

NORTHWESTERN *Banker*

**JUNE
1967**



Jackson Hole— Site of Montana, Wyoming Conventions

—Pages 69 and 75

Minnesota Bankers Will Meet in St. Paul Hilton Hotel

—Page 39



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Northwestern Banker, June, 1967

Candidate for Fed Directorship

THE executive committee of the Illinois Bankers Association has voted unanimously to support the candidacy of Melvin C. Lockard, president, First National Bank of Mattoon, for Class A director of the Federal Reserve Bank of Chicago, 7th District, according to Dirk H. Groen, president of the IBA and president of the First National Bank & Trust Company of Pekin. Federal Reserve member banks in Illinois, Michigan, Iowa, Wisconsin and Indiana will vote on candidates to fill the three-year term next fall.



M. C. LOCKARD

Mr. Lockard has long been active in the many affairs of the Illinois Bankers Association. He served his own Group 10 as treasurer from 1936 to 1939, secretary from 1939 to 1941, vice president during 1941-1942, and president from 1942 to 1944. He served as treasurer of the Illinois Bankers Association in 1946-1947, vice president

in 1951-1952, and president in 1952-1953.

Active also in The American Bankers Association, Mr. Lockard has served as a member of its executive council; the Federal legislative council; country bank operations commission; committee on cost analysis and service charges; committee on chart analysis; committee on reserves; and the subcommittee on postal savings system. He also served a term as ABA state vice president.

New Chase "Check Card"

The Chase Manhattan Bank, N.A., has announced the introduction of a new personal banking service known as the Chase Manhattan Check Guarantee Card.

When Chase checking account customers use this identification card at any established business concern or bank, Chase Manhattan agrees to pay their personal check up to \$100. As a result, cardholders will be able to make purchases in department stores, specialty shops, restaurants and other retail establishments with a minimum of difficulty and delay.

The Check Guarantee Card is offered in conjunction with the bank's Cash Reserve Checking Account.

Heads Credit Card Division

Clinton V. Pickering, Jr., has been appointed vice president marketing of the credit card division of American Express Company, according to an announcement by Howard L. Clark, president.

Mr. Pickering is responsible for the sales and marketing activities of that division. He has previously served as national marketing manager of the college department of Holt, Rinehart & Winston and at Crane Company, where he held posts as assistant to the president, and as national marketing manager, Chapman Division, and manager-product sales for Engineered Products Group.

Advance Bond Underwriters

The St. Paul Fire and Marine Insurance Company has advanced two men in the bond underwriting department. Walter Groetzinger was elected assistant vice president and Barney W. Crane assistant secretary, company President Ronald M. Hubbs announced.

Mr. Groetzinger was also named head of the bond department, succeeding Ralph B. Clark who retired April 30.

Travels Midwest For Marine Midland Grace

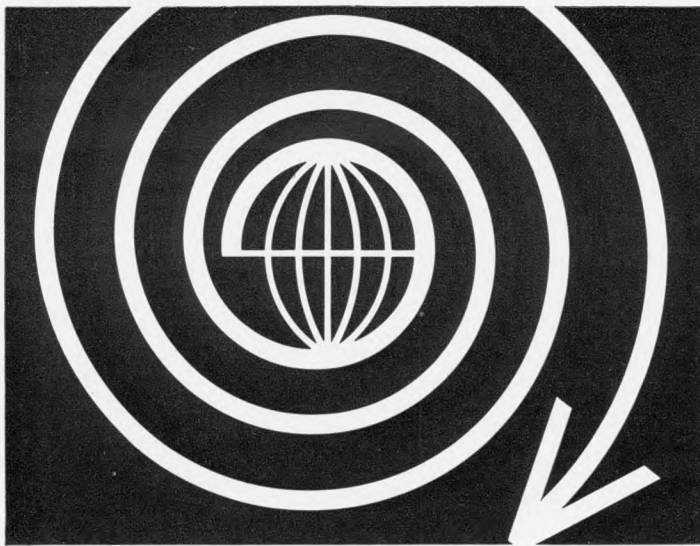
Jerry V. Jarrett, assistant vice president, is midwestern representative for Marine Midland Grace Trust Company of New York, one of New York City's major commercial banks with assets of over \$1.6 billion. On his frequent trips to the Midwest, Mr. Jarrett calls on customers and prospects in the nine states area encompassing western Pennsylvania, Ohio,



J. V. JARRETT

Indiana, Illinois, Michigan, Minnesota, Wisconsin, Nebraska, and Iowa.

Mr. Jarrett began at Marine Midland Grace in 1963 as a management trainee following several years experience as general sales manager and member of the Board of Directors of Texas Coca Cola Bottling Company. He was elected an assistant treasurer of Marine Midland Grace on January 1, 1965, and assigned to the bank's national division. In January of this year Mr. Jarrett assumed his present title of assistant vice president.



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1 Lincoln Federal Savings & Loan, Louisville, Ky., before.



2 Lincoln Federal Savings & Loan, Louisville, Ky., after.



4 Bankers, city officials plan renewal.



3 Multi-story Security Trust Company, Rochester, N. Y.

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Dear Editor



NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your JUNE, 1967, reading



73rd Year No. 1037

“Diamond Jubilee”

“I would like to extend to you sincere thanks of the officers and members of the South Dakota Bankers Association for the excellent coverage afforded to our 75th Diamond Jubilee Convention and our history.

“We realize fully that a good deal of our success as an association and our accomplishments have been a result of the wonderful and outstanding support given to us by people such as you and the other staff members of the NORTHWESTERN BANKER. We sincerely appreciate this and look forward to a continuing fine relationship.

“May I also take this opportunity to thank you for the many other items of coverage throughout the year and for all of your assistance and counsel.”

Roy W. Terwilliger, Executive Secretary-Treasurer, South Dakota Bankers Association, Huron, South Dakota.

“Sincere Thanks”

“I want to offer my sincere thanks for the fine spread that your good NORTHWESTERN BANKER gave our 75th Jubilee Convention in Rapid City and our Association’s history. I do this personally and as an officer of the SDBA.”

R. F. Petschow, President, Corn Exchange Bank, Elkton, South Dakota; First Vice President, South Dakota Bankers Association.

Scarborough Expands; Moves To New Quarters

Scarborough & Company are now in their enlarged offices in the new Connecticut Mutual Building at 33 North Dearborn Street in Chicago.

The new Scarborough quarters provide twice as much working area as the old offices in the First National Bank building where Scarborough headquartered for nearly half a century.

The move enables Scarborough more efficiently to handle its increased (bank) insurance volume which has tripled in the last four years, under the direction of Richard Ross, president.

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OPERATING OFFICES IN PRINCIPAL CITIES

Lawrence F. Stern

One of Chicago's pioneer financiers whose life paralleled the post-fire economic development of the city, Lawrence F. Stern, 78, died last month.



L. F. STERN

Chief executive officer of the American National Bank and Trust Company of Chicago, from 1939 through 1962, Mr. Stern held the post of chairman, executive committee, at the time of his demise.

A native of Chicago, Mr. Stern graduated from Hyde Park High School in 1906, and later enrolled in Dartmouth College. He left in 1908 to join the later nationally prominent S. W. Straus and Company, which at the time was a small investment banking firm based in Chicago. For the next 16 years, he grew with the Straus firm, becoming one of the top salesmen in the field, with the title of vice president.

In 1924, he resigned to form his own investment banking business incorporated as Lawrence F. Stern and Company. Expert in the highly specialized business of underwriting and distributing real estate securities, the company gained nationwide recognition in this activity from the time of its organization.

Among the financial operations with which Mr. Stern's firm was associated were a \$10 million issue of the Paramount-Broadway Corporation in 1926; an \$8.75 million issue of the Hotel Sherman Company in the same year; and a \$10.5 million issue of Loew's Theatre and Realty Corporation in 1927, all of which were landmark financing projects forming the basis for some of the current Chicago area's major corporations. Through mergers, Mr. Stern's investment banking firm later became known as Stern, Wampler and Company, and was succeeded by Kebbon, McCormick, presently named McCormick and Company.

In 1939, Mr. Stern became chairman of the executive committee and a director of the American National Bank and Trust Company of Chicago. He was elected president and chief executive of the bank the following year, remaining head of the LaSalle Street institution when advanced to chairman of the board in 1955, the position he held until relinquishing the post early in 1963 to once again become chairman of the bank's Executive Committee.



If you want laughs you'll hire comedians, right?

No parlor comics among our correspondent representatives.
No baloney artists. We screened out all the lightweights.

They come to you with one purpose. To serve you.

We know full well that your problems are complex.
And growing more so. So we choose men of native
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to do business, not just keep their socks up.

That's why they can help you keep profits up.

As for playing the clown, they'd rather wait until they
romp with their grandchildren.

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Northwestern Banker, June, 1967

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“ “ COOPERATION ” ”

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Northwestern Banker, June, 1967

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

Northwestern Banker, June, 1967



Photo courtesy of Northwest Banker

Holiday in the Mountains



London isn't so foggy

(when you know the right people)

As far as your customers are concerned, you've got a man in London who's a native. In fact, almost 100 of them.

And you also have two complete, full-service branch banks at your disposal.

But your worldliness doesn't stop in London.

You've got branches in Tokyo and Osaka, representative offices in Brussels, Madrid, Mexico City,

Milan and Zurich. An international bank in New York, and, of course, a major bank in Chicago, as well as equity interests in financial institutions in several other countries. (In addition to correspondent connections throughout the world.)

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Northwestern Banker, June, 1967

ACROSS the DESK from the Publisher

Dear Stanley R. Barber:

*President, Independent Bankers Assn. of America,
President, Wellman Savings Bank, Wellman, Iowa.*

In a series of recent speeches, you have expressed real concern over two bills now pending in the United States Senate. Bankers throughout the nation should be equally concerned!

Senate Bill 1298, sponsored by Senator John Sparkman, D., Ala., at the request of the Federal Reserve Board in Washington, D. C., would in part require insured non-member banks to maintain reserves with the Federal Reserve System.

This is dangerous legislation in that it would strike a near-fatal blow to correspondent banking and to the dual banking system. Large borrowers would have to go directly to the larger city banks or deal directly with a government agency for funds, since most city banks would feel little obligation to assist their country cousins on overlines if the latter were forced to maintain their balances with the Fed. The discount window, of course, would be of no assistance to banks in handling overlines.

Our readers may feel that passage of Senate Bill 1298 is rather remote—and this may be true—but the fact that top officials in the Fed and in the U. S. Government are even proposing it should be of utmost concern.

Officials of the Fed may be disturbed that a number of state banks have discontinued their membership in the Fed, and they may feel this bill will solve this problem. In arriving at a solution in this manner, however, a whole new series of problems will be created and we will have taken a big step toward turning our purse strings over to the federal government.

Although perhaps not so serious, you have also expressed concern over the "Truth-in-Lending" bill now proposed by Senator Joseph Proxmire, D., Wis., in the form of Senate File 5. This bill has a great deal of public support, but as it now reads it will be difficult for both the banks and the general public to live with. As an example, the conversion tables giving simple interest disclosure, formulated by Joseph W. Barr, undersecretary of the Treasury, were said to be so simple that any grade school child might readily find the rights answers. The conversion tables were distributed to a group of astute bankers recently, and a majority of them found the con-

versions to be confusing and most difficult. It would seem that a conversion to a dollar amount per \$100 might be more easily understood by the general public.

All bankers owe a vote of thanks to you and to the Independent Bankers Association of America for your vigilance, and we wish to voice our appreciation for your continuing efforts on behalf of all of us.

Dear K. A. Randall:

*Chairman, Federal Deposit Insurance Corporation,
Washington, D. C.*

"Credit cards represent an uncontrollable source of credit demand which could pose a serious liquidity problem for banks in a period of monetary tightness."

This is the warning that you issued in a speech before the 77th annual convention of the Missouri Bankers Association last month.

Elaborating on your statement, you asserted that "it is not easy to turn off the flow of incoming credit from credit cards because the banker does not have a chance to say no as he does in dealing with other forms of credit."

It seems to us that the banker does have some control over credit extended through credit cards. A stricter evaluation of credit risks before issuing (or reissuing the cards) is of major importance. The problem for many banks in the NORTHWESTERN BANKER area is obtaining enough volume to make a system pay dividends. If only the A-1 credit risks are given cards, it is doubtful if the volume would justify the operation of a card plan, even as an agent of one of the major systems.

You mentioned that many banks have hastily signed up to participate in credit card plans headed by other banks without giving the matter proper forethought. It is this type of bank, according to your research, that has caused the FDIC greatest concern, rather than the originators of credit card systems. At present, there are about 1,200 banks involved in credit card operations.

Bank credit cards have proven profitable for a sizeable number of the larger metropolitan banks. This may not be true for banks in smaller communities. At this point, it will pay all banks to follow your advice to be conscious of the impact credit cards would have on their operations before joining a card plan. It is not always wise to base your decisions on the actions of a competitive bank.



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The extras come from what we call Consolidated Correspondent Service.

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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.



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Northwestern Banker, June, 1967

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Federal Reserve Bank of St. Louis

Promoted By Manufacturers Hanover

Manufacturers Hanover Trust Company, New York, has announced the promotion of three senior officers:

Andrew Scharps, formerly vice president and treasurer, was named senior vice president. He heads the portfolio department and will continue to supervise the bank's investment securities and allied activities.



A. SCHARPS

Herman A. Streller, formerly vice president, was appointed senior vice president. He will have charge of the bank's new operations center, now under construction at 115 Broad Street, and will continue to supervise central operations.



H. A. STRELLER

D. J. BARRY

David J. Barry, formerly vice president in the portfolio department, was named vice president and treasurer and will occupy a new post as head of the bank's money market activities, including brokers and dealer loans, securities clearance and federal funds transactions.

Record Ad Expenditure

The nation's 13,625 commercial banks spent approximately \$264 million last year, advertising an ever-expanding list of services in every available medium.

The statistic is included in the "Bank Advertising Analysis" just published by Bank Public Relations and Marketing Association.

Joins Harris Bank

Johannes G. van Thiel has joined Harris Trust and Savings Bank as assistant vice president in the international banking division in Chicago.

Mr. van Thiel has had broad banking experience in Europe, Africa and the Far East. He has been associated with The Chase Manhattan Bank in New York for the past six years, serving as Manager abroad.

Protecting Directors against damage suits WINS FAVOR OF BANKING COMMUNITY

A PROGRESS REPORT on Directors and Officers Indemnity Insurance

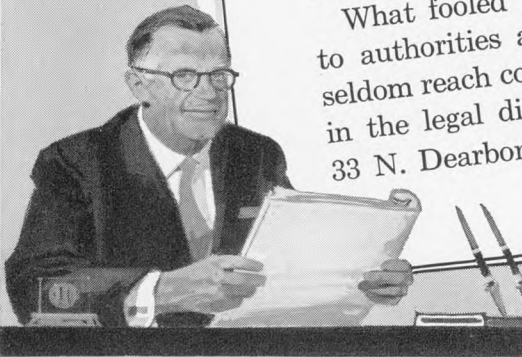
An audit of our books reveals that Directors and Officers Indemnity Insurance is now crowding Bankers Blanket Bond in dollar volume. This has happened within 4 years. We introduced this indemnity cover in July 1963.

The first purchasers were mainly banks with first hand knowledge of the high cost of indemnity suits against directors—win or lose. One bank revealed that litigation cost alone on one suit came to 27 times the annual premium on our policy.

One reason for high litigation cost is this: while the director is sued as an individual, the suit is often of staggering magnitude because he is a *bank* director. His legal bills are also very high, since he doesn't dare hire any but the best (and costliest) defense talent.

We now know that out-of-court indemnity settlements, judicial awards and litigation costs are higher and more frequent than embezzlement losses, which no bank would dream of self-insuring.

What fooled us before was that embezzlement losses are reported to authorities and so make the headlines, whereas indemnity suits seldom reach courts of last resort, and are, therefore, not even reported in the legal digests . . . Scarborough & Company, Bank Insurance, 33 N. Dearborn St., Chicago, Ill. 60602.



Now is the time to protect the distinguished and loyal men you bring to the bank's board as personal friends, and to protect the bank officers as well. Particularly when so many courts have authority to nullify the bank's own indemnity agreements.

Talk to your Scarborough man. He is well posted on every aspect of this cover. Or mail the coupon for a specimen policy and quotation.

SCARBOROUGH

the bank insurance people

Scarborough & Company
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Chicago, Ill. 60602

You may send us a quotation on Directors and Officers indemnity Insurance. Enclosed is our current financial statement.

Bank _____

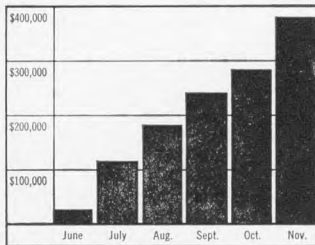
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Prime new territories in Iowa, Neb., Dakotas and Mont. now available. Call or write for brochure plus list of banks presently using our plan.

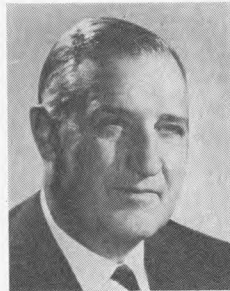


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New Bank of Montreal Executives

AT a recent meeting of the board of directors, R. D. Mulholland was elected president of the Bank of Montreal. He was formerly executive



R. D. MULHOLLAND

vice president and chief general manager.

The presidency was formerly held by G. Arnold Hart in addition to the offices of chairman of the board and chief executive officer, which he retains.

Concurrently, J. Leonard Walker, formerly senior general manager and



G. A. HART

J. L. WALKER

chief operating officer, was appointed senior executive vice president and general manager.

Edward R. Ernst becomes executive vice president, international banking; R. L. Sheard, executive vice president, domestic banking; and Stewart T. Strathy, vice president, international banking.

James Talcott Promotions

Edward A. Murphy has been elected a senior vice president of James Talcott, Inc., it was announced by Herbert R. Silverman, chairman of the nationwide finance company.

Mr. Murphy joins Talcott from the First Western Bank in Los Angeles where he was senior vice president

and head of the Southern Banking division, comprising 44 branches.

Mr. Murphy will be based in the company's Los Angeles regional headquarters. He will be responsible for the company's eight-state Western Region which covers California, Arizona, Washington, Oregon, New Mexico, Nevada, Idaho and Montana.

Walter I. Paine, manager of the Kansas City office of James Talcott, Inc., has been elected a vice president.

Financial General Reports

Pre-tax operating earnings of the 26 banks affiliated with Financial General Corporation amounted to \$15,560,091 for the year ended December 31, 1966, an increase of 11.4 per cent over the \$13,966,836 reported for the previous years, James A. Bancroft, president of the banking group, announced.

Net operating earnings after taxes were \$10,184,454, up 12.7 per cent from \$9,037,332 reported for 1965, while net income after all adjustments increased 16.4 per cent from \$7,497,691 in 1965 to \$8,730,053 for the year just past.

Total assets increased 6.7 per cent to \$1,360,604,573 at year-end 1966, compared to \$1,274,797,671 in 1965. Total deposits at the 1966 year-end were \$1,217,661,260, an increase of 6.5 per cent over the previous year's \$1,142,850,198.

Capital funds were up 5.7 per cent from \$92,085,539 in 1965 to \$97,296,823 at December 31, 1966.

Seattle Building Progress

The Pacific Northwest's tallest building is rising in downtown Seattle.

The 50-story Seattle-First National Bank Building is scheduled for completion in the summer of 1969. The structure will dominate the Seattle skyline, being even taller than the Space Needle which became a landmark during the 1962 World's Fair.

ABA President Suggests Banks Aid Downtown Redevelopment

NATIONALLY known bank executive, Jack T. Conn, has suggested that banks can encourage local businessmen to contribute to central business district redevelopment programs by starting their own projects. The statement came following groundbreaking for his own bank's new downtown facility, a landscaped drive in/walk in operation to be known as an express-garden bank.

Jack T. Conn is president of the

American Bankers Association and chairman of the Fidelity National Bank and Trust Company of Oklahoma City.

Fidelity National's express-garden bank is the first new business building consistent with the federally approved Oklahoma City redevelopment project known as the Pei Plan. Under this plan, 528 acres of the central business district will be renovated or completely redeveloped.

How Come National Fidelity Men Are Interested in Loan Records . . .

... Such as the Cummins Bankers Business Service System?



The Answer Is Simple

National Fidelity men are aware that bankers are continually searching for better, more efficient ways to perform various banking operations. Therefore, National Fidelity men have made it their business always to be alert to any new, but proven, idea that they can bring to their bank customers.

The Cummins Bankers Business Service System is one of those *tested* ideas that already has been accepted by hundreds of banks operating small, medium-sized or large installment loan departments. It is a *prov-*

en system that has helped many banks increase efficiency, cut costs and improve service to customers.

National Fidelity men therefore have no hesitancy in recommending the BBS System to their credit life customers. As a matter of fact, we are so impressed with this system that we have made arrangements with the Cummins-Chicago Corporation to *present* this service to our credit life customers whenever they are interested.

While National Fidelity men are anxious to tell bankers more about the BBS System, they are equally anxious to counsel with bankers on

their insurance programs and to help them install plans *that will provide profits as well as loan security for the bank!* Our new Debt-Cancellation Protector plan, for example, is another recent NFL innovation that provides *safety* for the bank on those short-term, large-payment, heavy-equipment loans!

But if you'd like more information about the Cummins BBS System and how it can benefit your installment loan department, we invite you to discuss this with your National Fidelity man the next time he calls, or a note or phone call to our home office will bring full information.



National Fidelity now ranks among the top 12% of American and Canadian life companies
ASSETS . . \$44.6 Million CAPITAL & SURPLUS . . \$7.1 Million


More than 3,200 midwestern banks are now using the broad insurance portfolio of NFL! Let us show you how NFL programs can benefit your bank. Drop a note to our home office.

One of the Nation's Strongest by Any Standard of Comparison

National Fidelity Life

INSURANCE COMPANY KANSAS CITY, MO. 64106

Northwestern Banker, June, 1967



**For every hour
of every working day
Heller now provides \$1,317,000
to industry.**

Why is this of interest to Bankers?

Lending partnerships with banks (currently about 100 banks in 25 states) have helped our volume surpass \$2½ Billion annually.

But our banking partners have gained something, too.

We've helped them improve portfolio items that cause concern, either too large or too complex. We've helped them take care of good customers who have already reached their limits of unsecured credit.

And above all, we've helped them retain loan customers and deposits they might otherwise have lost.

Yes, we've helped each other.

But then, that's what a successful partnership is all about.

We'd like to send you our brochure, "Heller and Banks in Participation." Drop us a note, or call a Heller office near you.

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Kingston, Jamaica



Security First Reassignments

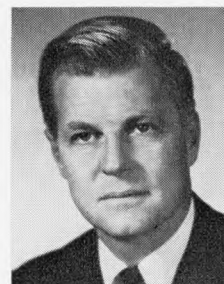
A change of assignments affecting the north central region has been made in the national division of Security First National Bank, Los Angeles.

James C. Barrett, Jr., vice president, formerly head of the north central region has assumed account responsibilities in New York with the north-eastern region.

Bradford Hall, assistant vice president who had been with the northeastern region, responsible for relationships in Illinois, Indiana and Wisconsin, succeeds Mr. Barrett as head of the north central region.

The north central region includes corporate and bank relationships in Colorado, Iowa, Kansas, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wyoming and northern Wisconsin.

Assisting Mr. Hall will be Richard D. Frey, assistant vice president, who



B. HALL

will continue his assignment in the north central region.

Mr. Frey just recently received his promotion to the title of assistant vice president. He is a native of Chicago and moved to California in 1961.

He joined Security First in 1964, starting as a loan assistant in the north



R. D. FREY

J. C. BARRETT

central region. His father, Arthur J. Frey, vice president, Continental-Illinois National Bank and Trust Company, is particularly well-known to Iowa bankers through his work with Continental's correspondent division.

Comptroller Appointment

Appointment of Abraham A. Dash as deputy chief counsel for the office of the Comptroller of the Currency has been announced by Comptroller William B. Camp. Mr. Dash had served as special counsel to the Comptroller since 1965. In his new position, he will have primary responsibility for supervision and administration of all functions of the law department.



“Now for your checks, Mrs. Morrison...”

**A successful,
new approach to
merchandising checks
to New Accounts**

We doubt that there is a “one best way” to merchandise checks to New Accounts. The method used by any bank, if it has been successful in selling checks to nearly all of its customers, is certainly a good one. However, this new approach—a combination of direct sale and the Introductory Check Package—has proved to be a most effective program, yet is one that offers opportunities to further reduce check expense.

Emergence of this new approach, which we call “BUY or TRY,” has been evolutionary since its success is based upon the fact that these days most people are acquainted with Personalized Checks and expect, even desire, to purchase their own. Briefly, the new account customer is shown the selection of available checkbooks and given guidance if necessary. In the

majority of instances the sale is made as a natural by-product of selection. If the customer hesitates, or is unsure of his requirements, he is given the opportunity to “TRY” through the presentation of an Introductory Free Trial Check Package . . . “BUY or TRY”.

The customer either *becomes* a checkbook purchaser or *is retained* as a potential checkbook purchaser through his use of the Introductory Package. The opportunities for reduced check expense lie in practically eliminating the furnishing of free “name only” checks as the initial supply for the new account. Our Representatives have all of the details of this new approach featuring handsome new account kits and “BUY or TRY” order forms and will be pleased to discuss this new DeLuxe program with you.



DELUXE CHECK PRINTERS INC.

20 STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

Northwestern Banker, June, 1967

America's Largest
Underwriters of
Institutional Bonds



IMPROVE PORTFOLIO INCOME with INSTITUTIONAL BONDS

Right now we are able to offer exceptional returns when funds are invested in our Bond issues.

Ready marketability, and serial maturities to fit the needs of any portfolio.

Current yields range from 5½ to 6¼% depending on Bond issue, maturities, 6 months to 15 years.

ON SHORT TERM it will pay you to investigate our Commercial Paper. Maturities range from 1 month to 9 months. Yields are higher than most other short term investment.

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Launch "Young Chicagoan Club"

CENTRAL NATIONAL BANK, Chicago, has adopted a "new concept in banking services" with the formation of full department bank called the "Young Chicagoan Club" for people, married and single, male or female, between the ages of 21 through 30.

Monthly dues are \$2.50 and club members will be eligible for the following benefits at no additional cost:

1. \$5,000 term life insurance policy.
2. 10 free checks a month on their "Young Chicagoan" checking account.
3. A Central Charge card with no additional application beyond the one for membership.
4. 50 per cent off on any safe deposit box.
5. A 90-day breather on the first home mortgage to let members get caught up on the major "moving in" expenses.
6. Free community analysis service while members are shopping for that home with full details on schools, shopping facilities building codes, etc.
7. A "dollar starter" savings account for each little "Young Chicagoan" born to a member.
8. Free seminars run by experts in the field involving members and their finances, e.g.: "the proper use of credit . . . Gourmet cooking on a baked beans budget."
9. Discounts on books in the "Young Chicagoan" library on subjects from taxes to budget vacations.
10. Special "Young Chicagoan" rates on automobile loans.
11. Use of Central National's travel department with members eligible for exclusive "Young Chicagoan" tours such as a "Ski Safari" to Vail, Colorado, or a 21 day tour through Europe at group rates.

The "Young Chicagoans Club" grew out of desire on the part of Central National to provide meaningful services to young adults who could be

using banking services for the first time.

New Regional Officer For American Express

Hal S. Robinson has been appointed regional vice president, travelers cheque division of American Express



H. S. ROBINSON

Company, according to an announcement by Howard L. Clark, president.

Mr. Robinson joined American Express in 1946, and served in various executive capacities till 1958 when he became an officer of Republic National Bank in Dallas. He rejoined American Express in March, 1965, as assistant vice president of travelers cheque division, headquartered in Dallas. His territory includes Texas, Oklahoma, Louisiana, Arkansas, Missouri, Iowa, Nebraska, Kansas, Colorado, Wyoming, and Montana.

Name Mosler Sales Manager

The appointment of Hugh D. Connell to the position of national sales manager—bank division of The Mosler Safe Company has been announced by John E. Hampel, senior vice president—marketing.

Mr. Connell has been with Mosler for three years and has served as special assistant to the vice president—marketing, district manager for the Midwest and Great Lakes districts and regional manager of bank sales. He has a background of more than twenty years in sales management and engineering.

Ozark Sets Record

Marking its best month in 16 years of air transportation, Ozark Air Lines carried 146,624 passengers throughout its mid-western system during March, according to Thomas L. Grace, president.

Plan Marketing Workshops

THE 1967 schedule of special-interest workshops sponsored by Bank Public Relations and Marketing Association gets underway June 25-27 with a session on "Officer Sales Calls" at Chicago's LaSalle Hotel.

The event is open to non-members as well as members of the Associa-

tion. The Association expects an enthusiastic response in the way of reservations, according to Workshop Chairman Raymond J. Kinley.

Additional information and registration/reservation forms are available on request from Bank PRMA, 120 W. Madison St., Chicago 60602.



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\$10,000 to \$250,000. Others include Red Shield Mortgage Protection and Creditor Life Insurance.

And Red Shield tailors this complete package or any part of it, for you, with easy installation, thorough staff training, computer billing and solid promotional support. Nothing dated about these modern benefits. Nor your resulting profit picture.



Write us today for more information on the entire Red Shield package.

The North Central Companies

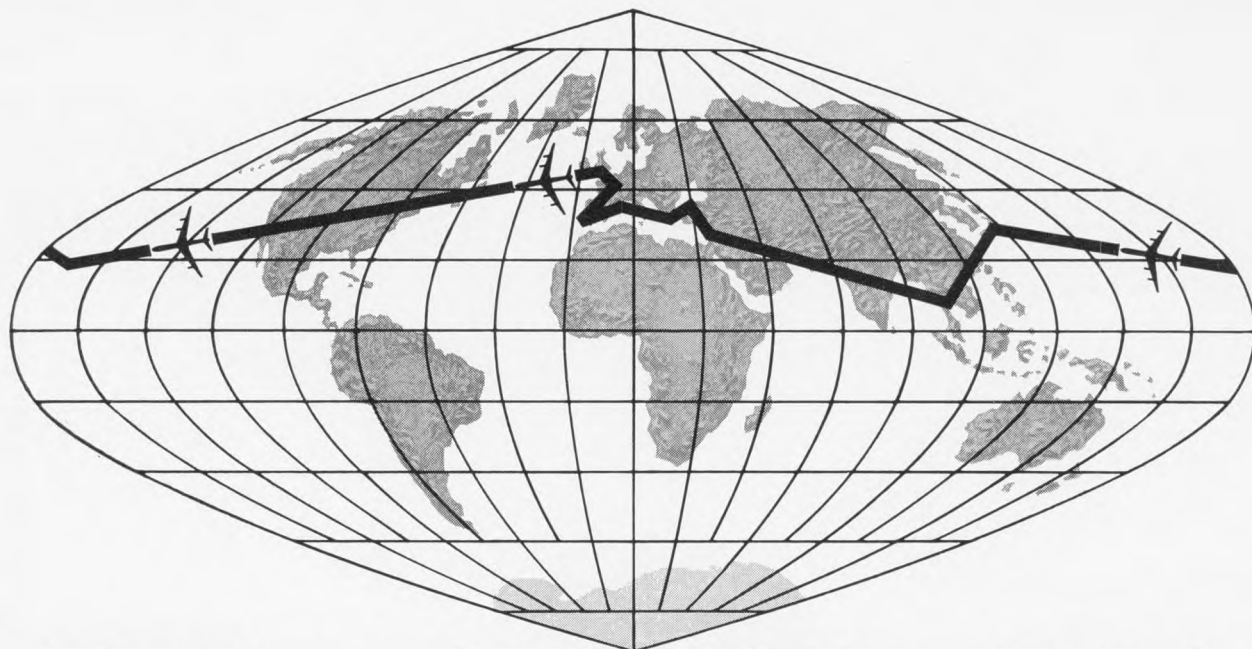
St. Paul, Minnesota



Protection all ways

Maine Fidelity Life, Portland, Me.
North Central Life, St. Paul, Minn.
West Virginia Life, Huntington, W. Va.
Royal Oak Life, Pittsburgh, Pa.

Northwestern Banker, June, 1967



Win the World!

Grand Prize in Bank of America Travelers Cheque Sweepstakes is a round-the-world trip for two.

If you sell Bank of America Travelers Cheques, you can win a once-in-a-lifetime trip: a three-week world tour for two. **And you name the destinations:** Honolulu, Tokyo, Hong Kong, Bangkok, Beirut, Istanbul, Athens, Rome, Nice, Madrid, Lisbon, Paris, London—or wherever in the world you'd like to go. Prize includes first-class jet transportation, accommodations at deluxe hotels, meals, guide services, and all arrangements—plus \$1,000 in Bank of America Travelers Cheques.

Who can enter?

Tellers . . . platform officers . . . *anyone* anywhere in the 50 states who sells Bank of America Travelers Cheques to the public, except employees of Bank of America.

How long does the Sweepstakes last?

It continues all through the summer. Deadline for entries is October 15, 1967. Winners will be determined in a public drawing at Bank of America.

How does it work?

Each time you sell Bank of America Travelers Cheques, just attach an entry blank to each Purchaser's Application.

How can you win?

The more Bank of America Travelers Cheques you sell, the better your chance to win. Be on the lookout for

376 OTHER VALUABLE PRIZES:

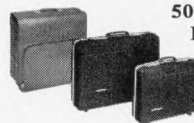


SECOND PRIZE:

A brand-new PONTIAC FIREBIRD!

25 THIRD PRIZES:

Bell & Howell Super 8mm Movie Camera & Projector Sets.

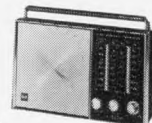


50 FOURTH PRIZES:

Starflite 3-piece Luggage Sets

300 FIFTH PRIZES:

RCA Victor Multi-Band Transistor Radios.



customers who are planning trips. Encourage them to protect their travel funds with Bank of America Travelers Cheques . . . the world's most accepted *bank* cheques. With every sale, you'll improve your chance to win a prize—and your employer will appreciate the extra profits.

CONTEST RULES:

1. When attaching entry blanks to Purchasers' Applications, please use paper clips only. (Bending or stapling makes it difficult for our electronic equipment to process these forms.)
2. No substitute prizes will be awarded. All prizes have been selected by Marden-Kane, Inc. of New York.
3. Tax liability on all prizes will be the sole responsibility of the prize winner.
4. Grand Prize winner must complete the World Tour by October 31, 1968. Winner may choose one or as many des-

tinations as he wishes, as long as the trip is completed within three weeks.

5. The sweepstakes is void where prohibited, taxed or restricted by Federal, State or local laws or regulations.

6. Entry in the sweepstakes constitutes full permission to publish names, addresses and photographs of winners without further compensation.

7. Winners will be determined by a public drawing, held by the Bank of America, from all entry blanks received during the contest period.

8. Winners will be notified by mail upon completion of the drawing. A complete list of winners will be on file at Bank of America, San Francisco.

BANK OF AMERICA TRAVELERS CHEQUES

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



Norwegian Banker's Swiss Chalet

By HAROLD SEVERSON

IT ISN'T too surprising that Mr. and Mrs. Aldrich Iverson of West Concord, Minn., decided to build a rural residence modeled after a Swiss chalet.

After all, their farm is located in the Berne neighborhood of Dodge County in southeastern Minnesota. Descendants of Swiss settlers still live in large numbers in the Berne area and each year the Berne Swissfest is held early in August by members of the Zwingli United Church of Christ. This draws thousands of visitors for a program which features Swiss music and dancing and which is marked by serving of Swiss delicacies.

Mr. Iverson, president of the Farmers State Bank of West Concord, and Mrs. Iverson are not of Swiss descent. Rather, their forebears hailed from Norway. Nevertheless, when they began drafting plans for the new home on their farm, they decided to model it after a typical Swiss chalet.

As a result, a new feature of the Berne Swissfest was started in 1965

and today is called the "Valley Chalet tour." It begins at the Zwingli church and winds its way past the old landmarks of Berne, the farm homes of the area, and down through the hill and into the valley where the Iverson chalet is located.

The Iversons open their home to the visitors attending the Swissfest. Most of the decorating and finishing were done by the Iversons and members of their family. On display, in addition to many interesting antiques owned by Mr. and Mrs. Iverson, are Swiss heirlooms owned by the people of the Berne community. These interesting items are placed about the chalet in their proper places such as you would find them in a typical Swiss chalet.

Although the home was built only two years ago, many parts of the interior are fashioned of the rustic, weathered wood of the barn and former house on the property. The living room and dining room are paneled with siding from the barn. Weath-

ered by years of rain and snow, sun and wind, this paneling is now a warm grey with an occasional touch from the original coat of red paint. Just enough of the red is left to bring out, here and there, the unusual graining of the wood and its knots.

The fireplace and hearth are made of limestone from the rock formations in the Valley. The mantle of the fireplace is an old beam taken from the barn of an area farm. This was a hand-hewn beam and is left in its original condition.

Next to the fireplace is a large coffee table which was made from a Swiss cheese-curing board. A barn door is set into the stairway. It houses a collector's cupboard with a group of arrowheads and other items found on the old Sioux camping grounds arranged on it.

Since the Iversons are of Norwegian descent, their collection of Scandina-

SWISS CHALET . . .

(Turn to page 36, please)

Northwestern Banker, June, 1967

Management Performance

■ In his recent excellent talk, "Charting a Management Course," which he delivered before 200 Nebraska Bankers Association members at their Bank Management Seminar, Mr. Roberts reviewed in detail the management program carefully installed in his bank some years ago. Principal areas he discussed were delegation of authority with responsibility (decentralization); establishing written policies, procedures and goals; continuing appraisal program at the management level; continuing education and communication training for the staff; developing within the staff a personal philosophy and integrity for banking.

The entire talk was warmly received. The following article is the part of his text dealing with the appraisal program at management level.

THE next essential to charting a sound management course is a performance appraisal program at the management level. Its importance at this level is even greater than at lower levels within the organization.

Job Evaluation

We installed an officer job evaluation program about five years ago. This involved several steps. The first was to convince the board of directors that they didn't have to set the salary of every officer in the bank. This comes hard, for involvement with office salaries has been an historical prerogative. With experience they have found that they would really rather talk about total figures and leave John Doe to the mercies of those who know him best and are really responsible for his performance.

