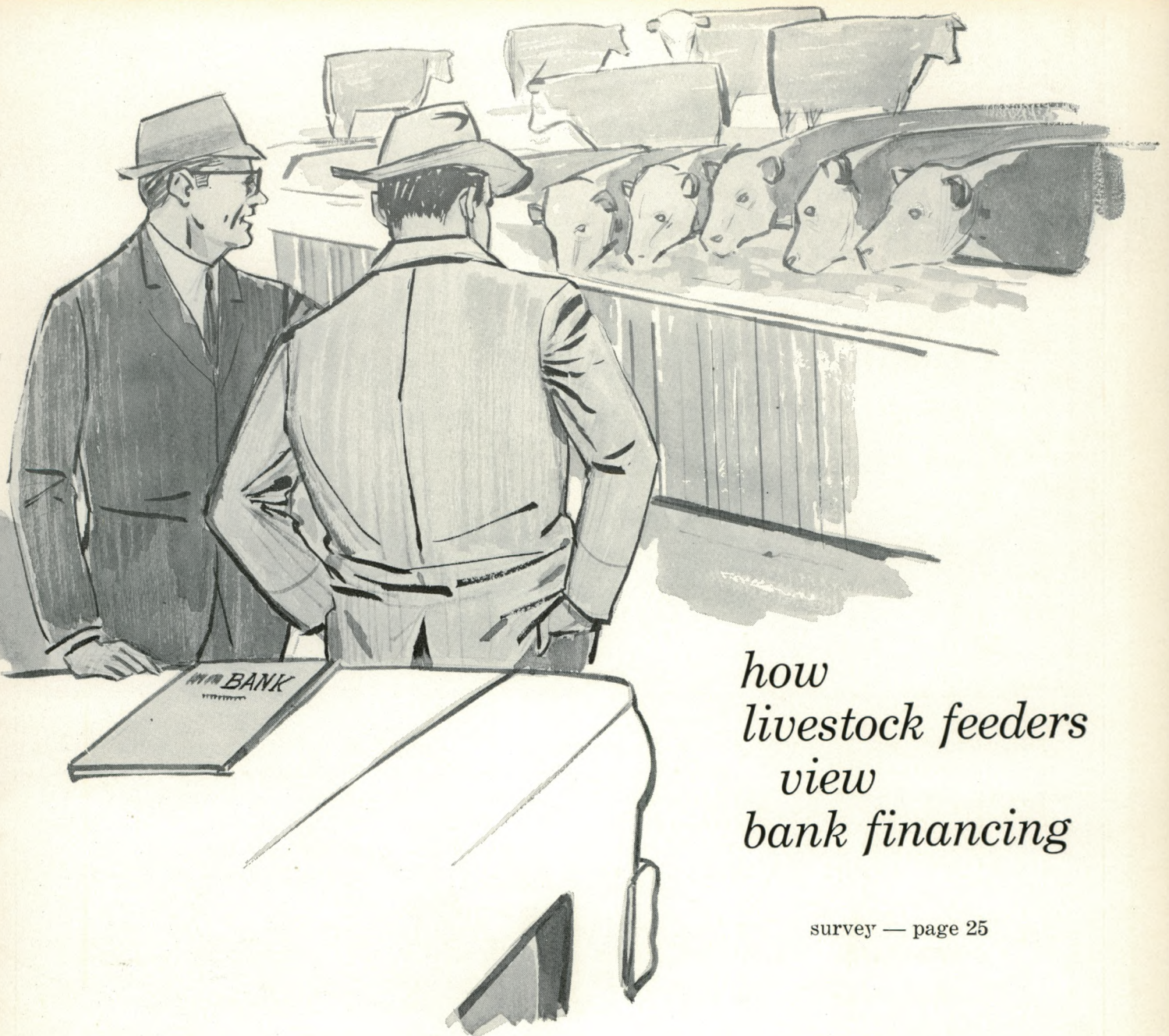


# NORTHWESTERN *Banker*

JULY  
1968



*how  
livestock feeders  
view  
bank financing*

survey — page 25



Look into MNB's Safekeeping Services ...  
you'll be surprised.



Pleasantly surprised!  In addition to simply protecting your securities, MNB will notify you when your securities become due and provide advance notice of important events (such as bond maturity dates). We'll provide a list of your securities, and if you like, we'll accept open orders to buy and

sell securities, at given prices, as the market permits.  These MNB extras are no surprise to over half of all Iowa bankers who are currently MNB correspondents. We would like to have you join them. Call our Correspondent Department or Bill O'Toole in our Bond Department, 319-365-0411.

*so many ways we can help you*



**M  
NB**

**MERCHANTS NATIONAL BANK**

CEDAR RAPIDS, IOWA 52401  
MEMBER F.D.I.C.



# For men who get the jump on your problems...



## TRUST NORTHERN


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

Our men in the field can come up with the answers—fast, and on the spot. Supporting them are talented specialists back at the Bank. All have a variety of effective ways

to solve problems . . . and you can be sure they'll come up with the most imaginative and profitable solutions for you!

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

**NORTHERN  
TRUST  
COMPANY  
BANK**



NORTHWEST CORNER **LASALLE & MONROE**  
Chicago 60690 • Financial 6-5500 • Member F.D.I.C.

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





Harley Newcomb, Senior Project Engineer, American Photocopy Equipment Company

## his business is a top insurance risk

## but Scarborough won't insure it

"Accent on excellence" has made Apēco a leader in the copying industry. But Apēco is not a bank. And banks are all that Scarborough insures. More particularly, what we insure is the business of banking. The risks of running a bank. Since we know these risks better, we can insure them better. That is why our underwriters—among the strongest in the business—commission us to design their bank policies. And to handle bank claims. There is no question that we settle them more promptly.

**It is a reasonable assumption that a man who insures banks only can insure *your* bank better**

# SCARBOROUGH

**the bank insurance people**

33 North Dearborn Street • Chicago, Illinois 60602

*Northwestern Banker, July, 1968*

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



## Dear Editor

### "Going to Nicaragua"

"It will be appreciated if you will suspend my subscription upon receipt of this letter. As of June 17, Mrs. Goodwin and I depart for Managua, Nicaragua, where I will be associated with a bank in a capacity similar to my relationship with the bank in San Salvador, El Salvador, last November and December.

"This assignment has been requested by the International Executive Service Corps of New York, the organization I was associated with on the San Salvador project. I expect to be gone from two to three months.

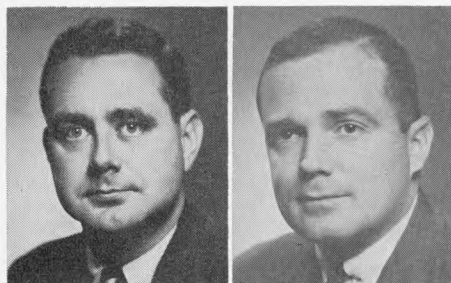
"When I return I'll advise you to start my subscription again."

Regards,  
Mortimer Goodwin  
215 Beach Ave.  
Ames, Iowa

Editor's Note: A report on Mr. Goodwin's work in San Salvador was reported in the February, 1968, NORTHWESTERN BANKER ("Banker Goes Troubleshooting"—page 48). Mr. Goodwin is retired president of Union Story Trust & Savings Bank in Ames, Iowa.

### Irving Trust Changes

Irving Trust Company has announced the reassignment of two assistant vice presidents in its national division. Alfred G. S. Moody, Jr., formerly associated with the midwestern district, has assumed customer contact and lending responsibilities in the bank's southwestern district. Hamilton Shippee moves from the southwestern district to the midwestern district, with similar responsibilities.



A. G. S. MOODY

H. SHIPPEE

Mr. Moody, a graduate of Yale University and Harvard Law School, joined the Irving in 1955. Named an assistant secretary in the national division in 1959, he was promoted to assistant vice president in 1964.

Mr. Shippee, a graduate of Duke University, has been with the bank since 1958. He was named an assistant secretary in the metropolitan division in 1961 and was promoted to assistant vice president in the national division in 1964.

# NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi

for your JULY, 1968, reading

74th Year No. 1107

### EDITORIALS

- 14 Across the Desk from the Publisher

### FEATURES

- 5 Dear Editor  
23 Where Are We Going?—*Jack T. Conn*  
25 How Livestock Feeders View Bank Financing—A NORTHWESTERN BANKER Survey  
32 Ag Lenders Study Range Management  
33 Who Will Furnish the Money for Agriculture?—*Dr. Robert S. Smith*  
36 Over 1,500 Attend 15th Annual Mercantile Baseball Party—*Malcolm Freeland*

### STATE BANKING NEWS

Minnesota Convention Report	43	63	Colorado News
Twin City News	50	65	Nebraska News
South Dakota News	54	66	Omaha News
North Dakota News	55	72	Lincoln News
Wyoming Convention Report	57	77	Iowa News
Montana Convention Report	59	80	Des Moines News
		83	Security National Open House

### OTHER FEATURES

- 90 In the Directors' Room  
90 Index of Advertisers

### NORTHWESTERN BANKER

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

<i>Chairman</i> Clifford De Puy	<i>Publisher</i> Malcolm K. Freeland	<i>Editor</i> Ben J. Haller, Jr.
<i>Associate Editor</i> Barbara Franklin	<i>Associate Editor</i> James Freeland	<i>Auditor</i> Bertha Soderquist
<i>Advertising Assistant</i> Mildred Savich	<i>Circulation Department</i> Lena Sutphin	<i>Field Representative</i> Paul Masters
<i>Field Representative</i> Al Kerbel	<i>Field Representative</i> Joe M. Smith	

Frank P. Syms, Vice President, 550 Fifth Avenue, New York 36, JUDSON 2-7126

Northwestern Banker, July, 1968



## "Topping Out" Seen on Closed TV

THE centuries-old "topping out" ceremony identified with building construction was given a new twist last month at Bank of America's new headquarters building in San Francisco. Following tradition, the last 1,000 pound beam was accompanied to the top of the 770 foot high structure with a pine tree—in this case, a Monterey Pine, which is found only in California.

But because the colorful ceremony took place high above street level, the entire affair was shown to people at street level via closed circuit television. Also accompanying the beam was an American flag, for which steelworkers later drew lots for the privilege of claiming as a trophy.

Principal speakers at ceremonies prior to the actual lifting of the beam included Mayor Joseph L. Alioto; R. A. Peterson, president of Bank of America; Edgar F. Kaiser, chairman of the board of Kaiser Industries, and Mrs. Claire Giannini Hoffman, daughter of Bank of America Founder A. P. Giannini, and a member of the bank's board of directors, who pulled a giant switch which signaled the beam to be



NEW HEADQUARTERS for Bank of America.

lifted from street level to the mechanical penthouse above the 52nd floor.

The framework of the Bank of America World Headquarters Building, the tallest in the west, required

one year and 25,000 tons of steel to put together. Fabrication and erection of the steel was done by Kaiser Steel Corporation.

The \$92 million Bank of America World Headquarters Building will include about 2,000,000 square feet of floor area. About 50 per cent of the building site will be open space, containing a formal, granite-paved plaza 290 by 140 feet, fronting on California Street. In addition, a two-story glass pavilion will be built at the northeast corner of the plaza to house Bank of America's San Francisco Main Office branch.

The 770-foot tower, scheduled for completion in 1969, will also have an upper level restaurant and public observation deck overlooking the San Francisco Bay Area, a large concourse and underground parking for over 400 cars, 34 elevators, a 200-seat auditorium and a cafeteria.

### Lamson Establishes Futures Department

Due to the increasing growth and great interest in futures trading in livestock contracts, Lamson Bros. & Co., a midwestern brokerage firm,



S. WALDNER

has established a new department to handle this business. Stanley Waldner has joined Lamson's Chicago office as manager of the livestock department. He will analyze and comment

on government releases and statistics, as they relate to futures trading of cattle, pork bellies and live hogs, according to Richard M. Withrow, Lamson general partner.

Mr. Waldner began his business career as a cattle feeder and subsequently became interested in livestock futures trading. He traded the nation's first cattle contract for his feedlot, and later witnessed the first delivery of cattle against a futures contract.

Because of his early knowledge of livestock futures trading, a prominent agricultural magazine asked him to write a series of articles. These articles were later assembled in booklet format under the title "The Story of Beef Futures." They were the forerunner of a monthly column entitled "Beef Futures Comment." Mr. Waldner has been a featured speaker at national and regional associations of both cattlemen and bankers. He has also conducted livestock futures trading seminars at universities.



**PRUDENT MAN RULE  
ASSISTANCE FOR  
Community Bank  
Trust Departments**



**STUDLEY, SHUPERT  
Trust Investment Council**  
860 Suburban Station Bldg. Phila., Pa. 19103

**mmB**  
**Merchants  
Mutual  
Bonding Co.**  
*Iowa's Oldest Surety Company*

This progressive company with experienced conservative management is proud of its 300 bank agents in Iowa.

W. W. Warner  
President

M. J. Corbin  
Vice President

**HOME OFFICE**  
2100 Grand Ave.  
Des Moines, Iowa



## How good is your bond portfolio?

Things may have changed since you looked at it last.

Harris portfolio advisors can tell you what condition your portfolio is in. Right now.

They review. They analyze. They study a summary of your securities, loans, and deposits. They consider your seasonal deposit and loan fluctuations, your tax liability situation, and other factors unique to your bank.

Finally, they write you a frank, detailed recommendation.

Check it out with your Harris Man.

Expect the best when your correspondent is the Harris.



  
**HARRIS** Trust and Savings **BANK** 111 West Monroe Street, Chicago, Illinois 60690

Organized as N. W. Harris & Co. 1882, Incorporated 1907 • Member Federal Deposit Insurance Corporation • Federal Reserve System

Northwestern Banker, July, 1968

**Tokyo:**  
on-the-spot refunds in 124 places...

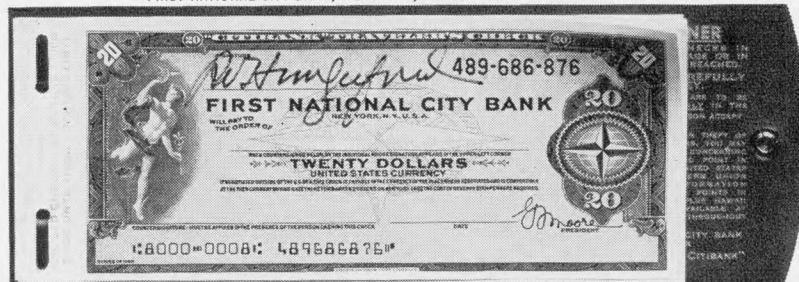


**Rome:**  
on-the-spot refunds in 32 places...



# The Everywhere

FIRST NATIONAL CITY BANK, NEW YORK, MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



## Refunds fast and in more places than with any

Worldwide, First National City Travelers Checks has over 25,000 on-the-spot refund points. No other travelers check comes near this figure. Check the box at the right to see the thousands of locations all around the world where your customers can get refunds fast.

They're more profitable to you because of our generous commission schedule. You keep 100% of the commission on all sales from \$10 to \$50. And 90% on all sales over \$50.

First National City Travelers Checks are pre-sold at home and abroad with a powerful advertising campaign that tells millions of travelers their many advantages. You also get hard-selling point-of-sale posters and materials that promote First National

City Travelers Checks in your bank—plus selling aids that promote your other banking services. All free of charge.

Acceptability? For 65 years, First National City Travelers Checks have been issued by the leader in worldwide banking. So, they're known and welcomed everywhere your customers go—east or west, north or south—in more than a *million* places around the globe!

They're available to you in the widest range of denominations. And if you wish, pre-packaged checks are available in both "five packs" and "ten packs."

When we say The Everywhere Check offers your customers the best travelers check service in the world—we mean it!



**Mexico City:**  
on-the-spot refunds in 206 places...



**Montreal:**  
on-the-spot refunds in 105 places...

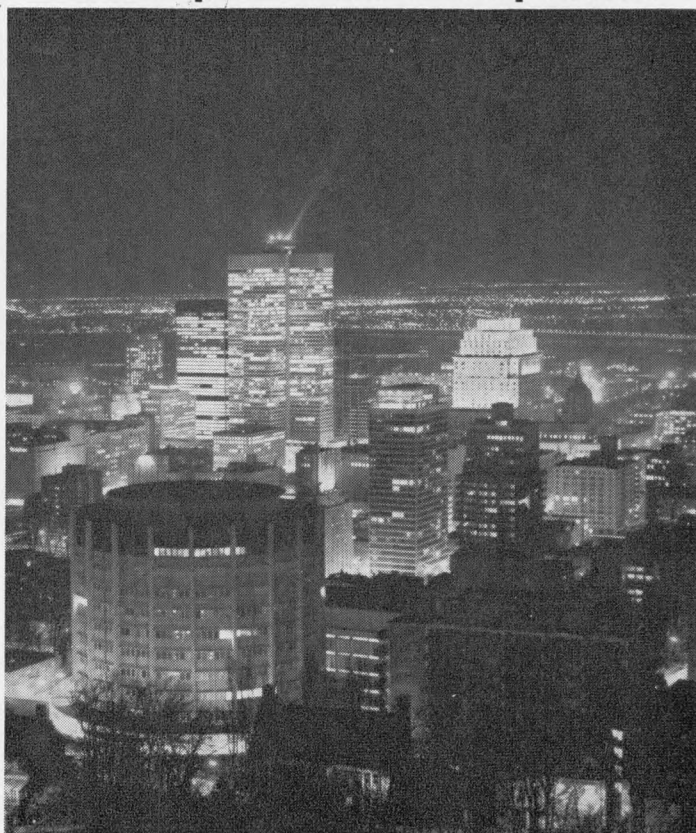


PHOTO COURTESY CITY OF MONTREAL

# Check:

## other travelers check!

**Worldwide Refund System:** Your customers can get refunds *fast* and in more places than with any other travelers check. To show our complete coverage, at right are listed the number of our refund points by major geographical area...

North America .....	14,013
South America .....	1,700
Central America & Caribbean ..	1,545
Europe .....	7,230
Asia .....	2,100
Africa .....	1,100
Australia & New Zealand .....	1,160

## First National City Travelers Checks

# Spells Your Collateral Out in Capital Letters

Manufacturer? Distributor? Banker? Collateral is an important asset whether you are borrowing or lending. With the bonded protection of Douglas-Guardian's exclusive system of inventory control, collateral acquires substantial meaning on both sides of the ledger. When manufacturer or distributor desires to raise money on warehoused collateral, we verify inventory, bond it and issue a warehouse receipt. The result is solid security which eliminates red tape and simplifies loan procedures as outlined under the Uniform Commercial Code and the Uniform Warehouse Receipts Act. We can spell your collateral out in *capital* letters if you will write or call us at:

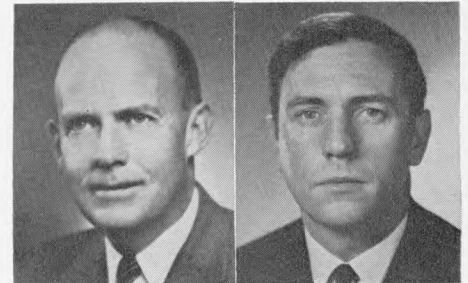
## Douglas-Guardian Warehouse Corporation



P. O. Box 52978, New Orleans, La. 70150, Phone 504/523-5353  
Offices in 15 Principal Cities

### Manufacturers Hanover Announces Promotions

Donald R. Spaidal has been elected a senior vice president of Manufacturers Hanover Trust, New York, and heads the bank's investment section, personal trust department. He succeeds Rector K. Fox, senior vice president, who retired June 1.



D. R. SPAIDAL J. R. HAMBELTON

At the same time, the bank announced the promotion of David S. Tackett to vice president, national division. Mr. Tackett represents the bank in Ohio, Michigan and Pittsburgh.

Mr. Spaidal joined the then Hanover Bank in 1937. His entire banking career has been in the investment section of the personal trust department.

A native of Brockville, Canada, Mr. Spaidal received his B.A. degree from Yale University in 1935 and his M.A. degree from Cambridge University, England, in 1937. He also is a graduate of the Advanced Management Program, Harvard University Graduate School of Business Administration.

James R. Hambelton, associate editor of the *American Banker*, has been elected a vice president of Manufacturers Hanover Trust's development department. He will assist William H. Miller, senior vice president, in coordinating the bank's business development activities.

Mr. Hambelton joined the *American Banker* in 1963 and has specialized in covering bank marketing programs throughout the nation as well as international finance. He previously was assistant financial editor of *Business Week*, banking editor of the N. Y. *Herald Tribune* and a writer for the *Wall Street Journal*.

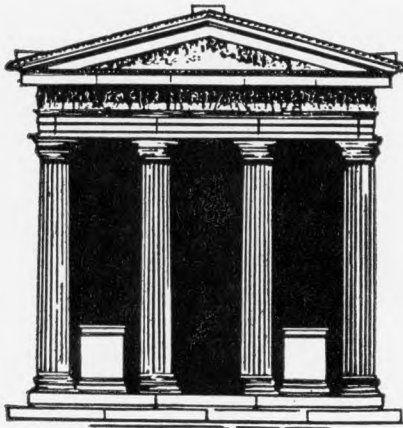
A native of North Truscott, Maine, he received his B.A. from the University of Maine in 1958, graduating magna cum laude.

### Elected Director

Robert Van Buren, senior vice president of Chemical Bank New York Trust Company, was elected a director of Champion Products Inc., Rochester, N. Y.



# Banks help business grow.



## commercial discount corporation

105 W. Adams Street  
Chicago, Illinois 60603  
Area Code (312) 263-5800

2975 Wilshire Blvd.  
Los Angeles, Calif. 90005  
Area Code (213) DU 5-8311

**For business on the grow.**

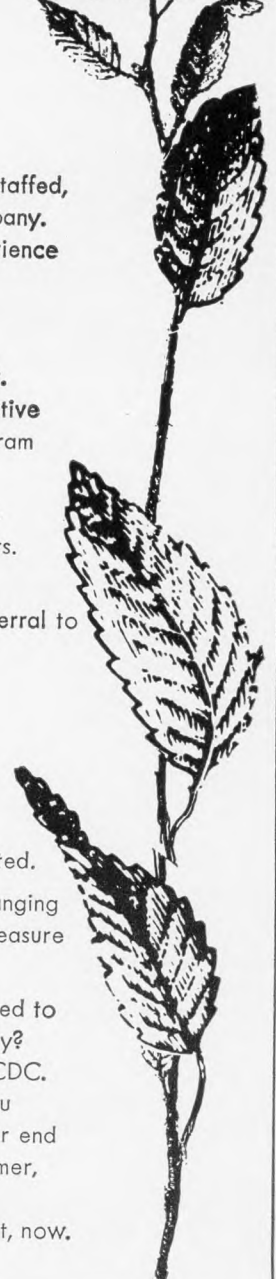
# We help banks help business grow.



We are a 35-year-old, expertly staffed, creatively oriented finance company. As a result of our years of experience serving as "extensions" of bank loan services, we have built a unique and meaningful new concept in cooperative financing. We call it the "Bankers Cooperative Program." Here is how this program can benefit you:

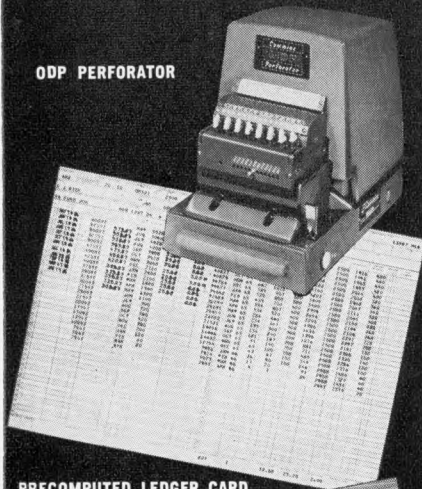
- 1** You turn down fewer loans—you have more satisfied customers.
- 2** You make loans beyond the customer's loan limits without referral to another bank.
- 3** All financing is arranged through you. We handle all the details, report regularly to you.
- 4** Our people work with you, or your clients . . . if requested.
- 5** You get all the credit for arranging the excess financing—an extra measure of prestige for your bank.

For many years, CDC has suggested to business and industry: Need money? See your banker first—then see CDC. Now we suggest to bankers: If you need additional funds at the upper end of your loan limits with any customer, see CDC first! Call or write Aubrey R. McPherson, Jr., president, now.



## BIGGER LOAN PROFITS WITH BBS SERVICE

ODP PERFORATOR



PRECOMPUTED LEDGER CARD



PERSONALIZED COUPON BOOK

**Cummins BBS on-premise service now provides the same scope of information available to the computer owners — on a per account basis.**

Precomputed ledger card is designed to be stamped-off or machine posted, as you prefer—has all calculations precomputed; pay-offs, accruals, yield, annual interest, everything.

- Personalized coupon books and transmittal letters for your customers; complete on-premise loan records for you.
- We rent you a perforator or perforate the books for you, as you choose.
- You increase efficiency, improve service to customers.
- Costs less, gives you more than any other system.

Precomputed ledger cards, without payment book, are also available to lenders already using a coupon or other remittance system.

**See your Cummins man, or a National Fidelity representative, or write for a brochure describing the BBS Service**



## 1st of Chicago Is "Topped Out"

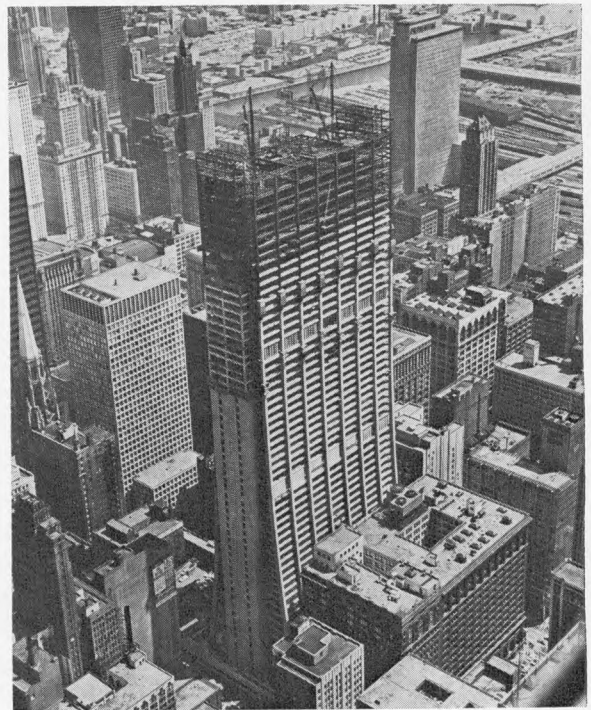
**THE NEW** headquarters building of The First National Bank of Chicago has "topped out" above the heart of Chicago's financial district.

The last piece of structural steel was bolted into place on the 60th floor level (850 feet) on June 3 while bank officials, loop workers and shoppers leaned back for a good view.

Steel erection on the big, new building began July 27, 1966. More than 42,000 tons of steel went into the superstructure.

The bank and a few tenants will start moving into the lower floors of the building in early 1969. Almost all the tenant space has been leased since the end of 1967. The building will contain 2,200,000 square feet of space. The bank will occupy more than 1,000,000 square feet of space, from the third basement level through the 22nd floor.

The First National Bank building is the tallest bank building in the world and is tied for sixth place among the world's tallest buildings.



## IBA Committees Appointed

**M**EMBERS of standing committees of the Independent Bankers Association of America for 1968-69 have been announced by IBAA President T. H. Milner, Jr., president, The National Bank of Athens, Ga.

Committee members will serve through the IBAA's 39th anniversary convention, April 15, 16 and 17, 1969.

Chairmen of the standing committees and committee members from midwestern and mountain states are:

### AGRICULTURAL-RURAL AMERICA COMMITTEE

**CHAIRMAN**—Don F. Kirchner, president & cashier, Peoples Trust and Savings Bank, Riverside, Iowa; Stephen Garst, vice president, Iowa Savings Bank, Coon Rapids, Iowa; H. L. Gerhart, Jr., president, The First National Bank of Newman Grove, Nebraska; Clayton Hoese, vice president, Security State Bank of Glencoe, Minnesota; Charles H. Starks, president, The Citizens State Bank, Keenesburg, Colorado; W. L. Webber, senior vice president, Central National Bank in Chicago, Illinois.

### BANK STUDY COMMITTEE

**CHAIRMAN**—William P. Givens, president, The Merchants National Bank, Muncie, Indiana; E. R. (Bob) Manuel, cashier, George (Iowa) State Bank; Lowell F. McNeill, president, West Racine Bank, Racine, Wisconsin; E. L. Peters, president, The First National Bank of Hastings, Minnesota; Thomas M. Rochford, president, Bank of Illinois in Champaign, Illinois.

### COMPETING FINANCIAL INSTITUTIONS COMMITTEE

**CHAIRMAN**—L. Y. Dean, III, president, Eufaula (Alabama) Bank & Trust Company; **VICE CHAIRMAN**—A. Edward Kendig, president, First National Bank in Wheatland, Wyoming; H. Hurst Gibson, executive vice president, City National Bank & Trust Company of Rockford, Illinois; E. Burton Maynard, vice president, Security Trust & Savings Bank, Billings, Montana; Robert G. Volk, Jr., executive vice president, The City National Bank of Atchison, Kansas, and Harvey B. Young, Jr., president, Bank of Kirksville, Missouri.

### FEDERAL LEGISLATIVE COMMITTEE

**CHAIRMAN**—Bradford Brett, president, First National Bank of Mexico, Missouri; Stanley R. Barber, president, Wellman (Iowa) Savings Bank; Pat DuBois, president, First State Bank of Sauk

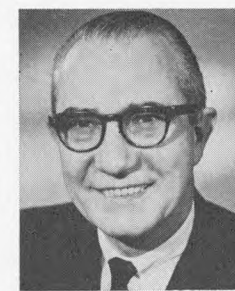
Centre, Minnesota; Paul Jones, board chairman, Glenview (Illinois) State Bank; Lee M. Stenehjem, president, First International Bank of Watford City, North Dakota.

### GOVERNMENT FISCAL POLICY COMMITTEE

**CHAIRMAN**—Milton J. Hayes, senior vice president, American National Bank & Trust Company, Chicago, Illinois; **VICE CHAIRMAN**—W. F. Enright, Jr., senior vice president, The American National Bank of St. Joseph, Missouri; K. J. Benda, president, Hartwick (Iowa) State Bank; O. K. Johnson, consultant, Whitefish Bay Bank & Trust Company, Milwaukee, Wisconsin; Glenn H. Larson, president, First State Bank, Thompson Falls, Montana, and W. W. Marshall, Jr., president, Commercial National Bank & Trust Company, Grand Island, Nebraska.

## Named Foundation Chairman for Illinois

Paul J. Miller, vice president of Harris Trust and Savings Bank, Chicago, has been named state chairman



P. J. MILLER

for Illinois for the Foundation for Commercial Banks, Allen P. Stults, Foundation trustee for the Seventh Federal Reserve District, announced.

Mr. Miller will assist in membership recruitment and liaison activities for the Foundation in Illinois, according to Mr. Stults, who is also president of the American National Bank and Trust Company of Chicago. Currently, 508 Illinois banks representing 77 per cent of deposits in the state are Foundation members.

Mr. Miller will assist in membership recruitment and liaison activities for the Foundation in Illinois, according to Mr. Stults, who is also president of the American National Bank and Trust Company of Chicago. Currently, 508 Illinois banks representing 77 per cent of deposits in the state are Foundation members.



Kodak

# Want microfilm quality you can always bank on?



## Come to Kodak.

Today, with so much bank data on reels of computer tape, your microfilm records assume more and more importance . . . actually provide the only *full* source of documentation when questions come up. So you need microfilm quality you can bank on. RECORDAK Microfilm gives you that quality. Not only in terms of photographic dependability, but also in terms of "Total Systems Responsibility."

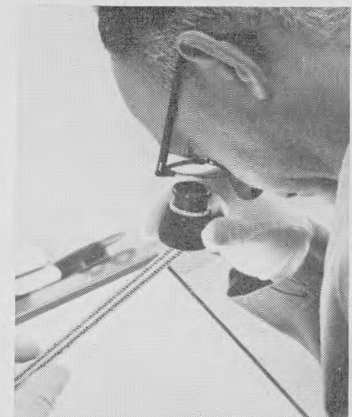
Your microfilm, for example, is processed under precisely controlled conditions by skilled Kodak professionals. Each roll is quality-control inspected to make sure your Recordak equipment is performing efficiently as evidenced by sharp, easy-

to-read images. If not, your Kodak service specialist is alerted to take prompt corrective action.

In case of loss of checks in transit, Kodak will make facsimile copies for collection from your own microfilm record. At no additional charge!

These are only two examples of what Kodak Total Systems Responsibility can mean to your bank. Responsibility backed by forty years of microfilm systems experience!

For further information, write Eastman Kodak Company, Business Systems Markets Division, Dept. O-7 Rochester, New York 14650.



**RECORDAK** Microfilm Systems by Kodak

Northwestern Banker, July, 1968

## ACROSS *the* DESK from the Publisher

### *Dear Arthur J. Brimmer:*

*Member of Board of Governors, Federal Reserve Board,  
Washington, D. C.*

Six months ago, you addressed the American Farm Economic Association, and made the following criticism of country banks in agricultural areas:

"In spite of the general growth in farm credit demands, a surprisingly large number of rural banks haven't been particularly eager to serve these needs in their own communities. This is shown by the relatively low loan to deposit ratios many of these banks have."

You continued by suggesting that in areas where farms are growing faster than their country banks, states should remove restrictions on branch banking to allow big-city banks to operate on a direct basis in farm areas. You concluded by saying that the Federal Reserve Board is looking into the possibility of stepping up its loans to rural banks to help them meet peak seasonal demands for money without disrupting their operations for the rest of the year.

We call your attention to an exclusive survey completed by editors of the *NORTHWESTERN BANKER* on the subject: "How Livestock Feeders View the Lending Market," featured on pages 25 through 30 in this issue.

The survey was conducted among 410 key members of the National Livestock Feeders Association. A typical member of this organization owns 360 acres, leases another 310 acres and feeds upwards of 420 head of cattle. It would seem that they are one of the most important segments in the modern agricultural picture, relying on lending institutions for farm credit.

Eighty-three percent of the respondents indicated that their local banks were offering them the financing needed to conduct their livestock operations. This result and other facts contained in the survey would seem to vary widely from your conclusions.

We feel that you wish to promote branch banking, regardless of the facts. Also, we believe that you have made these unfounded charges in order

to force non-member banks to carry their reserves with the Federal Reserve System.

You may get some small, marginal farm operators to agree with you, and we are sure that you can get advocates of branch banking to applaud. We seriously doubt if you can gain the support of the major livestock feeders unless you can convince them with more substantial facts than you have been able to supply thus far.

### *Dear John S. Fangboner:*

*Chairman, National City Bank of Cleveland,  
Cleveland, Ohio.*

It is our understanding that in Ohio banks are permitted to establish branches only within the county where their principal office is located. Under this arrangement, your bank has 36 branches in Cuyahoga County (Cleveland). A holding company, however, permits an association of banks in a larger area.

You have now reached an agreement in principle to form TransOhio Bancshares, Inc., subject to Federal Reserve System approval. The holding company would include your bank, which is the second largest bank in Ohio, and the First National Bank of Cincinnati. The latter has 22 branches in the Cincinnati area.

The announcement states:

"Each of the banks joining the TransOhio group would retain its existing board of directors and officers and its autonomy of operation. Formation of the holding company would offer improved banking and trust services, wider business contacts and increased specialization of personnel."

It seems to us that we have heard these same arguments from advocates of county or area branch banking. In every case, they have told us that county or area branching is all that they really want. Your recent move would seem to refute this and bears out the fact that branching is rather an insatiable goal.

National City Bank has \$1.3 billion in assets. First National Bank of Cincinnati has \$660 million in assets. Our question is: How big do you have to be to "provide improved banking service"?



# Think safe.

**Unsafe is sorry.**

**So Chemical New York provides safekeeping for billions of dollars worth of securities right at the center of world finance.**

**That's why, when so many correspondents think safe, they think Chemical New York, the bank that works hardest for you.**

**What do you think?**

**Chemical  
New York**  
CHEMICAL BANK NEW YORK TRUST COMPANY

MEMBER F.D.I.C.

*Northwestern Banker, July, 1968*

## A.I.B. Elects New Officers



**NEW OFFICERS** were elected for the coming year at the recent 66th annual convention of the American Institute of Banking in Buffalo, N. Y. **Wesley B. Simmers** (seated, center), a.v.p., Northeastern Pennsylvania Natl. B&T, Wilkes-Barre, Penn., was elected president. Elected vice president was **Mrs. James Foster**, a.v.p., Valley Natl., Phoenix. Also elected were four new members of the executive council. Seated at right is **Henry R. Frankel**, v.p., Northern Trust Co., Chicago (District 11). Standing (left to right) are: **Edward J. Partridge**, a branch mgr. in Los Angeles for Security First Natl. of L. A. (District 7); **Dana H. Smith**, a.v.p., 1st Natl. of Portland, Maine (District 1), and **Otis Rogers**, v.p., 1st Natl. of Fort Worth, Texas (District 6).

## Roland C. White Retires

Roland C. (Rinso) White, investment officer in the investment department of the Harris Trust and Savings Bank, Chicago, retired June 30, after more than 20 years of service with the bank.



R. C. WHITE

Mr. White attended Tennessee Military Institute and Washington and Lee University. He was associated with Halsey Stuart & Company, A. G. Becker & Company, and Republic Steel Corporation before joining the investment department of the Harris in 1944. He was elected an officer in 1952.

Mr. White has worked closely for many years with Iowa and Illinois bankers through Harris Bank's correspondent bank division and is well-known in both states.

## LaSalle National Promotions

Following the meeting of the board of directors last month, Harold Meidell, chairman, and Milton F. Darr,



E. MALO

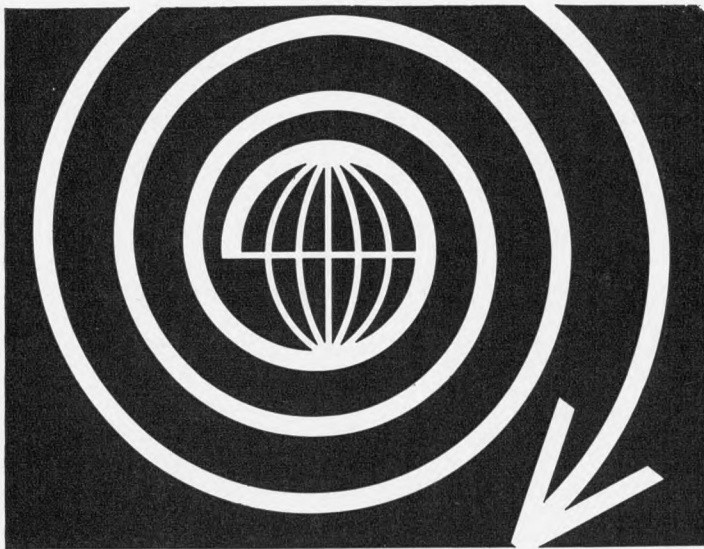
Jr., president, LaSalle National Bank, Chicago, announced the promotion of four officers: Edward Malo was advanced to vice president and assistant secretary in the trust department; Vincent C. Constantino and Roland K. Weber were elected assistant vice presidents and assistant secretaries in the trust department, and Eugene P. Mroz was advanced to assistant vice president from automation officer.

