banks would do well to consider.

Loans of this type offer a bank the safety and quality of a government bond, a higher yield than the bank can obtain on any other government security, and liquidity of asset, because the bank can call on SBA at any time to buy the deferred participation.

Another point to be considered is that a national bank need not count the SBA share of a deferred participation loan against its own legal lending limit.

Although we prefer to make loans on a deferred rather than an immediate participation basis, and in fact by

law must first seek to arrange a deferred participation, we realize that there will always be instances where a bank will want SBA to participate on an immediate basis. We stand ready to do so.

I might point out that where an immediate participation loan is serviced by the bank, we pay the bank a service fee of one-half per cent of the interest on SBA's share of the loan. We pay the same fee where SBA has taken up its share of a deferred participation loan and the bank continues to service the entire loan.

I cannot stress too strongly one other point which many of you may not know. The Small Business Administration has in its portfolio a number of well-seasoned loans, and is authorized to sell these loans to commercial banks for the unpaid balance and accrued interest.

SBA Is Supplementary

Here is proof of our assertion that we do not compete with the banks. We are eager to sell our seasoned loans—we want them to be handled by the commercial banks. We will be happy to provide full information about these loans we have for sale to any of you who may be interested in them.

In closing may I say that the philosophy of the SBA and the national administration is that SBA should supplement the lending activities of banks, not attempt either to replace or to compete with them.

In short, we have no desire to engage in the banking business. That is your field, not ours. But we do want to assist you, in every way we can, to help the small businesses of your communities.—End.

Bank of Montreal Director

The Hon. Leslie M. Frost, P.C., Q.C., LL.D., D.C.L., M.P.P., premier of



L. M. FROST

Ontario from 1949 to 1961, has been appointed a director of the Bank of Montreal, according to an announcement by G. Arnold Hart, president and chief executive officer. Prominent in many fields, Mr. Frost, an attorney, has served in the Ontario legislature continuously since 1937, and remains as member for Victoria.

BANKING POSITIONS

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Complete supervision of all trust activities.

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Our correspondent bank men are more often at your desk than theirs. (It wasn't easy to get them all together for this picture.) Spending much of their time in the field enables them to understand your problems better and help you more skillfully. Direct service is one way we help our correspondents. We'd like to help *you*.

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Northwestern Banker, April, 1962



MOBILE HEADQUARTERS for the Jefferson County Sheriff's Mounted Patrol is presented by **James H. Roos**, chairman, Rocky Mountain Bank, as a gift from the bank. Shown with Mr. Wood are, from left: **Major Art Schrieber**, of the Sheriff's Mounted Posse; Inspector **Tony Erosky**, sheriff's officer, and **Jack Browne**, posse charter member and oldest member. Other members of the posse are shown in the background.

A Bank's Gift to Modern Posse

IF TELEVISION programs and western movies can be taken as the least bit authentic, we can assume that the following scene may have taken place somewhere in Jefferson County, Colo., around the turn of the century:

A lone horseman gallops through main street, reins in his horse in front of the last Gasp Saloon, dismounts before the horse stops, leaps to the wooden sidewalk and dashes through the swinging doors.

"Men," he yells, "some dirty varmints have made off with mah cattle. You got guts enough to come with me, or do I havta round 'em up mahself?"

After that eloquent speech the bar-room clears, a posse is formed, the rancher's cattle are saved, and the "dirty varmints" are hanged before the sun sets.

This is the way things might have happened around the turn of the century, but things have changed. There still is a posse in Jefferson County, but it doesn't spend much of its time chasing cattle thieves. Today most of the posse's efforts are devoted to rescue work.

A recent gift from the Rocky Mountain Bank in Lakewood, Colo., points out the extensive modernization of a posse.

The gift from the bank is a two-room house trailer to be used as a mobile headquarters and communications center. Its primary use is on rescue mission, and in addition to radio and cooking facilities, the posse has fitted out the trailer with complete first aid equipment. It makes the Jefferson County Sheriff's Mounted Posse one of the most effective rescue units in the area.

Historically, the Jefferson County

Sheriff's Mounted Posse was started under Sheriff Carl Enlow in the early 1950's. It has been called upon to search for lost children and adults, has participated in civil defense drills, and was alerted to search the area around Morrison in the Coors kidnapping case.

Membership is limited to 40 men per troop. There are two active troops in the county. There are no financial returns to any of the posse members. All are volunteers who supply their own equipment, horses and extra gear. It is estimated that each member has about \$2,500 invested in necessary equipment.

The posse may not be called on to round up as many rustlers as the posse of old did, but with the gift from the Rocky Mountain Bank, residents of the area can be assured that the posse will be able to respond to modern-day emergencies with modern-day methods and equipment.—**End.**

New Service for Banks

First National City Bank, New York, announced recently its Demand Deposit Accounting Service designed to assist correspondent banks with electronic bookkeeping and check handling. Utilizing the latest electronic equipment, the bank sees this service as an aid to other banks in control of operating costs.

First National City becomes the first New York City bank to offer such services to other banks.

In making the announcement, the bank stated that by means of its new service other banks can now derive the benefits of automation without entering into full-scale programs of their own. The scope of the services offered ranges from simply sorting checks

into account number sequence to performing the complete bookkeeping operations.

New Reservation Service

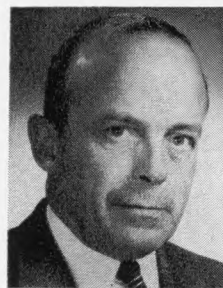
Ozark Air Lines, St. Louis, has entered into a contract with the Univac Division of Remington Rand for advanced electronic equipment for the almost instantaneous processing of passenger reservations between Ozark and all other airlines.

The basic equipment consists of a giant Univac electronic brain located in Chicago and an electronic device at each Ozark station known as Unicall.

In operation, the schedules of all airlines for months in the future are fed into the electronic memory machine. Availability of seats on each flight is kept current by each airline.

Chase Plans SBIC

George Champion, chairman of the board of The Chase Manhattan Bank, New York, announced last month that the bank will request approval from federal and state authorities to organ-



J. D. BREAKS

ize a small business investment company. Mr. Champion indicated the application would be made very soon.

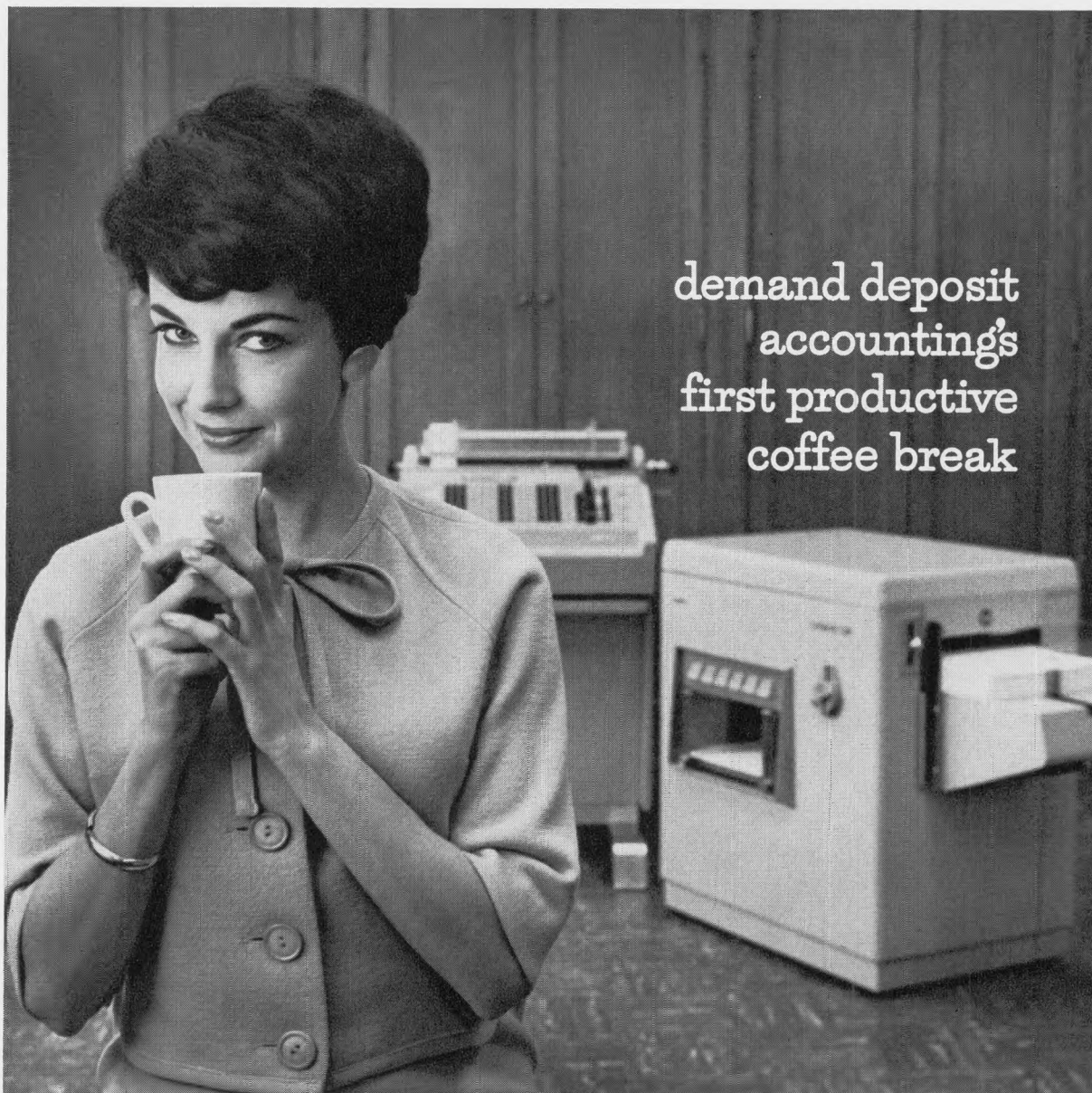
Heading the wholly-owned subsidiary will be Jackson D. Breaks, vice president in the United States department and currently in charge of Chase's Iowa-Nebraska district.

Mr. Champion stated, "Our plans to set up a small business investment company represent another step in Chase Manhattan's continuing program of assisting deserving small businesses to obtain the funds they need for expansion.

Mr. Breaks joined The Chase in 1950 as an assistant vice president in the New York State-New Jersey district. He had previously served as financial secretary of the Penn Mutual Life Insurance Company, Philadelphia, from 1942 to 1950.

He was advanced to vice president in the United States department of The Chase in 1951.

Mr. Breaks is a native of Crawfordsville, Ind., where he was born September 3, 1904. He was graduated from Phillips Exeter Academy in 1922, and the Wharton School of the University of Pennsylvania in 1926 with a B.S. degree in Business Administration.



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Burroughs Corporation

Burroughs F 4200 Electronic Bookkeeping Machine with A 4001 Automatic Reader. The F 4200, using an advanced magnetic stripe technique to store all account information, eliminates routine and repetitive work. This is done by automatically picking up old balances, extending new balances, verifying account selections, aligning forms to exact posting positions, and balancing with zero proof.

Burroughs—TM

so many banking problems end with



Northwestern Banker, April, 1962

BEYOND AGE 65

BANKERS LIFE LIBERALIZES DEPOSITORS INSURANCE PLAN

To the scores of rural community bankers now cooperating in bringing the benefits of Bankers Life Company's Iowa Depositors Insurance Plan (individual Life Insurance and individual or family Hospital and Surgical coverage) to their customers, here's an announcement of importance. Other bankers seriously interested in finding insurance they can recommend to their own depositors will also find this message interesting:

All existing policies and all new policies issued under the Iowa Depositors Plan will automatically be extended beyond age 65.

This is just one more reason why this plan, which pays its full schedule of benefits despite any other coverage the depositor may have, is one of the most outstanding services banks can bring to their depositors today.

Rural community banks throughout the upper midwest are now cooperating in bringing to their depositors similar, up-to-date plans written by Bankers Life Company. Policies are sold only through an established local agent recommended by the bank. For complete details write Old Northwest Company of Iowa, Inc., Attn. J. F. Lamoureux, Box 404, Des Moines 2, Iowa.

BANKERS *Life* **COMPANY**
DES MOINES, IOWA

INSURANCE

COLLECTION

TECHNIQUES



By **ROSSER LONG**

*Chairman, Agency Management Committee
National Association of Insurance Agents
Fayetteville, West Virginia*

A POSITIVE frame of mind is just as necessary for proper collection methods as it is for proper sales methods. I don't think any of us would go out to sell saying, "You don't want a policy today, do you?"

You have not completed a sale until you have made your collection. It is just as important to make definite arrangements for the collection, as to the time and method of payment, as it is to decide the limits and type of policy.

I had an example of improper collection methods the first year I opened my agency that taught me the necessity of a firm and definite collection agreement.

Never Is Convenient!

I sold a \$10 policy to a long-time friend of my father. He did not have \$10 with him and said, "When can I pay you?" I said, "Whenever it is convenient," thinking that, of course, he would give me a check when I delivered or mailed the policy to him, or sent him the first of the month statement. But much to my surprise, I got a check neither time. So I sent him a statement on the first of the following month. Again, I didn't get a check, so 15 days later I went out to see him, stating "You probably have overlooked payment. He said, "Oh, no, no, I didn't forget it. You said that I could pay when it was convenient. It hasn't been convenient yet." Never allow yourself to get in such a trap. Make your payment date just as positive as the effective date of the policy.

How many of us give our assureds a definite premium date?

We are all familiar with expiration and effective dates on policies. But,

do these terms or dates really mean anything to our policyholders, in relation to payment date? They are on the invoice, for our convenience, but are they convenient for the customer? While attending a meeting in North Carolina, one of the agents said he has printed on the face of his invoice a line marked "Payment Due Date." Can you think of anything simpler? I have not yet included this on our invoice, but I believe it will be most effective and will include it on our next order.

In order to have a proper collection system, to maintain a balance of accounts receivable equal to 20 or 30 days' business, or definitely less than 10 per cent of your total annual volume, we must operate with a definite positive system and maintain it.

Important Requirements

Four requirements are:

- 1. Definitely arrange for payment on delivery of the policy.**
- 2. Provide for budget payments that meet the needs of your customers.**
- 3. Use of expiration and premium notices for small policies and previously slow-pay customers.**
- 4. An efficient system of office accounting, with positive follow-up.**

Agents who have low accounts receivable balance, concur in having one person in their office responsible for collections. There should be a person who watches the cash receipts records very closely and will follow a positive collection procedure. It is very necessary in maintaining proper low balances that this person also have support of management and producers.

Some of you say "Our customers expect us to carry their accounts, we always have." Did you ever think how this would sound if you reversed the words "we have always carried our customers' accounts. They expect us to." I believe you get the real meaning from the second expression. These customers have been trained to expect us to carry their accounts, so they can pay when convenient.

I have talked to many agents who by definite effort and positive action have brought their collections in line without loss of business.

"Notice of Notice"

We live in a small town and collection letters have not been successful for us, but we have used quite successfully what we call our "Notice of Notice" form as set up by Francis P. Lyons, a Northhampton, Mass., agent. Instead of mailing an actual notice of cancellation, we mail this similar form that has been most effective.

If a customer has definitely agreed to take a policy—not just mailed prior to expiration date — or better yet, signed a budget form, you have perfect legal grounds for collections. And, it is my advice that you use legal means for collecting "promising" accounts. We have gained more good customers than we have lost poor customers by suing.

John D. Baumdehauer of Mobile, Ala., has one of the best collection ideas I have ever heard. During the month of September, for example, he mails out, as most of us do, policies due during the month of October. On

COLLECTIONS . . .

(Turn to page 58, please)

Northwestern Banker, April, 1962

National Reserve Life Tops \$300,000,000 In-Force Figure

AS of March 1, National Reserve Life Insurance Company of Topeka and Sioux Falls exceeded the \$300,000,000 insurance in force mark, according to announcement made by H. O. Chapman, president, and S. H. Witmer, chairman of the board. The announcement came at a particularly significant moment, as it was just 20 years ago on February 14, 1942, when the present management took over the active conduct of the company's business. At that time the original National Reserve Company had just a little over \$13,000,000 insurance in force, in December, 1941, and an extremely limited agent sales force.



H. O. CHAPMAN

Mr. Chapman and Mr. Witmer, both widely known throughout the insurance industry, were the organizers in 1919 of the Policyholders Life Insurance Company in South Dakota. When the group headed by Mr. Chapman and Mr. Witmer acquired the National Reserve Life Company in 1942, the affiliate South Dakota company had just over \$22,000,000 insurance in force. For the following decade the operations were conducted as "twin companies." In 1951 they were completely merged as National Reserve Life Insurance Company.

Today, the company ranks in the upper one-fourth size bracket of all American insurance companies, operates in over one-half the states of the nation, and is also licensed for operation in the Dominion of Canada. The agent field force of National Reserve Life has been painstakingly built up throughout the past two decades and is currently recognized as one of the most capable of any mid-western company.

In the late fall of 1961, National Reserve Life occupied its impressive new Topeka regional office building, which provides greatly increased facilities for service to policyowners.

Allied Mutual Assets Up

Allied Insurance Group agents produced more than \$19 million in premiums in 1961, Lester T. Jones, president of Allied Mutual Insurance Company, reported at the 33rd annual policyholders meeting at the home

office in Des Moines, last month.

Mr. Jones reported an increase in assets of \$2½ million for Allied Mutual for the past year and a gain in surplus of more than 1½ million. Present assets of Allied Mutual now total more than \$27 million, Jones said, with company surplus at new high figures of more than \$11 million.

Square Deal Shows Gains

In every respect, 1961 was year of progress and increased service for the Square Deal Insurance Company (Mutual), Des Moines, a company writing exclusively hail, fire and lightning insurance on growing crops, according to Merle Morgan, president.



M. D. MORGAN

Severe hail storms in the three states Square Deal serves — Iowa, Missouri and Illinois—caused claim payments to reach a total of \$2,157,855, the second highest figure for any season in the company's 42-year history.

On the other hand, premium income was \$2,378,828, and insurance in force increased approximately 8 per cent. This was regarded as an outstanding accomplishment, especially in view of the government soil bank and adverse planting conditions in the spring.

Square Deal's assets totaled \$3,361,512 as of December 31, 1961, and liabilities were \$78,438, for a policyholder surplus of \$3,283,074.

Shows Underwriting Profit

All officers and two directors of Farmers Mutual Hail Insurance Company were re-elected recently at the company's 69th annual meeting at the home office in Des Moines.

Directors re-elected were Max D. Rutledge and Glenn Gharrett. Officers re-named were Max Rutledge, president; F. O. Rutledge, secretary, and A. L. Wagner, treasurer.

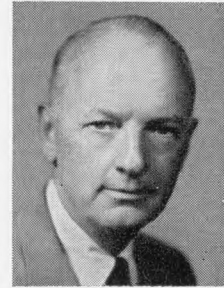
Max Rutledge reported that in spite of increased hail and turkey losses in 1961, the company showed an underwriting profit. He also reported that assets were increased over a half million dollars to a total of \$13,894,055, and cited the fact that the company continues to maintain approximately

two-thirds of its assets as reserves for policyholders.

Over 200 agents, fieldmen and company executives attended the annual sales conference in Des Moines.

Gains in 50th Year

Assets of Employers Mutual Casualty Company passed the \$60-million mark in 1961, John W. Gunn, president, announced in Des Moines last month.



J. W. GUNN

This was just one of the milestones attained by the company during its fiftieth anniversary year, Mr. Gunn said.

Assets gained \$4,567,000 over the previous year, reaching \$60,037,000 at year end.

Net premiums written increased by \$829,000 to a 1961 total of \$41,895,000. Surplus gained \$1,168,000, reaching \$15,017,000.

Premiums in fire and inland marine insurance passed the five million-dollar mark.

EMCASCO Insurance Company, a wholly-owned subsidiary of Employers Mutual, formed to write low-cost, company-billed automobile and home-owners lines, increased its premium volume 44 per cent over 1960.

Employers Mutual is Iowa's largest fire, casualty and bonding company.

COLLECTIONS . . .

(Continued from page 57)

October 1, he sends a statement showing a balance due on any policies due prior to October 1. Below he lists "Policies due during October" with the premium. He says it is astounding the number of policyholders who pay in advance of the due date instead of waiting until the 1st or 10th of the month following.

A direct writing company had, or has, the following printed words on its premium statement: "NOTICE. You have been given credit for . . . days out of force between the policy due date and date of payment, as shown above." Again, I do not necessarily recommend this system to you, but it seems to have certain proofs of success.