Next we had to convince our management staff that this was a better way of doing things. All were assured that the new program would not result in a loss of position, title, or salary, but in greater opportunity. Each man was required to prepare his own job description, with help, of course, from our personnel department and from an outside consultant. This description was reviewed with his immediate supervisor and with the senior officer in charge of each division.

After there was complete agreement as to each officer's responsibilities and his reporting relationships—and this took a while in an amazing number of cases—each job was evaluated by a committee of senior officers representing each of the major areas of the bank. The committee had counsel at first from the management consultants. Each position was evaluated and compared

with a list of previously agreed upon attributes common to management jobs.

Levels for Pay Grades

The next step was the establishment of position levels or pay grades (in our case six of them) with a minimum and maximum salary for each level. Each position was then classified into one of these six position levels as determined by the job evaluation procedure. There are, of course, mechanics for continuous updating of job descriptions, job evaluations, and position levels.

The midpoint between the maximum and the minimum in each range represents the level at which a fully trained competent officer should be compensated. To the extent his performance is below average, his salary should be below midpoint; and if he is an above average producer, he should be paid between the midpoint and the maximum.

Each year a budget for total officer salary increases is established. This figure is determined by discussions between the personnel department and the senior officers in each division. Prior to this discussion the division officer would have made a careful evaluation of his anticipated needs for every officer in his division. These individual estimates are then compared with statistical measures derived from the growth of the bank, various salary studies, and other outside controls. The final budget figure is submitted to me and our board chairman for review and approval.

Management Sets, Reviews Salaries

The total budget is approved by the board of directors, but the setting of individual salaries is left entirely to management. We feel strongly that each officer's immediate superior and his division officer should play a key note not only in appraising performance, but also in determining the level of compensation.

Each individual increase is reviewed by me, but rarely would the actual increase differ from the amount recommended by the supervisor and approved by the division officer. But salary changes are only a by-product of the most important aspect of the entire program—the performance appraisal and review.

Personal Appraisal

We encourage continuous communication between each officer and his supervisor relative to how he is doing, but since we cannot be sure how satisfactorily this is accomplished, we require the preparation of a written

Appraisal

By **NEIL F. ROBERTS**
President
Denver United States
National Bank



CONDUCTING a personal interview with one of his officers as part of the Denver U. S. National Bank's continuing management appraisal program is **Neil F. Roberts**, left.

performance appraisal of each officer once a year.

The appraisal is not just a form with boxes to check. A four-page report divided into nine categories is required, with essay comments about performance in each. The categories are:

1. Knowledge of position.
2. Planning and organizing.
3. Decision making.
4. Management of people.
5. Development of people.
6. Delegation.
7. Cost control.
8. Management attitude.
9. Public contacts.

In addition, there are sections entitled "Major Areas to Improve" and "Special Training Recommendations."

Appraisals Reviewed

These appraisals are not for the purpose of justifying a salary increase or the denial of one, but are to provide an accurate evaluation of the person's performance in each of these nine areas. Ways in which he might do a **better** job are stressed in each category. Not every reviewing officer is equally perceptive, and some hesitate to be as candid and straightforward as is desirable.

But each appraisal is reviewed by the division officer, by an appraisal review committee composed of the personnel officer and three division officers. This is not only to insure that a good appraisal is written, but it also broadens the management point of view of the members of the appraisal committee. I, too, review each appraisal.

This process feeds back to each reviewing officer an appraisal of his appraisal. Some appraisals are considered "not acceptable" and returned to the author to be rewritten because it was not fair, honest, or thoughtful. Often we learn as much about the appraising officer as about the person being appraised. This, too, is part of the program.

Each Person Sees Own Appraisal

The completed appraisal is shown to the person being appraised by his boss, discussed completely, and signed by both parties.

You may well say, "Well, I know old Joe. We understand each other. He certainly knows where he stands with me." But does he? How recently have you really thought searchingly about Joe, about his capabilities,

about what **more** Joe could do if he were helped? How recently have you mentioned his weaknesses? He and you both have some, you know!

The writer of an appraisal has to marshal his thoughts, his facts; he has to support his conclusions to work consciously to **develop** the man being appraised, to help him. It tends to eradicate subjective feelings about one's job on the part of both parties. It gives purpose and direction to a man. It allays uncertainties about how he is doing, how he compares with what is expected of him.

Effective for Any Size Bank

In any bank, regardless of size, use of the appraisal method would be effective in those ways. Even if you see the man every day, working closely with him, you'll be more objective, and so will he. The formality does help a lot. Try it.

With over 100 officers on our staff, we cannot handle all this work on January 1 of each year. We handle appraisals and salary reviews during the first six months of the year, with 14 to 18 officers being reviewed each month. This permits the maximum consideration of each appraisal and does not produce an undue burden on anyone.

The key to the whole program is the care with which each supervisor does his job. He must be interested in each person for whom he is responsible and must develop the ability to be thorough and the courage to be truthful.

When Improvement Will Occur

Improvement in performance will occur only when each individual knows:

1. What his job is.
2. How his supervisor views his performance.
3. His own strengths and weaknesses.
4. He can and will get guidance to do a better job.

Change **will** occur when each individual knows change **must** occur if future goals are to be achieved and future rewards received.

This setup might seem cumbersome and time wasting to those of you who represent smaller banks, but I would suggest that the basic need for appraisal and thoughtful attention to development of management exists in every organization where there are two or more officers. The mechanics are easily adjusted to size considerations.—**End**.

Direct Verification Needs Research



By **LEWIS E. DAVIDS**
*Hill Professor of
 Bank Management
 University of Missouri
 Columbia, Missouri*

THE National Association of Supervisors of State Banks, better known as NASSB, recently released a study on developments in direct verification.

This study and related research in the field has stirred the interest of bankers and examiners of the 53 supervising agencies. As a result, the developments in bank examinations of the last three years deserve review and evaluation. Perhaps a word or two of introduction may be helpful.

Genesis of Direct Verification

Direct verification in a broad sense has been an **auditing** technique used for many years by auditors of commercial businesses. In its simplest form the auditor confirms the specific assets and liabilities shown on a company's balance sheet by contacting the debtors and creditors. In positive direct verification the auditor asks the debtor or creditor to affirm the amounts shown on the company's ledger. In negative direct verification the auditor asks for a reply if the figures shown on the debtors' or creditors' own books differ from those shown on the books of the company he is auditing.

The use of D.V. is standard practice by C.P.A.'s in a thorough audit of a company. Though the public and businessmen have become educated in what D.V. comprises, it has not as yet been fully accepted or widely used in banking.

Several factors recently have led to a somewhat wider adoption and consideration in banks and bank examiners:

- I.** Certified Public Accountants are more frequently being called upon by bank directors to help them perform their legal obligations. The C.P.A.'s have pointed out that D.V. was a needed and proper step to be taken.
- II.** Regulation F and similar legislation is forcing "publicly" owned banks to provide more extensive information to their share holders under an auditor's or C.P.A.'s certification. Auditors and C.P.A.'s are unwilling to certify without D.V.
- III.** Bank supervisors are re-examining their role—especially in light of some increase in number of bank failures. Since 1961 at least 11 banks have been closed because of catastrophic loss caused by peculations of officers and employees. D.V. could have reduced these figures. Though many bank examiners insist that they are NOT auditors, a number have changed their thoughts and accept D.V. as a desirable though limited tool of supervision.

- IV.** The increased use of computers has made it possible to adapt rather simply the computers to determine probability economically and sample size in directly verifying an adequate sample of the bank's assets and liabilities.
- V.** National bank examiners, a few state bank examiners and federal reserve bank examiners, somewhat belatedly it is true, have been gradually experimenting with the method.
- VI.** Other financial institutions, notably S & L's, have been moving vigorously in the area of D.V. Their D.V. leadership has been commendable and helpful in educating the public for over a decade.
- VII.** It is probable that the conservative nature of most bankers has made them more cautious in innovations such as D.V. than, for example, the S & L executives.
- VIII.** It may be that the S & L's felt they needed it more than the bankers.

D.V. Is Not the Whole Answer

Auditors and examiners and students of the subject are quick to point out that D.V. is not the complete solution to peculations and fraud. D.V., however, is a helpful and significant procedure, if it is done correctly and prudently.

One hundred per cent D.V. of all assets and liabilities for all banks would involve a cost for the over 100,000,000 accounts and millions of loans far beyond the cost of bank defalcations. For this reason the only feasible solution is the use of statistical sampling.

The sampling should be carefully designed to achieve the objectives. Unfortunately, the percentage sampling steps in D.V. taken by the Nebraska Department of Banking, by the Department of Banking of Iowa and the Comptroller of the Currency are of questionable statistical validity. All three should, however, be congratulated and encouraged in their willingness to improve the examination and supervision function. Pointing out the statistical invalidity of present practices is not meant to depreciate the bank examiner's efforts or intent.

Comptroller's Instructions

The letter of August, 1966, by the Comptroller of the Currency, in effect, describes the National Bank Examiner's steps to be:

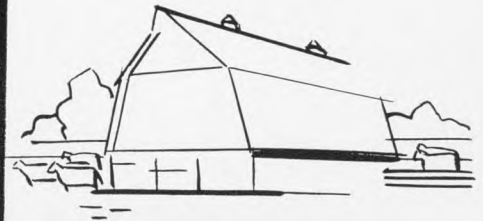
- (1) Verify on a negative basis at least 20 per cent of

DIRECT VERIFICATION . . .

(Turn to page 34, please)



CENTRAL MARKET
Bonded Protection



ON FARM SELLING
No Guaranteed Payment

Livestock Feeders Choice Today!

IF I WERE to ask any livestock feeder who the real money lenders in his community were, he would invariably answer—the banker; the insurance company; the P.C.A.; the Federal Land Bank; or perhaps some retired farmer or businessman, and those answers would be correct with the addition of one more important person: the livestock feeder himself.

Every time he sells a load of steers, hogs or sheep he extends credit to the buyer until the check he receives is finally honored or returned for insufficient funds, so when he sells a load of steers and receives in return only a check, he had better stop and ask himself, "What safeguards have I to guarantee this payment?" If the livestock feeder sells a piece of equipment and the check he receives in payment is returned for insufficient funds several days later, he can generally repossess the equipment but how much luck would he have in trying to get a load of steers or a load of hogs back, six or seven days after he had sold them? Chances are they would be hanging on the hook of an eastern wholesale house or be on the counters of some supermarkets.

Now to answer the question of who has financed this load of steers or hogs for the packer: The answer is the livestock feeder himself.

With more and more small packing houses springing up at off-market points this matter of credit and guaranteed payment is a matter of increasing concern. An extended period of pressure on processor margins (narrow and sometimes non-existent) and tight money have put the squeeze on the capital structure of many packers, causing several to close temporarily or permanently, and in some cases these closings were without being able to pay for all the livestock purchased. It is estimated from U.S.D.A. figures that packers have failed to pay for around \$3 million worth of livestock purchased during the past year. According to the Department of Agriculture's records, 54 packers ceased operations from 1958 through 1964, owing money for livestock in the total amount of \$5 million, and to the Department's knowledge only

\$792,704.77 of this total has been paid, leaving a balance of over \$4 million. Within the last year there have been at least four major cases of packers ceasing operations leaving substantial sums unpaid for livestock purchased. The four packers referred to left \$2,215,491.48 unpaid for livestock purchased and all of these packers had been buying slaughter livestock in the midwest.

What has caused all of the failures? Under capitalization.

The packing industry has typically been under capitalized, especially from the standpoint of working capital, compared to the demands therefor. In this connection slaughtering firms are in a different position. They are supposedly required to pay promptly for the livestock they purchase and yet are forced to wait 10 days to two weeks for their payment for the meat.

An increasing number of packers are leasing facilities and equipment resulting in only limited assets which can be drawn upon. This is evidenced by the fact that of the 1,500 packers purchasing livestock for slaughter and reporting to the P & S Division in 1963, over 187 had net fixed assets of less than \$20,000, and

LIVESTOCK FEEDERS . . .

(Turn to page 102)

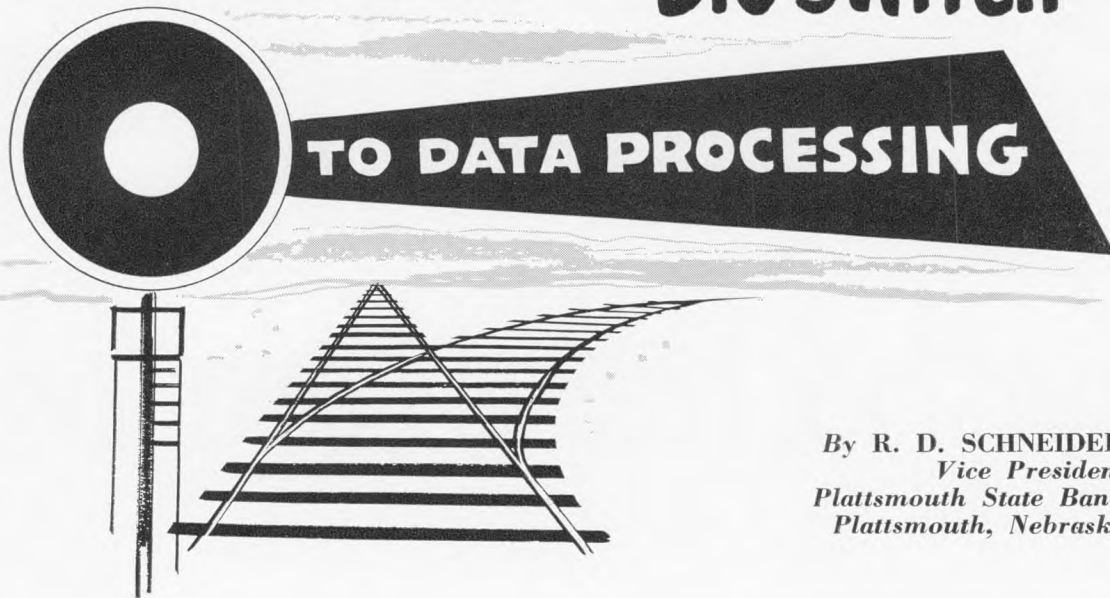


**By T. J.
McCULLOUGH**
President

**First Stock
Yards Bank**

St. Joseph, Mo.

how a country bank made the **BIG SWITCH**



By **R. D. SCHNEIDER**
Vice President
Plattsmouth State Bank
Plattsmouth, Nebraska

THE Plattsmouth State Bank is located in a town of 6,000 population. We have deposits of \$6,000,000 in approximately 3,400 checking accounts. Employees number 14 fulltime and two part-time. We converted to electronic data processing on September 13, 1965.

Our decision to convert was made about October 1, 1964. Shortly after, we began assigning account numbers. In December we began the check campaign which lasted six months. Then the aim was to reach 90 per cent pre-encoded items. In August we reached our goal. At this time, all necessary account information was sent to the computer. These accounts were entered at zero balances and a master file print out was returned to us to prove its correctness. The entire bank staff worked the Sunday morning before conversion proving ledgers and learning the operation of the encoder. The staff had already been well indoctrinated in automation including a tour of the computer center.

Northwestern Banker, June, 1967

Starting Day Work

On the day of conversion, ledger cards were taken to the computer center to enter current balances. This project was completed before our items for that day's business were received. Banker's Dispatch Corporation (BDC) picked up the items at 5 p.m. and left them at the First National Bank by 7 p.m. Processing began immediately and BDC returned the completed work to us by 7 a.m. the next day. This same schedule is still used with complete satisfaction.

Balancing the first few days' work was accomplished with the assistance of a programmer from the computer center. This balancing has become progressively easier and more routine; the few problems that have arisen have been solved to our satisfaction.

Some banks have run parallel operations with the manual and electronic systems to insure proper operation before dropping the old method of posting. We were advised against

this plan and I know of no bank which used it effectively.

Reorganization

Our operations needed to be reorganized to be compatible with computer operations. All checks and deposit tickets must be encoded with both account numbers and amounts. Tellers encourage their use over the counter. To date 90 to 95 per cent of checks and 60 to 65 per cent of deposit tickets are pre-encoded. Every item not pre-encoded means more work for the bookkeepers. Once all items are imprinted with account numbers, each must then be amount encoded.

Transaction codes must appear on all documents to provide the computer with instructions on the correct processing of items. These codes are printed on each item simultaneously with the amount and little additional work is involved since the repeat key on the encoder is utilized. If an item has no transcode, the computer assumes the item to be a regular debit.

Thus routine checks need no transcode.

On top of each batch, whether credit or debit, is placed a document termed a batch header which lists the batch total and batch number. The computer operator must balance the items in each batch to the batch total as a proof for the items we send in. When this proving is completed, the computer is given the go ahead to post the day's items.

Filing and Cancellation

After the items are properly batched and totaled, they are filmed and cancelled simultaneously. The reports we receive from the computer provides enough audit trail so that an individual item can be traced even though there is no alphabetical order in the film. Some banks film the items on return also to take advantage of strict alphabetical order, but we have found this unnecessary in view of the expense involved in double filming and the infrequency of the need to view these items. The cancelling is accomplished at this time to save the work of running them through the micro-filmer twice and so that the items will be non-negotiable in transit. Items rejected by the computer which must then be returned for any reason are hand stamped "not" so the check reads "not paid" on a certain date instead of "paid." This has caused no operational problems.

When the items are received from the computer, they are in account number sequence with only a few exceptions. Deposit tickets are automatically intersorted with the checks so that all items belonging in a customer's check file are filed simultaneously. We return the deposit tickets to the customer the same as checks.

Sight Posting

Sight posting is now done along with check filing. Signature cards and account numbers are part of the check file. These items as well as dates, amounts, endorsements, etc., are scrutinized at filing. Formerly in the manual system this was accomplished prior to posting as well as checking for insufficient items. Now the computer gives us an insufficient list each day, so that part of the posting has been eliminated. Check filers must also exercise caution for checks and deposit tickets lent from one customer to another.

A deletion slip is made for any item which was incorrectly posted. If this error is detected during the first day after posting, the item will be entirely deleted from that account and

will not be listed on the statement sheet. An error detected after one day's work is corrected with a reversal ticket and will be listed as an error correction (EC) on the statement.

Advantages

Accuracy, speed and a more thorough knowledge of our bank are some big advantages of this machine. Detailed information about each day's business is extracted and printed in the form of reports and journals. The input journal provides a printed record of all items read into the computer by the sorter-reader. The items in each batch are read and printed out in the same sequence as we make them up so a good audit trail is established to look up any item on which a discrepancy develops.

- Items which can not be read on the initial input run in the sorter-reader are punched on paper tape as well as all non-dollar entries. These items are printed on the punched paper tape journal (PPT). This PPT is really the computer's ace-in-the-hole. As long as an item has an account number it can be entered in the computer since the operator can correct any errors in this step.

- The transaction journal is a printed report of all accounts with activity on any day. Sequence of posting is determined by the amount. The smallest item is posted first and the largest last. Thus if an account has a \$100 balance and several debit items are to be posted which total in excess of \$100, only the larger items will be rejected for insufficient funds.

- The daily trial balance report is a printed list of each account showing its current condition. This report replaces the old ledger cards until monthly statements are cycled, and is used to answer any inquiries about accounts. We bind this report and place it near the telephone and customer service window.

- The referred items worksheet lists those transactions which require special attention; e.g. dormant account transactions, closed accounts, credits to zero balance accounts and stop payment suspects. The overdraft worksheet lists those accounts which became overdrawn today or had an increase in a previous overdraft balance. Of particular interest in this report is the column showing the number of times an account has been overdrawn in the past four months and the total number of rejected items because of insufficient funds in that same time period.

- The large debits and balance fluctuations report lists those ac-

■ In last month's issue, city correspondent banks reported on data processing progress in their banks, and equipment they have to service country banks. This article tells what one country bank has already done to switch to data processing.

counts on which checks were posted in amounts exceeding \$5,000 or their balance fluctuates up or down by more than this figure. The report entitled "debits in excess of opening balance" is useful in detecting kiting operations. The new account report lists new customer's names and the amount of their deposit.

- The record change report lists all changes in account information. Included in this report are address changes, service charge codes and other non-dollar entries. This is checked each day to insure that no typographical errors were made in account headings.

- The inactive account report is received monthly and lists all those accounts on which there has been no activity for six months or more. These are examined carefully to determine if they should be left in their present status, changed to dormant or closed out with a service charge. Also received on a monthly basis are the "stop payment and hold report" and a list of those accounts with average balances of \$5,000 and over.

- At each statement cycle a "service charge analysis report" is generated which reflects average balances, total number of checks and deposits, number of return items drawn against this account, and profit and loss based on the service charge schedule.

- The computer run is proved each day by comparing the totals we send to it to the totals it posts plus rejected items and hold out items which could not be punched in. At the end of the update run, control totals are printed out which lists debits entered, debits rejected and debits posted. These figures are easily compared to the total of all the batches sent. Any difference will be the hold out items on which there was no account number. These hold outs are listed by the computer operator as deductions from the batch in which they were originally entered. This balancing operation is quite simple and in practice is accomplished in a minimum amount of time. Hold out items are held as cash items, corrected and entered in the work the following day. This same procedure is used to balance the credits.

BIG SWITCH . . .

(Turn to page 32, please)

Coin Exchange Days Draw Big Crowds

TWO banks that have conducted successful business promotion campaigns centered around coin exchange are First National Bank of West Point, Neb., and Mount Greenwood Bank in suburban west Chicago.

The First National Bank published a large ad in the local West Point paper announcing "Another 1st! . . . at the First National . . . Automatic Coin Counting and Sorting!" The public was invited to bring in coins and use the coin sorter available in the lobby. "Now, no more waiting. Sorts and counts mixed coins. This is just one more service at your full service bank. We WELCOME your mixed coins."

Coin Day was then listed for the following weekend and \$30 in cash prizes were offered; \$10 for the most half dollars, and \$5 each for the most quarters,



dimes, nickels and pennies. Eldon G. Freudenburg, executive vice president, reports that everything was received **except** half dollars, and a total of

\$3,000 in coins was put back into circulation.

The bank got an old trunk labeled it "Treasure Chest," placing it in the lobby with the coin counter, as well as signs all over the lobby asking visitors to "Open Savings Accounts with your coins." Mr. Freudenburg says the people had a great time running their coins through the counter, and some of them opened new savings accounts.

At the Mount Greenwood Bank, a sidewalk sale by Mount Greenwood merchants prompted bank officials to have a money sale. At a table on the sidewalk beside the bank, new \$1 bills were sold for 95 cents each in change (limited one to a customer).



Another special the bank offered was a mystery gift for each new checking account opened in the amount of \$50 or more. Patronage at the money exchange table was heavy throughout the day, as noted in the accompanying picture, and a considerable volume of coins were returned to circulation. —End.

BIG SWITCH . . .

(Continued from page 31)

- The control totals not only list the amounts of debits and credits, but also the number of items posted and rejected as well as the service charges at statement cycle times, the number of non-dollar entries made and the opening and closing totals of demand deposits. Our general ledger entry to demand deposits always agrees with this closing balance according to the computer.

- Other information given by the control totals is the number of demand deposit accounts, all new and deleted accounts, and the number of accounts active in that day's business.

- We schedule two statement cycles to handle 3,400 accounts. Special accounts are printed out the 15th of each month. The regular cycle is flexible, but is normally three working days prior to the first day of each month.

No bookkeeping system is without disadvantages. Off-premises computer operations require that items leave your bank which exposes them to loss and destruction. Adequate insurance and microfilm are the best protection. Insurance carried by Banker's Dispatch Corp. provides coverage up to \$75,000 for reconstruction of the items or reimbursement of non-traceable items. Additional insurance may be available under the banker's blanket bond.

The other major problem area is limited program divergence. A master program is set up on the computer by the servicing bank. Major changes to this program are prohibitive in terms of both cost and time. Minor adjustments are possible for each individual bank such as service charge schedules, statement formats, etc. On the whole, however, one must accept the program of the servicing bank. In our case, we have not found any serious flaws in the pro-

gram. The program was established and programmed by several experienced programmers, so that virtually all facets have been covered and no omissions were made.

Planning Is Essential

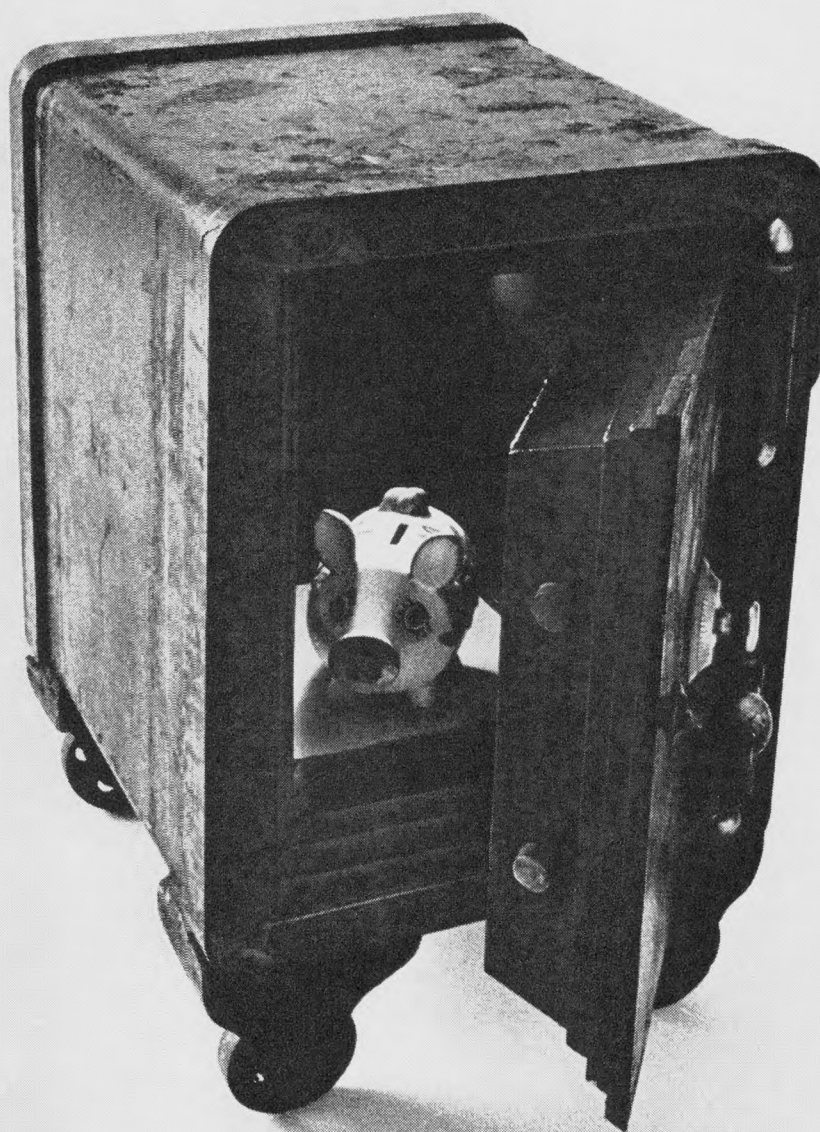
If you decide to avail yourselves of this electronic miracle, do not attempt to convert too quickly. Planning and preparing are essential to success. I would recommend converting after you reach 85-90 per cent pre-encoded items. You will have problems and frustrations but they can be hurdled. Insure that your entire bank staff is sold on the program and then educate them thoroughly prior to conversion.

Our zeal for electronic banking is high and we recommend it to those banks which can justify it. Hundreds of conversions have been made in the past and thousands will be made in the future. I do not know of any automated bank that is not enthusiastic about their operation.—End.

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Talk to us for advice about raising money through the sale of additional stock or debentures. Or when you wish to set up guidelines for application of funds to capital and surplus. Or even if you're contemplating sale of the bank or the construction of a new building. We advise our correspondents in all these areas. But only after we've thoroughly analyzed your needs. That way, we never end up guessing. And you never end up with anything but specific recommendations tailored to your situation.



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Northwestern Banker, June, 1967

Direct Verification . . .

(Continued from page 28)

deposit accounts and use positive verification where disparities appear.

(2) Verify on a negative basis at least 20 per cent of the bank loans.

(3) Check at least 20 per cent of all notes on which lines have been taken off for review.

(4) Negatively verify at least 20 per cent of all checking and savings accounts closed between examination.

(5) Audit for a minimum of a month all income and expenses of the bank so as to determine that all income has been properly credited and all expenses are proper.

The Comptroller's letter was later modified to permit a smaller percentage sample if performed by a capable outside accountant.

A fairly technical article appearing in **Auditgram** in October, 1965, which was co-authored by two professors of statistics and myself, illustrates the statistical deficiencies of use of percentage samples (which are used by the Comptroller of the Currency, and the Banking Department of Nebraska and Iowa).

Conclusion

Undoubtedly, there will be an increased use of D.V. by examiners. The Federal Reserve Bank of Dallas now is leading the way for the Federal Reserve System. More stat examiners are encouraging banks to adopt it. The idea is basically good. Unfortunately, the present implementation of the D.V. technique has some serious de-

ficiencies from both statistical and operational point of view.

There is a great deal of serious research that should still be done to make sure that the adopted technique of D.V. is sound. This should be an no-controversial area since the goal is improved banking. Yet those concerned and advised appear reluctant to do themselves or to sponsor the statistical and field research that obviously is needed.

The results are several:

(1) Directors and stockholders of banks which assume that present D.V. techniques are fully effective are misled.

(2) The extensive added costs of D.V. are not justified (in some actual bank cases, examination costs in which D.V. has been used have more than doubled the cost of previous examination without D.V.).

(3) Whole areas of reliability of negative verification, and numbers of accounts which cannot verify because of unreconciled balances, should be rigorously studied.

(4) It is thus possible that what is a good, valid and needed step, if properly done, may be discredited.

(5) There appears to be the distinct probability (if the S & L experience is any indicator) that outside C.P.A.s rather than bank examiners will wind up doing the great bulk of D.V. In this event the accounting profession should be provided with instructional and procedural material for conducting D. V. along meaningful and statistically sound lines.

It is wasteful to expend effort improperly when it is possible to do a much better job with the aid of some needed and basic research.—End.

(Editor's Note: The author strongly supports the efforts of Nebraska and Iowa departments of banking in the area of direct verification, but wishes to point out a statistical weakness of the approach being used in these two states and by the Comptroller of the Currency.

Dr. Davids feels there are a number of features of these approaches which raise statistical questions about costs and related objectives. In an article authored by him 18 months ago in collaboration with two professors of statistics, the specific subject of direct verification was discussed in detail at which time he stated:

"There is a fairly widespread belief that a larger sample is required when sampling from a large population than when sampling from a small population. This concept frequently is formulated in terms of requiring a percentage sample to be taken.

"From a statistical point of view a percentage sample has very little grounds for justification. The use of percentage samples inevitably will lead to the taking of larger samples than necessary, at perhaps substantial additional cost, in order to achieve a desired objective. . . . We only wish to point out here that the size of sample taken depends on the objective one has in mind and not on sample size relative to population size. . . .")



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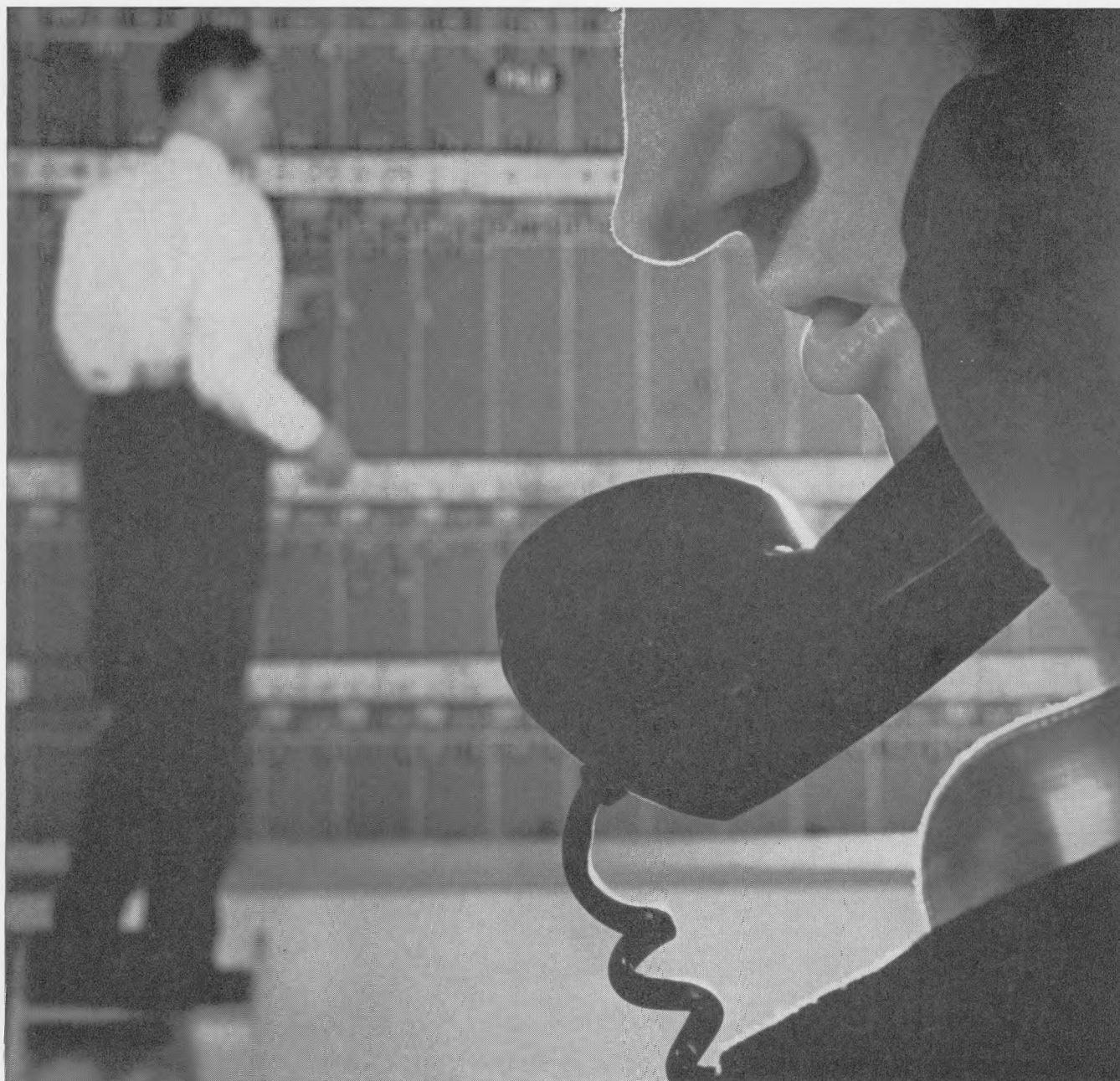
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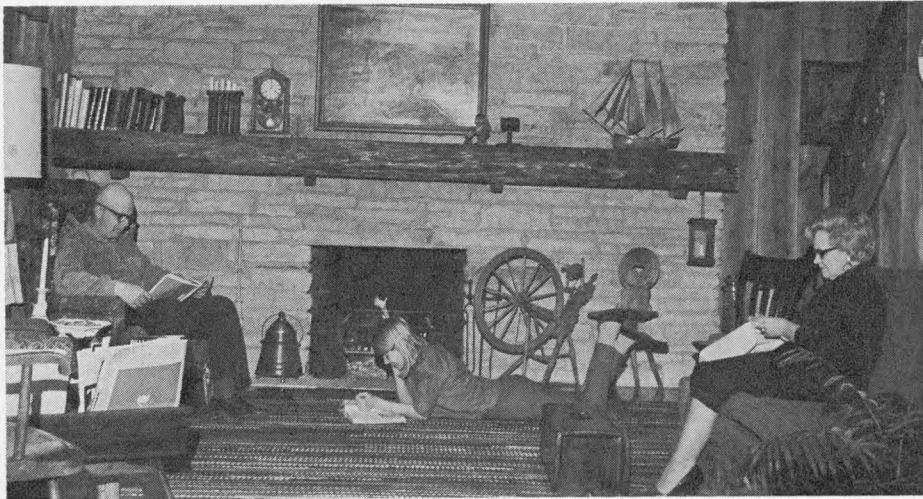
Northwestern Banker, June, 1967

Swiss Chalet . . .

(Continued from page 25)

vian antiques enhances the setting. One of the oldest is a Norwegian cupboard with diamond-shaped windows in the two lower doors. The windows are fitted with cheesecloth curtains such as those which shielded butter and milk from flies but permitted air to enter.

Painted wooden doors and accents are in barn red. The cutout bannister is ready for rosemaling, a Scandinavian decorating art acquired by one of the daughters, Mrs. Lawrence (Nancy) Agerter of St. Paul. The couple's other daughter, Dahn, is a student in the West Concord schools.



MR. AND MRS. ALDRICH IVERSON and their daughter, Dahn, relax in the living room of their chalet home. Mantle over the fireplace is a hand-hewn beam from an old barn.

Mrs. Iverson has a cozy kitchen of stained knotty pine car siding, accented with her trivet collection above the cupboards. Black iron hinges and handles add to the chalet look.

The downstairs bathroom is a montage of Civil War newspaper reproductions. The papering was done by members of the family.

The newspaper reproductions provide an unusual slant for bathroom reading.

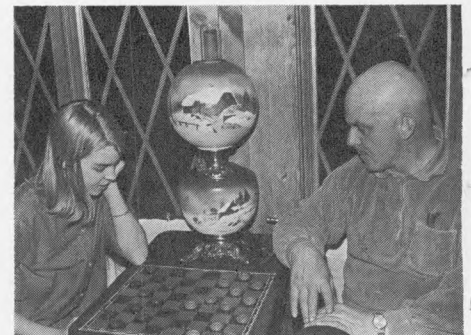
"We intentionally placed some of the personals and more interesting sections of the newspapers where they would provide easy reading," comments Mrs. Iverson.

Another unique treatment to be seen in a modern home is the straw ceiling in upstairs rooms.

"We had the bedroom ceilings troweled with a heavy plaster mixture and then my husband and I just threw the straws up to the plaster," Mrs. Iverson explains.

Some of the rough straw gives off golden glints when the sunlight strikes it. The straw-plaster mixture is found in many European homes.

A look into the guest room reveals a Victorian iron bed with a pair of



SWISS CHALET WINDOWS serve as background for a friendly game of checkers between Mr. Iverson and daughter Dahn, a student in West Concord elementary school. Another daughter, Mrs. Lawrence Agerter, of St. Paul, is the family's expert in the Norwegian art form of rose-malling (decorative painting).

high button shoes propped against it. The daughter's room features twin beds with red and white quilts. The rooms give an atmosphere reminiscent of the Switzerland of Heidi's day.