Mr. Malo joined the bank in 1957 and has been assistant vice president since 1965. He heads the corporate trust division.

## New V. P. at Chase Manhattan

Harry E. Wholley, director of the advertising-promotion division of the Chase Manhattan Bank, N.A., New York, has been promoted to vice president.

Mr. Wholley joined the bank in 1966 as an advertising officer and was named director of the division the next year. From 1959 to 1966, Mr. Wholley served as a vice president of American Home Foods, Inc. He was a vice president of Bryan Houston, Inc. from 1955 to 1959.



**Covers Canada ... Spans the World**

With over 1000 branches throughout Canada and around the world and an international network of correspondents — the Bank of Montreal is well qualified to help you and your clients north of the border and throughout the world. Write or visit any one of our five United States offices.



**Bank of Montreal**

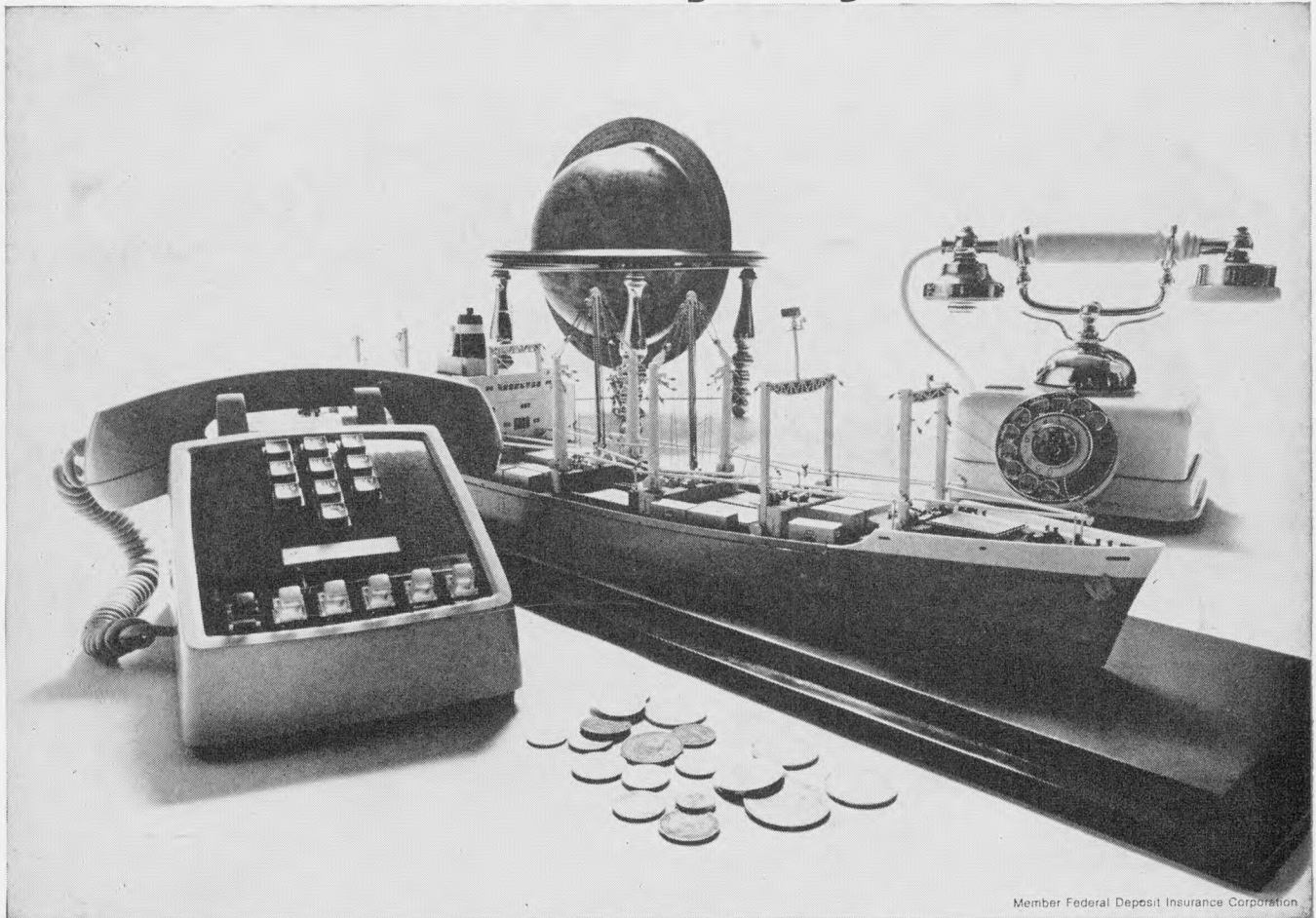
Canada's First Bank  
Covers Canada...Spans the World

Chicago: Board of Trade Bldg.  
141 W. Jackson Blvd.

New York • Houston  
San Francisco • Los Angeles • Sacramento  
MORE THAN 1000 OFFICES • ASSETS EXCEED \$6 BILLION



# Solve your international banking problems this easy way.



Member Federal Deposit Insurance Corporation

## Call us.

You begin your international business with a correspondent banker. He specializes in working with bankers from your part of the country. And he really speaks your language.

Your man at The First knows just which of our international banking experts to call to get your problem an effective, prompt international solution.

There are plenty of experts to call in. The First's big international banking department in Chicago. The full service branches in London and Frankfurt. Our subsidiary

in Beirut. The representative office in Tokyo. First Chicago International Banking Corporation in New York. And then, over 500 foreign correspondent banks.

This is just one of many ways the correspondent bankers at The First can help. When we can help, just dial Area Code 312,372-0408.



**The First  
National  
Bank  
of Chicago**

**Chicago · London · Frankfurt · Beirut · Tokyo  
First Chicago International Banking Corporation, New York**

Northwestern Banker, July, 1968

Heller and Banks in Participation

## Typical situations in which Heller can help your bank and your customers: II

### Lending limit below prospect's needs

**Situation:** your bank wishes to approach a large prospect whose needs you cannot fulfill because of regulatory or policy reasons. For example, your lending limit might be as low as \$200,000, yet you might still provide million-dollar-plus loans through a Heller participation, and at the same time, demonstrate to your business community an ability to structure major loan arrangements.

### Customer's financial position deteriorating

**Situation:** the remedy for a deterioration in a customer's financial position is *more* credit, which you are not willing to extend. Your bank can reduce its exposure immediately with a Heller participation. The customer secures the cash to rebuild his position, and Heller's assistance will continue until the customer is again "bankable".

### Receivables financing the best solution

**Situation:** the obvious means of providing a customer with the credit he needs is accounts receivable financing—and your bank is not equipped to handle it. A participation arrangement with Heller "puts your bank" into accounts receivable financing, with a fully secured position. Yet, you have no additional supervisory work; Heller does it all for you.

### Receivables financing not providing adequate funds

**Situation:** your bank is doing accounts receivable financing for a customer, but adequate funds are not being provided by that accommodation, alone. Yet, you do not wish to enter the specialized fields of inventory and equipment loans. Heller will create a financial "package" including the supplemental loans. Through participation, your bank will share in the larger secured loan, while Heller takes care of the supervision of the entire loan.

Lending partnerships with banks have helped our volume surpass \$2.9 Billion annually. Through these participations, banks are able to convert unsecured credit into secured loans, or improve secured items in their portfolios, without incurring additional handling costs, or reducing their interest income.

We'd like to send you our detailed booklet, "Heller and Banks". Just drop a note to any of our offices, or phone one of our commercial loan officers if you have an immediate situation you'd like to discuss.



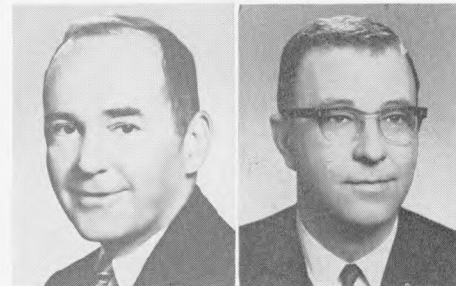
## Walter E. Heller & Company

105 WEST ADAMS STREET • CHICAGO 60690

New York • Boston • Philadelphia • Atlanta • Miami • New Orleans • Dallas • Los Angeles • San Francisco • Portland • San Juan, P.R. • Brussels • London • Paris • Mainz, West Germany • Utrecht, Holland • Barcelona • Copenhagen • Stockholm • Johannesburg • Winnipeg • Mexico City • Kingston, Jamaica

### Opens New York Office

The Northern Trust International Banking Corporation officially opened its office for business June 14 at 90 William Street, New York City. An Edge Act subsidiary, the new corporation is wholly owned by The Northern Trust Company, Chicago. It will enable the bank to expand services to U. S. companies doing business abroad.



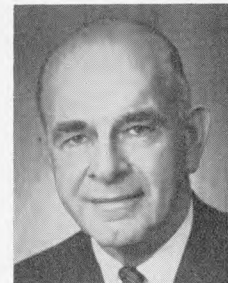
S. C. BROWN

W. E. DIEHL

Samuel C. Brown, vice president and manager, heads the international corporation. He is assisted by Werner E. Diehl, second vice president and officer-in-charge of operations.

### Named State Chairman

Orville R. Goerger, vice president of Mercantile Trust Company, St. Louis, has been appointed state chairman



O. R. GOERGER

for Missouri for the Foundation for Commercial Banks, John B. Mitchell, Foundation trustee for the Eighth Federal Reserve District, announced.

Mr. Goerger will be responsible for membership recruitment and liaison activities in Missouri for the Foundation, according to Mr. Mitchell, who is also president of First National Bank in St. Louis. Two hundred eighty-five Missouri banks representing 63 per cent of deposits in the state are currently members of the Foundation.

### Promoted at Security First

Ross E. Annis, Jr., has been appointed vice president with the marketing department of Security First National Bank, Los Angeles. An assistant vice president since 1965, he has headed the department at the bank's inland division headquarters, Riverside, since 1966.

Leslie M. Paullin has been appointed vice president and assistant secretary with the head office trust department of Security First National.





## Would you like to get out of the check printing business?

There is probably no better time than now to consider letting DeLuxe help you get out of the in-bank check printing business. We admire banks who "do it themselves" because, as specialists, we know what it takes in people, equipment and know-how to do a top-notch job and to provide service on a day-to-day basis.

Banks who print their own just have to have problems — inventories of checks and supplies, keeping workers on the job, peak load periods, spoilage, mailing, space, storage, meeting quality standards and resulting costs. Banks tell us that a realistic appraisal of similar operations indicates that, in addition to the many problems, there is little or no savings in costs over those of our professionally printed checkbooks. In some cases their costs can even be higher. Such an appraisal takes into consideration the space, overhead and fringe benefit costs that are a part of such operations.

We can relieve you of all these problems and at the same time offer your customer a wide selection of checkbook styles and colors. We'll produce the orders fast and accurately at low standardized prices made possible by volume and mass automated procedures.

If you'd like to get out of the check printing business, let us help you with an automatic, planned conversion program. Your customers will love it.



STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

← JUST FOUR OF THE 27 STEPS IN PERSONALIZED CHECK PRODUCTION.

Northwestern Banker, July, 1968

## Ground-Breaking at LaGrange



**FIRST SPADEFUL** of earth is turned by **Roy M. Quick**, president of LaGrange State Bank, LaGrange, Ill., for the bank's new drive-in Auto Banking Center. The new facility, scheduled for completion in November, 1968, will have four drive-up TV teller installations and one walk-up teller window.

## First National Bank of Chicago Announces Executive Changes

**HOMER J. LIVINGSTON**, chairman of the board of The First National Bank of Chicago, has announced several changes in the bank's official organization.

The commercial banking department, which is headed by John E. Drick, executive vice president, now has two major sections—domestic and international. The domestic section will be headed by Rudolph E. Palluck, vice president. Richard L. Thomas, vice president, will succeed Mr. Palluck as head of First National's term loan division. The international section will be headed



R. E. PALLUCK



R. L. THOMAS



A. R. ABOUD

by A. Robert Abboud, vice president, who succeeds Mr. Thomas in that position.

The newly-created domestic section will consist of the twelve loan divisions, the term loan division, loan review, mergers and acquisitions and business services.

Mr. Palluck, who has been associated with First National since 1947, received his B.S. degree from Northwestern University. He also graduated from the Stonier Graduate School of Banking at Rutgers and is a Certified Public Accountant.

Mr. Thomas has been with First National since 1958. He is a graduate of Kenyon College, where he is a trustee, the University of Copenhagen and the Harvard Graduate School of Business Administration, where he received his M.B.A. in 1958. At the University of Copenhagen he was a Fulbright Scholar and was a Geo. F. Baker Scholar at the Harvard Business School.

Mr. Abboud also has been associated with First National since 1958. He received his A.B. degree from Harvard College, LL.B. from Harvard Law School, M.B.A. from Harvard Business School and graduated from the Goethe Institute in Germany (German Language School). In 1966, Mr. Abboud was named vice president and general

manager of First National's Frankfurt branch. Prior to that time he was engaged in the home office and Edge Act subsidiaries' activities of the international section.

P. Alden Bergquist, vice president in the investment department, was elected senior vice president. Mr. Bergquist, who entered the bank's investment department in December of 1929, attended the University of Nebraska, and graduated from the Stonier School of Banking at Rutgers, where his thesis was accepted for the library.



P. A. BERGQUIST



W. E. EBEN

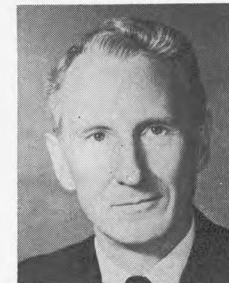
William E. Ebben, assistant vice president in loan division "H", domestic section, commercial banking department, was elected vice president. Mr. Ebben joined First National in June of 1924.

### Joins Studley, Shupert Firm

Morton Smith will join the investment counseling firm of Studley, Shupert & Company, Inc., of Philadelphia as a senior vice president on August 1, after retiring as senior vice president in the trust investment division of Girard Trust Bank. The announcement was made last month by John D. Foster, president of Studley, Shupert.

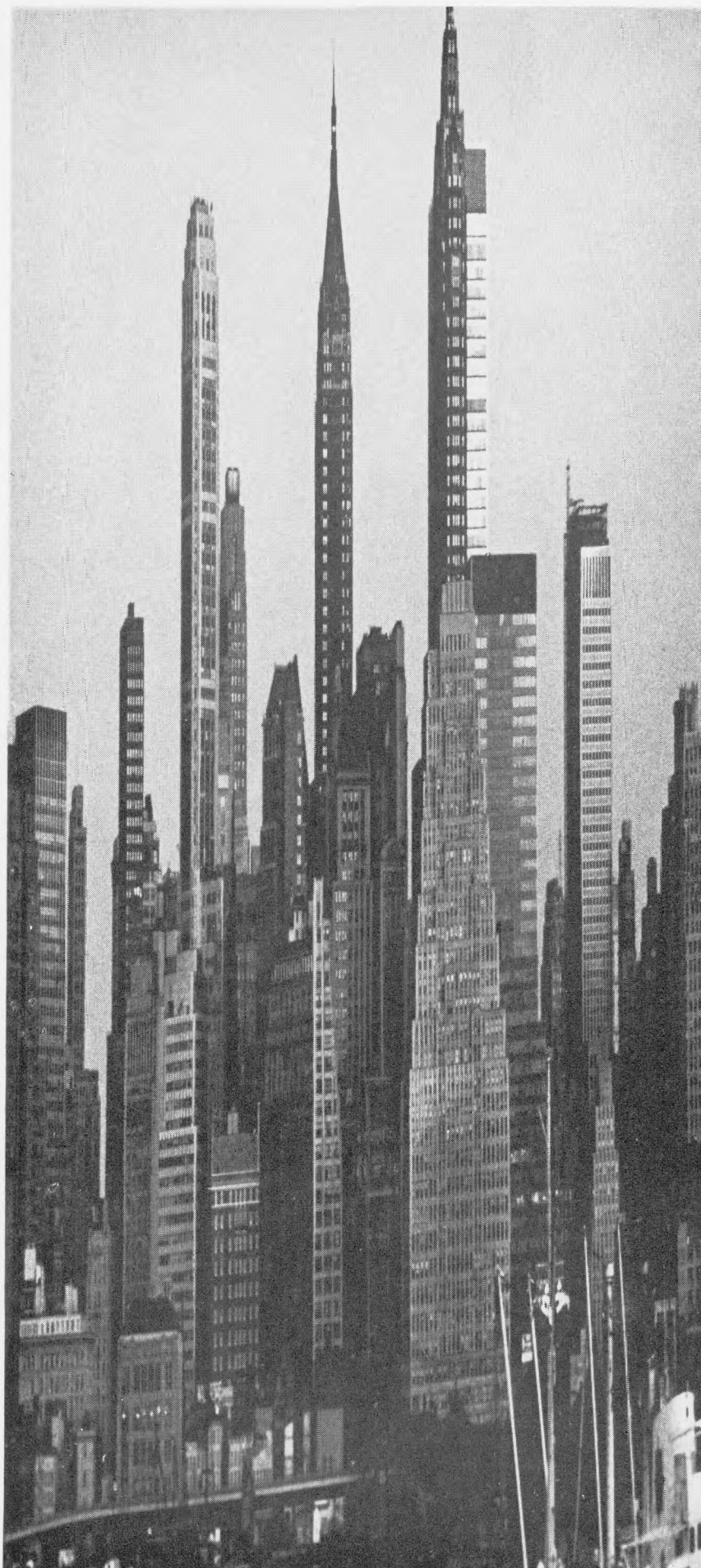
Mr. Smith joined Girard Trust in 1933 as a clerk in the investments division. He had received most of his education in England. He rose successively to become senior vice president at Girard Trust in charge of the trust investment division. He was graduated from Temple University Law School in 1955 and admitted to the Philadelphia Bar in 1958.

Mr. Smith was one of the principal advocates of the Prudent Man Law which was adopted by the Philadelphia Legislature. In 1965-66, he was chairman of the trust investments committee of the American Bankers Association.



M. SMITH





What makes us different  
in New York  
can give your bank  
an edge.

In a city of banking  
giants, consider the  
advantages of a  
correspondent  
relationship with the  
investment-oriented  
**Bank of New York.**

As a banker, now more than ever, you must be able to meet the exacting needs for information and assistance desired by your customers, whether corporate or trust.

That's why an *investment-oriented* bank on your team can give you an edge. By *investment-oriented* we mean knowing and thinking "investments" as well as "banking" and approaching our customers' financial problems on the basis of a complete and in-depth analysis and evaluation of the total investment picture. As a matter of fact, The Bank of New York devotes a greater proportion of its revenues and talent to investment skills than any other major New York commercial bank.

You'll also find that The Bank of New York provides every expected correspondent service — with unexpected care, thoroughness, and personal attention. Remember, at The Bank of New York we have never confused bigness with excellence.

Shouldn't our difference make a unique difference for you? We think so, too.

## The Bank of New York

New York's First Bank • Founded 1784  
by Alexander Hamilton  
Main Office: 48 Wall Street

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

*Northwestern Banker*, July, 1968

# The Northern Trust Company

announces the opening  
for business of its subsidiary

# The Northern Trust International Banking Corporation

with offices at  
90 William Street  
New York, New York 10038  
Telephone: 212/943-9000

Complete international financial services for corporations and banks.  
Samuel C. Brown, Vice President and Manager



# Where Are We Going . . .

## . . . with the Dual Banking System?

By JACK T. CONN

*Immediate Past President  
American Bankers Association  
Chairman, Fidelity National  
Bank & Trust Company  
Oklahoma City, Oklahoma*



■ Mr. Conn delivered this straight from the shoulder analysis of the threat to the dual banking system to the Wyoming Bankers Association annual convention last month. This talk is reported here in full.

**D**URING his term of office as president of the American Bankers Association, my distinguished predecessor, Archie K. Davis, did much to reinvigorate the dual banking system. Mr. Davis conducted numerous regional conferences to which state association leaders were invited to give first-hand account of what needed to be accomplished in achieving duality in fact. Following these conferences, Mr. Davis made a report of his findings and his recommendations.

In part due to his efforts, new state banking codes were adopted and existing codes modernized. From the standpoint of law, state banks are moving to a more effective competitive equality with national banks. As Mr. Davis envisioned, changes in statutes were not enough. An upgrading of some state banking departments was requisite. The impetus given by Mr. Davis has proved successful in attaining these goals in many states.

### Champion of Dual Banking Switches

The cause of dual banking has had no more eloquent champion than Archie K. Davis. What he said was believed as president of the Association and as chairman of the board of a great and growing state bank, the Wachovia Bank and Trust Company of Winston-Salem, N. C. Here was living testimonial that a bank need not be a national association to achieve preeminence in its area. This very success of Wachovia gave verity to Mr. Davis' defense of the dual banking system.

Last month (May) the Wachovia Bank and Trust Company, a member of the Federal Reserve System, con-

verted to a national bank. The change of any bank having assets in excess of \$1 billion from a state to a national charter must provoke concern, but for Wachovia to switch with its long established history as a state bank and a defender of the dual banking system demands urgent inquiry.

**Unless proper solutions are expeditiously effected it is safe to assume more banks less committed to the cause of state banking than Wachovia will convert and the answer to the question of "where are we going" will become patently clear.**

### Present Status

There are 4,780 national banks with assets of \$243 billion, 7,426 state non-member insured banks with assets of \$69 billion and 1,327 state member banks with assets of \$100 billion. Of the \$100 billion in assets of state members of the Federal Reserve System, 19 banks account for \$60 billion. Should these 19 banks follow Wachovia in converting to national banking associations the total assets of national banks would so far outstrip state banks the desirability of continuance of the state banking system would be subject to question and there would be renewed pressures for a single national banking system under a single Federal banking commission.

**The dual banking system is in the very present danger of destruction through attrition.** That the danger is real is attested by the comments of the heads of three of the largest state member banks as reported in the *American Banker* of May 23, 1968, indicating their banks would consider converting should the Federal Reserve System fail to accord them banking powers equalling those of national banks.

Yesterday (June 13), the Wells Fargo Bank of San Francisco announced it was converting to a national

*Northwestern Banker, July, 1968*

bank. The loss of that bank will cost the state banking agency of California 30 per cent of its revenues. Thus, the fateful declination of "ten little, nine little, eight little Indians" continues to accelerate.

#### Lack of Concern by Fed Board

It is regrettable that the Board of Governors of the Federal Reserve System, having supervisory and regulatory authority over its state member banks, displays little concern with the attrition of the substantial part of the state banking system confided to its care and the threat thereby posed to the dual banking system.

The dual banking system has served the nation well. From 1863 to date that system has met the credit needs of an ever expanding nation. Desirable competition between the system has inured to the public interest. Those who now characterize the system as an anachronism unsuited to present needs and as a regulatory chaos should re-examine the growth and soundness of the banking industry.<sup>1</sup>

In 1937, banking assets totalled \$69 billion, in 1967, these assets increased to \$521 billion. During the same time GNP increased from \$90 billion to \$785 billion. The soundness of the system is reflected in that during the past thirty years only 367 banks have failed with loss to depositors of only \$25 million.

Critics of the dual banking may envision some type of banking organization under a single supervisory agency which on paper may look good, but who would exchange the dual banking for that proposed by its critics? Has the Canadian system of a few banks proved more efficacious in meeting public need? Is the banking system of the United Kingdom with five or six large banks having some 20,000 branches doing a better job for the economy of Great Britain?

**With all the complexities and overlapping jurisdiction of the dual banking system, no banking system yet devised has better met the tests of public interest, convenience and need.**

#### The Beliefs of Some Governors

The lack of anxiety of the Board of Governors in the loss of member banks, with the concomitant jeopardy to the dual banking system, is due in part to the beliefs of members of the Board antipathetical to that system.

There are members of the Board who believe bank branching should not be restricted to state boundaries, that nation-wide branching should be authorized, and who believe a few large banks with unrestricted branching powers to be a superior banking structure.

The cornerstone of the dual banking system has been the right of each state to prescribe the character of

1. In Golembe "Our Remarkable Banking System": 53 Va. L. Rev. 1091, 1112-1113 (1967) the author states:

"In view of the sense of impending regulatory or banking disaster conveyed (Hackley, General Counsel, Federal Reserve, 'Our Baffling Banking System' pts. 1 & 2, 52 Va. L. Rev. 565, 571) it is not improper to ask how the banking system performed during the period 1938 to 1967. The answer, of course, is found in the performance of the economy itself. A truly remarkable rate of economic growth has been financed in substantial part by a vigorous and dynamic banking system. To cite figures would be superfluous; the simple fact is that the economy could not have performed as it did if the banking system had been as restricted and hobbled as was claimed."

2. *First National Bank v. Walker Bank & Trust Co.* 385 U.S. 252 (1966)

3. Hackley, "Our Baffling Banking System" (pts. 1 & 2) 52 Va. L. Rev. 565, 771 (1966)

4. For an excellent discussion, see Golembe, "Our Remarkable Banking System," 53 Va. L. Rev. 1091 (1966) reprinted and distributed by the American Bankers Association to its membership.

5. Although neither of the above proposals bear the approval of the Board of Governors, it is noteworthy the Board caused to be introduced a bill in the Senate requiring state non-member banks to carry deposit reserves in Federal Reserve Banks. The ABA opposes the measure as a needless infringement on the state system, furtherance of centralized control and a diminution of the elective choice to convert to the state banking system.

banking organization operable therein. That concept has been indorsed and re-indorsed by the American Bankers Association at its conventions assembled. The courts have not permitted its erosion through administrative ruling,<sup>2</sup> nor is there any discernible disposition on the part of the congress to amend the McFadden Act so as to authorize nation-wide branching.

#### What House Committee Has Said

In the **House Committee Report on the Bank Holding Company Act of 1956**, the Committee said:

"One of the principal objectives of federal legislation enacted for the purpose of regulating companies which manage and control banks, was to prevent any lessening of competition in the banking business. Because of the importance of the banking system to the national economy, Congress believed that adequate safeguards should be provided against undue concentration of control of banking activities. Congressional national banking policy has been aimed at protecting and fostering the growth of independent unit banks.

"While our banking structure has evolved down through the years to meet changing economic requirements, this country has held steadfast to the doctrine that competition should prevail in the banking industry. Our national banking policy has aimed at protecting and fostering the growth of independent unit banks.

"Repeatedly, Congress has been urged to break down the restrictions in the national banking law regarding branches of national banks. Congress has been urged to permit branches, regardless of State Bank laws, on a trade area basis, on an interstate or federal reserve district basis, and in fact on a nation-wide basis. Each time, however, Congress has declared its approval of the American system of local independent and competitive banks, and has left the matter of branches to the State to determine, each state for itself. . . ."

The sense of the Congress as embodied in the Report has not changed.

#### Some Favor Single Federal Commission

Other members of the Board of Governors and its former general Counsel<sup>3</sup> would eradicate another basic concept of the dual banking system—the separate right of entry into banking—through the establishment of a single federal banking commission. They would grant to the agency all supervisory and regulatory powers over insured banks and abolish the F.D.I.C., transferring its deposit insurance functions unto the commission. Since entry into banking is factually conditioned upon federal deposit insurance, the enactment of the proposal would effectually negate the present separate right of entry into banking.<sup>4</sup>

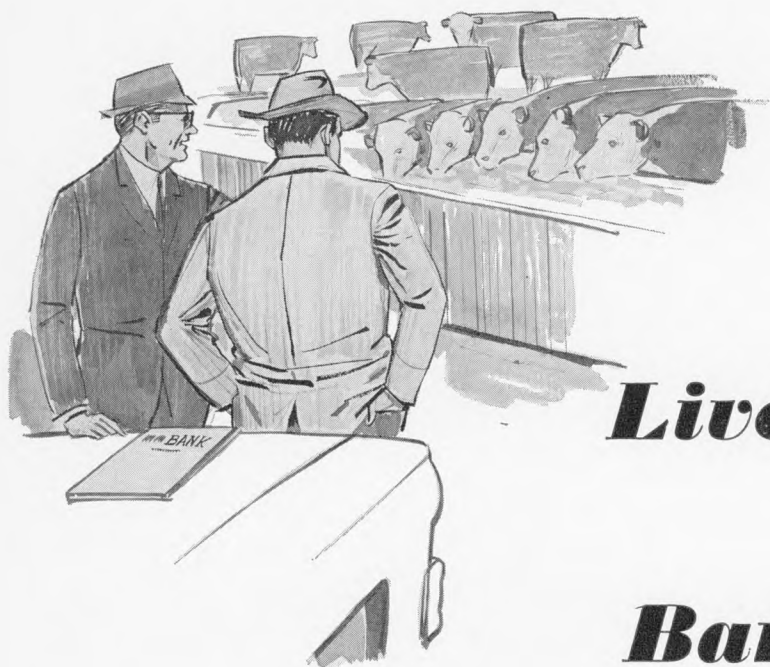
At the behest of one of the members of the Board of Governors a bill creating a Federal banking commission was introduced. The measure was opposed by the ABA. Hearings were held but the bill remained in the House Committee.

While the individual views of members espousing amendment of the McFadden Act, which limits branching privileges of national banks to those granted state banks, and those supporting a single federal banking commission, may differ, the net effect of both proposals is to weaken the dual banking system.<sup>5</sup>

**WHERE ARE WE GOING? . . .**

(Turn to page 34, please)





# **How Livestock Feeders View Bank Financing**

**A NORTHWESTERN BANKER Survey**

**A**RE BANKS taking proper care of livestock feeders' financial needs?"

This was the leading question in an exclusive survey conducted by the NORTHWESTERN BANKER among 410 key members of the National Livestock Feeders Association.

Eighty-three percent of the respondents answered "yes," indicating that their local banks were offering them adequate financing. Only 17 percent answered "no."

A typical member of the group surveyed owns 360 acres, leases another 310 acres, feeds 420 head of cattle annually and has been a customer of the same bank for nearly 20 years. Several of the feeders operated up to 1,500 acres, feeding from 3,000 to 5,000 head of cattle. Most are from the upper midwestern area, where cattle feeding is of major importance.

Although banks gained a vote of confidence from livestock feeders, a number of respondents indicated a need for more intermediate credit, ranging from three to five years. For example, a South Dakota feeder said, "I buy calves and keep them nine to 12 months, and I have to renew notes on them every six months." An Illinois feeder indicated that there is a reluctance on the part of his bank to make intermediate term loans for breeding herds.

Feeders in the 17 percent group, who stated that they were not being supplied with adequate credit, listed three major reasons: inadequate bank capitalization; lack of bank personnel with agricultural backgrounds and bank reluctance to help the young farmer.

Continuing the survey, NORTHWESTERN BANKER editors asked the following questions:

**What are the principal types of lending institutions in**

**your area and their order of importance to your farming community?**

Banks received 83 percent of the first place votes as being the principal lender; production credit associations received 13 percent of the first place votes, and other lenders received only four percent.

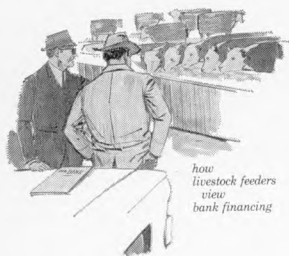
**Have any of your plans for improvement or expansion in your livestock or other farm operations been delayed or canceled because necessary loans could not be arranged?**

Ninety percent of the feeders reported that borrowing money for improvement or expansion has been no problem and that they have not had to delay or cancel projects. In isolated instances, high prices and high interest rates have been a deterrent to new installments.

The 10 percent minority reported that their local banks lacked capital to approve longer-term loans for permanent improvements. In a number of instances, this group reported that they turned to the Production Credit Association or other lending agencies to accomplish their goals.

**Have you been able to expand or improve your livestock or other farm operations because of the cooperation of your lender? If so, what type of lending agency did you use?**

Ninety-four percent of the respondents reported that they have been able to expand or improve operations because of the cooperation afforded by their local lending agency. Banks were favored by 77 percent of the total, with Production Credit Associations being mentioned by nine percent of the feeders.



## “... excellent cooperation from banker”

Examples of banker-cooperation are illustrated by the following comments:

**Iowa Feeder, 400 acres, 200 cattle:** “My banker has consistently advised me to make improvements where I have personally seen fit to do so, and money was always available.”

**Minnesota feeder, 865 acres, 1,500 cattle:** “I have expanded continuously since 1955, and I have spent over \$100,000 on building improvements. I have bought 865 acres of land. Loans for buildings were from my local bank. An insurance company made loans to me for the land. The loans for the buildings were always short term because I always had a plan figured out to pay for them before starting construction.”

**Missouri feeder, 1,680 acres, 400 cattle:** “I have increased the livestock on the unit about 100 percent in the past two years through the help of a large city bank.”

**Iowa feeder, 1,350 acres, 200 cattle:** “With my banker’s help, I have expanded farming from  $\frac{1}{4}$  interest in 400 acres to a  $\frac{1}{2}$  interest in 1,350 acres. I classify my banker as being ‘just plain helpful.’”

**Iowa feeder, 900 acres, 800-1,000 cattle:** “I have been able to expand and improve by thoroughly discussing my anticipated financial needs with my banker. At the time of the discussion, I present a historical record of past performance.”

**Nebraska feeder, 560 acres, 500 cattle:** “I have received excellent cooperation plus adequate credit so that now I have a full line of machinery and a complete feeding setup for 500 cattle and 400 hogs.”

**Minnesota, 910 acres, 1,200 cattle:** “My bank has given me complete assistance on all of my expansion plans, including larger buildings, new feed lots and new equipment.”

**South Dakota, 1,550 acres, 3,000 cattle:** “When I finally found a banker (not local) who understood farming, I doubled my crop area and took on contract cattle. I doubled my income in two years.”

All of the bouquets from feeders were not designed for bankers. A number of feeders reported equally nice treatment from PCAs and other lenders; however, the overall picture was heavily in favor of the banker as the key lender.

**Is there some financial service you need that is not now available to you?** Eighty-five percent of the respondents reported that no additional services were needed. Feeders reporting a need for one or more additional service again stressed the need for intermediate term loans, ranging from three to five years. A typical response came from a South Dakota feeder, operating over 1,500 acres and handling 3,000 cattle: “I have good

annual audits by a CPA and am successful—yet, I cannot get an open line of credit that gets away from constant repayment and new loans.”

Isolated suggestions included one that would make more low-cost loans available for land for young farmers and several that would provide tax and bookkeeping service for feeders.

**Does your bank make loans to farm operators for terms of three years or more (for such projects as building beef-cow herds)?**

Only 37 percent reported that their banks make intermediate term loans, while 10 percent said that their banks would not make them. A surprising 53 percent answered that they did not know if their banks offered such financing. This might indicate that the longer term loans are not needed by a majority of the feeders, at least for such purposes as building beef cow herds. There is still strong evidence, gained from other questions in the survey, that intermediate term loans are needed for machinery purchases and other capital improvements.

**Do you have a predetermined agreement for a line of credit from your bank so you will know at any time how far you can commit yourself to cattle purchases, etc.?**

Sixty percent reported that they have a predetermined line of credit, while 26 percent reported that they do not. Another 14 percent reported that although the line of credit is not predetermined, they have never been refused by their bank when money was needed. Typical of a feeder in the last category is the one from Illinois, who leases 1,025 acres. He says, “I don’t know about predetermined credit—but so far, my banker and I have had a plan so that in four years I have gone from nothing to 400 feeder cattle and 108 cows and calves. My banker has always been willing.”

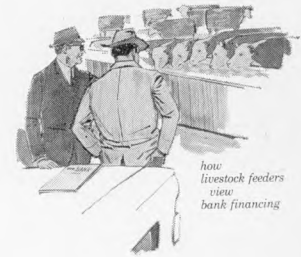
Numerous feeders indicated through their comments that they were well aware of the basic requirements for a reliable borrower. One Nebraska feeder operating 560 acres with 500 cattle said, “My net worth statement is filed each year, and my banker has a personal knowledge of my operations. He is kept informed as to my changes and progress.” An Iowa feeder operating 700 acres with 400 cattle said, “Too many farmers approach lenders for funds on the spur of the moment, without realistic approach to repayment, interest, costs, etc.”

**Do you feel that any of the laws governing banks are hindering the development of agriculture and/or industry in your area?**

Fifty-five percent of the feeders said that they did not



## “... banks should offer longer term loans”



feel current laws covering banks were hindering development, and another 25 percent said that they were not qualified to answer. Only 20 percent stated that banking laws should be modified. Here again, the problem of being able to make intermediate term loans came up. Typical of the comments from the group desiring banking law changes was a report from an Illinois feeder operating 560 acres and handling 200 head of cattle. He said, “I believe banks should have a higher loan limit and also be able to offer longer term loans covering a period of more than one year without renewal.” Isolated reports complained that bank examiners do not understand agriculture and that loan limits are too low in small country banks. High interest rates were mentioned only infrequently.

### Are you presently using a bookkeeping system offered by your bank or by some type of service office?

Sixty-seven percent reported that they are not currently using any type of bookkeeping system provided by a bank or service office. Fifty-four percent of this group said that a system of this nature would be of interest to them.

Checking with the group using a bookkeeping system, the study found that over 87 percent found it to be helpful, rating it “good.” The remaining 13 percent rated it “fair.”

### If your local banker cannot meet your entire loan requirements in his own bank, does he arrange with a city bank to provide the additional needed financing for you?

Eighty-five percent of the respondents said that their local banker works with a city bank to provide additional financing when he cannot meet the entire loan requirement. A majority of this group mentioned that they have not required more financing than their local bank can furnish. However, they were confident that this service might be arranged. Isolated cases reported direct connections with city banks.

### What is your opinion of your bank and the service provided?

Less than two percent of the respondents rated service from their bank as “poor.” Twenty-five percent rated the service as “excellent.” Sixty-three percent rated service as “good or very good.” Ten percent rated service as “satisfactory.” Typical comments were as follows:

**South Dakota, 720 acres, 800 cattle:** “If it wasn’t for my local bank I doubt if any of my accomplishments would have been possible. In my opinion, my bank is terrific, and at times the bank has been too good. I can’t say enough about the president of our bank.”

**Illinois, 560 acres, 200 cattle:** “My bank is a state bank,

and it is unable to loan all of the money I need to operate. The service is as good as the law allows.”

**Iowa, 320 acres, 200 cattle:** “I think we have a good, sound agricultural bank. The board of directors and personnel know every borrower, and they make it a point to render the best of service.”

