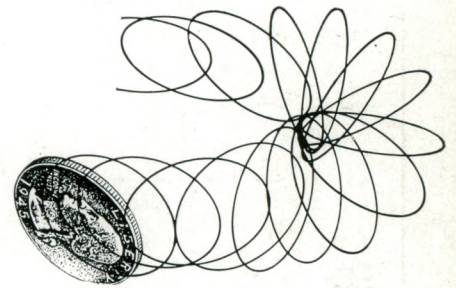


NORTHWESTERN *Banker*

APRIL
1969

Banks Accelerate Municipal Buying

—A Northwestern Banker Survey—Page 40



B. Meyer Harris

Montana Banker Heads Independents

—Page 33

Nebraska Bankers Convention Program

—Page 75



President NBA

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MNB has always tried to provide correspondents with speedy service. Now you can implement that service quicker by dialing any officer at MNB direct.

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Executive Vice President:

F. Forbes Olberg 398-4309

Correspondent Bank Division:

John E. Mangold Vice President 398-4313

Eric M. Hender Asst. V. President 398-4314

Thomas S. Martin Assistant Cashier 398-4306

Loan Division:

Robert H. O'Meara Vice President 398-4307

Raymond D. Orr Vice President 398-4292

Data Processing Department:

Joseph Phernetton Vice President 398-4204

Edward D. Kadera Assistant Cashier 398-4201

Bond Department:

Peter Bailey Asst. V. President 398-4354

Bookkeeping and Transit Department:

Blake R. Bales Vice President 398-4268

International Banking Department:

Margie Greiner (Mrs.) Dept. Manager 398-4332

Currency and Coin Department:

Leo V. McLain Assistant Cashier 398-4222

General Information

398-4211

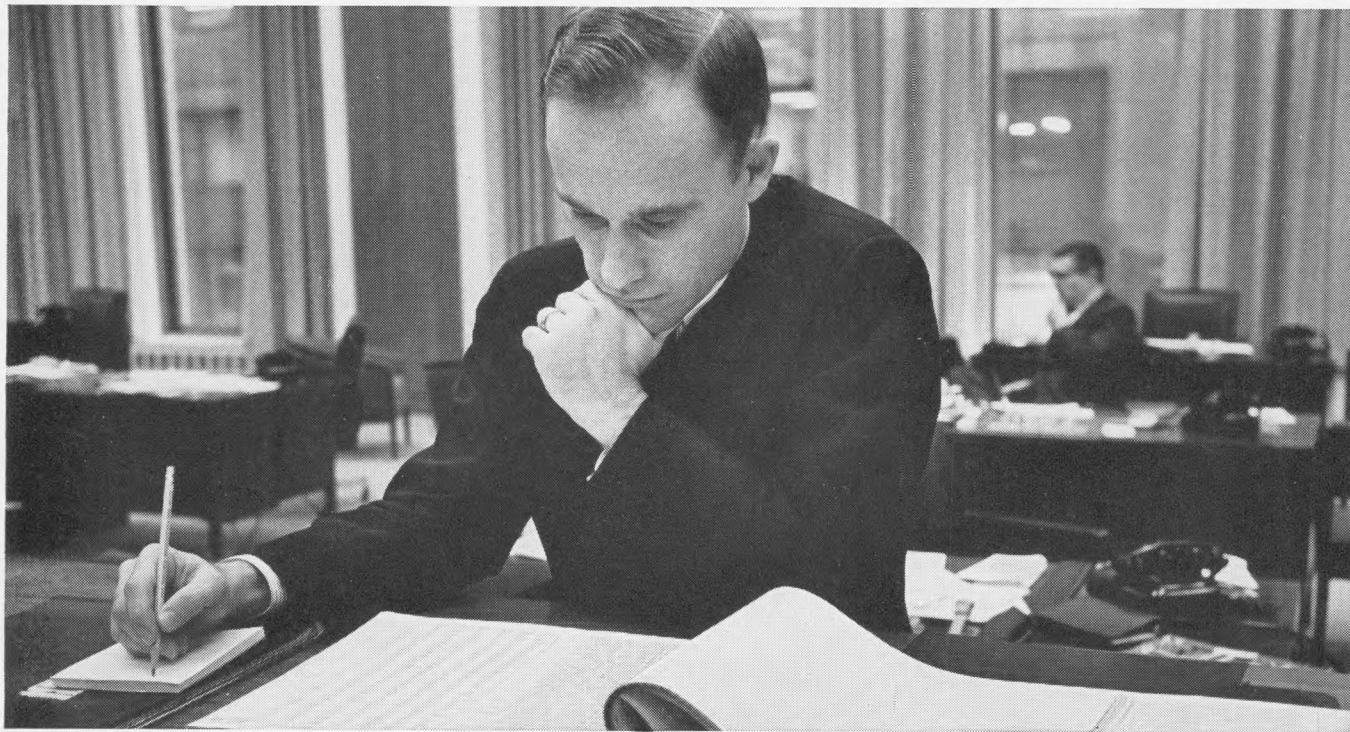


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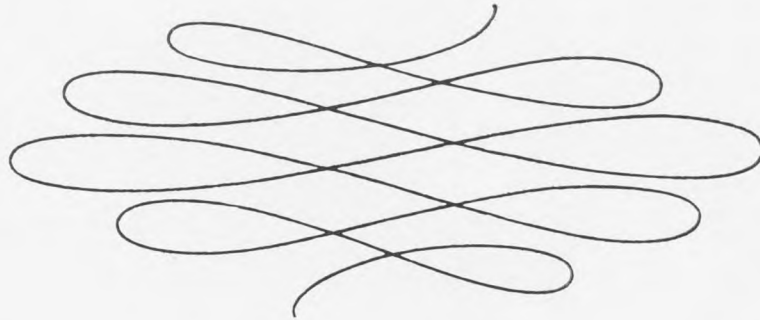
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Federal Reserve Bank of St. Louis

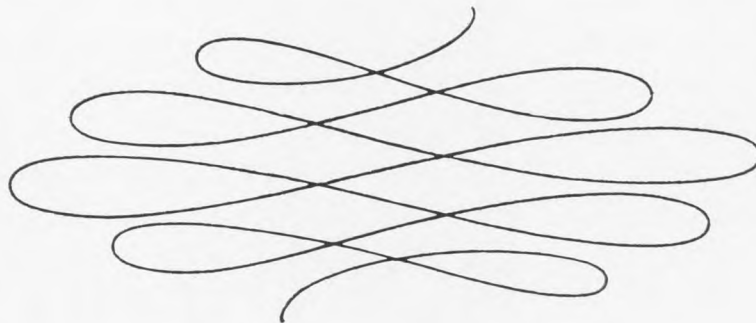
Northwestern Banker, April, 1969

Scarborough

claims paying service



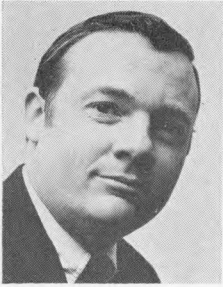
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NASSB Names Executive

Philip Hewes, president of the National Association of Supervisors of State Banks, announced the appointment of Dr. Harry P. Guenther as the Association's executive vice president-economist.



H. P. GUENTHER

Dr. Guenther, 35-year-old dean of Georgetown University's School of Business Administration, will assume his position as director of NASSB's Washington office on June 1.

Construction Moves Ahead On Harris Operations Center

Construction on the new 15-story operations center and banking facility for Harris Trust and Savings Bank, Chicago, is progressing as planned and should be completed by year end, according to Kenneth V. Zwiener, chairman.

Located at the southwest corner of Monroe and Franklin, the center will house the bank's computers, the computer support and computer-oriented operating departments, as well as drive-in and walk-in personal banking facilities.

10th National Bank Region Promotes Two Examiners

John R. Burt, regional administrator for the 10th National Bank Region, Kansas City, has announced the promotion of Thomas J. Stephens and Orton L. Lawson from national bank examiner to senior bank examiner.

Mr. Stephens joined the Comptroller's office in 1944, advanced to national bank examiner in 1952 and has been headquartered in Kansas City since 1960.

Mr. Lawson received his appointment as assistant national bank examiner in 1944 and his commission as a national bank examiner in 1958. Headquartered in Kansas City, he is well-known throughout the 10th National Bank Region.

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75th Year No. 1155

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NORTHWESTERN BANKER

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Northwestern Banker, April, 1969



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Bank Promotions and Changes

PPROMOTIONS and announcements have been made by the following banks:

Bank of America, N.A., San Francisco: Ralph W. Fellman, vice president, has been named to head the correspondent banking activities for the bank. A veteran of 22 years with the bank, he returns to San Francisco after eight years as head of the New York representative office. A South Dakota native, he graduated from Macalester College in St. Paul.



R. W. FELLMAN

Other key advancements made by B of A include promotion of James F. Langdon to senior vice president. At age 40, he becomes the



J. LANGDON



A. W. CLAUSEN



A. C. MEYER



S. H. ARMACOST

youngest senior vice president in the bank. He will continue to direct public relations activities. Executive Vice President A. W. Clausen has been named as chairman of the bank's general finance committee. Albert C. Meyer has been named senior vice president of the bank and president of the Small Business Enterprises company, which is a wholly-owned subsidiary. Samuel H. Armacost has been named a vice president in the national division.

Bankers Trust Company, New York: Kennedy Randall, Jr., has been elected a first vice president of the bank.

Well-known throughout the NORTH-

WESTERN BANKER area, Mr. Randall heads the far western division of the national banking department which includes the states of Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming. He is also in charge of specialist serving the aerospace industry.



K. RANDALL, JR.

Beginning his banking career with Commercial National Bank, Mr. Randall came to Bankers Trust in May, 1951, when Commercial and Bankers merged. He was named an assistant treasurer later that year, an assistant vice president in 1957 and a vice president in 1962.

Bank of New York, New York: Richard C. Freimuth and Richard W. Peterson, Jr., have been elected vice presidents. Both men are in the commercial banking department of the metropolitan division.

Central National Bank in Chicago: Alan M. Mayer has joined the staff of the correspondent and agricultural banking division. He will assist in servicing banks in Illinois, Indiana and Wisconsin. He was formerly with McHenry State Bank, where he was an assistant cashier.

The bank has also announced the appointment of Richard P. Deranian as assistant to the chairman, and named three assistant trust officers—George W. Holford, John Kramer and Edward Marshall.

Chase Manhattan Bank, N.A., New York: William J. Connellan has been advanced from assistant treasurer to second vice president. He travels the NORTHWESTERN BANKER area for the United States department of the bank.

Mr. Connellan joined the bank in 1947 and entered the special development program in 1954. In 1965, he obtained a bachelor of science degree from New York University.



W. J. CONNELLAN

The bank also announced the appointment of Gordon J. Olsen as vice president in charge of correspondent bank marketing. He has been working



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Northwestern Banker, April, 1969

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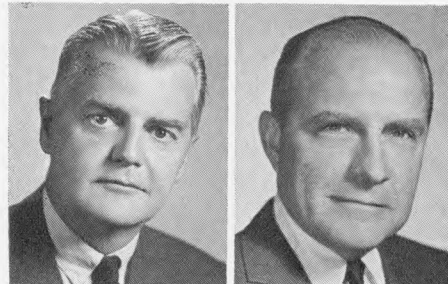
Federal Reserve Bank of St. Louis

Bank Promotions and Changes . . .

with correspondents and corporate customers in the southeastern United States since 1956 and more recently in the New York-New Jersey district.

City National Bank & Trust Company, Kansas City: Charles W. Koester has been advanced to senior vice president in the bank's commercial division. Marlin L. Koelling and Ted R. Cauger were named vice presidents in the division.

Marshall D. Hendrickson was named comptroller, and Mrs. Betty D. Gulick was named auditor.



M. L. KOELLING

T. R. CAUGER

Mr. Koester represents the bank's major accounts and business development division in the eastern section of the nation.

The bank has also announced the retirement of Edward F. Lyle, senior vice president, after 33 years with the bank. He is well-known for his work in the Bank Administration Institute.

Commerce Bancshares, Kansas City: John R. Vaughn, 31, has been elected auditor. He has been auditor of the First National Bank, Kansas City.

Thomas J. Brown has been elected a vice president, and will head up the firm's state-wide industrial development activities. He has been with the Missouri Division of Commerce and Industrial Development, headquartered in Jefferson City.

Continental Illinois National Bank and Trust Company, Chicago: John H. Perkins, executive vice president of the bank, has been elected to the board of directors of the Pillsbury Company, Minneapolis.

First National Bank of Chicago: Harold D. Pletcher, assistant vice president in the home mortgage loan division of the retail banking department has been assigned to the recently created marketing division of the retail banking department, which is headed by David McElroy.

The bank has also announced the election of John N. DeBoice as vice president in charge of the public relations division. Prior to joining the bank, he was communications manager for International Minerals and Chemical Corporation.

Harris Trust and Savings Bank, Chicago: Arthur C. Nielsen, Jr., president of A. C. Nielsen and Company, has been elected a member of the board of the bank. He replaces Paul L. Morrison, chairman of the executive committee of General Finance Corporation, who chose not to stand for re-election.

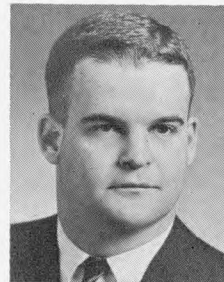
Johannes G. van Thiel, vice president in the bank's international banking division, has been named to head the bank's proposed London branch.

LaSalle National Bank, Chicago: New assistant vice presidents are Paul R. Harkenrider, trust department; William C. Olsen, retail banking department, and Richard A. Weiss, trust department.

National Bank of Detroit: Charles T. Fisher, III, was elected executive vice president. He heads the United States Division of the bank. He joined the bank in 1958 after the death of his father who had been president for many years.

Northern Trust Company, Chicago: Loren B. Allen, senior vice president in the banking department, has retired after 22 years service.

Manufacturers Hanover Trust Company, New York: Nathaniel S. Howe, Jr., has been elected a vice president in the national division.



N. S. HOWE, JR.

Mr. Howe started in the bank's management program in 1960, and was assigned to the national division in 1963. He was elected assistant secretary in 1964 and assistant vice president in 1966. He represents the bank in Kansas, Minnesota, Missouri and Wisconsin.



W. A. SMITH

Mercantile Trust Company, St. Louis: Walter A. Smith was named trust officer; Wayne Kerwin was named data processing officer, and Thomas A. Bangert was promoted to assistant operations officer.

Northwest International Bank, New York: John Harrison, formerly with

BANK PROMOTIONS . . .

(Turn to page 10, please)



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Employers Mutual Companies

57th Annual Report

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Condensed Statement As Of December 31, 1968
Employers Mutual Casualty Company

ASSETS

BONDS	\$58,850,424.12
No bonds owned by the Company have ever been in default either as to interest or principal.	
Stocks—Market Value	15,373,601.84
Mortgage Loans—FHA Insured	193,672.68
Real Estate	1,967,971.74
Cash in Banks	5,191,686.41
Premiums Receivable—not past due	6,915,788.57
Interest Accrued and Other Assets	2,179,377.07
TOTAL ADMITTED ASSETS	<u>\$90,672,522.43</u>

RESERVES

Reserve for Claims	\$34,239,172.00
Funds set aside to pay all in-curred losses.	
Reserve for Unearned Premiums	27,724,005.34
Funds set aside to return to every policyholder the unearned premium in event of cancellation.	
Reserve for Taxes	2,210,600.00
State and Federal Taxes.	
All Other Reserves	4,428,696.74
Funds set aside to pay all anticipated general expenses incurred but unpaid at year end.	
TOTAL RESERVES	<u>\$68,602,474.08</u>
Guaranty Fund .. \$	750,000.00
Reserve for Contingencies ..	1,250,000.00
UNASSIGNED SURPLUS	<u>20,070,048.35</u>
	<u>22,070,048.35</u>
	<u>\$90,672,522.43</u>

DIRECTORS

ROBB B. KELLEY President and Treasurer
M. J. WILKINSON Assistant to the President
W. Z. PROCTOR General Counsel
W. J. HYNES Retired Claims Counsel
E. C. BOOTH Director, Lennox Industries, Marshalltown
WILLIAM H. BRENTON Board Chairman, Brenton Banks, Inc., Des Moines
HJALMAR L. HJERMSTAD Chairman, Citizen-Security Mutual Insurance Co., Red Wing, Minn.
JOHN H. KELLEY, M.D. Orthopedic Surgeon, Des Moines
WEBSTER M. LEHMANN Farm Manager, Des Moines
GEORGE A. MORRELL Former Director, John Morrell & Co., Ottumwa
CARL MUELHAUPT Retired Chairman, Central Service Co., Des Moines
JOHN D. STODDARD President, Stoddard Development Co., Des Moines
R. W. WEITZ Chairman, Weitz Company, Inc., Des Moines
R. W. WOOD, M.D. Director, Newton National Bank, Newton
HARLAN T. MOSES Chairman, MFB Mutual Insurance Companies, Providence, R.I.



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BANK PROMOTIONS . . .

(Continued from page 8)

Marine Midland Grace, has joined the staff as a vice president. Robert Dowd has been advanced to vice president. Dana Herbst, who joined the bank in 1968, was named vice president. Karl Sharp was advanced to secretary.

Northwest International Bank is a wholly-owned international banking facility of the Northwest Bancorporation, Minneapolis.

Security Pacific National Bank, Los Angeles: Appointments of 10 assistant vice presidents have been announced.

Named are John J. Wallace, business development department; Ronald G. Bilton and Michael C. Lapham, electronic data processing department; Leif B. Gilbert, international banking department; Robert T. Green and Richard C. Voake, metropolitan banking department; Kraig A. Westra, George H. Benter and James H. Cheney, national banking department; and Ray A. Weisenburger, operations department.

United California Bank, Los Angeles: Two new members of the board of directors have been announced. They are Norman J. Travis, chairman of the board, president and chief executive officer of U. S. Borax and Chemical Corporation, and Harry T. Kendall, Jr., executive vice president, Potlatch Forests, Inc.

Hail Company Sets Record

Max D. Rutledge, president, Farmers Mutual Hail Insurance Company, Des Moines, reported that the company had set an all-time record of over \$460 million of crop hail insurance in force in 1968. He also reported that assets were increased to over \$24.5 million. Surplus to policy holders was increased to over \$13.2 million, an increase of approximately 15 per cent. The company writes crop hail insurance in 10 midwestern states, and is ranked first among all insurance companies in the nation who write this type of insurance coverage. The company reported 21,000 hail damage claims in 1968.

B of A Overseas Branches Total 92; Six Additions

Bank of America, San Francisco, has opened six new overseas branches. They are located in Cali, Columbia; Changuinola, Panama; Lyon, France; Bridgetown, Barbados; Manchester, England, and Santo Domingo, Dominican Republic.

B of A now has 92 overseas branches in 73 countries.

Administration Outlines Bill For One Bank Holding Companies

THE Nixon Administration has asked Congress to bring holding companies with control of a single bank under jurisdiction of the Bank Holding Company Act in order to "draw a line" between banking and non-financial businesses.

The proposal would require the three federal banking agencies to agree unanimously on guidelines that each would apply separately in judging whether a one-bank holding company could acquire or engage in a specific business.

1968 Cut-Off

The bill provides a June 30, 1968, "grandfather clause" so that a one-bank holding company existing as of that date would not be required to divest itself of any activities.

However, a conglomerate corporation that already owned one bank as of that date would be barred from entering any new non-financial activities in the future and would have to divest such acquisitions that occurred between last June 30 and the date of enactment.

A one-bank holding company could keep or acquire shares in any company until June 30, 1980, the bill says, provided that it disposes of its bank

by then. The grace period could be extended a year at a time for three additional years.

Distribute Assets

Accompanying legislation would permit companies to distribute the assets of other non-banking or banking assets without tax consequences if they are fully distributed among shareholders.

While the Administration bill has the broad backing of the three banking agencies, Treasury Undersecretary Charles E. Walker said each of the three will be free to recommend alternative approaches on some points when they testify.

A major tightening provision is that a bank holding company would be defined not only as a company with 25 per cent or more of the stock of any bank, but could also be one that has indirect power over the policies of a bank.

National Banks Increase Direct Lease Financing

Direct lease financing operations carried on by national banks throughout the country climbed to a volume of \$541.9 million at the close of 1968,

compared with the \$521 million reported as of last October 30. The dates are for the fall and winter reports of condition called for by Comptroller of the Currency William B. Camp.

Data reported to the Comptroller showed that the number of national banks engaged in direct lease financing increased in the same period from 281 to 303. There were 4,720 national banks in operation at the end of 1968.

Data from the call report at the end of 1967 indicated that 259 national banks reported a volume of \$412.1 million in direct lease financing outstanding at that time.

American of Chicago Plans Branch In London

An overseas branch in London is planned by the American National Bank and Trust Company, Chicago.

In making the announcement, Allen P. Stults, president, said, "The increased activity which the officers in our International Banking Department are experiencing—the use of Eurodollars and overseas activities generally—has pointed up the desirability of an overseas branch. This move will in no way alter our policy of primary use of the close correspondent relationships which we maintain with the leading banks in every major country in the Free World to serve our customers' requirements."

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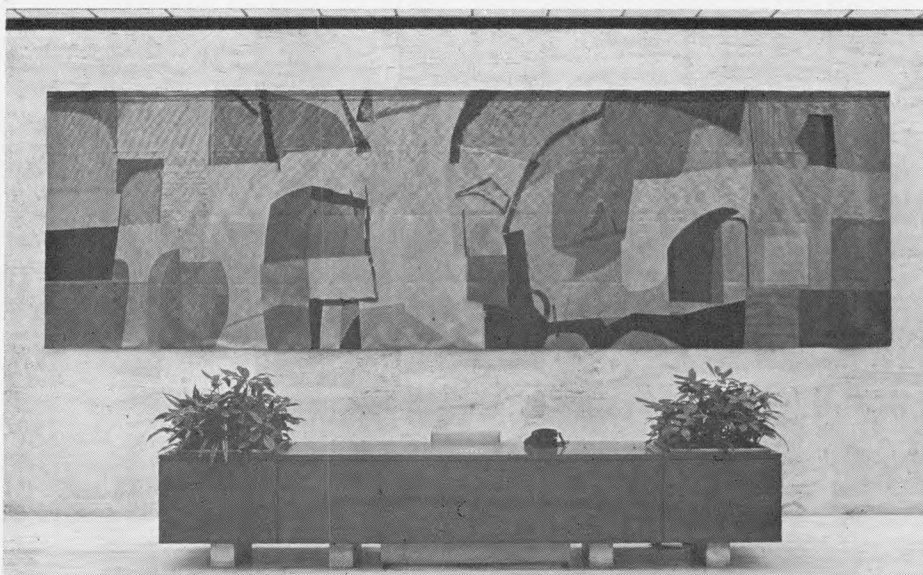
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Mural for New York Bank



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Fed Discount Proposal Described By George Mitchell

George W. Mitchell, a member of the board of governors of the Federal Reserve System, said last month that the board's plan to revise regulations governing discounting had drawn a generally favorable response.

Addressing the National Credit Conference of the American Bankers Association in Chicago, Mr. Mitchell said

that no major changes are planned in the board's proposal to revamp its discount window through which the Federal Reserve makes loans to member banks.

The proposals for change, made last July by a Federal Reserve committee, suggested that the discount rate charged on loans to member banks be changed often to keep it more in line with other money market rates. This has come to be known as the princi-

ple of "fine tuning" the money market to economic conditions.

The committee also proposed that the Federal Reserve establish a basic borrowing privilege under which each bank would be given automatic rights to borrow within an individual quota scaled to its size.

Mr. Mitchell said the board now feels that required reserves are a better method of measuring borrowing privileges than capital and surplus, or capital and surplus plus undivided profits.

The majority of written comments received by the board were clearly in favor of the committee's proposals or minor variations, Mr. Mitchell said.

Continental Offers \$5,000 Geography Scholarships

Continental Illinois National Bank and Trust Company, Chicago, and the University of Illinois geography department have developed a unique way to expand bank area development activities and train new talent.

The bank has established a \$5,000 research assistantship at the university in the field of industrial geography and plant location. It is the first such project in the United States in geography.

To Head Card System

Richard P. Tennant has been elected president of Credit Systems Incorporated, the not-for-profit corporation which operates the Bankmark Charge Card, Emil E. Schuster, vice president of First National Bank of St. Louis, has been elected chairman of the board, and Carl H. Schupp, executive vice president of City National Bank & Trust Company in Kansas City, has been elected vice chairman, it was announced by James E. Brown, senior vice president of Mercantile Trust Company. Mr. Brown has served as president of Bankmark since its inception.

To Head Fed Home Loan

President Nixon picked Preston Martin, commissioner of the Department of Savings and Loans in California, to be chairman of the Federal Home Loan Bank board. Mr. Martin will complete the term of Robert L. Rand, who has resigned. The term expires June 30, 1970. Mr. Martin, 45, has taught economics at the University of Southern California and is the author of a textbook and articles on housing and the savings and loan industry.

—49th Year— THE CROP HAIL PROTECTION FARMERS PREFER

STATEMENT OF CONDITION At Close of Business December 31, 1968

ASSETS

U. S. Government Bonds	\$2,346,181.38
Other Bonds	1,964,338.11
Stocks	179,509.00
Accrued Interest etc.	27,592.57
Cash in Bank & Home Office	393,656.84
TOTAL Admitted Assets	\$4,911,277.90

LIABILITIES

Reserve for Federal & State Taxes	\$ 168,547.77
Other Liabilities	418,857.59
TOTAL LIABILITIES	\$ 587,405.36
Surplus to Policyholders	\$4,323,872.54
	\$4,911,277.90

Securities carried at \$390,000.00 in above statement are deposited with public authorities as required by law.

SQUARE DEAL INSURANCE COMPANY
DES MOINES, IOWA 50308
Mutual

Chase Wayne Hansen has over 50 direct correspondent services to tell you about.

Listening?

Since we continually review and add new services for correspondents, we hope you won't pin Wayne down to an actual count. But we know he has over 50 at hand right now.

And, if you'd like some ideas on how to keep *your* customers—individual or corporate—happy, Wayne will give you a run-down on *all* of the over-200 services Chase Manhattan has.

He can help you with everything from in-depth portfolio review to improving your advertising program. He can help with customer business abroad too—import-export, business contacts, Eurodollars. You'll have the backing of our experienced banking and technical staffs. Their countless years of experience will prove invaluable to you and to your customers.

Chasemen like Wayne Hansen are the real reason why more banks bank with Chase Manhattan, the world's number one correspondent bank.

**THE
CHASE
MANHATTAN
BANK**



N. A. / 1 Chase Manhattan Plaza,
New York, N.Y. 10015

ACROSS the DESK from the Publisher

Dear Harry A. Steffen:

*President, National Farm Stores,
Minneapolis, Minnesota*

Your company's plans to establish a nationwide chain of agri-business centers, "designed to provide all the needs of the farmers," have been met with mixed emotions by banking and business leaders.

Each center will reportedly cost a minimum of \$3 million to build and each is expected to produce an estimated \$20 million in annual sales. A total of 20 centers are planned for 1969, and 11 Iowa communities have been selected for initial development. Details are published on page 26 of this issue.

Assuming that your agri-business centers receive the acceptance from rural residents that you are anticipating, there will unquestionably be a number of towns and independent merchants that will receive adverse effects. The \$20 million in annual sales must come from somewhere, and we doubt if it will be newly generated.

You say that the significance of these centers is that you are moving substantial amounts of money back into rural America—and that your installations will mean a reversal of the flow of dollars which have been going out of the rural economy. Five of your six proposed basic suppliers (in addition to a financial institution) will be (1.) an NFSI Farmor Store; (2.) a major oil company; (3.) a major oil company to supply fertilizer; (4.) an animal health company, and (5.) a regional livestock marketing and management company.

Up to this point, "the track record" for many of these "basic suppliers" has shown that they have contributed to the flow of dollars out of the area, rather than into it. Token accounts are kept with local banks, while the majority of financial activity is conducted in the city where the supplier is headquartered. The computers and bank charge cards have contributed to this trend.

You mention that Litton Industries (your parent firm) will "make available" interim and permanent financing, planning services, and equipment to the various businesses coming into the centers. This would seem to start the outflow of capital.

Moving substantial amounts of money back to rural America is a marvelous objective, and we hope that National Farm Stores, Inc., proves to be the exception that will accomplish this goal. For the moment, we'll adopt a wait and see attitude.

Dear Charles B. Chrisman:

*President, National Association of Insurance Agents,
New York, New York*

Your organization has expressed to top officials in the Nixon Administration its grave concern over the movement of banks into the insurance business through one bank holding companies and other devices.

In your letter to federal officials you warn, "the possibility of coercion is always inherent in the mixture of banking and insurance." Furthermore, you state that "the power of a bank to grant or withhold a loan will have an influence on the decision of a buyer in placement of his insurance coverage, whether that power is used coercively or not."

In making these statements, you should keep in mind that in rural America the bank agency is frequently the only qualified source available to residents of the area. Also, in checking your records we believe that you will find that many of these bank agencies have been long-established and are members of NAIA.

One other thought comes to mind. As publishers, we have often wondered why trade associations in the insurance industry (as well as in banking) feel that they have to "infringe on the rights" of privately-owned publications in selling advertising in their respective house organs. Doesn't the same principle apply?

Heller reports highest earnings in its history and \$3,259,809,481 finance volume in 1968 (compared with \$2,913,365,693 in 1967)

WALTER E. HELLER & COMPANY and Subsidiaries

Financial Statement as of December 31, 1968

ASSETS

Cash.....	\$ 56,551,907
Receivables.....	\$771,810,681
Less: Balances Withheld... \$135,766,257	
Reserve for Losses... 9,899,609	
Unearned Discounts... 27,207,488	172,873,354
Net Receivables.....	\$598,937,327
Prepaid Expenses.....	3,592,825
Investments in Manufacturing Subsidiaries.....	36,257,786
	<u>\$695,339,845</u>

LIABILITIES

Short Term Notes Payable.....	\$317,000,752
Accounts Payable, including Taxes.....	37,939,109
Long Term Notes Payable.....	141,301,000

CAPITAL FUNDS

Long Term Subordinated Notes.....	\$ 82,055,000
Capital Stock and Surplus.....	117,043,984
	<u>\$199,098,984</u>
	<u>\$695,339,845</u>

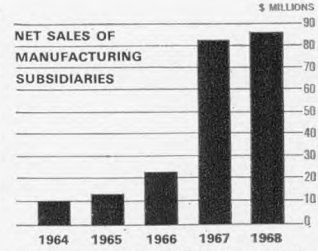
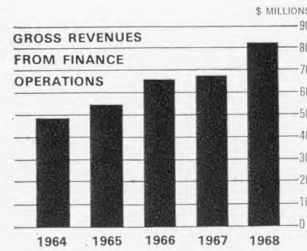
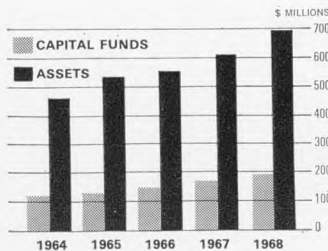
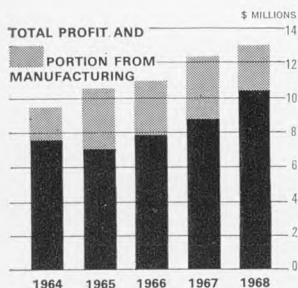
HIGHLIGHTS

OPERATIONS:

	1968	1967
Income.....	\$81,283,617	\$67,946,924
Expenses.....	60,276,482	51,770,094
Taxes.....	10,460,000	7,538,000
Minority Interest in Income of Foreign Subsidiaries.....	249,950	56,589
Net Income of Manufacturing Subsidiaries.....	2,658,213	3,646,173
Net Income.....	12,955,398	12,228,414

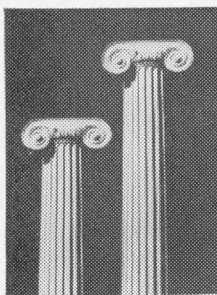
COMMON STOCK:

	1968	1967
Earned Per Share.....	1.28	1.22
Dividends Per Share.....	.60	.50
Book Value Per Share.....	8.43	7.67
Number of Stockholders.....	11,694	12,279
Number of Shares Outstanding.....	8,633,018	8,462,569



1966 and prior years restated under "pooling of interests" to include Art Metal-Knoll Corporation, acquired in 1967.

Not restated prior to 1967 in order to show effect of Art Metal-Knoll Corporation acquisition on manufacturing sales.



These charts illustrate the growth of the Company for the past five years. A copy of our annual report will be mailed upon request to Mr. Lawrence R. Foerster, Vice President and Treasurer.

Walter E. Heller & Company

105 West Adams Street, Chicago, Illinois 60690

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

Northwestern Banker, April, 1969

Plan Security Conference

A NATIONAL Conference on Bank Security will be sponsored by the Bank Administration Institute in Chicago on July 1-2, according to Institute president Earl L. Bimson, who is also president of the Valley National Bank in Phoenix, Ariz.

The Conference, to be held at the Palmer House, will give the banking industry its first opportunity on a national scale to exchange ideas and develop ways to increase and maintain bank security against increasing pressures of violation.

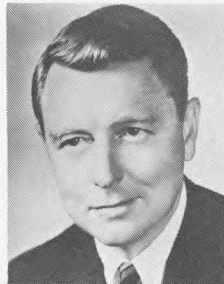
In announcing the Conference, Mr. Bimson said, "The recent regulations designed to implement the Bank Protection Act of 1968 have effectively focused attention on the problems of bank security. However, bank security encompasses far more than protection against robbery, burglary and larceny. Because of this, the Conference will consider the total security program of the bank."

While the program for the Conference has not been completed in detail, there will be heavy emphasis on workshop sessions on such subjects as cash control, the "paperhangers," investigations, liaison with law enforcement agencies, development and maintenance of training

programs, detection and surveillance equipment, alarms, civil disorders, sabotage and emergency preparedness. Authorities from the regulatory agencies, law enforcement agencies and bank security forces will participate on the program.

Joins Foundation Advisory Group

Robert E. Cody, vice president of Security Pacific National Bank of Los Angeles, has been appointed to the Advertising Advisory Group of the Foundation for Full Service Banks, it was announced by George Briggs, vice president of Seattle-First National Bank Seattle, Wash. Mr. Briggs is chairman of the Advertising Advisory Group.



R. E. CODY

The Foundation conducts a \$2.5 million national advertising campaign in network television and leading magazines to educate the public about the advantages of "Full Service" banking.

Bank PRMA to Move Chicago Headquarters

Bank Public Relations and Marketing Association headquarters will move to a new Chicago location during the latter half of April.

New enlarged quarters will be occupied at 309 West Washington Street, in the rapidly developing area immediately west of Chicago's Loop.

Bank PRMA is a national trade association with more than 3,300 members engaged in advertising, public relations, marketing, business development and allied activities in commercial banks throughout North America.

Bank PRMA School Opens Enrollment

Applications for enrollment in the 1969 session of the School of Bank Public Relations and Marketing must be returned to the registrar before April 30, for the two-week session in June.

The fees for the courses are \$350 for the Advanced Courses and \$200 for the Fundamentals Course. Fees include tuition, room, meals and all classroom materials.

Applications may be obtained from the Registrar, School of Bank Public Relations and Marketing, 120 W. Madison Street, Chicago 60602.

ABA Advances George Amy

George R. Amy, chief administrative officer of The American Bankers Association, has been given the additional title of senior deputy manager, it was announced by Edgar T. Savidge, acting executive manager.

Mr. Amy has been with the Association since 1944 when he was named assistant secretary of the Country Bank Operations Committee. He was made a deputy manager of the Association in 1947 and was appointed secretary of the A.B.A.'s State Association Section in 1954.

He became chief administrative officer in 1961.

ANYONE CAN PROVIDE DISABILITY AND HOSPITALIZATION PROTECTION . . . THE TRICK IS:

To Do It Well
To Pay Claims The Day You Get Them
To Keep the Customer Happy!

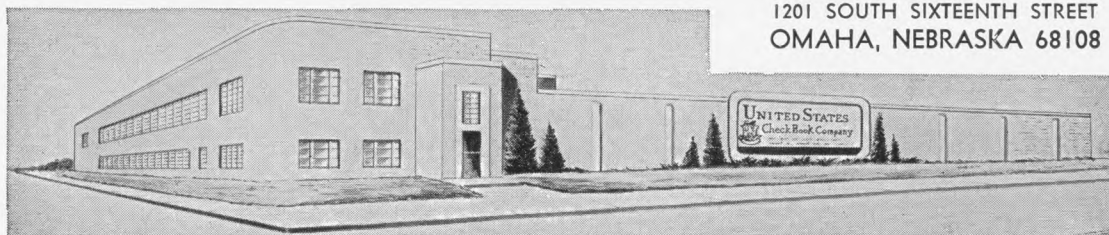
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OMAHA, NEBRASKA 68108

CREATIVE *Thinking*

for First of Tulsa Correspondents . . .



John Broach

George Bean

Jack Sanders

Dick Wagner

it's a CAPITAL IDEA

First National Specialists of our Division H (Correspondent Banks) are, by necessity, flexible and resourceful bankers. They know that yesterday's banking methods do not necessarily fit today's needs — and tomorrow can bring its own special demands.

Progress doesn't stand still. These specialists don't. It isn't unusual for them to travel thousands of miles each month to talk to bank executives to exchange "capital ideas." They do a great deal of homework, too. They keep alert to new methods and ideas. Their fact-finding and creative think-

ing results in development of new programs, new services, more effective "capital ideas" to help serve correspondents and their customers *better*.

You can depend on your First Specialist to bring First National's *full service* thinking and solutions to your individual problems.

When you need correspondent *help* or just wish to exchange creative thoughts, it's a "capital idea" to call or write First Specialist Dick Wagner, Jack Sanders, John Broach or George Bean. Call 918 587-2141.

you deserve MORE... Think First!

