

NORTHWESTERN *Banker*

JUNE
1975



**Minnesota
Bankers To Meet
In Duluth**

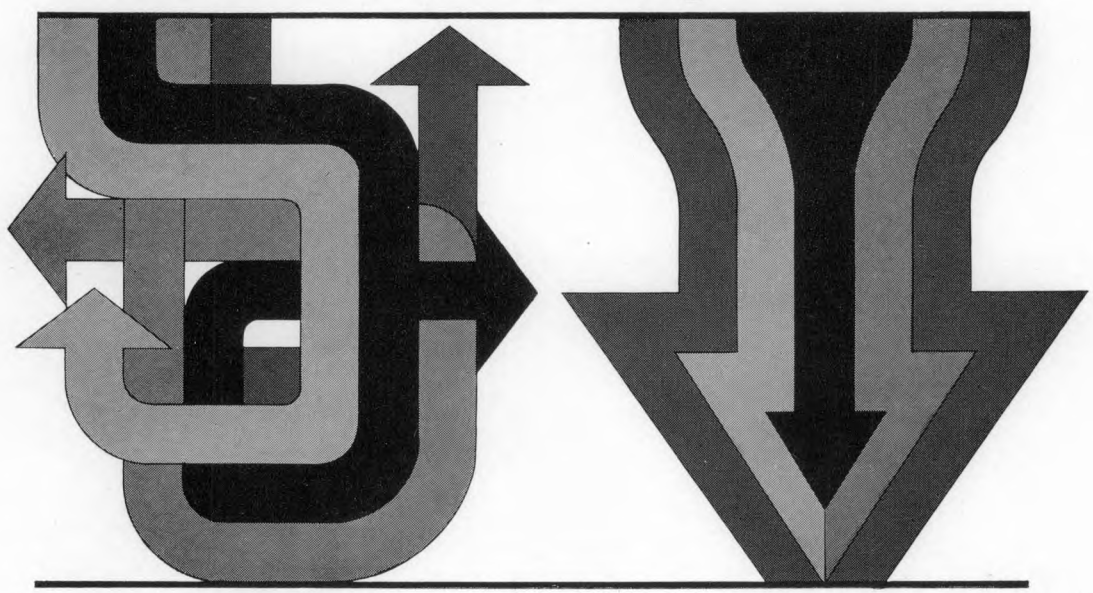
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Many banks are in the habit of collecting their matured coupons and bonds the slow, old-fashioned way. They painfully sort and route coupons every which way to various paying agents and then wait an undetermined amount of time for payment. Chase offers you a better way. We call it "Central Sending." You simply take all your coupons and bonds, put them into the industry-approved envelopes and mail the entire batch to Chase. Upon receipt, our experts take it from there. In two days, you have credit... and the third day, funds are available. (Unless you prefer that we handle the items on a collection basis).

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If something has to be traced, you need to make only one phone call.

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When you "central send" everything to

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I'm interested in the Chase "Central Send" Coupon Collection Service. Please get in touch with me.

Name _____
Title _____
Bank _____
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Telephone () _____



CHASE

NORTHWESTERN Banker

Oldest Financial Journal Serving
The Central and Western States

for your June, 1975 reading

82nd Year No. 1341

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Northwestern Banker, June 1975

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Federal Reserve Bank of St. Louis

Convention Calendar

June 4-6—NABW Lake, Midwest and Central Regional Conference, Holiday Inn, Bismarck, N. D.

June 4-8—Colorado Bankers Association Annual Convention, The Broadmoor, Colorado Springs.

June 8-10—Nevada Bankers Association Annual Convention, Sahara Tahoe Hotel, Lake Tahoe.

June 9-11—Minnesota Bankers Association Annual Convention, Arena-Auditorium, Duluth.

June 11-13—Wyoming Bankers Association Annual Convention, Jackson Lake Lodge, Moran.

June 15-18—Idaho Bankers Association Annual Convention, Sun Valley Lodge, Sun Valley.

June 18-21—Utah Bankers Association Annual Convention, Main Lodge, Sun Valley.

June 19-20—Oregon Bankers Association Annual Convention, Sunriver Lodge, Sunriver.

June 19-21—Montana Bankers Association Annual Convention, Jackson Lake Lodge, Moran.

June 22-24—Washington Bankers Association Annual Convention, Tyee Motor Inn, Olympia.

August—IBAA Senior Bank Officer Seminar, Harvard University.

Sep. 29-Oct. 2—BMA Annual Convention, Marriott Hotel, New Orleans.

October—IBAA Junior Bank Officer Seminar, Ball State University, Muncie, Ind.

Oct. 4-8—ABA 101st Annual Convention, New York.

Oct. 17-18—Association of Registered Bank Holding Companies Fall Meeting, Kahala Hilton Hotel, Honolulu.

Oct. 26-29—Iowa Bankers Association 89th Annual Convention, Hilton Hotel, Des Moines.

Oct. 26-29—BAI 51st Annual Convention, Las Vegas Hilton.

Nov. 2-5—Robert Morris Associates 61st Fall Conference, Fairmont Hotel, San Francisco.

Nov. 9-12—ABA National Correspondent Banking Conference, Century Plaza, Los Angeles.

Nov. 10-13—Robert Morris Associates 60th Fall Conference, Hyatt Regency, Atlanta.

Nov. 20-21—Midcontinent Trust Conference, Radisson Hotel, Minneapolis.

Direct Lease Financing Rose in 1974

Volume of direct lease financing by the country's national banks rose more than \$800 million during 1974, reaching a level of \$2.4 billion at the end of the year, according to figures released by Comptroller of the Currency James E. Smith.

During the same period, the number of national banks engaged in direct lease financing operations increased from 590 to 681. The year end totals reflect the continuation of a trend toward both increased volume of direct lease financing and the growing number of banks engaged in the service.



He just landed that new customer. But it means a big bite out of his bank balance.

Your advice—don't panic. When he's eyeball-to-eyeball with a cash flow problem, all it takes is money to stare it down.

You tell him again it's still time to call Talcott in Minneapolis.

Our Business Finance Division can be his lifeline and get him cash to pay his bills and restock.

As a banker you know Talcott's Minneapolis experts can help him with financing.

And together we can make sure his helmet is screwed on straight, before he takes a dive.

For information, contact James Talcott, Inc. Business Finance Division, 820 Northwestern Bank Building, Minneapolis, Minnesota 55402 (612) 339-7711.

Tell him to call Talcott.

He's enough to give him the bends.

Just as that slippery new customer seems to be swimming his way, his cash line fouls. Suddenly he's choking for funds.

He comes to the bank for help.

What a breath-taking opportunity.

But he needs more cash than you can float.

You tell him it's time to call Talcott in Minneapolis.

We react swiftly to a customer's financing needs at any depth. And your bank might even want to be a partner with us.

Our Business Finance Division can surface solutions to most cash problems.

Like raising his collateral treasure to the top and putting his finances on firm ground.



Still tell him to call Talcott.

Mileage Restriction On CBCTs

Comptroller of the Currency James E. Smith has announced a modification of his interpretive ruling authorizing national banks to establish and use customer-bank communication terminals.

The Comptroller said his revised ruling was based upon testimony presented at a public hearing which he held on April 2 and 3, 1975, plus other facts which had come to his attention since the original ruling was issued in December of 1974.

The Comptroller announced that he intended no substantial modification of the ruling for the next 18 months. He noted, however, that developments in

the CBCT area were experimental and might require such modifications. In this regard, he promised to consider carefully any reports or recommendations of the National Commission on Electronics Funds Transfers, whose statutory life expires in the fall of 1976.

Principal features of the revised ruling are:

1. A mileage limitation has been imposed on exclusive or dedicated CBCTs. A national bank is forbidden to establish a CBCT more than 50 miles from its main office or chartered branch closest to a CBCT, unless that CBCT is available to be shared at a

reasonable cost by one or more local financial institutions authorized to receive deposits, such as a commercial bank, a mutual savings bank, a savings and loan association, or a credit union.

2. A national bank is required to include in its 30 day notice to the Comptroller of intention to establish a CBCT information about consumer protection procedures, including disclosure to consumers of their rights and liabilities and protection for consumers against wrongful or accidental disclosure of confidential information.

3. The language of the ruling has been modified to make clear that a national bank may use a CBCT established and operated by someone other than the bank itself. A national bank may receive and act upon instructions from customers submitted through a CBCT owned by another bank, by a bank customer, or by a third party. The revised ruling clarifies that national banks will be permitted to participate in statewide EFTS networks such as those contemplated in Nebraska and Missouri. In the case of such networks a different reporting procedure to the Comptroller is provided so that one notice may be sufficient for the entire network, no matter how many national banks are involved.

4. A new provision of the revised ruling excludes from all reporting requirements a terminal whose sole function is to accomplish an electronic funds transfer in payment for goods and services received, and through which neither cash is dispensed nor cash or checks left for subsequent deposit. The Comptroller said that he is not undertaking to regulate such a limited point of sale device. By way of illustration of this new provision, most of the 6,000 point of sale terminals contemplated in the EFTS network being planned by Credit Systems, Inc. of St. Louis, Mo., will not be used to receive or dispense cash and thus would not require 30 days notice from any bank and would be unregulated by the Comptroller's Office. On the other hand, a national bank installing a point of sale terminal through which cash or cash items are received and disbursed — as is done by the Hinky-Dinky Supermarket terminals for First Federal Savings and Loan Association of Lincoln, Nebr. — would treat such terminals as CBCTs and give appropriate notice to the Comptroller.

5. The Comptroller still adheres to his position that an off-premises CBCT is not a branch bank.

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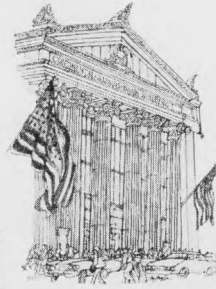
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Karl Malden, Act III.

This year American Express Travelers Cheques[®] will receive more national television support in just four months than our competition has spent over the last two years.*

Last year was a very good year for American Express Travelers Cheques. In fact, our best ever.

Mr. Karl Malden helped as our TV spokesman.

But someone helped him. You.

You wanted the best for your customers, so you pointed out that American Express is the best brand of Travelers Cheques they could buy.

This year is Karl Malden, Act III. And will be the best year yet. Because Karl Malden will be working for you in the largest and longest running network TV campaign in our history. It will be seen

nationally from April until August. Running heavily in prime time on all three net-

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...and many more. ★

American Express Company

works. And backed by additional spots in major markets throughout the year.

So more people will see these commercials than ever before. People who are your best customers.

And in every commercial Karl Malden will be pointing out how different American Express Travelers Cheques really are.

Your customers will know you're giving them the best. American Express Travelers Cheques.

Have a good year.



*Based on data published by Broadcast Advertisers Reports, Inc.

ON THE COVER

The importance of the economic activity generated by international commerce at the Port of Duluth not only transcends the boundaries of the Duluth-Superior harbor area but transcends the boundaries of the state of Minnesota as well.



C. T. BURKE

To provide the many people who depend on the port with the services they expect, increased growth and expansion have become the by-words of the Seaway Port Authority. With over \$120 million in new port improvements either underway or scheduled for completion within the next two years, the head of the Lakes is moving rapidly to meet what Duluth Port Director C. Thomas Burke, describes as "the challenge of the Seaway Seventies."

The Port will be the first on the United State's side of the Great Lakes to offer a full-service container facility when the construction of a new

Paceco 30 Long Ton capacity Economy Portainer crane is completed this fall at the Clure Public Marine Terminal in Duluth.

A new \$40 million coal-handling terminal designed to handle low-sulphur coal being mined in Montana is being constructed. Of greater importance to those engaged in international shipping activity is a new \$33 million grain and grain specialty products facility now under construction by Cargill, Inc., along Duluth's elevator row.

Other scheduled harbor improvements reflect the diversity of cargo handled by the Twin Ports:

A new \$40 million taconite-handling facility joins six large gravity-fed ore docks to more efficiently handle this traditional Head of the Lakes cargo which originates on Minnesota's Iron Range.

A \$12 million investment by Lakehead Pipeline Co. of Superior is scheduled for the construction of storage tanks handling petroleum products and renovation of its marine terminal for modern Great Lakes tankers.

A \$6 million program by Incan Marine, Ltd. has introduced roll-on,

roll-off service between Superior and Thunder Bay, Ontario.

A \$5.5 million investment by American Hoist & Derrick Co. in a new hydraulic backhoe manufacturing plant at the Clure Public Marine Terminal is designed to utilize convenient waterfront access for the inbound shipping of steel and the outbound shipment of products.

A \$2.2 million expansion of the grain elevator complex in Superior operated by M & O Elevators, Inc., Minneapolis, will incorporate meal and grain by-product handling facilities.

Plan Program for NABW Annual Convention in Honolulu

"Your NABW Ticket to a Great Adventure" is the theme around which the programming will turn for the 54rd Annual Convention of the National Association of Bank Women, Inc. Scheduled for October 12-15 at the Sheraton-Waikiki Hotel, Honolulu, Hawaii, the convention is being organized under the general chairmanship of Jane C. Vasconcellos, assistant vice president, Bank of Hawaii, Honolulu.

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4 DUZITALL COIN WRAPPER

Extra wide... extra strong. Designed for areas where halves are wrapped in \$20.00 packs... "red bordered window" for ease of identification. Accommodates \$20.00 in dollars, \$20.00 in halves. Tapered edges.

5 BANDING STRAPS

Ideal for packing currency, deposit tickets, checks, etc... do not break or deteriorate with age. Size 10 x 1/4 inches and made of strong brown Kraft stock with gummed end for ease of sealing. Packed 1000 to a carton.

5 OLD STYLE COIN WRAPPER

Basic coin wrapper in extra strong kraft stock. Printed in 6 different standard colors to differentiate denominations. Triple designation through colors, printing and letters. Tapered edges.

6 KWARTET COIN WRAPPER

Wraps 4 denominations in half size packages. A miniature of the popular "Automatic Wrapper"... 25c in nickels, \$2.50 in dimes, \$5.00 in quarters.

7 FEDERAL BILL STRAP

Package contents clearly identified on faces and edges by color coded panels with inverted and reverse figures. Made of extra strong stock to assure unbroken deliveries. Only pure dextrine gumming used.

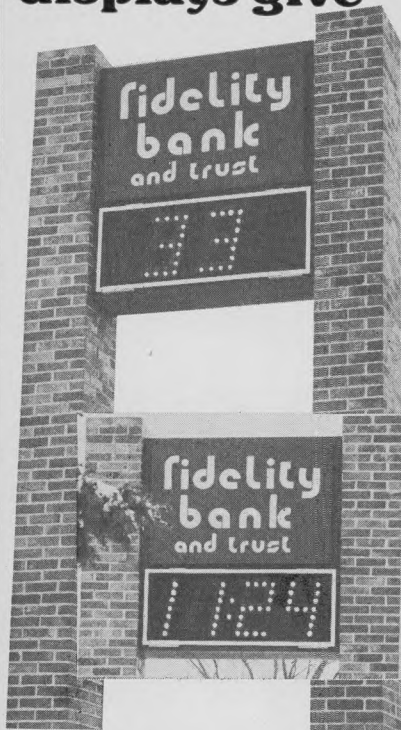
8 COLORED BILL STRAP

Entire strap is color coded to identify denomination. Printed amount appears on top and bottom of package. Extra wide for marking and stamping. Extra strong stock for safe delivery and storage. Pure dextrine gumming.

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Our engineers will custom design a time and temperature display, that will enhance the appearance of your facility.

Call or write us today! Daktronics will give you the edge over your competition with 100% solid state displays.

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Daktronics offers entirely solid state message display centers with changing and traveling messages, and time and temperature information.

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Bank Promotions and Changes

PROMOTIONS and other news announcements have been made by the following banks:

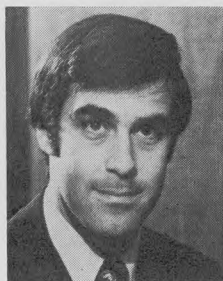
The American National Bank and Trust Company, Chicago: Four new vice presidents have been named: Alberta I. Wuerfele, comptroller's division; Charles L. Garry, auditing; Andrew B. Albert, international banking; and Robert F. Donovan, retail banking. Named second vice presi-



A. I. WUERFELE



C. L. GARRY



A. B. ALBERT



R. F. DONOVAN

dents are Theodore C. Axton, real estate; David S. Brown, Jr., Philip M. Firrek, John W. Eyler, Gary A. Johns, Jerry G. Langley and Randal B. Nelson, commercial banking.

Commerce Bancshares, Inc., Kansas City, Mo.: Warren W. Weaver has been elected executive vice president.

Mr. Weaver joined Commerce Bank of Kansas City, N. A. in 1968 as a vice president in the commercial banking division. He became director of marketing for that bank and later served as manager of the BankAmericard center. In 1972 he was elected vice president and director of marketing for Commerce Bancshares.



W. W. WEAVER

Kirk F. McConachie has been appointed an assistant vice president of the holding company. He will serve as managing officer of Capital for Business, Inc., a federally licensed small business investment company affiliated with Bancshares.

Also announced was the promotion of Donald L. Moriarty to senior vice president of the Commerce Bank of Kansas City. Walter D. Dotson has been elected assistant vice president.

Also, three vice presidents have been elected: Joseph R. Bartels, in charge of the bond portfolio and loan participation programs; Ernest A. Thompsen, Jr., loan administration, and Norman T. Williams, Greater Kansas City region.

The First National Bank of Chicago: William T. Dwyer, vice president in charge of Division F (corporate banking department), has announced a realignment of territories and personnel.

Arthur Stake, vice president, will continue to assist Mr. Dwyer and head the central division. Tom King, vice president, will head the territory and report to Mr. Stake. Mr. King's states will include Minnesota, Wisconsin, Illinois, Iowa, and Indiana. Clarence "Bud" Cross, loan officer, and Dennis Duffy, assistant to officers, are among eight people reporting to Mr. King. They will travel the Iowa-Minnesota area.

Garth Dunn, Jr., vice president, will head the western division, which includes Nebraska, Wyoming, and Colorado in the NORTHWESTERN BANKER area. Working with Mr. Dunn will be John W. Ballentine, loan officer.

Heading the eastern division will be Jack W. Hallberg, vice president. Mr. Hallberg has traveled in the east and southwest. He is also known by bankers in the middlewest through previous travels for The First.

Nevin Bowser, vice president, who headed the former northwest division, has joined the bond department of The First, as previously announced in the NORTHWESTERN BANKER.

Manufacturers Hanover Trust Company, New York: J. Nicholas Hurd, vice president has been appointed manager of the western district replac-

Strong tie: you and us.

Here at Citibank, we are committed — you could even say dedicated — to the principle of cooperation with our correspondents. We regard any project on which you enlist our help — or we yours — as a joint endeavor, in which each of us has an indispensable part. And in which we work together, sharing interests and resources and experience, to achieve a common objective.

Not surprisingly, that makes for close, continuing and mutually beneficial relationships — which is what correspondent banking is all about. Because good correspondent banking, as we see it, has a single, significant purpose: to strengthen and expedite and make even more effective what either of us could accomplish alone.

Without, incidentally, leaving any loose ends.

FIRST NATIONAL CITY BANK

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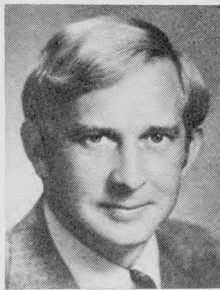


Member F.D.I.C.

Northwestern Banker, June 1975



J. N. HURD



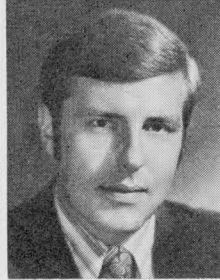
J. R. BROKKEN

ing William C. Langley, Jr., who has assumed duties as officer-in-charge of the bank's corporate planning department. James R. Brokken has been promoted to vice president in the western district.

Mercantile Trust Company, St. Louis: James F. Mauze' has been elected a senior vice president with general administrative responsibilities



J. F. MAUZE'



S. A. MONTGOMERY

in the trust department. Mr. Mauze' is chairman of the Missouri Public Service Commission, Jefferson City. He was first appointed in March, 1971, and was reappointed and designated chairman by Governor Christopher S. Bond. Prior to that he served as law clerk to Judge M. C. Matthes, chief judge, United States Court of Appeals for the Eighth Circuit and practiced law with the firm of Schoenbeck and LaTourette, St. Louis.

Scott A. Montgomery has been elected a vice president in charge of the bank's metropolitan division II of the St. Louis Group on the banking department. Jerome S. Goldstein recently joined the company as a vice president in charge of financial services. He formerly was Citicorp's director of strategic planning for Nationwide Financial Services Corporation.

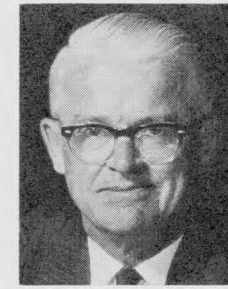
Two new directors have been elected at Mercantile Bancorporation, Inc., parent holding company. They are Richard P. Conerly, president and chief executive officer, Pott Industries, Inc., and Vincent T. Gorguze, president, Emerson Electric Co. Both men are directors of Mercantile Trust Company.

The Northern Trust Company, Chicago: E. Norman Staub, president, has been elected a vice chairman. After the retirement of Douglas R. Fuller, vice chairman, at the end of 1975 Mr. Staub will become the second ranking officer of the bank. The board also has elected Philip W. K. Sweet, Jr., a director and has named him president to succeed Mr. Staub. Mr. Sweet formerly was executive vice president.

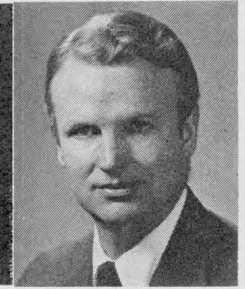
Elected executive vice presidents are W. James Armstrong, who will con-



E. N. STAUB



D. FULLER



P. W. SWEET

we've got some pretty big shoes to fill!

We're out to prove ourselves. To show we're a worthy member of the Mutual of Omaha family—the largest individual and family health insurance company in the world.

It's a tough reputation to live up to! Because Mutual of Omaha has been known for years for their service. And quality. And strength. And we're determined to make and maintain that same kind of reputation.

So we're striving for excellence in quality. To be the best in providing service. Innovative in our products. Creative in our sales tools.

And we're ready to prove it to you! Let us show you our comprehensive credit insurance program and what it will do for you. We think you'll like it. So write us. Or call us. Collect.

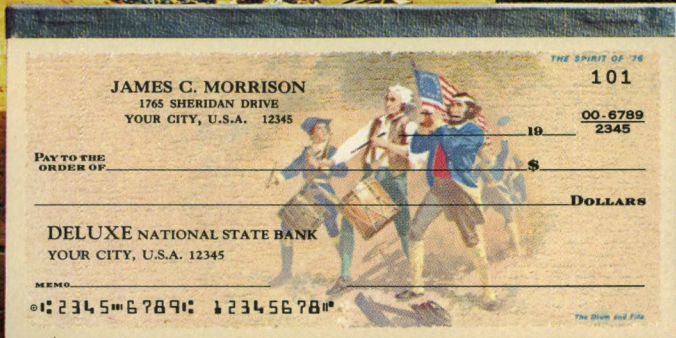
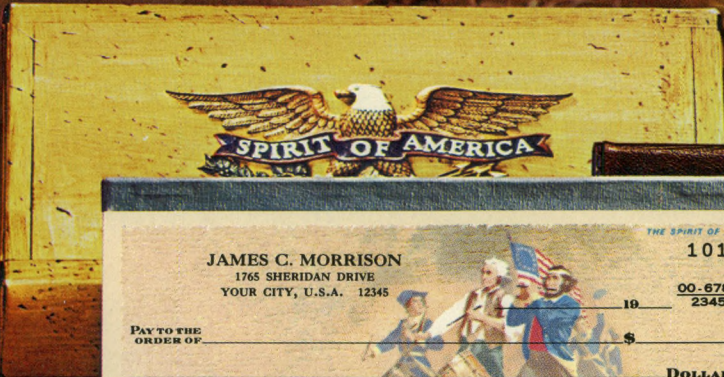
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The Spirit of America. One phrase that recalls the unyielding dedication of our founding fathers to freedom. The courage and sacrifice that created a nation. The vision that is America.

In a short time we will be in celebration of that heritage. Preparations are already underway. For our part, we have introduced a commemorative check package that is a vivid recall of history.

It's a complete Bicentennial program featuring

our Spirit of America checks with ten memorable scenes from the American Revolution, special cover, enclosure and wood grain box. For your bank, we have commemorative prints or scrolls, lobby displays, newspaper ads, material for radio or TV.

But the time is now for the Bicentennial is nearly at hand. Ask your DeLuxe representative about this exciting new program.

DELUXE
CHECK PRINTERS, INC.

tinue as head of the banking department; Louis F. Dempsey, who will continue as head of the international department; Lawrence W. Gougler who will continue as secretary and Stuart Hamilton, who will continue to head the operating department. All formerly were senior vice presidents.

Other promotions include: banking department — Marvin D. Swanson, vice president, and Bertrand W. Ellis and Edward Byron Smith, Jr., second vice presidents; and systems and planning department — James F. Bodine, second vice president and David K. Barclay, manager.

United Missouri Bank of Kansas City: Marlin L. Koelling, who has been with the bank for 10 years, has been promoted to senior vice president from vice president and Sharlyn Anderson, who joined the bank in 1970, was elected assistant cashier. Mr. Koelling heads the real estate loan division.

NACHA Produces ACH Sound and Slide Show

An educational sound and slide show describing the concepts and benefits of automated clearing house services has been produced by the Na-

tional Automated Clearing House Association (NACHA).

"At the present stage of ACH development, this show will be a uniquely valuable education tool to all those involved in the ACH movement," said Virgil M. Dissmeyer, chairman of the NACHA education/communications committee.

Mr. Dissmeyer, who is also senior vice president at the Northwestern National Bank of Minneapolis, noted that "the show is designed to be used by representatives of ACH groups as a discussion starter in presentations to bankers, groups of corporate officers or consumers."

The show is built in three modules. The first section, about half the show, concentrates on the ACH concept and benefits for consumers. The second section addresses corporate interests. The third section focuses on a bank's role in and benefits from automated clearing houses.

The show was originally produced by Regional Payments Exchange, Inc. (REPEX) and Applied Communications, Inc. (APCOM), both of Dayton, Ohio, for the promotion of that area's automated clearing house. APCOM revised the REPEX show to

make it nationally usable for NACHA.

The entire show runs approximately 12 minutes. The package contains 122 35mm slides and three audio cassettes. Each cassette will automatically start and stop the presentation for the appropriate audience — consumer, corporate or banking.

Copies of the show may be purchased from NACHA for \$265. Orders should be directed to William R. Moroney, Communications Group, American Bankers Association, 1120 Connecticut Ave., N.W., Washington, D.C. 20036.

Bank Building Publishes Awards Brochure

Bank Building Corporation, St. Louis, Mo., has recently published a brochure describing the winners of their third Design Awards program. The brochure illustrates the 12 financial institutions that received the First Design Award, Awards of Excellence, and Awards of Merit in the 1974 Design Awards competition.

For copies, address Public Relations Department, Bank Building Corporation, 1130 Hampton Avenue, St. Louis, 63139.

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Just the best return ever on your Christmas Club!
If your Christmas Club is no more than a favor to your customers, something is wrong.

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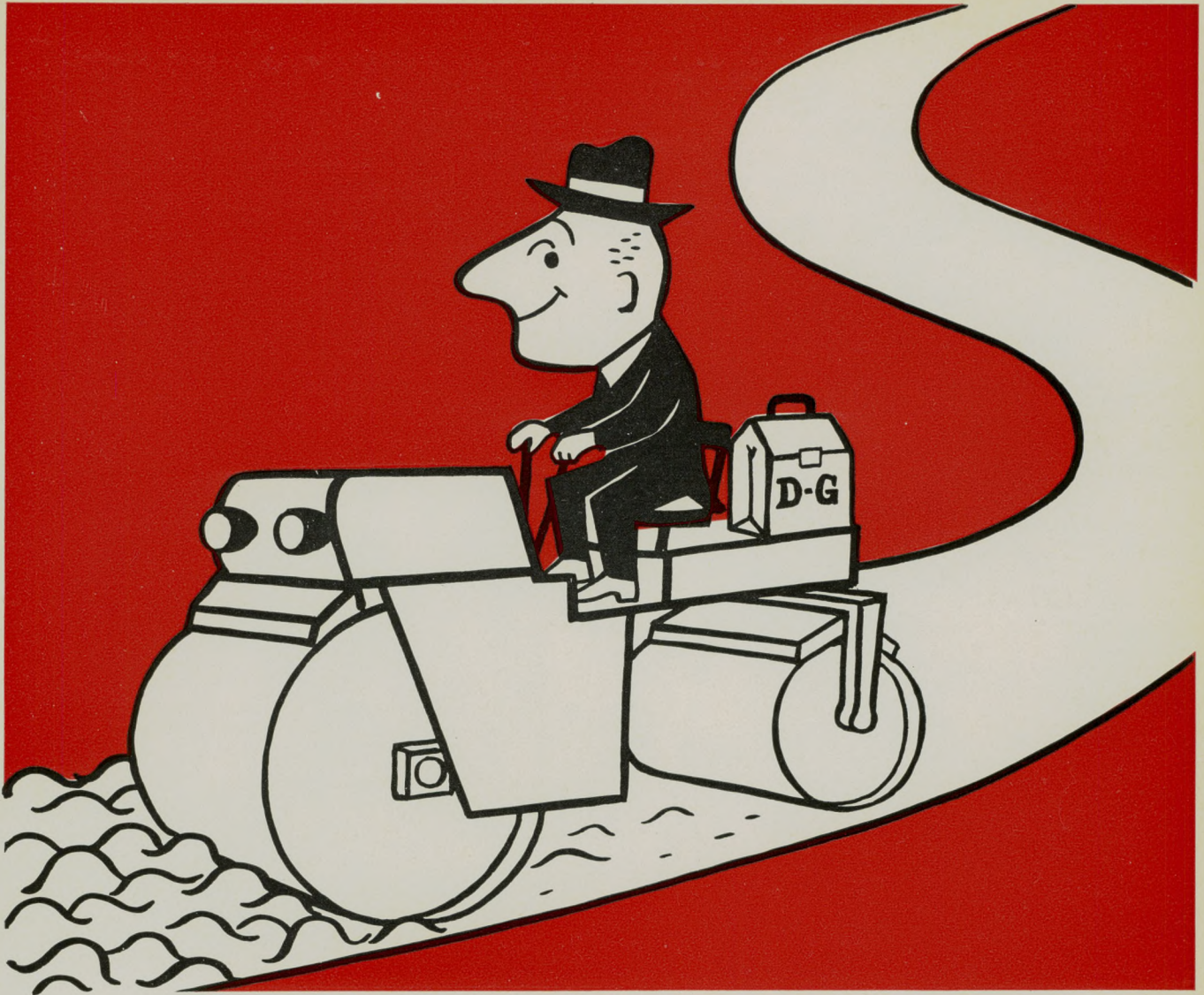


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“Each of MGIC’s special features—in combination with “standard” features—interacts to provide exclusive *total* protection. Very important is waiver of exclusions. If your board legally indemnifies your officials, exclusions which would otherwise limit coverage no longer apply. Also, deductible options from \$2,500 to \$20,000 or more provide higher coverage at very low cost. Other features include protection for retired officers and directors, and an extended coverage option with full original limits of coverage when a policy is cancelled or not renewed.

