The myriad tools of modern banking...and men who know how to use them

Safekeeping services — Most banks can effectively handle detail work, and protect your securities, but at MNB we go just a little bit further. We will notify you when your securities become due, and provide advance notice of important events (such as bond maturity dates). We will provide a list of your securities, and if you like, we'll accept open orders to buy and sell securities at given prices, as the market permits.

If our INDIVIDUALIZED SAFEKEEPING appeals to you, contact Tom Martin at MNB soon. You'll find him in the Bond Department, and very eager to help you keep your securities up-to-date.

So many ways we can help you...
For men who get the jump on your problems...

TRUST NORTHERN

Trust Northern to be fast and flexible in serving you. Maybe you’d like to know how best to invest short term funds... or how to maximize profits through skillful loan and deposit forecasting and cost control... or how to get more new business.

Our men in the field can come up with the answers—fast, and on the spot. Supporting them are talented specialists back at the Bank. All have a variety of effective ways to solve problems... and you can be sure they’ll come up with the most imaginative and profitable solutions for you!

Try our brand of correspondent banking. Call or write Mr. N. Hall Layman, Vice President, Correspondent Banking Department.

NORTHERN TRUST COMPANY
BANK

NORTHWEST CORNER LA SALLE & MONROE
Chicago 60690 - Financial 6-5500 - Member F.D.I.C.
Every bank president should be familiar with these 7 coverages

Here are the 7 essential insurance coverages for your instalment loan department. Each of them sharply reduces your lending losses, operations overhead and paper work.

1. LENDERS SINGLE INTEREST AUTOMOBILE INSURANCE
   Protects your bank’s loan security if borrower agrees but fails to have fire, theft and collision insurance for any reason whatsoever at time of loss. For hard-to-insure borrowers a new Vendors Single Interest cover is available.
   Write for Brochure #6601

2. LENDERS NON FILE INSURANCE
   Places your bank in the position of having filed a good and valid lien on every chattel accepted as security for a loan in every jurisdiction in each of the 50 states.
   Write for Brochure #6602

3. LENDERS SINGLE INTEREST APPLIANCE INSURANCE
   Pays total cost of replacement or repairs up to full amount of the loan balance on damaged, destroyed or stolen appliances, radios, television, musical instruments, household goods, industrial equipment, and farm machinery.
   Write for Brochure #6603

4. CREDITORS GROUP LIFE INSURANCE
   Pays your bank the deceased debtor’s balance. Scarborough provides banks the widest available selection of C.G.L. plans and rates, so you can earn the most extra profit, or no profit, and the lowest net if that’s your operation or Code.
   Write for Brochure #6604

5. CREDITORS DISABILITY INSURANCE
   Pays your borrower’s instalments while he is sick or disabled. Builds extra goodwill for the bank since disability claims are 4 times more frequent than life claims. Reduces collection headaches.
   Write for Brochure #6604a

6. LENDERS HOME IMPROVEMENT INSURANCE
   This cover is essential because borrowers just don’t carry enough physical damage insurance to cover the bank’s security interest in the home improvement. No practical way to obtain valid evidence of cover from the buyer.
   Write for Brochure #6606

7. LENDERS COMPREHENSIVE SINGLE INTEREST BOAT INSURANCE
   If borrower agreed to carry physical damage insurance in favor of the bank, but didn’t have it for any reason whatsoever at the time of loss, this policy pays you the total cost of replacement or repairs up to the full amount of the loan balance.
   Write for Brochure #6607

Mounting bank losses indicate that without these basic insurance coverages, no instalment loan is really secured. Each of the 7 policies reviewed above is Scarborough designed or approved—and backed by Scarborough claims service. Brochures requested will be mailed promptly.
A.B.A. to Hold Workshop
On State Laws April 12-14

The American Bankers Association will sponsor its second annual National Workshop on the modernization of state banking laws April 12-14 in Dallas, Texas, according to an announcement made by A.B.A. president Jack Conn.

General chairman of the workshop will be Willis W. Alexander, Jr., president of the Trenton Trust Company, Trenton, Mo. Mr. Alexander is the current president of the A.B.A.'s state bank division.

Invitations to the workshop have been extended to the fifty state bankers associations. The number of banker participants as well as their method of selection will be left to each state association. In addition, the State Banking Supervisors from each state have been invited to attend the Workshop. Five of the supervisors, including J. F. M. Slade, president of the National Association of Supervisors of State Banks, will participate in the program.

Among the topics to be considered by the various panels and speakers are: state statutory changes during the past year and such current state legislative issues as capital adequacy, capital notes and debentures, supervisory authority and banking boards.

The Workshop will also assess the procedures of Federal agencies in handling state applications for insurance, mergers, branches, etc. The concluding panel will outline techniques and procedures for developing better state banking systems.

A.I.B. Speech Winners

First place in the A.I.B. Public Speaking Contest for midwest states was won last month by William S. Johnson, attorney in the corporate trust department of the Mercantile Trust Company, St. Louis. The contest was held in Des Moines under sponsorship of the Des Moines Chapter A.I.B.

Second place was won by Mrs. Winona Sturgeon, personnel office, Commerce Trust Company, Kansas City. Mr. Johnson and Mrs. Sturgeon will compete in the regional contest April 29 in Dayton, Ohio. The national contest will be staged in Detroit, Mich., in late May.

Third place winner was Miss Nicki Bjornson, a management trainee with Denver United States National Bank, Denver, Colo.

C. O. Peterson, assistant cashier, Valley Bank and Trust Company, Des Moines, was in charge of arrangements for the Des Moines Chapter.

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

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Managing Editor
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Field Representative
Paul Masters

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More people listen to NBC's "News On The Hour" team than to any other news program on radio.


Because more prospects will hear American Express Travelers Cheques sales messages. On the full NBC network 22 times a week, Monday through Friday. From 7 a.m. till 11 p.m. Delivering 61 million adult impressions every week in 1967.

And every message says, "buy them where you bank." So more new American Express Travelers Cheques customers will be coming your way.

Best news of all. The American Express Travelers Cheques customer is a top prospect for your other banking services as well.

Research shows that he's better educated and in the higher income brackets. The kind of customer who will appreciate your full line of services year in, year out.

Chances are you'll be seeing a lot more of him after April 3.

AMERICAN EXPRESS
American Express Travelers Cheques

STARTING APRIL 3, 1967
THE HOTTEST NEWS TEAM ON RADIO WILL HELP SELL AMERICAN EXPRESS TRAVELERS CHEQUES COAST TO COAST.
Dear Oscar Brown:
President, Kansas Bankers Association, 
President, Farmers & Merchants Bank, 
Hill City, Kansas.

“What’s Your Money Doing Out There?” This is the question posed in a four-column by 11-inch newspaper advertisement sponsored by the Kansas Bankers Association and published in a large circulation daily covering the Kansas-Missouri area.

Kansas bankers might have found some interesting answers to their question. Instead, they chose to answer it themselves by adding the following copy:

“Not much for the Kansas economy if it is in some kind of out-of-state fund. Your dollars, in safe Kansas banks, can help whip the “tight money” situation, earn you guaranteed interest, and enable Kansas and Kansans to grow with added credit for expansion.”

The main prompter for this advertisement is to sell Kansas people on keeping public funds in Kansas banks, rather than see them invested in U. S. Treasury Bills, etc. Current proposals in the Kansas legislature offer this threat.

Iowans have had experience with this through the action of their state treasurer withdrawing funds from the banks, and we are opposed to this, as outlined in Dr. Lewis E. Davids’ article on page 36 of our March issue.

Obviously, part of the reason for sponsoring this message was to appeal to residents of Kansas who are presently working in Kansas City, Missouri, to bank in their home state.

There is nothing wrong with selling local residents on the idea of banking “at home.” You might stress convenience, attractive facilities or a variety of other reasons.

To stress the fact that out-of-state funds are not doing much to help the Kansas economy is a bit of an exaggeration. We can think of one bank in Missouri that currently has over $50 million of overline loans in Kansas—with about one-half of this amount coming back from Kansas banks in the way of a “compensating balance.” Other leading out-of-state correspondent banks, retaining Kansas funds, are frequently in a similar position.

Next time that you and the members of your Association are asked the question “about money matters” you may wish to give your correspondents some credit for helping you ease your tight money situation.

Also, you should perhaps be more definite about which funds you are showing concern.

Dear J. Howard Laeri:
Vice President, American Bankers Association, 
Vice Chairman, First National City Bank, 
New York, New York.

Speaking at the 1967 National Installment Credit Conference, you projected some statistics that all progressive bankers should seriously consider as they look ahead into the 1970’s when you said:

“By 1975, there will six million more young adults in the 25-29-year-old bracket than there are today. Indeed, only three years from now, about half of the American population will be under the age of 25. With more youngsters marrying in the age of the pill, the number of two-income families is likely to increase appreciably as children are postponed. In the $10,000 to $15,000 income bracket where many of these youngsters will probably be in the seventies, there is already a working wife in nearly half of the households.

“What’s more, the 25 to 34 age group will advance correspondingly. The part it will play in the economy after 1970 will be almost 30 per cent larger. About two out of five families in this age range will have incomes over $10,000, due partially to generally increased affluence and partially to the two breadwinners phenomenon.

“Simultaneously, the number of people in the middle years will actually decline.

“The numbers attending college by 1975 will have increased some 40 per cent. Similar increases will make themselves felt in advanced degrees.

“The cost of a four-year college education by 1975 will total approximately $8,000 in public institutions and nearly $13,000 in the private colleges.

“Now, what about income? The medium income for all families by 1975 should be up some 28 per cent over last year. Nearly a third of all consumer units will earn more than $10,000.

“Today’s highly skilled, blue-collar worker is as status conscious as the white-collar worker, and he is collecting all the paraphernalia of living that goes with status—boats, the second house and the second car, suburban home-ownership and college educations for his children. Today he earns around $8,600—by 1975, the part his income group plays in the economy will have grown over 20 per cent.”

Northwestern Banker, April, 1967
You can expect a little extra from Chase Manhattan

The extras come from what we call Consolidated Correspondent Service.

As we see it, any good bank can give you an adequate portfolio review, or dig up volumes of routine credit information on order. But service goes a bit beyond the performance of a professional chore. True correspondent service is a package concept. It consolidates all your needs as a matter of course; then imaginatively seeks out additional ways to be helpful.

And it’s who and what we are that makes it possible for us to consolidate service and give you more. People—plus knowledge, experience, tradition, facilities and size make us unique as a banker’s bank. That’s why we’re the nation’s number-one correspondent bank by quite a few galloping lengths.

Call on us for anything. We’ll show you the value of Consolidated Correspondent Service—why you can expect a little extra from your friend at Chase Manhattan.
Just as no single runner could hope to beat a relay team, no single financial institution can meet every challenge in Iowa's fast-moving economy.

But Central National and its approximately 350 "C"orrespondent banks all over Iowa make a real winning "C"ombination. Their combined deposits of nearly one-and-three-quarter billion dollars provide the kind of resources it takes to finance new industry, promote continuing agricultural development and keep the wheels of progress turning.

It's this kind of "C"ooperation that helps make Iowa a better place to do business . . . a better place to live.
Heads Middle West District For First National City Bank

ANTHONY T. (Tony) ELLIS has taken over as vice president in charge of First National City Bank's Middle Western district from Daniel C. De Menocal, who moves over to head Citibank's Central Atlantic district later this spring.

Mr. Ellis was born near Louisville, Ky., in 1929 and attended the University of California at Berkeley where he was a member of Beta Theta Pi and the Winged Helmet honorary society and active in campus politics. He was graduated in 1951, served his military duty with the Navy, then entered Harvard Business School, after which he joined First National City as a trainee in 1956. He was assigned to the Western district later that year, then was promoted to assistant vice president in 1960. He was transferred to Citibank's pension trust department as an investment officer in 1963 and later that year was appointed a vice president.

He became vice president in the Western district in 1965 and in March of this year moved over to head the Middle Western district.

Mr. Ellis is married and has two sons and a daughter.

Mr. de Menocal joined First National City Bank in 1950 following his graduation from Yale. He joined the Middle Western district in 1952, then joined the North Central district in 1960. He was elected a vice president June 19, 1962, and shortly thereafter became head of the North Central district. He was transferred later to head the Middle Western district which embraces Iowa, Minnesota, Nebraska and several surrounding states.

Farmers Mutual Reports

All officers and two directors of Farmers Mutual Hail Insurance Company were re-elected at the company's 74th annual meeting at the home office in Des Moines, Iowa.

Directors re-elected were Albert Rutledge and David A. Rutledge.

Officers renamed were Max D. Rutledge, president; C. W. Benson, Robert F. Buchanan, Donald D. Bockelman, and Glenn Ghurrett, vice presidents; Albert Rutledge, vice president and secretary; Bryan Connell, executive assistant; Dale Den Hartog, treasurer; Ray S. Olson, assistant secretary; and Albert Carter, assistant treasurer. Perry Rutledge is continuing as a director.

Max Rutledge reported that the company had set an all-time record of $394 million of crop hail insurance in force in 1966. He also reported that assets were increased to nearly $21 million. Premiums written increased from $19 to $23 million, a 19 per cent gain for the year. Surplus to policyholders was increased to over $11 million. The company writes crop hail insurance in ten midwestern states, and is ranked first among all insurance companies in the nation who write this type of insurance coverage.

First’s Go “First Class” With FirstCard for Month

A Chicago-area family named First gave up cash on March 1 and instead used a FirstCard bank charge card exclusively for all of its purchases during the month. In addition to their FirstCard, they were permitted to write six checks.

The family, Mr. and Mrs. Dick W. First of Carol Stream, Ill., made one of their first purchases an Admiral Porta-Corder tape recorder—the first such model sold in Chicago—at Polk Bros., 2850 Central Ave., Chicago.

“It was only natural we’d choose a family named First to demonstrate the widespread acceptance of FirstCard which now is honored by more than 45,000 retail outlets—including 22 Polk Bros. stores—in the Chicago market area,” said Richard E. Kelley, vice president and manager, FirstCard Department of The First National Bank of Chicago. “For the Firsts’ cooperation, FirstCard will pay for all their charges.”

Karl Hoblitzelle Dies

Karl St. John Hoblitzelle, 87, theater magnate, financier and philanthropist whose influence for growth in Texas spanned more than half a century, died at his home in Dallas, Texas, recently.

In his business life, Mr. Hoblitzelle founded the entertainment firm which became Interstate Circuit, Inc., of which he was president at the time of his death. In December, 1965, he concluded 37 years’ service as director of Republic National Bank of Dallas, and for the last 20 of those years, had served as chairman of the bank’s board of directors. At that time, he was elected chairman emeritus.

Wins Insurance Awards

Twenty-two district agency supervisors of Hawkeye-Security Insurance Company and United Security Insurance Company attended the company's two-day Sales Clinic in Des Moines last month.

Both companies are members of the insurance group of Financial General Corporation.

Highlight of the meeting was the presentation of awards for distinguished accomplishment, by J. S. Tressler, president of the companies.

DAS of the Year award went to James L Bateson, Grand Rapids, Mich., regional office. Others honored were N. James Rankin, Des Moines, Iowa regional office, DAS with largest sales increase; Donovan Ross, Denver, Colorado regional office, DAS with most profitable territory, and Edward A. Dykstra, Grand Rapids, Mich., regional office, DAS with most new agency appointments.
Put him on top with Red Shield's new Major Borrower Plan.
New RED SHIELD "Major Borrower" Plan protects those key customers whose loans are in the $10,000 to $250,000 range. It's a new service you can offer, a new way you can fight the profit squeeze with added income, a new way to assure full repayment of major obligations!

Major Borrower Protection can be offered in connection with:
- Large commercial loans
- Feeder or Equipment loans
- SBA loans
- Major lines of credit

This is a new level payment, level (low) premium insurance plan to be offered at the time major borrowing is negotiated or during the term of the loan.

Write for a brochure giving full details on the Major Borrower Plan.

The North Central Companies
St. Paul, Minnesota
Maine Fidelity Life, Portland, Me.
North Central Life, St. Paul, Minn.
West Virginia Life, Huntington, W. Va.

Northwestern Banker, April, 1967
Planning a bank job is easy
(when you know the right people)

Bad bank layout can really hold you up. It can cost lots of money. And customers. And there’s really no reason to tolerate poor floor layout. Not when you know the right people. And you do. They’re the Facility Planning people at Continental Bank.

If you’re modernizing a present bank building or constructing a new one, you’ll find our Facility Planning people extremely valuable. They’re not architects or engineers. They’re knowledgeable analysts. They’re also bankers. They’ll help you plan facilities to serve your customers efficiently. It’s really a very nice arrangement.

How do you avail yourself of our Facility Planning people? You call them at (312) 828-2491. Isn’t that easy? We planned it that way.
CONDENSED STATEMENT AS OF DECEMBER 31, 1966

ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>$51,534,488.34</td>
</tr>
<tr>
<td>No bonds owned by the Company have been in default either as to interest or principal.</td>
<td></td>
</tr>
<tr>
<td>Stocks—Market Value</td>
<td>10,612,516.00</td>
</tr>
<tr>
<td>Mortgage Loans—FHA Insured</td>
<td>212,407.82</td>
</tr>
<tr>
<td>Real Estate—Home and Branch Office Buildings</td>
<td>1,910,440.80</td>
</tr>
<tr>
<td>Cash in Banks</td>
<td>3,889,041.16</td>
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<tr>
<td>Premiums Receivable—not past due</td>
<td>4,359,126.75</td>
</tr>
<tr>
<td>Interest Accrued and Other Assets</td>
<td>1,851,217.71</td>
</tr>
<tr>
<td>TOTAL ADMITTED ASSETS</td>
<td>$74,369,238.58</td>
</tr>
</tbody>
</table>

RESERVES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve for Claims</td>
<td>$29,621,279.00</td>
</tr>
<tr>
<td>Funds set aside to pay all incurred losses.</td>
<td></td>
</tr>
<tr>
<td>Reserve for Unearned Premiums</td>
<td>22,760,168.38</td>
</tr>
<tr>
<td>Funds set aside to return to every policyholder the unearned premium in event of cancellation.</td>
<td></td>
</tr>
<tr>
<td>Reserve for Taxes</td>
<td>1,345,065.02</td>
</tr>
<tr>
<td>State and Federal Taxes.</td>
<td></td>
</tr>
<tr>
<td>All Other Reserves</td>
<td>1,197,633.69</td>
</tr>
<tr>
<td>Funds set aside to pay all anticipated general expenses incurred but unpaid at year end.</td>
<td></td>
</tr>
<tr>
<td>TOTAL RESERVES</td>
<td>$54,924,146.09</td>
</tr>
</tbody>
</table>

DIRECTORS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROBB B. KELLEY</td>
<td>President and Treasurer</td>
</tr>
<tr>
<td>M. J. WILKINSON</td>
<td>Executive Vice-President</td>
</tr>
<tr>
<td>W. Z. PROCTOR</td>
<td>General Counsel</td>
</tr>
<tr>
<td>JOHN F. HYNES</td>
<td>Honorary Chairman</td>
</tr>
<tr>
<td>W. J. HYNES</td>
<td>Secretary-Treasurer</td>
</tr>
<tr>
<td>E. C. BOOTH</td>
<td>Executive Vice-President</td>
</tr>
<tr>
<td>H. J. SIMENO, JR.</td>
<td>Honorary Chairman</td>
</tr>
<tr>
<td>E. K. ALDWORTH</td>
<td>Honorary Chairman</td>
</tr>
</tbody>
</table>

EMPLOYERS MUTUAL Casualty Company

SUBSIDIARY COMPANIES

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPLOYERS</td>
<td></td>
</tr>
<tr>
<td>MODERN LIFE COMPANY</td>
<td></td>
</tr>
<tr>
<td>ECONOMICA</td>
<td></td>
</tr>
</tbody>
</table>

FIFTY-FIFTH ANNUAL REPORT

EMPLOYERS MUTUAL Companies

DES MOINES

Now Insuring All 5:
Business, Life, Home, Auto, Accident & Sickness

Edward K. Aldworth was named vice president in the commercial department. A graduate of the University of Michigan, he also has a certificate from the Stonier Graduate School of Banking at Rutgers and a standard certificate from A.I.B. He has been a senior officer with a sales service company for the past year. Prior to that time he was associated for 18 years with Harris Trust and Savings Bank, Chicago.

H. James Simeno, Jr., was elected vice president-operations. After graduating from the University of Kansas in 1968 he joined The Northern Trust Company, Chicago. In 1965 he went with the Texas National Bank of Commerce in Houston, Tex., where he was later elected vice president in the operations department. He joined National Boulevard Bank recently.

2 Join National Boulevard Bank as Vice Presidents

Under a unique private brand arrangement, the American Automobile Association will promote the sale of First National City Bank travelers checks to more than 10 million AAA members in the U. S. and Canada, it was announced last month by the two organizations.

The Citibank travelers checks sold by the association will include the AAA seal and will be available late this spring at 750 AAA offices, where refunds will also be made in the event checks are lost or stolen.

The agreement under which the AAA will merchandise the travelers checks of a major issuer on a private brand basis is believed to be the first of its kind in this field, spokesmen for the two organizations said.
IT’S MORE THAN A PACKAGE OF CHECKS

Some of the little things that help make check ordering easier for banks...

Whatever your customers’ requirements, we have what it takes to satisfy their needs in the DeLuxe family of checkbooks. However, we are well aware that there are other check manufacturers offering similar packages. Our appeal for your patronage, therefore, is based on the “plus” you get from us. We believe our customers get a little more from us than they could elsewhere. Some of our more enthusiastic people feel that this is an under-statement, but we try to avoid superlatives in our advertising.

So we claim that our customers get a little faster service from us, a little better quality, a little more accuracy, a little better sales and advertising counsel and aid. Our packaging is a little more attractive, our imprinting a little cleaner, our facilities a little better and our capacity a little greater. Add up all these little things and you have part of the reason why we suggest that DeLuxe represents the best source of supply for banks...and for bank customer satisfaction.

We believe we can make the work of your check ordering personnel easier and free them from the irritations created by something less than top-notch service on a daily basis. Let us demonstrate that what we have to sell is more than just a package of checks...although we do have mighty nice check packages.
FDIC Realigns Its Districts

CHAIRMAN K. A. Randall of the Federal Deposit Insurance Corporation announced March 10 that the board of directors of the corporation has approved the establishment of two new FDIC districts with offices in Philadelphia, Penn., and Memphis, Tenn. The restructuring will retain the original FDIC concept of district boundaries along state lines, but will increase the number of FDIC districts from 12 to 14. The action is designed to provide stronger support for the corporation’s supervisory activities in the field and to enhance the effectiveness of the district offices and the field examination staff.

At the same time, a number of changes also are being made in the state jurisdictions of the district offices. The district offices and the respective states are listed below:

- Atlanta—Ala., Fla., Ga.
- Columbus—Ky., Ohio, W. Vir.
- Madison—Mich., Wis.
- Chicago—III., Ind.
- St. Louis—Kan., Mo.
- Memphis—Ark., La., Miss., Tenn.
- Kansas City—Iowa, Neb.
- Dallas—Colo., N. M., Okla., Tex.

The changes in district offices and in district alignments are expected to be placed in effect by July 1, 1967. Each insured bank will receive advance notice of the date on which these changes will become effective in order to facilitate an orderly transition.

Record Sales for Gamble

Gamble-Skogmo, Inc., Minneapolis-based wholesale, retail and mail order merchandising firm, reported record sales for February, the first month of its fiscal 1967 year.

Consolidated net sales for the month, including leased departments, were $44,968,625 compared with $42,798,356, an increase of 5 per cent over February, 1966.

Despite inclement weather during the month throughout much of the company’s marketing territory, virtually all merchants’ lines showed an increase over sales for February a year ago, according to Carl C. Rau-gust, Gamble-Skogmo president. Both hard goods and softlines contributed to the sales gain, he noted.

Gamble-Skogmo now consists of 582 general merchandise and variety stores, 24 conventional department stores, 86 self-service department stores, 119 catalog sales units and 1,103 authorized franchise dealers for a total of 3,914 units.

Branching Pressure Eases

Pressure for branch banking in Illinois has abated in the face of credit-card growth among major Chicago banks, as well as the new Illinois law that permits a detached teller facility up to 1,500 feet from the bank. Consequently, informed observers in the legislature feel there is little likelihood of a branching bill passing through the legislature this year.

At the same time, however, the Illinois Council for Branch Banking is still pushing for a bill that would call for a public referendum. The bill had not been introduced by late March and was not expected to be until after the April 4 election in Chicago to select a mayor.

A leading proponent of Illinois branching is Gaylord A. Freeman, Jr., vice chairman of the First National Bank of Chicago, who stated in a speech recently that branch banking in Illinois in his opinion is four to six years away. Mr. Freeman also noted that with the move toward the “cashless, checkless” society, branch banking advantages might diminish.

Joins City National Bank

City National Bank & Trust Company President R. Crosby Kemper, Jr., announced that Jerome H. Scott, Jr., was elected to the position of assistant vice president following the March meeting of the bank’s board of directors.