THE FIRST NATIONAL BANK & TRUST COMPANY of TULSA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, April, 1969

New Facility for Chicago Bank



CUSTOMERS during the grand opening of American National Bank and Trust Company of Chicago's drive-up facility were greeted by hostess **Linda Hollar**.

THE American National Bank and Trust Company of Chicago has opened the Loop's first drive-up banking facility under the Illinois Facility Law.

The drive-up, walk-in office is located at 117 West Wacker Drive, in the LaSalle-Wacker Building. The

main bank premises are two blocks away at LaSalle and Washington.

"We believe that the authentic, red brick Williamsburg colonial styling of the facility with its mansard roof, mulioned windows, and appropriate landscaping increases the attractiveness of the north end of the LaSalle Street

financial district," Mr. Ericsson added in referring to the bank's new facility. The Williamsburg theme is the same design being instituted by the bank throughout its main facilities during its \$5 million remodeling program which is three-quarters completed.

New Foundation Members

New members of the Foundation for Full Service Banks in the NORTHWESTERN BANKER area are the First Trust & Savings Bank, Albany, the Erie State Bank, and the Land of Lincoln Bank, Springfield in Illinois, and the Whitehall State Bank in Montana.

NABW Selects Las Vegas For Regional Conference

Mrs. Dorothy Ann Frederick, assistant cashier at First National Bank, Las Vegas, is general chairman for the 1969 Rocky Mountain-Western Regional Conference of the National Association of Bank Women in Las Vegas, June 11-12.

Mrs. Lucille C. Beverly, assistant cashier at Nevada State Bank, Las Vegas, is co-chairman.

The conference, featuring the theme "Marketing Today for Tomorrow," will be attended by women bank officers from the eight states which comprise the NABW Rocky Mountain and Western regions. Conference headquarters will be in the Frontier Hotel.

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
- GENERAL LIABILITY
- WORKMENS COMPENSATION
- GLASS — BURGLARY — ROBBERY
- 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





Dependability

Let's face it . . . what you are seeking in a supplier is dependability. Shopping around will get you price, intelligent scrutiny will get you quality, pounding the table will get you service, but when you deal with a dependable supplier you get all three without knocking yourself out. The more you buy, the more significant is this worry-free relationship.

As a supplier of bank checks, we are proud of the fact that during a year's time we handle orders from thousands of banks. The billing to some of these banks runs into important money. To others, it is almost too small to measure. In the aggregate, the record shows that we have doubled our business every five years for the past thirty years without benefit of acquisitions, and this of course is gratifying.

During the course of a year, we execute over thirty-three million individual orders and are exposed to over four hundred million opportunities for error. We make errors, naturally, but last year 99.35% of all our orders were accurately handled. This, too, is gratifying, not only because it represents pretty good performance but more because of its contribution to this "worry-free" relationship which we think is mutually desirable.

So our solicitation for your business emphasizes dependability. We could make a pitch on price, or quality, or service, and from time to time we do. But, in the final analysis, we think if you look upon us as being dependable people, we have a better chance to win and hold your business. In view of the new stature of bank checks, it might profit you to check us out on this claim.



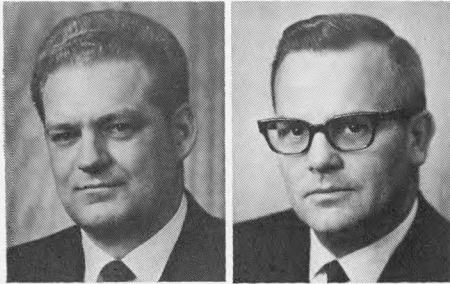
DELUXE CHECK PRINTERS, INC.
STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

Corporate News

CORPORATE promotions and announcements of special interest to readers of the **NORTHWESTERN BANKER** include the following:

Bank Building and Equipment Corporation, St. Louis: Three appointments at the vice presidential level have been made.

J. A. Smith, formerly first vice president, was named executive vice president and chief financial officer.



J. A. SMITH W. E. WILKINSON

W. E. Wilkinson was promoted to the new post of vice president-corporate development and pricing. He had



R. L. LARRABURE L. E. STICKLER

served previously as manager of estimating.

R. L. Larrabure was named vice president-senior consultant, western region. Mr. Larrabure, who is assigned to the company's San Francisco office, previously held the position of manager, western division sales.

Leon E. Stickler has been appointed sales consultant. Bringing 22 years of sales experience to the company, he will be assigned to the mid-continent area and will work out of St. Louis.

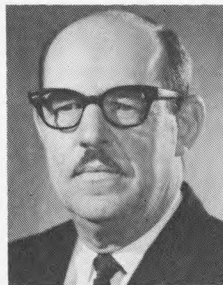
Christmas Club A Corporation, New



J. W. FRENAYE

York: John W. Frenaye has been elected president of the firm, succeeding Walter Beinecke, Jr., who continues as chairman. Mr. Frenaye, who was executive vice president, has been with Christmas Club since September, 1968. He was formerly with Diebold, Inc., as general manager of its Young & Selden Division.

Diebold, Inc., Canton, Ohio: C. Edward Noll has been elected a vice president. He is general manager of Young & Selden, Diebold's check printing division.



D. L. CHANDLER

Iowa Power and Light Company, Des Moines: Dean L. Chandler has been named industrial development supervisor and will be responsible for assisting communities to attract new industry in the 26-county area

covered by the company.

North Central Life, St. Paul: Stanley P. Kane has been elected executive vice president, Eugene L. Hanson has been named vice president, and Martin J. Joyce has been advanced to secretary.

The announcements were made by NCL Board Chairman Theodore San-

born who has been renamed NCL president, to fill the vacancy following the recent resignation of J. Robert Stassen. Mr. Sanborn will hold both titles concurrently, and Mr. Stassen will continue to serve on the board at North Central Life. Mr. Stassen is now a vice president of Dain, Kalman & Quail, well-known investment firm.

James Talcott, Inc., Chicago: James W. Brown has joined the new business



J. W. BROWN

development staff. He will aid in the development of new business in the states of Illinois, Indiana, western Kentucky, eastern Missouri, eastern Wisconsin and upper Michigan.

Mr. Brown joined Talcott in 1967 after serving as commercial finance credit manager for three years with Commercial Discount Corporation. He also served with Harris Trust and Savings Bank, Chicago, for three years.

D. H. Baldwin Company, Cincinnati, Ohio: Max G. Brooks, chairman of the board of The Central Bank and Trust Company, Denver, Colo., was nominated to be elected to the board of directors of the Baldwin Company at the annual meeting of Baldwin shareholders to be held on April 7.

On the D. H. Baldwin Company board, Mr. Brooks is being nominated to take the place of Robert E. Farrington, who will become director emeritus. Other directors to be elected, all for three-year terms, are Lucien Wulsin, president of the D. H. Baldwin Company, and Eugene Wulsin, president of The Baldwin Piano Company of Canada.

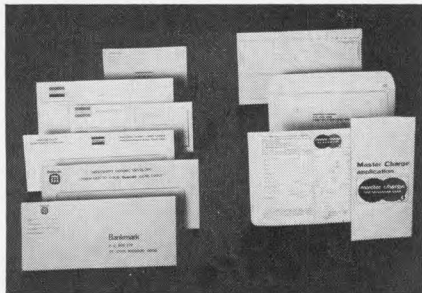
B of A Holding Company Makes First Acquisition

The Comptroller of the Currency has approved the first acquisition by BankAmerica Corporation, the one-bank holding company of America, since the corporation's recent reorganization.

An agreement has been entered into for the purchase of an 80 per cent interest in Digitran Corporation of San Francisco for \$5 million. The announcement was made jointly by Rudolph A. Peterson, president of both the bank and the holding company, and President John A. Margoese of Digitran Corporation.

Digitran Corporation was formed in February by a group of prominent men formerly associated with a major computer manufacturing firm.

Tension promotional and systems credit card envelopes.



Performance-proved by hundreds of banks.

If your bank is now involved in a credit card program or if you're now "thinking it over" ... let us show you samples of promotional and systems envelopes developed for successful programs nationwide. Our experience can save you many costly and time-consuming details. Call a Tension Specialist or contact:



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TE-294



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since 1954 . . . fifteen years of continuous protection to hundreds of banks throughout the nation who have made hundreds of millions of dollars of improvement loans without a single loss! Under the I.C.S. plan they lend only "protected dollars." As the first and largest private underwriters of credit insurance on improvement loans, we would welcome the privilege of showing you how our plan can benefit your bank. Your inquiry would be most welcome.

Arthur J. Frentz, President

Leland C. McCallum, Exec. Vice President



307 North Michigan Avenue, Chicago, Illinois 60601

Our securities analysis team hasn't lost in nine years.

That's probably because we don't believe in playing our games one at a time. Securities analysis, like every other kind of individualized attention we offer in portfolio management, is an in-depth, down-the-road proposition at National Boulevard. We tailor our advice to your present and future needs while strengthening your entire investment program.

Beyond our record of no security losses over the past nine years, we've averaged an impressive 4.74% pre-tax investment return for our own performance in the bond market. And correspondent banks for whom we manage portfolios have shown net earnings increases of up to 46.3%.

To get National Boulevard to bat for you, call Charlie Schoeneberger. The full story of our investment portfolio analysis services could mean increased investment income for you. And that's no pastime.

NATIONAL BOULEVARD BANK OF CHICAGO



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CONVENTIONS

- May 4-6 — Nebraska Bankers Assn., 72nd Annual Convention, Fontenelle Hotel, Omaha.
- May 8-10 — South Dakota Bankers Assn., 77th Annual Convention, Holiday Inn, Aberdeen.
- May 14-16 — North Dakota Bankers Assn., 84th Annual Convention, Clarence Parker Hotel, Minot.
- May 18-20 — Bank Administration Institute, Northern Regional, Hotel Sheraton-Schroeder, Milwaukee.
- May 19-21 — ABA National Automation Conference, Conrad Hilton Hotel, Chicago.
- May 21-23 — National Assn. of Bank Women, Inc., Lake Midwest, North Central Regional Conference, Radisson Hotel, Minneapolis.
- May 25-27 — Illinois Bankers Assn., 78th Annual Convention, Conrad Hilton, Chicago.
- May 26-28 — American Institute of Banking, 67th Annual Convention, Hilton Hotel, Portland, Ore.
- May 29-31 — Colorado Bankers Assn., Broadmoor Hotel, Colorado Springs.
- June 9-11 — Minnesota Bankers Assn., 79th Annual Convention, Hilton Hotel, St. Paul.
- June 10-13 — Charge Account Bankers Assn., 16th Annual Convention, Century Plaza Hotel, Los Angeles.
- June 11-12 — National Assn. of Bank Women, Inc., Rocky Mountains, Western Regional Conference, Frontier Hotel, Las Vegas.
- June 12-14 — Wyoming Bankers Assn., 61st Annual Convention, Jackson Lake Lodge, Moran.
- June 19-21 — Montana Bankers Assn., 66th Annual Convention, Jackson Lake Lodge, Moran.
- September 10-11 — Iowa Group Meeting, National Association of Bank Women, Roosevelt Hotel, Cedar Rapids.
- Sept. 21-25 — National Assn. of Bank Women, Inc., 47th Annual Convention, St. Francis Hotel, San Francisco.
- Sept. 28 - Oct. 1 — American Bankers Association, 95th Annual Convention, Honolulu.
- Oct. 19-22 — Iowa Bankers Association, 83rd Annual Convention, Hotel Fort Des Moines, Des Moines.
- Oct. 25-29 — Robert Morris Associates, 55th Annual Fall Conference, San Juan, Puerto Rico.
- Oct. 26-29 — Bank Administration Institute, 45th Annual Convention, Sheraton Cleveland Hotel, Cleveland.
- Nov. 2-7 — Bank PRMA, 54th Annual Convention, Americana Hotel, Bal Harbour, Fla.
- Nov. 16-18 — ABA 18th National Ag Credit Conference, Hotel Fort Des Moines, Des Moines.

Kodak



Speed Demon: 615 checks a minute.

That's the kind of split-second performance you can expect with the new Recordak Reliant 600-K microfilmer.

Nothing else makes shorter work of microfilming checks or other important bank data. It can actually film up to 615

checks a minute. Both fronts and backs, simultaneously.

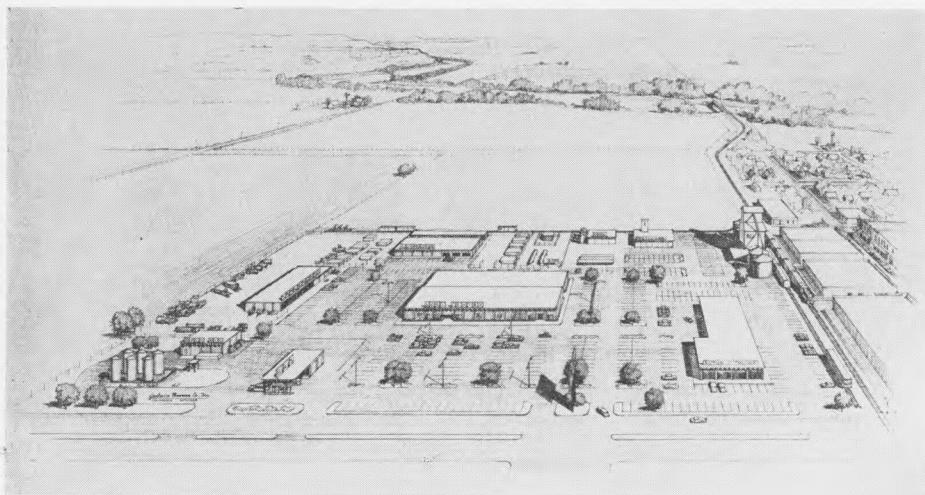
Nothing else condenses the data as much either. It can compact up to 64,500 check images on a single reel of Kodak's new thin-base Recordak Datapak film. **RECORDAK** Microfilm Systems by Kodak

Get all the facts on the 600-K. Write Eastman Kodak Company, Business Systems Markets Division, Dept. O-4 Rochester, N. Y. 14650.

©Recordak is a registered trademark for microfilm equipment designed and produced by Kodak.

Northwestern Banker, April, 1969

Plan One-Stop Farm Stores



NATIONAL FARM STORES, INC., Minneapolis, has selected communities in western and central Iowa as sites for the first of a planned nationwide chain of one-stop agri-business centers, new wall-type shopping complexes designed to furnish all the needs of farmers on single 50-acre tracts.

Harry A. Steffen, NFSI president, said options have been taken on land at Algona, Spencer, LeMars, Denison, Atlantic, Clarinda, Osceola, Marshalltown, Jefferson, Hampton and Webster City.

Each center will cost a minimum of \$3 million to build, and each center is expected to generate an average of \$20 million in annual trade volume. Godwin-Beyers Company, Inc., Colorado Springs, Colo., is the general contrac-

tor. Mr. Steffen said it is hoped that construction would begin before mid-summer on the Iowa sites.

The Retail Services Group of Litton Industries will arrange all interim construction and permanent mortgage financing as may be required for the centers.

Mr. Steffen explained that major, national companies and local businesses would be involved as basic suppliers. However, he said local business ventures would be given the first opportunity to become participants.

He said several major suppliers would own property and build their own facilities on the Agri-Business Center sites while at the same time leasing space for sales and service offices in the main mall building. NFSI, by contractual covenant, will regulate

minimum building requirements for construction by other companies on the Agri-Business Center sites, and will require the participating companies to join the merchants associations and to pay fees for management, maintenance and merchandising.

Mr. Steffen said negotiations are underway with numerous companies to determine which will be selected as major tenants or participating landowners of the centers. Contracts with these major, national firms will be signed and announced within 60 days, he said.

The centers, called by Mr. Steffen "the most significant breakthrough in farm supply merchandising in the history of agriculture," will have as the key enterprise in the mall building a Farmer Farm Supply Store—owned by NFSI—a cash and carry operation providing all items used in the repair and maintenance of farm equipment.

The six basic suppliers in the NFSI concept are: 1. the NFSI Farmor Store; 2. a major oil company to supply fertilizers, all petroleum products, farm chemicals, service station and liquid propane gas; 3. a major feed and grain company to provide feed, feed supplements, feed grinding, seed, grain purchasing and handling; 4. an animal health company — working closely with the feed grain firm—to provide preventative medicine in feed supplements; 4. a local financial institution to provide all usual and needed financial requirements of the community; and 6. a regional livestock marketing and management company. Competitive Livestock Markets Corporation, Kansas City, Mo., will build odor-proof livestock markets at many of the centers under terms of an agreement disclosed by NFSI last month.

Other proposed tenants and participants will include automotive dealerships, implement and heavy industrial equipment outlets, a discount lumber yard, a crop spraying service, a farm management company, a farm insurance agency, farm and home real estate agents, a tax and electronic accounting service, an electronic record-keeping service, a convenience goods department store offering groceries, drugs, dry goods and other home needs and a community center.

In addition, each complex will have available the services of a farm management team including an agricultural economist, a tax accountant, a veterinarian, an agronomist, a nutritionist and other specialists.

More sites will be announced this year, and eventually the centers will be located at agricultural growth centers throughout the United States.

JAMES C. SHAW, Pres.
OWEN P. McDERMOTT, Secy.-Treas.

ROBERT J. KIRKE, V. Pres.
THOMAS L. WORMLEY, V. Pres.

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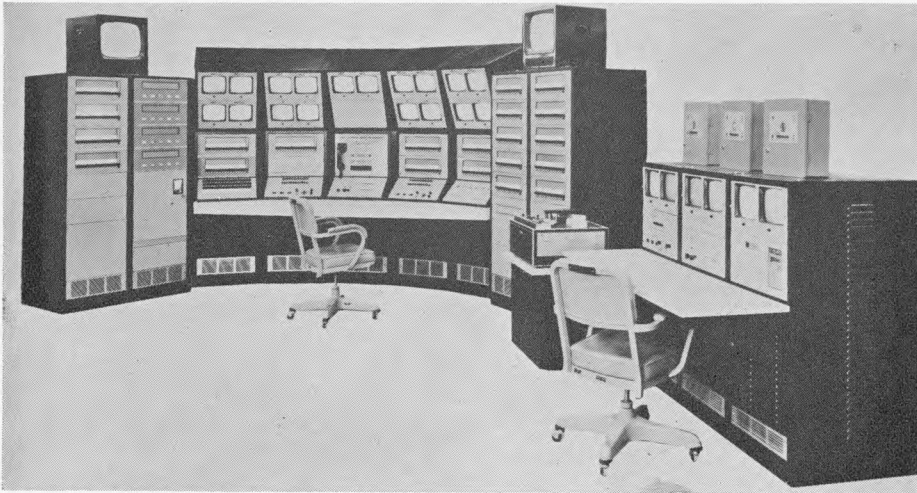
IRVING TRUST COMPANY

ONE WALL STREET, NEW YORK



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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



AT THE HEART of the First National Bank of Chicago's new security system is this master console, offering automatic electronic surveillance for any possible intrusion, violation or fire.

Complex Security System for First National, Chicago

WHAT is probably the world's largest and most complex security system for a public building will guard the new 60-story headquarters of the First National Bank of Chicago when it opens in May.

The heart of the ultra-sophisticated security system is an elaborate console with television monitoring screens, which will be operated round-the-clock to protect the public, the bank, its tenants and valuables. Classed as a "total security system," it was designed, built and installed by Mosler, an American-Standard company.

Located in the First National's security center, the master console will monitor more than 1,000 locations in the building and will automatically detect any intrusions, violations or fires, said Robert K. Wilmoth, senior vice president of the bank and vice chairman of the Building Committee.

Here's how it will work.

The closed circuit surveillance system has still and television cameras, equipped with zoom lenses and mounted on movable pivots, that can be remotely controlled from the console. Guards at the console will be able to use the zoom lens to "zero in" on a specific area for a detailed view or focus to provide a full picture.

In case of any suspicious action, bank employees will be able to alert console operators who, in turn, will train the television camera on the area to be placed under quick surveillance. Simultaneously, the camera will be connected with the security room video tape recorder.

From that point on, guards can

track or "close-in" on any suspect, guiding cameras from the console. Video tape replay of any attempted robbery is available seconds later.

At the same time, a programmed group of cameras covering all escape routes would be automatically activated. In moments the source of the alarm would be spotted by console operators and graphically displayed on lighted panels in the banking lobbies, where alerted guards should soon have the prospect in custody.

Manual and automatic fire detection devices located throughout the building also will give warning to the console. Console operators can then alert the city fire department with the touch of a button and, if needed, sound evacuation alarms for any threatened floor.

Patrolling guards, whose routes will cover every section of the bank and tenant-occupied areas, will be electronically supervised. Each checkpoint visited by the guard will be noted on an illuminated panel on the console.

If a guard exceeds the time limit between checkpoints—or does not follow his prescribed route, which will be periodically changed—an alarm will alert console guards.

To control and monitor the bank's major money transfer operations, there will be a secondary console located in the armored car area.

First of Minneapolis To Train "Hard Core"

First National Bank of Minneapolis has contracted with the U. S. Depart-

ment of Labor to hire and train 30 so-called "hard core" jobless persons, it was announced by President George H. Dixon.

Selection and training have already begun and will continue over a two-year period. Certified participants will be trained as key punch operators, proof machine operators, typists, file clerks, stockroom clerks, offset operators and reconciliation clerks.

The "hard core" disadvantaged are identified as those persons who are poor (under \$3,300 annual income for a family of four, for example) and do not have suitable jobs and possess one or more of the following characteristics: school dropout; under 22; over 44; handicapped physically, mentally or emotionally, or subject to other special obstacles to employment.

Applicants must be certified as hard core by either the Minnesota State Employment Service or the Concentrated Employment Program before they can be accepted under this program. After certification they will receive up to four weeks of orientation and pre-vocational training. They are then placed on their regular jobs for extensive on-the-job training.

Commerce Bancshares Acquires Two More Banks

Approval has been granted by the Federal Reserve Board to Commerce Bancshares Inc.'s request to acquire the \$27 million Mechanics Bank of St. Joseph and the \$10 million Citizens National Bank of Kirksville. Bancshares will acquire actual control of the new affiliates on the 18th day of April, 1969, as a result of a 30-day waiting period provided for in the Federal law.

Commerce Bancshares, located in Kansas City, which received approval in July, 1968, to act as a registered bank holding company, now has six bank affiliates. Contracts are pending with three other Missouri banks, all in the St. Louis metropolitan area. As of December 31, 1968, the consolidated assets of Commerce Bancshares totaled \$792 million.

Move \$4 Billion Securities

One of the largest moving jobs in securities ever to be made took place in San Francisco last month while most of the city was still asleep.

Some 100 special officers, uniformed guards and policemen were on duty as Bank of America moved \$4 billion in securities, treasury bills, and assorted jewelry from its trust department vaults to a new vault in the new World Headquarters building, 300 feet away.



If you don't keep pedaling you'll fall off

At Manufacturers Hanover, we don't believe in sitting back and relaxing. That's why our National Division officers spend so much time on the road—keeping things turning for you.

OUR RIDERS IN THE MID-WESTERN STATES:

*John J. Evans, Nathaniel S. Howe, Jr., John F. King, George R. Bennett, Carl G. Carlson,
Thomas I. Chatfield, Russell H. Eichman, Frederic J. Sears*

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



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Northwestern Banker, April, 1969

Bank PRMA Regional In Des Moines, April 15-17

WILLIAM N. Flory, vice president, Harris Trust and Savings Bank, Chicago, and treasurer, Bank Public Relations and Marketing Association, will present the keynote address at the 1969 Des Moines Regional Conference of Bank PRMA.

The April 15-17 conference, co-sponsored by the Iowa Bankers Association, will be held at the Savery Hotel.



W. N. FLORY

J. E. BROWN

Ashton J. Albert, vice president, Trust Company of Georgia, Atlanta, will wind up the conference on Thursday, April 17, speaking on "Under The Umbrella Of Change." He will follow this with a fast-paced exchange of new ideas, an audience-participation feature in which participants describe new ideas which worked in their banks.

Case-History Clinics

Case-history clinics will be held on such topics as "How To Attain Effective Community Relations," "How To Attract Women Customers," "How To Introduce A Bank Charge Card," "How To Sell Check Guarantee And Overdraft Banking," "How To Conduct And Use Market Surveys," "How To Create Your Desired Bank Image," "How To Conduct Feasibility Studies On New Services," "How To Provide What The Customer Wants," and "How To Increase Profits 67 Per Cent In Two Years."

Clinic speakers include Fred Chase, director of area industry development, Northern Gas Co., Omaha; Don Healy, business development officer, First National Bank, Marion, Ohio; Richard Sellon, vice president, Iowa-Des Moines National Bank, Des Moines, and William Longman, president, Central Surveys, Inc., Shenandoah, Iowa.

Miss Bonnie Brown, marketing director, Weld County Bank, Greeley, Colo., and a member of the bank's team responsible for its Golden Coin Award-winning project in 1968, will also speak.

Other clinic speakers are C. J. Pennington, partner, Hubbard-Penniman, Chicago; Doris Capps, hostess, Center

Bank, Omaha, and Arthur Wilke, president, Union State Bank, St. Charles, Mo.

In addition, departmental sessions will be held on "The Challenge of Social Change," "The Challenge of Change In Advertising," and the "Challenge Is In The Cards," with James E. Brown, senior vice president, Mercantile Trust Company NA, St. Louis, Mo.; James C. Smith, vice president, Security Pacific National Bank, Los Angeles, and J. Howard McGlooin, vice president, Chase Manhattan Bank NA, N.Y.

A dawn duster breakfast session by Robert Widener, president, Information Management Facilities, Inc., New York City, a popular feature of last year's national convention in Chicago, will be repeated at the Des Moines conference.

A special ladies program will be held on Wednesday, April 16. A luncheon and style show will be held at the Younkers Tea Room at noon. After the luncheon, a tour of the Des Moines Art Center and a tour of Salsbury House, a restored European mansion, will be held.

This second meeting in the 1969 Regional Conference Series of Bank PRMA is chaired by Ivan L. John-

son, vice president, Central National Bank and Trust Company, Des Moines.

Registration fee is \$40, including two receptions, breakfast, luncheon and dinner. Registration fee for the special women's program is \$22.

The Des Moines meeting is one of three regional conferences to be held by the association in April. The other two are in Philadelphia on April 13-15 and in Indianapolis on April 23-25. All three conferences are based on a common theme, "The Challenge Of Change."

Dial for Cash

Now a bank has fixed it so you can telephone for money—and it will be delivered to your home or deposited to your account.

You even dial "C-A-S-H" under the plan announced in Phoenix by the Valley National Bank.

According to Earl L. Bimson, VNB president, it is a new service of the Valley Bank Master Charge Card. All a cardholder has to do is dial the prefix "261" and the word "cash" to arrange an instant cash advance on the bank's all-purpose credit card, and authorize the funds to be mailed or deposited.

Telephonic cash is now being introduced in the Phoenix area. The same service will be offered in the Tucson area soon, and expanded statewide as quickly as telephone lines are cleared.

Truth In Lending Tables

THE Board of Governors of the Federal Reserve System have announced the publication of tables which may be used by creditors to determine the annual percentage rate for transactions covered by the Truth in Lending Law. Copies may be obtained for \$1 (or 85 cents per copy in orders of 10 or more) from the Board or from any of the 12 Federal Reserve Banks.

The tables may be used by creditors to carry out provisions of Truth in Lending Regulation Z which the Federal Reserve published in final form last month.

Annual percentage rates can be derived from the tables when the number of payments involved in a transaction and the finance charge are known. The finance charge in general is the total of all costs imposed by the creditor and payable either directly or indirectly by the consumer or another party as an incident to the extension of credit. The annual percentage rate represents the relationship of the total finance charge to the total amount financed. It must

be computed to the nearest one quarter of one per cent and this is done automatically in the tables.

There are four tables bound in one volume. Table FRB—100-M covers up to 60 monthly payments; table FRB—200-M covers 61 to 120 monthly payments; table FRB—300-M covers 121 to 480 monthly payments and table FRB—100-W covers up to 104 weekly payments. The \$1 charge per volume (or 85 cents per volume for orders of 10 or more) is designed to offset the cost to the Board of printing and distributing the tables.

For transactions with irregular payments or those involving multiple advances another volume of tables with instructions on their usage will be published shortly and can be used in conjunction with the first volume to compute annual percentage rates. These tables will also be available for \$1 per volume (or 85 cents per volume in orders of 10 or more) from the Board or one of the 12 Federal Reserve Banks.

Payment for the volume now available should accompany each order.



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Your industrial customer needs a loan *now*. But evaluating risk could take weeks.



TALK TO THE PROBLEM SOLVERS AT THE FIRST
Where financial projection takes minutes—not months.

Accurate financial projections help you make (or turn down) loans. Trouble is, they take much time and money.

No more. Problem Solvers at The First can tie



you in to our PROFORMA 24 computer service. It calculates cash budgets, balance sheets and income statements for up to two years—in minutes.

Your people don't have to be computer whiz-kids to make use of PROFORMA 24. They just send in, or type in on a computer terminal that we provide, information about your customer's last financial statement plus a few projected figures. Then, our computer goes to work. You'll get back clear, accurate projections.

When you need quick, precise information to help you make loans, call or write your correspondent banker at The First. He'll send our PROFORMA 24 brochure and information about our other computer-assisted services. After all, he's part of the team that can help solve any financial problem.

The First National Bank of Chicago



The Money Game.

It's 9:45 A.M. in New York.
Guess how much your money's worth in Zurich.



If money talks, as they say, it talks in strange languages.

Pesos. Yen. Francs. Guilders. Kroner. Kronor. Lire. Pounds Sterling. Eurodollars. Dollars. Canadian \$.

Who can figure out this Babel of monies?

At Bankers Trust there are six men who each morning at 8:30 A.M. seat themselves at a hexagonal table surrounded by teletypes, special telephones and other rapid communication devices.

Each day these men are expected to interpret money throughout the world and to trade in it.

Which is why they're called traders.

To the outsider the trader's work is likely to be as mysterious as a secret agent's.

Even his phone conversations read like Hitchcock.

"Sterling?"

"75-77."

"Real?"

"Yes."

"I'll take a quarter of a million at the middle."

"Done."

What all this adds up to is a demonstration of the fact that the world grows smaller. And smaller.

For American companies expanding overseas it is more than natural that varying kinds of foreign exchange should cross their hands. And for foreign companies ordering goods and equipment

from the U.S. it becomes necessary to have dollars available for payment.

But one of the great problems is distance. We're here and they're there.

For this reason the trader's hectic day doesn't consist only of his American business. It actually accelerates during those hours when overseas traders are awake simultaneously.

Obviously, the job keeps him jumping. It calls for an agile mind and a strong stomach, too. Because it just isn't easy keeping up with fast-moving balances of world money while commit-

ting yourself verbally to binding contracts worth millions of dollars. And many of these contracts involve future exchange.

That's when a company or a broker or another bank orders sterling or marks, for example, at today's prices for delivery at some future date.

Who knows what can happen between now and then?

A war in the Middle East. A rumor on the price of gold. The Russians beating us to the moon. But the contract remains firm.

While we hardly think that foreign exchange is a service that can interest everyone, it affects everyone. So if you have any foreign currency to buy or sell, we want you to know that our people are good with money.

That's our game.

You'll find a banker at Bankers Trust.

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CHAIRMAN of the House Bank and Currency Comm., **Wright Patman**, D., Tex., is shown being interviewed by ABC-TV news, following raise in prime rate. **CENTER**—Mrs. **Wright Patman** is shown with IBA Pres. **T. H. Milner** and **Mr. Patman** at the



speaker's stand. **RIGHT**—**Ken Jackson**, pres., Lone Rock Bank, Lone Rock, Ia., is shown with stewardess of Modern Airways, as they arranged tour for 134 Iowa bankers and their wives to Las Vegas.



At Independent Bankers Convention

One Bank Holding Companies Main Subject of Discussion

By **MALCOLM FREELAND**
Publisher

ONE-BANK holding companies — that just about sums up the 39th annual convention of the Independent Bankers Association of America at the Sahara Hotel, which was attended by a record crowd of 2,100 independent bankers and their wives from 47 states.

In meeting rooms, banquet halls and hotel corridors, the one-bank holding company issue seemed to be the number one topic of discussion in a city noted its varied diversions. A convention resolution, a panel discussion and most of the convention speakers discussed the one-bank holding company issue.

Next year the Association will meet in Hawaiian Village in Honolulu.

New Officers

B. Meyer Harris, chairman and president of the Yellowstone Banks of Laurel, Columbus and Absarokee, Mont., was advanced from first vice president to president of the 6,600 member IBAA. He succeeds **T. H. Milner, Jr.**, chairman, trust officer and president of the First National Bank of Athens, Ga.

Rod L. Parsch, executive vice president and cashier of the Lapeer County Bank and Trust Company, Lapeer, Mich., advanced from second to first vice president.

Donald M. Carlson, president of the Elmhurst National Bank of Elmhurst, Ill., was named second vice president. **Marshall Barnes**, president of the Beaver Dam Deposit Bank, Beaver Dam, Ky., succeeded **J. C. Reeves**, sen-

ior vice president of the National Bank of Commerce, Pine Bluff, Ark., as IBAA treasurer.

An Association resolution called for legislation to bring one-bank holding companies under federal regulation without delay. The IBAA said such federal legislation should limit such a company to those activities permitted to a national or state bank under its charter. This should be done, the Association said, "on the principle that a bank should not be permitted to do indirectly through a holding company that which it cannot lawfully do directly. The exemptions to such limi-

tation shall include those contained in the present holding company act and such other exemptions as may be congeneric to the banking industry, such as the operation of an insurance agency."

Resolutions

The resolution said federal legislation should delegate supervision to a single federal agency and should not divide such supervision among several agencies. It further stated that the means of enforcing compliance with such legislation should include, in addition to regulatory agency or court imposed penalties, the right of ag-



NEW OFFICERS of the Independent Bankers Association of America pose following installation ceremonies at the IBAA's 39th annual convention in Las Vegas, which was attended by more than 2,100 participants from 47 states. From left are Second Vice President **Donald M. Carlson**, president, Elmhurst National Bank of Elmhurst, Illinois; President **B. Meyer Harris**, chairman and president, The Yellowstone Bank, Laurel, Montana; Immediate Past President, **T. H. Milner, Jr.**, president, The First National Bank of Athens, Georgia; First Vice President **Rod L. Parsch**, president, Lapeer County Bank and Trust Company, Lapeer, Michigan, and Treasurer **Marshall Barnes**, president, Beaver Dam Deposit Bank, Beaver Dam, Kentucky.

grieved competing banks and bank supervisors to institute court action to enjoin violations.

The resolution continued:

"Such federal legislation should make clear that any activity of these companies must conform with other existing federal or state laws, including antitrust laws.

"Existing companies should be required to divest themselves of any direct or indirect non-banking interests, not specifically authorized, within the same period of time and under the same conditions as is required for registered holding companies."

President's Address

In his keynote address to the convention, IBAA President Milner said the major task of President Nixon's financial team is to "break the back" of inflation.

However, Mr. Milner said, in accomplishing this goal our fiscal and monetary officials must "walk the tightrope of applying enough, but not more than enough, restraints to slow down the economy." He continued, "As independent, community bankers we wish to see that the legitimate credit needs of our people are adequately supplied, and we do not want our government to cool the economy so abruptly that a reaction thus induced might lead to a recession."

In an address before the convention, Rep. Wright Patman (D-Tex.), Chairman of the House Banking and Currency Committee, warned that the "boardinghouse reach" of giant banking conglomerates threatens to destroy the American free enterprise system. Mr. Patman called for legislation to keep banks out of non-banking enterprises and said that through the one-bank holding company device, large banking institutions in America have moved into 120 different non-banking enterprises, ranging from manufacturing to agriculture.

"In effect, what is being attempted is the formation of giant conglomer-

ates around a single banking institutions," the Texas congressman said. "This would not be in the public interest and it would not be in the interests of the banking industry."



FAMILIAR SIGN at the headquarters hotel for Independent Bankers.

He added that the concentration of economic power through one-bank holding companies is not just a banking issue, but affects every American citizen and every business. A bill (H.R. 6778) introduced by Mr. Patman to control one-bank holding companies is one of four major bills on the subject now before Congress.

Another speaker, Atlanta Federal Reserve Bank President Monroe Kimbrel, told the convention that inflation had caused a 5 per cent decline in the value of the dollar during 1968. In addition, partly because of the inflationary trend, the United States lost the major part of its favorable position in world trade.

Mr. Kimbrel, a past president of the American Bankers Association, said most of the blame for inflation can be placed on "our own collective complacency—the failure of you and me and other Americans to accept the responsibility and to act."

The Atlanta Federal president said he was confident that inflation could be brought under control through the patience and determination of the American people.

Rep. George G. Stephens (D-Ga.), a member of the House Banking and

Currency Committee, said the limits on interest rates have been one cause for the use of the one-bank holding company device.

"Banks are seeking to earn larger profits from other ventures where restriction of profits is not curbed by usury statutes but is governed by competition and other rules for conducting private business," the Congressman said.

"Good businessmen in banks just cannot sit idly by and watch other good businessmen make fabulous fortunes in other enterprises with the bank's money while the bank's profit, in the form of interest, is rigidly restricted."

He called on Congress to consider the one-bank holding company control bills "in the light, knowledge, regulations and circumstances of 1969."

