

NORTHWESTERN *Banker*

**NOVEMBER
1962**



NEW OFFICERS OF FINANCIAL PUBLIC RELATIONS ASSOCIATION—Page 16



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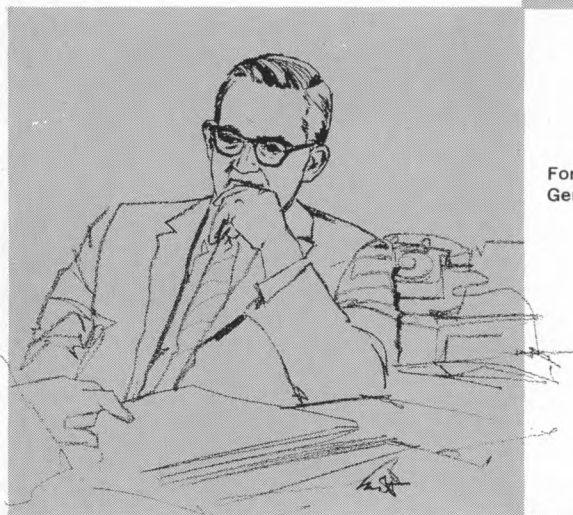


IOWA'S PRESIDENT OLLENBURG AND WIFE—Page 81

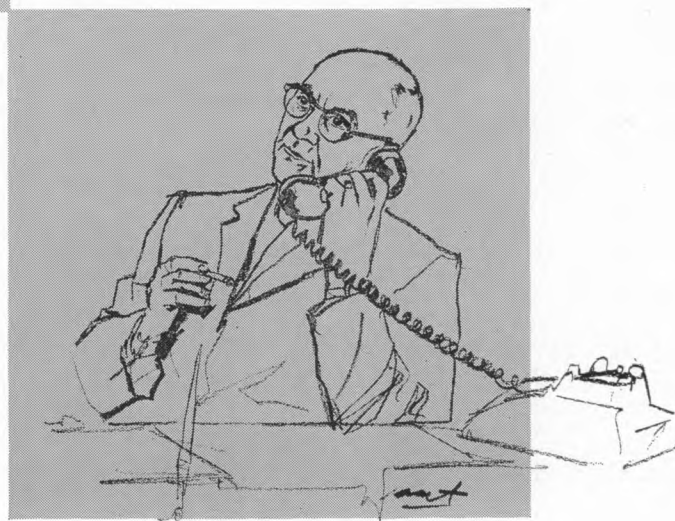
Leonard Broulik, Vice President,
Operations



Forbes Olberg, Vice President,
General Business Development



Everett Pratt, Vice President,
Operations



Correspondent Banking is a Personal Service at The Merchants National

Electronic data processing, automation of banking operations—these are all new tools we use proudly at MNB. But while this automation means an even wider range of services and increased efficiency for our correspondents, we know that to serve you best we must keep your individual requirements uppermost. Whether you talk with Leonard Broulik, Forbes Olberg, Everett Pratt or any of our officers, you'll find that your needs and your wishes are always their first interest. This personalized service is enjoyed by over half of all Iowa banks. If you aren't one of them we'd like to tell you more about us.

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Merchants National

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MEMBER F.D.I.C.



Are profit opportunities hidden in your operating procedures?

Your bank's operations are an important factor in your costs and profits. They can also have a substantial effect on customer relations.

Our correspondents often ask our assistance in analyzing their operating procedures, systems, and costs. This is a service we are glad to provide. Many times these surveys reveal opportunities for significant improvement.

If you feel that an operation study could be of help to your bank, we invite you to discuss this service—as well as other Northern Trust correspondent banking services—with us. If you are not already acquainted in the Bank, address your inquiry to N. Hall Layman, Vice President, or one of his associates in the Banking Department.



The
NORTHERN TRUST
Company
BANK

50 SOUTH LA SALLE STREET
CHICAGO 90, ILLINOIS
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Federal Reserve Bank of St. Louis



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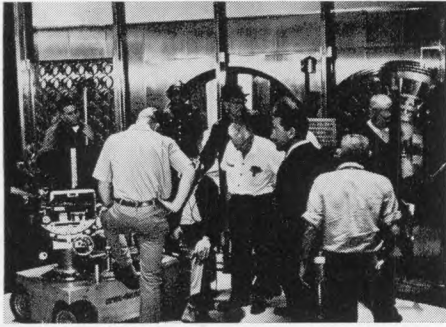
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IN CANADA contact
Recordak of Canada Ltd., Toronto

Unusual Shot



TV SERIES—When is a bank vault a TV set? When MGM decides to use it as a background for a sequence in a TV series. Wells Fargo Bank staffers conducted business as usual when the cast and crew of "Sam Benedict," based on adventures of a San Francisco lawyer, spent the day shooting up Wells Fargo's safe deposit department with film instead of bullets.

Shelter House



Photo by Ken Glass

ATTRACTIVE school bus shelter, located on Highway 6 west of Des Moines, is a welcome site for school children in bad weather. Provided by the Dallas County State Bank's Van Meter office, it offers a practical way in which the bank can advertise its facilities. Its bright red painted walls and white roof with lettered sign makes it loom up when you approach it from either direction on this major highway.

PUBLISHER'S STATEMENT

Statement required by the Act of August 24, 1912, as amended by the Acts of March 3, 1933, and July 2, 1946 (Title 39, United States Code, Section 233) showing the ownership, management, and circulation of THE NORTHWESTERN BANKER, published monthly at Des Moines 9, Iowa for November, 1962.

1. The names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Clifford DePuy, Des Moines, Iowa; Editor, Ben Haller, Jr., Des Moines, Iowa; President, Malcolm K. Freeland, Des Moines, Iowa; Associate Editors, Walter T. Proctor and Doyle Minden, Des Moines, Iowa.

2. The owner is: NORTHWESTERN BANKER COMPANY, 306 15th Street, Des Moines 9, Iowa; Malcolm K. Freeland, President, Des Moines, Iowa; Ben Haller, Jr., Vice President, Des Moines, Iowa.

3. The known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages, or other securities are: Malcolm K. Freeland, President, Des Moines, Iowa; Ben Haller, Jr., Vice President, Des Moines, Iowa; Clifford DePuy, Chairman, Des Moines, Iowa; Frances Prouty DePuy, Des Moines, Iowa.

MALCOLM FREELAND, President.

Sworn to and subscribed before me this 21st day of September, 1962.

(Seal) BEN HALLER, JR., Notary Public
(My commission expires July 4, 1963)

NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your NOVEMBER, 1962, reading

68th Year No. 904

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DEPUY PUBLICATIONS: Underwriters Review, Northwestern Banker,
Iowa-Nebraska Bank Directory

Northwestern Banker, November, 1962

Christmas Club Reports Record Savings of \$1,573,861,000

A **N** ALL-TIME record of \$1,573,861,000 in Christmas Club savings has been reported for 1962 by Edward F. Dorset, president of Christmas Club a Corporation, New York.

The record was accomplished by 13,711,000 members of Christmas Club in some 9,000 financial institutions. The average member saved \$115 each to total this huge Christmas bonanza.

This is the 11th year that club disbursements have exceeded \$1 billion, according to Christmas Club a Corporation surveys, and the second year that the total has been over a billion and a half dollars, Mr. Dorset said.

The 1962 total represents Christmas savings in all 50 states with New York leading, followed by Pennsylvania, New Jersey and California.

Surveys by Christmas Club a Corporation show that the total will be used in the following ways:

Christmas Purchases—30 per cent	\$ 472,158,300
Savings and Investment for Future Use—42 per cent	661,021,620
Taxes—17 per cent	267,556,370
Year-end Bills—5 per cent	78,693,050
Miscellaneous—6 per cent	94,431,660
	\$1,573,861,000

"Christmas Club has become a part of the American way of life," said Mr. Dorset. "It's our proof that in their own small way every man and woman can be a capitalist and decide for themselves what they will save and how they will use their savings."

Burroughs Earnings Up

Burroughs Corporation has reported revenue for the nine months ending September 30 of \$303,500,000, compared with \$282,318,000 for the same

period of 1961. Net earnings were \$5,869,000 against \$5,500,000 last year. Based on the average shares outstanding, net earnings were 88 cents per share versus 83 cents in 1961.

Suggests Tax Cut

A more favorable environment for business profits is the key to the nation's economic growth, David M. Kennedy, chairman of Continental Illinois National Bank and Trust Company, Chicago, said recently.



D. M. KENNEDY

Mr. Kennedy expressed confidence in the nation's long-term growth, but stressed that the only way such growth can be obtained is to assure that corporate profits grow with the economy.

From a psychological point of view, he said, "hoped-for cuts in corporate tax rates may be one of the most important factors toward speeding up growth of the economy."

"With pre-tax corporate profits running at better than a \$50 billion annual rate, a cut of five percentage points would add more than \$2.5 billion to the funds which corporations would have available either to pay out in dividends or to reinvest in business."

Walter J. Hein, veteran St. Louis banker and civic leader, died at 3:40 p.m., October 25, at Barnes Hospital, St. Louis, after a short illness, of cerebral thrombosis. He was 70 years old.

Walter J. Hein

Mr. Hein, formerly a senior vice president of Mercantile Trust Company, remained a consultant to the bank following his retirement in December, 1960.

The appointment of two new vice presidents and two new trust officers headed a list of promotions made recently by the Valley National Bank, Phoenix. The group includes:

Valley National Promotions

Minton Moore to vice president in charge of the research department; J. R. Litzelfelner to vice president, general administration; William Isaacson to trust officer in charge of the bank's trust tax division, and Chester Seftenberg to trust officer in charge of the corporate trust division.

TAPE SAVING

We used to discard our punched paper tape... miles of it... after it had served its purpose. That purpose was to activate the automatic typesetting machines in casting the customers' names, addresses and MICR code lines. Now we're saving it, or rather our customers are saving it for us. Each of our reorder forms now carries a pocket which contains the small piece of punched paper tape which was used to set the type for printing the order. When these reorders are subsequently returned to us, the small tapes will be fed into a regenerating unit to create a new continuous tape which will be used for the reorders.

It sounds so logical that one might be tempted to question why the procedure was only recently adopted. Frankly, we had a few problems. The first was a technical problem involving the mixing of several sizes of type on one tape, the second was availability of the tape regenerating units, and the

third the development of systems and procedures. These difficulties are now behind us and the program is in full operation in all plants.

This new procedure does not have any tremendous significance to the customer... his checks will look the same. What it does do is diminish our opportunity for error in that, if the type is set correctly on the first order, it follows that it will be set correctly on the second and all subsequent orders, barring typesetting machine error. It may also reduce somewhat the time necessary to get the orders to the presses and we may be able to provide slightly better service. With proved correct MICR code lines on checks, the banks will be spared the irritation of misprints or rejects.

So tape saving is now a part of our standard procedures. It *accents accuracy* and is added assurance that your customers will receive correctly printed checks.

DELUXE

DELUXE CHECK PRINTERS INC.

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CHICAGO KANSAS CITY ST. PAUL DALLAS CHATSWORTH PORTLAND



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Live Stock Conference Features Farm Bureau President

ON TUESDAY, November 27, our banker friends and their wives can expect one of the most informative and entertaining programs we have ever presented," said David H. Reimers, president, in announcing The Live Stock National Bank of Chicago's 1962 Stock Show Party.



D. H. REIMERS

C. B. SHUMAN

"We are very fortunate and pleased," Mr. Reimers said, "to have as our principal speaker Charles B. Shuman, president of The American Farm Bureau Federation."

Timed to coincide with the Horse Show at the International Amphitheater, the annual event is one of the highlights on the midwest bankers'

social calendar. Last year, over 400 persons were in attendance.

Schedule of activities for the day and evening of November 27 are as follows:

a.m.

9:00 to 5:00 p.m. Open House—Registration and Afternoon Program at The Live Stock National Bank of Chicago.

p.m.

3:00 "Five Months of the Uniform Commercial Code in Illinois"—J. Arden Rearick of Winston, Strawn, Smith & Patterson. Short introductory remarks. Question and answer session.

4:00 "The Live Stock Picture Today"—L. H. Simerl, University of Illinois.

5:00 Cocktails — Founders Hall of the Saddle and Sirloin Club, Stock Yards Inn.

7:00 "National Affairs as They Affect Agriculture"—Charles B. Shuman, president, American Farm Bureau Federation.

7:30 Horse Show, with Arthur Godfrey—International Amphitheater.

NCR Sales Increase

Sales of the National Cash Register Company for the first nine months of 1962 rose to \$393,577,734, compared with \$361,776,309 for the comparable period of 1961, or an increase of 9 per cent, Robert S. Oelman, NCR chairman and president, announced.

Reported net income was approximately the same as last year's, with \$13,515,311 reported for the first nine months of 1962, compared with \$13,428,864 for the same period of 1961.

St. Louis Computer Center

An electronic computer center, capable of processing 1,200 checks a minute, was unveiled recently by First National Bank in St. Louis in the bank's new six-story building addition.

The computer center, located on the fourth floor of the building, houses a General Electric "210" computer system which will be used initially in processing checking accounts. The system is capable of performing numerous other functions and will ultimately be used to provide new and expanded services for the bank's customers.

To Head Scarborough

Harry F. Ollendorf, 20-year veteran with Scarborough & Company, Chicago was elected president of the company last month. He succeeds the late Henry Scarborough, who founded the firm 42 years ago.

Other executive changes announced by the insurance company are: Richard C. Ross, formerly eastern fieldman in Newark, N. J., to vice president in charge of sales, and Ted Nork, claims, to vice president.

Two New Officers

Irving Seaman, Jr., president, National Boulevard Bank, announced in Chicago the board of directors elected Denis J. Daly assistant auditor. Mr. Daly has been with the bank's audit department since October 8.

At the same time, the directors promoted Harold J. Lind to assistant cashier, operations department.

Maurice Singer

Maurice Singer, 55, assistant vice president of Mercantile Trust Company of St. Louis, died last month.

Mr. Singer, who represented the bank in Illinois, Indiana, Iowa and Kentucky, is survived by his wife, Mrs. Ann Schutzenhofer Singer; his mother, Mrs. Mary Ellen Singer, and a brother, Walter Singer.

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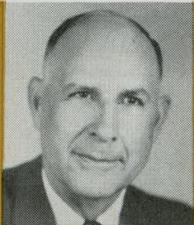
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HOW TO TAKE THE risk OUT OF REMODELING

For the banker whose growth is blocked by outmoded, inefficient quarters, and who still wants to stay in his present location, the rewards from modernization can be great. But great risks can also be present . . . particularly in renovating older buildings. Their weathered faces too often hide a hornet's nest of construction problems. The answer:

Cut Risk with Specialized Financial Design

Before you decide to renovate, and with no obligation to you, call in a consultant from Bank Building Corporation — a 500-strong team that specializes in modernizing banks (hundreds of our 3,800 financial projects were remodeling jobs). The result is, we've developed specialized financial building techniques that push your project ahead faster, permit business as usual during construction, minimize remodeling problems . . . and provide the progressive, profitable kind of operation you need to win out today. May we prove this to you, at your convenience?



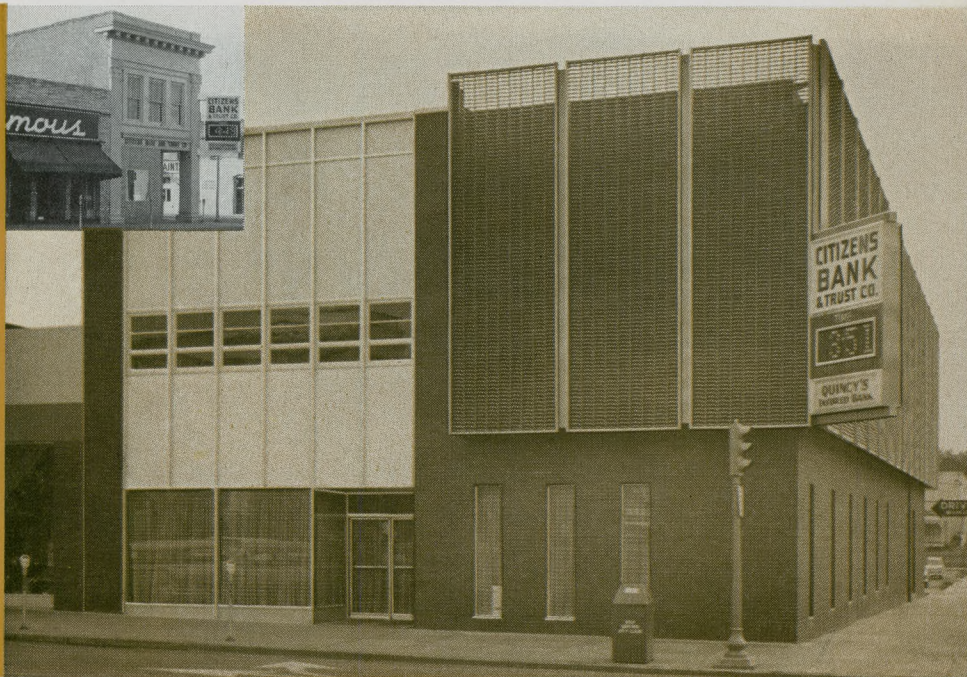
Says P. C. Davis, president, Citizens Bank & Trust Co., Quincy, Florida: "We wanted to stay downtown, but knew our building would present real problems. So we called in Bank Building Corporation's remodeling experts. Thanks to their efficient programming, we operated normally all during construction. What's more, the bold, progressive plans they created have revitalized our entire operation."



Brand-new and timely! Read...

"How to sharpen your bank's competitive edge...and make more profit while you're doing it"

Analyzes the new competitive situation facing banks today...and the kind of quarters you need to win out now. MANY PHOTOS of the nation's newest banks included. Write today!



Citizens Bank & Trust Co. expanded into an adjacent building, now has a dramatic new look of leadership and efficiency.

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Northern Trust Increase

At a recent meeting of the board of directors of The Northern Trust Company, Chicago, it was proposed to increase the bank's capital stock from \$15,000,000 to \$18,000,000 through a stock dividend, and that surplus be increased by \$4,000,000. Subject to approval by the stockholders of the proposed increase in the number of shares, the directors declared a stock dividend of one additional share for each five shares held, payable November 30.

Capital funds for the dividend and increase in surplus will be supplied by the transfer of \$7,000,000 from undivided profits. Upon completion of the stock dividend transaction, capital stock of the bank will total \$18,000,000 and surplus will be \$36,000,000.

Farm-City Week

The Agricultural Committee of The American Bankers Association is urging bankers in every section of the country to join with civic organizations and farm groups in activities observing Farm-City Week during the period November 16 to 22.

Heads Mortgage Bankers

Dale M. Thompson, president, City Bond and Mortgage Company of Kan-

sas City, Missouri, was elected president of the Mortgage Bankers Association of America at the Association's 49th Annual Convention here in Chicago early this month. Mr. Thompson is also chairman of the Western City Mortgage Company of San Francisco.

Mr. Thompson has served the association for many years and has been a member of its board of governors since 1956.

ABA Display



DUAL SYSTEM of banking is publicized through this ABA display inspected by **M. Monroe Kimbrel**, left, president of the American Bankers Association. With Mr. Kimbrel are **Ray Cheseldine, Jr.**, executive secretary of Centennial Commission and Mr. Cheseldine's secretary, **Miss Geraldine Cogan**.

New York Promotions

Manufacturers Hanover Trust Company has announced in New York the election of Erving H. Adler, John F. McGillicuddy, Theodore Notides and Minos A. Zombanakis as vice presidents.

Mr. Adler and Mr. Zombanakis are with the international division, Mr. Adler representing the bank in Austria, Czechoslovakia, Germany and Hungary, and Mr. Zombanakis heading Manufacturers Hanover's representative office in Rome.

Mr. McGillicuddy, associated with the national division, represents the bank in the western states. Mr. Notides is in charge of the 14th Street office.

To Open Tokyo Office

Continental Illinois National Bank and Trust Company said in Chicago that it will open a representative office in Tokyo in the summer of 1963.

Continental already operates a branch in London providing full banking services and has announced it will open a representative office in Zurich, Switzerland, early in 1963. The bank also has established two subsidiary corporations, headquartered in the United States, to provide additional international banking services for customers.

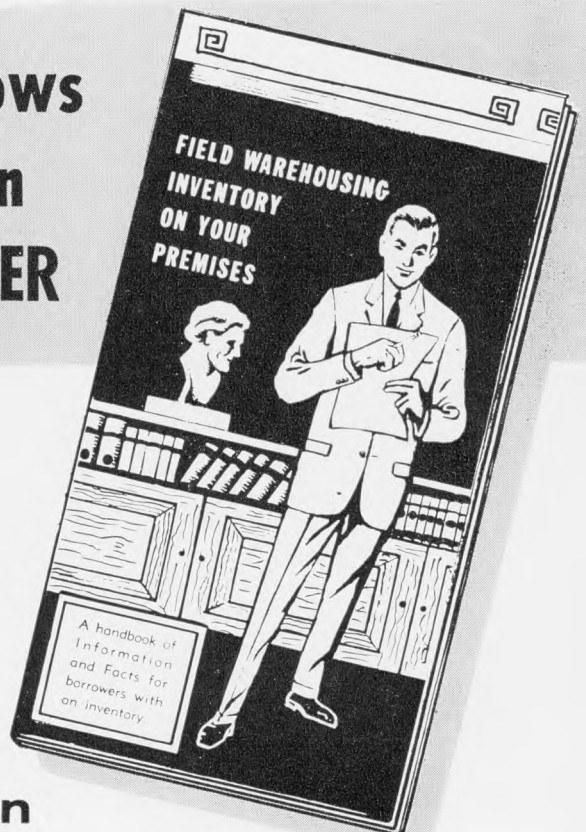
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Northwestern Banker, November, 1962

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Federal Reserve Bank of St. Louis



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... something else Continental provides as "your bank's bank"

Even at night, every night, a full and experienced staff is maintained here at Continental to process cash items. At the rate of 1,000 a minute! Many checks air-mailed to us in the afternoon are available funds by the following morning. Our correspondents find this speed a tremendous advantage. You will, too. Why not let us give you the full details?

CONTINENTAL ILLINOIS NATIONAL BANK

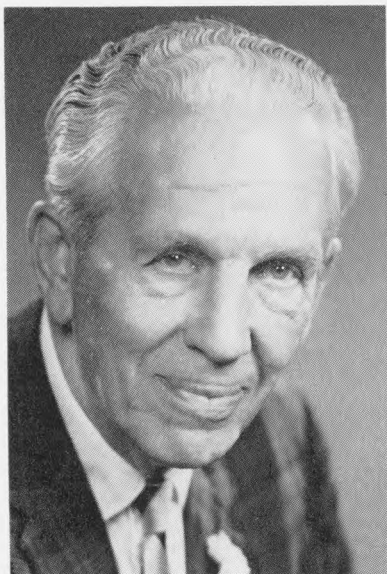
AND TRUST COMPANY OF CHICAGO

Lock Box H, Chicago 90



Member F. D. I. C.

Northwestern Banker, November, 1962



Dear Robert L. Myers, Jr.:

Secretary of Banking of Pennsylvania,
Harrisburg.

Banking in the United States has been developed and grown great under the dual system.

There are now some individuals, including the new Comptroller of the Currency, who think that national banks should not be governed by state laws and should be allowed to establish branches of national banks even in states where branch banking is illegal. The Comptroller refers to such laws as "unhealthy state statutes." We disagree with the Comptroller on this and we know you do also, Mr. Myers.

"The fundamental concept of American banking" as you have expressed it, "is the independent private institutions, locally owned and controlled and deriving their business largely from the people of their communities and their commercial and industrial enterprises. The patterns for banking operations, therefore, must be adapted to the requirements of the several states so that the economy of each shall have banking services suited to its special needs. There is no urgent or compelling need for nation-wide uniformity. On the contrary, the diverse requirements of the states make any attempt at such uniformity unrealistic and futile."

The dual banking system does not exist simply to protect "state control of branching of national banks" as the Comptroller has implied.

If the Comptroller wishes to keep the dual system completely separate, then he should not be a member ex officio of the Federal Deposit Insurance Corporation since it exercises power directly over state banks.

Let's not increase any further a centralization of "power in Washington" over our present dual banking system which has proven its success in developing our American economy and which is still the envy of the world.

ACROSS the DESK from the Publisher

Dear Roger L. Curren:

Past President, Savings Division,
American Bankers Association.

In your 1962 Savings Survey among Commercial Banks you emphasized these points:

1. The importance of savings to commercial banks.
2. The rate of interest being paid by banks of various size.
3. Over 25 per cent of the banks in the nation depend on regular savings deposits for 40 per cent of their total assets.
4. In the \$50,000,000 group, 99.6 per cent of the banks accept regular savings accounts and pay interest.
5. In the \$10,000,000 size, only 89.8 per cent accept interest-bearing savings deposits.

The survey also presents the following data on (1) Deposit size, (2) Average size of regular savings accounts, and (3) Interest rate paid:

1. Total Deposit Size:	Per Cent
Under \$10 million.....	67.6
\$ 10 to \$ 50 million.....	15.6
\$ 50 to \$100 million.....	7.2
\$100 to \$500 million.....	7.9
\$500 million and over.....	1.7
2. Average Size of Regular Savings Account:	Per Cent
Under \$850	29.4
\$ 850 to \$1,149.....	25.5
\$1,150 and over.....	45.1
3. Advertised Interest Rate, Jan. 2, 1962:	Per Cent
Under 2.0 per cent.....	12.6
2.0 to 3.0 per cent.....	54.7
3.5 per cent no-split rate.....	21.6
3.5 per cent split rate.....	11.1

The survey drew usable responses from 4,060 insured commercial banks representing 64.9 per cent of the total assets of all insured commercial banks.

Many small banks do not accept savings accounts, or pay a relatively low interest rate, perhaps because of no local competition from savings and loan associations.

However, doesn't this provide an opening for credit unions and for loan associations in larger nearby towns to attract these savings accounts? The survey definitely shows that savings deposits are very important to commercial banks and should be solicited actively and continuously.

Clifford DePuy



Photograph courtesy the Manhattan Savings Bank, New York City

“Getting to know you”

When people get to know their financial institution, a confidence develops that results in lasting friendship. Christmas Club a Corporation helps to promote this friendship and confidence . . . among people who have demonstrated that they are ready and willing to learn how to take care of their money.

Christmas Club members are young people, old people, middle-aged people, children. You get to know all of them better because they make regular weekly Christmas Club visits and because Christmas Club a Corporation,

through its research activities, keeps you informed about the spending and saving habits of Christmas Club members. Just as important, these people get to know you and the complete financial services you offer. Profitable for you, profitable for them.

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.

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



Northwestern Banker, November, 1962

Sees \$25 Billion in Advertising By 1970 to Move Nation's Goods

GEORGE W. HEAD, manager of advertising and sales promotion for National Cash Register Company, told Des Moines advertising men last month that by 1970 the United States will need an annual expenditure of \$25 billion annually for various advertising media to sell the nation's products and services. He stated that the



GEORGE W. HEAD

present \$553 billion gross national product figure is expected to hit \$800 billion by 1970. At the present time, advertising expenditures are \$12½ bil-

lion, but the increase in production and accompanying competition from and in foreign markets will require an intensification of advertising efforts to move these goods.

Mr. Head was in Des Moines as an official of the Advertising Federation of America to present a charter to the Advertising Round Table of Des Moines, which is affiliated with the AFA.

Creates Demand

Mr. Head, long noted as a national authority on the techniques of advertising for mass merchandising, reminded his audience that years ago the business managers in United States companies learned it takes advertising to create the mass demand that makes mass production possible, and mass production is what has built the dynamic economy enjoyed by this nation today.

Proof that what has been accomplished by advertising in the United States is an important merchandising factor is evidenced in foreign countries where nations such as France, Italy and Japan copied our advertising technique exactly and used it to

create the demand that made possible the postwar production boom. France, for instance, is spending 11 times more today on advertising than nine years ago.

"And here in the United States," Mr. Head said, "we have another population group the size of France that has grown with us just since the end of World War II. This 44 million represents our population expansion in those 17 years. It took France 2,000 years to attain that size."

Saves Money for Buyer

Mr. Head warned his audience there are some who still think of advertising as warm publicity rather than an investment in an effective merchandising media. He emphasized that the \$12½ billion spent on advertising today in the U. S. represents a savings of at least \$70 billion to the buying public due to the savings made possible by the mass production that advertising has created. He cited numerous examples of products that today cost the same or less than several decades ago, due to lowering prices from savings in mass production.

He warned, too, against the hazardous and mistaken practice of thinking that the advertising budget is the place to start when a recession or other financial squeeze is put on a company. "Who thinks of taking his foot off the gas pedal when the going gets tougher uphill?" Mr. Head asked. He pointed out that Procter and Gamble, for instance, stepped up its advertising budget from \$110 million to \$116 million in 1954 when recession threatened. Some of its competitors sought the cost cutting method through lessened advertising. The result was that P&G came out of it in an even firmer position as leader than before.

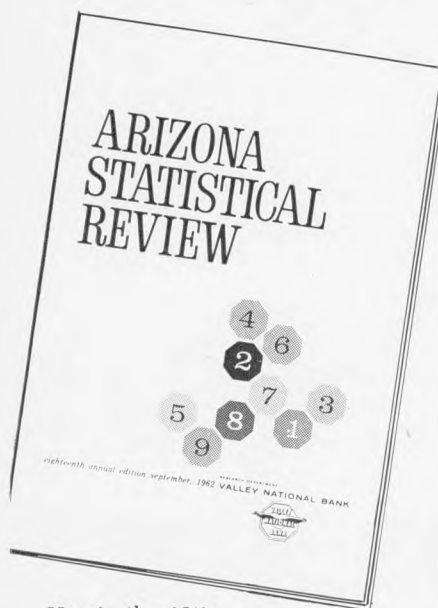
Must Tell Own Story

He said advertising men had made a great mistake in past decades while developing advertising as the effective sales tool it has been for the economy. They have been so busy making advertising work, he said, they haven't taken time to tell the public what an important part it plays in the economy. The AFA is undertaking such a program this year and national ads and regional ads will tell the story of advertising and the part it plays in the home, in business, in recreation and all levels of social and public life. —End.

Wells Fargo Retirement

John D. Boden, vice president, retired from Wells Fargo Bank on November 1, concluding a 45-year banking career.

**JUST OFF THE PRESS . . .
AND FREE!**



Here's the 18th annual edition of this authoritative review. For a complimentary copy, write:

**Valley National Bank
Special Services Dept.
P. O. Box 71, Phoenix 1, Ariz.**

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



THE CONNECTICUT BANK AND TRUST COMPANY

THE BANK THAT KNOWS CONNECTICUT



"Why we chose the NCR 315 Computer."

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONNECTICUT

"A study of our computer needs indicated three important factors to be considered:

- Our current data processing requirements
- Future processing requirements to take care of our constant growth
- The need for a data processing system which would provide the capacity and the flexibility to process new and expanded services.

"After careful evaluation of several computer systems available, we selected the NCR 315 Computer System. We believe this system will enable us to accelerate the processing of all accounting data for our 31 Offices serving 22 Connecticut communities, and provide a tool for expanding our services to meet the many new demands upon modern banking.

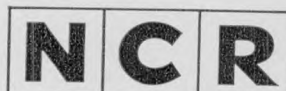
"Installation of the NCR 315 Computer

System will correspond with a move to our new headquarters at One Constitution Plaza early next year, and is another step in our constant effort to provide the highest quality service to our customers."

L. E. Shippea

Chairman
The Connecticut Bank and Trust Company

NCR PROVIDES TOTAL SYSTEMS - FROM ORIGINAL ENTRY TO FINAL REPORT - THROUGH ACCOUNTING MACHINES, CASH REGISTERS OR ADDING MACHINES, AND DATA PROCESSING
The National Cash Register Co. • 1,133 offices in 120 countries • 78 years of helping business save money



Northwestern Banker, November, 1962

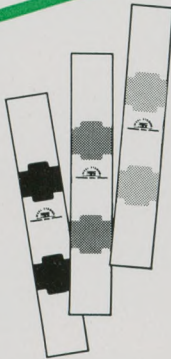


FEDERAL BILL STRAPS

Made of the best quality Kraft paper, so strong it will not break in a straight pull. Breaking strength 70 lbs. per sq. in. With inverted and reversed figures instantly disclosing value of package on top edge or bottom.



"STEEL-STRONG" is the only Bill Strap which regularly delivers currency to Federal Reserve Banks in unbroken packages. In 11 Colors.



TUBULAR

COIN WRAPPERS

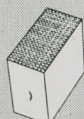
They save 25% of time in machine filling. Packed flat but they "pop open" with slight pressure between thumb and finger. In 6 standard colors for various denominations of coins.

THEY "POP OPEN!"



GUNSHELL COIN WRAPPERS

Due to unique construction, this Wrapper gives superior strength, neatness, and a definite greater protection to wrapped coins. Too, there is no clogging of coins. Ends crimped tightly. Symmetrically packed 1,000 to a carton with the crimped ends turned one way.



THEY'RE GREAT TIME SAVERS IN ALL MACHINE FILLING.



SEE YOUR DEALER OR SEND FOR FREE SAMPLES
Dept. W

The C.L. DOWNEY Company
HANNIBAL, MISSOURI
World's Largest Manufacturers of Coin Handling Supplies

FPRA Elects New Officers

MORE than 1,500 delegates gathered in Atlantic City last month for the 47th annual convention of the Financial Public Relations Association.

Bankers from the NORTHWESTERN BANKER area in attendance agreed that the departmental meetings were particularly valuable from the standpoint of obtaining new ideas that can be put to practical use. The meetings were conducted by recognized authorities in public relations, advertising, business development and merchandising.



HEADS FPRA—Ernest Gearhart, vice president of the First National Bank of Miami, is shown as he takes over as president of the Financial Public Relations Association in Atlantic City.

Usefulness of the material is indicated by the titles of the six major categories selected by FPRA officials: commercial development, trust development, installment credit, savings and mortgages, staff relations and public relations.

Perhaps the highlight of the 47th annual meeting was the School of Merchandising held each morning by Ira M. Hayes, enthusiastic sales official from the National Cash Register Company, Dayton, Ohio. Mr. Hayes presented a course in "Sizzlemanship" and suggested that bankers would be well advised to emulate the sales ideas and imagination that created such merchandising empires as Woolworth and A & P. (He might have also included the name of his own company since it has been one of the outstanding stories of sales success in America).

Ernest G. Gearhart, Jr., vice president of the First National Bank of Miami, Fla., was elevated to the FPRA presidency. He succeeds John P. Anderson, vice president of the First National Bank, Passaic County, Paterson, N. J. Other officers are shown with Mr. Gearhart on the front cover

of this issue and identified in the On The Cover story on this page.

The 1963 FPRA convention will be held in Los Angeles.

ON THE COVER

New officers of the Financial Public Relations Association, elected during the final day of the association's 47th annual convention at Atlantic City, N. J. Left to right, they are: President, **Ernest G. Gearhart, Jr.**, vice president, First National Bank of Miami, Fla.; first vice president, **Harold W. Lewis**, vice president of the First National Bank of Chicago; second vice president, **Charles H. Hoefflich**, president of the Union National Bank & Trust Company, Souderton, Pa.; third vice president, **Frank R. Swan**, executive vice president of the City National Bank & Trust Company, Oklahoma City; and treasurer, **Robert A. Bachle**, vice president of the National Boulevard Bank, Chicago.

Automatic Deposit Plan

Pointing up the dramatic changes in business accounting techniques since the turn of the century, Bank of America's more than 26,000 employees in California began receiving their salaries recently through an automatic deposit in their checking accounts.

Instead of a paycheck for the mid-October payday each staff member was issued an electronically prepared statement of earnings representing his net salary deposited into his checking account. The process eliminates the necessity of endorsing checks, depositing them or making arrangements to have them deposited when they are on vacation.

NABAC Speaker Suggests Service Charge Revision

Banks today in order to maintain efficient and profitable operations must sell the public on realistic service charges.

Thomas E. Sebrell III, president, Clarendon Trust Company, Arlington, Va., made this statement before the 38th annual convention of NABAC, The Association for Bank Audit, Control and Operation, in Bal Harbour, Fla.

"With rising costs today, banks cannot continue to 'give away' services if they desire to remain in the profit bracket," Mr. Sebrell said. "Costs, on a breakdown basis, can be compared with the cost figures of other banks of comparable size, composition and locales by utilizing the services of NABAC and the ABA."



Their know-how in personnel and training can help your bank. If personnel policies or employee training problems are puzzling you, a visit with these experienced specialists may help you find the answers. This is one way we help our correspondents. We'd like to help *you*!

HARRIS Trust and Savings BANK



Organized as N. W. Harris & Co. 1882—Incorporated 1907—Member Federal Reserve System...Federal Deposit Insurance Corporation
111 WEST MONROE STREET—CHICAGO 90

Northwestern Banker, November, 1962

Expand Ozark Air Service

OZARK AIR LINES inaugurated service over its new route between Sioux Falls, Sioux City, Waterloo and Chicago last month, replacing Braniff International Airways.

The initial service by Ozark provides a non-stop early morning flight between Sioux City and Chicago originating in Sioux Falls, and an afternoon one-stop flight to Chicago via Waterloo also originating in Sioux Falls. All flights under the new authority are being operated with Fairchild F-27s.

Flying time from Sioux City non-stop to Chicago is one hour 53 minutes and on the flight with a stop at Waterloo, two hours and nine minutes.

Centennial Year Plans

To aid banks in carrying on activities at the community level during the Centennial year of commercial banking in 1963, the Centennial Commission of The American Bankers Association has available for bank use a new booklet entitled "100 Ways Your Bank Can Celebrate a Century of Commercial Banking."

The booklet will be distributed to banks in early November as a part

of the Centennial Information Kit.

The commission is also making available a brochure entitled "How Banks Can Help." It is to be distributed by banks to their customers. It is a recital of "human interest" facts and stories about banks and people, telling about the expanding services provided by banks over the past 100 years. ABA member banks can purchase copies for 10 cents each.