Mr. Scott, formerly president of Jerry Scott Lincoln-Mercury, will assume his new responsibilities as a member of the metropolitan group of the bank’s major accounts and business development division.
It happens! Space inadequate for the job. Employees handicapped by lack of elbow room. Customers inconvenienced. Your building is sound, but opportunities for growth outgrew facilities... while you were still paying for them!

Knowledgeable planning can beat the space problem. Bank Building plans from the inside out, to fit the people and machines that work for you... to serve the customers whom you attract... to build for the years when business should be even brisker.

For instance, automation equipment can be planned for by our designers, who will be thoroughly familiar with your operation. Outside, who’s to know what drive-up facility will be needed some day? We can help you plan for it... with space for the cars of the future.

Our consultant will study your operation, then take a hard look into your future. Based upon half a century of thousands of projects in planning, building and equipping financial institutions, Bank Building can help you keep out of a tight situation.

**tight money situation...**

First Class Permit No. 1146 St. Louis, Mo.

BUSINESS REPLY MAIL—No postage necessary if mailed in the United States

Postage will be paid by Bank Building Corporation
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att. Mr. Earl Klein
... And enjoy your growing pains later on, when expansion sets in. 1. Electronic equipment that requires special flooring may figure prominently in your bank. Have room for it, as Ansonia (Conn.) Savings Bank planned for automation in its basement.
2. By planning with Bank Building, you can use floor space efficiently, as they do in Manhattan Savings Bank, Park Lane office, N.Y.C. 3. In later years, more drive-up windows can be installed at First State Bank, Memphis, Texas. 4. Peoples Bank & Trust, Rocky Mount, N.C., will be able to move entire departments to upper floors. Let Bank Building show you how to keep from growing into a tight squeeze. Ask for free brochure “Banks are for people.”
Harris Trust Charter Amended
To Permit Debenture Issues

STOCKHOLDERS elected three new directors at Harris Trust and Savings Bank’s annual meeting early last month in Chicago. They also amended the bank’s charter, authorizing 700,000 additional shares of capital stock to be reserved for issuance upon conversion of convertible debentures.

The three new directors are Remick McDowell, chairman of the board and chief executive officer of The Peoples Gas Light and Coke Company; George A. Ramney, vice president and general counsel and director of Inland Steel Company, and Maynard P. Venema, chairman of the board and chief executive officer of Universal Oil Products Company.

Under the bank’s policy respecting tenure of directors, two directors chose not to stand for re-election. They are Wayne A. Johnston, chairman of the board, Illinois Central Railroad, and James L. Palmer, retired president of Marshall Field & Company and now president of the Field Museum of Natural History. One further vacancy on the board was filled.

Chairman Kenneth V. Zwiener explained to the stockholders that amendments to the Illinois Banking Act approved last November now make it possible for banks to change their charters to permit creation of authorized but unissued stock, reserved for issuance upon conversion of convertible debentures or for other corporate purposes. He pointed out that approval of the recommended action by the Harris stockholders provides desired flexibility for possible future action, but that the bank’s management had no present plans with respect to the issuance of debentures in any form.

In commenting on the year’s results, Chairman Zwiener told stockholders the bank’s net operating earnings in 1966 rose to $5.49 per share, compared with $4.32 in 1965. This 27 per cent was the greatest experienced by any major Chicago bank in 1966,” he said.

Audited consolidated net operating earnings were $13,724,000, or 16 per cent of total operating revenue of $85,581,000. The net earnings were equivalent to 13.3 per cent on average capital funds, the highest ratio in the past six years.

Total capital funds exceeded $109,-

100,000 at year end, a gain of 9.1 per cent for the year. A major change in the bank’s capital structure, approved by the stockholders at their 1966 meeting, resulted in 2,500,000 shares of $16 par value, increased from 1,600,000 shares of $20 par. A quarterly dividend rate of 40 cents on each of the new shares represented a 25 per cent increase over the previous rate.

The bank’s total deposits averaged $1,328,000,000 in 1966, an increase of $101,000,000 over the 1965 average of $1,225,000,000. Average loans also increased from $838,000,000 in 1965 to $824,000,000 in 1966, an 11.6 per cent gain.

Life Investors Promotes
Richard Bogart has been promoted to director of mass coverage for Life Investors Insurance Company of Cedar Rapids, according to Sam Orebaugh, president.

Mr. Bogart, who has been with Life Investors for one year, will be headquartered in the home office. Prior to joining the company, he was assistant group manager in Chicago for Great Western Life Insurance Company.

Sees 1967 as “Good Year”

Frederick G. Larkin, Jr., president of Security First National Bank, Los Angeles, told shareholders attending the bank’s annual meeting on March 14 that 1967 holds promise of being another good year for the bank, although “a substantial increase in earnings seems highly improbable.”

The annual meeting, held at the bank’s head office, was presided over by Lloyd L. Austin, chairman of the board, and all 25 directors of the bank were re-elected.

Commenting on 1966, Mr. Larkin said that earnings for the year totaled a record $39 million, up more than 15 per cent over 1965.

He said approximately $14.5 million in cash dividends was paid to shareholders, a record high that marked the 15th consecutive year of increased cash dividends. Capital funds also increased to a record $352 million.
Did you get the bonds for the best price? Do they really fill your portfolio needs? If you got them from a National Boulevard representative, you’re sure on both counts, because along with knowing his bonds he’s a trained portfolio analyst, too. He’ll make an in-depth study of your investment portfolio before suggesting specific bonds. That way he can tailor bond recommendations to your needs and make other suggestions to strengthen your entire investment program.

Are National Boulevard representatives good portfolio analysts? Well, one correspondent bank increased net operating earnings by 46.3% the initial year after our in-depth study. And where our skill in the bond market is concerned, take a look at National Boulevard’s own performance. We have an impressive average of 4.72% pre-tax investment return over the past seven years, and no losses on securities.

Are you interested in this kind of individualized attention? You can get the full story of our investment portfolio analysis services by calling Charlie Schoeneberger at . . .

Harris Staff Promotions

Directors at Harris Trust and Savings Bank, Chicago, have elected two new vice presidents, promoted six officers to the rank of assistant vice president, and elected eight new officers of the bank.

M. LOVELACE  G. N. ASKEW

Mozart Lovelace in the banking department and Guilford N. Askew in the trust department were both advanced to vice presidents.

Named assistant vice presidents were Jay C. Beckley, Roy C. Kacena, and William L. Kauffman in the banking department, and Glen E. Lightholder, Jarvis L. Spreng, and William E. Weiner in the trust department.

Newly elected officers in the banking department are Charles R. Bale and Jerry H. Pearson, commercial banking officers, and James R. Roth, installment loan officer. New trust department officers are Edward B. Dillmann, investment officer; James J. Stamas, operations officer, and Richard L. Barrett, James D. Seitz, and Russell Watt, trust officers. Arthur L. Peterson was elected building services officer.

ON THE COVER

In keeping with the spirit of Nebraska’s Centennial Celebration, the South Omaha Stockyards National Bank turned back the hands of time to the old days when sheriffs and vigilante committees were trying to tame the wild, wild west.

In the cover photo picture, Sheriff “Big Hoss” (Edward Probasco, assistant vice president), right, and Deputy “Ole Red Eye” (Paul Maurer, assistant vice president), are pictured collecting their fine from “them thar varmints who don’t grow beards” and taking the “baby-faced culprit” (Vic Hoelting, cashier), into tow under the hanging tree.

The bank was in its fourth week when the picture was taken and all male employees who don’t have a facial growth are fined 25 cents a week, with proceeds going to the best beard at the end of May, when judging will be held.
Our direct sending operation squeezes float to a minimum. Most of your deposit checks are processed and on their way in less than 12 hours; many in as little as 2 hours; and none stays with us longer than 24 hours... and this happens only when deposits arrive immediately after a deadline.

Service like this is possible because we think it worthwhile to gear our transit department’s work forces, computers and transportation handling procedures to your needs. We also think round-the-clock, seven days a week processing is part of those needs. Because we feel this way, you can be sure there is no faster collection service anywhere in the nation.

We think it well worth the effort it takes to be second to none in squeezing the float from your deposits.

Our correspondents agree. Ask any of them.
Together, we may say "yes" to a loan you might otherwise refuse. Or keep a customer you might otherwise lose.

101 banks in 25 states are now participating in loans with Heller: To improve portfolio items that cause them concern, either too large or too complex. To take care of good customers who have already reached their limits of unsecured credit. And for other reasons that involve the structuring and supervision of highly individual secured loan arrangements. Talk to us.

Walter E. Heller & Company

First of Chicago Election

Homer J. Livingston, chairman of the board of The First National Bank of Chicago, announced the election of John D. Gray, president of Hart Schaffner & Marx, to the bank's board of directors at the bank's monthly directors' meeting in mid-March.

Mr. Gray has been associated with Hart Schaffner & Marx since 1945 when he joined the firm as president of Baskin, Chicago, a wholly-owned subsidiary. He was elected vice president and a director of Hart Schaffner & Marx in 1952, and was elected president and chief executive officer in 1960.

Mr. Livingston also announced the promotion and the election of officers to the bank's official staff.

Edgar D. Aronson, assistant vice president in the international banking department, was elected vice president. Mr. Aronson, who received his A.B. degree from Harvard College and his M.B.A. degree from the Harvard Business School, entered the bank on the commercial management development program in 1962. Mr. Aronson is now in charge of the international services division for domestic customers.

Joseph G. Migely, assistant cashier in Loan Division "C" of the commercial banking department, was elected assistant vice president. Mr. Migely entered the bank in 1960 on the commercial management development program.

William J. Archer, Jr., was elected assistant vice president in the First-Card Department. Prior to entering the bank, Mr. Archer was a marketing consultant.

Retires from St. Paul F&M

Walter H. Mashel, assistant secretary and head of The St. Paul Insurance Companies' agricultural underwriting department, retired on March 31.
Want the best microfilm services money can buy... at no extra cost? Come to Kodak.

At Kodak, service isn’t a sometime thing. You deal with an organization with unmatched experience and facilities that back up every installation of Recordak equipment. Trained microfilm systems specialists work right along with you to develop more efficient routines.

The Kodak microfilm processing laboratory keeps a careful eye on image quality of all microfilm you send in... alerts the service group to take prompt corrective action if image quality should indicate some equipment maladjustment or operator oversight... and informs the branch manager concerned.

Kodak services are born of some forty years of specialized experience with microfilm systems. This helps to maintain a smoothly efficient microfilming operation for you with minimum downtime, maximum productivity.

May we be of service? Just contact Eastman Kodak Company, Business Systems Markets Division, Dept. 0-4, Rochester, N.Y. 14650.
Lawrence Warehouse Announces Senior Management Changes

The Lawrence Warehouse Company, San Francisco, in a series of senior management changes adopted at the February meeting of the board of directors, has announced the election of Arthur B. Adams as president and chief executive officer. At the same meeting the directors elected former president Louis A. Benoist as chairman of the board.

Additionally, Lawrence S. Coates was elected to the newly created position of vice chairman of the board. According to Mr. Benoist, these promotions will assure the continuing development of Lawrence’s broad range of collateral protection services. Lawrence today, as the result of rapid growth during the past decade, is the nation’s largest field warehouse company.

Mr. Adams most recently was vice president in charge of Lawrence’s midwestern operations, and prior to that was assistant to the president. The new president joined Lawrence following his graduation from the University of California in 1940. During World War II, Mr. Adams served in the air force as a 1st lieutenant. He is 50, married, and the father of two boys, Arthur and Michael.

Lawrence Warehouse Company also announced that Albert T. Bear and Charles W. Rose have been promoted to vice presidents. Mr. Bear, currently manager of the Chicago office, will retain that assignment while assuming broader responsibility for regional operations. He joined Lawrence following graduation from the University of Missouri and attendance at Harvard Business School. Widely known in the midwest banking and business community, Mr. Bear was manager of the Cleveland office before coming to Chicago at the beginning of the year.

Mr. Rose started as a Lawrence field warehouse examiner, then was selected for the sales group which led, through a series of advances, to his present position. In his new capacity he will be in charge of sales for the midwestern region with headquarters in Chicago.

Named to N. Y. Bank Board

Gabriel Hauge, president of Manufacturers Hanover Trust Company, New York, has been appointed to a three-year term on the state banking board by Governor Nelson A. Rockefeller.

Mr. Hauge succeeds Hoyt Ammidon, chairman of U. S. Trust Company, on the 10-man regulatory body.

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CONVENTIONS

April 9-10—Bank Public Relations and Marketing Association Regional Conference, Plankinton Hotel, Milwaukee, Wisc.

April 26-27—Iowa Installment Lending Conference, Hotel Kirkwood, Des Moines.

May 7-9—Nebraska Bankers Association Annual Convention, Sheraton-Fortencille Hotel, Omaha.


May 9-12—Iowa Bankers Association, First Week of Group Meetings.

May 10-12—North Dakota Bankers Association Annual Convention, Fargo.

May 14-16—NABAC Northern Regional Convention, Grand Rapids, Mich.

May 16-19—ABA National Mortgage Conference, Chase-Park Plaza Hotel, St. Louis.

May 16-20—South Dakota Bankers Association, Rapid City.

May 23-26—Iowa Bankers Association, Second Week of Group Meetings.

May 29-June 2—AIB National Convention, Statler Hilton Hotel, Detroit.

June 1-3—Colorado Bankers Association Annual Convention, Broadmoor Hotel, Colorado Springs.

June 5-10—Wyoming Bankers Association 59th Annual Convention, Jackson Lake Lodge, Moran, Wyo.

June 12-14—Minnesota Bankers Association 7th Annual Convention, St. Paul Hilton Hotel, St. Paul.

June 14-17—American Safe Deposit Association Convention, Brown Palace Hotel, Denver.

June 15-17—Montana Bankers Association Convention, Jackson Lake Lodge, Moran, Wyo.

July 9-22—Bank Public Relations and Marketing Association, 20th Annual School, Northwestern University, Chicago campus.

July 30-August 12—NABAC School, University of Wisconsin, Madison.

September 24-27—American Bankers Association, 93rd Annual, New York, N. Y.

October 8-13—Bank Public Relations and Management Association Annual Convention, Denver Hilton Hotel, Denver.

October 9-13—Nebraska Bankers Association Group Meetings.

October 15-18—NABAC National Convention, Seattle, Wash.

October 22-25—Iowa Bankers Association Annual Convention, Hotel Fort Des Moines, Des Moines.

November 12-14—National Agricultural Credit Conference, Chase-Park Plaza Hotel, St. Louis, Mo.

1968

April 4-6—3rd Annual Convention, Independent Bankers Association of America, Shamrock Hilton Hotel, Houston, Texas.
“Expect a lot when your correspondent is the Harris”

Here’s a big-city bank that understands farm credit. Farm overloans go a lot more smoothly when your correspondent knows that industrial and agricultural credit are two different animals. That’s why the Harris has a special agri­banking group to work with you on farm par­ticipations. We can show you exactly how we work by sending you our Agricultural Credit Kit. It shows how we evaluate farm credit and in­cludes one of our publications that covers the news in agri-banking.
New York Terminal Names
Five Men as A.V.P.'s

The New York Terminal Warehouse Company, whose operations have recently been combined with those of the St. Paul Terminal Warehouse Company, announces the appointment of Wallace S. Coutts, Wesley G. Johnson, Randolph C. Jorgensen, Robert P. Larkin and Russell V. Peterson as assistant vice presidents of the company.

The new officers have been with the St. Paul Terminal Warehouse Company for many years in responsible regional and managerial capacities.

Mr. Coutts will continue to be responsible for operations and sales in Wisconsin.

Mr. Johnson is the regional manager in charge of the Des Moines, Iowa office.

Mr. Jorgensen supervised the field warehousing operations of the former St. Paul system and will continue in the same capacity.

Mr. Larkin stays as manager of the Minneapolis office.

Mr. Peterson remains as regional manager in Omaha, Neb.

The absorption of these territories, formerly serviced by St. Paul, into the New York Terminal network completes the nationwide coverage of the combined company.

Mercantile Trust Promotions

Kenton R. Cravens, chairman of the board of Mercantile Trust Company, St. Louis, has announced six promotions. Clifford R. Juengst and John H. Lee were promoted to assistant vice presidents. Orrin Sage Wightman III was promoted to national accounts officer, and Franklin D. Ayers, Joseph G. Halch, and Victor Allan Jury were named assistant operations officers.

Mr. Juengst joined the staff in 1961 and following a training period was assigned to data processing. He was appointed data processing officer in 1963. He will now be in charge of the systems and sales division and the data control division of that department.

Mr. Lee started with the bank in July, 1960, assigned to operating. He transferred to data processing in 1961 and was appointed data processing officer in 1963. He will be in charge of the programming, computer operations, and tabulating division.

Mr. Wightman joined the staff in 1963 as a trainee, and following his training period he was assigned to the national accounts division of the bank. He will remain in that division.

Top B of A Promotion

Samuel B. Stewart has been named senior administrative officer for Bank of America. In his new post, Mr. Stewart will be responsible for administering the day-to-day operations of the bank. He thus becomes third in the chain of command at the world's largest bank. R. A. Peterson is president and chief executive officer and L. B. Lundborg is chairman of the board and executive officer for the bank's southern division.

The announcement of Mr. Stewart's new post was made by Mr. Peterson, who pointed out that the growth of the bank in California and overseas made it appropriate at this time to create the post of senior administrative officer.

Prior to assuming his new post, Mr. Stewart had been in charge of the bank's trust activities and its general counsel.

An executive vice president of Bank of America since 1959, Mr. Stewart is a member of the bank's managing committee and general trust committee.

ON THE COVER

Art Bridgewater, center, vice president of the Central Bank and Trust Company, has just completed 50 years of service with the bank. Congratulating him is Max Brooks, right, chairman of the board, and William Stirling, vice chairman of the board. A member of Central's correspondent banking team for the past 23 years, Mr. Bridgewater has also served the bank as savings teller, bookkeeper, purchasing agent, auditor, personnel and operations manager, cashier and secretary of the board. He joined the bank when he was 16 as a messenger boy with a monthly salary of $25. During his half century with the bank, he has seen the Central grow from $3 million to $190 million in total resources.
Now one phone call will do it.

Corporations, correspondent banks, and other institutions may now learn what investments would be available to them for 30, 60, 90 days or more. Just by calling (212) 770-2568.

This is Chemical New York's Short-Term Investment Department: "The room." Here we have assembled a select group of men with specialized knowledge in short-term investing. Equipped with a complete complex of facilities and information, they can offer you instant insight into the best rate for every type of short-term investment.

This intelligence system reaches out to all major government and private borrowers and investors. It brings rates and availabilities together into one up-to-the-minute data center. We can then proceed with purchases and payments and, at maturity, with the complete collection procedure.

To learn more about this valuable service, simply talk to the trained financial consultant who serves your area, "the New York banker with the hometown touch." He, like the service itself, will prove to be particularly helpful. Chemical Bank New York Trust Company, N.Y. 10015.

The bank that works hardest for you.
Meet our new salesman.

In 1967, network television will be used for the first time to advertise travelers cheques—Bank of America Travelers Cheques.

Starting just before the peak travel season, we've scheduled a series of live commercials on the popular NBC-TV Today Show, hosted by Hugh Downs.

And television is only part of our 1967 promotion, largest in the history of Bank of America Travelers Cheques. There's a brand new magazine campaign as well. Full-page ads will be appearing in top national magazines: LIFE, TIME, NEWSWEEK, U.S. NEWS & WORLD REPORT, GOOD HOUSEKEEPING, NATIONAL GEOGRAPHIC, SPORTS ILLUSTRATED and READER’S DIGEST. These publications have a combined circulation of more than 46 million, and were selected by computer to reach the people who buy the most travelers cheques.

This year, be sure you're selling Bank of America Travelers Cheques. You'll be getting lots of help.

Bank of America Travelers Cheques
NEW OFFICERS of the Independent Bankers Association of America are, from left: Immediate Past President Pat DuBois, president, First State Bank of Sauk Centre, Minnesota; new IBAA President Stanley R. Barber, president, trust officer and board chairman, Wellman (Iowa) Savings Bank; First Vice President T. H. Milner, Jr., president, The National Bank of Athens, Georgia; Second Vice President B. Meyer Harris, board chairman, The Yellowstone Bank, Laurel, Montana, and Treasurer J. C. Reeves, senior vice president, National Bank of Commerce, Pine Bluff, Arkansas.

At Independent Bankers Convention

DuBois Hits Branching, Offers Forum To Aid Rural America

Stanley R. Barber, Wellman, Iowa, Elected New President

By BEN HALLER, JR.
Editor

IN HIS keynote address before a record registration of 1,600 at the 33rd annual convention of the Independent Bankers Association of America in New Orleans last month, IBAA President Pat DuBois set the militant pace for the association members who followed him to the platform. Mr. DuBois scored proponents of branch banking and “bigness” in banking when he stated:

“The backers of bigness in banking, those who want to extend the operation of banking giants to every corner of every state, are fond of using an argument about which I wish to caution you. This argument is applied as a clincher when there is another move for more branching, merging or expanding holding company activity in banking. It goes like this: ‘Why fight it? It’s going to happen no matter what you do. It’s inevitable.’ Expressing more candidly, the argument would be phrased thus: ‘Be comfortable—surrender now.’

“By organization, diligence and hard work for what we believe in, you and I can demonstrate that ‘it’ is not ‘inevitable’. It is just a matter of working hard for our convictions.”

New President

This was Mr. DuBois’ farewell address also, and he was succeeded as president of IBAA by Stanley R. Barber, 42, president, trust officer and board chairman of Wellman Savings Bank, Wellman, Iowa. Mr. DuBois and Mr. Wellman are pictured above with other officers of the association.

Mr. DuBois concentrated his attack at a later point on mobile banking, which has been permitted in Florida and Georgia by an arbitrary ruling of the Comptroller of the Currency, and is being fought in those states by IBAA and state bankers.

Mr. DuBois said, “Our foes press strongly on all sides,” and we must not relax our will to resist. Our opponents ask first for a little bit here, a little bit there, for county branching, then contiguous county privilege, then regional, and eventually statewide. We must not and cannot afford to compromise, to tolerate a little branch banking. Patches of branching grow together like tufts of flames that swiftly generate a prairie fire. If we yield a bit on one place, and a little in another, we soon see branching expand to the far boundaries of the state.”

As an example, he cited Virginia, where contiguous county branch banking preceded statewide branching by merger, which was authorized in March, 1962. There were 302 banks,

INDEPENDENT . . .
(Turn to page 58, please)

Northwestern Banker, April, 1967
In recent years there has been an avalanche of credit card schemes announced by banks from every part of the country. Somebody heard a bandwagon go by and everyone wants to make sure he gets on it. I'm quite sure that many bankers have thoroughly analyzed the entire question of credit cards before making their decision. I'm equally sure that a number of banks have just jumped on board with the same logic that a couple of teenagers use when they decide to get married.

I say this because only a few years ago many of these same banks were bemoaning the retail banking business, small loans in particular as immoral. They didn't want, and actively rejected anything to do with this end of the banking business. In the interval they saw that the road to growth in banking is exactly in the retail business that they had for so long disdained.

Such banks were wrong, and when they finally came around to realize that they were wrong, they overcompensated in their haste to correct the situation. They figured, "That's gold in them thar cards," and since all those other banks have been on the "retail gravy train" in the past, they must know what they're doing now. And, if it's right for them, it must also be right for us.

They followed the good old herding instinct, and as you know, no one can be more enthusiastic than a convert.

Mass consumer credit had to happen. First, there was the introduction of "mass production," usually associated with the assembly line technique. Next there had to be "mass distribution" in order that the products of industry could be brought to the consuming public. Thirdly, there had to be "mass consumption," to stimulate the further development of the country's new-found industrial capacity.

There was only one fly in the ointment: If everyone had to first earn the dollars to pay for all of the goods produced, the system would bog down considerably.

So, of necessity, there had to be a change in the buying patterns of the public. The idea of "mass credit" was a necessary and logical solution to the problem of completing the circle of mass production, distribution, and consumption — for without it there would be precious little consumption.

What had to evolve eventually was a method to mass-produce credit. Once established, the trick was to be able to "turn it on," as it were, whenever the occasion arose; be it for a tankful of gas, a trip to Miami, or slip covers for the living room sofa.

We have now come full circle from the historical pattern of "save first, buy later" (and have nothing) and never taste the pleasures of life until you're too old to enjoy them. The following quote, taken from the Federal Reserve Bulletin, June, 1966, sums up the change in attitudes:

"Individuals stand much more ready these days to commit their future income to debt repayment than they were a generation or two ago. Moreover, rising incomes and employment and increasing security of both jobs and incomes have encouraged borrowers to take on additional debt."

One of the trademarks of this new era is the credit card, and it seems evident that today's consumers never had it so good — particularly with local credit cards, national travel and entertaining credit cards and "private label" credit cards for gasoline, airlines, and large department stores.

The consumer is also sharpening his shopping sense. To some, a credit card has the same effect as LSD; he is receptive to any and all credit bargains he can find in the marketplace, especially by timely utilization of credit cards.