**Illinois, 970 acres, 300 cattle:** “The relationship between my banker and me has been the best up to now. However, the ag man with whom I deal is leaving to go into industry—and so what about the next man?”

**Illinois, 830 acres, 450 cattle:** “My opinion is good. It has to be. I’m a director!”

**Iowa, 1,350 acres, 200 cattle:** “My bank has done well by me. I doubt if sometimes I would have loaned him money had the tables been turned.”

**Iowa, 505 acres, 400 cattle:** “I’m well satisfied. Farm representatives in banks should be a must.”

**Nebraska, manager of livestock group:** “Bank service is good; however, the officers do not always keep up with the times like they should. They listen to one or two top feeders or farmers, and the rest of their clients get a feedback of this information.”

**Nebraska, 550 acres, 300 cattle:** “Our bank service is inadequate. It needs a farm manager.”

**Minnesota, 265 acres, 45 cattle:** “Our bank is a very fine institution. It has farm-trained personnel to help advise borrowers.”

**Iowa, 200 acres, 400 cattle:** “The loan policy at our bank is too liberal. Easy credit has contributed to low farm prices.”

**Iowa, 360 acres, 340 cattle:** “Our bank’s service is much better than it was five years ago. There has been a change in presidents.”

**Iowa, 527 acres, 300 cattle:** “In our limited way, we have managed to get along.”

**Iowa, 2,600 acres, 3,500 cattle:** “The bank is no doubt sound, and they make money on auto and household loans—but, profess to knowledge of the cattle business that they do not have.”

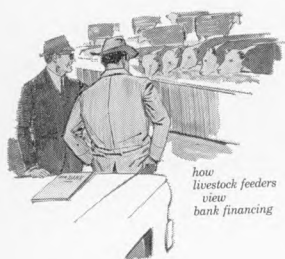
**Nebraska, 160 acres, 120 cattle:** “The service is reasonable considering the capital structure and available facilities.”

**Illinois, 300 acres, 500 cattle:** “The only service I get is the actual money that I borrow. My bank does not know agriculture.”

**Missouri, 1,750 acres, 400 cattle:** “We have a well-managed group of banks in our county plus a top-notch PCA.”

**Missouri, 1,680 acres, 400 cattle:** “I use only cattle credit, and the bank is very well informed and a good cattle bank.”

**South Dakota, 525 acres, 300 cattle:** “Our bank is most



how  
livestock feeders  
view  
bank financing

## “... some banks loan too much to young farmers”

reasonable—when it is given all of the information.”

**Nebraska, 385 acres, 200 cattle:** “My bank is a fine bank with good service, except it wants to specialize more in dairy herds.”

**North Dakota, 640 acres, 200 cattle:** “The service is excellent. Maybe the bank should study the possibility of a bookkeeping service.”

**Minnesota, 800 acres, 4,000 cattle:** “My bank is more interested in making loans on boats, cars and appliances.”

**Minnesota, 306 acres, 250 cattle:** “The service is good. Perhaps the bank loans more money than we should have.”

**Indiana, 820 acres, 300 cattle:** “My bank will loan money for a boat easier than it will for cattle.”

**Illinois, 600 acres, 700 cattle:** “My bank won’t go out on a limb. It is too damn conservative.”

**Iowa, 4,000 acres, 6,500 cattle:** “My bank gives me good service—but it should be better for the average farmer.”

Making an analysis of comments from all respondents, we see a need for either more knowledge of the cattle business or hiring a full-time farm representative. Concern was also expressed for proper financing of the young farmer. Comments to the next question emphasize this point.

### Do you think younger farmers in your area have been given proper consideration by banks and other lenders in their efforts to establish themselves in business?

Seventy-eight percent of the respondents reported that they felt the younger farmers are being given proper consideration. There were many qualified answers, however. Typical comments were as follows:

**Nebraska, manager of livestock association:** “Young farmers are held back because the banker is afraid to let him have what he needs to do the job properly. In some cases, young farmers are given too much just because they have prominent fathers. Ability and ambition should be the judging point.”

**Iowa, 900 acres, 1,000 cattle:** “I think that the rate of interest on top of the tax situation and present high cost of operation about closes the door to the young farmer. Perhaps longer term loans would be helpful.”

**Missouri, 1,800 acres, 400 cattle:** “I think that most banks take on some younger men each year. Maybe they are not able to serve all of them.”

**Iowa, 780 acres, 1,200 cattle:** “If a young man wants to work and spend his money wisely, he can get help from the banks.”

**Minnesota, 800 acres, 4,000 cattle:** “Most of the young men in our area have to go with Farmers Home Administration.”

**Iowa, 4,000 acres, 6,500 cattle:** “The only way a young man can start in our area is to find a co-signer.”

**Iowa, 720 acres, 150 cattle:** “It depends on the individ-

ual. Some young men want to start with too much, getting themselves in trouble early in the game. It is hard to start out without dad’s help or someone else’s.”

**Illinois, 948 acres, 400 cattle:** “Farming today is not a young man’s game. It is the forgotten, unorganized part of our economy.”

**Nebraska, 500 acres, 300 cattle:** “I don’t think that our bank is interested enough in agriculture to help a young man get started.”

**Iowa, 500 acres, 250 cattle:** “I think that it should be properly decided as to the amount of debt they can carry.”

**Nebraska, 160 acres, 120 cattle:** “Young farmers offer difficult loans to process because of limited collateral.”

**Illinois, 300 acres, 500 cattle:** “Some banks have let some young farmers have too much money for cattle and big machinery. Then, if things do not go right they are in trouble.”

**Iowa, 710 acres, 125 cattle:** “Some banks are making loans to young farmers when they do not have the business sense to accompany the loan. Many young men want to expand faster than they should.”

**Nebraska, 660 acres, 300 cattle:** “Not too many young men seem to be satisfied on the farm even if they could have a good setup.”

**Illinois, 320 acres, 400 cattle:** “I think some young farmers have been over-loaned either by the bank or by machinery dealers.”

**Minnesota, 865 acres, 1,500 cattle:** “Our local bank is operated by a young, energetic, forward-looking banker who is interested in progress, and we have some young farmers who are also very progressive and who are making considerable money.”

**Illinois, 400 acres, 500 cattle:** “Small country banks are interested in the young farmer. The larger banks are catering to industry and to the consumer.”

**Iowa, 1,200 acres, 1,500 cattle:** “Capital requirements to farm are currently very high, and the net is very low. This not the fault of either bankers or farmers.”

**South Dakota, 230 acres, 150 cattle:** “My bank has always loaned me sufficient capital—even when I was younger and had very little to back up my signature.”

**South Dakota, 720 acres, 800 cattle:** “I, myself, am a young farmer, 27-years-old, and I have had complete help and guidance from my local bank since I started seven years ago.”

**Iowa, 320 acres, 200 cattle:** We have very few young men who are starting under present conditions. With land, interest and machinery so high—combined with the scarcity of labor and low farm prices—there is very little incentive in farming for our younger men.”

**Illinois, 970 acres, 300 cattle:** “Some young men have had plenty of consideration from banks—but have not worked out. This is because the bank is doing business





## SEE and BUY THEM at OMAHA this fall!

Nowhere else will the stocker-feeder buyer be offered the opportunity to SEE and BUY so many top quality, one-brand western cattle as he'll find at Omaha this fall. Buy them any day, at private treaty . . . or at auction every Friday, beginning August 30 thru December 6. Here at Omaha you'll find a broad selection of stocker-feeder cattle and calves from the best-known ranches of the Nebraska Sandhills as well as Wyoming,

Colorado, Montana, Idaho, Utah, South Dakota, Oklahoma, Texas, Kansas and North Dakota.

See and compare! You'll save time and travel expense by coming to Omaha for your stocker-feeder cattle.

REMEMBER . . . daily at private treaty . . . and every Friday at auction, starting 9:30 A.M., August 30 thru December 6 . . . except Thanksgiving-Friday, November 29.

## STOCKER-FEEDER CARLOAD AUCTION SALES

### EVERY FRIDAY

NO SALE THANKSGIVING FRIDAY NOV 29

# OMAHA

STARTING **AUG 30**

THRU **DEC 6**

#### FRIDAY AUCTION SALE NOTES

SEPT 6, 20 and 27 . . . PRE-WEIGH SALES

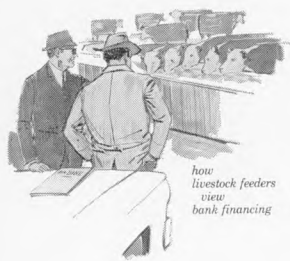
All cattle weighed just prior to entering ring . . . these weights will be sale weights, and announced prior to bidding.

OCT 25 Featuring COMMERCIAL CALVES

NOV 8 N. W. Montana Cattle Marketing Ass'n ONLY

Omaha's 24th Annual Feeder Calf  
Show & Sale . . . Wed. & Thurs. OCT 23 & 24

UNION STOCK YARDS COMPANY



how  
livestock feeders  
view  
bank financing

## “... feeders rarely quit—they just die”

with the father—rather than considering the management ability of the son.”

**Maryland, 1,200 acres, 3,000 cattle:** “If a young farmer has the proper qualifications and assets, our banks will do everything possible to help him grow and expand his operation. Without some assets to start, I do not think that any bank should do anything unbusinesslike to help anyone expand.”

**Iowa, 1,200 acres, 1,500 cattle:** “Banks usually want to loan the money to the son’s father who has proven himself and would rather have the father help the son instead of the bank doing so.”

**Indiana, 500 acres, 350 cattle:** “Banks in this area are very willing to loan to young farmers if they show any chance of making a success.”

**Iowa, 200 acres, 80 cattle:** “Ways must be found to keep more young men on the farms. Too many people are competing for town jobs now.”

The survey was concluded by asking a general question about the future of the livestock business as follows:

**What do you think of the future of the livestock business within the next two years, and also in the next five years or more?**

Forty-seven percent of the respondents reported that the future of the livestock business will be “average to difficult” and highly competitive. Thirty-two percent thought the future looked “fairly good.” Sixteen percent felt that the outlook was unfavorable. Less than one percent thought the future appeared “excellent,” and the balance gave no opinion.

A majority of the livestock feeders said that the future will demand fewer feeders, higher volume and maximum efficiency. Also, many feeders feel that there is a need to limit weights at which livestock is marketed. Also, stronger tariff restrictions on meat imports are necessary, according to a majority of the respondents.

Typical comments on the future of the livestock business are as follows:

**Nebraska, secretary-manager, Nebraska Livestock Feeders Association:** “I think the future is excellent. The cornbelt is where the cattle should be fed and will be fed. We have to make some changes, and they are being made, such as the type of cattle, length of feeding, etc.”

**South Dakota, 720 acres, 800 cattle:** “I have complete faith in the livestock industry if the basic economy of the nation stays sound. Farming can’t help but get better.”

**Iowa, 320 acres, 200 cattle:** “There will not be much change in the livestock business. We will have to feed the proper kind of livestock and work toward supply and demand. We should also legislate a stronger import law and cut down commercial feedlots.”

**Iowa, 900 acres, 500 cattle:** “Surplus of feed grains can make trouble for the livestock business, both in the two

year and five year periods. We need to limit weight at which livestock is marketed to maintain reasonable prices.”

**Minnesota, 865 acres, 1,500 cattle:** “Livestock feeding is a necessity for our area and the entire corn belt. We have nothing to fear from southern feedlots because we have enough advantage to offset the fewer disadvantages. I am optimistic because of the excellent caliber of some of my fellow feeders.”

**Missouri, 1,750 acres, 400 cattle:** “There is a good future for the well-managed farm operation—but the next two years will be the roughest.”

**Iowa, 160 acres, 300 cattle:** “The future is bright except for the corporation farms and feed lots. They should be taxed or controlled so as to give the family farms a chance to survive.”

**Illinois, 480 acres, 650 cattle:** “The future can be good if feeders continue to keep weights down, supply a desirable carcass and if feed grain production is not allowed to get completely out of line. The next five years can be good also if we take a few lessons from the commercial feedlot operator and apply them to cornbelt feeding operations.”

**Nebraska, 960 acres, 650 cattle:** “I like the cattle feeding business, so I’m going to stay with it. I believe with good management and a little luck we will do okay.”

**Iowa, 2,600 acres, 3,500 cattle:** “The demand for beef will continue; however, competition for replacement cattle will force narrower margins. The states must update their banking regulations to allow good operators to expand, as the poor ones will be forced out. In five years, we will see a decline in feeding as commercial lots will feed more and more of the total number of cattle.”

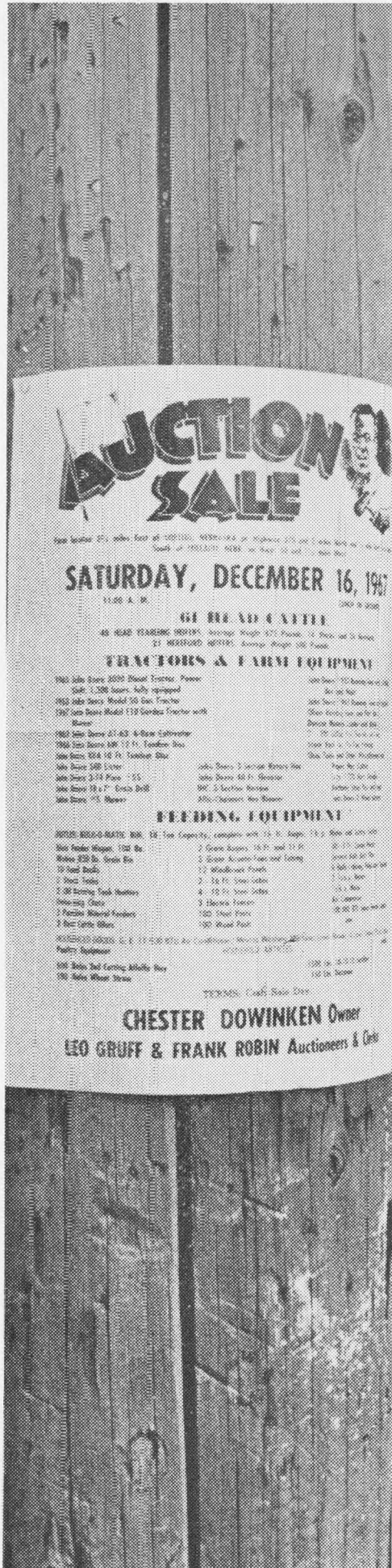
**Iowa, 505 acres, 400 cattle:** “I’m real uncertain about the future, but livestock feeders rarely quit—they just die!”

**Maryland, 440 acres, 500 cattle:** “The livestock business is very competitive, and feeders are forced to operate on a small margin. Informed, aggressive livestock men will make money most years.”

**Nebraska, 520 acres, 275 cattle:** “An operation like mine, using family labor and roughage, can make money better than a commercial lot using hired labor. Cattle feeding will be a good business for sometime to come.”

A tone of discouragement prevailed in some of the comments. For example, a feeder from eastern Iowa with 600 acres and 400 cattle said: “The future doesn’t look too bright. Twenty years ago we had \$40 cattle, \$30 hogs and \$2.50 corn. My taxes and overhead was only one-half of what it is today.” Offsetting the pessimistic reports were the comments describing future population gains and increasing markets for meat products. As the feeder from South Dakota stated, “Farming and livestock feeding can’t help but get better!”—End.





# who sent for the auctioneer?

An auctioneer's chant can have a mournful sound, especially when it signals the premature end of a farming enterprise.

Not widely known is that a new force in farming has contributed to this final unhappy result in many instances.

Large concerns, many of them feed manufacturers, have huge feeding operations, thus competing with the individual farmer in the market place.

And these corporate giants have one tremendous and consistent edge over the individual farmer: money! With the staying power created by enormous cash reserves, they can afford to ride out price slumps caused by a market that's become glutted, often by their own over production.

What can the individual farmer, rancher, cattle feeder, dairyman and broiler, turkey and egg producer do to help blunt this competitive edge?

Certainly, he need not continue to help buy planks for his own gallows.

He need not subsidize his competitors and thus perhaps speed his own bankruptcy by buying feed from companies that compete against him at the meat counter.

The O. A. Cooper Company doesn't compete with its customers. "Our Business Is Feed — Never Feeding!"



## O. A. Cooper Co.

MILLS AT HUMBOLDT, BEATRICE, COZAD AND SO.  
SIOUX CITY, NEBR.

HOME OFFICE: HUMBOLDT, NEBRASKA 68376



S&H GREEN STAMPS  
WITH EVERY BAG

Void in states where  
prohibited by law.



MONTANA Ag Lenders learn about carrying capacity of range at Horse Prairie, site of the 1967 Ag Lenders Range School.

## Ag Lenders Study Range Management

WHEN a Montana banker talks to a rancher about range, the stockman is pretty likely to listen.

One reason is the annual Montana Banker-County Agent Range School, to be held in 1968 next door to the Bob Marshall Wilderness Area west of Great Falls at the Sun River Game Range and Roland Mosher ranch. It is tentatively set for four days the week of July 22.

This will be the fifth annual school, spearheaded in the past largely by Don (Bunchgrass) Ryerson, who recently abandoned some of the rigors of an extension range management specialist to return to Montana State University teaching and research. Mr. Ryerson and his famous flapjacks and T-bones will be back teaching bankers to identify important range plants and to make a good guess on status of range condition as a range school staff member.

Last year's range school was held at the Horse Prairie ranger station 50 miles southwest of Dillon. Others have been at a ranch close to the Bear Paw Mountains near Havre and near Ashland.

This year's range school will be the first lasting four days to allow another first—an in-depth look at handling loans for a series of range improvements.

Ned Jeffries, extension service range specialist who will run the 1968 edition of the school, said the Mosher ranch will be used for *range examples* in figuring loan feasibility and requirements.

Committee for the school, planned jointly by the extension service and the Montana Bankers Association, includes Bob Reiquam, agricultural representative for the First National Bank, Great Falls; Lloyd Schmitt, regional director in Montana for the Federal Land Bank, Stanford; Bob James, rancher, Grant; Fred Reid, insurance company farm loan representative, Billings, and Clair Willits, P.C.A. office manager, Great Falls.

The Soil Conservation Service, Forest Service, Bureau of Land Management and other United States Department of Agriculture agencies with knowledgeable range men help conduct the school and provide a lot of answers at both semi-formal and informal sessions.

Neither the bankers nor the county agents pretend to become infallible range experts, but they—and a few ranchers who attend—get a lot of down-to-earth experience in down-on-the-knees sessions on the range.

As a Dillon banker phrased it, "It's great to be able to tell fallhead sandwort, find out some sagebrushes provide a lot of forage and recognize Idaho fescue, Kentucky blue and bluebunch wheatgrass from some others. But when I really need to know about range I'll still call on Mitch." Mitch is Mitch Boken of Dillon, state conservation service work unit conservationist who spearheaded *range lab* sessions along with Bob Ross of Bozeman, State Conservation Service range specialist, and Mr. Ryerson.

The bankers and county agents use hand clippers to cut every green blade or twig in a measured area, sorting them into forbs and major range grass species. The technique is used by a crew of girls who spend summers gathering samples weighed for data run through a computer to determine results if interseeding, reseeding, pitting and other research or demonstration plots.

How the State Conservation Service method for determining change in range condition, also used by the extension service, compares with Forest Service method is just one thing *students* learn from specialists, ranchers and each other. They learn a lot about soils, stocking rates, rotation and deferred grazing and other factors affecting range conditioning.

But when it comes right down to benefits, they aren't limited to bankers or agents or even to them and the stockmen they work with. Banks and agricultural credit agencies have modified their ranch loan programs because of the knowledge gained at the range school.

Attendance at the school must be limited, so no one brags excessively about the food, fishing or value of attending. With fishing as good as it was last year (and should be this year), a careless slip of the tongue might beat one out of a chance to attend.

For one thing, the boss might remember what you say about the chow, fishing and comradeship and discount the importance of adequate financing to improve Montana's ranges—a potential great as any new industry the state might attract. And with too good a sales pitch, too many others might sign to attend first.

Those Montana bankers who are interested in attending the 1968 Range School, send your \$20 registration fee to Bob Reiquam, First National Bank, Great Falls, Mont. —End.





By **DR. ROBERT S. SMITH**  
*Professor of Farm Science*  
*Cornell University*  
*Ithaca, New York*

■ Following are highlights of the address delivered by Mr. Nus- at the Nebraska Bankers Association Bank Management Semi- nar. The seminar was held recently in Omaha.

**T**HE system for financing agriculture in this coun- try is probably the world's best and has contributed enormously to the productivity of our farms. Com- mercial banks have had a most important role in agri- cultural finance for over 100 years. This role has changed over time and must continue to change if banks are to continue to fulfill their responsibility to the agri- cultural economy as well in the future as in the past.

#### Tomorrow's Ag-Money Needs

It has been predicted by Professor John Brake of Michigan State University that total assets in agriculture in this country will increase from the current figure of about \$270 billion to over \$350 billion in 1980 and that farm debt will increase from the current \$45 billion to \$100 billion in 1980.

These estimates have received nationwide attention. In view of recent and apparently continuing trends in farm capitalization, they seem reasonable. And many interested in farm finance are asking the question: Where is the \$80 billion increase in asset values coming from? Who is going to provide farmers with \$55 billion additional credit in the next dozen years?

The fact is that, in the past 10 years, farmers in total found ways to increase debt by some \$26 billion. I'm sure that back in 1957 it would have been difficult for you and I to visualize where \$26 billion additional farm credit would come from in the 10 years to follow, just as it is now difficult to see where farmers will borrow another \$55 billion in the next dozen years. Then, can we simply conclude that farmers can tap the same sources for the needed capital and credit in the next decade as they have done in the past? I have some reservations about such a conclusion.

In several important aspects the farm finance situation and outlook today differ from the situation which pre- vailed in 1957-58. First, there is the tremendous pressure placed on the banking system and financial centers today because of a high level of government spending and a hot economy. All channels for funneling funds to agri- culture are subjected to this pressure.

Farmers themselves are not in as strong a financial

position as they were 10 years ago. Although relation of debt to assets or per cent net worth of United States farmers has regressed only moderately during that time, the saving factor has been inflation in real estate values. I believe that the relation between debt and repayment capacity is under considerable more stress than it was a decade ago.

Thus, a combination of circumstances, including a long period of heavy borrowing by farmers, unprece- dented demand for funds in the financial markets and continuing rapid technological changes in farming, have focused attention on the capital needs of farmers in the years immediately ahead.

#### Ease Capital Squeeze

Numerous suggestions have been made aimed at assist- ing farmers in acquiring command of capital assets need- ed. Few, if any, of these ideas are really new. Some un- doubtedly have more merit than others. Some of the most common suggestions are the idea of a farmer ac- quiring equity capital by selling corporate shares to the investing public; greater utilization of renting or leasing of real estate for farm expansion; unamortized loans ex- tended for the farming lifetime of the borrower; the hope that sellers of farm real estate will in the future provide an even larger share of the capital needed in farm transfers; the belief that package lending or com- plete financing at one institution will maximize the borrowing ability of a farmer with a given repayment capacity; the premise that sales associated credit will expand to fill the void if lending institutions don't meet the demand; the promotion of the financial lease as a method of acquiring equipment and other assets without tying up owned capital; the possibility of financial insti- tutions providing equity capital to farmers by lending with right of conversion to ownership shares; the idea of joint venturing in some form or forms which will allow outside companies or individuals supplying capital to farm in partnership with the farm operator who sup- plies management.

Because most of these suggestions have already been explored and found to have only limited acceptance by farmers, it is easy to be negative in forecasting their ap- plication to the financing of farms in the immediate fu- ture. But it is likely that some of them will have a strong impact on some types of farming in some areas. The total impact will be greatly influenced by how will- ing and able the financial institutions now serving farm- ers will be to continue to adjust their programs to meet farmers' demands.

If one concludes that these or other *new* ways of fi- nancing farms will come with a rush, then the assump- tion is that our present system of farm finance will prove totally inadequate to meet farmers' capital needs

**MONEY FOR AGRICULTURE . . .**

(Turn to page 40, please)

## Who Will Furnish the Money



## For Agriculture?

## Where Are We Going?

(Continued from page 24)

### State Banks at Disadvantage

The antipathy of these members toward the dual banking system appears to be mirrored in the Board's administration of state member banks.

It has long been recognized that the preservation of the dual banking system is dependent upon a **desirable measure of equality in banking powers**. The necessity to compete dictates a persistent, substantial disparity in banking powers that will result in conversion of the one having the lesser powers to that enjoying the greater.

National banks are now granted more extensive investment powers than those accorded state member banks with the altogether predictable result that state member banks are converting to national banks.

In the belief extended investment powers were for the betterment of the public and within statutory authority, the Comptroller issued the following ruling:

"A national bank may engage in activities which are a part of the business of banking or incidental thereto through a department of the bank or through a subsidiary corporation, the controlling stock of which is owned by the bank.

"For example, through a bank department or a subsidiary corporation, a national bank may issue credit cards, service mortgages, lease property, offer travel services or operate a credit bureau."

The Board of Governors holds the powers granted by the Comptroller are not authorized as incidental to general banking powers.<sup>6</sup> Acting under that interpretation the Board has prohibited state member banks through their subsidiaries from acquiring stock control of mortgage service companies.<sup>7</sup>

Although national banks are members of the Federal Reserve System, no effort has been made by the Board to prevent them from employing the powers granted by the Comptroller. We thus have the anomaly of state member banks denied powers accorded national member banks. There is no lack of legal authority in the Board to apply its interpretation of statute to national banks. Its regulations are replete with reference to **all** member banks. The Board seems content with the anomaly, albeit it has lost one major state member bank and is threatened with the loss of others.

Continued attrition of the state banking system through conversion of state banks may be expected through the rigorous policy of bank mergers of the Board as contrasted with the more flexible, liberal policies of the Comptroller.

### Deficiency in Administration

The matters here mentioned point unerringly to the Board's primary deficiency in its administration of state member banks. As a regulated industry the viability of banking depends in great degree upon the constructive understanding of the regulatory agency in the banking system it regulates and its belief in the advancement of

that system. Every national banker knows the Comptroller is exerting his every effort to make national banks more competitive and to assure the growth of the national banking system. Every state non-member banker knows the Chairman of the Federal Deposit Insurance Corporation and his state supervisor are exerting every effort to make state banks competitive with national banks and to assure the growth of the state banking system.

These qualities of constructive understanding, belief and support are notably lacking in the Board of Governors. Some members prefer the elimination of state banks in favor of a single national banking system. Others would weaken the state banking system by the establishment of a single federal banking commission.<sup>8</sup> Few members of the Board have indicated any concern with the loss of state member banks or the causes therefor. At least a minority consider the bank supervisory functions of the Board to be an unwanted burden deterring the Board from the transaction of more important business.

In the legislative area the Board has not been zealous in protecting its member banks against improvident legislation. As an example, the Board indorsed in principle legislation authorizing the national chartering of mutual savings banks. That there is neither public interest in nor need for the legislation is attested by non-action of thirty-two states which have not chosen to authorize state chartering of mutual savings banks. The legislation would force commercial banks to compete against a new quasi-banking system enjoying significant income tax advantages and other advantages.

### More Conversions May Come

Unless the Board of Governors can support and believe in the banking system it supervises and regulates and unless its Chairman can solve the problems emanating from the Board's present attitude, more conversions of state member banks to national banks may be anticipated with consequent jeopardy to the dual banking system.

It is heartening that Chairman Martin has promised to exercise his telling influence in the cause of betterment. The continued regulation and supervision of state member banks by the Board is imperative to the banking system and the banking industry. The Fed has an excellent examining force. There is no fault in it. The fault lies in the attitude of the Board.

On matters of Monetary policy the Board deserves the applause of every banker and every citizen. It has acted forthrightly and correctly. With the burden of maintaining the economy at the proper sustainable level of economic growth, the responsibility of exerting its powers to avoid unacceptable inflation, and its role in the stabilization of international monetary affairs, an Atlas should be pardoned **once** for shrugging at the more mundane responsibility of bank supervision and regulation.

### Little Time Left

There is little time left for further shrugs and further pardons. The Board should expeditiously move to cohesive, imaginative policies in its administration of state member banks. It must come to the rather obvious realization that the member banks it supervises must enjoy a competitive parity. The varying views of members of the Board should not be allowed to diminish the Board's ultimate responsibility of constructive understanding, belief in and support of that part of the banking system confided to its supervision and regulation.

Nothing less is palatable and nothing less will succeed.  
—End.

6. This is not meant to imply the Board's position may not be legally correct. The resolution of the conflicting interpretations of statute must abide court decision or clarifying legislation.

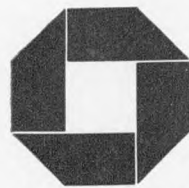
7. That such acquisitions are of increasing importance to banks, see Andrus, "Why Banks are Buying Mortgage Companies." Banking magazine, May, 1965, p. 50.

8. In a colloquy with K. A. Randall, Chairman of the F. D. I. C. Governor Mitchell said: "We should take over everything—including you. We have all the staff, all the national organization we need. It would be more efficient and cheaper for the Fed to handle all bank regulation for the whole country."



# CREATIVITY

Another good reason why more banks  
do business with Chase Manhattan  
than any other bank in the world



The bank with the wide world reach offers you creativity, imagination, innovation, vision, scope—five extras that carry us far

beyond routine correspondent service.

How can a bank be creative? In lots of little ways that show up in faster, more efficient service and, importantly, in considered financial advice.

By creativity, Chase means seeking diligently for new ways to resolve corporate or personal financial problems for correspondents and their customers. For example, we've developed an unbeatable one-two punch in our unique banker/technical director team. They bring an added dimension to corporate banking service. When the need for expert technical advice arises, the Chase banker can instantly call upon the skills of our Chase technical directors experienced in everything from agriculture to zymurgy.

We're thinking ahead for new ways to provide better correspondent service. If there's anything you need that we don't have, we'll work at creating it.

Try us and see.

**THE CHASE MANHATTAN BANK**

N.A./1 Chase Manhattan Plaza, N.Y., N.Y. 10015 • Member FDIC



**RECEPTION LINE** included from left: Mack Aldrich, v.p.; Donald E. Lasater, pres.; Mrs. Lasater, and John Fox, chmn. and chief exec. officer.

## Over 1,500 Attend 15th Annual Mercantile Baseball Party

By MALCOLM FREELAND  
Publisher

**B**ANKERS should be paying more attention to current banking legislation on both the state and Federal level."

This was the suggestion made by Donald E. Lasater, president, Mercantile Trust Company, St. Louis, to bankers attending the pre-game business session held in conjunction with the bank's 15th Annual Baseball Party.

More than 1,500 bankers and their wives attended the event this year. Entertainment included a social hour, buffet dinner and the opportunity to see the World Champion St. Louis Cardinals play the Chicago Cubs in beautiful Busch Stadium.

Mr. Lasater headed a panel consisting of five of Mercantile's top executives. He described some of the major banking bills in Congress, emphasizing that the bankers should use their

influence to keep the banking profession from being placed at an unfair disadvantage with its competitors.

John H. Obermann, vice president in charge of the Mercantile's correspondent bank department, presided at the business session, introducing the panelists, as well as the members of his staff. He listed the achievements made by the bank during the past year, pointing out that Mercantile had passed the \$1 billion mark in deposits at year-end.

John Fox, chairman of the board and chief executive officer, described the Euro-dollar market and its development within the past 10 years. Mercantile Trust plans to gain direct access to the Euro-dollar market and has made application to the Federal Reserve System for a branch in Nassau.

Richard J. Mersinger, vice presi-

dent, described the current financial picture. He indicated that if the nation could solve inflation, a number of other problems, such as balance of payments, the need for higher income taxes and the unstable bond market, would solve themselves.

Albert W. Winter, vice president, outlined the present situation for trust investments. He indicated no abrupt downturn in bond yields, but he pointed out that many former bond buyers, such as state pension funds and life insurance companies, are concentrating more on common stocks, lessening the demand for bonds. He warned that our current rate of 3½ to 4 percent annual rate of inflation is unsustainable and that we should apply the brakes now. Looking at common stocks, he favored public utilities, oils, paper companies and chemicals for good future performance.

Leigh A. Doxsee, vice president, described Mercantile's marketing approach and its emphasis on the younger retail market. He outlined the bank's three types of programs for savings and presented the bank's careful entrance into the credit card field. Mercantile has been one of the primary institutions involved in establishing a new full-fledged credit card system, which will include a cooperative effort by more than 225 area banks. Initial card mailing will cover over 450,000 families.—**End.**



**PANEL MEMBERS** included from left: John H. Obermann, v.p.; Donald E. Lasater, pres., and Richard J. Mersinger, v.p.



**BASEBALL FANS** attending 15th annual Mercantile party included: Don Wenthe, 1st v.p. & cash., National Bank of Waterloo, and Mrs. Wenthe, and Mr. and Mrs. William Troutman, exec. v.p., First Natl. Bk., Pekin, Ill. **RIGHT**—Mr. and Mrs. Andy Westendorf, v.p. & cash., Peoples Natl. Bk., Albia, Iowa, enjoy accordion version of German polka at reception.





# NEED OIL BANKING HELP?



## Get qualified assistance from a First of Tulsa SPECIALIST

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

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

**THE FIRST NATIONAL BANK AND TRUST COMPANY OF TULSA**



DICK  
WAGNER

JACK  
SANDERS

JOHN  
BROACH

GEORGE  
BEAN

Let First National's Banks and Bankers Division go to work for you. Call 918 LU 7-2141.

Think... **1<sup>st</sup>**  
of Tulsa

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker, July, 1968

## Omaha Market Schedules Weekly Stocker-Feeder Auction Sales

CHARLES W. O'ROURKE, vice president, Union Stock Yards Company of Omaha, announces that 14 carload stocker-feeder auction sales will be held at the Omaha market this fall. All sales will be held on Fridays when market facilities and services can be devoted to accommodating patrons of these auctions.

Dates for these sales have been set

for August 30; September 6, 13, 20, and 27; October 4, 11, 18, and 25; November 1, 8, 15, and 22; and December 6. There will be no sale on the Friday following Thanksgiving Day.

Ranchers and buyers alike should take special notice of five of these sales. Cattle entered in the sales of September 6, September 20, and September 27 will be weighed just before

entering the auction ring. The weights will be announced before bidding commences and will be the sale weights. The sale on October 25 will feature commercial calves although other cattle may be entered. November 8 is reserved by the members of the Northwest Montana Cattle Marketing Association for a special sale. All sales will be held in the modern 1,000-seat auction arena of the Omaha stockyards, commencing at 9:30 a.m.

In 1967 these Omaha sales attracted thousands of reputation cattle from Nebraska, Colorado, Wyoming, Montana, South Dakota, North Dakota, Idaho, Utah, Kansas, Nevada, Oklahoma, and Texas. The cattle went to buyers in nearly all of the Corn Belt states.

In order to assure fast transportation, ranchers from some areas have joined in organizing special trains for Omaha sales. The ranchers benefit from widespread publicity and advertising throughout the Corn Belt featuring the cattle from their specific areas.

Mr. O'Rourke said these stocker-feeder auction sales are designed to accommodate the cattle producers in the range country who prefer to sell at auction and the cattle feeders in the Corn Belt who like to buy at auction. They supplement the daily private treaty selling on the Omaha market.

The Omaha livestock market interests point out that stockgrowers will find at these sales hundreds of buyers from the Corn Belt states and many Omaha market order buyers. This concentrated competition will assure shippers full market prices.

Corn Belt feeders who appreciate quality look to these sales for top-quality cattle from the finest herds of the Western range country, Mr. O'Rourke added.

He said buyers are assured that adequate transportation services, both rail and truck, are immediately available to all parts of the nation, and that most cattle received by rail will have through billing privileges.

Additional information and entry blanks can be obtained by contacting Charles W. O'Rourke, at the Union Stock Yards Company, Omaha, Nebraska 68107.

The above sales are in addition to the Twenty-fourth Annual Omaha Feeder Calf Show and Sale which will be held on October 23 and 24, 1968.

The Feeder Calf Sale on Thursday, October 24, will be limited to those calves which are awarded blue ribbons at the Show on Wednesday, October 23. The remaining calves will be sold in the carload sale the following day, Friday, October 25.

### "The Banker- Broker- Cattleman Team"

Cooperation benefits all three!

An outline of how we assist bankers to more effectively serve the interests of their clients in hedging with futures.

- knowledge
- experience
- facilities
- deposits

Write or call Stan Waldner, nationally known writer and speaker on livestock futures and manager of our Livestock Department, for a copy of our financial statement and literature pertinent to our program.

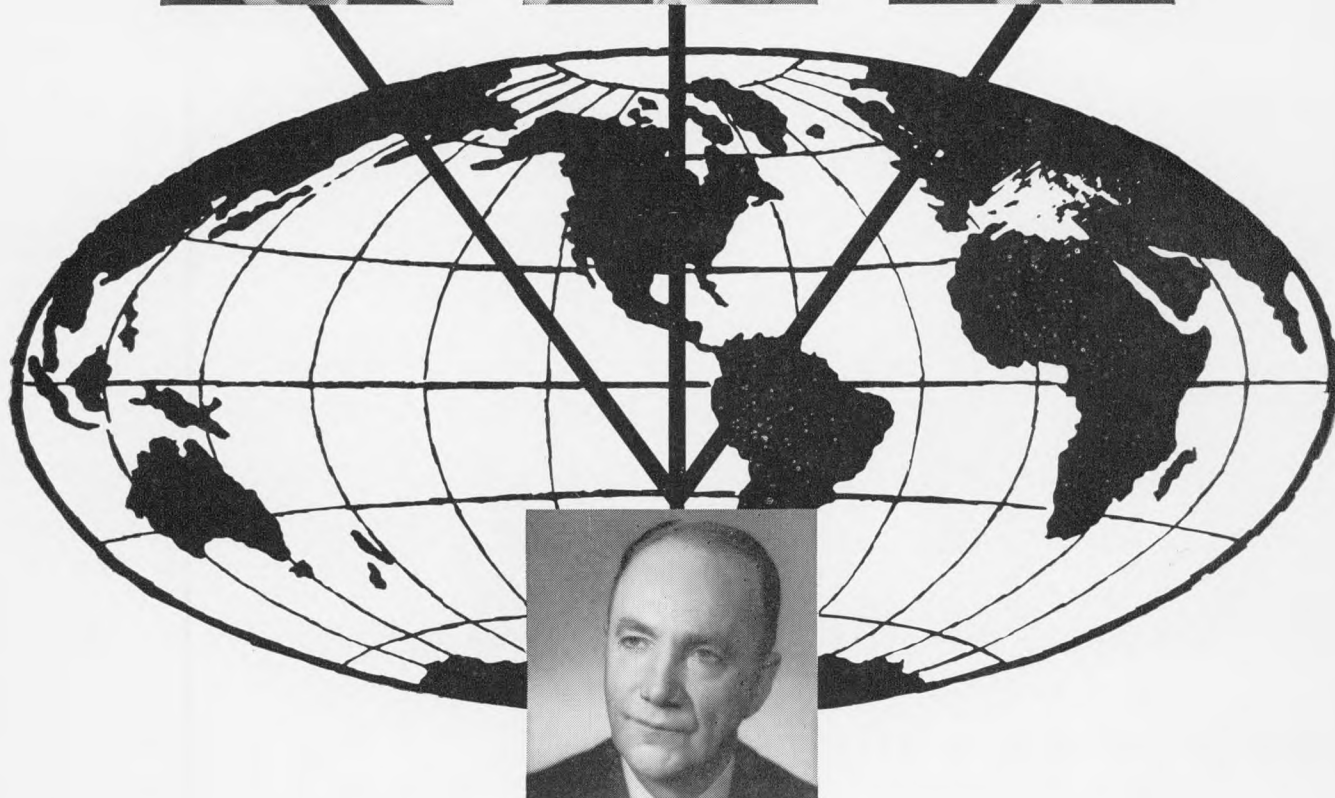


Members of  
New York Stock Exchange  
Chicago Board of Trade  
Chicago Mercantile Exchange

141 W. Jackson Blvd. • Chicago, Ill. 60604 • (312) 922-2400

Bloomington (Ill.) • Carbondale • Cedar Rapids • Davenport • Des Moines  
• Dubuque • Fort Dodge • Lafayette • La Salle • Lincoln (Neb.) •  
Macomb • Marshalltown • Mason City • Omaha • Peoria • Quincy •  
St. Louis • St. Paul • Sikeston • Sioux City • Waterloo • Waukegan





## Let these Commerce Trust idea men make a world-wide connection for you

Commerce Trust idea men like Tom Cannon, Jarry Parker and Don Anderson can help you make the right world-wide connection through Vice President Victor Studley, head of our International Department.