As another example, I would like to quote from a recent direct writer statement: "You don't have to remember when to pay either, we will send you a bill before each quarterly premium payment is due, and there is no extra charge made for this convenient way to pay for your automo-

bile insurance. You pay your premiums in low quarter-annual amounts 30 days in advance of each quarter. Because of this advance payment and because of the savings under a continuous policy, we are able to provide this convenient premium arrangement without any service or financing charge. When the policies are first issued, the first payment is due on the effective date. The next payment is due 60 days thereafter. And all subsequent payments fall due every three months. Please make payments on or before due dates."

How many of you would like to adopt this most generous policy of not making a charge for a premium paid 30 days in advance?—**End.**

Western Mutual Has Gains

A sizable increase in premium volume writing made 1961 the largest premium writing year in the 56 years of operation of the Western Mutual Insurance Company of Des Moines, it is reported by J. Dolliver Kent, president.



J. D. KENT

Other results posted in the annual report show 1961 was a very favorable year for the company. The sharpest premium increase was

in fire insurance lines while other multiple lines showed a gain over their record year of 1960.

Total assets at the end of 1961 were more than \$10,500,000. Surplus at year-end was \$4,978,686, an increase of more than \$363,000 over 1960.

During the past 20 years, assets of the company have grown more than 20 times and surplus is more than 30 times larger than it was 20 years ago, as indicated by these year-end figures:

| | Total Assets | Surplus |
|------------|--------------|------------|
| 1941 | \$ 515,609 | \$ 151,500 |
| 1946 | 1,560,094 | 525,830 |
| 1951 | 4,923,397 | 1,851,218 |
| 1956 | 7,583,873 | 3,544,539 |
| 1961 | 10,566,132 | 4,978,686 |

Western Mutual is licensed in 17 states and writing in 15 states.

There were 3,000 more claims processed by the company in 1961 than in 1960. Another new loss office was established this past year, located in Grand Forks, N. D. Western Mutual now maintains loss offices outside the home office, in Cedar Rapids and Waterloo, Iowa; Lincoln, Neb.; Mankato, Minn., and Denver, Colo.



When your customers' inventory can be converted into prime collateral, your bank gains new security for its loan services. Through field warehousing, St. Paul Terminal Warehouse provides Preferred Warehouse Receipts—the *best* collateral for credit extension, beyond open line limits. In addition, you also increase loan profits because you are able to make more loans. And, you add to customer goodwill by extending loan services.

St. Paul Terminal's dependability, flexibility and security in field warehousing is unmatched. So keep the many benefits of this valuable service working for your bank . . . contact St. Paul Terminal today!



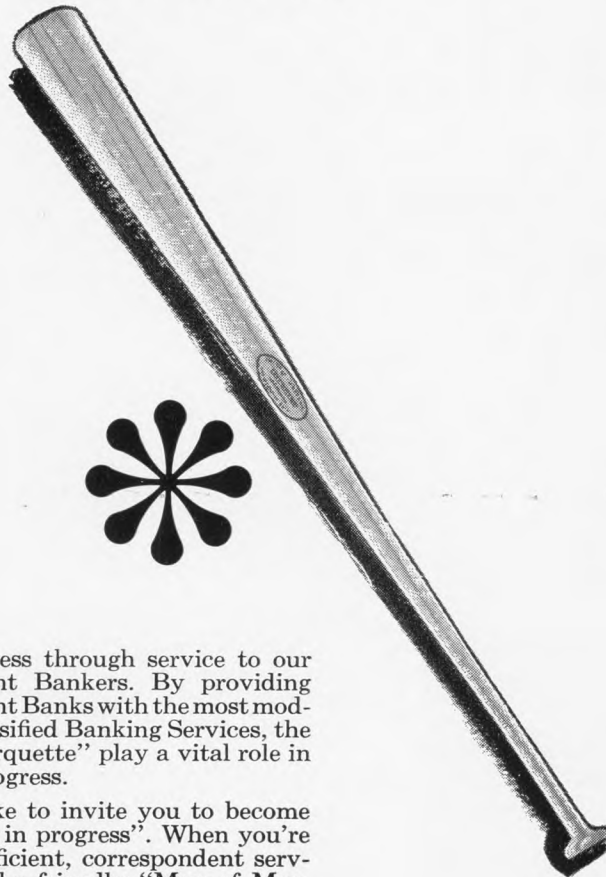
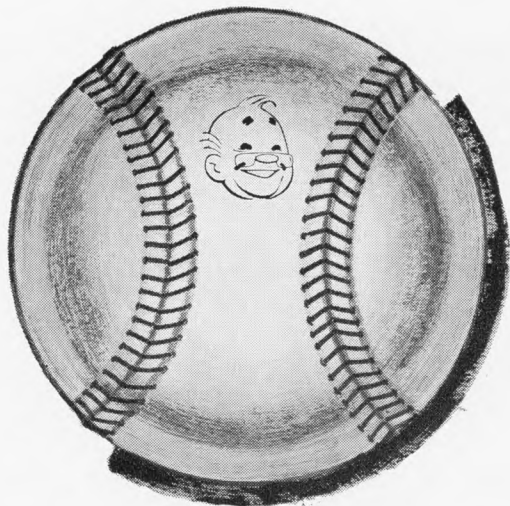
ST. PAUL TERMINAL WAREHOUSE COMPANY

Offices in principal cities

425 East 8th Street • St. Paul, Minnesota

Northwestern Banker, April, 1962

PARTNERS IN PROGRESS



Play ball is the cry! To millions of Americans, it's out to the ball parks to see the hometown favorites . . . from line drive smashing "little-leaguers" to 61-a-season homerun hitters. Why it's America's national pastime!

Yes, the baseball and bat are partners in a kind of progress that stands for our better way of life. More leisure, more competitive sports and more individual opportunity.

The "Men of Marquette" are partners

in this progress through service to our Correspondent Bankers. By providing Correspondent Banks with the most modern and diversified Banking Services, the "Men of Marquette" play a vital role in American progress.

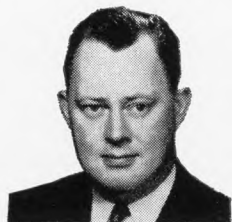
We would like to invite you to become our "partner in progress". When you're in need of efficient, correspondent service, call on the friendly "Men of Marquette". We're always glad to see and be of assistance to you.

We hope to see you in Pittsburgh, April 30th-May 2nd, at the 28th Independent Bankers Association Annual Convention at the Pittsburgh-Hilton Hotel.

DEPARTMENT OF BANKS AND BANKERS



OTTO H. PREUS
Vice President



JOHN T. PAIN, JR.
Assistant Vice President



AVERY FICK
Assistant Vice President

* *Strong Friend of the Independent Banker*

THE MARQUETTE NATIONAL BANK

OF MINNEAPOLIS • SEVENTH AT MARQUETTE • FEDERAL 3-5411

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Minnesota NEWS

P. R. KENEFICK President Mankato
K. A. WALES Secretary Minneapolis



and the new owners are Mr. and Mrs. D. L. Gavin of Albert Lea.

Mr. Machecek had been an assistant cashier for more than 40 years when he became president in 1954. He had been a director since 1917 and will remain a director of the bank.

Mr. Gavin has served in banking at the Northwood State Bank and banks in Albert Lea, Minn., and Tipton and Bennett, Iowa.

Benjamin F. Abbott

Benjamin Franklin Abbott, vice president, Peoples State Bank, Frazee, died of a heart attack recently, after serving the banking industry since 1908. He had been a resident of Frazee 26 years.

Moves to Fulda

V. L. Kirk, vice president, State Bank of Worthington the past four years, resigned March 1 to accept a similar position at the Citizens State Bank of Fulda. He succeeds F. W. Penrod, who had resigned at Fulda.

Heads Insurance Department

Fred Trautmann, Northwestern Mutual Life Insurance Company, has been appointed to direct the Hastings National Insurance Agency, it was announced recently by the Northwestern National Bank of Hastings. He succeeds Claude Zweber, who recently joined the staff of The Bank of Willmar.

Mankato Ground Breaking

The National Citizens Bank, Waterloo, held ground breaking ceremonies recently at the site of its planned new building, Hickory and Second Streets. Among those taking part were Rex Hill, Mankato mayor; P. R. Kenefick, bank president, and directors of the bank.

The new structure will be a one-story 80 by 132 foot building, featuring the most modern banking facilities, including three enclosed drive-in teller windows.

New Assistant Cashier

Sidney Storm, formerly with the Western State Bank at Marshall, has accepted new duties as assistant cashier and assistant to the installment loan officer of the American State Bank, Moorhead.

To Bank Ag Post

Curtis J. Johnson, assistant county agent, Clay County, has been named assistant agricultural representative with the First National Bank in Moorhead. Mr. Johnson is a 1957 graduate of the University of Minnesota with a bachelor of science degree in agriculture.

Scholarship Programs Announced

MUCH of this month's news from Minnesota banks concerns participation in scholarship programs and scholarship loan fund programs to encourage Minnesota youths who wish to become an asset to their state as a better-than-average farmer.

The Security State Bank of Wells has contributed \$2,500 as a gift to set up a scholarship loan fund for needy students at Wells Public Schools. Loans are to be a maximum of \$500 to any one student to attend any recognized college, university or trade school. Repayment will commence the third month after the recipient has gone to work and is scheduled to be repaid within one year. Repayment for the maximum of \$500 is scheduled at \$50 per month for 12 months and in no case shall the former student pay more than the principal plus 6 per cent.

Two-year scholarships are being offered by many banks in their respective county bankers associations to young men who are high school graduates and who are interested in farming as a career. Each scholarship is in the amount of \$400 and must be used to attend the College of Agriculture on the St. Paul Campus of the University of Minnesota. Among the county associations offering scholarships are these reported to the NORTHWESTERN BANKER: Blue Earth County, Carver County, McLeod County, Nobles County, Pipestone County, Redwood County and Sibley County.

Increase Surplus, Reserve

Directors of the State Bank of Bird Island have added \$15,000 to surplus and \$10,000 to reserve for contingencies, making surplus now \$90,000 and reserve \$50,000.

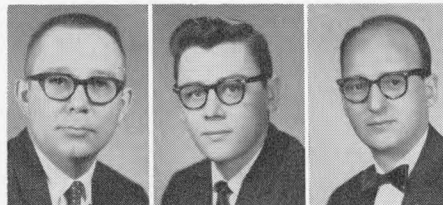
Percy C. Records

Percy C. Records, 73, president of the First State Bank of Castle Rock, died recently after an illness that plagued him all winter long. Mr. Records had been known throughout Minnesota as a banker, sportsman, conservationist and forester. In his younger days he was a forest ranger.

Mr. Records founded the bank in 1917 and was constantly leading civic activities in the area.

1st American Promotions

The board of directors of the First American National Bank of Duluth has appointed Warren B. Kregness, Claude A. Lutzka and Ralph J. Mrak



KREGNESS LUTZKA MRAK

to assistant cashier positions.

Mr. Kregness came to the bank in 1948 and has served as an installment loan interviewer.

Mr. Lutzka has been with the bank since January 16, 1957. He has been manager of the bookkeeping, proof and transit departments since November 1, 1958.

Mr. Mrak has been with the bank since June 24, 1957, and is currently manager of the IBM department.

Joins Northern City National

Election of C. Glenn Rye, formerly vice president, Midland National Bank, Billings, Mont., as a vice president of the Northern City National Bank of Duluth, has been announced by J. G. Sellwood, chairman of Northern City National.

His banking career has included service at the Worth County State Bank, Northwood, Minn.; Central National Bank & Trust and the First Federal State, both of Des Moines, Iowa. He was executive vice president and a director of the First Federal before moving to Billings.

New Owners at London Have Bank Open House

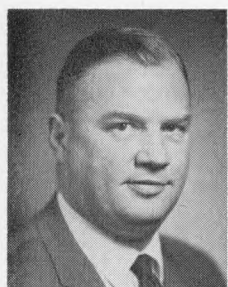
Open house was held recently at the London State Bank so residents of the area could see the newly-remodeled bank and meet the new owners.

Glenn C. Machacek, 67, has retired

Twin City News



JOHN D. CLEARY has been appointed to the staff of the department of banks and bankers as official representative, announces **J. F. Nash**,



J. D. CLEARY

president, American National Bank of St. Paul. Mr. Cleary has had diversified experience in various phases of banking, including operations, consumer credit, commercial lending, correspondent banking and bank management. He served 10 years as a correspondent bank representative traveling throughout the Ninth Federal Reserve District and is well known to bankers in this territory.

* * *

Fifth Northwestern National Bank, Minneapolis, celebrated its move to spacious quarters in the new Sons of Norway Building last month with an open house.

The bank, now in its 35th year of operation, occupies a major portion of the street-level area and the lower level of the building at 1455 West Lake Street.

A drawing was held and prizes awarded included a combination stereo, TV and FM radio console, an outboard motor, a portable TV, a portable stereo, two bicycles and three bar-b-que grills.

Refreshments were served during the two-day observance and special tours were conducted for the visitors.

Key to the bank's new facilities is the L-shaped lobby on the main floor, which provides a straight-line tellers' section adjacent to the officers' section and the customer service area.

* * *

Alphonse J. Grun, assistant vice president of First National Bank, Minneapolis, retired recently after 45 years in banking, 35 years of which were with First National.

Mr. Grun plans to remain active in banking, however, as president and director of the Forest Lake, Minn., State Bank which he has headed since 1957.

With the exception of two years in Los Angeles, Calif., his entire banking career has been in Minnesota, his native state. He entered banking in 1917 in what was known as the Peoples Bank of St. Paul. He later was with the Stockyards National Bank of South St. Paul and the Farmers Merchants Trust Company of St. Paul before joining First National in Minneapolis in 1927.

Although not at the compulsory retirement age of 65, Mr. Grun said he is retiring in order to devote full time to the affairs of the Forest Lake State Bank which has shown outstanding growth. Deposits have increased more than \$1 million the past five years.

The bank soon will move into a new home now under construction, scheduled for completion about June 1.

* * *

The Marquette National Bank of Minneapolis, through Carl R. Pohlad, president, announces the appointment of **John T. Pain, Jr.**, and **Avery Fick** to assistant vice presidents in the correspondent banking department, and **Vincent Conover** to assistant cashier in the commercial banking department.

Mr. Pain joined the Marquette bank's investment department in September, 1957, from the bond department of the First National Bank of Chicago where he was employed for



J. T. PAIN, JR.



A. FICK

five years. Currently, Mr. Pain has been serving correspondent bankers in Iowa, Wisconsin, Upper Peninsula of Michigan and Minnesota.

Mr. Fick joined Marquette in April, 1960, having previously been associated for 13 years as manager of the feeder finance department of Nutrena Mills, a division of Cargill, Inc. He is calling on Marquette correspondent bankers in North and South Dakota, Montana and Minnesota.

Mr. Conover joined Marquette in October of 1957 after serving for eight years in the sales and advertising specialty field.

* * *

Clarence A. Adams has been appointed general manager and an assistant vice president of the Minneapolis District of James Talcott, Inc., announces **Russell R. Campbell**, vice president, mid-west region.



C. A. ADAMS

This district embraces an eight-state area including Minnesota, Iowa, western Wisconsin, the Dakotas, Nebraska, Wyoming and Montana.

Volume of installment paper purchased in the Minneapolis district in '61 topped \$30 million.

A veteran of 20 years in the installment financing field, Mr. Adams pioneered some of the first financing plans in the LP gas industry. He was associated with Commercial Equipment Finance Corp., Milwaukee, Wis., before joining the industrial time sales division of Talcott. Prior to that he was with the First Acceptance Corp., Minneapolis, which now operates as a division of Talcott.

* * *

Herbert G. Hagen, assistant cashier at Northwestern National Bank, Minneapolis, has retired after 46 years of service with the bank.

Trail Blazers Congratulated

Mr. Hagen began at the bank in 1915 as a messenger and subsequently worked in the transit, tellers' and collection departments. He later moved to the mortgage department and was named assistant department manager in 1952. He was elected an assistant cashier in 1952.

While working at the bank, Mr. Hagen attended night classes at Northwestern College of Law and received the L.L.B. degree in 1923.

Mr. Hagen was active in the Mortgage Bankers Association of Minneapolis and the Minneapolis Home Builders Association and is a member of Sigma Nu Phi, a legal fraternity.

* * *

Election of **F. Wayne Packard**, president and secretary of Culligan Soft Water Service Company, St. Louis Park, Minn., to the board of the First Edina National Bank was announced recently by **E. W. Oredson**, president. Mr. Packard, whose Culligan dealership is the largest in the United States, has been with Culligan since 1946.

* * *

Edina and Southwest bankers recently received promotions. **Darrel W. Smith, Jr.**, **Jack P. Smith**, **Gordon F. Clarke**, **John E. Westhoff** and **John S. Monroe, Jr.**, all executives with the First National Bank family, were named to higher posts.

Darrel Smith, cashier, First Edina National since 1957, becomes assistant secretary, trust department, First National of Minneapolis.

Jack Smith, assistant cashier, investment department since 1958, is now assistant vice president, that department.

Mr. Clarke, with the bank since 1913, was promoted from operations manager, installment banking department, to assistant cashier.

Mr. Westhoff, with the First National since 1954, was promoted from assistant controller to assistant vice president.

Mr. Monroe, who received the *Wall Street Journal* Prize for the highest ranking senior in economics and business administration when he was graduated from Macalester, has been named assistant controller.

* * *

First Southdale National Bank, Edina, held open house last month marking completion of an extensive remodeling and expansion program.

Donald W. Judkins, president, said features of the remodeled quarters are new walk-up teller windows, four new teller units, new installment loan quarters, new conference rooms and a lobby nearly double its previous size.

The bank awarded a round trip for



CARL R. POHLAD, left, pres., Marquette National Bank of Minneapolis, congratulates new members of the Trail Blazers Club, left to right: **Miss Elda Johnson**, dept., of banks and bankers; **John Nelson**, a.c.; **Ernest Gearino**, v.p., and **Vernon Swanson**, a.c. Membership in the Club is composed of employees of the Marquette National, University National, Chicago-Lake State Bank and affiliated insurance agencies, who have 15 or more years' service.

two by jet to Orlando, Fla., to see the Minnesota Twins in action in their spring training headquarters. Other prizes were box seats for any of the Twin's home games in the Twin Cities. A special drawing was held for children.

Mr. Judkins also announced the election of two new directors and an assistant cashier. Directors are **Robert J. Crabb**, executive vice president of Southdale Management Company, Edina, and **Donald Erickson**, president of Glacier Sand & Gravel Company, Edina. **John S. Strom**, who joined First Southdale in 1959 as manager of the installment banking department, was promoted to assistant cashier.

New Cashier at Savage

Howard A. Westlie has been elected cashier and executive officer of the Savage State Bank, Savage, announces Ray Almquist, president. Mr. Westlie was cashier at the St. Anthony bank prior to joining the staff of the Savage bank.

Purchases Murdock Bank

John Bohmer, president of the State Bank of Brooten, recently purchased controlling interest in the First State Bank of Murdock from William T. Estrem.

Mr. Bohmer has been in banking since 1946 and has been president of the Brooten bank since 1952. Mr. and Mrs. Estrem left immediately for an extended vacation in Florida.

It is understood that the staff at the Murdock bank is to remain the same.

Capital Increase at Odin

A 10 per cent cash dividend in addition to a 25 per cent stock dividend was voted recently at the Odin State Bank, Odin. Also, an increase in permanent surplus brings the capital structure to \$25,000 capital and \$50,000 surplus.

Also in the news in the Odin area was the Odin State Bank's ladies bowling team which won first place in the St. James city tournament, and Mr. and Mrs. M. T. Laingen, who recently spent a two weeks' vacation in Arizona, California and Nevada, making the trip to and from via jet airliner. Mr. Laingen is vice president and cashier of the bank.

Canby Bank Sponsors To Request Review

Local sponsors of the proposed state bank at Canby have decided to have a review by the Minnesota Supreme Court of the recent decision by the Commerce Commission to deny the application.