The New York Times recently carried an article stating that some charge customers had the science so perfected that they staggered their Christmas shopping to take advantage of the store's billing cycle, and thereby could count on an average of 50 to 60 days, interest free, before payment. I believe these charge customers will improve when they get some more experience!

So here we enter into the great paradox of the credit card business:

If you want to attract merchants, you have to be able to show or promise them a healthy looking number of card holding shoppers.

What comes first — the chicken or the egg?

To choke off competition, you must flood the market with cards; everybody gets cards from every bank he does business with.

People who may have a capacity to repay $500 may have received cards from various banks that could permit them to charge up to $3 or $4 thousand.

While I am not, by any stretch of the imagination, inferring that we do the same credit investigation for card customers as we do for commercial borrowers, this concept of mass sending of cards is wrong. It is wrong by every code of banking ethics, and it is wrong by every standard of good banking practice. In the credit card craze, I'm sadly afraid that many of our colleagues have forgotten that they are bankers. What has happened to our responsibility to equate the extension of credit with the ability to repay?

What they are doing is very understandable. They are saying that, "with no looking at all, only a small percentage will go bad, and we can absorb it." Are they in for a big surprise?

Even at the risk of sounding a little old-fashioned, I also feel very strongly that a bank has a responsibility to lend only after determining that the borrower will not become financially overburdened by the loan. In our commercial lending areas, no one will challenge this assertion — nor can it be challenged in our consumer lending areas.

There is a big difference between making credit readily available, which we must do, and making it promiscu-
Problems and Costs

Most Banks

ously available. The latter is what we may be doing in our competitive panic to get into the credit card business.

I believe that a credit card shouldn't be issued unless a man earns $7,500 or $10,000 a year. However, I don't want to set up an arbitrary standard. All I ask is that you at least take the trouble to find out that the man is not a professional dead-beat; that he's got and held a steady job; that he has not over-extended himself, and that you are not contributing covertly to this delinquency. Bankers should insist on taking at least the minimal precautions.

One frequent quote is, "credit cards help to cut down the total quantity of checks." Well, it ain't necessarily so.

More often than not, a credit card transaction does not replace what would have been a check transaction but, rather, replaces a cash transaction. The experience of one oil company alone indicated that 30 per cent of nationwide sales are on credit, and in some areas credit sales can run as high as 60 per cent. These were formerly cash sales that are now settled by checks—a check transaction where checks were hardly ever used before.

Further, results of a check usage survey conducted at Chase substantiated the fact that the increased use of credit cards caused a greater volume of checks to be issued. In the category of checks mailed, payments for all types of credit cards amounted to 15 per cent of the total.

What used to be 10 to 15 cash transactions per month is now covered by one payment—a check. Therefore, credit cards are reducing cash needs, but increasing check volumes! Another dubious claim is that "credit cards help cut down paperwork." It ain't necessarily so.

I can't help but note the irony in the case of the MICR-encoded check versus the credit card sales slip. Now that we have an almost fully machine-readable document in the check, there appears to be a rush on to substitute for it a document that is usually not machine readable and may even require an independent clearing system.

We are actually creating a new mountain of paper in the handling and clearing of charge account receipts not easily processed — yet some people would tell us otherwise.

So much for its effect on paperwork; now what are we reading about credit card profitability? In that regard a recent banking spokesman said:

"The credit card will prove not only of value to the community as a whole, but profitable to the bank as well." It ain't necessarily so.

One of the most interesting aspects of profitability accounting is who the accountant is. An accountant can be like an ad-man, and he can make the numbers come out seven ways to Christmas. For example, if huge debt losses resulting from the promiscuous issuance of cards are charged to start-up costs, then operating results can come out smelling like a rose—for the moment.

My answer to the glowing claims of the profitability factor is an attempt to find out the accounting principles being followed.

The credit card business is not basically a supplier of funds, but a heavy user of them. Therefore, the cost of money we use in this business is the one very important item, one that is too often slighted by the bank that has decided to go into the credit card business—and a low rate (some are too ridiculous to be mentioned here) is used to justify a decision to go into the business.

The cost of money should be no less than the prime rate, plus a profit factor of one-half to one per cent over prime to account for compensating or supporting balances when such funds are used for commercial loans. Let's be realistic.

Bank card plans, faced with continual rollback of merchants' discounts and no membership fees, must look to interest charges alone as a stable source of future revenues. But will it be enough?

I believe I would have no trouble proving that bank card plans would not be profitable if the rate was 1 per cent instead of 1½ per cent.

The merchant is receiving a very valuable service. Your bank is absorbing the cost of the merchant's credit department, collection facilities, and his bad debt losses. Still, the merchant feels that he is doing you a favor by signing up.

CREDIT CARDS . . .

(Turn to page 84, please)
Banks of all sizes, types, and locations have a number of things in common... not the least of which is the desire to continue making a satisfactory profit. Inherent in this desire to remain in profitable existence is the need to serve people so that they will continue to come to the Last State National with their banking business.

All banks share today's increasingly competitive banking environment, although perhaps some smaller banks are in the final stages of the pre-competition honeymoon. But the honeymoon is over, even in the "one-bank" towns which have enjoyed it longest, for a sophisticated public has found that it is quite possible to do a lot of "bank" business in a non-bank... and that a postage stamp is all that is required to ship a lot of local bank business out of town or even out of state.

Growth in "Marketing"

So, competition is a reality. What else is new? Bankers, being sound businessmen, are well aware of the spurs of competition and have noted the growth in the various business promotional efforts which have been grouped under the umbrella term, "public relations" and, more recently, under the almost mystic word, "marketing."

Now here's the pitch in this article. Bank Public Relations and Marketing Association is an organization which has been in the forefront of the movement to profitably popularize banks and bankers for just over half a century. If "Bank PRMA" doesn't ring a bell with you, think of "FPRA," for up until a couple of years ago, the organization was called the Financial Public Relations Association.

The name switch signaled two major changes. First, the organization is now centered on service to banks exclusively. Second, it is placing special emphasis on the consumer-centered profit-oriented phase of this business of banking.

Ask a level-headed banker why he's in business and most likely he will tell you his motive is profit. And well it should be. Being level-headed and profit-minded, it comes as no big news to him that profit stems from people, that public relations has a dollar value. The "marketing concept" seems to lose its mystery element because our competent banker has been marketing right along... long before the folks on Madison Avenue gave it a fancy tag. "Marketing" has consisted of looking at the bank's services through the eyes of the customer or the potential customer and tailoring those services accordingly at a profit.

Bank PRMA now has more than
3,500 members representing commercial and savings banks. Commercial banks constitute 85 per cent of the membership and the median size of member banks is $20-$50 million. Annual membership dues for banks of this size cost out to a weekly expenditure of $2.11. It is hard to imagine that so much costs so little. It is not for nothing that costs so little.

The “so much” that costs so little makes an impressive list.

The Journal—A monthly magazine, 64 pages written and compiled by members for the use of members, telling what they are doing in public relations, marketing, advertising, staff training, community relations, and the hundred and one facets of running a profit-oriented, consumer-minded bank. The Journal is a monthly idea sparker, possibly more valuable to a man operating in a country bank than to a man in a metropolitan institution, for it keeps him abreast or ahead of his field.

The “Current Bank Advertising” section of the Journal reproduces about 125 bank ads each issue. Any banker who contracts for space in the local newspaper and then is faced with the responsibility of using that space profitably and effectively will find this section invaluable. A little adopting here and a bit of adapting there, and he puts some of the best brains in the bank ad business to work for him—at $2.11 a week!

A bank any size is people... its staff people. If you've had your bank “shopped” or just listened to some of the customer-staff conversations, you may have been shocked into realizing that your staffers could benefit from some organized training. Bank PRMA maintains an ever-growing library of staff and officer training programs, most of them based on professionally produced film strips which permit even the smallest bank to stage an effective training series geared to developing an educated, capable, personable staff that knows how to sell services and how to keep customers coming back for more.

Bank marketing and public relations should be a continuous management concern. While the BPRMA Journal keeps members posted on what’s new, another Bank PRMA service also updates their information regularly. Every new member receives a fat stack of practical, idea-packed materials as a starter for his own “Public Relations Manual.” Then, once a month, each member receives additions to the “PRM” in the packets of materials assembled under the label of the “Special Bulletin.” The “PRM” grows in size and value with each passing month.

If you have a question or problem not covered by the indexed “PRM,” there’s another Bank PRMA service standing by... as close to you as your telephone or mail box... the Information Center.

Mr. Flory is a member of the board of directors, as well as Regional Development Chairman, for Bank Public Relations and Marketing Association.

The Center, located at the association’s Central Office in Chicago, is a unique lending library. Much of its material is available nowhere else. There is a “portfolio service” which lends packets of material from any subject from “Accounts, Dormant” to “Youth Relations.” (No portfolio beginning with “Z” yet.) Also available for member borrowing is an extensive collection of marketing books. There’s the “Project Report” library, containing hundreds of theses-like case histories produced by graduates of the association’s School of Bank Public Relations and Marketing. Some of the titles of these case histories indicate their value: “How a $21 Million Bank Handles Its Own Advertising”... “Planning and Conducting a Premium Promotion Campaign”... “A Sales Program to Increase a Mortgage Loan Portfolio”... titles which, admittedly, you won’t find on any best-seller list, but which are guaranteed to fascinate a profit-minded banker.

The School provides a two year program, two summer sessions of two weeks each, in the practical side of bank business promotion... advertising, sales management, applied psychology, staff training, etc. In its 20 years, the School has turned out a thousand graduates who are enthusiastic in their praise both for the School itself and for the Association.

Any banker, particularly a bank executive involved in the rapidly changing field of public relations and marketing, benefits from the stimulation of person-to-person contact with others who are involved in his line of endeavor. Bank PRMA encourages this kind of contact. By spending a day at a Regional Conference in a nearby city, a banker may meet and mingle with dozens of men (and women, too) who are daily facing the same problems and challenges. Chances are that many of them have already traveled the same road, and Bank PRMA members are notorious in their zeal for wanting to help fellow members avoid the pitfalls and to seize upon the possibilities they themselves have encountered. Several days at an annual convention provides much the same opportunity, multiplied, since the annual “working conventions” attract about 1,500 delegates. There is an unusually high rate of “repeaters” at Bank PRMA conventions, indicative of the fact that members feel they get their money’s worth by attending.

There is a continuing series of special interest workshops on such topics as Advertising, Bank Marketing, Trust Development, Staff Training. The workshops are usually three-day affairs with all presentations aimed directly at a specific subject to maximize benefits.

Even if a member can’t attend all of these meetings first hand, the Association makes an effort to get the highlights to him in printed form, ranging from a pamphlet to a transcript to a hard cover book on what transpired at a session.

Other Reasons

There are other reasons for joining BPRMA. One is the altruistic one often attributed to Teddy Roosevelt that every man owes a portion of his time to the industry he serves. The Association provides liberal opportunity for a banker/member to serve his industry. At the same time, he is serving the needs of his own bank and serving his own career needs, too.

And there are more reasons why any bank can profit from Bank PRMA. The Association will be happy to fill in the missing details. Just get in touch with Bank PRMA, 120 West Madison Street, Chicago, Illinois 60602.—End.
Is it relative or is it absolute? Some points to consider about "Truth in Lending" bill.

By LEWIS E. DAVIDS

Hill Professor of Bank Management
University of Missouri
Columbia, Missouri

I NFORMED observers of banking legislation on the national scene believe a "Truth in Lending" bill has more probability of being passed at this session of Congress than one has had at any previous session. The bill more properly should be called "Approximate Truth in Lending" since it represents a workable compromise in permitting interest rates to be stated in relative rather than absolute terms.

It is important for lenders to recognize that while the bill has the same title as those proposed in the past by former Senator Douglas, and many of the same provisions, the bill under consideration is significantly different and improved in that many of the objectionable and unworkable features of previous bills have been removed or materially modified.

Current State Legislation

Lenders also recognize that several states (mostly in the northeastern part of our nation) have either recently passed or will pass consumer protection-oriented legislation requiring interest rates to be stated in some form of approximate simple annual rates. Creditors should recognize that alleged attempts by some few non-bank financial institutions to improperly influence state legislation on lending and interest rates charged has actually had the opposite result from that which was intended. Some previously neutral state legislatures, when appraised of the alleged attempts, shifted their support to legislation favoring greater governmental control over lenders and greater "Truth in Lending."

Commercial bankers were not mentioned in the press reports as attempting to illegally influence the lending legislation in Massachusetts. Bankers none the less have been inadvertently caught by the back lash of legislative indignation—and the subsequent increase in restraints on their freedom of lending.

Ask almost any "man in the street" what a "fair" rate of interest is (as I have done to my students many times), and he will respond typically with a figure of about 6 per cent. A further probing rather quickly indicates that they do not generally distinguish between several basic computational determining factors, such as size of loan and fluctuations in supply and demand of funds, nor do they distinguish between simple annual interest, a compound rate, an addition rate, a rate computed on the basis of original balance or on the amount currently outstanding.

By all means one should not confuse the issue by pointing out that rates will vary depending upon payment with currency or check, which entails deferred availability and float. Under no circumstances should one add to the problem by raising questions of what a rate is when there are returned items, balloon notes, pre-payment options, days of grace or revolving credit.

Analysis Is Eye-Opener

By happenstance and most inadvertently, the Federal Reserve functional cost analysis studies and those made by Peat, Marwick, and Mitchell have helped show how misinformed about costs and interest rates the great bulk of our population is, including many bankers and many more legislators.

I recently participated in a size group meeting of a bank management conference. More than a small number of bankers pointed out that their own functional cost figures from the above mentioned authoritative sources clearly indicated that they could not make small consumer loans at prevailing legal rates without losing money.

Under the pending "Truth in Lending" legislation the probable requirement that the "approximate" interest rate of (i.e.) $1\frac{1}{2}$ per cent per month be stated as approximately 18 per cent simple annual interest will initially shake many "Puritans." An original balance rate of 6 per cent will equally be perturbing to those who see it stated under the proposed law as almost 12 per cent on the outstanding balance.

Marginal Analysis

Economists are quite familiar with the concept of marginal analysis. In this circumstance, the very significant point is that in economic theory, a shift in the interest curve upward will price a portion of the borrowers out of the market. We now are confronted with the fascinating question

TRUTH . . .

(Turn to page 46, please)
**1967—**

*India's Year of Fate!*

Will This Great Nation Adopt Proven Farming Methods to Solve Its Food Crisis?

The Indian agricultural problem is a continuing crisis. The solution is clear: an all out effort to enable the developing countries to produce their own food needs, through their own farm lands, or through improved capacity to buy in the world market.

The U. S. Congress is now gravely impressed with the burgeoning food needs, especially of the developing countries relative to a diminishing American capacity to meet those needs. It insists that, henceforth, American supplies of food on concessional terms—again to all countries, not just to India, of course—be very closely related to the scope and intensity of the efforts the recipient countries are making to expand their own agricultural output.

By way of understanding its purpose, the U. S. Congress has rightly provided that the terms of food aid should be stiffened, either progressively or suddenly. For example, as already has been discussed in India, the prospect is that U. S. food aid must sooner or later shift to the kind of dollar repayable loan terms that now apply to other developmental commodities.

There are a great many thoughtful patriotic Indians who in principle agree with me that this makes sense; if one's perspective is developmental, it makes very little sense really, for food to come on easier terms than the fertilizer which, if it can be acquired in sufficiently timely fashion, can cause a multiple expansion of domestic food production. The problem of food in India is not merely a problem of growing more grain. It is largely a problem of a national policy based on common sense, and of uniform enforcement of that policy throughout the country.

Years ago, we were told that the food deficit was 5 per cent. Last year, we were informed that the deficit was 5 per cent. Food imports for the year 1965-66 were 10 million tons, which was more than 8 per cent of the Third Plan target. Yet a 5 per cent reserve has not been created as promised for a long time. On the other hand, more than 10 per cent of the population is currently living in conditions of scarcity, and the general level of

**YEAR OF FATE! . . .**

(Turn to page 48, please)
The article on the preceding page discusses the specific food crisis of India. In the accompanying article, Mr. Cottier outlines the broader problem of World Hunger, with the accompanying solution of working with young people to assist these underdeveloped nations to reach their full food production capacity and become self-sustaining.

World Youth vs. A Potential

By R. T. COTTIER
Vice President Public Relations
Massey-Ferguson Inc.
Des Moines, Iowa

I PLAN to discuss a project with which we, as a company, are involved, because it deals with a world problem in which, whether we acknowledge the fact or not, we all have a personal stake.

As a company and a group of managers, we believe the project to be one of the most exciting and one of the most important activities we have been associated with as an international company and a world citizen.

The project is the Young World Food and Development Program of the Food and Agriculture Organization of the United Nations.

Together with many other private companies, agricultural organizations and national governments throughout the world, we have been concerned for some years with one of the most critical problems of our time—the race between food production and the rapidly expanding world population.

Forecast—More and Younger People

I am sure you know the forecasts and the statistics as well as I do, so I won't belabor them. Suffice it to say that most projections estimate that, by the end of this century, the world's population will have doubled. The bulk of this growth is expected to be in the less developed countries where already a large part of the population suffers from under-nourishment or malnutrition.

There is a second dimension to this population explosion. In most of these countries, more than half, and in many as much as 60 per cent, of the population is under 20 years of age. This proportion is expected to increase. In effect, the population explosion has also been a youth explosion.

In developed countries, such as our own, this change is even more dynamic. Within two to three years, the United States will be the youngest country in the world. In 1960, the average age of all Americans was 33. By 1968-69, it is expected to be 25 or lower. As well as the youngest country, it will also be the best educated. By 1970, one out of every three Americans will be in school.

And, this is the major difference between the developed and developing countries—education. It is the difference and the crux, we believe, of the solution to the problem of world hunger.

Formal Education Impossible at Present

The question of investment in education, though, is an entirely different matter in the developing countries with their exploding populations and low national incomes. While they recognize that only such investment will ultimately provide the necessary breakthrough from a traditional to a productive modern economy, they simply do not have the resources to supply the demand for schools, equipment and teachers to match the escalating pupil population.

THAILAND—The Ministry of Agriculture encourages youth programs. The 460 clubs have 10,000 boys and 6,500 girls. Mushroom cultivation, shown here by two girls, pig raising and fish breeding are among the activities of the club.

BRAZIL—One of the most active 4-H members in the nation is Vicente de Paula Alvim, who got the Credit and Rural Assistance extension service to loan him money to buy his first cow to found a herd. He named it Brazilia.
To complete the vicious circle, it is doubtful whether they will acquire the necessary economic resources until there has been a substantial improvement in their agricultural economy—an improvement that will not only alleviate the immediate need for food and fiber, but also provide a sound base for future industrialization.

In the face of limited financial resources for modern methods of educational investment, the only hope for an adequate effort (to balance food production with population) appears to be to turn an apparent liability into an asset—to involve and mobilize the resources of youth; to help the youth of the developing countries to bring their own vitalities and resources to bear on their own education and national development.

Youth Key to Modern Agriculture

One such channel is out-of-school educational programs working through rural youth movements which already exist in more than 60 developing countries. Such rural youth movements, we believe, could provide the key to the vital breakthrough from traditional to modern agriculture for the following reason:

1. Changes from traditional to modern agriculture will require a flexibility and adaptability to change, which can only be found in the new generation. Adults in the developing societies are largely illiterate and directed strongly by past custom and tradition. They are conservative, resistant to change and difficult to motivate. Youth, on the other hand, is open-minded and interested in exploration and change. Youth seeks progress and is eager to learn.

2. Work with youth can have a dual purpose. In addition to investing in the future, today’s adults can be reached through youth. An adult is afraid of losing face if he tries a new idea and fails. Young people are not so restricted, and when they succeed, adults are often quick to recognize the significance of their success, particularly if the demonstration is on their own farm or in their own home.

3. One of the major problems of agricultural development is the mass exodus of youth from rural areas, because of disillusionment in agriculture as an occupation and a way of life. If, through challenging and rewarding youth activity, these young people can get a vision of the potential of modern agriculture and improved rural life, they will be more likely to stay in the rural communities.

4. Agricultural improvements must be further accelerated as the years go by. If we can give these young people a practical appreciation of the value of the application of science to agriculture, they will not only be better farmers themselves, but will follow and learn more from extension education programs as adults.

5. Organized youth groups can provide the experience and training in organization and leadership skills so vitally needed for the development of developing rural communities.

6. Successful youth activity will generate an attitude of confidence toward self-help, which can have a major effect on community self-help and cooperation when these young people assume adult responsibilities and leadership.

7. The youth movements generally use learn-by-doing projects and thus are both educational and productive at the same time.

8. The programs of these youth groups have known needs around which both major and minor support programs can be built. They can be expanded rapidly with increased local support and outside assistance.

The Project’s Goal

The Young World Food and Development Project is designed to encourage the member countries of FAO to...
World Youth vs World Hunger

(Continued from page 39)

double the size and scope of the existing rural youth programs in the developing countries each five years over the next 15 years. This eight-fold increase in the size of the present programs would insure that, with an average of three to four years membership, some 30 to 35 million young people in the developing countries will have been actively involved over this period.

This is an ambitious goal, it is an exciting goal, but we believe it to be a realizable goal. We also believe that it is a goal that must be met, because the consequences of not meeting it—and worse, not even trying to meet it—are frightening to contemplate.

Youth everywhere is seeking its political and cultural identity, its role in society and in nation building. This is particularly true in the developing countries where often the demands of the 20th century have been imposed almost overnight on cultures still rooted in earlier centuries.

The young people of the world can be a destructive force or a constructive force. We believe the Young World Food and Development Project is a major step in the direction of guiding an important segment of the world's young people into constructive revolt against their current conditions. We do not believe the project to be a panacea for all the ills I have mentioned, but we do believe that this project and others like it can provide the type of leadership, inspiration and dedication that will be necessary if these problems are to be solved. For these reasons, Massey-Ferguson contributed the one-half million dollars needed to bring the project to life and change it from a social concept into a practical, working force in the world.

Phase One Underway

The first phase of the project, which was a year in the planning, is now underway. Phase one consists of six regional seminars held in different parts of the world, and finally a world seminar to be held in Canada to which 113 nations will be invited. Let us not misunderstand one another. These seminars are not talk-fests just to consider the problems. They are working, planning and implementing seminars of youth program leaders of national stature and experience, officials of government agencies and private organizations.

The first four seminars were held in the developing areas of Bangkok, Thailand, for Asia and the Far East; Addis Ababa, Ethiopia, for Africa; Lima, Peru, for Latin America, and Beirut, Lebanon, for the Near East. The Bangkok seminar was held about the beginning of September; the seminar at Addis Ababa in early November; the meeting at Lima took place late in November and the Beirut seminar was held early in December.

The seminars in the developing areas defined the opportunities and planned and instituted the action necessary to bring about the first doubling of the existing rural youth activity.

Meetings in Rome and Des Moines

These seminars will be followed by meetings of the developed nations: April in Rome for the European nations and here in Des Moines, this May, for North America. These two seminars will be devoted to planning projects to support the action programs that were devised in the seminars held by the developing countries.

The world conference, next September, will consider the work of all the regional seminars and create the plans necessary for the implementation of the worldwide program.

I think it is particularly fitting that the last two seminars will be held on this continent, for the success of this project will probably depend upon the input from the people of North America.

The United States is often referred to as the richest country in the world. Such statements usually refer to this country's physical resources and wealth. But I find this a very shallow judgment, for this country is also the richest in the world in modern technical experience, in management and organizational skills, human talent and human resources.

Greatest Contribution Is Sharing

And it is in these areas that the greatest need for assistance exists in the developing countries. It is in this area—in sharing our experience, in sharing our management and organizational skills, in sharing our human resources that we can make the contributions that can turn the tide for all of us.

From the agricultural, youth and social organizations of this country, many of whom pioneered the type of youth and rural development so urgently needed in the developing countries—from these organizations will have to come the knowledge and experience, the guidance and advice, the ideas and the inspiration that will make the presently distant goals of the Young World Food and Development Project an achievable reality.

I, personally, believe this to be a challenge worthy of the tradition and heritage of American agriculture and American rural youth groups. I also believe that these groups will rise to this challenge when they meet here next May in what could be rightfully called the heart of this country's agricultural community.—End.
In 1867, when two banks did business together regularly, they called it "correspondent banking."

What's new?

The whole business is new, that's what.

You just have to look around you to see revolutions in banking in the past five years — let alone the past hundred years.

At Manufacturers Hanover, we think the term "correspondent banking" is as old as the Boston ledger. These tired words don't half describe the dynamic interaction that goes on daily between a customer bank and ourselves. And "correspondent banker" is a weak way of telling what our National Division men are: Professional interbank specialists whose job is to match your bank's goals with the banking, trust and international services performed at one of the world's great banks.

And our men use jets, automation, and imagination to get the job done.

"Correspondent banking"? In 1967?
That's like saying you're going to watch the Superbowl on the wireless.

