

# NORTHWESTERN *Banker*

**JUNE  
1965**



JACKSON LAKE—SITE OF WYOMING CONVENTION (Page 81); MONTANA CONVENTION (Page 77)  
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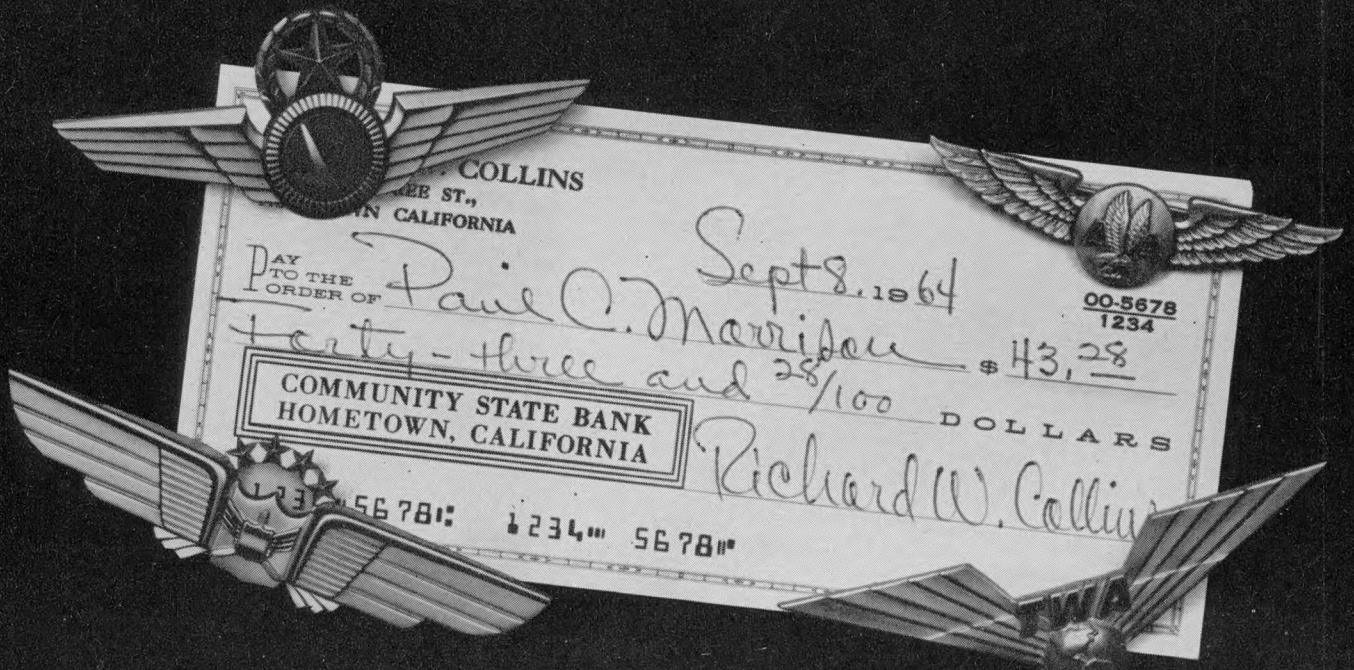
In a recent continuing survey by Northwestern Banker, country bankers were asked which correspondent services were most important to them. "Investment Advice" ranked third on the list. At MNB our investment staff keeps current daily on economic and social trends, and developments affecting agriculture, industry and commerce. Investment advice is no doubt one big reason why half of the banks in Iowa are MNB correspondents.

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of out-of-town checks are microfilmed for maximum protection. Should an item disappear, hours or even days can be saved. Often this means keeping the goodwill of your depositor.

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## Dear Editor



### "Ringing the Bell"

"I have before me your May issue of the NORTHWESTERN BANKER which does an excellent job by the attractive front cover and interesting coverage in the article headed 'Ringing the Bell for Full Service Banking.' As you know, this activity is very close to me, and I want to both congratulate you and thank you for the fine support you have given us.

*Tilden Cummings, President,  
Continental Illinois National  
Bank and Trust Company,  
Chicago.*

Editor's Note: Mr. Cummings is trustee for the Foundation for Commercial Banks representing the 7th Federal Reserve District. He is also chairman of the board of trustees.

### "Keep Track of Friends"

"I have always enjoyed your fine publication and would appreciate receiving the NORTHWESTERN BANKER so I can keep track of my good friends. We will be moving into our new home shortly at 425 Alcalá Lane, Santa Barbara, California."

*Tom Barnes, Retired Assistant Vice President, Harris Trust and Savings Bank, Chicago.*

### "Appreciate Good Work"

We appreciate all of the good work you did for us at the recent annual convention, and I'm looking forward to reading your article in the June NORTHWESTERN BANKER. It was nice meeting your new associate editor, Dave Lendt, and I hope we will have a long future association."

*William J. Daner, Secretary,  
North Dakota Bankers Association,  
Bismarck, North Dakota.*

### "February, 1921, Issue"

"Enclosed is a photostat of the cover of my file copy of the February, 1921, issue of the NORTHWESTERN BANKER.

"The article on 'Why New Buildings Promote Growth in Deposits' was of particular interest to me. You hear the same ideas advanced today. I hope banks are not in the same shape five years from now as Iowa bankers were in five years after this article appeared!"

*E. W. Youell, Jr., President,  
Manson State Bank, Manson,  
Iowa.*

# NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your JUNE, 1965, reading

71st Year No. 935

## EDITORIALS

- 22 Across the Desk from the Publisher

## FEATURE ARTICLES

- 5 Dear Editor  
19 Frontispiece—  
27 The State of Your Statement  
28 The Bank Director and His Responsibilities—*William P. Ronan*  
30 Small Banks Need Better Auditing Help—*K. A. Randall*  
31 Urges New Idea for Bankers Making Cattle Feeder Loans—  
*Francis L. York*  
32 We Help Customers Keep TABS on Their Money—  
*Preston V. Kors*  
33 Bankers You Know—*Neil F. Roberts*  
34 How Foreign Trade Affects Midwest Banks—*Victor C. Studley*  
40 Marquette's Gary Wollan Completes Swiss Mission

## STATE BANKING NEWS

- |  |    |  |  |
|--|----|--|--|
| Minnesota Convention Program   | 51 | 81 Wyoming Convention Program              |  |
| Twin City News   | 52 | 82 They Will Attend Wyoming Meeting        |  |
| You Will See Them at the Minnesota Convention List General Committee | 56 | 82 Wyoming News                            |  |
| For Minnesota Convention South Dakota Convention Report and Pictures | 60 | 85 Colorado Convention Report and Pictures |  |
| South Dakota News North Dakota Convention Report and Pictures        | 67 | 86 Colorado News                           |  |
| South Dakota News North Dakota Convention Report and Pictures        | 70 | 91 Nebraska Convention Report and Pictures |  |
| North Dakota News Montana Convention Program                         | 73 | 96 Omaha News                              |  |
| You Will See Them at the Montana Convention                          | 76 | 100 Nebraska News                          |  |
|  | 77 | 104 Lincoln News                           |  |
|  | 79 | 107 Iowa News                              |  |
|  |    | 110 Iowa Group Report and Pictures         |  |
|  |    | 118 Des Moines Nws                         |  |

## OTHER FEATURES

- 117 Conventions  
120 Index of Advertisers  
122 In the Directors' Room

## NORTHWESTERN BANKER

306 15th Street, Des Moines, Iowa 50309, Telephone (Area Code 515) 244-8163

Chairman  
Clifford De Puy

Publisher  
Malcolm K. Freeland

Editor  
Ben J. Haller, Jr.

Associate Editor  
Larry W. Nothwehr

Associate Editor  
David L. Lendt

Advertising Assistant  
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## Plan Midwest Ag Conference

**H**OW can a country bank meet the problem of a declining rural economy?

This and other questions will be explored at a unique seminar to be staged June 18 and 19 in Sioux City by The Independent Bankers Association. Titled "Midwest Agricultural Conference," the program is aimed at helping independent bankers meet the problems resulting from a declining rural economy.

Speakers representing such fields as economics, sociology, religion, industry and banking will provide a broad perspective to the problem of the population decline on the farm and in the rural communities. These presentations are expected to provoke some lively discussions among the bankers present.

The pilot program this month will be limited to about 200 participants from IBA member banks in the 12 north central states. If support for the initial program seems to merit repetition, the project will be broadened at a later time.

Invitations are being sent to north central states independent bankers. A registration fee of \$25 per person will cover luncheon meals Friday,



J. CHRYSTAL

B. HOUSE

June 18, and Saturday June 19, and dinner Friday evening. Headquarters will be the Sheraton-Warrior Motor Inn in Sioux City.

Because of the enrollment limitation, those who plan to attend are urged to submit their application immediately to assure participation.

Speakers will include:

The Rev. E. W. Mueller, director of the Town and Country Department, National Lutheran Council, who will speak on "Every Man Is Worthy of His Hire."

Bill House, Cedar Vale, Kan., rancher and immediate past president of the American Hereford Association and second vice president of the American National Cattlemen's Association.

George Donohue, department of sociology, University of Minnesota.

V. E. Rossiter, Sr., president of the Bank of Hartington, Neb., and former chairman of the IBA Agriculture Committee, who has written and spoken extensively on the problem of low farm income.

Walter Bowers, former employee, U. S. Department of Treasury and Commerce; farmer, educator, economist.

John Chrystal, Iowa superintendent of banks.

### Invite Continental "Grads"

There's no ivy clinging to the walls of Continental Illinois National Bank and Trust Company, but its alumni are returning for a homecoming reunion during the American Bankers Association convention in Chicago this fall.

Continental's president, Tilden Cummings, is sending letters of invitation to "graduates," former staff members who are now financial executives with other banks and corporations, and who would normally attend the ABA convention in Chicago, October 3-6.

### New International Officer

J. Louis Munoz, Jr., has been elected vice president of Security First National Bank's head office international banking department and will continue as the bank's representative to Mexico, and Central and South American countries. Headquarters for the bank is in Los Angeles.

### Personal Loan Record

First National City Bank, New York, recently made its 12 millionth personal loan, just 37 years and 16 days from the date of its pioneering move into the personal credit field.

Since Citibank made its first personal loan on May 3, 1928, it has extended personal credit for more than \$7 billion. Citibank is now making more than a half billion dollars in personal loans every year.

### Opens New York Office

The First Wisconsin National Bank, Milwaukee, has opened an office in New York City at 26 Broadway to handle expanded operations of its international banking division and municipal bond department.

The office will supplement the opening of a representative office in London and the establishment of a foreign factoring operation as a new addition to the Milwaukee international setup. Charles Mittenberg, formerly an officer of the Bank of America, will represent the international division.

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**Norman Walton**  
President

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## Analyze Examiners Salaries

ONLY 19 of 51 banking supervisors believe that their departments had adequate operating budgets in 1964, President Edwin P. Neilan of the State Bank Division of The American Bankers Association announced recently.

Thirty-one supervisors reported an inadequate number of examiners, while 36 said that salary levels of examiners were insufficient to attract and retain competent personnel.

In 1964 the maximum annual salaries paid examiners in the 51 banking departments ranged from \$6,600 to \$18,140. States at the bottom of the range would have to triple present maximums to make them competitive with the Federal examiner pay checks. Starting salaries of state assistant examiners were reported from \$3,780 to \$7,800, with an annual median average of \$5,230.

### Supervisors to Hear Romney

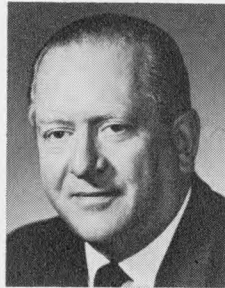
Michigan Governor George Romney, an early favorite to capture the Republican presidential nomination in 1968, will be the featured speaker at the 64th Annual Convention of the National Association of Supervisors of State Banks.

The 1965 meeting of the association will be held at the Pick-Fort Shelby Hotel in Detroit, September 28 through October 1. An attendance of 600 state bank supervisors, bankers and government officials is expected.

### Announce B of A Executive

The election of D. C. Sutherland as a Bank of America executive vice president has been announced by President R. A. Peterson.

Mr. Sutherland, a member of the bank's managing committee, heads the business relationships department. He has held the title of senior vice president for five years.



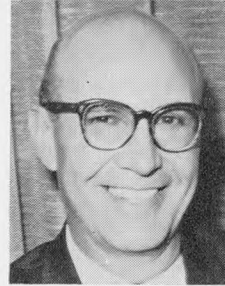
D. C. SUTHERLAND

Mr. Sutherland's election by the board of directors was seen as a move in anticipation of the impending retirement of Executive Vice President Lloyd Mazzera, chief of the bank's loan activities and chairman of the

general finance committee. Mr. Mazzera will soon reach the mandatory retirement age of 65.

### Elect AIB President

Vern Waldo, vice president of the First National Bank of Nevada in Reno, was slated to be elected new president of the American Institute of Banking at the group's annual convention being held in New Orleans as this issue of the NORTHWESTERN



V. WALDO

BANKER went to press. A complete report on the convention will be published in July.

### Record AIB Membership

Membership in the American Institute of Banking (educational section of The American Bankers Association) reached 200,092 last month.

### Honor Harris President

A. Newell Rumpf, president, Harris Trust and Savings Bank, Chicago, was elected to the board of directors of The Economic Club of Chicago.



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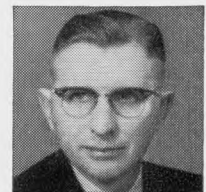
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# This is the Farmers State Bank of Lisbon, Lisbon, North Dakota



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in  
New York



Mr. G. H. Weber, President  
Farmers State Bank of Lisbon  
Lisbon, North Dakota

Like many banks of all sizes, the Farmers State Bank of Lisbon, Lisbon, North Dakota, has a New York "office" through its correspondent relationship with First National City. Not only in New York but in 39 countries on 5 continents where First National City branches are located, the

experience and know-how of our staff are always ready to help the Farmers State Bank of Lisbon 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 be pleased to visit you.

## FIRST NATIONAL CITY BANK

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Northwestern Banker, June, 1965



## To Issue Capital Notes

THE board of directors of First National City Bank, New York, has recommended the issuance of an estimated \$267,000,000 of 25-year convertible capital notes.

Issuance of the notes requires approval by the Comptroller of the Currency and by holders of two-thirds of the shares of the bank's capital stock at a special meeting to be held on June 10. At that same meeting, shareholders will be asked to approve issuance of 5,000,000 new shares usable for the eventual conversion of the notes

and for other purposes.

The proposed notes will be subordinate to deposits and certain other obligations. They will not be callable for five years, but will be convertible into capital stock at any time at the option of the holder. The interest rate, offering price and conversion price will be determined after the shareholders' meeting in the light of market conditions at that time, the bank said.

If the proposal is approved, shareholders will receive subscription warrants entitling them to purchase \$100

of notes for every 10 shares held, a ratio at which it is estimated the issue would aggregate about \$267,000,000. Shareholders who do not care to purchase the notes may sell their warrants.

### Retires in Tulsa

William W. Michaels, senior vice president of the First National Bank and Trust Company of Tulsa, has retired but will remain as a consultant to the bank, it was announced by F. G. McClintock, president.

Mr. Michaels, who joined First National in 1942, was head of First National's national accounts department.

### Purchase TV Bank Firm

TV Bank Corporation of Indianapolis has been purchased by The Meilink Steel Safe Company of Toledo, and is now known as TV Bank Equipment Corporation. The entire operation including personnel has been moved to Toledo, Ohio.

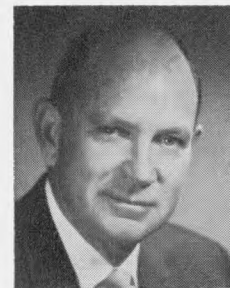
Stanley Akers, president of Meilink, announced that this new subsidiary will continue to manufacture, sell, install and service the remote electronic banking facilities known as TV Banks.

### Heads Arizona Bank

Robert D. Williams, executive vice president, First National Bank of Arizona, succeeded James Byers as president on June 1,

according to an announcement made in Phoenix.

Board Chairman Sherman Hazeltine made the announcement, stating that Mr. Byers has resigned in order to accept the newly created office of executive



R. D. WILLIAMS

vice president-senior bank relations officer of Western Bancorporation. He will assume his duties in Los Angeles on June 24.

Mr. Williams, with more than 30 years' banking experience, has been in charge of First National Bank's branch office administration with responsibility for the operation and administration.

### FDIC Appointment

Chairman K. A. Randall of the Federal Deposit Insurance Corporation has announced the promotion of John L. Flannery as assistant chief of the division of examinations, and his assignment on detail as administrative assistant to the chairman.



## Where in the world is RENO ODLIN?

June 10-11	Alaska Convention — Anchorage
June 14-16	Minnesota Convention — St. Paul
June 18-19	Michigan Convention — Mackinac Island
June 20-22	Washington Convention — Tacoma
June 24	Stonier Graduate School of Banking — New Brunswick, N.J.
June 25-27	Maine Convention — Portsmouth, N.H.

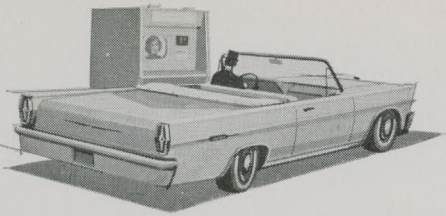
Reno's out of town a lot lately, speaking on behalf of the industry as president of the American Bankers Association. But Dutton Hayward and the remaining 369 staff members are working harder than ever to handle all your correspondent banking needs.



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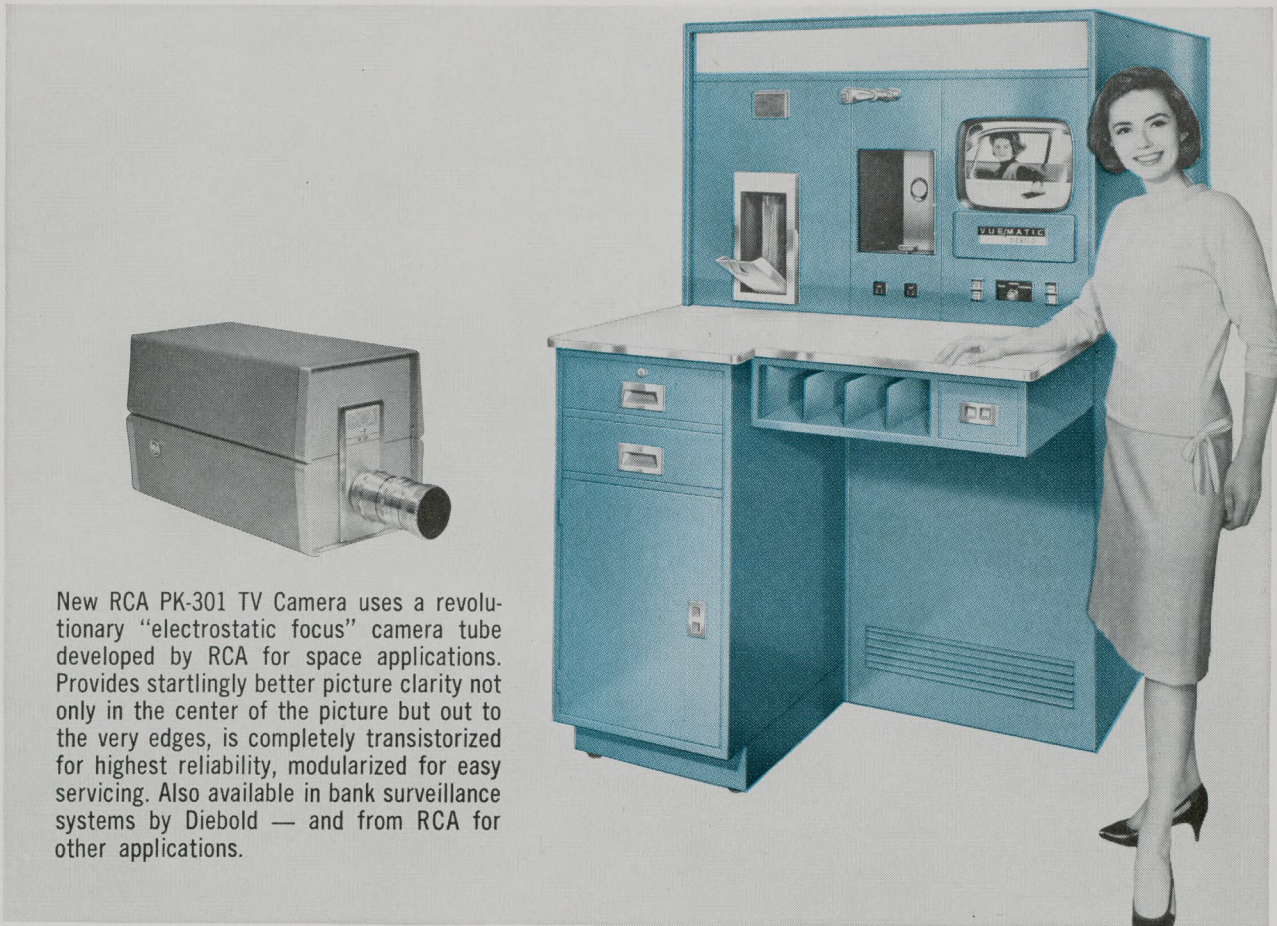




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## Plan Trust Officers School

THE anticipated inauguration in September of a full-time two-year graduate program especially tailored to the needs of prospective trust officers has just been announced by Dr. Willis J. Winn, Dean of the Wharton School of Finance and Commerce of the University of Pennsylvania. Participating students will be candidates for the Master of Business Administration degree. It is believed that the project will be the first in academic history emphasizing the professional aspects of trust work and leading to a graduate degree. In addition to courses in

the Wharton School, trust officer students will be admitted to pertinent courses offered by the University of Pennsylvania Law School.

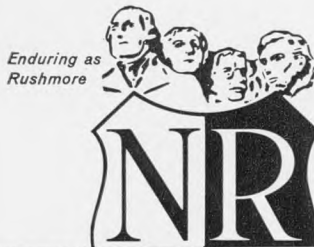
Admission requirements for the program will be the same as those for every Wharton graduate entrant. The basic format will follow the general management program which the Wharton Graduate Division requires of all MBA candidates. Apart from this, however, the course of study will permit a great deal of flexibility, and Dr. Winn states that he believes this will be universally recognized as high-



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ly desirable in view of the versatility of a trust officer.

The program was devised by Dr. Winn, who is Vice-Provost of the University as well as Dean of the Wharton School, by Dr. Donald F. Blankertz, Wharton Vice-Dean and Director of the Graduate Division, and by Charles B. McCaffrey, Wharton Lecturer on Insurance. Preliminary plans were initiated shortly after the death in 1962 of Dr. Julius Grodinsky who was Wharton Professor of Finance and who had taught there since his graduation from the University in 1920.

Efforts to determine upon a fitting tribute to Dr. Grodinsky led to seeking suggestions from those who knew him best. Among these is William H. Shupert, president of the investment counseling firm of Studley, Shupert & Company, Inc., of Philadelphia. Dr. Grodinsky had served as economic consultant to the firm which principally is engaged in providing trust investment advisory services to community banks through the medium of the Studley, Shupert Trust Investment Council.

Mr. Shupert recalled that Dr. Grodinsky had on several occasions remarked about the lack of graduate education for young men and women interested in trust careers, and had indicated a belief that the banking and academic worlds ultimately would become aware of its desirability. This is credited with giving birth to the general outlines of the program which Dr. Winn and his colleagues have developed.

With the Wharton program for prospective trust officers a virtual reality, a number of Dr. Grodinsky's friends are now exploring the possibility of providing a memorial to him through financial aid for one or more participating students.

Dr. Winn said that a final decision to inaugurate the program this September will await applications and that a minimum of 15 qualified applicants will be necessary. It is hoped that trustmen generally will encourage men and women to avail themselves of this unique opportunity. Those interested in admission to the program should direct inquiries to: Director of Admissions, Wharton Graduate Division, Dietrich Hall, University of Pennsylvania, Philadelphia, Pa. 19104.

### New Manufacturers Director

William F. LaPorte, chairman and president of American Home Products Corporation, has been elected a director of Manufacturers Hanover Trust Company.



## Chicago: No. 1 in new plants

*(another good reason for a banking connection with the Harris)*

Business invested about \$10 billion in plant, equipment, and supplies in Chicago during the decade ending in 1963—more than in any other U.S. metropolitan area.

Chicago's metropolitan area has added 4,000 new factories since World War II. It's now in an architectural boom that has attracted international attention and produced buildings like Marina Towers and a planned 100-story skyscraper.

Good reasons for a banking connection in Chicago, the com-

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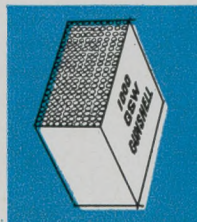
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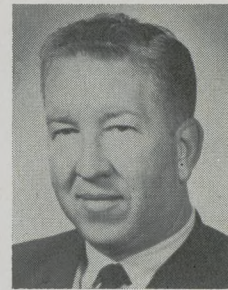
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### Heads Safe Manufacturers

Robert Wilgus was elected president of the Safe Manufacturers National Association (SMNA), New York, at the annual meeting of the safe and record protection industry association.



R. WILGUS

Mr. Wilgus, who is protection marketing manager for the Diebold Corporation, Canton, Ohio, will serve as association president for a one-year term. Prior to his election, Mr. Wilgus had served as vice president of SMNA.

### Announce Mosler Contest

The eighth annual contest to pick Miss Drive-In Teller has been announced by The Mosler Safe Company with a week for two in sunny Puerto Rico as the grand prize.

Any woman who works full or part time as a drive-in teller is eligible to enter the contest and has a chance to win an all-expense trip to Puerto Rico via Trans Caribbean Airways Jet and a week's stay at the famed Condado Beach Hotel.

In addition to the grand prize, three finalists selected by a panel of celebrity judges will be awarded an all-expense trip to Chicago to attend the American Bankers Association Convention. Mosler will provide complete wardrobes for each of the finalists to wear at the convention.

Bankers from all parts of the country will have an opportunity to meet the finalists at the convention. Following the convention, Miss Drive-In Teller—1966 will be selected by a national vote of bankers.

### New Recordak Executive

Allan R. Karcher, formerly of Eastman Kodak Company, has become associated in an administrative staff position with Recordak Corporation, a Kodak subsidiary, at its executives offices in New York.

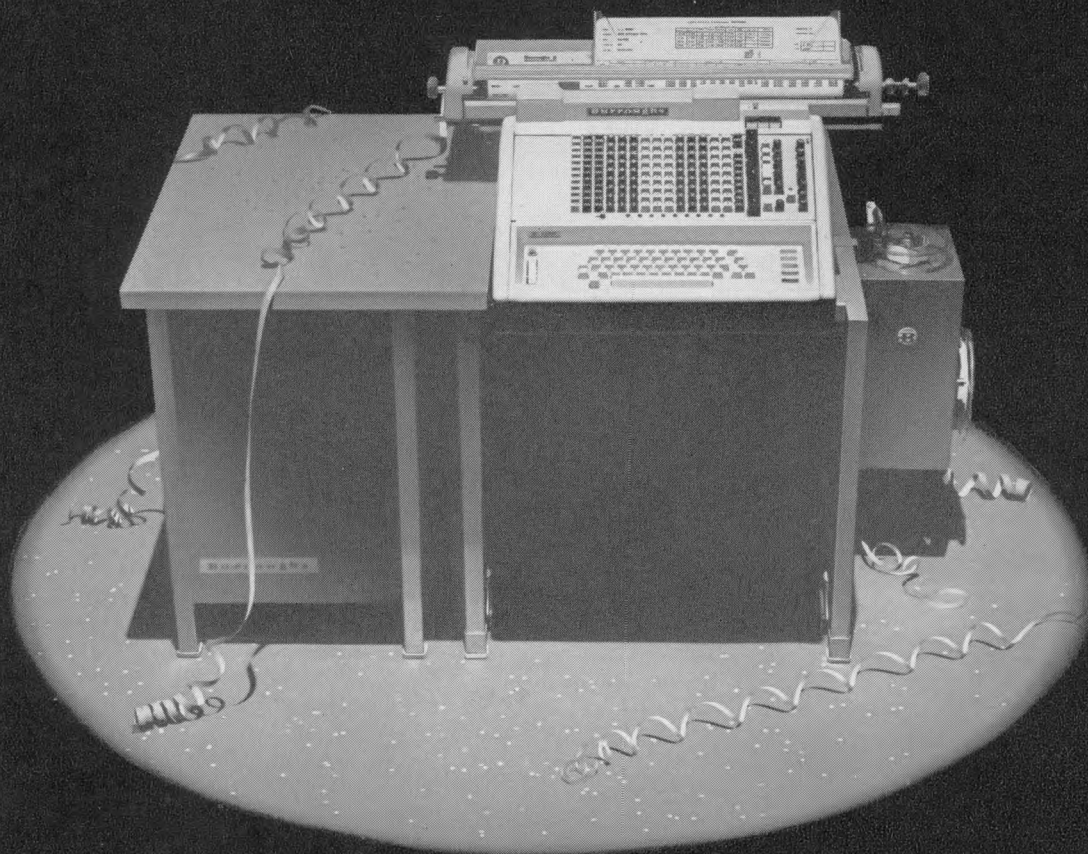


A. R. KARCHER

Mr. Karcher joined Kodak in 1953. For the past two years he has served as assistant sales manager, amateur products northeast division, New York.



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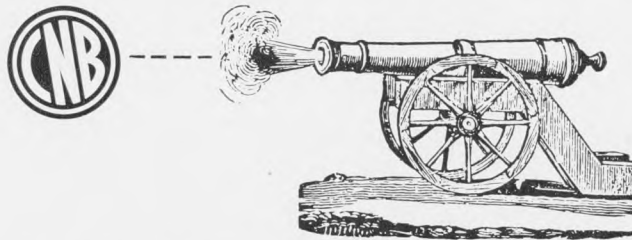
DETROIT, MICHIGAN 48232



Northwestern Banker, June, 1965



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*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, June, 1965**



## Chase Manhattan Offering \$250 Million Capital Notes

THE Chase Manhattan Bank late last month announced plans to issue \$250,000,000 of 25-year non-convertible capital notes. Approval was to be obtained from the New York State superintendent of banks and the offering made available to the general public June 8. It is being underwritten by an investment banking syndicate managed by Lehman Brothers and Lazard Freres & Company.

On March 31, Chase Manhattan's capital funds totaled \$868,436,802. Capital stock was \$261,891,637, surplus was \$500,000,000, undivided profits were \$60,722,384, and reserve for contingencies was \$45,822,781.

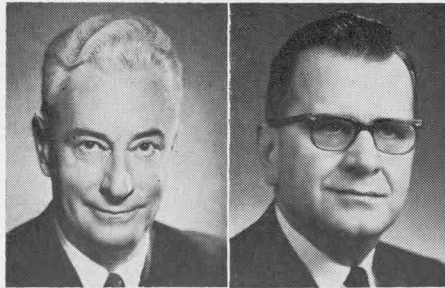
A mandatory sinking fund will provide payments sufficient to retire \$10 million of the notes on each June 1 in the years 1966 through 1989, calculated to retire 96 per cent of the issue prior to maturity.

### Financial General Promotions

Joseph S. Tressler has been elected president of the Hawkeye-Security Insurance Company and the United Security Insurance Company, succeeding William L. Cobb, who was elected

president of Financial General Corporation, the parent company.

Mr. Cobb was elected vice chairman of the board of the two insurance



W. L. COBB

J. S. TRESSLER

companies. Maj. Gen. George Olmsted, USAR (Ret.), continues as chairman of the board of the companies.

Mr. Tressler served as executive vice president of the insurance companies since his election October, 1964, and was previously vice president. He has been a member of the board of directors of the companies, and on the executive and investment committees since 1958.

Mr. Cobb, now a resident of Des Moines, Iowa, will shortly move to Washington, D. C., where Financial

General Corporation is headquartered in its own 12-story office building at 1701 Pennsylvania Avenue, N.W.

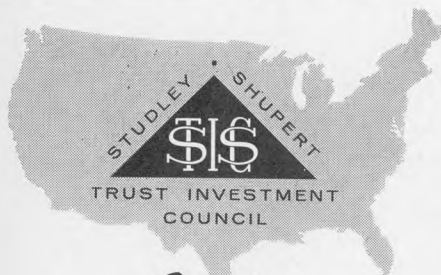
### Stonier Graduate School

The Stonier Graduate School of Banking resident session starts June 14 at Rutgers, The State University, New Brunswick, N. J. A total of 1,100 students are registered for the session, which extends through June 25.

### Time and Temp



CHRONOLUX CORPORATION, a young Grand Island, Nebr., company and a pioneer of the new neon time and temperature display system, has installed this 29-foot pylon-mounted time and temp display for the First National Bank and Trust Company of Crawfordsville, Ind. The display, entirely constructed at the Grand Island Chronolux plant, features the exclusive neon time and temp control/display system originated by Chronolux.



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

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, June, 1965



## ACROSS the DESK from the Publisher

### *Dear Reno Odlin:*

*President, American Bankers Association;  
Chairman, The Puget Sound National Bank, Tacoma,  
Washington.*

Speaking before the 69th annual convention of the North Carolina Bankers Association, you called for legislation to make sure that branching privileges of state and national banks are granted on an equitable basis.

There is no question in our minds that the Comptroller of the Currency has ignored state laws in granting branching powers, and it is high time that the ABA takes a vigorous stand on this phase of the banking business if it is to continue to represent both state and national banks. Here are the highlights of your remarks made in North Carolina:

"The intent of Congress in this matter is rather clear and has been expressed several times over the years. Simply stated, it is this: branching arrangements of national banks should follow those prescribed by state law in a particular state.

"However, it is possible to interpret the Federal law to read that branch laws applying to state banks must be observed by national banks only to the extent they apply to matters of capitalization and location.

"Using this interpretation of the law, the present Comptroller authorized a national bank a de novo branch in a city in Utah under circumstances in which a state bank could not open a branch except by a merger. The Utah court upheld the Comptroller's decision.

"In an identical case, a court in Washington, D. C., ruled just the opposite."

You have asked the state bank and national bank divisions of the ABA to appoint three representatives to a special committee to look into the question of branching and to come up with some recommendations that the whole banking industry can support. The following five points were agreed upon by the committee:

"1. The McFadden Act (12 U.S.C., Section 36) should be amended to provide that the consolidation or acquisition of banks shall not be deemed to empower a national banking association to open or establish in any other manner new branches if a state bank would be prohibited from doing so by the state laws. This would clear up the different interpretations of the law as we had in the two Utah cases.

"2. This point, also an amendment to 12 U.S.C. 36, would say that unless there is express affirmative statutory authority in a state for the creation of branches, then there shall not be an implication on the part of the Comptroller that he is authorized to permit national banks to branch.

"3. This amendment would provide that if state laws place a geographic limitation on branching, such as counties or miles from the main office, then the Comptroller will be bound by these geographic limitations.

"4. Some states have what are referred to as facilities which can perform certain limited banking functions, such as cashing checks, taking deposits and making change. The fourth recommendation would limit national banks to those functions or activities permitted by state laws. This change would also limit national banks as to the number of branches or facilities set forth in state laws.

"5. This amendment to the law would read, 'However, in determining if a given facility is a branch or an extension of an existing institution, the Comptroller will be bound by statutory law of the individual state, if any. If there be no state statute, the determination shall be made by the Comptroller of the Currency.'"

### *Dear A. Willis Robertson:*

*Senator from Virginia and Chairman  
of Senate Banking and Currency Committee,  
Washington, D. C.*

Your Senate bill 1698 to give federal bank supervisory agencies complete jurisdiction over bank mergers has the support of a large number of influential banking groups throughout America. The executive council of the American Bankers Association has given the bill its unanimous endorsement.

You have stated that the measure would eliminate the misunderstanding, confusion, and controversy which we now find in the bank merger field. It would exempt bank mergers approved under the Bank Merger Act of 1960 from the restrictions of the Sherman Antitrust Act and section 7 of the Clayton Act. It would prove that the current involvement of the Justice Department in this area was never contemplated.

We endorse your bill with reservations. We are not sure that even though the bill is passed it will completely clear up the misunderstandings.





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W. G. Pope, President  
Mercantile Bank & Trust, San Antonio, Texas



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Our "Basic Data for Bankers" brochure shows how Talcott helps you give a green light instead of a turndown. Write for your copy now...and *if you can't say "yes"... say "Talcott"*



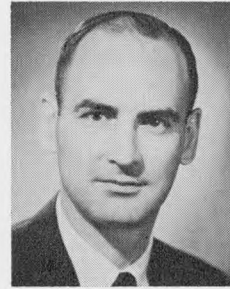
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## Heads Industrial Development

Harris Trust and Savings Bank, Chicago, has expanded the plant location and economic development service of its financial and economic research department.



J. G. RONCHETTO

This service will now be provided by the newly established corporate services division. John G. Ronchetto has been named manager of industrial development to direct the bank's efforts in fostering industrial growth in the Chicago area.

Mr. Ronchetto joined Harris Bank from the Illinois State Chamber of Commerce where he was manager of the organization service department, assisting companies to locate plants in Illinois, counseling on state legislation relating to economic development and advising on local programs to attract industry.

## List New York Promotion

Arthur C. Merrill has been appointed a vice president of First National City Bank, New York. Mr. Merrill is with the investment advisory department of the bank's trust and investment division.

Mr. Merrill joined Citibank in 1953 as an assistant cashier in the Ohio-Indiana-Michigan district of the bank's national division. He transferred to the investment advisory department of the trust and investment division in 1958 and was named an assistant vice president in 1959.

## To Form Holding Company

Plans for the formation of a holding company, BT New York Corporation, affiliating their three banks, were announced by William H. Moore, chairman of the board of Bankers Trust Company, New York; Edward S. Rooney, chairman and president of First Trust Company of Albany, and Charles W. Hawkins, president of The First National Bank of Spring Valley.

Under the holding company plan agreed upon, stockholders of Bankers Trust Company would receive one share of the holding company's stock in exchange for each share of Bankers Trust Company stock. Each share of stock of First Trust Company of Albany would be exchanged for 1.15 shares of stock, plus \$12 principal amount of 15-year 4.5 per cent debentures of the holding company. Each



share of stock of The First National Bank of Spring Valley would be exchanged for 1.6 shares of holding company stock, plus \$15 principal amount of debentures.

Directors of each bank have approved the arrangement, which also requires the approval of the New York State Banking Department, the board of governors of the Federal Reserve System, and the stockholders of each bank.

### 50th Wedding Anniversary

Mr. and Mrs. Henry H. Byers observed their 50th wedding anniversary in Des Moines on Sunday, June 6. A special reception was held for the couple at Grace Methodist Church. They were married June 1, 1915, in Council Bluffs.

Mr. Byers is president of the Bankers Service Corporation in Des Moines. He started in the bank brokerage business more than 50 years ago. In 1915, he was employed as secretary by the old Charles E. Walters Company, which was located in Council Bluffs. The firm was moved to the First National Bank building in Omaha in December, 1916.

Bob Goethe and Mr. Byers liquidated the Walters Company in 1948 and Mr. Byers came to Des Moines to organize the Bankers Service Company. Mr. Goethe set up a new company of similar name, which was subsequently sold to others.

On April 15 of this year, Myron Karsten of Maquoketa and associates purchased the operating assets of the company and set up a new corporation, Bankers Service Corporation. Offices are at 1301 Register and Tribune building, Des Moines.



MR. AND MRS. HENRY H. BYERS



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*Northwestern Banker, June, 1965*



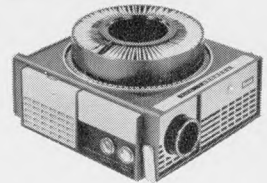
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The more Bank of America Travelers Cheques you  
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## GRAND PRIZE:

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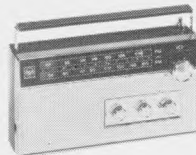
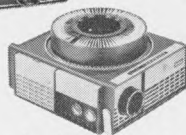
## 2 SECOND PRIZES:

Choice of a Pontiac Tempest Sedan, Convertible or Station Wagon—with radio, heater, white sidewall tires and automatic transmission.



## 3 THIRD PRIZES:

Kodak 800 Instamatic 35mm camera plus a Kodak 600 Carousel projector.



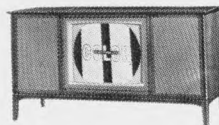
## 30 FOURTH PRIZES:

RCA Victor AM-FM, portable radios



## 200 FIFTH PRIZES

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## PLUS 3 SPECIAL AWARDS:

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To the Grand Prize winner's office — for the enjoyment of one and all — we'll award: An RCA Victor Home Entertainment Center or a Baumritter Furniture Suite, including two

couches, four club chairs and a table or an Oasis Hot and Cold Water Cooler complete with instant coffee and tea, cups, spoons and other supplies... or an equivalent prize!

There's still time to enter. Bank of America's Travelers Cheque contest continues through September 15, 1965. Everyone who sells Bank of America Travelers Cheques (and is not a Bank of America employe) is eligible. The more cheques you sell the better your chances are. Is your bank participating? If not, why don't you ask the man in charge to mail this coupon?

## Bank of America Travelers Cheques

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We want to enter the **ISLAND HOLIDAY CONTEST**.  
Please send us your contest kit.

BANK NAME \_\_\_\_\_

NAME \_\_\_\_\_, President

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_



Is your bank statement dull and drab? Read this sampling of ideas—tested by bankers—to make your statement more appealing.



## The State of Your Statement

**B**EARING in mind the fact that your bank's annual printed statement of condition is a reflection of your institution, you may wish to take a long, hard look at it this year before it is again distributed far and wide.

Does it differ much from last year's model, or has it been much the same for decades? Is it difficult to read, unimaginative and uninviting? Could it be that your statement itself is a liability offsetting your bank's many assets?

It needn't be.

If you intend to pay the cost required for a printed statement, you may as well design a statement which will attract more readers and which will leave a more favorable impression with those you wish to impress. The same may be said, of course, for your newspaper publication of statements of condition and your printed advertisements.

Contents, in many cases, will determine whether your statement receives more than a passing glance.

Following are several ideas which have been used by bankers to increase interest in their annual statements of condition. Perhaps among them is one which will appeal to you. Or, perhaps one will suggest an idea which you can apply to dressing up your statement.

1. **The First National Bank in Pierre, S. D.**, made a greeting card of its annual statement. Inasmuch as the statement is issued early in the New Year, it is an excellent means of greeting customers and friends with something other than digits and dollar signs.

On the front of the statement were the words, "As we start 1965 together."

"A Resolution to Serve" appeared in print inside the four-page statement.

The list of resources and liabilities was printed on the back of the four-page statement.

2. **The First National Bank in Belden, Neb.**, ushered in the New Year with a letter-size statement exclaiming the fact that 1965 would mark the bank's 75th anniversary in business.

Beside a picture of the entire staff appeared the words, "We're excited about our 75th anniversary."

Following a brief message wishing customers and friends a happy new year appeared the signature of G. E. (Earl) Belden, the bank's president.

3. The statement issued by the **Peoples State Bank, Cleveland, Minn.**, was accompanied by a four-page illustrated folder devoted to a discussion of farm problems faced during the preceding year and an appraisal of the farm picture for 1965. Effectively localized, the pamphlet was written in informal terms easily understood by the reader. (Example: "The soybean processor needs 10 to 12 cents a bushel to come out and make a profit. . . . It looks like 2,000,000 acres more of soybeans will be planted in 1965 because the support price will remain the same as 1964.")

4. **First Western State Bank of Minot, N. D.**, termed its statement of condition, "A report from James G. Norton, Cashier."

Each of the entries on the statement was accompanied by a simply-worded explanation of the terminology used.

5. **The Omaha National Bank, Omaha, Neb.**, augmented the publication of its annual statement of condition with a full-page newspaper ad devoted to its employees.

The full-page ad was headed simply "assets."

Beneath that lone word appeared, in alphabetical order, the name of every member of the bank's staff.

At the bottom of the page, beside the bank's signature, was the following paragraph:

"Elsewhere in this newspaper is a report of the Omaha National Bank's assets and liabilities. But money is only one measurement of a bank; a bank's people are much more important.

"So we felt you would be interested in the names of our people assets—guards, tellers, computer programmers, one of them is even a president."

With just a little imagination and ingenuity, your bank statement can be entertaining, interesting and revealing—for no more than it's costing you to publish it now.—**End.**





## *The Bank Director and*

**Very seldom does the responsibility of the member of the board of directors of a bank come under discussion by bank officers. However, as is noted in the following article, the director's connection with a quasi-public institution brings to bear responsibilities which do not accrue to the director of an ordinary business enterprise.**

**P**ROBABLY one of the least discussed and most important areas in banking is the part that a bank director plays in the operation of his or her bank. Election to the board of directors of a bank can be considered to be a special local citation, and yet it carries responsibility with it. There is a difference in being a director in a business or industrial corporation and in being a director in a bank. Banks do business with other people's money and, therefore, their directors are held more strictly accountable.

