

NORTHWESTERN *Banker*

MARCH
1964



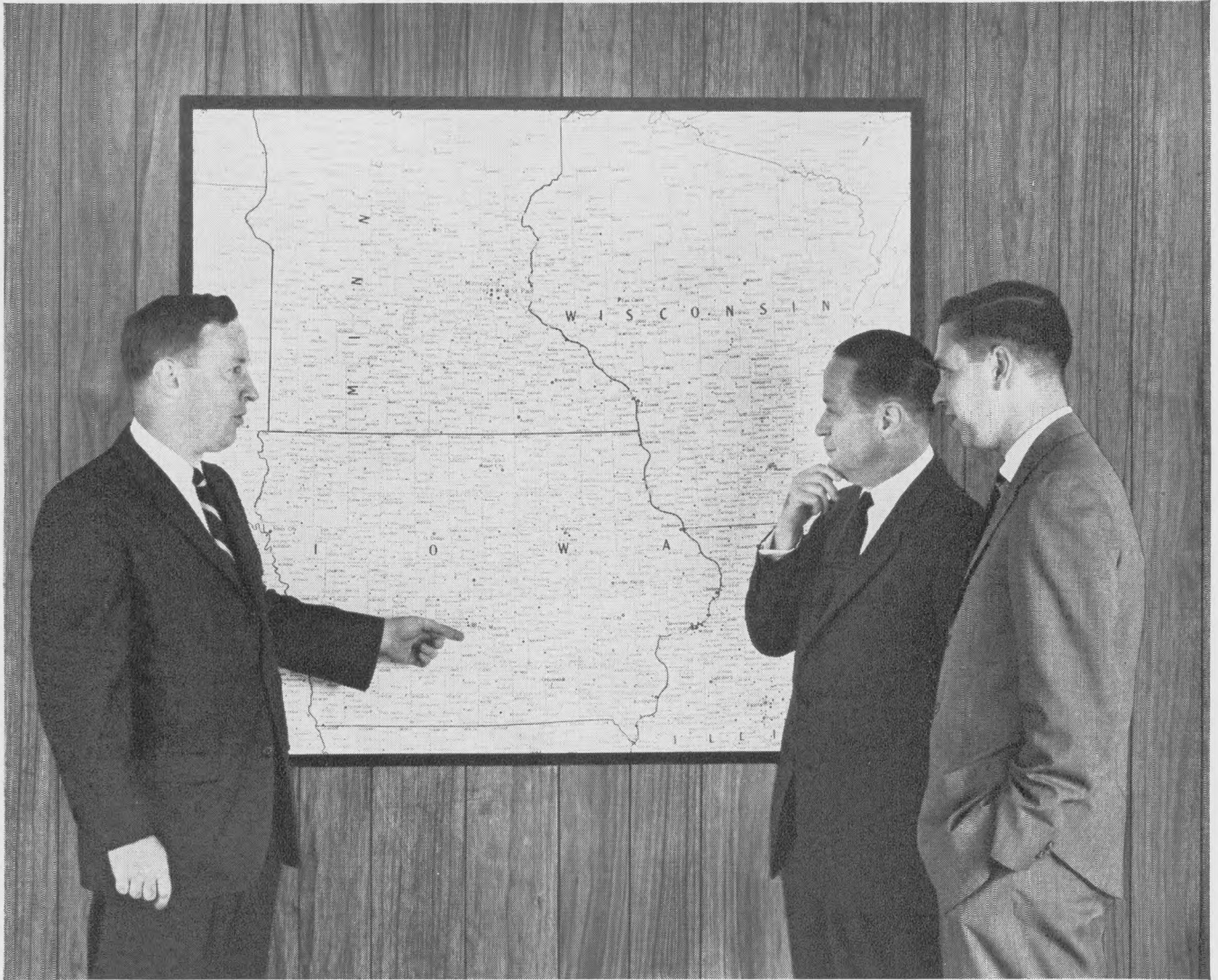
NORBERT DAUTREMONT,
Vice President,
New Accounts, Savings Department

Norbert Dautremont joined the Merchants National Bank 38 years ago. His experience has been wide, and he can be of special help to you in matters pertaining to New Accounts and Savings Accounts. Formerly Treasurer for the United Cerebral Palsy Association, Norb is also interested in many other community activities. He is a graduate of St. Ambrose College.



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(to help a customer with business in India)

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Northwestern Banker, March, 1964

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Federal Reserve Bank of St. Louis

Dear Editor



"Sound Management"

Your February issue had an article entitled "Should FDIC Coverage Be Increased to \$20,000?"

I sent this article to our Congressman Fred Schwengel underlying a couple of "pro" and several significant "con" excerpts from statements in this article.

The following "quotes" were underlined.

"We feel that while the public has regained a lot of its confidence in banks, people still watch the amounts of their accounts in relationship to the insurance coverage and carry balances accordingly."

"Are we trying to build confidence in commercial banking, or is our aim to build more confidence in the ability of the central government to guide and regulate our industry?"

Surely, we must know that to the extent that we rely on the Federal Government to assist and safeguard banking, we must yield more and more our freedom to conduct our business."

"Insurance of accounts tends to eliminate the public's consideration of good management. Management is still the most important factor for the protection of depositors, and the public should recognize this and not depend solely on insurance for their protection."

"We have one account in particular (savings account) where the customer would like to leave all his money in our bank. However, he is insured for only the money up to and including \$10,000. I suggested to him that he put some of it in some other bank. He does not like that idea at all, and wants to keep all of it here in this bank. We are very happy about this loyalty but it will not protect him as to deposit insurance."

"Sound bank management is more essential to the welfare of our customers than the amount of deposit insurance that is provided. If depository selection is made upon the ability of management, management would constantly be upgraded. On the other hand, dependence upon deposit insurance, rather than management, could lead to the reverse effect."

"People will be relying on the government more than they will on bank management. I do not think this will be benefiting banks."

*Rudy R. Schroeder, Pres.,
Iowa County Savings Bank,
Marengo, Iowa.*

NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your MARCH, 1964, reading

70th Year No. 920

EDITORIAL

- 22 Across the Desk from the Publisher

FEATURE ARTICLES

- 5 Dear Editor
8 Independent Bankers Plan 30th Annual Convention
12 Denver Will Be Site of FPR Regional, April 20
19 Frontispiece—"Trouble Trio"
27 How States Finance New Industry—No. 3 in a Series
—Ben Haller, Jr.

ANNUAL BOND AND INVESTMENT REVIEW

- 28 Municipal Purchases By Banks Will Hold Steady
—A NORTHWESTERN BANKER *Survey*
31 Outlook for Interest Rates on Municipal Bonds
—A NORTHWESTERN BANKER *Survey*
32 Blueprint for Public Utility Growth—Harry F. Smith
33 Don't Smoke It . . . Save It!
34 Moderate Interest Rise Seen for Rest of 1964—Tilford C. Gaines
35 Midwest Outlook for Municipal Bonds
—A NORTHWESTERN BANKER *Survey*
36 Bankers You Know—James S. Bush
49 Report on 1963 Insurance Results

STATE BANKING NEWS

- | | |
|----------------------|---|
| Minnesota News 55 | 84 Beef Imports Anger Nebraskans During Visit to Washington —Ben Haller, Jr. |
| Twin City News 58 | |
| South Dakota News 65 | 87 850 Attend Lincoln Correspondent Forum —R. Doyle Minden |
| North Dakota News 67 | |
| Montana News 69 | 91 Iowa News |
| Colorado News 70 | 94 State Banking Conference Program |
| Wyoming News 71 | 100 Des Moines News |
| Nebraska News 73 | 102 Report—Pictures on Group Meetings —Malcolm Freeland |
| Omaha News 76 | |
| Lincoln News 82 | |

OTHER FEATURES

- 109 The Bankers' Market Place
110 In the Directors' Room
110 Index of Advertisers

NORTHWESTERN BANKER

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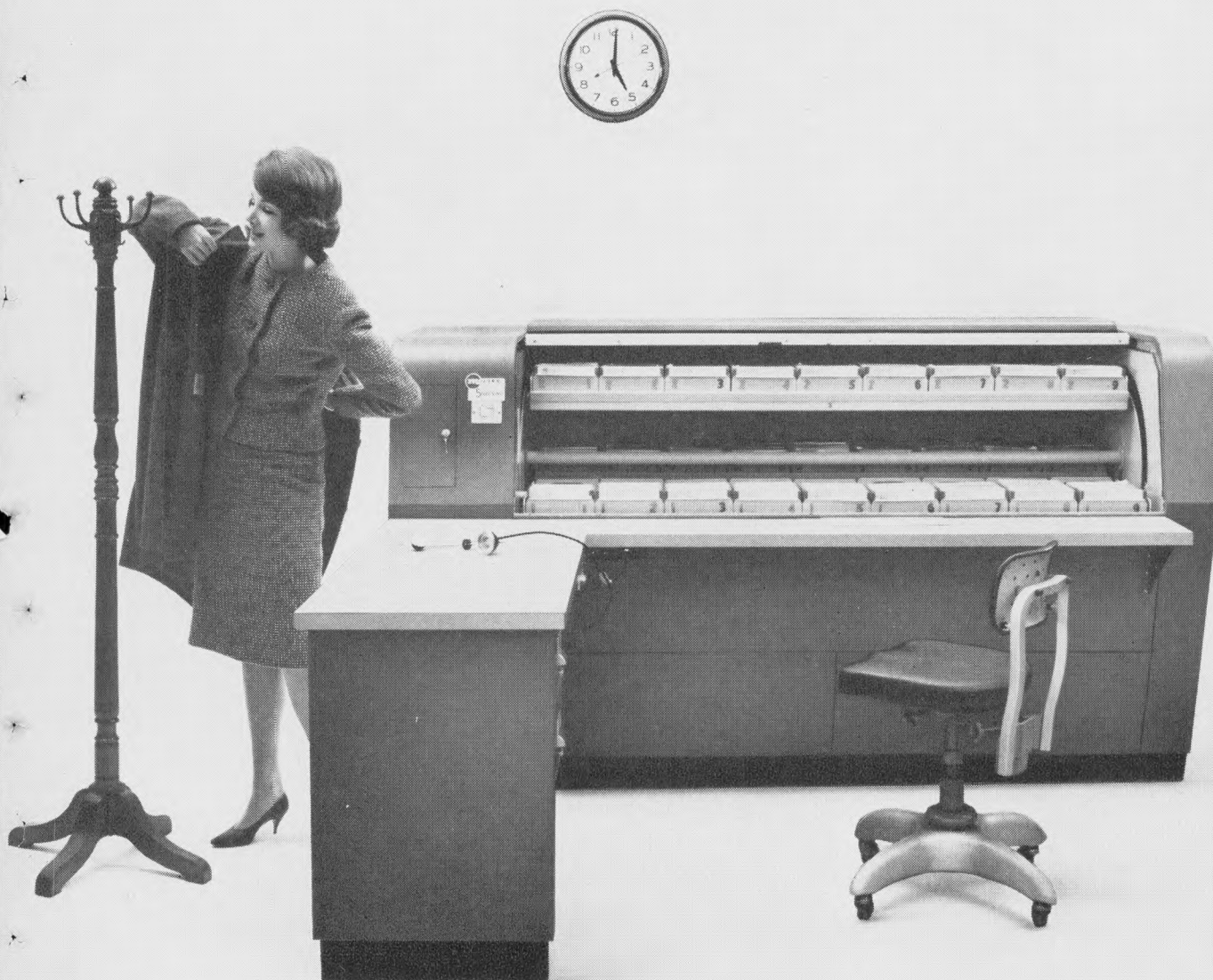
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Northwestern Banker, March, 1964



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Northwestern Banker, March, 1964

Independent Bankers Plan 30th Annual Convention

AN ARRAY of experts on topics from agriculture to enrichment of leisure time will address the 30th annual convention of The Independent Bankers Association in Minneapolis April 9, 10 and 11.

Speakers thus far scheduled for the convention general sessions at The Leamington Hotel were announced by Howard Bell, executive director of the IBA which has 6,200 member banks in 40 states. More than 1,000

independent bankers and guests are expected to attend.

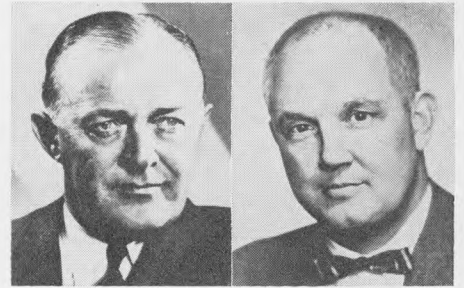
Slated for talks on Friday, April 10 are:

Chairman Harold D. Cooley (D-N.C.), of the House Agriculture Committee.

Dr. Fillmore Sanford, University of Texas psychologist, describing leisure time problems in an abundant economy.

Rep. Thomas B. Curtis (R-Mo.), House Ways and Means Committee

member, respected for legislative leadership in seeking equality in the tax treatment of competing financial institutions.



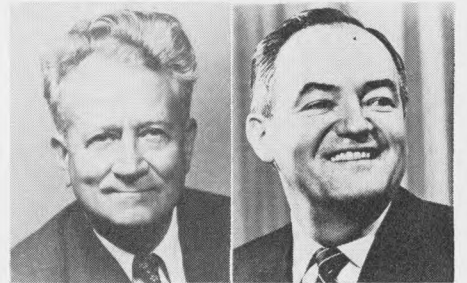
H. D. COOLEY

T. B. CURTIS

Speakers on Saturday, April 11 will be:

Clayton Rand, Gulfport, Mississippi editor, publisher and syndicated columnist.

Senator Hubert H. Humphrey, majority whip in the Senate and a potential running mate for President Johnson in the 1964 election.



C. RAND

H. HUMPHREY

Dr. Alton Ochsner, New Orleans surgeon, discussing the probability of a link between cigarette smoking and lung cancer.

Convention keynoter will be the IBA president, S. E. Babington, president of the Brookhaven Bank & Trust Company of Brookhaven, Miss.

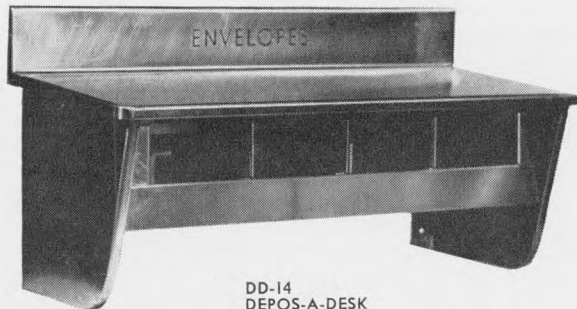


A. OCHSNER

S. E. BABINGTON

Also on the convention program are a sightseeing bus tour of the Twin City metropolitan area in which more than a million people reside; breakfasts, luncheons for men and women, evening dinners, dancing and floor show entertainment.

A post-convention tour to Puerto Rico will depart by air from Minneapolis-St. Paul International Airport on Sunday, April 12.



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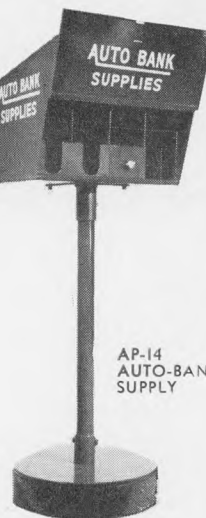
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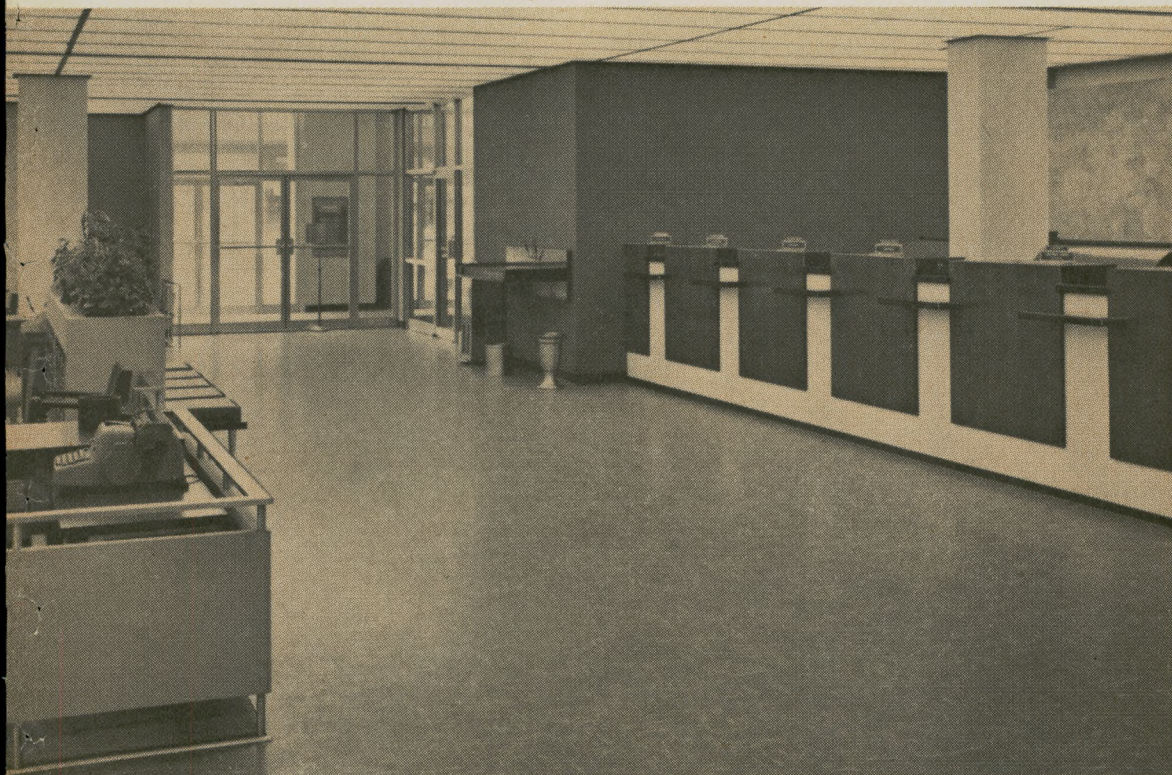
New!

The American Safe Company

"Your consultant showed us how to
**continue business as usual
during modernization"**



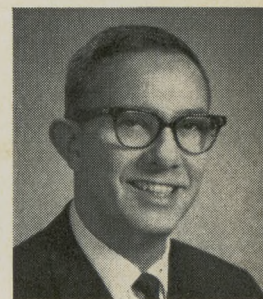
— says Charles L. Long, President, The First National Bank and Trust Company in Steubenville, Ohio



"Before remodeling, you tend to worry about whether or not all the construction work will upset your business. That's why we were glad to hear your Tom Cahill's explanation of special techniques you've developed to permit business as usual during modernization. We found that work proceeded smoothly, and suffered no loss of business. Any bank with a problem like ours will find that your Mid-Continent consultants know how to take the problems out of building."

Because today's bank is so complex, and so vital to community welfare, modernizing its facilities requires great skill and care. Crippling its operations would be disastrous. When Bank Building's remodeling specialists handle the job, disruption is held to an absolute minimum. To your project we bring 50 years' experience, a host of specialized remodeling techniques, and world-wide resources. Perfectly-timed assembly of materials and skills speeds work, minimizes clutter, permits your business to proceed almost as usual. To take the risk out of remodeling, call in one of our consultants before you make plans. No obligation.

Free planning guide! Send for "99 problems you face when you plan new quarters."



Tom Cahill,
Consultant

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New Bond Analysis System

KENTON R. CRAVENS, chairman of the board, has announced that Mercantile Trust Company, St. Louis, has inaugurated a new computer program, in the bank's data processing center, to provide rapid analyses in depth of government bond trading opportunities.

With this new Bond Trade Analysis Program, Mercantile Trust Company and its more than 1,100 correspondent banks will have ready means for rapid analysis of many government security trading situa-

tions. Although this new Mercantile program will in no way supplant experienced human judgment, the bank's computer equipment will furnish in depth a complete study of many possible results from a contemplated trade.

Results from a preview of the operations of this new Bond Trade computer program were highly informative, especially in the area of trades of government bonds for tax purposes. With this new program, correspondent banks maintaining a list-



PREVIEWING the new Mercantile Bond-Trade computer service, **Richard Mersinger**, v.p., bond dept. (left), and **James E. Brown**, v.p. and head of banks and bankers dept., examine an analysis of a govt. bond trading situation.

ing at Mercantile of their government securities portfolio may use this extensive computer service whenever feasible to project the merits of a future trade.

This new Mercantile program, designed generally to test the worth of projected portfolio switches at the rate of one every two seconds, can come up in a few minutes with answers that might otherwise take up several hours of a bond analyst's day.

Approves New Financing

The board of directors of Iowa Power and Light Company, Des Moines, Iowa, at a special meeting last month

approved in principle a financing program to raise approximately \$10,000,000 of new money by the sale of debentures to provide funds necessary in connection with the company's construction program and for repayment of short-term bank loans, according to A. Paul Thompson, president.



A. PAUL THOMPSON


Also approved were plans which call for the investment of \$12,300,000 in new construction in 1964 to keep pace with increasing customer uses of electric and gas service.

In further action, the board of directors recommended a common stock split-up on the basis of three shares for each two shares held at the close of business April 8, 1964. The stock split is subject to approval by the shareowners of an amendment to the articles of incorporation. Par value of the common stock will continue at \$10 per share.

Joins National Boulevard

Peter N. McArthur has joined National Boulevard Bank as assistant trust officer. He has been in trust work in Chicago since 1956.

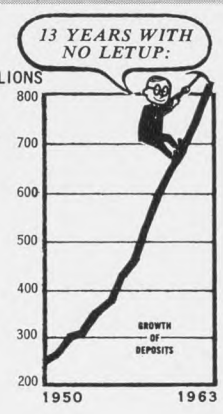
The bank has also announced the appointment of Ellis D. Robinson, Jr. as pro cashier.



Thumbnail Report from ARIZONA!


(in case you missed it)

DEC. 31, 1963:



| | |
|---------------------------|---|
| LOANS | \$576,646,000 .. up \$47,900,000 |
| DEPOSITS | 809,800,000 .. up 66,000,000 |
| CAPITAL FUNDS .. | 56,186,000 .. up 2,885,000 |
| RESOURCES | 898,400,000 .. up 73,600,000 |

Net Operating Earnings Per Share \$2.67 .. 14.6 %



NOW 38TH IN THE NATION ... up 4 places

82 CONVENIENT OFFICES

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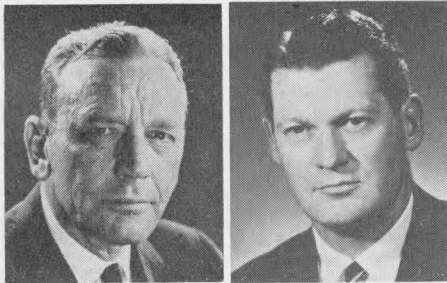
NATIONWIDE
FIELD
WAREHOUSING



Denver Will Be Site of FPRA Regional, April 20

THE 1964 Regional Conference of the Financial Public Relations Association will be held April 20 at the Brown Palace Hotel in Denver, Colo. It will be the third in the annual series of regional meetings held by FPRA, the first two of which will be April 3 in Richmond, Va., and April 6 in Albany, N. Y.

Theme of the Denver meeting will be, "Profitable Planning for Marketing Financial Services," according to R. L. Olson, public relations director of The National City Bank of Denver and general chairman for the conference. Two vice chairmen assisting him are: Wendell H. Martin, president, Englewood State Bank, and C. Gale Sellens, vice president, Jefferson County Bank at Lakewood.



H. W. LEWIS

B. M. ROCKWELL

Program Chairman Bruce M. Rockwell, senior vice president of Colorado National in Denver, has released an advance outline of the meeting activities. An outstanding entertainment program for early arrivals on Sunday, April 19, has been arranged. These registrants will be taken by special bus, departing starting at 1:30 p.m. from the headquarters hotel, for a tour of the Air Force Academy near Colorado Springs. The tour will be followed by refreshments and dinner at the Officers' Club.

The first formal part of the program on Monday, April 20, will be a presentation by the central office from Chicago on "What Is Our Marketing Approach for Today." This will be followed by a special presentation which will not be revealed until complete details are wrapped up in March.

The luncheon address will be delivered by Harold W. Lewis, vice president of The First National Bank of Chicago and FPRA president.

Traditional workshop sessions will take up the entire afternoon. Workshop A will be devoted to savings, featuring three panelists who will represent small, medium size and

large banks. Workshop B will discuss installment loans. Workshop C will be aimed at "Telling Our Story" through press, radio and television.

A second set of workshops in late afternoon will be as follows: Workshop D, on checking accounts; Workshop E on business development and call program, and Workshop F, new ideas clinic.

Reception and cocktail hour will be followed by the evening banquet. The speaker at this affair will be Mr. Cartha D. DeLoach, assistant director of the Federal Bureau of Investigation.

Other committee chairmen working on the regional FPRA conference in Denver are:

Attendance: Larry L. Varnell, assistant vice president, Central Bank & Trust Company.

Entertainment: John B. McKeon, vice president, Denver United States National Bank.

Finance: Neil L. King, vice presi-

dent, The First National Bank of Denver.

Promotion and Publicity: Robert E. Jordan, assistant vice president, Mountain State Bank.

Reception and Hospitality: Stanley O. Halberg, vice president, American National Bank.

Registration and Arrangements: John Dickinson, public relations officer, Union National Bank.

Women's Entertainment: Mrs. Hildred Watson, public relations director, Bank of Denver.

State Banking Associations Liaison: James C. Scarboro, executive secretary, Colorado Bankers Association.

It is not necessary to be a member of FPRA in order to attend. Registration fee is \$22 for men, and \$12 for wives. This includes the tour of the Air Force Academy.—**End.**

Retires from F.D.I.C.

Retirement at the end of February brought to a close the Government career of Neil G. Greensides, chief of the division of examination of the Federal Deposit Insurance Corporation, after a span of service to F.D.I.C. of over 30 years.

Plan ABA Savings Conference

THE program for the 61st National Savings Conference of the American Bankers Association to be held at the Sherman House in Chicago, April 6-8, will pull together current ideas, trends, needs, issues and problems to help banks in all parts of the country administer and increase their savings and time deposit business.

Charles A. Age-mian, executive vice president of The Chase Manhattan Bank, New York City, is president of the A.B.A. Savings Division.

During the conference, emphasis will be placed on what's new, novel, different, significant and controversial in savings and time deposit banking. "Banking is in a period of change with stirring challenges for every bank in the nation. Certainly, not the least of these challenges is the rise of savings and time deposits in commercial banks," says A.B.A. President William F. Kelly, who will be a Wednesday morning speaker.

Among other speakers will be Edwin N. Neilan, chairman of the board

and president, Bank of Delaware, Wilmington. Mr. Neilan, who is currently president of the Chamber of Commerce of the United States, has attracted international attention by his thought-provoking approach to business and financial programs. Another banking leader to be heard will be David Rockefeller, president, The Chase Manhattan Bank, New York City.

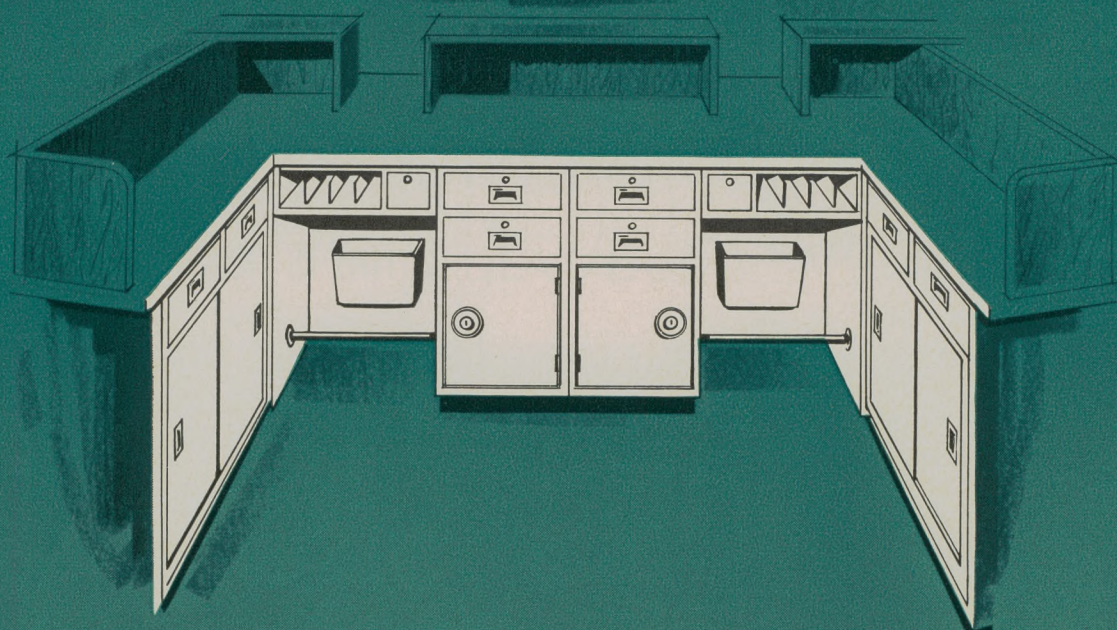
Legislation in prospect which promises to affect bank savings and time activities will be discussed by Jack T. Conn, chairman, A.B.A. Federal Legislative Committee, and president, Oklahoma State Bank, Ada.

Among nonbankers appearing before the sessions will be: Dr. Paul S. Nadler, assistant professor of finance, New York University; James L. Hayes, dean, School of Business Administration, Duquesne University, Pittsburgh, Penn.; Dr. Arthur R. Uppgren, vice chairman of the National Thrift Committee, and director, Bureau of Economic Studies, Macalester College, St. Paul, Minn.; and Charles D. Hepler, director of advertising sales, *The Reader's Digest*, New York.

Much of the interest in the conference will be focused upon simultaneous clinics on Monday and Tuesday afternoons.



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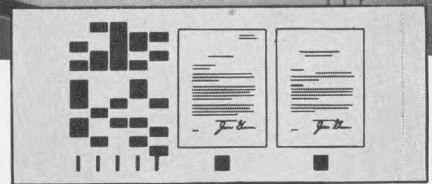
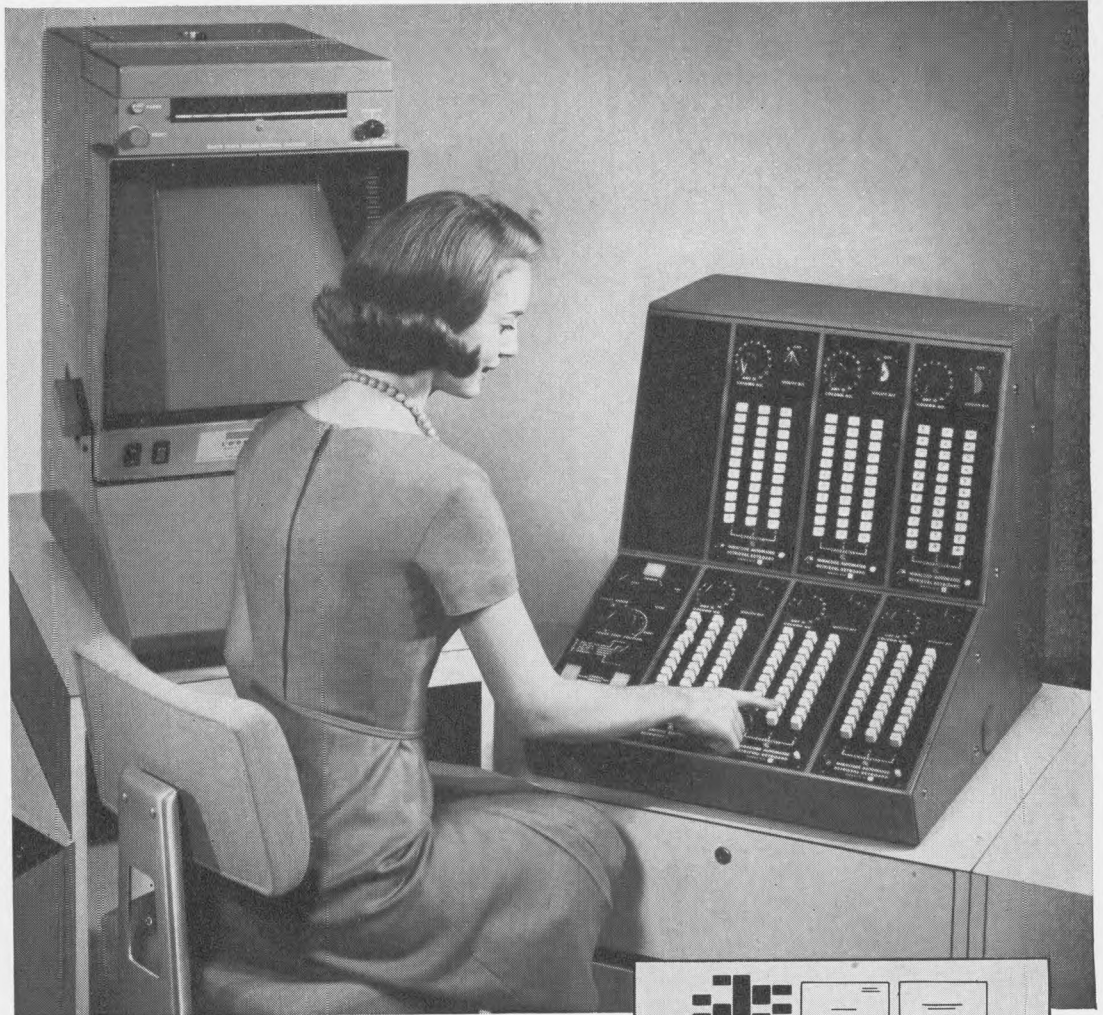
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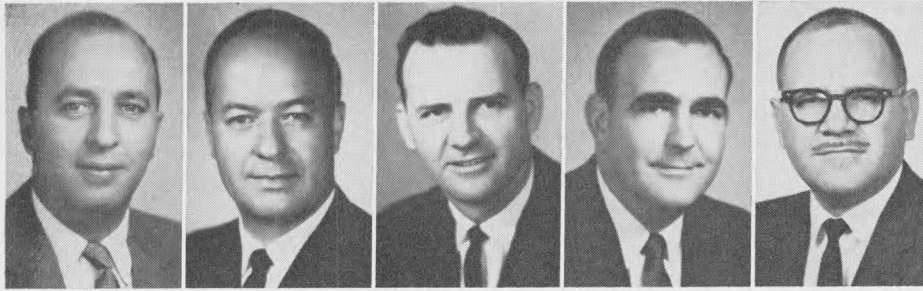
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T. LESLIE KIZER, president of Central States Health & Life Company, Omaha, has announced the creation of five new high level offices in the company's field organization.

Named to the new posts of "Director of Operations" were W. Robert Ballew, Robert C. Findlay, Wilfred W. Hoffman, Jerome G. Kraemer and Martin Zinda.

Mr. Kizer called them "five of our most knowledgeable men." He said they will be directly responsible for field production and service in their respective areas.

More than 900 banks now offer Central States Bank Health plan to their customers and deduct premiums

monthly from checking accounts. For this service the banks retain a collection fee.

In all lines of insurance, Central States now deals with more than 1,300 financial institutions.

NABAC Teller Report

The second report covering a historic nationwide research study of bank commercial teller operations has been released to member banks of NABAC, the Association for Bank Audit, Control and Operation.

The report states that bank management can get a quick appraisal of the efficiency of its teller operation by attempting to answer three ques-

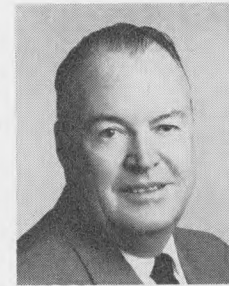
tions: (1) How many customer transactions does a teller handle? (2) How much of his time is spent serving customers. (3) How much of his time is available for noncustomer functions, or else is idle time?

Add New York Director

Joseph F. Cullman III has been elected a director of Bankers Trust Company, New York, William H. Moore, chairman of the board, has announced. Mr. Cullman is president and chief executive officer of Philip Morris Inc.

First National City List 12 Promotions

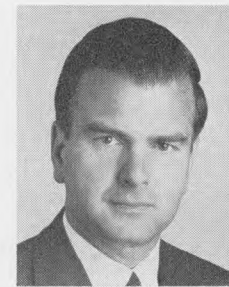
First National City Bank has announced in New York the appoint-



J. B. ARNOLD

ment of three new senior vice presidents and nine new vice presidents.

The senior vice presidents are: John B. Arnold, former supervisor of the South American District, will join the Europe, Africa,



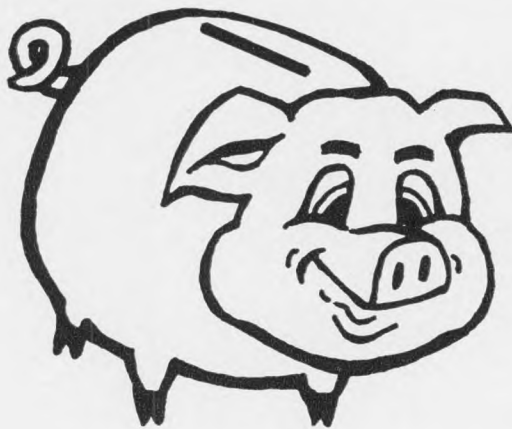
J. F. JAFFRAY



J. W. HEILSHORN

Middle Eastern District; James J. Jaffray, assigned to the national division, heads a group of four banking districts and also has supervision of corporate financial planning; and John C. Slagle, supervisor of a commercial banking district at the 55 Wall Street office.

The nine new vice presidents are: John C. Goodridge, national division; John D. Hashagen, metropolitan division; John W. Heilshorn, head of credit analysis department of national division; Clarence C. Horan, Jr., assigned to 2 Broadway branch; Donald S. Howard, European district; James R. Hummer, Far-Eastern-North district; Norman J. Larkin, estate planning division; Victor O. Prall, resident officer in Buenos Aires, and Franklin R. Saul, bond administration.



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R. Cosby Moore

Chairman of the Board
Virginia National Bank

NCR
THE NATIONAL CASH REGISTER CO.

Northwestern Banker, March, 1964

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FOR INVESTMENT COUNSELING, TOO

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Most Iowa banks depend on Central National for efficient handling of all transit items and for the friendly, working relationship that makes Central Iowa's dependable Sign of Service.

T. WARD PHILLIPS
Vice President

"IBM computer analyzers speed evaluations of bank customer portfolios and our safe keeping facilities protect your investments."



Central

NATIONAL BANK AND TRUST COMPANY

Fifth and Locust Street . . . Des Moines

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Trouble Trio

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

Northwestern Banker, March, 1964



NEW BANK LOBBY in the new north building addition of Kansas City's First National Bank features new island "service center."

Complete Kansas City Project

A MAJOR expansion program of the First National Bank, Kansas City, has recently been completed in the form of a new addition to the main bank building.

Located at 10th and Baltimore, the addition has five floors and two basement levels. There is 84,000 square feet in the new structure, and with the original building, more than doubles the bank's floor space.

Two levels of the new addition are devoted to customer parking, supplementing space already in use across Baltimore Avenue. Access to the new parking is by the addition's ground floor entrance on Baltimore. From

this point, elevators, stairs and a new escalator take customers up to the main lobby, which extends as one large banking area across both the original building and the new addition. A two-speed motorized revolving door is installed at the new Baltimore entrance for customers who walk in.

The third floor of the addition houses the bank's electronic data processing department, bookkeeping departments and credit department. All automation equipment is located on this floor, which permits the bank to handle all accounting functions from this one central location.

Joins Harris Bank

William J. De Verna has joined Harris Trust and Savings Bank, Chicago, as assistant cashier in charge of operations in the Harris International Banking department. Mr. De Verna comes to Harris from Royal National Bank, New York City, where he was assistant vice president in the foreign department.

Joins Live Stock Bank

Charles Y. Thompson has been named assistant cashier and assigned to the correspondent banking division of the Live Stock National Bank, of Chicago.



C. Y. THOMPSON

A native of Highland Park, Ill., and later a resident of Barrington, Ill., Mr. Thompson graduated from the University of Nebraska in Lincoln obtaining a bachelor of science degree in general agriculture and economics. After graduation, he joined the Soil Conservation Service where he spent four years in farm planning. He operated and managed a general livestock firm in Dundee, Ill.

How DOUGLAS-GUARDIAN'S special audit procedures give you assured collateral protection

Douglas-Guardian's unique system of Field Warehousing is the soundest possible method of protecting collateral that cannot be kept in your own vault. For Douglas-Guardian sets up an independent custodianship of inventory, wherever it may be—at the manufacturer's, distributor's, wholesaler's or jobber's own place of business.

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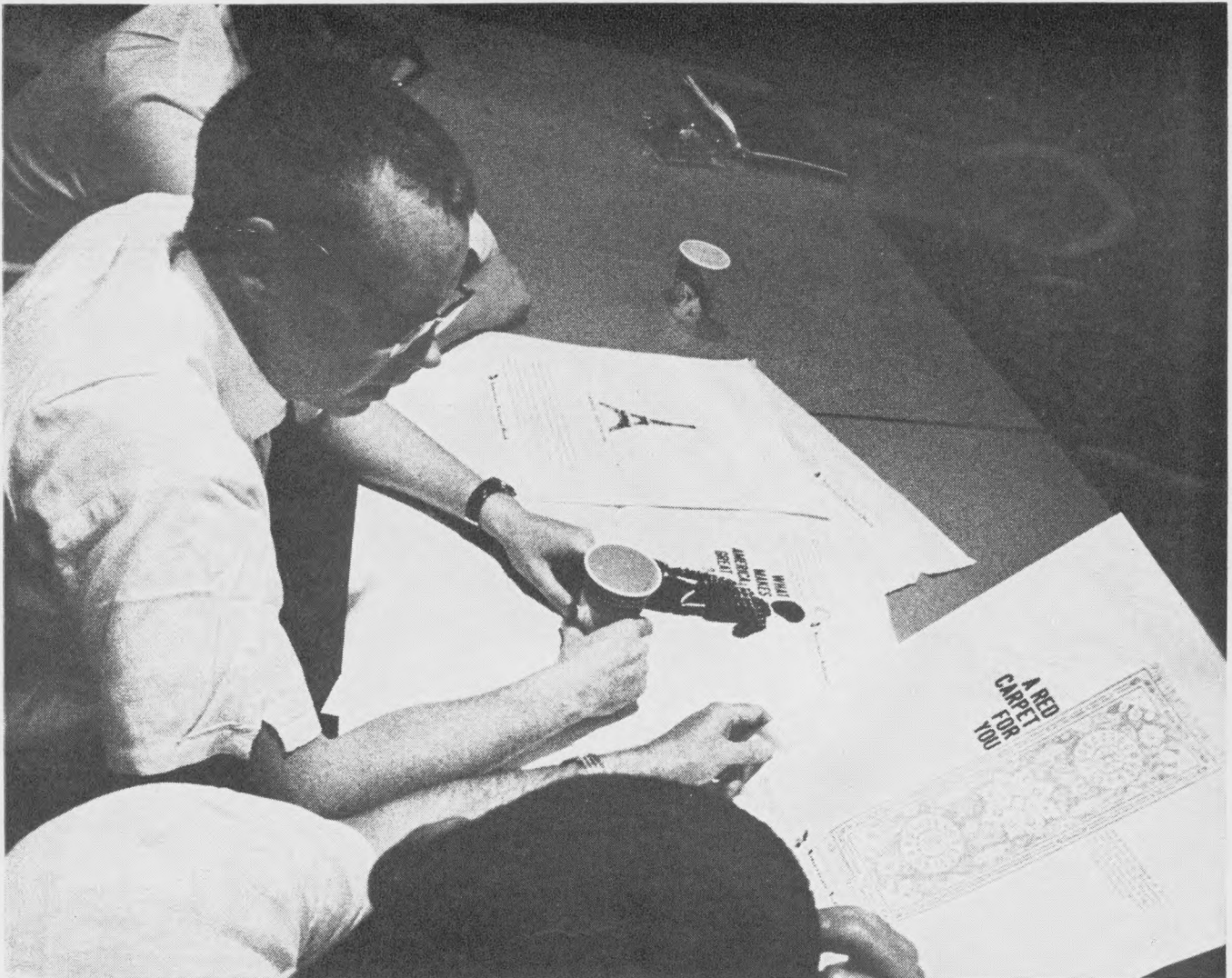


Douglas-Guardian

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OUR INTEGRITY IS YOUR SECURITY



George Dempsey reviews 1964 advertising campaign with executives of the bank's advertising agency.