“Perhaps the most important difference between our policy and others is the way our individual limits can protect you in case of lawsuits.

“As an example, let’s take a million-dollar coverage policy. Most provide just a simple total annual limit of one million dollars. Not ours. MGIC lets you choose a million dollars of coverage for *each* individual director or officer, no matter how many you have. This means many millions of extra coverage in case of multiple lawsuits in a given year.

“Should a lawsuit strike, we support you all the way—the way you want.

“Some D & O insurers take a very strong stand and take over the case, period. Some avoid any involvement. We like to act as a helpful partner. For example, when you tell us about a lawsuit, you have the right—with our approval—to select counsel. Then we’ll work with you on any significant steps that are taken. What we don’t like to do is take control, because we believe no outsider should determine the proper course for you in such a serious situation. After all, it isn’t only money that’s involved, the reputations of the individuals and the institutions also are at stake.

“Ours is the one policy specifically designed for banks.

“When you buy from us, you get insurance specially tailored to your needs, right down to the application form. As a subsidiary of MGIC Investment Corporation (a respected member of the financial community),

we are thoroughly familiar with bank operations and needs. Our underwriting, we think, is of higher quality due to this expertise. So, when you join the more than 1,400 financial institutions insured by MGIC, you’re keeping good company.

“For a point-by-point comparison between MGIC and any other D & O policy, we’ll be happy to talk with you, or your attorney.

“You may feel more comfortable having your attorney contact us because he’s the expert you head for fast when threatened with a lawsuit. And he’s probably best qualified to help you make the right decisions on coverage. He’s also probably best able to show you what we mean by “total protection” and why, dollar-for-dollar, you get a better value with MGIC Directors’ and Officers’ liability insurance. So for the full story, I suggest either you *or* your attorney call me or our Marketing Director, Art Barnard, toll-free, at 800-558-9900. Or write today.”

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And we mean total.

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 MGIC Plaza, Milwaukee, WI 53201

Northwestern Banker, June 1975

Do you want to open direct deposit accounts for Senior Citizens?

You can open hundreds of DIRECT DEPOSIT accounts for Social Security checks by reaching Senior Citizens directly at their home addresses.

Here is an opportunity to offer a service designed for people 62 or over. Each month Senior Citizens in your community receive Social Security checks...now, you can write to them offering a new service where their monthly checks are deposited directly to their checking account at your bank.

By having their checks mailed directly to your bank by the U.S. Government and immediately credited to their checking account, you are offering them convenience and safety. They are assured of funds being immediately deposited and readily available. It eliminates check cashing problems and provides uninterrupted deposits. It reduces operating costs and generates increased deposits, new depositors, and improved customer relations.

There are 21.3 million people 62 or older who receive Social Security benefits. In the University of Michigan Institute for Social Research 1971-72 Survey of Consumers revealed this market segment have **HIGH SAVINGS POTENTIAL** and a **HIGH DEGREE OF LOYALTY**. [63% maintained accounts for 10 or more years/38% had accounts of \$5,000 or more.]

To help you to promote a **DIRECT DEPOSIT** Program to the Senior Citizens in your community, we can provide a current mailing list of the names and addresses of elderly married couples, widows and single persons over-62 on personally-addressed gummed mailing labels in zip numerical sequence that you can readily affix to your envelopes, at the rate of \$40.00 per thousand names for one-time use.

Once you select the cities and towns in your service area and send us your order, we will air mail your Senior Citizen mailing list on gummed labels in two weeks.

Most important...you are assured of a 60-day exclusive of the Senior Citizen banking market in your service area, so you can secure the greatest number of Senior Citizens **DIRECT DEPOSIT** accounts.

Contact us direct or mail the coupon below:

Please send information on your 1975 Senior Citizen list for the following cities/towns/zip codes:

Name _____ Phone _____

Bank _____

Address _____

City _____ State _____ Zip _____

Call (914) 632-1595 or 779-8585

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273 Columbus Avenue, Tuckahoe, N. Y. 10707

Corporate News

PROMOTIONS and other news announcements have been made by the following firms:

American Breeders Services, De Forest, Wisc.: Donald Chambers and Gilbert Horn have been appointed Nebraska district sales managers.

Tom Casey has been named vice president, operations and administration, of the Chicago region. Mr. Casey is a 1967 graduate of Marquette University and joins the company from James Talcott, Inc., a major commercial finance company.



T. CASEY

American Express Company, New York: James T. Larkin has been promoted to vice president—marketing and sales for the Travelers Cheques division. He came to the division as vice president—international in 1970 from the American Broadcasting Companies where



G. N. BOYER

he was director of international business affairs. Prior to 1958 he was a sales administrator with Ford Motor Company.

Bank Building Corporation, St. Louis: The corporation has announced the move of its central division from St. Louis county to corporate headquarters. The new address is 1130A Hampton Avenue, St. Louis, Mo. 63139. The central division is one of five regional divisions and covers a nine-state area in the midwest.

Financial Security Group, Inc., Washington, D. C.: Robert D. Edison has been elected president succeeding Josef S. Tressler who was elected vice chairman, according to George Olmsted, chairman. Mr. Edison, formerly vice president, joined Hawkeye-Securi-

CORPORATE NEWS . . .

(Turn to page 22, please)



Bob Ramaley, North Central Life Assistant Vice-president, is shown discussing group mortgage insurance with Harlan Nygaard, president, Knutson Insurance Agency, Minneapolis.

THINK OF BOB AS YOUR MAN ON OUR PAYROLL!

Bob Ramaley is a North Central Life Redcoat. A dedicated insurance professional in the fullest sense of the word. Although we carefully selected him and pay him, he really works for *you*.

His job is to show you how to effectively and *profitably* merchandise insurance services to your customers right along with your savings, checking, lending and other services.

Bob is backed by a team of home office pros whose blended skills form the ultimate in customer collaboration — "Red Coat Service".

"Red Coat Service", (exclusive with North Central, and one of the reasons why we're considered the leader in insurance through financial institutions), provides tailored-to-your-needs insurance programs; creates direct mail and point-of-purchase materials for you; shoulders your administrative and book-keeping chores; and, where necessary, even totally trains your staff.

And, importantly, "Red Coat Service" gives you access to the Red Coat Desk — North Central's unique, toll-free, direct, national HOT-LINE system that links you to our home office

and makes available three vital benefits: (1) NO-LIMIT CREDITOR INSURANCE. A program that allows you to get immediate over-the-phone approval for extended coverages beyond the limits for which you normally can contract. (2) INSTANT RATE CALCULATIONS. North Central can solve your complicated rate problems in a moment, via computer, whenever you have need for immediate calculations. (3) Instant answers to your questions from NCL's Red Coat specialists.

North Central sets the whole thing up for you. And continually solves any problems for you as you go along.

What do you do? Make money! And protect your customers from the unexpected.

For more information on how Bob, or any other of North Central's expert fieldmen can work for you, call the Red Coat Desk at the numbers shown below:

Wis., N. Dak., S. Dak., Ia., Nebr. - (800) 328-1612
Minn. - (800) 792-1030; All Other Areas - (800) 328-9117

North Central Life Insurance Company

NORTH CENTRAL LIFE BUILDING, 275 EAST FOURTH STREET ST. PAUL, MINNESOTA 55101



Continental Plans More EFTS Uses

Plans for further rapid expansion into electronic funds transfer activity involving distant computer terminals were unveiled by Continental Illinois Corporation at its annual shareholders meeting.

Recently the corporation's principal subsidiary, Continental Bank, announced it would open three customer-bank communication terminals (CBCTs) about July 1 at 30 N. LaSalle Street, in the Illinois Center complex on Wacker Drive, and in the Bankers Building at Clark and Adams.

Two new moves into the electronic transfer field were announced

- Effective July 1 all Continental Bank checking customers will be guaranteed a check-cashing service at 60 Dominick's food stores in the Chicago area upon presentation of their Continental banking cards. Currently this system, which was installed in 1974, consists of terminals connected to the bank that accept only Master Charge and Dominick's personal check-cashing cards to pay for purchases.

— Continental is developing a package of similar check-cashing card and automatic teller-card services for its correspondent banks to allow them to offer more convenience to their customers.

The three CBCTs announced recently will handle a wider variety of personal banking services than the Dominick's teller terminals, but both machines are activated by the magnetically-stripped Continental banking card and are hooked into the bank's computer system.

The announcement said the bank's cards will be used at "other future locations throughout the network we envision in metropolitan Chicago."

CSBS Elects Officers

James E. Faris, director of financial institutions of Indiana, has been chosen president and chairman of the Conference of State Bank Supervisors.

The Conference represents the bank commissioners of the 50 states, Guam, Puerto Rico and the Virgin Islands and numbers approximately 6,000 state-chartered banking institutions as supportive associate members.

Other officials elected are: John B. Olin, superintendent of banks, Oregon, first vice president; Harvel C. Adams, bank commissioner, Arkansas, second vice president, and Harry Bloom, state bank commissioner, Colorado, secretary-treasurer.

W. Smoot Brimhall, commissioner of financial institutions, Utah, will continue to serve as past president.

RMA Releases New Publication

The importance of the credit department in training future commercial banking officers is the subject of a new publication just released by Robert Morris Associates (RMA).

"The Credit Department: Its Role in Training" is the first of four paperbacks that RMA will issue over future months on various credit department functions. It was authored for RMA — the national association of bank loan and credit officers — by Charles S. Dickerson, senior vice president, First National Bank of Princeton, N.J.

Two free copies of the new booklet were sent to each of RMA's 1,525 member banks. Additional copies are \$3 to member banks and \$5 to non-member banks, from the RMA National Office, 1432 Philadelphia National Bank Bldg., Philadelphia, Pa., 19107.

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• Complimentary continental breakfast • Complete hotel service • Meeting and Banquet facilities up to 300 persons.

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CORPORATE NEWS . . .

(Continued from page 18)

ty Insurance Company, a subsidiary, in 1948. He was named president of Hawkeye-Security and United Security Insurance Company, another subsidiary, in 1969. Last year he was promoted to president of a third subsidiary, Northeastern Insurance Company of Hartford. He will remain president of all three subsidiaries.

Lawrence Systems, San Francisco:

James T. McGuire has been elected executive vice president, general counsel and secretary of this finance and security subsidiary of INA Corporation. He joined Lawrence as assistant counsel in 1952. Prior to that he was a special agent with



J. T. MCGUIRE

the F.B.I. Lawrence provides financial services to banks and their industrial, commercial and agricultural customers.

Meilink Bank Equipment, Toledo,

Ohio: Allen Mossler of Bankers Co-Op Inc., is now responsible for the company's sales efforts in northern Illinois. David Summers represents Meilink's in Idaho, Nevada and the eastern part of Oregon. Mr. Summers is vice president and sales manager of Summers Office Supplies.

Scarborough & Co., Chicago: Jay Mosberg and Tom Ritter, Jr., have joined the company as account executives. Mr. Mosberg previously was a personal lines manager at Reserve Insurance Company and also has worked for Kemper Insurance. Mr. Ritter formerly was director of marketing, planning and research for Zurich American Insurance Company. He also has worked for Fireman's Fund Insurance Company. He will be in the special risks department.

James Talcott, Inc., New York:

James L. Mixa has been elected an assistant vice president and Muriel C. Holmes assistant secretary of the factors division. Both are located in the Los Angeles district office.



Don't put this sign on your door unless you have HLS.

Burglars love holidays too. They welcome the chance to work in peace for hours, even days. Every long weekend sees an average of 4 bank burglaries.

You say you have a security system?

Fine. Provided you have hi-line security, too.

Until recently, line security was the weak link in all systems. Sophisticated burglars

could compromise lines, thus keeping alarms from reaching monitoring stations.

The Mosler HLS is an automatic, random-pulsed, question-and-answer hi-line security system that has never been compromised in more than 2,000 installations.

Add Mosler HLS line security to the unmatched basic protection of a bank alarm system by Mosler. Now you have

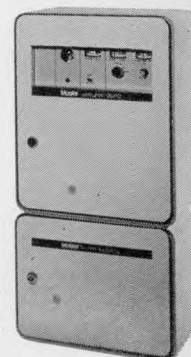
real security. Let the long weekends come. Relax. You're as burglar-proof as you can get.

We'll be glad to tell you more. Just drop us a line.

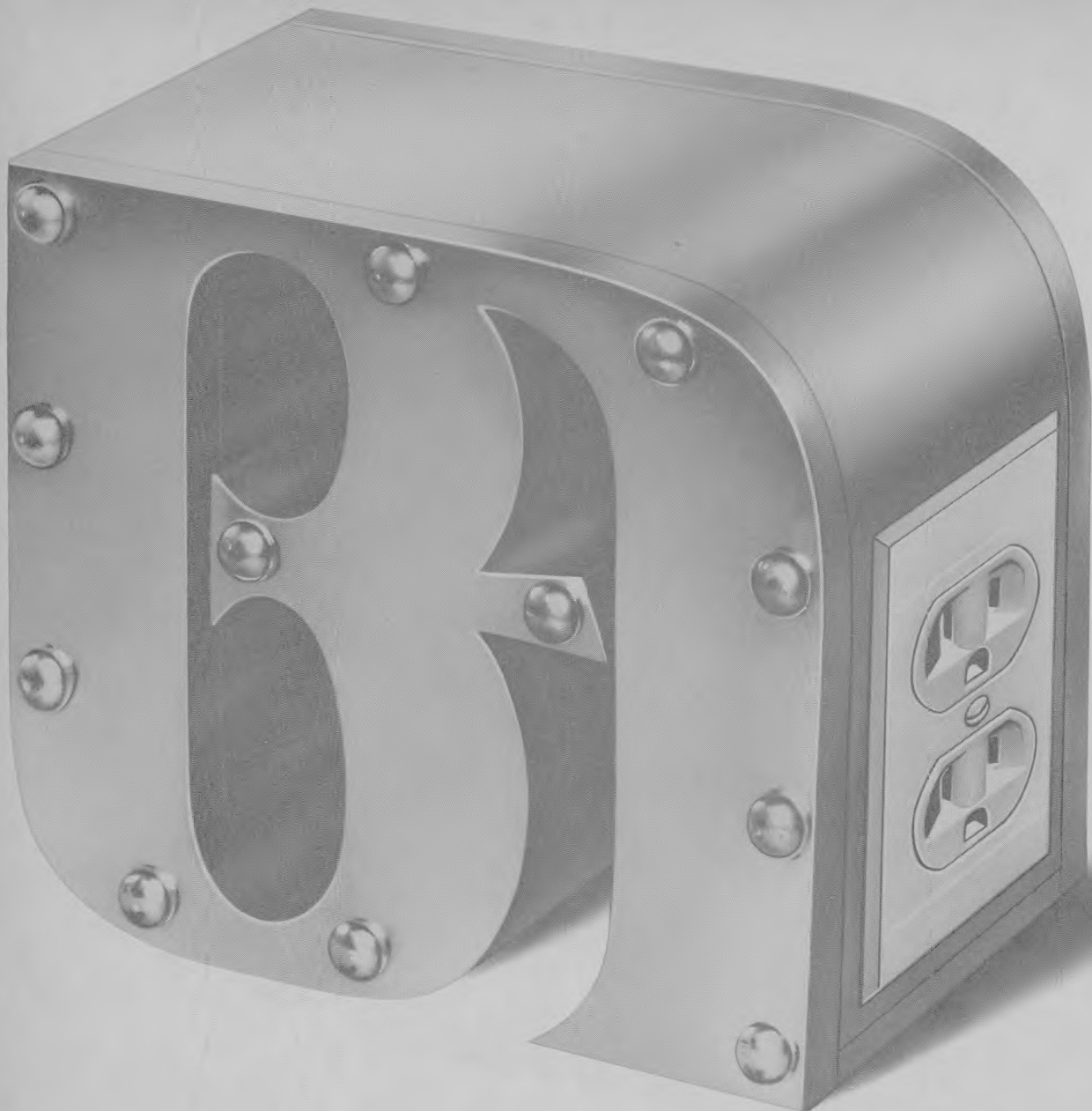
Mosler

An American-Standard Company

HAMILTON, OHIO 45012



Northwestern Banker, June 1975



Plug into our correspondent banking services.

When it comes to taking care of your correspondent banking needs, Bank of America has no shortage of energy or experience. Our worldwide capabilities allow us to perform all the functions of a good correspondent bank, we think just a little better than anyone else. For example, we can help negotiate foreign trade transactions; process transit; assist with loans; make short-term securities go a long way; and, through it all, keep your customers as satisfied with you as ours are with us.

So why not save yourself some energy and plug into our services soon? We're the bank with power to spare.

BANK OF AMERICA 
Correspondent Bank Service



How Bankers Fight the Bad Check Battle

A NORTHWESTERN BANKER Survey

ALADY accompanied by two children recently walked into the State Savings Bank in Fayetteville, Ark., and opened a checking account.

After opening the account with a \$50 deposit, she proceeded to write \$100 worth of checks at retail establishments and to withdraw \$40 from her account, all in the same day.

The bank has not heard from her since.

This story is all too familiar to bankers and retailers alike. Bad check writing is prevalent and seems to be on the increase in many areas. However, bankers, bank associations and retailers are on the attack.

The NORTHWESTERN BANKER staff recently surveyed a varied group of people to find out how banks are opening checking accounts, what specific programs are being used to help alleviate the bad check problem and what is seen as a more long term solution.

The survey revealed several methods for opening checking accounts dif-

fering between banks in smaller communities where most of the customers are known to bank employees and larger companies where customers are not known to employees.

The new accounts department at Marquette National Bank, Minneapolis, has adopted a dual system of identification prior to opening each account, according to Kenneth A. Alango, assistant vice president.

Proper Identification

First, a checking reference is obtained from the individual's current or previous banking establishment or verification of his employment is made, Mr. Alango said. "Proper identification should be presented at all times," he commented. "If there are doubts about the individual, no check blanks are given until references or employment are verified.

"Secondly, each person is screened through a reporting agency called Chex Systems, Inc., which compiles a list of individuals whose checking accounts

have been closed by area banks for unsatisfactory handling.

Checking accounts at the First National Bank of Des Plaines, Ill., are opened only by experienced staff members, many of whom have been tellers at one time, says Russell A. Johnson, assistant vice president. The staff tries to obtain as identification previous bank references, employer, drivers licenses and other sources.

"Check orders returned for non-delivery are immediately turned over to the bank's auditor for investigation," Mr. Johnson said, "and account activity is closely monitored during the first 10 calendar days on all new accounts."

Fixed Dollar Amount

He said that the bank, which had \$128 million in deposits on September 30, 1974, has established a fixed dollar amount that tellers can cash without referencing a signature card or computer printout of balances.

"Beyond that amount strict operat-

"Banks probably accept new accounts without much question because of the competition."

ing procedures are in effect that are closely adhered to," he stated.

"Finally, we try to strictly enforce cashing checks for only bank customers. Exceptions to this policy must bear officer approval. Our local Currency Exchange handles a percentage of our rejected transactions."

James Soltau, assistant cashier at the Bank of Lisle said the problem seems to be growing at a rapid rate in the suburban area where his bank is located. Checking accounts are opened for anyone over 18 years of age who has proper identification, usually a driver's license. A credit inquiry is sent to the former banks.

"Temporary checks are only issued if the customer makes a substantial deposit," he added.

Get S.S. Card

Ralph Kusler, vice president and cashier of the \$21,919,813 Farmers & Merchants Bank and Trust Co., Aberdeen, S. D., describes the opening of checking accounts in his bank this way:

"At our bank, we primarily have two people with the responsibility of opening new checking or savings accounts. We require some form of identification from customers if they are not known to the personnel in the bank at the time they are opening a checking account. Normally we would like to get their Social Security card since we are required to have their Social Security number, and if suspicious, the girls opening the new accounts might also require some other identification such as a driver's license.

"We automatically order out personalized checks for all of our customers and therefore request all new account customers to use these personalized checks. If we have any previous information which would indicate that this customer has been writing bad checks at other banks, we can and have refused to open checking accounts for the customer."

Mr. Kusler said he didn't think the problem of writing bad checks was found only in larger cities because the problem was prevalent in Aberdeen.

"We try to aid the merchants in that if we have a customer who is writing bad checks, we do require the customer to come in and close out his account. Since the penalty for writing checks on closed accounts in South Dakota is more severe than the penalty for writing insufficient funds checks, we hope, in this way, to discourage the customer from writing any checks."



"... and such sweet kids, too!"

Strong Competition

Checking accounts are opened in a similar way at the \$40,824,000 Commercial National Bank and Trust Company, Grand Island, Nebr.

The bank asks for basic information but does not confirm it and normally accepts everyone who wants to open a new account, according to Howard L. Peterson, senior vice president and manager of the marketing department. The bank gives temporary checks to the customer when he opens the account with a deposit or if he is known by a bank employee to be reputable without a deposit, he explained.

"Banks probably accept new accounts without much question because of the strong competition," he commented. "The Grand Island Chamber of Commerce initiates forgery information which is passed on to the necessary institutions.

"Bad checks don't pose as great a problem with us as they would in the larger cities because of the smaller volume of people being served," he said. "In a larger bank, most customers are personally unknown which makes it easier for them to write bad checks with false identification.

"With money becoming increasingly tighter, bad checks will probably increase substantially, this being a convenient way to borrow money."

Tellers are Trained

Checking accounts are opened in the eight banks and 197 branches in Nevada the standard way, according to Jordan J. Crouch, executive manager of the Nevada Bankers Association. A person identifies himself, fills information on a regular signature card, receives normally 10 starter checks and additional checks are mailed to him.

"In the large banks, training for new accounts tellers is continually being employed," he said. "For the smaller banks, training is by an older employee on the job."

Mr. Crouch said he thought the problem was found principally in larger cities and that in Nevada, high mobility and the resort and gambling features of the economy made bad checks an ever-increasing problem.

"Most banks in this state have check guaranty cards, some with photos, some not," he commented. "Checks are guaranteed for \$100 in cash and \$500 in purchases. The losses in this have been nominal and the check cashing card is a great boon to the markets and merchants in the state of Nevada. A check cashing card, however, is not issued to a person unless he has had an account in a Nevada bank for at least a year and has handled it satisfactorily."

"We have a grace period of 10 to 15 days before new account checks are issued," said Charles S. Leavitt, executive director of the Idaho Bankers Association. He told the staff that all major banks in the metropolitan areas have covered the subject of bad checks in training for their employees very thoroughly and that it is a continuing area of training for both new and old employees.

Specific Programs

Both banks and banking associations have confronted the problem with specific programs.

The Minnesota Bankers Association and the banks of Minnesota have been heavily involved in several major proj-

ects on the bad check problem over the past several years, according to Wayne F. Berthiaume, MBA administrative assistant. The special MBA checking accounts standards committee has made many key actions and recommendations.

Over the past six to seven years approximately six to 10 meetings with merchant associations have been held to discuss the problems, Mr. Berthiaume said.

"On October 26, 1970, a meeting sponsored by the MBA was held with approximately 70 retail firms from the suburban Twin Cities area. The clinic was two hours in length with presentations and discussion by a retailer, law enforcement official and banker," he stated. "Following the clinic, materials were developed for use by bankers and MBA staff when holding meetings with local retail groups."

Mr. Berthiaume said the guidelines used include The Minneapolis Police Department's guideline for cashing checks, which was reviewed and rewritten by the committee; guidelines developed and sent to all Minnesota banks on suggested procedures on opening and closing checking accounts, and guidelines for use by checking account customers.

In addition, the MBA has urged banks to eliminate the use of counter checks and has encouraged use of Chex-Systems, Inc., which requires banks to report all forcibly closed accounts to a central master file which can be checked by the banks before checking accounts are opened, and cooperation with Research Guidance Bureau, Inc., which is a listing of NSF, account closed, and stolen checks issued weekly. The account information is furnished by the banks, and they in turn furnish it at a cost to the merchants.

Direct Verification

In 1971, MBA began to encourage direct verification of checks, according to Mr. Berthiaume. This enables the merchant to call the bank on which the check is drawn for verification. The method replaced an earlier quarterly code system published by MBA and used among banks for check verification.

MBA supported a bill during the 1971 Minnesota legislative session that required a photograph on drivers licenses and also supported a bill in 1973 that would facilitate prosecution



"... mightier than the sword!"

by eliminating the defense that a notice was not received if the certified letter was refused by the drawer. This bill also would have protected the banks from civil or criminal liability for releasing information to a public official relating to the drawer's account.

The association also continually publishes protective bulletins on check passing, stolen checks, and other related criminal activities, he commented. The bulletins are sent to banks, sheriffs and major police departments.

The checking accounts standards committee has been working on the development of a training program for bankers on the proper procedures to follow in the opening and maintenance of checking accounts and a program for retailers in the procedures to follow when cashing checks.

"With Electronic Funds Transfer System, the direct deposit of payroll and government checks, already a reality, we should begin to see a substantial reduction in stolen and forged checks," Mr. Berthiaume said. "If the system proceeds as most bankers visualize, the transfer of funds will be done completely electronically which would in effect eliminate the entire problem of NSF and other types of problem accounts."

Other Associations

Other associations have used some of the same ideas.

Last year, meetings among the Michigan Bankers Association and the Food Dealers of Michigan and other business associations resulted in general agreement that both banks and business groups must do a better job of controlling the bad check situation. The MBA initiated a program request-

ing that banks institute an even more stringent system of screening new checking accounts, requiring more positive proof of identification. It advocated developing a system whereby banks within a community could more readily exchange information on closed accounts and on known bad check passers and recommended that Michigan banks adopt one of several check protection systems now being advanced.

The Colorado Bankers Association is using at least one of these ideas. It has established a Colorado Bank Alert (radio) for the Denver metropolitan area. Banks call the association which then puts out an alert to 35 downtown commercial banks in a matter of seconds.

The program "has worked to the benefit of commercial banks," according to Jerry Scarboro, executive manager of the Colorado Bankers Association. "We haven't expanded the service to retailers and don't intend to," he added.

Hot-Lines

A number of banks in the Chicago area also have tried hot-lines for immediate development of information relative to checks, according to Donald X. Murray, secretary of the Illinois Bankers Association's committee on bank security. These have enjoyed varying degrees of success dependent on the willingness of member banks to use the service, he commented.

The Illinois Bankers Association sponsors security training programs throughout the year. Its teller training course, a two to three hour program,

BAD CHECK BATTLE . . .

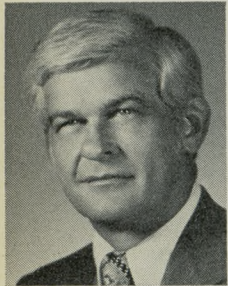
(Turn to page 86, please)



By **Thomas L. Wright**
President
Bankers Trust Company
Des Moines, Ia.

... delivered before the recent 1975 National Marketing Conference in Chicago.

IF we were to pinpoint the greatest single problem in banking today, I sincerely believe it would lie in the area of communications.



T. L. WRIGHT

You have probably heard about the large airline which was losing money — as some have done in recent years — that decided to eliminate all negative language in an effort to improve attitudes and performance. First, management chose to do away with the word “problem.” In its place, everyone was to substitute the word “opportunity.”

Subsequently, no “problems” existed and everything became an “opportunity.” Attitudes improved and a much more productive environment prevailed. Unfortunately, the profit picture showed no improvement . . . and one of the line’s middle managers later stated, “Instead of insurmountable problems, we were then overcome with insurmountable opportunities!”

Nevertheless, I think most of us agree that a positive attitude coupled with good communications can go a long way toward eliminating many of the problems we face daily.

Have you ever known of a chief executive officer

- Being questioned by a good customer about features of a new service he had heard advertised on the radio . . . but which the CEO knew nothing about?