The duties and liabilities of a bank director fall into two classes—those set forth in the statutes and those imposed by common law arising from the fiduciary nature of the relationship of the bank directors to their stockholders and depositors. This fiduciary relationship exists because banks are considered to be quasi-public institutions. Hence, as I stated, directors are subjected to a higher degree of responsibility than directors of other types of corporations.

### **The Director's Responsibilities**

A bank director has these responsibilities. He has a moral responsibility to the depositors. After all, a depositor is the most important person in your bank. He supplies your stock in trade, and that is money known as a deposit. He also has a responsibility to the shareholder as he or she is the person who supplies the capital for the bank. In regard to capital, the director should understand fully the bank's

capital strength or weakness, for not only must the capital structure bear the brunt of losses but, in addition, it largely determines the extent to which the bank can take advantage of opportunities.

The bank director has a moral responsibility to the employees. The board of directors should adapt definite policies with regard to personnel. An alert and conscientious director will lose no time in ascertaining whether the management and employee personnel of the bank are capable and honest and attentive, and of these qualities I think that competence is of the most importance. We assume they are honest.

The director also has a moral responsibility to the community. Bank directors can move freely throughout the community. They can and should be able to identify problems, and then analyze them to determine a course of action. In banking, our future depends almost entirely upon what happens to our communities. Did you ever stop to think of what would happen if you tried to move your bank to some other community? You would simply have to start all over again. Did you ever stop to realize that you could not take your depositors with you? Our position as bankers is vastly different from that of other businesses. Any other business could shift its operation to some other city or locality with little or no loss and, in fact, in some situations it might be able to improve its competitive position. Therefore, as bankers—for our

own protection—we must be aware of, and be prepared to lead others in, every constructive development designed to improve the communities in which we live and serve.

### **The Director's Liabilities**

The duties and liabilities of a bank director fall into two or three classes—those set forth in the Federal statutes and state laws and the common law and arising from the fiduciary nature of the relationship of the bank directors to their stockholders and depositors. With reference to their statutory duties and liabilities, there is the over-all duty to manage the affairs of the bank directly or through duly appointed officers in a careful and prudent manner.

For example, in the case of national banks, Section 5239 of the United States Revised Statutes 12 U.S.C. 93 provides that if any director knowingly violates, or knowingly permits any officer or agent of the bank to violate, any provision of the national bank act, the director will be personally liable for all damages which the bank or any stockholder, or any other person, may sustain as a result of such violation. Section 22 of the Federal Reserve Act 12 U.S.C. 503 contains a similar provision that is applicable to directors of all member banks.

In my opinion, the statutory provisions that are most likely to involve director liability are those dealing with real estate loans and excess loans to any one borrower.

The common law duties of a bank



# *His Responsibilities*

By **WILLIAM P. RONAN**  
*President*  
*Decorah State Bank*  
*Decorah, Iowa*

director are clearly defined in the following excerpt from a federal case on this subject decided in 1907:

1. Directors are charged with the duty of reasonable supervision over the affairs of the bank. It is their duty to use ordinary diligence in ascertaining the condition of its business and to exercise reasonable control and supervision over its affairs.

2. They are not insurers or guarantors of the fidelity and proper conduct of the executive officers of the bank, and they are not responsible for losses resulting from their wrongful acts or omissions—provided they have exercised ordinary care in the discharge of their own duties as directors.

3. Ordinary care in this matter, as in other departments of the law, means that every degree of care, which ordinarily prudent and diligent men would exercise under similar circumstances, has been taken.

4. The degree of care required further depends upon the subject to which it is to be applied, and each case must be determined in view of all the circumstances.

5. If nothing has come to their knowledge to awaken suspicion that something is going wrong, ordinary attention to the affairs of the institution is sufficient. If, on the other hand, directors know—or by the exercise of ordinary care should have known—any facts which would awaken suspicion and put a prudent man on his guard—then a degree of care commensurate with the evil to be avoided is required, and a want of that care makes them responsible. Directors cannot—in justice to those who deal with the bank—shut their eyes to what is going on around them.

6. Directors are not expected to watch the routine of every day's business, but they ought to have a general knowledge of the manner in which the bank's business is conducted, and upon what securities its

larger lines of credit are given, and generally to know and give direction to the important and general affairs of the bank.

7. It is incumbent upon bank directors in the exercise of ordinary prudence, and as a part of their duty of general supervision, to cause an examination of the condition and resources of the bank to be made with reasonable frequency.

There is a certain overlapping of statutory and common law duties but, taken together, it is obvious that a bank director must be considerably more than a mere figurehead. On the other hand, the courts have recognized that most bank directors are busy men who can spend only a limited amount of time on bank matters and who have usually been chosen because of their achievements in other fields.

## **The Duties of the Board**

What are some of the duties of the board of directors? First—the election of competent officers to manage the bank. In addressing themselves to the problem of bank personnel, the first question to be faced is whether the bank is being capably managed, and the scrutiny should begin with the president.

Sometimes it may be necessary to hand the reins to younger or new hands, perhaps even to promote junior officers. In many small banks there is the problem of assuring competent succession to present senior officers who are approaching the age of retirement. The training of personnel for greater usefulness to the bank should be a policy of the board. Members of the American Bankers Association and of the state banking associations should take advantage of the educational opportunities available to junior officers and employees. A college in the bank's own vicinity may offer such an opportunity.

We have our American Institute of Banking courses—both by correspondence and by actual class work. We

have our Farm Credit Course at Iowa State University and, of course, we have our own fine graduate school of banking at the University of Wisconsin. Utilizing such facilities, a bank not only trains its people for greater responsibilities, but also expedites the inflow of new thinking and ideas, which certainly helps our institutions.

Directors should also encourage officers to participate in the periodic meetings of bankers associations. It would benefit the banking industry, too, if more bank directors would attend these meetings more frequently.

Another thing that bank directors should observe is whether any officer or employee is operating another business. Any bank dealing with concerns, in which officers, directors, or employees or their relatives are interested, should be observed closely.

## **Attract Cream of the Crop**

Now, what should we do about adequate salary scale to assure retention of a competent staff? Banks are integrity institutions and should attract the cream of the crop. Directors should see to it that the bank pays salaries commensurate with those paid elsewhere in the community for similar types of work. Neither should promotions be so long delayed that ambition will wane and unhappiness result. Banks—to compete these days with industry—must offer a variety of fringe benefits to their officers and employees, such as retirement plans, health and hospitalization programs, and life insurance, either at a lower cash cost than prevails outside the bank or on a contributory basis.

Each director should acquaint himself with the many functions of the business. A director's duty is to direct and not to be led. He should be very familiar with the loan policy of his bank. He should be very familiar

## **THE BANK DIRECTOR . . .**

(Turn to page 64, please)

*Northwestern Banker, June, 1965*



# Small Banks Need Better Auditing Help

By **K. A. RANDALL**  
Chairman  
Federal Deposit Insurance  
Corporation, Washington, D. C.



■ **THE AUTHOR, Mr. Randall, told bankers at the 30th Eastern Regional Convention of NABAC in Pittsburg on May 24 that the present economic environment requires a greater use of auditing programs by the nation's banks, large and small. He stated that most, if not all, of the nation's larger banks have workable audit programs. He outlined three areas of activity being considered by FDIC to aid small banks—greater stress on direct verification, uniform accounting procedures, and advisory teams of FDIC auditors available to teach banks auditing programs. Details of these three ideas are discussed in the accompanying excerpt from his address.**

**F**ROM the viewpoint of the Federal Deposit Insurance Corporation, we have a major interest in seeking development of audit programs in banks which have none or which have only the bare beginnings of audit procedures in their operations. We feel most strongly that some effort must be made by every bank, whatever its size.

Any bank officer, employee, or director can be utilized to some degree in audit procedures. If size does not permit a full-time auditor, we would prefer a director, or an officer, devoting assigned time to this function. We feel strongly that some positive effort should be made to solve basic audit problems in smaller institutions.

Minimal audit programs in banks with even as few as two employees could prevent defalcations. No bank is so small as to be safe from internal fraud.

#### By-Products of Auditing

Additionally, I feel that some audit programs, whether through a full-

time auditor, through the board of directors, or through an outside public accountant, can have helpful by-products which would tend to lessen or eliminate the cost factor. A good audit program, after all, requires the use of accounting techniques, and this in turn gives a bank the tools for cost analysis, and quite probably for cost controls. How many small bankers would find out for the first time the real cost of their many operations? How many would find ways of trimming excess costs, or of improving income patterns?

This, then, is the supervisor's view of what an audit should do, and how audit can be strengthened for the whole banking system, with emphasis on the smaller institutions which lack good programs or which, in all too many cases, have no program at all. From this discussion we can turn to the supervisor's present role in this area, and some thinking on possible developments within the supervisory structure for better audit procedures for the nation's banks.

#### Audit vs. Examination

Historically, the Federal Deposit Insurance Corporation has drawn a distinction between an audit and an examination. They are not the results of the same processes, and their ultimate goals differ.

The bank audit is a quantitative analysis of a bank's assets and liabilities, its income and expenses, determining what does and what does not belong on the books, and whether or

not these transactions are accurately reflected in the bank's records.

The examination, on the other hand, is primarily a qualitative analysis, aimed at developing the value of these holdings, their soundness, the legality of the bank's actions, the soundness of capital, and the quality of management. These, of course, are very broad definitions.

The examiner and the auditor, because of the basic differences in ultimate objectives, do not even approach their tasks from the same point of view. They have been trained to look at the same loan portfolio, the same deposit ledger, from far different perspectives.

#### Examiner's Duties

Nevertheless, the examiner of today does use some auditing techniques. He will verify and reconcile accounts. He physically counts cash. He proves deposit figures. He checks collateral on loans. He checks and verifies securities owned by the bank. He checks to see if there are notes backing up each ledger in the loan portfolio. He verifies participations and notes out for collection. He proves income and expense, checks the accuracy of the bank's records on a spot basis; on rare occasions he may even use some elements of direct verification. He reviews, although he does not verify, expense accounts of the bank.

Additionally, as a long standing policy, the Corporation has instructed examiners to accord special attention, from an audit standpoint, to one-man banks, banks without mandatory vacation policies, carelessly run banks, and the smaller banks without any audit procedures. In these situations, our Manual of Examination Policies sets forth some specific audit techniques which are to be used, and which are used as a matter of course.

#### Management Evaluation

Among other required examination objectives, one of major importance is the evaluation of management. Essential to such an evaluation is a review of the bank's records, its system of internal control, and its audit program, to determine if they are sufficient to safeguard the bank's assets. One page of the examination report is devoted to these areas, and examiners are instructed to emphasize shortcomings in these areas in their examination reports.

In short, it is our view that the examination of a bank, while not necessarily requiring any extended audit checks, should include an appraisal of internal routine and control and of a bank's audit program, and should



require more extensive audit test checks in situations where deficiencies exist.

In the context of today's banking system, and of today's economy, we are convinced that more must be done, especially in the field of smaller banks. Accordingly, we have told our examiners to look long and hard at every examined bank's auditing program.

#### Emphasis on Verification

I have stressed verification in this talk, because of our view—a view shared by the other Federal banking agencies—that it is becoming increasingly important to all banks, large and small. Accordingly, the Corporation is instructing its examiners to place increased emphasis on the use of verification procedures as part of any acceptable audit program, and, where verification is not being used, to urge management to start a verification procedure.

There is a serious question as to just how far the supervisory agencies should go in the field of audit.

If the supervisory role is to be one of prevention of any defalcation, if the supervisor is to substitute for management in this vital area, then of course greater audit techniques by the supervisor are essential. But it seems to me that the supervisor's role is not one of management, that it is improper for the supervisor to assume the manager's duties. We feel it is our duty to act as a guide, as an instructor, as a developer of technique. This is eminently proper. How much more is?

#### Area of Management

As you may gather by this, I do not want in any way to suggest that any supervisory authority wants to exercise the proper functions of management. And, in our view, to a large degree audit is a management function, or an ownership function. We should not, under the existing system, make judgments which management must make. Nor should we exercise the controls which properly belong to management.

Yet, we do have a duty to the industry and to the nation as a whole to make sure that management in this sensitive profession preserves the soundness of the bank and its ability to serve its community. We do have the duty to assure the nation that proper standards are being maintained and that the nation's banks continue sound. Where is the dividing line between management's duties and the

#### AUDITING HELP . . .

(Turn to page 38, please)

## Urges New Idea for Bankers Making Cattle Feeder Loans

■ **THE AUTHOR** of the accompanying article, Francis L. York, has had unusual success in forecasting livestock and crop conditions, as well as market changes affecting both areas of farm production. During a recent visit to the NORTHWESTERN BANKER office he discussed an idea he feels would help prevent depressed cattle prices experienced the past year.

We asked Mr. York to put his suggestion in writing so we could submit it to our readers, since he values highly the opinions of bankers. Please let us have your comments or suggestions relating to the following article:

**B**ANKERS not only can prevent a repetition of the 1963 cattle price dilemma, in addition, they can greatly enhance the possibility of maintaining fair prices for all livestock.

It has been said, and it is true, that an ounce of prevention is worth a pound of cure. This applies to livestock pricing the same as it applies to any situation. We now know that the main factor in cattle price improvement since 1963 has been minimum weight marketing. We certainly must now agree that since this worked so well as a cure it will have greater effect as a preventive measure.

Bankers and other money lenders and the feeders must broaden their thinking to include the entire meat industry. No class of livestock or poultry production today can succeed with complete disregard of the relationship of other classes.

We need to visualize the meat industry today as four separate and continuous production lines. One for beef, one for pork, one for lamb and one for poultry. The capacity of each production line is determined by the per capita consumption of each product. If there is a temporary shortage on one line we know from experience that substitutions will be made at the consumer level.

By FRANCIS L. YORK  
Publisher  
HOT LINE News Letter  
Farmers Market Service, Inc.  
Indianola, Iowa

We also know that overloading one line not only will depress the price of that product but will also depress the price of the other three as well if the overloading continues.

Bankers have personal contact with livestock producers. This fact alone places them in the best possible position to influence the livestock feeder to regulate production to immediate demand. Bankers have an organization through which this effort can be coordinated for best results.

Now the question arises, would bankers be using undue authority by using their influence on feeders to regulate the production of meat? My answer is absolutely not. In fact, I sincerely believe they could go one step further and require a cattle loan to become due and payable when the cattle reached a weight not to exceed 1,100 pounds. This is merely loan recovery insurance. It is no different than the requirement of full coverage insurance on a loan to purchase a new automobile. Or the requirement of short term life insurance on a borrower with insufficient collateral.

In conclusion, I would like to impress upon you that a successful solution to any problem requires individual effort. Bankers are the only group presently in a position to influence the individual effort necessary to prevent a repetition of 1963 cattle prices and depressed hog prices for most of the past seven years.  
—End.

# We Help Customers Keep TABS\* on Their Money

A FRESH idea for banking, one that is an exclusive, new service designed by Louisiana National Bank, is being offered to Baton Rougeans as a "pill of goodwill" for it offers a way to relieve financial ills. The new service—"TABS"—Tailored Automated Budget Systems, is devised as a free community service to help customers keep "TABS" on their money.

Automation brought sighs of relief to personnel in the operations departments of commercial banks, but to those in public relations it heralded a new nightmare, "the spectre of the number complex." Bankers soon learned that customers didn't want to be thought of as NO. 0348-213. Depositors were confident that their names were the all-important open-sesame to a private world of banking.

Bankers realized from the beginning that computers would create some adverse customer reaction, but there was another surprise in store for service charges (long due for revision in most areas) were on the rise; thus, it was quite natural for customers to attribute these rising costs to the introduction of the wired monster.

How could a large Computer Center be turned into a personal tool for the individual depositor? Could he be made to feel that the employment of electronics banking would offer him new and improved services without additional costs?


## The President's Idea

After considering many avenues of approach, the bank's dynamic new president, Charles W. McCoy, came up with a new concept of banking service. The president said, "Let's turn this electronic genius into an instrument for the common man. We'll provide him with something he dislikes to do himself. Let's use our computers to prepare an individual budget tailored to meet his personal needs, and all without cost to him."

A survey of budget systems designed for family use revealed that

By **PRESTON V. KORS**  
Vice President  
Louisiana National Bank  
Baton Rouge, Louisiana

breakdowns of family income into budget categories, whether developed by individual authors, business institutions, or the government, assumed that all families are alike. These prepared budgets are formulated with percentage breakdowns for the various divisions made along either an income base or size of the family. Such budgets try to put us all into the same mold, but we keep poking out here and there—so, the budget doesn't work. The point is that budget guides have never before been tailored to meet the individual's specific situation, to give him something to compare his living-expense status with that of others exactly like him. And . . . then came "TABS."



**"TABS"  
on your  
MONEY**

JOHN C. PUBLIC  
123 AMERICA ST  
ANY TOWN, USA      00000

TOTAL MONTHLY INCOME AFTER TAXES \$ 800  
AGE 35 FAMILY SIZE 4  
OCCUPATION - SALARIED, PROFESSIONALS OR OFFICIALS

	ANNUAL	MONTHLY
SAVINGS	537.00	44.83
PERSONAL INSURANCE	640.32	53.36
TOTAL FOR INVESTMENTS	1,177.32*	98.19*
MORTGAGE PAYMENTS OR RENT	1,070.40	89.20
UTILITIES - LIGHT, GAS, & WATER	302.40	25.20
HOUSEHOLD OPERATIONS - REPAIR, REPAINTING, REMODELING, YARDMEN, MAIDS, COCKS, ETC.	417.60	34.80
HOUSE FURNISHINGS AND APPLIANCES	653.12	54.43
TOTAL EXPENDITURES FOR HOUSING	2,243.52*	186.63*
FEED	1,763.52	146.96
TOBACCO AND BEVERAGES	537.00	44.83
CLOTHING, LAUNDRY, CLEANING & PRESSING	211.20	17.60
PERSONAL CARE - HAIRCUTS, BEAUTY APPOINTMENTS, COSMETICS, ETC.	493.92	41.16
MEDICAL CARE	268.08	22.34
RECREATION & VACATION - INCLUDE BOAT PAYMENTS	486.72	40.56
EDUCATION AND READING	213.12	17.76
CAR PAYMENTS, GAS, OIL, REPAIRS & PUBLIC TRANSPORTATION	1,276.80	106.40
GIFT AND CONTRIBUTIONS	547.20	45.60
OTHER EXPENDITURES	192.00	16.00
TOTAL FOR CURRENT CONSUMPTION	6,178.56*	514.88*




\* TABS stands for Tailored Automated Budget System. Sample budget sheet appears above.

## "TABS"

Dr. John W. Chisholm, professor of economics, College of Business Administration, Louisiana State University, has often told his classes that the root of most money problems lies in a lack of adequate planning; therefore, he was most willing to assist us in the development of this special program designed to help Baton Rougeans along the road to financial security.

This exclusive, new LNB service originated with a cost of living survey made in Baton Rouge by the Census Bureau of the Federal Government. Dr. Chisholm took the census data, collected from actual interviews with families living in Baton Rouge, and compiled for every income level, family size, area of occupation, age group, race, etc., a composite picture which shows the expenditure made by such a family in our city. This was the information the programmers needed to complete the finished product . . . "TABS."

It was up to the public relations department to "tell the public" about Louisiana National's newest service. The first step was to select a name for the program, one which would be descriptive of the service, as well as creative. The name developed was "TABS," which stands for Tailored Automated Budget System; hence, the idea was devised as a free community service "to help you keep tabs on your money." The name and design were trademarked, and the bank was ready for business.

## Nature of Promotion

It was decided to introduce "TABS" with a teaser campaign which broke on February 17 in all media. The brunt of the campaign began on March 1. All promotions were developed well in advance. They included: 24-sheet posters, radio and television ID's—spots—and one-minute commercials, newspaper and magazine ads, statement enclosures, counter and bus cards, lobby displays, etc.

The "proof is in the pudding," of course. Only time will tell what the response to "TABS" will be. However, banks which learned of the idea in advance have already requested the right to use it.

## Questionnaire for "TABS"

The copy for the questionnaire included the following information:

- Total income after federal taxes.
- Age of family wage earner.
- Size of family.

TABS . . .

(Turn to page 72, please)



## **Bankers You Know**

### **Neil F. Roberts**

**President**  
**Denver United States National Bank**  
**Denver, Colorado**



*"We must provide an atmosphere of challenge . . . where new ideas can flourish."*

**W**ITH rapid change all around us, arising both from technological advances and from new functional ideas as to the role of commercial banking, Neil Roberts, president of the Denver United States National Bank, believes we are all going to have to run very fast to keep up.

"Banking has always been people," comments Mr. Roberts, "and, in the long run, the bank that has had the best people has proved to be the best bank. Today we need even more careful recruitment of high intelligence and sound education for our banks. We must provide an atmosphere of challenge, an organization where new ideas can flourish, and tangible encouragement to the highly motivated. The bank that grows and prospers will see change not as a threat to the status quo, but as an opportunity."

The combination of long bank experience and an acute awareness of the pace at which the world moves make Mr. Roberts' direction of banking operations an exciting challenge to his associates. One of these associates comments that he possesses an innate ability to analyze the complicated facets of a problem situation and to dissect its essential elements quickly. As a result, the pace is fast.

Mr. Roberts believes strongly that the vital ingredient for our present and future business is the customer. A service institution must test its services constantly in order to determine its effectiveness in meeting customer needs. This philosophy inspires every decision at Denver U. S. National.

Neil Roberts has earned the respect and admiration of his co-workers both as an individual and as an administrator. He is able to recognize and to encourage the abilities and ideas of

his associates, displaying a sincere interest in those who work with and around him. Based upon experience, one officer relates that if you come with a problem, be sure you also come with a recommendation — and more often than not it will be used. However, if the unpopular decision must be made, the bank's president has the courage to make it.

Although born in Salem, Ore., Mr. Roberts is considered a true native of Colorado. Both his parents were born in Colorado and all four grandparents were early settlers of the Centennial State.

After attending elementary schools in Denver, Mr. Roberts entered the University of Wyoming Secondary School. Upon graduation he enrolled at Dartmouth College in Hanover, N. H., where he received his B.A. degree in 1935. He then attended the Harvard Graduate School of Business Administration receiving an MBA in 1937.

While in the East, Mr. Roberts met his wife, Lee, also named Roberts. Following their marriage in 1937, they returned to Colorado, at which time Mr. Roberts began to work for the bank. They have a son, Stephen, and a daughter, Susan, both about to graduate from college.

Neil Roberts began his banking career as a trainee and counts "experience gained" from virtually every department. His career was interrupted by World War II (1944-45) when he served as a lieutenant j.g. in the Supply Corps of the U. S. Navy. He is enthusiastic about his naval experience, saying it gave him his first executive opportunity.

He returned to the bank after the war, and in January of 1947 was promoted to assistant vice president. The

following year he was made a vice president, advancing to executive vice president and a member of the board of directors in 1954. In 1962 he was elected to his present position as president of the Denver U. S. National Bank.

Mr. Roberts has great interest and faith in education. He is chairman of the national enrollment committee of Dartmouth College, on the board of trustees for the Colorado School of Banking, a member of the advisory board of Amos Tuck School of Business Administration, on the advisory panel of Denver Research Institute of the University of Denver, and he has just recently undertaken the chairmanship of the Design for Distinction Program of Colorado Woman's College.

Other activities include acting as treasurer of the Colorado Public Expenditure Council and first vice president of the Colorado Bankers Association, having been elected to that post last month. He has also held positions in varied fields, having been president of the Lions Club of Denver, president of the Cherry Hills Country Club, and a member of the vestry of St. John's Episcopal Cathedral.

Mr. Roberts enjoys camping and hiking and has spent many summer vacations camping throughout the country. At home, he regularly takes a morning walk, finding it not only good exercise but an excellent opportunity to think over the day's agenda. In addition, he is an enthusiastic golfer. Photography, now a hobby, was once an enjoyable sideline business. When he was getting a start in banking, he operated a professional photographic service in his spare time. Samples of his work hang on the wall of his office.—End.

# How Foreign Trade Affects

**L**ET me start by telling you that it is a frustrating experience for a man to return to his own country after living abroad for several years. He discovers that his family and friends "march to the beat of a different drum," if I may take a phrase from Henry Thoreau.

People are on guard when he expresses an opinion, or even when he answers their questions. They seem to feel he has been brainwashed by "the foreigners," if his words don't agree with their prejudices.

Everyone, including me, gets pretty angry and bitter when some barbarian in Asia or Africa burns one of our embassies, while his half-civilized government is seeking aid in Washington and voting against us at the U.N.

Why do such things happen, we ask?

## What Kind of World Is It?

What kind of world is out there, east of New York and west of San Francisco or south of Mexico City?

Well, here is the kind of world it is, and remember, that to a manufacturer who has never exported, or had anything to do with people abroad, the world outside his daily life begins and ends with his newspaper, radio and TV.

Since commonplace things are rarely headlines, he believes that unrest, violence, irresponsible behaviour, poverty and rebellion are the way of life in most of the world, and that trying to do business with such people is risky, or even hopeless.

## Most Banks Need Expert Help

Yet a survey of the 10th Federal Reserve District that I made last year shows that virtually every bank has someone in its area needing help on export problems, and it is up to that bank to know how much greater the international markets sometimes are, than those within the United States—and how simple a matter it can be to reach them.

The survey proved that the potential in the Midwest for doing business abroad hasn't even been scratched.

Just let me read a few figures that will show the importance of foreign trade to our country, and its much greater importance to the Middle West.

In 1960 the United States exported \$20.5 billion worth of goods, and imported \$14.7 billion in return.

## Midwest Foreign Trade Figures

Missouri, Kansas, Iowa and Nebraska, for example, ac-

By **VICTOR C. STUDLEY**  
*Vice President*  
*International Department*  
*Commerce Trust Company*  
*Kansas City, Missouri*

**Based on a talk delivered by the author before the Iowa Bankers Association Installment Lending Conference.**

counted for \$1,400,000,000 of these exports, and \$573,000,000,000 worth of the imports.

Their excess of shipments over goods brought in was \$827,000,000.

In terms of people in these four states, each one sold \$131 worth of goods, and bought \$54 worth in return.

For the country as a whole, each person sold only \$114 worth of American products, and bought \$81 in foreign purchases. Thus, it is obvious that foreign trade is much more important in the heart of America, than anywhere else in the country.

## How to Make Them Buy

How do we get people overseas to buy \$5 billion more than they sell us each year?

Well, it isn't easy, and foreign aid is one way we do it, along with a whole pyramid of subsidies on our agricultural products.

A British statesman once said of foreign trade that no one can breathe out unless he also breathes in, which is something we are learning with difficulty in this country just now.

For, in addition to subsidies at home and foreign aid abroad, we are using other techniques to get dollars into the hands of people overseas who buy from us. The trouble is that we are overdoing it by \$3 billion a year.

What happens to the \$3 billion? Part of it is traded back to us for gold; part is loaned to others in the form of Eurodollars, and the rest is used as a so-called "reserve currency"; that is, a base against which new lire, yen, francs, guilders, etc., are printed as a kind of "fringe benefit" to the countries that own it.

## Can't Ignore Facts

If you would like to sweep these facts under the rug



# Midwest Banks



and forget the whole thing, let me point out that the rug just isn't big enough to hide them.

People do not see the impact upon their own affairs of what international trade will soon mean, and anyone who can't learn from history is going to repeat it. A child born to one of your employees today will live in a population of 400,000,000 Americans by the time he is 45 years old, and the figure could be as great as present-day China within the child's life expectancy.

Long before then, the ability of banks to handle foreign trade must be greatly expanded.

Let me try to make this even clearer.

## Clear Example

If the world's population of  $3\frac{1}{4}$  billion were compressed to a thousand people, only 60 would be Americans. These 60 would receive half the total income of the world, and own 15 times as much goods as the other 940 combined.

The Americans would use 12 times as much electricity; 22 times as much coal, and 50 times as much general equipment as the remaining 940 persons.

Except for 200 others among the thousand, all the rest would be ignorant, poor, hungry and sick.

Half of them would not be able to read or write.

Three hundred and three would be white, and the remaining 697 would be non-whites.

The 60 Americans would have a life-expectancy of 70 years, while the rest would average less than 40.

## This Is Our World

That is the world that lies east of New York and west of San Francisco.

Those are the people who irritate us for not adopting our system of government when we send political missionaries out to convert them.

They are the ones we sometimes believe are plotting to overthrow the world for the sake of power alone.

Actually, tonight's supper dominates their thinking, and everything else is a means to achieve this simple end.

No one can lecture them into our way of life. For one thing, there will be 316,000 more at breakfast tomorrow than were here this morning, and there aren't enough lecturers just to cope with the newcomers every day.

Who will provide the teachers and schoolrooms; the doctors, nurses, housing and hospitals; the reservoirs and other public utilities, all within the next 24 hours?

## Explosion of Trade Only Hope

Apart from controlling this population explosion at once, the only hope for improving our world is through an explosion of trade.

The world needs everything you grow and make, and people want the things you produce. But the difference between satisfying their needs and wants will require self-discipline by them.

Africa cannot go from the Stone Age to motor cars in one generation, although some of our American Indians did, when they found themselves sitting on oil that we wanted.

Much of the turmoil in so-called "awakening" countries arises from incessant propaganda, deception and nonsense by irresponsible people.

There are no "awakening" countries.

## Backward Nations Need Help

The backward nations have long since reached the limitations of their people for self-development at a rate to keep up with our world, and progress for them will occur only to the extent they are organized, led and supported with perpetual help by western civilizations and Japan.

Living here in the Middle West cannot insulate us any longer from the rest of the world. Actually, it could provide a perspective that people elsewhere do not have, for they are in conflict with such problems every day.

Holland, for example, is one-fifth the size of Iowa, but it exports up to 79 per cent of its Gross National Product, while the United States is exporting 4 per cent of its G.N.P. Furthermore, they handle their own banking for all this. If the Dutch do not worry about getting paid, what in the world are we afraid of in this country?

## Banks Stimulate Foreign Trade

Banks are catalysts that make foreign trade possible, but they don't have to be in New York to accomplish it. They are now, because they were there first, and also because international banking depends in part upon fast communications.

In the old days, speed of communication was often represented by young men running through the streets of Manhattan with invoices and bills-of-lading for the captains of sailing vessels docked along the Hudson River.

Today, instant information is transmitted by bankwire and airmail throughout the world. But don't misunder-

stand, much of it works because the eastern banks make it possible to work.

### 3 Ways to Reach Markets

There are three ways for American companies to reach overseas markets: by exporting to them; by licensing manufacturers already there, or by setting up branch or subsidiary plants of their own.

Furthermore, and despite my earlier comments about some foreign customers, there are safeguards for U. S. firms which protect them in whatever method they choose. In effect, an agent of this country guarantees the credit of customers abroad, so that foreign companies can have their obligations insured by the U. S. Government.

Our international department at Commerce Trust Company was called "Information Central" by someone recently, because we provide a highly integrated operation between 456 correspondent banks in 168 countries throughout the world, and more than 1,400 banks that have long been our correspondents and friends here in the United States.

### Language Barrier

One of our least-complicated jobs is the handling of translations, which we can provide in 26 languages. I mention this because 98 per cent of the letters sent to smaller American companies in languages other than English are never answered.

They are not even acknowledged.

Yet these letters are from customers who have looked up specific manufacturers in this country from whom they are trying to buy something.

Those figures are straight from the files of an adver-

tising agency that studied the matter for two years in Latin America.

### Common Market

Six different nations in Europe, as everyone knows, have joined in a political and economic union, within the same generation that saw them fighting each other in the most devastating war of history.

Out of this union of people with different languages, different religions, different forms of government, different ethnic roots and different destinies, there has come a so-called "third world force," which is certain to influence much of our policy hereafter.

Their common bond is a mutual need for trade and defense, although the pressures that gave birth to the organization were rooted in something much broader.

If 180,000,000 diverse people can make such progress, why may some advance not take place in our country, and especially here in the Middle West, with its 15 or 20 million Americans?

Benefitting from handouts we make to other countries is no permanent solution, whether the handouts are food, armaments, credit, or by subsidy.

Nor can anyone buy friends in this way. Stefan Rundt says that you can't even rent them.

### Banks a Symbol of Stability

People are not looking for security from the cradle to the grave; they are only hoping for stability from one day to the next.

Banks are a symbol of stability, and the trade which they can make possible offers hope for what peace there may be in our world of confusion and present tensions today.—End.

### Expands Foreign Interests

Continental Illinois National Bank and Trust Company said recently it will purchase a 15 per cent interest in Banca Privata Finanziaria, a commercial bank in Milan, Italy.

Continental said it will buy the interest through its Edge Act subsidiary, Continental International Finance Corporation, from the holdings of Michele Sindona, a leading Italian businessman. The purchase price was not disclosed.

As a part of this transaction, Continental is also acquiring an interest in the Banca di Messina, headquartered in Messina, Sicily. It has five branches in Sicily.

### Illinois Bankers Election

J. Marvin Powers, president, Security Bank of Mount Vernon, was elected president of the Illinois Bankers Association, at the group's 74th annual convention last month in Chicago.

Mr. Powers succeeds John F. McCarthy, president, Marquette National Bank, Chicago. Dirk H. Groen, president, First National Bank and Trust Company, Pekin, was named vice president. He had been second vice president.

Succeeding Mr. Groen as second vice president is Harold J. Bacon, president, Home State Bank, Chrystal Lake.

When was the last time you said . . .

**"There must be  
an easier way  
to write bonds!"**

There is . . . with

**Hawkeye-Security**



HAWKEYE-SECURITY INSURANCE COMPANY • DES MOINES  
MEMBER OF FINANCIAL GENERAL INSURANCE GROUP





Art McGowan just made his 28th Christmas Club payment.  
Now he's taking out his first auto loan.



**Christmas Club**  
-merriest way to save!

## Small Banks Need Auditing . . .

(Continued from page 31)

supervisor's? These are the questions we must consider.

There are two approaches which I would like to cite, which are under careful consideration by the Federal Deposit Insurance Corporation at this time.

### Uniform Accounting

1. In the first place, we feel strongly that one eventful solution lies in the development of more uniform accounting procedures, and we have publicly and privately urged the industry to assert leadership in developing such procedures.

The Securities Act Amendments of 1964 affects relatively few banks — some 60. But regulations based on that Act do require more uniform accounting procedures. For example, they require the use of accrual accounting whenever possible, separation of bond losses or gains from interest income, and other standardized techniques.

These regulations currently affect larger institutions only. We feel, however, that with public acceptance of these standards, the tendency will be toward their use by all banks.

### Advisory Service

2. We are seriously studying another program at Federal Deposit Insurance Corporation. This is the possibility of developing an advisory service for the smaller banks which lack audit programs. Our approach here is designed to assist banks in developing sound audit methods.

This service, as we are considering it, would lead to a program of field auditors trained in bank audit technique, and in teaching methods, who would be able to assist banks with a need and a demonstrated interest, in structuring a satisfactory audit program. Varying degrees of assistance would be available, depending upon the inherent skills and procedures possessed by the bank in question.

It would be a means of offering an opportunity for the smaller banks which lack audit and which lack expertise, to draw upon our experience, to create a sound audit program.

We are not committed to this program, but it is under careful study, and we would welcome comments and suggestions. At the present time we are actually exposing selected personnel to bank audit instruction and orientation, and it is our intention to use this pool of trained personnel to extend and intensify the audit phase of our examinations. They could become available for this new program being considered, if the decision is to move ahead with it.

### Challenges Need Leadership

These, then, are the challenges to the banking industry, in development of better, more standardized, and more readily available auditing techniques throughout the total industry, large bank and small alike. No supervisor wants to do what is properly management's function. But the development of the economy, the complexity of need and of bank services, the fast growing pattern of today's world, all impose extra burdens on bankers everywhere. These properly require use of audit, and the day has come when no bank in this country is too small to concern itself with a proper audit program.

There must be leadership in developing this program for smaller banks. There may be a pressing need for new thinking in the audit field, to develop new techniques which are possible for the smaller bank. The supervisory agencies are deeply dedicated to the philosophy that every bank must have some form of audit and some form of direct verification.

I can pledge that in all such efforts the supervisory agencies will as always cooperate in the closest possible manner in developing lasting and meaningful solutions, to enhance the ability of all our banks and to preserve this vital financial system and the diverse economy it helps support.

—End.

### Bancorporation Secretary

Roger D. Knight, Jr., president of Denver U. S. Bancorporation, has announced that Robert H. Shepler will assume full-time staff responsibilities for the Bancorporation as secretary and treasurer.

Mr. Shepler, senior vice president of Denver U. S. National Bank, will continue to serve as secretary to the Denver U. S. board of directors, as a member of the bank management committee.

## TWO FOR TEXAS

Big, sprawling, vigorous Texas has been served by our fast-growing Dallas plant since 1956. To relieve this plant, and to better serve the banks in Southern Texas and the Gulf Coast states, we are pleased to announce the opening of a new manufacturing plant in Houston.

Standing in the center of the rich Gulf Coast oil fields, Houston is the biggest city in the Southwest. The land for this first capital of the Republic of Texas was purchased in 1836 for \$1.00 an acre. It was subdivided, streets were laid out, and the town was named for the famed military hero of Texas, General Sam Houston. It has since grown to an area of over 150 square miles, to become a booming seaport and an industrial and financial center.

Our new plant is located at 6840 Wynwood Lane...in the Highland Industrial Park northwest of the

downtown area. John Kramer, an 18-year DeLuxe veteran from Dallas, is plant manager, aided by Nick Norcini, a 15-year production specialist from Paoli. An additional 22 DeLuxe people have been transferred from various other plants. They are young, experienced, and thoroughly familiar with the needs of our customers, and form the nucleus of a staff that has been further strengthened by a fine group of folks from the Houston area.

We welcome this newest addition to our family of sixteen plants and extend our best wishes to all of the new people who have joined us. Since it is equipped with the best check manufacturing facilities known to us, we think in a very short time this plant will match the efficiency of our other operating units. The welcome mat is out and we invite you to visit with us any time you are in the vicinity.

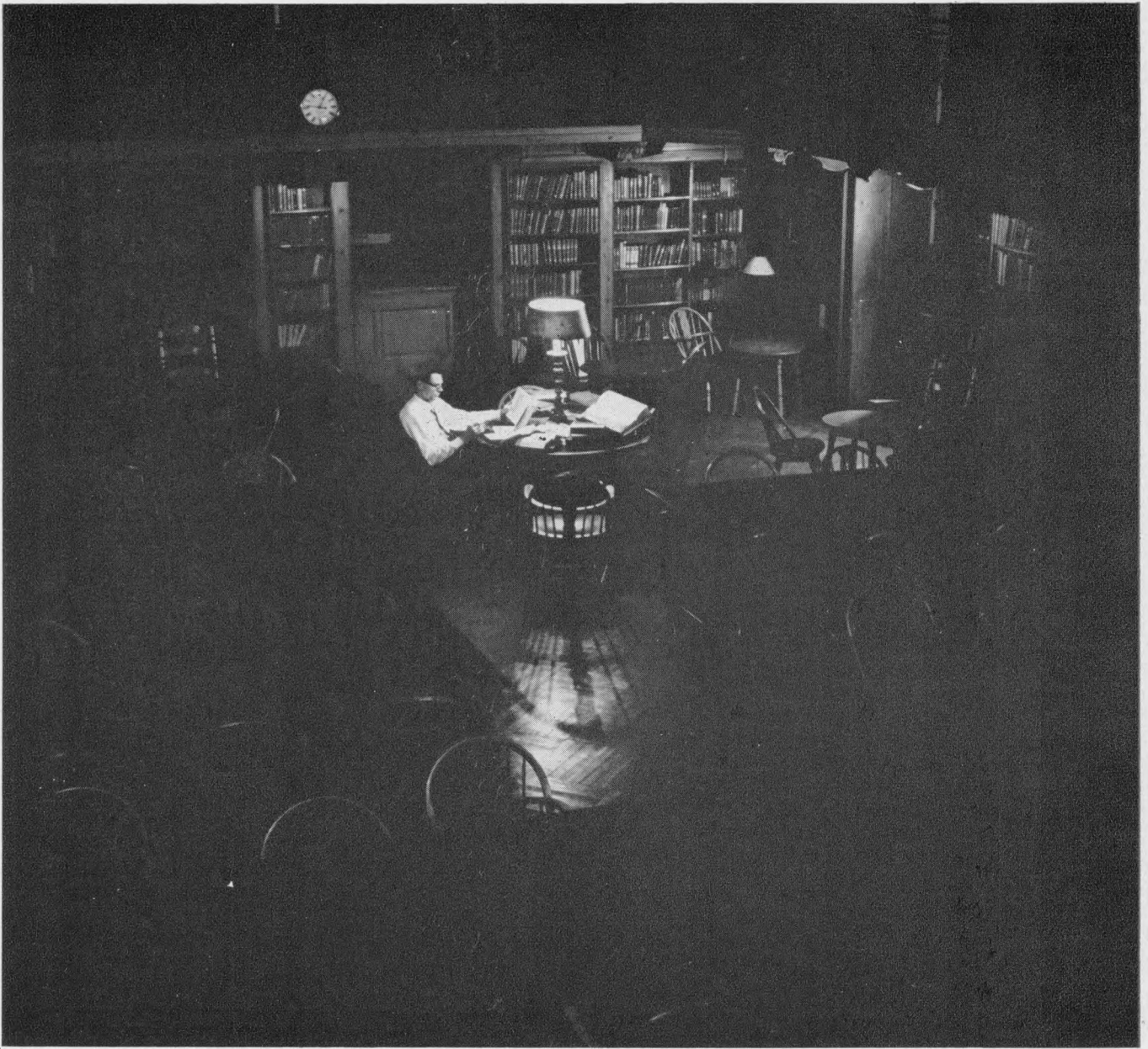
**DELUXE**

**FIFTY**  
1915-1965  
**YEARS**

**DELUXE CHECK PRINTERS INC.**

NORWALK CLIFTON PAOLI RICHMOND SYRACUSE CLEVELAND DETROIT INDIANAPOLIS CHICAGO  
KANSAS CITY ST. LOUIS ST. PAUL HOUSTON DALLAS CHATSWORTH SANTA CLARA PORTLAND





Boning up on "market potentials." For the length of his career, this New York banker will be studying—and business will profit from his research.

## **THE BANKERS WHO NEVER GRADUATE**

How their continuing educational program enables them to better serve business.

At Chemical New York, one of America's oldest and largest financial institutions, bankers are "students" specially trained to serve business and banks all across America.

These are the men of the National Division who have been nicknamed "the New York bankers with the hometown touch."

To be able to serve you better—which is our key to more business—we believe our men who call on you must be among the *most informed* in banking today. We go to extraordinary lengths to insure they are.

Our men are chosen from among the leading students in the country's universities and business schools. But that is only the

beginning of their professional education. Fifty times a year seminars are held to discuss the valuable insights available only to a 6-billion-dollar bank. And they average some 26,000 miles a year, working closely with local industry and our correspondent banks.

Continued training of our men to be the most skilled financial consultants is one further way we try to better serve business. Chemical Bank New York Trust Company, New York, N. Y. 10015. The bank that works hardest for you.

**Chemical  
New York**

*Northwestern Banker, June, 1965*

## Marquette's Gary Wollan Completes Swiss Mission

**G**ARY WOLLAN, assistant vice president in charge of data processing at Marquette National Bank of Minneapolis, has completed a 13-day counseling mission in Geneva, Switzerland. His job was that of assisting a small Swiss bank develop a bank automation system which will, among other things, prepare the bank for an influx of approximately 4,000 new accounts by the first of the year.

"The drama of the situation is heightened by the fact that, while the bank must prepare for 4,000 new accounts, it must reduce its staff by 5 per cent by July, 1965, to comply with a new Swiss law," Mr. Wollan reported. "A modern computer system is the only answer," he said.

Mr. Wollan arrived in Switzerland to help the Overseas Development Bank, which is owned by Swiss-based Mutual Fund. All European fund salesmen bank at the bank. In addition, the bank will offer accounts to customers in 136 countries served by Mutual Fund salesmen.

In his primary role as a systems designer, Mr. Wollan worked with a system specialist from Manchester, England, and both were under the di-

rection of an ex-civil engineer from Massachusetts Institute of Technology.

Basic problems included: (1) an absence of a clearing house in Swiss banking, requiring a minimum of eight float fields in the master file to account for the collection period (from the time of deposit until the bank receives its funds); (2) the custom of permitting 30-, 60- and 90-day sight drafts to be credited immediately to the customer's account; (3) the necessity of six, rather than four, name and address lines on the master file; (4) the necessity of printing a statement including the check number—no two customers are issued checks with the same number sequence.

Mr. Wollan was intrigued by the Swiss policy of paying one-half of one per cent interest on demand deposits over a six-month period when the balance never falls below \$500. In addition, lines of credit are established permitting the customer to overdraw his account to the amount of the line of credit. This line costs the customer one-fourth of one percent for the review of the line for a three-month period whether or not he uses the line.



**GARY WOLLAN**, assistant vice president in charge of electronic data processing for Marquette National Bank, Minneapolis, was recently invited to conduct a detailed systems analysis for the Overseas Development Bank in Geneva, Switzerland.