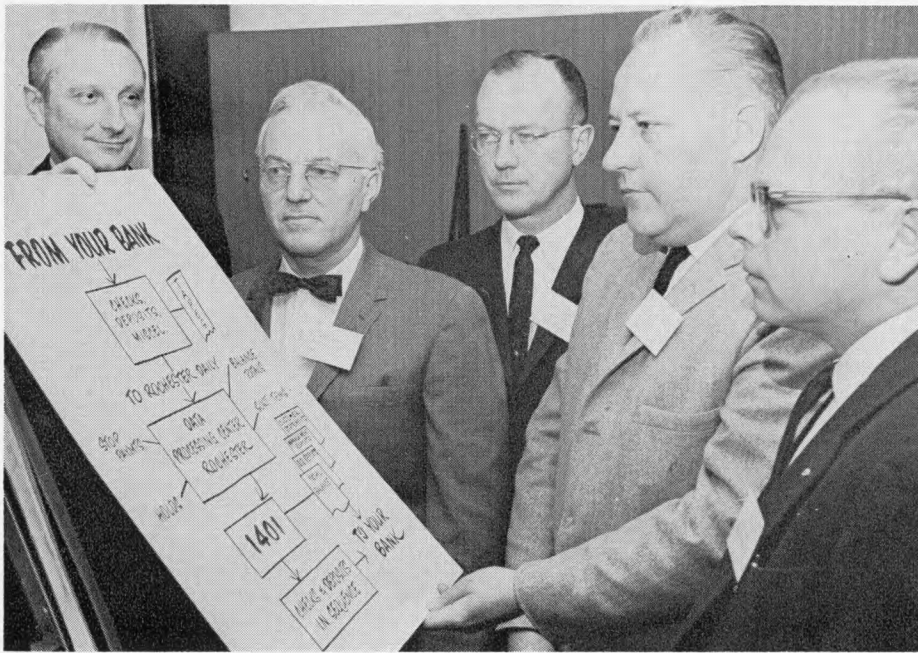
The application was denied on the grounds that evidence presented failed to prove a reasonable public demand for another bank in Canby. The sponsors feel there was substantial evidence, hence the plans for a review.

MINNESOTA CALENDAR

May 9, Minneapolis Chapter, American Institute of Banking, Annual Banquet, Radisson Hotel.

June 5-6, MBA 72nd Annual Convention, Leamington Hotel, Minneapolis.

Offers Centralized Automation



FROM LEFT, John D. Chisholm, Olmsted County Bank & Trust, Rochester; Walter Kulawski, cash., Peoples State, Plainview; John H. Schad, cash., First National, Plainview; E. D. Zillgitt, cash., Lake City State, Lake City, and Allan C. Peterson, cash., First National, Blooming Prairie.

THIRTY-TWO presidents, or their representatives, from southeast Minnesota banks attended a recent seminar conducted by Olmsted County

Bank & Trust Company officials to hear John D. Chisholm, president, describe a plan to provide them with centralized demand deposit account-

ing, using the bank's IBM data processing equipment and IBM 1401 computer and Magnetic Character Reader Sorter, now on order.

Such service would be available to the banks by March, 1963, Mr. Chisholm said. Checks and deposit tickets from the banks would be sent in the afternoon to Olmsted County Bank's data processing center in Rochester, where they would be tabulated, all accounts updated and selected management reports prepared. By the following morning, everything would be returned by courier to each bank in time to start the new business day. Such a fully automated computer system, Mr. Chisholm stated, would reduce the per item cost of check handling from 8 to 2 cents and provide greater efficiency and accuracy. Duplicate copies of customer transactions would be stored in Olmsted County Bank's vaults to enable participating banks to readily reconstruct such records in the event of fire or an atomic attack.

Anoka Open House

Open house was held recently at the State Bank of Anoka as officers, directors and employees celebrated the bank's 70th anniversary. Refreshments were served guests who came to congratulate bank personnel.

FOR THE BEST

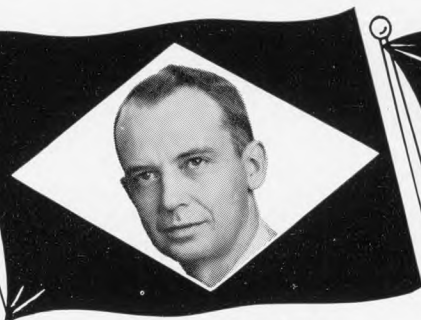
Siouxland Banner Correspondent Service



STANLEY W. EVANS
1st Vice President

The
**LIVE STOCK
NATIONAL
BANK**

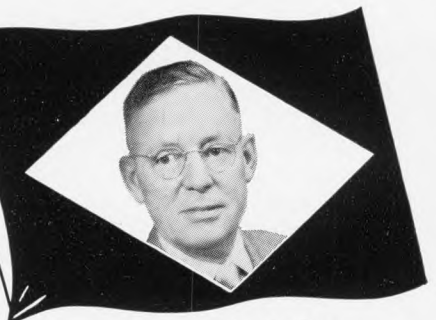
Sioux



EDWARD L. NEWELL
Assistant Vice President

The
**LIVE STOCK
NATIONAL
BANK**

City



RICHARD K. DRAPER
Representative

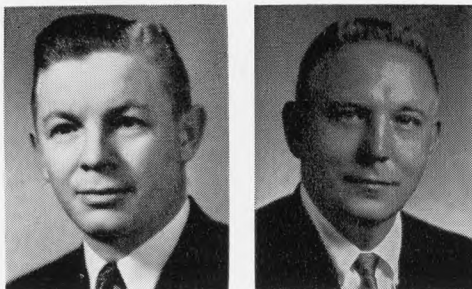
The
**LIVE STOCK
NATIONAL
BANK**

Iowa

Member Federal Deposit Insurance Corporation

South Dakota NEWS

C. C. LIND President **Aberdeen**
A. S. GULLICKSON Secretary **Huron**



and a walk-up teller's window. The banking hours will be extended and the entire area around the bank will be hard-surfaced with a spacious parking lot at the rear of the building."

Tour Bank at Miller

Open house was held last month at the newly-remodeled, enlarged First National Bank Building in Miller.

Three door prizes of \$100, \$50 and \$25 savings accounts were given and despite cold weather, a fine turnout of people inspected the bank, now nearly double its previous size.

New features include a large Community Room, capable of seating 40 persons for a dinner or 100 for a meeting; spacious display window for use of local merchants; night depository; additional conference rooms and new tellers' machines.

SDBA Committees Appointed

C. C. LIND, president, First National Bank, Aberdeen, and president of the South Dakota Bankers Association, has announced these committee appointments for the forthcoming annual convention:

SDBA Nominating Committee—J. S. Holdhusen, Ipswich State Bank, Ipswich, chairman; Vern E. Bormann, Farmers State Bank, Parkston; O. D. Hansen, Bank of Union County, Elk Point; Walter K. Johnson, Farmers State Bank, Estelline; Martin Kothe, Custer County Bank, Custer; Curtis B. Mateer, Pierre National Bank, Pierre, and John O'Donnell, First National Bank, Lemmon.

SDBA Resolutions Committee—Earl F. Nixon, Dakota State Bank, Milbank, chairman; G. P. Bzowski, Citizens Bank, Mobridge; Jack H. McMillan, Stockyards Branch, Northwest Security National Bank, Sioux Falls; C. E. Neuharth, First National Bank, Pierre; M. O. Lindell, Bank of Veblen, Veblen; Walter Pailing, American National Bank, Rapid City, and Kenneth G. Klatt, Dakota State Bank, Tripp.

ABA Nominating Committee—J. N. Shelby, Mitchell National Bank, Mitchell, chairman; T. R. Brisbine, Sanborn County Bank, Woonsocket; John Thomson, Bank of Centerville, Centerville, and Boyd Knox, ABA vice president, McCook County National Bank, Salem.

Drive-In Bank Planned

Construction of a new drive-in bank building for the Sturgis Office of the First National Bank of the Black Hills has been announced by Harold R. Horlocker, president. Work is to begin this spring with occupancy expected before the first of next year.

LaVern Mitchell, vice president and

manager of the Sturgis Office, said the new ultra-modern building will be constructed on property with a 75-foot frontage and 150 feet deep.

"It will have the latest type drive-in banking window," he said, "a 24-hour depository for both envelopes and bags

3,113 at Spearfish Opening



FRONT VIEW of the new Spearfish Office of the First National of The Black Hills.

IN SPITE of zero temperatures, 3,113 people braved the weather to attend the grand opening of the new Spearfish Office of the First National Bank of the Black Hills.

Of those registered, 2,140 were adults and 973 were children. They registered for \$1,000 in savings certificates for adults, and two speed bikes for grade school youngsters from the first through the sixth grades, and two portable typewriters for students from the seventh through high school.

Registrations indicated that there were visitors from 12 states.

More than 4,000 cookies and dough-

nuts were served with 75 gallons of coffee and 20 gallons of milk. Several thousand balloons were distributed among the youngsters who also were treated to a free movie at the local theater.

The new bank, 10 months in the process of construction, was built at a cost of about \$250,000, including land and furniture and fixtures. It features many new services not previously offered in Spearfish, including drive-in banking, overnight depository service, stock market wire service, free parking lot and a completely equipped community room for the use of the public without charge.

The National Bank
OF SOUTH DAKOTA

Member of Federal Deposit Insurance Corporation

★ SIOUX FALLS, 100 North Phillips Avenue
★ SOUTH BRANCH, 2501 South Minnesota Avenue
★ EAST BRANCH, 2301 East 10th Street
★ VERMILLION
★ HURON

Affiliated with **FIRST BANK STOCK CORPORATION**

Northwestern Banker, April, 1962

Ag Conference Is April 11-12

APRIL 11-12 are the dates of this year's South Dakota Agricultural Conference, to be in the Community Room of the Pierre City Hall, in the state's capital city. One of the featured speakers is to be Dr. Tyrus R. Timm, head of department, ag economics and sociology at Texas A&M College. His subject is "American Agriculture in the '60's."

Theme of the meeting is "Meeting the Needs of Agriculture" and featured will be panel discussions such as "bull sessions with bull whippers as leaders."

George Spence, ag representative, American National Bank and Trust, Chicago, who is a cattle man and rancher, will talk about the cattle industry and the future for cattlemen.

New Auto Bank

A low bidder for construction of a new auto bank for the American National Bank, Rapid City, was announced recently by Walter Pailing, president, and construction already has begun. The bank's present drive-in facilities will be removed when the new drive-in bank is completed. "We hope to have the facility in operation by the middle of July of this year," said Mr. Pailing.

The new modernistic auto bank will have three drive-in windows, each being adjustable to varying heights to accommodate any vehicle from compacts and sports cars to trucks. In addition, there will be two walk-up windows, with ample lobby space which will be heated and air conditioned. The double lane drive-in entrance will be from Kansas City Street as now, and no interruption of drive-in service is expected during the construction period.

Consolidation Request

An application has been made for a consolidation of the American National Bank of Rapid City and the Bear Butte Valley Bank, Sturgis. It is contemplated that all offices of the banks will continue to be operated.

Buys Underwood Bank

Controlling interest in the Underwood State Bank, formerly owned by the late Carl Poshusta, has been sold to Charles H. Burke and associates of Pierre, who presently own and operate the Pierre National Bank. The late Carl Poshusta had been associated with the bank for more than 40 years. Mrs. Poshusta said the disposal of her late husband's interest will insure the continuity of competent management of the bank so it may continue to serve the people of New Underwood and Wall and the surrounding territory.

W. A. Joyce will continue as president of the bank and said no changes will be made in personnel.

Promoted at Watertown

Marvin West has been promoted to supervisor of the bookkeeping department at Farmers and Merchants Bank, Watertown, announces W. C. Talen, president. Supervising seven girls, his immediate responsibility is to complete the account numbering system being used with the electronic bookkeeping equipment at the bank.

Plan New Building

Officials of the Farmers State Bank in Winner recently announced the purchase of the Nicholson and Smook



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to Help You...**

Northwest Bank offers a helping hand as a correspondent bank with transit facilities unexcelled in this area, advice on trust matters, safekeeping of securities, credit information or help on any other problem you might have.

We're always glad to hear from you.



NORTHWEST Security National **BANK**

Sioux Falls, Brookings, Chamberlain, Dell Rapids,
Gregory, Huron, Madison, and S. F. Stockyards

MEMBERS FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1962

properties at the corner of Fifth and South Main Streets in Winner.

A new and modern bank building will be erected on the site in the near future.

"Our purpose is to provide the best in banking facilities for our customers who have contributed so much to our growth during the past 52 years," said Willard Lynch, executive vice president, and Leroy Abbott, Alliance, Neb., president of the institution, in a joint announcement commenting upon the purchase and the proposed plans for the new building.

N. W. Security Changes

C. A. Lovre, president of the Northwest Security National Bank of Sioux Falls, announced several staff changes following the March meeting of the board of directors.

Maurice D. Olson and Gordon J. Curren, both assistant vice presidents, have been assigned to the Huron office as assistant managers. Mr. Olson moves from the Sioux Falls office and Mr. Curren has been with the Huron office. These appointments follow the resignation of John M. McCregor, who was assistant vice president and assistant manager at Huron.

Robert E. Hall, Jr., assistant cashier at the Madison office, has been transferred to Sioux Falls. Elton J. Budahl has been advanced to assistant cashier and ag representative at Sioux Falls.

The board also named Paul M. Natwick to be in charge of safekeeping of securities in the Sioux Falls trust department.

SDBA Convention Reservations

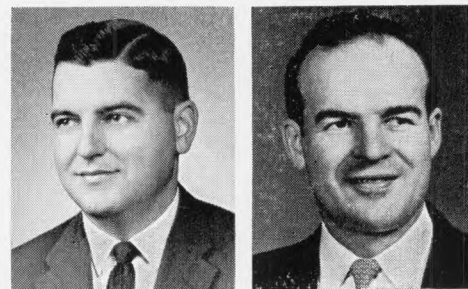
Hotel and/or motel reservations are being taken now by A. F. Junge, vice president, First National Bank, Sioux Falls, for the 1962 Annual Convention of the South Dakota Bankers Association. Mr. Junge is chairman of the reservation and housing committee. The convention is set for May 17-18 in Sioux Falls.

Bert Glendenning Retires

G. H. (Bert) Glendenning has retired as a director of the Citizens State Bank, Arlington. He became a director of the bank in 1904, became vice president in 1926, and president in 1927. He was also president of the First National of Arlington and resigned as president of the Citizens State in 1942. In '44 he again became active with the Citizens State, this time as vice president, retiring from that position in '51.

North Dakota NEWS

GARY L. LERBERG President **Parshall**
BILL DANER Secretary **Bismarck**



Dakota National Opens Drive-In Facility

The public was invited to drive into the new drive-in banking and parking facilities of the Dakota National Bank, Fargo, recently, the day before the drive-in addition was opened for business.

There are two teller windows, each with its own separate driveway, and hours of this convenience are 10 a.m. to 3 p.m. Mondays through Fridays and an extra two hours Monday evening, 6 to 8 p.m.

In addition to these facilities, the bank is undergoing a major remodeling project, which includes an addition to the rear of the building. The exterior is to have an all-new brick

facing. Estimated cost of the project is \$200,000.

Union National to Build

Several businesses are moving around in downtown Minot, a few going into new buildings, others moving into larger, more suitable quarters. Several older buildings are to be razed, two of them to make way for a new Union National Bank Building. Plans for the new bank building were completed last fall. Estimated to cost approximately \$300,000, the structure is to be built on an L-shaped piece of property 98 feet wide and 150 feet deep.

Mohall Remodeling Complete

Work at the newly-remodeled Citizens State Bank, Mohall, is complete now, with the exception of some additional furniture on order.

The bank is completely modern and basic wood designs make this one of the most attractive banks in the area. John D. Banker is president of the bank and most of the planning was done by him and his wife.

Purchases Bank at Regent

Gus W. Carlson, Jr., a member of the banks and bankers department of Marquette National Bank of Minneapolis the past two years, has purchased control of the First State Bank of Regent and has been named its president.

Mr. Carlson's wife is inactive vice president. Donald Loh continues as cashier and Ardmore Quamme, assistant cashier.

The new president spent 10 years with the Bank of the Southwest in Houston, Tex., before joining the Marquette.

Selected



GEORGE M. THOMPSON, left, is congratulated by **Ted W. Sette**, retiring manager of The Bank of North Dakota. Mr. Thompson, who has been with the bank 26 years, was appointed acting manager, effective April 1, by the Industrial Commission of the State of North Dakota, to succeed Mr. Sette, whose resignation was effective that same date.

Irene Remodeling Done

Remodeling at the Farmers State Bank, Irene, has been completed and the main structure has been connected to the adjacent building. Part of the annex building will house the public library and also will be used for small group meetings.

Retires After 55 Years

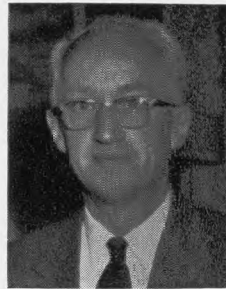
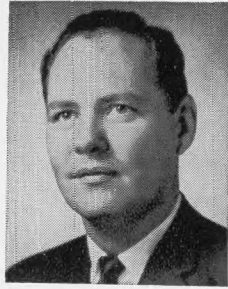
Henry Gross has retired as presi-

dent of the Bowdle State Bank and G. B. Gross has succeeded him.

Henry Gross retires after 55 years in banking and 21 years as president of the bank. Beginning his career in 1906 at Selby, he moved two years later to the First State of Bowdle. It closed in 1932 and the Bowdle State Bank opened December 31, 1932. He was elected its president in 1940.

Montana NEWS

R. D. RUBIE President Havre
R. C. WALLACE Secretary Helena



Hamilton Banker Appointed

V. C. Hollingsworth, president of the Citizens State Bank, Hamilton, has been appointed to the advisory council of the National Association of

Supervisors of State Banks for 1962. President of the NASAB, Robert L. Myers, made the announcement from his Washington, D. C., headquarters. He will represent the 9th District,

composed of Minnesota, North Dakota, South Dakota and Montana.

Capital Increase Noted

The First National Bank of Helena has increased its capital to \$1 million and its surplus to the same figure. Total capital accounts now are in excess of \$2,600,000, announces Nels Turnquist, president.

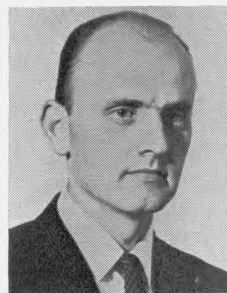
New Cashier at Lewistown

Harry C. Fields, president of the Northwestern Bank, Lewistown, has announced that Wilfred Hancock, formerly cashier of the Billings State Bank, has been added to the Northwestern staff as cashier.

With Continental Oil Company 10 years, Mr. Hancock began his banking career when the Billings State was organized in 1945. He became assistant cashier in 1948, ag representative in 1952 and cashier in 1960.

Advanced at Billings

Lee W. Johnson, Billings State Bank, Billings, has been advanced to assistant vice president, according to



L. W. JOHNSON

O. B. Silvey, president. He formerly served as assistant cashier with the Billings State Bank and prior to that was associated with an affiliated bank in Groton, S. D. He is a graduate of the Northern State Teachers

College of Aberdeen, S. D., and handles the bank's agricultural services and loans.

Accepts Roundup Position

L. A. (Lew) Vanover, formerly assistant cashier at the Conrad National Bank, Kalispell, has joined the staff of the Miners & Merchants Bank of Roundup.

At the Kalispell bank, he started in 1948 and served as bookkeeper, head teller, office manager (installment loan department) and assistant cashier.

Townsend Banker Selected

Bill Kearns, State Bank of Townsend, has started training at the First National Bank of Helena under a management trainee program. Correspondent banks using this plan accept personnel from smaller banks to give them on-the-job training in modern banking methods and finance.

Mr. Kearns is to train two years, then return to the Townsend bank.

COLORADO
is our business...

Reaching for the stars, or rooted in the fertile earth, your Colorado business deserves our dependable, efficient banking service. We're geared to the needs of today...helping create tomorrow's opportunities.

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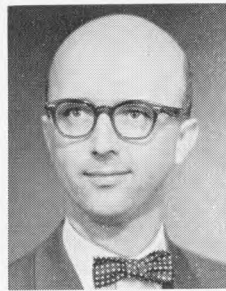
Another Denver-built USAF TITAN ICBM by the Martin Co. lifts off from Cape Canaveral, Fla., headed for long-range flight.

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Colorado-Wyoming News



A. E. FORDHAM, Gunnison
President
Colorado Bankers Assn.



A. E. KENDIG, Wheatland
President
Wyoming Bankers Assn.

Joins Central Bank Staff

The appointment of Carl H. Kent as vice president and trust officer has been announced by Elwood M. Brooks, chairman of the board of The Central Bank and Trust Company, Denver. He will be head of the trust department.