Someday the Iversons hope to convert their basement level into a replica of a country store complete with the old-fashioned counters and containers. It will retain the charm of the early shops.

Both bedrooms have balcony views and the south bedroom has an especially scenic view of the green valley.

—End.

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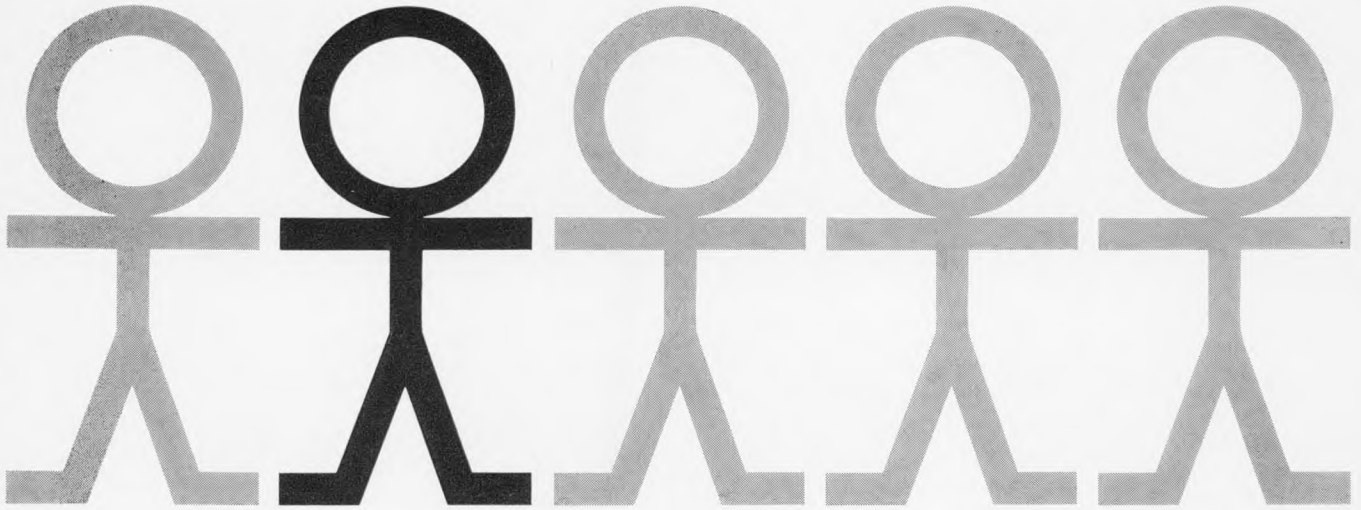
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Massey-Ferguson Inc.
Des Moines, Iowa

Northwestern Banker, June, 1967



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STATEMENT OF CONDITION

APRIL 25, 1967

RESOURCES

Cash and Due from Banks	\$179,395,408.40
U. S. Government Obligations	77,643,918.30
Other Bonds and Securities	62,211,075.60
Loans and Discounts	455,278,390.58
Customers' Liability on Acceptances	2,561,475.35
Income Earned but not Collected	2,276,729.68
Bank Premises, Furniture and Fixtures	7,258,798.82
Other Resources	2,002,685.03
Total Resources	\$788,628,481.76

LIABILITIES

Deposits	\$673,432,914.53
Federal Funds Purchased	25,400,000.00
Accrued Interest, Taxes, etc.	3,043,546.95
Unearned Income	5,540,285.91
Liability on Acceptances	2,561,475.35
Reserve for Possible Future Loan Losses	8,866,992.31
Capital Notes, due 1990	10,000,000.00
Capital Stock	25,000,000.00
Surplus	25,000,000.00
Undivided Profits	9,783,266.71
Total Liabilities	\$788,628,481.76

NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS

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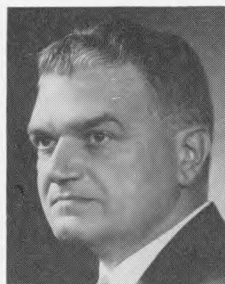
R. J. HUBBELL



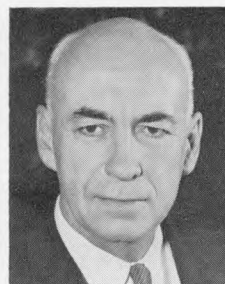
K. A. WALES



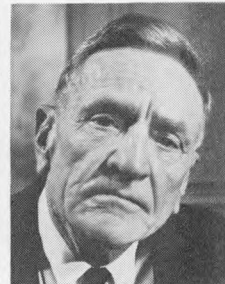
J. H. LAERI



W. A. STRAUSS



DR. R. GILRUTH



CASEY STENDEL

St. Paul to Host Minnesota Bankers June 12-14

AN OUTSTANDING program has been arranged for the 77th annual convention of the Minnesota Bankers Association scheduled at the St. Paul Hilton Hotel, St. Paul, June 12-14, according to Kenneth A. Wales, MBA executive secretary.

Robert J. Hubbell, president, Eastern Heights State Bank, St. Paul, is president of the Minnesota Bankers Association. The MBA nominating committee has nominated Paul W. Ganrud, president of the Swift County Bank, Benson, to succeed Mr. Hubbell at the state convention. He is currently serving as MBA vice president. Nominated for 1967-68 vice president is J. J. Choromanski, president, Crystal State Bank. A. Dan Fiala has been nominated for a second one-year term as treasurer. The complete convention program follows:

Monday, June 12

A.M.

8:00 Annual Men's Golf Tournament—Southview Country Club, West St. Paul.

P.M.

1:30 Golf Tournament concludes.

4:00 Registration Opens—Ballroom Lobby (Lower Level), St Paul Hilton.

4:00 Hospitality Rooms Open.

Tuesday, June 13

A.M.

8:30 Registration—Ballroom Lobby.

9:30 First Business Session—Call to Order—Minnesota Ballroom West.

Presentation of Colors.

Greetings from the Mayor of St. Paul—The Honorable Thomas Byrne.

Report of the Resolutions Committee—Marvin R. Campbell, chairman, and president, First National Bank, Crookston.

Adoption of Resolutions.

Report of Executive Secretary — Kenneth A. Wales.

"Keeping Pace With Tomorrow"—Ira M. Hayes, special assistant to the vice president, National Cash Register Company, Dayton.

11:30 Announcements and Recess.

11:30 Pioneer and Past Presidents' Club Reception and Luncheon.

11:30 Minnesota Club, Central States Graduate School of Banking, Reception and Luncheon.

P.M.

2:00 Second Business Session—Call to Order—Presiding, President Robert J. Hubbell.

Address—ABA Vice President J. Howard Laeri, vice chairman, First National City Bank, New York.

American Bankers Association Meeting and Election—George B. Phillips, ABA state vice president, and vice president, Wright County State Bank, Monticello.

Report of the Nominating Committee—Horace F. Chamberlain, chairman, and president, Valley National Bank, LeSueur.

Election of MBA Officers.

"Space Services—New Tools for Solving Man's Problems On Earth"—Dr. Robert R. Gilruth, director, NASA Manned Spacecraft Center, Houston, Tex.

4:15 Announcements and Recess.

6:00 First Night Party—Buffet Dinner and Casino Night—Minnesota and Capitol Rooms.

Wednesday, June 14

A.M.

8:30 Registration—Ballroom Lobby (Lower Level).

9:30 Third Business Session—Call to Order—Presiding, President Robert J. Hubbell.

Address—Marvin L. Rye, Commissioner of Banks, State of Minnesota.

MBA President's Address—Robert J. Hubbell.

"Where There Is No Vision, People Perish"—James E. Dornoff, sales consultant, Milwaukee, Wis.

11:30 Announcements and Adjournment.

12:00 Men's Luncheon—Wabasha Hall.

Awarding of Golf Prizes.

P.M.

2:00 Fourth Business Session—Call to Order—Presiding, President Robert J. Hubbell.

"The Banker's Role in Industrial Development"—W. A. Strauss, president, Upper Midwest Research and Development Council, and president, Northern Natural Gas Company, Omaha.

"Motivation and Living"—Marilyn Van Derbur, former Miss America.

Address—Charles D. "Casey" Stengel, former manager of New York Yankees and New York Mets, Glendale, Calif.

5:30 Reception—East Patio.

7:00 Gala Annual Banquet—Minnesota Ballroom. Introduction and Installation of New Officers. Entertainment.

9:30 Dancing to Blue Barron and his Orchestra.

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Representative
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We cordially invite
you and your associ-
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Hospitality Suite,
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the Minnesota Bankers
Convention

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Northwestern Banker, June, 1967

St. Paul Committees Planning Minnesota Convention Activities

PHILIP H. NASON, president, First National Bank of St. Paul, is general convention chairman of the 77th annual convention of the Minnesota Bankers Association scheduled St. Paul, June 12-14.



P. H. NASON

Members of the general committee for the convention, in addition to Chairman Nason, are H. William Blake, president, Northwestern National Bank; John F. Nash, president,

assistant vice president, Northwestern National Bank, St. Paul.

Speakers' Reception: James A. Ritt, vice president, Midway National Bank, St. Paul.



G. S. ANDERSON B. A. MALCOLM

Registration: Donald L. Smith, assistant vice president, First National Bank, St. Paul.

Honor A. H. Haakenson

Prominent bankers from throughout the upper midwest gathered in Austin recently to honor A. H. Haakenson on the occasion of his retirement as president of the Austin State Bank. He will continue as chairman of the board.

Succeeding Mr. Haakenson as president is Carl W. Beireis.

Mr. Haakenson came to Austin in October, 1940, as assistant cashier. He advanced to the presidency in January, 1949. During his career in Austin, he held major offices in county and state banking groups, as well as in local civic, fraternal and church groups. He has won innumerable honors and plaques for his many community services.

New Westbrook Building

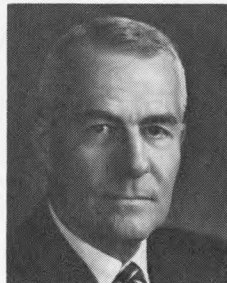
The Westbrook State Bank now has a new home.

Two buildings had been combined and rebuilt in one large, modern banking facility.

The Westbrook State Bank had been housed in its former location since it was chartered in January, 1946.

Joins Cokato Bank

Wayne L. Wilson has assumed duties as assistant cashier and manager of the insurance department of the State Bank of Cokato. Mr. Wilson, who was associated with the First National Bank of Miller, South Dakota, before coming to Cokato, has 15 years experience in insurance and banking.



H. W. BLAKE



J. NASH

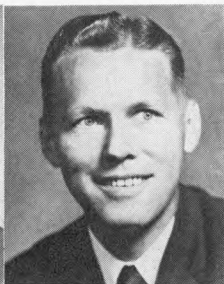
American National Bank and Trust, and Dr. A. E. Ritt, president, Midway National Bank, all of St. Paul.

Additional committees and chairman for each are as follows:

Banquet and Entertainment: David A. Shern, vice president, First National Bank, St. Paul.



D. L. SMITH



D. A. SHERN

First Night Party: Donald H. Johnson, assistant vice president, American National Bank and Trust Company, St. Paul.

Golf: Donald Hasslerud, executive vice president, Minnesota State Bank, St. Paul.

Hotel and Transportation: David R. Fesler, vice president, Liberty State Bank, St. Paul.

Ladies' Luncheon: Miss Betty Ann Malcolm, assistant cashier, Stock Yards National Bank, South St. Paul.

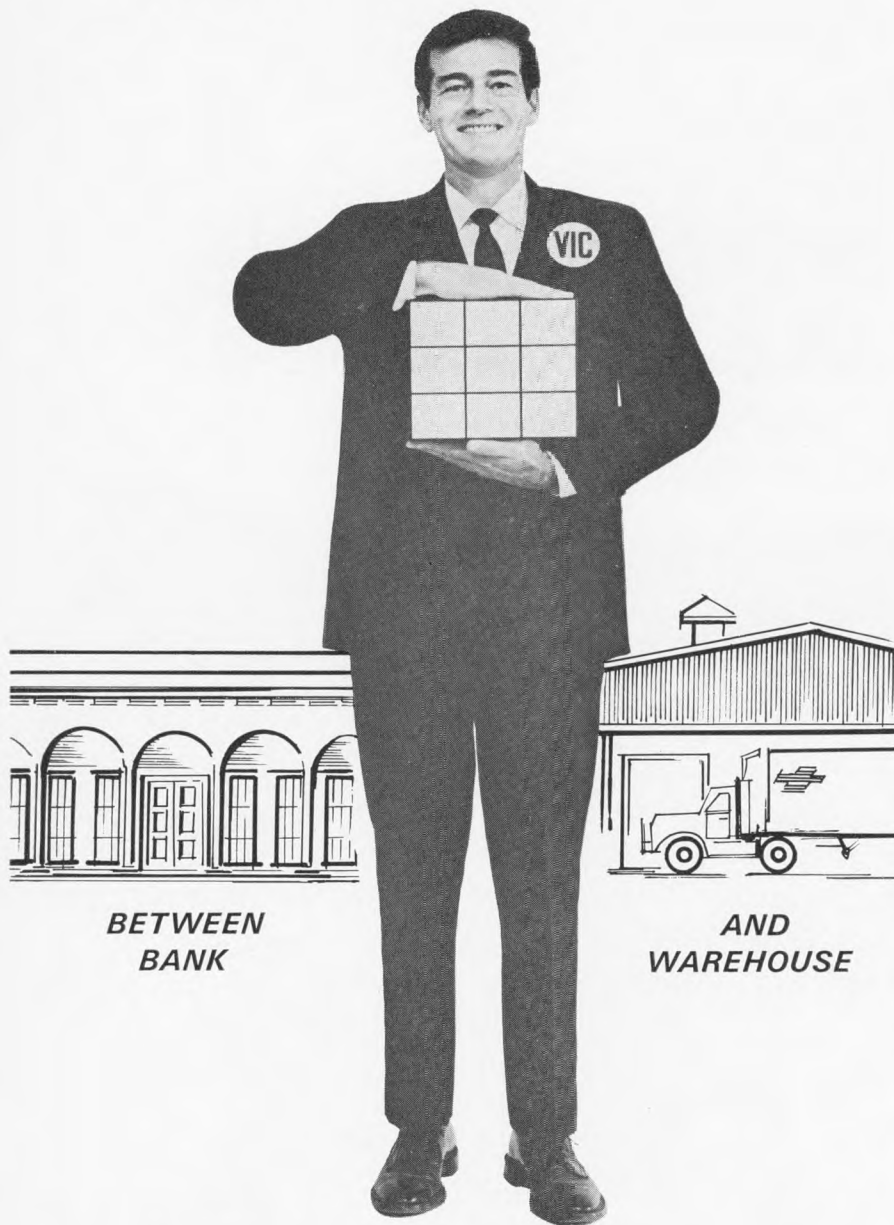
Publicity: Goodwin S. Anderson, as-

We're heading for St. Paul
 and the **M.B.A.** convention!
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 at the St. Paul Hilton.



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Northwestern Banker, June, 1967

New Service Protects Bank Against Mobile Home Loss

A new insurance service in the upper midwest for the insuring of direct loans and dealer contracts on mobile homes, travel trailers and campers is being offered by Bankers' Agency, Inc., of Minneapolis. F. Paul Hargarten, president of the firm, states that this insurance coverage provides the bank with complete loss protection in the event of repossession or other credit loss.

The service provided by Bankers' Agency, Inc., includes dealer solicitation and general mobile home business development through mail solicitation and advertising media. Mr. Hargarten said his firm also assists the bank to offer a non-recourse program to dealers, who traditionally have had to sign recourse on all the business they developed. The program not only gives the bank loss protection, but a high yield add-on rate in the bank's installment loan department.

Bankers' Agency represents a major insurance company which works through banks and service companies such as Bankers' Agency on a nationwide basis. The new firm presently represents banks in the states of Minnesota, Wisconsin and Illinois. The agency is expanding into the states of Iowa, Nebraska, South Dakota, North Dakota and Montana.

Mr. Hargarten announces that any bank wishing a complete brochure on the facilities of Bankers' Agency, Inc., may obtain a copy by writing him at the company's address, 621 North Lilac Drive, Minneapolis, Minn. 55422.

Brownsdale Remodels

The State Bank of Brownsdale has completed the remodeling and re-decorating of its inner offices.

In addition to the remodeling and re-decorating new furniture has been added to compliment the decor.

Crookston Open House

The First National Bank of Crookston held open house recently to mark the tenth anniversary of its new building and to commemorate its 86th year of banking business.

Family Fishing Guide

The mighty muskie is featured in the 1967 edition of the Northwestern Banks' Family Fishing Guide now available free in the Northwestern Banks of the Twin Cities area.

The thirty-two page booklet contains synopses of fishing laws and regulations for Minnesota and surrounding states plus the Canadian provinces of Manitoba and Ontario.



Our partner in time. Speed is the name of the game. Midland's Doug Johnson and John Ordos call the signals and their clever friend is fast with the answers. We've got the winning combination to solve banking problems: Transits, investments, credits, operations, collections, and personal services. Midland correspondents are only a phone call away with skill, experience, and computer-fast service.

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Northwestern Banker, June, 1967

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ates to visit us in our
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You Will See Them June 12-14 At the Minnesota Convention

THE following metropolitan bank-
ers, investment men, service and
equipment dealers have indicated
they will be attending the annual
Minnesota Bankers Convention in St.
Paul, June 12-14:

Chicago

**American National Bank and Trust
Company:** J. Roy West, assistant vice
president.

**Continental-Illinois National Bank
and Trust Company:** James P. John-
son and Charles W. Battey, vice pres-
idents; Paul Jonescuc and Samuel D.
Addoms, assistant cashiers.

First National Bank: Nevin G.
Bowser, vice president, and C. E.
Cross, Jr., assistant cashier.

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

Duluth

First American National Bank:
E. W. Collins, president; C. C. Lind,
executive vice president; Walter L.
Frederickson, vice president, and
John R. Oltmanns and Henry Royer,
assistant cashiers.

Northern City National Bank: C.
Glenn Rye, president, and Lynn B.
Duncan, assistant vice president.

Minneapolis

First National Bank: George S.
Henry, vice president; Edward L.
Kalafat, assistant vice president; Bob
Gruman; David Boies, assistant secre-
tary, and Dean Tollefson.

Marquette National Bank: R. W.
Crouley, senior vice president; Avery
G. Fick, assistant vice president;
Otto H. Preus, vice president, and
Stewart Stotesbery and W. J. Adding-
ton, correspondent bank representa-
tives.

Midland National Bank: Douglas M.
Johnson, vice president, and John W.
Ordos, assistant cashier.

National City Bank: C. Bernard
Jacobs, president; S. L. Jerpak, chair-
man of the executive board; W.
Andrew Boss, vice president; Patrick
W. Colbert, Jr., vice president, and
William Wohlenhaus, correspondent
bank officer.

Northwestern National Bank: C.
Paul Lindholm and Robert G. Ziemer,
vice presidents; Robert E. Dahl, assist-
ant vice president, and Eugene
Axness, Paul E. Koch, Floyd J.
Stewart, Frank T. Lewis, and Gerald
T. Tovsen, assistant cashiers.

New York

Chase Manhattan Bank: John C.
Archibald, assistant treasurer; Alden
K. Small, second vice president, and
John P. Lees, representative.

**Chemical Bank New York Trust
Company:** Grenville H. Paynter, vice
president, and Richard G. Hall, assist-
ant secretary.

First National City Bank: C. Nor-
man Gustafson, assistant cashier, and
Anthony T. Ellis, vice president.

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

**Manufacturers Hanover Trust Com-
pany:** John F. King, vice president,
and Carl G. Carlson, assistant vice
president.

St. Paul

American National Bank: John F.
Nash, president; Art A. Haessig and
Robert E. Sipple, vice presidents;
John D. Cleary and Donald H. John-
son, assistant vice presidents, and
Truman W. Porter, representative.

First National Bank: P. H. Nason,
president; W. L. Boss and D. A.
Shern, vice presidents; J. T. Gowan,
L. R. Kennedy, H. N. Snyder, and
R. C. Swanberg, assistant vice presi-
dents; E. R. Cunningham, assistant
cashier, and R. E. Brue, division
assistant.

**Stock Yards National Bank (South
St. Paul):** Larry Broom, president,
and Hoyt Lathen, vice president.

Service and Equipment Firms

**Bankers Service Corporation, Des
Moines:** Robert C. Wilson, president,
and Henry H. Byers.

**Central States Health & Life,
Omaha:** Bill Hoffman.

**Dawson Hail Insurance, Fargo,
North Dakota:** Jim Dawson and Lyle
Askerooth.

Diebold, Inc., Minneapolis: Lee J.
Sutton, Ralph M. Kelley and Paul
Keller.

**New York Terminal Warehouse Co.,
St. Paul:** R. C. Schall, senior vice
president, and R. P. Larkin, assistant
vice president.

North Central Companies, St. Paul:
J. Robert Stassen, Wil Rogers, Bill
Stohr, Roger Pulrabek, Robert Rumm-
ley and Frank Haas.

**Old Security Insurance Co., Kansas
City:** F. N. Coulson, Jr., vice presi-
dent; Ross Forbis, vice president, and
D. L. Huson, regional representative.

St. Paul Insurance Companies: Ell-
wood E. Linder, bond supervisor, and
Richard Stengel, bond supervisor.



• John Mullen—Call 221-9643

• John Wooldrige—Call 221-9645

• John Raymond—Call 221-9466

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Sound intriguing? We invite you to get sound advice and best selection by calling our Municipal Bonds Department—or call the three Johns direct by dialing their secret “code” numbers above.

Municipal Underwriting Department

First National Bank of Saint Paul

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, June, 1967



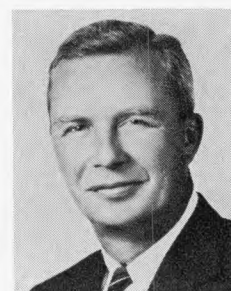
A GROUP of four workshops for personnel, operations, audit, and accounting, have been announced by

NABAC, The Association for Bank Audit, Control and Operations, for the period of June 14-16, in St. Paul, Minn., at the St. Paul Hilton Hotel.

NABAC workshops are three day programs limited to 15 for each workshop session.

* * *

Edward S. Brown, Jr., has been elected executive vice president and director of the National City Bank of Minneapolis.



E. C. BROWN, JR.

Mr. Brown was formerly vice president in charge of national accounts at First National Bank of Minneapolis.

The position of executive vice president has been vacant since **C. Bernard Jacobs** moved up to the presidency of the bank in January, 1966.

* * *

Hugh D. Galusha, president of the Federal Reserve Bank of Minneapolis, announced the appointment of **James H. Hammill** as director of public information, a new position at the Minneapolis Federal Reserve Bank. Mr. Hammill assumed the post on June 1 after serving as administrative assistant to O. Meredith Wilson, president of the University of Minnesota, since February, 1955. Mr. Hammill was previously a member of the bank and public services department at the Reserve Bank. He will rejoin that department.

* * *

Miss Marion Klostermann, presently women's chairman for the Saint Paul Chapter American Institute of Banking has received a national appointment to serve as a member of the Institute's National Women's Committee for the term of 1967-68.

Miss Klostermann, a secretary for the American National Bank and

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

STOCK YARDS NATIONAL BANK

South Saint Paul, Minnesota

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WHEN IT COMES TO overline loan service, you want the help of a banker who knows his business thoroughly. With 23 years in correspondent banking at First of Minneapolis, Richard O. Weyrauch qualifies as a top-notch veteran. Add another 10 years' experience—most of it in the investment department—and you'll understand why hundreds of southern Minnesota and Iowa bankers choose Dick as their correspondent representative. You'll value his help with loans, credit investment or any of your banking problems. Ask him to tell you about our bond portfolio analysis and other computerized services. Call Dick or any member of the Correspondent Bank team anytime at **612-334-4141**.

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Northwestern Banker, June, 1967

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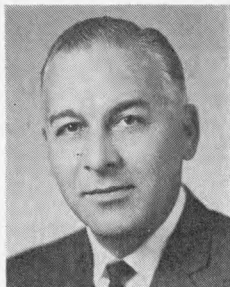
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Trust Company, has been an active member of the organization—serving in nearly every capacity of the local chapter during the entire 16 years employment at her bank.

* * *
Alan H. Moore has been elected president of the board of Eitel Hospital, Minneapolis. He is the first non-medical man to head the hospital's board in its 55-year history. Mr. Moore, vice president of the First National Bank of Minneapolis, had been a director, and secretary-treasurer, of Eitel for 10 years.

* * *
Bernard Borash, American National Bank and Trust Company, St. Paul, is the new president of the St. Paul Chapter of the American Institute of Banking. **Miss Ann Tischler** from the Cherokee State Bank is incoming women's chairman.

* * *
Robert S. Branham, president of the Northwestern National Bank of



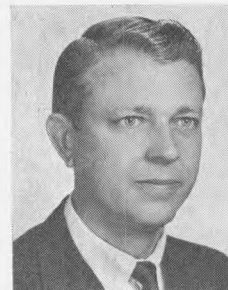
R. S. BRANHAM

Rochester, has been elected senior vice president of Northwest Bancorporation effective July 1, according to president Henry T. Rutledge.

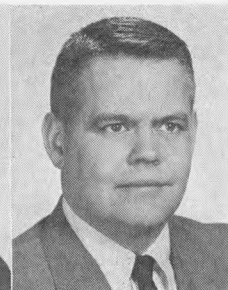
His responsibilities will involve the coordination of relationships with the Banco banks, with particular emphasis on long-range computer planning efforts.

Branham became president of the Rochester bank, a Banco affiliate, in 1964. Prior to that he was an officer of Northwest Bancorporation since 1955. He began his banking career at the Stock Yards National Bank of South St. Paul in 1946.

The board of directors of Northwest Bancorporation announced the following promotions of Banco staff members.



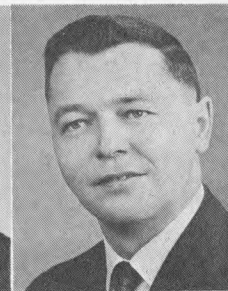
W. C. JOHNSON



D. C. FISKE



E. G. PRECHT



N. NACKERUD

Walter C. Johnson, treasurer and controller, has been named vice president and controller; **Donald C. Fiske**, **E. G. (Bud) Precht**, and **Norman Nackerud** have been advanced from assistant vice president to vice president; **Eugene W. Fett** and **Harold H. Wachs** have been promoted from assistant controller to assistant vice president, and **N. David Schelin** has been elected assistant secretary.

* * *
Farmers and Mechanics Savings Bank of Minneapolis is one of 16 winners of Alfred P. Sloan Radio-TV Awards for Highway Safety for 1966.

The award, given in the television station-commercial category, will be accepted by **Albert H. Heimbach**, vice president of Farmers and Mechanics, at a banquet at The Waldorf-Astoria, New York City.

F & M sponsored a series of one-minute color television driving quizzes which combined an informative message on traffic safety and driving improvement with a short commercial message.



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Promotions for ten staff members of Northwest National Bank of Minneapolis were announced by **John A. Moorhead**, bank president.

Elected assistant vice presidents were **C. Roger Bailey, Jr.**, and **Orrin A. Hanson**, trust department; and **John R. Silseth**, Lake Street office. **Edward W. Libby** and **Donn E. Sjolander** were named trust officer and assistant secretary, and **Robert J. Dahl** and **Richard M. Peterson** were elected assistant trust officers.

In the bank's commercial department, newly-elected assistant cashiers are **Eldon D. Blomgren**, **Gary L. Lundeen** and **W. James Thomson**.

* * *

Directors of the Columbia Heights State Bank have named **Karl D. Stotesbery** as executive vice president.



K. D. STOTESBERY

He returns to the bank after spending the last two years as vice president of the Brooklyn Center State Bank.

A native of Dubuque, Mr. Stotesbery was affiliated with Federal Discount Corporation as a loan office supervisor. He started his banking experience in 1957 at Columbia Heights following graduation from the University of Minnesota.

Capital Is Increased

Klossner State Bank, Klossner, has received approval of its application to increase the amount of capital stock from \$60,000 to \$90,000 by sale of new stock.

Owatonna Bank Featured

"Making a landmark work," a picture exhibit telling the story of the famed National Farmers Bank of Owatonna, was presented to the public for a two week period last month inside the main entrance of the State Capitol in St. Paul. The bank name was changed a number of years ago to its present name of Security Bank & Trust Company.

After the initial two-week display, the exhibit was moved to the second floor of the building where it was to remain for the duration of the state legislative session. Clifford C. Sommer, president of the bank, is a Minnesota state senator and received the plaudits of his colleagues after they viewed the colorful display.

Prepared by the Minnesota Historical Society, the exhibit traces the story of the bank building designed

by Louis H. Sullivan, built in 1908. The Historical Society plans to put the exhibit in its own quarters for an extended period of time after which it will be returned to Security Bank & Trust Company. The bank already has numerous requests from colleges and towns for the exhibit to be displayed.

At the time it was constructed, it was recognized as one of the major architectural accomplishments, but by 1955 it had become inadequate to meet the needs of the National Farmers Bank.

The exhibit shows how the building was remodeled to preserve the architectural integrity which made the building famous.

This renovation, completed in 1958, was so successful that the Minnesota Society of Architects paid special tribute to Mr. Sommer for his "leadership in preserving an architectural masterpiece."

"Making a landmark work" will remain on exhibit inside the main entrance of the State Capitol through May 15. It is open to the public Monday through Saturday from 8:00 a.m. to 4:00 p.m. and on Sunday from 9:00 a.m. to 4:00 p.m.

Marks Fifth Anniversary

The Roseville State Bank, Roseville, celebrated its fifth anniversary in late May with a real "Wooden Anniversary" party. Since wood is traditionally reserved for the fifth year, G. Reed Macomber, president, and his staff had a whole series of wooden prizes that were given away by drawings to registered visitors.

The prizes included redwood patio furniture, redwood picnic table and benches, water skis, wood covered radio, Little League bats for youngsters, and one non-wood prize—an outdoor barbecue grill.

In addition, there were thousands of free gifts for customers and friends who attended the "thank you" celebration. All arrangements were handled by Donavon J. Fisher, assistant vice president.

On December 31, 1966, Roseville State Bank had assets of \$6.5 million, reflecting an excellent growth rate that is attributable "to an excellent bank staff, dedicated directors and the best people in the world, our customers," said Mr. Macomber.

Three State Ag School

The Minnesota, North Dakota and South Dakota Bankers Associations will hold their newly-organized Agricultural Banking School July 23-28 on

**Your man
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American!**



DONALD H. JOHNSON
Assistant Vice President
BANKS and BANKERS

**We cordially invite
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the Morris, Minnesota campus of the University of Minnesota. It will concentrate on improving lending techniques for agricultural bankers in the three-state area.

The school will consist of two one-week sessions, with participants earning a graduate certificate upon completion of the course over a two-year period. The first class this summer will be limited to 80 students. It will be operated in conjunction with the Agricultural Extension divisions of the three states and the University of Minnesota.

Entrance requirement is to be an officer of a Minnesota, North Dakota or South Dakota bank with five years experience as a banker.

Fred Hubbard to Head N.W. National in Rochester

Frederick T. Hubbard, Jr., vice president of Northwest Bancorporation and vice president of the Northwest International Bank, New York,



F. T. HUBBARD

ident of the bank, who will become senior vice president of the Northwest Bancorporation as previously announced.

Mr. Hubbard is a native of New York and attended schools in New York. He was a stock and bond trader in over-the-counter securities from 1933 to 1940. After service in World War II as a major in the Parachute Group, First Special Services Force, Mr. Hubbard became state director for the savings bond division of the United States Treasury Depart-

ment for the state of Montana. In 1957, he was elected vice president of the Union Bank and Trust Company in Helena, a Banco affiliate, and joined the Northwest Bancorporation staff in 1959.

Mr. and Mrs. Hubbard reside in Hopkins, Minn., at the present time. They have six children, two of whom are attending college.

ment for the state of Montana. In 1957, he was elected vice president of the Union Bank and Trust Company in Helena, a Banco affiliate, and joined the Northwest Bancorporation staff in 1959.

Heads Duluth A. I. B.

John R. Oltmanns of the First American National Bank of Duluth has been elected president of the Duluth Chapter of the American Institute of Banking.

An officer in the First American correspondent banking department, Mr. Oltmanns joined the bank in 1954 as a teller and then served successively as purchasing agent and in the mortgage loan and commercial loan department.

He was named an assistant cashier in 1965.

We enjoyed being with our South Dakota banker friends to observe the 75th Diamond Anniversary Convention in Rapid City. Let us reciprocate when you are in Sioux City.

The LIVE STOCK NATIONAL BANK
 SIOUX CITY, IOWA
Member F. D. I. C.

S. W. EVANS

E. L. NEWELL



At South Dakota Convention

Walter Pailing Selected As President at 75th Convention

By **LARRY NOTHWEHR**
Business Manager

RAPID CITY, with the majestic faces of Mount Rushmore looking on, provided the setting for the 75th Diamond Jubilee Convention of the South Dakota Bankers Association last month.

The city watched as nearly 600 bankers came into town—as a Rapid City man was elected president of the SDBA, another local banker was acclaimed “SDBA Athlete of the Year,” and laughed with all in attendance as its mayor very nearly missed the opportunity to greet the visitors.

Indeed, the light moment of the convention occurred during the first ten minutes of the beginning business session when the mayor’s spot on the program was very nearly overlooked by SDBA President J. Stuart Holdhusen, president of the Ipswich State Bank. This purely unintentional oversight and the good-natured give and take which developed between Mayor Henry Baker, SDBA President “Stu” and most attending

bankers set the stage for a most productive convention during the following two days.

Highlight of the Association business transacted at the convention occurred during the final session when the popular president turned over the Association gavel to newly elected President Walter W. Pailing, president of the American National Bank & Trust Company of Rapid City.

At the same time, Robert F. Petschow, president of the Corn Exchange Bank in Elkton, was elected first vice president. The newly elected second vice president is Curtis A. Lovre, president of the Northwestern National Bank in Sioux Falls.

* * *

Also in the area of Association business, special attention was given to two resolutions approved by the attending SDBA members. One urged Federal government action to aid the ever tightening profit picture of the

gold mining industry. Directly influencing this resolution, of course, was the Homestake mine at nearby Deadwood, the largest such mine in the United States and a major industry in the Black Hills area.

The second resolution also urged Federal action—this time in making available the funds for the establishment of the proposed Oahe Irrigation District in north central south Dakota.

* * *

South Dakota members of the American Bankers Association also held their annual meeting in conjunction with the convention, with Scott Lovald, state ABA vice president and president of the First National Bank of Philip, presiding.

Elected to serve for South Dakota on the ABA executive council was Curtis B. Mateer, executive vice president of the Pierre National Bank. Stu Holdhusen was elected to serve on the ABA nominating committee at the national convention this fall, with Neil Van Vleet, executive vice president of the Community Bank in Hartford, as alternate.

Athlete of the Year

Special mention should be made of the usual “athletic” competition which is a part of every convention of the South Dakota Bankers Association. The usual bowling and golf tournaments were held on Thursday. Weather was good (a bit windy on the golf course) and participation was excellent.

The unusual aspect of these normal proceedings? — the same Rapid City banker emerged as the winner in both events! Lou Scott, assistant vice president and manager of the Villa Rancho Office of the First National Bank of the Black Hills located at Ellsworth Air Force Base, was the

Northwestern Banker, June, 1967



NEWLY ELECTED OFFICERS of the South Dakota Bankers Association pictured at the Executive Council Luncheon following the close of the 75th Diamond Jubilee Convention. From LEFT: **Past pres. J. Stuart Holdhusen**, pres., Ipswich State Bk.; **Pres. Walter Pailing**, pres., American Natl. Bk. & Tr. Co., Rapid City; **1st v.p. Robert F. Petschow**, pres., Corn Exchange Bk., Elkton, 2nd v.p., **Curtis A. Lovre**, pres., Northwestern Natl. Bk., Sioux Falls; and the ever popular **executive sec.-treas., Roy W. Terwilliger**, Huron.



LEFT: **Jim Dawson**, Dawson Hail Insurance, Fargo, N.D.; **Tom Diefendorf**, pres., Farmers State Bk., Irene; and **Lyle Askerooth**, Dawson Hail Insurance. CENTER: **George Toft**, pres., Commercial Tr. & Sav. Bk., Mitchell. RIGHT: **Dr. Walter Judd**,

former Minnesota Congressman, is pictured following his address on foreign relations. He is shown still answering questions from the numerous bankers who crowded to the podium following his address.

versatile athlete winning both tournaments.

Besides collecting the NORTHWESTERN BANKER trophy presented each year to the bowling champion, Mr. Scott took home the various other prizes awarded to the tournament winners.

In addition, host bankers in Rapid City felt a special trophy should be presented to dual-winner Scott. Aably presented at the Friday evening banquet by Pat Dixon, assistant vice president of the First National Bank of the Black Hills, the special award was a can of Score—"the athlete's deodorant."

* * *

In a more serious vein, the convention program presented an outstanding collection of speakers on various topics ranging from the ABA, to gold mining, to our nation's philosophy on foreign relations.

Speakers included Dr. Charls E. Walker, executive vice president of the American Bankers Association; the Honorable Senator A. Willis Robertson of Virginia; Donald McLaugh-

lin, chairman of the board of the Homestake Mining Company, and Dr. Walter Judd, former Congressman from Minnesota. Also addressing the convention were John L. Flanner, administrative assistant to the chairman of FDIC in Washington, and Professor George Walter of Lawrence University, Appleton, Wis.

"... the People Rule"

Dr. Walker used the South Dakota state motto as the theme for his address. The words—"Under God, the People Rule"—formed the basis for a depth discussion of the policy making procedure of the American Bankers Association.

Noting that the ABA is confronted on the one hand with accusations that the Association represents only big banks, and on the other hand that it represents only small banks, it was obvious, Dr. Walker felt, that a better understanding of the procedures followed in determining official positions was in order.

Dr. Walker then launched into an

extensive presentation of the ABA organizational framework of committees, divisions and councils which participate in the policy decisions of the ABA. He emphasized particularly the fact that each committee, the various divisions and the executive council are made up of bankers from every part of the country, from both big banks and small banks, unit banks and branch banks, and state banks and national banks. "A large majority of these representatives are elected by the groups they represent," he said.

The final result was an improved appreciation of the complicated policy-making machinery of the ABA, which has resulted in the democratic study, deliberation and debate of a problem before a final decision is reached.