Wins National Contest

Miss Susan Erickson, a teller at the Citizens Bank of Corvallis, Ore., has been elected Miss Drive-In Teller for



SUSAN ERICKSON

1963 by a national vote of bankers in the fifth annual contest, sponsored by The Mosler Safe Company.

Miss Erickson, who has been awarded an all-expense vacation cruise to Bermuda as grand prize in the contest, will reign for a year as Miss Drive-In Teller and will appear at various banking functions throughout the year.

New St. Louis Directors

Two new members were elected to the advisory board of First National Bank in St. Louis recently, according to James P. Hickok, chairman.

They were Louis W. Menk, president of the St. Louis-San Francisco Railway Company, and W. Ashley Gray, Jr., executive vice president of General Steel Industries, Inc., Granite City, Ill.

New Ad Campaign

A positive new national advertising campaign was initiated last month by the Foundation for Commercial Banks. Featuring illustrations by the world-famous cartoonist, Robert Osborn, the advertising in behalf of the commercial banking industry will appear in seven national magazines.

Each advertisement will be exposed to 60 million people who represent banking's best prospects and customers.

CONVENTIONS

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.



THE ANSWER TO THE TOUGHEST QUESTION EVER PUT TO A COMMUNITY BANK TRUST OFFICER

You've surely had the question put to you by prospective trust department clients. Aware of your necessarily small staff and

limited investment research facilities, the prospects are lukewarm . . . hesitant . . . doubtful. They want to know: "How are you equipped investment-wise to handle my account efficiently and prudently?"

Many community banks find this the toughest question of all; one that is difficult to answer convincingly.

But not members of the Studley, Shupert Trust Investment Council! All they do is hand the prospect a copy of the leaflet entitled "Let's Take a Look Behind the Scenes of Our Trust Department." There—in easy-to-understand language—the prospect gets a concise, doubt-removing description of the breadth, depth and quality of investment experience which the bank provides him by virtue of its Council Membership.

Like to see the leaflet? Like to know the details of Council Membership and all that it offers you and your clients? Like to know why community banks from coast to coast are enthusiastic Council Members . . . why many of them have been subscribers for 5, 10, 15 years . . . ever since the Council was founded?

We'll gladly send you full information free of obligation. Write now.

STUDLEY, SHUPERT TRUST INVESTMENT COUNCIL

1617 PENNSYLVANIA BLVD., PHILADELPHIA 3, PA.

155 BERKELEY STREET, BOSTON 16, MASS.





Says John A. Stewart:

"Chase Manhattan's Fed Funds Service? Excellent!"

On a recent visit to Chase Manhattan's new head office, John A. Stewart, President, Second National Bank of Saginaw, Michigan, particularly wanted to see the Government Trading Desk. He and Chase Manhattan's J. Michael Carter, in charge of Federal Funds trading, were watching the activity as we came along. Asked if he used this correspondent service, Mr. Stewart replied:

"Frequently . . . and I can tell you in this business you people are unique . . . putting emphasis where it belongs—on excellent service . . . whatever the effect on Chase Manhattan's own cash position . . . Say, look at those orders move!"

For John Stewart, and for hundreds of correspondent bankers who have seen our new head office facilities, the Government Trading Desk is indeed a fascinating sight. Yet, busy and exciting as Federal Funds trading is during every minute of the short trading day, there is much that doesn't meet the eye. For example, the difference in Chase Manhattan's basic attitude—of "service first" to every correspondent bank. It is a difference that can only be experienced . . . one that goes far to explain why Chase Manhattan serves half of all U. S. banks with a New York correspondent.

If your bank has any Federal

Funds or Reserve Position problems, Chase Manhattan's Mike Carter will help you.

**THE
CHASE
MANHATTAN
BANK**



CHARTERED IN 1799

1 Chase Manhattan Plaza
New York 15, New York

Member Federal Deposit Insurance Corporation

Northwestern Banker, November, 1962

Short Term Commercial Paper

*We offer
for sale
the notes of
these
representative
finance
companies*

Admiral Credit Corporation
Chicago, Illinois

Approved Finance, Inc.
Columbus, Ohio

The Bankers Investment Company
Hutchinson, Kansas

Civic Finance Corporation
Milwaukee, Wisconsin

Commercial Securities Co., Inc.
Baton Rouge, Louisiana

Continental Investment Corp.
Memphis, Tennessee

Crown Finance Corporation
St. Louis, Missouri

Guardian Discount Company
Memphis, Tennessee

Laurentide Finance Corporation
San Francisco, California

Murdock Acceptance Corporation
Memphis, Tennessee

Northern Illinois Corporation
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3½ - 3⅞ % discount

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CHICAGO, ILL.

RAndolph 6-5432

Wire FAX Chicago

Diebold Unveils New Data Pac

THE first Business and Banking Equipment Show held by Diebold, Incorporated, in the downtown New York City area, attracted more than 2,000 bankers, brokers, insurance and management executives to the Downtown Athletic Club during its three-day session, according to Raymond Koontz, president, Diebold, Incorporated.



NEW DATA-PAC shown by **Kathy McKay** for Diebold, Inc., at New York show can be used in computer departments and with punched card equipment in banks and other financial institutions. The unit is able to accommodate any accounting cycle.

"We've found that the exhibition of our latest machines and systems equipment in the convenient proximity of the downtown area of New York City offered busy executives an opportunity to quickly review the Diebold lines," said Mr. Koontz.

Diebold used the occasion to unveil its newly designed Data Pac, which provides a fixed compartment Data Processing Aid and is able to accommodate any accounting cycle.

"Data Pac solves a knotty problem for many of those companies involved in using computers and punched card equipment. The Data Pac allows operating personnel to quickly move a particular billing cycle to the computer or the sorter and, when completed, to move it away and store it for the next billing cycle," said the Diebold executive.

Also on view at the Diebold Business and Banking Equipment Show were Diebold Super Elevator Files; Power Files; Magnetic Ink Character Recognition equipment; Diebold Alpha-Numeric System files, and the company's Check Guide equipment.

Maxwell H. Kalb

Maxwell H. Kalb, 56, vice president of the Manufacturers Hanover Trust Company, New York, died last month.

Associated with the bank's branch administration department, Mr. Kalb directed the promotion and development of the bank's retail banking services.

Tokyo Office Opens

The First National Bank of Chicago has formally opened its Tokyo office.

In Japan for the occasion was Homer J. Livingston, chairman; Walter M. Heymann, vice chairman, and Herbert V. Prochnow, president.

O. D. Lindstedt and R. D. Flinn, formerly in the international banking department, will be in charge of the office.

Free Check Service

Effective at once, LaSalle National Bank in Chicago is offering checking account service, absolutely free of the customary service charges, to anyone who is 65 or over.

New York Promotions

William H. Moore, chairman of Bankers Trust Company, New York, has announced the appointment of three vice presidents. John A. Allen, Robert K. Hynes and William C. Ladd have been named vice presidents in the banking operations, credit analysis and investigation, and international banking departments respectively.

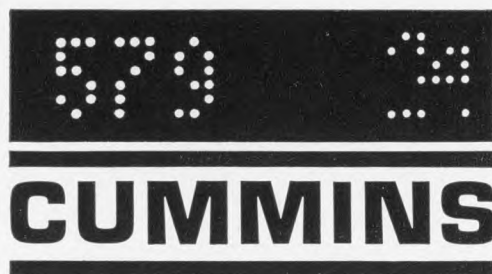
New Correspondent Man

James E. Brown, head of the banks and bankers department, Mercantile Trust Company, St. Louis, has introduced a new member to his department, Jack J. Scott, assistant cashier, who will serve as the correspondent bank agricultural representative.

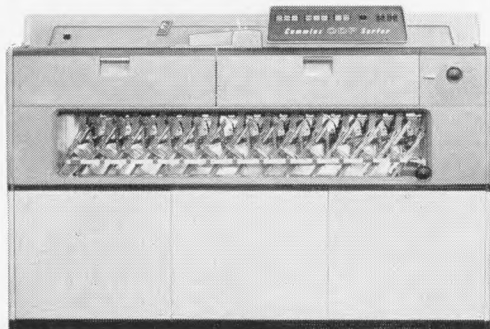
He has been assistant trust officer and manager of the Farm Service Department for the Ohio Valley National Bank of Henderson, Ky.

Investment Convention

The 51st Annual Convention of the Investment Bankers Association of America will be held November 25-30 in Hollywood, Fla., announced Curtis H. Bingham, IBA president and president of Bingham, Walter & Hurry, Inc., Los Angeles. Convention sessions will be held at the Hollywood Beach Hotel and delegates will be accommodated there and also at The Diplomat, a nearby hotel in Hollywood.



ODP

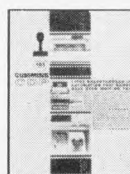
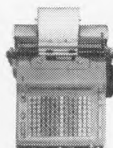
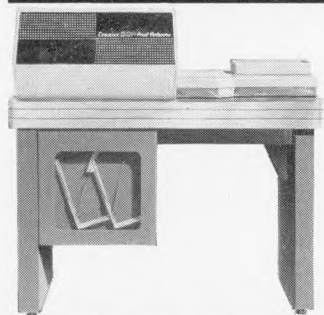


THE BREAKTHROUGH IN AUTOMATION THAT BANKS HAVE BEEN WAITING FOR



COMPARED TO ANY OTHER
SYSTEM • ODP'S BASIC
SIMPLICITY CUTS REJECT
RATE TO LESS THAN 1/3RD
• REDUCES CHECK COSTS
TO BANK BY 1/3RD TO 1/2 •
• • • • • LOWERS
MAINTENANCE
COSTS ENOUGH TO PAY
OPERATORS SALARY • • • • •

• EXTENDS BENEFITS OF COMMON LAN-
GUAGE TO 5 TIMES AS MANY BANKS • PRO-
VIDES GREATER OPERATING SAVINGS • YET
COSTS LESS THAN 1/4TH AS MUCH! • • • • •



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CUMMINS-CHICAGO CORPORATION
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SALES AND SERVICE IN ALL PRINCIPAL CITIES



• Our AROUND-THE-CLOCK Correspondent Service is Fast, Efficient and Friendly.

We would consider it an honor and privilege to serve you.

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**NATIONAL BANK
and TRUST COMPANY**

FIFTH and LOCUST • DES MOINES, IOWA
Telephone—CHerry 3-8181

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

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

Northwestern Banker, November, 1962



FDIC Reports Asset Gain

ASSETS of the insured commercial banks increased 9 per cent to \$275 billion during the year ended June 30, 1962. Of the \$22 billion growth during the year, \$11 billion was in loans, nearly \$8 billion in securities, and \$3 billion in cash balances.

Deposits of insured commercial banks totaled \$245 billion at mid-1962. Over half of the increase during the preceding year was in time deposits (of business and individuals) and savings deposits which together rose 16 per cent to \$83 billion. Demand deposits of business and individuals increased 3 per cent to \$111 billion.

Loans totaled \$129 billion at mid-1962. Commercial and industrial loans advanced \$3 billion to \$46 billion during the year. Real estate loans were up almost \$3 billion to \$32 billion. Consumer-type loans totaled \$29 billion, an increase of \$2 billion. Loans to banks and other financial institutions increased from \$7 billion to almost \$9 billion.

Talcott Earnings Up

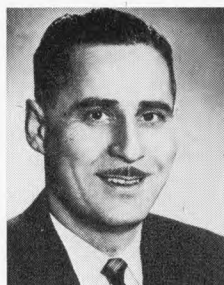
James Talcott, Inc., has reported net income rose 16 per cent to a new high during the nine months ended September 30, 1962.

Herbert R. Silverman, president of

the major industrial finance company, said consolidated net earnings for the first nine months of this year were \$4,397,524 as compared with \$3,804,637 for the comparable 1961 period.

B of M Appoints

Ronald J. Allen has been appointed an agent at the Bank of Montreal's New York agency.



R. J. ALLEN

Mr. Allen moves to the post from the bank's head office in Montreal where he has been superintendent of the business development division for the past two and one-half years.

Unusual 1963 Calendar

The Bank of New York, founded in 1784, is using the life story of Alexander Hamilton, one of its principal founders, as the subject of its 1962-63 calendar. Original drawings by Elizabeth Fraser, commissioned by the bank especially for this purpose, show important events in Mr. Hamilton's

life including the meeting which resulted in the bank's founding. The drawings, done in unique pen and ink style with a water color wash, carry out the historic quality of the theme.

To Head Investments

Manufacturers Hanover Trust Company, New York, announced the election of Andrew Scharps as vice president and treasurer, effective December 1, when he will succeed Craig S. Bartlett who retires on that date.

Mr. Scharps joined the bank in 1926. He was named an assistant secretary in 1938, assistant vice president in 1944 and vice president in 1952.

Prior to the merger of Manufacturers Trust Company with The Hanover Bank in 1961, Mr. Scharps headed Manufacturers Trust's portfolio department. As of December 1 he will have charge of the merged bank's investment portfolio department.

Honor Chicago Bond Man

George B. Wendt, vice president in charge of the bond department of the First National Bank of Chicago, was appointed chairman of the Municipal Securities Committee of the Investment Bankers Association of America to serve the remainder of the unexpired term of Cushman McGee who died in August.

Warm Welcome



MARHAB!!—The smiles on the faces of Dr. Mohamed M. Abu Shadi (left), chairman and managing director of the National Bank of Egypt, and Mounir Hemaya (center), manager of the Foreign Department of the same bank, along with the handshake extended by Paul Parker Bank of America vice president and Middle East Representative, do away with the need for translation. Obviously, "Marhab" means welcome.

Further proof of the warmth of the welcome is the United Arab Republic flag above the men, flown at the bank's San Francisco Head Office in honor of the visit by the Cairo bank executives following attendance at the International Monetary Fund meeting in Washington, D. C. During their California stay, they conferred with Bank of America officials on the development and promotion of Egypt's commerce, and visited with the bank's president, S. Clark Beise.

Since 1907

WESTERN MUTUAL INSURANCE COMPANY
OF DES MOINES, IOWA HAS BEEN WRITING
INSURANCE.

A Multiple-Line, Non-Assessable Company,
we write only through local agents.

Writing a full line of fire and casualty insurance,
giving our assureds the best possible protection,
best of service at a reasonable cost as sound
business would permit, has brought constant
growth to Western Mutual Insurance Company.

Agency inquiries welcomed.

Write

Western Mutual Insurance Co.

616 10th Street

Des Moines 8, Iowa



*On the streets of banking and commerce
all over the nation, the Irving is known for
its complete professional services
as the bank for bankers and businessmen.*

IRVING TRUST COMPANY

One Wall Street, New York 15, N.Y.

Capital Funds over \$155,000,000

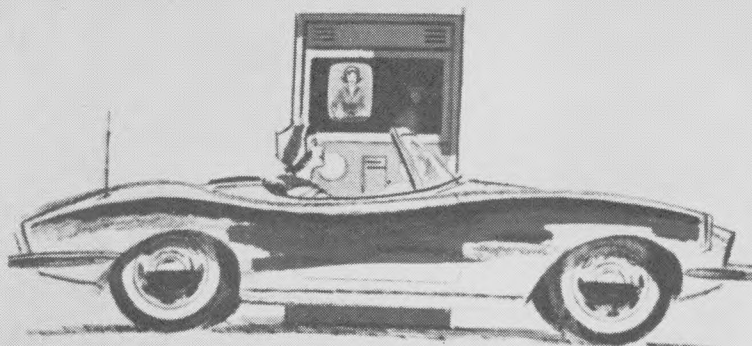
Total Assets over \$1,750,000,000

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

Northwestern Banker, November, 1962



TV BANKING COMES OF AGE WITH THE MOSLER TV AUTO-BANKER



FREE BOOKLET offers detailed information
on the newest concept in convenience banking.
Describes space-saving features, how it operates,
plot plans. Get all the facts. Write **MOSLER**,
pioneer and developer of TV banking.

The Mosler Safe Company
320 Park Avenue
New York 22, N. Y.

Please send me your free booklet on the Mosler TV Auto-Banker.

YOUR NAME _____

BANK _____

ADDRESS _____

CITY _____ ZONE _____ STATE _____

Mosler
THE MOSLER SAFE COMPANY

James J. Saxon
Comptroller of Currency
Proposes



7 *New Bank Regulations*

THE long awaited recommendations of the Comptroller of the Currency, James J. Saxon, were revealed just prior to his platform appearance at the A.B.A. annual convention in Atlantic City. The list of 84 proposals embodied matters ranging from the controversial national bank branching provision to one that would simplify the issuance of stock dividends.

At that time it was his expressed desire to begin immediately to translate some of these proposals into effective regulations. Accordingly, on October 16, 1962, he mailed to all national banks a copy of changes in regulations he proposes to put into effect on November 20, 1962, and February 1, 1963. In an accompanying letter to presidents of all national banks, Comptroller Saxon said in part:

"These regulations, dealing with certain of the corporate practices and procedures of national banking associations, merit your careful consideration.

"Our primary aim in the drafting of these proposed regulations has been to provide the maximum freedom of action for national banks that is consistent with their obligations to their stockholders and to the communities which they serve.

"... we therefore most cordially invite and welcome comments of all national banks and other interested persons on these proposed regulations."

The Comptroller's letter contained a summary of the seven regulations that would be changed, along with a copy of the official and detailed wording of each part. Shortly after sending the letter, Mr. Saxon addressed the 76th

annual convention of the Iowa Bankers Association in Des Moines, and discussed the seven proposed changes in the course of his text.

Briefly, the substance of the proposed regulations are summarized as follows:

1 Appointment of Directors. To avoid the necessity of having a special meeting of stockholders and attendant expense, or the necessity of the resignation of an incumbent director, stockholders would be permitted to authorize the board of directors to increase the number of directors of the bank and appoint such persons to serve until the next meeting of stockholders. This would be limited to not more than three nor more than one-third of the existing number of directors, whichever shall be the lesser. Part 7.5 (a), (b), (c).

2 Pre-emptive rights. Existing paragraph 6110 of the **Digest of Opinions** published in 1960 states that all stockholders of a national bank are entitled, in preference to any other persons, to the opportunity to purchase additional stock resulting from an increase in the bank's capital, in proportion to the number of shares held by them respectively. By majority vote of holders of voting shares, a bank could amend its articles to modify or eliminate these pre-emptive rights. Part 7.6 (a), (b).

3 Annual report to stockholders. Every national bank shall furnish its stockholders with an annual report containing at least minimal informa-

tion called for by the proposed regulation. This is information readily available to the bank from its records, and the report may be inexpensive, such as in mimeograph form. The report should contain such items as a balance sheet at the close of the calendar year, reconciliation of capital funds for the period, and profit and loss statements compared to the preceding year.

4 Solicitation of proxies. The proposed proxy regulation seeks to provide the simplest and most feasible procedure for meeting stockholders' needs, without imposing undue burdens on banks. It applies only to banks which solicit proxies from

stockholders. If proxies are solicited, but only for the election of directors, only Section A in the detailed regulation shall be applicable. This sets forth the information that must be given to each stockholder when soliciting a proxy—names of directors, nominees, shares of stock held, whether cumulative voting is permitted and how such voting shall be done. If further matters, such as voting on pension plans, profit-sharing or other such proposals shall be the basis for proxy solicitation, further details must be complied with in this regulation. 11.1; 11.2 (a), (b); 11.3(a), (b), (c), (d); 11.4 (a), (b); 11.5; 11.6.

5 Ownership of capital securities. Every national bank will be required, within 10 days of date of regulation becoming effective, to file with the Comptroller a statement containing the names and addresses of, and amount of securities (bank stock) held by each owner of record of more than 10 per cent of any class of outstanding capital securities issued by the bank. Also, the bank shall file similar information if at any later date any person acquires 10 per cent or more of the bank's capital securities. Also, if any person's ownership of stock increases or decreases by 5 per cent, notice shall be filed with the Comptroller. If the bank has reason to believe that someone other than the owner of record actually is the beneficial owner, this information also shall be filed. "Person" shall not be

7 REGULATIONS . . .

(Turn to page 42, please)

THE Congress has just completed the enactment of a tax bill. It's long, 390 pages. I shall give you a report on the provisions of that bill.

The bill that the Congress just passed was the result of a request for legislation by the President of the United States to the Congress. Details of the President's request were spelled out by the Secretary of the Treasury and his aides.



Withholding Tax—Among the provisions of tax law requested by the Administration was one for the withholding of taxes on interest and dividends. This created a wide interest not only of bankers, savings and loan associations, insurance companies, but among the rank and file of our people.

The Congress turned down this request and, I think, rightfully so. It would be costly and there are other ways of reaching whatever loss of revenue that might now occur by reason of the failure to report the receipt of interest and dividends by taxpayers. I have never felt that the loss from this failure to report was nearly as great as the Treasury contends. The mail on withholding of taxes on dividends and interest was very heavy from all over the United States.

In rejecting the withholding tax provision the Senate adopted an amendment proposed by Chairman Byrd. The Byrd amendment in lieu of withholding requires that the payor of interest, dividends, and patronage dividends shall report to the Bureau of Internal Revenue all payments of \$10 or more. The payor also is required to give a statement to the payee informing him of the amount of interest, dividends, or patronage dividends that he has received, if over \$10. Failure to do this subjects the payor to a penalty. At the present time, interest of less than \$600 does not have to be reported, nor are patronage dividends of less than \$100 reported.

A year ago the Congress passed an act which, in my mind, will materially lessen any loss that might now exist due to failure to report interest and dividend income. I refer to the proposal to assign to each federal taxpayer a file number. For those individuals who have a social security number, the number for their tax file will be the same. The others will be assigned a number. This will make it possible for the Internal Revenue Service to install mechanized equipment in handling tax returns.



Investment Credit—One of the very controversial items in the President's tax program was the investment credit. It passed. The objective of the investment credit is to spur our economy. It is to give a tax credit to the individual or taxpayer that makes an investment in new machines and equipment. It covers all capital goods other than buildings and livestock. (A further revision was announced last month after Senator Curtis made this talk.)

This investment credit provision means that a 7 per cent tax credit is given on the purchase of all capital goods since January 1, 1962. In the case of public utilities it is 3 per cent rather than 7 per cent.

This means that if a taxpayer buys a machine for \$3,000, he can deduct 7 per cent of \$3,000, or \$210, from the amount of tax that he will owe for the year. This is not subtracted from his income, but from his tax. Actually, a tax credit is no different than having the taxpayer mail in the full amount of his tax and having the

Summary of

The 1962 Tax

By The Hon. CARL T. CURTIS
United States Senator
from Nebraska



government mail back a direct subsidy check to him. When this machine is depreciated under the rules you start not with a basis of \$3,000 but rather a basis of \$2,790, which is the price paid less the tax credit.

I did not support the investment credit proposal. I do not believe that it, standing alone, will necessarily spur our economy. I dislike the use of tax credits, because they whittle away the revenue. I prefer a more liberalized system of depreciation. In fact, I think that the taxpayer should have wide latitude in following his best judgment, and the best accounting practices available to his business, in determining over how long a period of time he should write off the cost of equipment.

The investment credit is discriminatory in that it will be to the disadvantage of the concern that prior to 1962 had already purchased new machines, or expanded its plant, and it will discriminate against a business concern that cannot and should not undertake an expansion or modernization at this time. It discriminates against the individual taxpayer or corporate taxpayer that cannot buy new equipment.



Expense Accounts—We have heard a great deal about abuses of expense accounts. No doubt some abuses have existed. The horror examples of abuses perhaps represented isolated cases. There is nothing wrong with the wording of the present statute in regard to requiring expenses to be ordinary and necessary before they can be deducted. There was one court decision which perhaps called for some new legislation in the way of greater substantiation of an item claimed as a business deduction, but otherwise it is a matter of enforcement. However, the administration asked for legislation denying a deduction to a taxpayer for all entertainment and gifts. The Congress did rewrite the present statute.

If a taxpayer, under this new law, wishes to deduct the cost of entertaining customers, he must show that the entertainment was not only for good will but that business was actually discussed and promoted at the time of the entertainment. This may mean that the entertainment

Revision Bill

A condensation of the address delivered by Senator Curtis before the 65th Annual Convention of the Nebraska Bankers Association

of a bank's customers at a luncheon before a football game will have to include business discussion to be deductible.

In order for an item of entertainment to be deductible it must show the amount spent, the time and place, the business purpose, the business relationship of the parties entertained, and that business was discussed.

In the case of gifts given by the taxpayer to his customers there is a limit established. No gift will be deductible for a greater sum than \$25 per year per donee. However, items costing less than \$4 and given generally to all of the taxpayer's customers are not to be included in the \$25. This would mean that a taxpayer could buy calendars with his advertising thereon, or other such items and deduct the cost thereof en bloc and it would not be a part of this \$25 computation per year per donee.



Travel Expense—Limitations are placed upon what may be charged off in the way of travel expense by a taxpayer. If a lawyer or a doctor, or any other taxpayer goes to a professional meeting and returns within one week, the entire amount of his travel is deductible if he went for a business purpose. If he stayed beyond a week and more than 25 per cent of his time was spent not for business but for personal pleasure, then he could not deduct the entire cost of his travel, but would have to pro-rate it.



Foreign Subsidiaries—A new departure over existing tax law since we had an income tax in 1913, was enacted in reference to foreign subsidiary corporations. In a way, this may seem remote to the state of Nebraska. On the other hand, I think that Congress made a mistake in this field, that it will hurt our economy generally, and will cut down our exports.

From the beginning of our income tax law an American owned foreign subsidiary corporation did not pay taxes on income earned outside of the United States until that money was brought into the country. The recipient then

paid the taxes on the dividends. That rule is changed for all subsidiary corporations except export trade corporations selling goods manufactured in the United States.

Under this new law, if an American subsidiary is engaged in manufacturing in France and sells its products throughout Europe through another subsidiary located in Switzerland, the income earned by the foreign subsidiary is taxable to the parent corporation in this country even though it never comes back to this country. There is one escape from the payment of this new tax by the American parent company which lessens the U. S. tax to the extent that the earnings are returned to this country. If as much as 47 percent of the foreign earnings are returned to this country then this new section does not apply. Otherwise, you really have a tax imposed upon the stockholder, that is the American parent corporation, on the earnings of the foreign corporation that may never be received.

This violates the rule that you must have jurisdiction to tax.

Whenever an American corporation establishes a subsidiary in a foreign land, whether it be Brazil, England or France, it increases our exports to that part. By the acquaintance built up in the foreign land and the learning of the language, a beach head is established for the sale of more American products. We send machinery, raw materials, replacement parts and component parts to the foreign subsidiary. It adds to jobs in this country. An additional tax burden on their operation will actually lessen the ultimate profit coming to this country and the revenue to the Treasury.

It will, in my opinion, lessen our exports, and it gives the American company operating abroad a disadvantage with its competitors. For instance, if there is to be a factory established in Guatemala, the American company should have the same tax burden in that foreign country as does the German firm, or the British or the Japanese firm. We should not attempt to tax foreign earned income until it is brought into this country.

This part of the tax bill violates all past practices. It is indeed cumbersome, complicated and was enacted over the protests of most businesses engaged in foreign transactions. It may turn out as the undistributed profits tax of the early 30's.



Patronage Dividends—Another proposal in the tax bill is the treatment of patronage dividends of cooperatives. At the present time the revenue received from this source is estimated at about \$1 or \$2 million. Under the new proposal it is expected to increase to about \$40 million.

When a cooperative pays a patronage dividend it is now taxable to the patrons. Some of these dividends are not paid in cash, but are paid in some form of script and the money is held by the cooperative. Under the new law, every patronage dividend must be paid to the extent of at least 20 per cent in cash. The endorsement of this check will constitute an agreement for the patron of the cooperative to report his full patronage dividend as income to the patron. If the patron fails to agree to report it in this manner the entire amount is taxed to the cooperative at corporate rates.



Savings and Loan Tax—There will be a sizable increase in the amount of tax paid by savings and loan associations. At the present time the total rev-

TAX REVISIONS . . .

(Turn to page 44, please)

Northwestern Banker, November, 1962

New Services

Show How . . .

Data Communications Between

Written Especially for the Northwestern Banker

By D. E. WILLIAMS

District Sales Manager, Intercity

Northwestern Bell Telephone Company

Des Moines, Iowa

RECENT years have seen tremendous forward strides in the electronic processing of banking items such as checks, deposits, and other banking functions. A wide variety of automation devices are currently in use by this nation's 14,000 banks to keep pace with the exploding public utilization of banking services.

The larger banks are rapidly installing sophisticated computer systems to handle the majority of the run-of-the-mill banking functions. But what of the smaller bank that is not large enough to justify expensive computer installations? These banks have the same basic requirements for processing data but on a much reduced scale. The larger bank, of course, can now extend many additional data processing services to its correspondent banks. However, a new area of the communicating of data from one bank to another needs increased exploration and investigation.

DATA-PHONE Service

DATA-PHONE service is the newest entry in a long line of data communications services offered by the telephone companies. Teletypewriter service, a form of data service, has

been available for many years. Other means of data communications have also been available but have required special engineering and special services. DATA-PHONE for the first time combines all the advantages and flexibility of regular telephone service with the ability to transmit data.

Basically, DATA-PHONE service might be considered as a hybrid of telephone and data service. It permits one to communicate the human voice with the ability to transmit data communications in one unit. Connections are established in the normal fashion as any other telephone call and then transferred to the "data mode."

It should be noted that DATA-PHONES do not originate intelligence just as a regular telephone does not originate intelligence. As the telephone depends upon the human to originate and interpret intelligence so does the DATA-PHONE depend upon machines. Due to the wide variety of business machines on the market today with the capability of data communications a wide variety of DATA-PHONES are required. But, they all provide the same basic service—the

ability to transmit data from one machine to another machine.

Wide Area Phone Service

DATA-PHONE service is compatible with all of the voice communications services now offered by the telephone companies. DATA-PHONE service will work with regular telephone service, long distance service, private line telephone service, and more recently WATS (Wide Area Telephone Service). WATS is similar to regular long distance service except that it is available on either a message or full time basis.

WATS provides a customer with a telephone line permitting him to call any telephone within a given geographic area. Customers have a choice of six geographic areas which in total encompass the entire United States. He may choose one or all of these areas as his need dictates, the cost of service increasing with the geographic coverage.

WATS is an originating service only. Charges are based on either full time or message usage. Full time service provides 24 hours a day, seven days a week service. Message type service provides for 15 hours per month service with prorated charges for each additional hour of service utilized beyond the initial 15 hour period.

Flexibility

The flexibility of DATA-PHONE service now permits customers to transmit data to and from any location in the United States that has regular telephone service—in actuality, any place in the United States. It offers the additional advantage of being portable to the extent that it can

■ The accompanying article was written by Mr. Williams at the request of the NORTHWESTERN BANKER. It was prepared after weeks of research by the author, who was ably assisted by a number of his associates in major cities throughout the nation.

The banking industry has scored a tremendous success in developing the common language of MICR, and the equipment firms have achieved like success in developing electronic equipment to perform at high speed. A further step in the process of speeding up the handling of bank paper work, it would seem to us, would be to solve the communications flow between banks.

New services to achieve this end are available now based on years of research, and newer ones are being developed regularly. It is interesting to note that one of the newest services described in this article, DATA-PHONE service, has been in daily use for several weeks by Jamestown National Bank of Jamestown, N. D., in transmitting data from its installment loan department directly into the computer system of First Bank Stock Corporation in Minneapolis, where records are made, then printed out and mailed directly back to Jamestown the same day.

Mr. Williams' views are presented here as a communications man taking a look at how his industry can serve the field of banking.—The Editor

Northwestern Banker, November, 1962

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Federal Reserve Bank of St. Louis

Banks Can Be Speeded

be moved from city to city as the needs of the customer warrants.

Since DATA-PHONE service is provided over the regular long distance network, it also offers economical advantages. Data calls can be placed as required. Special services are not needed, thereby making DATA-PHONE service a pay as you go service. Of course, as volumes grow an economical crossover point between long distance and private line services is reached. At this crossover point even greater economics can be obtained by DATA-PHONE customers.

The customer controls whether or not he wishes to transmit data or voice. Many customers utilize private line telephone or WATS in the daytime for normal voice calls and during the nighttime for data communications thereby doubling up on their communications dollar with even greater economic efficiency.

Truly, a new era in data communi-

cations is dawning for the banking industry. More and more uses of DATA-PHONE service are being discovered every day. It appears inevitable that one day the majority of the flow of data within the banking industry will be handled by DATA-PHONE service. Following is a synopsis of systems in use today involving either data communications or electronic data processing equipment:

Teller Recording

Several large savings banks have recently installed individual teller agent sets to assist in handling savings accounts, deposits and withdrawals. These agent sets work directly with a centrally located computer in the same or another location. Pass books presented to tellers are inserted into the agent set and the particular transaction, the deposit or withdrawal, entered by manual operation of various push buttons or keys.

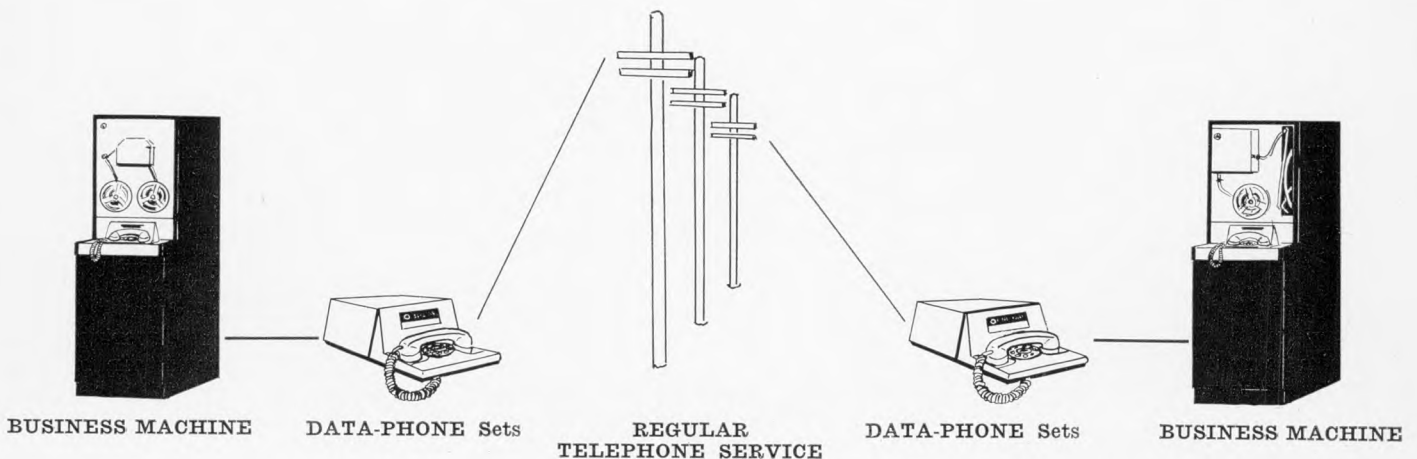
The transaction is automatically recorded on the pass book and transmitted to the computer which debits or credits the appropriate account, determines a new balance, and automatically prints out the new balance on the pass book contained in the distant teller's agent unit—all in a matter of a few seconds. Transactions are completed faster, more accurately and with a maximum of service to the bank's savings customers. It can also be seen that this system eliminates many previous manual entries from point of origin to final account posting and provides an improved means of balancing accounts.

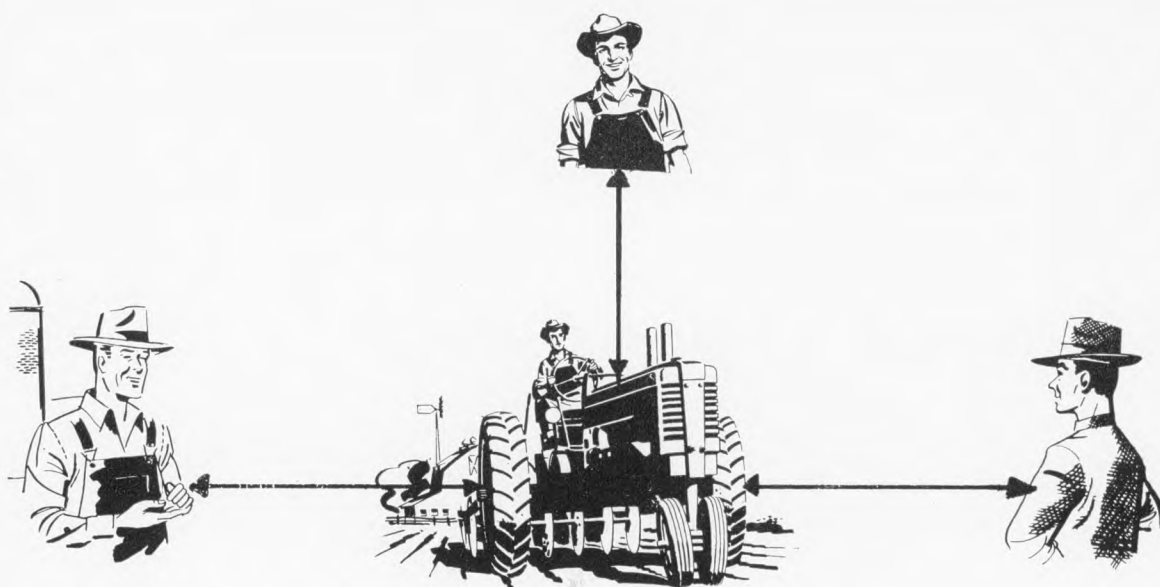
Closed Circuit TV

Closed circuit TV is being used on a limited basis for signature verification. It can be seen that with a TV

COMMUNICATIONS . . .

(Turn to page 46, please)





Joint Ownership Cuts Farm Costs

THE trend toward larger farming units and toward the use of larger and more expensive equipment is making it increasingly difficult for the smaller operator to stay in farming.