- Hard pressed to explain to inquiring board members’ satisfaction why the bank’s sales officers were out soliciting commercial loans when the loan/deposit ratio was running at 85% or better? . . . or

- Losing his temper because he was quoted in the local newspapers as opposed to bringing pollution spreading industry into the community . . . when he just received wide

How to Enhance

news coverage upon returning from the northeast on a trip arranged to attract heavy industry into the area?

On the other hand, have you ever heard of a marketing director

- Having to cancel a TV commercial because the chairman didn’t like it . . . and indeed knew nothing about the spot until one of his cronies kidded him about it on the golf course?

- Reading his news story revealing several key promotions in top management . . . only to discover the next day that they had been vetoed because of a last minute hassle among members of the board? . . . or

- Being forced to scrap hundreds of hours and thousands of dollars in research on a new service . . . when it was discovered that the president had a closed mind on the subject?

I am sure we could continue at great length reciting better illustrations than these. The obvious point I am making is that no bank can afford a communications breakdown between its CEO and marketing personnel. Marketing ef-

Qualities desired in CEO

1. People Orientation
2. Planning Capability
3. Decision-Making Ability
4. Delegation of Responsibilities
5. Comprehension of Dynamic Nature of Marketing
6. Innovative-Minded.

forts are too visible and too vital to permit this sort of ineptness.

Well, how do we prevent such problems from occurring?

There are a number of ways.

First, I think the marketing director and chief executive officer have to know each other. They don’t necessarily have to like each other, but they must enjoy each other’s respect! And, it helps if they appreciate many of the same values and goals.

Prior to our session today, Ron Roderique suggested that Ken Dew (who manages our marketing program) and I list in order of importance six qualities we expect of each other. His real purpose was to compare these six items to

the Partnership



determine which preferences would be duplicated . . . and how these would compare in order of priority.

I am not sure the correlation between the lists met Ron's expectations, but I believe the exercise was well worth the time. At any rate, I feel Ken and I both benefited from the experience . . . and I am going to keep my list in sight when salary reviews roll around this year!

Let's take a look at the six qualities desired in the marketing director by the chief executive officer. Before we do, I want to re-emphasize that these are not necessarily ranked in order of importance. Possibly, all should be number one . . . but here they are for you to arrange in the order you wish:

Knowledgeable — The marketing director should hold a good fundamental grasp of overall bank operations. These range from loans to night depository facilities. He needs to be a generalist in terms of the bank and a specialist in his chosen field of marketing.

Planner, Researcher, Analyst — He must have organization and planning ability; be able to pull data together

Qualities desired in Marketing Director

1. Knowledgeable
2. Planner, Researcher, Analyst
3. Imaginative, Creative, Innovative
4. Persuasive, Communicative
5. Aggressive, Self-Starter
6. Dependable, Personable, Realistic

and develop marketing strategy to support broad corporate goals.

Imaginative, Creative, Innovative — The marketing director should be able to break through traditional thinking habits and behavior patterns to gain creative insight to the needs of his bank as well as the wants of his bank's customers.

Persuasive, Communicative — He must have skills required for explaining clearly his views to management, associates and the various customer publics.

Aggressive, Self-Starter — A good marketing man must be aggressive. Initiative is of the utmost importance. He stands on the cutting edge of change . . . and can't be hesi-

tant or reluctant to accept the inevitable. He is part idealist, part pragmatist.

Dependable, Personable, Realistic — The marketing director has to be reliable. His business is meeting deadlines . . . and only he can manage this schedule. An affable, outgoing nature represents a helpful ingredient for dealing with the wide range of people and personalities he meets.

With these basic qualities, I think a marketing man is equipped in large part for communicating with his chief executive officer. That is not to say they guarantee a clear communications channel. I do think they provide the foundation, however. How well they support the CEO-Marketing Director communications effort depends to a great extent upon how well both parties function in a give-and-take exchange of ideas and information.

Let's take a look at those qualities the marketing director desires in the chief executive officer. Most of them are pretty reasonable!

People Orientation — The CEO must possess a keen sensitivity to the needs of his associates and customers. Probably his success is influenced more through the ability to get things done through others than any other force.

Planning Capability — I think this is the only quality that fell into comparable positions on our lists. You may recall, I had rated as second on my list that the marketing director be a planner, researcher, analyst. Very true on both counts.

Decision-Making Ability — The marketing director feels that the CEO should discipline himself and his staff to make decisions based on available data. Minimize procrastination, decide whether it's a go or no-go situation . . . and move!

Delegation of Responsibilities — Marketing personnel favor the CEO who develops a framework of responsibility and authority for his managers and then lets them manage. I realize this seems awfully fundamental, but it represents an area which can be highly frustrating . . . especially when marketing requires quick response to competition. I agree with this view.

Comprehension of Dynamic Nature of Marketing —
MANAGEMENT MARKETING . . .

(Turn to page 116, please)

Home Improvement Loans —

Profit Opportunity for the Retail Bank

. . . delivered before the Minnesota Bankers Association Instalment Credit Conference.

YOU as retail bankers — as consumer lenders — have a tremendous opportunity in the current economic climate and the current marketing climate. Instalment credit, as a bank investment, has taken a back seat to commercial lending for the past couple of years, but during 1975, you are once again in a position to make heroes of yourselves.

Senior bank management faces a very real problem this year. That problem in a nutshell is, "Where is income growth going to come from in 1975?" And you, in the consumer lending area, are the solution to that problem.

The prime rate has dropped more than 40% over the past eight months. So income growth is not going to come from the commercial loan department. Nor is income growth likely to come from the mortgage loan department. Not with the current unfavorable housing picture and the illiquidity inherent in loans of this type.

So where does that leave the growth opportunity? Right here in the consumer lending area. You will be playing a vital role in bank profit planning strategy for 1975. Senior management is counting on you to make a greater contribution to overall growth this year and throughout the 1970s.

The retail sector will grow significantly as a source of deposits, earnings, and growth for the commercial banking industry. And retail loans are becoming top management priorities. Senior management now recognizes

the validity of the Booz, Allen & Hamilton study of commercial banking made two years ago, which concluded that the foundation for the future success of banking is the retail concept. And senior management recognizes the need to switch emphasis from the wholesale to the retail in order to maintain a healthy growth rate for banking in the years ahead.

Aggressive Operation

How can you capitalize on this change in direction? Well, one way — a sure way and a profitable way — is to develop an aggressive property improvement lending operation. Home improvement loans are the key to instalment portfolio profits in today's retail banking climate. And no other type of loan can be developed as easily

and as profitably as the modernization loan.

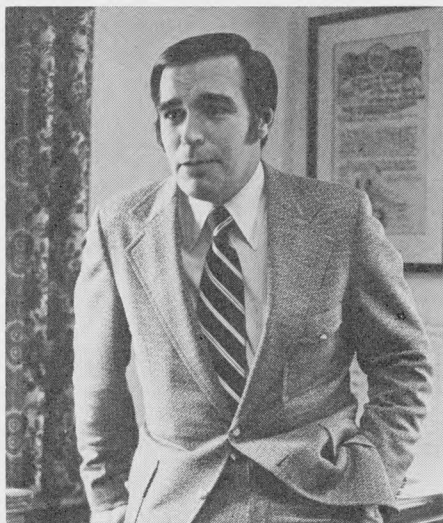
Just two weeks ago, Associated Press News Features estimated that the home improvement industry would have 1975 sales exceeding \$35 billion. And even the most conservative industry estimates project a minimum sales volume in the \$28 to \$30 billion range. So for the first time, home improvement loan potential is actually greater than that of either new automobiles or mobile homes.

Think about the market potential for property improvement loans. Nearly 36% of all houses in the United States were built during or prior to World War II. And 82% of all housing is more than 10 years old. So the business is there. It's just a matter of focusing your efforts on getting it.

Even the most conservative estimates place one home in five as being in need of major improvement. And when I say in need, I'm talking only about necessary improvements — improvements such as new heating plants, rewiring, plumbing work or added living space to remedy overcrowded conditions. If you include the so-called luxury improvements such as patios, recreation rooms and swimming pools, the market potential is truly staggering.

Advantages

In addition to greater market opportunity, there are a number of other reasons why expansion of your home improvement lending operation is an ideal method to accomplish your objective of making a stronger contribution to the growth of your bank. Con-



By **WILLIAM F. SCHUMANN**
President
Insured Credit Services, Inc.
Chicago, Ill.

The big tune-in of 1975

The First National City Travelers Checks

TV SPORTS TACULAR

Here is the overwhelming line up of TV programs that will help turn your customers on—to First National City Travelers Checks. On all three major networks: CBS, NBC and ABC, First National City Travelers Checks is commanding the travel-oriented sports viewer's attention—reaching over 400 million viewers.

Here is a mini-guide to this spectacular series of programs:

- | | |
|--------------------------------------|---|
| CBS NBA Playoff Games | CBS The Belmont Stakes |
| NBC World Championship Tennis | ABC U.S. Open Golf |
| NBC Stanley Cup Hockey | ABC Coaches All-American Football |
| ABC Wide World of Sports | NBC Wimbledon Tennis |
| CBS The Preakness | CBS National Golf Driving Championship |
| ABC INDY 500 Time Trials | ABC British Open Golf |
| ABC The INDY 500 | NBC All-Star Baseball Game |
| CBS NBA Championship | ABC College All-Star Football |
| ABC Memphis Open Golf | ABC PGA Golf Tournament |

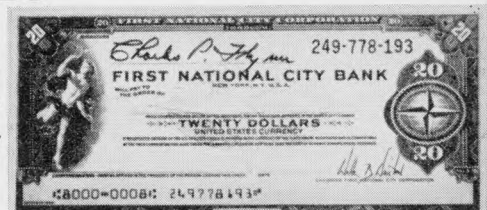
First National City Travelers Checks is a sponsor of the most important national and international auto racing events.

Plus:

A magazine schedule that will bring the First National City Travelers Checks sales story to over 600 million potential travelers check customers.

- | | | |
|---------------------|-----------------|--------------------------|
| Reader's Digest | Time | Golf Digest |
| National Geographic | Cosmopolitan | U.S. News & World Report |
| Newsweek | Modern Bride | Sports Illustrated |
| Esquire | Essence | People |
| Travel | Playboy | Business Week |
| Ebony | Money | Holiday |
| | Southern Living | |

Don't be left out of the big tune-in of 1975. Stock up on First National City Travelers Checks now. These great sports shows and these magazines will send the customers in. Be ready to sell them when they arrive! First...sell First National City Travelers Checks.



sider the advantages of increased participation in home improvement lending.

The very fact that modernization loan borrowers are homeowners fits them exactly into the consumer mold toward which your entire marketing strategy is directed. Cross-selling all services of the bank is the nearly universal objective of bank marketing today. And when you help an individual in the financing of his home improvement, you are provided with a perfect opportunity for cross-selling activity.

“ . . . property improvement borrowers are a strong investment in future business for your bank.”

Which consumer classification needs and uses all of the bank's services? It's the homeowner. The homeowner needs a checking account and a savings account, and the homeowner is the safe deposit box user and the potential trust customer. The homeowner will also have other borrowing needs in the years ahead. A home improvement loan is a prime method to introduce this consumer to your bank, and making such a loan paves the way for you to lock him in to all the services you have available.

Studies have shown that the home improvement loan borrower offers greater potential for multiple usage of bank services than any other type of instalment borrower. And customer loyalty is directly proportional to the number of bank services used.

Customer Loyalty

For example, if an individual has just a loan with your bank today, your chances of retaining him as a customer are less than 50-50. However, if in addition to the loan, he also has a checking account, the odds jump strongly in your favor.

And if he has a loan, a checking account, and a savings account, chances are better than 20 to 1 in your favor that you will have him as a customer five years from now. So in addition to providing current earnings to your instalment loan department, property improvement borrowers are a strong investment in future business for your bank.

Still another incentive for you to become more active in modernization lending is one of the very basic pur-

poses that motivates your bank — community service. There is no area where a bank can make a more constructive contribution to community advancement than to promote an active program of financing for the maintenance and improvement of property.

Better housing and better living are synonymous and the bank that promotes this theme is certain to earn the good will of the community it serves. The success of your bank is measured by the extend you fulfill the day to day needs of the public — the worker, the farmer and the businessman.

Timing is Right

The timing is absolutely perfect for greater emphasis on home improvement lending. The baby boom of post World War II has just come of age, and most of the people have been in their first home for two or three years. They are interested in improving the livability of their surroundings, but because of the current mortgage money crunch, they are unable to move into larger quarters. As a result, they are expanding their present homes and they are making the changes in their home necessary to add to individual comforts.

These people are putting in the wall to wall carpeting, and the patio and the recreation room that they might not previously have thought about, because they expect to stay where they are the next five to 10 years rather than going to a larger home. You, as bankers, can help these people in the financing of their improvements, while at the same time cross-selling them on other services available at your institution.

Probably the most important reason for active participation in property improvement lending is the fact that these loans will make a strong contribution to bank earnings.

Compare the earnings on these loans to earnings on other types of consumer loans. The set-up cost on a home improvement loan is about the same as other loans, and the cost of handling the loan, once it's on your books, is not much different. But the home improvement loan produces substantially more income for the bank.

Why Home Improvement?

So why look to your home improvement lending operation to fulfill the growth objective of your senior man-

agement? Well, first because there is a vast ready market today, greater than for other types of instalment loans, and the need for improvements is tremendous. Second, because home improvement borrowers are your target customers for cross-selling other bank services. Third, home improvement loans make a substantial contribution to the improvement of your community. Fourth, these loans provide an attractive alternative to auto and mobile home loan concentration, enhancing stability of the bank's instalment loan portfolio. And finally, property improvement loans are strong income producers for the bank.

Cross-selling potential, public service opportunity, timing, diversification and profit. All of these reasons make the home improvement loan the ideal instalment portfolio for you to develop in the lending climate that prevails today.

Thus far, I have talked only about the positive side of property improvement lending, but it would be naive to say that this type of lending doesn't also have its share of the problems. So let's take a look at the other side for a few minutes.

Problems

Probably the greatest problem faced by home improvement lenders today is compliance with the Flood Disaster Protection Act. As of July 1, strict enforcement of the act will be maintained by regulatory agencies. And for those

“ . . . the ideal instalment portfolio for you to develop in the lending climate that prevails today.”

of you who are presently operating under the FHA Title I program, it means that every improved property location must be checked to determine whether or not it lies in what is designated as a flood prone area. If the property is in a flood prone area, the bank must ascertain that flood insurance is in effect. This applies to every FHA loan — secured or unsecured. And on both direct loans and third party paper.

While the problem is much less severe for lenders using a private insurance plan such as that offered by Insured Credit Services, or for lenders operating on an uninsured basis, the problem still pertains to direct, secured

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...to see @Meilink.**



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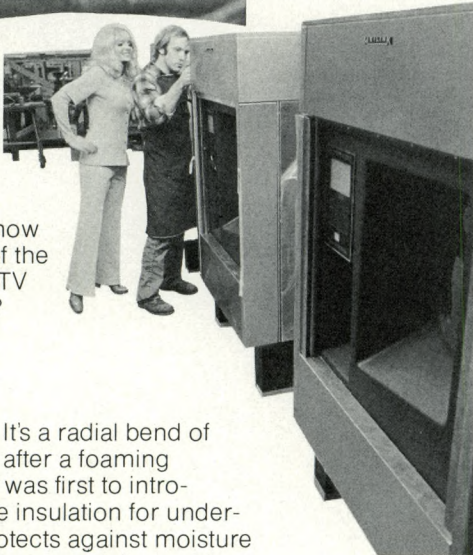


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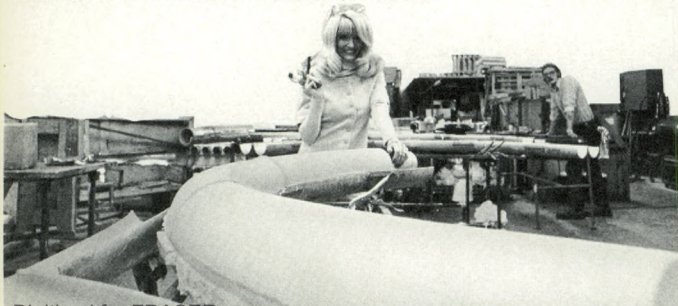


Sparks fly as Meilink craftsmen give special attention to every production detail. The result? You guessed it... built-in quality from start to finish.

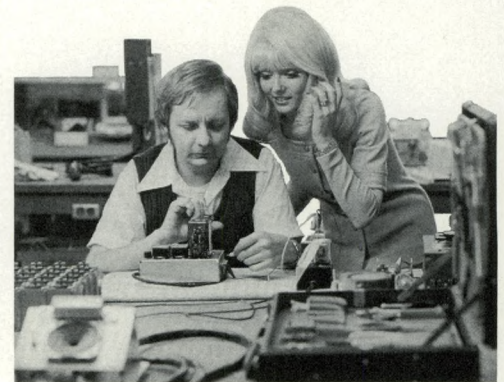
Touch of the expert. Here you see a final construction stage of a TV Bank drive-up customer station. Did you know Meilink was one of the originators of the TV drive-up concept?



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BANK EQUIPMENT

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loans in these cases. Nevertheless, a good many of you are using the government plan, and as such, the required compliance could have a substantial effect on overall operating costs.

Another problem that lenders face with increasing intensity is what is commonly referred to as consumer oriented legislation. Consumer groups have sponsored and, in some cases, have succeeded in obtaining the enactment of legislation guaranteeing an allowable period of delinquency after default where lenders are unable to exercise their rights of acceleration, repossession or foreclosure until a specific past due period has expired.

Consumer groups are forcing creditors to make much greater use of the courts to obtain their collateral in cases of default and a number of states have already eliminated, or radically modified, the holder-in-due-course concept.

Bankruptcy

The proposed revision of the Bankruptcy Act is another example of misguided consumerist legislation, in my opinion. This legislation provides that a borrower, after filing bankruptcy, will be able to reclaim collateral securing the loan — not for the balance due — but for the fair market value of the collateral, and the creditor will have no choice but to return the collateral to the bankrupt debtor.

“ . . . consumerist idealism doesn't solve the problem. Ultimately, the huge majority of debtors who do pay, wind up being penalized by the small minority who don't.”

In addition, under the proposed change in the Bankruptcy Act, it will even be illegal to refuse to grant credit for the sole reason that the applicant has filed bankruptcy. Further, bankruptcy costs will drop from their present level of \$300 to \$400 down to \$150, which will undoubtedly accelerate filings.

Just two weeks ago, the Federal Trade Commission proposed sweeping changes in collection practices and while the FTC's jurisdiction does not cover banks, the Federal Reserve Board, which does have jurisdiction, is required by law to match FTC credit

regulations for the banking industry, or explain why such regulations would not be necessary. This proposed FTC regulation is now under study by the Federal Reserve Board, and it could trigger similar requirements for banks in the immediate future.

Among other provisions, the new FTC rule, if adopted, would prohibit late charges, attorney fees and other costs on borrowers, except where such fees are applied with extremely tight restrictions. The FTC rule would also prohibit lenders from using a borrower's employer, or for that matter, even the borrower's spouse, as a lever to help collect a debt.

Help for Borrowers?

J. Thomas Rosch, head of the FTC's Consumer Protection Bureau, in explaining the rationale behind the proposed rule, said borrowers often don't know they have rights when they enter a credit agreement, and sign away goods as security on a loan when it is unnecessary.

“Loss of personal possessions can severely affect the debtor's state of mind,” Mr. Rosch told a press conference. He said, “Surveys show that most loan delinquencies are caused by illness, unemployment and unwise financial management — not unwillingness to pay,” intimating, I assume, that the lender should bear the consequences of a debtor's ill health or his money mismanagement.

This type of attitude is not uncommon today among the so-called consumer advocates. But what these people fail to realize is that in the long run, they are hurting the very people they are trying to protect. Lenders can live with the rash of new legislation, but it will raise operating costs. And when lender's costs are raised, the price of borrowing goes up.

This consumerist idealism doesn't solve the problem. It simply adds to the rate the public pays for the extension of credit. And, ultimately, the huge majority of debtors who do pay their bills wind up being penalized by the small minority of debtors who don't. It's the little guy, the man on the street, who takes care of his obligations, that foots the bill.

Our organization has insured more than \$1 billion in home improvement loans, and in so doing, we have seen literally hundreds of different lending operations all over the country — both good and bad.

Through our field visits, we get a

“ . . . greatest single weakness today is collections . . . in property improvement field the weakness becomes even more acute.”

comprehensive picture of developments in our end of the consumer lending picture, and I would like to review with you a few of the trends in the home improvement field that we have found during the past few months.

Trends

If I were asked to name the greatest single weakness in the consumer lending picture today, I wouldn't hesitate to point my finger at the collection area. And in the property improvement field, the weakness becomes even more acute. An improvement loan is not generally one that can be collected by repossession, so the approach must necessarily be one of selling the borrower on how payment can be made in spite of his current financial condition. And with the prevailing economy, a real professional is required to do this selling job, in many cases.

Yet time and time again, banks continue to use the collection department, one of the most vital operations in the bank, as little more than a training ground. Far too often, we see an adjuster as a man with no experience, completely uninformed as to collection techniques, with practically no training and very little knowledge of recessions, unemployment or marital problems, and the effect these things have on loan repayments. He is simply handed a portfolio of delinquent accounts and told to go out and collect the money.

This trend results in a very real profit leakage. And, an adjustment in priorities is necessary. You work hard to make a profit, and you must work even harder to keep it.

Now is the time to re-examine collection procedures. Screen collection personnel and give the collection department the recognition it well deserves, and undeniably will be earning in the months ahead.

Claims Survey

Just last week, we conducted a survey of all of the claims we had paid during the first quarter of 1975 to determine the primary reasons for de-

“... visit the dealer’s place of business . . . look at completed jobs . . . talk to borrowers to determine their satisfaction with the dealer.”

fault. This survey showed that 61% of the defaults resulted in either over-obligation or unemployment, both reasons being products of our current economic situation. Undoubtedly, some of these losses could have been avoided with experienced, well trained adjusters.

The economic situation is not going to be reversed overnight. It is going to be with us for quite some time. While the economic prognosticators are now saying that we’re now out of a double digit inflation period, there has been a net loss of 6.5% of disposable income for the average worker, during the past 18 months.

Your borrower’s margin between income and outgo has literally been eaten up with skyrocketing prices. And with a continuation of this trend, it boils down to the fact that, in many cases, one and perhaps two of the 12 loan payments due you in 1975 won’t be made, unless you have top-notch people working in the collection area.

More and more, banks are recognizing the need to get back to the basics. And the basics in collections narrow down to three areas. Determine the problem, arrive at a solution, and follow up all previous arrangements immediately.

Our claims survey also developed some interesting statistics with regard to the number of payments made prior to default. In 37% of all loans, regardless of term, we found that there had been no more than six payments made before defaulting. And one-third of these early payment defaults never even left the post. I’m sure you would all agree that at least some of these loans had red flags waving at the time they were initially approved, and that a close analysis of the information at hand probably would have eliminated a good portion of these losses.

Credit Characteristics

During our analysis of 1975 claims, we noted three particular credit characteristics common to a large portion of our losses, and it may be in order to mention them briefly for your consideration.

1. The analysis of income and outgo by the credit officer had been superficial. The crux of a good credit decision in an in-depth determination of the borrower’s capacity to repay. Far too frequently, we see consideration given only to fixed monthly obligations with no knowledge of the size of the family, and no recognition of month-to-month living expenses such as automobile maintenance, utility bills and groceries.

2. There was a lack of reasonable background information on the borrower. The bank had not taken the time to determine past credit history. In today’s situation, particularly, it is imperative to obtain an up-to-date picture of income and indebtedness.

The improved property was located in a questionable area, or out of the bank’s general trade area where there was no familiarity with land values or neighborhood conditions.

All three characteristics boil down to nothing more than “know your borrower.” Get a complete picture of his financial condition, conduct a thorough investigation and then make a professional analysis of the facts at hand. Information, followed by investigation, followed by analysis, will eliminate 90% of your problems.

In the indirect home improvement lending field, we see a new trend. As a result of the current profit squeeze, more and more banks are looking at expansion in the indirect property improvement loan field, and this area can be one of the highest yielding operations in an instalment loan portfolio. But to assure a continuing profitable relationship with dealers in the home improvement field, we suggest certain steps be taken.

Steps To Take

First, make absolutely certain that the dealer is financially stable and able to install and service the job that you will be financing. Obtain a current financial statement as well as a Dun & Bradstreet report and up-to-date credit report on the principals. Then make certain that all of this material is updated on a regular basis.

Second, analyze losses and delinquencies on a dealer by dealer basis. If the portfolio of a particular dealer is out of line, pinpoint the cause and either impose limitations or revise your standards on the dealer’s offerings.

Third, analyze rejects. A rejected loan produces absolutely no income for the bank and creates a substantial investigation expense. A high reject ratio could mean a relationship with the dealer that has no profit in it whatsoever.

Fourth, review all complaints completely. If they relate to workmanship, doublecheck the product and installation. If they involve sales practices, this could be a real danger signal, and it calls for immediate corrective action.

Finally, visit the dealer’s place of business on a regular basis. Evaluate his showroom and his shop. Meet his salesmen and his mechanics, and get all sales literature and information available concerning his product and sales technique. Look at completed jobs periodically, and talk to the borrowers to determine their satisfaction with the dealer.

Indirect Loans

Indirect loans can be a highly profitable source of home improvement business. But it does take a commitment to stay on top of an operation if success is expected.

In conclusion, let me summarize by saying that the favorable factors in home improvement lending far outweigh the unfavorable ones. Development of the property improvement loan is an ideal marketing approach to accomplish your two-fold objective of bringing the consumer into the bank and generating income growth in your department. The potential of the home improvement loan field is enormous. The profitability is unparalleled, the diversification is needed, and the timing is perfect.

Your success in the modernization loan field is limited only by your determination to go after business. With a strong property improvement financing program, the individual profits, the community profits, business profits, and your bank profits. — **End**

How To Attain Financial Happiness



THE REAL CLIENTS of bankers, lawyers and CPAs are people, not organizations. And almost all of these people suffer from financial anxiety at some time. Most suffer needlessly. Many could be financially happy most of the time.

Financially frustrated people frequently turn to bankers for advice and help. These people know that bankers can speak their language, know their problems, be conveniently available and at the same time be financially knowledgeable. In turn, it is exceedingly important for bankers to realize that many people do business with them to lessen their financial frustrations and to increase their financial happiness. These same people make deposits so they can transfer funds to others, earn interest income and have money for a rainy day. They borrow money to finance inventories, to buy cars and to pay taxes. But these are not the basic reasons they seek advice and help from a banker. These people seek **financial happiness!**

The purpose of this article is to help you as bankers to better understand financial happiness so you can better advise your clients how it can be attained. These suggestions are not about how to get rich. They are infinitely more useful. This article is about how to help people escape financial frustration, how to be financially happy.

To begin with, there is no magical dollar amount of wealth that will ease or erase financial frustration. People cannot earn their way to freedom from financial frustration by getting richer. For the average person, freedom is probably easier to attain than riches. For the rich, it is more difficult.

Freedom from financial frustration, admittedly, is not the ultimate in life. Health — physical, spiritual and mental — is far more important. So is love and understanding of and for one's family. Friendships are more important. In fact, there are a number of things that most of us consider to be more important than financial matters. Virtually all of these more fundamental things can be done or can be enjoyed more fully when financial frustrations and anxieties have been minimized.

How can people gain financial happiness? The process can be divided into six steps.



SET FINANCIAL OBJECTIVES

The obvious first step to a satisfying financial life is to establish financial objectives. Not many useful things in life occur except as the result of striving to achieve an objective. We seldom achieve anything worthwhile by chance. And we seldom achieve satisfaction by accomplishing something that we did not set out to do. The feeling of satisfaction is the result of the achievement of an objective. How then can we feel satisfaction, how then can we know we have achieved, unless the object we want to achieve has been established and defined?

Objectives are best when they have been reduced to writing because they are better reasoned, more specific and more concrete. Most people probably write, then rewrite objectives several times before arriving at an adequate definition. If the objective is a family one, as most financial objectives tend to be, the spouse should participate.

Most people find it difficult to define personal objectives. Financial objectives can and should be quantified, but usually only after a considerable amount of non-quantitative thought.

A typical first definition, for example, might be to provide a "good life" for the family. How can this be quantified? On further consideration, it may mean:

- a. To pay off all debts — that is quantifiable.
- b. To provide a college education for the children — that is estimatable.
- c. To provide a degree of financial security for the spouse in the event of the premature death of the partner. Again, a reasonable estimate can be made and there is an entire industry waiting for the opportunity to provide the means to accomplish this objective.
- d. To accumulate enough wealth to avoid serious financial worry at retirement. Again, reasonable estimates can be made although they become more difficult if retirement is some distance in the future.
- e. To leave each child a reasonable bequest at death.

As an illustration, a set of objectives might be:

- a. To insure that my family would have an annual income of — dollars if I died today.
- b. To provide four years of college for each of my children.
- c. To have accumulated at least — dollars in capital by age 65.
- d. . . . and so forth.

Objectives are what a person wants to attain. And although financial ones are elusive, they are quantifiable. They also seem to be hierarchical in nature. Most of us seem to be concerned only with defining and achieving the next one. We have already forgotten the one just attained. For some reason, we tend to give only passing thought to those objectives we intend to accomplish in the distant future. But defining objectives is the most necessary of all the steps required to achieve financial happiness.