This is George Dempsey— your advertising and public relations adviser in Chicago

George Dempsey is our Director of Advertising and Public Relations. Over the years, our Correspondent Bank Division has channeled hundreds of requests for help to George's office.

These include advice on setting up an advertising and public relations department, planning bank openings, open houses, use of direct mail, bank publications...and many more aspects

of business development. They're all in a day's work to this shirt-sleeves executive.

If you've got a new or unusual problem in bank advertising or public relations, perhaps George Dempsey can help you. Your American National correspondent bank officer will be glad to put him on your team.

We serve thousands of people . . . but we serve them one at a time



American National Bank

and Trust Company of Chicago/LaSalle at Washington 60690
Member Federal Deposit Insurance Corporation FRanklin 2-9200

Northwestern Banker, March, 1964

ACROSS *the* DESK from the Publisher

Dear Lyndon B. Johnson:

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

In view of the fact that you are a native of a major cattle producing state and you are experienced in raising beef cattle on your own ranch, how can you continue to approve the unrestricted beef importation policy which is having such a serious effect on the economy of our nation?

It is true that a proposed voluntary agreement has been worked out with Australia and New Zealand—but we agree with the Honorable Jack R. Miller, U. S. Senator from Iowa, when he says:

“I am unimpressed by the agreement. In 1960, when livestock prices in the United States were reasonably good and imports comprised five per cent of domestic production, the imports from New Zealand amounted to 131 million pounds of beef and veal. In 1964, these imports had increased 92 per cent to 244 million pounds. The proposed agreement would reduce these back to 231 million pounds in 1964, which is still 80 per cent over the 1960 figure. Out of the last five years, Australia and New Zealand have taken the two highest years to come up with their average!”

There can be no doubt that the American producer is taking it on the chin. Cattle that sold for \$36 and \$37 per hundredweight only a year ago now sell for about \$21 a hundredweight.

Obviously, our beef importation policy is not entirely responsible for this price drop—but we feel that it is a major factor—when you consider the fact that the United States now provides the only open and free market for beef in the world! Every other country restricts or prohibits imports so as to protect their own producers. Last year, imports equalled about 10 per cent of domestic production, and in August, they amounted to 12.3 per cent.

Secretary of Agriculture Orville Freeman has steadily denied that beef imports have had an effect on livestock prices. At Monticello, Iowa, for example, Mr. Freeman said that price weaknesses have been in fed beef and this is not the grade of beef we import. It is our contention, however, that every meat competes with every other meat. If an American's belly is full of Australian hamburger, he isn't going to be in the market for U. S. steak, ham or lamb.

Gerald Leighton, president of the Chicago Live Stock Exchange, has been quoted to the effect that the deluge of foreign beef swamping this country presents such a threat to the freedom of the U. S. cattlemen that it has become frightening. He states that cattlemen are being “sold out” for a dual purpose: to buy the friendship of foreign nations and to shackle the freedom of one of the most independent groups of men in agriculture. We might ask Mr. Freeman if it is his intention to bring the livestock industry to its knees from which it would have to plead for price supports in exchange for government regulation!

Not everyone in Washington has stood by without offering continuous protests backed by sound facts and figures. Cattlemen and bankers in agricultural areas owe a big vote of thanks to Jack R. Miller, senator from Iowa; Roman Hruska, senator from Nebraska; Glenn Cunningham, U. S. representative from Omaha, and many others.

It is our understanding that as President of the United States, you have the authority to establish quotas or other trade restrictions on imports when it is shown that the industry is seriously threatened as a whole. Perhaps it is time for you to stop listening to the “ranch hands” in the State Department and Agriculture Department, and start using some of the common sense based on your experience as a cattle producer.

THE NEW YORK BANKER WITH THE HOMETOWN TOUCH



He wears out 4 pairs of shoes a year solving financial problems on the spot

By not being afraid to get mud on his feet—he's helped correspondent banks and their customers beyond measure.

He surprises some. Apparently they expect the traveling representative of a 5-billion-dollar bank to be less painstaking. But that wasn't how he earned the title "the New York banker with the hometown touch."

With an intimate knowledge of business and industry, and with the aid of correspondent banks everywhere, your man at Chemical New York can often supplement your own staff in accommodating customers.

He offers you the services of a large corps of specialists, with headquarters in the financial capital. That's a lot of

service. A lot of shoe leather. It saves steps for you. Chemical Bank New York Trust Company, New York 10015.

Chemical New York

Northwestern Banker, March, 1964



MODERN electronic drive-up banking was recently made available to customers of Evanston Trust & Savings Bank, Evanston, Ill.

TV Unit for Evanston Bank

THE new world of modern electronic drive-up banking was recently made available to the customers of the Evanston Trust & Savings Bank, Evanston, Ill. The installation was made by TV Bank Corporation, Indianapolis.

Evanston's customers were previously faced with the problem of finding an on-street parking space, then walking to the bank. The bank felt the need to establish a drive-in facility which would help to relieve

this problem.

In order to create an adequate drive-in facility, adjacent property was purchased, and existing buildings were razed. However, because of the physical limitations of the bank building, a problem still existed in that only one standard drive-in window could be attached, and this was determined to be an insufficient service extension. A new drive-in window with a remote TV customer station solved the problem.

WORN OUT?

We hope your DeLuxe catalog of bank checks is worn and torn. We hope it is so because of your customers mulling over and thumbing through its pages during the past few years while they selected the check form best suited to their needs. This means it has had a great deal of use . . . and we hope its use has saved your bank a lot of money.

You can just about throw the old book away . . . for very shortly your DeLuxe representative will be delivering an entirely new catalog to your bank. The new books will be ready for distribution beginning March 2nd.

It has been about five years since we released a new catalog, and many small improvements in

check forms and packages have been made during this period. The new book will feature most of the old reliable checks to which you have become accustomed, plus some new ones you perhaps haven't heard about. It will be more colorful, easier to understand and use, and we hope it will please more of your customers than ever before.

If you *just can't wait* until your representative makes his regular call . . . if your catalog is simply so worn out that you're ashamed to display it . . . we'll be happy to send you the new edition. Contact your DeLuxe plant or our advertising department at 3456 N. Kedzie Avenue, Chicago, Illinois. ZIP Code 60618 for fastest service.

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Elect Tulsa Banker

F. G. McClintock, president of The First National Bank and Trust Company of Tulsa, has been elected a member of the board of directors of Champlin Oil & Refining Company.

Heads Chicago Bank

Frank E. Bauder has been elected president of Central National Bank in Chicago. J. Ross Humphreys, former president, moves to chairman of the board. In the past, this title has not been active, but the bank has changed its by-laws to make it so. Frederick



J. R. HUMPHREYS

F. E. BAUDER

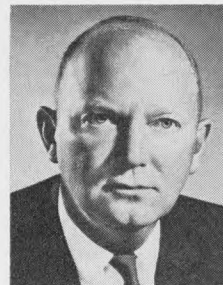
L. Regnery, former chairman of the board, who had served in an inactive capacity, was named chairman of the executive committee.

Mr. Bauder came to Central National as executive vice president in May of 1963 from the Continental Illinois National Bank where he had worked for 17 years. At Continental he was a vice president and in charge of two commercial loaning divisions. He is a native of Elgin, Iowa, and a graduate of Coe College in Cedar Rapids.

In March, 1962, the bank moved from an outlying area at Roosevelt and Halsted to the heart of the financial district at 120 South LaSalle Street.

New Chicago Director

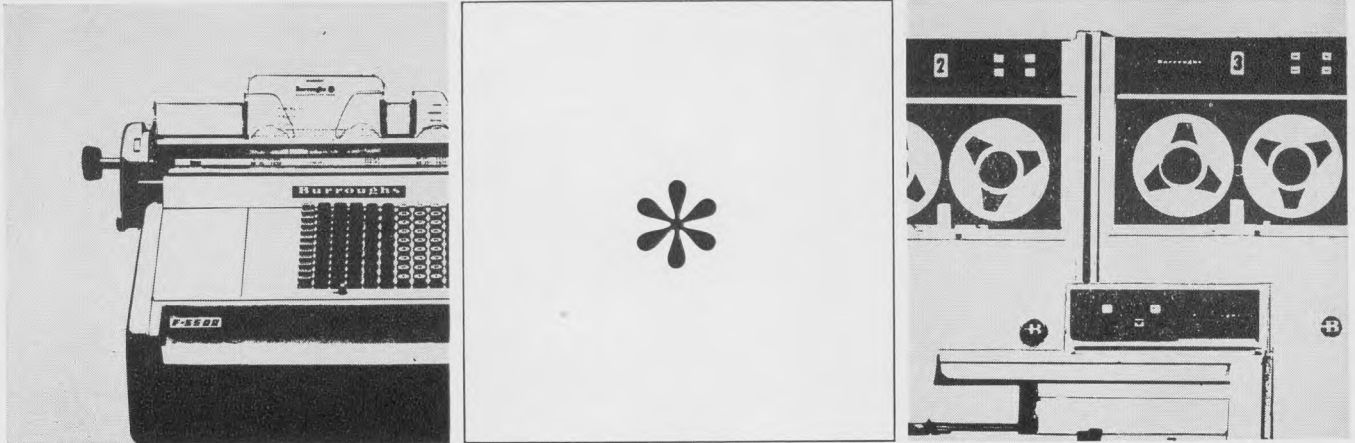
Leo H. Schoenhofen, president and chief executive officer of Container



L. H. SCHOENHOFEN

Corporation of America, has been named to the National Boulevard Bank of Chicago's board of directors, according to Irving Seaman, Jr., president.

Mr. Schoenhofen joined the Container Corporation in 1940 in Chicago and subsequently supervised and directed operations in Philadelphia. He returned to Chicago in 1954 as senior vice president.



FOR BANKS WHOSE NEEDS ARE "IN BETWEEN"...

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It's new for banks large or small whose needs are beyond the capabilities of conventional accounting equipment but don't justify the cost of larger scale data processing systems.

WHAT IS IT? An electronic computer—an electronic accounting machine . . . a combination of the best of both!

SOLID STATE? Of course!

CORE MEMORY? Up to 100 words, independent of program requirements!

VERSATILE? Change programs with a twist of a knob!

OPTIONAL FEATURES? Magnetic stripe

ledgers, punched tape or cards as required. **COSTLY?** Definitely not! We can prove the best cost/result ratio available.

WHAT ARE ITS USES? Any accounting or figuring requirements that include computation such as: interest on savings accounts; mortgage principal and interest breakdown; service charge calculations; accrual accounting; automatic trial balancing and statistical reporting.

SHOW ME! Contact your Burroughs representative. Let him demonstrate why the E 2100 is the incomparable answer to your accounting and computing problems. Burroughs Corporation, Detroit, Mich. 48232.

Burroughs—TM

Burroughs Corporation



Northwestern Banker, March, 1964



Paradise, Butte County, California—population 16,000.

Man-on-the-spot . . . in Paradise. Also in Pearblossom, Angel's Camp and Pismo Beach. Name the place, and there's a Bank of America man-on-the-spot to give you accurate first-hand information on credit and collections, handling of transit items, plant sites and business opportunities. More than 800 **BANK OF AMERICA** branches cover California from border to border. For the most complete correspondent service in all of California, get in touch with our National Division, 300 Montgomery Street in San Francisco, 650 South Spring Street in Los Angeles.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION • MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, March, 1964

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Federal Reserve Bank of St. Louis

No. 3 in a Series

How States Finance New Industry

By BEN HALLER, JR.
Editor

IN THE first two articles in this series on how states in the NORTHWESTERN BANKER area are developing new business, a look has been taken at some specific examples of how bankers particularly have provided leadership in bringing in new business and industry.

This article will deal with methods of financing such new enterprises, since financing must ultimately be a crucial issue in almost every case.

Because the matter of business development is in itself a campaign for economic improvement in any community or state, various methods have been devised at state and local government levels to furnish financial assistance whenever possible. Such assistance usually takes one or more of several forms: direct or regular type of loans from commercial banks, insurance companies or other lending institutions; or, as is usually the case, financing through a state organized or subsidized body, and tax concessions of various kinds.

Kinds of Financing

In its October and December, 1963, issues of *New England Business Review*, the Federal Reserve Bank of Boston reviews the several kinds of financing to be found in the 50 states. It says, "These 'money weapons' fall into four major categories. Two may be termed the 'Blue's' weapons since they originated and are still used predominantly in the North. These are the privately financed Business Development Corporations, and state financing of industrial buildings either through insurance or direct loans. Of the 'Grey's' two weapons, one exempts new industry from state or local taxation and sometimes from both. The other is the use of municipal bonds for private industrial financing."

Details of Plans

The New York State Department of Commerce, in its Research Bulletin

No. 6 published in October, 1963, confirms the above in a 46-page booklet titled, "The Use of Public Funds Or Credit in Industrial Location." The usual types of financing employed for this purpose are described, in condensed form, as follows:

1. State Chartered Development Credit Corporations—This type obtains capital from the sale of stock to banks, insurance companies, other business firms and individuals. The DCC can borrow from financial institutions in order to lend many times its capital, and such loans are made to businesses which cannot obtain money from conventional sources. The first one was organized in Maine in 1949. As of October 1, 1963, there were 20 corporations, mostly in the east and south, with statutory authority issued for them in 12 other states.

2. State Industrial Finance Authority—This channels state funds and credit to local development corporations, with two such types. One, prevalent in New England states, guarantees repayment of all or part of a mortgage loan made by private

sources on an industrial facility. The other makes direct loans of state funds to local development corporations to aid in financing industrial projects. Funds are obtained in two ways—direct state appropriation and the sale of bonds. The first was used by New Hampshire in 1955. As of June 1, 1963, 13 states had active authorities, seven of them in the north-east states.

3. Local Bond Issues—Some states permit local governments to issue bonds to finance construction of industrial facilities for lease or sale to private industry. Most states say only revenue bonds can be issued, although some permit general obligation bonds. Such bond issues usually place an extra burden on taxpayers in the community, because these projects, being publicly owned, are generally exempt from state and local taxes, with income from the bonds usually being exempt from Federal income taxes. First authorized by Mississippi in 1936, as of June 1, 1963, 19 states

NEW INDUSTRY . . .

(Turn to page 41, please)

Summary of Government-Sponsored Plans for Authorized Financial Assistance to New Industry in NORTHWESTERN BANKER Area*

| | Colo. | Iowa | Minn. | Mont. | Nebr. | N. D. | S. D. | Wyo. |
|------------------------------------|-------|------|-------|-------|-------|------------------|-------|------|
| Development Credit Corp. | No | Yes | Yes | No | No | No | Yes | No |
| State Industrial Finance Authority | No | No | No | No | No | No | No | No |
| Direct Loans ¹ | No | No | Yes | No | No | Yes ² | No | Yes |
| Local Revenue Bonds | No | Yes | No | No | Yes | Yes | No | No |
| Local General Obligation Bonds | No | Yes | No | No | No | Yes | No | No |
| Tax Concessions | No | No | No | Yes | No | No | No | No |

¹Direct industrial loans, jointly with Federal ARA. Only for depressed areas.

²Direct industrial loans from state, for electric power facilities only.

*Sources—Federal Reserve Bank of Boston Business Review.
New York State Department of Commerce.

ANNUAL BOND AND

Municipal Purchases By

A NORTHWESTERN BANKER Survey

BANKS will continue to purchase municipal bonds at about the same rate during 1964 as in 1963, according to a survey just completed by the NORTHWESTERN BANKER among banks in the north central United States.

As shown on Chart No. 1, about 61 per cent of the banks surveyed indicate that their purchases will remain at the same level as before. About 18 per cent of the remaining banks indicate they will be purchasing more municipal bonds while 21 per cent said they will be cutting back.

The pattern remains much the same when analyzed by size of bank with more of the larger banks exhibiting optimism by saying they intend to buy more. A greater degree of caution is exhibited as banks diminish in size.

The average anticipated purchase of municipals is indicated to be about \$250,000 for all banks surveyed, however, the picture changes a great deal when size of bank is taken into consideration. Chart No. 2 shows the breakdown by size and indicates that the majority of purchases will be less than \$100,000.

Question No. 2

The second question on the survey was: "What is the present total dollar amount of Municipal Bonds in your bank's portfolio?" As noted on Chart No. 3, average current holdings range from less than \$400,000 for the smaller

banks to several million dollars in the big banks.

With very few exceptions, present holdings are up, in some cases quite sharply, when compared to those of five and ten years ago. Only a few banks indicate that they have cut back over this period of years.

Question No. 3

Question No. 3 was: "Does your bank have price limits on Municipals within which it confines its purchases?"

About half of the banks with deposits less than \$5,000,000 indicate that they do have limits. This ranges downward to about a third among the bigger banks. It is borne out again, however, that regardless of size, some banks have rather fixed limits on the purchase price of municipals.

Question No. 4

Question No. 4 was: "What maturity limits does your bank seek for municipal bonds?" Here is the picture by deposit totals:

Less than \$5,000,000: The range is from 5 to 10 years. Maturity limits apparently have lengthened out a little more, with the majority mentioning the 8 to 12 year range and at least 50 per cent of the respondents settling at about the 10-year maturity figure.

\$5-\$10 Million: Over 50 per cent of the bankers in this group specify at about the 10-year level with an additional 25 per cent going up to 15

years. The remaining 25 per cent range downward from the 10-year level and center at about the 5 to 6 year range.

\$10-20 Million: About 60 per cent of respondents note a limit of 10 years with most of the remaining ranging upward from here to about the 20 year level.

Over \$20 Million: Maturity limits in this group range from 10 to 20 years and upward with the majority falling into the 12 year level.

Bankers were then asked why they settled on their particular maturity limits. Following is a sampling of the responses, showing the state in which the bank is located and its deposit size:

Nebraska, \$4,600,000 (10 year limit): "Feel that we maintain sufficient liquidity so that totals may be decreased if necessary."

Wyoming, \$4,305,000 (4-6 year limit): "Can never tell what the demand is going to be on deposits. Rates change each year so we prefer not to go for any long term bond."

Wyoming, \$3,400,000 (10 year limit): "Better control due to changing investment picture."

Nebraska, \$15,670,000 (10 year limit): "We feel that if we have a staggered maturity within a ten year range we can let the bonds mature in an orderly manner."

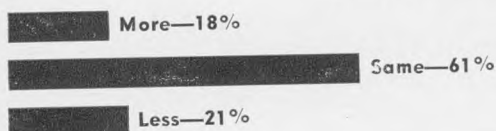
Iowa, \$14,000,000 (no limit): "We are not averse to buying long term bonds of high quality if the overall market is not too high."

Nebraska, \$15,140,000 (10 year limit): "Not enough increase in yield to justify increase in length. Ten years is a long time to invest bank deposits . . . especially when it's hard to figure what will happen in the next ten days."

Iowa, \$5,200,000 (10 year limit): "We need liquidity . . . municipals are not always liquid."

Chart No. 1

"What are your plans for purchasing Municipal Bonds during the coming months?"



INVESTMENT REVIEW

Banks Will Hold Steady

North Dakota, \$23,000,000 (10-15 year limit): "We consider time deposits more stable and thus feel we can go out further on mortgages and municipals. We keep very liquid on governments because we carry a very high percentage of loans to total assets, and longer term mortgages and municipal bonds."

Question No. 5

Question No. 5 was: "If you have felt a reduced supply of bonds in your state in recent months, has this been detrimental in any way to your portfolio management?" Here are some of the answers:

Colorado, \$1,700,000: "Supply more than ample."

Wyoming, \$4,300,000: "With the State (Wyoming) in competition on our supply of bonds it has definitely reduced our supply."

South Dakota, \$2,000,000: "South Dakota bonds have been hard to come by."

Iowa, \$5,600,000: "Rather difficult to buy Iowa municipals in our maturity range at yield which we consider desirable."

Nebraska, \$12,250,000: "Flotations have been rather limited in the past several months, but we are hopeful the spring offerings will be sufficient in supply to create a market condition satisfactory to us."

Wyoming, \$4,300,000: "There might be a reduced supply of bonds in our state, but it has not affected us for we do not limit our purchases to our state alone."

In general, this last quote tells the story. There seems to be very little concern about supply of bonds except among banks limiting their purchases to a given area.

Question No. 6

In Question No. 6, bankers were asked: "Does your bank buy out-of-state General Obligation Bonds? Revenue Bonds?"

As noted on Chart No. 4 and Chart

No. 5, the smaller bankers are more likely to restrict their bond purchases to their home state. The bigger the bank, the more out-of-state purchases of either General Obligation or Revenue Bonds.

Banks continue to be very hesitant to go out of state for Revenue Bonds with only about one-third of the responding banks falling into this category.

No clear trend was developed when banks were asked to indicate the percentage of their total municipal holdings which was out-of-state. Responses ranged from less than 10 per cent to 90 per cent with size of bank

having little influence.

Following are comments of bankers indicating that they look for advice on out-of-state bond purchases from a variety of sources:

Wyoming, \$3,400,000: "Recommendations of certain bond salesmen."

Wyoming, \$4,300,000: "We look to see if it's a good issue and also to the interest rates."

Nebraska, \$6,500,000: "We select issues on the basis of credit criteria, e.g., coverage, per capital debt, ratio of debt to actual value."

North Dakota, \$5,500,000: "Stock brokers recommendation and also our corresponding banks."

Chart No. 2

"What is the dollar amount of your anticipated purchases during the coming months?"

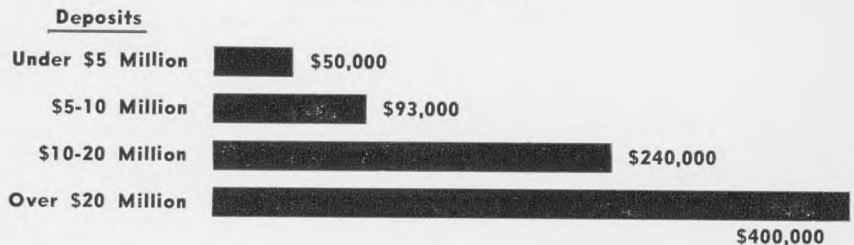


Chart No. 3

"What is the present total dollar amount of Municipal Bonds in your bank's portfolio?"

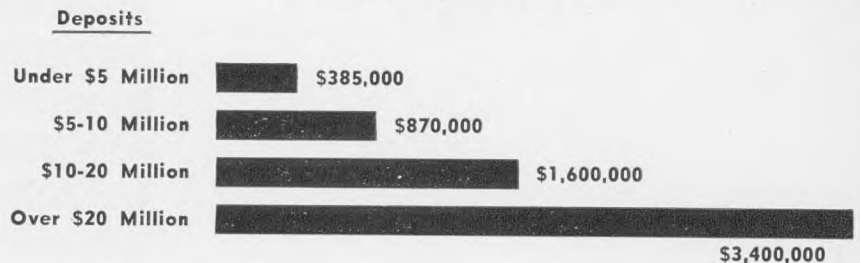
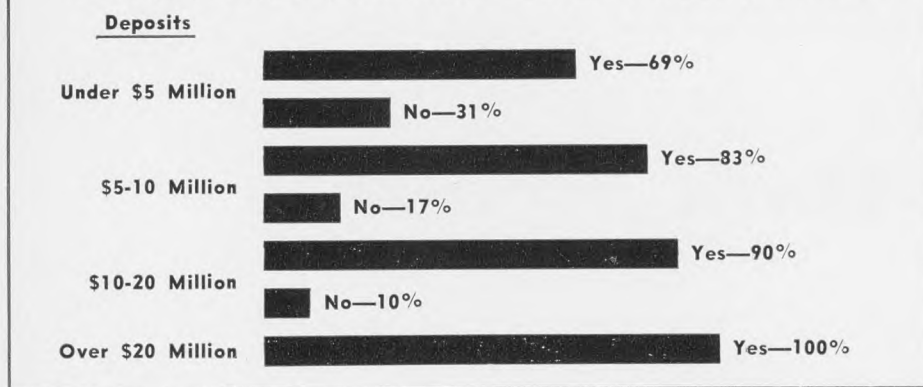


Chart No. 4

"Does your bank buy out-of-state General Obligation Bonds?"



Iowa, \$6,500,000: "Based on recommendations of our broker and knowledge of the community."

Nebraska, \$12,000,000: "We buy pretty much according to rating services."

Question No. 7

Question No. 7 was: "What effect do you think the proposed cut in federal income taxes will have on your bank's investment program during 1964?"

By and large, bankers in the area served by NORTHWESTERN BANKER see no undue effect from the tax cut. Following are some of the comments, most of these from the bankers who did look for some effect:

Nebraska, \$8,750,000: "Expect yield to improve."

Iowa, \$7,800,000: "Increased loan demand might be expected."

Nebraska, \$12,250,000: "A tax cut will adversely affect municipal bond prices and should the 52 per cent corporate rate be reduced 4 per cent it would seem yields should increase 20 to 25 points to reestablish the relationship that now exists between taxable and non-taxable income."

Iowa, \$11,400,000: "Any effect that this might have on our investment program for 1964 will be offset to a large degree with the depressed livestock profits in an agricultural area such as ours."

Iowa, \$5,600,000: "We feel we have tended to allow for this already through the past year."

Iowa, \$3,800,000: "Don't think it would make any difference, however I wish to say that if and when the Federal Reserve Board would tinker with the discount rate it might. It is our opinion that if interest rates are increased by Federal Reserve, it will probably erase any improvement which might result from tax reduction in the first place."

"As you probably know, interest has increased more than any segment

of our economy and still is going up way out of proportion to other segments. Arbitrary manipulation by the Federal Reserve of interest rates never caused nor retarded inflation and it is about time we recognized that this tool as a deterrent never did work and never will. The philosophy of hard interest rates retarding inflation only increases inflation. It reminds us of the time when we had so much cheap food on hand that many people were starving."

Question No. 8

Banks were given the opportunity to make further comments on the current municipal bond picture. Following are some of the varied responses:

Nebraska, \$4,000,000: "We have attempted to use municipal bonds and some FICB and other government agency issues to offset interest paid on time deposits and savings plus a small profit."

Nebraska, \$3,450,000: "We try to maintain a portfolio of bonds equal to our savings accounts."

Iowa, \$6,800,000: "Because of large loan demands we will reduce our municipal portfolio some this year."

Minnesota, \$6,900,000: "We fall into the 52 per cent bracket and for that reason we like municipals. We keep from 7 to 8 per cent of assets in municipal bonds."

Minnesota, \$7,400,000: "It has been our policy to invest approximately 10 per cent of deposits in municipal bonds."

Minnesota, \$81,715,000: "Recently, high prices have caused us to stop buying municipals. Prices have climbed but there seems to be large unsold balances . . . buyers have pushed yields down to an unrealistic level."

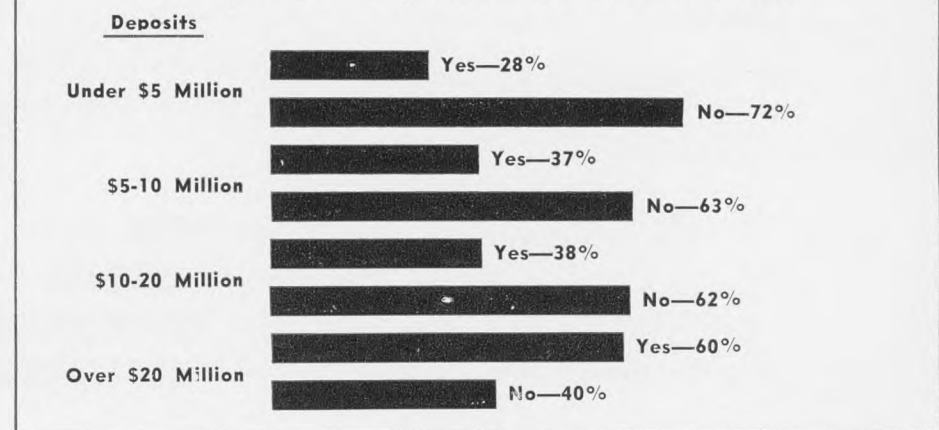
Iowa, \$3,800,000: "We dislike revenue bonds for a bank portfolio and believe Mr. Saxon is wrong in making them eligible for national banks. We also believe we should not purchase any bond where the direct and overlapping debt is more than \$250 per capita. We believe every bank should make investments in its own municipal bonds when available, even though the interest return is lower than on other bonds. We believe net interest rates on General Obligation Iowa bonds are lower than other states and probably should be higher than they are on a comparison basis."

"We do not favor the purchase of a municipal bond where the funds are to be used for the leasing, or even sale, of buildings to industry—new industry. In some cases it is all right, but many are finding that as soon as the 'gift' end of the transaction has been consummated, the industry moves out to another community offering similar grants and rather than helping the community it actually has harmed it."

"If only Iowans would concentrate on the greatest asset they have—agriculture—and endeavor to do something about the 'net profit' angle, we would all be better off."—END

Chart No. 5

"Does your bank buy out-of-state Revenue Bonds?"



Outlook for Interest Rates On Municipal Bonds

A NORTHWESTERN BANKER Survey

WHILE making plans for special articles to be published in this "Annual Bond and Investment Review," the NORTHWESTERN BANKER received a request from the investment officer of a large, mid-western bank which stated:

"Would you ask a senior officer in several of the largest and reputable bond houses for their opinions on the outlook for interest rates on municipals—for the next few months and the balance of 1964? We respect the opinions of these leading firms, and their comments at this time would be most helpful and interesting."

Accordingly, the NORTHWESTERN BANKER asked several of these firms for their comments and they have replied as follows:

SIDNEY HOMER
Partner
Salomon Brothers
& Hutzler
New York, N. Y.



YEAR by year the market for high grade municipal bonds is much more volatile than the market for government and high grade corporate bonds of corresponding maturity. The municipal rallies are larger, and the municipal declines are larger. The municipal market is rarely stable: If it is not rising sharply, it is probably collapsing.

The same will be true in 1964: Municipal price fluctuations will be very wide in both directions. At least one, and usually two, wide-open breaks occur in the municipal market each year, and it is safe and easy to forecast that this will again be true this year.

It is, of course, much more difficult to forecast whether the intervening rallies will be larger or smaller than the declines and, therefore, whether

the market will rise or fall net on the year.

In 1964 the total volume of municipal bond flotations will probably be below the 1963 record of \$10.1 billion gross. This will be for one reason only: There will be less advance refunding than there was last year. However, the volume of new issues in 1964 will be large, probably about \$9.5 billion.

Key to Trend Is Banks

The key to the relative trend of the municipal market will probably be the behavior of commercial banks. In recent years commercial banks have bought 80 per cent or more of the total amount of municipals which came to market. This is historically very unusual. During earlier years banks rarely bought more than 25 per cent of the total. Although municipal yields are still attractive to banks, nevertheless it is doubtful that they will buy as large a volume this year as in recent years. This is because monetary policy probably will not permit quite as large a bank credit expansion as occurred last year.

I do not believe the banks will by any means ignore the municipal market, but I would expect that they will buy one or two billion dollars less of municipal bonds. This will mean that during a good part of the year municipals will have to be priced to attract other buyers, such as private investors and insurance companies. Therefore, at periods when interest rates are rising I expect the municipal market will be considerably more vulnerable to price declines than other departments of the bond market.

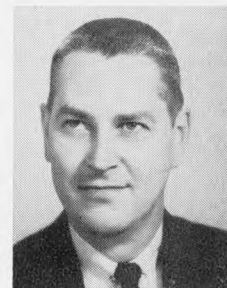
Possible Late Recovery

In point of timing, the municipal market, together with the whole bond market, might well do its worst in the second and third quarters. In the fourth quarter there are some reasons to suppose that a good price recovery might begin leaving the market for

long primes at the end of the year not far from present levels.

Within the municipal market the banks have in recent years bid up 10 to 20 year medium-grades much more than they have bid up primes of this or longer maturity. Therefore, medium-term medium-grades are today much more vulnerable than other departments of the market.

W. G. INMAN
Vice President
John Nuveen & Co.
Chicago, Ill.



INTEREST rates as a general classification are affected by many facets in our economic system and fluctuate to the extent of the influence the many underlying factors exert, all of which must be weighed as they relate to the particular phase of the economy with which one is concerned. Interest rates on public bonds (municipal bonds) are included in this general classification and are similarly affected by many factors, which can be classified as "internal" and "external".

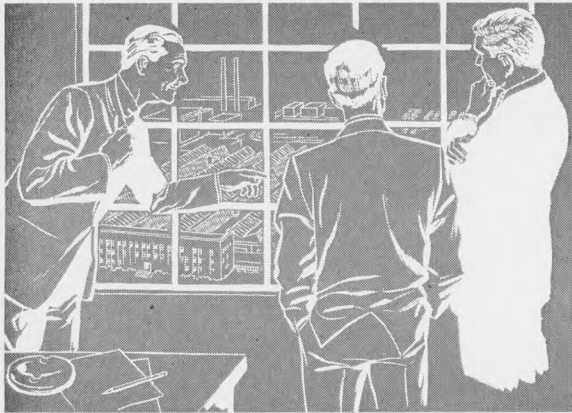
Internal Factors

Among the internal factors are the par value of public bonds being offered for sale (supply) at any given time and the acceptance of this volume by the investors (demand). While the volume during 1963 was at an all time high of over 10 billions we look to this year's volume to be slightly under that figure, perhaps around 9½ billions, which is certainly a manageable amount for the public bond industry to market. The demand is made up of investible funds which should be just as adequate dur-

OUTLOOK FOR RATES . . .

(Turn to page 38, please)

Northwestern Banker, March, 1964



Blueprint for Public Utility Growth

- **Rising Population**
- **Aggressive Sales Plans**

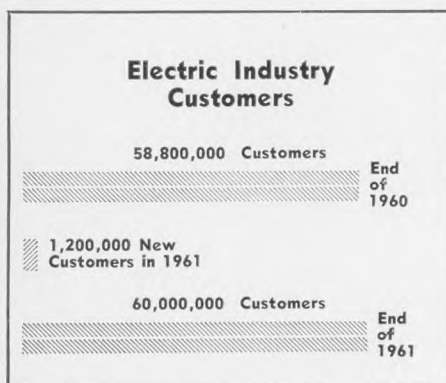
THE impressive growth pattern of gas and electric companies should command attention.

The electric industry added 1,200,000 new customers in 1961, having a total at the year-end of 60,000,000 customers. Residential customers constitute 85 per cent of the industry's market, and the average annual consumption in residential usage increased by 187 kilowatt hours during 1961.

Construction Progress

Construction expenditures by investor-owned electric companies in the year 1961 were greater than those by any other private industry, equivalent to about 10 per cent of the new construction of all American business during the year.

The gas industry also has grown spectacularly. It's growth has been so rapid it is a little difficult for those in the business to believe it happened. For instance, take sales to ultimate consumers of gas. They were 17.2 billion therms in 1940. In 1946, returning to peacetime economy after World War II, sales reached 26.4 billion therms. By 1962 they had soared to 102.3 billion therms. In 1963 sales are expected to reach 107.7 billions.



By **HARRY F. SMITH**
Smith, Polian & Co.
Omaha, Nebraska

This is an increase from 1940 of 520 per cent. In the same period gross plant has grown by 497 per cent, and revenues by 692 per cent.

Technological Progress

It seems apparent the industry leaders will continue to do those things necessary to keep this growth at its present pace. They certainly will not sit back and let further growth be determined by the nation's built-in expansion only. It is believed by those in the business that the gas industry is on the verge of more and greater changes that will expedite growth.

One new market that is most intriguing is a gas-fired furnace operating at 4000 degrees which has been developed and is in use. Higher temperatures are in prospect, thus assuring the gas industry of a continuing and growing role in such fields as space age technology, where the requirements for high temperature materials are great.

Customer Progress

Those attending a recent A.G.A. convention were told that over a 10-year period the gas industry hopes to pick up close to 9 million customers, and increase sales by 48 per cent. During this period about 20 billion dollars will be spent to construct additional facilities. The prediction was that by 1972 the industry will be serving 44.3 million customers. By the end of 1963 customers are expected to reach 35.6 million of which 32.7 million will be residential customers, 2.7 million commercial, and 200,000 industrial.

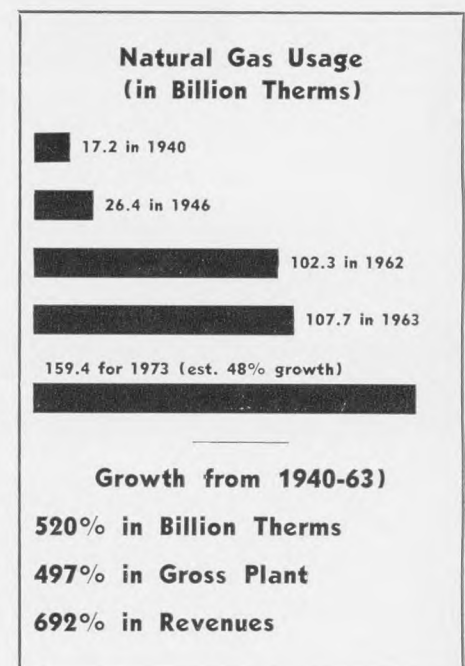
The electric and gas industries together accounted for 13 per cent of the nation's energy consumption in 1920, and took care of half the nation's energy needs in 1960.

Certainly the progress of both industries in the next ten years should closely match the progress in the past ten years.

Keith W. Johnson, as economist for Pacific Gas & Electric stated that development in the western states is expected to require a doubling of energy use during the next twenty years. If his projection is reasonably accurate it speaks well for the electric and gas industries in that area.

Supply, Storage Progress

The supply of natural gas is of great importance. Mr. John E. Heyke, Jr., president of the American Gas Association stated in an article re-

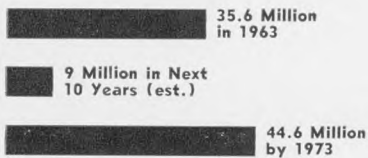


cently published: "We are going to have plenty of natural gas. We started 1963 with proven recoverable reserves of 273.8 trillion cubic feet, a new record high. After taking a record high of 13.7 trillion cubic feet from the ground in 1962 there was still a net gain of 6 trillion cubic feet."

Of increasing importance to the industry is underground storage of gas. Such storage enables a gas company to better and more economically service both the individual and industrial concerns.

Again referring to progress: In Glenn Ellyn, Ill., Northern Illinois Gas is advancing the industry in the gas turbine field. Hartford Gas is pioneering the concept of providing an energy service instead of a fuel. Rio Grande Valley Gas has the first school customer for gas-produced total energy. In Brooklyn, N. Y., the world's largest cooperative housing project will use gas for all energy requirements.

Natural Gas Industry Customers (10-year projection)



Big Stock Growth

How has this growth in the industry affected the market in utility stocks?

The particular gas and electric companies whose progress I have followed have improved market-wise from 200 to 500 per cent in the past ten years. I believe this record is substantially that of the whole industry. It is apparent, therefore, that the market keeps pace with the increasing earnings, dividends and overall growth of the companies.

It is not my intention to suggest that only utility stocks are good investments. There are many, many good industrial stocks. I do say that in my opinion no other industry as a whole can show such steady growth, with almost a complete absence of failures or bankruptcy.

Industrial companies are faced with competition, in many cases quite severe. Severe competition is rare in a utility company.

Follows Population Growth

As long as our population continues

Don't Smoke It . . . Save It!

WITH the newly aroused concern over cigarettes being a cause of poor health, the Peoples Trust and Savings Bank of Indianola, Iowa, has decided to help the citizens of Indianola quit smoking.

Advertisements such as the one shown here, were run in the local newspaper. They were designed to persuade the citizens to start saving their money instead of smoking.

When opening the savings account the customer is given a small calendar bank and a membership card. In order to keep his membership in good standing all a customer has to do is deposit in the calendar bank each day the amount saved from not purchasing cigarettes. It takes at least one coin to change the date on the box each day, so that keeps the membership current.

Each time the calendar box gets full the customer is required to deposit the contents in an interest bearing account at the Peoples Bank. The bank points out that a one-pack-a-day smoker will save \$109.50 in a year. Two packs a day will yield with com-

to increase, and as long as the industry continues to increase the annual use of its customers, utility companies will continue to grow with a corresponding improvement in earnings.

Utility companies are regulated by State Commissions. Regulation does in part slow the growth of a company, but regulation also prevents a too rapid expansion that might be economically improper.

An investment company is supposed to furnish clients with sound investment advice. Personally I find it easier to determine a value and a potential with an operation that lends

Natural Gas Supply (in Trillion Cubic Feet)

267.8 TCF Start 1962

19.7 TCF Added Reserves in 1962

13.7 TCF Used in 1962

273.8 TCF End of 1962

THERE'S

GOLD

IN THEM THAR PACKS (Cigarette Packs That Is)

JOIN OUR

"PAN O' GOLD CLUB"

And We'll Help You Pan That Gold - - - It's A Sure Fire Way To Make A Fortune.

INITIATION FEE: \$1.50.

ON PAYMENT OF THE FEE WE'LL GIVE YOU A

"FIRE FIGHTER'S BOX"

(CALENDAR BANK TO YOU, SON)
AND A MEMBERSHIP CARD.

PART of full-page ad promoting savings accounts among cigarette-less customers.

pound interest \$5,994.78 in 20 years!
—End.

itself to a study that can quite accurately project earnings for four or five years. Public utility companies have such an operation.

Positive Factors Favorable

When choosing a security I prefer an operation that is closely associated with "positives." Fundamentals survive the passage of time. Statistics, although important, relate to the past and the present, but the future may partially void the value of such statistics.

As an example of "positives" we can take the operation of the electric and gas companies. They sell a commodity that is necessary to the comfort and well-being of the individual, and industry would be helpless without both electricity and gas.

Utility customers will continue to use both electricity and gas, regardless of the economic situation that may at any time exist. Therefore, the variable in sales should be, and is, small.

It is proper, therefore, to assume an investment in such an industry is reasonably safe, without much information on the company. However, with a study of a particular company, and a complete file of pertinent data, the investor should be doubly sure.—End.

Northwestern Banker, March, 1964

Bond Market Outlook

Moderate Interest Rise Seen for Rest of 1964

By **TILFORD C. GAINES**
Vice President
The First National Bank
of Chicago



DEVELOPMENTS in the bond markets thus far this year present an interesting paradox. There was an almost unanimous consensus among bond experts at the end of 1963 that this would be a year of pressures upon the capital markets and of rising interest rates. Most market professionals still expect market rates of interest to increase during the course of 1964. Yet, the bond markets have generally been firm and yields have declined during January and February.

Expectations and Fact

The explanation of this seeming paradox lies in the difference between expectations as to what will happen in the future and the facts of the current demand-supply in the market. In the Government bond market, for example, the total of Treasury financing during the first two months of 1964 has been quite heavy, but the operations already completed substantially finish the Treasury's financing

program until May. Even though interest rates may, as expected, advance later this year, the immediate prospect is a shortage of supply of new bonds.