...it's good to have a great bank behind you

MANUFACTURERS HANOVER TRUST
Member Federal Deposit Insurance Corporation
Northwestern Banker, April, 1967
Some combinations are hard to beat

Take the new combination of St. Paul Terminal Warehouse Company and New York Terminal Warehouse Company for instance. This natural combination of two leaders in the field now provides banks and industry with an exceptionally efficient nationwide Field Warehousing Service making full use of the advanced methods and modern procedures developed by both companies. The joint pool of talent and experience is not to be taken lightly either. Some combinations are just about perfect. You don’t have to make them over: they work well for everybody. We invite you to take advantage of the efficiencies and economies made possible by our expanded facilities.

Specify “PROTECTION” insist on

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OPERATING OFFICES IN PRINCIPAL CITIES
Get qualified assistance from a First of Tulsa SPECIALIST

Behind every First of Tulsa co-banker there stands a specialist ready and willing to offer his help... anytime... anyplace. Like First's Chairman of the Board, Mac McClintock! His first hand experience in the oil business has proved invaluable to bankers across the country. Today, he stands as a man qualified to help with the most complex oil banking problems.

Put a First of Tulsa specialist to work for you. He's ready anytime... anyplace!

THE FIRST NATIONAL BANK AND TRUST COMPANY OF TULSA
Mosler Executive Promoted

John E. Hampel has been elected senior vice president for marketing of The Mosler Safe Company, according to Martin S. Coleman, president. Mr. Hampel, who reports to William A. Marquard, Jr., executive vice president, joined the company in 1952.

Vice president for marketing for the past four years, Mr. Hampel has also served as comptroller and as national sales vice president.

A graduate of the Chase College of Law and Business Administration, Mr. Hampel is a Regent Emeritus of Chase and a member of numerous professional and educational organizations. He is currently serving on the executive committee and national board of the National Association of Accountants.

Record Gains Noted By Old Security

Record gains accent the 1966 sales figures of the Old Security Insurance Companies, Kansas City, Mo., Paul Hamilton, Jr., president and chief executive officer, announced last month. Combined premiums written were up 22 per cent, or $21,446,904, as compared to $17,622,808 for 1965, a $3,824,096 increase.

“Life premiums written hit a new company high of $10,615,842, up $1,580,864 over the previous record set last year,” Mr. Hamilton noted. “Automobile physical damage premiums written by the casualty company scored the greatest gains, up 70 per cent, to $2,203,722 from $1,294,001 in 1965.” Accident and health premiums reached $7,891,915, up $1,221,336, and fire insurance premiums written on household goods were $705,425, compared to the $593,250 of the previous year.

Life insurance in force reached $857,787,087, a $149,770,441, or 21 per cent, rise over the $708,016,646 reported at year end, 1965. Included in the new record high are figures from Stateside Alliance Insurance Company, formerly a subsidiary of Federal Service Finance Corporation, that was merged with Old Security Life Insurance Company on December 31, 1966.

Total assets of the companies increased by $2,316,286 to $14,166,650 during the period. Combined surplus at December 31 was $3,757,644, up $828,073 from the $2,928,971 reported in 1965. Claims of $6,205,132 were paid, compared to $5,494,053 paid the year previous.

“Sales efforts by our credit life field service representatives continue to add materially to our growth, particularly in California and Florida,” Mr. Hamilton commented. “Experience in our experimental permanent (ordinary) life insurance program has been so satisfactory that contemplated expansion of that phase of our operations is being accelerated in the first six months of 1967. The life company is licensed in 49 states and the District of Columbia; the casualty company, in 21 states, a gain of six during 1966.”

Entertains Women Pensioners

Women staff members and pensioners, representing over 1,500 years of service with The First National Bank of Chicago, were honored by the bank at a dinner and reception in the Adams Ballroom of the Palmer House. The master of ceremonies for the evening was Alfred E. Langenbach, vice president in charge of the bank’s personnel department.

More than 150 women, all of whom have been employed by the bank for 25 years or more, attended the dinner and reception.

Retires at Continental

Paul J. Drexler retired as vice president of Continental Illinois National Bank and Trust Company, Chicago, on March 15 after more than 37 years of service.

Mr. Drexler started in banking in 1917 with the Fort Dearborn National Bank, a predecessor of City National Bank and Trust Company, working in the auditing division. He was auditor of City National Bank from 1932 to 1947, when he was elected assistant vice president and named manager of the credit department. He became vice president in the loan division in 1953, and was re-elected a vice president of Continental when it and City National Bank merged in 1961. Most recently he has been assigned to the commercial banking department’s lending group which does business with finance companies, small business investment organizations, and leasing firms.
Three good reasons for doing business with Commerce Trust:

1. Jim Bartels
2. Jarry Parker
3. The best airline service in the country

There's direct, one-plane transit service from Commerce Trust to 48 of the nation's top banking centers. No other city is as accessible to all other parts of the country as Kansas City. And no other bank in this wonderfully-central location has the men, the capabilities or the automated transit facilities of Commerce Trust. With our own post office and a complete night transit department, Commerce Trust is staffed and equipped to help you reduce your float. Is it any wonder that so many banks do business with Commerce Trust?
Let us show you how your Home Improvement Loan portfolio can be loss-free!

There’s a proven way to increase profits on home improvement loans with 100% protection. Insured Credit Services can guarantee your portfolio against losses arising from bankrupcty, marital difficulties, strikes, skips, over-obligation and similar causes. Our plan is flexible, allowing you to establish your own finance rate as usual, but to shift the risk of default to us.

You get more profit when your working dollars are protected

Under our unique credit insurance plan, we guarantee 100% reimbursement of unpaid principal balance of defaulted loans plus interest and costs . . . giving you loan protection in depth . . . right down to the very last dollar. Insured Credit Services is the first and largest underwriter of credit insurance on improvement loans. Our plan has been in operation since 1954 and is now a tradition with hundreds of bankers in 35 states. There’s no obligation, of course, in asking for our informative brochure.

Don’t take chances—
Shift the risk to I.C.S.

INSURED CREDIT SERVICES INC.
307 North Michigan Avenue
Chicago, Illinois 60601

Northwestern Banker, April, 1967

Truth . . .

(Continued from page 36)

What Can Banks Do?

I. It is incumbent upon each banker and the industry as a whole to see that present borrowers and potential borrowers are educated along the lines that the statement of their charged interest rates does not represent a de facto interest change, but rather a de jure change.

II. Borrowers and legislators should also be made aware that low legislated interest rates, at a point where legitimate lenders such as banks cannot make a profit, only dry up legal sources and encourage loan shark operations.

III. Education of a general nature on the costs of doing business can help correct attitudes of future borrowers with built-in and misinformed ideas of “fair” rates of interest.

IV. Bankers should be in a position to show objectively that the interest rates they do charge under “Approximate Truth in Lending” are not materially different from those stated in other ways and that they are in line with competition and costs. Further, that interest rates quoted by governmental sources such as advertised for the new U. S. Treasury Freedom Share, Series E, and FHA loans err in “Truth and Accuracy” in much the same way as rates quoted by banks have in the past.

Treasury Also “Misleading”

The Freedom Share is not a share as the term is commonly used to designate; i.e., one refers to shares of stock, not shares of bonds or notes. The U. S. Treasury says the “Share” matures in 4½ years— but is not redeemable for one year after purchase. If held to maturity it yields the approximate equivalent of 4.74 per cent but a purchaser is required to tie in the purchase with the sale of Series E Bonds under a payroll savings or bond a month plan. Thus, an approximate net return for the package will be about 4.39 per cent. But if the Series E Bond is cashed at the end of the two months minimum holding period, an approximate 4.58 per cent yield could be obtained.

This is not to accuse the U. S. Treasury of deceit or being untruthful. It is simply an attempt to point out that even a relatively simple transaction such as expressing the yield of a share is fraught with many caveats and conditions, especially if the yield curve
In baseball, you can pick out the professionals because they do their job supremely well. That's the way it should be in correspondent banking. Division F at The First National Bank of Chicago has one job—serving correspondents. It's a full-time job. And we aim to do it well.

The First National Bank of Chicago

Building with Chicago and the nation since 1863 • Chicago, Illinois 60690

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1967
1967-India's Year of Fate!

(Continued from page 37)

consumption is a good 10 per cent below the clinical minimum.

Fifteen years and three Plans have been devoted to the
"Grow More Food" theme. Yet, it is still taken for
granted 20 per cent at least of the crop must be lost in
the field and another 10 per cent in transport and storage.
with 30 per cent of the crop thus lost, the deficit is esti­
imated at 5 per cent.

No less than Rs. 4,000 crores ($5.3 billion) have been
invested in rural development in the three Plans. Yet,
productivity per acre is about the lowest in the world.

Land ceilings are the official policy, but there is no
thought of the economic minimum. Nineteen years after
freedom, the process of fragmentation continues unabated.
The farmer is over-protected, instead of being trained and impelled to self-reliance. Many people have
pointed out that legislation apparently intended to pro­
tect the cultivator has induced him to divert his savings to
directions other than his farm. This means that while
the planners pour national resources into the villages,
the villager takes his own profits away. Japan and
U.S.A. squeezed their rural resources for a spectacular
urban development. India squeezes her urban resources for a rural development that is not fully coming off.
Litle Israel has turned a desert patch into an emerald
isle, not with the nationalization of land and water,
though it is the means employed, but with a ruthless
elimination of inefficiency. Land and tenancy laws in
India, and their administration at grass-root level, tend
to protect farm inefficiency.

The Indian population grows at the rate of 1,000 an
hour. That simple fact should, one would imagine, be
by itself a compelling force to drive the nation to a crash
program of food. Emergency tasks often involve extrav­
agant cost. It is not that this country is unused to emer­
gency expenditures. Yet the crash program for fer­
tilizer factories has been eased off on the ground that
foreign collaborators demanded exorbitant terms. The
slower the indigenous production of fertilizers, the longer
the period of need for foreign grain and search for for­
eign exchange to meet food and fertilizer bills.

On the most optimistic assumptions of population re­
straints and of food growth the F.A.O. has warned the
developing countries that their present imports of $3.4
billion of food will have to rise by $1.2 billion by 1970,
if they are to escape hunger. The wheat stocks of the
world's granaries, viz. U.S.A., Canada, Argentina and
Australia—have dropped from 40 million tons in June,
1965 to 25 million tons in June, 1966. Russia and China
are stalking the markets with gold for grain. India's
bargaining position is at the end of the queue. Food, for
India, is a national problem; not part of a common world
problem.

The Fourth Plan provides for Rs. 5,400 crores, about
$7 billion, almost a quarter of the total plan outlay, for
the agricultural sector and projects a grain output of 120
million tons or 33 per cent above the Third Plan target
by 1970-71. On the basis of a population growth of 3 per
cent a year, this is satisfactory enough as an aim. The
grain output of 1965-66 was 72.3 million tons and that
of the current year is optimistically placed at 75 to 77
million tons. A program of Rs. crores ($760 million)
for agriculture and irrigation in the current year designed
to irrigate 6 million acres and to subject 32 million acres
to intensive cultivation is expected to help reach the
Third Plan target level of 90 million tons in 1967-68. Will
the 33 per cent jump to 120 million tons be taken within
the three years by 1970-71?

Friends abroad have charged India with living in a
dream world. Nowhere does the well meant warning
hold good more truly than in the wishful planning of our
food program.

There is a great deal of talk of industrial orientation
and social revolution. The food problem will not be
solved without an agricultural orientation and patriotic
revolution. Someone with the voice of power must take
courage and proclaim that India is one nation and food
is a national problem, neither a state problem nor a
zone problem; that a self-reliant farmer will grow a bet­
ter crop than a coddled one. Let there is no more sur­
plus states and deficit states. It is bad enough that some
areas are less productive than others. It is bad enough
that nature now and again denies her bounty of rain;
let not what is produced by nature's bounty and human
effort continue to be wasted as it is now.

This is not a long-term view to be debated at leisure.
The food crisis is not even imminent; it is on us. The
current year's crops may be about 75 to 77 million tons,
which is some 13 to 15 million tons short of normal need.
There is no carried over stock as existed at the beginning
of last year. The foreign exchange situation remains un­
certain. Also uncertain is the measure of the United
States' P.L. 480 assistance. The 75 million tons of grain
may have to be stretched to 500 million mouths. If so,
it will have to be stretched uniformly. An appeal to com­
mon sense will help, provided that common sense per­
meates all official policies and actions. The coming year
may well be India's year of fate.


do Series E Bonds is altered in the future as it has often been in the past
and the share is redeemed after one
year but before four and one-half.

Conclusion

After the initial stock is over, a
brighter side for bankers may be evi­
dent. Competition wise (with the ex­
ception of tax sheltered Credit Un­
ions) banks should find that the uni­
form stated "Approximate Simple An­
ual Interest Rate" they quote, while
higher than the rates quoted in the
past, will be lower than those quoted
by their financial intermediary com­
petitors.

It is likely that some customers of
these intermediaries will turn to
banks in increasing numbers because
of the greater ease of comparison of
interest charges.

It is also likely that small borrow­
ers will be forced to borrow from non­
legal sources, unless complementary
state legislation raising "usury" rates
to realistic levels accompanies the
"Approximate Truth in Lending."

If one seeks truth, serious thought
also must be given by borrowers and
lenders to two other factors not cov­
ered by the proposed legislation. One
is the net cost of borrowing after de­
duction of tax features. The second
is the real cost of borrowing when
measured against such series as the
wholesale, retail, and consumer price
indexes which have shown upward
movements of up to 4 per cent. Truth
may make one free, but in interest
rates it is highly elusive if one is hon­
est.—End.

Northwestern Banker, April, 1967

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Federal Reserve Bank of St. Louis
We’ve added two new features to our Check Guarantee Card.

The Security Bank guaranteed check is now honored throughout California and Hawaii.

It is as acceptable as a travelers cheque or a national charge card at selected hotels, motels, airlines and auto rentals. In hundreds of these top establishments, it will cover normal expenses, even beyond the $100 limit originally set for the guaranteed check.

Security Bank customers needing cash while traveling may now present the Check Guarantee Card along with a personal Security Bank check at any of more than 600 branches of Security Bank, Wells Fargo Bank and the First National Bank of Hawaii. Checks up to $100 will be cashed on sight.

If a customer requires additional funds before or during travels, he may simply write a personal check for whatever amount is needed. The additional money will be automatically advanced from his Ready ReservAccount into his checking account.

The Check Guarantee Card and Ready ReservAccount are just two of many banking innovations by Security First National Bank.

If you would like to explore the ways a correspondent banking relationship could benefit you and your customers, contact Mr. Richard J. Flamson, III, Vice President, National Division, 561 South Spring Street, Los Angeles, California 90013.
"He mumbled something about Talcott Financing saving the day and he’s been like that ever since..."

Naturally, a banker gets a big lift when he can help a good customer ... instead of saying “no.”

And many bankers have discovered with pleasure, and profit, that Talcott Financing can accomplish several worthwhile objectives—

- Keep customers happy when they’ve reached their limit of unsecured credit by getting them the help they need.
- Turn prospects into customers even though their loan requirements are too large or their security maintenance too costly, difficult or complicated.

Talcott Financing executives are specialists in secured commercial lending. They work out the arrangements, set up the loan and perform the necessary security maintenance and supervision ... with your bank’s participation for income and service if you desire.

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Northwestern Banker, April, 1967
Installment Loan Conference Features "Education" Seminars

Plans for the 6th Annual Minnesota Bankers Association Installment Conference to be held April 12-13 at the Radisson Hotel in Minneapolis were announced by the MBA office.

Edward J. Welsch, chairman of the MBA Installment Credit Committee and vice president of the First National Bank in St. Paul, will preside at the speaking program, which opens at 9:00 a.m., on Thursday, April 13, and will continue until a 4:30 p.m. adjournment, with a luncheon scheduled for noon.

The lead off speaker for the program will be John T. Suedbeck, president of the First National Bank, Marshall, who will discuss a bank management view of sound installment lending operations.

Central theme of the 1967 installment lending meeting will be education, and the conference will feature discussion seminars as a major part of the program.

Seminars will begin at 10:00 a.m. on April 13, and will run for 45 minutes, with an opportunity for delegates to attend at least five of the six discussion sessions.

Seminars will be presented on the following topics: "Indirect Lending," "Advantages of the Accrual System," "Installment Loan Protection," "Delinquent Accounts and Collections," "Originating and Building Installment Outstandings," and "Fundamentals and Mechanics of Installment Lending for Small Banks."

The conference will open with registrations, dinner and entertainment on Wednesday evening, April 12, to be followed by the full-day speaking program on April 13.

New Winona Executives

G. R. Espy has been elected president of the Merchants National Bank of Winona, succeeding the late G. M. Grabow. Mr. Espy was formerly vice president and cashier of the bank.

Other promotions announced by the bank include: N. W. Schellhas, from assistant vice president to vice president; K. A. Poblocki, from auditor to cashier, and Herbert Peter, to auditor.

New Stillwater Officers

Two new officers were elected by directors of the Cosmopolitan State Bank, Stillwater, Minn., following a recent board meeting. They are Michael J. Fritz, named cashier, and Leslie R. Borst, elected assistant cashier.

Mr. Fritz joined the staff in August, 1966. He is a graduate of the College of St. Thomas in St. Paul where he majored in accounting and related tax studies. Mr. Fritz was employed at the Aiple Towing Company in Stillwater prior to joining the bank last summer. He was recently elected treasurer of Afton township in Stillwater.

Mr. Borst was graduated from the University of Minnesota in 1962 with a degree in Forestry. After service with the U. S. Army, he joined the bank June 1, 1965. He is presently enrolled in A.I.B. classes in St. Paul.

Hawley Remodels

An extensive remodeling program has been completed by the First National Bank of Hawley, according to Elwood Griffith, executive vice president.

New wall paneling, recessed lighting, air conditioning, carpeting and drapes were added.

Huntley Plans Building

Construction has started on the Farmers State Bank building.

The new structure will be more than double the size of the present building, and a Colonial style will be followed. A drive-up window will be added.

Capital Increases

Eight Minnesota state-chartered banks have recently increased their capital. They are:

- Alexandria State Bank, from $200,000 to $300,000.
- Caledonia State Bank, from $75,000 to $150,000.
- Sprague State Bank, Caledonia, from $80,000 to $120,000.
- Eltit State Bank, from $25,000 to $50,000.
- State Bank of Hampton, from $20,000 to $40,000.
- First State Bank of Hugo, from $50,000 to $75,000.
- State Bank of Park Rapids, from $50,000 to $100,000.
- Farmers State Bank of Sherburn, from $50,000 to $75,000.

Brainerd Reports Progress

Ray Kirkhorn, president, Citizens State Bank of Brainerd, reports that the bank now has total assets of $12,700,000. Surplus was recently increased to $450,000 by a transfer of $100,000 from undivided profits. Capital is $300,000, and undivided profits are now $224,000.

Montgomery

In changes at the First National Bank which were announced earlier in the Northwestern Banker, Michael E. McGuire, local attorney and former state legislator, has been elected president. He succeeds John H. Lebens who resigned for health reasons. Mr. Lebens had been president since the bank was chartered in February, 1963.

Ralph Hendrickson has been elected assistant vice president and cashier.
Here is what you get...

Complete new bank structure customized to your requirements, with floor area and interior design functionally modern in every detail.

Only the Kirk Gross Company can offer you this distinctly new "bank building package". Here in one plan you can accurately determine the ONE and ONLY COST for the entire new building program. Our building consultants, interior designers and decorating specialists have assembled into ONE PACKAGE the complete details—once you have selected the building plan to fit your needs... you can set the date for OPEN HOUSE—because the Kirk Gross "bank building package" provides everything but the customers, and they'll be at the opening, you can be assured.

* this unique plan is designed for Banks WITH DEPOSITS UP TO 12 MILLION!

Planning a new bank building? You owe it to yourself to investigate this new "Bank Building Program." A Kirk Gross bank specialist can give you the important details on his first visit. He will show you complete building plans, outline the pricing structure, and discuss your building needs.

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Yes... we are planning a new bank building. Please have one of your bank specialists contact us to discuss the new "Bank Building Package."

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☐ We are planning a remodeling program and would like to talk it over with one of your bank specialists.
You select from three plans—standard, custom or deluxe—we guarantee the total costs!

with this new Kirk Gross “Bank Building Package” you eliminate the worries, the problems, the loss of work-hours usually associated with a new building program.

Frankly, the Kirk Gross specialists plan everything—from ground breaking to open house.

the basic plans are expandable by six foot sections. This unique building design enables you to customize the new building to your requirements. Or in the future you can add on to your structure at a minimum cost and with little inconvenience.

but most important—within TEN DAYS after you have selected the “Building Package” to fit your needs, the Kirk Gross specialist will have on your desk a complete cost breakdown—from door knobs to vault.

another factor which is important to you, as a banker, is that all building materials can be purchased from suppliers in your area, and the construction handled by local contractors... of course Kirk Gross specialists are available to supervise the entire program.

In these cutaway drawings the structural details are highlighted... note the pre-stressed concrete floors, the 12" exterior masonry walls and steel bar joist roof.

Careful attention is given to utilizing all available floor space with the major emphasis on the customer service area.

These architectural drawings show in detail the careful planning of the floor space and selection of materials which will be used in the actual construction of your new bank.

You'll enjoy making your own floor layout...

We provide a miniature floor plan with furniture and fixtures built to scale... you see just how the interior space will look when completely outfitted.
PHILIP H. NASON, president of The First National Bank of St. Paul, is scheduled to be elected president of the Reserve City Bankers Association at the annual meeting April 4.

Mr. Nason has been a prominent figure in Reserve City circles for many years. He has been president of First National since December, 1954, succeeding Julian B. Baird, who then became an Under Secretary of the Treasury.

Mr. Nason attended private high schools in Illinois, received a Bachelor of Arts degree from Carleton College, Northfield, Minn., and just prior to becoming First National's president he spent a year at Harvard Graduate School of Business Administration.

He started as a trainee with First National of Minneapolis in 1936, advancing to assistant vice president. In 1949 he joined First National of St. Paul as assistant to the president and vice president.

Mr. Nason is married and has one son and seven daughters.

Neil G. Simpson, president of the Black Hills Power and Light Company, Rapid City, South Dakota, has been elected a Class B director of the Federal Reserve Bank of Minneapolis, it was announced by Joyce Swan, chairman of the board. Mr. Simpson was elected by Ninth District member banks having a combined capital surplus of over $800,000 and as a Class B director will represent commerce, industry and agriculture. He has been elected to fill the unexpired term of Mr. Swan who resigned as a Class B director to accept appointment by the Board of Governors as a Class C director and chairman of the board.

First National Bank of Minneapolis is now in process of converting all of its computer applications to Burroughs B5500 equipment, Operating Vice President Fred H. Waterhouse has announced.

Mr. Waterhouse said change over to the Burroughs' equipment is expected "to provide the fullest possible capacity and flexibility for bank application and customer services."

First of Minneapolis offers a full range of automated services to correspondent banks and corporate customers. Among these are the account reconcilement plan, demand deposit accounting service, installment loan accounting, lockbox service, payroll service, computerized savings certificate system and bond investment services.

Election of two vice presidents at J. M. Dain & Company, Inc., Minneapolis securities firm, was announced by Wheelock Whitney, board chairman.

They are Calvin A. Merriman, sales manager since late 1965 who previously headed the mutual fund department, and George N. Olson, who has been manager of the St. Paul office since 1963.

Named assistant vice-president was Michael I. Rosen, a securities analyst specializing in electronics and computer industries.
Do you have a minute?

That's how quickly you can make extra profits!

It usually happens fast. We know from experience that when you suggest and explain this creditor insurance package with its built-in protection, loan customers can quickly see the advantages. Meanwhile, you're earning liberal commissions because Old Security offers you a wide range of profitable plans, plus fast, direct service.

Why pass up extra profits on loans? Ask the Man from Old Security to tell you more!
and today there are 254, a decline of 16 per cent, but branches have increased from 320 to 561, a rise of 75 per cent.

Offers Proposed
Mr. BuBols concluded by offering a program of action to combat the continued degeneration of small towns, small businesses and independent bankers as follows:

“My proposal is that the Independent Bankers Association of America sponsor, at least on an alternate year basis, a Forum that would be held in Washington, D.C.

“This Forum would bring together small farmers, small businessmen, and independent bankers, all of whom have a great common cause in advancing the welfare of rural America.

“In consultation with key figures in the legislative and executive branches of the Federal government, this Forum would lay the groundwork for a joint economic program that would be of great help to rural America.

“An obvious reason for such a Forum is that there are many organizations telling the Federal government of the needs of our cities, but there is no broad-based presentation of the needs of rural America.

“This Forum would focus attention of key people in private enterprise and government on the special problems of rural America. It would help achieve a balanced view of the needs of the countryside.

“The Forum would, I believe, be a natural and logical extension of our Agriculture — Rural America program that has been in effect since 1961. I commend it to your support.”

Committee Reports
Reports from chairmen of each of the standing committees were submitted and several of the resolutions adopted at the convention were based on recommendations in these reports. The IBAA went on record as favoring an interest rate disclosure bill provided it is workable and covers all grantors of credit, including retail merchants and credit cards.