Although additional land for production would result in more pounds and bushels of feed, Clarence J. Hofer and his three sons who farm near Huron, S. D., have reconciled themselves to bettering the yield of acres now under their control. Also, they are using every available method to keep production costs at a minimum.

One important factor in the success of the Hofer operations is the joint ownership and joint use of the larger farm equipment.

Mr. Hofer and his youngest son, Gordon, age 13, farm near Huron. His other two sons are married and operate farms nearby. These three farms are typical of many throughout the country competing in a high-cost agricultural economy.

Mr. Hofer's oldest son, Glen, age 24, spent his summers helping his father on the home place while attending school. During this time he bought a few calves and then continued to develop his productive nucleus on a 160 acre farm he purchased at \$50 per acre.

Jerry, age 22, worked at Armour & Company on a part-time basis, enabling him to rent a neighboring farm which lacked much by way of productivity and facilities.

The work on these three farms is

well synchronized and the total 1,680 acres properly farmed.

In 1959, the Hofers purchased a new diesel tractor, a four-bottom 16-inch plow and a four-row cultivator by trading in the gas burning equipment and by financing the balance on a three-annual-payment basis.

"The diesel works 18 hours a day

*Written Especially for
The Northwestern Banker
By JOHN M. MCGREGOR
President
Bank of New Effington
New Effington, South Dakota*

and last spring the 13-year-old boy plowed 90 acres in 30 hours," Mr. Hofer said. "We can operate three units for half the previous cost with this diesel tractor."

Another recently acquired and jointly owned implement is a forage harvester. As a result, excellent equipment is available to all three operators and sufficient labor is ready to operate the equipment a maximum number of hours during the busy seasons.

Mr. Hofer and the boys decided some time ago that livestock was the answer to success in the Huron area and each fall they store large tonnages of silage in trenches or bunkers. They feel that greater profits can be realized from minimum acreages through the use of silage.

After feed supplies are in store and

pasture no longer in abundance, the Hofers make maximum use of labor and feed. Clarence and Glen have milking parlors. Each milks 15 to 20 cows and sells Grade C milk to be used for cheese and dried milk. Clarence's two-stall parlor, completely installed, cost \$725. Glen's two-cow system was installed for the same amount.

Both systems have the cows elevated, gates are controlled by the milker, and artesian wells provide water pressure for udder washing and other sanitation purposes. These facilities are not particularly elaborate, but Clarence says his unit will net \$210 per month.

This entire farming arrangement is evidence to the fact that the young men can enter agriculture in today's economy. Mr. Hofer says that it doesn't necessarily cost \$15,000 for equipment to start farming. An adequate living can be produced with a minimum investment on today's farm and joint ownership of larger equipment is one method that can be used to keep the investment down.

The methods used by the Hofer family also show that it may be practical for groups of neighbors to arrange joint ownership of some of today's costly farm equipment.

Many pieces of equipment are used just a few days each year and are impractical for a small farm operator. Used jointly with a neighboring farmer, the larger equipment can be kept in operation more days with the result of greater returns from the investment.—**End.**



COUNCIL BLUFFS, IOWA, Savings Bank used this display to promote the rental of safety deposit boxes. Economy and safety were stressed throughout the promotion.

THE following copy appeared on a sales folder for safe deposit boxes and was used by the Fahey Banking Company, Marion, Ohio. The copy was prepared by Mary Holloway, safe deposit department:

How long should important household papers be kept? The following check list can help set you straight on what you should keep and how long.

What	How Long
Birth Certificate	Permanent
Will	Permanent
Marriage Record	Permanent
Social Security Card....	Permanent
Income Tax Records....	Six Years
Bank Books.....	While in Force
Insurance Policies.....	While in Force
Cancelled Checks.....	2-6 Years
Check Stubs.....	6 Months
Bank Statements.....	2 Years
Receipts and Sales Slips.....	Up to 6 Years
Mortgage or Loan Certificates....	While in Force (plus 3 years)
Real Estate Deeds.....	Permanent
Other Real Estate Papers.....	Permanent
Stocks and Bonds.....	During Ownership (plus 6 years)
Property and Investment Records	6 Years
U. S. Savings Bonds.....	While in Force
Warranties and Instruction Books	While in Force
Permanent Records Should Be Kept in a Bank Safe Deposit Box	

HERE are nine ideas from a recent FRPA meeting:

1. Furnish customers post cards

with a picture of the bank on one side and pay postage anywhere in the U. S.—*Ray D. Jackson, Security First National Bank, San Diego, Calif.*

2. Trading stamps seem to be a craze now. Perhaps four out of five housewives are saving them. Each family tries to concentrate on possibly one or two brands of stamps, yet accumulates odds and ends of others. Why not, as a P.R. service, suggest to banks to serve as a clearing house for stamp savers? Banks could give receipts to customers and prospects for their off-brand stamps, swapping them for the favored kind and perform a real service.—*Joe H. Davis, First National Bank of Memphis, Tenn.*

3. Have a "construction party" during a building or remodeling project. The party can be held amid the rubble of construction and guests can wear coveralls and protective helmets, sit on nail kegs at rough board tables. Entertainment is simple; just a piano is best. The menu can be made up of food with "construction" terminology. This gets the press and public thinking about the building before it's ready for the grand opening.

4. We get names of newcomers from the utility company. The local bakery bakes a cake with "Welcome to Indianola" on it and one of our staff delivers it along with a card that entitles the family to a free "check wallet" when they call at the bank.—*William Burton III, Peoples Trust & Savings Bank, Indianola, Iowa.*

5. We send a dozen roses to every mortgagor of ours after the loan is closed and on the day they move into their new home. The flowers last only

a short time, but the thoughtfulness of a bouquet lasts many years.—*Ron Watrous, Binghamton Savings Bank, Binghamton, N. Y.*

6. Follow up the "Welcome Wagon" with a personal letter or telephone call; or better yet, a personal call. The "Welcome Wagon" can only give passing mention to the bank because of the number of things to be covered, but the personal follow-up will underscore the first favorable impression.—*F. J. Blake, Central National Bank, Cleveland, Ohio.*

7. We sent companion mailing pieces, one titled "Recipe for Money Management," the other a recipe for a tasty dish. These can be mailed to women customers, or if a bank has a Women's Call Program, these two pieces would be fine literature for leaving with the customer or prospect when making a call.—*Mabel Taylor, First National Bank of Memphis, Tenn.*

8. Provide a "slide rule" for new accounts personnel for use in demonstrating to customers the charges under regular checking account plans and special (10 cents per check) checking account plans for various numbers of checks drawn with different average balances, and showing the "break-even" points for selected balances.—*James K. Sanbourne, Denver U. S. National Bank, Denver, Colo.*

9. Use present customers to get new customers by offering premiums. One bank offers \$1.50 per new checking account and opened 1,000 new accounts in a year. Advertising was by statement enclosures and in-bank displays.—*F. J. Blake, Central National Bank, Cleveland, Ohio.*

Help Your Customers Keep Working Capital Working



By **KENNETH C. GLASER**
President
Lend Lease Transportation Co.
Minneapolis, Minnesota

MANY banks and businessmen do not realize that during the past two decades, the leasing/rental of cars and trucks has soared to a gross volume of over \$1 billion in the United States and the advantages of its operations are still not too well understood.

Leasing of transportation equipment frees "working capital" and improves a firm's "balance sheet." It eliminates the necessity of tying up "working capital" in fast-depreciating transportation equipment.

Regarding the tax aspects, the accelerated depreciation available under the Internal Revenue Act of 1954 is available to business and industry where the equipment has a useful life of more than three years. In actual practice, vehicles are seldom used for this period of time.

Leasing is a long-term arrangement, preferably in the interest of both lessor and lessee, of at least 15, 24 or 36 months. Of all motor vehicles being leased or rented in the United States today, about 90 per cent are leased rather than rented. Over 3,000 major American firms are "Keeping Their Working-Capital Working" by the use of leased motor vehicles.

Seven Advantages

In general, transportation leasing offers seven major advantages:

1. Frees or conserves working capital for more profitable investments.
2. Improves the asset and liability relationship of a company's balance sheet. (The obligations of a

leasing arrangement are not reflected in a financial statement.)

3. Leasing will often provide funds, not available from any other source, for expanding of medium-sized concerns.
4. Leasing conserves bank credit lines. Funds normally borrowed from financial institutions can now be used for other productive uses.
5. Leasing serves as a hedge against rising costs. Commitment for leased transportation equipment is made at today's dollar value and if inflation continues, will be paid back with devalued dollars.
6. Leasing can eliminate red tape required by company purchasing procedures. Once a master lease is entered into with a leasing company, additional equipment requirements can be handled routinely.
7. Leasing will result in a tax savings, especially when plans without options to buy, are selected. The extent of tax reduction is determined by the term for which the lease is written, as compared with the "usable life" write-off, generally used by a firm for depreciating similar transportation equipment. The shorter the lease term, as compared to "useful life" used for depreciation purposes, the greater the amount of tax reduction.

In some companies, because of the nature of their business, the investment and expense associated with mo-

tor vehicle equipment may be so small relatively, that leasing may not be considered as worth the trouble. Individual situations may make company ownership more advantageous.

With creeping inflation and steadily increasing operating costs, firms are finding a need for a greater dollar amount of "working capital" in order to maintain the same volume of business.

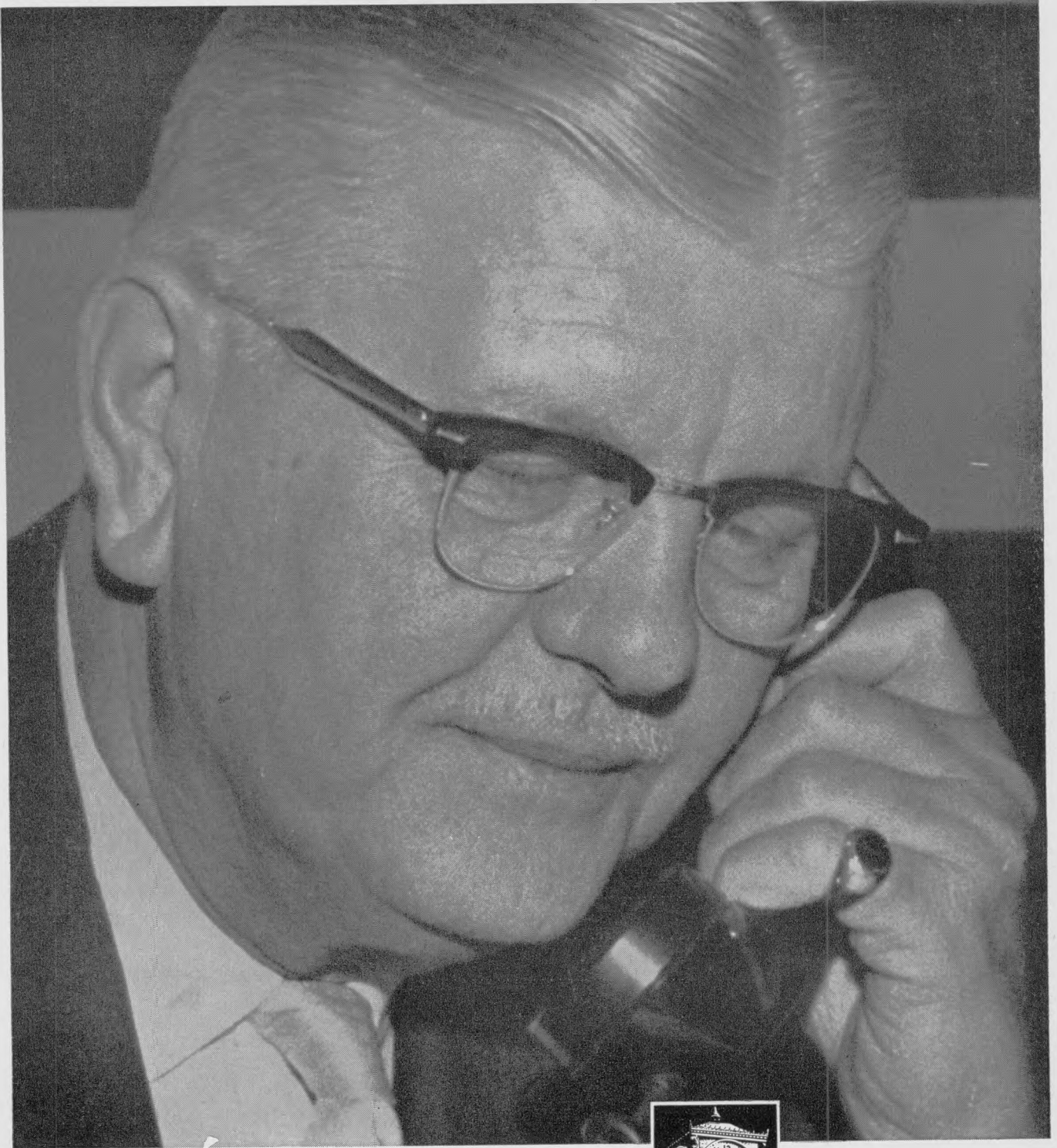
Tax Aspects

Whether company ownership or leasing of transportation equipment is better tax-wise, depends on the existing situation. At any rate, payments to a reputable, experienced leasing organization are usually deductible and easy to establish for income tax purposes, in contrast to the time and labor in maintaining a host of depreciation records needed to justify tax deductions in company ownership and maintenance.

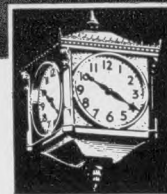
For additional information, we will be pleased to send you a copy of our new booklet "How to Keep Working-Capital Working," without obligation.

EDITOR'S NOTE: Lend Lease Transportation Company is the largest car/truck rental and leasing organization in the Upper Midwest. Mr. Glaser is one of the pioneers in this fast-growing industry, having established this firm in 1946. He is past president of National Car Rental System, Inc., and now is serving as chairman of its operating board. He also is past president and chairman of the board of American Automotive Leasing Association.

EXPERIENCED



As one member of a seasoned, progressive team, Karl Sagl has been calling on bankers for 27 years. From such experience comes knowledge and judgment. So whatever your problem, remember this - your Commerce Trust man either has the answer or quick access to it. Another good reason why one bank in ten throughout the nation is a Commerce Trust correspondent.



Karl Sagl
Vice President

Commerce Trust Company

Kansas City's Oldest and Largest Bank

Member Federal Deposit Insurance Corporation

Northwestern Banker, November, 1962

American Bankers Association

Agricultural Credit Conference

at Sheraton-Fontenelle, Omaha

November 11-13

SUNDAY, NOVEMBER 11

- 3:30 p.m. REGISTRATION on Mezzanine at Sheraton-Fontenelle Hotel, Omaha.
- 5:30 p.m. "DUTCH TREAT" Get-Acquainted Hour, Ballroom.

MONDAY, NOVEMBER 12

- 9:15 a.m. OPENING SESSION (Ballroom)—Presiding.....T. P. Axton
Chairman, ABA Agricultural Committee
President, Lafayette Savings Bank, Lafayette, Ind.
- Greetings.....Morris F. Miller
President, Omaha Bankers Association
- Address.....M. Monroe Kimbrel
A.B.A. President
Chairman, First National, Thomson, Ga.
- "Agribusiness".....Dr. Guy McLeod
Manager, Sales Promotion and Product Development
Niagara Chemical Division
Food Machinery & Chemical Corporation, Fresno, California
- "You Can't Grow Corn in a Bank Lobby".....O. E. Anderson
Secretary, Ohio Bankers Association, Columbus, Ohio
- "Agriculture and the Common Market".....Dr. O. B. Jesness
Head Emeritus, Department of Agricultural Economics
University of Minnesota, St. Paul, Minn.
- 2:00 p.m. AFTERNOON SESSION (Ballroom)—.....
- Presiding.....John H. Crocker
Chairman, Citizens National Bank, Decatur, Ill.
- "Agriculture Implications of the Common Market".....Panel
- Harry Hukins
Assistant Secretary, Bunge Corp., N. Y.
- Dr. Everett E. Peterson
Department of Agricultural Economics
University of Nebraska, Lincoln
- A. P. Sparboe
Vice President, Pillsbury Company, Minneapolis, Minn.
- Dr. Tyrus R. Timm
Head, Department of Agricultural Economics and Sociology
Texas A.&M. College, College Station, Texas
- 3:00 p.m. BULL SESSIONS—Ballroom, Hunt Room, Sheraton Rooms
 (North and South). Theme, "Agricultural Implications of the Com-
 mon Market." Discussion Leaders.....
-Mr. Hukins. Dr. Peterson, Mr. Sparboe and Dr. Timm
- 5:45 p.m. Social HOUR (Sheraton Rooms, North and South). Hosts.....
Omaha Bankers Association
- 7:00 p.m. DINNER (Ballroom)—Presiding.....Mr. Axton
- Address.....Gordon Allott
U. S. Senator from Colorado, Washington, D. C.



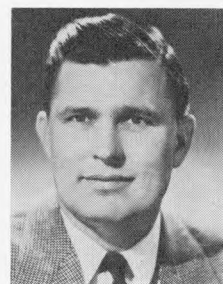
M. M. KIMBREL



SEN. ALLOTT



T. R. TIMM



T. P. AXTON

TUESDAY, NOVEMBER 13

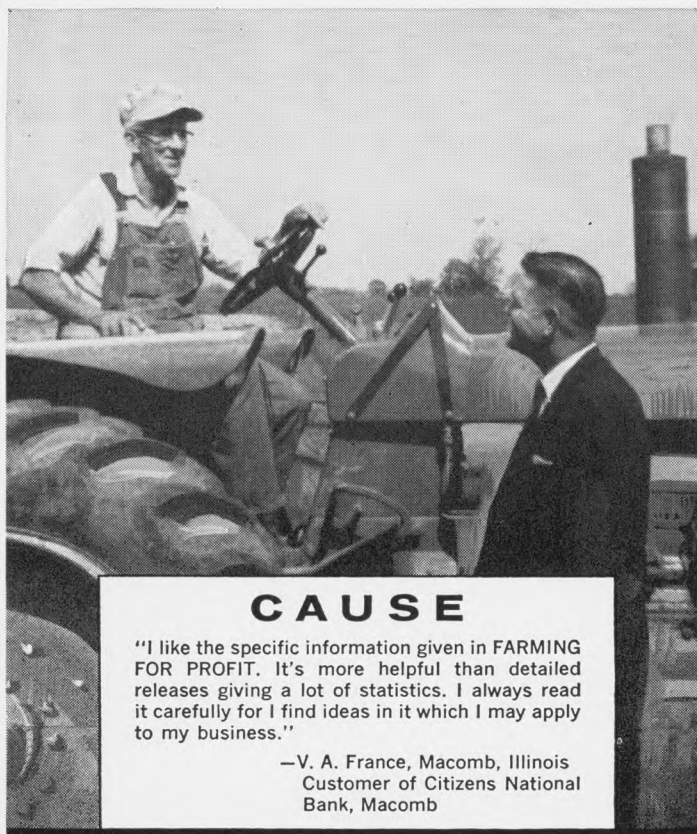
- 7:15 a.m. BREAKFAST (Ballroom). Hosts..Doane Agricultural Service, Inc.
- 9:00 a.m. MORNING SESSION (Ballroom)—Presiding...Otto Kotouc, Jr.
President, Home State Bank, Humboldt, Neb.
- "A Farmer Looks at His Banker".....Leavitt Booth
Arvada, Colo.
- "Banking and Rural Development".....Dr. Brice Ratchford
Dean and Extension Director, University of Missouri, Columbia
- "A Better Understanding".....Jordon Crouch
Vice President, First National Bank of Nevada, Reno, Nev.
- "Correspondent Banking for Farm Lending in the '60s".....Panel
- Moderator, Edward M. Norman
President, First National, Clarksville, Tenn.
- E. J. Clabuesch
President, Pigeon State Bank, Pigeon, Mich.
- O. "Dooley" Dawson
Vice President and Manager
Agricultural Department, Bank of Southwest, Houston, Tex.
- 12:30 p.m. LUNCHEON (Ballroom)—Presiding.....Mr. Axton
- "Banking and a Changing Agriculture".....Dr. G. B. Wood
Head, Department of Agricultural Economics
Oregon State University, Corvallis, Ore.



DR. G. B. WOOD



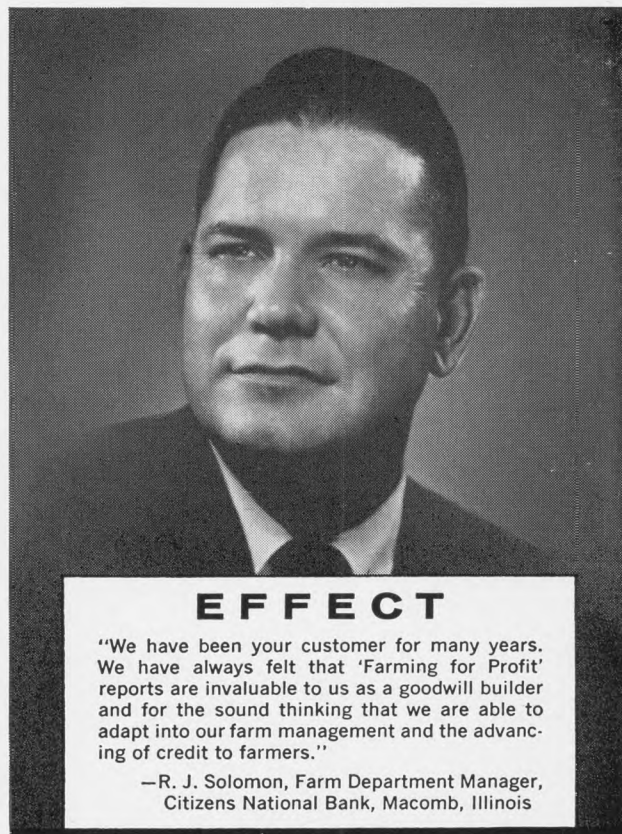
DR. O. B. JESNESS



CAUSE

"I like the specific information given in **FARMING FOR PROFIT**. It's more helpful than detailed releases giving a lot of statistics. I always read it carefully for I find ideas in it which I may apply to my business."

—V. A. France, Macomb, Illinois
Customer of Citizens National Bank, Macomb



EFFECT

"We have been your customer for many years. We have always felt that 'Farming for Profit' reports are invaluable to us as a goodwill builder and for the sound thinking that we are able to adapt into our farm management and the advancing of credit to farmers."

—R. J. Solomon, Farm Department Manager,
Citizens National Bank, Macomb, Illinois

Cutting Costs of Building Farm Loans and Deposits

Efficient use of your bank's advertising budget is more essential than ever to increase the number of loans and deposits among your farm customers... and do it at reasonable cost.

Many banks across the country have found the answer to this problem. They use a unique *exclusive service*, which you, too, will find can 1) move you ahead of competition in your area; 2) make your advertising dollar go further and do more; and, 3) provide your farm customers and prospects with an extremely beneficial service.

Monthly, you can assist your farm customers with management and marketing information, supplied in Doane's **FARMING FOR PROFIT**.

Farming for Profit is a Doane Agricultural Service report. Through seven regional editions, it deals directly with farm management problems of your customers... your area. *Farming for Profit* covers all sides of farming—livestock, crops, machinery, buildings, taxes, leases, soils, fertilizers, etc., along with short and long-range forecasts for both crops and livestock.

These reports reflect the combined thinking of the Doane nationwide network of farm managers, price researchers, engineers, economists, legal and tax specialists and

others. Every report gives your farm customers the **TOTAL PICTURE** of what is happening in agriculture.

There is no other private service with the nationwide personnel and facilities to duplicate the **FIELD WORK** and **VERIFICATION** delivered in Doane's *Farming for Profit*.

Send any farmer these *vital usable facts* about his business and he will read every word. Furnishing these facts from Doane puts you in the position of aiding your farm customer with *authority* he knows and respects.

There's no waste circulation when you use *Farming for Profit*. You "pin point" the customers and prospects to receive this valuable public relations tool.

COSTS YOU LESS—BRINGS CUSTOMERS CLOSER TO YOU

You can send *Farming for Profit* to your farm customers for only pennies a month each.

An ad or sales letter is fleeting. *Farming for Profit* is *kept*, reread constantly. Your bank name and message will be printed prominently at the top of each copy. You receive *exclusive distribution rights* in your area. If you wish, Doane can handle the complete mailing for you.

Write now for sample of *Farming for Profit*, plus complete information on imprinting, mailing and quantity prices.

**NO FARMER
IGNORES
HIS
LIVELIHOOD**

DOANE AGRICULTURAL SERVICE, INC.

5144 DELMAR BLVD.

ST. LOUIS 8, MISSOURI

To Head International Bank

GEORGE D. WOODS, chairman of the First Boston Corp., will become president of the International Bank for Reconstruction and Development January 1, 1963, succeeding Eugene R. Black.

Closely associated with World Bank operations for more than a decade, Mr. Woods has been an investment banker since 1918.

Born in Boston, July 27, 1901, he grew up in Brooklyn, N. Y., and in 1918 joined the New York investment firm of Harris, Forbes and Company, at the age of 17. He stayed with that firm until he joined First Boston, actually an outgrowth of Harris, Forbes, in 1934.

He became chairman of First Boston in 1951.

Data By Telstar

The feasibility of using space satellites for long-distance transmission of banking data has been demonstrated in Dayton, Ohio, at the research and development center of the National Cash Register Company.

The NCR tests were conducted jointly with the Bell System, which developed the space satellite Telstar, now orbiting the earth at a speed of 16,000 miles an hour.

They involved an NCR "on-line"

data processing system in which basic business machines can be linked directly to the computer, regardless of the distance involved, for faster and more efficient information processing.

In Foreign Department

Hector H. Dominguez has been elected vice president of First National Bank in St. Louis by the board of directors of the bank, it was announced by James P. Hickok, chairman of the board.



H. H. DOMINGUEZ

Mr. Dominguez will be associated with James L. Sharp in the bank's foreign department. He will succeed Mr. Sharp upon his retirement next year.

For more than 20 years Mr. Dominguez was director of foreign sales for International Shoe Company and handled a substantial volume of export orders.

AIB Executives Meet

The annual midwinter meeting of the executive council of the American Institute of Banking, educational sec-

tion of The American Bankers Association, will be held at the San Marcos Hotel, Chandler, Ariz., January 21-25, 1963.

Elected By Harris

Chalkley J. Hambleton has been named vice president and secretary of the Harris Trust and Savings Bank, Chicago. Mr. Hambleton joined Harris Bank in 1935 and has since been in its trust department, where he was elected assistant secretary in 1948, assistant vice president in 1953 and vice president in 1960.

Name Tokyo Manager

Alexandre A. Berline has joined the international division of Wells Fargo Bank in San Francisco and has taken charge of the bank's Far East representative office in Tokyo.

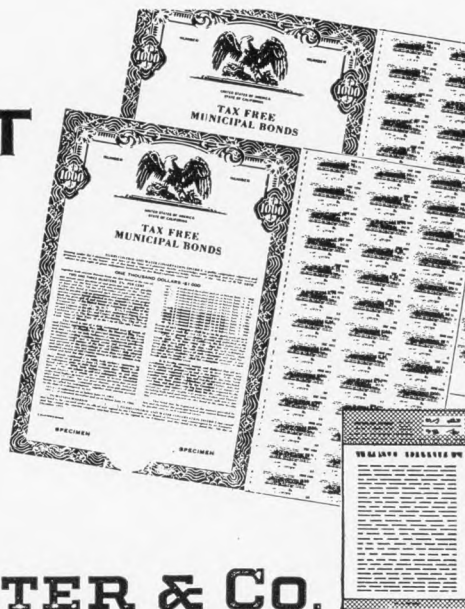
A graduate of the University of Paris in sciences and foreign languages, he started his long career in international finance in 1925 with the Paris staff of the Banque des Pays Europe Centrale.

Elected at Chemical

J. Irwin Miller, chairman of Cummins Engine Company, Columbus, Indiana, has been elected a director of the Chemical Bank New York Trust Company, New York.

interested in TAX EXEMPT interest?

No need to pay taxes on all your income. Especially when municipal bonds now offer generous yields that are exempt from Federal income taxes. Our municipal bond department has a selected list of current offerings of state and municipal bonds. We will be glad to mail you a copy without obligation. Just call or write our office.



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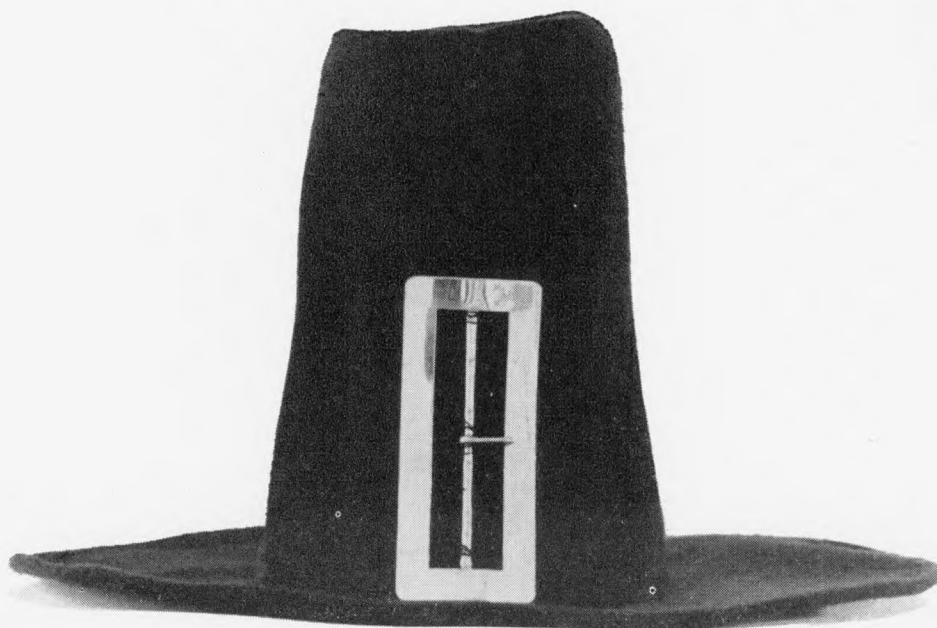
San Francisco

Los Angeles

New York

Chicago

49 offices serving investors



Thanks



American National Bank

AND TRUST COMPANY OF CHICAGO/LASALLE AT WASHINGTON

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

FRANKLIN 2-9200

Northwestern Banker, November, 1962

If You Are . . .

BANKING for PROFIT

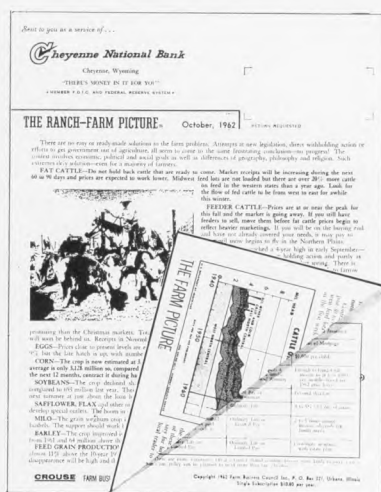
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Preference Rating Surveys
show that

the FARM PICTURE

is preferred by three to four and more
times as many farmers as any similar
public relations media! It is the

OUTSTANDING CHOICE OF OUTSTANDING BANKERS



THE FARM PICTURE

SELLS . . .

Full Service Banking . . .

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YOU . . .

Get full PR Power with your public relations and advertising dollars. Send the whole FARM PICTURE—4-pages of farm outlook, management, income tax guides, estate planning and much, much more—PLUS a banker's point of view! Let your farm customers see a copy of THE FARM PICTURE and they will tell you how you can invest your budget to best advantage.

Write for the PR Power brochure. It tells all about the Preference Rating Surveys and how you can give your farm customers a chance to tell you how much more they would appreciate the whole FARM PICTURE. Every heading is especially designed to carry the good image of your bank to your customers. Sold on an exclusive territory basis. Complete addressing and mailing service available.

the FARM PICTURE

DEPT. 37, P. O. BOX 221, URBANA, ILLINOIS

Buying and Giving Business Gifts

Suggestions on
how you can build
good will for your bank

BUSINESS Christmas gifts can be a valuable addition to your bank's goodwill program, if the gifts are selected and given properly.

The Business Goodwill Advisory Council, in a pamphlet entitled "Business Gifts at Christmas—Good or Bad?", lists seven rules as the keys to successful gift giving:

1. Keep your gifts of modest value in relation to the importance of each recipient as an employee, prospect or customer. Extravagant gifts can be misinterpreted as a form of bribery.
2. Choose your gifts individually, considering the tastes of each group of recipients, or preferably, of each individual recipient.
3. Choose only high quality gifts that are useful, durable and dependable.
4. Personalize each gift, if possible, with the recipient's name or initials.
5. Package each gift attractively and securely.
6. Accompany each package with a personal note, greeting card or at least a special gift label.
7. Deliver each gift with a flair, if possible personally or by special messenger, and preferably to each recipient's home rather than to his office.

Remember Purpose

In setting up a gift program for your bank, you should keep in mind that the only purpose of the program is to build goodwill toward your

bank. Most people consider a bank as a cold and impersonal thing. A business gift should express, as much as possible, the personal relationship between a person who represents the bank and the person to receive the gift.

To achieve these purposes your gift should first of all look like a gift and it should be presented with a flair, with some attempt to recapture the excitement we all had as children when seeing the gaily-wrapped packages.

One of the most difficult questions regarding gift giving is "What should a gift cost?"

This is almost impossible to answer in general. The purpose of a gift is to gain friendship, and to increase goodwill. How much is this worth? Your gift should be in relationship to its potentials.

A bank customer may have two banks in mind when he considers a business transaction. He will pick the one he remembers with the greatest friendliness. The proper gift can build such a friendship.

It is practically impossible to develop a percentage figure to determine an amount to spend on a gift. The cost of a gift should be dependent upon the relationship between your firm and the customer. The one thing to be particularly watchful for is that the gift dare not be too lavish. A lavish gift may be accepted, but it still may arouse resentment in the re-

What Executives Choose

A recent study of six price categories offered by Select-A-Gift Division, Ebsco Industries, Birmingham, Ala., shows that most recipients chose gifts for their homes. Each booklet offered 30 items, but the bulk of the selection went to only 8 to 12 of the items offered. Following is a comparison between gifts selected for the home and for outdoors, broken down by price categories:

PRICE	HOME	OUTDOORS
\$3.00	53 per cent	18 per cent
\$5.00	53 per cent	9 per cent
\$7.50	63 per cent	10 per cent
\$10.00	66 per cent	11 per cent
\$15.00	70 per cent	5 per cent
\$25.00	70 per cent	—

In addition, magazines played an important part. If the magazine selections were added to these groups, the total selecting this as their choice came to 40 per cent of all orders.

ipient, or an effort to show that he was not influenced by the presentation.

Gift Certificate Plans

One of the most successful gift giving methods developed in recent years is that of gift certificate plans. It is simple to use and the customer is assured of receiving a gift he will use and enjoy. The plans work something like this:

A company issues a catalog which describes a group of gifts. The catalogues usually are attractively printed and come in a folder which identifies the donor. The gifts in any one catalogue are of the same price range and the donor selects the price range of gifts he wishes to present before the catalogues are mailed to customers. In some instances the donor handles the mailing; in others a list is supplied to the catalogue firm.

Recipients of the catalogue select from the gifts in the catalogue and indicate which he would prefer on a business reply card included in the catalogue. The certificate company receives the reply card and ships directly to the recipient. The firm giving the gifts then is billed according to the actual merchandise mailed out.

Perhaps the major advantage in

this plan is that all the mechanical handling is taken care of, and the recipient gets something he wants.

In selecting a catalogue to be mailed to customers you should consider the following questions:

Are the gifts offered what you would like to offer or receive? What does the catalogue look like? Will it bring a credit to you? Is the plan reliable? Does it offer good value, well handled and shipped promptly?

Many advertising specialty jobbers now have gift certificate plans available, some of which have the added feature that you can make up your own catalogue using sets of sheets, already printed, each of which describes a single item.

Long Range Programs

Still another gift-giving idea is that of adopting a long-range gift program. Some companies have adopted such a plan with great success. While they do not give the same thing year after year, each year's gift is a variation of, or a supplement to, what they had given previously.

Glassware is perhaps the simplest example of this type of gift. Each year a set of glasses is selected, each year of the same pattern, but each year a different shape or size. One year you might give a set of iced tea

glasses, the next brandy snifter, etc. Recipients thus build up a fine set of glassware, but at the same time each year's gift is sufficiently different to be interesting.

Other examples of the same idea are desktop accessories, personal jewelry, kitchenware, cutlery, leather-bound volumes of great books. This program is particularly effective if the gift is related to the donor's business.

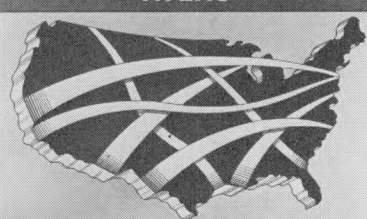
Since a gift is basically from one person to another, the more it is selected especially for the recipient, the more effective it will be. Everyone likes to get something that shows that someone put thought into the selection.

Personalize Gifts

The simplest way to make a gift personal is to put a monogram or the name of the recipient on it. In addition to being appreciated, the recipient is less likely to give it away.

But imprinting three letters, or even an entire name, on a gift is not really personalizing it. Most executives are sophisticated enough to know that imprinting is a fairly mechanical operation, done at comparatively little expense. The real method of personalizing a gift is to find some-

**COLORPRINT™
TRANSCONTINENTAL
VACATION and HIGHWAY
ATLAS**



UNITED STATES
WITH PORTIONS OF SOUTHERN CANADA AND NORTHERN MEXICO

WITH COMPLETE INDEX

AMERICAN MAP CO., INC., New York

**THE GIFT THAT BUILDS
YEAR-AROUND GOODWILL**

Give your customers this unique vacation and highway atlas and you can be assured of year-around appreciation. 48 pages including 18 pages with 127 photos of vacation spots your customers will enjoy.

Discounts on quantity orders. Imprints in color.