Bank's Reinvesting Proceeds

Corporate bond volume also has been quite light, although the A.T. and T. stock financing absorbed a huge block of long-term funds. In the municipal market, yields generally have moved lower in spite of a normal volume of new issues. The unexpectedly good demand for tax-exempt bonds, particularly from banks, probably represents in large part the reinvestment of proceeds of issues scheduled to mature this year rather than a pick-up in net buying of municipals by banks.

By the third week in February, as this was written, the bond markets appeared to have stabilized and the tone in the market suggested that the next movement might be toward lower prices and the higher yields that have been expected. Government bonds

turned easier after the middle of February and prices drifted very gradually lower in a dull, inactive market. Corporate bond quotations did not change significantly, but most new issues tended to move quite slowly. The bellwether bond issue in the municipal market at this time was the \$100 million offering of State of California Water bonds. This large issue sold out in one day, while several other sizable issues marketed at about the same time also moved very well. Nonetheless, the tone in the municipal market also had become a bit edgy, and there seemed to be a growing tendency among municipal bond underwriters to be cautious in their bidding for new issues.

Ponder London Rate More

Perhaps the most important influence currently affecting bond market performance is the likelihood of an increase in the bank rate at the Bank of England and uncertainty as to whether or not our Federal Reserve discount rate would be increased if interest rates were to go up in London. The British foreign trade balance has deteriorated quite seriously as the result of booming economic conditions and inflationary pressures in the United Kingdom. It is critically important for the conservative government of Lord Home, in view of the pending election, that action be taken to forestall a Sterling crisis. Among the possible policy actions the UK Government might take, the one least likely to have adverse political impact would be higher interest rates.

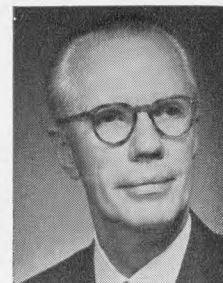
If interest rates in London were to increase, it is likely that the Federal Reserve System would shortly find it necessary to move interest rates in our markets a notch higher. A wider spread between New York and London would tend to revive short-term capital movement out of this country and, thus, to put renewed pressure upon our balance of payments. Even assuming this were to happen, however, it does not seem likely that the Federal Reserve System would respond immediately to higher rates abroad. There apparently is considerable political pressure upon the Federal Reserve to avoid pushing interest rates any higher, and it probably would be necessary for the monetary authorities to wait until there was persuasive evidence of damage to our balance of payments before they would respond.

Pressure Will Delay Fed

This same pressure upon the Federal Reserve probably will have the

BOND MARKET . . .

(Turn to page 40, please)



E. M. HUNT
President
First Nebraska
Securities, Inc.
 Lincoln, Nebraska

Midwest Outlook for Municipal Bonds

A NORTHWESTERN BANKER Survey

THE NORTHWESTERN BANKER also asked several midwestern bond houses for their opinions on the outlook for supply of municipal bonds, yields, the competitive nature of the market and what effect, if any, the tax cut will have on Municipal bonds. The following comments were received:



RICHARD D. McFARLAND
Vice President
Kalman & Co., Inc.
 Minneapolis, Minn.

IN 1963 approximately \$10 billion of new municipal issues were offered to the public and this established an all time record. In my opinion 1964 will produce a volume at least equal to 1963 and possibly be somewhat greater. I believe our immediate area will participate in the 1964 financing in the same approximate ratio that we participated in 1963.

Expects Yields to Hold

Yields so far in 1964 have decreased slightly, but in my opinion this is a temporary situation. The supply of bonds presently held in inventory by investment dealers has increased approximately \$100,000,000 in the past 30 days and with the heavy calendar of new issues coming up, I anticipate yields to be certainly as good, if not somewhat better, than what we are

experiencing presently. As far as the last half of 1964 is concerned, I cannot see anything on the business horizon that would decrease yields.

In the past two or three years, the municipal bond business has become increasingly competitive from the dealers standpoint and I do not believe that this trend will be reversed. One reason for this is that more of the larger banks have become active as underwriters. From the underwriters standpoint, the decrease of profit margins has become a serious consideration and I certainly do not anticipate a change in this area.

No Effect from Tax Cut

The proposed cut in federal income taxes in my opinion will have no effect on the municipal market. The professional buyers and sellers of municipals have considered the proposed tax cut for many months and if any adjustment was to have been made, I believe this would have already taken place. Currently, a bank in the 52 per cent tax bracket would have to receive 6¼ per cent on a taxable investment to equal the 3 per cent he is receiving presently on a 10 year municipal bond. In the 1965 taxable year after the final federal tax reduction has taken effect, the same bank would have to receive a 5¼ per cent return on a taxable investment to equal a 3 per cent return on a municipal. Frankly, I do not believe that a bank in the present 52 per cent bracket will change the policy on purchase of municipals because of the ½ of 1 per cent reduction in tax advantage.

THE calendar of new Nebraska municipal bond offerings, large or small, coming to market at the present time does not seem to indicate an over-abundance of new spending for public improvements. We feel that even though this "less than normal" situation exists at the present time, public spending during 1964 should at least equal 1963 expenditures for public improvements. If there is no increase in new issues coming to the market in the near future, bidding will be highly competitive and result in declining yields.

There will be several additional factors affecting yields on issues coming to market during 1964, however, any one of which could have a dampening effect on any decline in yields resulting from a scarcity of new offerings. The principal factor in maintaining the balance between supply and demand will be the current heavy loan demand of local banks. For some time bank loan demand in this area has been quite high and consequently banks have not been in a position to purchase municipal bonds.

Another factor which could lead to a rise in yields is the pending reduction in Federal Income Tax rates. If the bill currently before the Congress is passed banks will be even more aggressively seeking out farm and cattle loans because of their increased attractiveness on an after-tax basis. Individual investors will also find tax-free income less rewarding. (Bill signed into law February 26.)

Finally, we may witness a change in monetary policy before 1964 is over, particularly if business activity is stimulated as a result of the tax cut and this country's unfavorable balance of payments continues. There is already some evidence the Federal Reserve may be pursuing a somewhat more restrictive credit policy.

In view of the divergent trends and uncertainties suggested above, we would not suggest limiting purchases of municipal securities at the present time in anticipation of more attractive rates later in the year. Municipal yields still offer good returns by historical standards and warrant a place in institutional and individual portfolios in need of tax free income.



"Every bank should have at least one of its officers conversant with foreign trade opportunities."

Bankers You Know

James S. Bush

President
Northwest International Bank
New York, New York

WHEN the Northwest Bancorporation entered the field of international banking early in 1963 with the formation of Northwest International Bank, the executive officers of the parent firm began a diligent search for a man completely familiar with operational experience in international finance as well as possessing top administrative ability.

They found the right combination in James Smith Bush, who accepted the appointment as president of Northwest International Bank late last summer. During the four-year period from 1959 to 1963, Mr. Bush was one of five managing directors of the Export-Import Bank of Washington, D. C. He resigned this high post to join the newly-formed private firm.

With offices in New York, he is chief executive for the company which was organized little more than a year ago with \$2.5 million initial capital and paid-in surplus. The stated purpose of Northwest International Bank is to serve the growing international trade needs of businesses in the seven upper midwest states where the Bancorporation operates. The importance of this area to international trade is already well established. In 1961, for example, 10 per cent of the exports of the United

States originated from these seven states.

The formation of Northwest International Bank is designed to expand the interest of businessmen from this area in the excellent sales and profit potential in foreign trade. This is the task assigned to James Bush, who goes abroad on behalf of the new bank to help develop marketing outlets for business and industrial customers of upper midwest banks. Most of these firms are classified as small businesses, and are the ones that particularly need financial advice on foreign trade.

The contacts made by Mr. Bush and his staff help pave the way for personal negotiations by the individual businessmen. During the past month, for example, he spent one week in Caracas, Venezuela, where he participated in panel discussions sponsored by Corporacion Venezolana De Fomento and attended by bankers from Latin America, Asia, Europe and the United States.

In this work, he is ably assisted by another native midwesterner, Charles A. Johnson, who came from a family of bankers at Burwell, Neb. His uncle, O. W. Johnson, is president of the Bank of Burwell.

Mr. Bush has a background of 40 years of experience in banking and finance. After being graduated from

Yale University in 1922 he went to work for Washburn-Crosby, a milling firm which was the forerunner of the present General Mills. In 1924 he moved to Ohio, where he worked in the investment banking business until 1935. In the latter year, he moved to St. Louis where he served until 1946 as a managing partner of G. H. Walker & Company, members of the New York Stock Exchange.

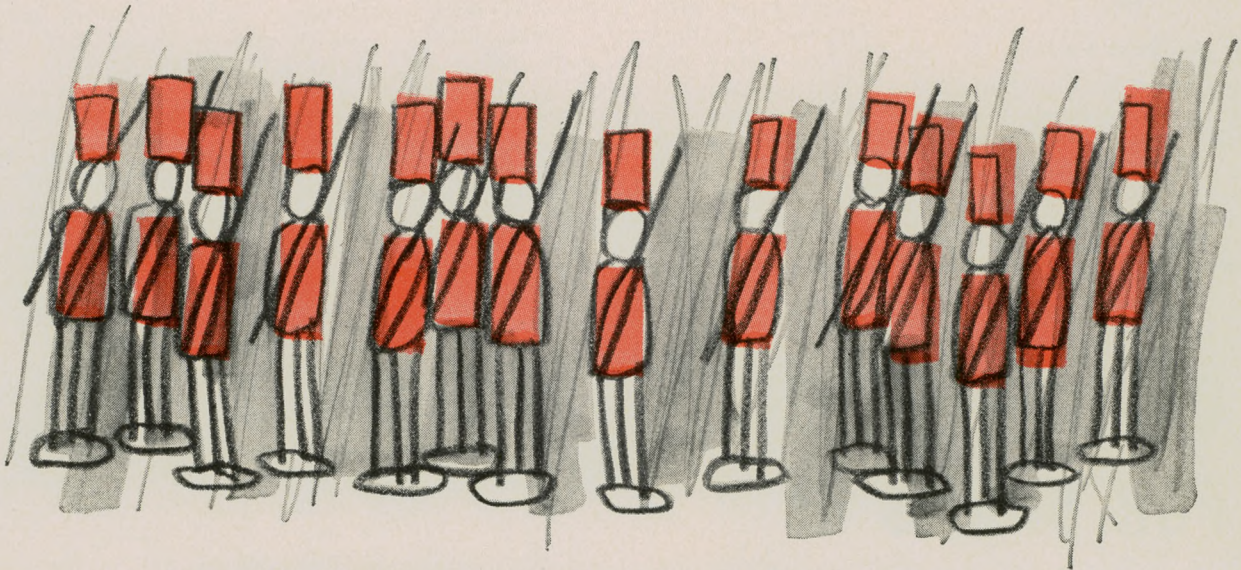
From 1947 to 1959 Mr. Bush served as vice president and director of General Contract Corporation of St. Louis. It was in 1959 that he began his four year association with the Export-Import Bank as a managing director, with headquarters in Washington, D. C. In this important assignment, Mr. Bush acquired valuable experience in international trade and finance.

Mr. Bush is a firm believer in making all bankers aware of the trade potential for their customers in foreign countries. In this regard he states:

"Educating customers with respect to the opportunities for great profit that exists in exporting their products or actually manufacturing them abroad, is a most important problem confronting bankers today. In order to educate customers, bankers must

JAMES BUSH . . .

(Turn to page 47, please)



Computers can't replace people

At Manufacturers Hanover we operate one of the most complete electronic centers in the banking business. These robots are of tremendous aid in the handling of routine operations problems. Given a problem in human relations, however, and they will fall flat on their gears. ■ A correspondent in Ohio, for example, is concerned about expanding its retirement program for officers and employees — an echo of many similar requests we have received. To meet this continuing need, Manufacturers Hanover has created two plans:

1. Group Life Insurance for Correspondents
2. Retirement Program for Correspondent Banks

At Manufacturers Hanover we seek to make available to our correspondents the technical knowledge of our staff in all fields — lending, investment or operations. On the human relations side, the officers of our National Division maintain close lines of communication with correspondents seeking always to find new and better ways to be useful. ■ The underlying philosophy of our correspondent activity is quickly told —

MID-WESTERN DIVISION

Vice Presidents

GEORGE H. HASLAM
JOHN J. EVANS

Assistant Vice Presidents

CARL G. CARLSON
JOHN F. KING
JOSEPH SNYDER

Assistant Secretary
GEORGE R. BENNETT

MANUFACTURERS HANOVER

works with its correspondents



Member Federal Deposit Insurance Corporation

Northwestern Banker, March, 1964

Outlook for Rates

(Continued from page 31)

ing this year to purchase the supply as they have been in previous years and should not cause any violent swings in interest rates between now and the end of 1964.

External Factors

The external factors affecting interest rates on public bonds are many-fold, among which are included the authority of the Federal Reserve Board to take action when necessary to control the amount of available

funds; the over-all fiscal policy of the Federal government, including the reduction in the income tax rates; competition for the investor's dollar with other types of securities and investments; and the international balance of payments position as it affects our own economy.

The action by the Federal Reserve Board last July in raising the discount rate had the accomplished effect of raising the short-term interest rates to meet adverse flow of funds into the

international money market. As an offset to this, banks, being allowed to pay higher rates of interest on time deposits, attracted more deposits into this category and provided a larger supply of long-term funds causing a downward trend in the long-term rates. This was a stimulus to the public bond market as many banks increased their holdings to obtain additional tax exempt income.

Tax Bill Stimulus Expected

While the tax bill has been discussed in generalities it has not been definitely passed at this writing. However, the details are generally known and accepted and could have the effect of making available additional funds for investments. Late last year the municipal market recognized the proposed reduction in the income tax rates starting in 1964, and adjusted itself in an orderly and gradual manner so that it does not appear that there will be any widespread adverse change in interest rates once the bill is definitely passed.

With the passage of the new tax bill an increase in business activity is expected. The net effect of this increase is yet to be proven, and probably won't be felt until the fall of 1964. Business activity has been on a high level for the past year and the spending on new plants and equipment has not been far below that of the last several years. Nevertheless, demands for capital have remained relatively low, primarily because businesses have been able to finance a large part of their capital expenditures from retained earnings, unused depreciation, etc., and we assume that this pattern will continue throughout 1964. Therefore, we do not see any appreciable competition for the investor's dollar from the corporate market.

External Factors Will Control

Due to the determination of several foreign countries to dampen their inflationary tendencies their interest rates could rise and without proper action by our Federal government, the balance of payments position could be adversely affected. For that reason more than any other, it is our opinion that factors external to the public bond market could cause an increase in the interest rates for short-term tax exempt securities during the balance of this year.

Our current estimate, considering the internal as well as the external factors as we now see them, is that for the immediate future, as well as for the balance of 1964, long-term interest rates for tax exempt public bonds

OPPORTUNITIES FOR BANKS IN TAX-EXEMPT BONDS

Our volume underwriting assures
a broad selection

Steady, dependable income...time-tested security... maturities to fit the needs of most any balanced portfolio. Enjoy all three through timely investments in the debt obligations of selected municipalities and governmental authorities.

Halsey, Stuart's long and constant activity in the underwriting and distribution of these issues assures a wide selection of attractive tax-exempt bonds.

In 1963, as sole underwriter, manager or co-manager of underwriting accounts, Halsey, Stuart & Co. purchased 169 tax-exempt bond issues, totaling \$1,363,023,500. In addition, we participated in the underwriting and distribution of 46 issues managed by others, totaling \$1,485,497,000.

The diversity of issues in our latest offering list is a direct result of our large-scale underwritings plus our extensive trading operations. May we send you this list now, without obligation, as a guide to your current selections?

HALSEY, STUART & CO. Inc.

123 SOUTH LA SALLE STREET, CHICAGO 60690 • 30 BROAD STREET, NEW YORK 10004
AND OTHER PRINCIPAL CITIES

Report from Thorp...

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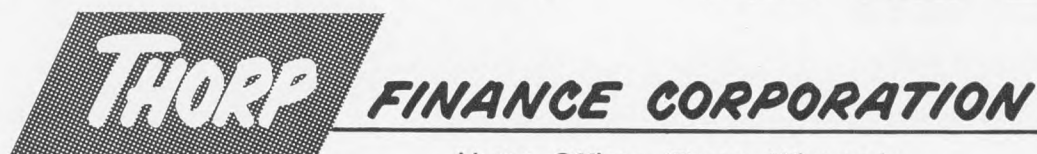
Charles J. Kobinsky
V.P. Lyndon Ins. Co.

Consolidated Balance Sheet, November 30, 1963 and 1962, and Comparison

| | 1963 | 1962 | Increase (Decrease) |
|---|---------------------|---------------------|------------------------|
| Assets | | | |
| Cash | \$ 6,153,941 | \$ 7,239,625 | \$(1,085,684) |
| Marketable Securities Held by Insurance Subsidiaries | 4,025,552 | 3,158,615 | 866,937 |
| Notes Receivable | 76,788,870 | 68,377,298 | 8,411,572 |
| Less: Reserve for Losses | 1,165,684 | 1,070,000 | 95,684 |
| Unearned Discount | 7,724,211 | 6,671,842 | 1,052,369 |
| Notes Receivable — Net | 67,898,975 | 60,635,456 | 7,263,519 |
| Premiums and Accounts Receivable, Investments and Other Assets | 1,333,822 | 1,777,727 | (443,905) |
| Fixed Assets — Net | 718,002 | 626,400 | 91,602 |
| Deferred Charges | 300,600 | 295,426 | 5,174 |
| TOTAL | \$80,430,892 | \$73,733,249 | \$ 6,697,643 |
| Liabilities | | | |
| Notes Payable Within One Year | \$32,589,000 | \$25,295,100 | \$ 7,293,900 |
| Accounts Payable and Accrued | 2,134,413 | 2,412,538 | (278,125) |
| Funds Withheld on Paper Purchased | 1,581,496 | 1,197,084 | 384,412 |
| Unearned Premiums and Reserve for Insurance Losses — Net | 1,506,160 | 1,247,012 | 259,148 |
| Senior Long-Term Notes | 13,075,000 | 16,325,000 | (3,250,000) |
| Deferred Income Taxes | 784,715 | 772,715 | 12,000 |
| Total | 51,670,784 | 47,249,449 | 4,421,335 |
| Capital Funds: | | | |
| Subordinated Loans | 14,278,700 | 11,981,300 | 2,297,400 |
| Stockholders' Equity: | | | |
| Preferred Stock (\$100 par) | 5,000,000 | 5,000,000 | |
| Common Stock (\$1 par) | 2,062,767 | 2,044,265 | 18,502 |
| Paid-in Surplus | 4,932,553 | 4,905,705 | 26,848 |
| Earned Surplus | 3,524,181 | 3,123,126 | 401,055 |
| Less: Treasury Stock — at Cost: | | | |
| Preferred (1963 - 5,141 shares; 1962 - 3,928 shares) | 514,100 | 392,800 | 121,300 |
| Common (1963 - 75,729 shares; 1962 - 29,068 shares) | 523,993 | 177,796 | 346,197 |
| Total Stockholders' Equity | 14,481,408 | 14,502,500 | (21,092) |
| Total Capital Funds | 28,760,108 | 26,483,800 | 2,276,308 |
| TOTAL | \$80,430,892 | \$73,733,249 | \$ 6,697,643 |

Statement of Consolidated Income and Earned Surplus for the Years Ended November 30, 1963 and 1962, and Comparison

| | 1963 | 1962 | Increase (Decrease) |
|---|---------------------|---------------------|------------------------|
| Gross Income from Operations | \$12,091,713 | \$11,507,435 | \$ 584,278 |
| Operating Expenses | 9,853,624 | 9,514,612 | 339,012 |
| Income Before Deducting Income Taxes | 2,238,089 | 1,992,823 | 245,266 |
| Provision for Federal and State Income Taxes | 903,900 | 731,400 | 172,500 |
| Net Income | 1,334,189 | 1,261,423 | 72,766 |
| Earned Surplus at Beginning of the Year | 3,123,126 | 2,765,895 | 357,231 |
| Total | 4,457,315 | 4,027,318 | 429,997 |
| Surplus Charges: | | | |
| Dividends Paid | 793,134 | 904,192 | (111,058) |
| Increase in Life Insurance Reserves, Net of Income Taxes, Applicable to Prior Years | 140,000 | | 140,000 |
| Earned Surplus at End of the Year | \$ 3,524,181 | \$ 3,123,126 | \$ 401,055 |



Home Office: Thorp, Wisconsin

In Iowa: THORP CREDIT INC.

In Minnesota: THORP LOAN AND THRIFT COMPANY

In Missouri: THORP CREDIT CORPORATION

will be lower at year's end than they were at the start of this year.

HALSEY, STUART & CO., INC.
Chicago, Ill.

Quite frankly, we hardly anticipated the rise in tax-exempt prices and reduction in yields that the market experienced in January and early February. It undoubtedly was due to a combination of things; to the reduced volume of offerings, both taxable and tax-exempt; to the expectation that there would be little, if any, Treasury new money financing in the first six months, and to published

remarks by certain people to the effect that interest rates need not rise during the near future.

We are still of the opinion that we will not see the somewhat continuous rise in interest rates which we saw in 1963 and believe that the highs of last year are not likely to be broken in the next few months. The tax rates provided under the pending tax law obviously will reduce the advantages of tax-exemption, but since these changes are generally expected it is doubtful if actual passage of the tax act will affect tax-exempt prices. Beyond the next few months and under present conditions we believe it is unwise to try to forecast.

higher rates of interest felt by some Administration officials will compel the Federal Reserve to defer action until there is convincing evidence that greater restraint is needed, even though this might mean missing the timing that would make policy action most effective.

Summary

In summary, it now appears that the atmosphere of strength that has prevailed in the bond markets in the early months of 1964 may have been dissipated. The markets currently are steady and have a tone that suggests that the next movement will be toward lower prices. Looking further ahead, the balance of forces that now seem most likely to dominate market movement during the rest of this year points to higher rates of interest, although the extent of rate advances may be marginal rather than substantial.—**End.**

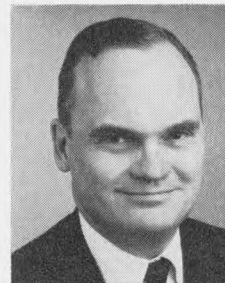
BOND MARKET . . .

(Continued from page 34)

effect of delaying a movement toward greater monetary restraint in the event such action should become necessary because of inflationary boom conditions in our own economy. Many experts, reportedly including some in the Federal Reserve, believe that the tax cut will add so much strength to an already strong economy as to create serious inflationary pressure later this year, as well as creating excesses that might ultimately lead to recession. Prompt restraint upon liquidity in the economy might be an important safeguard against excessive business and consumer reaction to a tax cut. But it is unlikely that Federal Reserve response will be prompt. As in the case of response to higher rates abroad, it is likely that the distaste for

To Head PR Department

Ward B. Stevenson has joined First National City Bank as vice president in charge of the public relations department.



W. B. STEVENSON

Mr. Stevenson was formerly vice president of Dudley-Anderson-Yutzy, public relations consultants. He is the immediate past president of the Public Relations Society of America.



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NEW INDUSTRY . . .

(Continued from page 27)

permitted local governments to issue bonds to finance industrial development, 11 of these being southern states, only one in New England, and the rest primarily in the midwest.

4. Tax Concessions—In most cases, a new business (usually a manufacturing firm) will be granted an exemption from certain local property taxes, for a specified period, usually ten years. In addition, a few states provide for exemptions from certain state taxes. As of June 1, 1963, tax concessions to new industry were permitted in 13 states, eight of these being in the southeast, none in the midwest.

Upper Midwest Use

In the NORTHWESTERN BANKER area, Development Credit Corporations and local revenue bonds for financing new industry are the only two methods used. Minnesota, Iowa and South Dakota permit the former, while Iowa, North Dakota and Nebraska permit the latter.

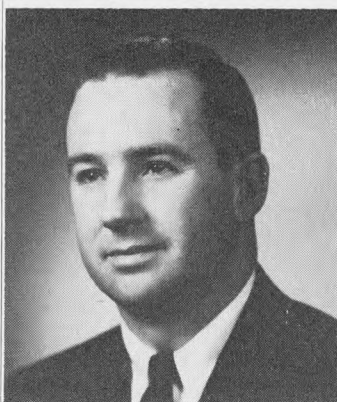
In Nebraska, the revenue bond issue has been tested in the courts and ruled to be constitutional. In Iowa, this type of financing has been used once at Mount Pleasant and is being used as a test case in courts now to determine constitutionality of the law for this state.

The revenue bonds have been used in Nebraska in about seven cases so far, since being permitted several years ago, for a total of around \$9 million. Three more issues totaling nearly \$8 million were pending action in late February.

A few other methods to assist a new industry in locating or expanding in a community are used in several states. The Rural Electrification Administration and Area Redevelopment Administration can be utilized to a certain extent, the latter in areas classified as "distressed." Another is the Small Business Administration. Another method, used in Iowa, for example, is by individual communities putting up buildings as a local foundation and leasing the facility to an industrial client. These are formed under a law permitting donations to such foundations to be deducted as a business expense. There are 163 such industrial foundations in Iowa alone, some for profit, some as non-profit.

Makeup of a DCC

A typical statewide Development Credit Corporation has the following



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features, as described by the Iowa Development Commission:

Participants

Stockholders—Public spirited individuals and businesses. Dividends payable when DCC is in full operation.

Members—Financial institutions which pledge to lend to DCC on call, not more than 2 per cent of assets at prime rate or slightly higher. Members participate at ratio of 8:1 to stock capital. Calls by DCC for funds from all members made pro-rata to total capital.

Management

Board of directors (15-18) elected $\frac{2}{3}$ from members and $\frac{1}{3}$ from stockholders; staff of 3 to 5 people.

Safeguards

1. Directors have full discretion on loans to applicants.
2. Reserve fund for any losses of 50 per cent of stock capital.
3. Stockholders' equity covers 1/9 of all loans.

Development Credit Corporation

ORGANIZATION (Example)

Board of Directors (15-18) — Staff (2-5)

| | |
|---------------------------------------|---|
| *Stockholders ($\frac{1}{3}$) | **Members ($\frac{2}{3}$) |
| 10,000 shares @ \$10 — \$100,000 | 200 × \$4,000 each — \$800,000 (pledged on call) |
| \$900,000 maximum available for loans | |

*May be anyone, viz., individual, company or corporation, industrial foundation, financial institution (excepting nationally chartered banks and subject to statute limits.)

**Any financial institution as listed below:

Bank: $2\% \times \$200,000$ (capital, surplus, undivided profits) = \$4,000
 S. & L. Assn: $2\% \times \$200,000$ (gen. res., surplus, undiv. prof.) = \$4,000
 Stock Ins. Co: $1\% \times \$400,000$ (capital, unassigned surplus) = \$4,000
 Fire Ins. Co: $1/10\% \times \$4,000,000$ (assets) = \$4,000
 Mutual Ins. Co.: $1\% \times \$400,000$ (unassigned surplus) = \$4,000
 Coop. Banks: $1\% \times \$400,000$ (paid-in capital and undiv. surplus) = \$4,000
 Others as authorized.

Example: Industrialist "A" can expand with loan of \$100,000. Only \$50,000 obtainable locally on acceptable collateral. "A" can apply through local source or directly to DCC for additional \$50,000 with loan to be approved by DCC Board after staff investigation. If approved, members share in loan on pro-rata basis receiving interest at not less than prime rate.

4. Withdrawal provisions available.

5. Loans by members evidenced by negotiable instrument.

Activities

DCC lends money to entrepreneurs to: Acquire property, construct plants, finance machinery, provide operating capital, at rate to cover costs, degree of risk, and provide for loss reserve.

Experience

Over 20 states with up to 14 years' experience. Provide one job for average \$533 in loans. Most loans for expansion of existing industry.

The organization of a typical DCC is noted in the accompanying chart, with example of a loan shown.

Massachusetts Experience

One of the most successful development corporations is the Massachusetts Business Development Corporation, which has been in operation now for about 11 years. During its first full nine years, it provided over \$28 million in approved loans, which in turn provided over 28,000 jobs with payrolls of about \$115 million; financed 92 new buildings containing 2,600,000 square feet; converted to full use 6,000,000 square feet of empty space; showed eight consecutive profitable years, and paid dividends to stockholders from 1959 through 1962.

In Massachusetts, such MBDC loans last only about two years because they then become bankable, which is one purpose the corporation seeks to achieve. This corporation has about \$13 million available and usually has only about \$6 million outstanding in loans.

The MBDC has loaned the above \$28 million (or caused to be loaned), and has had only one loss, for \$11,000, in all its operation.

A typical corporation also provides

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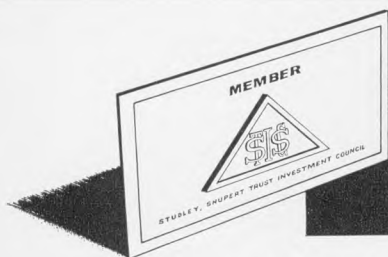
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Northwestern Banker, March, 1964

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And, of course, our full-service branch in London (another is to open shortly) serves you throughout the United Kingdom. In Japan, we will have two branches open for business on March 16th. And in New York, our subsidiary, Continental Bank International, offers every conceivable international banking facility. Working through Continental, you can offer your customers service that consistently anticipates their needs.

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MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

Northwestern Banker, March, 1964

that on dissolution, members get paid off first. A loss reserve is set up that comes from earnings. It accumulates until one-half of the stockholders account is equaled. After this, it can pay dividends. Interest paid on loans and due to members starts immediately.

States Highly Competitive

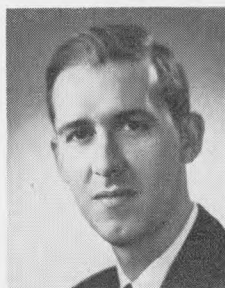
All of these various methods available for wooing new business into a state, or encouraging expansion of existing industry, make for keen competition among the states and geographical sections of the nation. The northeastern states have used development credit corporations and state finance authority longer than other sections, while southern states have used local revenue bonds and tax concessions as their weapons. The latter tools have drawn a number of small industries from midwestern states.

Midwestern states have only in the past few years begun to make development credit corporations, revenue

bonds and some tax concessions available in their effort to meet the "raiding" from other sections of the country, as well as to give their own people ammunition to offer prospective industrial clients seeking new locations or added facilities for overflow business.—End.

New Correspondent Assignments

Franklin National Bank has announced the appointments of Nicholas Ustin and Dirck H. Post as vice president and assistant vice president respectively of the bank's national division. They will be associated with Roger D. Elton, executive vice president and head of the national division.

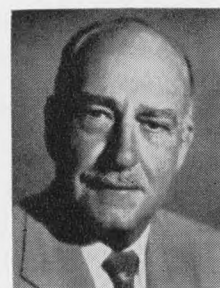


D. H. POST

Mr. Post was formerly with Manufacturers Hanover Trust Company as an assistant vice president, traveling the middlewest. He will be assigned the middlewest in his new capacity. Mr. Ustin was formerly with Irving Trust Company as a vice president. He will direct the bank's business in the southeastern section of the nation.

Bank Building Firm Reports Record Year

Bank Building and Equipment Corporation, St. Louis, observed its 50th anniversary in 1963 by setting a new sales record for the 18th consecutive year, according to a report from L. J. Orabka, president.



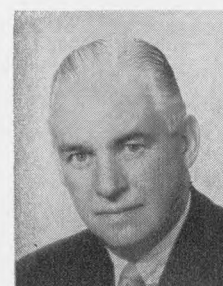
L. J. ORABKA

Net sales—projects completed and billed—in 1963 totaled \$33,884,460, a 12.5 per cent gain over 1962. Net profits of over \$1,300,000 were 17.4 per cent greater than those of 1962.

The company closed a contract for the largest single structure in its building history, and work will begin soon on the new 33-story First National Bank building in Mobile, Alabama. Cost of the project will be \$8.5 million.

United California Election

Directors of United California Bank, Los Angeles, elected James F. Crafts as a member of the board and John



J. F. CRAFTS

K. Barrington as vice president in the International Division, according to Frank L. King, chairman.

The new director, Mr. Crafts, is chairman of the board of Fireman's Fund Insurance Company and its affiliated companies.

Vice President Barrington recently joined United California Bank, coming from the First National City Bank, New York, where his most recent assignment was area credit officer in the Singapore branch. He will office in San Francisco.

Burroughs Revenue Report

World-wide revenue for 1963 of \$390,774,000 was reported in Detroit by Burroughs Corporation. This com-

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R. R. EPPERT

compares with \$424,681,000 in 1962.

Ray R. Eppert, president, said that commercial revenues were the highest in company history and that the decrease in defense revenue more than accounted for the lower

total volume.

Mr. Eppert also stated that the 1963 deferment of revenue and profit to future periods under the corporation's lease programs was the heaviest to date.

Research and development expenditures continued at a high level and exceeded \$16,000,000.

Capital expenditures for plant and equipment and for machines and systems placed on lease were \$31,827,000.

Charles Griesa Retires

Charles H. Griesa retired as a vice president of the First National Bank, Kansas City last month after serving 43 years in banking. He started his career in 1920 with the Fidelity National Bank and Trust in Kansas City. In 1933 he moved to the Union National Bank, and in 1945 he joined



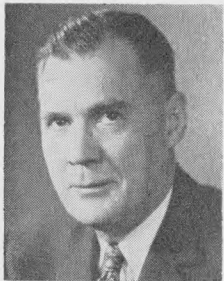
C. H. GRIESA

the Interstate National Bank in Kansas City as a vice president. He came to the First National following its merger with Interstate.

Mr. and Mrs. Griesa plan to make their home in southern California.

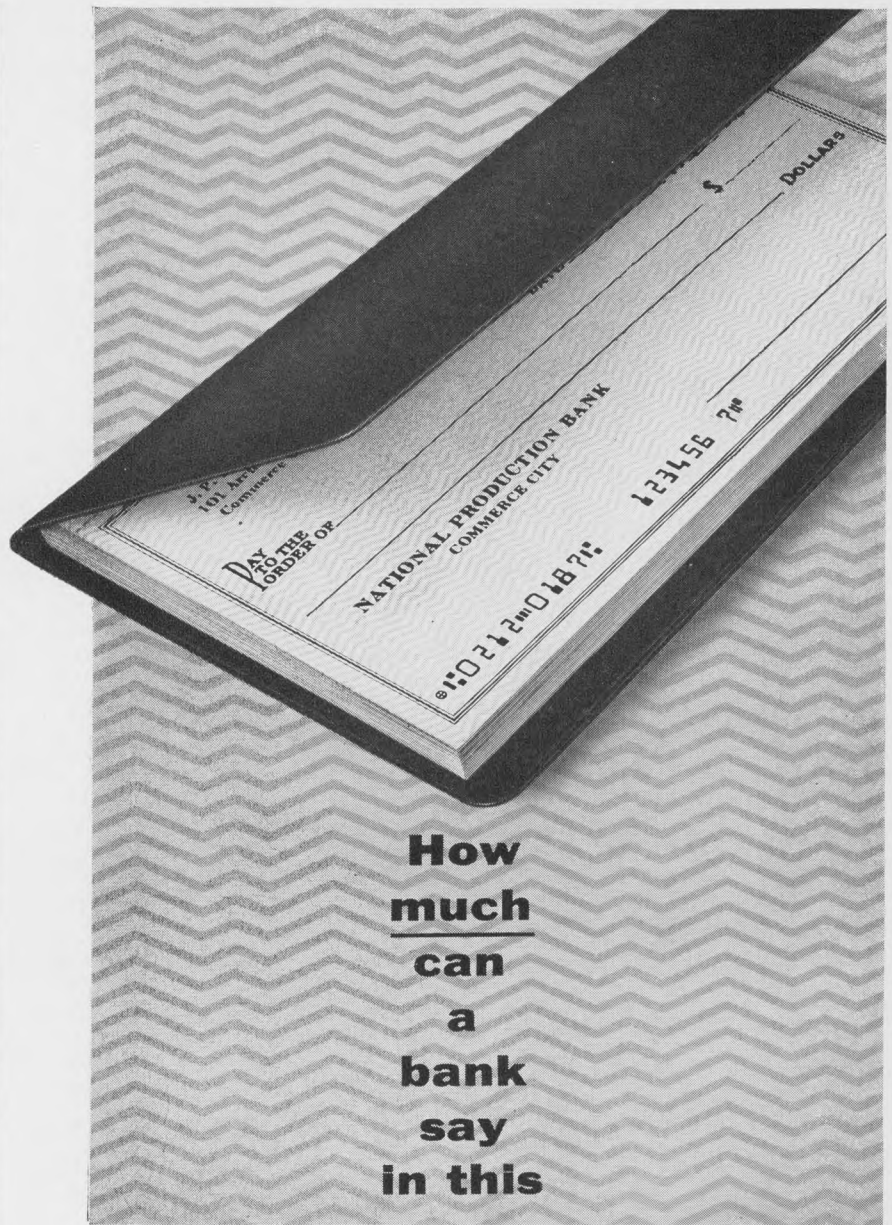
Drovers Ups Capital

Leo R. Gruber, president of the Drovers National Bank of Chicago, announced formal approval has been received from the Comptroller of Currency, Washington, D. C. of a \$625,000 stock dividend.



L. GRUBER

The increase in Drovers capital from \$3,375,000 to \$4,000,000 (from 337,500 shares to 400,000 shares) was recommended by its board of directors last November and ratified by the stockholders at their annual meeting on January 14. The bank's surplus is \$5,000,000.



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Northwestern Banker, March, 1964

Morgan Moves Headquarters

A PAIR of doors famous in finance are open for business again after almost three years of disuse. The four-story building at 23 Wall Street, closed for interior renovation since mid-1961, has reopened as the main office of Morgan Guaranty Trust Company.

The bank's headquarters had been at 140 Broadway since 1959. The move to 23 Wall, which for years was the home of J. P. Morgan & Co., was made

in order to accommodate the bank's entire main office in one location. Besides the four-story 23 Wall structure, the bank is occupying the 38-story building which adjoins it on both sides.

Both structures have been completely renovated on the inside in what is believed to be the largest project of its type in construction history. Each floor has been rebuilt from the outer walls in.

In the 23 Wall Street part of the headquarters complex, the area once occupied by the partners of the Morgan firm has been made part of a huge banking "room" that stretches across the main floors of both the 23 Wall and 15 Broad buildings—a total area of more than 27,500 square feet. There has been little structural change in the big room, but the decor is decidedly different. The style has been converted from the original Italian renaissance to French renaissance.

Great panels of green damask tap-estry have replaced mosaic tiles in the spaces between marble pilasters along the walls. A 16-foot high crystal chandelier, in the style of the Louis XV period, is suspended from a dome in the coffered ceiling. It weighs two tons and requires a power winch for raising and lowering.

On the outside, the historic 23 Wall building—long nicknamed "the Corner" in the financial community—is virtually unchanged. Even the scars of the 1920 "Wall Street explosion" still are visible on the north side. It will be 50 years next fall that the building was completed and opened as the home of J. P. Morgan & Co.

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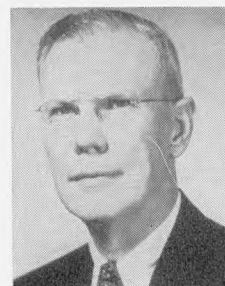
Edward J. Gannon has been named special assistant to the executive vice president of The American Bankers Association.

Mr. Gannon joined the A.B.A. staff in October 1961 as assistant director of the News Bureau. He was promoted to associate director in April 1963.

B of A Executive Change

Bank of America has announced a number of top executive appointments and a new Chicago representative.

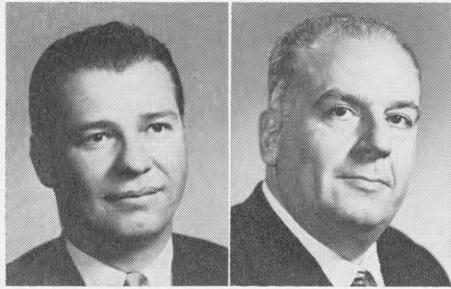
Donald C. McCoy, the bank's assistant representative in Chicago for the past five years, received a promotion to vice president. He succeeds Vice President Harry R. Smith, who has retired after 44 years service with the bank. Mr. Smith is well known among bankers throughout the middlewest and the nation. Chicago offices are located at 135 South LaSalle Street.



H. R. SMITH

In the San Francisco head office, Roland Pierotti was named executive vice president in charge of the bank's

worldwide international banking activities; A. R. Zipf and J. A. Carrera were named senior vice presidents; D. S. Langsdorf, vice president, was named a new administrative officer



D. C. McCOY

R. PIEROTTI



A. R. ZIPF

J. A. CARRERA

for operations, and former secretary of the treasury Robert B. Anderson was named an advisory member of the boards of two bank subsidiaries, Bank of America (International) and Bamerical International Financial Corporation.

Mr. Zipf will be the executive officer for the bank's overall operations, and J. A. Carrera will be the executive officer for the bank's far-flung international banking network, which includes 22 overseas branches, 13 foreign representative offices, and the 82-branch Banca d'America e d'Italia. Mr. Langsdorf assumes daily administration of the bank's overall operations.

JAMES BUSH . . .

(Continued from page 36)

make sure that they are educated themselves. Every bank should have at least one of its officers thoroughly conversant with the facilities provided by the Export-Import Bank, the Foreign Credit Insurance Association, the World Bank and its affiliate the International Finance Corporation, and the Inter-American Development Bank.

"I have no doubt that the New York, Chicago, or large west coast banks would be only too glad to afford intensive training to one or two officers from each of their correspondent banks. Unless and until commer-

cial banks from coast to coast make up their minds to afford non-recourse financing on behalf of their exporting customers, the foreign trade of the United States will continue to suffer from the provincialism and isolationism that has existed and still exists in thousands of United States banks."

Mr. Bush is a native of Milwaukee, Wis., where he was born April 11,

1901. After attending St. Georges School at Newport, R. I., from 1914 to 1918, he enrolled in Yale University, from which he was graduated with a bachelor of arts degree in 1922. He was married to Lois Reid Kieffer in December, 1953 and they have three children—Mary Livingston, 8; Samuel Prescott II, 5, and Ethel Walker Smith, 2.—End.



THON P. THOMSEN
Merchants Natl. Bldg.
Cedar Rapids, Iowa

Serving Iowa Banks with

CREDIT LIFE and DISABILITY INSURANCE

A wholly owned subsidiary of the 10,000 stockholders of Life Investors of Iowa

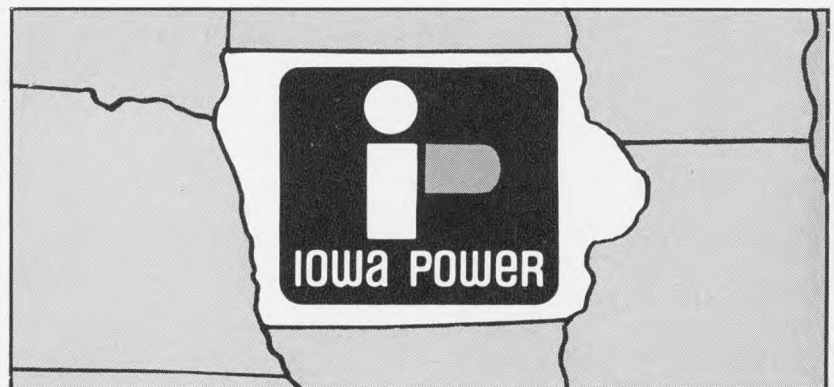
LIFE INVESTORS INSURANCE COMPANY OF AMERICA

275 FIFTIETH STREET NORTHEAST

CEDAR RAPIDS, IOWA 52406

Provide your customers

with Credit Life Insurance through the company they own



POWER-FULL IOWA

A going, growing state. Both industrial and farm income on the rise. In the thick of it: investor-owned Iowa Power . . . steadily expanding electric and gas capacities to stay well ahead of the increasing power needs of a vigorous economy.