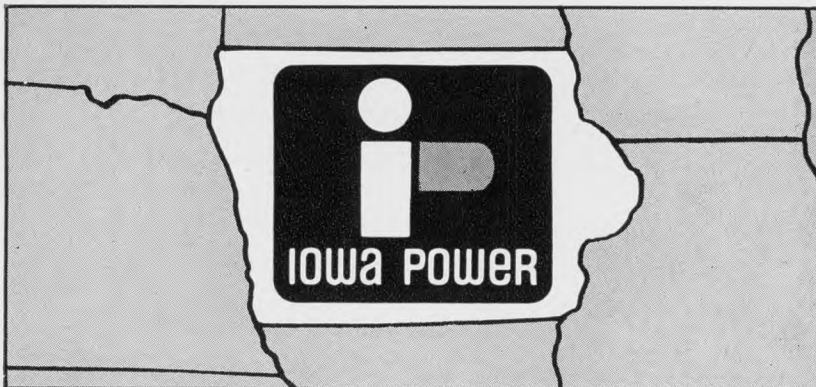
To use his line, he simply writes a check, overdraws his account and begins paying 6 per cent interest on the overdraft. Only if he exceeds his line is he truly overdrawn.

"It's up to the machine to keep track of when and how much he overdraws his account," Mr. Wollan reports.

He states that the Swiss government requires that when the bank pays interest to a customer, 27 per cent be withheld and remitted directly to the government. However, the bank is

**SWISS MISSION . . .**

(Turn to page 46, please)



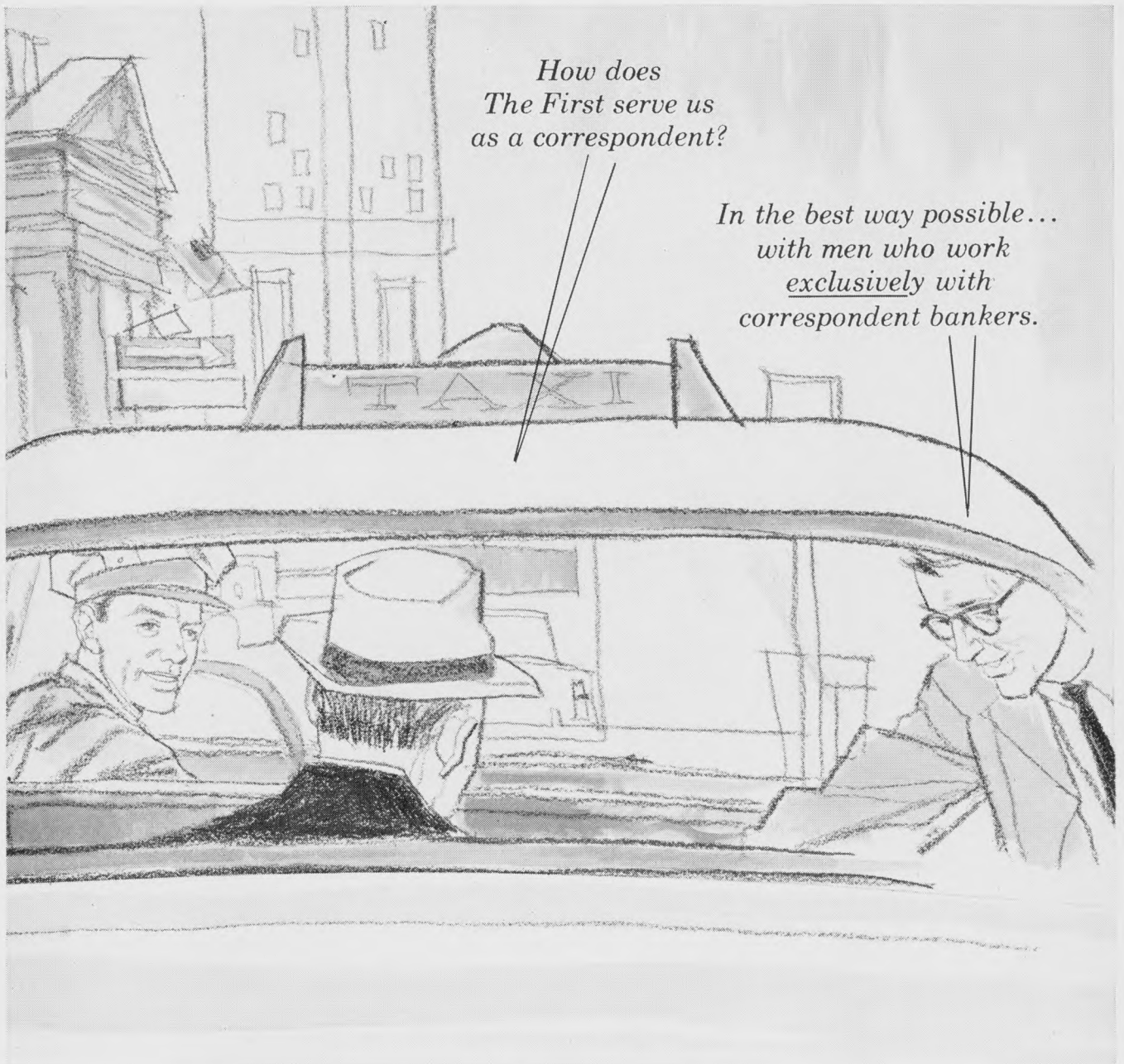
### POWER-FULL IOWA

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*

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The First serve us  
as a correspondent?*

*In the best way possible...  
with men who work  
exclusively with  
correspondent bankers.*

At The First, a group of bankers works  
solely with correspondent banks.  
You can't get better correspondent banking  
service anywhere! Our banker-to-banker  
service is yours—full-time, any time!

*Building with Chicago and the nation since 1863*



**The First National Bank of Chicago**

Chicago, Illinois • 60690

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

*Northwestern Banker, June, 1965*

## Complete 14-Story Addition



**NEW ADDITION** recently opened by Northern Trust Company.

**T**HE Northern Trust Company's new 14-story building addition—a structure devoted exclusively to the conduct of Northern Trust's banking, bond, and trust business—opened for business last month in Chicago.

The new addition, which adjoins The Northern Trust's familiar six-story building at the northwest corner of LaSalle and Monroe Streets,

has been designed to provide a substantial number of new conveniences for the bank's customers, as well as to consolidate Northern Trust staff and operating units which have been occupying leased space in nearby buildings for many years.

The final moves of Northern Trust personnel and departments into the new addition were made over a

weekend. The original structure, fronting on LaSalle Street, will now undergo interior remodeling, a program scheduled to be completed by early 1966. The bank's main entrance will continue to be at LaSalle and Monroe Streets.

Erected at a cost of \$20,000,000, the new addition is 14 stories high and three floors below ground. To the west of the building, opening on Monroe Street, The Northern Trust has constructed a drive-in banking plaza at which motorists will be served over closed-circuit television equipment by tellers located within the new addition.

Of contemporary design, the new addition has an exterior of pinkish-gray Minnesota granite and matching textured gray aluminum spandrels, with windows recessed to provide a light, airy atmosphere while preserving privacy in the conduct of banking business.

Within the building, the high-ceilinged, brightly-lighted main banking floor is devoted to savings and checking services. The second floor is devoted to the commercial and correspondent banking divisions, while the executive offices and the Trust Department are located on the third floor. Mortgage loan and personal loan facilities, along with the bank's safe deposit vaults, are situated on the lower lobby—the first floor below street level. The Bond Department is located on the 10th floor of the new addition.

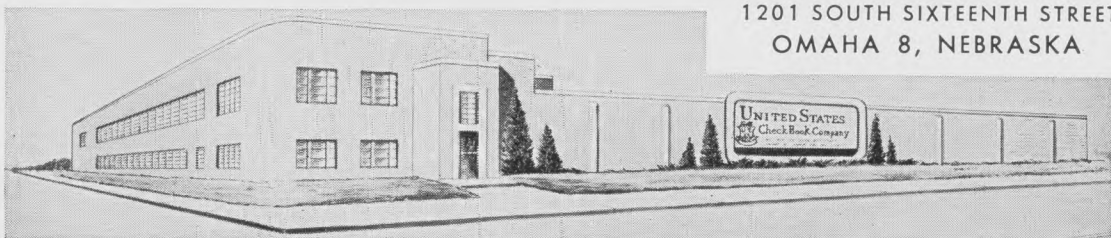
The building features a bank of ten high-speed elevators, the most modern air conditioning equipment and special thermostatic controls to provide continuously-circulating fresh air at comfortable temperatures, and large thermopane windows which pivot in

### THE 95 CENT BARGAIN OFFER PLAN

Makes it much easier for you to convert your accounts into buying their own checks.

Ask our salesman about this plan.

# United States Check Book Company



1201 SOUTH SIXTEENTH STREET  
OMAHA 8, NEBRASKA





## First National's Bond Department Offers Convenience and Speed

With just one phone call to our bond department, you can get a quote; buy or sell and arrange for payment and safekeeping of securities. You don't even need to pick up a pencil. First National does all the work.

Our bond department now has its own computer which can give you, on short notice, the net advantage of a tax trade. In addition, the department can keep you informed on market changes and trends; appraise your holdings and make timely, pertinent recommendations.

Are your municipal holdings adequate? If you want a prompt, thoroughgoing evaluation and analysis of your position, we'll be glad to review your portfolio and give you our suggestions. This service is available for the asking.

When you call the bond department, the man you talk to is an "answer man"—a qualified investment specialist who will give immediate attention to your needs. For added convenience, dial our bond department direct. The number is area code **314, GA 1-1362.**



Northwestern Banker, June, 1965

their frames so that window washers will not have to go outside of the building.

Materials used in the interior decoration of the new structure include selected marbles from Italy and Vermont and seven different kinds of finishing woods. A special diffused lighting system provides a generous amount of light with minimum glare on all floors.

### Heads Trade Group

Gerard E. Keidel, vice president, American National Bank and Trust Company of Chicago, has been elected president of the Bankers Association for Foreign Trade, at the group's annual meeting held in French Lick, Ind.



G. E. KEIDEL

Long active in foreign banking and commercial circles, Mr. Keidel becomes the 31st head of the Association, which was formed in 1921 by 10 bankers in the

Great Lakes region to initiate direct foreign banking facilities for their clients, thus promoting the financial

### New FDIC Head



**RECENT CHANGE** in leadership at the Federal Deposit Insurance Corporation was marked by a reception for the outgoing chairman, the Honorable Joseph W. Barr, left, given by the new chairman, the Honorable K. A. Randall. Mr. Barr has been confirmed and sworn in as Undersecretary of the Treasury after some 15 months as Federal Deposit Insurance Corporation chairman. Mr. Randall had been a director, before the board of directors advanced him to the chairmanship.

phase of the export and import trade of the Middle West.

### Urge Bank Bond Activity

The American Bankers Association has urged Congress to enact a bill introduced by Representative St. Ger-

main (D-R.I.) which would allow national banks to underwrite and deal in revenue bonds issued by state and local governments and certain obligations of local public housing agencies.

Kenneth V. Zweiner, a member of the association's Economic Policy Committee, pointed out that this measure would also grant Federal Reserve state member banks the same authority, where state law permits, because they are subject to the same limitations with respect to underwriting and dealing in investment securities as are national banks.

Mr. Zweiner is also chairman of the board of the Harris Trust and Savings Bank of Chicago.

### Add 13 Thorp Offices

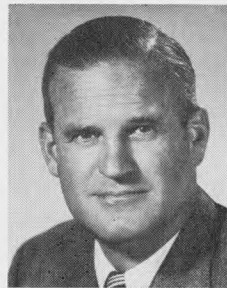
A total of 13 new offices have been established by Thorp Finance Corporation during the past three months. This expansion gives Thorp a total of 125 offices including 83 in Wisconsin, 23 in Iowa, 18 in Minnesota and one in Missouri.

In Iowa, the company's subsidiary, Thorp Credit Inc., put offices into operation at Charles City, Marshalltown, Muscatine, Mount Pleasant, Newton, Oelwein, Oskaloosa, Perry, Spencer, Storm Lake, Washington and Webster City. In addition, another Wisconsin branch was opened at Beloit.

Thorp also has applications pending before the Minnesota Commerce Commission for licenses to open additional offices in that state.

### New Wells Fargo Executive

H. Stephen Chase, president, Wells Fargo Bank, has announced the promotion of John R. Breeden to senior vice president in the commercial banking division as assistant to Ralph H. Rebele, executive vice president.



J. R. BREEDEN

Mr. Breeden, associated with the bank since 1946, has been most recently vice president in charge of the Metropolitan division.

John S. Enright has been promoted to vice president in charge of Wells Fargo Bank's Metropolitan division.

### Renew ABA Position

Mr. Charles E. Walker, executive vice president of The American Bankers Association, has entered into a renewal contract for a 10-year period with the association.

THE CREST OF  GOOD LIVING

# MIRAMAR

and  
NEW TOWER

## HOTEL

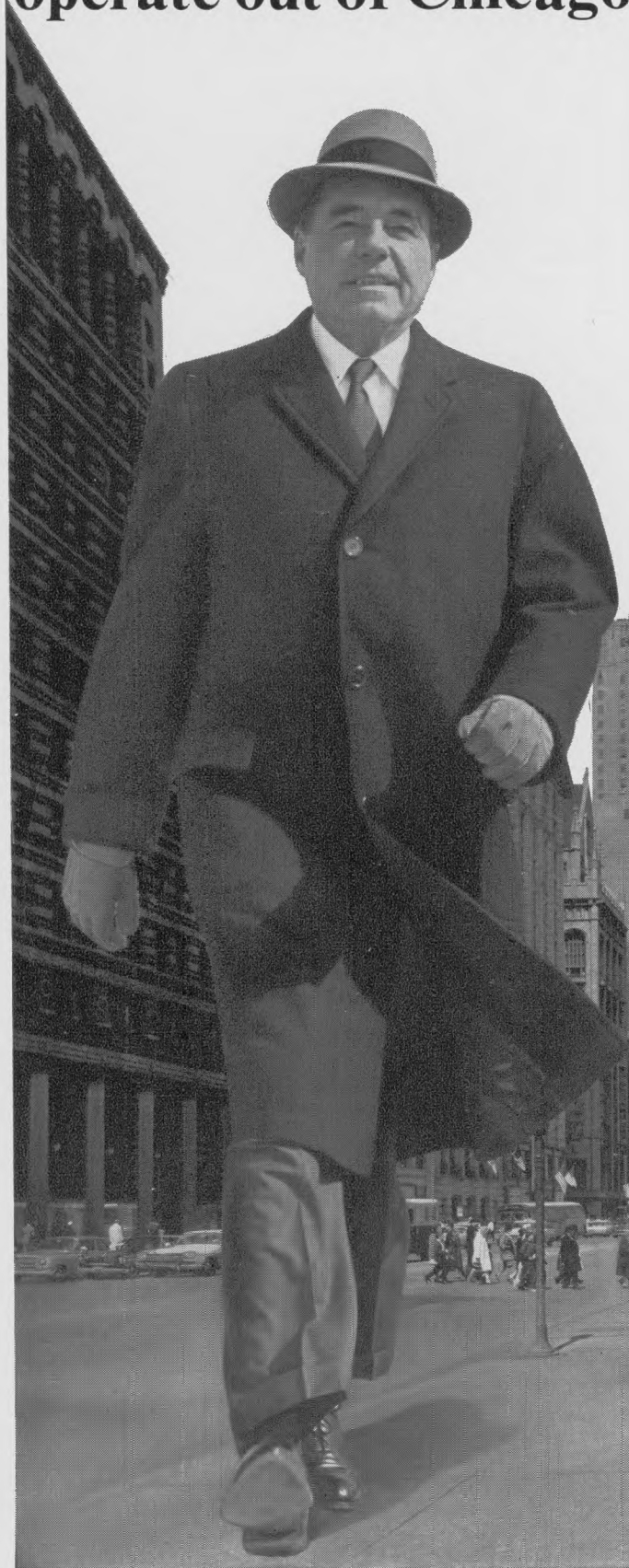
SANTA MONICA  
CALIFORNIA



"Where Wilshire Boulevard Meets the Sea"  
Atop the Palisades overlooking the blue Pacific • The Miramar features 400 guest rooms, bungalows and suites in a tropical garden setting • Ideal banquet and convention facilities • Superb cuisine • Dancing nightly • Home of "THE TIKI-JO" famous Polynesian Restaurant • Attendant parking



# Why does the president of Kidder, Peabody operate out of Chicago?



Ask him.

"Because more than half of American industry lies within 500 miles of State and Madison.

"Mid-America is the largest, fastest growing, most dynamic part of the country—and Chicago is its capital. Here I can meet America's business movers on their home ground, offer them direct, personal service.

"With the assistance of our competent staff, we are able to give midwestern companies prompt and efficient service in developing financing plans tailored to their particular requirements. Our clients need go no further than our Loop office to solve their new capital problems, large or small.

"On the other hand, no securities firm in America can offer more comprehensive, sophisticated service. I can always draw on skilled personnel in our 27 offices coast-to-coast; our expert daily involvement with the money market; our intimate knowledge of investment policies of all important institutional investors; and our firm's century of financial experience.

"Why do I operate out of Chicago? Because Kidder, Peabody is a leader in the underwriting of new securities issues and is pre-eminent in the field of private placements.

"We intend to keep it that way."

For able, responsible financing help—with a friendly, midwestern accent—we invite you to discuss the matter with our president, Erwin A. Stuebner. He can make the decisions that get results—fast.

All Experience  
is an Arch to  
Build Upon  
1865-1965

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33 South Clark Street, Chicago 3, Illinois 312 ANdover 3-7350  
NEW YORK BOSTON PHILADELPHIA LOS ANGELES SAN FRANCISCO



## Proof man!



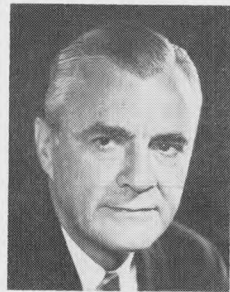
**Bob Hurter**, La Salle Assistant Vice President, has a keen understanding concerning the handling of items. He has helped many La Salle correspondents with their checks and balances. Of course, you'll find Bob at **La Salle National Bank**, 135 South La Salle Street, Chicago, Illinois 60690. His phone number is STate 2-5200, area code 312. Member FDIC. Complete Trust Services.

## Promotions at Morgan Guaranty

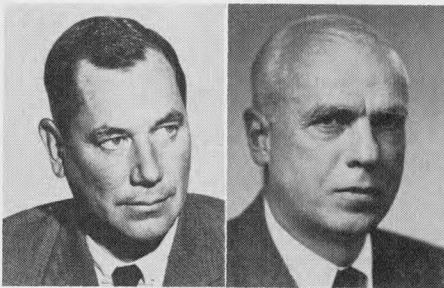
THREE changes in top-level positions at Morgan Guaranty Trust Company of New York have been announced. All took effect June 1.

Henry C. Alexander will become chairman of the executive committee. He will be succeeded in his present position as chairman of the board and chief executive officer by Thomas S. Gates, presently president. Mr. Gates will be succeeded as president by John M. Meyer, Jr., presently an executive vice president.

Mr. Alexander has headed Morgan Guaranty since its formation in 1959 by a merger of J. P. Morgan & Company Incorporated and Guaranty Trust Company of New York. Before the merger he was chairman of the Morgan bank.



H. C. ALEXANDER



T. S. GATES

J. M. MEYER, JR.

Mr. Gates, who has been president of Morgan Guaranty since August, 1962, will assume the chairmanship a little more than four years after joining the bank. He was elected chairman of the executive committee in April, 1961, after serving as Secretary of Defense during the last year of the Eisenhower administration. The defense post had capped an eight-year period of Washington service, prior to which he had been a partner in the investment banking firm of Drexel & Company, in Philadelphia.

Mr. Meyer was head of Morgan Guaranty's international banking division. He also is chairman of the bank's two "Edge Act" subsidiaries, Morgan Guaranty International Banking Corporation and Morgan Guaranty International Finance Corporation.

### Honor Wright Patman

The world's credit unions honored Congressman Wright Patman (D.-Tex.), 37-year veteran of the House,

with their highest recognition when CUNA International presented him its distinguished service award last month.

### Form Charter N. Y. Corp.

Crandall Melvin, chairman of The Merchants National Bank & Trust Company of Syracuse, and George A. Murphy, chairman of Irving Trust Company, New York, have announced that the boards of directors of both institutions have agreed to the formation of a bank holding company to be called Charter New York Corporation. Under the terms agreed upon, Charter New York Corporation will exchange shares with stockholders of the two banks on a one-to-one ratio for Irving stock and a 1.5-to-one ratio for Merchants stock, based on shares outstanding after the scheduled payment of a 2 per cent stock dividend by Irving and a 5 per cent stock dividend by Merchants.

The joint announcement stated that Charter New York Corporation will permit the joining together of independent banks through a holding company which will provide a conduit for the two-way flow of business and financial relations between New York City and central New York. This will retain local autonomy for the constituent banking institutions.

The proposal is subject to the approval of state and federal regulatory authorities and to acceptance by stockholders of both banks.

### SWISS MISSION . . .

(Continued from page 40)

not obligated to tell the government from whom it was collected.

"One of the blessings," Mr. Wollan says, "is the fact that the Swiss franc and our dollar are both decimal systems. This really helped our programming."

Although, according to systems designer, checks are seldom used by the Swiss, who prefer cash, a two-part check was designed with a carbon copy of the check permanently affixed in the checkbook. No check register is used as the checks are not returned.

Mr. Wollan concluded, "With conversion to automation scheduled for June 1, we were really under pressure. Thankfully, the programmers on the job are the most competent I have seen."—End.





Jarry Parker, special representative for Oklahoma and A. L. Hall, Vice President.

## You can depend on this Commerce Trust man to help with any petroleum problems

When one of our correspondent banks has a question regarding any phase of the oil business, they can always call on A. L. (Rosie) Hall. A Commerce Trust vice president and a registered professional engineer, he's the man who has the facts they need.

We'll be glad to help you—with advice or participation dollars on gas and oil production from the ground—or in any other way that will best benefit your customers.

You'll find all of Commerce Trust's specialists, like Mr. Hall, heavy on experience and capable of handling both routine and complex requests.

Tell your problem to Kansas City's biggest bank for prompt and satisfactory solutions.

We'd like to have you as a customer.



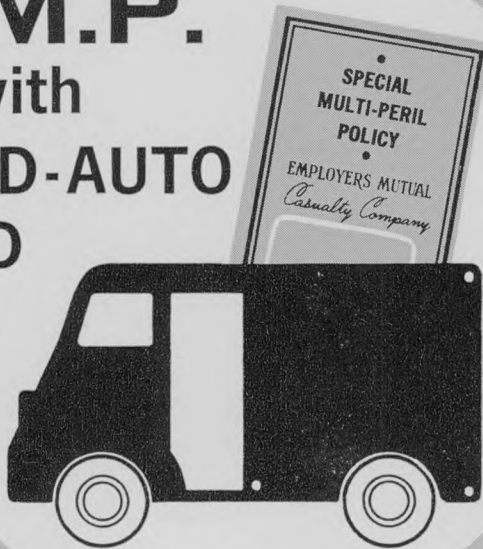
## Commerce Trust Company

Member Federal Deposit Insurance Corporation  
Correspondent Division  
Commerce Tower—9th and Main, Kansas City, Missouri

*Northwestern Banker*, June, 1965

Available now or soon  
In most E.M.C. states!

**\*S.M.P.**  
with  
**OWNED-AUTO  
ADDED**



**\*Special Multi-Peril Package**

**INCLUDING**

- Optional Sec. II Comprehensive General Liability rider; optional comprehensive auto coverage
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For better volume, greater profits, sell S.M.P. with the same truly multiple-line company that specializes in Workmen's Compensation. Over 50 years' specialized commercial experience. Decentralized branch offices coast to coast . . . underwriters, field supervisors, claims men, payroll auditors, risk improvement representatives . . . all help you sell and serve your insureds. Write or call our Agency Department.

**EMPLOYERS MUTUAL CASUALTY  
Company**

**FIRE • CASUALTY • BONDS**

HOME OFFICES: DES MOINES, IOWA

**BRANCH OFFICES:** Charlotte, N. C. — Chicago — Dallas — Denver  
Des Moines — Jackson, Miss. — Kansas City, Mo. — Lansing — Little Rock,  
Ark. — Milwaukee — Minneapolis — Omaha — Philadelphia — Phoenix  
Seattle — Vancouver, B. C. — Wichita, Kan.

**Name Talcott Director**

Russell R. Campbell, senior vice president in charge of the Chicago-headquartered central region of James Talcott, Inc., has been elected to the 111-year-old firm's board of directors.



R. R. CAMPBELL

A veteran of 32 years in the commercial financing field, Mr. Campbell has been a member of Talcott's executive management committee for the past five years. He joined the firm in 1955 after serving for 25 years in various executive positions with General Electric Company and its financing subsidiary, General Electric Credit Corporation.

**Joins Kansas City Bank**

Marlin L. Koelling has joined the real estate loan department of City National Bank and Trust Company of Kansas City. He comes to City National from the position of vice president of W. L. Brady Investments, Inc., of Kansas City.

**World Time Chart**

Manufacturers Hanover Trust Company, New York, has distributed its semi-annual "World Time Chart" indicating time differences in over 100 countries compared with New York Daylight Saving Time.

The chart includes a map of time zones in the continental United States, Alaska and Hawaii, and a listing of states and communities observing Daylight Saving Time.

Copies of the chart may be obtained from the international division, Manufacturers Hanover Trust Company, 44 Wall Street, New York, N. Y. 10015.

**Record Mosler Earnings**

Record first quarter sales and earnings have been announced by The Mosler Safe Company in New York.

Consolidated net sales for the three-month period ended March 31, 1965, were \$10,512,821 compared with \$9,640,105 for the same period last year, for an increase of 9.1 percent.

Consolidated net income for the period was \$672,425 compared with \$579,496 for the same period last year, for an increase of 16 percent.

Earnings for the first quarter of 1965 were equivalent to \$.37 per share compared with \$.32 per share for the first quarter of 1964.





## ***DESTINATION: 3 swallows and an olive away***

A martini is symbolic. It represents good things . . . like business lunches, meeting friends, special celebrations . . . and Ozark Air Lines' cocktail flights.

Serving cocktails in flight is just a new sign of the growing that's been going on at Ozark. We've also added new service (now serving 58 important Mid-America cities) . . . new jet-prop aircraft . . . continental breakfasts and snacks . . . and we've introduced the new Ready-Ref timetable. Not to mention Ozark's new hangar and headquarters facilities in St. Louis.

Getting you there on time, and giving you the best service under the sun are of prime importance at Ozark . . . always getting better and better! If you're a real go-getter, take your next Midwest trip aboard Ozark . . . the airline that's on the move . . . run *by* and *for* go-getters!





## DIRECTORS

DE WALT H. ANKENY  
*Vice President*  
Theo. Hamm Brewing Company

CHARLES H. BELL  
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General Mills, Inc.

BENTON J. CASE  
*Director*  
The Crosby Company

GEORGE B. CLIFFORD, JR.  
JOHN H. DANIELS  
*President*  
Archer Daniels Midland Company

DONALD C. DAYTON  
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STEPHEN P. DUFFY  
*President*  
Our Own Hardware Company

ALBERT G. EGERMAYER  
*Senior Vice President*  
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B. C. GAMBLE  
*Chairman of the Board*  
Gamble-Skogmo, Inc.

PAUL S. GEROT  
*President*  
The Pillsbury Company

PHILIP B. HARRIS  
*Senior Vice President*

F. PEAVEY HEFFELFINGER  
*Chairman of the Board*  
Peavey Company

ALLEN S. KING  
*Chairman of the Board  
and Chief Executive Officer*  
Northern States Power Company

GOODRICH LOWRY  
*President*  
Northwest Bancorporation

JOHN A. MOORHEAD  
*President*

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

SAMUEL H. ROGERS  
*Senior Vice President and  
Executive Trust Officer*

HENRY T. RUTLEDGE  
*Executive Vice President*

H. P. SKOGLUND  
*Chairman of the Board*  
North American Life and  
Casualty Company

LUCIAN S. STRONG  
*Chairman of the Board*  
The Strong Scott Mfg. Company

HAROLD H. TEARSE  
*President*  
Searle Grain Company

JAMES A. WATSON  
*President*  
Red Owl Stores, Inc.

ALFRED M. WILSON  
*Executive Vice President*  
Honeywell, Inc.

O. MEREDITH WILSON  
*President*  
University of Minnesota

JOHN S. PILLSBURY  
*Director Emeritus*

## STATEMENT OF CONDITION

APRIL 26, 1965

RESOURCES		LIABILITIES	
Cash and due from banks .....	\$177,907,959.78	Capital stock .....	\$ 15,000,000.00
U. S. government obligations .....	97,921,132.82	Surplus .....	25,000,000.00
Other bonds & securities .....	49,335,867.61	Undivided profits .....	14,637,644.02
Loans & discounts .....	370,467,071.56	Reserve for possible	
Customers' liability on acceptances .....	9,633,118.24	future loan losses .....	6,555,756.82
Income earned but not collected .....	1,499,296.19	Reserve for interest, taxes, etc. ....	3,638,772.71
Land premises, furniture		Income collected but not earned.....	5,068,213.35
& fixtures .....	10,478,595.96	Letters of credit and acceptances.....	9,633,118.24
Other resources .....	1,697,674.30	Federal funds purchased .....	27,500,000.00
		Bills payable .....	25,000,000.00
		Deposits .....	586,907,211.32
Total Resources .....	\$718,940,716.46	Total Liabilities .....	\$718,940,716.46

## NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS

MARQUETTE AVENUE, SIXTH TO SEVENTH STREETS • MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



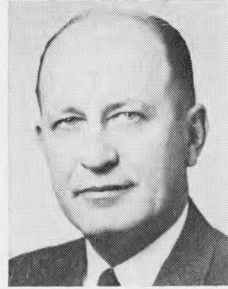




G. A. UGGEN



K. A. WALES



D. H. GREGERSON



J. D. CHISHOLM



P. S. NADLER

## Full Program, Outstanding Speakers—

# Minnesota Speakers Mark "Diamond Jubilee"

**A**PPROXIMATELY 2,000 delegates are expected for the 75th Annual Convention of the Minnesota Bankers Association. The "Diamond Jubilee" convention will be officially called to order Tuesday morning, July 15, by President Glenn A. Uggen, president of the Peoples State Bank, Wells.

Kenneth A. Wales is executive secretary of the M.B.A. He reports that the four speaking programs on June 15 and 16 will feature several nationally-prominent personalities as well as a heavy schedule of convention business and election of officers.

The climaxing convention event will be the "Diamond Jubilee Extravaganza" with a social hour, banquet and outstanding entertainment at the Prom Center in St. Paul, Wednesday evening, June 16.

The complete program for the three-day convention is as follows:

### Monday, June 14

A.M.

8:00 Annual Men's Golf Tournament—Midland Hills Country Club. Breakfast and Luncheon Available at the club.

### Tuesday, June 15

A.M.

8:00 Registration—Lobby, Hotel Saint Paul.  
 9:30 Call to Order—Continental Room, Hotel Saint Paul. Presentation of Colors.  
 Report of the Resolutions Committee — W. D. Schroeder, Chairman; Cashier, Farmers State Bank, Mountain Lake.  
 Report of Nominating Committee—Robert G. Lexvold, Chairman; Executive Vice President, Metropolitan Airport State Bank, Minneapolis.  
 Welcome—Honorable Karl Rolvaag, Governor of Minnesota.  
 Report of the Executive Secretary — Kenneth A. Wales.  
 M.B.A. President's Address—Glenn A. Uggen.  
 "The Happiest People in the World"—Dick Jackman, Boston, Mass.  
 11:30 Announcements and Recess.  
 Pioneer and Past Presidents' Club Reception — Queens Room.  
 Luncheon—Casino Room.  
 Minnesota Club, Central States Graduate School of Banking Reception and Luncheon—Casino Room.

P.M.

2:00 Call to Order—President Glenn A. Uggen.  
 Address — Honorable Walter Mondale, United States Senator from Minnesota.  
 Remarks—S. J. Kryzsko, Chairman, A.I.B. Savings Bond Committee; President, Winona National and Savings Bank.

"The Secret Five to Stay Alive"—Tennyson Guyer, Findlay, Ohio.

4:15 Announcements and Recess.

6:00 First Night Party—Continental and Casino Rooms, Hotel Saint Paul.

Buffet Dinner and Entertainment.

Close Registrations for Day.

### Wednesday, June 16

A.M.

8:00 Registration—Lobby, Hotel Saint Paul.  
 9:30 Call to Order—President Glenn A. Uggen.  
 Greetings—Honorable George Vavoulis, Mayor of St. Paul.  
 Adoption of Resolutions.  
 Election of Officers.  
 A.B.A. Meeting and Election—Paul W. Gandrud, A.B.A. State Vice President; President, Swift County Bank, Benson.  
 Address—Reno Odlin, President, The American Bankers Association; Chairman, Puget Sound National Bank, Tacoma, Wash.  
 12:00 Ladies' Diamond Jubilee Luncheon—Lowry Hotel Ballroom.  
 Annual Men's Luncheon—Continental Room, Hotel Saint Paul.  
 Awarding of Golf Prizes.  
 Installation of District Officers.  
 "Nothing to Fear But Ourselves"—Merrill Mueller, NBC News Commentator, New York City.

P.M.

2:00 Call to Order—President Glen A. Uggen.  
 "The Outlook for Banking"—Dr. Paul S. Nadler, Associate Professor of Finance, New York University, New York City.  
 "Banking in Transition"—Hugh D. Galusha, Jr., President, Federal Reserve Bank of Minneapolis.  
 Remarks — John D. Chisholm, Commissioner of Banks, State of Minnesota.  
 "The World of the Uncommon Man" — Heartsill Wilson, Detroit, Mich.  
 4:15 Announcements and Adjournment.

P.M.

5:00-5:30 Registration—The Prom Center.  
 5:30-6:45—Social Hour—Arizona Room, The Prom Center.  
 7:00 Annual Banquet—Ballroom, The Prom Center.  
 Invocation—Reverend Paul F. Obenauf, Wooddale Lutheran Church, St. Louis Park, Minn.  
 Introduction and Installation of New Officers.  
 Diamond Jubilee Extravaganza — Entertainment Followed by Dancing to Jules Herman and his Orchestra.

# Twin City News



**M**ORE than 2,000 Minneapolis bankers went to the polls recently for the Minneapolis chapter of the American Institute of Banking. **James Anderson**, assistant secretary in the trust department of the First National Bank of Minneapolis, was elected the new chapter president. The Minneapolis chapter of the A.I.B. is one of the largest in the nation with a membership of 3,051 from 43 local banking offices.



J. L. ANDERSON

Other officers elected included **Fritz Edmunds**, assistant cashier and loan officer, Richfield Bank and Trust, first vice president; **James Treanor**, assistant cashier, Midland National Bank, second vice president, and **James Paradise**, assistant cashier, Northwestern National Bank, treasurer.

\* \* \*

**Jerry Nikituk**, assistant cashier, First Grand Avenue State Bank, was recently elected president of the St. Paul chapter of the A.I.B. Other St. Paul officers include the following:

**Raymond E. Schlemmer**, cashier, Farmers Terminal State Bank, Newport, first vice president; **Bernard G. Borash**, American National Bank, second vice president, and **George J. Boldt**, assistant vice president, First Merchants State Bank, treasurer.

Women's chairman is **Ruth LaFollette** and secretary is **Alice L. Kozlowski**. Both are associated with First National Bank.

\* \* \*

Sixth District officers of the National Association for Bank Audit, Control and Operation, met the national president-elect, **Merle V. Stone**, president, Downtown State Bank, St. Paul, at a recent meeting in Minneapolis.

Mr. Stone conferred with chapter leaders from five upper midwest states at the Hotel Leamington. The group

heard **William D. Anderson** and **John P. McGrath**, both of the membership division of NABAC headquarters, Parkridge, Ill., discuss chapter administration. **Robert G. Bayer**, Milwaukee, sixth district director, and **A. H. Stellner**, president, State Bank of Cyrus, Minn., and Minnesota director, attended the meeting.

\* \* \*

According to a plan being devised by **Thomas K. Scallen**, owner of Financial Underwriters, Inc., bankers will soon find a new source of capital in a new company—Bankers Capital Corporation, a wholly-owned subsidiary of Financial Underwriters.

Mr. Scallen, a 40-year-old banker, attorney and small business investment man, plans to fit Bankers Capital into the financial "department store" package which he intends to make of Financial Underwriters.

Mr. Scallen is selling 640,000 shares of common stock in the company at \$2.25 per share. (See Lake City item in Minnesota News section.) Proceeds will be used to reduce long-term debt incurred when shares in the Lake City State Bank were purchased and to acquire additional companies which will fit into Financial Underwriters.

\* \* \*

**Thomas S. Kleppe**, former president of Gold Seal Company, former mayor of Bismarck, N. D., and Republican candidate for the U. S. Senate in North Dakota last year, has been elected a vice president and director of J. M. Dain & Company, Minneapolis investment banking firm.

\* \* \*

**Gerald J. Frankson** has been named vice president of the North Central Financial Planning Corporation, according to **Theodore Sanborn**, president. A wholly-owned subsidiary of The North Central Company, the Corporation operates a national sales force which sells Wall Street investment programs in conjunction with life and hospitalization insurance.

\* \* \*

The American National Bank of St. Paul, the state's largest independent

bank, has changed its name to The American National Bank and Trust Company, effective June 1, according to **John F. Nash**, president.

A syndicate headed by the bank and including, Bacon, Whipple of Chicago, Stern Brothers of Kansas City and E. J. Prescott & Company, Minneapolis, was the successful bidder on close bidding of an \$870,000 issue of Brown County, Minn. The net interest rate on the bid was 3.02 per cent. The bonds mature 1966 through 1980 and are being re-offered at yields of 2.35 per cent to 3.05 per cent.

\* \* \*

**Carl R. Pohl**, president, has announced the appointment of **Marie De-**

**Vaney** to assistant cashier in charge of bookkeeping and central file departments at Marquette National Bank, Minneapolis. Associated with the bank since 1942, the new assistant cashier has held



M. DEVANEY

supervisory jobs within both departments. A member of the bank's operations committee, she is vice president of Trail Blazers, the senior bank employee organization.

\* \* \*

First Bank Stock Corporation's first quarter earnings were at an all-time record of \$5,180,927, the highest for any quarter in the corporation's history. Compared to consolidated net operating earnings of \$4,597,579 for the first quarter of 1964, they represented a gain of approximately 13 per cent.

\* \* \*

Northwest Bancorporation declared a regular quarterly dividend of \$.37½ per share on its outstanding common stock, according to a recent announcement made by the board of directors. Consolidated net earnings were \$4,826,867, a record high for the first



## The First in St. Paul welcomes the MBA "Diamond Jubilee" Convention



Reno B. Odlin, President of the American Bankers' Association and Chairman of the Board, Puget Sound National Bank of Tacoma, Washington.

### ...and its guest of honor, Reno B. Odlin

The First National Bank of St. Paul is Delighted that the MBA "Diamond Jubilee" Convention is being held in its hometown, Minnesota's Capital City, at the Hotel St. Paul June 14-16. We're equally delighted that Mr. Reno B. Odlin, President of the ABA and Chairman of the Board, Puget Sound National Bank of Tacoma, will be an honored guest and featured speaker. We congratulate the Minnesota Bankers' Association on its Diamond Jubilee—for 75 years dedicated to the advancement of the banking profession. We are looking forward to seeing Mr. Odlin and the other dignitaries on the program, as well as all our other banking friends.

Also, we look forward to seeing our other banking friends at the Wisconsin Bankers' convention in Milwaukee, and at the Montana Bankers' convention at Jackson Hole, Wyoming, later in June.

## First National Bank of Saint Paul

**DIVISION V—BANKS AND BANKERS** Wallace L. Boss, Donald W. Buckman, David A. Shern, Vice Presidents . . . Roger Cunningham, James T. Gowan, Laurence R. Kennedy, Henry N. Snyder, Richard C. Swanberg, Assistant Cashiers . . . John F. Mullen, John D. Turner, John M. Woodridge III, Bond Advisory Specialists . . . Robert F. Donlan, Thomas T. Dwight, Roland W. Hohman, Trust Advisory Specialists



Member  
Federal Deposit  
Insurance  
Corporation

quarter and a gain of 13.6 per cent from the \$4,249,509 reported for the first three months of 1964.

\* \* \*

**Marcus O. Sather**, assistant cashier and a veteran of more than 47 years service with the Federal Reserve Bank of Minneapolis, recently took early retirement. He began his career with the bank as a messenger in October, 1917.

\* \* \*

**Dr. Oscar A. Anderson**, president of Augsburg College, has been elected a director of the Fourth Northwestern National Bank of Minneapolis, according to **Wendell I. Olson**, president of the bank.

**Miss Betty Ann Malcolm**, assistant cashier, Stock Yards National Bank of South St. Paul, has been installed as president of the Pilot Club of St. Paul, one of the five civic and service organizations for executive business and professional women.

\* \* \*

"The Minnesota Story," the first historical documentary film based on the state's wealth of natural resources and their development, is a new feature at the Minnesota Pavilion during the second season of the New York World's Fair.

The half-hour color film was produced, with the cooperation of the Minnesota Historical Society, by Farm-

ers & Merchants Savings Bank of Minneapolis and was released in October, 1964, to coincide with the bank's 90th anniversary.

\* \* \*

**Robert E. Macgregor**, 85, former senior vice president of Northwestern National Bank and a resident of Minneapolis for 80 years, died recently. Mr. Macgregor, who was born in Canada, retired from the bank as senior vice president in 1944 and, until 1947, was president of Investors Diversified Services.

\* \* \*

The 15 Northwestern banks report that free knothole tickets are again available this year for youngsters, through age 13, for Twins games. The first Knothole game was June 5. The next will be June 26. Tickets are available from the Northwestern banks. Adults, who will be admitted on general admission tickets, may arrange to pick up free Knothole tickets at the banks.

The Kokanee salmon, a new sport fish in Minnesota waters, is featured in the 10th annual edition of the Northwestern Banks Family Fishing Guide presently available free of charge at all Northwestern Banks in the Minneapolis area.

\* \* \*

**Leonard F. Ramberg**, vice president, Northwestern National Bank of Minneapolis, has been elected secretary-treasurer-manager of the Minneapolis Clearing House Association, according to the organization's head, **Gordon Murray**, president of the First National Bank of Minneapolis.

Mr. Ramberg succeeds **Charles F. Corchran**, vice president and cashier, First National Bank of Minneapolis, in the post.

\* \* \*

The First Grand Avenue State Bank of St. Paul has received authorization to increase the amount of its capital stock from \$350,000 to \$525,000, by stock dividend.

**New Bank President**

The resignation of Robert L. Seibert, president of the Rochester State Bank since 1963, and the election of Rochester attorney Richard A. Plunkett as his successor, were announced recently by the bank's board of directors.

**Begin Remodeling**

Work began recently on a new addition to the State Bank in Eden Valley. The concrete block addition will make possible two new private offices, a completely new bookkeeping area, enlargement of the bank's vault and two private booths for safe deposit box holders.

*Greetings and Best Wishes*  
to  
*Our Banker Friends*  
in  
*Minnesota*  
at  
*State Convention Time*

**STOCK YARDS NATIONAL BANK**

South Saint Paul, Minnesota

**AFFILIATED WITH NORTHWEST BANCORPORATION  
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION**





## Men, Money and Management

At the American our Banks and Bankers Division is one of our most intensive and important services.

Staffed by seasoned specialists, it has the backing of a score of "Men from the American" whose forte is complete financial planning.

Working and planning together, this team can guide you in all of the important decisions your bank is making. Next time you need complete "Full Service Banking" call "The Man from the American" he'll be happy to help you.

Phone 222-6666 Area Code 612

WE'LL SEE YOU AT THE MINNESOTA CONVENTION HERE IN ST. PAUL AT THE HOTEL ST. PAUL, JUNE 14-16, AND AT THE MONTANA CONVENTION AT JACKSON LAKE LODGE, MORAN, WYOMING, JUNE 24-26.



# AMERICAN NATIONAL BANK OF SAINT PAUL

SEVENTH AND ROBERT • ST. PAUL 1, MINNESOTA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

## You Will See Them at the 75th Annual Minnesota Convention

THE following metropolitan bankers, service and equipment firms have indicated they will be attending the Minnesota Bankers Association's annual convention in St. Paul, June 14-16:

### Chicago

**American National Bank & Trust Company:** Roy West, assistant vice president, and Bob Walcott, representative.

**Continental Illinois National Bank & Trust:** J. P. Johnson, vice president; C. W. Battey, second vice president, and Paul Jonescuc, assistant cashier.

**First National Bank:** William T. Dwyer, vice president; Nevin G. Bower, assistant vice president; Raymond V. Dieball and Clarence E. Cross, Jr., assistant cashiers, and Edward Means.

