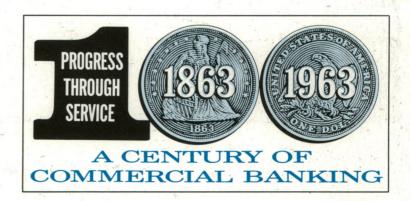
# NORTHWESTERN SEPTEMBER 1968



DUAL BANKING Centennial

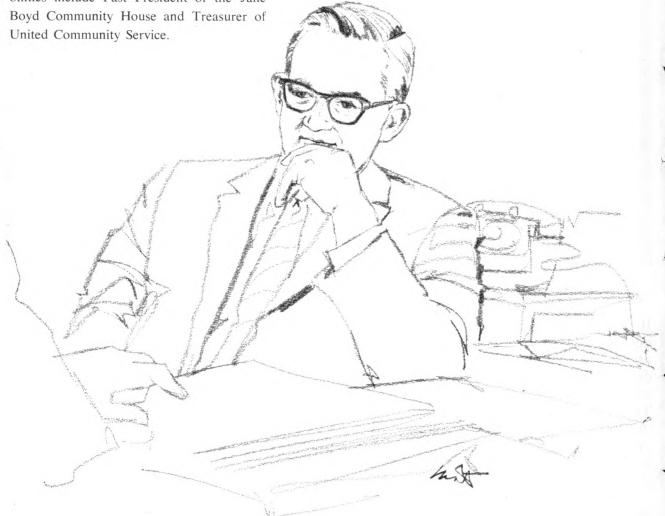




#### FORBES OLBERG,

Vice President, General Business Development

Forbes Olberg is responsible for the coordination of all Data Processing and automation of banking operations at the Merchants National. He is also active in Trust Investment, Commercial Loan operations and public relations. Before joining MNB, Forbes practiced law in Cedar Rapids. He is a member of the Linn County and Iowa Bar Associations, in addition to the American Bar Association. His diversified civic responsibilities include Past President of the Jane Boyd Community House and Treasurer of United Community Service.



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Helping our correspondents build their business is a tradition here. It's part and parcel of our full range of banking, credit, bond, trust, and operations services. We'd like to tell you more about it. Just call or write N. Hall Layman, Vice President, or one of his associates in the Banking Department.



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## FIRST NATIONAL CITY TRAINEES LEARN THROUGH PLAY-ACTING TECHNIQUE

New York, N. Y. In the sky-|one program from 16 hours to scraper headquarters of the First seven-with a 25 per cent im-National City Bank, 30 floors above Park Avenue, dozens of actors daily enact a new kind of drama.

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Gordon M. Rhodes, assistant cashier and director of the trainng center

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BETTER TRAINING IN LESS TIME is the happy result of this "dramatic" FNCB programmed instruction. We'd be happy to help our correspondents initiate such a program or even arrange for one of their employees to attend this training course in New York. In all areas of bank administration, we are always willing to share experiences fully with our correspondents.



Northwestern Banker, September, 1963

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#### Candidates for ARA Offices

HEN the 89th annual convention of the American Bankers Association convenes in Washington, October 6-9, three candidates for ABA offices will be very much in evidence.

Reno Odlin, president of the Puget



I. B. KEELINE

Sound National Bank, Tacoma, Wash., is the only contender for the office of vice president of the Association in 1963. The office is now held by William F. Kelly, president of the First Pennsylvania Banking and

Trust Company, Philadelphia. Mr. Kelly will move up to the presidency. Mr. Odlin is currently serving as chairman of the ABA savings bond committee.





R. ODLIN

J. H. CROCKER

John B. Keeline, one of two candidates for the office of treasurer of the Association for the 1963-65 term, stepped aside for the present incumbent, J. Carlisle Rogers, during the last election for this office. He is president of the Central Trust & Savings Bank, Cherokee, Iowa, and president of the Ruthven State Bank, Ruthven, Iowa. He is also currently serving on the Executive Council of A.B.A.

The other candidate for treasurer is John H. Crocker, chairman of the Citizens National Bank, Decatur, Ill. He has served on the A.B.A. Executive Council and most recently served as chairman of the A.B.A. Agriculture Committee.

#### Continental Names Economist

Herbert E. Johnson has joined the Continental Illinois National Bank and Trust Company as the bank's economist in Chicago.

Before coming to Continental Bank, Mr. Johnson was vice president of the U. S. Economics Corporation and Econometrics Institute in New York, an economic research and consulting

## HIMBSIER

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69th Year

No. 914

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#### NORTHWESTERN BANKER

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#### St. Louis to Host Ag Forum











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M. F. MILLER

THE American Bankers Association lis sponsoring a correspondent agribanking forum September 16 at

the



Plaza Hotel in St. Louis. Mo. Guest speakers will include Dr. Earl L. Butz, Dean of Agriculture, Purdue University; Morris F. Miller, president, Omaha National Bank Jesse W. Tapp, chairman

of the board, Bank of America, Los Angeles, and Theodore Brown, president, Security State Bank, Sterling,

Presiding over the session is T. P. Axton, chairman of the ABA agricultural committee, and president of the Lafayette Savings Bank in Lafayette,

Mr. Axton had this to say regarding the coming forums: "Banks will find it necessary to make many adjustments in the future to keep pace with (or, preferably, a step ahead of) the farmer-borrower. Most urgent is the need for a better understanding of agriculture and its allied businesses. Bankers will find it important to develop an image denoting a dependable source of credit complete with a broad range of financial services."

Dr. Butz will talk on "Investment Opportunities in Modern Agriculture." He feels "Agriculture is one of the biggest users of capital in modern America," and that the capital needs in agriculture, as well as in agribusiness, will grow."

He said, "If private lenders do not step forward to meet this capital need, Government will. Therefore, private lenders not only have an obligation, but a tremendous opportunity to expand their portfolio of profitable business."

Mr. Miller will give a symposium of his bank's agricultural program." He said, "Additional credit to ship-

pers, processors, and storers of agricultural products would make agricultural production loans total substantially greater."

Mr. Tapp will also discuss his bank's agricultural program. "Bank of America," he said, "makes crop and livestock budget loans to cover production expenses for California's highly varied farming enterprises. serve adequately its more than \$1 billion annual volume of farm loans, the bank uses agriculturally trained fieldmen and specialists to augment the skill of the branch credit officers."

Other noted speakers at the forum will include M. M. Kimbrel, president of the ABA, and chairman of the board, First National Bank, Thomson, Ga., and Nat S. Rogers, president, Deposit Guaranty Bank & Trust Company, Jackson, Miss.

#### Continental Stock Split

Stockholders of Continental Illinois National Bank & Trust Company, Chicago, recently approved resolutions authorizing a 20 per cent stock dividend accompanied by a four-for-one stock split, it was announced by David M. Kennedy, chairman.

The program, which has been approved by the Comptroller of the Currency, will increase capital from \$115.75 million to \$138.9 million, while converting the institution's capital stock total from 3,472,500 shares, par \$33.33, to 13,890,000 shares, par \$10, the announcement said.

The capital increase will be effected through transfer of \$23.15 million from surplus and undivided.

The bank's stockholders also approved a previously-announced stock option plan for key employees.

#### **Handles Public Relations**

Joseph Beckman, formerly a member of the financial news staff of the Chicago Daily News, has joined the public relations division of Continental Illinois National Bank and Trust Company as press relations manager.



#### 50 YEARS SERVICE TO LOAN OFFICERS

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#### Announce St. Louis Development



SCALE MODEL of St. Louis project is viewed by Paul W. Lashly, president of Mansion House Center Redevelopment Corporation, and William H. Jaffke, vice president in charge of Mercantile Trust Company's real estate department.

A MODEL of Mansion House Center, \$45,000,000 development soon to appear on the Mississippi Riverfront in St. Louis, has recently been

on display in the lobby of Mercantile Trust Company.

This development, a five-block apartment-commercial complex, features

#### **BUILD A BETTER MOUSETRAP**

Don't you believe it . . . that old saw about the world beating a path to your door just isn't true. If you have something to sell, you must advertise its availability and follow through with personal salesmanship.

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NORWALK CLIPTON PAOLI RICHMOND CLEVELAND DETROIT INDIANAPOLIS CHICAGO KANSAS CITY SAINT PAUL DALLAS CHATSWORTH FORTLAND three 28-story apartment towers complete with rooftop swimming pools, observation decks, and cook-out areas. Each apartment building will be 270 feet high, making these the tallest apartment structures in St. Louis. They will be uniquely situated overlooking the Jefferson National Expansion Memorial Park and the monumental Gateway Arch, now under construction. Each building will contain 416 units including studio apartments, convertible units with folding dividers separating sleeping and living areas, one-bedroom and two-bedroom apartments. The developers have announced that rentals will start at \$130 a month for studio apartments.

Three commercial buildings will provide full shopping facilities and service areas for residents of the apartments and other downtown shoppers.

A six-block landscaped promenade with fountains, gardens, and pavilions, built 20 feet above street level, will connect all elements in the project. Beneath the promenade will be parking space for more than 1,600 automobiles.

Also included in the complex will be a distinctively designed restaurant. All land and property for this development was acqired through the facilities of the Real Estate Department of Mercantile Trust Company.

#### CONVENTIONS

September 15-18, Robert Morris Associates, 49th Annual Fall Convention, Statler-Hilton, Detroit.

September 16, ABA Correspondent Agribanking Forum, Chase-Park Plaza Hotel, St. Louis.

September 16-18, NABAC, 39th Annual Convention, Minneapolis.

October 1-4, National Association of Supervisors of State Banks, 62nd Annual Meeting, Williamsburg Lodge, Williamsburg, Va.

October 6-9, 89th ABA Annual Convention, Washington, D. C.

October 20-23, Iowa Bankers Association, annual convention, Hotel Fort Des Moines, Des Moines.

October 20-24, National Association of Bank Women, 41st Annual Convention, Americana Hotel, Bal Harbour, Miami Beach.

October 31-Nov. 1, ABA 32nd Annual Mid-Continent Trust Conference, Hotel Leamington, Minneapolis.

November 10-14, FPRA, 48th Annual Convention, Biltmore Hotel, Los Angeles.

November 17-19, ABA 12th National Ag Credit Conference, Muchlebach Hotel, Kansas City, Mo.

December 1-6, Investment Bankers Association of America, 52nd Annual Convention, Hollywood Beach-Diplomat Hotels, Fla.

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#### Caution Banks On Auto Loans

W HILE the current credit expansion in installment loans has been marked by the substantial increase in automobiles sold and financed at retail, bankers are urged to be concerned with equities, risk selections and market conditions as the 1963 car-model-year nears its close.

This recommendation summarizes a report just released by the advisory board to the installment credit committee of the American Bankers Association, reviewing installment lending by banks as of June 30.

The continuing high level of retail

auto sales during the year's second quarter and personal loan demand, reflecting the financing of a wide variety of consumer needs, are indicative of the general willingness of consumers to obligate themselves in order to acquire the goods and services they desire, the ABA reports.

The fact that the country is having some difficulty with its international monetary relationships, it adds, appears to be causing little effect on the average consumer transaction, and the situation currently is showing a general air of optimism.

Reports the committee:

"The expanding volume of automobile credit has been accompanied by increased competition, and there has been a tendency in some areas, particularly among smaller banks desirous of building loan volume, to expand terms, and, in a few cases, to lower rates more than would appear to be justified. . . .

"The general air of optimism is tempered with a degree of caution, as the proportion of disposable income that consumers are using to repay installment debt has increased gradually from 13.4 per cent in the last two quarters of 1962 to more than 13.6 per cent at present. Some delinquency rates have increased, but, on the whole, delinquencies remain below levels of recent years."

The association notes that installment debt during 1963 pushed above the \$48-billion mark, with automobile credit accounting for approximately \$20 billion of the total, and personal loans for about \$13 billion. Of the \$48 billion total outstanding, commercial banks held about \$20 billion, or better than 40 per cent.

The large majority of banks in all Federal Reserve Districts are currently reporting an increased volume of automobile loans for both new and used cars, the ABA working group says.

There were more banks reporting an increase in terms to the current maximum of 36 months on new cars; more banks were also extending 24 to 36 months on used automobiles. Repossessions showed a slight decrease, with losses contained within a narrow range averaging \$335 on direct loans and \$316 on dealer-financed paper.

Personal loans, home improvement loans and appliance paper showed an increase in the volume acquired by banks.

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#### **Heads Trust Committee**

Clarence C. Morgan was recently ap-

C. C. MORGAN

pointed chairman of the Trust Investment Committee of the American National Bank and Trust Company of Chicago, Robert E. Straus, board chairman, announced.

Mr. Morgan, currently vice

president in charge of the bank's Trust Investment Division, is a veteran of 37 years in the investment field.

## BBWARD



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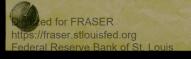
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#### Contest Draws \$3.4 Million

PARTNERS in Progress, a 13-week employee new business program sponsored by First National Bank in St. Louis, produced \$3,438,591 of business for the bank, representing a total of 3,349 units sold by staff members, according to John B. Mitchell, president. The average production per participating employee was 5.3 accounts, valued at \$5,492.87.

Six hundred twenty-six employees, more than 62.5 per cent of the bank's total work force of 1,016, participated actively in the program which began on April 15 and extended through July 15.

The basic incentive in the campaign was a wide selection of merchandise prizes featured in a catalog listing more than 1,800 items ranging from a deck of playing cards to a mink stole. Employees purchased these items with point checks issued bi-weekly on the basis of new business produced. All of the bank's services were included in the campaign.

For the purposes of the program, First National's entire staff was divided into 24 teams and three leagues. The American League, made up of six teams, was organized entirely from the ranks of "contact" employees,

while the remaining 18 teams of "noncontact" employees were assigned to the National and Federal Leagues.

In addition to receiving prize points for units of business sold during the campaign, participants received bonus points based on the standings of their respective teams, the number of multiple sales made and successful cross-selling efforts. Awards were also made to high ranking teams and teams with 100 per cent participation.

Grand prizes, awarded to the six individual high scorers, included two 10-day vacations for two in Mexico; two seven-day vacations for two in Nassau, and two four-day weekends for two in New York City.

#### **Analyze IBA Members**

More than half the 6,222 member banks of The Independent Bankers Association have assets of \$5 million or less, a study of records at IBA headquarters here reveals.

The IBA role as a spokesman for America's "Main Street" banks is supported by the analysis of current membership figures disclosing that 3,425 banks or 55 per cent are in the \$5 million-or-under category, according to Howard Bell, executive director

#### NCR Sales Increase

Sales of the National Cash Register Company for the first six months



R. S. OELMAN

of 1963 totaled \$270,494,818, up from \$259,106,842 for the comparable period in 1962, Robert S. Oelman, chairman and president, announced.

Net income was \$7,722,755, compared with \$8,-580,750 reported

for the first half of last year. The 1963 six-month earnings amounted to 93 cents a share on the 8,298,807 shares outstanding on June 30, compared with \$1.03 for the same period of 1962

Mr. Oelman attributed the lower earnings to the fact that during the first half of 1963 the company delivered its greatest volume of electronic data processing equipment for any six-month period. "The heavy installation costs of these systems, most of which are rented and therefore result in a deferment of income, more than offset the positive effect of increased sales volume."

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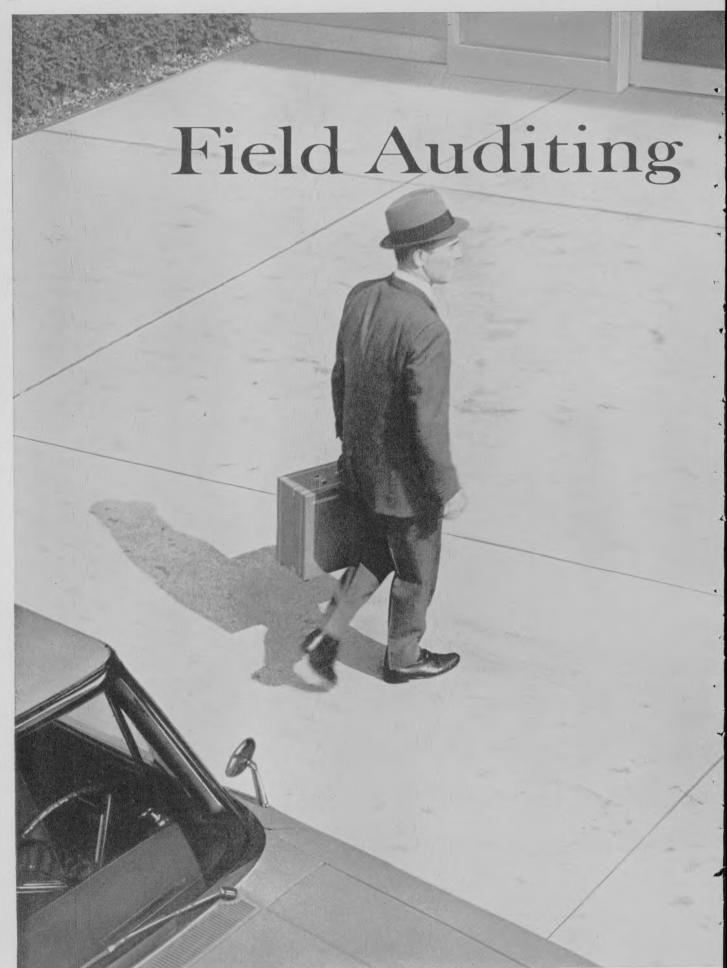
He surprises some firms. They expect the traveling representative of a 5-billion-dollar bank to be less painstaking. But he didn't earn the title "New York banker with the hometown touch" by operating only behind a desk.

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scenes. So your Chemical New York banker can often design a more advantageous loan, step up collections, and introduce helpful contacts.

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#### FDIC Rules On Interest Rates

A CCORDING to instructions released by the Federal Deposit Insurance Corporation, time deposits and certificates of deposit in force before the new interest ceilings established by the FDIC on July 17, 1963, must be paid at the old rate of interest, except that they may be amended, if desired, to bear the new higher rate for any period after that date.

The new rates of interest can, of course, be applied to new certificates of deposit or new time deposits received by a bank after the effective date of July 17 or to renewals after

that date of existing certificates.

Time deposit and CD rate ceilings were changed on July 17 for paper bearing maturities between 90 days and one year. The FDIC regulation change applies to all state non-member insured banks, while the Federal Reserve Board issued a similar ruling for all national and state member banks.

Previously paper from 90 days to six months had a ceiling of 2½ per cent, while six month to one-year paper was at a 3½ per cent ceiling. The new regulation permits payment of up

to 4 per cent on all such paper. Time deposits and CD's issued for more than one-year maturity continues at the old 4 per cent ceiling, while paper under 90 days' maturity continues at the old rate of 1 per cent.

FDIC regulations do not permit the acceleration of time deposits or certificates of deposit payout, except by establishing need and with forfeiture of interest. For that reason, time deposits and CD's in existence before July 17 may not be exchanged for certificates maturing before the stated maturity of the existing deposits.

#### Central States Group Elects Kenneth Wales

Kenneth A. Wales, executive secretary of the Minnesota Bankers Asso-



K. A. WALES

ciation, Minneapolis, was elected president of the Central States Conference of State Bankers Association Executives at a meeting held at the Grand Hotel, Mackinac Island, Mich., recently.

The conference

is made up of the executive managers, presidents and vice presidents of bankers associations from 16 states.

O. E. Anderson, executive manager of the Ohio Bankers Association, was elected first vice president and George Forster, executive director of the Wisconsin Bankers Association, was elected second vice president. Harris V. Osterberg, secretary, Nebraska Bankers Association, is the secretary-treasurer of the conference.

Mr. Wales, who succeeds Robert Nelson, secretary of the Indiana Bankers Association, is presently a member of the executive committee of the state association section of the American Bankers Association, a trustee of the Central States Graduate School of Banking at the University of Wisconsin, and a member of the United States Chamber of Commerce Trade Association committee.

#### Valley Bank Promotes

Walter E. Lambert, widely-known lending officer in the home office commercial loan division, has been elected a vice president of Valley National Bank, Phoenix.

Richard A. Nenneman, assistant cashier also in the commercial loan department at the home office, has been named an assistant vice president.



## Serving community banks from coast to coast WITH TRUST INVESTMENT ASSISTANCE

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The experience of Council Members in all parts of the country—dating back for as long as 15 years—shows that distance doesn't hamper the usefulness to a trust officer of Studley, Shupert Trust Investment Council Membership. Day in and day out, Council advice and suggestions on sticky problems are furnished Members from coast to coast via phone or mail. Distance means nothing!

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2nd Prize Bold and elegant 1964 Mercury Comet two-door sedan.



3rd Prize 21", mahoganyfinished Admiral color television set.



4th Prize 12 piece matched set (5 men's, 7 ladies') of Samsonite luggage.



5th Prize Bell & Howell Camera and projector.

#### 5 Glamourous Prizes!!! Plus 139 Cash Awards!!!

144 terrific prizes in all! And, this is just the beginning. Because the biggest winner in this year's Herbert F. Rawll Memorial Awards Competition — "Getting to Know Us" — is your financial institution.

Just imagine, business better than ever . . . Christmas Club and Vacation Club memberships climbing higher and faster . . . and let's not neglect the priceless good will this tried, proved and talked-about contest will generate for your financial institution.

And don't forget, the "Getting to Know Us" Contest is open to all Christmas Club and current Vacation Club members at any financial institution using the systems of Christmas Club a Corporation.

What's more . . . it's absolutely free to all institutions using the systems of Christmas Club a Corporation. In addition to the prizes, we supply entry blanks, which explain the rules of the contest in detail; eye-catching displays; news mats and radio scripts. Here's a package

to make the contest work for you in your locality.

Now's the time to find out more! Just drop us a note. Your local Christmas Club a Corporation Representative will gladly supply additional details, acquaint you with other Christmas Club services and answer any questions.



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M. M. KIMBREL

#### American Bankers Association 89th Annual Convention

Washington, D. C. October 6-9, 1963



B. H. WOOTEN

WHEN representatives of the nation's banks assemble in Washington, D. C., October 6-9, at the 89th Annual Convention of The American Bankers Association, they will be participating in an observance of the 100th anniversary of the National Currency Act, which gave this country its dual system of state and national banks. The theme of the big meeting is "Progress Through Service-A Century of Commercial Banking," and the attention of the bankers will be focused on the years which lie ahead, even more than on the historical sigmificance of banking developments since 1863.

Registration for the convention will open on Saturday morning at the United States Chamber of Commerce Building, 1615 H Street, N.W. Information desks will be located at the Chamber of Commerce Building, the Statler Hilton Hotel, the Mayflower Hotel, International Inn, the Washington Hotel and the Sheraton Park Hotel

As usual, the convention will officially open on Sunday with executive meetings of A.B.A. committees and other working groups. The annual meetings of the four divisions will be on Monday, October 7.

At the general sessions, beginning at 9:15 each morning, there will be a musical program by The Southwestern Graduate School of Banking Chorus. On Tuesday, there will be a report by the Nominating Committee and the election of officers for the association. On Wednesday, the convension session will include a report from

its Resolution Committee, and the new officers will be installed. The treasurer of the association will be elected on Wednesday afternoon, during an executive session of the new Executive Council.

There will be three workshop sessions for bankers held simultaneously Tuesday afternoon, beginning at 2 o'clock. The first will be the credit workshop in which the bankers will consider the competitive situation for bank credit and will explore developments in such areas as commercial credit, installment credit, mortgage lending and credit union competition. This workshop will be held in the Federal Room of the International Inn. The second workshop, on bank management, will be held in the Presidential Ballroom of the Statler Hilton Hotel. The third workshop, on public relations and business development, will be held in the Grand Ballroom of the Mayflower Hotel.

As usual, the convention program includes several entertainment features. On Sunday, from 4:30 to 6:00 p.m., there will be an infomal reception at the Mayflower Hotel. On Monday at 12 noon, there will be a ladies' luncheon and fashion show at the Sheraton Park Hotel, On Monday evening the National Symphony Orchestra of Washington, D. C., will present a musical program beginning at 8:30 at Constitution Hall. On Tuesday evening at 8:30 at Constitution Hall, Fred Waring and his Pennsylvanians will present a commemorative program based on the Centennial.

The tentative program for the convention is as follows:

#### MONDAY, OCTOBER 7 Agricultural Subscription Breakfast Statler Hilton Hotel—8 a.m.

Presiding—T. P. Axton, chairman, Agricultural Committee, The American Bankers Association; president, Lafayette Savings Bank, Lafayette, Ind.

Address — The Honorable Orville L. Freeman, Secretary of Agriculture, Washington, D. C.

#### Savings Division Statler Hilton Hotel—9:30 a.m.

Address of the President—S. Edgar Lauther, president, savings division, The American Bankers Association; president, Irwin Union Bank and Trust Company, Columbus, Ind.

Visual Presentation — "One Hundred Years of Commercial Banking in the Savings Business," Gaylord A. Freeman, Jr., former president, savings division, The American Bankers Association; vice chairman of the board, First National Bank of Chicago, Chicago, Ill.

#### State Bank Division Constitution Hall—9:30 a.m.

Address of the President — Carl G. Breeze, president, State Bank Division; president of The Bank of Kremmling, Kremmling, Colo.

Remarks — Newly elected president, National Association of Supervisors of State Banks.

Address—The Honorable Abraham J. Multer, member, House Banking

#### ABA CONVENTION . . .

(Turn to page 34, please)



J. J. SAXON



O. L. FREEMAN



A. W. ROBERTSON



C. D. DILLON



G. A. FREEMAN, JR.



D. ROCKEFELLER





HIS year marks the centennial anniversary of the signing of the National Currency Act by Abraham Lincoln, our 16th President. Throughout the year Commercial Banks will be remembering this milestone in our banking and financial development.

It seems appropriate and useful that we, on this 100th birthday of the dual banking system, review the highlights of its existence, its accomplishments, and also its shortcomings. Also, from the failures and successes of the past we can find it to be most useful to us in meeting the problems which probably will face us in the future.

Banks have not been insulated from the great forces and events which have shaped and reshaped our economy and society; forces which in their power and scope have been completely revolutionary. Among these have been shifts in population, revolutions in technology, big accumulations of capital, almost a complete revolution in agricultural methods, almost a complete revolution in transportation, and the change in the levels and distribution of family incomes. These are only a few of the forces that have affected banking and will continue to do so.

In commemorating this anniversary we should reverently respect the relation between bank credit and the development of our economy. In my analysis, the growth of bank services can be appreciated in terms of their contribution to the performance of our economy. We also should review the incidence of monetary instability, our bank failures and panics. We should know that a bank's responsibilities toward money and credit are often mutually incompatible. It is interesting to view the evolution of government regulation of banks, and the gradual development of the dual banking system. Perhaps our most effective banking policy has been best achieved through the instrumentality of a central bank.

#### First Bank in 1781

It was Robert Morris who took the lead in founding the nation's first bank in 1781. He was given the thankless responsibility for the management of the finances of the Confederation government. Alexander Hamilton was a very young man when he became one of the leaders in establishing the Bank of New York in 1784. It was Hamilton who recognized that the welfare of the nation could be served by the development of banking and banks could establish an efficient market economy by increasing the circulation of money. He also knew that bank credit would play a vital role.

Hamilton also knew that banks could become the nurseries of national wealth, and that banks could do this by virtue of their unique ability to extend credit by creating money in the form of bank notes which they did until the 1930's.

Between the time of the organization of the first bank and 1860 nearly 2,000 banks were chartered. One of the great phenomenas of that time was the capacity of the country to absorb bank credit without inflation, and I believe that was a result of our great need for an increased supply of currency and deposits.

#### Currency Act

The year of 1863 is and was important. It marked the passage of the National Currency Act. This law established a uniform national currency, and provided for a system of banks to be chartered by the Federal government, and supervised by the office of the Comptroller of the Currency.

It seems that today we face a shift in emphasis within the broad over-all pattern since 1863. This lies in the efforts of some to divorce the national banking system from state controls and then, in effect, set up two systems completely independent of each other, and acting outside the legal framework which controls the other.