PREPARE A PLAN

Step two is the preparation of a plan to attain the objectives. Like with objectives, a written plan is more useful than an unwritten one. Among the benefits, plans help people evaluate and, when needed, revise their objectives so they become and remain realistic.

Planning starts by drawing a statement of strategies. Most statements will start by calling for some form of savings from current income that can be invested. For example, the plan may be to save — dollars from current income each year. Next, an investment strategy will be needed. These will vary widely among different people and should basically reflect their ability to accept risk. Some people utilize life insurance almost exclusively to create an estate. Others carry almost no life insurance. One person I know carries a fantastic amount of insurance so he can consume everything that is left over after payment of premiums. For him, it is a great strategy — he feels it is the only way to achieve his desired objective. Entrepreneurs will typically find such a strategy unacceptable. They will usually set higher goals whose achievements will require greater risk taking strategies. Achieving financial happiness is an individual thing. Objectives and strategies should both be adapted to the individual characteristics of the client.

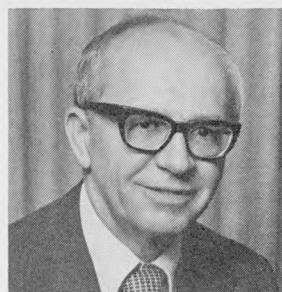
Many people need help to save funds from current income — and this includes a surprising large number of high income people. The savers and the spenders in households often need to commit to a savings plan. Such a plan whether viewed by the client, his banker or accountant, is a budget. It can be one of the most critical ingredients in strategies to achieve financial happiness.



MEASURE PROGRESS

Step three to happiness is to measure progress. As strategies are carried out and wealth starts to accumulate, it is important to periodically measure progress against objectives. Progress can be measured by two personal financial statements: a statement of assets and liabilities and a statement of changes in net assets. A number of people prepare them or have them prepared annually in conjunction with their personal income tax returns.

Personal financial statements can be prepared on either a cost or a present value basis or both. The present value information is usually most useful. However, it is important to recognize that the appreciated value of the assets



By **IVAN BULL**
Managing Partner
McGladrey, Hansen, Dunn & Company
Certified Public Accountants
Davenport, Ia.

■ **THE AUTHOR**—Mr. Bull was born in 1924 on an Iowa farm. He served in the Infantry in World War II. Upon graduation from the University of Iowa in 1947 he earned a B.S. degree with highest distinction. In June of that year he joined McGladrey, Hansen, Dunn & Company, won the Sells Silver Medal when he passed the CPA exam in May, 1948, was promoted to partner in 1951, became an administrative partner in 1960, and managing partner in 1966.

Mr. Bull is a member of the Illinois Society of Certified Public Accountants, the Iowa Society of CPAs and the American Institute of CPAs. He is currently vice chairman of the AICPA, a member of its board of directors and Council, and is scheduled to be advanced to the chairmanship of the American Society at the annual meeting this fall. He has been a trustee of the Financial Accounting Foundation since its inception. Mr. Bull has held a number of responsible positions with the AICPA. He also served previously as chairman of Associated Accounting Firms International (consisting of 14 regional United States CPA firms, plus accounting firms in Canada, Mexico, England, Australia, New Zealand and South Africa).

Mr. Bull is the author of "The Process of Planning" and has written numerous professional accounting articles, as well as addressing many business organizations on financial planning.

over their cost is subject to an income tax when sold. Therefore, this future income tax on the increased value of assets, usually capital gains, should be reflected on present value statements. Of course, if an appreciated asset is held until death, the capital gain tax on the appreciation is avoided. Death taxes are payable by many estates, but are not reflected on financial statements for living people.

The statement of changes in net assets reflects income earned and increases or decreases in the market value of investments. In addition, it includes income tax costs and the cost which most of us find hard to control, living expenses.

It is human nature to want to measure progress. We watch the road map and check the mileage when we drive. A similar process for financial matters is normal. Measurements cause us to re-evaluate our objectives and to reconsider strategies we have chosen. Measurements are a great aid. In fact, they are downright essential for people who are trying to reduce financial frustration.



MINIMIZE TAX PAYMENTS

Step four is to minimize tax payments: a specific strategy which almost no one can afford to ignore. Just the act of paying taxes is frustrating to most

Here's why a CMI Letter Perfect Loan pays off first in these secondaries

You won't profit from mistakes in the government secondary market. And it won't pay you to pay more than needed for mortgage insurance protection either. That's why we've created Letter Perfect Protection.

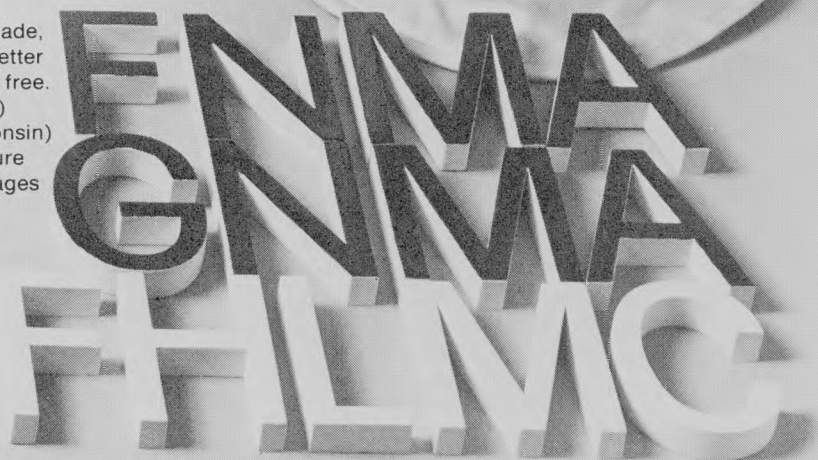
Quite frankly, it's a program that's been refined and polished beyond those "scatter-shot" approaches of other mortgage insurers. In our lender's guide, which is yours free for the asking, each step and form is explained in untangled terms by our secondary market men who've been in daily contact with FNMA, GNMA and FHLMC since the programs began.

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Of course our coverages are *Federated* to match the minimums required by each agency, and our premiums are *Liberated* to correspond with these reduced coverages.

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There's money to be made, make no mistake. Our Letter Perfect Protection kit is free. Call for it now. (Toll Free) 800-356-8080. (In Wisconsin) 800-362-8070. It's the sure way to have your mortgages pay off first with the secondaries.



Continental Mortgage Insurance Inc., Commercial Mortgage Insurance Inc., CMI Credit Insurance Inc., are subsidiary companies of CMI Investment Corp. 150 East Gilman Street, Madison, Wisconsin 53701

people, so taking advantage of available opportunities to minimize taxes is logical. An alert taxpayer working with a competent tax advisor can minimize tax costs by perfectly legal methods.

Tax laws are so intricate and complicated that only a few people can competently prepare their own income tax returns and even fewer can represent themselves when their returns are examined by Internal Revenue Service.

Many people fail to realize that **before** completing major financial actions, they should consult their tax advisors. The difference in tax cost between two different kinds of transactions, but which accomplish the same approximate purpose, can occasionally be substantial. For example, ordinary income sometimes can be legitimately converted into a capital gain. Some transactions, on occasion, can be accomplished tax free in one form but not in another. The savings in tax cost can be considerable.

Perhaps even more important for a person seeking relief from financial frustration and worry is the opportunity to shift the burden of compliance to a professional tax advisor. Given the facts, the advisor assumes the responsibility for proper presentation and representation before Internal Revenue Service. A competent professional knows when there is no need for worry — and this state of confidence can be passed on to the client.



PLAN BEYOND DEATH

Step five is to make financial plans that extend beyond the person's life time. This suggestion towards living a more satisfying life, strangely enough, relates to dying. Dying is one of the certainties of living. It is almost as certain, however, that a majority of people live the majority of their lives as if they expected to live forever.

Before most people can achieve financial happiness, they need to feel that they have controlled the distribution of their accumulated wealth at their demise. They need to be satisfied that the plan for distribution among their heirs is equitable and that death taxes will be minimized while not impinging on the more important objectives of an equitable distribution. An estate plan, directed by an up-to-date will, is the best assurance that assets will be used as intended and not diluted by unnecessary death taxes. This final degree of financial satisfaction is absolutely dependent upon an estate plan. A plan for after death produces an astonishingly large amount of living satisfaction! An unbelievable amount!



GET PROFESSIONAL HELP

Step six is necessary because the first five cannot be accomplished without it. Persons seeking financial happiness need professional help.

Bankers, lawyers, CPA's, life underwriters and investment counselors can each play an important part in helping persons achieve financial happiness. The client often will not start without a nudge from someone. It does not really matter which professional is consulted first, so long as he provides the spark to start.

Each professional should play only a supporting advisory role in helping clients establish objectives. Satisfaction is achieved by people who accomplish the objectives they set rather than those set by others. The competent professional will guard against playing anything but an advising role in the objective setting process.

The professional's role in helping a client develop plans and strategies to achieve objectives is also primarily advisory. He helps generate alternatives for the client's consideration. The nature and importance of this task depends on the client's knowledge and circumstances.

Financial measurement reports will normally require professional assistance. Accountants feel most at home in measuring progress. However, in some situations other professionals, such as bankers and lawyers, may provide some measurement assistance. And on occasion, the clients may be perfectly able to prepare these financial measurements.

To minimize tax payments in these days of complex laws and regulations, professional tax assistance is absolutely essential. Most CPAs and most lawyers are competent. Those specializing in taxes, however, are recommended for the more complex tax problems and opportunities.

In estate planning, the client should again take the lead role in developing the objectives and the professional only a secondary role. This is essential because the estate plan must reflect the client's true objectives. In turn, the obligation of the professional planner is to provide the strategy to distribute the estate according to the wishes of the client. Planning can be done by a trust officer, a life underwriter, an attorney, a CPA, or all or part of them as a group. However, an attorney must draft the will, trust instruments, and other legal documents which are needed to carry out the plan. While others can review and suggest, the final responsibility for these documents is necessarily those of the attorney.

SUMMARY

In summary, the route to helping clients achieve financial happiness will normally include getting them started and advising and helping them to follow six steps:

1. Establish financial objectives.
2. Prepare plans, including strategies and budgets, to achieve the objectives.
3. Measure progress periodically and from this information adjust objectives and plans when appropriate.
4. Minimize tax payments.
5. Prepare an estate plan to direct the transfer of wealth at death.
6. Get professional help.

Procrastination is probably the greatest obstacle to achieving financial happiness. Thought and effort are required. There is no happiness pill. So challenge your clients to get started. Challenge them to define their financial objectives, the real ones, the pragmatic ones, the ones they are willing to commit to and strive to achieve. Challenge them to define them in a concrete way and to reduce them to writing.

The goal of "accumulate all the wealth I can" is no goal at all. It will probably never produce satisfaction. It will probably always produce frustration because none of us will ever accomplish that absolute maximum. There is nothing to measure achievements against. By its nature, it denies the satisfaction of achievement.

Financial happiness is more nearly a state of mind than a state of pocketbook. It can be only partially purchased. But financial happiness is attainable, perhaps with your help, by young and old and by the rich and the not-so-rich! — **End**



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They happen. The defaults. The foreclosures. The insurance claims.

We expect them. It's the reason we're here. And so we move on them. The way you'd expect us to. Maybe even in ways you don't expect.

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Bankers' Market Place

A NEW Tel-Pak Drive-up Window unit which can handle up to five drive-up lanes has been introduced by LeFebure Corporation, Cedar Rapids, Ia.

The unit is available as a complete package to help tellers handle high volume motor banking in less time. The overall size is 160" wide x 63" high. A big counter working area, 156" wide x 29" deep, provides plenty of working space for two tellers. There is room to handle up to four teller terminals, according to LeFebure.

An electrically operated deal drawer extends 17½" to customer when in open position. The simplified controls are at the tellers' fingertips. A completely transistorized two-channel high fidelity communications system is provided in the Tel-Pak unit with weather-proof outside microphone and receiver. A teller call buzzer is standard.

Tellers have full visibility with big double bay front and side windows. Glass is bullet resistant and tinted gray. The clean styling of the highly polished stainless steel finish blends with most any architectural treatment. Undercounter cash handling pedestals

for the Tel-Pak window unit are available.

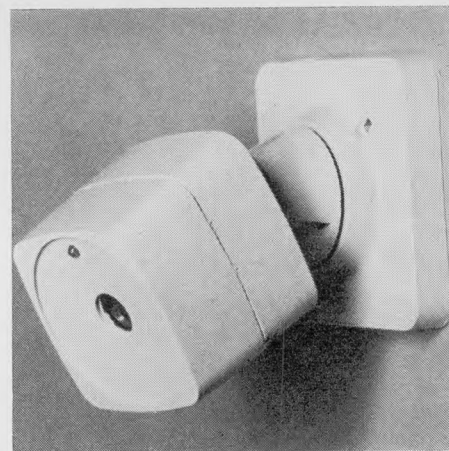
The inside of the unit is finished in high quality charcoal colored baked enamel with complementary black linoleum counter top. The working area is lighted by two fluorescent tube fixtures, each with four bulbs 72" long. All exposed members of the interior of the window are insulated with a minimum of 1½" fiberglass.

There are three 110 volt AC outlets for each bay. Venetian blinds are standard for front and side bays.

A manual drawer can be provided instead of the standard electric deal drawer.

INFRAGUARD 50, a passive infrared motion detection system, is the newest addition to the Mosler electronic security.

Unlike other area protection systems, the INFRAGUARD 50 is immune to false alarms from changes in natural light or sunlight levels, heating and air conditioning systems, noise, vibration, electrical and radio disturbances. With INFRAGUARD, an



alarm is triggered only by a change in thermal energy and movement of the detected heat source — both conditions must exist before an alarm can occur.

INFRAGUARD 50 utilizes a patented "Guard Grid" sensor head which contains hundreds of sensing elements; the grid divides the protected area into narrow sectors. When a heat source (the human body) crosses two or more sectors, the alarm is activated.

Each INFRAGUARD sensor head detects infrared energy over a field of view 70° high by 70° wide, with a range of 50 feet, and total area coverage of up to 1200 feet. Each sensor head is pre-focused and pre-adjusted. Heads may be individually or in combination without interacting with each other. The sensors feature all solid-state components, tamper-proof high-impact plastic case, walk-test lamp and optional alarm functions. The system has been tested and approved by Underwriters Laboratories.

The system is ideal for lobby protection, vandal protection, and is the first line of security against vault attack. In most cases, the system can be installed at substantially less cost than perimeter protection for comparable area.

For further information on the INFRAGUARD system, write Mosler Safe Company, PR-004, 1561 Grand Boulevard, Hamilton, Ohio 45012.

DEVELOPED over a period of years and combining a number of different ideas, Rand McNally has now introduced the "All Class" coupon design for the more economical operations of your Christmas Club.

Simply stated, the "All Class" concept permits the financial institution to purchase coupon books in relation to total number of clubs rather than in-



The Transit Manager.

He found a way out
of the day-late,
dollar-short dilemma.



Dave has found a system that provides more cash on hand for his bank through:

Our Rapid Transit System—The Northern Trust's own direct send program accepts Dave's unsorted cash letters later than most deadlines in Chicago and provides immediate availability for many finan-

cial centers throughout the country.

Our Automatic Funds Program—a unique reporting system that gives him today's information today on available deposits.

Our Deposit Analysis Service—a periodic, computerized analysis that provides

complete, accurate data on deposit activity.

End result: Dave has more money available to invest for more profit. You could too. Our Trial Cash Letter will help. To set it up, contact your Calling Officer at: The Northern Trust Bank, 50 S. LaSalle St., Chicago 60690. (312) 346-5500.

The Northern Trust Bank
Bring your financial future to us.



DIEBOLD Contract Services, Inc., a subsidiary of Diebold, Incorporated, has introduced a complete automatic Remote Banking Facility that includes a Diebold TABS Total Automatic Banking System, a Diebold After-Hour® Depository, appropriate alarm protection, and an attractive double-hexagonal shaped building. The facility can be delivered and ready for operation in approximately 90 days. Generally, the only field work involved other than a foundation slab is electrical connection.

The Diebold Remote Transaction Facility provides two interior areas. One is for customer service and includes two forms desks plus customer access to the Diebold TABS System

ventory books in class denominations. In this way, savings of 20% or more are achieved through the purchase of fewer books.

Coupon books are not class identified until sold and then the outside front cover is simply check-marked to provide the customer with the amount of regular payment. The coupon continues to create the implied obligation for systematic savings.

Operation with the "All Class" coupon will require proof encoding of dollar amount in M.I.C.R. Other fields can be pre-encoded as with class type books. The new coupon can also be used with a manual posting system.

Test market customers have found flexibility an optional feature of the "All Class" system, in that customers can easily pay more than originally agreed since the coupon is not marked with dollar amount until payment is made. With this payment flexibility, tellers can be instructed to take only one coupon regardless of the amount of money paid, thus further reducing paper work. As a further savings, con-

and After-Hour Depository. The other area provides service access to the equipment. The customer area is enclosed by floor to ceiling tempered glass panels for full visibility of customers as a security consideration.

The ceiling is fully luminous, and the heating, as well as air conditioning system, is pre-installed. Flooring in the customer area is ceramic tile. Standard exterior panels are in sand finish although brick or stone aggregate panels are optionally available.

The Diebold Remote Transaction Facility offers the additional advantage of being easily relocatable when desired.

For additional information, contact Diebold, Incorporated, Canton, Ohio.

sidering flexibility, 50 payment coupons are unnecessary. The 25 payment book is less bulky, creates less handling, and is equally as efficient — and is less expensive.

Frank Blaser, vice president of Rand McNally's financial systems division, says the "All Class" coupon book is perfectly suited for small to medium size institutions or branch operations. A more detailed operation description is available on request.

A DIRECT MAIL appeal to Senior Citizens in any community can be made with a current mailing list of names and addresses of persons over age 62, available on gummed labels in ZIP numerical sequence for ready-affixing to a bank's own envelopes. A purchasing bank is assured of a 60-day exclusive on the Senior Citizen market in its banking area.

The mailing list will make it possible for a bank to reach senior citizens in the community who are receiving Social Security checks, Veterans Ad-

ministration checks, disability and pension checks. These checks can be deposited directly to free checking accounts designed for people 62 and over.

This service can be offered free of charge to senior citizens in a direct mail campaign, which would include a signature card for them to fill out and return to the bank with the first deposit.

For further information, contact Herbert Dunhill at Senior Citizens Unlimited, 273 Columbus Avenue, Tuckahoe, N. Y. 10707 — (914) 632-1595.

NOW available from Diebold, Incorporated is a 35mm film camera surveillance system for financial institutions that can provide for as many as three cameras from one control system.

Called the Diebold CL-35, the system utilizes cartridge-loading cameras. The film cartridges are human-engineered to enhance the reliability of the system by reducing the chances of human error in loading. As a result, the procedure necessary to keep the cameras ready for operation has been greatly simplified.

The Diebold CL-35 camera has aperture stops ranging from f2.8 to f22 to compensate for varied lighting conditions and 1/100th of a second shutter speed for clear, stop-action photos. Operation of the camera is extremely quiet, lessening the possibility that holdup men would be aware that filming was taking place.

For additional information, contact Diebold, Incorporated, Canton, Ohio 44711.



The new 1975 MHT COUPAY.

Our fully automatic, fast, and accurate coupon paying and destruction system.

COUPAY, the first fully automated coupon paying and destruction system, could put your state and municipal bond business into high gear. A shift into COUPAY at Manufacturers Hanover can actually save you money.

Compare these exclusive MHT COUPAY features with your present system:

- no sorting of coupons by hand
- no costly storage of unreconciled coupons
- no risk of destroying today's high denomination coupons
- no coupons without a numerical listing

COUPAY is so foolproof that Manufacturers Hanover guarantees all items listed on our destruction certificate as well as all "stops" that have been properly placed with us.

Get all the details about COUPAY from your National Division Representative or Lawrence M. Masterson, Manufacturers Hanover, 40 Wall Street, New York, N.Y. 10015. Tel: (212) 623-2691.

**MANUFACTURERS
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Carter Golembe Calls for Action To Strengthen State Banking System

CARTER H. Golembe recently urged action to strengthen the state system of banking in the face of challenges that threaten its relative importance compared to the national system of banking.

The chairman of Golembe Associates, Inc., a Washington-based banking and economic consulting and research firm, addressed the 74th annual convention of the Conference of State Bank Supervisors in Kansas City.

Mr. Golembe conceded that the possibility of all banks being subjected to uniform reserve requirements imposed by the Federal Reserve and the possibility of state restrictions on geographic expansion by branching being relaxed pose a threat to the state system of banking.

Those developments, he said, could prompt a substantial number of state banks to convert to national charters and could lead to a sharp decline in the large number of banks whose existence now depends largely on "branching limitations and other restrictions on competition."

Mr. Golembe observed that a "vigorous campaign" against "two developments which many would argue are in the public interest" might prove fruitless. "I do not know that opposition to these changes will as a matter of fact hold either one of them off too much longer," he said.

"The more positive approach," he said, "is to make certain that the state system of banking has all of the vitality and attractiveness which can be built into it, regardless of whether the future brings uniform reserve requirements or the elimination of small and uneconomic banking units."

To do that, he suggested "close study" of such questions as "whether banks should be supervised by two authorities; whether state banking codes provide the kind of environment for operations by larger size banks which is needed in today's world (to say nothing of tomorrow's); whether limitations on expansion in the states growing out of costly and time-consuming judicial or administrative procedures are forcing some banks to take national charters; and whether the quality of supervision provided by state agencies can be at least as good if not superior to that provided by fed-

eral agencies."

Mr. Golembe said he believes that "the public is best served by a strong and vital dual system of banking" involving state as well as national banks. "If we are to preserve that system" he said, "the time for action is now."

New Computer System

Continental Bank now offers Chicago-area retailers a fully-integrated computer system for approving charge card purchases and checks.

The system — which operates with Master Charge or a retailer's check cashing card, or could be used with a retailer's own charge card — enables merchants to electronically verify a card's validity and credit limit through in-store terminals connected to host computers at Continental. It rejects revoked Master Charge and private label check-cashing and charge cards, which have exceeded their maximum credit limits, or are revoked or restrained for other reasons.

As an added feature, the terminals complete charge card sales slips, including merchant and cardholder information, purchase price, and the authorization number if applicable, and can display key credit information regarding check-cashing services. The system allows for centralized control of this information.

Continental plans to market this service to a broad range of single and multiple-outlet retailers who have large numbers of check or Master Charge purchases.

The bank arranges installation of the terminals and other necessary equipment and is responsible for maintenance, according to William D. Plechaty, senior vice president of personal banking services, including the bank's charge card division.

The system, which includes back-up equipment, operates either by inserting magnetic stripe cards or manually entering information on a keyboard, Mr. Plechaty said. Also, Continental offers in-house facilities for producing magnetic stripe check-cashing and private label cards for retailers.

Elects New Officers

Edward A. Jesser, Jr., chairman of United Jersey Banks, Princeton, N. J., recently was elected president of the Association of Registered Bank Holding Companies. He succeeds John G. McCoy, president, First Bank Group of Ohio, Inc., Columbus.

Ralph A. Beeton, chairman and president, First Virginia Bankshares Corporation, Falls Church, Va., has become president-elect. Harry Hood Bassett, chairman, Southeast Banking Corporation, was elected vice president.

F. Forbes Olberg, president and chairman of Banks of Iowa, Inc., Cedar Rapids, was among new members elected to the Association's board.

Fed of Chicago Examines Denial Orders

THE FEDERAL Reserve Bank of Chicago continues its examination of the orders issued by the Board of Governors involving denials of bank holding company applications. Having treated the issue of capital adequacy earlier, the bank focuses on potential competition in the April "Business Conditions," the bank's monthly review.

The concept of potential competition concerns the possible anti-competitive consequences that could result from combining two businesses that operate in separate geographic or product markets. In the 18 years since the passage of the Bank Holding Company Act of 1956, the Board has issued 150 denials. Of these, 76 involved potential competition, and one-half of these occurred in 1973 and 1974.

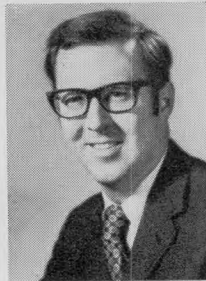
The article describes two main rea-

sons for the recent increase in the number of denials involving potential competition. One reason is that several large states have allowed multibank holding companies new freedoms, and these holding companies have been active in acquiring banks in markets distant from their subsidiaries. Attempts to acquire large banks in distant cities are likely to be denied on potential competition grounds, especially when the markets are concentrated.

The other primary reason for the increased number of denials concerns holding company attempts to acquire nonbank businesses, such as consumer finance and mortgage banking companies, that many holding companies are well-equipped to enter de novo. The Board has frequently struck down these applications because of their adverse effects on potential competition.



Art Krebs
Arkansas-Louisiana



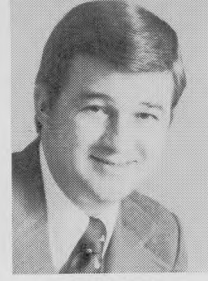
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Missouri



Jack House
Iowa



Duncan Kincheloe
Texas-Oklahoma



Paul Libbert
Missouri



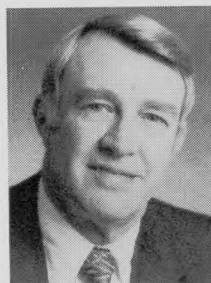
Verne Schweder
Kansas City Metropolitan



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E. L. Burch
Vice President



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Senior Vice President



We have a tiger in your territory.

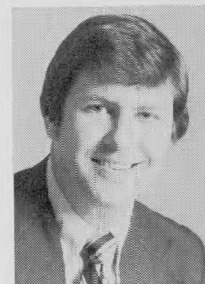
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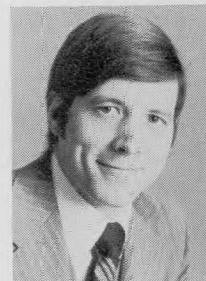
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united missouri bank of kansas city, n. a.
None of the others come close.

Northwestern Banker, June 1975



SPEAKERS and supporting personnel from Continental Bank's staff included, left to right: **Don Howe, Jack Whittle and Ralph Abelt**, v.p.'s; **L. Kathleen Harker**, assoc. econ.; **Gordon Benkler**, mgr., systems research; **Larry Frowick**, v.p.; **Ric Mayer**, 2nd v.p.; **Penny Henrici**, and **Paul I. Kampner**, 2nd v.p.

Seminar Meets "Tomorrow's Challenges"

A SERIES of seminars centering on the theme "Meeting Tomorrow's Challenges Today" is being presented to groups of bankers by the correspondent bank division of the Continental Bank, Chicago. Utilizing the extensive pool of experienced bank officers in its own principal divisions, Continental's program covers The Economic Outlook, Planning Portfolio Strategy, a look at When Good Loans Go Bad, Competing in a Changing Environ-

duced to the audience by William H. Grove, vice president, who has headed the division encompassing Iowa for several years. Mr. Grove now will be involved in loan administration at a

senior management level, as announced earlier.

The seminars are being presented at various locations by the correspondent department.

NAIA Adopts Policy on Holding Companies

THE National Board of State Directors of the National Association of Insurance Agents has approved a new policy position paper on the association's efforts to restrict bank holding companies and other lending institutions from entering the insurance agency business.

John F. Neville, general counsel of NAIA, said the new policy statement does not change the association's basic position of opposition to banking infiltration into the agency business.

In summary, the NAIA paper on bank holding companies states:

The operating procedure of NAIA representatives with respect to this subject has evolved to the point where it can be clearly stated and made a definite policy. NAIA proceeds under the assumption that lending institutions which loan money and accept deposits should not be in or enter the insurance agency business with certain exceptions.

These clarifications and exceptions include:

1. NAIA does not oppose the writing of credit life, credit accident and health and mortgage redemption insurance by insurance agency affiliates of bank holding companies.

2. NAIA does not oppose national or state banks (where state law permits) located in communities of under 5,000 population being in the insurance agency business.

3. NAIA does not oppose unaffiliated mortgage bankers being in the insurance agency business. (See model bill for definition of lending institution.)

4. NAIA does not oppose loan correspondents who are also insurance agents.

5. NAIA does not oppose members which are affiliates of bank holding companies in communities of not more than 5,000 population. However, NAIA reserves the right to oppose, by any and all legal means, the parent bank holding company.

6. NAIA also reserves the right to oppose, by any and all legal means, those bank holding company affiliates in communities of not more than 5,000 population when the insurance agency operates improperly by handling business generated outside their community.

7. NAIA has removed a specific grandfather clause and substituted a suggestion that a state association use the grandfather that best suits their local political situation.



AT PLATFORM are **George Dekker** (left), v.p.; **John T. Engebretson** (center), internat. bkg. off., and **Robert Wahlgren**, 2nd v.p.

ment, Planning for EFTS, Pension Reform, and Financing Trade: Letters of Credit and Bankers' Acceptances.

On a recent visit to Des Moines, a team of 12 men and women from Continental presented the one-day seminar, which attracted 175 bankers from all over the state. Ralph Abelt, vice president, who recently assumed management of an expanded six-state section that includes Iowa, was intro-

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expansion minded,
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consolidating customers.

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We're Banco Financial Corporation. And it's our business to participate in commercial loans with all types of banks, insurance companies and other lending institutions.

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We supply revolving credit secured by accounts receivable, inventories, machinery, equipment and property.

Also funds for buy-outs, mergers and consolidations.

All at competitive rates.

What's more, the loan management expertise we apply will do more than protect your investment and ours. It will eventually put your customer in a position where he no longer needs our help.