Write for annual report

IOWA POWER AND LIGHT COMPANY—DES MOINES, IOWA 50303

Northwestern Banker, March, 1964

PROGRESS

Is The Watchword!



Nearly a half-century ago, in 1919, National Reserve Life was organized. From the very beginning our Company has maintained a steady and significant growth pattern.

Today, we operate in over half the states of the Nation—and in the Dominion of Canada. The Company ranks in the upper ¼th size bracket of all American insurance companies, and has currently over \$325,000,000 Insurance In Force.

National Reserve Life Policies are the dependable shield of protection for over 100,000 families, in all areas of the Nation.

Our vigorous expansion program is continuing in an unabated manner—and this results in making available to bankers immediate affiliation opportunities with our long established and tested Bankers Participation Plan. We invite your inquiry regarding this popular, profit-making plan. Your inquiry will be treated in confidence.

Cordially,

H. O. Chapman, Jr.

President

*Enduring
As Rushmore*



NR

NATIONAL RESERVE LIFE INSURANCE COMPANY

H. O. CHAPMAN, JR.
President

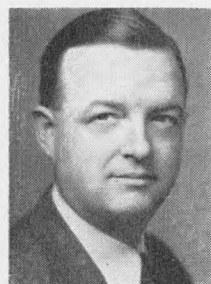
S. H. WITMER
Chairman of the Board

Topeka, Kansas • Sioux Falls, S. Dakota

Report on 1963 Insurance Results

FOLLOWING is a summary of 1963 business of insurance companies in this area as reported to the NORTHWESTERN BANKER at press time:

Employers Mutual Casualty Company, Des Moines:



R. B. KELLEY

President Robb B. Kelley reported that 1963 was a year of progress. Fire and casualty writings increased from \$41,054,889 to \$41,790,884 while surplus increased from \$17,435,041 to \$17,863,574.

Total assets were reported to be \$62,577,881 as compared to \$58,264,516 for 1962. Claims paid decreased from \$23,531,307 to \$22,829,076.

The new life subsidiary—Employers Modern Life Company—features a Life and Homeowners package which dramatizes the use of advanced packaging ideas in one stop insurance marketing.

The company now features Umbrella Liability Insurance with limits of \$1,000,000 and higher, one of only a few companies offering this coverage.

* * *

Central States Health & Life Company, Omaha: Though final reports are not completed at this time, president T. Leslie Kizer reports another year of continued growth for this company.

Premiums, surplus and assets have all more than doubled during the five year period from 1958 to 1963, reflecting this dramatic growth.

Kizer recently announced the advancement of five men to high level offices in the field organization to keep pace with this growing business. This expansion effort is reported in more detail elsewhere in this issue.

* * *

Life Investors Insurance Company of America, Cedar Rapids: Continued rapid growth was experienced by this company during the year as reported by Samuel E. Orebaugh, president.

Over \$150 million of insurance in force was achieved in just three years and eight months of operation.

The company moved into its new quarters during the year and a 1964 goal of \$200 million insurance in force was set.

Merchants Mutual Bonding Company, Des Moines: President W. W. Warner reports that 1963 was a most profitable year with assets and surplus funds reaching all-time highs.

Exact final figures have not been released, however premiums written totaled \$460,432,000 and the loss ratio was under 15 per cent.

The company entered Texas during the year and is now writing business in six states.

* * *

Mutual Fire and Automobile Insurance Company, Cedar Rapids: A most



P. A. ANDERSEN

successful 1963

was reported at this company's recent annual convention, as reported by Secretary Paul A. Andersen.

Premium writings were up over 1962 and the company experienced an increase

in surplus. All officers of the company were re-elected at the convention attended by some 100 agents and their wives.

* * *

National Fidelity Life Insurance Company, Kansas City: Insurance in



H. S. HOOK

force was increased to \$433,171,939 according to Harold S. Hook, C.L.U. president. This represented an increase of 22 per cent for the past year.

Paid ordinary insurance production was up 20 per cent to \$40,418,412. Group life insurance production, including creditor, increased to \$104,986,994, compared to \$82,965,390 in 1962.

Total income was up 16.5 per cent to \$12,655,725. Life premiums were up 21.6 per cent and health premiums increased 11.2 per cent during the year. Investment income increased nearly 10 per cent.

Total assets gained 7.4 per cent to \$33,578,657 or an increase of \$2,320,830 over December 31, 1962.

* * *

National Reserve Life Insurance

Company, Topeka: H. O. Chapman, Jr., president, reports that 1963 was another year of growth for this company.



H. O. CHAPMAN, JR.

Insurance in force increased \$18,613,313 to a total of \$328,385,382. Total assets grew to \$86,128,131, an increase of \$4,441,855 over

1962.

Surplus was increased by \$971,679 bringing total capital and surplus to \$8,191,666.

* * *

St. Paul Fire and Marine Insurance Company, St. Paul: President Ronald



R. M. HUBBS

M. Hubbs reports a net gain from operations in 1963 of \$14,402,413, compared to \$11,813,799 in the year 1962.

Net property-casualty premiums written rose \$11,505,533 (6.2 per cent), to \$195,648,386.

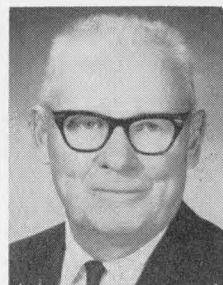
Property-casualty 1963 underwriting profit was \$1,335,069 compared to \$161,066 in 1962. The combined operating ratio declined to 98.5 per cent, from 99.6 per cent in 1962.

Overall casualty department operations were profitable with auto underwriting showing a small profit, \$387,096 for the year following 1962's \$2,785,000 loss.

Underwriting difficulties were centered almost entirely in property coverages, with heavy early year fire losses partly accountable for the property department's year-end underwriting loss.

* * *

Western Mutual Insurance Company, Des Moines: J. D. Kent, Sr., president, reports that 1963 was the



J. D. KENT

largest premium year in the company's 57-year history with a little under \$10 million in premiums written. Surplus also showed a modest increase.

Plans are being formulated to expand into additional territories during 1964. The

company is currently licensed in 17 states.

A new loss office was opened in Davenport, Iowa, to facilitate prompt loss service.

* * *

The Western and Southern Life Insurance Company, Cincinnati: Business during 1963 reflected exceptional gains in all areas of operation, reported William C. Safford, president. At year-end assets amounted to more than \$1.275 billion, an increase of \$76,947,630 over the previous year.



W. C. SAFFORD

The amount of insurance written in 1963 reached a record \$1.272 billion. At year-end, surplus and security reserves were \$106,145,332.

A record year for the company in the credit insurance field was also reported.

Claude C. Smith

A veteran Chicago banker, Claude C. Smith, 58, assistant vice president, American National Bank and Trust Company of Chicago, died recently.

Sets New Underwriting Record

THE B. C. ZIEGLER AND COMPANY became the first underwriter in the United States to surpass \$100,000,000 volume in institutional bond sales in one year when it rolled up \$116,061,000 during 1963. The statement highlighted the report given by D. J. Kenny, president, at the annual stockholders meeting held in the firm's West Bend headquarters.

Mr. Kenny said the record 1963 sales represented an increase of 28.5 per cent over the previous 1962 record

high of \$90,287,000. The record volume retained the Ziegler ranking as the largest underwriter of institutional bonds in the country for churches, schools, hospitals and homes for the elderly.

Stockholders were also told that gross sales of institutional commercial paper reached a record high in 1963. Mr. Kenny said the total of \$134,692,634 included \$56,469,000 of newly invested funds while the remaining total of more than \$78,000,000 represented renewals.

Savings Bonds Sales Increase

THE 1963 period was the best savings bonds year since 1956, according to a report from John B. Kimberley, regional director of the Savings Bonds division. Increase in sales nationally was 11 per cent over 1962. Here are the figures for states served by NORTHWESTERN BANKER: (000 omitted)

| State | 1963 | 1962 | Per Cent Change |
|--------------------|---------|---------|-----------------|
| Colorado | 36,632 | 34,935 | +4.9% |
| Iowa | 114,473 | 110,831 | +3.3 |
| Minnesota | 66,198 | 60,973 | +8.6 |
| Montana | 17,622 | 16,536 | +6.6 |
| Nebraska | 83,029 | 77,636 | +6.9 |
| North Dakota | 17,481 | 16,243 | +7.6 |
| South Dakota | 23,526 | 21,961 | +7.1 |
| Wyoming | 6,880 | 7,382 | -6.8 |

Talcott Earnings Report

James Talcott, Incorporated, reported net income of \$4,846,771 for 1963, compared to \$5,703,919 for 1962. Earnings per share were \$1.52 on each of the 2,831,895 shares outstanding as

of December 31, 1963, compared to \$1.90 per share for 1962 on the 2,744,436 shares outstanding at the end of the year. Total receivables financed and factored were \$1,693,064,000 in 1963 and \$1,643,970,000 in 1962.

Learn how Western and Southern Life can help promote your loan operation with a plan or combination of plans to suit your needs.

WRITE TODAY FOR COMPLETE DETAILS

Credit Insurance Dept.
P.O. Box 1119 • Cincinnati, Ohio 45201

WESTERN and SOUTHERN LIFE
INSURANCE COMPANY

A Mutual Company • William C. Safford, President

GET NEW CHECKING ACCOUNTS WITH FREE SECURITY HALLMARK PROMOTION



Please Send Me 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:



Bank Ad Budgets Increase

ADVERTISING budgets for American banks will aggregate more than \$204 million during 1964, according to estimates by the advertising department of The American Bankers Association. This is about \$2 million higher than advertising expenditures in 1963 and marks the 14th consecutive annual increase.

The A.B.A.'s estimates are based on projections from figures reported by 4,691 banks in various deposit classifications in response to the 19th annual survey by its advertising department.

An analysis of figures given in replies shows that 50 per cent of the participating banks planned increasing advertising programs this year, 34 per cent will spend the same amount, and only 16 per cent anticipate a lower expenditure than in 1963. The average advertising budget for large banks amounts to a sizable sum. Replies from 284 banks in the \$75-million-and-over class give an average of \$300,986 each this year, compared with \$283,567 for the previous year. Banks in the \$5-to-\$10-million class report ad budgets averaging \$6,147,

compared with 1963 expenditures of \$5,866.

Newspapers continue to be the favorite media for bank advertising.

Ozark Traffic Record

Ozark Air Lines experienced a year of achievement and progress in 1963.



F. W. JONES

The airline set new records in traffic growth, extended its routes and operating authority, accelerated its flight equipment and facilities modernization program and maintained a profitable operation, according to Floyd W. Jones, chairman, and Thomas L. Grace, president. Ozark flew 814,289 passengers during the year, a 19 per cent increase over the 680,740 passengers flown in 1962. Air cargo including mail, express and freight likewise showed spectacular increases. The airline increased its flying operations during the past year by ap-

proximately 10 per cent and is now scheduling nearly a million miles per month.

In June, Ozark completed a \$7,000,000 financing program which includes \$3,000,000 in 6½ per cent convertible debentures and a \$4,000,000 long-term bank loan. The net proceeds were used for the retirement of all outstanding interest bearing debts and interim loans, for acquisition and modification of flight equipment and for working capital. During the year, Ozark purchased four 40-passenger Fairchild F-27 jet-prop planes and took an option on two additional units at a cost of approximately \$6,000,000. The new planes are part of the airline's long-range modernization program started in 1960 to upgrade its service, phase out its DC-3's and to keep pace with its rapidly expanding traffic. Ozark now has a fleet of 33 aircraft.

Honor St. Joe Banker

Milton Tootle, Jr., president of the American National Bank of St. Joseph, Mo., was named the city's "Outstanding Boss of 1963." This award, based on the recommendation of company employees, is presented annually by the Junior Chamber of Commerce.



FINANCIAL STATEMENT

December 31, 1963

ADMITTED ASSETS

| | |
|--|------------------------|
| Bonds: (Amortized) | \$11,432,545.91 |
| Government | \$2,705,792.39 |
| State, County and Municipal | 6,328,844.63 |
| All Other | 2,397,908.89 |
| Stocks: (Market—N.A.I.C.) | 377,731.00 |
| Preferred | \$ 86,250.00 |
| Common | 291,481.00 |
| Mortgage Loans—On Real Estate | 122,174.59 |
| Real Estate—Including Home Office Building | 915,360.13 |
| Cash and Bank Deposits | 952,526.99 |
| Agents Balances and Reinsurance Receivable | 1,267,113.25 |
| Interest Due and Accrued | 96,780.00 |
| All Other | 13,263.95 |
| TOTAL | \$15,177,495.82 |

LIABILITIES AND SURPLUS

| | |
|---|------------------------|
| Reserves for: | |
| Losses and Loss Expense | \$ 1,013,777.35 |
| Contingent Commissions | 775,542.52 |
| Taxes: | 303,965.28 |
| Federal Income | \$ 62,898.44 |
| State and Local | 241,066.84 |
| Unearned Premiums | 1,683,299.21 |
| Funds Held Under Reinsurance Treaties | 149,550.08 |
| Reinsurance Loss Balances in | |
| Course of Payment | 474,001.53 |
| All Other | 323,749.54 |
| TOTAL LIABILITIES | \$ 4,723,885.51 |
| Surplus As Regards Policyholders | 10,453,610.31 |
| TOTAL | \$15,177,495.82 |

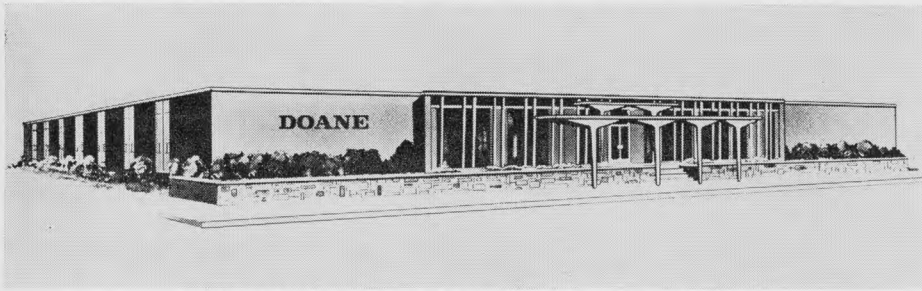
MAX D. RUTLEDGE, President

F. O. RUTLEDGE, Secretary

A. L. WAGNER, Treasurer

Home Office 2323 Grand Avenue, Des Moines, Iowa

Complete Doane Home Office



NEW HOME of Doane Agricultural in St. Louis, Mo.

NEW home offices for Doane Agricultural Service have just been completed and occupied. The 28,000 foot structure is located at 8900 Manchester Road, St. Louis, and is fully air-conditioned.

The company, which started in 1919,

furnishes professional agricultural services to farmers and ranchers and to agricultural businesses supplying the farm market. These services include farm management and appraisal, consultation, real estate sales, agricultural advisory services and a

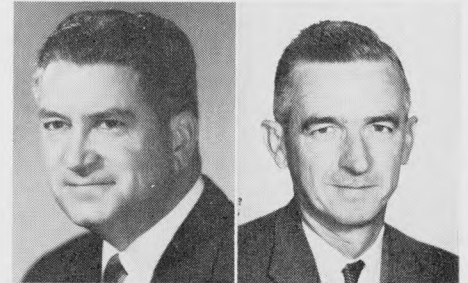
Marketing Research division for businesses buying from or selling to the farm market. Branch offices are maintained throughout the United States. There are 250 employees.

Wells Fargo Announces Senior Management Change

Changes in senior management personnel were announced recently by Ransom M. Cook, president of Wells Fargo Bank, San Francisco.

Retiring as executive vice president and chairman of the bank's loan committee is Dwight W. Chapman. He will be retained by Wells Fargo as a consultant. Associated with the bank since 1922, Mr. Chapman is nationally known in the investment and loan fields of banking.

Succeeding Mr. Chapman as chairman of the loan committee is senior vice president Ward C. Krebs, who has held the post of vice chairman



W. C. KREBS

J. F. HOLMAN

of the loan committee since 1960. Mr. Krebs was named to the bank's senior management team four years ago after heading up the Sacramento district and branches in Woodland and North Sacramento.

Vice President John F. Holman moves from a loan supervision assignment in Wells Fargo's Metropolitan branch division to head of the commercial loan department, succeeding Mr. Krebs. Mr. Holman has been with the bank since 1928.

Join Commerce Trust

Clark M. Page as joined Commerce Trust Company as a vice president in the commercial business development department. He has been with the Gustin-Bacon Manufacturing Company since 1952, serving as Kansas City manager for the past eight years.

The bank also announced that Thomas D. Circle has joined the installment loan department as an assistant vice president.



C. M. PAGE

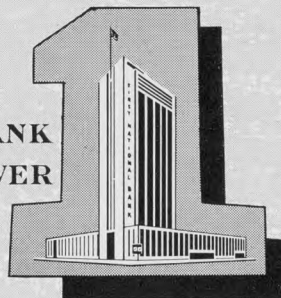
LOOKING
FOR A
BANKER'S BANK?

HERE
IT IS

Correspondents know they can depend upon The First for financial strength, experience, personal attention and unexcelled service.

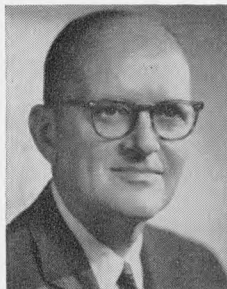
THE FIRST NATIONAL BANK
OF DENVER

MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION



Heads Foundation Activities

TILDEN CUMMINGS, president of the Continental Illinois National Bank and Trust Company of Chicago, was elected chairman of the board of trustees of the Foundation for Commercial Banks at a meeting of the board. He succeeds Allen Morgan, president of The First National Bank of Memphis.



T. CUMMINGS

named as a vice president at the session.

Clara E. Gruzynski, Dr. F. P. Neis and Peter J. Oster, all members of the board for many years, were named honorary life vice presidents, a new office.

Senior vice presidents under the realignment will be C. C. Guell, formerly a vice president, and J. C. Broeren, who also retains his post as secretary.

Robert M. Conway was re-elected a vice president, while Foster D. Dreger

moved up from treasurer to vice president and comptroller, with his former assistant W. A. Hintz, named as new treasurer.

The best earnings year in the company's 39-year history was reported in the fiscal period ended last November 30. Net income was \$1,334,189, compared to \$1,261,423 for the previous period. Operations of the company, the 27th largest independent consumer finance company, produced a gross income of \$12,091,713. The firm's 105th office was recently opened with the establishment of an office in Grand Rapids, Minn.

ON THE COVER

Tilden Cummings (left) presents a plaque to Allen Morgan, honoring the latter for his "pioneering efforts" on behalf of the Foundation for Commercial Banks. Mr. Cummings succeeds Mr. Morgan as Foundation chairman.

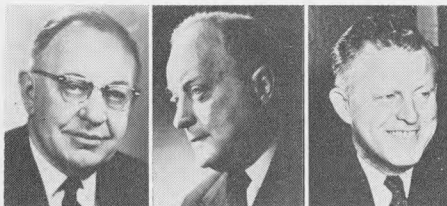
Elected to serve as vice chairmen were Mr. Morgan; Morris R. Brownell, Jr., vice president of The Philadelphia National Bank; H. Prentice Browning, president of the American Fletcher National Bank and Trust Company, Indianapolis; and S. J. Kryzsko, president of the Winona National and Savings Bank, Winona, Minn.

Rogers H. Woods, Jr. was re-elected executive director and treasurer of the Foundation, and Richard B. Beal was re-elected secretary. Walter H. Johnson, Jr. and Herman Jones, Jr. were re-elected senior vice presidents.

Thorp Executive Change

Emil E. Kostner has been advanced from executive vice president to president of Thorp Finance Corporation, Thorp, Wis. Francis J. Conway will move from president to chairman and chief executive officer.

Moving up to the office of executive vice president is G. D. Hammitt, formerly senior vice president.



CONWAY KOSTNER HAMMITT

Named as new members of the board of directors during the stockholders meeting were vice president Harvey V. Mason and R. J. Tolford,

There's talk among bankers about the bank for action

The bank that serves the entire Pacific Coast, from Los Angeles to Seattle. Fast, accurate source of information on credit, markets, opportunities anywhere in California, Oregon, Washington. The bank on the move in the West.

THE BANK OF CALIFORNIA



SAN FRANCISCO
SEATTLE
PORTLAND
TACOMA
LOS ANGELES
AND MANY OTHER CALIFORNIA CITIES

THE BANK OF CALIFORNIA, NATIONAL ASSOCIATION • THE ONLY COASTWIDE BANK • MEMBER F.D.I.C.

The "Printed Word"

Often your first contact . . . sometimes your only contact with a business prospect is your printed message. Make certain it leaves the best possible first impression.

Print it on Newhouse papers.

NEWHOUSE PAPER COMPANY

"Better Printing Papers"

Minneapolis

St. Paul

Des Moines

Moline



Midland's Johnson and Ordos bringing a big branch into downtown Minneapolis

Need a branch in Minneapolis?

Shhhhh! You can open a downtown branch banking office tomorrow—legally. Midland's Doug Johnson and John Ordos are just the men to help you. They are our correspondent bankers, who will bring your problems to our specialists in loan participations, transit, trust, credit, collection, and operations.

Why, it's almost like having your own branch office in Minneapolis—with none of the headaches! Call FE 2-0511 for Doug or John. They'll prove Midland's friendship by their service.

THE BANK WITH THE BIG WELCOME

Midland National Bank

Federal 2-0511 • 2nd Ave. So. and 4th St. • Minneapolis, Minn. 55440
Member Federal Deposit Insurance Corporation

Northwestern Banker, March, 1964

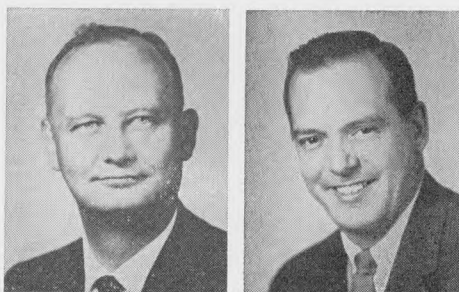
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<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis

Minnesota NEWS

T. E. OLSON President Starbuck
K. A. WALES Secretary Minneapolis



Workshops Near Completion

AS THIS issue of the NORTHWESTERN BANKER was being prepared for publication a series of 14 workshops was underway by the Minnesota Bankers Association.

Meetings were conducted during the weeks of February 10 and February 24 and continued through the week of March 9 in every part of Minnesota.

Included on the agenda were state and federal legislation, competition, banking education, and a discussion of bank operations and activities of the state association.

The workshops were full-day meetings of the president or executive officer from every bank in each area, according to Kenneth A. Wales, executive secretary of the association. One or two meetings were scheduled for each of the nine association districts. Participants in the program included Thomas E. Olson, association president and executive vice president, First National Bank, Starbuck; Glenn A. Uggen, association vice president and president, Peoples State Bank, Wells; Mr. Wales, and Truman L. Jeffers, association assistant secretary.

Final sessions were scheduled for the Twin Cities on March 11 and 12.

Report Capital Increases

The Minnesota Department of Commerce has reported the following increases of capital stock in Minnesota State banks:

Northwestern State, Appleton, from \$50,000 to \$75,000; Security of Beardsley, from \$40,000 to \$50,000; Farmers and Merchants State of Breckenridge, from \$100,000 to \$150,000; Northwestern Bank of Commerce, Duluth, from \$411,400 to \$423,500; First State of Floodwood, from \$25,000 to \$50,000; Klossner State, from \$24,000 to \$60,000; Lake City State, from \$50,000 to \$100,000; State Bank of Elmo, from \$50,000 to \$100,000; State Bank of Lake Park, from \$50,000 to \$75,000; Rock County Bank, Luverne, from \$125,000 to \$150,000; Citizens Bank, Morris, from \$100,000 to \$150,000;

Peoples State, Plainview, from \$50,000 to \$75,000; Santiago State, from \$25,000 to \$50,000; Savage State, from \$90,000 to \$180,000; Cosmopolitan State, Stillwater, from \$100,000 to \$150,000; Peoples State, Warren, from \$75,000 to \$100,000; State Bank of Worthington, from \$200,000 to \$250,000.

Change Pleas in Anti-Trust Cases

The 19 Minnesota banks involved in criminal indictments for alleged violations of anti-trust laws changed their pleas from "not guilty" to pleas of nolo contendere (no contest) last month and were fined from \$1,000 to \$35,000 for a total of \$253,000 by Judge Edward J. Devitt in Minneapolis federal district court.

The banks also signed consent decrees whereby they agree to discontinue certain practices which the U. S. Justice Department called illegal restraint of trade.

Representatives stated that they saw no particular effect of the settlement on the general public's relationship with the banks.

After the indictments were returned in February 1963, the banks involved insisted that they were not subject to the anti-trust laws, contending that they were regulated rigidly without being subject to anti-trust jurisdiction. The change in pleas came after a U. S. Supreme Court ruled last summer that banks are under anti-trust jurisdiction. This ruling was on an unrelated matter in Philadelphia.

State Totals Given

Gerald L. Bryan, Minnesota commissioner of banks, reported in a comparative statement that at year-end the 516 Minnesota state banks had total deposits of \$1,743,237,270, compared with \$1,634,442,116 in 1962. The number of state banks increased by five during the year.

Total loans at year-end, including commodity credit corporation loans, amounted to \$863,462,552. Assets to-

taled \$1,913,381,123, and capital accounts totaled \$152,164,049.

Loans at year-end 1962 totaled \$785,716,789, while assets totaled \$1,793,172,532, and capital accounts totaled \$143,246,561.

The capital-deposit ratio at year-end 1963 was 8.73 per cent, and the deposit-loan ratio was 49.53 per cent. At year-end 1962, the capital-deposit ratio was 8.76 per cent and the deposit-loan ratio was 48.07 per cent.

Albert Lea

Roy W. Delaney retired recently as chairman of the board and director of the First National Bank. He is succeeded as a director by Verner O. Henry, vice president and cashier.

Austin

Eugene R. Nietz has been promoted from assistant cashier to assistant vice president at the Sterling State Bank. All other officers and directors were re-elected.

Bemidji

Wm. R. Howe has been promoted to vice president and cashier from cashier at the Northern National Bank. All other officers and directors were re-elected.

Benson

Lyon Lindman, owner of a soft water service in Benson, has been elected to the board of the First State Bank. He replaces E. C. Alsaker, who retired.

Bovey

W. F. Prigge has been promoted to president of the First National Bank, succeeding H. J. Dockstader, retired. Robert Johnson, assistant cashier, has been named cashier. Mr. Prigge formerly was executive vice president and cashier.

Buhl

J. I. Anderson, vice president and cashier of the First National Bank, retired at year end. He had been with the bank 54 years.

Bertha

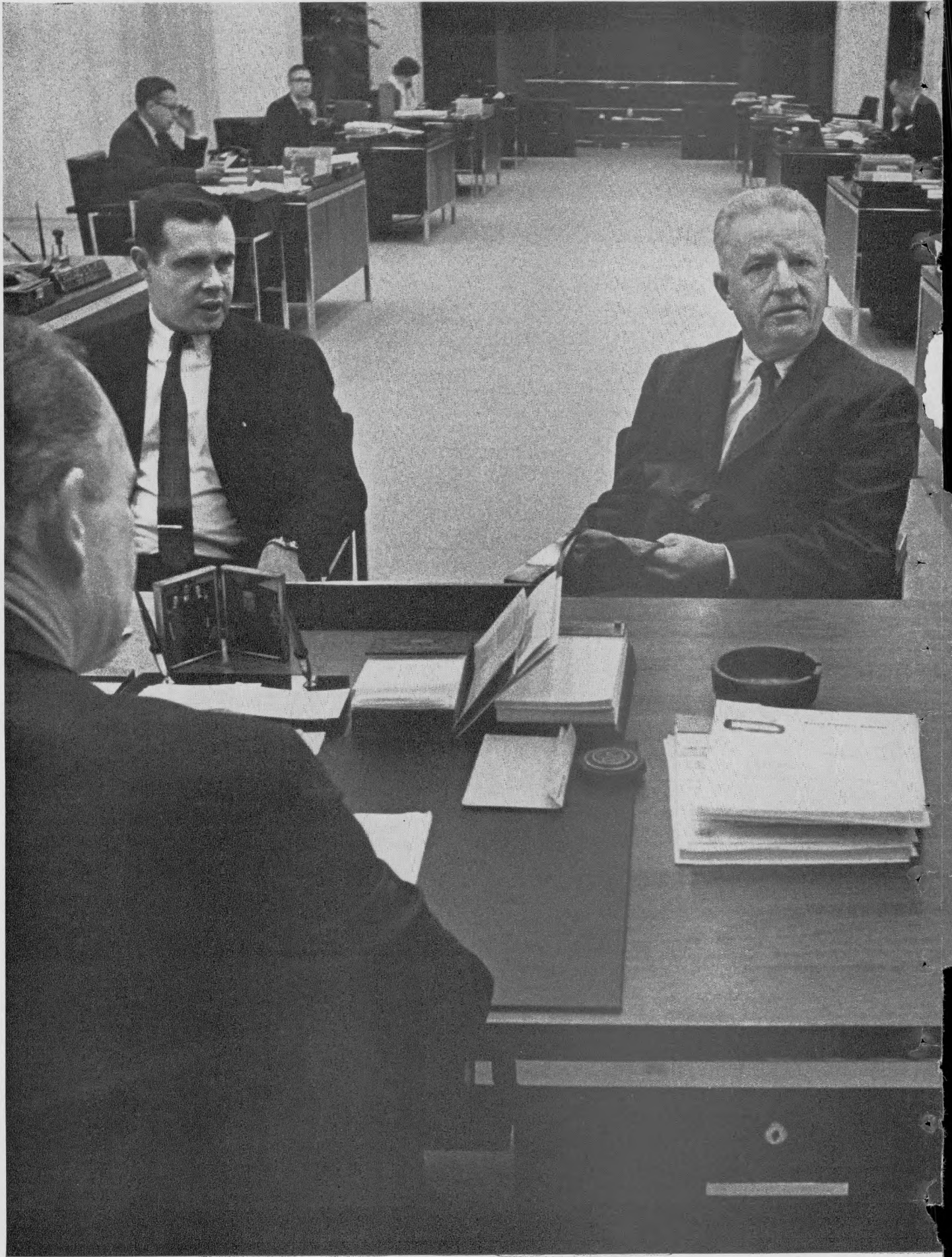
The First National Bank has been sold to Oscar J. Larson of Erskine, Minn., and his three sons, Merle, Gale and Roger. The Larsons also own controlling interest in the American State Bank in Erskine.

Oscar Larson has been named president, Merle is vice president and Roger and Gale were elected to the

MINNESOTA NEWS . . .

(Turn to page 61, please)

Northwestern Banker, March, 1964



Northwestern Banker, March, 1964

They can help your bank in the "grocery" department

The people in our food and commodity division know food. Their broad experience covers seed, feed and fertilizers; processing and canning, packaging, storage, and wholesale and retail distribution. The division includes agricultural banking specialists who are right up-to-the-minute on over-loans. These are some of the ways we help our correspondents. We'd like to help *you*.



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Twin City News



THE proposed Bank of Minneapolis & Trust Company, to be located at 922 Nicollet Avenue, has been approved by the Minnesota Commerce Commission.

Capital has been set at \$1,200,000. Incorporators include the following:

Thomas K. Scallan, attorney; **Lewis L. Crosby**, retired vice president of Cargill, Inc.; **Maurice Adelsheim, Jr.**, vice president and secretary, S. Jacobs Co., jewelers; **Arthur D. Cumming** of Excelsior, a dentist; **Earl T. Winget, Jr.**, Hopkins, president, Midwest Corporate Services, Inc.; and **Lyman Walters**, Hopkins, vice president and general manager of Walters, Inc.

* * *

At the Cherokee State Bank of St. Paul, **William R. Jordan** was promoted from cashier to vice president, and **R. James Gesell**, formerly assistant cashier, was elected cashier.

* * *

First Bank Stock Corporation has elected **John Cowles, Jr.**, vice president and editor and director of the *Minneapolis Star and Tribune*, to its board of directors.

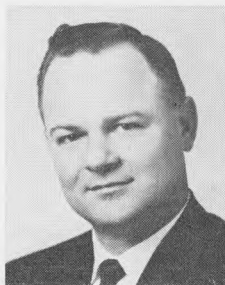
Directors also announced the adoption of a resolution recommending a two-for-one stock split.

Consolidated net earnings for 1963 reached a new high of \$16,955,058. Consolidated deposits reached \$2,069,-

273,313 and loans at year end amounted to \$1,149,066,361, or 49.1 per cent of total resources.

* * *

Federal Reserve Bank of Minneapolis announced that **Roger K. Grobel** has been named to succeed **Harold G. McConnell** as vice president



L. G. GABLE

in charge of examinations. Mr. McConnell, vice president and secretary, retired at the end of February. **John P. Olin**, assistant vice president, has been named assistant vice president and secretary and **Lester G. Gable** has been elected as chief examiner. Mr. Gable has been an examiner since 1960.

It also was announced that **John Moorhead**, president of the Northwestern National Bank of Minneapolis, has been named president of the Federal Advisory Council. He is the first representative from the Ninth District elected to this post.

* * *

Reports from Washington, D. C., indicate that **Frederick L. Deming**, president of the Federal Reserve

Bank of Minneapolis, is the top candidate at the present time for appointment to a 14-year term on the Federal Reserve Board of Governors in Washington. If appointed, Mr. Deming would succeed **James L. Robertson**, who appeared unlikely in mid-February to be reappointed by **President Lyndon Johnson**.

* * *

First Security State Bank of St. Paul has announced the election of **Francis H. Smith** as a director. He is president of Mercury Motor Freight Lines, Inc.

* * *

First National Bank of Minneapolis announced the election of **C. K. "Tim" Skinner, Jr.**, as vice president. He



C. K. SKINNER, JR.

formerly was vice president of the Colorado National Bank of Denver where he specialized in cattle management and feeder loans.

The bank also announced the retirement of **Arthur "Art" H. Towler**, cashier, after 43 years in banking in Minneapolis.

Albert C. Hansen, assistant manager of the collection and coupon division, also retired recently, after 38 years in banking.

The First National, in 1963, had the highest gross and net operating earnings of any year in its 106-year history. Average daily deposits showed a gain of nearly \$30 million and loans and discounts averaged some \$28 million over 1962. Gross income totaled \$26,106,695, while net operating earnings were \$4,521,047.

* * *

First Service Corporation of Minneapolis has elected **James A. Johnson** of Helena, Montana, as assistant vice president. He will assist **D. R. Grangaard**, vice president, who has respon-

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for bank investment**

Allison-Williams Company

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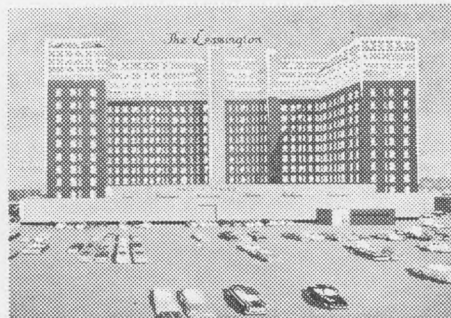
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sibility for 47 Minnesota and Wisconsin bank affiliates. Mr. Johnson formerly was assistant vice president of the First National Bank and Trust Company of Helena.

* * *

Marquette National Bank advertisements have been selected as the best "cream of the crop" advertisements by the National Research Bureau and the Financial Public Relations Association. This is the 13th time the bank won this award during the past year.

* * *

William R. Chapman, president, Midland National Bank, was featured recently in an article in the *Minneapolis Star*. The article dealt with Mr. Chapman's experience as a private pilot and pointed out that he has flown to meetings throughout the nation in his 10 years of flying.

* * *

The New National City Bank of Minneapolis has named the Minneapolis office of Bozell & Jacobs as its advertising agency. **Sam H. Kaufman**, B & J's Minneapolis manager, will supervise handling the account.

* * *

Northeast State Bank has named three additional directors. They are **John Dady**, pharmacy owner; **Warren R. Thompson**, vice president, and **Edward Drury**, president of Woodlake Sanitary Service.

* * *

Goodrich Lowry, president, Northwest Bancorporation, and **Dwayne C. Andreas**, executive vice president and general manager of Union Grain Terminal Association, have been named co-chairmen of a finance committee to support the proposed Taconite Amendment to the Minnesota constitution.

* * *

Northwest Bancorporation advanced to a new high in net earnings, dividends, loans and deposits in 1963. Net earnings amounted to \$16,928,825. Deposits reached \$2,249,937,263, up 3.8

per cent, and loans amounted to \$1,273,017,298, up 10.4 per cent.

* * *

Promotions of ten members of the staff of Northwestern National Bank have been announced by **John A. Moorhead**, president.

C. Paul Lindholm and **Robert G. Ziemer** were elected vice presidents



C. P. LINDHOLM

R. G. ZIEMER

and **F. Herbert Aitkens** was elected an assistant vice president.

James W. Paradise, **Duane O. Timerson**, **Floyd J. Stewart** and **Harry J. Jensen, Jr.**, have been named assistant cashiers.

Robert W. Colbert was elected an assistant vice president in the trust department and **Charles R. Lloyd** and **Richard S. Ziegler** were elected assistant trust officers.

Mr. Lindholm joined Northwestern in 1948 as a teller and was named a representative in the banks and bankers department in 1951. He was elected an assistant cashier in 1953 and an assistant vice president in 1961.

Mr. Ziemer joined Northwestern's bookkeeping department in 1941. After a three-year tour with the U. S. Army, he returned to the bank in 1946 and served in various departments. He joined the banks and bankers department in 1951 and was elected an assistant cashier in 1953 and an assistant vice president in 1961.

Floyd E. Simons, vice president, retired February 29 after 36 years of service to the bank.

Mr. Simons joined Northwestern's credit department in 1928 and became an assistant cashier in 1935. He was elected an assistant vice president in 1944 and vice president in 1945. He was made head of Division C in 1957.

* * *

North Side Office of the First National Bank of Minneapolis has named **Dale H. Johnson**, formerly assistant cashier of the First National Bank of Hopkins, as assistant manager.

* * *

Charles H. Bard has been elected cashier of Northwestern National Bank of Bloomington-Richfield. He formerly was assistant vice president and succeeds **Arthur J. Hengler**, who is retiring.

* * *

Robert D. Brown has been named executive vice president of the Park Plaza State Bank, St. Louis Park. He joined the bank in 1960 as vice president and cashier. **Hal Mathieu**, formerly assistant cashier, was named assistant vice president, and **Donald L. Paulson**, a member of the bank staff since 1958, was named cashier.

* * *

The Phalen Park State Bank of St. Paul has received approval for Federal Deposit Insurance. President of the new bank in **Fred Hodgdon**. Capital accounts total \$250,000.

* * *

Piper, Jaffray & Hopwood, Minneapolis investment firm, has purchased Jamieson and Co. Terms of the transaction were not disclosed. **Einar A. Berg**, head of Jamieson's Minneapolis office, and **William G. Kahlert**, head of the St. Paul office, will become associated with Piper-Jaffray as limited partners.

* * *

Thomas G. Trygg, formerly of Cook, has been named executive vice president and cashier of the Roseville State Bank of St. Paul. He also was elected to the board of directors.

* * *

The Third Northwestern National Bank has named two new directors. They are **B. F. Davidson**, vice president of Founders Incorporated, and **Marvin F. Bank**, president of Western Salvage and Appraisal Company.

* * *

King Boreas XXVIII of the St. Paul Winter Carnival was revealed to be **Russell M. Johnson**, 54-year-old vice president of the Twin City Federal Savings and Loan Association and manager of that company's St. Paul office. His father, **Henry A. Johnson**, is president of the Security State Bank, Marine-on-St. Croix, Minn.



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Northwestern Banker, March, 1964

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Federal Reserve Bank of St. Louis

MINNESOTA NEWS . . .

(Continued from page 55)

board of directors. A. J. Hilpert will continue as executive vice president and cashier.

Cloquet

Henry Eugene Ruggles, formerly cashier at the Union Savings Bank in Sioux Falls, has been named president of the new City National Bank. The new bank opened recently in a mobile home, which is serving as temporary quarters until extensive remodeling is completed at the permanent location.

Comfrey

Floyd Armbruster, cashier, has been elected to the board of the Peoples State Bank.

Crystal

L. Z. Carlson and Mathew Bienias have been elected assistant cashiers of the Crystal State Bank. Both are charter members of the bank's board, and have served on the board since the bank was organized in 1954.

Allan Fagley has been appointed to a newly-created post of installment loan officer.

Duluth

Airport State

Joe R. Bridges has been elected vice president and D. R. Wolf was named assistant vice president at the annual meeting. Mr. Bridges was elected to the board last June. Mr. Wolf, a retired Air Force colonel, joined the bank last November. Mr. Bridges is a retired Air Force lieutenant colonel and is affiliated with New York Life Insurance Co.

First American National

Roger M. Bowman has been elected to the board of directors. All other directors were re-elected.

Northern City National

C. Glenn Rye, executive vice president, and Gerald J. Maier and James H. Claypool, vice presidents, have been elected to the board of directors.

East Grand Forks

Jay A. Johnson, manager of the local Farmers Co-op Elevator, and Ardell Jeffrey, partner in the Jeffrey Brothers Potato Company, have been elected to the board of the First National Bank.

Edina

David E. Gresham has been named chief clerk and Gerald G. Jensen was appointed installment loan interviewer. Mr. Jensen at one time was sports announcer on WHO radio and TV in Des Moines.



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Excelsior

Robert P. Gardner, manager of the installment loan department, has been elected vice president of the Minnetonka State Bank.

Fairfax

Lloyd Erdal, vice president, and Willis Marwede, vice president and assistant cashier, have been elected to the board of the Citizens State Bank.

Farmington

Grand opening was held recently at the new Valley National Bank.

Located at the intersection of Highway 13 and Cedar Avenue, the new building has the appearance of a country chalet from the highway. From the parking lot, broad steps lead to the banking floor where on open hearth is the center of attention.

Fertile

Sidney E. Storm, formerly assistant cashier, has been elected cashier at the American State Bank in Moorhead, Minn.

Green Isle

Fred P. Michaletz, vice president and cashier, has been elected president of the Citizens State Bank. He has been with the bank more than 30 years. William J. McGuire, who joined the bank earlier this year, was named vice president and cashier, and Donald Bleeke and Donald Herd both were named vice president and assistant cashier.

Burt H. Corwin, assistant treasurer

of Equity Capital Company of Minneapolis, was named vice president. New assistant cashiers are Mrs. Lydia Masemann, Deanne Proehl and Kathleen Michaletz.

Capital stock has been increased from \$100,000 to \$150,000.

Hastings

John B. Exley of St. Paul has been elected vice president of the First National Bank of Hastings. He formerly was vice president at the Stock Yards National Bank in South St. Paul.

Al Schmitz, who has been with the bank since 1942, retired last month. He was an assistant cashier.

Houston

L. H. Briggs, president, and C. P. Wahl, vice president, have announced their retirement from active service at the Security State Bank. Mr. Briggs will continue as president on a consulting basis. Mr. Wahl also will be available as a consultant.