With bank agency relationships in more than 160 countries, these men can perform vital international services for your bank including transfer of funds

and foreign currencies to overseas points by mail, cable and draft, and collection of checks, drafts and other items payable abroad—plus many other aids to overseas banking and marketing.

Such extensive world-wide help is just one bright idea from Commerce Trust. Make your connection now with Kansas City's oldest and largest bank to take advantage of them all!



*The wonderful world of banking is yours at*

# COMMERCE TRUST BANK

Kansas City, Missouri

Member Federal Deposit Insurance Corporation

*Northwestern Banker, July, 1968*

## City National Plans Meeting For Bankers and Treasurers

CITY National Bank & Trust Company of Kansas City announced finalized plans for a Correspondent Bankers and Corporate Treasurers Conference which will be held at the

Hotel Muehlebach the week end of July 20 and 21.

Bank President R. Crosby Kemper, Jr., stated that advance reservations indicate this year's attendance will probably surpass the more than



R. C. KEMPER, JR.

1,200 bankers, corporate treasurers and

their wives who attended a similar function in 1965. General Chairman for the event is Executive Vice President John J. Kramer.

Highlights for the week-end festivities will include an address by Paul Harvey, ABC Radio's nationally syndicated news analyst and commentator, together with performances by TV personality and comic, Alan King, and the song stylings of Liberty Recording star, Miss Vikki Carr.

Sharing the podium with Mr. Harvey during the business seminar will be Mr. Kemper, who will discuss the local and national monetary situation, its present condition and future probabilities.

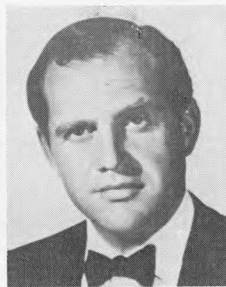
Rounding out the afternoon's pro-



J. J. KRAMER



P. HARVEY



A. KING



MISS CARR

## Money for Agriculture...

(Continued from page 33)

in the future. I am not willing to accept that premise, at least for the period immediately ahead. I do think farmers will be able to acquire an additional \$80 billion in assets and \$55 billion in credit by 1980 without such changes as the wholesale development of sale of investment shares in farm corporations, organization of new financial institutions, etc.

### Role of the Bank

Banks must continue to play an important role in furnishing money for agriculture. It is of vital importance to our agricultural economy that they continue to do so by furnishing credit to farms and farm related businesses on terms which recognize progressive farm management and sound banking practices.

Darryl R. Francis, president, Federal Reserve Bank of St. Louis, made a thought-provoking speech at the sixteenth National Agricultural Credit Conference in St. Louis last November. An important part of Mr. Francis' thesis was that we don't really have a farm credit problem today because farmers are being adequately financed, but commercial banks have an agricultural credit problem because their role in financing farmers is decreasing. He cites the fact that banks' share of institutional, non-real estate loans to farmers declined from 77 per cent in 1952 to 69 per cent in 1967.

It seems apparent that some banks are hampered by a shortage of loanable funds, by lack of size, by lending restrictions, by inadequacy of staff and management ability, to serve the financial needs of the larger commercial

farmers in their community. It also seems apparent that other banks have concluded that their resources can be better employed to serve non-agricultural interests.

But more important, I conclude that many banks are successfully competing for agricultural credit and are doing an excellent job of using their resources to meet the financial needs of farmers in their community. And further, that in total the resources of commercial banks can go a long way towards meeting farmers increasing needs for money in the next 10-12 years. Certainly attention should be given to bank structural and management problems and to legal restrictions in banking which hamper banks in their farm lending activities.

In returning to the question **Who Will Furnish the Money for Farmers?**, my conclusions are these:

1. Farmers will continue to look to commercial banks, the Cooperative Farm Credit System and to life insurance companies for the bulk of their credit needs in the next 10-12 years.

2. Commercial banks will continue to be of great importance in financing farms, but the share of all farm credit furnished by banks will continue to decrease. This decline can be halted or at least minimized if attention is given on a national scale to the structural, legal and management problems of banks that tend to hamper the development of improved farm loan programs.

3. The financial structure of farms, present farming methods or farming systems are not likely to be drastically changed because of the inability of our farms as currently structured to obtain capital and credit. Such changes, when they come, will be primarily to gain efficiency and increase profit, not to find easier ways to gain command of capital.—**End.**

gram will be brief presentations on topical subjects by several of the bank's officers:

Carl Schupp, executive vice president—"Banks and the Retail Credit Card."

Byron Thompson, senior vice president—"Money Market or Rumor Mill?"

Van Cooper, vice president—"EDP or EDPm?"

Notes **BANKMARK Progress**

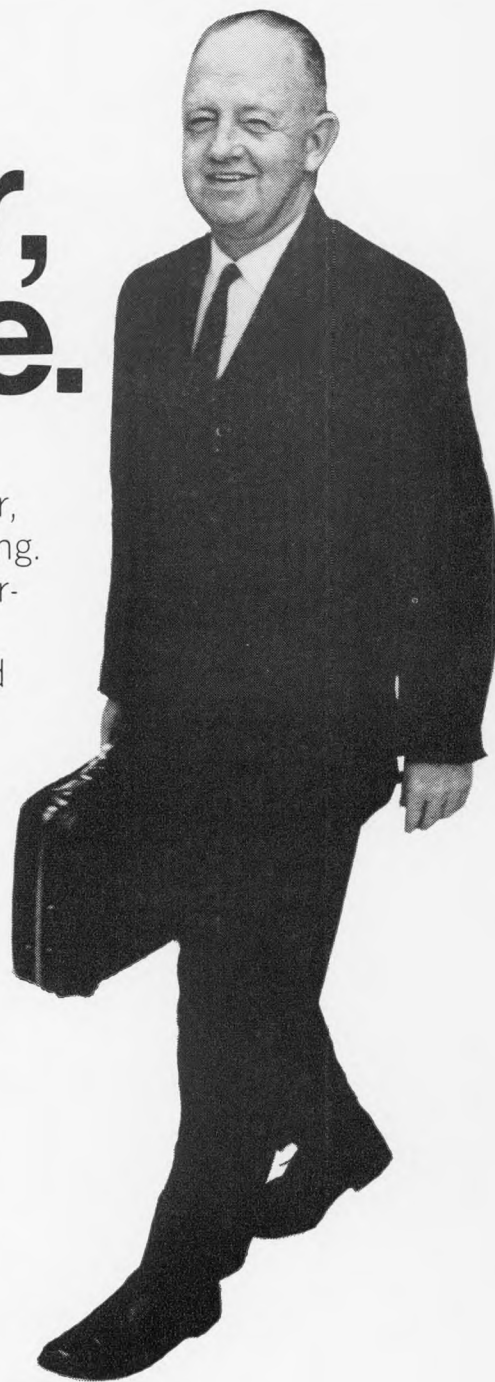
In one month, a total of 4,241 area merchants agreed to participate in BANKMARK, the new compatible bank charge card, it was announced in early June by James E. Brown, president. On May 1, more than 220 banks began soliciting merchants throughout the BANKMARK trade area, which includes parts of Missouri, Illinois and Kentucky.

The founding banks are Boatmen's National Bank, First National Bank in St. Louis, Mercantile Trust Company and the Brentwood Bank, all in St. Louis. Participating banks and merchants will honor all BANKMARK cards regardless of the cardholder's bank.

Mr. Brown said, "We can now expect over 10,000 merchants to sign with BANKMARK in the mature plan."



# A banker's Idea Banker, Gerry Morse.



Gerry prides himself on being a good listener.

And when he's calling on nearly 300 accounts a year, he hears lots about what's happening in Midwest banking.

So it's only natural for people interested in the purchase or sale of a bank to ask Gerry's advice.

Not long ago, for example, two bankers wondered if he knew of any businessmen interested in a bank the size and location of theirs.

Gerry knew of about 45 good prospects. And from them he selected 12.

When the second of these spoke to the sellers, he negotiated the purchase of the bank.

People know they can trust Gerry and that's why they confide in him.

Of course he's not in banking just to help people buy and sell banks.

But if you're looking for banking ideas of any kind, you couldn't find a better man to ask.

You can reach him in our Correspondent Bank Division at (312) 621-5044.

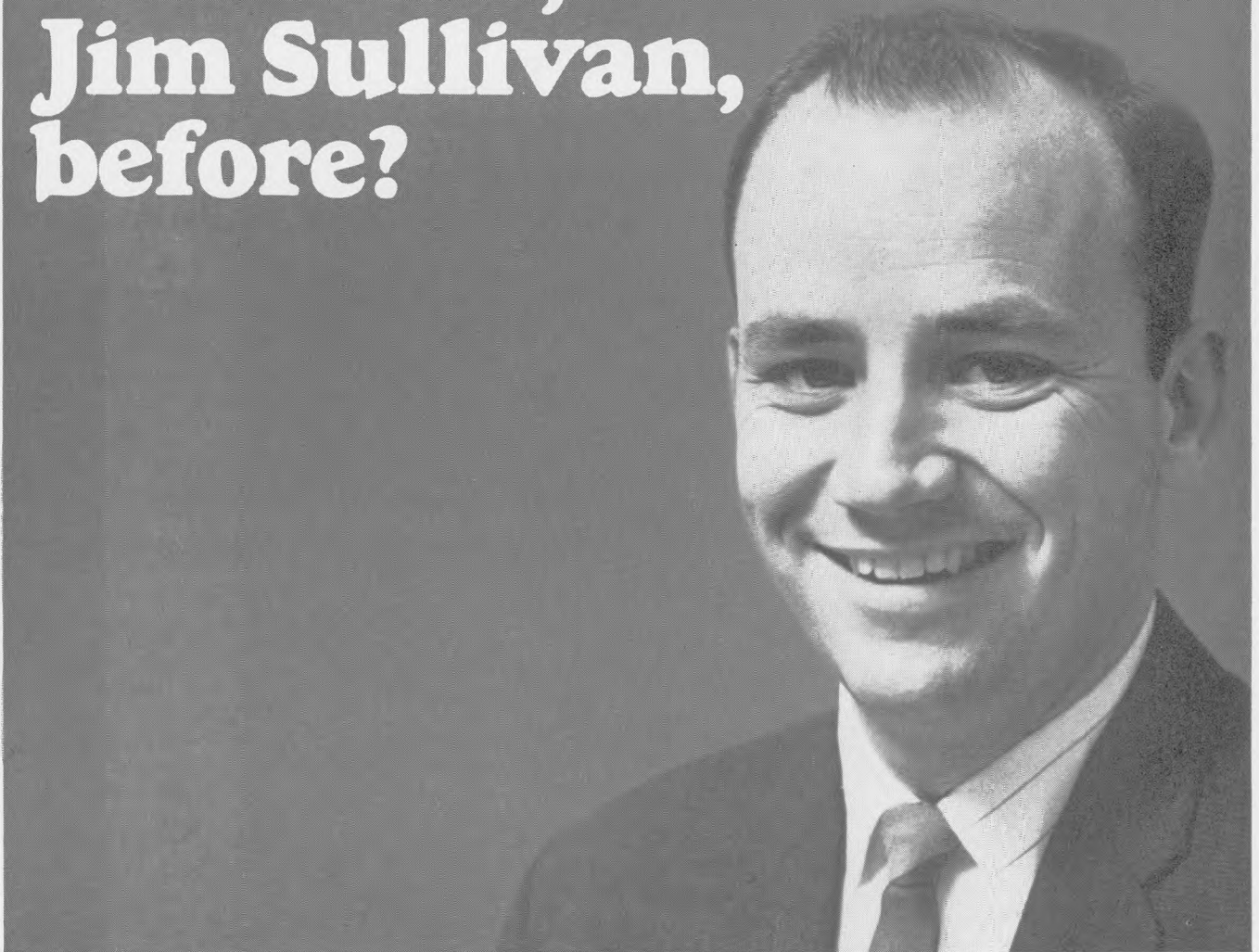
## American National Bank

and Trust Company of Chicago • LaSalle at Washington 60690  
Phone (312) 621-5000

Member FDIC ©1968, ANB

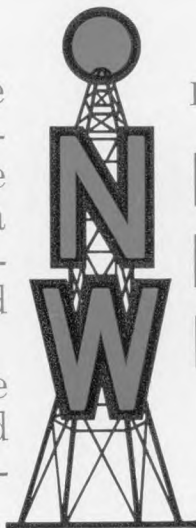
Northwestern Banker, July, 1968

**Have the feeling  
you've seen our  
new man,  
Jim Sullivan,  
before?**



**Y**ou probably have. Jim is the new representative for Northwestern Bank in Iowa. But before that he contacted over 1650 area bankers as the regional representative for BAAP. He's visited more banks than the examiner.

Jim's not an inside man. He likes hunting, fishing, golf, and calling on banks. You will be seeing more of Jim, soon.



DEPARTMENT OF BANKS AND BANKERS

**Northwestern  
National  
Bank of Minneapolis**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION





**OFFICERS** and executive councilmen installed at the 78th annual convention of the Minnesota Bankers Association are pictured above, left to right: Treasurer—**Ora G. Jones**, pres., Goodhue County Natl. Bank, Red Wing; Immediate Past Pres.—**Paul W. Gandrud**, pres., Swift County Bank, Benson; Pres.—**J. J. Choromanski**, pres., Crystal State Bank, Crystal, and Vice Pres.—**S. R. Wheaton**, exec. v.p., 1st Natl., Elk River. **RIGHT**—New Executive Councilmen—**Richard B. Jude**, pres., 1st Natl., Mankato, District 2; **Thomas E. Jaeb**, exec. v.p., Caledonia State Bank, District 1, and **Robert G. Lexvold**, pres., Metropolitan State, Minneapolis.

### At Minnesota Convention

## **Bankers Hear Farm Leaders Advocate Controlled Marketing**

By **BEN HALLER, JR.**  
*Editor*

**M**ORE than 2,200 registrants at the 78th annual convention of the Minnesota Bankers Association at Hotel Radisson in Minneapolis last month were treated to a different kind of program than the usual fare, and comments indicate they liked the change of pace. The unusual convention format provided diversified studies of current, major topical interests in the areas of agriculture, education, economic and industrial development in rural areas, and association affairs.

#### **Association Officers**

Jerry J. Choromanski, president of Crystal State Bank, Crystal, located in suburban Minneapolis, was elected president. He succeeds Paul W. Gandrud, president of Swift County Bank, Benson. Named vice president to succeed Mr. Choromanski was S. R. Wheaton, executive vice president of First National Bank, Elk River. Newly-elected treasurer is Ora G. Jones, Jr., president of Goodhue County National Bank, Red Wing. He succeeds A. Dan Fiala, president of Ogilvie State Bank, Ogilvie.

Three men were installed as members of the MBA council of administration after having been elected to the

council for three-year terms at the district meetings last September. They are:

District 1—Thomas E. Jaeb, executive vice president of Caledonia State Bank, Caledonia.

District 2—Richard B. Jude, president of First National Bank, Mankato.

District 5—Robert G. Lexvold, president of Metropolitan State Bank, Minneapolis.

#### **Pioneers—Past Presidents**

C. E. Cadwell, president of First National Bank, Farmington, was elected president of the Pioneers and Past Presidents Club. He succeeds T. G. Wurst, director and former president, State Bank of Greenwald.

#### **Ag Program**

The first official session was the Agricultural Breakfast presided over by **Ed J. LaFave, Jr.**, chairman of the MBA ag committee and executive vice president of Citizens Bank, Morris. One of the impressive features of this session was the introduction of four young ladies and men who are 4-H and FFA leaders in Minnesota. Their wholesome appearance and tremen-

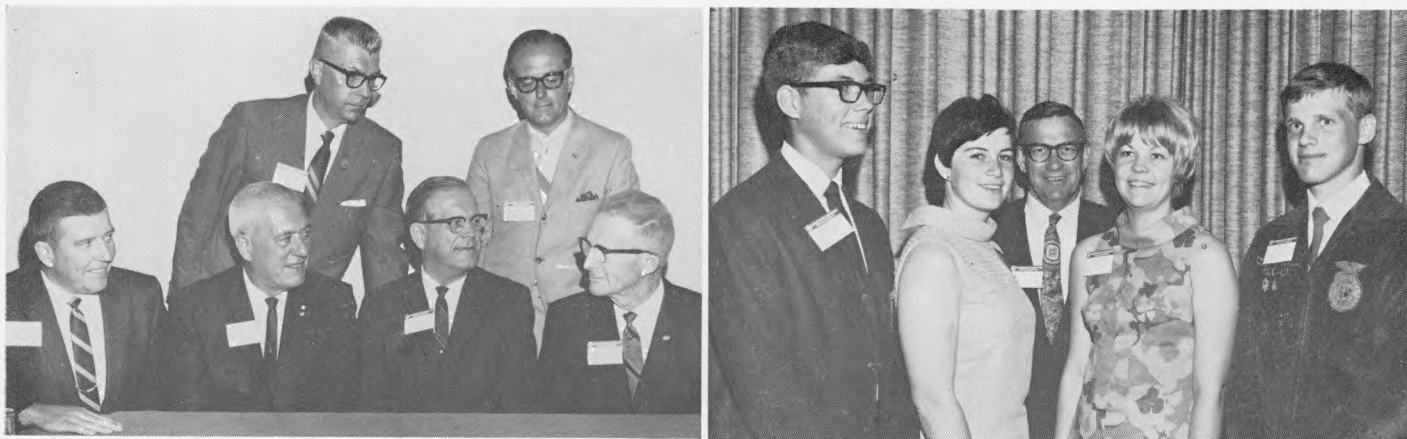
dous poise as they addressed the meeting briefly, started the morning off with a pleasant reminder that the great majority of our youth today are good citizens, despite the minority who grab the headlines with their misdeeds.

Principal speaker was the Hon. John Zwach, U. S. Representative from Minnesota's 6th District. Congressman Zwach said farmers are losing ground fast and cited these figures—loss of 1,000,000 farm people since 1960; parity at 73% of 1960 and less in Minnesota; consumer paying only 5% of his income for food today; rise of \$248 annually in the American family's food bill since 1920, \$235 of this since 1946, yet the farmer has received only \$1.35 of it in return for his tremendous increase in efficiency.

He said farm prices are 10 per cent under a decade ago and costs are sky high. He remarked that if this happened in Detroit or Akron it would be considered a catastrophe. The mass exodus of people from the farms has contributed to the urban problems, he said, and millions are being spent by the government on these problems, and practically nothing on the root cause out in the country. He also blamed federal government controls and policies for creating additional farm problems. Among these he listed tariff policies, exporting policies that create shipments of ag products one year and cut them off the next year, badly inaccurate statistical reporting by the USDA, and tax loopholes that encourage "hobby" farmers to make inroads at the expense of family farm units.

A most unique program followed.

**Northwestern Banker, July, 1968**



**FARM LEADERS** taking part in the special farm panel were (seated): **P. D. Hempstead**, pres., Minnesota Farm Bureau Federation; **George Matson**, pres., Minnesota board of National Farmers Organization; **Edwin Christianson**, pres., Minnesota Farmers Union, and **William B. Pearson**, past master, Grange of Minnesota. Standing: **Paul Gandrud**, retiring BMA pres., and **E. J. LaFave, Jr.**, chmn., MBA ag. comm., and exec. v.p., Citizens Bank, Morris. **RIGHT**—Minnesota youth groups were represented by this good-looking quartet of teenagers with one of their adult leaders. From left to right are: **Charles Schwartan**, Goodhue, Minnesota 4-H state president; **Pat Swanson**, Hastings, 4-H delegate to national conference; **Leonard Harkness**, Univ. of Minnesota, state 4-H leader; **Janet Nesselth**, Windown, 4-H delegate to national conference, and **Tom Meium**, Jackson, Minnesota FFA president.

This was a panel of the four top farm leaders in Minnesota. They were P. D. Hempstead, president, Minnesota Farm Bureau Federation; Edwin Christianson, president, Minnesota Farmers Union; William B. Pearson, past master, The Grange of Minnesota, and George Matson, president, Minnesota Board, National Farmers Organization. Digests of their remarks follow:

**Mr. Hempstead**—Our 29,000 members are concerned with net. This is what we have to use for all our needs. Volume times price minus cost equals net income, yet most farmers don't know costs, don't have a good system of budget keeping, don't have adequate cash flow sheets. The Farm Bureau has financial records in the infancy stage for their use. Priority is given to a better understanding of the nature of the business itself—to know prices, costs and control inputs. Thirty one of our Federated states have formed marketing programs. I think we should contract in advance while the producer has an alternate method of using his product.

Our solution is to work with concerned groups such as bankers to work for a better level of farm prices and income. Let's not lump all rural problems together but sift out the agricultural problems and work directly on them—we want to work for solutions to problems facing commercial farmers.

**Mr. Pearson**—The Grange favors raising parity on dairy products to 90 per cent. Milk production in 1967 was 1 per cent below 1966 and by May, 1968, milk production was down 1.8 per cent from 1967. There should be quotas for each producer to go by to get his proportionate share of the market. About one-half of the milk is

going through controlled sources and there should be a checkoff system for marketing promotion.

The Grange, organized in 1867, has always favored the cooperative system and we hoped collective bargaining could be worked through the coops. We will work with any other group or groups on collective bargaining. I think we should study this matter further to see how it will aid farming.

**Mr. Christianson**—Farmers cannot regulate their production and sales as industry can do. They cannot close down or lay off their families if prices are down. They are in a particularly high risk enterprise.

Farmers are especially vulnerable on the credit side. Their credit needs have doubled in the past 20 years. They will double again and at a time when interest rates are at their highest level in history. We are outrunning the capacity of country banks, who have to turn to city banks. Corporate farms cannot outproduce us, but many outfinance us. We borrow at retail, while they can borrow as large corporations at lower rates.

Until a working bargaining program becomes a reality, the farmer will not have the kind of living to which he is entitled.

**Mr. Matson**—The National Farmers Organization (NFO) is just 10 years old. Our rural problem—not just of farmers, but of all rural people—is one of price. We felt it was foolish to continue operating as we had. We paid every person with whom we did business exactly the price he asked. We put all these high-priced costs into our farm operation, worked hard and efficiently, produced good products, then let someone else tell us what we'd get paid.

The 1.8 per cent of surplus in farm production sets the price on the other 98.2 per cent of production. In a clothing store, the merchant sets his price. If he has 1.8 per cent excess, he establishes a sale price only on the surplus. This is the opposite of farm production.

In recent years we have experienced a rise of 335 per cent in demand and a 75 per cent increase in supply in beef. We are up to a consumption per person of 105 pounds of red meat annually, produced by 105 million head of stock. The law of supply and demand does not work, as prices show. Increased technology, in effect, has killed farmers. The greater the efficiency, the lower the prices instead of the farmer benefiting.

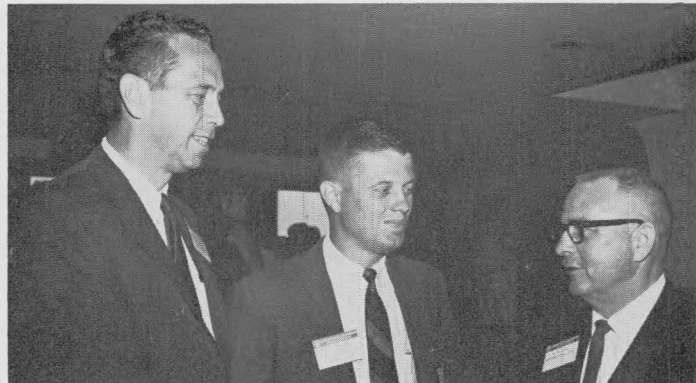
Instead of farmers running back and forth trying to get bids on their products (milk, e.g.), they should set a price and demand it. Most people hear only about a holding action, but there is more to it than that. We are glad to hear the Farm Bureau is going into collective bargaining. Farmers must band together, set prices and set a holding action. This is what business does—it sets a price and doesn't sell except at that price.

#### Education Session

One of the most controversial subjects at convention time throughout Minnesota related to the "Domian Report" prepared by Professor Domian of the University of Minnesota at the request of the Minnesota Department of Education. A four-member panel discussed the subject before a standing room only audience that reflected throughout the session the intense interest in the subject.

State Representative **Rodney N. Searle**, Waseca, was moderator. In the





LEFT—Len P. Gisvold, chmn., Backus State Bank; Wm. G. King, pres., 1st Natl., Grand Rapids; K. O. Sattre, chmn., Blue Earth State Bank, and John A. Moorhead, chmn., Northwestern Natl. Bk., Minneapolis. RIGHT—Philip B. Harris, pres., and Floyd J. Stewart, corr. bk. off., both with Northwestern Natl. of Mpls., and Harold W. Folk, pres., Welcome State Bk.



LEFT—Oscar W. Smith, pres., Bk. of Willmar; Paul Vollan, exec. v.p., Citizens Natl., Willmar, and James Sandelin, exec. v.p. & cash., Lee State Bank, Browerville. Standing—John D. Cleary, a.v.p., and Robert E. Sipple, admin. v.p., both with American Natl. B&T, St. Paul. RIGHT—Arthur A. Haessig, v.p., American Natl. B&T, St. Paul; Mrs. Malley and Gene P. Malley, chmn. & exec. v.p., American Natl., Nashwauk, and Donald H. Johnson, a.v.p., American Natl. B&T, St. Paul.



LEFT—Richard G. Hall, a.v.p., and Grenville Paynter, v.p., both with Chemical Bank New York Trust Co., N. Y., and Clifford C. Sommer, pres., Security B&T, Owatonna. RIGHT—Dennis Carlson, sales repr.; Bill Stohr (standing), v.p., and Bob Ramaley, sales repr., all with North Central Life, and John Exley, sr. v.p., 1st Natl. of Hastings.



LEFT—Congressman John Zwach (Minn.); George B. Phillips, v.p., Wright County State, Monticello, and B. P. Allen, Jr., pres., 1st Natl. of Milaca. RIGHT—Rohn Laudenschlager, asst. secy., Irving Trust, N. Y.; Wm. Wohlenhaus, corr. bk. off., Natl. City Bk., Mpls., and Donald C. Jackson, v.p., Irving Trust.



## Twin Cities • a solid-state electronics

Want to buy a computer? Or a gismo to open doors—no hands?

Or a control for a space craft? The place to shop is our Twin Cities area.

Nowhere else has electronics moved into the economy of an area with such impact.

Electronics is our fastest growing industry. From a few hearing aid companies in 1950, it has zoomed to 170 electronics manufacturers employing over 70,000 people. In just the last few years Control Data has built six new plants, Univac has built seven.

Honeywell, the state's largest employer, has added one-third of a million square feet of floor space for electronics manufacturing.

The economic impact of this thriving young industry has effectively unified the Twin Cities into a single, dynamic marketplace where new jobs, new purchasing power, new construction, new tax money have been felt equally throughout the area.

First National Bank of Saint Paul is keenly aware of this electronics upsurge. We have helped it with financial assistance and counseling. And we are a

Northwestern Banker, July, 1968

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis





## community

customer for many electronic products, including a rather awesome computer which handles much of the bank's operations.

First National Bank of Saint Paul sees no limits—city or otherwise—to the continued growth of the Twin Cities area.

# First National Bank of Saint Paul

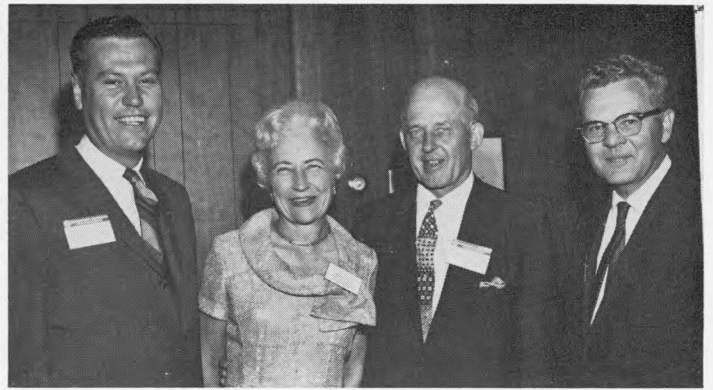
Member Federal Deposit Insurance Corporation



Minnesota's oldest,  
Saint Paul's largest  
Full Service Bank.



Northwestern Banker, July, 1968



LEFT—Lowell Grasdalen, ag. repr., Northwestern State Bank of Dodge Center; Mrs. Grasdalen; Hoyt Lathen, v.p., Northwestern Natl. of South St. Paul; Mrs. Loehr and James A. Loehr, pres., N.W. State, Dodge Center. RIGHT—C. Norman Gustafson, a.c., 1st Natl. City B., N. Y.; Mrs. Chas. Hickling, Canadian Imperial Bank of Commerce, Winnipeg; John Knutson, sr. v.p., and Douglas M. Johnson, v.p., Midland Natl., Minneapolis.

Minnesota legislature he is chairman of the University Committee, chairman of the Education Sub-Committee of House Appropriations, and is a member of the Education, Soil Conservation and Insurance Committees. He is currently chairman of the House Interim Commission on Elementary and Secondary Education.

He said Minnesota ranks well above the national average in education, 23rd in income and 11th in educational expenditures. Commercial and industrial growth in the Twin Cities and other larger city areas has been to the competitive disadvantage of small towns and their schools. There is more and more discussion by businessmen, school leaders and parents to do something about school situations.

The state of Minnesota presently provides funds only for school maintenance at local levels. The Domian Report says no school district should have fewer than 1,500 pupils in the 12 grades, unless they are in one county. The Report recommends the mandatory merging of 356 of 462 school districts in the state. It lays out a formula for disbursing of finan-

cial aid—such as extra funds for academic excellence proven, lower pupil-teacher ratio and 10 per cent extra to Duluth and the Twin Cities districts due to their educational overburdens.

Other panelists were Mrs. George Burns, Milan, a former schoolteacher and now farm housewife, newspaper political columnist and author; Duane J. Mattheis, Minnesota Commissioner of Education since 1964, and W. A. Wettergren, executive secretary for 17 years of the Minnesota School Boards Association.

#### Economic Development

The possibilities of further economic and industrial development around the state were discussed by another four-man panel. This one was composed of J. Kimball Whitney, commissioner, Minnesota Department of Economic Development; Scott Benton, Deputy Commissioner to Mr. Whitney; John Bloomer, director of tourism for the state; Thomas T. Feeney, administrator, area redevelopment agency; Charles M. Towle, director, Industrial Development Division, and John D. Peterson, director, Rural Development Bureau.

Their discussion was followed by an address from the Hon. K. A. Randall, chairman of the board of F.D.I.C., Washington, D. C.

#### Officers Roundtable

The final panel was a roundtable discussion conducted on the platform from easy chairs by new officers and MBA officials. This got off to a slow start, since this type of open forum had never been made available to the association before, but once various subjects were aired, the audience warmed up to the idea and extended it into an hour and one-half period. MBA Executive Secretary Kenneth A. Wales said this portion of the program would no doubt be repeated again next year.

#### Commissioner Speaks

Marvin L. Rye, Commissioner of Banks for the State of Minnesota, covered three points in his address to the convention—the necessity for bankers to take heed of classified loans, deceptive advertising practices and reorganization of the Commerce Commission (of which the Commissioner of Banks is one part).

Mr. Rye said that state examinations have revealed that 17 per cent of Minnesota state banks have classified loans in more than six per cent of their total loans. Of this 17 per cent, 8.7 per cent have 6 to 8 per cent criticized loans; 3.3 per cent have 8 to 10 per cent of their loans criticized, and 5 per cent have adverse criticism of more than 10 per cent of their loans.

He said examination procedures cannot substitute for the role of management, but management should take heed when established examining procedures classify such a large percentage of loans. He said there is an urgent need for management in these latter banks to make an immediate appraisal while it is still possible to do so.—End.



Wallace L. Boss, sr. v.p., 1st Natl. of St. Paul; Robert J. Welle, v.p., St. Cloud Natl.



Ed Kalafat (seated), a.v.p., 1st Natl. of Mpls.; Styck R. (Bud) Omlie, v.p., 1st Natl. of Mpls.; Mrs. Omlie, and George Olson, Sr., chmn., 1st State, Braham.





LEFT—**Ross F. Bloomquist**, dir., 1st Natl. of St. Peter, and **Mrs. Bloomquist**; **Ev Dovale**, a.v.p., American Natl. B&T, Chicago; **Dennis Freeman**, sales repr., Scarborough & Co., Storm Lake, Iowa, and **Mrs. Freeman**. RIGHT—**Cyril Kramer**, pres., Altura State Bank; **Roy West** (seated back), a.v.p., American Natl. B&T, Chicago; **Mrs. Kramer** and **Mary Lou Kramer**; **Judith Bursch**, **Pat Simms** and **Marcella Bechtold**, the latter three ladies with Security State Bank of St. Michael.



**SPEAKERS** on the educational panel—**Duane Mattheis**, commissioner of education, State of Minnesota; **William Wettergren**, exec. secy., Minnesota School Boards Assn.; **Mrs. George Burns**, Milan, Minn., and **State Representative Rodney N. Searle**, Waseca, who was moderator. RIGHT—**Mrs. Fick** and **Avery Fick**, a.v.p., Marquette Natl., Minneapolis; **Mrs. Zavoral** and **R. J. Zavoral**, pres., St. Clair State Bank; **Mrs. Uggen** and **Glen Uggen**, pres., Peoples State, Wells.



LEFT—**C. C. Lind**, pres., 1st American Natl., Duluth; **Norman W. Welo**, pres., Security State, Hibbing; **Wm. H. Moise**, mgr., commercial services, Bank of Montreal, Winnipeg, and **Walter L. Fredrickson**, v.p., 1st American Natl., Duluth. RIGHT—**Clarence E. (Bud) Cross, Jr.**, a.c., 1st Natl. of Chicago; **Mrs. Todd** and **Webb Todd**, a.v.p., Valley Natl. of Phoenix, Ariz., and **Bill Howell**, a.v.p., Harris T&S, Chicago.



LEFT—**C. Paul Lindholm**, v.p., Northwestern Natl., Minneapolis; **H. W. Folk**, pres., Welcome State Bank, and **Leslie Peterson**, exec. v.p., Farmers State, Trimont. RIGHT—**Henry N. Snyder**, a.v.p., 1st Natl. of St. Paul; **Mrs. Moore** and **Laird J. Moore**, cash., 1st Natl., Dunnell, and **Wm. B. Conitz**, pres., State Bank of Bellingham.

# Twin City News



**O**RGANIZATIONAL changes have been approved by the board of directors of The First National Bank of Saint Paul, according to President **Philip H. Nason**.

The reorganization consists of both promotions and a realignment of re-

sponsibilities. Senior Vice Presidents **Clarence G. Frame** and **Lloyd L. Leider** were elected to the newly created post of executive vice president.

Mr. Frame is responsible for the commercial lending division. He will also administer the comptrollers and investment departments. Mr. Leider will have administrative responsibility for those divisions which are concerned with bank relationships in the Ninth Federal Reserve District, the consumer services division, bank properties and computer sales. Additional responsibilities include the industrial development department and the marketing-advertising-public relations division.

Two vice presidents, **Wallace L. Boss** and **Franklin E. Truax**, were elected senior vice presidents. Mr. Boss will remain head of the Ninth Federal Reserve Bank Division. He is former vice president and president of the Minnesota Bankers Association. Mr. Truax will continue to head the consumer services division.

Assistant Vice Presidents **Dale S. Hanson** and **Edward G. Wollerman** were elevated to vice presidents and were also named heads of newly created commercial lending divisions.

Additional vice presidents named to head up commercial lending divisions as part of the reorganization were **Russell H. Johnson**, **Malcolm W. McDonald**, **Andrew G. Sall** and **J. Thomas Simonet**.

A new position was voted **Roger R. Palmer**. Formerly auditor, Mr. Palmer will now assume new responsibilities as vice president for planning. Replacing Mr. Palmer as auditor will be **William J. Duma**, recently of the First Wisconsin National Bank of Milwaukee.

**William H. Queenan** succeeds Mr. Simonet as cashier, the latter assuming responsibility for a lending division.

A special Loan Administration and Review Group is being formed to provide all lending divisions with staff support. Vice President **Walter A. Younghans** has been named to initiate this new function and will be assisted by Vice President **Robert E. Balfanz**.

\* \* \*

**C. R. Pohl**, president of Marquette National Bank, has announced the election of **Robert P. Monge** to mortgage loan officer



R. P. MONGE

by the board of directors. Mr. Monge graduated from the University of Minnesota in 1961 and the School of Mortgage Banking at Northwestern University in 1966. Prior to joining Mar-

quette in 1967 as mortgage loan representative, he was employed for five years with Twin City Federal and six years with Chase-Brackett Company.