After 1863 state banks were able to continue to issue currency. National banks had to have a minimum of \$50,000 in capital, place at least \$30,000 in U. S. obligations and then accept close regulation by a new office to be created within the framework of the government. That was the office of the Comptroller of the Currency.

#### Wildcat Banking

Our country being young and rich in natural resources,

Northwestern Banker, September, 1963

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Federal Reserve Bank of St. Louis

## Years of Banking Progress

By W. P. RONAN President Decorah State Bank Decorah, Iowa



wildcat banking became the vogue. In June of 1864 safeguards were enacted against wildcatting. Included were the prohibition of the making of real estate loans by national banks, and raising of minimum capital for city banks. In 1865 a law was passed requiring that all issues of currency, except national currency, were subject to a 10 per cent tax.

This ruined the currency issuing function as far as non-national banks were concerned, and hundreds of state banks converted overnight. By 1866 there were more than 1,600 national banks and only about 200 remained outside the system. Most of them were trust companies because national banks were prohibited from carrying on trust activities. This forced on the banking system a re-evaluation of the systems essential reason for being.

No longer were the short term discount note and the issue of currency the sole means of survival and profit. To survive, the state banks were forced to find new methods. This they did with the first real impetus of deposit banking, using deposits as a basis for lendable funds. They gave up the issuance of currency to create money, and replaced this process with the new idea of the loan going into deposit. State banks also survived because of capital restrictions on national banks, and also because national banks could not branch.



It was not realistic that a national bank would be formed with a minimum of \$50,000 in capital in smaller communities. Then, as a result of this, state banks began springing up everywhere, and especially in rural areas. By 1890 the state system, which seemed to be a laggard in 1866, was again a healthy organism.

#### National Bank Edge

Then in 1860 legislation was passed which set the capital requirement for small towns at \$25,000. Then, again the national banking system had the edge. But by that time the state system was quite healthy, and many states had enacted codes which were reasonable and careful, since the majority of states had attempted to make their systems as competitive with the national system as possible.

Actually the first great era of banking failed because of political blindness.

The second era—that of free banking—failed because it was too free. Too many banks were willing to commit themselves beyond their capacity.

The third  $\epsilon$ ra—the era of the dual system—is more complex, and in it we become acquainted with the Federal Reserve Board.

In 1913, however, bankers did not see the future. Economic conditions looked good and probably were good until the bad day in 1929 when we had a financial debacle develop. Probably banking's worst period was from that date until the bank holidays were declared in February of 1933. Out of that period developed an inherent conservatism that has existed until today.

Presently the banking system is involved in a fight to determine whether primary control will continue on a dual basis or whether Federal control shall dominate. Right now the latter seems to dominate but again we should remember that the checks and balances system has ruled the banking world for 100 years.

In retrospect, one can speculate that the enactment of the Banking Act of 1933 with provision for temporary

100 YEARS OF BANKING . . .

(Turn to page 32, please)

### Charter Laws of 12 States

A NORTHWESTERN BANKER Survey

RESENTED on these pages is a summary of the regulations governing banking installations in 12 north central and mountain states. Many bankers have expressed an interest in what neighboring states are doing in regard to drive-in facilities, holding companies, etc. Northwestern Banker asked the banking superintendent in each of the states appearing in this survey to furnish information in repsonse to several questions

and their cooperation was excellent.

Question 1 asked: "Does your state permit banks to have any of the following?" then listed various service facilities. South Dakota is the only state of the 12 which permits branch banks, although Wisconsin has approximately 149 offices operating under the grandfather clause of the 1947 law prohibiting further branch banking. The detailed review is contained in Chart No. 1.

Question 2 asked: "If you have checked one or more of the above, will you kindly indicate any limitations placed on such authority?" Where limitations apply in those areas where authority for a certain facility is permissive, these limitations are outlined in Chart No. 2.

Question 3 asked: "Does your state have a state banking board? If 'Yes,' how many members, appointed by whom and for how many years, their general duties and authority." Four states have no state banking board. Minnesota does not have a state banking board but does have the Commerce Commission described here and it has authority on chartering matters. The other seven states have a banking board as noted in Chart No. 3.

The banking superintendents were asked further, "Who was the authority to grant state bank charters or authorize facilities?" The banking superintendent has authority to approve bank charters in Iowa, Missouri, Montana, Nebraska and Wyoming. The state banking board has authority over charters in Colorado, Kansas, North Dakota, South Dakota and Wisconsin. In Illinois the charter approval comes from the director of financial institutions. In Minnesota the charter approval must be gained from the Commerce Commission, which is composed of the banking superintendent as chairman, the securities commissioner as secretary and the insurance commissioner as the third member. In Iowa the state banking board is the authority for detached drive-in facilities.

Question 4 in this survey was: "Do you have any comments in regard to laws governing granting of charters, branches or other bank services in your state?" The replies follow:

Chart No. 1

"Does your state permit banks to have any of the following?"

STATE	Branch Banks	Offices	Paying Stations	Detached Drive-In	Holding Companies
Colorado	No	No	No	Yes	No Law
Illinois	No	No	No	No	Prohibited
Iowa	No	Yes	No	Yes	Dom <b>e</b> stic Only
Kansas No		No	No	Yes	No
Minnesota	No	No	No	Yes	Yes
Missouri	No	No	No	Yes	No
Montana	No	No	No	Yes	Yes
Nebraska	No	No	No	Yes	No
No. Dakota	No	No	Yes	Yes	No
So. Dakota	Yes	Yes	No	No	No
Wisconsin	Only those offices established prior to 1947approxim. 149.			Yes	Yes
Wyoming	No	No	No	No	No

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Federal Reserve Bank of St. Louis

#### Chart No. 2

"Please indicate any limitations imposed on such authority"

STATE	Branch Banks	Offices	Detached Drive-In	Holding Companies	Holding Co.'s in State	No. of Banks in Hold. Co.'s
Colorado	***	* * *	Property must be connected to bank	No law	2	6
Illinois	* * *	* * *	* * *	Banned by law - 7/5/57	* * *	* * *
Iowa	* * *	Limited to towns without bank; home co. or adj. county	l per bank. No limit on dist- ance; only as OKd by Bk. Bd.	No law	2* *Includes 4 bar state H.C. acqu Federal Bank H.	ired prior to
Kansas	***	***	l per bank. Limited to 2600 ft. from main bank.	Banned by law		* * *
Minnesota	* * *	* * *	Atty General's opinion says must be adja- cent to bank	No law	4	122
Missouri	* * *	* * *	l per bank. Limited to 1,000 yards to main bank	No law	* * *	***
Montana	***	* * *	l per bank. Limited to 1,000 feet to main bank	No law	1 domestic 3 out-of-state	7 banks 26 banks
Nebraska	***	***	l per bank. Limit-2,800 ft. to main bk. & 300 ft. to comp	law - 3/12/63	1 out-of-state	5 banks
No. Dakota	* * *	Paying station must be in same or adj. co. Any number.	Limited to 1,500 feet from	Not answered	* * *	* * *
So. Dakota	In same or adj. county and not over 50 miles from home bank	Same as branch bank	* * *	No law	* * *	* * *
Wisconsin	* * *	* * *	No limit on number. Must be within 300 ft. from bank	Permitted by 1904 law	* * *	* * *
Wyoming	* * *	* * *	***	Not answered	* * *	* * *

#### Chart No. 3

"Does your state have a State Banking Board? If 'Yes,' how is it constituted, what are duties and authority?"

-		1	
STATE	Yes	No	General Description
Colorado	х		Authorized by law 7/1/57. 7 members including State Bank Comm. as Chmm. 6 men for 6-year terms. 4 bankers1 from each Cong. Dist.; 2 lay members. 6 men apptd. by Governor. 3 Democrats, 3 Republicant
Illinois		х	Governor appoints an "Advisory Board" which is consulted periodically on matters of personnel.
Iowa	х		4 members apptd. for 4-yr. terms by Governor on geographical basis plus Bk. Supt. Board acts on detached drive-in facility applic.; approves appt. of personnel, fixes salaries, advises Bk. Supt.
Kansas	х		9 members apptd. by Governor for 3-yr. terms; 6 bankers1 from city of 1st class, 2 from 2nd class, 2 from 3rd class, 1 at large; 1 from farming, 1 from retailing, 1 from manufacturing.
Minnesota		х	Bank charters are granted by Commerce Commission made up of Bank Comm. was chmm.; Securities Comm. as secy., and Ins. Comm.
Missouri	х		5 members apptd. by Governor, Senate concurring. Advises Commissioner; recommends changes in law; hears and determines appeals from Comm. orders. May make rules from Bk. Comm. office.
Montana		×	
Nebraska		х	
No. Dakota	х		2 members plus State Examiner for 5-year terms, appointed by the Governor.
So. Dakota	Х		3 members apptd. to 3-yr. terms by Governor. Has supervision over management of all state banks; issues charters; sets call dates.
Wisconsin	Х		
Wyoming		х	

## Outlined

Frank E. Goldy, Colorado: Our present Code was adopted in July, 1957. It provides for public hearings on bank applications. Considering the filing of Notice of Intention, the waiting period before Application for Charter is filed and the length of time reguired to serve notice on interested parties, it requires from 60 to 90 days to process an application for a state chartered bank. This procedure was considered proper and quite acceptable in 1957, but it is definitely a handicap since the Comptroller of the Currency James J. Saxon creates national bank charters with a minimum of time spent on investigations and no opportunity or provides for a public hearing on their applications. No amendments to reducing our processing period were introduced at the 1963 Legislative Session as the banking board still feels that public hearings are a fair and reasonable procedure. However, it is having the effect of most applicants going the national route instead of going through the routine procedure provided for under our State Banking Code.

Mark Waggoner, Illinois: It is my personal opinion that a "State Bank-ing Board" responsible for this function might be good.

Gerald L. Bryan, Minnesota: We need complete updating, recodification badly.

C. R. Haines, deputy director, Nebraska: County-wide branch banking would solve much of our problem. Provision for this type of service would likely preclude applications for charters in smaller vallages and yet provide desired services.—End.



### 

President and Director Chemical Bank New York Trust Company New York City

> Set high goals and seek to reach them as quickly as is possible.

ILLIAM S. (for Shryock) REN-CHARD realized the brilliant dream of his youth when he became president in 1960 of the nation's fifth largest bank—Chemical Bank New York Trust Company with assets in excess of \$5 billion.

Mr. Renchard's advice to young men to be earnest about their careers, to set themselves a high, far goal and always consciously seek to reach that goal as quickly as possible, somewhat reveals the formula for his attainment.

At 16, Bill Renchard entered Princeton University and decided upon a banking career. His aspiration to be a banker was further compounded by one of his professors. It seems that Elliott Hugh Lee, then assistant vice president and later vice president of the National Bank of Commerce in New York (1929 to 1960) and a Princeton graduate, had an arrangement with Professor of Economics, David A. McCabe, that he would direct one or two candidates from each graduating class to him for possible employment in the bank. Bill Renchard, one of the selectees of the class of 1928, was nonplussed. To take advantage of his good fortune, would mean a deviation from his plan which was to do post graduate study for two years at the University of Pennsylvania, Wharton School of Commerce and Finance.

Rationalizing the merits of on-thejob training, Bill Renchard joined the staff of the National Bank of Commerce. Two years after the merger of the National Bank of Commerce with the Guaranty Trust Company (today Morgan Guaranty Trust Company), he moved to Chemical where he has been ever since.

#### Started as Clerk

Mr. Renchard worked his way from the bottom to the president's chair at Chemical. He started as a clerk in the coupon collection department, rose through the ranks, becoming an assistant secretary in 1939 and assistant vice president in 1941. During World War II, from 1943 to 1945, he saw active duty as a lieutenant, U. S. Naval Reserve, and he also served as a member of the Navy Price Adjustment Board. Returning to Chemical, he was elected a vice president in 1946, executive vice president in 1955 and president in 1960.

His business philosophy is keyed to rendering at all times the best possible service to customers by being knowledgeable and efficient in performing every duty. This, combined with a keen sense of humor, has made him preeminent among his associates and among bankers generally. His success has brought him many rewards, not the least of which has been an increase in salary every year since joining Chemical in 1930.

Beginning in 1934, Mr. Renchard went "on the road," covering numerous central and southern states. In 1955, when he was elected executive vice president, he assumed the responsibility for the bank's city-wide branch banking system, which today consists of 112 offices.

#### World Wide Facilities

Chemical Bank New York Trust Company was founded in 1824, and, except for a Rip Van Winkle period from about 1892 to 1917, its growth has peen spectacular. Progressive management and strict adherence to sound and "hard money" policies throughout crises in the national economy, such as the panic of 1857 which earned for it the nickname of "Old Bullion," are traditional characteristics which today enable it to enjoy an enviable reputation. In addition to its extensive New York City area branch banking network, it has correspondent banks throughout the world which maintain more than 50,000 offices and branches. Chemical has a major London branch and representative office in Paris and Mexico City.

Bill Renchard was the younger of two sons of the late John A. and Lillian C. (Smith) Renchard. He was born January 1, 1908 in Trenton, N. J. His father, an insurance broker and a bank director, taught his children to be ambitious, forceful, affable and the qualities of probity and integrity.

#### Officer Material

Mrs. Renchard, affectionately known

#### BANKERS YOU KNOW . . .

(Turn to page 52, please)

Northwestern Banker, September, 1963

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Federal Reserve Bank of St. Louis



In 88th Congress

## Studies Slow Action On Banking Bills

Seventh in a Series Written for The NORTHWESTERN BANKER

By U. V. WILCOX Political Analyst Washington, D. C.

HILE progress on the considerable number of banking bills now pending is slow, a large amount of preliminary work is underway, especially by the House Banking Committee. For example, Chairman Patman (D. Tex.), has instituted a series of studies, or investigations, of how the supervisory agencies are operating and what they are doing. He has also introduced a bill or two, "by request."

In the latter category, one measure entered would liberalize the lending scope of national banks. A similar bill is already before the committee. The new measure, which carries the backing of the U.S. Treasury Department, would permit national banks to make up to 80 per cent loans and for 30 years on real estate. At present they are permitted to make 20-year Loans up to 27 per cent of appraised value. Other provisions of the bill would liberalize commercial loans on timber land and increase from 10 per cent to 20 per cent of capital or unimpaired surplus as the maximum loan to one borrower.

#### Hearings Set

By a margin of one vote the Senate Banking Committee has authorized hearings on Senator Paul H. Douglas' truth-in-lending bill in several cities. These were to start in New York in mid-August; in Pittsburgh a few days later and then in Louisville. In this connection there are several truth-inlending bills pending in the House and hearings have been promised by a subcommittee there under the chairmanship of Leonor K. Sullivan (D.-

Mo.), but up to this writing no dates have been established.

Senator Douglas, bill author, wants to get "grass roots" opinions on his bill and he believes that this can only be obtained if the views of people in major cities can be obtained by holding hearings at which they can testify. The senator believes that his bill will develop support as a result of these nation-wide hearings.

As is well-known the American Bankers Association opposes the truth-in-lending bill, while the savings and loan industry is split over its support of the measure. The mutual savings banks have in the past gone along with Senator Douglas. The several groups of finance companies with headquarters in this city are bitterly opposed to the measure. Included is the Consumer Bankers Association whose chief interest is in consumer installment credit. There are rumors that some commercial banks are willing to support the proposal, and the credit unions through their national organization are for the bill, as is organized labor.

#### **Book Planned**

In addition to studies and surveys by the House Banking Committee on correspondent banking, a major study by House Banking Committee Chairman Patman, will lead to the production of a volume designed to spell out the work of the three Federal supervisory agencies. A chapter by each of the agencies and other financial groups is desired.

In a letter to the Federal Deposit Insurance Corporation, Mr. Patman asked for a "concise description of the principal requirements and limitations" imposed on them, together "with similar information for the financial institutions with which they compete." He has asked that these chapters include no recommendations for legislation. He submitted an outline for the several chapters and asked them to adhere to it. He notified the agencies and the National Association of Supervisors of State Banks and the American Bankers Association of his plans.

Chapters no longer than 50 pages in length should be in the hands of the House Banking Committee by the end of August he specified. It is evident that with such a volume, the first of its kind, there would be revealed any overlapping of supervisory operations. Committee Chairman Patman would thus have before him a "bible" which he hopes will help him and his committee in the passing on the plethora of banking proposals now pending.

#### 16 Chapters

There are to be at least 16 chapters in this volume which would cover state and national banks, insured and non-insured banks, savings banks, savings and loan associations, credit unions, consumer finance and sales, business finance companies, the small business investment companies, pension funds, mortgage and life insurance companies, casualty and investment companies, and trust funds. Each chapter, Mr. Patman specified, would have a section on reserves for bank debt taxation. The latter would

#### BANKING BILLS . . .

(Turn to page 46, please)

### Part 3: Dynamic Banking Aids

By M. C. GURG District Manager Bank of Rajasthan Ltd. Jodhpur, India



(Ed. Note: Mr. Gura is a 35-year-old banker from India who has been studying American banking methods the past two years in Nebraska—the first year at Beatrice National Bank, the past year at First National Bank & Trust Company of Lincoln. In May he spent time in the Continental Illinois National Bank & Trust Company of Chicago, learning about international banking. Mr. Gurg has written several reports on his work, as well as a book that will give his fellow Indian bankers and government authorities detailed information on the part played by the American banking system in developing the United States economy. In the two preceding issues of Northwestern Banker, Parts I and II of this series gave his summary of "Potentials of American Policies," "The American Economy," and "The American Banking System." In this concluding installment he discusses "U. S. Government Cooperation" and "Conditions in Indian Banking." Mr. Gurg completed his two years of studies at American banks last month and he and Mrs. Gurg departed for India August 18. They will spend some time in New York, then will travel in Europe nearly four weeks and will arrive home in Jodhpur (Rajasthan), India, by mid-October.)

#### U. S. Government Cooperation

#### SMALL BUSINESS ADMINISTRATION

It is, therefore, such changes like the development of new techniques, the change in outlook, etc., that have enabled the banks to contribute continuously to the development of the economy of the U.S.A. As a banker, I feel very happy and elated when I hear and also see personally on the spot, that it has largely been the banking system which has during the last century developed this country from a barren waste to a fertile and highly industrialized country and raised it to its present preeminent position in the world.

It was through the money lent by banks from time to time, in lean as well as prosperous years, that big industries manufacturing all types of articles had expanded year after year and are now flourshing. It was through the assistance given by banks that small farms have grown into medium-sized highly mechanized farms. Again, it was through the very good work of banks in creating buildings and houses through cooperative system and by loans on mortgages that small towns became ideal big towns.

#### Role of Government

In all this progress and achievement of the banking system in the U. S. A. credit must also be given to the contribution of the American government and the American Bankers Association. The American government has always endeavored to see to it that the private banking system is fully utilized for all its economic requirements. For example, when the Small Business Administration was created in 1953 to help small business, one of the prime conditions which has been made by government before advancing to any borrower is that no loan would be granted unless it has first been refused by a bank.

It will not be out of place here if I say a few words about the Small Business Administration and what it does. The Small Business Administration grants loans of two types: business loans and disaster loans. Business loans are made to finance business construction, conversion or expansion or the purchase of equipment, facilities, machinery, supplies, or material; to supply working capital or as may be necessary to insure a well balanced national economy. Disaster loans are made to rehabilitate businesses or homes damaged or destroyed by storms or other natural catastrophes, or to aid businesses which have suffered substantial economic injury because of severe draught conditions.

The Small Business Administration, after processing the loan, arranges with a bank or any other private credit institution for advancing the capital needed by the small business and guarantees to the bank an agreed portion or the unpaid balance of the loan in case the loan is not repaid. Thus, the Small Business Administration, which is a government agency, utilizes the services of the banks and does not come in direct competition with them.

#### FEDERAL HOUSING ADMINISTRATION

Similarly, another important agency of the government is the Federal Housing Administration which insures programs for home finance, property improvement up to 90 per cent of loss on individual loan. Thus, if a bank advances a 20 year loan for owning a house or financing alterations or improvements to existing houses to any individual, the Federal Housing Administration would insure the liability of the individual up to 90 per cent of the unpaid balance to the bank. This also encourages the banks to grant loans against properties.

#### BANKS' HELP TO GOVERNMENT

The government, also at the time of the floating of new loans, utilizes the banks' services for accepting subscriptions at their respective offices, and the funds collected by the respective banks are kept there to the credit of government for some weeks. This encourages the banks to attract as much subscriptions as possible; from the public, since they can utilize these funds until they are drawn upon. Thus, the advantage of the government funds is not restricted to any one bank, but distributed amongst several banks.

Northwestern Banker, September, 1963 Digitized for FRASER

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

#### America's Growth

#### AMERICAN BANKERS ASSOCIATION

In the development of the banking system, like the U. S. Government, the role of the American Bankers Association has also been valuable. It is one of the most powerful bodies functioning in the U.S.A. and has attained such an eminence that a bank can ill-afford not to be its member. It has over 15,000 members out of which over 13,500 are American banks and the rest foreign banks. The banks contribute to the finance of the Association in proportion to their capital and resources, but the voting power is restricted to one vote for each bank irrespective of its resources. Thus, there is practical democracy in the management of the Association. The Association has the largest banking library in the country, runs schools for banking, issues useful literature and periodicals, helps banks with technical and management counsel, as well as in planning out advertisement and pamphlets, investigation of frauds, building up of good public relations, etc. Its services are particularly very useful to the small banks, which being unable to afford an expert technical staff, fully draw upon the Association's assistance, and thus the small banks are helped to play their rightful role efficiently and also run their institutions economically.

#### **DEPOSIT INSURANCE**

The other important factor which also assisted in creating confidence in building up bank deposits is the Deposit Insurance scheme created in 1933 to protect depositors against loss resulting from failure of banks. The maximum insurance is up to \$10,000 per account and the scheme protects billions of depositors of over 14,000 banks, the deposits of which are insured with the corporation. Though this insurance is not compulsory for all banks, nearly 95 per cent of the deposits of banks in the U.S.A. have been covered by it and the banks make a statement in their advertisements and also place a board outside their premises stating that their deposits are insured with the Federal Deposit Insurance Corporation.

#### Conditions in Indian Banking

I will now switch over from the American scene to the conditions in the Indian banking world. It is needless for me to narrate the traditional organization of banking habits of the people which could compare with that of the people of any of the advanced countries of today. You are all familiar with the aspects of Indian indigenous banking. While, therefore, I mention here the exhilerating experiences of my visit to the U.S.A., I am deeply rooted in the soils of our Indian conditions and I speak with full awareness of the limitations and hurdles in the way of development of India, of a banking system like that of the U.S.A., or adopting banking practices and procedures suited to an advanced economy.

Yet, I speak to you with confidence based on my experience as a banker in this country that the basic conditions of a growing economy are the same in India as they were in the U.S.A. in 1930. It is in this context that I am convinced by my study of the banking structure and practices in the U.S.A. that in India we have to make a choice for a banking structure modeled on that of the U.S.A. When I say this, I have the declaration of our National Government in mind that our country would adhere to a scheme of democratic planning and today India is the only next largest country to the U.S.A. which upholds the spirit of democracy.

#### Features Adaptable to India

If we really mean to adhere to this system, then there is need for urgent and hard re-thinking on the approach to the problems of credit regulation in the scheme of democratic planning and the structure of banking that should be built to fit into the scheme. I would, therefore, like to emphasize very briefly some of the features in American banking which could be suitably introduced to the system in India.

- I would refer to the scheme of industrial finance provided in the U.S.A. through the Small Business Administration. In India, we could think more elaborately and design a scheme of industrial finance through banks for small industries and businessmen, under guarantee by government.
- I would commend the system of disaster loans with suitable modifications in this land of ours where natural disasters are so frequent.
- I would also commend the introduction of consumer credit. I believe that if the implications of consumer credit are clearly analyzed, the suggestions for introducing consumer credit, though it may sound a little controversial today, would not be found as such, since it would not only serve as a cushion for inflationary pressures under certain conditions through the diversion of funds to production of goods in demand and short supply, but it would also stimulate and keep up the tempo of production.
- Another thing that I would commend is the development of term loans and I am glad that steps have already been taken in this direction by the starting of the Refinance Corporation for assisting the development of industry by providing medium-term-credit facilities to augment the resources available for the use of medium-sized industrial units in the private sector.
- The next thing to which banks should pay attention is the starting of credit bureaus for the change of credit information on the lines of the American banks as this will also help in making better facilities available to the customers of banks. It is very heartening to note that steps for setting up a Credit Information Bureau have already been taken up by the Reserve Bank of India and one wishes that the sooner it materalizes, the better, as it will be a milestone in the development of a healthy credit structure in the country's economy. I would urge the commercial banks to give their wholehearted cooperation to this scheme.

Before I conclude, I would like to say that the future of Indian banking is very bright. However, in order to make the banking service still more useful and dynamic the role of banks in the private sector will require a fuller study and the concept of banking and the correct determination of its functional scope will have to be reviewed.

#### DYNAMIC BANKING . . .

(Turn to page 58, please)

#### 100 Years of Banking . . .

(Continued from page 25)

insurance of bank deposits was one of the most stabilizing acts pertaining to the banking industry.

#### Two Main Themes

Now, amidst all this panorama of change, two closely related main themes run throughout this history. One has to do with the changing pattern of Federal and state ascendancy, and finally to the essential duality of our banking system. The second is concerned with the twin functions of our commercial banks: those related to money and those related to credit.

Two periods with a central bank, an integral unit of the Federal government, punctuated the evolution of our system. The different needs of the more settled areas with their traders, financiers and manufacturers, as opposed to the farming and frontier interests, created divergent viewpoints on the essential role for commercial banks.

In our fast growing, young nation the money and credit needs were so pressing, and with so much heart and daring to feed that growth it is not surprising that no institutional pat-

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NOW

tern could long endure unchanged. Out of all this came the eventual development of the national banking system and a national currency to exist alongside the state banks. It marked a great milestone and brought us more effective free banking.

Subsequent experience led to the formation of the Federal Reserve System. As we analyze all of these changes, it gives us a keener appreciation of our ability to innovate and also to help us to appraise the challenging problems we face today.

#### What It Means

What does all of this mean to us today? It means that over many, many years the judgment and vision of bankers have facilitated the expansion of trade, industry and agriculture, along with a shift from an agrarian to a more urban society. Without our flexible banking system it would have been very difficult, if not impossible. to develop such a great degree of private ownership of homes, automobiles and major appliances. One of today's newer needs—that of college student loans—is being supplied by banks.

In spite of our occasional shortcom-

ings, which over periods of time always produced strenghtening changes. one cannot review the history of banking without a spirit of gratitude that free enterprise and private initiative have been given such scope for action. Our past achievements. however, must not blind us to the goals and potentials which beckon to

Public relations-wise, we have our opportunity this year to put forth a better image of the banking business. We can tell our people that in countries where there is no privately owned unit banking, they will find that there is no middle class—either financially, socially or politically. In other words, the individually owned unit bank is typically American and we should inform our non-banking neighbors of this truth. Remember the fact that of all the crafts, businesses or professions none more profoundly affects the economic destiny of the individual or community or the nation than does banking. In other words, unit private banking is the symbol and essence of full enterprise. It is your duty and my duty to spread this gospel to all of our citizens.

Let us all remember that the image of our banks is always the image of ourselves.

Banking does present a challenge of ( change. A good banker must serve and shape. As we reflect on these inevitable changes we must orient ourselves so that any change or rate of change may not cause us to flounder in our responsibilities. As bankers, I do not think we should build too strong a perimeter around our financial disciplines.

Yes, banking is one of the inspiring stories of America, a story of people working together creating an economy that is the envy of the world.-

#### BEFORE or AFTER

the ABA Convention...



PLAN TO VISIT OUR OFFICE at 100 Park Avenue, New York City—one block south of Grand Central Terminal.

Plan to see our 1963 Marketing Program for ThriftiCheck banks. You'll be impressed with the variety and scope of the promo-tion materials available. They include sales-producing newspaper campaigns, booklets, floor displays, radio and TV commercials, outdoor signs and more.