C. H. KENT

Mr. Kent comes directly to Central from the Toledo Trust Company, Toledo, Ohio, where he has been an officer since 1950, and vice president and trust officer supervising their investment functions since 1955. He is a director of the Financial Analysts Federation and was a member of the evening faculty of Western Reserve University where he taught in the field of banking and investments and trust administration.

To Marketing Position

Donald M. Whiteman, vice president, Denver United States National Bank, Denver, has been named marketing representative for the bank's newly-organized marketing division. He has been assigned to the correspondent bank section the past eight years.

Fort Morgan

Hugh J. Whitcomb has been elected assistant cashier and manager of the installment loan department of the First National Bank, according to W. E. Perrenoud, president.

All other officers were re-elected.

Fruita

Donald A. Turner, a 1960 graduate of the University of Colorado, has been named assistant cashier by the directors of the Fruita State Bank. James W. Mackley, cashier, was elected to the board to fill a vacancy caused by the death of J. C. Wolfenganger.

Las Animas

Louis Bogner has been promoted to assistant cashier of the First National Bank.

Named to Advisory Board

Two chief executives of Denver-based national firms have been named to the advisory board of the Denver United States National Bank in Denver. Board Chairman Roger D. Knight, Jr., announced the election of John W. Hall, president of the Potash Company of America and H. von Bergen, president of the American Crystal Sugar Company as a result of the board's action at the regular monthly meeting in mid-March.

Wyoming News

Visit Greybull Schools, Bank

William C. Magelssen, assistant cashier, and Kay McDonald, both of the Security Trust and Savings Bank, Billings, Mont., recently presented programs on banking at the Greybull, Wyo., schools.

They also presented a short program on "Public Relations in Banking" for employees of the First National Bank of Greybull.

Scholarship Winners

A. E. Kendig, vice president and cashier, State Bank of Wheatland, and president of the Wyoming Bankers Association, visited two scholarship winners at the University of Wyoming campus recently. Winners of the new \$400 scholarships are Sam Downing, Cheyenne, and Louis Chamberlain, Pine Bluffs, both freshmen in the University's College of Commerce and Industry.

Promoted at Casper

R. B. Dick Ward, 35, has been named assistant vice president of the Security Bank & Trust Company, Casper. With his new title he will remain real estate manager, which duties he has had since joining the staff

last May. Prior to coming to the bank Mr. Ward worked for a number of years with Mountain States Realty.

Casper Banker Speaker

R. W. Miracle, trust officer, Wyoming National Bank, Casper, addressed members of the Lady of Fatima Holy Name Society recently on the importance of drawing up wills. Pointing out peculiarities of Wyoming laws which make a will imperative, Mr. Miracle said mere joint tenancy is no substitute for a will.

Cheyenne Lobby Display

The American National Bank, Cheyenne, recently sponsored an exhibit in the bank lobby commemorating the 100th anniversary of the passage of the Homestead Act of 1862.

The Homestead Act exhibit is centered around a large painting print illustrating a typical "Prairie Schooner" used by the early pioneers during the great westward migration of the 1860's. In addition, photographs of homestead documents and an early land office are included.

The Homestead Act, signed into law by President Lincoln on May 20, 1862, is generally credited with opening the great west, forcing America's frontier to the Pacific Ocean.

Kendig Discusses Bonds

A. E. Kendig, vice president and cashier, State Bank of Wheatland, and president of the Wyoming Bankers Association, spoke to Cheyenne area business and industry leaders last month on promoting U. S. Savings Bonds.

He pointed out that savings bonds have three appealing features: (1) A guaranteed interest rate of 3½ per cent for seven years and nine months; (2) a tax advantage in that interest accrual is not taxable until the bond is cashed (and it can be rolled over until after the holder retires, when his tax thereon may be little or nothing); and (3) the savings bond is a U. S. Treasury obligation, so there is no risk of loss.

Transit By Helicopter

Authorization has been granted to United California Bank by the Los Angeles City Council for the operation of helicopter landing facilities at the bank's \$7,000,000 Electronic Data Processing Center on North Vermont Avenue adjacent to the Hollywood Freeway. Helicopter service will effect transfer of checks and documents between branch offices and the Center.



Take it easy!

Don't be like this poor guy — there's no need for it. Why rush around frantically when all the correspondent information and service you need is available from U. S.? We advertise that, "We're here to help you get what you want." It's a slogan that describes our philosophy of correspondent service, too. Transit service, participation loans, auditing information, portfolio analysis or any other specialized correspondent banking information or service — no matter what you need — there's a specialist on our staff whose knowledge and many years of practical experience can make your work easier, your problems smaller and **your** customers' satisfaction greater. All our correspondent services are yours for a phone call — 341-8765 — Omaha.

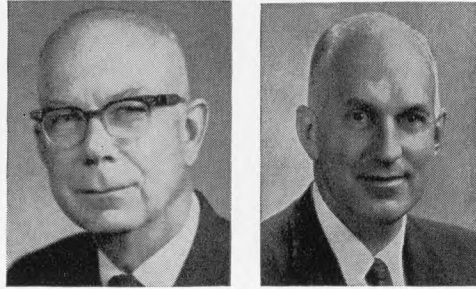
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Northwestern Banker, April, 1962

Nebraska NEWS

B. D. BERKHEIMER President **Gordon**
HARRIS V. OSTERBERG Secretary **Omaha**



Shows Bad Check Tricks

The Bank of Bellevue presented a "Bad Check and Shoplifting Clinic" for Bellevue merchants and their employees late last month. The preventive clinic was staged through the retail committee of the Chamber of Commerce, with special attention given to habits of bad check writers. Attention also was given to tricks of some known shoplifters and measures that can be taken to prevent or detect shoplifting by others.

Sponsors Feeders' Program

A meeting designed to give cattle feeders the latest information on feeding and the markets was put on recently by the First National Bank in Newman Grove. H. L. Gerhart, president, greeted the guests and introduced the principal speaker, Dr. Paul Geyer of the University of Nebraska college of agriculture at Lincoln. The meeting was open to the public.

Kosman Heads Lyman Bank

H. D. Kosman, president of the Scottsbluff National Bank, and a group of stockholders from his bank have purchased the Farmers State Bank of Lyman. Mr. Kosman has been elected president of the Lyman bank. He will continue his principle position as head of the Scottsbluff bank.

James H. Kemp

James H. Kemp, 90, vice president and director of the First National Bank in Fullerton, died recently in a Fullerton hospital. Mr. Kemp was an attorney in Fullerton since 1898 and served as president of the Nebraska Senate in 1913.

Dean Dearing Resigns

Dean T. Dearing, president of the American National Bank at Kimball since July, 1958, resigned from the bank effective March 31. Mr. Dearing said he would announce his future plans at a later date and that his "first order of business is to take a vacation."

Mr. Dearing's family will remain

in Kimball until the end of the school year.

He was vice president of the First National Bank of Golden, Colo., for four and one-half years prior to moving to Kimball. In July, 1958, Mr. Dearing and Robert Bentley and associates purchased majority stock in the American National. Mr. Dearing became president at that time and Mr. Bentley vice president.

World's Fair Display

A unique lobby display at the First National Bank in Cozad is focusing attention of that area's residents on the forthcoming 1962 World's Fair at Seattle, Wash. Center of the display is a three foot high model of the Space Needle which is topped with a



1962 **WORLD'S FAIR** display, complete with the Space Needle and its revolving restaurant, attracts attention to the First National's vacation services.

restaurant that turns constantly at a slow rate of speed so diners can see the entire fairgrounds during their meal.

The replica has brought forth inter-

est in attending the fair by many Cozad people, and the First National Bank has made it easier for these people to make plans to attend. A large newspaper ad informed the public that reservations for hotel-motel lodging during the Fair, April 21 through October 21, can be made through the bank. Also, tickets purchased at the bank prior to March 15 were obtained at a discount.

The bank also suggested that Fair visitors purchase their American Express Travelers Cheques prior to departure. Richard Hansen, assistant cashier, reports the display and newspaper ad have received extremely favorable acceptance by customers and non-customers alike.

New Time-Temp Clock

An electric time-temperature clock has been installed on the corner of the new First National Bank and Trust Company building in Columbus. Mounted at an angle, the sign is visible from the corner for at least two blocks.

New Ogallala Bank Opens

The new Keith County Bank opened its doors for a "formal opening" in Ogallala on St. Patrick's Day, March 17, last month. Business had actually been conducted there for three weeks prior to the grand opening.

The new bank, which opened with \$200,000 capital, was formed by Melvin Adams, Sr., president of the Bank of Brule. His son, Melvin, Jr., who has been executive vice president of the Bank of Brule will be executive vice president and managing officer of the Keith County Bank. Mr. Adams, Sr., is president and G. J. McGinley of Ogallala is vice president.

The new bank is housed in remodeled offices that formerly served the Agricultural Stabilization and Conservation Office. A drive-in window has been installed in one wall of the building. Customer parking also is provided.

Ogallala also is served by the First National Bank.

1962 Nebraska Group Meetings

| Group | Date | Town |
|-------|-----------|-------------------|
| 3 | Monday | April 23 Norfolk |
| 2 | Monday | April 23 Fremont |
| 1 | Tuesday | April 24 Lincoln |
| 5 | Wednesday | April 25 Kearney |
| 6 | Thursday | April 26 Alliance |
| 4 | Friday | April 27 McCook |

Omaha News



EDWARD W. LYMAN, president of the United States National Bank of Omaha has announced the election of **Morgan B. Iler** to vice president in charge of systems and research.



M. B. ILER

Formerly with the Northwest Bancorporation in Minneapolis, Mr. Iler served Bancorporation affiliated banks since 1958 as a consultant in systems and procedures, including research into the application of electronics and automation.

A native of Canada, Mr. Iler joined the Canadian Bank of Commerce in 1935 and began work in the systems and methods area in 1946. He served as joint manager of the development and organization department and as manager of the methods and organization department of that bank.

* * *

The First National Bank of Omaha received two silver trophies from the Omaha Advertising Club recently.

The awards were presented to the bank and its advertising agency, **Bozell & Jacobs, Incorporated**, in the following categories:

Newspapers General Rate, Black and White; Subject: "Installment Loans," and Radio Brands Service under Retail for the bank's drive-in promotion.

The Omaha Advertising Club makes these awards annually to businesses and their advertising agencies on the use of ads in various medias.

* * *

Mrs. Stephen Wirtz, 63, died last month in Phoenix, Ariz., following a stroke suffered there a few days earlier. She is survived by her husband, who retired in 1960 as vice president of The Omaha National Bank. They

Northwestern Banker, April, 1962

had since lived in Sun City, Ariz., spending their summers in Minnesota. One son, Robert, also survives in Omaha.

* * *

The board of directors of the Southwest Bank of Omaha announces that **Jerry Pitts**, age 29, has been appointed assistant cashier of the Southwest Bank of Omaha. Mr. Pitts joined the bank when it opened in December, 1961. He formerly was employed by the South Omaha Bank as assistant auditor.

Mr. Pitts was chief counsel on the American Institute of Banking board of governors in 1961.

* * *

The 14th Annual National Livestock Conference, sponsored by the Omaha Chamber of Commerce in cooperation with livestock interests and the extension services of Nebraska and Iowa, was held in Omaha last month. The one-day meeting had as its theme, "Today's Trend—Tomorrow's Promise."

Presiding at the opening session was **Fred W. Gilmore**, president of the Union Stock Yards Company, in whose



F. W. GILMORE W. M. THORNDYKE

building auditorium the affair was held. The afternoon presiding officer was **Wayne M. Thorndyke**, vice president of the United States National Bank of Omaha and vice chairman of the Omaha Chamber's conference committee.

Other Omaha bankers serving on the conference committee included:

A. J. Hallas, president, and **Cecil Means**, vice president, Stock Yards National Bank; **Donald R. Ostrand**, vice president, The First National Bank of Omaha, and **John M. Shonsey**, executive vice president, The Omaha National Bank.

* * *

Chiles & Company, formerly Chiles-Schutz Company, Omaha investment firm, has announced the election of new officers according to **Warren D. Chiles**, president.

John J. Bohrer, formerly vice president, has been elected to the additional office of secretary.

Donald L. Anderson, who has been with the firm seven years, was elected vice president.

Robert Rawley, comptroller, has been elected treasurer.

The firm is in the process of en-



W. D. CHILES

D. L. ANDERSON



J. J. BOHRER

R. RAWLEY

larging its offices on the fourth floor of the Farm Credit Building.

Chiles & Company is widely known throughout the state, with offices in Lincoln, Chadron and Lexington.

Moves to Harrison

Ted King resigned recently as ag representative for the Alliance National Bank and last month joined the staff of the Sioux National Bank at Harrison. Howard E. Hall of Lincoln recently purchased majority stock of the Harrison bank from J. R. Ivins, president.

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



J. "Pete" Jeffrey, Omaha National Bank Correspondent Bank Division

Banker on wheels . . .

The men of the Omaha National Bank's Correspondent Bank Division devote most of their time to your banking problems. "Pete" Jeffrey's schedule for example averages four days out of ten on the road — the other six in working with other members of the Division on Correspondent bank service. "Pete" may be our man calling on you but his brief case carries the combined experience and judgment of the entire bank staff.

THE OMAHA NATIONAL BANK

17th and FARNAM STREETS

Member Federal Deposit Insurance Corporation

Northwestern Banker, April, 1962

Nebraska Group Meeting Programs Are Announced

THE Nebraska Bankers Association group meetings will again be held during a one week period this month, starting with Monday, April 23, and continuing through Friday, April 27. From advance interest shown there will be large registrations at the meetings this year due to important matters to be discussed at each of the six group sessions.

In line with this, a "closed door" meeting for NBA members only will be held by each group to acquaint bankers with details of a few of the most pressing matters of importance in the industry today.

The seven Omaha and Lincoln banks comprising the N.B.A. Correspondent Bank Club will again be hosts at the social hour at each meeting. These banks are First Conti-

mental National Bank and Trust Company and National Bank of Commerce in Lincoln; the First National Bank, The Omaha National Bank, Packers National Bank, Stock Yards National Bank, and The U. S. National Bank, all of Omaha.

Programs for the six meetings have been announced by the group presidents and they appear below in chronological order:

★ ★ ★
Group Two



KENNETH A. TOOL
President
President, First National Bank
Wahoo

April 23—Fremont

A.M.
11:00 Registration—Pathfinder Hotel.
P.M.

Luncheon—Presiding, Kenneth A. Tool, president, Group Two, and president, First National Bank, Wahoo.

Welcome — The Hon. Dwight Hollins, Mayor of Fremont.
Remarks — B. D. Berkheimer, president, Nebraska Bankers Association, Inc., and president, First National Bank, Gordon.
Your Bank and S.B.A.—C. I. Moyer, Regional Director, Small

★ ★ ★
Business Administration, Kansas City, Mo.

Recodification of State Banking Laws—Ralph E. Misko, Director of Banking, State of Nebraska, Lincoln.

Uniform Commercial Code — Arthur C. Sidner, attorney, Sidner, Lee, Gunderson & Svoboda, Fremont.

Association Activities — N.B.A. officers and staff.

Report of Nominating Committee — George H. Looschen (chairman), president, First National Bank, Hooper; Paul F. Bradley, vice president, Columbus Bank, Columbus, and Harold O. Qualsett, executive vice president, Clarkson Bank, Clarkson.

5:30 Social Hour and Banquet—Presiding, Kenneth A. Tool, president, Group Two.

Dinner Music — Dale Roberts, Hammond electric organ.

Guest Speaker — Dr. Henry Rodgers, "Tranquilizers — Results and Effects."

★ ★ ★
Group Three



DONALD M. ROBERTS
President
Cashier, Farmers National Bank
Pilger

April 23—Norfolk

A.M.
11:00 Registration—Hotel Madison.
P.M.

12:00 Luncheon — Presiding, Donald M. Roberts, president, Group Three, and cashier, Farmers National Bank, Pilger.

Welcome — The Hon. Warren R. Cook, Mayor of Norfolk.
Wisconsin School of Banking—C. H. Walcott, president, Security National Bank, Sioux City, Iowa.

Your Bank and S.B.A.—C. D. Bohrer, Assistant Chief, Financial Assistance Division, Small Business Administration, Kansas City, Mo.

Recodification of State Banking Laws.

Uniform Commercial Code — Robert C. Guenzel, attorney, Crosby, Pansing, Guenzel & Binning, Lincoln.

N.B.A. Activities — Lyman M. Stuckey, vice president, Nebraska Bankers Association, Inc., and president, Lexington State Bank, Lexington.

1962 Agricultural Outlook — Francis Kutish, Agricultural Extension Economist, Iowa State University.

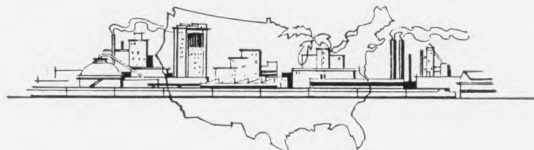
Report of Nominating Committee—C. B. Misfeldt (chairman); cashier, First National Bank, Stanton; R. A. Roush, cashier, The Bank of Madison, and P. H. Langenberg, presi-

Municipal and Corporate Bonds

Listed Stocks

Unlisted and Local Stocks

ORDERS EXECUTED ON ALL PRINCIPAL EXCHANGES



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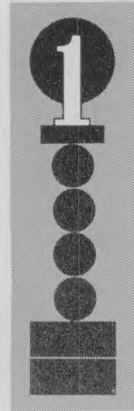
LEXINGTON, NEBRASKA
Ernst & Bieck Building

LINCOLN, NEBRASKA
1321 P Street
Phone HEMlock 2-3324

CHADRON, NEBRASKA
999 East 6th Street

DO YOU KNOW BILL FESER?

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FIRST NATIONAL BANK OF OMAHA

16TH & FARNAM ■ OMAHA, NEBRASKA ■ MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, April, 1962

dent, First National Bank, Walthill.
 5:30 Social Hour.
 6:30 Banquet—Presiding, Donald M. Roberts, president, Group Three.
 Invocation — Reverend James M. Barrett, Pastor, Trinity Episcopal Church, Norfolk.
 Entertainment — Stanton High Singers, under the direction of Ken C. Wacker.
 "A Farmer Looks at Indian Agriculture" — Ralph Olsen, Ellsworth, Iowa.

Ladies' Program

P.M.
 12:30 Luncheon — "Ye Olde Tavern". Entertainment.
 5:30 Social Hour.
 6:30 Banquet—Hotel Madison.

Group One



H. R. KILLINGER
President
 Executive Vice President, Thayer County Bank Hebron

April 24—Lincoln

A.M.
 11:00 Registration — Lincoln Hotel, Mezzanine Floor.
 P.M.
 12:30 Luncheon — Presiding, H. R. Killinger, president, Group One, and executive vice president, Thayer County Bank, Hebron.
 Invocation — Reverend W. N. Smitheran, Associate Pastor, St. Paul Methodist Church, Lincoln.
 Remarks — B. D. Berkheimer, president, Nebraska Bankers Association, Inc., and president, First National Bank, Gordon.
 Your Bank and S.B.A.—C. I. Moyer, Regional Director, Small Business Administration, Kansas City, Mo.
 Recodification of State Banking Laws—Ralph E. Misko, Director of Banking, State of Nebraska, Lincoln.
 Uniform Commercial Code — Robert C. Guenzel, attorney, Crosby, Pansing, Guenzel & Binning, Lincoln.
 Association Activities — N.B.A. officers and staff.
 Report of Nominating Committee—H. W. Schepman (chairman); executive vice president, Johnson County Bank, Tecumseh; John W. Cattle, president, The Cattle National Bank, Seward, and Percy Mays, senior vice president, Citizens State Bank, Lincoln.
 5:30 Social Hour.
 6:30 Banquet—H. R. Killinger, president, Group One.

Guest Speaker—G. Robert Gadberrry, vice president and trust officer, The Fourth National Bank & Trust Company, Wichita.