Next time extra monies are needed, tap your new supply. Call BFC (that's us). At 612-372-7988. Or write us at 1404 Northwestern Bank Building, Minneapolis, Minnesota 55402.



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Honored By Northwestern University



ALUMNI AWARD — William G. Ericsson (right), president, American National Bank and Trust Co., Chicago, looks on as Richard C. Christian, president, Marsteller, Inc., Chicago and chairman, Northwestern University Alumni Awards committee, presents the University's Alumni Service award to Mr. Ericsson for outstanding voluntary service to Northwestern, at the Evanston (Ill.) school's awards banquet.

Mr. Ericsson's activity at Northwestern University includes service as president of the NU Club of Chicago; an Alumni trustee; chairman of the committee for Task Force on University Life; Alumni Association vice president for Alumni programs; and, chairman of Northwestern's Estate Planning Advisory Committee.

Ericsson, who is also executive vice president and director of Walter E. Heller, International Corporation, Chicago, is a business administration graduate of Northwestern and received his J.D. degree from Loyola University School of Law, Chicago.

FDIC Creates Office of Bank Customer Affairs

Chairman Frank Wille recently announced that the Federal Deposit Insurance Corporation is establishing a special "consumer affairs" unit to be called the Office of Bank Customer Affairs. The new office will report directly to the FDIC board of directors and will serve as a focal point for protecting the legitimate interests of bank customers in nonmember banks supervised and examined by the FDIC.

The creation of a separate unit within each of the Federal bank regulatory agencies to "receive and take appropriate action" upon complaints with respect to "unfair or deceptive acts or practices . . . by banks" is required by the terms of Public Law 93-637, passed by the last session of the Congress and signed into law by the President on January 4. The FDIC Office of Bank Customer Affairs also will:

- receive all bank customer complaints and inquiries sent to the

FDIC, with responsibility for prompt investigation and appropriate disposition and for coordinating the work presently performed within FDIC by members of the Division of Bank Supervision, the Legal Division and other personnel;

- recommend to the FDIC board of directors proposed regulations and policy statements applicable to nonmember banks for the protection of bank customers, e.g., in such areas as equal credit opportunity, fair housing lending, bank advertising practices and real estate settlement practices;
- recommend to the FDIC board of directors formal enforcement action against nonmember banks where previous efforts at voluntary compliance with the requirements of "consumer legislation" or bank customer regulations and policy statements have been unsuccessful; and
- recommend to the FDIC board of directors special investigations and surveys related to bank customer matters.

Comptroller Amends Reg on Trust Dept. Investments

Comptroller of the Currency James E. Smith has amended his regulation on bank trust department investments in variable rate notes to provide restrictions on their custody and limitations on certain classes of lenders.

The changes were adopted after consideration of comments received from a notice of proposed rule making published in the Federal Register January 28, 1975.

One limitation provides that each bank collectively investing its trust department funds in a variable amount note must maintain the note on its own premises; another that it cannot mix such funds with the trust department funds of other banks. The Comptroller stressed that banks may not lend trust funds through this type of note to their own affiliates under any circumstances.

The amendments become effective July 1, 1975.

Life Executive Promoted

James E. Chapman, F.L.M.I., has been advanced from assistant secretary to assistant vice president, credit division operations, of the Pacific Standard Life Insurance Co., Davis, Cal.

We can help you . . .

Our new dimension in Investments . . .

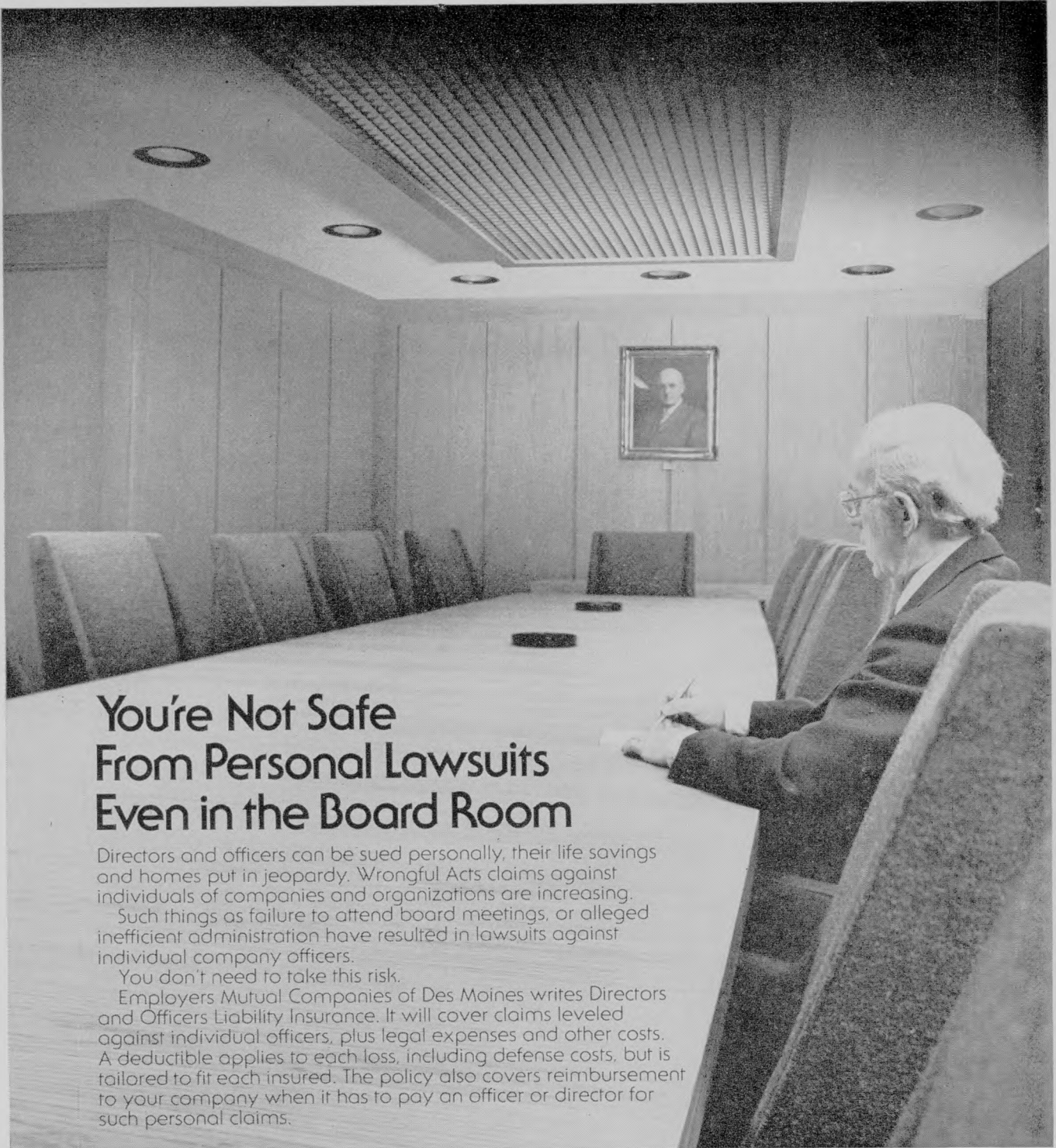
extends your new dimension in Liquidity

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FARM CREDIT BUILDING - OMAHA

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You're Not Safe From Personal Lawsuits Even in the Board Room

Directors and officers can be sued personally, their life savings and homes put in jeopardy. Wrongful Acts claims against individuals of companies and organizations are increasing.

Such things as failure to attend board meetings, or alleged inefficient administration have resulted in lawsuits against individual company officers.

You don't need to take this risk.

Employers Mutual Companies of Des Moines writes Directors and Officers Liability Insurance. It will cover claims leveled against individual officers, plus legal expenses and other costs. A deductible applies to each loss, including defense costs, but is tailored to fit each insured. The policy also covers reimbursement to your company when it has to pay an officer or director for such personal claims.

Protect Yourself With
Directors and Officers Liability Insurance
from



Employers Mutual Companies

Des Moines, Iowa

Northwestern Banker, June 1975

"A man's got to get some mud on his boots before he's any use out here."

The city is the city.
The country is the country.
That's a difference we've always
appreciated at American National.

And so we offer our correspondents several unusual services specially developed to meet the needs of banks outside the big city.

For example, we have an automated bond accounting service that can streamline your investment pricing, and the accounting on your whole investment portfolio.

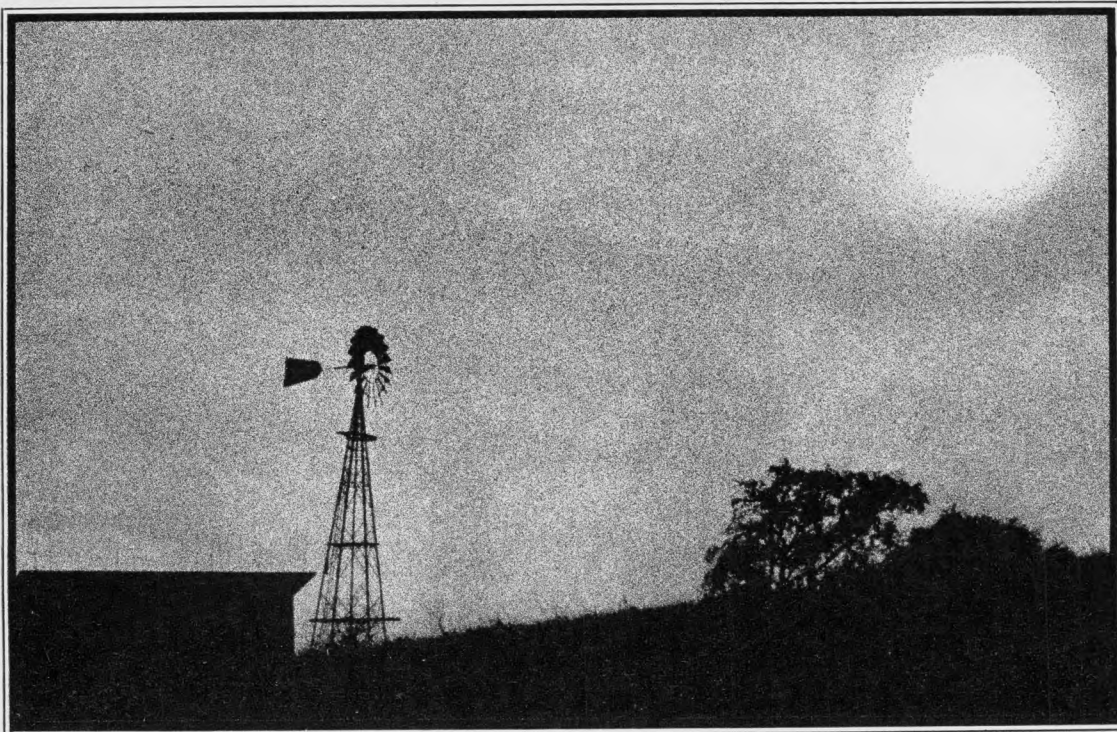


And we can offer you a whole range of management tools, from expense reporting systems to employee benefit programs.

We've also staffed our correspondent department with people who understand the unique needs of a small city bank. From personal experience.

One of them is Mike Byrne.

And we hope you'll call him the next time you need the kind of help that only a big-city bank can offer.



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AND TRUST COMPANY OF CHICAGO

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NEW OFFICERS—2nd v.p., **John R. Montgomery**, Lakeside Bank, Chicago; pres., **Arthur Busboom**, Bank of Rantoul; v.p., **Ray G. Livasy**, Millikin Natl. Bk., Decatur, and treas., **G. Wallace Rich**, First Natl. Bk., Cobden.

Busboom Heads Illinois; Asks AMBI To "Return Home"

By **MALCOLM FREELAND**
Publisher

"Top priority for my term will be to continue and expand the IBA programs for bankers in an effort to reunite and work as one industry."

This was the comment made by Arthur F. Busboom, president of the Bank of Rantoul, following his election as president of the Illinois Bankers Association last month in Chicago. He succeeds William O. Kurtz, president, Metropolitan Bank & Trust Company, Chicago.

Chances that bankers in Illinois will reunite soon seem remote. Mr. Kurtz called for the liquidation of AMBI, the

Association of Modern Banking in Illinois and invited AMBI members to "return home." AMBI represents the group that split with the IBA because of its policy opposing branching and multi-bank holding companies. In the current session of the Illinois legislature the IBA has succeeded in killing eight separate AMBI sponsored branching bills. None of the bills got out of committee.

With the advent of unmanned point of sale terminals, approved by Comptroller of the Currency James E. Smith, many authorities feel that the real fight

for brick and mortar branches is over. Mr. Kurtz indicated from the convention platform that the future may be in POS (point-of sale terminals).

Comptroller Smith appeared as one of the key speakers and indicated that "there may not be a feeling of warmth among Illinois bankers for me." He suggested that Electronic Funds Transfer Systems may be the boom rather than bane for community banks. His reasoning for approving unmanned point of sale terminals stems from consumers demands for more convenient service and from widening competition from savings and loan associations and other financial institutions. Following his talk, he issued regulations limiting customer bank communication terminals to a 50-mile area from the headquarters bank or branch. The mileage restriction will not apply to shared systems and the restriction will be lifted July 1, 1977.

Elected with Busboom to the top IBA positions were: Ray G. Livasy, president, Millikin National Bank of Decatur, to first vice president; John R. Montgomery III, president, Lakeside Bank, Chicago, to second vice president, and G. Wallace Rich, president, First National Bank of Cobden, to treasurer.

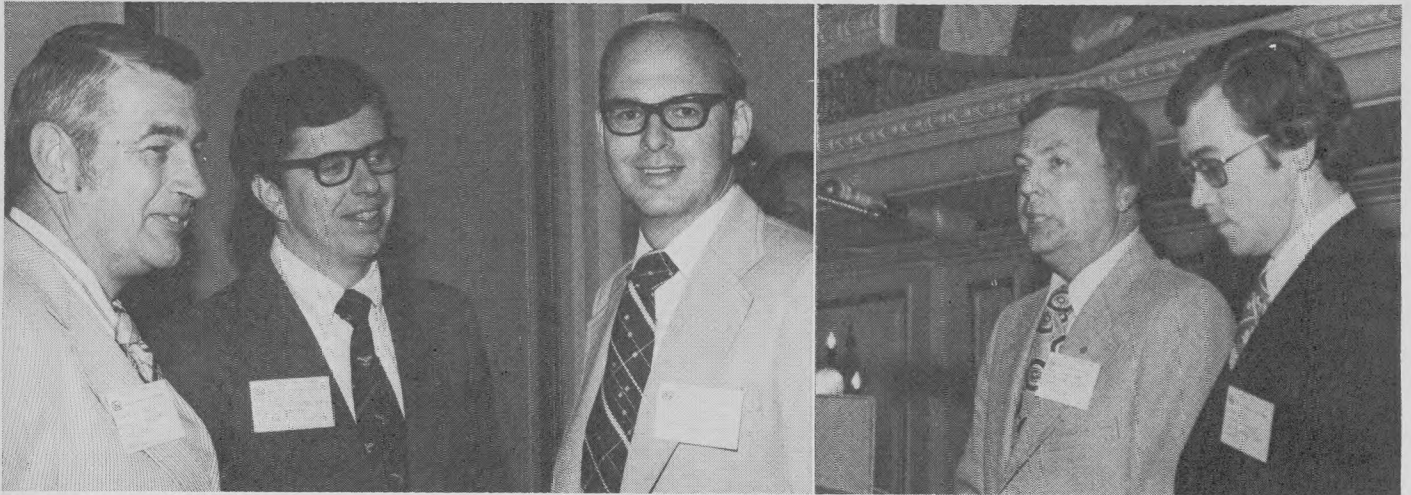
President's Address

Expressing concern that the banking industry is oriented toward tradition and experience rather than toward change, President-Elect Busboom projected three thoughts:

"The first thought is that we're dealing with a society that believes more and more that what's good for people is good for business. This leads us to



LEFT—**James R. Thompson**, U.S. Attorney, Chicago; **James E. Smith**, Comptroller of the Currency, Washington, D.C., and **Arthur Busboom**, IBA pres., Rantoul.



LEFT—Robert Walton, Farmers & Merch. St. Bk. of Bushnell; Bill Davis, American Natl. Bk., Chicago, and Ed Schablin II, Busey First Natl. Bk., Urbana. RIGHT—EFTS update was made by James E. True, Mid-America Payment Exchange, St. Louis, and George Auble, Midwest Automated Clearing House, Chicago.



FIRST of ST. LOUIS party finds from left: Clarence C. Barksdale and Mr. and Mrs. Dick Rathgeb of host bank with Mr. and Mrs. Mike Dove, Shelby County St. Bk., Shelbyville.

Number Two, which is the need to understand that consumerism is no longer simply an expression of individualism. We are in an era where consumerism is an organized function. It's an era of class action suits, of Federal legislation in support of the consumer, and of emotional demands on the businessman to satisfy the needs of people. All this leads up to my third point. A vast majority of the public will not vote for loyalty over value. Loyalty can't func-

tion without the partnership of real value to back it up. Today's slap on the back and smile on the face must be accompanied by real professional service and an ability to satisfy an individual's needs in the marketplace.

Resolutions

Members of the Illinois Bankers Association once again approved the resolution that would "continue support

of all legislation which upholds the sound principles of the unit banking system and one bank holding companies and opposition to any legislation that would permit branch banking or multiple holding company banking in Illinois and interstate branching in our nation. Until the membership authorizes a change in such policy, the officers and administration of the Association shall continue to oppose legislation contrary to the aforesaid policy."

Frederick F. Webster

Funeral services were held recently for Frederick F. Webster, board chairman of the First National Bank of Des Plaines.

Mr. Webster became a director of the bank in 1946 and was elected chairman in 1957 succeeding his uncle, the late A. L. Webster. He be-

gan his business career with Public Service Company and for many years served as both president and chairman of Simpson Estates, Inc.

Rochelle State Remodels, Appoints New Officer

Howard Timmins has been named cashier of the Rochelle State Bank.

He brings 18 years of banking experience to Rochelle.

The bank also has announced the recent remodeling of its basement into a large community meeting room. The bank had a formal dedication of the new facility in late April with the city's mayor accepting the community room on behalf of Rochelle.

Our idea of correspondent banking:

THE COMMITTEE OF ONE.

Our people are real, live, experienced correspondent professionals, with years of correspondent banking behind them. So, since they aren't shiny new management trainees or just goodwill ambassadors, they have the authority to okay loans or services on the spot. Without going through a committee.



WE CALL YOU BY NAME. NOT BY PHONE.

Because we work person to person, eye to eye, with the management of every correspondent bank, right there at the correspondent bank, things get done faster. Friendlier.



WE'RE THE BANK FOR THE NEW DOWNTOWN.

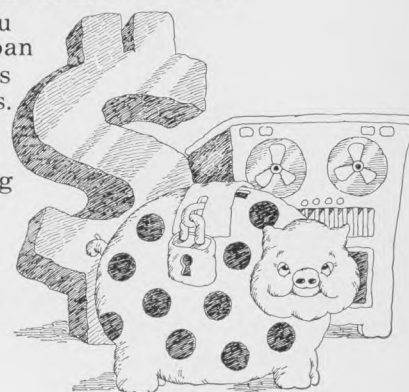
NBB is the biggest bank on Michigan Avenue. The hub of Chicago's new changing skyline. But we'll extend the New Downtown to wherever you are.



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That's why we can give you literally dozens of services. Like loan participations. Bond portfolio analysis and advice. Safe-keeping of securities. Credit information. Use of our computers. Executive search. And more. It's all part of being whatever kind of bank you need us to be.

BANKER TO BANKER. NOT BANK TO BANK.



The bank for the New Downtown
NATIONAL BOULEVARD BANK
OF CHICAGO

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IBA Convention Photos



PARTY given by National Boulevard Bank finds Host **Irving Seaman** seated between **Mrs. Richard Lignoul** and her husband, who is Commissioner of Banks in Illinois. **RIGHT**—Mrs. Seaman is shown with **Chas B. Hall**, reg. adm. of natl. bks., and the **Arthur Busbooms**, new IBA pres. from Rantoul.



LEFT—**Marvin Knedler** and **Bob Schutt** of Bank Consultants of America, Boulder, Colo., and Mr. and Mrs. **John Janson**, Community Bk. of Homewood-Flossmoor. **RIGHT**—Mr. and Mrs. **A. J. Wegeng**, St. Bk. of Chrisman; **Mike Whelan**, Drovers Natl., Chicago; **Charles Baum**, Green Rock, and **Bernard Miller**, Drovers Natl., Chicago.

First Galesburg National Executive Changes

Reorganization into five divisions and several officer promotions have been announced by Richard M. Bishop, president of the First Galesburg National Bank. Alphonse H. Huels, promoted to vice president and cashier, will be responsible for the operations division; R. Roger Wise, elected vice president, will head the commercial banking division; Donald S. Robinson, vice president, will be responsible for the investment and trust division; Larry D. Wright, vice president, will head the retail banking division and H. Ray Moore, vice presi-

dent, will administer the corporate planning and marketing division.

In addition, a controller function was established to be under the direction of Edwin N. Davis, senior vice president and secretary.

Promoted to assistant vice presidents were: Charles A. Linn, also trust investment officer; R. Lane Smallwood, also trust officer; J. Loren O'Donnell, also correspondent bank officer, and E. Kay Conlon, also manager of instalment loans. William J. Atkinson was promoted to personnel officer. New officer promotions include Patricia J. Edwardson, assistant cashier and head teller; Rollin W. Roselle, assistant auditor, and Rodney E.

Brake, assistant manager, accounting.

John E. Westhoff

Funeral services were held recently for John E. Westhoff, deputy director of Bank Administration Institute, national trade association headquartered in Park Ridge, Ill. He died of an apparent heart attack in Lake Buena Vista, Fla., while attending a BAI conference.

A veteran of more than 20 years in banking, Mr. Westhoff, 52, joined BAI in 1969 as director of the technical division. He previously had been affiliated with Bank of California, N. A., San Francisco.

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Leonard J. Schrewe
Vice President
St. Louis
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E. Randolph Whitelaw
Vice President
Los Angeles
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At First National Bank in St. Louis, our representative bankers are trained in what our bank can do for you. Across the board. Department by department.

The result is men with solid experience and individual authority. So they can make fast decisions for you on their own.

Now, with an office in Los Angeles, our representatives can work closely with banks in this area for mutual benefit.

They represent a bank with strong, healthy growth, and a reputation throughout Mid-America for unexcelled capabilities in check collection, and cash management and disbursement. Plus overall expertise in the handling of national corporate business.

Get to know your First National Bank representatives. They know their bank. They'd like to put us to work for you.

First National Bank in St. Louis 
Member FDIC

Northwestern Banker, June 1975

Banks Hold Cross-Selling Seminar



CROSS Selling Bank Services Seminar was held recently by Worth Bank & Trust, Bank of Hickory Hills and Burbank State Bank. The 5-day program was held in Oak Lawn and about 120 employees participated. Conducting the classes were (seated at the far rt): **Robert A. Deacetis**, v.p. & cash., Bank of Hickory Hills, **Donald J. Epifanio**, v.p., Worth Bank & Trust, and **Lois Fleming**, real estate loan off., Worth Bank.

To Head Oak Forest Bank

James A. Waldorf has been elected president of the Interstate Bank of Oak Forest. He came to the bank in 1973 and was named executive vice president and chief executive officer in April, 1974. In six years with First Wisconsin National Bank of Milwaukee, he managed three different branch offices. Mr. Waldorf is a graduate of the University of Notre Dame.



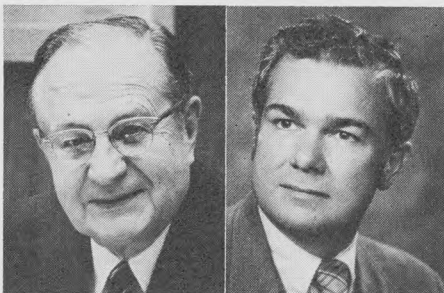
J. A. WALDORF

officer, Cosmopolitan National Bank, Chicago; second vice president, Everett W. Kassing, assistant vice president and trust officer, First National Bank, Belleville, and secretary Donald X. Murray, assistant secretary, IBA.

Executive committee member elected for a three-year term is James T. Chalakis, vice president, American National Bank & Trust Company, Chicago.

Rock Island Bank Executive Changes

George J. Trauten, president of the First National Bank of Rock Island, recently was elected chairman of the board. Charles C. Wilson was elected president after serving the past year as senior vice president.



G. J. TRAUTEN

C. C. WILSON

Mr. Trauten had been president since 1965 and has been associated with the bank since 1939. Mr. Wilson joined the bank in 1961 after serving with the Continental Illinois National Bank of Chicago.

Theodore A. Mueller was elected executive vice president. In 1974 he served as senior vice president. He formerly was a senior vice president with Mercantile National Bank of Hammond, Ind.

Glen A. Richeson, senior vice president and cashier, was elected to the board. He joins Messrs. Wilson and



T. A. MUELLER

G. A. RICHESON

Mueller as members of the office of senior management.

Joins Lincoln Bank

Sylvan L. Franklin has been elected president of First National Bank in Lincoln. He has moved from Waukesha, Wis., where he served as senior vice president in commercial loans since August, 1973.



S. L. FRANKLIN

Prior to joining the Waukesha bank, Mr. Franklin was with Continental Bank of Chicago for 14 years and was a vice president in the commercial banking department before leaving the bank. During his service with the Continental, Mr. Franklin was well-known among Iowa bankers in connection with his work in the correspondent banking department.

He is a 1957 graduate of the University of Illinois with a B.S. degree in Commerce and Law. He is also a 1971 graduate of the Graduate School of Banking at the University of Wisconsin.

First Ogden Corp. Expands Nationwide

First Ogden Corporation, a bank service firm with headquarters located in the Chicago suburb of Naperville, has decided to expand its sphere of operations nationwide, according to Vernon S. Hoesch, company president.

In a prepared statement, Mr. Hoesch said that "the decision to open the company's services to banks in states outside Illinois was based on studies and interviews which showed a need for the group banking concept among smaller banks in other states, allowing them to compete with larger banks in their market areas.

First Ogden is one of the pioneer bank service firms in the country.

Elected at Momence

The Eastern Illinois Bank in Momence, which is celebrating its fourth anniversary, recently announced the election of a new director. He is Donald C. Starks, executive vice president and executive officer of the bank. Mr. Starks replaces Rex Rowe as director.



D. C. STARKS

IBA Trust Division Elects President

Jack L. Simpson, vice president and trust officer, Champaign National Bank, recently was elected president of the Illinois Bankers Association (IBA) trust division.

Mr. Simpson's term commences July 1, 1975. Other officers elected for the new term include: first vice president, Alfred E. Gallo, president and trust

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Is your insurance file like opening up a PANDORA'S BOX? Has anyone really gone over your insurance file and given you a summary of what your insurance is all about? Do you know what the new pension reform act has to do with your operation? Do you know why you carry the insurance you now carry? Is your insurance current and complete?

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Drop anchor with us at the Top of the Harbor.

Bring yourself, your wife, your associates and join us for a party.
In the Radisson Duluth's Top of the Harbor penthouse restaurant.

We'll be there to welcome you, from 4:00 'til 6:00 June 9 and 10 during the 85th Annual Minnesota Bankers' Convention.

Come enjoy yourself with Paul Lindholm, George Palmer, Tom Hayden, Howard Luick, Ralph Nelson and Gary Lundeen.

We take your business personally.

Helping you change things for the better.

 **NORTHWESTERN
NATIONAL BANK**
Of Minneapolis Member FDIC

Minnesota Bankers Association 85th Convention

Duluth, Minnesota

June 9-11, 1975



G. M. PIESCHEL
President



J. D. CHISHOLM
Nominee for
President



C. P. LINDHOLM
Nominee for
Vice President



E. THRONRUD
Treasurer



T. L. JEFFERS
Exec. Vice Pres.

DULUTH will again be the site of the Minnesota Bankers Association annual meeting when the 85th annual convention is called to order. The city's beautiful Civic Arena and Auditorium will be the setting for most of the functions. Presiding will be G. M. Mike Pieschel, president of the Farmers & Merchants State Bank, Springfield, and president of the MBA.

The nominating committee has announced the following names will be submitted to the convention for ratification as officers for the coming year: President—John D. Chisholm, president, Marquette Bank and Trust Company, Rochester; Vice President—C. Paul Lindholm, senior vice president, Northwestern National Bank, Minneapolis, and Treasurer (reelection)—Elwood Thronrud, president, Northwestern State Bank, Ortonville.

Serving as convention general chairman is John M. Owens, president, Northwestern National Bank of Duluth.

The convention schedule follows:

Sunday, June 8

Council of Administration meeting

Monday, June 9

A.M.

7:30 Men's Golf Tournament — Northland Country Club.

9:00 Ladies Golf Tournament — Ridgeview Country Club.
Men's and Ladies' Tennis.

11:00 Registration — Arena-Auditorium Lobby.

11:00 Ladies' Hospitality Center — Arena-Auditorium Foyer.

P.M.

2:00 Ladies tour to Spirit Mountain and Area Cultural Center.
Hospitality Rooms open.

6:30 First Night Party and Entertainment — Arena-Auditorium.

9:30 p.m.-Midnight Hospitality Rooms open.

Tuesday, June 10

A.M.

7:00 Registration — Arena-Auditorium Lobby.

8:00 Fellowship Breakfast — Arena.

9:30 Ladies' Hospitality Center — Arena-Auditorium Foyer.

9:30 First Business Session — Auditorium.

Presiding — MBA President G. M. Pieschel.