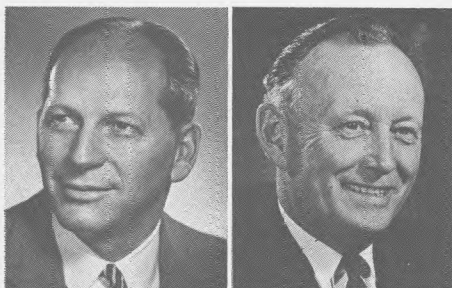
\* \* \*

**Ernest C. Pierson**, vice president of Midland National Bank of Minneapolis, attended the Stonier Graduate School of Banking at Rutgers Univer-



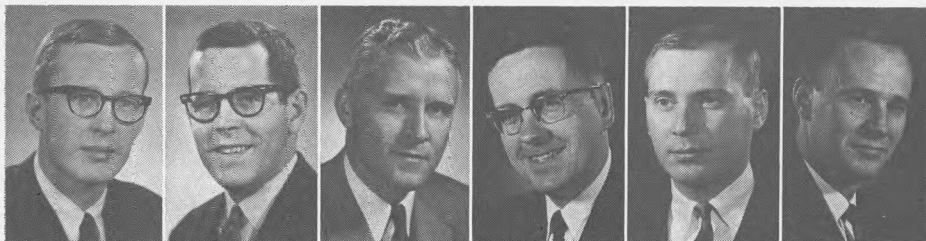
C. G. FRAME

L. L. LEIDER



W. L. BOSS

F. E. TRUAX



HANSON

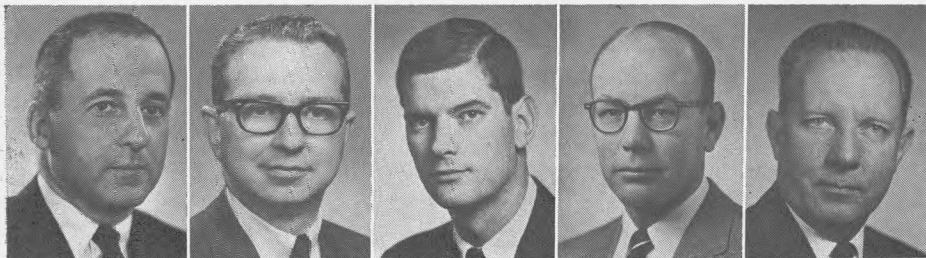
WOLLERMAN

JOHNSON

MCDONALD

SALL

SIMONET



PALMER

DUMA

QUEENAN

YOUNGHANS

BALFANZ

Northwestern Banker, July, 1968

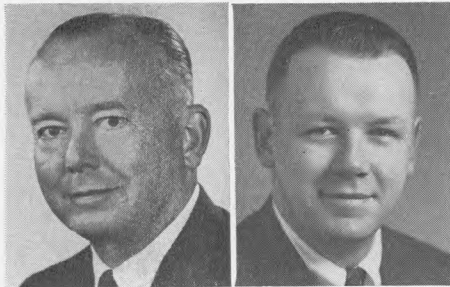


city in New Brunswick, N. J., as a first year student at the school, which was founded in 1935 and is conducted by the American Bankers Association.

\* \* \*

A new senior vice president and three vice presidents were among eleven promotions at Northwestern National Bank of Minneapolis announced by **John A. Moorhead**, chairman of the bank's board.

**Morrow Peyton** was named senior vice president-personnel, and **Leonard C. Tysver**, **Samuel B. Morison** and **Adolph G. Gilbert**, vice presidents. **Wencel W. Johnston** and **Curtis R. Holmquist** were named assistant vice presidents; **Harmon H. Tracy**, discount and collateral officer; **Howard G. Luick**, correspondent banking officer; **Gerald W. Ellingson**, trust operations officer; **Louis G. Merchant**, tax officer and **Peter R. Reis**, commercial banking officer.



M. PEYTON

H. G. LUICK

Mr. Peyton, who has been manager of the Northwestern Lake Street Office since 1966, will join the staff at the main office August 1. His principal concern will be in the area of recruitment, training and management development. Mr. Tysver will continue as personnel director, reporting to Mr. Peyton. Mr. Morison succeeds Mr. Peyton as manager of the Lake Street Office. Messrs. Gilbert, Holmquist and Reis are also members of the Lake Street office staff.

Mr. Luick joined Northwestern in 1965 and served in the loan analysis department before being named administrative assistant in the bank's commercial department in 1967. In October, 1967 he joined the banks and bankers department and served as a representative in North Dakota.

\* \* \*

**John E. Raymond**, assistant vice president of The First National Bank of Saint Paul, was recently awarded the Harold J. Cummings Award by Saint Paul's Sales and Marketing Executives Club. The award is given annually to the outstanding member of they year . . ." for his outstanding performance in promoting the goals and growth of the Sales and Marketing Executives, Saint Paul, Inc. for the year."

**Rufus W. Hanson**, who retired last year as executive vice president of First National Bank of Minneapolis, has been named regional director of corporate finance for Paine, Webber, Jackson & Curtis.

\* \* \*

**Burton Noah**, executive vice president, Marquette National Bank, has revealed that the bank's board of directors voted to



L. ANDERSON

elect **Larry Anderson** to the newly created position of vice president in charge of the retail division of Marquette Bank. In this new position Mr. Anderson will be responsible for the operation of all retail banking departments, including the installment loan department, dealer contracts, customer service division, tellers, mar-

keting, advertising and public relations.

Mr. Anderson joined Marquette in 1966 after spending 17 years in the finance field as manager, supervisor and a director of Associated Loan Company and Standard Loan and Thrift, Inc., with offices throughout Minnesota.

He is well known in the financial industry for his activities in the Twin Cities Lenders Exchange and Minnesota Consumer Finance Association where he has been president and chairman of the board.

\* \* \*

**Richard A. Erickson**, assistant vice president, Midland National Bank of Minneapolis, attended the School of Bank Public Relations and Marketing at Northwestern University last month as a first year student.

**Ernest C. Pierson**, vice president, Midland National Bank, attended the Stonier Graduate School of Banking at Rutgers University last month. Mr. Pierson was a first year student at

## Champ Chefs Vie with Victuals



**BACK-YARD COOKING** was brought downtown last month by the **First National Bank of Minneapolis** to the delight of several hundred noon-hour office workers and bank customers. The occasion was the premiere event of the bank's "Noon Hour on Our Plaza" series of free entertainment events. Twenty well-known business men of the city, all amateur chefs of self-professed repute, vied in a **Celebrity Cookout Competition**. Each contestant cooked his selected charcoal broiled recipe for the consideration of two newspaper cookery expert judges. The noon-hour air was redolent of broiling beef, pork, lobster and fowl and spiced with the aroma of secret sauces.

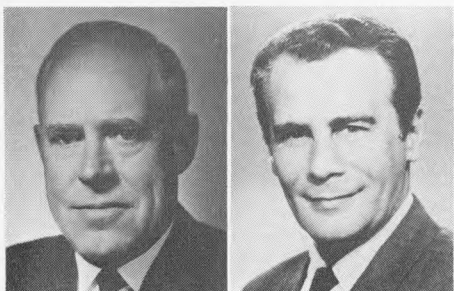
Hennepin County Municipal Judge **Chester Durda** was proclaimed Cookout winner. He received his trophy from **Ray Scott**, prominent radio and television sportscaster, who was master of ceremonies. The event was produced with the cooperation of the Minneapolis Gas Company which provided the gas-fueled grills for cooking.

Other Plaza events scheduled in the weekly summer series include a Shakespeare in the Street production; Minneapolis Aquatennial show; the bank's annual "Coffee on the Plaza" party; the bank's drill teams; a trained seal and elephant act; dance troupe presentation and fashion shows.

the school conducted by the American Bankers Association.

\* \* \*

**Henry T. Rutledge**, president of the Northwest Bancorporation, Minneapolis, and **George Tesar**, general manager of Dayton's, St. Paul, have been elected to the board of directors of Northwestern National Bank of St. Paul, it has been announced by **H. William Blake**, president.



H. T. RUTLEDGE

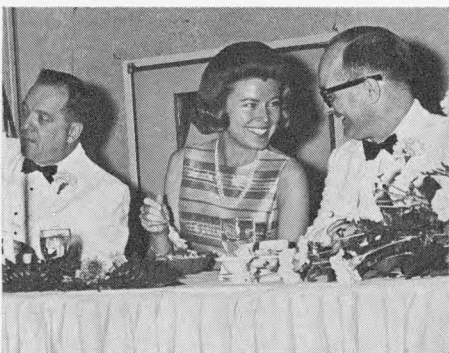
G. TESAR

Mr. Rutledge, president of Northwest Banco since December, 1965, previously had been associated with Northwestern National Bank of Minneapolis since 1934. He is a director of the Association of Registered Bank Holding Companies, the B. F. Nelson Manufacturing Company, McQuay, Inc., and Northwestern National Bank of Minneapolis.

Mr. Tesar, a native of Prague, Czechoslovakia, where he received his B.A. degree from Charles University, has been in the retail business since coming to the United States in 1949. He has been associated with Dayton's since 1956 in Sioux Falls, S. D., and Rochester, Minn. He was named general manager of Dayton's, St. Paul, in 1964.

\* \* \*

Forty-six **Minneapolis Chapter** members of the **American Institute of Banking** have graduated. Before an audience of 400 members and friends attending the 70th Annual Banquet



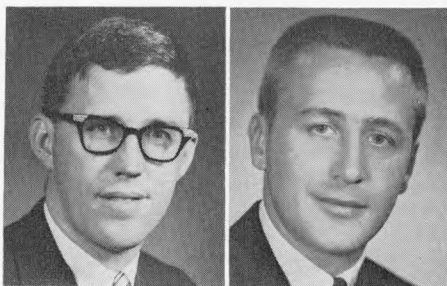
**TABLE TALK** at 70th annual banquet of Minneapolis A.I.B. is enjoyed by (left to right): **Kenneth A. Wales**, exec. secy., Minnesota Bankers Assn.; **Marilyn Van Derbur**, guest speaker and former Miss America, and **James H. Treanor**, a.e., Midland Natl., and Chapter pres.

**Northwestern Banker, July, 1968**

at the Leamington Hotel, certificates and cash awards for scholastic excellence were announced and presented. Advanced Educational Achievement awards were won by **Sandra Huikko** of the Northwestern National Bank and **Phil Hunt** of First Bank System. Educational Achievement awards went to **Donald Jerpak** of National City Bank, **Darlene Androff** of the Federal Reserve Bank, and **James Fougerson** of Midland National Bank. The Ashton Carhart Scholastic Award was presented to **Haralds Milbergs** of the Northwestern National Bank for the highest grade average of 90 or more in courses for the Graduate Certificate he earned this year.

\* \* \*

**George W. Benz**, chairman, and John F. Nash, president, of the American National Bank and Trust Company, St. Paul, have announced the appointments of two new officers by the board of directors. **Arthur I. Nelson** was named correspondent bank officer and **Noel E. Maanum** was elected assistant vice president, operations.



A. NELSON

N. MAANUM

Mr. Nelson is a graduate of St. Olaf College in Northfield and received his certificate from the graduate school of banking, University of Wisconsin, 1967. Previously, he has been associated with the State Bank of Richfield, The First National Bank of Marshall, and joins the American from the American National Bank of Valley City, North Dakota, where he was cashier.

Mr. Maanum was formerly assistant vice president of the Marquette National Bank with which he was associated 17 years.

\* \* \*

**First National Bank of Minneapolis** has received an honor from one of the major commercial television companies of the nation. WCCO Television presented its "Dutch Shoe" award to the bank for its support and assistance in sponsoring significant information programs. It is the first time the television firm has offered the distinction outside its own official family. Special note was taken by the station of the bank's sponsorship of

## Gets TV Award



"DUTCH SHOE" award for excellence in advertising is presented by WCCO-TV Executive **Robert Erickson** (center) to **Gordon Malen** (left), a.v.p. & adv. mgr. of 1st Natl. Bank, Minneapolis, and to **Richard Markgraff**, account executive at Batten, Barton, Durstine & Osborne ad agency, who prepared the winning material in cooperation with Mr. Malen.

two documentary series' of the WCCO-TV News Special program: "Our Men in Vietnam," an on-the-scene view of Minnesotans at war, and "The Good Life in Minnesota," a report on the advantages of residence in the state.

\* \* \*

The board of directors of First Security State Bank, St. Paul, has announced the election of **Robert T.**



R. T. WALLNER

**Wallner** as president of the bank, effective July 1. Mr. Wallner succeeds **Clarence H. Gieske** who will retire as president, but will continue as a member of the board of directors.

Mr. Gieske began his banking career with the Merchants National Bank of Saint Paul in 1922. He has been associated with First Security State Bank since 1933 and was elected president in 1962.

A native of St. Paul, Mr. Wallner is a graduate of Cretin High School. He received a Bachelor of Arts Degree from the College of St. Thomas in 1948, and a Law Degree from the William Mitchell College of Law in 1954. Mr. Wallner is also a 1966 graduate of the Stonier Graduate School of Banking, Rutgers University, New Brunswick, New Jersey. He joined the First National Bank of Saint Paul in 1948. He has been associated with the First Security State Bank for fourteen years, serving as manager—installment loan department, cashier and since 1962 as vice president and a director.



### Clara City Construction

Construction began last month on the new building for the Citizens State Bank, and a completion date of November 1, 1968 has been set. C. R. Forstrom is president of the bank.

### Elk River Appointment

Richard Nelson of Zimmerman has been appointed to the board of directors of the First National Bank of Elk River. Mr. Nelson operates a tree growing and nursery business in Zimmerman.

### Hawaiian Style Celebration

First State Bank of Floodwood celebrated its 60th anniversary last month with a special one-day open house with an Hawaiian theme. Fresh Aloha orchids were flown in from Hawaii for the ladies, and refreshments and presents for children were available during the event.

### Melrose Bank to Renovate and Remodel

The board of directors of the Melrose State Bank has announced plans to remodel and renovate the present bank building and the building that formerly occupied the Meyer Clothing Company. An additional building will be torn down for construction of a drive-up facility.

The inside of the two buildings will be completely renovated with new teller windows, new private offices, a new vault door and burglar alarm system. In addition, the outside of the two buildings will be remodeled. Construction is to begin this summer.

### Director Named

Charles E. Peterson, president of the State Bank of McGregor, has been named a director of the Peoples National Bank of Mora.

### Rochester Retirement

Carl Frank, assistant cashier at the First National Bank of Rochester, retired recently after 38 years of employment with the bank. He was honored at a party by his co-workers. Mr. Frank is active in "ham" radio and rifle shooting circles.

### Frank J. Hyland

Frank J. Hyland, former vice president of the First National Bank of Hastings, died recently. Mr. Hyland, at the time of his death, was employed as a bank relations officer by the Small Business Administration in Minneapolis. He went to Hastings in 1939, joined the staff of the First National Bank and stayed there until his resignation in 1963.

### Peterson Brothers Buy First State Bank, Murdock

Donald R. and Jerry D. Peterson have purchased the controlling interest in the First State Bank of Murdock from John O. Bohmer of Brooten, Minnesota. Donald R. Peterson was elected president and cashier



D. R. PETERSON

and Jerry D. Peterson was elected vice president. Mr. Bohmer remains as chairman of the board of directors. Julius Anderson of Kerkhoven and Joyce Bohmer of Brooten complete the five member board. Jerry D. Peterson will manage the First State Agency, an insurance agency located in the bank building.

The Peterson brothers are sons of the late Martin Peterson, formerly superintendent of schools at Raymond, Wood Lake, Maynard, and Lindstrom-Center City, and Mrs. Peterson, a Lindstrom resident.

Donald H. Peterson has served as cashier of First State Bank since February, 1967. Prior to that he served as an officer of the Northeast State Bank of Minneapolis, and before that spent 12 years in the insurance business in the Twin Cities.

Jerry D. Peterson has recently moved to Murdock after eight years employment as a home office underwriter with American Hardware Mutual Insurance Company in Minneapolis.

### Retires at Edgerton

John Doornwaard, who has been associated with the State Bank of Edgerton for nearly half a century, retired last month. He retains the title of president of the bank. Vice president, M. L. Vanderbush, who has been with the bank the past 40 years, is now chief executive officer.

### Slayton Name Change

After July 1, the Murray County State Bank will be known as the Northwestern State Bank, Slayton.

### 70th Anniversary Observed

The First National Bank of Emmons recently observed its 70th anniversary. Drawings for 3 savings accounts were held.

### Join Dilworth Bank

R. Dean Hegeholz and James Nord have joined the staff of the Clay County State Bank at Dilworth, ac-

ording to an announcement by V. F. Hegeholz, president. Mr. Hegeholz, who has been named cashier, replaces Walter Scholbrock who purchased a controlling interest in the Gilman, Wisconsin, State Bank. Mr. Nord has been named installment loan officer and assistant manager of the Dilworth Insurance Agency.

### Oscar A. Olson

Oscar A. Olson, Sr., well-known Braham banker, civic and church leader died recently. Mr. Olson's varied and very successful career began in 1905 when he took a position as bookkeeper with the First National Bank of Braham. After holding several banking positions, he purchased the First National Bank of Braham in 1919, and also organized many other business ventures. A pioneer in installment credit banking, he was also president of the Minnesota Bankers Association 50 Year Club. Mr. Olson's many efforts to keep Braham alive and growing became nationally known when he was the subject of two articles in *Reader's Digest*.

### Capital Stock Increase

Northwestern Bank & Trust Company of St. Cloud has been authorized to increase the amount of capital stock from \$200,000 to \$300,000 by stock dividend.

### Receives "Top Hat" Award

John Chisholm, president of Olmstead County Bank and Trust Co., Rochester, was recently presented state "Top Hat" award by the Minnesota Federation of Business and Professional Women's Clubs at the state convention in St. Cloud. He is now eligible for the national Top Hat award. Nominees for the awards are picked as outstanding employers. Mr. Chisholm was cited for an increase in women employees, for promotion of women to supervisory positions, and for providing a broad base of educational opportunities for employees.

### Salutes Young Musicians

First American National Bank of Duluth last month featured a lobby display saluting the Duluth Accordionaires. The Accordionaires, who have won a national championship, were the only student-musicians invited to tour Italy with America's top accordionists, and appeared on the NBC-TV Tonight Show. The lobby display features the Accordionaires LP album, and the history of the group, which covers appearances across the nation and the winning of some 60 awards in the group's 20 year history.

# South Dakota NEWS

**R. F. PETSCHOW**      **President**      **Elkton**  
**R. W. TERWILLIGER**      **Secretary**      **Huron**

## Lerdal Named President at Mitchell National Bank

The board of directors of the Mitchell National Bank, Mitchell, has elected Herman Lerdal of Aberdeen as its president. He will assume his responsibilities on August 1.



H. LERDAL

Mr. Lerdal is a native of South Dakota. He was born on a farm near Dell Rapids, attended a rural school and graduated from Dell Rapids High



School in 1946. He attended Augustana College and South Dakota State University prior to joining his father in the operation of the family farm. In 1954, he began work at the Northwestern National Bank of Sioux Falls and worked in the trust and agricultural loan departments. In 1956, he was named managing officer of the Dakota State Bank of Baltic and served there until March of 1965 when he was appointed superintendent of banks for the State of South Dakota. Mr. Lerdal was named executive vice president of Farmers & Merchants Bank of Aberdeen in July, 1967, the position he now holds.

While Mr. Lerdal served as superintendent of banks, he served on the

executive council of the National Association of Supervisors of State Banks, and he was instrumental in establishing a committee in South Dakota which will revise and modify the state's banking laws. Presently he is a member of the legislative committee of the South Dakota Bankers Association and in past years has served as chairman of the industrial committee one year and chairman of the agricultural committee for two years. He served as president of Group I of the association in 1960.

## Converts to Branch Bank

The American State Bank of Westington Springs has announced that the Wolsey Branch Office has been granted permission by the State Banking Commission to convert to a full branch bank. The Wolsey office was established in 1962. Personnel will remain the same, with Kenneth Peterson as manager.

## Honored at Hot Springs

An open house at the Hot Springs office of First National Bank of the

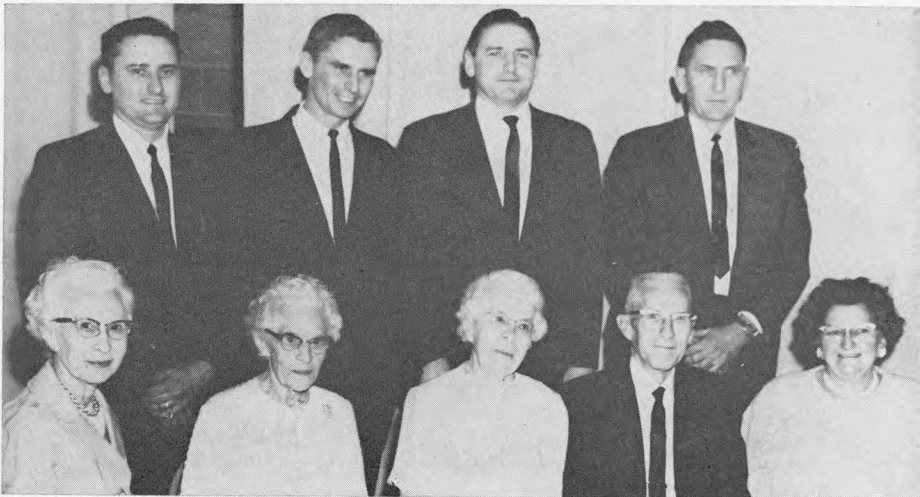
Black Hills honored Selmer Smebakken, vice president and assistant manager of the bank who retired after more than 24 years as a bank officer. Mr. Smebakken joined the bank in 1944 as an assistant



S. SMEBAKKEN

cashier.

## Irene Banker Receives Honor



**BANKING FAMILY**—Art Diefendorf is seated at right with his wife seated at his left. Others seated are three of his sisters (left to right): Miss Alice Diefendorf, Milwaukee; Mrs. Mary Babb, Chicago, and Mrs. Virgie Clement, Madison, Wis. Standing are the four Diefendorf sons (left to right): Jim, Bob, John and Tom.

**A** VETERAN South Dakota banker, Art Diefendorf of Irene, has been named parade marshal for his town's Diamond Jubilee Celebration July 16 and 17. Mr. Diefendorf, 72, is chairman of the board of Farmers State Bank in Irene. He started his banking career in 1912 and has been recognized by the South Dakota Bankers Association for 50 years of service to banking.

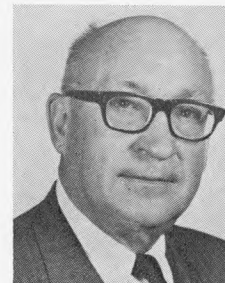
Mr. Diefendorf has been a leader in numerous endeavors during his years

in Irene. His family is well-known to the banking industry since all four of his sons are in financial work. Tom is president of Farmers State Bank and his brother Jim is vice president and cashier. A third son, John, is vice president in the correspondent bank department of Security National Bank in Sioux City. The fourth son, Robert, is with a finance firm in Chicago.

Mr. and Mrs. Art Diefendorf also have one daughter.

## Joins Investment Firm

Harold N. Thomson, past president of the South Dakota Bankers Association,



H. N. THOMSON

has joined Ebin, Roberston and Company, Inc., Minneapolis investment bankers. He will represent their municipal and government bond department in Montana and South Dakota, working in cooperation with Gerry Clark, manager of institutional bond sales.

Mr. Thomson was vice president of the National Bank of South Dakota, Presho, S. D., from 1962 to 1967, and vice president of the Farmers and Merchants Bank, Presho, from 1927 to 1962.



# North Dakota NEWS

E. L. OLSON      President      Grand Forks  
W. J. DANER      Secretary      Bismarck

## 50 Years in Banking

Melvin Smerud, vice president and director of First National Bank of Milnor, last month celebrated 50 years in banking. Mr. Smerud began his banking career in 1918 with the Kent State Bank at Kent, Minn.

## Fargo Promotion

Jack Evje was advanced to manager of the time pay department of The Merchants National Bank & Trust Company of Fargo to succeed K. H. Hermanson as announced by A. K. Simpson, president. Mr. Hermanson, who has been with the bank for the past 11 years, resigned to join the Bank of the West at Bellevue, Wash. Mr. Evje, a native of Shelly, Minn., has been with the bank since 1949. He served two years at the First Merchants and Farmers Bank of Cavalier as assistant cashier and returned in 1960 to the Merchants National to join the time pay department, where he has been serving as assistant vice president and assistant manager.

## Joins Minot Staff

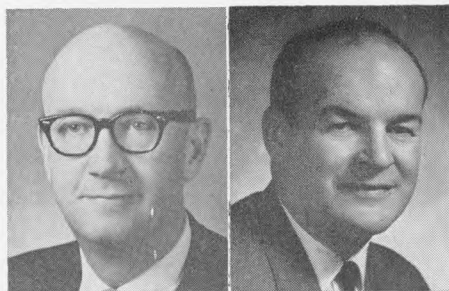
Curtis G. Seibel has joined the Union National Bank as a management trainee. The Union National cooperates in the fellowship program sponsored by the First Bank System of which it is an affiliate. Mr. Seibel is an honor graduate of Minot State College with a degree in mathematics.

## New Building at Velva

Bids were opened last month for construction of the new building for the Peoples State Bank of Velva. The old bank building is being demolished and the new one-story building will occupy the same site plus an additional lot. Occupancy of the new building is slated for late fall. Mrs. A. S. Kumm is president of the bank; A. R. Kumm is vice president and cashier; Richard Lysne, vice president, and Mrs. Louise Roebuck, assistant cashier.

## Convention Dates Set

The North Dakota Bankers Association Executive Council has set the dates of May 14, 15 and 16, 1969, for



the 84th Annual Convention to be held in Minot, with headquarters at the Clarence Parker Hotel.

The 1968 Group Meeting dates were also set for October 8 at Devils Lake, October 9 at Williston, October 10 at Dickinson, and October 11 at Jamestown.

## Named "Boss of the Year"

Robert D. Harkison, president of First National Bank in Fargo, was recently named Boss of the Year at the annual Fargo Jaycees Boss of the Year banquet.

Mr. Harkison has been active in many civic projects in Fargo for a number of years.



R. D. HARKISON

## State Sets New Titles

H. L. Thorndal, Jr., state examiner for the State of North Dakota, has announced new and more descriptive titles for personnel assigned to his department, which is charged with the responsibility for bank examinations. Previously, personnel had the title of deputy examiner or assistant deputy examiner.

The complete list of personnel now assigned to the state examiner's office follows, and Mr. Thorndal states that all mail should be addressed to any one of these persons at the headquarters office—Office of State Examiner, State of North Dakota, 1301 State Capitol, Bismarck, N. D. 58501. They are:

H. L. Thorndal, Jr., state examiner.  
G. W. Ellwein, chief deputy examiner.  
R. E. Keim, senior bank examiner.  
Victor Abraham, bank examiner.  
H. C. Boyd-Snee, bank examiner.  
Herbert Emter, bank examiner.  
Walter Heinle, deputy bank examiner.  
Gary Brunsvold, ass't deputy bank examiner.  
Manley Malmstad, ass't deputy bank examiner.  
Eric B. Moody, ass't deputy bank examiner.  
Carol G. Swanson, ass't deputy bank examiner.  
Clarence Vetter, ass't deputy bank examiner.  
E. P. Dorgan, credit union examiner.  
Alf T. Hager, small loan division supervisor.  
Charles W. Buechler, small loan examiner.  
R. A. Hoel, senior political subdivision examiner.  
Glenn L. Lund, senior county examiner.  
George Golz, county examiner.  
W. Jansen, county examiner.

Lucille McMahan, ass't county examiner.  
Stella Van Dyke, ass't county examiner.  
Hollis Bjertness, municipal examiner.  
Edward Kurle, municipal examiner.  
Donald Herner, ass't municipal examiner.  
Gayle L. Syverson, ass't municipal examiner.  
E. R. Brostrom, office supervisor.  
Donna Doll, report clerk & stenographer.  
Imogene Irvine, report clerk.  
Hardis Kupfer, report clerk.  
Margaret LeRoy, report clerk.  
Violet Sailer, report clerk.

## American National, Chicago, Elects Two New Directors

Robert E. Straus, chairman of the board, American National Bank and Trust Company of Chicago, has announced the election of two prominent Chicago executives to the bank's board of directors: Culver J. Kennedy, vice president, Sears, Roebuck and Company, and Charles R. Orem, president, Armour and Company.



C. J. KENNEDY

C. R. OREM

A director of both Sears and Allstate Insurance, Mr. Kennedy is in charge of the giant retail company's entire midwestern region responsible for retail and catalog operations in an 11-state area.

Mr. Orem joined Armour in 1964 as vice president and controller. He was advanced to financial vice president in 1965, and was elected president earlier this year.

## Ernest Arbuckle Elected Chairman of Wells Fargo

Ernest C. Arbuckle, 55, was elected chairman of the board of Wells Fargo Bank, San Francisco, last month.

Mr. Arbuckle assumes his new position with the nation's 11th largest bank in July, at which time he relinquishes his position as dean of the Stanford Graduate School of Business. He continues for the time being as board chairman of the Stanford Research Institute.

Mr. Arbuckle succeeds former chairman H. Stephen Chase, who retired May 31.

Richard P. Cooley, president and chief executive officer of Wells Fargo, said that he and Mr. Arbuckle will work as a "team" in running the \$5 billion bank. He said that Mr. Arbuckle's background will be of particular help to the bank in areas such as corporate planning, international and personnel.



# Put your finger on 5 money market centers- with 1 call!

As the nation's only bank with offices in all three Pacific Coast states, only The Bank of California dials you in on this multi-convenient, multi-money market. Thanks to our exclusive tri-state charter, we are able to operate direct offices in California, Oregon and Washington. So with just one phone call to any of our regional investment centers in San Francisco, Los Angeles, Portland, Seattle or Tacoma, you get direct and immediate action on your investment requirements.

The Bank's unique awareness of Pacific Coast investment requirements, plus the



three-hour advantage of West Coast operations, led us to establish the first Money Market Center in the West.

These remarkable features have made us a leader, among banks west of the Mississippi, in the issuance

of prime commercial paper.

With direct banking offices in all three Pacific Coast states, we provide an active primary and secondary market in municipal bonds.

Add our U.S. Government and U.S. Agency bond section, and the national and international coverage achieved with the opening of our New York office in 1966 to our investment services roster, and you come up with the West's only "one call" phone number. If ours is the type of service and action you want, dial any of the numbers listed below. Keep five major money market centers at your fingertip.

## *The* **BANK**

### **The Bank of California - The Bank**

National Association  
California Oregon Washington

Head Office: 400 California Street, San Francisco, 765-0400  
Southern California Headquarters: 550 South Flower at Sixth, Los Angeles, 626-0311  
Portland: 330 S. W. Sixth Avenue at Stark, 228-8281  
Seattle: 815 Second Avenue, 623-8500  
Tacoma: 1011 Pacific Avenue, 383-2571

Member Federal Deposit Insurance Corporation





**OFFICERS** of the Wyoming Bankers Association for the coming year are pictured here with Jackson Lake and the towering, snow-capped Tetons for a backdrop. They are (left to right): Seated—**Max E. Fisher**, pres., and **R. S. (Sam) Allen**, v.p. Standing—**Max C. Robinson**, past pres.; **E. J. "Woody" Haines**, secy., and **Felix Buchenroth**, treas.

## **Max Fisher Named President of Wyoming Bankers Association**

By **BEN HALLER, JR.**  
Editor

**A**PPROXIMATELY 350 bankers and their wives attended the 60th annual convention of the Wyoming Bankers Association at scenic Jackson Lake Lodge in Moran. They enjoyed beautiful weather, an excellent program and the usual friendly Wyoming atmosphere that prevails at their state conventions.

Max E. Fisher, president of First National Bank, Laramie, was advanced to the presidency of the association,

succeeding Max C. Robinson, executive vice president of Star Valley State Bank, Afton. The new vice president of the WBA is R. S. Allen, president of Shoshone-First National Bank, Cody, and the new treasurer is Felix Buchenroth, Jr., president of Jackson State Bank, Jackson. The executive council reappointed E. J. (Woody) Haines to a third term as secretary. He is executive vice president of First National Bank, Laramie.

Mr. Robinson was elected a member of the nominating committee for the A.B.A. convention in Chicago this fall. Elected alternate member of the committee was John W. Hay, Jr., president of Rock Springs National Bank, Rock Springs.

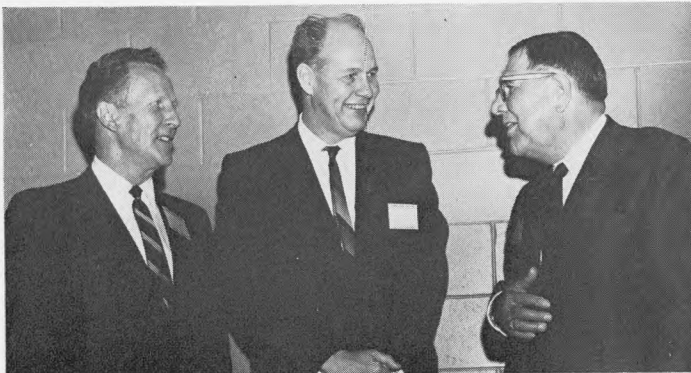
The third annual WBA Golf Tournaments for men and women were held Thursday, June 13. The annual indoor picnic that evening was up to the usual high standards of food, hospitality and dancing.

At the first business session, on Friday morning, bankers who might have thought they were getting the usual "Chamber of Commerce" address of welcome from Mr. Buchenroth soon learned they were instead getting a most enthusiastic, first-hand report on the beauty and wealth of Wyoming from one of the state's strongest supporters.

"Full Dimensions of Tourism" received more detailed treatment from Art Bazata, president of the Yellowstone Park Company, who told the audience that dollars and cents are not the only factors involved in tourism. He explained his viewpoint that tourism in the United States offers Americans, as well as visitors from foreign countries, an opportunity to see how this nation really lives and works, and promotes better understanding among people of all social and national groups.

Robert W. Frisby, vice president of the First State Bank, Cody, made a strong plea for Wyoming bankers' support of the A.B.A. Committee for Economic Education. The benefits of this program to all communities was outlined by Mr. Frisby in a special report given to each member present.

Dwight Bonham, state examiner for Wyoming banks, made a brief report on the banking department, and also voiced his request for more widespread support and interest in affairs of the National Association of Supervisors of State Banks.



**LEFT**—**Max E. Fisher**, new pres. of the WBA; **Dr. Theodore A. Anderson**, consulting economist, Western Bancorporation, Los Angeles, and **Jack T. Conn**, immed. past pres. of the American Bankers Assn., and chmn., Fidelity Natl. B&T, Oklahoma City, Okla. **RIGHT**—**R. W. Yates**, v.p., Chase Manhattan Bank, N. Y.; **Mrs. (Pauly) Yates**; **Wm. J. Connellan**, asst. treas., Chase Manhattan; **Mrs. Withrow** and **James Y. Withrow**, exec. v.p., Bank of Commerce, Sheridan.





LEFT—Gary Breeze, a.v.p., 1st Natl. of Denver, and Tom Gleason, pres., 1st Natl. of Fort Collins. RIGHT—Jay Bordewick, v.p., U. S. Natl., Omaha; Vernon T. Delgado, chmn., 1st Natl., Pinedale, and Mrs. Delgado.



LEFT—Royce Clark, v.p., 1st Natl. of Denver; Mrs. Guthrie and John A. Guthrie, Jr., pres., Bank of Laramie. RIGHT—James M. Schneider, v.p., Midland Natl., Billings, and Mrs. Schneider; Mrs. Paradise and Robert S. "Cam" Paradise, v.p., 1st Natl. City, N. Y.

Dr. Theodore A. Anderson, consulting economist for Western Bancorporation, Los Angeles, talked about the "Outlook for Bank Profits," specifically as the subject applies to Wyoming banks. He expects Wyoming net farm income will not increase this year due to cost increases; mining, oil and gas production are expected to grow in the near-term outlook; tourism should take an upward swing, and Wyoming personal income is forecast to rise by \$250 million over the next five years to the \$1.2 billion level.

He said the ratio of earning assets to total deposits for Wyoming banks in 1967 was 90 per cent and if this could be increased to 95 per cent the gain would be about 15 per cent in earnings. He discussed the importance of liquidity, stating that "cash assets equal to 13 or 14 per cent of total assets might be adequate to handle legal and liquidity requirements. Dr. Anderson also mentioned the possibility of improving bank profits with new services, such as economic and financial counseling,

data processing for customers and credit cards.

Jack T. Conn, immediate past president of the A.B.A. and chairman of Fidelity National Bank & Trust Co., Oklahoma City, Okla., made a strong plea for strengthening of the dual banking system and took the Federal Reserve Board to task for allowing the situation to deteriorate. His remarks are reported in greater detail in a special feature else where in this issue.

The convention officially concluded at the Saturday morning session with committee reports and election of new officers.—End.

### Attend Group III Meeting

Approximately 200 persons attended the Group III Southern Wyoming Bankers meeting held recently in Rawlins.

Officers elected included Jim Rust, Cheyenne—president; Ted Ernst, Cheyenne—vice president, and Elmer Erickson, Rawlins—secretary-treasurer.

### Bank Hosts Breakfasts

The Security State Bank, Basin, recently entertained businessmen of Basin and Greybull at separate breakfasts in their continuing program to introduce BankAmericard to this area.

According to Ray Faure, executive vice president, the breakfasts were well attended.

### Named American Specialist

The Jackson State Bank has named Laurene Sinn, teller, as BankAmericard specialist, to supervise all BankAmericard activities in Jackson.

Other bank officials involved in the BankAmericard program are Winona Flower, assistant cashier; Howard J. Baker, loan officer; Pat Martin, teller; Helen Fleming, bookkeeper, and Betty Jones, teller.

### Retires at First National

Mrs. Sietscke Breakey was honored recently at a retirement by employees of the First National Bank, Greybull. She has been employed by the bank in the bookkeeping department.





**NEW OFFICERS** of the Montana Bankers Association for 1968-69 are (from left to right): **Erwin P. Frizelle**, pres., First Metals B&T Co., Butte, 2nd vice pres.; **A. M. Greenshields**, exec. v.p., 1st Natl. Bank, Browning, 1st vice pres.; **J. Dewey Street**, chmn., Sec. B&T Co., Bozeman, pres., and **R. C. Wallace**, secy.-treas., Montana Bankers Assn., Helena.

### At Montana Convention

## **Rep. Wilbur Mills Speaks After House Passage of Tax Bill**

**J. D. Street, Bozeman, Elected New President**

By **JAMES K. FREELAND**  
*Associate Editor*

**T**HE appearance of The Honorable Wilbur D. Mills at the Montana Bankers convention just one day after the passage of the tax bill in the House of Representatives highlighted the outstanding annual meeting held last month at Many Glacier Hotel in Glacier Park. The efforts of the Asso-

ciation officers and good luck combined to bring the House Ways and Means Committee Chairman to the convention at such a prime time. Representative Mills delighted the standing-room-only audience with his timely remarks, Arkansas wit, and gracious manner. Defending his han-

dling of the tax bill, he said that the tax increase would have been meaningless without cuts in federal spending. He pointed out that without the tax increase, the anticipated budget deficit for 1968 would have been close to \$32½ billion, with a similar figure predicted for 1969. These enormous deficits he termed intolerable, and said that the tax measure, spending cuts and ceiling on federal expenditures should hold the budget deficit to \$5-7 billion, cool the overheated economy and slow inflation. Accompanying Mr. and Mrs. Mills were The Honorable James F. Battin, representative from Montana and his wife. Mr. Battin, a member of the House Ways and Means Committee, spoke briefly before introducing Mr. Mills.