AMERICAN MAP CO. Inc.
3 W. 61st St. New York 23, N. Y.

**THE DISTINCTIVE AND
PRACTICAL GIFT**

**ERASOMATIC
ELECTRIC
ERASER**



Only 5 1/2" Diameter

Give the present with a future. Time-saving ERASOMATIC is an efficient "must" for secretaries, architects, draftsmen, at-home writers . . . anyone who uses an eraser. ERASOMATIC is engineered for industry, designed for modern living. It completely and neatly erases ink, typewriting and pencil marks without paper damage. Compact, with feather-light and easy-to-use handpiece.

**ERASOMATIC MOTOR IS FULLY
GUARANTEED FOR TEN YEARS.**

\$29.95 ppd.

Gift wrapping on request at no extra charge.

ORDER NOW. Send check or money-order to:

THE MAR-GO COMPANY
8705 Woodland Avenue, Cleveland 4, Ohio

**MAKE HER HAPPY!
GIVE HER A
Spruce ELECTRICAL
MANICURIST**



only 5 1/2" diameter

So easy to use and such beautiful results—all in the comfort and privacy of your own home. Spruce smooths fingertips; shapes nails; seals nail edges to prevent splitting; gently loosens and removes excess cuticle; eliminates hangnails; erases calluses; stimulates circulation for healthier fingernails—all in a matter of minutes. Five instant-change attachments do the work for you.

Spruce is also highly recommended by doctors for safely taking care of corns and calluses on the feet. Here is a welcome gift that is used not only weekly, but year after year. The SPRUCE motor is **unconditionally guaranteed for 10 years**; plugs into any electric outlet. So safe, children can use it. For a lifetime of beautiful hands, give the exciting and original gift—a SPRUCE ELECTRICAL MANICURIST.

Gift-wrapped on request at no extra charge

\$29.95 ppd.

DELUXE KIT Spruce Electrical Manicurist with supplementary attachments (nail planer, chamois buffer, vibrator, facial massager) and ample supplies for 500 manicures in handy container. \$49.95.

Order now or write for free descriptive literature:

ABAR MFG. CO.
8812 Woodland Avenue, Cleveland 4, Ohio

thing that would be acceptable to only one man in the world—the one to whom you are sending the gift. This is not easy and the recipient knows it, and thus appreciates the personal thought that went into the selection.

To do this you have to learn something about the man himself, his hobbies and his pleasures, his likes and his dislikes. This takes time but is not impossible.

Gifts do not have to be expensive to be effective. It is the appropriateness of the gift that makes it successful.

Giving gifts does not have to be a headache; it can even be fun. If it is an enjoyable task and you think as much of the recipient as you do of the donor chances are you will make wise selections of gifts.

Perhaps the best single rule of gift giving is a simple one: use quality and taste. Whatever you give, whether it be small or large, inexpensive or high in price, let it be the best of its kind. Make sure that it is something that you would be glad to receive, and something you can be proud of as a donor. Let your signature on the card accompanying the gift be the only place your name appears on the gift. If the gift is appropriate your name will **not** be forgotten. If the gift is not appropriate, the presence of your name on the gift will do you no good.

Finally, don't spoil a good selection by sloppy handling.—**End.**

Year Around Gift

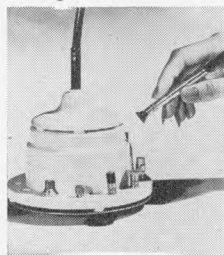
A gift that is used and appreciated 12 months out of the year is an atlas. The American Map Company, Incorporated,

3 W. 61st Street, New York 23, N. Y., features a complete line of atlases ranging from giant world maps and space atlases to a useful vacation and highway atlas of the United States that includes photographs and description of the top vacation spots in the country.

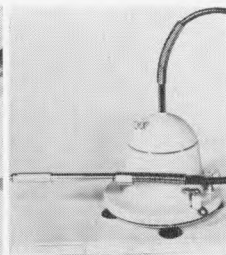
Two Unique Gifts

Two unusual gifts that have proven to be successful are the Spruce Electrical Manicurist and the Erasomatic Electric Eraser, available from the Abar Manufacturing Company and Mar-Go-Co., respectively, Cleveland, Ohio. The electrical manicurist has been effective as a gift to either men or women. It provides superb fingernail care in just a few minutes.

The electrical eraser cuts erasing time by two-thirds, results in neater work, reduces wasteful "start-overs," does not damage paper and is simple to operate.



MANICURIST



ERASOMATIC

Both of these products are sold only direct-from-factory at a 40 per cent discount from their established price of \$49.92, making a net price of \$29.95 each, delivered. Further price reductions are based on quantity over six units ordered for shipment at one time to one address.

Charles J. Roubik

Charles J. Roubik, prominent Chicago banker and civic leader, died last month in St. Francis Hospital in Evanston.

Mr. Roubik, 64, was vice president and secretary of Harris Trust and Savings Bank, which he joined in 1920. He had been with the Harris trust department more than 40 years, and an officer of the bank since 1926.

7 REGULATIONS . . .

(Continued from page 27)

limited to a natural person, but also includes corporations, pension funds, etc. Forms are available from the office of the Comptroller. 12.1 (a), (b), (c), (d); 12.2 (a), (b); 12.3 (a), (b).

6 Employee stock option and stock purchase plans. In order to enable national banks to attract and retain competent personnel, this proposed regulation would permit the adoption of employee stock option plans conforming to the requirements of the Internal Revenue Code, and other employee stock purchase plans as may be appropriate. A national bank could sell shares of its capital stock, under this regulation, to its employees, for a consideration of not less than 85 per cent of the fair market value of the shares on the date the option is granted or, if a stock purchase plan, on the date the shares are sold. Such plans must be adopted by the board of directors and be approved by at least two-thirds of the outstanding shares and by the Comptroller. Stock options shall not extend beyond a 10-year period from date of issuance. Shares issued to employees under these plans may be authorized but unissued by stockholders. 13.1; 13.2; 13.3.

7 Changes in capital structure. Five changes are proposed as follows:

(a) **Capital adequacy** will no longer be confined to the ratio of capital to risk assets and to total deposits. Instead, it will be determined upon the consideration of these factors: quality of management; liquidity of assets; history of earnings and retention thereof; quality and character of own-

GROWTH

IOWA POWER
AND LIGHT COMPANY

*this investor-owned
electric and gas company
now serves 269 communities
in 25 counties of Iowa*

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WAYNE HUMMER & Co.
CHICAGO

MEMBERS
NEW YORK STOCK EXCHANGE

ership; burden of meeting occupancy expenses; potential volatility of deposit structure; quality of operating procedures, and bank's capacity to meet present and future financial needs of its trade area, considering the competition it faces.

(b) **Authorized but unissued stock** may be permitted by vote of stockholders owning two-thirds of the stock of the bank, and with approval of the Comptroller. Such authorized but unissued stock may be issued from time to time to employees pursuant to stock option and purchase plans described above.

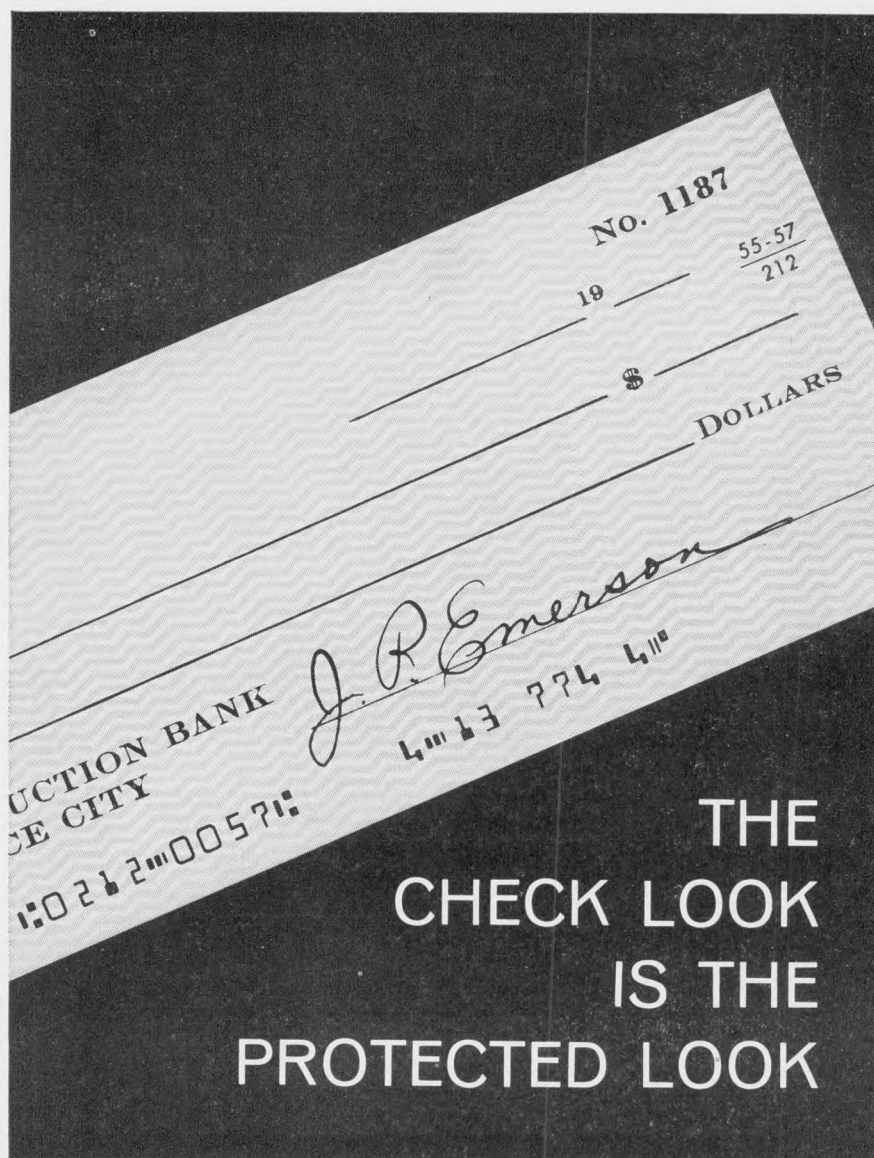
(c) **Stock dividends**, whether on a recurring or nonrecurring basis, will not be subject to disapproval of the Comptroller, except in rare or unusual circumstances. Technically, approval is sought from the Comptroller by filing Form 1904-C with the Regional Chief Examiner. If the Regional Chief does not send disapproval or communicate otherwise within 15 days the application shall be deemed approved by the Comptroller, and the bank may proceed to obtain approval of stockholders if this has not already been done.

(d) **Preferred stock** may now be issued by vote of stockholders owning two-thirds of the stock of the bank, in issues convertible or nonconvertible of one or more classes, with such other provisions and in such amount and with such par value as shall be approved by the Comptroller.

(e) **Capital debentures** also may be issued with similar rules for preferred stock. These could be issued with conversion features into common stock where appropriate. The principal amount of capital debentures outstanding at any time, when added to all other outstanding indebtedness of the bank, except those forms of indebtedness exempt from provisions of 12 U.S.C. No. 82, shall not exceed an amount equal to 100 per cent of the bank's unimpaired, paid-in capital stock plus 50 per cent of the amount of its unimpaired surplus fund. 14.1; 14.2; 14.3 (a), (b); 14.4; 14.5 (a), (b); 14.6 (a), (b); 14.7 (a), (b); 14.8.

Comptroller Saxon has stated it is his intention that Parts 7.5 and 7.6 of Part 7 (paragraphs 1 and 2 above), and Parts 13 and 14 (paragraphs 6 and 7 above) "will enter into effect on or about November 30, 1962, with such revisions as may be deemed appropriate in the light of the comments submitted."

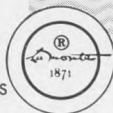
"Parts 10, 11 and 12 (paragraphs 3, 4 and 5 above) of the proposed regulations will not enter into effect prior to February 1, 1963."—End.



Checks written on safety paper provide protection against alteration. The safety features that reveal change of amount, payee or endorsement, prevent the bank check from becoming a "blank" check.

La Monte safety papers give the check look that assures your customers their checks are properly protected.

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



La Monte

**SAFETY PAPER
FOR CHECKS**

GEORGE LA MONTE & SON • NUTLEY 10, NEW JERSEY

Northwestern Banker, November, 1962

Tax Revisions . . .

(Continued from page 29)

enue received from this source is perhaps \$30 or \$35 million. Under the new bill that will be increased to between \$200 and \$250 million. Under this new law, the income of a savings and loan association, after deducting the interest and earnings paid out to the depositors (shareholders), will have a further deduction of 60 per cent of its income for a bad debt reserve. The balance will be taxed at the regular corporate rates. That is in the form that the House passed the bill. The Senate increased this by several million dollars by increasing the tax on stock savings and loan associations, but this was later dropped.



Mutual Insurance Companies—Mutual insurance companies, that is fire and casualty companies, will have their taxes raised, too. At the present time, a small county or neighborhood mutual that has gross receipts of \$75,000 or less pays no taxes. That amount is raised to \$150,000.

Under present law, mutual companies are taxed under one of two formulas. Under one formula they are taxed at ordinary corporate rates on their investment income only. Under the other formula they pay a tax on gross investment income, plus premium income after policy dividends are paid. They must pay the higher of the two.

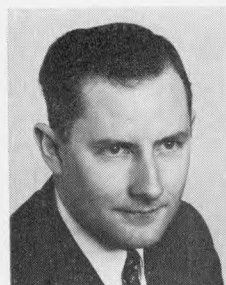
Promote Trust Officers

Three vice presidents in the pension trust department have been named by the First National City Bank, New York.



E. G. JUDSON

They are: Everett G. Judson, Kenneth E. Frantz, and Herbert E. Nevins. Mr. Frantz and Mr. Nevins were both formerly assistant vice presidents in the same



K. E. FRANTZ



H. E. NEVINS

department. Mr. Judson comes to the bank from First Boston Corporation.

Vote to Remove Saxon

The Independent Bankers of Minnesota voted to demand immediate removal of Comptroller of the Currency James P. Saxon to be replaced by a "better qualified person with experience in banking."

The first annual meeting of the

group organized to represent the 600 independent bankers throughout Minnesota requested President Kennedy to dismiss Mr. Saxon because of policies detrimental to the "tradition of democratic and diffused system of banking." Mr. Saxon has repeatedly advocated branch banking irrespective of state law, the resolutions committee of the convention declared.

Other resolutions passed at the meeting include a determined stand against attempts to legislate branching in Minnesota, outlawed in 1923, and a stand against further expansion of savings and loan associations through establishments of branches. Currently federally chartered savings and loans are allowed to branch in the state.

The independents also served notice they will fight in the 1963 legislature against centralized and branch banking with a program of their own.

Stonier School Changes

The Board of Regents of The Stonier Graduate School of Banking has approved important changes in the School's admissions requirements which will apply to applicants for enrollment in the 1964 entering class, it was announced recently by Dr. Murray G. Lee, director of the school.

The new requirements, which are part of a comprehensive long-range program for upgrading the School's academic program, include the following:

Under the new law, these mutual insurance companies will pay taxes at the regular corporate rates on all their income less a deduction of one per cent of their losses, plus one per cent of their underwriting gain. This deduction is placed in a loss reserve account for five years. If it is not used during that time for losses it is then taxed, but at a lower rate.

In addition to raising the exemption for the very small mutual companies that I mentioned, the next size mutuals whose gross receipts run from \$150,000 to \$500,000 may pay the tax on investment income only. There is a third category of mutual companies whose gross receipts are more than \$500,000 but not more than \$1,100,000 where the effective rate of taxation is less than the larger companies but is graduated so that if their receipts are in excess of \$1,100,000 they pay the full corporate rate less the deductions that are mentioned.

There were some sections of this bill with which I disagreed. There were other sections of the bill that were meritorious and may have been long overdue and, of course, I supported these. In the final analysis, I voted against the bill because the net effect of the bill was an over-all loss in revenue of more than \$500,000,000 as it passed the Senate and a greater amount when it came from conference. This was primarily because of the loss of revenue due to the investment credit.

I did vote against final passage because of the loss of revenue involved. It did not indicate my opposition to many of other sections of the bill because I specifically favored them.—**End.**

1. Adoption of new educational prerequisites designed to ensure that students will have attained a reasonable knowledge of certain basic subject areas before coming to the campus.

2. Elimination of the present minimum age requirement.

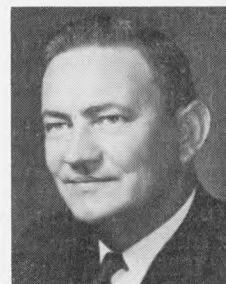
3. Admission of women bank officers as students.

4. Elimination of bank quotas.

Educational prerequisites for applicants for the banking major will ??

Elect LaSalle Executives

LaSalle National Bank, Chicago, has announced the appointments of Clyde V. Hackney and Charles D. Turgrimson as vice presidents. They were previously assistant vice presidents of the bank, Mr. Hackney in the retail

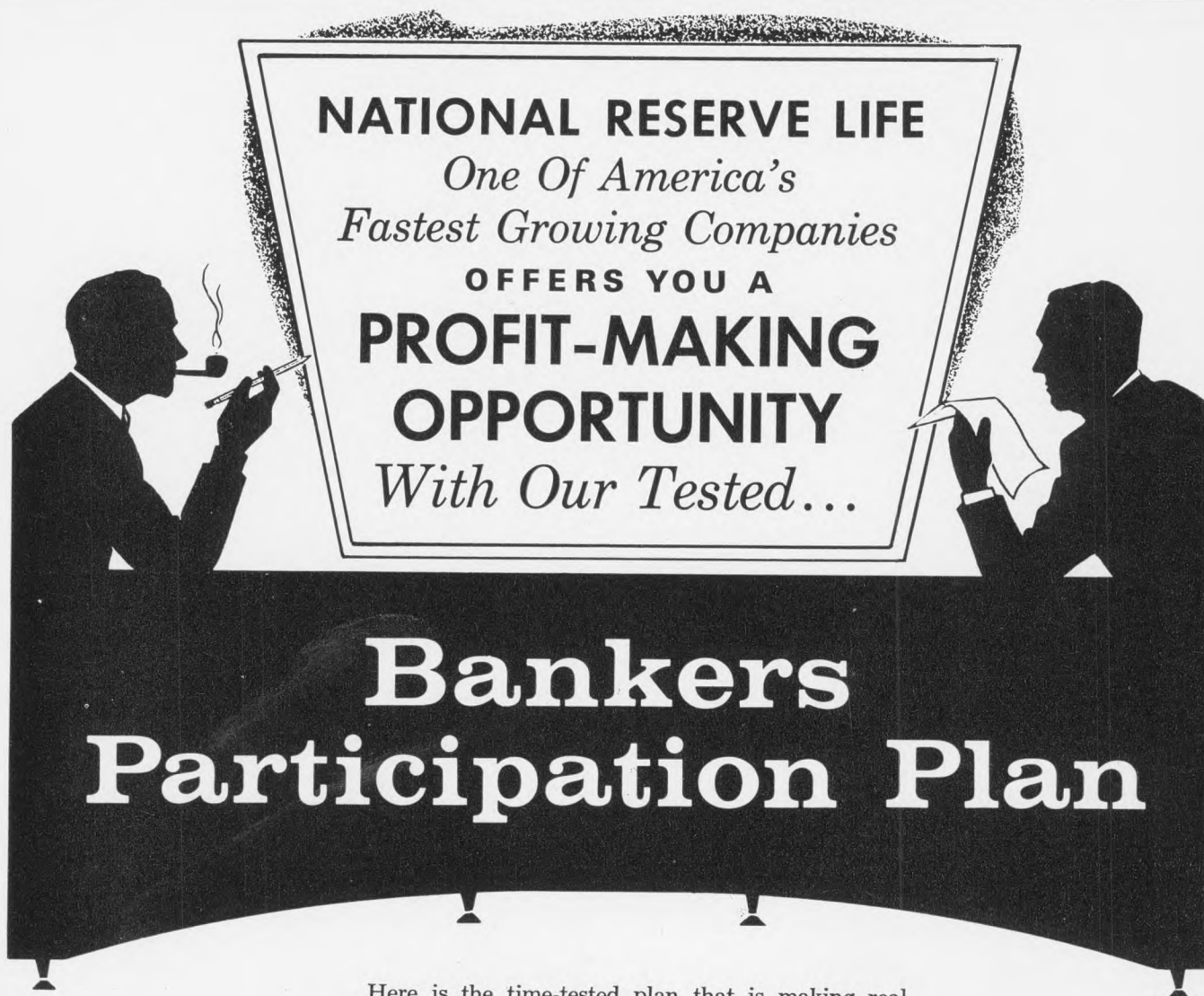


C. V. HACKNEY



C. D. TURGRIMSON

banking division, and Mr. Turgrimson in the trust department. Also announced was the promotion of Gene W. Brandon from assistant trust officer to trust officer.



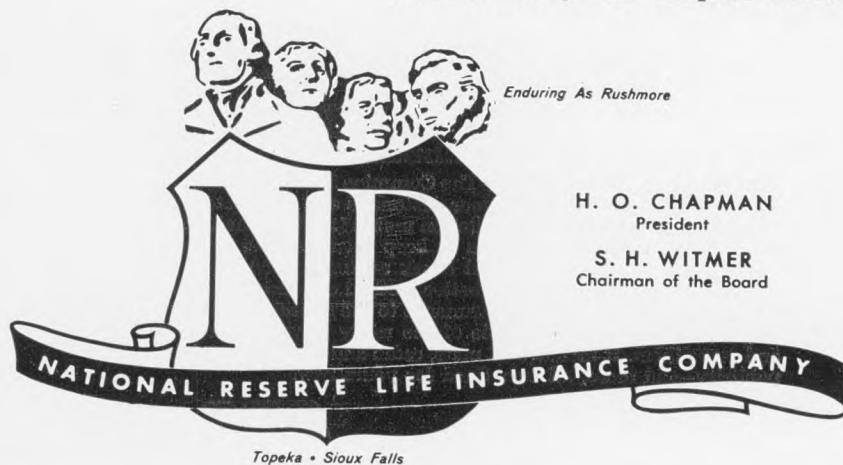
NATIONAL RESERVE LIFE
*One Of America's
 Fastest Growing Companies*
OFFERS YOU A
**PROFIT-MAKING
 OPPORTUNITY**
With Our Tested...

Bankers Participation Plan

Here is the time-tested plan that is making real profits for scores upon scores of Bankers throughout our operating territory.

Our BANKERS PARTICIPATION PLAN is an integral part of National Reserve Life's dynamic sales and development program. Affiliation with this popular plan also enables you to enjoy Fully Paid Conventions (for both man and wife) in addition to other attractive benefits.

Write us today—for complete information.



EXCELLENT TERRITORIES NOW AVAILABLE

Extremely desirable territory openings are now available. Write us today! All correspondence in confidence.

Open New Wall Street Quarters

THE Manufacturers Hanover Trust Company has opened its new downtown headquarters office at 40 Wall Street in New York.

The bank occupies the first five floors of the building and the first and second basement levels. These facilities serve as headquarters for Manufacturers Hanover's Wall Street division, corporate trust division, the securities department for the entire bank and the money transfer and wire communications center.

The 160,000 square feet of space occupied by the bank has been under renovation for more than a year.

Charles S. Bishop, senior vice president, is in charge of the office.

These moves represented the last major relocation of bank personnel since the merger of Manufacturers Trust and The Hanover Bank on September 8, 1961. In a complex series of moves since that date, the bank has relocated more than 4,000 employees. Two-thirds of them were relocated downtown, the remainder uptown at 350 Park Avenue, the bank's uptown headquarters. Correspondent facilities are at 350 Park Avenue.

Expand Irving Trust

Demolition work began recently on three buildings in the financial district

of lower Manhattan in preparation for construction of a 30-story expansion of the Irving Trust headquarters building at One Wall Street.

When completed, the enlarged Irving Trust Building will occupy the entire Broadway block from Wall Street to Exchange Place. The three buildings being removed were formerly occupied by The Hanover Trust Bank and have a long history as quarters for financial houses.

The project will contain about one million square feet. Total cost will be \$25 million. Completion date is set for late 1964.

On Mercantile Board

Monte E. Shomaker, executive vice president of Brown Shoe Company, has been elected to the board of directors of Mercantile Trust Company, St. Louis.

Satisfied Insureds and Agents Agree--



a
proven,
and

reliable
company.

SOME
EXCELLENT
AGENT
OPENINGS
IN
IOWA.

**NOW
IN OUR
62nd YEAR**

**PROMPT
CLAIM
SERVICE!**

**FIRE
EXTENDED
COVERAGE
INLAND
MARINE**



**HOMEOWNERS
AUTOMOBILE**

NONASSESSABLE
POLICIES

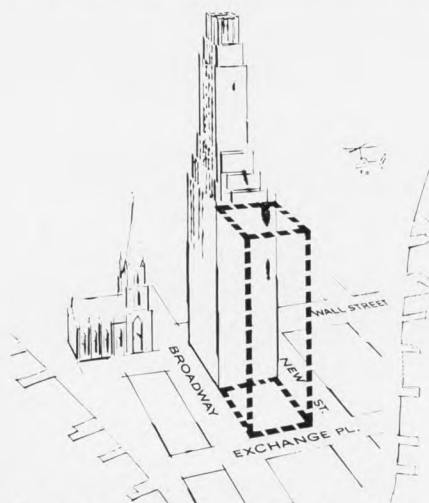
**Mutual Fire
and Automobile
Insurance Company**

Established 1900

HOME OFFICE CEDAR RAPIDS, IOWA

J. E. Wilson, President

J. M. Winchell, Secretary



NEW ADDITION planned by Irving Trust Company in Lower Manhattan.

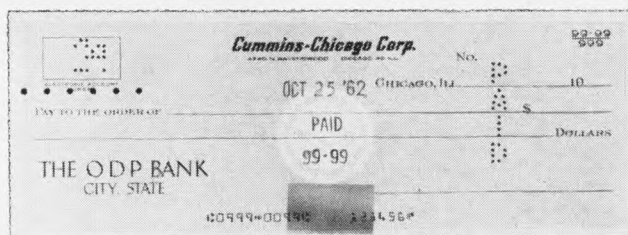
COMMUNICATIONS . . .

(Continued from page 31)

camera, checks can be viewed on remotely located receiving units to be immediately compared with the original signature of the depositor. Closed circuit TV is also being used in one of the larger banks in New York for daily administrative meetings between the officials located in one bank with those located in a branch bank.

Closely allied with the concept of closed circuit TV, several other visual presentation systems are also under consideration or in operation. Facsimile service which permits written, typed, etc., data to be transmitted electrically from one point to another may play an important part in banking functions of the future. Negotiable

Cancellation by Perforation*



Combination
perforated
and magnetic
cancellation
recognized
by both
humans and
automatic
machines.

*use your Security Hallmark to get more

checking accounts—The Cummins Security Hallmark Promotion dramatically tells your customers and prospects how and why your perforated cancellation makes it safe to mail back paid checks, safe for depositors to keep them as long as they want, and makes each canceled check an undisputed proof of payment. It explains how this better method of canceling is the only one giving all of these advantages to the depositor—that its use is just one visible example of the many ways you protect and serve them. It includes ad mats, radio and TV commercials, publicity—and more, all free. Send for yours now.



securities, bonds, stocks, etc., may one day be transferred from one bank to another or between banks and their customers by facsimile service.

Another photoelectric device permits signature verification through an encoding, decoding procedure of the customer's signature. The signature is scrambled (encoded) originally and when inserted in this device at a teller's location is automatically unscrambled (decoded) for viewing through a special type viewer. Many similar functions requiring visual presentation of data can be envisioned and undoubtedly a great deal of research is being conducted in the electronics scanning field.

Installment Loan Payments

Consumer financing and budget loan accounting is currently being performed for affiliated correspondent banks with a simple DATA-PHONE communications service utilizing WATS and a simple card reading device.

Upon the establishment and authorization of a loan the central processing location, usually a computer, prepares a "coupon booklet" containing individual payment cards with all of the data concerning the customer loan. Each coupon card represents a monthly installment to be paid at a prescribed time. These booklets are then mailed to the person who made the loan. As payments are received, either in person or through the mail, they are recorded and collected. Once a day a call is placed from the computer location via WATS to the bank at which time each card is inserted in the card reader and transmitted by DATA-PHONE service to the central processing location.

The data is received at the processing center in card form for automatic insertion into the electronic processing system. The electronic processor will update and analyze each account and prepare a detail report of that bank's previous consumer loan payment activity including the new balance for delivery by mail the following day. Other functions could also be handled by this DATA-PHONE/card reading system.

Private Line Teletypewriter

Teletypewriter service has been used for many years in the banking world to advise member banks of credits and debits. It is also being used to transfer securities from one bank to another bank, particularly the transfer of government securities between the Federal Reserve Banks. While some may not consider tele-

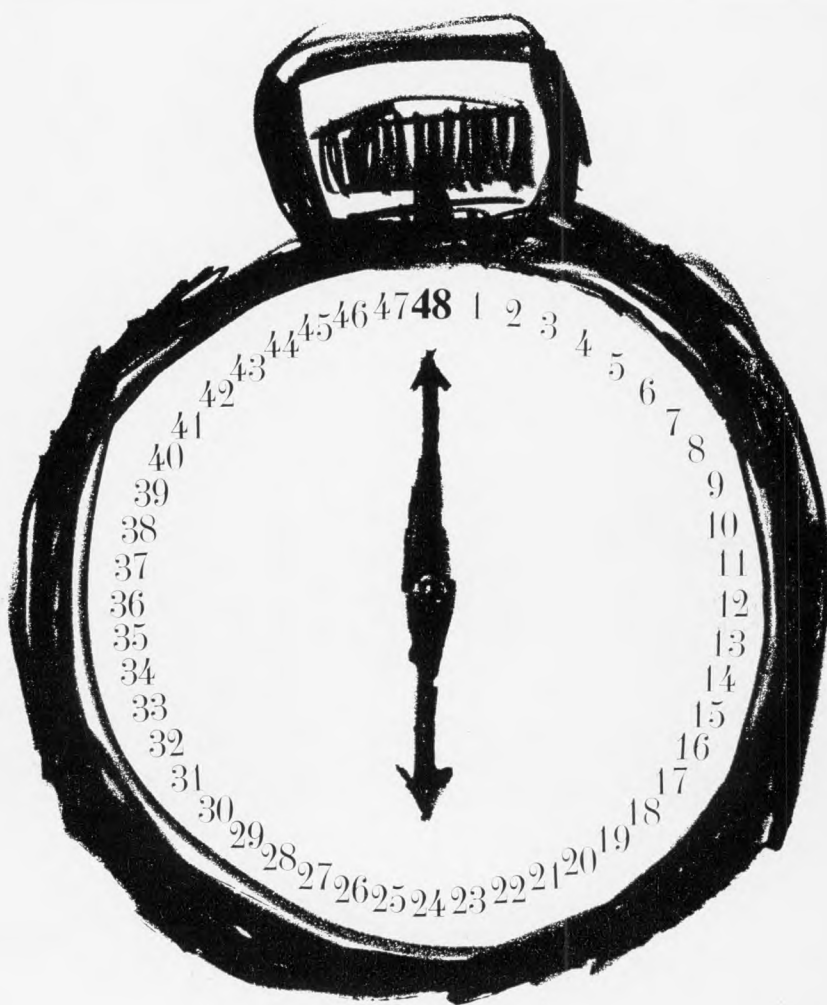
typewriter as a data service, in actuality, it has been the backbone of the majority of data communications in the banking industry. Teletypewriter service is continually undergoing changes and modernization and undoubtedly will continue to be a major data communications service for use in the banking industry.

What About Future?

There may be many other data processing and communicating systems in use today in the banking industry of which I am unaware. I do not offer this as a comprehensive list of such systems, rather a representative list. What about the future? What can we expect?

Personally, I feel the surface has only been scratched. The majority of attention thus far in the adaptation of the electronic processing methods in the banking industry have been devoted to the internal functions of a given bank. The success of the MICR plan is representative of the benefits of uniform procedures within the banking world.

Looking into my crystal ball I can visualize a nationwide data communications banking network which one day will permit all banking functions to automatically flow from one bank to another, be electronically processed and the individual accounts instantaneously and perpetually maintained. —End.



...48 HOURS' SERVICE A DAY!

More, if necessary. The First has the manpower and the working experience to apply as many hours as necessary (day or night) to help a correspondent. This know-how is available to you. We'd like to help you.

THE FIRST NATIONAL BANK OF DENVER

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, November, 1962

DIRECTORS

DEWALT H. ANKENY
Vice President,
Theo. Hamm Brewing Company

CHARLES H. BELL
Chairman of the Board,
General Mills, Inc.

BENTON J. CASE
Director,
S. T. McKnight Co.

GEORGE B. CLIFFORD, JR.
President,
Archer-Daniels-Midland Co.

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Archer-Daniels-Midland Co.

DONALD C. DAYTON
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The Dayton Company

STEPHEN P. DUFFY
President,
Our Own Hardware Company

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F. H. Peavey & Company

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The John Leslie Paper Company

GOODRICH LOWRY
President,
Northwest Bancorporation

JOHN A. MOORHEAD
President

JOHN S. PILLSBURY, JR.
President,
Northwestern National Life
Insurance Company

SAMUEL H. ROGERS
Senior Vice President
and Executive Trust Officer

HENRY T. RUTLEDGE
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LUCIAN S. STRONG
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Regulator Co.

HAROLD H. TEARSE
President,
Searle Grain Company

ALFRED M. WILSON
Executive Vice President,
Minneapolis-Honeywell
Regulator Co.

JOHN S. PILLSBURY
Director Emeritus

STATEMENT OF CONDITION

SEPTEMBER 28, 1962

RESOURCES

Cash and Due from Banks	\$157,380,569.45
U. S. Government Obligations ..	99,098,625.87
Other Bonds & Securities	28,156,179.88
Loans and Discounts	326,543,044.11
Stock in Federal Reserve Bank	1,200,000.00
Customers' Liability	
on Acceptances	3,438,638.65
Income Earned	
but not Collected	2,362,991.97
Bank Premises, Furniture	
and Fixtures	8,674,563.68
Other Resources	399,481.47
Total Resources	\$627,254,122.08

LIABILITIES

Capital Stock	\$ 15,000,000.00
Surplus	25,000,000.00
Undivided Profits	9,365,107.62
Reserve for Possible	
Future Loan Losses	4,855,725.62
Reserve for Interest,	
Taxes, etc.	4,240,834.44
Income Collected	
but not Earned	5,904,441.73
Letters of Credit	
and Acceptances	3,438,638.65
Deposits	559,449,374.02
Total Liabilities	\$627,254,122.08

United States Government and other securities carried at \$97,352,234.21 are pledged to secure public funds and trust deposits and for other purposes as required or permitted by law.

NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS

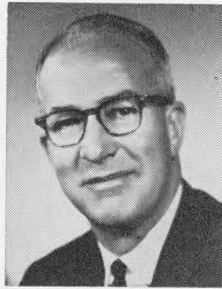
Marquette Avenue, Sixth to Seventh Streets

Member
Federal Deposit Insurance Corporation



Minnesota NEWS

W. BLACKMARR President Wayzata
K. A. WALES Secretary Minneapolis

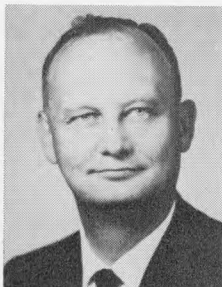


Bankers Elect District Officers Shatter Attendance Records

REPRESENTATIVES of most of the 700 banks in Minnesota—setting new records at all meetings—were represented in at least one of the seven annual district meetings held last month at various sections of the state.



I. WERMONT



T. E. OLSON

Wayne Blackmarr, Wayzata State Bank, MBA president; Thomas E. Olson, First National of Starbuck, vice president; and Kenneth A. Wales, executive secretary, led the traveling group of the State Association's officers and speakers on the 10-day round of meetings.

New officers were elected at each district meeting and also, there were endorsements at each of the meetings for officers of the State Association, to be elected at the big MBA convention next June.

Endorsed for MBA

Endorsed for state office were: President—Thomas E. Olson, executive vice president, First National of Starbuck; Vice President—Glenn A. Uggen, president, Peoples State Bank, Wells, and Treasurer—Robert C. Nelson, president, Northwestern State Bank, Hallock.

Irv Wermont, nationally-known inspirational speaker, addressed bankers at each of the sessions, as did a panel of bankers including Paul W. Gandrud, Swift County Bank, Benson; Ora G. Jones, Goodhue County National, Red Wing, and Glenn A. Uggen, Peoples State Bank, Wells. Appearing at evening sessions were C. B. Upham, chief national bank ex-

aminer for the Ninth Region, and Gerald L. Bryan, Minnesota commissioner of banks.

District Officers

The following are the newly-elected officers, arranged numerically by district number, and they will take office officially in June, 1963, at the MBA Annual Convention:

District 1 (at Austin)—R. L. Seibert, Rochester State Bank, president; R. D. Burns, First State, Grand Meadow, vice president, and Don Harrington, First National, Plainview, secretary-treasurer.

District 2 (at New Ulm)—E. A. Fenrick, Peoples State Bank, Truman, president; John O. Huso, First State, Storden, vice president, and E. L. Kauffmann, Farmers National, Minnesota Lake, secretary-treasurer.

District 3 (at St. Paul)—H. R. Hommedahl, State Bank of Rush City, president; Charles E. Peterson, First State of Coon Rapids, vice president, and Robert D. Hagen, First National of Stillwater, secretary-treasurer.

District 4 (at St. Paul)—David R. Fesler, Liberty State, St. Paul, president Goodwin S. Anderson, Northwestern National of St. Paul, vice president, and Watren R. Hinze, First State of St. Paul, secretary-treasurer.

District 5 (at St. Paul)—R. W. Crouley, Marquette National, Minneapolis, president; D. M. Johnson, Midland National, Minneapolis, vice president, and E. R. Locke, First Minnehaha National, Minneapolis, secretary-treasurer.