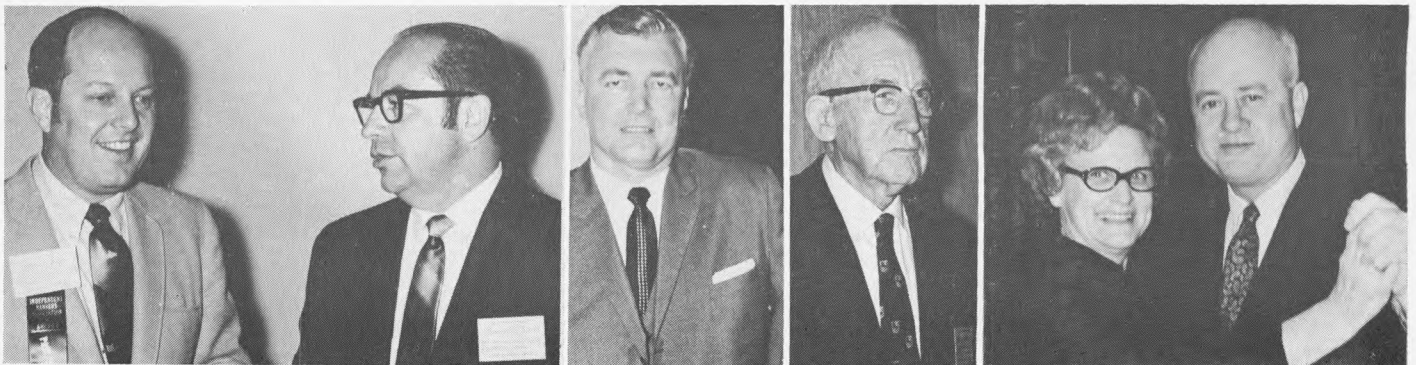
He also called for an increase in the federal personal income tax exemption to \$1,000. At present a \$600 exemption is allowed for each taxpayer or spouse age 65 or over or who is blind.

Mr. Stephens said the exemption increases should be made in order to bring it into line with the present cost of living.

He emphasized that his personal exemption proposal must be accompanied by other tax reforms that will distribute the tax load more equitably.

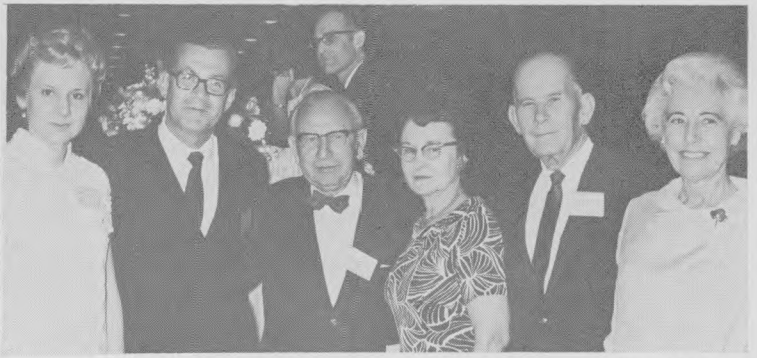
Other convention events included two panel discussions. Participating in "Automation in the Small Bank" were W. H. Wheeler, Jr., vice president, data processing, Merchants National Bank, Muncie, Ind., moderator; J. H. Beaulieu, president, Glenview State Bank, Glenview, Ill.; Sam B. McHose, board chairman and chief executive officer, the Nevada National Bank, Nevada, Iowa; Charles C. Harding, manager, commercial bank systems, National Cash Register Company, Dayton, Ohio; and Donald Sarker, director, Small Bank Marketing Program, Burroughs Corporation, Detroit, Mich.

Panelists on the topic "One-Bank



PAST PRES. Stan Barber, pres., Wellman Sav. Bk., Wellman, Ia., congratulates **Ken Benda**, pres., Hartwick St. Bk., Hartwick, Ia., on his recent appointment as Secy. of Commerce in Iowa.

CENTER—John Nash, pres., American Natl. Bk., St. Paul, and **Jim Peters**, chmn., Bk. of Manchester, Ga. **RIGHT**—Pres. **T. H. Milner** and wife enjoy dancing at banquet.



DRAWINGS for attendance prizes, sponsored by *American Express Co.*, New York, were arranged by **Michael J. Lively**, sr. v.p. and gen. mgr. of Amex.; **Ann Elizabeth Miller**, and her father, **Frank Miller**, v.p., Canton St. Bk., Canton, Mo. **RIGHT**—Winners selected by Miss Miller were: **Mrs. John Spivey**, wife of pres., Farmers St. Bk., Alpha, Ill. (\$200 trav. checks); **Mr.**

Lively; **John Kovar**, v.p. and cash., Peoples St. Bk., Missouri Valley, Ia. (\$100 trav. checks); **Mrs. Clarence Casey**, wife of pres., Rosedale St. Bk., Kansas City, Mo. (\$100 trav. checks), and **Mr. and Mrs. Karl T. Butz**, pres., Pecos Co. St. Bk., Fort Stockton, Tex. (Trip to Bermuda).



LEFT—**John T. Pain, Jr.**, exec. v.p., Rochelle St. Bk., Rochelle, Ill.; **Frank Bauder**, pres., Central Natl. Bk. of Chicago; **Mrs. Bob Hamilton**, wife of exec. v.p. of Central Natl., and **Oliver Hansen**, pres., Liberty Tr. & Sav. Bk., Durant. **RIGHT**—**Mrs.**

Emsley Chittenden, wife of pres. of Exchange St. Bk., Collins; **Mr. and Mrs. Ray Kalow**, pres., Lake City St. Bk., Lake City, Minn.; **Mr. and Mrs. Baquet**, and **Mr. Chittenden**.



IOWA DELEGATION was the largest at the 39th annual convention. Shown from left: **Neal Sands**, pres., Valley Bk., Des Moines; **Al Maser**, pres., First Natl. Bk., LeMars; **Dick Taylor**, v.p. & cash., First Natl. Bk., Sioux City; **Homer Jensen**, v.p.,

Bankers Tr. Co., Des Moines; **Robert J. Sterling**, pres., Bankers Tr. Co., Des Moines, and **Richard C. Lee**, chmn., Capital City St. Bk., Des Moines. **RIGHT**—**Mrs. Al Maser**, **Mrs. Dick Taylor**, and **Mrs. Homer Jensen**.



NORTH DAKOTA delegates are shown at left: **W. R. Braseth**, pres., Fargo Natl. Bk. & Tr. Co.; **Mr. and Mrs. Art Brown**, pres., Security St. Bk. Hannaford, and **Otto Preus**, v.p., Marquette Natl. Bk., Minneapolis. **RIGHT**—**Mr. and Mrs. Dale Smith**, v.p.,

Central Natl. Bk. & Tr. Co., Des Moines; **Mr. and Mrs. Oliver Hansen**, pres., Liberty Tr. & Sav. Bk., Durant, Ia., and **Mr. and Mrs. Ed Spetman, Jr.**, pres., Council Bluffs Sav. Bk. (Iowa).

BANQUET TABLE chat is enjoyed by, from left: **Mr. and Mrs. Harold Harms**, pres., Le Mars (Iowa) Sav. Bk., and **Mr. and Mrs. Duane Prill**, pres., First St. Bk., Britt, Iowa.



OPENING BANQUET get-together included, from left: **Mr. and Mrs. John R. Heneman**, pres., Sec. St. Bk., Warroad, Minn., and **Mr. and Mrs. C. A. Handfelt**, v.p., Security St. Bk., Independence, Iowa.



BREAKFAST CHAT is enjoyed by, from left: **Mrs. Donald M. Carlson**, wife of pres., Elmhurst (Ill.) Natl. Bk.; **Mrs. Robert Schrimple**, wife of exec. secy., Ill. Bankers Assn., Chicago; **Mr. Carlson**, and **Mr. Schrimple**.



DURING A BREAKFAST the camera focused on, from left: **Milton J. Hayes**, sr. v.p., American Natl. Bk. & Tr. Co., Chicago; **Mr. and Mrs. George Jacobsmeyer**, v.p., American Natl., Chicago, and **Mr. and Mrs. Fred Clark**, v.p., Baltimore Bk. & Tr., Kansas City.





LEFT—Mrs. James E. Coquillette and Mr. Coquillette, pres., Merchants National Bank, Cedar Rapids, with two of their guests at the Merchants National breakfast, Mrs. B. Meyer Harris and Mr. Harris, pres., Yellowstone Banks at Columbus and Laurel, Mont., and new pres. of the IBAA. RIGHT—Mrs. Burton Noah; Jim Summers, secy., Independent Bankers of Minnesota; Burton Noah, exec. v.p., Marquette Natl., Minneapolis, and John Chisholm, pres., Olmsted County Natl., Rochester, Minn.

Holding Companies," were William J. Begin, Minneapolis, Minn., partner, Arthur Andersen and Company, moderator; William G. Kirschner, Richfield, Minn., president, the Richfield Bank and Trust Company, and a Minnesota state senator; and Donald F. Bundlie, attorney, of Diessner, Wurst, Bundlie and Carroll, Minneapolis, Minn.

Giving committee reports were Chairman Milton J. Hayes, senior vice president of American National Bank and Trust Company of Chicago, Ill., Government Fiscal Policy Committee; Chairman William P. Givens, president, the Merchants National Bank of Muncie, Ind., Bank Study

WOMEN'S LUNCHEON companions included, from left: Mrs. W. A. Nelson, Lacon, Ill., wife of pres., First Natl. Bk.; Mrs. R. C. Schrimple, wife of exec. secy., Ill. Bankers Assn., Chicago; Mrs. D. M. Carlson, wife of pres., Elmhurst Natl.; Mrs. R. H. Charlton, wife of sr. v.p., Malden Tr. Co., Malden, Mass.; Mrs. William E. Johnston, wife of exec. v.p., First St. Bk., Harvard, Ill.; Mrs. H. B. Johnson, wife of pres., Citizens St. Bk., Barrett, Minn.; Mrs. David Lofgren, wife of pres., Farmers St. Bk., Hoffman, Minn., and Mrs. John Heneman, wife of pres., Sec. St. Bk., Warroad, Minn.

Committee; Chairman Bradford Brett, president, the First National Bank of Mexico, Mexico, Mo., Federal Legislative Committee; Chairman Don F. Kirschner, president and cashier, Peoples Trust and Savings Bank, Riverside, Iowa, Agriculture-Rural America Committee; Chairman L. Y. Dean III, president, Eufaula Bank and Trust

Company, Eufaula, Ala. Competing Financial Institutions Committee; Chairman William H. Hosche, vice president, the Fulton National Bank, Atlanta, Ga., Resolution Committee; and Chairman Stanley R. Barber, president, the Wellman Savings Bank, Wellman, Iowa, the Nominating committee.



Sees Steady Expansion of Consumer Credit in Canada

Consumer credit outstanding in Canada should continue steady expansion for many years, the Bank of Montreal says in its March Business Review.

Viewing the growth of personal bank borrowing, the Bank of Montreal says that the amount of consumer credit outstanding has tended to double every six or seven years, a rate of increase well in excess of total Canadian economic growth.

The bank attributes this rise to changing attitudes toward personal debt calling the change the most sig-

nificant single influence in the rising demand for consumer credit. Borrowing now to enjoy present benefits from future income has become an ingrained facet of American life the bank says.

Contributing factors to credit expansion are: the rapid rise in personal incomes, creating more middle income families, the greatest users of credit; the post-war baby boom which is now resulting in a growing number of durable goods buying young families and more two income families with working women.

Comparing consumer credit outstanding in the United States with

Canada's outstanding balances over the past nine years, the bank says increases in both countries have been very large; however, the Canadian increase has been more rapid and steadier partly because of the faster growth of the 20-30 age group in that country.

The bank notes that Canada, since 1963, has also had higher consumer indebtedness in relation to personal disposable income (personal income less taxes) than the U. S., but the bank says Canadian savings have also been rising faster showing that Canada is "more a nation of savers than of borrowers."



Investment Outlook

High Interest Rates to Continue

THE total volume of financing is expected to be considerably smaller this year than last, but meeting even these reduced demands for funds is likely to mean continuing pressures in the credit markets, according to "The Investment Outlook for 1969" released by Bankers Trust Company, New York. A restrictive Federal Reserve policy presages a much smaller expansion of commercial bank credit this year, while the savings institutions will probably not be supplying much more money than they did in 1968. In view of this, continued high interest rates are anticipated.

"The Investment Outlook," an annual appraisal of the prospects for the credit markets published by the Economics Department of Bankers Trust, was prepared by Dr. Sally S. Ronk, vice president. The department is headed by Dr. Roy L. Reiersen, senior vice president and chief economist.

The study projects the gross national product at \$920 billion in 1969, some \$60 billion, or 7 per cent higher, than in 1968. Credit policy is seen as remaining restrictive through most or all of the year, and while economic growth is expected to slow, no recession is foreseen.

On these assumptions, the volume of funds to be raised in the credit markets in 1969 is placed at some \$90 billion, down \$14 billion from the record \$104 billion of financing last year.

The net increases both in short-term credit and in publicly-held obligations of the United States government

and its agencies are expected to drop considerably below 1968. In fact, United States government securities in the hands of the public are seen as declining by \$4 billion in the calendar year 1969, which is a swing of over \$10 billion from the \$6.2 billion increase of last year.

At the same time, the amount of funds channeled into long-term outlets is expected to be only moderately higher than last year. Corporate securities are likely to increase more rapidly again, the growth in mortgage borrowings will be only slightly greater than last year, term lending is expected to fall back, and local governments may issue a smaller volume of securities than in 1968.

While some of the expected reduction in this year's volume of financing stems from fiscal policy, as reflected in lower Treasury borrowings, the bank report points out that credit policy will play an even more significant role, since it acts not only on the demands for funds but upon the sources of funds as well.

In projecting a \$21 billion expansion of commercial bank credit in 1969, compared with a \$39 billion increase last year, the report notes: "Our assumption for the year ahead is that the monetary authorities will hold credit expansion to a pace which forces the banks to become highly selective in their lending and to reduce materially their contributions to the investment markets, but which is not so drastic as to impair seriously the functioning of the credit system and precipitate in full-fledged crunch or crisis."

A key question for 1969 "is the extent to which the deposit-type savings institutions will again fall victim to the 'disintermediation' which upset their activities three years ago."

The Bankers Trust economists go on to say, however, that both the savings and loan associations and the mutual savings banks are reported to have few large interest-sensitive deposits left and hence appear less exposed today to withdrawals from this source than in 1966. "Thus while the deposit-type savings institutions will probably not do as well in attracting deposits this year as last, it seems reasonable to assume that they will be hurt far less than in 1966."

Commenting on the contractual-type savings institutions—life insurance companies and pension funds—and investment companies, the observation is made that even more than in 1968, investment decisions "are expected to reflect the disenchantment with fixed-income securities as vehicles for long-term investment. Despite current record yields and the general anticipation of slower economic growth in response to credit restraint, these institutions as a group are expected to place fewer funds into corporate bonds than in 1968; also, they are raising their sights for mortgage acquisitions, particularly those with an equity 'kicker,' and seem to be channeling more and more funds into common stock."

Concluding its appraisal of the outlook for the credit markets in 1969, the Bankers Trust report states: "These projections present an essentially and intentionally optimistic picture in that they imply an environment where the Federal Reserve succeeds in slowing economic growth and gradually moderating the inflationary pace without severely upsetting business activity or the financial markets."

The point is made, however, that the Federal Reserve will probably need to keep the banks and the credit markets "taut for a long time," and the prospect is that "demands for funds will keep pressing against a limited supply of credit fairly persistently throughout the year."

"Thus, it is difficult to see any sustained easing in the general level of interest rates through most, if not all, of 1969."



Revolution in Bank Profit Sources Underway

COMMERCIAL BANKS are on the threshold of a complete revolution—in which traditional profit sources will be replaced by new ones—and even the identity of a commercial bank as we know it today may be lost. Perhaps we are in a stage of transformation into a department store of automated financial services.”

Charles C. Smith, senior vice president in charge of marketing development, Irving Trust Company, New York, expressed these views at a recent meeting of the American Management Association. He continues:

“While banks already find themselves confronted with a decreasing ability to maintain adequate profits through the traditional major source of differential banking,” a wide variety of factors will continue to place pressures on bank profits. These will include the decreasing availability of managerial talent; the trend toward larger federal budgets and increased taxes, and the continued movement of industry from urban locations with the resulting loss of customers and operating personnel for city banks.

The growth of commercial paper continues to provide serious competition for the banks—one which commercial banks find themselves in the

anomalous position of supporting with open lines of credit. In addition, competition from other financial institutions and even non-financial institutions will intensify and “coupled with the lag in progressive legislation poses a serious threat to the industry.”

On the plus side, Mr. Smith observes that while rapid technological development—most exemplified by the computer and the growing worldwide telecommunications network—has already enabled banks to develop new sources of profit and to manage their resources more effectively, it will also provide them with a special opportunity to take advantage of their natural position as information sources—“information utilities, if you will.”

Electronic Transfers

In this regard, he notes that “the electronic transfer of funds can be expected to revolutionize the payments system by the 1975-1980 period. Banks will be able to offer more valuable and timely services to consumers, merchants and industry—and may slow the growth of the huge volume of paper checks—but probably never eliminate paper checks as one method of payment.”

The nation’s population will continue to grow rapidly, and by 1985 will

reach nearly 250 million. In addition, the population will be more affluent and better educated, more mobile and work a shorter work week, all of which will provide banks with new although demanding opportunities.

“Banking grows in proportion to the population. More importantly, the shift to a younger population will create a market more receptive to computers; more receptive to change; more interested in the ‘time value of money’ and in personal investment; more adjusted to an economy based on borrowing and credit; in the overall, more receptive to new banking services.”

In conclusion, Mr. Smith observes that in their “readiness for expansion into new fields, commercial banks have moved rapidly to establish one bank holding companies, a structure that gives greater opportunity for diversification. Even if acquisitions are limited to financially related areas, the one-bank holding companies will be able to create self-supporting subsidiaries which can be financed with a higher proportion of debt, and the related banking services can become more profitable. Such leverage is one approach to maintaining bank profitability.”—**End.**

The Northwestern Banker's Annual

Banks Accelerate Buying

DURING the past year, over half of the banks in the NORTHWESTERN BANKER area have increased their holdings in municipal bonds (some by as much as 100 and 200 per cent) and, according to an exclusive survey of banks in this nine-state area, investments in municipals can be expected to continue to climb during the next six months, although perhaps falling somewhat short of the "boom" experienced during the past year.

The federal surtax too has had its effects on the investment policies of many banks in this area, although a majority of the banks report they have made no specific adjustments to accommodate the surtax. Liquidity ranks number one among portfolio management problems encountered by bankers, followed closely by planning maturities. Nearly half of the bankers responding to the survey, however, reported no serious problems in managing their bank's portfolio at the present time.

Following are the complete details of the nearly 150 responses to this exclusive survey, "How We Manage Our Investment Portfolio." Responses were received from banks ranging in deposit size from \$1.2 million to \$130 million.

Municipal Increases

Approximately 59 per cent of the banks surveyed increased their municipal bond holdings during the past year. The three major reasons given for this action were: tax advantage, better yields and increased availability of funds.

On the other side of the picture, approximately 24 per cent of the banks held a steady line in municipal policies last year by merely replacing runoff. Generally, these banks felt their present balance satisfactory.

Nine per cent of the banks decreased municipal holdings over the past year. Banks decreasing their hold-

ings normally did so because of liquidity, a heavy loan demand or to reach a more favorable tax bracket. Eight per cent of the responding banks did not have funds in municipals.

Purchases and Maturities

What do you anticipate as your policy on municipal bonds in the next six months regarding purchases and maturities? Forty-four per cent of the banks said they expect no change in current municipal holdings as they will reinvest runoff and replace maturing issues. Thirty-one per cent said they plan to increase municipal purchases in the next six months; another 15 per cent reported they do not plan to make any additional purchases during this period. Eight per cent of the banks said they intend to decrease municipal holdings by allowing those issues that mature to runoff, while making no additional purchases. Two per cent of the banks had not yet determined their policy on municipals for the next six months, but plan to "wait and see what develops."

Seven per cent of the banks stated specifically they will be investing in more long-term municipals in the future, while 5 per cent will confine future purchases to short-term issues. The rest of the banks made no reference to the maturity terms planned for future municipal investments.

Following are excerpts from several responses to the above question.

\$87 million Illinois bank: "Our policy will be to let maturities runoff and invest in taxable securities. Nineteen hundred sixty-nine will be a 'loss' year."

\$13 million Iowa bank: "In the next six months, we intend to replace and rebuild our municipal account and to lengthen our maturity schedule. We have always

Bond And Investment Survey

of Municipal Bonds

stayed with five- to seven-year maturities and now will lengthen out to 10 to 12 years."

\$40 million Montana bank: "In the next six months, we anticipate adding 25 per cent more municipals to our portfolio, hopefully with maturities in the 10- to 15-year area."

\$50 million Illinois bank: "We will not determine what we are going to do until we are relatively certain of what way the market is moving. If it continues to tighten, we will not buy any municipals."

\$5.3 million Iowa bank: "We have about reached our capacity of municipals at the present time and will probably only replace our runoff, unless we have an increase in deposits to warrant additional purchases."

\$3 million Montana bank: "We anticipate no purchases in the next six months, as at that time of year all available funds are channeled to agricultural loans."

\$8.5 million Iowa bank: "Commitments made on several local issues and deposit growth will not amount to much until July, August and September, at which time we hope to add to our municipal portfolio up to 10 per cent of our total."

Municipal Ratios

Of the 137 banks responding to the survey, 126, or 97 per cent, have at least part of their investment portfolio in municipal bonds at the present time. The average amount of the **total** investment portfolio put into municipal bonds by these 126 banks is 26 per cent. The majority of these municipals fall in the 0 to 10 year maturity bracket, with a sharp decrease in the number of banks and correspondingly the amount of funds being invested in municipals maturing at the end of 10 years or later.

Following is a breakdown of the percentages of municipal investments found in each of the maturity brackets:

Maturity brackets	No. of banks of 137 investing	Avg. % of municipal portfolio invested
Under 3 years	118 banks	28%
3 to 5 years	120 banks	24%
5 to 8 years	112 banks	24%
8 to 10 years	100 banks	15%
10 to 15 years	59 banks	20%
Over 15 years	28 banks	11%

One bank reported as much as 53 per cent of its total municipal portfolio in bonds falling due in the five to eight year maturity bracket. Sixty-six per cent was the highest percentage reported by any one bank in the eight to 10 year bracket, 57 per cent in the 10 to 15 year bracket and 30 per cent in the bracket for over 15 years.

Government Investments

On the government bond front, 134 of the 137 banks reported government obligations maturing within one year of issuance. The average percentage of the total government portfolio of these banks which matures within this one-year period was 36 per cent. One hundred twenty-six of the 137 banks reported government obligations maturing in one to five years, with an average of 50 per cent of their total government obligations falling due within this period. For the 97 banks with government obligations maturing within five to 10 years, 14 per cent was the average of their total government portfolio falling due in this period. (Turn to next page, please)

Northwestern Banker, April, 1969

Annual Bond and Investment Survey

Maturity brackets	No. of banks of 137 with government obligations falling due	Avg. % of government portfolio invested
1 year	134 banks	36%
1 to 5 years	126 banks	50%
5 to 10 years	97 banks	14%

Only one bank reported government bonds issued for a period of longer than 10 years, and this bank said 15 per cent of its total government portfolio reached maturity after more than 10 years.

Percentages of total government obligations maturing within one year varied from as low as zero to as high as 90 per cent among individual banks. In the one to five year maturity period, the lowest percentage of total government bonds reaching maturity at a single bank again was zero, with the highest total 100 per cent or all of the bank's government obligations falling due in this period. In the five to 10 year maturity period, totals were not so scattered, ranging mainly from zero to 15 per cent of the 97 banks' government obligations.

Surtax Influence

What changes have been made in your portfolio as a result of the federal surtax? In answering this question, approximately 65 per cent of the banks reported they had made no specific portfolio adjustments to accommodate the surtax.

A \$2.6 million Minnesota bank reported it had made no special adjustments since "We made the change several years ago to cut our tax through municipals."

A \$3 million Montana bank stated it had made no adjustments, but expects to take some losses on governments next December.

An \$8.5 million bank in Iowa reported that "Due to loan volume, we have had little opportunity to make changes in our portfolio as a result of the surtax. However, in 1969 we hope to work in tax losses and improve yields due in a large part to expected surtax for the entire year."

An \$11 million Wyoming bank stated, "The rate structure during the past few months has been more reason for changes than the surtax."

One \$1.3 million Illinois bank reported, "We have not altered our portfolio on the basis of the surtax, but on over-all consideration—total taxes, bad debt reserves, etc."

Over 25 per cent of the total banks, however, said they have purchased more municipals to increase yields and bought less government bonds, as a result of the surtax. One bank reported a 50 per cent increase in its purchase of municipal bonds. Three banks reported shortening up maturities in their government portfolios as a result of the surtax; two reported an increase in emphasis on after-tax yields; two increased public housing bond purchases; another reported increased purchases of discount issues.

One \$17 million South Dakota bank said it has switched to high-yield, long-term municipals and much less idle cash, using C.C.C. certificates as part of cash in order to produce income.

A \$4 million Minnesota bank reported purchasing more agency bonds and investing in FHA government guaranteed loans instead of bonds.

Portfolio Management

What particular problems does management of your portfolio present today? Approximately 25 per cent of the bankers surveyed stated that liquidity was their biggest problem—providing adequate liquidity at the best possible profit. Another 22 per cent said planning maturities was the biggest problem in managing their bank's portfolio—deciding what rate to lock into for a longer maturity, coping with rapidly changing interest rates and general maturities spacing. Obtaining reliable management information was the most pressing problem for another 6 per cent of the responding bankers, as was securing adequate funds to meet portfolio requirements for still another 6 per cent.

Approximately 41 per cent of the banks said they had no specific problems in portfolio management. Several of these banks rated assistance from their larger correspondents "excellent."

Following are excerpts from several responses to this question:

\$4 million Minnesota bank: "Our biggest problem is knowing the interest rate trend to determine just when we should look into some of these high interest-bearing obligations and just how far we can conservatively invest in terms of maturities."

\$13 million Iowa bank: "Since we are expanding our portfolio, one of the biggest problems is acquiring the bonds we want in the maturity range we want. The yield appears, at least today, to be quite good, but we do have difficulty acquiring the right bond at the right maturity. One of the biggest problems in our state is that we must be the only place in the country where there is any money. We are receiving calls from all over the country, which has never happened to us before, and we have no intention of buying from these people."

\$29 million Nebraska bank: "Obtaining sufficient funds to satisfy our loan demand and have some funds left over to purchase municipals is our biggest problem."

\$6 million Iowa bank: "Seeking a single reliable source of listings and offerings of tax exempt agency issues and the same for municipals is our biggest problem. It is difficult to know about available offerings and prices when most municipals are handled through independent brokerage houses—no central, comprehensive lists. I understand some brokerage houses circulate among the trade an extensive catalog of shelf stock, prices, etc. A similar listing should be available to bank bond buyers."

\$20 million Illinois bank: "Information on portfolio management is readily available. However, the time to evaluate the information is often not sufficient."

\$4 million Iowa bank: "Our problem is that with the rapid change and our quest for yields we have tended to overlook quality. We do not spend enough time. Most of our problems are self-made and cannot be blamed on someone else."—**End.**

Let's review the issues!

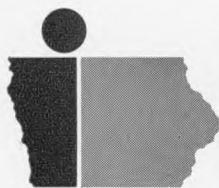
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Northwestern Banker, April, 1969

☑ *Pros and* ☑ *Cons* of Family Farm Corporations

■ A continuing interest has been displayed by farm owners and bankers in the subject of family farm corporations. Because of this interest, the Nebraska Bankers Association invited Mr. Henderson to discuss this matter at its recent Agricultural Seminars conducted for country bankers, their selected farm customers and county agents.

In his talk, Mr. Henderson discussed the makeup of a corporation, as well as its advantages and disadvantages as they relate to the farming business. These pertinent points from his talk are reproduced here for the benefit of bankers who have farm customers who might wish to review this subject.

MUCH has been said and written about corporation farming during the last year or so. Individuals and groups have expressed concern regarding the threat of corporate farming to the continued existence of the family farm.

A preliminary report on a recent research project showed about 6,700 corporate units operating about 40 million acres of land in the 22 states where the survey was made. These 6,700 units represent less than one per cent of all commercial farms in these states, and the land they farm represents about 7 per cent of all the land in farms.

About 40 per cent of the corporations found in the 22 states are in the eight mountain states, and these corporations control roughly 80 per cent of all the land operated by all 6,700 corporations. In most Corn Belt and Lake states, the proportion of corporate farms is less than 0.5 per cent of all commercial farms, and the acreage operated ranges between 1.0 and 1.5 per cent of all of the land operated by commercial farms in the 22 states.

Of the 6,700 corporations, 71 per cent are family corporations, 10 per cent are individually owned, and 19 per cent are other types of corporations with diversified ownership.

Total gross sales of farm products from all of the corporations found in the 22 states was estimated at slightly less than \$1 billion in 1967, or

By PHILIP A. HENDERSON
Extension Economist
University of Nebraska College of Agriculture
Lincoln, Nebraska

about 4 per cent of the total cash receipts from farm marketings.

Family Farm Corporation

What are the advantages of incorporating? What are the disadvantages? How do they operate? What does it cost to incorporate? Who should consider incorporation? These are some of the questions people may ask. Let's take a look at some of them as they relate to family farm corporations.

But first, let's be specific about what we mean by a family farm corporation. A corporation is an artificially created, but legal "person" created by law. The corporation owns the property used in the business and individuals simply own shares in the corporation. The corporation obtains its capital through sale of stocks, or bonds, and by borrowing money.

The corporation is managed by a board of directors elected by the shareholders, and officers elected by the board of directors. Directors are responsible for the more general policy decisions, while the officers are responsible for the day to day operations.

Regular corporations pay taxes on earnings as corporations. Distributed earnings may be taxed again as part of the income of individual shareholders.

The Technical Amendments Act of 1958 provided for special treatment of corporations which could meet certain prescribed requirements. Such corporations are known as Subchapter S corporations or closely held corporations. The earnings of these cor-

porations are not taxed to the corporation, but are distributed to shareholders and taxed at their rates.

In order to qualify for this classification, a corporation must be a domestic corporation which is not a member of an affiliated group. It must have: 1. No more than 10 shareholders. 2. Only one class of stock. 3. No shares owned by non-resident aliens. 4. Only individuals or estates as shareholders.

A family farm corporation could be either a regular corporation or a Subchapter S corporation. Most of them are the latter. As a rule, the number of stockholders in family farm corporations is small, particularly when they are first organized. Furthermore, the by-laws of these corporations often provide that the stock cannot be sold to anyone outside the family; or at least not until after other family members have had the opportunity to buy shares for sale.

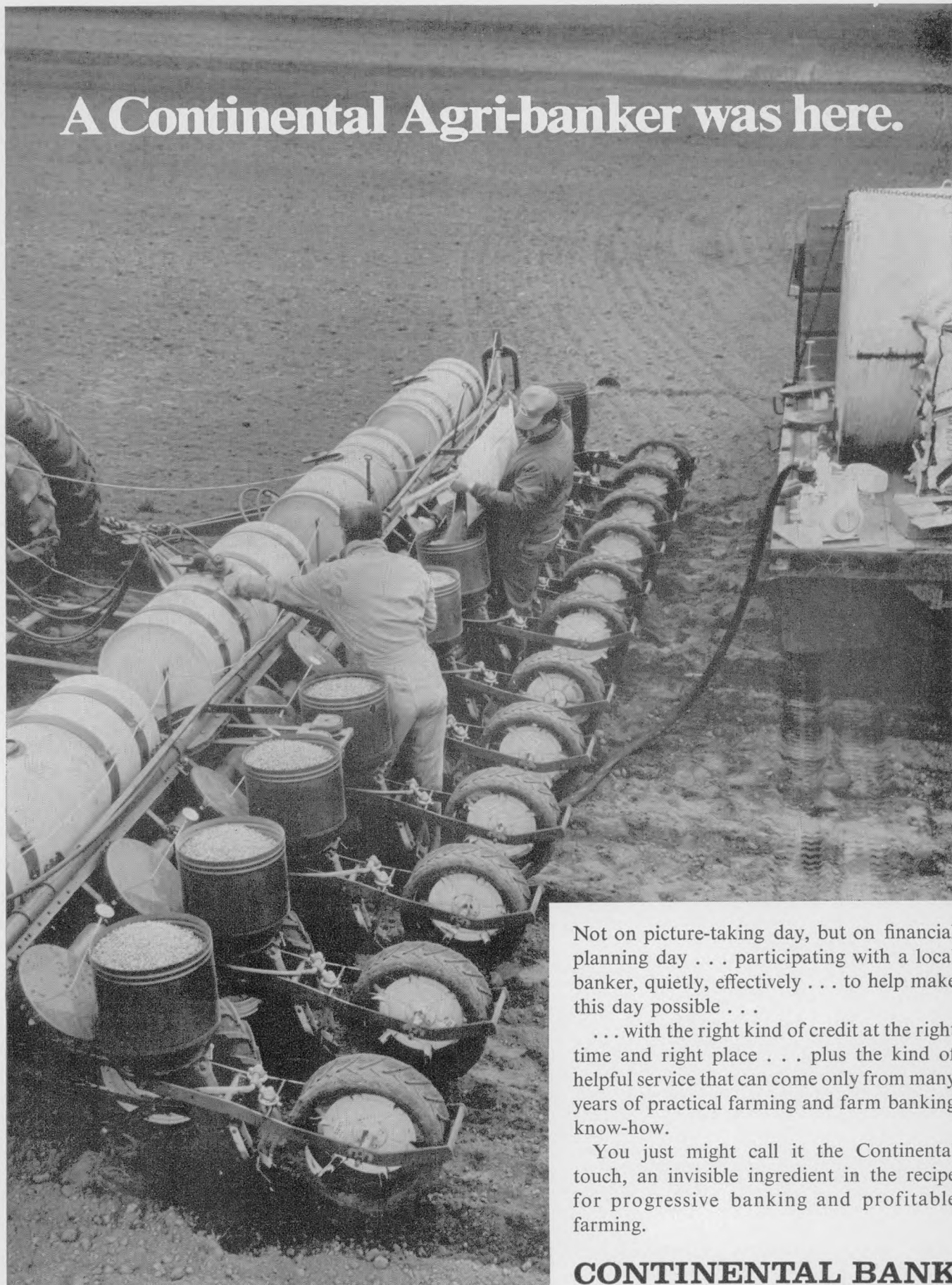
Advantage of Incorporation

Now, what are the advantages of incorporating? Advantages claimed include:

1. Limited liability on part of shareholders.
2. Continuity of management and operation of the business.
3. Stronger position for financing.
4. Fringe benefits made possible for owners.
5. Facilitation of property transfers. Let's examine these.

1. Limited liability. In other words, property owned by a shareholder which is independent of the corporation is protected from

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Northwestern Banker, April, 1969



CONTINUITY in management is best assured by giving junior members management training.

Family Farm . . .

(Continued from page 44)

those who seek satisfaction of a liability of the corporation. A corporation is liable for damages arising from the negligent acts of its officers or employees. Thus, a shareholder could lose part or all of his investment in the corporation if the corporation were found liable.

In many family farm corporations, the shareholders have about everything they own invested in the corporation. Where this is true, the limited liability feature has less significance.

On the other hand, it could be very meaningful to the shareholder who owns another farm (not included in the corporation), a property in town, stocks and bonds, or any appreciable amount of property outside the corporation. This property cannot be taken by those seeking satisfaction of a claim against the corporation. No doubt this is where the limited liability feature takes on greatest importance.

In some instances, employees, officers, or directors may be personally liable as individuals even though the corporation also is held liable. This, too, limits the significance of the limited liability feature in family farm corporations, since many of the shareholders are either employees or directors.

The fact that individuals and partnerships can protect themselves through liability insurance lessens even more the significance of the limited liability feature of corporations.

To the extent that credit institutions require the endorsement of indi-

vidual shareholders in support of corporation notes and mortgages, the limitation again is weakened.

2. Continuity of management and operation. One of the chief disadvantages of the individually owned farm business is that good economic units are sometimes broken up or seriously disrupted by the death of the owner unless some rather careful forward planning has been done.

The corporate owned operation is not broken up by the death of one or more of the shareholders, but the management may be seriously affected in family farm corporations.

Younger shareholders may lack both experience and ability compared to that possessed by a deceased shareholder who may have been primarily responsible for management decisions (usually the father). The mere fact that a farm business is incorporated does not assure continued competence in management. This is assured providing a good job for forward planning has been done and conscientious efforts have been made to give junior members management training.

Family farm corporations could be but often aren't careful about planning ahead to meet management needs. This is something that needs major attention.

3. Financing. Credit institutions necessarily are concerned with the kind of management exercised by any borrowing client since the quality of management largely determines the financial success. In making loans to individuals, they must and do recognize that death of the individual spells the end of that particular line of credit.

If a corporation can demonstrate depth of management, a lending institution might look more favorably on lending to it than to an individual. Continuity of capable management must be readily apparent, however. If a credit institution has any doubts about future management policies and financial operations, it is likely to ask for co-signatures from shareholders as separate individuals. This means, of course, that the individual shareholder is asked to pledge his personal financial strength in support of the corporation.

FHA is prohibited from making real estate, operating, or rural housing loans to farm corporations. But it can make soil and water or emergency loans to them.

Federal Land Banks and Production Credit Associations may make loans to farm corporations but only under certain circumstances.

4. Fringe benefits. Incorporation offers a slight tax advantage rel-

ative to fringe benefits. Until recently, the self-employed individual could not deduct either the cost of his own health insurance or contributions to his own retirement plan in arriving at his taxable income. But if he incorporates, he becomes one of the employees of the corporation and the corporation can legitimately deduct these as business expenses. Thus, incorporation permits him to receive these benefits tax free, whereas, as a self-employed individual, he had to pay for them out of taxable income.

The 1966 amendments to the Self-Employed Individuals Tax Retirement Act of 1962 altered this advantage to some extent. The self-employed individual now is permitted to defer federal income tax on a limited amount of income if it is invested in approved retirement funds (Keogh Plan). So far, however, there is no way in which a self-employed farmer can set up a hospital and medical insurance plan for himself and his family and write the cost off as a business expense. In this respect, then, the corporation still has an advantage to offer.