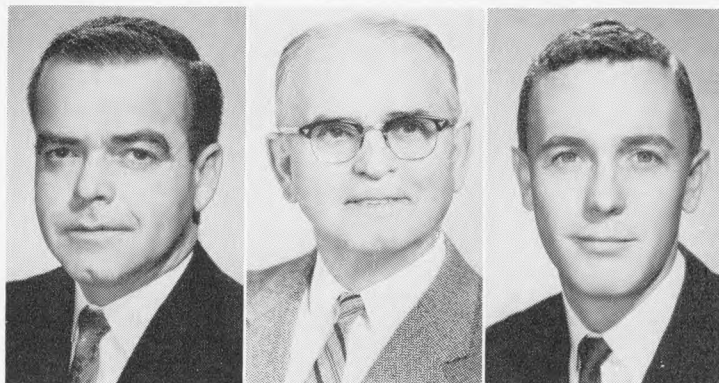
Group Five



MARIE E. WOLDEN
Hebron President
 Cashier, Farmers State Bank Wallace

April 25—Kearney

A.M.
 11:00 Registration—Fort Kearney Hotel.
 P.M.
 12:30 Luncheon—Presiding, Marie C. Wolden, president, Group Five, and cashier, Farmers State Bank, Wallace.
 Invocation — Reverend Richard F. Miles, Pastor, St. Luke's Episcopal Church, Kearney.
 Welcome—J. W. DeBord, president, Platte Valley State Bank, Kearney, and Mayor of Kearney.
 Remarks — B. D. Berkheimer, president, Nebraska Bankers Association, Inc., and president, First National Bank, Gordon.
 Your Bank and S.B.A.—C. I. Moyer, Regional Director, Small Business Administration, Kansas City, Mo.
 Recodification of State Banking Laws—Ralph E. Misko, Director of Banking, State of Nebraska, Lincoln.
 Uniform Commercial Code — Fred T. Hanson, Attorney at Law, McCook.
 Association Activities — N.B.A. officers and staff.
 Report of Nominating Committee — D. W. Reynolds (chairman); president, First National Bank, Cozad; Dale E. Walkenhorst, vice president, First National Bank, North Platte, and C. H. Rowan, president, Nebraska State Bank, Broken Bow.
 5:30 Social Hour.
 6:30 Banquet — Presiding, Marie C. Wolden, president, Group Five.
 Invocation—Rt. Rev. Msgr. Raymond Miles, St. James Church, Kearney.
 Guest Speaker — Dr. Charles Karsakoff, "Soon We Will Buy Tickets to the Moon."



John Van Horne Edwin Van Horne Michael Van Horne

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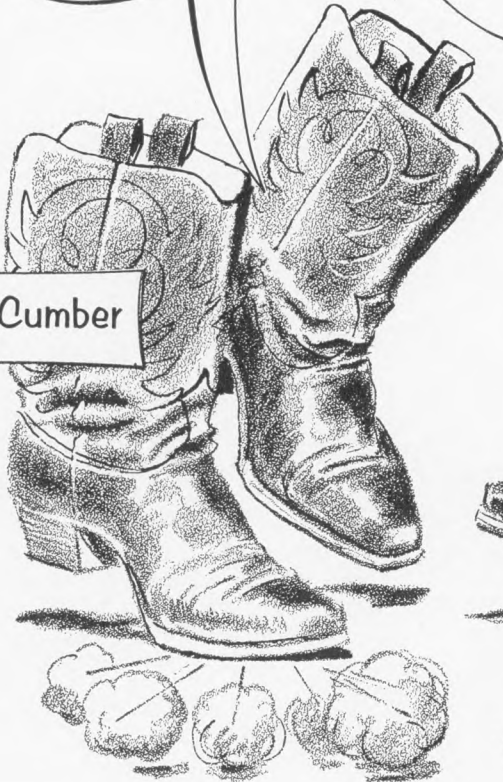
FARM CREDIT BLDG. OMAHA PHONE 345 2241

It is our aim and effort to give such service to our patrons that they profit from our dealings and recommend us to their friends.

IT'S A CINCH
NO GRASS'LL
GROW UNDER
OUR FEET
THIS MONTH!

YEP! BUT THINK HOW
NICE IT'LL BE TO KICK UP
OUR HEELS WITH SOME
REAL NICE FOLKS AT THE
GROUP MEETINGS IN
NORFOLK, FREMONT, LINCOLN,
KEARNEY, ALLIANCE,
'N McCOOK!

John McCumber



Cecil Means



STOCK YARDS NATIONAL BANK

THE ONLY BANK IN OMAHA'S UNION STOCK YARDS
OMAHA, NEBRASKA

Member of Federal Deposit Insurance Corporation

Northwestern Banker, April, 1962

Group Six



H. L. McKIBBIN
President
 President, First National Bank Mitchell

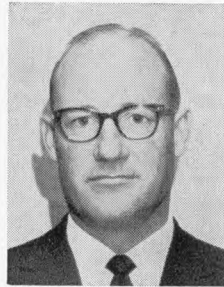
April 26—Alliance

A.M.
 11:00 Registration—Elks Club.
 P.M.
 12:30 Luncheon—Presiding, H. L. McKibbin, president, Group Six, and president, First National Bank, Bayard.
 Welcome—Glen Fiebig, president, Alliance Chamber of Commerce.
 Remarks—B. D. Berkheimer, president, Nebraska Bankers Association, Inc., and president, First National Bank, Gordon. Your Bank and S.B.A.—C. I. Moyer, Regional Director, Small Business Administration, Kansas City, Mo.
 Recodification of State Banking Laws—Ralph E. Misko, Director of Banking, State of Nebraska.
 Uniform Commercial Code—Daniel Stubbs, attorney, Stubbs & Metz, Alliance.
 Association Activities—N.B.A. officers and staff.

Report of Nominating Committee—L. H. Mehling (chairman); vice president and cashier, The American National Bank of Sidney; Jacob L. Kats, vice president and cashier, First National Bank, Lewellen, and E. R. Spray, president, Crawford State Bank.

5:30 Social Hour.
 6:30 Banquet—Presiding, E. L. McKibbin, president, Group Six. Guest Speaker—Samuel J. Rasmussen, "Rockets Will Run the Universe."

Group Four



R. K. ARMSTRONG
President
 President, Minden Exchange National Bank Minden

April 27—McCook

A.M.
 9:00 Golf—Tee off between 9:00 a.m. and 1:00 p.m. Greens fee, \$1.50.
 11:30 Registration—Elks Club.
 P.M.
 12:00 Luncheon—Informal, Dutch treat.
 3:00 Business Meeting (promptly)—Presiding, R. K. Armstrong, president, Group Four, and president, Minden Exchange National Bank, Minden.
 Remarks—B. D. Berkheimer, president, Nebraska Bankers Association, Inc., and president, First National Bank, Gordon. Your Bank and S.B.A.—C. I. Moyer, Regional Director, Small Business Administration, Kansas City, Mo.
 Recodification of State Banking Laws—Ralph E. Misko, Director of Banking, State of Nebraska,

Lincoln.
 Uniform Commercial Code—Fred T. Hanson, attorney at law, McCook.
 Association Activities—N.B.A. officers and staff.

Report of Nominating Committee—Harold E. Larmon (chairman); vice president, The First National Bank of McCook; Glen J. Anderson, vice president, The First National Bank, Holdrege, and Donald A. Hansen, president, Security National Bank, Superior.

5:30 Social Hour.
 6:30 Banquet—Presiding, R. K. Armstrong, president, Group Four. Dinner Music—Harold E. Larmon.
 Entertainment—The Rebels.
 Guest Speaker—S. J. Sparks, "Laughs I've Had on the Bench."

Ladies' Program

Elks Club—Cards, coffee all day. Golf after 1:00 p.m.

Commander in Navy

Harold J. Luchtel, vice president of the Columbus Bank, has been promoted to Commander in the U. S. Naval Reserve. He is commanding officer of an electronics reserve unit in Fremont.

Fred J. Timm

Fred J. Timm, 60, vice president and director of the Farmers State Bank at Eustis, died suddenly last month of a heart attack. He had been a prominent civic leader in Eustis for many years.

Elected Director

Dale J. Black, Fullerton real estate man and secretary of the Nance County National Farm Loan Association, was elected a director of the First National Bank in Fullerton last month, according to E. M. Black, president. He succeeds James H. Kemp, who died recently.

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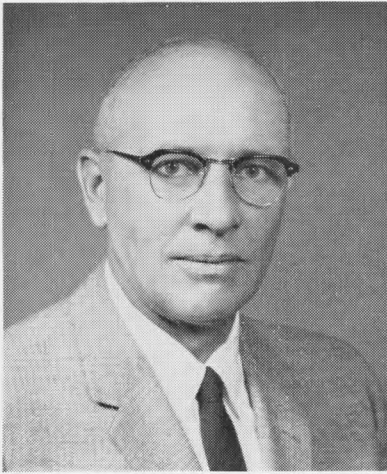
will welcome you at the Group III Bankers meeting in
 NORFOLK, NEBRASKA - APRIL 23 - MADISON HOTEL

— SEE YOU THEN —

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A NEW DEPARTMENT AND SERVICE



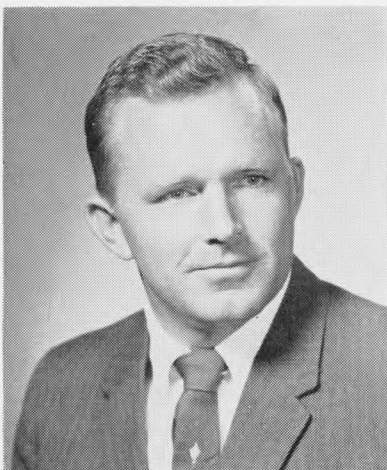
CLIFFORD H. JORGENSEN, V.P.
Director Farm Management
Lincoln



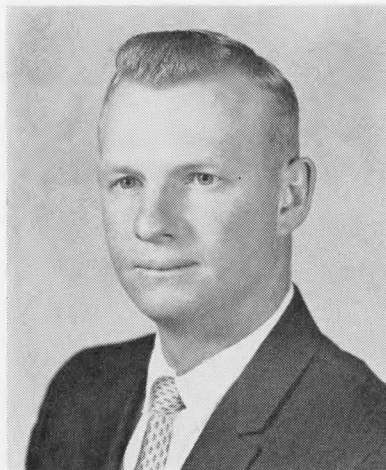
CHARLES SHELL — Lincoln
Northeast Nebraska
Territory



ROGER JOHNSON — Lincoln
Southeast Nebraska &
Kansas Territory



R. HOWARD ANDERSON — York
Central Nebraska — East
Central Kansas Territory



DENNIS CHOQUETTE — Holdrege
South Central Nebraska
Territory



KEITH ARTERBURN — McCook
West Nebraska — Kansas
Colorado Territory

FARM MANAGEMENT DEPARTMENT

Yes! Now National Bank of Commerce Trust and Savings has a complete farm management department ready to serve you. Staffed with agricultural college graduates with practical farming experience, it is ready to help you with farm management problems, farm and ranch appraisals, and counsel with you on any agricultural matter. If you wish our help contact any of these men and they will be glad to assist you.

"There is no substitute for experience"

**NATIONAL
BANK OF COMMERCE**
TRUST & SAVINGS
LINCOLN

MEMBER F. D. I. C.

Lincoln News



THE new Patio Bank walk-in, drive-in facility of the **National Bank of Commerce Trust and Savings** has been receiving good patronage ever since its opening, according to bank officials. Located at 10th and O Streets, the facility was opened early in January although construction was still in progress.

Even the signs were not installed, and finishing touches both in the interior and exterior were accomplished with customers doing their banking over, under and around ladders.

In spite of this, response by the customers was tremendous. A premium promotion of a 10-inch silver serving tray was used to call attention to the new Patio Bank opening. The free gift was given for new checking or savings accounts or for savings add-ons of \$100 or more. This promotion, officials reported, was highly successful.

The interior of the bank is finished in Arkansas Pine Log stone, glass, walnut and white formica. A polished terazzo floor and a sprayed ceiling complete the decor. Six teller stations are inside and three drive-in pods are under cover outside.

Edward C. Houdek, 64, died of a heart attack in Lincoln last month. He moved to Lincoln five years ago after serving 15 years in a bank at Belleville and 11 years prior to that with the bank in Hubbell.

* * *

Byron Dunn, chairman of the board, and **Glenn Yaussi**, president of National Bank of Commerce Trust & Savings, have announced the formation of a farm management department to serve customers in Nebraska, Kansas and Colorado.

Director of the farm management department is **Clifford H. Jorgensen**, vice president. He will be assisted by five men, two of them at the bank headquarters in Lincoln with Mr. Jorgensen, and three of them living in other cities in Nebraska. The men, and the areas they serve, are:

Charles Shell of Lincoln, northwest Nebraska; **Roger Johnson** of Lincoln, Nebraska and Kansas; **R. Howard Anderson** of York, central Nebraska and east central Kansas; **Dennis Choquette** of Holdrege, south central Nebraska, and **Keith Arterburn** of McCook, western Nebraska, Kansas and Colorado.

Customers of **First Continental National Bank and Trust Company** received an old fashioned "Thank You for Banking with Us" during Valentine Week. The event turned out to be a double celebration when on February 15 top officials of the bank were on hand to greet the customer making the deposit that brought the total of deposits at the 13th and L Drive-In up to a half-million number of deposits



A VALENTINE box of candy is presented by **Wheaton Battey** (left), chairman of the First Continental National, to **Virgil Schindler** as the latter made the 500,000th transaction to go through the bank's Drive-In facility.

since the facility opened March 14, 1960.

Virgil Schindler was a bit bewildered by all the attention but expressed his appreciation for a large heart-shaped box of candy presented to him. He was photographed by newspaper and TV reporters and interviewed over two radio stations. Mr. Schindler said

New Patio Bank Walk-In Drive-In Facility



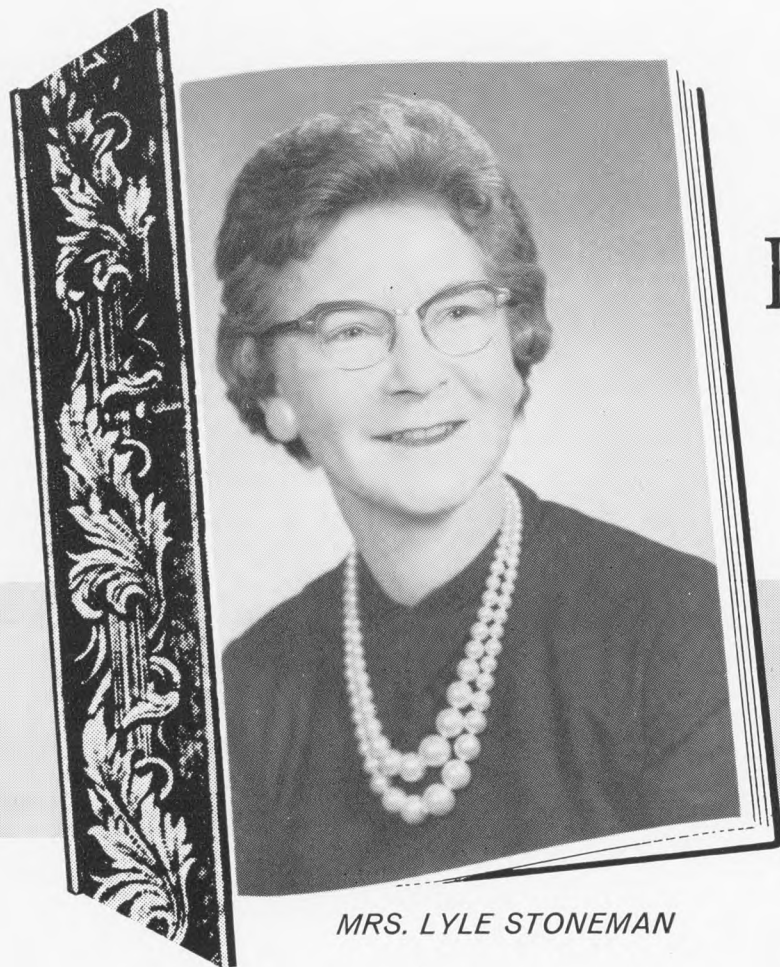
ARKANSAS PINE LOG STONE, glass, walnut and white formica highlight the beauty of the interior, photo at left,

while ultra-modern design enhances the exterior, at right, of the National Bank of Commerce, Lincoln.



Northwestern Banker, April, 1962

*One of a series featuring the ladies behind
the men you know and work with at
First Continental*



MRS. LYLE STONEMAN

A First Continental FIRST LADY

Margaret Stoneman's activities revolve principally around daughters Donna (a Lincoln High School sophomore) and Andrea (a sophomore at the University)—and, of course, husband Lyle. She has taken an active part in Girl Scout work, has served as an officer in Eastern Star and has worked with Job's Daughters through the Mother's Club. Her busy days also include occasional baby sitting hours with Debbie, daughter Nadine's little girl.

Mrs. Stoneman has come to know many Nebraska Bankers and their wives through the years, and always looks forward to renewing these acquaintances and making new ones at convention time.

1st
C
FIRST CONTINENTAL
NATIONAL BANK & TRUST COMPANY
12TH & N STREET LINCOLN, NEBRASKA
member F.D.I.C.

Northwestern Banker, April, 1962

he liked banking at the Drive-In because of the great convenience.

Throughout the special Valentine Week, a color newspaper ad and TV and radio spots invited friends of the bank to stop in and have coffee. Many people gathered around the decorated refreshment table each day and visited with bank employees. Some of the bank officers were on hand throughout the week.

Changes at Gering National

Dale V. Sorensen has retired as president and cashier of the Gering National Bank and has made plans to

move to Arizona. Succeeding him as president is Jack G. Elliott, well-known Scottsbluff insurance man and president of the University of Nebraska board of regents. Mr. Elliott is now president and chairman. He

formerly was vice president, inactive. Added to the bank's board is John Gayer who will also take Mr. Elliott's place as vice president.

Mr. Elliott announced the promo-



J. G. ELLIOTT

tions of Roy O. Yaley and Joe J. Huckfeldt from assistant cashiers to assistant vice presidents. Melvin Mathis was advanced from assistant cashier to cashier.

Ray B. Calkins

Raymond R. Calkins, dean of St. Joseph, Mo., bankers, died last month after a long illness that had confined him to the hospital for the past year. He was 85.

Mr. Calkins had worked his way up from messenger boy to president of the American National Bank in St. Joseph. He retired in 1959 as chairman of the board. His service with the bank spanned the 62 years from 1897 to 1959.

Scribner Changes

As announced in last month's issue, R. H. Freudenburg and his son, Eldon G., both of West Point, have purchased both the Farmers State Bank and First National Bank in Scribner. R. H. Freudenburg will serve both banks as president as well as continuing as president and chairman of the First National of West Point.

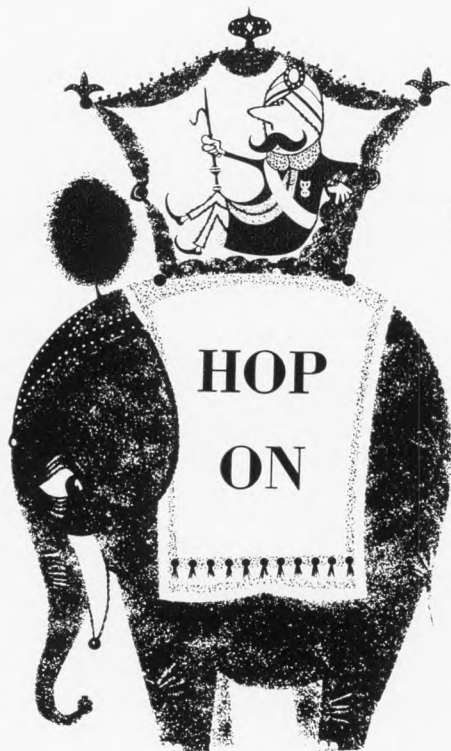
Eldon G. Freudenburg will be vice president of the Scribner banks, as well as continuing as executive vice president and cashier of the West Point bank.

Special Award



DEAN VOGEL, right, exec. v.p., The United States National Bank of Omaha, accepts special Distinguished Service Award from **Phil Vogt**, pres., Nebraska Goodwill Industries. Mr. Vogel has served as a member of the Goodwill board of trustees since 1943 and as board president from 1959 to 1961. The scope of activities of the Industries has expanded greatly during Mr. Vogel's terms as a board member and a new building was built and occupied during his years as president.

H. E. Vackiner, former cashier of the First National in Scribner, is the new cashier of the Farmers State Bank. Delwin Rumery has been advanced from assistant cashier to cash-



We're Going to the

**NEBRASKA GROUP MEETINGS . . .
APRIL 23-27**

**IOWA GROUP MEETINGS . . .
MAY 8-11 AND MAY 22-25**

We hope you'll be there too with us meeting old friends and making new ones. We look forward to seeing you.

**The TOOTLE-ENRIGHT
National Bank**

SAINT JOSEPH, MISSOURI

Member Federal Deposit Insurance Corporation

ier of Scribner's First National.