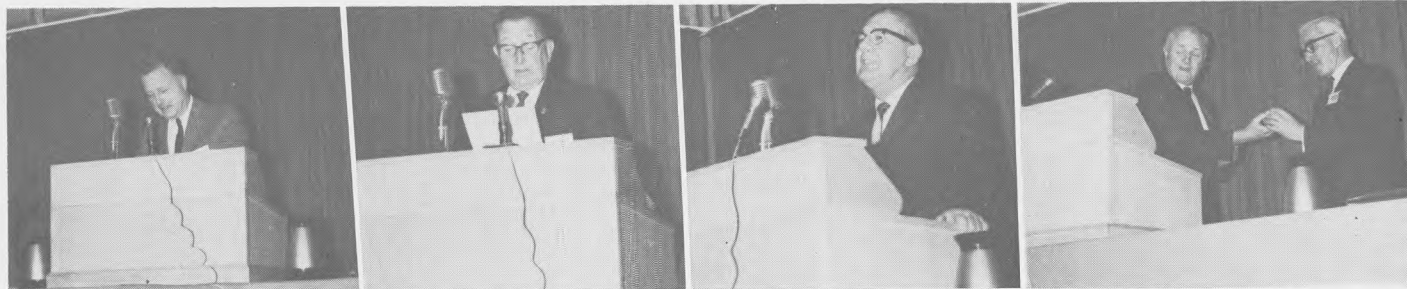
**J. Dewey Street**, chairman of Security Bank & Trust Company in Bozeman, was elected president of the association for the 1968-69 year, succeeding **John E. Tenge**, president of Midland National Bank, Billings.

**A. M. Greenshields**, executive vice president of First National Bank, Browning, was elected first vice president of the association. **E. P. Frizelle**, president of First Metals Bank & Trust Company, Butte, was elected second vice president, and **R. C. (Bob) Wallace**, Helena, continues as secretary-treasurer.

Approximately 500 persons attended the 65th annual convention at Many Glacier Hotel. The Swiss-like hotel, located on the edge of Swift Current Lake, is surrounded by towering mountains on three sides. The convention opened with the third annual golf tournament, held this year at Waterton Lake, and on the opening evening a social hour in honor of President John E. Tenge was sponsored by The Midland National Bank, Billings, First Metals Bank & Trust Co., Butte, First National Bank, Great Falls, and First National Bank & Trust Co., Helena.

### **President's Address**

Association President Tenge opened the formal sessions of the convention with a call to bankers to become actively involved in the affairs of the



**PICTURED** at the rostrum during the convention proceedings were (from left to right): **John R. Borchert**, prof. of geography, University of Minnesota; **Theodore Jacobs**, chmn., 1st Natl. Bk., Missoula, and chmn. of resolutions committee; **The Hon. Wilbur D. Mills**; Past Pres. **A. S. Brubaker** presents outgoing Pres. **Tenge** with gift from the association.

**Northwestern Banker, July, 1968**

Association, and he stressed the need for Montana bankers and the Association to work harder for industrial development in Montana. Pointing out the need for a strong state organization, Mr. Tenge said that in order for banks to survive challenge and stiff competition, banking must do such a good job that customers will not look elsewhere, and he stressed the need for innovation and aggressiveness.

In the area of industrial development, President Tenge suggested the possibility of a blue-ribbon committee of bankers to assist the governor and the state industrial planning committee. He voiced concern over Montana's poor showing in the area of incentives for industry as compared to that of other states. Citing Colorado's good

experience in the field of business development, Mr. Tenge suggested the creation of a Montana Business Development Corporation to provide investment risk capital, and urged the Association and bankers to consider supporting a legislative effort of this sort.

\* \* \*

*At the meeting of the members of the American Bankers Association J. Dewey Street was elected as a member of the Nominating Committee to serve at the ABA 1968 Convention in Chicago. Elected as alternate was A. M. Greenshields.*

\* \* \*

Leon Johnson, president of Montana State University, addressed the convention on the topic of conflict in

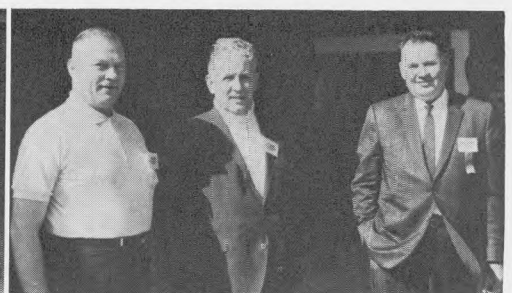
modern society and in particular analyzed the role and actions of students today. John Borchert, professor of geography, University of Minnesota, presented recent findings in relation to the Upper Midwest Economic Study of the 1950's, and expressed optimism concerning the survival and evolution of small towns.

#### Agricultural Lending

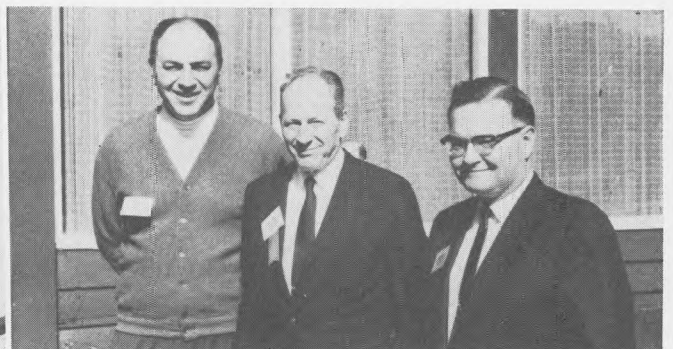
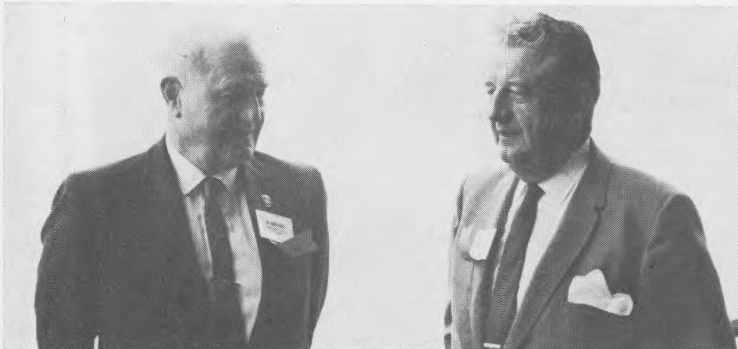
Walter W. Minger, vice president, Bank of America, San Francisco, discussed the situation of the farmer today, and made several suggestions for operating in the increasingly competitive field of agricultural lending. The following were mentioned by Mr. Minger as being elements in good banking practices in relation to agri-



LEFT—Dr. Paul Nadler, Graduate School of Business Admn., New York University, N. Y. C., pictured during his talk to the convention. RIGHT—Pres. Tenge and Secy.-Treas. Wallace confer during speech by Montana State University Pres. Leon H. Johnson.



LEFT—A. M. Greenshields (left), exec. v.p., 1st Natl., Browning, confers with guest speaker Walter W. Minger, v.p., Bank of America, San Francisco. CENTER—Enjoying warm sunshine are (from the left): B. W. Gilmore, exec. v.p., and Rudy Polish, pres., Deer Lodge Bk. & Tr. Co., Deer Lodge. RIGHT—(from left): J. D. Cleary, a.v.p., American Natl. Bk. & Tr. Co., St. Paul; C. P. Moore, sr. v.p., Great Falls Natl. Bk., Great Falls, and V. E. Hendershott, pres., Montana Bank, Great Falls.



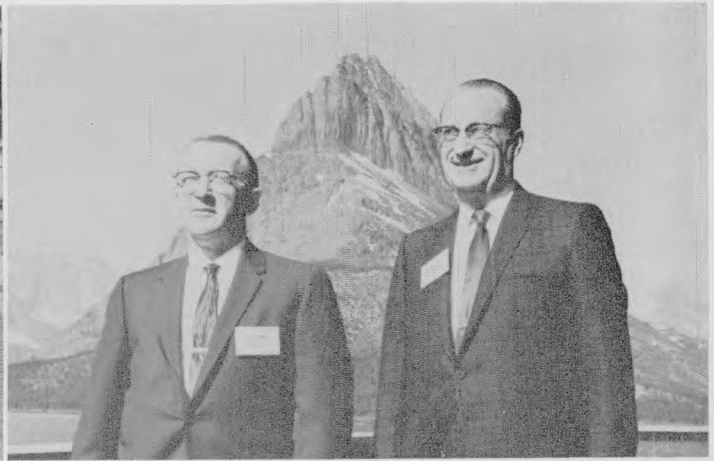
LEFT—Albert S. Brubaker (left), pres., State Bk. of Terry, Terry, and George S. Henry, v.p., First Natl. Bank, Minneapolis, during an early morning chat. RIGHT—(from left): Edward L. Kalafat, a.v.p., First Natl. Bank, Minneapolis; W. L. Boss, v.p., 1st Natl. Bk. of St. Paul, St. Paul, and Richard C. Heiber, a.c., Fed Res. Bk., Helena.

Northwestern Banker, July, 1968





**ADMIRING** an arrangement of flowers in the lobby of Many Glacier Hotel are: **A. S. (Barney) Gullickson**, a.v.p., First Bank Stock Corp., Minneapolis, and **Mrs. John E. Tenge**, wife of Montana Bankers President Tenge of Billings. **RIGHT**—**The Hon. James E. Battin** (right) (R.-Mont.) presents guest speaker **The Hon. Wilbur D. Mills** (D.-Ark.) with a gift from the association.



**LEFT**—Pictured during a break in the convention sessions are (1. to r.): **J. H. Dion**, chmn., Union Bk. & Tr. Co., Helena; **Mrs. Dion**; **Mrs. A. T. Ellis**, wife of **Tony Ellis**, v.p., 1st Natl. City Bank, N. Y. C.; **W. B. Andrews**, pres., Union Bk. & Tr. Co., Helena. **RIGHT**—(1. to r.): **Ellis Jones**, pres., 1st Natl. Bank, Wibaux, and **Harold Pitts**, pres., Miners Bk. of Montana, Butte, enjoy the view from the hotel balcony.

cultural lending: 1. Formulate an agricultural lending policy. 2. Recruit and train officers who are interested in farm lending. 3. Continually review operating practices. 4. Flow out the funds on an "as needed" basis. 5. Make a package of ag lending, to get the maximum amount of business from your customers. 6. Gear your term financing to the farmers needs. Mr. Minger said that better cash flow and increased return on investment are the goals to be achieved in agricultural lending, and he further advised getting to know the younger people, those who will be running the farms 10-15 years from now.

\* \* \*

Union Bank & Trust Company, Helena, sponsored the social hour of the second night, and the after-dinner party was sponsored by the Associate Members.

**Paul Nadler Captivates Audience**

Dr. Paul Nadler, professor of finance, New York University, entirely capti-

**Awards \$500 Scholarships**



**COLLEGE BOUND**—Security Trust & Savings Bank, Billings, has awarded \$500 college scholarships to an outstanding senior from each of the three Billings high schools. Scholarship award winners being congratulated by **R. M. Waters**, chmn. of the bank board, are (from left): **Susan Hennessy**, West High School; **David Jochim**, Central High School, and **Walter Nelson**, Senior High School.

vated the audience of bankers on the final day of the convention with his address concerning the outlook for banking and the economy. The knowledgeable and hilarious Mr. Nadler pointed out that the American economy is strong and that most Americans are living better than ever. He had high regard for the surtax bill but warned that it is not the whole answer. He advised correcting our balance of payments problem to restore confidence in the dollar, and predicted that within a few years our gold situation would again be healthy.

In looking at the prospects for banking, Mr. Nadler said that the tougher demand deposit situation and the competitive loan environment were forcing changes in banking. He indicated that small banks are in a good position for the future because they have good customer loyalty, but he again warned that these banks must do the job of meeting their customers needs or they will lose out to increasing competition. \* \* \*

Carl Byers of the General Motors speakers bureau concluded the address with a motivational message.

**Resolutions**

Theodore Jacobs, chairman, First National Bank, Missoula, and chairman of the resolutions committee presented a number of resolutions to the convention which were then approved. Among the resolutions presented was one extending an invitation to the Bank Administration Institute to hold their 1970 convention in West Yellowstone, Montana.

The Ladies Entertainment Committee was made up of Mrs. John E. Tenge, chairman, Mrs. Fred Marble, Jr., Mrs. A. E. Omdahl and Mrs. Warren F. Vaughan.

Next year's Montana Bankers Association convention will be held June 19-21 at Jackson Lake Lodge in the Grand Tetons, Jackson, Wyoming.

**Named Bank Director**

J. W. Connelly, president of First Westside National Bank, Great Falls, has announced the election of Leo P. McMeel to the bank's board of directors. He will succeed Dr. George Morrison, who has resigned to move to Scottsdale, Ariz.

Mr. McMeel is a graduate of Gonzaga University, Spokane, Wash., and for the last 13 years has been associated with the Flynn Insurance Agency. He currently serves as vice president.

**Bank Quarters Complete**

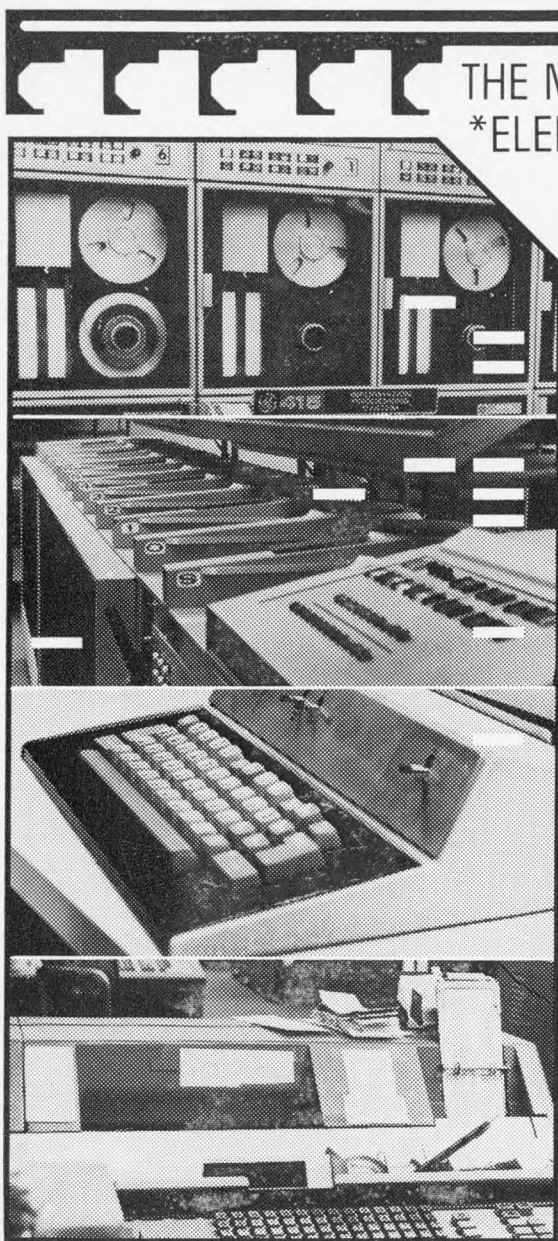
Erwin P. Frizelle, president of First Metals Bank and Trust Company, Butte, has announced that the bank's new facility, which has been under construction for the past year, is now completed.

The new bank quarters contain 18,600 square feet of floor space, in addition to providing customer parking for 26 automobiles and four drive-in windows. Cost of the new building, which is located directly east of the old bank building on the corner of Park and Main Streets, is \$1,000,000.

Grand opening was held for the public on June 29.

**Awards Scholarships**

The Midland National Bank of Billings has awarded two \$50 scholarships to two outstanding graduating seniors of Billings high schools. They are Linda Marie Schaff and Ralph Kristian. Both will be attending Montana colleges this fall.



THE MOST IMPORTANT  
\*ELEMENT IS MISSING  
FROM THESE  
PICTURES

**\*THE HUMAN  
ELEMENT**

Computers, data processors and other electronic methods of filling your correspondent bank needs make life much simpler and more efficient.

But machines without people are still just machines. It's the people of The First's Correspondent Bank Department who supply the knowledge, perception and total service which make the computers so effective.

**They were doing it a long time before computers.**

**They're doing it even better with computers.**



*...first  
of all!*



**The First National Bank  
of Denver** 17th and Welton • 266-2211

*The bank that never lets you down!*

Northwestern Banker, July, 1968



# Colorado News

D. E. SCOTT President Steamboat Springs



## Bank Holding Company Gets OK

**T**HE First National Bancorporation, Denver, has received approval from the Federal Reserve Board of its application to become a bank holding company through the acquisition of voting shares of four Colorado banks.

The holding company will acquire 67 per cent or more of the voting shares of the First National Bank of Denver, the largest bank in Colorado, which had deposits of \$465,236,676 as of March 31, 1968.

It also will acquire 51 per cent or more of the voting shares of the First National Bank of Bear Valley, with deposits of \$6,244,240; the First National Bank of North Glenn, with deposits of \$6,501,713; and the First National Bank of Southglenn, with deposits of \$3,241,273. The latter three banks are located in Denver area shopping centers and serve suburban communities.

Stockholders of the four banks will be offered the right to exchange their shares for shares of the First National Bancorporation.

The exchange ratio—in round figures—will be: 2.86 shares of holding company stock for each share of the First National Bank of Denver; .11 share for each share of the First National Bank of Bear Valley; .11 share for each share of the First National Bank of North Glenn; and .65 share for each share of the First National Bank of Southglenn.

The holding company is a Colorado corporation. Incorporators are four officers of the First of Denver: Montgomery Dorsey, chairman of the board; Eugene H. Adams, president; Lee C. Ashley, senior vice president and cashier, and Bruce D. Alexander, senior vice president.

### Complete Sale by July 1

Sale of the Union National Bank to the newly organized United National Bank (U.N.B.) Corporation is expected to be completed by July 1, according to H. O. Murray, bank president.

The U.N.B. Corporation is being organized by the various Vickers

trusts of Wichita, Kan., for investment purposes.

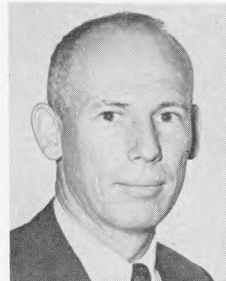
Contract for purchase of at least 82 per cent of the bank's 60,000 shares of outstanding stock by the trusts has been signed and a cash payment placed in escrow with the First National Bank of Denver.

The offer is for approximately \$38.33 per share for the stock. Total purchase price if all shares are tendered would be \$2.3 million.

Mr. Murray said he has agreed to remain with the bank for three years. Other officers and bank personnel are to remain under the new ownership, with the exception of H. F. Huffine, senior vice president and cashier, who had already announced his plans to retire soon.

### Ist of Denver Promotions

The First National Bank of Denver board of directors at its June 19 meeting advanced seven officers and named six new officers.



J. F. FALKENBERG

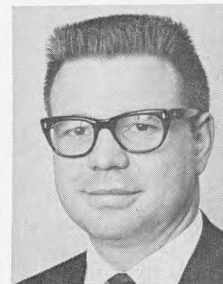
John F. Falkenberg, Ronald C. Harris and Bryan J. Williams were promoted to vice presidents from assistant vice presidents.

John R. McNeil, Donald Martin, Robert B. Spindle and Jerome B. Woods, Jr. were advanced from assistant cashiers to assistant vice presidents.

Named assistant cashiers were Richard A. deRusha, Verlyn E. Wolf, Jerry



R. C. HARRIS



B. J. WILLIAMS

D. Wrench and Robert J. Wyatt.

Newly elected assistant trust officers are Howard T. Alexander and Kenneth Penland.

Mr. Falkenberg and Mr. Williams are in the real estate department. Mr. Harris is manager of data processing.

### Named to New Public Affairs Department

A newly-created public affairs department has been added to the marketing division of the Denver U. S. National Bank. William L. Funk, formerly trust marketing officer, has been appointed public affairs officer to head the activities of this new department.

A nine year bank veteran, Mr. Funk is a graduate of the University of Oklahoma. Since 1959, he has served in various capacities in the bank, including corporate trust administrator and trust marketing manager. He is a member of the Denver Chamber of Commerce.

### Joins Tulsa Board

Ernest B. Miller, Jr., president and director of Skelly Oil Company, has been elected to the board of directors of the First National Bank and Trust Company of Tulsa, it has been announced by F. G. McClintock, chairman of the board and chief executive officer.

### "Miss Downtown"



**SALUTE WEEK**, honoring women working in downtown Kansas City, was highlighted with the crowning of the first Miss Downtown Kansas City. **Miss Beverly A. Pernot**, a secretary for First National Bank of Kansas City, was chosen from a field of contestants by more than 500 guests at the coronation ceremonies to hold the title for one year. Miss Pernot has been with First National for several years.

*They're moving in!*



## Send us your Grain Drafts!

Hopefully...another bumper crop is in the making in the lush fields of the Middle West. The combines are headed North, and the time for grain drafts will soon be here.

That's one more area in which U.S. National

works closely with banks and bankers in this part of the country. We can help you process your customers' grain drafts with the same speed and efficiency you expect on all other collection and transit items through U.S.

All the services of U.S. National are yours for a phone call...341-8765, Omaha



**JAY BORDEWICK**  
Vice President



**HOWARD NIELSEN**  
Assistant Vice President



**EVERETT BROWN**  
Assistant Cashier



**JESS ZIMMERMAN**  
Assistant Cashier

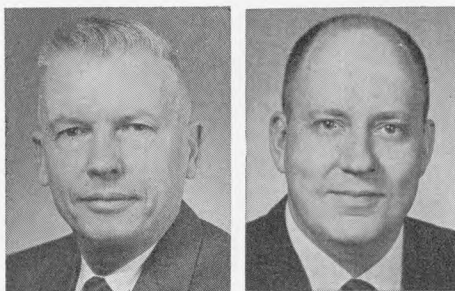
Member F.D.I.C.





# Nebraska NEWS

H. GRAMANN, JR. President Adams  
W. H. OSTERBERG Exec. Mgr. Omaha



## NBA Committees Are Appointed

APPOINTMENTS to 10 standing committees of the Nebraska Bankers Association have been announced by NBA President Henry Gramann, Jr., executive vice president of the Adams State Bank, Adams. Names of those appointed are:

### COMMITTEE ON GRANTS-IN-AID

- Group  
4 M. R. MORGAN, chairman; president, First National Bank, Elmwood.  
1 CARL E. SCHNEIDER, executive vice president, Geneva State Bank, Geneva.  
2 CARL MOSTROM, president, Farmers & Merchants Bank, Ceresco.  
3 RICHARD E. ADKINS, cashier, Osmond State Bank, Osmond.  
5 L. S. JOHNSON, president, Seven Valleys State Bank, Callaway.  
6 THEODORE KING, president, Sioux National Bank, Harrison.  
† BURNHAM YATES, president, First National Bank & Trust Co., Lincoln.  
\* J. A. IRVING, president, First West Side Bank, Omaha.

### COMMITTEE ON AGRICULTURE

- Group  
2 ROBERT L. VOSS, chairman; senior vice president, First National Bank & Trust Co., Fremont.  
1 JOHN L. LEWIS, vice president, Bank of Peru, Peru.  
3 JOHN P. OLSON, vice president, The Delay First National Bank, Norfolk.  
4 E. W. EISENHART, president, The Culbertson Bank, Culbertson.  
5 JAMES C. ADAMS, president, Bank of Brady, Brady.  
6 MELVIN H. ADAMS, SR., president, Bank of Brule, Brule.  
† WINTON W. BUCKLEY, vice president, National Bank of Commerce Trust & Savings, Lincoln.  
\* FRANK J. SIBERT, vice president, Stockyards National Bank, Omaha.

### COMMITTEE ON BANK MANAGEMENT

- Group  
4 F. W. JACKMAN, chairman; president, Farmers National Bank, Grant.  
1 RUSSELL M. STRUTHERS, president, The Jones National Bank, Seward.  
3 ELDON G. FREUDENBURG, executive vice president, First National Bank, West Point.  
2 KENNETH HURNER, executive vice president and cashier, Bank of Monroe, Monroe.  
5 CLARK WECKBACH, president, First National Bank, Ord.  
6 L. L. BUTZINE, cashier, Northwestern State Bank, Hay Springs.  
† PAUL J. AMEN, president, National Bank of Commerce Trust & Savings, Lincoln.  
\* RAY E. STANLEY, president, Center Bank, Omaha.

### COMMITTEE ON EDUCATION

- Group  
4 E. B. COSGRIFF, chairman; president, City National Bank, Hastings.  
1 M. C. BONHAM, president, First National Bank, York.  
2 HAROLD QUALSETT, president, First National Bank, Schuyler.  
3 CLARK A. WENKE, president, Pender State Bank, Pender.  
5 GEORGE V. KELLER, executive vice president, Lexington State Bank, Lexington.  
6 JOE HUCKFELDT, president, Gering National Bank, Gering.  
† CHARLES E. KNIGHT, vice president and cashier, Citizens State Bank, Lincoln.  
\* JOSEPH HALLAS, vice president, The United States National Bank, Omaha.

### COMMITTEE ON INSURANCE AND PROTECTION

- Group  
2 LESTER E. SOUBA, chairman; president, David City Bank, David City.  
1 J. R. KENNER, JR., cashier, Thayer County Bank, Hebron.  
3 HILMER I. WIIG, cashier, First National Bank, Bancroft.  
4 D. F. BAILEY, president, Campbell State Bank, Campbell.  
5 DALE STINE, president, North Loup Valley Bank, North Loup.  
6 JIM D. STOCKWELL, president, First National Bank, Bayard.  
† ELLIS C. DANN, vice president and cashier, City National Bank, Lincoln.  
\* CHARLES J. WRIGHT, senior president and cashier, Douglas County Bank, Omaha.

### COMMITTEE ON TRUSTEES AND ESTATES (Elected)

- President.....Robert Chancellor, Vice President First National Bank & Trust Co., Lincoln  
Vice President.....Charles A. Powell, Trust Officer The United States National Bank, Omaha  
Secretary-Treasurer.....Thomas N. Moore, Vice

### COMMITTEE ON LEGISLATION

- Group  
1 DWIGHT L. CLEMENTS, chairman; cashier, American Exchange Bank, Elmwood.  
2 GROVE NELSON, president, Bank of Millard, Millard.  
3 HENRY E. LEY, president, The State National Bank & Trust Co., Wayne.  
4 W. H. CURRY, cashier, Security State Bank, Holbrook.  
5 J. H. OLIVER, president, The Ravenna Bank, Ravenna.  
6 H. J. MEDLOCK, president, First National Bank, Valentine.  
† KARL E. DICKINSON, executive vice president, Gateway Bank, Lincoln.  
\* J. M. HART, JR., president, North Side Bank, Omaha.  
4 M. R. MORGAN, NBA past president, president, First National Bank, Elmwood.  
Legislative Subcommittee on Trusts and Estates  
ROBERT S. HINDS, chairman; vice president & senior trust officer, National Bank of Commerce Trust & Savings, Lincoln.  
HOWARD A. CHAPIN, vice president & senior trust officer, First National Bank & Trust Co., Lincoln.  
THOMAS N. MOORE, vice president, The Omaha National Bank, Omaha.  
ROBERT E. JOHNSON, JR., trust officer, First National Bank, Omaha.  
H. DAVID NEELEY, vice president, The United States National Bank, Omaha.

### COMMITTEE ON INSTALLMENT CREDIT

- 5 R. K. JOBES, chairman; assistant vice president, First National Bank, Grand Island.  
1 JOHN A. FAUBER, vice president, First National Bank & Trust Co., Beatrice.  
2 PAUL W. ABEGLLEN, vice president & cashier, Citizens Bank & Trust Co., Columbus.  
3 THEODORE L. BAHE, assistant cashier, The State National Bank & Trust Co., Wayne.  
4 H. D. HUFF, president, Security State Bank, Oxford.  
6 MEL ADAMS, president, Keith County Bank & Trust Co., Ogallala.  
† CHARLES R. LEFFLER, vice president, First National Bank & Trust Co., Lincoln.  
\* D. W. RYAN, vice president, First National Bank, Omaha.

### COMMITTEE ON GROUP INSURANCE AND PENSIONS

- Group  
2 THOMAS J. MILLIKEN, chairman; presi-

dent, The Fremont National Bank, Fremont.  
1 MELVIN M. JENNINGS, JR., president, Jennings State Bank, Davenport.  
4 KENNETH W. FRERICHS, cashier, State Bank of Hildreth, Hildreth.  
3 G. E. GUNDERSON, executive vice president, Commercial State Bank, Wausa.  
5 G. W. TAYLOR, president, McDonald State Bank, North Platte.  
6 WAYNE KJELDGAARD, vice president, Farmers State Bank, Big Springs.  
† EMERY R. PONT, executive vice president, Havelock National Bank, Lincoln.

### COMMITTEE ON PUBLIC RELATIONS

- Group  
† A. B. (JACK) GOODWIN, chairman; assistant vice president, National Bank of Commerce Trust & Savings, Lincoln.  
1 K. N. BARNARD, cashier, Farmers & Merchants Bank, Milligan.  
2 JAMES I. BLACK, executive vice president, Genoa National Bank, Genoa.  
3 J. E. DENNIS, cashier, Nebraska State Bank, Bristow.  
4 M. H. MORET, vice president & cashier, Farmers State Bank, Superior.  
5 DALE WALKENHORST, executive vice president, First National Bank, North Platte.  
6 DALE M. ADAMS, president, First State Bank, Scottsbluff.  
\* Don V. Newberg, assistant vice president, Southwest Bank, Omaha.  
\*—Indicates Omaha.  
†—Indicates Lincoln.

### John Wilson

John Wilson, who retired in January from Peoples State Bank, Wolbach, has died at the age of 74. He was formerly executive vice president

### Institute Elects Officers

Ninety-two bankers from southeastern Nebraska counties met at the Cornhusker Hotel in Lincoln last month for the annual meeting and election of officers of the Cornhusker Chapter of Bank Administration Institute (formerly NABAC).

The following men were elected to lead the chapter for the coming year which begins July 1: president, Paul R. Scott, vice president National Bank of Commerce Trust & Savings Association, Lincoln; vice president, C. G. "Kelly" Holthus, vice president and cashier, First National Bank, York; treasurer, Roy Stubbendick, vice president, First National Bank in Exeter, Exeter; secretary, L. W. "Gene" Bortz, president and cashier, The Bank of Panama, Panama.

The outgoing president of the organization, R. J. Fiala, vice president, First National Bank, Wahoo, will serve this coming year as a member of the board of directors. Also serving on the board of directors will be Ken Barnard, cashier, Farmers & Merchants Bank, Milligan, and Merlin H. Minderman, vice president, Gateway Bank, Lincoln. Both are also past presidents of the organization.

The Bank Administration Institute is the largest technical banking organization in the world, with a broad range of technical, research and educational activities serving bank auditors, comptrollers, operations officers, personnel managers, and other internal bank administrators.

# Omaha News



**O**PEN house was held June 29 and 30 for the public to inspect the spacious new addition and remodeled original building housing the **First West Side Bank of Omaha**. The bank was chartered June 27, 1955, at which time the new quarters consisting of 5,000 square feet were occupied. Just 13 years later, at the time of open house to display the completed expansion program, First West Side Bank showed total deposits of \$23,000,000.

The new three-story addition with full basement was constructed immediately behind the original building, starting in November, 1966. The entire structure is in the same style of architecture so that the older building and the new one blend in harmoniously with the exterior of brick, trimmed in gray granite.

The original space that housed the entire bank now is remodeled to ac-

commodate officer personnel. The new banking lobby is round, with the outside wall glass. The grade of land surrounding the new addition made



it possible to install four drive-through windows in the full basement and these replace the two original drive-up windows that were operated before.

The two floors above the main banking lobby are rental space at this time

and are completely occupied. Additional land was purchased to provide parking for 120 automobiles.

One of the main features that had made the original First West Side Bank building so attractive was the tasteful blending of landscaping and lighting. This has been carried out in the new space so that the new quarters are among the most attractive of all commercial enterprises in the busy west side area.

Three attractive water fountains are in the front of the building. Extensive plantings of trees, bushes and flowers further enhance the beauty of the well designed structure.

President of First West Side Bank is **James A. Irving**, who has been managing officer since the bank was chartered. Prior to that he was in the banking business in Minnesota since 1933.

\* \* \*

**Robert A. Anderson** has been promoted to assistant vice president of Center Bank, Omaha. The announcement was made by **Ray E. Stanley**, president of the bank.

Mr. Anderson joined Center Bank in 1959. He has been employed in the installment loan department for six years and since 1961 has been serving as assistant cashier.

\* \* \*

Winners of the Omaha National Bank 12th annual Estate Planning Contest have been announced. First prize went to Mark L. Laughlin; second prize, Jon M. Arntson; third prize, Lyle A. Rodenburg, and fourth prize, Frank C. Heinisch, Jr.

The Estate Planning Contest is one in which a hypothetical estate planning problem is presented to senior law students of Creighton Law School. Judges for this year's contest were: Honorable **Robert R. Troyer**, county judge, Douglas County; **Raymond E. McGrath**, president elect, Omaha Bar Association, and **Thomas C. Quinlan**, executive vice president, Omaha National Bank.

\* \* \*

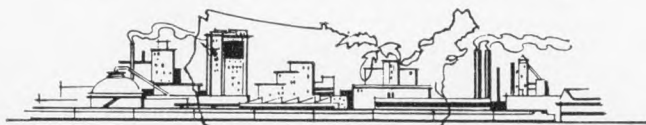
**James J. Fenlon** has been named an Omaha representative for J. Cliff Rahel and Company, Inc., investment bankers.

\* \* \*

**John J. Card** has been appointed manager of the installment loan department at the Packers National Bank.

## MUNICIPAL AND CORPORATE BONDS LISTED STOCKS UNLISTED AND LOCAL STOCKS

★  
*Orders Executed on All Principal Exchanges*



# CHILES & COMPANY

MEMBER, MIDWEST STOCK EXCHANGE

412 Farm Credit Building, Omaha, Nebraska 68102  
Phone 346-6677 (Area Code 402) Teletype 402 348-1040

Other Offices Located in

LINCOLN  
Nebraska

LEXINGTON  
Nebraska

VERMILLION  
South Dakota

YOUR STATE BANKERS ASSOCIATION  
OFFICIAL SAFE, VAULT AND  
TIMELOCK EXPERTS  
**F. E. DAVENPORT & CO.**  
OMAHA



# "Our computer arrangement works slick as a whistle!"



—reports Charles Karpf,  
President, First National Bank,  
Morrill, Nebraska

The First National Bank changed to Western Nebraska Computer accounting on savings and demand deposits last April. Customers like the monthly statements and seem to appreciate the bank's progressive attitude.

"Everybody in our bank does a number of jobs, so we didn't replace anyone when we went to the Omaha National service," Mr. Karpf said.

"But our help leaves the bank now at 3:15.

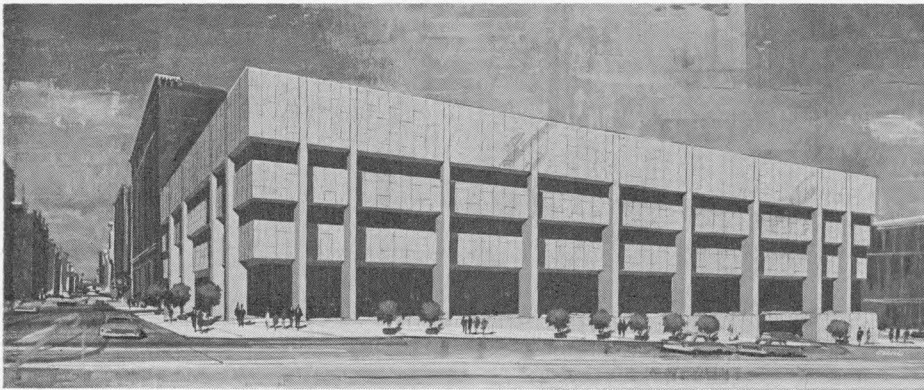
That was never possible before; it sure saves overtime.

"Last summer an emergency required that one of our employees take off for several days at the same time another was on vacation. The computer saved our life. It's great," Chuck Karpf said, in summing up.

Get more facts about The Omaha National Bank computer service. It will save your bank many times the nominal fee. Phone Correspondent Bank Dept., Area 402 341-0100

## THE OMAHA NATIONAL BANK

COMPUTER CENTERS AT: GRAND ISLAND • SCOTTSBLUFF • OMAHA



**WEST SIDE** of the U. S. Natl. Bk. of Omaha's new bank building. In foreground is 20th St.; Douglas St. at left; Farnam St. at right.



**SOUTH SIDE** of U. S. Natl. Bk. of Omaha's new bank building. Farnam St. is in foreground; 20th St. at left.

**P**RESIDENT **Edward W. Lyman** of the United States National Bank of Omaha has announced plans for the construction of a new U. S. National Bank Building. The new structure, to extend from Farnam to Douglas on 20th Street, will be Omaha's largest building devoted exclusively to banking.

The business growth of the U. S. National, Nebraska's oldest bank, has made the present 53-year-old main bank building inadequate, despite several space acquisitions in neighboring buildings over the years.

The new building, "L"-shaped when viewed from above, will cover the full block on 20th Street. It will ex-

tend 154 feet on Farnam and 92 feet on Douglas Street. Approximately 150,000 square feet will be included at a cost of some \$5½ million.

Leo A. Daly Company architects, designers of the new five-level U. S. National building, describe it as "a modern expression of the freedom permitted by today's building technology. The ground floor is the smallest in area. Each of the upper floors is slightly larger in area, resulting in a three-foot overhang at each upper level. This permits more free space at the street level, where the public enters the building. It will relieve congestion, offer shelter and permit plantings and other touches of amen-

ity in the busy downtown area."

The lowest sub-grade level will be a customer parking area for 70 cars.

The motor bank level, accessible from Douglas Street, will have four drive-in windows monitored by television, plus one manned position; a separate entrance from 20th Street will accommodate mail, armored cars and other service deliveries. At this level also will be a major pedestrian entrance from Farnam Street, with escalators to the main banking floor.

The main banking floor will give the appearance of a virtually uninterrupted open space although a number of enclosed office and conference areas will be provided for privacy. It will be served by a major pedestrian entrance on Douglas Street, as well as the escalators from the motor bank level on the Farnam side. In addition, three public elevators and one service elevator will serve all floors.

Principal occupants of the second floor will be the trust division, the customer vault and other customer services.

The third floor is reserved for bank operations such as computer services, electronic data processing bookkeeping and auditing. It also will accommodate an employee lunchroom.