5. Property transfer. In my opinion, the greatest advantage of incorporating lies in this area. Parents usually think in terms of passing property on to their children. As farms get larger and prices rise, estates become larger. For this reason, transfers at time of death may involve considerable amounts of gift and inheritance taxes. Part or all of these taxes can be avoided by taking advantage of the opportunity to transfer up to \$3,000 worth of property to a second party each year without any tax assessment. But it is both awkward and expensive to give away \$3,000 worth of land. On the other hand, it is easy to make a gift of \$3,000 worth of stock in a corporation. Thus, the corporation facilitates the gradual transfer of property by gift.

The corporation also offers an advantage in transferring property by direct sale. In family farm operations, the younger generation wants and needs a chance to grow, some way to invest savings in comparatively small amounts. In a partnership this can be done through purchase of single pieces of machinery or purchase of livestock. But even here, the amount of capital required may be quite large and it is a fairly tedious and difficult task to figure out just how much more of the farm earnings such investments entitle him to receive.

It is much easier to buy one or more

PROS AND CONS . . .

(Turn to page 104, please)

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MEMBER F D I C

Northwestern Banker, April, 1969

Bank Administration Institute Nominates New Officers

NOMINATIONS for the top elective positions of the Bank Administration Institute have been announced.

William B. Carr will move up from first vice president to president, succeeding Earl L. Bimson, president of the Valley National Bank of Arizona, Phoenix. Mr. Carr is executive vice president of the Provident National Bank, Philadelphia.

Named to move up to first vice president is Charles A. Agemian, executive vice president of the Chase Manhattan Bank, N.A., New York, N.Y.

Selected to serve as second vice president, and thus in line for the presidency in two years, is Raymond E. Kolb, senior vice president and cashier of the Mellon National Bank and Trust Company, Pittsburgh.

The nominee as treasurer, to succeed Warren P. Gray, senior vice president and cashier of the Third National Bank in Nashville, is another Tennessean, Herman L. Scott, senior vice president, First National Bank, Memphis.

A.I.B. Increases Prices

The American Institute of Banking has increased its national enrollment fees and its textbook prices, it was announced by President Wesley B. Simmers.

All A.I.B. textbook prices have been increased by \$1, effective March 1, 1969.

Student enrollment fees have been increased from \$2 to \$3; the correspondence study fee, from \$30 to \$38, plus cost of textbook; and the accelerated in-bank study fee, from \$8 to \$13—all effective September 1.

"Shrink Proof" Certificate Offered By Continental

Continental Bank, Chicago, introduced recently what it believes is the first savings certificate that will pay higher interest automatically if rates for similar accounts move upward. The certificate also guarantees to pay not less than 5 per cent, even if interest rates go down.

(Currently, the bank interest rate ceiling is 5 per cent per year on time savings deposits. This maximum is set by the Federal Reserve Board.)

Continental's five-year "shrink-proof" certificate is available from \$1,000 or more and offers continuously compounded interest. At the current rate of 5 per cent, it pays an effective

rate of 5.68 per cent if dividends accumulate for the full five-year period.

Savers may withdraw their money without penalty or notice after it has been on deposit one full calendar quarter, so long as they withdraw it during the first 10 days of any later quarter.

Names Regional Advisory Group

JOHAN R. BURT, Regional Administrator of National Banks for the Tenth National Bank Region, has announced the selection of six new members of the Regional Advisory Committee on Banking Policies and Practices, for two-year terms, replacing an equal number whose terms expired on December 31, 1968.

The new members are: James E. Coquillotte, president, The Merchants National Bank of Cedar Rapids, Cedar Rapids, Iowa; Dale Ball, president, First National Bank of Council Bluffs, Council Bluffs, Iowa; Charles Clevenger, president, The First National Bank of Topeka, Topeka, Kansas; Donald E. Lasater, president, Mercantile Trust Company National Association, St. Louis, Missouri; Glenn Yaussi, chairman of the board, National Bank of Commerce Trust and Savings Association, Lincoln, Nebraska; and Edward Cosgriff, president, City National Bank of Hastings, Hastings, Nebraska.

Offer Bank Auditing Courses

ASERIES of three short courses in Bank Auditing, aimed at qualified people from banks with assets under \$50 million, will be held in the next few months by the Bank Administration Institute.

These one-week sessions will be restricted to 50 registrants for each event, which will be held May 12-17 at the State University of Iowa, Iowa City, July 7-12 at the University of Colorado, Boulder, and August 25-30 at the University of Richmond, Richmond, Virginia.

All courses will be held in the respective university, with registrants required to live on the university campus. The courses will use outstanding instructors drawn from the universities and from the banking and related industries. The courses will present a bank an opportunity to initiate a formal audit program or evaluate an existing one. Students are required to have a minimum of four

The other members of the committee, whose terms expire December 31, 1969, are: Henry G. Blanchard, president, The Commercial National Bank of Kansas City, Kansas City, Kansas; Robert A. Brown, president, The Home National Bank of Arkansas City, Arkansas City, Kansas; Barrett S. Heddens, Jr., chief executive officer, The First National Bank of Kansas City, Kansas City, Missouri; J. O. Peck, chairman of the board, First National Bank and Trust Company of Columbus, Columbus, Nebraska; Albert M. Price, executive vice president, The Boone County National Bank of Columbia, Columbia, Missouri; and Carleton C. Van Dyke, president, The Toy National Bank of Sioux City, Sioux City, Iowa.

Most Wanted Advertisement Gets Excellent Response

When you want something bad enough it pays to advertise.

That maxim, believe it or not, applies to bank robbery suspects.

Bank of America's Madison Avenue approach to the problem of bank robberies started last December when it ran a full-page ad with photos of the five most wanted bank robbery suspects.

Tangible results from that ad were reported by the bank recently: four-out-of-five suspects have been apprehended.

One of the intangibles includes information about the fifth suspect which is now being worked on by law enforcement.

years of banking experience, for which two years of education beyond high school or two years of public accountancy work may be substituted for two years of the banking experience. Accounting training will be a definite aid in gaining maximum results from the courses.

The courses will cover such topics as new developments in accounting, bank accounting and auditing, demand deposits, time deposits and official checks, cash, cash items, due from banks, investments and trusts, safe deposits, collections and miscellaneous ledger accounts, consumer credit, commercial and real estate loans, income and expenses, auditing and automation, organization and reports, implementing an audit program, and audit principles. There will be daily small group discussions.

For further information, write The Registrar, Bank Administration Institute, P. O. Box 500, Park Ridge, Illinois, 60068.



O'Connell Statue, O'Connell Street, Dublin, Ireland—just ten minutes from a Bank of America Branch.

Man-on-the-spot®...in Dublin. Here in the heart of the capital of Eire, he's in charge of a new office of the world's largest bank. In Dublin, as in city after city around the world, **BANK OF AMERICA** offers foreign currency financing, direct collections, prompt remittances. For any international banking service, see **Bank of America—first in banking.**

BANK OF AMERICA—SAN FRANCISCO, LOS ANGELES, NEW YORK: Full-service branches in Amsterdam • Antwerp • Asuncion • Athens • Bangkok • Beirut • Birmingham Bogota • Bombay • Brussels • Buenos Aires • Calcutta • Concepcion • Djakarta • Dublin • Duesseldorf • Frankfurt • Guatemala City • Guayaquil • Hong Kong • Karachi Kobe • Kuala Lumpur • Lagos • Lahore • La Paz • Lima • London • Lyon • Madras • Managua • Manchester • Manila • Marseille • Medellin • Munich • Osaka • Panama City Paris • Quito • Rotterdam • Saigon • Santiago • Seoul • Singapore • Taipei • Tegucigalpa • Tokyo • Valparaiso • Vienna • Yokohama • Zurich • Over 400 other cities throughout California, around the world. **Banca d'America e d'Italia:** over 85 offices throughout Italy. ©1969 Bank of America National Trust and Savings Association

Northwestern Banker, April, 1969

The Bankers' Market Place

A Page Telling What's New for Banks and Bankers

Each month the Bankers' Market Place will bring you listings of new products, specialty items, banking equipment, and gift items which will help you and your staff do a better job. This is the selection for this month.

THREE new full-color brochures have been prepared by LeFebure Corporation, Cedar Rapids, Iowa 52406, to give bankers details of several of the company's products. The brochures are:

Motor Banking—shows both the features of LeFebure drive-up units and color pictures of actual installations.

Safe Deposit Boxes—features 50 standard LeFebure arrangements in three different widths, plus six stock

unique ability to improve both customer service and teller efficiency by permitting teller to service more than one drive-up or walk-up station at a time. Keeps several lines moving, though one customer may be causing a temporary bottleneck. The remote control TV system permits teller to operate several stations from one distant location.

AUTOPOINT has designed a new Attach-a-Pen, an elegantly styled desk pen and self-stik holder which can be applied anywhere. The metal chrome-plated holder can be firmly adhered to any flat, smooth surface. Ball swivel allows pen holder to be tilted at a 90 degree angle to the molded ebony plastic base. Pen is refillable with nickel-silver cartridge. Retail for \$1.95.

DIEBOLD, INC., Canton, Ohio 44702, currently has available three brochures for bankers describing these three new products:

Diebold-Ampex Video Surveillance System (VSS-1)—is a closed circuit television setup designed exclusively for bank usage. Provides 60 hours of continuous surveillance—the equivalent of two full banking weeks on one roll of tape—and records whatever it

sees and plays it back in an instant. Each camera in the bank is monitored in sequence at three-second intervals on a nine-inch screen and the videotape recorder records one picture per second. A videotape recorder, used with a TV camera, records images and sound on magnetic videotape for instant or delayed replay. The tape may be replayed indefinitely or erased and used to record new information. An optional attachment provides an instant photographic print of any pic-

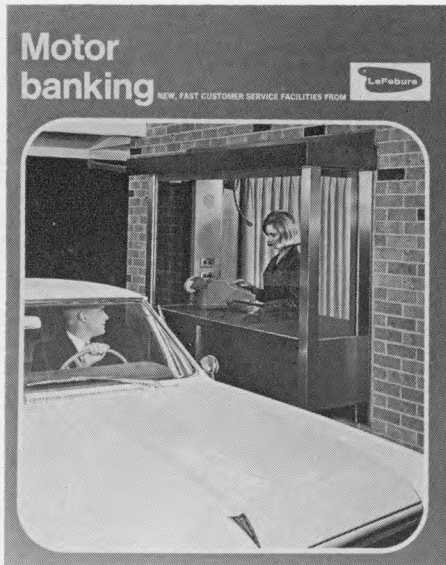


ture on the tape for police use. VSS also aids in detecting bad-check passers, aids in traffic control and deployment of personnel, and encourages internal security.

TV Auto Message System—utilizes the "captive audience" concept to superimpose an advertising message for a bank service over the bottom one-third of the customer's television screen. An auxiliary TV camera and regular 35mm slides project messages such as "Earn 5 per cent on Savings."

Power Files—shows the STEP (Space, Time, Equipment, Personnel) saving bonuses afforded by this dramatic improvement in filing techniques.

Pacemaker Vault Door—features improvements on old protection methods and innovations in vault security.



nests, all drawn to scale. Bankers can see the various arrangements and determine which will best suit their particular needs.

Cash Handling Equipment—includes illustrations and information on cash handling pedestals, money storage and transport units, currency trays, metered coin trays, pull-out shelves, currency drawers, sit-down teller stations, knee space fixtures, wall fixtures, and specially engineered equipment.

MOSLER, 1561 Grand Blvd., Hamilton, Ohio 45012, has prepared these two brochures for bankers:

The System by Mosler Harbor—shows in full color the contemporary design of Mosler Harbor office storage and filing furniture "systems." Storage cabinets of various heights and side file units are shown in standard and designer colors.

Multiplex TellerVue—describes

Bank Holding Companies Expand In 10th Fed

BANK holding companies—corporations that own or control two or more banks—have expanded at an accelerated pace in both Tenth Federal Reserve District states and the nation throughout the past two or three years, according to the Federal Reserve Bank of Kansas City.

At present, there are 13 bank holding companies in Tenth District states, with 53 subsidiary banks in every district state except Kansas and Oklahoma.

Holding company banking has been expanding rapidly in Colorado and Missouri, and indications are that it may continue to increase. It is most prevalent in Colorado where five bank holding companies own 19 banks. As

four of the five largest banks in Colorado are owned by bank holding companies, they control 44.4 percent of the total deposits in the state.

Holding company banking may be starting to expand in Wyoming and New Mexico, the Fed suggests. Two bank holding companies now control 16.6 per cent of total deposits in Wyoming, and two in New Mexico control 17.0 per cent of that state's deposits.

There are no holding companies in Kansas or Oklahoma, and the one operating in Nebraska controls 10.0 per cent of total deposits. Expansion of bank holding companies currently is prohibited by state law in these states.

6 sharp questions you should ask before you install a photo security system.

Today, there are a number of cameras available for photo security systems. To find out why the 35 mm Mosler Photoguard® camera is the best for you, just ask yourself these six questions:

1. Complete Coverage?—The 35 mm Photoguard takes 4 detailed frames every second. This assures full coverage of all the action.

2. Clear Photos?—There is no blurring of photos with the 35 mm Photoguard because shut-

ter speeds up to 1/500 stop all the motion.

3. What about lighting?—The combination of our shutter speeds and the fastest film in photo security, assure crisp photos under normal lighting.

4. How about details?—35 mm negatives are 12½ times larger than 16 mm for sharp enlargements. A distinct aid to apprehension and conviction.

5. Easy to operate?—The 35 mm Photoguard is inconspicuously activated to eliminate risk to

employees.

6. Is camera noisy?—The 35 mm Photoguard is without doubt the most silent equipment in the photo security industry today.

If you still have any questions about Mosler 35 mm Photoguard, talk to your Mosler representative today. He is trained to provide a complete photo security survey. This also includes consideration of our full motion 16 mm camera to insure best coverage for your specific needs. Mosler, Hamilton, Ohio 45012.



Mosler

An American-Standard Company

Northwestern Banker, April, 1969

Illinois NEWS

ALLEN P. STULTS President Chicago

ROBERT C. SCHRIMPLE Exec. Vice Pres. Chicago



New Illinois Group Officers

THE following new officers were elected for 1969-70 at the recent series of very successful group meetings of the Illinois Bankers Association. Nine of the meetings were held during the month of March. The tenth meeting, for Group 1, was to be held in Chicago April 8. Officers for the other nine groups are:

Group 2

President: Willis S. Gouwens, South Holland Trust & Savings Bank.

Vice President: Earle O. Corley, Union National Bank, Marseille.

Secretary-Treasurer: Kenneth W. Obrecht, Louis Joliet Bank, Joliet.

Group 3

President: Norman P. Bachert, Aurora National Bank.

Vice President: John H. Beaulieu, Glenview State Bank.

Secretary-Treasurer: Jack P. Oenning, Lincoln State Bank of Elgin.

Group 4

President: Charles J. Wirth, Colonial Bank of Rockford.

Vice President: Omer C. Wilhelms, First State Bank of Shannon.

Secretary-Treasurer: Gordon Sears, Citizens First National Bank, Princeton.

Group 5

President: James R. Sturgeon, Wemple State Bank, Waverly.

Vice President: Robert E. Richie,

State Bank of Jerseyville.

Secretary-Treasurer: Dewey Andrews, State Bank of Hull.

Group 6

President: Robert H. Blane, San Jose Tri-County Bank.

Vice President: Q. Donald Baily, Table Grove State Bank.

Secretary-Treasurer: W. E. Sexton, State Bank of La Harpe.

Group 7

President: Ray S. Stine, First National Bank of Danville.

Vice President: Grant Fleenor, First National Bank, Mattoon.

Secretary-Treasurer: Gerald L. O'Neill, American National Bank of Champaign.

Group 8

President: Ronald L. Carter, First National Bank, Springfield.

Vice President: Chester D. Wilson, McLean County Bank, Bloomington.

Secretary-Treasurer: William E. Parr, Hardware State Bank, Lovington.

Group 9

President: James J. Gregory, First National Bank, Chester.

Vice President: Robert G. DeRousse, National Stock Yards National Bank.

Secretary-Treasurer: Charles F. Arbutnot, First National Bank, Wood River.

Group 10

President: Wilburn Wood, Drovers State Bank of Vienna.

Vice President: Raymond C. Burroughs, City National Bank of Murphysboro.

Secretary-Treasurer: G. Wallace Rich, First National Bank of Cobden.

Elects Two Officers

E. W. Gieseke has retired as an active officer at the Roselle State Bank, Roselle. He is succeeded by Eugene C. Ernsting, former executive vice president, as president. Erwin O. Elbert, vice president, has been named senior vice president.

Promoted at Naperville

Wayne Edwards has been promoted from assistant cashier to assistant vice president at the Naperville National Bank and Trust Company.

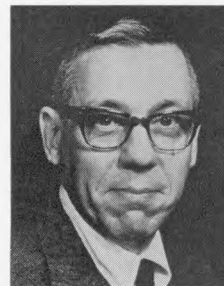
Named to Board

Richard A. Heise, newly elected president and chief executive officer of the Rail-Trailer Company, Chicago, has been named a member of the board of directors of Evanston Trust and Savings Bank, according to Thomas V. Markle, chairman of the Evanston bank's board.

New Vice President

The appointment of William A. Sholten, Jr., as a vice president and commercial lending officer has been announced by George B. Everitt, chairman of the board, Merchants National Bank of Chicago.

Prior to his appointment, Mr. Sholten was affiliated with three other Chicago banks in various capacities, including that of vice president and commercial lending officer.



W. A. SHOLTEN, JR.

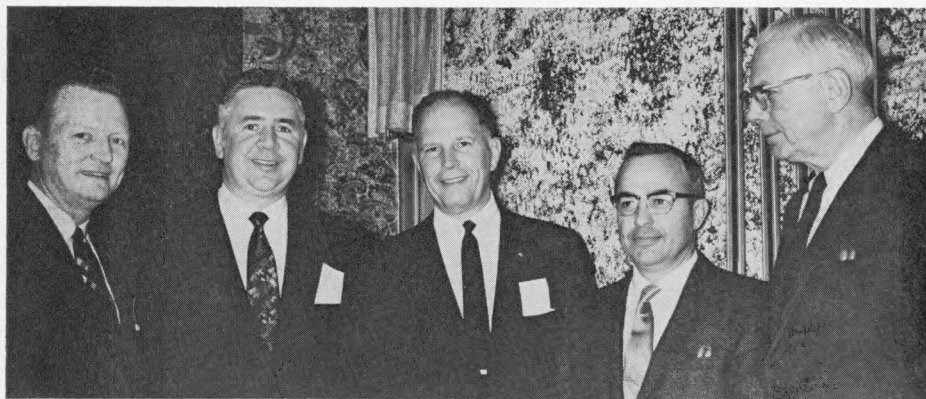
Names Ad Agency

The Oak Park Trust and Savings Bank, Oak Park, has named Carobus and Fredericks, Inc., Chicago, as its advertising and public relations agency. George H. Dempsey, executive vice president, will serve as account supervisor.

New Deposit Service

Golden Mini-Book deposit service is now being offered by the Marina City Bank. It is a 5 per cent passbook savings plan, with this rate guaranteed to December 31, 1971.

The minimum balance requirement



NEW PRESIDENT of Gr. 4 is Charles J. Wirth, exec. v.p. & cash., Colonial Bank of Rockford (left). Shown with Mr. Wirth are: Omar Wilhelms, cash., First State Bk., Shannon, new Gr. 4 v.p.; Allen P. Stults, pres., American Natl. Bk. & Tr. Co., Chicago, and pres., Illinois Bankers Assn.; Gordon Sears, exec. v.p., Citizens First Natl. Bk., Princeton, Gr. 4 secy-treas., and Giles Eldred, v.p., Rock Island Bk. & Tr. Co., past pres. of Gr. 4.

Northwestern Banker, April, 1969

Ideas for sale.

(but not from Gerry Morse.)

Gerry's ideas are free.

And he's got lots of them.

Ideas, for instance, about qualified prospects who might be interested in purchasing a bank.

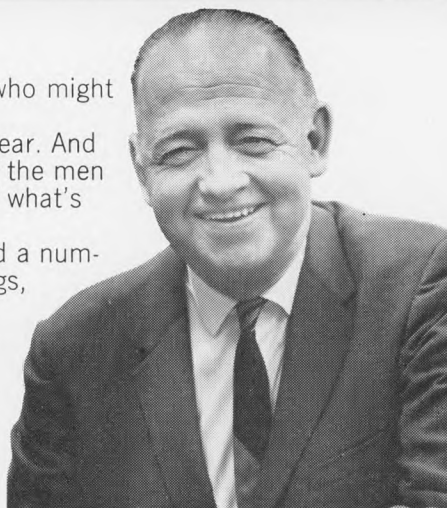
You see, Gerry makes hundreds of calls each year. And because he is a good listener and has the trust of the men he deals with, he has an exceptional knowledge of what's really happening in midwest banking.

Gerry's also a specialist in bank operations and a number of other important areas such as tax savings, personnel placement, economic forecasts.

And, like all our Correspondent Bank Division men, Gerry is fully qualified to initiate action on the spot, without time-consuming committee approvals or red tape.

So give Gerry a call at (312) 621-5044. He'll show you why we're called The Idea Bank.

It could be a most profitable call.



American National - The Idea Bank

American National Bank and Trust Company of Chicago
La Salle at Washington 60690
Drive-in Banking, Wacker at La Salle
Phone (312) 621-5000
Member FDIC

of \$250 is the lowest in Chicago. Unrestricted minimum additional deposits are another unique feature for the 5 per cent passbook savings plan.

According to John G. Friend, president, The Golden Mini-Book is designed for those who want to earn the premium 5 per cent interest rate on his bank savings, but prefer the tra-

ditional passbook record."

The rate promotion through 1971 is a first among downtown banks. Every Golden Mini-Book depositor is insured up to \$15,000 by the Federal Deposit Insurance Corporation. Withdrawals may be made at each calendar quarter without notice or anytime upon 90 days written advance notice.

Nearly 4,000 Banks Now Offer Charge Cards

SEVENTY-FIVE of the nation's 100 largest commercial banks had charge card plans by the end of 1968, as compared with 42 of the top 100 a year earlier, it was reported recently by Robert M. Martindale, president of the Midwest Bank Card System, Inc., at the MBC annual meeting.

The 75 largest banks with card plans have total deposits of more than \$172 billion.

Nearly 4,000 banks in the country now offer charge cards. This is more than one of every four of the 14,179 commercial banks in the United States. A year ago, fewer than 1,500 banks participated in charge account banking.

The Midwest Bank Card System, Inc., is a member of Interbank. There are now 1.8 million cardholders and 90,000 merchants outlets in the Midwest system.

The number of merchants honoring Master Charge cards and other bank cards bearing the Interbank "i" symbol increased to a total of 381,147. In 1967, there were 136,278 merchant outlets.

More than 400,000 business establishments across the globe—including 43 American states—already accept BankAmericard for purchases.

In all, more than 2,300 banks are participating in BankAmericard's international program.

Harris Bank

Harris Trust and Savings Bank, Chicago, has announced two new assistant vice presidents.

Edward B. Dillmann, Skokie, was elected assistant vice president of the trust department. William N. George, Stevens Point, Wis., joins the trust department as assistant vice president. He is a fixed income specialist.

Gorham Control Changes

The Comptroller of the Currency has reported that Robert Z. Morris has purchased 984 shares of stock from Billie E. Koeneman and eight others in the First National Bank, Gorham.

Lacon to Build

First National Bank, Lacon, has announced plans for a new building, according to W. A. Nelson, president. Completion is scheduled for this fall.

New Ozark Service to East

Commemorating its new service to the east coast, Ozark Air Lines will carry first flight covers in inaugural flights to Washington, D. C., and New York on April 27.

The air mail letters will be carried on Ozark's DC-9 jets providing service from the eight midwestern cities re-

ceiving new direct flights to the east. These are Peoria, Champaign/Urbana, Sioux Falls, Sioux City, Des Moines, Waterloo, Cedar Rapids, and the Quad Cities.

Persons interested in collecting first flight covers from the new service to New York and Washington, D. C., should send self-addressed and air mail stamped envelopes to Ozark Air Lines. The letters will be marked with identification as to the route, the actual authorized extension to the east from either Peoria or Champaign/Urbana, and date, and will be mailed on the inaugural trip.

Envelopes intended for this purpose should be sent to Roger Haley, Director of the Cargo Division, Ozark Air Lines, Lambert Field, St. Louis, Mo. 63145. They must arrive at Ozark no later than April 22, in order to make the inaugural flights.

Clinton Completes Remodeling

DeWitt County National Bank will complete its extensive remodeling this month, according to J. C. Wells, president.

Give Opinions on Illinois Banks

ILLINOIS banks rate amazingly high with consumers, according to an independent study just completed," Allen P. Stults, president of the Illinois Bankers Association, recently announced at the Association's annual public relations and marketing conference.

Mr. Stults revealed results of a survey conducted for the association by Market Facts, Inc., consisting of 900 interviews with adults involved in family financial transactions across Illinois.

Those surveyed were asked whether they felt local banks were more interested in serving the community's welfare or making a profit. Mr. Stults, president of the American National Bank and Trust Company, Chicago, said 81 per cent of those questioned reported, "more interested in community welfare," 5 per cent said, "don't know" and only 14 per cent said, "more interested in profits." Ninety-three per cent of those interviewed agreed with the statement, "Local banks in this area are continually improving their services."

Two questions in the survey indicated the public is satisfied with the number of banks in Illinois, according to Mr. Stults. A total of 68 per cent disagreed with the statement, "I'd like to see another bank opened in this community," while 15 per cent had no

opinion and 17 per cent agreed with the statement according to the survey. When asked, "In your opinion, is there enough competition between banks and other institutions around here for your business, or should there be more places available to you, as a consumer, to choose among?" Eighty-eight per cent said there is enough competition, and 12 per cent said there should be more banking places.

The study asked consumers for their rating of nine ideas for changing or improving banking services. The concept of making financial counseling available to all consumers was rated excellent or good by 92 per cent of those questioned. Coverage of overdraft checks was voted excellent or good by 73 per cent of the interviewees. The least popular idea of the nine, rated excellent or good by 28 per cent, was that of the bank automatically paying all regular bills of a customer.

The study, the first statewide survey of consumer attitudes toward banks, will be used by the Association in planning an expanded public relations program. A booklet containing detailed highlights of the survey can be obtained upon request from Helen M. Kresich, director of communications, Illinois Bankers Association, 188 West Randolph Street, Chicago, Ill. 60601.

The image shows a hand holding a credit card in front of a complex financial ledger. The ledger is filled with columns of numbers and text, representing an account statement or a list of transactions. The credit card is white with a logo and the text "Your Bank" and "Request Check Here".

The winning hand that increases instalment credit profit

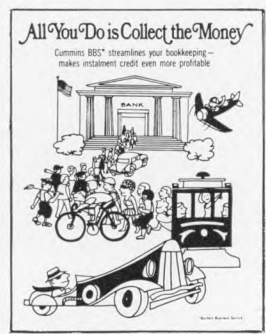
Used by hundreds of large and small banks

This new automated instalment loan system speeds up your operation and assures accuracy, with reduced personnel.

CUTS REFILEING TIME BY 90%. CARDS ARE NEVER MISFILED.

No capital investment required . . . No minimum charge . . . You pay only for the ledgers and records furnished.

Savings are greater than cost. Instantly available information for management decisions is gravy. For more details, see your local Cummins or National Fidelity Representative, or call . . . Bankers Business Service Division. 312-561-6600.



Your, "key to more profits," bulletin



DICK WEYRAUCH HAS AN ALL-AROUND IDEA FOR YOU:

good banking G.P.s are worth their weight in gold

Correspondent banking, like the medical profession, is in the age of specialization. But those "general practitioners" are worth their weight in gold. They are the all-around pros who know all phases of banking—loans and investments and bank management problems. Our veteran, Dick Weyrauch, is one of the best. Southern Minnesota and Iowa he calls home, the bankers there his friends. Sure, we have financial specialists, but we have great G.P.s too. That's why we're *the Bankers' Bank of the Upper Midwest*. For proof, call 612/334-4141.

**First
Minneapolis**
THE BANK WITH AN IDEA FOR YOU



Correspondent Bank Division • First National Bank of Minneapolis • Member FDIC.

Minnesota NEWS

J. J. CHOROMANSKI President Crystal

K. A. WALES Exec. Secretary Minneapolis



IBM Sponsors Keyman Seminar

THE Independent Bankers of Minnesota will hold its Keyman Seminar at the Thunderbird Motel in Bloomington on April 22-23. The seminar will center around the subject of "Planning for Profits in a Changing Environment." Registration will get underway at 11 a.m., April 22.

Following is the program for the two-day meeting:

Tuesday, April 22

A.M.
11:00 Registration.
12:00 Luncheon—"The Changing Environment for Minnesota Bankers," Sherwood O. Berg, director, Institute of Agriculture, University of Minnesota.

P.M.
1:45 Panel — "Pressure of Competition," H. Richard Schutte, Prinsburg, moderator; Donald Ackland, PCA offices, National Bank of Commerce, Mankato; John D. Chisholm, credit unions and savings and loans, Olmsted County Bank and Trust, Rochester.
2:45 Coffee Recess.
3:00 Discussion Groups—"Determining Your Bank's Market Potential," Reed Macomber, Roseville State Bank; E. Milton Klohn, Farmers Terminal State Bank, Newport; Frank Delaney, American National Bank and Trust, St. Paul; Monroe Stenerson, Richfield Bank and Trust.
4:00 Discussion Groups Report to Full Meeting.
5:00 Adjournment.
6:00 Social Hour.
7:00 Dinner — Legislators Will Report on Current Legislation, Pat DuBois, moderator, First State Bank, Sauk Centre.

Wednesday, April 23

A.M.
7:30 Breakfast — "The Missing Emphasis in Leadership Today," E. Kearney Dietz, Levitt Advertising Agency, former vice president, Union National Bank, Little Rock, Ark.
9:00 Panel — "Bank Loan Participa-

tion," Les Peterson, Farmers State Bank, Trimont; W. D. Nusbaum, vice president and treasurer, Ralston-Purina Company.

"Bankers Opportunity for Profitable Business," George Sands, Prudential Insurance Company; George H. Spencer, agricultural officer, American National Bank and Trust, Chicago, Ill.

10:00 Coffee Recess.
10:20 Discussion Groups — "Profit Planning," James Kayfes, First National Bank, Buhl; Eugene S. Blair, International State Bank, International Falls; John Owens, Northwestern Bank of Commerce, Duluth; Loren A. Hagemeyer, American National Bank and Trust, St. Paul.
11:30 Discussion Groups Report to Full Meeting.

P.M.
12:15 Luncheon—"Challenge of Independent Banking," Stanley Barber, Wellman, Iowa, Savings Bank, former president, Independent Bankers Association of America.
2:00 "Motivational Aspects of Management by Objectives," Howard P. Mold, College of St. Thomas, St. Paul.
3:45 Adjournment.

The Independent Bankers Study Committee, which is sponsoring the meeting, consists of: Chester N. Eggen, vice president, Richfield Bank and Trust (chairman); R. B. Hage, cashier, Westbrook State Bank; P. J. Canton, executive vice president, American State Bank, Moorhead; M. Richard Schutte, executive vice president, Prinsburg State Bank; A. J. Knutson, president, First National Bank, Alden; G. Reed Macomber, president, Roseville State Bank.

Accepts Virginia Post

Jean P. Bennett, cashier of the Grafton National Bank, Grafton, has resigned to accept a similar position with the State Bank of Virginia.

Mr. Bennett began his banking ca-

reer at the Union State Bank of Montevideo in 1952. He joined the Grafton National Bank as auditor in 1956 and was elected cashier in 1963.

Named New Director

R. M. Vance, business manager of the *Worthington Daily Globe* and co-publisher of the *Star Herald* at Luverne, Minn., has been elected a director of the State Bank of Worthington. He has been a resident of Worthington for over 40 years.

Joins Red Wing Bank

Rodney R. Shafer, formerly assistant cashier of the installment loan department at the First National Bank of Albert Lea, has been named assistant vice president and manager of the installment loan department of the First National Bank of Red Wing.

Holds Open House

An open house was held last month at the United National Bank in Valley Springs, celebrating the completion of the bank's new addition.

The addition is located to the east of the original structure and contains a private office, conference room and restroom facilities. It is carpeted throughout and features walnut paneling and trim. The exterior brick facing of the addition matches the original building.

Promotes Two

Two employees of the Citizens National Bank of Willmar have been promoted to officer status. They are Norman A. Lepler and Mrs. Karen A. Holst. Both were named assistant cashiers.

Mr. Lepler joined the bank staff in 1967, and Mrs. Holst has been employed by the bank since 1964.

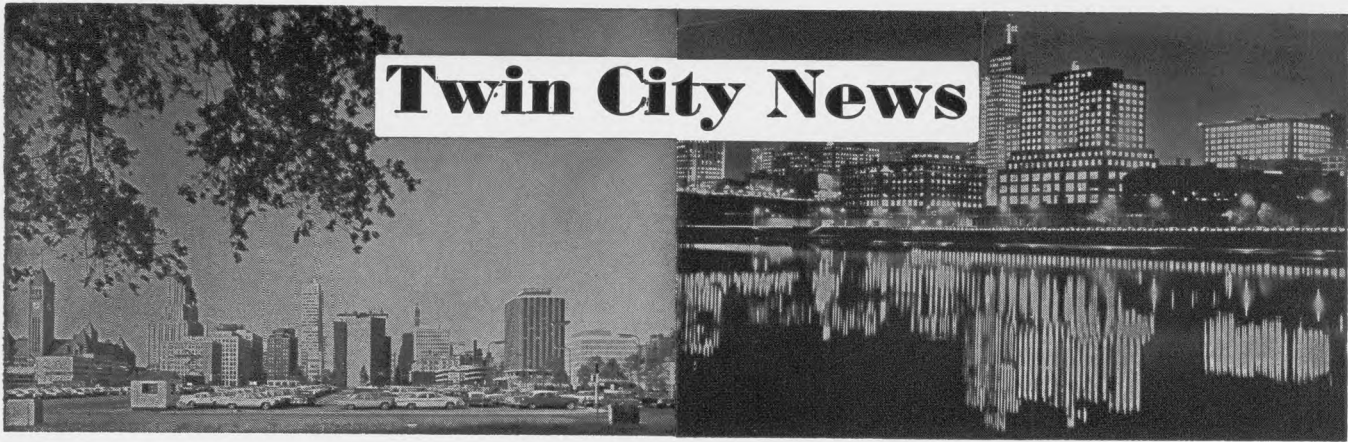
New Director Named

Robert Arnold of Detroit Lakes has been named a director of the Ogema State Bank, Ogema. He is a travel agent for the Lake Region Travel Service in Detroit Lakes.

Holds Customer Days

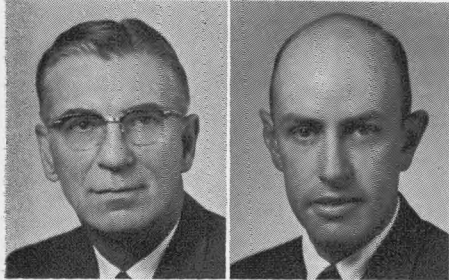
The First National Bank of Long Prairie recently held its fourth annual Customer Appreciation Days. Nearly 2,250 customers registered for prizes, including a blender, electric saw and tickets to professional baseball and hockey games, during the week of activities. Free gifts were distributed to all bank customers and, during the final day of the celebration, free refreshments were served in the bank's community room.

Twin City News



FOURTEEN officer promotions, including two new trust department vice presidents, have been announced by First National Bank of Minneapolis.

The new vice presidents are **John R. Hall**, personal trusts, and **John T. Weingart**, trust investments.



J. R. HALL

J. T. WEINGART



D. G. WACHHOLZ

A. G. HIGHUM

Advanced to assistant vice presidents were: **Donald G. Wachholz**, cor-

respondent banking; **James F. Hannasch**, marketing; **Peter H. Archibald** and **David J. Delaney**, national accounts; **Stanton M. Jorgens**, personnel; **Thomas M. Libera**, trust and estate development; **Philip A. Braum** and **Ralph W. Jarvis**, personal trusts; **Donald J. Schoen**, trust investments; **Robert L. Spies**, trust operations.

Allen G. Highum has been elected assistant cashier in correspondent banking, and **Robert S. Yu**, assistant secretary in the trust tax division.

* * *

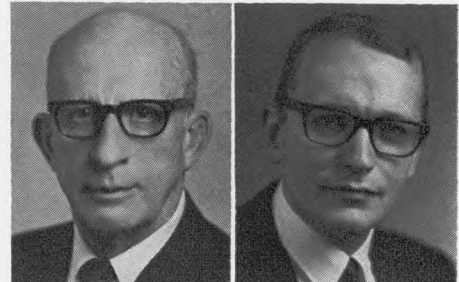
Campbell-Mithun, Inc., Minneapolis, has been named advertising agency for the **Northwestern National Bank** of St. Paul. The firm also handles advertising accounts of Northwestern National Bank of Minneapolis and Northwest Bancorporation.

Arnold Niemeyer and Associates, St. Paul, will continue to handle public relations and publicity for the Northwestern National.

* * *

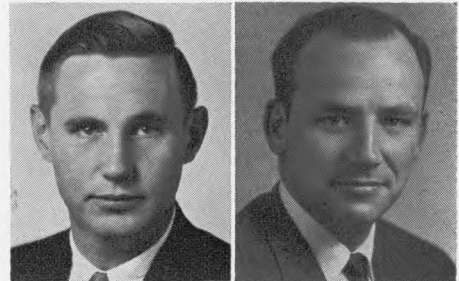
Promotions for 18 staff members at Northwestern National Bank of Minneapolis have been announced by **John A. Moorhead**, chairman of the board.