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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

#### Northwestern Banker, September, 1963

#### In featuring the executive changes for the Bank of New York on page 8 of the August Northwestern Banker,



Correction

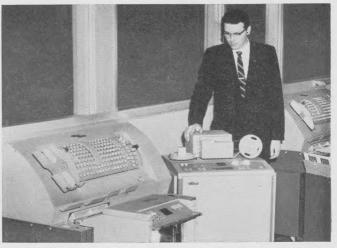
C. M. BLISS

a picture of Charles M. Bliss. vice president of r the Harris Trust and Savings Bank, Chicago, was published in error. The picture of Charles M. Bliss, chairman of the board of the Bank of New York, shown

here, is the one that should have appeared in the story.



Tellers handle all types of transactions at any window with NCR 42 "All-Purpose" Teller machines.



Posting of checking accounts by two Fully-Automated NCR POST-TRONIC\* machines is virtually unattended.



Waukesha State Bank was the second bank in the United States to install the new NCR 450 Proof-Transit Machine. Carl Taylor, President and Don Taylor, Assistant Vice President discuss the ease of operation and smooth work flow from tellers through proof and distribution.

#### "WHY WE CHOSE NCR BANK EQUIPMENT!"

WAUKESHA STATE BANK, WAUKESHA, WISCONSIN

"In the nineteen years we have served our growing community as 'The Bank of Friendly Service,' our deposits have risen to nearly \$20 million with a constant increase in business activity.

"Through most of these years, we have used NCR bank equipment to process our accounting work. We know that NCR systems-designed units provide simplified ease of operation, and have unusual durability and high productivity.

"We rely on the NCR 'know-how' in

the installation of efficient bank system procedures, and the personal interest shown by NCR representatives and servicemen when new equipment is installed.

"We use two NCR 450 Bank Proof Machines, two Automated NCR POST-TRONIC Machines, 11 NCR 42 Teller Machines in banking floor and drive-in facility, and one standard NCR POST-TRONIC on internal Bank Multiple-Duty posting work, plus other NCR peripheral units

"Customers appreciate our efficient teller service and banking records — from machine-posted passbook to POST-TRONIC statement. Through continuous use of NCR bank equipment, our officers and operating staff are gratified with our fine customer relationship, the keystone for 'The Bank of Friendly Service.'"

Carl Taylor, President Waukesha State Bank

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 • 79 years of helping business save money



<sup>\*</sup>Trademark Reg. U.S. Pat. Off.

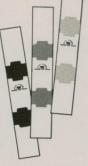




#### FEDERAL BILL STRAPS

Made of the best quality Kraft paper, so strong it will not break in a straight pull. Breaking strength 70 lbs. persq. 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.



#### 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.

The C.L.DOWNEY
Company

HANNIBAL, MISSOURI World's Largest Manufacturers of Coin Handling Supplies

Northwestern Banker, September, 1963

#### Display Unusual Trade Cards



NOSTALGIC DISPLAY which contains several hundred advertising trade cards which were used in the 1880's, is currently being featured in the center lobby of Harris Trust and Savings Bank, Chicago. Mr. Lester A. Weinrott, right, owner of the exhibit, is explaining the display to Mr. William O. Heath, vice chairman of the board, and Miss Donna Stone, staff member of the bank's public relations department.

Trade cards came into prominence as a national advertising medium in the mid-19th century, the result of a technological break-through in color lithography. The cards were used by manufacturers and merchants to advertise products ranging from sewing goods to stoves, patent medicines to organs, wigs to tobacco.

#### ABA CONVENTION . .

(Continued from page 23)

and Currency Committee; United States Representative from New York.

Address — David Rockefeller, president, The Chase Manhattan Bank, New York, N. Y.

#### MONDAY, OCTOBER 7 National Bank Division Constitution Hall—2 p.m.

Address of the President — Paul M. Jones; president, National Bank Division, The American Bankers Association; president, Old Phoenix National Bank.

Address—Mortimer M. Caplin, Commissioner of Internal Revenue, Department of the Treasury, Washington, D. C.

Remarks — The Honorable James J. Saxon, Comptroller of the Currency, Washington, D. C.

#### Trust Division

#### Congressional Room, Statler Hilton Hotel—2 p.m.

Address of the President—LeRoy B. Staver, president, Trust Division, The American Bankers Association; executive vice president, United States National Bank, Portland, Ore.

#### TUESDAY, OCTOBER 8 First General Session Constitution Hall—9:15 a.m.

Presiding—M. Monroe Kimbrel, president, The American Bankers Association; chairman of the board, First National Bank, Thomson, Ga.

Address of the president.

Report—Official Acts and Proceedings of the Executive Council.

Report of the Nominating Committee and election of officers.

"Centennial Report"—Ben H. Wooten, chairman, Centennial Commission. The American Bankers Association; chairman of the board, First National Bank, Dallas, Tex.

Address—The Honorable C. Douglas Dillon, Secretary of the Treasury, Washington, D. C.

### WEDNESDAY, OCTOBER 9 Second General Session Constitution Hall—9:15 a.m.

Presiding-Mr. Kimbrel.

Report of the Resolutions Committee. Address — The Honorable A. Willis Robertson, chairman, Senate Banking and Currency Committee, Lexington, Va.

Inauguration of officers.

#### Savings Bond Sales Gain in First Half

Despite a tapering off in June, U. S. Savings Bonds sales showed a 10.5 per cent gain for the first six months of 1963, the Treasury reported. Figures for states in the Northwestern Banker area are as follows:

(Shown in thousands of dollars)

(DITO WIL III	tilousullus	or dor.	iais)
	JanJune 1963	1962	Change
Colorado	18,027	18,069	- 0.2
Iowa	63,114	60,439	+ 4.4
Minnesota	33,562	32,306	+ 3.9
Montana	9,236	8,838	+ 4.5
Nebraska	46,252	42,982	+ 7.6
North Dakota	9,562	8,110	+17.9
South Dakota	12,012	11,682	+ 2.8
Wyoming	3,742	4,009	- 6.7

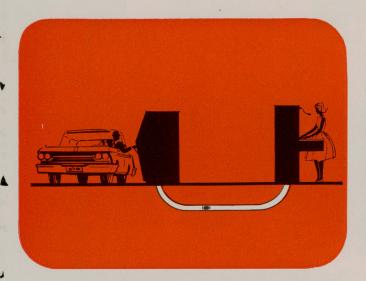
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#### 39th Annual NABAC Convention

#### Minneapolis-September 16-18



F. B. MILLER



J. E. BURGES



R. W. FISCHER



M. M. CAPLIN



R. B. SILLECK

#### Sunday, September 15

A.M. 10:00 Registration and exhibits.

12:30 Buses leave Hotel Learnington for ball game (Yankees vs. Twins)—optional activity.

P.M.

6:00-7:30 Early Bird Reception—Hotel Leamington.

#### Monday, September 16

A.M.

10:00 Minneapolis Auditorium—Exhibits open 8 a.m.-6 p.m.

Call to Order — Julius E. Burges, president, NABAC; vice president and comptroller, The Citizens and Southern National Bank of South Carolina, Charleston, S. C.

Invocation — Rev. Reuben K. Youngdahl, Mount Olivet Lutheran Church, Minneapolis, Minn.

Address of Welcome—Honorable Arthur Naftalin, mayor, City of Minneapolis.

Response—David Cooke, immediate past president, NABAC; vice president and controller, Zions First National Bank, Salt Lake City, Utah.

Introduction of Keynote Speaker — Robert W. Fischer, chairman, General Convention Committee; vice president, First National Bank, Minneapolis, Minn.

Keynote Address — Dr. John Nason, president, Carleton College, Northfield, Minn.

Address—Hugh C. Lane, chairman of the board, The Citizens and Southern National Bank of South Carolina, Charleston, S. C.

P.M.

2:00 General Session — West Hall, Minneapolis Auditorium.

Presiding — Henry J. Rohlf, first vice president,



J. R. FITZGIBBON



J. W. NASON



L. R. MOELLER

NABAC; vice president, Morgan Guaranty Trust Company of New York, New York City.

Address—"Pressing Problems of the Day in Tax Administration," Mortimer M. Caplin, Commissioner of Internal Revenue, United States Treasury Department, Washington, D. C.

3:00 Section A—Auditors and Automation—Stage. Presiding, Henry J. Rohlf, first vice president, NABAC; vice president, Morgan Guaranty Trust ▲ Company of New York, New York City.

R. Coleman Egertson, chief national bank examiner, United States Treasury Department, Washington, D. C.

L. R. Moeller, assistant secretary, St. Paul Fire and Marine Insurance Company, St. Paul, Minn.

3:00 Section B—NABAC Teller Study—West Hall. Presiding, Herbert M. Wayne, treasurer, NABAC, executive vice president, North Carolina National Bank, Charlotte, N. C. Panel:

Roland Sullivan, assistant vice president, First National Bank, Minneapolis, Minn.

Robert H. Long, NABAC Research Institute.
6:30 Buses leave for Monte Carlo night dinner party at Prom Ballroom, St. Paul.

#### Tuesday, September 17

A.M.

10:00 Minneapolis Auditorium — Exhibits open 8 a.m.- 7 p.m.

(Split Sessions)—West Hall.

Section A—Personnel—Fall 1963. Presiding, Arthur P. Ringler, director at large, NABAC; senior vice president, Chemical Bank New York Trust Company, New York, N. Y.

Panel:

McCoy C. Campbell, chairman, Personnel Administration Commission, NABAC; second vice president, First National Bank, Atlanta, Ga.

Robert M. Cheston, vice president, Maryland National Bank, Baltimore, Md.

Otis Brown, assistant vice president and training director, Bankers Trust Company, New York, N. Y. Section B—Profiting From Your Inter-Bank Relations—Stage. Presiding, Warren P. Gray, Director at Large, NABAC; vice president and comptroller, Third National Bank, Nashville, Tenn. Panel:

Robert B. Silleck, vice president, First National

#### DYNAMIC BANKING . . .

(Turn to page 56, please)

Northwestern Banker, September, 1963

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For our newly remodeled lobby, we selected the 3M Dual-Ad over all other displays available to us. We have had this Dual-Ad now for three months, and have found that it attracts attention and are very satisfied with our selection.

Albert H. Heimbach VICE PRESIDENT, FARMERS & MECHANICS SAVINGS BANK OF MINNEAPOLIS, MINNEAPOLIS, MINNESOTA

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#### List FPRA Convention Plans

**D**<sup>R.</sup> WILLIAM HANEY of Northwestern University is to be the featured speaker at the morning sessions at the 48th annual convention of the Financial Public Relations Association. The convention will be held at the Biltmore Hotel in Los Angeles, November 11-14.

Twenty-one clinics are scheduled during the four days, and members will have an opportunity to attend additional meetings featuring public relations discussions on commercial development, installment credit, staff relations, savings and mortgages and trust development.

A special Club Car Clinic is being arranged again this year. Delegates can obtain further details on this phase of the convention by writing to Don Smith, vice president, First National Bank, Kokomo, Ind.

#### NABW Scholarship Award

Five outstanding women bank executives have been nominated for the National Association of Bank Women Scholarship award, which will enable one of them to attend one of the nation's graduate banking schools.

The award winner will be announced at the annual convention of the National Association of Bank Women in Bal Harbour, Fla., October 20-24. The nominees are:

Miss Gloria A. Corry, The Central Trust Company, Cincinnati; Miss Marie C. Flowers, Woburn National Bank, Woburn, Mass.; Mrs. Margaret S. Kindred, The Citizens Bank, Hamilton, Ohio; Miss Marjorie Peyser, First Westchester National Bank, New Rochelle, N. Y., and Mrs. Wilma L. Pickert, United California Bank, Beverly Hills, Calif.

#### **Wisconsin Promotions**

Roy H. Kolster and Christoph H. Guenther were named assistant vice presidents of the First Wisconsin National Bank. The announcement was made by Joseph W. Simpson, Jr., president.

Mr. Kolster, who started at the First Wisconsin in 1926, has worked in the bank's Credit Division since 1934.

Mr. Guenther, assistant manager of

#### Milestone



100 MILLION ITEMS have been processed in new Valley National Bank's operation center in Phoenix. Carl A. Bimson (right), vice chairman of bank, presents illuminated scroll to W. C. Hornberger, pioneer Phoenix resident and retired utility executive. Mr. Hornberger's check represented the 100 millionth item.

the International Banking Division, started at the First Wisconsin in 1951 and worked as a credit analyst before joining the International Banking Division in 1959.

#### **Elect Senior Officers**

Homer J. Livingston, chairman of The First National Bank of Chicago, announced that the bank's board of directors elected Christopher W. Wilson an executive vice president and conferred the title of senior vice president on Thomas J. Butler, Clarence R. Eichenberger, Ray H. Matson, James Snydacker, Pressly L. Stevenson and Horace O. Wetmore.

Mr. Wilson joined The First National in 1951 as counsel after legal practice in New York and Paris. He has been senior vice president and general counsel and now assumes new executives duties in the general management of the bank.

George B. Rogers was elected Mr. Wilson's successor as the bank's vice president and general counsel. Mr. Rogers has served in the law department.

Mr. Livingston also announced the intention of Glenn M. Forgan to retire September 30 under the rules of the bank's pension plan. Mr. Forgan has been head of the bank's petroleum division and has become nationally known in developing the bank's relationships with the petroleum industry.

Alvin C. Johnson will succeed Mr. Forgan as vice president in charge of the petroleum division.

#### Bank Sponsors Concerts in the Park

Manufacturers Hanover Trust Company has just completed sponsorship of two "Concerts in the Park," featuring the 50-piece Seuffert Band in lunch-hour performances under the trees at Madison Square Park, New York City.

Each performance drew audiences of about 6,000, representing perhaps three lunch hour periods. The concerts began at 12 noon and ended at 1:45 p.m.

Promotion of the concerts was confined to the Madison Square area where Manufacturers Hanover has three branches. Each branch distributed small shopping bags bearing the legend: "I'm enjoying lunch today at the Concert in the Park" and the bank's signature. Bank customers and Madison Square area workers were invited to bring their lunch to the park in the small shopping bags and eat to the strains of lively band music.

#### GET NEW CHECKING ACCOUNTS

# WITH FREE SECURITY HALLMARK PROMOTION



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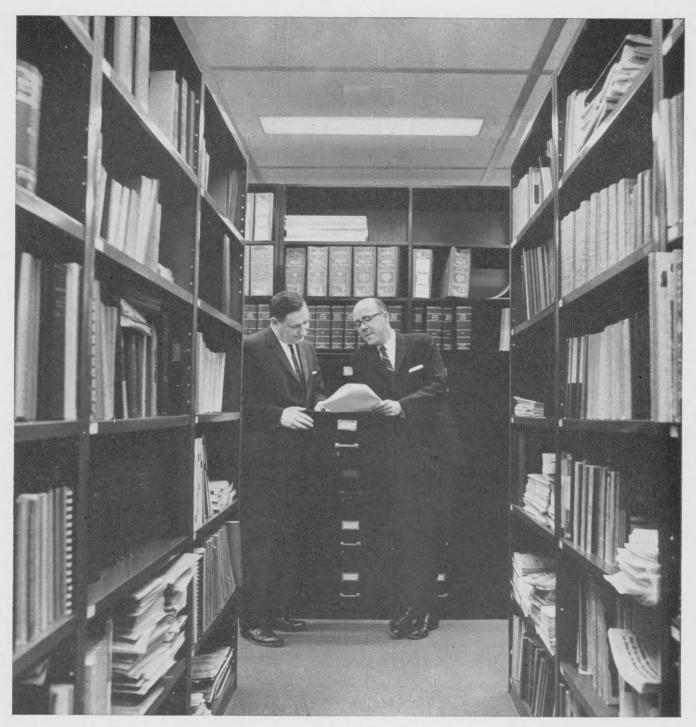
Security Hallmark Promotional Kit Yours for the asking—a complete packaged promotion that gives prospective customers new reasons for opening an account at your bank. It projects a Security Image to present customers at the same time—one that automatically repeats itself every time a customer receives his cancelled checks.

The Cummins Security Hallmark promotion includes a handsome plaque to display in your lobby that explains your use of perforated cancellations for depositor protection; a variety of advertising mats for use in local papers that tell these new reasons for banking with you; radio and television commercials; publicity releases; envelope stuffers and other useful material. It's all yours for the asking. Just check the box and return this ad to:



Northwestern Banker, September, 1963

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Portfolio need checking? It's always a good idea. The broad experience of these men in the analysis of bank portfolios can help your diagnosis. This is one way we help our correspondents. We'd like to help you!

# HARRIS Trust and BANK

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

Honor Paul C. Jones

The stockholders of Cummins-American Corporation recently paid tribute to the 40 years of service of their president and chairman, Paul C. Jones, at a luncheon in connection with their semi-annual meeting in Chicago.

Cummins-American is a privately held company controlling A.S.C. Corporation, an Indiana sales finance and loan company (which was the original company), Glenview State Bank, and several manufacturing concerns. These include Cummins-Chicago Corporation, a Chicago business machines manufacturer; Protectu Bank Note Corporation, a Chicago check printer,



**OIL PORTRAIT** of his wife, Mary, was presented to **Paul C. Jones** by stockholders of Cummins-American Corporation in Chicago recently.

and Allison Coupon Company Inc., a specialized printing firm in Indianapolis whose chief product is payment coupon books.

At the luncheon, before the principal purpose of the gathering was revealed, the heads of the various properties reported to the stockholders and their wives on performances and future prospects. Then Paul Jones was presented with an oil portrait of his wife, Mary, and a poem written for the occasion by J. R. Latchaw, executive vice president of Glenview State Bank.

At the close of the luncheon, the stockholders present, all of whom were officers or employees of one of the properties, toured Glenview State Bank and the plant of Cummins-Chicago Corporation.

#### POTIBE Students Learn Banking

California banks will introduce a teaching resource unit in the 650 California high schools and state colleges this fall, as part of a \$100,000 program to update one phase of possibly obsolete business instruction . . . that of banking.

The California Bankers Association's unit—"The How and Why of Banking"—will be among the new tools used to educate a record of 4.8 million pupils that will enroll in an ever-changing California school system this fall.

The unit contains a Teacher's Guide (105 pages) in a loose-leaf binder, four full-color film strips, fourteen 58 by 30 inch wall charts coded to the guide and enough workbooks and final examinations for every student in the class.

The kit stands three feet. It consists of nine sessions, either to supplement or update the text used in the course, and may also be used as a separate self-contained unit for a one or two-week presentation. Portions of

the kit are suitable in social studies and economics courses.

To meet the many requests from other state banking associations and organizations such as the American Bankers Association, the CBA will consider the use of some of the kits in displays.

#### **B** of A Municipal Promotions

Two promotions in Bank of America's municipal bond department were announced by S. Clark Beise, president.

Lawrence H. Prager, head of the investment banking section, has been appointed vice president, and Glenn N. Cremer in charge of underwriting for the last two years, advances to assistant vice president.



G. CREMER

L. H. PRAGER

Mr. Prager has spent his entire career with Bank of America in the bond department. A graduate of Stanford University, he joined the bank as a municipal bond analyst in 1936.

Mr. Cremer joined Bank of America in 1953 following graduation from the University of California at Berkeley. Selected for special training with the bank's officer development program, he filled assignments at various of the bank's branches and was promoted to assistant cashier in 1955.

Two years later he came to the San Francisco Head Office as administrative operations assistant in the municipal bond department, and was placed in charge of underwriting in 1961.

#### Lawrence Kempf Retires

Lawrence A. Kempf has retired from The Northern Trust Company, Chicago, where he was a vice president in the banking department. He had been with the bank for 40 years, having started in the bond department in 1922.

Widely known in banking circles, Mr. Kempf for many years has called on banks throughout Illinois. He is a past treasurer and past member of the executive committee of the Illinois Bankers Association. He is a graduate of the University of Pennsylvania.



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List Management Change

Two management changes for The Central National Insurance Group of Omaha were announced by Clarence L. Landen, chairman of the board.

Clarence L. Landen, Jr., has been elected vice chairman of the board for the Central National Group, and Maurice G. Olson has been elected president of The Central National Insurance Company and The Protective National Insurance Company and vice president of The Central National Life Insurance Company.

Clarence L. Landen, Jr., formerly was president of the Central National and the Protective National compa-





M. G. OLSON

C. L. LANDEN, JR

nies. As vice chairman of the board, he succeeds J. Earl Thompson, who recently retired.

Formerly president of The Stuyvesant Insurance Company of Allentown, Pa., Mr. Olson also has been elected to the board of directors for the Central National companies.

#### Ease G.I. Loan Rules

Under certain conditions veterans who have used their G.I. loan guaranty benefits may have their eligibility restored.

Eligibility may be restored for World War II veterans up to July 25, 1967, and for Korean Conflict veterans to January 31, 1975.

Restoration eligibility conditions:

If the veteran is forced to sell his home because of health, employment or other "compelling reasons."

If his property is taken by a government agency for public use.

If his property is destroyed by a natural hazard.

If in service and transferred by military orders and disposes of his

If he disposes of his home and moves to another town because of "a new and better job."

The VA must be released from liability on the veteran's original property.

#### New Nine-Story Bank

Security First National Bank, Los Angeles, announced it has made arrangements for the construction of a \$4,000,000 nine-story bank, office building and parking structure in downtown Santa Ana with Carter Company Contractors & Developers. The facility will serve as the bank's main Santa Ana office and will be known as The Security Bank Building.

#### Diebold Earnings Up

After-tax earnings for the first six months of 1963 for Diebold, Inc., Can-





ton, Ohio, were \$1,153,192. This was 16 per cent higher than the comparable peiod of 1962.

R a y m o n d Koontz, president, reports that the current trend of incoming orders, the present substantial backlog

of unshipped orders, and the efficiencies now being felt as a result of capital expenditures make the outlook for the balance of the year favorable.

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Note: Leukemia and Cancer Coverage reduced 50% at age 60.

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If you do not have this coverage

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Drugs and Medicines
Ambulance Service
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X-Ray, Radium and
other Therapy
Rental of Iron Lung,
Wheel Chair, etc.
Transportation

Statistics show that CANCER strikes one-in-four sometime during their lifetime. Who can afford to be without this coverage?

\* \* \* \*

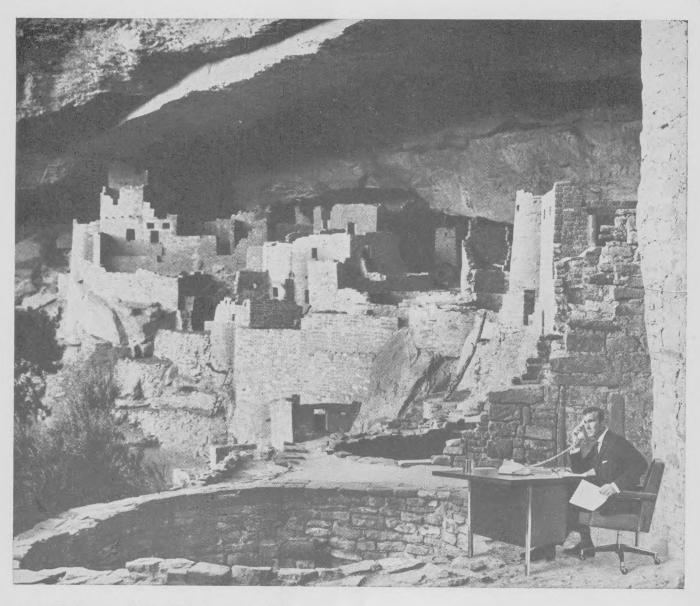
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#### THE CHASE MANHATTAN BANK

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Northwestern Banker, September, 1963

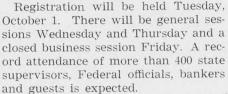
1 Chase Manhattan Plaza, New York 15, N.Y. Member Federal Deposit Insurance Corporation

# State Supervisors to Meet At Historic Williamsburg

 $\mathbf{T}^{ ext{WO}}$  senators, a governor and the new chairman of the Federal Deposit Insurance Corporation will address the delegates to the 1963 annual convention of the National Associa-

tion of Supervisors of State Banks.

The 62nd meeting of this association for statechartered banking will be held in historic Williamsburg, the restored colonial capital of Virginia, October 1-4.



Senator A. Willis Robertson (D.-Va.), and chairman of the Senate Banking and Currency Committee, will speak at the Thursday morning session.

Senator Milward L. Simpson (D.-Wyo.), will present the feature address at the annual banquet, Thursday evening.

Governor Albertis S. Harrison, Jr., of Virginia will give the welcoming

Registration will be held Tuesday, October 1. There will be general sessions Wednesday and Thursday and a closed business session Friday. A record attendance of more than 400 state

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address Wednesday morning.

Joseph W. Barr, assistant to the Secretary of the Treasury, and President Kennedy's designee as FDIC chairman, will also speak Wednesday morning. Mr. Barr is expected to assume the FDIC chairmanship just prior to the opening of the NASSB convention.

Edwin P. Neilan, president, United States Chamber of Commerce, and chairman, The Bank of Delaware, Wilmington, will appear on the Thursday program.

Other featured speakers are Williamsburg Mayor H. M. Stryker; incoming American Bankers Association President William F. Kelly, president, The First Pennsylvania Banking & Trust Company, Philadelphia; R. Stewart Rauch, Jr., president, The Philadelphia Saving Fund Society, and president, National Association of Mutual Savings Banks; G. Russell Clark, former New York State Superintendent of Banks, and chairman, Commercial Bank of North America, New York City, and Julius E. Burges, vice president and comptroller, Citizens and Southern National Bank of South Carolina, Charleston, and president of NABAC, The Association for Bank Audit, Control and Operation.

The traditional feature of Wednesday's opening session will be the address of the outgoing NASSB president.

President Norris E. Hartwell, who is also Wyoming State Examiner, will review his year in office. He also will introduce the work of the Association's State Bank Evaluation Commit-

The top-level, 29-member committee is preparing a lengthy report on current banking problems. The report, expected to be released to the public later this fall, reflects both the thinking in the special banker committee and 2,500 state banks which earlier this year responded to a lengthy Opinion Poll.

#### New Minimum Wage

Banks are reminded that the minimum wage will increase to \$1.25 an hour on September 3, 1963.

The Wage and Hour Division has issued a tentative decision, effective September 3, requiring executive and administrative employees to be paid at least \$100 per week. Professional employees \$115 per week, and employees exempt under the so-called short test, \$150 per week. A revision in these changes is being sought. Banks will be advised of the final decision as soon as it is made. The minimum wage, however, is not affected and will increase to the \$1.25 per hour September 3.

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NEW YORK

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## Banking Bills . . .

(Continued from page 29)

be supplied by the Internal Revenue Service.

As of June 30, the Committee had a fund of \$187,000 for this and other projects. This includes additional material on chain and holding company banking which is yet to be issued.

#### Recap of Bills

There are a growing number of pending banking bills. Most of them are before the House Banking Committee. A run-down of the more vital measures to banking follows:

A bill to provide Federal charters for Mutual Savings Banks was entered early in the year. In fact there are two bills, somewhat identical, one a revision of the other. Representative Multer (D.-N.Y.) supports Federal charters for the Mutuals. In fact, the bills which he has entered are semi-official in that the National Association of Mutual Savings Banks helped in their writing. Also several savings and loan officials aided. However, there has been no committee action, although at one time Congressman Multer, who heads a subcommittee of the whole House Banking Committee, called for hearings. It is understood here that the NAMSB asked that such hearings be postponed.

Committee Chairman Patman has not disclosed his position, but in comments during hearings, he has been critical. The bill has not been entered in the Senate, and Senate Banking Committee Chairman Robertson has said nothing as to his attitude. The

ABA is opposed. The savings and loan industry tends to support the measure as offering a "bridge" which would bring the mutual savings banks within the Federal Home Loan Bank System. As the situation now stands it is doubtful that the bills now before the House Banking Committee could pass. Without hearings, the undecided vote would be determinative.