The structural steel frame and mechanical service areas of the building are designed to permit addition of two more floors to the top of the building as space needs may require.

The U. S. National's building plans are subject to final approval by the Controller of Currency and a favorable action by the City Planning Board in response to the bank's petition to close the east-to-west alley which presently bisects the site. Assuming approval, work has been scheduled to begin on or about July 1, 1968, with the installation of a temporary drive-in bank to be installed on the property now occupied by a parking lot on the southeast corner of 20th and Farnam.

Construction by the Hawkins Construction Company will begin this fall as soon as the site is cleared. The new United States National Bank Building is scheduled for completion before the end of 1969.

\* \* \*

**Morris F. Miller**, president of the Omaha National Bank, has announced the election of a new director and the resignation of another. **Robert Bernstein** has been named a director, to replace his brother **David Berstein**. Robert Bernstein is vice president of the Fruehauf Corporation and general manager of the Independent Metal Products Division.

**David R. Ells**, presently with the



*"The Home of Credit Insurance"*

1222 P St., Lincoln, Nebraska 68501



# To Find Out What's in the Cards (First Charge/BankAmericard) For You, Call Bill Henry.



Bill Henry is a card expert. He's marketing officer in charge of marketing and promotion for First National's First Charge/BankAmericard credit card.

First National Bank of Omaha has become affiliated with BankAmericard, the all-purpose, worldwide credit card. If you want to make BankAmericard available to your customers, call Bill Henry. He can show you how it can increase deposits and profits for your bank.



**FIRST  
NATIONAL  
BANK  
OF  
OMAHA**

MEMBER F.D.I.C.

Always the **FIRST** to Serve You.

*Northwestern Banker, July, 1968*

IBM Company in Chicago, has been appointed vice president at the Omaha National. He will be in charge of the data processing division.

**Dr. Gerald E. Gleason** has been appointed second vice president and director of marketing research. He has been an associate professor of marketing management at Creighton University for the past 11 years and a marketing consultant for the bank for nearly a year.

\* \* \*

**Roy A. Brownell**, 78, once associated with the Live Stock National Bank in Omaha, died recently at his home in Boise, Idaho. Mr. Brownell also had served with the Chase-Manhattan Bank in New York and the War Finance Corporation and Reconstruction Finance Corporation in Washington.

\* \* \*

**Robert A. Anderson** has been promoted to assistant vice president of the Center Bank.

Mr. Anderson joined the bank in 1959. He has been in the installment loan department six years and he became an assistant cashier in 1961.

\* \* \*

**Mrs. Mary H. Brown** of the First Charge Account Service has been elected first vice president of the Sixth District, International Consumer Credit Association.

\* \* \*

**Morris F. Miller**, president of the Omaha National Bank, has received the annual B'nai B'rith Americanism Citation from the Henry Monsky Lodge No. 354. The award has been

## Stockyards Tour



**SEN. EUGENE McCARTHY** recently made an unscheduled tour of the Omaha Stockyards. Pictured above is **Donald J. Murphy** (center), pres., Stockyards Natl. Bk., and **Fred Gilmore**, pres., Union Stockyards Co., visiting with the senator, who also made a brief tour of the Stockyards Natl. Bk.

made since 1952 to an Omahan who has "been" of exceptional and meritorious service in community and civil affairs."

\* \* \*

**Charles A. Masilko**, senior vice president, Stockyards National Bank, retired last month after completion of 50 years of active service. It was a memorable occasion for him because those 50 years were not only entirely spent with Stockyards National but were completed before he reached the age of 65.

Mr. Masilko was born in Omaha on June 30, 1903. He attended grade and high school in Omaha but dropped out of Tech High at the age of 14 in order to take the job. His first position was a mail boy. As he pursued his banking career he continued to climb the ladder of success. In 1926 he married Mildred Prohaska, and in 1945 was elected an officer of the bank. In 1947 he acquired the title of cashier. He was made a vice president in 1954 and in 1966 became senior vice president. Mr. Masilko was made an Admiral in the Navy of the State of Nebraska in 1957.

Stockyards National Bank has had six presidents and Masilko worked for all of them, H. C. Bostwick, Ford Hovey, J. B. Owen, W. A. Sawtell, A. J. Hallas and Donald J. Murphy (current President).

## To Organize New Bank

A group of Kearney and Holdrege businessmen have applied to the Comptroller of Currency for a charter to organize a new national bank in Kearney.

The bank would be known as the Buffalo National Bank, with a proposed capitalization of \$500,000. Those making the application were W. F. Nelson, Robert S. Nootz, Richard A. Dier, Richard D. Johnson and Francis L. Richards, all of Kearney; William F. Nelson, Richard E. Person and Ralph E. Misko, all of Holdrege.

## Named Vice President

S. N. Wolbach, president of the First National Bank, Grand Island, has announced the promotion of Keith Jobs to vice president and senior installment loan officer of the bank. He was formerly assistant vice president.

## Nebraska Banks Lead Foundation Enrollment

The Foundation for Commercial Banks enrolled 25 new members during the month of May, according to Richard B. Beal, executive vice president.

Nebraska led all other states with 44 new member banks. New Nebraska members are: First National Bank of Bellevue; First National Bank, Cambridge; Bank of Chadron; Curtis State Bank; Farmers and Merchants Bank, Edison; Gering National Bank; Banner City Bank, Inc., Harrisburg; Farmers and Merchants Bank, Imperial; First State Bank of Lodgepole; First National Bank of McCook; Minatare State Bank; First National Bank in Ogallala; Western National Bank of Scotts Bluffs and American National Bank, Sidney.

## Specialists in Pyramiding Returns

Our Nebraska Municipal Team:

Top to Bottom  
Howell P. Roberts  
William J. Gourley  
John J. Frenking  
Tad R. Dunham  
Harry F. Ware  
George E. Knack



*J. Cliff Rahel and Company, Inc.*

MEMBER MIDWEST STOCK EXCHANGE

1605 Howard Street Omaha 342-7262	115 W. 21st Street Kearney 234-2251	1200 "O" Street Lincoln 475-4571	133 Park Bldg. Council Bluffs 323-7101	218 Badgerow Bldg. Sioux City 252-1238
---	---	--	--	--





Glenn Yaussi  
*Chairman and Chief Executive*

Paul J. Amen  
*President*

**Commercial Loans**

James F. Nissen  
*Vice President*  
*Senior Loan Officer*

L. E. Alford  
*Vice President*

Wilbur H. Baack  
*Vice President*

A. C. Holmquist, III  
*Vice President*

Rodney P. Vandenberg  
*Vice President*

Hale Kreycik  
*Assistant Cashier*

**Investments**

Robert L. Hans  
*Vice President*  
*Bond Department*

**Marketing**

Gene C. Eaton  
*Senior Vice President*

**Correspondent Banks**

Winton Buckley  
*Vice President*  
*Manager*

Roy Yaley  
*Assistant Vice President*

**Trusts**

Robert S. Hinds  
*Vice President and*  
*Senior Trust Officer*

**Administration**

Herman A. Brockmeier  
*Senior Vice President*

Paul R. Scott  
*Vice President*  
*Manager of Computer Services*

Loren Anderson  
*Vice President*  
*Personnel & Operations*

Ed Huston  
*Assistant Cashier*  
*Transit Department*

Melvin Svoboda  
*Assistant Cashier*  
*Assistant to Division Executive*

Richard Wible  
*Assistant Cashier*  
*EDP for Banks*

# For Decisive Action



When you've filled the wastebasket so many times, you're sure there's no answer to the problem—remember NBC. The experts there can help you make the right decision. When you need a correspondent full of *good* ideas, don't waste time. Call NBC, your Capital City Correspondent. (402) 477-8911



Member FDIC

**National Bank  
of Commerce**

Main Bank 13th & O Sts. / Patio Office 10th & O Sts. / Lincoln, Nebraska

# Lincoln News



**LOREN ANDERSON**, assistant vice president at the National Bank of Commerce, has been named vice president. He joined the bank in 1949 and since that time has held the positions of personnel director, assistant cashier and assistant vice president.

The bank also has declared a quarterly dividend of 20 cents per share to be paid to stockholders of record June 20, 1968.

\* \* \*

**Paul R. Scott**, vice president of the National Bank of Commerce, is the new president of the Cornhusker Chapter of Bank Administration Institute. Other officers are: Vice President, **C. G. Holthus** of the First National Bank, York; Treasurer, **Roy Stubbendick** of the First National Bank, Exeter, and Secretary, **Gene Bortz** of the Panama Bank. Retiring as president is **Ray Liala** of the First National Bank, Wahoo. He will serve on the board of directors.

\* \* \*

A well-known former Lincoln banker, **Linus E. Southwick**, now president of the Valley National Bank of Glendale, Calif., has been elected vice president of the Western Independent Bankers. This group was organized more than thirty years ago under the name of the Independent Bankers Association of the Twelfth Federal Reserve District.

The historically valued Rock Island Railroad Depot in downtown Lincoln will be converted to a remote drive-up banking facility of the City National Bank, it was announced last month by **Roland Tornblom**, president of the bank.

The conversion to a drive-up bank is subject to the approval of the Comptroller of the Currency, but the plan is to convert the facility bank to its condition of 75 years ago, restoring and improving the original structure. Artifacts and furnishings will represent railroading at the turn of the century. It is hoped that this valued building will be a tourist Lincoln attraction for generations to come.

The drive-up facility is planned so that it will be located east of the new public building complex and mall of 15th Street and on "O" Street at the terminal point for the future Northeast Diagonal. Thus, the new City-Bank facility will be able to serve all geographical sections of the city as the main office is still located at 1330 "N" Street.

The area has approximately 105 feet footage on both "O" and "P" Streets with a depth of 316 feet north and south.

For the present, the bank will occupy the southern half of the depot. Rock Island personnel will continue to use the north half of the depot

plus the baggage room. For approximately one year, bank customers will be able to actually observe at close hand operating railroad personnel. The entire grounds will be newly landscaped and present buildings remodeled and refurbished in the original style, including railroad benches, tables, lounge chairs and other railroad paraphernalia. Old fashioned ticket windows are planned for teller cages. Personnel will be attired in the railroad tradition, including mini denim skirts, engineer caps and red handkerchiefs.

The facility, however, will be furnished with the newest electronic equipment available. The planned drive-up islands will resemble ticket booths and through the use of electronic tubes, operating bank tellers will remain within the depot proper, serving customers at the drive-up islands.

\* \* \*

**Merlyn H. Minderman** has been promoted from cashier to vice president by directors of Gateway Bank. **Joseph J. Essay** has been elected to succeed him as cashier. **Richard Laird** has been elected assistant cashier in charge of the installment loan department.

## Opens New Quarters

The Cass County Bank, Plattsmouth, held an open house June 14 and 15, observing the opening of its new banking quarters.

The new bank has been designed with a curved lobby and teller line. It has 3,600 square feet of space, with a drive-in window, night depository and convenient community room. The bank has been operating in a mobile bank trailer since its opening on November 8, 1966.

A pre-opening preview for visiting bankers and wives was held on Friday evening, June 14.

## Willis E. Stover

Funeral services for Willis E. Stover, 64, former president of the York State Bank, were held recently. At the time of his death, Mr. Stover was a resident of Scottsdale, Ariz., where he owned the Indian Bend Country Club. He was president of the York State Bank from 1957 until 1961.

## Receives Alumni Award

Web Augustine, director of the Commercial National Bank, Grand Island, was among five men receiving Midland College Alumni Achievement Awards at the annual banquet of the Alumni organization held recently on the college campus at Fremont.

*We can help you . . .*

## CHURCH BUILDING BONDS

*We'll help provide the money your church needs*

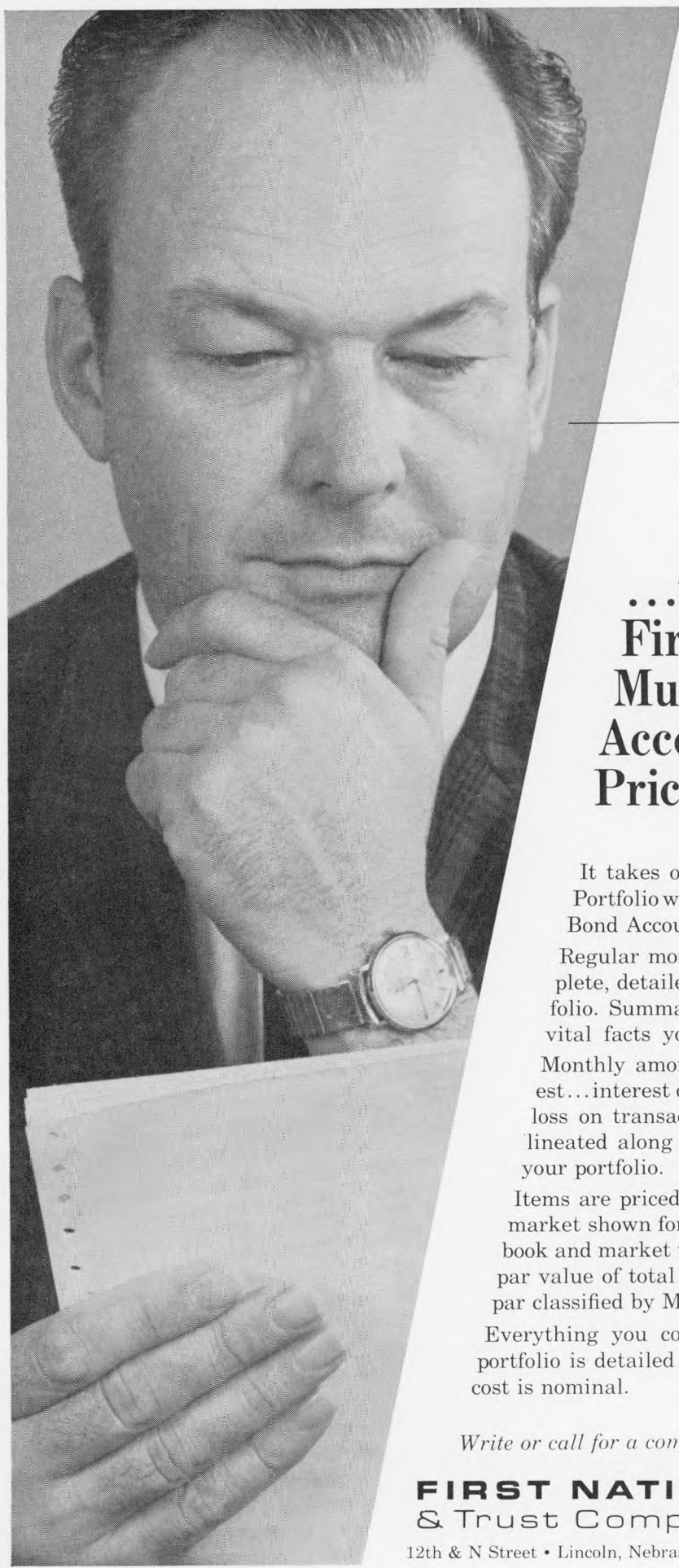
*VanHorne*

Investments, Inc.

FARM CREDIT BUILDING - OMAHA

402/345-2241





*This man  
can analyze his  
Bond Portfolio  
before lunch*

**...with  
First National's new  
Municipal Bond  
Accounting and  
Pricing Service**

It takes only minutes to analyze a Municipal Bond Portfolio when you use First National's new Municipal Bond Accounting and Pricing Service.

Regular monthly and quarterly reports give you complete, detailed information on every item in your portfolio. Summary recapitulations reveal at a glance the vital facts you need in making investment decisions.

Monthly amortization on premium bonds...daily interest...interest due the following month...and, the gain or loss on transactions during the previous month are delineated along with par and book value of each item in your portfolio.

Items are priced quarterly with yield at cost and yield at market shown for each item and in total. Summaries reveal book and market value by Bank Examiner Classifications... par value of total holdings by state... and total holdings at par classified by Moody Ratings.

Everything you could possibly want to know about your portfolio is detailed and summarized in the reports. And the cost is nominal.

*Write or call for a complete descriptive brochure.*

**FIRST NATIONAL BANK  
& Trust Company of Lincoln**

12th & N Street • Lincoln, Nebraska 68501 • Phone: (402) 477-4455



**Northwestern Banker, July, 1968**



## Our new man in Omaha, Art Jetter

We are pleased to announce that Arthur C. Jetter is now associated with us as a Registered Representative in our new Omaha Office.

### PIPER, JAFFRAY & HOPWOOD

Established 1895  
Members New York Stock Exchange  
100 City National Bank Building  
Omaha, Nebraska 68100  
Phone 342-2020



**Northwestern Banker, July, 1968**

## **1st of Omaha Becomes 3-State BankAmericard Licensed Agent**

**J**OHAN R. LAURITZEN, president of The First National Bank of Omaha, announced July 1 that the bank will issue next fall 128,000 credit cards from Bank of America to replace the First National's present First Charge cards. The new card will be identified as First Charge BankAmericard.

Mr. Lauritzen said First National is the licensing agent for Bank of America credit cards in Nebraska, Iowa and South Dakota. He said officials of First National already are working with a number of banks in all three states on initial plans for other banks to become subagents of First National, and that inquiries from any bank in the three states will be welcome.

In making the announcement, Mr. Lauritzen noted that studies of BankAmericard use in Texas have shown an increase of 18 per cent in business with this card over previous credit card business. The new credit card, he said virtually will replace the numerous other credit cards now carried by many persons.

In addition, each card holder will be extended a specified line of credit, with automatic loan privileges. Mr. Lauritzen said use of First Charge BankAmericard throughout this area will not only bring increased credit card business from among card holders in the area but also should result in greater usage of the card by tourists from other sections of the country traveling through the three-state area.

BankAmericards are honored in 33 states, as well as in Canada, Japan, Great Britain and throughout the United Kingdom.

### **Joins Loan Department**

Val Beavers has joined the staff of the First National Bank, Wahoo, in the loan department. at the bank.

### **Group Meeting Dates**

Noon luncheons will be eliminated for the October group meetings of the Nebraska Bankers Association. Registration for the meetings will begin at 2 p.m., followed by business sessions beginning at 3 p.m., social hours at 5:30 p.m. and banquets at 6:30 p.m. The change was made to permit more bank personnel to attend the meetings.

Group VI will meet October 8; Group IV, October 9; Group V, Oc-

tober 10; Group III, October 15; Group II, October 16, and Group I, October 17. Each group will secure their own speakers for the business session.

### **Frank Vlach**

Funeral services were held recently in Indianapolis for Frank Vlach, a former Leigh, Neb., banker, who died at the age of 81. Mr. Vlach started in the banking business as president of the Leigh State Bank. He was then appointed Nebraska State Bank Examiner and later moved to Indianapolis in 1944.

### **Earl Lyman Jenkins**

Earl Lyman Jenkins, who has been associated with the Washington County Bank, Blair, for almost 20 years died recently at the age of 80. Mr. Jenkins started his banking career in 1915 in Tilden, Neb., and was a past president of the Nebraska State Bankers Association.

### **Clyde Pearson**

Clyde Pearson, longtime Genoa banker, has died at the age of 79. Mr. Pearson was vice president of the Genoa National Bank at the time of his retirement and had spent more than 40 years in the banking business.

### **Named Bank Director**

Ernest J. Prosser has been appointed to the board of directors of the First National Bank, Falls City. He succeeds Edwin S. Towle, who died recently.

### **Retires After 50 Years**

Paul Rogers has retired from the First National Bank, Friend, after 50 years in the banking business. He was presented a set of golf clubs by Phil Southwick, bank president, at a retirement party recently held by the bank in his honor. Mr. Rogers was serving as executive vice president at the bank.

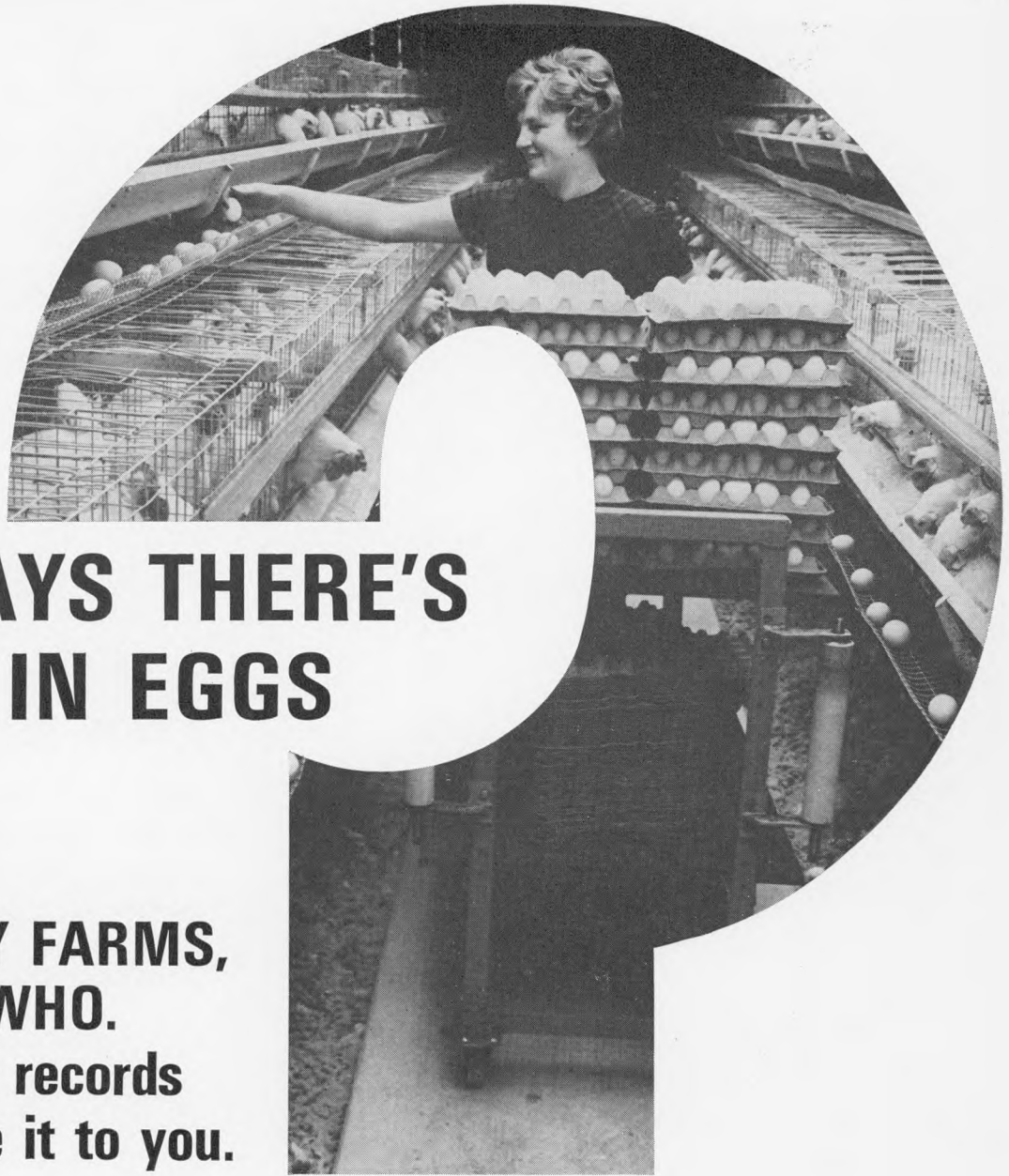
### **W. Greenlee, Sr.**

Funeral services were held recently for pioneer Nebraska banker, W. Greenlee, Sr., who died at the age of 87.

### **Named to Hershey Bank**

Kenneth H. Niedan has been elected executive vice president at the Hershey State Bank. He was formerly with Cornhusker Bank, Lincoln, as executive vice president.





# WHO SAYS THERE'S MONEY IN EGGS

**HY-LINE  
POULTRY FARMS,  
THAT'S WHO.  
And their records  
can prove it to you.**

Before your ag loan specialist turns thumbs down on "feather paper", make sure he sees the individual records on 109 Hy-Line Midwest Cage Laying Units now operating on midwest farms. You'll see why more and more farmers are turning to the Hy-Line plan to increase farm income. And why many ag loan specialists are looking to the same plan to increase bank profits.


Take a good look at the Hy-Line records. Just ask Lennis Rufer for a copy. Write, or give him a call.



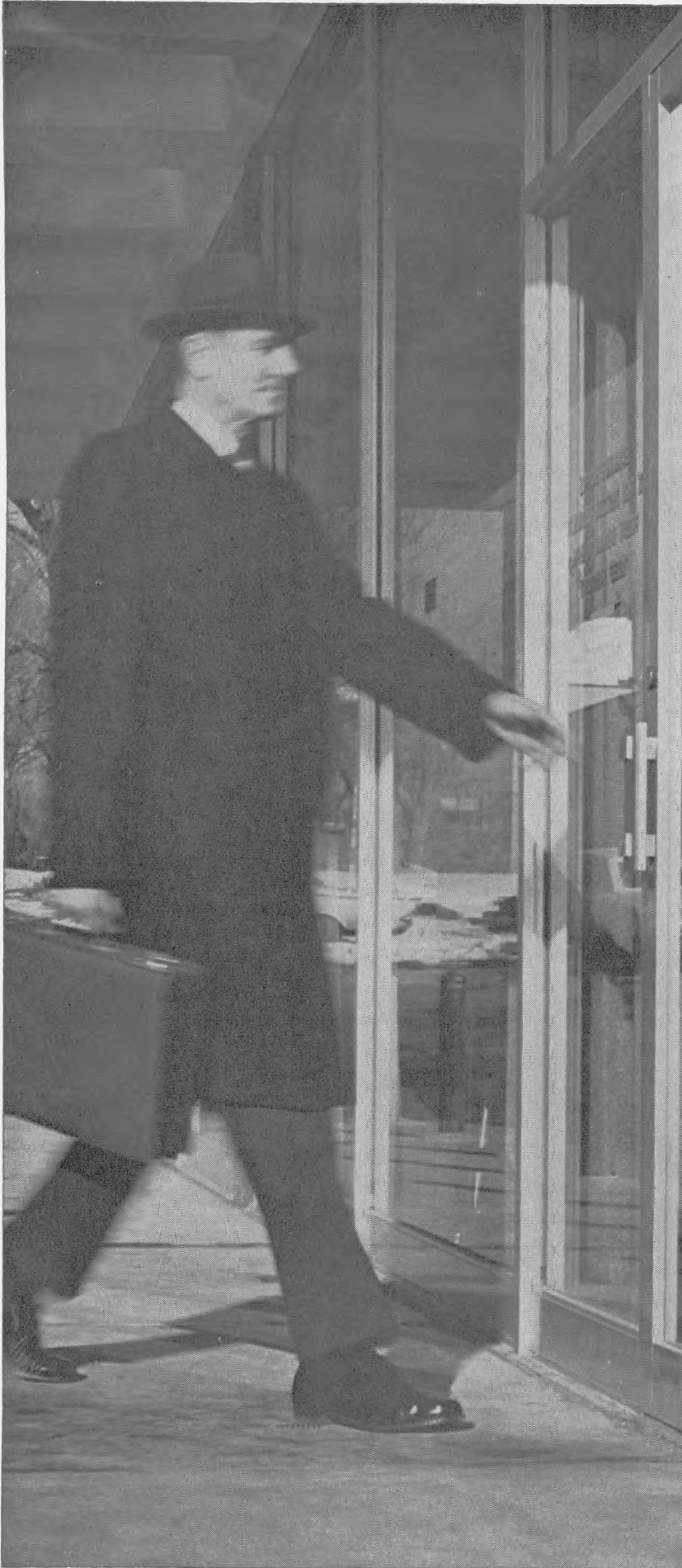
**Hy-Line®**

**CHICKS**

**DEPT.—NB-7  
1208 Mulberry St.  
Des Moines, Iowa 50309  
(515) 288-3691**

Hy-Line® is a registered trademark of the  Pioneer Hi-Bred Corn Co.

**Northwestern Banker, July, 1968**



**Some  
EDP experts  
have all  
the answers  
BEFORE  
they visit  
your bank.**

**Not our  
Paul Griffith!**

When Paul walks into your bank, he's there to determine (on the basis of his 20 years in bank operations—5 years' experience running our EDP system, 3 years' knowledge gained as a graduate of the Programming Technical Institute, and the EDP Procedures School) if computer book-keeping service is feasible for your bank. Whether it's our service, someone else's service or your own . . . you'll get a straight-from-the-shoulder answer from Bankers Trust. Call on us for our EDP Feasibility Study. We'd be happy to "show you."

**CORRESPONDENT BANK DEPARTMENT**

HOMER JENSEN  
Vice President

GARY STEVENSON  
Correspondent Bank  
Officer



**Bankers Trust co.**

SIXTH AND LOCUST, DES MOINES  
Member: F.R.S. & F.D.I.C.

Northwestern Banker, July, 1968



# Iowa NEWS

O. A. HANSEN President Durant  
A. E. LINDQUIST, JR. Secretary Des Moines



## Plan Bank Automation School, August 6 to 8 at Cedar Falls

A BANK Automation School will be conducted at the University of Northern Iowa August 6, 7 and 8. The three-day workshop is sponsored jointly by the University and the automation subcommittee of the Iowa Bankers Association's banking analysis and procedure committee. Cecil Dunn, president of the Security Savings Bank, Eagle Grove, is chairman of the IBA subcommittee.

Wes Sampson, assistant professor of accounting and data processing at UNI, said the purpose of the workshop will be to analyze bank methods and present alternative operations in bank record keeping where computers are involved. Equipment ranging from window posters to computers will be used in the school. Case studies will be set up for one or more pieces of equipment to compare operations procedures and note the differences.

The four principal instructors at the workshop will be: Kenneth L. Young, assistant vice president and manager of the computer department, National Bank of Waterloo; James Van Dine, manager of computer services, Burlington Bank & Trust Company, Burlington; Mr. Sampson, and James Blanford, both of the UNI staff. Additional resource personnel will be on the program as required.

Registration fee is \$80, which covers board, room, tuition and all necessary materials. Advance registrations should be sent to Mr. Sampson at University of Northern Iowa, Cedar Falls. The program follows:

### Tuesday, August 6

A.M.  
9:00 Registration.  
10:00 History of Data Processing.  
10:30 History of Data Collection.  
11:00 Introduction to machine movements, timing and volume of output.  
11:30 Employee attitude and system success.  
Noon Lunch.  
P.M.  
1:15 Demonstration of office equip-

ment with students performing actual operations of encoding machines, paper tape machines, window machines and electronic calculators.

3:30 Assignment of case problems. Cases are diverse as to type of problem as well as deposit size of banks.  
4:00 Discussion of bank methods.  
5:45 Dinner.  
7:00 Visit to National Bank of Waterloo Computer Center. Tour to be made in three groups.

1. Computer commands and how the commands accomplish bookkeeping functions.
2. Tour of computer operation.
3. Problems of input data as viewed by a service center.

### Wednesday, August 7

A.M.  
9:00 Full-group discussion of office work components such as sort, add, write, store, retrieve, etc. Cases which involve the use of each type of equipment demonstrated will be presented by the students.  
Noon Lunch.  
Lecture—Balance controls of the accuracy of work.  
P.M.  
1:15 Full-group discussion of controls and further casework involving recombination of office motions.  
4:00 Examination.  
6:00 Banquet and address.

### Thursday, August 8

A.M.  
8:00 Breakfast.  
9:00 Data transmission or transportation or on-line operation.  
11:00 Personnel and ability requirements.  
Noon Lunch and graduation.  
P.M.  
2:00 Feasibility of off-premises automation and commercial opportunities to be considered in the evaluation of feasibility.  
3:30 Adjournment.

## Audubon Bank Doubles Size

Audubon's only bank has disclosed plans to enlarge its facilities by expanding into an adjoining building on the main street of the town's business district.

The First State Bank has purchased the adjacent building occupied by Kraft Clothing Company, and the wall will be removed between the two buildings to enlarge the bank's lobby area and add several offices.

## Names Representative

Raymond Smith, Jr., resident manager of Dain, Kalman & Quail, Inc., Waterloo, has announced the appointment of James C. Freshwaters as registered representative.

Before joining DKQ, Mr. Freshwaters was associated with Investors Diversified Services in Waterloo as a mutual fund sales representative. He is a graduate of the University of Iowa, Iowa City, and has completed an extensive training course qualifying him to sell common stocks, corporate and municipal bonds and mutual funds.

## Joins Peterson Bank

Darrell Herrin has joined the staff of the Peterson State Bank. Before coming to the bank, he was associated in the sales filed with Procter and Gamble Company and also has worked for the Associates Finance Company in Sioux City.

## New Motor Bank

The motor bank of the Northwest Bank and Trust Company, Davenport, recently opened its new facilities, which include two outside service windows and five inside teller units. W. R. Johnson is manager.

## Joins IBA Staff

Edward J. Lenaghan of Sigourney has joined the staff of Iowa Bankers Association as group insurance representative.

Mr. Lenaghan, a native of Webster, Iowa, was graduated from St. Ambrose University, Davenport, Iowa, in 1952 and did graduate study at the University of



E. J. LENAGHAN

Iowa. He was a high school teacher and junior high school principal in North English, Iowa, for five years and was a sales representative and general agent for Life Investors of Iowa from 1960 to 1968.

Northwestern Banker, July, 1968



## Man In Motion

**Cy Kirk, La Salle Vice President**, travels thousands of miles each year serving the bank's growing list of correspondents in Iowa, Minnesota, western Wisconsin and northwestern Illinois. Call Cy at 815-398-9521 if you need on-the-spot attention. Cy lives in Rockford. If he's not in, he can be reached through La Salle National Bank, 135 S. La Salle St., Chicago, Ill. 60690. Phone STate 2-5200 (Area Code 312). Member FDIC.

## Receive Bancardchek Honors



**THE GRADUATES**—Several regional bankers don academic garb to celebrate their recent "graduations" from a brief but most instructive school. The "school" was presented by Bancardchek at regional meetings held in New York and St. Louis. The day-long program instructed member bankers in seven steps that form the marketing strategy for the nationally cashable bank-guaranteed checks. "Teachers" of the course were representatives of member banks who followed this new marketing approach in their banks' introductions of the Bancardchek service. The "graduates," pictured from left to right, are: **David Goldsberry**, **Charles Hesse** and **Vernon Grob** of the First Financial Marketing Group, and **David Wright**, president of the Northwest Des Moines National Bank, Des Moines, and **Donald McHose**, vice president of the Nevada National Bank, Nevada, Iowa.

### New Location After 73 Years

After 73 years in one location, the Farmers State Bank of Whittemore has moved into a new double-front building on the north side of Main Street.

The structure is built of stone, with walnut interior. There are three teller windows, with bookkeeping and files directly in back of the front counter. The insurance department is located on the right side of the

building and other bank offices on the left.

According to Vic Perkins, president, the front of the building is not entirely completed as yet, but finishing touches are to be added within the next several weeks.

The new structure, which has a stone and large tinted glass area to the south, has been under construction since last year. An additional feature at the bank is a new vault of the latest burglar-proof design from the Diebold Manufacturing Company.

## Open House at Wilton Savings



**NEW BUILDING** for Wilton Savings Bank, Wilton Junction.

**A** PUBLIC open house was held at the new Wilton Savings Bank, Wilton Junction, on June 9. The building contains a total of 11,200 square feet of floor space and is located at 210 West 4th Street.

The masonry structure features drive-in, walk-up windows, customer

parking lot, community room and expanded tellers' row. A large basement houses records storage, an employee kitchen and a spacious community room which will be available for use by the public.

Louis C. Couch, Bettendorf architect, designed the building.





**CHRISTY  
ARMSTRONG**



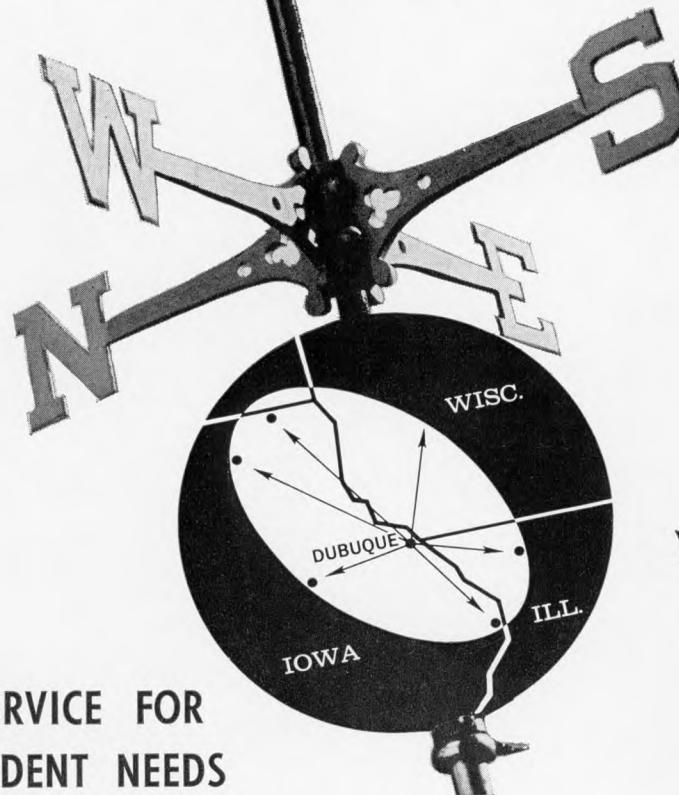
**LEO  
KANE**



**LEO  
SCHLUETER**



**JIM  
WRIGHT**

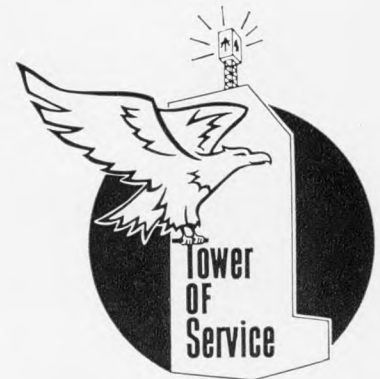


## ON THE SPOT SERVICE FOR YOUR CORRESPONDENT NEEDS

EAST, WEST, NORTH, SOUTH Location is one of the reasons why American Trust's services are always a little faster for our Correspondent Banks. Its convenient location allows banks in this area to benefit by receiving fast, efficient correspondent banking service. Christy Armstrong, Leo Kane, Leo Schlueter and Jim Wright are familiar with the Area and are anxious to give personal and expert service, backed by American Trust's complete staff and banking facilities.

**CALL CHRISTY, LEO OR JIM  
at 582-1841 for  
Service on:**

- ✓ TRANSIT ITEMS
- ✓ BOND PORTFOLIO
- ✓ EXCESS LOANS
- ✓ CURRENCY SHIPMENTS
- ✓ BANK OPERATIONS
- ✓ COLLECTIONS
- ✓ CREDIT INFORMATION
- ✓ TRUST AFFAIRS



**american trust  
and savings bank**

9TH AND MAIN, DUBUQUE, IOWA  
MEMBER: FDIC • FRS

*Northwestern Banker, July, 1968*



## Des Moines News

**T**HE promotions of five officers at Central National Bank and Trust Company have been announced by **B. C. Grangaard**, chairman and president.