Another resolution called upon Congress to give the problem of agriculture top priority position among issues to restore farm prices to better balance with the rest of the nation’s economy. It said the rest of the nation has prospered at the expense of making agriculture its “scapegoat.”

Further resolutions oppose extension of reserve requirements to insured non-member banks, call for tax equality among banks and competing financial institutions, oppose mobile banking facilities, and oppose federal charters for mutual savings banks.

Economist Speaker
One of the principal guest speakers was Dr. Walter W. Heller, professor of economics, The University of Minnesota, and former chairman of the Council of Economic Advisors to President John F. Kennedy. He forecast continued expansion for the United States, despite periodic slowdowns in production or GNP.

Other Noted Speakers
Senator John J. Sparkman (Dem.-Ala.) reviewed various phases of activity of the Senate Banking and Currency Committee, of which he is chairman.

Dr. F. Byers Miller, executive director of NABAC, discussed the possibilities of a checkless society, and said such an extensive philosophy would need considerably more study than has yet been given to it, from the viewpoint of the public and its laws, as well as from a banking viewpoint, and added further that the equipment for properly handling such a checkless society is not even yet available.
THE Annual Agricultural Conference of the South Dakota Bankers Association is scheduled for Huron, S. D., April 5 and 6, at The Plains. The conference format has been changed from former years by the SDBA agricultural committee due to changes made in the last decade in the livestock industry, marketing, and consolidation of small farms into larger operations.

"The livestock industry is assuming a larger place in our agricultural economy each year," stated Roy W. Terwilliger, association executive secretary, "with new feed lots, packing plants, increased acreage devoted to range for feeding. South Dakota's livestock industry appears to be one of the most potential areas for an expanded economic growth of any in the agricultural industry." To inform the bankers, county agents, extension workers, FHA supervisors and others attending the conference, a tour of the Bales Continental Commission Company of Huron, the Great Plains Feed Lot and the Barnes Packing Plant have been arranged for the afternoon of April 5. The feed lot and packing plant are new installations in Huron in the last four years, the packing plant being opened in November of 1966. Merle Marshall, vice president, Farmers & Merchants Bank of Huron, will be in charge of the tour and program. He is also a member of the SDBA Agriculture Committee.

Registra­tion
Registration for the conference will begin at 8:00 a.m. on Wednesday, April 5, at the Plains ballroom. The meeting will be called to order at 9:15 a.m. by D. Wayne Meyer, SDA agriculture committee chairman, vice president, Peoples State Bank, De Smet. J. S. Holdhusen, association president, president, Ipswich State Bank, Ipswich, will give the Official Welcome followed by Herman Lerdal, superintendent of banks, Pierre.

Keynote Address
The Keynote address will be given by the newly elected president of the Independent Bankers Association, Stanley R. Barber, president, trust officer and board chairman of the Wellman Savings Bank, Wellman, Iowa.

The next address on the program will be delivered by Robert C. Liebenow, president, Corn Industries Research Foundation, Washington, D. C. Ted Brown, president, Security State Bank, Sterling, Colo., and chairman of the American Bankers Association agriculture committee, will speak to the group on "How to Develop Lendable Funds." The morning program will close with a talk on The South Dakota Livestock Industry by Jewel Ronningen, president and general manager of the Sioux Falls Stock Yards, Sioux Falls.

Following the afternoon program of the tours, a social hour will be held at the Plains ballroom. There is no banquet planned for that evening.

The Thursday morning session will open with Dr. John T. Stone, dean of extension, South Dakota State University, Brookings, followed by Warren Vaughan, vice president, Security Trust & Savings Bank, Billings, Mont., speaking on "The Uniform Commercial Code and Its Effects on Agricultural Lending." The closing speech of the conference will be given by Dr. Duane Acker, dean of agriculture, South Dakota State University, Brookings, on "Potential for Growth: Raising, Feeding and Processing Beef."

A noon luncheon will be held in the ballroom at The Plains presided over by J. S. Holdhusen. The luncheon speaker is William Kilpatrick, R. J. Kilpatrick Associates, St. Louis, on the subject "How to Raise Kids, Cain and Corn."

Lemmon To Build
The First National Bank, Lemmon, plans an extensive building program, according to John O'Donnell, president. The bank has acquired four lots and plans for a new building will be formulated soon. No date has been set for the start of the construction.

Convention Plans
Extensive plans are being made for the 75th Diamond Jubilee Convention of the South Dakota Bankers Association in Rapid City, May 18-20.

Ron Campbell, vice president, American National Bank & Trust Company, Rapid City, is general chairman for the convention.

The convention will start with the annual golf and bowling tournaments on Thursday, May 18. The President's Reception and Social Hour will be held Thursday evening at the Arrowhead Country Club. The convention
banquet and entertainment will be held Friday evening at the National Guard Armory, and the general business sessions will take place at the Sheraton-Johnson Hotel on Friday and Saturday. The formal program will be featured in the May issue of the Northwestern Banker.

To Visit Washington

A group of South Dakota bankers will take part in the annual trip to Washington, D. C., sponsored by the South Dakota Bankers Association for the purpose of visiting with Congressmen from their state, as well as visiting with federal supervisory officials, and the American Bankers Association Washington office staff.

The delegation will leave April 16 and return April 19. Headed the official party will be J. S. Holdhusen, president of the Ipswich State Bank and SDBA president; Walter Palling, president, American National Bank & Trust Company, Rapid City, first vice president of SDBA; Robert F. Peterson, president, Corn Exchange Bank, Elkton, second vice president of SDBA, and Roy W. Terwilliger, Huron, executive secretary-treasurer of SDBA.

Approve Rapid City Office

The Comptroller of the Currency has approved an office for the First National Bank of the Black Hills, to be located at 1016 Mountain View Drive, Rapid City.

Bids on $5 Million Dam Bonds

Security First National Bank, Los Angeles, will finance a nearly $5 million dam, reservoir and recreational project in San Luis Obispo County.

The Los Angeles bank has submitted the lowest of three interest bids on a $4,975,000 bond to finance construction of the proposed Lopez Dam and reservoir, northeast of Arroyo Grande in the southwestern portion of the county. The project, to be conducted by the San Luis Obispo County Flood Control and Water Conservation District, includes plans for utilization of the reservoir and its 22-mile shoreline as an addition to the area's growing recreation-tourism facilities.

Security's interest bid was 4.5758 per cent. United California Bank offered the second lowest bid, one of 4.6160. The bonds, which will be reoffered at yields ranging from 4.10 to 4.50 per cent, will mature from March 1, 1973, to March 1, 2002.

The project is expected to help insure an adequate water supply for the county's largest industry, agriculture, bolster the county's fastest growing industry, tourism, and to help the area attract manufacturing.

Reports Record Earnings

Record earnings for Thorp Finance Corporation for the year ended December 31, 1966, have been announced by Francis J. Conway, chairman. He reported that, in spite of substantially increased money costs, income for the year was $1,905,819 compared to $1,826,271 for the 12 months ended December 31, 1965. Per share earnings were 92 cents, up from 87 cents the previous year. Total loans and installment accounts outstanding at December 31, 1966, were $94,115,000, an increase of $5,341,000 from $88,774,000 reported a year earlier.

The directors of the corporation declared a regular quarterly dividend of 11 cents per share on the company's common stock payable March 20 to stockholders of record March 8.

Thorp now operates through 130 branch offices. Eighty-three in Wisconsin as Thorp Finance Corporation, 23 in Minnesota as Thorp Loan and Thrift Company, 23 in Iowa as Thorp Credit Inc., and one in Missouri as Thorp Credit Corporation.

Overdraft Loan Plan

The Chase Manhattan Bank, N.A., introduced a new personal banking service known as the Cash Reserve Checking Account on March 1.

The new service offers a personal line of credit to Chase customers in the metropolitan New York area who have either regular or special checking accounts. The line of credit, or cash reserve, will be available in amounts ranging from $500 to $5,000. A check drawn for more than the customer's balance automatically creates a loan for the exact amount of the cash reserve used.

In making the announcement, John B. M. Place, executive vice president in charge of the bank's metropolitan department, said, "This service clearly recognizes the growing significance of the basic checking account as a unique, single instrument that accommodates various financial needs of the consumer public. The Cash Reserve Checking Account will represent a convenient way for Chase customers who qualify to get the things they need when they need them."

Chase Manhattan's plan has two distinctive features. First, the cash reserve will be administered in conjunction with the customer's usual checking account, permitting a loan for the exact amount of the overdraft rather than in multiples of $500 as in most similar plans. All transactions will be shown on the regular monthly statement.

Second, all deposits to a customer's checking account will be applied automatically to the reduction of the cash reserve in use. This eliminates the need for a separate repayment transaction. At the same time, these deposits will replenish the cash reserve. The deposit method of repaying the cash reserve loan should reduce the total interest cost to those who use the service and deposit regularly.

There will be a 1 per cent monthly interest charge for the amount of the cash reserve that is actually in use.

In addition to having a Chase Manhattan checking account, an applicant for the service should be at least 21 years old, live or work in the New York metropolitan area, be steadily employed and have an acceptable credit rating. The service will be available at all of the bank's 141 branch offices in the New York area.

Senate Sets Hearings On Interest Disclosure Bill

Hearings on the interest disclosure bill before the financial institutions subcommittee of the Senate Banking and Currency Committee have been set for April 13-14 and April 17-19. Now known as the Proxmire bill, the current legislation being considered is the successor action to the "truth-in-lending" bill sponsored by former Senator Paul H. Douglas of Illinois.

The American Bankers Association, which had previously endorsed the principle of "truth-in-lending," opposes the Proxmire bill because it pins the entire matter down to a statement of approximate simple interest. A.B.A. Executive Vice President Charles E. Walker said such statement of simple interest is almost impossible to standardize and would be further misleading to the public.

Dr. Walker has urged that the interest charged be expressed in dollars and cents. He cited examples of revolving credit plans where customers can make charges at varying times of the month and begin repayments at odd times, with the result that interest charges can range from zero to 1.5 per cent. Similar misleading interest charges could be stated to a customer using the "approximate simple interest" formula, he said, thus negating real truth-in-lending.
With NFL’s Debt Cancellation Protector covering heavy-equipment loans!

There is some element of risk in most bank loans, but the wise banker looks for ways in which he can minimize his potential risks. One of those risks that he can now minimize is in the area of short-term, heavy-equipment installment loans.

Quite often, this type of loan is made to the small construction or contracting firm where the success or failure of the company’s operation often depends on ONE man—the owner. Should that one man die ... unexpectedly ... the firm many times flounders and the bank has some heavy equipment on its hands, which, under forced sale, usually will not satisfy the unpaid portion of the note.

To protect against this possibility, National Fidelity now makes it practical to insure these large-payment, short-term installment notes. The borrower protects his business and his estate; the lender protects against default on the note should the borrower die unexpectedly.

Our new “Debt-Cancellation Protector” actually makes it possible for both the borrower and the lender to be protected on loans that could (and do) run as high as $100,000 to $1 million ... and at insurance rates that are practical (and sensible) for the borrower to assume.

If your bank is making loans of this type, you’ll want to know more about our “Debt-Cancellation Protector.” A note or phone call to our home office will bring more information to you ... at no obligation, of course.
North Dakota News

A. A. Mayer President Bismarck
W. J. Daner Secretary Bismarck

Annual Washington Trip

Representatives of the North Dakota Bankers Association will fly to Washington, D. C., April 16, for a three-day round of meetings with federal supervisory officials, North Dakota Congressmen, and the American Bankers Association Washington office.

The trip will be made in conjunction with a similar group from the Montana Bankers Association. Approximately 20 North Dakotans will be making the trip, headed by officials of the NDBA. They are: A. A. Mayer, president, Dakota National, Bismarck; president of NDBA; James H. Munn, vice president, Peoples State Bank, Westhope, first vice president; Edward L. Olson, senior vice president, First National, Grand Forks; T. W. Sette, president, State Bank of Berleigh County, Bismarck, and William J. Daner, Bismarck, executive secretary.

Legislative Summary

The following bills of direct interest to bankers are among the ones that have been approved by the 40th Legislative Assembly in North Dakota. All will take effect July 1, and all have been signed by the governor.

H.B. 729 — Raised taxes of banks, trust companies, and S & L's from 4 to 5 per cent of net income.

H.B. 796 — Paying and receiving stations allowed in a non-adjointing county if within 35 miles of the home bank, upon approval of State Banking Board.

H.B. 607 — Amends section 6-05-15.1 to increase the permissible amount of trust funds which may be commingled from $50,000 to $100,000.

S.B. 386 — Amends section 47-14-09 raising general maximum usury limit from 7 to 8 per cent.

S.B. 231 — Amends section 601-17, raises fees for state bank examiners to two-hundreds of 1 per cent of gross assets, with minimum charge of $200, and maximum of $3,000.

H.B. 811 — Allows state banks to buy stock in state or local development corporations, up to 2 per cent of bank's capital and surplus. Relieves state development corporations from registering under state securities commissioner.

H.B. 819 — Amends section 21-04-18 to permit public depositories to pay substantially the same rate on public deposits as are paid to individuals.

H.B. 820 — Amends section 6-09-15 to allow Bank of North Dakota to participate in loans made by state or national banks and make loans to private parties if guaranteed by the U. S. Bill also repeals sections 6-09-17, 19, 20, 21, 22, 23, 24, 30, 31, 32, relating to restrictions on form, assignment, sale, release, satisfaction of notes and mortgages made by the Bank of North Dakota.

H.B. 901 — Amends section 13-04-01 raising the amount loanable by banks in installments to $10,000 for a term of 10 years. Did not permit acquisition cost fee, and removed language permitting deduction of charges in advance, only permits add-on of $6 per $100 charge over the term.

S.B. 67 — Amends sections 30-13-22 and 30-14-19 to allow investment of funds by executors, administrators and guardians in CDs of commercial banks.

A complete list of bills affecting banking in North Dakota are explained in the bulletin filed by the North Dakota Bankers Association on March 6.

NASSB Appointment

Gary R. McDaniel, president of First Western State Bank in Minot, has been appointed as North Dakota state representative to the National Association of Supervisors of State Banks.

Fargo Retirement

Miss Margrethe Nestegard, an employee of the Merchants National Bank and Trust Company, Fargo, retired last month after 34 years of service with the bank. She has been secretary to four presidents—Frank R. Scott, Clarke Bassett, Adrian O. McLeilian, and the present president, A. K. Simpson.

New Minot Directors

Gary R. McDaniel, president of the First Western State Bank of Minot, announced the appointment of Alex D. Leslie and James G. Norton to the bank's board of directors.

Mr. Leslie is assistant vice president at the bank and Mr. Norton is its cashier.

The two fill vacancies created by the resignations of John Decker and Harold Moen.

Elects 1967 Officers

Trustees of the Foundation for Commercial Banks re-elected the chairman and two vice chairmen, and elected two new vice chairmen at the annual organization meeting of the board in New York last month.

H. Prentice Browning, president of the American Fletcher National Bank and Trust Company, Indianapolis, was reappointed to head the board for 1967, while Tilden Cummings, president, Continental Illinois National Bank and Trust Company of Chicago, and Clifford C. Sommer, president, Security Bank and Trust Company of Owatonna, Minn., were re-elected vice chairmen. Mr. Cummings is in charge of finance and Mr. Sommer supervises membership recruitment of all but the top 500 and Reserve City banks in the U. S.

Roger D. Knight, Jr., chairman, Denver United States National Bank, was elected vice chairman for membership of Reserve City and top 300 banks, replacing Mills B. Lane, Jr., president, Citizens and Southern National Bank, Atlanta. Mr. Lane continues on the board of trustees.

George Briggs, vice president, United California Bank, Los Angeles, was elected vice chairman for advertising. He succeeds Arthur M. Jones, Jr., vice president, The First National Bank of Boston, who retired from the board this year.

Morris R. Brownell, Jr., vice president, The Philadelphia National Bank, was re-elected treasurer of the Foundation.

Other officials re-appointed were Richard B. Beal, executive director and secretary; Pierce A. R. Baugh, assistant executive director, and Oliver C. Daggett, John L. Hendon, Walter H. Johnson, Jr., and Donald R. Smith, senior vice presidents. Merrill J. Campbell was newly elected to a senior vice president post.

The Foundation for Commercial Banks conducts a $1.8 million national advertising and promotion program to educate the public on the advantages of Full Service Banking. Currently, over 6,000 banks, representing 74 per cent of deposits in the United States, are members.
The world of the ancient Greek was limited to a small part of the Mediterranean Sea... and the temple priest who guarded his gold concerned himself with the limited safeguarding of treasure and such coin as there was.

The world of the Elizabethan had expanded to take in the New World... and his goldsmith-banker was involved in the financing of explorers and colonists, and the beginnings of money exchange through drafts.

The world of the Victorian was concerned with development of an industrial society... and his banker became the financier for new industries and the developer of new national and international systems for credit flows.

The world of today is one in which men are concerned even with the stars themselves... and as man expands his technology and reaches for the heavens, the role of the banker also expands. Banking technology changes constantly, as the banker seeks to keep pace with the new world around him.

The best way for the banker to keep abreast of the latest in technological and research developments is through attendance at NABAC conventions. In 1967 five such conventions will bring bankers together to exchange the latest in new ideas in operations, research, automation, personnel, audit, accounting, and control. Stimulating technical sessions, where experts discuss the most effective ways to run a bank, and educational displays where the newest and best equipment available is on display, all can be found at:

- 21st Western Regional
  LOS ANGELES
  April 2-4

- 18th Southern Regional
  OKLAHOMA CITY
  April 23-25

- 18th Northern Regional
  GRAND RAPIDS, MICH.
  May 14-16

- 32nd Eastern Regional
  BOSTON, MASS.
  June 4-6

- 43rd National Convention
  SEATTLE, WASH.
  October 15-18
No problem is too small to receive our personal attention

WHETHER YOUR SERVICE REQUIREMENTS ARE SIMPLE OR COMPLEX, our staff of specialists stands ready to lend a helping hand. And these men—Terry Ryan, Kent Olin, Don Ferrel, George Alff and Paul Christensen are here to see that you get the personal attention of the right people. Just call (303) 244-8811.

‘that’s the bank for my money!’

DENVER U.S. NATIONAL BANK

DENVER U.S. CENTER Denver, Colorado 80217

Northwestern Banker, April, 1967
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Federal Reserve Bank of St. Louis
Plan Colorado Bank School

The 17th annual Colorado School of Banking will be held at the University of Colorado August 6 through 18.

The school is co-sponsored by the Colorado Bankers Association and the University in cooperation with the CU School of Business. Director of the two-week program is Prof. Joseph L. Frascona of the business school.

Returning to teach at the school this year from the 1966 faculty will be Carl G. Breeze, chairman of the board and president, Bank of Kremmling, Colo.; Richard P. Brown, senior vice president and executive trust officer, The First National Bank of Denver; Mr. Frascona; William W. Grant, vice president, The Colorado National Bank of Denver.

Also returning to the faculty will be Robert U. Hansen, president, The First National Bank, Wray, Colo.; Edward C. Hofmann, senior vice president and cashier, The Central Bank and Trust Company, Denver; Dr. Burton A. Kolb, CU; William P. Lober; comptroller, Denver U. S. National Bank; Charles E. McDaniel, vice president, Colorado National Bank of Denver; and Dr. Carl McGuire, C.U.


Fairplay to Remodel

An extensive remodeling program for the Bank of Fairplay has been announced by Dan Sebastian, president of the bank, which was founded in 1888.

Included in the current project is the removal of the chimneys which served the old “pot-bellied” stoves originally used to heat the bank building. The chimneys were built of hand-made bricks.

Also in the remodeling program is the expansion of the lobby area and installation of 105 new safe deposit boxes. The bank’s original safe is being retained.

Heads Springs Bank

O. Donald Olson, senior vice president, was elected president of the Exchange National Bank, Colorado Springs.

J. D. Ackerman, president of the bank since 1952, was elected chairman of the board and chief executive officer.

New Earnings Record

Consolidated net operating income of Denver U. S. Bancorporation Inc. and its affiliated banks for the year ended December 31, 1966, reached a record $2,729,221, equal to $1.44 per share.

The bank holding company’s annual report states the per share income figure was an increase of 26.3 per cent from the $1.14 per share reported for 1965.

Wyoming News

Wyoming Legislative Report

The 39th Wyoming Legislature enacted the “Prudent Man” Investment Act which has been actively supported by the association for several years. The legislature also approved House Bill 146, suggested by the association relating to an increase of the maximum indebtedness of state banks to one borrower on live stock loans to 25 per cent of the bank’s capital and surplus accounts.

Not gaining approval, however, was Senate File 54, proposed by the State Bank Examiner and supported by the association, regulating the sale of money orders and travelers checks. This bill failed on third reading in the senate.

No support was received for a bill proposed by the State Bank Examiner to establish a committee for the purpose of researching present banking and savings and loan laws with a view towards enacting a state banking code. The bill would have contained a request for an appropriation of funds for such a study and was thus unpopular during this session. It was never introduced.

New Casper President

New president of the Western National Bank is John O’Neill, Casper, promoted from executive vice president by the board of directors at their annual shareholders’ meeting.


Mr. Miller is new chairman of the board.

In other personnel appointments, Jack Moss was renamed cashier and Mark Brown, assistant cashier, Thomas Harvey and Elbert Howe were elected vice presidents.

Promoted at Douglas

Mrs. Lois Helzer has been named an assistant cashier of the Converse County Bank, Douglas. She has been with the bank for 10 years.

Joins Laramie Bank

Larry E. Chasey has joined the staff of the First National Bank, Laramie, as electronic data processing coordinator. He will complete his college degree at the University of Wyoming in June.
Guaranteed Check System

The First National Bank, Casper, has started a check identification system and termed it “First Bank Check Cashing Service,” according to Jackson F. King, president.

Courtesy cards have been issued by the bank to over 10,000 qualified customers of the bank. There is no charge to the customer or to participating merchants. The plan was set up to provide instant identification for customers. It guarantees to participating merchants that they can cash checks up to $50 and be assured the check will be paid. The plan protects the local merchants, too, so that they will not have to keep large amounts of cash on hand. Similar plans have been started in surrounding states.

Cheyenne Names Architect

Marvin Knedler, Denver architect, has been appointed to execute the work for the new building planned by the Cheyenne National Bank. A. H. Trautwein, president, said that plans for the new building were not firm but that a high rise structure is contemplated for the site now occupied by the Old Post Office and Federal building.

The Cheyenne National Bank now occupies quarters formerly used by the American National Bank in the Hynds building.

Glenrock Wooden Nickels

Six hundred wooden nickels have been mailed to Glenrock area residents in a “Trade at Home” promotion by the First National Bank of Glenrock.

Each little wooden nickel is worth 25 cents in trade at any Glenrock store.

R. D. Simpson, bank president, stated that “the promotion might convey the impression that business can be transacted without money . . . but we think it will prove a most important point — money spent at home stays at home and helps the economy of all.”

Wyoming Assets Up

Figures recently released by the State Bank Examiners’ office show total Wyoming bank assets at $658 million as of December 31, 1966. This is up from $617 million on December 31, 1965. State banks increased $13 million for a 6.8 per cent gain, while national banks increased $28 million or 6.4 per cent.

Matthew Hale Named A.B.A. General Counsel

Matthew Hale has been named general counsel of The American Bankers Association. Executive Vice President Charles E. Walker has announced.

Mr. Hale, 57, who has served as chief counsel and former chief of staff of the Senate Committee on Banking and Currency, will assume the new post on or about June 1.

Effective with Mr. Hale’s appointment, Dr. Walker said, the association’s legal department will be located in the Washington, D. C., office. The A.B.A.’s legal services and staff presently are divided between the Washington office and the main office in New York City.

Mr. Hale also will become secretary of the state bank division and the state legislative committee. As such, he will assume staff responsibility for the A.B.A.’s continuing program to strengthen state banking laws and regulation.

Tulsa Bank Offers Credit Card Programs

A unique double-edged check guarantee and international “Executive Credit” charge program for its customers was announced last month by the First National Bank and Trust Co., Tulsa, following the monthly meeting of the board of directors.

F. G. McClintock, chairman of the board and chief executive officer, said the program “is the first of its kind to be offered in Oklahoma.”

The program basically is in two parts: the First National Gold Seal Check Guarantee Card and the Executive Credit charge plan which is offered to holders of American Express/Bank cards qualifying for a minimum $2,000 line of credit. The American Express plan primarily applies to executives who travel and entertain extensively.

Under the Gold Seal plan the bank guarantees payment of checks presented by its customers to businessmen and professional people of up to $100 per check, Mr. McClintock said.

The guarantee plan incorporates an “instant reserve account” against which the cardholder may write checks, even though his regular account may not be sufficient to cover the check. The reserve funds are automatically placed in the check writer’s account, and he repays the amount in monthly installments.

Mr. McClintock said the Executive Credit program will be offered to customers beginning April 1, and the check guarantee program will go into effect April 15.

In the interim the bank will contact merchants and businessmen to acquaint them with the program, especially the guaranteed payment of checks written by Gold Seal card holders.

Can Now Save By Credit Card

The one million Chicago-area families who hold FirstCards now can use them for “automatic saving,” Richard E. Kelley, vice president and manager of the FirstCard Department, The First National Bank of Chicago, announced March 1.