Presentation of Colors and Opening Ceremony.

Opening Remarks and Announcements.

Greeting — Duluth Mayor.

Address — Economy/America.

A.I.B. Presentation.

Savings Bonds Presentation.

Report of Nominating Committee and Election of Officers.

Treasurer's Report.

Executive Vice President's Report.

Address — Governor Wendell Anderson.

P.M.

12:15 Drawing for Color TV and Recess.

12:15 Reception(s) — Past Presidents/50 Year Bankers
— Men Delegates.

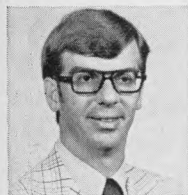
1:00 Men's Luncheon — Arena.

It's Convention Time!

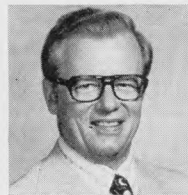
We look
forward
to seeing
all of
our friends.



Stan Peterson



Gordy Spartz



Mert Dresser

MINNESOTA
JUNE 9-10-11

MIDLAND NATIONAL BANK Of Minneapolis

401 SECOND AVE. SO., MPLS., MN 55480
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An Affiliate of Northwest Bancorporation



Northwestern Banker, June 1975

- 12:00 Ladies' Luncheon — Northland Country Club.
- 3:00 Hospitality Rooms open.
- 6:30 Annual Banquet.
Introductions and Installation of Officers.
Entertainment — featuring The Duluth Accordionaires.
Dancing — Les Elgard and his Orchestra.

Wednesday, June 11

- A.M.
- 7:30 Continental Breakfast — Arena-Auditorium.
- 8:00 Registration.
- 9:00 Second Business Session — Auditorium.
Presiding — MBA President Pieschel.
“New Developments for Minnesota Bankers and Our Customers.”
In Legislation — “A Summary of State and Federal Banking Laws.”
In Communications — “MBA, ABA, and the Bicentennial.”
In Operations — “Direct Deposit of Social Security Checks.”
“EFTS — What's Ahead?”
Neal McDonald — Twin City Federal Savings & Loan Association,
Minneapolis.
Esther Peterson — Former Presidential Consumer Advisor,
Giant Stores, Inc., Washington, D. C.
Lawrence Kreider — Executive Vice President,
Conference of State Bank Supervisors,
Washington, D. C.
Russell C. Browne, Jr. — Advisor for Payment Systems,
Office of the Comptroller of the Currency,
Washington, D. C.
ABA Meeting and Election.
Report of the Resolutions Committee.
Report of the President.
- 11:45 Drawing for Color TV and Recess.
- 9:30 Ladies' Hospitality Center — Arena-Auditorium Foyer.
Ladies Program.
- Noon General Luncheon — Arena.
“The View from the White House” — Tom Brokaw,
NBC-TV White House Correspondent,
Washington, D. C.
- P.M.
- 2:00 Convention adjourns.

New National Bank To Open in Eden Prairie

Preliminary approval to organize a new national bank in Eden Prairie has been granted by the U.S. Comptroller of the Currency, James E. Smith.

The proposed First National Bank of Eden Prairie will be located in the major center area of Eden Prairie near the Eden Prairie Center which is presently under construction. The 800,000 square foot Regional Center is scheduled for opening in early 1976 and initially will house two department stores and 100 mall tenants.

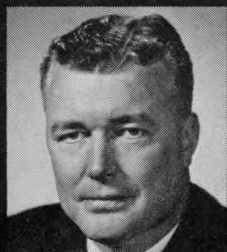
The bank will have an initial capitalization of \$2 million and will not be affiliated with any existing bank or bank holding company. Ownership will be local with stock to be sold in the area at a later date.

No opening date for the bank has been set; however, a late 1975 opening is probable.

Agent for the bank is Roy W. Terwilliger, Eden Prairie, who will serve as the chairman when the bank opens for business. Mr. Terwilliger is vice president of International Realty & Investments, Inc. and the former executive director of special activities of the American Bankers Association and a former executive manager of the South Dakota Bankers Association.

Other organizers who will also serve as directors include James W. Emison, vice president and secretary of Oskey Gas and Oil Company, Minnetonka; John J. Hall, president of International Realty & Investments, Inc., Washington, D.C.; Dean A. Holasek, president of Aqua Engineering, Eden Prairie; Robert D. Labat, president of Creative Financial Companies, Wayzata; M. F. Mickelson, chairman of Fabri-Tek, Inc., Minneapolis and George T. Pennock, chairman of Tenant Company, Golden Valley.

Why are we smiling?



Jack Nash



Art Haessig



Don Johnson



Bob Sipple



Art Nelson



John MacLeod

You'd smile too, if you were a correspondent banker for a big new bank like American Bank. And we'll be at the Minnesota, Wisconsin, and Montana Bankers Conventions to offer you a friendly smile and some great banking services.

Minnesota Bankers Convention:

June 9 - 11, Radisson Hotel, Duluth Nash, Haessig

Johnson

Wisconsin Bankers Convention:

June 9 - 11, Pfister Hotel, Milwaukee . . Sipple, MacLeod

Montana Bankers Convention:

June 19 - 21, Jackson Lake Lodge Sipple, Nelson



**The Bankers
of American**

American National Bank and Trust Company (612) 298-6000
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YOUR BOTTOM LINE
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CIAL POSITION.**

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FICS is a complete and comprehensive accounting system that provides you with an accurate picture of your financial position on a regular monthly basis.

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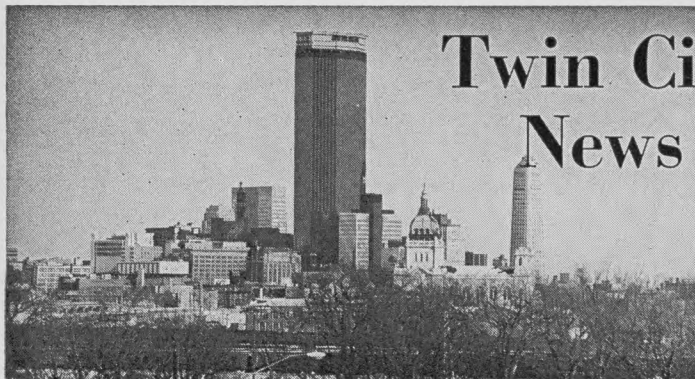
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Twin City News



WILLIAM Buethe has been elected president of the First State Bank of North St. Paul. Mr. Buethe, 39, succeeds the late **W. R. Herrick**. He formerly was with the First National Bank of Mankato, Minn., and the Southern Arizona Bank and Trust Co., Phoenix, Ariz. Mr. Buethe is a graduate of Mankato State College.

* * *

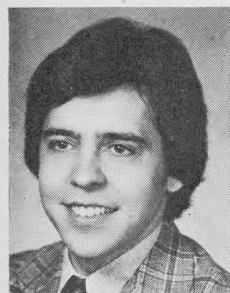
First National Bank of Minneapolis has promoted **William F. Lind** to investment officer in the trust fixed income research and portfolio management division. A graduate of St. Olaf College in Northfield, Mr. Lind has been with First Minneapolis since 1972.

* * *

Clinton Morrison is the new chairman of the board of directors of the Chamber of Commerce of the United States for 1975-76. Mr. Morrison is vice chairman of the board and chairman of the trust committee of the First National Bank of Minneapolis.

* * *

Paul S. Blackburn has been named advertising manager of the First National Bank of Minneapolis. He succeeds **John E. Morgan**, who recently was promoted to director of marketing services.



P. S. BLACKBURN

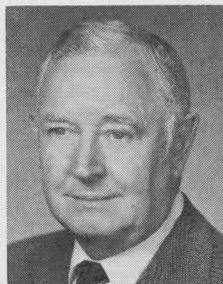
Mr. Blackburn for the past year and a half has been with D'Arcy, MacManus & Masius advertising agency in St. Paul where he was an account executive servicing the 3-M Company's graphics systems group. He is a journalism graduate of Drake University, Des Moines, with a major in advertising.

Clarence A. Adams, president, Banco Financial Corporation, has announced the promotion of **Robert L. Olson** to assistant vice president and the appointment of **Michael R. Champion** to loan officer responsible for the loan administration department. Mr. Olson joined the bank in 1974. He will supervise the analytical and auditing departments.

Banco Financial Corporation, a secured lending company, is a wholly-owned subsidiary of Northwest Bancorporation, a registered bank holding company based in Minneapolis.

* * *

The Advertising Club of Minnesota recently announced that it has chosen **Gordon Malen** "Advertising Man of the Year" for 1975. He is assistant vice president of the First National Bank of Minneapolis.



G. M. MALEN

Mr. Malen will receive the American Advertising Federation's Silver Medal Award at a reception and dinner dance at the Decathlon Club on May 20, 1975.

* * *

Dorothy Litvany of the Federal Reserve Bank, Minneapolis, has moved up from vice president to president, Minneapolis chapter of the American Institute of Banking (AIB).

Jerry Sognesand of F&M Savings Bank has been elected vice president of the chapter. He will automatically become president for 1976-77. Mr. Sognesand is supervisor of F&M's Pay by Phone operation.

* * *

John R. Gaertner, M. D., **Catherine F. Picollo** and **C. Harvey Wilkins** have been elected directors of the First

Merchants State Bank of St. Paul.

* * *

Banco, Inc., the audit services subsidiary of Northwest Bancorporation, has announced the election of four new officers. Elected assistant vice presidents and regional audit officers are **Richard Klovstad**, northeastern Minnesota; **Cal Wilson**, Montana, and **Maurice Collison**, southern Minnesota and several large metropolitan Banco banks in Minneapolis/St. Paul. Elected as administrative officer is **LaVonne Carpenter**.

Groundbreaking for New Building



SHOWN is **Stanton M. Jorgens**, v.p. & mgr., St. Anthony Falls office of the First Nat'l Bank of Minneapolis, turning the first shovelful of earth at the site of a new bank bldg. Looking on are employees of the office with the present bldg. at E. Hennepin and 4th Street N.E. shown in the background. It is scheduled for completion in early 1976.

You should know someone in this picture.



Charles M. Cover
Asst. Vice President

Melvin A. Bresee
Asst. Vice President

Robert G. Staudenmeir
Vice President

John J. Stine
Vice President

Peter Janssen
Asst. Vice President

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Phone (415) 445-4000.
Correspondent Banking Division.



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SOMETHING SPECIAL

Northwestern Banker, June 1975

MBA Announces Convention Committees

THE Minnesota Bankers Association Convention committees have been announced by John M. Owens, general convention chairman and president, Northwestern Bank of Commerce, Duluth. Mr. Owens was chosen by MBA President G. M. Pieschel, president, Farmers and Merchants State Bank, Springfield. Other Duluth Committee members are:



J. M. OWENS

Banquet Committee: Chairman C. C. Lind, president, First National Bank; Charles W. Henderson, Northwestern Bank of Commerce; Larry L. Gilb, Northern City National Bank; Leonard Griffith, First National Bank; Richard Gronlund, Duluth National Bank; and D. R. Wolf, Airport State Bank.

First Night Party Committee: Chairman James H. Claypool, president, Northern City National Bank; Henry Royer, First National Bank; William E. LeNeau, Northern City National Bank; Donald A. Kimmel, Northwestern Bank of Commerce; and Willis Hutchinson, Western National Bank.

Men's Golf Tournament Committee: Chairman John G. Ring, vice president, Northwestern Bank of Commerce; John Oltmans, First National Bank; Robert M. Hammerstrom, Northern City National Bank; and Larry D. Johnson, North Shore State Bank.

Hotel, Registration and Transportation Committee: Chairman Claude A.

Lutzka, assistant vice president, First National; Roy W. Olson, Duluth National; Duane C. Gronlund, Northern City National; Larry Peak, Airport State; and Robert Sharkey, Western National.

Publicity Committee: Chairman John Peyton, president, Pioneer National; Clyde V. Stube, Western National; and Patrick Francisco, Northern City National.

Luncheon Committee: Chairman James A. Hengel, president, North Shore State.

The Ladies' Committee is chaired by Bernice Chisholm, Marquette Bank and Trust Company, Rochester. Members of the committee include: Jodi Pieschel, Farmers and Merchants State Bank, Springfield; Thora Allen, First National Bank, Milaca; Leila Jeffers, Minnesota Bankers Association; MBA Council of Administration Wives; and wives of Duluth bankers. The Ladies' Committee plans the luncheon for the banker wives who attend the convention and also provides tours and other activities for the ladies during the three day convention.

Executive Changes at Citizens State, Winsted

Arthur Kappel has been advanced from president to chairman of the Citizens State Bank of Winsted and Ralph Rathmanner has been named president.

Mr. Kappel has been with the bank since its first day of business in 1932 when he and J. J. Sterner brought the assets of the bank from Lester Prairie to Winsted.

Mr. Rathmanner, formerly executive vice president, has over 20 years

of experience in bank management and operations. He also is licensed in the life and health insurance fields and is a licensed real estate salesman.

Willmar Bank Builds Drive-In Facility

First National Bank of Willmar is building a new remote auto banking facility in the 800 block between First and Second Streets. The structure will provide walk-in teller services as well as six auto lanes for drive-up customers.

D. W. Thompson is president of the bank.

Chaska Bank Elects Director

Luke Melchert has been elected to the board of the Carver County State Bank in Chaska, according to D. W. DuToit, Jr., bank president. Mr. Melchert is affiliated with the law firm of Melchert, Hubert & Howe with offices in Chaska and Waconia.

Elected at Le Sueur

Andrew Willaert has been elected a director of the Le Sueur State Bank. He is a farmer from southwest of Le Sueur.

Wilmont Bank Celebrates 25th Anniversary

The First National Bank of Wilmont recently celebrated its twenty-fifth birthday with an open house. E. L. Meyer is the bank's president.

To Head Wykoff Bank

Richard A. Maki has been elected president of the First State Bank of Wykoff, according to Fred Wall, III, chairman.

Most recently Mr. Maki was assistant vice president of the National Bank of Wisconsin in La Crosse, a position he had held since 1965. Prior to that he was with the First National Bank in Hibbing and First Service Corporation in Minneapolis, all affiliates of First Bank System in Minneapolis.

Kent State Sold

R. Dean Hegeholz, president of the Kent State Bank, has sold the bank to Franz Gerber of Exeland, Wisc., who will become active in the Kent bank. Mr. Gerber has appointed Curtis Ask of Dakota National Bank, Fargo, as managing officer.

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Mr. Ask first joined Dakota National in 1962. He was an instalment loan officer and most recently was assistant cashier.

BAI Releases Survey on Bank Operating Losses

Tellers lose an average of \$140 annually, according to BAI's newly released "Survey of Bank Operating Losses."

The new publication presents the latest data on the nagging problem of operating losses, supplied by nearly 1,000 BAI member banks.

Based on returns from banks in eight size categories, the study estimates that overall losses for the period surveyed (1973) amounted to \$175 million.

Of this number, bogus checks accounted for the greatest dollar loss (an estimated \$45 million), with human errors in various processing departments accounting for the next highest amount (an estimated \$38 million). Teller differences ranked third with \$29 million. The study reports minimal bank losses in the area of counterfeit securities and currency.

Also incorporated in the new publication is a case study that describes

MBA Sponsors 4-H Delegates



FOR the 27th consecutive year the MBA has sponsored 4-H delegates to the National 4-H Conference in Washington, D. C. The delegates shown here with MBA ag & rural development committee chmn., **Clinton Kurtz**, v.p., Citizens State, Norwood (left) & **Wayne Berthiaume**, MBA administrative asst. (right) are **Kris Bjornson**, Hawley; **Scott Schloesser**, Le Center; **Mayo Rusten**, Clearbrook, & **Liz Templin**, Plato.

how one bank successfully approached the problem of teller differences.

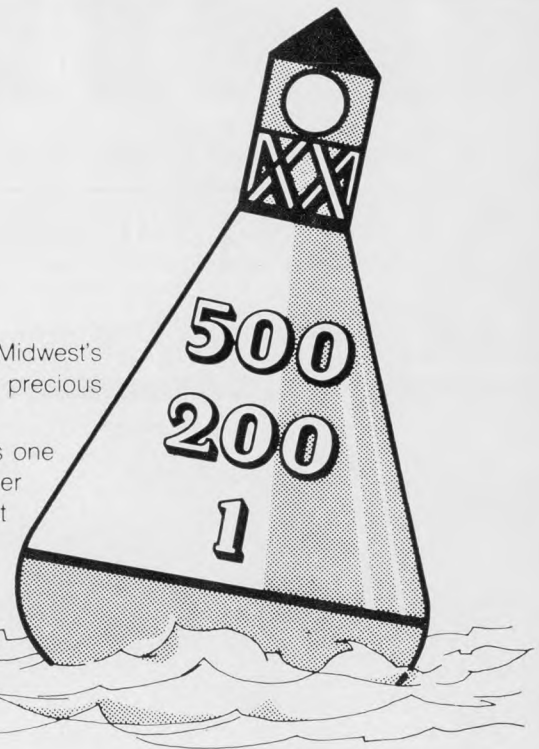
The survey has been mailed without charge to the voting representatives in all BAI member banks, as well as the auditors, operations officers, and se-

curity officers in member banks with resources over \$25 million. Copies may be obtained from the BAI Publications Division, P.O. Box 500, Park Ridge, Ill. 60068. Cost: \$6 (\$3 to members).

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It takes 500 trucks or 200 rail cars to move the 10,000 tons one general cargo ship can haul in a single trip. Join others in the Upper Midwest who are taking advantage of the Minnesota World Port at Duluth, now shipping containerized cargo anywhere in the world, and building more facilities to do it better. Ask for the full story.



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New York, New York 10048
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You Will See Them at the Annual Minnesota Bankers Convention

THE following metropolitan bankers and services and equipment dealers have indicated that they will be attending the annual convention of the Minnesota Bankers Association in Duluth, June 9-11.

Chicago

American National Bank & Trust Company: J. Roy West, second vice president.

Continental Illinois National Bank & Trust Company: L. H. Haupt, III (Terry), correspondent bank officer.

First National Bank: Thomas M. King, vice president, and Clarence E. Cross, Jr., loan officer.

The Northern Trust Company: John N. Fix and Gary Gribben.

Minneapolis

First National Bank: Donald Bergum, Raymond H. Johnson, S. R. Om-
lie and Kenneth A. Wales, vice presi-
dents; D. R. Christenson and Charles

V. Shewey, assistant vice presidents; Allen G. Highum and F. Wm. Johnson, correspondent banking officer; Herbert Olson, bond investment officer, and Dennis Lastine, Minnie Schroeder and Dolores Walstrom, bond representatives.

Marquette National Bank: E. Thomas Welch and Gary B. Wollan, senior vice presidents; Avery G. Fick, vice president, and William J. Addington, Richard E. Holmes, Paul J. Roche and William C. Rosacker, assistant vice presidents.

Midland National Bank: Stanley J. Peterson, vice president; W. Merton Dresser, group vice president, and Gordon J. Spartz, assistant cashier.

Northwestern National Bank: John A. McHugh, president; C. Paul Lindholm, senior vice president; Howard G. Luick, vice president, and Thomas A. Hayden, Ralph A. Nelson and George W. Palmer, correspondent bank officers.

New York

Bank of New York: John S. Hunter, assistant vice president.

First National City Bank: Frank J. Utting, vice president, and C. Norman Gustafson and John L. Norris, account officer.

**Manufacturers Hanover Trust Com-
pany:** Earl H. Lundin, Jr., assistant vice president.

Saint Paul

American National Bank and Trust Company: John F. Nash, president; Art A. Haessig, Robert W. Jacobson and Donald H. Johnson, vice presi-
dents, and Robert T. Knopke, assistant vice president.

First National Bank of St. Paul: James T. Gowan and R. C. Swanberg, vice presidents; Philip M. Broom, Donald R. Lindeman, Robert Peroutka and Henry N. Snyder, assistant vice presidents; Kenneth A. Heiser, cor-
respondent bank officer, and Jerry Borovansky, Clayton Johnson and Kit B. Svec, investment officers.

South Saint Paul

**Northwestern National Bank of
South Saint Paul:** Robert S. Branham, president, and Hoyt W. Lathen, senior vice president.

Bank Equipment and Other Firms:

Dawson Hail Insurance: Lyle Asker-
rooth, vice president, and Chuck Fosberg.


Mosler Safe Company: Jerry Stites, region manager; Charles Singer, re-
gion installation/service manager, Ray Barsness, Chuck Browning, Har-
vey Larson, Ron Mason and Chuck Myers, sales representatives.

NYTCO Services, Inc.: Leo H. Hermes, vice president (St. Paul).

Piper, Jaffray and Hopwood: Rich-

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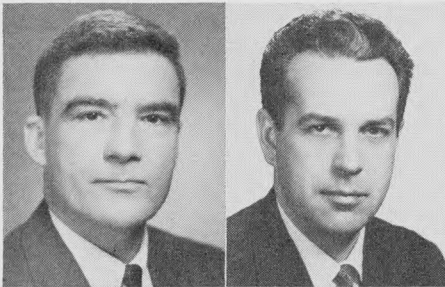
We'll be
here to
greet you.

ard Larson, Glen Lindgren, and Duane Zwolensky.

St. Paul Hospital & Casualty: Oscar Lipke, vice president; Paul Wold, mid-west sales manager, and Gabe Kuhn.

Northern City, Duluth, Names Vice Presidents

C. Glenn Rye, chairman of the Northern City National Bank, Duluth, has announced the promotions of two officers to vice presidents. They are



J. D. CHAPMAN T. W. BRECHLIN

James D. Chapman, commercial loan department, and Thomas W. Brechlin, also promoted to investment officer.

Mr. Chapman joined the bank in 1959, was appointed regional manager of the computer services department in 1962, assistant cashier in the real estate loan department in 1969 and assistant vice president in commercial loans in 1971.

Mr. Brechlin also has been with the bank since 1959. He was elected an assistant trust officer in 1967, trust investment officer in 1970 and in 1974 he assumed responsibility for heading the investment area of the trust department.

Waseca Bank Promotions

The First State Bank of Waseca has announced the following staff changes: Larry Bondhus and Lowell Bruns, assistant vice presidents; Scott Schei, as-

First Robbinsdale State Expands Drive-In



ARCHITECT'S sketch of the new and expanded drive-in/walk-up bank of First Robbinsdale State Bank. The facility will have 6 drive-in lanes and 3 walk-up windows, according to **Kenneth C. Sheehan**, bank pres. It is being constructed on the site of the bank's present drive-in, which has 2 lanes and 2 walk-up windows.

sistant cashier and assistant manager of the instalment loan department, and Gary Hedstrom, advertising and marketing officer.

Mr. Bondhus formerly was cashier of the First State Bank of Benson, also an affiliate of First Bank System. Mr. Bruns will continue as manager of the instalment loan department.

area is highlighted by open beam ceilings and a skylight. There are four teller windows, a drive-up window and a night depository.

Construction Begins on New Bank in Slayton

Construction has begun on a \$120,000 building with drive-in facilities for the new Peoples Bank of Slayton to be located at the corner of 25th and Broadway.

Original incorporators are Royal Lear, Jerry Bennett, Douglas Anderson, Dale Reed and Dr. J. L. Bader, all of Slayton, and H. J. Koob of Iona.

Open House at Sanborn

The Sanborn State Bank recently moved into new banking quarters and held an open house for the public.

The new quarters are octagonal in shape with 2,600 square feet on the main floor and a full basement. Lobby



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Statement of Condition

April 16, 1975

ASSETS

Cash and Due from Banks	\$ 30,923,403.88
U. S. Treasury Securities	23,534,484.82
Obligations of U. S. Agencies & Corporations	62,410,846.72
Obligations of States & Political Subdiv.	13,127,562.97
Other Securities	87,457,031.66
Federal Fds. Sold & Securities Purchased Under	
Agreements to Resell	49,225,000.00
Other Loans	119,280,116.20
Bank Premises, Furniture and Fixtures, and	
Other Assets Representing Bank Premises	924,906.37
Other Assets	<u>3,124,604.03</u>
TOTAL ASSETS	<u>\$390,007,956.65</u>

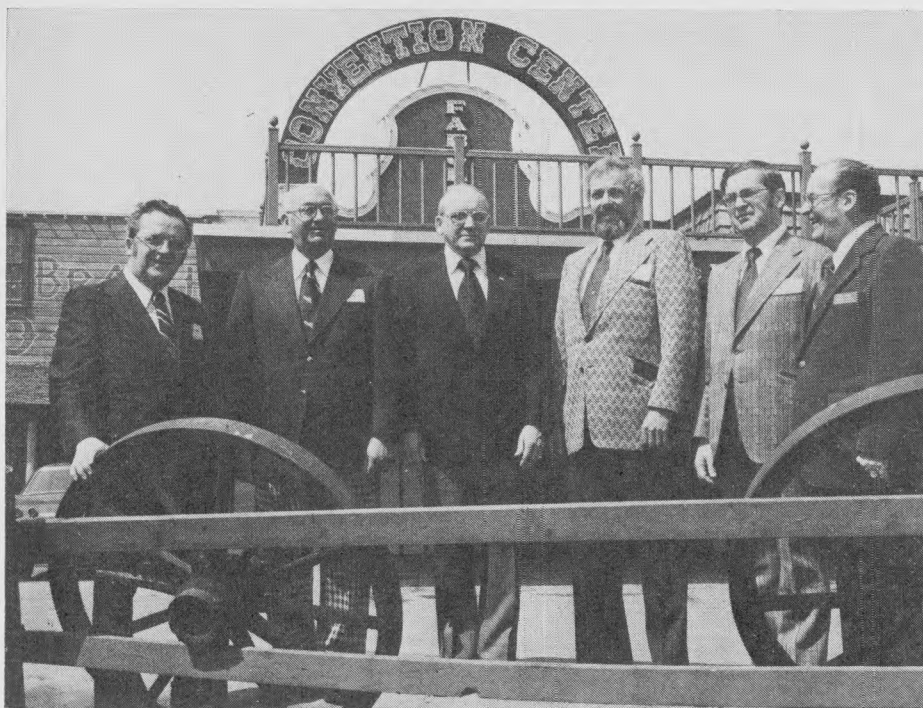
LIABILITIES

Demand Deposits	5,855,229.58
Time and Savings Deposits	14,140,439.31
Deposits of U. S. Government	59,309.54
Deposits of States & Political Subdiv.	281,609,397.13
Deposits of Commercial Banks	11,714,757.71
Certified and Officers' Checks, etc.	<u>365,277.87</u>
Total Deposits	\$313,744,411.14
Federal Funds Purchased & Securities Sold Under	
Agreements to Repurchase	36,836,000.00
Other Liabilities	<u>4,189,003.10</u>
TOTAL LIABILITIES	\$354,769,414.24

CAPITAL ACCOUNTS

Capital	6,000,000.00
Surplus	10,000,000.00
Undivided Profits	17,198,412.27
Reserve for Contingencies & Other Capital Res.	<u>2,040,130.14</u>
Total Capital Accounts	\$ 35,238,542.41
TOTAL LIABILITIES, RESERVES, AND CAPITAL	
ACCOUNTS	<u>\$390,007,956.65</u>

BND REACHED \$424,000,000 IN ASSETS ON MAY 9, 1975



OFFICIALS of the North Dakota Bankers Association are pictured in front of the Westward Ho Convention Center in Grand Forks following their election last month. Left to right are: Immed. Past Pres.—**Emil E. Kautzmann**, v.p.-cash., Mandan Security Bank, Mandan; Pres.—**Gerry C. Anderson**, pres., The Bank of Tioga; 1st V.P.—**Carlyle P. Austinson**, exec. v.p., Northwood State; 2nd V.P.—**Henry N. Ness**, sr. v.p. & ag rep., Fargo Natl. B&T, Fargo; Treas.—**Alvin Haas**, pres., State Bank of Burleigh County, Bismarck, and Exec. Secy.—**William Daner**, Bismarck.

Gerry Anderson Heads North Dakota Bankers

By **BEN HALLER, JR.**
Editor

AMID the unique setting of the Old West as recaptured in the Westward Ho Convention Center at Grand Forks, Gerry C. Anderson was elected president of the North Dakota Bankers Association at the 90th NDBA convention. Mr. Anderson, president of The Bank of Tioga, succeeds Emil E. Kautzmann, vice president and cashier of the Mandan Security Bank. More than 600 attended the meeting.

Other officers elected to serve with Mr. Anderson are: 1st Vice President — Carlyle P. Austinson, executive vice president, Northwood State Bank, Northwood; 2nd Vice President — Henry N. Ness, vice president and ag rep, Fargo National Bank & Trust Company, Fargo, and Treasurer — Alvin W. Hass, president, State Bank of Burleigh County Trust Company, Bismarck. William J. Daner, Bismarck, continues as executive secretary.

One highlight of the convention was the major address by Secretary of Agriculture Earl L. Butz at the noon luncheon. His appearance was covered

by all area media, as well as units of CBS-TV and NBC-TV. Secretary Butz stressed the vital role played by the



Pres. Emil Kautzmann and U. S. Secretary of Agriculture **Earl L. Butz** visit before the Secretary's luncheon address.

banking industry in maintaining American agriculture, which is trying to feed a good share of the world. These efforts are leading us closer to world peace, he noted. In his conclusion, he stated:

"I think we're close to the day when we can beat swords into plowshares

and spears into pruning hooks. When that day comes, the American farmer can hold his head high and say, 'I helped make that happen. I translated food into the international language of peace.'"