Associated with the Freudenburg's as directors of the Scribner banks are A. S. Chaves, vice president of the First Continental National Bank & Trust Company, Lincoln, and W. L. Hasebroock, vice president (inactive) and director of the First National of West Point.

Beatrice Banker Honored

W. W. Cook, president of the Beatrice National Bank, last month was honored by Beatrice Jaycees as "Boss of the Year" at their annual banquet.

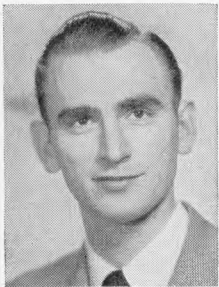
Joins Bank of Valley

James C. Karlik joined the Bank of Valley at Valley, Neb., March 26 as executive vice president and cashier. Mr. Karlik had been with the Stock

Yards National Bank of Omaha since 1946 and was elected assistant vice president in January, 1959.

He will succeed W. R. Harris, who has resigned as cashier to accept a position with the Bank of

Honolulu. His principal work there



J. C. KARLIK

will be making appraisals and handling interim financing on construction jobs. Mr. Farris had been with the Bank of Valley for about eight years. He and his wife and their three children plan to leave Valley about May 1.

Lexington Promotions

Lyman Stuckey, president of the Lexington State Bank, has announced the following promotions made by the board of directors:

George Keller, advanced from vice president to executive vice president.

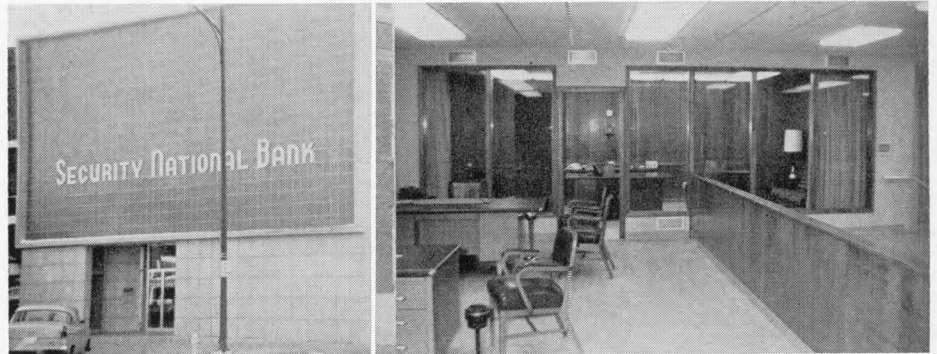
Mrs. Virginia Braithwait, from cashier to vice president and cashier.

Duane Phillippi, from auditor to assistant cashier and auditor.

Joins York State Staff

Wayne F. Smith has joined the staff of the York State Bank as agricultural representative, it was announced last month by Dean Sack, president. For the past five years, Mr. Smith has represented an investment fund firm in Aurora. Prior to that he was a vocational agriculture teacher for nine years in Nebraska high schools.

Attractive Superior Bank



NEWLY-REMOLDLED AND EXPANDED QUARTERS of the Security National of Superior feature an all-new longer modern front and a more spacious banking room with new furniture, fixtures and banking facilities.

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Complete investment service and facilities to serve you
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Dale C. Tinstman, Exec. V. P.

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Charles J. (Chuck) Burmeister, Asst. Secy. & Asst. Treas.

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Iowa NEWS

CHARLES H. WALCOTT President Sioux City

FRANK WARNER Secretary Des Moines



New Business, 4% Interest Rate Highlight Spring Conference

By BEN HALLER, JR.
Editor

BAD weather cut attendance at the 41st annual State Banking Conference of the Iowa Bankers Association in Des Moines last month, but it certainly did not lessen interest in topics up for discussion. The conference is the annual meeting of members and officers of the Iowa County Bankers Associations and the Iowa Junior Bankers Association. Attendance was nearly 150 bankers.

Two of the principal subjects of interest dealt with increasing the business of banks and how to live with the new 4 per cent savings interest rate.

During the Conference, officers were elected for 1962-63 for both of the sponsoring organizations as follows:

Federation of County Bankers Associations

President — John A. Kovar, vice president and cashier, Peoples State Bank, Missouri Valley.

Vice President — Elmer H. Mertz, president, Hayesville Savings Bank.

Secretary — Robert E. Coon, president and cashier, First State Savings Bank, McGregor.

Iowa Junior Bankers Association

President—Robert A. Helgerson, ex-

ecutive vice president, Hedrick Savings Bank.

Vice President—Donald W. Heineking, assistant cashier, State Savings Bank, Baxter.

Secretary—Ted J. Ketelsen, assistant cashier, Liberty Trust and Savings Bank, Durant.

One of winter's worst storms swept across northern Iowa the night before the Conference, preventing attendance of many bankers from that part of the state, including Charles H. Walcott, president of the IBA and president of Security National Bank, Sioux City. His greetings to the meeting were extended by IBA Vice President Charles R. Atwell, president of Mount Pleasant Bank and Trust.

Train Young Bankers

In his talk, "What Do Banks Owe Their Young Men?" Leo F. Kane, retiring president of the Iowa Junior Bankers, stated, "It is necessary to let young men gain enough experience so they can establish a basis for good judgment." Mr. Kane, who is vice president of American Trust & Savings, Dubuque, also said, "No other profession offers more education and schools than banking." He then listed

the numerous schools available to bankers throughout the nation.

AIB Group Organized

Richard J. Nachazel, vice president and cashier of the Farmers and Merchants Savings Bank, Burlington, related steps leading to organization of "Our New Des Moines County Group Study Class." Two years ago following a meeting similar to this Conference, Mr. Nachazel returned to Burlington, discussed the lack of A.I.B. study classes with other Burlington bankers, and later gained approval of the Clearing House there to initiate such activity.

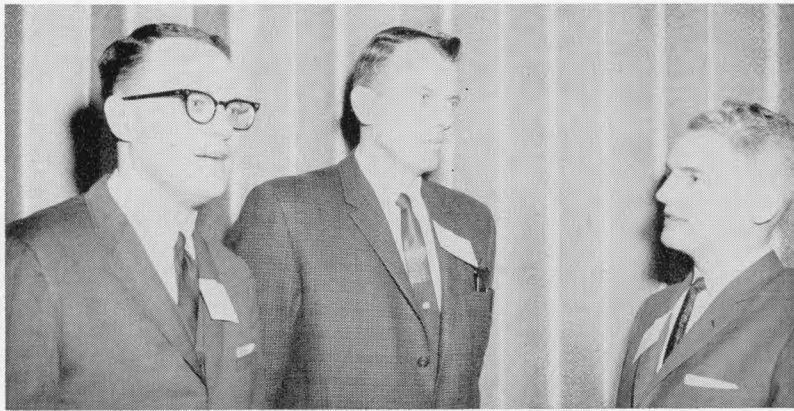
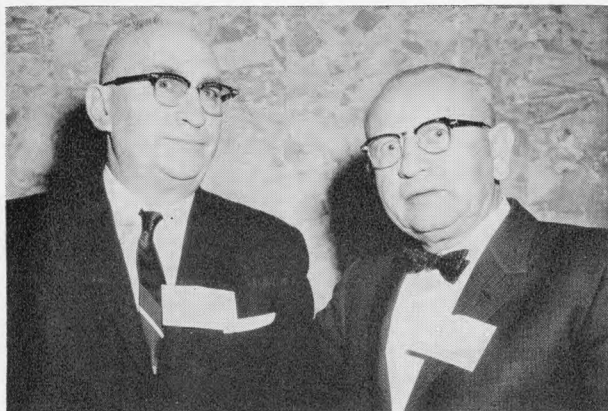
The Group Study Class was begun September, 1961, and is now in the midst of a 28-week school session, meeting each Tuesday from 4:30 p.m. to 6 p.m. The first class taken up was "Principles of Bank Operation," with Mr. Nachazel as instructor. There are 23 students enrolled, including one bank director. The latter is an attorney who has been most helpful in many discussions of legal points relating to banking, Mr. Nachazel said. The cost is \$25 per student with the fee paid by respective banks.

John E. Mangold, A.I.B. associate councilman for Iowa, complimented Mr. Nachazel's group for its progress, adding that the "biggest job in banks today is training replacement personnel." Mr. Mangold is vice president of the Merchants National Bank, Cedar Rapids.

New Business Contests

An interesting talk on developing new business through staff sales contests was given by William N. Flory, assistant vice president of Harris Trust and Savings Bank, Chicago. Telling "How to Turn Your Employees Into Salesmen," Mr. Flory recounted the successes of many banks, including Harris Trust, with contests that engender friendly competition among employees.

He pointed out that the typical bank



LEFT—E. H. Mertz, new v.p. of Federation of County Bankers Assns. and pres., Hayesville Sav., and John A. Kovar, new pres. of Federation and v.p. & cash., Peoples State, Missouri Valley. **RIGHT**—Donald W. Heineking, new v.p. of Ia. Junior

Bankers Assn. and a.c., State Savings of Baxter; Robert A. Helgerson, new pres. of the Junior Bankers and exec. v.p. of Hedrick Savings, and Leo F. Kane, retiring pres. of the Junior Bankers and v.p., American T & S of Dubuque.

Northwestern Banker, April, 1962



LEFT—Ernest W. Bacon, dist. dir. of Internal Revenue Service, Des Moines; William N. Flory, a.v.p., Harris T & S, Chicago, and C. R. Atwell, v.p. of Iowa Bankers Assn. and pres., Mt. Pleasant B. & T. All three men addressed the conference.



RIGHT—A. V. Dieken, pres., Farmers Savings, Grundy Center; Robert D. Dixon, pres., Rolfe State, and Kenneth Benda, exec. v.p., Hartwick State. These three men spoke on the subject of 4 per cent savings interest rate and its effect on banks.

could have lost 20 per cent of savings, 10-15 per cent of checking accounts and up to 25 per cent of special checking accounts in the past year. The constant job, he stated, is to replace this business, while gaining new business in addition so the bank will grow and be able to serve more people.

He suggested that most people could write a list of 100 names of persons they might possibly influence. Using this as a guide, each employee of the bank, with his diversified interests and contacts, and living in all parts of the city, can help create city-wide interest in the new business contest.

The prerequisite for any such contest, he pointed out, is to have a sound bank, well run, with well trained employees so that new business can be handled without confusion, and good sales promotion material that will help the staff. Some of the points considered by many banks using contests are: sales bulletin for the staff with liberal use of names and employees' sales records; cash and/or merchandise prizes available; trips to be won if offered, and other awards.

Harris Bank's Sales Incentive Program, Mr. Flory reported, is a low pressure contest running about six or seven months. One seven-month campaign produced 2,077 new business accounts with starting value of \$2,000,000.

Need Trained Tellers

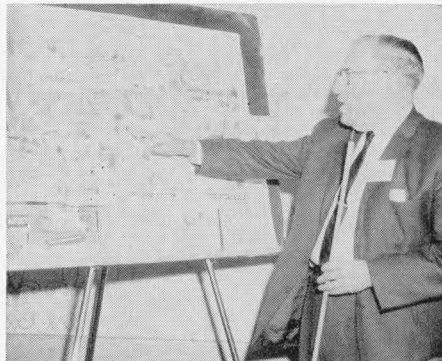
The next speaker, Thomas O. Cooper, president of Jefferson State Bank, discussed "A Bank's Front Line—The Tellers," showing how well-trained tellers can bring in the new business that is needed in every bank. He pointed out that if all the tellers in Iowa were all their management would want them to be, more than 25,000 Iowans would be writing Congress against the dividends withholding tax bill and in favor of tax equality among financial institutions. He said banks haven't done a better job because they haven't kept well enough informed, have not kept the public well enough informed, and have not

kept their tellers well enough informed and trained.

"We should teach our tellers," he emphasized, "so they are efficient, active and productive in the shortest time at the lowest cost." He listed among the many points to be covered in teller training the importance of complete knowledge of machines they use, what to do in unusual circumstances, such as holdup, and most importantly, the relationship of his job to the entire bank's operation.

Other speakers covered the importance of the lending function, including the prudence that must be used in granting of loans.

Paul S. Amidon, president of Paul S. Amidon & Associates, Inc., Minneapolis, was luncheon speaker. He re-



Paul S. Amidon explaining his firm's "In Account with Youth" program.

viewed his firm's "In Account with Youth" program that is sponsored in 51 Iowa communities by 62 banks. The high school course teaches students the fundamentals of economics and finance and how banks serve their communities.

Internal Revenue Speaker

Ernest W. Bacon, district director for the Internal Revenue Service, Des Moines, asked all Iowa banks to make their customers more fully aware of the importance of filing properly their form 941, the employers' quarterly reporting form for taxes withheld. He said 502 of Iowa's banks are authorized to issue Depository Receipts. Any employer having a monthly tax

of \$100 or more must purchase and file a Depository Receipt with his bank.

Mr. Bacon also pointed out the importance of banks complying with the law requiring the filing of Treasury Currency Reports. Since 1945 financial institutions have been required to file a TCR-1 monthly to show names of individuals withdrawing \$2,500 or more of currency. This was started originally to defeat the narcotics traffic but has turned out to be a tremendous assist to the income tax division.

4 Per Cent Rate Discussed

A good portion of the afternoon session centered around the controversial 4 per cent savings interest rate. Practically everyone expressing an opinion was against the new rate, but stated they were forced to go to it because the public felt the rate was "the new law" or because other banks went to it and they had to follow.

A. V. Dieken, president of the Farmers Savings Bank at Grundy Center, told how bankers in his county opposed the new level, but had to go to it due to competitive position. Other speakers on the 4 per cent rate, and what to do about it were Robert D. Dixon, president of the Rolfe State Bank, and Kenneth Benda, executive vice president of the Harwick State Bank.

Final speaker was Wendell B. Gibson, whose Des Moines firm is the legal attorney for the Iowa Bankers Association. He discussed the basis on which bank deposits are taxed or not taxed. At the last session of the Iowa legislature (1961) a bill was passed removing the 5 mill tax on time money and CD's on deposit in Iowa banks. All non-interest bearing accounts, such as checking, had previously been exempted from the 5 mill moneys and credits tax. The one mill levy to finance the Korean War Bonus was left on savings accounts until this obligation is met.

In former years, Iowa banks were plagued with tremendous withdrawals

EFFICIENT



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**Bill Lamberson,
Vice-President**

Commerce Trust Company

Kansas City's Oldest and Largest Bank
Member Federal Deposit Insurance Corporation

Northwestern Banker, April, 1962

of money at the year-end by customers wanting to avoid the moneys and credits tax. Mr. Gibson reviewed this legislation, showing which accounts are exempt, and on which accounts tax must be paid.—**End.**

Evansdale Bank to Open

The First National Bank of Evansdale plans to open for business on April 15, according to Donald E. Noller, president. The new bank, recently chartered by the Comptroller of the Currency, will have \$100,000 capital, \$100,000 surplus and \$50,000 undivided profits for total starting capital of \$250,000.

Executive vice president and cashier will be Harold A. Stowell, who had previously served as executive vice president of the First National Bank in Marion.

Mr. Noller is a prominent businessman in Sigourney where he is also a director of the Keokuk County State Bank.

The Evansdale office of the Farmers State Bank at Jesup will be closed when the new bank opens.

Guy D. Schooler

A heart attack last month claimed the life of Guy D. Schooler, 75, chairman of the board of the Hartford-Carlisle Savings Bank at Carlisle. He had been a banker at Carlisle for 48 years, joining the Hartford Savings Bank in 1914.

In 1933 Mr. Schooler merged the Hartford Savings with the Carlisle Savings into the present named bank and became vice president, and later president before assuming the board chairmanship.

He is survived by Mrs. Schooler; a son, William Richard, president of the bank; a daughter, and two brothers.

Set Ag School Dates

June 11 through June 22 have been set as the dates for the 17th annual Agricultural Credit School at Iowa State University.

Professor H. B. Howell is in charge of the school. The number of students is limited to 50 per unit. Only one unit will be set up unless sufficient persons apply for enrollment to justify a second unit. Applications and enrollment fees (\$75) should be sent to Professor Howell at Iowa State University at Ames.

Clarion Changes

E. Richard Lomen, cashier, Wright County State Bank, Clarion, has been elected a member of the board of directors. Burt Day was elected assistant cashier.

Both Mr. Lomen and Mr. Day are

graduates of Iowa State University. Mr. Lomen has been with the bank since June, 1959.

On Collins Board

Grainger Buck, a retired farmer, has been elected to the board of the Exchange State Bank, Collins, succeeding Russell P. Blake who died January 24. Mr. Blake was on the board for six years prior to his death. He also was president of the Farmers State Bank, Mitchellville.

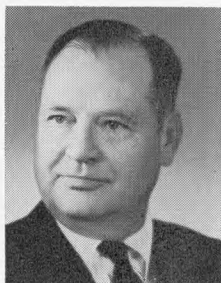
Mitchellville President

A. E. Chittenden has been named president of the Farmers Savings Bank, Mitchellville, Iowa.

Mr. Chittenden continues as president of the Exchange State Bank, Collins, Iowa.

To Travel Iowa

Arthur H. Siegel has been named to represent Columbia Art Works, bank check division, in eastern Iowa and in the northern tier of counties in Illinois. He succeeds Robert A. Schulz, who will be concentrating on southern Wisconsin.



A. H. SIEGEL

Mr. Siegel has been with the firm since 1945.

New Dike Director

Ralph G. Thuesen has been elected a director of the Iowa Savings Bank, Dike. He succeeds his father, Jens G. Thuesen, who died recently after serving on the board since 1939 when the bank was organized.

Becomes State Bank

The Adair County Bank, Greenfield, Iowa, one of the largest of nine private banks in the state, has been chartered as a state bank, effective January 2. The bank now is known as the Adair County State Bank and is a member of the F.D.I.C.

The bank was organized as a private bank in 1875 with D. Heaton as its first president. J. E. Howe, chairman, has been with the bank 49 years. Other officers are T. N. Howe, president; K. F. Leuthauser, vice president; R. E. Anderson, cashier, and Eldon E. Erbes, assistant cashier.

Total resources of the bank are in excess of \$4,300,000.

Increase Board, Surplus

The board of directors of the Home

State Bank, Jefferson, Iowa, has been increased from seven to nine members with the election of Edward J. Holden, Scranton, Iowa, farmer, and John M. Shandra, cashier.

Directors also voted to transfer \$50,000 from undivided profits to surplus, raising the surplus account to \$250,000 and the loan limit to \$70,000.

All officers were re-elected at the annual meeting.

Heads Florida Bank

Harris E. Long, president of the Decatur County State Bank, Leon, Iowa, has been elected president of The Gulf-to-Bay Bank, a new state bank in Clearwater, Fla.

The bank, with present capital accounts of \$750,000, expects to open for business about November 1 with nine to 12 employees.

Mr. Long makes his home in Florida, but has major interests in several Iowa banks and visits the state frequently.

Impressive Report

One of the most impressive annual reports from a smaller bank was prepared this year by Don Curry, president of the Farmers Savings Bank of Massena.

In addition to the usual comparative statement of condition, the 16 page booklet features a report on community projects, definitions of statement terms, a message from Mr. Curry, a history of the bank, history of the town, and an outline of 25 services offered by the bank. Bankers desiring a copy may contact Mr. Curry at Massena.

Progress Reported

Dale H. Smith, formerly of Tipton, reports that the Fairfax County National Bank in Washington, D. C., which he now serves as president and chairman of the board, has just become a \$10 million bank. The bank showed a 21 per cent gain in deposits over the past year and marked growth was shown in all phases of its activity.

The main office of the bank is in Seven Corners Shopping Center in the Virginia suburbs of the city.

Approves Drive-In; Another Application Filed

The office of the Comptroller of the currency reports that an application for a drive-in facility for the Merchants National Bank of Cedar Rapids has been approved. The facility will be located at 300 Second Avenue S. E. in Cedar Rapids.

Also, an application for a drive-in facility was filed by the Citizens National Bank of Charles City.

Ask Spencer Charter

An application for a new state bank at Spencer has been filed with the State Banking Department and investigation of the proposal is under way by the department and by the F.D.I.C.

The Spencer Shopping Center was listed as a possible location for the new bank. Capitalization of \$125,000 in capital, \$75,000 in surplus and \$50,000 in undivided profits has been proposed.

John J. Greer, Spencer attorney who is representing the group proposing the bank, stated that the suggested name of the new bank is the Northwest State Bank.

It is expected to take from 90 days to six months to complete the investigation of the application.

Capital Increased

Capital stock has been increased at the Exchange State Bank, Springville, from \$25,000 to \$50,000 by a common stock dividend.