**Harris Trust & Savings Bank:** Douglas S. Seator, vice president, and William H. Howell, assistant cashier.

**Northern Trust Company:** Robert P. Kline, vice president, and John N. Fix, divisional assistant.

### Los Angeles

**Security-First National Bank:** James C. Barrett, Jr., vice president.

### Minneapolis

**First National Bank:** George S. Henry and Robert W. Beaupre, vice presidents; R. O. Weyrauch and Raymond H. Johnson, assistant vice presidents; Ed L. Kalafat, D. G. Wachholz, M. V. Rosholt and Fred Haw, assistant cashiers, and Robert Carlson, William McDonald, R. F. Carlson and James P. Sicora, representatives.

**Marquette National Bank:** Otto H. Preus, George S. Coonrod and R. W. Crouley, vice presidents; Avery Fick, assistant vice president, and Stewart L. Stotesbery, representative.

**Midland National Bank:** Douglas M. Johnson, vice president, and John W. Ordos and Jack W. Weber, assistant cashiers.

**National City Bank of Minneapolis:** Selmer L. Jerpbak, president; C. Bernard Jacobs, executive vice president; Gerald L. Bryan, vice president, and Patrick W. Colbert, Jr., assistant cashier.

**Northwestern National Bank:** Philip B. Harris, senior vice president; Keith M. Barnett, C. Paul Lindholm and Robert G. Ziemer, vice presidents; Donald M. Anderson and Paul B. Damkroger, assistant vice presidents; Eugene N. Axness, Paul E. Koch and John Johnson, assistant cashiers; Robert E. Dahl, credit consultant, and Gerald T. Tovsen, computer consultant.

### New York

**Chase Manhattan Bank:** Robert K. Schell, vice president; Alden K. Small and Robert W. Yates, assistant vice presidents.

**Chemical Bank New York Trust Company:** R. G. Morse, assistant secretary.

**First National City Bank:** Philip Conway, vice president, and Robert C. Paradise, assistant vice president.

**Irving Trust Company:** Donald C. Jackson, vice president.

**Manufacturers Hanover Trust Company:** Carl Carlson and John King, assistant vice presidents.

**Morgan Guaranty Trust Company:** David L. Hopkins, Jr., vice president, and Richard C. Starratt.

### Phoenix

**Valley National Bank:** Webb Todd, assistant vice president.

### Bank Equipment and Other Firms

**Bankers Service Corporation:** Henry H. Byers, president; Myron E. Karsten, executive vice president, and Norman M. Postles, associate, Des Moines.

**Diebold, Inc.:** Lee J. Sutton, regional manager; Ralph M. Kelley, assistant regional manager; Tom E. Jacobs, Paul Keller and Alvin G. Schlegel, representatives.

## Honor Medal



**FIRST NATIONAL BANK** of Minneapolis has added to its collection of awards and trophies a second George Washington Honor Medal from the Freedoms Foundation, Valley Forge, Pa. The bank was cited for the excellence of its fourth annual Economic Conference for Young Adults held last year. **Curtiss C. Coleman**, vice president, is pictured with the new award. The bank also won a Foundation medal in 1956 for its school-oriented economics program.

**George LaMonte & Son:** Robert P. O'Connor, sales representative.

**Lawrence Warehouse Company:** Henry Rhame, assistant vice president.

**Mosler Safe Company:** Chris Martin, Minneapolis.

**National Fidelity Life Insurance Company:** J. P. Gorecki and Mike Meichsner.

**National Reserve Life:** Al Smith and Les Lloyd, general agents, Boice Hodges and Stuart Perry, district managers.

**North Central Life Insurance Company:** Bob Stassens, Bill Stohr, Dick Brooks, Ray Coty and Will Rogers.

**Recordak Corporation:** Robert Danjelsen and Wm. H. Rose.

**St. Paul Insurance Companies:** Leonard R. Moeller, assistant secretary, and Elwood E. Linder, special agent.

**St. Paul Terminal Warehouse Company:** R. C. Schall, vice president, and Robert P. Larkin.

### Heads Aid Chapter

Glenn Thompson, assistant cashier at the First National Bank of Mankato, has been elected the 1965-1966 president of the South Central Minnesota Chapter of the American Institute of Banking.

### Named President

Loren W. Hamre, 32, vice president of Northwestern State Bank, Ortonville, has been elected president of the Silver Bay State Bank.

### President at Grafton

A. M. Severson, formerly vice president of the First National Bank, Moorhead, has accepted the position of president of the Grafton National Bank in northeastern North Dakota.

### Winona Bank Moves

The First National Bank of Winona last month opened for business in its new quarters.

### Named New Cashier

Frank J. Schugel, executive vice president of the State Bank of New Ulm, announced last month the appointment of Raymond E. Swanson as cashier and the advancement of Donald W. Palmer from cashier to assistant vice president.

### Lobby Display

First National Bank, Moose Lake, recently featured a lobby display of products manufactured by local industries. Included in the display were wrought iron items, ceramic tiles, pottery and candies.





**we  
eat it  
up!**

The opportunity to meet with you at the Minnesota-Montana convention is our dish. We'll be there in force—each of us with high hopes of visiting, getting to know you better—even helping out on correspondent banking matters if you choose to talk business.

**THE MARQUETTE NATIONAL BANK**

OF MINNEAPOLIS • SEVENTH AT MARQUETTE • FEDERAL 3-5411

*Member Federal Deposit Insurance Corporation*

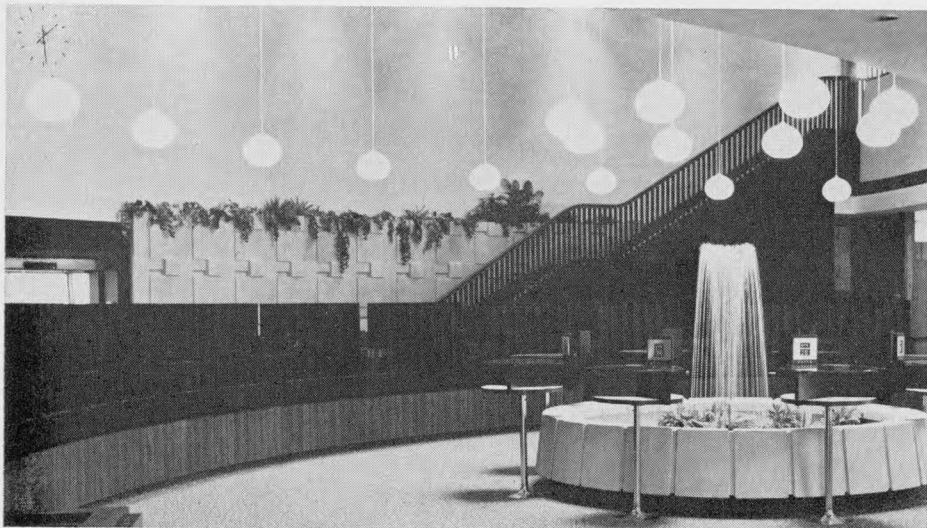
Carl Pohlad, President

CORRESPONDENT BANK DEPARTMENT: Otto Preus, Vice President; R. W. (Bill) Crouley, Vice President; Avery Fick, Assistant Vice President; Stewart Stotesbery, Representative.

**Northwestern Banker, June, 1965**



## Open House at Marshall



**NEW MARSHALL BANK**—Open house was held last month at the First National Bank of Marshall, Minnesota, according to **John T. Suedbeck**, president. The two-story bank contains 10 teller windows located in a semi-circle around the two-story curved wall. The second floor is a mezzanine which overlooks a fountain and rock pool. The new building also offers a two-lane drive-in facility.

### Celebrates 50 Years In Clara City Bank

B. A. Behrends, president of the Clara City State Bank, last month celebrated his 50th year in the same bank. The occasion was marked with an open house, in his honor, at the bank.

### Teller's Name

A teller in the American National Bank, Little Falls, has a name to suit his occupation. The teller, John Yourczek, pronounces his last name "your-check."

### Sells Bank Stock

E. A. Schiro, Fairfax, last month disposed of his holdings in the Citizens State Bank at Gibbon. New owner of the financial institution is Dennis E. Albertson, Stewart, who recently sold his interests in the First National Bank at Kilkenny.

### Charter Denied

Farmington's proposed new state bank was denied a charter recently by the Commerce Department Securities Division on the grounds that the applicants failed to establish the existence of reasonable public demand for such a bank.

### Accepts New Post

Ray Kalow, vice president and cashier of the Farmers State Bank of Nerstrand for the past 16 years, has accepted a position as vice president and cashier of the Lake City State Bank, Lake City.

### Neitz Heads Bank

Eugene R. Neitz, vice president of the Sterling State Bank, Austin, has been named executive vice president for the Owatonna State Bank, Owatonna, succeeding Gerald Bolden, who resigned to become managing officer of the Rochester State Bank.

Clen Malecha, manager of an Owatonna finance company, will join Sterling State Bank as installment loan officer.

### Capital Increase

An amendment has been authorized increasing the amount of capital stock from \$25,000 to \$50,000, by stock dividend, at the State Bank of Vernon Center.

### Named Assistant Cashier

William M. Wise, former credit an-

alyst for Northwest Bancorporation, Minneapolis, has been named assistant cashier of the Security National Bank and Trust Company, Faribault.

### Boost Capital

Citizens State Bank of Eagle Bend has been authorized to increase the amount of its capital stock from \$25,000 to \$50,000 by stock dividend.

### Marks 40 Years

C. R. Crever, chairman and president of the First State Bank, St. Joseph, last month marked his 40th anniversary in the banking profession. He began his career as a teller in Bertha, Minn.

### Bank Marks 65 Years

The First National Bank of Wilmont recently began its 65th year of operation. Radio Station WCCO noted the anniversary date on the station's regular Tuesday morning Bank Program.

### Bank Manager

Don Peterson, a member of the staff of the Stewartville First National Bank since 1962, has been named manager of the Medford State Bank, Medford.

### Named Vice President

Carl W. Biereis, president of the Grafton, N. D., National Bank, has been named executive vice president of the Austin State Bank, according to A. H. Haakenson, president of the Austin bank.

Both banks are affiliated with the Northwest Bancorporation.

### Eveleth Remodeling

First National Bank of Eveleth is completely remodeling the interior of the bank building to obtain more efficient use of existing space.

## Edward Bremer, 67, Dies; Was 1934 Kidnap Victim

**EDWARD G. BREMER**, 67, president and chairman of the board of the Commercial State Bank, St. Paul, Minn., kidnaped by the Barker-Karpis gang in 1934, died recently of a heart attack in Pompano Beach, Fla., where he had been vacationing.

Mr. Bremer was kidnaped by the gang January 17, 1934, and was held for \$200,000 ransom.

Then 37 years of age, the banker was seized at a traffic intersection as he was driving downtown after leav-

ing his 8-year-old daughter, Betty, at Summit School.

He was held captive in a house at Bensenville, Ill., and was released by his abductors at Rochester February 17, after two boxes containing the ransom money were left on a gravel road near Zumbrota, Minn.

Shortly thereafter, the FBI made repeated raids across the country, rounding up more than a dozen of the gang members. They were eventually sentenced to terms ranging from five years to life imprisonment.





Jack Weber, John Ordos and Doug Johnson await your wishes.

**Full service**—whether your appetite calls for complete bank services or a Banker's Blue Plate Special—is offered by Midland's correspondent staff. Doug Johnson, John Ordos and Jack Weber have plenty of help behind them. Most often they'll come up with appetizing answers for any request. Let them prove Midland Bank's friendship with special service.

THE BANK WITH THE BIG WELCOME

## Midland National Bank of Minneapolis

Call 332-0511 • 401 Second Ave. So. • Minneapolis, Minn. 55440

Member Federal Deposit Insurance Corporation

*Northwestern Banker*, June, 1965

# List General Committee For 75th M.B.A. Meeting

**A**RTHUR A. HAESSIG, vice president of the American National Bank of Saint Paul, has been named general chairman of the 75th Annual "Diamond Jubilee" convention of the Minnesota Bankers Association scheduled Monday, Tuesday and Wednesday, June 14, 15 and 16, in St. Paul.

Kenneth A. Wales, executive secretary of the organization, reports that approximately 2,000 bankers and their

wives will attend the historical meeting at the Hotel Saint Paul.

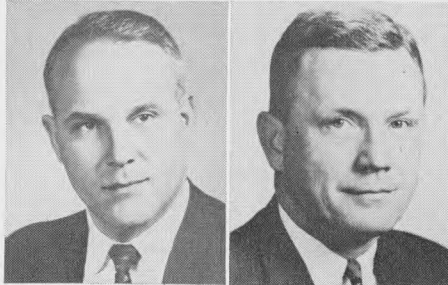
Members of the general committee include W. L. Boss, vice president of the First National Bank; P. B. Bremicker, Jr., vice president of the Northwestern National Bank, and W. A. Carpender, vice president of the Midway National Bank, all in St. Paul.

Additional committees, and members of each, are listed below. First and



A. A. HAESSIG

W. L. BOSS



P. B. BREMICKER, JR.

W. A. CARPENDER

### Elect Chairman

Edward M. Olsen, a director of the First National Bank of Milaca since 1945, has been named chairman of the bank's board of directors and Bernard Pearson, vice president and agricultural representative, has been elected a member of the board.

### Window Drive-In

Drive-in banking will make its debut in Windom with the remodeling of the First National Bank there, according to V. L. Thompson, president of the bank. The complete redecorating and remodeling project is to be completed about August 1.

### Named Director

Russell Bauman has been elected a new director of the State Bank of

Kerkhoven. In addition, Mr. Bauman was elevated from cashier to executive vice president, Mrs. Curtis Johnson was advanced from assistant cashier to vice president and Clarence Halverson was named cashier.

### Remodel at Onamia

The First State Bank at Onamia has been remodeled inside and out. The new inside decor includes paneling and recessed lighting.

### Sell Bank Shares

An opportunity to become a part owner of the Lake City Bank and Lake City Insurance Agency is now available to residents of the Lake City area, according to Tom Scallen, president of the bank.

The offer is being made by Financial

second names listed are chairman and vice chairman, respectively.

**Banquet and Entertainment**—R. E. Sipple, v.p., American National Bank; J. A. Ritt, v.p., Midway National Bank; R. James Gesell, cash., Cherokee State Bank; David R. Fesler, v.p., Liberty State Bank; and Warren T. Braham, tr. off., American National Bank.

**First Night Party**—D. L. Smith, a.v.p., First National Bank; G. Reed Macomber, v.p., American National Bank; Richard C. Swanberg, a.c., First National Bank; W. R. Jordan, v.p., Cherokee State Bank; and F. E. Trantanello, a.c., Midway National Bank.

**Golf**—William T. Price, v.p., American National Bank; J. M. Woolridge, a.v.p., First National Bank; and Roland Nordlund, Hillcrest State Bank.

**Hotel, Utility and Transportation**—R. E. Stevenson, v.p., Highland Park State Bank; H. N. Snyder, a.c., First National Bank; Philip Franklin, a.v.p. and tr. off., Midway National Bank; James T. Gowan, a.c., First National Bank; W. H. Kortum, v.p., Western State Bank; and Robert Hagen, ex. v.p. and cash., Phalen Park State Bank.

**Ladies Luncheon**—Valaria Hecht, Northwestern National Bank; Mrs. Elizabeth Hagerty, a.c., American National Bank; Corrine Severson, Midway National Bank; and Isabel Shea, First National Bank.

**Publicity**—S. E. Rogers, a.v.p., First National Bank; J. T. Sample, Jr., a.v.p., American National Bank; and James C. Graham, v.p., Stock Yards National Bank, South St. Paul.

**Registration**—Carl E. Bergquist, a.c.; Al Carlson, Mariner Clark and James Brooks, all of Federal Reserve Bank of Minneapolis.

**Speakers Reception**—David A. Shern, v.p., First National Bank; Roger Kennedy, v.p., Northwestern National Bank; Dyer Brogmus, pres., Minnesota State Bank; Hoyt Lathen, v.p., Stock Yards National Bank, South St. Paul; and Richard O. Long, pres., First State Bank of White Bear Lake.

Underwriters, Incorporated, which is the holding company operating both institutions. Incorporated in 1962 by Mr. Scallen, the company has never before offered stock for public sale. Par value has been set at \$2.25 per share. A minimum purchase of 10 shares is required.

Emery Zillgitt has been elected a director of the Lake City State Bank. Employed by the bank for the past 28 years, Mr. Zillgitt holds the position of vice president and cashier.

### Remodeling Completed

The State Bank of Grey Eagle recently completed an extensive remodeling project which included renovation of the bank's interior.

### To Cokato Bank

Ray Kusler, a member of the staff of the First National Bank, Milbank, for approximately four years, has been named cashier of the First National Bank, Cokato, effective June 1.

### Litchfield Bank President

Roger De Boer, 40, president of the First State Bank at Silver Bay, has been named president of the Northwestern National Bank of Litchfield.

### Elect Two Officers

The First National Bank of Fergus Falls has elected Earl J. Grundei executive vice president and Rowan C. McAllister cashier, according to Samuel P. Adams, president. Mr. Grundei, cashier at the bank since 1960, was

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elected to fill the vacancy left by the death of H. E. Swenson. Mr. McAlister has been installment loan manager and assistant cashier at the Downtown State Bank, St. Paul.

### To Winona Board

Richard C. Callender, president of Badger Foundry Company, has been named to the board of directors of the Merchants National Bank, Winona.

### To Cloquet Board

A Cloquet civic leader, Parker D. Childs, has been elected a director of the First National Bank of Cloquet, replacing Mrs. Ruth Dixon McNair, who resigned.

### Elected Cashier

David F. Sheldon, formerly assistant cashier at the First National Bank, Winona, has been elected cashier of the American State Bank, Watertown, Minn.

### Named Loan Officer

A. Fleckenstein has been appointed timepay manager and loan officer of the First National Bank, East Grand Forks, and Ralph Kovar has been named timepay adjuster at the bank. Mr. Fleckenstein was formerly associated with the First National Bank, Bismarck, N. D.

### 50th Anniversary

A 50th anniversary customer appreciation celebration was held at the Owatonna State Bank last month marking the institution's half-century in Owatonna. Refreshments were served throughout the day, roses and rose bowls were presented to visiting ladies, pens to visiting men and balloons were distributed to the children. Joseph C. Poire is president of the bank.

### Sell Austin Stock

Joseph J. Lickteig, chairman, and John Higgle, director, announced recently the sale of their stock in the Sterling State Bank, Austin, and their resignations from the bank's board of directors.

Mr. Lickteig served as chairman since the bank opened May 1, 1959, and Mr. Higgle had served as a director for the past three years. Their stock has been sold to Medelco, Inc., Rochester. Richard Plunkett, Rochester attorney, and Joseph C. Poire, Rochester electronic engineer, are Medelco's principal stockholders. The firm owns substantial stock in the Owatonna State Bank and Rochester State Bank and both men are members of both bank's boards.



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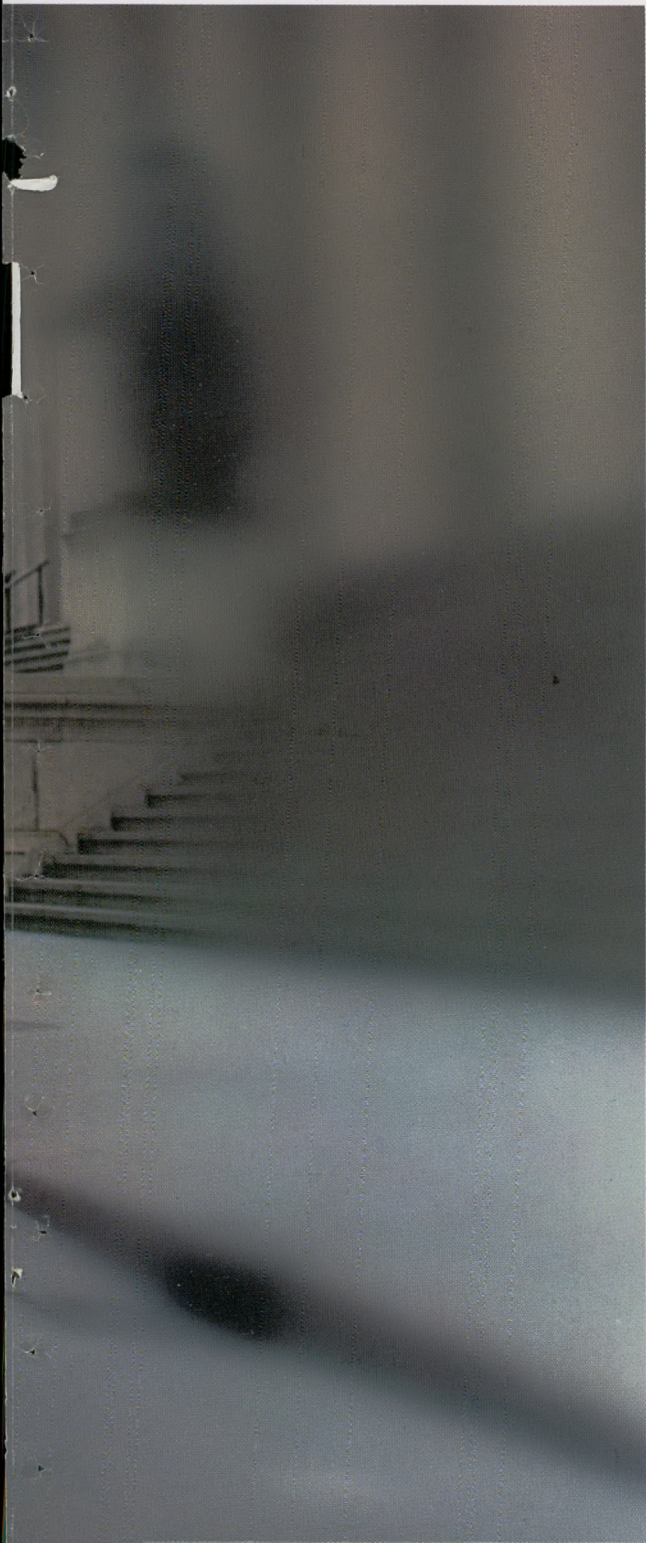


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## To Reduce S&L Tax Advantage

**T**WO bills to reduce the Federal income tax advantages enjoyed by savings and loan associations and mutual savings banks have been introduced by Representative Thomas B. Curtis (R.-Mo.) and Representative John C. Watts (D.-Ky.), both members of the House Ways and Means Committee.

The Bankers Committee for Tax Equality endorses these two bills as springboards which will lead to equal treatment for competing financial institutions.

Congressman Curtis' bill (H. R. 7585) seeks to remove the present statutory allowance for bad-debt loss reserve deductions by savings and loan associations and mutual savings banks. It would permit these institutions to use the same bad-debt loss reserve reduction formula now set by the Treasury for commercial banks. This rate is presently 2.4 per cent of eligible loans.

Congressman Watts' bill (H. R. 7649) would change the permissible bad-debt loss reserve ceiling for savings and loan associations and mutual savings banks from 6 to 5 per cent of

loans. At the same time it would establish by statute a bad-debt loss reserve ceiling of 4 per cent of loans for commercial banks.

### THE BANK DIRECTOR . . .

(Continued from page 29)

with the investment policy. He should know how to find new customers. He should be familiar with earnings and expenses and the dividend policy of the bank. He should be familiar with consumer and mortgage credit. He should be familiar with bank mergers, as to whether or not a merger would be beneficial to his bank.

#### Unhealthy Loan Competition

A bank director should see that a well-rounded loan policy is established. Sometimes a desire to increase a bank's earnings will lead the directors to approve a too vigorous loan program, and most frequently this can head one into difficulty. Directors should be held accountable for adequately supervising — through frequent meetings and audits—the bank's loan activities. Directors should not

permit themselves to be stampeded into unhealthy competition for loans, as it is bound to color their credit judgment. The American Bankers Association issues a loan policy checklist for directors' aid in carrying out their functions. With reference to loan policy, bank directors should make sure that the following points are not overlooked:

1. Before a loan is extended, reference should be made to the liability ledger to determine the borrower's total indebtedness to the bank.

2. Every loan should be accompanied by a repayment plan, concerning which active officers should be apprised even though the plan is recorded in the minutes.

3. Important maturing loans should be reviewed before maturity, and instructions should be given to active officers if the loans are not progressing satisfactorily.

4. Charged-off loans should be kept under continuing review, and charge-offs should be frequently compared with recoveries made. Responsibility for effecting recoveries should be fixed.

5. Financial statements should be analyzed and operating statements should be obtained—when necessary—for complete analysis.

6. Collateral, including real estate pledged, should be reappraised periodically.

7. Policy should be defined with reference to—

- (a) The relation of the greatest risk assets—that is loans—to total resources.
- (b) The relation of real estate loans to savings deposits.
- (c) The percentage to be lent against appraised value of real estate collateral.
- (d) The ceilings on discounts to be accepted from dealers.
- (e) When to charge off loans.

A bank's investment policy is also the responsibility of the board of directors, even though authority for specific transactions must be delegated to someone else. I think a board must possess a basic understanding of the purpose and nature of bank reserves and know something about the principles of investment, in light of today's special banking needs.

#### Attention to Trust Services

The trust department of a bank should be given more attention by the directors. As communities become more wealthy, the need for more trust services will arise. In the case of national banks, the attention a trust

### THE BANK DIRECTOR . . .

(Turn to page 66, please)

## What is the Canadian Economic outlook?

The GNP in Canada this year is expected to have grown by 8% to \$46.5 billion. If you want to help clients expand into this fast-growing market, Bank of Montreal's informative monthly *Business Review* can help answer your questions. It's yours for the asking.

For details on the many other services offered American bankers by Canada's First Bank, visit our nearest U. S. office.

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## AN NFL CASE STUDY

RE: Western State Bank  
Marshall, Minnesota

### Problem

"For years" says Art Persons, Marshall, Minnesota, banker, "we had been looking for an effective and efficient way to insure our farm operating and livestock loans. We had been offering Credit Life Insurance on monthly installment loans, but our farm loans, amounting to 80% to 90% of our totals, were uninsured."

### Solution

National Fidelity's new BANKERS SPECIAL POOL Plan was "customized" to solve this problem. Now, the bank efficiently offers low-cost insurance to ALL farm borrowers with effective results. AND, the amount of insurance actually fluctuates as the farmer's loan needs rise and fall.



Art Persons (left) and Robert H. Johnson (right), Marshall, Minnesota, bankers, go over details of BANKERS' SPECIAL POOL Plan with NFL Credit Life representative H. E. Meichsner.

# "Now, We Are Insuring Farm Loans Through NFL's New POOL PLAN"

Yes, Mr. Persons now insures his bank's farm loans under the new BANKERS' SPECIAL POOL Plan originated by National Fidelity Life. It is *reassuring* to know, he says, that the plan helps the bank minimize its farm-loan risks in addition to providing a much-needed service for the agricultural loan borrower.

Certainly the plan has been well received by farm borrowers. About 95% of them, when told about the plan, quickly insure their loans. (The low cost, of course, makes it attractive to the borrower.)

Mr. Persons also explains that the plan is extremely easy to administer. No unusual bookkeeping . . . no complicated refunds when a borrower pays off his loan "in advance." Yet the plan makes it possible for the borrower to be *fully insured* as his loan needs fluctuate between planting and harvest.

Yes, these are the reasons Mr. Persons is so pleased with his insured farm-loan plan. (1) It is low cost, and very competitive with plans offered by other agricultural lending agencies. (2) It is easy to administer. (3) It protects the bank as well as the borrower.



Are you looking for a way to take the risk out of your farm loans?  
Investigate NFL's new BANKERS' SPECIAL POOL Plan. For  
full details write: Robert Stroud, 1002 Walnut, Kansas City 6, Mo.

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# National Fidelity Life

INSURANCE COMPANY

KANSAS CITY 6, MO.

Northwestern Banker, June, 1965

**THE BANK DIRECTOR . . .**

(Continued from page 64)

department gets is spelled out in regulation 9 of the office of the Comptroller of the Currency in sections 9.7 and 9.9. Regulation 9 plans the responsibility for the proper exercise of fiduciary powers of the bank or its board of directors.

A director's regular attendance at board meetings is essential. Bank directors are not exempt from personal liability for actions of the board on grounds that they were absent when a particular decision was taken. A bank director must always keep him-

self informed of all acts of the board because he is equally liable with his fellow members, regardless of whether he was present or not.

**Not an Echo**

Thus, as I have stated over and over again in this discussion, a bank director has a position of great responsibility. His decisions on his bank's major policies must be based on some reasoned consideration of all of the problems involved. A good and sincere bank director should never allow himself to become an echo of the decision of any of his executive officers. He, the bank director, is expected to

provide real leadership, and this is a quality which requires both knowledge and an active interest in the affairs of his institution.

There is also the situation that might call into play the principle of undivided loyalty. Loyalty to the bank or any corporation is a duty imposed by law upon directors and officers by virtue of their positions. A bank director should never allow himself to be put in a position where a conflict of interest may develop.

**A Position of Trust**

Justice Stone once said (A precept as old as holy writ) that a man cannot serve two masters, and when a man seeks or accepts a position of trust, as he does when he becomes a director or officer, he thereby undertakes to subordinate his personal interests to those of the corporation, where the two conflict. Judge Cardozo also said, "Many forms of conduct permissible in a workaday world for those acting at arm's length are forbidden to those bound by fiduciary ties. A trustee is held to something stricter than the morals of the market place. Not honesty alone, but the punctilio of an honor the most sensitive, is then the standard of behavior."

Any bank director who conscientiously carries out his duties makes a great and fine contribution to the social and economic well being of his community. People must expect to, and are entitled to, see their bank in good hands. A bank director must not prove a disappointment to his trust. —End.

**Former Governor**

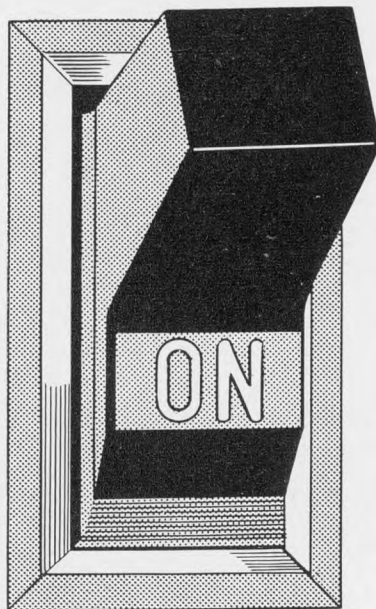
C. Elmer Anderson, Nisswa, has been named president of the State Bank of Hamburg. A former Minnesota governor, Mr. Anderson plans to keep his business holdings in Brainerd including the Iron Exchange Building and the 502 Building.

**Begin Construction**

Construction began last month at the First National Bank of Henning. The bank will be remodeled and an addition to the bank will be erected.

**Open Remodeled Bank**

Grand opening was held recently at the newly-remodeled home of the Empire State Bank, Cottonwood. The building, begun in July, 1964, had not been remodeled since the structure was erected in 1915. As a result of the remodeling project, the bank's area was expanded to approximately double its original size.



Switch "ON" to

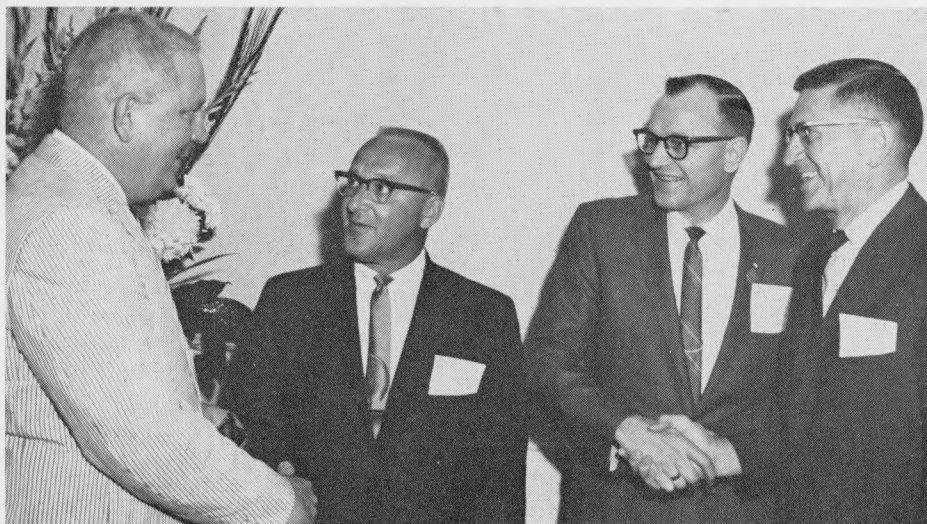
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### At South Dakota Convention

## **Odlin Urges Branching Caution And "OK" of All Past Mergers**

By **BEN HALLER, JR.**  
*Editor*  
and  
**LARRY NOTHWEHR**  
*Associate Editor*

"I'll see that we are heard," said Reno Odlin, chairman of the Puget Sound National Bank, Tacoma, Wash., and president of the American Bankers Association. With this statement, Mr. Odlin concluded his address to the annual convention of the South Dakota Bankers Association and the more than 800 attending bankers were convinced that the ABA would, indeed, be heard.

The popular president of the American Bankers Association was one of the headline speakers at the three-day convention held last month in Sioux Falls. Highlight of the convention came on the final day when Robert H. Walrath, president of First Citizens National Bank at Watertown, was elected to the presidency of the South Dakota Bankers Association. He accepted the gavel from retiring Presi-

dent Hogan E. Iverson, president of Farmers State Bank, Canton.

J. S. Holdhusen, president of Ipswich State Bank, moved up to first vice president, while Walter Pailing, president of American National Bank and Trust Company at Rapid City, was elected the new second vice president.

In his convention address, Mr. Odlin discussed several items which he felt needed the attention of all bankers.

1. He pointed out that the recent McClelland hearings involving bank failures received the full support of the ABA to make certain that all information was kept in the proper perspective. Though there has been a seeming rash of bank failures, he noted that only .006 per cent of all banks were involved and only .088 per cent of deposits.

Mr. Odlin reported that the hearing came back and said that "banking was just about the most racket-free industry in the United States.

"However, we feel that one fast-buck operator is too many," said Mr. Odlin, "and we must all be on the alert to keep them out."

2. The ABA is supporting legislation to force national authorities to be governed by local state laws, particularly in the area of branching. In some cases national authorities have granted branches in conflict with local laws.

"It's over simplification," he said, "to say that branch banks and independent banks can work side by side. The mere creation of branches is not necessarily bringing to communities better know-how, better lending ability, better banking.

"I am not one of those willing to throw away what we have evolved in banking for a branching system we don't know will work."

3. The chaotic situation which prevails on the question of mergers because of recent Supreme Court decisions must be straightened out, and the ABA is supporting a bill to validate all mergers accomplished and to reaffirm a 1950 bill which stated that all decisions made by federal authorities are final.

4. Because of lack of cooperation between the various federal agencies, there is movement to bring the Comptroller, FDIC and the Federal Reserve Board under one control. As an alternative to this, the ABA has asked the President to have the Secretary of the Treasury call together these agencies and resolve their differences.

As mentioned previously, Mr. Odlin closed by saying that he would continue to reflect the thinking of all bankers to the best of his ability and push for the ideals and beliefs of the American Bankers Association—and "see that we are heard."

Another headline attraction on the fine convention program was Hugh D. Galusha, Jr., newly elected president of the Federal Reserve Bank of Minneapolis. Mr. Galusha, in his first appearance before South Dakota bankers, stated that the major economic problems in the Ninth Federal Reserve District do not differ to any great extent from state to state. Common problems must be met by com-

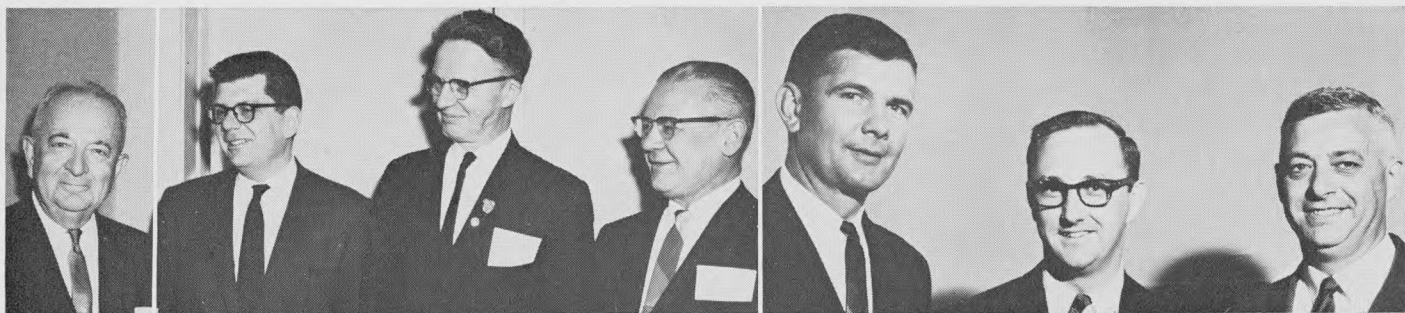
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LEFT—Convention speakers, ABA pres. **Reno Odlin**, chmn., Puget Sound Natl., Tacoma, Washington; **Dr. Paul S. Nadler**, associate prof. of finance, New York Univ., N. Y.; retiring SDBA pres. **Hogan Iverson**, pres., Farmers State, Canton, and

**S. J. Kryzsko**, pres., Winona Natl. & Savings, Winona, Minn. **RIGHT—Jay Bordewick**, a.v.p., U. S. Natl., Omaha, Nebr.; **Don A. Stephen**, assist. sec., Irving Trust Co., N. Y., and **Charles Undlin**, exec. v.p., 1st Natl. of Black Hills, Rapid City.

mon effort by all banks in the district, he stated.

In reviewing his concept of his job as president of Federal Reserve Bank of Minneapolis, Mr. Galusha said, "Our job is one of creating a climate in which the progress we all seek for the district can take place. We must see that our facilities and our people are available to help bankers in the district grow."

Dr. Paul S. Nadler, associate professor of finance at New York University, discussed the outlook for banking and pointed out that bankers must look to time and savings money to maintain total deposits. But, he went on to say, bankers must be very careful that time and savings deposits are actually making money. This can be done (1) by loans for consumer financing at 10 to 12 per cent, (2) getting other business as a result of getting a time deposit, (3) becoming more aggressive as a result of a more stable deposit base, and (4) selling capital debentures.

Dr. Nadler urged the use of capital debentures, but cautioned bankers in three areas:

- (1) Watch the cost of debentures.
- (2) Don't put debenture money in tax-exempt bonds.
- (3) Don't sell to your neighboring people. Sell far away so that your own deposits aren't disturbed.

Debentures can profitably be used by banks with as little as \$4 million to \$5 million in deposits, he said.

Other convention speakers included S. J. Kryzsko, president of Winona National and Savings Bank, Winona, Minn., and savings and bond chairman for the ABA; Dr. John Furbay, New York, appearing through the courtesy of General Motors Corporation; and Clayton Rand, Gulfport, Miss., newspaper publisher.

In formal ceremonies at the Saturday afternoon session of the convention, 24 men were honored for long-time service to South Dakota banking. Those receiving 50-year pins were:

Donald P. Amsberry, president,

Farmers State Bank, Carthage; Thomas S. Harkison, chairman, National Bank of South Dakota, Sioux Falls; M. J. McGillivray, president, Citizens State Bank, Clark, and Obed R. Skola, president, First National Bank, Eden.

Receiving 40-year pins were:

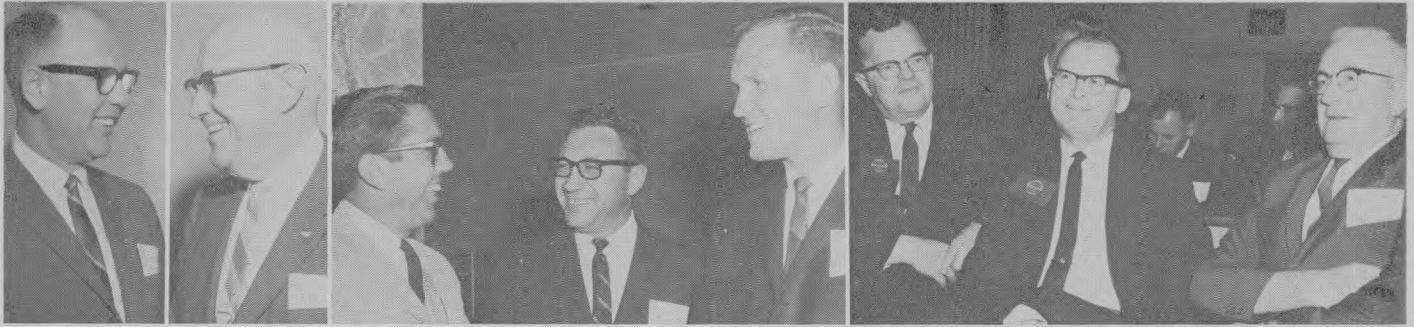
William W. Baker, president, First National Bank, Sioux Falls; Edwin W. Boehmke, president, Wilmot State Bank, Wilmot; Nellie C. Callahan, president, Vivian State Bank, Vivian; Helen Griffin, auditor, Aberdeen National Bank, Aberdeen; Albert J. Haerter, cashier, Farmers State Bank, Hosmer; Erling Haugo, president, Sioux Valley Bank, Sioux Falls; Ralph (Pete) Mattson, vice president, First National Bank of the Black Hills; Theodore E. Neiger, assistant cashier, First State Bank, Warner; Loyal C. Olson, vice president, Bank of Union County, Elk Point; Ed H. Peters, vice president, Security Bank, Webster; Thomas E. Porter, chairman, Security Bank, Webster; N. J. Thompson, vice president, National Bank of South



LEFT—Seated: **Les Grosz**, exec. v.p., Security Bank, Webster, and **Keith Kohrs**, U. S. Checkbook Co., Sioux Falls. Standing: **Ray Vogel**, U. S. Checkbook Co., Rapid City; **Ted Schanzenbach**, cash., First Natl., Selby; **Martin Haar**, v.p. & cash., Farmers & Merchants, Aberdeen, and **Delbert Paul**, v.p. & cash., Sully County Bank of Onida. **RIGHT—Seated: Alden K. Small**, a.v.p.,

Chase Manhattan, N. Y.; **Carroll Lockhart**, director, First Citizens Natl., Watertown, and **Philip B. Harris, sr.** v.p., Northwestern Natl., Minneapolis. Standing: **Keith Barnett**, v.p., Northwestern Natl., Minneapolis, and **Ivan Steen**, v.p., Northwestern Natl., Sioux Falls.





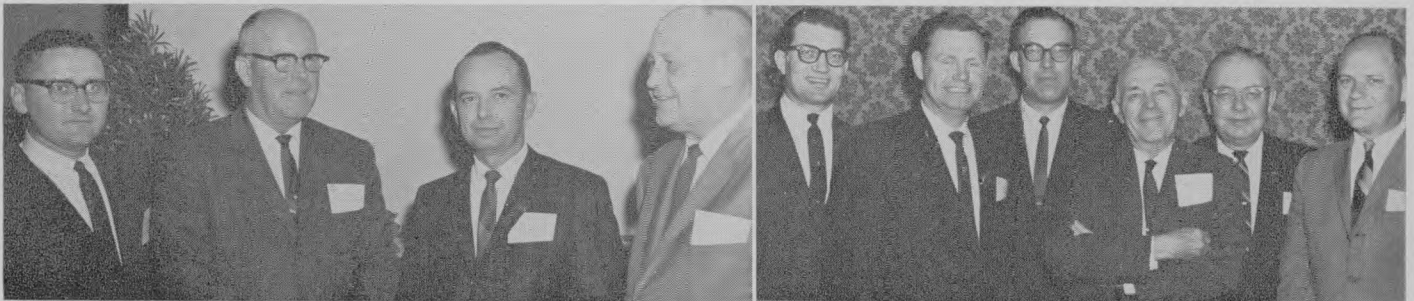
FROM LEFT: **Bill Heimerman**, sr. v.p., Northwestern Natl., Sioux Falls; **Henry Byers**, pres., Bankers Service Corp., Des Moines; **George V. Janzen**, asst. v.p., Central Bank & Trust, Denver; **R. D. Bonfoey**, a.v.p., First Citizens Natl., Watertown;

**Gene Hagen**, a.c., Security Natl., Sioux City; **Maurice Strothman, Jr.**, first v.p., and **Hugh D. Galusha, Jr.**, pres., Federal Reserve Bank of Minneapolis, and **Curtis B. Mateer**, exec. v.p., Pierre Natl. Bank.