Promoted in the commercial department were: **John C. Boughton**, **Gerald**



J. C. BOUGHTON

G. R. DELAND



C. R. GESME

J. W. SULLIVAN

R. DeLand and **Charles R. Gesme**, assistant vice presidents; **Wayne B. Baker**, **Thomas D. Linhares** and **John A. Pondelis**, personal banking officers; **James A. Gossen**, assistant cashier-teller; **Douglas R. Harding**, personnel officer; **Lauren G. Shore**, systems officer; **James W. Sullivan**, correspondent banking officer; **David L. Tremmel**, international banking officer; and **Loren W. Vogt**, installment banking officer.

Trust department promotions included **John S. Hale**, trust officer; **Halsey H. Halls**, probate officer; **Gordon W. Johnson**, tax officer; **John W. Murphy, Jr.**, trust investment officer; **Richard D. Wilson**, pension trust officer; and **Michael D. Wolf**, trust investment officer.

* * *

Six new officers have been appointed and three officer title changes announced by the Northwest Bancorporation, Minneapolis.

Roger Bryan has been elected tax officer, after serving as tax account-



PICTURED at a press conference on opening day of the 1st Plymouth Natl. Bk. are (l. to rt.): **Gordon Murray**, chmn. of bd., 1st Natl. of Minneapolis; **John M. Warder**, pres., 1st Plymouth Natl.; **Granger Costikyan**, pres., 1st Bk. System, Inc.; **George H. Dixon**, pres., 1st Natl. of Minneapolis.

Pick on somebody your own size



When one of Northwestern's correspondent banks in the Western territory ran into trouble, they hollered for help.

It seemed that the local bank had a customer who had outgrown the local bank's lending limit, and the customer was being romanced by a larger regional bank.

Don Anderson of Northwestern Bank made a hurried trip out to view the situation. After considerable discussion, he found the local company needed more financial assistance than they originally thought. Don arranged for a long term loan with an insurance company, and Northwestern Bank and the local bank participated in a seasonal credit. The customer kept his banking relationship with the local bank.

There's more to being a correspondent banker than just being a correspondent banker.

Don Anderson,
Vice President,
Department of
Banks and Bankers

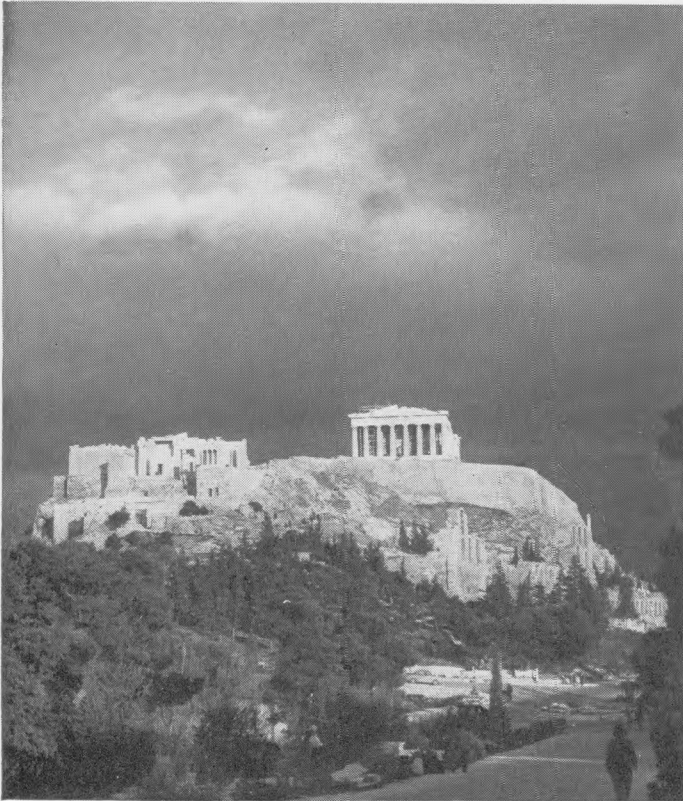


**Northwestern
National
Bank of Minneapolis**

Department of Banks and Bankers

Member Federal Deposit Insurance Corporation

Northwestern Banker, April, 1969

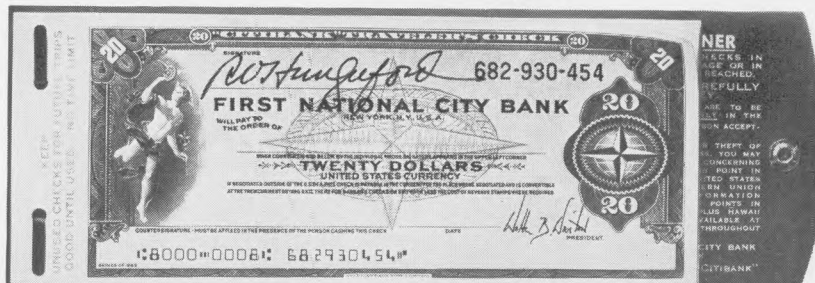


Athens, Greece
on-the-spot refunds in 10 places...



Athens, Georgia
on-the-spot refunds in 4 places.

The Everywhere



WORLD'S BIGGEST SELLING BANK CHECK FIRST NATIONAL CITY BANK, N.Y. MEMBER F. D. I. C.

Worldwide, only First National City Travelers Checks has over 28,000 on-the-spot refund points. No other travelers check comes near this figure. Check the box at the right to see the thousands more 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 presold at home and abroad with a powerful consumer 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 promotional aids that sell your other services. All free of charge.

Acceptability? First National City Travelers Checks are issued by the leader in worldwide banking. So, they're known and welcomed everywhere your customers go—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."

Available everywhere. Acceptable everywhere. Refundable everywhere... The Everywhere Check. When we say First National City Travelers Checks offer your customers the best travelers check service in the world—we mean it!

If you're not already selling our travelers checks, phone collect to: Mr. Irving Johnson, First National City Travelers Checks, New York City. The number to call is: (212) 559-4961.



Amsterdam, Holland
on-the-spot refunds in 10 places...



Amsterdam, New York
on-the-spot refunds in 3 places.

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 on-the-spot 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
	<u>28,848</u>

First National City Travelers Checks

Site for Annual Style Show



MORE THAN 1,200 visitors jammed the main lobby of 1st Natl. Bk. of Minneapolis last month for the annual spring style show sponsored by the Downtown Council of Minneapolis. Twenty stores participated in the hour-long show. The bank gave fashion purses to visitors as door prizes.

TWIN CITY NEWS . . .

(Continued from page 58)

ant in the comptroller's department since 1966.

Mrs. Virginia Christianson has been named assistant secretary. She has served as secretary to various senior officers since coming to Banco in 1961.

Roger Forbord has been appointed market research officer, after serving as research analyst in the corporate planning department. He joined Banco's corporate planning department in 1966.

David Kerksen has joined the staff as investment officer. He was formerly assistant cashier in charge of investments at the First American Na-

tional Bank of Duluth, a Banco affiliate.

Donald Smith, profit improvement program administrator, has been named systems officer. He worked as a trainee with the Daly National Bank, Anaconda, Mont., before joining the Banco controller's department in 1965.

John Strom has been named management sciences officer. He came to Banco in 1966, after serving with Northwest Computer Services, Inc.

The following three officer titles have been changed: **Howard Amborn** and **Fredrick Moors** have been named personnel officers (formerly assistant secretaries); **Anita Johnson** has been named investment officer (formerly assistant secretary).

The First National Bank of Saint Paul has become the 15th United States bank to become a share holding member of Allied Bank International, according to **Jacques R. Stunzi**, president of Allied Bank.

The new international commercial bank was established jointly last year by a nationwide group of major regional banks to extend the scope of their international services to New York, London and other financial centers. Allied has an authorized capital of \$40 million and paid-in capital of \$30 million.

Philip H. Nason, president of First National, who will become a director of Allied, said assets of the bank were listed at almost \$777 million and deposits \$697 million as of December 31, 1968. With the addition of the First National Bank of Saint



H. T. ALBERG, JR.

Paul, the Allied Bank group's combined assets now exceed \$13 billion. The banks and their affiliates operate a total of 469 banking offices in the United States.

The bank's membership in the Allied group is subject to approval of Federal authorities. **Herbert T. Alberg**, assistant vice president, is the officer in charge.

* * *

J. Robert Stassen, formerly president of North Central Life Insurance Company, St. Paul, has resigned to become a vice president of Dain, Kalman and Quail, Minneapolis-based investment banking firm.

Mr. Stassen has been president of North Central Life for five years. He assumes his new job as vice president of the Dain, Dalman and Quail services department April 14.

* * *

Richard H. Oakley, assistant treasurer and corporate credit manager of Honeywell, Inc., has been named to the advisory board of the Lake Street office of Northwestern National Bank of Minneapolis. Mr. Oakley is also first vice president and a director of the North Central Credit and Financial Management Association and a trustee of Credit Research Foundation.

* * *

The Minneapolis Chapter of the American Institute of Banking Toastmaster's Club No. 323 has elected the following officers for 1969: President, —**Thomas Nikolas**, First Hennepin State Bank, Minneapolis; administra-

you can
rely on us.

Growing Symbol
of Gracious
Hospitality



THE RADISSON
Minneapolis, Minnesota

THE RADISSON DENVER
Denver, Colorado
(formerly the Hyatt House)

THE CORNHUSKER
Lincoln, Nebraska

THE BLACKSTONE
Omaha, Nebraska

THE LASSEN MOTOR HOTEL
Wichita, Kansas



take a closer look at Ozark.



we get bigger (and better) every day.



we fly north to Minneapolis/St. Paul, south to Tulsa,



east to Nashville, west to Denver. we serve 59 cities



with the kind of service go-getters go for.



call us, we're in the book...



... and the mood.



tive vice president—**Charles Benson**, First Bloomington Lake National Bank, Minneapolis; educational vice president—**Ben Black**, First National Bank of Minneapolis; secretary-treasurer—**Richard A. Erickson**, Midland National Bank of Minneapolis; sergeant-at-arms — **Stanley J. Peterson**, Midland National Bank of Minneapolis.

The AIB Toastmaster's Club meets regularly to develop proficiency in effective public speaking. Membership is currently open to interested men in the banking industry. Contact Mr. Nikolas for further information.

* * *

Hugh D. McNamee has been promoted to vice president and controller of Midland National Bank of Minneapolis and **Richard H. Bowles** has been promoted to assistant vice president, according to **William R. Chapman**, president. Both appointments were effective April 1.



H. D. McNAMEE

R. H. BOWLES

Mr. McNamee, a native of Jamaica, British West Indies, joined Midland in 1949; served as manager of the transit department and assistant auditor before being elected assistant cashier in 1958. He was elected controller in 1960 and has been fully responsible for the bank's operating and accounting functions.

He is a graduate of the Bank Administration Institute School and is past president of the local chapter of B.A.I. He is also active in the local chapter of the National Association of Accountants. Mr. McNamee, his wife, Beverly, and five children are residents of Edina, Minn.

Mr. Bowles, a native of North Dakota, joined Midland in 1959 as a trainee. He has served in the Installment banking and credit department prior to his election as assistant cashier in 1964. Mr. Bowles' present responsibilities include manager of the credit department and lending officer.

* * *

Northeast State Bank of Minneapolis has announced the appointment of **Michael J. McDunn** as assistant cashier. He was formerly head teller and discount officer at the bank.

Herman H. Albers, president of

Flower Festival



LAST MONTH Northwestern Natl. Bk. of Minneapolis began its three-week long Dutch Flower Festival. The festival, complete with Dutch windmills, ponds and tulip gardens, is held in conjunction with the bank's savings account promotion. Customers opening a new savings account for \$25 or more or buying a savings certificate may select a springtime premium, such as a lawn chair, barbecue grill, etc., free of charge.

Production Engineering Corporation, Minneapolis, has been elected a director of the bank.

* * *



D. A. PASSERI

manager of their downtown St. Paul office.

* * *

Thomas M. Tautges has been named president of the newly formed Ebin, Robinson Development Company, Inc., which will develop, manage and invest in real estate projects in the area. The new company is a subsidiary of Ebin, Robertson and Company, Inc., investment bankers.

Other officers of the new firm are: **John P. Ebin**, chairman; **Morris B. Ebin**, vice president; **Jevne D. Baskin**, secretary; **R. Robert Wyant**, treasurer.

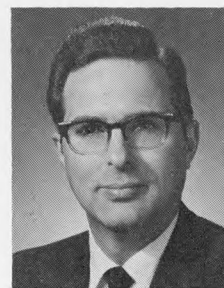
* * *

John M. Warder, president, First Plymouth National Bank, Minneapolis, has announced the election of **Gleason Glover** as member of the bank's board of directors. Mr. Glover is executive director of the Minneapolis Urban League and also is a member of the Minneapolis Civil Service Commission.

Eugene J. Brandt has been elected controller at the Northwestern National Bank of St. Paul. Mr. Brandt was formerly associated with the Northwest Bancorporation controller's department and prior to joining Northwest Bancorporation in 1967 was associated for 11 years with the Security Bank and Trust Company in Owatonna, Minn.

* * *

First Bank System has announced the election of **Thomas H. Bartholomay**, Fargo, N. D.,



T. BARTHOLOMAY

as assistant vice president of the corporation, with principal responsibility as an assistant liaison officer between First Bank System and its member banks. He had been serving as vice president in the commercial loan division at the Merchants National Bank and Trust Company, Fargo.

Promoted to Cashier

David A. Karn has been promoted from assistant cashier to cashier at the First State Bank of St. Joseph. He has been with the bank for two years, after serving with the Tri-County State Bank of Ortonville, Minn.

Elected Director

Robert H. Arnold has been elected a director of the Ogema State Bank, Detroit Lakes.

To Blue Earth Bank

Paul Lindholm, president of the Blue Earth State Bank, has announced the appointment of **Ron Hanson**, Mankato, as manager of the Blue Earth State Agency, Inc., and assistant cashier of the Blue Earth State Bank. For the past four years, Mr. Hanson has been involved in training and supervision of insurance agencies.

Capital Increases

The Department of Commerce has authorized capital stock increases at the following Minnesota banks:

Northwestern State Bank, Appleton—from \$75,000 to \$100,000.

Arlington State Bank, Arlington—from \$90,000 to \$100,000.

Avon State Bank, Avon—from \$36,000 to \$50,000.

First State Bank, Benson — from \$100,000 to \$175,000.

MINNESOTA NEWS . . .

(Turn to page 66, please)

IS YOUR BANK'S SECURITY PROGRAM

EFFECTIVE?

Find out—Attend the National Conference on Bank Security to be sponsored by the Bank Security Task Force of the Operations Commission of the Bank Administration Institute at the Palmer House, Chicago, June 30-July 2, 1969.

There for the first time you will have an opportunity to review your program and expose your people to the latest and best in equipment and techniques, through the first bank oriented security conference ever held in the United States.

Leading banking, law enforcement, and other experts will appear on a program stressing hard-hitting technical sessions. These will cover such topics as the hazards facing banks, staff preparedness, security of premises, security devices, relationships with civil authorities, bank auditors and security programs, emergency preparedness, and internal controls including cash control. There will also be an extensive exhibit of security devices and programs.

Remember: The National Conference on Bank Security, The Palmer House, Chicago, June 30-July 2, 1969. For further information, write The Executive Director, Bank Administration Institute, P.O. Box 500, Park Ridge, Illinois 60068.



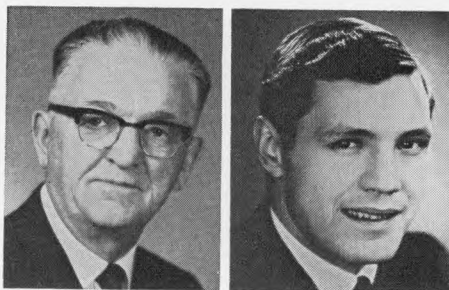
FORMERLY NABAC

Bank Administration Institute (FORMERLY NABAC)

303 South Northwest Highway P.O. Box 500, Park Ridge, Illinois 60068 Telephone: (312) 775-5344

South Dakota NEWS

R. F. PETSCHOW President Elkton
NEIL MILNER Secretary Huron



Named Bank Supervisor

Jack Dano has been named vice president and bank supervisor for the United Corporation, with headquarters in Rapid City. He comes to Rapid City from Great Falls, Mont., where he was vice president of the First National Bank. Mr. Dano has also worked at the Northwestern National Bank in Sioux Falls and as a national bank examiner.

United Corporation is an investment company which controls 18 banking offices in South Dakota, Montana and Wyoming. John Vucurevich is president.

Bank Surplus Up

The Western Bank in Sioux Falls has announced a \$50,000 increase in the bank's surplus account, increasing the permanent capital structure of the bank to \$650,000. This is the seventh occasion since Western Bank was

chartered in 1959 that the capital structure has been increased.

To State Regents

James I. Deam, president of the American State Bank, Yankton, has been named to the State Board of Regents by South Dakota Governor Frank L. Farrar.

Honored at Special Rite

In a traditional Sioux Indian ceremony held recently at Porcupine, S. D., Bruce Hodson, executive vice president and cashier of the Blackpipe State Bank, was given an Indian name in recognition of his patronage of the Sioux artists and crafts. The Indian name, "Lakota Kolayapi," means friend of the Sioux.

Mr. Hodson has built up over the years one of the finest private collections of Sioux arts in the area. The collection is housed at the Blackpipe

State Bank which, with its Sioux decor, is one of the most unusual buildings in the state.

Begin Remodeling

An extensive project to remodel the interior of the Bank of Centerville recently got underway.

According to John W. Thomson, president, the bank will be equipped with all new tellers' desks and furnishings, plus new light fixtures and carpeting throughout. A private conference room also will be added.

The program is expected to be completed within two months.

Ups Surplus Account

The Western Bank, Sioux Falls, has increased its surplus account by \$50,000. The increase elevates the capital structure of the bank to \$650,000.

Goes to Volga

Robert Revell, agricultural officer at the Madison Northwestern National Bank, has resigned to accept a position as vice president of the First National Bank of Volga. He has been with the Madison bank for the past four years.

MINNESOTA NEWS . . .

(Continued from page 64)

Sprague State Bank, Caledonia — from \$120,000 to \$160,000.

State Bank, Hamburg—from \$25,000 to \$50,000.

Sibley County Bank, Henderson—from \$25,000 to \$50,000.

First State Bank, LeCenter—from \$75,000 to \$100,000.

Northwestern State Bank, Montevideo—from \$150,000 to \$200,000.

First State Bank, Onamia — from \$30,000 to \$50,000.

Farmers State Bank, Rapidan—from \$32,000 to \$50,000.

Citizens State Bank, St. James — from \$50,000 to \$75,000.

Security State Bank, St. Michael—from \$25,000 to \$100,000.

Capital City State Bank, St. Paul—from \$150,000 to \$300,000.

Drovers State Bank, South St. Paul—from \$600,000 to \$750,000.

Northwestern State Bank, Sauk Rapids—from \$100,000 to \$200,000.

State Bank, Springfield—from \$100,000 to \$150,000.

Northern State Bank, Thief River Falls—from \$200,000 to \$250,000.

Farmers State Bank, Watkins — from \$50,000 to \$100,000.

Signs Recodification Bill



GOV. FRANK FARRAR uses goose quill pen presented by members of SDBA Recodification Commit. in signing S. D. Recodification Bill, which has been three years in drafting and is the first total recodification of banking statutes in the state since 1919. Others pictured are (l. to rt.): **Neil Milner**, SDBA exec. sec.; **Leland Steele**, SDBA 2nd v. p. and chmn. of Sen. Bking., Commerce and Ins. Commit.; **Herman Lerdal**, pres., Mitchell Natl. Bk., and member Recodification Commit.; **James D. Jelbert**, v. p. and mgr., 1st Natl. of Black Hills, Rapid City, and Chmn., House Bking. and Commerce Commit.; **Robert F. Petschow**, SDBA pres.; **Tom Adam**, SDBA legal counsel; **Howard Peters**, pres., Am. St. Bk., Wessington Springs, and member of Recodification Commit.; **Robert H. Frei**, pres., Commercial St. Bk., Wagner, and member of Recodification Commit.; **Charles Seaman**, supt. of bks.; **Curtis A. Lovre**, SDBA 1st v. p.; **Russel Halvorson**, v. p., 1st Natl. of Black Hills, Rapid City, and member of Recodification Commit.; **Boyd Knox**, pres., Commercial Tr. & Sav. Bk., Mitchell, and chmn. of Recodification Commit.

ski-banker... take a basketball player who skis, turn him into a banker, and what do you get? A recreational specialist with the spirit of competition!



James B. Osbourn, Vice President, Commercial Loan Division

Jim Osbourn migrated to Colorado from Yale with a B.A. in Economics. He looks upon the Rockies as rather personal property and would like all businesses to be every bit as solid. An optimist by nature . . . as well as fraternally . . . Jim has a keen (if not frostbitten) ear for

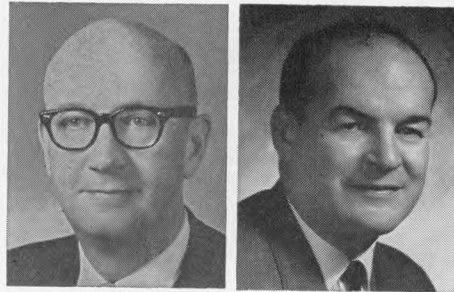
opportunity. His spirit of competition rises like a chair lift when a small business man comes to him for help. Central correspondents will find him just as eager to help their customers. He takes keen delight in helping small businesses grow big. Just yodel!



Northwestern Banker, April, 1969

North Dakota NEWS

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



New Interest Rate Becomes Law

NORTH DAKOTA Governor William Guy has signed H.B. 133, which carried an emergency clause and became law immediately. This bill provides that the maximum allowable interest rate be 3 per cent above that authorized by the State Banking Board and that which banks may pay on deposits.

On June 29, 1967, the State Banking Board authorized North Dakota banks to pay 5 per cent, compounded, on certificates of deposit. Therefore, the present maximum allowable interest rate in North Dakota is 8 per cent, which is 3 per cent over the certificate of deposit rate.

There are several exceptions to the 8 per cent rate. Corporations and cooperative associations may be charged any rate. Business loans, when the principal amounts to \$25,000 or more may also be charged any rate. Banks may also charge \$6 per hundred on installment loans up to \$3,600, which do not exceed three years and 32 days.

On July 1, 1969, bank installment loans will be increased to \$8,000 and the term to seven years and 32 days. The rates remain at \$6 per hundred; however, a bank may charge a minimum fee of \$15 or less, which charge shall include the interest after July 1, 1969. Real estate loans are not eligible for the bank installment rate of \$6 per hundred.

A bank may also make a collection and late charge on installment loans delinquent over 10 days, not to exceed 5 per cent of the delinquent installment, or \$5, whichever is less.

An installment loan is one which calls for two or more payments. Savings and Loan Associations and credit unions may charge 1 per cent a month (12 per cent a year). Licensed small loan companies may charge 2½ per cent a month (30 per cent a year) on loans up to \$250, 2 per cent a month (24 per cent a year) on amounts between \$250 and \$500, 1¾ per cent a month (21 per cent a year) on amounts between \$500 and \$750 and 1½ per cent a month (18 per cent a year) on amounts between \$750 and

\$1,000. Amounts over \$1,000 may not exceed 8 per cent per year.

Retail merchants may charge 1½ per cent a month (18 per cent a year) on revolving charge accounts. Retail merchants may also charge on conditional sales contracts at the rate of \$7 per hundred on new motor vehicles, \$10 per hundred on used motor vehicles not over four years old and \$13 per hundred on used motor vehicles over four years old. Retail merchants may charge up to \$10 per hundred on all other goods sold under conditional sales contracts.

The State Banking Board could, under Section 6-03-63, North Dakota Century Code, raise the allowable rate paid on certificates of deposit to 6 per cent, then making the interest rate 9 per cent. However, according to H. L. Thorndal, commissioner of banking and chairman of the State Banking Board, it is not believed the State Banking Board will take this action.

Year-End Totals

State Bank Examiner H. L. Thorndal, Jr., has reported the following figures for North Dakota's banks at year-end, December 31, 1968.

Resources among the state's 126 state banks, 42 national banks and the Bank of North Dakota, totaled \$1,506,802,012. Making up this total were: state banks — \$657,507,131; national banks — \$729,384,000; Bank of North Dakota—\$119,910,880.

Loans and discounts for all banks totaled \$678,494,529, with state banks accounting for \$286,286,923, national banks \$365,542,000 and the Bank of North Dakota \$26,665,605.

Total deposits in North Dakota banks reach a high of \$1,361,792,022. Deposits in state banks amounted to \$596,528,942, with national banks contributing \$665,271,000 to the total and the Bank of North Dakota \$99,992,080.

Resigns at Wahpeton

Richard D. Johnson has resigned as assistant cashier and agricultural rep-

resentative at the First National Bank of Wahpeton to accept a position as vice president and managing officer of the Northwestern State Bank of Appleton, Minn.

Mr. Johnson joined the bank as agricultural representative in 1966 and was elected assistant cashier in 1968.

Named Vice President

Al K. Simpson, president of the Merchants National Bank and Trust Company of Fargo, has announced the

election of Earl W. Johnson, Lewistown, Mont., as vice president.



E. W. JOHNSON

Mr. Johnson has been associated with the First National of Lewistown since 1952, most recently as vice president in the commercial lending department.

He is a graduate of Montana State University, Bozeman.

Long-time Cashier Dies

Joseph S. Westlake, 61, cashier at Union National Bank, Minot, has died at a Minot hospital. Mr. Westlake had been with the bank for 43 years and had been serving as cashier since 1939.

Washington Conference

The North Dakota Bankers Association will hold its annual Washington Conference on April 21-23. The bankers will meet with North Dakota congressmen and supervisory authorities during the three-day conference.

Elects New Ag Man

Leon C. Reis has been named agricultural representative of the Peoples and Enderlin State Bank, Enderlin. Mr. Reis came to Enderlin in 1967 from Mobridge, S. D., where he had managed an insurance agency for six years. He will continue as manager of the Peoples Insurance Agency in Enderlin, as well as assuming his new duties as agricultural representative.

Cashier at Grafton

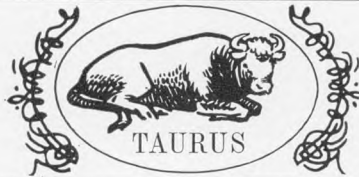
Victor L. Johnson has been elected cashier of the Grafton National Bank. Mr. Johnson has been associated with the bank for the past 11 years and has held the position of auditor for the past two years.

4th Month

April, 1969

30 Days

Profit



Almanac

All the signs point to a bull market for Municipal Bonds.

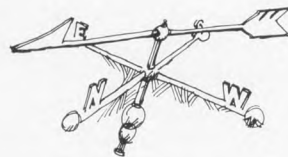
Taurus is the zodiacal sign for April and people born during this period are as stubborn and steadfast as the bull. Right now we're very bullish about Municipal Bonds and strongly feel they should be a part of every well-balanced portfolio for your bank and for your customers. April is also tax time, so an important consideration for individuals and corporations in the 25% and above bracket is the fact that the interest on "Muni's" is exempt from all Federal income taxes. Another factor in their favor is that, at present, Municipal Bonds are enjoying their highest yield return in 35 years (and taxes were virtually non-existent then). Summing up the advantages of Municipal Bonds one can say they: (1) rank second only to U. S. Government Bonds in security; (2) produce an extremely good yield; (3) have excellent marketability. As an example, a bond yielding 5% would have a taxable-equivalent return on the following projections:

	Tax Bracket	Yield
Individual 30%	7.15%
		77% 21.8%
Corporation	..52.8%	10.6%

So, all told, you can see why we recommend that Correspondent Banks and individuals be in the Municipal Bond market at this particular time. The Denver U. S. National is well equipped to service any of your needs. For further information simply call us collect (Area Code 303) 244-8811 and ask for Gus Cladis, Ron Davis, Ed Fogle or Grant Strong.



A middle-age man is easy to spot — he's thinning on top, in the middle he's not.
— Farmers' Almanac



GENERAL WEATHER PREDICTIONS FOR APRIL, 1969 — 1st to 3rd. Unsettled in Mississippi. Some snow in Rockies. **4th to 7th.** Fair in Mississippi Valley, west over plains. Squalls in southwest. **8th to 11th.** Stormy in central sections east to New England, rain squalls in Gulf states. **12th to 15th.** Clear skies, cooler in central states. Fogs, clear in Great Lakes section. Partly cloudy in west, blustery winds. **16th to 19th.** Showers in Ohio Valley. Unsettled in central states, then fair, cool. Pleasant on western plains and along Great Divide. **20th to 23rd.** Storms develop in northwest to Mississippi Valley, windy in southwest. **24th to 27th.** Heavy rains moving west to Mississippi Valley. Fair, colder over western plains and Rocky Mountain states. **28th to 30th.** Fair in Ohio Valley, Great Lakes area. Unsettled in central and western sections. Both precipitation and temperatures normal for month.



In the February Profit Almanac we discussed the advantages of Fed Funds. An additional comment seems worthwhile at this time. Without mentioning names we know a bank derived \$12,000 in income from Fed Funds just using excess dollars. And they achieved this profit largely by investing these excess funds over weekend periods.

Why not a self-service hospital where you can suture-self?

— Farmers' Almanac



ALLIED BANK INTERNATIONAL — The Denver U.S. is proud to announce two significant developments in International Banking. First is the expansion of our International Banking Group under the guidance of Bill Garrison, Vice President, and Joe Crimmins, International Banking Officer. Second is our participation in Allied Bank International, a New York City based international commercial bank owned by 17 major regional banks across the United States. The present 17 banks with combined assets of \$14 billion contributed equally to bring the present paid-in capital of the new International Bank to \$34 billion. Allied was organized to provide both "reach" for business abroad and unequalled access to U.S. markets for its foreign banking correspondents through Allied Banks across the nation.



Wife who nag too much, may have husband who horse around.

— Farmers' Almanac



DENVER U.S.
"that's the bank for my money"

DENVER U. S. CENTER • DENVER, COLORADO 80217

Colorado News

D. E. SCOTT
President
Colorado Bankers Association
Steamboat Springs



Elects New President

Donald M. Culver, who recently took over control of the National Bank of Boulder, has been named chairman and president. Charles L. Sayre, formerly president, will remain as chief operating officer at the bank with the title of senior vice president.

Also continuing as executive vice president is Clyde R. Reedy. H. Lee Sturgeon, Rocky Ford banker who moved to Boulder recently, purchased stock in the bank and became a vice president, has resigned.

Mr. Sturgeon had acquired options on more than 19,000 shares of the bank's 37,500 outstanding shares. Last month, however, he agreed to sell his options to Mr. Culver. Mr. Culver operates Boulder Valley Ranch and has several other business interests in the Boulder area.

Expands Bank Board; Names New Officers

The board of directors of the Union National Bank, Denver, has been expanded to nine members by the election of four widely known Denver men. The new directors are J. S. Russell, board chairman of Monitor Publications, Inc.; Howard L. Farkas, co-developer of the Windsor Gardens community and president of Windsor Construction Company; Foster R. Orr, president of Orr Construction Company, Inc.; Dr. William C. Winter, physician and investor.

John W. Murray has been elected vice president and cashier, and John R. Dickinson has been named assistant vice president. Mr. Murray has been with the Federal Detroit Insurance Corporation for 12 years, the last three of which he served as a senior examiner. Mr. Dickinson has been the bank's public relations officer for more than five years.

CNB Bankshares Elects Two Directors

Colorado CNB Bankshares President Melvin J. Roberts has announced the election of two area businessmen to the board of Colorado CNB Bankshares, Inc.

Newly named to the Colorado CNB

Bankshares board are J. B. Chambers, president, Diesel Power Supply Company, Commerce City, Colo., and F. George Robinson, president, Robinson Brick and Tile Company, Denver. Mr. Chambers is also a director of Northeast Colorado National Bank. Mr. Robinson has been a director of Colorado National Bank since 1965.

Colorado CNB Bankshares is the parent company for Colorado National, Northeast Colorado National and South Colorado National Banks.

Promotes Four

As announced earlier, John A. Edmiston and Haskell H. Croy have been promoted to assistant vice presi-



J. A. EDMISTON

ents at the Central Bank and Trust Company, Denver. Mr. Edmiston joined the bank in 1963, after being associated with the First National Bank of Greeley and the Bank of Riverside, Calif. Mr. Croy spent five years as manager of a Denver collection agency and finance company and 12 years as manager of the mercantile claims division of Dun and Bradstreet before joining the bank in 1963.

William R. Weber and Eugene Jaeger have been named assistant cashiers.

NIBS 10th Session Opens in July

The 10th session of the National Installment Banking School (NIBS) at the University of Colorado next summer will be marked by participation of about 100 men and women in installment banking and sales finance.

The 100 participants will be enrolled in courses July 20 to August 1 at first-, second- and third-year levels. Completion of three years of courses leads to a certificate.

Dr. Ralph G. Ringgenberg of the CU School of Business faculty, faculty director of the NIBS, said the school is

designed for middle and top management personnel in industrial banks, loan companies, consumer credit companies and sales finance companies.

The school is presented by the University in cooperation with the American Industrial Bankers Association (AIBA).

Among faculty members who teach at the school are: Max A. Denney, Washington, D. C., AIBA executive vice president; Leonard Berry, St. Louis, former director of education, International Consumer Credit Association; Gordon Bryan, Los Angeles, vice president, Pacific Finance Corporation; E. F. Dorn, Minneapolis, chairman, Community Credit Company; Joseph Freni, Jr., Washington, AIBA public affairs director.

Graduates from Investment Institute

R. Robert Smith, vice president, municipal bond division of the First National Bank of Denver, has graduated from the 1969 Institute of Investment Banking and has been awarded a certificate of merit at the recent graduation exercises.

The Institute is sponsored by the Investment Bankers Association of America in cooperation with Wharton School of Finance and Commerce, University of Pennsylvania, Philadelphia.

Names Directors

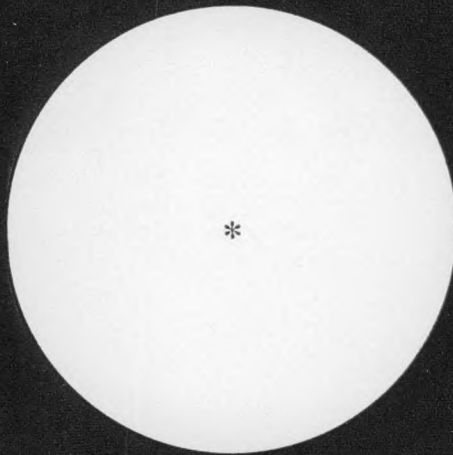
The Lakewood Colorado National Bank has announced the following new directors: Malcolm E. Collier, president of First Federal Savings and Loan Association of Denver; Frank Coolbaugh, mining consultant; Eugene Hultman, bank president; Arthur E. Otten, Jr., partner, Hodges, Silverstein and Harrington, attorneys; Archie M. Rankin, clerk of the first judicial district courts, Golden; State Senator Joseph B. Schieffelin, Joe Schieffelin Insurance Company.

Adds New Officer

Charles P. Rapp has been elected assistant vice president of the South Denver National Bank. Mr. Rapp was formerly assistant vice president and branch manager of World Savings and Loan Association, Denver, and had been associated with that firm since 1961. He will now be working in the bank's business development and mortgage loan department.

Joins Golden Staff

As part of an over-all expansion program at the First National Bank in Golden, Charles J. O'Brien, Jr., has been named director of public rela-



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Northwestern Banker, April, 1969

tions and business development for the bank. He formerly was public relations director at McConaty's Mortuaries in Denver and prior to that was director of development at Mercy Hospital.

Opens Auto Tellers

Aurora National Bank, Denver, recently held a demonstration and special activity day to mark the comple-

tion of the bank's three new auto teller units.

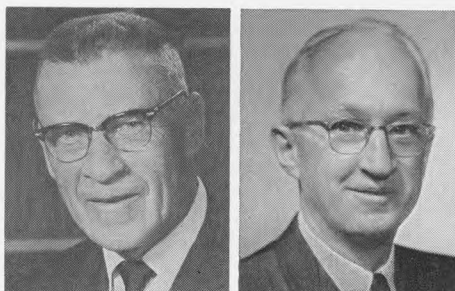
Offers Master Charge

Continental National Bank has entered the bank charge card field through an agreement with Master Charge, according to R. J. Frank, bank president. Target date for the program to be in full operation is July 1.

Montana NEWS

J. D. STREET President Bozeman

R. C. WALLACE Secretary Helena



Announces Merger Offer

Bancorporation of Montana has announced its offer to proceed with a merger between the Montana Corporation and Bancorporation of Montana.

As proposed by Bancorporation, the merger offer would involve an exchange of stock—each share of Bancorporation of Montana would be given a ratio value equal to 9.2 shares of the Montana Corporation, subject to notification only because of changes in stated book values.

Bancorporation of Montana is a registered bank holding company owning majority interest in 11 banks in

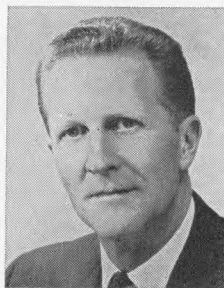
Montana and related building and service companies. The Montana Corporation is a Montana holding company owning Commerce Bank and Trust Company in Helena, title insurance companies, a finance company and a development company. Both corporations have principal offices in Great Falls.

Sidney Bank to Move

Application of the Richland National Bank of Sidney to change its head office location from 122 East Main Street to 101 South Central Avenue here has been approved by the Comptroller of the Currency.

Wyoming News

MAX E. FISHER
Laramie
President
Wyoming Bankers Assn.



Gives \$5,600 Stock To College Foundation

The Wyoming National Bank, Casper, has presented 56 shares of Wyoming Industrial Development Corporation stock, valued at \$100 per share, to the Casper College Foundation. The Foundation is designed as a non-profit corporation to act as manager of funds and properties donated to Casper College.

Announce Name Change

The third name change in 79 years has been announced by the Lander State Bank. Effective immediately,

the bank will be known as Central Bank and Trust.