Dr. Walker also took a few minutes to review briefly legislation currently pending in Congress on matters of interest to bankers. On the question of non-par banking, he expects no action at this time. The Congress is of the



LEFT: **Dick Breyfogle** and **Conrad Aronson**, a.v.p., Toy Natl. Bk., Sioux City; **Norm Gustafson**, a.c., First Natl. City Bk., New York; and **Ron Campbell**, v.p., American Natl. Bk. & Tr. Co., Rapid City. Mr. Campbell was the general convention chairman for the host Rapid City banks. RIGHT: **James D. Jelbert**, v.p.

and mgr., First Natl. Bk. of the Black Hills, Spearfish; **Leland Steele**, exec. v.p., Farmers and Merchants Bk., Huron; **E. C. Pieplow**, v.p., First Natl. Bk., Aberdeen; and **Charles Undlin**, exec. v.p., First Natl. Bk. of the Black Hills, Rapid City.

Northwestern Banker, June, 1967

What do "they" really think about your bank?

"They"—your customers—tell all in "New Dimensions in Full Service Banking." You'll find over 60,000 statistical facts on what they think about today's banking services. Their present and future banking needs. 150 pages of vital, comprehensive information. Prepared by Opinion Research Corporation, on behalf of the Foundation for Commercial Banks,

this report represents the most up-to-date study of public attitudes toward banking available.

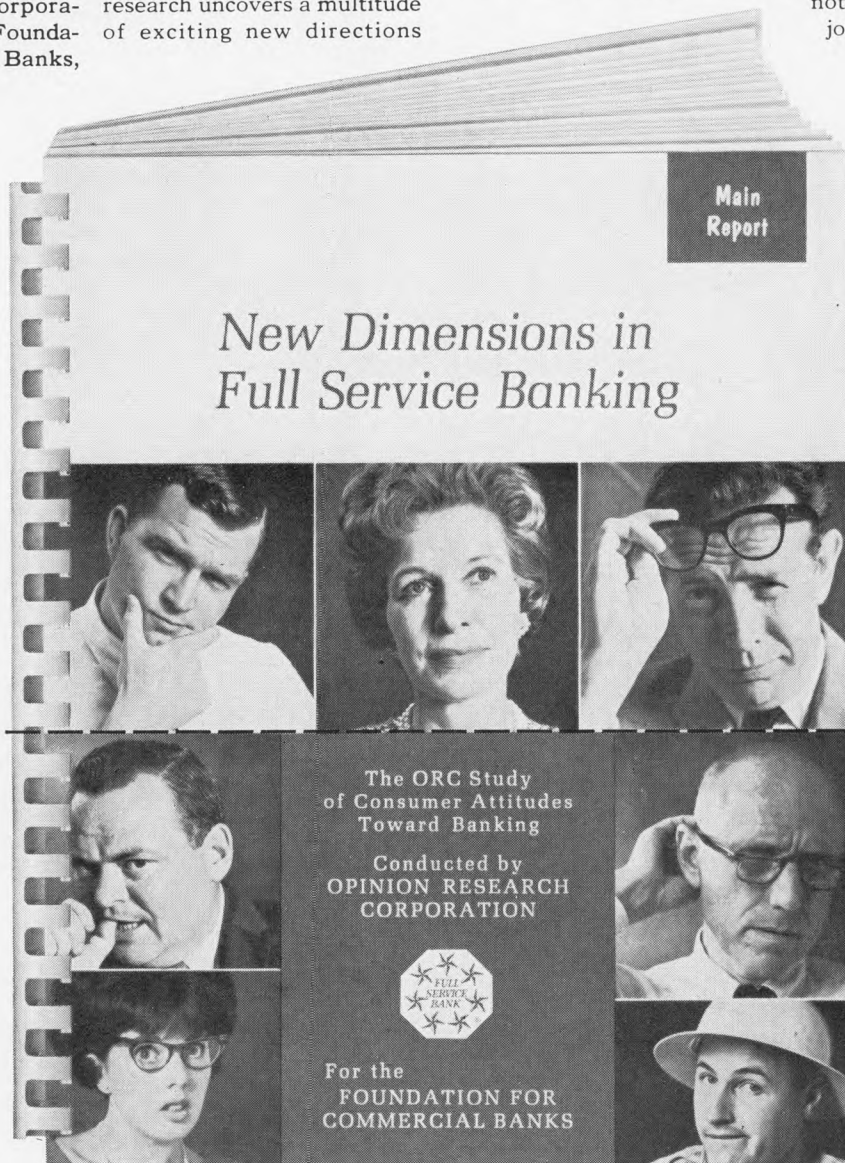
This is the second national consumer study undertaken by the Foundation for Commercial Banks. And—like our Politz survey of 1962, the research uncovers a multitude of exciting new directions

and new opportunities for Full Service banking.

Send for a complimentary copy of the Executive Digest, which summarizes the highlights of the report. For the full report, enclose \$25 with the coupon below.

In addition to providing

national consumer research, the Foundation spends almost \$2,000,000 a year selling the Full Service concept through full page ads in Life, Look, Time, Newsweek, Saturday Evening Post and on network television specials. We need your support. If your bank is not yet a member, why not join now?



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Gentlemen:

Send me a complimentary copy of the Executive Digest.

Send me a copy of the full report. My check for \$25 is enclosed.

Enroll me as a member and send the Full Service symbol. My check for \$_____ is enclosed, based on the rate of \$15 per million of deposits.

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BANK _____

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opinion that the states should be given the opportunity to deal with this problem on their own.

The "truth in lending" bill is moving stronger, he said, but is still in committee.

* * *

Insurance Changes

John Flannery, in his discussion of the FDIC, reviewed some of the more recent changes in insurance regulations. The cease and desist legislation was used as an example of recent additional powers.

He also discussed the research activities of the FDIC, pointing out the manner in which this information can improve the management of banks if used and interpreted correctly.

Mr. Flannery cited the recent Supreme Court decision regarding the Utah branch banking cases as an affirmation of states rights in banking and noted that if states do not put forth their best efforts in regulating banking on the state level, the Federal government will.

* * *

Foreign Relations

A most enthusiastically received speaker was **Dr. Walter Judd**, former



50 YEAR BANKERS honored at the convention were **A. E. Dahl**, chm., American Natl. Bk. & Tr. Co., Rapid City; **William C. Duffy**, pres., Union Bk. & Tr. Co., Sioux Falls; and **J. N. Shelby**, pres. (retired 1967), Mitchell Natl. Bank.

Congressman from Minnesota. Dr. Judd, in an address and questioning period lasting nearly one and one-half hours, presented a complete discussion of the philosophy behind our foreign policy decisions. We also included a complete picture of his thinking on the reasoning of the Communist aggressor—in Cuba, in Viet Nam and all over the world.

The knowledge and convictions of Dr. Judd were extremely well re-

ceived by the South Dakota bankers as evidenced by the standing ovation he received when he was finally allowed to leave the podium.

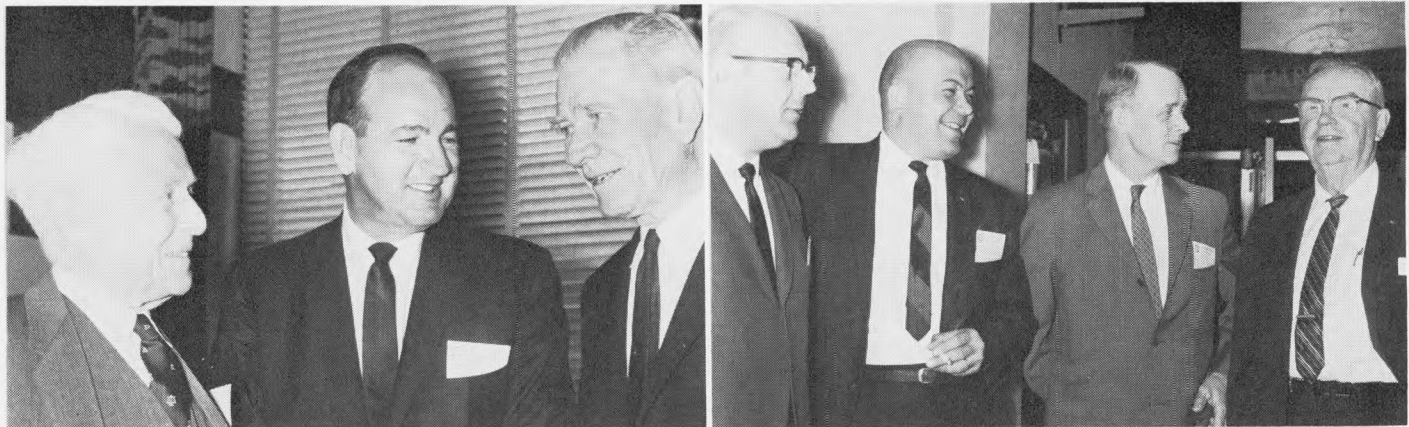
* * *

Prior to calling for a motion for the adjournment of this 75th Diamond Jubilee Convention of the South Dakota Bankers Association, President Holdhusen announced that the 1968 convention would be held in Sioux Falls early in May.—**End.**



LEFT: Arlo Grass, a.v.p., First Natl. Bk. of the Black Hills, is pictured with **S.D. Athlete of the Year Lou Scott**, a.v.p. with the same bank in the Villa Rancharo Office. Mr. Scott, winner of both the bowling and golf tournaments, is shown with his winnings. The neat package is a can of Score—the Athlete's Deodorant, presented by fellow bankers from Rapid City. **CEN-**

TER: Gerry Clark, mgr., institutional bond sales, Ebin, Robertson & Co., Inc., Minneapolis, and **R. G. Knodel**, pres., First State Bk., McLaughlin. **RIGHT: Curtis A. Lovre**, pres., Northwestern Natl. Bk., Sioux Falls, and **Pat Dixon**, a.v.p., First Natl. Bk. of the Black Hills, Rapid City.



LEFT: CONVENTION SPEAKERS. **Donald McLaughlin**, chm. of the bd., Homestake Mining Company, San Francisco, Calif.; **Dr. Charles E. Walker**, exec. v.p., American Bankers Association, New York; and the **Honorable Senator A. Willis Robert-**

son of Virginia. **RIGHT: Dean Mehlhaff**, pres., Eureka State Bank; **Lee Viberg**, v.p., Union Bk. & Tr. Co., Sioux Falls; **Avery Fick**, a.v.p., Marquette Natl. Bk., Minneapolis; and **L. B. Cronholm**, pres., Tri County State Bank, Chamberlain.

Northwestern Banker, June, 1967



Only 1 insurance company (we think) deals with malevolent swans: The St. Paul



IF THE SWANS DON'T MATTER, THE ABSURDITY DOES.

You may never want our new Swan policy. But you could want the elastic attitude that made us write it. This elastic attitude of ours means that your special problems get special treatment. Also of course, it leads us into absurdity, and delivers onto our desks such things as this:

SWAN REPORT, FROM OUR DEPARTMENT OF UNUSUAL POLICIES

"Swans in question resided in a suburban pond, regarded affectionately by nearby homeowners. One swan, however, having fussy day, did push, poke, flap at or

otherwise annoy one local taxpayer.

"Taxpayer, unhinged, demanded Village Council remove swans from pond. Community rift developed. Coffee parties divided. Car pools suffered.

"Swans continued residence in pond, apparently enjoying publicity and extra bread crumbs.

"Council met, pondered, decided in favor of swans, but sagely insisted on Swan Liability Coverage for village. Hard to get. Didn't exist. Two insurance companies laughed at request.

"The St. Paul did not laugh, wrote policy. Suburban peace restored, car pools and coffee parties back to normal."

Why wait until you need an elastic insurance company? Find our Agents or brokers in the yellow pages. Get our quiet, venerable, solvent sagacity, too.

THE ST. PAUL
INSURANCE COMPANIES



Serving you around the world... around the clock

St. Paul Fire and Marine Insurance Company
St. Paul Mercury Insurance Company
Western Life Insurance Company
St. Paul, Minnesota 55102

Northwestern Banker, June, 1967

U. S. Check Book Rep

The United States Check Book Company has announced the appointment of Dwight Bos as its new representative for eastern South Dakota. Mr. Bos and his family will make their home in Sioux Falls, according to the company's announcement. The new eastern South Dakota representative has been associated with the company as an account executive in Omaha and Lincoln, Neb. Mr. and Mrs. Bos have two children.



D. BOS

Sioux Falls A.I.B.

Wendell Liaboe, assistant vice president, Union Bank and Trust, Sioux Falls, has been elected president of the Sioux Falls Chapter of the American Institute of Banking.

Other officers elected at the organization's annual spring meeting were as follows: Carl O. Norberg, National Bank of South Dakota, vice president; Annette Gustad, Northwestern National Bank, secretary, and Richart Pruitt, South Branch, National Bank of South Dakota, treasurer.

Rapid City Officer

Jerald Gerdes has been elected vice president and trust officer of the First National Bank of the Black Hills, Rapid City.

Mr. Gerdes succeeds Leonard E. Morrison who has resigned. The newly-elected vice president joined the bank in 1961 in the controller's department. In April, 1963, he was transferred to the trust department and was elected assistant cashier and assistant trust officer in January, 1964. He was elected assistant vice president and assistant trust officer a year later and assistant vice president and trust officer last July.

Mr. Gerdes presently serves as president of the Black Hills Chapter of the American Institution of Banking.

State Supervisor

Gerald R. Timothy has been appointed district agency supervisor in South Dakota for Hawkeye-Security Insurance Company, Des Moines, according to J. S. Tressler, company president.

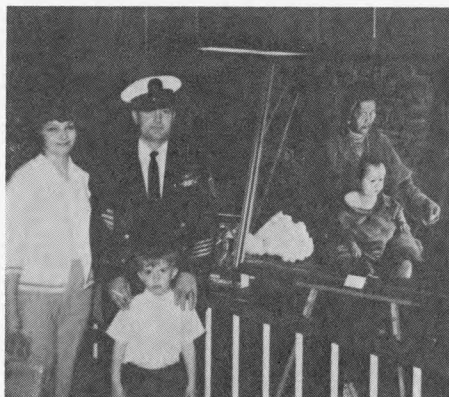
Mr. Timothy is a native of Falls City, Neb., and a graduate of Nebraska State College of Peru. He previously served the company's Omaha

regional office as underwriter. Hawkeye-Security is a member of the Financial General Corporation insurance group.

Bank's Interest in Art Aids Children's Program

Wayne Bredeson, president of Farmers and Merchants Bank of Watertown, recently parlayed an interest in a Navy man's oil paintings and local retarded children into a project that brought wide acclaim for the bank in the Watertown area.

Chief Petty Officer F. R. Nartowicz, a 22-year veteran in the Navy, has spent virtually all of his career at sea—and much of it under the sea in conventional and nuclear-powered submarines. During this time he developed a genuine talent for painting and has completed approximately 300 paintings and portraits, many of them still aboard submarines.



POSING before one of his paintings, is Chief Nartowicz, his wife Dorie, and their youngest son. The painting is "Ee Nang Aa Nang."

He offered to sell one of his paintings in Watertown recently for an unusual price—95 Revell model kits from any interested party who would donate them to the special education classes (for mentally retarded children) of the Watertown Public School System. Chief Nartowicz was to gain nothing personally from the sale.

F&M Bank President Wayne Bredeson read of the offer, contacted Reed Hildreth of the *Waterloo Public Opinion* and arranged a meeting with Chief Nartowicz. Subsequently, Mr. Bredeson wrote the Revell firm, headquartered in California. When officials of the company—which makes all types of model kits ranging from submarines to airplanes and cars—learned of the reason for the purchase by the bank, the shipment was increased from 98 to 108 at no extra cost.

The local newspaper and KDLO-TV gave wide coverage to the affair, and Mr. Bredeson arranged to have a display of 12 of Chief Nartowicz's paint-

ings displayed in the bank and publicized this with a large newspaper ad.

Chief Nartowicz got his idea for the model kits for handicapped children from the Navy's own program of utilizing these kits to help injured Navy personnel rehabilitate damaged muscles and nerves in their hands and arms.

Honored at Sioux Falls

Lynn Albers, vice president of The National Bank of South Dakota and manager of the bank's South Branch in Sioux Falls, was recently presented the J. H. Beckman Award as the outstanding volunteer worker in the 1966-67 United Fund Campaign in Sioux Falls.

Yankton Boss of Year

Norman Gross, vice president and cashier of the First Dakota National Bank in Yankton, was recently honored by the Yankton Jaycees as the "Boss of the Year."

Universal Tellers in Sioux Falls

Universal tellers and a statement savings plan were announced recently by C. A. Lovre, president of the Northwestern National Bank in Sioux Falls.

Under the new universal teller plan, both checking and savings transactions can be handled at any teller window, including the drive-up windows. This service will extend to all Northwestern windows in Sioux Falls, including the main office, the two Northwestern branches in Sioux Falls and the Auto Bank.

The statement savings plan will provide a printed statement for savings accounts in much the same manner as are presently provided for checking account customers.

Diebold Appoints

The appointment of Laird P. Gillem as a sales engineer for Diebold Incorporated has been announced by Lee J. Sutton, regional manager in Minneapolis.



L. B. GILLEM

Mr. Gillem will be headquartered in Sioux Falls and will be responsible for the state of South Dakota and southwestern Minnesota.

Diebold is one of the nation's largest manufacturers of safes and security equipment for banks.



**"No, no, Hodgkins, when I said 'better call in a pro',
I thought you'd know I meant the Man from Talcott!"**

Next time you're stymied by a situation where a good customer has reached his unsecured credit limit—and specialized lending is required—let the Man from Talcott swing into action for you.

Working with your bank and your customer, Talcott will perform surveys, evaluate security and offer a tailor-made financing plan to meet your customer's needs—immediate and projected. Talcott will also perform the security maintenance and supervision. And, if you desire, your bank participates for income and service.

The Talcott result: you keep your customer happy—and keep him as your customer.

For "problem-solving *and* follow-through" you can depend on, call the Talcott office nearest you. Or send today for our booklet, "Bankers Talk to the Man from Talcott."

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Northwestern Banker, June, 1967

The sands are



First National City Travelers Checks \$20,000,000 Bank Bonus Plan ends September 29th—and your chance to win is hottest right now!

Between now and September 29th about half of your customers will take off on vacation or business trips. And the more who take First National City Travelers Checks with them, the more likely you are to win one of the 72 interest-free deposits.

The vacation months will decide the 72 institutions that will win a total of twenty million dollars in interest-free deposits for a whole year. Winners will be determined by their sales of our checks during the contest period taken as a percentage of their total assets as of December 31, 1966.

Make sure all the travelers check sellers on your staff know how important the summer months are. One extra customer for First National City Travelers Checks could make you a winner!

If you want more information, or full details of the contest, call us collect. The number is (212) 559-4961.

Northwestern Banker, June, 1967

running out.



See how much of \$20,000,000 in interest-free deposits you can win.

Institutions with assets of \$500,000,000 and over.	
1ST PRIZE	\$2,000,000
2ND PRIZE	1,500,000
3RD PRIZE	1,000,000
4TH PRIZE	500,000

Institutions with assets of at least \$100,000,000 but less than \$500,000,000.	
1ST PRIZE	\$2,000,000
2ND PRIZE	1,500,000
3RD PRIZE	1,000,000
4TH PRIZE	500,000
5th Prize	250,000
6th Prize	250,000
7th Prize	250,000
8th Prize	250,000
9th Prize	250,000
10th Prize	250,000
11th Prize	250,000
12th Prize	250,000

Institutions with assets of at least \$50,000,000 but less than \$100,000,000.

1ST PRIZE	\$1,000,000
2ND PRIZE	750,000
3RD PRIZE	500,000
4TH PRIZE	250,000
5TH PRIZE	200,000
6TH PRIZE	150,000
7TH PRIZE	150,000
8th Prize	100,000
9th Prize	100,000
10th Prize	100,000
11th Prize	100,000
12th Prize	100,000
13th Prize	100,000
14th Prize	100,000
15th Prize	100,000
16th Prize	100,000
17th Prize	100,000
18th Prize	100,000
19th Prize	100,000
20th Prize	100,000
21st Prize	100,000
22nd Prize	100,000
23rd Prize	100,000
24th Prize	100,000
25th Prize	100,000
26th Prize	100,000
27th Prize	100,000

Institutions with assets under \$50,000,000.

1ST PRIZE	\$500,000
2ND PRIZE	400,000
3RD PRIZE	300,000
4TH PRIZE	250,000
5TH PRIZE	200,000
6TH PRIZE	150,000
7TH PRIZE	100,000
8th Prize	50,000
9th Prize	50,000
10th Prize	50,000
11th Prize	50,000
12th Prize	50,000
13th Prize	50,000
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20th Prize	50,000
21st Prize	50,000
22nd Prize	50,000
23rd Prize	50,000
24th Prize	50,000
25th Prize	50,000
26th Prize	50,000
27th Prize	50,000
28th Prize	50,000
29th Prize	50,000

**\$20,000,000
Bank Bonus
Plan ends
Sept. 29th.
Get hot!**

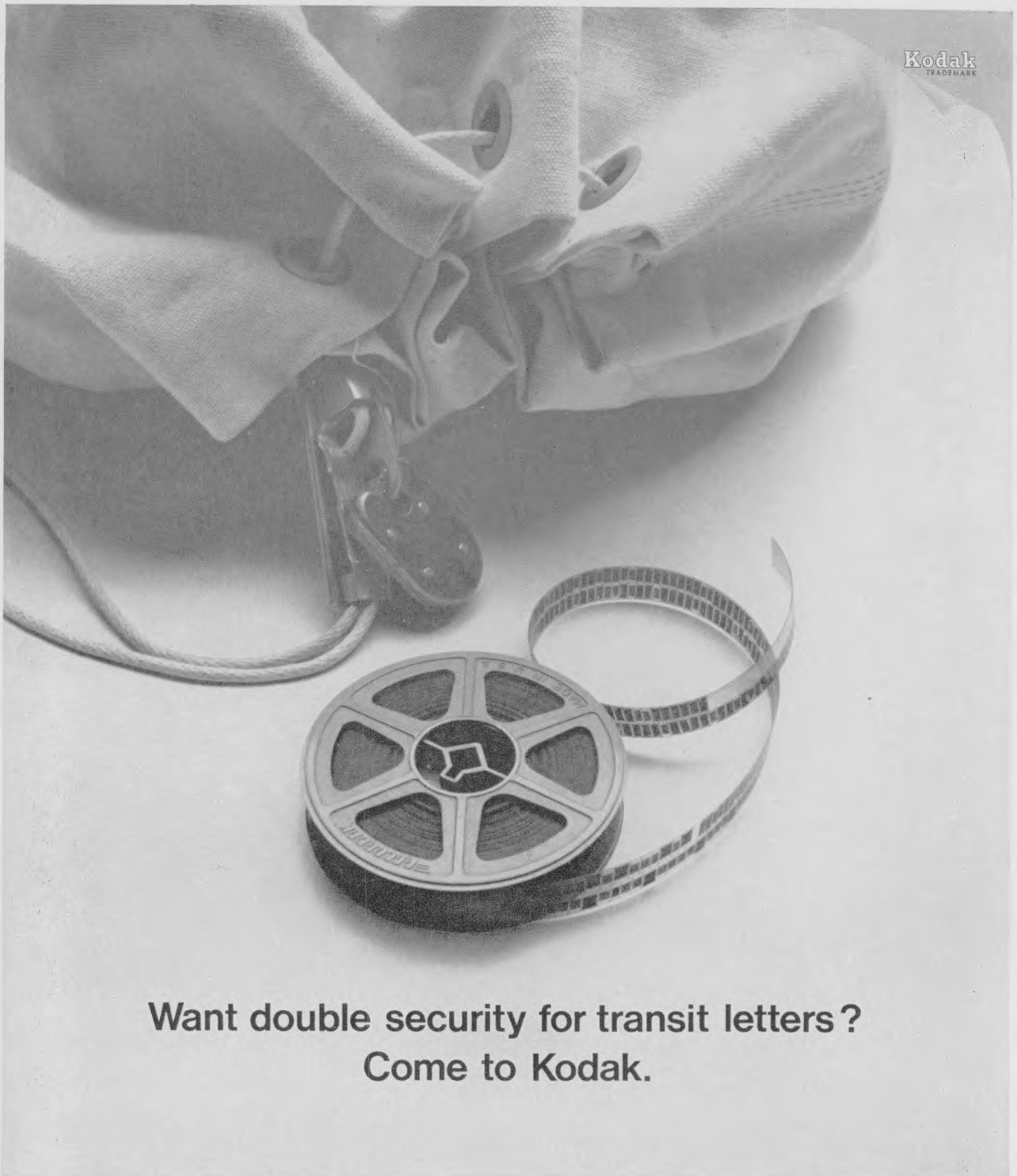


The sands
are running
out.

First National City Travelers Checks

Member Federal Deposit Insurance Corporation

Northwestern Banker, June, 1967



Want double security for transit letters? Come to Kodak.

Checks forwarded for collection and credit are doubly safeguarded—first, when you record them on RECORDAK Microfilm. Then, should any checks be lost or destroyed in transit, Kodak, as part of its RECORDAK Transit System will make facsimile prints of the lost items . . . at no charge to you.

No need to bother your depositors with requests for duplicates . . . no need to dread the expense of tracing, loss of interest, and the eventual write-offs. Facsimiles of all lost items can be on their way

within a day or two and will be honored by most banks upon your guarantee of prior endorsements.

Kodak lost-check facsimile service has been a plus-value of Recordak microfilming since 1928. For more information, contact your nearby representative, or write: Eastman Kodak Company, Business Systems Markets Division, Department O-6, Rochester, N. Y. 14650.

RECORDAK Microfilm Systems by Kodak

Northwestern Banker, June, 1967



THE NEW GUARD OF THE NORTH DAKOTA BANKERS ASSOCIATION. From LEFT: C. C. Wattam, Fargo, sec. emeritus; William J. Daner, Bismarck, secretary; James H. Munn, v.p., Peoples State Bank, Westhope, new NDBA pres.; Al K. Simpson, pres., Merchants Natl. Bk. & Tr., Fargo, new 2nd v.p.; A. A. Mayer, pres., The Dakota Natl. Bk. of Bismarck, past pres.; and Edward L. Olson, sr. v.p., First Natl. Bk. & Tr. Co., Grand Forks, 1st v.p.

At NDBA Convention

North Dakota Bankers Vote To Employ Secretary Full-Time

James H. Munn, Westhope, Is Elected President

AS of May 13, 1967, the North Dakota Bankers Association was being served by a full-time executive secretary.

Or at any rate, on that final day of the 82nd annual convention of the NDBA held at Fargo, Association members voted unanimously to alter the dues structure of the NDBA increasing revenues by \$15,000. Purpose of the increase was to (1) hire a full-time executive secretary, and (2) maintain a separate office for the North Dakota Bankers Association.

In a convention filled with the normal offering of important banking information, good fellowship and NDBA business, this move to a full-time secretary was certainly the highlight.

William J. Daner, who has been secretary on a part-time basis for the NDBA since the convention in May, 1961, was expected to be appointed full-time secretary by the association executive committee at a meeting on May 25. Mr. Daner had served as assistant secretary for several years under Charlie Wattam, who held the post as secretary for many years. Both Mr. Wattam and Mr. Daner are attorneys.

Following this move closely on the program was the election of James H. Munn, vice president of the Peoples State Bank of Westhope, to the office of NDBA president.

He succeeds able, cigar-smoking Al Mayer, president of the Dakota National Bank in Bismarck. Mr. Mayer

brought to the president's chair his own unique and effective ways of getting business done. His efforts were appreciated by all in attendance.

Newly elected first vice president is Edward L. Olson, senior vice president of the First National Bank and Trust Company in Grand Forks. Second vice president is Al K. Simpson, president of the Merchants National Bank of Fargo. Robert P. Hendrickson, president of the First National Bank of Bismarck is the newly elected treasurer.

C. C. Wattam of Fargo is secretary emeritus, a life-time post voted him by Association members in recognition of his many years of service as an active NDBA member and as secretary until a few years ago.

Of importance also is the fact that a record number of NDBA members came to Fargo for this 82nd Convention, speaking well for the efforts of host Fargo banks who functioned under the leadership of general convention chairman Henry Ness, vice president of the Fargo National Bank. More than 550 were registered.

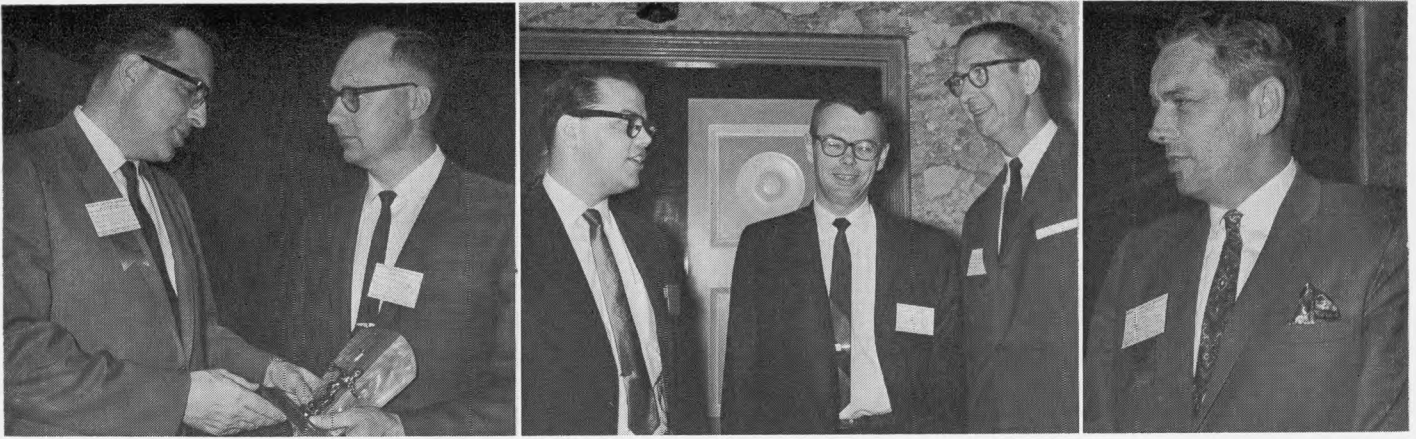
Headlining the list of speakers addressing the convention was Dr. F. Byers Miller, executive director of NABAC, Park Ridge, Ill. Joining Mr. Miller at the podium were J. R. Pratt, director of the Upper Midwest Research and Development Council, Minneapolis; Dr. Harold Mankin, consultant in cardiology at the Mayo Clinic, Rochester, Minn.; Roger West, supervising FDIC examiner of the 9th District, Minneapolis, and H. L. Thorndal, state bank examiner from Bismarck.

Brigadier General H. L. Hogan III, commander of the 810 SAC division at Minot addressed the luncheon, while J. N. Christiansen of the Valley National Bank of Phoenix, Ariz., was the main speaker at the banquet.

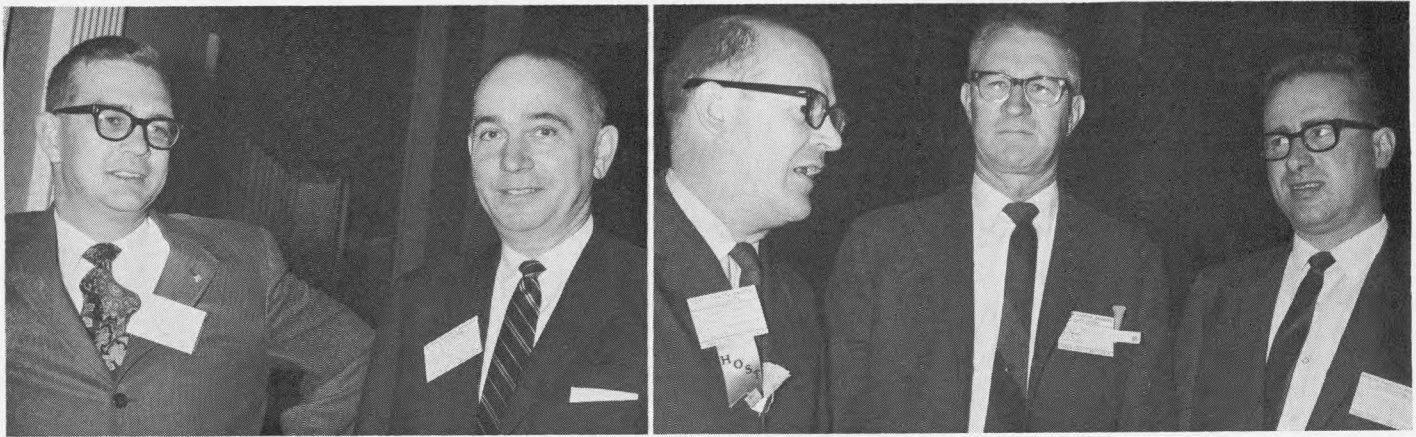
Dr. Miller, in his discussion of management, pointed out the "science" of



CONVENTION SPEAKER Dr. Harold Mankin, consultant in cardiology, Mayo Clinic, Rochester, Minn., visits with Dick Healy, v.p., Lincoln State, Hankinson, and Art Haessig, v.p., American Natl. Bk. & Tr., St. Paul. AT RIGHT are John Johnson, a.e., Northwestern Natl., Minneapolis; Lloyd Kempf, pres., Grant County State, Carson; and Gideon Eckman, a.e., Grant County State, Carson.



LEFT: **Tom Bartholomay**, v.p., Merchants Natl., Fargo, and **Bill Trautmann**, cash., Security State, Robinson. Mr. Trautmann, high series bowler at the annual tournament, was the winner of the NORTHWESTERN BANKER trophy. CENTER: **Rohn Laudenschlager**, Irving Trust Company, New York; **Jim Sette**, a.e., State Bank of Burleigh County, Bismarck; and **Don Jackson**, v.p., Irving Trust Company. RIGHT: **Henry Ness**, v.p., Fargo Natl. and busy general chairman of the convention.



LEFT: **Gordon Stennes**, cash., Harwood State Bank, and **John Ordos**, a.e., Midland Natl. Bank, Minneapolis. RIGHT: NDBA secretary **Bill Daner**, Bismarck, is shown with two convention speakers, **Roger B. West**, supervising examiner, 9th district, FDIC, Minneapolis, and **H. L. Thorndal**, state bank examiner, Bismarck.

management is a myth in that the methods must differ with each manager and with the people involved. He went on to say that most men in a management capacity have the skills to be competent, but very few can be exceptional.

He listed these characteristics of a good manager:

- *A positive approach.
- *Imagination, resulting in creativity.
- *A generalist, rather than a specialist.
- *An inquisitive mind.
- *Highly developed sense of timing.
- *The patience to go a "step at a time."
- *The ability to compromise.
- *A skill in human relations.

He summarized these into one important characteristic—that of courage. "Unless you have the courage to be wrong, the courage to accept criticism, and the courage not to be one of the boys, your chances for success in management will be limited," he said.

Managers are the weakest in the most obvious function, he said, that of planning. "As managers our job

boils down to three basic functions—planning, organizing and controlling. And we perform the planning function the least well," he emphasized.

Planning Economic Growth

Mr. Pratt, as communications director of the Upper Midwest Research and Development Council, outlined activities and future programs of the group.

He said the Council itself was not an action group, adding that it would lend effort and help in every way

"we can in an endeavor to establish state and local leadership in carrying forward policies for sound economic growth. The leaders in community development have been, and will continue to be the bankers, transportation people and the utilities."

Executive Health

Dr. Mankin, speaking on this rather drab sounding topic, was a pleasant surprise to all in attendance as he reviewed current efforts by firms and medical people to promote better health among executives, plus a few startling facts as to why it was necessary. His relaxed and light approach to presenting this information made his presentation a very well received one.

He emphasized that "preventive maintenance seems uniquely appropriate" for the individual business man in considering his health. The good business man uses this approach for machines and buildings, so why not for himself?

Larger corporations have been paying more attention to their executives' health than the small ones,

50-Year Banker Awards

- G. Hochhalter**, president, First State Bank, Wilton.
- Max Buechler**, vice president, Kulm State Bank.
- L. Skjelset**, president, First National Bank, Bowbells.
- C. O. Myhre**, president, Rolette State Bank.
- Herman Meuwissen**, vice president, Farmers State Bank, Crosby.

In some circles,
a "correspondent" means
a little bank
that has an account
with a big bank.



Some
circles
are
"square."

There's a confusing tendency in the banking business to think of a "correspondent" as "some other bank," and a smaller one, to boot.

The core of the confusion is that term "correspondent banking."

At Manufacturers Hanover, we think these tired, old words don't half describe the *dynamic interaction* that goes on daily between a *customer* bank and ourselves. And "correspondent banker" is a pretty vague way of saying 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 nearly 4,000 U. S. banks rely on us to provide these services for them—banks of every size and in just about every place.

After all, when you get right down to it, size is only relative in this bank-to-bank business.

The whole thing is bigger than both of us.

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

M MANUFACTURERS HANOVER TRUST

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Northwestern Banker, June, 1967

according to Dr. Mankin. He advised, with tongue in cheek, that bankers do a little bit more than go to the physician for an annual examination "every five or six years."

Advises Small Banks

Mr. West, in his discussion of

changes in banking brought about by automation, changes in markets, credit cards and the like, emphasized the plight of the small bank.

He urged that bankers not lose sight of the basic fundamentals of banking and the importance of prudent use of depositor money. His dis-

cussion included the loan category and words of caution regarding investment of those funds not listed as loans or fixed assets.

The great difference in ratio between demand and time deposits has brought about a great management revolution in techniques of running a safe, profitable and successful bank, he said.

State Banking Review

Mr. Thorndal, recently appointed state bank examiner from Bismarck, closed out the formal part of the convention on Saturday morning with a review of the state banking department.

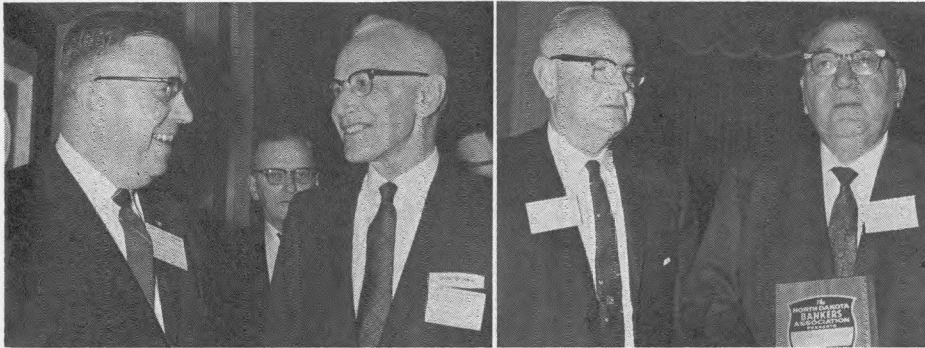
He pointed out that though he had hired five new examiners since his appointment, he was still able to set a goal of examinations of only 75 per cent of the banks during 1967. If funds become available, as he feels they must, this goal will be raised to 100 per cent of North Dakota banks examined during 1968.