#### Loan Limit Bills

The two bills which would increase national bank loan limits, including the most recent entry, are backed by the Treasury, and specifically by Comptroller of the Currency Saxon. It is, in fact, his bill, and also is an Administration bill. This argues strongly for passage, either in this session or next. Representative Patman said that he was neither for, or against the bill, yet he introduced it. A box score on the measure would presumably give the Saxon bill a majority in each banking committee. Democrats wouldn't wish to vote against an Administration measure and Republicans generally have supported Comptroller Sax-

Senator Douglas' truth-in-lending measure, if it came to a vote now, would be close, both in the Senate and the House committee. The White House favors it. Senator Douglas is a strong propagandist. He is offset somewhat by Senator Wallace F. Bennett of Utah, who has consistently opposed the bill and has often ridiculed it. Representative Sullivan of Mis-

souri would be for it with Representative Gonzales of Texas and Representative Eugene Siler of Kentucky and Representative W. E. Brock of Tennessee are unwilling to commit themselves

Senators Edward V. Long of Missouri probably would vote for it and Tower of Texas is against it, with Senators L. Simpson of Wyoming and Peter H. Dominick of Colorado uncommitted. A vote would be close and probably favorable by a small margin.

The bills to raise insurance limits of the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation had a limited hearing before a House Banking Subcommittee. This, however, was before Treasury Secretary Dillon presented his standby control features, designed to be a part of the proposed increase as a safety device. It was Secretary Dillon who proposed the \$15,000 rather than the \$25,000 ceiling on insurance.

#### Standby Controls

The savings and loan industry immediately announced that it opposed all standby controls over dividends and required reserves. While the banking industry generally is not opposed to the \$15,000 ceiling on insurance, there is no enthusiasm for any increase. The airing of views during a House subcommittee hearing found the Reserve Board undecided and the ABA opposed.

In general, liberals on the committees are for the measure, but there is small likelihood that Congress will raise insurance limits on the savings and loan industry and also an equal amount for banks. There is the element of competition. A vote at this time within either the Senate or the House committee would foredoom these bills.

Representative Patman is a partisan of the savings and loan industry and during early hearings he tended to favor a \$25,000 insurance ceiling. His position seems likely to have shifted as a result of the standby controls proposed. Thus the positions that. would now be taken by Representatives Sullivan, Gonzales, Silver, and Brock are uncertain. Senators Douglas, Long, Tower, Bennett, Simpson, and Dominick are uncommitted in the light of the standby controls proposed. Those favoring banking generally. have found that the latter industry is unopposed to standby controls.

#### Mortgage Market Bill

The mortgage market facilities bill, authorizing the formation of two corporations, one to insure conventional mortgages and the other to establish



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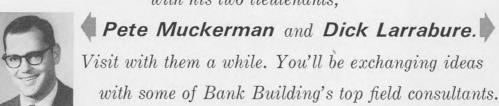


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a secondary market for conventional mortgages, are due to come up for hearings late this session. Senator John Sparkman has promised hearings for his Senate Banking Subcommittee, and so has Representative Albert Rains. Each handles housing legislation for the full committee.

House and Senate committees insist that they want to hear the arguments for and against the bills. As it now stands a box score could be presumed to favor the measures, but nothing is expected this year. The ABA is not looking for action until next year. The outlook favors passage by a reasonable margin.

The Federal Banking Commission was considered at a House Banking Subcommittee hearing. It would establish a commission to administer the supervision and examination of all banks. It would do away with the present supervisory agencies except that their specific operations would be continued.

At these preliminary hearings House Banking Committee members approached the proposal cautiously. Questions asked revealed a generally negative position. Representatives Patman, Sullivan, Gonzales, Siler, and Brock, then and now, are unwilling to commit themselves. No hearings, preliminary or otherwise, have been held

in the Senate and the banking committee members there want to hear what the Reserve Board Governors and others have to say. A box score in both committees would at this time show a negative vote.

#### Banking Bill

The bill to provide that Federal savings and loans may establish and operate new branches in states only if state savings and loans or state banks are also permitted to do so, has small possibilities of passage. Similar bills have been before Congress for a long time. The savings-loan industry is opposed. Bankers are for the measure. However, all past bills have been "bottled up," and only in one instance, that is remembered, has a bill come out of the Senate Banking Committee, and that bill was lost in the Senate.

A box score on the bill would show that members of the two committees favoring banks generally would be for it and those favoring savings and loans opposed. But any such scoring now, with so many new members, especially on the House Banking Committee, show an unwillingness to commit themselves, and they so declare. They want to hear the arguments.

It is largely untrue that hearings on bills are a waste of time. There are scores of Committee members who, on inquiry, insisted that they wanted to hear the arguments for and against. House Banking Committee Chairman Patman's attittude can often be forecast because he has many times revealed his views on banking issues. This is also true of Senate Banking Committee Chairman Robertson. A case in point, as to Representative Patman, is a bill calling for voluntary membership of national banks in the Federal Reserve System.

Comptroller of the Currency Saxon is for the bill and so probably is Representative Patman. However, Senator Douglas is uncommitted although a supporter generally of the Federal Reserve System. Senator Bennett might support the measures and also Senator Long might. Senators Tower, Simpson, and Dominick are uncommitted, as are Representatives Sullivan, Gonzales, Siler, and Brock.

The picture on all of these bills could change if active hearings on the listed bills are held. However, the tendency in each committee is to postpone or drop measures, rather than permit them to come to a showdown vote with the names of those for and against clearly declared.—End.

#### Switzerland Branch

First National City Bank, New York, has opened a full branch in Geneva, Switzerland. It is the bank's 93rd office in 33 countries overseas.



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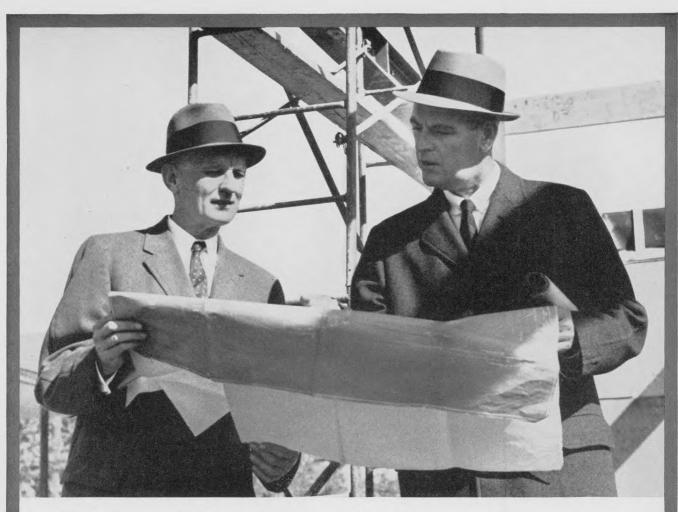


FINALISTS for the Mosler Safe Company's "Miss Drive-In Teller" contest are being selected by Skitch Henderson, musical director of the NBC "Tonight" show, and other stage and screen personalities.

The three finalists will be announced in October prior to the American Bankers Convention in Washington. The tellers will attend the Convention and bankers will vote on the winner. Grand prize will be a trip to Jamaica.

Northwestern Banker, September, 1963

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INSURANCE CORPORATION

#### Mosler Sales Record

The Mosler Safe Company, producer of bank and office equipment systems, has announced record net income for



I. MOSLER

the first six months of 1963 of \$1,088,570, equivalent to 67 cents a share. Earnings increased 10.4 per cent over the net cf \$985,796, or 61 cents a share for the similar period a year ago. Sales for the period rose 13 per

cent to a record of \$17,789,841 from \$15,727,761.

The company's profit for the second quarter ended June 30 amounted to \$583,614, equivalent to 36 cents a share. This represents an increase of 17 per cent over the second quarter of 1962 earnings of \$498,626, equivalent to 31 cents a share and an increase of 15.6 per cent over the first quarter earnings of 1963 of \$504,956.

Sales of \$9,402,807 for the second quarter ended June 30 are 23 per cent ahead of sales of \$7,628,671 in the second quarter of 1962 and 12 per cent ahead of sales of \$8,387,034 in the first quarter of 1963.

John Mosler, president, stated that he expects sales and earnings to continue to show substantial improvement over 1962 for the balance of the

#### Foundation Plans TV

The Foundation for Commercial

Banks has signed a contract with the American Broadcasting Company for 12 weeks of participating sponsorship on ABC-TV network's "Wide World of Sports," Rogers H. Woods, Jr., executive director of the Foundation, announced recently.

The commercials on full service banking will appear between 5:00 and 7:30 p.m. (Central Time), every Saturday, and mark the Foundation's first venture into network television.

#### **Predicts Deposit Growth**

The Bank of America expects its current level of \$12 billion in deposits will advance 5 per cent a year in the near future, climbing to \$14 billion by 1965.

This prediction was made recent-



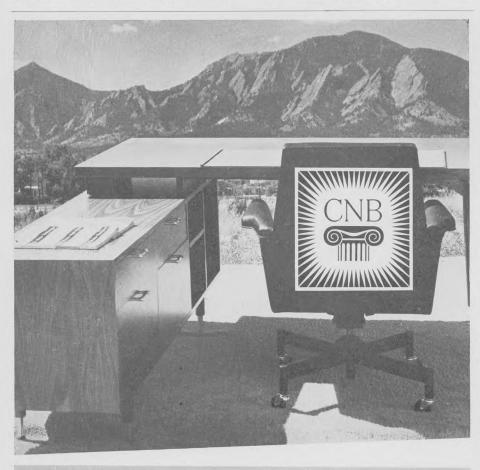
R. A. PETERSON

ly by R. A. Peterson, vice chairman of the world's largest privately owned bank, in a talk before the Los Angeles Society of Security Ana-

Executive Vice President F. M. Dana of the bank,

which operates 837 branches in its home state along with 22 branches abroad, joined Mr. Peterson in the analyst meeting address.

"The Bank of America," Mr. Peterson said, "can expect about a 5 per cent annual deposit growth rate. Such growth would produce deposits of about \$14 billion by 1965 and we believe this figure is a reasonably obtainable goal."



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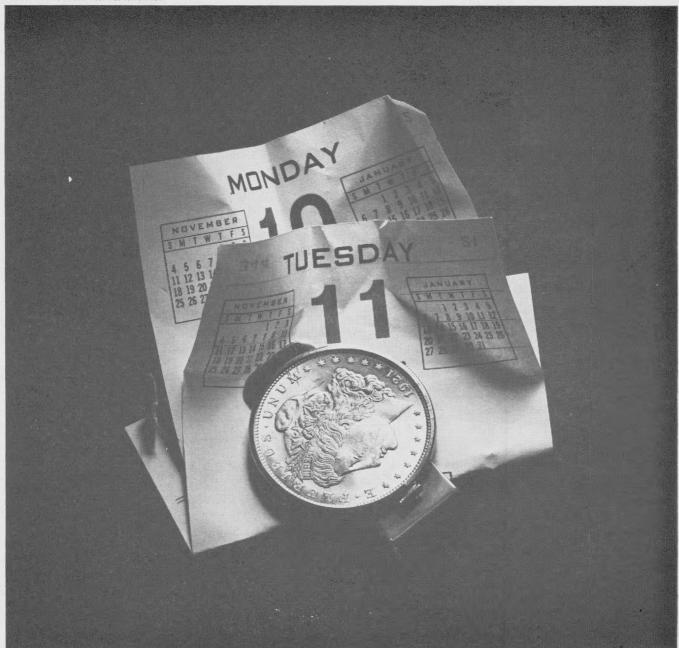
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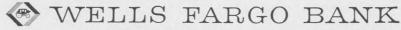
HALF-MILLIONTH car to stop at the United States National Bank of Omaha was driven by Bonnie J. Hammonds who received a transistor radio as a memento of the occasion. Edward W. Lyman, president, is shown making the presentation to Miss Hammonds. The facility has been open since April, 1960.

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## **Schedule Automation Conference**

THE first National Automation Conference of The American Bankers Association has been scheduled for Chicago's La Salle Hotel, November 13-15, according to Executive Vice President Charls E. Walker.

The A.B.A. previously announced that the conference would be held in Chicago during November.

Dr. Walker said planning of the program will take into account the opportunities and problems posed by automation for banks of all sizes and locations. The initial announcement of the new A.B.A. meeting, he said, has drawn a broad and favorable response from banks throughout the country.

Arrangements for the conference are being made by Dale L. Reistad, director of automation and market research.

#### "Money in Music" Display

Money and music have joined hands again in an exhibit that opened at the Chase Manhattan Bank Money Museum in Rockefeller Center last month.

The exhibit, called "There's Money in Music," displays the sheet music of popular songs mentioning money.

Such songs as "I've Got Five Dollars" from the 1931 Rogers and Hart musical "America's Sweetheart" and "Pennies From Heaven" from the 1936 movie starring Bing Crosby, and "The Money Tree" co-exist with a \$5 bill, a sampling of pennies and a real Malayan money tree.

The exhibit which was produced in cooperation with the American Society of Composers, Authors and Publishers (ASCAP) features 27 copies of sheet music dating back to 1930.

#### BANKERS YOU KNOW .

(Continued from page 28)

among her many friends as "Dolly," is the former Alice Marie Fleming, daughter of Robert V. Fleming, chairman of executive committee of The Riggs National Bank of Washington, D. C. It is said that when Mr. Fleming learned of his daughter's elopement, he long-distanced his friend, Frank K. Houston, who was then (1935) president and is presently honorary chairman of the board of Chemical, to inquire about his new sonin-law. Mr. Houston told him not to worry for Bill Renchard definitely

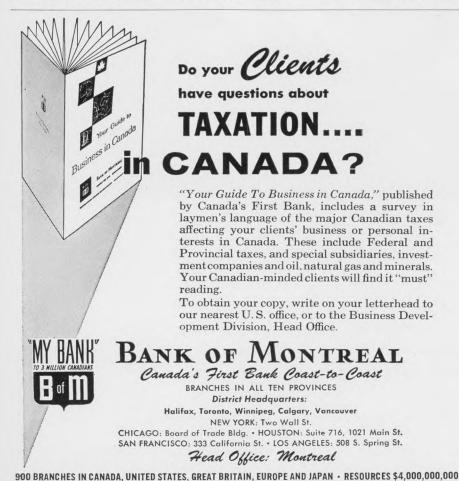
was "officer's material" and he would undoubtedly go far.

Today Mr. Renchard is a director of The Borden Company (also member of the Finance Committee), Chemical International Banking Corporation, Chemical International Finance, Ltd., Chemical Overseas Finance Corporation of Bermuda, Congressional Insurance Company of Washington, D. C., Vanadium Corporation of America, Lehigh Valley Railroad Company; director and member of Finance Committee, New York World's Fair 1964-65 Corporation; past governor, Investment Bankers Association of America 1958-60; director and vice president of Manhattan Eye, Ear and Throat Hospital; trustee, Oldfields School, Glencoe, Md.; vice president, trustee and member of Finance and Executive Committees, Citizens Budget Commission, Incorporated; member, American Bankers Association Executive Council, 1960-63; member, Membership Committee, Chamber of Commerce of the United States; member and treasurer, The Salvation Army Advisory Board of New York City; trustee, United States Council of The International Chamber of Commerce, Incorporated; member, New York Chamber of Commerce and chairman of the Committee on Finance and Currency; member-at-large of Executive Board of Greater New York Councils; Boy Scouts of America; chairman, Group VIII and member of Council of Administration New York State Bankers Association, 1962-63; member, advisory council of New York Chapter, American Institute of Banking, 1962-67; president, The New York State Citizens Council on Traffic Safety; trustee, and vice president and member of Executive Committee of United Student Aid Funds, Incorporated.

He is a member of the Association of Reserve City Banks, National Institute of Social Sciences, Newcomen Society of England, Pennsylvania Society of New York, The Bond Club of New York, The Economic Club of New York and The Pilgrims of the United States.

Mr. Renchard's clubs include The Alfalfa Club of Washington, D. C., Rolling Rock Club of Ligonier, Pa., The Brook, N. Y. C., The Creek, Locust Valley, N. Y., The Pinnacle Club, N. Y. C., The University Club, N. Y. C. and The Links, N. Y. C.

He and Mrs. Renchard and two of their three daughters (Cynthia and Christine), reside at Hegeman's Lane in Glen Head, Long Island. Their first-born daughter is Mrs. James M. Brown III, mother of three children, of Darien, Conn.—End.





# Important doings in Washington, D.C. You coming?

This year the ABA has taken its convention right to the top—Washington, D. C. It's a good place to discuss the serious problems confronting the banking community. And a good place for informal discussion after speeches, workshops and meetings.

We're looking forward to seeing you. To talk business. Renew friendships. And to bring you up to date on our expanded correspondent services.

Save some time for us during your stay in Washington.



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# The First National Bank of Chicago

Chicago 90, Illinois



# MINNESOTA'S OLDEST BANK LOOKS BACK . . .



Northwestern Banker, September, 1963 Digitized for FRASER https://fraser.stlouisfed.org Federal Reserve Bank of St. Louis



# A CENTURY OF COMMERCIAL BANKING ENDS

Mud was ankle deep on St. Paul's levee when a New Englander named Parker Paine stepped off a steamboat and looked for a site to open a bank. He found one on Third Street, today known as Kellogg Boulevard. The year was 1853. Ten years later, Congress passed the National Currency Act, and the little private bank that was then known as the Bank of Minnesota immediately applied for and received a charter, making it The First National Bank of St. Paul.

Many of the men who were pioneers in the development of this area also played prominent roles in the history of The First National Bank of St. Paul. Among them were the "Empire Builder," James J. Hill; the lumber magnate, Frederick Weyerhaeuser; and former U.S. Secretary of State, Frank B. Kellogg. The wisdom and foresight of those men, coupled with the abilities of such leaders as Cyrus P. Brown, George H. Prince, Richard C. Lilly, Julian B. Baird and others, built a bank that has become known for soundness and competence.





# A NEW PROGRESSIVE BANKING ERA BEGINS

Today, with 110 years of banking know-how behind us, we look forward to the challenge of the future. We are excited and enthusiastic over the plans to revitalize St. Paul . . . plans we have helped formulate and which we will implement in every way we can. A number of projects are underway and others are on the drawing boards. Dayton's and Sears have opened two great new stores in the downtown area. Hilton Hotels has announced plans to build a 12 million dollar hotel here. The St. Paul Port Authority's Riverview Industrial Park is well underway with construction of several plants scheduled to start this year. The Capital Centre program, a dramatic plan to rebuild the heart of the downtown district, has received preliminary approval by local and Federal authorities and is proceeding on schedule. Other urban renewal projects are under study, and construction dates are set for a number of new buildings, among them a 6½ million dollar Technical and Vocational School and a 9½ million dollar Federal Courts Building.

We are convinced St. Paul is on the threshold of a period of growth and progress. We are also convinced our bank will have a vital part in facilitating it.

# THE FIRST NATIONAL BANK OF SAINT PAUL

FOURTH AND MINNESOTA

Member Federal Deposit Insurance Corporation



#### 39th NABAC Convention

(Continued from page 36)

City Bank, New York, N. Y.

William B. Carr, senior vice president, Provident Tradesmen's Bank and Trust Company, Philadelphia, Pa.

John R. Fitzgibbon, vice president and cashier, Iowa-Des Moines National Bank, Des Moines, Iowa.

P.M. 2:00

(Split Sessions)—Minneapolis Auditorium Stage. Section A—Progressive Bank Auditing, by Evolution or Revolution of Philosophical Guidance. Presiding, George W. Cramer, Director at Large, NABAC; vice president and cashier, Texas Bank and Trust Company, Dallas, Tex.

Paul V. Purcell, auditor, Central National Bank, Cleveland, Ohio.

Thomas E. Mead, auditor, United California Bank, Los Angeles, Calif.

John N. Raleigh, Director of Technical Division, NABAC.

John H. Myers, Ph.D., Northwestern University, Evanston, Ill.

Section B—Profit Planning and Expense Control—West Hall. Presiding A. Claude Wood, director at large, NABAC; vice president and cashier, First National Bank, San Diego, Calif. Panel:

Augustus R. Southworth, Jr., vice president and controller, Chemical Bank New York Trust Company, New York, N. Y.

Roy L. Reierson, senior vice president, Bankers Trust Company, New York, N. Y.

Albert H. Cloud, Jr., partner, Peat, Marwick, Mitchell & Company, New York, N. Y.

7:15 Buses leave Hotel Leamington for ball game (Tigers vs. Twins)—optional activity.

#### Wednesday, September 18

A.M.

9:30 Minneapolis Auditorium—Exhibits open 8:00 a.m.-5:00 p.m.—West Hall.

Business Session — Julius E. Burges, president, NABAC, presiding.

General Session—Merle V. Stone, second vice president, NABAC; vice president, American National Bank, St. Paul, Minn.

Address — F. Byers Miller, executive director, NABAC.

Address—"Time for Everything," Bill Gove, The Bill Gove Organization, Coral Gables, Fla.

P.M.

2:00 Minneapolis Auditorium. Panel—"Consult the Experts":

Accounting Commission.

Auditing Commission.

Commercial Operations Commission.

Federal Taxes Commission.

Personnel Administration Commission.

Technical Advisory Commission.

Trust Commission.

Automation.

6:15-7:00 Reception—Hotel Leamington.

7:15 Banquet—Hall of States, Hotel Leamington.

9:00-12:00 Entertainment and dancing.

#### Canadian Purchase

First National City Bank, New York, and Rotterdamsche Bank N. V., Rotterdam, announced last month the conclusion of arrangements whereby the former will acquire through its subsidiary, the International Banking Corporation, a 50 percent interest in the Mercantile Bank of Canada. Until now, the Mercantile Bank has been wholly owned by Rotterdamsche Bank through its sub-

sidiary, Nationale Handelsbank N. V. These arrangements are subject to the approval of the Federal Reserve.

American Stock Split

Robert E. Straus, chairman of the board, American National Bank and Trust Company of Chicago, has announced the action of the board of directors calling a special stockholders' meeting to approve a resolution providing for a ten shares for one stock split.

The resolution will permit an increase in shares outstanding to 1 million from the present 100,000, and a change in the par value to \$10 per share from the current \$100.

It is anticipated that the annual cash dividend rate on the increased amount of stock will be set at \$1 per share, which is tantamount to raising present \$6 per share annual dividend to \$10

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drop by anytime during your stay. Renew old friendships, make new ones. You'll find a friendly welcome waiting for you from the men of First National.



James P. Hickok Chairman of the Board



John B. Mitchell President



Edwin S. Jones Executive Vice President



Wilhelm R. Mesenbrink Senior Vice President



John F. Hallett Senior Vice President



Carroll F. Burton



Leonard J. Schrewe Vice President



Harry L. Smith Vice President



FIRST
NATIONAL BANK
IN ST. LOUIS

Member Federal Deposit Insurance Corporation

## Dynamic Banking

(Continued from page 31)

In the context of the planned development of our country, banking also will have to be planned to suit the present day conditions and the banking plan will have to aim at collecting the resources now tending to disappear in the unorganized segment of the economy and comprise proposals for extensive territorial expansion of the commercial banking system within the country.

Our people should be educated and be made to feel by continuous propaganda that in the underdeveloped state of our country and when we are striving to raise the standard of our living, it would be a sin to keep money idle or unutilized or in hoards and that money should be placed in banks so that it could be used for the economic development of our country.

If such constructive steps are implemented, it will greatly strengthen the position of banks and increase their resources for playing their rightful role in the country's economy.

But one thing is clear. The forces set in motion by modern technology and rising production will result in greater abundance, with lower costs, price reductions, free enterprises, new products and millions of jobs as well as growth of industries larger in number and in size with a greater need for banking services. The future outlook for banking will have to not envelop only changes at home but also the profound effect of the fast-changing trends in countries like the U.S.A. and the U.K. where the banking system is geared to the necessities and conditions of a highly industrialized economy.

#### Credit—the Axis of Progress

Credit will be the axis around which the whole wheel of economic progress will have to revolve and particularly industrial credit will assume a great significance and this strong axis will have to be built only out of the banking system. Therefore, the present opportunities for banking in expansion, organization and integration or modern lines to suit an industrial economy undertaking, offers a great challenge to the existing system and a test of its capacity to successfully rise up to the needs of the times by developing a new look, adopting more positive and flexible policies, and meet this challenge and seize the opportunity.—End.

#### Robert Morris to Attract 900

R OBERT MORRIS ASSOCIATES, the national association of bank loan officers and credit men, will hold its 49th annual fall conference at the Statler Hilton Hotel in Detroit, September 15-18. Approximately 900 bank loan officers, credit men, and their wives are expected to attend the three and one-half day working meeting.

Michigan chapter will act as host

DR. P. McCRACKEN

for the conference. General chairman is Tyrus R. Stansberry, vice president, Manufacturers National Bank of Detroit, and vice chairman is Glen T. Krusell, executive vice president, Peoples Bank, Trenton.

Several eminent bankers, economists, educators, and industrialists will address the Associates on subjects of timely interest. Among them are:

Dr. Paul W. McCracken, professor

of business condition, University of Michigan, Ann Arbor, "The Economic Outlook."

Milton J. Drake, chairman, Robert Morris Associates loan portfolio management committee, senior vice president, Detroit Bank & Trust Company, who will moderate a panel discussion on "Loan Portfolio Management Policy."

Robert P. Briggs, executive vice president, Consumers Power Company, Jackson, Mich., "Michigan on the March."

Raymond T. Perring, chairman, Detroit Bank & Trust Company.

Ray R. Eppert, president, Burroughs Corporation, Detroit, "The Role of Research and Development in Profit Creation, Job Creation, and Economic Growth."

Eugene M. Howard, president, Robert Morris Associates, vice president, American Fletcher National Bank & Trust Company, Indianapolis.

James E. Goodman, executive vice president, General Motors Corporation, Detroit.

Minneapolis 4, Minnesota

One complete afternoon will be devoted to workshops.

#### North Central Increase

The North Central Company's total



T. S. SANBORN

premium income, at the current rate, will substantially increase over 1962, it was reported in St. Paul by Theodore Sanborn, president.

For the sixmonth period ending June 30, 1963, The North

Central Company's total premium income was \$4,030,000, as compared with \$2,949,000 for the same period of 1962, an increase of almost 37 per cent.

#### Japanese Visitors

City National Bank & Trust Company, Kansas City, was host recently to five touring Japanese college students. The students were especially interested in the bank's electronic data equipment.

The young men are walking across the United States from San Francisco to New York and expect to arrive at their destination on November 13.

Wayne Hummer & Co. CHICAGO

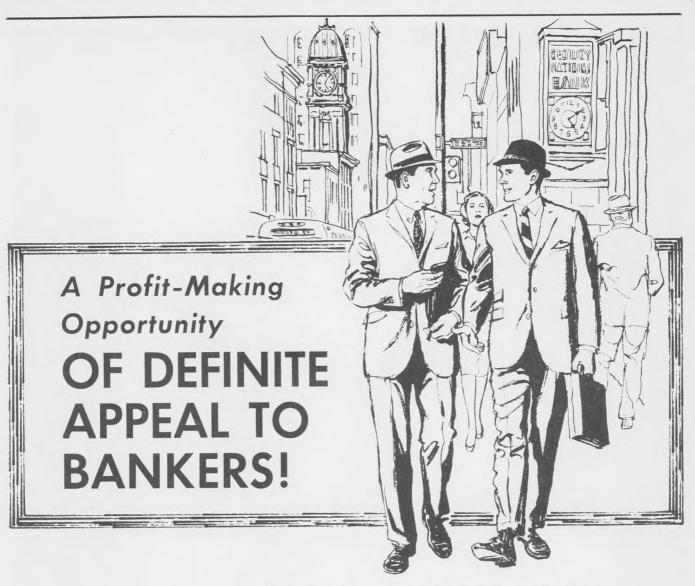
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Do yourself a good turn and write us today, regarding the profitable features of our Bankers Participation Plan.