O. B. Sorum, assistant cashier, was elected cashier, and L. E. Briggs continues as executive vice president.

Hutchinson

The Citizens Bank has announced the promotion of Wallace W. Kurth, cashier, to vice president, and David H. Jensen from assistant cashier to cashier. Mr. Jensen also was named to the board of directors.

Janesville

John J. Scott, formerly cashier, has been elected executive vice president

at the Janesville State Bank and Joseph M. Finley, vice president, was selected to fill the post of cashier. Rod Lundquist, a local farmer, was named to the board, filling a vacancy left by the resignation of F. J. Conway.

Cletus F. Murphy, Waseca county agent, has joined the bank as agricultural representative.

Lafayette

Robert H. Halvorson of Bernadotte has been elected to the board of the Citizens State Bank, replacing the late Judge George D. Erickson.

LeCenter

Wm. L. Heinen of the Heinen & Christian law offices, has been elected a new director of the First National Bank. He fills a vacancy left by the resignation of Warren Christianson and Louis F. Reinhardt, reducing the number of directors from seven to six.

Litchfield

John M. Harmon has been elected to the board of the Northwestern National Bank.

London

Robert C. Tuveson, Albert Lea attorney, and Joy Hendrickson, Jr., have been elected to the board of the London State Bank.

Mankato

At the National Citizens Bank, Curtis Zupfer was promoted from assistant cashier to assistant vice president and Starr J. Kirklin was elected assistant cashier. Richard L. Myers has been elected to the board. Mr. Myers served on the board from 1947 until 1958 when he moved to Rochester. He returned to Mankato last year, and is the president of the Security National Bank of Amboy.

Mora

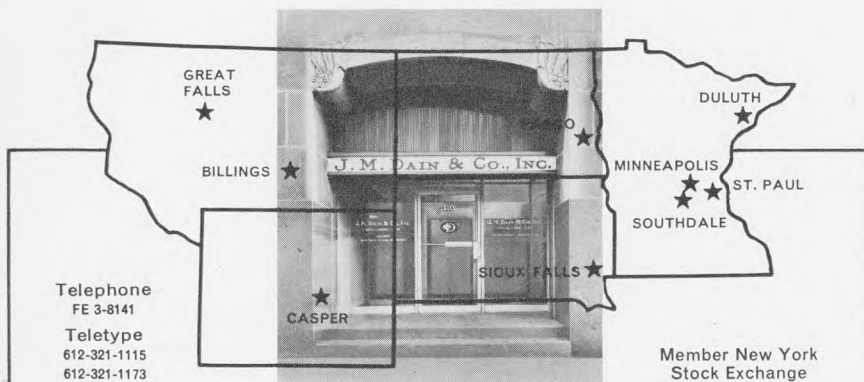
Eugene Olson, an area farmer, has been elected to the board of the Peoples National Bank.

It was also announced that shortly after January 1, deposits passed the \$1 million mark. The bank opened last September.

Navarre

Richard M. Keaveny has been elected president and chairman of the board of the newly formed First National Bank of Navarre. Kenneth O. Knutson, formerly with the Olmsted County Bank & Trust Company of Rochester, has been elected executive vice president and cashier.

Other directors are Robert A. Kratt, Stanley Johnson, Stanley Ecklund and

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BILLINGS CASPER GREAT FALLS SIOUX FALLS FARGO DULUTH SOUTHDAL E ST. PAUL

George Shervan. The bank will be located at County Roads 19 and 15 in Navarre.

Mountain Iron

Paul A Peterson, president of the Mountain Iron First State Bank, retired recently. He had been with the bank since 1930 and served as president for about eight years.

New Brighton

Henry H. Stahlmann has been promoted from cashier to vice president and cashier at the First State Bank. He has been cashier since 1960.

New Ulm

Herbert H. Praul retired as president of the Citizens State Bank recently, and Victor P. Reim, an attorney, was named to succeed him. Robert C. Eichten, vice president, was named executive vice president, and Donald Golimast, cashier, was elected vice president and cashier. Mr. Eichten was named to the board of directors, succeeding Mr. Prahl.

North Branch

Lorraine A. Olson has been elected assistant cashier at the Merchants State Bank.

Pipestone

W. S. Morgan, vice president for the past 10 years, has been elected president of the First National Bank, succeeding the late E. J. Feldman. Arthur R. Stilwell, who retired from the bank last July, succeeds Mr. Feldman as chairman of the board. George P. Scroggie, who has been cashier for four years, was elected vice president, and Clarence B. Stavenger was promoted from assistant cashier to cashier.

Rochester

First National

Franklin S. Ruhl, trust officer, has been elected vice president and trust officer; J. B. Lindstedt was advanced to assistant vice president and assistant manager of the timepay department from assistant cashier; Verol Anderson was promoted to trust officer, Marvin Fitzthum was appointed auditor, and Raymond P. Kamesch was promoted from assistant cashier to assistant cashier and assistant manager of the real estate loan department.

Oscar J. Allerton, 70, retired as a director.

This action was taken at the bank's 100th annual meeting.

Northwestern National

George Tesar, general manager of

Dayton's, and Clifford M. Johnson, president of the Johnson Company, have been elected to the bank's board of directors. Rex J. Horlocker was elected manager of the electronic data processing center.

Olmsted County Bank & Trust

Demolition of four store buildings in down-town Rochester to provide a site for a \$2 million, eight-story bank and office building is scheduled to start in May. The Olmsted County Bank and Trust Company will occupy the basement, most of the first floor and all of the second floor in the new building.

Completion of the new building is scheduled for the summer of 1965.

St. Cloud

Fred J. Hughes, St. Cloud attorney, and Thomas G. Varner, vice president in charge of agricultural services, have been added to the board of the St. Cloud National Bank.

St. Peter

Alan Burg, an area farmer, and Robert P. Swedburg, of Swedburg Drugs in St. Peter, have been elected to the board of the Nicollet County Bank.

It was also announced construction

is to begin around May 1 on a new bank building to be located on the northwest corner of Third and Nasau.

Sleepy Eye

At the State Bank of Sleepy Eye, Mrs. Mary A. Wooldrick advanced from executive vice president to chairman of the board, and Donald E. Schmid was named executive vice president. Mr. Schmid formerly was vice president.

Thief River Falls

Clyde Christensen, a farmer, has been elected to the board of the Northern State Bank.

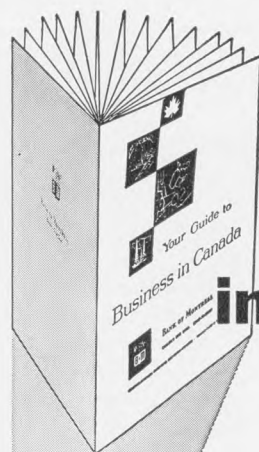
Stillwater

Oscar Olsen has been promoted from assistant vice president to vice president at the First National Bank, and Alan Peterson has been elected assistant cashier.

Spring Lake Park

The Minnesota Department of Commerce has issued a charter to the First State Bank of Spring Lake Park and the new bank opened for business last month.

Capital and surplus are \$75,000 each, and undivided profits total \$50,-



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900 BRANCHES IN CANADA, UNITED STATES, GREAT BRITAIN, EUROPE AND JAPAN • RESOURCES \$4,000,000,000

000. Donald H. Gregerson is president, Robert M. Dickman, vice president, and Robert E. Johnson, cashier.

Tower

Thomas Dragavon was promoted to assistant cashier at the annual meeting of the State Bank of Tower.

Twin Lakes

At Twin Lakes State Bank, Arlen Gassedelen was promoted to cashier from assistant cashier at the annual meeting.

Waconia

Open house was held last month at the First National Bank, marking completion of the bank's new building.

Waterville

Lowell A. Pogatchnick, formerly cashier at the First National Bank of Kilkenny, has joined the Citizens State Bank of Waterville as vice president and loan officer.

Winona

First National

A special dinner party was held recently marking the retirement of George M. Robertson, a director of The First National Bank.

Mr. Robertson retired as president in 1960 and continued as a director until this year.

Merchants National

At the annual meeting, Richard D. Gillen was named assistant cashier, and G. M. Grabow, president, announced that an increase in capital by \$150,000 to \$750,000 was approved. The increase will be made by a 25 per cent stock dividend.

Worthington

Harry N. Dirks has been elected president of the First National Bank, succeeding Martin C. Leonard, who has been named chairman of the board. Mr. Dirks also was elected a director.

James J. Whitley has been named assistant manager of the timepay department.

Gamble-Skogmo Record

Gamble-Skogmo, Inc., Minneapolis-based wholesale-retail merchandising organization, reported sales for 1963 reached an all-time high in the company's history, according to Carl C. Raugust, president of the firm. December sales also led any other December, Mr. Raugust stated. Sales for the twelve months of 1963

including leased departments were \$237,173,000 against sales of \$211,891,514 for the year of 1962, an increase of 11.9 per cent.

Plan Ag Forum

The 2nd Annual Correspondent Agri-banking Forum will be held at the Radisson Hotel in Minneapolis, September 20-21. The forum will be sponsored again by the ABA's agricultural committee.

The meeting is designed for banks doing a correspondent business, and the program is specifically geared to larger banks. The session was held in St. Louis last year.

Name FDIC Director

K. A. Randall, a prominent Provo, Utah banker, has been designated by President Johnson to fill a position as a director of the Federal Deposit Insurance Corporation.

Mr. Randall, president of the State Bank of Provo, was sponsored for the position by Senator Wallace F. Bennett (R-Utah).

The 36-year-old Mr. Randall replaces Jesse Wolcott who retires from the \$20,000 a year position effective January 26.

To Serve You More in '64



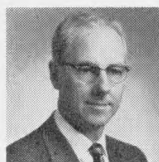
E. NEWELL



S. EVANS



C. L. ADAMS



J. HAVER



J. J. MCGILL



B. HOLDDORF

LIVE STOCK NATIONAL BANK
SIoux CITY



M. ERICKSON

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



C. DAHL



G. MULLINS



R. M. MCGREOR



R. K. DRAPER

Your "Best in the Midwest" Correspondent

South Dakota NEWS

SCOTT LOVALD President Philip
A. S. GULLICKSON Secretary Huron



S.D.B.A. Plans Trip, Meeting

THE South Dakota Bankers Association has scheduled two important events for March: the annual legislative trip to Washington, D. C., and a series of five group managing officers' meetings.

Members of the Association will leave Tuesday, March 17, from the Minneapolis-St. Paul Metropolitan Airport for Washington. Return will be on Saturday, March 22.

Itinerary while in Washington will include a visit with A.B.A. officials, a visit to the headquarters of the U. S. Chamber of Commerce, visits with the South Dakota congressional delegation, and meetings with James J. Saxon, comptroller, S.B.A. officials, and the Federal Reserve Governors. A special reception and dinner will be held Thursday evening, March 19.

The five managing officers' meetings will start March 25. Meetings are designated for managing officers of the five Association groups. Following is the complete schedule of meetings.

March 25—Group V, Crystal Room, Sheraton-Johnson Hotel, Rapid City.

March 26—Group IV, Community Room, First National Bank, Mobridge.

March 27—Group II, American Legion Club Rooms, Redfield.

March 30—Group III, Banquet Room, Chef Louie's Steak House, Mitchell.

March 31—Group I, Oak Room, Sheraton-Cataract Hotel, Sioux Falls.

Each of the meetings will begin at 2:30 p.m. and conclude at 5 p.m.

Aberdeen

William H. Manning, former Aberdeen banker, has been named vice president and cashier of the Santa Monica Bank, Santa Monica, California.

Aberdeen National

The Aberdeen National Bank has announced construction plans and bids were received last month.

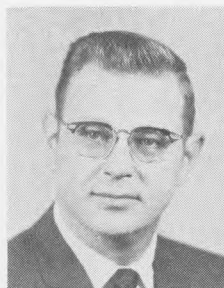
First National

C. C. Lind, president, announced that the bank's capital stock has been increased from \$1 million to \$1.5 mil-

lion by a transfer of \$500,000 from undivided profits.

Farmers & Merchants

Stanley M. Petersen has been named assistant vice president and agricultural representative. He joined the staff in January, 1962, after serving two years as assistant county extension agent in Brown County.



S. M. PETERSEN

G. L. Hill, executive vice president, said all other officers and directors were re-elected at the annual meeting.

Alexandria

Mary Arend has been named to replace John Schwans on the board of the Security State Bank. Mr. Schwans chose not to be re-elected after serving on the board for many years.

The following officers were elected: C. T. Coyne, president; L. N. Arend, vice president and cashier; and Nellie F. Ingersoll and Norman Paulsen, assistant cashiers.

Artesian

Ingvald Olson is a newly elected vice president at the Live Stock State Bank, and Maurice Putnam has been elected to the board of directors. Mr. Putnam is assistant cashier and manager of the Letcher branch.

Dell Rapids

Gordon S. Lovell, assistant vice president and assistant manager of the Dell Rapids office of the Northwestern National Bank of Sioux Falls, resigned recently. He is succeeded as assistant manager by William T. Larson, assistant vice president at the office.

Estelline

At the Farmers State Bank, Fred Beskow, president, moved up to chair-

man of the board. Walter K. Johnson, vice president and cashier, was named president. Laurence Gratz, assistant cashier, was named cashier; A. L. Lundberg, vice president, and Mrs. Merlaine Eisnach, assistant cashier.

Eureka

The Eureka State Bank moved into a newly renovated building recently. The building had been completely remodeled to accommodate banking facilities.

Gettysburg

Douglas R. Pringle, vice president of the First Potter County Bank, has transferred to the First National Bank of Fairmont, Minn. Donald Bertsch has been named auditor and Roger Boesel was named farm representative.

All other officers were re-elected.

Highmore

Clarence Gislason, vice president and cashier of the First State Bank, retired recently after more than 40 years in banking. A special banquet was held in his honor.

Hudson

T. E. Quarnstrom, formerly vice president, has been elected president of the State Bank of Hudson. C. J. VanDeMore, formerly cashier, was elected vice president and cashier. Harry Miller, president, was named chairman of the board.

Lemmon

Loren Eckhoff has been elected assistant cashier at the Bank of Lemmon, succeeding Wallace Verdugt. C. O. Peterson, cashier, also reports that surplus has been increased \$50,000 to \$150,000.

Mitchell

H. R. Kibbee, Jr., chairman of the board, Commercial Trust and Savings Bank, has been awarded the Mitchell Chamber of Commerce "Community Service" award.

Platte

Marvin Brown, formerly of Huron, has been named assistant cashier of the Farmers and Merchants Platte Branch of the National Bank of South Dakota. He is a former owner-operator of a Red Owl Agency store and worked for the Bank of Wessington in Wessington, S. D.

Rapid City

American National

A special eight-page, four color, tabloid size supplement to the *Rapid*

City Sunday Journal was featured as the annual report of the American National Bank and Trust Company. It featured four-color photographs of all main office and branch personnel, as well as an extensive outline of activities of all facilities.

Another promotion by the American National featured reprints of articles written by A. E. Dahl, chairman of the board, during a recent trip around the world. The articles were a day-by-day account of the trip.

First of the Black Hills

Five officers were promoted and three new ones were named at the annual meeting.

Promoted were Charles T. Undlin from vice president and cashier to senior vice president and cashier; Arthur C. Fecht from assistant cashier to assistant vice president and assistant comptroller, and Allen R. Weeks from assistant cashier and auditor to assistant vice president and auditor. These three are at the Rapid City office.

In branch offices, Selmer Smebakken was promoted from assistant vice president and assistant manager to vice president and assistant manager in the Hot Springs office, and Lyle H. Bockwoldt from assistant cashier and assistant manager to assistant vice president and assistant manager of the Spearfish office.

The five new officers, all in Rapid City, are Jerald M. Gerdes, assistant cashier and assistant trust officer; Hurley Wilson, assistant cashier, and Edmund Anderson, assistant cashier and agricultural representative.

Sioux Falls

First National

Curtis Kuehn, assistant cashier, has been elected a director and promoted to assistant vice president. C. D. Hines was elected assistant trust officer.

Northwestern National

C. A. Lovre, president, has announced that capital stock has been increased from \$1.5 million to \$2 million by a \$500,000 stock dividend. Total capital and reserve now stands at \$7,329,782.

Vermillion

The following officers were elected at the annual meeting of the Citizens Bank:

John T. Vucurevich, president; James E. Anderson, vice president; Robert D. Clausen, cashier, and Elmore L. Johnson, Larry L. Ticknor and M. Agnes Manning, assistant cashier.

Watertown

First Citizens National

At the annual meeting, C. H. Lockhart retired as chairman of the board and the board elected Jerry Miller as assistant trust officer. Mr. Miller joined the bank in 1961.

Elwood C. Phelps has joined the bank's agricultural department. He recently was released from the armed forces and prior to that served as assistant county agent and county weed supervisor for Hamlin County.

Yankton

First Dakota National

Four directors have been added to the board. They are Laddie Cimpl,

W. R. Neufeld, Dr. R. F. Hubner and Mrs. Norman C. Gross.

Valley State

Charles W. Peterson, cashier, has been promoted to vice president and cashier; Wilbur Foss from assistant cashier to assistant vice president, and Ralph Korn was elected assistant cashier.

South Dakota Calendar

- March 17-21—Washington Legislative Trip, Washington, D. C., The Mayflower Hotel.
- April 15-16—Annual Agricultural Conference, Pierre, Pierre Auditorium.
- May 14-16—S.D.B.A. 72nd Annual State Convention, Rapid City, Johnson Hotel.
- June 18—Installment Credit Conference (Site to be announced).
- September 21-25—Group Meetings (Sites to be announced).
- October 6-7—Economic Conference for Young Adults, Huron, Marvin Hughitt Hotel.
- November 4—Bank Management Conference, Huron, Marvin Hughitt Hotel.

Capital Increases; Branch Requested

Oscar Brosz, superintendent of banks for South Dakota, has reported the following increases in capital stock:

Farmers State Bank, Winner, to \$350,000; Ipswich State Bank, Ipswich, to \$100,000; Farmers State Bank, Parkston, to \$150,000; Security Bank, Webster, to \$120,000, and Security State Bank, Gayville, to \$50,000.

Mr. Brosz also reported that the Farmers State Bank, Parkston, has filed application for a branch bank at Ethan. Action on the application is expected at the March meeting of the banking commission.

Plan Automation Conference

"A World of New Ideas in Banking Automation" will be the theme of the 1964 National Automation Conference of The American Bankers Association to be held in Miami July 13-16 at the Americana Hotel, according to Charles A. Agemian, executive vice president of The Chase Manhattan Bank, New York City, and chairman of the conference.

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that's my
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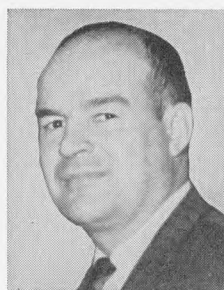
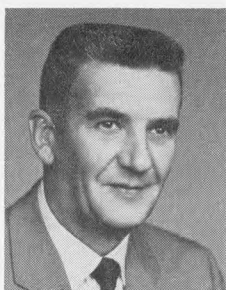
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NORTHWESTERN
NATIONAL BANK
Sioux Falls, South Dakota

North Dakota NEWS

O. K. ANDERSON **President** **Lakota**
W. J. DANER **Secretary** **Bismarck**



Bank Women Elect

Lydia Weber, cashier of the McIntosh County Bank, Ashley, recently was elected chairman of the North Dakota Group, National Association of Bank Women.

A. Irene Theisen, assistant cashier and auditor, First National Bank, Mandan, was elected treasurer.

Bismarck

Dakota National

William S. Moeller, vice president of the Bismarck Tribune Co., and Dr. Clifford H. Peters, partner in the Quain and Ramstad Clinic were named directors of the Dakota National.

Peter J. Welk was elected vice president of the bank. George Neigum was promoted from assistant cashier to assistant vice president and Dwane Jensen, auditor, was made a cashier. Darrell McQuay was made assistant cashier.

State Bank of Burleigh County

T. W. Sette was elected president of the State Bank recently, succeeding H. E. Wildfang.

In other action, Floyd Stebleton was promoted from assistant vice president to vice president. Robert Hansen was promoted to assistant cashier.

Bottineau

The First National Bank of Bottineau has elected Richard Sandness assistant cashier. He joined the bank a year ago and will be principally involved with insurance and farm loans.

Cando

Jack Currie has been elected a director of the First State Bank of Cando. He is engaged in grain, purebred livestock and potato farming in the Cando area.

Carrington

Claude Zweber was elected vice president of the Foster County State Bank recently. He was also named to the board of directors.

Casselton

Beatrice Reece, assistant cashier of the Casselton State Bank, recently

was made co-chairman of the North Dakota group of the National Association of Bank Women.

Dickinson

Fred Fleener, former agricultural representative, was named assistant vice president of the First National Bank of Dickinson.

The bank opened its new drive-up facility recently.

Fargo

At the Fargo National Bank Donald Magloughlin, who has been assistant cashier and manager of the installment loan department, was promoted to assistant vice president. Robert J. Horn was elected assistant cashier.

Grafton

Grafton National

Ron L. Brandvold has been elected assistant vice president at the Grafton Bank. He continues as agricultural representative.

Gary Flaa was elected assistant cashier. He is a member of the installment loan department.

Walsh County Bank

Jack Bannerman, who has been a vice president of the Walsh County Bank, was named executive vice president recently.

Grand Forks

Community National

Robert E. Pile, general manager of the Northern States Power Company, was elected a director of the Community National recently.

First National

Edward L. Olson was named senior vice president of the First National recently. In addition, L. S. Bue was elected vice president and cashier, and A. G. Moen, Robert M. Burris, H. J. Stennes and E. S. Youlden, Jr., were named assistant cashiers.

Red River National

Owen L. Haen, formerly assistant vice president, was named vice president and manager of the timepay department for the Red River National.

Harold M. Holte, formerly assistant

cashier, was promoted to vice president.

Valley Bank

Omar M. Vein was named vice president and to the board of directors of the Valley Bank in Grand Forks recently. Mr. Vein, who had been assistant cashier, succeeds H. R. Rogers who has accepted a position of executive vice president of the new First National Bank in Southwest Fargo.

Harvey

Roland D. Barstad was promoted from teller to assistant cashier at the First State Bank of Harvey.

Jamestown

John C. Wilkinson has been elected to the board of directors of the First James River National Bank, Jamestown. He is a farmer in the Jamestown area.

Killdeer

Haakon M. Weydahl, president of the Bank of Killdeer, was honored recently by the Killdeer High School. In 1939, he presented the school with a scoreboard clock when there was no money available for one. This year Mr. Weydahl has presented another clock to the school. He was honored during halftime of one of the schools basketball games.

J. O. Severson, formerly cashier, was elected vice president of the Bank of Killdeer recently. Adam Privratsky was elected as cashier.

Lidgerwood

Edward Sellner has been elected to replace J. S. Haas as vice president of the First National Bank of Lidgerwood.

Lee Swanson was elected to replace Mr. Haas on the board of directors.

Lisbon

Carl Sherwood, formerly cashier, was promoted to vice president and cashier of the Farmers State Bank of Lisbon.

Litchville

Ordean L. Dahl has been elected president of the Litchville State Bank, replacing Christ J. Haarsager in that position.

Dennis V. Anderson was named executive vice president and cashier, and Gary Justesen was named assistant cashier.

Mandan

R. M. Leslie was elected chairman of the board of directors of the First

National Bank of Mandan recently. He succeeds J. R. Mansen.

Robert E. Chase, president of a local car dealers, was elected as a member of the board of directors.

Minot

The First National Bank in Minot has recently announced two promotions.



R. SKORHEIM

L. KJOS

Ray Skorheim was promoted to assistant vice president and Luther Kjos was advanced to assistant cashier. Mr. Skorheim formerly was the bank's agricultural representative. Both men will devote most of their time to the bank's agricultural program.

Mr. Skorheim joined the bank staff as agricultural representative in 1958.

Mr. Kjos joined the bank in 1961. Prior to that time he farmed extensively and taught agriculture at Minot State College.

New Salem

The Security State Bank of New Salem has elected A. C. Goetz president. He succeeds F. H. Ellwein, who has been with the bank for 53 years. Mr. Ellwein sold a portion of his interest in the bank to Mr. Goetz and to Ingvald Hegge.

Mr. Hegge has been appointed vice president of the bank. W. B. Conitz has been appointed cashier.

Oakes

Fred D. McCartney, president of the First National Bank of Oakes, has retired after 67 years in banking.

Glenn V. Dill, long an officer of the bank has been elected president to succeed Mr. McCartney.

Other officers elected were Carl R. Bowman and Clarence Sather, vice presidents, Ralph R. Mangnall, cashier and Robert A. Maddock, assistant cashier.

Regent

Mr. and Mrs. Edwin C. Richter have

purchased the First State Bank of Regent from Gus W. Carlson. Mr. Richter is president of the Bank of Glen Ullin. He is also a rancher and has engaged in coal mining.

Valley City

American National

Gerald Zinck and Robert Griffin, assistant cashiers at the American National, were named assistant vice presidents recently. William Parker was made an assistant cashier and remains as agricultural representative.

Donald Sheldon was advanced from auditor to assistant cashier.

First National

Walter Bauer has been elected vice president and cashier of the First National of Valley City.

Wahpeton

Horace F. Lahren, who began work at the Citizens First National Bank in 1930, was elected president of the bank recently. He replaces B. P. McCusker, who retired after 44 years of service with the bank. Mr. Lahren also was elected to the board of directors, and Mr. McCusker will continue to serve on the board.



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Northwestern Banker, March, 1964

Montana NEWS

D. J. DUNDAS President Great Falls
R. C. WALLACE Secretary Helena



NABAC Glacier Conference March 14 in Missoula

THE program for the annual Glacier Conference N.A.B.A.C. meeting, to be held in Missoula, Mont., on March 14 shows plenty of emphasis this year on the responsibilities and duties of bank auditors and comptrollers.

In addition to individual addresses by many of the prominent bankers in Montana and the banquet, a tour of the new First National Bank building in Missoula is planned. The entire afternoon session of the conference will be handled by managing officers of various banks throughout the state. The complete program follows:

Morning Session

Qualifications of an Auditor—E. Eugene Gale, auditor, Security Trust and Savings Bank, Billings.

Forgeries—P. K. Bertelsen, cashier, Bank of Columbia Falls.

Montana Bank History—William B. Andrews, vice president, Union Bank and Trust Company, Helena.

Western Regional N.A.B.A.C. Meeting in Spokane—Charles M. Leslie, vice president, Old National Bank, Spokane, Wash.

Business Meeting

Luncheon—Florence Hotel.

Address—Dr. Frank C. Abbott, academic vice president, Montana State University.

Afternoon Session

Responsibility of a Bank Director—F. M. Ganey, president, First National Bank, Great Falls.

Borrowing from the Federal Reserve Bank—Clement Van Nice, vice president and manager, Federal Reserve Bank of Minneapolis—Helena Branch, Helena.

Importance of the Bank to the Community—D. J. Dundas, president, Great Falls National Bank, Great Falls. Also, president of the Montana Bankers Association.

Address—Henry J. Hukill, president, Deer Lodge Bank and Trust Company, Deer Lodge.

Financial Statements—Vern E. Hen-

dershott, president, Montana Bank, Great Falls.

What N.A.B.A.C. Means to the Bank—Paul Caruso, vice president and managing officer, First State Bank of Mineral County, Superior.

Tour of new First National Bank building, Missoula. Theodore Jacobs, president.

Symposium and Banquet—Florence Hotel.

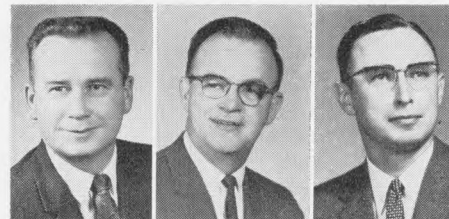
Billings

Ronald D. Reinartz has joined the staff of the Billings State Bank as assistant cashier. Milton R. Pietz was elected auditor.

Mr. Reinartz, prior to two years of military service, was on the staff of the Austin State Bank and then as an examiner for Northwest Bancorporation.

Midland National

James A. Wempner, former assistant cashier, has been promoted to assistant vice president. P. T. Westbrook was elected assistant cashier and Robert B. Murray was elected assistant trust officer.



WEMPNER WESTBROOK MURRAY

Mr. Wempner has been with the bank since 1951, coming from the Merchants and Farmers Bank, Cavalier, N. D.

Butte

Jerry J. Harrington, vice president and treasurer of the Montana Power Company, has been elected a director of the Metals Bank & Trust Company of Butte. He succeeds Sam B. Chase who has retired.

Owen Bush has been promoted to assistant vice president of the bank, F. G. Gustafson to assistant cashier, Melvin Ott to assistant cashier, and Remi Monforton to assistant cashier.

Glendive

The Exchange State Bank of Glendive has promoted Gordon V. Swanson from cashier to assistant vice president and cashier, Genevieve Rimillard to assistant vice president and manager of the real estate department, Nick R. Geiger to assistant vice president and manager of the installment loan department, and Gerald D. Kopp to assistant cashier.

Great Falls

Earl T. Steffani has been appointed director of marketing at the Great Falls National Bank. He will work in the field of advertising, public relations and promotion of the bank.

Helena

Commerce Bank and Trust

The Commerce Bank and Trust Company of Helena has been purchased by the Montana Corporation according to an announcement made by W. Harold Knehans, executive vice president of the corporation. The bank was established in Helena in 1959 with a \$500,000 capitalization.

Current officers at the time of the sale were Henry Loble, chairman of the board; R. C. Timmerman, president; E. J. Palmquist, vice president; William Nefsy, vice president; Rich-

MONTANA NEWS . . .

(Turn to page 88, please)

Montana Group Meetings

| | | | |
|-----------|--------|-----------|---------|
| Friday | May 15 | Dillon | Group 6 |
| Saturday | May 16 | Polson | Group 3 |
| Monday | May 18 | Lewistown | Group 5 |
| Tuesday | May 19 | Chinook | Group 1 |
| Wednesday | May 20 | Scobey | Group 4 |
| Thursday | May 21 | Baker | Group 2 |
| Saturday | May 23 | Billings | Group 7 |

Colorado-Wyoming News



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



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

Boulder

Boulder National

The Boulder National Bank opened for business recently in the Crossroads Shopping Center.

Officers of the bank are Howard L. Bauder, president, and John M. Dukes, vice president.

First National

Leo Hill and E. C. Burns were elected as new directors of the First National Bank in Boulder recently. Mr. Hill is executive vice president of the bank and Mr. Burns is manager of the Boulder division of Beech Aircraft Corp.

National State Bank

Berton T. Gobble, a former attorney, has joined the National State Bank as trust officer.

Brighton

The grand opening for the new bank building of the First Bank of Brighton will be April 1. The bank has also appointed Don J. Olson as assistant vice president to head its new department to be known as Customer's Bank Service.

Casper

Dan L. Ferguson has been advanced from cashier to vice president and cashier; Richard B. Ward from assistant vice president to vice president; and L. T. Perkins from assistant cashier to assistant vice president, at the Security Bank and Trust Company of Casper.

Colorado Springs

Bank of Fountain Valley

Leonard Wegman, formerly with the Citizens Savings Bank of Anamosa, Iowa, has been elected vice president and chief loan officer in the Bank of Fountain Valley Security, a suburb of Colorado Springs.

Pikes Peak National

Emil Clark and William A. Osborne have been elected vice presidents of the Pikes Peak National.

H. O. Roberson was promoted from cashier to vice president and cashier.

Northwestern Banker, March, 1964

Denver

Bank of Denver

P. E. Francis has been elected vice president in charge of installment loans of the Bank of Denver. Previously Mr. Francis was manager of the bank's dealer department.

Central Bank and Trust

Lewis W. Dymond, president and chief executive officer of Frontier Airlines, was elected to the board of directors of the bank.

Donald F. Delano has resigned as vice president to devote his full time to the Burns National Bank of Durango, where he has been president since 1956. Mr. Delano, for a number of years, traveled in the NORTHWESTERN BANKER area as a member of the correspondent bank department.

Colorado National

Harold Kountze, after 56 years of bank leadership, has been recently appointed honorary chairman of the board. Marriam B. Berger, formerly vice chairman of the board, was named to succeed Mr. Kountze.

Donald F. Magarrell, senior vice president, was elected to the board of directors of the bank recently.

Denver Clearing House

J. E. Montague, president of the American National, was elected president of the Denver Clearing House Association recently.

Eugene H. Adams, president of First National Bank of Denver, was named vice president.

Denver U. S. National

William D. Loring has been advanced from assistant vice president to vice president. Robert W. Merrick, John E. Rogers and Carroll D. Speckman were promoted to assistant vice presidents.

Van Holt Garrett, William Temple and W. L. Vogler have been elected as advisors to the board. Mr. Garrett is president of Garrett-Bromfield and Company, real estate firm. Mr. Temple is president of the Denver Brick and Pipe Co. Mr. Vogler is with the American National Insurance Company, Galveston, Texas. He is chair-

man of the board and chief executive officer.

John Clark Mitchell II, C. Neil Norgren and Richard H. Olson have been elected to the board of directors.

Mr. Mitchell is vice president and executive director of the Boettcher Foundation. Mr. Norgren is president of the C. A. Norgren Co. Mr. Olson is vice president and general manager of Sunstrand Aviation.

South Denver National

The Postmaster-General has authorized the bank to open a postal substation in the lobby of the bank building. Complete with drive-up mail drop, the suburban post office will serve the community of Glendale, as well as the entire southeast Denver area.

Evergreen

Rodney L. Brethower has been elected assistant cashier of the Evergreen State Bank. The bank has also approved a 33 per cent stock dividend. Capital and surplus of the bank has been increased to \$225,000.

Florence

Henry D. Williams has been elected president and chairman of the board of the First National Bank of Florence. Arlo Beamon was elected vice president. Both men were also elected to the board of directors.

Robert W. Morris, Horace Straight, and Mrs. Marth M. Litchman sold their stock representing control of the bank to Mr. Williams and Mr. Beamon of the Arkansas Valley Bank of Pueblo.

Fort Collins

New directors at the Poudre Valley National Bank are Harold E. Busch, Blair A. Kiefer, Robert H. Markley, Herbert D. Spencer, and Dr. Fred Humphrey.

New officers are W. D. Hart, assistant vice president; Richard H. Ross, assistant vice president; Robert Ditzfield, assistant trust officer; Lloyd Smith and Dayton Johnson, assistant cashiers.

Robert H. Wildgen was promoted to assistant vice president.

Fowler

The Fowler State Bank has installed a new after hour depository and burglar alarm system by Diebold, Inc.

Greeley

Norman M. Dean has been promoted to president of the Weld County Bank. He formerly was executive vice president. Earl G. Smith

was promoted from loan officer to assistant vice president. Melvin Dietz and Joy Rowan were made assistant cashiers.

D. H. Jackson, who has served as the bank's president since 1954, becomes chairman of the board.

The bank will be celebrating 75 years of service in Greeley and Weld County during 1964.

Gunnison

George P. Besse, vice president of the First National Bank of Gunnison, was named to the board of directors to replace M. J. Sievers, who has retired.

Donald S. Eastman was promoted to executive vice president. A grand opening of the new bank building was held February 22.

Lakewood

The Rocky Mountain Bank has appointed Clifford E. Bohannon, president of Dependable Plumbing & Heating Co., chairman of the board of directors of the bank. Donald S. Cooper, president of Westland Industrial Bank, was appointed the new vice chairman.

New directors are Guy Smith, president of Goble, Sampson & Smith, Inc.; Allen R. Hurt, real estate and investments; and James A. Sweeney and Francis R. Salazar, attorneys.

Robert E. Caudel has been advanced to vice president in charge of loans and investments.

Heston D. Adams has been promoted to cashier from assistant cashier.

Northglenn

Roger W. Smith, president of Security Title Guaranty Co., and James P. Turner, attorney with the law firm of Calkins, Rodden and Kramer, have been elected to the board of directors of the First National Bank of Northglenn.

Pueblo

Henry D. Williams, president of the Arkansas Valley Bank, Pueblo, and president of the First National Bank of Florence, was elected president of the Pueblo Chamber of Commerce recently.

Salida

Harold L. Lewis, vice president and cashier of the First National Bank of Salida, has been appointed to serve on the board of directors. James H. Kelly, formerly assistant cashier, was advanced to assistant vice president. Mrs. Helen T. White was named a vice president and director.

Plans are being made for cele-

brating the bank's 75th anniversary this year.

Westminster

The First National Bank of Westminster has been purchased by six businessmen from Lincoln, Nebraska. See details in Lincoln news of this issue.

Wyoming News

Casper

Wyoming National

Max F. Stevens, vice president and investment officer of the Wyoming National Bank, has been elected to the board of directors.

G. M. Rafferty, veteran loan officer and director of the bank, was named executive vice president. He has been with the bank since 1921.

Security Bank and Trust

Former cashier, Dan L. Ferguson was named vice president and cashier of the Security Bank. R. B. Ward was advanced from assistant vice president to vice president, and L. T. Perkins was named assistant vice president, formerly assistant cashier.

Cheyenne

Charles Scribner has been elected to the board of directors and also appointed vice president of the Cheyenne National Bank.

Mr. Scribner was formerly associated with the Nebraska State Bank in South Sioux City.

East Cheyenne National

Contracts have been awarded for the construction of the new East Cheyenne National. Construction starts at once and should be completed by July 15.

Cody

W. J. Thring, J. M. Taggart, Quintin Blair and Warren T. Cowgill have been elected directors of the Shoshone-First National Bank of Cody.

Mr. Thring is in the insurance field, Mr. Cowgill is in the construction and insurance business, Mr. Blair is active in the drug and tourist trade, and Mr. Taggart is in farming.

Glenrock

R. D. Simpson, vice president and cashier, has been elected to the board of directors of the First National Bank of Glenrock.

Kemmerer

Orin G. Geesey, executive vice president, was elected to the board of the First National Bank of Kemmerer.

Dale Morrow was appointed cashier, Merl B. Case trust officer, and Toini Koski, Raymond Essman, Vellamo Carera, Dominick Bettas, Anna Johnson, and Ruth Wideman were named assistant cashiers.

Laramie

Six officers were promoted at the First National Bank of Laramie.

Promotions were Howard Esterbrook and L. L. Britton from assistant vice presidents to vice presidents; Tom Peck, E. J. Haines and L. B. Smith from assistant cashiers to assistant vice presidents, and Larry D. Derr to assistant cashier.

Powell

American National

Mrs. Bernard Taylor was named assistant cashier of the American National Bank at Powell recently. She was previously employed by the Stockgrower's Bank of Worland, Wyo., for the past six years. She also has prior banking experience in Texas.

First National

Robert E. Wilkins was named assistant vice president of the First National recently. He is the bank's agricultural representative, and was first employed by the bank three years ago. He formerly was employed by a bank in Billings, Mont.

Torrington

Royce F. Tebber, president of the Citizen's National Bank of Torrington, was named "Boss of the Year" by the Torrington Junior Chamber of Commerce. He has been an officer of the bank for the past 46 years.

Riverton

American National

Newly elected to the expanded board of directors of the American National Bank of Riverton are John R. Benesch, who serves as vice president of the bank, and Ken W. Link, cashier.

First National

Harmon H. Watt, president of the First National, was named "Boss of the Year" recently by the Riverton Junior Chamber of Commerce.

Worland

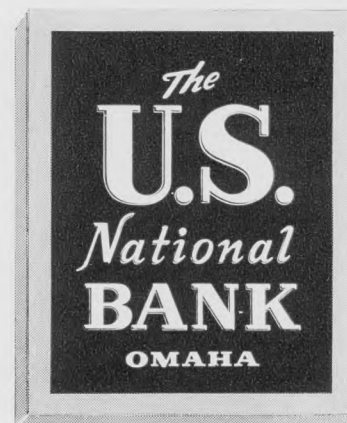
Don Babbitt, Jr., has been promoted from cashier to vice president and cashier and Dean Tolman was named assistant vice president of the Stockgrowers State Bank of Worland recently.



We can help you keep 'em out on the range

If you want to know how tough winter can really be, ask a cattle rancher. When the snow piles up, wintering costs start piling up, too. This takes money . . . and that's where *we* come in. Our experienced correspondent men can help *you* help *him* because they understand both cattle ranching and financing.

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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, March, 1964

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Federal Reserve Bank of St. Louis

Nebraska NEWS

LYMAN M. STUCKEY President Lexington

HARRIS V. OSTERBERG Exec. V. P. Omaha



Nebraska Bank Women Will Meet in Alliance, April 25-26

The Nebraska Group of the National Association of Bank Women, Incorporated, will hold the annual meeting at the Drake Hotel in Alliance on April 25 and 26, according to Miss Minnie Asche, state chairman. Miss Asche is vice president of the First National Bank & Trust Company of Columbus.

General chairman for the annual meeting is Mrs. Frances Gerdes, assistant vice president of the Guardian State Bank at Alliance. Publicity chairman for the meetings is Mrs. LeVetta M. Hosler, executive vice president of the Fullerton National Bank at Fullerton.

Ashland

W. H. Petersen was advanced from cashier to vice president and Robert Fricke from assistant cashier to cashier at the Farmers & Merchants National Bank of Ashland recently.

Beatrice

Harold R. Deitemeyer, president of the First National Bank & Trust Company, Beatrice, has announced shareholder approval of a 100 per cent capital stock dividend. The increase of \$200,000 in capital stock will increase the loan limit to \$75,000, with \$400,000 capital and \$350,000 surplus.

Beemer

Raymond H. Steffensmeier has been elected president of the First National Bank of Beemer. E. H. Sutherland becomes executive vice president, Harold Nellor vice president and Charles S. Albright, cashier.

Bloomfield

Gerald Clausen has been promoted to assistant cashier of the Farmers and Merchants State Bank of Bloomfield.

Burwell

The Bank of Burwell has increased its capital stock to \$50,000. Surplus was increased to \$200,000.

Chadron

Richard Feldhus has been promoted from assistant cashier to assistant vice president of the Bank of Chadron. He is in charge of the installment loan department, and has been employed at the bank since 1958.

Columbus

Laird H. Loomis, editor of the *Columbus Daily Telegram*, and J. R. Rauh of Salina, Kansas, a builder, have been elected directors of the First National Bank and Trust Company of Columbus.

Cozad

The annual meeting of the Cozad State Bank was delayed until February out of respect for the late C. T. Young, president, who died shortly before the year-end. His son, W. E. Young, has been elected president to succeed him. The new cashier of the bank is G. W. Nightingale, who has been employed by the Douglas County Bank in Omaha.



E. BURKHOLDER G. W. NIGHTINGALE

Elected to the board of directors are Mrs. W. E. Young, vice president of the bank, and Ervin Burkholder, president of Nebraska Farm Products, Incorporated, of Cozad. He is also secretary of Consolidated Blenders, Incorporated, and Consolidated Storage, Incorporated, of Fremont.

The late C. T. Young, who died at the age of 73, began his banking career with the First National Bank in Cozad, then worked for a short time in Oconto. Upon returning to Cozad he helped organize the Stockmen's State Bank, which merged in 1933 with the Cozad State Bank, with Mr. Young becoming president. He served

in that position until his death and was also a leader in many civic projects undertaken in Cozad.

Elba

Byran Jensen has been elected president of the Elba State Bank. Other new officers are Andrew Jacobsen, vice president; Allen Jacobsen, cashier; and Mrs. Allen Jacobsen, assistant cashier. A remodeling project is now underway at the bank.

Elwood

Robert W. Tilden has been elected president of the Home Bank, Elwood. He replaces George T. Burt who died last fall. Ruth I. Tilden was elected cashier.

Falls City

Mrs. Raymond Strecker has been elected an assistant cashier of the First National Bank of Falls City.

Fremont

The Fremont National Bank has announced plans for construction of twin structures for drive-in bank facilities in the downtown area.