District 6 (at St. Cloud)—George E. Phillips, Wright County State, Monticello, president; Robert J. Wells, St. Cloud National, vice president, and G. L. Hewitt, Farmers State, Dorset.

District 7 (at Montevideo)—E. J. LaFave, Jr., Citizens Bank, Morris, president; Edwood Throndrud, Northwestern State, Ortonville, and Elvin Thue, First National, Worthington, secretary-treasurer.

District 8 (at Grand Rapids)—Mary R. Lushene, Biwabik State, president;

John Dragavon, State Bank of Tower, vice president, and A. M. Castle, First National of Cloquet, secretary-treasurer.

District 9 (at East Grand Forks)—G. B. Pederson, First National of Hawley, president; Duncan Barr, Farmers & Merchants of Breckenridge, vice president, and R. F. Foley, Citizens State of Roseau, secretary-treasurer.

Austin Banker Honored

Melvin B. Siegfried, vice president, Austin State Bank, was honored last month on his 25th anniversary with the bank. Officers and employees celebrated with a coffee party and presentation of a gift. Al H. Haakenson, president, said Mr. Siegfried is the oldest employee at the bank in actual length of service.

He started in 1937 in bookkeeping and advanced through virtually all departments to his present position, his only interruption being during World War II when he served in the U. S. Army. His present duties are as commercial loan officer.

Moves to Albert Lea

William Sinclair has resigned as vice president, Northwestern State of Osseo, to become vice president of the First National of Albert Lea. He has been with Osseo bank two years, serving prior to that as bank examiner with the Northwest Bancorporation.

Thomas R. Hassman

Thomas R. Hassman, 58, president, First National of Aitkin, died suddenly recently while having dinner with friends at Myr Mar Lodge. Surviving him are his wife, his mother and five sisters.

To Barron Bank

Fred Pfeiffer has resigned as assistant cashier at Lake Crystal National to accept a similar position with the Bank of Barron. Very active in civic affairs, he has been with the Lake Crystal bank since December, 1958.

Benson Bank Remodels

First State Bank of Benson is undergoing extensive interior and exterior remodeling. Included in plans are a new clock, letter depository drop, walk-up teller window and a second entrance on 13th Street N. The insurance agency and bookkeeping department will be moved to the north building, which will be completely remodeled. Also added in that area will be a new conference room. Safe deposit boxes will move into the space now used for the insurance agency.



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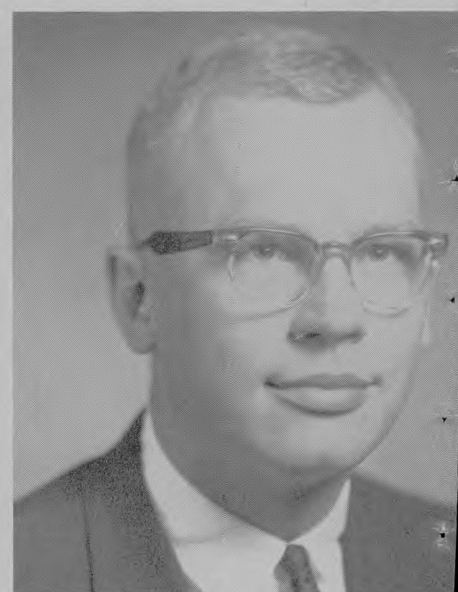


St. Paul B

★★★★

SAINT PAUL, M

DEPARTMENT OF GETS NEW NAME



DIVISION V ADDS TWO—Larry Kennedy, left, and Dick Swanberg recently joined the First of Saint Paul's Division V. Larry joined First in 1956 after graduating with honors from Notre Dame, receiving a Bachelor of Philosophy Degree with a major in finance. He has received a cum laude Bachelor of Laws degree.

Dick Swanberg joined the bank in 1957 after receiving a Bachelor of Arts degree in economics at Macalester, where he was photo editor of a weekly newspaper and President of the College Business Jaycee Club. He has since been active with the Saint Paul Jaycees and is currently Treasurer and a member of the Board of Directors.

...Within 5 Rounds

Banking News



MINNESOTA, OCTOBER 1962

★★★★★

BANKS AND BANKERS TWO NEW MEMBERS

★★★★★★★★ ENTIRE BANK IS DIVISIONALIZED

The divisionalization of the commercial lending function and officer staff of the First National Bank of Saint Paul was previously announced by President Philip H. Nason. Three major commercial loan divisions have been established. A fourth division is concerned primarily with sales and the servicing of accounts, but will also be involved in loan activities.

The fifth division, (Division V), serves banks and bankers in the Ninth Federal Reserve District and handles loans, both overline and direct, in the Ninth District outside the Twin Cities area.

Now called Division V, Department expands activities

The Department of Banks and Bankers (Division V) is now responsible for loan relationships with individuals and business organizations in the Ninth Federal Reserve District, both direct and through Correspondent banks.

Division V will continue

to hold the responsibility for all of the bank's relationships with other banks in the Ninth Federal Reserve District. This includes both customer and non-customer banks, and embraces deposit and remittance activity, safekeeping of securities, overline loans, and bank investment.

FIRST in service to St. Paul and the Upper Midwest...

FIRST NATIONAL BANK OF SAINT PAUL

DIVISION V—BANKS AND BANKERS Wallace L. Boss, Donald W. Buckman, Elmer M. Volkenant, Vice Presidents • David A. Sherr, Assistant Vice President • Laurence R. Kennedy, Henry N. Snyder, Richard C. Swanberg, Assistant Cashiers • Roland W. Hohman, Trust Advisory Specialist • John F. Mullen and John M. Wooldridge, Bond Advisory Specialists •



Member Federal Deposit
Insurance Corporation

Twin City News



THE First National Bank of Minneapolis has received a Chris Certificate Award from the Columbus (Ohio) Film Festival for its baseball film, "Minnesota Twins: Pride of the Upper Midwest." Bank of America was the only other bank to win an award in the '62 judging, in which several hundred films were entered.

* * *

Willis and Borg Advertising of Minneapolis has announced the appointment of **Douglas E. Bronder** to the staff. Mr. Bronder began his duties last month as account executive, serving the Archer Daniels Midland account, and will also work in a creative capacity at the agency. He has been associated with John W. Forney, Incorporated, Bruce B. Brewer and Campbell-Mithun, Incorporated, all of Minneapolis.

* * *

Philip H. Anderson, vice president, E. B. Crabtree Company, tobacco products wholesaler has been named a member of the board of Northwestern National of Bloomington-

Richfield reports **C. Addison Dahl**, president.

* * *

Anthony (Tony) Bibus, vice president, Stock Yards National of South St Paul, was honored last month



A. BIBUS

at a dinner party at the Minnesota Club on his 45th anniversary. Officers of the bank, directors, former associates and several other bankers were present to pay tribute to him and present him a colored TV set.

Mr. Bibus was honored again at an informal coffee party at the bank where 200 of his friends came in to wish him pleasure after his retirement, scheduled officially for January 1, 1963.

* * *

Eleanor Vanderbuilt, manager, steno department; **Ruth Crandall**, assistant trust officer, and **Dorothy Lie-**

big, administrative assistant, trust department, Northwestern National of Minneapolis, represented their bank at the recent 40th Annual Convention of the National Association of Bank Women, in St. Louis.

* * *

The American National of St. Paul is planning a three-day open house, December 3, 4 and 5, to introduce its reconstructed and enlarged banking quarters to the public. Costing more than \$3 million, the multi-story expansion marks the new American National as the most recent addition to St. Paul's planned urban renewal development. An exterior refacing was a highlight of the program as was the addition of more than 38,000 square feet. Total floor space now exceeds 76,800 square feet. Exterior curtain wall panels are enamel over steel in varying shades of blue. Major highlights are the new two-story glass enclosed lobby 74 feet on Seventh and 60 feet on Robert Street, air door on Robert Street, escalator, two elevators and beautiful ultra-modern appearance throughout.

* * *

Conducts Bride's Forum



STYLE SHOW and Bride's Forum sponsored by the First National Bank of Minneapolis attracted nearly 600 prospective brides seeking to learn how to have the wedding of their dreams and to make it fit their purses. **Frances Baker**, First National assistant cashier and women's representative set up the program.

Northwestern Banker, November, 1962

Earl Ewald, executive vice president and director of Northern States Power Company, has been named a member of the advisory board at the Lincoln Office of Northwestern National Bank, announces **John A. Moorhead**, president. Mr. Ewald also is a director, Atomic Industrial Forum, and member, advisory committee, Utility Management Workshop, Columbia University

* * *

Miss Nellie Bensend, assistant cashier, Midland National Bank, Minneapolis, represented her bank at the 40th Annual Convention of the National Association of Bank Women late last month at St. Louis. More than 500 women in executive positions in banks throughout the country were expected to attend.

* * *

Something new in "getting out the vote" has been arranged by the



FIRST NATIONAL BANK OF MINNEAPOLIS

STATEMENT OF CONDITION September 28, 1962

RESOURCES

Cash and Due from Banks	\$141,925,488.48
United States Government Securities and Securities Guaranteed by the Government	95,835,839.67
Other Bonds and Securities	31,836,410.56
Loans and Discounts	298,857,546.28
Interest Earned Not Collected	1,906,104.79
Customers' Acceptance Liability	11,306,632.59
Bank Premises and Furniture and Fixtures	10,136,895.02
Other Assets	1,478,232.28
Total Resources	\$593,283,149.67

LIABILITIES

Capital Stock	\$ 15,000,000.00	
Surplus	25,000,000.00	
Undivided Profits	7,021,842.52	\$ 47,021,842.52
Reserve for Interest, Expenses, Taxes, etc.		4,743,396.04
Interest Collected Not Earned		4,625,662.33
Acceptances and Letters of Credit		11,306,632.59
Federal Funds Purchased		15,000,000.00
Other Liabilities		2,871,167.84
Demand Deposits	\$366,006,583.86	
Time Deposits	141,707,864.49	507,714,448.35
Total Liabilities		\$593,283,149.67

United States Government obligations and other securities carried at
\$89,372,059.50 in the foregoing statement are deposited to secure
public funds, United States Government deposits and trust deposits totaling
\$64,782,620.64, and for other purposes required by law.

DIRECTORS

Clarke Bassett <i>Senior Vice President and Chairman of Trust Committee</i>	David M. Lilly <i>President, Toro Manufacturing Corporation</i>
Theodore W. Bennett <i>Mining Engineer</i>	G. Allan MacNamara <i>Chairman of the Board, Soo Line Railroad Company</i>
Conley Brooks <i>President, Brooks-Scanlon, Inc.</i>	H. Terry Morrison <i>Chairman of the Board, Cargill, Inc.</i>
Joseph H. Colman <i>Chairman of the Board, First Bank Stock Corporation</i>	Gordon Murray <i>President</i>
Granger Costikyan <i>President, First Bank Stock Corporation</i>	Philip W. Pillsbury <i>Chairman of the Board, The Pillsbury Co.</i>
John Cowles <i>President, Minneapolis Star and Tribune Co.</i>	G. Slade Schuster <i>Section on Administration Mayo Clinic, Rochester, Minn.</i>
George C. Crosby <i>Chairman of the Board, S. T. McKnight Co.</i>	Don A. Stevens <i>Vice President and Director, General Mills, Inc.</i>
Bruce B. Dayton <i>Executive Vice President, The Dayton Company</i>	Charles J. Winton, Jr. <i>Co-Chairman of the Board, The Winton Co.</i>
Rufus W. Hanson <i>Executive Vice President</i>	Paul B. Wishart <i>Chairman of the Board, Minneapolis-Honeywell Regulator Company</i>
John H. Hauschild <i>Director, Chas. W. Sexton Co.</i>	Robert C. Wood <i>President, Minneapolis Electric Steel Castings Co.</i>
Totton P. Heffelfinger <i>President, F. H. Peavey & Co.</i>	James T. Wyman <i>Executive Vice President, Super Valu Stores, Inc.</i>

Minneapolis League of Women Voters in cooperation with the **First National** of that city. The League invited both Democrat and Republican state candidates to the bank's Plaza so voters could meet them in person.

* * *

William R. Chapman, president, Midland National of Minneapolis, has reported that directors have authorized the transfer of \$1 million from undivided profits account to surplus. He commented also on a new all-time high in savings and time deposits, which have advanced almost \$5 million, or 40 per cent since January.

* * *

Reuel I. Lund has been elected assistant cashier at Fifth Northwestern National, Minneapolis, according to **Carl F. Wieseke**, president. Mr. Lund joined the staff as a trainee in 1956, moved to the credit department in 1957 and the bank's North American office in 1959, where he became assistant manager in 1961.

* * *

Charles J. Curley, board chairman, and **Harry L. Holtz**, president, First Trust Company of St. Paul, have announced the election of: **Robert J. Knoepfler**, from trust administrator to assistant trust officer; **John L. Jerry**, from trust administration to assistant trust officer; **Eugene W. McCarthy**, from investment specialist to assistant secretary, and **Thomas D. Dwight**, from business development in the trust department of Continental Illinois National of Chicago to assistant trust officer.

* * *

Directors of Northwest Bancorporation, Minneapolis, have approved filing and application for listing the firm's common stock on the New York Stock Exchange.

Goodrich Lowry, president, said the listing is expected to be completed early in December.

* * *

Directors of First Bank Stock Corporation voted last month to increase the regular quarterly dividend from 47½ cents per share to 50 cents per

share, and declared an extra dividend of 7½ cents per share, both payable December 10 to stockholders of record at the close of business November 16.

Granger Costikyan, president, said consolidated net operating earnings for the first nine months of 1962 totaled \$11,169,741, or \$3.22 per share.

* * *

Figures for the first nine months of 1962 for **Northwest Bancorporation** and affiliated banks include: Consolidated net earnings \$12,048,646, up 2.4 per cent over first nine months of last year. After preferred stock dividends, earnings were equal to \$2.20 per share on 5,424,565 shares. Consolidated net income was \$13,243,309, or \$2.42 per share of common stock. Gross earnings were \$77,250,125, up 9.1 per cent over last year's three-quarter figures, while expenses rose 14 per cent. Directors declared a preferred stock dividend of \$1.125 per share and a common stock dividend of \$.325 per share, payable to stockholders of record, November 2. Total dividends on common stock in 1962 were \$1.30 per share, same as in 1961.

* * *

Arnulf Ueland, board chairman, Midland National of Minneapolis, has been named Minnesota chairman for Radio Free Europe for 1962-64, succeeding **Clifford C. Sommer**, president, Security Bank & Trust of Owatonna.

* * *

Signal Hills State Bank, West St. Paul, has been approved by the F.D.I.C. for deposit insurance, reports **Jad Asfeld**, president, who said he expects the new bank will be ready to open by January, in the Signal Hills Shopping Center.

* * *

William W. Helms, with the First Trust Company of St. Paul the past nine years, has been elected assistant vice president of the American National of St. Paul, announces **John F. Nash**, president.

Frank B. Krause, vice president in charge of the corporate trust division, First National of Minneapolis, has been elected president of the Corporate Fiduciary Association of Minnesota, a state-wide organization of trust companies and banks having trust powers. He had been chairman of the executive committee. Mr. Krause succeeds **Willard M. Henjum**, vice president, Northwestern National of Minneapolis.

Other new officers are: Vice Presidents **Carroll G. Fisher**, trust officer, Northern City National of Duluth; **John R. Montgomery**, vice president and trust officer, Midland National of Minneapolis, and Secretary-Treasurer **Harry L. Holtz**, president, First Trust Company of St. Paul.

John O'Connor, vice president and trust officer, Northwestern National of St. Paul, was named chairman of the executive committee.—End.

Bankers to Operate Life Insurance Company

An application to register for sale 170,000 shares of common stock at \$3 per share in a new insurance company has been approved by the Minnesota Commerce Commission. The company, Minnesota Bankers Life Insurance Company, will be owned and operated primarily by bankers in the state and will emphasize the sale of Credit Life Insurance.

Listed as officers and directors in the application are: **Vernon P. Weyrich**, president, Farmers State of Lake Benton, president; **R. E. Simms**, executive vice president, Security State of St. Michael, vice president; **Cyril Kramer**, president, Altura State of Altura, treasurer; **John O. Bohmer**, president, State Bank of Brooten and First State of Murdock, secretary, and **Robert W. Dygert**, attorney, Dygert, Gunn & Welsh, assistant secretary.

Directors are listed as: **Paul W. Grandrud**, vice president, Swift County Bank, Benson, Minn.; **Kermit H. Hansen**, vice president, Organic Soil Builders, Inc.; **Raymond Dana**, partner, Dana, Golden, Moore & Rasmussen, Sioux Falls, S. D.; **Donald J. Bohmer**, president, Stearns County State Bank, Albany; **G. A. Uggen**, president, Peoples State Bank, Wells; **T. S. Robertson**, president, Rushford State Bank; **Raymond E. Dana**, Sioux Falls attorney and president, Prairie States Life Insurance Company, Huron.

Two incorporators are listed as directors are **Ruth B. Lundsten**, president, Buffalo National at Buffalo, and **Oscar J. Schwalm**, National Reserve Life Insurance Company, Hopkins.

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The MARQUETTE National BANK
OF MINNEAPOLIS
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J. S. Effertz

J. S. Effertz, 81, board chairman, State Bank of Belle Plaine, died last month at his home in Belle Plaine after serving the banking industry since youth. He began in early youth at banks in Waconia, Echo and Hector, becoming cashier of the State Bank in Belle Plaine in 1906. He advanced through the years to president, then chairman of the board, a position he held at death.

Name Change at Braham

The First National Bank of Braham changed its name to the First State Bank of Braham, effective October 1. About 75 per cent of Minnesota banks are now under a state charter, announces George A. H. Olson, president.

Celebrates 45th Anniversary

The Farmers & Merchants State Bank held open house last month to celebrate its 45th anniversary of doing business in Cook. Coffee and doughnuts were served all day at the bank by the American Legion Auxiliary. Two door prizes of \$25 savings bonds each were awarded lucky adults and ten lucite Stack Coin Banks, free balloons, suckers and coin purses were given children.

George J. Francis, president, founder of the bank and still active in its operation, was present to greet friends, new and old.

Orville Toft

The body of Orville Toft, president, Farmers State Bank, Delavan, was recovered from Bass Lake last month, about two days after he had disappeared while fishing.

Duluth Airport Bank

Gerald Bryan, Minnesota Banking Commissioner, said recently that an attorney general's opinion upholds the right of an insured state bank to establish a banking facility at the Duluth airport, the opinion overruling an earlier one by Mr. Bryan. Northwestern Bank of Commerce had requested opinions. Upon being advised of the earlier ruling, Fred C. Lewis, Northwestern bank president, filed for a charter to operate a new bank at the airport.

Elected Director at Eveleth

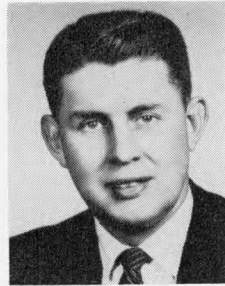
Lee Lundgren, manager of Lundgren Motors the past seven years, has been elected a director of the Miners National of Eveleth. He has won many awards from Ford Motor Company for an outstanding agency for sales and management.

Joins Staff at Virginia

Hensel A. Nelson, formerly unit manager, installment loan department, First National of Bismarck, has been assigned to the time pay installment loan department of the First National of Virginia.

Elected at Winona

Kermit R. Bergland, vice president and manager, installment loan department, Security National of Faribault



K. R. BERGLAND

for more than four years, has been elected a vice president of the First National of Winona, according to an announcement by A. E. Stoa, president of the Winona bank. Both banks are affiliates of the Northwest

Bancorporation. Mr. Bergland has been very active in community work, serving in various offices of service clubs, lodges and church organizations.

Heads Watertown Bank

A. R. Wasser, with the American State Bank of Watertown since 1957, has been elected president and a director of the bank, succeeding William Berry, president more than seven years, who has resigned to become president and one of the incorporators of the Fridley State Bank in Fridley.

Mr. Wasser, active in A.I.B. the past four years, is president of the Hutchinson study group and secretary-treasurer of the Lions Club.

George K. Millard

George K. Millard, 49, assistant cashier, First National of International Falls, died last month at a Minneapolis hospital where he had been a patient several weeks.

Investment Bankers Elect

Wheelock Whitney of J. M. Dain & Company, Minneapolis, was elected

chairman of the Minnesota Group, Investment Bankers of America, at their recent meeting at the Minikahda Club. He succeeds James Klingel of Juran & Moody. Benjamin M. Storey, Jr., of Kalman & Company, St. Paul, is vice chairman and Willis Jones of Allison-Williams & Company, Minneapolis, is secretary-treasurer. Walter P. Hansen of Caldwell, Phillips, Inc., St. Paul, and Robert D. Field of Paine, Webber, Jackson & Curtis, St. Paul, were named to the executive board.

Plummer Bank Sold

Lorence Granum, Jr., of Fosston has purchased controlling interest of the Plummer State Bank from A. E. Heupel, president of the bank who plans to retire the first of next year. Mr. Heupel has been in banking in Minnesota and South Dakota more than 39 years.

Expansion at Fergus Falls

The First National of Fergus Falls has purchased the large Bayley Building, situated between the present bank building and the bank's parking lot, with plans for future expansion. Total area now owned by the bank north of the present quarters is 142 feet on Mill Street and 175 on Cavour Avenue.

Forest Lake Open House

The Forest Lake State Bank held open house recently in its new building at the corner of South Lake and S. W. Second Avenue. A \$50 Series E Savings Bond was given lucky guesser in a "Pot of Gold" contest. Two \$25 bonds and 10 \$5 gift certificates also were given. Children received \$5 savings accounts for their close guesses in the contest. The first 500 women were given orchids and men had a choice of a registered key chain or ball point pen. All youngsters were given tops.

Howard Dayton

Howard Dayton, 66, cashier of the First State Bank of Fountain, died last month after an illness that con-

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fined him at a Rochester Hospital his last 10 days. He had been with the bank the past 42 years, serving also in community positions as township clerk and mayor.

New Officer at Hope

John Perra has been elected assistant cashier of the Farmers State Bank in Hope, reports L. J. Metcalf, president. Mr. Perra, a graduate of St. Thomas College, has completed graduate work at the University of Minnesota.

E. G. Zimmerman

E. G. Zimmerman, 87, retired vice president of the Janesville State Bank and former merchant in that community, died last month after an illness of four years. He had been long active in community affairs, serving the school board and the cemetery board for many years.

Marshall Bank to Expand

The First National of Marshall recently purchased two Marshall landmarks, with plans to demolish the buildings—Producers Cooperative Creamery and Central Hotel—and erect an ultra-modern bank building. Plans for the new structure, to feature drive-in teller service, additional customer parking and the lat-

est in services and convenience, are not complete. The present building will be sold.

Montgomery Charter Approved

An application for a charter for the First National Bank of Montgomery—third such approval in several years (the other two being in the Twin Cities)—has been okayed and stock in the bank is being sold. Plans for location of a site and an opening date will be announced soon.

Among the applicants are: John H. Lebens, Nels Merrild, Albert Wondra, Tom Kelm, Bob Lebens, Frank Dolejs, Clary Zoff, John Kaup, Dr. Henry Kucera, Dr. Lloyd Richter, Glen P. Flicek, Louis Becker, Fred Washa, Henry Tupa, Frank Ruhland, Elroy Mladek and Louis "Duke" Fierst.

New Director at Mankato

H. J. Mehr, president, Toews-Mehr Implement Company, has been elected a director of the American State Bank in Mankato, succeeding the late Charles O. Steiner.

Joins Painesville Staff

Donald D. Johnson, formerly auditor and installment loan officer of First National in Valley City, has been

named installment loan officer of the First State Bank in Painesville, announces Oren Quill, president of the Painesville bank.

Staff Addition, Promotion, New Equipment Announced

Warren Sporrey, president, First National of St. James, has announced the addition of Eldo Deckmann, formerly of Mankato, to the staff as insurance agency manager; the promotion of Martin Hillesheim, formerly teller, as loan accounting supervisor, and a new all-purpose Burroughs accounting machine, which Mr. Hillesheim will operate. Mr. Deckmann has been auditor for the National Bank Examiners, U. S. Treasury Department, more than five years. Prior to that he was auditor at the First National in Windom.

Rush Bank Sold

Purchase of the majority interest in the State Bank of Rush by Farmers' Acceptance Corporation of Minneapolis has been announced by Al Brevik, president of the corporation, and H. R. Hommedal, president of the bank, who has since retired. C. H. Sommer remains at the bank as vice president. Other officers and directors remain the same.

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The Live Stock National Bank

SIoux CITY, IOWA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

South Dakota NEWS

C. F. STILGEBOUER President Gettysburg
A. S. GULLICKSON Secretary Huron



Management Conference Nov. 8

THE 14th Annual Bank Management Conference of the South Dakota Bankers Association is being conducted November 8 at the Marvin Hughitt Hotel in Huron.



DR. F. A. COURT

Theme of the one-day meeting is "Improving Your Bank Image." The morning session is devoted to discussions by George A. Dempsey, director, public relations and advertising, American National Bank & Trust Company, Chicago; Harold L. Jenkins, vice president, Traders National Bank, Kansas City, and Don L. Waage, Investor's Diversified Services, Incorporated, Minneapolis.

Luncheon speaker is Richard Gillely, director of Dale Carnegie Courses, Minneapolis. The afternoon will be devoted to workshop sessions with persons attending divided into three groups. Group moderators are William A. Troutman, president, Rushmore State Bank, Rapid City; A. Boyd Knox, president, McCook County National Bank, Salem, and Roy K. Lipert, cashier, Ipswich State Bank, Ipswich.

Featured speaker at the evening banquet will be Dr. Frank A. Court, pastor of Trinity Methodist Church in Denver, Colo., and is well known as a minister, writer and lecturer. He appears through the courtesy of General Motors Corporation. For 14 years when he was pastor of St. Paul's Church in Lincoln, Neb., Dr. Court conducted two radio services on Sunday, one over KFAB, Omaha, and one over KFOR, Lincoln.

Building In Yankton

Plans for the new American State Bank building in Yankton have been announced and bids were to have been received late last month.

The new building will be located at the southwest corner of Third and Cedar Streets, fronting on Cedar

Street. The main building will measure 50 feet on Third and 80 feet on Cedar. Entrance to a drive-in facility and parking area also will be located on Cedar giving the bank an over-all frontage of 154 feet on Cedar Street.

Two drive-up windows and a walk-up facility also will be installed. The installment loan department will have a separate entrance on the side of the building.

A. Moorman and Company of Minneapolis is architect for the building.

H. F. Knutson Retires

Harold F. Knutson, a vice president of the Rapid City head office of the First National Bank of the Black Hills, has retired after more than 20 years with the bank.

Bond Sales Lag

September sales of U. S. Savings Bonds in South Dakota continued to follow the pattern set earlier this year when E and H monthly sales fell below those of last year. Total September purchases were \$1,461,769, pushing the grand total for 1962 to \$16,524,841 for 53.5 per cent of the state's goal.

Two New Banks Open

Oscar Brosz, superintendent of South Dakota banks, reports the opening of two new banks during October: The Valley State Bank at Yankton and the Tri-County State Bank of Chamberlain.

Capital account of the Yankton banks totals \$300,000. Officers are Erling Haugo, president; Dan Stuelpnagel, vice president, Charles W. Peterson, cashier, and Arlene Devick and Robert Hersrud, assistant cashiers.

The Tri-County State Bank was moved from Kimball to Chamberlain and now a branch has been established at Kimball by the Tri-County State. Capitalization of the new banks is \$200,000 common capital, \$200,000 surplus, and \$76,000 undivided profits. Offices are L. B. Cronholm, president; C. C. Natvig, vice president; H. O. Ekeland, executive vice president, and Fred M. Houde, cashier.

At NABAC Meeting

C. Harlan Hight, comptroller, Northwest Security National Bank of Sioux Falls, last month attended the annual meeting of the board of directors of NABAC in Miami, Fla. As a district director of the organization, Mr. Hight represented banks in Iowa, North and South Dakota, Minnesota, and Wisconsin.

Correction

In the last issue of *NORTHWESTERN BANKER* it was erroneously reported that G. W. Beddows, cashier of the Sanborn County Bank, Woonsocket, South Dakota, had died.

The report should have read that Mrs. Beddows had died.

J. F. Peschong Retires

J. F. "Fritz" Peschong, vice president of the Miner County Bank and president of the Miner Insurance Agency, retired recently from both positions after 45 years in banking and insurance.

New A.B.A. Officer

M. Monroe Kimbrel, president of the A.B.A., announced recently that Robert H. Frei, president, Commercial State Bank, Wagner, has been named to serve as ABA vice president for South Dakota for the 1962-1963 Association year.

Wall Construction

Plans are underway for the construction of a new bank building in Wall, S. D.

In the near future Wall will become headquarters for the former Underwood State Bank, New Underwood, and a branch is being established at New Underwood. The New Underwood bank formerly maintained an office in Wall.

The re-organized bank will be under the management of Delbert Sebade. W. A. Joyce continues as vice president. Bob Emery, former manager of the Buffalo Gap branch of the Southern Hills Bank of Edgemont has been named manager of the New Underwood branch of the re-organized bank.

Morristown Change

The First Security Bank, Morristown, S. D., has been sold to the Union Credit Corporation of Pierre, S. D. Controlling interest formerly was held by John Vucerevich of Rapid City.

W. E. Schirber, Lemmon; F. N. Emch, McIntosh; G. P. Meurer, Morristown; and Edgard Gardner, Buffalo.

Officers elected are W. E. Schirber, president; F. N. Emch, vice president

Northwestern Banker, November, 1962

S.D.B.A. Youth Conference



FINANCIAL EDUCATION was the theme of the South Dakota Bankers Association's first Economic Conference for Young Adults sponsored in cooperation with Paul S. Amidon & Associates, Inc., of Minneapolis. Nearly 130 high school students attended the conference in Huron. Participants in the conference included, from left, **A. S. Gullickson**, executive secretary of the SDBA; **Isabel Giddings** of Paul S. Amidon and Associates, Inc.; **C. F. Stilgebauer**, SDBA president; **Richard Holtz** of Paul S. Amidon and Associates, Inc.; and **C. C. Lind**, immediate past president of the SDBA.

and cashier; E. D. Katus, and Enid Neumiller, assistant cashier.

Mr. Schirber, Quentin Benson and Mr. Neumiller will be associated with the main office at Morrystown. Mr. Emch and Mr. Katus will be associated with the branch bank at McIntosh.

Plans also were announced for the construction of a new bank building in McIntosh and for enlargement of the building at Morrystown.

Hot Springs Change

Nick Theisen has been named manager of the Hot Springs branch of the

American National Bank and Trust Company, Rapid City, according to an announcement by A. E. Dahl, chairman of the board. He succeeds Phil Zastrow who resigned to accept another banking position. Mr. Theisen had been assistant manager since the branch was opened in 1960.

Joins Custer Bank

Ivan Johannsen has joined the Custer County Bank, Custer, S. D., as assistant cashier. He comes to Custer from Blue Earth, Minn., where he was cashier and manager of the insurance department at the First National Bank for five years.

New Yankton Drive-In

The First Dakota National Bank, Yankton, S. D., has opened its new drive-in window. A building, about 6 by 16 feet in size, was constructed for the new facility at the back of the bank parking lot. The area between the facility and the main bank building is covered with a canopy, and a tunnel connects the unit with the bank.

Move to DeSmet

Norman Steen, formerly assistant cashier at the First National Bank in Clark, S. D., has joined the Peoples State Bank, DeSmet, where he will

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- Safekeeping
- Trust Services
- Pension and Profit Sharing Plans



NORTHWEST Security National **BANK**

of Sioux Falls

South Dakota's Largest Banking Facilities

have both insurance and banking duties.

Mr. Steen formerly headed the insurance department at the Clark bank.

New Vermillion Officer

Eugene W. Houda has been appointed vice president and executive officer of the Citizens Bank in Vermillion. For the past six and one-half years Mr. Houda was a bank examiner with the Federal Deposit Insurance Corporation, working under the Chicago office and living in Cherokee, Iowa.

Mr. Houda's brother, Fred, is cashier of the Bank of Kimball, and his father was a banker in Springfield and Kimball.

Selby Construction

Work on the new First National Bank building in Selby, S. D., is nearing completion. Construction began last fall, continued through the winter as weather permitted and was resumed last spring.

Gregory Construction

Construction started last month on the new Northwest Security National Bank building in Gregory, S. D.

The structure will be 60 feet wide

and 80 feet long. It will feature a 24-foot drive off Main Street for drive-in banking facilities, according to B. M. Kratzer, vice president and manager. Bookkeeping facilities, utilities, a community room and kitchen facilities will be located on the second floor of the two-story building. Parking for 29 cars will be provided behind the building. Another feature will be an after-hour depository.

Completion is expected sometime next summer.

Sioux Falls Remodeling

Western State Bank, Sioux Falls, has begun work on an expansion and remodeling program. The enlarged facilities will include new offices, a new directors' room, new teller facilities and an enlarged officers' area.

C. D. Gregg, executive vice president, announced that completion date has been set for November 30, date of the bank's third anniversary. An open house is being planned for the last week in November.

Commission Gives Changes

Oscar Brosz, superintendent of banks in South Dakota, reported commission approval of the following actions:

The Farmers and Merchants State Bank, Plankinton, has converted its Class "A" office in White Lake to a branch bank. The Citizens State Bank of Clark converted its Class "A" office in Willow Lake to a branch bank. The Farmers State Bank, Winner, has been given authority to do trust company business.

The following increases in capital stock also were approved:

Farmers and Merchants State Bank, Plankinton, from \$50,000 to \$100,000; Citizens State Bank, Clark, from \$50,000 to \$100,000; Miner County Bank, Howard, from \$50,000 to \$75,000; First State Bank, Armour, from \$66,000 to \$100,000; Farmers State Bank, Dupree, from \$50,000 to \$100,000, and Farmers State Bank, Krensburg, from \$20,000 to \$25,000.

Deaths Reported

A. S. Gullickson, executive secretary, South Dakota Bankers Association, has reported the following deaths:

Johnathan J. Waltner, president, First National Bank, Freeman, and Mrs. Conrad Morgan of Waubay. Mrs. Morgan was the wife of Conrad Morgan, president of the State Bank of Waubay.



Fun was in the air at

Falcon Stadium



The Central was mighty happy to have so many of our correspondent friends at the Air Force-Oregon game and with us throughout the day. It's always a delightful occasion for us when we can get together.

Remember, when Central carries the ball, you always score with speed.

Central's on your team all the way!

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Northwestern Banker, November, 1962

North Dakota NEWS

A. M. ERIKSMOEN President Fargo
W. J. DANER Secretary Bismarck

It's December 6-8

NDBA Ag Credit Conference

PLANS are now complete for the NDBA Ag Credit Conference, December 6-8, at Gardner Hotel, Fargo. Advance registration forms already have been sent to the state's bankers.

The Conference gets underway the evening of December 6 (Thursday) with an informal social hour from 7 to 9 p.m., at the hotel.

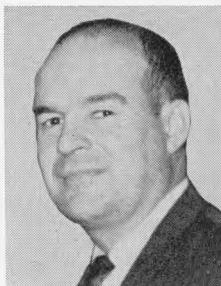
Highlights the following day, Friday, December 7, are featured speakers, panels, discussion periods on ag credit problems, competition and procedures, and an interesting luncheon session with Col. M. C. Fredericks, who commands the 455th Strategic Missile Wing, and who will show slides and discuss the state's missile complex. A social hour and banquet Friday evening features an address by President Albrecht, North Dakota State University.

A morning session only is planned for Saturday and this will feature continuing discussion and presentation of ag credit problems, policies and procedures.

Devils Lake Celebration

The Ramsey National at Devils Lake recently celebrated its 70th anniversary with a two-day birthday party. Fred C. Hoghaug, president, along with the other officers, directors and employees were hosts to a big turnout.

Highlights were special prizes for those guests who had the same birthday month, September of 1892, as the



bank. Also popular were good coffee and cake and souvenirs for all.

Herbert W. Clarkson

Herbert W. Clarkson, 86, board chairman of the Liberty National of Dickinson, the First National of Hettinger, in North Dakota, and the Bank of Belle Fourche, in South Dakota, died last month in Bennet Clarkson Memorial Hospital, to which he had previously given approximately \$100,000.

Mr. Clarkson had also gained extensive cattle ranch holdings in South Dakota and oil wells in Texas. He formerly had owned a chain of theaters. He was better known the past ten years for his generous gifts to hospitals, homes for the aged and educational institutions.

New Director at Fargo

James W. Crowe, of Bergstrom & Crowe Furniture Company, has been elected a director of the Fargo National to succeed his father, George W. Crowe, who has served the bank as director for more than 24 years, and who is now an honorary director.

Joins Merchants National

David Gordon, graduate of the University of North Dakota, who passed the North Dakota Bar examination in July, has been named attorney with the trust department of the Merchants National Bank & Trust of Fargo, announces A. O. McLellan, president.

Raymond B. Strand, assistant cashier, Merchants National, has accepted transfer for the First Trust Company of Great Falls, Mont., another affiliate of the First Bank Stock Corporation. With the Merchants National since 1942, he was elected assistant trust officer in 1951 and assistant cashier and assistant trust officer in 1957.

Moves to Linton Post

Duane Mastel, recent graduate of a business course at Bismarck Junior College, has joined the staff of the

First National in Linton in the book-keeping department.

AIB Forum, Seminar

The first forum and seminar of the Missouri Valley Chapter of A.I.B. was held last month at the Montana-Dakota Utilities Company's Heskett plant north of Mandan.

C. E. Mitchel, farm representative, Dakota National of Bismarck, is chairman of the forum. Other bankers playing a prominent part in preparing the sessions were: Bill Krueger, First National of Mandan; Ed Steinbrueck, Mandan Security Bank; Dick Tobin, First National of Bismarck; Reuben Sayler, Bank of North Dakota, Bismarck, and Don Olson, State Bank of Burleigh County, Sterling.