H. O. CHAPMAN President

S. H. WITMER Chairman of the Board

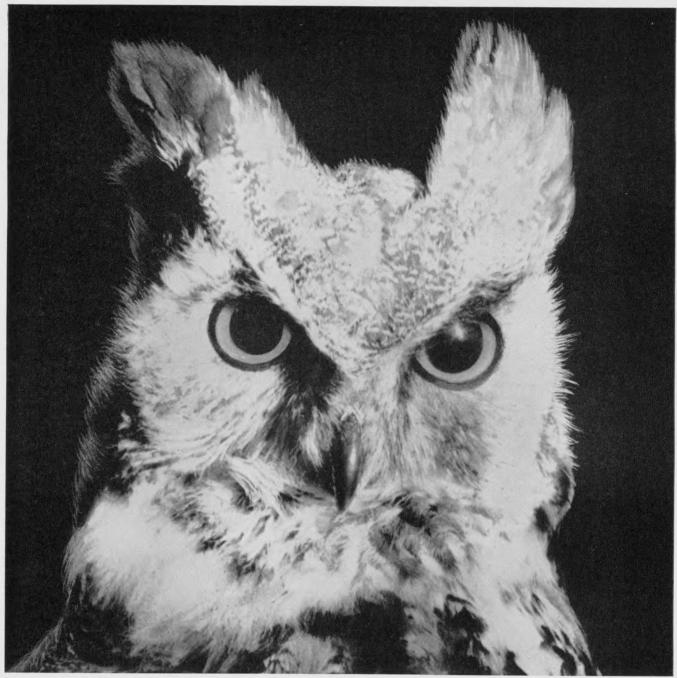
INSURANCE

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We will send you complete details regarding our Bankers Participation Plan. A limited number of highly desirable territories are currently available. Act now-and all correspondence in confidence.

Enduring As Rushmor



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# FIRST NATIONAL BANKOF MINNEAPOLIS

CORRESPONDENT BANK DIVISION

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Northwestern Banker, September, 1963

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# Minnesota NEWS

T. E. OLSON K. A. WALES President

Starbuck

Secretary

Minneapolis





# Three Gain National Charters Two Seeking State Banks

THREE applications have been approved by Comptroller of the Currency James J. Saxon in Washington, D. C., for national banks in Minnesota, while two towns in the state are seeking charters for state banks. Following is a brief summary of these approvals and applications.

#### St. Martin

Approval has been granted for the first bank ever to be located in St. Martin. A building, which is equipped for banking, has been selected and an official opening is planned sometime this month.

Charter members of the bank are Ben Mondlock, Joseph Wilms, Mark Rothstein and Jerome Blonigen. The bank will be known as the St. Martin National Bank and will begin operation with a capital stock of \$100,000.

#### Cloquet

An application for a national bank in Cloquet has been approved by the comptroller. Organizers in the application of the bank, to be known as the City National Bank of Cloquet, were Girard L. Stewart, Girard B. Stewart, B. O. Nemers, Peter S. Lee, and J. Russell Klosner.

Proposed capital structure is \$200,000.

#### Eagan Township

An application has also been approved by the comptroller for a national bank at Eagan Township. The bank will be known as Valley National Bank, and would be located at the intersection of Highway 13 and Highway 36.

Organizers are Walter G. Andrews, Louise S. Andrews, Richard F. Cole, Ruth S. Cole, John G. Harrison, and Robert F. Leach.

Proposed capital structure is also \$200,000.

#### Burnsville

The proposed First State Bank of Burnsville is stirring up quite a controversy. Burnsville wants the bank, Savage doesn't.

Testimony from both sides was re-

cently heard by the state commerce commission, and they have 90 days to make a decision.

Those speaking for the bank, almost all from Burnsville, chiefly cited the rapid growth of Burnsville. Opponents, almost all from Savage, said Burnsville is already well served by present banks in surrounding communities, especially the Savage State Bank.

#### Plymouth

Application for a proposed Plymouth State Bank, that would be located in Plymouth, has been filed with the state banking commissioner. Incorporators are A. W. Carlson, Hopkins and George H. Halverson, Minneapolis. The bank would have capital of \$200,000.

#### **Buys Lake City Interest**

Controlling interest in the Lake City State Bank at Lake City, has



T. K. SCALLEN

been purchased from the estate of the late W. F. Sprague by Financial Underwriters, Incorporation.

In announcing this purchase, president of Financial Underwriters, Thomas K. Scallen, said

that the new owner does not antici-

pate any changes in personnel or policy.

Mr. Scallen will continue as senior vice president of the Olmsted County Bank and Trust Company at Rochester

#### Joins Anoka Bank

Russell L. Holmes, 33, has joined the First National Bank of Anoka Insurance Agency. Mr. Holmes, a native of Owatonna, was associated with the Northwestern Life Insurance Company in Anoka for the past five and a half years.

#### **Elect Kensington Officers**

The First State Bank of Kensington held its annual stockholders meeting in Kensington recently and elected officers for the coming year.

Named as president of the bank was P. J. Score while O. R. Olson was named to the position of vice president and Marvin Andreasen was elected cashier.

Elected as assistant cashiers at the meeting were Genevieve Dahlgren and Janice Schefla.

#### Finlayson Open House

Open house was recently held at the First State Bank of Finlayson to acquaint the public with the new management of the bank. New officers are: J. L. Graf, president; Lydia Graf, vice president; Earl C. Meidlinger, cashier; and Vallie L. Carlson and Edna Osladil, assistant cashiers.

#### Joins Sterling Bank

Eugene R. Nietz has replaced Gerald Bolden as assistant cashier and manager of installment loans at the Sterling State Bank. Mr. Bolden has accepted a position as managing officer of the Oakdale State Bank in Owatonna.

Mr. Nietz has had five years experience in the financial field.

#### **Night Depository**

The Peoples State Bank of Comfrey has recently installed a night depository in the entry of their remodeled bank building.

#### 1963 Minnesota Group Meetings

District		Date	Town
3, 4, 5	Tuesday	Sept. 3	Wayzata
8	Wednesday	Sept. 4	Hibbing
9	Thursday	Sept. 5	Detroit Lakes
6	Monday	Sept. 9	Little Falls
7	Tuesday	Sept. 10	Montevideo
2	Wednesday	Sept. 11	Mankato
1	Thursday	Sept. 12	Rochester

Rochester Appointment

John D. Chisholm, president of the Olmsted County Bank and Trust Company, Rochester, was appointed a member of Gov. Kar. F. Rolvaag's Business Advisory Commission.

Mr. Chisholm, active in state and national banking affairs, is president of the Minnesota Association of Independent Bankers and a member of the U. S. Comptroller's Advisory Committee.

Thief River Remodeling

Both the Northern State Bank and the Union State Bank of Thief River Falls have announced remodeling plans. The Northern expects to complete construction of a new drive-in window in the bank building this month and is resurfacing its parking lot. The Union State's major lobby remodeling will cost an estimated \$75,000. Carpeting and new fixtures will be installed. Work will begin as soon as plans are completed by the architect.

#### **Brainerd Construction**

Construction of the new national bank building in West Brainerd is expected to be completed by mid-November. A \$65,000 building permit was granted for its construction, and it is to be in operation immediately after completion.

#### Rush City Changes

Farmers Acceptance Corporation has relinquished control of the State Bank of Rush City. Along with the change, Al Brevik of Minneapolis also resigned his position as president and director of the bank. H. R. Hommedahl, who had been the board chairman, was elected to the post of president, and Carl H. Sommer, who was previously a director, was elected to head the board.

#### Stillwater Appointment

Frederick P. Bradford has been appointed Trust officer of the First National Bank of Stillwater, it was recently announced by William D. Klapp, president of the bank.

#### Election at St. James

Directors of the First National Bank of St. James have elected Eldo L. Beckmann as assistant cashier. Mr. Beckmann has been affiliated with the bank since last October.

W. Leigh Cary

W. Leigh Cary, 72, a prominent banker for many years in Minnesota, Michigan and Indiana, died recently in St. Cloud.

#### Northwestern Banker, September, 1963

#### NCR Record



ONE-BILLIONTH Post-Tronic bank ledger form has been produced for Union Commerce Bank, Cleveland, by the National Cash Register Company. Above, Miss Joan E. Miller of NCR's electronic paper processing department holds the one-billionth form prior to shipment. Approximately a third of the checking accounts in the United States are now being recorded on this type of ledger card, NCR reports. The card contains machine-printed entries on one side and a built-in magnetic memory on the reverse side for electronic posting.

Mr. Cary was in the banking business with several banks in southern and northern Minnesota, the last being the St. Cloud Merchant's National Bank when it merged with the American National. During this time he served three years on the council of administration of the Minnesota Bankers Association. He was with the U. S. Banking Department for 15 years, examining in Minnesota, Michigan, and Indiana.

#### **Dundas Open House**

Following six months of intensive work, in which both the interior and exterior of the Dundas State Bank received an extensive remodeling, an open house was held. Over 500 friends and wellwishers attended.

#### **Foley Relocation**

The State Bank of Foley recently moved into its new bank building. The new building has drive-in and night depository services.

#### **Arlington Apointment**

Harold W. Lynch, president, Arlington State Bank of Arlington, has been appointed to the Bank Study Committee of the Independent Bankers Association.

The announcement was made by S. E. Babington, IBA president and president, Brookhaven Bank and Trust Company, Brookhaven, Miss.

Mr. Lynch will serve through the IBA's 30th annual convention April 9 to 11, 1964, in Minneapolis, Minn.

#### Joins Gibbon Bank

John C. Ohlemann has accepted a

position at the State Bank of Gibbon where he will serve the bank as insurance salesman and agricultural representative.

#### Name Winona Director

District Court Judge Lyman A. Brink of Hallock has been named to the board of directors of the Northwestern State Bank of Hallock. He replaces C. D. Tearse, who served on the board for the past 20 years.

#### Ellsworth Bank Sold

E. A. Nelson, president of the Ellsworth State Bank, has sold controlling interest of the bank to Robert M. Imsdahl and Harold A. Sands. Mr. Imsdahl and Mr. Sands were formerly with the Western State Bank of St. Paul. Mr. Nelson who has been with the bank over 50 years will stay on as active president while Mr. Imsdahl and Mr. Sands will be vice president and cashier respectively.

#### Mankato Advancement

Quentin Beadell, formerly assistant vice president has been advanced to vice president of the American State Bank, Mankato. Mr. Beadell, 31, started with the American State as a bookkeeper in September of 1956. He has also served as teller and assistant cashier.

#### Named to Board

Grant E. Anderson, president of the Chip Steak and Provision Company, has been named to the board of directors of the American State Bank, Mankato. The appointment fills the post vacated by the death of former president Edward Langes.

#### **Edwin Tams**

Edwin Tams, 68, president of People's State Bank, Comfrey, died Saturday, July 7 at Comfrey hospital. He had been in poor health for the past year.

Mr. Tams was a graduate of Mankato Commercial college. He farmed in the Verdi vicinity for a few years before entering the banking business. He came to Comfrey in 1935 where he resided until his death.

#### **Buy Additional Space**

The Valley National Bank of North Mankato recently announced that it has purchased the building at 243-249 Belgrade Avenue. The bank will eventually occupy the west half of the building with walk-up and drive-in facilities to be located on the west side adjacent to a parking lot, which is also being purchased by the bank.



Doug Johnson and John Ordos on guard for a correspondent

# Dedicated Defenders We'll protect your securities right down to the last man, if necessary, because we are dedicated. From the day your securities arrive, our safekeeping department will stand over them, clipping coupons, advising you of maturities. It's their way, and ours, of proving friendship with special service.

THE BANK WITH THE BIG WELCOME

# Midland National Bank

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AURENCE M. BROOM has been elected executive vice president and director of the Stock Yards National Bank, South Saint Paul, effec-

tive September 1.



L. M. BROOM

Mr. Broom has been a vice president of the Northwestern National Bank of Minneapolis, having spent 33 years with that bank in various departments. In most recent years he has been active

in the country bank division of that institution. Mr. Broom has a wide acquaintance throughout the bankers and businessmen of the northwest.

The bank also announced the election to the board of Edward J. Rikess, president of Southview Chevrolet.

A stock dividend was voted to increase the capital stock of the bank from \$900,000 to \$1,000,000 and further action was taken to increase the surplus account of the bank from \$900,000 to \$1,000,000, making the bank's combined capital and surplus \$2,000,000.

Rufus W. Hanson, executive vice president of First National Bank of Minneapolis, has been elected a director of Sterling Precision Corporation, New York. J. Russell Duncan, board chairman of Sterling Precision, is a former president of Minneapolis-Moline, Incorporated.

Anthony O. Dokken, comptroller, Northwestern National Bank of Minneapolis, marked a rare achievement last month when he observed his 50th anniversary in banking and as an employee of Northwestern. In observance of this momentous occasion, Mr. Dokken made a sentimental journey in a 1913 automobile to the Western Union office, a trip which he made often during his early days at

the bank a half-century ago. When Mr. Dokken started at Northwestern on August 5, 1913, as a knickers-clad youngster of 14, he was a "bellboy" or messenger, whose job involved answering calls from officers and running to and from the telegraph office. In those days, however, Mr. Dokken recalls a bit wistfully, a handsome automobile such as this 1913 model Ford touring car was not available for these trips.



PIONEER AUTO is featured in observing 50th year of Comptroller Anthony O. Dokken.

From his early beginnings as a bellboy, Mr. Dokken made great strides in his banking career and in 1951 was elected Comptroller of Northwestern National Bank of Minneapolis. He will retire from Northwestern on December 1 of this year.

Promotion of seventeen members of the staff of Northwestern National



L. BERG

Bank have been announced by John A. Moorhead, president.

Elected to the position of vice president were the managers of Northwestern's three offices: Leroy H. Berg, Lake Street Official; Harvey J. Schnei-

der, Lincoln Office; and Robert H. Baker, North American Office. They will retain their titles and responsibilities as managers of the respective

Elected assistant vice presidents were John H. Olson and Donald M. Anderson of the commercial depart-



R. H. BAKER



H. J. SCHNEIDER

Newly elected assistant cashiers were Victor K. Sandvig, service administration; Robert E. Dahl, credit and discount; Wilmer R. Dachtler, bookkeeping; Thomas W. Loaney, sales and marketing; Eleanor R. Vanderbilt, stenographic; and Robert M. MacMillan, credit and discount.

Elected assistant trust officers were Larry D. Buegler, Sylvester N. Hansen and Dorothy A. Liebig.

Named assistant managers were Robert D. Stewart and Herbert E. Swift, Lake Street Office; and J. Peter Meyers, North American Office.

John M. Owens, president of the First National Bank at Eveleth, Minn., was elected assistant vice president of Northwest Bancorporation, effective September 15, the board of directors announced recently.

Mr. Owens has been president of the Eveleth bank since January, 1960.

Louis D. Laramee has been elected assistant manager of the West Broadway Office of First National Bank of Minneapolis.

A native of Minneapolis and member of one of the city's pioneer families, Mr. Laramee has been in banking since 1951, the entire time with First National and with the West Broadway Office.

Northwestern Banker, September, 1963

Digitized for FRASER https://fraser.stlouisfed.org Federal Reserve Bank of St. Louis First Edina National Bank, West 50th Street and Halifax, has started construction of a large, uniquely-designed auto banking addition that will double its "bank from your car" teller service for motorist customers.

Scheduled for completion around October 1, the project includes a new teller structure with two drive-up windows, to be located in First Edina's customer parking lot just north of the bank. An enclosed 53-foot overpass will connect this unit with the main banking quarters.

In addition to the two new drive-up windows, the bank's two present windows will continue in operation. Also there will be conveniently angled parking space for cars on the remainder of First Edina's lot extending to 49½ Street.

Two new directors, a vice president and secretary have been elected by directors of J. M. Dain & Company, Incorporated, Minneapolis-based investment firm.

New directors are Raymond B. Garcia, vice president in charge of the firm's trading department, and Harold G. Olson, vice president in the corporate services department.

John L. Walton, treasurer, was elected vice president. Edwin C. Braman, manager of advertising, public relations and sales administration, was elected secretary.

One of the oldest financial institutions of Minneapolis, the St. Anthony Falls office of First National Bank, celebrated its 70th anniversary with a gala two-day birthday party recently.

The bank, which has played an important role in the economic growth of the East Side, was established on July 26, 1893 and still is located on its original site. It has been an office of First National Bank since August 1922.

Present manager of the bank is vice president **Donald S. Oren** who was elected to the post on January 1, this year, succeeding **Elmer Lindborg**, who retired after nearly a half century in banking.

Virgil Dissmeyer of the Northwestern National Bank, Minneapolis, has been awarded the Tension Envelope Citation Certificate in recognition of "creative cooperation in the field of envelope usage."

Mr. Dissmeyer, working with Clark Ellis, Tension Envelope representative in Minneapolis, was instrumental in adopting a completely new deposit system for Northwestern National's Bank-by-Mail customers. The



# BANKERS

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Directors of First Hennepin State Bank, located in downtown Minne-



J. E. DORSEY, JR.

apolis, announced the election of James E. Dorsey, Jr., as chairman of the board and president.

Also announced was the promotion of Ralph V. Hagen to the position of vice chairman of the board. A veteran

of 40 years with the bank, Mr. Hagen started as a messenger at age 16 and advanced to become president in

Mr. Dorsey has resigned as a vice president of First National Bank of Minneapolis to assume his new duties with First Hennepin.

First Hennepin is making plans to relocate in the proposed new Scandinavian Center, which will be in the block bounded by Nicollet and Marquette Avenues, Washington Avenue and Third Street. The bank has been in the same area for 48 years.

James Smith Bush, who has resigned as one of the five managing



J. S. BUSH

directors of the Export-Import Bank, has been elected president and manager of the recently organized Northwest International Bank. Five new directors have been announced by Mr. Bush.

They are Albert

G. Egermayer, senior vice president of Cargill, Incorporated; Terrance Hanold, executive vice president and general manager of the international operations of the Pillsbury Company; Tom McDonald, executive vice president of Minneapolis-Honeywell Regulator Company; William F. Mitchell, a vice president of General Mills, and Maynard Patterson, vice president, International Division, 3M Company.

Northwest International was organized earlier this year by Northwest Bancorporation, Minneapolis bank holding company. It will have initial and capital and paid-in surplus of . \$2.5 million.

#### Belle Plaine Construction

Construction recently began on the new building for the State Bank of . Belle Plaine, a 90 by 50 foot one-story brick structure at the corner of Main . and Willow Streets.

#### Green Isle Directors

Four new directors have been elected by the Citizens State Bank of Green Isle. Three of the new directors are officers of Equity Capital Company. They are James E. Gottlieb, Burt H. Corwin and Hugh E. Klein. John Donovan, executive vice president of Donovan Construction Company, St. Paul, also was named director.

#### Darfur Anniversary

The stockholders, directors, officers and employees of the State Bank of Darfur enjoyed a dinner and program recently, celebrating the bank's 60th anniversary.

Cottonwood Apointment

Paul O. Pearson, president of the Empire State Bank in Cottonwood, has been appointed to serve on the Minnesota Bankers Association Installment Credit Committee for the 1963-64 term.

#### **Duluth Advancement**

Directors of Northern City National Bank have announced the advancement of C. Glenn Rve, vice president, to the newly created position of executive vice president.

Alan R. Timm has been advanced to the position of assistant cashier, the directors also announced. Herbert M. Burns, Dr. Vernon A. Harrington and Raymond J. Higgins were elected di-

A native of Iowa, Mr. Rye attended St. Olaf College, Northfield, and was graduated from the State University of Iowa. He was at one time executive vice president and director of the First Federal State Bank in Des Moines, Iowa.

#### Banker Appointed

Clyde V. Stube, vice president of Western National Bank of Duluth, has been appointed to a three year term on the conference program of the Association for Bank Audit, Control and Operations.

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#### New Adrian Cashier

James D. Wagner has been elected cashier of the Adrian State Bank,



I D. WAGNER

Adrian. Mr. Wagner began work at the bank in 1951 after he had completed high school at Wilmont.

He has taken various courses in the American Institute of Banking covering economics, politi-

cal economy and other aspects of business and banking. At present he will be going to the University of Wisconsin at Madison for his second year of the School of Banking.

Mr. Wagner recently has been in charge of the Adrian Insurance Agency.

#### Gain Edina Charter

Application for the Edina State Bank, to be located at 5036 France Avenue S., has been approved by the Minnesota Commerce Commission.

Proposed capitalization of the bank is \$100,000. The applicants are J. F. Mullen and Newell O. Gaasedelen, both of Edina.

#### Hutchinson Drive-In

Citizens Bank, Hutchinson, has been granted approval to establish a branch drive-in bank in Hutchinson. It will be located at 133 Franklin Street near the main banking office and connected to the main office by a pneumatic tube.

#### Plan Observance

The Farmers State Bank of Lester Prairie is planning to observe its 50th anniversary at the completion of a remodeling project. The approximate date is set for September 21.

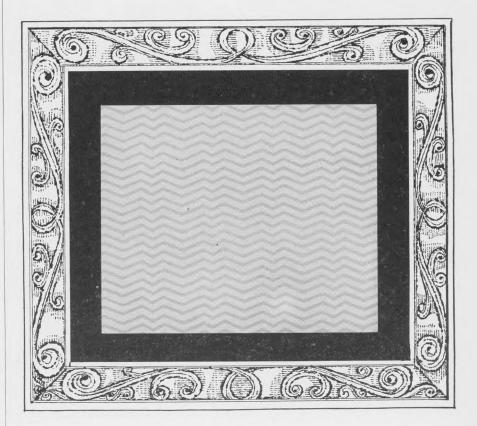
Harold O. Milbrath has retired from the Farmers State as vice president and Loren Jilek, formerly of Silver Lake, has been added to the staff.

#### Correction

In our list of the top 15 banks in Minnesota in the August issue of NORTHWESTERN BANKER, we made an error in not including the First Edina National Bank. They have total deposits of \$23,900,000, the 15th largest in the state.

#### Pipestone Open House

The First National Bank of Pipestone recently held an open house



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# Minneapolis Investment Firm's New Quarters







**NEW QUARTERS** for Kalman & Company, Inc., Minneapolis investment banking firm, are shown above. Established in 1910, the firm is now located at 501 Second Avenue South. The sales

force is shown in action at left. Paul Doelz, president and senior partner is in center photo. At right are Vice Presidents Richard McFarland, Keith Gilmore and Stanton Aby.

to show its new addition. Included in the new addition are motor banking facilities and the new Mosler Vistamatic Teller Window.

#### New Willmar Officer

Alvin O. Grove is the new assistant cashier of the Bank of Willmar, and will be in the loan department of the bank, according to an announcement made by president W. E. Lindberg.

Mr. Grove has been associated with the banking profession for the past 13 years. The Bank of Willmar also announced that W. J. Kuka has become associated with the bank as assistant cashier in the installment loan department.

#### Worthington Appointment

Officials of the State Bank of Worthington have announced the promotion of Robert Bartholomaus to the position of assistant vice president. He has been with the bank for the past five years and formerly was assistant cashier.

#### West Concord Open House

The First National Bank in West Concord recently held an open house in honor of W. E. Glarner's fiftieth year in the banking business in West Concord. Mr. Glarner started in the banking business in the year 1913.

#### Joins Slayton Bank

Carl Youngblom recently joined the Murray County State Bank, Slayton, as agricultural representative. He is a graduate of the University of Minnesota school of agriculture.

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CLIFF ADAMS President



STAN EVANS First Vice President



ED NEWELL Assistant Vice President



DICK DRAPER Representative

# LIVE STOCK NATIONAL BANK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

# **South Dakota** NEWS

SCOTT LOVALD

President

Secretary





#### Joins Mobridge Staff

Tom Hansen of Cresbard has joined the staff of the First National Bank of Aberdeen's Mobridge branch as an agricultural specialist. He recently received a master's degree in animal science from South Dakota State College. Previously he has served as assistant county agent for Roberts County at Sisseton.

#### Joins Winner Bank

G. E. Shoemaker has been named assistant manager of the Ranchers National Bank of Winner. He is in charge of smaller loans and auto and machinery loans, according to Jack Peters, executive vice president. Mr. Shoemaker has 18 years of finance experience in the Winner area.

#### Rapid City Promotions

A. E. Dahl, chairman of the board, American National Bank and Trust Company, Rapid City, has announced the election of Gidion Stroh, Dan Mayer, Ted Mrnak and Frank McCormick as assistant cashiers.

Mr. Stroh, Mr. Meyer and Mr. Mc-Cormick all are in the main office, while Mr. Mrnak is assistant manager of the Northwest office in Rapid City.

#### New Wolsey Manager

Wallace Verdugt has been named manager of the Wolsey office of the Bank of Alpena, succeeding Robert McKee who has moved to Pierre.

Mr. Verdugt formerly was with the Bank of Wessington and more recently was assistant cashier at the Bank of Lemmon.

## A. S. GULLICKSON

Sept. 23-27

## Group Meetings Programs Given

PROGRAMS for the five South Dakota Bankers Association group meetings, scheduled for September 23 to 27, have been announced by A. S. Gullickson, executive secretary.

First of the five meetings will be Group 1 on September 23 at the Shera-

ton-Cataract Hotel in Sioux Falls. The next day Group 3 will meet at the Pix Theater and St. Mary's Hall in Winner. On September 25, Group 5 will meet at the Sheraton Johnson Hotel in MONSALVATGE Rapid City,

Group 4 will meet September 26 at the First National Community Room and the municipal auditorium in Mobridge, and on September 27 Group 2 will meet at the

All meetings will start at 3 p.m. with registration. The programs will start at 4:30 p.m. A social hour will begin at 6 p.m. with a banquet at 7 p.m.

Alonzo Ward Hotel in Aberdeen.

The program will be the same for all meetings with one exception. An address on "Installment Lending: A Strong and Helpful Arm of Your Bank" will be given by a different member of the South Dakota Bankers Association's installment credit committee at each meeting. Those making this presentation will be David Hessel at Group 1, W. O. Leach at Group 2, Jack Day at Group 3, D. W. McDermott at Group 4, and Dick Peterson at Group 5.

Other features of each of the meetings include the following:

Greetings by Scott Lovald, S.D.B.A. president. Report on the Economic Conference for Young Adults by Richard Holtz of Paul S. Amidon & Associates, Inc., Minneapolis. Observations Regarding Capital Accounts by Oscar Brosz, Superintendent of State Banks, Pierre; a presentation on the Politz Study of Consumer Attitudes Toward Commercial Banks by Curtis B. Mateer, state chairman, Foundation for Commercial Banks; and banquet speaker, Ray Monsalvatge of Dayton,

Officers will be elected at each of the meetings.

#### Move Approved

The Federal Deposit Insurance Corporation has approved an application to move the Bank of Alpena, S. D., from Alpena to Wessington Springs, and to establish a branch in Alpena at the location now occupied by the main

#### Promoted at Groton

Walter Smith, staff member of the Groton branch of the First National Bank of Aberdeen, has been elected assistant cashier at the branch. He has been with the Groton branch since 1959 and joined the bank full-time last year after graduation from Northern State Teachers College.

## Bankers Inspect Progress



OFFICERS of the National Bank of South Dakota, Sioux Falls, put on hard hats as they inspected the construction and progress of their new banking quarters going up in Sioux Falls. Appearing from left to right are: Arthur E. Friday, assistant president; Lawrence J. Larson, vice president and cashier; Thomas S. Harkison, chairman of the board; Frank J. Cinkle, executive vice president; Martin J. Colton, president, and James T. Brick, vice president and trust officer.

# New Sturgis Office Building



NEW BUILDING for the Sturgis office of the First National Bank of the Black Hills opened recently. It is located in the middle of the main business block in Sturgis and replaces a building erected in 1904. The building is the third completely new structure built by the First National of the Black Hills during the past five years. The other two are the main office in Rapid City and the Spearfish office.

Time-Temp. Sign at Miller

The First National Bank, Miller, S. D., has installed a new time and temperature sign, replacing one that had been in use for more than 50 years.

#### Plans Youth Conference In Huron October 1-2

The South Dakota Bankers Association's education committee has announced that the Economic Conference for Young Adults will again be conducted this year in co-sponsorship with Paul S. Amidon & Associates, Inc., educational consultants of Minneapolis, Minn.

The conference is to be held October 1 and 2 in Huron and will feature a program designed to give the senior high school students attending an opportunity to learn and evaluate individual and group problems involved in earning, saving, credit, insurance, banking as a career and the opportunity to meet with experts in the many fields of finance.

#### Named to Commission

W. M. Willy, president of the Security Bank, Madison, recently was sworn in as a member of the South

Dakota Banking Commission. He was appointed by Governor Archie Gubbrud.

#### **Heads Fund Drive**

William E. Troutman, president, Rushmore State Bank, has been named campaign chairman of the Rapid City United Fund drive. He will be in charge of the annual campaign to raise money to support agencies connected with the United Community Council.