Grand Island

First National

Jack L. Moore has been promoted from assistant cashier to assistant vice president at the First National Bank of Grand Island. Ernie Thayer was promoted to assistant cashier and agricultural representative.

Overland National

The Overland National has increased its surplus from \$300,000 to \$500,000.

Hastings

Ralph Phelps has joined the First National Bank of Hastings as agricultural representative. He formerly was a farmer in the Hastings area.

Holdrege

Louis Titus is the fourth generation of the Titus family to be elected an officer and director of the First National Bank of Holdrege recently. He was elected assistant cashier as well as a director.

Crete

The 1964 Bank Management Conference of the Nebraska Bankers Association will be held again on the campus of Doane College at Crete. The dates for this year's session are June 9-12. The Conference committee will have the formal program completed within the near future.

Homer

The American State Bank of Homer recently was admitted to membership in the Federal Deposit Insurance Corporation.

Humboldt

Lute B. Kotouc, 86, longtime Humboldt merchant and director of the Elk Creek State Bank and the Bank of Dawson died recently.

Kearney**First National**

The First National has elected Alvie E. Payne to the board of directors. John Cauffelt was elected assistant cashier.

Platte Valley State

Mrs. June Ingram, former assistant vice president of the Platte Valley State Bank, Kearney, has been promoted to vice president. Mrs. Ethel Friend has been named assistant cashier.

New directors of the bank are Dr. M. J. Hassel, C. LeRoy Corrigan and Fred Unick.

The capital stock of the bank has been increased from \$200,000 to \$250,000, and surplus funds from \$200,000 to \$250,000.

Kimball

Three new directors, all successful farmers in the Kimball and Banner counties, have been added to the board of the American National Bank of Kimball. The three are Henry Jennings, Dean Scheele, and George Van Pelt.

Liberty

Everett M. Barr, president of the State Bank of Liberty, has been named recipient of the Associated Industries of Nebraska Key Man in Agriculture Award. He has long been active in civic and agricultural work in Nebraska.

Lyons

Paul A. Karo, assistant cashier at the First National Bank of Lyons, died recently.

McCook

Harold E. Larmon, formerly senior vice president, has been elected president of the First National Bank of McCook. John Van Auken, formerly president, was elected vice chairman of the board. George Rainbolt, assistant vice president and cashier, was elected to the board.

Merriman

Gene Belsky has been named assistant cashier at the Anchor Bank

of Merriman. He has been employed at the bank for a little over a year as a bookkeeper.

Northfolk

Robert G. Bratager, assistant vice president of the National Bank of Norfolk, has resigned. He will be assistant vice president of the First National Bank, Minot, N. D.

North Loup

Dale Stine has been elected president of the North Loup Valley Bank. He replaces Wilbur Fuss who remains on as vice president (inactive) on the board of directors.

Surplus accounts have been increased from \$50,000,000 to \$60,000,000.

North Platte**First National**

W. H. Munger has been elected chairman of the board of the First National, and L. W. Langford has been elected bank president.

Mr. Munger has been president of the bank since 1950. Mr. Langford had been a vice president since 1948.

Other officers elected were Dale E. Walkenhorst, vice president; Robert C. Crawford, cashier; Claude P. Lindenkugel, assistant vice president; A. R. Sudman, James G. Jensen and A. M. Hayes, assistant cashiers.

North Platte State

Lloyd A. Bacon was elected president of the North Platte State Bank board of directors recently. Harold N. Bacon was elected vice president and cashier of the bank.

New directors elected were James C. Adams, Harold N. Bacon, Lloyd A. Bacon, Dr. Charles Heider, Jr., W. H. Neilsen, E. H. Schoemaker, Jr., James E. Simon, and Wendell Wood.

Ord

Don Blaha has joined the First National Bank of Ord as cashier. Formerly he was an Ord area implement dealer and farmer.

Osceola

M. A. Mills has retired after 20 years as a director of the First National Bank of Osceola. He has been replaced by his son, Robert Mills.

Plainview

The former Plainview State Bank has recently completed requirements and given authorization to change the name of the bank from Plainview State Bank to Plainview National Bank.

Prague

Controlling interest in the Bank of Prague has been sold by Louis Prochaska of Wahoo to Edward J. Carlson, Omaha, vice president of the First National Bank of Omaha.

Emil E. Placek, who has been a director in the bank for 58 years, announced that he would retire and sold his interests to Kenneth Tool, Wahoo, president of the First National Bank of Wahoo. Mr. Placek continues as chairman of the Wahoo bank.

Mr. Carlson was elected president of the bank, and Mr. Tool, vice president. Bill Perk was made cashier and Dorothy Coufal, assistant cashier. Directors are Dr. E. J. Hinrichs, Wahoo, V. R. Shimerka and Jonus Perk, Prague.

Red Cloud

People-Webster County Bank, Red Cloud, has increased its capital stock from \$50,000 to \$100,000.

Rising City

The Farmers State Bank of Rising City recently increased its capital stock \$50,000 to \$150,000. This is the fourth increase over a period of approximately five years.

Schuyler

The Farmers and Merchants Bank of Schuyler has increased the surplus account \$25,000. Surplus is now \$150,000 and capital \$100,000.

Scottsbluff

Robert G. Finke has been advanced to vice president and assistant trust officer of the Scottsbluff National Bank.

Seward

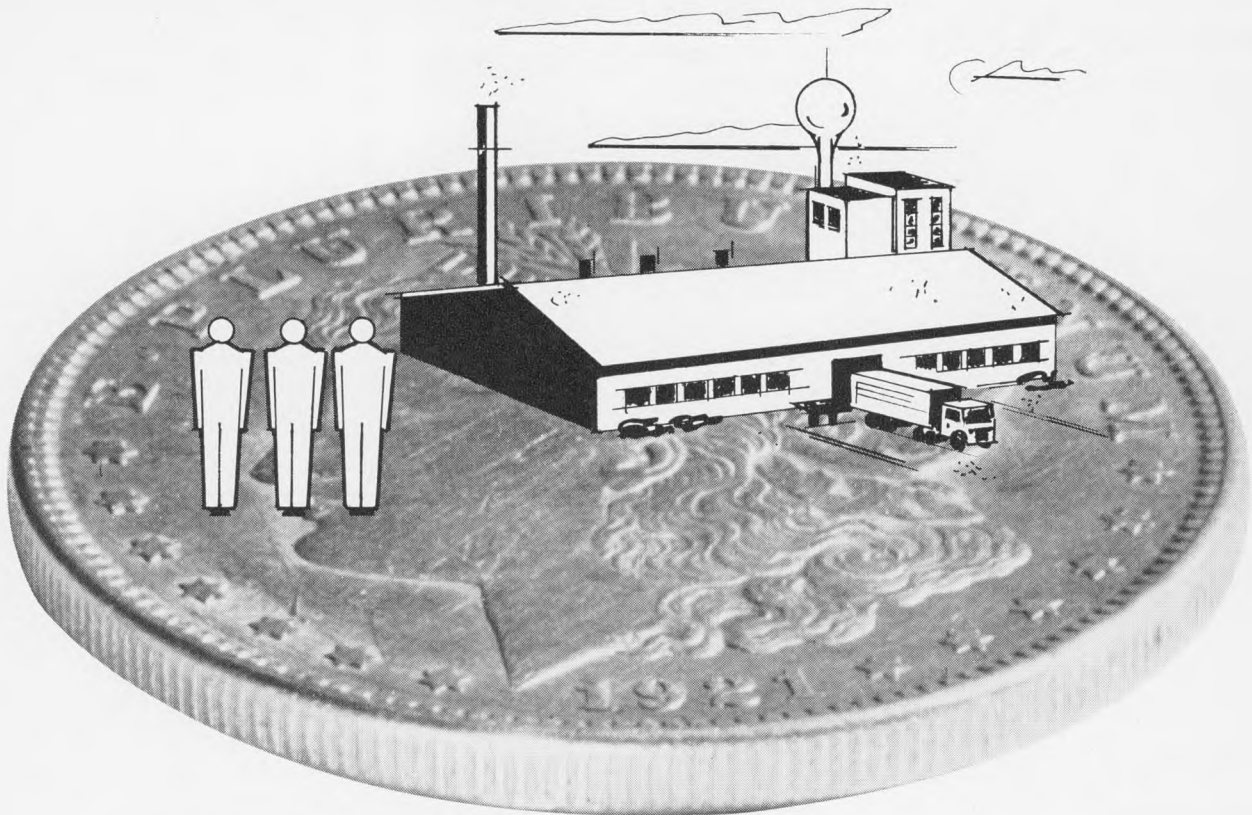
Ed Hampp has been elected assistant cashier at the Jones National Bank of Seward.

Stanton

Adolph Stuchlik, who has been serving as vice president, has been named to the board of directors of the Stanton National Bank.

Sterling

New officers at the Bank of Sterling are J. V. Johnson, Sr., chairman of the board; J. V. Johnson, Jr., president; H. W. Schepman, executive vice president, and Dalen Rathe, cashier.



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Representative

BOND SALES DEPARTMENT



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Vice President



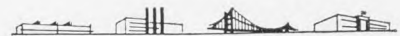
Robert E. Roh
Representative

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Omaha News



A NUMBER of promotions and additions to the staff were announced by Omaha banks last month:

First National Bank

Several new appointments to the staff and promotions for three officers have been announced at First National, according to **John F. Davis**, president.

F. Phillips Giltner has been elected executive vice president, director and member of the executive committee. Mr. Giltner joined the bank on March 1. He was previously president of the First National Bank in Grand Forks, N. D., where he was chief executive officer. He resigned from that position last month.



F. P. GILTNER

Varro H. Rhodes, vice president and trust officer, also has been elected a director of the bank. He has been with the bank since 1956. He is president of the Board of Regents at the University of Omaha.

The three officers promoted are: **Carl N. Bloom**, to vice president in the correspondent bank department; **Robert E. Johnson, Jr.**, in the trust department, and **Robert W. Tritsch**, to assistant vice president in the credit department.



V. H. RHODES



C. N. BLOOM

It was also announced that two men have joined the bank as members of the correspondent bank department. They are **Mervin F. Aegerter** and **G. Robert Brown**.

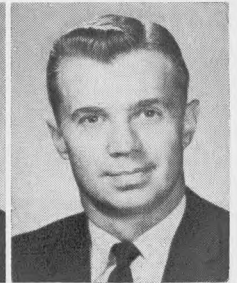
Prior to his association in Grand Forks, Mr. Giltner was assistant to the chairman and executive vice president of the City National Bank and Trust Company of Kansas City, Mo. He directed the correspondent bank division there and was chairman of the cattle loan division. Mr. Giltner is a graduate attorney and had practiced law in Kansas City before joining the bank. He is a native of Joplin, Mo., where his father was president of a bank.

Mr. Bloom, a native Iowan, was with a bank in DeWitt, Iowa, for 13 years, served 10 years with the Iowa Tax Commission, then joined the First National Bank in Omaha in 1944. He has been in the correspondent bank department since that time.

Mr. Aegerter has been a resident of Seward, Nebr., where he was a livestock specialist well known to many cattle feeders and ranchers throughout the Cornbelt and range country.



R. E. JOHNSON, JR.

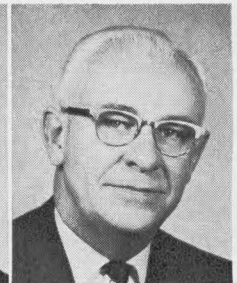


R. W. TRITSCH

He has a 400-acre combination cattle feeding and row crop farm. During his 4-H days as a young man in Seward in the early 1930's, he raised and exhibited a number of Grand Champion steers at the Nebraska Fair, Ak-Sar-Ben Show and Western Stock Show in Denver. His three daughters have continued this tradition, exhibiting a number of champion steers at the state and national level. In January, his youngest daughter, Jeanne, exhibited the Champion Shorthorn steer in the junior division at the National Western Stock Show in Denver.



M. F. AEGERTER



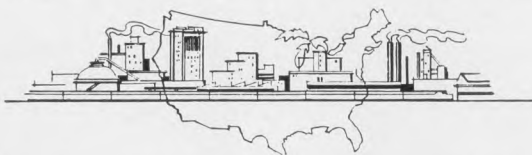
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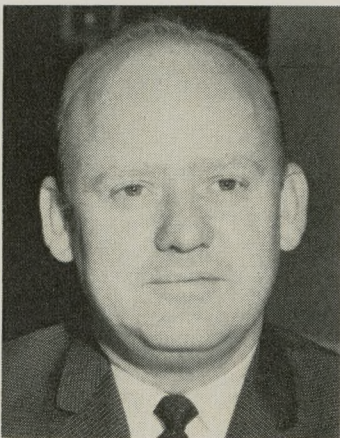
LINCOLN, NEBRASKA
1321 P Street
Phone 432-3324

LEXINGTON, NEBRASKA
Ernst & Bieck Building

CHADRON, NEBRASKA
999 East 6th Street



Somewhere in the High Plains



... The Omaha National's Fred Douglas is heading for his next call. Fred is the member of our Correspondent Bank Division who works with banks in Colorado, Montana and Wyoming. He travels some 30,000 miles a year ... spends about half his time on the road. Usually when Fred sees you, he's alone. But he represents all the resources, experience and judgment of the entire staff at The Omaha National Bank.

The Omaha National Bank

Member Federal Deposit Insurance Corporation

Northwestern Banker, March, 1964

Mr. Brown spent the past 12 years as executive president and general manager of Miller Chemical Company dealing in agricultural chemicals, feed additives, fertilizer, insecticides and herbicides. He is widely acquainted among bankers and farm operators in the midwest.

* * *

Ames Plaza Bank

Jess L. Thurmond and J. J. Isaacson have been elected directors, it was announced by Edwin E. Brodkey, chairman of the board. Both are prominent Omaha businessmen. Mr. Thurmond currently is serving as King of Ak-Sar-Ben.

* * *

First West Side Bank

Lyle G. Andersen has been named assistant cashier. He has been with the bank since 1961.

* * *

The Omaha National Bank

The election of one new director and promotions for nine staff members were announced last month by W. B. Millard, Jr., chairman of the board.

The new director is J. Gordon Roberts, chairman and president of the Roberts Dairy Company, one of the largest dairies in the midwest. James R. Sims, president of the Woodmen of the World Life Insurance Society, and Paul B. Thompson, a director of Cudahy Packing Company, were advanced to the advisory council. Both had been directors since 1961.

Herbert H. Echtermeyer was named a senior vice president. A banker for 43 years, Mr. Echtermeyer is in charge of The Omaha National's cor-



H. H. ECHTERMEYER T. C. QUINLAN

respondent bank division. After graduating from Creighton Prep, he immediately entered the banking business.

Thomas C. Quinlan, head of the trust department, also was named a senior vice president. A graduate of The Creighton University College of Law, Mr. Quinlan was active in several public offices and a private law firm before joining The Omaha National in 1960.

Three new vice presidents are:



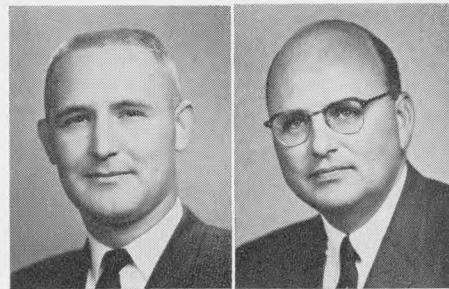
T. N. MOORE

Louis R. Sones and David R. Johnson, both of the commercial loan division, and Thomas N. Moore, a trust officer.

Richard E. Gash, head of special services department, and Jack W. Leedom

of the business development department were named assistant vice presidents.

Anderson W. Harris, Jr., an agricultural representative, and Marvin C.



D. R. JOHNSON L. R. SONES

Kelley, of the business development department, were named assistant cashiers.



GASH HARRIS KELLEY

Southwest Bank of Omaha

Byron "Bing" Grunwald, president of B. Grunwald, Inc., plumbing contractor, has been elected to the board of directors. Don Newberg has been elected assistant cashier and manager of the installment loan department.

* * *

Stock Yards National Bank

Two additions to the correspondent bank department have been announced by A. J. Hallas, president. Frank J. Sibert joined the bank on March 2, after resigning his previous position as secretary and manager of the Sand Hills Cattle Association at Valentine, Nebr. Mr. Sibert, 33, is a native of Red Cloud and was graduated from the University of Nebraska College of Agriculture with a major in animal husbandry.



F. J. SIBERT W. S. GRAVES

William Graves, a native Omahan who joined the bank in 1956, has been transferred from the operations department into the correspondent bank division. He was elected assistant cashier in January, 1963. Mr. Graves is vice president and board member of the Omaha Chapter of A.I.B.

* * *

United States National Bank

Edward W. Lyman, president, has announced the appointment of Kirk

MORE PROFITS AHEAD?

Send us your December 31 condensed statement, together with a list (penciled is okay) of your bond holdings showing amount, issue, type of bond, interest rate and maturity.

A complete analysis will then be brought to you for confidential conference at your Iowa group meeting . . . or sooner at your bank . . . together with various recommendations in the light of present and anticipated market conditions, and retroactive tax cuts.

This service by Edwin and John Van Horne is yours free for the asking! Use it!

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Over 70 years of banking and investment experience

Northwestern Banker, March, 1964



**We proudly announce the association of
Mr. Mervin F. Aegerter
as a member of the
Correspondent Bank Department**

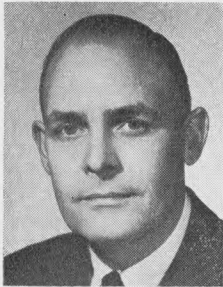
Last month we announced the association of Bob Brown with the Correspondent Bank Department. This month First National Bank of Omaha welcomes Mr. Mervin F. Aegerter to the Correspondent Bank Department. Mervin's association brings over 32 years of livestock and cattle feeding experience to our Correspondent Bank Department. He is a livestock specialist with an enviable reputation as a feeder and exhibitor of champion steers. Before joining First National, Mervin was co-owner of a livestock publishing company. He currently operates a 400 acre combination cattle feeding and row crop farm near Seward, Nebraska. Mervin's qualifications in both livestock and banking make him a valuable addition to our Correspondent Bank Department. We feel sure that Mervin's association with our Correspondent Bank Department will further broaden and improve First National's service to our Correspondent Banks.



*Member Federal Deposit
Insurance Corporation*

FIRST NATIONAL BANK OF OMAHA

P. Miller to assistant vice president. Mr. Miller, 38, joined the bank March 1 and will establish a mortgage loan department for the bank.



K. P. MILLER

He has been with the City National Bank in Council Bluffs, Iowa, since 1947. As a vice president, he headed the mortgage lending department there. In real estate appraisal work, Mr. Miller has qualified as an expert witness in the U. S. District Court and has appraised or supervised the appraisal of more than \$25-

000,000 in real estate property and supervised the financing of more than \$60,000,000 of real estate.

* * *

John J. Bohrer, vice president and secretary of Chiles & Company, has been elected president of the Nebraska Investment Bankers Association. He succeeds **Eli C. Eisele**, president of Eisele, Raynor, and Fisher, Inc. Other NIBA officers are:



J. J. BOHRER

1st Vice President—**Frank V. Lawson, Jr.**, secretary, Storz-Wachob-Bender Company; 2nd Vice President—**Joe M. Kadlacek**, vice president, Smith, Polian & Company; Secretary—**E. M. (Bud) Hunt**, president, First Nebraska Securities, Inc., Lincoln, and Treasurer—**Herbert H. Davis, Jr.**, vice president, Kirkpatrick-Pettis Company.

* * *

F. Arthur Flodeen, vice president and chief statistician at Smith, Polian & Co., died recently in Omaha. He

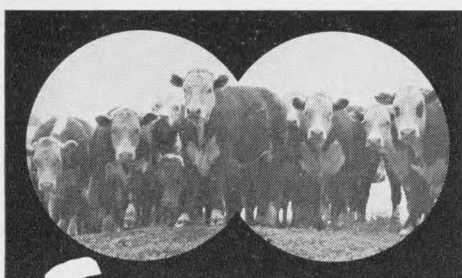
was in the investment business 39 years, 38 of them with the Smith, Polian firm.

* * *

“The Game of Bank” full color advertisement for **First National Bank**, which ran in the *Omaha World-Herald* on December 3, 1963, offering visitors a free game of bank, received a top award from the Newspaper Advertising Executives Association as one of the top fifteen advertising ideas in 1963. N.A.E.A. plaques were presented to **John F. Davis**, president, First National Bank of Omaha; *World-Herald*; and the bank’s advertising agency, **Bozell & Jacobs, Inc.** This is the second straight year that the same bank, newspaper, and advertising agency have won this award. The second in a row award win for the same account, newspaper, and agency is the first in N.A.E.A. history.

The ad was chosen from more than one thousand entries.

Requests for “The Game Bank” have been received from every part of the country, as well as Switzerland, Alaska, Hawaii and Japan. A reproduction of the ad appeared in the February 3, 1964, issue of *Dentsuho*, a semi-weekly published in Tokyo.—**End.**



LOOKING FOR BETTER WAYS TO SERVE YOUR CUSTOMERS?

Our years of correspondent experience and specialized knowledge of livestock marketing and financing can work for you.

The only bank in the yards.

FIRST STOCK YARDS BANK

SOUTH ST. JOSEPH, MO.

MEMBER F. D. I. C.

Gresham Bank Makes Comeback

BEHIND the thousands of figures and names that are presently being edited for the 1964 edition of the Iowa-Nebraska Bank Directory there are numerous human interest stories. One of these concerns the figures for the Gresham State Bank at Gresham, Neb., which show how the bank has made a dramatic comeback only one year after a half-million dollar embezzlement at the bank rocked the town of 352 to the core and put the bank on the skids.

The story also concerns the men who brought character, banking knowledge and determination to Gresham, rebuilding the bank from a financial shambles and regaining the confidence of the townspeople in the institution—all in little more than one year.

On October 22, 1962, the bank’s cashier committed suicide when a bank examiner showed up unexpectedly. Within a short time it was found that more than \$500,000 was missing, and another bank officer who was implicated confirmed the tragedy. The bank was closed by order of the state banking director. It appeared that people in Gresham would “lose their shirts.”

At this point, Dean Sack, president of the York State Bank in neighbor-

ing York, and Roger Sack, vice president of York State, gained permission from the state banking director to reorganize the bank. The reorganization was accomplished by late December, new money was put into the bank and the customers, who had no FDIC protection, didn’t lose any of their money. FDIC coverage was then obtained, as well as a \$1 million dollar excess fidelity policy.

The Sack’s brought in two capable young men who have given the Gresham bank vigorous leadership. They are Richard Sinkule, vice president, and Floyd Tonniges, cashier.

Now, little more than one year after it looked like the Gresham State Bank was all through, and with it the savings and hopes of many of the town’s citizens, the bank is healthy and showing gradual growth. In late 1962, the bank reported deposits of \$1.4 million. After the complete reorganization was effected and the new management took over, deposits climbed back from the drop they took at the time of the embezzlement and at the end of 1963 stood at \$1,015,215.

Confidence in the bank and the town’s future has been restored, with new business enterprises bringing more life into the town that was hit so hard just 16 months ago.—**End.**



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NATIONAL
BANK OF COMMERCE
TRUST & SAVINGS
 LINCOLN, NEBRASKA
 MEMBER F. D. I. C.

Al Jorgensen



Rex Miller



Tom Waldo



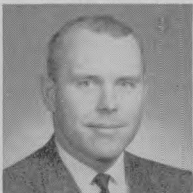
Gen Goble



Dale Fagot



Winton Buckley



Northwestern Banker, March, 1964

Lincoln News



THE application for a new national bank charter to be known as **City National Bank** has been approved by Comptroller of the Currency **James J. Saxon**. The bank is to be located in downtown Lincoln, probably at 1330 N St., and will have capitalization of \$750,000.

Mr. Misko said the bank will be open within four months' time. Officers are to be elected soon.

The 11 organizers include **Ralph Misko**, who resigned last October 19 as Nebraska director of banking after a conflict of interest law was passed which necessitated his resignation, since he had an option to purchase a Nebraska state bank. Other applicants are **Ira D. Beynon**, **Herbert H. Heumann**, **Alfred H. Adams**, **Russell E. Eichelberger**, **Frank E. Card**, **W. F.**

Hoppe, Jr., **Clyde F. Card**, **Kenneth Witt**, **Richard E. Kosman**, and **Willard E. Townsend**.

Mr. Misko is associated presently with State Securities Company of Lincoln, along with several of the other applicants, and this firm is located at 1330 N Street.

Two applications for state bank charters in Lincoln are still pending before the new director of banking, **Henry E. Ley**, who took office February 1. He announced early in February that hearings would be held in connection with both applications, but these had not been completed before announcement of the approval for the national bank charter. The state charter hearings will be held soon.

* * *

Six Lincoln men have purchased

controlling interest in the **First National Bank of Westminster, Colo.** The bank was established five years ago and is the only bank in northwest Denver. The new stock owners are:

Gene Eaton, senior vice president at National Bank of Commerce; **Herbert R. Walt**, president of Walt, Sweeney and Eiche Insurance, Inc.; **John C. Mason**, attorney; **Dale C. Tinstman**, executive vice president and treasurer of First Nebraska Securities, Inc.; **William Gold**, president of Gold and Co., and **Gene Tallman**, president of Universal Surety and Inland Insurance Co.

The stock was purchased from John C. Murphy of Inglewood, Colo., for an undisclosed price.

Mr. Eaton was elected chairman. **Ivan L. Woodring**, a former Gering, Nebr., banker, continues as president.

* * *

State Banking Director **Henry E. Ley** has scheduled a hearing in the state capitol building March 19 on the application for a state bank charter to be located at Harrisburg. The town is located in extreme northwest Nebraska.

* * *

Valentine

Redmond W. Sears, president of Sandhills Cattle Association, announced recently that Lin Helton,



L. HELTON

Valentine, will assume the duties of secretary-manager of the Sandhills Cattle Association. He replaces Frank Sibert, who has resigned to join the staff of the Stock Yards National Bank, Omaha.

American Express Promotions

The election of three senior vice presidents of American Express Company was announced recently. Richard F. Blanchard, James A. Henderson and George W. Waters, now vice presidents, will join the senior management group of the company and take on additional responsibilities.

Olaf Ravndal has been elected executive vice president. He was in charge of all travelers cheque activities from 1950 to 1961. Since then he has been in charge of overseas operations of the company's commercial and military facility offices.

Brooks Banker, former assistant vice president in the travelers cheques division, has been elected treasurer of American Express. He succeeds Clark Winter.

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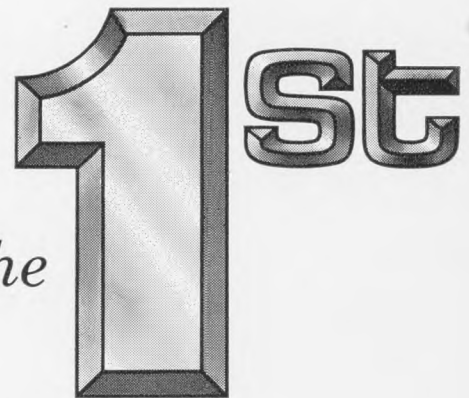
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Northwestern Banker, March, 1964



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**FIRST NATIONAL BANK
& Trust Company of Lincoln**

LINCOLN, NEBRASKA

MEMBER F.O.I.C.

Northwestern Banker, March, 1964



LEFT—Front row: **N. T. Tiemann**, pres., Commercial State, Wausa, and v.p. of Nebraska Bankers Assn.; **Sen. Roman L. Hruska**, Rep. **Glenn Cunningham** and **Sen. Carl T. Curtis**. Back row: **Lyman M. Stuckey**, pres. of Lexington State and pres., NBA.; **Rep. Ralph F. Beermann**, and **Rep. Dave Martin**. CENTER—Seated: **Mr. Stuckey** and **Mrs. Kathryn O'Hay**



Granahan, Treasurer of the United States. Standing: **H. V. Osterberg**, exec. v.p. of the NBA, and his son, **Wm. H. Osterberg**, secy. of the NBA. RIGHT—**Hon. J. L. Robertson**, member of Federal Reserve Board of Governors; **Henry E. Ley**, Nebraska director of banking, and **Joe V. Johnson**, chmn. of Johnson County Bank, Tecumseh.

During Visit to Washington, D. C.

Beef Imports Anger Nebraskans

Claim New Import Agreement Is a "Sellout" of Midwest

By **BEN HALLER, JR.**
Editor

A DELEGATION of 40 men representing the Nebraska Bankers Association spent three full days last month in conferences with Congressmen from the Cornhusker state, with federal supervisory officials and other banking authorities. The purpose was to exchange views on banking and important public problems of current interest.

The climax of a key issue involving the welfare of banking in Nebraska and the entire state came while the group was in the nation's capitol. This occurred when it was revealed that the State Department had negotiated agreements with Australia and New Zealand which set beef import levels for these two countries at more than 12 per cent of U. S. consumption.

Disregard of Midwest

The State Department concluded the agreements as a strictly political maneuver executed by the Administration and with complete disregard for the welfare of the beef-producing midwest, it was charged. Nebraska Senator Roman Hruska told the visitors that the negotiations were carried out without fair representation by the agricultural industry and that the United States Department of Agriculture had made complete surrender to the State Department to the detriment of livestock producing states.

This was the biggest single topic of conversation at each meeting, since

livestock loans have an overriding effect on the economy of all Nebraska, as well as adjoining states (see editorial on "Across the Desk from the Publisher" page in this issue).

The group of 42 (including an Iowa banker formerly a banker in Nebraska, and the writer) left Omaha in two private rail cars Friday night, February 14, arriving in Washington Sunday morning where they registered in at the Hotel Mayflower. During stopovers in Chicago to change trains on the way to and from the capitol, the men were breakfast guests of the First National Bank and Trust Company and the National Bank of Commerce, both of Lincoln. On Sunday night, the Omaha National, United States National and Stock Yards National banks were hosts at a reception and dinner in the headquarters hotel.

Briefing by A.B.A.

The first order of business on Monday was to get a thorough briefing on current legislation affecting banking and this was done very capably by Charles R. McNeill, director of the Washington office of the American Bankers Association, and two of his staff members.

Following is the status on some of the important legislation that concerns banks:

Tax Reduction—passed by House and Senate, was in conference at the time and was expected to be passed by March 1, with new withholding to go into effect by March 9. (Signed

into law by President Johnson February 26.)

Douglas Disclosure Bill (truth in lending)—still in Senate hearings with little chance of getting out as long as simple interest provision remains.

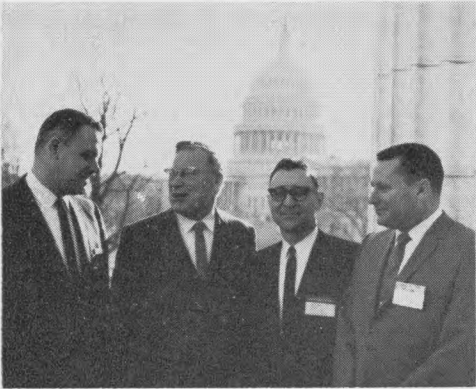
Federal Mutual Savings Bank System—was to be taken up at hearings in House before Rep. Multer's subcommittee of 13, with little chance of being reported out by full committee this year. This would permit S&L's to convert to Mutual Savings banks, and also permits limited branching by this type of bank.

FDIC Increase to \$20,000—Reported out of committee in the House. Many people in Washington against this because of increased advantage it gives S&L's.

Federal Bank Commission—This proposal by Federal Reserve Board Governor James Robertson would bring all supervisory functions and insurance under one head, but appears to have little support.

National Bank Loan-to-one-borrower—This bill from Comptroller Saxon would increase national bank's lending limit to 15 per cent of capital funds from the present 10 per cent. Fed Chairman Martin favors staying at present limits and there seems to be a lack of support for this bill.

Bankruptcy Act Amendments—This bill would correct the situation where a bank's chattel mortgage position is impaired by recent rulings. It has been passed by the House and awaits Senate action.



LEFT—N. T. Tiemann, pres. of Commercial State, Wausa, and v.p. of the NBA; Sen. Roman L. Hruska; Dale M. Adams, pres. of 1st State, Scottsbluff, and Roland E. Emmett, v.p. of Citizens State, Arapahoe. CENTER—David V. Garwood, pres. & cash. of Farmers State, Carroll; Wayne M. Thorndyke, v.p. of The U. S. Natl., Omaha; Sen Hruska, and J. G. Brewster, pres.

of Tri-County Bank, Stuart. RIGHT—Seated: Sen. Carl T. Curtis; Lyman M. Stuckey, pres. of Lexington State and pres. of NBA, and Mrs. Kathryn O'Hay Granahan, Treasurer of the United States. Standing: Glenn Yaussi, pres. of Natl. Bank of Commerce, Lincoln, and H. L. Gerhart, pres. of 1st Natl., Newman Grove.

Federal Reserve Bills—These are mainly bills from Rep. Wright Patman and are designed basically to weaken the independence of the Federal Reserve System. No support appears to be in sight, as all bills are still bogged down in hearings.

Payment of Interest on Treasury Accounts—No chance of passage this year, as Treasury is undertaking studies that will not be completed until mid-summer. Nebraska bankers were emphatic in their comments to Nebraska Congressmen that the Treasury gains more on the present method of services performed by banks than banks get in return for the average balances left.

Civil Rights Bill—A.B.A. took a position in this legislation only to assure that FDIC insurance could not be cancelled for any bank on a race issue, so that the public could still be protected. This apparently has been assured.

Corporate Savings Deposits—This is a bill proposed by Comptroller Saxon. A.B.A. surveyed banks in its national division and a majority voted against the measure. Among savings division members there was a 50-50 split on the issue. S&L's can accept such money in their share purchase accounts.

Personal Calls at Capitol

The afternoons of both Monday and Tuesday were left open to afford time for calling in small groups on the Nebraska Senators and Representatives in their offices. On Tuesday morning, the bankers attended the weekly Nebraska breakfast session held in a private dining room of the capitol building. This breakfast has been held by Nebraska Congressmen for many years and any Nebraskan who is in Washington on that day is invited to attend.

It was at this breakfast that a num-

ber of bankers expressed their low opinion of the State Department's beef import agreement. Senator Hruska and Senator Carl Curtis concurred that this action was a sellout of the American livestock industry.

On Tuesday evening, the Nebraska Bankers Association was host to the home state Congressmen and their wives, along with a number of federal supervisory officials and other government figures. Among the latter was Mrs. Kathryn O'Hay Granahan, Treasurer of the United States, who obligingly penned her name on a number of new one-dollar bills the Nebraskans brought to her table so they could take souvenirs back home.

On Monday noon, the delegation was a guest of the National Association of Supervisors of State Banks. The NASSB is currently in a year of building membership to give it strength in numbers when speaking on legislation affecting state banks.

FDIC Meeting

Tuesday noon, the group met for lunch on the top floor of the beautiful new FDIC building in a private dining room. Presiding was Joseph W.

Barr, recently appointed by President Lyndon Johnson as the new Chairman of the FDIC. Mr. Barr was in his first week in his new position and spoke only briefly on operations of the Corporation. Mr. Barr foresees little chance of banking legislation passing this year. He is cool toward the proposed FDIC increase to \$20,000 for he feels S&L's would benefit more than commercial banks.

Comptroller's Comments

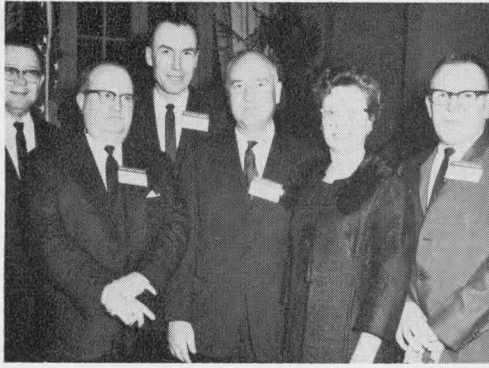
A full day was on the schedule for Wednesday, the final day in Washington for the group. It started with a conference with James J. Saxon, Comptroller of the Currency, who proved conclusively that he believes in speaking forthrightly on subjects affecting banking, and he gained the respect of the group for the manner in which he did so during this conference.

Treasury Briefing

Following the meeting with Mr. Saxon, the group received a one-hour briefing from officials of the Treasury Department on the current status of the federal debt, with breakdowns by



NEBRASKA bankers at luncheon with FDIC officials in the dining room atop new FDIC building opened this past year.



LEFT—Charles T. Karpf, cash. of 1st Natl., Morrill; J. G. Brewster, pres. of Tri-County Bank, Stuart; Wm. W. Marshall, Jr., exec. v.p. of Commercial Natl. B&T, Grand Island; Rep. Dave Martin and Mrs. Martin, and Donald Lichty, v.p. of Guardian State, Alliance. CENTER—Donald M. Roberts, pres. of Otoe County Natl., Nebraska City; Kenneth A. Tool, pres. of 1st Natl., Wahoo; H. H. Echtermeyer, sr. v.p. of The Omaha



Natl., Omaha; Rep. Glenn Cunningham; John M. Shonsey, exec. v.p. of The Omaha Natl., and Wm. B. Hargleroad, Jr., pres. of Center Bank, Omaha. RIGHT—Seated: Burnham Yates, pres. of 1st Natl. B&T, Lincoln; Rep. Ralph F. Beermann, and Adon Jeffrey, pres. of 1st Natl., Wayne. Standing: H. W. Hendriksen, v.p. of 1st Natl., Fremont, and David V. Garwood, pres. & cash. of Farmers State, Carroll.



classification of the budget, and projections on cash needs and refundings. Another phase of this session dealt with the critical issue of the U. S. balance of payments deficit.

Federal Reserve Session

The Wednesday luncheon was in the company of 10 South Carolina bankers with two of the Governors of the Federal Reserve System in the Governors' dining room. A conference was held following this in the spacious board room where the Governors meet regularly. The two Governors conducting this meeting were A. L. Mills, Jr., and Chas. N. Shepardson.

When questioned about the disagreements with Comptroller Saxon, Mr. Mills said "we must administer the laws as we interrupt the statutory limits or obligations specifically stated and intended by Congress." He said he is against payment of interest on savings deposits of commercial accounts. This is almost tantamount to paying interest on demand deposits, he stated, and is a way of circumventing the law of non-payment of interest on demand deposits.

Both Governors said there are differences of opinion on the Board over the potential inflationary effect of tax reduction. Both said, however, that differences of opinion in taking remedial steps to counteract inflationary trends are only in a matter of timing, not in the necessity of the act itself.

Heavy Loan Demand

One Nebraskan told the Governors that banks in his state are getting a heavy loan demand and banks have been meeting this with the coopera-

tion of correspondent banks. He asked if any thought had been given to relief for banks in this direction for borrowing from the Fed. Governor Mills said none had been given and that loans could only be temporary in nature.

The Governors said the System is very concerned that the changing character of loans has impaired the quality of assets offered for advances from the Fed so that such advances cannot be made except at a penalty rate of interest.

Another Nebraskan asked how long smaller banks can continue getting overline help from correspondent banks if smaller banks have to keep their reserves at the Fed. This prompted the direct question from a Nebraskan to Governor Mills: "Should smaller banks withdraw from the Fed and turn their former Fed reserves into correspondent bank balances for lending purposes in their own areas?"

Indirect Reply

No direct reply was given to this question, although Governor Shepardson picked up the thread of thought later and remarked: "Loans from the Fed can be for only 30, 60 or 90 days. The original concept of reserves was a safety factor, but there has been a gradual change to make reserves the fulcrum for monetary control. If we are to have effective monetary control, then we need control through reserves over a majority of bank reserves. We now have 80-85 per cent control. We don't think we need 100 per cent to be effective, but if this total decreased too far in membership, then we would lose control." This apparently was an indirect reply to Comptroller Saxon's suggestion that Fed membership be voluntary.

Governor Shepardson made another comment regarding the high loan demand being experienced by Nebraska bankers and others vitally concerned with financing agriculture. He said: "The day of the farmer getting out of all debt is practically past. It is impossible for the young farmer to get started without going into debt. Is there a basic economic question here that we will have to determine? How far can we go in extension of credit and living on it?"

Homeward Bound

Following this final conference, the Nebraska group headed for home, again on special Pullman cars, arriving back in Omaha at 9:30 p.m. Thursday night. Each of the 42 men agreed it had been a worthwhile trip and that the state has a conscientious and able group of Senators and Representatives representing Nebraska in Washington. It was also the consensus that if Nebraska and surrounding states are to work out of the present low spot in the livestock market, they will have to do so in spite of the determined effort of the Administration in Washington to give greater regard to producers of foreign countries than to those in the United States.

This was the third biennial trip made by a contingent of Nebraska bankers, and like the previous ones, was well handled by H. V. Osterberg, executive vice president of the Nebraska Bankers Association, and W. H. Osterberg, NBA secretary, who had all details of the trip perfectly planned and executed. Spokesmen for the NBA at the several meetings were Lyman M. Stuckey, NBA president and president of the Lexington State Bank, and N. T. Tiemann, NBA vice president and president of the Commercial State Bank at Wausa.—End.



EXTRA SERVICES was the topic of a panel headed by **Robert A. Wekesser**, sr. v.p., center, shown with his panel members who are, from left, **John Shipferling**, a.v.p.; **Ed Huston**, mgr., transit dept.; **Cliff Jorgensen**, v.p., and **Robert L. Hans**, a.e. **CENTER:** Closing speaker was **Dr. Raymond Rodgers**, consulting economist and prof. of banking, New York University,

shown here, at left, with **Glenn Yaussi**, pres., center, and **Gene Eaton**, sr. v.p. **RIGHT:** Automation was the topic of a panel headed by **Herman A. Brockmeier**, sr. v.p., shown at left in the back row. Panel members were, from left, **JoAnn James**, **Melvin Svoboda**, **Galín Prai**, **Chester Nielsen** and **Richard Wible**.

850 Attend Lincoln Correspondent Forum

By **R. DOYLE MINDEN**
Managing Editor

A RECORD crowd of more than 850 persons turned out for the National Bank of Commerce Correspondent Bank Forum last month in Lincoln.

In addition to the well rounded and educational general sessions, a special feature of the Forum was a luncheon honoring **Byron Dunn** and **Albert Held**, who retired at year-end as chairman and vice chairman, respectively.

Entertainment features marked the opening and closing of the Forum and in between was what can be described best as a working conference. On Friday evening, persons attending the conference were entertained by **Bob Lido** and **Myron Floren** of the Lawrence Welk Orchestra. On Saturday evening they were guests of the National Bank of Commerce at the Ice Capades show.

The working sessions began at 7:30 a.m. Saturday with a trust breakfast. **John C. "Jack" Whitten**, senior vice president, presided at this session which featured a first showing of a new film prepared for the bank on trust services. It is titled "Plan For Tomorrow."

Ag Outlook

In the opening forum session "The Present and Future" of Nebraska agriculture was discussed by **Elvin F. Frolik**, dean of the college of agriculture at the University of Nebraska.

Looking into the future **Mr. Frolik** described a typical farm in southeast

Nebraska in 1974. He predicted the farm will consist of 1,000 acres, will have 600 acres of milo, 200 acres of hybrid wheat with the balance in hay land and pasture. About 400 acres will be under irrigation with the moisture level controlled electronically. Fertilizer treatments will be adjusted on the basis of soil tests and crop response.

Corn and milo will be grown in rows spaced 18 to 24 inches apart. The traditional 40-inch row will be all but forgotten.



HONORED during the conference were **Byron Dunn** and **Albert Held**, who retired recently as chairman of the board and vice chairman, respectively. Above, from left, are **Mr. Dunn**, **Glenn Yaussi**, pres.; **Mr. Held**, and **Dr. Vance D. Rogers**, pres., Nebr. Wesleyan Univ., who made the formal presentations to **Mr. Dunn** and **Mr. Held**.