Dr. Thomas J. Clifford, president of the University of North Dakota at Grand Forks, emphasized North Dakota's resources of food, coal and oil to meet the nation's and the world's two major problems today — food and energy. Many other states, he said, have similar resources, "but the big difference here is our water supply to process those resources. The Garrison dam runs from Garrison to Williston. We need to establish a firm water policy that states clearly what North Dakota's share of that water will be."

Dr. Clifford called for cooperation in policy-making between interests in the eastern half of the state and western half of the state. "We must know where we want to go and articulate our views," he concluded.

Dr. Paul S. Nadler, professor of economics at Rutgers University, New Brunswick, N.J., gave his "Outlook for Business and Banking." After his usual dynamic, informative talk, Dr. Nadler conducted a 20-minute period of informal questions and answers. In his talk, he stressed the adverse effect of inflation repeatedly. "You can always stop unemployment," he stated at the outset, "but you can't stop inflation."

He listed the following causes that resulted in a 12.4% inflation and the highest interest rates in 115 years:

Inflation causes — Viet Nam war, Nixon's orders to the Fed to get the money supply rolling by 1972 election time, the wheat deal, oil, devaluation, the revolution of rising expectations.

High interest rate causes — Foreigners had dollars and wanted to spend them. Big U. S. commercial banks began making loans, then seeking deposits via Eurodollars and Fed Funds. The Franklin National went under with 25% of its money having to roll over every night.

Dr. Nadler said "the aggressiveness of our major banks forced the Fed to move reluctantly to make money available. Never again," he stressed, "will we see major banks having so much power. High interest rates brought our economy to its knees."

On the subject of credit allocation, he said "you don't mess with Congress," noting that a bill came within three votes of ordering the Fed to set



LEFT—Dr. Paul S. Nadler, professor of economics, Rutgers University, and Dr. Thomas Clifford, pres., University of North Dakota, Grand Forks, visit after giving their addresses to the convention. CENTER—Henry N. Ness, new 2nd v.p. of the NDBA and sr. v.p., Fargo Natl. B&T, is pictured with the chairman of his bank, Bill Braseth. RIGHT—Don Anderson, Bank Building Corp., Chicago, and Cletus Byrne, Coughlin & Co., Denver.

interest rates and keep them there, with rates are *supposed* to be responsive to supply and demand. "But you can't thumb your nose at Congress," he cautioned. "The big banks caused the problem by saying 'We'll get the money no matter what it costs.' Don't underestimate Congress. Credit allocation is on the horizon."

On the subject of diversification, Dr. Nadler said, "Everyone who went into non-banking operations wishes he hadn't. Bankers are finding that making loans with deposit money isn't such a bad business."

In his remarks on electronic funds transfer, Dr. Nadler said he believes interest on demand accounts is coming, due to current developments in EFT withdrawal methods. He thinks the EFT concept will make an even stronger case for community banks to retain bank accounts with personal or business customers who move away or are away from home, through the sim-

ple ability to continue banking via electronic methods.

J. Rex Duwe, president-elect of the ABA, discussed "Community Banks in the Decade of the '70s." He is president of the Farmers State Bank in Lucas, Kan., a bank with \$5 million deposits in a town of 595 population. He is also president of two other banks of similar size in communities less than 600 population.

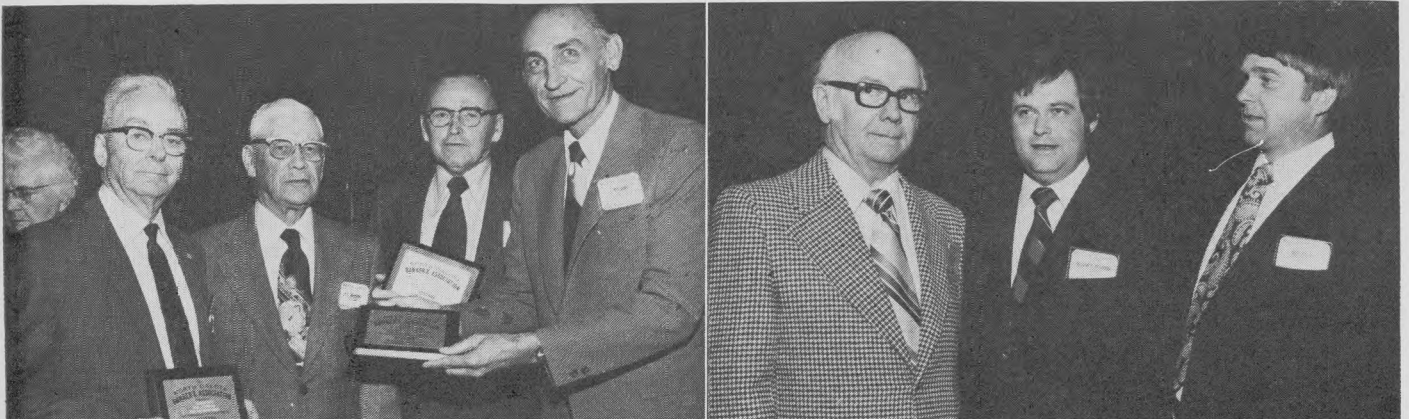
Mr. Duwe stressed the reversing trend of population, with more people seeking a better life in rural areas, bringing with this the opportunity to serve more people in a personal, efficient way that has been the trademark of community banks for decades. Because of this personal tie, Mr. Duwe said, "You and I have no reason to fear electronic funds transfer. It is merely a new way of delivering service."

"As for the argument that money-center banks will steal customers if they can establish an electronic bank

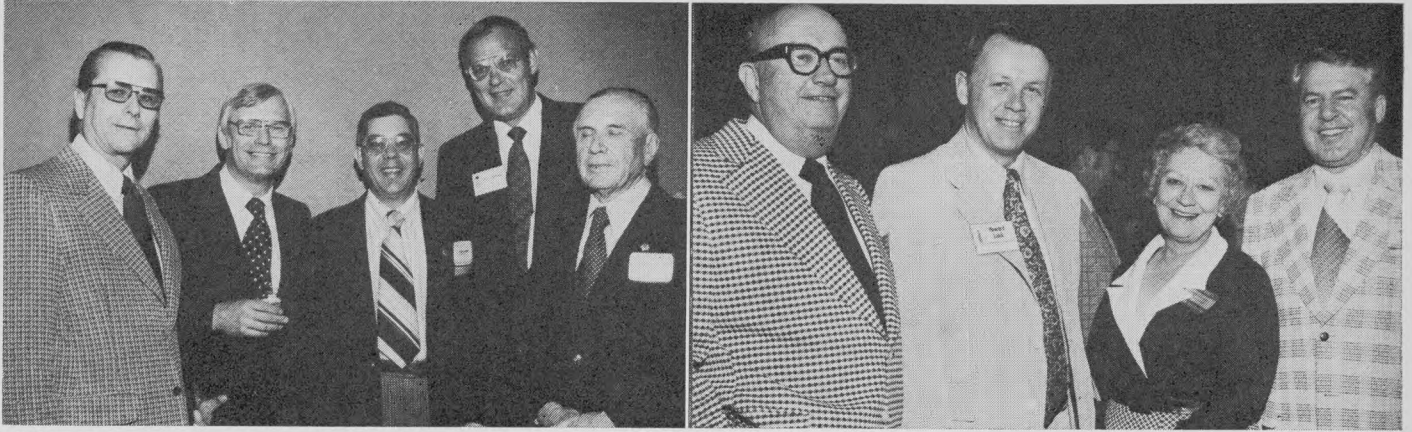
in our towns, that argument just doesn't stand up." Mr. Duwe said such a move requires a market base that requires initial serving of customers — and that's the advantage community banks already have."

In his conclusion he stated, "EFT could be the greatest thing we community banks could have. Small towns basically are exporters of people. In our bank we retain the full banking business, by mail, of many of the people who have moved from our community . . . I am optimistic about the future of the community bank. I believe that those of us who are aggressive and seize the opportunity to serve our local areas will grow and prosper . . . And I believe we can deliver, if we turn our attention to the future. We must do no less, because we are America's bankers."

Clyde H. Fischer, controller at the Northwestern National Bank in Sioux Falls, and executive councilman for



LEFT—Rex Duwe (right), president-elect of the ABA, presents 50-Year Banker plaques to, from left, Franklin Page, cash., Bank of Hamilton; H. E. Engesather, pres., Citizens State, Petersburg, and A. A. Holmquist, chmn., Valley B&T, Grand Forks. RIGHT—Lyle Fering, pres., Western State, Devils Lake, and Bill Rosacker and Dick Holmes, a.v.p.'s, Marquette Natl., Minneapolis.



LEFT—Ralph Molbert, pres., and Bob Hansen, exec. v.p., Bank of Steele; Wilbur McGinnis, pres., 1st State, Wilton; Paul Lindholm, sr. v.p., Northwestern Natl., Minneapolis, and John Scott, ret. pres., Valley B&T, Grand Forks. **RIGHT**—Ed Olson, exec. v.p., 1st Natl., Grand Forks, who served as convention chairman; Howard Luick, v.p., Northwestern Natl., Minneapolis; Mrs. Olson, and Harlan Klefstad, exec. v.p., Sargent County Bank, Forman.



LEFT—Gordy Spartz, a.c., Midland Natl., Minneapolis; Gordon Stennes, cash., Harwood State, and his wife, Anne, and Stan Peterson, v.p., Midland Natl., Minneapolis. **RIGHT**—Dick McKnight, v.p. & t.o., Dakota Natl., Fargo, with Sherrill and Dan Schorsch, pres., 1st Natl., Jamestown.

District X of the AIB, gave a report on AIB after its first 75 years of existence. He invited all AIB followers to attend the Diamond Jubilee convention in Minneapolis, where the 1975 convention was held late last month.

Wayne Stroup, ABA state vice president and president of the Garrison State Bank, conducted the ABA meeting. Mr. Anderson was named to the ABA nominating committee for the 1975 convention this fall, and Mr. Ness was named alternate.

A legislative panel consisting of Mr. Daner, Sen. George Longmire of Grand Forks, and Reporter Charles Haga, Grand Forks *Herald*, provided an interesting summary of legislation at the 1975 session and an insight into workings of the legislature.

New, 40-Year Club members are: Gordon J. Engen, vice president and cashier, First National Bank & Trust Co., Bismarck; Alf L. Garnaas, presi-

dent, Farmers & Merchants Bank of Sheyenne; Gordon S. Larson, president, First State Bank of Park River; Carl A. Berg, president, First State Bank, Cavalier; T. A. Solheim, president, American Bank & Trust Co., Minot, and K. A. Nielsen, president, West Fargo State Bank. — End

3 Banks Organize NoDakBONDS in Bismarck

NoDakBONDS in Bismarck has been formed as a unique joint venture offering investment services to the Northern Great Plains banking community.

A partnership of three North Dakota banks — First National at Bowbells, Ellendale and Oakes, NoDakBONDS hopes to make ripples soon in market traditionally dominated by Minneapolis-St. Paul firms, according to John Dewald, president and chief executive. Mr. Dewald formerly was

an investments officer with the Bank of North Dakota, Bismarck.

Milnor Bank Names New President, Chairman

F. A. Mund has been named chairman of the First National Bank of Milnor and H. L. Johnson has been elected president and cashier.

Mr. Mund, a retired farmer, has been president of the bank since 1933 and has been associated with the bank as a director since 1929. Mr. Johnson, a native of Milnor, has been with the bank since 1952 and has served as cashier since 1961.

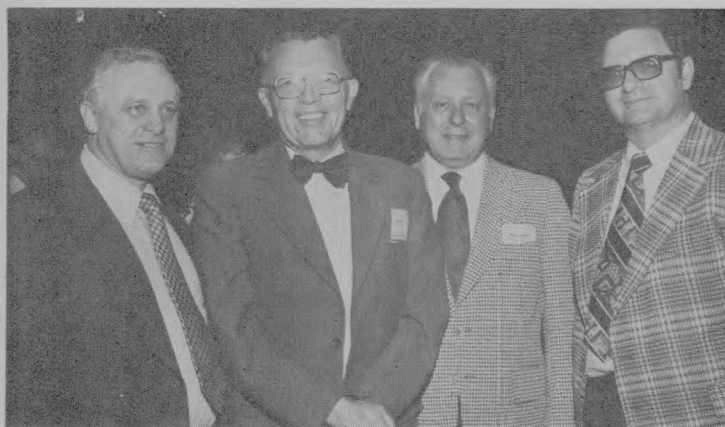
Valley City Banker Receives Civic Award

K. B. Cummings recently received the Civic Service Award presented by the Valley City Eagles. Mr. Cummings is president of the Northwestern National Bank of Valley City.

North Dakota Convention Photos



LEFT—John Rouzie, pres., 1st Natl., Bowman, with Aggie and Don Buckman, v.p., 1st Natl., St. Paul. RIGHT—Jim Gowan, v.p., 1st Natl., St. Paul; Mrs. Tufte and Theo Tufte, pres., Northwood State, and Norm Gustafson, acct. off., 1st Natl. City, New York.



LEFT—John Coleman, v.p., Bremer Service Corp., St. Paul; Art Haessig and Don Johnson, v.p.'s, American Natl., St. Paul, and Claude Zweber, pres., Citizens State, Rugby. RIGHT—Jim Dawson, pres., Dawson Hail, Fargo; Tony Goetz, pres., Security State, New Salem, and Lyle Askerooth, v.p., Dawson Hail.

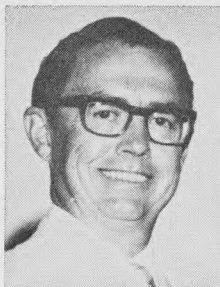


LEFT—Paul Olander, pres., Red River Natl., Grand Forks; George Dixon, pres., Chuck Shewey, a.v.p., Ken Wales, v.p., and Doug Hedin, bond dept., all with 1st Natl., Minneapolis. RIGHT—Ross Watson, pres., 1st State, New Rockford, displays his can of diet pop to Dick Lyman, Smith, Barney & Co., Minneapolis, and Jim Lewis, pres., Natl. Bank of Harvey.

Northwestern Banker, June 1975

Colorado News

N. BERNE HART
Denver
President
Colorado Bankers Association



To Head Aurora Bank

Mads Anderson, since 1970 president of North Denver Bank, has assumed the presidency of Central Bank of Aurora.



M. ANDERSON

Mr. Anderson began his banking career in 1954. Before joining the North Denver Bank in 1970 he was associated with American National Bank, Guaranty Bank and Trust Co. and Colfax National Bank, all in Denver. From 1964 through 1969 he was president, director and chief executive officer of First National Bank in Rifle, Colo.

Colorado Nat'l Makes Management Changes

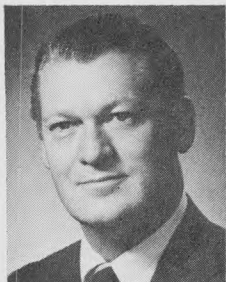
The Colorado National Bank, Denver, has announced that Melvin J. Roberts has retired as chairman. Bruce M. Rockwell was elected the new chairman. He had been president and chief executive officer of the bank.



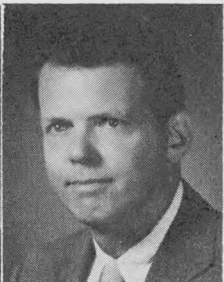
M. J. ROBERTS

William W. (Peter) Grant was elected president. He had been executive vice president.

Mr. Roberts joined the bank in 1930. He was associated with Capitol



B. M. ROCKWELL



W. W. GRANT

Life Insurance Company from 1944 until he rejoined the bank in 1958. He was elected president in 1962 and chairman in 1970. He recently was elected chairman of Colorado National Bankshares, Inc., parent holding company for the bank.

Mr. Rockwell joined the bank in 1951 and was elected president in 1970. He recently was elected vice chairman of the holding company.

Mr. Grant joined the bank in 1958.

3 Denver Banks Change Names

Three metro Denver area banks owned by D. H. Baldwin Co. have changed their names to reflect common ownership.

In a joint statement, Lucien Wulsin, Baldwin chairman, and Max G. Brooks, chairman of the three banks, announced that Central Bank and Trust Co., will do business as Central Bank of Denver.

In other changes, North Denver Bank will become Central Bank of North Denver, and Peoples Bank of Arapahoe County, acquired by Bald-

win in February, becomes Central Bank of Aurora.

Baldwin Co., Cincinnati-based, and known as a manufacturer of musical instruments, also owns Empire Savings and Loan Association and eight other banks in Colorado.

The name changes coincide with a new Baldwin corporate graphics and identity program.

Bank of Breckenridge Plans New Building

The Bank of Breckenridge has announced plans to build a new headquarters building on the southwest corner of Adams Street at Main Street.

Harvey D. Hoff, president, said Bank Consultants of America, has been retained to design the building "complimentary to the historic atmosphere" of the ski and recreation town.

Elected at Lakewood Bank

Susan G. Barnes, an attorney and member of the firm of Alperstein, Plaut & Barnes, has been added to the board of United Bank of Lakewood.

Colorado Convention

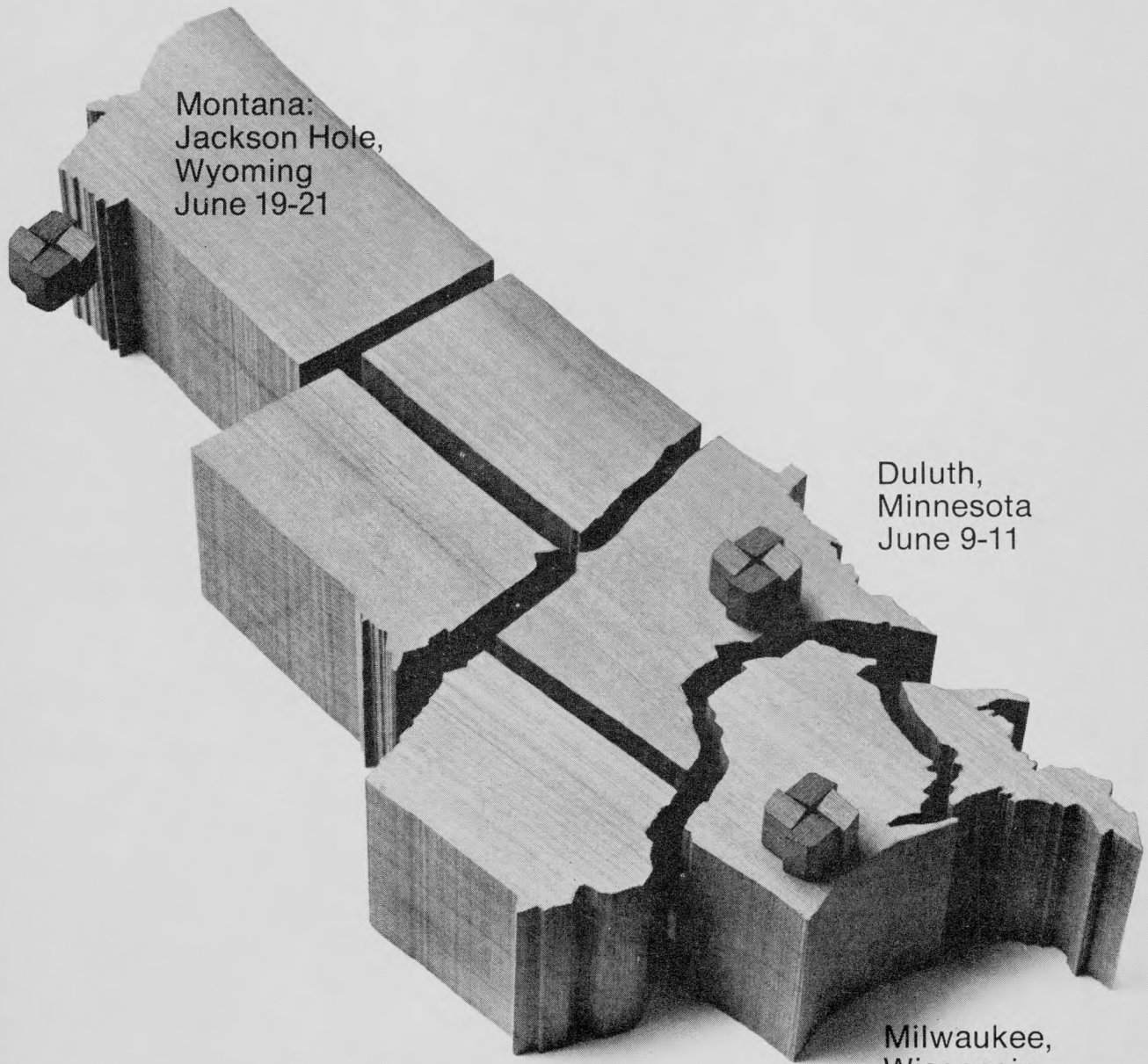
A full report with pictures on the Colorado Bankers Association annual convention held this month in Colorado Springs will be featured in the July issue of the NORTHWESTERN BANKER.

Mountain States Bankcard Officers



RICHARD A. Kirk, e.v.p., United Bank of Denver, N. A. (3rd from l.) has been elected pres. of the board of Mountain States Bankcard Assoc., the organization of 352 banks that sponsor the Master Charge bank card in Colo., Mont., N. M., N. D., Wyo. Other officers and directors elected are (l. to r.) **Jack L. Panter**, sr. v.p., American Nat'l, Denver; **Arnold C. Kimmell**, v.p., 1st Nat'l, Denver; **Mr. Kirk**; **Clayton L. Holland**, v.p., Continental Nat'l, Englewood, Colo.; **Charles J. Sonnen**, exec. dir., MSBA, & **Rendle Myer**, Neef, Swanson & Myer law firm, board secy. Also elected dir. were **Theodore D. Brown**, pres., 1st Nat'l, Denver; **R. J. Frank**, pres., American Nat'l, Denver; **Robert D. Manning**, v.p. & Cont., Jefferson B & T, Lakewood, Colo.; **J. Raymond Medley**, sr., v.p., Exchange Nat'l, Colo. Springs, & **Neil F. Roberts**, pres., United Banks of Colo.

See you at the convention.



Montana:
Jackson Hole,
Wyoming
June 19-21

Duluth,
Minnesota
June 9-11

Milwaukee,
Wisconsin
June 9-11



Correspondent Bank Division • First National Bank of Minneapolis • 120 South Sixth Street • Member FDIC



OFFICERS—1st v.p., Charles L. Seaman; pres., Ted Schanzenbach; 2nd v.p., Chuck Undlin, and exec. Mgr., Milt Schwartz.

South Dakota Bankers Elect Ted Schanzenbach President

By MALCOLM FREELAND
Publisher

THE "Sunshine State" lived up to its name as some 650 bankers and their wives attended the 83rd annual convention of the South Dakota Bankers Association in Aberdeen last month.

Ted Schanzenbach, president of the First National Bank, Selby, advanced to the presidency, succeeding Henry B. Schelle, president, Tri County State Bank, Chamberlain.

Other new officers are: first vice president, Charles Seaman, president, First State Bank, Warner, and second vice president, Charles Undlin, president, First National Bank of the Black Hills, Rapid City.

J. I. Milton Schwartz continues as executive manager. The 84th annual convention will be held in Mr. Undlin's home town - Rapid City - May 13 and 14 at the Howard Johnson Motor Lodge.

Key Speakers

Outstanding speakers featured at the convention included James Smith, administrator of national banks, Washington, D.C.; Bruce MacLaury, president, Federal Reserve Bank, Minneapolis, and Willis Alexander, executive vice president, American Bankers Association, Washington, D. C.

Mr. Smith explained in detail his

December 12 ruling on point of sale terminals and unmanned teller facilities, mentioning that they are not branches. Confronted with competition from savings and loan associations and other financial institutions, national banks have to have modern tools to compete, according to Mr. Smith. He warned that the new EFTS systems provide innovations that can occur in spite of acceptance by banks.

Following the original ruling, Mr. Smith issued a revision on May 9, limiting unmanned teller facilities to a distance of 50 miles from either the headquarters bank or from a branch. He suggested that during the development period, banks should work within their own market area. This restriction is to be relaxed as of July 1, 1976. In addition, Mr. Smith has asked national banks to exercise prudent judgment in making installations.

Looking ahead, Mr. Smith said that more and more decisions will be made in regional offices of the national banking division. This will include acquisitions, new branches and title changes.

Credit Allocation

Speaking on the allocation of credit, Bruce MacLaury, president of the Federal Reserve Bank of Minneapolis, suggested that Congress is concerned with the shortage of money for essential needs such as housing and small business. He expressed concern over the fact that a number of Congressmen want to draw up a list of "good guys" and "bad guys" listing those who



40-50 YEAR BANKERS—Gordon Maxam, N.W. Natl., Lake Preston (50); Walter Johnson, Farmers St. Bk., Estelline (50); Albert Haerter, Farmers St. Bk., Hosmer (50); Orville Bonacker, First Natl., Sioux Falls (40); Bob Walrath, First Natl., Watertown (40); Lewis Vanderboom, Natl. Bk. of S. D. (40), and E. J. Harrington, Dakota St., Colman (50).



PRESS CONFERENCE—John O'Donnell, SDBA past pres. and pres., First Natl., Lemmon, joins Exec. Mgr. Milt Schwartz at press conference featuring, from left: James Smith, adm. of natl. bks.; Willis Alexander, ABA exec. v.p.; Bruce MacLaury, pres., Fed of Minneapolis, and SDBA Pres. Henry B. Schelle, pres., Tri Co. St. Bk., Chamberlain.

deserve credit and those who do not. He feels that there are other ways that would allocate credit in a more effective manner - and still rely on market forces. As an example, he would like to see Congress approve a plan for variable rate mortgages.

Washington View

Willis Alexander, executive vice president of the American Bankers Association, told delegates that our representatives in the Congress will be just as effective as we want them to be. He praised the Congress for passing the budget reform act, which should lead to fundamental financial management. He explained that on May 15 each year, Congress is to establish a ceiling on expenditures and prepare a statement on anticipated revenues. On September 15, Congress will come back and

recheck the figures to see if it is on target. At that time, expenses will either be cut or revenues increased. With an annual budget of \$358 billion - 40% more than just four years ago - fundamental financial management is a necessity, according to Mr. Alexander.

Concluding his talk, Mr. Alexander described the recent action of the ABA government relations committee. He explained that the committee now attempts to make decisions with the "public interest" as the number one consideration.

Hosts for the successful 83rd annual convention were C. P. Buck Moore, president, First National, general chairman; Jack M. Thompson, president, Aberdeen National; Gary Svihovec, president, Farmers and Merchants Bank and Trust Company, and their able staffs.

The SDBA associate members hosted the Thursday evening social hour at the Holiday Inn poolside. Robert Knopke, assistant vice president of the American National Bank, St. Paul, was chairman this year for the Associate Member Party, which was attended by all convention registrants.

Annual Banquet

A total of 612 delegates and wives attended the annual banquet. Trophies in golf and bowling were presented. Doug Van Meeteren of the First of Sioux City won the golf honors. Clarence Erickson of the Union Bank and Trust, Sioux Falls, and Bob Habberstad of the Farmers & Merchants State Bank, Iroquois, shared top honors in bowling, taking home twin trophies presented by the NORTHWESTERN BANKER.—End

WAITING TURNS to speak are Bruce MacLaury, pres., Fed of Minneapolis, and Cathrina Bauby, New York. **RIGHT**—Alice Kundert, state auditor, joins Bobbi Moore at ladies' luncheon. Mrs. Moore, wife of pres. of First Natl., Aberdeen, Buck Moore, was chmn.



Northwestern Banker, June 1975



POINTING OUT some of the various artifacts is **Ellsworth Brown**, dir., Dacotah Prairie Museum, under whose direction the exhibit was prepared with the help of **C. P. [Buck] Moore**, bank pres.

Aberdeen Bank Features Collection Of Indian Artifacts for Bicentennial

ANNOUNCING that the bank wanted to dedicate a program to the nation's Bicentennial which spoke meaningfully to the colorful history of the Indian people, C. P. (Buck) Moore, president of the First National Bank of Aberdeen, formally presented "The Heritage Collection of Indian Culture" to the public recently.

Ceremonies in the bank lobby were attended by 200 specially invited guests headed by members of the South Dakota Bicentennial Commission.

Over a year ago, the bank started assembling the expertise necessary to make sure the display would be acceptable to all, and that it would be professionally and tastefully prepared. Working with Ellsworth Brown, director of the Dacotah Prairie Museum, was a special committee appointed by President Moore. Included were three members of the Indian community, two from the bank staff, and four members of the bank board of directors.

Artifacts in the exhibit were obtained from the Rygh site near Mobridge, South Dakota, which Arikara Indians reached in about 1550. Items in the display date to about 1800, the time of the first white contact. They were dug from the site before the Oahe Dam backwaters from the Missouri flooded it. About 200 working days were taken to recover the more than 13,000 artifacts in the original collection.

The entire display is divided into three main parts:

(1) A 30-case display that depicts the various facets of Arikara life. This can be sub-divided into three smaller displays of 15, nine, and six, still telling the story of the Arikara.

(2) A large 4 by 8 foot panel reference which relates the whole story of the bank's purpose and shows an example of the Artifacts and the work. This was presented to the City of Aberdeen and is placed in the Aberdeen Airport.

(3) Smaller cases of 12 which are being used for educational purposes. Aberdeen has an excellent Indian educational program, and this will enhance the program.

Area banks may order the display for showing in their local communities free of charge except for shipping costs. Depending upon the display area available, cases of six, nine, 15 or 30 may be ordered.

Brochures are included to give the public, explaining where the artifacts were found and giving background on the Arikara tribe.