#### Martin Open House

Open house was held last month at the new quarters for the Black Pipe State Bank of Martin. About 400 persons registered during the event and the day before 60 bankers from the area toured the new building.

Sisseton Changes

The following changes have been made at the Roberts County National Bank, Sisseton, following the death of A. W. Powell, president.

F. H. Kouba, formerly cashier, has been elected president. Harold L. Torness, formerly vice president, was named vice president and cashier. Ralph A. Anderson, assistant cashier, was elected vice president in charge of installment loans.

Mr. Powell died unexpectedly after serving as president since 1933.

#### Delay Conference

The Junior Staff Conference of the South Dakota Bankers Association has been postponed until early in 1964. It originally was scheduled for October 14 at Rapid City and October 16 at Mitchell.

A. S. Gullickson, executive secretary of the S.D.B.A., reports that the post-ponement was necessary because of the heavy schedule of Association activities in October.

#### Mark Anniversary

The 80th anniversary of the organization of the First National Bank of Aberdeen and the fifth anniversary of the bank's move to its present location was observed last month with the installation of an Americana carillon on the bank building.

C. C. Lind, president, said the instrument combines a public service with entertainment. The Americana carillon will be played from an organ console keyboard in the bank lobby, or can be automatically played by an "auto-bell" which resembles a player piano roll.

During the day the bells will sound the traditional Westminster Chime and strike the hours. Musical selectitons will be played three times daily, with special Sunday concerts to be scheduled if local churches and organists wish.

#### **Account Promotion**

The Farmers State Bank at Parkston has started a program to obtain more checking accounts. The bank, every Thursday afternoon, launches a four and one-half foot, helium filled balloon. The finder of this balloon is entitled to a \$15 checking account at Farmers' State Bank and 50 personalized checks.

The balloon will ascend to about 5,000 feet, then develop a small leak. Only farmers can qualify for the account, and the certificate and balloon must be returned within one week after launching.

#### Honor G. Oliver Nordby

G. Oliver Nordby, vice president of Northwestern National Bank, Sioux Falls, was honored recently for completing 40 years of service with the bank. He started working for the bank on August 3, 1923. He has a son affiliated with a bank in Pittsburgh.



# Montana NEWS

D. J. DUNDAS

President

Great Falls

R. C. WALLACE

Secretary

Helena



Timothy J. Healey has been elected as vice president and trust officer of the Midland National Bank in Billings, John E. Tenge, president of the

bank, recently announced.

Mr. Healey comes to the Midland from the metropolitan branch of the First National Bank, Seattle, Wash. At Seattle he was assistant vice president and trust officer



T. I. HEALEY

and had been associated with the trust department since 1953. Prior to that he was in the service of the Federal Bureau of Investigation.

#### Elect Missoula Officers

Permanent officers were elected and consideration was given to preliminary plans for remodeling the building at 617 S. Higgins Avenue for use as the first home of the new People's State Bank of Missoula at a recent meeting.

Walter G. Morris has been elected president of the bank; Vern P. Stoterau, vice president, and L. C. Stephens, secretary.

→ Great Falls Appointment

Adolph Erickson, president of the Farmers and Stockmen's Bank of Valier, has been appointed loan officer of the Central Bank of Montana, Great Falls.

In addition to heading the Valier - bank, he is vice president of the Central Bank in Great Falls, and also vice president of the Bancorporation of Montana.

#### Retires at Great Falls

E. T. Sletten, director and chairman of the board of the Central Bank of Montana, Great Falls, recently retired from active service after a life-long career in banking. He will continue to serve in an inactive capacity as board chairman, and also will continue as director and chairman of the board of Bancorporation of Montana,





and director and chairman of the Farmers and Stockmens Bank of Valier. He resigned recently as director and chairman of the board of the Miners National Bank of Butte.

Mr. Sletten's banking career started at the First National Bank of Litchfield, Minn., in 1910. In 1961 he became director and chairman of the board of the Central Bank of Mon-

#### **Henry Sheffels**

Henry Sheffels, 60, prominent bank director, rancher, and businessman in Great Falls, died recently in a local hospital of a heart attack.

Mr. Sheffels had been a director of the First National Bank in Great Falls since early 1961.

#### **Two Butte Promotions**

Robert B. Burns has been named assistant vice president and Jack M.

Roach was named cashier at a recent meeting of the Security Bank in Butte.

Mr. Burns, who has had several years' previous experience in Butte and Helena banks, has been with the Security Bank for the past year.

Mr. Roach, who has been with the Security Bank since May, previously worked at the Metals Bank and Trust Company in Butte and at the San Francisco Federal Reserve Bank.

#### Columbia Falls Promotion

Phil Bertelsen, assistant cashier at the Bank of Columbia Falls, has been promoted to assistant vice president.

Mr. Bertelsen is in charge of the installment loan department at the Bank of Columbia Falls, and was commended by Jack King, executive vice president of the bank, for the growth and service of the department.

#### Buy Baker Bank

Edward Towe and Vern Bublitz recently purchased the interest in the Baker National Bank. Erwin and Pearl Heller sold their interests in the bank, including the bank building.

Mr. Bublitz, who is well known in banking circles in Baker, will take over the front office in the bank as vice president and Mr. Towe will be president.

## Elect Montana NABAC Group



RECENTLY ELECTED officers of Montana NABAC are (left-top row): past pres., Paul A. Caruso, executive vice president, First State Bank of Mineral County, Superior; past pres., Norman Johnson, assistant cashier, Montana Bank, Great Falls; and past pres., Harry A. Hermanson, cashier, Great Falls National Bank.

Bottom row (left to right): State vice pres., Earl W. Johnson, cashier, First National Bank, Lewistown; new pres., John A. Dowdall, assistant cashier, Daly Bank & Trust Co., Anaconda; vice pres., John L. Heath, assistant cashier, Helena Branch Federal Reserve Bank, Helena; and sec., B. D. Collier, assistant cashier, First National Bank, Great Falls.

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F.D.I.C. Change

RLE COCKE, SR., chairman of the board of directors of the Federal Deposit Insurance Corporation, announced July 16 that simultaneously with the raise in the discount rate approved by the board of governors of the Federal Reserve System from 3 to 3½ per cent, the board of directors of the Corporation has amended the rules and regulations of the Corporation prescribing the maximum rate of of interest which may be paid on certain time deposits by insured state nonmember banks.

The amendment to the regulation, effective July 17, 1963, will permit the payment of the maximum rate of 4 per cent per annum on time deposits and certificates in such banks which have maturities of 90 days or more from the date of deposit.

There were no changes in the maximum rates that insured state non-member banks are permitted to pay on savings deposits. Neither were there any changes in the maximum rates on time deposits and certificates having maturities of less than 90 days, which remain at 1 per cent, or on those of one year or more, where the ceiling remains 4 per cent.

The board of directors, by this amendment, believed that the higher interest rate, tied to a definite maturity, would allow banks to utilize the funds so deposited to better advantage.

Both actions are aimed at minimizing short-term capital outflows prompted by higher interest rates prevalent in other countries. Preliminary information indicates that short-term outflows contributed materially to the substantial deficit incurred once again in the balance of payments during the second quarter of this year.

Meanwhile, the increase in the maximum rates of interest payable on time deposits and certificates with maturities from 90 days to one year will permit insured state nonmember banks to continue to compete effectively to attract or retain foreign and domestic funds for lending or investing

#### Moves to Michigan

George Norr, who has been a vice president of the Richland National Bank in Sidney, Mont., for the past four and one-half years, has resigned to accept an executive position with the First National Bank of Iron Mountain, Mich.

Mr. Norr came to the Richland National Bank in 1958 from Bismarck, N. D., where he was in charge of the bank examining office for the Comptroller of the Currency.

Northwestern Banker, September, 1963 Digitized for FRASER

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# North Dakota NEWS

O. K. ANDERSON

President

Lakota

W. J. DANER

Secretary

Bismarck

Fargo, Moorhead Changes

Changes in executive personnel of the First National Bank in Moorhead and the First Na-



R. D. HARKISON

tional Bank and Trust Company of Fargo were announced recently.

Robert D. Harkison, who has been president of the Moorhead institution, will become senior vice president and di-

rector of the Fargo bank.

James L. Durham, who has been vice president, cashier and a director of the First National in Moorhead, becomes its president.

A. M. Severson, who has been assistant vice president and agricultural representative of the Moorhead bank, succeeds Mr. Durham as vice president and cashier.

Mr. Harkison has been president of the Moorhead institution since July, 1960.

#### Joins Fargo Bank

Marvin T. Nordbo has joined the First National Bank and Trust Com-



pany of Fargo as agricultural representative in the trust department. He replaces Neal R. Bjornson, assistant trust officer, who is going to Washington to take a position on the staff of Sen. Milton R. Young, Representative, North Dakota.

#### Honor Harwood Banker

Marking 50 years in banking, 44 in the Harwood State Bank, John C. Stennes, president of the bank, was honored recently by friends and business associates.

Mr. Stennes began his career in banking in 1913 in the First State Bank of Haynes, N. D., as assistant cashier. When the bank in Harwood was founded in 1919, he joined it as cashier. He worked his way up through the ranks and was elected president last January.

#### Honor Fargo Banker

A. K. Simpson, vice president of The Merchants National Bank & Trust Company, Fargo, has won top honors at the national Elks convention in San Francisco.

He was given the All-American Loyal Knight award as a result of competition in ritualistic work with other lodge officers throughout America

#### **New Towner Equipment**

New electronic accounting machines to handle checking account book-keeping have been installed in the Pioneer State Bank in Towner. The machines, among the first of their kind to be installed in the state, will be important additions to the institution's installations of modern equipment.

#### **Grand Forks Construction**

A \$30,000 building permit has been issued for construction of a new paying and receiving station of the Valley Bank of Grand Forks. The building will be a one-story masonry structure and is scheduled for occupancy this fall. The building will have drive-in facilities for acceptance of deposits and payment of checks.

#### **Buys Additional Space**

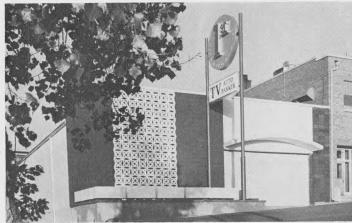
The American State Bank of Dickinson has purchased the American Legion Service Club in Dickinson, and will use the building for banking purposes. The bank has also purchased two lots adjacent to the building and are planning construction of a new bank building there.

#### Sells Napoleon Bank

George Heitmann has disposed of his stock in the Stock Growers Bank of Napoleon to G. Al Klefstad of Forman, who is the major stockholder of the Napoleon bank.

Mr. Heitmann also sold his interest in the Sargent County Bank in Forman to Mr. Klefstad.

## Mosler TV Banking



These two pictures show the recently built T.V. banking services of the First National Bank, Minot. The facilities, designed and installed by the Mosler Safe Company, are the first of its

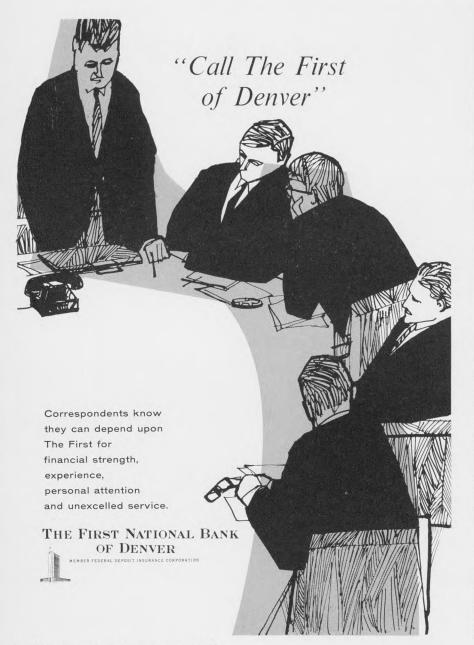


kind in North Dakota. The construction contains three TV teller units, and allows the customer to complete his banking transactions without leaving his car or driving miles out of his way.

## **Proposed Grand Forks Bank**



CONSTRUCTION will start on Community National Bank building in Grand Forks early in 1964, according to President D. C. Miller.



# **Helping Students Get Started**

N LAST month's issue of the NORTHWESTERN BANKER WE ran three articles on banking and the younger generation. One was entitled "Selling Banking to Youth," another was called "Grow Your Own Customers," and the third was a survey conducted by us on "How Banks Serve the Younger Generation."

The First National Bank in Grand Forks, N. D., has developed a very workable plan for training young students while in high school and for getting them interested in banking as a career.



They accept, as employees, high school students each year after they have completed three years of high school. They work part time during the summer, averaging approximately twenty hours a week. When school starts they can continue working on a part time basis if they so desire. During the school years the hours average about 15 per week.

The school has worked out an agreement with the bank whereby the student can gain credit for working in the bank under the distributive education program. They usually are dismissed from school at 2 p.m., with the time that they work after school is normally dismissed strictly on their own for the purpose of earning funds.

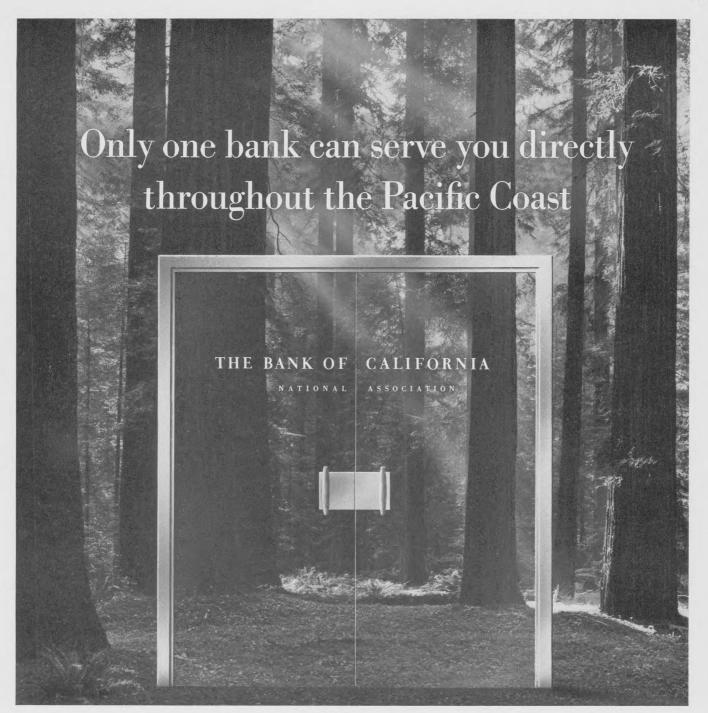
During the Christmas holiday, in the event that the bank has additional duties because of year end, the bank allows the students to again work more hours.

Since inaugurating the program, the bank has hired 61 high school students. Thirty-seven have come in on a full time basis after graduation, and ten have become employees of other banks in the upper midwest.

School officials and teachers many times have expressed the opinion that this is a wonderful program to help students bridge the gap between their student days and working days.

Northwestern Banker, September, 1963

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Northwestern Banker, September, 1963

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## **Colorado-Wyoming News**



K. M. HALL, Colorado Springs President Colorado Bankers Assn.



W. F. MESSENGER, Cody President Wyoming Bankers Assn.

# Colorado Bankers Association Steps in T.V., Radio Spotlight

THE Colorado Bankers Association was recently spotlighted on the national Voice of Youth radio and television program when Eugene Adams, CBA past president, and president of the First National Bank of Denver, appeared as a featured guest with the youth panel to discuss "Banking's Contribution to Free Enterprise."

The broadcast-telecast was one of many of the activities being carried out this year by Colorado bankers and the Association in commemoration of the 100th Anniversary of the National Currency Act.

Commenting on the appearance, Voice of Youth Guest Adams said, "This was an extremely stimulating experience, and most gratifying to discover that our youth is so knowledgeable on the broad aspects of our state and national economy and industry and so eager to learn more about details of specific subjects."

Discussion on the topic of "Banking's Contribution to Free Enterprise" covered such areas as what dual banking is, how it functions and how it differs from other forms of banking; why savings in various financial institutions earn different rates of interest; comparisons of loans handled by commercial banks and other financial firms; and how many kinds of banks there are in operation today.

Audience response to the program indicates an enthusiastic acceptance for this type of informative programming, and CBA officials are planning similar activities for the future, as part of its Centennial Celebration, to endeavor to tell the dramatic story of the dual banking systeam to the people of Colorado and to show them the part it has played in the dynamic growth and economic progress of the state.

**Correspondent Party** 

The Central Bank and Trust Com-

THE Colorado Bankers Association pany of Denver will hold its football party for correspondent banks on Saturday, September 21.

Bankers will attend the opening game between the University of Colorado and Southern California, to be played at Boulder. A dinner party will be held in Denver following the game.

#### New Correspondent Head For Denver U. S. National

Ray C. Harper, vice president of the Denver U. S. National Bank, was recently appointed head of the correspondent bank department. Announce-



R. C. HARPER

ment was made by John D. Hershner, senior vice president of the commercial banking division.

Mr. Harper joined the Denver National Bank in 1957 as supervisor of the livestock department. In 1959 he

was appointed a vice president of the Denver U. S. National Bank. Until his recent appointment as head of the correspondent bank department, he served as livestock and agriculture loan officer and coordinator of correspondent bank loans.

#### Seek Denver Charter

Application for a national bank charter at North Valley Highway and West 104th Avenue in Denver, has been filed with J. R. Thomas, chief regional national bank examiner.

The proposed location for the new bank is in a new regional shopping center scheduled for construction beginning early this fall.

Eugene H. Adams, president of the First National Bank of Denver, is one of the main incorporators. Other incorporators, also officers of the First National Bank, are John Evans, honorary chairman; Montgomery Dorsey, chairman; Carrol L. Stubbs, senior vice president; and Bruce D. Alexander, vice president.

The proposed bank, if granted a charter, will have a total capital of \$425,000, and will become an affiliate of the First National Bank shortly after it is opened.

#### **Wyoming News**

**OK Chevenne Charter** 

An application for a national bank charter has been approved for locating a bank in Cheyenne. The new financial institution, which is an affiliate of the Cheyenne National Bank, would be given the name East Cheyenne National Bank.

The bank will be the fourth located in Cheyenne.

Seeks Name Change

The Stock Growers National Bank, which is the oldest banking institution in the state and one of the oldest business institutions in Wyoming, has made application to change its name.

If the application is approved, Stock Growers President W. Robert Dubois said, the bank will be known as The First National Bank and Trust Company of Wyoming.

#### **Present Citation**

A special Treasury citation, signed by Secretary Douglas Dillon and National Director William H. Neal, was presented to Vern Eastman, outgoing president of the Wyoming Bankers Association.

The citation was presented in person by Mr. Neal to Mr. Eastman on behalf of the Wyoming Bankers Association and its member banks in appreciation of their support of the Savings Bonds program in Wyoming during the past year.

Ray Morgan

Ray Morgan, cashier of the Lander State Bank, died recently in a Billings, Mont., hospital. He was 58 years old.

#### Gain Dubois Charter

Approval has been granted for a national bank to be located in Dubois. The new bank will be called the Dubois National Bank.

The bank is being organized by a group of prominent Dubois and Riverton businessmen and ranchers with capital funds of \$200,000.

The group organizing the bank has been headed by Harry F. Hays, at present vice president of the American National Bank of Riverton.



## CONCERNED ABOUT THE CATTLE MARKET?

Of course . . . particularly at this time of peak cattle movement from the range to the feeders.

Men at the U.S. National keep on top of every market trend—they know cattle, feeding, and financing from the ground up.

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# Nebraska NEWS

LYMAN M. STUCKEY President Lexington

HARRIS V. OSTERBERG Secretary Omaha

**Butte Bank Sold** 

The Butte State Bank, Butte, Neb., has been sold to J. G. Brewster, Vera H. Brewster and Dennis G. Brewster of Stuart. J. G. Brewster is president of the Tri-County Bank at Stuart.

Dennis G. Brewster will be managing officer of the Butte bank. A. P. Andersen and W. L. Brennan, president and vice president respectively of the Butte bank, said present directors and employees are being retained. J. G. Brewster and Vera H. Brewster are being added to the board of directors. Mr. Andersen and Mr. Brennan will remain in the Butte community and serve the bank in an advisory capacity.

On Plainview Board

Dr. W. H. Weiseth, veterinarian, and Robert P. Bush, owner of the Plainview Farm Equipment Company, have been elected as members of the board of directors of the Plainview State Bank. Dr. Weiseth is mayor of Plainview.

#### Merriman Open House

Open house was held recently at the Anchor Bank in Merriman, Neb., marking completion of new banking quarters. About 300 Merriman residents and more than 50 bankers toured the new quarters.

**Ralston Promotion** 

Warren Nagley has been elected an assistant cashier of the Ralston Bank, Ralston, Neb. He has been with the bank since May, 1960, and prior to that was with the First National Bank of Omaha for five years.

#### Given Trust Powers; Name Changed

The Commercial National Bank, Grand Island, Neb., recently was granted authority by the Comptroller of the Currency to exercise full trust powers and has changed its name to the Commercial National Bank and Trust Company.

Bill Marshall, executive vice president, also reports that construction of the new bank building is progressing on schedule and the bank should



be moved into during October or early November.

**Expansion Planned** 

The First National Bank of Wahoo has purchased two buildings south of the bank building and plans are being made to demolish the buildings to expand bank services. Details have not been announced.

Wilber Remodeling

The Saline State Bank building in Wilber, Neb., is undergoing a complete renovation. The second floor will be removed. An entirely new brick, glass and aluminum exterior will be used and a new double entrance to the north at the center of the building will be installed. New ceilings, floors and a combination of walnut paneling and painted walls will be included.

The service area will be doubled. Facilities for safety deposit boxes and booths for safety deposit box customers will be expanded.

Plans allow for the addition of a drive-in facility sometime in the future.

Start Hastings Building

Contracts have been awarded for the construction of a new Hastings State Bank building at Sixth and St. Joseph in Hastings, according to C. T. Voorhees of Harvard, spokesman for those interested in the new bank. Contracts total \$83,700.

Construction is to begin at once and completion is scheduled for early November. The bank is chartered to be in operation not later than January.

The 45 by 76 foot brick and limestone building will face west on St. Joseph with a walk-in entrance on the south facing Sixth. Entrance to a 20-car parking lot will be from Sixth. A drive-in window will be located on the north side of the building.

#### **Uses Automation Facilities**

The Springfield State Bank, Springfield, Neb., recently became the first Nebraska bank to use facilities of the Omaha National Bank for automation of its bookkeeping.

Each night details of the day's transactions are sent to the Omaha bank where a computer adjusts balances on every account affected. The new records are printed and delivered back to Springfield before the start of business the next day.

A master tape at the Omaha National is revised each day so it can provide up-to-the-minute information on the status of any account.

New Seward President

T. H. Wake, president of the Jones National Bank of Seward since 1945, has been elected chairman of the board and Russell Struthers, vice president, has been elected president.

Mr. Struthers has been with the bank since 1947.

New Alliance Drive-In

Construction is well underway on the Guardian State Bank's new drive-in facility at Second Street and Laramie Avenue in Alliance. Plans call for an early Fall completion. It will include two drive-up windows and a walk-in lobby with two teller units. An after-hour depository and a parking area are included in the plans.

Purchase Elba Bank

Andrew Jacobsen of Elba and Bryan Jensen of St. Paul have purchased the majority stock in the Elba State Bank from Marie and C. T. Julesgard, president and cashier respectively.

Joins Wyoming Bank

C. B. Misfeldt, cashier of the First National Bank, Stanton, has resigned to become executive vice president of the new First National Bank in Gillette, Wyo. Gerald Eller has been named cashier at the Stanton bank.

Bayard President Joins New Minatare Bank

H. L. McKibbin, president, First National Bank, Bayard, has resigned to join Eldridge Scriven in operating the newly chartered Bank of Minatare. Mr. Scriven is president of the Bank of Gering.

Mr. McKibbin will be a partner with Mr. Scriven in the operation of both the new bank and the Bank of Gering, of which Mr. Scriven is president. Mr. McKibbin will begin his duties with the Bank of Gering September 1, and later at the Minatare bank when it opens.

He and Mrs. McKibbin plan to move soon to Gering. Their son, Terry, 23, has resigned as cashier at the First National of Bayard to join the staff of the Cheyenne National Bank in Cheyenne, Wyo., September 1.



THE board of directors of the First National Bank of Omaha has announced the appointment of four new assistant cashiers. They are: James R. Cook, correspondent bank division, who joined the bank in October, 1961; James L. Doody, commercial loan department, who joined the bank in June, 1957; Robert F. Meisinger, dealer department of the personal loan department, who has been with the bank since June, 1951, and Robert L. Schilke, who joined the bank in April,

1954, and now is in charge of the transit and bookkeeping department.

An application for a state charter for a proposed Westwood Bank of Omaha at 120th and Center Streets has been turned down. State Banking Director Ralph Misko told Millard R. Seldin, who had applied for the charter, that "granting the charter would not serve the advantage, convenience or need of the area."







R. F. MEISINGER



J. L. DOODY

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LEXINGTON, NEBRASKA Ernst & Bieck Building

LINCOLN, NEBRASKA 1321 P Street Phone 432-3324

CHADRON, NEBRASKA 999 East 6th Street

The South Omaha Bank has appointed Jim D. Philpot as assistant cashier. A graduate of the University of Omaha, Mr. Philpot has had four years of banking experience.

Paul Hansen and R. H. Kroeger, vice presidents at the Omaha National Bank, retired recently. Mr. Hansen was vice president in charge of investments and safekeeping. He retired after 43 years with the Omaha National and the Live Stock National. He will maintain an office on the fourth floor of the bank building.

Mr. Kroeger was a vice president in the loan division and is retiring after nearly a half century in banking.

Russ Loring, vice president of the Omaha National Bank, died last month following surgery. He was 40 years old. Mr. Loring began his banking career at the Live Stock National Bank as a messenger in 1940. He was named assistant cashier in 1952, and when the Omaha National and the Live Stock National merged in 1954, Mr. Loring continued as assistant cashier. In 1955 he was promoted to assistant vice president and in 1961 to vice president.

The First National Bank of Omaha will hold its annual Beef Cattle Conference and Forum of Finance on Thursday, September 12, at the Sheraton-Fontenelle Hotel in Omaha.

Arthur Harper, economist for Lionel D. Edie & Company, Inc., will be the noon luncheon speaker.

#### Plan Fremont Building

The First National Bank in Fremont has announced plans to demolish a building located on the site of a proposed new bank building.

A drive-in facility with two windows and a walk-in lobby window is being constructed on this location now, with completion expected within 60 days.

An architect is being selected to design a new banking building. It is expected that the completion of the new building is about two-and-onehalf years away.

The First National also reported that capital stock has been increased from \$200,000 to \$300,000.

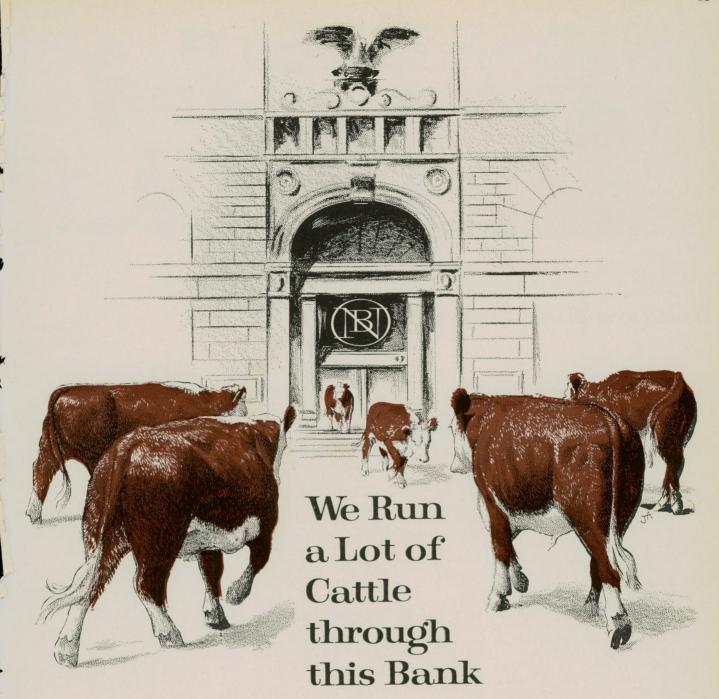
#### Kearney Open House

Grand opening of the new Platte Valley State Bank building was held recently in Kearney.