This particular operator will buy calves in the late summer and fall to utilize the rough feed produced on the farm. He will sell them as feeders and most of them will be bought by a neighbor who specializes in finishing cattle. The neighbour will keep between 2,000 and 3,000 head in his lots year around. He will have a feed mixing plant on his place and will have the regular services of a veterinarian.

\$1 Million Business

This typical grain farmer will have an investment of about \$300,000 in land, \$50,000 in machinery, \$15,000 in a power unit, \$15,000 in a harvester and between \$30,000 and \$50,000 in cattle. He will be operating a half-million-dollar business. His cattle-feeding neighbor will have an investment of nearly \$1 million in his operation.

Mr. Frolik pointed out that it will be up to the bankers to supply the necessary financing.

In conclusion, **Mr. Frolik** said that the future for agriculture is good. He said, "In spite of our present difficulties, the long-term picture seems bright. One of the chief reasons is that both nationally and world-wide, the production of food and fiber must become more, rather than less, important because of the increasing pressure of population.

"Loans and Loaning in 1964" was the next topic for consideration on the program. This topic was handled by a panel with **Myron Weil**, executive



ENTERTAINMENT at the conference featured **Bob Lido**, left, and **Myron Floren**, right, of the Lawrence Welk Orchestra, with **Rex Miller** of the Natl. Bk. of Comm. correspondent bank department. **CENTER: Elvin F. Frolik**, dean, College of Agri., Univ. of Nebr., and **Thomas J. Waldo**, v.p., Natl. Bk. of Comm.

RIGHT: Loans was the topic of a panel headed by **Myron Weil**, exec. v.p., shown at center. Panel members were, from left, **Dan Van Buskirk**, v.p.; **Douglas Alford**, v.p.; **Phillip C. Sorensen**, counsel, and **James G. Leahy**, senior examiner, State Banking Department.

vice president, as moderator. Dan Van Buskirk, vice president, discussed installment loans and commented on recent legislation. Douglas Alford, vice president, commented on mortgage loans; Philip C. Sorensen, counsel, discussed the newly passed Uniform Commercial Code, and James G. Leahy, senior examiner for the state banking department, discussed the quality of credit being extended, stating that volume was up but the quality had not declined.

Extra Services

Next on the program was a discussion of "extra" services available. Robert A. Wekessar, senior vice president, presided and outlined two new savings programs recently initiated by the National Bank of Commerce. These are the Monthly Income Savings Plan and the Build Nebraska Savings Program. Both are designed to "keep Nebraska dollars in Nebraska."

The men's luncheon was highlighted by a special program honoring Mr. Dunn and Mr. Held.

The afternoon program opened with a slide-film presentation on the computer system being installed by the National Bank of Commerce. Herman A. Brockmeier, senior vice president, presided.

Final speaker on the program was Dr. Raymond Rodgers, consulting economist and professor of banking at New York University. Dr. Rodgers started by pointing out that "business is good—in fact, so good it scares many people."

Confidence High

Dr. Rodgers said that "probably the most significant feature of our time is our new philosophy of boundless confidence in the future. This is evidenced by the utter fearlessness with which businessmen make direct investment in distant lands. It is buttressed by the free-wheeling behavior of equity prices in our great securities markets where, as one wag puts it, the prices discount not only the future, but even the hereafter. This unbounding confidence in our future is demonstrated by the courage of in-

dustry in continuing capital expansion at high levels despite tax and other barriers.

"Handicaps notwithstanding, management today realizes not only the vital necessity of operating as low-cost producers through utilization of every practical labor saving device, but also the vital importance of planning for the future, as the demand for goods and services is bound to grow."

Deposits Climb

Dr. Rodgers, in discussing the future of banking, stated that "bankers will have to see that adequate capital is available to support future growth." He predicted a continued increase in demand and time deposits.

In conclusion, Dr. Rodgers stated that he does not expect higher interest rates. "While there may be a slight firming of rates, I doubt that it will amount to much," he said.

As in the past, bankers participating in the Forum were asked to predict the average price to be paid for all slaughter steers sold on the Omaha market for the first three days in five selected weeks. Persons with the most accurate prediction will receive a free Stetson hat. Dates selected are for the weeks ending March 28, April 25, May 23, September 26 and November 21.

Hastings Completes New Building



NEW QUARTERS for the **Hastings State Bank** were opened recently with more than 1,000 persons attending an open house.

MORE MONTANA NEWS . . .

(Continued from page 69)

ard Samson, cashier; and R. A. Fossum, assistant cashier.

This becomes the first bank owned and operated by the Montana Corporation.

First National Bank and Trust

Robert F. Burke has been elected vice president of First National Bank and Trust Company of Helena. He replaces James A. Johnson.

Mr. Burke started in banking with Western Montana National Bank in Missoula in 1954. In July of 1960 he became assistant cashier of that bank and was promoted to vice president in 1963.

The First National also has declared a 25 per cent stock dividend increase in the capital stock to \$1,250,000, making total capital accounts in excess of \$3,000,000.

Malta

The directors of the First State Bank of Malta have named R. H. Ulrich to succeed R. G. Monroe as president of the bank. Mr. Ulrich was the former vice president and cashier of the bank. Mr. Monroe will remain as chairman of the board of directors.

Other officers elected include Fred L. Robinson, vice president; Mrs. D. M. Campbell, vice president; W. E. Southwick, cashier; and Bonnie Jacobson, assistant cashier.

Miles City

Edward Kimball has been elected assistant cashier of the Miles City Bank. He formerly was employed with the Farmers Home Administration in Miles City as supervisor of the local office in charge of loaning activities for Garfield, Custer and Powder River counties.

Missoula

Five promotions and election of two new officers were announced at the First National Bank of Missoula.

Randolph Jacobs, previously vice president and trust officer, was promoted to executive vice president and trust officer. J. L. Kellogg, previously cashier, was promoted to vice president and cashier. Helen E. Rogers and George Gilbertson, assistant cashiers, were promoted to assistant vice presidents, and Wallace Small, assistant auditor, was made auditor.

The new officers are Clyde A. Wood, assistant vice president and R. J. Tucker, assistant cashier.

Poplar

Charles L. Smith, president of the Traders State Bank of Poplar, died recently after serving with the bank since 1918. O. R. Hagen, former vice president and cashier succeeds Mr. Smith as president, and J. C. Witte, an officer of the First State Bank of Wolf Point, was elected a vice president and cashier to succeed Mr. Hagen.

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Northwestern Banker, March, 1964

Not For Bankers...

. . . *this design on a stick used for drawing lots in early days to decide who should "look after the interests of others" . . .*



. . . for today, we believe, it takes down-to-earth banking know how, with proven ability to think straight, and act promptly, to be chosen to "look after the interests of others" . . . as we do in rendering complete correspondent bank services to an ever-increasing number of thoughtful bankers . . . among whom we'd like to number you.



"Des Moines' Largest Locally Owned Bank"

6th Avenue and Locust Street
Des Moines, Iowa

Member: F.R.S.

Member: F.D.I.C.

Iowa NEWS

CHARLES H. WALSH President Burlington

FRANK WARNER Secretary Des Moines



Akron

Arval R. Jurgensen has been elected to the board of the Akron Savings Bank, and Donald F. Kapfer, a member of the staff since 1954 with the exception of two years with the Armed Forces, was elected assistant cashier.

Ames

Leonard I. Paulson, auditor since 1961, has been promoted to cashier at the Ames Trust & Saving Bank.

G. R. Alley, president, also announced that stockholders have approved an increase in capital stock from \$200,000 to \$400,000 by a transfer from the surplus account. Surplus will total \$600,000.

Aurelia

The First Trust & Savings Bank has purchased two lots in anticipation of construction of a new banking facility. Construction is to begin this summer.

Battle Creek

John W. Tomke has been promoted from assistant cashier to vice president at the First State Bank.

Bettendorf

Two directors have been added to the board of the Bettendorf Bank and Trust Company. They are George B. Norman, president of the George Norman & Company, Inc., brokerage firm in Davenport, and Joseph Glickman, chairman of the board, Top Value Auto Supply, Inc., of Minneapolis.

Larry Makoben was elected assistant cashier. He is manager of the bookkeeping and proof department.

Robert Knapp, executive vice president, recently was featured in a "State Street Personalities" column in the *Bettendorf Press*.

Bellevue

M. J. Pooler, executive vice president of the Maquoketa State Bank, has purchased controlling interest in the First National Bank of Bellevue and was named president. Robert H. Dyas was named vice president of the board.

Grover J. Bittner, vice president, A. C. Schneider, president, and Herman J. Kueter, executive vice president,

have retired from the board. Mr. Kueter will continue with the bank as manager. Tom Daugherty will continue as cashier and Willard Felderman is assistant cashier.

Bloomfield

Gary Casady, who joined the Davis County Bank in 1962, has been promoted to assistant cashier.

Surplus has been increased to \$160,000.

Burlington

The National Bank of Burlington announced four promotions: E. L. Hausknecht, cashier, was promoted to vice president and cashier; E. J. Breddar, installment loan department manager, to vice president; and Frances Flynn and Paul A. Abel, assistant cashiers, to assistant vice presidents. Mr. Abel continues as farm representative.

Carroll

John Gronstal has been promoted from cashier to vice president; Les Perschau from assistant cashier to cashier, and Leo Schweers, manager of the Arcadia office, from assistant cashier to assistant vice president at the Carroll County State Bank.

Cedar Rapids

Merchants National

Fred W. Smith has been elected vice chairman of the board. He formerly was vice president and was elected a director in 1946.

John E. Wilson has been named assistant trust officer. He joined the



F. W. SMITH



J. E. WILSON

bank in February after 10 years in the trust and investment field, most recently with the National Bank of Commerce in Lincoln, Nebraska.

Cedar Falls

Hoyt Messerer, president of the First National Bank and of the Midway Bank and Trust, resigned last month as president of the Midway bank. He was succeeded by Phillip Berg, who had been vice president since July 1961.

Earlier the bank had been converted from the Midway National Bank to the Midway Bank and Trust.

Mr. Berg has been elected to the board of directors. Mr. Messerer continued on the board of directors.

Central City

James Maurice and Louis Morf of Monticello, officers of the newly formed M.S.B. Corporation, which recently purchased the City State Bank in Central City, have been appointed to the board of directors of the City State Bank. They succeed P. G. Mills and V. V. Brown who resigned.

Charles City

James Olds, assistant vice president, has been promoted to vice president at the Citizens National Bank. All other officers and directors were re-elected.

Clear Lake

E. M. Duesenberg has been named chairman of the board of the new Community National Bank. Howard Stewart will be president, Kenneth Van Duzer, vice president, and D. G. Feller, cashier.

Directors are Mr. Duesenberg, Earl L. Kotz, Victor A. Meyer, William L. Nicholas, J. A. Risvold, W. Howard Stewart and Mr. Van Duzer.

Bids have been received for the construction of a new building to be located at First Avenue North and Third Street.

Clarinda

Citizens State Bank

Leslie K. Jacobson has been elected an assistant cashier. He has been with the bank for about two years.

Page County State Bank

Floyd F. Whitmore has been elected president of the bank succeeding C. E. Bradley, who sold his interests to the Whitmore family this past year.

Other promotions include: D. O. Thompson, from vice president to executive vice president; John R. Hunter, from farm representative to vice president, and Wayne F. Whitmore, to vice president.

Corydon

Marshall Whitely has been named president of the Corydon State Bank and Raymond Snook was named vice

president. William H. Miles was elected director to fill the vacancy created by the death of his father, Judge T. W. Miles, formerly president and director.

Council Bluffs

City National Bank and State Saving Bank have discontinued Monday evening hours, with the exception of the City National loan department which will be open until 7:30 p.m.

All three Council Bluffs banks now are open Saturday mornings from 9 a.m. until 12 noon.

City National Bank

It was announced last month that the name of the bank is being changed to the First National Bank of Council Bluffs. The change has been approved by the Comptroller of the Currency.

Dale Te Kolste, vice president and general manager of Peoples Natural Gas Division of the Northern Natural Gas Company of Omaha, has been elected to the board of directors of the City National Bank.

Retiring directors elected to the advisory council are Dr. A. J. Bauman, L. J. Bussey and Walter A. Ruehlman.

The bank recently was purchased by Dale Ball, formerly president of the First National Bank of Fremont, Nebraska.

State Savings Bank

Announcement was made last month that the bank will construct a new drive-in facility at 15 S. 35th Street. Construction is to begin as soon as possible with completion scheduled for May 1.

It will feature both drive-in and walk-up facilities with adequate parking area.

Dallas Center

C. Robert Brenton was elected chairman of the board at the annual meeting of the Brenton State Bank.

Davenport

Davenport Bank & Trust Company

Stuart C. Briggs, assistant vice president, was promoted to vice president, and four new assistant cashiers were named. New assistant cashiers are Robert C. Bautian, John R. Cary, James Kahl Figge and Jack D. Lange.

First National

Dean Dubin, executive vice president, and Junius Clyde Brenton have been elected to the board of directors.

The bank's new drive-in facility at the Village Shopping Center on Kimberly Road is to open this month.

First Trust and Savings

R. Richard Bittner, Davenport attorney, has been elected to the board of directors. All other officers and directors were re-elected.

Northwest Bank & Trust Co.

Fred W. Yeadon, Jr., formerly executive vice president and trust officer, has been elected president to succeed Walter F. Meiburg. Mr. Meiburg will continue on the board.

Howard W. Mixson of Cedar Rapids, president of Construction Finance Company and Business Capital, Inc., has been named chairman of the board. Other new directors are Wil-

bur F. Cannon, president, Fidler & Chambers, Davenport; Joe B. Slavens, president, Slavens Manor, Inc., Bettendorf; Clay Murray, manager of the Davenport area plant of Caterpillar Tractor Co.; Lewis Bourdeaux, assistant secretary, Penick & Ford Co., Cedar Rapids, and Peter Topic, vice president, Chandler & Son, food brokers, Cedar Rapids.

B. F. McGee, who was senior vice president and cashier, succeeds Mr. Yeadon as executive vice president. Edward F. Moeller, Jr., comptroller, was named cashier.

Decorah

Decorah State Bank has received tentative approval from the Decorah City Council for proceeding with plans for leasing land west of the present Post Office for erection of a drive-in, walk-in facility.

William Ronan, president, said that if final approval is received, the bank will erect a building similar in architectural style and building materials as other new buildings in the area.

Dubuque

James F. Ryan has been promoted from trust officer to senior trust officer at the First National Bank, and Donald R. Runger was promoted from assistant trust officer to trust officer.

East Dubuque

M. W. Whitlow and Robert Borley have purchased controlling interest in the Exchange State Bank of Lanark, Ill. Mr. Whitlow is president of the East Dubuque Savings Bank and Mr. Borley is owner of the R. W. Borley Advertising Company of Dubuque. Both will continue active management in their present businesses.

Durant

Bill D. Paulsen was elected to the board of the Liberty Trust and Savings Bank. Oliver A. Hansen, executive vice president, was named vice president and trust officer; Mr. Paulsen, cashier, was elected executive vice president and assistant trust officer, and Delmar L. Frick, assistant cashier, moved up to cashier.

Earling

A. J. Heese, cashier, Farmers Trust and Savings Bank, died last month.

Emmetsburg

S. J. Brownlee, Emmetsburg farmer and farm manager, has been elected to the board of the Iowa Trust & Savings Bank. John F. Spies, president, also was named cashier.

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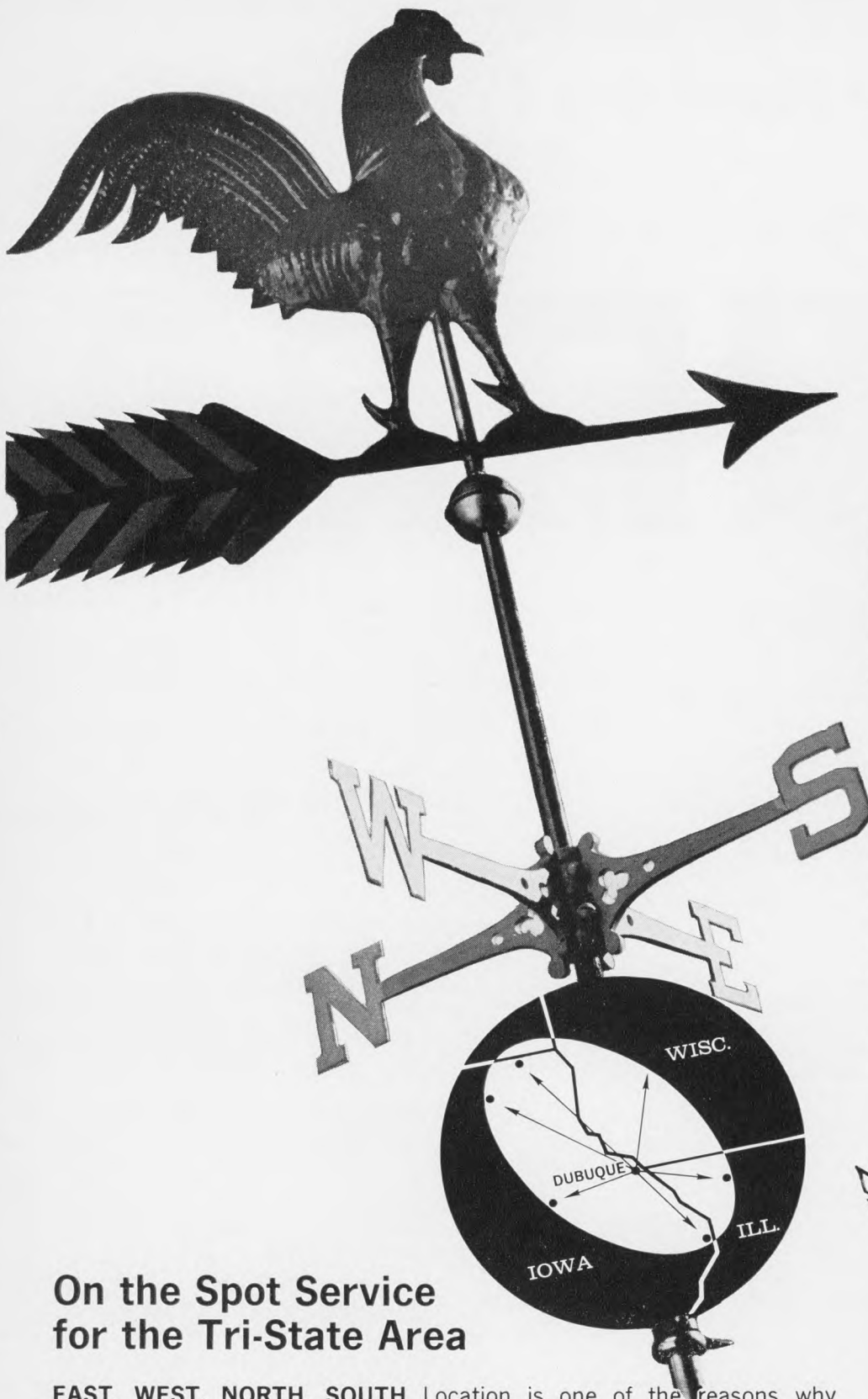
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C. A. AGEMIAN



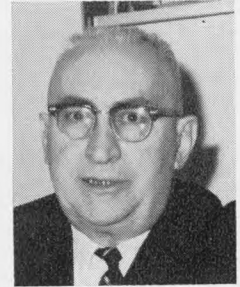
T. O. COOPER



J. H. PERKINS



D. W. HEINEKING



E. H. MERTZ

MONDAY, MARCH 23, 1964

Terrace Room, Savery Hotel, Des Moines

A.M.

8:00—REGISTRATION—Mezzanine Floor—will be continued throughout the meeting day. (No registration fee.) Noon luncheon tickets \$2.50.

FORENOON SESSION

(Round table after each talk if desired and as time may permit. Each speaker is respectfully asked to kindly observe his allotted speaking time. Thanks.)

9:00—CONFERENCE CALLED TO ORDER—

Remarks **ELMER H. MERTZ**
President, Federation of County Bankers Associations; Secretary, Keokuk County Bankers Association; President, Hayesville Savings Bank, Hayesville.

Presenting to Take a Bow—

(A) **Robert E. Coon**, Vice President, Federation of County Bankers Associations; President, Clayton County Bankers Association; Executive Vice President and Cashier, First State Savings Bank, McGregor.

(B) **Reid C. Giese**, Secretary, Federation of County Bankers Associations; Vice President, Bremer County Bankers Association; Cashier, First National Bank, Sumner.

WORD OF WELCOME **C. H. WALSH**
President, Iowa Bankers Association; President, Farmers and Merchants Savings Bank, Burlington.

PART I—AMERICAN INSTITUTE OF BANKING IN IOWA

(Mr. Heineking, following his introduction by Mr. Mertz will preside through Part I of the Program.)

9:15—PRESENTING **DONALD W. HEINEKING**
President, Iowa Junior Bankers Association; President, Security State Bank, Hubbard.

“BANKING: CAREER WITH A FUTURE”

Presenting to Take a Bow—

Ted J. Ketelsen, Vice President, Iowa Junior Bankers Association; Assistant Cashier, Liberty Trust & Savings Bank, Durant.

“A.I.B. IN IOWA” **RONALD G. WILL**
One of the two Iowa A.I.B. Associate Councilmen;

Assistant Cashier, The Toy National Bank, Sioux City.

“WHY A.I.B.?” **DANIEL KRIEGER**
Assistant Trust Officer, Ames Trust & Savings Bank, Ames.

“A NEW A.I.B. STUDY GROUP” **MYRON LUND**
Assistant Vice President, Iowa Trust & Savings Bank, Estherville.

“INVESTMENT IN THE FUTURE”
..... **WILLIAM B. GREAVES**
One of the two Iowa A.I.B. Associate Councilmen; Manager, Credit Department, Central National Bank & Trust Company, Des Moines.

PART II—UTILIZATION OF BANK FUNDS

(Mr. Thomas O. Cooper, following his introduction by Mr. Mertz, will preside until noon.)

10:30—“UTILIZATION OF BANK FUNDS—A TOOL AND A PLAN” **THOMAS O. COOPER**
Chairman, Country Bank Operations Committee, American Bankers Association; President, Jefferson State Bank, Jefferson, Iowa.

11:00—“REAPPRAISAL OF BANK LIQUIDITY AND BANK PROFITS” **CHARLES A. AGEMIAN**
President, Savings Division, American Bankers Association; Executive Vice President, The Chase Manhattan Bank, New York, N. Y.; Former Advisory Member of the ABA Country Bank Operations Committee.

NOON SESSION

(Luncheon—Des Moines Room)

12:00 NOON—Presiding **ELMER H. MERTZ**
REPORT OF NOMINATING COMMITTEES—
(A) Federation of County Bankers Associations.
(B) Iowa Junior Bankers Association.

AFTERNOON SESSION

(Terrace Room)

P.M.

1:15—PART II—“UTILIZATION OF BANK FUNDS”, Continued:

CONFERENCE CALLED TO ORDER
..... **ELMER H. MERTZ**
(Mr. Mertz will call on Mr. Thomas O. Cooper who will preside.)

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Mr. H. Clark Houghton
President
First National Bank
Iowa City

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how of Citibank's staff are always ready to help the First National Bank, Iowa City, serve its customers. How can *your* bank get these same benefits? Write or call our Correspondent Bank Department (Area Code 212 559-4832) and we will make arrangements to visit you.

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Northwestern Banker, March, 1964

"ASSET ALLOCATION CONSIDERATIONS" ..

.....**M. C. DIETRICK**
Associate Director, American Bankers Association,
New York, N. Y.

**"UTILIZING BANK FUNDS FOR INVESTMENT
IN MUNICIPAL BONDS"**

.....**JOHN PERKINS**
Vice President, Continental Illinois National Bank
and Trust Company, Chicago, Illinois.

**"UTILIZING BANK FUNDS IN MORTGAGE
LENDING"**

.....**BLAINE H. WISEMAN**
President, Old Capital Bank and Trust Company,
Corydon, Indiana.

**"UTILIZING BANK FUNDS IN INSTALLMENT
LENDING"**

.....**THOMAS G. WILSON**
President, First State Bank, Conway, Arkansas.

**"LOAN PORTFOLIO MANAGEMENT IN UTILI-
ZATION OF BANK FUNDS" WILLIAM A. LANK**

President, The Farmers National Bank of Blooms-
burg, Bloomsburg, Pennsylvania.

**3:45—PANEL DISCUSSION ON CONFERENCE
THEME (1 Hour)**

.....**MODERATOR, THOMAS O. COOPER**

All of the ABA Speakers on the Conference Theme,
"Utilization of Bank Funds", will sit on a Panel to
answer questions.

ANY NEW OR UNFINISHED BUSINESS

.....**ELMER H. MERTZ**

4:00—ADJOURNMENT.

Last year at the State Banking Conference there
was initiated for the first time a plan of cooperating
with the National banking organization (NABAC) and
working into the Conference program some of the activ-
ities of that organization in order that Iowa bankers
through their State Banking Conference might obtain
a closer insight of its working activities and objectives.

This year the officers sponsoring the 43RD ANNUAL
STATE BANKING CONFERENCE invited through the
good auspices of a fellow Iowan, Thomas O. Cooper, pres-
ident of the Jefferson State Bank at Jefferson, Iowa, and
chairman of the ABA Country Bank Operations Com-
mittee, he and his important committee to join in spon-
soring the program. It is generally conceded that the
Country Bank Operations Committee is one of the most
important committees of the American Bankers Asso-
ciation. It has to do with studying and exploring
administrative and operational problems of the nation's
rural banks. Mr. Cooper is the first Iowa banker to serve
as chairman of that important ABA committee.

Fairfield

First National

A 100 per cent stock dividend was
declared and approved at the annual
meeting of the First National Bank.

Iowa State

T. G. Lowenberg has been elected as-
sistant cashier at the Iowa State Bank
and Trust Company. All other officers
and directors were re-elected.

Fort Dodge

Wayne Bengtson, formerly district
manager for Commercial Credit Corpo-
ration, has been elected assistant cas-
hier and will be responsible for the or-
ganizing and managing of the bank's
new installment loan department,
which will be in full operation at the
completion of the current building and
remodeling program, according to
Earl J. Underbrink, president.

Gilman

Albert Ward, Jr., and Bruce Doane
have been elected to the board of the
Gilman Savings Bank. All other offi-
cers and directors were re-elected.

Guttenberg

The Security State Bank has added
a drive-up teller's window and work is
well under way on the bank's exten-
sive remodeling program.

Hamburg

John P. Fletcher has joined the staff
of the Iowa State Bank as assistant
cashier.

Harlan

Harlan National

Capital stock of the Harlan National
Bank has been increased from \$100,-
000 to \$200,000. Surplus now totals
\$400,000 and undivided profits stand at
more than \$200,000.

Shelby County State

Rand Peterson, vice president, has
been appointed Iowa Republican cam-
paign chairman. He will head the 14-
member State Central Committee
which determines how campaign
funds are spent.

Union Trust & Savings Bank

A 100 per cent stock dividend was
declared at the annual meeting. A to-
tal of \$100,000 will be paid from sur-
plus and \$150,000 from undivided
profits. New capital structure will in-
clude \$500,000 in capital; \$300,000 sur-
plus and \$423,750 in undivided profits.

Construction of a new drive-in fa-
cility in the Cross Roads Shopping
Center east of the city is to begin this
spring.

George

Open house was held last month fol-
lowing completion of an extensive re-
modeling and building project.

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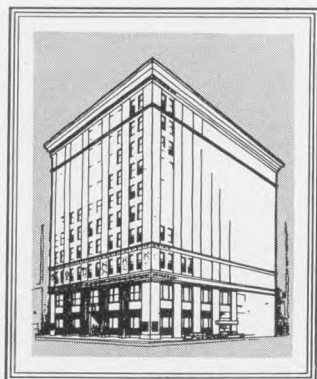
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Hayesville

David L. Weber has been named assistant cashier at the Hayesville Savings Bank.

Hills

Stockholders of the Hills Bank & Trust Company have voted to increase capital stock from \$100,000 to \$200,000 by a 50 per cent stock dividend and the sale of 500 shares of stock. Total assets now are over \$8.25 million.

Indianola

R. W. Buxton has been elected assistant vice president at the Peoples Trust & Savings Bank, and Don Russell of New Virginia has been elected vice president of the Farmers Credit Corporation, an affiliate of the bank.

In other changes, Ruth Patrick and Maurine Streeter were named assistant cashier of the bank.

Richard W. Buxton was elected to the board of directors, succeeding William B. Sayre, who resigned to join the Continental Illinois National Bank in Chicago.

Iowa City

Three new directors have been elected at the First National Bank. They are Charles G. Dore, president, Owens Brush Company; Robert D. Marsden, plant manager for Proctor & Gamble Manufacturing Company, and Ray L. Bywater, president, Economy Advertising Company.

Newly elected assistant cashiers are Robert M. Sierk and Ronald E. Matthews.

Clark Houghton, president, has been appointed to fill a vacancy on the Iowa Commercial Code Study Committee, succeeding Arthur E. Lindquist, for-

merly vice president of the Merchants National Bank of Cedar Rapids.

Iowa Falls

Roger E. Bjorenson, cashier, has been promoted to vice president, and Keith E. Schwebke, assistant cashier, was promoted to cashier at the Iowa Falls State Bank.

Keota

J. Walter Helscher, 89, president of the Farmers Savings Bank died recently at the Camair Convalescent Home in Oskaloosa. He had been active in the bank since 1907.

Kingsley

George W. Phelps, formerly with the Continental Illinois National Bank and Trust Company of Chicago, has joined the staff of the Oltmann & Phelps Bank as vice president. Robert E. Phelps was named president following the death of H. Floyd Phelps, which was reported in the NORTHWESTERN BANKER last month.

Maquoketa

M. J. Pooler, vice president and cashier, has been elected executive vice president at the Maquoketa State Bank. He also is trust officer.

Mason City

First National

A. C. "Cec" Frisk, president of Mason City Brick & Tile Co., has been named to the board of directors. R. C. "Butch" Keister, vice president, was named senior vice president; Jack O'Neill, assistant cashier and assistant trust officer, was named trust officer; Florence Sanberg was named assistant cashier and assistant trust officer, and Wanda M. Brown was elected assistant cashier.

The First National Bank and Iowa Hardware Mutual Insurance Company jointly announced plans for cooperative use of an IBM 1240 electronic banking system. Equipment will be located in the bank building and will be in operation by next September.

United Home Bank & Trust

Don Cottingham, assistant vice president, has been named vice president in charge of installment loans. George Brown was promoted from auditor to assistant cashier, and Thomas Halloran was promoted from assistant in the installment loan department to assistant cashier.

Also four new directors were named. They are Robert Logan, Sr., vice president; John Dougan, Cerro Gordo County farmer; Clem Hebel, farmer, and Robert Johnston, home building contractor and land developer.

R. H. Isensee, president, also reported the opening of the bank's parking lot office at 1329 North Federal. The facility has one drive-up window, a large lobby with a walk-up window and parking space for five cars.

The bank also announced an increase in interest on passbook savings from 3 per cent to 3.5 per cent, and on savings left with the bank for more than one year interest will be paid at the rate of 4 per cent.

Six month certificates of deposit draw interest at the rate of 3.5 per cent with a minimum amount of \$25.

Merrill

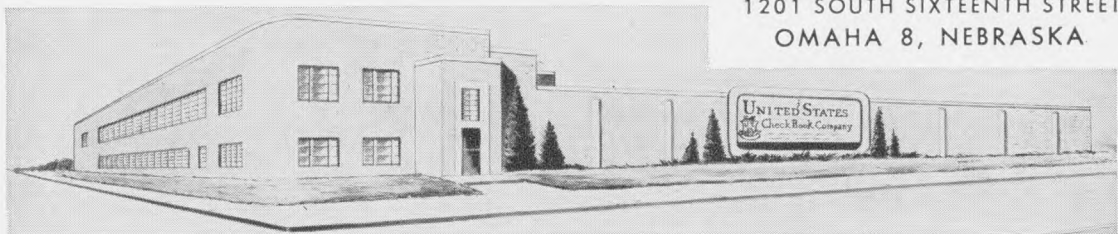
Clifford A. Carlson, assistant cashier at the First Trust and Savings Bank in Remsen, has joined the Farmers State Bank in Merrill as cashier. He had been with the Remsen bank for 10 years.

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Anniversary



50 YEARS of service to the LeMars Savings Bank, LeMars, Iowa, was observed recently by Paul Trauffer, right. Mr. Trauffer has been elected vice president and is succeeded as cashier by Norris Hawkins, shown at left.

Monticello

At the Monticello State Bank, Louis L. Morf was promoted from cashier to vice president; Robert Patten, farm department manager, was named vice president; Richard Moore, trust officer, was elected vice president and trust officer, and Donald E. Bergman was promoted from assistant cashier to cashier.

Muscatine

Due to the retirement of F. W. Allen as chairman of the board of the Muscatine Bank and Trust Company, C. D. Oberwortmann was elected chairman. George A. Shipley, president, announced that work was to get under way last month on remodeling of the interior of the banking lobby.

Nashua

The First Nashua State Bank is observing its 90th anniversary this year. It operated as a private bank from 1874 until 1908 when a charter was issued.

Neola

Joe Welbourne has been named a director of the Farmers & Merchants State Bank. He has been with the bank since 1946 and is vice president.

Onawa

At the Onawa State Bank, W. W. Virtue, vice president, was named senior vice president; W. G. Irwin, cashier, was named vice president and cashier; H. E. Taylor, C. H. Young and R. M. Samson, assistant cashiers, were named vice presidents, and Phyllis Kisling has been named assistant cashier.

Orange City

Clifford Bogaard, a local auctioneer and real estate agent, and Robert K.

Fisher, partner in the Sioux Veterinary Clinic, have been elected to the board of the Northwestern State Bank.

Oskaloosa

Russell S. Howard, Jr., has been elected to the board of the Mahaska State Bank, increasing the number of directors to nine.

Russell S. Howard, president, also reported that Dwight Kirsch, well known midwestern artist, is painting a mural behind the tellers' cages. It will measure 70 feet by six feet.

Panora

Paul F. Petersen has been elected to the board of the Panora State Bank, increasing the number of directors to nine. Mr. Petersen and Ruby Gilson were elected assistant cashiers.

Paullina

C. G. Kislingbury, cashier, has been elected president of the First National Bank. James Meyer, an assistant cashier since 1948 was named vice president, and A. C. Horstman, assistant cashier, was elected cashier. A. C. Fintel, formerly vice president, was named chairman of the board.

Perry

C. S. Johnson, Des Moines, has been elected chairman of the board of the First National Bank, succeeding W. H. Brenton. Eugene T. Smith, cashier, was elected to the board of directors.

Mr. Johnson is executive vice president of the Brenton Companies.

Pierson

W. L. Karlson, executive vice president of the Farmers Savings Bank for the past 17 years, retired recently. He was honored at a special dinner.

Pisgah

Roy W. Miller has resigned as president and director of the Pisgah Savings Bank and V. S. Petersen, formerly cashier, was elected president. L. D. Nieuwenhuis, formerly assistant cashier, was named cashier, and Byron O. Swain was appointed director.



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Des Moines News



HARRY L. WESTPHAL, vice president in charge of the Iowa-Des Moines National Bank's bond department, retired recently after 31 years service with the bank. **Robert J. Wissler**, vice president, succeeds Mr. Westphal as head of the department.



H. L. WESTPHAL



R. J. WISSLER

A native of Preston, Iowa, Mr. Westphal graduated from the University of Wisconsin and worked for First National Bank in Davenport and George M. Bechtel & Company before joining the Iowa-Des Moines. He became an assistant cashier in 1943, assistant vice president in 1948, and a vice president in 1955.

* * *

The Plaza State Bank has named three new members of the board of directors. They are: **Herbert Drey**, **J. R. Piggott** and **Donald Willis**.

Mr. Drey is general manager of the

Boss Hotels; Mr. Piggott is president of Crescent Chevrolet, and Mr. Willis is treasurer of Willis and Moore Insurance.

* * *

Seventy-five participants in the Valley Bank and Trust Company profit sharing plan recently received statements of their accounts in the Valley Bank Profit Sharing Trust Fund. **Henry G. Peterson**, trust officer, told the bank's directors, officers and employees that the bank's contribution of \$58,000 from its 1963 profits was the largest since the profit sharing plan was established in 1949 and brought the total contributions to \$573,700.



ABOVE, Edward Burchette, chairman of the board, presents a statement of her account to **Mrs. Margaret Hartoft**, head of the statement department.

As of December 31, 1963, \$157,000 had been distributed to former employees and their beneficiaries; and the market value of assets in the fund was \$679,500.

All contributions to the fund are made by the bank with none from the participants.

* * *

Clarence Dickson, assistant cashier of the Central National Bank and Trust Company, was the first place winner in the Des Moines Chapter AIB speech contest held last month.

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Lloyd A. Wooldridge, trust officer of Bankers Trust Company, has resigned to join the Richard E. Olson Agency of the Bankers Life Company in Des Moines. He will specialize in group and pension planning work.

* * *

George Milligan has been named an assistant cashier of the Iowa-Des Moines National Bank. He joined the bank in 1961 and has worked in the fields of business development and financial analysis and credit administration. He is a graduate of the Drake University Law School.

Capital Increases

Twelve Iowa chartered banks increased their capital stock last month.

Ames Trust & Savings Bank, \$200,000 increase to \$400,000 total; State Savings Bank, Fontanelle, \$40,000 to \$80,000; Union Trust & Savings Bank, Fort Dodge, \$250,000 to \$500,000; Iowa State Bank & Trust Co., Iowa City, \$100,000 to \$500,000; Farmers State Bank, Marion, \$100,000 to \$300,000; Farmers Savings Bank, Mitchellville, \$25,000 to \$50,000.

Home Savings Bank, Persia, \$25,000 to \$50,000; Peoples Trust & Savings Bank, Riverside, \$25,000 to \$50,000; Union State Bank, Rockwell City, \$50,000 to \$100,000; First State Bank, Sioux Rapids, \$25,000 to \$75,000; Farmers State Bank, Stanhope, \$25,000 to \$50,000; Iowa State Bank, Stockport, \$25,000 to \$50,000.

Bronze Medallion



AWARD in the form of a bronze medallion of Secretary of the Treasury **Douglas Dillon** was presented to **Mrs. Grace Davis** of the Central National Bank and Trust Co. by **Glenn L. Ingle**, state dir., U. S. Savings Bonds Division. Mrs. Davis retired last month after serving as chief teller of the bank's savings bond department since it was organized in 1941. During the period over 646,000 Series E Bonds were issued having a value of more than \$36 million.

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Northwestern Banker, March, 1964

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Federal Reserve Bank of St. Louis

Ag Conference Set for March 17

THE annual Agricultural Conference for Farm Lenders, sponsored by the Iowa Bankers Association and the Agricultural Extension Service at Iowa State University will be held March 17 and 18 in the Memorial Union on the University campus in Ames.

Tuesday, March 17—Gallery

A.M.

9:30—Registration.

10:00—Agricultural Outlook—J. William Uhrig, extension economist.

Livestock Housing and Facility Animal Costs Per Livestock Unit Raised—L. G. Kral, district extension economist.

Farming Systems that Maximize Profits—E. G. Stoneberg, extension economist.

P.M.

12:30—Lunch.

1:30—Furnishing Intermediate Type Credit For the Average Size Farm Unit—Kermit Anderson, executive vice president, Nevada National Bank.

Critical Credit Problems of Commercial Farms in the Next 10 Years—Robert Buck, farmer, Waukee.

Meeting the Credit Needs of Tomorrow's Commercial Farms—James C. Heiser, assistant vice president, Federal Intermediate Credit Bank, Omaha.

4:00—The Effect of Imports and Exports on Iowa Agricultural Prices—Lee Kolmer, extension economist.

6:30—Banquet—Sun Room.

The Role of Management in Agricultural Credit Use and Profits—H. E. Stalcup, Storm Lake, president elect, American Society of Farm Managers and Rural Appraisers.

Wednesday, March 18—Gallery

A.M.

9:00—Prevailing Community Atti-

tudes in Iowa—Ron Powers and Daryl Hobbs, extension rural sociologists.

Purchasing Patterns in Iowa Communities—Phillip Baumel, extension economist.

Analysis of the Economic Base of a Community—Eber Eldridge, extension economist.

P.M.

12:15—Luncheon—South Ball Room.

Who Pays for Iowa's Public Services—Arnold Paulsen, associate professor.

2:00—Adjourn—End.

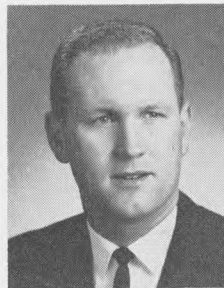
Sioux City

First National

Ernest A. Johnson, vice president and trust officer, was honored at a surprise retirement dinner recently. He retired last month after 49 years of service.

Security National

R. E. "Gene" Hagen, a native Sioux Cityan who joined the staff of the Security National Bank in 1958, has



R. E. HAGEN

been assigned to the correspondent bank department with Tom Horn, senior vice president, and John Diefendorf, vice president. He will be calling on banks in the Siouxland area.

Mr. Hagen holds a bachelor of science degree in business administration from Morningside College and was stationed at the Pentagon in Washington, D. C., during his tour of duty with the U. S. Army.

Thomas C. Horn, senior vice president, has been elected president of the Sioux City Clearing House Association, succeeding C. L. Adams, president of the Live Stock National.



AUDACIOUS!

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LEFT—Conrad Aronson, v.p., and J. Wm. Van Dyke, chmn., Toy Natl. Bank, Sioux City, visiting with Nebraska's new Director of Banking, **Henry E. Ley**. **RIGHT**—Group Speaker **Tom Smith**,

pres., First Natl. Bk., Perry, discusses plans with **Tom Horn**, sr. v.p., Security Natl. Bk., Sioux City, and pres. of local clearinghouse.

Farm Credit Policies Criticized At Group Meetings

By **MALCOLM FREELAND**
Publisher

BANKERS attending the annual meetings of Group I in Sioux City and Group II in Burlington last month were cautioned to "turn from their wicked ways" and to start financing farm credit needs on a competitive basis.

Thomas R. Smith, president, First National Bank, Perry, graphically and bluntly pointed out that the banking industry is losing ground to government lending organizations in competition for agriculture credit.

Mr. Smith and a number of other equally fine speakers drew record crowds to the 1964 meetings. Sioux City reported a registration of 850, and Burlington registered 600, an all-time high.

Group officers for Group I remain the same, with Orville Spahn, vice president, First State Bank, Mapleton, continuing as chairman, and E. W. Claussen, president, Farmers State Bank, Schleswig, remaining as secre-

tary. Mr. Claussen presided over the 1964 meeting in the absence of Mr. Spahn.

Group II accepted the resignation of Charles H. Walsh, president, Farmers and Merchants Savings Bank, Burlington, as group chairman. Mr. Walsh tendered his resignation in view of the fact that he was elected president of the Iowa Bankers Association at its annual convention in Des Moines last fall. Moving up to succeed Mr. Walsh is F. E. Breitenstein, assistant cashier, The State Central Savings Bank, Keokuk. The new secretary for Group II is E. G. Rodibaugh, First National Bank, Fairfield. The group announced that its annual sports day will be held in June in Fairfield.