“This marks the first time in history that a charge card can be used not only to make purchases but to provide regular deposits to the holder’s savings account as well.”

FirstCard holders can have their savings accounts automatically credited with a specified amount each month by signing a form now being mailed.

If the card user signs up for the plan, he can pay for his purchases with the card and make the deposit to his account with only one monthly payment to FirstCard.

Honor Bozeman Banker

Monte Lockwood, president of the First National Bank, Bozeman, has been elected president of the Bozeman Chamber of Commerce for 1967.

Mr. Lockwood has been a Bozeman resident since 1959 when he came to this city to manage the First National Bank. He has managed banks at Havre, Forsyth and Fort Benton, Mont.

Northwestern Banker, April, 1967
Unique Ads Promote Building

THE Great Falls National Bank, Great Falls, is utilizing a series of "tongue-in-cheek" advertisements to tell its story of an 18-month duration remodeling job.

Having been identified as the "Yes-bank" through advertising supplied by its parent company, Northwestern Bancorporation, Minneapolis, it startled Great Falls newspaper readers with the declaration "We said YES once too often!" This was the first ad in the campaign, appearing when dump trucks were hauling mountains of debris from the bank lobby.

Copy reports, "We're so in the habit of saying 'YES' that when this fellow came along and said, 'Say, your bank could be improved; may I remodel it?' we said yes. And look what happened! But we think it will be worth it. (We think you'll say YES, too!) Come in and see us. We're open for business as usual ... to give you a helping hand!"

The almost-facetious series explains the progress of the remodeling using such unlikely graphics as a large ear with red earplug, and copy reading, "the noise at Great Falls National Bank isn't the din of shuffling money."

Wendt Advertising Agency, Great Falls, is handling the campaign and has developed merchandising support for it. Employees of the $50 million bank will wear oversized press-apply ears on their lapels to support the corresponding ad. Later, 4 by 8 foot plywood panels, painted with bold, humorous art from previous ads in the series, will be displayed in the construction area to reinforce a "bright-up-the-bank" copyline.

Joins Investment Firm

Robert B. Stewart, former assistant vice president of the Commerce Bank & Trust Company, Helena, has been appointed a registered representative for Piper, Jaffray & Hopwood, Minneapolis-based investment firm.

Mr. Stewart a native of Forsyth, Montana was named to the executive council of the American Bankers Association for Montana from 1947-48 and again from 1955-56. He was elected state president of the Montana Bankers Association in 1947-48 and 1955-56. He served as vice president of the American Bankers Association and ten years later was elected state president of the Montana Bankers Association. He served as vice president of the American Bankers Association for Montana from 1947-48 and again from 1955-56. He was named to the executive council of the American Bankers Association for the 1956-58 term.

In 1958, Mr. Harris was named Montana chairman of the Foundation for Commercial Banks, a position which he still holds. On January 1, 1961, he was appointed a director of the Helena Branch of the Federal Reserve Bank of Minneapolis, a position which he still holds.

Gallatin

As announced previously in the Northwestern Banker, Edward Towe and John W. Swainson have purchased the controlling interest in the Belgrade State Bank from Carl H. Peterson, Jr., president of the bank, and McKinley Anderson, a director.

At a meeting of the new board of directors, Mr. Towe was elected as new president of the bank. Mr. Swainson was named executive vice president and managing officer.

Mr. Towe is president of the Gallatin Trust and Savings Bank and has other banking interests in eastern Montana.
Have a cup on U.S.

During the Nebraska Bankers' Convention, we're toasting Nebraska's 100th birthday in the South Room at the Sheraton-Fontenelle. We hope you'll join us for U.S. National hospitality and a complete selection of refreshments. The coffee is always on, and it will be served in a beautiful ceramic centennial mug that is yours to keep. Make the Sheraton-South Room your headquarters during the N.B.A. Convention.

Member, Federal Deposit Insurance Corporation
A NOTHER excellent convention program has been scheduled for the more than 1,000 Nebraska bankers and their wives who are planning to attend the 70th annual convention of the Nebraska Bankers Association in Omaha, May 7, 8 and 9. Convention headquarters will again be the Sheraton-Fontenelle Hotel.

The first scheduled date, Sunday, May 7, will be devoted to meetings of the executive council and scheduled official dinners. On the following day, Thomas J. Aron, NBA president, will call the meeting to order following the opening noon luncheon. Mr. Aron is president of the Crete State Bank. Working with him the past year as vice president, and scheduled to move up to president at this convention, is Marion R. Morgan, president, First National Bank, Elwood. Edward W. Lyman, president, United States National Bank of Omaha, is serving as NBA treasurer. H. V. Osterberg is executive vice president of the association, and William H. Osterberg is secretary.

The complete program follows:

**SUNDAY, MAY 7**

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<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>P.M.</td>
<td>2:00-9:00 Registration—Main Floor.</td>
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<td>2:00 Executive Council Meeting—Regal Room.</td>
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<td>5:30 Social Hour—Little Nugget Room, Executive Council and Past Presidents.</td>
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<td>5:30 Social Hour—Sheraton North, Wives of Executive Council and Past Presidents.</td>
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<td>6:30 Past Presidents' Dinner—Little Nugget Room.</td>
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<td>6:30 Dinner—Sheraton North, Wives of Executive Council and Past Presidents.</td>
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**MONDAY, MAY 8**

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<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>A.M.</td>
<td>8:30 Breakfast, NBA County Representatives—Forum Room, Lower Lobby.</td>
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<tr>
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<td>9:00 Registration—Main Floor.</td>
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<tr>
<td>Noon</td>
<td>12:00 Luncheon Session—Ballroom.</td>
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<td>Presiding—Thomas J. Aron, president, Nebraska Bankers Association, Inc., and president, Crete State Bank, Crete.</td>
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<td>Invocation—Dr. Robert F. Naylor, pastor, First Methodist Church, Omaha.</td>
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<td>Welcome—Ray E. Stanley, president, Omaha Bankers Association, and president, Center Bank.</td>
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<td>Response and President’s Address—Thomas J. Aron.</td>
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<td></td>
<td>Address—The Honorable Norbert T. Tiemann, Governor, State of Nebraska, Lincoln.</td>
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<td></td>
<td>“The Name of the Game”—Willis W. Alexander, Jr., president, Trenton, Mo.</td>
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<td>Special Guest—C. R. Haines, Acting Director of Banking, State of Nebraska, Lincoln.</td>
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<td>Business Session:</td>
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<td>Report of Committee on Nominations.</td>
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<td></td>
<td>Election of Officers.</td>
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<tr>
<td></td>
<td>Report of Committee on Resolutions.</td>
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<tr>
<td>P.M.</td>
<td>5:30 Social Hour—Ballroom, Sheraton-Fontenelle Hotel, Delegates and Ladies. Hosts, Omaha Banks.</td>
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CONVENTION PROGRAM . . .
(Continued from preceding page)

7:00 Convention Banquet—Omaha Civic Auditorium, 18th and Capitol.
Installation of Officers.
"The Hits of the Big Band Era"—Mal Dunn Concert Orchestra. Music
Arranged and Conducted by Mal Dunn.

TUESDAY, MAY 9

A.M.
7:30 Breakfast—Ballroom, The Graduate School of Banking, University
of Wisconsin Graduates and Students.
9:30 Convention Session—Sheraton North Room.
Presiding—Thomas J. Aron, president, Nebraska Bankers Associa-
tion, Inc.
Election—The American Bankers Association.
Presiding—Dale E. Walkenhorst, A.B.A. state vice president, and
executive vice president, First National Bank, North Platte.
"The Nebraska Legislative Scene"—Dwight L. Clements, chairman,
NBA Committee on Legislation, and cashier, American Exchange
Bank, Elmwood.
William E. Brandt, NBA Legislative Representative; attorney, Una-
dilla.
"The Kaleidoscope of U. S. Banking Competition"—Dr. W. E. Kuhn,
Professor of Economics, The University of Nebraska, College of
Business Administration, Lincoln.
"Views From the Corral Fence"—The Honorable Elvin Adamson,
Member of the Nebraska Legislature and Rancher, Valentine.

Noon
12:00 Buffet Luncheon—Ballroom, Delegates and Ladies.

LADIES’ PROGRAM
MONDAY, MAY 8

P.M.
1:00 Ladies’ Luncheon — Ballroom, Diplomat Motor Inn, 1511 Farnam
Street.
5:30 Social Hour—Ballroom, Sheraton-Fontenelle Hotel.
7:00 Convention Banquet—Omaha Civic Auditorium, 18th and Capitol.

TUESDAY, MAY 9

Noon
12:00 Buffet Luncheon—Ballroom, Sheraton-Fontenelle Hotel, Delegates
and Ladies.—End.

Wilber Bank More Than
Doubles in Six Years

Charles F. Hroch, cashier of The
Bank of Wilber, reported to custom-
 ers and stockholders of the bank re-
cently that a review of year-end
statements of condition for 1960 and
1966 show that the bank has grown
128 per cent in total assets during the
six-year period.
At the end of 1960, total assets were
$1,186,388, with deposits of $1,048,791.
At the end of 1966, assets were listed
at $2,710,696, and deposits were $2,-
486,517.
In the same period, capital was in-
creased from $50,000 to $75,000; sur-
plus from $30,000 to $50,000 and un-
divided profits from $57,597 to $90,179.
Loans have expanded from $554,549
to $624,972.

Tax Bill on Floor
The combination sales and income
tax bill known as LB 377 finally came
out of the revenue committee in the

Nebraska Legislature in mid-March
for deliberation by the entire body.
The bill provides for a 2% per cent
sales tax, and this would be the first
time Nebraska has ever had such a
tax, if it is passed.
It also calls for a personal income
tax based on a percentage of the Fed-
eral tax paid by the individual tax-
payer, but does not set a rate at this
time.
A third part of LB 377 would enact
a franchise tax on corporations, banks
and other types of business that
would use a formula of 20 per cent of
the individual’s rate. This would ap-
ply on the Federal taxable income of
these corporations, banks and others
and not on the amount of tax paid to
the Federal government.

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA
One way to keep abreast of the cattle market is to feed about 1,200 head a year...like our Merv Aegerter does.

Merv Aegerter is an Assistant Vice President in our Correspondent Bank Department. He's our anchor man on livestock loans.

Fortunately, for us, he wears two hats. He's a banker, but he's also a well known and respected cattleman, who lives on his farm near Seward, Nebraska, and directs his entire feeding operation, making choice beef out of a thousand and more cattle each year.

The next time you need help on a livestock situation, call the First and ask for Merv Aegerter. Put his experience to work for you.

Always the First to Serve You.
KENNETH G. HARVEY, president and chairman of the board of Douglas County Bank of Omaha, died last month while vacationing with Mrs. Harvey in Hawaii on the Island of Maui. Mr. Harvey was 66 years of age.

A native of Wauneta, Neb., he was a 1926 graduate of The Creighton University School of Law. He was a director of Nebraska Methodist Hospital, a past co-chairman of the National Conference of Christians and Jews, and a past chairman of the board of trustees of the First Methodist Church.

Mr. Harvey had been active for years in numerous civic and charitable organizations. He was president of the Omaha Chamber of Commerce in 1950, served for several years as president of the Nebraska Children's Home Society and on the board of Children's Memorial Hospital, and was a leader in several Red Feather Red Cross campaigns. He was also a past president of the Omaha Bankers Association.

Besides his wife, Mr. Harvey is survived by his son, Jack K., and two daughters, Mrs. Carl Brady of Omaha, and Mrs. Henry Corson of Englewood, N. J.

Appointment of new officers and directors was announced in late March by the board of directors of the Douglas County Bank.

Carl A. Brady was named president and chief executive officer. Jack K. Harvey promoted to executive vice president and chairman of the executive committee; M. M. Harvey and Warren T. Rushing were elected senior vice presidents.

Changes in the board of directors included Walter W. Clark as chairman of the board; Charles J. Wright, vice chairman of the board, and Meroe Lou Brady who fills the vacancy caused by the death of Mr. Harvey.

EDWARD W. LYMAN, president of The United States National Bank of Omaha, has announced the promotion of Larry Betsinger from assistant cashier to assistant vice president. Mr. Betsinger, 30, joined the U. S. National in September, 1965. He was elected assistant cashier in February, 1966.

A native of Des Moines, Mr. Betsinger was affiliated with the Iowa-Des Moines National Bank for ten years before moving to the United States National Bank. Much of his prior banking experience was in the area of electronic data processing. Since joining the U. S. National he has continued in computer-related work and now is manager of data processing services.

JAMES W. PROTZMAN will join the investment banking department of J. Cliff Rabel and Company. He moved to Omaha from Fort Dodge, Iowa, where he was president of the Central Auto Supply Company.

He is a native of Omaha and attended the University of Nebraska. He is a graduate of the Babson Institute, Boston, Mass.

The executive committee of the First National Bank of Omaha has announced the appointment of Jack Canaday as a vice president and commercial loan officer.

Mr. Canaday is bringing many talents to the First National Bank of Omaha. He received his B.A. degree in Economics in 1951 from Drury College in Springfield, Mo. His graduate work included specialized training at the Inter-Agency Examiner School in Washington, D. C.

In 1958, he became associated with the Bank of Independence, Independence, Mo., serving as a vice president and cashier until 1961 at which time he was elected president.
Herb Echtermeyer getting into shape for the Nebraska Convention May 7-9

Herb is "practicing" at the control board of our new IBM 360 computer.

It's the latest word in high speed bank equipment offering the utmost in ECONOMY and ACCURACY.

The Omaha National Bank computer service, available in Omaha, Grand Island or Scottsbluff, will eliminate your bank's investment in costly bookkeeping machines and lower your operating costs. It will also release employees for more important duties . . . and save hiring new help as your volume grows.

But for Herb all our computers have one disadvantage . . . they don't laugh at his jokes.

When you visit Herb and his associates in the West Room of the Sheraton-Fon-tenelle Hotel during the Convention, they'll be happy to take you to see our new computer in action at the bank. (You won't have to laugh at Herb's jokes either.)

THE OMAHA NATIONAL BANK
Nebraska Convention Committees

IN CHARGE of arrangements for the 70th annual convention of the Nebraska Bankers Association at the Sheraton-Fontenelle Hotel in Omaha May 7-9 are these Omaha bankers on the general convention committee:

Ray E. Stanley, president, Center Bank, chairman; John F. Davis, chairman, First National Bank; Perry S. Francis, president, Southwest Bank; A. J. Hallas, chairman, South Omaha Stockyards National Bank; L. Dale Matthews, president, North Side Bank; Edward W. Lyman, president, The United States National Bank; Edward D. Brodkey, president, Ames Plaza Bank, and J. A. Irving, president, First West Side Bank. (Another member of the committee was Kenneth G. Harvey, president, Douglas County Bank, who died suddenly last month. A report on his death appears elsewhere in this issue.)

Serving with these men in arranging for various functions of the convention are the following committees. The first listed in each committee is chairman:

Entertainment

Don R. Ostrand, vice president, First National Bank; Carl A. Brady, senior vice president, Douglas County Bank; James C. Holst, assistant cashier, North Side Bank; Ronald L. Nollette, assistant vice president, Center Bank;

Banquet

(Husband's bank and title listed following the name.) Mr. and Mrs. John T. Marcell, correspondent bank officer, The Omaha National Bank; Mr. and Mrs. Charles J. Wright, senior vice president and cashier, Douglas County Bank; Mr. and Mrs. Donald M. Miller, First National Bank; Mr. and Mrs. J. Peter Jeffrey, executive vice president, West Omaha National Bank; Mr. and Mrs. Robert S. Wirtz, assistant cashier, North Side Bank; Mr. and Mrs. Robert V. Caffarelli, assistant vice president, Center Bank; Mr. and Mrs. Kermit Hansen, executive vice president, United States National Bank; Mr. and Mrs. A. R. Larsen, vice president, South Omaha Stockyards National Bank; Mr. and Mrs. Dan Leahy, cashier, Indian Hills Bank; Mr. and Mrs. E. D. Brodkey, president, Ames Plaza Bank; Mr. and Mrs. R. G. O'Connor, assistant vice president, First West Side Bank; Mr. and Mrs. John B. Foley, first vice president, Packers National Bank; Mr. and Mrs. Allen Andersen, Title Security National Bank, and Mr. and Mrs. Perry S. Francis, president, Southwest Bank.

United American Plans

Capital Boost of $1 Million

Shareholders of United American Life Insurance Company, Denver, were scheduled to vote at their annual meeting April 3 on the proposal that authorized capital of the company be increased to $1 million shares. If such approval is voted, Mr. Wilson, Jr., president, told shareholders in a letter last month, that a 50 per cent stock dividend would be made to shareholders of record April 8.

This dividend would bring paid-up capital to more than $1 million, along with a transfer of $346,281 from surplus to capital. The new capital of $1 million, Mr. Wilson said, would then enable the company to be licensed in the state of Connecticut, where United American Life could then fulfill a contract for a 10-year period that would permit it to serve one of the largest mortgage banking associations in the United States.
The NBC Patio Room at the NBA Convention will be strictly for good times.

So we hope you'll drop in on the Mezzanine before and after the meetings. Relax, enjoy the refreshments, see your friends. And meet your hosts from NBC—your Capital City Correspondent.

National Bank of Commerce...in Lincoln
You Will See Them at the 70th Annual Nebraska Convention

THE following metropolitan bankers, investment men, service and equipment dealers have indicated they will be attending the 70th annual Nebraska Bankers Association convention in Omaha, May 7-9.

Chicago
First National Bank: Raymond V. Dieball, assistant cashier.
Northern Trust Company: Robert P. Kline, vice president; John N. Fix, assistant cashier.

Denver
Central Bank & Trust Company: Don Echtermeyer, vice president, and John Edmiston, assistant cashier.

Colorado National Bank: W. J. Fleming, correspondent bank officer.

First National Bank: Gary A. Breeze, assistant vice president.

Kansas City
City National Bank & Trust Company: John J. Kramer, executive vice president; G. W. (Bill) Sherman, Roy Thompson and Jack E. Beets, assistant vice president.

Commerce Trust Company, Kansas City: Tom C. Cannon, vice president; Don Anderson and Jarry K. Parker, assistant cashiers.

First National Bank: George C. Dudley, vice president, and William G. Dexter, assistant vice president.

Lincoln

National Bank of Commerce, T&S: Glenn Yaussi, chairman; Paul J. Amen, president; Herman A. Brockmeier, Gene C. Eaton and Robert Wekesser, senior vice presidents; Winton Buckely, Rex Miller, James F. Nissen and Thomas J. Waldo, vice presidents; A. B. Goodwin and Roy Yale, assistant vice presidents.

New York
Chase Manhattan Bank: John S. Hejlinian, assistant vice president, and Everett B. Kennedy, second vice president.

Chemical Bank New York Trust Company: John J. Irish, assistant vice president.

First National City Bank: Robert W. Thom, assistant vice president, and Robert Stokes, official assistant.

Irving Trust Company: Donald C. Jackson, vice president, and Rohn M. Laudenschlager.

Manufacterers Hanover Trust Company: Carl G. Carlson, assistant vice president.

American National Bank: Benton Calkins, Jr., senior vice president; Everett L. Crume, vice president; Donald H. Folks, vice president, and Vernon E. Whisler, assistant vice president-agriculture.

First National Bank: Benton O'Neal, vice president, and John V. Gliddens, assistant vice president.


St. Joseph
First Stock Yards Bank: H. H. Broadhead, vice president, and Arthur R. McClaskey, assistant vice president-agriculture.

Sioux City
First National Bank: Dick Taylor and Charles Walcott, vice presidents, and Mike Broderick, Jr., assistant cashier.


Security National Bank: Thomas C. Horn, senior vice president; John A. Diefendorf, vice president, and R. E. (Gene) Hagen, assistant vice president.

Toy National Bank: Leslie H. Olson and Richard Breyfogle, vice presidents.

Bank Equipment and Other Firms

Chiles and Company: Hal F. Chiles, Foley and James Keneen.


Diebold, Inc.: R. S. Gwinn, assistant division manager, and Hal R. Herron, sales representative.

First Nebraska Securities, Inc.: C. Wm. Daly.

Kirkpatrick, Pettis, Smith, Polian, Inc.: Bert L. Reed, resident vice president.

Mosler Safe Company: Jerry Cholet.

National Fidelity Life: Merlin Menk, Jerry Steffen and Robert Stewart.


Omaha Printing Company: Harvey Hayes, Jim Foley, Charlie King and Bill Bloom.


Recordak Corporation: Harry Van Sandt, branch manager.

Robert E. Schweser Company: Leonard Lawrence, president; Patrick Rensch, Frank Williams, William March and Robert Roh.

United States Check Book Company: C. E. Batchelder, president; Fred E. Pfaff, vice president; Chuck Peterson, Dick Hanson, Howard Yarwood, John Fudge, Richard Dick and Kent Miller, representatives.

Van Horne Investments, Inc.: Edwin N. Van Horne, chairman; John Van Horne, president; Mike M. Van Horne and Bill Beavers, assistant vice presidents.
ORCHIDS for ladies attending the Nebraska Banking Convention are a Schweser custom — as traditional as . . .

SCHWESER SERVICE

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Left to right — Municipal Department: Harry E. Coe, Charles W. Poore, Robert E. Roh; William March, Vice President; Patrick H. Rensch, Vice President and Counsel; L. L. Lawrence, President; Frank E. Williams, Executive V. P.; Corporate Department: Harold Hultman, Gary Reimers, and Lee Williams.

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Northwestern Banker, April, 1967
THE board of directors of the National Bank of Commerce Trust and Savings Association named Glenn Yaussi chairman of the board and chief executive officer at their meeting March 15.

Mr. Yaussi, 54, assumes his new position after six years as NBC president. He started with NBC in 1951 as a savings teller after attending the University of Nebraska. He is a graduate of the Wisconsin School of Banking and the Executive Bank Management School of Harvard. He is past president of the Lincoln Board of Education and an active civic leader.

As new chief executive officer, Mr. Yaussi announced the resignation of Myron Weil, executive vice president, and the election of Paul J. Amen as bank president. Mr. Weil, 49, will join Paul Dunlap of Red Oak, Iowa, in the ownership and management of four Iowa banks with total assets in excess of $60,000,000. The four banks are: The First National Bank of Clinton, Iowa; Houghton State Bank of Red Oak, Iowa; Pella National Bank of Pella, Iowa; and Lyon County State Bank of Rock Rapids, Iowa.

In accepting Mr. Weil's resignation, Mr. Yaussi said, "NBC and Lincoln are losing a dedicated banker and community servant. His association with Mr. Dunlap will be a valuable asset to the Iowa cities served by this combination of top bankers."

Mr. Yaussi also announced that James F. Nissen, vice president, has been appointed head of the loan division of the bank and is now a member of the management committee. The loan division consists of the commercial loan department, of which he had been manager, mortgage loan and installment loan departments.

Mr. Amen, 50, a Lincoln native, joins NBC after six years as vice president and corporate relations officer of Wachovia Bank and Trust Company in Charlotte, N. C.

"Mr. Amen comes to NBC from the Southeast United States' largest bank," Mr. Yaussi noted. "His record of banking experience and civic leadership mark him as a valuable addition to Lincoln and our state. We, along with his many friends throughout the state, look forward to his return to Nebraska and his association with NBC."

While at the Amelor Bank in Nebraska, Mr. Amen earned nine letters in football, basketball and baseball from 1935 to 1938. He was an end on football teams coached by former coach Dana X. Bible. He was also a star baseball player and in 1936, while still at NU, was a member of the U. S. Olympic Baseball Team that played in Berlin.

Mr. Amen was graduated from the University of Nebraska where he received his Bachelor's Degree in 1938 and his Master's Degree in 1941. He resigned from the Army Air Corps as a Major in 1946. The last three years of his military duty he was an English instructor at the U. S. Military Academy in West Point, N. Y.

Following his military service he was assistant football coach and head baseball coach at West Point. In 1956 he accepted the position of head football coach at Wake Forest College in Winston-Salem, N. C. During his four years there, Mr. Amen produced the school's first winning teams in a decade. He joined the Wachovia Bank in January of 1960. In 1961 he was elected vice president to serve as loan officer and administrative officer for Wachovia in Charlotte. He also served as marketing officer and branch office co-ordinator. Mr. Amen has been very active in the Charlotte community. He served as chairman of the United Fund Drive this past year.

Mr. Amen's father, Henry J. Amen, has been a director of First National Bank and Trust Company of Lincoln for many years, and presently is a consulting director.

Mr. Weil is a grandson of Morris Weil, a founder of National Bank of Commerce and its president between 1902 and 1945. Myron Weil's father, Julius Weil, was a director and vice president of the bank and president of Union Wallpaper and Paint Co. Mr. Weil also has resigned as a director of NBC and it was reported in Lincoln that his stock interest in the bank is being purchased by a group of the bank's directors. His successor as a director had not been named in late March.

Mr. Nissen started at NBC in 1951 while he was a student at the University of Nebraska. He went through training in the personnel, operating, business development and installment loan departments. He transferred to the commercial loan department in 1958 and was elected a vice president in 1961.