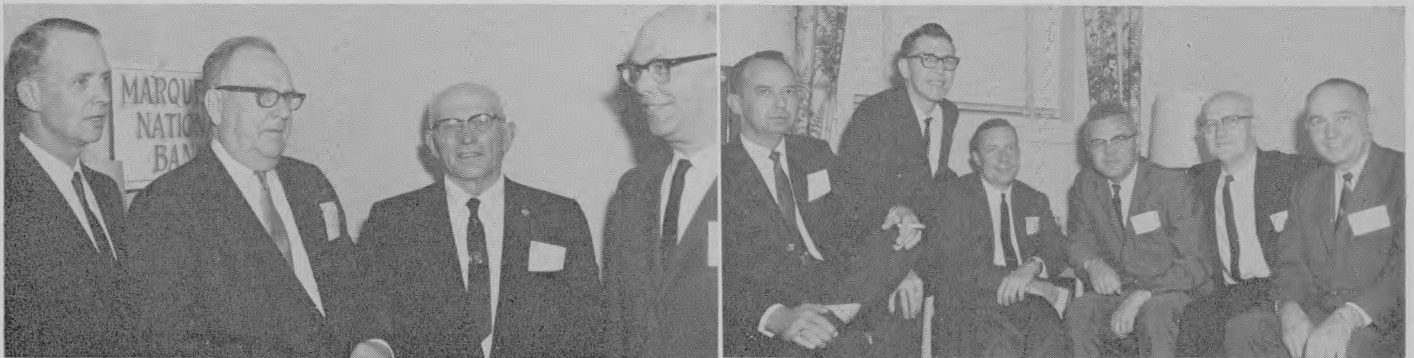
FROM LEFT—**Jim Stachour**, a.c., Toy Natl., Sioux City; **Dick Taylor**, v.p., First Natl., Sioux City; **R. W. Habberstad**, pres., Farmers & Merchants State, Iroquois; **Boyd Hopkins**, pres.,

Live Stock State, Artesian; **Fred Pfaff**, v.p. and gen. sales mgr., U. S. Checkbook Co., Omaha, and **Russell Peterson**, dist. mgr., St. Paul Terminal Warehouse Co., Omaha.



LEFT: **Jim Diefendorf**, cash., Farmers State, Irene; **A. L. Mikkelson**, v.p. and cash., Security State, Wakonda; **Ed Newell**, a.v.p., Live Stock Natl., Sioux City, and **Merle Dean, Jr.**, pres., Farmers State, Canton. RIGHT—At the Wisc. Graduate School of Banking breakfast. From left: **Clarence Erickson**, a.v.p., Union Bk. & Tr. Co., Sioux Falls; **Wayne Bredeson**, exec. v.p.,

Farmers & Merchants, Watertown; **Scott Lovald**, pres., First Natl., Philip; **W. M. Willy**, pres., Security Bank, Madison; **T. E. Neiger**, a.c., First State, Warner, 1966 chm. of Wisc. School of Banking breakfast, and **Jack H. McMillan**, v.p. & mgr., Stockyards branch, Northwestern Natl., Sioux Falls, 1965 chm.



LEFT—**Avery Fick**, a.v.p., Marquette Natl., Minneapolis; **Eugene C. Mahoney**, pres., Security State, Canova; **August Thorstenson**, pres., First National, Selby; **C. E. Johanson**, cashier, Hand County State, Miller. RIGHT—**Ed Newell**, a.v.p., Live Stock Natl., Sioux City; **Clarence W. Sauer**, cash., First State,

McLaughlin; **Charles W. Battey, Jr.**, second v.p., Continental Ill. Natl., Chicago; **Doug Johnson**, v.p., Midland Natl., Minneapolis; **Earl F. Nixon**, pres., Dakota State, Milbank, and **John Ordos**, a.c., Midland Natl.



LEFT—Seated: **Earl F. Nixon**, pres., Dakota State, Milbank, and **Lloyd Jorgenson**, treas., State of South Dakota, Pierre. Standing: **Don Wacholz**, a.e., and **Fred Haw**, a.e., First Natl., Minneapolis. CENTER—Standing: **David A. Shern**, v.p., First Natl., St. Paul; **Bob Frei**, pres., Commercial State, Wagner, and

**John Raymond**, a.v.p., First Natl., St. Paul. Seated: **Mrs. Shern** and **Mrs. Frei**. RIGHT—**Martin J. Colton**, pres., and **J. T. Brick**, v.p., The Natl. Bk. of South Dakota, and **E. C. Pieplow**, v.p., First Natl., Aberdeen.

Dakota, Presho; **George W. Toft**, president, Commercial Trust & Savings Bank, Mitchell; **Benjamin O. Wangsness**, president, First National Bank, Garretson; **Thomas E. Wangsness**, vice president and cashier, First National Bank, Garretson, and **S. C. Young**, vice president, First National Bank of Aberdeen.

On the social side, the convention was preceded by the usual bowling tournament and golf match on Thursday. Tying for the high individual game in the bowling tournament were **Judy Berg**, Farmers State Bank, Canton, and **Dick Uithoven**, The National Bank of South Dakota, Sioux Falls.

The NORTHWESTERN BANKER came to the convention prepared to present only one high game trophy which went to **Judy Berg**; however, a duplicate trophy was ordered and presented to **Dick Uithoven** at a later date.

Winner of the golf tournament was **Ivan Steen**, vice president, Northwestern National Bank in Sioux Falls.

The convention closed with a banquet on Saturday evening. The Harmonicats were the featured entertainment.

Aberdeen will be the site of the 1966 convention on May 12-14.—End.

### New Building for Alexandria

On April 12, 1964, the Security State Bank in Alexandria burned to the ground in an early morning fire. On April 10, 1965, the bank opened for business on the same site—but in a modern new building.

The white brick building includes both drive-in and night depository facilities. There is a full basement which will be used as a community room, according to **L. N. Arend**, vice president and cashier.

### Observes New Hours

**T. W. Diefendorf**, president of Farmers State Bank at Irene, reports that the bank is observing new hours during the summer. The bank will close at noon each Saturday and be open in the evening from 7:30 to 9:30 p.m.

### Decision on Trust Powers

Attorney General **Frank Farrar** ruled last month that a national bank chartered to do business in a state

other than South Dakota may not secure trust powers in South Dakota.

The opinion was given to **Herman Lerdal**, state superintendent of banks, who had been asked by an out-of-state national bank for qualifying forms to conduct fiduciary business in South Dakota.

**Mr. Farrar** said that 1962 congressional action authorizes national banks to secure trust powers only in the state in which the bank is located. He added that an individual may designate a national bank chartered outside the state as his executor or trustee, but the bank would be subject to all trust and probate laws of the state of South Dakota.

### Elected Director

**Keith Warren**, president of the First National Bank of Clark, has announced the election of **O. P. Rasmussen** to the bank's board of directors. **Mr. Rasmussen** is general manager of the Clark Community Oil Company.

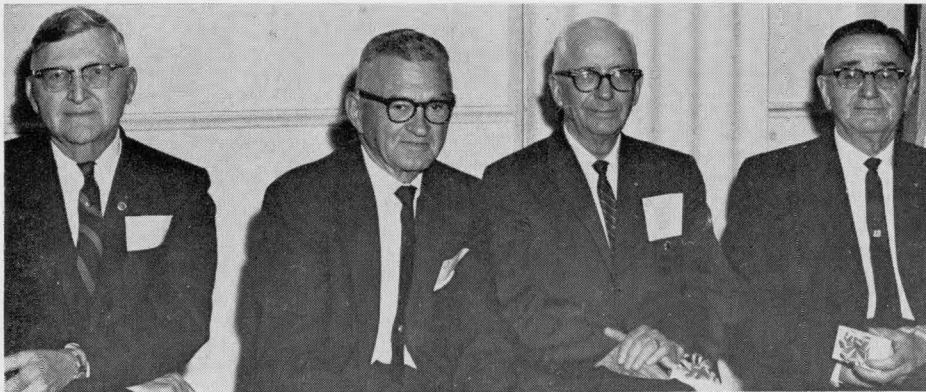
### Bank Women Elect

**Mary Loucks**, cashier of Rushmore State Bank in Rapid City, was elected chairman of the South Dakota group of the National Association of Bank Women at the group's annual convention in Sioux Falls last month.

Other officers are **Francis Vincent**, vice president of American National Bank in Rapid City, vice chairman, and **Mrs. Edith Young**, vice president of Southern Hills Bank in Edgemont, secretary-treasurer.

### Pierre Bank Moves

The First National Bank in Pierre has completed its move to a new location on West Sioux Avenue, according to **Clarence Neuharth**, vice president. Formal open house was planned for late May.



**HONORED GUESTS** were these bankers who received 50 year pins. From left: **Donald P. Amsberry**, pres., Farmers State, Carthage; **M. J. McGillivray**, pres., Citizens State, Clark; **Obed R. Skola**, pres., First National, Eden, and **Thomas S. Harkison**, chm., National Bank of South Dakota, Sioux Falls.



**Retires After 50 Years**

Einer J. Pearson, president of the Brandon Savings Bank, has retired after more than 50 years of service to the bank. He had been president since 1936.

A majority interest in the bank was recently purchased by John Vucurevick of Rapid City, and Don Cotton, who is with the bank. Mr. Vucurevick will become president and Mr. Cotton will be vice president and cashier.

Robert Kolber has been named an assistant cashier of the bank. He comes to Brandon after seven years in the First State Bank of Highmore.

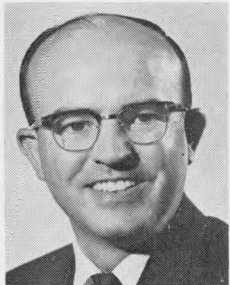
**Honor Bank Employee**

The Northwestern National Bank at Huron honored its senior employee, Martha Fetherhuff, commemorating her retirement after 47 years in banking, all but four with the Northwestern National.

C. A. Lovre, Sioux Falls, president of the Northwestern National Bank, presented Mrs. Fetherhuff with a wrist watch.

**Appoint Ag Rep**

Jack K. Rogers has been appointed agricultural representative of The National Bank of South Dakota at Huron, according to L. A.



J. ROGERS

Johnson, vice president and managing officer of the bank there.

Mr. Rogers has been a real estate and insurance broker with an insurance agency in Huron and prior to that was a farm credit appraiser with the Federal Land Bank of Omaha. He is a member of the state legislature, being elected to that post last year after filling out the unexpired term of his late father.

**Announce Retirement**

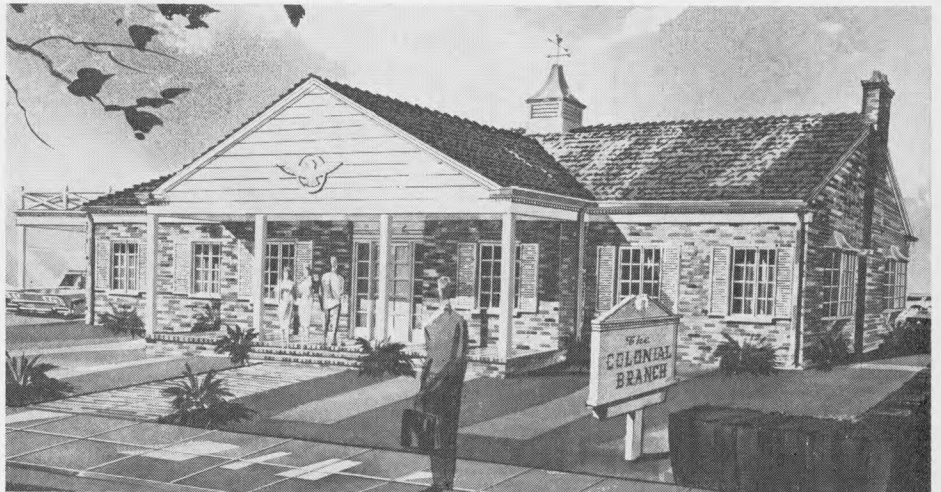
Henry C. Lehr, cashier, recently retired from the South Branch of The National Bank of South Dakota. Mr. Lehr joined the First Bank Stock Corporation in 1941 as a teller at the National Bank of South Dakota. He assumed his duties as assistant cashier at the South Branch in 1957.

**Hold A.I.B. Banquet**

Over 100 bankers attended the annual spring banquet of the American Institute of Banking held in Sioux Falls recently.

Tim Stern, assistant cashier of

**Begin New Colonial Branch**



R. O. (DICK) WOLD, vice president and manager of the Colonial branch, Northwestern National Bank of Sioux Falls, S. D., has announced that the general contract for construction of the bank's new building has been awarded. Work is to begin immediately and completion of the project is scheduled for December, 1965. The facility will feature a hard-surface parking lot and a drive-in window.

Northwestern National Bank; Cyril Fitterer, The National Bank of South Dakota, and Verlyn Smith, Western State Bank, were elected to the board of directors.

Norman Grosz, First National Bank, was named president of the group.

**NABAC Group Elects**

Delmer Boyd, assistant cashier of Farmers and Merchants Bank at Huron, has been elected president of the Central South Dakota Conference of NABAC.

Vice president of the group is Julius Goehring, assistant vice president of The National Bank of South Dakota at Wessington Springs. Terry Bedlow, Farmers and Merchants Bank of Huron, is the new secretary-treasurer.

The board of directors consists of Wallace Mikelsen, cashier of Community State Bank, Lake Preston; Reynold Klay, vice president of The National Bank of South Dakota, Huron; and Mel Cunningham, assistant cashier of Pierre National Bank.

**Begin Construction**

Construction has begun on the Northwestern National Bank's new "auto-bank" facility in Sioux Falls. Completion of the ultra-modern building is expected in early 1966, according to C. A. Lovre, president.

Tim V. Stern, assistant cashier, will be the managing officer of the new facility.

**Banking Board Action**

Herman Lerdal, superintendent of banks, reports the following action at

the South Dakota Banking Commission's recent meeting. Applications to establish drive-in facilities were approved for Farmers and Merchants Bank, Huron; Commercial Trust and Savings Bank, Mitchell; and Farmers and Merchants Bank, Watertown.

Approval was granted to the Chancellor State Bank to increase its capital account from \$25,000 to \$50,000.

**Group Meeting Dates**

A. S. Gullickson, executive secretary-treasurer of the South Dakota Bankers Association, has announced the following schedule for the 1965 fall group meetings:

- September 20—Group 5 at Rapid City.
- September 21—Group 4 at Mobridge.
- September 22—Group 2 at Aberdeen.
- September 23—Group 3 at Mitchell.
- September 24—Group 1 at Yankton.

**Open House**

G. L. Hill, president of the Security Bank at Webster, reports that the bank will hold a reception and dinner to celebrate the opening of their new bank building. The event will be held on June 10.

Tours of the building will be conducted with the other activities.

**Complete New Building**

The Citizens Bank of Vermillion moved into its new bank last month and plans a grand opening for June 11 and 12.

James E. Anderson, vice president, reports the building is rural South Dakota's latest in bank buildings, com-

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

plete with a time and temperature sign—the first in Vermillion.

### Join Yankton Bank

Eldred Hesla and Ronald Wright have joined the staff of the American State Bank of Yankton, according to Leo Plank, cashier of the bank.



E. HESLA

R. W. WRIGHT

Mr. Hesla has been associated with the Quaker Oats Company and the J. I. Case Company before joining the bank. He will be the agricultural representative.

Mr. Wright worked with the examining staff of the Federal Reserve Bank of Minneapolis for six years prior to joining American State. He will also be in the agricultural loan department.

### New Staff Member

The addition of Walter Simon to the staff of the real estate loan department of the American National Bank and Trust Company of Rapid City was announced recently by Walter Pailing, president of the bank.

### Oscar Neumann

Oscar Neumann, director of the First State Bank at Pierpont, died recently. He retired in 1961 as cashier of the bank and was with the bank for 37 years.

Succeeding Mr. Neumann on the board is Mrs. R. C. Franzen, wife of the president of the bank.

### TABS . . .

(Continued from page 32)

- A breakdown as to type of occupation.

- Race (later omitted).

Baton Rouge is truly in the Deep South. In designing the questionnaire, the word race seemed to jump out at officials. They were told that to omit it would reduce the accuracy of the budget for the Negro with a low income. This might work an injustice, but in this race conscious era the proponents dared not offend—even if it would help. They took their question to leaders at Southern University, the largest Negro college in the United States. Here, they were advised to delete the question dealing with race. This they did.

### Public Relations Aspect

"TABS" was designed as a free service, but it had to be made to contribute something to the bank other than goodwill. Consequently, the information filled in on each questionnaire will be processed by the computers, placed in an envelope marked CONFIDENTIAL, and returned to the cus-

tomers at the Louisiana National Office nearest him. It's just good public relations to get people into your place of business and counsel with them regarding their financial problems.

In addition, there is the very powerful factor of innovation—a new service which no other bank can offer—something else to sell, in addition to checking and savings accounts. There is that corporate image idea which bankers are always endeavoring to polish, so being a leader in the field of banking is very important, too.

The bank will also keep, on magnetic tape, a list of those who utilize this newest LNB service. It is hoped that this information will also provide new avenues of marketing.

### No Vainglorious Claims

Throughout the entire program, Louisiana National Bank makes no claims that this tailored budget will solve financial woes, but it does promise that "TABS" will show the areas where the individual may be out of line with his composite family.

If any other bank—outside of the Baton Rouge area—should be interested in this program, it can be made available on a fee basis, including all computer programming and pertinent data for their area, as well as promotional material. LNB will also be willing to perform these services, for a fee, for any bank without data processing equipment. LNB is not interested in promoting a new business, only recouping part of its costs in developing the program.—End.

## New Bank Is City's Tallest Building



**NEW SIOUX FALLS BANK OPENS**—The National Bank of South Dakota last month opened the doors of its new 10-story banking facility at the corner of Main Avenue and 8th Street in downtown Sioux Falls. The new white marble structure is 140 feet high and is topped by a 40-foot weatherball visible throughout the Sioux Falls area. The building is the city's tallest office building and is the largest bank building in an area

comprising North Dakota, South Dakota, southern Minnesota, western Iowa and northern Nebraska. The modern interior of the building, typified by the officers' section, teller windows and lobby area, is dominated by a 60- by 10-foot mural depicting South Dakota life. **Martin J. Colton** is president of the bank, **Frank J. Cinkle** is executive vice president, and **Thomas S. Harkison** is chairman of the board.

Northwestern Banker, June, 1965





**NEW PRESIDENT** of the North Dakota Bankers Association, elected at Minot last month, is **Gordon H. Weber**, pres., Farmers State, Lisbon. Flanking Mr. Weber are **A. A. Mayer**, left, pres., The Dakota National Bank of Bismarek, 1st v.p., and **J. H. Munn**, People's State, Westhope, 2nd v.p. Standing are **William Daner**, left, executive secretary, Bismarek, and **Virgil F. Hegeholz**, pres., Peoples & Enderlin State, Enderlin, immediate past president.

holz, president of Peoples and Enderlin State Bank, Enderlin, and president of the North Dakota Bankers Association.

#### I.B.A.'s Stenehjem Speaks

The first address on the program was delivered by Lee Stenehjem, president of the First International Bank, Watford City, and immediate past president of the Independent Bankers Association. He offered a stinging denunciation of James Saxon's policies as Comptroller of the Currency and of the various trends which he claimed were detrimental to the continued success of the nation's country banks.

He, however, also leveled criticism at what he described as a few of the nation's country banks which, he said, were not living up to their obligations to the public.

"We, as bankers, are obligated to do more than just keep the deposits of our community safe," he said. "In a small community, particularly, the public has no place to put its funds but in the bank. If our banks sit on these deposits and put them in municipal bonds and government securities, we are not fulfilling our obligation to the public which lets us operate."

"Actually, if we would have properly recognized our community responsibilities a number of years ago, we wouldn't be faced with burdensome

## North Dakota's Bankers Urged to Meet Duties

By **DAVID L. LENDT**  
Associate Editor

**M**EMBERS of the North Dakota Bankers Association, in record numbers, last month took a long, hard look at their present operations and heard some constructive suggestions for meeting the changes and challenges they face in the future.

A total of 550 persons registered for the 80th annual NDBA convention, well in excess of the 512 who were responsible for a new attendance record the previous year. Host city for this year's convention was Minot, N. D.

The organization's executive council announced that, in a meeting immediately after the close of the final convention session, it was decided to hold next year's convention in Grand Forks, N. D.

Although the three-day meeting commenced on a Thursday, the first business session was conducted the following morning by Virgil F. Hege-



**LEFT**—Lee Stenehjem, pres., First International, Watford City, and immediate past president, Independent Bankers Association; **Warren F. Vaughn**, v.p., Security Trust and Savings, Billings, Mont., who addressed the convention concerning the Uniform Commercial Code; and **S. J. Kryzsko**, pres., Winona National and Savings, Winona, Minn. **RIGHT**—**J. J. Hillman**, pres., First

State, Munich; **L. A. Nelson**, cash., Scandia American, Stanley; **Stanley Kwako**, pres., Farmers State, Heaton; **E. S. Hagert**, pres., Farmers and Merchants, Wimbledon; **C. O. Thompson**, pres., First Security, Underwood; **A. O. Barstad**, pres., First State, Harvey; **Leonard P. Givold**, v.p., Northwestern National, Minneapolis, and **S. D. Jacobsen**, pres., First State, Sharon.

Northwestern Banker, June, 1965



LEFT—Milton Boyce, office manager, Merrill Lynch, Pierce, Fenner & Smith, Minneapolis; A. A. Haessig, v.p., American National, St. Paul; Fred Meier, Union Central Life, St. Paul; and D. H. Johnson, a.v.p., American National, St. Paul. RIGHT—L. Donald Thorson, v.p., First National, Minot, and general chairman of the convention; Dell Palmer, pres., Fargo National



and recipient of U.S. Savings Bond Minuteman Award; A. M. Eriksmoen, exec. v.p., The Dakota National, Fargo, who made the award presentation; and Rep. Mark Andrews, North Dakota Congressman who was the featured speaker at the Friday evening banquet.

competition that we now have from the savings and loans, credit unions and the federal sponsored lending agencies. I am convinced that we, as bankers, have greatly helped in establishing our chief competitors. While I served for five years as a member of our state banking board reviewing the examination reports, it became evident to me that we have a few banks in our state that are not fulfilling their community responsibilities as bankers and that they have very little justification for their existence.

**"Pump Enough Credit . . ."**

"When we are granted a bank charter from the state or the comptroller of the currency, we accept the social

responsibility that it involves to properly take care of the credit needs of the people we serve. In my opinion, if a community is strong enough to support a bank, then the bank has an obligation to pump enough credit back into the community to provide money for housing loans, home improvements, car financing, farm needs and the many other opportunities that we have to make our economic wheels go around."

**Bonds and Code**

S. J. Kryzsko, president of the Winona National and Savings Bank, Winona, Minn., spoke in favor of the U. S. Savings Bond program and praised bankers for their interest and participation in the past. The exten-

sive activity of bankers in the program, he said, attested to their willingness to accept their responsibilities to their country.

The North Dakota bankers later went on record as supporting Mr. Kryzsko's candidacy, in 1966, for the position of vice president of the American Bankers Association.

Warren F. Vaughn, vice president of the Security Trust and Savings Bank, Billings, Mont., and an attorney, gave the North Dakota bankers a preview of the Uniform Commercial Code which will become law in North Dakota next year and which has been in use in Montana since January.

"You're going to like it," Mr. Vaughn told the bankers as he re-



LEFT—Arthur H. Davis, v.p. & tr. off., Liberty National, Dickinson, winner of the transistor radio presented by NORTHWESTERN BANKER as a door prize at the final business session of the N.D.B.A. convention. CENTER—A. O. Barstad, pres., First State, Harvey; Eugene Rich, state banking examiner, and C. O. Harding, v.p., American State, Williston, following ceremonies honoring the two bankers for their 50 years in

the profession. RIGHT—Hugh Galusha, Jr., new president of the Federal Reserve Bank of Minneapolis, and Glenn A. Uggen, pres., Peoples State, Wells, Minnesota, and president of the Minnesota Bankers Association, who was present during the N.D.B.A. convention. H. E. Iverson, chmn., Farmers State, Canton, S.D., and president of the South Dakota Bankers Association, also visited the convention.



viewed briefly the improvements, particularly in the area of secured loans, which will accrue to the state's bankers under the provisions of the Code.

He suggested that, inasmuch as the new law is a lengthy and complex one, bankers in the state would do well to acquaint themselves with its provisions. He suggested, also, that bankers forewarn their attorneys in order to be certain that they, too, are familiar with the changes affected by the Uniform Code.

#### New Reserve President

Following an explanation of the provisions of the group life insurance and health insurance plans which had been approved for the association by the organization's executive council, the bankers adjourned to a stag luncheon to hear Hugh Galusha, Jr., recently-elected president of the Federal Reserve Bank of Minneapolis, in his first public appearance since his appointment May 1.

While in Minot, Mr. Galusha was sworn in as a member of the Federal Open Market Committee in a brief ceremony at the First Western State Bank. Because he was scheduled to attend his first Committee meeting the following week, the swearing-in ceremony was hurriedly arranged and was conducted unbeknownst to all but a handful of conventioners.

In his address before the bankers, Mr. Galusha noted that the problems of the states within the Ninth Federal Reserve District are similar and that the states' problems do not begin or end at their individual state boundaries.

He urged greater area-wide cooperation, particularly within the Ninth District.

Following the luncheon address, seven of the state's bankers were honored for having completed 50 years in the profession during the past year. Those honored included A. O. Barstad, president of the First State Bank, Harvey; C. O. Harding, vice president of the American State Bank, Williston; John C. Hoffert, a director of the Foster County State Bank, Carrington; L. A. Sayer, president of the Binford State Bank, Binford; F. E. Stewart, vice president of the First National Bank, Williston; F. H. Ellwein, a director of the Security State Bank, New Salem, and A. C. Idsvog, chairman of the Grafton National Bank, Grafton.

The afternoon was reserved for bowling and golf for the men and a luncheon and style show for the ladies at the Minot Country Club.

#### Evening Banquet

L. D. Thorson, general chairman for

the convention and vice president of the First National Bank, Minot, acted as toastmaster at the evening banquet which was addressed by Representative Mark Andrews, Congressman from North Dakota's Eastern District.

Mr. Andrews touched upon a variety of timely topics ranging from Viet Nam to Santo Domingo to the recently-passed Medicare bill.

Following Mr. Andrews' address, Dell Palmer, president of the Fargo National Bank, Fargo, was presented a Minuteman Award for his successful efforts in behalf of the state-wide U. S. Savings Bond program for which he served as volunteer chairman. Under his guidance, the state exceeded, by approximately 25 per cent, its Savings Bond sales quota.

#### Younger Customers

Saturday morning, at the final business session of the annual convention, Eugene Rich, state banking examiner,

### NEW OFFICERS

North Dakota Bankers Association

President—Gordon Weber, president, Farmers State Bank, Lisbon.

First Vice President — A. A. Mayer, president, The Dakota National Bank, Bismarck.

Second Vice President — J. H. Munn, vice president, Peoples State Bank, Westhope.

Treasurer—Robert Hendrickson, president, The First National Bank, Bismarck.

### NEW ABA OFFICER

Gary Lerberg, Cashier, Peoples State Bank, Parshall, ABA Executive Council Member for North Dakota (three-year term).

presented a talk entitled, "The Changing Banking Scene," in which he concentrated his remarks upon the banks' future customers.

Quoting Census Bureau statistics, Mr. Rich pointed out the fact that the population is growing younger and younger and that the babies born during the postwar "boom" are now becoming working and purchasing young adults who will more and more require banking services.

He also noted that fewer and fewer bank customers have been adults during difficult economic times or world war and that, as a result, young adults today exhibit different concepts, different ideas and different demands than did their predecessors. Corre-

spondingly, he said, they must be treated differently when they go to their banks for financial assistance and banks must be prepared to serve them or lose their business to competing institutions.

Among his suggestions to the state's bankers were the following:

(1) If the industry is to maintain its position as the leader in the financial field, it must point its advertising and service to young people.

(2) The young people will present a less favorable financial statement than the present consumer customer. It used to be that the years of savings came before the head of the family was 40 years old. Now the savings years of the American family come after the head of the household is 40 years old.

(3) These young adults will present a less favorable financial experience background than present customers. Certainly the caution inbred by years of depression and war have contributed to the conservative financial status of the present consumer.

"I know that many of you are concerned about financing of farm loans by PCA, FHA, SBA and others who have become competitive in the field of business and farm financing," he said.

"We might well ask ourselves, 'how much additional financing can we afford to take, and do we have the staff and financial assets to take care of these credit demands?' Certainly these young people are going to find financing someplace. A place in our business world must be found for these young people. Because of their limited financial and economic experience, it may be necessary that other sources of financing be made available until they become acceptable bank risks."

#### Election Held

New members elected to the executive council for two-year terms were the following:

Lloyd Kempf, president, Grant County State Bank, Carson; R. G. Burges, cashier, Security National Bank, Edgeley; Robert Barstad, cashier, First State Bank of Harvey, and Gordon Larson, president, First State Bank, Park River.

Outgoing President Hegeholtz, in his final address as head of the organization, ended the convention on a high note when he reported that the NDBA boasted the membership of every bank in the state. Although the organization was consistently within striking distance of the 100 per cent mark during the past several years, 1965 was the first year in which the goal was realized.—End.

### New Manager at Fordville

Harris Trosen is the new manager of the Fordville branch of the Walsh County Bank. He succeeds Dan Bartholomew who has accepted a position as executive vice president of the Curtis-Owens State Bank, Owens, Wis.

Mr. Trosen was with the Valley Bank at Gilby prior to joining Walsh County Bank.

### Open Walk-In Facility

The Bank of Tioga last month opened a new walk-in paying and receiving facility located in the bank building. The new facility will be open two additional hours each week day and from 9 to 12 on Saturday, according to R. C. Wiper, president.

### A.I.B. Banquet

The Missouri Valley Chapter of the American Institute of Banking held its annual awards banquet in Bismarck recently. President of the chapter is Charles Mitchel, assistant cashier of Dakota National Bank in Bismarck.

Main banquet speaker was Arthur A. Erpelding, assistant treasurer and manager of the main banking department at Farmers and Mechanics Savings Bank in Minneapolis. Mr. Erpelding has served A.I.B. for 25 years and is currently on the National A.I.B. executive council for District 10.

### J. M. Dain Elects

Thomas S. Kleppe has been elected vice president and a director of J. M. Dain and Company, a Minneapolis-based investment banking firm. He will manage Dain's corporate and institutional services in North Dakota.

Mr. Kleppe was formerly president of Gold Seal Company and is also a former mayor of Bismarck.

### Open New Bank Building

The First National Bank of Bowbells last month held open house in its new quarters. John Norgaard, executive vice president, reports that the bank has occupied the new brick and tile building since January.

Most of the bookkeeping equipment was retained in the new building, however new furniture and tellers' counters were installed. This is the third building the bank has occupied since its organization in 1903.

### Installs Computer System

A Burroughs B270 computer system has been installed at the First National Bank in Grand Fords, according to Paul Olander, vice president. The system includes a sorter-reader, card reader, central processor, magnetic tape units and a line printer.

### Page State Appoints

R. Paul Pederson, vice president of the Page State Bank, has announced the appointment of Merland L. Carlson as cashier and managing officer of the bank.

Mr. Carlson has been with the North Dakota State Banking Department for the past three years and, prior to that, he worked for eight years with the First Bank Stock Corporation in various posts.

### New Medora Facility

The Farmers and Merchants Bank of Beach is building a paying and receiving station at Medora. Construction has begun on the new building which will be located between the church and the new post office in Medora.

## Extra Services



**DICKINSON, NORTH DAKOTA'S** new First National Bank will offer several "extra" services along with its complete conventional banking operations, according to **Mrs. E. A. Nachtwey**, president, pictured with a model display of the proposed bank. Work is scheduled to begin this Spring on the new bank. Among the "extras" will be (1) a customer area built around a Dow-Jones reporting service complete with teletype, (2) a financial library including business books and periodicals available to the public, (3) a community room, (4) a completely-equipped kitchen to serve the community room and (5) a trust vault in addition to safe deposit and cash vaults. The bank is to be completed early next year.

### New Cashier at Mott

Don Loh has been named cashier of the Commercial Bank of Mott, according to R. V. Trousdale, president. Mr. Loh has been cashier of the First State Bank of Regent.

### State Bank Board Rulings

In recent decisions by the State Banking Board, Glenburn and Berthold will get new bank stations and an exchange at Max will become a paying and receiving station.

W. E. Keller, president of First Western Bank at Minot, announced receipt of approval for a paying and receiving station at Glenburn.

American State Bank of Minot will start paying and receiving stations at Berthold and Max, according to T. A. Solheim, president of the bank. First Western had also sought authorization for a station at Berthold, but the board ruled in favor of the American State application.

### Heads Grafton Bank

Allan M. Severson has been elected president of the Grafton National Bank effective July 1. He replaces Carl W. Beireis who resigned to accept a position as executive vice president of the Austin State Bank at Austin, Minn.

Mr. Severson has been vice president of the First National Bank of Moorhead, Minn.

### Joins Page Bank

Merland L. Carlson has been named cashier and managing officer of the Page State Bank, Page, N. D., according to an announcement by R. Paul Pederson, vice president of the bank.



M. L. CARLSON

Mr. Carlson has been with the North Dakota State Banking Department for the past three years. He has been living in Valley City.

### Confirm Diebold Purchase

Diebold, Incorporated, announced recently that its offer to purchase a minimum of 141,000 common shares of Lamson Corporation has been successful, and that the checks covering the payment of these 141,000 shares were in the mail. Diebold announced that its offer to purchase of April 22 was still open, and that all additional Lamson shares offered would continue to be purchased for cash at \$31.50 a share.





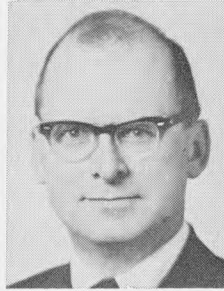
T. JACOBS



R. C. WALLACE



A. K. DAVIS



H. D. GALUSHA, JR.



S. J. KRYZSKO



H. C. COLEMAN

## Montana Bankers to Jackson Hole

A FULL and informative program of renowned speakers is scheduled for the 1965 convention of the Montana Bankers Association Thursday, Friday and Saturday, June 24, 25 and 26, at picturesque Jackson Lake Lodge, Jackson Hole, Wyo.

The convention, which will mark its 62nd year this month, will commence Thursday afternoon with a luncheon meeting of the executive council. The first general business session will be called to order at 10 a.m. the following morning:

Among the speakers scheduled are Hugh D. Galusha, Jr., recently-elected president of the Federal Reserve Bank, Minneapolis, and S. J. Kryzsko, president of the Winona National and Savings Bank, Winona, Minn., and a candidate, in 1966, for the office of vice president of the American Bankers Association.

Several prominent bank officers and educators are also scheduled to address the convention.

Theodore Jacobs, president of the First National Bank, Missoula, is president of the Montana Association and R. C. Wallace, Helena, is the organization's secretary-treasurer.

The complete program follows:

### Thursday, June 24

P.M.

- 1:00 Luncheon Meeting of Executive Council-Conference—Rooms 2 and 3.  
Registration—Lower Lobby.
- 5:45 Social Hour—Sun Deck.  
Honoring Theodore Jacobs, president of the Montana Bankers Association. Compliments of Midland National Bank, Billings; Metals Bank & Trust Company, Butte; First National Bank, Great Falls, and First National Bank & Trust Company, Helena.
- 7:00 Dinner—Explorers Club.
- 9:00 Dancing—Explorers Club.  
Refreshments Courtesy of Associate Members.

### Friday, June 25 Explorers Room

A.M.

- 10:00 Call to Order—Theodore Jacobs, President, Montana Bankers Association; President, First National Bank, Missoula.  
Invocation.  
Welcome Address—Superintendent, Grand Teton National Park.  
President's Address—Theodore Jacobs.  
Address—Archie K. Davis, Vice President, American Bankers Association; Chairman, Wachovia Bank & Trust Company, Winston-Salem, N. C.

Meeting of Montana Members of American Bankers Association—R. Wickham Baxter, A.B.A. State Vice President for Montana; President, Ravalli County Bank, Hamilton.

Address—Henry C. Coleman, Chairman, Commercial Bank at Daytona Beach, Fla.

P.M.

- 12:15 Luncheon Meeting of 25-Year Club.  
2:00 Address—James L. Athearn, Dean, School of Business Administration, Montana State University—Explorers Room.  
Greetings—Hugh D. Galusha, Jr., President, Federal Reserve Bank, Minneapolis.  
U. S. Savings Bonds—S. J. Kryzsko, President, Winona National and Savings Bank, Winona, Minn.  
Report of Resolutions Committee—Dean Albert, Executive Vice President, First National Bank, Ekalaka.  
Address—A. W. Larsen, Vice President, Wells Fargo Bank, San Francisco.  
Adjournment.
- 6:00 Social Hour—Sun Deck. Participants requested to wear costumes of country or origin or choice. Compliments of Union Bank & Trust Company, Helena.
- 7:00 Family Dinner—Explorers Room.
- 9:00 International Ball—Explorers Room.  
Music by Billings Jam Band. Refreshments Courtesy Associate Members.

### Saturday, June 26 Explorers Room

A.M.

- 10:00 Call to Order.  
Address—John Sweeney, Vice President, Northwest Bancorporation, Minneapolis.  
Address—D. Q. Posin, Chairman, Physics Department, De Paul University, Chicago.  
New or Unfinished Business.  
Election of Officers.  
Installation of Officers.  
Drawing for \$100 Door Prize.  
Adjournment.

### LADIES' ENTERTAINMENT Friday, June 25

P.M.

- 1:00 Luncheon—Rooms A & D.  
"Men and Women of Science"—D. Q. Posin, Chairman, Physics Department, DePaul University, Chicago.  
Door Prizes.

## Beautiful Convention Site



**SITUATED** in the heart of the rugged Grand Tetons is Jackson Lake Lodge in Grand Teton National Park, Wyoming. Both the Wyoming Bankers Association and Montana Bankers Association will hold their annual conventions here in June. The Lodge and surrounding cottages contain 350 guest rooms, most of which command a sweeping view of placid Jackson Lake and the towering Tetons.

### Elect Director

Gerald T. O'Bryan has been elected to the board of directors of the Security State Bank of Harlem. He is a rancher and businessman in Harlem.

### Whitehall Elects Officers

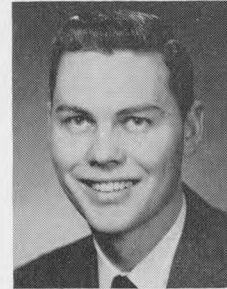
At a recent meeting of the board of directors of the Whitehall State Bank, John H. Jardine was named president of the bank, succeeding Alex W. Rob-

ert, who died recently. Mr. Jardine had been vice president.

Ruth Opie was advanced from vice president to executive vice president and Harold Piazzola advanced from cashier to vice president and cashier. He was also named to the board of directors.

### Moves to Helena

Frank Bennett, assistant cashier at the Red River National Bank in Grand Forks, N. D., has been elected to the position of vice president at the Commerce Bank and Trust Company in Helena. Lyle Olson, president of the bank, made the announcement,



F. R. BENNETT

noting that Mr. Bennett is a native of Montana and began his banking career at the First National Bank in Havre.

### Named to Board

Leo Fisher has been named to the board of directors of the First National Bank of Whitefish. Mr. Fisher is an attorney in Whitefish.

### New Director at Great Falls

Malcolm E. Holtz, prominent farmer and businessman, has been appointed to the board of directors of the First National Bank of Great Falls.

Mr. Holtz served for six years as a director of the Helena board of the Federal Reserve Bank of Minneapolis.

Also, at the First National Bank, Irving M. Monsos has been promoted from assistant vice president and assistant trust officer to vice president, also retaining his duties as assistant trust officer.

### Computer Installed at Billings

A Burroughs B170 has been installed at the First National Bank of Billings, according to Fred Marble, Jr., president of the bank. The system is the Burroughs Corporation's entry into banking in Montana with its computers.

### Officer Changes

The following officer changes have been announced by the First Chouteau County Bank of Fort Benton; J. H. Moorse, formerly vice president and cashier, has been named president; Norris E. Hanford, a director, was named vice president; S. E. McSweeney is cashier, and James E. Cowen and L. C. Siebnaler are assistant cashiers.

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of experience in providing  
superior correspondent facilities  
for Montana Banks*

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TRUST COMPANY**

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MONTANA

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Visit Glacier National Park  
and  
The Blackfeet Indian Reservation  
in 1965

**FIRST NATIONAL BANK of BROWNING**  
BROWNING, MONTANA



## You Will See Them at the Montana Convention

THE following metropolitan bankers, service and equipment firms have indicated they will be attending the Montana Bankers Association's annual convention at Jackson Lake Lodge, June 24-26.

### Billings

**First National Bank:** Fred Marble, Jr., president, and A. F. Winegardner, Jr., vice president.

**Midland National Bank:** John E. Tenge, president, and F. S. Webb, vice president.

**Security Trust & Savings Bank:** O. M. Jorgenson, chairman, and R. M. Waters, president.

### Butte

**Metals Bank & Trust Company:** F. E. Lienemann, vice president.

### Chicago

**American National Bank & Trust Company:** W. B. Aldrich, assistant vice president.

**Continental Illinois National Bank & Trust Company:** Gerald K. Bergman, assistant cashier.

**First National Bank:** Clarence E. Cross, Jr., assistant cashier.

### Denver

**Central Bank & Trust Company:** George V. Janzen, vice president.

**Denver United States National Bank:** John Hershner, senior vice president, and Don Ferrel, vice president.

**First National Bank:** Royce B. Clark, assistant vice president, and Phillip J. Hogue, assistant cashier.

### Great Falls

**First National Bank:** Adrian McLellan, president, and L. C. Terrett, vice president.

**Great Falls National Bank:** D. J. Dundas, director; F. C. Hedger, president, and R. E. Lee, assistant vice president.

### Los Angeles

**Security-First National Bank:** James C. Barrett, Jr., vice president.

### Minneapolis

**First National Bank:** George S. Henry and Charles K. Skinner, Jr., vice presidents, and Edward L. Kalafat, assistant cashier.

**Marquette National Bank:** R. W. Crouley, vice president, and Avery G. Fick, assistant vice president.

**Midland National Bank:** Douglas M. Johnson, vice president.

**National City Bank of Minneapolis:** C. Bernard Jacobs, executive vice president.

**Northwestern National Bank:** Philip B. Harris, senior vice president; Keith M. Barnett, vice president; Donald M.

Anderson, assistant vice president, and John M. Johnson, assistant cashier.

### New York

**Chase Manhattan Bank:** Alden K. Small, assistant vice president.

**First National City Bank:** Daniel C. deMenocal, vice president.

**Irving Trust Company:** Donald C. Jackson, vice president.

**Manufacturers Hanover Trust Company:** Carl Carlson, assistant vice president.

**Morgan Guaranty Trust Company:** S. Griffin McClellan, assistant treasurer.

### St. Paul

**American National Bank & Trust Company:** J. F. Nash, president, and R. E. Sipple, vice president.

**First National Bank:** W. L. Ross, vice president, and D. W. Buckman, vice president.

**Stock Yards National Bank:** L. M. Broom, president.

### San Francisco

**Bank of America:** H. O. Evanson, vice president.



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Another pleasant  
MBA Convention  
is in prospect

**BILLINGS STATE BANK**  
BILLINGS, MONTANA

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Greetings to the "Official Family" of the Montana Bankers!

Our Congratulations on an excellent Convention Program.

The **1<sup>ST</sup>** National Bank  
GLENDEVE, MONTANA

**Bank of California:** Irving W. Danielson, vice president.

**Wells Fargo Bank:** Albert W. Larsen, vice president.

**Seattle**

**Seattle-First National Bank:** Arthur F. Bittrick, vice president, and Richard G. Jaehning, assistant vice president.

**Bank Equipment and Other Firms**

**Diebold, Inc.:** R. L. Schutt, division manager, and Charles Miller, representative.

**National Fidelity Life Insurance Company:** Merlin H. Menk.

**St. Paul Insurance Companies:** John W. Daniel, state agent.

**Russell Mousseau**

Russell Mousseau died suddenly last month in Havre following a heart attack. He was president of the First National Bank at Havre and a 50-year member of the Montana Bankers Association.

**Takes Bank Post**

John A. Brandvold, assistant vice president of the Montana Bank in Great Falls, has resigned and is now vice president and director of the Citizens Bank of Choteau.

Mr. Brandvold moved to Great Falls in 1955 after being with Northwest Bancorporation banks in Minot and

Grafton, N. D., and Havre and Lewistown in Montana.

**Bank to Open**

The new Bank of Columbia Falls building is nearing completion and a grand opening is scheduled for early June. J. G. Edmiston is president of the bank.

**To Head Washington Bank**

K. C. Brown, assistant vice president of the First National Bank of Great Falls, has resigned to accept the position of president of the newly organized Bank of the West at Bellevue, Wash. A. O. McLellan, president, in making the announcement noted that Mr. Brown had been with the First National Bank since he graduated from college in 1949.

**NABW Conference in Billings**

The 1965 Northwestern Regional Conference of the National Association of Bank Women, Inc., will be held in Billings June 11 to 13, at the Northern Hotel.

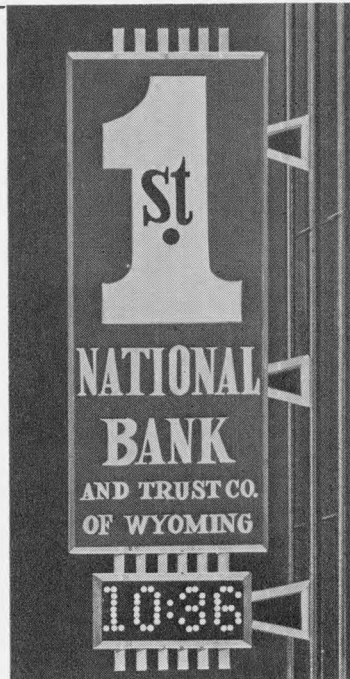


MRS. K. MacDONALD

Mrs. Kay MacDONALD, special representative, Security Trust and Savings Bank, Billings, is the regional vice president of NABW for the Northwestern Region.