J. M. Hutchinson Honored

J. M. Hutchinson, executive vice president, Davenport Bank & Trust Co., Davenport, has been named "Man of the Year" by Rock Island B'nai B'rith Lodge 1016. The award is based on outstanding community service.

Vote Hospial Gift

Stockholders of the Ida County State Bank, Ida Grove, voted recently to contribute \$15,000 to the Ida County Community Hospital.

Buys Insurance Agency

Harold Grimstad, president, Security Bank & Trust Co., Decorah, and Ernest Arndt of near Des Moines, have purchased the Jennerjohn Insurance Agency in Decorah. The agency will be located in the bank after April 1.

Named Odebolt Director

Walter F. Kessler has been elected a director of the Odebolt State Bank, Odebolt, Iowa, to fill a vacancy caused by the recent death of R. B. Swason of Webster City. Mr. Kessler is a resident of Odebolt.

Joins Sibley Staff

T. Robert Nelson has joined the staff of the Sibley State Bank, Sibley, and has been elected cashier. E. C. Yappen, who had held the positions of vice president and cashier since the first of the year, resigned as cashier. He remains vice president.

Two guys at home anywhere in Iowa!

Take Mr. La Salle and team him up with Max Roy and you've got a winning combination! Max knows Iowa and Iowa farming, and Mr. La Salle represents a staff that can help La Salle's Iowa correspondents with trust work, business development, operations—well, you name it—and Mr. La Salle will do his best to oblige! Why not call Max and tell him you'd like to meet his partner! Max Roy lives nearby in Iowa City, but he headquarters at La Salle National Bank, 135 So. La Salle Street, Chicago 90, Illinois. STate 2-5200.

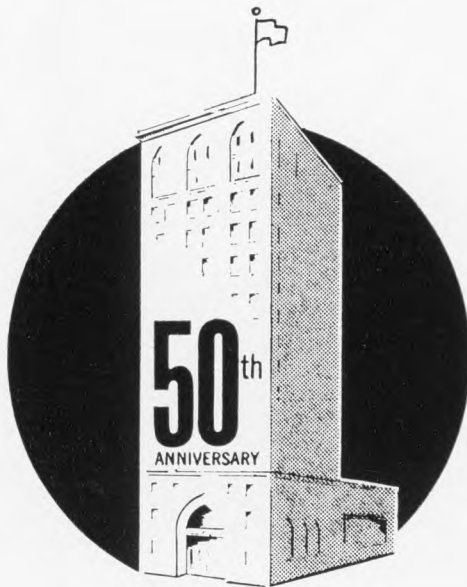


Northwestern Banker, April, 1962

FIFTY YEARS of COOPERATION WITH CORRESPONDENT BANKS

FIFTY YEARS OF COOPERATION and mutual confidence . . . making us more than ever able to serve you with the best in progressive banking facilities and methods.

We are looking forward to the continuation of this useful relationship in the years to come.



American Trust and Savings Bank

DUBUQUE, IOWA

Member Federal Deposit Insurance Corporation and
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"THE BANKERS' BANK OF THE TRI-STATES"

New Altoona Officer

Jerry A. Hickok has been elected assistant cashier at the Altoona State Bank, Altoona, succeeding Carol Skoog, who resigned as assistant cashier March 1.

Mr. Hickok joined the bank last October, coming from Council Bluffs. Mrs. Skoog was elected assistant cashier in September, 1960, and had been with the bank since it opened July 15, 1960.

Plan Atlantic Building

The Atlantic State Bank, Atlantic, has purchased the Park Hotel property at Sixth and Chestnut in Atlantic and will raze the building to make way for modern drive-in banking facilities. The property includes four lots in the 100 by 150 foot tract.

Work of razing the three-story hotel will begin about July 1 and plans for the new drive-in facility are being prepared by architects. Construction is to begin about September 1.

To Leave Spencer Staff

Rod Parsons, assistant cashier, Farmers Trust & Savings Bank, Spencer, has purchased Reed's Run, a long established resort on the east shore of Big Spirit Lake. He resigned his position with the bank effective May 1.

To Build at Wall Lake

The Wall Lake Savings Bank has announced that plans are under way for a new bank building. The old post office building and an adjoining site have been purchased.

Rejoins Sac City Staff

Mary Bahrenfus has rejoined the staff of the Sac City State Bank as assistant cashier after six months with the Citizens First National Bank in Storm Lake.

Miss Bahrenfus had been with the Sac City bank for 14 years before leaving for Storm Lake.

Heads Fayette Bankers

Paul Harrison, executive vice president of the Maynard Savings Bank, Maynard, has been elected president of the Fayette County Bankers Association. Vice president is Cliff Avery of the First National Bank of Oelwein, and Laurence Knudtson, manager of the Wadena office of the Elgin State Bank is secretary-treasurer.

Named Boss of the Year

Alvin J. Vonderhaar, executive vice president, Iowa State Bank, Fort Madison, was named "Boss of the Year" by the Fort Madison Junior Chamber of Commerce.

Joins Continental Illinois Staff

LINDLEY FINCH has resigned as president of Northwest Des Moines National Bank in Des Moines to join the national group staff of the Continental Illinois National Bank and Trust Company, Chicago. Mr. Finch has been elected vice president by directors of the Continental Illinois National.



L. FINCH

In his new position he will help serve banks in Illinois, Iowa and Indiana in particular, with respect to any bank service connected with agriculture.

Mr. Finch has been with Brenton banks in Iowa for many years,

with wide experience in farm management work. He was executive vice president of the Brenton State Bank at Dallas Center, Iowa, then became executive vice president of Northwest Des Moines National when its predecessor bank was founded in 1950. Later he was elected president.

His interest in farming dates from his youth when he worked on the family farm near Cameron, Mo. A graduate of Iowa State College at Ames with a B.S. degree in agriculture in 1935, Mr. Finch later graduated from the Stonier Graduate School of Banking at Rutgers in 1959. His thesis was "The Value of the Swine Industry to Iowa Banks."

Bank Liquidated; Owner Dies Day Later

William M. McDonald, 78, retired president of the Sioux Valley Savings Bank, Smithland, died recently, the day after the bank he had headed was liquidated to become Smithland office of the First State Bank of Mapleton.

Mr. McDonald retired as bank president on a Saturday and became ill the same day. The bank officially went into liquidation the following Monday and on Tuesday Mr. McDonald died.

The Sioux Valley Savings Bank had served the Smithland community since 1907. Mr. McDonald had directed the bank since its organization, serving as bookkeeper, cashier and president. He was president and cashier at the time of his retirement.

Robert Maxdorf Honored

Robert Maxdorf, assistant cashier, National Bank of Waterloo, was the recipient of a recent Exchange Club Law Enforcement Citizens Award. He received the award for having twice

during the year enabled Waterloo law enforcement agencies to capture forgers.

Honored on Retirement

Helen Braun, savings teller at the Muscatine Bank & Trust Co., was honored on her retirement March 1 for 44 years of service to the bank. She was given a white gold watch in appreciation of her services.

To Build Drive-In

One of Maquoketa's familiar landmarks, the Blessing Building at Platt and Second, is being razed to make way for a drive-in banking facility for the Jackson State Savings Bank. Completion of the new facility is scheduled for late July. It will include walk-up and parking facilities.

Named Ag Consultant

Gerald Fankl, Irvington farmer, stockman and feeder, has joined the Security State Bank of Algona as an agricultural consultant. He is 40 years old and has been in the farming business all his life. He has a 680-acre operation at Irvington with cattle feeding a main project.

70th Anniversary

The Montezuma State Bank recently celebrated its 70th anniversary with a two-day program. Open house was held on a Friday and on Saturday youngsters were guests of the bank for an afternoon and evening of free skating.

Keith Cox is the fifth president of the bank. He joined the bank in 1931 and was elected president in 1951

Banks Near Completion

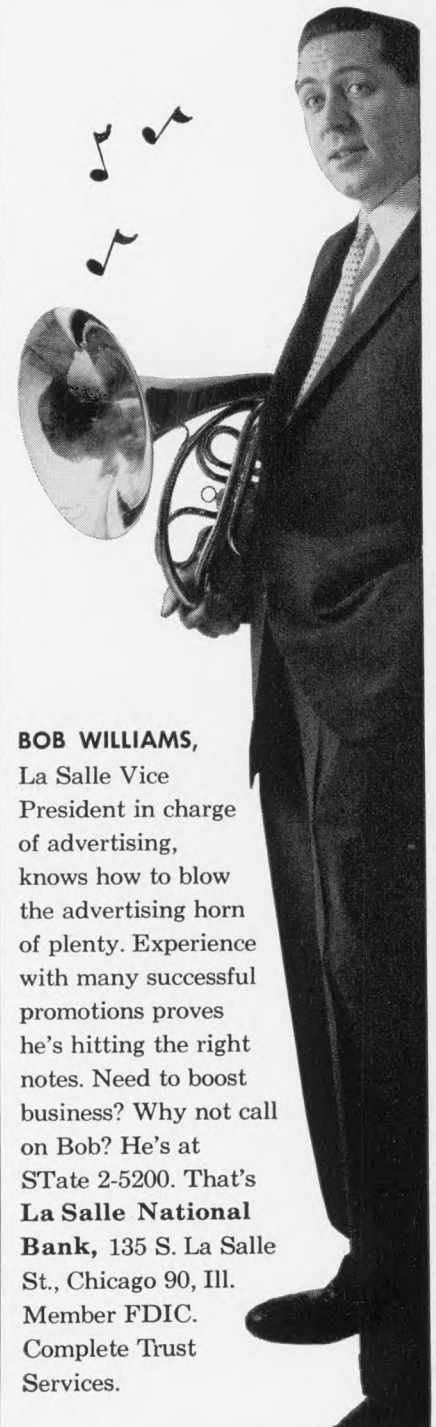
Completion of the new quarters for the Nevada National Bank and the State Bank & Trust Company, both in Nevada, Iowa, was expected late last month. However, no date has been announced for occupancy by either bank.

Remodeling Started

The Farmers State Bank, Schleswig, moved their offices to the basement recently while the main banking floor undergoes a complete remodeling. Also, an addition is being constructed on the west side of the building.

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
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OMAHA

HORN BLOWER!



BOB WILLIAMS,

La Salle Vice President in charge of advertising, knows how to blow the advertising horn of plenty. Experience with many successful promotions proves he's hitting the right notes. Need to boost business? Why not call on Bob? He's at STate 2-5200. That's **La Salle National Bank**, 135 S. La Salle St., Chicago 90, Ill. Member FDIC. Complete Trust Services.

Bettendorf Bank Serves Customer in India

THE Bettendorf Bank & Trust Company, Bettendorf, Iowa, is claiming the world's record for long distance savings.

Envelopes bearing the return address "Oberoi Hotels, Calcutta, India," are delivered regularly to the desk of Robert Knapp, vice president of the Bettendorf bank. Enclosed are savings deposits from Mrs. Esther Quiroz, who serves on the management staff of the Oberoi Hotels in Calcutta, some 10,787 miles from Bettendorf.

"Since we've never heard of another personal savings account kept active at such long range by mail, it would appear the Quirozes and Bettendorf Bank & Trust Company hold the world's record for long-distance personal savings by mail," Mr. Knapp said.

"Mr. and Mrs. Quiroz opened their account when they were residents of Bettendorf in 1951. Since that time, their vocation has taken them to Mexico, Argentina, and a number of oth-

er countries. But, no matter where they established residence, the Quirozes continued to do their banking, by mail, at Bettendorf.

We suspect that the Bettendorf Bank & Trust Company is one of the few \$5 million banks in the country that can claim world-wide banking operations.—**End.**

Garwin Open House

The Farmers Savings Bank, Garwin, celebrated the 50th anniversary of its opening last month. The bank opened for business on March 13, 1912

Jasper Bankers Meet

The annual meeting of the Jasper County Bankers Association was held recently and the following officers were elected:

President, W. C. Ilstrup, president, Newton National Bank, Newton; First Vice President, Collin Fritz, vice president, Jasper County Savings Bank, Newton; Second Vice President, D. W. Heineking, assistant cashier, State Savings Bank, Baxter, and Secretary-Treasurer, C. M. Stinson, cashier, First National Bank, Colfax.

During the past year the Jasper County Bankers Association has contributed a total of \$900 to communities and individuals in the area served by the association.

Included in this total are a \$500 scholarship to the winner of the Miss Jasper County Contest, \$300 toward the expenses of a trip to the International Livestock Show in Chicago for two outstanding 4-H girls and two outstanding 4-H boys in Jasper County, and \$100 in awards to the top Junior Cattle Feeders in the county.

Marshalltown

E. J. Paul, vice president of the Fidelity Savings Bank, has retired after 49 years service with the bank. He was named vice president in 1942.

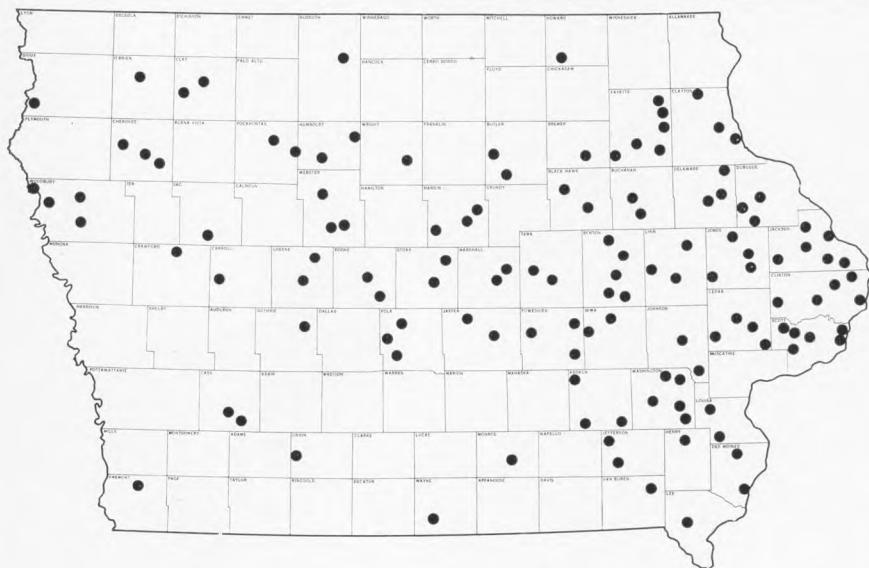
Following Mr. Paul's retirement, Orville Thurston was named first vice president; John Bartine, cashier, was named a vice president, and Leo Baldwin, a newcomer to the bank, was named a vice president.

Northwood

Mrs. Paul Ebert, who has been with the Northwood State Bank since 1958, has been elected assistant cashier.

Osage

Wes Birdsall, co-owner of a local gas and electric company, has been elected a member of the board of the Home Trust and Savings Bank.



Serving Iowa Banks For Over 79 Years

THE officers of the Drovers Banks in Chicago spend much of their time serving the needs of Iowa banks and bankers.

Banks throughout the Hawkeye State, as shown on the above map, have learned to depend upon Drovers' 79 years of experience in assisting them with their many banking problems.

Next time you need a helping hand, call or write Bernie Miller at the Drovers. You will receive immediate and personal attention.

The Drovers Banks

Drovers National Bank • Drovers Trust & Savings Bank

UNION STOCK YARDS, CHICAGO 9, ILLINOIS

MEMBERS, FEDERAL DEPOSIT INSURANCE CORPORATION



JOE H. GRONSTAL
President, Carroll County State Bank
Carroll, Iowa



Banker Gronstal (left) and Purina Dealer Juergens are interested in helping farm folks make money.



The modern plant of Juergens Produce and Feed is designed to serve animal agriculture.



Purina Dealer, with bank's help, becomes a big business in town

"A business serving agriculture must keep a step ahead of modern methods of producing milk, meat and eggs," says Purina Dealer Vernis Juergens. "It must be ready to serve when service is needed."

Bank President Joe H. Gronstal, agreeing with this policy, gave the expansion program of Juergens Produce and Feed the financial support of Carroll County State Bank. A little more than three years ago, the Purina Dealership moved into a new, modern farm service center, equipped for grain banking, bulk delivery and Check-R-Mix grinding and mixing. From end to end, the dealership is designed to help farmers with progressive feeding and management practices.

The bank's support has enabled the

dealership to grow into one of Carroll's biggest businesses . . . to become one of the bank's big-volume depositors. Service of the dealership, plus feeder financing by the bank, has helped farmers raise more cattle and hogs to increase their incomes. Added farm income has meant more business for Carroll, more jobs in town, more volume for Carroll County State Bank.

* * * * *

"Trips to the Purina Research Farm and attendance at dealer conventions and feeder meetings have been helpful to me," says Banker Gronstal. "They have given me a better understanding of service needed by agriculture." Ask your Purina Dealer or the Purina Salesman about joining the next farm trip, dealer convention or feeder meeting.



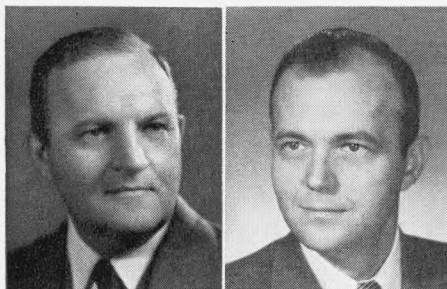
PURINA . . . YOUR PARTNER IN SERVING ANIMAL AGRICULTURE

Northwestern Banker, April, 1962

Des Moines News



DAVID G. WRIGHT, formerly vice president and cashier of the Northwest Des Moines National Bank, has been elected executive vice president and manager of the bank, announces **W. Harold Brenton**, board chairman. **Lindley Finch**, president, has resigned to become vice president, Continental Illinois National Bank, Chicago. A story of Mr. Finch's appointment appears on page 91 in this issue.



W. H. BRENTON D. H. WRIGHT

Mr. Brenton succeeds Mr. Finch as president of the Northwest Des Moines National, but the latter continues as a director.

Robert W. Goodson, vice president, has been elected vice president and cashier.

Mr. Wright has been with the bank since 1951; Mr. Goodson joined the Brenton organization in 1947 at the Dallas County State at Adel, moving to the Des Moines bank in 1958.

* * *

Richard C. Lee, vice president, Capital City State Bank, has been elected president of the East Des Moines Development Association. The association's plan to incorporate new concepts brought out by urban renewal and the freeway was approved recently by the City Plan and Zoning Commission and the city council.

* * *

Irene Meyers, secretary to **Harry Wilson**, cashier, Iowa-Des Moines National Bank, retired last month after 45 years' service to the bank. She

came directly to the Iowa-Des Moines after graduation from Waterloo Business College in 1917.

* * *

Joe D. Young, formerly in the trust department of the Central National Bank, has been named director of advanced underwriting for the Equitable Life Insurance Company of Iowa. He was with the City National of Kansas City before joining the Central National staff in 1958 and since that time has taught C.L.U. and L.U.T.C. classes in this area

* * *

"Providing for Your Family by Planning" was this year's topic at the **Iowa State Bank's** discussion for farm families. **Donald L. Beving**, attorney, led the discussions both days, March 14 and March 21, and covered (1) Types of ownership of farm property, (2) Methods of transferring farm property, including deeds, wills, gifts and other methods, (3) Taxes and how to minimize them, and (4) Ideas for family farm ownership and its disposition, in order to prevent the "work of a lifetime" from being dissipated or wasted in expenses and taxes.

* * *

A. B. Dressler, assistant cashier, Central National Bank, won the speech contest of the Des Moines Chapter of American Institute of Banking recently and will represent the area in an eight-state district speech contest April 7 at Cedar Rapids.



A. B. DRESSLER

In the Des Moines contest, **Robert W. Goodson**, vice president and cashier, Northwest Des Moines National, was second, and **Mrs. Madelene Jenny**, Central National Bank & Trust, was third.

The Des Moines Chapter of **American Institute of Banking** has a busy spring schedule planned and the following events are set for April:

April 7—District speech contest at Cedar Rapids. A large group from Des Moines is expected to make the trip.

April 12—Adding machine, typing and money counting contest. This annual contest of skills is to be at the Highland Park State Bank. Co-chairmen are **John Kern** and **Jim Mathis**, both of the host bank.

April 17—Women's dinner at the Elk's Club.

April 17—Caucus for candidates of chapter offices. Candidates will present their platforms during this interesting evening of politics.

April 23—Speech Club meets at Younkers.

* * *

Mrs. Mary Holstad, assistant cashier, Central National Bank & Trust Company, has been named "Secretary of the Week" by members of the Hawkeye Chapter, National Secretaries Association. She will be the featured secretary locally during Secretaries' Week, April 22-28, and on Secretaries' Day, April 25.