The recodification of state banking laws was listed by Mr. Thorndal as a key problem facing the department. Included as questions which needed resolving were par banking, trust company laws and paying and receiving stations.

Par Bankers Meet

As a sidelight and completely separate from the convention, the par bankers of North Dakota met while in Fargo in an attempt to arrive at some answers on this important question. The thought presented to the group was "we must come up with some workable answers to this problem, or let the state legislature do it for us."

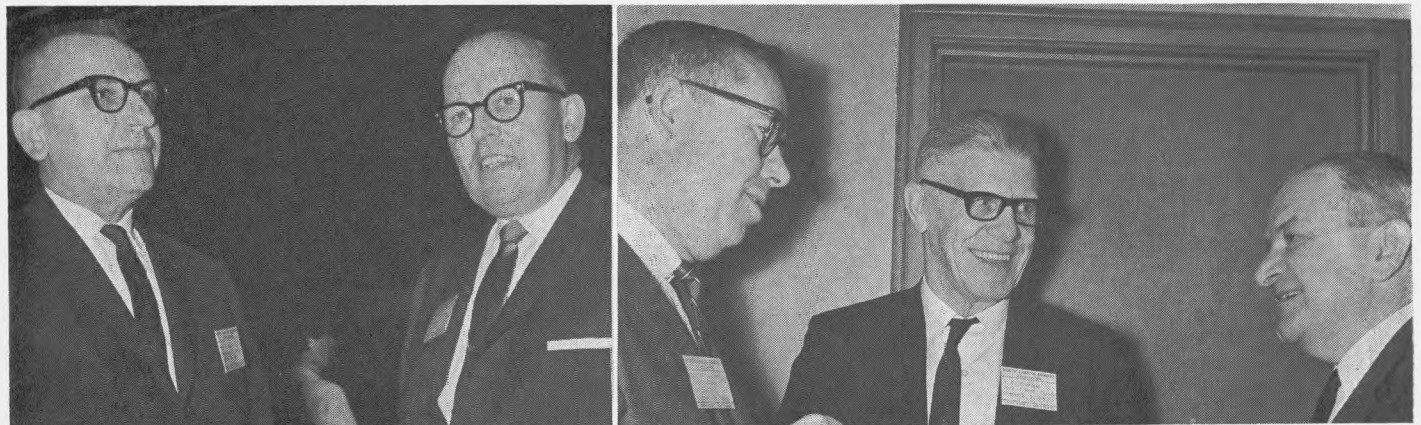
It was decided to refer the matter to a committee of par bankers to arrive at some definite recommendations on the question, plus some thoughts on means of replacing the revenue



FROM LEFT: A. J. Huber, exec. v.p., First State Bk., New Leipzig; G. Hochhalter, pres., First State Bk., Wilton; Dr. F. Byers Miller, exec. director, NABAC, Park Ridge, Ill.; and M. C. Buechler, v.p., Kulm State Bank. Mr. Hochhalter and Mr. Buechler were the two recipients of 50 Year Banker Awards presented at the convention, while Dr. Miller served as a convention speaker.



FROM LEFT: Joe Gorecki, Natl. Fidelity Life Ins. Co., Minneapolis; M. D. Melbostad, Minnesota Protective Life, Minneapolis; and Brigadier General H. L. Hogan III, commander, 810 SAC division at Minot. General Hogan was the luncheon speaker and discussed the role of SAC in southeast Asia based on first hand experience gained from a six month tour of duty over Viet Nam.



LEFT: Virg Hegeholz, v.p., Grant County State Bank, Carson, and Carl Carlson, a.v.p., Manufacturers Hanover Trust Co., New York. RIGHT: Pat Colbert, v.p., Natl. City Bank, Minneapolis; D. C. Kierland, mgr. transit and bkpg. dept., Bank of N. D., Bismarck; and Paul Jonescue, a.c., Cont. Ill. Natl. Bk. & Tr., Chicago.

Can a smaller bank make a big farm loan?



Sure.

It can be fast and easy. Just ask The First National Bank of Chicago to participate.

From the start, you talk with a banker whose full-time job is working with banks in your part of the country. He knows your area and its special problems. And, if there's a question about a farm loan your man at The First can't answer, he promptly calls in our agricultural specialist. Without wasting

time, you and these men can settle any farm loan situation.

The First stands ready to work with you in many ways. Safekeeping and other trust services. Bond and money desk services. Overline support on larger loans. And full international banking services.

When you'd like to talk to bankers who talk your language, and a bank ready to help you with any correspondent problem you might have, contact The First.

The First National Bank of Chicago

Building with Chicago and the nation since 1863



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provided by these funds at this time.

* * *

Winner of the annual NDBA bowling tournament, and winner of the NORTHWESTERN BANKER trophy, was William W. Trautmann, cashier of the Security State Bank of Robinson. Mr. Trautmann bowled games of 165, 180 and 255 for a high series total of an even 600 pins.

He was followed closely by last year's winner, Harry Lundholm, president of the First National Bank of Valley City. Mr. Lundholm had a series total of 599 pins . . . just one short.

Philip B. Harris, executive vice president of the Northwestern National Bank of Minneapolis, was the winner of the association's annual golf tournament.

* * *

Wes Pierson, cashier of the Merchants National Bank of Fargo, was the winner of the transistor radio offered annually by the NORTHWESTERN BANKER as a door prize at the final session of the convention.

* * *

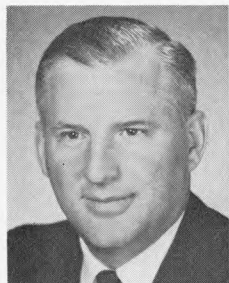
Following custom of previous years, the meeting of the American Bankers Association for North Dakota was held immediately following the close of the convention. In charge was Dell Palmer, chairman of the board of the Fargo National Bank.

Elected to serve on the nominating committee at the ABA this fall was newly elected NDBA president James Munn. Serving as alternate is newly elected first vice president Edward Olson.—End.

Bismarck President

A. Ned Mayer has been elected president of the Dakota National Bank of Bismarck, succeeding A. A. Mayer, the bank's president since 1962.

The current president and his successor are unrelated.



A. N. MAYER

A. A. Mayer will continue to serve as the bank's chairman of the board and chief executive officer until his retirement late in 1968. He recently concluded a term as president of

the North Dakota Bankers Association.

The new president will take office August 1. A former vice president of the bank, he is presently a vice president of Northwest Bancorporation of which the Dakota National is an affiliate.

Northwestern Banker, June, 1967

A. Ned Mayer is a native of McClusky and began his banking career at the Dakota National in 1947 as a bookkeeper. After working in various capacities, he was elected a vice president in 1958. In 1961, he left Bismarck to become an assistant vice president of the Bancorporation. He was elected a vice president of the corporation in 1958.

A. A. Mayer joined the First Guaranty Bank, which later became the Dakota National, as a teller in June, 1928, and has been associated with the institution since that time.

Grand Forks J. C.

Dennis D. Douville, cashier, Community National Bank, Grand Forks, has been elected president of the Grand Forks Junior Chamber of Commerce for the coming year. He was to be installed early this month.

Bismarck A.I.B. Head

Robert L. Hansen, assistant vice president, State Bank of Burleigh County, Bismarck, has been elected president of the Missouri Valley Chapter of the American Institute of Banking, succeeding James Noonan, First National Bank of Mandan.

New Fargo Officer

Donald W. Green has been elected assistant vice president in the commercial banking department at Merchants National Bank & Trust Company, Fargo, according to President A. K. Simpson.



D. W. GREEN

Mr. Green has been with the Fargo branch office of the Small Business Administration since 1961 and has served most recently as chief of the financial assistance division of that organization.

He has had previous experience with the Minneapolis Commodity CSS office and served in the U. S. Air Force from 1951 to 1953.

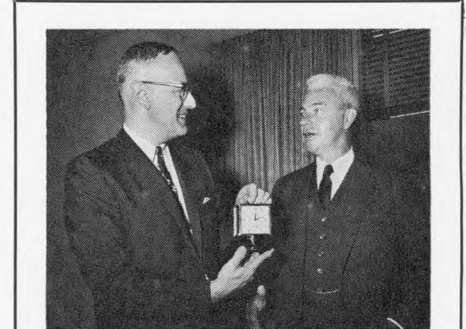
Jamestown Director

George Craven, manager of the Fair Store in Jamestown for the past 15 years, has been elected to the board of directors of the Stutsman County State Bank in Jamestown.

He succeeds V. G. Hegeholz as a member of the board. Mr. Hegeholz is now president of the Clay County State Bank at Dilworth, Minn.

Dawson Hail's 50th

Dawson Hail Insurance, Fargo, last month celebrated its 50th anniversary since its organization in 1917. The organization is presently the largest hail writing office in the northwest. Principals include Charles A. Dawson, Robert C. Dawson, James R. Dawson and Lyle C. Askerooth.



CENTURY OF BANKING TOGETHER—Robert B. Hole, president of the National Bank of Auburn, N. Y., and vice president of the New York State Bankers Association holds a Cartier clock presented by Edward L. Palmer, executive vice president of First National City Bank, New York, in recognition of the 100th year of association between the two banks. The presentation was made at Citibank's 399 Park Avenue headquarters in Manhattan in mid-April during the bank's Spring Management Seminar.

St. Louis Promotions

Kenton R. Cravens, board chairman of Mercantile Trust Company, St. Louis, announced these promotions and changes of titles: Charles H. Buxton and Robert W. Wolters were elected vice presidents; William A.

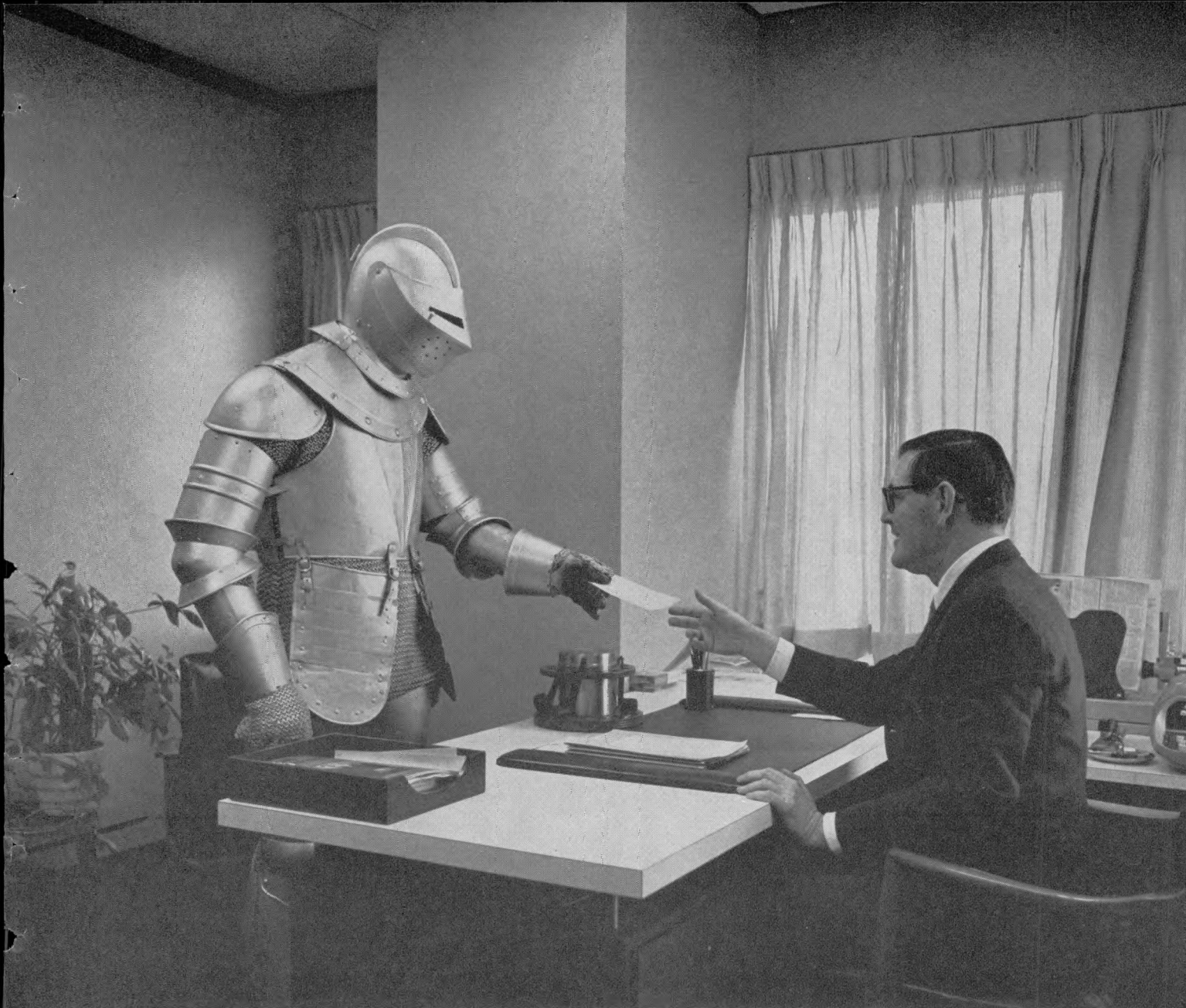


C. H. BUXTON R. W. WOLTERS

Bauer was promoted to assistant vice president; Walter Scaggs was named operations officer; and Charles E. Benkert, Theodore Boller, Floyd Jaquot, and Stephen Rinaberger were promoted to assistant operations officers.

Publish Farm Brochure

The farm management department of The Northern Trust Company, Chicago, has released a new 16-page brochure on farm management. The department is under the direction of James Shute.



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Vice President
Sales Manager



WILLIAM E. FELTER
Regional Service
Representative
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FRED N. COULSON, JR.
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JAMES C. GARBER
Assistant Vice President
Utah-Wyoming-
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Every time you make a loan, you can make a little more with Old Security creditor insurance. It takes only a minute to make extra profits. Now, with the new *Multiple Protector* and other ordinary life plans, you have insurance to meet the needs of every customer. Ask the man from Old Security to tell you more!



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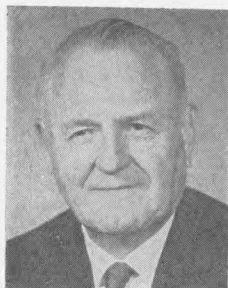
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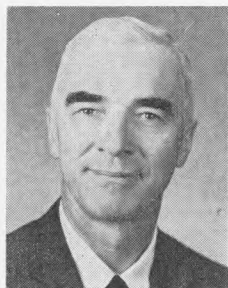
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Northwestern Banker, June, 1967



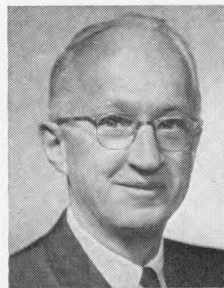
A. S. BRUBAKER



J. E. TENGE



J. D. STREET



R. C. WALLACE



T. B. CURTIS

Montana Bankers at Jackson Lake, June 15-17

SIX prominent business, professional and government executives will address members of the Montana Bankers Association during the 64th annual convention of the association June 15-17. Site for the convention this year will again be Jackson Lake Lodge at Jackson Hole in Moran, Wyo. The 1966 convention was held for the first time at Banff Springs Hotel in Banff, Canada. The association for some years has been holding its convention in two successive years in Jackson Hole, the third year in northern Montana.

Starting off the three-day meeting will be the second annual golf tournament with tee-off time set for 10:00 a.m., Thursday, June 15. The executive council will hold its customary meeting that afternoon, and the registration desk also will be open during the afternoon.

Presiding at the convention will be MBA President A. S. Brubaker, president, State Bank of Terry. Officers serving with him the past year are: First vice president, John E. Tenge, president, Midland National Bank, Billings; second vice president, J. D. (Dewey) Street, president, Security Bank & Trust Company, Bozeman, and secretary-treasurer, R. C. Wallace, Helena.

Mr. Brubaker announced that these speakers will address the convention: Herrell DeGraff, president, American Meat Institute, Chicago; Bernard J. Ellis, assistant director of Automation, American Bankers Association, New York City; Jack Schreiber, M.D., Doctors Park, Canfield, Ohio; J. E. Corette, president, Montana Power Company, Butte; A. M. McNickle, vice president, Security Trust Company, Miami, Fla., and the Hon. Thomas B. Curtis, U. S. Representative from Missouri, Washington, D. C.

The program outline follows:

THURSDAY, JUNE 15

A.M.
10:00 Second Annual Golf Tourney.
P.M.
1:00 Luncheon Meeting of Executive Council.
1:00 Registration Desk Opens—Jackson Lake Lodge.
5:45 Social Hour.
Honoring A. S. Brubaker, president of the Montana Bankers Association. Compliments of Midland National Bank, Billings; Metals Bank & Trust Company, Butte; First National Bank, Great Falls, and First National Bank & Trust Company, Helena.
7:00 Dinner.

FRIDAY, JUNE 16

A.M.
8:30 Breakfast for 25-Year Club.
10:00 Call to Order—A. S. Brubaker, president, Montana

Bankers Association; president, State Bank of Terry.

Invocation.

Welcome Address—Superintendent, Grand Teton National Park.

President's Address—Mr. Brubaker.

Address—J. E. Corette, president, Montana Power Company, Butte.

Meeting of Montana Members of American Bankers Association. Presiding, Claude R. Erickson, president, First Security Bank, Livingston. (In place of A.B.A. State Vice President A. G. Miller, president, First National, Miles City, who will not be present.)

Address—Hon. Thomas B. Curtis, member, United States House of Representatives from Missouri, Washington, D. C.

P.M.

12:15 Noon Luncheon.

2:00 Call to Order—President Brubaker.

Address—Herrell DeGraff, president, American Meat Institute, Chicago.

Report of Resolutions Committee—E. Lowry Kunkel, Jr., president, Daly Bank & Trust Company, Anaconda.

Address—Jack Schreiber, M.D., Doctors Park, Canfield, Ohio.

Adjournment.

6:00 Social Hour. Compliments of Union Bank and Trust Company of Helena.

7:00 Family Dinner.

9:00 Dancing. Refreshments courtesy of associate members.

SATURDAY, JUNE 17

A.M.
10:00 Call to Order—President Brubaker.
Address—Bernard J. Ellis, assistant director of automation, American Bankers Association, New York City.
Address—A. M. McNickle, vice president, Security Trust Company, Miami, Fla.
New or Unfinished Business.
Election of Officers.
Installation of Officers.
Drawing for Door Prize.
Adjournment.

LADIES' ENTERTAINMENT

Friday, June 16

P.M.
1:00 Luncheon.
Door Prizes.—End.

Your man At the American!



ROBERT E. SIPPLE
Vice President

BANKS and BANKERS

**We look forward
to seeing our many
friends again during
the Montana Bankers
Convention
June 15-17**

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Full Service Bank
in the Upper Midwest"*



**AMERICAN
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Northwestern Banker, June, 1967

Montana NABAC Group Meetings



AT NABAC MEETING, left to right: **Harry A. Hermanson**, past District 9 director, NABAC; **Thomas H. Rainville**, vice president, Glacier Chapter; **Harold Smith**, owner-publisher, Glacier Courier and luncheon speaker; **Donald Lees**, president, Glacier Chapter; **E. Eugene Gale**, treasurer, Glacier Chapter, and **Iner R. Carlson**, membership division, NABAC.

THE Glacier Chapter of NABAC, The National Association for Bank Audit, Control and Operation, held its quarterly meeting last month in Glasgow, Mont., according to Robert M. Pancich, publicity chairman.

Donald A. Lees, auditor, First National Bank of Glasgow, was elected the organization's president for the upcoming year.

Vice president is Thomas H. Rainville, assistant cashier, First National Bank of Great Falls; treasurer is E. Eugene Gale, auditor, Security Trust and Savings Bank of Billings and secretary is Wallace Small, cashier, First National Bank of Missoula.

Directors elected were Charles L. Newland, cashier, First National Bank of Bozeman; Barrett D. Collier, assistant vice president, First National Bank, Great Falls, and John L. Heath, assistant vice president, Federal Reserve Bank, Helena.

The First State Bank of Malta

MALTA, MONTANA

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WM. ARMINGTON	Chairman of the Board
R. H. ULRICH	President
W. E. SOUTHWICK	Cashier
D. M. CAMPBELL	Vice President
F. LEE ROBINSON	Vice President
BONNIE JACOBSON	Assistant Cashier
CHARLES E. SEEL	Assistant Cashier

DIRECTORS

WILLIAM ARMINGTON	V. A. NORDLUND	
L. E. O'ROURKE	HENRY SMITH	W. E. WOODS
R. H. ULRICH	F. LEE ROBINSON	

64 years of Continual Service

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You Will See Them at the Montana Convention, June 15-17

THE following metropolitan bankers, investment men, service and equipment dealers have indicated they will be attending the annual Montana Bankers Association Convention at Jackson, Wyo., June 15-17:

Chicago

American National Bank and Trust Company: William B. Aldrich, assistant vice president.

Continental Illinois National Bank & Trust Company: Gerald K. Bergman, representative.

First National Bank: C. E. Cross, Jr., assistant cashier.

Denver

Central Bank and Trust Company: Don Echtermeyer, vice president.

Denver United States National Bank: Don Ferrel, vice president, and Paul Christensen, representative.

First National Bank: Royce B. Clark, vice president.

Los Angeles

Security First National Bank: Richard Frey, assistant vice president.

United California Bank: William C. Stivers, assistant vice president.

Minneapolis

First National Bank: George Henry, vice president, and Ed Kalafat, assistant vice president.

Marquette National Bank: R. W. Crouley, senior vice president, and Avery G. Fick, assistant vice president.

Midland National Bank: Douglas M. Johnson, vice president.

National City Bank: C. Bernard Jacobson, president.

Northwestern National Bank: C. Paul Lindholm, vice president; Don-

ald M. Anderson, vice president, and John M. Johnson, assistant cashier.

New York

Chase Manhattan Bank: John C. Archibald, representative.

First National City Bank: C. Norman Gustafson, assistant cashier.

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

St. Paul

American National Bank and Trust Company: Robert E. Sipple, vice president, and John D. Cleary, assistant vice president.

First National Bank: Wallace L. Boss, vice president, and Don W. Buckman, vice president.

Stock Yards National Bank (South

L. A. Christensen, Chairman of the Board

George E. Waggoner, President	M. R. Wagoner, Vice Pres. & Cashier
N. L. Simonson, Vice President	Mrs. M. Schnee, Assistant Cashier
Phil Olmstead, Ag. Rep.	


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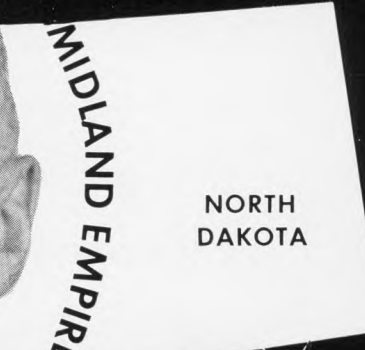
BANKING SERVICES IN THE



MONTANA



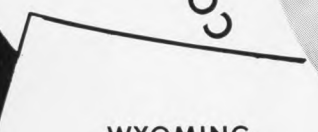
John E. Tenge
President




NORTH
DAKOTA

CORRESPONDENT

MIDLAND EMPIRE



WYOMING



MEMBER F.D.I.C.

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...Your Friendly Bank
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Greetings to the "Official Family" of the Montana Bankers!

Our Congratulations on an excellent Convention Program.



Greetings from
EXCHANGE STATE BANK
of Glendive, Montana
to the new officers of the
MONTANA BANKERS ASSOCIATION

Geo. C. Johnson, President

Henry M. Lillejord, Vice President	Eugene R. Nietz, Asst. Vice President
Miss Genevieve Remillard, Asst. Vice Pres.	Gerald Kopp, Cashier
Nick Geiger, Asst. Vice Pres.	Mrs. Ivy Pierce, Asst. Cashier

St. Paul): L. M. Broom, president.
San Francisco
Bank of California: Irving W. Danielson, vice president.
Service and Equipment Firms
Bankers Service Corporation, Des Moines: Robert C. Wilson, president.
Central States Health and Life Company: Robert C. Findlay.
Diebold, Inc: Charles Miller.
Old Security Insurance Companies: F. N. Coulson, Jr., vice president; Ross Forbis, vice president, and J. C. Garber, assistant vice president.

Northern Trust Promotions

Following a meeting of the board of directors, The Northwestern Trust Company announced the following promotions and new appointment in Chicago:

Stuart Hamilton has been elected senior vice president. He continues in charge of the operating department.

Promoted to second vice president were Thomas E. Ingram and Laurence R. Pearson in the trust department and D. Richard Banks and Blair C. Radford in the bond department.

Appointed assistant secretary in the trust department was Allen H. Cummins.

New Tulsa Directors

Two prominent Tulsans have been elected directors of the First National Bank and Trust Company, it was announced by F. G. McClintock, chairman and chief executive officer.

The new directors are Fenelon Boesche, partner in the law firm of Boesche, McDermott and Eskridge, and George H. Galloway, executive vice president, Pan American Petroleum Corp.



NEW LOOK for the Bank of Montreal includes a stylized "M" and new typography for the name and slogan, plus adoption of "First Bank Blue" as the official color. These will be used to introduce new standard identification of all bank buildings, advertising, stationery, cheques and forms, for many millions of items at more than 1,000 offices in Canada and abroad.

American of Chicago Promotions

Eight officer appointments and promotions, including two vice presidents, were announced by Robert E. Straus, chairman of the board, American National Bank and Trust Company of Chicago.



J. P. GAFFIGAN

R. H. KELBY

Joseph P. Gaffigan, commercial loans, division C, and Robert H. Kelby, industrial division, were advanced to vice presidents and heads of their respective divisions.

In addition, two veteran officers, Paul M. Stromborg, rail division, and Sidney Goldstein, cashier's division, were promoted to assistant vice presidents.

Finally, four new officers were appointed with the title of assistant cashier, including Robert S. Engelman and Ronald W. Foreman, both assigned to commercial loan divisions, George K. Metzger, business development division, and Harold R. Pehlke, Jr., credit department.

Heads Chicago Bond Men

P. Alden Bergquist, vice president of the municipal bond department of The First National Bank of Chicago, was elected the 31st president of The Municipal Bond Club of Chicago at their annual meeting.

Mr. Bergquist, a native of Nebraska, attended Hastings College, the University of Nebraska and the Graduate School of Banking at Rutgers University. He is also a member of The Bond Club of Chicago and the Society of Municipal Analysts.

Chase Office in Korea

The Chase Manhattan Bank, N.A., has received preliminary approval from the monetary board of the Bank of Korea to operate a full-service branch banking office in Seoul, the capital of the Republic of Korea.

Hey, what's the hurry? We're on our way to the M.B.A. convention!

FIRST NATIONAL BANK AND TRUST COMPANY

BILLINGS, MONTANA 59103
Member Federal Deposit Insurance Corporation

Visit Glacier National Park
and
The Blackfeet Indian Reservation
in 1967

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THE UNITED STATES NATIONAL BANK
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Serving this community since 1910

A locally owned and independent bank

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Our 69th year
of experience in providing
superior correspondent facilities
for Montana Banks

UNION BANK AND TRUST COMPANY

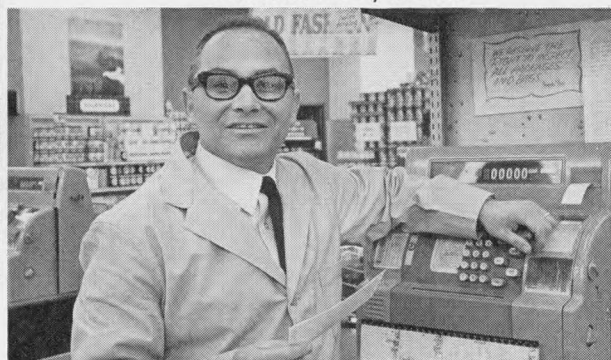
HELENA MONTANA

Member Federal Deposit Insurance Corporation

Farmer: "With REC-CHEK, we do our bookkeeping in the time it takes to write our checks. The printed cost and income breakdown we get every month helps us in the planning."



Grocer: "With REC-CHEK, I get my sales, purchase, and expense figures—by category—with my bank statement every month."



A BANKING SERVICE THAT BRINGS THEM INTO YOUR BANK



Doctor: "I and my colleagues have more time for patients with REC-CHEK keeping track of the money for us. And the expense analysis is very helpful."



Executive: "The wife and I can budget realistically with REC-CHEK. At tax time we're able to give the accountant complete information immediately."

Now you can offer your demand depositors the most modern, most desirable banking service yet devised—REC-CHEK—and open up new avenues of income for your bank. The unique REC-CHEK system produces, as a by-product of your regular check-clearing process, a complete monthly breakdown of income and expense for each demand depositor, regardless of his type of business. Doctors, farmers, businessmen, lawyers, and executives all have been enthusiastic in their praise—and so have their bankers.

How It Works

With the REC-CHEK system, each depositor selects a series of 3-digit codes to cover the various categories of his income and expense items. Then, using REC-CHEK deposit slips and checks, he simply enters the appropriate code number each time to identify the type of transaction. That's all the depositor does; the rest is automatic. Each month (as a by-product of your check-clearing process) you send him a monthly and year-to-date record of all his income

and expense items—by category. And REC-CHEK flexibility covers virtually any type of account; it is simple enough for anyone to use.

A Profitable Customer Service

REC-CHEK not only attracts and holds those all-important demand depositors for your bank—it does so at a profit. The initial installation cost is quickly amortized by the addition of a modest monthly service charge to each participating account. Your customers will realize that they cannot obtain such a service anywhere for that price. As a REC-CHEK franchisee, your contract provides for exclusive rights to this system in your banking area. And REC-CHEK is equipped to help you get off to a fast, sound start with "in-bank" training and customer promotion materials. You also have the right to re-enfranchise correspondent banks for whom you do processing, thus strengthening correspondent relationships by adding new services, and adding income.

Proved Nationwide

REC-CHEK is a well-established national system and expanding rapidly. In banks throughout the country it has met with enthusiastic response wherever it has been installed. REC-CHEK is backed up with research and development by specialists in banking, accounting and electronic data processing. The REC-CHEK system produces its benefits by the astute use of the member bank's own Electronic Data Processing equipment. But if your bank does not yet have EDP, you can easily have REC-CHEK accounts processed by a correspondent bank or an independent processing service.

Complete Information

For further information and a demonstration of how REC-CHEK works for various types of accounts, write REC-CHEK Inc., Box 239, Nevada, Iowa 50201.

Patent Pending

REC-CHEKTM

Northwestern Banker, June, 1967

Wyoming Bankers Association 75th Annual Convention

Jackson Lake Lodge

June 8-10, 1967



J. W. HAY, JR.



D. D. BONHAM

ADDRESSES by four out-of-state speakers will highlight the 59th annual convention of the Wyoming Bankers Association. The meeting will be held June 8, 9 and 10, with the site again the beautiful setting of Jackson Lake Lodge, Moran.

In announcing the program, WBA President John W. Hay, Jr., president of the Rock Springs National Bank, revealed that there will be two golf tournaments this year. The men will tee off at 9:30 a.m. Thursday, June 8, for the Second Annual WBA Men's Golf Tournament. At 11:30 a.m., the women will tee off in the First Annual Ladies' Golf Tournament.

As usual, a social hour and indoor picnic will be held in the hotel convention area, with casual clothes the order of the day. The annual banquet Friday evening, June 9, will be addressed by Edd H. Bailey, president of the Union Pacific Railroad Company, Omaha.

After full business sessions on Friday, the Saturday meeting which will last only through the morning until 10:30 a.m., will consist of committee reports and election of officers.

Serving with Mr. Hay as officers during the past year have been: Vice president, Max C. Robinson, executive vice president, Star Valley State Bank, Afton. Secretary, E. J. "Woody" Haines, vice president, First National Bank, Laramie. Treasurer, John A. Guthrie, Jr., vice president, Bank of Laramie, Laramie.

The complete convention program follows:

THURSDAY, JUNE 8

- A.M.
9:30 Second Annual WBA Men's Golf Tournament—Jackson Hole Golf Club.
11:30 First Annual Ladies' Golf Tournament—Jackson Hole Golf Club.
P.M.
5:00 Social Hour.
6:15 Indoor Picnic—Hotel Convention Area (casual clothes).
Dancing.

FRIDAY, JUNE 9

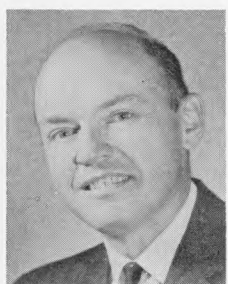
- A.M.
9:30 Call to Order.
Invocation—Rev. Philip Zimmers, pastor, St. John's Episcopal Church, Jackson, Wyo.
Address of Welcome—George W. Hufsmith, State Representative, Teton County, Jackson, Wyo.
President's Address and Annual Report—John W. Hay, Jr., president, Rock Springs National Bank.
"Banking"—Henry O. Koppang, vice chairman of the board, Mid-Continent National Bank, Kansas City, Mo.
"Concerning State Banking Dept."—Dwight Bonham, state bank examiner, state of Wyoming, Cheyenne.
Report on Wyoming Industrial Corporation Activities—Robert Pettigrew, executive director, WIC; Robert E. Bryans, executive vice president, First National Bank, Casper, Wyo.
Coffee Break (15 minutes).
"Operations and Auditing"—A. S. "Chico" Chaves, vice president and senior administrative officer, First National Bank & Trust Company, Lincoln, Neb.
Report—Wyoming Council on Economic Education—Dr. James Pikel,



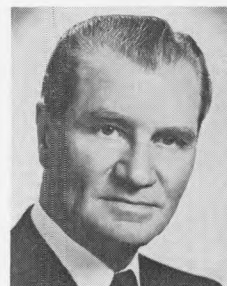
M. C. ROBINSON



A. S. CHAVES



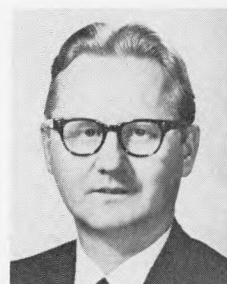
J. A. GUTHRIE



E. H. BAILEY



E. J. HAINES



G. N. ROSTVOLD



H. O. KOPPANG

Northwestern Banker, June, 1967

head of Department of Economics, College of Commerce & Industry, University of Wyoming.
 "Urburbia-Suburbia"—Gerhard N. Rostvold, Consulting Economist, Research Association, Claremont, Calif.
 Urbanomics Research Association, Claremont, Calif.

P.M.

12:30 Ladies' Luncheon—Presentation of golf tournament winners.
 1:15 Men's Luncheon—Presentation of golf tournament winners.
 5:30 Social Hour.
 7:00 59th Annual Banquet.
 8:00 Address by Edd H. Bailey, president, Union Pacific Railroad Company, Omaha.

A.M.

SATURDAY, JUNE 10

8:00 Peeps (Past Presidents') Breakfast.
 9:15 Call to Order.
 Auditing Committee Report—Tom R. Peck, president, University National Bank, Laramie.
 Resolutions Committee Report—R. S. Allen, president, Shoshone-First National Bank, Cody.
 Legislative Committee Report—John W. France, president, Rawlins National Bank.
 Installment Loan Committee Report—L. T. Perkins, assistant vice president, Security Bank & Trust Company, Casper.
 Agricultural Committee Report—Don Jording, executive vice president, Stock Growers Bank, Wheatland.
 Credit Conference Committee—Thomas M. Hockaday, president, Hilltop National Bank, Casper.
 Report of Executive Council, A.B.A.—Robert E. Bryans, executive vice president, First National Bank, Casper.
 Association Business—John W. Hay, Jr., president, Rock Springs National Bank.
 Nominations Committee Report—Robert L. Ferril, executive vice president, Wyoming Bank & Trust Company, Buffalo.
 Election of Officers:

Welcome Bankers to the
 Jackson Hole Country. Vacation
 Land of the West.

The Jackson State Bank
 Jackson, Wyoming

Member FDIC

Big Horn Officers

H. J. (Hap) Cline, vice president, First National Bank of Powell, has been elected vice president of the Big Horn Bankers Association at the group's recent spring meeting in Worland. Ray Bower, Jr, Worland, was elected president and Bruce Armentrout, Lander, secretary.

Honor Rawlins President

John W. France, president, The Rawlins National Bank, was honored recently when he was presented with the Distinguished Alumni Award of the College of Commerce and Industry of the University of Wyoming during the school's annual recognition dinner in Laramie.

Mr. France, who joined the Rawlins

National upon his graduation from the University of Wyoming in 1941, has been president of the bank since 1948.

Honor Kemmerer Banker

Merl E. Case, recently retired vice president of The First National Bank of Kemmerer, was honored last month at a banquet and reception hosted by the directors and officers of the bank.

Mr. Case had served the bank for 34 years at the time of his retirement.

Group Three Officers

C. W. Isabell, cashier, First National Bank, Wheatland, has been elected president of Group 3 of the Wyoming Bankers Association, succeeding Richard Stephens, assistant cashier, Farmers State Bank of Pine Bluffs.

James Rust, assistant trust officer, First National Bank & Trust Company, Cheyenne, was named vice president and W. G. (Buddy) Ragley, senior vice president, American National Bank, Cheyenne, was elected secretary-treasurer.

To Sheridan Board

Homer Smith, vice president of Peter Kewitt Sons Company, Sheridan, has been elected to fill the unexpired term of the late Levi S. Howes on the board of directors of the Bank of Commerce, Sheridan.

Joins Cheyenne Bank

Charles E. (Chuck) Felker, former agricultural representative for the Greeley National Bank, Greeley, Colo., has accepted a position with the Cheyenne National Bank, according to President A. R. Trautwein.

Mr. Felker has been named farm and ranch loan representative for Cheyenne National and the High Plains Agricultural Credit Corporation in Wyoming, northern Colorado and western Nebraska.