Nearly 200 area bankers and their wives attended a special bankers' open house displaying the unique circular building.

Northwestern Banker, September, 1963

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The reason? Because we know the cattle business. We know the problems and the special financial needs of a cow and calf man in the range country... of a cornbelt cattle feeder who markets his corn "on the hoof"... of a large-scale commercial feed-lot operator. We know how to tailor a loan to each individual's particular circumstances... his special money needs... his type of operation.

We run a lot of cattle through this bank...in fact, we supply as much money for cattle loans as perhaps any other bank in the United States! Why not run your cattle through the Omaha National? We know how to help...we can help!

# The Omaha National Bank

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LEFT: At the Lincoln meeting were, from left, Lester Curran, a.v.p. and ag, repr., First Natl. Bk. & Trust, Lincoln; Floyd Ryan, asst. plant mgr., Amer. Stores Packing Co., Lincoln; Arden Johnson, pres., Neb. Live Stock Feeders Assoc., Exeter,

and Glenn Lewis, member of the Natl. Live Stock and Meat Board, also of Exeter. RIGHT: Visiting at Norfolk are Cecil Emrich, gen. mgr., Norfolk Live Stock Sales Co., and Robert E. Johnson, v.p., Omaha Natl. Bk., Omaha.

### **Bankers Tour Livestock Plants**

By BEN HALLER, JR. Editor

NEARLY 300 Nebraska bankers attended a series of four livestock meetings sponsored at Scottsbluff, Lexington, Norfolk and Lincoln by the agriculture committee of the Nebraska Bankers Association. A member of the committee presided at each meeting.

At each of the meetings the bankers toured a packing firm, heard current reports on the livestock outlook and after dinner viewed a carcass cutting demonstration by Wayne K. Short of the National Live Stock and Meat Board, Chicago.

The Scottsbluff meeting convened at the Scottsbluff Packing Company, with Charles T. Karpf, cashier at the First National of Morrill, in charge. The evening functions were held at the Scottsbluff Country Club. The second day's meeting at Lexington was held at the Cornland Dressed Beef Company, with the evening portion of the program held in the Vet-

erans Memorial Building.

At Norfolk, the bankers first attended the usual Thursday auction at the Norfolk Live Stock Sales Company arena. This is the largest livestock auction market in the United States, accounting for \$52 million in sales on 559,000 head in 1962. Principal auctioneer is Cecil Emrich, partner in the firm and general manager, who later toured the yards with an order buyer to point out the types of cattle buyers are interested in bidding on for packing firms and buyers.

R. E. Johnson, vice president of The Omaha National, presided at this meeting. The group also toured the slaughtering and dressing operations of the Midwestern Beef Company, located on the same grounds. The evening meeting was conducted at the Madison Hotel.

On the final day, the American Stores Packing Company in Lincoln was host to the bankers from that area. This firm is a major part of Acme Markets, Incorporated, of Philadelphia and operates in nearly 800, stores. Nearly all products from the Lincoln plant are shipped to the east. The Lincoln plant slaughters about 3,000 head of cattle per week, shipping 60 per cent of its beef by piggyback rail transportation so the trucks can be unloaded at destination and driven directly to the door of the proper store for third morning delivery

Among the many products it turns out are 200-250,000 pounds of sausage per week and 200,000 pounds of bacon per week. The firm uses 900-1,000 pound heifers principally in good and low choice grades. Some steers up to 1,100 pounds are used. Consumers dictate policy for American Stores, according to Floyd Bryan, assistant plant manager, and this means a minimum of fat on cattle. Mr. Bryan said his company in effect imports between \$60 million and \$70 million per year for Nebraska livestock purchases and also employs 500 people with a \$2.5 million payroll.



Macon Dudley

# In St. Joseph think "FIRST"



J. M. Ford II

of the men at The First and their bank



Vern Meyer



THE FIRST NATIONAL BANK

4th & Felix . St. Joseph, Missouri





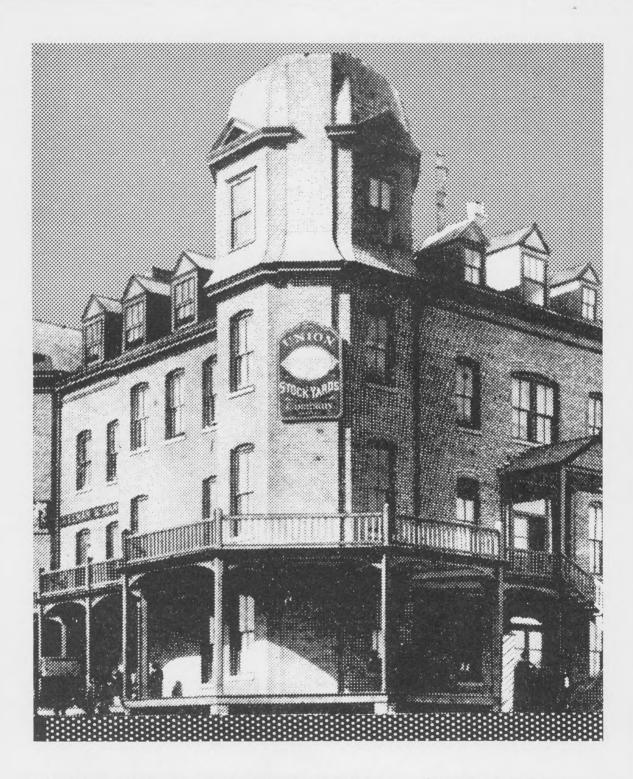
veril weyer

Jack Killackey

Northwestern Banker, September, 1963 Digitized for FRASER

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Benton O'Neal



## THE BIRTH OF A WORLD LEADER — 1884

On August 25, 1884, the new Union Stock Yards Company, capitalized for \$2,000,000, opened its proud facility in South Omaha. The growth of Union Stock Yards, and the growing prosperity of the livestock industry it served, were to continue an unswerving course to world leadership by the 1950's. Principals of the original company were men influential in the First National Bank of Omaha; two became presidents of the Bank. Then, as now, the First National Bank took pride in serving the men of the livestock industry and encouraging other facets of the Midwest's amazing growth. The First National Bank of Omaha would like to make its services available to you.



#### **Kearney Promotion**

William F. Nelson has been promoted to assistant cashier at the Platte Valley State Bank in Kearney. He joined the bank in February.

#### Plan North Platte Building

Property has been purchased at the corner of Third and Dewey in North Platte for the construction of a new building for the recently chartered North Platte State Bank. The new bank will begin operations early this month in the building at Third and Dewey.

Lloyd Bacon, vice president of the

Farmers State Bank, Lexington, will be president of the new North Platte bank, and his brother, Harold, will be vice president. Harold Bacon is vice president of the Platte Valley State Bank in Kearney. Capital stock for the North Platte State Bank has been set at \$200,000. Surplus will be \$100,000 and undivided profits \$50,000.

#### Adding Drive-In

John Glandt, executive vice president of the National Bank of Neligh, has announced the purchase of a drive-up window and after-hour depository by the bank. Installation is to be completed by September 15.

Charter Hearing Held

Public hearings on an application for a new state bank in South Sioux City were held August 21, it was announced by Ralph E. Misko, state banking director. No decision had been made as this issue of the NORTHWESTERN BANKER was being prepared for publication.

If approved the bank would be known as the Dakota County State Bank.

#### Abbott Banks Hold Picnic

About 30 persons attended the annual Abbott Company picnic at the LeRoy Abbott cabin near Chadron State Park. The picnic is hosted by officials of the company for employees of the Abbott banks.

#### Plan Market Day Program

The Seventh Annual Market Day, sponsored by the First Stock Yards



T. J. McCULLOUGH

Bank, South St. Joseph, will be held for correspondent banks on Wednesday, September 11, according to President Thomas J. McCullough.

The morning program will include a visit to commission firm

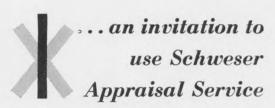
alleys to watch the actual selling. This will be followed by going to the offices of the commission firms and seeing how settlement is made for proceeds due shippers. An industrial tour of the area will also be held.

Following luncheon in the Live-stock Exchange building, the visiting bankers will be treated to a demonstration on raising better beef. A panel discussion on the market outlook will complete the afternoon program. A social hour and dinner will be held in the evening at the St. Joseph Country Club.

#### Fred Albert Neeland

Funeral services were held recently for Fred Albert Neeland, 88, member of the board of directors of the Bank of Chadron, former state senator, and rancher. Mr. Neeland, who had lived in the Chadron area since 1888, died in the Chadron Municipal Hospital.





You are invited to make full use of our experience and facilities for appraising your bond portfolio.

You may like to have us study your municipal bond holdings and make recommendations that might improve your position in view of present market conditions.

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# NATIONAL BANK OF COMMERCE TRUST & SAVINGS LINCOLN, NEBRASKA



Al Jorgensen















THE Third Correspondent Bank Conference sponsored by First National Bank & Trust Company of Lincoln will be held in Lincoln on Friday and Saturday, September 20, 21, according to Burnham Yates, president. Meeting date for the conference, formerly held in January, has been changed to the fall.





W. BATTEY

B. YATES



W. E. NOLTE

L. STONEMAN

The conference, at the Lincoln Hotel, is expected to attract between 200 and 250 outside bankers. Mr. Yates will preside at the luncheon on September 20. This year the conference coincides with the opening game of the 1963 University of Nebraska football season and Head Coach Robert Devaney will preview "Football 1963—University of Nebraska."

Wheaton Battey, chairman of the board, will welcome guests Friday afternoon. The conference session that afternoon, to be presided over by Lyle Stoneman, vice president in charge of the correspondent bank department, will include the following topics: "Outlook for the Markets" in which Les Curran, assistant vice president and ag representative, William

Smith, assistant vice president, and Howard Chapin, vice president, all of the host bank, will participate, and "The Future—Electronics and Our Correspondent Banks" featuring Mr. Yates and A. S. "Chico" Chaves, vice president.

The ladies' luncheon and program will be held at the Nebraska Center for Continuing Education. Guest speakers include Mrs. Nancy B. Staub, trust officer of The Trust Company of Morris County, Morristown, New Jersey, whose topic will be "Make the Most of Your Estate—Plan It!" and Mrs. Doris Cunningham, wife of vice president, Roger Cunningham, who will present "Millinery Magic."

Friday evening will conclude with a banquet, at which Mr. Battey will preside, and entertainment for correspondent guests and wives.

Guest speakers to appear at the Saturday morning session include: James Lemley, program specialist, C C C Grain Storage; Everett Green, supervisor of public warehouses, Nebraska State Railway Commission, and Sam Darrough, general manager, Lincoln Grain, Inc. These men will form a panel to be moderated by Walter "Duke" Nolte, executive vice president of First National of Lincoln; they will discuss "The Banker in a

Changing Commodity Industry." Mr. Yates will preside at this final session to be followed by a kickoff luncheon and the Nebraska vs. South Dakota football game.

Citizens State Bank stockholders have voted to increase the bank's capital stock from \$100,000 to \$200,000. Surplus totals \$100,000 and undivided profits are \$92,000.

The Comptroller of Currency has disapproved the application of **J. P. Morrow** and associates to organize a national bank in Lincoln.

The application for a state bank charter for a bank to be known as Lincoln Bank South has been denied by Ralph E. Misko, Nebraska director of banking. The application had been filed by Glenn Yaussi, president of the National Bank of Commerce T&S, and several other officers of National Bank of Commerce.

DELIVERY July 1, 1964, of a Burroughs B273 electronic data processing system to National Bank of Commerce Trust and Savings, Lincoln, was announced by Glenn Yaussi, president of the bank.

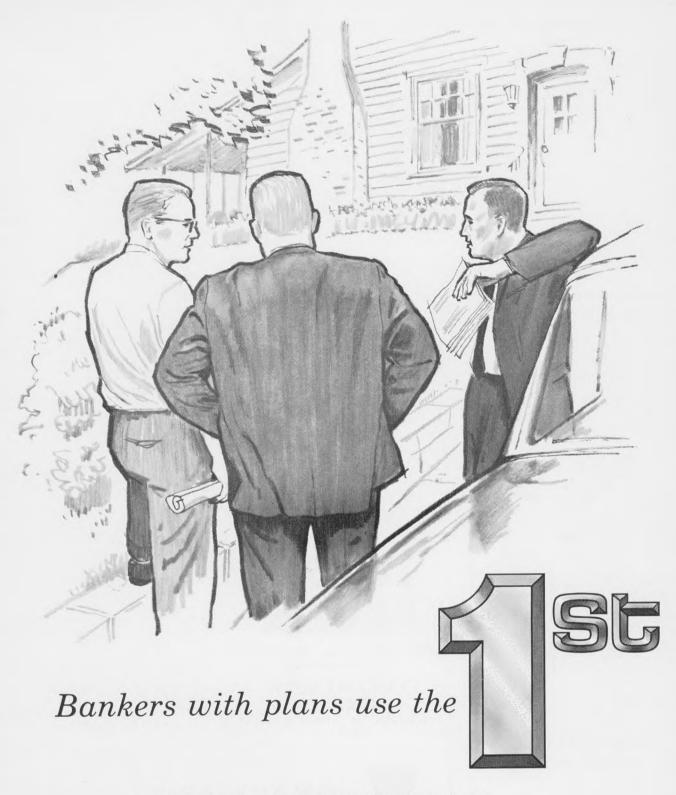
The new data processing center will handle the bookkeeping for all departments of the bank and also will be used to process deposits and checks for correspondent banks on a contractual basis.

President Yaussi commented that "since installing our semi-automated equipment in 1959 the volume of checks processed alone has increased 70 per cent.

One of the first assignments for programming of the unit is to convert all data of the trust department from tabulating cards to magnetic tape. In 1961 the trust department became one of the largest in the midwest as a re-



**CONTRACT** for B273 equipment is signed by President Glenn Yaussi as Ed Sullivan (left), branch mgr. of Burroughs Lincoln office; Herman Brockmeier (center), sr. v.p. in charge of operations, and Chester Nielsen, controller, look on.



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# & Trust Company of Lincoln

LINCOLN, NEBRASKA

MEMBER F.D.I.C.

sult of the merger of the First Trust Company with the bank.

Chester Nielsen, controller, will be project manager for conversion of the present systems to electronic data processing.

The data processing system utilizes one of the world's most versatile electronic sorter-readers, an internally programmed solid-state electronic digital computor with magnetic core memory, two ultra high speed six-tape listers, one to six magnetic tapes units for data conversion and an on-line card reader.

The system can process up to 1,560 items per minute through the sorter-reader and can print 15,000 characters

per second in its conversion of data from magnetic tape to account processing.

The First National Bank and Trust Company has announced the following appointments: John W. Hummel







MAROUARD

DT HUMMEL

SCHMI

has joined the bank as trust officer. He was formerly with the U. S. Treasury department in Omaha. He was graduated from the University of Nebraska with degrees in business administration and law.

Charles J. Marquardt, who joined the bank in 1961 and was later advanced to farm management director, has been promoted to trust officer. He is a graduate of the University of Nebraska ag college and previously was with First Trust Company of Lincoln



Another Recent Sign, Manufactured and Installed by

#### NEBRASKA NEON SIGN COMPANY

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LINCOLN, NEBR.

Omaha, Nebr.

Gerald C. Schmid is joining the First National staff as coordinator of data processing. He is also a graduate of the University of Nebraska business school and has been with Burroughs Corporation for 14 years as a financial representative.

#### Bank Stock Quotations

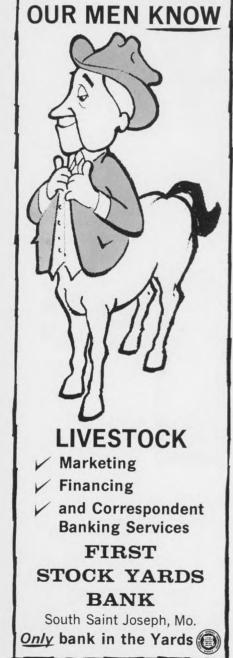
QUOTATIONS on the following selected bank stocks are furnished by Smith, Polian & Company, Omaha, dealers in investment securities, and are based on figures available as of August 15, 1963.

	BID	ASKED
Bank of America	65	677/8
Bank of New York	157	1621/2
Bankers Trust of New York	587/8	615/8
Boatmen St. Louis	401/2	443/
Chase Manhattan—New York	903/4	931/4
Chemical Bank-New York	871/9	90
Continental Illinois-Chicago	47	491/2
First National Bank-Chicago	791/2	83
First National Bank-Dallas	721/2	76
First National Bank—Tulsa	51	545/8
First National City Bank-New York	1121/4	1151/4
First Bank Stock-Minneapolis	66	691/4
First National Bank—St. Louis	42	447/8
Harris Trust & Savings-Chicago	103	106
Irving Trust—New York	477/2	501/8
Manufacturers Hanover-New York	533/4	
Mercantile National Bank-St. Louis	49	561/4 521/8
Morgan Guaranty-New York	119	1221/4
National Bank-Detroit	681/2	713/4
National Shaw—Boston	66	691/4
Northern Trust CoChicago		135
Philadelphia National Bank	55	573/4
Seattle First National Bank	731/2	761/2
Security First National-Los Angeles	821/2	851/2
United California Bank	68	711/2
Valley National Bank-Phoenix	541/4	681/2
Wells Fargo Bank		861/2

#### Governor Names DeLay

B. M. DeLay, president, Delay First National Bank, Norfolk, has been appointed by the governor of Nebraska to complete the six-year term of Wayne Barber on the board of the Consumer Public Power District. Mr. DeLay resigned as a member of the Nebraska Natural Resources Commission.

In other news from the DeLay First National, J. J. DeLay, Sr., chairman, will observe his 80th birthday October 11 and for the first time in 28 years all six of his sons will be in Norfolk for the observance.





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## Consolidation in St. Joseph

ONSOLIDATION of the Tootle-Enright National Bank and the American National Bank of St. Joseph, Mo., has been submitted to the Comptroller of the Currency for his approval following affirmative votes on the plan by the boards of directors of both banks last month. The busi-▶ ness of the two institutions would be continued in the Tootle-Enright National's present quarters under the name American National Bank of St. Joseph.

Beverly Pitts, president of American National, would become chairman of the consolidated bank. Milton Tootle, Jr., president of Tootle-Enright, would be president and chief executive officer. Co-chairman of the executive committee would be W. Fairleigh Enright, currently chairman of Tootle-Enright, and George U. Richmond, now chairman of American Na-

The boards of directors of both banks would be retained in their entirety, giving the new bank a board of 21 men.

The consolidated bank, if approved, will have four senior vice presidents. They are Benton Calkins, Jr., and Charles K. Richmond, vice presidents

of American National, and Gilbert Tootle, vice president, and W. F. Enright, Jr., vice president and cashier, of Tootle-Enright National.

Capital would be \$2,000,000, consisting of 200,000 shares with par of \$10. Tootle-Enright capital presently is \$1,000,000 and surplus is \$1,500,000. American National capital is \$750,000 and surplus is \$1,250,000. After consolidation the surplus would be \$3,000,-000, giving total capital funds of \$5,000,000.

Deposits of the two banks at the June 30 call were: American National, \$31,174,000; Tootle-Enright National, \$40.511.000.

There are three other banks in St. Joseph: The First National Bank, the First Stock Yards Bank and the First Trust Company. The latter was recently given commercial banking powers and is presently being moved from the First National Bank offices to a new location.

**Deaths Reported** 

The death of two Nebraska bankers was reported recently. They are R. F. Lord, cashier at the Blue River Bank, McCool Junction; and L. W. Farguhar, cashier, First National Bank, Bradshaw. Both were managing officers of their respective banks. E. A. Levitt is president of both banks.

Pierce Changes

E. G. Schellpeper has resigned as cashier of the Cones State Bank, Pierce. George B. Gould, formerly assistant cashier, has been promoted to vice president; and Harley Bovee, also formerly assistant cashier, was named cashier.

Anniversaries Observed

Two Nebraska banks last month were honored by metropolitan banks for long-time correspondent relationships. The Commerce Trust Company of Kansas City and the Bank of Bertrand marked the 30th anniversary of their association, and the Manufacturers Hanover Trust Company, of New York City and the Farmers State Bank of Pawnee City observed the 75th anniversary of their association.

#### Changes at South Sioux

Herb Brune has resigned as executive vice president of the Nebraska State Bank, South Sioux City. He will remain on the board of directors and W. P. Bernard, cashier, becomes managing officer. Don Kuhl has joined the staff as farm representative.



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# Iowa NEWS

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## New President at Fort Dodge

EARL J. UNDERBRINK, 41, has resigned as senior vice president and cashier of The Waterloo Savings Bank to accept the position of president

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E. J. UNDERBRINK

dent of the Fort Dodge National Bank. The move will take place October 1.

Mr. Underbrink succeeds Frank C. Moeller, who will continue as chairman of the bank's board of

directors.

Sacksonville, Ill., Mr. Underbrink graduated from the State University of Iowa in 1947 and came to Waterloo as office manager and auditor of the Waterloo Savings Bank. In 1955 he moved to Chicago as operations officer of the Sears Bank and Trust Company.

He returned to Waterloo in 1957 to accept a position as cashier of the Waterloo Savings Bank, was promoted to vice president in 1958 and to senior vice president in January,

Tama Attracts 2,500

The open house held by the Tama State Bank following completion of its new banking facilities last month attracted more than 2,500 people, according to A. J. Bird, executive vice president. An adjoining building was purchased and incorporated into the present bank building. Complete modernization of the exterior and interior was accomplished.

Mrs. Malcolm Rue

Mrs. Malcolm Rue, 48, wife of the vice president of the Farmers State Bank, Ridgeway, died last month.

New Ottumwa Building

Construction of a new building for the South Ottumwa Savings Bank is now underway, according to President Myron Ackley.

The new structure is being built on

a lot directly north of the present bank building. The existing building will be removed when the new one is finished. Planning the new building is the Kirk Gross Company in Waterloo. It will be a one-story colonial-type building, measuring 56x102 feet. There will be two drive-in windows and parking for 28 cars. The former building was built in 1913.

#### Decline Spencer Bank

The Comptroller of the Currency has denied an application for another national bank in Spencer. He approved a charter for the new Spencer National Bank in June. Headed by Attorney James Greer, it has not opened for business yet.

Applicants on the charter denied were: Charles Kelly of Iowa City, James Bullock and Art Lachner of Spencer, Hilda Roskens of Everly and Roy Rook of Cedar Rapids.

The city has two other established banks, Clay County National and Farmers Trust and Savings Bank.

#### Promoted at Marcus

James O. Whealon, cashier of the Farmers State Bank, Marcus, has been advanced to vice president and cashier.

Mr. Whealon started in banking in 1925 with the Farmers Savings Bank, Doon. He has been with the Toy interests for 24 years. He also worked at banks in Rock Rapids, Inwood and Sioux Falls.

The bank also elected H. J. Reimers of Storm Lake to the board of directors. Carleton Van Dyke of Sioux City is president.

Installment Conference Set for September 8-10

Willard D. King, chairman of the Installment Loan Committee of the Iowa Bankers Association and vice president of the Davenport Bank and Trust Company, has announced the completion of plans for the annual conference on Installment Lending. The meeting will be held in Des

Moines at Hotel Kirkwood, September 8-10. An informal get-together and buffet supper at 5:30 p.m., Sunday, September 8, will open the conference. The complete program appeared in the August Northwestern Banker.

#### **Atlantic Open House**

Formal opening was held at the Atlantic State Bank last month following the completion of its new bank building. A total of 30 door prizes were given away.

The Park Hotel, Atlantic landmark which was erected in 1870, was purchased by the bank in January, 1962, and razed to make way for the new bank building. The Harlan Federal Savings and Loan Association has purchased the old bank building which was erected about 1910.

The 72x72-foot building has a 50x50-foot main business area, with eight teller windows located in a curved design along the east side of the lobby. The bookkeeping department is located behind the teller department and the large vault is located to the south.

The other bank offices are located on the west side of the main floor behind a walnut railing. There are six walnut desks in this area.

Directly south of the main office area are two enclosed private offices.

The bank has a drive-in and customer parking lot.

Waterloo Starts Project

National Bank of Waterloo let bids last month for the razing of the old city hall at 619-21 Lafayette Street.

The bank plans to build a detached teller facility on the lot. It will have four drive-up windows and two walkups. The area has a 97 foot frontage on East 5th Street and 40 foot frontage on Lafayette Street. The new facility will be directly across from the new courthouse, now under construction.

#### Clear Lake Retirement

Ross R. Rogers, 86, assistant cashier of the Clear Lake Bank and Trust Company, is retiring after 68 years of active work. He has been in the banking business for 53 years.

**New Clinton Directors** 

L. J. Derflinger, president of the Clinton National Bank, has announced the election of two new directors. They are: John H. Notman, co-publisher and general manager of the *Clinton Herald*, and Robert E. Bickelhaupt, president of Bickelhaupt Motor Company. Both men are well-known to Iowans, having been active in their respective trade associations.

## Complete Marshalltown Bank



MODERN BUILDING recently completed by Fidelity Savings Bank, Marshalltown, is shown in photo above. The building is located at South Center and Church Streets. Directors of the bank are: N. T. Chadderdon, R. E. Thornbury, Ralph Williams, E. J. Paul, O. W. Johnson, Arley J. Wilson, William Shipton, Earl Brennecke and J. R. Bradbury.

#### Goldfield to Remodel

Goldfield State Bank has temporarily moved to the Fountain City Manufacturing Building while the bank building is being extensively remodeled. The top story is being removed and the interior modernized. The job is expected to be completed about November 1.

#### **New Remsen Directors**

First Trust & Savings Bank, Remsen, elected three new directors at its annual meeting last month. They are Clifford Dorr, Elmer Schnepf and Dr. Ed Henrich.

#### Joins Rock Rapids Bank

Richard L. Ziegler of DeSmet, S. D.,

has joined the Lyon County State Bank, Rock Rapids, as a specialist in agriculture.

For the past nine years, Mr. Ziegler has taught vocational agriculture. He is a graduate of South Dakota State.

#### **Anthon Promotion**

Len C. Lamar, cashier of the First Trust and Savings Bank, Anthon, for the past six years, has been promoted to vice president and cashier, according to an announcement by President Carleton Van Dyke.

#### Takes State Charter

The Exchange State Bank, Adair, has received a state charter and joined the Federal Deposit Insurance Corpo-

ration. Previously, the bank was known as the Exchange Bank of Adair.

#### Start Clarinda Building

The Page County State Bank, Clarinda, has taken initial steps for its new building by demolishing two frame buildings in the northeast corner of the business district. A. Moorman and Company of Minneapolis is the architect.

#### James Peterman

James Peterman, 84, died last month, He was a former president of the Page County State Bank in Clarinda, In recent years he has been living in Boone.

#### Randall Open House

The Randall State Bank held open house in its new building last month. The project was designed and constructed by the Kirk Gross Company, Waterloo.

#### Union Bank Expands

The Union Bank & Trust Company, Ottumwa, is involved in an expansion program that was not anticipated when it moved into its new building only eight years ago.

Because of growth in business, the bookkeeping and proof departments which were formerly located behind the tellers' cages have been moved into 2,200 square feet of second floor space which originally was called the community room.

Space behind the tellers is being remodeled for use of the trust department. There will be three offices and a reception and filing area.

The present trust department quarters will become the bank library and a conference room.

#### Tripoli to Build

The board of directors of the American Savings Bank, Tripoli, have purchased property located at 312 South Main Street for the purpose of building a new bank building. The lot is 66 feet wide and 148 feet long. Plans call for construction of a 60 foot by 40 foot building.

#### Cedar Falls Project

First National Bank, Cedar Falls plans a complete remodeling of its existing structure and the construction of a motor bank at 2202 College.