Elected New Leipzig Officer

A. J. Huber, formerly president of the Fairview Bank in Fairview, Mont., has accepted the executive vice presidency of the First State Bank of New Leipzig. He succeeds E. P. Daniels, who recently resigned. Mr. Huber also has served as Grant County auditor (in the 1930's) and operated a general lines insurance agency at Flasher until 1950.

Opens Bank at Bismarck

The Burleigh County State Bank of Sterling has established a new Central Bank at Bismarck. Officers and directors plan to maintain a station at Sterling.

Bank of North Dakota Announces Promotions

C. Christie Bantz, formerly assistant manager of the credits department, has been promoted to manager of that department, and R. E. Sailer, formerly of the loan department, has been promoted to assistant manager of the credits department, at the Bank of North Dakota, Bismarck.

Officers of the bank now are, in addition to the two named above: George M. Thompson, acting manager; W. H. Bement, cashier; R. S. Jordahl, auditor; Dave C. Kierland, manager, transit department, and R. A. Birdzell, attorney.

Heads National Contest

Homer W. Ludwick, vice president, First National Bank & Trust of Fargo, has been appointed general chairman for the National Plowing Contest to be held in North Dakota in 1964.

Mr. Ludwick is a former executive vice president of the Greater North Dakota Association and also of the Fargo Chamber of Commerce.

Use Christmas Seals



Fight TB and Other Respiratory Diseases

Northwestern Banker, November, 1962



SOUTHWEST GROUP (left) meeting in Dickinson, elected the following: (from left) **Arthur H. Davis**, vice president, Liberty National, Dickinson, member of the state nominating committee; **Chris Dahl**, assistant vice president, Dakota National, Bismarck, president; **Edward Dahlen**, executive vice president, Liberty National, vice president; and **Edward Vukelic**, assist-



ant cashier, Commercial Bank, Mott, secretary. **NORTHWEST GROUP** (right), meeting in Williston, elected, from left, **W. S. Raymond**, president, Citizens State, Ray, vice president; **John Banker**, president, Citizens State, Mohall, president. With them is **O. V. Stenehjelm**, vice president, First International, Watford City, outgoing president.

North Dakota Group Elects New Officers

NORTH DAKOTA bankers turned out in record numbers at last month's group meetings at Devils Lake, Dickinson, Valley City and Williston, to hear Harold G. Peterson, assistant vice president, Northwestern National of Minneapolis; David Boies, trust representative, First National of Minneapolis, and A. M. Eriksmoen, NDBA president.

Mr. Peterson discussed investments, Mr. Boies talked about bank profit-sharing plans and Mr. Eriksmoen, executive vice president, Dakota National of Fargo, discussed the Association's activities and plans for future action.

All four meetings were held on consecutive afternoons—October 2 at the Valley City Elks Lodge, October 3 at Devils Lake Country Club, October 4 at the Williston Elks Club and October 5 at the Liberty National Bank in Dickinson. Arrangements chairmen for the meetings were: Walt Bauer, First National at Valley

City; Jim Collinson, First National at Devils Lake; Charles Kalil, American State, and Irv Severtsen, First National, at Williston, and Art Davis, Liberty National at Dickinson.

After the program of speakers, new officers were elected and the meetings were concluded with a social hour and dinner.

Here are the newly-elected officers:

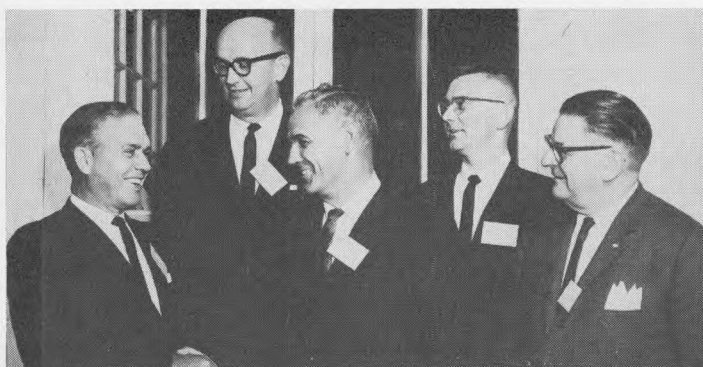
Southeast Group (at Valley City)—A. K. Simpson, vice president, Merchants National of Fargo, president; R. T. Carley, president, Casselton State Bank, vice president; Gordon H. Weber, president, Farmers State of Lisbon, secretary, and R. Paul Pederson, executive vice president, First State of Hope, member of NDBA nominating committee.

Northeast Group (at Devils Lake)—Phillip MacMillan, president; McVile, State Bank, president; John Engesather, cashier, Citizens State of Petersburg, vice president; Edward L.

Olson, vice president, First National of Grand Forks, secretary, and Arthur Fleckten, president, Drayton State Bank, member of NDBA nominating committee.

Northwest Group (at Williston)—John Banker, president, Citizens State of Mohall, president; W. S. (Fritz) Raymond, president, Citizens State of Ray, vice president; Frank A. Grim, cashier, Farmers State of Crosby, secretary, and Wayne A. Stroup, president, Garrison State Bank, member of NDBA nominating committee.

Southwest Group (at Dickinson)—Chris Dahl, assistant vice president, Dakota National of Bismarck, president; Edward Dahlen, executive vice president, Liberty National of Dickinson, vice president; Edwin Vukelic, assistant cashier, Commercial Bank of Mott, secretary, and Arthur H. Davis, vice president, Liberty National of Dickinson, member of NDBA nominating committee.



NORTHEAST GROUP, meeting in Devils Lake, elected the following: (from left) **Arthur Fleckten**, president, Frayton State, member of state nominating committee; **E. L. Olson**, vice president, First National, Grand Forks, secretary; **Phillip MacMillan**, president, McVile State, president; **John Engesather**, cashier, Citizens State, Petersburg, vice president. With them is



A. M. Eriksmoen, executive vice president, Dakota National, Fargo, NDBA president. **RIGHT**: NDBA officers at the Northwest meeting included, from left, **V. J. Hegeholz**, Enderlin, second vice president; **O. K. Anderson**, Lakota, first vice president; **E. M. Eriksmoen**, Fargo, president, and **Bill Daner**, Bismarck, executive secretary.



*No problem is too large with our new
NCR 315 Computer Center*

Pictured above are the components of our new NCR 315 Computer Center. This new high-speed electronic system can add, subtract, multiply, divide, even "read" magnetic tapes.

The first task it will take over is the conversion of our checking accounts to the computer system. Eventually, it will perform in other areas of the bank's data-processing needs.

To us, installation of our NCR 315 Computer Center will be a boon to bank bookkeeping. To you, it proves we intend to provide the best in service, so there's good reason to say...

"that's the bank for my money!"



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N A T I O N A L B A N K

DENVER U.S. CENTER Denver 17, Colorado

Colorado-Wyoming News



E. H. ADAMS, Denver
President
Colorado Bankers Assn.



V. EASTMAN, Thermopolis
President
Wyoming Bankers Assn.

Denver Bank Hosts Football Party

MORE than 850 bankers and their families were guests of the Central Bank and Trust Company of Denver at the bank's annual football party for correspondent banks.

Eighteen buses carried the guests from Denver to the Air Force Academy near Colorado Springs for the dedication of Falcon Stadium and for the Air-Force-Oregon football game. Other highlights of the afternoon included a demonstration by the Air Force precision flying team, the Thunderbirds.

Following the game, guests were taken back to Denver for a social hour and dinner. Special entertainment from the music department of Denver University rounded out the day's activities.

New Denver Executive

Hal E. Roof has been appointed executive vice president of The Cherry Creek National Bank of Denver, according to Weldon B. Hamilton, president.

Mr. Roof, well known for his work in establishing the installment loan department at the Central Bank and Trust Company in the late 1940's, most recently was associated with AlSCO of Colorado as chairman of the board and executive vice president.

In his new position, Mr. Roof will assume the responsibilities and authority of the office of executive vice president. One of his primary assignments will be to further the continuing growth of the bank through increased loan and deposit business.

Featured Speaker

Elwood M. Brooks, chairman of the board of The Central Bank and Trust Company, and president of the National Society for Crippled Children and Adults, was the featured speaker at the annual convention of the Nebraska Society for Crippled Children.

Denver Promotions

Melvin J. Roberts, president, announced that the board of directors of The Colorado National Bank, Denver, named one new officer and promoted another at their regular monthly meeting.

William W. Grant was promoted from assistant vice president to vice president in charge of the services division of the banking department. Donald J. Horst was named an assistant trust officer for the bank. Mr. Grant will head a division of the bank specializing in banking relations.

Mr. Grant, who has been with the Colorado National for four years, was formerly with Bankers Trust in New

York City. He graduated from Yale University in 1954 and did graduate work in the School of Business at New York University.

Mr. Horst has been with the Colorado National for two and a half years. Before joining the bank's trust department, he spent three years in the U. S. Air Force. Mr. Horst graduated from Colorado University in 1956 with combined degree in business and law. He is a member of the Denver and Colorado Bar Associations.

Wyoming News

Building Drive-In

The old Provident Federal Building is being razed in Casper to make room for a drive-in banking facility for the First National Bank.

The bank is erecting four drive-in windows at the site with the drive-through area extending from Center to Walcott. A second story to the building also may be erected.

Casper Construction

Riedesel-Reiman of Cheyenne was the low bidder at \$233,400 for the construction of a new Security Bank and Trust Company in Casper, Wyo. The new building will be located at Walcott and Midwest.

Five firms submitted bids for the construction of the one-story brick building of 6,700 square feet, basement, two drive-in windows and a parking lot for 35 cars.

Construction is to begin in early November.

On Rawlins Board

H. T. "Ted" Neuman, president of Neuman Transit Company in Rawlins, Wyo., has been elected to the board of directors of the Rawlins National Bank, it was announced by John W. France, president.

Mr. Neuman fills the vacancy created by the death of E. A. Durant.



HOST at the Central Bank and Trust Football Party was **Max G. Brooks**, president, shown at left with **Gordon M. Ibbotson**, Colorado deputy state treasurer and **Gordon Jones**, president, Bank of Brady, Nebraska. Shown at right are **Byron Wilson**,

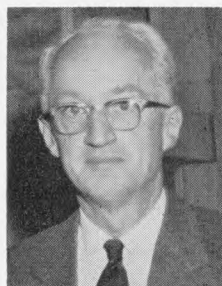


president, Palisades National, Palisades, Colo.; **Mrs. Wilson**; **Mrs. Don F. Delano**, **Curtis B. Mateer**, executive vice president, Pierre National Bank, Pierre, and **Don F. Delano**, vice president, Central Bank and Trust, Denver.

Montana NEWS

E. L. KUNKEL, JR. President Anaconda

R. C. WALLACE Secretary Helena



Joins Great Falls Bank

William G. Westrum of Helena, Mont., has joined the installment loan department of the Great Falls National Bank. He has been with that department of the First National Bank of Helena.

On A.B.A. Committee

Harrison W. Daniels, vice president, Midland National Bank, Billings, Mont., has been appointed a member of the installment credit committee of the American Bankers Association. He will serve as chairman of the advisory board for the committee in the Ninth Federal Reserve District.

A.B.A. Officer

Claude Erickson, president, Livingston State Bank, Livingston, Mont.,

has been appointed vice president of the American Bankers Association for Montana. He succeeds J. D. Street, president, Bozeman Security and Trust Bank.

Robert E. Towle

R. C. Wallace, secretary of the Montana Bankers Association, reported that Robert E. Towle died suddenly last month in Helena.

On Rudyard Board

Marlin Spicher, a farmer near Hingham, has been elected a director of the Farmers-Merchants Bank at Rudyard, Mont. He succeeds the late Rudolph B. Peterson, according to Richard D. Rubie, president.

Fort Benton Change

Donald C. Ritter, president of Pioneer Mercantile, has been elected to the board of directors of the First Chouteau County Bank, Fort Benton, Mont., to fill the vacancy left by the death of John T. Lepley in June.

Hamilton Promotion

Earle C. Wright, assistant cashier, has been promoted to assistant cashier and auditor at the Citizens State Bank, Hamilton, Mont. He assumes the duties of Ralph B. Robinson, Jr., who died earlier this year.

At the same time it was announced that Don McGourty has joined the staff to assume Mr. Wright's duties as manager of the auto and personal loan department. Mr. McGourty formerly was assistant manager of the First Montana Finance Company of Billings.

Leaves Missoula Bank

Paul S. Gillespie has resigned as president and member of the board of directors of the Southside National Bank, Missoula, Mont. Donald E. Nolan was advanced from vice president and cashier to succeed Mr. Gillespie. John Peterson was promoted from assistant cashier to cashier.

Mr. Gillespie said that the press of other affairs prompted his resigna-

tion. Mr. Nolan has been with the bank since it opened in 1957.

Joins N.W. Banco

Arthur F. Rossberg, vice president, Great Falls National Bank, Great Falls, Mont., has accepted a post as assistant vice president of the Northwest Bancorporation in Minneapolis. He will serve as a liaison man working with Northwest Bancorporation affiliates in developing and servicing real estate mortgages.

He had been affiliated with the Great Falls bank since 1951, most recently as head of the installment loan department.

New Lending Officer

Robert L. Pasby has been appointed lending officer of the Central Bank of Montana, Great Falls. Mr. Pasby opened Builders Mortgage and Loan Company in Great Falls in 1960, specializing in local real estate and financing.

Deposit Machine

BANKOGRAPH, a fast, automatic deposit system, was shown to bankers attending the American Bankers Association Convention by The Mosler Safe Company.

Bankograph accepts deposits of checks, paper currency, and change, making a photographic copy of the deposit. At the same time, the unit photographs the accompanying deposit slip. When the transaction is completed, the machine returns one copy of the validated deposit slip to the depositor.

At the end of the day, checks and cash are proved against deposit slips. In the event of a discrepancy, the deposit slips may be checked against the photographic record of the deposit.

When placed in a bank lobby, according to John Mosler, president of The Mosler Safe Company, Bankograph will relieve congestion at regular tellers' positions during peak hours by accepting deposits without requiring tellers' time. In many cases, he said, Bankograph may be used for after hours deposits or for off premises banking.

Bankograph is manufactured by Reflectone Electronics, Incorporated, a subsidiary of Universal Match Corporation, and sold nationally by The Mosler Safe Company. Further information on Bankograph is available from The Mosler Safe Company, 320 Park Avenue, New York 22, N. Y.

Do your *Clients* have questions about Custom Duties in Canada?

Custom duties are highlighted in "Your Guide to Business in Canada" along with facts on Canadian taxes, how to form a business in Canada and other essential subjects which may interest your clients. Write on your letterhead for this new 48-page brochure published by Canada's First Bank as a service to U.S. executives.

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Northwestern Banker, November, 1962

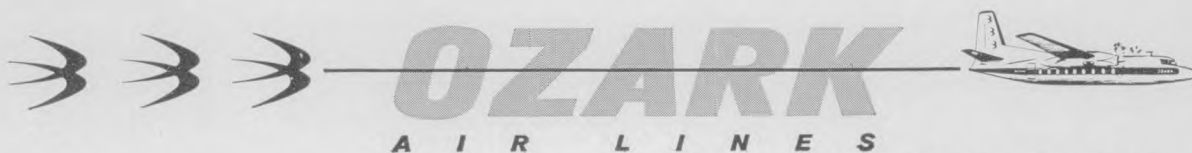


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Northwestern Banker, November, 1962



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Northwestern Banker, November, 1962



LEFT—Don Jackson, v.p., Irving Trust, New York; Carl Carlson, a.v.p., Manufacturers Hanover, New York, and Carl Bloom, a.v.p., 1st National, Omaha. RIGHT—David M. Molthrop, convention speaker from National Small Business Association,



Washington, D. C.; Ralph E. Misko, Nebraska director of banking, and Lyman M. Stuckey, new NBA president and pres., Lexington State.

Holding Companies, Credit Unions Get Nebraska Bankers Attention

By BEN HALLER, JR.
Editor

BANKERS attending the 65th annual convention of the Nebraska Bankers Association in Lincoln last month had plenty to talk about—bank holding companies, branch banking, credit unions, and tax inequities. All of these matters, as well as new association programs, were discussed on and off the platform for the 1,100 persons registered for the last fall convention of the NBA. As announced previously, annual conventions now will be held in the spring, so another convention will be held six months from now.

18-Month Term of Office

In keeping with this decision, Lyman Stuckey, president of the Lexington State Bank at Lexington, was elected for an 18-month term and ident until the annual convention in the spring of 1964. Serving him as vice president for this period will be N. T. Tiemann, president of the Commercial State Bank at Wausa. Mr. Stuckey was advanced from the



E. T. TANNER

ON THE COVER

Pictured on the front cover are Mr. and Mrs. Lyman M. Stuckey. Mr. Stuckey is the newly elected president of the Nebraska Bankers Association and will serve until the annual convention in the spring of 1964. He is president of the Lexington State Bank in Lexington.

vice presidency to succeed B. D. Berkheimer, president of the First National Bank of Gordon, who becomes immediate past president.

Elected for a three year term as treasurer was E. T. Tanner, vice president of the First National Bank of Omaha.

Members elected to the executive council, all for three year terms, were:

Group 1—Otto Kotouc, Jr., president, Home State Bank, Humboldt.

Group 3—Adon Jeffrey, president, First National Bank, Wayne.

Group 5—Reuben Gustafson, president, First State Bank, Hordville.

Kroup 6—A. C. Peterson, president, First State Bank, Lodgepole.

President's Report

Business sessions the first day of the convention were held in Hotel Cornhusker. President B. D. Berkheimer's address was the first order of business and he announced that the executive committee meeting in session just prior to the convention had voted to instruct the NBA legislative committee to draw up a bill to be presented to the Nebraska legislature this coming session that would prohibit the formation of bank holding companies. He said this action was based on results of a poll conducted by the association to determine views of the membership on this subject. Results showed 312 banks opposed to bank holding companies, 35 in favor and 10 expressing no opinion. The other 67 banks did not reply.

Mr. Berkheimer reported that close cooperation had been carried on between the Nebraska Bankers Association and Nebraska Bar Association on a proposed bill that would give Nebraska a new Uniform Commercial Code. This is the result of several

years' work and the legislature will be asked to adopt the Code during its coming session in Lincoln.

Plan Joint Conference

President Berkheimer said it had been voted by committee to consolidate the Bank Management Conference at Crete, the Agricultural Credit meeting and the Installment Credit Conference into one conference next June. The three-day meeting will be held on the campus of Doane College in Crete with each of the above groups having a part in the conference. A special feature will be a management "game" of planning computer operations and programming specific bank functions on IBM computer equipment. Those at the conference would be taken in groups by bus to Lincoln in the evenings, where in smaller groups of eight or 10 men they will work on these problems.

The group meetings and clearing house meetings will be continued, Mr. Berkheimer said. The latter meetings are important because of work that can be accomplished with smaller groups. He said this shows the desirability of having the additional help now available through the new assistant secretary, Wm. H. Osterberg, who was added to the staff last February



NEW vice president of the NBA is N. T. Tiemann, pres. of Commercial State Bank, Wausa, pictured above with Mrs. Tiemann.

Northwestern Banker, November, 1962



LEFT—**Lee L. Loerch**, v.p. & cash., 1st National, Tekamah; **Robert D. Iske**, pres. & cash. of Springfield State, and **H. D. Shellenberger, Jr.**, a.e., The Omaha National. CENTER—**Harold E. Roe**, pres., Bank of Bennington, and **Eldridge B. Scurr**, v.p.,

Chiles & Co., Omaha. RIGHT—**Harold Browning**, v.p., U. S. National, Omaha; **Howard Hanson, Jr.**, v.p., Herman State, and **Chuck Hall**, Continental Illinois National, Chicago.

to assist the secretary, H. V. Osterberg.

Tells Legislative Plans

State Banking Director Ralph Misko, in his annual address to the convention, cited various recommendations he will make to the coming unicameral legislature for changes in banking laws of the state. These include personal loans on real estate; recommending that stockholders be permitted to borrow from their own banks the legal lending limit for customers; permission for banks to put an amount equal to 100 per cent of their capital into a bank building, as well as permitting state banks to hold stock in a building corporation from which they lease; making certain decisions of the department of banking subject to the right of appeal, a process not now available other than on legal matters, and one that would provide a "safety valve" for state banks; requiring that the majority of a state bank's board of directors be residents of Nebraska; permission for officers and employees to borrow up to \$2,500 from their own bank with approval of the board of directors, and no borrowing limit except the legal limit for those officers not active in the day-to-day management of the bank; changing detached teller facility law to permit banks in towns under 5,000 authority to have such facilities (presently confined to banks in towns over 5,000).

United States Senator Carl T. Curtis of Nebraska was given a warm welcome. His review of the new tax bill adopted by Congress appears in the feature pages of this issue.

Hits Credit Unions

David M. Molthrop, community education consultant for the National

Small Business Association, Washington, D. C., proved to be a real stem-winder as the final speaker for the first day. His blast at the unbridled, unsupervised growth of credit unions was paced in such a way as to shake any banker in the audience loose from his lethargy concerning this subject. With the challenge that he will debate any union official, credit union or cooperative official at any time, any place, he proceeded to display an understanding of this growing threat to commercial banking that must have opened the eyes of many bankers.

He said that in the period from 1939-43 credit unions filled a void that banks failed to fill. The credit unions then developed further into the area of commercial banks through the small loan route. He said coop leaders have gained control of credit unions and have constantly been moving into the field of big banking. He said credit unions have expanded from \$700 million in assets in 1953 to \$6.6 billion in 1962.

Fair Taxation Needed

If credit unions want to operate in the financial system of this country, Mr. Molthrop said, then they should be placed under proper supervision as their competitors are, and be made to pay their fair share of taxes, which they are now not doing. He said one rule that should be established and enforced is that credit union members should have a common employer not just a common bond.

Payment of proper taxes is a crucial issue, he emphasized. He suggested that one way to bring home payment of taxes to the public would be to have each person receive all his yearly income in one lump sum, then have to pay out federal taxes in one lump sum, state taxes likewise, and people would then realize the extent of their taxes. "Then," he suggested, "we ought to have an election the next day."

Rural Credit Unions

He told Nebraskans he was tired of helping pay their electric bills through

his taxes, since there are no private power companies in the state. Further encroachment on an individual's taxes would be made, he said, if Secretary of Agriculture Freeman was successful in giving \$500,000 to a campaign to tell the 20 million people of rural America of the advantages of rural credit unions. This plot first came to light last January when Mr. Freeman instructed his Director of Agricultural Credit to take necessary steps to implement a program of expansion of rural credit unions.

He said private industry that gives credit unions on-premise services free of charge is helping sustain a program that is in direct competition with commercial banks which represent private enterprise. He called on banks to join the National Small Business Association, which carries on a national program to bring attention to these inequities and seeks their correction through appropriate legislation so that all who compete in the financial field will compete fairly and pay just taxes.

The business session was concluded the first day with election of officers and adoption of resolutions. Lee L. Loerch, vice president and cashier at First National, Tekamah, presented the committee's nominations report and all officers as presented were elected, as noted above.

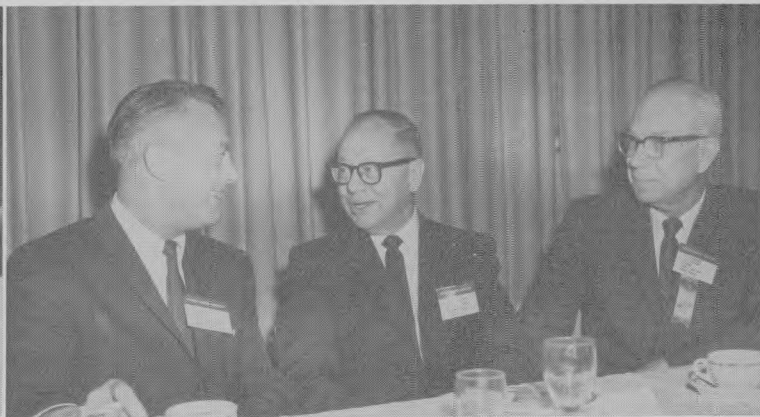
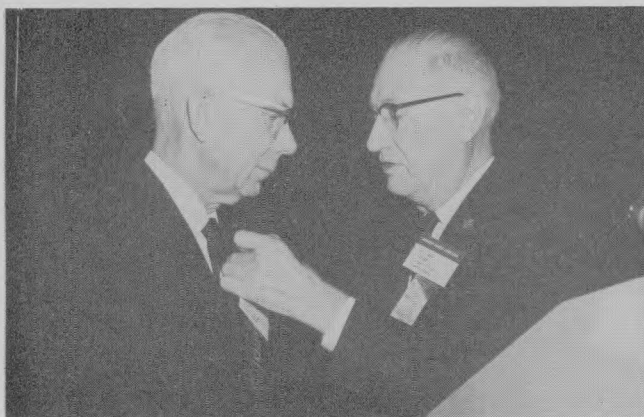
Resolutions Adopted

George Rainbolt cashier of the First National, McCook, read the report of the resolutions committee. Resolution V called for the elimination of tax inequalities, particularly of governmentally created and tax-sheltered or tax exempt institutions competing with banks but not bound by banking restrictions.

Resolution VI called for continued efforts to attain still more equitable taxation of savings and loan institutions.

Resolution VII said 85 per cent of the membership participated in an association poll on bank holding com-

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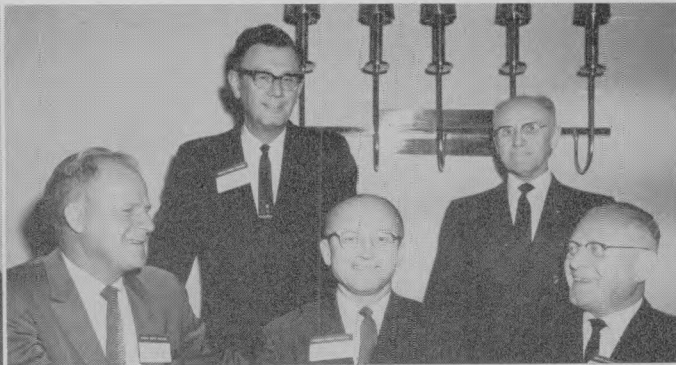
LEFT—Retiring NBA President **B. D. Berkheimer**, pres., 1st National of Gordon, receives Past President's pin from **W. F. Wenke**, pres., at Pender State. RIGHT—**H. D. Kosman**, pres.

of Scottsbluff National (left), and **Mr. Berkheimer** (right) visit with a distinguished guest speaker, **U. S. Senator Carl T. Curtis** of Nebraska.



LEFT—**John McCumber**, sr. v.p., Stock Yards National of Omaha; **G. V. Keller**, exec. v.p., and **T. S. Cummings**, v.p., both with Lexington State, and **Cecil W. Means**, v.p., Stock Yards National of Omaha. RIGHT—**Gene C. Eaton**, sr. v.p., National

Bank of Commerce, Lincoln; **Henry Gramann, Jr.**, v.p., Adams State; **Win Buckley**, a.e. & ag. rep., National Bank of Commerce, Lincoln; **Don Delano**, v.p., Central B&T, Denver, and **J. H. Oliver**, pres., Ravenna Bank.



LEFT—**F. L. Ferrell**, pres., Nebraska State at Oshkosh; **Herb Echtermeyer**, v.p., The Omaha National, and **Louis Stolte**, pres., Commercial Bank at Stratton. RIGHT—(seated) **Walter E. Nolte**, exec. v.p., 1st National B&T, Lincoln; **Lester E. Souba**,

pres., Ulysses State, and **Charles Novak**, pres., Bank of Brainerd. (Standing) **Dale Shoemaker**, v.p., 1st National B&T, Lincoln, and **William Placek**, v.p., 1st National, Wahoo.



LEFT—**Charles K. Richmond**, v.p., American National, St. Joseph, Mo.; **Rex Miller**, v.p., National Bank of Commerce, Lincoln, and **G. W. Shafer, Jr.**, pres., First State at Beaver City.

RIGHT—**Henry Gramann, Jr.**, v.p., Adams State; **Ed W. Lyman**, pres., U. S. National Bank, Omaha; **Virgil E. Warren**, exec. v.p. & cash., Auburn State, and **Joe Haller**, Chiles & Co., Omaha.



LEFT—Jim Morris, v.p., 1st National, Denver; Walter Stroud, exec. v.p. & cash., Bank of Hyannis; George Alf, v.p., Denver U. S. National, Denver; Clyde Sudman, pres., Guardian State at Alliance; Gene Tamillo, v.p., Continental Illinois National, Chicago, and H. H. Broadhead, Jr., v.p., First Stock Yards Bank, St. Joseph, Mo. RIGHT—John Pavich, pres. of Nebraska Neon Sign Co., Lincoln, with Mrs. Schneider and Max Schneider, v.p., First National B&T, Lincoln.



RIGHT—John Pavich, pres. of Nebraska Neon Sign Co., Lincoln, with Mrs. Schneider and Max Schneider, v.p., First National B&T, Lincoln.

panies and 87 per cent of the participants voted against the formation of bank holding companies in Nebraska. It then stated the executive council and Past Presidents Association of the NBA had passed a motion directing the legislative committee to draft a suitable bill for this purpose, and called on the NBA membership to support this bill actively when it is presented in the 1963 legislature.

Resolution VIII endorsed again the dual system of banking, stated there is a movement which could eliminate this dual system, and called on the NBA to reaffirm its position in support of the dual system of banking.

All resolutions were passed unanimously.

Meet in New Building

Activities of the second day were conducted in the beautiful, new Ne-

braska Center for Continuing Education. Nebraska bankers had a special interest in this structure for the original plan for its construction was presented to Nebraska bankers at their convention in Lincoln in 1958. Bankers took a leading part in raising the necessary funds throughout the state and contributed approximately 18 per cent themselves of the nearly \$1 million in funds collected. The matching grant from the Kellogg Foundation completed the amount necessary to put up the building.

After breakfast in the spacious auditorium as guests of Lincoln banks, registrants adjourned to the theater section for the business program. Secretary Osterberg gave details of the combined Bank Management Conference to be held in Crete next June.

Two Nebraska University students

gave brief talks on the foreign student program in American universities. One was Tom Kotouc, a son of Otto Kotouc, Jr., president of the Home State Bank at Humboldt. He did an excellent job in presenting his talk. Dick Weill was the other student. Both proved themselves at ease on the platform and fine speakers.

A.B.A. Election

At the meeting of NBA members of the American Bankers Association, presiding officer was N. T. Tiemann, president of the Commercial State at Wausau and vice president of the A.B.A. for Nebraska. Mr. Berkeheimer was elected a member of the A.B.A. nominating committee for next year. Alternate is Minor P. Baird, president of the Farmers State at Superior.

R. Duane Saunders, director of the Office of Debt Analysis of the United States Treasury, presented a talk titled, "The Practical Application of Federal Debt Management Objectives." He used numerous color chart slides to show the breakdown of the national debt and issues of securities sold in various markets.

Final speaker was William H. H. "Tippy" Dye, Nebraska University's director of athletics. He introduced the head football coach and his staff as well as coaches of the various other sports sponsored by the university.

The convention was concluded with a buffet luncheon at Hotel Cornhusker ballroom.

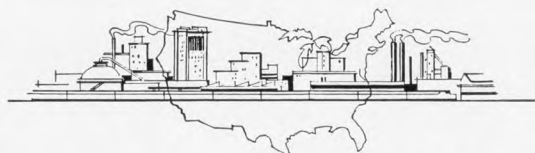
The evening banquet the first day of the convention was again a big success and was followed by an excellent program of entertainment furnished by the husband-wife team of Doraine and Ellis. Their musical revue of American stage play songs was well received by the entire audience.—End.

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As a bank, we are the only financial institution which can give you complete financial service...checking accounts, business and personal loans, drafts, cashier's checks, money orders and travelers checks—just to mention a few.

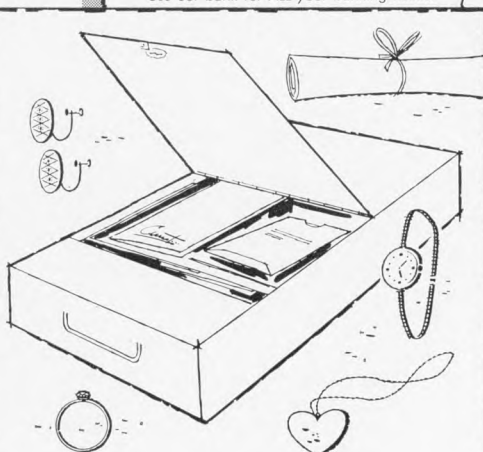
For your protection, we are a member of the Federal Deposit Insurance Corporation, which insures your deposits. Only banks are eligible for Federal Deposit Insurance. Your individual account is insured as well as any joint account you may have with another member of the family.

The word "bank" in our name is our guarantee that we can give you complete banking service. Use all these services. They are to your advantage.

Use our bank for ALL your banking needs.



DO YOU ADVERTISE YOUR SERVICES ?



PLAY IT SAFE!

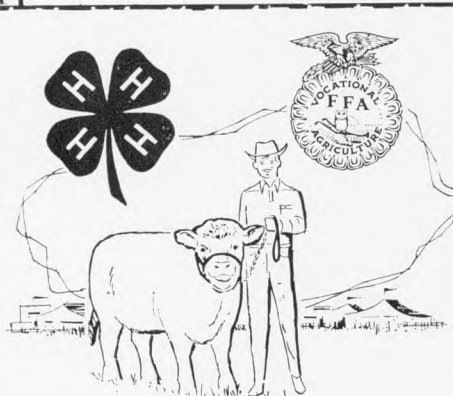
Your car title, birth certificate, wedding license, deeds... these are just a few of the papers you need to preserve carefully. And precious jewelry, watches and heirloom pieces need to be protected also.

That's why you should put your valuable papers and precious jewelry in one of our safe deposit boxes. Come in today and inquire about our low cost safe deposit service.

Use our bank for ALL your banking needs.

MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

YOUR BANK NAME



LET'S ADMIT IT...

We wish we were young again.

We wish this every time we visit with 4-H'ers or Future Farmers.

They do a bang-up job...not only for our community and our state, but also for our nation.

We're proud of them. We think they're great.

Use our bank for ALL your banking needs.

MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

YOUR BANK NAME

If our services interest you, contact us.

FIRST NATIONAL BANK OF OMAHA

Northwestern Banker, November, 1962

Omaha News



HAREHOLDERS of **The Omaha National Bank** were to meet November 9 to vote on a stock split proposal. Directors called the meeting last month to ask shareholders to approve splitting the bank's outstanding shares one for four, increasing the bank's capital from \$8 million to \$10 million. A 25 per cent stock dividend then would be approved according to the board proposal. Thus the number of shares outstanding would be increased from 400,000 to 1,000,000.

The board also announced its intention to pay a 24 cents per share dividend in December, 1962, and to establish a regular quarterly dividend rate of 21 cents per share commencing in March, 1963, if shareholders approve the stock split and dividend. The present dividend rate, adjusted to the proposed new stock basis, is 20 cents per share per quarter.

Omaha National Goes Electronic

A SPECIAL press conference was held last month at The Omaha National Bank to introduce the newest member of the bank's expanding staff. He was described by Board Chairman W. B. Millard, Jr., as possessing considerable sophistication and one who fully merits the special remodeling that was done to provide him with an extra large, glass-enclosed office.

His performance pleased Mr. Millard and other officials of the bank as well as drawing praise from reporters who are accustomed to seeing just about anything happen.

He has now been introduced to all customers of The Omaha National through special mailings as "Mr. 1401," but to the staff he is known officially as the IBM 1401 system, or more intimately as "the mastermind."

The new system is similar to that found in other large banks, including the 1401 processing unit, the 1402 card-read punch, the 1412 reader-sorter and the 1403 printer. The big difference

D. W. Ryan, vice president of the First National Bank, has been appointed to the A.B.A. installment credit commission by **M. Monroe Kimbrel**, A.B.A. president.

* * *

Edwin N. Van Horne, chairman of Van Horne Investments, Inc., returned to his desk late last month after recovering from a collapse suffered October 6 during the Nebraska-Iowa State football game in Lincoln. Mr. Van Horne was hospitalized for a short time, then after a brief period at home, returned to work October 22.

* * *

Don R. Ostrand, vice president of the First National Bank, recently was elected to a two-year term on the board of directors of the Douglas County Unit of the American Cancer Society.

or a total of 20,016 characters per second. Each tape reel contains thousands of transactions.

After Mr. Millard "introduced" Mr. 1401, Howard M. Johnson, vice president in charge of operations, told newsmen of the problems banks face in processing checks at the rate of 13 billion per year, with a potential volume of 22 billion within a few years' time. The "heart" of the 1401 system for banks is the 1412 reader-sorter, he said.

As bankers know, this part of the equipment reads all pertinent information from checks, deposit slips or other documents being processed, by means of MICR, and feeds this information into the 1401. All information is funneled through the 7330 magnetic tape units for storage and the 1403 printer is instructed to print out a hard copy of any printed information desired.

Noting that the installation was the first complete system operative in a Nebraska bank, Mr. Johnson said the first step was taken six years ago when punch-card equipment was acquired to handle as much work as possible. The second step came in 1958 when all checking accounts were numbered and customers were asked to use these numbers in addition to their signatures. The 1401 was ordered by Mr. Millard late in 1961 and delivered a few weeks ago as the third step in a continuing program of improvement in the operations department.