Mrs. Theo K. Bartschi, executive vice president, The First State Bank, Shelby, is chairman of the three-day conference. Women banking officials from Montana, Oregon, Idaho, Washington and Alaska will attend the meeting.

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Convenience  
Is Our  
Business . . .*



And your Convention is our pleasure, affording us another opportunity to welcome our growing circle of friends and customers.



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Welcome Bankers to the Jackson Hole Country. Vacation Land of the West.

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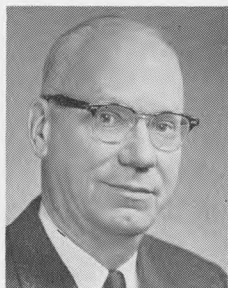
## Wyoming Meeting in Jackson Hole, June 10-12



R. E. BRYANS



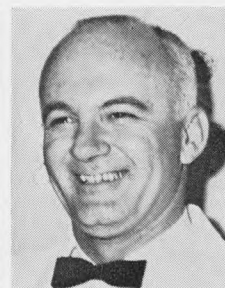
R. L. FERRIL



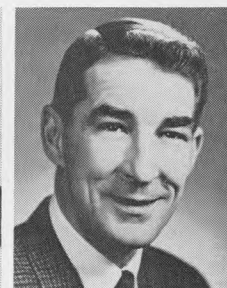
C. W. TOW



R. A. LYON



C. W. JARVIS



E. C. HOFMANN

**T**HE 57th annual convention of the Wyoming Bankers Association will be held at Jackson Lodge, Moran, Wyoming, June 10-12. Presiding at all the business sessions will be WBA President Robert E. Bryans, executive vice president of the First National Bank of Casper.

Serving with him this past year have been Robert L. Ferril as vice president, and William Engstrom as secretary. Mr. Ferril is vice president of the Wyoming Bank and Trust Company, Buffalo. Mr. Engstrom is assistant cashier, Rawlins National Bank, Rawlins. Vernon E. Bower, vice president at the First National Bank, Worland, has been treasurer the past year.

The convention starts with a social hour and indoor picnic in the hotel convention area Thursday evening at 5:00 p.m., followed by dancing. The complete program follows:

### Thursday, June 10

P.M.

- 5:00-6:30 Social Hour (casual clothes, indoors).
- 6:15 Indoor Picnic (hotel convention area).
- Dancing.

### Friday, June 11

A.M.

- 9:30 Call to Order—Robert E. Bryans, president, Wyoming Bankers Association and executive vice president, First National Bank of Casper.
- Address of Welcome—Harry Barker, owner, Circle H Ranch, Moose Wyoming.
- President's Address and Annual Report—Robert E. Bryans.
- "Observations on the American Economy"—Clarence W. Tow, senior vice president, Federal Reserve Bank of Kansas City, Mo.
- "Public Land Laws as They Relate to the Livestock Industry of 1965"—Joe M. Donlin, rancher, Casper, Wyo.

P.M.

- 12:30 Ladies' Luncheon.
- 12:30 Men's Luncheon.
- 1:30 Call to Order—Robert E. Bryans.
- "The Long and Short of Banking Today"—Roger

A. Lyon, vice president, The Chase Manhattan Bank, New York.

"So—You Have a Problem?"—Charles W. Jarvis, D.D.S., San Marcos, Tex.

"Civil Rights Law—Exceptions"—Edward C. Hofmann, senior vice president and cashier, Central Bank and Trust Company, Denver.

5:30 Social Hour.

7:00 Banquet.

8:00 Address—Dr. John T. Fey, president, University of Wyoming.

### Saturday, June 12

A.M.

- 8:00 Peeps (Past Presidents') Breakfast.
- 9:15 Call to Order—Robert E. Bryans.
- Auditing Committee Report—John E. McNellis, president, Saratoga State Bank.
- Resolutions Committee Report—Del Crouse, president, American National Bank of Riverton.
- Legislative Committee Report—H. F. Esmay, chairman of the board, Stockmens Bank, Gillette.
- Other Committee Reports.
- Report of Executive Council, A.B.A.—John W. France, president, The Rawlins National Bank.
- Association Business—Robert E. Bryans, president, Wyoming Bankers Association.
- Nominations—Wayne F. Mesenger, president, First State Bank, Cody.
- Election of Officers:
  - American Bankers Association.
  - Wyoming Bankers Association.
- Installation of Officers.
- Adjournment.

Note: Session confined to Association business to adjourn at approximately 10:30 a.m. Association members and guests urged to attend.

Following the regular convention session, there will be a meeting of the Executive Council and newly elected officers of the Wyoming Bankers Association. All members of the Association are invited to attend.—**End.**

## They Will Attend Wyoming Meeting

THE following metropolitan bankers have indicated they will be attending the Wyoming Bankers Association's annual convention at Jackson Lake Lodge, June 10-12.

### Billings

**First National Bank:** Harold E. Kinsley, vice president; Burnard M. Kennedy, vice president and cashier, and Miss Ida Mae Sessions, auditor.

**Security Trust & Savings Bank:** E. Burton Maynard, vice president, and James H. Nicholson, Jr., assistant cashier.

### Casper

**First National Bank:** Jackson F. King, president; Warren F. Perkins, vice president, and Robert E. Bryans, executive vice president.

**Wyoming National Bank:** R. E. Barton, president; Max F. Stevens, vice president, and A. F. Haskey, vice president and cashier.

### Cheyenne

**First National Bank:** B. R. Weber, vice president, and Don F. Mahoney, senior vice president.

### Chicago

**American National Bank & Trust Company:** William B. Aldrich, assistant vice president, and C. C. Kuning, consultant.

**First National Bank:** Raymond V. Dieball, assistant cashier.

### Denver

**Central Bank & Trust Company:** A. Asborn, senior vice president; E. C. Hofmann, senior vice president and cashier, and George V. Jansen, vice president.

**Colorado National Bank:** William J. Fleming, assistant cashier.

**Denver United States National Bank:** Ray Harper and Don Ferrel, vice presidents.

**First National Bank:** Carrol L. Stubbs, senior vice president, and James R. Morris, vice president.

### Kansas City

**City National Bank & Trust Company:** Dale R. Ainsworth, executive vice president, and George W. Sherman, assistant vice president.

**Commerce Trust Company:** John T. Fowler, vice president.

### Lincoln

**First National Bank & Trust Company:** Dale Shoemaker, vice president, and Les Curran, assistant vice president.

### Minneapolis

**Midland National Bank:** Douglas M. Johnson, vice president.

### New York

**Chase Manhattan Bank:** Roger A. Lyon, vice president, and John S. Hejman, second vice president.

**First National City Bank:** Daniel C. deMenocal, vice president.

**Irving Trust Company:** Donald C. Jackson, vice president.

**Manufacturers Hanover Trust Com-**

**pany:** Carl Carlson, assistant vice president.

### Omaha

**First National Bank:** C. K. Voorhees, E. T. Tanner, and D. R. Ostrand, vice presidents; M. F. Aegerter, assistant vice president.

**Omaha National Bank:** Jack Shonsey, executive vice president; Robert Johnson and Fred Douglas, vice presidents.

**United States National Bank:** E. W. Lyman, president; Wayne M. Thorn-dyke, vice president, and Howard W. Nielsen, assistant cashier.

### San Francisco

**Wells Fargo Bank:** Albert W. Larsen, vice president.

## Refurnish Bank Quarters

Vern Eastman, executive vice president and cashier of the First National Bank in Thermopolis, reports completion of the refurnishing of the bank quarters. Several years ago the bank remodeled the quarters and this was the final step in this long-range plan.

## Elects New Director

Mrs. P. W. Metz has been elected to the board of directors of the Security State Bank of Basin, according to bank President Del Crouse. Mrs. Metz fills the vacancy created by the death of her husband.

Mr. Crouse also announced the resignation of L. M. Applegate as cashier.

## Hold Credit Conference

An installment credit conference was held last month in Riverton under the auspices of the installment loan committee of the Wyoming Bankers Association. Robert E. Hunter, assistant vice president of the First National Bank of Riverton, is chairman of the committee.

Fourteen Wyoming banks were represented at the one-day meeting and plans are to make the conference an annual event.

Speakers included LeRoy Perkins, assistant vice president of Security Bank & Trust Company, Casper; Marvin Werve, vice president of The Omaha National Bank; Robert Jaynes, assistant vice president of the Denver U. S. National Bank, and John Reich, assistant vice president of the National State Bank of Boulder, Colo.

## Resignation at Cheyenne

Ellsworth A. Handy has resigned as president of the American National Bank effective June 1. He had been chief executive officer since November

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Check . . . **FIRST OF CASPER** for Credit Information, Collections, Transit Items and All Correspondent Services.

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**we are celebrating our  
DIAMOND JUBILEE**



**First National Bank** of Rawlins

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1, 1964, when he succeeded R. J. Hofmann.

Mr. Handy joined the American National in September, 1964, when Royal Properties, Inc., purchased controlling interest in the bank. He had been with Harris Trust and Savings Bank in Chicago for 25 years.

Controlling interest in the American National Bank was recently purchased by a group of southwestern bank executives and businessmen.

Also announced was the election of W. G. Bagley as a vice president of the bank. He was formerly an assistant vice president with the Mercantile National Bank of Dallas, Tex.

### Opening at Douglas

The First National Bank of Douglas held its grand opening last month. Refreshments were served and tours of the building were conducted, according to J. Tom Spencer, president of the bank. The new bank is capitalized at \$300,000.

### NABAC Elects

Larry Day, vice president of the First National Bank of Riverton, was elected president of the Wyoming chapter of NABAC at the organization's annual convention last month in Casper.

Other new officers are Ray Bower, Jr., cashier, First National Bank, Worland, vice president; Jerry McKibbin, assistant cashier, Cheyenne National Bank, secretary, and Vern Smith, cashier, University National Bank of Laramie, treasurer.

### Joins Lander Bank

Floyd Lower has been elected a director, vice president and trust officer of the Lander State Bank. Prior to joining the bank in April, Mr. Lower had been with the First National Bank of Lander for five years.

### Lander Bank Elects

Art Peterson has been elected vice president of the First National Bank of Lander, and Bruce Armentrout has been named assistant cashier, according to a recent announcement by Robert W. Finkbiner, president of the bank.

### Credit Conference at Casper

About 175 bankers from Wyoming and surrounding states attended the 11th annual Wyoming Bankers Credit Conference in Casper. Dan Ferguson, vice president and cashier of Security Bank and Trust Company, headed the local committee in charge of the event.

Feature of the conference was an address by Neil F. Roberts, president of the Denver U. S. National Bank. James G. Peterson, president of J. M. Dain & Company, also spoke to the group.

### Holds Open House

The First National Bank of Pinedale marked the completion of a new bank building with an open house recently. A beautiful day combined with the attractive new building to fill the bank most of the day with interested people from the Pinedale community.

### Completes Remodeling

The Stockmens Bank at Gillette has completed an extensive remodeling project according to Howard Esmay, executive vice president of the bank. The basement of the bank was completely renovated. All bookkeeping processes are now in the basement. A comfortable directors' room was also included.

### Casper Bank Sold

Announcement was made last month by Ralph E. Barton, president of The Wyoming National Bank of Casper, that a substantial block of stock in the bank had been acquired by Wyoming Financial Services, Inc., a Wyoming corporation.

The principal investor in Wyoming Financial Services is Minnesota Enterprises, Inc., a Minneapolis-based Company, founded in 1872, which is listed on the New York Stock Exchange. Although directors and officers of the Minnesota Company actively serve as directors and officers of The Marquette National Bank, The Northwestern National Bank of Minneapolis, and The First National Bank of St. Paul, the Wyoming National Bank will preserve its status as an independent Wyoming

bank. Mr. Barton said that present directors and officers will continue to serve the bank.

Carl R. Pohlad, president, Marquette National Bank of Minneapolis, and a Minnesota Enterprises director, has been named president of Wyoming Financial Services.

Daniel Feidt, president, Minnesota Enterprises, is vice president of the new corporation, and William H. Brown, Casper attorney, is secretary-treasurer.

### Release State Bank Report

State Bank Examiner Norris E. Hartwell of Cheyenne has released the annual report on the condition of state banks in Wyoming.

Total liabilities and capital accounts for all state banks as of December 30, 1964, was \$176.4 million, compared to \$167.8 million at the end of 1963.

### Receives Businessman Award

Charles M. Smith, president of the First National Bank of Thermopolis, recently was presented with the University of Wyoming's distinguished businessman award. Making the presentation were Clifford P. Hansen, governor of Wyoming, and Dr. John T. Fey, president of the University.

### Announce Building Plans

George Cooke, president of the American National Bank of Powell, announced recently that plans have been completed for a new building for the bank. Construction will start this fall.

The new building will be located on property currently being used for the bank's parking lot.

Bid letting is scheduled for September 1 with completion estimated for September, 1966.

*From Your Friends at*  
**FIRST NATIONAL BANK**  
 AT THERMOPOLIS, WYOMING  
*Convention Greetings!*

We look forward to seeing all Wyoming bankers at this year's convention, June 10-12.

VERN EASTMAN  
 Executive Vice-President



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WHEN YOU'RE SWAMPED  
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And these men—Don Ferrel, Kent Olin, George Alff and Ray Harper—  
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Telephone 244-8811.

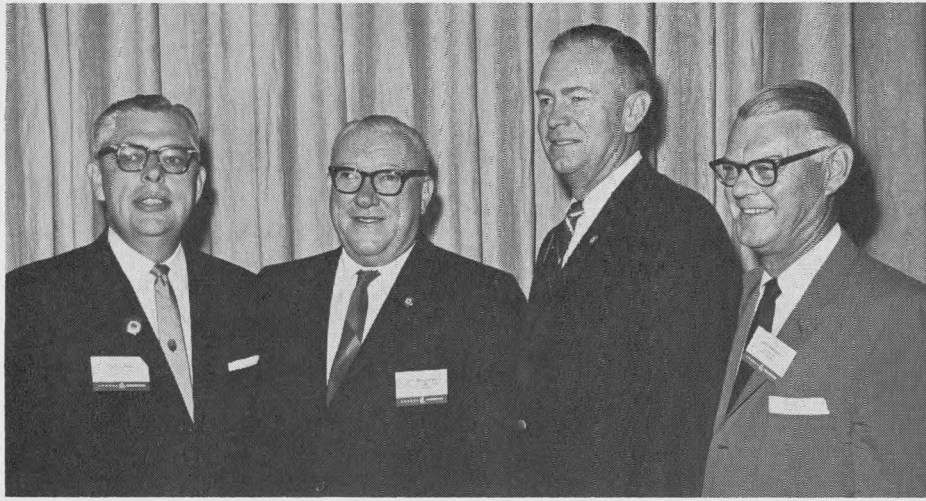
*"that's the bank for my money!"*



**DENVER U.S.**  
N A T I O N A L B A N K

DENVER U. S. CENTER Denver, Colorado 80217





**NEW OFFICERS** of the Colorado Bankers Association are, from left: President—**Paul L. Rice**, pres., First Natl. Bank of Loveland; 2nd Vice President—**J. H. Macdonald**, pres., Colorado Bank & Trust Company, La Junta; 1st Vice President—**Neil R. Roberts**, pres., Denver United States Natl., Denver., and Secretary-Treasurer—**James C. Scarboro**, Denver.

## Elect Paul L. Rice to Head Colorado Bankers Assn.

**T**HE beautiful Broadmoor Hotel in Colorado Springs was again host to the annual convention of the Colorado Bankers Association last month.

E. L. Bacon, president of the Colorado Bankers Association, and president of the United States Bank in Grand Junction, presided over the convention. More than 700 registered for the three-day event.

Elected to head the CBA during the coming year was Paul L. Rice, president, First National Bank, Loveland, who will serve as president during 1965-66.

Moving up to first vice president of the association was Neil F. Roberts, president, Denver United States Na-

tional Bank. Succeeding him as second vice president was J. H. Macdonald, president, Colorado Bank and Trust Company of La Junta.

J. C. Scarboro was re-elected executive manager of the association and was honored for his completion of 25 years in that post.

George Janzen, vice president, Central Bank & Trust Company, Denver, won the annual golf tourney on opening day. The annual convention banquet was held on Friday evening with well-known TV performer Liberace providing the entertainment.

Convention speakers included CBA President E. L. Bacon; Dr. A. A. Smith, vice president and economist, First

National Bank of Dallas, and General Robert J. Wood, director of military assistance, assistant secretary of defense, International Security Affairs, Washington.

Members of the American Bankers Association from Colorado met during the initial session and elected Carl G. Breeze, president, Bank of Kremmling, to serve on the ABA nominating committee this year. Leland L. Reinecker, executive vice president, Bank of Burlington, was elected as alternate.

### Joins Bank

Robert B. Newman has been elected vice president and trust officer of First National Bank of Colorado Springs. He has operated his own investment firm since 1928.

In other news from this bank, Russell L. Truitt, vice president and mortgage loan officer of First National, has been elected a director of the bank.

### Appointed to Fed Board

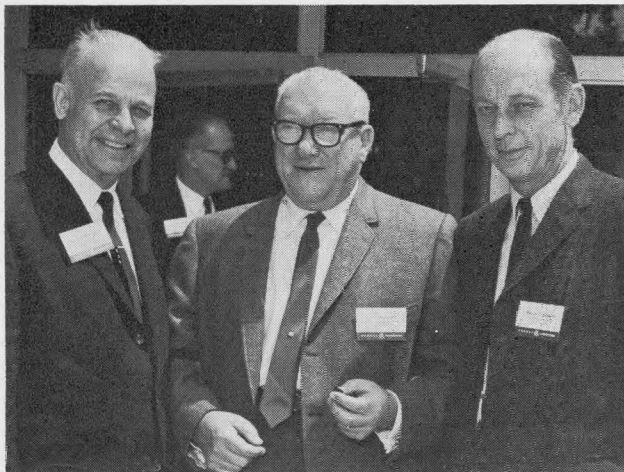
Armin B. Barney, chairman of the Colorado Springs National Bank, has been named to the board of directors of the Denver branch of the Federal Reserve Bank of Kansas City. He will fill the unexpired term of the late Elwood M. Brooks, chairman of the Central Bank and Trust Company of Denver, who died in February.

### Colorado National Seminar

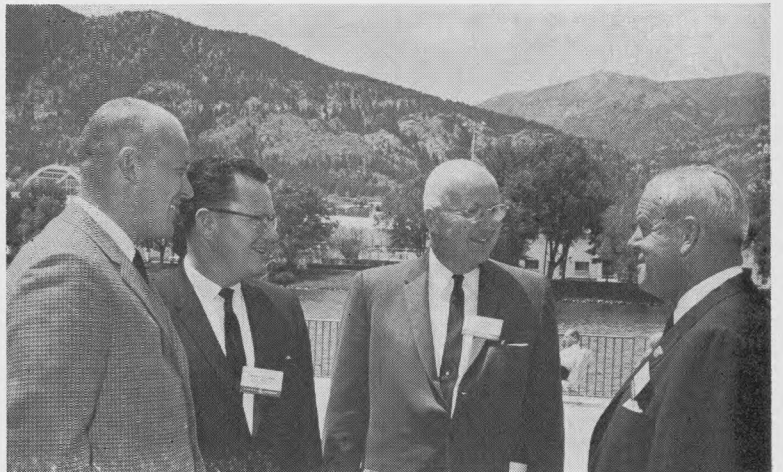
Colorado National Bank held its fifth Trust Seminar at the Broadmoor Hotel last month on the day preceding the Colorado Bankers Convention, according to Melvin F. Roberts, president of the bank.

Harold S. Kinney, senior vice president and trust officer of Colorado National, presided over the meeting. About 100 bankers attended.

Colorado National also held the first



**LEFT—Olney D. Newman**, sr. v.p., 1st Natl., Kansas City; **J. H. Macdonald**, pres., Colorado Bank & Trust Co., La Junta, and **Melvin J. Roberts**, pres., Colorado Natl., Denver. **RIGHT—Paul**



**Howes**, v.p., American Natl., Denver; **Clarence La Nier**, Boulder Natl.; **J. E. Montague**, pres., American Natl., Denver, and **Charles L. Sayre**, pres., Natl. State Bank, Boulder.

## New Addition to Pueblo Bank



**FIRST NATIONAL BANK** of Pueblo, Colo., recently opened its doors in new and expanded quarters. According to **Robin B. Bailey**, president, modern convenience and comfort have been incorporated in the new building, the old portions of the building have been remodeled and the new portions have been planned to harmonize and blend with the existing building. Architects' model illustrates the \$2½ million building program which has been completed. At left is the new wing and 250-car parking building which blends with the original bank, the Thatcher Building, at right.

of a series of seminars on basic economics and analyses of business trends for top executives of Denver and Colorado companies.

About 35 presidents, executive vice presidents, and managers attended the first seminar at the Colorado National Bank building in Denver.

### School of Banking Set

The 15th annual Colorado School of Banking will be conducted August 8-20 at the University of Colorado. About 156 bank representatives from 13 states are expected to attend the 100 class sessions of first-, second- or third-year study in the school.

The school is sponsored by the Colorado Bankers Association and the University. Faculty is made up of four university professors and 15 bankers, 14 of them from Colorado.

### Joins Personnel Firm

Homer McNeil has been appointed to manage the banking division of Placements, Inc., Denver.

Mr. McNeil brings over 30 years of banking experience to the Denver-based recruiting firm. His banking career started with the Ames Trust and Savings Bank in Ames, Iowa, where he rose from bookkeeper to cashier and also served as bank director.

He came to Denver in 1956 and, after a short period as vice president and cashier of the Rocky Mountain Bank in Lakewood, he joined the Martin Company and was promoted to the position of company cashier.

### Boulder Bank to Join

Shareholders of the Denver U. S. Bancorporation, Inc., learned recently that Mercantile Bank and Trust Com-

pany, Boulder, Colo., has announced its intention to join the Bancorp. Mercantile Bank, one of six banks in the Boulder community, has deposits of approximately \$15 million. Officers, staff and directors of the Mercantile Bank would retain their present positions and responsibilities.

Other member banks presently include Denver U. S. National Bank, First Bank of Aurora, and Arapahoe County Bank.

"Final approval of Weld County Bank of Greeley as a fourth member of the holding company is now pending action by the board of governors of the Federal Reserve System," said Roger D. Knight, Jr., Bancorporation president.

### Officers Named

J. E. Montague, president of the American National Bank, has announced the appointment of Edward F. Arndt, Jr., and Richard W. Graft as assistant trust officers.

### Elects New Chairman

Denver business pioneer Joe Alpert, who has been chairman of the board of Guaranty Bank and Trust Company since the bank's opening in 1955, has retired from that post. Succeeding him as chairman is Herman Horwich, also a Guaranty founding director.

### Changes at Central Bank

The Central Bank and Trust Company has named several new officers and promoted others in recent weeks.

Marvin F. Owens, who has been with the bank for 11 years, was promoted from vice president to senior vice president. James Osbourn and George Janzen were promoted from

assistant vice presidents to vice presidents, and S. T. Mason Frey was elected a vice president in the bank's commercial loan department.

Mr. Janzen is a member of the correspondent bank department and has been with the bank since 1951. He works in both South Dakota and Nebraska along with other areas for the bank.

At a more recent meeting of the bank's board of directors, the following changes were approved:

Keith Lindeman, the bank's comptroller, was promoted to vice president and comptroller; John Diedrich was promoted to vice president from assistant vice president, and William H. Echelmeyer, the bank's personnel director, was elected assistant vice president.

### President Resigns

John H. Reid has resigned as president of the Midtown National Bank in Pueblo. Harry W. Hoth, a member of the board, has been named non-active president. Mr. Hoth is mayor of Colorado Springs.

### Five Promotions

Promotion of five officers of the Denver U. S. National Bank has been announced by bank President Neil F. Roberts.

N. Berne Hart advances from cashier to vice president; David H. Hender from assistant vice president to vice president; William P. Lober from assistant vice president to comptroller; Robert W. Merrick from assistant vice president to cashier; and H. K. Richardson to trust officer.

### Named Vice President

Jim Diez has been named vice president of Metropolitan National Bank in Denver. He was with Mercantile Bank and Trust Company in Boulder and prior to that was co-owner of a bank at Kenesaw, Neb.

### Elect AIB President

Charles A. Schley of the Colorado National Bank is new president of the Denver AIB chapter.

### Elected Cashier

Ralph D. Williams, formerly vice president of the Englewood State Bank, has joined the Guaranty Bank & Trust Company, Denver, as cashier, according to Victor V. Hawkins, the bank's president.

### Application Rejected

Application for a charter for a national bank to be located in Lyons has been disapproved by the Comp-





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**Northwestern Banker, June, 1965**

troller of the Currency. Leo Hill was the correspondent for the proposed bank.

### Joins Denver Bank

John F. Falkenberg, veteran Denver home builder, has joined the staff of the First National Bank, according to Joe Liller, Jr., senior vice president. Mr. Falkenberg will work in the real estate mortgage loan department.

### Sell Bank

Controlling stock interest in Denver's 17th Street National Bank was sold last month to a Texas organization. The sale occurred when the First National Bank of Dallas sold stock it held as collateral for a foreclosure loan made to Earl L. Kramer, former president of the Denver bank.

Operation of the 17th Street National will not be affected by the sale and it is hoped that the controlling interest can soon be repurchased by Denver investors.

### Aurora Bank Director

Verner H. Crayne has been elected a director of First Bank of Aurora. He has been with J. C. Penney Company since 1936 and manager of its Aurora store since 1957.

### Family Finance Forum

First Bank of Brighton held its first family finance forum last month, according to bank President Leslie L. Sayre.

### Merger Planned

Plans for the consolidation of two Denver banks, Colorado State Bank and Citizens Savings Bank, have been announced. Directors of both institutions have voted approval and applications have been made with the proper authorities. Name of the resulting bank will be the Colorado State Bank of Denver.

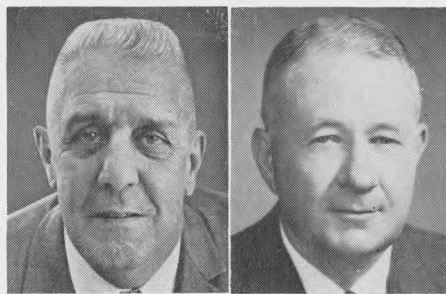
Elwood M. Kullgren, president of Colorado State Bank, will be president of the new bank. Ralph E. Nelson,

president of Citizens Savings Bank, and Glen B. Clark, senior vice president of Colorado State Bank, will be senior vice presidents of the consolidated bank.

### Elect Two Directors

Two prominent Denver business leaders have been named to the board of directors of The First National Bank of Denver. They are:

Robert L. Compbell, vice president of Safeway Stores, Inc.



R. L. COMPBELL

W. C. HUDGINS

W. Coles Hudgins, executive vice president of the Mountain States Telephone and Telegraph Company.

Their appointments fill vacancies on The First board caused by the deaths of Harry W. Farr and Lafayette M. Hughes, Jr.

### Picks Board Members

Election of three Denver bank presidents—Walter C. Emery of the Bank of Denver, Elwood M. Kullgren of Colorado State Bank and William G. Griffith of Mountain States Bank—to the board of directors of the First Trust Corporation was announced recently.

### Holds Celebration

The Arapahoe County Bank of Littleton last month held a week long celebration observing the completion of a \$100,000 expansion and remodeling program and the seventh anniversary of the bank. W. G. Johnson is president of the bank.

### Offers Bookkeeping Plan

The Colorado National Bank has inaugurated a new computerized and automated bookkeeping system for doctors and dentists in the Denver area, according to Melvin J. Roberts, president of the bank.

The system will transmit data direct for the office to the computer center at the bank, utilizing regular telephone lines.

### Notes 60th Year

Adolph C. Kunsmiller, chairman of the board of the American National Bank, recently completed 60 years in banking, all with the American National. Mr. Kunsmiller was personal secretary to Godfrey Schirmer when he organized the German-American Trust Company, predecessor of the American National, in 1905.

He moved through the various departments of the bank and was appointed president in 1949. In 1957 he was elevated to chairman.

### New Vice President

Don Carney, president of Security National Bank in Denver, has announced the appointment of John N. Cummings as a vice president of the bank. Mr. Carney was formerly vice president of Denver U. S. National Bank.

### Promotes Three in Denver

Promotions of three to officer positions at the 17th Street National Bank in Denver has been announced by President Steve McNichols.

Trexel C. Warren has been named a cashier. Mrs. Charlotte Duran and Philip E. Trainor were advanced to assistant cashiers.

### Boulder Appointments

At the Boulder National Bank, C. V. LaNier, president, has announced the appointment of David A. Belcher as assistant cashier and installment loan officer. He has been with Household Finance Corporation.

Also appointed at Boulder National was Frank Horton to the post of vice president. He was a vice president of Jefferson County Bank in Lakewood.

### Joins Lakewood Bank

J. Robert Young has been appointed an assistant vice president of First Westland National Bank in Lakewood. He was an assistant bank examiner for the FDIC in Kansas City, Mo.

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Northwestern Banker, June, 1965

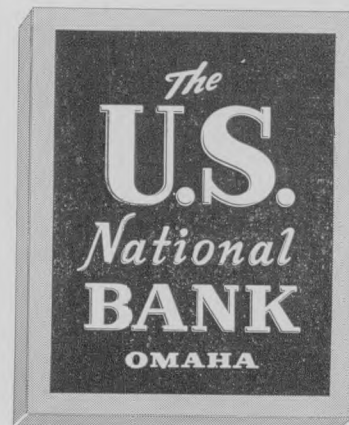


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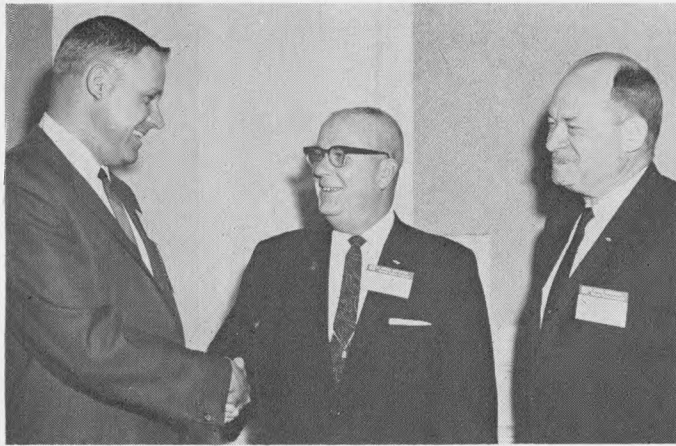
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**NEW PRESIDENT** of the Nebraska Bankers Association, **W. W. Cook, Sr.** (center), pres., Beatrice Natl. B&T, and Vice President **Thomas J. Aron** (right), pres., Crete State, are congratulated by retiring NBA president, **N. T. Tiemann**, pres., Commercial State, Wausa.

## Legislative Matters Dominate Nebraska Convention Program

By **BEN HALLER, JR.**  
*Editor*  
and  
**LARRY NOTHWEHR**  
*Associate Editor*

**F**EDERAL and state legislation shared the limelight at the 68th annual convention of the Nebraska Bankers Association in Omaha last month. More than 1,000 registrants heard various speakers criticize federal programs and proposed laws. On the other hand, it was reported by the association legislative committee that all bills except one in the state legislature went the way NBA had hoped.

Upon concluding an outstanding year as president of the Nebraska Bankers Association, N. T. Tiemann was inducted into the Past President's Club of the association, then immediately received strong support from a number of banker friends as a candidate for the Republican nomination next year for the office of Governor of Nebraska. Upon the completion of his convention duties we visited with Mr. Tiemann concerning these overtures made by his friends and it appeared fairly certain at press time that he will formally announce his candidacy within the next 30 to 45 days. The primary election is next spring.

Succeeding him as president of the Nebraska Bankers Association is W. W. Cook, Sr., president of Beatrice Na-

tional Bank and Trust Company, Beatrice. New vice president is Thomas J. Aron, president, Crete State Bank, Crete. Ernie T. Tanner, vice president of the First National Bank, Omaha, continues as treasurer. H. V. Osterberg and W. H. Osterberg continue as executive vice president and secretary respectively at association headquarters in Omaha.

Elected to the executive council for three-year terms were: H. W. Hendriksen, vice president, First National Bank, Fremont, representing Group 2; A. J. Hallas, chairman, South Omaha Stockyards National Bank, representing Omaha, and Herman Brockmeier, senior vice president, National Bank of Commerce T&S Association, representing Lincoln.

At the meeting of A.B.A. members conducted by Nebraska A.B.A. Vice President Harold Qualsett, president of Farmers & Merchants Bank, Schuyler, the following were elected to serve at the A.B.A. convention this fall: N. T. Tiemann as member of the nominating committee, and Lyman Stuckey, president of the Lexington State Bank, alternate to Mr. Tiemann.

In his president's address, Mr. Tie-

mann talked about problem areas in banking. These include deterioration in credit quality, banks owing bills payable on a "permanent" basis, and international balance of payments deficit.

He said increased bank expenses resulting from the paying of interest on time CD's has forced some banks into making marginal loans to stabilize earnings. The direct result, he asserted, has been a deterioration in credit quality, causing some acute problems in certain areas. Mr. Tiemann said that a decision to increase time and savings rates because a neighboring bank has followed such procedure is "something less than judicious management and if increased expenses cannot be overcome by extension of legitimate credit, then management should proceed cautiously before increasing rates. Many bankers have indicated to me their desire to reduce rates or quit the CD business completely, but are reluctant to do so because of the impact on deposit growth."

He stated further that "lack of deposit growth and an increase in loans has caused many banks to owe bills



**LEFT**—Mrs. George Spence, whose husband is ag rep for American Natl. B&T, Chicago; Mrs. George Cemper, whose husband is cash., 1st Natl., Shelby; Mrs. William Kurtz, whose husband is v.p., American Natl. B&T, Chicago, and Mrs. John Van Horne, whose husband is pres., Van Horne Investments, Inc., Omaha. **CENTER**—Dick Hahn, Jr., exec. v.p. & cash., Carson Natl.,

Auburn; T. J. Waldo, v.p., and Glenn Yaussi, pres., both National Bank of Commerce, Lincoln; E. Earl Bailey, v.p. and cash., Commercial Bank, Stratton, and M. R. Morgan, pres., First Natl., Elwood. **RIGHT**—Charles Brown, director, Stamford Bank; Arden Bruch, v.p., 1st Natl. of Kansas City, and Charles Backer, exec. v.p., Burt County State, Tekamah.



LEFT—**O. W. Johnson**, pres., Bank of Burwell; **Edward W. Lyman**, pres., U. S. Natl., Omaha; **Harold N. Bacon**, v.p. & cash, North Platte State Bank; **Jay Bordewick**, a.v.p., U. S. Natl., Omaha, and **H. E. Blum**, v.p. & cash., McCook Natl. CENTER—**Norman R. Fallesen**, v.p., Farmers State, Eustis; **Jens J. Jensen**, exec. v.p., Farmers & Merchants State, Bloomfield, and

**Richard C. Taylor**, v.p., First Natl., Sioux City. RIGHT—**Winton Buckley**, v.p., Natl. Bk. of Commerce, Lincoln; **M. H. Moret**, cash., Farmers State, Superior; **J. R. Kenner**, pres., Thayer County Bk., Hebron, and **Gene C. Eaton**, sr. v.p., Natl. Bk. of Commerce, Lincoln.

payable on a more or less permanent basis. This should be a warning signal that the procedure of bills payable should be used only as a temporary convenience, not as permanent policy. The money centers of the nation are becoming increasingly hard pressed for deposits in order to accommodate borrowing banks. One optimistic note on this subject is that the bills payable problem is not yet of major proportions in Nebraska."

Mr. Tiemann took the Johnson Administration to task for its "jawbone exercise" in attempting to solve the balance of payments problem and said no permanent solution will be reached until the Federal government comes to grips with the problem.

The retiring president reviewed other phases of association work during the past year which showed considerable activity and much accomplish-

ment. These include another successful Bank Management Conference last June and another exceptionally strong program planned for the 1965 school this month; a tremendous amount of work on a committee comprising major segments of the economy whose goal was revision of the intangible tax problem; attendance by all association officers at the Central State Conference in Minneapolis last summer; holding 15 Regional House meetings throughout the state to review association programs and thinking on new activities; working with officials of the University of Nebraska at the Chancellor's request to help bring to Nebraskans the problems of the University, especially in the area of the budget; establishment of the School of Basic Banking at the Nebraska Center for Continuing Education in Lincoln for beginner bankers from Nebraska,

Kansas and Missouri, which drew 112 to the first week-long session.

**Jack T. Conn**, chairman of the A.B.A. federal legislative committee and chairman, Fidelity National Bank & Trust Company, Oklahoma City, Okla., was first guest speaker on the program. His topic concerned "Federal Legislation in This Session of Congress." He said the A.B.A. has fundamental objections to consolidating the FDIC, office of the Comptroller of the Currency and the Federal Reserve Board into one agency as proposed by the Patman and Multer bills. He said this effectively places all banking under centralized control and would soon do away with our dual system. Suggestions have been made by the A.B.A. to eliminate areas of overlapping jurisdiction.

Comptroller Saxon was taken to task again for his too liberal and arbitrary



LEFT—Seated: **H. A. Dale**, pres., Stockmen's Natl., Rushville; **Irv Hesselgesser**, dir., Central Bank, Central City, and **F. N. Cronin**, pres., O'Neill Natl. Standing: **Gene Kidder**, a.v.p., and **L. Peter Marr, Jr.**, a.c., both with Omaha Natl. CENTER—Pipe smokers **Tom C. Cannon**, v.p., Commerce Trust Co., Kansas City,

and **E. B. Cosgriff**, chm. of bd., City Natl., Hastings. RIGHT—Back: **F. L. Ferrell**, pres., Nebraska State, Oshkosh; **H. B. Olson**, pres., Lisco State, and **Fred Pfaff**, v.p. & genl. sales mgr., U. S. Cheek Book Co., Omaha. Front: **Mrs. Olson**, **Mrs. Pfaff** and **Mrs. Ferrell**.



LEFT—**Adon Jeffrey**, pres., 1st Natl. of Wayne; **Fred H. Douglas**, v.p., Omaha Natl.; **W. P. Bernard**, exec. v.p., Nebr. State Bank, South Sioux City; **H. H. Echtermeyer**, sr. v.p., Omaha Natl., and **O. M. Jeffrey**, chm. of bd., First Natl. of Wayne. RIGHT—Speakers at the final session were, from left: **Orrin**

**H. Swayze**, exec. v.p., 1st Natl., Jackson, Miss.; **Dr. Royce H. Knapp**, regents professor of education, University of Nebraska, Lincoln, and **A. B. Jack Goodwin**, a.v.p., Natl. Bank of Commerce, Lincoln.



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LEFT—Mr. and Mrs. N. T. Tiemann saw that their children were comfortably settled with Mr. Tiemann's mother at a front table for the annual banquet. The children, from left, are: Mary, Amy, Lorna and N. T. "Nobby" Jr. RIGHT—Banquet



speaker Hans Conried visited before dinner with Mr. and Mrs. W. H. Osterberg (left) and Mr. and Mrs. H. V. Osterberg (right). Bill Osterberg is secretary of the NBA and Harris Osterberg is executive vice president of the NBA.

interpretations of laws regarding branching in various states. Mr. Conn said in the past two months the Comptroller has ruled in two cases that national banks can operate branches as an interpretation of Oklahoma's facility Law.

In a resolution adopted later in the morning, Mr. Conn was endorsed by the Nebraska Bankers Association as a candidate for the vice presidency of the A.B.A. at the national convention this fall.

Other resolutions adopted called for uniform tax treatment of financial institutions, retaining lending and investment powers of S&L's at present levels, endorsement of U. S. Senate File 1698 which reaffirms the Bank Merger Act of 1960 giving regulation of bank mergers to bank supervisory authorities, endorsement of a voluntary program to support the A.B.A. Foundation for Education in Economics, regulation of all branches and facilities of both state and national

banks to be subject to the state law, caution by banks when investing in debentures and securities of competing financial institutions which enjoy special tax privileges.

**Henry E. Ley**, Nebraska director of banking, discussed the work of his department the past year. The most important new program, direct verification of loans and deposits, has met with unusual acceptance by Nebraska bankers, he stated. "No supervisor," Mr. Ley said, "could have received more strength or more cooperation than we have from bankers in Nebraska."

Mr. Ley also pointed out that in a one-day meeting with him in Lincoln, Nebraska bankers determined the department's salary needs were about 25 per cent under the average paid to national examiners and similar posts elsewhere, and these men went with him to the state budget hearing and helped plead the case. The go-ahead was given and the budget was in-

creased to cover necessary pay raises.

Mr. Ley revealed that he will have the state set up in six areas as of July 1, each with a headquarters town and each headquarters having a radius of 60 miles. Examiners will travel together from each headquarters town to banks being examined. Reduced operating costs should result, he said, and banks pay for these costs.

For further details on the direct verification program, he referred his listeners to the article, "In Nebraska — Direct Verification is Working," published in the May issue of the NORTHWESTERN BANKER prior to the convention. This was a question and answer interview article with Mr. Ley.

He also reported that his department has increased fidelity bond requirements to quite an extent for state S&L's and credit unions, and examination procedures for these institutions have been strengthened. Since tak-

**NEBRASKA CONVENTION . . .**

(Turn to page 98, please)



LEFT—Seated: Gus P. Scholz, pres., 1st Natl., Falls City, and F. Phillips Giltner, exec. v.p., First Natl., Omaha. Standing: Donald R. Ostrand, v.p., First Natl., Omaha; Roger D. Sack, exec. v.p., York State, and E. D. Schneider, v.p., Plattsmouth State. CENTER—Ronald Loudon, a.c., American Natl., St. Joseph, Mo.; Mrs. Edward Burke; Edward Burke, v.p. & cash.,

Farmers & Merchants, Imperial, and Gilbert Tootle, sr. v.p., American Natl., St. Joseph. RIGHT—Richard Kurtz, a.v.p., South Omaha Stockyards Natl.; Benton O'Neal, a.v.p., 1st Natl., St. Joseph, Mo.; Ernest Thayer, a.c., 1st Natl., Grand Island, and Stanley W. Evans, 1st v.p., Live Stock Natl., Sioux City.



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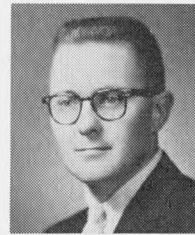
R. P. "Rod" Vandenberg  
Territory #1



L. E. "Al" Alford  
Territory #2



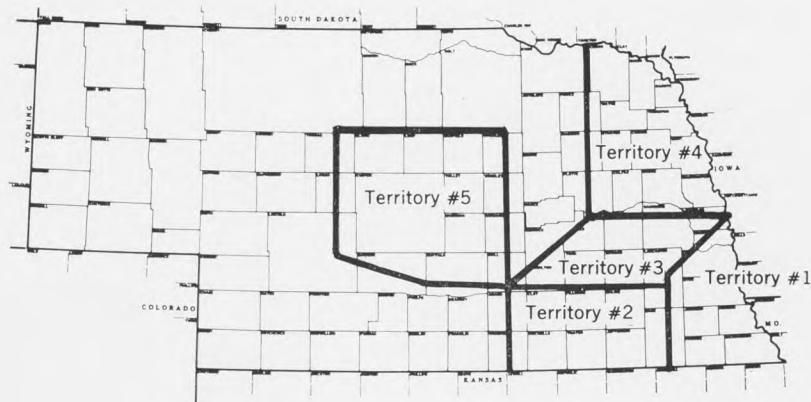
James "Jim" Nissen  
Territory #3



A. C. "Jack" Holmquist III  
Territory #4



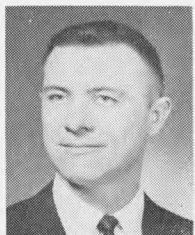
Wilbur Baack  
Territory #5



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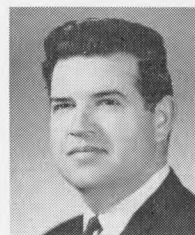
Winton Buckley



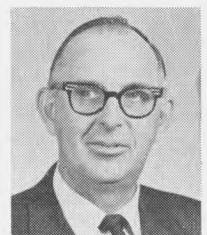
Gene Eaton



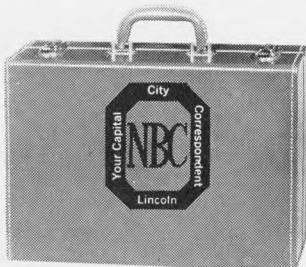
Rex Miller



Wayne Smith



Tom Waldo



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*TRUST & SAVINGS*  
LINCOLN, NEBRASKA

MEMBER: F. D. I. C.