Open House in Randolph

Open house was held last month for inspection by the public of the new building constructed by the First State Bank, Randolph. Officers of the bank are Vernon Viergutz, president; H. A. Strathman, vice president and cashier, and Richard Neubauer and Neil Lackas, assistant cashiers. The bank reported total assets of $4,175,127 at the end of 1966.

Joins Arcadia Bank

Robert L. Sestak, 39, joined the staff of the Arcadia State Bank, Arcadia, last month, according to Allan E. Masters, executive vice president. He will succeed Howard E. Tyson, who resigned as cashier at Arcadia to take a position with the Security State Bank in Lake Park, Iowa.

Mr. Sestak has been employed with the Arcadia branch of the Ord Coop Oil Co., Ord, Neb., and has been an Arcadia resident since January, 1962.
FIRST NATIONAL BANK & TRUST COMPANY OF LINCOLN

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SHERATON FONTENELLE HOTEL
MAY 7, 8 and 9, 1967
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Resolutions, Nominations
Committees Will Meet May 8

MEMBERS of the nominations and resolutions committees of the Nebraska Bankers Association will meet at 10:00 a.m., Monday, May 8, during the first full day of the convention in the Sheraton-Fontenelle Hotel, Omaha. Their reports will be delivered as the last item on the agenda of the morning business session.

Nominations

This committee will meet in the Forum Room. Members are:


Group Two—Perry S. Francis, president, Southwest Bank, Omaha.

Group Three—Donald G. Johnson, executive vice president, Farmers National Bank, Pilger.

Group Four—Minor Baird, president, Farmers State Bank, Superior.

Group Five—Dale E. Walkenhorst, executive vice president, First National Bank, North Platte.

Group Six—Dale M. Adams, president, First State Bank, Scottsbluff.

Resolutions

This committee will meet in the Regal Room. Members are:

Group One—Robert E. Norton, vice president and cashier, Filley Bank, Filley.

Group Two—Elmer L. Peterson, executive vice president, Bank of Elkhorncrofton, Elkhorn.

Group Three—Edwin W. Tauer, president and cashier, Crofton State Bank, Crofton.


Group Five—Dale Stine, president, North Loup Valley Bank, North Loup.

Group Six—Larry V. Lane, president, American National Bank, Kimball.

Mr. Misko said plans are to leave New York City by air on September 12, with the delegation scheduled to go to Brussels, Moscow, Leningrad, Warsaw, Budapest, Berlin and London before returning to New York City on October 3. He reports that appointments will be set up with banker counterparts in Europe and in Embassies where possible.

Further details will be announced later by Mr. Misko.

Plan European Trip

A group of approximately 25 Nebraska bankers is expected to take part in a “People to People Travel Program” trip next fall that will take them to several European capital cities where they will visit with bankers and other financial leaders. Ralph E. Misko, president of the First Security Bank in Holdrege will be host for the delegation.

Settled in New Home

The Fillmore County Bank moved into its new building in Geneva early last month. The new location provides drive-in bank facilities, as well as modern equipment and facilities inside the building itself. An open house for the public in the Geneva area is being planned.

Hold David City Opening

Officers and directors of the First National Bank in David City were hosts at open house in their newly expanded and remodeled bank building early last month. It also was the occasion for observing the bank’s recent 90th anniversary, the celebration having been deferred because of the building program in process.

The original enlargement plans of the bank were being carried out in 1965 when fire destroyed several buildings in the same block and damaged the bank. The second floor of the building was removed, and the one-story building expanded to 5,750 square feet of space with the addition of 2,900 square feet of new floor space.

Paul Kosch, president, said the doubling of space provided for a new entrance midway in the bank structure, rather than on the corner where it had been for many years. The exterior has granix (manufactured granite) on the lower part. The attractive exterior has a bank sign on the corner of the building, as well as one across the face of the upper part of the structure.

Other features include zone controlled heating and air cooling; interior walls of matched grain cherry wood paneling; quartz rock on columns and several wall locations to match the quartz on the exterior; terrazzo, vinyl asbestos tile and carpeting for flooring in various sections of the building; two new vaults, each 480 square feet in size for record storage, with 12-inch six-hour fire-rated walls; two private conference rooms; 65 additional safe deposit boxes; all bookkeeping operations now on the main floor behind the tellers rather than being in the basement as before; color scheme throughout of green and gold.

Other officers in addition to Mr. Kosch are: H. F. Klosterman, chairman; Lee D. Snell, vice president and cashier; H. Lewis (Bud) Zinnecker, assistant vice president; Jack Reisdorf, assistant cashier and auditor; and James Howe, assistant cashier.

At the same time as the open house, Mr. Kosch accepted on behalf of the bank a Century Club Membership plaque from the Cornhusker Council of the Boy Scouts of America for the bank’s support of the recent Scout fund drive.
Group Presidents Report Farm, Business Outlook

Presidents of the six Nebraska Bankers Association groups report the following crop, livestock and business conditions for the respective areas at this time:

John W. Cattle
President
The Cattle National Bank
Seward
President
Group 1

Moisture is still the key factor in both the business and agricultural outlook of our Group 1 area. Right now it is not good, but there is still time. This hope shows itself in the continued strong interest on the part of the farmer in new equipment, owner-operated acreage acquisition, and a cautious eye on the feeder market. This faith in the economic future on the part of the business man is evidenced by the interest shown in the formation of the Southeast Nebraska Economic Development Area.

"The anticipated boom based on last year's bumper crops did not develop, due in large part to a general mistrust of national domestic policies. There seems to be an underlined note of caution throughout both segments of our local economy. Government, by agency and departmental directives, is having a telling effect on the depositor and his attitude toward the employment of his funds."

Harold J. Luchtel
Vice President
Columbus Bank
Columbus
President
Group 2

Group 2 of the Nebraska Bankers Association includes a rich agricultural area as well as a major portion of Nebraska business and industrial capacity. In all areas, with the exception of the construction industry, the activity has been at record high levels. This activity level has been and is being achieved with disconcerting pressures on net profit percentages.

"Demand is bullish for all goods and services. The demand for money is stretching the ability of banks to provide desired loanable funds. Most banks are paying the maximum interest on time Certificates of Deposit to secure funds."

"Farm land sales are increasingly being made on a contract basis. Many of these sales are at a cost per acre requiring future increases in land productivity and product prices to provide proper investment returns."

"The past year's downward swing in the cattle market has been accompanied with a record 1966 feed grain crop production. As a result farmer-feeders have sustained market losses and remain economically strong. It appears at present that farmer-feeders have more fears of not being in when the markets go up than they have fears of continued market declines."

The price of hogs has held up pretty well but the cattle prices are in a great state of confusion. Feeders paid too much last fall for yearlings. There is a great demand for capital to be used to purchase equipment or labor saving devices for a good quality of labor is very difficult to obtain. The high cost of operation and the depressed fat cattle price is going to make it very difficult to show a profit in 1967 and money remains very tight."

Richard Adkins
Cashier
Osmond State Bank
Osmond
President
Group 3

The biggest single problem that we have in the Group 3 area at the present time is the drouth. It is about as dry as it has ever been starting into the production season in a 30-year period. We have no sub-soil moisture.

Specializing in Nebraska Municipal Bonds call collect Visit Our New Offices During the Convention Continental Building, 19th & Douglas
WESTERN Nebraska has experienced an excellent year in 1966 and bankers in the Group 6 area feel optimistic about the future in 1967. In most areas, the wheat crop was excellent. Due to the improved price of wheat over previous years the wheat farmer experienced an excellent year. The condition of the crop at the present time is good although moisture is badly needed. The moisture during the winter months has been very light. Irrigated crops in the North Platte Valley were excellent and bumper yields of beets, beans, corn and potatoes were harvested. The total payment for sugar beets paid thus far for the 1966 crop is the highest farmers have ever received. With heavy snows received in the watershed, adequate water will be available for the 1967 crops.

"Ranchers in the Panhandle area have experienced a good year with excellent feeder prices in the fall and an open winter to care for their livestock. However, feeders are finding it difficult to make a profit with the current depressed cattle market. "Deposits in nearly all Group 6 banks have increased over a year ago. Time deposits are still a great factor in this deposit growth. Loan demand remains strong and most banks have shown an increase in loans. This increase, of course, will continue due to the ever increasing cost of operating the farm and ranch units."

"Generally the prospects for 1967 are excellent. A successful year will again depend on adequate moisture for the crops and favorable market prices for the livestock and crops."

OUR business activity in Central and Southwest Nebraska is now strong and most business men are anticipating a very good second quarter in Group 4. Building activity in the area remains slow, indications show some recovery.

"What makes the grass grow green”? Certainly moisture is a key factor here in our agriculture economy. Any prophetic statements about crops or livestock must be regulated with "if." Our present moisture conditions are very good and the farmers attitudes range from very good to optimistic. Sound management and good planning are a real must for the farmer and rancher as the cost-price squeeze continues to widen."

LOAN demand continues at a high level in Group 5. General business condition in our area has been very good with some decline in the consumer credit, primarily in the new automobile activity. Real estate sales have been stagnant due to the high money costs and down-payment requirements. Continued dry weather condition here remains the big question mark for the coming farm year.

"We have had very little moisture during the fall and winter months, which has reduced demand for bred heifers and cows. Low prices for fed cattle has caused some concern among feeders; however, prices for calves and feeders have remained fairly constant with some reduction in price the past few weeks."

Combined Field Day for Iowa, Nebraska Investment Men

Iowa and Nebraska investment bankers will enjoy "togetherness" again this year when the Nebraska Investment Bankers Association is host to its members and those from the Iowa Investment Bankers Association at the annual cocktail party and Field Day, May 16 and 17. The Tuesday evening reception, dinner and Calcutta Auction will start at 5:30 p.m. in the Omaha Athletic Club in downtown Omaha. The following day, all activities will be at the Omaha Country Club, northwest of the city. Luncheon and dinner will be served. General chairman for the host association is Phillip J. Tierney, assistant manager, Harris, Upham & Co., Omaha. Con Wagner of Walston & Co., Omaha, is co-chairman for Mr. Tierney. Co-chairmen for the Iowa Association are John Hunt, assistant cashier, Iowa-Des Moines National Bank, and Norman Conway, Jr., Conway Bros., both of Des Moines. In charge of golf reservations for Iowa members is Robert Kirke, Shaw McDermott & Co., Des Moines.

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Northwestern Banker, April, 1967
No. 70 for Nebraska Bankers Association

Join us in Omaha for the May 7-9 Convention

We've not made all 70 of the Nebraska State Bankers Association Conventions, but we are going to be on hand for this one and hope you will be too. We're anxious to renew acquaintances and interested in catching up on business — seeing if there isn't some way in which we can be of additional service to you. We'll look for you; bring your correspondent bank problems with you.
Credit Cards . . .
(Continued from page 33)

Today, the travel and entertainment merchants discounts have dropped to a range of 3 to 5 per cent—with many exceptions below 3 per cent. And, one of the major bank card plans ranges between 1 and 5 per cent, probably averaging out at about 3 per cent. I think it will go lower still.

The greatest difficulty in holding the discount line comes with the volume merchants. The rose-colored glasses turn a brilliant red when the banker sees the sales volume of these merchants—and the banker stops at no end to sign them up. But, these boys can murder you—your business is selling, therefore this will have an impact on their credit decisions.

In addition, they flood you with small ticket items. They are in a highly competitive business, low mark-up depending on volume, and they learn early to take advantage of every opportunity. They are in demand, and they know it. They see the eagerness in the bankers' approach and they exploit it—and the banker is so blinded by visions of large numbers that he accepts it.

An interchange of credit cards seems to imply an additional clearing system for sales drafts. The cost of maintaining a second clearing-house operation must be borne by each member bank. Member banks must pay a share of all of the costs of statewide advertising, plus the cost of advertising its own card locally.

One plan is to have the clearing house charge a discount of 2½ to 3 per cent on all items processed, which presumably means each member bank would have to charge the merchants a higher discount. But this is counter to present trends in merchant discounts.

The conclusion I'd draw from all this is that credit card interchange is nothing less than another exposure for less profit. Perhaps one of the most interesting claims is the following: "Banks, because of their experience in credit and financial services have a natural advantage in offering a credit card plan." It ain't necessarily so.

This is at best a two-edged sword for these reasons:

- First, some banks lack the geographic coverage necessary to generate the volumes required to operate a profitable credit card system. There are also legal restrictions on branching that may be an overriding disadvantage.
- Secondly, banks should be more selective in their credit screening since we stand to lose 100 per cent on the dollar, not a percentage of the sales price as is the case with a "private label" credit card.

For example, when an oil credit card holder doesn't pay his $50 charge for tires, the oil company is out maybe $35. But if that sale was put through on a bank credit card, we'd be out the full amount.

Natural Advantages

Most significantly, the giant and profitable retail credit card operations of the larger department stores also have very natural advantages in offering credit cards and show no signs of giving up this lucrative source of income. According to annual reports of some of the nationwide retailers, their credit business is providing very acceptable profits.

Our first reaction, is the tendency to feel that, since credit cards are such a great success to the large retailer, it is logical to assume that they will be equally as successful for bank plans. A little more reflection will point out that their very success limits our possibilities considerably.

The most important reason why the major retailer is interested in running his own credit card is to control his customer. The competitive retailer has no desire to share his customer with his competition. The exclusive store credit card creates a captive customer. He wants it that way so he can market him and advertise him directly.

The card will keep that customer coming back to his store—and no one else's.

While their basic concern is what their credit card does for sales, and the profits generated by increased sales volume, they make a nice profit on their credit business as well—even considering that the bad debt losses are theirs to take.

Whose money are these retailers using for their credit business? They use the banking system to finance them—and, they promote their own sales at the same time.

Gentlemen, if any major retailer were to switch its credit service to you, it would lose this income, and more. They haven't the alternatives that you do, in ways to utilize that money.

I question the degree of success that banks will have in signing up the major retailers. Therefore, you must recognize yourselves that the bank credit card will be used only in the secondary shopping market, and create an enormous proliferation of cards in the shoppers' wallet or purse.

Even a checkless society enthusiast like Dale Reistad of the ABA is beginning to hedge his prophecies. In a recent speech, Dale admitted that "It's inconceivable that all checks will be eliminated in the future."

In the first place there will still be millions of citizens of this country that will not need bank accounts and yet they will have to be paid somehow for their labor, their pension payments or their welfare benefits. The category of welfare benefits is particularly striking, since here we cannot expect these people to have checking accounts. New York City alone issues over a half million welfare checks per year.

Secondly, checks also constitute proof or verification of payment in a way that is so simple and so natural that it is hard to conceive of an improved method of handling that requirement.

In the case of certain pension benefit checks, where the benefit terminates upon the death of the pensionee, the signed check is proof that the beneficiary still lives. Also, in the case of settling insurance claims, an executive of one of the largest insurance companies told our research people at Chase:

"If the check were replaced, it would add more paperwork to our operation. The cancelled check assumes a legal status as proof of the company's compliance with the terms of the policy."

Hardware vs. Marketing Approach

What popularized the checkless society were a lot of enthusiasts who were so captivated by hardware and...
Pawnee City Banks Merge

PROPOSED building to house Pawnee County Bank.

JOE HEINEMAN, president of both the Citizens State Bank and Farmers State Bank in Pawnee City, has announced that the two banks will be consolidated as of July 1, 1967.

The first step in this merger has been taken by changing the name of Citizens State to Pawnee County Bank, and this was effective March 1. The Farmers State Bank will be liquidated as of June 30, 1967, and the two banks then will continue under the name of Pawnee County Bank.

Mr. Heineman said plans are under way to construct the building shown above in the architect's sketch. The new building will contain 4,000 square feet on the first floor. It will have a complete basement and the plans include the construction of a community room in the basement for the use of various organizations. A drive-up window will be provided, as well as a night depository, large safe deposit box vault, and other modern services developed for banks, Mr. Heineman said.

All employees of both banks will work for Pawnee County Bank. Charles Matzke began work last month as cashier of the bank. He was employed previously at Union Bank in Lincoln.

A LARGE CAKE, baked and decorated as a replica of the Nebraska State Capitol, was presented to Governor N. T. Tiemann at a recent dinner given for him and Mrs. Tiemann by the executive council and past president club of the Nebraska Bankers Association in Lincoln. Gov. Tiemann (left) is shown cutting the cake with Tom Aron, pres., of the NBA and pres., Crete State Bank.

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Northwestern Banker, April, 1967
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Member: Federal Reserve System—Federal Deposit Insurance Corporation
Plan Special Workshops For Instalment Credit Conference

PROGRAM details for the 13th Annual Conference on Instalment Lending has been announced by W. D. King, chairman of the Iowa Bankers Association's Instalment Lending Committee and vice president, Davenport Bank and Trust Company.

The meeting will be held at Hotel Kirkwood, Des Moines, April 26-27. Registration will begin on Wednesday morning at 8:00 on the main floor of the Hotel. The program will be as follows:

Wednesday, April 26

A.M.
8:00 Registration—Main Floor, Hotel Kirkwood
9:15 Meeting called to order by Chairman W. D. King.
9:35 Presentation of Credit Cards—Ralph E. Schreiber, assistant vice president, BankAmericard Service Corporation, San Francisco.
10:20 Coffee Break—Pioneer Rooms.
10:40 Presentation on Automation—Val Nortridge, executive vice president, and James Virtue, assistant vice president, State Bank of Freeport, Illinois.
11:40 Adjournment.

P.M.
2:30 Workshops on Collections, Home Improvement Loans, Loans, Mobile Home and Truck Financing, Uniform Commercial Code, Instalment Lending Automation, Credit Cards, Instalment Lending Laws and Rates, and Wholesale Lending.
4:30 Adjournment
5:30 Social Hour—Garden or Arbor Room.
6:30 Banquet—Orchard Room—Lee W. Davidson, president, Swea City State Bank, presiding.
7:30 Address—R. J. Rowe, Sunray DX, Waterloo.

Thursday, April 27

A.M.
8:00 Registration—Main Floor.
9:15 Remarks by Chairman W. D. King.
9:20 Remarks by President Dale C. Smith.
9:30 Presentation by Debt Consolidation and Bankruptcies—John H. Hobbs.
10:20 Coffee Break—Pioneer Rooms.
10:40 Student Loans—R. J. King, United Student Aid Funds, Inc., Indianapolis.
11:40 Adjournment.

Heads Foundation

Homer R. Jensen, vice president of Bankers Trust Company, Des Moines, has been named Iowa State chairman for the Foundation for Commercial Banks. Tildon Cummings, trustee for the Seventh Federal Reserve District, has announced.

"Mr. Jensen will give leadership to our recruitment efforts in Iowa," said Mr. Cummings, who is also president of Continental Illinois National Bank and Trust Company of Chicago.

The Foundation conducts a national advertising and promotion campaign to educate the public about the advantages of full service banking. Currently more than 6,000 banks, representing about 74 per cent of deposits in the United States, are members. In Iowa, 311 of the 667 banks, representing 59 per cent of deposits in the state, support the Foundation’s program.

Mr. Jensen is head of the correspondent bank division of Bankers Trust. He started his banking career in 1946 with the Des Moines Bank and Trust Company which merged with Bankers Trust in 1953. He has been in the correspondent department since 1959.

A life-time resident of Des Moines, Mr. Jensen is a graduate of the Graduate School of Banking at the University of Wisconsin.

Mobile Unit Bill

A bill that would authorize a mobile lending and savings facility on a restricted basis has been introduced in the Iowa legislature by J. E. King, president, Peoples National Bank, Albia, and representative in the Iowa House.

The mobile savings and loan unit could not be operated more than 10 miles outside the corporate limits of a city or town where the parent firm is located. Also, the unit could not operate within 100 feet of a savings and loan association, bank or finance company.

United Federal Savings and Loan Association, Des Moines, recently has an application before the Federal Home Loan Bank Board in Washington to operate mobile units in 11 Iowa towns. Final decision has not been made.

Joins Spencer Bank

Daniel E. Jessen has accepted a position as assistant vice president and manager of the installment loan department of the Farmers Trust and Savings Bank, Spencer, according to W. E. Landeen, president.

Mr. Jessen was formerly an assistant cashier in charge of the installment loan department of the Cherokee State Bank. He has been in the banking field since 1955, and started his career with the Commercial Trust and Savings Bank, Storm Lake.

Mr. Jessen succeeds B. L. Woods as manager of the installment loan department. Mr. Woods was recently advanced to vice president and now serves as a general loaning and administrative officer.

New Somers Director

Max Palmer of Gowrie has been elected to the board of the Somers Savings Bank. He is a prominent Gowrie businessman.

Paul D. Pederson

Funeral services were held last month for Paul D. Pederson, cashier of the Solon State Bank. He was killed in an automobile accident on his way to work. Mr. Pederson served as an assistant cashier of the Central Trust & Savings Bank, Cherokee, before joining the Solon bank last year.

Fort Dodge Increase

J. H. Redman, president, The State Bank, Fort Dodge, reports that the bank has increased its surplus to $600,000, increasing it by $100,000. Capital is $600,000. Total assets are over $20,000,000.
CONSTRUCTION plans have started for the new building for the First National Bank in Fairfield.

Designed as a two-story colonial structure, the new building will be located on the site of the former Leggett Hotel and Ryan building. The main entrance will face west and the drive-in facilities will be on the east side of the building.

The First National Bank was organized in 1934 and the statement of condition at December 31, 1966, shows deposits totaling $10,748,000.

Orange City Offers Computer Service

H. V. Rowenhorst, president, Northwestern State Bank, Orange City, has announced that his bank is now offering a new bookkeeping service to area farmers.

Farm expenses are recorded by coding checks. Deposits are handled in a similar manner. An Orange City bookkeeper service handles the mechanics of the system, and a computer service in Fort Dodge prepares the individual monthly and year-end statements.

Offers Computer Service

LeMars Savings Bank has announced a plan of electronic computer accounting for area farmers and merchants.

All checks and deposit slips will be coded. Information will be put on tape for use in preparing current records on a computer. At the end of each month the farmer or merchant will receive a print-out sheet giving expenses for each expense category, plus income for the month and the year to date.

Riceville Lets Contract

Lee Dietsch, president, Riceville State Bank, has announced the letting of a contract for the enlargement and expansion of the bank building.

The bank has purchased the room to the west of the present building so as to create a larger area. The new quarters will be completely carpeted and will feature vinyl and walnut wall coverings. Work is now underway and should be completed by May 15.

The plans were designed by Kirk Gross Company, bank builders of Waterloo, Iowa.

Joins Donnellson Bank

Roger H. Payne has joined the staff of the Citizens State Bank, Donnellson, as executive vice president, according to Ernie Hayes, chairman.

Mr. Payne was formerly assistant vice president of the Western State Bank, Sioux Falls, and for the past six months has been in the insurance business in Sioux Falls. He replaces M. G. Addicks, who retired recently after completing 51 years in the banking business.
INVESTIGATE THE ADVANTAGES OF THE LOCALIZED SERVICE OF A CITY BANK. The trio from American Trust naturally know the industrial and agricultural conditions of your local area. Their knowledge combined with American Trust’s complete banking facilities and convenient location, allows banks in the Tri-State Area to benefit from the fastest, most efficient correspondent banking service available. Call 582-1841 for immediate, personal service.

american trust
and savings bank
9TH AND MAIN, DUBUQUE, IOWA
MEMBER: FDIC • FRS
AT FORMAL opening ceremonies for the Bankers Trust Company's new Merle Hay parking lot facility, Chairman of the Board John Ruan noted in his brief remarks at the ribbon-cutting that the land occupied by the office was part of the Herring Flying Field not too many years ago. "Across the street," he added, "stood St. Gabriel's Monastery of the Passionist Fathers. Merle Hay Road then was chiefly the artery to Camp Dodge. Now, here is a whole new major section of Des Moines and our biggest shopping center."

Also participating in the formal opening were Robert J. Sterling, president of Bankers Trust; George Whitmer, Mayor of Des Moines; L. Call Dickinson, president of the Des Moines Chamber of Commerce; the mayors of suburban Windsor Heights, Urbandale and Grimes, and several officers and directors of the bank.

Appointed manager of the new facility is Carl Thorpe, assistant cashier. He will be assisted by Jerry Hawk and a staff of tellers.

The 3,800 square-foot brick and glass office makes an imposing addition to the growing businesses in the Merle Hay business area. Open house was held over the weekend of dedication. Bankers Trust now has four locations—the main bank in downtown Des Moines, the new facility, and offices in the towns of Windsor Heights and Grimes.

* * *

An oil painting tailored especially for the board of directors' room of the new Central National Bank building was unveiled last month.

The 4 by 6 foot painting is the largest ever painted by Maynard Reece, one of the country's outstanding wildlife artists. It was planned around the colors used in the board of directors' room decor. Mr. Reece has never before designed an outdoor painting to complement the room in which it was to be hung. He has used blues that echo the tones of the carpeting, while the willows and water grasses in the painting pick up the colors of the room's furnishings.

Featured in the painting are seven mallards dropping into a secluded marsh in the formation is shown in a bank.