In connection with the named change, the interior of the bank is being remodeled, according to Bill Nightingale, president.

Moves Customer Services

The First National Bank of Casper will move its customer service facilities this summer from the second floor of the bank to the ground floor.

According to Bob Bryans, president, the bank plans an extensive renovation of the ground floor quarters, tentatively scheduled to begin in July.

The project will cost approximately \$350,000, and will include constructing a new exterior facade to conform with the second story design of the building. The work is expected to take about six months to complete.

To Build New Drive-In

The Bank of Commerce, Sheridan, recently opened bids on a new drive-in facility to be located west of the bank.

Construction of the new drive-in will be of modern design, featuring glass, stone and brick. There will be four drive-in banking lanes and a separate lobby-equipped building to serve walk-in banking customers.

Occupancy of the new facility is expected by midsummer of this year.

State Art Exhibited At Stockmans

Twenty-six works by Wyoming artists were recently on display in Lusk at the Stockmans National Bank. The selected works make up the Wyoming Traveling Art Exhibit now on tour throughout the state. The Stockmans Bank is the local sponsor of the exhibit.

Hal Mendon Retires

Hal Mendon, senior executive vice president of United California Bank, Los Angeles, retired, effective March 31, after 47 years of service with the bank.

On the eve of his retirement, Mr. Mendon was honored at a reception and dinner hosted by chairman of the board Frank L. King at the Los Angeles Country Club. The affairs was attended by 60 officers of the bank interspersed with a sprinkling of retired bank officials.

Mr. Mendon was presented by Norman, Barker, Jr., president of the bank, with an oil painting by John Lentine, which had been near Mr. Mendon's desk in the bank for several years.

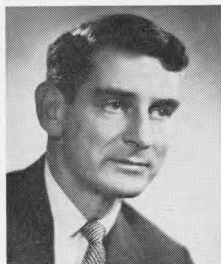
A native of Iowa, he was educated in Des Moines and began his business career in 1916 with the Des Moines Dun and Bradstreet office, later becoming superintendent of the Waterloo, Iowa, office.

Resigning to come to California, Mr. Mendon entered the employ of United California Bank in 1922. In 1954, he was elected senior vice president, moved up again in 1960 to executive vice president, and since 1963 has been senior executive vice president of the bank. He has been the prime mover in most of UCB's acquisitions by purchase or merger during recent years.

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John J. Stine
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Nicholas Price
Asst. Vice President



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Northwestern Banker, April, 1969

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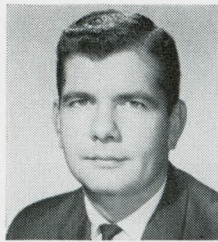
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President



JAY BORDEWICK
Vice President



HOWARD NIELSEN
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DALE F. FAGOT
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JESS ZIMMERMAN
Assistant Vice
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Nebraska Bankers Association 72nd Annual Convention

Fontenelle Hotel
May 4, 5, 6, 1969



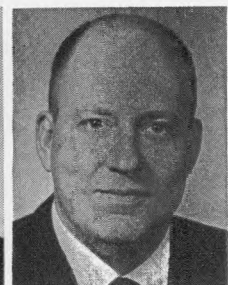
H. GRAMANN, JR.



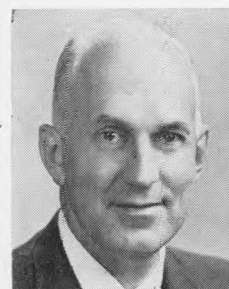
A. JEFFREY



E. W. LYMAN



W. H. OSTERBERG



H. V. OSTERBERG



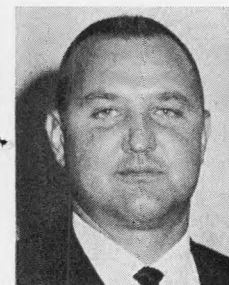
R. L. HRUSKA



A. P. STULTS



E. A. LANGLEY



J. H. OLIVER



M. R. MORGAN

THE emphasis will be on legislative reports at the 72nd annual convention of the Nebraska Bankers Association in Omaha, May 4, 5 and 6. Headquarters will again be at Hotel Fontenelle, with the evening banquet and entertainment scheduled for the nearby Omaha Civic Auditorium.

Association activities on Sunday, May 4, will be devoted to executive committee meetings and scheduled NBA dinners for official groups. Presiding at the business sessions on Monday and Tuesday will be Henry Gramann, Jr., president of the Nebraska Bankers Association and president of the Adams State Bank at Adams.

Officers serving with him this past year are Adon Jeffrey, president of the First National Bank in Wayne, who has been NBA vice president, and Edward W. Lyman, president of United States National Bank of Omaha, who is treasurer of NBA. William H. Osterberg is executive manager and Harris V. Osterberg is secretary.

The complete program follows:

Sunday, May 4

P.M.

- 2:00-9:00 Registration—Main Floor.
- 2:00 Executive Council Meeting—Regal Room.
- 5:30 Social Hour—Forum Room (wives of Executive Council and Past Presidents).
- 5:30 Social Hour—Little Nugget Room (Executive Council and Past Presidents).
- 6:30 Executive Council Dinner—Little Nugget Room.
- 6:30 Past Presidents Dinner—Little Nugget Room.
- 6:30 Dinner—Forum Room (wives of Executive Council and Past Presidents).

Monday, May 5

A.M.

- 8:30 Breakfast—Omaha Room (NBA County Representatives).
- 9:00 Registration—Main Floor.
- 10:00 Committee on Nominations—Forum Room.
- 10:00 Committee on Resolutions—Regal Room.

P.M.

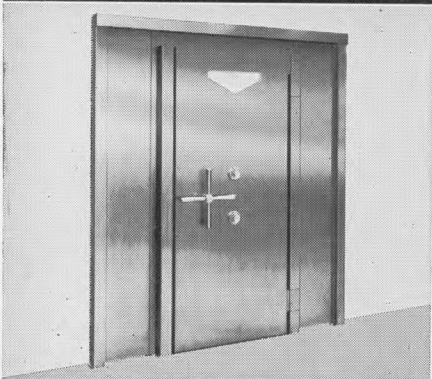
- Noon Luncheon Session—Ballroom (delegates).
- Presiding—Henry Gramann, Jr., president, Nebraska Bankers Association, Inc., and president, Adams State Bank, Adams.
- Welcome—Perry S. Francis, president, Omaha Bankers Association, and president, Southwest Bank, Omaha.
- President's Address—Henry Gramann, Jr.
- "A Look Ahead"—The Hon. Roman L. Hruska, United States Senator, Nebraska.
- "Basic Concepts in Bank Management"—Allen P. Stults, president, American National Bank & Trust Company, Chicago, Ill.
- Special Guest—Edwin A. Langley, director of banking, Lincoln.
- Business Session:
 - Report of Committee on Nominations.
 - Election of Officers.
 - Report of Committee on Resolutions.

P.M.

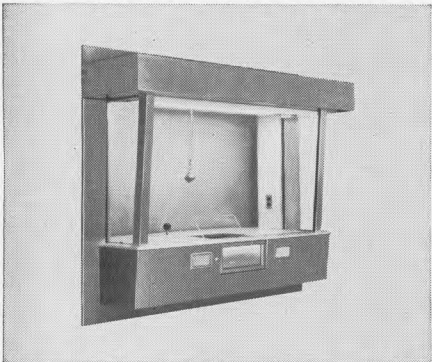
- 5:30 Social Hour—Ballroom, Hotel Fontenelle (delegates and ladies).
- Hosts—The Omaha banks.
- 7:00 Convention Banquet—Omaha Civic Auditorium, 18th and Capitol.
- Installation of Officers.
- "The Best of Broadway"—Entertainment by Mal Dunn Concert Orchestra; music arranged and conducted by Mal Dunn.
- "The Cavaliers Quartet"—World Champion Barbershop Quartet—Jim

(Turn to next page, please)

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Check List



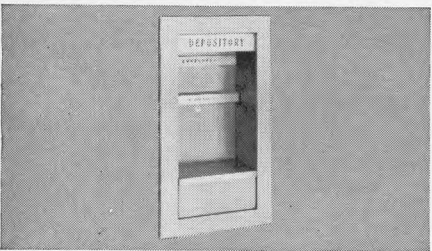
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Northwestern Banker, April, 1969



The Cavaliers Quartet

Decker, Bill Harvey, lead; Byron Brittain, baritone, and Jay Bond, bass.

Tuesday, May 6

A.M.

7:30 Breakfast — Ballroom, Fontenelle Hotel, The Graduate School of Banking, University of Wisconsin, graduates and students.

Presiding—Dennis G. Brewster, president, Nebraska Club, and vice president, Butte State Bank, Butte.

9:30

Convention Session—North Room, main floor.
Presiding—Henry Gramann, Jr., president, Nebraska Bankers Association, Inc.
Election—The American Bankers Association. Presiding, J. H. Oliver, A.B.A. state vice president, and president, The Ravenna Bank, Ravenna.
N.B.A. Treasurer's Report—Edward W. Lyman, president, The United States National Bank, Omaha.

“Grants-in-Aid Report”—M. R. Morgan, chairman, Committee on Grants-in-Aid, and president, First National Bank, Elwood.

“Legislative Report”—William B. Brandt, NBA legislative counsel, Unadilla.

“Moment of Truth, July 1, 1969”—Roger Guffey, general counsel and secretary, Federal Reserve Bank, Kansas City, Mo.

“Your Nebraska Legislature”—Panel:

Senator Jerome Warner, District 25, Waverly; Speaker of the Legislature.

Senator C. W. Holmquist, District 16, Oakland; chairman of the Executive Board.

Senator William M. Wylie, District 40, Elgin; chairman, Committee on Committees.

Senator Richard F. Proud, District 12, Omaha; chairman, Banking, Commerce and Insurance Committee.

Noon Buffet Luncheon—Ballroom, Fontenelle Hotel.

Ladies' Program
Monday, May 5

P.M.

1:00 Ladies Luncheon — Peony Park, Royal Terrace Ballroom, 8100 Cass Street. Buses will be provided from the Fontenelle Hotel beginning at 12:00 noon.

5:30 Social Hour—Ballroom, Fontenelle Hotel.

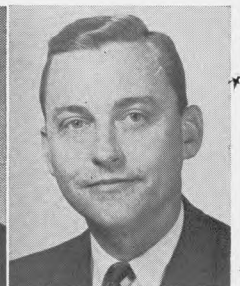
7:00 Convention Banquet—Omaha Civic Auditorium, 18th and Capitol.

Tuesday, May 6

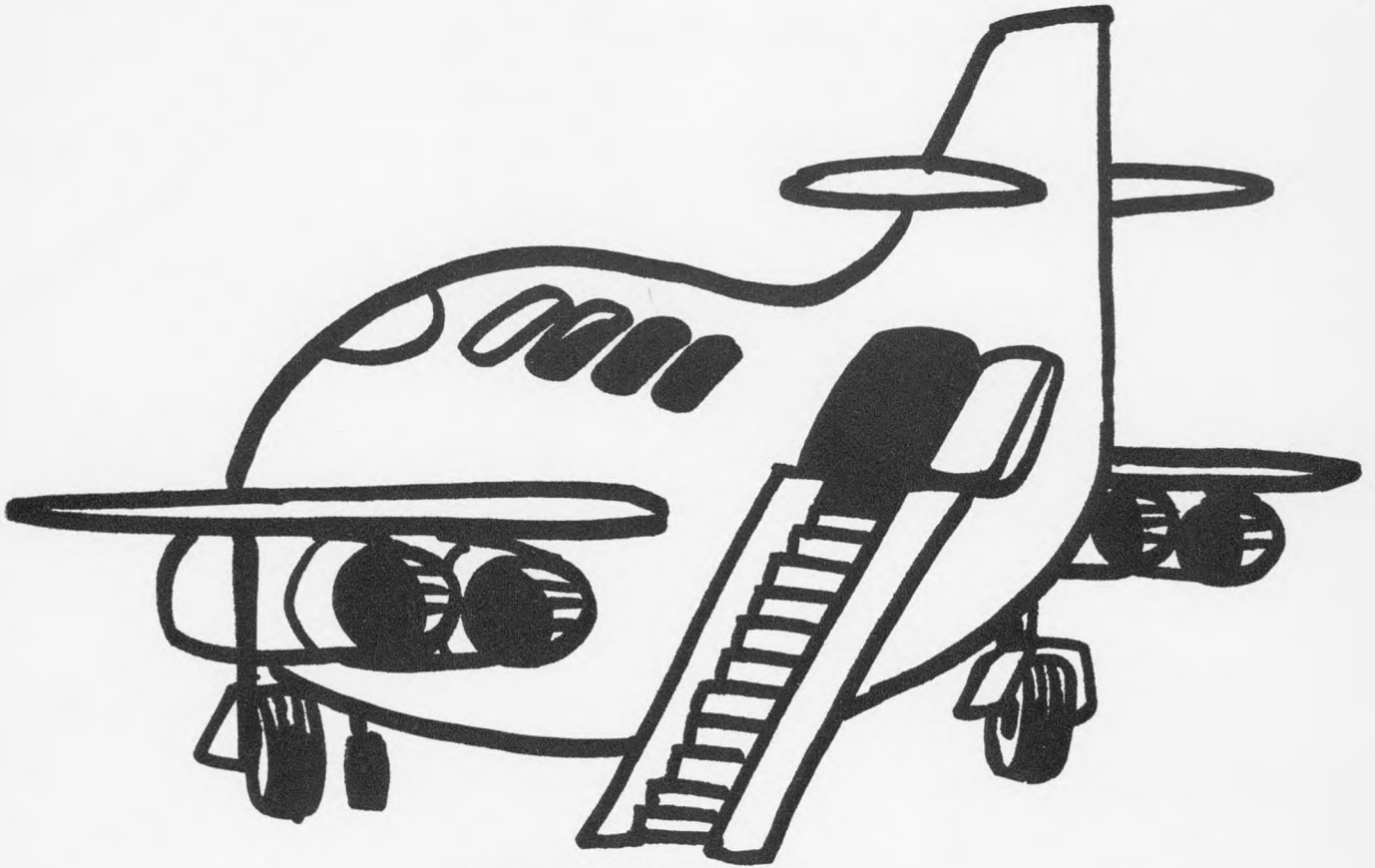
Noon Buffet Luncheon—Ballroom, Fontenelle Hotel.



W. B. BRANDT



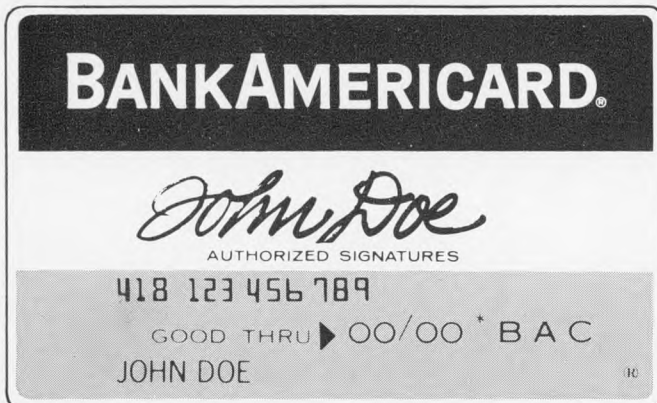
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Northwestern Banker, April, 1969

Omaha News



MORRIS F. MILLER, president of The Omaha National Bank, has announced the appointment of three new officers. They are: **Joseph E. Glover**, tax manager; **Robert J. Timmins**, assistant trust officer, and **Judd F. Wagner**, assistant trust officer.

Mr. Glover is a native of Des Moines, Iowa, and graduated from Midland



GLOVER TIMMINS WAGNER

College and Creighton University Law School. Before joining the Omaha National in May of 1968, he was a tax

accountant for Lester P. Kranz Company.

Mr. Timmins is a graduate of Cathedral High School and Creighton University Law School. He was a partner in Slavik and Timmons (attorneys) and a senior accountant at Peat, Marwick, Mitchell and Company become coming to the Omaha National.

Mr. Wagner attended the University of Omaha and the University of Nebraska. He has been a member of A.I.B. since 1963 and is also a member of Ak-Sar-Ben.

* * *

John J. Ricketts has been appointed an account executive with the Omaha office of Dean Witter and Company, Inc. Mr. Ricketts is a graduate of Creighton University and was formerly a branch manager with Dun and Bradstreet, Inc.

Three promotions have been announced by Holland, Dreves, Reilly, Inc., Omaha advertising and public relations firm. **Earl Katz**, formerly an account executive, has been named director of special projects. **Robert E. Seitzer**, an account executive, has been named a vice president. **William E. Ramsey**, associate director of advertising and public relations, has been named a vice president.

* * *

R. A. Elliott has joined Chiles and Company, investment banking firm, as a registered representative. He has been with the Lincoln Steel Corporation for five years, the last two as territory representative in Columbus, Nebr.

* * *

Jerry L. Heyen has been promoted to assistant cashier at Center Bank. He has been with the bank since July 1 and was formerly with the First National Bank in Hastings, Nebr., and the Omaha National Bank.

* * *

M. Jennings, Jr., of Davenport, Nebr., **Dan Huff** of Oxford, Nebr., and **Joel Weins** of Kimball, Nebr., have been elected to the board of Packers National Bank.

Mr. Jennings has been in the banking business for 30 years and currently serves as president of the Jennings State Bank, Davenport, and chairman of the board of the Crawford State Bank.

Mr. Weins became president and chairman of the First State Bank, Kimball, in 1963 and president of Kimball County Bank, Bushnell, in 1967.

* * *

Lawrence W. Youngman has been named president and treasurer of Travel and Transport, Inc., which is owned by the Omaha National Corporation. **Mal Hansen** has been elected executive vice president and secretary.

* * *

Omaha's largest civic affairs organization, the United Community Services, has elected **Kermit Hansen**, executive vice president of the United States National Bank, president for 1969.

* * *

David R. Anderson, installment loan counselor at the United States National Bank, recently attended the National Installment Credit School at the Center for Continuing Education, University of Chicago. Mr. Anderson was one of 190 bankers who studied at the school, which is co-sponsored by the University of Chicago and the American Bankers Association.

* * *

The Omaha National Bank is one of 22 member banks of the American

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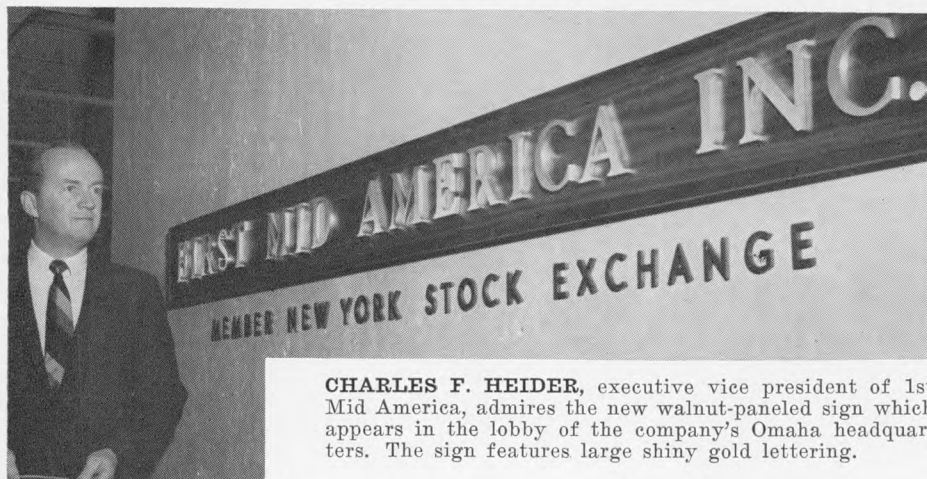
during the convention

Hotel Fontenelle West Room • Parlors A, B and C

The Omaha National Bank



New Sign for 1st Mid America



CHARLES F. HEIDER, executive vice president of 1st Mid America, admires the new walnut-paneled sign which appears in the lobby of the company's Omaha headquarters. The sign features large shiny gold lettering.

Banking Association which will begin training young Negroes to fill management posts in the growing number of Negro-owned and operated banks. The program will begin this month.

* * *

M. W. Dunlap, president of the Farmers State Bank, Douglas, has been elected a director of the Packers National Bank. Mr. Dunlap has

been in the banking business for 52 years. He has been at the Douglas bank since 1923.

* * *

Morris F. Miller, board chairman and president of The Omaha National Bank, has been named to the Union Pacific Railroad's board of directors, according to the company's New York office.

Nebraska Convention Committees

ARRANGEMENTS for the 72nd annual convention of the Nebraska Bankers Association, to be held May 4-6 at Hotel Fontenelle in Omaha, are in charge of the following general convention committee:

Perry S. Francis, president, Southwest Bank, chairman; Morris F. Miller, chairman and president, The Omaha National Bank; Edward D. Brodkey, president, Ames Plaza Bank; John R. Lauritzen, president, First National Bank; Donald J. Murphy, president, Stockyards National Bank; Carl A. Brady, president, Douglas County Bank; J. M. Hart, Jr., president, North Side Bank; Edward W. Lyman, president, United States National Bank; James A. Irving, president, First West Side Bank; Ray E. Stanley, president, Center Bank; John P. Jeffrey, president, West Omaha National Bank, and John E. Knight, president, Packers National Bank.

Arrangements for various functions are being handled by the following Omaha committees. The first listed in the first three committees is chairman.

Entertainment

Frank J. Sibert, vice president, Stockyards National Bank; Eugene J. Zaloudek, senior vice president, Southwest Bank; Robert S. Wirtz, assistant cashier, North Side Bank; Herman L. Jacobs, First National Bank; F. Mack

Bristol, executive vice president and cashier, Security National Bank; Del Olson, second vice president, The Omaha National Bank; Ronald L. Hale, vice president, First West Side Bank; Charles J. Wright, senior vice president and cashier, Douglas County Bank; Robert D. Satrapa, assistant vice president, United States National Bank of Omaha; Ronald L. Nollette, assistant vice president, Center Bank; Edward D. Brodkey, president, Ames Plaza Bank; Gerald Schnathorst, vice president, West Omaha National Bank, and Laddie J. Kozeny, first vice president, Packers National Bank.

Banquet

(Husband's bank and title listed following the name.) Mr. and Mrs. Jay F. Bordewick, vice president, United States National Bank; Mr. and Mrs. Perry S. Francis, president, Southwest Bank; Mr. and Mrs. Don C. Maurer, cashier, North Side Bank; Mr. and Mrs. G. Robert Brown, second vice president, First National Bank; Mr. and Mrs. W. E. Jahde, vice president, First West Side Bank of Omaha; Mr. and Mrs. H. H. Echtermeyer, senior vice president, The Omaha National Bank; Mr. and Mrs. Carl A. Brady, president, Douglas County Bank; Mr. and Mrs. Richard J. Ward, assistant cashier, Center Bank; Mr. and Mrs. Howard Sunderman, vice president

and cashier, Ames Plaza Bank; Mr. and Mrs. James Roberts, assistant cashier, West Omaha National Bank, and Mr. and Mrs. Don Dworak, vice president and cashier, Packers National Bank.

Hostess Committee

Mrs. Donald R. Ostrand, Mrs. Perry S. Francis, Mrs. Florence Conway, Mrs. J. A. Irving, Mrs. Donald J. Murphy, Mrs. Fred Douglas, Mrs. Cathy McKenna, Mrs. Howard W. Nielsen, Mrs. Doris Capps, Mrs. "Pat" Simunaci, Mrs. Lloyd Kitrell, Mrs. Helene Lesac, Mrs. Paul V. Shirley, Jr.

Other Committees

The committees on nominations and resolutions, composed of representatives from each of the six groups in the Nebraska Bankers Association, will meet on Monday, May 5, at 10:00 a.m. in the Forum Room and Regal Room respectively. Members of these committees are as follows:

Nominations

Group One—R. D. SCHNEIDER, vice president, Plattsmouth State Bank, Plattsmouth.

Group Two—GROVE NELSON, president, Bank of Millard, Millard.

Group Three—JAMES B. ROSSITER, president, First National Bank, Walthill.

Group Four—BILL SLOCUM, assistant vice president, Franklin State Bank, Franklin.

Group Five—J. H. OLIVER, president, The Ravenna Bank, Ravenna.

Group Six—MEL ADAMS, president, Keith County Bank & Trust Company, Ogalalla.

Resolutions

Group One—M. JENNINGS, JR., president, Jennings State Bank, Davenport.

Group Two—ARDEN D. WOLF, president, Platte Valley Bank, North Bend.

Group Three—W. C. BENTZ, president and cashier, Spencer State Bank, Spencer.

Group Four—D. ROGER THUMAN, president, Farmers State Bank, Maywood.

Group Five—THEO. B. COLE, president, Bank of Taylor, Taylor.

Group Six—A. C. PETERSON, chairman of the board, The First State Bank, Lodgepole.

Elected at Humboldt

Ken Neill has been named vice president of the northern division of the O. A. Cooper Company, Humboldt. He has been with the company for nine years as field service representative in sales, a district sales manager and as manager of the South Sioux City feed mill.



JOIN THE MARCHING BANKERS OF NBC... AT THE NEBR. BANKERS CONVENTION IN OMAHA

Stop in the NBC room on the mezzanine before and after the meetings
....relax, enjoy the refreshments and visit your friends.
It all starts 4:00 P.M., Sunday, May 4th, so make a point to join the
good guys in the white hats for NBC hospitality.



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Main Bank 13th & O Sts. / Patio Office 10th & O Sts. / Lincoln, Nebraska

Group Presidents Report Farm and Business Outlook

PRESIDENTS of the six Nebraska Bankers Association groups have reported the following crop, livestock and business conditions prevailing for their respective areas in late March:



G. P. SCHOLZ
President
First National Bank
Falls City
President
Group 1

IN OUR area, the business activity trend is considerably up over a year ago. Retail trade all seems to have shown a gain. However, farmers, businessmen and all citizens are complaining more about taxes—both state and federal. The new income tax in Nebraska has made itself felt throughout the area. It was supposed to have replaced the state levy on property, but the former taxes seem to be as high as ever and the state income tax is piled on top of them, plus the new state sales tax. This has hit a lot of people so far as their cash reserves are concerned.

Moisture in our area has been very favorable resulting from several fine rains, although snow has been less than normal. Fed cattle prices are favorable at present, but replacement cattle also are high and some of the feeders are quite skeptical of the future prospects. A lot of our farm customers can't understand why, with cattle prices going up, the commodity prices aren't going up in keeping with the same trend.

Our biggest job in banks right now is trying to get credit card program details worked out. This has created much additional work at a busy time of the year.



CLARK A. WENKE
President
Pender State Bank
Pender
President
Group 3

THE Group 3 area of Nebraska has been plagued with severe drouth during the 1968 crop season. Much of

the area drew a blank as far as crops were concerned.

This past winter has been extremely difficult. Heavy snows started in December making roads virtually impassable throughout northeast Nebraska. Feed yards have been a very serious problem, because of the heavy drifting snow cover. Gains in the feedlots have been below normal.

The excellent livestock prices throughout the winter and spring months have been a bright spot. High prices have helped offset part of the impact of the drouth and the severe winter weather.

Extremely high prices for feeder cattle this spring certainly makes future profits in the cattle industry questionable.

Inflation is continuing to take its toll on the farming economy.

We are favored with excellent subsoil moisture, and we are once again optimistic about the coming crop season. It is surprising what a good crop can do to the economy of an area.



RUSSELL J. MORGAN
Cashier
First National Bank
Elwood
President
Group 4

THE agriculture outlook for 1969 seems to be bright in the Group 4 area. The area had good snow cover during the winter months and the spring moisture throughout the general area is above average for this time of year, with prospects for a wet summer. The crop outlook for the coming year is very bright following one of the most productive years overall in the area's history.

The livestock market has been breaking all past 10-year records in both the light and fat cattle markets with light calves around the \$40 mark and the fat cattle approaching the \$30 mark. The living and farm operation costs keep rising, while commodity prices are declining, so we must rely heavily on livestock as our area's stabilizing income.

The general business trend appears to be continuing inflationary, with in-

creased money costs having little or no effect. The area bank loans and deposits have shown a steady growth with increases ranging from 20 to 25 per cent. The deposit growth seems generally to be in the time money area and loans are, of course, largely agricultural, with increased growth in installment credit.

Tourism is becoming more of a contributing factor to the area economy each year with the fine lakes and reservoirs developing more each year and attracting people to the area by the thousands during the summer months.

The year appears to have a fairly bright outlook on the whole and the economy seems to be fairly stable. The banks will be pressed again for available funds to finance area business with the competition for money growing keener every day.



THEO. B. COLE
President
Bank of Taylor
Taylor
President
Group 5

WITH most of the long winter's snow gone, it is now possible to make a reasonable appraisal of the conditions in our immediate territory and their effect on business in general.

The severe winter weather, with a complete snow cover for almost three months, was hard on all livestock. Feed was sufficient in Loup County but in many cases the cattle and feed were not in the same place, and moving the feed through 12 to 14 inches of hard crusted snow was a tremendous job. Local merchants have suffered, too. Every time the wind blew, it closed all side roads and area ranchers and farmers could not get to town to do their normal trading. In general, cattle came through in fairly good shape. Cattle on feed did not gain as much as is normally expected, but favorable prices are offsetting most of that loss.

One favorable comment on the long hard winter is that we now have sufficient moisture. Grass will grow as soon as it gets warm and there is ample moisture for spring farming. As usual, expenses are up and borrowing continues to rise.

GROUP PRESIDENTS . . .

(Turn to page 84, please)



Frank E. Williams
Executive V.P.



L. L. Lawrence
President



William March
Vice President



Patrick H. Rensch
Vice President
and Counsel



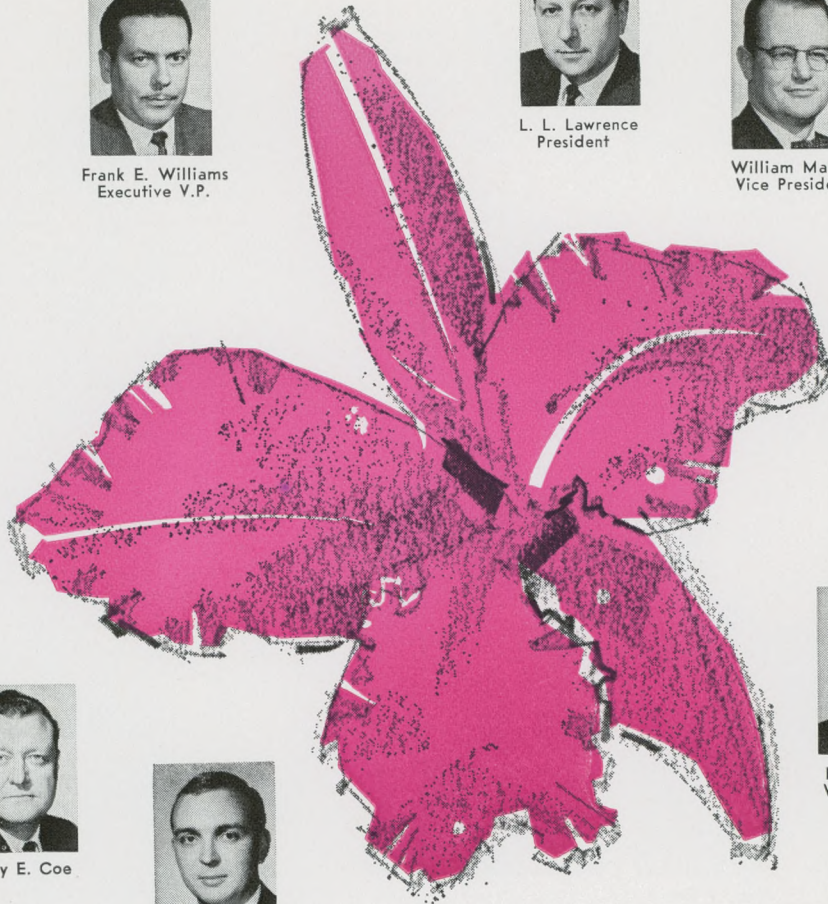
Robert E. Roh
Vice President



Harry E. Coe



Charles W. Poore



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Group Presidents Report . . .

(Continued from page 82)



THOMAS H. OLSON
Executive Vice
President
Lisco State Bank
Lisco
President
Group 6

THE general business conditions affecting the economy of the panhandle of Nebraska contain some factors which seem to be strongly opposing each other at the present time. A discussion of these factors should serve in providing an adequate de-

scription of the economy of the Group IV area.

Probably the most discouraging factor is the depressed grain market with the price of wheat reaching its lowest mark since the 30's. Corn, along with other feed grains, is far below the preceding 10-year average. Fortunately the yields for these crops were generally excellent in 1968, which was a great help in lieu of the price. Going into spring, moisture conditions are favorable, which would point to a good wheat crop in 1969 and also excellent planting conditions for other crops.

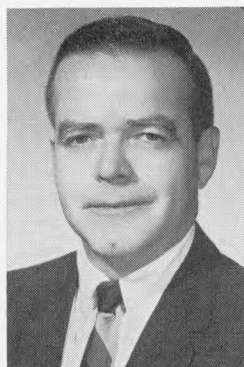
The other factor which so strongly affects our economy is the cattle market and ironically enough it reached

a 10-year high recently. With the cheap feed we normally think of cheap cattle but this is not the case at the present. I am sure that the severe winter in eastern Nebraska and other areas has been partly responsible for such a market, but these prices have certainly helped those marketing cattle in the past few weeks. Although it is anticipated that these cattle prices will weaken before summer, we might expect a steady fall market as the October beef futures are up about \$4. Such a market would be a welcome change since operational costs continue to rise each year. All reports indicate an excellent calf crop as we have had good weather for calving and relatively little sickness in the calves.

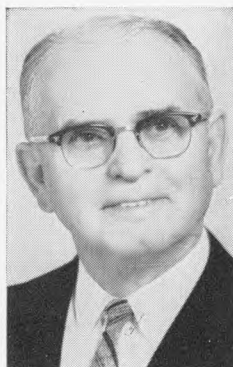
Businessmen, including bankers, are becoming more aware of the need for industrial development in our area. Most of the larger communities are accepting this responsibility with some success. The completion of Interstate 80 to Big Springs has brought two new large motels to the Ogalalla area along with other facilities serving motorists. These two factors have been effective in producing many more jobs and have certainly been a boost to the economy of the area.

There has been increased activity in oil production in Cheyenne and adjoining counties recently and with the discovery of several good producing wells there has been renewed interest in leasing.

On summary, I would say that aside from the wheat farmer, most individuals and businesses are enjoying a healthy economy with prospects for a high income-producing year in both agriculture and business. Bank earnings were excellent in 1968 and should repeat themselves in 1969 with the deposits holding steady and an apparent continued high interest rate structure.



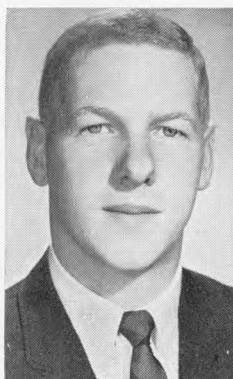
John Van Horne



Edwin Van Horne



Michael Van Horne



Philip A. Lorenson

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*Van Horne***Investments, Inc.**

FARM CREDIT BUILDING - OMAHA

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Celebrates 50 Years

Ivan C. Riley, president of the First National Bank, Fairbury, recently celebrated his 50th year in the banking business.

Buys Business Property

The First National Bank and Trust Company, Columbia, has announced the purchase of one of the largest blocks of property ever made in downtown Columbus. The property extends from 26th Avenue westward for more than half a block along 12th Street.

According to J. O. Peck, chairman, and Howard Burdick, president, the property was purchased for the convenience of the bank's drive-in customers and to increase downtown parking facilities.

HERE IS A DEAL TO SHAKE ON

Let's get together at the Nebraska Convention!

We'll be in Omaha May 4-6 and looking forward to a personal visit with our many banking friends. Keep it social . . . or put us to work on any banking assignment which comes to mind . . . we're always agreeable. That's the way it is with friends!

CORRESPONDENT BANK DEPARTMENT

B. M. Broderick, Assistant Vice President; Charles H. Walcott, Vice President; Richard C. Taylor, Vice President



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First National Bank

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You Will See Them at the 72nd Annual Nebraska Convention

THE following metropolitan bankers, investment men and service equipment dealers have indicated they will be attending the 72nd annual Nebraska Bankers Association Convention in Omaha, May 4-6:

Chicago

American National Bank & Trust Company: Allen P. Stults, president, and William Aldrich, second vice president.

First National Bank of Chicago: Nevin G. Bowser, vice president, and Raymond V. Dieball, assistant vice president.

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

Denver

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

Denver United States National Bank: Terry Ryan, loan officer, and Dewayne Krause, assistant vice president.

First National Bank of Denver: Phillip J. Hogue, vice president, and L. William Marrin, assistant cashier.

Des Moines

Diebold, Inc.: Willard Campbell, sales representative, and R. S. Gwinn, midwest divisional manager.

Mortgage Guaranty Insurance Corporation: Ron Van Buren, regional director.

Kansas City

City National Bank & Trust Company: Roy Thompson, vice president, and Jack E. Beets, assistant vice president.

Commerce Trust Company: Tom C. Cannon, vice president.

First National Bank: George C. Dudley, vice president, and Paul Peterson.

Mosler Safe Company: Gerard Cholet, bank sales engineer.

National Fidelity Life Insurance Company: I. L. Malm, Charles A. Gustavson, M. Hugo Menk and A. Jerry Steffen.

Lincoln

First Mid America Inc.: Pat Paterno and Al Ternus.

First National Bank & Trust Company: Burnham Yates, president; William C. Smith, executive vice president; Dale M. Shoemaker, Roger L. Cunningham and Lyle F. Stoneman, vice presidents; L. S. Curran and Robert W. Johnson, assistant vice presidents, and Van Korell.

National Bank of Commerce: Glen Yaussi, chairman and chief executive; Paul Amen, president; James F. Nissen, Herman A. Brockmeier and Gene C. Eaton, senior vice presidents; Robert Hinds, senior vice president and trust officer; Wilbur Baack, John Haslam, A. C. Holmquist III, Rodney Vandenberg, Doug Alford, Dan VanBuskirk, Robert Hans, Winton Buckley, Roy Yaley and Paul Scott, vice presidents; Oscar Clarke and Ross Hecht, vice presidents and trust officers; Dick Wible, A. B. Goodwin and Mel Svoboda, assistant vice presidents; Jerry Wrage and Jerry Dolson, master charge.

New York

Chase Manhattan Bank: William J. Connellon and Everett B. Kennedy, second vice presidents.

Chemical Bank: Richard G. Hall, assistant vice president.

First National City Bank: Robert Stokes, assistant cashier.

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

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

Omaha

Central States Health & Life Company: John D. Mace and E. Dean

Miller, senior vice presidents; Robert C. Findlay, vice president, and Jerry Kraemer, regional vice president.

Chiles & Company: Hal F. Childs, Bill B. Beavers, Jim P. Foley and Joe Haller.

F. E. Davenport & Company: Charles R. Allen, product sales manager.

J. Cliff Rahel & Company: Cliff R. Rahel, president; George E. Knack, senior vice president; William J. Gourley and John Frenking, vice presidents; Howell Roberts, assistant vice president; Tad Dunham, Jim Fenlon and Larry Wulf, registered representatives, and Darvid Quist, municipal department.

Packers National Bank: Don Anderson, senior vice president, and Don Dworak, vice president and cashier.

United States Check Book Company: Fred E. Pfaff, vice president, and wife, Kathryn Pfaff; Richard Dick, Howard Yarwood, Kent Miller, Chuck Peterson, Dick Hansen and Ron Ford.

Van Horne Investments, Inc.: Edwin N. Van Horne, chairman; John E. Van Horne, president; Mike M. Van Horne, vice president; Dennis J. Buckley, vice president and treasurer, and Bob Roberts, Phil Lorensen, Harold Ebner, representatives.

St. Joseph

American National Bank: Gilbert Tootle and Benton M. Calkins, Jr., senior vice presidents; Everett L. Crume and Donald D. Folks, vice presidents.

First National Bank: Benton O'Neal vice president, and John Gach, agricultural representative.

St. Paul

New York Terminal Warehouse Company: R. V. Peterson,

San Francisco

Bank of California: Jack Beard, assistant vice president.

Lawrence Warehouse Company: John Dugan, district manager, Omaha.

Sioux City

First National Bank: Charles H. Walcott, vice president; Richard C. Taylor, vice president and cashier, and B. M. Broderick, Jr., assistant vice president.

Northwestern National Bank: James J. McGill, vice president.

Security National Bank: Tom Horn, executive vice president; John Diefendorf and Gene Hagen, vice presidents.

Toy National Bank: L. M. Olson, vice president, and R. A. Breyfogle, assistant vice president.

South St. Joseph

First Stock Yards Bank: Harry H. Broadhead, Jr., vice president, and Arthur R. McClaskey, assistant vice president.

WELCOME BANKERS

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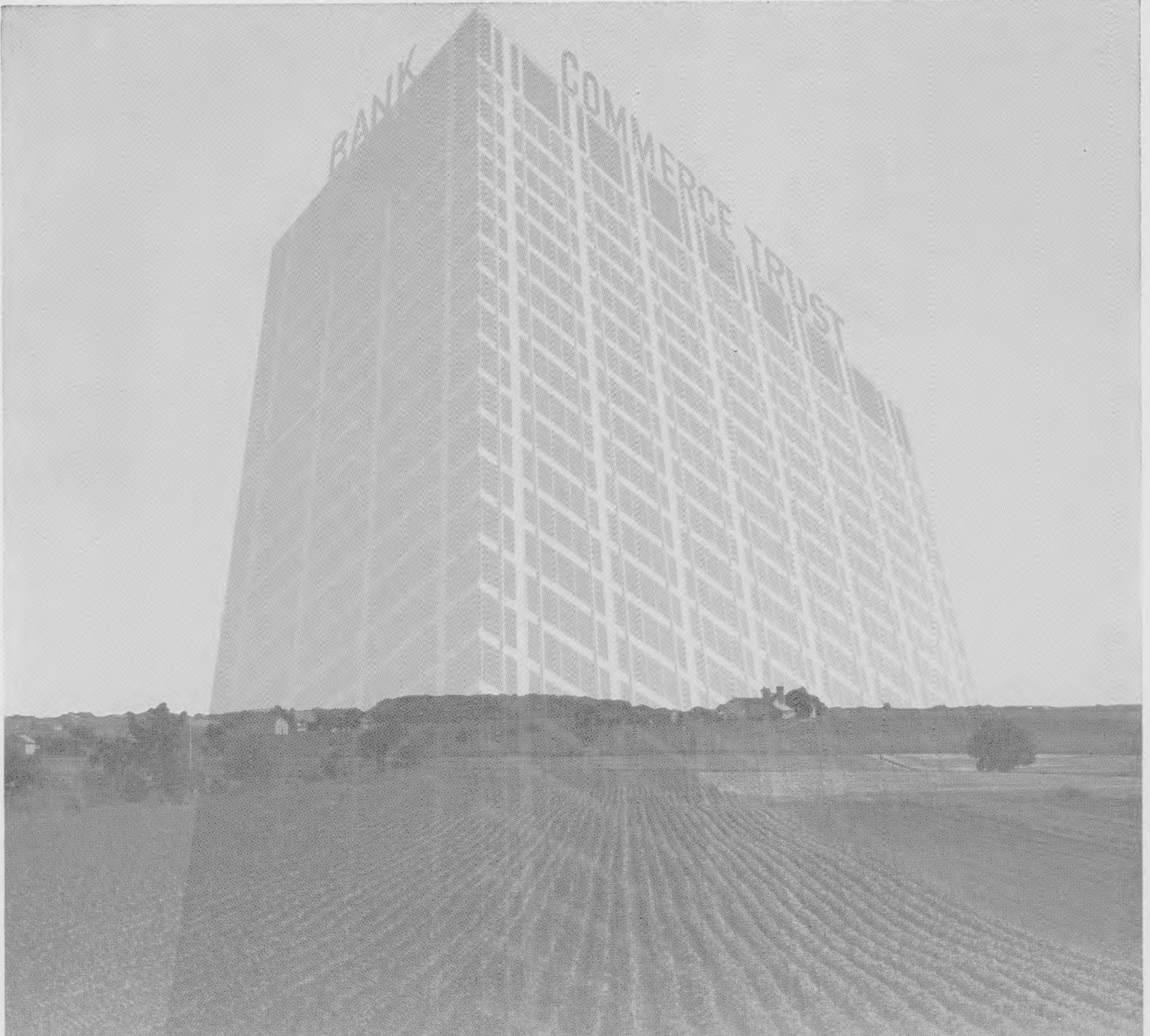
'Blimp' Johnson - Charlie King - Harvey Hayes

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Commerce Trust has always had a knack for helping people get started and making things grow. For years we've been a source of financing to thousands of farmers across the midwest.

It's no wonder that midwest farmers look to Commerce Trust and its Correspondents for all kinds of agricultural loans.

Give Commerce Trust a call and find out why we're the biggest down-to-earth bank in the midwest.

COMMERCE TRUST BANK

Kansas City, Missouri

Member Federal Deposit Insurance Corporation

Lincoln News



STOCKHOLDERS of Gateway Bank have approved an increase in the bank's capitalization. The bank will sell 2,500 shares of \$20 par value stock at \$70 a share and a stock dividend of \$50,000 or 2,500 shares of \$20 par value stock.

Directors also have approved the issuance and sale of \$150,000 capital notes for the bank.

* * *

R. A. "Bob" Elliott has joined Chiles and Company as a registered representative of the firm's Lincoln office.

* * *

Application has been filed with the Comptroller of the Currency for the merger of the **National Bank of Com-**

merce Trust and Savings Association and Capital City National Bank.

* * *

Construction is slated to begin this year on a new building for the **Lincoln Bank South**. The site for the new structure is an acre of land near 27th and Woods Avenue.

* * *

As announced earlier, a stock transfer creating the NBC Company, a holding company with sole ownership of the National Bank of Commerce, has been approved by the Comptroller of the Currency and became effective March 26. According to **Paul Amen**, president, the stock transfer will have no immediate effect on the bank's operation.

The board of directors of the NBC Company earlier declared a quarterly dividend of 11 cents per share to be paid to stockholders of record on March 24. This represents an increase of 10 per cent in the cash dividend.

* * *

Harley J. Bair, president of Bair Development and Maco Corporation, has joined the Lincoln office of Chiles and Company as a registered representative.

Henry Gramann Elected President at Adams

Henry Gramann, Jr., was elected president of the Adams State Bank last month. He succeeds his father, Henry Gramann, Sr., who died March 14 at the age of 84 after a three weeks illness.

The senior Mr. Gramann had been in the banking business 55 years, all of it in Adams with the exception of one year spent in a Lincoln bank. He helped organize the Adams State Bank in 1918 and had served it as president since 1942.

Henry Gramann, Jr., started working at the Adams State Bank in 1931 while he was attending the University of Nebraska. In 1936 he started on a full-time basis with the bank and has been there since, with the exception of four years service with the Army during World War II, a major share of it in the Aleutian Islands. He was elected cashier before the war and has served as executive vice president since 1946.

He was elected president of the Nebraska Bankers Association at the annual convention in May.

New Vice President

The board of directors of the Aurora First National Bank, Aurora, has announced the election of Paul A. Munson of Lincoln as vice president.

Mr. Munson, a University of Nebraska graduate, has served in various capacities at the First National Bank and Trust Company, Lincoln, for the past 10 years.

Leaves Bellevue Bank

William F. Massop, formerly of the Bank of Bellevue, has been appointed president of the Standard State Bank, Independence, Mo., succeeding George Pavela.

Mr. Massop's career in the financial field began in 1962 with a national consumer finance company. He is a graduate of Creighton University, Omaha, and has completed several American Institute of Banking courses. He is currently serving as vice president of the Omaha Credit Council.



... at First Mid America Inc., across the street from the Nebraska Bankers' Convention Headquarters. We would like to show you our Omaha headquarters and renew friendships. Our staff will be happy to visit with you during your Omaha stay and to discuss stocks, corporate and municipal bonds, mutual funds and commodities.

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Raymond McMahon

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& Trust Company of Lincoln**

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Named Director of Banking

EDWIN A. LANGLEY, a Lincoln attorney, has been appointed Nebraska's new state banking director, succeeding C. R. Haines.

Mr. Langley, who will take a leave of absence from the Lincoln law firm of Nelson, Harding, Richling, Leonard and Tate, is a former trust officer with the First National Bank of Omaha and is a graduate of the National Trust School of the American Banking Association. He is a native of Central City, Nebr., and a graduate of Hastings College and the University of Nebraska College of Law. The post pays a salary of \$18,000 a year.

Mr. Haines, who has been associated with the Banking Department for 39 years, has been director since 1967 and had been deputy director since 1947. According to Mr. Langley, Mr. Haines will be asked to remain on the department staff as an adviser.

A. J. Jorgenson

A. J. Jorgenson, chairman of the board of directors of the American National Bank of Sidney, was fatally injured in an auto-train accident near Potter, Nebr., on March 14. He was 83.

Mr. Jorgenson, originally of Council Bluffs, came to Sidney in 1910. In 1920, he became associated with the

American National Bank which he served as president until his retirement eight years ago. Since then, he had served as chairman of the board. Mr. Jorgenson was a past president of the Nebraska Bankers Association.

Names Two At Bennington

Lyn Pruess has been named assistant cashier of the Bank of Bennington, and Joseph McGroarty has been named to the bank's board of directors. Mr. McGroarty has been attorney at the bank for 35 years.

Named Bank Officer

Howard McVay has been named assistant cashier at the Keith County Bank and Trust Company, Ogallala, according to Mel Adams, bank president.

Observe 65th Anniversary

Mr. and Mrs. Frank Waggoner recently observed their 65th wedding anniversary. Mr. Waggoner, at 92, is president and a director of the Commercial State Bank, Republican City.

50-Year Brochure

The First National Bank of Hastings recently published a multi-color, 16-page brochure in observance of the bank's 50th anniversary. The brochure features the story of the bank's progress throughout the last half century, as well as the progressive story of the Hastings community.

According to T. L. Rask, president,

the bank's deposits have grown from a little over \$42,000 on its opening date in 1919 to deposits of nearly \$36 million, as of December 31, 1968. O. A. Kostal, M.D., is chairman of the board, and John M. McGinley and Ralph Phelps are vice presidents. Robert C. Zaback is cashier.

Donate \$1,500

Eight Dodge County banks have donated a combined \$1,500 to the Dodge County Fair Board for construction of a new cattle barn. Banks donating to the project are Scribner Bank, Scribner; Farmers State Bank, Dodge; Platte Valley Bank, North Bend; First National Bank, Hooper; Uehling Co-op Credit Association; Fremont National Bank, Fremont; First State Bank, Fremont; First National Bank, Fremont.

Resigns Bank Post

Dale K. Luther, vice president of the Platte Valley State Bank and Trust Company, Kearney, has resigned to become associated with the New York Life Insurance Company as a life underwriter. He has been associated with the bank for five years and will continue to reside in Kearney.

To Open in June

The new City National Bank building in Hastings will open on approximately June 1. The new two-story structure will occupy an area 90 feet by 120 feet, including a full basement and drive-up facilities. The exterior of the building will be of pre-cast aggregate and white marble.

Capital Increase

The American National Bank of Sidney has increased its capital stock to \$300,000 by the declaration of a 50 per cent stock dividend.

Jerome Buehrer has been named assistant cashier at the bank and Jack Flohr, security officer.

New Customer Service

The First National Bank of Ogallala has announced a new banking service, a "photo check casher," which guarantees personal checks up to \$100.

The "photo check casher" consists of a color photo and signature laminated to an identification card. The service is being made available free of charge to depositors and merchants. The card is produced through a unique process which prevents alteration of any writing or the owner's photograph.

The First National becomes the second bank in Nebraska and one of the first in the nation to initiate the "photo check casher."


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By attending the conventions,
the Men from the City
are better able to
understand your needs.

Depend on them to
help your bank stay
in step with the times!

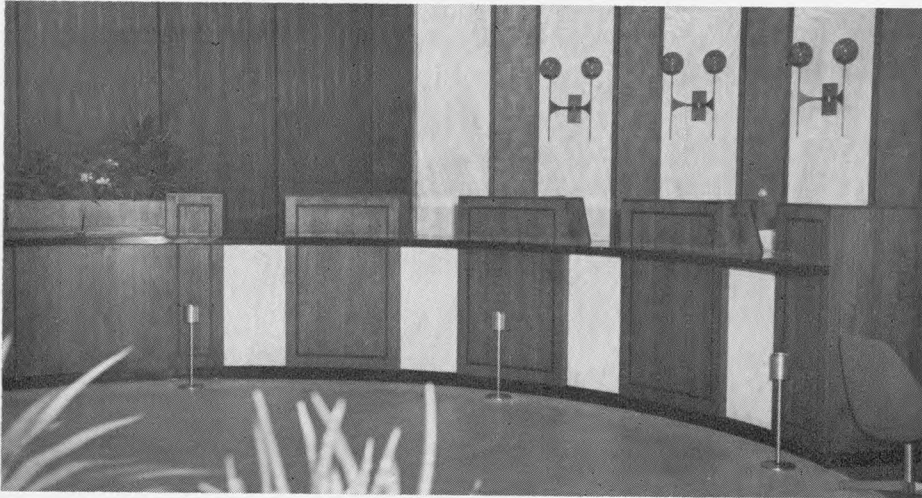


MEMBER F.D.I.C.

City National Bank
& Trust Company
Kansas City, Missouri

Northwestern Banker, April, 1969

Remodeled at Schuyler



REMODELED INTERIOR of Schuyler St. Bk. features a split-level lobby, three new private offices and new secretarial area. Tellers counters pictured are in a circular arrangement. Exterior remodeling of the bank was completed in 1967. The bank is now in its 96th year.

MidAmerica Bankcard Election

MIDAMERICA BANKCARD ASSOCIATION, has announced the election of officers of the board and the appointment of a president and vice president to the Association as follows:

Chairman of the Board, Morris F. Miller, chairman and president of The Omaha National Bank.

Vice Chairman of the Board, Glenn Yaussi, chairman of the board, National Bank of Commerce.

Treasurer, James A. Zimmerman, vice president, United States National Bank.

Secretary, William A. Sawtell, Jr., partner, Morsman, Fike, Sawtell and Davis, Omaha law firm.

President and Chief Executive Officer, P. E. (Bill) Esping.

Vice President, John W. (Jack) Weekly.

MidAmerica Bankcard Association was formed by: The First National Bank, Wichita, Kan.; Houghton State Bank, Red Oak, Iowa; Iowa-Des Moines National Bank, Des Moines, Iowa; National Bank of Commerce, Lincoln, Nebr.; The Omaha National Bank, Omaha, Nebr.; Union National Bank, Wichita, Kan., and United States National Bank, Omaha, Nebr.

Mr. Esping was born in Hutchinson, Minnesota and is a graduate of the University of Minnesota. He spent four years in the U. S. Air Force as a pilot in the Strategic Air Command and is now a Captain in the U. S. Air Force Reserve. For the past eight years he has been a marketing Representative for I.B.M. Corp.

Mr. Weekly was born in Sioux City, Iowa and has been assistant vice president in charge of computer operations at Mutual of Omaha and United of Omaha for the past 18 years.

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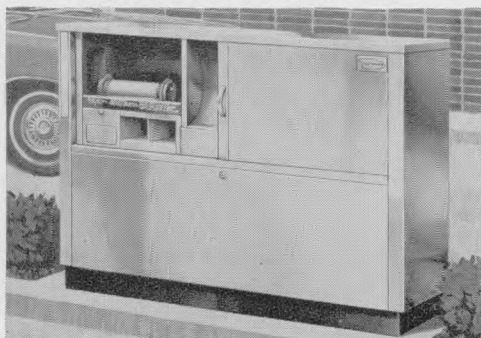
THE TOY NATIONAL BANK

SIoux CITY, IOWA



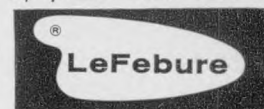
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LeFebure's Exclusive Tel-Air System



LeFebure Motor Banking facilities are designed with special emphasis on fast cash handling. Easy-to-operate deal drawers glide effortlessly from teller to customer. Conversation is transmitted clearly . . . sharply. □ And LeFebure's new Tel-Air system gives you the speed of multiple station units at a totally realistic price. Teller and customer have constant visual-contact. Transactions are transmitted by pneumatic tube at 25 ft. per second. □ So if you're interested in keeping motor bank customers moving through in a hurry, call your LeFebure man. He'll be at your bank . . . fast.

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NUMEROUS QUESTIONS relating to bills before the current Nebraska Unicameral legislative session were fielded by these four panelists after their regular platform presentation. Seated are **Wm. B. Brandt** (left), NBA legislative counsel and v.p. & cash., 1st Natl., Unadilla, and **Wm. Sawtell**, NBA legal counsel, Omaha. Standing are **Dwight Clements** (left), chmn. of NBA committee on legislation and cash., American Exchange Bank, Elmwood. **RIGHT—Marion R. Morgan** (seated), immed. past pres. of NBA and pres., 1st Natl., Elwood, is shown presenting a check for \$2,000 to **Dr. E. F. Frolik**, dean of the University of Nebraska College of Agriculture, on behalf of the Nebraska Bankers Association members contributing to the support of scholarship and research programs at the college. Others, left to right, are: **Dr. Charles Miller**, dean of the U of N College of Business Administration, who accepted a similar check for his college, **Adon Jeffrey**, v.p. of the NBA and pres., 1st Natl., Wayne, and **Henry Gramann, Jr.**, pres. of the NBA and pres., Adams State Bank, Adams.

Inflation, Legislation Are Big Topics at Management Seminar

By **BEN HALLER, JR.**
Editor

IF IN times of tight money bankers do not do an equitable job of apportioning the available money and credit, then governments—state and federal—will set up agencies to meet the need. They always have and will continue to do so.”

This caution was given last month by George H. Clay, president of the Federal Reserve Bank of Kansas City, to 135 bankers attending the annual Bank Management Seminar spon-

sored by the Nebraska Bankers Association. The Seminar was held at Hotel Cornhusker in Lincoln.

Addressing himself specifically to the constant concern with inflation, Mr. Clay said, “Inflation is still here, but now there’s a difference for there is no one who **doesn’t** think it should be stopped. There is no point in re- crimination. Many people offer various reasons. I was proud of Chairman Martin when he assumed part of the

blame by saying the Federal Reserve Board overestimated the impact of previous regulations.

“I’m personally not as wary of ‘over-kill’ by monetary regulation for halting inflation as the alternative.” He said all bankers have a duty to help curb inflation to minimize its effects on their communities.

Mr. Clay said one of the biggest problems is that “so many operate on the basis that inflation and its results are for someone else to swallow or solve and they go on their way. Witness the recent report of a forecast for a 15 per cent increase in capital business spending for 1969, compared to only a 4 per cent increase last year!”

Mr. Clay devoted much of his talk to giving a profile sketch of the 10th Federal Reserve District. He said the district has balanced diversity and stability, with 12 major population centers. He noted that only 12 of *Fortune* magazine’s top 500 corporations are located in the 10th Fed District, which is a good reason for the lack of growth in the area, since so many financial resources are drained from the district and shipped elsewhere to corporate headquarters.

In discussing banks, he said one-fifth are in metropolitan areas and hold \$11.4 billion deposits, or 60 per cent of the area’s total deposits. The remaining four-fifths of the banks are in smaller communities and hold \$7.6 billion deposits, or 40 per cent of the total. In Nebraska, he said, 41 of the



SHARING the speakers platform at the Nebraska Bankers Association Bank Management Conference were, left to right: **Dr. Herbert V. Prochnow**, retired pres. of 1st Natl., Chicago; **George H. Clay**, pres., Federal Reserve Bank, Kansas City, and **F. W. Jackman**, chmn. of the NBA comm. on bank management and pres., Farmers Natl., Grant.

Northwestern Banker, April, 1969

Employee Winners



ONE of the major prize winners in 1st Natl. Bk's. recent employee contest, held in conjunction with the bank's Savings Robe Promotion, is **Louise Borders**, shown accepting a RCA portable TV which she won as the highest producer of new accounts on her team from **F. Phillips Giltner**, exec. v. p. Mrs. Borders and other winners, including **Iva Andler**, **Elsie Martens**, **Jerry Killmar**, **Anna Mulcahey**, **Shirley Lamberete**, **Dale Henkel**, **Ann Delehante**, **Bernie Thimson**, **Ron Nadherney**, **Janice Swoboda**, **Doris McPhie**, **Ed O'Connell**, **Elizabeth Robbins**, **Doris Schwer** and **Mary Brown**, were honored at a bank luncheon given by **John Lauritzen**, pres.

state's 434 banks are in metropolitan areas and hold 45 per cent of the state's deposits.

In his closing remarks he said banks should commit a substantial part of their resources to serving and solving needs and problems of agriculture for years to come. "If these are solved **locally**," he emphasized, "the business will stay there."

F. W. Jackman, chairman of the NBA committee on bank management and president of Farmers Bank at Grant, presided at the meeting. State Senator Wm. Hasebroock of West Point, was a guest at the opening session and spoke briefly.

A review of all legislation pertinent to the banking industry was given by the three "Bills"—William B. Brandt, NBA legislative counsel, Unadilla; William A. Sawtell, Jr., NBA legal counsel, Omaha, and William H. Osterberg, NBA executive manager.

Sharing the Thursday morning platform with Mr. Clay was Herbert V. Prochnow, retired president of the First National Bank of Chicago, who gave an incisive and sobering report on "Where the Nation Stands."

Concluding speakers were Charles T. Undlin, president of the First National Bank of the Black Hills, Rapid City, whose topic was "Personnel—Costs—Profit," and Mr. Sawtell, who conducted a question and answer session on legislative matters.

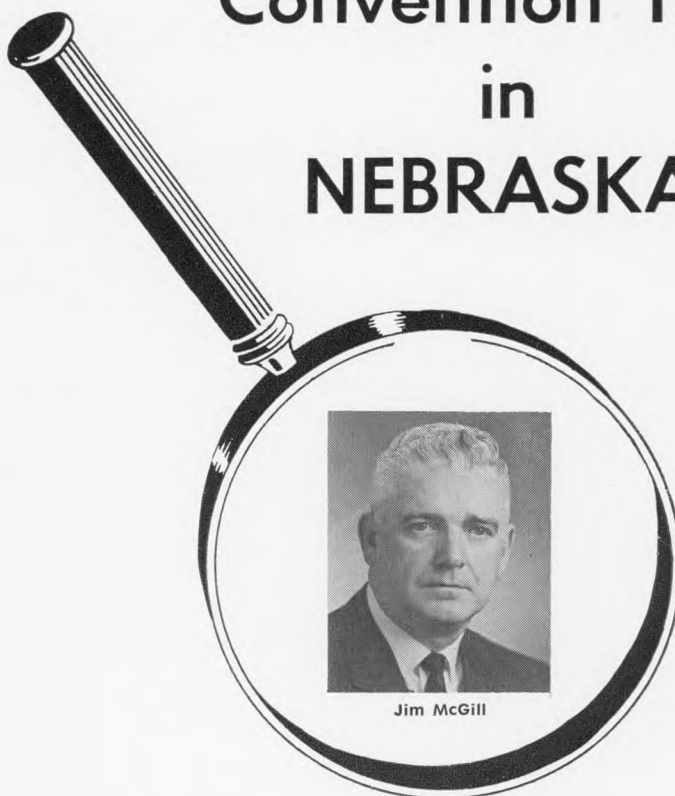
The bills of principal interest included the three branch banking bills that had been offered in the legislature. Two have been killed and the third was in committee at the time of the meeting and has since been killed.

Another bill of special note was LB 202, which was passed and signed with the emergency clause, making it effective immediately. This increases the limits a state bank can loan on livestock to an effective 35 per cent by raising from 20 to 25 per cent of capital and surplus the normal loan limit, and authorizing an additional 10 per cent if the livestock is secured for 115 per cent of the face of the note.

This applies also to negotiable warehouse receipts and government bonds.

LB1024 would affect a state bank's reserve requirements. Presently, 20 per cent of reserves may be in U. S. Government bonds. This bill, still in the hopper, would increase the permissible amount of reserves invested in Government bonds to 50 per cent. The specific wording of the bill would authorize these reserves to be placed only in "unpledged U. S. Government securities at their market value or notes or other securities evidencing obligations of the Commodity Credit Corporation at their face value, or combination thereof."—**End.**

Convention Time in NEBRASKA



Jim McGill

CONVENTION TIME is near for our banker friends in Nebraska.

Jim McGill will be in Omaha, May 4-6, to attend the 72nd annual Nebraska Convention.

We look forward to seeing you there!



NORTHWESTERN NATIONAL BANK OF SIOUX CITY, IOWA



LEFT—Merv Aegerter (left), 2nd v.p., and Don Ostrand (right), v.p., of 1st Natl. of Omaha, examine beef leg bones displayed by Dr. Robert A. Long. **RIGHT**—Entertainment during the “chuck wagon” luncheon was furnished by this country western group.



“Roundup” Features Loan Review And Live Beef Evaluation

By **BEN HALLER, JR.**
Editor

NEARLY 1,000 bankers, farmer-feeders and ranchers from eight states took part in First National Bank of Omaha's fourth annual “Chuck Wagon Roundup” at the Ak-Sar-Ben Sale Pavilion in Omaha last month. They were given first-hand information by the three speakers on the importance of maintaining proper farm records and specific pointers on selecting better beef on the hoof.

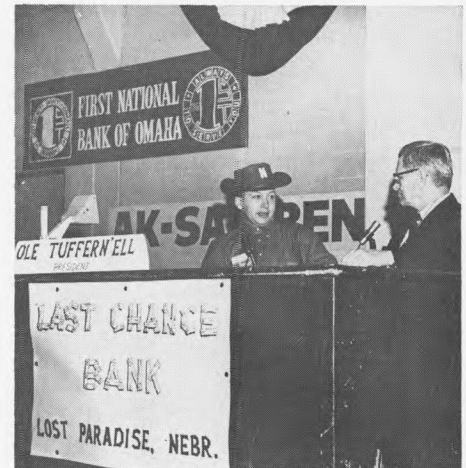
This was by far the best attended “Chuck Wagon Roundup” since this program was initiated by First Na-

tional Bank in 1966. It got underway promptly at 10:00 a.m. with brief welcoming remarks by Don Ostrand, vice president in charge of the correspondent bank division of First National. The program was emceed again by Mervin F. Aegerter, second vice president of the host bank.

At the conclusion of the morning program, the meeting was adjourned from the sale pavilion to the adjoining, spacious exhibit pavilion where an appetite-satisfying chuck wagon dinner of barbecued beef, baked beans and cole slaw was served. A country western quartet played appropriate music throughout the noon hour. Following this, the crowd reassembled in the sale pavilion for the afternoon presentation. F. Phillips Giltner, executive vice president of the First National, spoke briefly, stressing the role of independent banking in agriculture.

Loan Interview

The morning program was really unique. The two participants were Dr. Abe Epp, professor of agricultural economics at the University of Nebraska, and Jim Greer, assistant professor of agricultural economics. They prepared a script that cast Dr. Epp in the role of the country banker, “Ole Tuffern’ell,” and Mr. Greer as the easy-going carefree “Bull” Bestrol, a cattle



“Bull” Bestrol (left), prospective borrower, meets “Ole Tuffern’ell,” the local banker.

feeder seeking an unusually large loan.

“Ole Tuffern’ell” sat at a beat-up office desk, and “Bull” Bestrol strolled in dressed in jeans, boots, western hat and a scarlet red University of Nebraska shirt. Both were equipped with microphones that made it easy for the entire crowd to hear everything that was said, which was definitely one key to the success of the entire presentation.

A Lack of Records

“Bull” came on the scene with a swagger, and a chip on his shoulder, and “Ole Tuffern’ell” very quietly pursued each point with “Bull,” continually asking him what his records showed for each point being discussed.

“ROUND-UP” . . .

(Turn to page 112, please)



RICHARD C. NEWLIN

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in
Omaha
for the
Nebraska
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Northwestern Banker, April, 1969

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Federal Reserve Bank of St. Louis

RESEARCH tells you how to tell a feed maker from a meat maker

Several of the feed companies who compete with you at the meat counter by marketing meat or eggs are identified in the chart below. Shouldn't you buy feed from one of the great companies that **does not** compete with you? One such firm is The O. A. Cooper Co. We don't compete with our customers. Our business is Feed, not Feeding.

COMPANY (& SUBSIDIARIES — BRANDS)	BROILERS	TURKEYS	EGGS	CATTLE	HOGS	LAMBS	DAIRY
Continental Grain Co. — Allied Mills (Wayne Feeds)	YES	YES	YES	NO	NO	NO	NO
Cargill (Nutrena Feeds)	YES	YES	YES	NO	NO	NO	NO
The Carnation Co. (Albers Feeds)	YES	YES	YES	YES	YES	NO	YES
Central Soya Co. (Master Mix Feeds)	YES	YES	YES	NO	NO	NO	NO
The O. A. Cooper Co. (Cooper Feeds)	NO	NO	NO	NO	NO	NO	NO
Doughboy Industries, Inc. (Doughboy Feeds)	YES	YES	NO	NO	NO	NO	NO
Hubbard Milling Co. (Hubbard Feeds)	NO	YES	YES	NO	NO	NO	NO
International Milling Co. (Supersweet Feeds — Professional Feeds)	YES	YES	YES	NO	NO	NO	NO
Nebr. Cons. Mills — Nixon & Co. (Red Hat Feeds - Birdsey Feeds - Nixon Feeds)	YES	YES	YES	YES	YES	NO	NO
The Peavey Co. (P.V. Feeds)	NO	YES	NO	YES	NO	NO	NO
The Quaker Oats Co. (Ful-O-Pep Feeds)	YES	YES	NO	NO	NO	NO	NO
Ralston-Purina	YES	YES	YES	YES	NO	NO	YES
Swift & Co. (Swift Feeds)	YES	YES	NO	YES	NO	YES	NO

OUR 90th YEAR



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Northwestern Banker, April, 1969



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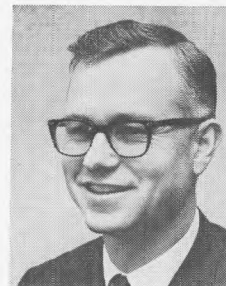


HOMER JENSEN
Vice President

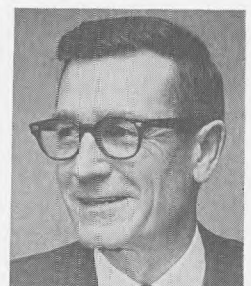


GARY STEVENSON
Correspondent
Bank Officer

COMPUTER SERVICES



O. JAY TOMSON
Vice President



PAUL GRIFFITH
Assistant Cashier



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SIXTH AND LOCUST, DES MOINES
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Iowa NEWS

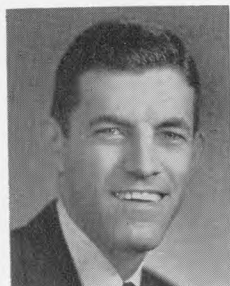
J. W. LIPTON, JR. President Ida Grove
A. E. LINDQUIST, JR. Secretary Des Moines



Collin Fritz Named to Succeed John Chrystal as Superintendent

COLLIN W. FRITZ, 47, has been selected by Iowa Governor Robert D. Ray to become superintendent of banking for Iowa. His appointment awaited Senate confirmation early this month.

Mr. Fritz will succeed on July 1 to the office held since 1964 by John Chrystal, former Governor and now Senator Harold Hughes. Mr. Chrystal plans to return to Coon Rapids, Iowa, where he is president of Iowa Savings Bank.



C. W. FRITZ

Mr. Fritz is senior vice president, trust officer and director of the Jasper County Savings Bank at Newton. He will retain these posts, but will be on leave of absence from the bank during the term of his appointment, he said.

Mr. Fritz is well-known to a number of Iowa bankers through his work on various committees of the Iowa Bankers Association. He was elected in May, 1968, as chairman of Group 6 of the Iowa Bankers Association, which is a two-year term and places him on the IBA Council of Administration. No successor has yet been named for this position.

Mr. Fritz was born in Des Moines August 18, 1921. After graduation from Roosevelt High School, he attended Grinnell College. After World War II service, he was graduated from Drake University Law School in 1948, and The School of Banking at the University of Wisconsin in 1960.

During World War II, Mr. Fritz served in the U. S. Air Corps from July, 1942, to November, 1945. He flew 26 missions as a B-17 navigator with the 8th Air Force in England. On September 11, 1944, he was shot down and was a German prisoner of war until the war ended. He was discharged as a 1st Lieutenant.

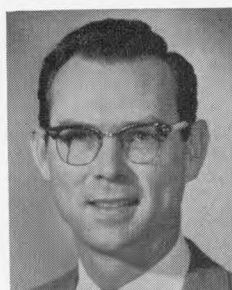
In addition to many civic positions in Newton, Mr. Fritz has served as a member of the ABA advisory board on installment credit, member of Iowa Legislative Committee on the Uniform Commercial Code, former chairman of the Iowa Bankers Association Committee on installment lending and is a member of the Iowa and American Bar Associations.

Celebrate 50 Years

The Peoples Trust and Savings Bank, Indianola, recently celebrated its 50th anniversary.

Joins Cedar Rapids Bank

O. Lee Minear has joined The City National Bank of Cedar Rapids as vice president, according to E. J. Buresh, president.



O. L. MINEAR

Mr. Minear was formerly vice president and director of the Capital City State Bank, Des Moines, and had been with the bank for 17 years. He was in charge of business development.

Sponsors Finance Forum

The Security Savings Bank, Eagle Grove, recently sponsored a Men's Financing Forum. Among topics dis-

cussed at the all-day meeting were estate planning, the Keough bill, farm records and the commodity futures market.

The bank provided a noon luncheon for those attending the meeting.

"Boss of Year"

James Maurice, president of the Monticello State Bank, has been named "Boss of the Year" by the Monticello Jaycees. Mr. Maurice has been with the Monticello bank since 1934 and has served as president of the bank since 1959.

Receives Fellowship

Dr. E. Norman Bailey of the University of Iowa's College of Business Administration has been awarded one of five American Bankers Association fellowships to attend the 1969 resident session of The Stonier Graduate School of Banking in New Brunswick, N. J., from June 8-20.

The school, conducted by the American Bankers Association in cooperation with Rutgers—the State University of New Jersey—has offered the fellowships four times previously. To qualify for a fellowship, an applicant must be a full-time faculty member of a North American college or university with the rank of assistant professor or above and be teaching a course in a banking and finance-related subject.

Expansion Gets Underway

Work is now underway on an expansion project at the Spencer National Bank. Main floor expansion at the bank's Spencer Shopping Center location calls for the addition of two private offices, an enlarged lobby area and space for the bank's computer operations. New lighting fixtures and red carpeting will be installed throughout the bank area.

Total investment for the expansion will be approximately \$30,000, according to Robert Krzmarzick, bank president.

1969 Iowa Group Meetings

Group	Date	Place
4	May 6	Elkader
7	May 7	Cedar Rapids
8	May 8	Muscataine
10	May 9	Ottumwa
6	May 19	Des Moines
5	May 20	Council Bluffs
2	May 21	Okoboji
3	May 22	Clear Lake

Join Master Charge Program

THE Merchants National Bank of Cedar Rapids and Davenport Bank and Trust Company, Davenport, are joining Charge-It, the charge card system of the Harris Trust and Savings Bank, Chicago, which is part of the Interbank Card Association. The distribution of Interbank's Master Charge cards will take place during the next few weeks.

On the front of the new orange, gold and white card appears the name of the Iowa bank working with Charge-It, the Master Charge logo and the Interbank symbol. The name Charge-It along with the Midwest Bank symbol will appear on the back of the card.

Offers Computer Services

The board of directors of the Waukon State Bank has announced that the bank will be offering computer services to its customers during 1969. Customers are expected to have full benefit of the new computer service in November.

Set Up Scholarship Fund

The family of the late P. J. Juffer revealed last month that a number of memorials were given by friends and that these memorials are being used to set up a scholarship fund in his memory. The family extends its deep appreciation to the many bankers who participated in this memorial.

Mr. Juffer was president of Security Savings Bank in Ireton at the time of his sudden death from a heart attack recently while on a brief vacation.

His brother, G. A. Juffer, has been elected president of the bank to fill this vacancy. G. A. Juffer has been vice president and cashier of the bank for several years. Their father, G. T. Juffer, continues as chairman of the board.

Resigns at Jefferson

Gerald Clause, president of Home State Bank, Jefferson, has announced the resignation of Ronald P. Searcy, vice president. Mr. Searcy, who has been with the bank since 1960, will take a position with R. G. Dickinson and Company.

Elected to Head County Bankers

E. G. Schmidt, cashier of the Delhi Savings Bank, has been named presi-

dent of the Delaware County Bankers Association.

Other officers elected were: Vice president—W. K. Wiewel, president of the First State Bank, Manchester; secretary-treasurer—Marvin Lucas executive vice president of Citizens State Bank, Hopkinton.

Stock Dividend

The Farmers Savings Bank, Keota, has declared a 100 per cent stock dividend, increasing the bank's capital from \$90,000 to \$180,000.

Correction

Mrs. Ann Stark has been advanced to assistant cashier at the Citizens National Bank, Boone. Mrs. Stark's name was misprinted as Mrs. Ann Hove in a news item announcing the promotion in last month's issue of NORTHWESTERN BANKER.

Joins Master Charge

The Bettendorf Bank and Trust Company, Bettendorf, has announced its entry into the bank charge card field by joining the MidAmerica Bank-card Association. The announcement was made by George C. Heninger, vice president.

Mark 50 Years



PEOPLES TR. & SAV. BK. recently observed its 50th anniversary with a four-day celebration. The bank opened in February, 1919, with capital of \$50,000 and now has a capital account of \$1,200,000. William Buxton, III, pres., lights a 50-inch candle atop a huge birthday cake in the bank's lobby to open the celebration.

Joins Bank Board

Kenneth Dusenbery of West Chester has been appointed a director of the West Chester Savings Bank, replacing Louis M. Smith, who died in January.

Fred W. Zabel

Fred W. Zabel, former vice president of the old Union Savings Bank and Trust Company, Davenport, died at the age of 82 in Aurora, Ill. At the time of his death, Mr. Zabel was chairman of the board of the First American Bank in Aurora.

Goes to Traer

Jim Rhodes has joined the First National Bank of Traer as agricultural representative. Prior to coming to Traer, he was associated with the Tama Livestock Auction as auctioneer and office manager.

Retires at Winfield

Walker Evans has retired as cashier of the Peoples State Bank, after more than 18 years with the bank.

School Bonds to Des Moines Bank

Nearly \$400,000 in Lake City, Iowa, community school bonds have been sold to Iowa-Des Moines National Bank with an over-all interest rate of 4.7836.

Eagle Grove Forum

Over 100 area farmers attended a Men's Forum sponsored by the Security Savings Bank, Eagle Grove, last month, according to John J. Govern, vice president.

Four key speakers were featured. They were: Doug Meline, manager, Central Iowa Farm Business Association, Webster City; Arnold Gotlieb, CPA, Peat, Marwick and Mitchell, Des Moines; Ed Bird, vice president, Employers Mutual Casualty Insurance Company, Des Moines, and James Kenney, Merrill Lynch, Pierce, Fenner & Smith, Des Moines.

Remodeling Underway

A major remodeling project is underway at the First National Bank, Spirit Lake, to expand the bank's quarters into the building adjoining the bank's present structure on the west.

They're probably talking about our quick decisions.



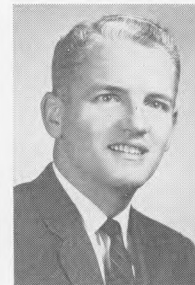
When bankers get together the discussion eventually turns to correspondent banks and how they perform. Since so much of our new business is based on personal recommendations by bankers, our performance must be satisfactory, at least.

One reason is a loan policy that permits us to say "yes" when others decline. We don't have restrictions that prevent us from working things out. And we are DECISION-MAKERS, able to respond quickly to your requests.

When you hear two bankers talking about American Trust and Savings Bank, why not eavesdrop.



CHRISTY F.
ARMSTRONG
Executive
Vice President



LEO F. KANE
Senior
Vice President



ROBERT G. SCOTT
Senior
Vice President



American Trust and Savings Bank

DUBUQUE, IOWA Member FDIC, Federal Reserve System

Northwestern Banker, April, 1969



Des Moines News

DONALD FRANTZ has joined the Valley Bank and Trust Company as a special representative.



D. FRANTZ

A native of Wisconsin, Mr. Frantz attended Iowa State University and was graduated in business from the University of Oklahoma. For approximately 20 years, he has been in the feed manufacturing business in Des Moines and central Iowa. For the past few months he has been doing management consulting for small feed companies.

* * *

The Valley Bank and Trust Company's profit-sharing plan recently completed its 20th year with a bank contribution of \$57,600 from 1968 profits to the profit-sharing trust fund. That contribution, along with earnings and asset appreciation of 12.13 per cent in 1968, brought the market value of the trust fund assets at the year end to \$1,024,956.52.

In the 20 years the profit-sharing plans has been in existence, the bank

has contributed \$831,575 to the trust fund. Employees have voluntarily contributed \$13,625, and \$393,193.74 has been distributed to retired employees and their families. All of the bank's 93 employees participate in the plan.

* * *

Jack Schroeder has been named to the board of directors of the First Federal State Bank, according to Morris Stephens, chairman. Mr. Schroeder is chairman of the board of General United Group, Inc., and General United Life Insurance Company of Des Moines.

Colette Downey, a member of the Iowa-Des Moines National Bank advertising staff, has been named Des Moines Advertising Woman of the Year by the Women's Advertising Club of Des Moines.

Miss Downey has been with the Iowa-Des Moines for nine years in the financial advertising and public relations fields. She has participated in the planning and writing of the bank's annual advertising and marketing program and also is a member and past president of the local chapter of American Women in Radio and Television.

* * *

Dick W. Kuehl has been appointed a commercial loan officer at the Iowa-

Des Moines National Bank. For the past 10 years he has been with the First National Bank of New York. His most recent assignments were as manager of their banks in Colombia and Panama.

Iowa Bank Changes

The Iowa department of banking reports the following changes took place in the status of Iowa chartered banks during March, 1969:

Bank parking lot office certificates issued:

Cedar Falls Trust & Savings Bank, Cedar Falls, effective 3-7-69.

Highland Park State Bank, Des Moines, effective 3-11-69.

Dubuque Bank & Trust Company, Dubuque, effective 12-15-68.

Change of name:

First State Bank, West Branch, Iowa, changed its name to West Branch State Bank to become effective August 1, 1969.

Capital stock increases, bank, location, from, to:

First State Bank, Audubon, \$150,000, \$300,000.

Dubuque Bank & Trust Company, Dubuque, \$1,000,000, \$1,125,000.

Modale Savings Bank, Modale, \$25,000, \$50,000.

Montezuma State Bank, Montezuma, \$100,000, \$120,000.

Morningside State Bank, Sioux City, \$110,000, \$220,000.

The State Bank of Toledo, Toledo, \$120,000, \$240,000.

Walcott Trust & Savings Bank, Walcott, \$100,000, \$200,000.

State Bank of Worthington, Worthington, \$50,000, \$75,000.

Increase Capital

At the annual stockholders meeting held in January, the stockholders of Story County State Bank at Story City voted to increase the capital stock from \$100,000 to \$200,000 by declaring a stock dividend from earnings, according to Roy A. Sweet, president of the bank.

R. C. Dougan Dies

Richard Clark (Dick) Dougan, 38, vice president of the Iowa State Bank at Hamburg, died of an apparent heart attack at his home early in the morning, March 20.

Survivors include his brother, Don C. Dougan, who is president of the bank.

1,500 Attend Corydon Opening

An estimated crowd of 1,500 persons attended the opening of the new Citizens State Bank in Corydon last month.

Each person visiting the bank was presented a gift.

Government Bonds

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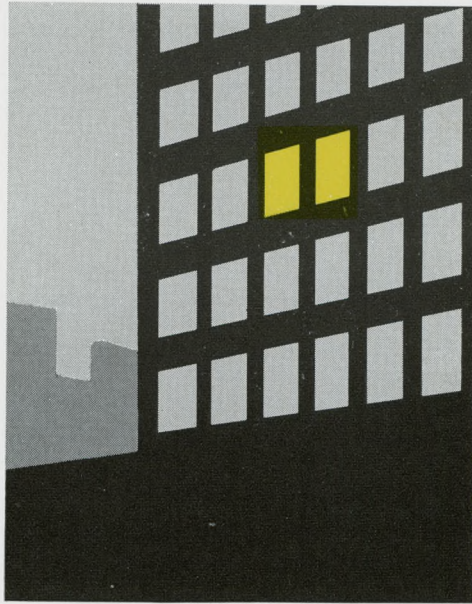
Mount Pleasant

Iowa Falls

Clarion

Denison

We keep bankers hours.



Today it takes hard work to provide the services we want to provide our correspondent banks. And long hours. If that means our men have to put in extra hours, travel extra miles, then that's what they do. Gladly.

Otherwise they wouldn't be around long.

And, neither would you.

If that's the kind of service you want from a correspondent bank, call. Then we'll call on you.

Day or night.

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Central National Bank & Trust Company

LOCUST AT SIXTH AVENUE, DOWNTOWN DES MOINES, PHONE 243-8181 MEMBER F.D.I.C.

Northwestern Banker, April, 1969

Open House at Remodeled Morning Sun Bank



OPEN HOUSE was held recently at the **Iowa St. Bk.**, Morning Sun, following an extensive project to remodel the exterior and interior of the bank. Exterior of the bank (left) features a maroon-colored facing with recessed glass doors and aluminum canopy. The inside of the bank (right) has been carpeted, with furnishings of black leather chairs and artificial green plants.



Interior walls are beige, complemented by cherry wood paneling in some of the rooms.

M. H. McDonald, pres., celebrated his 50th anniversary in banking along with the open house. Over 700 area residents attended the celebration.

Banker Named to State Post

KENNETH J. BENDA, Iowa state senator and president of the Hartwick State Bank, Hartwick, has been appointed to a six-year term on the Iowa Commerce Commission, effective July 1.

Mr. Benda, who will receive \$13,000 a year on the Commerce Commission, has served in the Iowa Senate since 1962 and was active in rewriting the state banking laws passed this session. He is a graduate of Iowa State University, Ames.



K. J. BENDA

Mr. Benda began his banking career in 1945 and since then has been an officer and an owner of the Hartwick State Bank and the Benda and Olson Insurance Agency. He has been chief executive officer at the Hartwick bank since 1954.

During his career in the Iowa Legislature, Mr. Benda has served on the Ways and Means, Commerce, Appropriations, Conservation and Schools Committees. He is presently completing two years as chairman of the Bank Recodification Sub-Committee of the Iowa Legislative Research Committee. He served as vice chairman of this committee from 1965-1966.

Mr. Benda is an active member of the Iowa Bankers Association, having served as chairman of several IBA committees along with taking part in three IBA conventions. He served as chairman of the Iowa Bankers Association State Legislative Committee, and was a member of the IBA National Legislative Banking Committee. He is currently a member of the Independent Bankers Association Fiscal Policy Committee and has formerly served as chairman of the Resolutions Committee of the Independent Bankers Association National Convention.

The Benda's plan to continue to reside in Hartwick, with Mr. Benda continuing to serve as president of the Hartwick State Bank in a limited capacity.

PROS AND CONS . . .

(Continued from page 46)

shares of stock from the older generation. Shares likely are to be in small enough denominations so that savings, even though small, can be invested immediately. And the proportion of total ownership is readily determined.

The advantage of incorporation is particularly significant when it comes to the gradual transfer of ownership in real estate, whether by gift or sale.

Disadvantages of Incorporation

So much for the advantages. Now what are the disadvantages?

Some of the objections to incorporation which are raised include:

1. Initial costs of becoming incorporated.
2. More complicated bookkeeping and the need for regular meetings.
3. Locking in of minority stockholders.

4. Problems in terminating a corporation.

1. Initial cost of becoming incorporated. The cost of incorporating depends largely on the amount of the authorized stock. To illustrate: For a business with authorized stock in the amount of \$250,000, filing and recording fees would amount to about \$130. Attorney fees would be in addition. These could amount to \$250 or more. Thus, total costs of incorporation, including attorney fees and the stamp tax on the transfer of real estate (assumed to be worth \$150,000), might amount to something like \$550.

The occupation tax on corporations is an annual fee based on paid-up stock and would amount to \$105 on paid-up stock of \$150,000; \$165 on \$250,000, etc.

While these amounts sound fairly large, they might not be large for the kind of business which seriously considers incorporation.

2. More rigid record requirements.

Farmers and ranchers are used to operating informally. Requirements that shareholders hold annual meetings and that directors hold regular meetings tends to discourage thoughts of incorporating. In most well-managed family farm businesses, however, the would-be shareholders probably get together to discuss the operation of the business as often as would be required of a corporation. The principal difference would be that minutes would have to be kept of such meetings if they were organized as a corporation. Actually, this might not be a bad idea anyway in that it

PROS AND CONS . . .

Turn to page 110, please)

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Northwestern Banker, April, 1969



PRESIDING at the State Banking Conference was **C. W. Dunn**, pres., Federation of County Bankers Assns., and pres., Security Sav. Bk., Eagle Grove, shown at left with **Paul M. Bartholomew**, v.p., Essex County Bk., & Tr. Co., Lynn, Mass., a key speaker. **RIGHT**—New officers of Federation are, from left: vice president, **James R. Tank**, exec. v.p., Central Tr. & Sav. Bk., Eldridge, and president, **Winfield G. Mayne**, cash., Montgomery Co. Natl. Bk., Red Oak. New secretary **Bruce Gibson**, v.p., & tr. off., Guaranty Bank & Tr., Cedar Rapids, was unable to attend.

Bank Protection—Truth Bill Draw 600 Iowa Bankers

By **MALCOLM FREELAND**
Publisher

CONCERN over the Federal Truth In Lending Law and the Bank Protection Act of 1968 brought a record crowd of over 600 Iowa bankers to Des Moines early this month for the 48th Annual State Banking Conference and the 29th Annual Iowa Junior Bankers meeting.

Howard C. Thedens, assistant supervising examiner of the Federal Deposit Insurance Corporation, Kansas City, described the formal regulations under the Bank Protection Act as outlined by the FDIC. Following his formal presentation, a panel on bank security answered current questions from delegates. The panel consisted

of John R. Burt, regional administrator of National Banks, Kansas City; Harris C. Buell, Jr., chief examiner, Federal Reserve Bank, Kansas City; John Chrystal, superintendent of banking for Iowa; William F. Owens, deputy manager, director, insurance and protective committee of the ABA, New York, and Mr. Thedens. Perhaps one of the most pertinent questions was whether or not the new protection equipment would lower bond rates. Delegates were told that experience would decide this, and that there would be no change for at least two years.

A practical approach to the Bank

Protection Act was presented by F. Addison Jones, chairman of the IBA Bank Security Committee, and executive vice president and cashier of the Grinnell State Bank. Mr. Jones warned bankers that new protective equipment will do no good if sound procedures are not followed. He suggested that a communications line from the bank to an outside source should be one of the first considerations. Passing along suggestions from his committee, he told bankers to protect their most vulnerable spots first. A more detailed account of his presentation will appear in the May issue of the NORTHWESTERN BANKER magazine.

Truth In Lending

Moving to the subject of Truth In Lending, Paul M. Bartholomew, vice president of the Essex County Bank and Trust Company, Lynn, Massachusetts, gave Iowa bankers an idea of what to expect under Truth In Lending after it becomes effective July 1, by describing the impact of the Massachusetts Truth In Lending Bill, which has been operative in his state for over two years.

Mr. Bartholomew said that initially consumers were surprised at the interest percentage figures—but when it was explained in terms of dollars it was understood. Actually, most consumers were apathetic, according to the Massachusetts banker. In fact, banking interests found that consumers were mainly interested in ease and convenience of obtaining a loan, rather than rate disclosure. An anticipated drop in credit volume did not materialize. False and misleading



NEW OFFICERS of Iowa Junior Bankers Association are, from left: secretary, **Eric Hender**, a.e., The Merchants Natl. Bk., Cedar Rapids; vice president, **C. J. Howard**, a.e., Humboldt Tr. & Sav., and president, **Robert K. Okerstrom**, a.e., First Natl. Bk., Mason City.

Northwestern Banker, April, 1969

BANKING CONFERENCE . . .

(Turn to page 108, please)

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Northwestern Banker, April, 1969



Sioux City, Iowa, Sunday Journal

PAUL SNYDER, v. p., Sec. Natl. Bk., Sioux City, looks on as Mrs. Henry Heede, organist at the 1st Presbyterian Church, Sioux City, plays a tune on the Warren Paul Snyder memorial harpsichord which Mr. Snyder constructed and presented to the church in memory of his late son.

Sioux City Banker Builds Harpsichord as Memorial

PAUL SNYDER, a vice president in one of northwestern Iowa's larger banks, recently presented his community with a unique gift—a new harpsichord—as a memorial to his late son, Warren Paul Snyder, who was killed in a highway accident in 1966.

Mr. Snyder, vice president in charge of advertising and public relations at the Security National Bank, Sioux City, combined his two hobbies of music and woodworking in construction of the harpsichord, which was presented as a memorial to the First Presbyterian Church in Sioux City.

BANKING CONFERENCE . . .

(Continued from page 106)

advertising, along with references to rates almost disappeared. The law virtually eliminated balloon notes and deferred payment plans.

Formal presentations outlining the details on the Federal Truth In Lending regulations were conducted by Edward A. Heath, vice president of the Federal Reserve Bank of Chicago,

and Harvey Stephens, attorney in the firm of Brown, Hay & Stephens, Springfield, Illinois. Highly knowledgeable on the subject, both men have been cooperative in explaining the regulations and pointing out pitfalls to bankers throughout the 7th Federal Reserve System. Special emphasis was placed on the fact that the new act is not a usury statute but that its sole purpose is to disclose to the consumer the cost of credit. The regula-

tions will cover any credit transactions involving personal, family, household or agricultural purposes. They will also cover all real estate loans. Special note was made that the Act covers all non-business loans—not just installment loans.

New officers

New officers elected to head the Federation of County Bankers Associations are: president, Winfield G. Mayne, cashier, Montgomery County National Bank, Red Oak; vice president, James R. Tank, executive vice president, Central Trust & Savings Bank, Eldridge, and secretary, Bruce Gibson, vice president and trust officer, Guaranty Bank and Trust Company, Cedar Rapids.

New officers of the Iowa Junior Bankers Association are: president, Robert K. Okerstrom, assistant cashier, First National Bank, Mason City; vice president, C. J. Howard, assistant cashier, Humboldt Trust & Savings Bank, and secretary, Eric M. Hender, assistant vice president, The Merchants National Bank, Cedar Rapids. —End.

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MEMBER FDIC

Break Ground for Keokuk Bank



SHOWN breaking the first shovelful of dirt to symbolize start of construction for the new drive-in facilities of the St. Central Sav. Bk., Keokuk, are **W. A. Logan**, pres. (right), and **William Logan**, exec. v. p. (left).

GROUND breaking ceremonies were held last month for the new drive-in facility of the State Central Savings Bank in Keokuk. The drive-in is expected to be completed by late May, 1969.

The new structure will be of contemporary design, featuring repeating arches and an elliptical roof. Unusual landscaping around the structure will include a fountain with a gas flame in the center.

State Central Savings Bank will be the first bank in Iowa to install puevista windows, which retain personal contact with the teller and provide the convenience of banking by automobile. Free-standing concrete pedestals will cover each of the stations.

Other unique equipment features of the new bank are a Compact 6 Vault and a night depository with side-by-side arrangements for deposit of bags and envelopes from automobile.

According to W. A. Logan, president, "This additional customer service area should relieve much of the congestion which occurs on occasion in the present bank lobby, will add to

the newest section of the city and will assist in keeping commercial activity centralized."

Receives Bond Bid

The La Salle National Bank of Chicago was the successful bidder for \$1 million in school building bonds of the Ames Community School District, Story County Iowa, which will result in an average net interest cost of 4.60377 per cent to the municipality over the life of the bonds.

The bonds were reoffered at 4 per cent in 1970 to 4.75 per cent in 1988 and are rated "AA" by Moody's.

PROS AND CONS . . .

(Continued from page 104)

would provide a formal record of what was discussed and the decisions reached. If not recorded, the participants may forget parts of what was discussed. The written record could prevent misunderstandings and hard feelings within a family.

Essentially the same thing can be said about the required financial records. The kinds of records required

are no more than a well-managed business should keep anyway.

It is difficult to conceive of the required records as a serious disadvantage. In fact, perhaps, they should be listed as an advantage in that desirable records are required and might not be kept except for the legal requirement.

3. Locking in of minority stockholders. When more than one child is involved, one or more of the children may leave the farm and become established in another occupation a long way from the home farm. As the years go by they tend to lose interest in the farm and may look forward to what they plan to do with their share of the estate which they expect to inherit.

When the parents die, they'd like to cash in their share of the estate but because the business was incorporated this may be difficult, if not impossible, to do. The articles of incorporation may prevent selling shares of stock to anyone outside the family. (Even if permitted, the market for such unrecognized stock probably would be quite limited.) To make matters worse, none of the other shareholders may be interested in buying the minority holder's stock. So, unless the articles provide for the protection of such stockholders, minority stockholders may find themselves "stuck" with stock they do not want but can't sell.

Should hard feelings develop among the minority stockholders and the other stockholders, it is possible that the minority stockholder could be discriminated against even more. Majority stockholders could elect to raise salaries of the employees to the point where earnings to stockholders would be very small.

Some provision for the protection of minority stockholders definitely needs to be included in the articles of incorporation.

4. Termination. A corporation can be dissolved by either voluntary or involuntary action. Voluntary termination can be effected by the payment of all taxes due and the filing of articles of dissolution. Involuntary termination may be imposed if the corporation fails to live up to regulations established by state law.

Who should incorporate? This is a question that each firm must answer for itself after weighing the advantages and disadvantages and consultation with its attorney.

Services of a competent attorney are a "must" from the time the idea of incorporating is first conceived until it is either rejected or the process of incorporating is completed.—End.

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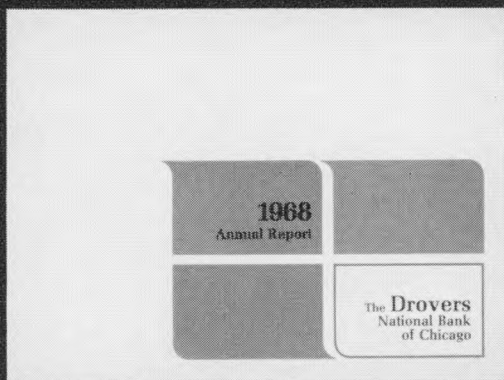
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Marengo Bank Changes Hands

CONTROLLING interest in the Iowa County State Bank, Marengo, has been sold by Rudy Schroeder and interests to a group headed by Earl Nelson, who is president of the Hawkeye State Bank, Iowa City. Mr. Schroeder is a past president of the Iowa Bankers Association.

Mr. Nelson said that Mr. Schroeder would continue to serve the Marengo bank in an advisory capacity and that Ward Hatter would remain in an executive position as vice president.

Kenneth Crow, who has been associated with Hawkeye State Bank at Iowa City as vice president since the bank was organized three years ago,

will move soon to Marengo to become president there. Mr. Nelson is president of Hawkeye State Bank.

Charles R. Dillin has been advanced from assistant cashier to cashier to succeed V. E. James, who has retired. Ethel Gleason continues as assistant cashier.

Elgin Morris, assistant cashier of the Clear Lake Bank & Trust Co., has been named vice-president of the Iowa County Savings Bank at Marengo. He will assume the post May 1.

The purchasing group also owns controlling interest of the Community State Bank, Clear Lake, and the Kalona Savings Bank, Kalona.

ROUNDUP . . .

(Continued from page 96)

As the script unfolded, "Bull's" inadequacy as a record-keeper became more obvious and with increasing frequency he would make audible side remarks

about "Ole Tuffern'ell's" character and business traits that brought much laughter from the entire crowd.

Each section of the records needed was displayed by a view-graph on a large screen so it could be followed

easily by the crowd. By means of this interesting presentation, Dr. Epp and Mr. Greer drove home their ultimate point that today's professional farmer-feeder isn't going to be a complete businessman and make the profit he should until he begins keeping the records he needs and governs his activities accordingly.

This script was so true-to-life that every member of the audience felt closely identified with it throughout. Because of the importance of the message, Mr. Greer agreed to provide the script to the NORTHWESTERN BANKER so major portions of it can be presented in a later issue to all our readers.

The afternoon program was devoted to "The New Emphasis on Cutability in Livestock Selection, and How It's Affecting Our Industry." This was handled most capably by Dr. Robert A. Long, director of research and development for Ankony Angus at Rhinebeck, N. Y. His long list of credentials as an expert in performance testing, carcass evaluation and judging live beef was amply verified by the demonstrations he gave with color slide films, charts and several exhibits of live critters.

He put great stress on the importance of being able to select cattle that will produce muscled beef. With live examples he showed how to select feeders that show pre-disposition to muscling (red meat) — rounded on top, muscle knotting at haunches when walking, less weight in key places where only fat and no muscle can grow.

Dr. Long stressed more than once that one inch of fat around beef is not needed to have high quality. He said one average cattle buyer will purchase about 1,000 steers per week, or \$15 million per year, "and he's not going to buy excess fat!"

Dr. Long showed three Angus that weighed in at 1,305, 1,175 and 1,095 pounds respectively. The two lighter weight steers, he pointed out, had much more muscle than the first, although it was visibly heavier. In addition, by referring to the check points he had outlined earlier, it was shown that the lightest head of the three had far more muscle proportionately than the others.

Dr. Long stressed the importance when buying replacement cattle of knowing predictability for gain. He said this is based on the cow and bull and their past performance records. He has done much work in these fields and has taught cattle buyers for meat packers in this country, Argentina and Brazil how to evaluate live cattle for traits that will indicate this predictability.



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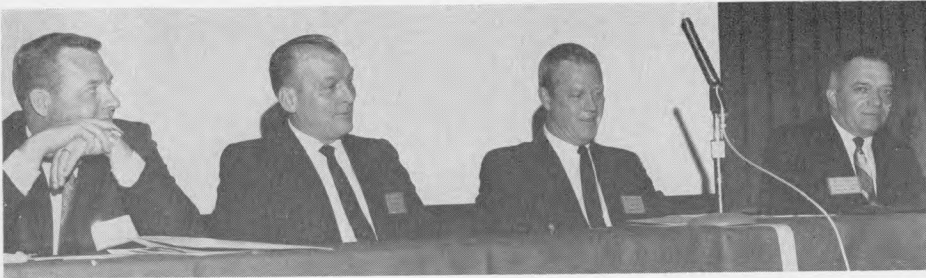
NEW OFFICERS elected recently by the Iowa Investment Bankers Association are (left to right): **Alan Braga**, a.v.p., Iowa-Des Moines National Bank, secy-treas.; **Robert Kirke**, v.p., Shaw-McDermott, pres.; **John D. Hunt**, a.v.p., Iowa-Des Moines National Bank, second v.p., and **Stacey Henderson**, pres., T. C. Henderson & Co., Inc., first v.p. All four men are from Des Moines.

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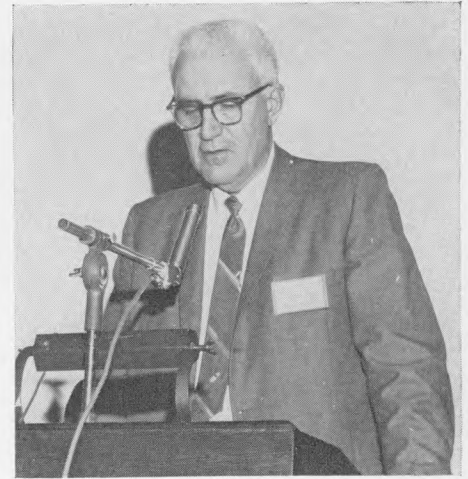
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BANKER PANELISTS were, left to right: **W. D. "Bud" Willer**, a.v.p., Decorah State Bank; **Earl Henderson**, v.p., Union T & S, Fort Dodge; **F. James Boyd**, a.v.p., 1st State, Audubon, and **William J. Carter**, a.v.p., Natl. B & T, Chariton.



DR. HERBERT HOWELL

Review Iowa Farm Potential

BANKERS attending the annual Agricultural Credit Conference sponsored by Iowa State University at Ames in conjunction with the Iowa Bankers Association, were told that more cattle will be fed in Iowa 10 years from now than today—and this will still be associated with family farming, but on a much larger scale.

The speaker was Everett G. Stoneberg, economist with the ISU department of economics—extension service. In his talk, "Iowa's Cattle Feeding Potential," Mr. Stoneberg gave a comparison of feeding by states, which shows Iowa still is the No. 1 cattle feeding state. Its fed cattle marketings for 1968, he reported, were 4,350,000. Nebraska was second with 3,535,000 head.

Later in his talk, Mr. Stoneberg said Nebraska may become the largest feeder state, but feed will be the major obstacle. He listed California in third place for 1968 fed cattle marketings, with 2,068,000 head. Texas was fourth with 1,970,000, Illinois fifth with 1,278,000 and Minnesota sixth with 905,000.

In his concluding remarks, Mr. Stoneberg listed these things to be done to improve Iowa's feeding business:

1. Use best technology to produce beef at the least cost.
2. Watch long-term capital investments. (Rule of thumb—if it won't pay for itself in eight-eight years, it generally is not worth it.)
3. Make full use of high concentrate rations.
4. Consider faster turnover in the feedlot.
5. Improve buying and selling skill.
6. Buy cattle for gaining ability and profit potential.
7. Adjust feedlot size to best competitive situation. (In Iowa, this is probably 200 to 500 head, with some up to 1,000 head capacity.)
8. Organize cattle feeding as a business.

In his talk on "Iowa Farm Business Trends," Herbert B. Howell, ISU economist, reviewed a number of very in-

teresting and valuable charts. Most of these are available in several booklets distributed in a folder to all registrants at the Ag Conference. These review such important subjects as income per hour for various kinds of livestock raised and fed on Iowa farms, hourly returns for major Iowa crops, expenses per acre by size of farm, production per man by size of farm, and net income per farm.

In his final remarks, Dr. Howell said he sees hogs selling under \$16 before the end of 1969—and he hopes he's wrong!

James W. Christian, another ISU economist, made introductory remarks about "Inflation and Interest Rates," then conducted a question and answer period.

"Iowa's Economic Condition" was reviewed by Arnold Paulson, professor of economics at the university. One facet of the state's employment picture he discussed was vocational training, with emphasis on what form it should take and for whom.

The banker panel (pictured above) addressed itself to the topic, "1969 Agricultural Financing Problems and Potentials."

The morning program of the second day was devoted to "Corporate Structure Potentials in Farming," "Farm Policies for the 70's," and workshop sessions.—**End.**

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Johnny: "Personally, I don't think you can do it."

High Tax Bracket

A little boy decided he wanted \$100, so he also decided to pray for it. Unsuccessful, he wrote to God. The post office forwarded the letter to the White House and the President ordered that \$5 be sent to the boy. Delighted that his prayers had been at least partially answered, the lad wrote a thank you note to God, adding, "I notice that you routed my letter through Washington, and as usual they deducted 95 per cent."

The Learned Man

A prominent English educator, Sidney Herbert Wood, defined three tests to qualify an educated man: Can you entertain a new idea? Can you entertain another person? Can you entertain yourself?

Historic Standing

A young man confided to his friends that he was not doing well in his studies. He was especially worried because semester exams were impending. When he saw his friends the next week, they asked him how he had done.

"I did," he answered blithely, "what George Washington did."

"What do you mean?"

"I went down in history."

No Ifs, Ands, or Buts

Back in 1934, the Cunard Line built a plush ocean liner and the management decided to name it the "Queen Elizabeth." To get the royal family's official blessing, a Cunard official caller on King George V and said, "We would like to name a ship after England's greatest queen."

"Well," said King George, "I shall have to ask her."

And when his wife gave her consent, the ship was promptly christened the "Queen Mary."

Better Sense

A man who laughs at his boss' jokes may not necessarily have a sense of humour, but he certainly has a sense of direction.

Plenty of Notice

Church Bulletin: There will be a church picnic Thursday afternoon. If it rains in the afternoon, the picnic will be held in the morning.

More Than She Thinks He Knows

A woman who wanted to show off her son's scientific knowledge to members of her bridge club called the youngster in and asked: "Bobby, what does it mean when steam comes out of the spout of the kettle?"

"It means," said Bobby, "that you are going to open one of Daddy's letters."

Synonyms

After several synonyms had been given for the word "jubilant" in the sixth-grade spelling class, one little boy exclaimed: "Oh, I know what you mean now—it's like jubilant delinquency!"

Drawing a Blank

The third-grade pupils were asked to draw pictures of what they wanted to be when they grew up. One little boy turned in a picture of himself driving a fire engine. Another pictured himself as an airplane pilot. But one little girl turned in a blank piece of paper. When the teacher asked why, she explained, "I want to be married, but I don't know how to draw it."

Losing Battle

An exasperated salesman abandoned his car in a no parking zone, and left this note: "I've circled this block 20 times. I have an appointment and must keep it or lose my job. Forgive us our trespasses."

Upon returning, he found this note: "I've circled this block 20 years. If I don't give you a ticket, I'll lose my job. Lead us not into temptation."

Lady Tourist

A lady tourist posed for a snapshot in front of the ruins of the Parthenon. "Don't get the car in the picture," she warned, "or my husband will think I ran into the place."

Never Enough

The amount of sleep required by the average person is about half an hour more.

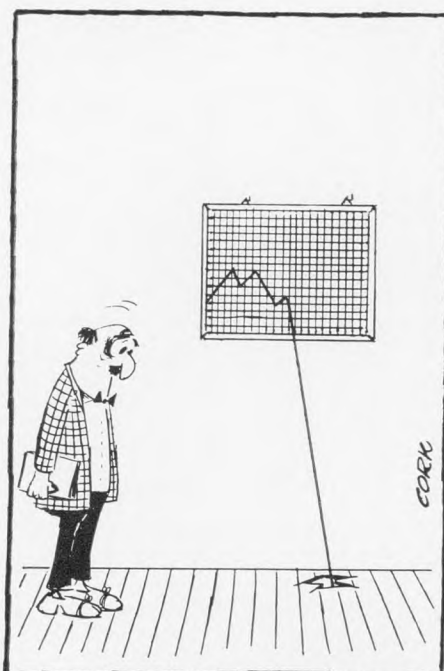
Instant Thanks

During the holiday sales rush, the president of a large furniture company was awakened at 3 a. m. by the ringing of his telephone.

"Good morning," said a sweet young voice. "This is Mary O'Leary. You don't know me, but I bought a coffee table at your store two weeks ago, and I just want to tell you how much I like the table."

The president was annoyed but tried to hide his feelings. "I'm glad you like it, miss," he replied, "but why did you have to call me in the middle of the night?"

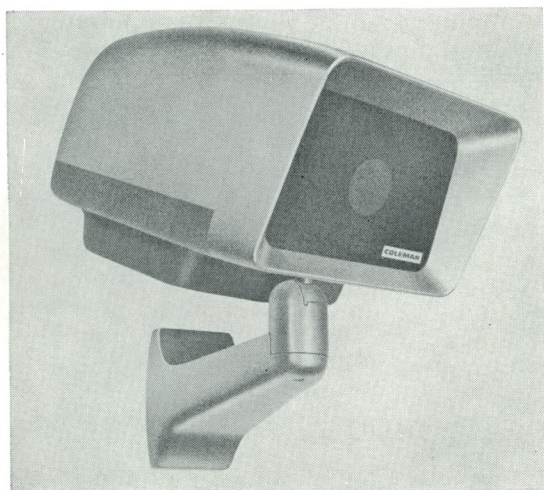
"Because," she answered, "your truck just delivered it."



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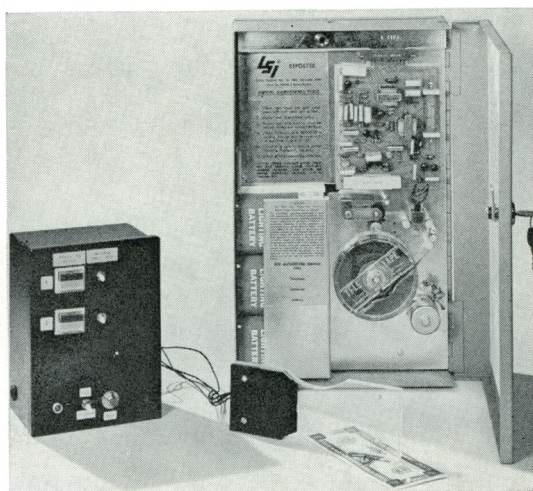
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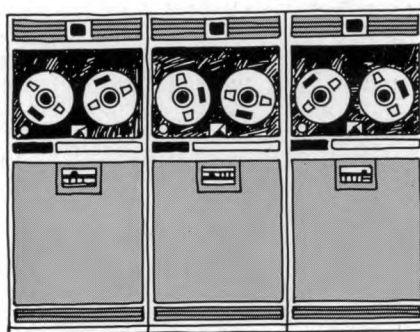
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