Executive Savings Seminar

An executive savings seminar, the first of its kind for bank policy-making officers, will be held October 29-31 in Washington, D. C., it was announced by The American Bankers Association.

Three major topics will be covered: (1) the general role of banks as financial intermediaries; (2) problems involved in savings marketing; (3) measurement of savings profitability.

Attendance at the sessions will be limited to 200 bankers.

JACK KING and BOB BRYANS say:

*"Casper Is a Good Place
 To Do Business"*

Check . . . **FIRST OF CASPER** for Credit
 Information, Collections, Transit Items and
 All Correspondent Services.

FIRST NATIONAL BANK OF CASPER

Established 1889

Member F.D.I.C.

Northwestern Banker, June, 1967

You Will See Them June 8-10 At the Wyoming Convention

THE following metropolitan bankers, investment men, service and equipment dealers have indicated they will be attending the annual Wyoming Bankers Association convention scheduled June 8-10 at Jackson, Wyo.:

Chicago

American National Bank and Trust Company: William B. Aldrich, assistant vice president.

Continental Illinois National Bank and Trust Company: Gerald K. Bergman.

Denver

Central Bank and Trust Company: Don Echtermeyer, vice president.

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

Denver United States National Bank: Don Ferrel, vice president, and Paul Christensen, correspondent bank representative.

First National Bank: Royce B. Clark, vice president.

Lincoln

First National Bank and Trust Company: A. S. Chaves, vice president, and L. S. Curran, assistant vice president and ag rep.

Los Angeles

Security-First National Bank: Richard Frey, assistant vice president.

New York

Chase Manhattan Bank, New York: John E. Donaldson, vice president, and John S. Hejinian, second vice president.

First National City Bank: Anthony T. Ellis, vice president.

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

Omaha

First National Bank: Don R. Strand, vice president, and Mervin F. Aegerter, assistant vice president.

Omaha National Bank: John M. Shonsey, executive vice president; James H. Moore, senior vice president, and Fred Douglas, vice president.

South Omaha Stock Yards National Bank: Frank J. Sibert, vice president.

United States National Bank: Ed Lyman, president; Wayne Thorndyke, vice president, and Jay Bordewick, assistant vice president.

San Francisco

Bank of California: Irving W. Danielson, vice president.

Service and Equipment Firms Bankers Service Company, Des Moines: Robert C. Wilson, president.

Central States Health & Life Company, Omaha: Robert C. Findlay.

Diebold, Inc.: R. F. King, regional manager, Denver office, and William Kelley, sales engineer.

National Fidelity Life, Kansas City: Merlin Menk, Jerry Steffen and Dick Wells.

Old Security Insurance Companies, Kansas City: Fred Coulson, vice president; Ross Forbis, vice president, and J. C. Garber, assistant vice president.

United States Check Book Company, Omaha: C. B. Batchelder, presi-

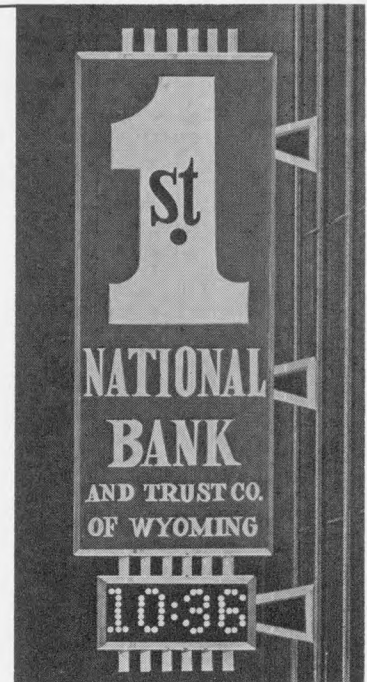
dent; Fred E. Pfaff, vice president, and Ron Ford, representative.

New Prochnow Record

A new record with two addresses by Herbert V. Prochnow, president of The First National Bank of Chicago, has just been released by Edward M. Miller and Associates, Inc., of Grand Rapids, Mich.

One side of the record contains an address on "America's Strength—the Individual," and the other an address on "We Know What We Are, But Know Not What We May Be." It is expected that these addresses will have a wide appeal to bankers, businessmen, schools, service clubs and many business and professional associations.

Welcome
To
First
National
Country



Seeing you at our annual WBA Convention is always a most pleasant experience. The dates this year, June 8, 9, 10. The place, Jackson Lake Lodge.



CHEYENNE

Member Federal Deposit Insurance Corporation



*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—Don Ferrel, Kent Olin, Terry Ryan, 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, June, 1967



Colorado News

NEIL F. ROBERTS
Denver
President
Colorado Bankers Assn.

Colorado Convention

The 65th annual convention of the Colorado Bankers Association was being held at the Broadmoor Hotel in Colorado Springs as the June issue of the NORTHWESTERN BANKER went to press. A report with pictures will appear in the July issue. Pre-convention highlights were featured in the May issue.

P. H. McDonald, president of the Colorado National Bank and Trust Company, LaJunta, was scheduled to move up as president of the Association, succeeding Neil F. Roberts, president of the First National Bank, Denver.

Economic Forums Held

Current developments in agriculture, business and finance were discussed last month by economists from the Federal Reserve Bank of Kansas City in seven economic forums for Colorado bankers. The Federal Reserve Bank sponsored the forums in cooperation with the Colorado Bankers Association.

Sessions were held in Durango, Grand Junction, La Junta, Colorado Springs, Denver, Fort Morgan and Greeley.

Speakers from the Fed's research department included Ray J. Doll, vice president and senior economist; Wilbur T. Billington, vice president and senior economist; and Sheldon W. Stahl, research officer and economist.

Neil F. Roberts, president, Denver U. S. National Bank and president of the Colorado Bankers Association, represented the C.B.A. at the meetings. J. H. Macdonald, first vice president of the C.B.A. and president of the Colorado Bank and Trust Company, La Junta, attended the La Junta meeting in Mr. Roberts' stead.

Dr. Niehaus Retires

Dr. Fred R. Niehaus, former head of the finance division of the University of Colorado School of Business, will retire July 1, after 31 years at the school.

From 1929 to 1935, he taught classes for the American Institute of Banking and in Topeka, Kan. He also has been on the faculty of the Colorado School of Banking.

Represents Dean Witter

Stephen P. Dee has been appointed an account executive with the Denver office of Dean Witter & Company, according to Manager Robert L. Woodberry.

Arvada PR Man

Leonard E. Smith has been named director of public relations for the Arvada State Bank. He retired recently after having served for 22 years as Arvada police chief.

Denver Director

James Heckman, vice president, Mountain States Telephone Company, has been elected a director of Continental National Bank, Denver.

Bank Dedicated

Recent ribbon cutting ceremonies formally dedicated the Guaranty Bank of Stapleton. The bank had officially opened for business July 19, 1966.

To Denver Board

Harry C. Vaupel and Harry J. Gouvert have been named to the board of directors of the Center State Bank in Denver. Mr. Vaupel is a partner in the accounting firm of Alexander J. Lindsay & Company and Mr. Gouvert is president of Bonnie Brae Flowers, Inc.

Changes at First Westland

A new banking service for the Rocky Mountain region—Gold Pass-book accounts—has been introduced by the First National Bank, Westland Center, Lakewood.

Roger Reisher, president, said the new savings service will pay 5 per cent interest.

Users of the new service will deposit \$1,000 to open their Gold Pass-

book account. Additional deposits are to be in amounts of \$100 or more to receive the 5 per cent interest, which is credited quarterly.

Withdrawals may be made after funds are on deposit for 90 days, on any of the quarterly interest dates or within 10 days following.

As an added inducement, First Westland is offering an uncirculated silver dollar, minted before 1900, to all who open one of the new accounts.

Mr. Reisher also has announced the appointment of Larry Hauserman as an assistant cashier and the promotion of Jon Hellman from assistant vice president to cashier.

New "Overdraft" Plan

Chase Manhattan Bank NA has introduced an overdraft feature for its regular and special checking account customers.

The line of credit available under the plan will range from \$500 to \$5,000, with a check drawn in excess of a customer's deposit balance automatically creating a loan in the amount of the overdraft. It will be known as the Cash Reserve Checking Account.

The Chase plan will differ from that introduced in July, 1966, by its largest competitor First National City Bank, in two respects.

- Chase will permit loans of the exact amount of overdraft, rather than in multiples of \$100.

- Chase will credit paydowns of the overdraft loans with any regular deposit to the checking account, rather than in separate transactions.

There will be a 1 per cent per month charge on the amount of overdraft funds in use.

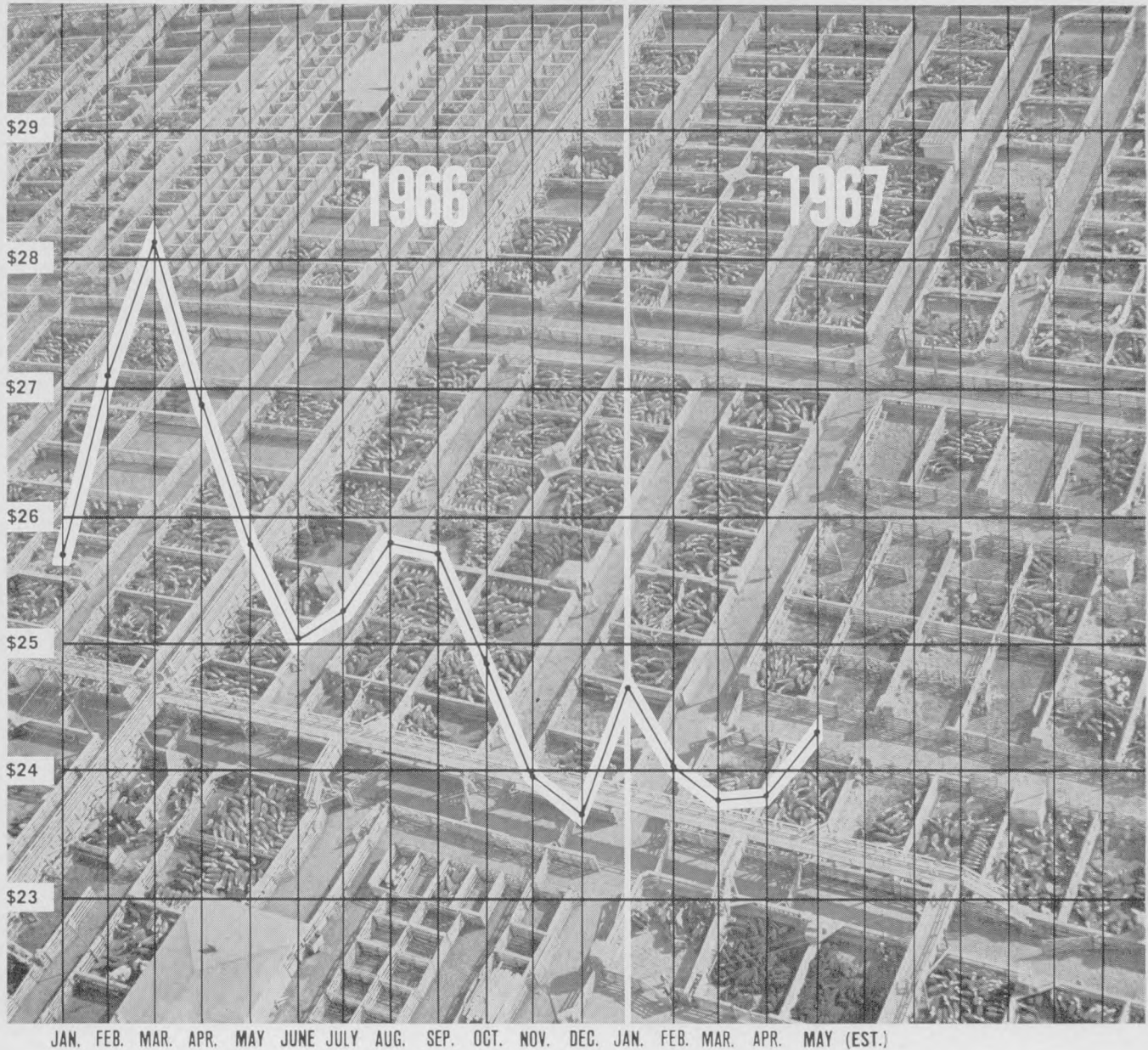
B of A Sponsors Today Show

Bank of America has purchased sponsorship in NBC-TV's early morning Today Show, it was announced by Ernest J. Young, vice president in charge of the bank's world-wide travelers cheques operations.

Mr. Young said that the bank's first participation in network television "reflects our confidence in the personalities of the Today Show to provide an ideal atmosphere in which to sell the advantages of B of A travelers cheques."

Personalities featured on the show include Hugh Downs, Barbara Walters, Frank Blair, and Paul Cunningham.

MONTHLY AVERAGE PRICE--CHOICE SLAUGHTER STEERS--OMAHA



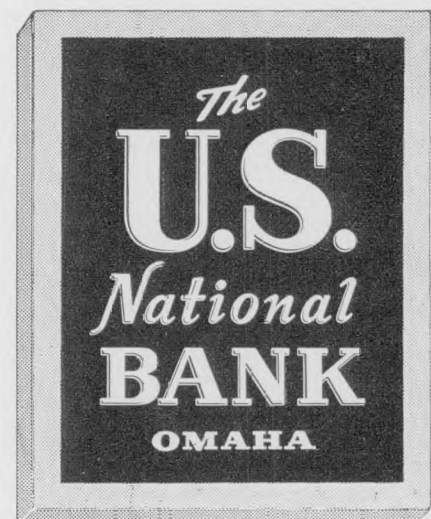
CONCERNED ABOUT THE CATTLE MARKET?

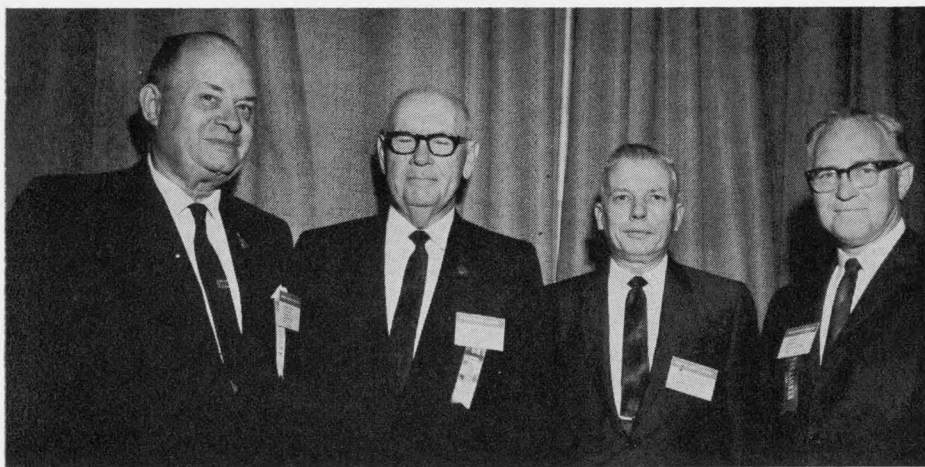
Of course...it has been a tough year for cattle feeders...but we still believe in the soundness of the cattle industry.

Men at the U.S. National know that the cattle business is vital to the banks and economy of this area. They keep on top of every market trend...they know cattle, feeding, and financing from the ground up.

You can make more confident credit decisions with up-to-the-minute market knowledge. Call on U.S. for help in cattle financing and information on market trends.

Member, Federal Deposit Insurance Corporation





OFFICERS of the Nebraska Bankers Association for the 1967-68 year are, left to right: **Thomas J. Aron**, immed. past pres. and pres. Crete State Bank; **Marion R. Morgan**, new pres. of the NBA and pres. 1st Natl., Elwood; **Henry Gramann, Jr.**, new v.p. of the NBA and v.p. Adams State, Adams; and **Edward H. Lyman**, pres. U. S. Natl. Omaha, who is now in his second year of a three-year term as treasurer.

At Nebraska Convention

Nebraska Bankers Support Governor on New Tax Law

Marion Morgan, Elwood, Elected New President

NEBRASKA'S new combination income and sales tax law was a main point of conversation both on the platform and in the hospitality rooms at the Sheraton Fontenelle Hotel in Omaha during the Nebraska Bankers Association's 70th annual convention last month.

Principal speaker on the new legislation—LB 377—was Governor N. T. Tiemann, who gave a personal report to his fellow bankers on key legislation that has passed and is pending

By **BEN HALLER, JR.**
Editor

in the current legislature. Gov. Tiemann took office in January after being elected last fall to Nebraska's first four-year term in the chief executive's spot. He is president of the Commercial State Bank, Wausa, and was NBA president in 1964-65.

Retiring NBA President Thomas J. Aron also touched on the importance

of LB 377 and related legislation when he gave his annual president's report. He was succeeded at the annual election by Marion R. Morgan, who moved up to president from the association vice presidency. Mr. Aron is president of the Crete State Bank. Mr. Morgan is president of the First National Bank.

The newly-elected vice president for NBA is Henry Gramann, Jr., vice president, Adams State Bank, Adams. Continuing as treasurer in the second year of a three year term is Edward W. Lyman, president, United States National Bank, Omaha.

H. V. Osterberg and W. H. Osterberg were reappointed executive vice president and secretary respectively of the association by the executive committee at their meeting following the close of the convention.

Three men were elected to the executive council of the NBA for three year terms expiring in 1970. They are Roland E. Emmett, president, Citizens State Bank, Arapahoe, representing Group Four; Burnham Yates, president, First National Bank and Trust Co., Lincoln, representing Lincoln, and Don R. Ostrand, vice president, First National Bank of Omaha, representing Omaha.

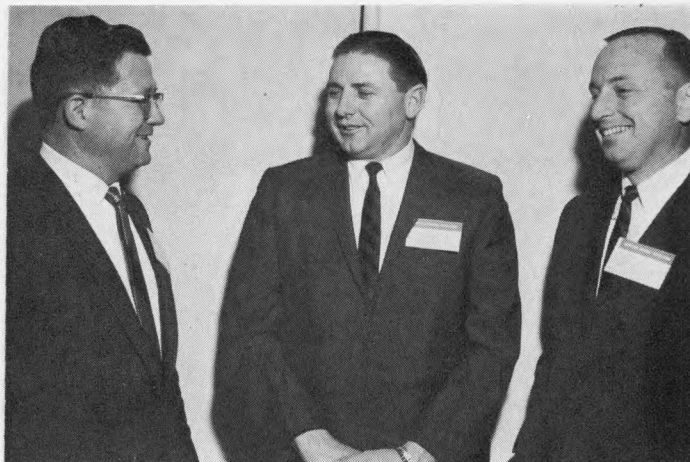
A.B.A. Election

Nebraska members of the A.B.A. elected Mr. Aron as delegate to the A.B.A. nominating committee at the national convention in September, with Mr. Morgan as alternate. Giving a brief report at this special meeting was A.B.A. State Vice President Dale Walkenhorst, executive vice president, First National Bank, North Platte.

Advance registration hit another new high with 881 persons registered in advance. There were 140 registered



LEFT—**John Hejinian**, 2nd v.p., Chase Manhattan Bank, New York; **Mrs. Henry Karpf**, Omaha; **John E. Donaldson**, v.p., Chase Manhattan Bank; **Mrs. Blum** and **Hugh Blum**, v.p. &



cash., 1st Natl., McCook. **RIGHT**—**Charles T. Karpf**, pres., 1st Natl., Morrill; **John Diefendorf**, v.p., Security Natl., Sioux City, and **John J. Irish**, a.v.p., Chemical Bk. New York Tr., New York.

Northwestern Banker, June, 1967

at the convention desk for a total of 1,021 officially at the meeting.

H. D. Kosman, president of Scottsbluff National Bank, was installed as new president of the NBA Past President's Club.

President's Address

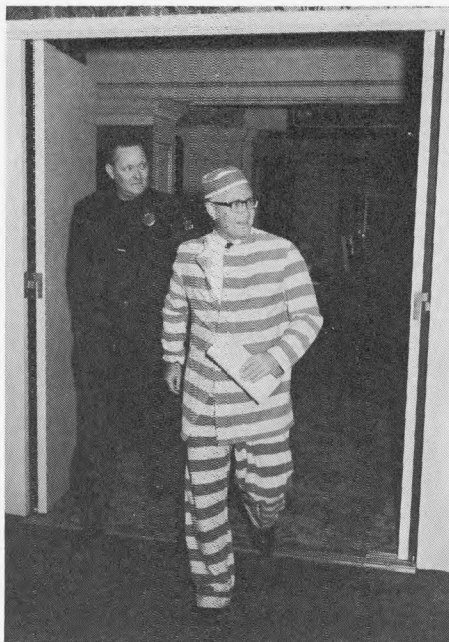
Mr. Aron, in his president's address, said the association is in its second year of a three year program in which the association is giving \$2500 each year to the University of Nebraska College of Business Administration for research in finance and economics.

He asked bankers for support of LB 853, a bill to establish an Industrial Development Committee. Mr. Aron also told about the new 20-minute sound and color film prepared by the association's public relations committee to tie in with the "Your Nebraska Banks" educational program in the schools. Omaha and Lincoln banks have purchased several prints for use in those schools. The association will have several other prints for outstate use in high schools this fall.

Director of Banking Reports

C. R. Haines, acting director of banking, gave a brief report on activities of his department. To aid U. S. Post Office authorities who are trying to reduce as much as possible the volume of mail transported between cities, Mr. Haines has directed that letters in connection with the direct verification program in bank examinations now be mailed in towns where the examinations are conducted, rather from Lincoln.

For Nebraska state banks at the 1966 year-end he reported 307 banks, nine detached facilities, nine new trust departments, and 30 grants of limited trust powers. In 1966, examining personnel missed only 4 of 450 banks exams required. Among state banks, 31 paid a total of



WHEN the call was made at the Nebraska Bankers Association annual convention for the treasurer's report he was not in the room. The treasurer, **E. W. Lyman**, pres. of U. S. Natl. Bank, Omaha, made arrangements to be the first on the program the following morning. To the complete surprise of everyone in the room, he responded to the second call as shown above—in prison garb and handcuffed to an officer. After being "released from custody" at the platform he gave his delayed report, which again showed the NBA books and finances to be in tip top shape!

\$1,011,000 in dividends. New stock totaling \$500,000 was sold by state banks in 1966.

No state bank has less than 6 per cent capital ratio, while 64 have a 10 per cent ratio or more, and the average is almost 10 per cent even. Classified loans constitute 2½ per cent of total loan value in state banks, although doubtful and loss classification is less than ½ of 1 per cent.

Governor's Address

Gov. Tiemann gave special attention in his opening remarks to an out-

break of hog cholera and stressed the importance of complete cooperation with state animal health authorities in taking necessary steps to completely eradicate this costly and infectious disease.

In discussing LB 377, which was passed 38-11 in the 49 member Unicameral legislature, he reported that a dissident group is seeking an injunction against the income tax portion which goes into effect January 1, 1968. He stated that a constitutional amendment was passed by the voters last November making adoption of this legislation constitutional. Gov. Tiemann said extreme care was taken to legally remove all unconstitutional bars to income tax and sales tax legislation before the bill was presented and passed.

"We welcome a court challenge to get this determination," Gov. Tiemann emphasized. He went on to note that "if a possible unconstitutional decision is made, I will call a special session immediately to rectify it."

In commenting on the volume of controversial bills before the legislature this year, Gov. Tiemann noted that the tax bill was an historic one, passed in 90 days, and followed by LB 144 which repealed the intangibles tax that banks have stated repeatedly is a drag to progress in the state. The head tax and household tax also were removed with the intangibles tax after replacement revenue was voted in LB 377.

"I don't know if these historic changes are due to the Centennial Year or if Nebraska has really turned the corner," he said. On LB 358, the open housing bill, Gov. Tiemann said it is a real emotional issue.

"Which come first," he asked, "human rights or property rights? I say human rights because without them, of what value are property rights?"

LB 448, he noted, provides aid to common schools for quality at the elementary level. "We hope to put \$10 million in the program this fall and \$10 million next year," he said. Of this amount, \$9 million is replacement money, so the increase is \$11 million.

The Governor also asked for support of the bill that would create the Nebraska Development Commission, for banks would participate in this. It will provide a base from which research on Nebraska's potential can be sent to prospects.

"We will have the biggest boom in the next 3-4 years ever seen in this state," Gov. Tiemann stated. "If this bill passes your town by, it will be



Chase Neumann, pres., Farmers & Merchants Natl., Oakland; **Edward W. Lyman**, pres., U. S. Natl., Omaha; **Don Roberts**, pres., Otoe County Natl., Nebraska City; **Wayne Thorndyke**, v.p., U. S. Natl., Omaha, and **H. F. Brase**, retired, Natl. Bank of Norfolk.

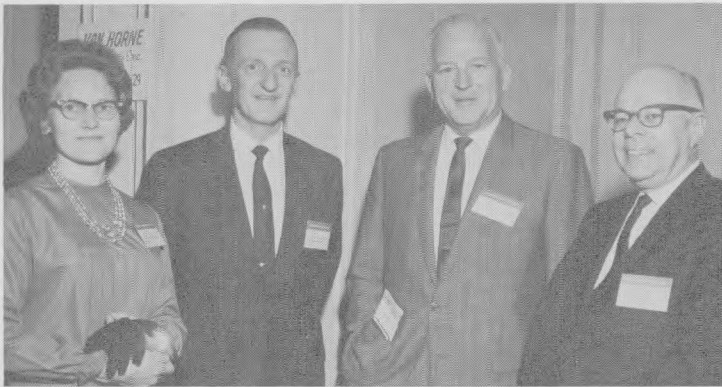
Northwestern Banker, June, 1967



LEFT—George Cemper, cash., 1st Natl., Shelby; Mike Van Horne, a.v.p., Van Horne Investments, Inc., Omaha; Ronald J. Krejci, exec. v.p. & cash., Schuyler State, and Paul Kosch,



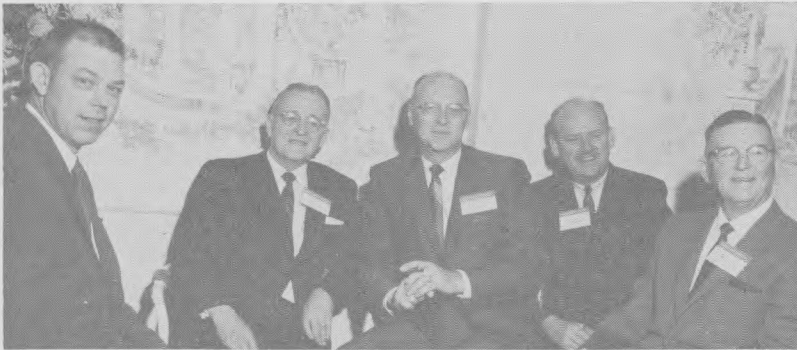
pres., 1st Natl., David City. RIGHT—James J. McGill, v.p., Live Stock Natl., Sioux City, and L. L. Butzine, cash., Northwestern State, Hay Springs.



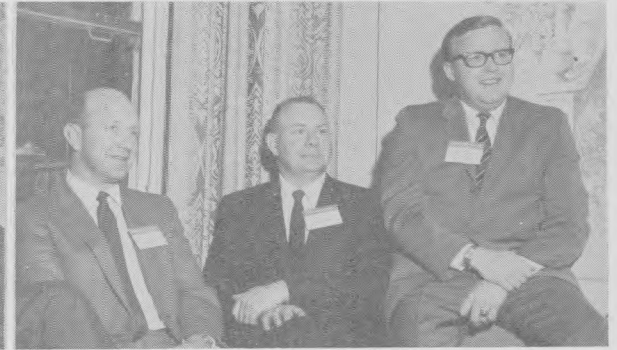
LEFT—Mrs. Griffis and C. W. Griffis, v.p. & cash., Guardian State, Alliance; Wes Jones, NBA group insurance consultant, and Hal Childs, v.p., Chiles & Co., Omaha. RIGHT—Gene C.



Eaton, sr. v.p., Natl. Bank of Commerce, Lincoln; E. B. Cosgriff, pres., City Natl., Hastings; Herb Echtermeyer, sr. v.p., Omaha Natl., and D. W. Jorgenson, pres., Amer. Natl., Sidney.



LEFT—Dale Walkenhorst, exec. v.p., 1st Natl., North Platte; F. N. Cronin, pres., O'Neill Natl.; Harold Qualsett, pres., 1st Natl., Schuyler; Fred Douglas, v.p., Omaha Natl., and Bryan



Jensen, pres., Adams County Bank, Kenesaw. RIGHT—Royce Clark, v.p., 1st Natl., Denver; Hilmer I. Wiig, cash., 1st Natl., Baneroff, and Jarry Parker, a.c., Commerce Trust, Kansas City.



LEFT—Don Echtermeyer, v.p., Central B&T, Denver; Adolph Thuman, pres., State Bank of Trenton; Don Bailey, pres., Campbell State; Frank Tice, pres., Commercial State, Clay Center, and John Edmiston, a.c., Central B&T, Denver. RIGHT—Russ



Peterson, a.v.p. & reg. mgr., New York Terminal Whse. Co., Omaha; Mrs. Bloom and Carl Bloom, spec. repr., Central States Health & Life Co., Omaha, and B. M. DeLay, pres., DeLay 1st Natl., Norfolk.



LEFT—**Stan Evans**, pres., Live Stock Natl., Sioux City, Ia.; **Clyde Sudman**, chmn., Guardian State, Alliance; **Cecil Means**, sr. v.p., South Omaha Stockyards Natl., Omaha; **Paul Hefti**, pres., Bank of Chadron, and **Robert Kline**, v.p., Northern Trust, Chicago. RIGHT—Seated from left, **Hon N. T. Tiemann**, gov-

ernor of Nebr., and **Thomas J. Aron**, NBA immed. past pres., and pres. Crete St. Bank. Standing from left: **Marion R. Morgan**, new pres. of NBA and Pres., 1st Natl. Bk., Elwood, and **W. W. Alexander**, pres., Trenton Tr. Co., Trenton, Mo., and ABA v.p., State Bank Division.

your own fault. We're trying to bring business-like attitudes to all departments of government. We're trying to create a proper economic climate in Nebraska that will hold our young people here.

"When your town grows, Nebraska grows; when Nebraska grows, your nation grows. You're the key!" the Governor concluded.

Banking Is People

Willis W. Alexander, Jr., president, Trenton Trust Company, Trenton, Mo., was final speaker at the first afternoon business session. Mr. Alexander also is president of the A.B.A. state bank division and is a candidate for the office of vice president of the A.B.A. at the election to be held at the national convention in New York in September.

His talk was titled "The Name of the Game." He said "in my judgment the name of the game in banking is people . . . our public, our staff, and top management. As bankers we deal with the whole spectrum of human hopes, aspirations, plans, ambitions, triumphs and failures." His talk concentrated on the people in management and on the staff.

"Professor Keith Davis of Arizona State," he said, "recently emphasized that the major management problem for banking involves development of people. He confirmed that there simply won't be enough trained or highly talented people to staff banking. Banking of the future will be staffed by average people, not extraordinary people, but average people motivated by superior management to a superior and creative job."

Mr. Alexander said he believes that in management of staff people by management lies the key. Recruiters at colleges are finding that young people are looking for a creative, meaningful and significant job. They want an opportunity to grow and expand. These factors are secondary to a reasonable salary. Management must create a climate of growth. To achieve this growth, functions and responsibilities must be assigned and regular reviews of performance carried out. The staff must truly be a part of the team, have pride in results and be aware how their individual efforts are reflected in those results.

He said if the staff people are asked how the bank can make a profit, they'll probably come up with ideas you haven't thought of yet!

Legislative Report

Dwight L. Clements, chairman of the NBA committee on legislation and cashier, American Exchange Bank, Elmwood, gave a report on "The Nebraska Legislative Scene." Mr. Clements thanked all the bankers in the state who had responded quickly and wholeheartedly when called on for support contact with state legislators on vital bills.

William B. Brandt, NBA legislative representative, Unadilla, reported on specific bills. He said this legislature will go down in history as passing the most far-reaching legislation ever enacted in one session, and for the betterment of the state. (Mr. Brandt is a former state legislator himself.)

He said the Nebraska Bankers Association supported LB 377 (tax bill)

all the way because the bankers have an obligation to state government and should aid in taxes.

He told how the intangible tax repeal should halt large outflows of money from the state at each year-end—some of it never to return. This part of the repeal bill was passed 47-2.

Mr. Brandt said the session has not been without problems, most of them dealing with the competitive situation. "Some people want to become bankers," he said, "without being under bank rules."

Professor Looks At Banking

Dr. W. E. Kuhn, professor of economics at the University of Nebraska college of business administration, discussed "The Kaleidoscope of U. S. Banking." He is the recipient of the association's research grant and will spend his time this summer researching the first 100 years of Nebraska banking history. He will mail a questionnaire to each bank, and ask them for cooperation in returning it promptly, and as completely answered as possible.

He reviewed bank holding company and branching laws, and the conflict that appears to exist between various laws and various branches of authority. He said the long-run effect of a court decision nullifying the Bank Merger Act could be to greatly increase de novo branching.

He called for elimination of Regulation Q, said there should be easier entry by new banks and branches, clearing houses should eliminate collusive practices, and rules on composition of asset formulae should be liberalized.

Looking for a correspondent bank staff equipped to help you solve the really tough problems? Don Ostrand can lead you to one.



It happens that Don Ostrand is Vice-President in charge of the Correspondent Bank Department at First National Bank. He's in a pretty good position to lead you to a skilled, experienced correspondent banker because he has a department full of them.

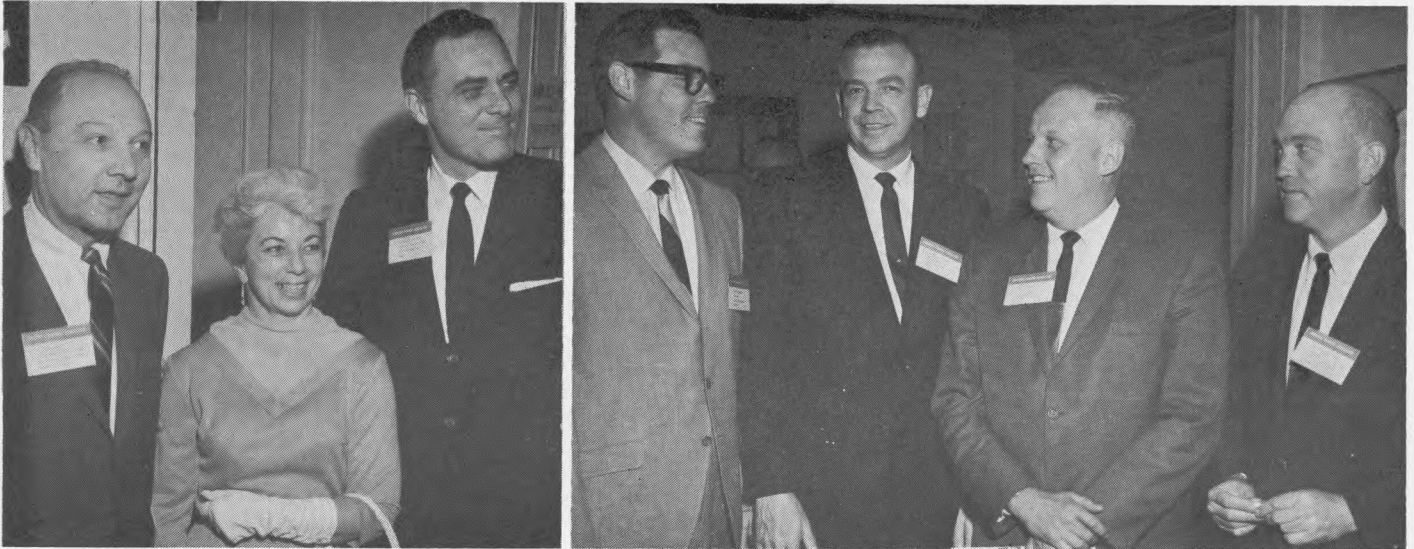
Livestock experts, computer specialists, investment counselors, installment loan experts, bankers with years of experience in business large and small.

If you have a job that calls for a specialist, give Don Ostrand a call. He has a department full of them ready to go to work for you.

Always the FIRST to Serve You.



Northwestern Banker, June, 1967



LEFT—William J. Fleming, corr. bank off., Colorado Natl., Denver; Mrs. Roy Thompson, whose husband is v.p., City Natl. B&T, Kansas City, and F. Phillips Giltner, exec. v.p., 1st Natl., Omaha. RIGHT—Jim Rossiter, pres., 1st Natl., Walthill; H. J.

“Dutch” Luchtel, v.p. & a.t.o., Columbus Bank, Columbus; Don Ostrand, v.p., 1st Natl., Omaha, and his brother-in-law, Joe Johnson, Jr., pres., Johnson County Bank, Tecumseh.

The Hon. Elvin Adamson, member of the Nebraska legislature and a rancher from Valentine, Nebr., talked about the livestock outlook in his “Views from the Corral Fence.”

Unfortunately, the view from up there on the fence didn't look too optimistic to Mr. Adamson. Through a general discussion of the livestock business, he painted a picture of over-supply, continued agitation over high consumer prices, coupled with rising costs of production. All of which, he felt, points toward continued narrow margins of profit for the livestock producer.

He also pointed toward increases in meat imports as a problem area and discussed efforts currently being made to control this through better inspection for quality of product being received in this country.

Resolutions

Resolutions adopted at the convention included the following:

- Support of the new income and sales tax law, with opposition to a referendum on the matter.
- Statement of policy that all facilities of both state and national banks should be under state law.
- Support of Willis W. Alexander, Jr., in his campaign for election as vice president of the A.B.A. this fall.
- Support for the student loan program for colleducation.
- Support for the proposed Nebraska Development Corporation.

Excellent Entertainment

One of the most enjoyable evenings of entertainment ever provided by the Nebraska Bankers Association was presented after the annual banquet

the first evening of the convention. It was “Hits of the Big Band Era,” as played by a hand-picked orchestra of 37 musicians directed by Mal Dunn, well-known Omaha orchestra leader.

In the orchestra, he had five other band leaders with their key personnel from their own bands, and the entire string section of the special group was taken from the Omaha Symphony orchestra. The 25 selections taken from the Big Band Era of the 1930's and 1940's made a tremendous hit with a toe-tapping audience, many of whom got in a

half hour of dancing before the dinner was served.—End.