Mrs. Holstad will represent the local chapter at a division meeting in May at Ottumwa. There will be 12 or 13 secretaries representing other chapters at this meeting and judges will select from this group a secretary to represent Iowa at the national convention this July in Chicago.—End.

On Maquoketa Board

Kenneth J. Ehlinger, for the past eight years a partner in the Beck & Ehlinger Insurance and Real Estate Agency, has been elected to the board of the Jackson State Savings Bank, Maquoketa. He was associated with the bank prior to becoming a partner in the insurance firm. He was manager of the bank's Delmar office and teller and officer in charge of the installment loan department.


Enlarge Rutgers Facilities

New facilities under construction at Rutgers—The State University—New Brunswick, N. J., will permit greater flexibility in the operation of The Stonier Graduate School of Banking.

Construction has commenced on new dormitories, classroom and assembly facilities, and on the College for Men dining hall. Attached to the dining hall will be a new dormitory for graduate students, which will accommodate the S.G.S.B. faculty during the annual summer sessions.

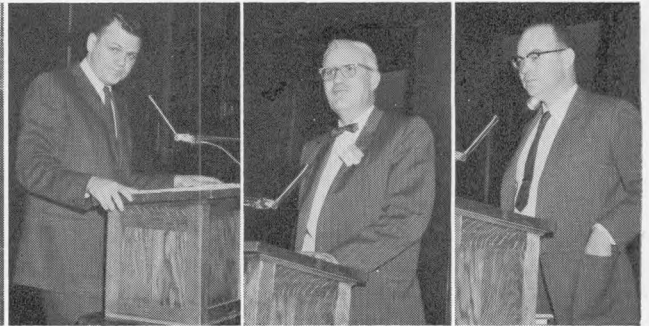


OUR 90th
ANNIVERSARY
YEAR



VALLEY BANK
 AND TRUST COMPANY
 Walnut at Fourth Des Moines, Iowa
 F.D.I.C.

ISU Ag Conference Attracts 125



IOWA BANKERS, photo at left, at luncheon session of Agricultural Conference for Farm Lenders last month at Iowa State University, Ames. Speakers shown above are, from left:

Dudley Lockett, H. B. Howell and Karl Fox, all of the ISU's department of economics.

for fast correspondent service

see NATIONAL BANK OF WATERLOO

Let our complete facilities. . . our staff of friendly, helpful Iowans . . . save you valuable time on all items and collections.

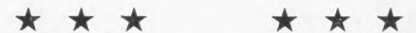
Send your items to us for fast, accurate, efficient banking service.

THE NATIONAL BANK OF WATERLOO

WATERLOO, IOWA

Member . . . Federal Deposit Insurance Corporation • Federal Reserve System

Northwestern Banker, April, 1962



APPROXIMATELY 125 Iowa bankers heard valuable discussions at last month's Agricultural Conference at Iowa State University, Ames.

Sponsored by the department of economics and sociology of the University and the agricultural committee and agricultural credit school committee of the Iowa Bankers Association, the program featured talks by ISU professors, one Nebraska banker and two Iowa bankers.

Among the highlights were the following (speakers not identified are members of ISU department of economics):

Speakers

"Costs and Returns — Specialized Farms"—E. G. Stoneberg. "Livestock Production — How Big and Where" — H. B. Howell. "Farm Outlook"—Francis Kutish. "Marketing Efficiencies"—Lee Kolmer. "Market Orders and Quotas"—Lee Fletcher. "Analyzing Non-Real Estate Loan Applications"—Everett Spangler, Intermediate Credit Bank, Omaha, with Robert F. Malmberg, executive vice president, Centerville National Bank, Centerville, and E. L. Tubbs, farm representative, Jackson State Savings Bank, Maquoketa. "Rural Area Development Potentials"—Dr. Marvin Anderson, associate director, ISU cooperative extension service. "Low Temperature Monkey Business"—Dr. Sam Legvold, professor of physics, ISU. "Land Values — Trends and Implications"—John Timmons. "How Young People Expect to Finance Their Farming Business"—Eber Eldridge. "The New Government Program for Agriculture"—Wallace Ogg. "Public and Private Financial Policies and Practices"—Dudley Lockett.

CONVENTIONS

- April 16-18, NABAC Northern Regional Conference, Abraham Lincoln Hotel, Springfield, Ill.
- April 30, FPRA Regional, Chicago-Sheraton, Chicago.
- April 30-May 2, Independent Bankers Association, 28th Annual Convention, Pittsburgh-Hilton Hotel, Pittsburgh, Pa.
- May 16-19, American Safe Deposit Association, 31st Annual Convention, Sheraton-Palace Hotel, San Francisco.
- May 17-19, South Dakota Bankers Association Annual Convention, Hotel Sheraton Cataract, Sioux Falls.
- May 24-26, North Dakota Bankers Association, Annual Convention, Plainsman Hotel, Williston.
- May 28-30, Colorado Bankers Association, Annual Convention, Broadmoor Hotel, Colorado Springs.
- May 28-June 1, American Institute of Banking, Annual Meeting, Chase Hotel, St. Louis.
- June 5-6, Minnesota Bankers Association, 72nd Annual Convention, Leamington Hotel, Minneapolis.
- June 11-12, Stonier School of Banking, Rutgers University, New Brunswick, N. J.
- June 14-16, Montana Bankers Association, 59th Annual Convention, Many Glacier Hotel, Glacier National Park, Montana.
- June 14-16, Wyoming Bankers Association, Annual Convention, Jackson Lake Lodge, Moran.
- July 12-14, Central States Conference, Annual Meeting, Glenwood Springs, Colo.
- August 6-24, National Trust School, Northwestern University, Evanston, Ill.
- September 23-26, American Bankers Association, 88th Annual Convention, Atlantic City, N. J.
- October 11-12, Nebraska Bankers Association, 65th Annual Convention, Cornhusker Hotel, Lincoln.
- October 14-17, Robert Morris Associates, 48th Annual Conference, Waldorf-Astoria Hotel, New York.
- October 14-18, FPRA, 47th Annual Convention, Chalfonte-Haddon Hall Hotels, Atlantic City, N. J.
- October 21-24, Iowa Bankers Association, 76th Annual Convention, Hotel Fort Des Moines, Des Moines.
- October 21-23, ABA Regional Mortgage Workshop Meeting, Hotel Leamington, Minneapolis.
- October 22-24, NABAC, 38th Annual Convention, Americana Hotel, Bal Harbour, Fla.
- November 8-9, Mid-Continent Trust Conference, 31st Annual Meeting, Hotel Drake, Chicago.
- November 12-13, National Agricultural Credit Conference, 11th Annual Conference, Sheraton-Fontenelle Hotel, Omaha.

* Got a problem?

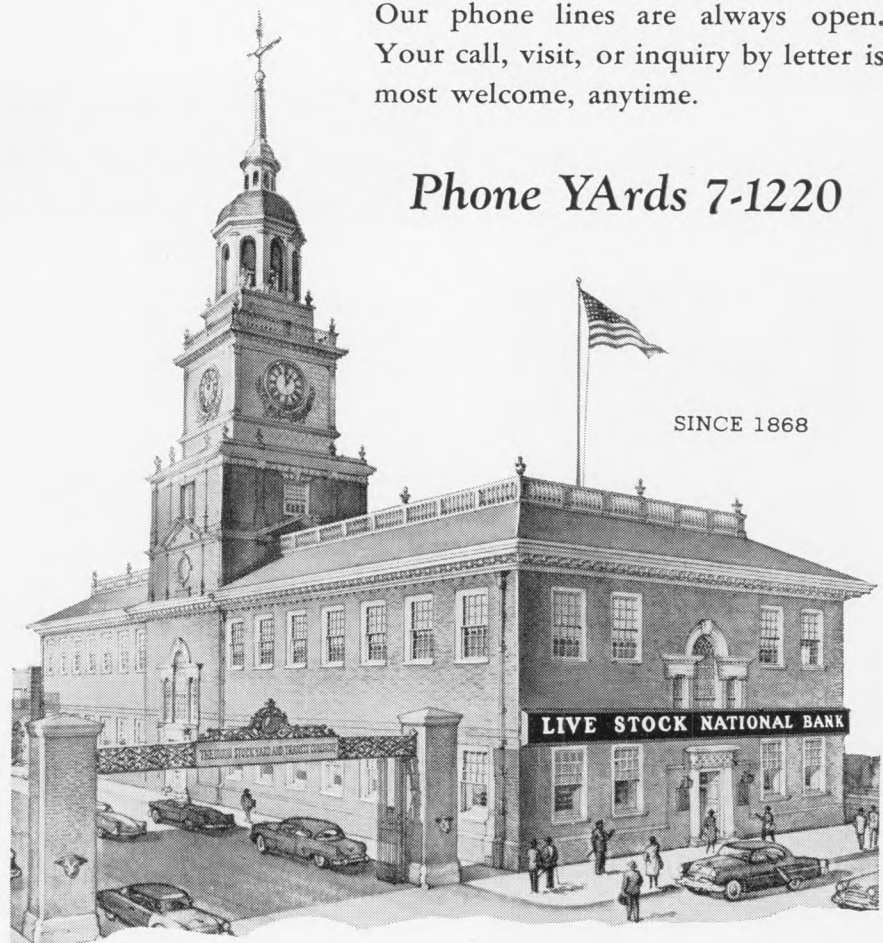
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FRIENDLY COLONIAL welcome greets customers of the new home of the Southeast National Bank in Moline, Ill. The one-story structure is planned for operational efficiency as well as eye-pleasing appearance. Two drive-up teller windows and off-street parking are included. Bank Building and Equipment Corporation of America were consultants for the project.

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The Bankers' Market Place

A Page Telling What's New for Banks and Bankers

Each month the Bankers' Market Place will bring you listings of new products, specialty items, banking equipment, and gift items which will help you and your staff do a better job. This is the selection for this month.

A "PLANNING Guide to Successful Motor Banking in the Sixties" has been prepared by Bank Building and Equipment Corporation, St. Louis. A nuts and bolts book of the down-to-earth problems and their solutions as related to drive-in banking, the "Planning Guide" covers these major subjects and more: Pre-planning stage, a blueprint of the automobile from a drive-in point of view, factors to consider in parking area planning, dimensions and considerations necessary for the drive-up lane and window area, and a look at the latest drive-up and walk-up window equipment.

Also included are well illustrated examples of the basic types of motor bank accommodations. Bankers interested in a copy may write Bank Building and Equipment Corporation, 1130 Hampton Avenue, St. Louis 10, Mo.

A NEW heavy-duty folding partition has been announced by Holcomb & Hoke Manufacturing Company, Inc., of Indianapolis. Designated as the Foldoor Multi-X12, the door features a heavy-duty, internal steel frame with massive 12½ inch accordion hinges, providing special structural strength, minimum stacking space and ease of operation.

Specification sheets are available on request.

A "PALLETIZED" system for warehouse storage of semi-active business files was featured at a recent display by Bankers Box Company, Franklin Park, Ill.

Designed for mass handling of records, the new system permits as many as 24 tandem storage files to be moved or stored at a single time. The firm says the system can speed handling of large volumes of records by as much as 50 per cent.

A NEW, low-cost coin bank called "Mr. Happy, the personality piggy bank," has been announced by Savings Specialties Company, 53 W. Jackson Boulevard, Chicago 4, Ill.

The three and one-half inch tall "happy pig" comes in solid colors: red, yellow, blue and pink. They are constructed of good quality plastic and generous space is provided for advertising messages, a slogan, etc.

THE National Cash Register Company has unveiled a new 10-key adding machine designed to speed up figure work in the average business office.

The machine is the first entirely new 10-key design to be developed in the United States since 1958.



NEW 10-KEY ADDING MACHINE

According to H. C. Keesecker, NCR's marketing vice president, this new 'Class 10' series "provides NCR with a complete line of adding machines and complements our full-keyboard and 'live' keyboard series."

The Class 10 series is priced from \$295 to \$375. First deliveries are scheduled for late spring. The machines will be available in a wide range of colors, including tan, white, blue, green, gold, and gray.

FOR the increasing number of American executives considering overseas investment, American Ex-

press is offering a special foreign investment checklist.

The checklist outlines a variety of problems firms should look into before setting up operations in a foreign country. It suggests a number of questions that might be asked on matters such as monetary systems, export-import controls, marketing considerations, labor relations, real estate, law, taxes and government.

This special checklist can be obtained by writing the Overseas Banking Department of The American Express Company, Inc., at 65 Broadway, New York 6, N. Y.

AN ENTRANCE mat which is unusual in that it combines two types of surfaces, each for a specific function, has been announced by American Mat Corporation, Toledo, Ohio.

The pyramid top surface gives a firmer grip than a corrugated surface and allows quick drainage in four directions. The pebbled bottom also permits excellent drainage and aeration.

TWO business development plans have been announced by Training Dynamics, Inc., Glen Ellyn, Ill.

Plan 1, a creative selling seminar, is designed to provide knowledge and basic skills in how to plan and make successful sales calls and is especially applicable to relatively inexperienced personnel, and small and medium sized banks.

Plan 2, a business development conference, provides intensive and advanced training in the knowledge, skills, and tools needed to develop new bank customers.

Complete details are available on request without obligation.



DIGITEX, new, magical, invisible, finger-tipper makes it easy to count bills and coins, collate papers, riffle pages of newspapers or books. A boon in banks. Reduces "dip and count" motions. Cleanliness and cosmetic action appeals to women tellers, especially! Great for Bowlers, Golfers, and in other sports. Non-sticky, easy to wash or wipe off, leaves hands soft and smooth. In pretty plastic box, 3" x 2", 1" deep. \$1 a box, postpaid. 6 for \$5. CEL-U-DEX, NEW WINDSOR, NEWBURGH, N. Y.

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In the DIRECTORS' ROOM



Wrote Own Criticism

A young author sent a manuscript to an editor with a letter in which he stated: "The characters in this story are purely fictional and bear no resemblance to any person living or dead."

A few days later he received his manuscript back with the penciled notation:

"That's what's wrong with it."

Planning Ahead

"Remember, my boy, said the elderly relative, "that wealth does not bring happiness."

"I don't expect it to," answered the young man. "I merely want it so I can choose the kind of misery that is the most agreeable to me."

Enough's Enough!

"I'm a dollar short in my pay check this week," the employee complained.

"We overpaid you a dollar last week and you didn't complain," his boss replied.

"One mistake I can overlook, but a second is inexcusable."

Let's Be Consistent

"Tommy, go get the old horse."

"Why the old horse, Pop?"

"Wear out the old ones first, that's my motto."

"Okay, Pop, then *you* go get the horse."

Wrong Guy

When Bill brought his boss home to dinner, his wife took him aside and gave him strict orders not to offer his guest any sherry because they had none in the house. But Bill soon forgot and as soon as his employer was seated at the table he offered him a glass of sherry. The employer jerked sharply, turned red and said he didn't really care for any.

"Oh, come on," insisted Bill, just a small glass."

His boss turned even redder and said he didn't care for any.

After the evening was over and the guest had departed, Bill's wife turned to her husband.

"Why did you continue insisting he have a glass of sherry when I kept

kicking you under the table to remind you we didn't have any?" she asked.

"I didn't feel any kicks," he said.

A Best Seller

Have you heard about the clergyman who recently compiled a list of 720 vices? He claims he has been swamped by requests for copies from people who think they may be missing something.



Grass Roots Thinking

A farmer who was much troubled by trespassers during the nutting season consulted a botanical friend. The botanist furnished him the technical name of the hazelnut, and the farmer placed the following notice at conspicuous points:

"Trespassers, take warning! All persons entering this wood do so at their own risk, for, although common snakes are not often found, the *Corylus Avellana* abounds everywhere, and never gives warning of its presence."

The place was unmolested that year, and the farmer gathered his crop of hazelnuts in peace.

When?

Long-suffering Wife: Douglas, I've had enough of this. The night before last you came home yesterday. Last night you came home today. If tonight you come home tomorrow, I'm quitting.

The Worm Turns

They had been married just two weeks and he was going through a batch of mail that had arrived that morning.

"Honey," he said, "aren't these bills for the clothes you bought before we were married?"

"Yes, darling," she replied. "You're not upset about it, are you?"

"Well," he retorted, "don't you think it's unfair to ask a fish to pay for the bait he was caught with?"

Natural Aptitude

"What's the idea of hiring a cross-eyed man for store detective," demanded the department store manager of the personnel director. "Well, just look at him," calmly replied the director. "Can you tell who he's watching?"

1962 Truism

The new '62 models are noted for their quiet operation, even at speeds of 60, 70 or 80 miles an hour. The head-on crashes, however, are just as noisy as those of the older models.

Rye Humor

Getting old is merely a matter of feeling your corns more than your oats.

Most Thoughtful

The wealthy Texan was showing his daughter around his recently completed mansion. At the swimming pool they stopped to watch several young men diving and stunting.

"Oh, Daddy," exclaimed the girl, "and you've stocked it just for me!"

Logical Timing

An old timer, after placing some flowers on a grave in the cemetery, noticed an old Italian placing a bottle of red wine on a nearby grave and asked: "What time do you expect your friend to come and drink the wine?"

Italian (with a smile): "Same time your friend comes up to smell the flowers."

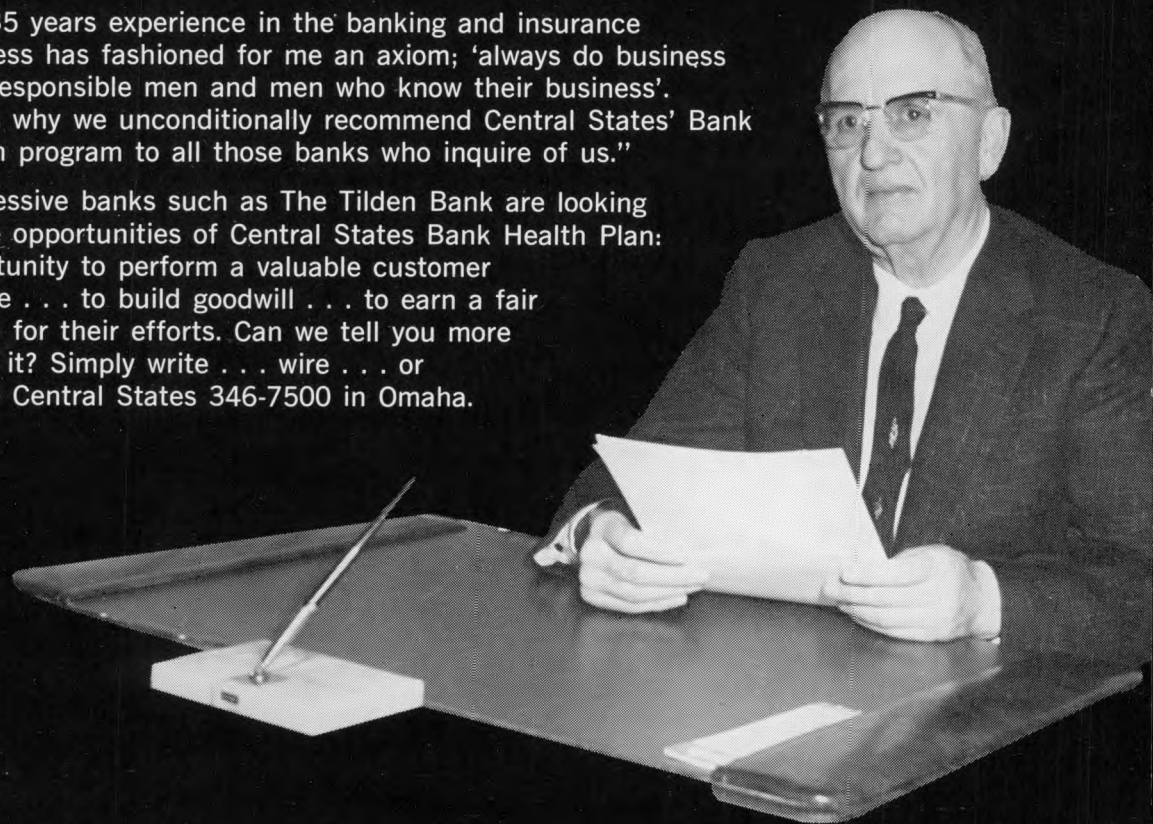
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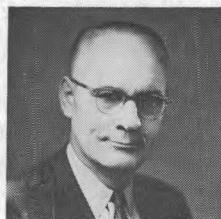
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