The work on the main building will include an addition 28x52 feet. A second addition will also be made at the rear of the building. The present drive in facilities will be converted a bookkeeping area and a new drive in will be added to the bank behind the large addition. Building permits total \$178,000.



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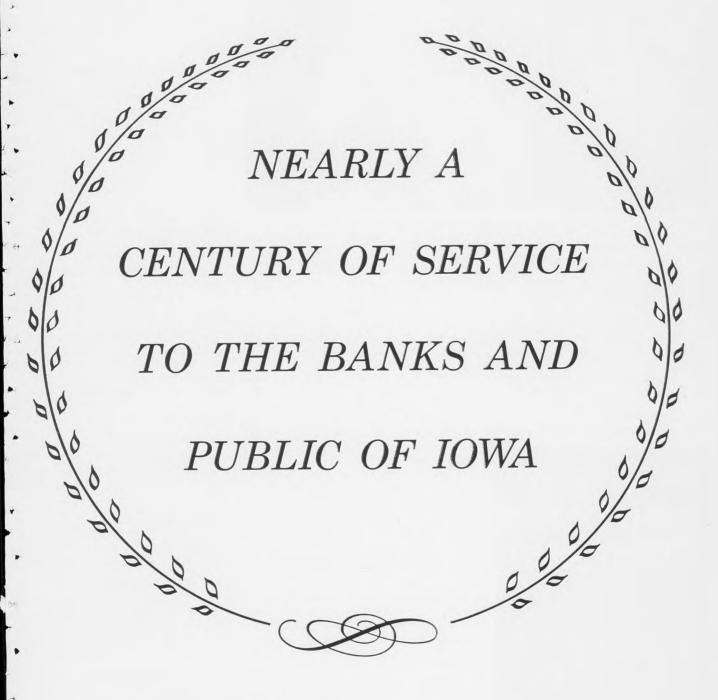
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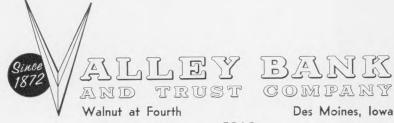


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#### French Guest Returns Home



PRETTY VISITOR from France, Marguerite dePalma (second from right), received a friendly welcome to the Central National B&T from B. C. Grangaard (right), pres. With them are Dale C. Smith, v.p. of the bank and his daughter, Linda.

IFE probably will not be quite as active at the Dale C. Smith home in Des Moines this school year. The family's teen-age guest during the past school year, Miss Marguerite dePalma, returned to her home at Beauvais, France, in late summer. During the 1962-63 school year she lived with the Smith's and completed her high school education at Roosevelt High, graduating with a high average in June.

Marguerite was invited through the MERCHANTS BONDING COMPANY Home Office 2100 GRAND AVENUE Des Moines, Iowa This is Iowa's oldest surety company. A progressive company with experienced, conservative management. We are proud of our three hundred bank agents in Iowa. WARNER J. CORBIN

Christian Church youth exchange movement to live with the Dale Smith's for this one year in order to further her own ambition to become proficient in English as well as to learn more about life in America and in turn to share these experiences with others in her country.

Mr. Smith, vice president of the Central National Bank & Trust Company in Des Moines, and Mrs. Smith received her into their own home as another daughter. Their own daughter, Linda, who will be a senior at Roosevelt High this year, was delighted at the prospect of having a "sister," if only for a year. Between the two of them they kept things moving fast at the Smith household, not only with the accelerated pace of high school activities today, but also with the laughter and humor generated by two such close companions.

At Roosevelt, Marguerite was a serious student for her ambition is to have a language school of her own. She is an accomplished linguist at age 18, speaking fluently in four languages in addition to her native French.

Before she left for home August 1, Marguerite visited the Central National with Linda to see what goes on behind the scenes in an American bank. The staff at the bank was just as delighted with the two pretty teen-agers as the latter were with "all that money and all those fast machines."

#### Heads Shenandoah Bank

Robert Fishbaugh has been advanced from vice president to president of the Security Trust and Savings Bank, Shenandoah. He succeeds his late father, E. C. Fishbaugh, Sr.

The bank, founded by C. W. Fish-

baugh, Sr., and E. C. Fishbaugh, Sr., has had four presidents from the time of its founding in 1909: C. W. Fishbaugh, Sr., 1909 to 1913; W. P. Fishbaugh, 1914 to 1920; E. C. Fishbaugh, Sr., 1921 to 1963; and the newly elected president, Robert Fishbaugh.

Oelwein Farm Forum

R. L. Jipson, president of the First National Bank, Oelwein, reports that more than 800 people attended the bank's sixth annual Farm Forum Cash door prizes totaling \$200 were

Speakers included: B. H. (Bill) Jones, associate secretary of the Livestock Feeders Association, and Lou Conlon, manager of the Minnesota Dairy Industry Committee of the American Dairy Association.

**Burlington Drive-In** 

National Bank of Burlington has received approval from the Comptroller for a drive-in bank near the intersection of Roosevelt and Mount Pleasant Streets.

The drive-in approval is in addition to a charter for the First National Bank of West Burlington. The charter was granted to a group of Burlington men, largely composed of di rectors of the National Bank of Burlington.

Walter Scott

Walter Scott, president of the Farmers State Bank, Hawarden, Iowa, died recently. Funeral services were held August 6.

Sibley Open House

The new bank building recently completed by the Sibley State Bank was opened to the public last month.

**Emerson Anniversary** 

The Emerson State Bank will observe its 60th anniversary this month. The bank was chartered September 7, 1903, and opened on September 23,

**Onslow Anniversary** 

On September 1, 1903, the Onslow Savings Bank opened for business. The bank will observe its 50th year this month. No special plans are being made.

Mrs. Ben Primus

Mrs. Ben Primus, 89, mother of Henry B. Primus, president of the Farmers Savings Bank, Steamboat Rock, passed away last month.

Kanawha Construction

The Farmers State Bank, Kanawha, is completing an extensive building project, and official opening should be announced soon.

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# Davenport Bank Plans Development Project





THE Davenport Bank & Trust Company last month announced plans for the largest and most important expansion and development project in the history of downtown Davenport.

The bank has purchased all the property in the block to the west of its present quarters, giving it possession of the entire half-block, extending 320 feet between Main and Harrison Streets, and south 150 feet from 3rd Street to the alley.

All of the building west of the bank building, with a frontage of 200 feet on 3rd Street, will be razed and a new structure erected, bank officials said.

#### New Retail Space

To the west of this additional banking space, extending on to Harrison Street, the bank will construct new retail store space on the ground floor. In the area directly below street level and underneath this retail space, there will be permanent parking for bank building tenants.

Above the retail stores there will be constructed three floors of enclosed parking which will accommodate approximately 250 cars. This parking will be primarily for the bank's own customers. It will also take care of the parking needs of customers of the new retail stores.

Above the three levels of parking space the bank will construct additional rental office space, which will add additional capacity to the office area it now has available for tenants in its 12-story building.

Convenient access from the parking area to the banking operation and the offices in the main bank lobby will be provided through the installation of escalators. This will make it possible to have an uninterrupted flow of traffic within the block.

#### New Drive-in Teller Setup

In addition to constructing this building west of the present bank quarters, the bank will convert its present customer parking area, located at the northeast corner of 3rd and Main Streets, into a modern drive-in-teller arrangement for its custom-

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ers. The present parking lot will be retained as such, however, until parking facilities are available in the new structure.

#### **Grand Mound Changes**

Robert L. Kelly, who recently purchased controlling stock in the Union Savings Bank, Grand Mound, from Lyle Stotesbery, has been elected president of the bank.

Other officers are: William F. De-Lange, vice president; Irene E. Kelly, assistant vice president; Stewart L. Stotesbery, cashier, and Esther M. Gilmour, assistant cashier. Directors are Robert L. Kelly, Irene E. Kelly, Waltin Olson, William DeLange and Fred Bousselot.

#### Manchester Ag Rep

A top livestock judge, showman and exhibitor last month joined Farmers and Merchants Savings Bank, Manchester, as agriculture representative.

He is Gary Te Stroete, a native of Hospers in northwest Iowa and a June graduate of South Dakota State College, Brookings, S. D.

Mr. Te Stote's prowess as livestock judge, showman and exhibitor is ettested by an impressive display of trophies and a couple of boxes of ribbons.

Mr. Te Stoete was top livestock judge in a contest at the International Livestock Show in Chicago last fall and as a senior at South Dakota State College he was manager of the Little International Show.

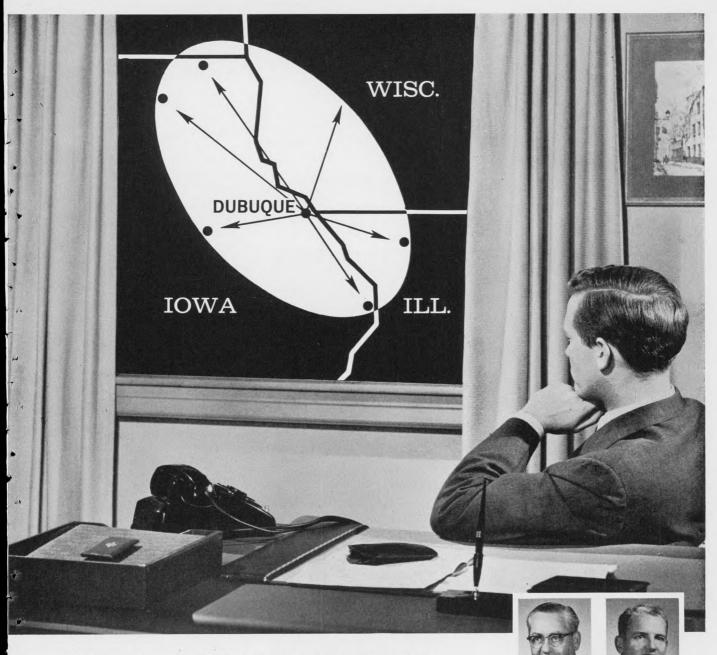
He exhibited the top pen of lambs at the National Suffolk Show at the Iowa State Fair last summer.





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CHRISTY

#### Clear Lake Application

An application for a new national bank in Clear Lake has been filed by a group of local residents with the Comptroller of the Currency. Clear Lake has one bank at present headed by Mark Arneson. It is the Clear Lake Bank & Trust Company.

#### Winfield Retirement

G. R. Arthaud, cashier of the Winfield State Bank, will retire at year-

#### **Merchants National Progress**

Work is going ahead on the exten-

sive remodeling and building program at the Merchants National Bank in Cedar Rapids. Completion is expected in early November.

Marshalltown Change

An application filed for a new national bank in a proposed shopping center in Marshalltown has been withdrawn. The city has three state-chartered banks.

#### **Center Point Application**

The Iowa State Department of Banking has received an application for a new state bank in Center Point. Heading the list of applicants is John Suchomel, cashier of the Urbana Savings Bank. The Peoples Bank in Cedar Rapids maintains an office in Center Point at present.

#### Fonda Bank Sold

Walter W. Stege, cashier of the First National Bank, Fonda, has purchased controlling interest in the bank from A. M. Kuhl, president. Mr. Stege has been with the bank for 17 years. Mr. Kuhl had been in the banking business 42 years.

The bank was founded in 1902. It has deposits of \$2.5 million. Capital, surplus and undivided profits total \$337,000.

#### **Increase Capital**

Two state chartered banks increased capital last month. Bettendorf Bank & Trust Company raised its capital from \$75,000 to \$275,000, and South Ottumwa Savings Bank increased its capital from \$100,000 to \$200,000.

#### Sponsors Beef Tour

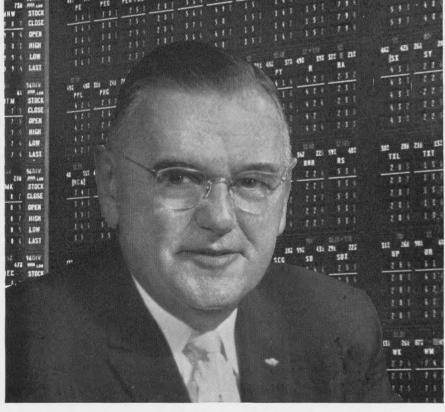
The Farmers State Bank, Marion, will sponsor a beef cattle tour to the Kansas City stockyards on September 21 and 22, according to Morris F. Neighbor, vice president.

#### African Banker Visits

Fred Mugobi, a banker from Tanganyika, has been visiting Floyd Whitmore, president of the Page County State Bank in Clarinda. He has toured several banking installations in southwest Iowa. Mr. Mugobi is attending college in McPherson, Kan.

#### Joins Denison Bank

Curtis Olson has joined the staff of the First National Bank in Denison He attended college at St. Olaf in Northfield, Minn.



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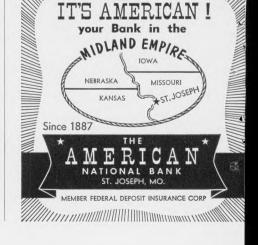


# **Drovers National Bank**

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# Stagecoach Holdup Triggers Centennial Event



STAGECOACH driver Howard Gast and his shotgun man Leo Kelley get a goodby handshake from David H. Reimers, president of The Live Stock National Bank of Chicago. The ambitious Centennial stunt of driving a stagecoach from the Live Stock Bank to Earlville required changing horses six times along the 75 mile route.

T ISN'T often that a big city bank gets a chance to take part in the Centennial celebration of a small community. But the opportunity presented itself recently to The Live Stock National Bank of Chicago. And the bank and its advertising agency went all out to be of help. The idea they contributed could well be incorporated into many community centennial celebrations across America.

About the middle of July, a delegation from the farm community of Earlville, Ill., came to the Chicago Stock Yards and stopped in at the Live Stock Bank. At the time of their visit, Francis J. Hearn, vice president and advertising director of the bank, was holding a luncheon conference with the bank's advertising counsel, Dave Davidson, president of the W. N. Davidson Advertising Agency. When advised that the Earlville folks were in the bank, the men terminated the lunch to meet the people, who were attired in splendid 100-year-old costumes. The men sported beards that had at least six months of aggravating growth under the careful trimming. Howard Gast, farmer and cattle feeder of Earlville, spoke for the group and told of a plan to drive a stagecoach, with passengers, from the Live Stock Bank to Earlville. Mr. Gast said they planned to leave the bank at 10 a.m. on July 29 and he estimated he could make the town square of Earlville by 3 p.m. the next day. Along the way they planned to stop in small communities and extend greetings from the Mayor of Earlville, Frank Morrill, cashier of the National Bank of Earlville. And also drum up some publicity for Earlville and its Centenntial celebration and pageant.

#### Wells Fargo Trunk

Mr. Davidson told Mr. Gast he thought the plan could use a related idea. He suggested that the stage carry a Wells Fargo trunk loaded with bubble gum and kids' novelties. Upon entry into Earlville, all the kids of the town would be presented with a once-in-a-lifetime chance to hold up a stagecoach and share in the loot. Mr. Gast accepted the idea and was asked to quickly get a picture of the stage, showing two men hoisting a trunk abroad and forward the photo to the agency. When the photo arrived, the agency wrote a story entitled "Earlville Youngsters Invited to Hold Up Stagecoach." The photo, with caption and story, were then sent with a covering letter to the editor of the Earlville's weekly newspaper, The Leader, with a request to print it in his July 25 issue, six days before the arrival of the stage. The editor gave it a big play on page 1, with a fivecolumn photo.

Meanwhile, Mr. Hearn arranged with a concessionaire to obtain 5,000

novelty items. And it was decided that two trunks would be necessary to accommodate the anticipated mob of kids in Earlville.

There was an unexpected development at this point. Earlville's publicity committee for the Centennial thought so highly of the story and the idea that they sent it out as a publicity release to surrounding newspapers. radio and television stations, many of whom published it and used it in new.

#### Boys Club

When Mr. Hearn happened to hear an NBC-TV commentator reading the story on a Chicago station it was decided to make some additional publicity hay before the stage left the bank. Arrangements were made with the McCormick Boys Club to have a half dozen youngsters at the bank early the morning of July 29. They were outfitted with masks, cowboy hats and toy guns, and rehearsed on the finer points of holding up a stagecoach, Chicago style. The president of Live Stock, David H. Reimers, and executive vice president, Harold Johnston, were given parts in the production. Camera crews from two Chicago television stations were on hand to do the filming: WGN-TV- Channel 9, and WBKB, Channel 7, as was a photographer from United Press International. For the occasion, the agency

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IOWA LEGAL BLANK & PRINTING CO. Box 238, Webster City, Iowa

#### POSITION WANTED

Agriculture Representative — 1960 Graduate,, Iowa State University, Animal Husbandry Degree. Married, age 33, farm background, sales plus finance experience. Write Wayne Pirsig, Ashton, Ill.

#### RUBBER STAMPS

We will mail you a
FREE ENDORS-STAMP
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All like stamps \$1.20 each.
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ACORN Sale Registers

"Accepted Sale Registers by Bank Clerks Everywhere" For information write THE ACORN PRINTING CO. Oakland, Iowa

Northwestern Banker, September, 1963

brought along a second trunk specially painted with "Wells Fargo" lettered in gold on the top and sides. The filming went off like clockwork. The production cast was further enhanced by another Earlville family, in full costume, who had delivered some cattle to the Chicago Live Stock Market earlier in the morning. The films were shown that evening on the 6 o'clock and 10 p.m. newscasts and the Chicago Sun-Times published a three-column photo and story of Mr. Reimers and the Earlville people the next

Not content to go this far and drop the matter, Mr. Hearn and Mr. Davidson drove 75 miles to Earlville and arrived four hours in advance of the stage. They introduced themselves around town and planned out the parking of the stage and method of distributing the booty. They then drove back up the highway and advised Mr. Gast of the preparations that had been made.

About 700 whooping youngsters were on hand in the town square when the stage arrived about 3:30 in the afternoon. After the first press of the over-eager ones subsided, an orderly distribution of the loot was carried out. There was enough for everyone, even for the ones who came back for seconds. It had been a busy day for the Live Stock men, who were dined and thanked profusely by a grateful Centennial Committee, before departing the gay community.

#### Davenport Offer

A Cedar Rapids investment company has offered to buy 3,300 shares—a controlling interest—of the Northwest Bank & Trust Company stock for \$1,815,000, it was disclosed recently.

The offer by Investment Management, Inc., was mailed to about 425 stockholders of the Davenport bank.

The company proposes to pay \$550 a share for a minimum of 3,001 shares of stock. If more than 3,300 shares are available, it will buy from stockholders on a pro rata basis.

The bank has 6,000 shares of stock outstanding at a par value of \$100 a



share. The current market value is \$300 a share, said W. F. Meiburg, bank president.

#### Tickets, Please!



THE BUILDING in the above picture may look like a ticket window—and it used to be—but when this photo was taken it had been converted to a drive-up window for temporary use by the College Savings Bank at Ames. Because the Highway Commission tore up the street completely in front of the bank, Dean Knudson, pres., had to devise some other way for bank customers to do their auto banking because the driveways were blocked.

After some quick thinking he hit on the old ticket booth idea, located one, got permission from proper bank supervisory authorities and opened for business in a corner of a friendly Skelly Service station. Now bank customers can get the full treatment—banking service, gas and oil, and tickets for sporting events—without getting out of their cars!

Despite the fact that the "new" drive-up window, with its home-made sliding drawer for receiving deposits, has become a real conversation piece, Mr. Knudson was anxiously waiting last month for highway workmen to complete their project so the bank's regular drive-in facilities could be restored to daily usage.

#### 50 Years at Toy National

C. A. Johnson, vice president of The Toy National Bank, Sioux City, completed 50 years with the bank last month

He started with the Toy organiza-



C. A. JOHNSON

tion in August, 1913. The bank-was known at that time as the National Bank of Commerce, which received its national charter in 1912. The name was changed in 1922 to The Toy National Bank.

He will retire

from the bank at the end of the year and has no immediate plans for the future.



■ IN ANTICIPATION of the eventual construction of a modern bank and office building, B. C. Grangaard, president, Central National Bank and Trust Company, announced the appointment of David C. McPherson, Minneapolis, Minn., as renting agent and building manager.

Mr. McPherson has resigned as vice president of the Apache Realty Corporation in Minneapolis. Mr. McPherson also was in the real estate business in Chicago for 12 years, and prior to that he served as associate director of real estate for the War Department in Washington, D. C., during World War II for six years.

Arthur D. Norman, assistant cashier and farm representative at the Iowa State Bank, died last month of complications following surgery. He had been with the bank since 1952.

#### Banking Bull



The Union Trust and Savings Bank, Ames, recently purchased this black Angus baby beef at the Story County 4-H Fair. The 870-pound Angus, who goes by the name of "Dale," was put on display in the lobby of the building in a special pen constructed for the occasion. Here, A. W. Lucht, president of the bank, left, and Brent Dale, former owner of the animal, observe the animal in its new surroundings.

"Dale" was picked the reserve grand champion of the County Fair.

Morris Stephens has taken over as president of the First Federal State Bank, succeeding Mortimer Goodwin. Mr. Goodwin will continue with the bank in an advisory capacity.

Mr. Stephens is a prominent Des Moines businessman. Until recently he was president of the Des Moines Life and Casualty Company. He is currently a director of the Iowa-Des Moines National Bank.

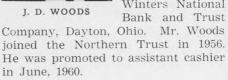
Harry E. McCutcheen, cashier at the Wall Lake Savings Banks for the past seven years, has joined the Iowa State Bank in Des Moines as manager of the note department. Before joining the Wall Lake bank, he was associated with the Commercial State Bank in Cedar Bluffs, Neb.

Northern Trust Change

David D. Baer, newly elected assistant cashier of the Northern Trust Company, Chicago, has been assigned to travel Iowa under supervision of

Wendell W. Snider, Jr., vice president.

Mr. Baer succeeds John Woods, assistant cashier, who has resigned to accept the position of assistant vice president with the Winters National Bank and Trust



Correction

In the listing of Iowa's 25 largest banks in the August Northwestern Banker, the Muscatine Bank and Trust Company of Muscatine should have been included as the state's 25th largest bank. Deposits of the bank as of June 29 were \$19,143,000.

#### African Trip by V. O. Figge

V. O. Figge, president of the Davenport Bank and Trust Company, is currently on a hunting expedition in Bechuanaland in South Africa with one of his sons.

#### South Ottumwa Expands

Excavation has been completed in preparation for a building program at the South Ottumwa Savings Bank. The bank plans to more than double its present space.





# In the DIRECTORS' ROOM



#### At 6 Per Cent?

"All that I am . . . or ever will be . . . I owe."

#### Good Old Days

Tourist couple viewing Taj Mahal: Isn't it amazing what they were able to do before there was any such thing as foreign aid.

#### No Understanding

Boss: You're an hour late getting back with those mules!"

Bill: Yeah. You see, I picked up Parson Jones down the road about a mile, and from there on, those mules couldn't understand a word I was saying.

#### A Bit Awkward

Two Englishmen out for a night on the town met two girls and took them into a dimly lit pub to eat. Suddenly, one man turned to his friend and whispered: "I say, old boy, would you mind terribly changing dates?"

The other replied, "No, what's the matter with yours?"

The friend answered: "Between the grog, the fog and the smog, I seem to have picked up an old maid aunt of mine."

#### Honest Approach

The following advertisement is said to have appeared in a large metropolitan newspaper:

"Gentleman who smokes, drinks and carouses wishes to meet lady who smokes, drinks and carouses. Object: Smoking, drinking and carousing."

#### Personal Preference

Three oldsters were passing the time of day on the courthouse steps and discussing the ideal way of leaving the world. The first, age 75, remarked he'd like to go quickly like a crash in a speeding car. The second, age 85, thought he'd prefer a jet plane crash.

"I've a better idea," mused the third, age 95. "I'd rather be shot by a jealous husband."

#### Careful Phrasing

Frowning psychiatrist to office nurse on phone: Just say we're terribly busy—not 'It's a mad-house'."

#### Labors Language

Little Grl: Daddy, will you tell me a bedtime story?

Union Leader: Once upon a time and a half . . ."

#### Freedom Rider

Ivan Rabinovitch, a trusted man in Russia, was allowed to take a trip through Europe as a reward for his services to the party.

From Poland, he sent a postcard, "Greetings from a free Warsaw."

From Hungary, he sent a postcard, "Greetings from free Budapest."

From East Germany he sent a third postcard, "Greetings from a free East Berlin."

Then he crossed the border into West Berlin and he sent his last post-card, "Greetings from a free Rabinovitch."

#### Decisions, Decisions

She: Doctor, will the scar from my operation show?

Dr.: That, young lady, is entirely up • to you.

#### Danger Everywhere

This year's college graduates deserve our sympathy. Almost anywhere they look for work, they run the terrible risk of finding it.

#### Accurate, But Slow

Deep in the Louisiana swamps, three tourists stopped to watch a small boy fishing in a roadside lake. Finally, one man asked, "Boy, are there any snakes in this water?"

"Naw, suh, they sure ain't," replied • the lad slowly.

The three tourists left their clothes on the bank and all had a refreshing swim. After dressing, one man asked, "How come there aren't any snakes in this lake?"

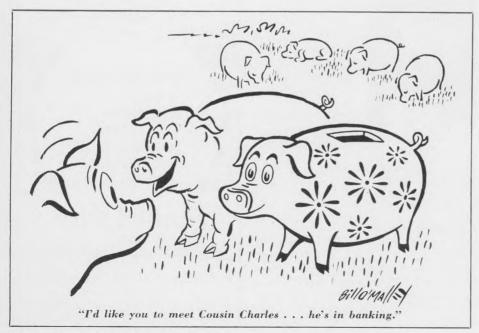
"The alligators ate 'em," replied the & boy.

#### Consumer Market

A story now being told of life behind the Iron Curtain:

Josew. If the Western powers attack us, our agents will carry atom bombs concealed in suitcases to Paris, London, Rome, New York and all the other big cities of the Capitalist imperialists and destroy them.

Petrov: I guess we'll have enough bombs by then, but how about suitcases.



Northwestern Banker, September, 1963

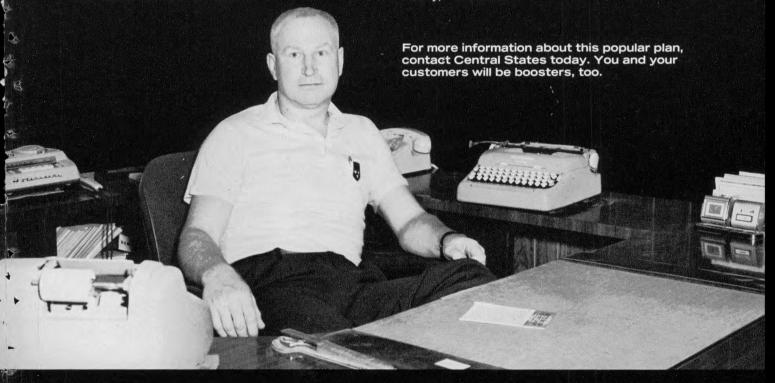
# Central States Bank-Health Plan requires little of a bank's time

- reports H. E. Clark, Vice President First National Bank, Stratton, Colorado

Bank-Health makes needed medical, surgical and loss of time insurance available to your customers—with the premiums conveniently deducted monthly from checking accounts.

Banks receive a liberal fee for their services, which are simple and streamlined. More than 900 banks now offer Bank-Health.

"The big advantage about Bank-Health is that **Central States** does the selling for us," says Mr. Clark. "That, together with the fact there is so little of our time required to service the program, makes the profit picture even brighter for us. With the top caliber men Central States has in the field, it's pretty easy to keep this business in our own community," he added.

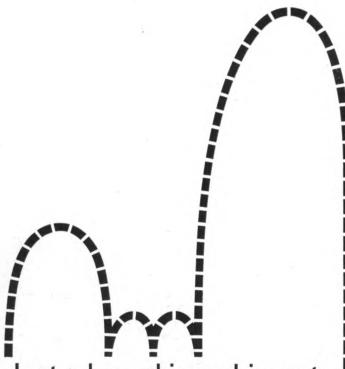




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tion or on business-and let us show you around the Bank. You'll see some operations we think you will admire; and most likely you will get some ideas as to how we can serve you even better!

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