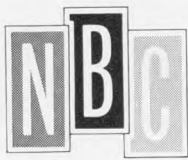
Wins Drawing at Convention

Mrs. Lee Bailey, wife of Don Bailey, president of the Campbell State Bank at Campbell, was the winner of a drawing for the “Free Bond” given away at the hospitality room of Van Horne Investments, Inc., during the Nebraska Bankers Association convention last month. The announcement was made following the convention by John E. Van Horne, president of the firm.

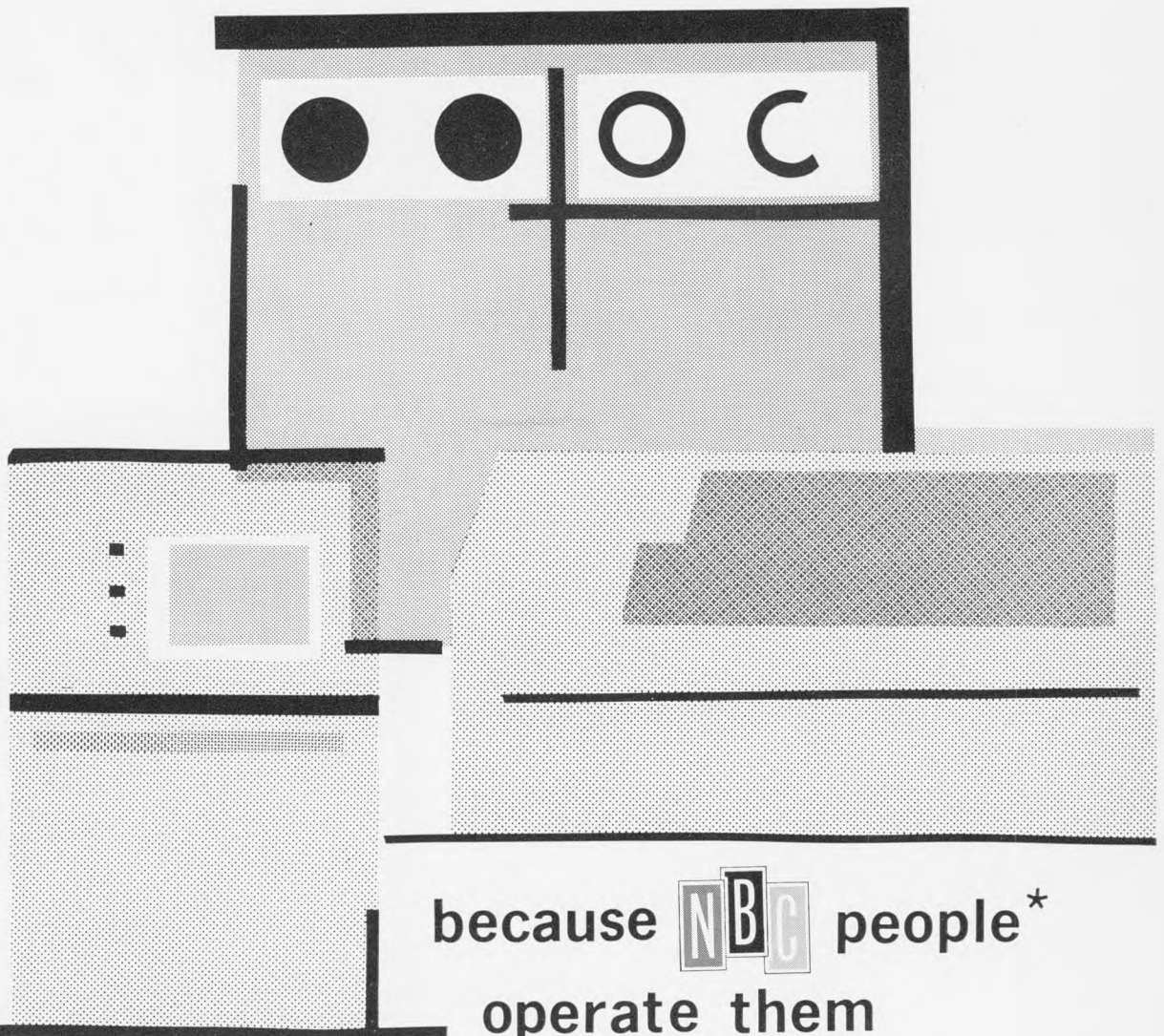
60,000 See “Gold Nugget Saloon”



A BIG PARADE commemorating the era of bygone days was staged in South Omaha “Centennial City” recently to help mark Nebraska's 100th year of statehood. **South Omaha Stockyards National Bank** didn't think it would be a Centennial Parade without “The Gold Nugget Saloon” and it appeared (above) complete with dancing girls, six guns, a barber shop quartet, an old piano and a banjo, manned entirely by bank employees. Between 60,000 and 70,000 people lined the parade route to send up a roar of applause as the music of the Centennial period poured forth from “The Gold Nugget Saloon.”



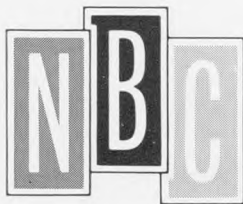
computers do great things



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operate them

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MEMBER FDIC

National Bank of Commerce
LINCOLN, NEBRASKA 68501

Omaha News



DEPOSITS in Omaha banks increased more than \$37 million in the year from April, 1966, according to the bank call in April, 1967. Loans kept pace to a marked degree, rising by more than \$27 million.

The comparative deposit and loan figures for Omaha's 14 banks are shown in these tables:

DEPOSITS		
	1967	1966
Omaha National	\$290,441,275	\$293,322,077
First National	157,300,143	147,193,626
U. S. National	141,413,670	123,595,099
S. Omaha Stockyards	39,878,245	38,359,861
Center	19,735,713	18,808,372
Douglas County	18,351,245	17,895,677
North Side	17,923,523	17,021,838
First Westside	16,864,775	16,048,040
Packers National	15,836,718	16,863,463
Southwest	11,014,042	9,894,564
Security National	8,771,835	5,906,588
West Omaha	6,794,877	3,134,149
Ames Plaza	6,588,312	5,695,944
Indian Hills	1,202,218	1,153,042
Totals	\$752,116,591	\$714,892,340

LOANS		
	1967	1966
Omaha National	\$170,702,229	\$161,056,793
First National	95,478,881	92,689,841
U. S. National	90,515,271	87,968,220
S. Omaha Stockyards	27,713,541	25,375,092
Center	15,145,265	10,922,737

First Westside	14,155,225	12,117,023
North Side	13,145,875	12,166,451
Douglas County	10,716,669	10,339,604
Southwest	8,054,278	6,524,403
Packers National	5,670,127	5,807,510
Security National	5,098,517	5,126,507
Ames Plaza	3,861,210	3,521,486
West Omaha	2,689,834	2,147,626
Indian Hills	1,023,538	1,134,990
Totals	\$463,970,460	\$436,898,283

Various aspects of Nebraska's first one hundred years are being depicted in window displays at 1620 Farnam Street throughout the state's Centennial year. The displays are being sponsored by **The Omaha National Bank** in the area formerly occupied by the Burlington Ticket Office.

The current display is composed of items used in early days of banking, including a variety of gold scales, copies of currency issued by banks then, a check perforator, a paper and number punch and other items. The exhibit was furnished courtesy of the Nebraska Historical Society and The Omaha National Bank.

Raymond J. Doll, vice president and senior economist for the Federal Reserve Bank of Kansas City, said in Omaha last month that a 10 per cent drop in prices paid to farmers for crops and livestock in the past eight months has been severe, leading to the unrest felt by farmers today.

Mr. Doll was in Omaha to address a joint meeting of boards of directors for the Kansas City bank and its Omaha branch.

Although livestock prices have improved during the past few weeks, he does not see such improvement in store for wheat prices even though reserves of wheat have declined.

Joint Field Day

A joint Field Day was held at Omaha Country Club in Omaha last month by members and guests of the Iowa Investment Bankers Association and the Nebraska Investment Bankers Association.

The evening prior to the Field Day, the executive committee of the Central States Group of the Investment Bankers Association of America met in Omaha. It was the first time the committee has convened outside Chicago.

William Witter, chairman of the IBA executive committee of the Central States Group and managing partner of the midwest division of Dean Witter and Company, said at the meeting that the Dow Jones industrial average may hit 1,000 this year. It was 882.41 the day of his prediction.

Mr. Witter said, "Barring a large escalation in Vietnam or other unforeseen events, the market will go higher this year." He said his optimism about the stock market is based on his view that corporate earnings will improve in the second half of the year and that investment and mutual funds will invest more heavily in stocks.

Makes Library Donation

The First National Bank of Holdrege has donated a new glass-enclosed bulletin board to the Holdrege Public Library.

New Director at Wayne

Albert M. Kern has been elected a director of the First National Bank of Wayne. Mr. Kern has been with the bank 37 years, the past five as vice president.

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“ONB Computer Service saves our bank money two ways!

1 Instead of replacing our worn-out accounting machine we bought an encoder—for slightly over \$500.00.

2 Our volume was growing to a point where we would have needed another girl if we hadn't changed to ONB Computer Service. ”



-- reports Ken Hurner, Vice President and Cashier
Bank of Monroe, Monroe, Nebraska



“It is very cost pleasing...and much quieter,” Ken Hurner demonstrated on the old posting machine.

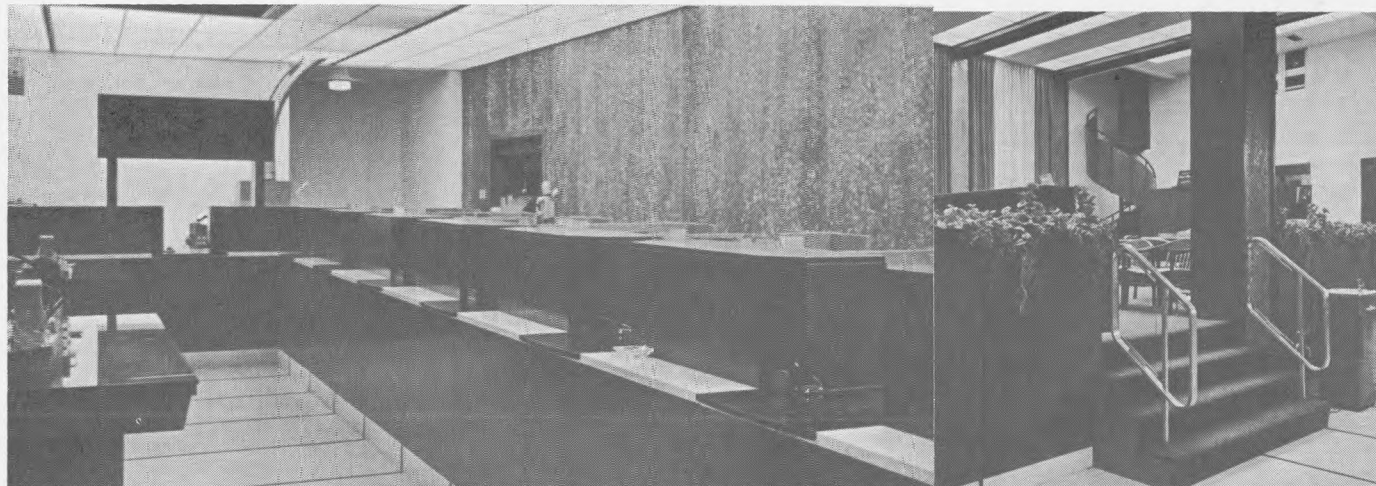
At the end of each bank day, the demand deposit items are picked up for The Omaha National Bank Computer Center at Grand Island. All items and reports are back before opening time the next morning.

“Customers grumbled some at first, but now like the new statements they receive,” Ken added. “The new computer service delighted the bank examiners.”

For more facts about data processing for your bank, write or phone the Correspondent Bank Department—
Area Code 402 341-0100.

THE OMAHA NATIONAL BANK
Computer Centers at: Omaha • Grand Island • Scottsbluff

First National, Holdrege, Is Host to 2,170 Visitors



OPEN HOUSE at First National Bank, Holdrege, drew 2,170 persons when the bank showed off its newly-remodeled interior. More than 100 bankers were guests of **L. J. Titus**, pres., and officers and directors of the bank at a special party. One of the principal features is the new lighting system which brightens the entire bank area. A striking addition to the bank is the new spiral staircase in photo at right which extends from the basement through the officers' floor and on up to the directors' room above. It is finished in black and accented with the same walnut paneling used throughout the bank. In the basement a new area has been created to house the general bookkeeping department. Background music is piped throughout the bank.

50th Anniversary Party

More than 900 persons registered at the recent 50th anniversary open house held by the Nebraska State Bank in Broken Bow. Guests were

served coffee and cake and given memento gifts.

A time and temperature sign was put into operation at the same time. It was presented to the bank by Mrs.

C. H. Rowan in memory of her late husband, who was associated with Nebraska State Bank for 34 years. He was cashier from 1930 to 1943, then served as president from that year until his death in 1964.

The bank began in 1917 with total assets of \$110,000. Capital was \$35,000 then and has now grown to \$250,000. Undivided profits have gone from \$536 in 1917 to \$213,400. A "guarantee fund" of \$1,400 appears on the 1917 statement. Today's surplus is \$250,000, for total capital funds of \$713,400. Deposits were \$73,000 at opening, and now total more than \$8.7 million.

Officers are C. A. Owen, president; Doris D. Rowan and Miles N. Lee, vice presidents; T. S. Forsyth, chairman and executive vice president; Charles R. Giles, cashier, and Calvin E. McClurg, assistant cashier. Directors are Mr. Forsyth, Mr. Owen, Mr. Lee, Mr. Giles and Lloyd C. Ruff, local businessman.

NBC Opens Computer Center



FORMAL OPENING of the North Platte Computer Center by National Bank of Commerce, Lincoln, was held recently with the "walking through" of a ribbon made from continuous computer paper that had printed thereon, by the computer, the official program of the occasion. Pictured above, "walking through" the paper ribbon are (from left): **Paul J. Amen**, pres. of National Bank of Commerce; **Kenneth Heubner**, Mayor of North Platte; **Glenn Yaussi**, chm. of NBC, and **Harold Bacon**, pres., North Platte Chamber of Commerce. Invited guests at the opening were members of the North Platte Chamber of Commerce and city officials.

The Computer Center was open to the public and conducted tours were held. The invited guests all attended a luncheon at which time **Bernard Farmer**, v.p. of NBC, conducted a question and answer session on Computer capabilities. President Yaussi thanked the Chamber and City of North Platte for their help and cooperation in locating the Computer Center in North Platte. The center is processing both banks and businesses at this time on a basis that will allow the volume to be gradually increased as the personnel becomes more proficient in their operations.

Northwestern Banker, June, 1967

Sponsors Futures Meeting

Commercial State Bank, Wausa, sponsored a meeting on "Live Cattle and Live Hog Futures" recently, according to G. E. Gunderson, executive vice president. The meeting was attended by approximately 95 area feeders and farmers. Main speaker for the evening was Gus Bremer, livestock feeder from Stanton, Nebr.

B of A Promotion

F. J. (Frank) Imossi has been promoted to assistant vice president in the New York representative office of Bank of America, president R. A. Peterson announced.

Bank Women Meet in Kearney



OFFICERS of the National Association of Bank Women from the national level as well as of the Nebraska group of NABW are shown above at the recent annual meeting of the Nebraska women in Kearney. From left to right are: **Mrs. Mona Cunningham**, v.p., Union Natl., Wichita, Kans., natl. pres.; **Mrs. Elizabeth T. Coad**, personnel officer, The Omaha Natl., Omaha, Nebr., secy.; **Mrs. Lela B. Heisey**, pres., Carleton State, Carleton, Nebr., chmn.; **Mrs. Dorothy T. Shaw**, a.e., Farmers State, Lexington, Nebr., co-chmn.; **Miss Dorothy A. Rooney**, a.v.p., Douglas County State, Lawrence, Kans., regional v.p., and **Miss Levetta Hosler**, exec. v.p., Fullerton Natl., Fullerton, Nebr., treas. These women are the 1966-67 officers. The new officers listed in the accompanying article take office next October for the 1967-68 term.

MEMBERS of the Nebraska group of the National Association of Bank Women met recently at Kearney for their 12th annual convention. The theme was "100 Years of Progress" to tie in with Nebraska's Centennial of statehood. Presiding officer was Mrs. Lela B. Heisey, president of the Carleton State Bank.

She was succeeded as group chairman by Mrs. Dorothy T. Shaw, assistant cashier, Farmers State Bank, Lexington. Other officers elected for 1967-68 are:

Co-Chairman—Mrs. Elizabeth T. Coad, personnel officer, The Omaha National Bank, Omaha; Secretary—Miss Levetta Hosler, executive vice president, Fullerton National Bank, Fullerton, and Treasurer—Mrs. Pauline Deines, assistant vice president, First National Bank, Ogallala.

Interesting talks were given by Mrs. Martha A. Lindstrom, assistant

cashier, First Security Bank, Holdrege; Mrs. Ruth Joy, assistant cashier, State Bank of Trenton, and Mrs. Marie Basel, assistant vice president, First National Bank, Wahoo. Regional Vice President Dorothy Rooney spoke on "Learning to Live With Prosperity."

National officers present were: Mrs. Mona Cunningham, president, and Mrs. Hilaria Corrigan, corresponding secretary. Mrs. Heisey and Mrs. Eva McBride, president, Commercial Bank, Blue Hill, are NABW executive board members.

New Banking Hours

Both First National Bank and York State Bank in York are now observing new banking hours. The banks will be closed on Saturdays. On Thursday evenings they will now remain open from 6:30 p.m. to 8:30 p.m.

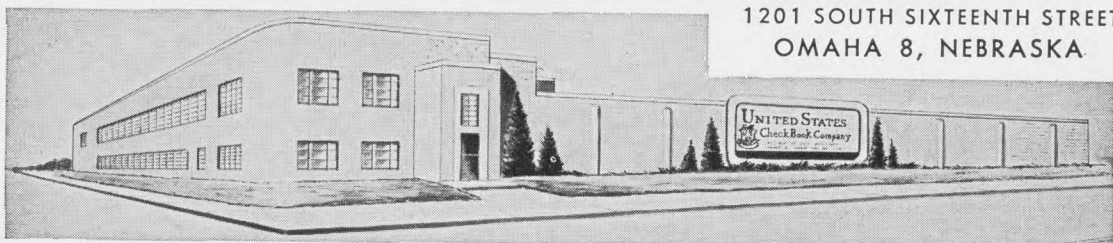
Marion Bonham, president of First National in York, was elected president of the Sertoma International club in that city.

Open House at David City



INTERIOR VIEW of the recently remodeled and enlarged First National Bank of David City, Nebr., is shown above. Original bank quarters were on upper level (right) which is a corner location on the block. When adjacent building became available, the wall between the two structures was removed, and the interior of both sections remodeled and unified as shown. New section is at left of picture with customer's area and teller counters. Paul Kosch, pres., reports that about 1,500 people attended the recent open house.

United States Check Book Company



1201 SOUTH SIXTEENTH STREET
OMAHA 8, NEBRASKA

Lincoln News



Hale Kreycik, assistant cashier, National Bank of Commerce, was elected president of the Lincoln chapter of American Institute of Banking last month.



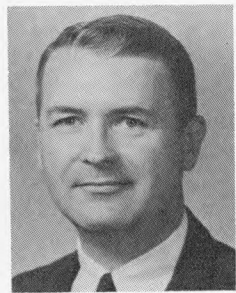
H. KREYCIK

Other officers are **Roger Carsten**, First National B&T, vice president; **Dick Nannen**, First National B&T, and **Judy Simon**, National Bank of Commerce, both

to the board of governors.

Their elections were announced at the spring banquet, which was addressed by **William Vojta**, national president of AIB, and an officer of First National Bank, Chicago. He declared the opportunities open to high school and college graduates in banking today are unlimited.

"The reason for the great success of the AIB educational program," he stated, "is the backing the program has received from banking management."



D. R. LARSON

Donald R. Larson to assistant vice president. Mr. Larson will serve in the marketing division as corporate relations officer of the bank.

Mr. Larson is originally from Decatur, Nebr. and attended the University of Nebraska in Lincoln.

Before joining NBC he was a loan officer in the Santa Barbara Savings and Loan Association in Santa Barbara, Calif.

* * *

The April 25 bank call showed Lincoln's nine banks with substantial

gains in deposits and assets over 1966, with a lesser increase in loans.

The high level of the economy in the capital city shows deposits up \$23 million to a total of \$301.9 million in April, 1967. Total assets went up \$56 million. Loans gained only \$8 million in the one-year period.

A better year for farmers than has been seen for a long time accounts for a decreased loan volume in that sector of the economy.

The CD rate was dropped from 5 per cent to 4½ per cent in April by National Bank of Commerce and First National Bank & Trust Company. National Bank of Commerce announced in mid-May a further reduction to the 4½ per cent CD rate on 90-day certificates being paid by Omaha banks.

The Lincoln bank figures for April, 1966 and 1967 and 1966 year-end follow:

APRIL 25, 1967

	Deposits	Loans	Assets
First National Bank	\$154,714,483	\$ 90,198,665	\$183,639,068
National Bank of Commerce	106,698,620	64,946,587	140,143,682
Union Bank	10,363,764	7,215,682	11,255,194
Citizens State Bank	7,136,200	3,524,362	7,778,366
Gateway Bank	7,068,520	3,989,032	7,806,578
City National Bank	6,033,759	3,985,698	6,976,116
Havelock National Bank	5,575,857	3,064,251	6,152,263
Cornhusker Bank	2,120,924	1,256,168	2,514,159
Lincoln Bank South	2,250,128	1,907,553	2,603,750
Totals	\$301,962,255	\$180,087,997	\$368,869,176

DEC. 31, 1966

	Deposits	Loans	Assets
First National Bank	\$148,899,585	\$ 92,129,923	\$165,050,801
National Bank of Commerce	103,783,322	62,299,231	124,913,996
Union Bank	9,453,576	6,225,802	10,275,717
Citizens State Bank	6,911,166	3,855,807	7,428,128
Gateway Bank	6,275,219	3,806,600	6,863,843
Havelock National Bank	5,513,084	2,851,007	6,231,986
City National Bank	5,015,937	3,264,168	6,132,290
Cornhusker Bank	2,117,426	1,292,957	2,463,654
Lincoln Bank South	1,793,683	1,425,975	2,141,385
Totals	\$289,763,478	\$177,151,470	\$331,506,800

APRIL 5, 1966

	Deposits	Loans	Assets
First National Bank	\$145,557,675	\$ 90,144,432	\$166,610,238
National Bank of Commerce	98,699,504	61,636,795	107,171,517
Union Bank	9,036,595	6,182,110	9,913,137
Citizens State Bank	6,572,769	3,281,979	7,050,452
Gateway Bank	5,854,065	3,523,935	6,396,991
Havelock National Bank	5,321,104	2,595,351	5,739,793
City National Bank	4,487,427	2,823,420	5,261,728
Cornhusker Bank	1,998,172	1,272,886	2,313,797
Lincoln Bank South	1,293,089	1,263,637	1,621,873
Totals	\$278,820,400	\$172,724,545	\$312,079,526

Northwestern Banker, June, 1967

Heads Claims Office

Thomas G. Murphy has been named resident adjuster by The St. Paul Companies of St. Paul, Minn., and transferred to the company's new Lincoln claims office. Mr. Murphy has been a staff adjuster in Grand Island since joining the company in 1965.

Purchase Oshkosh Bank

Don Fecht and William Olson have purchased the Nebraska State Bank of Oshkosh from Mr. and Mrs. Floyd Ferrell and Mrs. Harold Haberman. Mr. Fecht has been elected president, succeeding Mr. Ferrell. Mr. Olson has been elected executive vice president and cashier.

Mr. Fecht has been associated with the Oshkosh bank since 1947 and has been serving as cashier. Prior to 1947 he had been working in Alliance.

Mr. Olson has been working for the past nine years at First National Bank, Ogallala, most recently as assistant vice president. He is a son of Mr. and Mrs. Harold Olson of Lisco. The senior Olson is president of Lisco State Bank, and another son, Thomas H., is executive vice president and cashier of Lisco State.

Mr. and Mrs. Ferrell moved to Oshkosh in 1922 when they bought the Nebraska State Bank from C. H. Burke and George Melvin. Mr. Ferrell will continue his other business interests—farming and ranching—in Oshkosh.



Bankers with plans use the

1st

You may call on our experienced correspondent staff for counsel on inventories, receivables, warehousing and other seasonal commercial loans.



FIRST NATIONAL BANK & Trust Company of Lincoln

12th & N Street—Lincoln, Nebraska

Member: F.D.I.C.

Northwestern Banker, June, 1967

Principal Commercial Loan Officers Back Up Correspondent Bank Service Team



This group of dynamic, knowledgeable commercial loan specialists lend depth to the work of our correspondent men in the field.

Left to right above are: Vice Presidents George Moeckly (who heads the department), Harold Haver, Joe Manz, and Commercial Loan Officer Kurt Wayne.

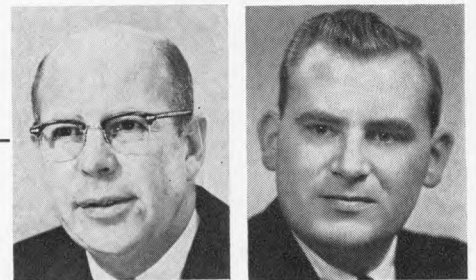
These men all actively serve in a variety of ways in providing counsel and prompt attention to matters affecting the lending function of our correspondents.

They are at your disposal, and we invite you to use them to your own profitable advantage.

"Des Moines' Largest Locally Owned Bank"

Celebrating our fiftieth year in business.

*It is our pleasure to serve you on any banking need.
Just write or call . . . Homer Jensen or Gordon Dodge*



6th Ave. and Locust St., DES MOINES, IOWA 50309
PHONE 515-283-2421

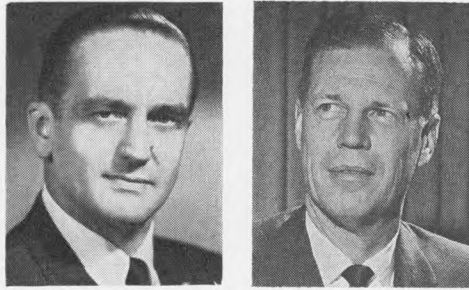
Member: Federal Reserve System—Federal Deposit Insurance Corporation

Northwestern Banker, June, 1967

Iowa NEWS

DALE C. SMITH President Des Moines

A. E. LINDQUIST, JR. Secretary Des Moines



Legislature OK's 2nd Drive-In

THE Iowa legislature last month passed a bill that will allow Iowa banks to establish a second parking lot office within the corporate limits of the city where the main bank is located. Vote in the House was 86 to 3. Vote in the Senate was 49 to 8.

The Superintendent of Banking will have the right, under the bill, to approve a facility in proximity to the main bank to be an integral part of the main bank. If approval is granted, two additional facilities within the corporate limits would be permissible.

Before the measure passed the House, an amendment struck a section that would have permitted loans to be made at parking lot facilities. Members of the Independent Bankers Association were opposed to making loans outside of the main banking quarters.

In other action on banking legislation a capital note (or debentures) bill was passed by the Senate 45 to 0 and by the House 100 to 0. It will permit banks to issue subordinated capital notes up to the amount of their unimpaired capital and surplus. These could not be issued during the first five years of a bank's chartered existence.

Fairbanks Increase

Earl R. Bellis, president of the Fairbanks State Bank, has announced an increase in the bank's capital stock from \$26,000 to \$52,000. Surplus is also \$52,000.

Clinton Open House

Iowa State Savings Bank in Clinton celebrated completion of its modern 3,260 square foot banking addition with an open house party last month.

Highlights of the open house, according to Richard F. Glasoe, executive vice president, were refreshments, a grand prize drawing for a free console model color television set, and personally-conducted tours of the new bank building, customer facilities and equipment.

Iowa State's new banking quarters are contained in a 44-foot modern ad-

dition to the existing bank structure, and feature an entirely new bank lobby plus new customer, reception, teller and bookkeeping facilities.

The exterior was designed with a series of arches that form a night-lighted arcade along the front side of the new bank building. Interior design features carpeted floors, special lighting effects and fabric treatments that add an unusual element of warmth to banking. With the completion of the new building, work will now move forward to renovate the older part of the bank to provide newer and more modern space for bank officers and loan departments.

The Iowa State Savings Bank, which has served Clinton for 62 years, found the bank expansion necessary to keep pace with a 230 per cent deposit growth and a 300 per cent loan growth during the past 10 years.

Elect Space Scientist

Dr. James A. Van Allen, noted space scientist, has been elected to the board of directors of the First Na-

tional Bank, Iowa City, according to an announcement by H. Clark Houghton, president. Dr. Van Allen is the head of the Department of Physics and Astronomy at the State University of Iowa.

Elect Albia Banker

Andrew J. Westendorf, vice president and cashier, Peoples National Bank, Albia, is the newly-elected president of the southeastern Iowa NABAC chapter.

Named to serve with Mr. Westendorf are: Vice President and program chairman, J. Richard Grear, assistant cashier, First National Bank, Ottumwa; secretary, Carl Berg, assistant cashier, First National Bank, Fairfield, and treasurer, Rodney L. Day, assistant cashier, Union Bank and Trust Company, Ottumwa.

Joins Montezuma Bank

K. E. Cox, president of the Montezuma State Bank, has announced that John Kercheval has joined the bank's staff as of June 1. He was formerly with Clay Products, Morton, Ill. He is a native of Montezuma.

Promote Humboldt Banker

Gene Stewart, cashier, First National Bank, Humboldt, has been elected to the board of directors. He will also carry the additional title of vice president of the bank.

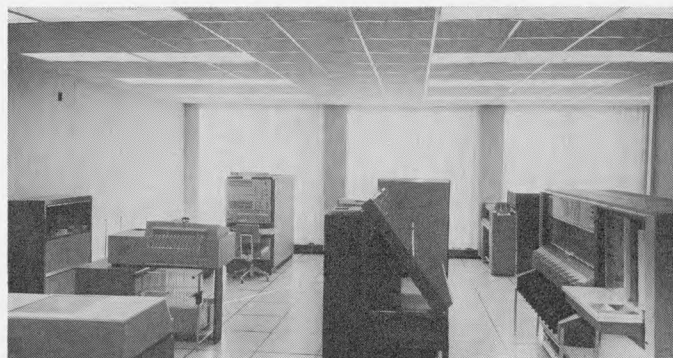
Mr. Stewart has been with the bank for 13 years. Before moving to Humboldt, he was associated with the Caterpillar Tractor Company, Peoria, Ill. He is a native of Rock Rapids.

Sioux City Building Progress



CONSTRUCTION of the new building adjoining present quarters of Security National Bank, Sioux City, is well underway. The two buildings will be tied in architecturally and inside as one unit. The present main lobby of the bank will be remodeled and the entire first floor will be used for customer services. In photo above, left to right, are: **Ted Thompson**, pres.; **Paul Bekins**, chm., and **Tom Horn**, sr. v.p., check progress of work on the second floor of the new building. The project should be completed on or about January 1, 1968.

Northwestern Banker, June, 1967



600 LINES per minute are being printed by Natl. Bk. of Waterloo's new computer equipment as Larry Morrison, chief programmer and Kenneth Young, mgr., data processing look on. Computer center is shown at right.

Bankers Inspect New Computer

AREA bankers visited National Bank of Waterloo's new computer center last month, and attended a special seminar on its advantages at the Sunnyside Country Club in Waterloo.

The first step in the construction of the center was the building of a new drive-in facility in October, 1965. Modern in every respect, it utilizes two-way TV drive-in windows.

The second floor of the facility was planned specifically to house the computer equipment. Installation of an IBM System 360-30 series computer was made in November. It contains the sorter that handles 1,600 documents per minute; the key punch, the storage control unit with capacity to handle up to 10 disk drives at one time, the central processing unit containing 64,000 positions of magnetic core storage, the printer capable of printing at the rate of 600 lines per minute, and one disk pack that can store over 7,250,000 characters of alphabetic and numerical data.

The bank started a feasibility study five years ago under the direction of Larry Kilgore, president. Following the detailed study, which took nearly three years, the bank waited an additional 18 months for the third generation equipment now in operation. Ken Young, manager of the bank's data processing, assisted with the study, using his knowledge of 17 years in the automation field.

Bankers were given a graphic presentation on slides showing how the computer equipment handles items. Don Wenhe, first vice president, presided at the seminar. Following the business session, guests were entertained at a reception and dinner.

Riceville Ad Series

Rex J. Willis, president of the First National Bank, Riceville, has announced a new advertising series for

the bank. It will feature the "Farmer of the Week." Pictures of area farm families will be portrayed in the ads.

Observes 50th Year

John D. Willard, president, Home Savings Bank, Persia, is celebrating his 50th year in banking. He first worked for the former Persia Savings Bank in June, 1917.

In 1928, he moved to the Dunlap Savings Bank and served there until 1932. He became engaged in bank receivership work at Quincy, Ill., for a short time before joining the Federal Intermediate Credit Bank Staff in Omaha. In 1934, he returned to Persia as cashier of the newly organized Home Savings Bank. He is a former president of the Harrison County Bankers Association and Federation of County Bankers Associations.

Open house will be held soon to coincide with Mr. Willard's 50th year and with a remodeling job now being completed at the bank.

Maquoketa Promotions

Otto W. Reel has been advanced to senior vice president of the Jackson State Savings Bank, Maquoketa. He has been a vice president.

The bank also advanced David N. Luett from assistant vice president to vice president.

Other officer advancements were: Jerry S. Maples, to assistant vice president and trust officer; Don Henningsen, to assistant vice president, and Glen Woods to farm representative.

Fort Madison To Remodel

Work has started on the remodeling and enlarging of the Fort Madison Savings Bank. Expansion will be provided by demolishing adjacent

buildings and constructing an addition to the bank.

The main lobby will be enlarged, the officers' area will be expanded, and conference rooms will be added. Additional space will be provided for the bookkeeping department and for the vault area. New teller counters will be added, along with new fixtures. The exterior of the bank will also be faced with granite and brick. Dane Morgan and Associates of Burlington are the architects.

Mechanicsville Remodels

Remodeling at the Mechanicsville Trust and Savings Bank has been completed. The bank expanded into a building next door. Modern lighting, lower ceilings, carpeting and wallpaper have been added. A new directors' room and employees' lounge have been included.

Grand Junction Opening

A total of 408 area residents registered at the recent open house conducted by the People Trust & Savings Bank, Grand Junction, in observance of its 50th anniversary, according to R. G. Loof, president.

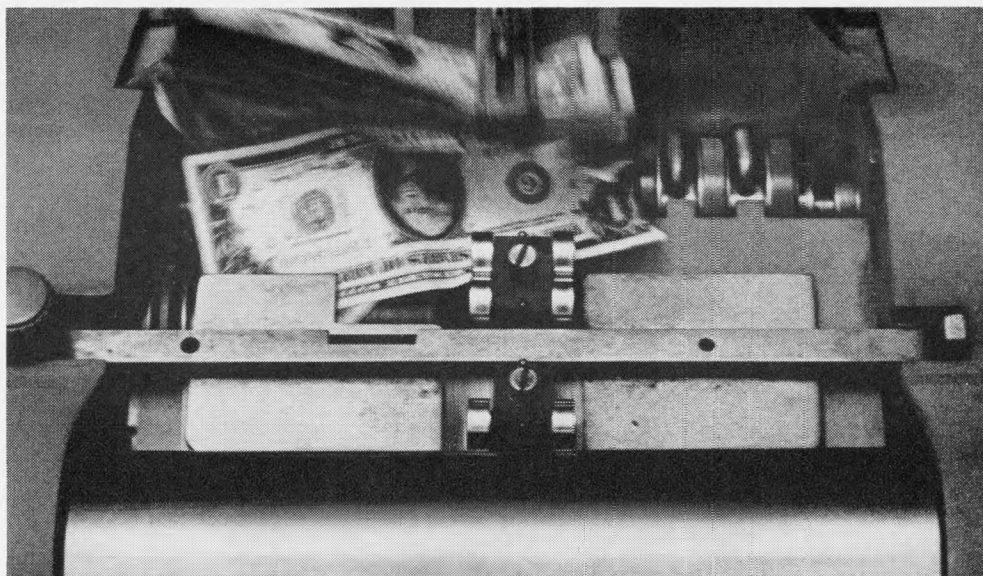
Hardin County Election

Roger Bjorenson, vice president of the Iowa Falls State Bank, is the new president of the Hardin County Bankers Association.

Named to assist Mr. Bjornson are: Vice president, Roger Jensen, president, First National Bank, Eldora, and secretary-treasurer, John E. Johnson of the Union-Whitten Savings Bank, Union.

Ollie Open House

Nearly 400 persons attended the open house held by the Hayesville Savings Bank at its Ollie office last month, according to Elmer Mertz, president. The office was recently remodeled. Lee Power is manager of the office.



Will our P-B TIC 14299



replace Doug Mills?

The 14299 counts bills in a jiffy. Even stacks 'em neatly. But was it ever a 7-Letter-Man at the U of I, like Doug? Or an Olympic baseball player? Or a scratch golfer? No! Absolutely not. It can't even match Doug's friendly smile.

So don't listen to rumors like that. Doug will be around with fresh ideas on bank promotional services and how to make public relations programs pay off for you.

Meanwhile, if you need planning assistance quick, call Doug 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 14299 can spot a three-dollar bill.

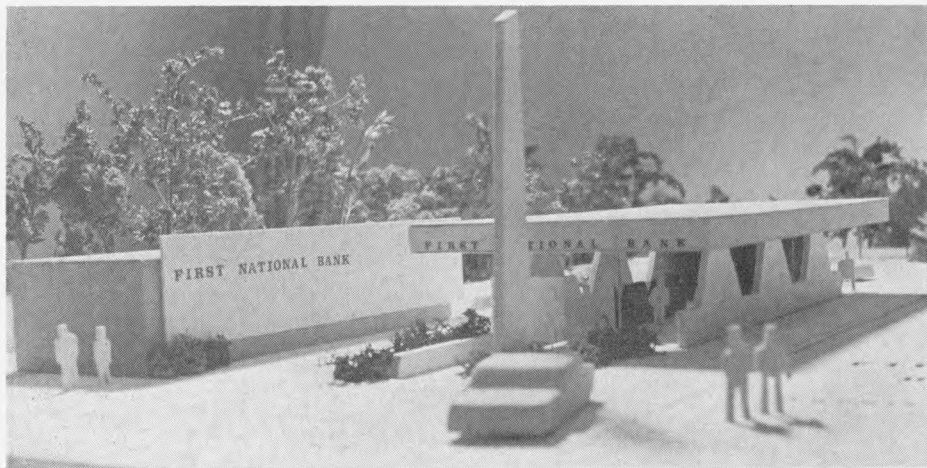
American National Bank

AND TRUST COMPANY OF CHICAGO/LA SALLE AT WASHINGTON 60690

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, June, 1967

Drive-in for 1st National, Ames



NEW OFFICE—The First National Bank, Ames, is in the process of building a new University office at 2320 Lincoln Way in Ames. The new office features a rectangular reinforced brick structure with a flat roof, two drive up teller windows, ample parking and four lobby teller windows. **G. Roger Alley**, president, said completion date is scheduled for midsummer.