# Omaha News



**P**LANS for a new United States National Bank building in the proposed executive park were announced last month by **Edward W. Lyman**, president.

The downtown "super block" in the area bounded by Harney, Jackson, Seventeenth and Nineteenth Streets is to be rebuilt by the M-W Development Company. (See illustration below.)

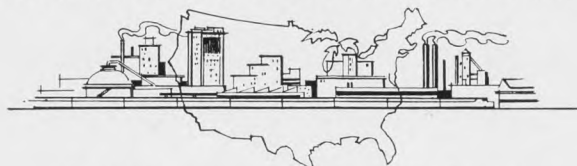
The bank signed an option to select

a site for its building "which will contain approximately 100,000 square feet and such additional space as the bank may request for lease to others," according to M-W.

The purchase price was not disclosed. The option provides that the site chosen by the bank must conform to the Executive Park master plan, which will be provided by M-W in 120 to 130 days, it was said.



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The exact location and building schedule will depend not only on the master plan but upon the availability of the buildings now occupying the site, Mr. Lyman explained.

"But we do know that our new building will be in the four-block area," he added. Construction costs have not yet been determined.

He said a "complete bank" will be constructed and that the bank's present building at 1612 Farnam Street "undoubtedly would be sold."

Mr. Lyman said the bank's present home, with 50,000 square feet, is too small and that parking also is needed.

Total cost of land and construction in Executive Park is estimated at \$32 million.

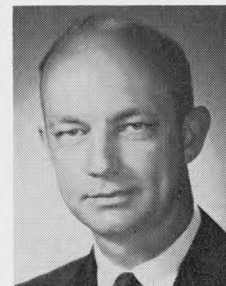
Mr. Lyman said it may develop that the bank will utilize the first, second or third floors of a new structure and lease additional space to others.

It is possible the building will have up to 200,000 square feet—with the bank itself occupying about half.

If all goes well, construction could start in 1966.

\* \* \*

**Howard M. Dietz** has been named an assistant trust officer of the First National Bank of Omaha. He is a native of Papillion.



H. DIETZ

He retired from the Navy in 1964 after 15 years of management experience to become associated with the First National Bank of Omaha Trust Department.

\* \* \*

**H. Dale Martin** has been promoted to assistant cashier at the West Omaha National Bank. He joined the bank in December, 1964.

\* \* \*

**Joseph E. Haller**, assistant vice president of Chiles and Company investment firm, has been promoted to vice president. He is in charge of buying municipal issues. He is a brother of **Ben Haller**, editor of the NORTHWESTERN BANKER.

\* \* \*

**W. B. Millard, Jr.**, chairman of the board of the Omaha National Bank, announced the addition of \$3,000,000 to the bank's surplus account. This amount, transferred from the undi-

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OMAHA





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vided profits account, increased surplus from \$12,000,000 to \$15,000,000. This will provide the bank with capital and surplus of \$25,000,000, and total capital, surplus, and undivided profits in excess of \$29,000,000.

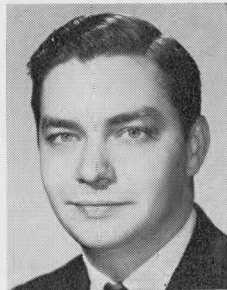
**A. J. Hallas**, chairman of the South Omaha Stockyards National Bank, accompanied a group of Omaha residents to the Montana Cattlemen's Convention last month.

\* \* \*

In examining the early ledgers of the First National Bank of Omaha, officers discovered that 100 years ago this spring, Barkalow Bros. Company was organized and commenced doing business with the bank. The firm has been an active customer of the bank since 1865. Today, the company has

over 100 retail outlets in restaurants, smoke shops, gift shops and cigar stands. There are 394 employees and the payroll exceeds \$850,000 annually.

**Robert B. Friend**, manager of the computer department for the United States National Bank, has been named an assistant cashier.



R. B. FRIEND

Before joining bank in March, 1964, he worked for three other Omaha firms, all involved in computer activities. He is a native of Omaha and attended Creighton University.

**Howard M. Johnson**, operations vice president of The Omaha National Bank, has announced plans for establishing the Central Nebraska Computer Center of The Omaha National Bank at Grand Island, Neb. This installation will offer all banks in central Nebraska the use of a full computer operation for their bank applications with the experience of The Omaha National Bank who will operate the equipment. A location in Grand Island will be selected and the computer will be installed and be in operation by the fall of this year.

\* \* \*

**Eugene G. Kidder**, assistant vice president, Omaha National Bank, is

**OMAHA NEWS . . .**

(Turn to page 104, please)

**NEBRASKA CONVENTION . . .**

(Continued from page 94)

ing office a year ago, Mr. Ley has received 14 new state bank applications, seven of them in Omaha and seven outstate.

**Hollis T. Burt**, executive vice president, National Association of Supervisors of State Banks, Washington, D. C., fired another blast at increasing

federal efforts to centralize bank supervisory control in Washington and weaken the dual banking system. He called for a strengthening of state banking codes and strengthening of state banking department staffs to do the job right.

**Henry Gramann, Jr.** Chairman of the NBA committee on legislation and vice president, Adams State, teamed up with **William B. Brandt**, NBA legis-

lative representative and attorney from Unadilla, in reviewing "The Nebraska Legislative Scene." They said there were 44 bills of concern to the NBA and all except the one on intangible tax were voted on the way NBA had hoped. Mr. Gramann discussed the working of the legislative committee itself, while Mr. Brandt went over the specific bills of pertinent interest.

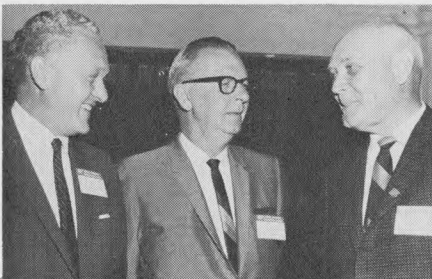
**Dr. Royce H. Knapp**, regents profes-



LEFT—**C. W. Means**, v.p., South Omaha Stockyards Natl.; **K. N. Barnard**, cashier, Farmers & Merchants Bank, Milligan; **Harry Hansen**, dir., 1st Natl. of Lyons; **Frank Sibert**, a.v.p., South Omaha Stockyards Natl., and **Leon Langemeier**, pres., First Natl. of Lyons. CENTER—**W. W. Wilson, Jr.** (seated), pres., United American Life, Denver, reviews some policy points



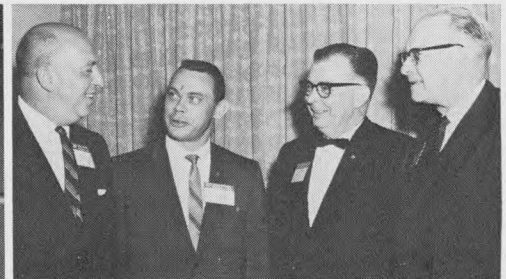
with **Ron Pierce**, general agent for the company in Columbus, Nebr.; **Jerry Roe**, v.p. & cash., Bank of Bennington; **Howard C. Hanson, Jr.**, v.p., Blair Bank, and **Mort Novak**, v.p. & cash., Union B&T, Lincoln. RIGHT—**Russell V. Peterson**, dist. mgr., St. Paul Terminal Warehouse, Omaha, and **Robert P. Kline**, v.p., Northern Trust, Chicago.



LEFT—**J. R. Lauritzen**, chm. exec. comm., First Natl., Omaha; **Wm. N. Mitten**, chm. of bd., First Natl., Fremont, and **Minor P. Baird**, pres., Farmers State, Superior. CENTER—**Don Anderson**, v.p., Chiles & Co., Omaha; **Jim Foley**, Omaha Printing,



and **Harvey Hayes**, v.p., Omaha Printing. RIGHT—**Robert C. Findlay**, a.v.p., Central States Health & Life, Omaha; **Joseph Haller**, v.p., Chiles & Co., Omaha; **R. H. Tornblom**, pres., City Natl., Lincoln; **Conrad E. Aronson**, a.v.p., Toy Natl., Sioux City.







**American National has an excellent banking connection in Gothenburg.**

## **Gothenburg, Nebraska, that is.**

Officers of the First State Bank of Gothenburg know that they can depend upon American National for prompt, first-class *creative* correspondent banking services. Lots of service and a minimum of red tape.

Our correspondent banking officers speak many languages: "Investments", "Cattle", "Automation", "Corn",

"Credit", "Soya Beans", "Trusts". (Ask one of them to say something in "Cattle".)

Need a big correspondent bank in Chicago whose officers speak in your native tongue? That's us. American National. (Incidentally, we have excellent banking connections in Gothenburg, Sweden, too.)

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



**American National Bank**

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LEFT—Seated: **Mrs. Theodore King** and **Wheaton Battey**, who retired last January as chmn., 1st Natl. B&T, Lincoln. Standing: **E. J. McBride**, v.p., Commercial Bank, Blue Hill; **Dale M. Shoemaker**, v.p., 1st Natl. B&T, Lincoln; **Theodore King**, pres., Sioux Natl., Harrison, and **Allen Norris**, a.v.p. & ag. rep., 1st Natl. B&T, Lincoln. CENTER—Seated: **Mrs. Donald R. Ostrand**, whose husband is v.p., First Natl., Omaha; **John F. Davis**, pres.,



First Natl., Omaha, and **S. N. Wolbach**, pres., 1st Natl., Grand Island. Standing: **Pete Isop**, repr., and **Joe Snyder**, a.v.p., both with Manufacturers Hanover Trust Co., New York. RIGHT—**Henry Gramann, Jr.** (left), v.p., Adams State, who is chmn. of NBA committee on legislation, and **William B. Brandt**, attorney at Unadilla, who is NBA legislative representative.



of education, University of Nebraska, Lincoln, followed with a talk on "The University in an Age of Anxiety." Final speaker was **Orrin H. Swayze**, executive vice president, First National Bank, Jackson, Miss., who talked on, "What It Takes to Build Good Public Relations."

Ladies attending the convention were invited to a special luncheon and style show at the Diplomat Motor Inn in downtown Omaha. They joined their husbands for the annual banquet in the Omaha Civic Auditorium, after which entertainment was provided by Hans Conried, nationally-known stage, radio and TV personality.—**End.**

### New Interest Laws

The Nebraska Legislature recently approved bills governing interest rates. On Monday, April 12, LB 283 was approved. This is the time sales bill setting rates of \$9 per \$100 on the first \$1,000, and \$6 per \$100 on the balance, with no limit. Repayment time is a maximum of 85 months.

On Tuesday, April 13, the Legislature approved the following:

LB 52, the Bank Bill, which regulates personal loans by banks with a maximum interest charge of 18 per cent up to \$1,000, 12 per cent on the balance, and removing the present \$3,000 limit on these loans. Maximum repayment period is extended from 36 to 85 months.

LB 307, regulating revolving charge agreements, sets a maximum interest charge of 18 per cent on the first \$500, and 12 per cent on the balance. It also removes the current \$500 limit.

LB 425, which regulates industrial loan and investment companies, sets same interest rates and ceilings as the Bank Bill.

LB 414 regulates credit unions with a maximum interest rate of 12 per cent.

### Bank Women, Inc.

The Nebraska Group of the National Association of Bank Women, Inc., observed its 10th anniversary at the annual meeting held in McCook recently. Mrs. Amy Reiss, cashier at the Bruning State Bank, was elected chairman to succeed Mrs. Frances McCarty, assistant cashier, First National Bank, McCook.

### Edward Kirchhefer

Edward Kirchhefer, 80, vice president of the Sutton State Bank, died recently in a one-car accident in Sutton.

### Code Workshop

A series of six day-long workshops was conducted during May by the Nebraska Bankers Association in an effort to acquaint bankers with the complexities and technical aspects of the uniform commercial code which becomes law in Nebraska in September. Workshops were conducted in Lincoln, Fremont, Norfolk, Alliance, Kearney and Holdrege.

### New Drive-In

The Overland National Bank, Grand Island, recently opened its new drive-in and walk-up facilities at the corner of Second and Cleburn Streets. There was no formal opening ceremony. Design of the new facility is such that it conforms with that of the downtown bank building.

### Beatrice Promotions

W. W. Cook, Sr., president of the Beatrice National Bank and Trust Company, recently announced the promotion of three officers and the appointment of a new staff member to the commercial loan department of the bank.

The promotion of officers include:

W. W. Cook, Jr., from assistant vice president to vice president; J. D. Schiermeyer, from assistant vice president to vice president; and Walter W. Braun, from assistant cashier to assistant vice president and agricultural consultant.

Lloyd R. Kitrell, the new member of the bank staff, had worked as a national bank examiner prior to his appointment at Beatrice. He is a 1958 graduate of the University of Nebraska.

### New Assistant Cashier

The board of directors of the Platte Valley State Bank, Kearney, recently promoted Mrs. Betty Walline to assistant cashier. She has been employed by the bank for approximately four years.

### Heads New Bank

Marcus Dittman, former president of the Cornhusker Bank in Lincoln and Central Bank in Central City, has been named president of the new First National Bank, Richmond, Mo.

### Edwin J. Loutzenheiser

Edwin J. Loutzenheiser, executive vice president of the Gothenburg State Bank, died recently in the Gothenburg Memorial Hospital following a heart attack. He had been associated with the bank for a total of 59 years.

### Bellevue Open House

The Bank of Bellevue recently completed its third remodeling program since opening in March, 1951. The interior of the bank was refurbished and individual check counter booths, private loan offices and an enlarged lobby were included in the project. As part of the open house promotion, the bank had a display of \$1 million in currency. Approximately 3,500 visited the bank during the celebration.





## Your Customers' Livestock Receipts Reach You Faster When Routed Through South Omaha Stockyards National Bank

Our strategic location, plus over 75 years of financial experience with the livestock industry, is at your service. May we help you, too?



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*Northwestern Banker, June, 1965*

**Remodeling Planned**

A project designed to remodel and expand the First Security Bank of Holdrege to more than double its present size, is underway. A completion date of August 15 has been set, according to Ralph Misko, bank president.

**New Cashier**

James B. Jessup has been named cashier at the Banner County Bank, Harrisburg, succeeding Ron Soper, who resigned. Mr. Jessup had been Banner county clerk for nearly 11 years and also operated an abstracting business.

**Former Nebraskan**

Marvin L. Dyer, former assistant cashier at the Lexington State Bank, has been named manager of the Pinole, Calif., office of the First Western Bank.

**Accepts Position**

Elbert Loewenstein, Geneva, former Fillmore county agent, has accepted a position with the Bruning State Bank, according to Frank L. Bruning, vice president. Mr. Loewenstein will assist with insurance and loan appraisals.

**James M. Easom**

James M. Easom, 88, chairman of the board of the Platte Valley Bank in North Bend, died recently in Fremont. He had been in the insurance and real estate business in North Bend for many years.

**Council Says, "Okay"**

After initially refusing to allow the Farmers State Bank to remove curbing for a new drive-in facility, the Aurora city council reconsidered the proposal, and finally allowed the action. The reconsideration came about through a new application submitted by the bank giving additional information concerning pedestrian safety measures.

The information proposed a bell warning device for cars entering the crosswalk, plus stop signs and flashing lights. It also provided for gates which would prevent unauthorized use of the drive during non-banking hours. A delegation of local businessmen had approached the council requesting that its initial move be reconsidered.

**Exeter Building**

E. L. McCabe, president of the First National Bank in Exeter, has announced tentative plans to build a new bank building in Exeter.

**Merger Promotion**

**BANK BARBEQUE**—To kick off the first promotion of the newly-merged South Omaha Stockyards National Bank, the employees of the 24th and L Street office held a bank barbecue outside the drive-in unit on the busiest corner in South Omaha. A new redwood picnic table with a large folding umbrella was used for the promotion and was to be given to the employee introducing the most new customers. The promotion was based on a new compact grille, one of which was to be given to each person who opened a new account.

**New Bank Building**

The Blue River Bank, McCool Junction, recently opened the doors of its new building to the public.

**57 Years in Banking**

W. F. Wenke, president and chairman of the Pender State Bank at Pender, recently observed its 57th anniversary in banking. Mr. Wenke, 77, has spent his entire banking career with the Pender State Bank.

**Association Dissolves**

At a recent special meeting, the shareholders of the Hooper Building and Loan Association voted to dissolve the association. Under the plan of dissolution, the First National Bank of Hooper will acquire the loans of the association.

**Freak Accident**

The drive-in office of the First National Bank of Gordon was damaged in a freak accident recently. An egg truck struck the edge of the overhanging marquee and caused sections of the ceilings and walls to fall. No one was injured in the accident.

**Banker Honored**

W. E. Coblentz, president of the Farmers State Bank, Aurora, has been honored by Equitable Assurance Company as one of the top 10 farm loan

correspondents in a four-state area in 1964. This is the second consecutive year he has received the award and the fifth year he has been so honored during the past 12 years.

**80th Anniversary**

The Morrill State Bank observed its 80th anniversary last month with a two-day open house. Norman Saylor, Jr., is president of the bank.

**Remodeling Project**

The Farmers State Bank of Sargent is currently being remodeled to make better use of existing parking space.

**Begin Demolition**

Demolition of the old Woolworth Building, adjacent to the Scottsbluff National Bank, began last month in order to make room for the bank's new building. H. D. Kosman is president of the bank.

**Joins Bank**

City Council President Russ Thompson, Bellevue, resigned the administrative assistant post for which he had been hired the previous week in order to join the Bank of Bellevue effective May 17.

**Named Director**

Edward J. Svik, vice president of the Clarkston Bank, has been appointed to the bank's board of directors to fill the vacancy created by the death of Adolph Bohac.

**Appointed President**

Clayton Struthers, formerly associated with the First National Bank and Trust Company, Lincoln, has been named president of the Grafton State Bank.

**Made Director**

Kenneth Schuette, cashier of the Bank of Mead, has been made a director of the institution.

**Employee Retires**

Miss Bessie Wesely has retired as an employee of the Schuyler State Bank. An employee of the bank for 16 years, Miss Wesely was succeeded by Mrs. James Lambrecht.

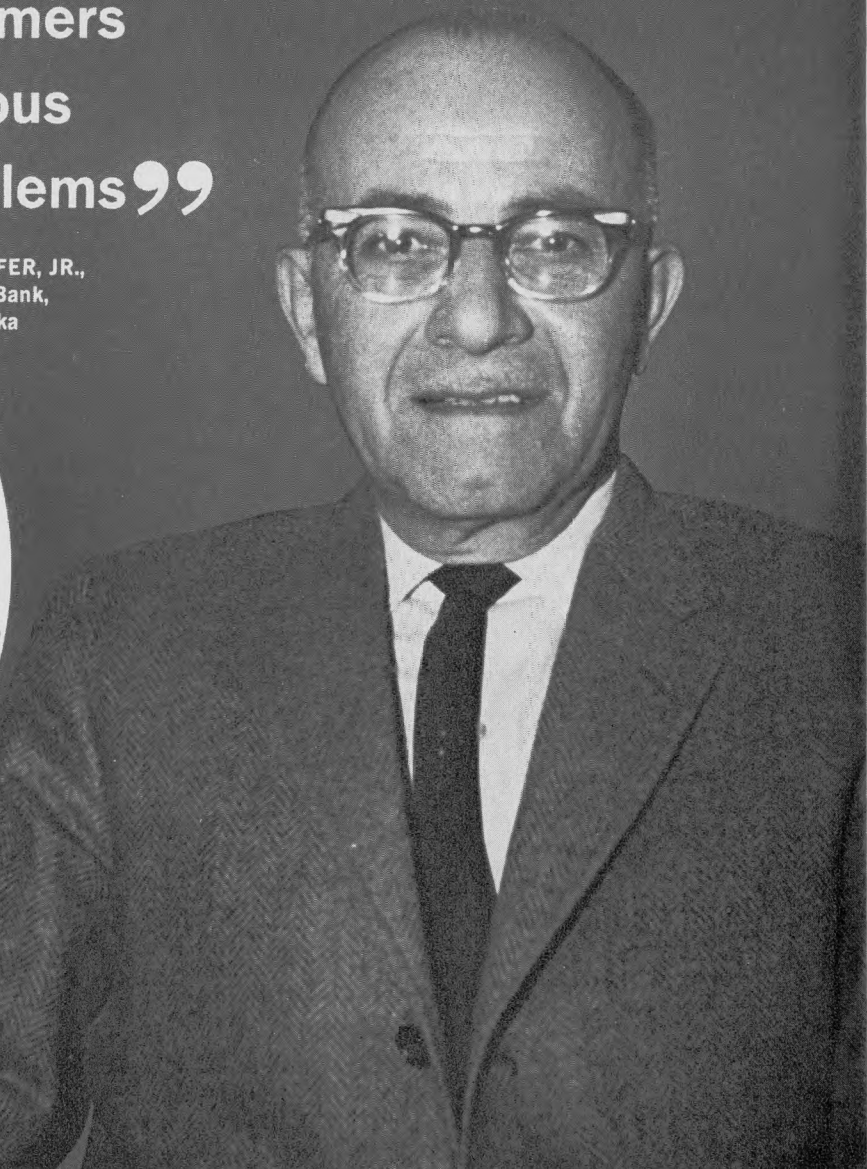
**Rudolph E. Novak**

Rudolph E. Novak, president of the Oak Creek Valley Bank, died recently at the age of 83 years.



Wonderful relief  
for many of our  
bank customers  
with serious  
financial problems”

Reports GEORGE W. SHAFER, JR.,  
President, First State Bank,  
Beaver City, Nebraska



“My experience with United American Life’s new ‘Worth Preserver’ Plan has been wonderful...giving so much relief to many of our depositors who had some serious financial problems. Excellent training enables United American specialists to work hand in hand with us, providing our institution with a really valuable service.” Practical Midwestern bankers like George Shafer know that a service is only as good as the people who must make it work. And Mr. Shafer knows that the United American ‘Worth Preserver’ Plan works well for his bank! It can for yours, too...offering an entirely new and helpful financial tool to depositors, while at the same time creating a significant new source of revenue. Our people handle the work—nothing extra for you to do. Yet you pay nothing for this service, nor do your customers. *We pay you!* Learn more about this great new participating profit opportunity from one of our experienced bank plan specialists. Write or wire Mr. W. W. Wilson, Jr., or call collect now: (Area Code 303) 825-1331.

For more than 25 years, our company has pursued an aggressive, enthusiastic course, resulting in a rapid but sound development pattern. Growth in assets, insurance in force (currently over \$300-million) and net interest earnings exceed the 5-year average of the nation’s 15 largest life insurance companies. United American is one of only 300 legal reserve companies selected for rating by Best’s Life Insurance Reports from among some 1700 companies.



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W. W. Wilson, Jr., President

1717 California St.

Denver, Colorado

Northwestern Banker, June, 1965

# Lincoln News



**J**OSEPH C. MARTIN, 48, vice president, trust officer and director of the Union Bank and Trust Company, Lincoln, died recently.

A lifelong resident of Lincoln, Mr. Martin had been associated with the Union Bank and Trust Company for the past nine years.

\* \* \*

**Robert A. Wekesser**, senior vice president of the National Bank of Commerce, has received the first



R. A. WEKESER

investors Award for "outstanding investment of time, thought and effort in human resources" from the Nebraska Human Resources Research Foundation, Inc. It was presented to him at the Foundation's ninth annual meeting at the University of Nebraska.

Mr. Wekesser has served as president of the Foundation the past three years and is also president of the Lincoln school board. Mr. Wekesser was cited in the award for his day-to-day work as a community leader that has opened so much opportunity to younger people.

\* \* \*

Lincoln's newest bank, Lincoln Bank South, opened its doors for business last month at 3737 South 27th Street. The new bank is Lincoln's eighth bank and the city's fourth state-chartered bank. **Glenn Yaussi** is president of the new bank.

\* \* \*

Lincoln bankers recently joined a group of Nebraska delegates which scheduled a round of business calls in Detroit, Mich., in search of new industry for Lincoln.

**John Fraker**, manager of the Lincoln Chamber of Commerce, noted that the group was primarily interested in influencing Michigan industries, interested in establishing new plants elsewhere, to locate in Nebraska.

The following correction should be made in the 1965 edition of the Nebraska-Iowa Bank Directory:

**National Bank of Commerce Trust & Savings, Lincoln:** Change M. H. Kreycik to assistant cashier; delete John E. Wilson, and change Roger Ammon, listed as a director, to Robert H. Ammon.

## President Resigns

H. L. Williams, president of the Gothenburg State Bank for the past 50 years, resigned his post recently. The bank's board of directors immediately elected him to the newly-created position of chairman of the board.

## Approve Affiliate

H. D. Kosman, president of the Scottsbluff National Bank, has been advised by the U. S. Comptroller of the Currency that the bank's application to establish an affiliate bank has been approved. Capitalization was authorized at \$300,000.

## Reuben Knight

Reuben Knight, 80, a banker for a total of 56 years and president of the Alliance National Bank from 1940 to 1958, died recently.

## New Addition

Construction is underway on a new addition to the First National Bank building in Hooper. The project will result in additional facilities as well as a new paved parking lot.

## Heads Loan Section

Donald L. Smith has been named to head the installment loan section at the Scottsbluff National Bank, succeeding H. W. Pinneker.

## Complete Addition

A new large addition to the Citizens State Bank in Arapahoe has been completed, according to R. F. Emmett, president of the bank.

## New Bank Officer

John A. Fauber, formerly of Tulsa, Okla., has been appointed assistant vice president of the First National Bank and Trust Company, Beatrice.

## New Quarters

The Peoples State Bank in Greeley recently moved into its new quarters.

## Named Officer

Barry Sherman has been elected to the post of assistant cashier at the First National Bank in Kearney.

## OMAHA NEWS . . .

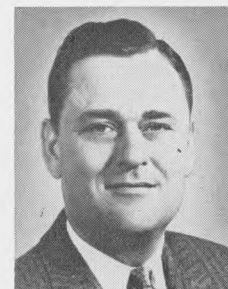
(Continued from page 98)

the new president of the Omaha chapter of the American Institute of Banking.

Elected to assist Mr. Kidder are: Vice president, **Glenn Ried**, United States National Bank; treasurer, **Vic Hoelting**, South Omaha Stockyards National Bank, and secretary, **Betty Feder**, Omaha National Bank.

\* \* \*

**John L. Landen** has been elected vice chairman of the board of The



J. L. LANDEN

Central National Insurance Group. He has been financial vice president and treasurer. He will continue as treasurer and chairman of the group's investment committee. Mr. Landen has been active in the field of finance for more than 20 years, having served as vice president of the Securities Acceptance Corporation before joining Central National.

\* \* \*

**J. Earl Thompson**, retired vice chairman of The Central National Insurance Group, died recently at the age of 67. He had been with the company since 1947.

\* \* \*

The Robert E. Schweser Company has named four new officers. Named vice presidents are **Harold Hultman** and **Robert Roh**. New assistant vice presidents are **Jack Petersen** and **Lee Williams**.

The firm specializes in investment banking and the underwriting of municipal and corporate securities.

Owners are **L. L. Lawrence**, **Frank E. Williams**, **Patrick H. Rensch** and **William March**.

The company also has offices in Albuquerque, New Mexico and Ventura, Calif.

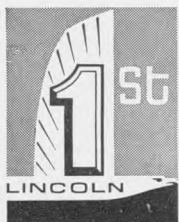




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**FIRST NATIONAL BANK & Trust Company of Lincoln**

LINCOLN, NEBRASKA

MEMBER F.D.I.C.

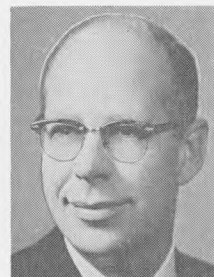
***At Bankers Trust  
we care what happens  
in Iowa.***

Like you, we're Iowans. We're dedicated to the economic well-being of our state and of its communities. We care very much about your success in your trade area, and we welcome the opportunity to serve your bank. We offer assistance on: transit service — safe keeping — excess loans — investment counsel — trusts — and other special services.

*Write, or call us  
for help on any  
banking problem*



CY KIRK



HOMER JENSEN



GORDON DODGE



6th Avenue and Locust Street

Des Moines, Iowa

Member: F. R. S.

Member: F. D. I. C.

Northwestern Banker, June, 1965



# Iowa NEWS

**E. L. BALLOU**      **President**      **Storm Lake**  
**FRANK WARNER**      **Secretary**      **Des Moines**



## Rock Rapids Bank Sold

A contract has been entered into with Paul D. Dunlap and his associate, G. E. Anderson, both of Red Oak, to purchase from Roy Dinsdale of Palmer, Neb., the controlling interest of the Lyon County State Bank, Rock Rapids.

Jerry G. Leahy, president of the bank, is also in the purchasing group and will remain as president and managing officer. There are no personnel changes planned.

Mr. Dunlap and his associates now own the Lyon County State Bank, Rock Rapids; Houghton State Bank, Red Oak, and the Onawa State Bank in Onawa. At year-end, the Rock Rapids bank showed capital of \$100,000, surplus of \$200,000, and undivided profits of \$140,000. Deposits were \$5,155,000, and loans were \$3,605,000.

## Plan Chariton Opening

Opening at the new building recently completed by the National Bank and Trust Company, Chariton, is planned for June 11 and 12. A special preview for area bankers will be June 10. The Kirk Gross Company in Waterloo supervised construction.

## Bettendorf to Build

Ground breaking ceremonies were held last month for the new building for the newly-chartered Security State Trust & Savings Bank in Bettendorf.

W. Kenneth Irwin, president of Life Securities of Iowa, which has had a leading role in financing the new bank, said he expected construction to be completed in about 90 days. Kenneth E. Swartz, Jr., of Davenport is the general contractor.

Barton W. Smith, former executive officer of the Coralville Bank and Trust Company, will serve as president. Leonard E. Finck, who resigned as assistant vice president at the Bettendorf Bank & Trust Company, will be cashier. At press time, the new bank had not received FDIC approval.

## Attend Washington Conference

John Chrystal, state superintendent of banking in Iowa, and his deputy,

Holmes Foster, attended a three-day conference in Washington, D. C., last month sponsored by the FDIC. It was the third in a series of conferences on banking between state banking supervisors and the Federal Deposit Insurance Corporation.

## Joins Sioux City Bank

Charles H. Walcott, well-known Iowa banker, has joined the First National Bank in Sioux City as a vice president.

Mr. Walcott has most recently served as senior vice president of the Pioneer Valley Savings Bank, Sergeant Bluff, a suburb of Sioux City. Previously, he had been vice president of the First National Bank of Chicago, where he was in charge of the bank's agricultural credit division.

Until September, 1963, Mr. Walcott was with the Security National Bank in Sioux City for 28 years. He served as president of Security from 1959 until he went to Chicago. He is a past president of the Iowa Bankers Association.

## Resigns at Rock Rapids

Don DeHaan, cashier of the Lyon County State Bank, Rock Rapids, has resigned to accept a position with Brown and Bigelow advertising firm, working out of Sioux Falls.

## Britt Open House

The First State Bank, Britt, held open house on May 28 in its new banking quarters.

Supervised by the Kirk Gross Company, Waterloo, the bank put in a new board room, a new community room, an employees' lounge, a private office, and doubled the bookkeeping area.

## Joins Perry Bank

Richard W. Rinderknecht, an examiner for the FDIC, has joined the staff of the First National Bank, Perry.

## New Banking Board

Governor Harold Hughes has appointed a new banking board to take office July 1. The four new members will serve with John Chrystal, superintendent of banking, on the five-man board. They are:

William P. Ronan, president, Decorah State Bank; Donald J. Bell, president, New London State Bank; A. E. Peters, president, Jasper County Savings Bank, Newton, and W. M. Goodyear, executive vice president, Lake City State Bank.

## Retires at Sibley

E. C. "Ed" Yappen has retired as a vice president of the Sibley State Bank. He had been an officer of the bank for 21 years. He will continue to live in Sibley.

## Group 11 Golf Tourney

Members of Group 11 are planning to hold their annual golf and field day at the Mount Pleasant Country Club on Tuesday, June 22. Dennis T. Jones, cashier of the Henry County Savings Bank, Mount Pleasant, will be in charge.

## Complete Sheldon Merger

Effective last month, the merger of the State Bank of Archer, Archer, into the Security State Bank, Sheldon, was consummated with the Archer bank continuing as an office.

The resulting bank has assets of \$8,437,730; liabilities of \$7,667,124, and a capital stock account of \$770,605.

At the May board meeting, directors of Security State authorized a 100 per cent stock dividend, increasing the capital account from \$127,500 to \$255,000. Surplus is \$250,000. At the same meeting, Sterling B. Archer was elected as a vice president, and William C. Haht as assistant cashier. The two men operate the Archer office.

## Refuse Dubuque Application

The Comptroller of the Currency has disapproved an application for a new national bank in Dubuque. The application was made by the Iowa National Investment Company. Proposed directors for the bank were Laverne J. Schlitz, Robert H. Wahler, Arthur Roth, Jr., Dr. Donovan F. Ward, Harold F. Reynolds, John S. Schlitz and Harold Nachtman.

An application for a state charter was refused by the Iowa superintendent of banking earlier this year. The application was made by Lynn S. Fuller and associates. It is understood that further interest is being shown on obtaining a charter in Dubuque by the above mentioned parties.

## Webster City Bank Purchase

**G**EORGE E. ALEXANDER and George B. Aden have announced that they have sold their major interest in the Farmers National Bank, Webster City, to L. S. "Bud" Wood of Fonda, Rodney B. Amlie of Pocahontas, and Mr. and Mrs. B. H. Amlie of Humboldt. Mr. Wood is now active in the bank, serving as vice president.

Rodney B. Amlie will remain in his present capacity as executive vice president of the Commercial State Bank, Pocahontas. His father, B. H. Amlie, is president of the latter bank.

Mr. Wood is a director of the Commercial State Bank, and has been engaged in the farm management business in Pocahontas.

Mr. Alexander will remain as president and Mr. Aden will remain as vice president in Webster City. Both men are directors. B. H. Amlie, Mr. Wood and Rodney Amlie have been added as directors. Rodney Amlie has also been named as a vice president.

On April 26, the bank had capital of \$200,000, surplus, \$200,000, and undivided profits of \$260,040. Deposits were \$9,578,472, and loans were \$5,294,788.

### Resigns at Council Bluffs

Ronald L. Kiger, cashier, Council Bluffs Savings Bank, Council Bluffs, has resigned his position to accept an executive position with the Council Bluffs Transit Company. Mr. Kiger's father headed the transit company until his death last month.

### Manson Open House

More than 1,300 persons visited the newly-remodeled banking quarters at the Manson State Bank during a Saturday open house held there last month.

### Atlantic Drive-In

Whitney Loan and Trust Company, Atlantic, has revealed plans for building a new drive-in facility and adjacent parking area. Capital was increased to \$300,000 and surplus to \$400,000 recently.

### Spirit Lake Opening

Open house was held last month by the State Bank in Spirit Lake, according to Charles Wetzeler, executive vice president. The main bank was moved to Spirit Lake from Terril earlier this year. An office continues to operate in Terril.

The bank building was designed by Robert E. Warner, architect from Spencer. The general contractor for

construction of the building was Building Industries, Inc., of Spirit Lake. The building is situated on two lots with a concrete parking area in the front of the building, plus a drive-in facility located at the rear of the building. It is constructed of brick and the over-all size is 40 by 60 feet. The parking area at the front of the building has an entrance from both Hill Avenue and 19th Street. The erection of a large sign with a clock included gives the correct time to the residents using the main street which is Hill Avenue. The bank has modern equipment including a drive-in window constructed by the Mosler Safe Company. New safe deposit boxes were also installed by Mosler. The bank counters are constructed of walnut and were designed and manufactured by Becker Manufacturing of Alta.

### Joins Bettendorf Bank

Robert T. Knapp, president of the Bettendorf Bank and Trust Company,



D. S. GRINDE

has announced that Douglas S. Grinde has been elected vice president of the bank.

Mr. Grinde has been assistant vice president of the Peoples Bank and Trust Company in Cedar Rapids, where he has been employed for the past 14 years. He has extensive experience in installment lending.

Frank Henderson has resigned as vice president of the bank.

### Moves to Council Bluffs

Dale E. Maron has assumed the position of trust officer of the State Savings Bank, Council Bluffs. He was formerly vice president of Iowa Hardware Mutual Insurance Company in Mason City.

### Plan Wapello Drive-In

The State Bank of Wapello has purchased the former Oakes Service Station and plans to renovate it for a drive-in bank.

### Sell Sioux City Bank

Neal C. Tennis, director of the Valley State Bank, Sioux City, has sold his interest in the bank to the Perry Development Company, an Iowa corporation, according to J. E. Kelly, president.

Mr. Tennis, who is president of the

Morningside State Bank, said he disposed of his interest in the Valley State Bank so as to devote his entire time to the Morningside Bank.

He will be replaced as director by Bernard B. Marks.

### Blairstown Promotions

Earl M. Kimm has been advanced from cashier to executive vice president, and Harold J. Martin has been named cashier from assistant cashier at the Benton County State Bank, Blairstown. All other officers and directors are the same.

### Winterset Open House

Open house in the newly-remodeled quarters of the Union State Bank was held last month.

### Winning Davenport Team

A basketball team winning 95 per cent of its games over a four-year period is unbelievable, but it becomes even more incredible when the team has not practiced over five times in the four-year period.

The team in question is the Davenport Bank, which plays most of its games in the Davenport Muni League.

During the span, this team, which is composed mostly of former college players, has won four Muni League titles, four Davenport City championships and the Metropolitan League crown, the only year that league was in existence.

The four-year record is 88 victories and five losses, including a 36-game winning streak over the last two seasons.

This year's team rolled over 20 straight opponents. In 1963-64, the record was 21-3 and in 1962-63 it was 16-2 after an undefeated 30-game campaign in 1961-62 which included 10 games in the Metro loop.

Last season the bank retired the traveling trophy, which goes to the winner of the city tournament, for winning the affair the third straight year.

Four members of this year's team were among the top four scorers in the league. Ken Moeller, with a 23.2 average, topped the individual scorers. Bill Noonan, 19.3; Tom Sunderbruch, 18.6; and Pete Schebler, 17.8, finished third, fourth and fifth, respectively.

Others of this year's roster are Tom Otting, Bill McAfoos, Del Belvins and Larry Hatfield.

### New Waterloo Director

Richard Jenkins, president, Peoples Mutual Savings and Loan, is new director of the National Bank of Waterloo.



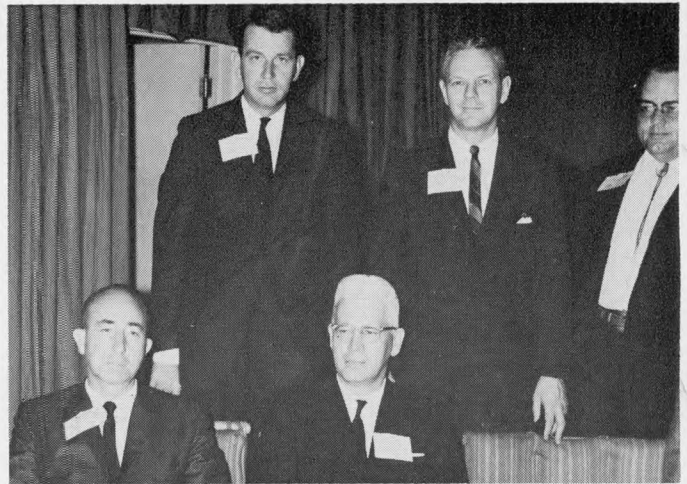


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## ***Direct Verification Explained at 1965 Iowa Group Meetings***

By **MALCOLM FREELAND**  
Publisher



VIPs at 1965 Group Meetings included: Pres. E. L. Ballou and V.P. Robt. J. Tank (seated); John Chrystal, supt. of banking, Paul Franzenburg, state treas., and Speaker J. N. Christianson.

**D**IRECT verification of accounts in state-chartered banks is scheduled to start in September.

This is the official word from John Chrystal, Iowa superintendent of banking, who appeared on the program of all May group meetings.

Mr. Chrystal explained that direct verification will prove to be a real asset to Iowa banks. He stated that the verification procedure will not damage the reputation of banks under his jurisdiction and any such feelings are unjustified in his opinion. Newspapers and other media offering mass coverage have been contacted to "educate" the public in advance of actual verification. About 10 to 15 per cent of a bank's accounts will be verified. It is unknown at present whether or not independent CPA verifications will be recognized in lieu of verifications from the state banking department.

### **Parking Lot Offices**

Mr. Chrystal explained the advantages of the proposed two parking lot

office bill, mentioning that in his opinion it would be a strong deterrent to branch banking in Iowa. Pointing out that his bank in Coon Rapids was a "temporary" member of the Independent Bankers Association, he took a dim view of that group's activities in fighting the parking lot office bill. The bill had not been acted upon by the Iowa legislature at the time of the meetings.

IBA President L. E. Ballou appeared on the programs of all groups. He mentioned that the Iowa Bankers Association continues to show 100 per cent membership by the banks in Iowa. He suggested that Iowa bankers back Senator A. Willis Robertson's bill concerning bank mergers, which would give federal bank supervisory agencies complete jurisdiction over mergers. He complimented the Iowa College Foundation and told the bankers that they should help support this worthy cause. In conclusion, Mr. Ballou reminded delegates that they should analyze their individual banking oper-

ations and not merely set future policies by those established by competitors.

With the Iowa legislature in session and voting on such measures as the payment of 4 per cent interest on state and local funds, some of the most interesting discussions took place outside of the meeting halls. No mention of this was made during the formal programs, even though one of Iowa's leading daily papers was attempting to make "an issue" out of the bill during the time the meetings were being held.

M. M. McMichael, vice president of the Iowa-Des Moines National Bank, and state chairman for the Foundation for Commercial Banks, reported on the activities of the Foundation. A detailed report may be found on pages 34 and 35 of the May issue of the NORTHWESTERN BANKER.

### **Registration Figures**

A total of 2,987 persons registered for the eight Iowa group meetings held during the past month.

Group 3, meeting again in Clear Lake, drew top honors by reporting a total attendance of 1,012. One of the smallest registrations was reported by Group 6 in Perry where only 181 persons registered. This group includes Des Moines and central Iowa where there is a large concentration of banks. Other groups reported the following figures:

Group 5—Council Bluffs	453
Group 2—Spirit Lake	209
Group 4—Oelwein	367
Group 8—Maquokta	375
Group 7—Tama	210
Group 10—Ottumwa	180

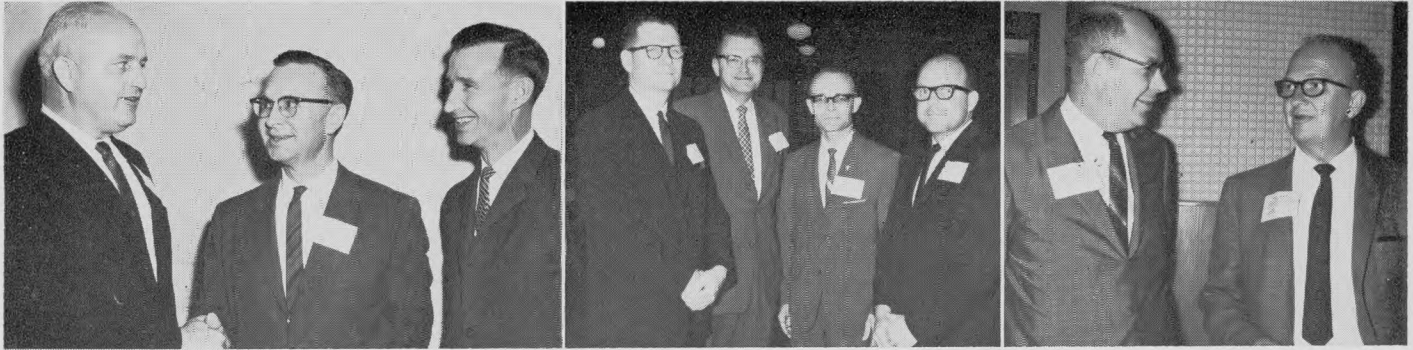


**CROSS SECTION** of delegates at Clear Lake meeting "drafted" as part of floor show. Editors believe it best to allow readers to make their own identifications!

Northwestern Banker, June, 1965



# Pictures Taken at 1965 Iowa Group Meetings



LEFT—Eldon Nielson, a.v.p., State Sav. Bk., Council Bluffs, retires as Gr. 5 chmn. and congratulates his successor, **T. N. Howe**, pres., Adair Co. St. Bk., Greenfield. Succeeding Mr. Howe as secy. is **Wm. Ryan**, cashier, Home Sav. Bk., Persia. CENTER—Gr. 6 meeting at Perry was headed by **Jim Haas**, a.v.p., Perry St. Bk.; Secy. **Art Lucht**, pres., Union Story Tr. & Sav. Bk.,

Ames; Chmn. **W. A. Lane, Jr.**, exec. v.p., Security Sav. Bk., Marshalltown, and **Tom Smith**, pres., First National, Perry. RIGHT—**Homer Jensen**, a.v.p., Bankers Tr. Co., Des Moines, visits with **Ray Seney**, pres. Amer. State Bank, Mason City, at Group 3 meeting.