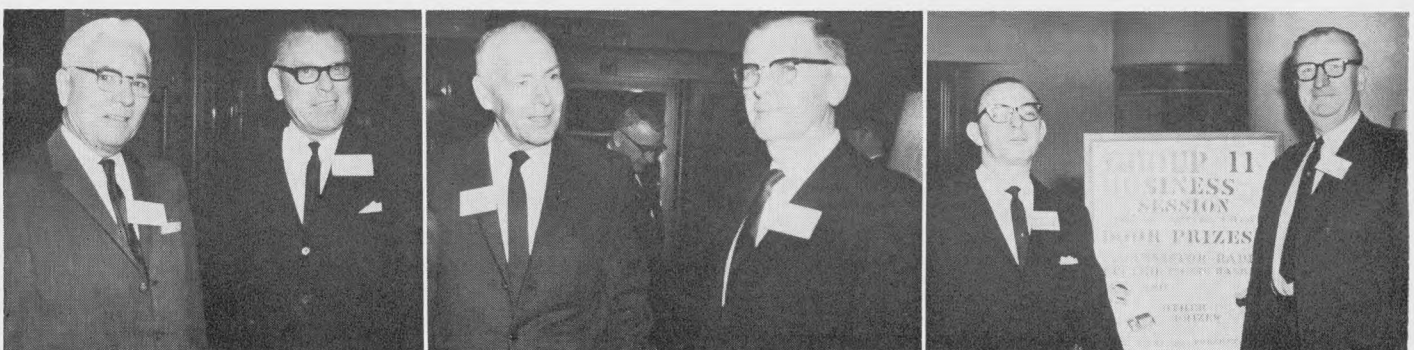
President's Address

IBA President Charles H. Walsh appeared at both meetings. He emphasized the importance of giving young bankers the opportunity to

participate in local and state banking activities, the problems connected with higher interest rates, the need for internal audit programs, the prestige and advisory values of a good board of directors and the continuing importance of a good public relations effort by every staff member of a bank.

The talk given by Mr. Smith aroused extensive comment and discussion by bankers at both Sioux City and Burlington. He told the groups that Production Credit Associations and Land Bank organizations have grown at twice the rate of banks over the past 10 years, indicating that the PCA is serving the biggest and the best farmers as shown by average size of past and present loans.

Rather than looking at our competition and pointing out reasons why their methods of doing business are not sound, Mr. Smith suggested that we must begin by solving our prob-



LEFT—L. W. Broulik, v.p., Merchants Natl., Cedar Rapids, and Paul Hodge, v.p. and gen. counsel, 7th Fed. Reserve Bank. **CENTER**—Bruce Townsend, pres., City Natl., Clinton, and Vincent Cullen, pres., Natl. Bk. of Burlington. **RIGHT**—F. E.

Breitenstein, a.c., State Central Svgs. Bank., Keokuk (new chairman of Group II), and Charles Walsh, pres., Farmers & Merchants Svgs. Bank, Burlington (president of Iowa Bankers Assn.).

Northwestern Banker, March, 1964

lems at home. "Bankers must recognize and alter their own wicked ways." He said:

(1) Country bankers are "tradition grounded" . . . we find it difficult to change the methods our fathers used in dealing with the farmer. The old ways are not necessarily the best ways in today's economy.

(2) Country bankers are too proud . . . to ask for the business or to go to the farmer and determine how you can best serve him. Bankers have been waiting for farm business to come into their offices too long.

(3) Country bankers are negatively oriented . . . there are too many reasons why we shouldn't do something rather than reasons why we should.

To alter these wicked ways, we must:

(1) Become the most knowledgeable man in your community on the financial aspects of modern agriculture. Read anything you can get your hands on to stay up-to-date on the changing facets of farming today. Be prepared to know how a major investment in buildings, equipment or a new production practice will affect a farmer's profit potential.

(2) Go to work. . . in the country. Meet the farmer on his grounds to learn about his situation and where you can be of service. Don't wait for him to come to you.

(3) Offer a complete financial program to serve the individual farmer's needs. Make yourself so valuable to



GROUP 11 DELEGATES included, left to right: **Charles Bosier**, retired exec. v.p., Burlington Bk. & Tr.; **Hudson Swiler**, v.p. & cash., Burlington Bk. & Tr.; **Jim Coquillette**, v.p., Merchants Natl., Cedar Rapids, and **Ernie Hayes**, pres., New London St. Bk.

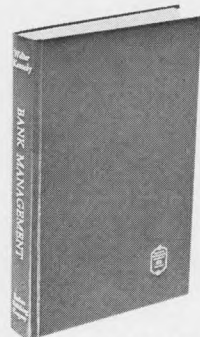
the farmer that you will sit on his advisory staff as the financial expert, just as his feed man, his fertilizer man or his farm chemical man act as his advisors.

The intelligent use of capital and credit will reap profit returns for the farmer and for you as his banker . . . dependent on the farmers management ability and your financial advice to him.

Gene F. Cermak, assistant vice president, Industrial Development for the Chicago Northwestern Railroad, and Forest Goetsch, Doane Agricultural Service, Inc., St. Louis, appeared on the Group I program in Sioux City, of-

fering bankers valuable suggestions on their respective fields. Following is a summary of their comments:

In his speech entitled, "How Bankers Can Help Attract Industry," Mr. Cermak cited the problems facing the Chicago Northwestern Railroad as it attempts to establish industry in small towns. Many industries are lost because the community does not fully understand what a new or expanding industry can do for the town. The banker is in a position to provide valuable leadership to an industrial development group. Too often the



BANK MANAGEMENT
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Walter Kennedy
President, First National Bank,
Montgomery, Alabama

New third edition of this widely acclaimed and practical manual . . . a comprehensive guide on sound principals, policies and procedures in all functions of a commercial bank. Prepared for bank executives and those who aspire to become executives. Here is a book for the generalist who is concerned with the over-all responsibility of bank management and also for the specialist who desires to have a sound understanding of the major activities of bank work, outside his own field. It's already on its way to becoming a classic textbook. Price—\$9.75. Write: Book Division, Northwestern Banker, 306 15th Street, Des Moines, Iowa 50309.

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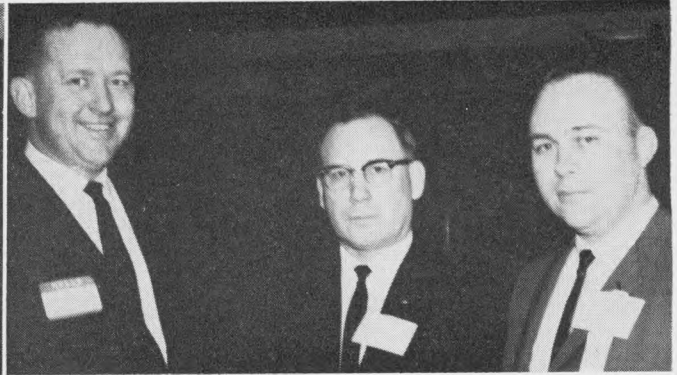
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LEFT—K. G. Klatt, pres., Dakota State Bank, Tripp, S. D.; George Toft, pres., Commercial Tr. & Sav. Bk., Mitchell, S. D., and Stan Evans, sr. v.p., Live Stock Natl. Bk., Sioux City.



RIGHT—Chas. Peterson, U. S. Check Book Co., Omaha; Loren Anderson, pres., Cherokee St. Bk., and Dick Taylor, a.v.p., First Natl. Bk., Sioux City.

banker fails to assume this responsibility and the town loses an opportunity. Mr. Cermak made the following suggestions:

(1) Be an active member of the industrial development group and assume the financial leadership of the group.

(2) Create an image of confidence in the financial reliability of your town. Be prepared to provide answers to problems . . . have sources of credit available, and convince local people of the financial stability of the firm.

(3) Sell the people of the community on the financial gain from a new industry.

(4) Utilize correspondent bank connections to obtain information on possible new industries. (At this point, Mr. Cermak cited recent articles in NORTHWESTERN BANKER on industrial leadership provided by bankers and advised all in attendance to read them).

Cattle Outlook

Mr. Goetsch of Doane told the Group I bankers that livestock prices should make some recoveries in the next few months.

Fat cattle prices were forecast to move upward to \$25-\$26 through late spring and early summer. Predictions

beyond this time were much more cautious with a downward movement expected.

Hog prices should move to \$16-\$18 through the spring months and on up to \$19 this summer. Prices then are expected to drop back to about \$16 this fall.

Frank Warner, secretary to the Iowa Bankers Association, concluded the business meetings in Sioux City and Burlington by explaining forthcoming Association activities.

Rake

The State Savings Bank will observe its 50th anniversary this month. The bank's charter was issued in March, 1914 and it opened for business the same month.

Rock Valley

Robert L. Schutt has been elected to the board of the Valley State Bank, increasing the number of directors from five to six.

Schleswig

J. A. Rohwer, who served the farmers State Bank 52 years and 25 years as president, resigned recently. E. W. Claussen, vice president and cashier, was elected president. Mr. Rohwer was named chairman of the board.

Sheffield

M. J. Campbell, 54, director of the Sheffield Savings Bank, recently died of a heart attack while visiting in Kansas City. He operated a grocery and general merchandise store in Dougherty.

Spencer

C. R. Sexton, senior vice president of the Farmers Trust and Savings Bank, announced his retirement last month, and at the same time announced his candidacy for the office of state representative for Clay County on the Republican ticket.

Stanton

James W. Grotenhuis, cashier since 1955, has been named vice president and cashier at the Security State Bank.

State Center

The Central State Bank has purchased the Bee Hive Cafe which adjoins the bank building. No plans were announced for future use of the building.

Stockport

Stockholders of the Iowa State Bank have voted to increase the bank's capital from \$25,000 to \$50,000.

New Iowa Sales Manager

Charles A. Van Horn has been named sales manager for the territory



C. A. VanHORN

including eight Thorp Credit, Inc., offices in Iowa and the Thorp Credit Corporation office in Kirksville, Mo. A veteran of 11 years in the sales finance business, Mr. Van Horn lives in Denver, Iowa.

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Storm Lake

Kenneth Stephens, who joined the Citizens First National Bank in 1963, was elected assistant cashier.

Strawberry Point

The appointment of Lynn M. Ellis as cashier of the Union Bank and Trust Company of Strawberry Point has been announced by R. Duane



L. M. ELLIS

Munter, president of the bank.

Mr. Ellis has been affiliated with the Cedar Falls Trust and Savings Bank at Cedar Falls since 1947 and was cashier and director, as well as treasurer of the Cedar Falls Na-

tional Company, before resigning to accept his new position.

Prior to his employment at Cedar Falls Trust and Savings, Mr. Ellis attended the State College of Iowa and served in the United States Army during World War II. He is a 1963 graduate of the School of Banking, Madison, Wis.

Mr. Ellis assumed his duties at the Union Bank and Trust on March 2.

Taber

Neil Selko has been elected cashier of the First State Bank. He joined the bank in June, 1962, and prior to that was with the Omaha National Bank, Omaha, Nebraska.

Vincent

Arthur O. Swasand, 65, president of the Farmers Savings Bank, died February 3 after a six month illness. He was born in Vincent and had spent his entire business life in that community. When his father died in 1925, Mr. Swasand became associated with Farmers Savings Bank and had remained active until his final illness. He is survived by his wife, one daughter and two sons, including Thomas P. Swasand, assistant cashier at the bank.

Theo. Swasand, a brother of the late president of the bank, was elected president later in February. Harley Derschild is vice president, and Roger Swasand is assistant vice president.

Volga

Ray J. Klingman has been elected president of the Volga State Bank, succeeding A. J. Johnson, who asked to be relieved of his duties. Directors are Mr. Klingman, C. J. Orr, E. C. Pust, Ernest T. Smith and Hugh Tenney.

Waukon

Farmers & Merchants Savings

Donald F. Jennings, cashier and managing officer of Farmers and Merchants Savings Bank, has been elected to the board of directors. Rudolph J. Dehli, a director, has been named vice president. He succeeds C. V. Nelson who died last December.

Waukon State

Ralph Osterholz has been elected to the board of directors of the Waukon State Bank, replacing C. H. Megorden.

Wellman

Albion J. Young has been elected to the board of the Wellman Savings Bank. All other officers and directors were re-elected.

Waterloo

Peoples Bank & Trust

Hamilton D. Weidner, president of Powers Manufacturing Company, has been elected to the board of directors.

E. E. "Dick" Bailey, formerly assistant vice president, has been promoted to vice president, and Donald L. Porchet and Miss Elaine Anderson were named assistant cashiers.



E. E. BAILEY

H. D. WEIDNER

William A. DeWees and Alfred Olson, members of the board since Peoples Bank was founded in 1943, were elected as honorary directors.

Waterloo Savings Bank

Donald N. Richards, a loan officer in the small loan department, has been promoted to assistant cashier. He has been with the bank since 1952.

Corwith

The awarding of a contract for the construction of a new addition and enlargement of present banking quarters has been announced by E. C. Bartik, president of the Corwith State Bank, Corwith. The contract was awarded to Kirk Gross Company, Waterloo, Iowa, and construction has already started. Occupancy is planned for June 1, 1964. The building next door to the bank was formerly a dry goods store and is being incorporated into the present bank structure.

HAWKEYED!



MAX ROY, La Salle Vice President, has a hawk's eye when it comes to Iowa and Iowa farming. He also is hawkeyed about finding ways and means to help La Salle's Iowa correspondents. He'll act fast and right on the spot to serve you. Why not get the facts from Max. He lives right nearby in Iowa City, but he makes his headquarters at **La Salle National Bank**, 135 So. La Salle St., Chicago, Ill. 60690. STate 2-5200 (area code 312). Member FDIC. Complete Trust Services.



Chariton

Marion M. Coons, president of the National Bank and Trust Company, Chariton, announced last month the purchase of ground directly west of the present bank for the construction of a new bank building. The contract was awarded the Kirk Gross Company of Waterloo, Iowa, for planning and designing the bank.

Wever

Mrs. Lois C. Woodroffe, assistant cashier and manager of the Farmers Savings Bank office in Denmark, re-

tired recently after 26 years with the bank. She is succeeded by Mrs. Gladys M. Hasenclever, formerly assistant cashier at the Farmers Savings Bank in Wever.

Winterset

Ernest R. Stowell of Winterset has been added to the board of the Union State Bank. A. C. Sanderson and R. K. Williams were elected assistant cashiers.

D. A. Bolton, cashier, also reported that the bank's surplus account has been increased from \$100,000 to \$150,000.

Wilton Junction

J. J. Hoskins has retired from the board of the Wilton Savings Bank. John Burkle and Dr. G. A. Whetstone were elected to the board.

Mrs. Mary S. Ford was elected assistant cashier. She has been with the bank since 1956.

Sheldon

The Security State Bank in Sheldon held open house February 22 in its remodeled and enlarged building. The bank quarters were doubled in size, with the latest banking conveniences installed for both customers and staff.

In addition to providing much more lobby and public reception area, the new quarters now provide private offices, a new installment loan department with separate entrance, and drive-in facilities. The bookkeeping department is now completely enclosed and conveniently located with a special counter for public service.

President of the Security State Bank is C. L. Schneider, vice president is Richard A. Schneider, cashier is Wilber Vander Tuig, and assistant cashier is D. M. Chappell.

Kirk Gross Company of Waterloo, Iowa, designed and built the new structure and remodeling.

Nevada

The Nevada National Bank, Nevada, has just completed an addition housing the bookkeeping department and personal loan department. A second drive-up window also was installed. The work was completed the latter part of February by Kirk Gross Company, Waterloo, Iowa.

"The Drovers Bank has been engaged in livestock lending since our founding in 1883. During all these 81 years it has been our constant policy to strengthen our correspondents' relationship with livestock borrowers while we participated in extensions of credit.

"We want to make it perfectly clear that our only interest in carrying excess paper is for your benefit as one of our correspondents. Under no circumstances will we try to win your customer away from you.

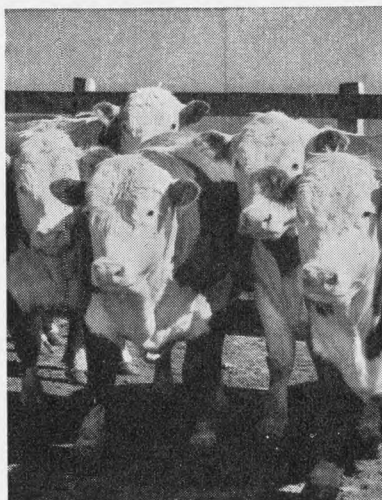


A statement to bankers from Leo R. Gruber, President, Drovers National Bank

DROVERS' POLICY on CATTLE LOANS

"Whenever we receive a request for a direct livestock loan from anyone in your area, we first determine where the applicant does his banking. Whether his local bank is a Drovers correspondent, or hasn't as yet availed itself of our services, we will check with that bank before proceeding further. If the bank prefers that we stay out of the picture, I assure you that we will follow the wishes of the local bank."

L. R. Gruber
PRESIDENT



MEMBER, FEDERAL DEPOSIT INSURANCE CORPORATION

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Northwestern Banker, March, 1964

CONTRACT FARMING, U.S.A.
by
Ewell P. Roy

All banks concerned with new developments in agriculture will want a copy of this book! Do contract farming and vertical integration spell the end of the family farm? Here are the facts, presented thoroughly and impartially, about contract farming and vertical integration, the most significant developments in American agriculture within the past quarter century. Price—\$8.25. Write: Book Division, Northwestern Banker, 306 15th, Des Moines, Iowa 50309.

Tension Envelope Honors Iowans



CITATIONS for Excellence have been awarded to two Iowans. At left, **Howard C. Skinner**, a.c., Jasper County Savings Bank, Newton, accepts the citation from **Phillip A. Goddard**, sales manager for Tension Envelope Corporation of Iowa. Mr. Skinner is shown at left. In the photograph at right, **Donald Fiske** (seated), a.v.p., Iowa-Des Moines National Bank, Des Moines, accepts his citation from **G. Gilbert Dorton** of Tension Envelope.

TWO Iowa bankers have been awarded a "Citation for Excellence" by Tension Envelope Corporation in recognition of their "creative cooperation in the field of envelope usage."

They are Howard C. Skinner, assistant cashier of the Jasper County Savings Bank at Newton, and Donald C. Fiske, assistant vice president of the Iowa-Des Moines National Bank in Des Moines. They are the first Iowa bankers to receive the Citation.

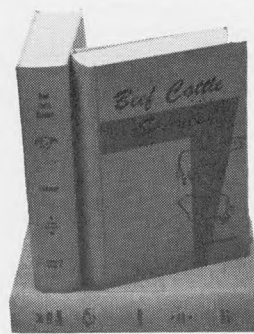
The Tension Citation is awarded in recognition of creative contributions from the firm's customers. The company states that the purpose of the award is to help acknowledge and foster creativeness in the field of envelope usage.

Mr. Skinner, working with Phillip Goddard, Iowa sales manager for Tension Envelope, was instrumental in the initial development of a new transit mail envelope with a Touch'n-Seal, no moisture required, closure. The new envelope replaces an expensive, oversized, handmade envelope previously used as a transit mailer. It is a 4½ x 10½ x 2 open side expansion envelope and has proved so popular with Tension's banking customers that it has become a stock item.

When Mr. Fiske of the Iowa-Des Moines National saw this new envelope, he recommended a change to Gilbert Dorton, another Tension representative, which developed into another new envelope ideal for use by his bank in the mailing of electronically produced cash letters. By adding a window to the expansion en-

velope, and by incorporating a paper pocket behind the window, the bank was able to use the transit mailer without the bother of further addressing by simply putting an electronically addressed slip in the pocket of the mailer. This slip is automatically produced as a by-product of the routine electronic procedure.

Because of the contributions of these two men in the development of these new envelopes, which can be used by all banks, the management of Tension Envelope has awarded them the special Citation.



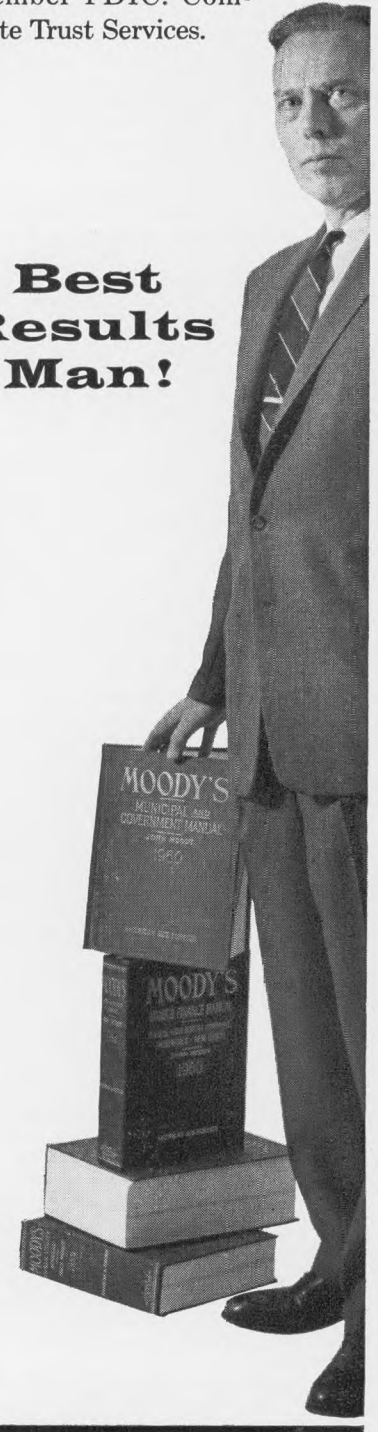
BEEF CATTLE SCIENCE

by
M. E. Enslinger

Here's a reference book for the banker covering every phase of modern beef production . . . from establishing the herd to breeding, feeding and management. It gives you all the latest developments in buildings and equipment, in production testing and bull testing, pelleted feeds and others. Here's 822 pages of the latest information in the beef business to help you stay on top of this most important phase of your bank's activities. Price—\$8.00 Write: Book Division, Northwestern Banker, 306 15th, Des Moines, Iowa 50309.

RON FAIRS, La Salle Vice President, has had plenty of experience helping correspondent banks get the best results possible from their investments. That's why he's the man to call on for investment advice. Ron's phone number is STate 2-5200. He's at **La Salle National Bank**, 135 S. La Salle Street, Chicago 90, Ill. Member FDIC. Complete Trust Services.

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Northwestern Banker, March, 1964

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Employed bank loan officer experienced in handling all types of installment loans, collections and credit investigations desires to relocate for better opportunity. Write OMZ, c/o NORTHWESTERN BANKER, 306 15th Street, Des Moines, Iowa 50309.

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Banker wishes to purchase control of bank with one to four million dollar deposits. Replies held in strictest confidence. Write EBP, c/o NORTHWESTERN BANKER, 306 15th Street, Des Moines, Iowa 50309.

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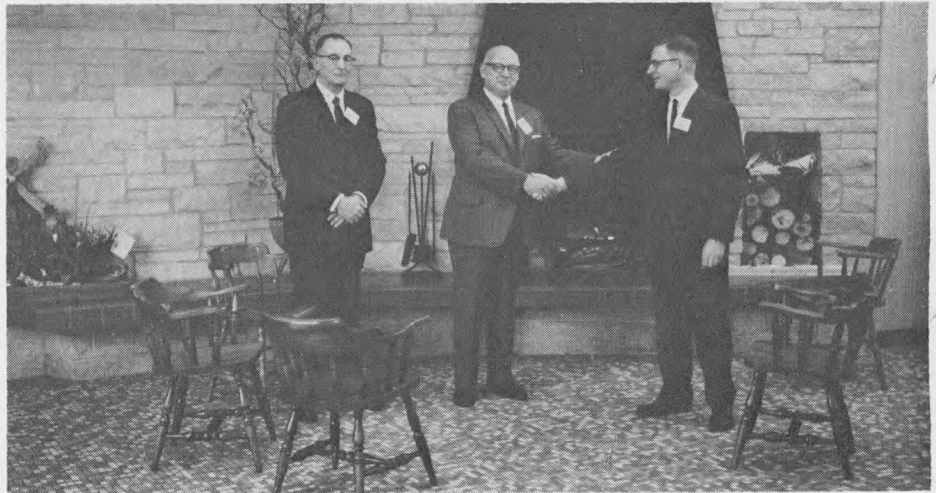
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New Building in South Ottumwa



SHOWN beside picturesque fireplace in the South Ottumwa Savings Bank's new building are **Myron L. Ackley** (left), pres.; **Robert K. Ackley** (right), v.p., and **Kirk Gross** (center) of the Kirk Gross Company, Waterloo, who designed the building.

THE South Ottumwa Savings Bank occupied its new building last month and found itself with four times as much room as the crowded quarters it had occupied for 51 years. The new structure is of Colonial design, with tall, white colonnades bracketing the front door.

Customers entering the bank find themselves in a 34 by 75 foot lobby area that has a large limestone fireplace at one side and a carpeted officer area at the other side. The teller counters are directly opposite the entrance and provide seven windows for immediate service.

A large parking lot to the rear has two drive-up windows, and access can be gained to the main building from the lot through another customer door.

Other features of the building include four private offices, a separate bookkeeping department, two vaults each measuring 18 by 24 feet, an employee's lounge, and central air conditioning.

The new building was designed by Kirk Gross Company, Waterloo, specialists in bank construction work.

FOR SALE

2 Post Tronics (Manual); 4 Post Tronics (Automated). Complete with ledger feeders and tape readers. Excellent condition. Under company maintenance contract. Write BYA c/o Northwestern Banker, 306 15th Street, Des Moines, Iowa 50309.

FOR SALE

Todd Foot Power Stapler, Model 125; Todd Typesetter, Model 600 with large amount of type; 1 box each, 1, 2 and 3 line type holders. Springfield State Bank, Springfield, Nebraska 68059.

BANK WANTED

Our client prefers a bank of from \$3 million to \$5 million resources located in Iowa, Minnesota or some nearby state. No commission. If you wish to consider a sale, send us information which will be treated strictly confidential.

W. R. OLSON COMPANY
Fergus Falls, Minnesota

POSITION WANTED

I am a senior at Iowa Wesleyan College, majoring in Business Administration. I will graduate in June. I am interested in the banking profession and like to meet people.

Contact me at 209½ North Adams, Mt. Pleasant, Iowa.

Joe E. Hutchinson

FOR SALE

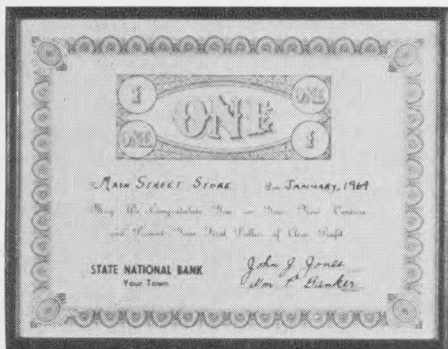
Exceptionally good 4-window, walnut teller counter. Features include full extension nylon bearing drawers, sliding door storage below counters, formica top, granite deal plates, five electrical outlets, modern design. Bank moving to new quarters where 6 windows needed. Contact E. G. Freudenburg, First National Bank, West Point, Nebraska.

The Bankers' Market Place

A Page Telling What's New for Banks and Bankers

Each month the Bankers' Market Place will bring you listings of new products, specialty items, banking equipment, and gift items which will help you and your staff do a better job. This is the selection for this month.

THE Iowa Stamp and Marking Company has announced a novel "new-businessman" promotion which they call *First Clear Dollar of Profit*. The framed, glass covered certificate which a banker presents to the new business venture on opening day is pictured here. On the certificate are imprinted words of congratulation plus the bank's name and a new \$1 bill is mounted at the top. It is personalized with the business name and signed by officers of the bank.



Actual Size: 9 3/4" x 11 3/4"

This thoughtful gesture on the bank's part serves as a continuing reminder to the new businessman. And because it is hung in a prominent place for long periods of time, it also reaches his customers.

This promotion is currently being offered at the rate of \$33 for 12 complete sets. For further information write to Mr. Bob Knotts, Iowa Stamp and Marking Company, 537 Fifth, Des Moines, Iowa.

ANSWERS to some of the most frequently asked questions concerning bank remodeling are provided in a beautifully illustrated brochure, "How to Take the Risk Out of Re-

modeling," available from Bank Building and Equipment Corporation, 1130 Hampton Ave., St. Louis. It reviews the initial question, "Should you remodel?" through other factors that must be considered—site analysis, space considerations, remodeling cost, and what happens to business during and after remodeling.

The booklet is liberally illustrated with "before" and "after" type pictures, showing how the team of experts from this 50-year-old bank building firm transpose old quarters into modern, efficient banking rooms.

A NEW office copying paper which costs about 10 per cent less than the most popular type of comparable paper now in use is being marketed by National Cash Register Company. Called "NCR Thermocopy Paper," it is for use in "Thermo-Fax" machines, manufactured by Minnesota Mining and Manufacturing Co. The new paper is white and gives permanent reproduction of line or halftone work. For 10 years NCR has been marketing another special paper, "NCR (No Carbon Required) Paper," which is used extensively by banks for duplicate deposit tickets and other duplicating needs, as well as being used by other businesses.

Home & Garden—

Real Pleasures If You "Know How"

If you've conquered drippy faucets; graciously accepted guests' compliments on your roses; saluted a \$50 drop in your fuel bills, you know that good "know-how" feeling—the same feeling readers of Doane's "Home and Garden Care" have.

Winning Friends Is Profitable

It is pleasant to send advertising messages that prospects appreciate. Banks everywhere build good will among depositors and borrowers with monthly "Home and Garden Care." Timely, practical advice on how to beautify the home, save money on upkeep, get the most from tax and insurance dollars. Exclusive in your area.

Write For An
Introductory Copy

DOANE AGRICULTURAL
SERVICE, INC.

5144 Delmar Blvd.
St. Louis 8, Mo.

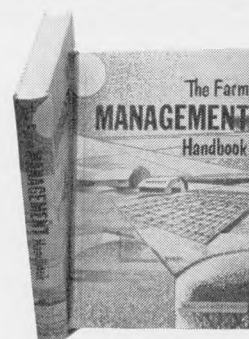
Suggested retail price is \$22.50 per box of 500 in small quantities to as low as \$16.50 per box in large quantities.

THE National Fast Deposit Service Company, 361 Ridgewood Boulevard North, Westwood, N. J., has developed a system for customers to make deposits unattended. The teller counter attachments enables a customer to make his deposit and avoid waiting in long lines. Descriptive literature for this low cost accessory is available upon request.

PRESSURE-SENSITIVE pin-feed tab labels, designed for high speed use on all E.D.P. equipment are new products of W. H. Brady Company, Mliwaukee, Wis.

The labels combine a pure white, deep opacity, superior non-smudge label stock with a special easy release, non-removable pressure-sensitive adhesive, according to the manufacturers. For more information write to J. A. Pescheck, W. H. Brady Company, 726 W. Glendale Avenue, Milwaukee 9, Wis.

TAPEGUARD, a new safe developed by Mosler Safe Company, Hamilton, Ohio, is designed to offer complete protection from fire, smoke and moisture for data processing tapes. Actually two safes in one, the outer area is a record safe while the inner safe is equipped with Mosler's thermostatically controlled inner valve door for extra protection.



THE FARM MANAGEMENT HANDBOOK

by
I. F. Hall and W. P. Mortenson

Effective management is the real frontier today . . . it's the unknown which separates the successful farmer from the average. It's what makes some of your customers much better risks than others. This Handbook is a specific guide to effective management. It covers all aspects: practical bookkeeping and farm records, government aid to farmers, livestock production, farm leases, business law and others. Price—\$6.50. Write: Book Division, Northwestern Banker, 306 15th, Des Moines, Iowa 50309.

JOHN F. KENNEDY 1/2 Dollar Coin Holder

Associate your bank's name with the terrific impact of this new coin. Your bank's name imprinted in gold at the top . . . John F. Kennedy at the bottom of holder.

| | | |
|-------|-------------|---------------|
| Price | 100 | 24 cents each |
| | 250 to 500 | 19 cents each |
| | 501 to 1000 | 18 cents each |
| | 1000 — up | 17 cents each |

Write for details

**IOWA STAMP &
MARKING COMPANY**

537 5th Ave. Des Moines, Iowa 50309



In the DIRECTORS' ROOM



Good Housekeeper

The hard-working, many times divorced blonde passed the two men on the street. "There goes my ex-wife," said one. "Wonderful little housekeeper."

"Sure doesn't look it," remarked the other. "I'd never guess that she's the type."

"She is, though," insisted the first. "Divorced three times and kept the house each time."

Sticky Situation

A small boy in a department store was standing near the escalator watching the moving handrail.

"Something wrong?" asked a clerk.

"Nope," replied the lad, "just waiting for my bubble gum to come back."

A Real Concession

"My little woman claims she's the perfect wife because she lets me out with the boys one night a week. Big deal—I'm a scoutmaster."

Mighty Hunter

Major Sneaksnifter was telling the guests of his remarkable ability as an explorer and hunter at a local tavern one evening.

"On one occasion," he rumbled, "I suddenly came face to face with an enormous lion. I never have seen such a huge beast. He stood only a few feet from me and was the perfect picture of ferocity.

"He roared. I fired, I hit him right between the yours."

One of the guests asked, "Yours? What's yours?"

Said the major, "I'll have a whiskey-soda."

Candid Camera

The bank robber shoved a note across to the teller which read: "Put the money in a bag, sucker, and don't make a move."

The teller pushed back another note: "Straighten your tie, stupid, they're taking your picture."

Head-on Danger

"Yes, I came face to face with a lion once. To make matters worse, I was alone and weaponless."

"Goodness! What did you do?"

"What could I do? First I tried looking straight into his eyeballs, but he kept crawling up on me. Then I thought of plunging my arm down his throat, grabbing him by the tail and turning him inside out, but I decided it would be too dangerous. Yet, he kept creeping up on me; I had to think fast . . ."

"How did you get away?"

"I just left him and passed on to the other cages."

Good Advice

A farmer wrote to a veterinarian for free advice, stating, "I have a horse who sometimes walks normal and at other times has a decided limp. What shall I do?"

The vet replied, "The next time he walks normal, sell him."

INDEX OF ADVERTISERS

MARCH, 1964

| | |
|--|-------------------|
| A | |
| Acorn Printing Company | 100 |
| Allison-Williams Company | 58 |
| American National Bank and Trust Company—Chicago | 21 |
| American Safe Company, The | 8 |
| American Trust and Savings Bank—Dubuque | 93 |
| Ashwell and Company | 44 |
| B | |
| Bank of America | 26 |
| Bank Building and Equipment Corporation | 9 |
| Bank of California | 53 |
| Bank of Montreal | 63 |
| Bankers Service Company | 100 |
| Bankers Trust Company—Des Moines | 90 |
| Becker & Cownie, Inc. | 46 |
| Beh, Carleton D., Company | 44 |
| Burroughs Corporation, The | 25 |
| C | |
| Cadillac Associates, Inc. | 103 |
| Central Bank and Trust Company—Denver | 68 |
| Central National Bank and Trust Company—Des Moines | 18 |
| Central States Health and Life Co. | 111 |
| Chase Manhattan Bank, The | 4 |
| Chemical Bank New York Trust Co. | 23 |
| Chiles & Company | 76 |
| Continental Illinois National Bank and Trust Company | 43 |
| Conway Brothers—First of Iowa Corporation | 96 |
| Cummins-Chicago Corporation | 50 |
| D | |
| Dain, J. M., & Company, Incorporated | 62 |
| Davenport, F. E., and Company | 89, 100 |
| DeLuxe Check Printers, Incorporated | 24 |
| Diebold, Incorporated | 13 |
| Doane Agricultural Service, Incorporated | 109 |
| Douglas-Guardian Warehouse Corporation | 20 |
| Drovers National Bank | 106 |
| F | |
| Farm Business Council, Incorporated | 16 |
| Farmers Mutual Hail Insurance Company of Iowa | 51 |
| First National Bank—Denver | 52 |
| First National Bank—Omaha | 79 |
| First National Bank and Trust Company of Lincoln | 83 |
| First National City Bank of New York | 95 |
| First Stock Yards Bank—St. Joseph | 80 |
| G | |
| Gross, Kirk, Company | 99 |
| H | |
| Halsey, Stuart and Company, Incorporated | 38 |
| Harris Trust and Savings Bank | 56-57 |
| I | |
| Iowa-Des Moines National Bank | 112 |
| Iowa Power and Light Company | 47 |
| Iowa Stamp & Marking Company | 109 |
| K | |
| Kalman and Company, Incorporated | 41 |
| Kirkpatrick-Pettis Company | 40 |
| L | |
| LaMonte, George & Son | 45 |
| LaSalle National Bank | 99, 101, 105, 107 |
| Lawrence Warehouse Company | 11 |
| Leamington Hotel | 59 |
| Life Investors Insurance Company of America | 47 |
| Live Stock National Bank—Sioux City | 64 |
| M | |
| Manufacturers Hanover Trust Co. | 37 |
| Marquette National Bank | 101 |
| Merchants Mutual Bonding Company | 103 |
| Merchants National Bank | 2 |
| Midland National Bank | 54 |
| Morrissey and Company | 46 |
| Mosler Safe Company | 6-7 |
| Mutual Fire and Automobile Insurance Company | 92 |
| N | |
| National Bank of Commerce Trust and Savings | 81 |
| National Cash Register Company | 17 |
| National Reserve Life Insurance Co. | 48 |
| Neu and Company | 46 |
| Newhouse Paper Company | 53 |
| Northern Trust Company | 3 |
| Northwestern National Bank—Sioux Falls | 66 |
| O | |
| Omaha National Bank | 77 |
| Q | |
| Quail and Company | 104 |
| R | |
| Recordak Corporation | 14-15 |
| S | |
| St. Paul Terminal Warehouse Co. | 89 |
| Schweser, Robert S., Company | 75 |
| Shaw, McDermott and Company | 42 |
| Smith, Polian and Company | 82 |
| Studley, Shupert Trust Investment Council | 42, 60 |
| T | |
| Talcott, James, Inc. | 61 |
| Tension Envelope Corporation | 96 |
| Thorp Finance Corporation | 39 |
| U | |
| United States Check Book Company | 98 |
| United States National Bank—Omaha | 72 |
| V | |
| Valley Bank and Trust Company | 97 |
| Valley National Bank of Arizona | 10 |
| Van Horne Investments, Inc. | 78 |
| W | |
| Western and Southern Life Insurance Company | 50 |
| White-Phillips Company, Inc. | 41 |
| Z | |
| Ziegler, B. C., and Company | 40 |

Northwestern Banker, March, 1964

"We are sold on Central States Bank Health/Loss of Income Plans"

—Reports M. R. Forrester, President
Bank of Yorkville, Yorkville, Tennessee

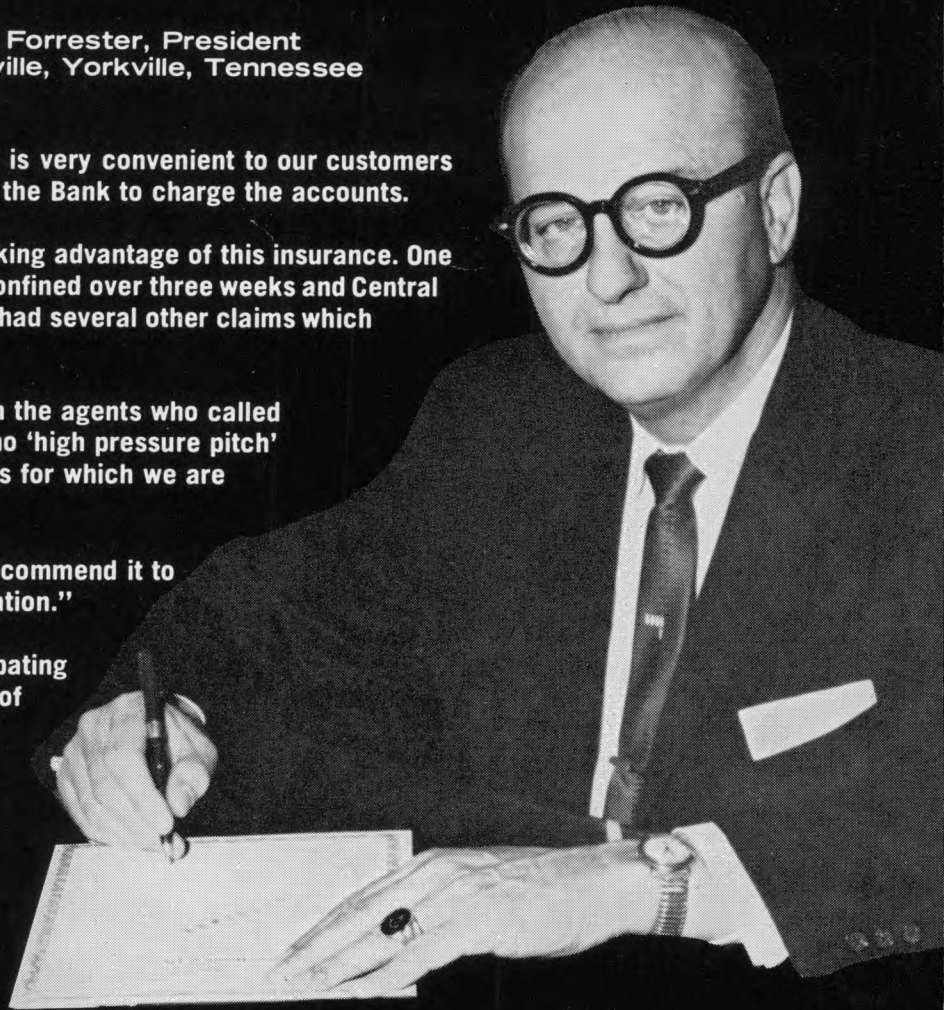
"The monthly deduction for premiums is very convenient to our customers and very little extra time is needed by the Bank to charge the accounts.

"We now have over 100 customers taking advantage of this insurance. One of our first customers to sign up was confined over three weeks and Central States paid him over \$1,000. We have had several other claims which all have been paid promptly.

"Our customers were well pleased with the agents who called on them. We appreciate the fact that no 'high pressure pitch' was made. This is good public relations for which we are grateful," said Mr. Forrester.

"We are sold on your insurance and recommend it to our friends in this area without reservation."

Individual or individual bank, participating members in the Bank Health and Loss of Income program receive golden rule service. Won't you join the more than 900 banks...earning extra income...pleasing customers...and winning new friends...with Central States?



CENTRAL STATES HEALTH & LIFE CO. OF OMAHA

T. LESLIE KIZER, President
CENTRAL STATES INSURANCE BUILDING
HOWARD AT 18TH STREET • OMAHA

UNDERWRITING EXCLUSIVELY THROUGH FINANCIAL INSTITUTIONS



Need help with increasing grain trade?

Helping out is part of our business. In fact, overline loans are just one of many, many specialized services the Iowa-Des Moines can offer your bank.

We can serve you as depository: Des Moines, located in the American Heartland, is a primary communications center, provides every facility for progressively faster transfer of funds everywhere in the U.S.

We can expedite your collections: our round-the-clock

transit operation makes for faster service. Float is minimized. Try our Direct Notification Plan for fast reporting on non-payment checks. Your special needs get extra special attention.

Grain drafts . . . credit information . . . commodity loans . . . purchase, sales and safekeeping of securities . . . trust and estate service . . . internal operations . . . Iowa-Des Moines offers complete banking service. These five men are here to help you get it. *Always a little faster.*



JERRY NELSON
Vice President



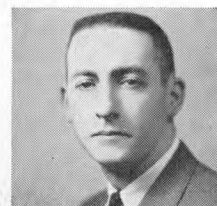
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Asst. Vice President



BOB BUENNEKE
Asst. Vice President



BEN EILDERS
Asst. Vice President



JOHN HUNT
Asst. Cashier

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