Riceville Remodeling

Remodeling of the Riceville State Bank is nearing completion. The bank purchased adjoining buildings in order to expand the banking facilities. **Lee Dietsch** is president.

Clinton Bankers' Election

S. H. Cassidy, assistant cashier of the Teeds Grove Savings Bank, has been named president of the Clinton County Bankers Association.

Other officers include: Vice president, **Robert Wede**, cashier, **Goose Lake Savings Bank**, and secretary-treasurer, **Quentin Kuehler**, manager of the Calamus office of the Grand Mound Savings Bank. **Mr. Kuehler** was re-elected.

Boone County Election

Kenneth Sundall, cashier, Boone State Bank and Trust Company, is the new president of the Boone County Bankers Association.

Other officer elected are: Vice president, **Arthur Herman**, vice president and cashier, **Citizens National Bank**, Boone, and secretary-treasurer, **Lu Vern Babbitt**, farm representative, Boone State Bank and Trust Company.

Bank Directory Corrections

Subscribers to the 1967 edition of the *Iowa-Nebraska Bank Directory* should make the following corrections and additions in the Iowa section of their copies:

Brighton: **Dean Edwards** is cashier of the Rubio Savings Bank. Delete **Dean Edwards** as cashier.

Buffalo: Change hours at Buffalo Savings Bank to Monday through Saturday, 9 to 3; Wednesday, 9-12 only.

Northwestern Banker, June, 1967

Burlington: Farmer & Merchants Bank & Trust listing should include **Ralph O. Youngstrom** as vice president and trust officer. Delete **Paul A. Buettner** as a director.

Cedar Rapids: Add **Van Vechten Shaffer** as president of Guaranty Bank & Trust Company.

Davenport: In Northwest Bank & Trust Company, delete **Ben Kelling** as vice president and **T. E. Hathhorn** as vice president. Also delete **Fae A. Evans** as a director. Add **Parnell E. Proctor**, **Carl E. Zurborg** and **Dr. E. L. Wallace** as directors.

Decorah: Add **Wendell D. Willer**, assistant vice president and farm representative, and **John Hess**, assistant cashier.

Hedrick: Deposits for Hedrick Savings Bank should be \$1,996,692 and government bonds should be \$838,522.

Jesup: Farmers State Bank figures should be: deposits, \$3,983,124; loans, \$1,204,916; undivided profits and reserves, \$110,190; cash, 626,828; governments, \$1,621,436, and other securities, \$947,886.

Maquoketa: Maquoketa State Bank should have an ABA symbol.

Mason City: Correct phone number for the First National Bank of Mason City is 515-423-1720.

Ottumwa: Union Bank and Trust Company listing should show **Robert P. McCune** and **Robert H. Meier** as directors. Delete **Robert W. Boeke**, **Robert T. Foster**, and **H. L. Poling** as directors.

Plainfield: Farmers State Bank phone number is 319-276-4469.

Somers: **Charles W. Petersen** is cashier of Somers Savings Bank. **Dale E. Rosendahl** should be deleted. **Rich-**

ard R. Loonan is vice president, assistant cashier and manager of Callender office.

Thornton: Delete **Melvin A. Ingebretson** as chairman of First State Bank.

Atlantic To Build

Richard Jones, president, Whitney Loan and Trust Company, Atlantic, has announced that construction will start about July 1 on the new building for the bank, to be located at Third and Chestnut Streets.

The new brick and marble building located on a 125-foot frontage will occupy 4,600 square feet and will have two drive-in windows, along with a large customer parking area. The site was purchased in March, 1965, and razing of buildings at the location was completed last fall.

Mr. Jones also announced that an investment group headed by **Dale Ball**, president of the First National Bank of Council Bluffs, recently acquired a majority of the outstanding stock of the Whitney Corporation of Iowa which in turn owns a controlling interest in the Whitney bank.

The Whitney Loan and Trust Company's history traces back to the 1860's, when **Franklin H. Whitney** began banking.

Hamilton County Election

Carroll B. Kinseth, executive vice president, Randall State Bank, has been elected president of the Hamilton County Bankers Association.

Named to assist **Mr. Kinseth** are: Vice president, **L. S. Woods**, president, Farmers National Bank, Webster City, and secretary-treasurer, **David Ertl** of the First State Bank, Webster City.

Plan Iowa Nuclear Power

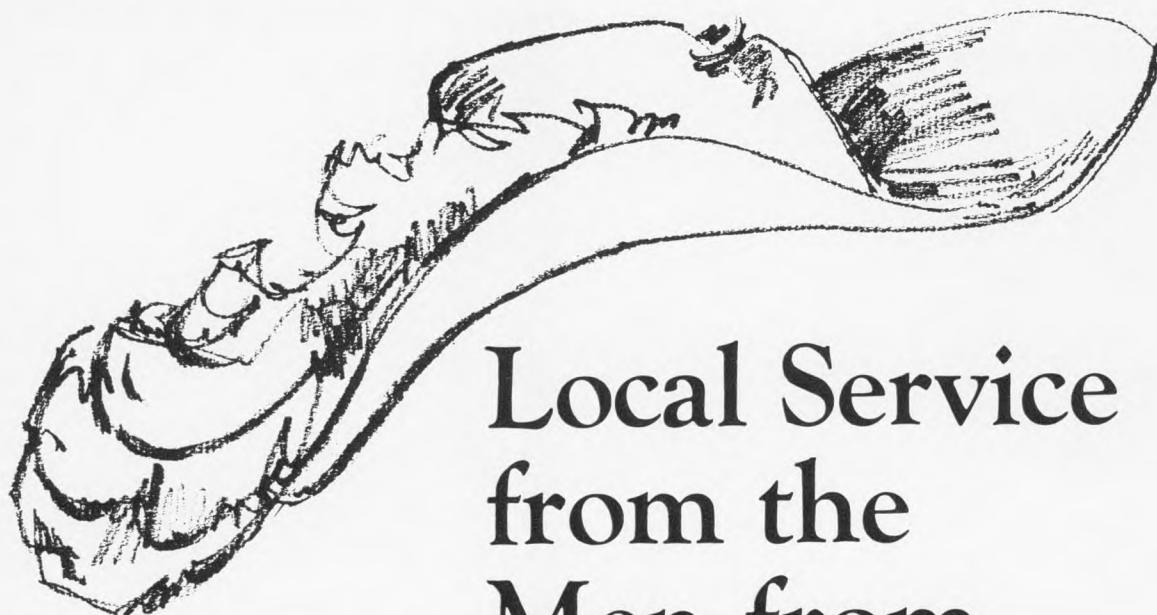
A major step toward bringing nuclear electric power to Des Moines and the rest of central Iowa was announced recently by **A. Paul Thompson**, president of Iowa Power and Light Company.

According to **Mr. Thompson**, the Nebraska Power Review Board has approved an application for an 800,000 kilowatt nuclear power plant to be built on the Missouri River south of Omaha and a related 345,000 volt transmission line.

The major nuclear facility will cost over \$100 million.

Joins Mechanicsville Bank

Robert L. Davis has accepted the newly created position of farm department supervisor at the Mechanicsville Trust and Savings Bank. He has been with Monsanto Chemical Company in Mechanicsville.



Local Service from the Men from La Salle



Cy Kirk
Vice President



Max Roy
Vice President

Big enough to provide all of the correspondent service you need . . . yet organized to give you the personal attention so important to a lasting, mutually satisfactory association . . . that's the La Salle National Bank.

In addition, your La Salle representative is well informed as to the particular needs and conditions of your area. And he is backed by an experienced staff of trust, investment and bond as well as banking experts ready to assist in serving you.

Whether your needs are for excess loans, operating procedures, increasing business or improving profitability, your man from La Salle will be glad to cooperate. If you don't already know him write and we will have him arrange a meeting right away.

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Northwestern Banker, June, 1967

Des Moines News



DALE R. LUCKOW, assistant vice president of the Iowa-Des Moines National Bank's computer services department, has been appointed head of the staff that will work directly with interested Iowa banks in converting their operations to computers. His appointment was announced last month by **C. W. Aurand**, president of the bank, simultaneously with the announcement that Iowa-Des Moines National has purchased the Hemphill Computer Services Company, Inc., of Fort Dodge, Iowa.

Acquired in the transaction from M. W. Hemphill was computer equipment and building lease of the firm in Fort Dodge. With the establishment of this computer services bureau, the Iowa-Des Moines will offer a full scope of computer-oriented services to banks throughout northwest Iowa which will permit them to utilize the most up-to-date banking procedures.

Richard King, a supervisor in the Iowa-Des Moines' bank operations division, will serve as manager of the Fort Dodge installation.

Funeral services were held in Des Moines May 6 for **Scott C. Pidgeon**, 76, former board chairman and president of Bankers Trust Company. Mr. Pidgeon had continued as a member of the bank's board of directors since retiring in December.

Mr. Pidgeon joined Bankers Trust Company as a bookkeeper in 1917, the year it was organized. He had previously been affiliated with First Federal State Bank of Des Moines for two it was organized. He had previously been affiliated with First Federal State Bank of Des Moines for two years. He became a vice president of Bankers Trust in 1935, was elected president in January, 1949, and served in that capacity until September, 1962, when he became vice chairman of the board.

Mr. Pidgeon owned interests in Union State Bank at Winterset and the Citizens Savings Bank at Sac City. He was also active as chairman of the finance division of American Mutual Life Insurance Company, Des Moines, at the time of his death. Also, he was



EIGHTY-SEVEN members of the New Mexico Amigos organization visited Omaha, Minneapolis and Des Moines last month in a jet plane good will trip to a dozen major cities in the midwest and down to Dallas. Membership in the organization is limited to 200 men, made up of the Lobo State's leading business and professional men. The visiting contingent had more than two dozen bankers, and they are shown above with three Des Moines bankers who were their guests at the New Mexico luncheon. The three are: **Neal Sands** (seated at left), pres., Valley B&T; **Sherry R. Fisher** (seated third from right), v.p., Central B&T, and **Harold P. Klein** (standing right), sr. v.p., Iowa-Des Moines Natl.

Northwestern Banker, June, 1967

a director of Ideal Manufacturing Company, Oskaloosa, and F. W. Fitch Investment Corporation, Des Moines.

He is survived by his wife, Anne V.; two daughters, Mrs. Marion P. McCloskey, Des Moines, and Mrs. Jeanne P. Lange, Sac City, and a sister, Miss Mildred Pidgeon, Adel.

* * *

Richard Stebbins and Associates, Minneapolis financial advertising and public relations agency, has been retained to handle advertising and marketing for Bankers Trust Company of Des Moines.

Robert J. Sterling, president of the bank, said the new agency assumed responsibility for the account June 1. He also noted that Bankers Trust soon will celebrate its 50th anniversary.

* * *

The Iowa-Des Moines National Bank announced the election of **Richard L. Sellon** as an assistant vice president.



R. L. SELLON

Mr. Sellon will be assigned to the bank's installment loan department. A native of Sioux City, Mr. Sellon spent 12 years with the Securities Acceptance

Corporation. Most recently he has been employed by the Central National Insurance Company of Omaha.

* * *

Mrs. Hilda N. Robinson has been elected assistant manager of the credit department of the Central National Bank and Trust Company. Mrs. Robinson joined Central National Bank in 1950, as secretary in the credit department. She previously was secretary to the director of the Iowa Development Commission and administrative assistant of the Des Moines District Office of the War Production Board.

* * *

The Des Moines Chapter of the American Institute of Banking last month elected new officers. New president is **Larry Welch**, Iowa-Des Moines National Bank; first vice president, **Don Jordahl**, cashier, South Des Moines National Bank; second vice president, **Dave Nagel**, assistant vice president, Northwest Des Moines National Bank's Johnston Office; secretary, **Mary Richter**, secretary, Iowa-Des Moines National Bank; treasurer, **Dean Hannam**, Valley Bank and Trust Company, and women's chairman, **Sharon Moon**, Central National Bank and Trust Company.

Banking at both ends of the loop.

*WALNUT
AT FOURTH*



*SEVENTEENTH
FROM GRAND
TO LOCUST*

**A Valley Bank exclusive
in Des Moines.**

Valley Bank and Trust Company

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Northwestern Banker, June, 1967

MAY WE SERVE YOU

at



with complete

IBM automation
for even faster,
more accurate ser-
vice of all items
and collections for
Northeast Iowa
banks



Ken Young, com-
puter manager
stands ready to be
of service to you.

Come in or call for informa-
tion on this new service.

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**NATIONAL BANK
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Federal Deposit Insurance Corporation
Federal Reserve System



Northwestern Banker, June, 1967

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Federal Reserve Bank of St. Louis

Livestock Feeders Choice . . .

(Continued from page 29)

10 per cent reported net fixed assets of less than \$10,000, and furthermore, during the same year 11.5 per cent of the 1,500 slaughterers required to report to the P & S had either current liabilities in excess of current assets or total liabilities exceeding total assets or both. In other words, anyone selling livestock to 174 of the 1,500 packers was involved in high risk transactions.

Types of Protection

There are various types of payment protection and/or assurance. Important among these are the reputation of the party involved and the firm he represents, a record of consistent and prompt payment for purchases made, large assets in excess of liabilities, adequate working capital to weather delays in receivables, existence of adequate bond, maintenance of custodial account, payment in form of immediately-credited instrument, payment drawn on bank in immediate area, evidence in writing of sale (and conditions thereof) and delivery of the livestock (purchase agreement, receipt for animals, and the like), and the extent of the authority of the P & S Division in cases of insolvency.

Such things as assets in excess of liabilities and the current financial condition of the purchaser (at the time) may be difficult for many feeders to know. This makes it all the more important to give attention to factors which afford payment protection.

Selling through a bonded market agent operating on a major livestock market affords the greatest possible assurance of being paid when due, and in full. Said protection extends beyond that provided by the bonded agent himself, in that over a period of time, those operating on the major markets (in interest of maintaining the reputation of the specific market) have assumed the responsibility of assuring full payment to consignors, regardless of whether or not the agent involved has sufficient assets and/or bond.

Also, several—but not all—of the major markets require that buyers

post bond with the Exchange to assure payment for livestock purchased on the market. This indirectly provides additional protection for market consignors.

Stringent Regulations

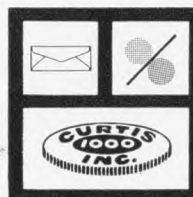
All agents selling livestock on commission (commission firms—market and country—and auction markets) operate under strict payment regulations set down and supervised by the Packers and Stock Yards Division, U.S.D.A. They must be registered with P & S; pay their customers promptly; carry a bond to assure payment; maintain a custodial account in which customers' monies are kept separate from their own operating funds; furnish a detailed accounting of transactions to the customer; and are subject to reparation claims under P & S.

Now to get right down to the meat of this whole question of financial responsibility in marketing, let's compare the credit advantages of selling livestock in a Central Public Market against selling them at home or direct:

When selling at home or direct:

1. The livestock seller has no bonded protection. The U.S.D.A. does not and cannot legally require a packer to be bonded to guarantee his payment for livestock.
2. The U.S.D.A. does not and cannot require a packer to pay for livestock promptly or within any required length of time. He can and does pay for them at his own convenience when he buys outside a Central Market.
3. In a number of instances, packers will pay for livestock with checks drawn on a distant bank such as one in New York City, Dallas, or San Francisco. This results in further delay in final payment of proceeds due and owing the seller.

So I say to our livestock feeder finally, "Do you think the practice of selling at home to save marketing costs is either a prudent or an intelligent decision considering the credit risks involved on such a sizable capital investment?"—**End.**



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Exclusive Banking Service at the Chicago Stock Yards!



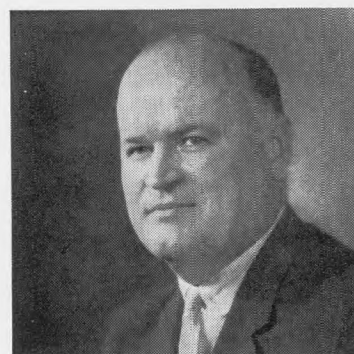
DROVERS NATIONAL BANK

is Chicago's Only Stock Yards Bank!

Drovers is the Financial Center of the great Chicago Stock Yards— the bank which provides the famous "Immediate Credit" service. This service credits your customers' livestock sales receipts to your bank's account the same day the sale is made.

Look to Drovers, too, for fast collection of shippers' and packers' items; investment and safe-keeping services; transit service; consultation on bank operations and instalment lending; complete trust department; and over-line participation in loans.

Experienced Drovers' representatives stand ready to assist you with any correspondent banking need. Put Drovers' 83 years of Stock Yards banking experience to work for you. Call or write Fred Cummings, Vice President, Correspondent Banks.



FRED D. CUMMINGS
Vice President, Correspondent Banks



MEMBER F.D.I.C.

The Drovers National Bank of Chicago

47th Street & Ashland at Union Stock Yards • Chicago, Ill. 60609 • Phone: 927-7000

Northwestern Banker, June, 1967

American Express Signs 175 Banks

THE American Express Bank Credit Card Plan has been adopted by 175 banks with approximately 3,000 branches and banking offices in 28 states, the Company announced recently. Total deposits of these banks exceed \$52 billion.

Each bank participating in the plan issues a credit card jointly sponsored by itself and American Express Company. The card provides the individual with a minimum \$2,000 line of credit plus all the privileges of the regular American Express Credit Card.

Old Message Still True

Robert Weidenbach, a former Nebraska banker, retired last month as president of the First National Bank in Eldon, Iowa, and sold his majority stock interest to other bankers. He was for a number of years the vice president and cashier at the National Bank of Norfolk.

While reviewing some of his old, but well-kept files, Mr. Weidenbach came across a postcard size card that was prepared for bank tellers about 30 years ago by the public relations committee of the Nebraska Bankers

Association. Mr. Weidenbach was a member of the committee that drew up the card. The message it gave then is just as important today as it was 30 years ago.

The heading at the left of the card is "How to Win Friends" with a smaller heading, "For Your Bank and Yourself." The message on the card, which was designed to be kept in the teller's cage, reads:

"1. Show a friendly interest. Be pleasant at all times.

"2. Speak clearly, distinctly, and in well modulated tones. Be careful about your telephone voice.

"3. Give the best there is in you.

"4. Remember that you sell SERVICE.

"5. Be at the window before your customer. Meet him with a smile and a pleasant word.

"6. Never allow your customers to wait a second. Drop all other work and make them feel that they come first and that you are there to serve them.

"7. In opening a new account, if the officers are not too busy, introduce your new patron and make him feel at ease with a cordial welcome.

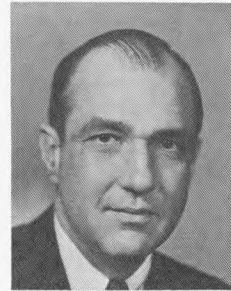
"8. LEARN TO SMILE.

"P.S. In case you get no favorable reaction—give patient a double dose of pink pill No. 8.

"NO DANGER IN OVER-DOSE."

Honor Chicago Banker

Irving Seaman, Jr., chief executive officer of National Boulevard Bank of Chicago, was elected recently to the



I. SEAMAN, JR.

board of directors of American Chain & Cable Company, Inc., Wilmot F. Wheeler, Jr., president of American Chain, announced.

Currently, Mr. Seaman is a director of B/G Foods, Inc.; John Morrell & Co.;

Pullman Company; Miami Corporation; Cutler Oil & Gas Corp.; and he is treasurer and a director of the Better Business Bureau of Metropolitan Chicago, Inc.

Joins Trust Investment Firm

John D. Foster, president of Studley, Shupert & Company, Inc., of Philadelphia, has announced that Gay P. Gervin and Stephen K. Kent, Jr., have joined the investment counseling firm's staff as investment officers.



S. K. KENT, JR.

G. P. GERVIN

Miss Gervin entered banking in Philadelphia and has been an investment analyst specializing in bonds for use in bank portfolios. She is a member of the national Phi Beta Kappa Association.

Mr. Kent has been a security analyst in the trust field and an investment officer of an insurance company, aiding in the selection of portfolio securities. He is a member of the Financial Analysts of Philadelphia.

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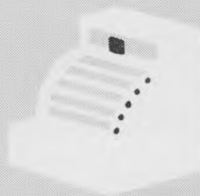
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Northwestern Banker, June, 1967



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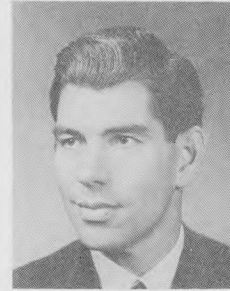
Employers Mutual Companies

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Employers Mutual Casualty Co.
Emcasco Insurance Co.
Employers Modern Life Co.

B of A Sales Manager For Travelers Cheques

Bank of America has announced the appointment of Raymond F. Vaughn as sales manager of the bank's worldwide travelers cheques operations. The announcement was made by R. A. Peterson, president of the bank.



R. F. VAUGHN

In his new position Mr. Vaughn will have charge of the day to day sales operations of the bank's travelers cheques, now sold and accepted in more than 130 countries through more than 18,000 seller bank correspondents.

Heads Placement Office

Francis J. McGuire has been named regional manager in Chicago for Anthony Kane Associates, well-known placement firm with headquarters in New York.

Formerly administrator in the loan division of a Chicago bank, Mr. McGuire will direct placements for the firm in the banking, investment and insurance fields. Offices are at 29 South LaSalle.

New Pneumatic Tube

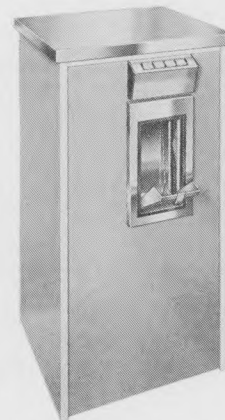
A major departure from normal pneumatic tube delivery systems has been announced by Diebold, Inc., Canton, Ohio.

The system is said to eliminate a separate carrier chamber to transport material.

The carrier is built completely into the system and operates with an automatic "flipout" door which forms a tray for papers, coin and currency. Again, automatically the tray closes and transports up to nine pounds or

102 cubic inches of material to its destination at speeds exceeding 25 feet per second.

The advanced features, speed and reliability of this new product are built into a compact undercounter unit in the modular dimensions of the existing Diebold undercounter line.



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Northwestern Banker, June, 1967



LEFT—Raymond Graalfe, a.v.p., State Savings, Council Bluffs, and William L. Ryan, cash., Home Savings, Persia. RIGHT—Homer R. Jensen, v.p., Bankers Trust, Des Moines; Dale C. Smith (standing), pres., Iowa Bankers Assn., and v.p. Central



Natl. B&T, Des Moines; L. Carl Ostrander, asst. secy., Marine Midland Grace Trust Company, Buffalo, N. Y., and Arthur W. Lucht, pres., Union Story T&S, Ames.

New Record Set As 3,340 Bankers Attend May Groups

By MALCOLM FREELAND
Publisher

NEW total attendance records were set at the eight group meetings held by the Iowa Bankers Association last month as 3,340 bankers, wives and friends registered.

This figure surpassed last year's May totals by 286 when the big attraction was the explanation of the Uniform Commercial Code. Add the attendance from the Group 1 meeting (850) and the attendance from the Group 11 meeting (500) held in February this year, and the grand total for the 1967 series of meetings comes to 4,690.

Reasons for the excellent attendance figures are many and varied. The program content, the entertainment and the advance promotion all played a major role. The appearance of Stanley R. Barber, national president of the Independent Bankers Association on several of the programs proved to be a fine drawing card. Mr. Barber is

president of the Wellman Savings Bank, Wellman, Iowa.

Iowa bankers also attended the meetings to meet and become reacquainted with Arthur E. Lindquist, Jr., personable new secretary of the Iowa Bankers Association, and Mrs. (Dean) Lindquist. Traveling the circuit with the Lindquists were IBA President Dale C. Smith and Mrs. (Kay) Smith, both of whom are well-known to Iowa bankers.

Official figures for the eight May group meetings were:

Group 4 (Decorah)	368
Group 7 (Waterloo)	321
Group 3 (Clear Lake)	1,024
Group 2 (Okoboji)	260
Group 5 (Council Bluffs)	537
Group 6 (Jefferson)	155
Group 8 (Anamosa)	503
Group 10 (Centerville)	172

Although a large majority of Iowa bankers seem to have no desire to

enter the charge card field, they were given a detailed explanation on the various plans by Everett Kennedy, second vice president of the Chase Manhattan Bank, New York, who spoke at Groups 4, 7, 3 and 2 during the first week, and by L. C. Ostrander, assistant secretary, Marine Midland Grace Trust Company, Buffalo, New York, who spoke at Groups 5, 6, 8 and 10 during the second week. Both speakers followed the policies set by their respective banks with Mr. Kennedy presenting a "negative" view and Mr. Ostrander presenting a "positive" view.

During a personal visit with Mr. Ostrander, we referred to the "warning" given recently by K. A. Randall, chairman of the F.D.I.C., regarding the possible inability to shut off or slow credit made available through credit cards. (See current editorial.) Mr. Ostrander indicated that revenues received from a charge card plan were so attractive that other credit lines would be shut off first, including some that might be considered prime loans.

IBA President Dale C. Smith appeared at all meetings and re-emphasized the fact that bankers should (1) take an interest in developing better community relations and (2) become directly involved in politics, both in the selection and support of good candidates and in personally running for office whenever possible.

John Chrystal, superintendent of banking, expressed appreciation for the manner in which Iowa bankers were cooperating on the direct verification program. He also explained the continuing work being done on recodification of Iowa banking laws in conjunction with a committee of Iowa bankers.

Arthur E. Lindquist, Jr., secretary of the Iowa Bankers Association, discussed details of banking bills in the legislature and referred to possible



KEY SPEAKERS at Gr. 7 in Waterloo included from left: IBA Pres. Dale C. Smith; K. A. Byrnes, international trade specialist; Stanley R. Barber, pres., Independent Bankers Assn.; Donald E. Noller, pres., First Natl. Bk., Evansdale; IBA Secy. Arthur Lindquist, Jr.; David C. Neuhaus, cashier, Fairfax St. Sav. Bk., and Reid C. Giese, v.p. and cashier, First Natl. Bk., Sumner.

Northwestern Banker, June, 1967



GROUP 2 OFFICERS are shown at left—Chmn. **John E. Rowles**, v.p., Union Tr. & Sav. Bk., Fort Dodge, and Secy. **L. B. Cox**, exec. v.p., First St. Bk., Belmond. **CENTER**—Registration was handled at Gr. 2 by **John Gordon**, pres., Pocahontas St. Bk., and **Don Shoemaker**, cashier, Rolfe St. Bk. **RIGHT**—**Homer Jensen**,

v.p., Bankers Tr. Co., Des Moines, and **John Spies**, pres., Iowa Tr. & Sav. Bk., Emmetsburg, are shown following Mr. Jensen's presentation of Foundation for Commercial Banks ad program. Mr. Jensen serves as Iowa chairman.



LEFT—**Ronald P. Searcy**, pres. of Greene County Bankers Assn. and a.c., Home State Bank, Jefferson, and **John Chrystal**, Iowa supt. of banking, Des Moines. **RIGHT**—**Robert Stokes**, a.c.,

First National City Bank, New York; **Robert W. Thom**, a.v.p., First National City Bank, New York; **Mrs. Hansen** and **Oliver Hansen**, pres., Liberty T&S, Durant.



LEFT—**Dale C. Smith**, IBA Pres. and wife, **Kay**, are shown with Gr. 8 Chmn. **Glen H. Suiter**, pres., Farmers Sav. Bk., Princeton. **CENTER**—**Oliver Daggett**, reg. chmn., Foundation for Comm. Bks. and **Ed H. Jorgensen**, v.p., First Natl. Bk., Clinton. **RIGHT**

—**Lester Poole**, v.p., Peoples Natl. Bk., Albia, and secy., Gr. 10, and **J. C. Blackford**, pres., Union Bk. & Tr. Co., Ottumwa, and chmn. of Gr. 10.



LEFT—**M. F. Chevalier**, exec. v.p., Citizens St. Bk., Postville, and chmn. of Gr. 4, checks program with **Tom Kerndt**, pres., Kerndt Bros. Sav. Bk., Lansing. **RIGHT**—**John Hess**, a.c., Decorah St. Bk., handles registration with **Lela Lousch** and **Helen Olson**, both from Sec. Bank and Tr. Co., Decorah.

changes in the manner of budgeting for various IBA committees and the need to study the possibility of succession by having an incoming president for the Association each year.

Homer C. Jensen, vice president, Bankers Trust Company, Des Moines, presented a color film on the Foundation for Commercial Banks. Current budget for the Foundation is now \$1.8 million. A dues increase from \$10 per million to \$15 per million effective July 1, will raise the annual budget to \$2.8 million so that increased use of network TV can be planned. Mr. Jensen is Iowa chairman for the Foundation.

New officers elected by the odd-numbered groups during May were:

Group 7: Chairman, David C. Neuhaus, cashier, Fairfax State Savings

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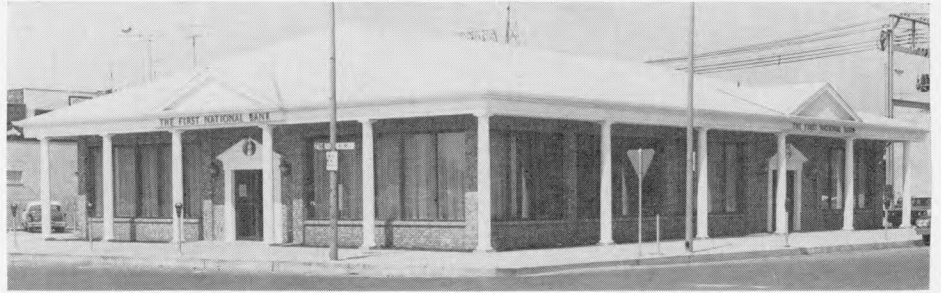
The price of a personal, air mail subscription to the Crouse Farm Business Reports. They help keep loan officers and ag representatives ahead of the changing farm picture. Samples available. Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

CHECK

Kirk Gross Co

BANK REMODELING
Waterloo, Iowa

Creston Completes New Building



NEW BANKING HOME for First Natl. Bank, Creston, is shown above. An Early American theme is used throughout. Heritage brick is used on the exterior and the natural brick finish is also on the inside. Furnishings and panels are of cherry finished wood. Three large antique chandeliers are in the main lobby. A 7,900 square foot community room is available to residents in the basement.

Bank, Fairfax, and secretary, Donald E. Noller, president, First National Bank, Evansdale.

Group 3: Chairman, John R. Martin, president, Forest City Bank and Trust Company, and secretary, Albert L. Morse, executive vice president, Home Trust and Savings Bank, Osage.

Group 5: Chairman, William L. Ryan, cashier, Home Savings Bank, Persia, and secretary, Raymond Graalfe, assistant vice president, State Savings Bank, Council Bluffs.

Officers from even-numbered groups continue in office for another year.—

Resigns Bankers Service

Henry H. Byers has announced that he terminated his association with Bankers Service Corporation, Des Moines, as of June 1.



H. H. BYERS

Mr. Byers made a career of negotiating the sale of banks since February 8, 1914, with the Charles E. Walters Company which then was located in Council Bluffs, Iowa,

Mr. Byers started as chief clerk and subsequently served as assistant secretary, secretary and vice president.

He owned 50 percent of the capital stock when the company went into voluntary liquidation in January, 1948. A new corporation of similar name was organized in Omaha and Mr. Byers moved to Des Moines and organized Bankers Service Company which he operated as president and owner for over 17 years.

In April, 1965, Bankers Service Company, owned by Mr. Byers, sold its furniture, files and operating equipment to Myron Karsten and H. W. Cassill, who set up a new corporation—Bankers Service Corporation—with Mr. Byers continuing as an officer and consultant for one year.

During his career spanning over 52 years, Mr. Byers has negotiated the sale of banks in 20 different states and assisted thousands of deserving young people in obtaining employment, as president and the largest stockholder in Minonk State Bank, Minonk, Illinois, and a director of the Exchange State Bank of Collins, Iowa.

Plan Group 11 Outing

The annual golf outing for bankers and friends of Group 11 will be held on Wednesday, June 28, at the Keokuk Country Club.

Special feature of the outing this year will be a boat trip on the Mississippi river from Keokuk to Warsaw, Illinois.

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Pictures Taken at Iowa Group Meetings



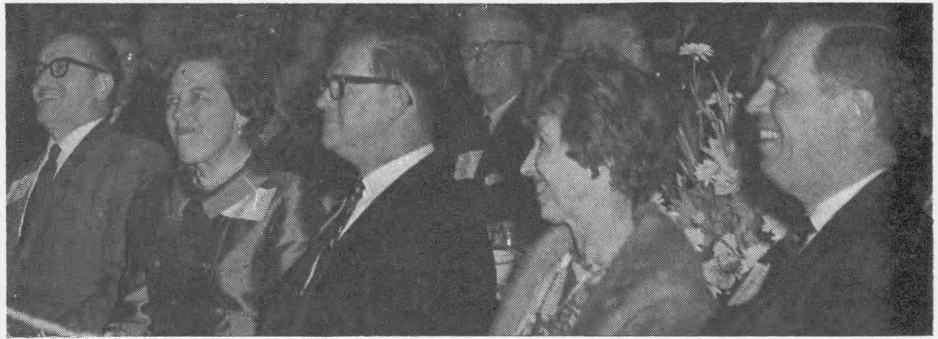
GROUP 7 OFFICERS—David C. Neuhaus, cashier, Fairfax St. Sav. Bk., left, is new chmn. Donald C. Noller, pres., First Natl. Bk., Evansdale, center, is new secy. Arthur E. Lindquist, IBA



Secy., is shown visiting with them. Registration at Gr. 7 was handled by Norma Jean Welter, a.c., First Natl. Bk. Evansdale, and Beverly Ridder, Natl. Bk. of Waterloo.



NATIONALLY-KNOWN song stylist Nick Lucas entertains over 1,000 people at Gr. 3 in Clear Lake as dignitaries look on. Shown from left are: IBA Pres. Dale C. Smith; John Martin



and wife from Forest City Bk. & Tr. Co., and Art Lindquist and wife. Mr. Martin is new chmn. of Gr. 3. Mr. Lindquist is secretary of Iowa Bankers Association.

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In the DIRECTORS' ROOM



Underpaid Worker

When a rumor got around that a certain builder of summer homes was underpaying his labor, a government official arrived by bush road and canoe to check up at the isolated development site.

"How many persons do you employ?" he asked.

"Six men," said the grizzled builder.

"I understand that you are paying them below the minimum wage," the official said.

"Is that so?" snorted the builder. He called the men. "Now," he said, "tell this fellow what your wages are."

"One hundred twenty dollars a week," each of them replied.

"Well, that's alright," the official said. He turned to the builder. "Are you sure you don't employ anyone else?"

"Only the half-wit," the builder said. "He gets his board and a little cash

each week for his tobacco."

"That's disgraceful!" the official said. "Let me talk to him!"

"Talk to him!" said the builder. "You're talking to him now!"

Weather Report

A friend of ours turned on TV the other night and tuned in a weather reporter to decide whether he should wear his new topcoat the next day. He heard all about variable cloudiness, relative humidity, high and low for the



day, records of bygone years, the name of the man who designed the weather girl's dress, where the nearest bank is located, wind velocity, location of a faraway storm center and what was happening in the Canadian Rockies.

His wife had to tell him the next day's weather. Her back ached.

No Communication

A middle-aged couple was watching television in the living room. In a corner an elderly woman enjoyed the program, too. At the end of one program, she went to bed.

The husband spoke up hesitantly, "Martha," he said, "your Mother has been living with us for 20 years. Don't you think it's about time she got a place of her own?"

"My Mother!" shouted Martha. "I thought she was your Mother!"

Power of Attorney

You can count on an attorney to come through with a resourceful idea for virtually any emergency.

One such attorney received a frantic call at 11:55 p.m. from a client at the prison.

"They have just taken me out of my cell, cut slits in my trousers, rolled up my sleeves and shaved my head. What do you advise?"

There was silence.

Then the lawyer said, "Whatever you do, don't sit down."

Best Minister

When a small, but wild, backwoods community failed to retain any of a series of ministers for more than a few weeks, the bishop was understandably surprised when one young preacher, fresh from divinity school, was on the job for a year.

To satisfy his curiosity, the bishop traveled to the rugged little town and approached one of its citizens. He asked the man why this young man, with so little experience, had succeeded where so many others had failed.

"Well, I hate to say it," the townsman replied, "but the truth is that folks hereabouts don't really want any preacher at all, and he's just about the closest we've ever come to it."

CONVENTIONS

June 8-10—Wyoming Bankers Association 59th Annual Convention, Jackson Lake Lodge, Moran, Wyo.

June 12-14—Minnesota Bankers Association 77th Annual Convention, St. Paul Hilton Hotel, St. Paul.

June 12-23—Stonier Graduate School of Banking, Rutgers, The State University, New Brunswick, N. J.

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 6-8—Central States Conference, Arlington Hotel, Hot Springs, Ark.

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.

August 6-18—Colorado School of Banking, University of Colorado, Boulder.

August 13-19—ABA National Mortgage School, Ohio State University, Columbus.

August 14-26—ABA National Trust School, Northwestern University, Evanston, Ill.

August 13-26—Central States Graduate School of Banking, University of Wisconsin, Madison.

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

September 28-30—National Safe Deposit Association Convention, Statler Hilton Hotel, New York City.

October 4-8—45th Annual Convention, National Association of Bank Women, Denver Hilton Hotel, Denver.

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.

October 22-25—ABA National Personnel Conference, Sheraton-Jefferson Hotel, St. Louis.

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

November 15-17—ABA 36th Midcontinent Trust Conference, Drake Hotel, Chicago.

1968

April 4-6—34th Annual Convention, Independent Bankers Association of America, Shamrock-Hilton Hotel, Houston, Texas.

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