**Erbie Fox, Robert D. Jones, Lloyd A. Querry, D. A. Smith and John T. Waters** have been promoted to installment loan officers.

Mr. Grangaard also announced the declaration of a growth dividend of 25 cents per share. The dividend will be payable July 1, 1968, to stockholders of record June 20, 1968.

Mr. Fox joined the bank in May, 1956, and was elected an assist-



E. FOX



R. D. JONES



L. A. QUERRY



D. A. SMITH



J. T. WATERS

ant cashier in September, 1962. He has served in the installment loan department since joining the bank.

Mr. Jones joined Central National in the installment loan department in 1964 and was collection manager prior to his promotion to assistant cashier in 1968.

Mr. Querry has been in the installment loan department since joining the bank in 1961. He is a past president of the American Institute of Banking and was elected assistant cashier of the bank in July, 1964.

Mr. Smith joined the bank in the installment loan department in 1962. He was promoted to assistant cashier in 1965.

Mr. Waters joined the installment loan department of the bank in 1963. He entered the management training program in January, 1966, and later worked in the credit department.

\* \* \*

**Brenton Banks, Inc.**, have announced authorization of the sale of the first of a series of \$4 million in capital notes.

William H. Brenton, president, said the company will offer \$500,000 of Series B, 1973 five year 6 per cent non-callable capital notes to be sold at par. The notes will be direct obligations of the company. Interest on the notes will be payable semi-annually on June 1 and December 1.

\* \* \*

The **Highland Park State Bank** is planning to start construction in the middle of July on its new motor bank to be located at East 28th and Euclid.

\* \* \*

**Gene E. Loverink**, formerly assistant cashier at the South Des Moines National Bank, has joined the National Bank of Des Moines as manager of the bank's 10th and Grand office.

**Mrs. Maxine Martin** has been named manager of the National Bank's accounting department.

The bank has announced a capital increase of \$200,000 by a new stock issue and \$200,000 capital notes. A

stock dividend of \$2.43 has been declared to stockholders of record June 14, 1968.

\* \* \*

**Arthur J. Petit** has retired as a trust officer from the Iowa-Des Moines National Bank. He joined the bank in 1945, was elected an assistant trust officer in 1948 and trust officer in 1960.

\* \* \*

The following Des Moines bank personnel are attending summer banking schools:

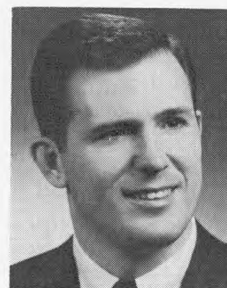
Bank PRMA School, Northwestern University, Chicago—**Charles Baker**, assistant cashier, Capital City State Bank, and **Paul W. Morton**, vice president, National Bank of Des Moines.

Stonier Graduate School of Banking, Rutgers, Brunswick, N. J.—**Ron Fenton**, vice president and trust officer, Bankers Trust Company; **Jay Tomson**, vice president, Bankers Trust Company, and **Garland Carver**, assistant vice president, Iowa-Des Moines National Bank.

Central States Graduate School of Banking, University of Wisconsin, Madison—**Richard Pratt**, vice president, Northwest Des Moines National Bank.

\* \* \*

**Brock Hessing**, manager of the Iowa-Des Moines National Bank's credit department, will soon be joining the bank's correspondent bank department.



B. HESSING

A graduate of the University of Missouri with an agricultural degree, Mr. Hessing joined the bank's training program in 1963. He was elected an assistant cashier in January of 1967 and has been in the credit department since 1964.

\* \* \*

**Edward Burchette**, chairman of the board, Valley Bank and Trust Company, has announced the promotion of two officers and the election of two new officers at the bank's monthly board meeting. **William H. Myers** has been promoted from assistant trust officer to trust officer and **Harry L. Sandre** from assistant cashier to assistant vice president. **James B. Sutherland** and **Robert C. Babb** were elected assistant cashiers.

Mr. Myers joined the Valley Bank trust department in 1964 after graduation from Drake University Law School and admission to the bar. He was elected assistant trust officer in 1966.

Mr. Myers belongs to the Polk Coun-

Northwestern Banker, July, 1968



# Where the **a<sup>“</sup>C<sup>”</sup>**tion is...

Over 350 Iowa banks get their correspondent banking "action" under the Big "C". Quick, on-time and smoothly efficient action in every area of city banking service . . . these are the solidly important reasons why so many

are correspondents of Central National Bank and Trust Company. For fast action on your special and everyday operations, call Dale Smith, Dick Smith, Eddie Wolf or Pete DeRosier of our Correspondent Department. Call 515-243-8181.

## CENTRAL NATIONAL BANK AND TRUST COMPANY

Locust at Sixth Avenue • Des Moines, Iowa  
Member Federal Deposit Insurance Corporation

*"The Bank That Cares"*

**"C"**



*Northwestern Banker, July, 1968*

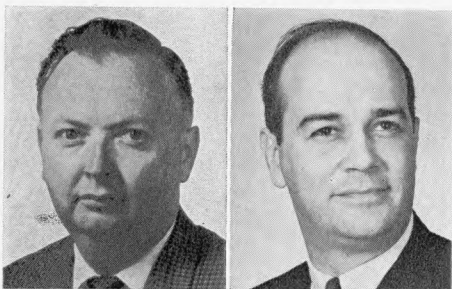
ty, Iowa State and American Bar Associations. He also belongs to the Des Moines Estate Planners' Forum, is a member and immediate past secretary of the Polk County Estate Planners and is a past secretary-treasurer of the Iowa Corporate Fiduciaries Association.

Mr. Sandre is a native of Des Moines



W. H. MYERS

H. L. SANDRE



J. B. SUTHERLAND

R. C. BABB

and a graduate of Roosevelt High School here. He joined the Valley in 1951 and has been in the note department, which he now manages, since 1953. He was elected assistant cashier in 1958.

Mr. Sutherland was born in Des Moines and graduated from Valley High School in West Des Moines. He has been with the Valley since 1953 and was a collection teller and then manager of the collection department until he was transferred to the personal loan department in 1963.

Mr. Babb was born in Falls City, Nebraska, and graduated from high school there. He attended the University of Nebraska in Lincoln, and he has been in the credit department at the Valley since he came to the bank in 1960.

### Named President of Bank Association

Dennis Hrabak of the United State Bank in Cedar Rapids has been elected president of the Eastern Iowa Chapter of Bank Administration Institute.

### Resigns as Director

Walter J. Kahl has resigned as director of the First State Bank, Britt. He was first elected to the bank's

board of directors in 1949. The board of directors has appointed Ervin W. Kahl, his son, to replace Mr. Kahl on the board.

### Scholarships Awarded

The John P. Mentzer Scholarship Fund awards have been announced by the Merchants National Bank of Cedar Rapids, trustee of the fund.

This is the seventh year the awards have been granted. The scholarships were established under the will of John P. Mentzer for the purpose of assisting graduates of Marion High School to obtain a college education.

### Tells New Appointments

Richard E. Weber has been appointed executive vice president of



R. E. WEBER

the Iowa State Savings Bank, Clinton. Mr. Weber will continue to serve as president of Citizens State Bank in Waterville, Minn. He began his career in banking and financing 15 years ago and has been employed in

Illinois, Minnesota, Iowa, Nebraska and Indiana.

In addition, G. Allen Lollich has been elected vice president; Wayne Jungjohann has been appointed cashier; Fred H. Thoms and James H. Thompson have been named assistant vice presidents and Herald L. Witmer assistant cashier.

### Gowrie Bank Increases Capital

The First State Bank of Gowrie has increased its capital stock from \$75,000 to \$100,000. The new capital structure will consist of \$100,000 in capital stock, \$100,000 in surplus and over \$100,000 in undivided profits and reserves.

### Wins Advertising Award

The series of advertisements on *The Grouch*, run by the Peoples Trust and Savings Bank, Indianola, in the *Indianola Herald* last spring has been voted the best advertising idea to appear in an Iowa newspaper in 1967.

The contest is sponsored annually by the Iowa Press Association. Dick Buxton is in charge of the bank's advertising program.

### Named Director

Loren L. Oleson, cashier of the Pocahontas State Bank, has announced that Kenneth E. Christoffers has recently been named to the bank's board of directors.

## MUNICIPAL BONDS FOR INVESTMENT

STATE

COUNTY

CITY

SCHOOL

FREE FROM ALL FEDERAL INCOME TAXES  
FREE FROM MONEYS AND CREDITS TAX IN IOWA

### THE WHITE-PHILLIPS CO., INC.

DAVENPORT OFFICES

First National Bldg.

Phone 326-2527

Teletype 319-322-0026

DES MOINES OFFICES

Fleming Bldg.

Phone 282-1456





**NEW ADDITION** to Security National Bank building (left portion of building) blends harmoniously with existing structure. Second floor of the new section provides space for modernized bookkeeping and computer equipment.

## ***Security National, Sioux City Displays Expanded Building***

**S**ECURITY National Bank of Sioux City held a series of open houses last month to display its greatly expanded and completed remodeled building. Constructed at a cost of \$1,750,000, the project took one and one-half years to complete.

Special open houses were held for local businessmen, visiting bankers, directors and staff members of the bank, and the general public. During the latter open house from 2 p.m. to 9 p.m. on a Saturday, 10 \$100 U. S. Savings Bonds were given away.

The major portion of the program was the construction of a six-story addition to the west of the original building. This portion, measuring 56 feet by 100 feet, was completed first. The existing bank quarters were then completely renovated and merged

with the new building and the exterior was remodeled to give a new and unified exterior appearance.

The new, spacious lobby area is tastefully decorated with special small trees and planters. The offices of E. C. Thompson, Jr., president, and offices for the correspondent bank department and commercial loan division are located on the main floor in the new addition. The expansion program provided ample room for expansion and consolidation of the personal loan division, which now has private interview rooms for each installment loan officer.

The main lobby area features rubbed walnut paneling on all teller installations and travertine marble on walls and pillars. Another main feature on the main floor is a large walk-



**TASTEFUL** decor of main banking lobby is accented with carpeting, blending decorative wall coverings and furniture, and numerous planters.



**SENIOR OFFICERS** of the bank confer in the president's office. Left to right are: Patrick F. Cook, v.p., Edward C. Thompson, Jr., pres.; Thomas C. Horn, sr. v.p., and Daniel L. Middleton, v.p. **RIGHT**—Mr. Horn, who heads Security National's correspondent bank department, visits with two officers of his division, R. E. (Gene) Hagen (center), a.v.p., and John A. Diefendorf, v.p.





## Max-a-million

**Max Roy, La Salle Vice President, thinks in terms of millions when it comes to helping La Salle correspondents grow.**

Call Max and ask him to tell you how La Salle's staff of specialists can work for you. Max lives nearby in Iowa City and his phone there is 319-338-5224.

If he's not in, he's probably out calling on midwestern banks or at La Salle National Bank, 135 S. La Salle St., Chicago, Ill. 60690. STate 2-5200 (area code 312). Member FDIC. Complete Trust Services, of course.

up window area that is closed off from the rest of the bank. Opening directly onto the public sidewalk, this section provides three walk-up teller windows and is operated from 9 a.m. to 6 p.m. daily, with the Monday closing hour extended to 8 p.m.

Closed circuit television permits each teller to verify check signatures directly with bookkeeping files. Tell-

ers also have available a pneumatic tube service connecting with bookkeeping for quick transmittal of bank statements and other records.

The bookkeeping section on the second floor features a new IBM 360 computer which is presently processing work from nine other area banks, as well as servicing Security National's own needs.

## "Holiday South of the Border"

**A** "Holiday South of the Border" is being planned for Iowa bankers by the Iowa Bankers Association in conjunction with the Mid-West Travel Agency, Ames, Iowa.

The tour will leave Des Moines for Mexico City on Friday, November 8. After spending five days in Mexico City and three days in Acapulco, the tour will return to Des Moines on Sunday, November 17.

Meetings between the bankers of Iowa and Mexico will constitute an important feature of this tour. The meetings have been planned so as to keep afternoons free in Mexico City. Purpose of the meetings is to explore and promote the existing fine commercial relationship between the two countries, and more specifically between Iowa and Mexico.

The all-inclusive price of the tour is \$460 from Des Moines back to Des Moines. This price is based on economy class air service, and is for each of two people sharing one twin-bedded hotel room. The single room supplement is \$81.

First class air service, except for the flight from Mexico City to Aca-

pulco, will be provided at a supplement of \$71.

Reservations will be made upon receipt of a deposit of \$50 per person.

Contact should be made in care of the Iowa Bankers Association, 630 Liberty Building, Des Moines, Iowa. Specific highlights of the tour are available through a colorful brochure.



**Library Building at University of Mexico in Mexico City.**



**Cliffs of the Mirador, where divers perform leaping off a 136-foot high point into the pounding surf of the Pacific at Acapulco, Mexico.**



## 500th Certificate Awarded at Ag Credit School



MEMBERS of the 1968 graduating class of Agricultural Credit School at Iowa State.

THE 500th certificate acknowledging completion of the Agricultural Credit School at Iowa State University was awarded to Winfield G. Mayne last month in the Memorial Union on campus.

Mr. Mayne, cashier at the Montgomery County National Bank in Red Oak, was one of 40 students who graduated this year, bringing the total number of graduates to 515 for the 23 years the school has been in existence.

Jointly sponsored by Iowa State University and the Iowa Bankers Association, the credit school gives representatives of agricultural lending

agencies some background information on farming. The five main areas students learn about include farm management, agricultural finance, agricultural production, agricultural economic policy and appraisal and marketing in agriculture.

The entire program of the school consists of two two-week sessions, one per summer. This year a total of 86 students attended—46 first year students and 40 who completed the two-year school. Sixty-six of these were from Iowa and 20 out of state. Over the years, 685 representatives from lending agencies have attended one or more years of the program.



Herb Howell presents 500th certificate to Winfield G. Mayne.

# WE WOULD LIKE TO HAVE YOU IN THE DUGOUT AND IN THE FIELD WITH BOTH OUR TEAMS!!

## LINE UP

- FIRE
- SMP
- HOMEOWNERS
- INLAND MARINE
- AUTO-TRUCK
- GLASS
- GENERAL LIABILITY
- WORKMENS COMPENSATION
- TRAVEL — DREAD DISEASE



## LINE UP

- FLEXIBLE EQUITY BUILDER
- PENSION TRUST
- JUVENILE SPECIAL
- BUSINESS INSURANCE
- MORTGAGE PROTECTION
- DISABILITY INCOME
- KEOGH BILL-HR-10
- PERSONAL INSURANCE
- CREDIT LIFE



HOME OFFICE  
616 10TH ST.  
DES MOINES, IOWA 50308



HOME OFFICE  
3839 MERLE HAY ROAD  
DES MOINES, IOWA 50310

Northwestern Banker, July, 1968

## Iowa-Des Moines National Hosts 215 at Conference

A Management Conference for Correspondent Banks was conducted last month in Des Moines by the Iowa-Des Moines National Bank. Approximately 215 persons were registered for the meeting. Host for the afternoon and evening affair was C. W. Aurand,

president of the bank.

The Conference is part of the Iowa-Des Moines celebration of its Centennial year and Mr. Aurand told the audience "we have selected topics that involve banking practices not only of the present but of the future." The

wide range of modern services offered by the bank were discussed by these officers, with their specific topics listed:

Richard L. Sellon, assistant vice president, "Check Guarantee and Reserve Checking."

Richard W. Carey, senior trust officer, "Pension and Profit Sharing Plans for Banks."

Herman C. Kilpper, CPA, controller, "Reporting Requirements."

Dale R. Luckow, assistant vice president, "Computer Services for Correspondent Banks."

Gerald O. Nelson, senior vice president, "Banking Service for Correspondent Banks."

George F. Milligan, assistant vice president, "Specialized Loan Services."

Robert J. Wissler, vice president, "Bond Services."

Clarence E. Sullivan, vice president, "Real Estate Loans."

One guest speaker was on the afternoon program with the bank officers. He was Robert A. Burnett, vice president of Meredith Corporation, Des Moines, who gave "The Consumer's Side of the Story." His factual, most interesting talk was based on an in-depth study made by Better Homes and Gardens magazine among married couples of all ages in regard to their habits and preferences covering a broad spectrum of living—buying habits, savings, investments, likes and dislikes for various kinds of businesses and many other facets of a marketing approach. One conclusion he offered from this special survey was, "Unless something is done to teach these knowledgeable, sophisticated people more about family finances, we will have more federal legislation controlling financial affairs.

Following the social hour and dinner, Mr. Aurand introduced Dr. Paul S. Nadler, professor of finance in the New York University Graduate School of Business Administration. In his humorous approach to "The Outlook for Banking," Dr. Nadler reviewed some important banking developments of the past few years, outlining the progress made in these areas by banks—even though done grudgingly and in response to competition rather than through inventive leadership. He said many additional changes would take place in banking before the "checkless society" is here.

Dr. Nadler emphasized that small banks must be constantly on the alert to be competitive or they will find their advantageous local domination and monopoly destroyed. Banks, he said, are becoming more like public utilities in the public mind.



**GUEST SPEAKER** Dr. Paul Nadler (second from right) is greeted by three senior officers of the host bank, from left to right: John R. Fitzgibbon, exec. v.p.; Calvin W. Aurand, pres., and M. M. McMichael, sr. v.p.



**Harold P. Klein**, 1st sr. v.p., visits with two of the Iowa-Des Moines Natl. directors—**Richard S. Levitt** (center), exec. v.p., Dial Finance, and **James E. Olson**, v.p., & gen. mgr, for Iowa of Northwestern Bell Telephone.



**PANELISTS** describing services offered by Iowa-Des Moines National were (left to right): **George F. Milligan**, a.v.p.; **Gerald O. Nelson**, sr. v.p.; **Robert J. Wissler**, v.p., and **Clarence E. Sullivan**, v.p.

*Northwestern Banker*, July, 1968



### Bank Buys Property

The Corydon State Bank has completed negotiations to purchase adjoining business properties owned by Loren Bills, an implement dealer, and J. E. Montgomery and Carl Coates, owners of a tavern building.

As soon as practical, the bank hopes to build a drive-in banking facility and parking space on the ground.

### Break Ground For New Building

Ground was broken in Dubuque on June 5 for the new Key City Bank and Trust Company, according to John J. Marget, bank president. This bank is the newest subsidiary of the parent company, Iowa National Investment Company.

The new bank was made possible by the purchase of the Epworth Savings Bank, located approximately 14 miles west of Dubuque, and permission by the Iowa State Department of Banking to move the Epworth charter to Dubuque. The bank office in Epworth will be maintained.

### "Butch" Keister Retires

R. C. Keister retired recently as senior vice president of First National Bank in Mason City. He will continue as a director, a post to which he was elected in 1965. He was honored by a host of friends and his family at a special dinner in Mason City in recognition of his 45 years of service with First National Bank.



R. C. KEISTER

He started working for the bank on June 23, 1923, was elected assistant cashier in 1940, vice president in 1950 and became senior vice president in 1964. Known to all his friends as "Butch" Keister, he also compiled a long list of affiliations with charitable, civic and social organizations in Sioux City through his years of service to these groups. Mr. Keister is presently serving on the development board of Wartburg College at Waverly, Iowa.

### Elects New Officers

Tom Troupe of the Omaha National Bank has been elected president of the Omaha-Council Bluffs Chapter of the Bank Administration Institute (formerly NABAC) at the organization's annual meeting.

Other officers include: George Gunia, assistant cashier, First Westside Bank,

Omaha—vice president; Curtis E. Gard, vice president and comptroller, First National Bank, Omaha—treasurer; Duane W. Sorensen, controller and auditor, First National Bank, Council Bluffs—second vice president; Rufus A. Buffaloe, vice president, Washington County Bank, Blair—secretary.

The chapter is composed of 33 banks located in Omaha, Council Bluffs and the surrounding area.

### Named Bank President

J. L. Campbell, Jr., has been elected president of the Humboldt Trust and Savings Bank, to succeed his father, J. L. Campbell, who died May 28 after a lengthy illness.



J. L. CAMPBELL, JR.

Mr. Campbell is a graduate of Notre Dame and started his banking career with the Gilmore City office of the Humboldt Trust and Savings Bank in 1945. He also has worked as an FDIC bank examiner, but has been employed by the Humboldt bank continuously since 1949.

Franklin Jaqua, Humboldt attorney, has been elected vice president (inactive), to succeed Mr. Campbell in that capacity.

### Honor Bank Cashier

Officers, directors and employees of the Chelsea Savings Bank, Chelsea, recently held a party of appreciation for Mary A. Hanzelka, who has resigned her position as cashier at the bank to join the bank staff at Solon, Iowa. She was presented a gift for her 16 years at the Chelsea bank.

### Ralph Hendricks

Ralph Hendricks, formerly associated with Yorktown Savings Bank, Shenandoah, and Page County Bank, Clarinda, has died at the age of 66.

### Complete Defiance Bank

Construction of the new Defiance State Bank has been completed, and an open house was held in the bank's new facilities on June 15. The bank moved into its new \$50,000 building in May.

### Vote Stock Transfer

At a recent directors meeting of the Hills Bank and Trust Company, it was voted to transfer \$50,000 from undivided profits to surplus. The bank will now have \$350,000 capital and \$450,000 surplus.

# MISTER EDP



Pete Cook is La Salle's EDP expert. He can show you how La Salle's Automated Demand Deposit Bookkeeping Service can result in savings for your bank. Pete helps La Salle correspondents go electronic. If you need Pete's help, you'll find him at La Salle National Bank, 135 South La Salle Street, Chicago, Illinois 60690. Phone him at STate 2-5200, area code 312. Member FDIC. Complete Trust Services.

**WANT ADS**

Rates 25 cents per word per insertion. Minimum: 12 words.  
**NORTHWESTERN BANKER**  
 306 15th St., Des Moines, Iowa

**AVAILABLE**

Cash-Flow Budget and Farm Loan Application forms for the banker who wants to update his farm loan procedures. Samples for inspection. Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

**LEGAL FORMS**

Any form you need we stock, or will print. Special forms then stocked for prompt shipment on reorders.

**IOWA LEGAL BLANK  
& PRINTING CO.**  
 Box 238, Webster City, Iowa



*E.F. Kooker Associates*

**BANK  
DESIGN CONSULTANTS**

BOX 87 PH. 1-712-2621499  
 SPENCER, IOWA 51301

**YOUR STATE BANKERS ASSOCIATION  
OFFICIAL SAFE, VAULT AND  
TIMELOCK EXPERTS**  
**F. E. DAVENPORT & CO.**  
 OMAHA

**BUYING  
OR SELLING  
A BANK?**

Write or call collect  
**365-9117 Area Code 319**

**REGINALD FIGGE ASSOCIATES**

Confidential Consulting Service  
 Merchants National Bank Building  
 Cedar Rapids, Iowa

**CHECK**

*Kirk Gross Co*

**BANK REMODELING**  
 Waterloo, Iowa

**Major Expansion at Clinton Bank**

**NEW BUILDING** planned for Clinton National Bank.

**A** MAJOR expansion program is now underway at the Clinton National Bank. Plans are to triple the present size of the bank.

The bank's new building will feature an all new exterior of pre-cast concrete and an enlarged vault relocated at the rear of the new structure. The small loan department also will be greatly enlarged, with a separate entrance located near the bank's main entrance.

A new parking lot is to be located just across the alley from the main bank building to provide additional parking and convenient access to the bank through an enlarged rear entrance.

Several weeks ago, three new television drive-in stations were opened at the Clinton National.

Completion date for the current expansion is January 1.

**Wanted by the FBI**

**THEODORE CHARLES NELSON**, aka-Warren Campling, Dennis Gary Portoian

Theodore Charles Nelson is being sought by the FBI on the basis of a warrant issued in Oakland, Calif., on June 23, 1964, charging him with embezzling bank funds.

Nelson, a former employee of the Oakland Bank of Commerce, Oakland, Calif., disappeared on June 23, 1964, and an audit immediately thereafter revealed a shortage in the amount of \$187,440.

After his flight, investigation has re-

vealed Nelson apparently opened a savings account under a different name. He may have opened an additional account with a banking or savings institution employing an alias.

Nelson is a white male, born March 16, 1944, Oakland, Calif., height 5 feet 6-7 inches, weight 165 pounds, eyes brown, hair brown (possibly dyed),



**THEODORE CHARLES NELSON**  
 Wanted by the FBI.

hernia scar, reportedly effeminate in mannerisms.

If you have any information concerning this individual, please contact the nearest office of the FBI, the telephone number of which may be located on the first page of your telephone directory. No attempt should be made to detain Nelson since he reportedly has suicidal tendencies.

**Ups Surplus \$5 Million**

Homer J. Livingston, chairman of the board of The First National Bank of Chicago, announced that at the regular meeting of the board of directors, held in mid-June, the directors authorized the transfer of \$5,000,000 from the undivided profits account to the surplus account. As a result of this action, the bank will have a surplus account of \$220,000,000 and capital stock of \$260,000,000, a total of \$420,000,000, thus giving the bank a legal loaning limit of \$42,000,000 to any one customer.

**ACORN** Sale Registers

"Accepted Sale Registers by Bank Clerks Everywhere"

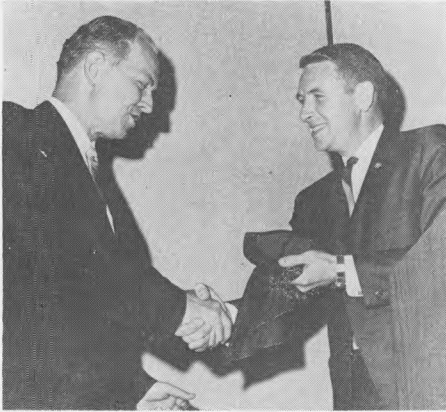
For information write

**THE ACORN PRINTING CO.**  
 Oakland, Iowa



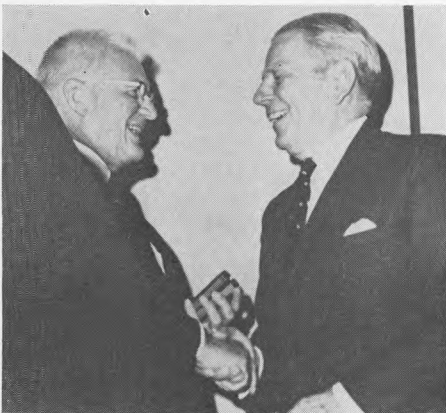
## Kodak Executives Honored By Microfilm Association

At the 17th annual convention of the National Microfilm Association held recently in Chicago, Van B. Phillips and Frank L. Hilton, Jr., executives of the Eastman Kodak Company, were honored for their "distinguished services" to the industry.



Van B. Phillips (left) receives "superb leadership" award from Earl P. Bassett of 3M Company, who succeeds Mr. Phillips as president of National Microfilming Assn.

Mr. Phillips was cited for his "superb leadership" as president of the Association during the past 12 months. He also was enrolled in the Company of Fellows in recognition of



Frank L. Hilton, Jr. (right) is presented Pioneer Award from Gene Power, University Microfilms, Ann Arbor, Mich., founder and first president of the NMA.

his "contributions to the arts, sciences and applications of microfilming documentary reproduction."

Mr. Phillips is the director of marketing administration services at Kodak. He was a vice president of Recordak Corporation, a subsidiary of Kodak, until it became the company's business systems markets division in 1966.

Mr. Hilton received the Pioneer Award for "distinguished service to the art and science of microfilming documentary reproduction." It was only the eighth time the award had been made since the N.M.A. was incorporated in 1943.

Now advertising manager for the business systems markets division, Mr. Hilton had been with Recordak Corporation from 1929 until its merger with Kodak, and he was a vice president of the subsidiary.

## Security First, Pacific National Merge on Coast

The official formation of Security Pacific National Bank as a statewide banking institution, effective July 1, with the merger of Security First National Bank and Pacific National Bank of San Francisco was announced by Frederick G. Larkin, Jr., president and chief executive officer of Security Pacific.

Carl K. Schieck, former president and chief executive officer of Pacific National, becomes executive vice president and administrator of Security Pacific's Northern California Headquarters.

The former Pacific National Bank becomes the San Francisco main office of the new bank at 333 Montgomery Street, under the direction of Alfred G. Cinelli, vice president and manager.

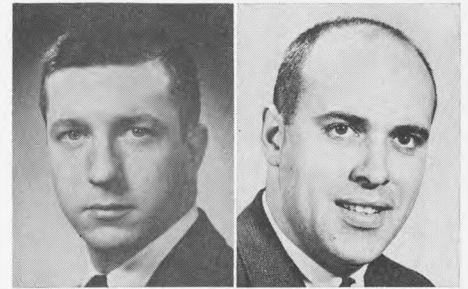
The present board of directors of Security Pacific National Bank includes two former directors of the San Francisco-based bank—R. Stanley Dollar, Jr., president of The Robert

Dollar Company, and Mr. Schieck.

The merged bank, with 366 banking locations, is the second largest in California. It has assets in excess of \$5.75 billion and total capital funds approximating \$400 million.

## Davenport Bank Promotions

V. O. Figge, president of Davenport Bank and Trust Company, Davenport, has announced the promotion of James Kahl Figge and Gerald R. Waters from assistant vice presidents to vice presidents.



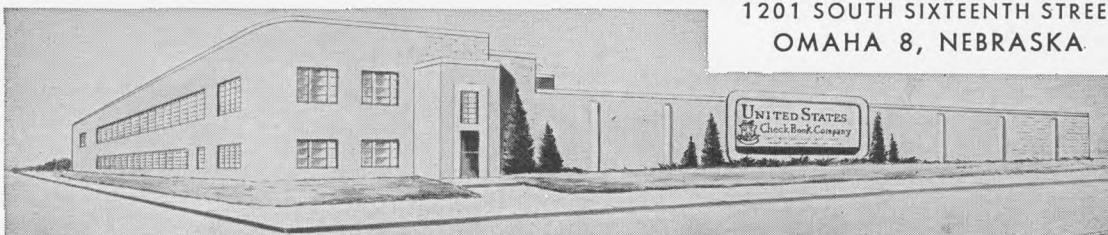
J. K. FIGGE

G. R. WATERS

James Figge, 27, joined the bank in January, 1963, and was elected an assistant vice president in January, 1966. He was graduated from Georgetown Preparatory School in 1958, Regis College at Denver in 1962 with a B.S. degree in economics and joined the United States Marine Corps in June, 1962. Mr. Figge completed the officers' training program at Bankers Trust Company, New York, in 1964 and was graduated from the Wisconsin School of Banking at Madison in 1965.

Mr. Waters, 34, went with Davenport Bank and Trust in October, 1965. He was named an assistant vice president in January, 1966. A native of Kewanee, Ill., he was graduated from St. Ambrose College in Davenport in June, 1955, with a B.A. degree. He immediately joined Burroughs Corporation and was promoted to senior sales representative the following year, then to zone sales manager for the Milwaukee branch in 1965.

# United States Check Book Company



1201 SOUTH SIXTEENTH STREET  
OMAHA 8, NEBRASKA

# Launch New Credit Corporation

IOWA bankers were given details last month in a series of five meetings around the state explaining how they can become members of the Iowa Business Development Credit Corporation. Preliminary approval of a prospectus has been granted by the Securities and Exchange Commission and it is hoped that final SEC approval will be gained by mid-August.

The IBDC is being organized to assist existing businesses as well as new enterprises in order to aid the expanding economy of Iowa and to aid the smaller communities. Spokesmen state that loans granted by the Corporation will probably be used more in towns of under 10,000 population.

Although this is not an official proj-

ect of the Iowa Bankers Association, bankers are taking the leadership in promoting this new privately owned and financed corporation. It is receiving the support of the IBA's industrial expansion committee as well as the State of Iowa's Iowa Development Foundation. Enabling legislation for IBDC was passed by the Iowa legislature five years ago.

To aid in the important work of gaining shareholders from among Iowa business firms and membership from among Iowa banks, savings and loan institutions and insurance companies, officials of the corporation last month appointed Emil R. Bowlin as executive director, with offices located for the present time with the Iowa Development Commission at 250 Jewett Building in Des Moines. Mr. Bowlin retired as a vice president of Central National Bank & Trust Company, Des Moines, in November, 1964, after serving the bank 20 years.

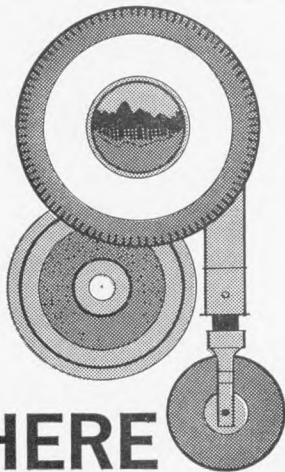
Minimum capital structure being sought is \$300,000 and these shareholders may be any interested Iowa firm or individual. A minimum of \$2,400,000 lending limit also is needed to commence business. The latter amount will come from members gained from the financial institutions in the state.

Member banks will pledge 2 per cent of their paid-in capital, surplus and undivided profits. After deducting the amount they have invested in IBDC stock as shareholders, each member will then have established his lending limit. When loans are made, each member generally will participate on the pro rata basis that his adjusted loan limit bears to the aggregate loan limit of all members.

Officers of the IBDC are: Chairman and president, B. C. Grangaard, president, Central National Bank & Trust Company, Des Moines; vice president, P. K. Rausch, president, Home Savings & Loan Association, Waterloo; secretary, J. L. Munger, attorney, Deere & Company, Des Moines, and treasurer, R. B. Patrick, senior vice president, Bankers Life Company, Des Moines.

The 18-member board of directors must be made up of two-thirds of its members from financial institutions and one-third from the shareholders.

Conducting the well-attended meetings for bankers around the state last month were: Sherry Fisher, vice president, Central National Bank and Trust Company, Des Moines, and these four officials of the Iowa Bankers Association: Oliver A. Hansen, president; James W. Lipton, Jr., vice president; Arthur E. Lindquist, Jr., secretary, and Wendell Gibson, attorney.



## WHERE the WHEELS go...

in mid-America...

THEY ALL ROLL TO A  
**SCHIMMEL  
HOTEL or MOTEL**

Hub of civic and social activities, all Schimmel Hotels offer telephone, TV, radio and air conditioning in all rooms —FAMILY RATES, CHILDREN FREE, POOLS IN MOTELS, AAA APPROVED

## HOTEL CORNHUSKER

13th & M Streets / Lincoln, Nebraska  
(402) 432-4471

"first in food"

IN WICHITA  
**THE LASSEN MOTOR HOTEL**  
IN OMAHA  
**INDIAN HILLS INN**  
IN OMAHA  
**THE BLACKSTONE**

## INDEX OF ADVERTISERS

JULY, 1968

<b>A</b>	
Acorn Printing Company .....	88
American National Bank and Trust Company—Chicago .....	41
American Trust and Savings Bank—Dubuque .....	79
<b>B</b>	
Bankers Trust Company—Des Moines ..	76
Bank of California, The .....	56
Bank of Montreal .....	16
Bank of New York, The .....	21
<b>C</b>	
Central National Bank and Trust Company—Des Moines .....	81
Chase Manhattan Bank .....	35
Chemical Bank New York Trust Company .....	15
Chiles & Company .....	66
Commerce Trust Company—Kansas City .....	39
Commercial Discount Corporation .....	11
Continental Western Insurance Company .....	85
Cooper Feeds .....	31
Cummins-Chicago Corporation .....	12
<b>D</b>	
Davenport, F. E., & Co. ....	66, 88
DeLuxe Check Printers, Inc. ....	19
Douglas-Guardian Warehouse Corporation .....	10
Drovers National Bank .....	91
<b>E</b>	
Eastman Kodak Company—Business Systems Markets Division .....	13
<b>F</b>	
Farm Business Council .....	88
Figge, Reginald, Associates .....	88
First National Bank—Chicago .....	17
First National Bank—Denver .....	62
First National Bank—Omaha .....	69
<b>G</b>	
Gross, Kirk, Co. ....	88
<b>H</b>	
Harris Trust and Savings Bank .....	7
Heller, Walter E., & Co. ....	18
Hy-Line Poultry Farms .....	75
<b>I</b>	
Iowa-Des Moines National Bank .....	92
Iowa Legal Blank & Printing Co. ....	88
<b>K</b>	
Kooker, E. F., Associates .....	88
<b>L</b>	
Lamson Bros. ....	38
LaSalle National Bank .....	78, 84, 87
<b>M</b>	
Merchants Mutual Bonding Co. ....	6
Merchants National Bank .....	2
<b>N</b>	
National Bank of Commerce—Lincoln ..	71
Nebraska National Life Insurance Company .....	68
Northern International Bank Corp. ....	22
Northern Trust Company Bank .....	3
Northwestern National Bank—Minneapolis .....	42
<b>O</b>	
Omaha National Bank .....	67
<b>P</b>	
Piper, Jaffray & Hopwood .....	74
<b>R</b>	
Rahel, J. Cliff, & Co., Inc. ....	70
<b>S</b>	
Scarborough & Company .....	4
Schimmel Hotels .....	90
Studley Shupert Trust Investment Council .....	6
<b>U</b>	
Union Stock Yards Company—Omaha ...	29
United States Check Book Company ...	89
United States National Bank—Omaha ...	64
<b>V</b>	
Van Horne Investments, Inc. ....	72
<b>W</b>	
White-Phillips Co., Inc. ....	82

First National Bank—St. Paul .....	46-47
First National Bank and Trust Company—Lincoln .....	73
First National Bank and Trust Company—Tulsa .....	37
First National City Bank—New York ..	8-9





# It computes!

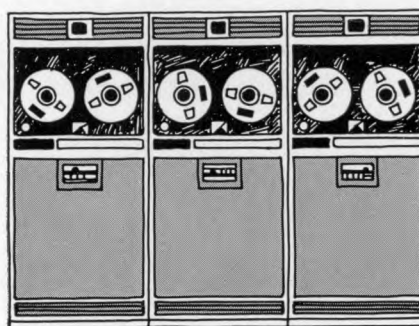
Iowa-Des Moines National Bank has consistently led in the development of computer applications for bank services.

We led all Iowa banks with the introduction of Reserve Checking and The Check Guarantee Card.

We offer greater computer capabilities in areas such as proof deposit, savings and C.D.s, installment loans and payroll accounting.

We pioneered remote computer centers in Fort Dodge and Cedar Rapids to bring these advanced computer services to more outlying banks than any other bank in the state.

*When it comes to computer services, don't you belong with the leading bank in Iowa?*



## IOWA-DES MOINES NATIONAL BANK

Sixth & Walnut, Des Moines, Iowa

284-8686 Ask for Computer Sales Dept.  
Dale Luckow, Bernard H. Kersey, Verlon Britt

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION