

NORTHWESTERN Banker

APRIL
1971



R. J. PEROUTKA



J. L. MILLER



J. J. LARKIN



C. R. FAIRS

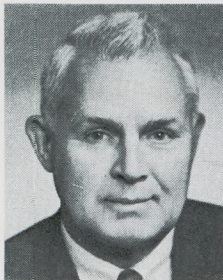


A. D. JOHNSON

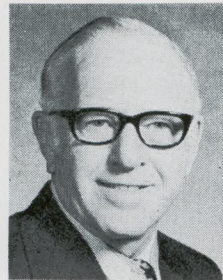


W. WHITNEY

Annual Outlook For Bonds And Investments — Pages 31-44



T. L. RAY



R. J. WISSLER



R. C. BELLINGER



D. G. WACHHOLZ



F. K. SPINNER

74th ANNUAL CONVENTION
NEBRASKA BANKERS ASSOCIATION

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BANK
MARKETING
REGIONAL

—Page 20

BAI REGIONAL
IN DETROIT

—Page 26

SPECIAL INTRODUCTORY OFFER!

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Here's all you do: contact MNB's correspondent bank department and say you're interested in this new, exciting service. One of our correspondent officers will arrange to get your bond portfolio information and feed it into our computers. You will then be provided with a monthly, or quarterly, statement containing a complete, updated analysis on maturity dates, yields, coupon expirations, and other decision making data. Try MNB's new Bond Portfolio Accounting Service for 90 days. If at the end of that time you aren't completely satisfied, you can cancel the agreement and go back to the time consuming, burdensome task of doing it yourself.



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8 8

Bond Portfolio.

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who wrote the book.



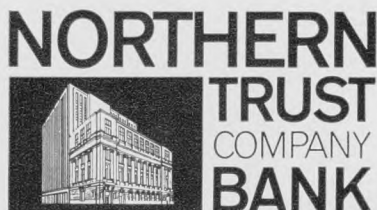
Your bank's bond portfolio, given the proper care and attention, can provide a significant portion of your bank's profits.

The Northern Trust's newly developed Bond Portfolio Analysis Service for evaluating *all* bonds in your portfolio can help you produce maximum net earnings with minimum demands on your organization.

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For further information, contact your Northern Trust banker who will be pleased to discuss this service with you—or call N. Hall Layman, Vice President.

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Well, it isn't done with mirrors. It's all due to astute, quick-thinking investment officers who stay on top of the national and international situation. To a sound philosophy of investment. And to research that provides them with the right information for making the right decisions.

Information we're glad to share with you through six special reports: Economic Trends, Investment Forecast, U. S. Banking Developments, Industry Studies, Special Reports (topical subjects of immediate interest), and Market Ratings on some 250 stocks. Our market ratings are up-dated every week and sent to

every Chemical Correspondent Bank which subscribes to this service; others are distributed as we develop new information or as market requirements dictate.

And if these don't give you enough information to solve a special problem, one of our senior investment officers is available at all times for personal consultation, to discuss general business conditions, particular industries, specific companies and the stock market outlook.

So if you'd like to share Chemical's investing research and experience, just call Mr. Robert Jennings at (212) 770-1607. You may also want to ask him or your Chemical Bank Representative for a copy of our new booklet, "Trust Investment Advisory Service," which describes all these services in fuller detail. Or write to Chemical Bank, National Division, Dept. TIAS, 20 Pine Street, New York, N.Y. 10015.

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77th Year No. 1283

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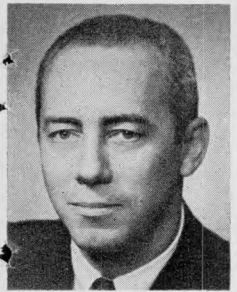
NORTHWESTERN BANKER

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Associate Editor Dexter Sidney	Associate Editor Richard R. Stumbo	
Advertising Assistant Mildred Savich	Circulation Department Lena Sutphin	Auditor Bertha Soderquist
Field Representative Al Kerbel	Field Representative Paul Masters	Field Representative Glen Hicks

Named Foundation Trustee

Donald E. Lasater, chairman of the board and chief executive officer, Mercantile Trust Company, N.A., St. Louis, Mo., was elected to a three-year term as trustee-at-large for the Foundation for Full Service Banks at the Foundation's membership meeting.



D. E. LASATER

The Foundation for Full Service Banks conducts a \$3 million national advertising and promotion program to educate the public about the advantages of Full Service Banking. Currently, more than 6,200 banks, representing 72 per cent of deposits in the United States, are Foundation members.

"Miss Drive-In Teller"

Mrs. Sandra Gainer, 22-year-old teller representing the Fort Thomas-Bellevue Bank, Fort Thomas, Ky., has been voted "Miss Drive-In Teller of 1971."



SANDRA GAINER

She becomes the 13th winner in this Mosler-conducted contest, after vieing with two other finalists, Miss Pamela K. Pattinson of Farmers and Merchants State Bank, South Hutchinson, Kan., and Miss Trudi J. Staurt of the Southeast National Bank of Pennsylvania, Chester, Pa.

Mrs. Gainer's rewards as Miss Drive-In Teller of 1971 include a complete wardrobe and a fabulous seven-day tour for two in mysterious Puerto Rico.

"Gai" Gainer will be traveling extensively representing Mosler at bank openings throughout the United States.

The three finalists were selected from more than 500 entries of tellers who work in banks throughout the country. These three were guests of Mosler in Miama Beach, Fla., during the American Bankers Association Convention, held October 10 through 14, 1970

Ballots were mailed to presidents of all banks across the United States following the convention, to vote for their preference of the three attractive finalists for the title of "Miss Drive-In Teller of 1971."

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Bank Promotion and Changes

PROMOTIONS and announcements have been made by the following banks and groups:

Bank of America, San Francisco: Jackson Little, a native of Des Moines and a veteran of two decades of varied advertising experience, has been named director of advertising. He succeeds Charles R. Stuart, Jr., who recently was advanced to vice president-director of marketing services. Mr. Little has served as the bank's advertising manager since joining the bank six years ago.

He was graduated cum laude in 1940 from Culver Military Academy in Culver, Ind., then attended Stanford University. He began his advertising career in 1951 and worked as a copywriter for a number of years at McCann-Erickson Advertising Agency in San Francisco before joining the B of A. At the agency he devoted much of his time to supervising the bank's multi-language "Man on the Spot" campaign.

In another appointment, B of A announced that Andre Boysen will be vice president and manager of the Bank of America International of Chicago office opening in that city in April. It is a wholly-owned subsidiary of B of A.

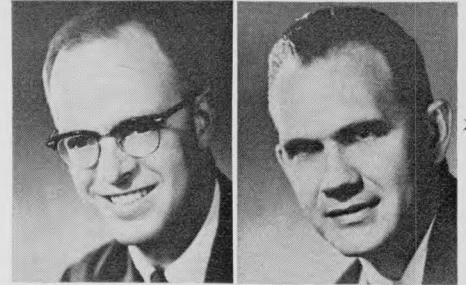
Chase Manhattan Bank, New York: John M. Emptage, Dennis C. Longwell and Joseph J. McCulla have been elected vice presidents. Mr. Emptage deals with corporate customers and major correspondent banks in New Jersey. Mr. Longwell is on the bank's corporate staff department. Mr. McCulla serves petroleum companies in the western part of the United States.

First National Bank of Chicago: Election of Donald J. Yellon as vice president and general counsel, effective July 1, was announced by Chairman Gaylord Freeman following a March meeting of the board of directors. Christopher W. Wilson, executive vice president and head of the bank's executive department, said Mr. Yellon will take up his new duties



D. J. YELLON

as head of the department's law division after completing his work as a partner in the Chicago law firm of D'Ancona, Pflaum, Wyatt & Riskind, with which he has been associated since 1948. Mr. Wilson will continue to serve as general counsel of the bank until July 1.



P. C. MORTON

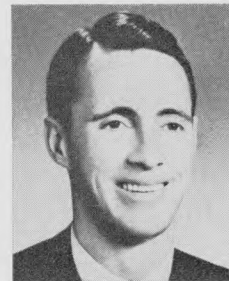
M. E. ROTTMANN

Mr. Freeman also announced several other promotions as follows:

Peter C. Morton and Maurice E. Rottman to vice presidents, trust department.

Named assistant vice presidents were:

James A. Edwards, in Loan Division F, serving banks and bankers; Richard M. C'Connor, administrative department; Richard L. Kolehmainen, Loan Division A; Peter W. King, Loan Division L; Robert V. Herbert and Harold A. Lambert, trust department; Ronald H. Bohnsak, personal banking department; Heinz-Jurgen Engelbert and Walter W. H. Huslage, international banking section.



J. A. EDWARDS

First National Bank, Kansas City: M. Leon Hall has been elected senior vice president of First National Charter Corporation, according to Gordon E. Wells, president of the corporation. He said Mr. Hall will continue to devote the majority of his time to his position as president of Webster Groves Trust Company, the fourth affiliate of First Charter Group.

Ford R. Nelson, executive vice president in charge of the First National Bank's trust division, retired March 1, after 25 years of service with the bank. He had headed the trust division, which ranks among the top 100 in the nation, since January, 1967. His responsibilities have been assumed by Robert J. Wharton as senior vice president in charge of the trust division, and William L. Atwood as senior vice president in charge of the investment division.

Roland F. Neaves was promoted from assistant vice president to vice president in the commercial division. Mrs. Dorothy B. Norby was named an assistant trust officer. John M. Ericsson, who recently completed a 19-month active tour of duty with the Army Signal Corps, has been reapp-

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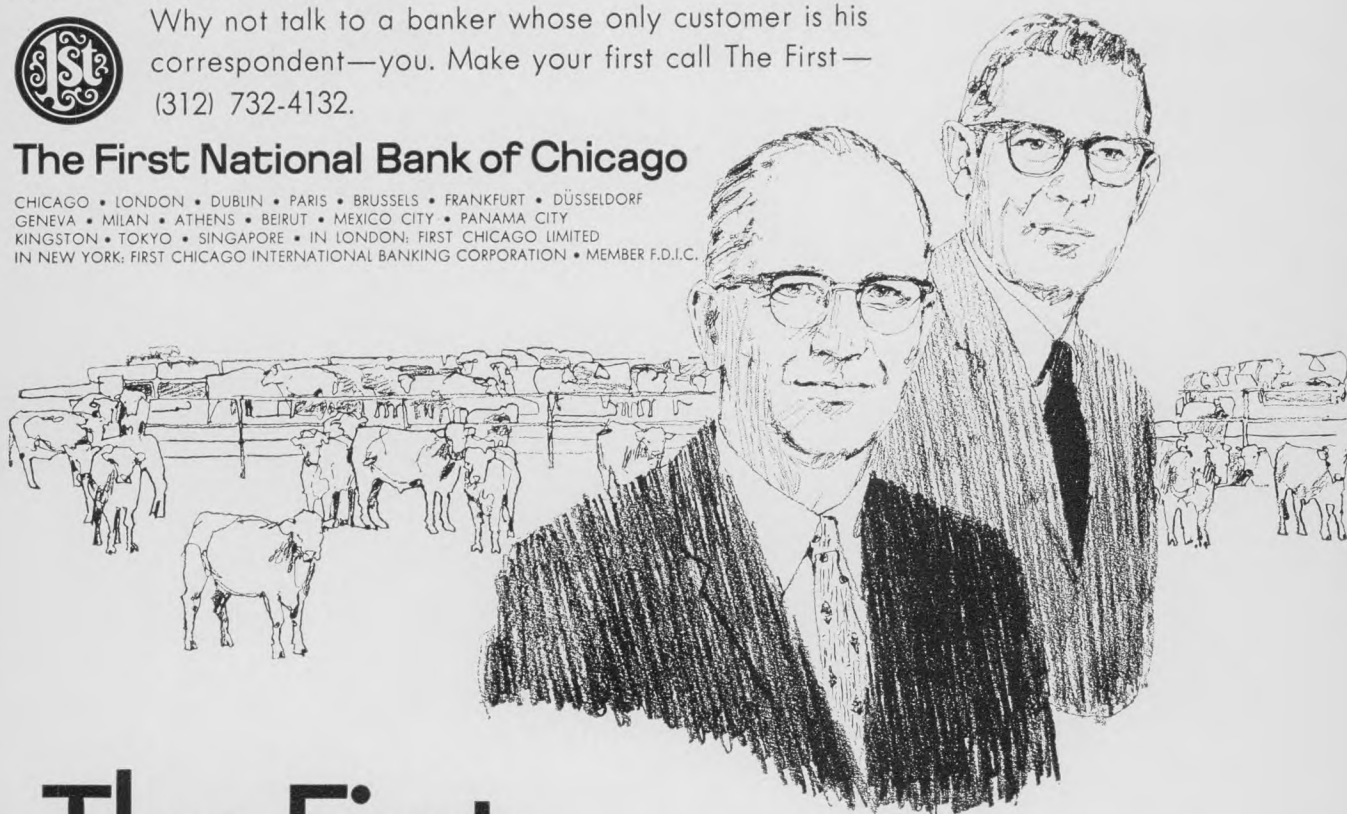
Yet helping you help your customers with agricultural loans is just one of the many ways our correspondent bankers give you expert service. We also can help you solve problems involving commercial loans, international banking, cash flow, internal operations, and many more.



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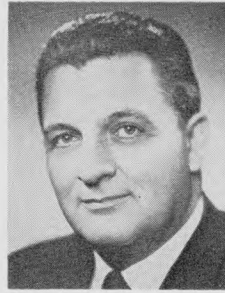
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Federal Reserve Bank of St. Louis

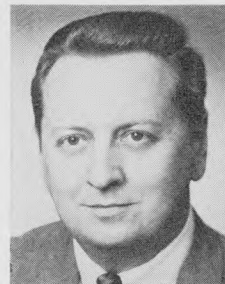
pointed an assistant cashier and assigned to the international department.

First National Bank in St. Louis:



H. L. SMITH

Four vice presidents were advanced to senior vice presidents by the directors at the annual meeting. They are Walter R. Klostermeier, head of the personnel department; Harry L. Smith, head of the correspondent banking department; Frank K. Spinner, senior investment officer and head of the bond department, and Robert E. Whalen, controller of the bank and controller of First Union, Inc.



F. K. SPINNER

First National City Bank, New York: Peter J. Barber has been elected a vice president. He is a member of the management team responsible for stock transfer operations in the bank's operating group.

Harris Trust and Savings Bank, Chicago: Shareholders approved a 25 per cent capital dividend at their annual meeting on March 10. Kenneth V. Zwiener, presiding at his last meeting as chairman of the board, also announced the election of three new directors, raising the total of directors from 20 to 21. New directors are Daniel C. Searle, president of G. D. Searle & Company; Huntington Harris, trustee of the estate of Norman W. Harris, and Chalkley J. Hambleton, the new president of the bank. John G. Searle, chairman of the G. D. Searle firm, and George S. Allen, who retired as executive vice president of the bank in 1969 after a career of 48 years, retired from the board.

Mr. Zwiener will remain as a director of the bank. He introduced the new top management team to the board. Their appointments had been announced earlier in the year. William F. Murray, president since 1968, is now chairman and chief executive officer. Stanley G. Harris, Jr., formerly senior vice president, is new vice president of the board. Mr. Hambleton, now president, had been senior vice president and secretary.

Two new executive vice presidents of the bank were also elected. Theodore H. Roberts was named executive vice president, general administration,



K. V. ZWIENER



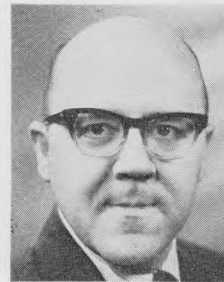
W. F. MURRAY



S. G. HARRIS, JR.



C. J. HAMBLETON



T. H. ROBERTS



C. M. BLISS

and Charles M. Bliss becomes executive vice president and head of the banking department.

Mr. Roberts joined the bank in 1953 and after a period of training was a member of the financial and economic research department from 1954 to 1966. He is at present in charge of general administration with the responsibility for the comptroller's and operations departments. He was made senior vice president and comptroller in 1968.

Mr. Bliss joined the bank in 1944 and has also been a senior vice president since 1968.

Manufacturers Hanover Trust, New York: The advancement of Donald W. Baker and Lawrence H. Bober as senior vice presidents in the bank's metropolitan division was announced last month.

Michigan Avenue Financial Group, Inc., Chicago: Richard L. Curtis, president, announced last month the election of Maurice Norman and Robert Irsay to the board of directors. Mr. Norman, a well-known registered phar-



A New Give-Away Check Conversion Program

Existing accounts who use free Line (or give-away) Checks are regarded by most banks as a necessary evil. They would like to reduce the number of such customers in order that the bank be relieved of the check expense, but there is generally little opportunity to personally convert these people to fully Personalized Checks because most reorders are mailed to the bank.

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With the cooperation of hundreds of banks, we have developed this new "Short Stop" program, and it has been most successful in obtaining new Personalized

Check users at little additional expense. Briefly, instead of reordering for the customer his same Line Check package, the customer is sent a specially designed complimentary package of fully Personalized Checks. A miniature, four color catalog is included, and a letter explaining the change is either sent direct to the customer or included with the package.

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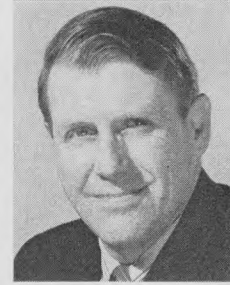
Arthur J. Frenz, Chairman of the Board
Leland C. McCallum, President



307 North Michigan Avenue
Chicago, Illinois 60601

macist and restaurateur, is president of the Pittsfield Building Restaurants and Cart Restaurant. Mr. Irsay is president of the Robert Irsay Company, one of the world's largest sheet metal contractors, located in Skokie.

National Boulevard Bank, Chicago: Charles W. Way joined the real estate



C. M. WAY

department as an assistant vice president, according to Irving Seaman, Jr., chief executive officer. Mr. Way received his B.A. degree from Bowling Green State University and his M.B.A. from Western Reserve University. In addition, he has a Graduate Certificate from the A.I.B. and is a graduate of the National Mortgage School at Ohio State University. He has 16 years of banking experience and most recently was assistant vice president of another Chicago bank.

Security Pacific National Bank, Los Angeles: Promoted to vice president at a recent board meeting were James R. Thomas, trust department; Howard A. Gunkel, manager of the Colton branch, and Robert T. Parry, economic research division.

Two men were named assistant vice presidents in the international banking department—Courtney H. Casebeer III, and Edgar G. Protiva.

Mercantile Trust Company, St. Louis: Donald E. Lasater, board chairman, has announced the election of James H. Martin as vice president, and the promotion of three other officers: Victor E. Kolde and Athan Mertis, assistant vice presidents, and James A. Hayes, banking officer.

Mr. Martin has been with the bank since 1969 and is a member of the banks and bankers department, calling on correspondent banks in southern states. Prior to coming to Mercantile, Mr. Martin was with both the National Stockyards Bank in Illinois and the Federal Reserve Bank in St. Louis.

Mr. Kolde has been with Mercantile since 1927, and since 1932 has been a member of the discount department, of which he is currently in charge.

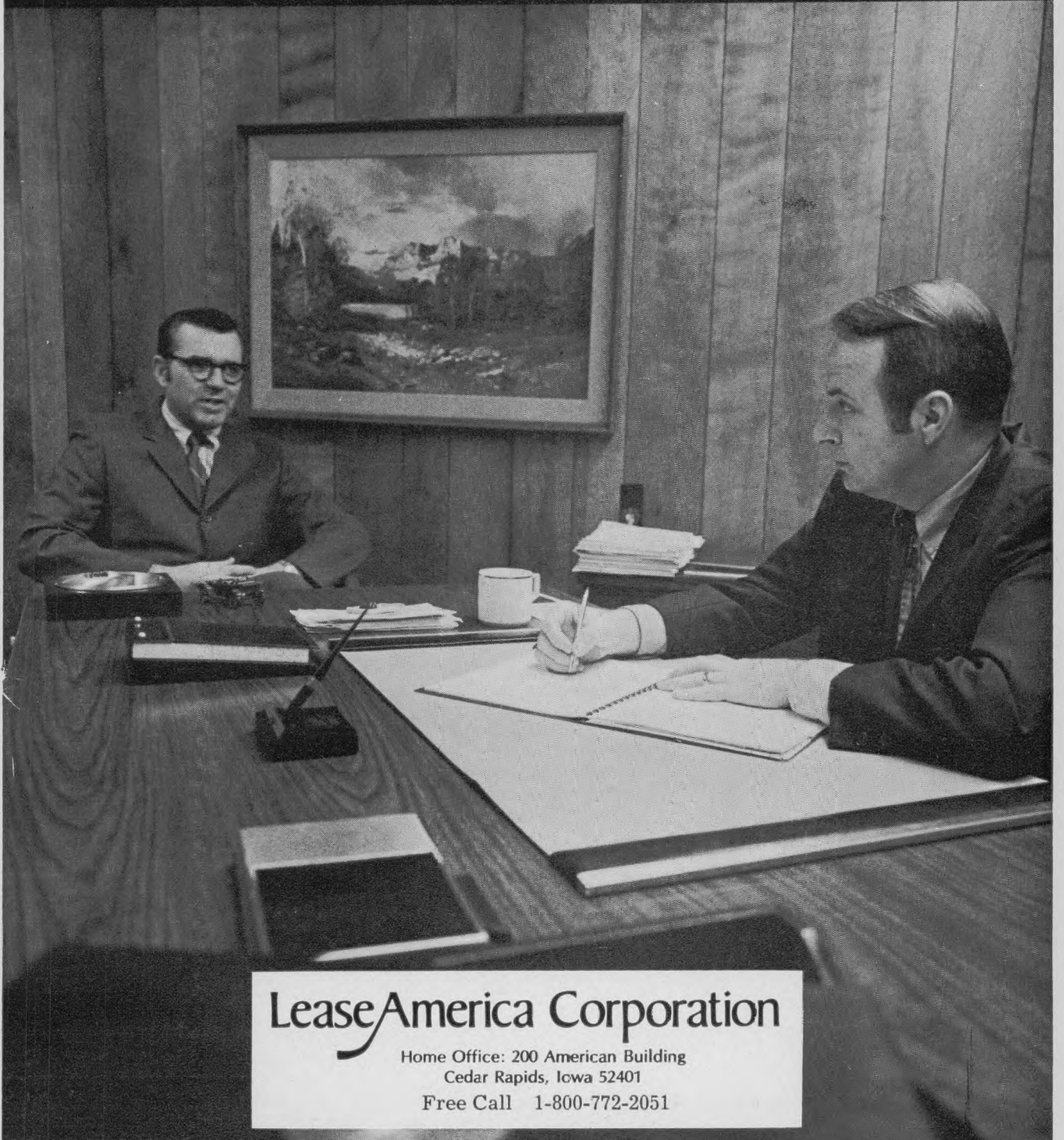
Mr. Mertis, who joined Mercantile as a trainee in 1967, has worked in both the metropolitan department and national accounts, where he is presently serving.

Mr. Hayes, a graduate of Missouri Valley College, Marshall, Mo., started with the bank March 1.

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State Supervisors to Meet in Colorado Springs, April 14-17

SENATOR Thomas J. McIntyre (D-N.H.), Chairman Frank Wille of the Federal Deposit Insurance Corporation and Clifford C. Sommer, president of The American Bankers Association, will be among the featured speakers at the 70th Annual Convention of the Conference of State Bank Supervisors which will convene at The Broadmoor Hotel in Colorado Springs, Colo., April 14-17.

Chairman Wille will be the keynote speaker on Thursday morning. He will be preceded by Donald I. Baker, deputy director or policy planning of the antitrust division of the Department of Justice, who will discuss recent trends in his department's policies concerning mergers, trust department

activities and other areas which vitally concern the banking industry, and CSBS President C. W. Culley, commissioner of finance of Missouri, will review the Conference's most significant accomplishments during the past year.

Friday morning will feature an executive session of the Conference's supervisory members and a bankers' only session presided over by Max G. Brooks, chairman of the board of the Central Bank and Trust Company of Denver, Colo., and vice chairman of the CSBS advisory council. The featured speaker at the bankers' session will be James E. Smith, special assistant to the Secretary of the Treasury for legislative liaison who will discuss "Banking in an Era of Challenge." Mr.

Smith will be followed by a panel of Conference officers and staff members who will review the organization's current activities and goals.

Senator McIntyre will be the featured speaker at the annual banquet on Friday evening. He will address himself to the United States' current involvement in Southeast Asia. After Mr. McIntyre's talk, the association's officers for the coming year will be installed.

The final session on Saturday morning will begin with an address by ABA President Clifford Sommer, who is also president of the Security Bank and Trust Company of Owatonna, Minn. The general session will conclude with a panel discussion of "Dynamic Decentralization" which will feature the Honorable Robert B. Docking, Governor of Kansas; Norbert T. Tiemann, former governor of Nebraska; the Honorable Albert Spradling, State Senator from Missouri; the Honorable Fred O. Dickinson, State Comptroller of Florida, and C. Gale Sellens, president of the Colorado Bankers Association. The convention will conclude with a reception and luncheon on Saturday noon.

Form Holding Company

Donald E. Lasater, chairman of the board, announced that Mercantile Bancorporation Inc., St. Louis, officially became a registered bank holding company. At this time the holding company is comprised of two wholly-owned subsidiary banks, Mercantile Trust Company, N.A., and Mercantile Commerce Trust Company.

Mercantile Bancorporation Inc. is expected to consummate the exchange of stock with shareholders of Southern Missouri Trust Company of Springfield, Mo., in early April. It also has pending a tentative proposed acquisition of Mercantile Bank and Trust Company of Kansas City. The acquisition of this bank is expected to take place in mid-summer of this year.

At year-end Mercantile Trust Company and Mercantile Commerce Trust Company had combined total assets of \$1,351,711,485.

The additions of Southern Missouri and Mercantile of Kansas City will add another \$100,000,000 in assets.

Other than Mr. Lasater, the principal officers of the holding company are Harrison F. Coerver, president; James E. Brown, executive vice president, and J. Richard Skouby, secretary.

Mr. Lasater also announced that the corporation was continuing to explore other bank acquisitions throughout the state in which it feels it can make a valuable contribution to the community in which these banks are located.

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It was recently our pleasure to present the Trustee of the Illinois Bankers Association with a check for \$84,969. This represented the dividend payable under the Illinois Bankers Association Group Life and Accidental Death and Dismemberment Plan for the year ended September 1, 1970.

40
PERCENT?

This dividend reflects a return of 40% of the total premium paid in the past year, reducing each participating bank's ultimate cost of life insurance proportionately. These dividends, of course, are not guaranteed, but are based on the experience of all banks under the Plan.

Financial Insurance Service is Administrator for Employee Benefit Programs for both the Illinois and Oklahoma Bankers Associations.



FINANCIAL INSURANCE SERVICE, INC.

2200 EAST DEVON AVENUE • DES PLAINES, ILLINOIS 60018 • 312/297-4660

SITES NEEDED... FOR A THOUSAND HOMES A DAY

Investors and lenders are making money right now with mobile home 'subdivisions'



• Actually many *more* than a thousand a day. Over 404,000 mobile homes were produced in 1970, which was 46% of ALL new home sales.

Mobile homes are manufactured faster than home sites are being made available. In many areas mobile home developments are proving to be the best—as well as the quickest—way to provide *good* housing most people can afford.

Substantial investments are required; typically \$2,500 to \$3,500 per home site . . . and the developments accommodate 100 to 500 or more homes. Million-dollar projects are common in this field.

Home Work Awaits!

Both meanings. Land developers and financial people stymied by the cost-price squeeze are turning to mobile home developments as 'the' way to stay in *home* work. And there is *homework*, too . . .

There are special techniques to be learned and applied; there are preliminary studies to be made and analyzed. Dependable guidance IS available from the 35-year old Mobile Homes Manufacturers Association. They have designed parks with more than *one million* sites during the past 15 years; they offer you help, via the coupon below. Why not take advantage of it — *today?*

MAKE NO MISTAKE, today's mobile homes are a far cry from the 'trailers' of yesteryear. They offer *more* square feet of living space than many an apartment, *more* closet and storage space . . . are well insulated . . . are sold furnished and equipped — with name-brand major appliances including disposers, dishwashers, laundry equipment and central air-conditioning — all as options.

Many luxurious mobile homes are built to nationally-recognized standards covering construction and plumbing, heat-

ing and electrical installations. Many of the manufacturers have been in business twenty, twenty-five or thirty years; they enjoy well-earned reputations for product quality and good business policies.

Long-term financing is now available on mobile homes under FHA and VA and from Savings & Loan Associations. *Financing of the parks* is eligible under FHA. Facts available to you show profit of 25% and more on equity *after* debt service. If you do not have the facts — *why wait longer?*

(A)
(Free selected literature)

(B)
Site-planning Kit \$7.00

(C)
Book, "Formula for Financing Mobile Home Developments" — N. G. Asbury \$13.00

MOBILE HOMES MANUFACTURERS ASSOCIATION
6650 Northwest Highway, Chicago, Ill. 60631

Dept. NWB-4

- (A)
- (B)
- (C)

Gentlemen:

Please send me the material checked at left; remittance to cover items (B) and/or (C) is enclosed, making it unnecessary to open an account for this one-time transaction.

Name _____

Firm _____

Address _____

City _____ State _____ Zip _____

ACROSS the DESK from the Publisher

Dear Dr. Paul S. Nadler:

*Professor of Business Administration,
Rutgers University,
New Brunswick, New Jersey*

What is the economic background within which banks will have to operate in the present decade?

You have presented an answer to this question, placing emphasis on the following areas:

1. The capital shortage will mean a continuous fight for funds. Banks will have to maintain attractive savings rates, will have to develop new fund raising techniques like the Real Estate Investment Trust, the mortgage banking operation, and the small denomination debenture, and will have to recognize that basic demand deposit growth can no longer be counted on as being enough in any bank.

2. Regulation Q apparently will have no greater a role than as a standby restraint, as the flight of funds from banks into open market securities has shown that interest rate ceilings do not work. Thus the savings and loans will gain more authority to diversify their powers, as a way of keeping them viable in the absence of effective interest rate ceilings on the banks.

3. The response of the commercial bank will have to include greater aggressiveness in all areas of operation, and it will be aided by a more generous Federal Reserve discount policy to provide longer term funds to the banks. But even so much of the bank response will have to be through diversification into new fields.

4. In this diversification, the banks will continue to be hampered by their image problems, unless they can now do something to solve these problems. The attempts to make the prime rate a less significant economic indicator are typical of the answers that can be developed on image. But with the public still feeling that funds are allocated poorly, with the mortgage market recently suffering while funds were available for credit card loans, the banks have a major job ahead of them in proving their commitment to economic growth and social goals, while explaining to the public that a bank is not a "fat cat" with money to place everywhere but rather that it is a conduit—using the

public's money and responsible for its safety.

5. Bankers will also have to convince youth that banking is a good place to work—and that making the pie of economic goods and services is just as challenging and important a task as redistributing the pie once it is made.

6. Finally, bankers will undoubtedly have new services to worry about—such as the possible mutual fund service, and they will have major problems, such as whether bank credit cards should take over other credit cards in the nation, and whether economic growth of the bank's own community is really the goal the people want and consider to be an ultimate good.

Dear K. A. Randall:

*Vice Chairman, United Virginia Bankshares, Inc.
Richmond, Virginia*

During the recent ABA National Marketing Conference in Dallas, you warned bankers to gird themselves for both a political battle and a competitive intrusion by savings and loan associations into such traditional service areas as checking and short-term lending to consumers.

With your permission, we might add one additional service—the writing of insurance—which is an important income factor for hundreds of banks in the NORTHWESTERN BANKER area.

Talman Services Corp., a wholly-owned service corporation of Talman Federal Savings & Loan Association, Chicago, has received a state license to operate an insurance agency in Illinois. Many other savings and loan associations are expected to jump into the insurance business in the near future.

Talman Federal has not yet asked the Federal Home Loan Bank Board for approval. But since Preston Martin, chairman of the FHLBB, has urged savings and loans to establish service corporations and has specifically mentioned their entry into the insurance business, Talman Federal is not expected to have any trouble getting approval.

Talman Federal and the industry may get some static from the insurance industry which may view this as unwanted competition.

If there were some kind of cut-and-dried formula to help a bank assess its performance,

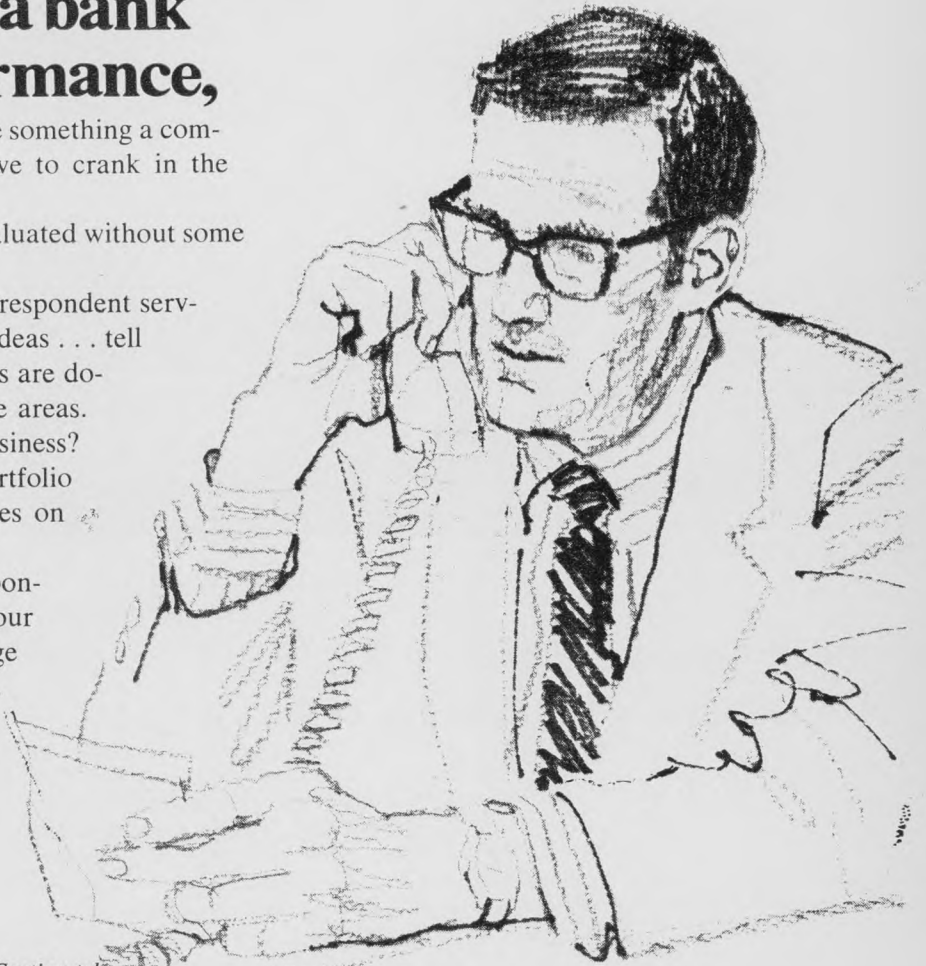
then serving correspondents would be something a computer could handle. You'd only have to crank in the figures and crank out the answer.

But, a bank can't be accurately evaluated without some idea of its *potential*.

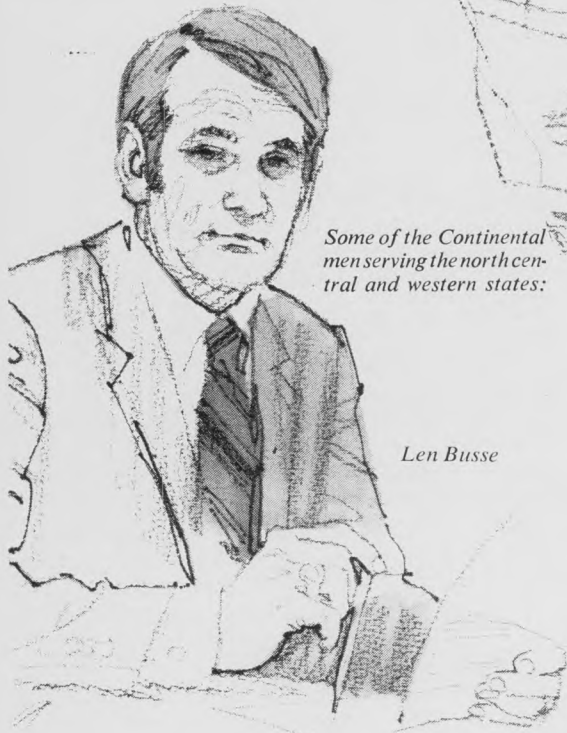
This is where the right kind of correspondent service can act as a sounding board for ideas . . . tell you what banks in other communities are doing . . . discuss different performance areas.

What is your potential for new business? For financial performance, for portfolio management, or achieving economies on internal operations?

At Continental Bank, our correspondent officers can help you *evaluate* your potential. And then offer a wide range of expert services to help you *reach* it.



Sam Addoms



Len Busse

Some of the Continental men serving the north-central and western states:



Steve Melcher



Continental Illinois National Bank and Trust Company of Chicago, 231 South LaSalle Street, Chicago, Illinois 60690. Member F.D.I.C.



VALLEY CENTER will rise 35 stories high and will be the tallest building in the Southwest. This composite picture shows the model of the Valley National's new home office building and parking facility (right) superimposed against Phoenix skyline.

Break Ground for VNB's New Office Center in Phoenix

GROUNDBREAKING ceremonies were held in Phoenix, Ariz., last month for Valley National Bank's new home office building in downtown Phoenix. Present for the ceremonies were Arizona Governor Jack Williams, Phoenix Mayor John Driggs, Valley Bank President Earl Bimson and Valley Chairman James Patrick.

Approximately 300 persons took part

in the groundbreaking, lined around a white outline of the Valley Center. Each had his own True Temper shovel, presented by VNB for the ceremony. The center covers a two-block area. A helicopter hovered over the center at 480 feet during groundbreaking to mark the height to be reached by the highest of a cluster of three towers.

The three towers will be 31, 33 and 35 stories high. The unique shape will afford tenants with as many as six corner offices, or the ability to occupy as little as a portion of a floor, have a corner office, and maintain a separate identity from that of his neighbors.

A sunken plaza will surround the towers. A one-block square parking structure that will have two levels below ground and six above ground, will handle 1,800 cars.

Fed Schedules Forums

Two series of economic forums—six meetings in Nebraska and seven in

Colorado—have been scheduled by the Federal Reserve Bank of Kansas City for April and May. The programs are designed to provide bankers with analysis of the latest developments in business, agriculture, and finance.

Three economists from the bank's research department—Dr. Thomas E. Davis and Dr. Glenn H. Miller, Jr., research officers, and Dr. C. Edward Harshbarger, agricultural economist—will speak at each program.

The Nebraska series, sponsored in cooperation with the Nebraska Bankers Association, will begin April 13 in Omaha and includes meetings in Lincoln, Norfolk, Grand Island, North Platte, and Scottsbluff. George C. Rankin, vice president in charge of the bank's Omaha branch, will be forum chairman.

The Colorado forums are stated to start May 3 in Grand Junction. Other programs will be held in Durango, La Junta, Colorado Springs, Denver, Fort Morgan, and Greeley. The series is sponsored in cooperation with the Colorado Bankers Association. John W. Snider, vice president in charge of the bank's Denver branch, will be forum chairman.

The Kansas City Fed schedules economic forums each year in the states of the Tenth District. Meetings were last held in Nebraska and Colorado in the spring of 1969.

Northern Trust Stock Dividend Approved

At the annual meeting of The Northern Trust Company, Chicago, last month, stockholders approved a proposal to increase the capital stock of the bank from 2,000,000 shares to 2,500,000.

Capital funds for the additional stock were supplied by the transfer of \$10,000,000 from undivided profits, bringing capital stock and surplus of the bank to \$110,000,000.

In other action, stockholders voted to increase the size of the board of directors to 16. The existing 15 directors were re-elected, and Karl D. Bays was elected to fill the new directorship. Mr. Bays is president and chief executive officer of American Hospital Supply Corporation.



A new small (5") dial used at teller windows helps prevent static from customers about deposit entry dates . . . gives the bank reason to say "We tried to tell you." With changing hours in banking, long weekends & holidays, the need is apparent. The self easesed wheels are printed in "Expressway" green for good visibility in small space, cost \$1.95 ea. (1 to 49) or \$1.75 ea. (50 or over). Tellers wheels are available from: Rex Farrall, Inc., P.O. Box 888, Canton, Ohio 44701, Phone 216-456-5603.



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LIFE INSURANCE COMPANY

"The Home of Credit Insurance"

Don Nachtman
Eastern Iowa

Jim Vande Kamp
Western Iowa

P.O. BOX 1302 • DES MOINES, IOWA 50305
Phone (515) 274-3561

The Orange Juice Express

...or how Franklin helped a Florida correspondent get Tropicana's "Great White Train" rolling

Imagine a mile of pure orange juice rolling up the coast every eight days from the Florida groves to the Northeastern market!

An exciting concept! That's Tropicana's "Great White Train"—a mile-long string of specially constructed cars that now rushes orange juice from Bradenton, Florida, to the distribution center in Kearny, New Jersey. It's all part of the company's program to control quality from the tree to the consumer's table.

Imaginative marketing takes imaginative financing... and that's where Franklin National came in!

The First National Bank of Bradenton, Florida, which had been financing Tropicana along with a

group of Florida banks, called on Franklin National and together the banks cooperated in making available the funds to meet Tropicana's needs."

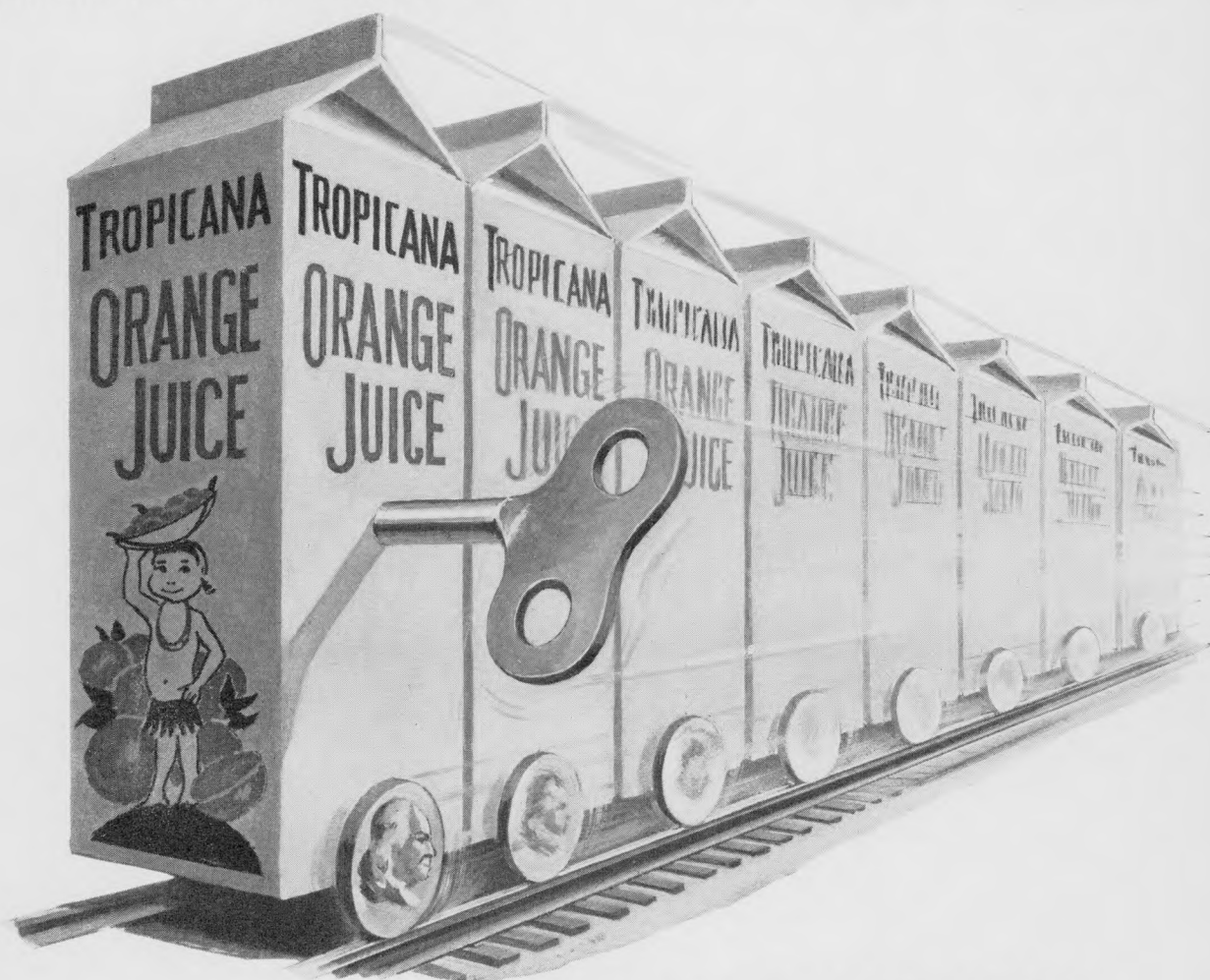
Franklin's National Division quickly arranged the participation. Today, the "Great White Train" is a familiar sight speeding pure orange juice to market.

At Franklin, we are committed to helping worthwhile businesses grow. Our team of seasoned professionals has the experience to provide correspondents with efficient service and understanding counsel.

For imaginative correspondent banking... call on Franklin National.

Address inquiries to:

Roger D. Elton, Executive Vice President,
National Division, Franklin National Bank,
410 Madison Avenue, New York, N.Y. 10017



FRANKLIN NATIONAL BANK

Where Money Has Imagination

Resources over \$3,400,000,000
Member Federal Deposit Insurance Corporation

Corporate News

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

American Express International, New York: James D. Robinson III has been elected president, and Richard F. Blanchard, who has been president, has been elected vice chairman. Both elections, announced last month by Howard Clark, chairman, are effective April 26.



J. D. ROBINSON R. F. BLANCHARD

In his continuing capacity of executive vice president of the parent American Express Company, Mr. Blanchard will become responsible for its investments and for investment policy matters generally. Mr. Robinson will become chief executive officer of the international corporation and will continue as executive vice president of American Express Company.

Bank Building Corporation, St. Louis: Andre J. Piot has joined the firm as sales development director. Previously, he was project manager and market development manager for Monsanto Chemical Company and prior to that, he was a European sales manager for Controls, A.G., in Switzerland. Mr. Piot graduated from the Institute of Technology in Bienne, Switzerland, with a degree in mechanical engineering in 1944.



A. J. PIOT

Colt Industries Pump Division, Chicago: L. C. (Lou) Thomas has been named administrator of the international division and will be responsible for international traffic management of Fairbanks Morse Pumps. He will recommend and administer marketing policies while maintaining favorable relations with United States companies having financial interests in international areas.

Northwestern Banker, April, 1971

Delta Corporation of America, Miami, Fla.: Officials announced last month that 1970 gross income and per share earnings were the highest in the firm's history. Net income was \$1,260,232 (\$1.21 per share) on gross income of \$14,911,036, compared to net income of \$662,409 (74 cents per share) on gross income of \$7,109,965 for the previous year. Gilbert A. Haas, president, said the doubling of gross income brought a 90 per cent increase in net earnings.

Delta's board voted in early March to split the common 5-4, with the 25 per cent additional shares to be distributed April 19 to stockholders of record on March 22. Delta is the nation's oldest mobile home financial service company engaged in arranging and servicing mobile home loans through approximately 300 commercial banks and savings and loan associations.

DeLuxe Check Printers, St. Paul: J. L. Rose, president, announced last month that the company has started construction of additional facilities for existing plants at three locations.

A 16,000 square-foot addition to the present St. Louis building will be ready by early summer.

In Chatsworth, Calif., a separate 43,000 square-foot building, to be ready by fall, will be used for production of personal check packages. The new facility will permit expansion of the regional warehouse within the present building and elimination of 15,000 square feet of leased warehouse space.

Construction was to start last month on a 65,000 square-foot plant in Houston to replace DeLuxe's present leased buildings and provide administrative headquarters for a planned Southern Region. Completion is planned for early 1972.

Diebold, Inc., Canton, Ohio: Thomas H. Kenny has been appointed divisional vice president, Diebold Division, it was announced by Raymond Koontz, president. Mr. Kenny will supervise more than 1,200 manufacturing employees in four of the company's plants.

Earl F. Wearstler, vice president and bank division general manager, announced these appointments: Lawrence Donat, director of marketing for Futura Automatic Banking Systems; Frank S. Piedad and Jim R. Griffith, regional managers, Automatic Banking Systems, and Robert L. Staib, sales training supervisor, bank division.

Farmhand, Inc., Hopkins, Minn.: C. F. Pierson, chairman of Farmhand, Joseph Friedman, chairman of Chromalloy American Corporation, recently announced agreement to merge Farmhand into Chromalloy or one of its subsidiaries on the basis of .725 of a share

of Chromalloy common stock for each share of outstanding Farmhand stock. Ten per cent of the total Chromalloy shares to be issued in the merger are contingent shares dependent upon Farmhand's 1971 earnings.

Iowa Power and Light Company, Des Moines: At a special meeting on March 17 directors established June 30, 1971, as the date for the completion of legal requirements and conditions necessary to consummate the consolidation of Iowa Power and Iowa-Illinois Gas and Electric Company and resolved that, if a closing date for the consolidation has not been set by the two companies prior to that date, the consolidation will be abandoned. The board entered into the plan of consolidation with Iowa-Illinois on July 18, 1969, which established a date of June 30, 1970, after which either Iowa Power or Iowa-Illinois could abandon the plan if the consolidation were not accomplished.

Kamgrounds of America, Billings, Mont.: Darrell Booth, president, has reported consolidated sales and operating revenue for 1970 increased 37 per cent over 1969, moving from \$4,330,145 to \$5,919,764. Net earnings were up 33 per cent, going from \$419,694 to \$559,325. Earnings per share went from 52 cents to 62 cents.

LeFebure Corp., Cedar Rapids: Jerry W. Rudrauff has been appointed to the home office sales division staff. For the past 11 years he has been with Cummins-Chicago Corp., the past six as regional manager of the New York and Connecticut areas.

Mobile Americana Corp., St. Paul, Minn.: F. Paul Hargarten, president, announced last month that first quarter gross income was the highest in the firm's history. Net income was not as high as the previous year due to "certain nonrecurring expenses," he stated, and these were for start-up costs for offices in Kansas City, Mo., area and Grand Rapids, Mich.

Gross income for the three months ended January 31 was \$740,662, compared with \$558,607 for the preceding year's first quarter. Net income was \$31,573, compared with \$42,972 the previous year.

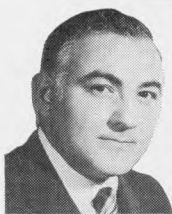
Mr. Hargarten also announced the start of a new program in the indemnity division whereby the firm will buy mobile home sales contracts from dealers and resell them to banks and S&L's which do not have their own mobile home loan operations.

Northland Homes, Inc., Duluth, Minn.: Gregory Blodgett has been

CORPORATE NEWS . . .

(Turn to page 22, please)

The less you know about California, the more



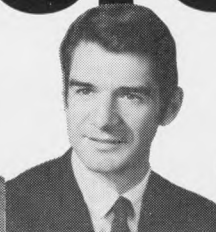
Nicholas Price
Vice President



Andrew E. Germer
Vice President



John J. Stine
Vice President



James M. Brown
Asst. Vice President



Robert L. Stoner
Asst. Vice President

can help you.

They're headquartered at California's Security Pacific Bank, one of the ten largest banks in the country.

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CENTRAL REGIONS/CORRESPONDENT BANKING DIVISION

SECURITY PACIFIC BANK



MEMBER FDIC

Northwestern Banker, April, 1971

Plan Bank Marketing Regional



F. J. BLAKE



G. M. MALEN



R. A. ERICKSON



R. B. BEAL

ARRANGEMENTS have now been completed for all speakers and panel leaders who will appear at the Bank Marketing Association's Regional Conference scheduled May 19-21 at the new Radisson South Hotel, Bloomington, Minn., according to General Chairman Gordon M. Malen, assistant vice president, First National Bank of Minneapolis.

Richard A. Erickson, vice president, Midland National Bank of Minneapolis, is co-chairman.

It is expected that bankers from Minnesota, Wisconsin, the Dakotas, Montana and Iowa will attend the Regional Conference.

Theme of the conference is "ESP—

Expanding Sales Profitably in the 70's."

The complete program follows:

Wednesday, May 19

P.M.

4:00 Registratiton and Exhibits.

6:00-7:00 "Early Bird" Reception.

Thursday, May 20

A.M.

8:00 Registration and Exhibits.

9:00 Opening Ceremonies — Presiding: Gordon M. Malen, First National Bank, Minneapolis.

9:15 "Staff Motivation in a Climate of Change" — Larry Wilson, chairman of the board, Wilson Learning Corporation, Minneapolis.

10:15 Coffee and Exhibits.

10:35 Presiding: G. Reed Macomber, Roseville State Bank.

"The Urgency of Social Involvement on Main Street"—Norman Ross, vice president, The First National Bank of Chicago.

11:20 "How Your Bank Can Benefit from Banking's New Action Story"—Richard B. Beal, executive vice president, Foundation for Full Service Banks, Philadelphia.

11:40 "How to Take Fuller Advantage of New Bank Marketing Techniques" — Frederick J. Blake, senior vice president, Central National Bank, Cleveland, Ohio.

P.M.

12:00 Luncheon and Fashion Show at poolside, Garden Court. Presiding: Richard A. Erickson, Midland National Bank, Minneapolis.

2:00 "How to Evaluate and Effectively Use Premiums" — George Weigl, president, George E. Weigl Company, New York City.

"How to Get More Out of Advertising Specialties as a Marketing Tool"—Frank D. Mitchell,

BANK MARKETING . . .

(Turn to page 22, please)

Our "Spring Thing" Can Tell Your Story . . .



CAREERgirl

9212 CHANCELLOR ROW DALLAS, TEXAS 75247

A Career Girl Spring Thing does just that—"telling your story through fashions." The Tee Look (pictured left) is just one of six separate and distinct ensembles made of Dacron* (a total of 52 custom designed pieces) that lets you choose the business atmosphere you want. Sedate and classic or a spirit of fun thru flaired pants, capes and coulottes, the story is your organization, and our Spring Thing will tell it for you.

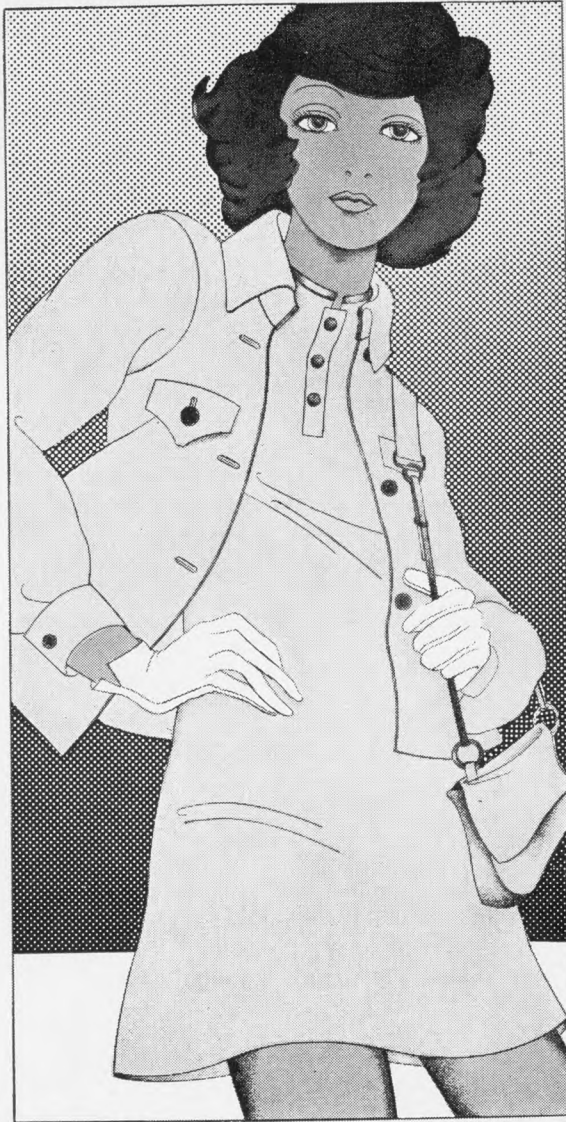
Yes, we are interested. Please send more details.

NAME _____
 TITLE _____
 ORGANIZATION _____
 ADDRESS _____
 CITY _____
 STATE _____ ZIP _____

(Check One) WE ARE CURRENTLY USING
 EXECUTIVE ATTIRE. YES NO
 NUMBER OF EMPLOYEES— MALE _____ FEMALE _____

*DuPont registered trademark

Z



There's a famous dynamic performer in career apparel. It's Fortrel.

When you're choosing career apparel for your employees, you want more than just great fashion. Performance counts. And doubleknits of 100% Fortrel polyester are rigorously pre-tested in the fabric to the highest performance standards. Tested for durability. For machine washability and dryability. For color-retention. And comfort in any climate.

Fortrel means more fashion, too. Because it helps

apparel to resist wrinkles, bagging, stretching and shrinking. Creases stay creased, uniforms stay neat through wearing and processing.

If career apparel doesn't perform in these areas, it isn't doing the job for you. And if a fiber doesn't perform, it isn't called Fortrel.

For further information call collect, (212) 867-2000, EXT. 2635, Celanese Fibers Marketing Co.

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A Celanese fashion fiber in tested fabrics

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BANK MARKETING . . .

(Continued from page 20)

- president, Mitchell Advertising Company, Minneapolis.
- 3:00 Coffee and Exhibits.
- 3:20 "How to Accomplish More With Your Advertising Dollars" — John W. Forney, Sr., president, John W. Forney Inc., advertising agency, Minneapolis.
- 4:10 Clinic on New Marketing Ideas (Hot and Not So Hot):
Kermit R. Bergland, vice president, First National Bank, Winona, Minn.
Leonard E. Griffith, vice president, First American National Bank, Duluth, Minn.
- 6:00 Reception.
- Friday, May 21**
- 9:00 Presiding: Gordon M. Malen, First National Bank, Minneapolis.
"How to Manage Tensions in a Climate of Change" — Thomas N. Thiss, executive vice president, Wilson Learning Corporation, Minneapolis.
- 10:00 Coffee and Exhibits.
- 10:15 Presiding: John E. Ryan, Northwest Bancorporation.
"How to Research and Introduce New Services" — Keith

Siegers, Marine National Bank, Milwaukee, Wis.

- 11:00 "How to Get Greater Impact from Promotional Events" — Thomas J. Degnan, assistant vice president, Manufacturers Hanover Trust Company, New York City.
- 11:45 "The Final Word—Name of the Game Still Is Selling"—Ashton J. Albert, vice president, Trust Company of Georgia, Atlanta.

P.M.

- 12:30 Luncheon and Adjournment.—
End.

25 Per Cent Dividend for American National, Chicago

Directors of American National Corporation, one-bank holding company of American National Bank and Trust Company of Chicago, have increased the cash dividend on common stock by 25 per cent to an annual rate of \$1.25 per share. The quarterly cash dividend of 31.25 (31¼) cents per share declared will be payable April 15, 1971, to stockholders of record April 8.

In addition, the board also declared a 25 per cent stock dividend on the common stock, subject to approval by stockholders of a 500,000 share increase in the authorized common

stock. The proposal will be presented at a special meeting of stockholders set for May 11, 1971. If approved, American National's shares outstanding will increase to approximately 2,500,000 from 2,000,000 shares.

At the same time, the board also elected as a director Edward W. Duffy, president and chief operating officer of the United States Gypsum Company.

B of A Capital Issue

Bank of America has announced plans to issue up to \$100 million of capital notes. The action was approved at a board of directors' meeting last month.

If approved by the Comptroller of the Currency, the bank's current plans are to make the capital notes available to its customers directly through its California branch network.

It will be April before the notes are actually offered for sale. Present intentions are to provide a seven and one-half year term with the interest rate on the notes to be established on the basis of market conditions at the time of their offering. The notes will be offered in multiples of \$1,000.

CORPORATE NEWS . . .

(Continued from page 18)

named chief financial officer for the firm and its subsidiaries. He joins Northland from Mayfair Sound Products, Chicago, where he served as treasurer since 1970.

Piper, Jaffray & Hopwood, Minneapolis: The opening of three additional offices brings to 30 the number of branch offices operated in nine upper-midwest states by PJH, Minneapolis-based member of the New York Stock Exchange.

The new offices are in Pocatello and Idaho Falls, Idaho, and Missoula, Mont. The offices were formerly occupied by Goodbody and Company, and prior to that were part of the J. A. Hogle Investment organization that merged into Goodbody in 1964. Named office managers are Nat E. Anderson, Jr., Idaho Falls; Horace S. Howell, Pocatello, and F. Dean Mahrt, Missoula, all formerly with Goodbody.

Square D Company, Park Ridge, Ill.: The acquisition of Sorgel Electric Corporation, Milwaukee, by Square D was completed recently. Fred F. Koeper, Sorgel's president since 1966, was elected chairman of Sorgel Electric; Walter C. Kendall was advanced from executive vice president to president of Sorgel, and Jerome M. Frank, vice president-marketing, was elected to Sorgel's board.

PROTECT YOUR FARM LOANS

Prompt repayment of the farm loans you make each year depends heavily on the farm management skills of the borrower. More than ever, the successful farmer needs — and searches for — new facts on agriculture, and how to make his operation more profitable.

Now, you can supply these facts with Doane's FARMING FOR PROFIT — the authoritative monthly farm newsletter devoted exclusively to professional up-to-the-minute farm management information.

FARMING FOR PROFIT makes friends for your bank wherever it's read. It makes better customers out of them, too. And is another way to help protect every farm loan you make.

SPECIAL GET ACQUAINTED OFFER!

Evaluate FARMING FOR PROFIT yourself! Send your name and bank letterhead. You'll receive 6 months (6 issues) of Doane's FARMING FOR PROFIT — FREE! Address Duane Gorr, Manager, Bank Services.

DOANE AGRICULTURAL SERVICE, INC.

8900 Manchester Road • St. Louis, Missouri 63144



**Your
retirement watch
may be beautiful...**

**but if it's the only
financial security
your bank offers,
you're both
in trouble.**

Financial independence for retired workers is a very real and human problem faced by bank management today. Many correspondents solve it effectively through skillfully-planned employee benefit programming.

And that's where Manufacturers Hanover comes in.

As the leading American bank supplying employee benefit plans to correspondents, we offer a highly-flexible program that not only protects the individuals involved ... but also has many important side benefits for the participating bank itself.

It's called *The Retirement Program for Correspondent Banks*.

Through it, your bank—regardless of its size—has available the advantages of the most modern pension plans used by the nation's largest institutions. Advantages tailored to your individual situation. And presented at the lowest possible cost.

Our 8-page booklet briefly describes the key features of *The Retirement Program*. A copy is yours for the asking.

Just mail the coupon.

We'll also be happy to send you information on Manufacturers Hanover's other fringe benefit programs, including our Group Life Insurance Plan, our new Long Term Income Protection Plan, and our new low-cost Group Major Medical Expense Insurance Plan.

There isn't a better time than now to contact us.

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HANOVER TRUST**

350 Park Avenue, New York, N. Y. 10022
Employee Benefit Plans Department

Gentlemen:

Yes, I am interested in learning more about your employee benefit programs for correspondents. Please send me

- Your 8-page booklet describing *The Retirement Program*, a highly-flexible pension plan

Also, descriptive information on Manufacturers Hanover's

- Group Life Insurance Plan
 Long Term Income Protection Plan
 Group Major Medical Expense Insurance Plan

Name _____

Address _____

Member FDIC

NB

CONVENTIONS

April 14—Iowa Bankers Association Annual State Banking Conference, Johnny & Kay's Hyatt House, Des Moines.

April 14-17 — NASSB 70th Annual Convention, Broadmoor Hotel, Colorado Springs.

April 21-24—ABA Executive Council Spring Meeting, The Greenbrier, White Sulphur Springs, W. Va.

April 27-28—Illinois Bankers Association Annual Trust Conference, Stouffer's Inn, St. Louis, Mo.

April 27-30—North Dakota Bankers Association annual trip to Washington, D. C.

April 28-30—Bank Marketing Institute Regional Conference, Washington Plaza Hotel, Seattle.

May 2-4—Nebraska Bankers Association 74th Annual Convention, Omaha Hilton, Omaha.

May 2-5 — Bank Marketing Institute Officer Call Workshop, Ambassador Hotel, Chicago.

May 3-5—ABA National Automation Conference, Americana of New York, New York City.

May 9-11—BAI 21st Northern Regional Conference, Statler Hilton Hotel, Detroit.

May 12-14 — North Dakota Bankers Association 86th Annual Convention, Fargo.

May 13-15—Association of Registered Bank Holding Companies 11th Annual Meeting, Radisson Hotel, Minneapolis.

May 19-21—Bank Marketing Institute Regional Conference, Radisson South Hotel, Minneapolis.

May 19-22 — American Safe Deposit Association 40th National Convention, Pfister Towers, Milwaukee.

May 20-21 — South Dakota Bankers Association 79th Annual Convention, Sioux Falls.

May 23-26—Bank Marketing Institute, Marketing Research Conference, Marriott Motor Hotel, Atlanta.

May 23-26—ABA 11th National Mortgage Conference, Radisson Hotel, Minneapolis.

May 23-28—ABA International Monetary Conference, Munich, Germany.

May 24-26—AIB National Convention, Astroworld Motor Hotel Complex, Houston.

May 27-29—Colorado Bankers Association 70th Annual Convention, Broadmoor Hotel, Colorado Springs.

June 2-4—Illinois Bankers Association 80th Annual Convention, Palmer House, Chicago.

June 6-9—Minnesota Bankers Association 81st Annual Convention, St. Paul Hilton Hotel, St. Paul.

June 6-9—Minnesota Bankers Association 81st Annual Convention, St. Paul Hilton Hotel, St. Paul.

June 6-12—Bank Marketing Institute, Essentials of Bank Marketing Course, University of Colorado, Boulder.

June 6-18—Stonier Graduate School of Banking, 37th Session, The State University, New Brunswick, N. J.

June 6-19—Bank Marketing Institute School of Bank Marketing, University of Colorado, Boulder.

June 7-18—Iowa Bankers Association Ag Credit School, Iowa State University, Ames.

June 9-12 — NABW Lake-Midwest-North Central Regional Conference, Statler Hilton, Detroit.

June 10-12—Wyoming Bankers Association 63rd Annual Convention, Jackson Lake Lodge, Moran.

June 17-19—Montana Bankers Association 68th Annual Convention, Jackson Lake Lodge, Moran, Wyo.

June 23-25—Upper Midwest Agricultural Credit Council (UMACC) 17th Annual Conference, East Glacier, Mont.

July 11-13—Bank Administration Institute, 3rd Annual National Conference on Bank Security, Marriott Motor Hotel, Chicago.

July 17—AIB District X Leaders Conference, Ramada Inn, Sioux Falls.

July 18-21—International Flying Bankers Association 1971 Convention, Pheasant Run Lodge, St. Charles, Ill.

July 18-23—Illinois Bankers Association Ag Lending School.

July 18-23—Midwest Banking Institute 5th Annual Session, University of Minnesota Campus at Morris, Minn.

September 2-3—Iowa Bankers Association Installment Lending Conference, Hotel Savery, Des Moines.

September 6-17—Illinois Bankers Association Bankers School, Southern Illinois University, Carbondale.

September 15-16—Independent Bankers of Minnesota 10th Annual Convention, St. Paul Hotel, St. Paul.

September 22-25—ABA 45th Western Regional Trust Conference, Brown Palace, Denver.

September 26-29—ABA National Personnel Conference, Century Plaza Hotel, Los Angeles.

September 26-30—Bank Marketing Institute Annual Convention, Americana Hotel, New York.

October 6-10 — NABW 49th Annual Convention, Fairmont-Roosevelt Hotel, New Orleans.

October 15-16—Association of Registered Bank Holding Companies Fall Meeting, Fairmont Hotel, San Francisco.

October 16-20—ABA 97th Annual Convention, San Francisco.

October 23-27—Robert Morris Associates 56th Annual Fall Conference, Los Angeles.

October 24-27—Iowa Bankers Association 85th Annual Convention, Hotel Fort Des Moines, Des Moines.

October 25-27—ABA National Credit Card Conference, The Roosevelt Hotel, New Orleans.

October 26-29—Independent Bankers Association of America, 4th Annual Seminar for Junior Bank Officers, Ball State University, Muncie, Ind.

October 31-November 3 — Bank Marketing Institute, Marketing and the Computer, Ambassador Hotel, Chicago.

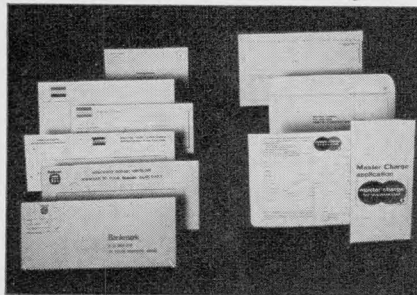
November 7-10 — BAI 47th Annual Convention, Hotel Fontainebleau, Miami Beach.

November 7-12 — Nebraska Bankers Association Intermediate School of Banking, Lincoln.

November 11-12—ABA 40th Midcontinent Trust Conference, The Statler Hilton, Dallas.

November 14-16—ABA 20th National Ag Credit Conference, Hotel Muehlebach, Kansas City, Mo.

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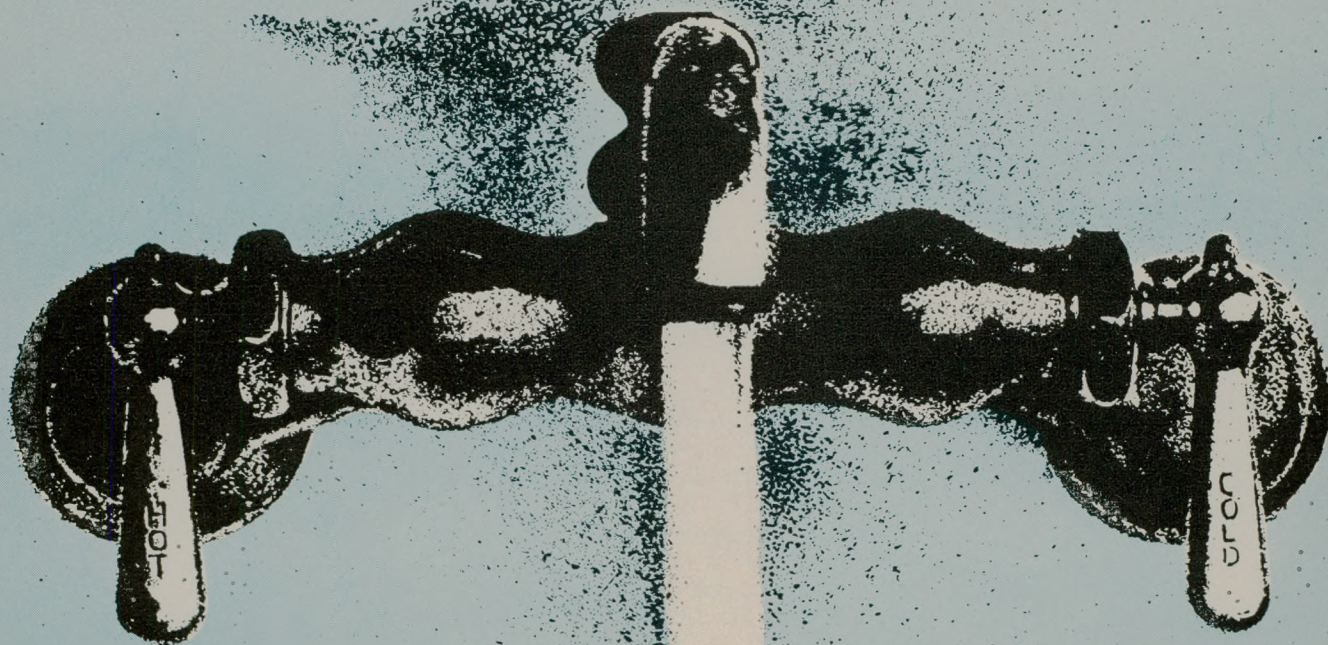
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BAI Northern Regional Will Feature 6 Panel Sessions

WHAT does a banker do when professional organizers attempt to unionize his employees?

A Chicago labor-relations counsel will give the answer to more than 600 bankers when they meet in Detroit, May 9 to 11, for the 22nd Northern Regional Convention of Bank Administration Institute.

Program details have just been announced by Robert M. Surdam, president, National Bank of Detroit. The convention, to be headquartered at the Statler Hilton Hotel, will open Sunday, May 9, with registration, review of educational exhibits and an evening reception.

The formal program will open Monday, May 10, with Mr. Surdam presiding. Michigan Lieutenant Governor James H. Brickley will welcome delegates, and Institute President Charles A. Agemian, chairman of the board, Garden State National Bank, Hackensack, N. J., will respond.

He will be followed by the keynote address, "Managing Development of Human Resources," by Harry B. Cunningham, chairman and chief executive officer, S. S. Kresge Company, De-

troit, and a special address by Jerome Barnum, president, Jerome Barnum Associates, White Plains, N. Y.

The afternoon program will feature concurrent sessions on accounting, personnel and operations. The accounting session, "Management Control Systems," will hear Larry R. Chamberlin, senior vice president, Manufacturers National Bank, Detroit, on "Work Standards — A Basis for Manpower Planning and Reduction"; Gerard W. Atkins, manager, Peat, Marwick, Mitchell & Company, New York, on "Developing Cost of Bank Services," and James P. O'Neill, vice president, First National Bank of Chicago, on "Profit Planning in Smaller Banks."

The personnel session, "Developing Human Resources," will hear David Sawyer, director, Equal Opportunity Program, U. S. Treasury Department, Washington, D. C., on "Equal Employment Opportunities in Banking," and David W. Ross, president, Ross Associates, Inc., Norwalk, Conn., on "Building the Will to Work."

Lawrence Betsenger, Northwestern Bancorporation, Minneapolis, will address the operations session, "Developments in Data Handling," on "Remote Processing—MICR Terminals." Paul Mozola, vice president, First Union Automation Services, St. Louis, will follow with "Update on COM/OCR in Banking." Virgil H. Disney, director of research, BAI Headquarters, Park Ridge, Ill., will conclude with "Data Transmission."

Tuesday, May 11, will open with concurrent sessions on audit, accounting and operations/personnel. The audit session, "The Eyes of Management," will hear Joseph W. Dodwell, consultant to the firm of Lybrand,

Ross Bros. & Montgomery, New York, on "Operational Auditing"; John E. Jonas, manager, Computer Audit Group, First National Bank Systems, St. Paul, Minn., on "The Auditor's Role in EDP Systems Development," and B. Glen Jordon, president, State National Bank, El Paso, on "Measuring Audit Performance — A Management Prospective."

The accounting session, "Update on Taxes," will hear "Interest, Income and Expense" by Ronald J. Barry, vice president, First National City Bank, New York; "Capitalization, Expense, Depreciation" by Donald H. Waterman, partner, Touche Ross & Company, Detroit, and "Potpourri" by Charles D. Wesselhoeft, vice president, Harris Trust & Savings Bank, Chicago.

Robert Probst, Herman Miller Research Corporation, Ann Arbor, will address the operations/personnel session, "Environmental Management," on "Office Environment and the Human Performer." William Karl, security officer, Marine Midland Bank, New York, will follow with "Emergency Evacuation Plans," and Robert W. Feagles, senior vice president, First National City Bank, New York, will conclude with "Drugs and Personnel Policy."

The convention will close with a general session in the afternoon, to be followed by an evening banquet. At the afternoon session, John A. Sheridan, president, John A. Sheridan Associates, will explore the issue of unionizational attempts by professional organizers when he discusses "Labor Unions and Banks."

The Detroit Chapter of Bank Administration Institute, the world's largest technical association for banks, is sponsoring the Northern convention. Chapter president is Loren D. Allston, vice president and controller, City National Bank, Detroit.

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At an Iowa corrugated box plant, one of the printer-slot-ers wasn't inking properly. When a workman climbed up to find out why, he was pulled into the rollers. He suffered the loss of one foot and other serious injuries. Thanks to Employers Mutual Workmen's Compensation, he received full medical payments and now gets permanent disability compensation.



In Nebraska, a high school boy was working on a farm during summer vacation. One day a co-worker accidentally started a tractor which, driverless, struck the boy and paralyzed him. He will receive more than \$100,000 for medical and rehabilitation expenses under Workmen's Compensation with Employers Mutual.

A woman in a Minnesota clothing store received payments every day from customers. But an audit revealed that only a part of the money was reaching the bank. She was pocketing the rest. Fortunately, the owner's Employers Mutual Fidelity Bond paid an \$18,500 loss.



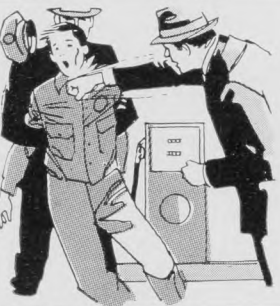
A resident of a deluxe apartment house in the midwest went on a Florida vacation. While she was gone, a thief entered the apartment and stole jewelry valued at \$23,235. An Employers Mutual policy covered the loss.

After an Iowa construction worker severed his spinal cord in a fall, extensive medical and rehabilitation care was required. Employers Mutual already has paid more than \$34,000 toward this care, and the man will get permanent total benefits under Employers Mutual Workmen's Compensation.



Feelings were tense when the Israeli-owned "Aquarius" was rammed and set afire by a Russian freighter in the Arabian sea, but the real damage was financial. Repairs were about \$10 million, including a long tow to Japan. Employers Mutual shared the loss with other major writers of Marine Insurance.

A service station attendant in Missouri got into a fist fight with two customers who beat him so severely that he died without regaining consciousness. Because the station owner was covered by Workmen's Compensation with Employers Mutual, the widow received \$25,000.



At night on a Kansas highway, a speeding motorist tried to pass in a no-passing zone. His car smashed head-on into another, killing both its occupants. His car was uninsured. Fortunately, the innocent driver had Employers Mutual Uninsured Motorist Coverage, so beneficiaries got full benefits.



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68 Banks Join Foundation

The Foundation for Full Service Banks enrolled 68 new member banks during the month of January, including 38 new members from Iowa, Richard B. Beal, Foundation executive vice president, announced.

The Foundation conducts a \$3 million a year national advertising and promotion program to educate the public about the benefits of Full Service Banking. Currently more than 6,200 banks in the United States are Foundation members.

New members enrolled during January in the NORTHWESTERN BANKER area are:

Colorado—Western National Bank, Denver; The First National Bank, Holyoke.

Illinois—First American Bank of Aurora; First Bank of Meadowview, Kankakee; Bank of Naperville, Naperville, First National Bank.

Iowa—Albert City Savings Bank, Albert City; State Bank of Allison, Allison; Altoona State Bank, Altoona; Aredale State Bank, Aredale; Farmers Savings Bank, Boyden; Rubio Savings Bank, Brighton; Iowa Trust & Savings Bank, Centerville; Corwith State Bank, Corwith; State Bank of Dumont, Dumont; State Bank of Earlville, Earlville; Emerson State Bank, Emerson;

Farmersburg Savings Bank, Farmersburg; Farmers Savings Bank, Fredericka; George State Bank, George; First State Bank, Greene; Farmers Savings Bank, Irwin; Farmers State Bank, Kanawha; Farmers & Merchants State Bank, Lake Mills; Farmers State Bank, Lake View; Security Savings Bank, Larchwood; Melbourne Savings Bank, Melbourne; Mondamin Savings Bank, Mondamin; Security State Bank, Mount Ayr; Nevada National Bank, Nevada; First National Bank, New Hampton; Oelwein State Bank, Oelwein; Randolph State Bank, Randolph; First State Bank, Rockford; Lyon County State Bank, Rock Rapids; St. Ansgar Citizens State Bank, St. Ansgar; Sheffield Savings Bank, Sheffield; Security State Bank, Shell Rock; The Security Trust Savings Bank, Shenandoah; Story County State Bank, Story City; Tama State Bank, Tama; State Bank of Vinton, Vinton; Walcott Trust & Savings Bank, Walcott; West Chester Savings Bank, West Chester.

Minnesota—Citizens State Bank, Waterville.

North Dakota—Dakota National Bank, Bismarck.

First Chicago Ups Note Offering to \$100 Million

First Chicago Corporation, parent

company of The First National Bank of Chicago, filed March 15 with the Securities and Exchange Commission an amended registration statement increasing to \$100 million its previously proposed public offering of \$50 million notes due July 15, 1978, and dropping its previously proposed public offering of \$100 million sinking fund debentures due March 1, 1996.

First Chicago Chairman Gaylord Freeman said the change in the proposed offering was due to the change in market conditions since the original registration was filed February 16. The notes were offered later in March, pursuant to a negotiated public sale through an underwriting group jointly managed by Salomon Brothers and A. G. Becker & Company, Incorporated. The notes will not be callable prior to maturity.

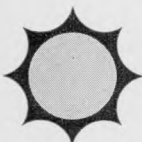
Application was made to list the notes on the New York Stock Exchange. The net proceeds from the proposed financing will be used primarily in funding the building program of First Chicago Building Corporation, a subsidiary of the bank, and the balance for general corporate purposes.

First Chicago Corporation is a one-bank holding company which owns The First National Bank of Chicago.

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FIRST NATIONAL CITY BANK

ANNUAL BOND AND INVESTMENT OUTLOOK



"Be Ready for Drastic Change . . ."

"We Can't Go Home Again"

By **WHEELOCK WHITNEY**

President

Investment Bankers Association of America

Chief Executive Officer

Dain, Kalman & Quail, Incorporated

Minneapolis, Minnesota

■ **THE AUTHOR**, in his position as President of the Investment Bankers Association of America, addressed the organization's Mid-Continental District Conference on March 17. He reviewed some of the serious problems facing his industry and offered the comments in the following article as his contribution to "crystal ball gazing" effort to seek solutions and anticipate changes to come.

IF ANY of us here knew how the issues of competitive rates, institutional membership, and the central market-place will finally turn out, we would know how the securities business will look five years from now. I can assure you that I don't know the answers, the IBA doesn't, and no one I've talked to or listened to does either.

My prediction is that a more sophisticated form of NASDAQ* will become the new central marketplace. The thought is a little awesome, because this concept would mean the end of the major stock exchanges and the re-

*National Association of Securities Dealers Automated Quotations.

gional exchanges as we know them today.

All stocks, all publicly traded securities, provided they met certain minimum requirements, would be traded on NASDAQ. New regulations would be needed—and, of course, all trades would have to be printed publicly.

The specialist would shift from his post on the floor of the exchange to the making of markets in this new central market-place. Instead of being assigned market-making responsibilities for certain stocks by the exchange, the specialist would be free to select which stocks he wanted to make a market in. He would compete with other market-makers. In some cases, many others.

The other day I went to our trading department at DKQ and asked for a look at our Level II NASDAQ machine; that's the one giving you a visual picture of all the firms making a market in a particular security, together with the bid and asked prices each market-maker is quoting. I asked for an over-view of the markets in American Express, Anheuser-Busch, Bank of America, and Combined Insurance. It was quite a revelation.

Let me use American Express as an

example, although the others were similar. At that particular moment, there were 31 market-makers in American Express. Later I added up the capital behind those particular market-makers. It turned out to be over \$1,200,000,000! Just think of it! Thirty-one market-makers with total capital of well of over \$1 billion making a market in one stock. That's my idea of a strong central market-place.

It can be argued that under the present system, at least we have a specialist on the job who has certain obligations and responsibilities to provide an orderly market. Who would fill that vacuum? My answer is that under a new system such as I have described, the primary responsibility for market-making would rest on the shoulders of the company's investment banker.

Under today's practices, the investment banker, or managing underwriter, assumes the market-making function as an essential responsibility if the stock is traded OTC. When the company's stock is listed, or becomes listed, he turns this responsibility over to the floor specialist. If all stocks were to be traded on NASDAQ, the investment banker's market-making

Annual Bond and Investment Outlook

function would never end. This makes sense to me. It puts the responsibility where it belongs. If the investment banker doesn't do a good job as a market-maker, he runs the risk of losing his client to another investment banker who is doing it better. This new competitive threat would tend to keep managing underwriters on their toes.

What I've been describing here is a fundamental shift from an auction market to a dealer market. It would result in a decentralization of the market place because markets would be made all over the country. At the same time it would strengthen the concept of the central market-place, because all market-makers would appear in one place, on the NASDAQ machine.

Under such a system, the present hassle over institutional membership would disappear as there would be nothing much for an institution to be-

long to. If they wanted to participate, they could become a market-maker and compete with other market-makers. But this decision would be made on the basis of diversification, rather than as a way to reduce commission expense.

I would assume that large trades would be negotiated on a net basis with the market-maker. Smaller trades would be handled on a commission schedule posted by each firm doing business with the public.

It's my hope that you men will think this concept through. If this prediction should materialize, one development is certain. Investment bankers will need more capital—at least most of us will. Already at DKQ, just with the present demands of NASDAQ, we are feeling the need for more capital. If all stocks were to be traded there, we would clearly want to expand our market-making capacity—more stocks, bigger positions. And this means more capital.

So that's where my crystal ball has taken me. Where has your crystal ball taken you? How much has your firm thought through the kind of revolutionary changes ahead? As I said

earlier, no one has the answers, but it's the function of a trade association such as the IBA to alert its members in times of crisis and meaningful change—to expose you to the possibilities—to help you prepare for whatever might lie ahead. Let me repeat—one thing we see for sure is the need for more capital. Be sure you're ready!

Your IBA is trying hard to adjust to the coming revolution. We feel the need for a stronger trade association to do a better job of representing our members: before the SEC, before Congress, to the investing public, and to each other within our industry.

We are urging members to be alert—we want to help them understand the need for new techniques, to be ready for drastic change, to strengthen their capital base, and above all, to strengthen their management.

You gentlemen are among the most important leaders of our industry. It is your responsibility. You can't duck it—to see that your firm is prepared to meet the future. This is an ideal time to get ready. On behalf of the IBA, I urge you to make constructive use of this time. We can't go home again.—**End.**

Maturity — Quality — Liquidity Provide Built-in Hedge for '71

Written Especially for
The Northwestern Banker
By DONALD G. WACHHOLZ
Assistant Vice President
Bond Department
First National Bank
Minneapolis, Minnesota

DURING the last half of 1970 and into 1971, strong price improvements were noted in the U. S. Government and Municipal securities. The primary question facing most portfolio managers is the durability of these recent price improvements.



D. G. WACHHOLZ

Current fiscal and monetary policies and the effect of these policies on the performance of the economy in 1971 would indicate a gradual improvement in short-term yields, with a relatively stable, to lower, long-term yield picture during 1971. Banks with a balanced distribution, containing some longer term high coupon issues, would do well to retain these holdings until

there are more positive signs of an economic recovery and/or a change in monetary policy. A conservative approach to the investment of new money would be to concentrate on the short-term area, out to three years, as a hedge against the possibility of advancing yields along the entire yield curve.

The effect of the easier money policies of the Fed and reduced demand for credit has been a reduction in short-term money market rates, and a split prime rate of 5½ and 5¼ per cent. Many forecasters anticipate some further reduction in the prime before a gradual increase in loan rates can be expected.

Most banks are experiencing improved liquidity positions over their 1969-70 levels and have the capacity to absorb a fair amount of additional financing. At the current level of loan and investment rates, we would an-

icipate some softening in time/savings interest rates. Initial changes in these rates have already begun on the West Coast where savings passbook rates were reduced from 4½ to 4 per cent.

Most banks are currently under dual pressure on time/savings accounts. First, the reduced rates available from short-term market investments are encouraging the investor to return to bank time deposits for a better yield. Secondly, without a strong loan demand, banks are increasing deposits with no comparable increase in loans. The low margin between saving rates and loan rates may place many banks in a profit squeeze.

Generally speaking, based on the outlook for the 1971 economy, it appears that bank investment managers would do well to avoid long-term commitments of new funds over the next six months. If the stimulus of an easier money policy does result in a general economic recovery, the shorter holdings will have the capacity to provide needed liquidity for additional loan demands and any excess liquidity will benefit from a generally higher yield scale. Balance, which provides flexibility, seems to be the key to current portfolio management. Balance of maturity and quality, with adequate liquidity considerations, should provide a built-in hedge against unexpected, dramatic change in market yields.—**End.**

Annual Bond and Investment Outlook

Current Bank Investment Strategy



*Written Especially for
The Northwestern Banker*
By **ALAN D. JOHNSON**
*Second Vice President
Continental Illinois National
Bank & Trust Company
Chicago, Illinois*

WE ARE in the midst of the strongest bull market for fixed income securities in recorded financial history. Yet it is not an altogether happy time for some bankers. The soft economy combined with a sharply easier monetary policy have ushered in a period of much lower interest rates than have been seen during the past few years. Bankers with short asset structures, i.e., many loan repayments and security maturities, will be under earnings pressure during 1971. In addition, the torrent of time money coming into the banking system is creating problems in terms of earning a decent spread. But how long will interest rates stay in this range? Indeed, will they go lower? Higher? And what of inflation?

Any interest rate outlook must be based on broad economic expectations, together with an opinion as to the probable course of fiscal and monetary policy. And at this time we must consider an almost overriding factor, the 1972 elections. Right now the environment is quite favorable to fixed income securities. The economy is sluggish. Business spending has receded

and financing plans are centered around funding short liabilities. The consumer is quite conservative, spending cautiously while placing record amounts in fixed income securities and time and savings accounts at financial institutions. Fiscal policy and monetary policy are expansionary. However, most observers feel the bottom of the economic downturn is near, if not already past. Some economic thrust this year will be provided by housing and a loosening of the consumer's purse strings, with further stimulus provided by fiscal policy. Nevertheless, the upturn will be mild, no runaway. The economy will continue to pick up steam as the year progresses, but the net effect in 1971 will be modest. Those observers looking for a GNP near \$1,065 billion may be disappointed unless the consumer begins to spend unusually large amounts. History tells us that such a sharp turnaround in consumer attitudes is highly probable.

Higher Rates by Year-End

As for interest rates, the probabilities are for slightly higher rates by year-end than those at present (mid-

March). In fact, we might be near the lows in the money market, although there appears to be some room for still lower rates in the intermediate and longer maturity ranges. In all probability we will be in a relatively easy monetary atmosphere for most of this year. The Administration will continue attempting to reduce long-term interest rates, but the seemingly bottomless pit of financing demand stemming from corporations, states and municipalities and, indeed, the Treasury, should hold intermediate and long rates at relatively high levels.

In short, we expect that for the next few months money market rates will remain in their present range and intermediate and longer rates will drop a bit further. Both short and long interest rates should begin an upward course at some point, probably past mid-year, in the face of economic improvement, strong demands for bond market credit and resumed corporate borrowing at banks. However, the upward movement in rates should be modest due primarily to two factors, the mild pace of the economic upturn and the continued easy monetary policy.

Further ahead, particularly if we do not get a sharp shift in consumer confidence, we should expect a continuation of stimulative monetary and fiscal policies during 1972, an election year, and a return to higher interest rates and renewed inflationary pressures in 1973.

In this environment, portfolio policy should be altered considerably from that of last fall. Rather than looking at major extension programs, tax loss swapping, financing tight money positions, etc., we must now consider topics such as too much liquidity, taking profits, improving municipal portfolio quality, providing coupon protection, and particularly guarding against the "earning trap"—extending at the wrong time in the interest of short run earnings.

High Coupons Maturing

During the past few years bankers have been able to enjoy unusually high yields in short and intermediate term Government notes. The maturity structure of any quote sheet shows very high coupons every few months through 1973. The passage of time has pulled these notes closer to maturity, and the present and prospective market makes these maturities ideal candidates for profit-taking. Even though banks must now pay a 48 per cent tax on all security profits instead of the old long-term capital gains rate of 25 per cent, these profits still go

Annual Bond and Investment Outlook

a long way toward moderating bank earnings pressures in the short run.

Right now, with such a sharp positive yield curve, 1971 and 1972 maturities are attractive sales for slight extension, particularly for those holding to a modest interest rate outlook through most of 1972. For example, the 7 $\frac{3}{4}$'s of November, 1971, can be sold at about three points premium, or a "giveup yield" of about 3.12 per cent. Reinvestment of these funds in the 5 $\frac{5}{8}$'s of August, 1974, at a yield of about 4.55 per cent provides a good deal of flexibility. In effect, this trade enables the investor to earn roughly 140 basis points more than his giveup yield each day he holds the 5 $\frac{5}{8}$'s, which is beneficial from two standpoints. First, it protects income at today's level in the event the economy continues weak throughout the year and into 1972. Second, it builds additional income (and time) as downside protection in the event that stronger economic activity later this year causes the investor to reverse his position and pull in his maturities.

Later this year, if the yield curve gets a bit flatter, it will be timely to consider taking profits on 1972 and perhaps 1973 maturities, reinvesting in the Bill market at realistic yield similarities, and awaiting higher intermediate yields for reinvestment. An additional relevant move to consider in a relatively flat yield curve involves liquidating low coupon, low yielding intermediate Government securities at some point before rates turn up, reinvesting in shorter maturities for more flexibility. Caution is suggested when considering profit-taking on well-bought 1974 and longer maturities, however. Unless you extend markedly or go short expecting a very sharp rise in intermediate and longer rates, you will be penalizing future income for present income.

Note of Caution

One final comment on Government securities involves the May and August refundings. Notwithstanding the desires of the Administration for lower intermediate and long interest rates, or the international pressures resulting from the low level of money market rates, the Treasury is expected to try some debt extension at both refundings. However, caution should be the order of the day before committing medium term funds at that juncture. Rather than being lured into an ex-

THIS article expresses my individual opinions and some well informed people even in my own bank are not in complete agreement with my ideas. In particular, there are some who feel that an upturn in interest rates will



C. R. FAIRS

come sooner and will be sharper than I anticipate.

Although the majority is often wrong, I find myself in basic agreement with many of the "standard forecasts." We seem to be at or slightly past the bottom of the economic cycle and business should improve during the months ahead. However, unless consumer spending increases more than can reasonably be expected, a GNP of about \$1,050 billion is more likely

tension program in the interest of higher yields, it might be wise to consider either the 18-month to two-year anchor issue, if one is offered at realistic rates, or the Bill market to await events in the fall.

ties, present yield spreads are not very attractive in maturity areas through 1975. Nor do spreads in this area look to get better in the immediate future, due primarily to supply problems. Early in the year most observers were operating under the assumption that there would be a marked increase in the supply of Agencies during 1971, particularly in those Agencies closely associated with the housing industry. However, the softness in the economy and the increase in available mortgage funds in the open market have in fact caused those Agencies, primarily the Federal Home Loan Bank and Fannie Mae, to reduce their total outstandings to date.

Unless there is considerable prompt stimulation in housing, and a reversal of the present interest rate trend, current probabilities call for only a modest expansion in Agency financing on the year. Furthermore, the Federal Home Loan Banks and Fannie Mae, in order to gird up for future financing demands, are restructuring their existing debt. Rather than finance in the

Trend to Lower

*Written Especially for
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than the Administration's forecast of \$1,065 billion.

The rate of business expansion will probably be moderate and will be slowed in the third quarter by a steel strike or, if a strike does not develop, by the need for using accumulated steel inventories. Serious inflation will remain a background threat but, in my opinion, will not be a problem sufficiently severe in 1971 to force the Federal Reserve to reverse its expansionary monetary policy. The balance of payments problem, on the other hand, may become more acute and make the authorities reluctant to let short-term rates go much lower. It is likely that the goal will continue to

short area, they are issuing more securities in the area between five and 15 years. As a result, Agency financing in the short area should drop sharply, and the present unattractive yield spread versus Governments should remain. In fact, if realistic bid prices (narrow spreads) become more of a reality, short Agencies could be good vehicles for modest extension switches into direct Governments, with little giveup in yield and a little more market flexibility.

A Look at Municipals

In the municipal market, the bond buyer's 20-bond yield index has dropped from a 1969-70 peak of 7.12 per cent to 5.28 per cent in mid-March. But, because this index reflects activity in the 20-year maturity range, it belies the almost awesome market improvement in shorter maturities, the two- to 15-year range, for instance, where banks are the predominant market force. And this market improvement has been made in spite of record financing by state and local governments. This record level of state and local credit demand is expected to continue, if not increase. However, banks, the major recipients of reliqui-

INVESTMENT STRATEGY . . .

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Rates Not Over

be expansion of the money supply at around at 5 to 6 per cent rate, in order to bolster the economy and help reduce unemployment.

Lower Trend Not Over

Although the major portion of the decline in interest rates is behind us, I do not believe the trend toward lower rates is over yet. In particular, long-term rates seem likely to decline from present levels, since the present spread between long and short rates is unusually large. Therefore, I expect short-term rates to remain low while intermediate and long-term rates decline further during the next six months. In the fourth quarter of 1971 a gradual uptrend in rates might begin. In my opinion, however, rates, though perhaps rising slowly, will still be very low at the end of the year compared with those seen in the past 18 months.

If these predictions prove correct,

we as bankers face some difficult choices and perhaps an earnings squeeze later in the year. Our savings accounts will attract investors as well as savers, and it will be increasingly difficult to find a place to put the funds at a profit. With recent experience fresh in our memory, we should be particularly careful not to fall into the old trap of investing what may prove to be short-term funds in long-term maturities in a period of low rates.

Watch Liquidity

With low rates expected for the balance of this year, 1971 maturities should be confined to the amount needed for probable liquidity requirements. Nineteen seventy-two through 1974 maturities seem the most logical investment range except for bonds acquired strictly for trading purposes. Municipal bonds of moderate maturity continue to be relatively attractive.

Banks in the upper tax bracket should continue to replace municipal maturities and provide for a normal expansion of the municipal portfolio. Our bank's comptroller warns me, however, that a sharp increase in municipals which can be directly tied to a corresponding increase in time deposits will probably be scrutinized closely by the IRS and should be avoided.

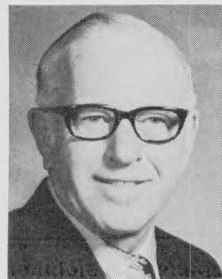
In conclusion, unless there is a reduction in savings rates, I believe it will be virtually impossible to make sound bond investments with new time money which will show a profit. The profit potential of new time deposits can only be demonstrated by analyzing them in the light of the overall asset mix. Over the next few months, an attempt to tie dollars of new high rate time and savings money to an equivalent number of dollars invested in the bond portfolio and come out with a profit will almost inevitably lead to investment decisions which will prove unsound over the longer term.—**End.**

Recommend Shorter Maturities

IN ORDER to project where we are going in the money market, it would help to put things in proper perspective by reviewing where we have been. Since the near all-time high in interest rates in early 1970, we have experienced the strongest bond market advance in the post-war period. Commercial paper rates have dropped

400 basis points since mid-1970. At the same time three-month Treasury bills dropped 300 basis points.

We don't have to look far to find the causes for this tremendous downward change in rates. It began



R. J. WISSLER

with the extremely tight fiscal and monetary policy of 1969 and 1970 which resulted in an extreme credit crisis. Consumers reduced their spending and increased their saving because of the fear of unemployment and recession.

The result was a massive inflow of savings to institutions. In the midst of this shift of savings the Federal Reserve moved to a policy of credit expansion. The net end was a money market where supply heavily outweighed demand. This was no more evident than in the decline of municipal bond yields of nearly 150 basis points since mid-1970 due mainly to the accrual of surplus funds by the primary municipal bond investor, the commercial bank.

What does the immediate future hold? Counter-pressures are now appearing that would seem to preclude further major interest rate declines despite the prime rate reduction of March 11 and a possible cut in reserve

requirements. Some of these pressures are: a strong possibility of increased bank loan demand, a larger Federal deficit than anticipated, forecasts of greater borrowing by Federal agencies and the improbability of any shrinkage in the volume of new municipal debt. If, in fact, the economy expands as rapidly as the Administration predicts, it is very likely short-term interest rates will begin to rise later this year, particularly in municipals.

With this in mind it would be my recommendation that a significant shortening of maturities should take place in bond portfolios in the near future. Looking at the total return picture, I feel that the lower current return received from shortened maturities would be offset possibly within a year or two on the reinvestment of such securities. At this time new municipal bond portfolio purchases and municipal bond runoff reinvestments should be concentrated in the short and intermediate maturities.

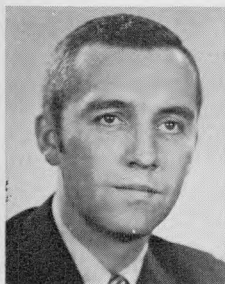
Time/savings interest expense can be covered, including the cost of insurance and reserves, with tax-exempts with maturities varying from four to nine years. Of course, this plan must be tailored to the investment objectives of individual portfolios.—**End.**

*Written Especially for
The Northwestern Banker
By ROBERT J. WISSLER
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Annual Bond and Investment Outlook

Treasury Tax and Loan Account Subscriptions, Profitability

IN 1970, BANKS made additional profits by taking advantage of U. S. Government subscriptions with tax and loan account credit. This is nothing new as the system has been in operation since the days of World War I. However, it has been of major significance to the banking industry only in recent years.



R. J. PEROUTKA

One of the primary purposes for the establishment of the tax and loan account system was to provide an incentive for banks to serve as distributors of

Treasury securities. The Treasury cannot market its securities through underwriters in the sense that the securities of corporations and municipalities are marketed through underwriters because of the size and nature of its borrowing operations. Nor does it pay direct commissions for the distribution of its securities as many other issuers do. Allowing payment with credit to tax and loan accounts results

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in the banks serving as underwriters for the distribution of the securities. This is all accomplished with a minimum of disturbance and impact on market rates.

Payment for securities by credit to treasury tax and loan accounts provides an element of potential profit for a bank to the extent that it can employ the funds usefully until they are called out by the Treasury. The profit potential justifies a bank to pay a premium for the securities based on the estimated life of the treasury tax and loan deposit. In other words, the banks have the use of the funds, at a low cost for a few days.

T & L ACCOUNT . . .
(Turn to page 42, please)

T & L ACCOUNT . . .

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Mechanics, Outlook of a T/L Account Offering

A SIMPLIFIED example illustrating the mechanics and outcome of a tax and loan account offering follows:

- A.) Subscribe for \$100,000 Tax Anticipation Bills due 6-22-71. The average price paid for these bills on the auction was 95.954, with a payment date of 10-21-70. On 11-10-70, the Treasury called 80 per cent of the balance. Based on this, the number of days the funds were in the account was approximately 25.

The value of the tax and loan account credit is affected by the following factors:

Required Reserves	12½%
Life of TT & L Credit	25 days
Money worth (Fed. Funds)	6%

- 1.) Assuming the bills were sold at market on 11-10-70 to meet the 80% call:

Proceeds from sale	\$96,439.00
Original Cost plus cost of Required Reserves	96,004.00

Profit \$ 435.00

- 2.) Assuming all the bills were sold at market on the issue date (10-21-70):

Cost	\$95,954.00
Proceeds from sale	95,828.00

Loss \$ 126.00

Proceeds from sale	\$95,828.00
Less: 12½% Required Reserves	11,994.00

Investable Funds \$83,834.00

Recap:	
Investable Funds	\$83,834.00
Loss from sale	126.00
Cost of Money	

25 days (Annualized) 2.16%

In example No. 1, we see that the bank had a profit of \$435 with no expenditure on their part except for the cost of reserves on the tax and loan deposit.

In example No. 2, the illustration points out the advantages for a bank that is in a borrowing position or has an alternative use for the funds. Instead of holding the bills for 20 days, they were sold as of the issue date so that the bank had \$83,834 of new reserves to invest. The example shows that they paid 2.16 per cent for use of the funds when in effect Fed Funds were trading at the 6.00 per cent level.

In summary, the program can mean additional profits for those banks willing to take the time and risks involved. The year 1970 was especially attractive, primarily because we were in a period of increasing prices in the Government securities market, which automatically created profits. In a declining market additional caution should be exercised because of possible market losses. In either case, it would pay to consult with a competent advisor.

Annual Bond and Investment Outlook

Money Center Bank and It's Outlook for 1971



*Written Especially for
The Northwestern Banker*
By **RICHARD C. BELLINGER**
*Senior Vice President
Franklin National Bank
New York, N. Y.*

WITH the spectre of numerous liquidity crises endured in the past two years still very fresh in our minds, the avoidance of costly mistakes in investment judgment is again the paramount concern of bank investment officers. This caution has proved to be quite evident as the debt security markets have begun to recover some of their equilibrium from the dark days of 1969 and 1970. All of us have kept our ears to the ground listening for every vital economic statistic to reassure ourselves that the bonds we have just purchased were not a folly and the current rally is not merely a technical one.

The recurrent see-sawing of bond yields to their present levels indicates that investment officers were stepping out with one foot while the rear foot was set for a quick retreat. The under two-year maturity yields were driven down unmercifully with the first inflows of cash. Municipal bonds suddenly came into favor, as week by week with the increasing pressure of uncommitted funds awaiting investment, many banks reluctantly extended their purchases out to the 10-year area in order to salvage yields hopefully somewhat comparable to previous loan rates.

Again, banks are being forced to reach out for yields, and what assurance has the investment officer that what looks like a low yield so soon after these recent liquidity debacles, might be unbelievably attractive six months from now? Or has he, again, become trapped? He is very much aware that if the business climate improves, banks may all be looking to sell their bonds invested out to 10 years at once, driving prices down so fast that he may again have sizable losses in his "short-term" bonds.

Hope to Avoid Pitfalls

We would hope to avoid these obvious pitfalls, by relying on the economic forecasts of our own bank economists. Happily, we find that their predictions do not always agree with the majority, and the value of this divergence has proven to be a portfolio quick to react ahead of many others, and a performance many times better than market indices.

Presently we are looking for moderate economic growth in 1971, accompanied by expansive fiscal and monetary policies. As a result, short-term rates are expected to hover within a narrow trading range over most of the year. However, long-term rates are

expected to fall to lower levels over the next six months.

Specifically, the tax-exempt municipal market looks good because banks are not likely to experience very large loan demands over most of this year while the Federal Reserve continues to pursue an expansive monetary policy. The high yields in the 15- to 20-year range for municipals makes this area particularly attractive for price appreciation.

But, these favorable trading conditions may only last about another six months or so. By the end of the year, loan demand is expected to improve, monetary policy is likely to become somewhat more restrictive and the inflation problem could become more difficult to control. If such economic and financial conditions were to materialize, long-term rates could very well head up once again.

Our Basic Approach

As a large money center bank, our basic approach at present is to invest all funds required for immediate liquidity in short-term governments out to three years or less. This total may be slightly higher than desired because of public deposit collateral requirements. Excess funds formerly required for loans are now being invested in local tax free notes with maturities out to nine months. A portion of these funds are allocated to the higher yielding New York City BAN and RAN's. No additions or new commitments are being made in "Bank range" municipal bonds at this time.

We are not enlarging our longer-term commitments at the present time. We are building liquidity for expected future loan demand, although we trade our liquidity position actively. We take modest trading positions in corporates as well as municipals and agencies to supplement yield with short-term profits where possible. It is hoped that if the debt markets continue to improve in the near term, as we expect, security profits may be realized on these securities as the long-term area of the debt markets catches up with the normal interest curve. Timing of sales when the outlook changes, of course, will be of utmost importance and will be very delicate.

Any investment plan involves a presumption of the business outlook which may vary from month to month. Moreover, one bank's plan may not suit the requirements of any other bank. Different paths are necessary as bank deposit mix and loan requirements differ. The bank investment officer treads across the market's thin ice trying to reach the security of the other side guided by his own good judgment. Not an easy task!—**End.**

Annual Bond and Investment Outlook

Investors and Traders

Wait for "Game Plan" to Unfold

LET'S begin with the old and overworked cliché—this is a difficult time to be forecasting developments in the money market and the bond market. This is not a new problem because trying to read the future is always difficult, particularly when one attempts to do this with precision.

Peering into the future just seems to have been made more difficult this year by the extremes that characterized the markets of 1970 and late 1969. Interest rates now look quite low in relation to last year, particularly rates for short-term instruments. Long-term rates are still historically high. The result is a steeply sloping yield curve.

Many of the abnormalities of the markets of 1969 and 1970 have been wrung out of the structure of prices and rates. I refer to the liquidity crunch, tight money, high interest rates, and disintermediation. Yet, the sharp slope in the yield curve suggests that not all financial and economic problems have been eliminated. Indeed, the extraordinary decline in short-term interest rates and the reluctance of long-term rates to decline nearly as much, suggests that the confidence factor has not been completely restored. The level of short-term rates reflects in large measure a continuing preference for liquidity (at a sizeable premium), and the considerably higher longer term rates reflect lingering doubts in some quarters over the nation's success in dealing with inflation.

Uncertain Environment

Against the above background, and allowing for the political realities that one way or another impact financial markets (if only temporarily and su-

*Written Especially for
The Northwestern Banker*



By JOHN J. LARKIN
*Senior Vice President
First National City Bank
New York, N. Y.*

perficially), the developing money market environment over the next six months could be most uncertain, to say the least. (Indeed, some economic theories insist on a leeway of six months in the lag factor in their projections—if the projections do not work out then the six months is written off as a lag.) An uncertain market could be translated into an interest rate structure with fits and starts.

In other words, interest rates could be fluctuating in a moderate range. Call this a trading market if you wish, but a better identification might be a waiting market as investors and traders hold back to see the national economic and financial "game plan" unfold. During this period of fluctuating rates, the odds favor a trend line that will slope upward. At this juncture, it is difficult to foresee a sharp upward adjustment and certainly not one that approaches last year's peak rate levels.

On the other hand, if the consumer is slow in his response to the call for spending rather than saving (and that is not clear at all yet), the upward adjustment of interest rates might be much slower in emerging, even in a fluctuating market. Indeed, the present interest rate levels could be sustained for several months and it would not be too difficult to suggest the rate decline from late 1969 or early 1970 (depending on whether one is looking at short- or long-term rates) could be extended. Any such extension would more than likely occur in intermediate and long-term rates. Short-term rates could be sticky on the down side in such a situation.

Rising Interest Rates

My choice is that the consumer will spend more and save less, and, therefore, the odds favor rising, rather than falling interest rates over the next six months. Therefore, the wise management of bank assets would call for avoidance of commitments in long-term securities, even though the prevailing steep yield curve encourages just the opposite course of action for income purposes. The yield curve is saying there may be better opportunities ahead for extending a bond account. This is not intended to suggest an extremely short position. An all or none bet is not appropriate in today's fluid investment environment.

Selective acquisition of intermediate maturities would not be out of order but would have to be considered against the loan experience of the individual bank. The intermediate sector, rather than long-term, should be

GAME PLAN . . .

(Turn to page 42, please)



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Annual Bond and Investment Outlook

Bank Earnings and the Investment Function

*Written Especially for
The Northwestern Banker*

By **FRANK K. SPINNER**

Senior Vice President

First National Bank in St. Louis

MOST economists predict a healthy expansion of our national economy, followed by increasing interest rates. The big question is—when?

We have just witnessed one of the greatest declines in short and intermediate interest rates in the history of our country. Not unexpectedly, this has placed bank earnings under a great deal of pressure. The question is whether bankers, as they have done in the past, will begin to reach out for investment yields only to find



F. K. SPINNER

themselves locked into low yielding securities? In other words, is history about to be repeated still another time?

The answer to this question depends on what interest rates do. I say this because I am sure that many bankers will lengthen their investment portfolios in an effort to sustain a favorable rate of earnings.

It will be interesting to see how many of these types of risks are taken while high savings and C/D rates are retained, simply because many bankers fear the potential loss of deposits. In today's market it is difficult to employ large volumes of time deposits without accepting the dangerous philosophy of borrowing short and investing long.

Interest rates will assuredly rise. However, in my opinion, this will not occur until the fourth quarter of 1971 and possibly not until 1972. The economy's health will depend almost entirely on how the housing industry fares. If housing is to flourish, long-term rates must decline and stay down. Otherwise, housing and construction expansion will be aborted in an early stage.

Today we are looking at the greatest example of "Operation Twist" ever provided by the Federal Reserve System.

The Fed's objective is to further reduce intermediate and long-term rates while keeping short-term rates at today's levels or slightly higher.

Thus, the banker who remains short can look for short rates to remain at the 3% per cent to 4 per cent level — and this includes Federal Funds. The banker who lengthens his portfolio but stays within the three-year range should fare very well. But the banker who lengthens beyond three years will have to be nimble. In other words, he must sell out before interest rates increase—or in the early stages of rising rates. If he doesn't, his 1791 earnings will benefit to the detriment of earnings in subsequent years.

With the change in the tax law, banks can no longer afford the luxury of incurring capital losses on their investment portfolios.

In the future, bankers are going to have to do a much more efficient job of managing their investments. Bank's earnings will reflect the amount of time, expertise and effort bank managers devoted to the investment function.—**End.**

Current Bank Investment Strategy

(Continued from page 34)

fication to date, should continue to have ample funds from deposit inflows in excess of loan demands through the spring and summer. As a result, "bank range" bonds, those maturing in the first 15 years, should be in demand and the steep positive yield curve which has developed over the past several months should remain for the next six months or more, with periodic ebbs and flows related to the supply of new issues being offered for sale.

There are several ways to adjust municipal portfolio policies to maintain bank earnings in the face of falling interest rates such as extending maturities, committing new funds in

longer maturities, or buying lower grade credits for extra yield. Caution is warranted against all such moves in this environment. Rather than extending or downgrading, the following portfolio tactics are suggested for the next few months. In terms of maturities, commit new funds or reinvestment funds in the four-to-eight-year range, the eight-year area when the yield curve is most attractive, the four-year area when you don't get paid very much for extending further. Buy mostly good grade, general market names rather than low grade credits, because spreads are not that attractive and better bonds give better downside protection. Buy bonds with slight

premiums as opposed to par bonds to build in some coupon protection. Finally, search the portfolio for tax loss situations having full coupons, liquidate them, and reinvest in similar maturity, similar quality, higher coupon bonds at current income rates.

Inherent in these suggested portfolio tactics is some short-run giveup in yield in the interest of liquidity and asset quality. However, for maximum long-run earnings performance, those who have not yet extended their holdings would do well to "bite the bullet"—maintain a rather conservative reinvestment bias and wait for a more propitious time to purchase long-term securities.—**End.**

Northwestern Banker, April, 1971

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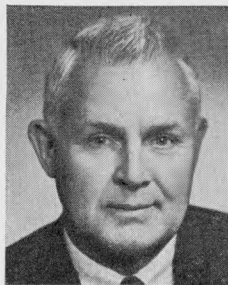
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*Written Especially for
The Northwestern Banker*
By **THOMAS L. RAY**
Senior Vice President
Mercantile Trust Company
St. Louis, Missouri

IF THREE years ago one had forecast that the prime rate would be 8½ per cent in 24 months followed by a decline of 3 per cent the following year, he would have been called mad. With this background any written comments should be made with fingers crossed and a prayer for forgiving readers in case of almost certain error.

As we look at the near future, we must realize that Washingtonians—from the Administration to the Treasury to the Federal Reserve—have been very explicit and outspoken in their comments as to the desirability of having lower long-term rates. While the fixed income markets are big and demands for funds from all borrowers

have been insatiable, the power of the central bank is tremendous. However, a conclusion is that long term corporate rates will lower as money continues its reverse disintermediation and demand for long-term funds from corporate treasurers should slacken.

The tax-exempt market has other problems—primarily supply which undoubtedly will set records. But again, with declining loan volume and lower interest rates more and more banks are being forced to reappraise allocation of assets to sustain earnings and are again buying municipals.

The general consensus of economists (and I am not an economist) seems to be that we will have rising interest rates later this year. However, with an

although in a more restrained pattern than 1970.

The assumption in these few paragraphs has been that both monetary policy and fiscal policy will be pursued with moderation and restraint. If that proves not to be the case and political considerations become paramount, then all bets are off. The record of 1969 and 1970 might then be replayed. Just the thought of such a development might be sufficient discipline and restraint for 1971. Otherwise, 1972 might present an unusual economic and political spectacle—tight money, high interest rates, declining business activity and rising unemployment—virtually on the eve of the Presidential elections. That would not be an attractive political platform for the incumbent.—**End.**

T & L ACCOUNT . . .

(Continued from page 36)

The value of the tax and loan account balance to the individual bank depends on several factors; the bank's reserve position at the time the credit was obtained, the premium paid over the current market, the return (yield)

Annual Bond and Investment Outlook

election coming in 1972 and the economy seemingly still weak, I cannot imagine a strong uptrend in rates before 1973.

With savings and time rates remaining at their highs and Treasury bills down from approximately 8 per cent to 3.40 per cent in 12 months, it is impossible to cover a new item on a selective basis—it has to be part of the over-all mix. Some of the new 5/7-year high-grade corporate offerings are worth looking at for the near term to help cover such costs.

If a portfolio is set up with relatively even maturities from one to 10 or 15 years, it seems logical to continue reinvesting runoff at the long end and catch all market ups and downs. We saw many banks using the Fed Fund Market last year rather than following normal reinvestment procedures and miss the best buying opportunities in history. Actually, except in a relative view compared to last year, tax-exempt bonds still provide excellent returns.

In my opinion, all fixed income markets will continue to see swings as underwriters become over-imbued with success and push too hard—but on sell-offs good values will be available.—**End.**

the bank is able to earn on additional loans or investments, and the length of time the deposit will be in the account.

All of the above have to be taken into consideration and an estimate made before a bank can adequately judge the value of the operation, the price it can afford to pay, and the quantity it would like to have.

Experience over the past few years has proven such ventures to be profitable, especially for banks designated class A for treasury tax and loan purposes. The reason for this is that class A banks have had a longer average life on tax and loan deposits. The average life of such deposits for A banks has been approximately three weeks. However, a word of caution should be injected here. On the last offering, class A banks had only about 10 days. It could be that the average life of such deposits may now be cut to 10 to 20 days. A major factor affecting this is the number of class A banks in the program and the volume of securities subscribed for. The larger participation is as a whole, the shorter the average life may be.—**End.**

GAME PLAN . . .

(Continued from page 38)

the reinvestment range for replacing maturing municipal bonds. That should be the only compartmentalization of available funds.

Otherwise, the allocation of specific funds to specific uses leads to a juggling act in asset management that might tax any system. Therefore, money flows should move into a total pool first and then be allocated to assets. This is merely matching asset management with liability management. To be consistent, the management of liabilities should currently be directed toward tapping deposit funds that could be locked in for a year or longer. Over the next six months such funds, at today's rates, should turn out to be rather attractive (in terms of costs). This trade-off favors future earnings over current income.

The foregoing comments suggest no expectations of extreme interest rate movements over the next six months. In other words, no repetition of the spectacular swings of 1970. Nevertheless, trading opportunities should arise,

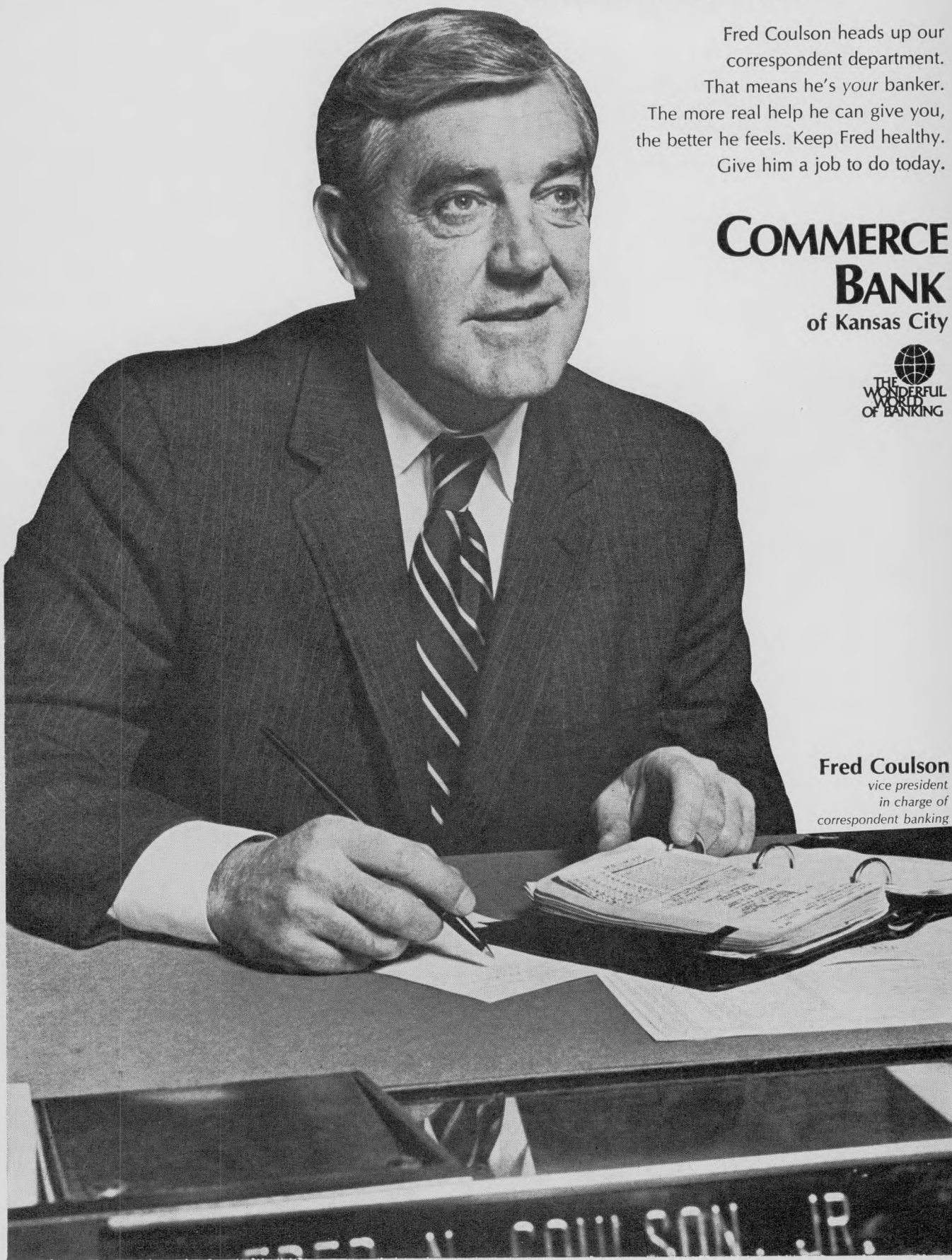
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Fred Coulson
vice president
in charge of
correspondent banking



Northwestern Banker, April, 1971

Expect Upturn in Maturities This Fall

Written Especially for
the *Northwestern Banker*
By JAMES L. MILLER
Vice President
Commerce Bank, Kansas City



THE rate climate through autumn is going to be tricky. We believe that short-term rates—up to one year—won't fall much lower. We also think the intermediates have a short way to go before they reach their bottom and long rates will remain about where they are now. In late autumn, we expect an upturn in all the maturities."

"You asked how best to cover time and savings interest expense in the near future. The attack on this problem is two-pronged. First, it would be best to lower the interest on time and savings, and second, the monies derived from these deposits may be reinvested in tax-free municipal bonds. The best maturities for a manager to buy for the next six months should be on the short side, with the idea of longer extension in autumn. The portfolio percentage in maturity ranges depends entirely on the bank and the circumstances under which it operates. It would be hard to give a rule of thumb here. We think that municipal roll-over should be invested in new municipal issues in the next few months, providing the emphasis is on the shorter end."

Old Republic International

A 25 per cent increase in consolidated after-tax earnings for Old Republic International Corporation of Chicago in 1970 and the achievement of earning more than \$5 million for the first time was announced by James H. Jarrell, chairman of the board. All of the company's subsidiaries contributed to the increase.

The record \$5,123,000 adjusted net gain from operations compares with \$4,092,000 in 1969, an increase in excess of \$1 million.

Earnings per share were \$2.69 in 1970 as against \$2.15 in the previous year, reflecting 1,901,569 shares outstanding at December 31, 1970.

Mr. Jarrell noted that the increase in earnings for 1970 was more than twice as great as for 1969 and said the rise in premium income from \$165.1 million in 1969 to \$180.6 million in 1970, the largest in the company's history, points out dramatically the rapid progress that has resulted from diversification.

William R. Stover, president of Old Republic International, in commenting on the company's achievements, said that the volume of life insurance written, which exceeded a record \$6.4 billion in 1970, showed a gain of 10.5 per cent. He also revealed that capital and surplus increased 16 per cent.



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Imagine any one of our superheroes calling headquarters for instructions. Or waiting for the go-ahead from some higher ups.

Of course, it's unthinkable. A few weeks of that routine, and any superman worth his salt would be out looking for a new job.

The simple truth is, no man who really knows what he's doing can work for people who insist on clearing every move he makes. Good men do need a little freedom of action.

Good men, of course, are the kind we want to have working for us.

So we've done everything we could, to make sure each of our men has the freedom he needs, and deserves.

The Idea Bank itself is organized according to the "unit

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That kind of organization challenges each man to use his talents to the fullest. And it gives us the ability to do things more effectively, and faster, than most banks half our size, or twice our size.

That's especially true of our

Correspondent Banking Division. Whether it's a complicated overline, or just something simple, we can give you better service, faster, than anyone else we know.

Even more important, you'll be dealing with men who know what they're doing, and can make their own decisions.

The next time you've got a difficult correspondent problem you need solved quickly and creatively, consider giving Bill Aldrich a call at (312) 661-5050.

If he isn't available, one of our other men will help you.

No matter who it is, you'll be in very good hands indeed.

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Northwestern Banker, April, 1971

Insurance Progress Reports

American Benefit Insurance

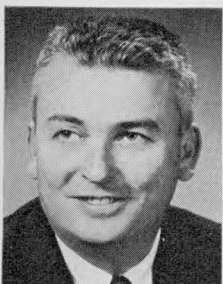
James C. White, president, American Benefit Insurance Company of Minneapolis, Minn., reported that the company had changed to its present name this past year. It was formerly known as the Minnesota Commercial Men's Association for over 65 years.

From an operating standpoint, Mr. White reported a satisfactory year. Said Mr. White, "Like many companies our major problems were related to the recruitment of good men to market our product. Recognizing this, the company has begun to look toward other methods, such as direct mail and other advertising media."

Recently the company introduced new disability and hospital indemnity plans to meet the demands of today's market.

Continental Western Holding

J. D. Kent, Jr., president of Continental Western Insurance Company, Des Moines, has announced a successful year just past. Premiums written



J. D. KENT JR.

reached a new high of \$20,257,615 in 1970 with a 19 per cent gain over the previous year. Fire and inland marine premiums were less than \$100,000 below combined casualty line writings.

Most all fire and casualty coverages reflected improved loss ratios and a net underwriting profit of \$563,763 was realized in spite of automobile property damage and collision underwriting losses at \$366,281 and \$206,336 respectively. Higher labor costs plus the fragile design of newer automobiles continue to make them vulnerable to the once phrased minor damage accident.

With an investment income of \$656,474 this past year policyholders' surplus moved up to \$8,221,680 with a gain of \$1,210,668. Assets reached a new high at \$22,862,859.

Later this year the combined Des Moines-based companies of Western Holding Corporation will be moving to a new home office complex at 11201 Douglas Avenue in the northwest corner of the city near Interstate 35-80. The full facilities of Continental Western, Continental Western Life, Continental Western Acceptance and Western Leasing, Inc., will then afford better service and assure continued

growth in fulfilling the personal and commercial insurance market throughout the midwestern states of operations and proposed expansion.

Continental Western Life

Impressive gains in assets, premiums written and insurance-in-force were announced by Ace D. Loomis, president of Continental Western Life Insurance Company, Des Moines, in



A. D. LOOMIS

his report on 1970 business. Continental Western Life is an affiliate of Western Holding Corporation, and is licensed in 20 states.

Mr. Loomis said assets of CWL were \$5,295,000, representing a 22 per cent increase over the 1969 year-end. Other 1970 year-end figures were:

Life premiums, \$4,432,000, 102 per cent increase; Accident and Health premiums, \$180,000, 54 per cent increase; investment income, \$254,000, 16 per cent increase.

Ordinary life insurance in-force at 1970 year-end was \$143,726,000, an increase of 102 per cent. Credit insurance in-force was \$27,091,000, a 40 per cent increase, making a total in-force figure of \$170,818,000, for an 89 per cent increase.

Employers Mutual

The Employers Mutual Companies reached two \$100 million goals during 1970, President Robb B. Kelley reported at the annual meeting of the board of directors in Des Moines.



R. B. KELLEY

Employers Mutual Casualty Company, the parent company, topped \$100 million in assets, reaching a total of \$100,076,745.

Employers Modern Life Company, which sold its first policy in July, 1963, topped \$100 million of insurance in force with a year-end total of \$109,494,444. Premium income reflected a 54.1 per cent increase.

Mr. Kelley said Employers Mutual showed an 8.4 per cent gain during 1970 in property and casualty premiums in the United States. Net written

premiums totaled \$75,632,780, he said.

The companies during 1970 paid out more than \$1,438,136 in dividends to policyholders, principally in workmen's compensation insurance, Mr. Kelley said.

The board of directors elected Lanning Macfarland, Jr., of Chicago, Ill., to succeed George Morrell of John Morrell & Company, Ottumwa, who retired after 14 years on the board.

Mr. Macfarland is president and director of The Law Bulletin Publishing Company which publishes legal newspapers, real estate periodicals, community newspapers and supplies credit information to major retail credit firms in the Chicago area.

Mr. Kelley gave a progress report on the current building programs of Employers Mutual Companies. He said the new 10-story home office building is nearing completion, and combined with the existing building will be the largest in Iowa with space available for renting.

Also during the year the Providence, R. I., and the Milwaukee, Wis., branches moved into new offices, a new building was completed for the Kansas City, Mo., branch, and ground broken for a Philadelphia branch building at King of Prussia, Pa.

Employers Mutual Companies consists of Employers Mutual Casualty Company, Employers Modern Life Company, EMCASCO Insurance Company, all of 210 Seventh Street, Des Moines, and Union Mutual Insurance Company of Providence, R. I.

Farmers Mutual Hail

All officers and two directors of Farmers Mutual Hail Insurance Company were re-elected at the company's



M. D. RUTLEDGE

78th annual meeting at the firm's office in Des Moines, Iowa.

President Max Rutledge reported that once again the company had set an all-time record of over \$491 million of crop hail insurance in force during 1970

to lead the insurance industry nationally in this type of coverage. Mr. Rutledge also reported that total assets increased at a record pace to over \$29.6 million and that surplus to policyholders increased proportionately to \$15.9 million. The more than \$4.5 million growth in one year in assets represents an increase of almost 18 per cent for the year, also a record.

He reported that claims for hail

damage to crops were well below the previous year. The company writes crop hail insurance in nine midwestern states, and also writes turkey insurance, and provides reinsurance coverage nationally.

Financial Insurance Service

The year 1970 was one of significant gains for Financial Insurance Service, Inc., Des Plaines, Ill. The firm's appointment as administrator of employee benefit programs for both the Illinois Bankers Association and the Oklahoma Bankers Association was the highlight of 1970.



R. T. HEPWORTH

Total written premiums increased by more than 200 per cent compared to 1969.

The staff of employees at the end of 1970 was almost double the year ago figure.

Operations were expanded to an additional seven states, making a total of 24 states in which the firm is currently providing insurance coverages for banks.

While some types of bank insurance are becoming increasingly difficult to obtain under present conditions, Financial Insurance officials say they remain confident most of the problems will be solved. Fortunately, most bankers are aware of the current difficulties and are taking the necessary steps to improve their operations and reduce the exposures.

R. T. Hepworth, president, stated: "We regard the future optimistically. We look to another year of solid growth during 1971 although we expect the rate of growth to be somewhat less than last year's."

General United

General United Life Insurance Company, West Des Moines, which has 385 bank clients writing credit life insurance in 13 states, had a statutory operating profit of \$236,247 in 1970, an increase of 133 per cent over 1969, Jack Schroeder, president and chairman of the board, has announced. The company's profit on an adjusted basis was more than \$600,000 for the year, Mr. Schroeder added.



J. SCHROEDER

General United Life's assets on December 31, 1970, were slightly more

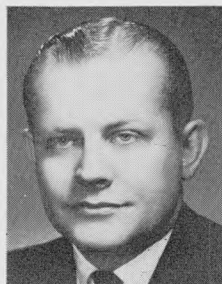
than \$87 million, an increase of nearly \$7 million over 1969, Mr. Schroeder reported.

Premium income in 1970 was \$25 million and insurance in force totaled \$1,269,000,000 at the end of 1970, he said.

Lyman B. Hughes, senior vice president of General United Life, heads up the company's credit life division. Fieldmen include Dave Huso, Loveland, Colo.; Don Nachtman, Dubuque, and Jim VandeKamp, Des Moines. General United Life's credit life clients are in Alabama, Colorado, Idaho, Illinois, Iowa, Indiana, Minnesota, Nebraska, North Dakota, South Dakota, Utah, Wisconsin and Wyoming.

Life Investors Inc.

Life Investors, Inc., reported record results for the year ended December 31, 1970. Net earnings increased to \$2,808,199, equal to 86 cents per share, from \$2,211,896, or 68 cents a share, in 1969.



R. L. JENSEN

Ronald L. Jensen, chairman of the board, said the increase was generated entirely through internal growth, primarily insurance operations. He also noted that:

Life insurance in force now exceeds the \$1 billion mark, and life insurance assets and sales reached record highs. There was a gain in the sale of mutual funds in combination with the purchase of endowment life insurance, although over-all mutual fund sales and assets were less than in the prior year.

Equity product sales were higher, as the result of increased marketing of real estate investment trust shares, and real estate operations in general made good progress, except for mobile home park development, which incurred a modest loss.

Mr. Jensen estimated that insurance premium volume will rise by approximately 50 per cent in 1971, largely because of newly expanded life insurance operations. The company acquired Bankers United Life Assurance Company, Oak Brook, Ill., in December, and First Penn Pacific Life insurance Company, Harrisburg, Pa., in February, 1971.

Outside the insurance field, in November, 1970, Life Investors purchased convertible preferred stock in Executive Data Systems, Cedar Rapids, which, if converted, would result in 68 per cent ownership of the one-line computer service firm.

Life Investors is a financial organization that concentrates on life insurance, mutual funds, banking, real estate ownership and development, and hospital accounting computer services.

Lincoln Benefit Life

Lincoln Benefit Life Company, through its president, Robert H. Rydman, announced that the Lincoln-based insurance concern recently passed the \$100,000,000 mark in life insurance in



R. H. RYDMAN

force. In addition to the company's ordinary life insurance operations, which have produced outstanding gains during the past three years, recently Lincoln Benefit has developed one of the most progressive credit life programs on the market today, being presented by an aggressive and knowledgeable field force.

The company has produced two-thirds of its business in force since the beginning of 1968 and is recognized as the fastest growing ordinary life insurer in the state of Nebraska.

In announcing year-end results, Mr. Rydman stated that the admitted assets of the company had increased from \$7,385,182 to \$8,870,412 during 1970.

Lincoln Benefit Life Company is a part of The Greater Nebraska Corporation.

National Fidelity Life

Operating results for 1970 have been announced by National Fidelity Life Insurance Company of Kansas City, Mo. The company, completing its 55th



R. F. ROSENBERG

year, increased insurance in force to \$1,345,366,081 as of December 31, 1970, according to Robert F. Rosenberg, president and chief executive officer. The gain of \$116,418,906 was an increase of 9 per cent over the total life insurance in force a year ago of \$1,228,947,175. The gain includes a decrease in Federal Employees Group Life Insurance of \$6,351,800 and an increase in Servicemen's Group Life Insurance of \$20,314,400.

Individual life insurance in force was \$422,530,300 compared to \$337,304,200 at the end of 1969. The increase

was \$35,226,100 for 1970 compared to \$27,341,500 for 1969.

The volume of new individual life sales was \$89,788,000 compared to \$90,473,900 for 1969, reflecting the continued emphasis on the acquisition of higher quality business at lower costs. The volume of group life insurance production, including credit life insurance, was \$431,192,500 compared to \$427,469,700 last year.

First year individual life premiums were \$1,434,160 compared to \$1,352,250 for 1969, an increase of 6 per cent. Total first year and renewal year individual life premiums were \$7,441,300, an increase of 4 per cent over \$7,148,500 for 1969. Total life insurance premiums, including group and credit life insurance, were \$17,516,700, an increase of 1 per cent over \$17,386,400 for last year.

First year individual health premiums decreased 19 per cent from \$1,046,600 to \$849,200 during 1970 as a result of the termination of the sale of unprofitable policies, while total first year and renewal year individual health premiums increased 5 per cent from \$4,026,200 to \$4,244,100. Total health insurance premiums, including group and credit health insurance, were \$8,709,800 compared to \$8,612,700 a year ago.

Net income from investments was \$2,894,900 compared to \$2,424,000 during 1969, a gain of 19 per cent. Total income increased to \$29,216,800 compared to \$28,549,100 in 1969, an increase of 2 per cent.

Total assets gained 9 per cent to \$61,308,000, an increase of \$5,179,500 over December 31, 1969. The company now has \$1.21 of assets for each \$1 of liabilities, compared to \$1.18 a year ago.

Square Deal

The Square Deal Insurance Company of Des Moines, Iowa, set new all-time records in 1970. According to Merle D. Morgan, president and general manager, the firm, which has specialized in the writing of crop-hail insurance since its inception over 50 years ago, set all-time records in assets, premium written and policyholders' surplus during 1970. Mr. Morgan



M. D. MORGAN

told the firm's 51st annual meeting that premium income rose 9 per cent, assets reached \$5,061,238, while policyholders' surplus stood at \$4,588,836.

Capital Notes Issue

Morgan Guaranty Trust Company of New York plans to issue \$100,000,000 principal amount of capital notes due April 1, 1978. The offering, which is subject to authorization by the superintendent of banks of the State of New York and approval by the Board of Governors of the Federal Reserve System, will be underwritten by a nationwide group of investment firms headed by Morgan Stanley & Company, Incorporated.

The capital notes will mature on April 1, 1978, and will not be redeemable prior to maturity.

Joins ABA Staff

Hampton A. Rabon, 59, former Deputy Fiscal Assistant Secretary of the Treasury, has joined the staff of The American Bankers Association as associate federal administrative adviser. His appointment was announced recently by A.B.A. Executive Vice President Willis W. Alexander.

In his new post with the A.B.A.'s government relations division, Mr. Rabon's duties will include matters involving the relationship of the association's 13,500 member banks with the Federal banking regulatory agencies and other agencies in the executive branch.

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- We offer the fastest and finest service for you and your customers.
- Our fully computerized program is easy to administer, saving you time and money.
- The economies of our credit insurance operation are passed on to you.
- We offer peace of mind for you, as the community banker, by allowing you to offer your customers the finest and most complete credit insurance program.

Continental Western Life Bank Depositor Plan is one of the finest in the industry. We build strong bank depositor relationships by using the finest product on the market. Contact us when considering one. FOR FURTHER INFORMATION WE INVITE YOU TO CALL COLLECT (515—276-6767)

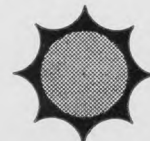
Ask for: Tozz Robinson, Agency Director.



VINTON S. NUTT
Executive Vice President

or

PAUL T. WOLD
Credit Insurance Manager



CONTINENTAL WESTERN LIFE INSURANCE COMPANY

Des Moines, Iowa

Illinois NEWS

F. W. HEITMANN, JR. President Chicago

ROBERT C. SCHRIMPLE Exec. V. P. Chicago

Illinois Group Officers

New officers elected during the annual group meetings in Illinois are as follows:

Group 1: President, Harry P. Burke, National Bank of Austin, Chicago; senior vice president, Paul R. Bere, State Bank of Clearing, Chicago; vice president, Robert C. Humphrey, State National Bank, Evanston; treasurer, Robert E. Hunt, Northern Trust Company, Chicago; secretary, Margaret R. Hadley, Chicago District IBA, Chicago.

Group 2: President, Ronald N. Johnson, Orland State Bank, Orland Park; vice president, John W. Gerber, National Bank of Fairbury, Fairbury; secretary-treasurer, Harley G. Davis, First Trust & Savings Bank, Kankakee.

Group 3: President, LaVerne M. Woods, First National Bank, Antioch; vice president, Eugene C. Ernsting, Roselle State Bank & Trust Company, Roselle; secretary-treasurer, Laurence Henning, Yorkville National Bank, Yorkville.

Group 4: President, Gordon E. Sears, Citizens First National Bank, Princeton; vice president, John Buford, Midwest Bank of Freeport, Freeport; secretary-treasurer, George Aderton, president, Citizens State Bank, Mt. Morris.

Group 5: President, Edward L. Treadway, First National Bank, Staunton; vice president, Paul Slack, State Street Bank & Trust Company, Quincy; secretary-treasurer, Harold N. Smith, Farmers State Bank, Pittsfield.

Group 6: President, W. E. Saxton, State Bank of LaHarpe, LaHarpe; vice president, Gerald E. Conaghan, Pekin National Bank, Pekin; secretary-treasurer, Edward E. Zilm, Citizens National Bank, Toluca.

Group 7: President, Gerald L. O'Neill, American National Bank, Champaign; vice president, William F. McCarty, Tuscola National Bank, Tuscola; secretary-treasurer, A. J. Weitekamp, First National Bank, Rantoul.

Group 8: President, William E. Parr, Hardware State Bank, Lovington; vice president, John W. Luttrell, First National Bank, Decatur; secretary-treasurer, John M. Jones, Williamsville State Bank, Williamsville.

Group 9: President, Charles F. Ar-



buthnot, First National Bank, Wood River; vice president, Kenneth Milam, Salem National Bank, Salem; secretary-treasurer, Ernest A. Karandjef, Granite City Trust & Savings Bank, Granite City.

Group 10: President, G. Wallace Rich, First National Bank, Cobden; vice president, Kenneth I. Ward, Fairfield National Bank, Fairfield; secretary-treasurer, Lloyd K. Henderson, Carterville State & Savings Bank, Carterville.

Bank of Wood Dale

At their recent annual meeting, stockholders of the Bank of Wood Dale elected two new members of the board of directors, Vernon S. Hoesch of Naperville and Harry E. Mertz of Des Plaines. Mr. Mertz was also named executive vice president and will be the senior active operating officer of the new bank.

Mr. Mertz has been president of the Des Plaines Trust and Savings Bank in Des Plaines. He assumed the position with the Bank of Wood Dale on March 15.

Mr. Hoesch is president of First Ogden Corporation, a bank service firm.

At the organizational meeting following the stockholders' meeting, two Wood Dale men were elected vice presidents of the Bank of Wood Dale. Herbert Hibnick, owner and manager of Sievers Pharmacy in Wood Dale, and W. C. "Bud" Prather of Wood Dale were named to the posts. Both men had previously been directors.

Buchler Named Cashier

The board of directors of the Heritage Bank of Woodridge, Woodridge, has elected Ronald M. Buchler cashier and secretary of the bank.

Mr. Buchler began his banking career at Standard Bank and Trust Company of Chicago in January, 1965, as a teller. His employment was interrupted from September, 1965, to September, 1967, for a tour of duty with the U. S. Army. Following his dis-



R. M. BUCHLER

charge from the Army, he returned to Standard Bank where he assumed the duties of note teller and two years later was appointed pro-cashier. In June, 1970, he was elected cashier, a position he held until his election to cashier and secretary.

H. D. Koenecke

H. D. Koenecke, president and chairman of the board of directors of the First State Bank of Harvey, died recently at the age of 56. Mr. Koenecke was also president of the First State Bank in Fennimore, Wis.

Born at Ceylon, Minn., Mr. Koenecke spent his entire business career in banking. After working in Kimball, Minn.; Portland, Ore., and Cantril, Iowa, in 1956 he purchased the controlling interest of the First State Bank in Fennimore, Wis. He founded and began the Harvey bank in December, 1962.

Announce Reorganization

Central National Bank & Trust Company, Rockford, has announced a reorganization of the trust department. The trust and investment services division has been established to encompass both trust and services and the new investment management services.

John A. Resh, vice president and trust officer, will head the trust and investment services division. In addition, he will continue to manage the trust services department. Austin G. Sexton, investment manager, is responsible for the investment services department. Other officers who will serve the new division in an advisory capacity are Elmer Anderson, senior vice president, and Willard C. Mills, investment officer.

Murphy Vice President

Richard D. Murphy has joined the Michigan Avenue Financial Group, Inc., as vice president. In making the announcement, Richard L. Curtis, president, stated that Mr. Murphy will be in charge of all real estate development ventures of the Group.

Mr. Murphy most recently served as a real estate consultant for several companies. For seven years he was executive secretary of the American Institute of Real Estate Appraisers.

Mr. Murphy is a fourth-generation Chicagoan, whose family was prominent in meat packing and real estate. He attended Loyola University and received his Bachelor of Arts degree in Economics from Loras College, Dubuque, Iowa.

ILLINOIS NEWS . . .

(Turn to page 51, please)

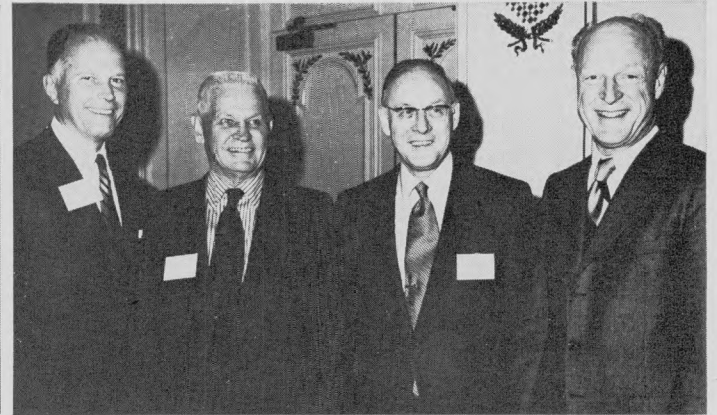
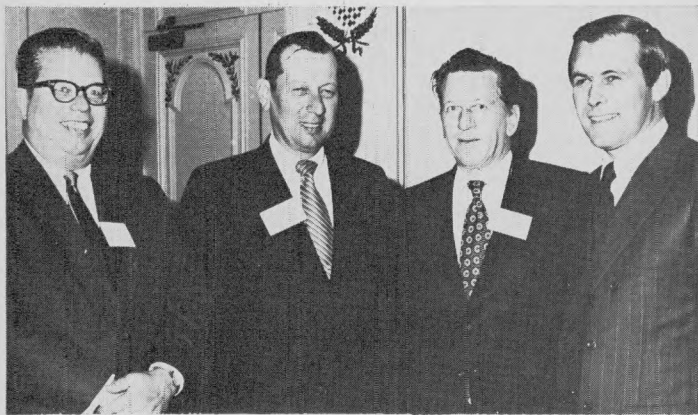
Northwestern Banker, April, 1971

Photos Taken At Illinois Group Meetings



GROUP FOUR OFFICERS elected at Freeport are from left: Immed. Past Pres. **Omar C. Wilhelms**, cash., First St. Bk., Shannon; Pres. **Gordon E. Sears**, exec. v.p. Citizens First Natl. Bk., Princeton; Vice Pres. **John Buford**, pres., Midwest Bank of Freeport; Secy.-Treas. **George Aderton**, pres., Citizens St. Bk., Mount

Morris, and **Charles J. Wirth**, exec., v.p., Colonial Bank of Rockford, and a past pres. & member of IBA Council of Adm. **RIGHT—Jack H. Beaulieu**, pres., Glenview St. Bk., and **Gilbert Hamblet**, TRW Credit Data, Chicago, appear on Gr. 3 program at St. Charles. Mr. Beaulieu served as Gr. 3 pres. this past year.



GROUP 1 MEETING in Chicago drew more than 500 guests. Pictured above, left to right, are: **LEFT—Bill Kurtz**, pres. of Gp. 1 and sr. v.p., American Natl. B&T, Chicago; **Frank Bauder**, Gp. 1 treas. and also chm. of Central Natl., Chicago; **Harry P. Burke**, pres.-elect of Gp. 1 who will take office July 1 and also pres., Natl. Bank of Austin, Chicago, and a consultant to President Nixon, who was dinner speaker at Gp. 1. **RIGHT—Allen P. Stults**, v.p. of the ABA and chmn. of American Natl. B&T, Chicago; **Roland W. Blaha**, Illinois commissioner of banks; **Robert Schrimple**, exec. v.p., Illinois Bankers Assn., Chicago, and **Fred W. Heitman, Jr.**, pres. of Illinois Bankers Assn. and pres., Northwest Natl., Chicago.



IBA VICE PRES. Lewis H. Clausen, pres., Champaign Natl. Bk., visits at Group 5 with Gr. Pres. **Robert E. Ritchie**, v.p. & cash., State Bk. of Jerseyville, and new Secy.-Treas. **Glenn W. Storme**, pres., First Natl., Carbondale. **RIGHT—Gr. 6 officers**

include from left: Secy.-Treas. **Ernest H. Zilm**, chmn., Citizens Natl. Bk., Toluca; **V. P. Gerald Conaghan**, pres., Pekin Natl. Bk.; Immed. Past Pres. **Don Baily**, pres., Table Grove St. Bk., and Pres. **W. E. Sexton**, exec. v.p., State Bank of LaHarpe.

ILLINOIS NEWS . . .

(Continued from page 49)

Name Henning

Christian Henning has been named vice president and trust officer at Gary-Wheaton Bank in Wheaton where he will supervise financial planning and employee benefit plans. The announcement was made by Marion G. Hocker, president of Gary-Wheaton Bank.

Mr. Henning received his B.S. degree from Loyola University in 1964, and his J.D. degree in 1968, also from Loyola University where he was president of the Blue Key National Honor Society. During these years, he also served as a member of the United States Marine Corps Reserve (1960-66). He is a member of the Illinois Bar Association, as well as the American Bar Association.

Marian Carter Promoted

Marian Carter is the newly appointed vice president in charge of customer service at the Beverly Bank, Chicago, who urges young women to get into banking because of the rapidly expanding opportunities for career development.



MRS. M. CARTER

In her own case, it was the arrival of the computer on the banking scene that speeded up her promotions. Instead of

displacing employees as is often feared, because it produced so many reports involving marketing, geographic and occupational information that services expanded.

"In 1962 I knew nothing about computers. But because of my wide range of banking experience I knew what should happen in the machine's computations."

Mrs. Carter, then in the bookkeeping and accounting department, was tested for computer aptitude and accepted for on-the-job training in programming along with 40 others. Only a fourth of the class finished, and she was among the top students.

New Charter

The new First Security Bank of Cary-Grove, Cary, has received a charter from the State of Illinois Commissioner of Banks and Trust Companies, Roland W. Blaha. The issuance of the charter permits the bank to begin construction of the new building, and to open for business as soon as it is completed.



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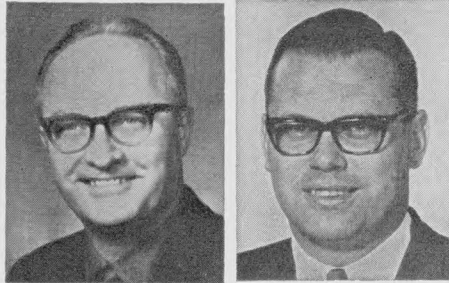
National Bank and Trust Company

7th & Robert 228-2345 St. Paul, Minn. 55101

Member F. D. I. C.

Minnesota NEWS

M. R. CAMPBELL President Crookston
T. L. JEFFERS Exec. V. P. Minneapolis



Express Concern for Agents

THE Minnesota Bankers Association has expressed its concern to the Federal Reserve Board in Washington on two areas in which the Board might act in connection with the amendments to the Bank Holding Company Act passed at the end of 1970. Excerpts from the MBA letter addressed to Dr. Arthur Burns, chairman of the Fed, are as follows:

"We are specifically concerned about the possibility that the Board may adopt restrictive guidelines relative to the debt to equity ratio which a company acquiring a single bank may not exceed. Secondly, if some measure is adopted, would that same measure be used in approving the transfer of all or a major portion of the stock of a company owning one bank and which was formed prior to the effective date of the act?"

"Many recent acquisitions of small rural banks have been through the one-bank holding company device. In some cases the debt to equity ratio has been higher than 60 per cent. We feel that in order to maintain independent ownership of smaller banks, there must be a set of guidelines established which would not unduly restrict the purchase and financing of bank stock by individuals. These guidelines should reflect bank size, size of the holding company, ownership of the stock of the holding company, management ability, reasonable expectation of orderly repayment of the debt, lack of ability to market the holding company stock to create additional equity, and size of the community which the bank serves.

"Another area of concern involves bank insurance agencies. The vast majority of the existing one-bank holding companies of this state include general insurance agencies. In order to meet the Internal Revenue Service income test to provide the tax shelter for bank stock dividends, a broad base of insurance sales must be permitted. Lacking sufficient non-dividend and interest sources the 85 per cent exclusion is eliminated. The holding company will then not have sufficient after tax income to service the debt incurred in purchasing the bank stock. The

financial life of over 100 Minnesota-based one-bank holding companies would be jeopardized.

"The regulation proposed relating to the sale of insurance by the holding company appears to us to be unduly restrictive and not in keeping with the language of the statute or legislative intent. It appears to restrict insurance sales to persons that have present bank relationships."

Name Timm as President

Glendon M. Timm was elected president and Kenneth G. Nelson was named vice president and cashier of the First National Bank of Lakeville, Minn., at a special shareholders' meeting, it was announced recently. Mr. Timm previously was executive vice president and cashier. Mr. Nelson was vice president.



K. G. NELSON

G. M. TIMM

Two new directors also were elected. They are W. G. Andrews, St. Paul, and Maynard Johnson, vice president of Hitchcock Industries and manager of its Airlake Industrial Park which is located in Lakeville.

Mr. Andrews, who is chairman of the board of Mid America Bancorporation, Inc., purchased the bank in January from Hitchcock Industries. Carlton Hitchcock, president of Hitchcock Industries and former president and director of the bank, has resigned his bank posts.

Mr. Timm served with the Northwestern National Bank of Minneapolis for 18 years in commercial loan, credit, and training departments before joining First National Bank of Lakeville in 1969. Mr. Nelson came to the bank in 1970 after 18 years with Northwest Bancorporation.

Promote Two at Edina

K. Allan Nelson has been promoted to assistant cashier and Mrs. Mary Gene Bogren to account service officer at Edina State Bank, Edina, as reported by David Fleming, president.

Mr. Nelson's previous banking experience includes work at the First Grand Avenue State Bank, St. Paul, where he was an assistant cashier in charge of personnel and operations, and First Edina National Bank where he was personnel manager.

Mr. Nelson, recently employed by the Edina State Bank, is a graduate of Gustavus Adolphus College, St. Peter, Minn., with training from the University of Minnesota extension department and American Institute of Banking. Mr. Nelson is active in a wide variety of community and business affairs. He is a member of American Institute of Banking, Bank Administration Institute and the Twin City Personnel Association.

Mrs. Bogren has been with the Edina State Bank for five years and has been a lifelong resident of Edina-Southwest Minneapolis area.

St. Croix to Board

Donald R. St. Croix has been elected to the board of directors of Suburban National Bank of Roseville.

He becomes the eighth director of the new bank, which opened adjacent to the Rosedale Shopping Center in May, 1970.

Mr. St. Croix is the founder of Merchants Cartage, Inc., and Merchants Leasing, Inc., St. Paul.

Wins Mexico Trip

Mrs. Elsie Pearson of Winona was recently presented tickets to Mexico by Merchants National Bank President Gordon R. Espy. The contest was sponsored by the Christmas Club Corporation, New York City.

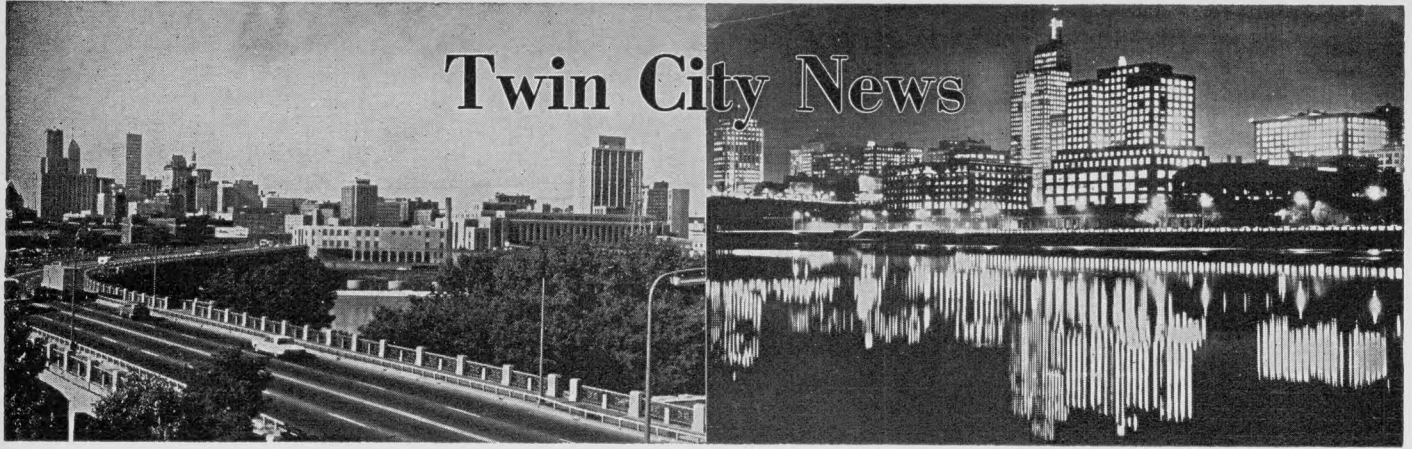
Authorize Stock Increase

The banking division of the Minnesota Department of Commerce has authorized an amendment increasing the capital stock of Citizens Bank and Trust Company, Hutchinson, from \$400,000 to \$500,000 by stock dividend.

Elected to Board

William N. Rom was elected to the board of directors of the First National Bank of Ely. He fills the vacancy created by the resignation of John Lozar at the annual meeting in January. Mr. Rom is a graduate of the University of Minnesota and he served five years with the Navy in World War II where he attained the rank of lieutenant commander.

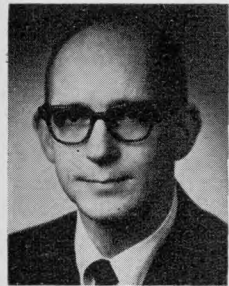
Twin City News



A GROUP of Twin Cities bankers has formed a committee to get ready for the "less check" society. They're going to begin contacting representatives from government and large companies interested in planning

for the day when money will commonly be transferred by computer impulse as well as by check.

J. C. Welman, Jr., senior vice president in the operations and control group at the First National Bank of Minneapolis,



J. C. WELMAN, JR.

has been elected chairman of the new group.

Mr. Welman emphasized that the committee, called SCOPE (for Special Committee on Paperless Entries), has not been organized "to dream about the day 20 years hence when everyone will have computer terminals in their homes."

"This is a group of practical men

interested in the specific problem of transferring funds without checks."

As an example of paperless transfer of funds, Mr. Welman cited the possibility of a large company issuing its entire payroll on computer tape. The tape would be given to an individual bank which would transfer the funds to the other banks in the area through an Automated Clearing House. Deposits could then be made to all the employees' personal accounts, regardless of where they banked. Currently, it is possible to pay in this manner inside one bank—but not between banks.

"By establishing compatibility in the electronic transfer of funds," said Mr. Welman, "it will be possible to capture the cost savings of electronic transfer while preserving the competitive nature of the banking industry."

The new SCOPE group in the Twin Cities has been preceded by a local study committee and by the American Bankers Association spearheading task force MAPS (Monetary and Payments Systems) Committee. MAPS was composed of senior executive officers from some of the nation's largest banks.

MAPS, in an interim report published last September, outlined the possibilities inherent in paperless entries when it noted that there were 22 billion checks written in the United States during 1970 and that by 1980 there would be about 44 billion. Most of these checks clear through 36 clearing areas—including Minneapolis-St. Paul.

The local study group, formerly headed by Federal Reserve Bank Vice President **L. W. Fernelius**, established goals and objectives, then reformulated itself into SCOPE to carry out action. SCOPE committees began on the West Coast where it is expected that paperless payroll transfers will commence in 1972.

* * *

Promotion of **Charles M. Tilden** to assistant vice president in the corporate trust division has been announced by First National Bank of Minneapolis. Mr. Tilden began his career with First Minneapolis in 1962. He served initially in the personnel and operating areas of the bank, and in 1966 joined the trusts and investment management group.

Since 1968 he has been in the corporate trust division as an administrator of corporate trust and corporate agency accounts.

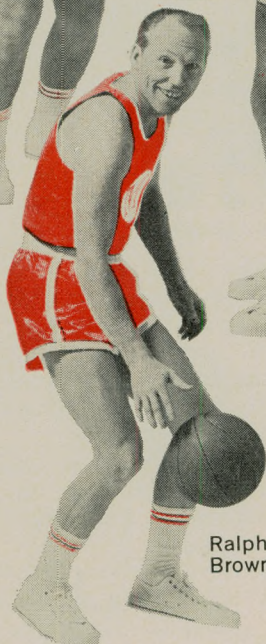
* * *

Funeral services were held recently for **Robert E. Towey**, former vice president and trust officer at the Midland National Bank, Minneapolis. He died in Naples, Fla., at 74. He had served as vice president and trust officer of two banks in Naples after his retirement from Midland.

* * *

Three new directors and six new officers have been elected by Dain, Kalman & Quail, Incorporated, Minneapolis-based regional investment banking firm.

Elected new directors are **Thomas M. Dale**, Minneapolis, vice president, retail merchandising; **Richard A. Gad-**

Gil
FalkJohn
OrdosErnie
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HerbstRalph
Brown

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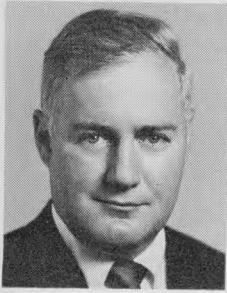
Midland National Bank
of Minneapolis



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Northwestern Banker, April, 1971



R. MARTIN

president and resident manager of the Southdale office.

Newly elected vice presidents are: **Daniel F. Finnane** and **Paul R. Krausch**, institutional department, and **Robert F. Nute**, manager, mutual funds.

Elected assistant vice president was **Peter A. Randall**, corporate services department. **Darryl P. Ekstrom**, controller-operations accounting, has been elected assistant secretary, and **H. James Roitenberg**, a security analyst in the research department, has been elected an assistant vice president.

In addition, **Robert R. Martin**, vice president, has been promoted to manager, municipal bond department.

Two other men have recently joined the firm. **Thomas M. Neitze** has joined the corporate services department. He has been a corporate finance specialist with Bateman Eichler, Hill Richards,

Inc., an investment firm in Los Angeles. **Charles F. Cozzens** joined the firm as a security analyst in the research department. He has been a security analyst and officer with the investment research department of First National City Bank, New York City.

* * *

The board of directors of Bank Shares, Incorporated, Minnesota-based registered bank holding company, has elected **Ronald Ingersoll** vice president of the data processing division.

Also promoted to officer status in the data processing division were **Robert F. Peterson**, who was elected operations officer, and **Jerry Hoium**, who was appointed systems officer.



INGERSOLL HOIUM PETERSON

Mr. Ingersoll joined Bank Shares in 1970 as manager of the holding company's data center.

Mr. Peterson was with Control Data Corporation prior to joining Bank Shares as operations manager of the data processing division in 1970.

Mr. Hoium joined Bank Shares in 1966 from Control Data where he was an applications instructor. He has been manager of systems and programming for the division.

* * *

Work has started on a construction project at the Hauschild Building, 5050 France Ave. S., Edina, Minn., it was announced last month by Mobile Americana Corp. (MoAmCo), St. Paul, Minn.

The building, purchased by the com-

pany in September, 1970, is being enlarged and remodeled to serve as new quarters for the **Edina State Bank** and MoAmCo's general office.

The bank, acquired by Mobile Americana in January, 1970, is presently located at 5036 France Ave. S. next to the Hauschild Building. The company is now headquartered at 80 E. Vadnais Boulevard.

The bank will occupy the main floor of the remodeled structure, while MoAmCo's offices will be housed on the second floor.

F. Paul Hargarten, MoAmCo president, said the project is designed to allow both bank and company to expand their services to customers.

The bank will have 7,200 square feet of floor space at the new location compared with the 3,500 square feet it occupies now.

Construction is expected to be completed by fall.

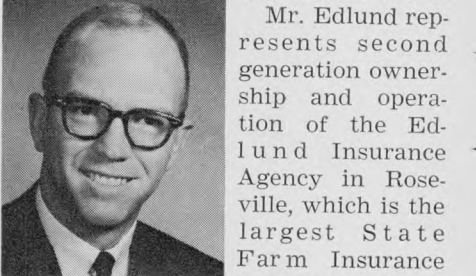
Architect is Grover Dimond Associates, St. Paul.

General contractor is Magney Construction Company, Plymouth Village.

Mobile Americana is a diversified, publicly held company serving the mobile home and lending industries. It deals in the financing, insuring and sale of mobile homes and the development of mobile home parks. Mobile Americana owns and operates one mobile home park in Minnesota and three in Florida.

* * *

William R. Peters, chairman, Minnesota State Bank, St. Paul, has announced the election of **James E. Edlund** to the board.



J. E. EDLUND

Mr. Edlund represents second generation ownership and operation of the Edlund Insurance Agency in Roseville, which is the largest State Farm Insurance Agency in Minnesota, and has repeatedly rated as one of the top 50 in the United States. It was founded by Mr. Edlund's father in 1929.

Mr. Edlund has long been associated with the bank, and was originally a member of the bank's advisory council.

* * *

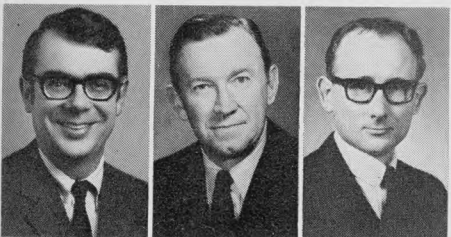
George H. Dixon, president of the First National Bank of Minneapolis, has been elected a director of Fingerhut Corporation.

* * *

First National Bank of St. Paul, which announced about two months ago that it was allocating \$10 million



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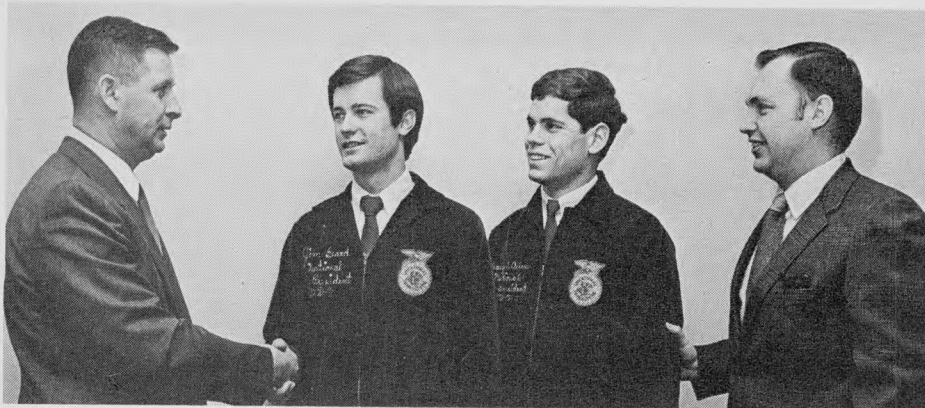
Bank of America takes care of your hometown problems, too. We can generate custom-tailored Management Information Reports from your payroll and payables data.

Or invest your corporate cash surpluses for greater profit.

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TWO TOP national vice presidents of the Future Farmers of America visited First National Bank of Minneapolis recently—and were warmly welcomed by two young correspondent bankers. Pictured left to right are: Assistant Vice President **Robert J. Gruman**; **James Beard** of Beggs, Oklahoma, and **George Allen** of Easton, New York, and Correspondent Banking Officer **Allen G. Highum**. The two FFAers were on a 9-week tour to 29 cities in 16 states. Their organization now boasts some 430,000 members in 8,300 chapters.

for anti-pollution control capital investment in a seven-county area surrounding the Twin Cities, has found a ready market for the money.

So far companies, most of them in St. Paul, have borrowed about \$195,000 to purchase dust collectors, recycling equipment, and similar devices, but many more applications are being processed. Applications and inquiries have poured in from all over the Upper Midwest and even from Florida, Georgia, New Jersey, and California.

In addition, the Minnesota Bankers Association has said that special loan rates and other inducements are being discussed by member banks.

* * *

Northwest Bancorporation, which pledged \$30 million last March for low- and middle-income housing over a period of 18 months, actually exceeded that figure within three months. By selling mortgage loans already made, the Bancorporation has freed additional funds for further loans of the same sort.

By the end of last September almost \$40 million in mortgage loans and in-

terim construction loans for both single-family and multi-family housing had been closed, were in process, or had been committed.

* * *

The board of directors of the American National Bank and Trust Company has elected three new directors, according to **John F. Nash**, president.

They are **Ben W. Agee**, **Richard L. Gunderson** and **Harold Le Vander**.



R. L. GUNDERSON

Mr. Le Vander is past governor of the state of Minnesota and has returned to private law practice in South St. Paul. Mr. Agee directs activities for Northwestern Bell Telephone Company in metropolitan St. Paul and the northern half of Minnesota. Mr. Gunderson is vice president of the consumer packages division for Hoerner Waldorf Company, St. Paul.



H. Le VANDER

B. W. AGEE

Mrs. Arloine Stearns, a vice president with Dain, Kalman & Quail, Inc., Minneapolis-based investment banking firm, was featured recently in an article in the *Minneapolis Star*, complete with color photo.

The article traced Mrs. Stearns' rise from a novice in the brokerage profession to a vice presidency in the short span of eight years. Eight years ago she made a few inquiries about mutual stocks, took a course and tests to qualify as a broker, and opened up an office in her hometown of Marshall.

Then three and one-half years ago she moved to Minneapolis and joined DKQ. Today, one of her special clientele is major league baseball players—she advises about 70 of them.

Hutchinson Capital Increase

The Citizens Bank and Trust of Hutchinson received approval from the Banking Division of the Department of Commerce authorizing an increase in the amount of capital stock from \$400,000 to \$500,000 by stock dividends.

Clarissa Capital Doubled


The Farmers State Bank of Clarissa recently received approval authorizing the amount of capital stock from \$50,000 to \$100,000 by stock dividend.

Open House at Hastings

The First National Bank in Hastings recently held an open house on the occasion of major changes and remodeling in the bank building. A trip to Las Vegas for two, a color television, and an outdoor set and chairs were among the many prizes given away during the event which also featured refreshments and balloons for children.

Murdock Bank Ups Capital

The First State Bank of Murdock recently received approval of the Department of Commerce, Banking Division, authorizing increasing the amount of capital stock from \$35,000 to \$100,000 by sale of new stock and setting the highest amount of indebtedness at 30 times the capital and actual surplus.



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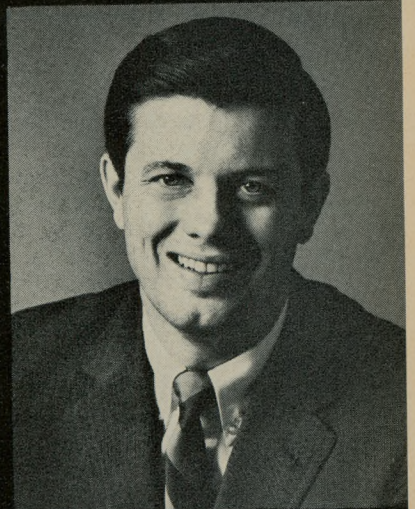
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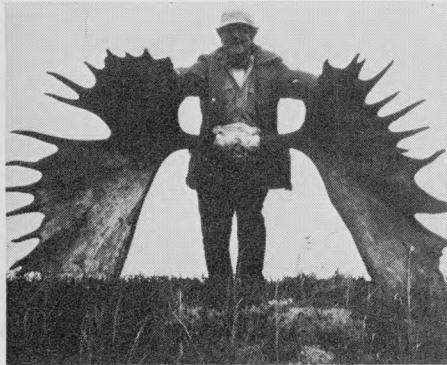
**Northwestern
National Bank**
of Minneapolis

Correspondent Banking Division

Member Federal Deposit Insurance Corporation

Bags World Record Moose

ON A RECENT hunting trip to Alaska, Bruce Hodson, executive vice president of the Blackpipe State Bank at Martin bagged a hunter's dream—a 2,000 pound world record moose. Accompanying Mr. Hodson on the hunt were Fred Mueller, his hunting companion, and two guides from Martin. They were Denny Thompson and Bill Sims of the Susitna Lodge and Flying Service.



Bruce Hodson poses with moose antlers that set a new world's record for size.

The two hunters tossed a coin to see which one would be given the opportunity to tackle the animal. Mr. Hodson won the toss and didn't miss as he brought the world record down with two shots from a .30-06 Remington.

Officially measured at Jonas Brothers in Anchorage, the bull antlers totaled 264 points on the Boon and Crockett scale and measured 79½ inches in width from tip-to-tip. In addition to the width span, Mr. Hodson's bag measured 49 inches in length by 19½ inches in width over each palm, numbered 17 and 18 points respectively on each rack and measured 8½ inches around the circumference of the beam.

Before the World Record could be declared official, a 60-day waiting period to allow for shrinkage was necessary. The moose measured 13 points higher than the former world record 251 points held by Bert Kleinberger of Jonas Brothers of Seattle. His record bag was shot at Mount Susitna in 1961 and measured 77½ inches from tip-to-tip.

The record moose was shot approximately 50 miles north of Lake Illiamma, 200 miles southwest of Anchorage, Alaska.

Executive Credit Card

First American National Bank of Duluth has announced new world-wide credit card service featuring a \$2,000 line-of-credit for card holders.

Leonard E. Griffith, First American vice president, said the service, called

the Executive Credit Card Plan, is available through an agreement with American Express Company, New York.

Persons qualifying for the service at First American will receive the Executive Credit Card, which carries a minimum \$2,000 line-of-credit and all international privileges of the regular American Express Card, Mr. Griffith said.

Peterson Group Head

Donald R. Peterson, president of the First State Bank of Murdock, was elected president of the Swift County Bankers Association at a recent meeting. Joel Lund, cashier of the Northwestern State Bank of Appleton, was elected vice president, and Thomas C. Connolly, president of the State Bank of Danvers, was elected secretary-treasurer. The association is made up of all seven banks in Swift County. Leighton Johnson of the Swift County Bank in Benson is the retiring president.

George William Patterson

Services for George William Patterson, former state senator and banker, were held in Burt. Mr. Patterson died at the age of 83. He served as director of the Burt Savings Bank since its inception and was also honorary vice president of the bank. He was also active in local, state and national politics his entire life. He served in the state house of representatives from 1923-1929 and also served as a member of the state appeal board of the selective service system from 1939 to 1947.

Increase Stock

The Banking Division of the Department of Commerce for Minnesota recently authorized an increase in the amount of capital stock of the Northwestern State Bank of Slayton, Slayton, from \$150,000 to \$200,000 by stock dividend.

New Look in Plainview

The People's State Bank in Plainview is currently undertaking an extensive remodeling project expected to be completed between April 15 and May 1. The bank is expanding into the adjacent building formerly occupied by the post office. The remodeled facility will feature a walk-up window for added service, new teller stations and a new interior decor with complete carpeting. It was also announced that the bank received authorization increasing the amount of capital stock

from \$75,000 to \$100,000 by stock dividend.

Goodhue State Increase

The Goodhue State Bank, Goodhue, has increased the amount of capital stock from \$75,000 to \$100,000 by stock dividend, it was announced by the State of Minnesota Banking Division of the Department of Commerce.

Name Four New Directors

Four new directors have been elected at the First National Bank, Pipestone, according to W. S. Morgan, president.

Oliver Larson was appointed to fill the vacancy created by the resignation of A. R. Stillwell, and Willard L. Wilson was named to fill the vacancy caused by the resignation of C. J. Wiersma, vice president.

Added to the board were Robert S. Morgan and Stephen T. Morgan.

Mr. Stillwell was active in the bank for 51 years (1913-64) and then served as chairman of the board until this year.

Mr. Wiersma was employed by the bank in 1941 and except for nearly four years in the armed forces, served as an active officer until July, 1970, when he resigned to enter area development programs and to join the staff of Countryside General Inc. He is on the national board of the Small Business Administration and has been active in community development for many years.

Mr. Larson is a cattle rancher who lives near Flandreau, S. D.

Mr. Wilson is a well-known Pipestone clothing merchant.

Robert S. Morgan was employed for seven years by the Union State Bank, Browns Valley, and joined the First of Pipestone in July, 1966.

Stephen T. Morgan, employed by the First National Bank, Beresford, S. D., for six years, moved to the First of Pipestone in September, 1969.

Roy S. Benthin was named chairman of the board of directors to replace Mr. Stillwell.

Clark Smith Named Director

Clark A. Smith has been elected as an additional member of the board of directors of the Princeton State Bank, according to Roger W. Barton, chairman of the board. He is president of Smith System Manufacturing Company in Princeton. Also elected were C. E. Paulson, executive vice president, and Wesley Geurkink as assistant vice president and cashier. The board of directors also authorized increasing the surplus account by \$100,000 to \$400,000.

South Dakota NEWS

L. L. STEELE President Huron
NEIL MILNER Secretary Huron

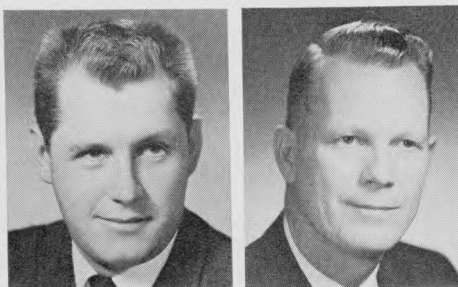


Ag Conference To Chamberlain



B. C. SOLUM

M. R. CAMPBELL



G. OLSON

C. COOPER

THE 1971 Agriculture Conference sponsored by the South Dakota Bankers Association will be held April 13-14 at the Lobby State Theater, Chamberlain. The agenda for that conference is as follows:

Tuesday, April 13

A.M.

8:30 Call to Order—Burdette Solum, chairman, SDBA Agricultural Committee; vice president, First National Bank, Watertown.

Welcome—Leland Steele, SDBA president; executive vice president, Farmers & Merchants Bank, Huron.

“Agriculture Today” — Marvin Campbell, president, Minnesota Bankers Association; president, The First National Bank, Crookston, Minn.

“Farming Comes to Computers” — John Wiese, vice president, COMFARM, Brookings.

“Financing Agriculture” — Archie Gubbrud, Farmers Home Administration, Huron; Gale Cameron, Federal Intermediate Credit Bank of Omaha, Mitchell; Gene Reed, Federal Land Bank of Omaha, Pierre.

11:45 Adjournment for lunch.

Noon

12:00 Luncheon — Catholic Church Hall.

P.M.

2:00 Reconvene—State Theater.

“We Believe in the Future”—Robert Weverstad, 1970 Outstanding Young Farmer, Yankton; Ken Mason, 1969 Outstanding Young Farmer, Platte; Low-

ell Wahl, Clark, S. D., 1970 finalist for “Outstanding Young Farmer of South Dakota.”

“Weed Eradication”—Ben Nelson, State Supervisor, State Weed Control, Huron.

“Leasing Farm Equipment”—Dan Switters, John Deere dealer, Cedar Rapids, Iowa.

4:30 Adjournment.

5:30-6:30 Social Hour—Western Inn.

7:00 Banquet—Catholic Church Hall. Entertainment—Tea Bags.

I. E. Solberg, managing director, North Dakota Motor Carriers Association, Bismarck, N. D.

Wednesday, April 14

A.M.

9:30 Call to Order—Gary Olson, assistant vice president and assistant manager, Northwestern National Bank, Huron.

“Farm Management of the Future”—Robert Moorman, Jr., general credit manager, Elanco Products Company, Indianapolis, Ind.

“Managing a College Teaching Program for South Dakotans”—Dr. Duane Acker, dean, director, experiment station, College of Agriculture and Biological Sciences, South Dakota State University, Brookings.

“How to Get Funds for Agriculture Lending Through Correspondent Banking”—Carl Cooper, senior vice president, National Bank of Commerce, Pine Bluff, Ark.

P. M.

12:00 Adjournment for Lunch — Luncheon Catholic Church Hall.

12:30 The Honorable Richard Kneip, governor of South Dakota.

2:30 Conference Adjournment.

*Members and graduates of the Midwest Institute of Banking will have their 4th Annual Breakfast the morning of April 14 at 8:00 a.m. in the dining room of the Western Inn, Chamberlain. Cost of the breakfast is \$2 and is not included in the registration fee.

Bonde Elected to Board

Ted Bonde has recently been elected to the board of directors of the Southern Hills Bank, Edgmont, according to a recent announcement by E. A. Erickson, president.

In May, 1959, Mr. Bonde purchased the Fall River Gas, Inc., and has been president of the company since that time.

Named Assistant Cashier

Thomas O. Thompson has been named assistant cashier of the American State Bank in Yankton. He is currently in charge of the Broadway Plaza facility of the bank.

Fish Named Vice President

Directors of the United National Bank of Vermillion recently announced that Kenneth J. Fish has been promoted to vice president and managing officer of United National Bank, Brandon branch. Donald Ockenga, formerly in insurance, is the new assistant vice president.

Peterson to Cashier

Arden Peterson has been named cashier of the First Potter County Bank, Gettysburg. He was formerly assistant cashier and has been affiliated with the bank since 1969.

A graduate of Northern State College, Mr. Peterson has had previous experience with the First National Bank of Miller, the Aberdeen National Bank, and the First Minnehaha National Bank of Minneapolis.

Open House at Elkton

The Corn Exchange Bank at Elkton, S. D., hosted a public open house on March 23. Guests viewed the bank's newly remodeled and enlarged facilities, had refreshments and registered for hourly prizes.

The bank was established on March 21, 1926, making this its 45th year. Now making up the official staff are R. F. Petschow, president; H. E. Hegerfeld, cashier; Lyle Heesch and Patricia Petschow, assistant cashiers, and Lavon Culhane, teller. Directors are R. F. Petschow, H. E. Hegerfeld, and Roy Kramer of Elkton; Ed Miller

of Ward, S. D., and Louis Lange of Pipestone, Minn.

In remodeling the bank has doubled its work space to 3,000 square feet, adding three private offices, directors' conference room, bookkeeping room, supply room, two coupon rooms and enlarged its lobby. Furniture and fixtures are dark walnut. Decorations are in shades of green with green and brown carpeting. The exterior of the building has been completely redone in tan and white.

Named Cashier at Okaton

Marie Tedrow, formerly assistant

cashier of the Okaton State Bank at Okaton, has been promoted to cashier, according to Mrs. Hazel A. Drew, president. Mrs. Tedrow has 18 years of banking experience.

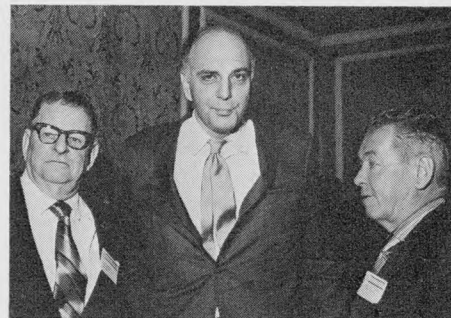
Promoted at Aberdeen

Mrs. Jeanne Grover was advanced from trust secretary to assistant trust officer in action taken by the board of directors at its March meeting, it was announced by C. P. Moore, president of the First National Bank of Aberdeen. Mrs. Grover joined the bank in April, 1965, and was promoted to trust secretary in January, 1969.

Mrs. Grover is currently president of the Aberdeen Business and Professional Women, treasurer of P.E.O., and a member of National Association of Bank Women. She has been active in Bethlehem Lutheran Church and teaches Sunday School there.

Mrs. Grover has completed educational courses in the American Institute of Banking, and is a member of Bank Administration Institute. She has attended the National Trust School at Northwestern University, Evanston, Ill., completing the course in Trust Administration.

Volunteers Meet



VOLUNTEER state chairmen from South Dakota and North Dakota were among those who attended the National Conference of State Chairmen for U.S. Savings Bonds in Washington, D.C. recently. The state chairmen meet annually with leading Treasury Department officials to discuss the program and coordinate efforts of the thousands of volunteers across the nation. Pictured above, left to right, are: **Anker M. Eriksmoen**, pres., Dakota Natl., Fargo; **Paul A. Volcker**, Under Secretary of the Treasury for Monetary Affairs, and **Martin J. Colton**, exec. v.p., Natl. Bank of South Dakota, Sioux Falls.

Bank of North Dakota Report

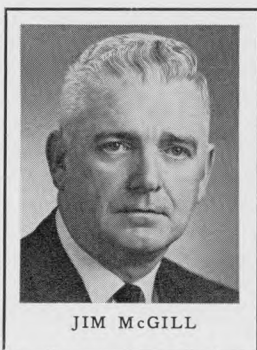
The Bank of North Dakota distributed its 1970 annual report last month. This is the first time in the bank's 51-year history that a published report has been distributed. Copies of it were sent to all members of the legislature, state departments and agencies, county and city auditors, school superintendents, libraries, official county newspapers, banks, savings and loan associations, credit unions, higher education institutions, and vocational schools in the state.

The report stated that during 1970 the bank reached new highs in resources, deposits, loans, and earnings. Resources reached over \$161 million in March of 1970, making it the largest financial institution between Minneapolis, Minn., and Spokane, Wash.

It was also announced that John A. Dewald has joined the loan department of the bank of North Dakota as a loan interviewer and trainee.



S. W. EVANS



JIM MCGILL

**Looking Forward To Seeing
Our Nebraska Banker Friends**

At The

74th Annual Nebraska Convention

in

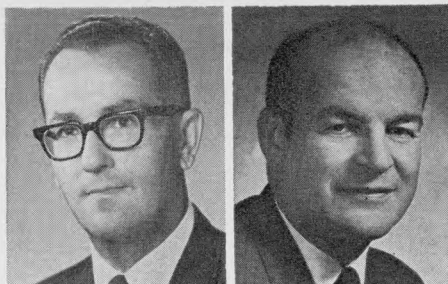
Omaha - May 2-4



NORTHWESTERN NATIONAL BANK OF SIOUX CITY, IOWA

North Dakota NEWS

R. V. WELLS President Robinson
W. J. DANER Secretary Bismarck



NDBA Planning Legislative Conference in Washington

Following is the schedule for the NDBA Annual Washington Legislative and Administrative Conference, April 27-30:

Wednesday, April 28

A.M.
**9:30-11:30 Visit A.B.A. Office for Government Relations Briefing. Balance of Day—Calling on Congressional Delegation and free for presentations by other agencies.

P.M.
6:00 Reception — Madison Hotel.
7:00 Dinner—Madison Hotel, Dolly Madison Room.

Thursday, April 29

A.M.
**10:00-11:00 Visit with Honorable Charls E. Walker, Under Secretary of the Treasury.
**11:00-12:00 Visit with Honorable William B. Camp, Comptroller of the Currency.

P.M.
**12:30 Luncheon-Conference at FDIC. Balance of Day—Free for calling on Congressional Delegation or presentations by other agencies.

Friday, April 30

P.M.
12:45 Luncheon-Conference at Federal Reserve Board. Balance of Day—Free for calling on Congressional Delegation or presentations by other agencies.
**Jointly with South Dakota and Montana delegations.

Near \$50 Million Increase

A recent financial report submitted by G. W. Ellwein, Commissioner of Banking and Financial Institutions, Bismarck, indicates that as of December 31, 1970, total deposits for state banking associations and institutions were \$685,811,449 as compared to \$636,145,426 for 1969, marking a \$49,666,023 increase.

Federal funds sold amounted to \$1,667,364 and other loans reached \$367,237,016. Total assets for all state banking associations and institutions were \$768,033,757 while total capital

accounts were listed at \$63,362,168.

The 42 national banks in North Dakota had total deposits of \$741,869,101, making a total deposit figure for national and state banks of \$1,549,831,115.

Consumer Credit Conference

The installment loan committee of the North Dakota Bankers Association has scheduled the 1971 Consumer Credit Conference (formerly Installment Loan Conference) for Williston, N. D., on Thursday evening and Friday, April 22-23, 1971. The conference will start Thursday evening with a social hour and smorgasbord. The Friday business meeting will include speakers and discussions of installment lending problems and a review and discussion of the Uniform Consumer Credit Code, if that law is passed.

Montana NEWS

E. P. FRIZELLE President Butte
R. C. WALLACE Secretary Helena



New Livingston Officers

H. J. Nelson has been elected vice president and director of the First Security State Bank, Livingston, according to a recent announcement by Claude R. Erickson, president. Mr. Nelson was formerly president of the Richland National Bank of Sidney.

D. W. Hutchinson was also named



H. J. NELSON D. W. HUTCHINSON

assistant vice president. He formerly was assistant vice president and installment loan manager of the First National Bank of Owatonna, Minn.

Mr. Nelson and Mr. Hutchinson will replace Don W. Liebsch, vice president, and Dan K. Edwards, assistant vice president. Mr. Liebsch will be president of Western State Bank of Bozeman and Mr. Edwards will be vice president of the same bank.

Daniel Barz Honored

Daniel J. Barz, assistant cashier and

director of marketing at Security Trust and Savings Bank, Billings, was recently the recipient of the highest honors the Billings Jaycees can bestow as he was cited for distinguished service in his many activities for the community.

Mr. Barz, among his other activities, is an advisor for Junior Achievement and is holder of both state and county posts for the Heart Association.

Named Sales Director

Bruce Thomas, president of CMI Investment Corporation (AMEX), Madison, Wis., has announced the appointment of John P. Gulickson to be regional director of sales in the Washington, northern Idaho and western Montana areas for Continental Mortgage Insurance and Commercial Mortgage Insurance, both subsidiaries of CMI Investment Corporation. Continental Mortgage Insurance is the Nation's second largest private insurer of mortgage loans. Commercial Mortgage Insurance insures lenders against defaults in payment of loans secured by mortgages on a wide range of commercial and industrial property.

Mr. Gulickson, a graduate of the University of Washington, was formerly engaged in mortgage banking in Washington with Sherwood and Roberts of Walla Walla, and McKoin and Noyd of Wenatchee.

Northwestern Banker, April, 1971

Colorado News

C. GALE SELLENS
Wheat Ridge
President
Colorado Bankers Assn.



Colorado National Promotion

Richard L. Berg has been promoted to vice president, livestock loans, of the Colorado National Bank, Denver.



R. L. BERG

Melvin J. Roberts, chairman of the board and chief executive officer of the bank, announced the appointment.

Mr. Berg moves from assistant vice president, livestock loans. A graduate of Colorado State University, he joined the bank in 1958 and was named assistant vice president in 1964. A member of the American Institute of Banking, Mr. Berg serves on the Denver 4-H Advisory Council.

Arnold to Board

Eugene M. Hultman, president of the Colorado National Bank, has announced the election of Leslie B. Arnold to the board of directors of the bank. Mr. Arnold is the former president and chairman of the board of Majestic Savings and Loan Association.

In addition, Paul Howell, Jr., was named vice president of the bank. Mr. Howell is the former president and general manager of Howell's, Inc., the Lakewood-based department store chain.

Celebrate Expansion

The First National Bank of Bear Valley, 3100 South Sheridan Boulevard, Denver, celebrated the completion of its \$300,000 expansion and remodeling with an open house recently, it was announced by Richard C. Meckley, president.

Visitors received a guided tour of the bank, free refreshments and the opportunity to register in a "Money Tree" contest.

Mr. Meckley also announced that in lieu of major giveaways and premiums to customers, the bank will donate \$1,000 to the new Bear Valley Branch Library, 5171 West Dartmouth,

for the purchase of a major work of art.

The new addition increases the functional space in the bank from 7,016 square feet to 12,896 square feet on both levels of the two-story building. Three additional drive-in windows have been installed, bringing the total to six.

To Executive Committee

William H. Kistler, president of the Kistler Company, was named to the executive committee of The First National Bank of Denver at the bank's annual meeting of stockholders.

All other officers and board members of the bank were re-elected, President Eugene H. Adams announced.

At the board of directors' meeting the regular quarterly dividend of 79 cents per share was declared, payable March 29, to shareholders of record March 2, 1971.

Tennis Invitational

The United Bank Tennis Invitational, featuring the strongest field ever to appear in the Rocky Mountain area, will be April 21-25 in Denver.

In announcing the tournament, United Bank of Denver President John Herschner said the format will follow that of last year's highly successful Denver Tennis Invitational.

Play will be at the University of Denver arena, which will provide a much greater seating capacity and, therefore, lower ticket prices.

Mr. Herschner did not release the names of the eight participating players, but said all will be world-ranked players from the contract pro circuit. He also indicated the prize money will be the greatest offered for a Rocky Mountain tennis event.

Ray Benton, director of past Denver Invitationals, also will be tournament director for the United Bank event.

Mr. Herschner also announced that a percentage of the gross receipts will be given the Youth Tennis Foundation of Colorado for the establishment of a United Bank chapter of the National Youth Tennis League.

Increase Capital

Shareholders of the Colorado National Bank, Denver, have voted to increase the capital account of the bank to \$17.5 million. The increase is the result of a stock dividend of 75,000 shares, having a part value of \$1,875,000, bringing the total of shares outstanding to 300,000 with a par value of \$7.5 million, and a transfer of \$625,000 from undivided profits to surplus, increasing the surplus account to \$10 million.

Herbst Named to Board

Fred R. Hitchcock, president of the South Colorado National Bank, Denver, has announced the election of Carl A. Herbst, Jr., to the board of directors of the bank. He is the president of Herbst Plumbing and Heating, Inc.

Alameda Bank Promotions

Three promotions have been announced at the Alameda National Bank, Denver. Alvin A. Smith has been promoted from cashier to cashier and vice president, Marvin J. Curry from assistant cashier to assistant vice president, and James H. Smurl to assistant cashier.

Bank Marketing Course

The Bank Marketing Association will conduct a Bank Marketing Course at the University of Colorado, Boulder, June 6-11. The curriculum of the course is equally appropriate for personnel of small banks as well as those from large departmentalized institutions. The course will include 30 hours of classroom instruction and each student is required to take it in its entirety.

FDIC Approval

The Bank of Woodmoore, Woodmoore, has received recent approval from the FDIC. The bank has total capital accounts of \$293,750.

Security Pacific Declares 20 Per Cent Stock Dividend

Security Pacific National Bank stockholders overwhelmingly approved a 20 per cent stock dividend at the bank's annual shareholders meeting in Los Angeles last month.

Carl E. Hartnack, president of the bank, said the stock dividend will be accompanied by a transfer of \$34,052,550 to the capital amount and \$15,947,450 to the surplus account from undivided profits.

After the stock dividend, Security Pacific Bank's capital stock will be \$204,315,300, and surplus will be \$205,684,700. Total shares authorized and outstanding will increase from 17,026,275 to 20,431,530.

Like to have \$50,000 or more in investable funds available sooner?

There's a way

Very basic. Use the transit services of The First National Bank of Denver. Because The First's correspondent bankers know banking, they know your correspondent banking needs. That's why we maintain services of sorting and sending cash letters from 7:30 a.m. until midnight every weekday. And we're one of very few banks processing

cash letters on weekends. We can tell you at any time how much you have in float and how much in investable funds.

This rapid service provides you with a sizable additional amount in investable funds.

The First is able to offer the finest specialized correspondent banking services because The First is

Correspondent
where the bankers
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The First National Bank of Denver

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Wyoming News

FELIX BUCHENROTH, JR.
Jackson
President
Wyoming Bankers Assn.



Name New Directors

Two new directors have been named at the First National Bank of Greybull.

They are Jerrold R. Henderson, president of the Wyoming Gas Company in Basin, and John M. Anderson, Shell rancher.

H. K. Harris, president, announced that stockholders have approved the sale of an additional \$100,000 in stock.

Myrtle A. Prugh was elected auditor.

Bryans to Board

Robert E. Bryans, president of the First National Bank of Casper, was recently appointed to the board of public utilities for a six-year term. The announcement came from Casper Mayor Tom Kidd.

Remodeling Plans

The First National Bank of Buffalo, the fifth oldest bank in the state, has announced plans for a major remodeling and enlarging program which is to be conducted this summer.

Robert Holt and Robert McBride, vice presidents at the bank, said the present plans call for construction of a new front on the building which will reach to the sidewalk in front of the building, and an addition to the north of the bank building which will contain private offices and meeting rooms.

The remodeling and reconstruction is to be handled entirely by Bank Building Corporation, St. Louis.

The present plans call for a program which will increase the floor space of the bank by 70 per cent.

The new front of the bank will be made of stone and redwood and have large windows.

Riverton Open House

The First National Bank of Riverton showed its newly-remodeled building to the public at an open house recently. The extensive construction, which more than doubled the former floor space, has been in progress for nearly a year. According to Harmon Watt, president, the new facilities will provide an entirely new bank for Riverton.

Architect George T. Nowak, well-known for his bank designs through-

out the west, chose "The Golden West" as his theme for the innovative structure. Beneath the present structure is part of the basement of the 1908 Riverton State Bank, which called itself the "Pioneer Bank of the Reservation." Underneath the last major facade was a 1921-vintage brick structure that was one of Wyoming's most imposing buildings for many years. Mr. Nowak created, from the conglomerate of existing structures and added buildings, a uniform, imposing architecture. The entire facing from the 1960 remodeling was removed, the facing of the recently-acquired adjoining Ben Franklin building was covered, and replaced with a continuous marquee on the two main sides of the building. The marquee is supported by arches and simulated projecting beams in colors of brown and bronze.

The architect mastered the further problem of designing and engineering a structure that would allow the bank to remain open for business during construction.

4-H Clubs Honor Banks

The Wyoming Bankers Association has received recognition from the 4-H Leaders Conference for the support given 4-H Clubs by Wyoming bankers for a great many years. Felix Buchenroth, Jr., president of the Wyoming Bankers Association, was presented the recognition plaque recently by J. M. Nicholls, state 4-H Club leader.

Hold Credit Conference

The 7th Annual Wyoming Bankers Credit Conference was held recently in Casper. Speaking to the participants of the conference was Thomas Atkinson, senior vice president of Carter H. Golembe Associates, who was called upon at the last minute to replace Mr. Golembe as speaker. Mr. Golembe was called back to Washington, D. C., at the last minute for a conference. Mr. Atkinson reviewed legislative proposals from the nation's capitol, and their impact on the banking business.

Name Kasun

Charles E. Kasun has been named Master Charge Plan manager for the Cheyenne National Bank, according to

an announcement by A. H. Trautwein, president of the local financial institution.

Mr. Kasun is the former market research supervisor for First Wisconsin National Bank in Milwaukee.

Big Creek Farms Sold

The Gates Rubber Company announced recently the sale of its 10,400-acre Big Creek Farms Company subsidiary to a group headed by A. H. Trautwein, president of the Cheyenne National Bank, and Verne R. Woods of Eaton, Colo.

The new owners assumed control of the farming and cattle feeding operation 130 miles east of Denver. The Big Creek Farms Company was set up several years ago as an experiment by Gates in mass production methods for farm crops.

In addition to the land, the new owners bought all the farm equipment, livestock, a feedlot with a 4,000-head capacity, office and shop facilities and nine modern houses and mobile homes for employee housing.

William E. Phelps, manager of the Gates agricultural interests, said the company will continue its cattle feeding operations in Wyoming and will maintain its A-Bar-A dude ranch near Encampment, Wyo.

Drops Fed Membership

The Saratoga State Bank at Saratoga, Wyo., has withdrawn its membership from the Federal Reserve System.

Elected Director

Robert (Bob) Brunner, prominent Wyoming automotive dealer, has been elected to the board of directors of the East Cheyenne National Bank, according to an announcement by K. L. McShane, M.D., chairman of the board.

New Teller System

American National Bank, Riverton, has begun construction of two new remote teller units which will speed the handling of drive-in banking customer traffic.

The new system will increase the capacity for handling drive-in banking customers by 50 per cent. The system is being designed so that a third remote teller station can be added without requiring new major construction, according to John R. Benesch, president of American National Bank.

The drive-in remote teller units will be connected to the main bank building with a new canopy which will match and tie to the present canopy which adorns the American National Bank building.

Two Promotions

The promotion of one officer and the election of one new officer at Hilltop National Bank, Casper, was announced by Thomas M. Hockaday, president, following the annual board meeting.

Mrs. Jean Brown was advanced to assistant vice president and Roger A. Curtis was elected assistant cashier.

Mrs. Brown was the first employee of the Hilltop National Bank in July of 1964, as secretary to the president. She was named assistant cashier in 1967.

She is married to William (Bill) Brown, vice president in charge of personnel at First National Bank.

Mr. Curtis went to Hilltop National in November of 1969.

Florence Ralston

Miss Florence Ralston, 71, customer service teller at the First National Bank of Casper for many years, died recently in Bend, Ore.

Miss Ralston was first employed by the Wyoming Trust Company in 1921.

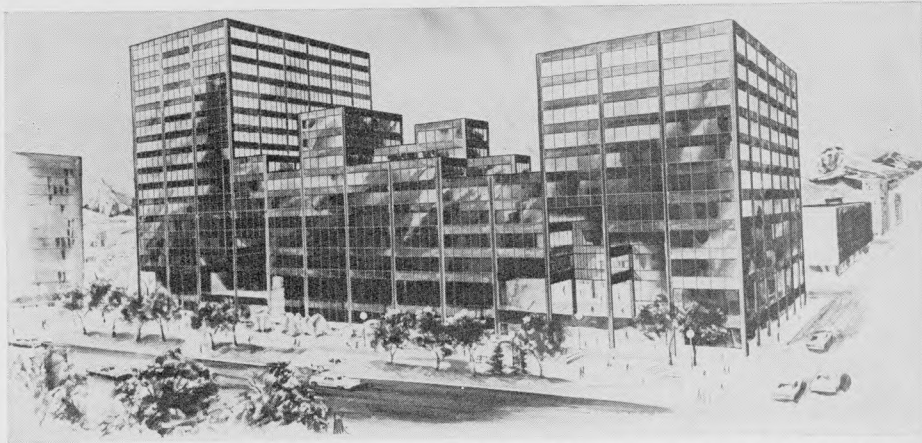
Many of the senior officers at the bank received their initial training in bookkeeping and teller work from Miss Ralston.

City National to Build New Kansas City Headquarters

The \$380 million deposit City National Bank & Trust Company of Kansas City has announced it will construct new quarters in the heart of the downtown central core, one block from its present quarters. The announcement was made by R. Crosby Kemper, Jr., president and chief executive officer. The site formerly housed the Emery, Bird, Thayer retail department store which had been in Kansas City since 1890. The property had been vacant for more than two years. Recent surveys have indicated that this piece of property was one of the most strategic in the over-all plans to revitalize the downtown area of Kansas City.

Mr. Kemper originally purchased the property as a personal investment. The bank's board determined that the site was appropriate for use as a new headquarters for the bank and unanimously approved the bank's accepting the assignment of Mr. Kemper's rights under his purchase agreement.

Additional properties immediately adjacent to the existing building have been purchased, and preliminary plans indicate that the bank will have ample property to provide 50,000-60,000 square feet per floor in its new facility. On-site parking will be included and additional office rental space will be made available to other tenants; however, at this time it is not known the exact number of stories involved.



ARCHITECTURAL RENDERING of Park Central facing on Arapahoe Street, with 15th Street at left and 16th Street at right. Skyline Park is in front of building.

Central Bank Bldg. Joins In Exciting New 'Park Central'

AN EXCITING addition to the Denver skyscape will appear with the construction of Park Central, a new complex of three connecting tower structures located between 15th and 16th Streets and Arapahoe and Lawrence Streets on a full city block, and valued in excess of 20 million. Park Central is a joint venture of Central Bank Building Corporation, Denver Rio Grande Industries, Inc., and Leavell Enterprises, Inc.

The Park Central concept came about with the Skyline Urban Renewal's reconstruction of the lower downtown area. Construction is under way with projected completion in late summer of 1972.

Park Central will be one of the largest building complexes in the Rocky Mountain Region. The complex will be comprised of three connecting structures (in excess of 610,000 square feet), parks and plaza adjoining Skyline Park. Only 60 per cent of the land will be used for the buildings; the remaining area will be landscaped parks and plazas. Beneath the entire block, three levels of parking will provide space for 630 cars.

The three connecting towers, of varying heights, will be set back 110 feet from Arapahoe Street. This area will be landscaped with pathways meandering along three blocks of Skyline Park—a streetscape of a variety of spaces—truly a people place. The 16-story Tower will rise 210 feet high along 15th Street. A portion of this space will be corporate headquarters for Rio Grande Industries and its subsidiaries.

On 16th Street, the 11-story Tower

will rise 146 feet high. Connecting these two towers will be the third tower, seven stories rising 95 feet high on Arapahoe Street. The Central Bank and Trust Company will locate its new lobby in the Center Tower facing the park and the plaza. The bank, while continuing to use its present property via an over-the-street pedestrian walkway, will also move many of its major functions into Park Central as part of its long-range expansion program. The towers will be divided into office and retail space.

On the second level of Park Central, facing the Rocky Mountains, is a public plaza with sculpture compatible with the landscape and joined to a neighboring plaza by a street-spanning pedestrian walk-over. The surface is of warm tone granite, which is also carried up the walls of the cores, thus enhancing the plaza and main buildings. Pedestrians will be able to stroll leisurely throughout the multi-block area without crossing at street level.

The lower level, beneath the plaza, is at park-level with pleasant retail shops, restaurants, and other commercial establishments.

The exterior of the structures will be of dark anodized aluminum and bronze glass curtain wall.

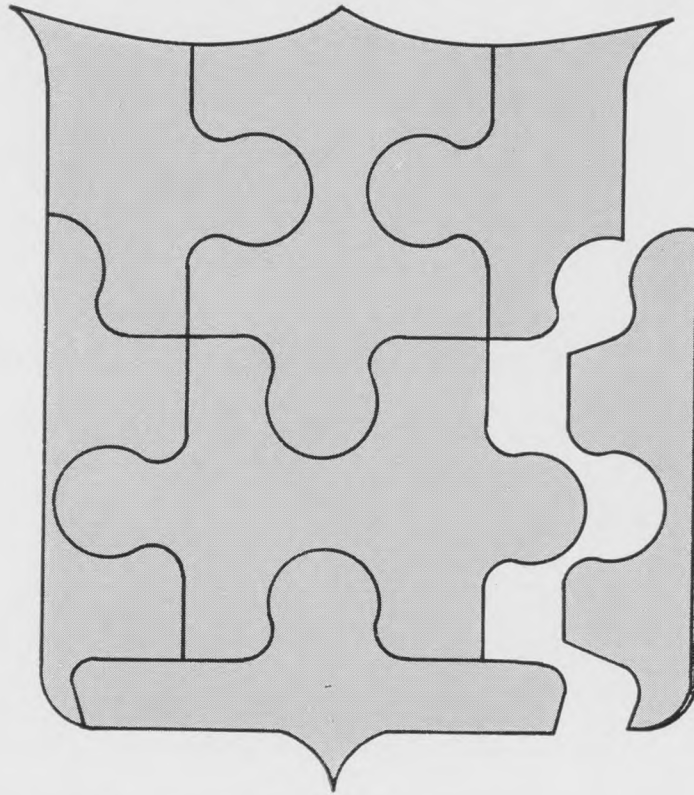
The general contractor is C. H. Leavell & Company of El Paso, Tex., and the architect, Muchow Associates of Denver.

Skyline Park landscaping is by Lawrence Halprin and Associates of San Francisco, Calif.

The leasing agent is Grubb & Ellis Company of California which is establishing a regional office in Denver.



WE PUT IT ALL TOGETHER!



★ U.S. National Bank people are experts in solving your puzzling problems. And it's never a game with us. We understand your individual needs and we are experienced in figuring out how to make our services work for you. It's no mystery why over 250 banks in 10 states bring their problems to us. We'll fit in perfectly with your people, too! ★



We're looking forward to seeing you all in our Clark Room suite, on the mezzanine, at the NBA Convention in May.

OMAHA



74th Annual Convention Nebraska Bankers Association

Omaha Hilton Hotel

May 2-4, 1971



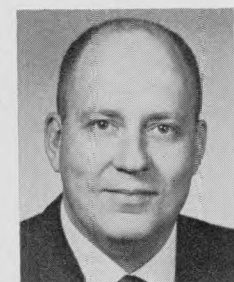
H. L. McKIBBIN



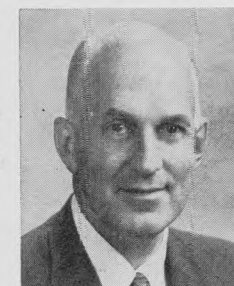
J. W. CATTLE



F. H. DOUGLAS



W. H. OSTERBERG



H. V. OSTERBERG

TWO nationally prominent banking figures, a dozen Nebraskans from the fields of government, business and education and a former Miss America, will be a part of the program for the 74th annual convention of the Nebraska Bankers Association May 2-4 in Omaha. With the new Omaha Hilton Hotel being used as headquarters for the first time, the 1971 convention is expected to attract a record registration.

SCHEDULE OF OFFICIAL MEETINGS

Sunday, May 2

P.M.

- 2:00 Executive Council Meeting—Ballroom Center.
Committee on Nominations—Room 602.
Committee on Resolutions—Room 604.
- 5:30 Social Hour—Ballroom East. Executive Council, Past Presidents and wives.
- 6:30 Executive Council, Past Presidents and Wives Dinner—Ballroom East.
- 2:00-9:00 Registration—Mezzanine

Monday, May 3

A.M.

- 7:30 Breakfast—NBA County Representatives—Ballroom Center.
- 7:30 Breakfast—The Graduate School of Banking, University of Wisconsin—Ballroom East.
- 8:00 Registration—Mezzanine.
- 9:00 Business Session—Ballroom West.
Presiding, H. L. McKibbin, president, Nebraska Bankers Association, Inc.; executive vice president, Bank of Gering, Gering. Foundation for Full Service Banks—Kermit Hansen, Nebraska State Chairman; executive vice president, The United States National Bank, Omaha.
Special Guest—Henry E. Ley, Director of Banking, Lincoln.
“Banking’s Dilemma”—H. L. McKibbin.
“The Outlook for Business and Banking”—Dr. Paul S. Nadler, Professor of Business Administration, Rutgers University, New Brunswick, N. J.
“Developments in Bankers’ Education”—Dr. L. Wayne Dobson, Abbott Professor of Banking, University of Nebraska, Lincoln.

P.M.

- 12:00 Luncheon—Delegates, Ballroom Center and East.
- 1:30 Business Session—Ballroom West.
Presiding, H. L. McKibbin, president, Nebraska Bankers Association, Inc.
Welcome—Edward D. Brodkey, president, Omaha Bankers Association; president, Ames Plaza Bank, Omaha.
Address—The Honorable J. James Exon, Governor of Nebraska, Lincoln.
“Banking in the 70’s”—Eugene H. Adams, president, The First National Bank of Denver, Denver, Colo.
Remarks—The Honorable W. H. Hasebroock, Speaker of the Nebraska Legislature, Lincoln.
Business Session:



HON. J. J. EXON



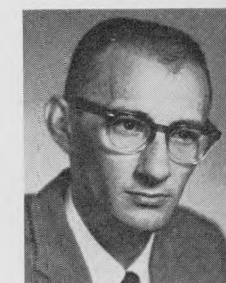
H. E. LEY



P. S. NADLER



K. HANSEN

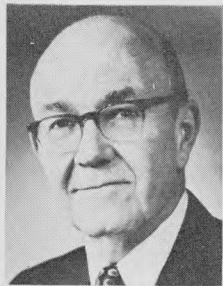


L. W. DOBSON

NEBRASKA CONVENTION . . .

(Turn to next page, please)

Northwestern Banker, April, 1971



E. H. ADAMS



W. H. HASEBROOCK



M. VAN DERBUR

Report of Committee on Resolutions. There will be no formal social hour. Delegates and ladies are invited to visit the hospitality rooms prior to the convention banquet. 6:30 Convention Banquet—Grand Ballroom, Hilton Hotel, Omaha. "Goals and Dreams"—Marilyn Van Derbur (former Miss America), Denver, Colo.

Tuesday, May 4

A.M.
8:30 Breakfast Session—Delegates, Ballroom West and Center. Presiding, H. L. McKibbin, president, Nebraska Bankers Association, Inc. N.B.A. Treasurer's Report—Fred H. Douglas, vice president, The Omaha National Bank, Omaha. Election—The American Bankers Association. Presiding, Roland E. Emmett, A.B.A. State Vice President; president, Citizens State Bank, Arapahoe. Report—"M. R. Morgan Grants-in-Aid Fund"—Tom S. Cummings, member, NBA Grants-in-Aid Committee; president, The First National Bank, Cozad. "We Are Ready to Go"—Larry Johns, executive vice president, Business Development Corporation of Nebraska, Lincoln. "Banks and the Farmers Home Administration"—Elvin A. Adamson, State Director-at-Large, Farmers Home Administration, United States Department of Agriculture, Lincoln.

Ladies' Program

P.M.
12:30 Ladies' Luncheon—Empire Ballroom, Holiday Inn, 3321 South 72nd Street. (Buses will leave the Hilton Hotel beginning at 11:45 a.m. to the Holiday Inn for the Ladies' Luncheon. Return buses at the conclusion of the afternoon program.)
6:30 Convention Banquet—Grand Ballroom, Hilton Hotel, Omaha.

Tuesday, May 4

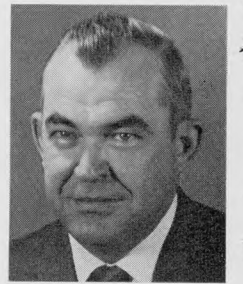
A.M.
8:30-9:30 Buffet Breakfast—Ballroom East.—**End.**
Report of Committee on Nominations:
Election of Officers.



R. E. EMMETT



T. S. CUMMINGS



E. A. ADAMSON

Committee Meetings Scheduled

THE committee on nominations and resolutions will meet Sunday, May 2, during the 74th annual convention of the Nebraska Bankers Association in the rooms and at the times designated below:

**Committee on Nominations
Room 602 at 2:00 p.m.**

- Group 1—Marion C. Bonham, president, First National Bank, York.
- Group 2—H. Keith Newton, executive vice president, The Albion National Bank, Albion.
- Group 3—Don E. Smejkal, vice president, The DeLay First National Bank, Norfolk.
- Group 4—R. J. Morgan, president, First National Bank, Elwood.
- Group 5—Lloyd A. Bacon, president, The Farmers State Bank, Lexington.
- Group 6—Joel H. Wiens, president, First State Bank, Kimball.

**Committee on Resolutions
Room 604 at 2:00 p.m.**

- Group 1—Lloyd E. Van Cleef, cashier, DeWitt State Bank, DeWitt.
- Group 2—Ray R. Stanley, president, Center Bank, Omaha.
- Group 3—Don G. Johnson, executive

- vice president, Farmers National Bank, Pilger.
- Group 4—J. F. England, president, Farmers & Merchants Bank, Axtell.
- Group 5—C. A. (Bud) Gaghagen, Jr., president, Central Bank, Central City.
- Group 6—John T. Selzer, vice president, The Scottsbluff National Bank, Scottsbluff.

Convention Hosts

EDWARD D. BRODKEY, president of the Omaha Bankers Association and president of the Ames Plaza Bank in Omaha, is serving as general chairman for the Nebraska Bankers Association's 74th annual convention at the Omaha Hilton Hotel, May 2-4. Assisting him as committee members are these Omaha bankers:
John P. Jeffrey, president, West Omaha National Bank.
J. M. Hart, Jr., president, North Side Bank.
John R. Lauritzen, chairman of executive committee, First National Bank.
Don J. Murphy, president, Northwestern National Bank.
Carl A. Brady, president, Douglas County Bank.

- Morris F. Miller, chairman, The Omaha National Bank.
- Edward W. Lyman, president, The United States National Bank.
- James A. Irving, president, First West Side Bank.
- Ray E. Stanley, president, Center Bank.
- Perry S. Francis, president, Southwest Bank.
- John E. Knight, president, Packers National Bank.

Hostess Committee

Mrs. Fred H. Douglas, whose husband is vice president, The Omaha National Bank, is chairman of the hostess committee. Serving with her, and the banks with which they are affiliated, are:
Mesdames Robert Brown, First National; Jay F. Bordewick United States National; Edward D. Brodkey, Ames Plaza; Doris Capps, Center Bank; Evelyn Schafer, Douglas County Bank; Ron L. Hale, First West Side; Perry S. Francis, Southwest Bank; J. Peter Jeffrey, West Omaha National; Helene Lesac, Packers National; Frank J. Sibert, Northwestern National; Florence B. Conway, North Side Bank; Gary Rotzin and George C. Rankin, Federal Reserve Bank.—**End.**

We aim to please you . . .



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At the Hilton Hotel in the Lewis Room . . . May 2-3-4

New Weatherball on top of our Motor Bank changes colors to predict changes in the weather. Red means warmer — white, colder — green, no change — and blinking, rain or snow.

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WARMER
- WHITE**
COLDER
- GREEN**
NO CHANGE
- BLINKING**
RAIN OR SNOW



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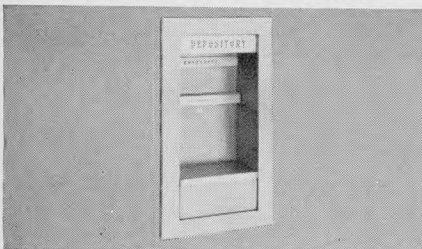
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**You Will See Them at the
Nebraska Bankers Convention**

THE following metropolitan bankers, investment men and service equipment dealers have indicated they will be attending the 74th annual Nebraska Bankers Association Convention in Omaha, May 2-4:

Chicago

American National Bank & Trust Co: Bill Davis and Bill Aldrich, second vice presidents; George H. Spence, agriculture officer.

Continental Bank: Samuel D. Adoms, vice president, and Charles E. Smith, assistant cashier.

First National Bank: Nevin G. Bowser, vice president; Raymond V. Dieball, assistant vice president, and Clarence E. Cross, Jr., assistant cashier.

Harris Trust and Savings Bank: Forbes M. Taylor, vice president.

Northern Trust Company: Frederick C. Pullman, vice president; John N. Fix, second vice president, and Thomas W. Walvoord, assistant cashier.

Denver

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

The First National Bank: Eugene H. Adams, president; Royce B. Clark, vice president, and James E. Friesen, representative.

United Bank of Denver: Don Ferrel, vice president, and Dave Calahan, commercial banking officer.

Kansas City

Commerce Bank: Fred N. Coulson, Jr., and T. C. Cannon, vice presidents, and Richard Muir, assistant vice president.

City National Bank and Trust Company: Roy A. Thompson, senior vice president, and Jack E. Beets, vice president.

First National Bank: George C. Dudley, senior vice president, and Paul A. Peterson, assistant vice president.

Lincoln

First National Bank & Trust Company: Burham Yates, chairman; William C. Smith, president; Walter Nolte, executive vice president; Charles R. Leffler, A. S. Chaves, Dale Shoemaker, Lyle Stoneman, Les Curran, Robert W. Johnson, Robert Northrop, Gerald Schmid, George Barlow, William Edgecomb, vice presidents; James Bullock and Jerry Holscher, assistant vice presidents; Van E. Korell; Bill Van Werden, sales representative; Donald Discher, manager, Bank Americard center.

National Bank of Commerce: Paul Amen, president; Wilbur H. Baack, vice president, and A. C. Jack Holmquist, vice president.

New York

Chase Manhattan Bank: Robert L. Denner, vice president, and William J. Connellan, second vice president.

Chemical Bank: E. Bruce Brandi, vice president, and Malvern Hill, Jr., assistant vice president.

First National City Bank: Robert Stokes, assistant vice president.

Manufacturers Hanover Trust Company: Carl G. Carlson, assistant vice president, and Earl H. Lundin, Jr., assistant secretary.

St. Joseph

American National Bank: Benton Calkins, president; Gilbert Tootle, senior vice president; Everett Crume and Donald Folks, vice presidents.

First National Bank: Benton O'Neal, vice president, agriculture, and John F. Gach, assistant vice president, agriculture.

First Stock Yards Bank: John E. Karn, vice president and cashier.

Sioux City

First National Bank: Charles R. Walcott, senior vice president; Richard C. Taylor, vice president and cashier; Gary Stevenson and Mike Broderick, assistant vice presidents.

Northwestern National Bank: Stanley W. Evans, president, and James J. McGill, vice president.

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

Bank Equipment and Other Firms

Charles E. Walters Company: J. Mason Henry, president.

Chiles, Heider & Company: Bill Beavers, Hal Childs, Joe Haller, James Kineen, vice presidents, and James Foley, assistant vice president.

Dain, Kalman & Quail: William Gourley and Howell Roberts.

Life Investors of America: Don Shepard, regional manager-credit insurance.

Omaha Printing Company: Harvey Hayes, executive vice president; Robert A. Best, vice president; "Blimp" Johnson and Charlie King, sales representatives.

Robert E. Schweser Company, Inc.: L. L. Lawrence, president; Frank E. Williams, executive vice president; Patrick H. Rensch, Robert E. Roh, William March and Harry E. Coe, vice presidents; C. W. Poore, Jr., secretary-treasurer. Located in Dakota Suite.

Come to the 1971 Nebraska Bankers' Convention in First National Center.

May 2 - 4 at the beautiful new
Omaha Hilton



First National welcomes you to the 1971 Nebraska Bankers' Association Convention, meeting for the first time at the luxurious Omaha Hilton in First National Center. During your stay you'll enjoy comfort and convenience only the Hilton can offer, and you'll also get a look at our new 22-story bank building. So make plans to attend right now.



FIRST NATIONAL BANK
OF OMAHA

United States Check Book Company: C. B. Batchelder, president; Fred E. Pfaff, vice president; Kent Miller, Chuck Peterson, Ron Ford, Richard Dick, Dick Hansen and Howard Yarwood, representatives.

Van Horne Investments: John E. Van Horne, president; Mike W. Van Horne, vice president, and Dennis Buckley, secretary-treasurer.

Yale Bank Service: Charles R. Allen, product sales manager, and Al Meyers, representative.

Joins Aurora Bank

Kenneth E. Taylor has been elected assistant cashier at the First National Bank.

Albion Bank Remodeling

Completion is expected soon on the remodeling of the Albion National Bank, Albion. Yale Bank Service Division is installing a new three and one-half inch thick vault door, a drive-



NEW HOME for First State Bank at Shelton, Nebr.

up window, and a night depository box.

New Shelton Bank

Paul A. Munson, executive vice president of the First State Bank, Shelton, has announced that the bank recently held a public open house to display its new building. Yale Bank Service Division installed the vault door, drive-up window, night deposit box, and alarm

system for the new building.

Construction on the building started in June, 1970.

Five Points Bank

W. W. Marshall, Jr., president of the newly-chartered Five Points Bank in Grand Island, has announced that the bank hopes to occupy its new building by mid- to late-summer.

Capitalization of the bank consists of \$200,000 capital, \$200,000 in surplus, and \$100,000 in undivided profits. The bank's routing symbol is 76 167 1041.

Other officers besides Mr. Marshall will be announced in the near future.

Award to Crete Banker

Fred W. Kerst, president of the City National Bank, Crete, was recently awarded the "Service to Mankind" award by the Crete Sertoma Club.

Joins Bank at St. Paul

Duane Gillham has recently accepted a position as assistant cashier at the Citizens National Bank, St. Paul.

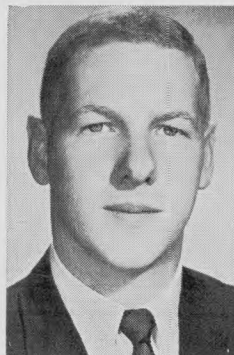
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John Van Horne



Michael Van Horne



Philip A. Lorenzen

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MAY 2-4**



Robert Kirkendall



Larry Morse

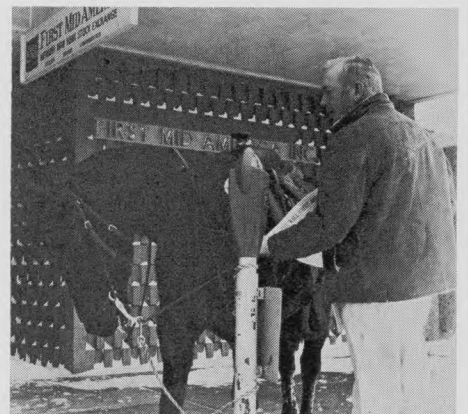
Van Horne

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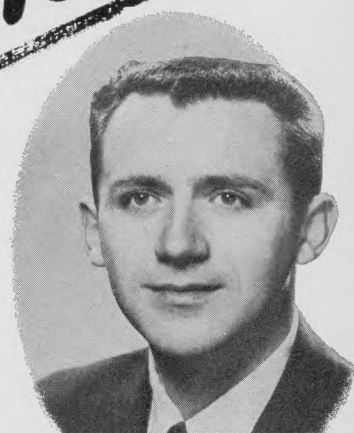
MIDWEST SNOW STORMS tied up traffic and travelers on several occasions this winter but this Grand Island man wasn't deterred from his visit to his investment broker. His faithful dog and horse made it through the blizzard and he parked at a parking meter in front of **First Mid America's** office in downtown Grand Island. As one of the brokers commented: "He's one guy who got away with 'horsing around with the market.'"

THE TOY NATIONAL BANK

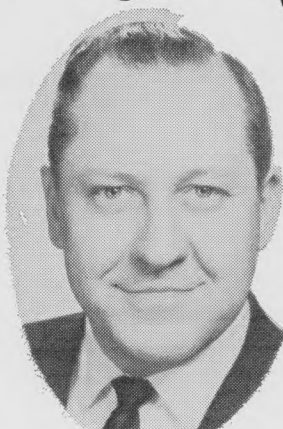
SIOUX CITY, IOWA



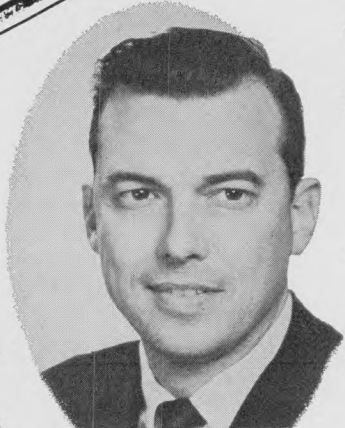
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STAN FREDERICKS



LES OLSON



RICH BREYFOGLE

why not move with us!

We Will Be Moving Around Omaha May 2-4



NEW BUILDING for Center State Bank at Center, Nebr.

Center Bank

The Center Bank, Center, recently occupied its newly-completed building, just in time for the bank's 70th anniversary which it will celebrate April 17.

The new building is a one-story

brick structure of 28 by 40 feet and has room for expansion. It is just south of the old bank building. The building has a large lobby, a large work room, a 10 by 15 foot conference or office room, and ample storage space.

The vault, with a door installed by

Diebold, Inc., complies with the new FDIC regulations and has added space for safety deposit boxes. The walls and ceiling are of 18-inch steel-reinforced concrete, and the floor, also steel reinforced, is nearly 40 inches thick.

General contractor for the project was Schreir's Lumber Company of Verdigre.

Max N. Cooper is president of the bank.

Hip, Hip, Hooray—Ouch!

The cheerleading of seven high school cheerleaders—who happen also to be members of the staff of the Farmers and Merchants Bank, Milford—was not, alas, enough to prevent the loss of the Milford High Eagles to Pawnee City in a Class C basketball regional playoff recently.

Despite the girls' ringing sendoff at an afternoon rally, the Eagles lost to Pawnee City 50-39. The girls were: Mrs. Gwen Hershberger, bank secretary and head cheerleader; Mrs. Phyllis Dunlap, wife of bank President Alan Dunlap; Mrs. Shirley Treu, a teller; Mrs. Sharry Kapke, head bookkeeper; Mrs. Maralee Meyer, head teller; Mrs. Janice Bell, teller, and Mrs. Kathy DeVries, secretary-receptionist. (Unlike the *Omaha World-Herald*, which reported the story, the staff of NORTHWESTERN BANKER is far too chivalrous to disclose the years in which the girls graduated.)

The cheerleading gambol — which came as a surprise to members of Milford High's "legit" cheerleaders—was the outgrowth of a miscue on the part of President Dunlap. All year he has had the girls in the bank wearing the school's colors on football and basketball game days. Then when the fortunes of the basketball team multiplied, he ran an ad in the paper supporting the team's efforts and claiming that he had an ex-cheerleader on his staff—Mrs. Kapke.

There was considerable static, apparently, from the other six who had been overlooked—including Mrs. Dunlap. So the bank ran another ad with pictures of all seven.

Finally the girls were coaxed out of retirement, and the bank and most of the other businesses in town closed early on the day of the rally.

Frank Waggoner

Funeral services were held recently for Frank Waggoner, 94, president of the Commercial State Bank, Republican City. Mr. Waggoner was a former farmer and a director of the Coop Oil Company, Alma. He had served 61 years on the board of Farmers Mutual Insurance Company, Lincoln.



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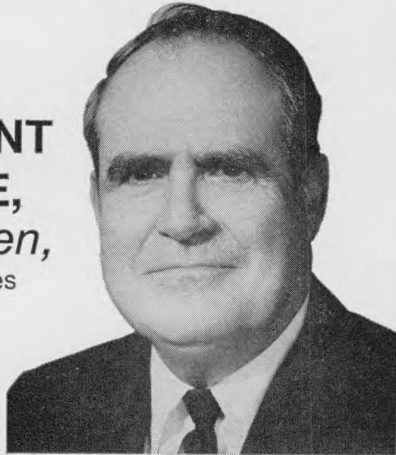
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City National Bank likes conventions and attends them regularly.

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The City has a lot to offer.

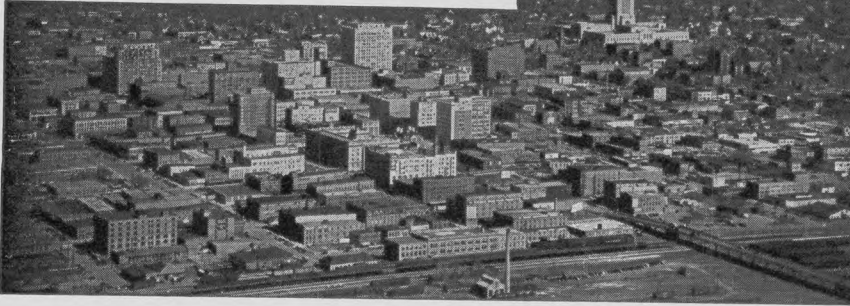


City National Bank
& Trust Company

Kansas City, Mo.

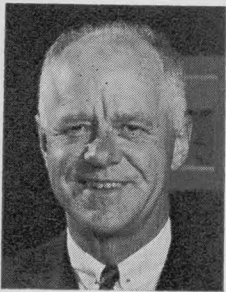
A MISSOURI BANCSHARES BANK

Lincoln News



TO COMMEMORATE the 100th anniversary of First National Bank & Trust Company of Lincoln, the Lincoln newspapers (Journal-Star Printing Company) hosted a dinner at the Country Club of Lincoln recently.

Representatives from all facets of the Lincoln business community were in attendance. As pointed out by **Joe R. Seacrest**, vice president of the Journal-Star Printing Company, the bank was chartered as a national bank by the Comptroller of the Currency on February 24, 1871. The bank has grown with the population growth of Lincoln and the state of Nebraska. Its 11 leaders, board of directors, officers and employees contributed immeasurably both to the economic and civic growth and attractive-



B. YATES

ness of Lincoln and Nebraska. The bank has weathered speculative prosperity and the adversity of money panics, depressions, droughts, wars and the collapse of land values and stock prices.

In his response, **Burnham Yates**, chairman of the board, expressed his sincere appreciation for such a wonderful occasion but stated that it was not a time to look back, other than to gain inspiration that will help all of us in meeting the challenges of the future.

* * *

Glenn Yaussi, president of NBC Company, the one bank holding company for National Bank of Commerce Trust and Savings, announced a dividend payment on March 31, 1971, of 11 cents per share to stockholders of record on March 18, 1971, for the first quarter of 1971.

The March 31 payment totaled \$80,126 as compared to \$72,842 in the first quarter of 1970. Outstanding shares to-

taled 728,420, which includes the December 31, 1970, 10 per cent stock dividend.

* * *

Funeral services were held recently for **Joseph Grainger**, 73. Mr. Grainger was president of the Merchants Investment Company and a director of First National Bank and Trust Company.

* * *

Lee Struble has joined the Cornhusker Bank as cashier. Mr. Struble has had 14 years of experience with the Brenton Banks of Iowa, the last five years of which were spent as manager of the Dallas County State Bank of Adel in Redfield, Iowa.

* * *

Wilbur H. Baack, vice president, National Bank of Commerce, has been named as head of the bank's correspondent department, according to NBC President **Paul Amen**.



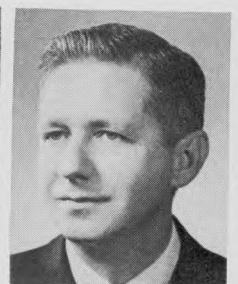
W. E. BAACK

Named to assist Mr. Baack is **A. C. (Jack) Holmquist III**, vice president, who has been in the commercial loan department.

The correspondent loan and banking department will be transferred administratively from the marketing division to the loan division, which will continue to be managed by **James F. Nissen, Jr.**, senior vice president.



R. VANDEBERG



R. E. HECHT

Gene C. Eaton, senior vice president in the marketing division, has resigned as of May 1, after 33 years with NBC to devote full time service to private business interests.

Ross Hecht, vice president in charge of the financial services group, will become vice president of the marketing department. He has also been selected as a member of the management committee.

Rodney P. Vandenberg, vice president, commercial loan department, has been promoted to manager of the department.

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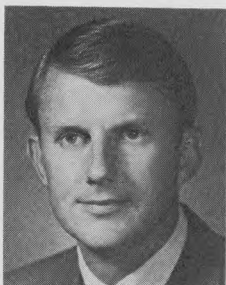
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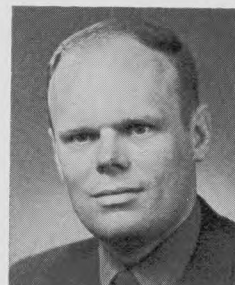
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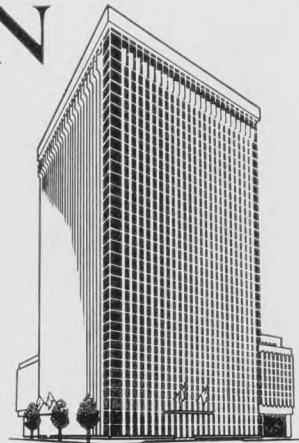
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Omaha News

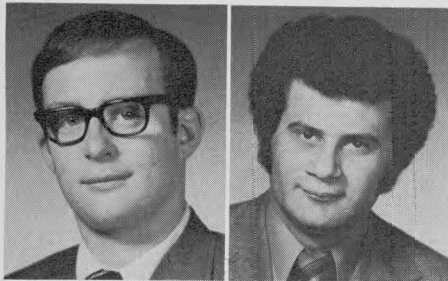


THE First National Bank of Omaha has promoted **John W. Sadaj**, **Elias J. Eliopoulos**, **Nick Kostos** and **William Lopeman** to operations officer, according to a recent announcement.



W. C. LOPEMAN

J. W. SADAJ



N. KOSTOS

E. J. ELIOPOULOS

Mr. Sadaj joined the bank in 1965 in the mortgage loan department and in 1969 was promoted to mortgage servicing manager. Before coming to the First National Bank, Mr. Sadaj was a retired major from the U. S. Air Force after 22 years of active duty. He was both a pilot and an administrator.

Mr. Eliopoulos was born and attended high school in Athens, Greece. He came to the United States to attend Creighton University where he attained a B.S. degree in economics. He received his Masters Degree in economics at the University of Nebraska in 1969 after which he joined the bank as a management trainee. He was assigned the duties of purchasing agent in 1970 and in January of this year was promoted to operations officer.

Mr. Kostos was born in Omaha and received his B.S. degree in business at the University of Nebraska at Omaha

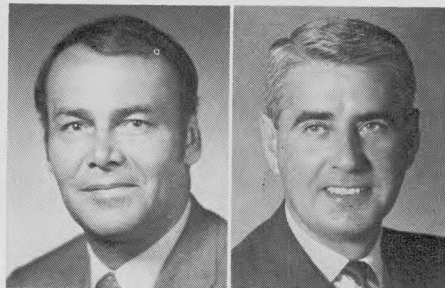
in 1968. After completing his education he joined the bank. He is a member of Ak-Sar-Ben.

Mr. Lopeman was born and attended school in Galesburg, Ill. Prior to joining the bank in December of 1969, he spent 11 years in the United States Air Force Security Service.

* * *

A new investment banking firm, Rahel, Knack and Company, has been formed in Omaha.

Both principals of the firm, **Cliff R. Rahel** and **George R. Knack** are widely known in the Iowa-Nebraska financial communities, having served as president and senior vice president of the J. Cliff Rahel Investment Banking Company for many years prior to its sale in 1969.



C. R. RAHEL

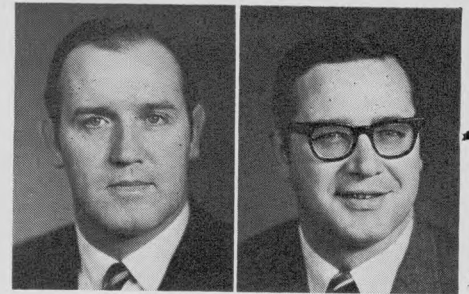
G. E. KNACK

Rahel, Knack and Company is a member of the Midwest Stock Exchange and will execute orders on the New York and American Stock Exchanges. They will also serve as underwriters and distributors for new issues of municipal bonds and corporate securities. The firm's offices are at 1160 Omaha Building.

* * *

Chairman and chief executive officer of The Omaha National Bank, **Morris F. Miller**, announced the promotion of two senior officers and the appointment of two junior officers at the conclusion of the March meeting of the bank's board of directors.

Frederick J. Bennett and **Gilbert R. Gadzikowski**, vice presidents, have



F. J. BENNETT G. R. GADZIKOWSKI

been promoted to senior vice presidents; **Lloyd C. Lunder** has been appointed an operations officer, and **Daniel P. Bockelmann** has been appointed an assistant commercial loan officer.

Mr. Gadzikowski joined The Omaha National Bank in March, 1970. He came from Lester B. Knight and Associates of Chicago. Mr. Gadzikowski initially served as bank comptroller, and is now heading up the staff services division since the bank reorganization.

Mr. Bennett came to the Omaha National in June of 1967 as administrative assistant to the president. He was appointed the responsibility of directing the construction of the new bank building in December of the same year. Mr. Bennett also directed the construction of the drive-in walk-in bank at 19th and Dodge. In January of 1970, he was promoted to vice president and in July of the same year was appointed to head up the bank operations division.

Mr. Lunder joined the bank staff as a senior systems analyst in November of 1969 and became a project manager in May, 1970. In November of the same year, he transferred to the consumer banking division, where he was appointed manager of customer service in January of 1971.

Mr. Bockelmann came to the ONB in June, 1970, as a business development representative. Due to the reorganization of the bank divisions, he is now in the commercial banking department where he has been commercial banking representative.

* * *

John H. Mitten has been appointed treasurer of the Nebraska division of the American Cancer Society. Mr. Mitten is vice president of the Omaha National Bank.

* * *

Mike Novak, vice president of the Douglas County Bank, won first prize in a public speaking contest sponsored by the Omaha chapter of the American Institute of Banking. He will advance to a district contest April 17 at Sioux City, Iowa.

OMAHA NEWS . . .

(Turn to page 90, please)



Frank E. Williams
Executive V.P.



L. L. Lawrence
President



William March
Vice President



Patrick H. Rensch
Vice President
and Counsel



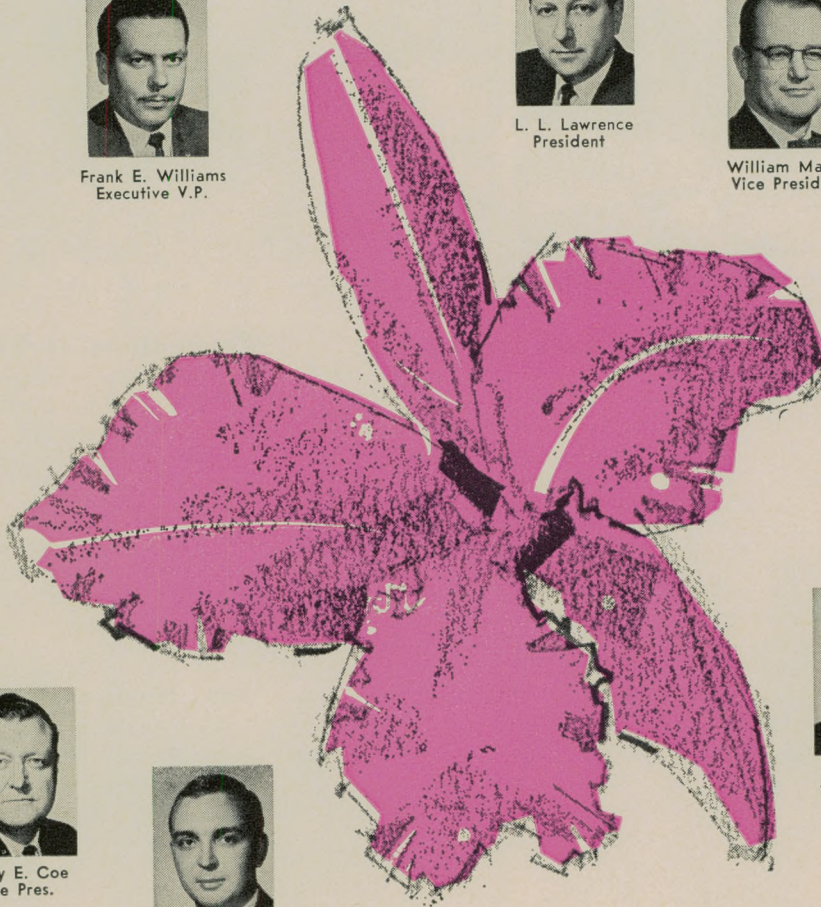
Robert E. Roh
Vice President



Harry E. Coe
Vice Pres.



Charles W. Poore
Sec.-Treas.



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Nebraska Banking Convention are
a Schweser custom — as tradition-
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NEW BUILDING for Bank of Stapleton, at Stapleton, Nebr., features a drive-up window.

Stapleton Opens New Building

THE Bank of Stapleton, Stapleton, has recently finished remodeling and expects to hold open house in the near future. The architectural firm of Murphy-Nelson from North Platte designed the building, and its sidewalks, parking lot, driveway and sign and supervised their installation. Yale Bank Service Division supplied a three and one-half inch thick vault door, the drive-up window, safe deposit boxes, and the alarm system.

The building was constructed of grayish-tan wash face brick exterior, with masonry backup, and it has a

concrete floor, a steel joist roof and deck with built-up roofing. Exterior trim is of anodized bronze aluminum with a white concrete cap on corners and planters. Interior walls are dry-wall on steel studs.

The building is heated with a forced-air gas furnace and cooled by a air-cooled compressor. The interior is partly carpeted, there are drapes at the windows and the interior walls have wood paneling vinyl-coated fabric covering.

The bank was occupied in the middle of January.

Promotions at York

C. G. Holtus, vice president and cashier at the First National Bank of York, was recently elected to the board, and A. M. Brown, Jr., was promoted to assistant cashier.

LaVerne Peterson, vice president and apicultural representative at the bank, was recently elected president of the Nebraska Society of Farm Managers and Appraisers.

New Hyannis Director

Boyd Jones, executive vice president at the Bank of Hyannis, has been elected to the bank's board of directors.



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James P. Foley — Joseph E. Haller — C. M. (Bud) Kelly — Hal F. Childs — Charles F. Heider — Bill Beavers — James P. Kineen.



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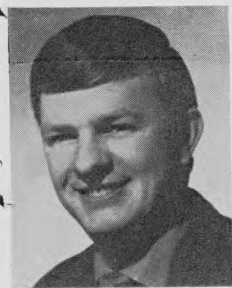
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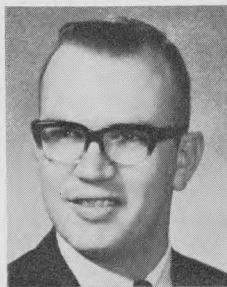
Group Presidents Report

Farm and Financial Conditions



R. D. SCHNEIDER
Vice President
Plattsmouth State
Bank
Plattsmouth
President
Group 1

"If it doesn't dry out soon, we will be planting corn during normal planting season instead of the middle of April." Cattle prices are pretty good; hog raisers are disappointed. Grain prices are favorable and with sufficient moisture we hope to have another good crop.



DENNIS BREWSTER
Vice President
Butte State Bank
Butte
President
Group 3

NINETEEN seventy-one in our area will be a "Year of Recovery." The depressed livestock prices the last quarter of 1970, the heavy snows in the eastern half of the Group III area, and the floods of February have all taken their toll of profits that we found in 1970.

This leaves 1971 with high feed costs, and higher replacement cattle costs. The 1971 feed grain program payments will be lower, and more money will be spent on seed, fertilizer and equipment. Credit needs will again increase accordingly, so that the rate of CD's and savings will remain high, while the pressure for lower borrowing rates will increase.

The management, for all facets of our agri-business economy, will become increasingly important to cope with these problems.



ELBERT LOWENSTEIN
President
Stamford Bank
Stamford
President
Group 4

OUR area (South-Central Nebraska) has enjoyed a mild winter. Stock fields have been grazed continuously since harvest time. We have enjoyed a good hay market, most of which has been sold to Kansas and points south. The low-calf rancher has had a profitable year, having received near record prices per head for last year's calves. Many of the ranchers are reporting excellent calving results for the 1971 calf crop.

Cattlee feeders have had favorable returns on fat cattle since January and

it would appear the fat market may stay steady to strong. The farmer-feeders in our area are down on feed-lot cattle which will be marketed during the second quarter of 1971.

The cash grain price has also improved with the exception of wheat. Corn and wheat are currently selling for about the same price at local elevators. More farmer-feeders are beginning to utilize some wheat as a feed grain.

The main stumbling block which could have an adverse effect on 1971 agriculture in our area would be a continuation of last year's drought. We need considerable rain or wet snow between now and May 1st to get ample sub-soil moisture for the coming crop.



C. A. GAGHAGEN, JR.
President
Central Bank
Central City
President
Group 5

BUSINESS conditions in our area are quite good. We have had some severe storms but not as bad as other areas of the state and our livestock appears to have wintered well. Feeding gains have been good.

The present prices for cattle and hogs are good; however, the cost of replacement cattle is high.

Our corn crop for last year was below the record high of the previous year but the increase in the price of corn offset the reduction in yields per acre.

It appears credit requirements for the coming season will be higher than usual as farmers will plant more acres due to the changes in the government programs.

We are approaching another growing season with good weather and sufficient moisture. Yields should be excellent.



JOEL H. WIENS
President
First State Bank
Kimball
President
Group 6

LIVESTOCK prices are good; wheat prices are ridiculous. However

GROUP REPORTS . . .

(Turn to page 88, please)

STANLEY J. BEDNAR
Executive
Vice President
Washington County
Bank
Blair
President
Group 2

DISTRICT 2 is just recovering from three bad storms and considerable flooding both on the Missouri and Elkhorn Rivers. Farm work has been set back because of the high moisture, and planting will probably be later than a year ago. As one farmer put it,

Chuck Wagon Guests Discuss Beef Improvement



GATHERED AROUND THE CHUCKWAGON—Left to right, Merv Aegerter, v.p., First Natl. Bank, Omaha, Phil Giltner, pres. of First, Mrs. Giltner, Lyle Waggoner (a personal friend of the Giltners and a star of the Carol Burnett TV show), and winners of the weight-guessing contest: Raymond Novall, Storm Lake, Iowa; Denny Witt, Millard, Nebraska; Dennis Kreikemeier, West Point, Nebraska; and Howard Logan, pres., First Tr. & Sav. Bk., Merville, Iowa.

A LARGE throng of farmers, ranchers, and bankers recently attended the 6th Annual Chuck Wagon Roundup sponsored by the First National Bank of Omaha at the Ak-Sar-Ben Sales Pavilion at Omaha. Many of those present braved snows of up to 12 inches in eastern Nebraska, and they were well rewarded for their efforts.

The program focused on selection of breeder stock for the most profitable cattle herds.

Welcome

Don Ostrand, vice president for correspondent banking at First National, welcomed the audience and was followed to the mike by Merv Aegerter, "Wagon Master" and also a vice presi-

dent in the correspondent department at First. Mr. Aegerter was master of ceremonies for the rest of the program.

The keynote address was delivered by Dr. Frank H. Baker, chairman of the animal science department at the University of Nebraska, Lincoln. In his talk, "Profit-Based Beef Improvement for the 70's," Dr. Baker pointed out that Iowa and Nebraska last year marketed about one-third of the nation's fed beef, and in Nebraska beef accounted for about half of the cash receipts from agriculture.

Dr. Baker expressed the belief that this area stands a good chance of moving to the top of the fed cattle market, because only about half of the cur-

rent feed supply in this region is committed to feeding activities, whereas in the Southwest, which now leads the field, about 75 per cent of the available feed supply is committed. Thus, there is more room for expansion in the Midwest than in the Southwest.

Importance of Genetics

Then, setting the tone for what was to follow on the program, Dr. Baker said, "The beef enterprise can be categorized as about 50 per cent breeding and production of calves and about 50 per cent growing and finishing for slaughter. Today we are concentrating on the breeding and production of the calves because that's where we set the pattern or genetic limitations for the product and for the efficiency of the enterprises."

Dr. Baker pointed out that "profitable beef enterprises depend on cattle to (1) use production resources effectively in competition with other enterprises and (2) yield a product that is in sufficient demand to permit pricing at a level to provide adequate profits for use of feed and other resources. Thus, building profit based beef enterprises is really a genetic or biological engineering program for building or improving beef cattle."

The success of such engineering programs, Dr. Baker said, is dependent on one of three things: use of performance records, luck of breeders, or the supernatural ability of breeders. After ruling out luck and the supernatural, he noted that until the 70's breeders have not kept adequate records but are now beginning to do so.

Complete Records

Complete records for the registered breeder, he said, will include "(1) complete lifetime cow production records, including number of calves with

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National Bank of Commerce

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growth rate and other characteristics recorded; (2) individual growth records to a year of age for each animal in the herd; (3) complete progeny data for all bulls used in the herd, including growth data and other characteristics of the progeny; (4) carcass data on progeny samples or complete carcass estimates through reliable instruments."

Sufficient data for the commercial breeder will consist of "(1) sufficient individual calf production record data on replacement heifers to identify that the producing ability of the heifer is adequate to contribute to herd profits; (2) sufficient feedlot and carcass

data on feeder cattle produced in the herd to provide a basis for attracting feeder cattle buyers because of the profit potential of the cattle and to provide a basis for identifying the level of excellence needed in herd bulls bought from registered breeders; (3) a herd bull battery with performance pedigrees."

Dr. Robert Long, director of research and development for Ankony Angus Corporation, Rhinebeck, N. Y., then took the floor to discuss selection of breeding stock that will provide a profitable herd for the cow man, the feeder, and the packer and a tasty, edible product for the consumer.

Several things must be considered, Dr. Long said, in measuring the productivity of beef cattle: reproductive capacity of the animals, the ability to calve without help, low-heritable traits, and high-heritable traits such as growth rate.

Unreliable Data

Dr. Long warned against factors that may make performance data unreliable, including the lack of a standard way of measuring and failure to make measurements under similar conditions—or failure to disclose the conditions under which the data were recorded. For the data to be useful, he said, the breeder must know the age of the animal, its sex, the age of its dam (since this will make a difference in weaning weights), and nutritional differences.

Dr. Long then suggested keeping records such as Ankony does. Ankony records the ease of calving, why the cow had trouble, type of presentation, type of calf, and its color. He then showed a sample of the records kept on a yearling bull produced by Ankony and showed how to standardize weaning and yearling weights.

Chuck Wagon Luncheon

After the spectators had viewed three Angus yearlings for the weight-guessing contest, they broke for a lunch of roast beef sandwiches, salad, relish, baked beans, and cherry tarts. Country and western music was provided during the lunch hour by a brightly-clad group of musicians.

After the luncheon Bob Ross of Bozeman, Mont., provided a slide lecture entitled "The Ecology of the Half Moon"—a comic epic on backhouses.

Dr. Long returned after Mr. Ross to discuss the grading system used on cattle by Ankony. The system measures five traits—trimness (or lack of wastiness), muscularity, size of frame, soundness of structure, and facial features. A good bull, he said, not only shows good weight gain at weaning and yearling stages—the composition of that gain must be correct; these five traits describe that composition and are measured on a scale of one to 10, with perfection being 10.

Dr. Long then brought out the three bulls viewed earlier and showed the audience how to determine how much wastiness there is on a bull, how muscular he is, etc., scoring them on the scale of 10.

Winner of the weight-guessing contest was Raymond Novall of Storm Lake, Iowa, followed by Denny Witt, Millard, Nebr.; Dennis Kreikemeier, West Point, Nebr., and Howard Logan, Merville, Iowa.—**End.**



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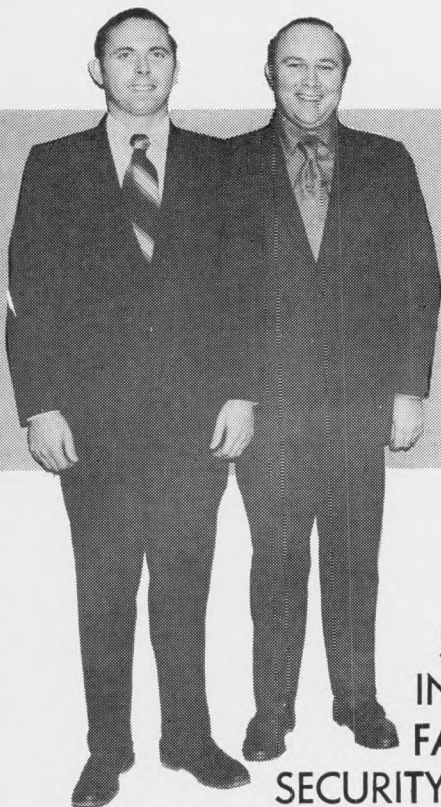


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First National Bank

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Silver-Dollar Gifts at Springfield Open House



52 ORIGINAL DEPOSITORS of Springfield State Bank received plaques when the bank observed its 25th anniversary recently. They are shown on above display board (26 on each side). RIGHT—Robert D. Iske, pres., and Glenn M. Adair, v.p. & cash., with Mr. and Mrs. John Neitzel; Mrs. Goldie Latham, and Donald Keyes, all of whom received plaques.



OFFICERS and directors of the Springfield State Bank, Springfield, recently held open house in celebration of the bank's 25th year of service.

One of the highlights of the open house was the presentation by the bank of plaques containing uncirculated 1880 silver dollars to 52 original depositors of the bank who have maintained their accounts for the entire 25 years.

Three of the original organizers of the bank—Roy Kiger of Fremont and Phil Latham and Dewey Callaway of Springfield—were on hand to greet visitors.

The scene was decorated with bou-

quets and planters sent by banks in David City, Kansas City, Mo.; Denver, Colo., and Lincoln, as well as from other businesses and friends. Gifts were received from the First National Bank of Lincoln; Christensen Advertising, Omaha; Packers National Bank of Omaha, and the Omaha National Bank.

Free gifts and refreshments were dispensed to visitors.

GROUP REPORTS . . .

(Continued from page 83)

the new wheat program could help this area; time will tell. We have enjoyed an open winter and have recently received nice moisture which will help start the wheat and grass

crops. Feed supplies seem adequate.

Beet and bean crops were good with bean prices higher than usual. Oil activity in the panhandle is somewhat less than previously but still a major contributing economic factor. Various small manufacturing companies are helping balance the economy in a number of our area towns.

Interstate 80 construction is furnishing employment and everyone is looking forward to its completion for an additional impact from tourism. Bank deposits are generally up; however agricultural credit demand is continuing an upward spiral with the size of individual operations increasing each year.

Resigns at Beatrice

Keith Roberts, who has been with the Beatrice National Bank, Beatrice, for 31 years, the last two as executive vice president, has resigned his position.

McKibbin Honored

H. L. McKibbin, vice president of the Bank of Gering, president of the Minatare State Bank, and president of the Nebraska Bankers Association, recently was honored as the "Outstanding Boss" of the year by the Gering Jaycees.

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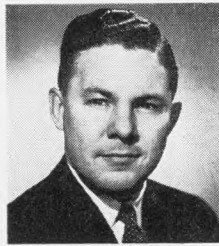
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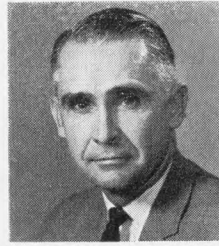
C. J. O'Connor



J. Walter Peniston



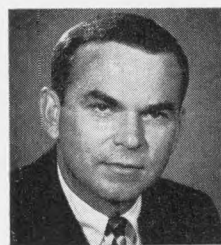
George C. Dudley



Eugene B. Foncannon



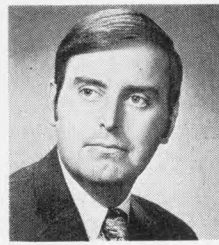
Herman M. Dresker



John T. Fowler



W. Darrell Meyer



John E. O'Connor



Paul A. Peterson

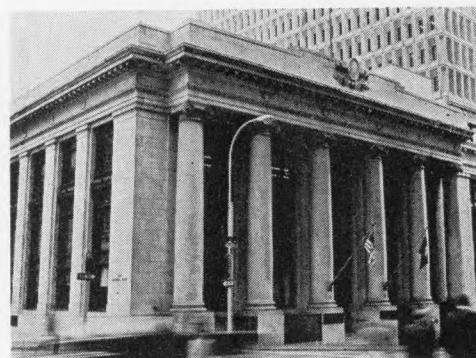


William O. Weis

First National Bank of Kansas City

10th & Baltimore, Kansas City, Mo.

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Northwestern Banker, April, 1971

To Preserve Omaha History

An effort to preserve some of Omaha's history will be made when interior work gets underway at the 22-story First National Bank building at Sixteenth and Dodge Streets.

While work has been progressing on the structure and the outside of the bank building, bank officials have been collecting bits and pieces of furniture, fireplaces and doorknobs from old Omaha offices and homes, said **Thomas L. Davis**, First National marketing officer.

"The reason we're doing it is to preserve some of the hundred years of history we have in Omaha," he said. "The theme will be carried out throughout the building."

Some of the furniture, doors and wood paneling is being stored in the basement of the bank's drive-in at the Hilton Hotel parking garage. Some is in a home used for storage by Joslyn Museum near the Florence Water Pumping Station.

Mr. Davis said the bank has salvaged such things as doorknobs, granite and statues from the old Postoffice Building, demolished to make way for the First National-Hilton Center, paneling from fireplaces at the old First National Bank building at Thirteenth

and Farnam Streets, fixtures and paneling from the old City Hall and furniture from old Omaha homes.

The bank reaped a harvest of historical material from a house on the northwest corner of Twenty-fifth and Dodge Streets, which was razed about a year ago.

In the library of the house, which yielded bookcases and stained glass windows for the new bank, Byron Reed, the Omaha real estate man, notarized the bank's application for a national bank charter in 1863, Mr. Davis said.

The house also once served as the first home of Boys Town.

* * *

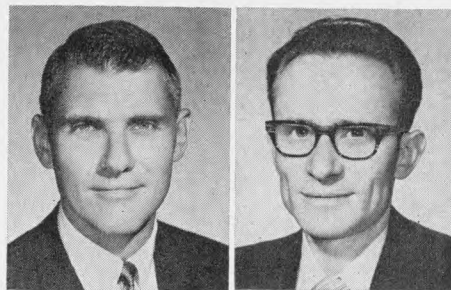
Donald J. Murphy, president, Northwestern National Bank, Omaha, presided over the noon luncheon at the Mid-America Livestock Forum held recently at the Omaha Hilton Hotel.

Mr. Murphy is a director of the Agri-Business Council, Omaha Chamber of Commerce, and this year's theme was titled "The Livestock Game Win or Lose?" The featured speaker for the event was **John Milton**, assistant football coach of the Nebraska No. 1 football team.

Panel discussion for the morning session was "Hog Production and Feeding." Moderator was **Creighton Knau** of the National Pork Producers Council, and the afternoon session was "Cattle Feeding for Profit," with Moderator **Dr. Frank Baker**, chairman, animal science department, University of Nebraska.

* * *

The promotion of two officers in the trust division at the United States National Bank was announced by bank President **Edward W. Lyman**.

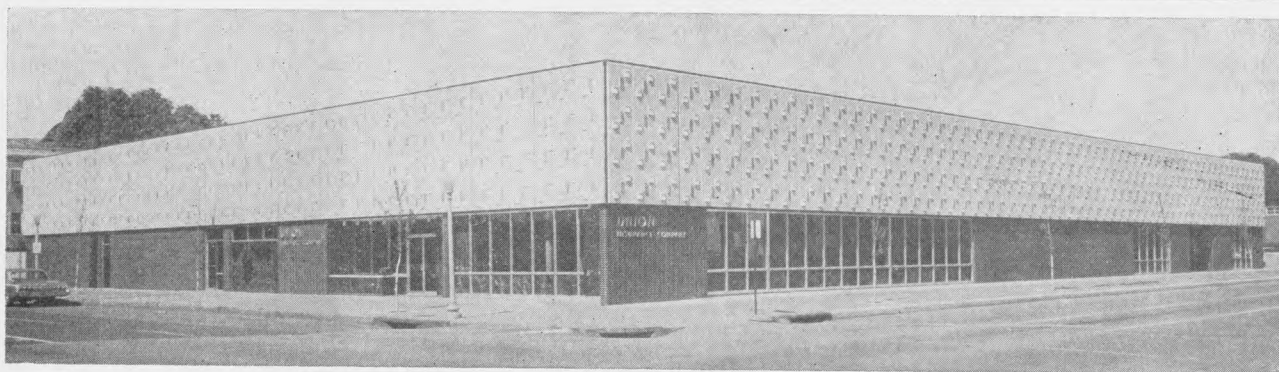


J. A. MILLER

B. W. STANISLAV

John A. Miller has been named vice president and **Ben W. Stanislav** has been promoted to trust officer.

Mr. Miller, who has 10 years' experience in the investment field, has become head of the investment department, assuming the duties of Vice



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Maurice R. Gerleman, President
Robert G. Walters, Secretary

**John V. Head, Senior Vice President
and General Counsel**

President **Henry B. Pierpont**, who retired March 31.

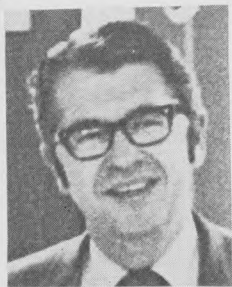
A graduate of the University of Nebraska at Omaha, Mr. Miller has been a trust officer of the bank since 1967. A native Omahan, he graduated from Benson High School in 1951, and served with the U. S. Army during the Korean conflict.

Mr. Stanislav, a certified public accountant, will continue as manager of the tax department in the trust division.

A Sioux City, Iowa, native, he spent nearly four years in the U. S. Air Force before entering Creighton University. He graduated from Creighton's College of Business Administration in 1958. Prior to joining U. S. National in 1969, he worked in the field of public accounting.

* * *

Announcement was made recently by **Dr. Joseph Soshnik**, president of the University of Nebraska, Lincoln, that he will be vacating that post some time this summer



J. SOSHNIK

to become a vice president with Kirkpatrick, Pettis, Smith, Polian Inc., Omaha-headquartered investment banking firm.

His work with the Omaha investment banking firm in the field

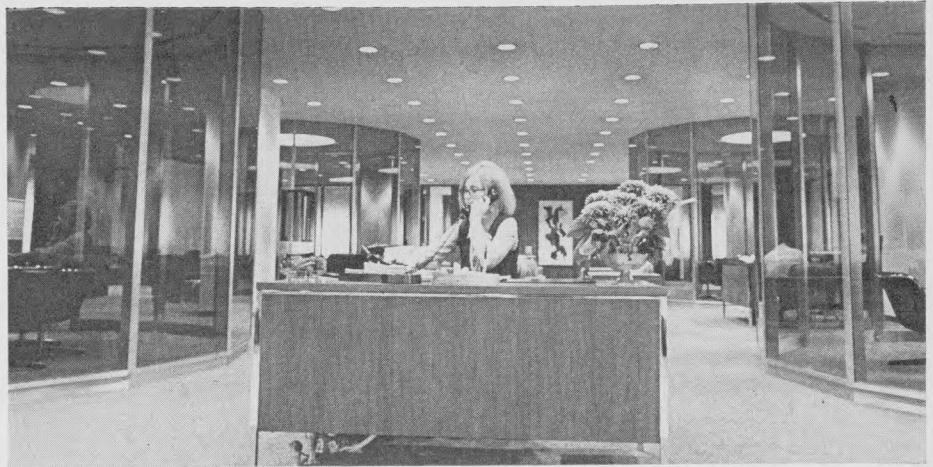
of municipal financing appeals to him, Dr. Soshnik said. "There has been exhilaration in my job as a university administrator," said Dr. Soshnik, "but there is exhilaration for me also in putting together a major piece of revenue financing."

Commenting on Dr. Soshnik's coming affiliation with his firm, **Donald L. Pettis**, chairman of the board of Kirkpatrick, Pettis, Smith, Polian, said, "Our selection couldn't have been better. Dr. Soshnik will be returning to familiar financial fields. His depth of experience in revenue financing will be extremely valuable to us, or any investment banker, for that matter."

* * *

The Farnam Street lobby of Omaha's United States National Bank has become one of the city's most popular spots for customers to linger while looking at the various extraordinary professional and hobby displays which have been exhibited there since the bank's new building opened last summer.

Recently a historical collection of original automobile drawings by **Tad Burness**, a San Jose, Calif., artist, became the latest display.



ONE SPECIAL FEATURE in The Omaha National Bank's new building is the estate and trust division reception area, surrounded by the glass-enclosed conference areas.

The offices of The Omaha National Bank have been selected by *Administrative Management Magazine* as a winner of the annual "Office of the Year" award. The publication announced the choice in its April issue. **Frank O. Starr**, president of The Omaha National, made the announcement in Omaha.

Altogether, nine winners were selected from among the many American offices opened for use in 1970. The Omaha National Bank opened its new bank facilities in January, 1970, in the Woodmen Tower.

Instituted by the magazine 21 years ago, the awards encourage higher standards of business effectiveness through good office design.

Mr. Starr, The Omaha National president, expressed his appreciation to *Administrative Management* for the

honor the magazine bestowed on the bank's offices. "It's gratifying for us at The Omaha National to be singled out from among so many new offices in the county for this award," said Mr. Starr.

A spokesman for the magazine said that the board's judgment is based on suitability, flexibility, habitability, and advancement of the administrative function through innovations in office design, systems planning and the like.

Monthly articles on the winning offices will run through the balance of the year. No publication date has been set for the story of The Omaha National's winning offices.

Administrative Management is a national magazine subscribed to by more than 56,000 executives with responsibility for office operations, planning, equipment and personnel.

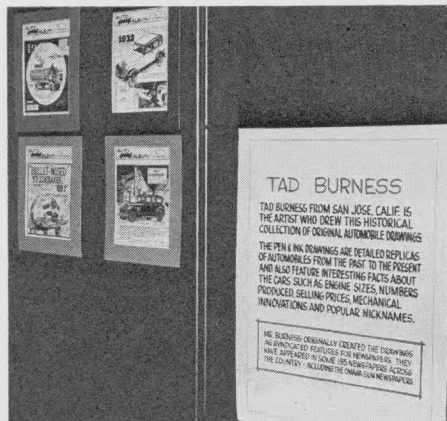
The drawings, which are detailed replicas of autos from the past to the present, also feature interesting facts about the cars such as engine sizes, the numbers produced, selling prices, mechanical information and popular nicknames.

Mr. Burness originally created the drawings as syndicated features for newspapers. They have appeared in some 135 newspapers across the coun-

try, including the Omaha *Sun* newspapers.

It was from seeing the drawings in the West Omaha *Sun* that Assistant Vice President **Bob Satrapa**, who has responsibility for the Farnam lobby display program, got his idea for the display. On contacting Mr. Burness, Mr. Satrapa learned this was the first time the artist had been approached by a bank to show his original drawings.

The exhibit includes 24 original pen-and-ink drawings on 8 x 10 inch cards. The earliest subject is a four-cylinder Panhard-Levassor with a rear-end door, built in 1899 in Paris, France. Other drawings in the exhibit, treat such unique antiques as the 1911 eight-wheeled Reeves "Octoauto"; the long, low 1930 Ruxton (which features "front wheel drive, body 10 inches lower than most cars, and horizontal bands of varying hues," on its exterior, according to the artist's caption); the classic 1934 Packard convertible, and the 1950 "Bullet-Nosed" Studebaker ("so far out it's in," says the caption).



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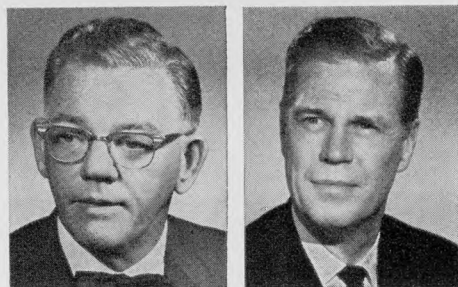
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Iowa NEWS

J. H. REDMAN President Fort Dodge

A. E. LINDQUIST, JR. Exec. V. P. Des Moines



Home State, Jefferson

Four promotions have been announced at the Home State Bank, Jefferson.

John M. (Mel) Shanda has been promoted from vice president, cashier and trust officer to executive vice president and trust officer.

Replacing Mr. Smith as cashier is Douglas McDermott.



J. M. SHANDA

D. McDERMOTT

Mr. Shanda has been with the bank since 1952, starting as farm service director, and becoming assistant vice president in 1957 and vice president and cashier in 1962.

Mr. McDermott was with the Union State Bank, Winterset, from 1963-65, and the Citizens Savings Bank, Sac City, from 1965 to 1969, becoming cashier there in 1967. He joined Home State in 1969 as assistant cashier.

In addition Kermit Bullard and Roger Scott have been made loan officers.

Mr. Bullard was formerly an assistant cashier and Mr. Scott, manager of the installment loan department.

Changes at Taintors Savings

Claire Phillips has been promoted from executive vice president to president of the Taintor Savings Bank, New Sharon, as announced earlier in the NORTHWESTERN BANKER.

In addition, Mrs. Ray (Helen Ann) Woods was elected vice president. Gordon Hull, Mrs. Kenneth (Beverly) Klein, and Mrs. Jack (Beth) Smith were elected assistant cashiers.

Mr. Phillips succeeds O. H. Pothoven, who retired as president and is now chairman. Mr. Phillips joined the bank in 1936.

Mrs. Woods has been an assistant cashier.

A. C. at Humboldt Trust

Richard Mikelson has been elected

an assistant cashier at the Humboldt Trust and Savings Bank, Humboldt. He is a loan officer and has been with the bank since last July.

Elected at Osage Bank

Two new directors and several new officers have been elected at the Osage Farmers National Bank.

E. A. Heiden, who has served as president, was elected chairman, and Lavern (Bud) Funk, a local farmer, and Sam Holcomb, operator of the Daylight Store in Osage, were elected directors.

Martin Fabricius is the new president of the bank, having served as vice president.

Gerald Heiden, cashier, has also been given the title of vice president, and Jerry Seifert was elected a vice president.

Heads 'Young Iowans' Program

David L. Morris, vice president and manager of the Waukee office of the Brenton State Bank of Dallas Center, has been named corporate coordinator for a new program of Brenton banking services for young adults.

The services, designed specifically for the 18-35 age group, are called the "Young Iowans" program. It is being offered at all Brenton Bank locations.

Mr. Morris joined the Brenton organization in 1964.

Bank Plans Art Show

The Columbus Junction State Bank is sponsoring its fifth annual art show, with entries invited from Louisa, Henry, Muscatine, Washington, and Des Moines counties.

Entries are being judged by Prof. Howard Rogovin, painter and teacher in the School of Art at the University of Iowa. Prizes of \$150 for first place and \$100 for second place are being awarded. The paintings were displayed in the bank March 19-20.

New Bank Hours

R. A. Shultz, president of the First Trust and Savings Bank, Davenport, has announced a new schedule of bank hours for the Third and Brady Street location. In addition to regular hours, the bank will be open every Monday night from 6:00 to 8:00 p.m.

Woodbine Bank's Ag Day

The First National Bank of Woodbine recently held its Annual Agricultural Day, with a program on farming for the men and home economics for the women.

On the men's program, Dr. H. L. Self of Iowa State University of Iowa spoke on Beef Cows in Iowa, and Dale Hull, also from Iowa State, spoke on Building New and Remodeling Old Buildings for Farrowing and Pig Nursery. Jay West of Iowa State spoke on the prospects of corn blight in 1971.

In the afternoon, Dr. Self spoke on Pasture Management Research and Mr. West discussed Grain Sorghum Production.

The program for the ladies included a discussion of oil portrait painting, a style show, and a program by Lyle DeMoss, an Omaha television personality.

Speaks at Conservation Dinner

Oliver A. Hansen, president of the Liberty Trust and Savings Bank, Durant, was recently the featured speaker at a banquet of the Wapello County Soil Conservation District in West Union.

Mr. Hansen is also a director of the Farmers Savings Bank, West Union, and is chairman of the livestock industry committee of the Iowa Bankers Association. He is a past president of the IBA.

New Farm Representative

Jack Gowing recently joined the staff of the Security Trust & Savings Bank, Shenandoah, as agricultural representative. Mr. Gowing has been associated with KMA radio as farm director.

New A.T.O. at Marshalltown

Mrs. Janet Daters has been named assistant trust officer at the Fidelity Bank, Marshalltown. She has been with the bank since 1962 and has assisted Orville Thurston, vice president and trust officer, for the past year.

Changes at Redfield

Lee Struble has resigned his position as manager of the Redfield office of the Dallas County State Bank which he has held for over five years. Altogether he has been with the Brenton Bank system for over 13 years.

Mr. Struble has accepted a position as cashier of the Cornhusker Bank in Lincoln, Nebr.

Leonard Lindsay has assumed the position of manager at the Redfield branch office. He comes from McComb, Ill., where he had two and one-half years' experience in banking before his graduation from Western Illinois University.

Golden Anniversary State Bank Conference, April 14



J. R. TANK



C. J. HOWARD



C. HEGARTY



J. F. GRUENWALD

DISCUSSIONS of the Fair Credit Reporting Act, correspondent bank relationships, the Small Business Administration, the Iowa legislature, the Uniform Commercial Code, and current legislation will highlight the Golden Anniversary State Banking Conference sponsored by the Federation of County Bankers Associations and the Iowa Junior Bankers Association, to be held at Johnny & Kay's Hyatt House in Des Moines, Wednesday, April 14.

Besides being the Golden Anniversary of the Conference it will be the 31st annual meeting of the Iowa Junior Bankers Association.

Christopher J. Hegarty, president of the Charter Street Corporation, San Francisco, will be the featured speaker at the noon luncheon. Mr. Hegarty, a nationally-renowned speaker, will speak on "What Motivates You Today?"

Advance registration for the conference is \$5. Registration at the door will be \$6. For those who pre-register, badges and tickets will be ready at the registration desk upon arrival.

The complete program follows:

PROGRAM

- A.M.**
- 8:00 Registration — Lobby, South Side of Main Building. Lower Lobby (stairway from main lobby)
 - 9:00 Conference Called to Order—Lower Lobby. Chairman — James R. Tank, Federation of County Bankers

Associations; president, Scott County Bankers Association; executive vice president, Central Trust and Savings Bank, Eldridge, Iowa (Group 8).

Word of Welcome and Remarks — J. H. Redman, president, Iowa Iowa Bankers Association; president, The State Bank, Fort Dodge, Iowa.

Welcome to Des Moines—Thomas H. Urban, Mayor of the City of Des Moines.

9:15 The Associated Credit Bureaus, Inc., Present the Fair Credit Reporting Act—Charles Schaffer, past president of the Associated Credit Bureaus, Inc.; president, Credit Bureau of Mason City.

Assisted by John H. Robb, president, Credit Bureau of Des Moines.

10:00 Small Business Administration With a New Look—Edgar J. Koch, district director, Small Business Administration, Des Moines.

10:25 Coffee Break.

10:50 Panel Discussion—Do You as a Unit Bank Make the Best and Most Efficient Use of Your Correspondent Relationships?

Moderator — James F. Gruenwald, chairman, IBA Correspondent Bank Relationships Committee; vice president, Davenport Bank and Trust Company, Davenport.

Panel Members — Members of

the IBA Correspondent Bank Relationships Committee:

Jack E. Beets, vice president, City National Bank & Trust Company, Kansas City, Mo.

Don C. Anderson, second vice president, Central National Bank, Chicago, Ill.

John A. Diefendorf, vice president, Security National Bank, Sioux City, Iowa.

William B. Aldrich, vice president, American National Bank & Trust Company, Chicago, Ill.

Robert Stokes, assistant cashier, First National City Bank, New York, N. Y.

Robert G. Ziemer, vice president, Northwestern National Bank, Minneapolis, Minn.

11:45 Recess for Lunch — Monterey Rooms.

P.M.

1:00 Luncheon Program—Presiding, J. C. Blackford, retiring president, IBA; president, Union Bank & Trust Company, Ottumwa.

"What Motivates You Today?" — Christopher J. Hegarty, president, Charter Street Corporation, San Francisco, Calif.

1:45 Luncheon will adjourn. Conference will reconvene on the lower level.

2:00 Presiding—C. J. Howard, president, Iowa Junior Bankers Association; cashier, Humboldt Trust and Savings Bank, Humboldt, Iowa.

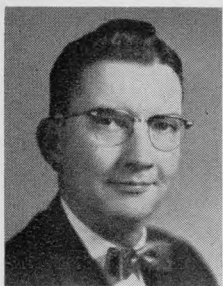
Word of Welcome—Thomas H. Huston, vice president, Iowa Bankers Association; president, Columbus Junction State Bank, Columbus Junction.

2:10 The Iowa Legislature — Honorable George E. O'Malley, attorney at law, Des Moines.

2:45 Panel—A Review of the UCC. Moderator, Alfonse M. Squillante, acting dean, College of Law, Drake University, Des Moines.

Panel Members: Gifford M.

BANKING CONFERENCE . . .
(Turn to page 96, please)



R. G. ZIEMER



R. STOKES



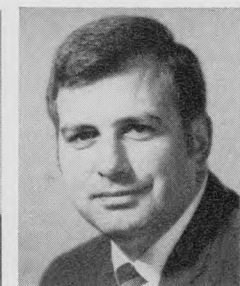
W. B. ALDRICH



J. A. DIEFENDORF



J. E. BEETS



D. C. ANDERSON

Correspondent Banking: a personal view

"Bank operations should be an important source of profits."

Bill Hamilton

Bill Hamilton, who's now our man serving northeastern Minnesota, is a firm believer in building up profits by holding down operating costs. And he's put this principle into practice with good results. Before joining our Correspondent Division, Bill spent nine years in our Operations Department. It was his job to scrutinize our internal functions in order to cut costs. Now his experience is available to the bankers in his territory. If you're looking for new ways to make your bank more profitable, Bill Hamilton is a good man to talk with. He's the newest reason why we're the Bankers' Bank of Mid-America... 612/370-4141.



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Minneapolis**

Has an Idea for You

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

1971 Iowa Group Meetings

Group	Date	Place
1	February 12	Sioux City
11	February 19-20	Burlington
6	May 10	Des Moines
10	May 11	Centerville
7	May 12	Iowa City
8	May 13	Maquoketa
5	May 24	Council Bluffs
2	May 25	Okoboji
3	May 26	Clear Lake
4	May 27	Dubuque

BANKING CONFERENCE . . .

(Continued from page 94)

Strand, UCC Director, Office of the Secretary of State, Des Moines.

Wilbur N. Bump, Iowa Search, Inc., Des Moines.

Harry T. Watts, attorney at law, Dickinson, Throckmorton, Parker, Mannheimer & Raife, Des Moines.

Matt Rohner, recorder of Dubuque County, Dubuque.

William C. Hess, assistant to the superintendent, State Banking Department, Des Moines.

3:40 Brief Discussion of Current Legislation — Wendell B. Gibson, general counsel, Iowa Bankers Association, Des Moines.

4:00 Report of Nominating Committees and Election of Officers — Federation of County Bankers Associations, Iowa Junior Bankers Association.

4:15 Adjournment.

Dows Bank's 25th Year

An open house was held recently by the Farmers State Bank of Dows in celebration of its 25th year of operation. About 500 people attended the

event. Refreshments were served, door prizes given away, and drawings held for several valuable prizes, including a television set.

Union Story Plans Expansion

Union Story Trust and Savings Bank, Ames, has announced plans to expand its North Grand Shopping Center branch. President A. W. Lucht said more definite plans will be announced later.

Shenandoah Bank Directors

Two new directors have been added at the City National Bank, Shenandoah. They are Wilbur Cambier, a Chevrolet dealer, and Wayne Stevens, who has diverse business interests in Shenandoah. They fill vacancies created by the deaths of Harry E. Ross and George Welch.

Poweshiek County National

Max A. Smith, president of the Poweshiek County National Bank, Grinnell, has announced that the bank plans to acquire two parcels of land when the current leases on them expire. The properties, occupied by Iowa Southern Utilities and Gifts International, will enable the bank to offer

expanded lock box facilities, loan quarters, and teller stations.

The new building, according to Mr. Smith, will be architecturally separate from the present facility, and though there will be easy access from one building to the other, the now-famous "Jewel Box" design of the present bank by Louis Sullivan will not suffer any detraction.

Walker State Bank Directors

Two new directors have been added at the Walker State Bank, Walker, increasing the board to seven. They are Norb Krob and John Franey.

New Parking Lot Office

William C. Hess, assistant to the Iowa State Superintendent of Banking, recently announced that the Department of Banking had issued a certificate for a new parking lot office for the Central State Bank, Muscatine.

Capital Stock Increases

The Department of Banking has recently announced the following increases in capital stock:

City State Bank, Central City, from \$45,000 to \$90,000.

Defiance State Bank, Defiance, from \$75,000 to \$100,000.

Iowa State Bank, Iowa City, from \$500,000 to \$750,000.

Union State Bank, Monona, from \$52,500 to \$105,000.

Monticello State Bank, Monticello, from \$400,000 to \$800,000.

Renwick State Bank, Renwick, from \$50,000 to \$100,000.

Parkersburg State Bank, Parkersburg, from \$75,000 to \$150,000.

New Motor Bank at LeMars

Two buildings that housed the First National Bank of LeMars drive-in facility along with a law office, have been demolished to make way for a new Ben Franklin Store which will have a new motor bank facility attached to it along the south wall.

New A.V.P.s at Maquoketa

Gary Bennis and Delbert Jetter have been promoted from assistant cashiers to assistant vice presidents at the Maquoketa State Bank, Maquoketa.

Waverly Directors

Henry W. Busch and Jim Arens have been elected directors at the First National Bank of Waverly. Mr. Busch is a farmer and real estate agent and Mr. Arens is vice president at the bank.

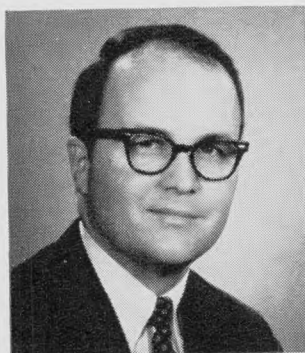
Becker & Cownie, Inc.

Municipal Bonds

711 Insurance Exchange Building
Des Moines, Iowa 50309
Phone 515 243-5188

For fast service on credit, talk directly to the "Inside Men"

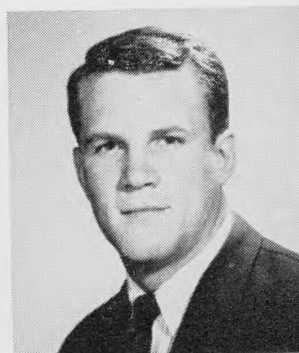
(OUR NEW PHONE NUMBER IS (312) 443-2774)



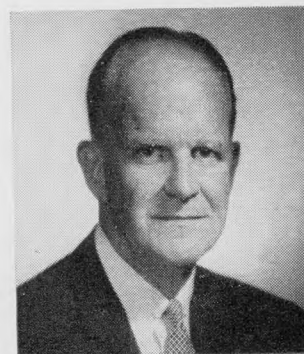
TOM ROTH



JACK RAMEY



RICK ANDERSON



PHIL BUTLER

The "Inside Men" of La Salle's Correspondent Banking Division have to be experts in all forms of credit, and they are.

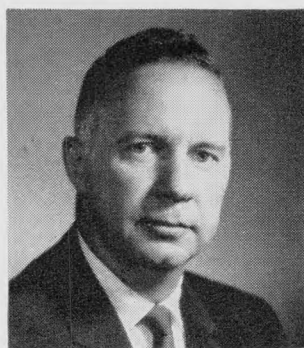
Call any one of them directly when you need help in the Overline Area or have questions about unusual credits.

Each "Inside Man" is authorized to handle all participations, bank carry loans, and personal loans to bankers.

You don't have to wait while your call is switched to an officer you never heard of so that you can explain the problem all over again. You get direct, fast action so you can give your customers faster service.

Call Tom Roth, Jack Ramey, Rick Anderson or Phil Butler, and find out how fast action on your loan requests can be. Our new phone number is (312) 443-2774.

The "Inside Men" help these "Outside Men" serve you better



CY KIRK



MAX ROY

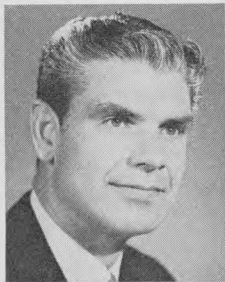
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Des Moines News

FOLLOWING the board of directors' meeting of the Iowa-Des Moines National Bank, **John R. Fitzgibbon**, president announced three promotions. **Richard W. Carey** and **Lewis C. Cobb** of the trust division were promoted to vice presidents and **Jack**



R. W. CAREY

Lytle was elected an installment loan officer.

Mr. Carey is a graduate of Westmar College in LeMars and the University of Iowa Law School. He joined the bank in 1955 as an estate analyst and was elected a trust officer in 1962 and a senior trust officer in 1967.



L. C. COBB



R. J. LYTLE

Mr. Cobb is a graduate of Grinnell College and the State University of Iowa Law School. He joined the bank in 1956 as an estate administrator, was elected a trust officer in 1962 and a senior trust officer in 1967.

Mr. Lytle is a Des Moines native and attended North High School and Simpson College in Indianola, joining the bank's installment loan department in 1968.

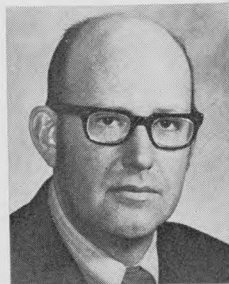
Mr. Fitzgibbon also announced a new title policy being put into effect at the Iowa-Des Moines and at its offices located at East 25th and Euclid and Beaver and Douglas. The new titles, given to officers in all depart-

ments of the bank and its offices, are descriptive of the services offered by the various departments. The purpose of this sweeping change in titles throughout the bank is to make it easier for Iowa-Des Moines customers to quickly find the person best qualified to help them. The titles serve to better identify the officers.

Sixty-five officers of the Iowa-Des Moines have been given these new titles. The Iowa-Des Moines National Bank is the first bank in this area to adopt this descriptive concept in their title policy.

* * *

The election of a new officer for Central National Bank and Trust Company of Des Moines was announced by **B. C. Grangaard**, chairman and president.



D. C. VAN ZANTE

Dick C. Van Zante was named assistant trust officer. For the past 15 years he has been practicing law with his father, Dick C. Van Zante in Pella, Iowa. He also served as Pella city attorney for seven years.

He is a graduate of Central College, 1952 B.S., and Drake Law School, 1955 J.D. He is a member of the Iowa State Bar Association, Marion County Bar Association and Delta Phi Law Fraternity.

Mr. Van Zante recently was married to the former Shirley Borland, who is the editor of the Meredith Corporation publication, *Home Furnishings Ideas*.

* * *

Stacy R. Henderson, manager of the Des Moines office of Piper, Jaffray & Hopwood Incorporated, announced the appointment of **Gary Klise** as a registered representative in the Des Moines office.

Mr. Klise was a representative with Lamson Brothers & Company for two and one-half years and previously was trust officer at Security Savings Bank in Marshalltown. He plans to continue to specialize in servicing his existing clientele in the Marshalltown area.

A graduate of the University of Iowa and John Marshall Law School, Mr. Klise is a member of the Central Art Association in Marshalltown, the Iowa Heart Association and the Elmwood Country Club.

* * *

B. C. Grangaard, president and chairman of the board of Central National Bank and Trust, was one of six new members selected to serve two-year terms on the regional advisory committee on banking policies and practices for the Tenth National Bank Region.

Clarke County State

Keith W. Richard has been elected president of the Clarke County State Bank, replacing J. Waid Lentz, who has retired. Earl Curtis has been elected executive vice president.

Changes at Glenwood

Lyle Sell has been elected to the board of directors at the Mills County State Bank, and Richard Barnes, who has been assistant vice president of the bank for two years, has resigned to become manager of the Pella National Bank, Pella.

Elected at Dyersville

Ted Goeres recently took up duties as assistant vice president, loan officer, and farm consultant at the Dyersville National Bank, Dyersville.

Bye Elected at Holstein

Bruce Bye was recently elected president of the Holstein State Bank, Holstein. Loren Goettsch and Sterling Hansen were promoted to assistant cashiers.

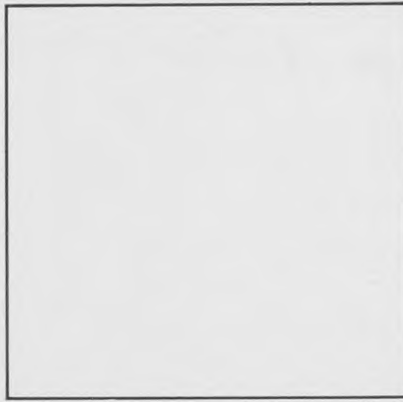
Regional Advisory Committee

Joe T. Grant, president and chairman of the First National Bank of Sioux City, was recently appointed to a two-year term on the Regional Advisory Committee on Banking Policies and Practices for the Tenth Federal District.

Thurman State Bank

Claude W. Sheldon was recently elected a director of the Thurman State Bank, Thurman.

Some of our people are missing



We wanted to run a picture of our correspondent department in a group. So you could see what they looked like. But we couldn't find a time when they were all in. You see, our correspondent department believes in service. On-the-spot service. So they travel a lot. Day or night to serve our correspondent banks. Person-to-person service. If that's the kind of service you want from a correspondent bank, call. Then our men will call on you. Maybe we won't get the picture . . . but you will.

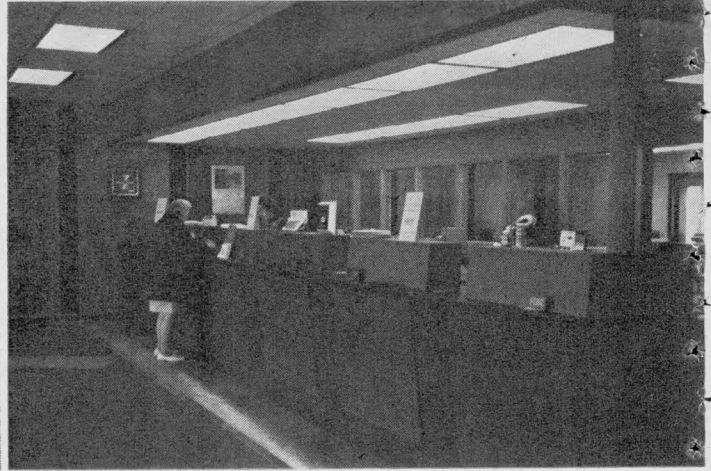
**You don't
need us.
We need you!**

“C”

Central National Bank & Trust Company

LOCUST AT SIXTH AVENUE, DOWNTOWN DES MOINES, PHONE 243-8181. MEMBER FDIC.

Call us on our new, toll free Watts number: 800-362-1615



NEW QUARTERS for Union State Bank at Monona, Iowa, feature paneled interior and recessed lighting.

Monona Bank Completes Building, Holds Open House

THE Union State Bank, Monona, has completed construction of its new building and has held several showings of the structure.

The bank displayed its new facilities to area bankers on March 25 with a buffet dinner. On March 27 a luncheon for stockholders was held, and from 2:30 to 7:30 p.m., there was an open house for the general public.

Ron Mulford of Uni-Service, Inc., New Hampton, designed the building and his company was the general contractor.

The new vault door and drive-up window were supplied by Diebold, Inc., and the time-and-temperature sign by Triad Sign Service, Rochester, Minn.

The new facility features a community room which will be available

without charge to groups in the community.

LeRoy C. Darby is president of Union State Bank.

25 Years in Banking

Howard D. Longfellow, vice president and cashier at the National Bank of Rockwell City, Rockwell City, recently was honored for his 25 years with the bank. Officers, directors and employees held a recognition dinner for him.

Savings Bond Chairmen

Two appointments as county chairmen for the U. S. Savings Bond program have recently been made from banking circles.

Bernard D. Duben, executive vice president of the Iowa State Savings

Bank, Creston, has been appointed chairman for Union County. He replaces Tom Dougherty who resigned recently because of ill health after 13 years as chairman.

Victor M. Meyer, president of the Commercial Trust and Savings Bank, Charles City, has been appointed chairman in Floyd County, replacing Jim Olds.

The appointments were made by Jay E. Tone, Jr., volunteer state chairman of the program.

Arnolds Park Charter Denied

Collin W. Fritz, State Superintendent of Banking, has announced that the Department of Banking has denied an application for a state bank charter for the proposed "Okoboji Marine State Bank," to be located in Arnolds Park.

Applicants were listed as D. E. Grant, J. R. Harrison, Gail M. Richardson, Don K. Evans, Richard C. Ruth, Darlowe Oleson, J. Harvey De Vries, Gerald L. Moeller, and A. K. Ruebel.

Midlands Corporation

A new real estate affiliate, Midlands Corporation, has been formed by the First National Bank of Council Bluffs. Dale Ball, president of First National, is also serving as president of Midlands. Mrs. Sylvia Hall is serving as vice president of Midlands.

One of the first projects of Midlands is development of a condominium called Midtowns Place, located at 401 East Pierce Street in Council Bluffs. The project consists of 20 two- and three-bedroom townhouses.

Midland Corporation lists as its scope of objectives: commercial banking, consultant-packager for H.U.D. and conventional programs, community service, land development, building project development, construction supervision for others and as principals, real estate sales and promotion, property management.

—Our 51st Year— THE CROP HAIL PROTECTION FARMERS PREFER

STATEMENT of CONDITION At Close of Business December 31, 1970

ASSETS		LIABILITIES	
U. S. Government Bonds	\$2,838,204.02	Reserve for Federal & State Taxes	\$ 138,440.29
Other Bonds	1,893,088.14	Other Liabilities	334,162.24
Stocks	147,817.00	TOTAL LIABILITIES	\$ 472,602.53
Accrued Interest, etc.	30,696.47	Guaranty Fund	\$ 200,000.00
Cash in Bank & Home Office	151,582.21	Unassigned Surplus	4,388,785.31
TOTAL ADMITTED ASSETS	\$5,061,387.84	Surplus to Policyholders	4,588,785.31
			\$5,061,387.84

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

Joe Menges Makes Large Bequest to Upper Iowa U.

JOE MENGES, the well-known president of the Alta Vista State Bank, Alta Vista, and former president and treasurer of the Iowa Bankers Association, who died last September, has left the bulk of his estate to Upper Iowa University in Fayette, of which he was a trustee.

Funds from the estate, which amounted to nearly a half million dollars, will be used to build a two-family duplex for Upper Iowa faculty members and establish a trust fund, the proceeds of which will be used to fund the "Joe Menges Grant in Business Education" and buy books and materials for the school's library.

Besides a trust fund for his wife, Mr. Menges' will also made a number of charitable contributions in addition to the Upper Iowa grant. They include the Shriners' Crippled Children's Hospital in Minneapolis, three churches, the Wapsipinicon Council of the Boy Scouts, and the Alta Vista Library.

Mr. Menges was a member of the Upper Iowa board of trustees for 10 years.

Joins Montezuma Board

Stanley G. Hutchinson of Montezuma has been elected to the board of directors of The Peoples Savings Bank. He fills the vacancy created by the death in January of J. R. Hutchinson, who was chairman of the board. Prior to serving as chairman the past few years, Mr. Hutchinson had been president of the bank since it was organized in 1946.

Remsen Bank Donation

The Remsen Jaycees, with funds made available by the Farmers Savings Bank of Remsen, have undertaken a project to replace many of the town's shade trees lost in the wind storm last July.

The sum of \$1,000 has been donated by the Farmers Savings Bank to purchase replacement trees and applications will be considered on a first-come, first-served basis.

Delmar Busse Retires

The president of the Citizens State Bank in Oakland, Delmar Busse, retired recently after completing 44 years of service to the bank.

A dinner in his honor was held at a Council Bluffs restaurant by the board of directors and employees of the bank.

Special tributes were paid to him for his services, including a plaque

from the local community school for his interest in education. Mr. Busse serves as treasurer of the school board and also had served as a member of the State Board of Public Instruction.

Mr. Busse has served as president of the bank for the past 12 years. In his retirement, he will serve as a consultant in trust and estate work with an office on the second floor of the bank building.

New President at Guaranty Bank & Trust

Pictured here is D. Bruce Gibson, whose election as president and trust officer of Guaranty Bank and Trust Company of Cedar Rapids was announced in an earlier issue of the *NORTHWESTERN BANKER*. Mr. Gibson



D. B. GIBSON

formerly was executive vice president and trust officer. He received his B.A. degree from the University of Iowa in 1954 and his J.D. degree from the University of Iowa Law School in 1959. He joined the bank that same year. He is also a graduate of the Graduate School of Banking at the University of Wisconsin, Madison.

Mr. Gibson succeeds Van Vechten Shaffer, former president, who was elected chairman of the board. Mr. Shaffer had served as Guaranty Bank's president since its organization in 1934.

In an earlier meeting, stockholders elected two new directors, Denver H. Adams, president of Ogden and Adams, Inc., and Thomas H. Pirnie, attorney.

LeMars Bank Goes "On-Line"

The LeMars Savings Bank, through the use of IBM's newest banking equipment, now has direct access to all of the data processing possibilities of the IBM 360 computer in the Security National Bank Computer Center in Sioux City.

The new equipment, called a Remote Terminal, is referred to as the 1255/2770 Data Communications System. The new equipment includes a magnetic ink reader-sorter, a keypunch machine, a punchcard reader, a printer, and a data phone communication between the terminal and the computer center.

The terminal recently installed in

the LeMars Savings Bank is one of the first to be used by a financial institution in the United States. Mr. Mennen, president of the bank, said that his bank is now using the Remote Terminal for transmission of all checking account information and that plans are being made to use the computer for data control of savings, loan, and other bank services.

Information is transmitted to and from the computer by means of direct long distance telephone which provides a flexibility not possible with the previous method of sending information by punched tape of delivering the actual items to the computer center by special carrier. Most important of all, stated Mr. Mennen, the new data communications system allows the LeMars Savings Bank to retain complete control of the actual items.

In addition to transmission of data to the IBM 360 computer at the Security National Bank Computer Center, the Remote Terminal at the LeMars Savings Bank may be used for other routine bookkeeping procedures. One of the interesting features of the new transmission system is that the Teleprocessor monitors all transmitted data and automatically retransmits when it detects an error in line transmission. Its audible alarm alerts the operator to situations which require manual intervention. Updated bookkeeping information is fed back through the communications system to the Remote Terminal where pre-programmed information is printed out for use by the LeMars Savings Bank.

Appointed at Centerville

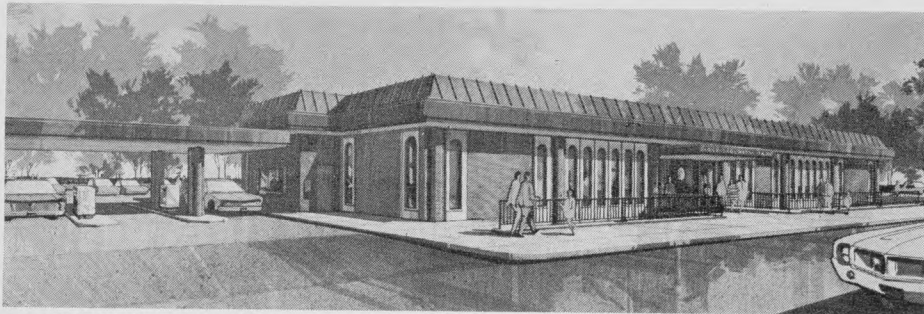
J. Bradley Young, president of the Iowa Trust and Savings Bank of Centerville, announced recently the appointment of John J. (Jack) Marget of Dubuque to the position of executive vice president and election as a member of the bank's board of directors.



J. J. MARGET

A native of Carroll, Iowa, Mr. Marget started his banking career in 1949, after graduation from the University of Notre Dame.

Prior to his most recent positions as president of the Key City Bank and Trust Company of Dubuque and president of a rural Wisconsin bank, Mr. Marget served as an assistant cashier at Carroll County State Bank, Carroll, Iowa, and president of the Keokuk County State Bank of Sigourney, Iowa, from 1955 to 1966.



ARCHITECT'S DRAWING of proposed new building for the Security Bank and Trust Company, Charles City.

First Security, Charles City, Lets Building Contracts

THE First Security Trust and Savings Bank, Charles City, recently awarded the contract for construction of its new building to the Moltz Construction Company, Charles City.

The contractor estimates the building will be completed late this year. The dimensions of the new bank building will be 60 by 120 feet. On one end will be a 10-foot extension for the drive-in window and the three-lane drive-in facilities will take another 47 feet. Two of the lanes will have remote pneumatic service stations. The ground floor will have the normal facilities, tellers' windows, bank officer area, customer lobby, two private offices and one larger room which can be separated with a folding divider.

In the basement will be the bookkeeping department, vault, directors' meeting room, rest rooms and a lunch room. On one side of the building will be stairs connecting the two floors and on the other side an elevator. One entry will lead in off of Clark Street

(seen in the view above) and the other from a 22-car parking lot behind the building.

In the parking lot entryway will be a walk-up service window. In one unusual treatment, the ground will be sloped down from the sidewalk to the building to allow natural lighting via windows in the basement. This will also cause the front entryway to be "bridged" over the sloping ground. The new bank will be located just across Clark Street from the new city hall and, although it was not specifically planned that way, the bank windows will carry out the arch theme of the city hall.

The bank will be of brick construction with bronze windows framed in limestone arches. At the east end of the building will be some of the lot left over for future expansion and, for the present, this is envisioned as a miniature park or rest area and will be landscaped with benches.

Architect for the bank is Mayes,

Williams & Partners of Glen Ellyn, Ill. Sub-contractors are Schmidt Plumbing of Charles City, Piffner Electric of Dewar, Iowa, and heating and air conditioning by Metal Contractors, Inc., of Plymouth, Iowa.

Tingley Bank Expansion

Carl C. Riggs, president of the Tingley State Bank, has announced that the board of directors voted recently to expand bank facilities and that the bank has negotiated purchase of the adjacent building from Cecil Allen. The additional space will be used for two private offices and a storage area.

According to Mr. Riggs, the addition will have a new front, which will be compatible with the present building. Plans include lowering the ceiling, installing new counters and moving the bookkeeping department to a room in the rear of the bank. The size of the insurance department, which has shown a rapid advancement in the last 17 years, will also be increased.

The decor of the new bank will be in blue tones with counters in druid oak. New vault doors and safety deposit boxes are being installed to provide adequate burglar and fire protection.

Completion of the new addition is expected to take about two months.

Farm Program at Jewell

The Farmers State Bank of Jewell and Ellsworth, in cooperation with the Iowa State University Extension Service, recently presented a program at Jewell on current farm topics. Staff members at Iowa State presented talks on crop alternatives for 1971, costs and returns of various livestock enterprises, cutting costs in today's farming, and the importance of fertilizer use, soil testing, and the new leaf analysis testing.

New Ag Rep at Belmond

James E. Chelesvig has been elected an assistant cashier and farm representative at the First State Bank, Belmond. A holder of a B.S. in agricultural business from Iowa State, Mr. Chelesvig, before coming to Belmond, was manager of the Newark Farmers Grain Company, Newark, Ill.

Carroll County Promotions

Norma Bromert and Fern Lahey have been promoted to assistant vice presidents at the Carroll County State Bank, Carroll.

Council Bluffs Retirement

William P. Knox recently announced his retirement from the board of directors of the First National Bank, Council Bluffs. He will now serve on the bank's advisory board.

JAMES C. SHAW, V. Pres.
OWEN P. McDERMOTT, V. Pres.

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

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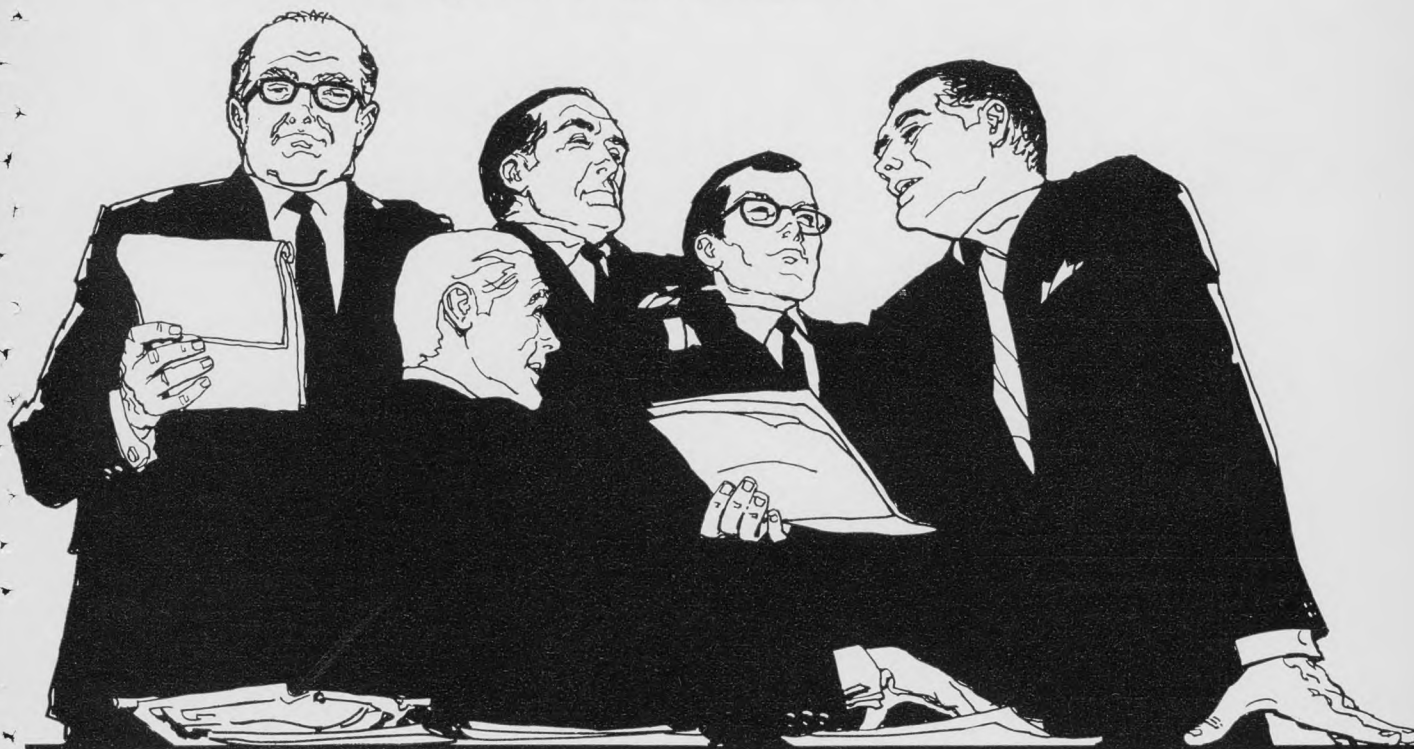
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Kenneth Pillar Retires

Kenneth B. Pillar, assistant vice president of the First National Bank in Sioux City, recently retired after earlier announcing his plans at a party held for him by bank officers and employees.



K. B. PILLAR

Mr. Pillar has been in banking for 48 years, starting with the First National Bank of Chicago in 1923. He joined Toy National Bank in 1928. Then after an interim out of the banking business in Sioux City, he joined

the Woodbury County Savings Bank, and after its merger with First Na-

tional in 1963, became an officer of the latter.

He and Mrs. Pillar intend to retire to the St. Petersburg, Fla., area.

Charles E. Mackey

Funeral services were held recently for Charles E. Mackey, assistant vice president of the West Liberty State Bank, West Liberty, who died while driving his car in Muscatine.

Mr. Mackey had been with the bank since its organization in 1954. He served in the Navy in World War II, and for many years had been treasurer of the West Liberty School District.

He is survived by his wife, Loletta, who has also been employed at the bank for many years.

New BAI Chapter

A new chapter of Bank Administration Institute, the Wis-Iowa Chapter, has been announced by BIA President Charles A. Agemian, chairman of the board, Garden State National Bank, Hackensack, N. J., bringing to 235 the number of local chapters serving the banking industry in the United States and foreign lands.

Wis-Iowa Chapter officers are: Kenneth Mara, assistant cashier, Prairie City Bank, Prairie Du Chien, Wis., president; Merlin F. Kruger, assistant vice president, Waukon State Bank, Waukon, Iowa, vice president; John Macke, assistant cashier, Union State Bank, Lancaster, Wis., and Richard L. Mattie, assistant cashier, Boscobel State Bank, Boscobel, Wis.

Member banks include: Arlington State Bank, Arlington, Iowa; Boscobel State Bank, Boscobel; Cuba City State Bank, Cuba City, Wis.; Garnavillo Savings Bank, Garnavillo, Iowa; Lancaster State Bank, Lancaster, Wis.; Union State Bank, Lancaster; Luana Savings Bank, Luana, Iowa; Union State Bank, Monona, Iowa; State National Bank, Platteville, Wis.; Prairie City Bank, Prairie Du Chien; Farmers and Merchants Savings Bank, Waukon; and Waukon State Bank, Waukon.

Clinton County Bankers

The Clinton County Bankers elected new officers at its annual meeting held recently at Camanche. Elected president for 1971 was Quentin C. Kuebler, office manager of the Union Savings Bank, Grand Mound. Others elected were vice president, Philip W. Hall, who is president of Camanche State Bank, and secretary-treasurer, Raymond C. Tiedje, assistant vice president of First National Bank, Clinton. State Senator Roger Shaff informed the county bankers of current pending legislation and answered questions per-

taining to bank legislation. Also addressing the group was Charles E. Ertzinger, assistant vice president and farm director of First National Bank, Clinton. Mr. Ertzinger reported on his recent trip to Washington, D. C., with eight other Iowa bankers. In Washington, his group met with all Iowa Senators and Congressmen regarding the tax-exempt competitive advantage of the Farm Credit Association (FCA) and the FCA goals and recent growth records. Additional agricultural problems were discussed with four other governmental agencies.

Wilton Junction

Mary S. Ford has been promoted from assistant cashier to assistant vice president at the Wilton Savings Bank, and Marion L. Larion and Ruth A. Timmsen have been elected assistant cashiers.

Debentures Offered by Bankers Trust, New York

A public offering of \$25,000,000 Bankers Trust New York Corporation 6 3/4 per cent debentures due 1978 is being made by a nationwide investment banking group managed by Lehman Brothers Incorporated. The debentures are priced at 99.75 per cent, plus accrued interest, to yield approximately 6.42 per cent to maturity.

Net proceeds from the sale of the issue will be added to general funds of Bankers Trust New York Corporation.

The debentures are nonredeemable and are not entitled to any sinking fund.

Application has been made to list the issue on the New York Stock Exchange.

Bankers Trust New York Corporation, a registered bank holding company acquired all the capital stock of Bankers Trust Company and three other banks on May 31, 1966, and since then has acquired six other banks, all located in New York State.

Of the \$9,930,646,000 total assets of Bankers Trust New York Corporation and its affiliates at December 31, approximately 93 per cent was accounted for by Bankers Trust Company. On the basis of deposits at the year end, Bankers Trust Company was the sixth largest bank in New York City and the seventh largest in the United States. In a separate financing, Bankers Trust Company on March 2, 1971, offered publicly \$75,000,000 of Bankers Trust Company capital notes due 1966, also through an underwriting group managed by Lehman Brothers Incorporated.

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Legal Questions and Answers



■ This material is intended for general information. It may or may not apply in specific cases and your own counsel should be consulted in all instances.

Wendell B. Gibson
General Counsel, Iowa Bankers Association.
General Practice of Law—26 years.



Member—Advisory
Committee, Supreme Court of
Iowa.

Former Secretary
—Iowa State Bar
Association
—National Conference
of Judicial
Councils
—Special Committee,
American Bar
Association on
Improving the
Administration of
Justice.

Q. Why don't they put the cardholder's picture on credit cards?

A. This is being done in some places. It makes identification of a valid cardholder easier. It is more expensive to include a picture but I imagine the real reason the practice is not widespread is that a counterfeit or altered card with a picture of the fictitious holder is too readily accepted by merchants without other investigation. My thinking may be slanted by my reading of spy thrillers where the writer finds it easy to supply fake passports with pictures. I note in the new credit card amendments to Truth in Lending that a condition for imposing limited liability on a cardholder is that the issuer provides a method whereby the user of the card can be identified as the person authorized to use it.

Q. Can anybody sue me any time they feel like it and don't I have a right to be let alone?

A. That's a lot of question. To begin with, blackmail-like threats of litigation are frowned upon and if this is happening—see your lawyer. Continued harassment, in or out of court, may be enjoined. However, lawyers like to say that the courthouse door is always open for the decision of con-

troversies. The big problem most prospective litigants have is securing a lawyer and arranging for the payment of his fee. The legal aid interview is a barrier to the merely contentious poor person. Lawyers don't like to stir up litigation—that is frowned upon in the name of "barratry." Once the door is found open, the litigants may be met by a number of threshold defenses that may close the door. The most decisive, in common language, is "even if all you say is true—this court can't do anything about it." In more formal language—"the plaintiff has failed to state a cause of action upon which any relief can be granted."

There are many other door-closers such as wrong court, improper notice, not enough money involved for this court, wrong defendant, defendant can't be used in this court, plaintiff has no right to any protection (no standing), plaintiff hasn't exhausted his other (usually administrative) remedies, this matter has already been decided (prior adjudication) and so on. However again, judges usually lean over backwards to give a citizen his day in court and you may be put to the expense of going to trial on a claim which you regard as groundless. That is our system. On being "let alone," our U. S. Supreme Court has said "No right is held more sacred, or is more carefully guarded by the common law, than the right of every individual to the possession and control of his own person, free from all restraint or interference of others, unless by clear or unquestionable authority of law."

Q. Why do we have to put up with this ADC welfare problem?

They've added an "F" to your alphabetical designation. AFDC is a program of Aid to Families with Dependent Children. The "F" is important because this form of public charity is offered in the belief that it is cheaper and better to keep families together than it would be to institutionalize the children involved. The public interest

is in the protection of the child who might otherwise be homeless on the street or necessarily neglected. We "put up with" the program because no one has an acceptable alternative. The cost of providing decent accommodations for thousands upon thousands of children either in institutions or foster homes would stagger federal and local budgets. How many of the adults involved would be able to support themselves if the children were taken from their custody is another question.

Within the structure of the present program, many thoughtful people believe that a minimum provision for families should replace strict eligibility and budget requirements, that income from other sources should be encouraged rather than penalized, that investigative procedures should be limited to reported and suspected fraud cases and that the idea of rehabilitation by casework should be abandoned. The present administration has made proposals along these lines which would undoubtedly save supervisory costs and restore a measure of independence to the recipients. These do nothing, however, for the big public worry that many of the children are not receiving the aid intended for them. Aside from cases of extreme neglect, I don't see any way to police this or to afford any attempts at policing it. We are simply going to have to have confidence in the conscience of the parent citizens. Historically, a pretty good place for confidence.

The Veterans Administration has announced that 95,000 Minnesota veterans holding World War I and World War II insurance policies will receive over \$6.1 million in dividends this year.

John R. Murphy, director of the VA Center in the new Federal Building at Fort Snelling, said these dividends are part of a record \$275 million in annual dividends approved for distribution in 1971 by Administrator of Veterans Affairs Donald E. Johnson.



In the DIRECTORS' ROOM



Up the Down Staircase

Lester D. Dill, operator of Meramec Caverns in Missouri, was feted by friends recently on his 40th anniversary in the cave business. Asked the secret of his success, he replied, "I started at the top and worked myself down."

A Bag of Tools

Isn't it strange that princess and kings
And clowns that caper in sawdust
rings,
Are common people like you and me,
Are builders for eternity?
To each is given a bag of tools,
A shapeless mass, and a book of rules;
And each must make, ere life his
frown,
A stumbling block or a stepping stone.

Progress

An American Indian won first prize not too long ago with his penetrating description of a picture of a deserted and desolated farmhouse.

Here's how the Indian described the photo which appeared in a farm publication. "Picture show white man crazy. Cut down trees. Make big

teepee. Plow hill, water wash. Wind blow soil. Grass gone. Door gone. Window gone. Whole place gone. Buck gone. Squaw gone. Papoose too. No chuck-away. No pigs. No corn. No plow. No hay. No pony. Indian no plow land. Great Spirit make grass. Keep grass. Buffalo eat grass. Indian eat buffalo. Hide make teepee, make moccasin. Indian no make terrace. All time eat. No hunt job. No hitch hike. No ask relief. No shoot pig. No build dam. No give dam. Indian waste nothing. Indian no work. White man crazy."

Verisimilitude

In a play being rehearsed by a Sunday School class, the script called for the character being played by the Sunday School superintendent to be shot and to cry, "My God, I'm shot."

Believing this to be objectionable, he proposed that the line be changed to read, "My goodness, I'm shot."

To play a joke on the superintendent, some of the pupils put some red ink in the barrel of the gun the night the play was to be presented. When the time came for him to be shot, the

discharge of the gun splattered his shirt with red ink. The superintendent spoke his rehearsed line, "My goodness, I'm shot."

Then looking down at his red-spotted shirt, he shouted, "My God, I AM shot!"

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Offertory

Little Mary was much surprised when she received a half dollar on her fifth birthday. She kept it in her hands constantly and finally sat down on a stool, looking intently at the coin.

Her mother said, "Mary, what are you going to do with your half dollar?"

"I'll take it with me to Sunday School," said Mary promptly.

"I guess you want to show it to your teacher," suggested mother.

"Oh, no!" declared Mary, "I'm going to give it to God. I know he will be as surprised as I am to get something besides pennies!"

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