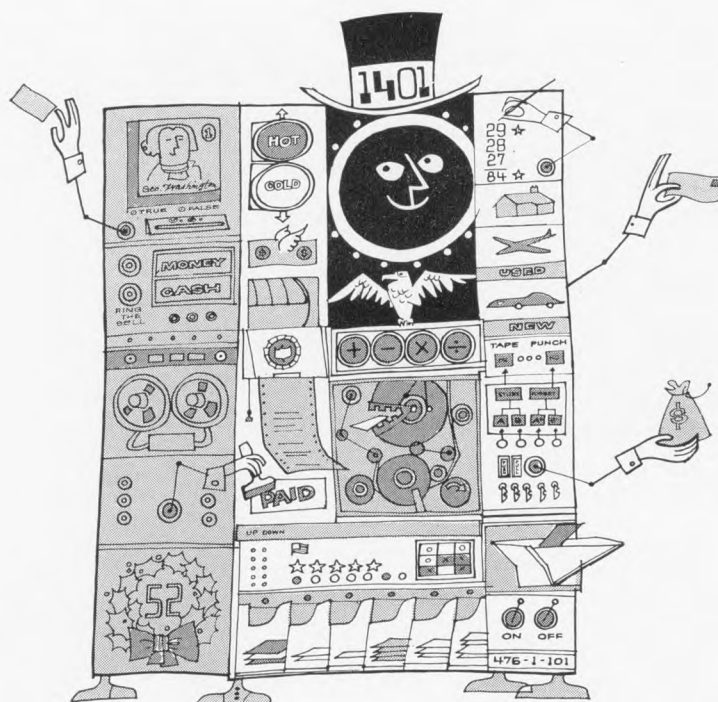
The equipment will perform many tasks, Mr. Johnson said, but can do nothing more than what it is instructed to do by the human personnel operating it. To get the manpower for this demanding task, the bank searched its own staff and hand-picked four men who were sent to computer

NEW EQUIPMENT . . .

(Turn to page 92, please)



Eugene Kidder and Bruce E. Barks, a.c.'s, discuss work program for 7330 tape machine with **Howard M. Johnson**, v.p., operations.



Newest Member of our Staff; "Mr. 1401"

Next time you're in Omaha, be sure to come in and meet "Mr. 1401"—the new "whiz-kid" of the Omaha National Bank.

He can't mop the floors or wash the windows, but he's mighty handy around the bank. If we wanted him to, he could program a flight to the moon, or tell one of our vice-presidents his chances of staying out of the rain.

But that's not why we hired him.

He's here to conquer the problems of mounting paper work. For example, "Mr.

1401" reads and sorts up to 900 checks a minute — and can make as many as 3,300, eight-digit computations a second! He stores endless details in his fantastic "memory system"—and can produce amazing amounts of specific information in minutes with just the push of a button.

No other bank in Nebraska has such a complete electronic system as the IBM 1401 Data Processing System. Come in and watch "Mr. 1401" at work, next time you're in Omaha.

The Omaha National Bank

OMAHA, NEBRASKA

Member Federal Deposit Insurance Corporation

New at North Bend



INTERIOR VIEW of the new quarters of the Platte Valley Bank, North Bend, Nebr. The grand opening of the new quarters was reported in the **NORTHWESTERN BANKER** last month.

Grand Island Building

Construction of the new Commercial National Bank Building in Grand Island, Neb., was started recently.

The new building is being constructed adjacent to the bank's present drive-in facility. Edward Huwaldt, president, said that if weather conditions are favorable the new building should be completed in about one year. The structure will measure 88

feet on Third Street and 100 feet on Cedar. Parking will be provided at the rear of the building. The main banking floor will include 10 teller windows, a customers' waiting lounge, a safety deposit vault, and an interior garden. A community room is planned for the lower level.

Exterior will be of brick and glass with black granite columns framing a silver and gold solar screen on the south and west elevations.

NBA Committees at Work

Committees of the Nebraska Bankers Association are hard at work planning activities of the association in the coming months.

The legislative committee, under Chairman J. R. Kenner, president of the Thayer County Bank at Hebron, met in Lincoln October 25. This committee will present a bill to the Nebraska legislature early in 1963 for adoption of the Uniform Commercial Code. This major project has been under intensive study by the NBA in cooperation with the Nebraska Bar Association for several years.

The committee also will present a bill seeking to ban bank holding companies from Nebraska. This is in line with the wishes of the membership as noted in the convention story in this issue. The committee also will take up any other matters pertinent to banking interests that come up in the next legislative session.

Mr. Kenner's committee consists of eight other bankers, one from each of the six groups, plus one from Lincoln and one from Omaha.

November 8 Meeting

A joint meeting of seven committees will be held Thursday, November 8, starting at 9:45 a.m. in the Yancey Hotel at Grand Island. These committees are: Agricultural, bank management, education, group insurance and pensions, insurance and protection, public relations, and installment credit. The session will last until approximately 3:30 p.m.

Service Study Committee

The NBA Service Study Committee was appointed by Immediate Past President B. D. Berkheimer as one of his last official functions before leaving office last month. Chairman is Ed Cosgriff, chairman of the City National Bank at Hastings. The committee is made up of two bankers from each group, plus two from Omaha and two from Lincoln. It will study all facets of banking including holding companies, branch banking, and financial services performed by banks in the public interest.

Legislative Dinners

Following the November election, all state legislators elected at that time will be invited to attend one of 36 legislative dinners planned by the Nebraska Bankers Association for representatives of the state's 43 districts. The chairman for each of the 36 dinners is being selected from the district in which the meeting will be held. These dinners will enable bankers to become acquainted with their state legislators, as well as affording an opportunity to discuss bank matters that may come up in the legislature.

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to
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United States Check Book Company

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Save taxes AND dollars for your employees !

You can now with a profit sharing trust designed by the National Bank of Commerce Trust and Savings. / Congress has provided many tax advantages to a savings plan established by corporations for their officers and employees. The "qualified plans" offer so many tax and savings advantages that most large national corporations have established profit sharing plans. / But Nebraska corporations have lagged behind in establishing the plans because *there has been no uniform plan devised which could profitably be adopted by a corporation regardless of size.* / N.B.C. has worked out all the details for a qualified profit sharing plan for large or small Nebraska corporations with these outstanding features: ■ Maximum tax advantages ■ A program of central management ■ Uniform administrative procedures ■ A flexible program suitable to any size Nebraska bank or corporation. / It will pay you—not just in the accumulation of extra dollars and cents, but also in added employee good will—to look into N.B.C.'s special plan. / Write or call today for full information about the astounding tax savings available through a profit sharing trust. Or visit one of the trust officers at N.B.C.

**NATIONAL
BANK OF COMMERCE**
TRUST & SAVINGS
LINCOLN

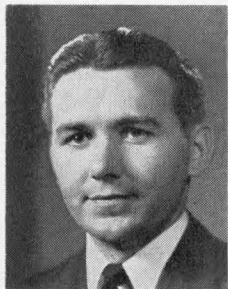
MEMBER, F. D. I. C.

Lincoln's family bank with the open door at 13th and O /
Patio Bank at 10th and O / Drive-in at 12th and P

Lincoln News



DEL L. SOMMERHALDER has resigned as vice president of the National Bank of Commerce to become executive vice president of the Farmers State Bank at Aurora. Mr. Sommerhalder had been with the National Bank of Commerce eight years, working in several departments prior to his appointment two years ago as head of the investment department.



D. L. SOMMERHALDER

Glenn Yaussi, president of National Bank of Commerce, said the investment committee of the bank, made up of senior officers, will continue to be headed by **Robert Wekesser**, senior vice president. **Robert L. Hans** will continue as an investment officer handling daily duties in this department.

Mr. Sommerhalder will join **Ed Co-blentz**, president of Farmers State, in management of that bank. Mr. Co-blentz recently was elected president following the sudden death of **G. K. Waldron**.

* * *

George W. Barlow, Jr., has been appointed assistant cashier of the First National Bank and Trust Company, according to an announcement made

recently by **Burnham Yates**, president of the bank.

Mr. Barlow joined First National Bank and Trust Company as a part-time employee while attaining his B.S. degree in business administration at the University of Nebraska. After graduation he spent 17 months with the U. S. Army. In April, 1958, Mr. Barlow returned to Lincoln and the First National Bank and Trust Company to pursue his career in the field of banking.

George S. Lyon

George S. Lyon, 76, president, Richardson County Bank, Falls City, Neb., died last month at the Community Hospital in Falls City.

Seymour Open House

More than 700 persons toured the completely remodeled Seymour State Bank, Seymour, Neb., during an open house recently. Door prizes consisted of a \$50 and a \$25 United States Savings Bond and several \$5 awards.

Springfield Changes

Following the death of **Taylor Jarman**, president, Springfield State Bank, Springfield, Neb., the following officers were elected:

Otto Nielsen, chairman of the board; **Robert D. Iske**, president and cashier, and **James P. Latham**, vice president.

Mr. Nielsen formerly was vice president and Mr. Iske was vice president and cashier.

Gresham Cashier a Suicide As Examiner Walks in Bank

Arthur Walford, 73, cashier of the Gresham State Bank at Gresham, committed suicide with a shotgun in the rear room of the bank October 22 as State Bank Examiner **F. H. Pochop** entered the front door. Immediate investigation disclosed a "sizeable" shortage and a more detailed examination pegged the defalcation in the neighborhood of \$468,000.

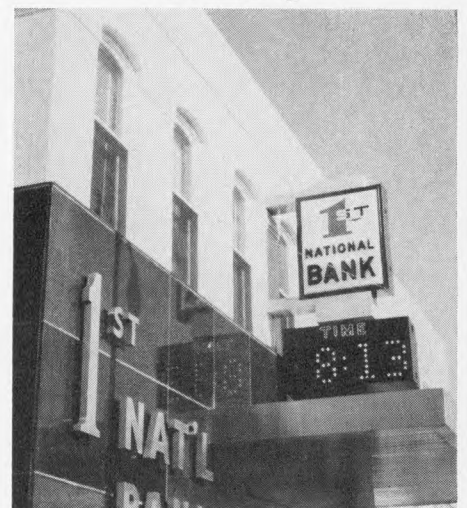
David Yung, 93, president of the bank, who had unlocked the door to admit Mr. Pochop, said the bank is not insured with FDIC. Mr. Walford had seen Mr. Pochop step from his car, and as Mr. Yung went to unlock the front door to admit him, Mr. Walford went to the back room and shot himself, the sheriff reported.

State Banking Director **Ralph E. Misko** said no determination has been made conclusively yet as to what happened to the money. He said if preliminary examinations are correct, "all the bank's capital, surplus, undivided profits and fidelity bonds would be exhausted to meet obligations."

The June statement of condition showed assets of \$722,731, liabilities of \$681,931 and capital accounts of \$103,799. The report was signed by Mr. Yung, Mr. Walford and Vice President and Director **H. I. Hylton** of York.

It appeared that the defalcation had accumulated over a long period of years.

New Sign



THIS new electric time and temperature sign has been installed at the **First National Bank of Tekamah** by Nebraska Neon Sign Company of Lincoln. The upper panel is four by six feet, featuring red lettering on white plexiglas. The lower part revolves and has a black background with lighted time and temperature reading in 18 inch high numerals.

Underwriters

Distributors

Dealers

Municipal Bonds

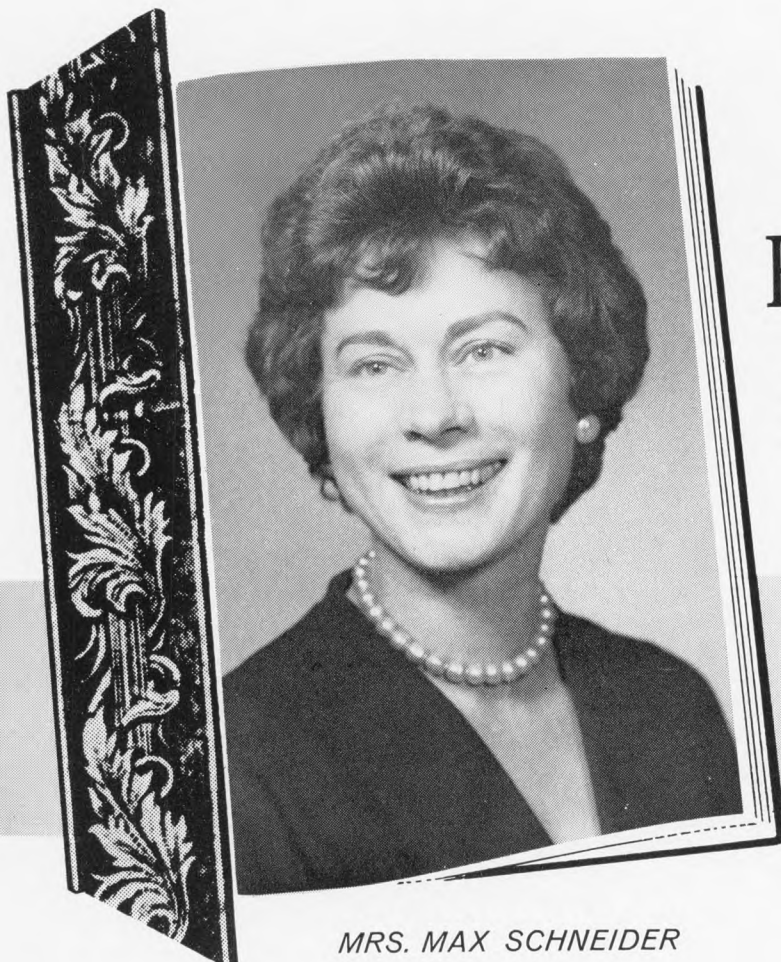
FIRST NEBRASKA SECURITIES

CORPORATION

1001 "O" Street
Lincoln, Nebraska

Stitt Building
Hastings, Nebraska

One of a series featuring the ladies behind
the men you know and work with at
First National



MRS. MAX SCHNEIDER

A First National FIRST LADY

One of the seasoned veterans attending group meetings and state conventions is Eleanor Schneider, whose husband, Max, has been associated with the bank since 1929. Her youthful attractiveness and engaging smile coupled with her warm personality make her one of the favorites in any setting.

Eleanor's career as a homemaker for husband, Max, and their 14 year old son, Kurt, occupies most of her time. However, she is able to sandwich into her schedule a goodly number of hours each

year devoted to volunteer hospital work at Lincoln's Bryan Memorial Hospital. Most of her leisure hours are spent with her favorite hobby . . . flower gardening. Although she does not specialize in raising any one particular variety of plantings or flowers, she confesses her favorites are tulips and other bulb type plants.

When winter sets in, Eleanor finds time to do extensive reading which lends a great deal to her very interesting charm.

FIRST NATIONAL BANK & TRUST COMPANY OF LINCOLN

12TH & N STREETS • LINCOLN, NEBRASKA

Northwestern Banker, November, 1962

Columbus Bank Conducts Open House



SPLIT LEVEL LOBBY is an unusual feature of the new First National Bank and Trust Company building in Columbus, Nebr. The upper level, reached by the stairway shown at right, is occupied by the officers. Paying and receiving windows are shown at far right. A walk-up window is located near the front door. The new building has two large security vaults,

each measuring 17 by 32½ feet, with one above the other. Nearly 7,000 persons attended open house at the new building. The bank now is in the process of constructing a drive-in facility across the alley from the new building. It will be connected to the main building by pneumatic tubes.

50th Anniversary

Paul Langenberg, president, First National Bank, Walthill, Neb., was honored recently on his 50th anniversary with the bank. A dinner party in his honor marked the event.

Heads County Bankers

Wallace E. Rose, Jr., executive vice president, Exchange Bank in Gibbon, Neb., has been elected president of the Buffalo County Bankers Association. Ron Bycroft, vice president of the Exchange Bank, was named secretary-treasurer.

Heads Harrison Bank

Ted King has been named president of the Sioux National Bank, Harrison, Neb. He joined the bank last March and is succeeding V. E. Marsteller, who retired recently, as president.

Lilly Larsen is vice president and cashier, and Joe Whitaker is assistant cashier.

The board now includes H. E. Hall, chairman; W. E. Mumby, E. E. Whitaker, Arthur From, Mr. King and Miss Larsen.

Mr. King came to the Harrison bank from Alliance where he had been agricultural consultant and an officer at the Alliance National Bank.

Tops \$1 Million Mark

The State Bank of Chester, Neb., recently marked the reaching of \$1 million in assets. The bank opened in 1950 with assets listed at \$413,898.90.

Ask Hastings Charter

An application for a new bank in Hastings, Neb., has been received by the State Department of Banking, according to Ralph Misko, director.

Charles T. Voorhees and Associates of Harvard, Neb., filed the application. The new bank would be known as the Hastings State Bank. Proposed capital accounts consist of \$175,000, divided into \$50,000 capital, \$75,000 sur-

plus and \$50,000 undivided profits.

Hastings now has two banks: The City National and the First National.

New Fremont President

Dale Ball, formerly executive vice president, has been elected president of the First National Bank in Fremont, Neb. He succeeds Francis R. Orshek who died recently. Mr. Ball has been executive vice president of the bank since January, 1960.

To Build at Blair

Following the granting of approval to move the Herman State Bank to Blair, Neb., officers of the Herman bank announced plans for the construction of a new bank building in Blair.

Actual construction is to get under way this fall. The new building will occupy the corner of 19th and Washington Streets. A drive-in facility is to be included, but full details of the building have not been announced.

Investors Life Insurance COMPANY OF NEBRASKA

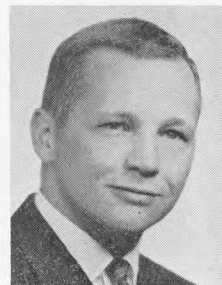
Omaha, Nebraska

Serving Nebraska Banks with Competitive

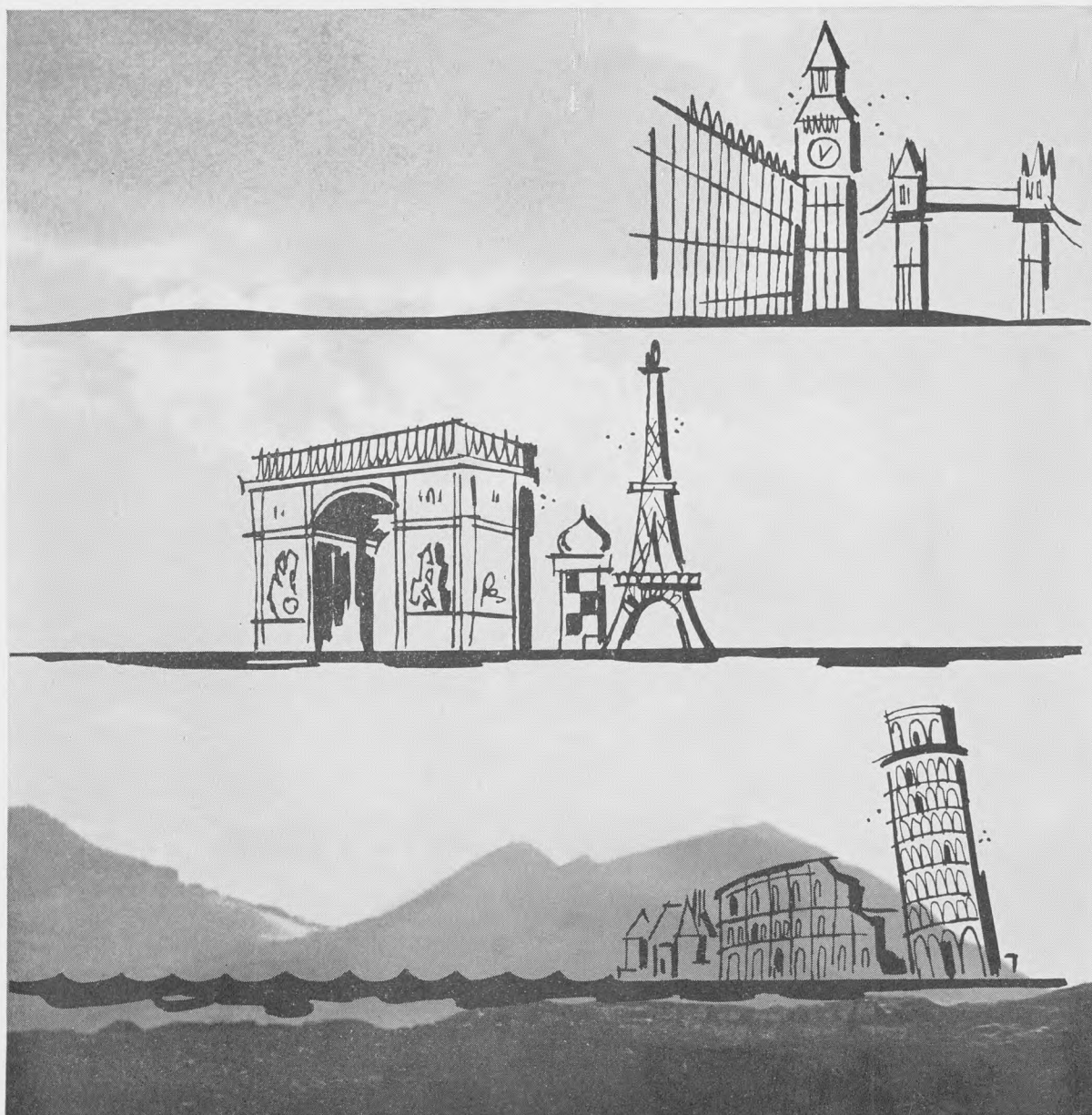
CREDIT LIFE AND DISABILITY INSURANCE

(A wholly owned subsidiary of the 4,500 stockholders of Life Investors of Nebraska)

*Provide Your Customers with Credit Life Insurance
Through the Company They Own*



D. A. (DON) DREWS
1020 Omaha Natl. Bldg.
Omaha, Nebraska



**If your customer is looking for
NEW HORIZONS *in marketing*
look to CITY NATIONAL**

That's right, the international market is no further than your telephone right now! Over the years, we've built the largest foreign department in the Heart of America . . . and it's paid big dividends for our customers and our correspondents. With over 400 **direct** overseas contacts and a capable, experienced international staff, we're ready to serve you and your customers now.

Serving the Heart of America and over 1000 correspondent banks . . .

CITY NATIONAL BANK

and Trust Company of KANSAS CITY, Missouri

10TH & GRAND • KANSAS CITY 41, MISSOURI

Established 1913 — Member Federal Deposit Insurance Corporation

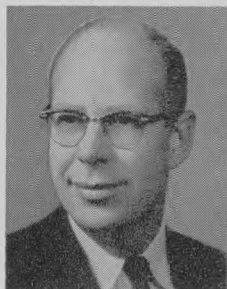
Northwestern Banker, November, 1962

A WHOLE NEW WORLD OF PROGRESS FOR CORRESPONDENT BANK SERVICE

Correspondent Bank Department



CYRUS D. KIRK



HOMER R. JENSEN



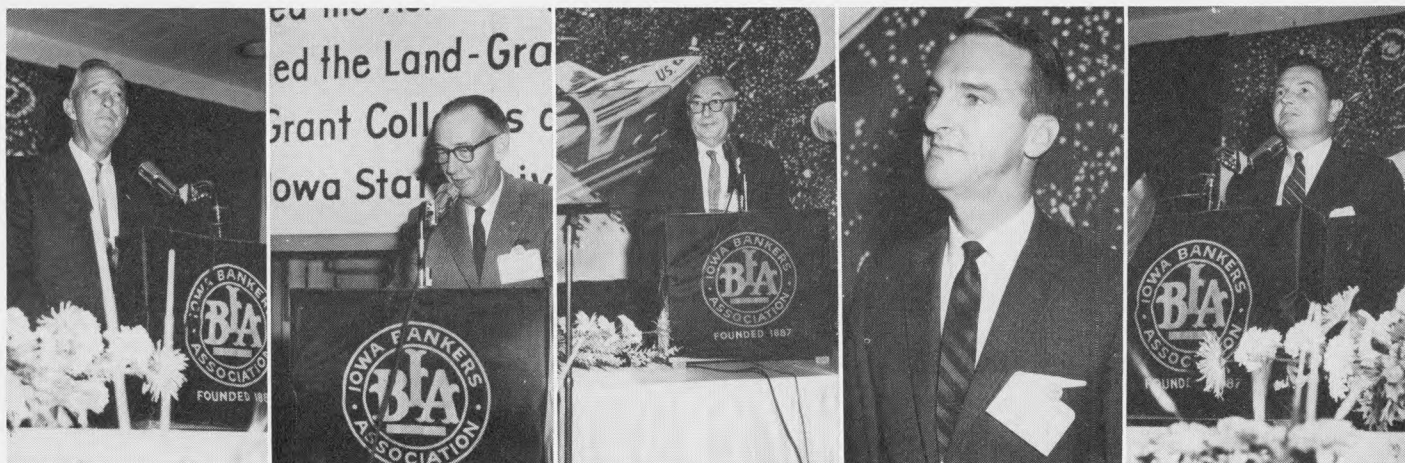
NEED HELP WITH CATTLE PAPER?

When you have profitable feeder loans that can't be handled, you'll find Bankers Trust Company ready to participate with you, without disturbing relationships between you and your customers. Call Cy Kirk or Homer Jensen collect at 283-2421, or see us in Omaha during the ABA Ag Credit Conference.

Bankers Trust Company

The Largest Locally-Owned Bank in Des Moines

Member: Federal Deposit Insurance Corporation • Federal Reserve System



CONVENTION SPEAKERS shown from left to right: **Gen. Mark Clark**, pres., The Citadel; **Geo. Spence**, American Natl. Bk. & Tr., Chicago; **Walter P. Marshall**, pres., Western Union,

New York; **Dr. Robt. Samp**, University of Wisconsin, Madison, and **David Rockefeller**, pres., Chase Manhattan Bk., New York.

Era of Change Stressed by Speakers at Iowa Convention

By **MALCOLM FREELAND** and **BEN HALLER, JR.**
President Editor

IOWA bankers had the seriousness of a global war threat firmly impressed on them last month when the Cuban crisis erupted during their 76th annual convention in Des Moines. They got a first-hand report on the treachery of Russia and the communists from General Mark Clark (U.S.A. Ret.), who threw away his prepared manuscript and barreled into the Reds in a hard-hitting speech in which he supported the action of President Kennedy and stated that Russia recognizes only force and will back away when it is exhibited.

The tenseness of the week was further brought home when two of the prominent speakers on the program had to cancel their appearance because they were directly involved in the government maneuvering in Washington and the United Nations. Unable to appear were Iowa's U. S. Senator Bourke B. Hickenlooper, who, as a member of the committee of 17 Congressmen on tap for such emergencies, was recalled to Washington, and the Hon. Francis T. P. Plimpton, deputy representatives of the United

States to the United Nations, who received orders to remain in New York with Ambassador Stevenson.

Opinion of the record 4,838 persons who registered for the meeting was solidly in favor of the action shown by the blockade of Cuba.

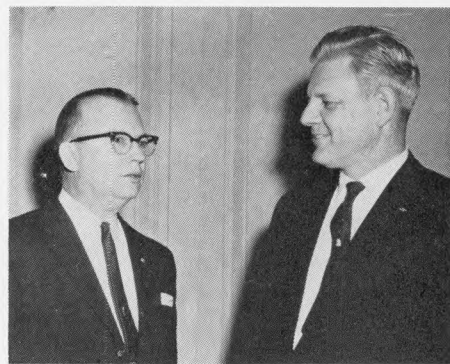
The new high in registration was reached with 2,535 men attending and 2,303 ladies registered. The 1961 total was 4,518.

The speakers covered a diversity of topics during the three days of meetings, with the interest of Iowa bankers in getting such a broad perspective evidenced by the large attendance at every session. If any common thread could be selected as tying all the speeches together it would be the one emphasizing "change"—changes that have taken place in farming, business and banking, and more importantly, changes that are posed for the future.

At the 14th Annual Agricultural Breakfast Conference, which took up the first half-day of the convention, this emphasis on "change" was brought out by nearly every speaker. **Herbert B. Howell**, extension economist at Iowa State University, Ames, said: "Farming today is a dynamic and changing business. Only farmers who recognize this trend are willing to make changes and adjust to changing times will survive. Bankers and people with lending institutions are going to have to keep up with these changes. They must provide a credit framework that fits in with this new kind of Iowa agriculture."

Thomas R. Smith, executive vice president of First National Bank, Perry, gave one of the best received talks in the 14-year history of these agricultural breakfasts. For his talk, he assumed the part of a country bank's competitor who is seeking increased business from the very people who are, or should be, customers of the local bank. He wove into his talk the methods used by many of these competitors who get up early, work late, make all kinds of loans and are "hungry" enough to actively solicit business.

E. Howard Hill, president of the Iowa Farm Bureau Federation, told bankers the Kennedy administration's efforts in agriculture are attempts to put strict controls on farmers, thus interfering with private enterprise, the system that has built farming and business alike to its present peak.



1962-63 OFFICERS

President—**H. L. Ollenburg** (left), pres., Hancock County Natl. Bank, Garner.
Vice President—**J. H. Pullman, Jr.** (right), pres., Fremont County Sav. Bank, Sidney.

A.B.A. OFFICERS FOR IOWA

Executive Council (3-year term)—**E. F. Buckley**, chmn., Central Natl. B&T, Des Moines.
Nominating Committeeman—**Ted J. Welch**, pres., Peoples B&T, Cedar Rapids.
Alternate—**Gordon L. Mennen**, pres., Le-Mars Sav. Bank.

ON THE COVER

Pictured on the front cover are Mr. and Mrs. Herb L. Ollenburg. Mr. Ollenburg was elected president last month of the Iowa Bankers Association for a term of one year. He is president of the Hancock County National Bank at Garner.



LEFT—John Mangold, v.p., Merchants Natl., Cedar Rapids, and Bill Werner, v.p., United Home Bk., Mason City, look on as Glenn Ingle, U. S. Sav. Bonds dir., explains space capsule. CENTER—Max Roy, v.p., LaSalle Natl. Bk., Chicago, points to rocket display as Dee Sutherland, pres., First Natl., Manning,

and Christy Armstrong, v.p., Amer. Tr. & Sav., Dubuque, inspect it. RIGHT—Chas. Walsh, pres., Farmers & Merch. Sav. Bk., Burlington, and Ed Ebersole, v.p. & cash., St. Central Sav. Bk., Keokuk, were “shot” near the launching pad.

Carl G. Breeze, president of the Bank of Kremmling, Colo., who was elected president of the A.B.A. state bank division recently, discussed “Cattle Producer—and Feeder Outlook.” He predicted the price of cattle will hold up over the next few years. If the market does slip, he stated, better quality cattle will hold up best. Current prices are where they should be, based on production costs, he added. “If prices go up,” Mr. Breeze warned, “beginners will enter the market. Bankers can play an important part in this respect.”

Mr. Breeze gave the following valuation per head for cattle during the past 95 years: 1867—\$19.60; 1900—\$26.40; 1933—\$17.78 (low for the century); 1956—\$88.10, and 1962—\$140. He expects the over-all price in the 1960's to be even higher due to the increased population and higher wage scales.

George H. Spence, ag representative for American National Bank and Trust Company, Chicago, talked on “The Importance of the Cattle Feeding Industry to the Economy of Iowa.” He showed the part this income plays in the total farm income of the state and the dependence of other sectors of the economy on the success of cattle feeding.

Charles H. Walcott, president of the Security National Bank in Sioux City, presided throughout the convention as president of the Iowa Bankers Association until the final morning when his successor, Herb L. Ollenburg, was elected president for 1962-63. Mr. Walcott, in his president's address, also emphasized the importance of cattle to Iowa, particularly this year, and expressed the hope that too many farmer-feeders would not go overboard in buying prices. He also called

on Iowa bankers to take an objective look at suggestions being made for changes in banking regulations by the Comptroller of the Currency and others.

Mr. Walcott personally made a motion to adopt a resolution he presented for the endorsement by the IBA of Harry W. Schaller, president of the Citizens First National Bank of Storm Lake, for election as a director of the Federal Reserve Bank of Chicago. The motion was seconded by several and unanimously passed. Mr. Schaller is a past president of the IBA. He is seeking election to the directorship now held by Vivian W. Johnson, chairman of the First National Bank, Cedar Falls, who announced some time ago he would not be a candidate for the office.

Mr. Walcott was presented the ivory gavel in recognition of his service as president by Charles R. Gossett, chairman of the board of Mr. Walcott's bank, Security National. Mr. Gossett was IBA president himself in 1939-40.

Charles J. Scanlon, president of the Federal Reserve Bank, Chicago, cited the fact that 55 per cent of Iowa's farmers in 1959 “sold products valued at \$10,000 or less,” adding that “the population and labor of the 97,000 farms producing less (than \$10,000) adds up to a big potential addition to the state's urban population and work force. (This) has offered manufacturing and other firms an incentive to settle in Iowa.”

Mr. Scanlon said the keen public interest in banking at this time is not necessarily generated by current proposals to change the banking system or the industry's own focusing of attention on its problems, but rather public interest has been sharpened by

the part banking plays in the economic growth factor that is posed by both political parties. He said studies show the current banking system to be sound and that a basic overhaul is not necessary. Banking has grown less rapidly than the economy as a whole and compared to other financial institutions, he said. However, he did not feel these facts were disturbing because there is no reason why banks should grow as fast as the economy—because the public is unconcerned as to who provides the services. This, he said, should be the concern of bankers.

He advised banks not to follow unwise policies in their aggressive efforts to be competitive, but rather follow intelligent planning in being competitive.

David Rockefeller, president and chairman of the executive committee of The Chase Manhattan Bank, New York, called for a cut in personal and corporation taxes of \$8 to \$10 billion annually in order to give the right kind of stimulation to the economy. He reasoned that a big enough tax cut would stimulate the expansion growth needed to create new jobs, new production and new marketing that eventually would upgrade the economy and actually result in greater federal tax income to balance the budget. He said if this nation does not improve its economic growth, other economic problems probably will worsen progressively and thus become more difficult to solve.

Miss Hilda H. Kollman, president of the National Association of Bank Women, and vice president and cashier of the State Bank of Blue Island, Ill., spoke on “Women in Banking,” telling the great strides made by women in performing successfully the ex-



LEFT—Chas. Atwell, pres., Mt. Pleasant Bk. & Tr., and James Saxon, comptroller of the currency, Washington. CENTER—John Pain, asst. v.p., Marquette Natl., Minneapolis; David Rockefeller, pres., Chase Manhattan Bank, New York; Ed Burchette,

pres., Valley Bk. & Tr., Des Moines; Neil Howland, v.p., Chase Manhattan, New York, and John Hejinian, asst. v.p., Chase Manhattan. RIGHT—Howard Beerman, asst. cash., Live Stock Natl., Chicago, and Fae Evans, pres., Woodbury Bk. & Tr., Sioux City.



LEFT—Dierck Post, asst. v.p., Manufacturers Tr., New York, and Dale Auld, pres., LaPorte City St. Bk. RIGHT—Harold Klein, sr. v.p., Iowa-Des Moines Natl. Bk.; Bob Thom, official

rep., First Natl. City Bank, New York, and Dan de Menocal, v.p., First Natl. City Bk., New York.



LEFT—J. M. Burch, pres., Dubuque Bk. & Tr.; W. B. Griffin, v.p., Iowa St. Bk. & Tr., Fairfield, and Ed Jorgensen, v.p., City Natl., Clinton. RIGHT—Bill Sherman, a.e., City Natl., Kansas

City; Clair Schroeder, v.p., City Natl., Kansas City and Dick Nachazel, v.p. and cash., Farmers & Merch. Sav. Bk., Burlington.



LEFT—Dale DeKoster, pres., Waterloo Sav. Bk., and Mel Abrahamson, treas., State of Iowa. CENTER—Chuck Gustavson of Natl. Fidelity Life, and Stan Grotenhuis, v.p., & cashier,

Epworth Sav. Bk. RIGHT—Don Tracy, rep., American Express, Fed. Warehousing, Omaha, and Dave Coffman, v.p., American Express, New York.



LEFT—**Harry Schaller**, pres., Citizens First Natl., Storm Lake; **Jerry Nelson**, v.p., Iowa-Des Moines Natl., and **M. Monroe Kimbrel**, pres., American Bankers Assn. RIGHT—Group from Bankers Trust, Des Moines, include **Cy Kirk**, v.p.; **Homer Jen-**



sen, asst. v.p.; **Mrs. Robt. Sterling**; **Robt. Sterling**, pres.; **Scott Pidgeon**, vice chmn., and **Mrs. Pidgeon**; **Mrs. Crawford Hubbell**, and **Crawford Hubbell**, v.p.

ective duties assigned them in banks both large and small.

Gordon L. Mennen, president of the Le Mars Savings Bank, reported on plans for celebrating the Centennial in 1963 of the national banking system and dual system of banking, then showed the film on this program made by the A.B.A.

M. Monroe Kimbrel, A.B.A. president and chairman of the First National Bank at Thomson, Ga., made a real impression on the packed ballroom during his first appearance before a state bankers' convention following his election at Atlantic City. He proved himself an able speaker, with the kind of platform polish that held attention as he went through the A.B.A. program for the year and set forth its stand on various matters, with practically no reference to notes before him.

He said much credit for the gains made by banking during the recently concluded session of Congress must be given to rank and file members from all states, who supported every program when called on to do so by

A.B.A. headquarters. He said his office will continue to review any legislation coming up and when President Kennedy's tax bill is presented next year, A.B.A. will look at it objectively to see that it is honest tax reform on a broad, strong base that will be in the best interests of the nation.

He reported that at the NABAC convention in Florida, an administration speaker had proposed increasing FDIC coverage for banks from \$10,000 to \$25,000 with no increase in present premiums.

He also asked bankers not to approach suggested changes within the industry with closed eyes, but rather with a view to seeing what proposals, if any, are for the betterment of service to customers, and to banks.

Comptroller of the Currency James J. Saxon, Washington, D. C., outlined the steps his office plans to take immediately for changes in line with the 84-point report submitted to the President by his office several weeks ago. These steps are reviewed in a special feature article in this issue.

General Mark W. Clark (U.S.A. Ret.), president of The Citadel in Charleston, S. C., spoke at a most appropriate time. Feeling was running high during the convention over the Cuban crisis and General Clark gave Iowans a first-hand report on what it feels like to be dealing with people who cannot be trusted and who do not observe the same ground rules of integrity and morality that other nations observe. He said during his tenure as Commander of the U. S. Fifth Army in Italy, he was requested by Gen. George Marshall to permit a Russian general and his staff to accompany General Clark's own staff through Italy. General Clark consented, but learned later that the political commissar who accompanied the Russian group, was following up behind American troops when they would take Italian villages and cities after fierce fighting and was going in and organizing Communist cells.