LEFT—Truman Jeffers, asst. secy., Minn. Bankers Assn., congratulates **Mark Arneson**, pres., Clear Lake Bk. & Tr. Co. for major role he played in staging another successful meeting of Gr. 3. **M. L. Rye**, right, pres., State Bk. of Conger, Minn., accompanied Mr. Jeffers. CENTER—Working force at Clear Lake

included **Jim Gilruth**, v.p., Clear Lake Bk. & Tr. and **Neva Elting**, a.c., Clear Lake Bk. & Tr. **Don Heineking**, pres., Sec. State Bk., Hubbard, is shown with them. RIGHT—**Joe Snyder**, a.v.p., Manufacturers Hanover Tr. Co., New York, registers for Gr. 3.



LEFT—**Bob Thom**, a.c., First Natl. City Bk., New York. CENTER—**Fred Cummings**, v.p., Drivers Natl. Bk., Chicago, and **Bob Dixon**, pres., Rolfe State Bk. RIGHT—**M. M. McMichael**,

Jr., v.p., Iowa-Des Moines Natl. Bk., demonstrating the advertising material offered by the Foundation for Commercial Banks. He was a speaker at each group meeting.

New officers were elected by the odd-numbered groups. Even-numbered groups hold their officers over for another year. New officers are:

**Group 5** — Chairman, Ted Howe, president, Adair County State Bank,

Greenfield, and secretary, William L. Ryan, cashier, Home Savings Bank, Persia.

**Group 3**—Chairman, John McWhirter, president, State Bank of Allison, and secretary, John R. Martin, vice

president, Forest City Bank & Trust Company.

**Group 7**—Chairman, Reid C. Giese, cashier, First National Bank, Sumner, and secretary, David C. Neuhaus, cashier, Fairfax State Savings Bank.—End.

# Pictures Taken at 1965 Iowa Group Meetings



LEFT—Dale C. Smith, v.p., Central Natl. Bk. & Tr. Co., Des Moines, and Churchill T. Williams, pres., Oelwein St. Bk. CENTER—M. M. McMichael, Jr., v.p., Iowa-Des Moines Natl. Bk.,

and Bob Kline, v.p., Northern Tr., Chicago. RIGHT—Bob Bueneke, a.v.p., Iowa-Des Moines Natl. Bk. and Larry Guthart, pres., Arlington St. Bk.



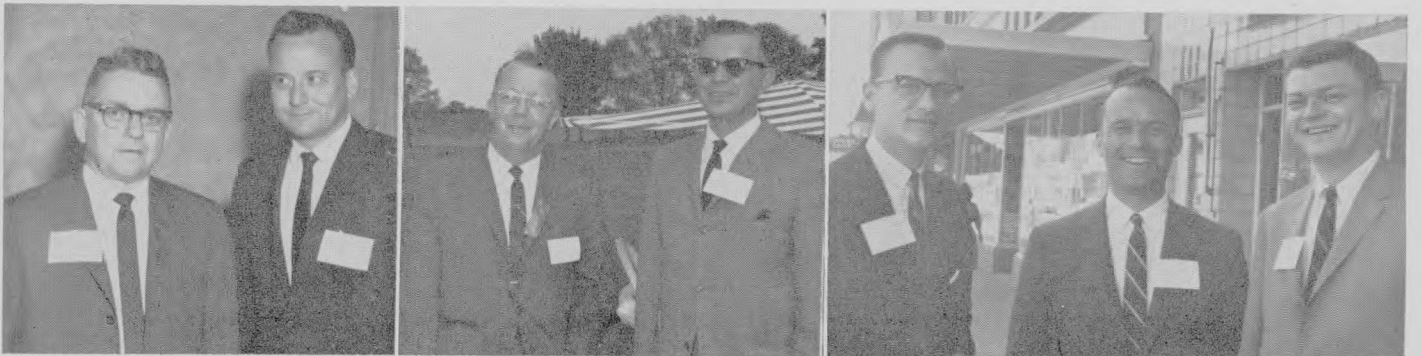
LEFT—E. L. Ballou, IBA pres.; Leo Kane, v.p., Amer. Tr. & Sav. Bk., Dubuque, and Frank Miller, Decorah attorney. RIGHT—J. F. Kleeman, cashier, Farley St. Bk.; Churchill T. Williams,

pres., Oelwein St. Bk., and Greg Corken, v.p., Dubuque Bk. & Tr. Pictures were taken at Gr. 4 in Oelwein.



LEFT—L. D. Murfield, cashier, Citizens Sav. Bk., Anamosa, and J. M. Hutchinson, exec. v.p., Davenport Bk. & Tr. Co. CENTER—John H. Lessenhop, pres., Walker St. Bk., and John Chrystal,

supt. of banking. RIGHT—Reid C. Giese, cashier, First Natl., Sumner, and E. H. Spetman, Jr., pres., Council Bluffs Savings Bank, and candidate for president of IBA.



LEFT—Gr. 10 officers: J. C. Blackford, sr. v.p., Union Bk. & Tr. Co., Ottumwa (Secy.), and J. J. Marget, pres., Keokuk Co. St. Bk., Sigourney (Chmn.). CENTER—Otto Reel, v.p., Jackson St. Sav. Bk., Maquoketa, and H. G. Deininger, v.p., Citizens

Sav. Bk., Anamosa. RIGHT—Leo J. Schlueter, a.v.p., Amer. Tr. & Sav. Bk., Dubuque; Dave Baer, a.c., The Northern Tr. Co., Chicago, and Pete Bailey, a.c., Merchants Natl. Bk., Cedar Rapids.

Northwestern Banker, June, 1965



# STATEMENT OF CONDITION

April 26, 1965

## ASSETS

Cash on Hand and on Deposit with Banks .....	\$12,400,599.99
United States Government Securities .....	13,017,407.71
Other Bonds and Securities .....	1,127,086.69
Federal Funds Sold .....	1,000,000.00
Loans and Discounts .....	30,722,777.16
Security National Bank Building, Vault and Fixtures .....	716,953.61
Federal Reserve Bank Stock .....	120,000.00
Other Assets .....	13,605.59
	<hr/>
	\$59,118,430.75

## LIABILITIES

Capital .....	\$1,700,000.00
Surplus .....	2,300,000.00
Undivided Profits .....	502,363.53
Total Capital Accounts .....	\$ 4,502,363.53
Deposits .....	54,616,067.22
	<hr/>
	\$59,118,430.75

## OFFICERS

Charles R. Gossett, President  
 Daniel L. Middleton, Vice President  
 Paul Snyder, Vice President

E. C. Thompson, Jr., Executive Vice President  
 Patrick F. Cook, Vice President  
 V. H. Cassem, Vice President & Cashier

## CORRESPONDENT BANK DEPARTMENT

Thomas C. Horn, Senior Vice President

John Diefendorf, Vice President

E. N. "Gene" Hagen, Assistant Cashier

## TRUST DEPARTMENT

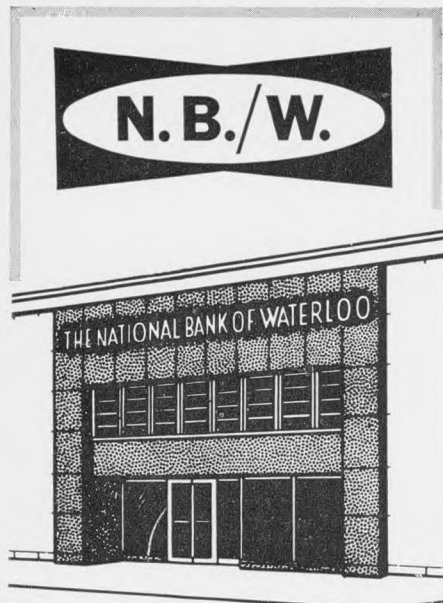
Howard L. Johnson, Vice President

L. C. Jensen, Vice President



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Northwestern Banker, June, 1965

## Promote Tipton's 125th Year



**ANNIVERSARY BELLES**—Advance publicity was given to the 125th anniversary of Tipton when bank ladies registered at Group 8 meeting in Maquoketa. Shown left to right are: Mrs. R. J. Ferguson, Mrs. L. D. Suchomel, Miss Welcome Reed, Mrs. Max Werling, Mrs. James Moore, and Mrs. I. L. Kramer. Mrs. Werling's husband is a director of the First Natl. The other ladies are affiliated with the Tipton State Bank. Formal celebration in Tipton will be June 27 through July 4.

### New Hills President

Albert F. Droll has been named president of the Hills Bank & Trust Company, Hills. He succeeds the late Leroy S. Mercer. Mr. Droll, well-known in eastern Iowa banking circles, has been executive vice president for a number of years, and has served the bank for 44 years.

Roy Lackender, a senior director, was named vice president.

The bank recently completed an improvement project by installing a fluorescent ceiling over the teller area and a new lobby floor of vinyl Corlan. Drapes have been added for the front windows.

### Plan Chariton Drive-In

The First State Bank of Chariton has announced the purchase of four business buildings on the downtown square for location of a new drive-in facility.

The buildings, heavily damaged by fire March 31, will be torn down. No date has been set for developing the drive-in and parking area although bank President George Garton said it will be at least a year before final plans are made.

### New at Fort Dodge

Earl Uecke, 41, vice president of the First National Bank, Escanaba, Mich., has joined the First National Bank in Fort Dodge as a commercial loan officer.

Mr. Uecke began his banking career with the First American State Bank, Wausau, Wis., in 1955. In 1963, he

joined the bank in Escanaba where his duties have included supervision of all loans and public relations.

### Joins Red Oak Bank

Larry Wenzl, 27, has joined the Houghton State Bank, Red Oak, and will work in the bank's installment loan department. He was formerly with the National Bank of Commerce in Lincoln, where he worked as an installment loan officer for three years.

### Monona Management Change

A change in management in the Union State Bank in Monona was announced after the regular meeting of the board of directors.

LeRoy C. Darby, formerly a cashier of the State Bank of Wapello, recently acquired a majority interest in the bank from H. T. Orr and has become executive vice president.

Kenneth W. Rash will remain as vice president and cashier until January 1, 1966. Mr. Orr plans to remain until January 1, 1967, in an advisory capacity and for the present will retain his titles of president and trust officer.

Both Mr. Rash and Mr. Orr plan to retire at the end of their respective periods of employment after serving the bank since 1933.

### Name Montezuma Cashier

The new cashier of the Montezuma State Bank will be Roy Fleming, according to an announcement made recently by Clyde McFarlin, chairman of the board, and Kenneth Cox, presi-



dent. Advancement of Mr. Fleming from assistant cashier to his new position will be effective August 1 upon the retirement of E. M. "Mike" Ammann.

Mr. Fleming joined the Montezuma State Bank staff in January of 1957.

### Estherville Ag Rep

Frank Lown has joined the staff of the Emmet County State Bank, Estherville, as agricultural representative, according to C. R. Currell, cashier. Mr. Lown was county extension director in Emmet county for 17 years.

### New Merville President

At the May annual meeting of the First Trust & Savings Bank, Merville, Iowa, Howard M. Logan was elected president, succeeding his father, Charles W. Logan, who was elected chairman of the board. George H. Coker, manager of the Lawton office, was elected vice president and cashier, and Mrs. Darlene Funk and Mrs. Doris McElrath were re-elected assistant cashiers.

Charles W. Logan organized the First Trust and Savings Bank in 1919 and has served as president since 1928.

An extensive remodeling project for the Lawton office has recently been completed as well as new hospitality rooms for the Merville location. The board of directors consists of Charles W. Logan, chairman; Howard M. Logan, Frank Zellmer, Raymond A. Hess and Glenn C. Metcalf, Jr.

### Honor Kalona Couple

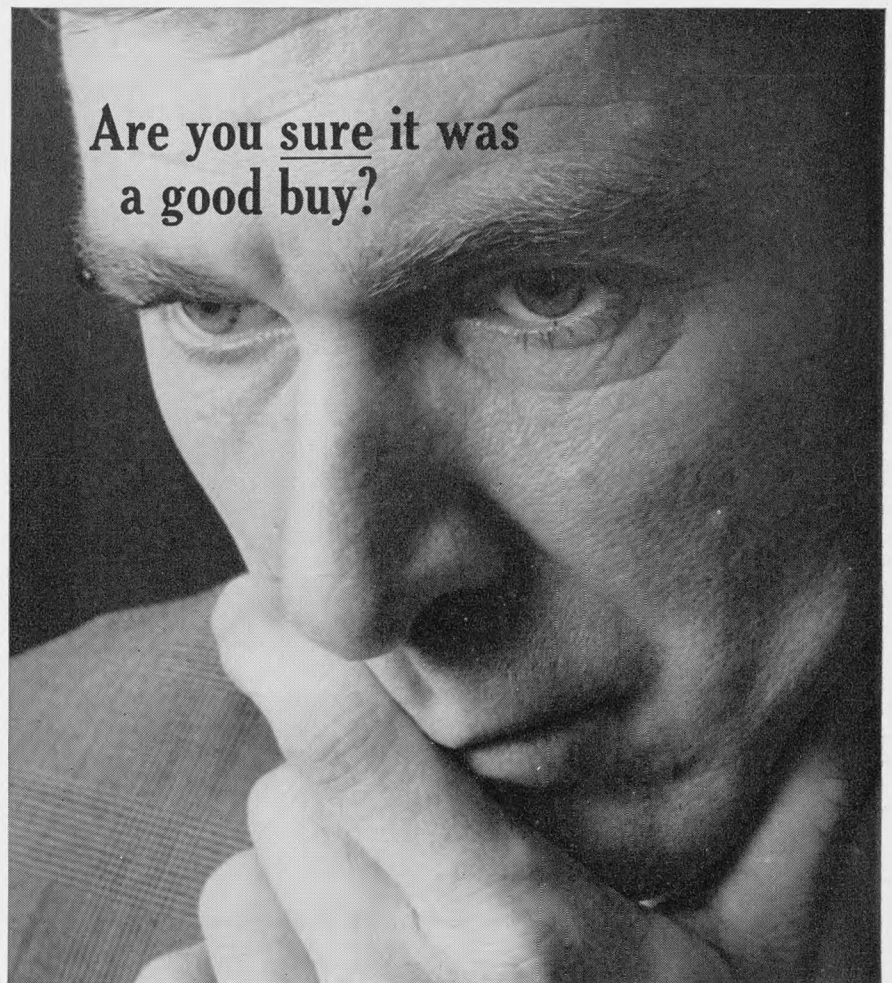
Mr. and Mrs. Ferd Skola were honored on June 1 by their children and employees of the Farmers Savings Bank on the occasion of the Skola's 25th wedding anniversary. Open house was held in the bank's community room.

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Northwestern Banker, June, 1965

## New Houghton State Bank Opens



APPROXIMATELY 5,300 persons attended open house last month at the recently-completed Houghton State Bank at Red Oak.

OVER 5,000 persons toured the new Houghton State Bank building in Red Oak last month, according to Paul D. Dunlap, president.

The new bank facility is located across Coolbaugh Street from the Montgomery County court house and replaces the bank's former building on the southwest corner of the square. A one-story, stone and red brick building, it was built according to the classical Tuscan design, with large stone columns on the north side where the main entrance is located. According to Architect Howard Nickerson, Jr., the Tuscan order is "distinguished by its simplicity of line and shape." The height of the columns decided the diameter at the bottom, with the top diameter 19/24ths that of the bottom. This created a pleasing proportion, which was then carried out in the beautiful styling of the entire structure.

The new Houghton State Bank building features a drive-up window, after-hours depository and envelope drop on the south side. The bank's interior is decorated in soft shades of gold and brown interspersed with restful wood paneling. Inside, to the left of the main or north entrance, is a spacious customer lounge with easy chairs; teller windows are on the south side, opposite the customer lounge. To the west of the teller windows are the bookkeeping department, vault and safe deposit boxes with adjacent private rooms.

One of the highlights of open house was the special commemorative booklet presented visitors, telling the early history of Red Oak and Montgomery County and the Houghton State Bank, in word and picture.

### Victor Bank Sold

Robert V. Dentel of Elroy, Wis., has purchased controlling stock in the Victor State Bank, Victor, from Wesley J. Simpson and has succeeded Mr. Simpson as cashier and managing officer. Bankers Service of Des Moines, Iowa, made the sale.

Mr. Dentel is a native of Ackley, Iowa, and a 1951 graduate of the State University of Iowa. He was employed as an insurance underwriter in Des Moines four years and as an investment counselor for one year, before entering the employ of the First Bank of Grantsburg, Wis. He has been cashier of the Bank of Elroy, Elroy, Wis., for the past two years.

Mr. Dentel has also purchased the Simpson family residence property and will move his family to Victor in June. Mr. Simpson's future plans are indefinite.

### T. F. Jacobson

Funeral services were held last month for T. F. Jacobson, president, Roland State Bank. He died of a heart attack at the age of 51. Mr. Jacobson was also vice president of the Story County State Bank, Story City.

### Offer Banking Course

A special course, outlining the provisions of the Uniform Commercial Code, which will become law in Iowa in July, 1966, has been initiated at Luther College in Decorah, Iowa.

The course, consisting of several Thursday evening sessions, is being taught by Frank Miller, prominent Decorah attorney and an instructor at the college.

## Approve Eldora Application

DORIS RUPPELT, cashier of the Farmers Savings Bank of Steamboat Rock, has announced that a special stockholders' meeting was held last month to implement the authority from the Comptroller of the Currency to convert the bank into a national bank. Headquarters of the bank, to be called the First National Bank of Eldora, will be temporarily located in two store fronts on the court house square. The present Baptist Church, also on the square, has been purchased and this ground will become the site

of the permanent bank building at a later date.

Cost of the course, which will be repeated next fall, is \$25 per person. Further information may be obtained by writing either Luther College or Mr. Miller.

### Downtown Parking Facility

Officials of Spencer National Bank announced plans for the construction of a downtown drive-up and walk-in office facility, which will be a subsidiary of its main bank at the Shopping Center.

Robert Krzmarzick, bank president, said the new bank facility will be where Earl's Shoe Repair is now located on E. 4th Street just east of the Rexall Drug.

### Heads Fiduciary Group

L. C. Jensen, assistant vice president and trust officer of the Security National Bank, Sioux City, has been elected president of the Iowa Corporate Fiduciaries Association. He succeeds Fred Koch, vice president and trust officer of the Waterloo Savings Bank. Other officers are J. Locke Macomber, vice president and trust officer, Valley Bank and Trust Company, Des Moines, vice president, and Ulrich H. Bunkers, vice president, Toy National Bank, Sioux City, secretary-treasurer.

### Approve Ottumwa Facility

First National Bank of Ottumwa has received approval for a parking lot office (or branch) from the Comptroller of the Currency. Location will be in the bank's present location at 131 East Main, to be operated after the bank has moved to its new location at Second, Marion and Third Streets.

It is understood that the facility is being questioned through the office of the state superintendent of banking, and also, there is a problem as to whether or not the city of Ottumwa will continue to approve the use of municipal parking meters for drive-up purposes by the bank's customers.

Three new directors will be added to the present board. They are Chris Riggert, retailer, and William Tietz, veterinarian, both of Eldora, and Sam McHose of Nevada, president of the Nevada National Bank.

It is anticipated that some additional stock will be sold to people in the area. Capital of the new bank is to be \$100,000, with surplus \$100,000, and approximately \$70,000 of undivided profits.



## National Charter for Ames Bank

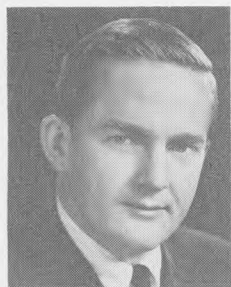
THE name change for the Ames Trust & Savings Bank became effective last month when the bank officially became First National Bank, Ames, Iowa.

Initial action for the change of name began several months ago when the bank's board of directors and stockholders unanimously approved the application for conversion to a national charter under the First National Bank name.

Clay W. Stafford, chairman of the bank, was formerly state superintendent of banking in Iowa.

### Name Merchants Director

At the annual meeting of the shareholders at the Merchants National Bank, Cedar Rapids, F. Forbes Olberg was elected a director, in an announcement by John Hamilton II, president. Mr. Olberg is a senior vice president of the bank.



F. F. OLBERG

Mr. Olberg replaces James S. Vaughan who recently moved to London to head the European operations of the Square D Company.

### New Maquoketa Directors

Otto W. Reel, vice president of the Jackson State Savings Bank, Maquoketa, reports the election of three new directors. They are: Edward L. Tubbs, vice president and farm service director of the bank; Robert E. Johnson, executive vice president of the Morris Plan, Cedar Rapids, and Mr. Reel.

### Joins Burlington Bank

John F. O'Neill, 35, has been named trust officer of the National Bank of Burlington, according to V. P. Cullen, president.



J. F. O'NEILL

Mr. O'Neill succeeds William R. Ruther, who recently moved to Appleton, Wis., to head the trust department of the First National Bank of Appleton.

Mr. O'Neill has been with the First National Bank, Mason City, since 1958, where he was assistant vice president and trust officer.

Bank officials have been busy in recent weeks handling the numerous details in connection with the change. The bank name appears seven times on parking lot signs, at the motor bank, on the time and temperature sign, and above the main entrance. These signs are in various states of modification. Approximately 150 forms and rubber stamps have been revised in connection with the name change.

## CONVENTIONS

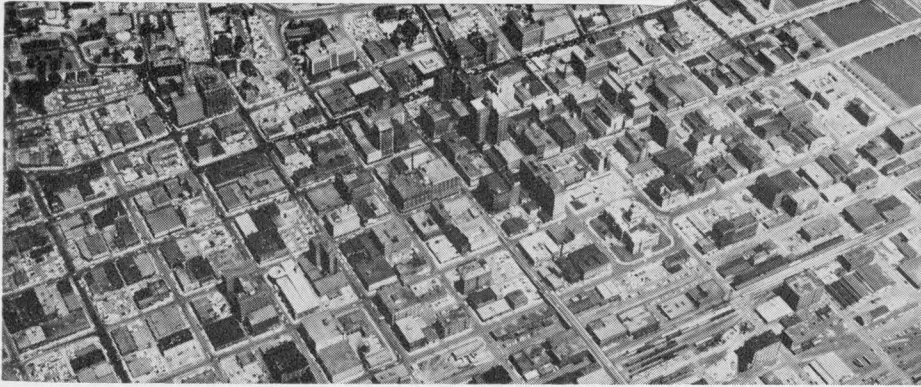
- June 7-18—Agricultural Credit School, Memorial Union, Iowa State University, Ames.
- June 8-11—Nebraska Bankers Association Bank Management Conference, Doane College, Crete.
- June 10-12—Wyoming Bankers Association 57th Annual Convention, Jackson Lake Lodge, Moran.
- June 14-16—Minnesota Bankers Association 75th Annual Convention, Hotel St. Paul, St. Paul.
- June 14-25—Stonier Graduate School of Banking, 31st Annual Session, Rutgers University, New Brunswick, N. J.
- June 24-26—Montana Bankers Association 62nd Annual Convention, Jackson Lake Lodge, Moran, Wyoming.
- July 4-17—Financial Public Relations Association School of Financial Public Relations, Northwestern University, Chicago Campus.
- July 7-9—Upper Midwest Agricultural Credit Council 11th Annual Convention, Dell View Hotel, Lake Delton, Wisconsin.
- July 18-30—National Installment Banking School, University of Colorado, Boulder.
- August 1-14—NABAC School for Bank Audit and Control, 13th Annual Session, University of Wisconsin, Madison.
- August 9-27—ABA National Trust School 5th Annual Session, Northwestern University, Evanston, Illinois.
- September 28-October 1—National Association of State Banks, 64th Annual Meeting, Pick-Fort Shelby Hotel, Detroit.
- October 3-6—American Bankers Association 91st Annual Convention, Chicago.
- October 17-20—Iowa Bankers Association 79th Annual Convention, Fort Des Moines, Des Moines.
- October 17-21—National Association of Bank Women 43rd Annual Convention, Hotel Mayo, Tulsa, Oklahoma.
- October 24-28—Financial Public Relations Association 50th Annual Convention, New York Hilton, New York.
- October 25-28—NABAC 41st Annual Convention, Chase Park-Plaza, St. Louis.
- November 14-16—ABA 14th National Agricultural Credit Conference, Hilton Hotel, Denver.
- November 14-17—Robert Morris Associates 52nd Annual Convention, Greenbrier, White Sulphur Springs, West Virginia.

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Art Rayunec, La Salle auditor, knows how to spot trouble before it happens. He can recommend procedures that mean greater security and peace of mind for bankers. La Salle correspondents often call on him for auditing help. You can reach Art at La Salle National Bank, 135 South La Salle Street, Chicago, Illinois 60690. His phone number is STate 2-5200, area code 312. Member FDIC. Complete Trust Services.

# Des Moines News



**T**HE Iowa-Des Moines National Bank has been given approval by the office of the Comptroller of the Currency to construct a parking lot office in northwest Des Moines, according to **C. W. Aurand**, president.

The office will be located west of the Hinky Dinky supermarket on the northwest corner of Beaver and Douglas Avenues, he reported.

Construction is scheduled to begin as soon as final drawings have been completed and approved.

\* \* \*

**C. O. Petersen**, Valley Bank and Trust Company, was recently elected president of the Des Moines Chapter of the American Institute of Banking at the annual meeting at Wakonda Club. Other officers elected were as follows:

**Lloyd Querrey**, assistant cashier, Central National Bank and Trust, was named first vice president and educational chairman; **Charles Cox**, Iowa-

Des Moines National Bank, second vice president and membership chairman; **Miss Deloris Brown**, Bankers Trust Company, treasurer; **Mrs. Judy Courtney**, Valley Bank and Trust, secretary; and **Mrs. Doris Capp**, National Bank of Des Moines, women's chairman.

\* \* \*

The Iowa Banking Board, although it did not meet during the month of May, will hold two meetings during the month of June.

\* \* \*

Bankers Trust Company has installed an electronic data processing center in one area of its building and has also remodeled and refurbished the bank's employees' lounge.

\* \* \*

**Allon McGlothlen**, assistant vice president, Valley Bank and Trust Company, recently became the father of twins—a boy and a girl.

\* \* \*

Construction has begun on a new

drive-in banking facility, on Fleur Drive, for the South Des Moines National Bank. **Donald J. Tew**, vice president and cashier, reports that the new facility should be ready for occupancy approximately September 1.

\* \* \*

**James Friesz**, South Des Moines National Bank, and **Edwin Knouse**, Capital City State Bank, tied for top honors in the second-semester "Principles of Banking" course offered by the AIB.

Top scholars in other classes offered by the AIB were the following:

"Money and Banking"—**Miss Joyce Boone**, Plaza State Bank.

"Accounting II"—**Miss Phyllis Morrison**, Northwest National Bank.

"Effective English"—**Miss Jane Petri**, Bankers Trust Company.

\* \* \*

**Miss Alice M. Akes**, associated with the East Des Moines National Bank



MISS AKES

since February 1, 1965, has been elected an assistant cashier by the bank's board of directors. Miss Akes was formerly vice president of the Decatur County State Bank in Leon. She has been in the banking pro-

fession for approximately 15 years. Announcement of her promotion was made late last month by **Doyle A. Butts**, executive vice president.

\* \* \*

**Walter K. Stephenson**, auditor, Bankers Trust Company, presided at one of the sessions at the Northern Regional Conference of NABAC held May 10-12 at Indianapolis, Ind.

\* \* \*

**Rhinehart W. Ruff**, assistant vice president at the Iowa-Des Moines National Bank, has been named to replace **Donald C. Fiske** as manager of the bank's systems and procedures department, according to an announcement made by **C. W. Aurand**, bank president.

Mr. Fiske has accepted a new position as assistant vice president of computer research and development for the Northwest Bancorporation, Minneapolis, Minn.

Mr. Ruff came to the bank from the Minnesota Blue Cross Company, where he was manager of hospital services systems. Prior to joining Blue Cross, he was, for seven years, an assistant cashier at the First National Bank of Minneapolis.

**Mrs. Esther Mazza**, a long-time employee of the bank's bookkeeping de-

## Honor Valley Bank Retiree



**MRS. MIRIAM TRACY**, long-time telephone operator at the Valley Bank and Trust Company, Des Moines, is congratulated by **Edward Burchette**, chairman of the board, at a coffee held in the bank lobby last month. Mrs. Tracy, who began working as a telephone operator at the bank in 1930, was honored in view of her retirement which became effective at the end of May. Also pictured are Mrs. Tracy's husband, **H. G. (Dick) Tracy**, president of Tracy Ceramic Tile Company, Inc., and **Mrs. Burchette**.

Northwestern Banker, June, 1965



## New Mason City Facility



**NEW INTERIOR** of the parking lot office opened last month by American State Bank, Mason City. The facility is located at 1631 4th Street S.W. in Willowbrook Plaza Shopping Area. Lobby is 20 feet by 50 feet.

partment, died recently. Mrs. Mazza first joined the bank in 1920 and worked there until 1936. She rejoined the institution in the late 1940's and worked there continually from that time until her death.

\* \* \*

**Lloyd Querrey**, assistant cashier, and **Mrs. Querrey**; **William B. Greaves**, assistant cashier, and **Jane Byers**, all of Central National Bank, attended the national American Institute of Banking Convention in New Orleans, La., May 30 to June 4.

**Mrs. Mary F. Holstad** and **Mrs. Marie Peebles**, assistant cashiers, attended the Tri-Regional Conference of the

National Association of Bank Women last month in Indianapolis, Ind. Approximately 160 women officers of banks throughout a 12-state area attended the conference.

\* \* \*

**John Chatham** and **Ross E. Gould** have been promoted to assistant cashiers of the Highland Park State Bank. Both are in the bank's note department.

Mr. Chatham joined the bank in 1956 and has been in the note department for the past eight years. Mr. Gould joined the bank this year after having been associated for nine years with the Clarke County State Bank, Osceola, where he was cashier.

## Bank Directory Corrections

**T**HE following corrections should be made in the 1965 edition of the Iowa-Nebraska Bank Directory:

**Farmers State Bank, Yale:** Delete Francis E. Culver. Jay W. Hemphill is president, Jay C. Hemphill is cashier, and Frances C. Chaloupka is assistant cashier.

**Holstein State Bank, Holstein:** List a Cushing office on page 67.

**Farmers Savings Bank, Victor:** Delete Roy Park and H. Art Schweibert from directors. Add E. J. Buresh and Pauline DeSmet.

**National Bank of Rockwell City:** Change listing under "Deposits" from "P & R" to "L & D" (\$1,696,050).

**Community State Bank, Whiting:** Delete J. L. Garred and W. C. Kratz from directors' list.

**Home Trust & Savings Bank, Osage:** The chairman, president and vice president are inactive. Add Royal A. Nold as cashier.

**State Bank of Spirit Lake:** Listing should appear on page 219, instead of page 218. Add C. W. Wetzeler, executive vice president.

**First Trust & Savings Bank:** Armstrong: Deposits, \$4,244,811; Loans, \$2,243,469; Undivided profits, \$263,166; Cash, \$819,792; Governments, \$157,762.

**First National Bank, Fort Dodge:** Bank is shown by former name of Fort Dodge National. Name should be changed to First National Bank.

**Lake City State Bank:** Loans should be \$1,899,110, and other securities should be \$88,765.

**Iowa State Savings Bank, Creston:** Add Arthur J. Duben as vice president.

**Central National Bank and Trust Company, Des Moines:** Add William B. Greaves, assistant cashier and manager, credit department.

**Seymour State Bank, Seymour:** Change government bonds to \$1,032,000. Show cash as \$96,000. Correct name to R. F. Malmberg.

### Top Scholar

James H. Young, assistant cashier, Poweshiek County National Bank, Grinnell, earned top honors in the second semester "Investments" course offered by the AIB.

## 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.



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# INDEX OF ADVERTISERS

JUNE, 1965

## A

Acorn Printing Company .....120  
 Allison-Williams Company ..... 60  
 American National Bank and Trust Company of Chicago ..... 99  
 American National Bank of Saint Paul 55

## B

Bank Building and Equipment Corp.. 9  
 Bankers Service Corporation .....120  
 Bankers Trust Company—Des Moines.106  
 Bank of America ..... 26  
 Bank of Montreal ..... 64  
 Billings State Bank—Billings, Mont... 79  
 Burroughs Corporation ..... 17

## C

Capp Towers Motor Hotel ..... 64  
 Central National Bank and Trust Company—Des Moines ..... 18  
 Central States Health & Life Co.....123  
 Chase Manhattan Bank, The ..... 4  
 Chemical Bank New York Trust Co.. 39  
 Chiles & Company ..... 96  
 Christmas Club A Corporation ..... 37  
 City National Bank and Trust Company—Kansas City ..... 89  
 Commerce Trust Co.—Kansas City... 47  
 Continental Illinois National Bank and Trust Company ..... 6-7

## D

Davenport, F. E., and Company ..96, 121  
 DeLuxe Check Printers, Incorporated. 38  
 Denver U. S. National Bank ..... 84  
 Diebold, Incorporated ..... 13  
 Digit Display Corporation ..... 23  
 Downey, The C. L. Company ..... 16  
 Drovers National Bank .....121

## E

Employers Mutual Casualty Company. 48

## F

Farm Business Council, Incorporated. 20  
 Figue, Reginald, Associates .....115  
 First National Bank and Trust Company—Cheyenne, Wyoming .... 80  
 First National Bank and Trust Company of Lincoln .....105  
 First National Bank—Browning, Mont. 78  
 First National Bank—Casper, Wyo... 82  
 First National Bank—Glendive, Mont. 79  
 First National Bank in St. Louis .... 43  
 First National Bank of Chicago ..... 41  
 First National Bank of Omaha ..... 93  
 First National Bank of Saint Paul .. 53  
 First National Bank—Rawlins, Wyo.. 82  
 First National Bank—Thermopolis, Wyoming ..... 83  
 First National City Bank—New York. 11

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## G

Gross, Kirk, Company .....120  
 Guardsman Life Insurance Company.. 10

## H

Harris Trust and Savings Bank ..... 15  
 Hawkeye-Security Insurance Co. .... 36

## I

Iowa-Des Moines National Bank .....124  
 Iowa Legal Blank and Printing Co....120  
 Iowa Power and Light Company..... 40  
 Irving Trust Company ..... 21

## J

Jackson State Bank, The—  
 Jackson, Wyoming ..... 80

## K

Kidder, Peabody & Co., Incorporated. 45

## L

LaMonte, George, & Son ..... 61  
 LaSalle National Bank .....46, 117, 119  
 Live Stock National Bank—Sioux City 66

## M

Marquette National Bank ..... 57  
 Merchants National Bank ..... 2  
 Midland National Bank of Minneapolis 59  
 Minnesota Commercial Men's Assn. .. 88  
 Miramar Hotel ..... 44

## N

National Bank of Commerce Trust and Savings ..... 95  
 National Bank of South Dakota, The. 67  
 National Bank of Waterloo, The .....114  
 National Boulevard Bank of Chicago.115  
 National Fidelity Life Insurance Co.. 65  
 National Reserve Life Insurance Co... 14  
 Northern Trust Company ..... 3  
 Northwestern National Bank of Minneapolis ..... 50

## O

Omaha National Bank, The ..... 97  
 Ozark Air Lines ..... 49

## P

Puget Sound National Bank ..... 12

## R

Recordak Corporation .....62-63

## S

St. Paul Terminal Warehouse Co.... 25  
 Security National Bank—Sioux City..113  
 Security Trust & Savings Bank—  
 Billings, Montana ..... 79  
 South Omaha Stockyards National Bank .....101  
 Stock Yards National Bank—  
 South Saint Paul ..... 54  
 Studley, Shupert Trust Investment Council ..... 20

## T

Talcott, James, Inc. .... 24

## U

Union Bank and Trust Company—  
 Helena, Montana ..... 78  
 United American Life Insurance Co...103  
 United California Bank ..... 87  
 United States Check Book Company.. 42  
 United States National Bank—Omaha. 90

## V

Valley Bank and Trust Company—  
 Des Moines .....109  
 Valley National Bank of Arizona .... 8

## W

Western and Southern Life Ins. Co... 8

## ACORN Sale Registers

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## Auto Attraction



**SECURITY STATE BANK**, Sheldon, Iowa, recently promoted the bank's auto installment loan services by having a local dealer place a 1965 automobile in the bank's lobby. "We had the car in the lobby for one week and noticed a very evident increase in lobby traffic and heard many comments around town and from many salesmen throughout the northwest Iowa sales territory," according to **Richard A. Schneider**, vice president.

### Aurelia to Build

The First Trust and Savings Bank, Aurelia, plans to build a new building with completion set for this fall. Paul Park Construction Company of Storm Lake has been awarded the contract.

### Investment Class

The Crawford County Trust and Savings Bank, Denison, is co-sponsoring a series of weekly investment seminars with the Sioux Falls office of J. M. Dain and Company investment firm.

### State Center Opening

The Central State Bank, State Center, held its grand opening in its new bank building last month. More than 60 area bankers attended a special preview of the new bank.

### Riverside to Build

The Peoples Trust and Savings Bank, Riverside, has awarded contracts for construction of a new bank building to Earl Wood and Sons of Washington, Iowa. Work has been started and completion is expected this fall.

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## Elected President

Richard L. Schneider, 55, was elected president of the Lee County Savings Bank in Fort Madison last month by the board of directors. He succeeds the late Ellsworth O. Thomas.

Mr. Schneider has been with the bank since 1929, serving most recently as executive vice president.

Roy G. Weddington, cashier and trust officer, was advanced to executive vice president. He will continue as trust officer. He has been associated with the bank since 1933. Succeeding him as cashier is Joseph F. Simmens, assistant cashier, who has been with the bank since 1954.

## Sergeant Bluff Bank Sold

O. A. Swartz, president of the Pioneer Valley Savings Bank in Sergeant Bluff, announced last month the sale of controlling interest of the bank to Neal C. Tennis, president of the Morningside State Bank. The Pioneer Valley Insurance Agency also was sold to Mr. Tennis.

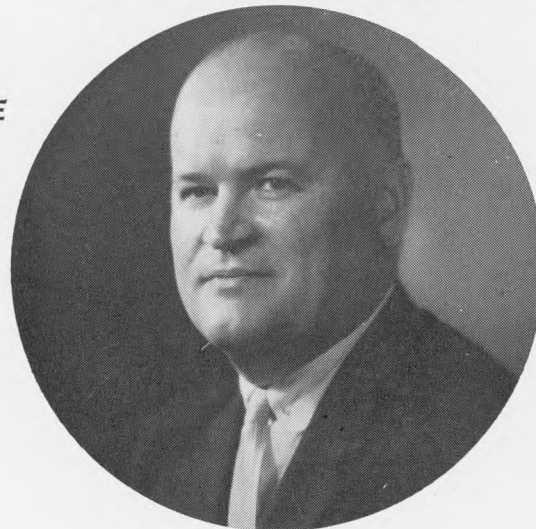
Mr. Tennis has been elected president and director. Mr. Schwartz continues on the board. Other directors include Ward Baker, A. H. Gray, John Hollenbeck and C. H. Walcott.

Mr. Tennis said no operational changes are contemplated at the bank.

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*Northwestern Banker, June, 1965*



# In the DIRECTORS' ROOM



## How Many Cattle?

Approximately 50 years ago, a shabbily-dressed old man appeared in the office of Fred Handley, president of a bank in a small Oklahoma town, and asked for a loan of \$1,000 for 90 days. The banker smiled grimly as he looked at the nondescript character who had the temerity to ask for a loan of this size, and handed the would-be borrower a sheaf of papers. "You'll have to fill these out to our satisfaction," he explained, "and then we'll decide whether to lend you money or not."

The ill-clad man took the papers to the rear of the bank and laboriously made the required entries. Then he returned them to Mr. Handley, who looked over the forms carefully. "So you have some steers," he said. "How many head of cattle do you actually have?"

"I don't know exactly," replied the borrower, "but I imagine I've got at least 4,000."

The banker blinked his eyes. He pulled out a pad, jotted down a few memoes and then said, "Well, I guess under those circumstances we can lend you \$1,000."

Ninety days later the borrower returned with the principal and the interest. He handed the money to the banker and explained that he had made a bigger profit on the sale of his cattle than he had anticipated and that he had also sold the mineral rights to a portion of his land for some \$50,000.

The banker gasped. "That's wonderful!" he exclaimed. "And now that you have all that extra money, why don't you deposit it here?"

"I'd like to," replied the man, "but first I have to ask you a question."

"Sure, go ahead."

"How many head of cattle do you have?"

## Next Election

A politician thinks of the next election; a statesman of the next generation.

## Time Out!

A person with an hour to kill usually spends it with someone who can't spare a minute.

## Transom Transaction

A man once entered a bank and asked for a loan. For collateral, he handed over a briefcase full of securities worth \$52,000.

"How big a loan are you seeking?" the banker asked.

"One dollar."

The banker figured here was another well-to-do eccentric and, to humor him, he made the loan. A year later, when it fell due, the man returned, paid the 6-cent interest and renewed the paltry loan.

As the man was leaving, the banker's curiosity got the best of him. "Would you mind telling me what this is all about?" he asked.

"Not at all," said the man. "Where else can I get a safe deposit box for six cents a year?"

## Honest Mistake

A man telephoned the police to report that thieves had been at work on his car. "They've stolen the steering wheel, the accelerator, the clutch pedal and the dashboard," he complained.

The police sergeant said he would investigate and hung up.

The telephone rang again.

"Don't bother," said the same voice, this time with a hiccup. "I got into the back seat by mistake."



"Don't forget to drop by the bank and pick up your travelers checks."

## Sixth Sense

Locker room attendants at the nation's country clubs are an efficient, well-trained lot.

One Saturday evening, an attendant answered the telephone and heard a female voice inquire, "Is my husband still there?"

"No, ma'am," replied the attendant promptly.

"How can you say he isn't there before I even tell you who I am?" demanded the angered woman.

"It doesn't make any difference, lady," came the reply. "There's never anybody's husband here!"

## Good Advice

A young fellow who had moved to a city about a thousand miles from his home town went into business. He wrote a number of letters to his father-in-law, a successful merchant, soliciting advice on how to conduct his new venture and received numerous replies giving him the counsel he had sought. "And remember," one letter of advice suggested, "if you find yourself in dire difficulties be sure to communicate with me immediately and I'll tell you what to do."

Sure enough, the time came when the young fellow went broke. "You told me," he then wrote to his father-in-law, "to communicate with you if I got into trouble and you'd tell me what to do. Well, I followed your advice in running my business and now I'm busted. What should I do?"

Back came a wire: "Just act like you are busted."

## Speaking Part

"Dad, guess what? I've been given my first part in a play," said the budding young actor. "I play the part of a man who has been married for 25 years."

"That's a good start, son," replied the father. "Just keep at it and one of these days you'll get a speaking part."

## Hello 'Dere

They say money can't buy friends, but it sure improves your class of enemies.



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# LIFE

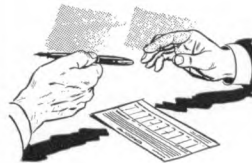
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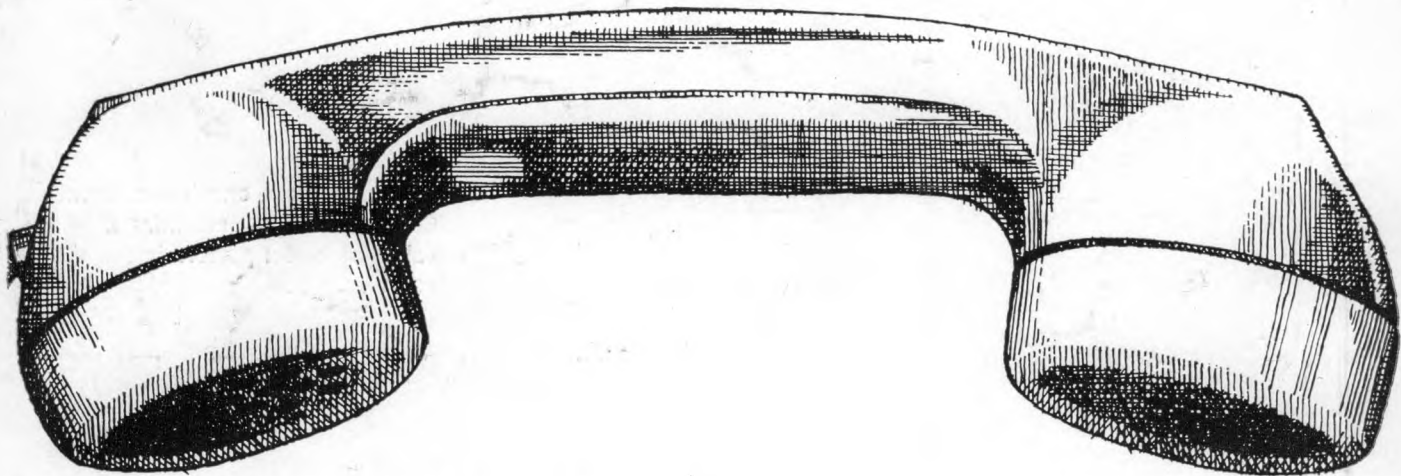
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