* * *

Des Moines will host the National Outstanding Young Farmer Program April 7, 8, and 9, 1968. Donald H. Jordahl, cashier of the South Des Moines National Bank, and Dave Nagel, assistant vice president of Northwest Des Moines National Bank, represented the Des Moines Jaycees at the National Jaycee board meeting in Tulsa, Okla., last month when the National OYF Program was awarded to Des Moines.

A full three days of activities will be scheduled, including tours of Massey-Ferguson, Inc., Pioneer Seed Corn, Brenton Brothers Farms, and Iowa State University.

The financial support for the program is being underwritten by Massey-Ferguson, Inc., Central Soya and the Iowa LP-Gas Association.

The Outstanding Young Farmer Program originated in Iowa in the late 1940's, however this will be the first time that this National event will be held in Iowa.
Will our 360 Model 50 replace Gerry Morse?

OK—so it can process data faster than Gerry! It might even do a faster job of programming the Morse family’s supermarket shopping. Gerry’s monumental purchases always hold things up at the checkout counter.

But Gerry’s great at banking procedures and a whiz at explaining operations. So he will be calling on you—as usual.

Meanwhile, if you need information right now, call Gerry at (312) FR 2-9200. If he’s not available, just ask for John Baldauf. John will set an ANB action-banker in motion to visit you, faster than the 360 can blink.

American National Bank
AND TRUST COMPANY OF CHICAGO/LASALLE AT WASHINGTON  60690
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, April, 1967
A DUAL celebration took place in Colfax, Iowa, recently when the public was invited to open house to inspect the new banking quarters of the First National Bank and to pay tribute to H. E. Bell, president, on his 50th anniversary with the bank.

The new facilities include an addition 25 feet by 35 feet at the back of the original bank building. This was constructed on a lot 60 feet by 150 feet purchased a year ago. The balance of the new lot has been surfaced for a parking lot, which is lighted at night with mercury vapor lights.

The new addition contains a conference room, drive-up window, walk-up window in the lobby, and a new stairway to the second floor. Interior remodeling of the old building was done at the same time to unify the old and new structures. F & M Design and Construction, Chicago, did the architectural and construction work.

Mr. Bell had been employed by the Farmers State Bank of Craig, Neb., for two years prior to his joining the First National in Colfax in 1917. From Colfax he went into military service in World War I and then returned to the bank. In January, 1922, he was elected assistant cashier. He became cashier in 1927 and a director in 1928. On January 13, 1942, he was elected executive vice president and cashier. In January, 1965, he was elected president, the office he holds at the present time.

An event of special interest occurred during the open house when the bank was presented with a Time Certificate which had been issued December 26, 1917, in the amount of $10 and had been signed that date by Mr. Bell. It was still carried as an open item on the bank’s books when it was presented for payment at the open house. The Time Certificate had been found in the effects of an estate of the original depositor.

In addition to Mr. Bell, other officers greeting visitors at the open house were Paul Monroe, chairman; Charles M. Stinson, executive vice president; Ralph R. DeReus, cashier, and Gladys Graham, Walter E. Adair, Avis Ruggless and Sharon Tomlonovic, assistant cashiers.

Sheffield Retirement
Harvey J. Lamp, vice president, Sheffield Savings Bank, retired April 1 after 48 years in the banking business, according to R. F. Schaefer, president. He joined the Sheffield bank in 1913 after being associated with the State Bank of Bennett and other eastern Iowa banks.

Cumberland Progress
Jack R. Carstensen has been advanced to assistant cashier of the Cumberland Savings Bank. He has been with the bank for three years, serving as a teller and bookkeeper. The bank recently increased its capital from $35,000 to $70,000 and its surplus from $35,000 to $40,000.

Joins Churdan Bank
Jerry Carey has been elected cashier of the First State Bank, Churdan, replacing Harry Pinch, Jr., who moved to Colorado this past year. Mr. Carey was formerly assistant manager of the Farmers Coop Elevator in Churdan.
I

POETRY IN MOTION

The Book of Life

It's tough to know—this day and age,
Just when and where to turn the page
On this old Book of Woe and Strife,
Enjoying what is left of life.

We knew a man who thought like you—
The word "Retire" was quite Taboo.
He closed his eyes and would not face
The shortness of his time to race.

Both night and day he'd work and worry,
Always thinking in a hurry
Some day I'll sell this bank of mine,
That is to say if I have time!

But on and on he plugged away
Until he met our man one day.
We asked of him, "Why don't you sell?
We'll do the work—no one will tell.
You'll help yourself and then you'll see
The Fun your Golden Years can be."

We wish our man was still around,
But time goes on and now we've found
Conditions seem to be the same
You have to quit life's working game.

But heed our warning—"Banker Friend,"
Don't wait until the very end.
Fill out the slip you find below—
We'll do the rest—no one will know!
All we ask of you is—Thanks—
A job well done in selling Banks.

NAME __________________________________________ AGE ____________________________
BANK LOCATION __________________________________________ PERCENTAGE OF OWNERSHIP ____________________________
CONVENIENT DATE FOR APPRAISAL OF VALUE (NO OBLIGATION) ____________________________
CONTINUED EMPLOYMENT DESIRED? ____________________________
QUALIFICATIONS DEMANDED OF PURCHASER ____________________________

"All Fees Paid by Our Purchasers"

Northwestern Banker, April, 1967
Eldridge Follows “Credo”

Central Trust and Savings Bank, Eldridge, follows a “Credo of Our Bank,” and all members of the staff are presented copies for study and reference. R. J. “Bob” Tank, president of Central Trust, says that other banks are welcome to adopt it. The Credo reads as follows:

**Thou shalt be worthy of Trust,**

“We are trusted with the monies and property of our people. Let none be tempted. It has not happened here.”

**Thou shalt keep all in CONFIDENCE,**

“To tell of a Customer’s business is a SIN. All talk must be kept within our walls; not told to the nearest of KIN.”

**Thou shalt be ever COURTEOUS,**

“To speak and be friendly costs nothing. Yet, so valuable to the Bank’s success. A kind word and a pleasant smile does much.”

**Thou shalt endeavor to be ACCURATE,**

“Our Customers expect us to be right. NONE of us is beyond errors. Let us have as few as possible; makes our job easier.”

**Thou shalt be willing to LEARN,**

“Be willing to learn more. However, do not risk doing something of which you are not sure or have not done before. Ask about it.”

**Thou shalt hold up thy END,**

“Each to do his share of that to be done. Let not the Customer be aware of no work to prepare. Then too, a bit of fun, between the work to be done.”

“The Straw Boss”

**Frank C. Welch**

Frank C. Welch, 77, chairman of the board of the Peoples Bank and Trust Company, Cedar Rapids, died of a heart attack in Ft. Lauderdale, Fla., last month.

Mr. Welch, who devoted 62 years of his life to the banking business, all of it at Peoples Bank, was vacationing in Florida when he was stricken.

He went to work for the Peoples Bank as a messenger boy on July 7, 1905. He advanced through all departments of the bank, attaining the position of cashier in 1913.

He was elected president in 1933, succeeding the late John Burianek, the man who hired him.

Mr. Welch became chairman of the board eight years ago, and his son, Ted, became president. He had served on the board since 1914.

Mr. Welch and Mr. Burianek established an installment loan department at the bank in 1928. Although this personal loan service for individual customers is commonplace today, it was a marked departure from standard policy at that time.

One of his proudest achievements was that in 62 years of banking his bank never closed its doors. The most satisfying part of his job, he once said, “is the knowledge that people you have loaned money to over the years have gotten ahead.”

Born in Savanna, Ill., May 19, 1889, he was married June 11, 1919, to Edith Schroeder of Richmond, Ill. He served in World War I as an ensign in the Navy.

Mr. Welch was a past president of the Iowa Bankers Association.

**Wellsburg Increase**

Leland Luwe, cashier, Peoples Savings Bank, Wellsburg, reports that the bank has increased its capital from $50,000 to $100,000. Surplus is $100,000, and undivided profits, $114,000.
Fast, professional correspondent service is a banking tradition at Drovers National Bank. Skilled Drovers' service men are backed by an experienced staff of 244 banking specialists to serve your every correspondent banking need. Their tools cover the full range of financial services, linking you directly to Chicago banking.

Call on Bernie Miller, Drovers' service man in this area. Ask him about Drovers' famous "Immediate Credit" service and his complete line of correspondent banking tools...
Says Farmers Will Need More Capital, With Longer Terms

The time of simply financing a short-term cash need for the farm operator in the midwest is past. Larger Farm units requiring mechanized equipment will require two or three times the capital now being used and for longer periods of time. This was the picture drawn by Lindley Finch, vice president of the Continental-Illinois National Bank and Trust Company, Chicago, appearing before a meeting of 200 farmers sponsored by the National Bank and Trust Company in Chariton.

Mr. Finch emphasized that today's agricultural producers are not farmers, but capitalists. He decided that now it takes ten times the capital per worker on the farm than it does in a steel plant and said the cost factor is going to go higher.

He said farms in Iowa, especially southern Iowa, may increase in size by 50 per cent as the heavily-financed farmer looks to increasing production capacity.

"Lenders will be providing capital to those who can make a profit. Farmers will be evaluated as business managers and if they need more capital they will get it." Good businessmen on the farm will see greater levels of profit but the careless or less adequate farmer will be farther down the road. Errors will become more costly and farmers will not be able to work harder to erase or recover from mistakes," he said.

Mr. Finch said, too, that young farmers coming up will not be interested in owning their own land—"debt free"—as has been the goal of American farmers for decades.

He said he will find young farmers accepting a theory "that being in debt is no sin and they will use borrowed money to make a profit just as industry has been doing. It will be a greater responsibility since the ability to obtain funds will depend more on how well the borrower can use capital profitably, how strongly he can hold when times are tough."

He declared that the increased capital needs represents a challenge to both the lender and the farmer. By 1975, Mr. Finch said, the number of farmers will be reduced and there will be an actual shortage of good operators.

Shenandoah To Remodel

Robert Fishbaugh, president, The Security Trust and Savings Bank, Shenandoah, has announced that an extensive remodeling program started at the bank on April 1. Plans call for a new front, a new storage vault and a complete remodeling of the interior.

Elected President

The appointment of Douglas S. Grinde as president and trust officer of Bettendorf Bank and Trust Company, Bettendorf, was announced March 20 following a board of directors' meeting. Mr. Grinde had been named executive vice president and trust officer, along with his previous duties as cashier, in January of this year and assumed management of the bank on January 16.

DeWitt Bank Opens in May

Following approval by the Federal Deposit Insurance Corporation of First Central State Bank of DeWitt for membership in FDIC, Doyle A. Butts, executive vice president of the bank, said it will open in early May. The new state chartered bank was approved by the Iowa superintendent of banking last September.

The bank will be in the Peters Building at 914 6th Street. It is being remodeled now, including installation of a vault.

President of the bank is T. H. George, DeWitt, owner of the Mississippi River Engineering Company at Grand Mound. Directors include Dr. F. F. Benson, DeWitt dentist; Elmer A. Ellingsen, manager of DeWitt division, Iowa Electric Light and Power Company; Andrew J. Hartmann, Peter T. McClain and Everett E. Rogers, farmers, and Rex B. Peters, DeWitt insurance agent and real estate broker. The bank will have $500,000 capital.

Appreciation Dinner

Farm customers of the First National Bank of Marion, Iowa, were guests of the bank at an Appreciation Dinner in early March. They were welcomed by Phil Morris, president of the bank, and Ken McMurray, farm representative for First National.

Les Kral, extension leader in Farm Management, Cedar Rapids, spoke on the subject "Trends in Agriculture and the Livestock Outlook." Vivian Jennings, extension leader for crop production, spoke on the subjects, "'Pop-Up' Fertilizer" and "Are You Ready for Narrow Rows?"
Local Service from the Men from La Salle
(investments, for instance)

Many of our customers have found our investment service to be very helpful. They use it in connection with their own portfolios and as an added accommodation to their important customers. If you are not now benefiting from this service, ask your man from La Salle about it.

Remember, La Salle National is big enough to provide all of the correspondent services you need . . . yet organized to give you the personal attention so important to a lasting, mutually satisfactory relationship. If you don’t already know your man from La Salle, write and we will have him arrange a meeting right away.

THE LOOP BANK...WITH COMPLETE CORRESPONDENT SERVICES

LaSalle NATIONAL BANK
135 South LaSalle Street • Chicago, Illinois 60690
Telephone: —312-782-5200
Member Federal Deposit Insurance Corporation
Stan Barber Elected President Of Independent Bankers Assn.

A HAPPY FAMILY, pictured at the Independent Bankers Association of America convention in New Orleans last month, is that of Stanley R. Barber, new pres., of IBAA, who is also pres. and chmn. of Wellman Savings Bank, Wellman, IA. He is pictured above with his wife, Corinne, son Scott and daughter Anne.

IOWA BANKERS and their wives attending the annual convention of the Independent Bankers Association of America in New Orleans last month were entertained at social functions by two of the state’s largest banks. On Friday morning during the convention, they were guests of Merchants National Bank, Cedar Rapids, for breakfast at Hotel Roosevelt. That evening, they were guests of Central National Bank & Trust Company, Des Moines, for a reception and dinner at the Royal Orleans Hotel. On both occasions, two special guests were the new IBAA president and his wife, Mr. and Mrs. Stanley R. Barber. He is pres., Wellman Savings Bank, Wellman.

In photo above at breakfast are, from left: James E. Coquillette, pres., Merchants Natl., and his wife Betty; Mrs. and Mr. Barber; Mary Mangold and her husband John, who is vice president, Merchants National.

In photo below, from left are: Kay Smith and husband Dale C. Smith, v.p., Central Natl. B&I, and pres. of the Iowa Bankers Association; Mrs. Barber; E. C. Grangaard, president, Central National, and his wife Mary, and Mr. Barber.

STANLEY R. BARBER, president, trust officer and board chairman of the Wellman (Iowa) Savings Bank, has been elected president of the Independent Bankers Association of America, a national organization of nearly 6,500 independent banks in 40 states. (See convention report on page 31.)

Mr. Barber, 42, was graduated with honors in economics and business from Grinnell College in Grinnell, Iowa, in 1949. A Phi Beta Kappa member, he earned an MBA degree in finance and banking in 1950 at Indiana University. He was an Air Force pilot from 1942 to 1945. Born in North Platte, Neb., Mr. Barber began his career as bookkeeper, teller and cost analyst for Citizens National Bank of Boone, Iowa, where he worked summers during his high school and college years.

In 1950 he became manager of the Camp McCoy facility of the Farmers National Bank of Sparta, Wis. He was named cashier of the Wellman Savings Bank in 1951 and in 1953 became vice president and cashier. He was advanced to president, trust officer and board chairman in 1957.

In addition to serving as an IBAA officer, Mr. Barber has also been a member of the association’s President’s Advisory Group, Articles of Incorporation and By-Laws Revision Subcommittee, Legislative Committee, Taxation and Competing Financial Institutions Committee, Savings & Loan Committee, Administrative Committee, and Convention Site Selection Committee.

Mr. Barber is active in civic affairs and has written a number of articles on banking that have been published in various trade publications.

He and his wife, Corinne, have two children, Ann Elizabeth, 13, and Scott Thomas, 11.

Joins West Union Bank

Gary Penningroth, who has been with the Farm Service Company in Maynard for the past two years, has joined the First National Bank, West Union, as a farm representative, according to an announcement from C. W. Grimes, president.

Colesburg Entertains Customers

John L. Juergens, executive vice president, Farmers Savings Bank, Colesburg, reports that the bank entertained over 1,000 of its customers recently at a pancake supper. The event was in honor of the bank’s 60th anniversary.
Banking at both ends of the loop.

Valley Bank customers can bank at our Walnut at Fourth address from their car using the sidewalk teller or they can park free in our lot next to the building and bank inside. If they prefer, they can stop by the Regency Office on Seventeenth from Grand to Locust and use the conventional drive-up windows or our exclusive closed circuit television system. A big, free parking lot is just behind the building if they wish to come inside — and many of them do. Banking at both ends of the loop. A Valley Bank exclusive that our customers call convenient.
Bondurant Office Completed

The interior is of sliced veneer oak and the fixtures are walnut. Planned for a two person operation, space can be added for three additional employees. Located 12 miles northeast of Des Moines, it is accessible for bankers to visit if they are contemplating a similar size office.

Credit Cards . . .

(Continued from page 85)

The misplaced emphasis of equipment capabilities rather than customer needs was summed up nicely by Al Zipf, when he said:

“One of the time-tested ways of losing money is to start with a hardware technique and attempt to develop a marketing system around it.”

One last thought on the checkless society that impressed and amused me was made by Charlie Block, who is responsible for long-range system planning and operations research at Chase Manhattan. He took a satirical look beyond the checkless society. His crystal ball came up with the following picture:

“After we have the checkless society and all these universal teleprocessing computer terminals in just about every conceivable spot in the United States, and after we have instantaneous communication links between all banks, some enterprising visionary will come along and say, ‘I’ve a great new idea for settling debts. Why don’t we give everybody a little book of blank forms and anytime they want to pay something they just write out the amount, sign it and hand it to the other party? Think of all the communications and equipment costs we could cut out!’

So, considering all these vagaries, I cannot find too much meaning in referring to credit cards as “the keys to a future checkless society.”

Overdraft Credit Card?

Well, so far my “ain’t necessarily so” remarks focussed on:

- The uncertainties of the profit picture.
- The new paper mountain.
- The natural advantages of large retailer credit card plans.
- The irrelevancy of the checkless society.

I think that by this time you have an idea of my feelings on the subject of credit cards. In short, I think that the credit card field is not the most natural one for banks.
In the first place, it is costly—and the merchants discount that is supposed to cover is disappearing, due to cut-throat competition to sign up merchants in some cases by members of the very same card group. Here bankers get together to create an interchangeable credit card, and then cut one another to ribbons to try to get the merchants.

It would seem to me that, as bankers, we ought to quit concentrating on our strengths. A credit card is logical for a Sears customer at a Sears store, or a Macy’s customer at Macy’s or a Gimbel’s customer at Gimbel’s.

We shouldn’t try to, nor can we compete with them on their own grounds. We ought to look at the problem of facilitating consumer credit from our point of strength, which is the checking account. We all admit the credit card fills a need but is there an interim or better way to fill this need? I believe there is. What I have in mind is a guaranteed check with overdraft privileges.

From the marketing point of view, it’s much more natural: Anyone who has a charge account has a bank account. We are not mauling one another so we can get card holders, and drowning ourselves in card holders so we can sign up merchants. It makes our checking account much more desirable—and it is easier to create the features of interchangability.

Let’s look at some of the advantages:

- Less operating costs—The cost for providing an overdraft credit card service would be considerably less than the cost of providing a standard credit card service. This is true largely because the overdraft credit card service would be integrated with the demand deposit accounting service hence requiring no separate billing, file maintenance or mailing operations.

- Flexibility — The overdraft concept can provide an important step towards a local credit card by the gradual accumulation of credit worthy customers. It can be complimented by a helpful check guarantee card to further enhance the desirability of a checking account at your bank. This, in turn, can be made interchangeable on a regional or national basis—and there are even more possibilities.

Is such an overdraft plan a step towards the checkless society? I don’t know—and what more I don’t care.

What I am interested in is that this is an interesting credit and lending alternative to the standard credit card, since it offers less risks, less costs, and a more dependable profit. But, perhaps most significantly, overdraft credit card with or without the check guarantee feature hits at all our competitors.

Of course, we compete with each other in lending money to consumers, but we also compete with finance companies, credit unions, and large retailers.

It would decrease the cost of our installment lending functions by the more economical method of handling the smaller accounts.

- Income from overdraft—In addition to strengthening our demand deposit accounting service. I believe that the overdraft credit card service will, in the long run, produce more revenues from interest charges than the regular credit card and at much less cost to banks.

For one thing, there is no grace period—which in the case of credit cards can average up to 45 days.

- Less start-up costs and no special clearings—Overdraft credit card does not require the high start-up costs of signing up merchants, building up cardholders and sustaining large credit losses. In fact, merchants need not be signed up at all, and our cardholders are drawn from our own checking customers.

In addition, no special and costly clearing arrangement is needed for the credit card sales drafts. Everything would be cleared through existing check clearing channels, using our machineable MICR check.

- More natural interchange—Like the standard credit card, there are national implications to this check guarantee credit card plan as well. An interchange of check guarantee cards is simpler, more natural and less expensive—and we can thereby convert the garden-variety demand deposit accounting check into an instrument as encashable as the travelers check. I find that a very exciting thought.

A recent Federal Reserve Bulletin (June 1966) showed that retailers hold the largest share of the customers’ credit market (excluding auto paper), roughly 44 per cent, while commercial banks hold about 25 per cent. The standard credit-card approach only seem to intensify the competition between banks for this same 25 per cent for the market—leaving the juicy area of over 40 per cent largely unscathed. By offering a soundly developed overdraft credit-card plan, we are in a better position to make a dent in retailers’ standings.

Since all department-store charge customers have demanded deposit accounts, it seems clear to me that overdraft banking, if our rates are competitive, will offer these customers a less expensive alternative for paying off large department store debts. When the department stores’ grace period is over, the consumer, with an overdraft facility, simply pays off the store by check—and we get the loan.

Now, let’s stop and think. What does the credit card really do that overdraft banking—and, if you wish, a check guarantee service—cannot fulfill, with the knowledge that you have the basis, and a good solid one, to go into the credit cards if you so wish?

—End.
In the
DIRECTORS’
ROOM

Matter of Habit
The young matron was breezing along in the left-hand lane when suddenly and without warning, she made a sharp right turn and almost slammed into another car.
“Don’t be ridiculous,” came the indignat reply. “I always turn here.”

One Solution
Please lower your voice. What you say goes over my head.

Lucky Citizens
We taxpayers are lucky; we don’t have to pass a Civil Service examination to work for the government.

Pain and Agony
The police officer was in the act of ticketing a car which was double-parked when suddenly a woman ran up to him excitedly.
“Oh, please, officer,” she pleaded. “You see, I just visited the dentist to have a tooth pulled, and I left my car double-parked so I’d have something to worry about to keep my mind off the pain.”

Eternal Pessimist
A pessimist fellow read his horoscope which stated, “Make new friends and see what happens.” So he went out, made three new friends and nothing happened. Now he is complaining that he is stuck with three new friends.

No Blame
Bootblack: “Shine your shoes, Mister?”
Businessman: “No.”
Bootblack: “Shine ‘em so you can see your face.”
Businessman: “No!”
Bootblack: “Don’t blame you.”

Never Happen
If some of us practiced all we preached, we’d be working our fool selves to death.

Economics
Simple law of “economics”: talk is cheap because the supply exceeds the demand.

New Coverage
Lady on telephone: “Hello, is this the Fidelity Insurance Company? I want to have my husband’s fidelity insured.”

Game Fellow
Golfer: I don’t seem to be playing my usual game today.
Caddie: What game do you usually play, sir?

Right Road
Too many people on the right road are traveling in the wrong direction.

Diplomacy
To be diplomatic is the art of letting someone else have your way.

Some Question
If George Washington was as honest as they say he was, how come they close the banks on his birthday?

One Loaf
An employer thought his staff rather lazy and indifferent, so he pinned up the following notice: “Bread is the staff of life, but that is no reason why the life of our staff be one continual loaf!”

Willing Passenger
Bus conductor (calling from upper deck): Is there a mackintosh down there big enough to keep two young ladies warm?
Voice From Below: No, but there’s a MacPherson that’s willing to try.

Some Drivers
Scientists say that it takes a fifth of a second to blink an eye and that a person blinks 25 times a minute. Therefore, it could be said that a driver who averages 55 miles an hour on a ten-hour trip drives 33 miles with his eyes closed.
And then, there are those who seem to drive with their eyes closed all the time.

Labor-Saving?
There are so many labor-saving devices on the market today, a man has to work all his life to pay for them.

Nothing New
There is nothing new on the beach this summer, but more of it is evident.

No Trouble
The next generation isn’t going to have any trouble making cakes like mother used to make.
BANK-CARE is an amazingly simple health and income program. It provides extra cash to your customer to use as he sees fit when hospitalized. It pays in addition to ordinary hospital reimbursement insurance. It is available only through banks for bank depositors. BANK-CARE is sold only by mail—no salesman will call on your depositors.

Perform a valuable service in your community—earn good will and profitable extra revenue. Write or phone collect—area 402-348-1333—for complete details.

T. LESLIE KIZER, Chairman of the Board
504 South 18th Street
Omaha, Nebraska 68102
We think you'll find our Credit Department a little bit faster.

And a little bit better in analyzing those facts to provide you with a really valuable basis for making vitally-important credit decisions.

Call Bob Buenneke or any of our officers any time you want any kind of correspondent service . . . that's always a little bit better.

IOWA-DES MOINES NATIONAL BANK

"Yes, we're here to help you get what you want"—Bernie Kersey
Computer Specialist, Don Kimmel Assistant Vice President, Jerry Nelson
Senior Vice President, Bob Buenneke Assistant Vice President, Dale Luckow Assistant Vice President, George Harnagel Assistant Vice President