Later, General Clark headed the military government in Austria where he had face to face dealing with Russians and found them completely untrustworthy. He learned here, he said, that



LEFT—**H. Rowenhorst**, pres., N.W. State Bk., Orange City, and **Stan Evans**, first v.p., Live Stock Natl., Sioux City. CENTER—**Ed Spetman**, exec. v.p., Council Bluffs Sav. Bk.; **Hubert the Harris Lion**, and **Gil McEwen**, a.e., Harris Tr. & Sav. Bk., Chi-



cago. RIGHT—**Alvin Renaas**, v.p. & cash., Decorah St. Bk.; **H. E. Lemkau**, exec. v.p., Muscatine Bk. & Tr., and **Otto Preus**, v.p., Marquette Natl. Bk., Minneapolis.

Northwestern Banker, November, 1962



meet the men behind the signatures

**The Agricultural Banker's
Bank SINCE 1868**



The non-traveling members of our Correspondent Banking Team often wish they could get to as many places as their signatures do. But they're kept busy at Live Stock National serving our many banker friends by phone and mail.

PAUL BETZ, Senior Vice President, supervises our Trust and Mortgage Loan Departments. Paul is always on the lookout for unusual coins to add to his collection. HAROLD JOHNSTON, Executive Vice President, is an authority on bonds. Harold spends his spare hours tape-recording music. KEN CHRISTENSEN, Comptroller and Auditor, can match fishing stories with the best of them and is also a philatelist of some note.

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Northwestern Banker, November, 1962



LEFT—**Jack Porterfield** of Geo. LaMonte & Son, Chicago; **Len Schrewe**, v.p., First Natl., St. Louis; **Leo Gruber**, pres., Drovers Natl., Chicago, and **Jack Campbell, Jr.**, v.p., Humboldt Tr. & Sav. RIGHT—**Dale Smith**, v.p., Central Natl. Bk. & Tr., Des



Moines; **Tom Huston**, v.p., Columbus Junction St. Bk., and **Mel Shanda**, cash., Home St. Bk., Jefferson. Mr. Huston is pres., Iowa School of Banking Group, and Mr. Shanda is vice pres. of the group.

only a vigorous display of force that let the communists know there was no backing down was the only thing these people understood. Later, when he commanded UN forces in Korea, this same forceful attitude had to be displayed all the time to prevent Russians from running away with everything during political maneuvering during the "truce."

General Clark backed the play of President Kennedy, advocating force of arms if necessary to preserve the western hemisphere from further infiltration of communists.

Robert L. Myers, Jr., secretary of the Pennsylvania department of banking, Harrisburg, defended state's rights in his talk, "Dual Banking—Fact or Fancy." He is retiring president of the National Association of Supervisors of State Banks and disagrees sharply with some of the sweeping changes advocated by Comptroller Saxon, particularly where the latter would have national bank rights enforced over any state laws in the matter.

Walter P. Marshall, president of Western Union Telegraph Company, New York, gave bankers information on the "Conquest in Communications," which consisted in great measure of the part Western Union is taking in national defense work. Many in the audience did not realize it, but Mr. Marshall was trying for the first time one of Western Union's inventions. The two panes of clear glass that were placed in front of him on each side of the podium were connected by wires with backstage equipment. His entire speech was projected electronically on these plates of clear glass but the words were visible only to the speaker from his side of the platform. The backstage monitor set was controlled by an operator who triggered a revolving drum that had Mr. Marshall's speech printed in extra large type. This permits the speaker to look at his audience while actually seeing his speech projected on the glass.

One of the greatest windup speakers to tread the Iowa convention platform was **Dr. Robert J. Samp**, a cancer spe-

cialist from University Hospitals of Wisconsin Madison. He exhibited a rare sense of humor in a talk that captured every man and woman in the audience. The thesis of his talk was the "crime" that most Americans are committing against themselves by being overweight. He stated flatly that the audience averaged 15 pounds overweight per man. A look around the room was enough to verify this. He stated further that every 15 pounds of overweight has been figured by experts to trim three years off a person's life.

"This," he illustrated vividly, "is like being forced to carry a bowling ball with you wherever you go. And some of us here have two or three bowling balls!"

He told the men to figure their height in inches, then subtract their girth in inches. If the resulting number is 39, 40 or 41, the man is in good shape. If it's higher than 41 he's really lean. If the figure is 36 or below, "you're just plain overweight," he chided.

He asked bankers to consider the



LEFT—**Robt. Ziemer**, v.p., N.W. Natl. Bk., Minneapolis, and **Herb Ollendorf**, pres., Hancock Co. Natl. Bk., Garner. CENTER—**Mrs. Scott Pidgeon**; **Scott Pidgeon**, vice chmn., Bankers Tr., Des Moines; **Tom Cannon**, v.p., Commerce Tr., Kansas City;



Mrs. Chas. Walsh, and **Chas. Walsh**, pres., Farmers & Merch. Sav. Bk., Burlington. RIGHT—**Joe Lisek**, v.p. and **Lew Holland**, v.p., both of Live Stock Natl., Chicago.

Northwestern Banker, November, 1962

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Senior Trust Officer
CHARLES J. SCHRUP
Vice-President
Trust Officer
JAMES R. BULLARD
Assistant Cashier
Trust Officer

American Trust & Savings Bank

STATEMENT OF CONDITION

September 28, 1962

Assets

Cash	\$ 7,043,899.40
U. S. Government Securities	12,226,609.47
U. S. Public Housing Authority Bonds	2,532,709.68
Municipal Bonds	3,591,219.95
Federal Reserve Bank Stock	67,500.00
Loans	15,396,911.54
Overdrafts	729.19
Bank Premises— (Including Furniture & Fixtures)	708,237.53
	<hr/>
	\$41,567,816.76

Liabilities

Capital	\$ 500,000.00
Surplus	1,750,000.00
Undivided Profits	620,023.89
Reserves	75,000.00
	<hr/>
	2,945,023.89
Other Liabilities	401,876.59
Deposits	38,220,916.28
	<hr/>
	\$41,567,816.76



**american trust
and savings bank**

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LEFT—Chas. W. Eastburn, cash., Iowa St. Bk. & Tr., Fairfield; Dick Rastetter, v.p., Cont. Ill. Natl. Bk. & Tr., Chicago, and Mrs. Rastetter. RIGHT—L. W. Ross, pres., Council Bluffs Sav.



Bk.; Frank Warden, dir., Central Natl. Bk. & Tr., Des Moines; J. A. Barlow, St. Bk. of Dumont, and Ed Spetman, Jr., exec. v.p., Council Bluffs Sav. Bk.



LEFT—Cummins-Chicago Corp. display is shown with Keith Jung, sales repr. (center) and Jim Fletcher, asst. v.p., Natl. Bk. of Des Moines (right). RIGHT—John Klein, sales representa-



tive, Diebold, Inc., Des Moines; Lee Holland, exec. v.p., Washington St. Bk. (center) and Dick Gwinn, Diebold, Inc., Des Moines (right).



LEFT—Chas. Atwell, pres., Mt. Pleasant Bk. & Tr., and L. T. Harlan, v.p., Hillsboro Bk. & Tr. RIGHT—Dick Randall, cash.,



Dunlap Sav. Bk.; Herb Echtermeyer, v.p., Omaha Natl. Bk., and Joe Knock, pres., Iowa St. Sav. Bk., Creston.



LEFT—Ken Martin, v.p., 1st National, Minneapolis, and Joe Menges, pres., Alta Vista State. RIGHT—Gerald E. Fitzgerald, a.c., 1st National, Chicago; L. G. (Jack) Hix, v.p., 1st National,



Northwestern Banker, November, 1962
Waverly; Collin W. Fritz, v.p., Jasper County Savings, Newton; Vic von Meding, v.p., 1st National, Chicago, and Hoyt C. Messerer, pres., 1st National, Cedar Falls.



VALLEY BANK
AND TRUST COMPANY

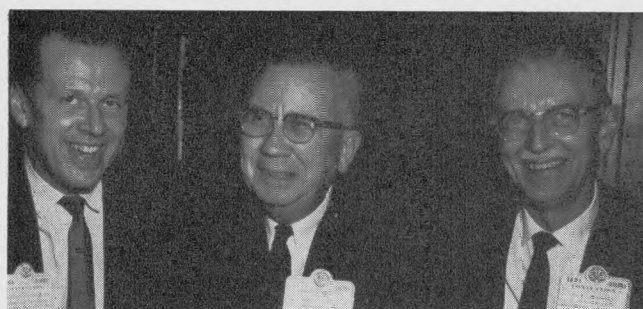
Walnut at Fourth

Des Moines, Iowa

F.D.I.C.



LEFT—(Standing) **John D. Woods**, a.e., Northern Trust, Chicago; **Gilbert Garton**, exec. v.p., 1st State, Chariton, and **Robert P. Kline**, v.p., Northern Trust. (Seated) **Mrs. Woods**, **Mrs. Garton** and **Mrs. Kline**. RIGHT—**Fred D. Cummings**, v.p., Drovers National, Chicago; **Larry Olson**, v.p., & cash., Home State, Royal; **W. R. Hatter**, v.p., Iowa County Savings, Marengo; **Thos. J. Thornton**, v.p., Grinnell State, and **Bernard D. Miller**, a.v.p., Drovers National, Chicago.



LEFT—**Richard O. Weyrauch**, a.v.p., 1st National, Minneapolis; **John Topp**, v.p., 1st Wisconsin National, Milwaukee, and **C. F. Peremsky**, cash., Merchants National, Cedar Rapids. RIGHT—**H. W. Godbersen** (left), pres., and **Russell Hultgren** (right), dir., both with Ida County State at Ida Grove, with **Harold R. Browning**, v.p., U. S. National, Omaha.



LEFT—**Allen Stults**, exec. v.p., American National B&T, Chicago, **H. F. Schmidt**, v.p., Treynor State; **Wm. B. Whitman**, a.v.p., American National B&T, Chicago; **Joe T. Grant**, pres., 1st National, Sioux City, and **J. M. Burch, Jr.**, pres., Dubuque B&T. CENTER—**D. E. Wilkins**, FDIC supervising examiner for 8th district, Chicago, and **Art Lindquist**, v.p., Merchants National, Cedar Rapids. RIGHT—**Loren Anderson**, pres., Cherokee State; **Ed Hoffman**, v.p., 1st National, Sioux City; **O. E. Fristad**, pres., 1st National, LeMars, and **C. M. Johnson**, v.p., 1st T&S, Aurelia.



LEFT—**Jack H. Thomson**, a.e., Cresco Union Savings; **Mrs. Thomson**; **Mrs. John Mangold**, and **John Mangold**, v.p., Merchants National, Cedar Rapids. RIGHT—**Don R. Ostrand**, v.p., and **Jim Cook**, ag. rep., both with 1st National, Omaha; **Albert Karns, Jr.**, cash., Anita State, and **Wm. G. Young**, v.p., State Savings, Bedford.





Statement of Condition

SEPTEMBER 30, 1962

ASSETS

Cash	\$ 18,918,443.46
United States Government Securities	25,402,381.25
Municipal Bonds	23,858,926.95
Loans	50,367,791.76
Federal Reserve Bank Stock	378,000.00
Bank Premises	700,000.00
Furniture and Equipment	194,584.35
Overdrafts	3,152.86
	<hr/>
	\$119,823,280.63

LIABILITIES

Capital	\$ 600,000.00
Surplus	12,000,000.00
Reserve and Profits	4,719,460.75
Deposits	102,503,819.88
	<hr/>
	\$119,823,280.63

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J. M. HUTCHINSON
Executive Vice President

CHARLES J. JOHNSON
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WAITING FOR BANKERS, in a convention session at the time, to return and ask questions about equipment and services of Recordak Corporation, are representatives of Recordak, from left: **Monty K. Blatt**, Chicago; **Don L. Frankland**, Omaha; **Don B. Keller**, Omaha, and **Jack A. Ludwig**, br. mgr., Omaha. **SECOND PHOTO**—With the automated Post-Tronic are, from



left: **Frank Rogan**, Des Moines, territory mgr., accounting machine sales, National Cash Register Company; **R. D. Stewart**, cash., and **W. O. Hopkins**, pres., both of Citizens State Bank, Webb; **Carl B. Kindwall**, v.p., Albert City Savings Bank, and **Philip Storrs**, Des Moines, accounting machine sales, National Cash Register Company.

matter of getting and maintaining their proper weight as a challenge and to see if they have enough will power within themselves to achieve this desired level of weight. He suggested moderation in food, good exercise—brisk walking above all—use of plenty of water throughout the day, and proper rest.

Dr. Samp closed the convention on a note that left everyone in good humor and with good intentions.

John B. Keeline, president of Central Trust & Savings Bank, Cherokee, was introduced to the audience and a resolution backing him in his candidacy for election as treasurer of the A.B.A. in 1963 for a two-year term was adopted unanimously.

Social functions of the convention were again most entertaining. The Storm Lake, Iowa, Little Theatre Group staged the play "South Pacific," in real professional fashion. Guy Lombardo and his orchestra played to a

jammed house at the Val-Air Ballroom for the buffet supper dance, and the final general entertainment was Bob Newhart and a group of professional entertainers that did a fine job. The ladies also were entertained with an afternoon style show presented by Miss Pauline Trigere, and this was a highlight of the week for them.

The dates for the 1963 convention will be announced later.—**End.**

NEW EQUIPMENT . . .

(Continued from page 72)

schools, then given the task of building the systems, drafting the necessary forms and coordinating with the departments to be converted. As a result the bank is in the unique position of building a completely new electronic department that is entirely staffed from its own employees. The six men involved in this work represent over 75 years of banking experience.

No employees will lose their jobs

because of the new equipment, Mr. Johnson emphasized. Duties of some employees will change, giving opportunities for more interesting and advanced work to girls formerly doing routine sorting of 30,000 to 40,000 checks per day.

At the present time, work is progressing on conversion of trust accounting, demand deposit accounting, savings, installment loans, and bank payroll to the 1401 system. All of this should be accomplished by the start of 1963.

Eventually, all functions within the bank that can be handled on this equipment will be changed over. In addition, this equipment offers numerous possibilities for The Omaha National to serve even better its correspondent bank and commercial account customers, Mr. Johnson stated.

The equipment is in a special room in the lower lobby level of the bank and is available for inspection by interested bankers at any time.



EXAMINING THE QUALITY of MICR, imprinted by Burroughs Todd T128 Imprinter, are, from left: **Carl R. Mueller**, cash., Houghton State Bank, Red Oak; **John Onka**, **Steve Vitale**, and **Hal Whitfield**, br. mgr., all three with the Todd Division of Burroughs Corp. **SECOND PHOTO**—Restful music at the Mastertapes Music, Inc., booth soothed tired students of Ameri-



can Institute of Business, Des Moines, who helped man the large registration table for the convention. From left are: **Kathy Christensen**, Ogden; **Cheryl Stanek**, Ft. Dodge; **July Huffman**, Fairfield; **Harvey Inman**, div. mgr., of Mastertapes, and **Sandra Pearson**, Ottumwa.

Randall Remodeling

J. H. Brekken, president, Randall State Bank, Randall, Iowa, has announced plans for a complete remodeling of the bank and the adjoining post office.

Contract for the work was awarded to Kirk Gross Bank Planning Company, Waterloo.

Anniversary Barbeque

The Ankeny National Bank, Ankeny, marked its first anniversary with a free beef barbeque last month, reports Carl C. Henderson, president.

Wm. P. Ronan Honored

William P. Ronan, president, Decora State Bank, was among those receiving distinguished service awards recently from Luther College in Decora. Recipients were selected by the Luther faculty honorary awards committee from a list of nominees submitted by alumni, faculty and friends of the college.

Estherville Construction

Work is in progress on the new \$80,000 drive-in facility at the Iowa Trust and Savings Bank, Estherville. The new 33 by 44-foot addition will be constructed of brick with large areas of glass on the west and south walls. The first floor of the structure will feature an enclosed area to house the walk-up window and installment loan facilities. The basement will house a new vault and bookkeeping department. A single drive-up window will be included in the building.

Seymour Open House

More than 700 persons toured the Seymour State Bank recently during an open house marking completion of a remodeling program.

R. O. Henstorf

R. O. Henstorf, 76, president, First National Bank, Farragut, died last month at Shenandoah hospital after a long illness. He had been associated with the bank for more than 55 years.

Announces New Hours

Charles City's three banks have announced new banking hours. They

will be open from 9 a.m. to 2 p.m. Monday through Thursday. On Fridays the hours will be from 9 a.m. to 5 p.m. and from 7 to 9 p.m., and on Saturday from 9 a.m. to noon.

Hartwick Open House

More than 500 persons toured the Hartwick State Bank, Hartwick, recently during an open house in observance of the bank's 35th anniversary. Each person who was a customer during the first month of operation 35 years ago was given a special gift. Regular customers were given personalized checks as a gift. Other door prizes also were awarded.

Holds Farm Institute

The Third Annual Farm Institute sponsored by the Jackson State Savings Bank, Maquoketa, was conducted recently at the Maquoketa Country Club. Area livestock men, farmers and all other interested persons were invited.

On A.B.A. Committee

Thomas O. Cooper, president, Jefferson State Bank, Jefferson, has been named chairman of the Country Bank Operations Committee of the American Bankers Association. This appointment also makes him a member of the A.B.A. executive council.

Statement of Condition

September 28, 1962

ASSETS

Cash on Hand and on Deposit with Banks	\$ 9,701,864.24
United States Government Securities	12,469,436.83
Other Bonds and Securities	1,368,665.82
Loans and Discounts	23,512,117.21
Security National Bank Building, Vault and Fixtures	569,979.95
Federal Reserve Bank Stock	105,000.00
Other Assets	229.61
	<hr/>
	\$47,727,293.66

LIABILITIES

Capital	\$1,700,000.00
Surplus	1,800,000.00
Undivided Profits	537,867.86
Total Capital Accounts	4,037,867.86
Deposits	43,689,425.80
	<hr/>
	\$47,727,293.66

OFFICERS

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 Charles H. Walcott, *President*
 Edward C. Thompson, Jr., *Vice President*
 Thomas C. Horn, *Vice President*
 Daniel L. Middleton, *Vice President*
 Patrick F. Cook, *Vice President*
 Paul Snyder, *Vice President*
 V. H. Cassem, *Assistant Vice President*
 John Diefendorf, *Assistant Vice President*

Orville Boe, *Cashier*
 William T. Hubbard, *Auditor*

REAL ESTATE DEPARTMENT
 James A. Downing, *Assistant Cashier*
 Wayne L. Thompson, *Assistant Cashier*

PERSONAL LOANS
 Richard G. O'Connor, *Manager*

TRUST OFFICERS
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 L. C. Jensen, *Assistant Trust Officer*

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Des Moines News



HARRY G. WILSON, senior vice president of the Iowa-Des Moines

National Bank, retired October 31 after 47 years of service.

Mr. Wilson, born in Beacon, Iowa, started at the bank in 1916 as a messenger. In 1927 he was made an assistant cashier and in 1940, vice president and cashier, becoming senior vice president in 1960.



H. G. WILSON

Mr. Wilson handled the personnel department of the bank for several years and many of the employees of the bank were hired by him.

He and his wife, Ruth, live at 4724 Pleasant Street in Des Moines. He plans to do a lot of hunting now that he is retired.

Officers of the bank held a party at the Des Moines Club October 18 and presented Mr. Wilson with a snowplow as well as many humorous gifts.

* * *

James W. Hubbell, chairman of the board, Bankers Trust Company, was honored with a plaque and a citation last month at the annual meeting of the board of directors of the Iowa Methodist Hospital. Mr. Hubbell has been chairman of the building committee 20 years.

Vincent Starzinger, board secretary, said that an institution achieves its greatest value through the time, energy and money of those associated with it.

"Few community leaders have given as much of all three to Iowa Methodist Hospital as James Hubbell," he said.

Mr. Hubbell was named to the board in 1938 and appointed chairman of the building committee in 1942.

* * *

Gerald O. Nelson, vice president, Iowa-Des Moines National Bank, has been appointed to the Federal Agency

Relations Committee of the American Bankers Association for 1962-63.

This is a newly-created committee, designed to parallel the work of the Federal Legislative Committee and to be primarily responsible for federal agency relations, including matters formerly covered by the Federal Deposit Insurance Committee and the Federal Fiscal Procedures Committee.

* * *

Installation of a fourth drive-in teller's window has been announced by the National Bank of Des Moines. **R. M. Donhowe**, vice president, said the new window is at the southwest corner of the building and that this is the second expansion of the bank since it was established in 1955.

* * *

Mrs. Marie H. Donhowe, wife of **Arthur T. Donhowe**, president of the Central National Bank & Trust Company, died last month in a Des Moines hospital.

Mrs. Donhowe was born in Story City and lived in Des Moines 35 years. She was a member of St. John's Lutheran Church, the Des Moines Women's Club, FZ Chapter of the P.E.O. Sisterhood and Ladies of the Des Moines Bankers Club.

Surviving are her husband; a son in Des Moines; a daughter in Charleston, W. Va.; two brothers, one in Dayton and one in Santa Ana, Calif., and six grandchildren.

A memorial fund has been established at St. John's Lutheran Church.

* * *

Paul Ashby, vice president in charge of real estate, Central National Bank & Trust Company, spoke on "Early Days in Des Moines" at the third in a series of informative meetings at the State Historical Building, sponsored by the Polk County Historical Society and the Department of Adult Education of the Des Moines Public Schools.

* * *

J. Lester Boyle, 59, salesman for Merrill Lynch, Pierce, Fenner & Smith, died last month following a heart attack. He was Exalted Ruler of the Elks Lodge No. 98, which conducted a memorial service at a Des Moines funeral home.

* * *

An open house and reception for exhibiting artists was held at the **Iowa State Bank** on a Sunday afternoon last month, in conjunction with an amateur art show which was sponsored in the bank's lobby during the week by the East Des Moines Kiwanis Club. The open house and reception was highly successful and several hundred persons visited the displays during the week.

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Northwestern Banker, November, 1962

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Federal Reserve Bank of St. Louis

Donald E. Hammer, assistant cashier, Bankers Trust Company, was presented his A.I.B. Graduate Certificate by the president of the bank, **Robert J. Sterling**, at the recent A.I.B. Fall Dinner-Dance.

* * *

Twenty-four members of the Women's Division, Cedar Rapids Chapter of A.I.B., chartered a bus and came to Des Moines one day last month to attend the Des Moines Chapter's Annual Fall Style Show.

They were guests of the Central National Bank & Trust Company during the day where they toured the bank, with special interest in the bank's automation program, which was shown, demonstrated and explained.

B. C. Grangaard, president, welcomed them; **Mary Halstad**, assistant cashier, gave a short talk on women in banking and the opportunities of advancement through A.I.B. study courses, and **Clarence Dickson**, assistant cashier, and chairman of the board of governors, Des Moines Chapter, discussed A.I.B. activities in the Des Moines area and offered several worthwhile tips for chapter growth and success.

Through their chairman, **Wilma Wilkinson**, Farmers State Bank of Marion (suburban bank), they extended an invitation to the women of the Des Moines A.I.B. to return the visit in the spring, reports **Jane Byers**, Central National, chairman of the Women's Division, Des Moines Chapter.

* * *

Earl Freel, membership chairman, Des Moines Chapter of A.I.B., has announced that 618 members and 12 associate members have joined the chapter. Two banks—The National Bank of Des Moines and Valley Bank & Trust—have attained 100 per cent membership.—End.

Moulton Open House

More than 600 persons attended open house last month at the newly remodeled Moulton office of the Davis County Savings Bank, Bloomfield. The \$12,000 remodeling program was carried out over a three-month period.

Reduces Rate On CDs

The Merchants National Bank, Cedar Rapids, has discontinued the payment of four per cent interest on Certificates of Deposit. This fact was

revealed at the Iowa Bankers Convention in Des Moines last month.

The bank will continue to pay three per cent on passbook savings and issue CDs on the basis of three per cent under periods of 6 months and a year.

Conducts Art Show

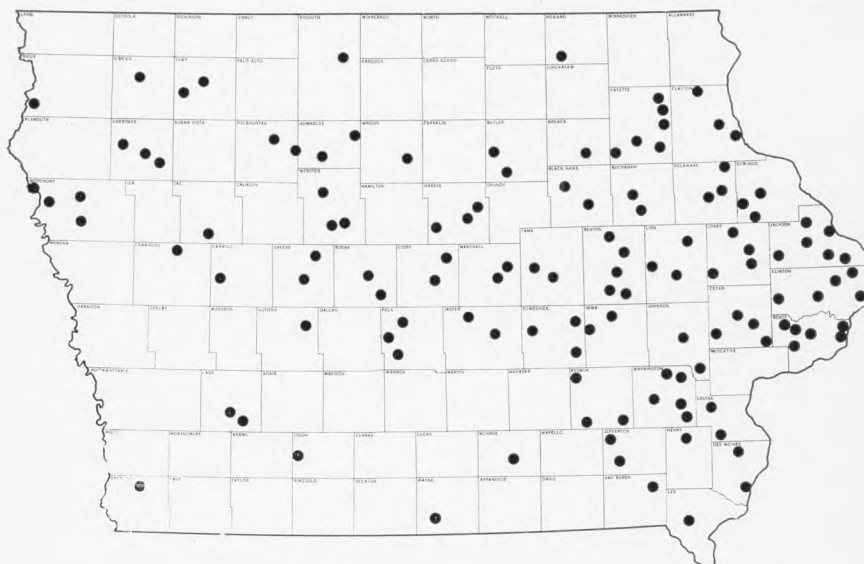
The Commercial Trust & Savings Bank, Storm Lake, is conducting its third annual art show in the bank lobby. All amateur artists within a radius of 35 miles of Storm Lake were eligible for entry. Works are on display from November 1 to November 10. An open house is planned for the evening of November 9.

J. A. Rohwer Honored

J. A. Rohwer, president, Farmers State Bank, Schleswig, was honored by the Schleswig Business Men's Club recently for 50 years in banking in Schleswig and for community service. He is the fourth man to receive a 50-year award.

Maquoketa Building

Construction is well underway on the new quarters for the Maquoketa State Bank, to be located on North Main across from the post office. Completion is expected sometime next spring, according to M. J. Pooler, cashier.



Serving Iowa Banks For Over 79 Years

THE officers of the Drovers National Bank 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 experience in assisting them with their many banking problems.

Next time you need a helping hand, call or write Bernie Miller at Drovers. You will receive immediate and personal attention.



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Position available for Trust Officer in medium-sized bank in Iowa serving a city and area of approximately 40,000. Age 30 to 45, legal and accounting training or experience helpful, but not required. Good opportunity for growth. Write MZB, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines 9, Iowa.

POSITION AVAILABLE

Opening in Four million dollar bank in small town in Northern Illinois. For a man with an Agriculture background or who has had experience as a farm representative to serve as Assistant Cashier. Will be Number two man in two years due to retirements. Profit Sharing and Pension plan. Salary Open. Write CZH, c/o NORTHWESTERN BANKER, 306 15th Street, Des Moines 9, Iowa.

POSITION WANTED

Executive officer of \$3,500,000.00 country bank, aged 49, wants to make a change. Prefers town of 5,000 to 25,000 or suburban city bank. Wants loan officer position. Salary open to discussion. Write AFB, c/o NORTHWESTERN BANKER, 306 15th Street, Des Moines 9, Iowa.

FOR SALE

Burroughs Sensitronics and Reader for sale by Bank at 70% off. Write for complete details to TKA, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines 9, Iowa.

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County and Municipal Supplies

Changes at Maynard

Paul A. Buenneke has resigned as cashier of the Maynard Savings Bank, Maynard, to become cashier of the Denver Savings Bank, Denver, Iowa. He succeeds S. C. Kimm who has retired.

Don W. Buenneke, assistant cashier, was named cashier of the Maynard bank. He will remain as manager of the Hazleton office as well as cashier of the bank.

Jerry Burrack, formerly with the A.S.C. office in Fayette, joined the Maynard bank November 1 as assistant cashier.

New Columbus Junction Bank

Approval has been granted for the opening of a new bank at Columbus Junction. Capital structure of the bank will total \$250,000 with \$125,000 in common stock, \$75,000 surplus and \$50,000 undivided profits. It will be called the People's National Bank and a new building is planned.

Officers will be Joseph T. Leonhard, chairman of the board; Harry C. Lowe, president; Clyde R. Crawford, executive vice president, and Raymond L. Hendrickson, cashier.

Mr. Crawford has been serving as auditor at the First National Bank in Iowa City, and Mr. Hendrickson has been assistant cashier at the City National Bank at Cedar Rapids.

Directors of the new bank are John B. Bell, Clyde R. Crawford, Maurice Furlong, Raymond L. Hendrickson, Joseph T. Leonhard, Harry C. Lowe, D.V.M.; Kenneth P. McCoy, Milton P. Pretz, Roland Rabenold and Robert Schmidt.

Woodbine Ag. Day

The First National Bank of Woodbine recently conducted its third annual Agricultural Day, featuring an all-day session for farmers with outstanding speakers on various farm operations.

Morning speakers were Dr. E. P.

TRAINING POSITION WANTED

Personable, young SUI Graduate in Business, desires a position in a small to medium sized bank. No experience, but capable and anxious to learn. Currently in insurance. Write RBN, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines 9, Iowa.

WANTED OLD COINS

Coin collections, gold, silver, copper, large currency, Indian cents, obsolete U. S., Foreign.
 Hobby Sales
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 St. Paul 16, Minnesota

Sylwester, extension botanist and plant pathologist from Iowa State University, and Dr. H. L. Self, in charge of outlying experimental farms for I.S.U. The afternoon was devoted to a stocker and feeder cattle demonstration by representatives of Armour

Mistaken Identity

Identification lines and photographs were transposed on the accompanying pictures in the October issue of



H. H. BEERMANN

J. C. WATSON

the NORTHWESTERN BANKER. H. H. Beermann, who joined the Live Stock National Bank of Chicago as assistant cashier, was identified as John C. Watson, president of the First National Bank of O'Neill, Neb., and Mr. Watson was identified as Mr. Beermann.

Sioux Citian Honored

Mrs. Carl L. Fredricksen, whose husband is a director and former president of the Live Stock National Bank, Sioux City, has received the American Cancer Society bronze medal, highest award the society bestows at the state level. The presentation was made in recognition of her distinguished service in the fields of cancer control.

Mrs. Fredricksen also was elected secretary of the Iowa division at the annual meeting held last month in Des Moines. She is a past state president.

Heads Hancock Bankers

Martin Barz, cashier, First National Bank, Klemme, has been elected president of the Hancock County Bankers Association.

Other newly-elected officers are Paul Van Helton, assistant cashier, Corwith State Bank, vice president, and Lonny Eggers, First State Bank, Britt, secretary-treasurer.

On Rock Rapids Board

Donald G. DeWaay, Rock Rapids attorney, has been elected to the board of directors of the Lyon County State Bank, Rock Rapids, to fill the vacancy created by the recent death of Hugo P. Ross.

Council Bluffs Savings Drive-In Opens



RIBBON CUTTING ceremony at the Council Bluffs Savings Bank drive-in facility was conducted by, from left, **Paul White**, Council Bluffs city manager; **Miss Jean Brinkman**, Miss Coun-



cil Bluffs; **L. W. Ross**, president, Council Bluffs Savings, and **Leon Morse**, Council Bluffs mayor. A panoramic view of the new facility is shown at right.

OFFICERS, directors and employees of the Council Bluffs Savings Bank were pleased by an overwhelming response of about 15,000 persons last month to a highly-successful opening of the bank's new drive-in facility.

When the bank mailed its monthly statements several weeks ago, it enclosed entry blank cards, which were to be filled out with the customer's name, address and phone number. Supplementing these blanks were similar ones in the local newspaper. Object of the promotion was to encourage people of the Council Bluffs area to drive through the new drive-in to deposit their entries. The prize attraction was \$1,856 in cash—the amount representing the year of the bank's founding—1856.

First prize was \$1,000; second was \$500 and third was \$256, with ten prizes of \$10 each.

There was a ribbon-cutting ceremony; L. W. Ross, president, accepted from Congressman Ben F. Jensen an American flag which has flown over the White House; there was a trip through the drive-in in a 1914 Overland touring car, and Miss Council Bluffs was a charming helper during the morning ceremonies and the evening drawing for prizes . . . but the big news of the day was the all-day-long parade of cars—three abreast—through the drive-in to deposit chances on the prize money. From four to six bank officers and employees directed traffic throughout the day off of one street, through the facility and onto another street. More than 8,000 cars visited the new drive-in where more than 15,000 entries were deposited.

The weather could hardly have been worse, but the people came by

the thousands to register their chance for the free money.

Joins Creston Bank

Arthur J. Duben has been promoted from vice president and cashier to vice president and manager of the agricultural department of Iowa State Savings Bank, Creston, according to Joseph G. Knock, president. Mr. Knock also announced the appointment last month of Peter J. Dykema to succeed Mr. Duben as vice president and cashier. Mr. Dykema has moved to Creston from Kalamazoo, Mich., where he was associated with a bank.

One of Mr. Duben's first duties last month as manager of the bank's expanding agricultural department was to be host to 140 farmer-cattle feeders of the Creston area when the bank took the group to Iowa State University at Ames for the annual cattle feeders Hey-Day. Four buses pro-

vided transportation for the group. After the one-day meeting in Ames, they were guests of the Iowa State Savings Bank for dinner at the Des Moines Golf and Country Club during a stop en route back to Creston in the evening.

Mr. Knock also revealed last month that Iowa State Savings is the first bank in Iowa under \$100 million in deposits to become fully automated. Complete automation of all book-keeping and routine operational functions was begun in late September, utilizing electronic equipment installed by National Cash Register Company.

Building at Sibley

Contracts have been let for the construction of the new Sibley State Bank building at 8th Street and 4th Avenue. The new building will feature drive-in banking facilities. Low bid on the project was \$81,936.

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Marion Bank Hosts Beef Cattle Tour



BEEF CATTLE TOUR was conducted recently by the Farmers State Bank, Marion, Iowa, in cooperation with the Sioux City Stock Yards. All farmers 21 years of age and over in the

Marion area were invited to attend. Buses left Marion on a Sunday morning and returned Monday evening. Nearly 100 farmers participated.

Leon-Humeston Changes

New corporations have been authorized by the Iowa State Banking Department to succeed the Decatur County State Bank, Leon, and the Citizens State Bank, Humeston.

The banks will be known as The Decatur County State Bank and The Citizens State Bank. The new organizations have assumed the assets and deposit liabilities of the former insti-

(Advertisement)

Modernization Offers Beauty, Serviceability & Efficiency

Mr. Kirk Gross, who heads the Bank Planning Division of the Kirk Gross Company in Waterloo, informs us that more Banks are remodeling this fall than ever before.

In fact, he said, modernization programs are actively underway for the Forest City Bank and Trust Company in Forest City; the State Bank of Vinton in Vinton; the Farmers & Merchants Savings Bank in Waukon; the Kalona Savings Bank in Kalona and the Randall State Bank in Randall.

These five progressive Banks contracted with the Kirk Gross Company for complete modernization programs—both inside and outside.

The completed projects will see new front designs, drive-up windows, large lobbies, new customer service areas, better teller window service and increased space devoted to customer relations. Attractive new interior designs and modern office equipment will increase efficiency. All work is supervised by the Bank Planning Division of the Kirk Gross Company which specializes in the design and modernization of bank buildings. For complete details on building or modernization, write to The Kirk Gross Company in Waterloo, Iowa.

tutions. H. E. Long, who is one of the key organizers of the Gulf-To-Bay Bank, Clearwater, Fla., was previously a major stockholder in the Leon and Humeston banks, serving as president.

Officers of the newly organized bank in Leon will be: Bert Millis, president; Keith W. Richard, executive vice president; Alice Akes, vice president; Roy W. Meadows, vice president; Ralph Lyddon, assistant vice president; V. R. Carlson, cashier,

and Donna Griffin, assistant cashier.

Officers of the Humeston bank will be: Bert Millis, chairman; K. W. Richard, president; Alice Akes, first vice president; Roy W. Meadows, vice president; T. R. Henderson, vice president and cashier; Reva Gould, assistant cashier, and C. C. Comegys, farm representative.

Mr. Comegys was formerly manager of the Leon bank's Garden Grove office. The new institution has not obtained permission to operate it. The Grand River office will be continued.

Mr. Richards and Miss Akes will be active in the management of both banks. Mr. Millis is a Des Moines businessman, residing in West Des Moines. Mr. Meadows is an attorney in Des Moines.

25th Anniversary

D. W. Elliott, manager of the Craig office of the Security Savings Bank, Ireton, was honored recently with an anniversary dinner party observing his 25th anniversary with the bank.

Work Progressing

The First Trust and Savings Bank, Remsen, reports that work is in progress on its new building and that it would be ready for occupancy by next spring.

Manson Bank Sold

E. W. Youell, Jr. has purchased controlling interest in the Manson State Bank. No personnel changes will be made.

Mr. Youell is president of the State Bank of Terril, and currently resides in Lincoln, Nebraska.

The Manson bank has capital of \$75,000 and surplus of \$100,000. Deposits are over \$3 million.

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"Central States Bank-Health Plan brings the bank more depositors"

reports Mr. John V. Burrough,
Executive Vice President
Commercial Bank, Alma, Arkansas

"It is a service that a bank can give its customers and to the community, permitting many who otherwise could not get insurance to enjoy its benefits.

"It brings to the bank more depositors. We have had several open an account with us so they can share in the plan.

"The manner in which Central States men have presented the Bank-Health plan, and the way our customers have responded, has been a pleasure to us."

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GEORGE E. HARNAGEL, Assistant Cashier

BOB BUENNEKE, Assistant Cashier

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