The cases are about 28 inches square, six inches deep. They are constructed to display flat, with from six inches to 12 inches between each case. No unusual security is required during business hours but the cases should be in a locked area at times when they are not under continued supervision or viewing. Eight foot folding tables or card tables provide a good base. About 10 days will be allowed for shipment to one location from another. Inquiries for more details and for available booking dates should be sent to the marketing department, First National Bank, Aberdeen, South Dakota 57401. Telephone number is 605/225-2220.

LOBBY DISPLAY attracted hundreds of area residents.



First National, Black Hills, Elects Vice President

Gaylord Raabe has been elected a vice president of the First National Bank of the Black Hills, Rapid City, according to Charles T. Undlin, bank president.



G. RAABE

Mr. Raabe is manager of the operations department at the bank's main office. He joined the bank at the Belle Fourche branch in 1953 and was promoted to assistant cashier in 1955 and to assistant vice president in 1958. He was manager of the instalment lending department at Belle Fourche prior to transferring to Rapid City as manager of the Robbinsdale branch in 1963. In 1966 he transferred to the real estate department of the main office.

Philip Bank Names Ekstrum President

First National Bank in Philip has announced the promotion of Charles W. Ekstrum to president of the bank.

Mr. Ekstrum joined the bank in 1968 as assistant vice president and agricultural representative and was elected vice president and director in 1972. Prior to this he was the county supervisor for Haakon, Jackson and Washabaugh Counties for the Farmers Home Administration for four years.

Mr. Ekstrum recently made a substantial investment in the bank.

First Nat'l, Watertown, Announces 2 Promotions

Two promotions have been announced by Robert Walrath, president of the First National Bank of Watertown.

Mildred Drake, bank auditor for the past five years, was promoted to as-



M. DRAKE

R. SCHIELFELBEIN

sistant cashier in charge of operations and personnel. Rita Schielfelbein, trust secretary for over six years, assumes the duties of Greg Haggar, assistant trust officer, who is leaving the bank to continue his education.

Mrs. Drake has served in the transit, bookkeeping and proof departments. Mrs. Schielfelbein joined the bank in 1964 and Mr. Haggar in 1970.

Mitchell National Bank Director Changes

John L. (Jack) Morgan and James A. Bauer have been named directors of the Mitchell National Bank. They replace Dr. O. J. Mabee and Orlie Feinstein, who have resigned as active board members.

Mr. Morgan is a senior partner in the law firm of Morgan & Fuller, and Mr. Bauer is the owner of Bauer Dental Studio.

Dr. Mabee, at the time of his retirement, had served on the board for 26 years. Mr. Feinstein, now a Minneapolis resident, had been a director for four years.

South Dakota Banks Show Gain in Assets

The 127 state banks in South Dakota reported total assets of \$1,245,283,630.60 at the time of the April 16, 1975, bank call, according to figures released by the state's division of banking and finance. This total represented a gain of \$96,501,510.78 over the same April call of 1974.

A marked change was noted in holdings of U. S. Treasury Securities, which declined by \$21,695,963 to \$177,169,323. Municipal holdings increased by \$37,538,074 to \$155,236,631, and U. S. Agencies increased \$13,133,782 to \$135,447,540. Fed Funds sold declined \$10,935,000 from a year earlier and stood at \$63,650,000 on this year's call date.

Loans, which represented 52.75% of total deposits, increased \$63,582,054 to \$593,681,897.

Total deposits on April 16 were \$1,125,377,964.44, a gain of \$87,869,366 over a year earlier. Time and savings deposits represented 66.97% of total deposits. Fed Funds purchased were only \$300,000, down from the \$2,875,000 reported a year earlier. Total capital accounts were up by \$8,776,994 to \$95,004,590, and another \$10.5 million was in reserves.

RMA Publishes Paper on Preventive Law

Commercial lenders could avoid many of the legal problems that arise in loan transactions if they took advantage of "preventive law" techniques in setting up loan agreements.

Edward A. Dauer, associate professor of law at the University of Southern California Law Center, explains this theory in an occasional paper just published by Robert Morris Associates.

In the paper entitled, "Preventive Law for Lenders: An Illustrative Application to Contractor Lending," Professor Dauer shows how loan officers and attorneys can work closely together in the planning of a lending transaction from the outset to avoid legal problems. He labels this joint planning preventive law counseling.

RMA has sent a free copy of the 24 page paper to the CEO and the accredited (voting) representative of each of its 1,500 member banks. Additional copies are \$3 to member banks and \$5 to non-member banks from RMA's Order Department, 1432 Philadelphia National Bank Bldg., Philadelphia, Pa., 19107.

Opens Office in Egypt

Manufacturers Hanover Trust Company, New York, has opened a branch in Cairo, Egypt, to become the first American bank to establish a branch operation in Egypt, according to John F. McGillicuddy, bank president.

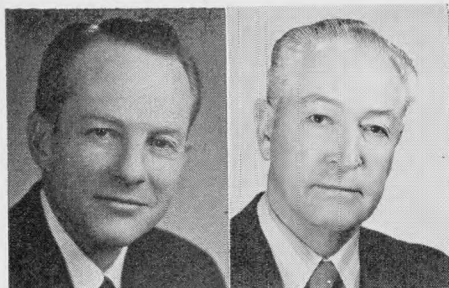
Fed Proposes Rules on Equal Credit Opportunity

The Board of Governors of the Federal Reserve System has proposed regulations to implement the Equal Credit Opportunity Act, which forbids discrimination by creditors on the basis of sex or marital status.

The new Act goes into effect October 28. It makes the Federal Reserve responsible for writing implementing regulations. Enforcement is the responsibility of the Federal Trade Commission, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and nine other Federal agencies. The Act covers all who regularly extend credit to individuals, including banks, finance companies, department stores, credit card issuers, and government agencies such as the Small Business Administration.

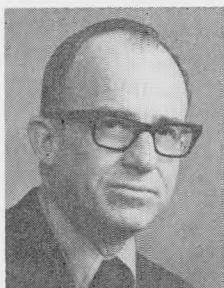
Wyoming Bankers Association 67th Annual Convention

Jackson Lake Lodge
June 11-13

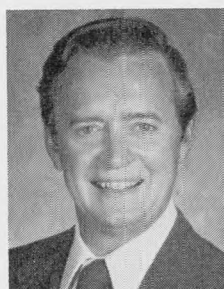


R. W. MIRACLE
President

M. C. MUNDELL
Secretary



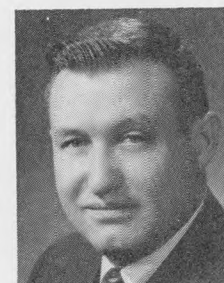
H. H. WATT
1st V. P.



K. C. NARAMORE
2nd V.P.



R. E. ADKINS



D. D. BROWNING

WYOMING bankers will gather at Jackson Lake Lodge in Moran June 11-13 for the sixty-seventh annual convention of the Wyoming Bankers Association, according to Robert Miracle, WBA president and president, Wyoming National Bank, Casper.

Featured speakers include Richard E. Adkins, president of Osmond State Bank in Nebraska and Dale Browning, senior vice president, Colorado National Bank in Denver, who will discuss the status of the electronic transfer of funds. John Rayburn, KBTB news anchor man, will change the tempo with a lively talk about what is going on behind the scenes at the television station. D. L. Day will give a brief talk on the Bank Administration Institute. Other speakers include Don Thoren, consultant, counselor, strategist for change, and Lance Marston, director of land use and water planning, U. S. Department of the Interior.

The golf tournament and fishing derby will be held on Wednesday. A golf tournament for the ladies will be held on Thursday.

Serving with Mr. Miracle as officers of WBA this year were first vice president, Harmon H. Watt, president, First National Bank, Riverton, and second vice president Kenneth C. Naramore, president, Stockmen's Bank, Gillette. M. Clare Mundell, Laramie, is executive director of WBA.

The convention program follows.

Wednesday, June 11

- A.M.
8 Annual Fishing Derby. Co-chairman: Howard Baker, The Jackson State Bank, and Dwight Bonham, state examiner, Cheyenne.
9:30 Annual Golf Tournament. Co-Chairmen: Lloyd Fordyce, First National Bank, Casper, and John Edmiston, Security National Bank, Denver, Colo.
P.M.
6 Social Hour.
7:30 Indoor Picnic followed by dancing. The six-piece Raemax Band will play from 9 p.m. to midnight.

Thursday, June 12

- A.M.
9:30 First General Session, Explorer's Room, Jackson Lake Lodge.
Call to order—MBA President Robert W. Miracle presiding.
Pledge of Allegiance.
Invocation—Father Dan Kenney, S. J., Our Lady of the Mountain Church, Jackson.
P.M.
1:30 Free time
6 Social Hour.
7:30 Banquet. Golf and fishing prizes will be awarded with entertainment and dancing following. The Pearle Rae Show, featuring singer Pearle Rae with Comedian Owen Hester. Dance music by the Raemax Band.

Friday, June 13

- A.M.
8 PEEPS (past presidents) Breakfast, Conference Room 2 or 3.
9:30 Second General Session, Explorer's Room, Jackson Lake Lodge.
Call to order. Presiding—Harmon H. Watt, WBA first vice president.
"Creating a Motivational Climate"—Don Thoren, consultant, counselor, strategist for change, Tempe, Ariz.
Address—Lance Marston, director, Office of Land Use and Water Planning, U. S. Department of Interior, Washington D. C.
AIB—Anniversary Message.

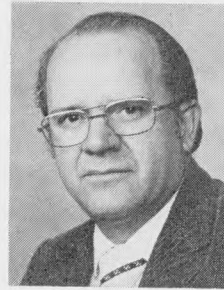
WBA Convention Program . . .

Report of the executive council of the American Bankers Association—
Robert L. Ferril, president, Bank of Commerce, Sheridan, and member of the governing council of ABA.
Adjournment

NOON Luncheon—new executive committee and committee chairmen hosted by the new president of WBA.

Joins Casper Bank

Gary N. Boyer has joined the Wyoming National Bank of Casper as assistant vice president in the real estate loan department, according to R. W. Miracle, bank president.



G. N. BOYER

Mr. Boyer comes to Casper from Greeley, Colo., where he was manager of

the real estate department of the Greeley National Bank. He began his banking career with the Minnequa Bank in Pueblo, Colo.

Rawlins Bank Names New Director

Attorney John A. MacPherson has been elected to the board of directors of the First National Bank in Rawlins replacing C. A. (Bud) Brimmer who recently resigned. Mr. Brimmer was nominated for the post of U. S. District judge in Wyoming by Sen. Cliff Hansen.

Mr. MacPherson is a partner in Brimmer, MacPherson and Golden law firm, town attorney for Hanna, and general counsel for Arch Mineral Corporation, Energy Development Company, both in Hanna and U. S. Steel Corporation in Lander.

ABA Plans 2nd EFT Conference

The second Payments System Policy Conference, sponsored by the American Bankers Association, will be held September 7-9 at the Fairmont Hotel, San Francisco.

"This meeting will provide senior banking officers with a unique opportunity to hear the views of leaders in the field of electronic funds transfer systems (EFTS) and discuss and debate current developments as they pertain to our industry," said Richard D. Hill, chairman of the ABA Payments System Policy Committee.

Mr. Hill, who is also chairman of the board of The First National Bank of Boston, stressed that, like the 1974 conference, the 1975 meeting will be limited to about 500 top banking executives.

"In the rapidly changing EFTS environment in which we are all involved," Mr. Hill said, "electronic banking is becoming a reality with surprising rapidity."

Remember . . .

WYOMING

is our first name

WYOMING NATIONAL BANK

A FULL SERVICE BANK

Paul A. Christensen
Vice-President
Correspondent Banking Division

Serving accounts, large and small, is our business. We are anxious to talk or correspond with banks, corporations or individuals to assist in any investment or trust matter.

The Wyoming National Bank

Casper, Wyoming
Member Federal Deposit Insurance Corporation

Greetings to fellow members and associates of the Montana Bankers Association; be seeing you at Jackson!

Our congratulations to the "Official Family" for planning an excellent program.

The **ST** National Bank

GLENDIVE, MONTANA

"Glendive's FAMILY Bank"

You Will See Them at the Annual Wyoming Bankers Convention

THE following metropolitan bankers and service and equipment dealers have indicated that they will be attending the 67th annual convention of the Wyoming Bankers Association in Moran, June 11-13.

Chicago

First National Bank: John W. Balantine, loan officer.

Denver

American National Bank: R. J. Frank, president; Jack Panter, senior vice president; Roger Reiling, vice president, and Daniel Sullivan, assistant vice president.

Central Bank and Trust Company: Don Echtermeyer, vice president, and Bill Tumelty, correspondent bank officer.

First National Bank: Charles H. Krebs, assistant vice president.

United Bank of Denver: Warner A. Knobe, vice president, and Robert Dressel, correspondent bank officer.

Lincoln

First National Bank: Charles R. Leffler, vice president, and Tom Ernst, correspondent bank officer.

New York

First National City Bank: Stephen J. Karper, account officer.

Manufacturers Hanover Trust Company: Michael R. Brundage, assistant vice president.

Omaha

First National Bank: Don Ostrand, vice president.

The Omaha National Bank: Jack H. Babcock and Marvin G. Rohn, vice presidents, and John E. Martin, agricultural loan officer.

United States National Bank: Robert Hasebroock, executive vice president; Jay Bordewick, Everett Brown, Howand Nielsen, and Jim Protzman (BancNorthwest), vice presidents, and Dave Greer, BancNorthwest.

San Francisco

Bank of America: B. G. Framsted, vice president, and David W. Maurer, assistant cashier.

Wells Fargo Bank: Hans J. Lund, vice president.

Bank Equipment and Other Firms

Bank Building Corporation: John Boothby, consultant services manager, (western division).

First Mid America, Inc.: Gary W. Fenster (Omaha).

Mortgage Guaranty Insurance Corporation: Jeff Taylor, regional director/development.

Mosler Safe Company: Jerry Stites, region manager, and Ron Mason and Chuck Myers, sales representatives.

United States Check Book Company: Richard A. Dick, sales manager, and Loren Anderson, salesman.

Promoted at Lusk

Charles Bruch has been promoted to assistant cashier and loan officer of Stockmans National Bank, Lusk, in addition to his duties as agricultural representative.

WELCOME . . .

To the Annual Wyoming Bankers Convention June 11-13 at Jackson Lake Lodge in Big, Wonderful Wyoming.



MEMBER FDIC A FULL SERVICE BANK

Bad Check Battle . . .

(Continued from page 27)

concentrates exclusively on teller training in robbery and check cashing. Cost is approximately \$5 to \$15 per person depending on attendance, dates, locations and add-ons.

In addition, banks are working with retailers in relation to check cashing.

Bank of America, San Francisco, began a merchants loss prevention clinic in 1961, according to Dave Brancoli, public relations department. The program is now dormant but officers are looking at the possibility of updating it, he said.

Mr. Brancoli called the clinic, which was used throughout California, the "traveling road show." A van, containing 50-75 chairs, went to branches of Bank of America. Merchants were invited to hear about the dos and don'ts of check cashing. The film used at the sessions was made available to other banks throughout the country and Canada at cost.

"We always had a good turn-out," Mr. Brancoli said.

The Idaho Bankers Association also meets with retailers.

"For some time, we have maintained an interphase with the Retailers Association in Idaho and meet periodically to exchange items on how to control new checking accounts," says Mr. Leavitt, "plus bankers coordinate with retail establishments and advise them on the best methods of handling checks to eliminate bad accounts."

A bank in Illinois recently sponsored a fraud prevention clinic which was attended by nearly 100 merchants.

Fraud Clinic

The three-hour program, put on by the Glenview State Bank, covered such topics as proper check cashing procedures, fraudulent use of credit cards,

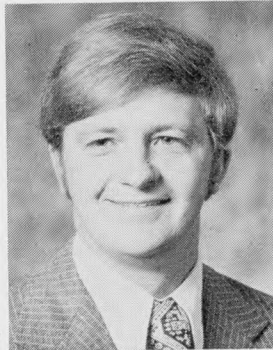


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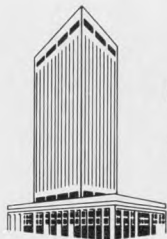


United States Check Book Company

P.O. Box 3644 Omaha, Nebraska 68108 (402) 345-3162



See you at the Wyoming Bankers Convention



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MEMBER NEW YORK STOCK EXCHANGE, INC.

1300 WOODMEN TOWER

OMAHA, NEBRASKA 68102 ■ (402) 346-6677



proper encashment procedures for travelers cheques, counterfeit money, shoplifting and theft, protecting advertisers against fraudulent competitors and the current level of check fraud in the community and prosecution of it. Speakers included representatives from the Glenview Police Department, U. S. Secret Service, security department of a major department store and the "Chicago Tribune."

"The estimated annual loss to banks today because of fraudulent check cashing has increased 100 per cent over the estimated annual loss of just 10 years ago," Roy L. Cox, bank senior vice president, told the merchants. "In 1970, this same estimated loss was almost eight times higher than losses due to bank burglaries and hold-ups."

He said Glenview State Bank has instituted some positive steps to prevent the cashing of fraudulent checks at the bank by asking its customers to:

Try to go to a teller who knows you each time you visit our office.

If you do go to a different teller, or if she is a new employee and doesn't know you yet, be willing to show proper identification. Or, ask another teller who does know you to identify you.

When cashing any check — even

those for "CASH," please endorse the check in the presence of the teller.

EFTS

As to more long term solutions to the problems, most survey respondents said that EFTS will be a firm deterrent in the future because merchants will be able to verify whether or not the person has the money at the time of the purchase. They suggested that check guaranteed check cards were a good answer for now.

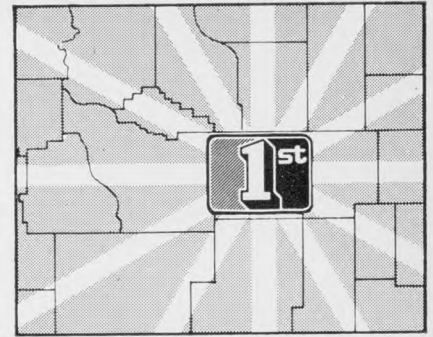
Jerry Scarboro said the Colorado Bankers Association did get a stiff bad check bill passed but that it was thrown out by the Colorado Supreme Court because of the housewife who will write a \$50 bad check periodically.

"That's the problem," he commented, "the fine line between those who unknowingly write bad checks and those who make a profession of it.

"I feel that if major retailers would accept Bank Americard, Master Charge or bank check guarantee cards, it would go a long way toward solving their bad check problem.

"EFTS will be the answer to the whole problem," he said, and "we're not that far away." — **End.**

First of Casper



The "Hub" of Banking in Wyoming

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First National Bank of Casper

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Welcome to the Wyoming Bankers Convention at Jackson Lake Lodge, from

A Bank on the range where livestock and energy development are compatible

where seldom is heard a discouraging word
 except - - cattle prices are down
 feed is up
 taxes are up
 Bureaucracy is up
 but nothing that can't be corrected

Bank, bank on the range
 where energy is progress
 and progress is energy
 (provided the environmentalists will
 let us get on with it)
 where men are men
 and women are women

STOCKMENS BANK



GILLETTE, WYOMING

"Serving anyone and everyone since 1907"



Montana Bankers Association 72nd Annual Convention

Jackson Lake Lodge

Moran, Wyo.

June 19-21

THE Montana Bankers Association will hold its 72nd annual convention at Jackson Lake Lodge in Moran, Wyo., according to T. A. Vashus, president of the MBA.

Other officers serving with Mr. Vashus this year include first vice president, Al F. Winegardner, president, First National Bank and Trust Company of Billings and second vice president, Phil A. Yates, president of the Citizens Bank of Montana, Havre. John T. Cadby, Helena, is executive manager of MBA.

Thursday, June 19

- A.M. Golf Tournament, Jackson Hole Golf and Tennis Club.
9:30 Welcoming reception sponsored by the First National Bank & Trust Company, Helena; Midland National Bank, Billings; First Metals Bank & Trust Company, Butte, and First National Bank, Great Falls, all members of the First Bank System.
P.M. Dinner followed by dancing to the Art Christiansen Trio from Plentywood, Mont.
7:00

Friday, June 20

- A.M. Breakfast for 25-year Club.
Call to Order, T. A. Vashus, president of MBA and president, First National Bank, Glendive.
Speaker—Dr. Kenneth McFarland, lecturer and former city superintendent of schools in Topeka, Kan.
Speaker—Larry Ronson, senior vice president, First Hawaiian Bank, and member of the bank's division chairmen's committee.
Speaker—Rex J. Morthland, 88th president of the ABA and currently chairman, ABA governing council, and chairman and chief executive officer, People's Bank & Trust Company, Selma, Ala.
NOON MBA's Retirement Trust Membership annual meeting and luncheon.
P.M. Reception hosted by the Security Bank, NA, Billings.
Dinner followed by dance music and floor show provided by the "Many Sounds of Nine," from Moses Lake, Wash.

Saturday, June 21

- A.M. Call to Order, President C. Vashus.
Speaker—A. Lee Atherton, Jr., vice president and manager, northwest correspondent bank department, Seattle-First National Bank, will speak on the Pacific Coast Banking School.
Speaker—Dr. Paul Nadler, professor of business administration at Rutgers University and faculty member of the Stonier Graduate School of Banking.
Speaker—Bob Brown, executive director of Tax Foundation Incorporated.
Annual membership meeting. Officers will be elected.

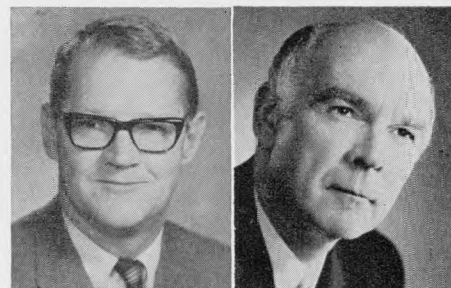
Ladies Program

There will be a ladies luncheon Friday noon.



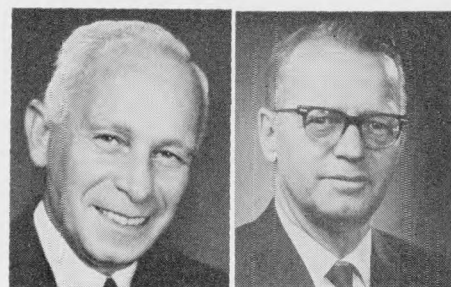
T. A. VASHUS
President

J. T. CADBY
Secretary



A. F. WINEGARDNER
1st V.P.

DR. K. MCFARLAND



L. RONSON

R. J. MORTHLAND



A. L. ATHERTON

P. S. NADLER

You Will See Them at the Annual Montana Bankers Convention

THE following metropolitan bankers and service and equipment dealers have indicated that they will be attending the Montana Bankers Association's annual convention in Moran, June 19-21.

Chicago

Continental Illinois National Bank & Trust Company: Leonard W. Busse, vice president, and L. H. Haupt, III (Terry), correspondent bank officer.

First National Bank: John W. Ballantine, loan officer.

The Northern Trust Company: John N. Fix, vice president.

Denver

Central Bank and Trust Company: Bill Tumelty, correspondent bank officer.

First National Bank: John H. Nicholson, assistant correspondent bank officer.

United Bank of Denver: Warner A. Knobe, vice president, and Robert Dressel, correspondent bank officer.

Minneapolis

First National Bank: Roland H. Thuleen, executive vice president; Donald Bergum and Kenneth A. Wales, vice presidents; F. Wm. Johnson, correspondent bank officer, and Dennis Lind, bond representative.

Marquette National Bank: Gary B. Wollan, senior vice president, and Avery G. Fick, vice president.

Midland National Bank: Stanley J. Peterson, vice president.

Northwestern National Bank: C. Paul Lindholm, senior vice president, and James Laird, correspondent bank officer.

New York

First National City Bank: Joseph H. Sanford, vice president, and Stephen H. Paneyko, assistant vice president.

Saint Paul

American National Bank & Trust Company: Robert E. Sipple, senior vice president, and James D. Oxenford, correspondent bank representative.

First National Bank of St. Paul: Andrew G. Sall, executive vice president, and Donald W. Buckman and James T. Gowan, vice presidents.

San Francisco

Bank of America: Bob D. Harwell,

vice president, and Jerry G. Fair, assistant cashier.

Wells Fargo Bank: Hans J. Lund, vice president.

Seattle

Seattle-First National Bank: A. Lee Atherton, vice president & manager — NW correspondent bank department; Samuel R. Noel, vice president — NW correspondent bank department, and Thomas P. Rook, correspondent bank officer — NW correspondent bank department.

Bank Equipment and Other Firms

Allied Safe & Vault Co., Inc.: Terrell E. Hunt, executive vice president, and R. B. "Ronnie" Severson, director of marketing.

Bank Building Corporation: John Boothby, consultant services manager, (western division).

Mortgage Guaranty Insurance Corporation: Jay Caffero, regional director/development.

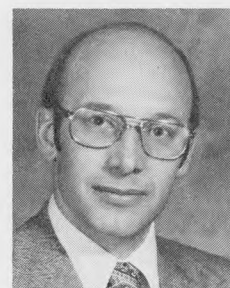
Mosler Safe Company: Jerry Stites, region manager, and Ron Mason and Chuck Myers, sales representatives.

Joins Powell Bank

Lloyd C. Snyder has joined the American National Bank of Powell as vice president and agricultural representative. He formerly was associated with the First National Bank of Torrington.

First National, Billings, Adds 3 Officers

Al Winegardner, president of the First National Bank of Billings, has announced the addition of these officers to the bank's loan departments.



J. A. FOUGERON

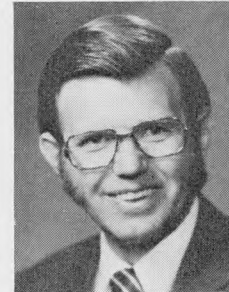
James A. Fougerson joins the bank as vice president and manager of the commercial loan department. An economics graduate of the University of Minnesota, he has 11 years of experience with Northwestern Bank Corporation affiliates in several states.

Allen Crittenden and Tim Coughlon have been named loan officers in the

commercial loan division. Mr. Crittenden has spent eight years in Billings with two finance companies. Mr. Coughlon, a graduate of the University of South Dakota, joined the Northwestern Bank System in 1973.

Southside National Bank Elects Vice President

Robert E. Bodin has been elected vice president and senior commercial lending officer of the Southside National Bank, Missoula, to Earl W. Johnson, president.



R. E. BODIN

Educated in his native city of Chicago, Mr. Bodin began his banking career in 1957 with the international banking department of the First National Bank of Chicago. He joined the First National Bank in Bozeman, an affiliate of First Bank System, in 1958 as a trainee and was elected vice president and commercial lending officer in 1968.

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Helena, Montana

MIB Holds Convention, Elects Officers



SHOWN are (l. to r.): **Gene Turnage**, Montana Independent Bankers legal council, Polson; **Al Riegel**, MIB exec. secy., & **Charles Sweeney**, pres., Bib Horn County St., Hardin, Mont., and outgoing pres. of MIB, at the recent Montana Independent Bankers Convention.



NEWLY elected officers of the Montana Independent Bankers for 1975-76 are (l. to r.): pres.—**Pat Kirby**, pres., Basin State, Stanford; 1st v.p.—**Hank Lillejord**, pres., 1st Sec., Glendive; treas.—**Marvin Veis**, chmn. & pres., Citizens St., Scobey; 2nd v.p.—**Theo F. Bartschi**, v.p., 1st St.,

Glendive Bank Celebrates Secretary Week

In conjunction with National Secretary Week, the First National Bank of Glendive held a Secretary Apprecia-

tion Day, according to T. A. Vashus, president.

Members of the bank's secretarial staff hosted the affair for area secretaries who were invited for an after-

noon of shoptalk, friendly chatter and refreshments in the bank's Matador Room.

Washington Bankers To Meet June 22-24

THE seventy-ninth annual convention of the Washington Bankers Association will be held June 22-24 at the Tye Motor Inn, near the state's capitol city of Olympia. Nearly 400 delegates and wives, including those from other states and also British Columbia, are expected to attend.



R. E. BANGERT

General convention chairman is Carl A. Hanson, president of the Bank of Olympia.

Sunday, June 22

P.M. Past Presidents reception, Governor's Suite, Tye. First Nighter Reception, Tye Courtyard, followed by dinner in the Skokomish Room.

Monday, June 23

A.M. 8:30 First Business Session. R. E. Bangert, WBA president, presiding. Invocation: Rev. Father William Treacy, pastor of the

Church of St. Michael in Olympia.

Speakers: Economist Walter Heller, former chairman of the President's Council of Economic Advisors, now with the University of Minnesota, Minneapolis.

Patricia Weninger, president of the National Association of Bank Women and vice president, Fidelity Mutual Savings Bank, Spokane.

J. Rex Duwe, American Bankers Association president-elect, and president and chairman of The Farmers State Bank, Lucas, Kan.

ABA annual Meeting and Election of Officers. Washington's vice president for ABA J. C. Baillargeon will conduct the meeting. He is chairman of Seattle Trust and Savings Bank.

WBA Election of Officers

Noon Ladies Luncheon, Greenwood Inn.

P.M. Men's annual Golf Tournament, Olympia Country and Golf Club.

Tennis Tournament, Tumwater Valley Racquet Club.

President's Reception, Tye Courtyard followed by the banquet in the Skokomish Room.

Tuesday, June 24

A.M.

8:45

Second Business Session

Speakers: Richard L. Feltner, assistant secretary for marketing and consumer affairs, U.S. Department of Agriculture.

Panel including Rex Duwe and: George W. Mitchell, vice chairman of the Federal Reserve System's board of governors; Leonard Weil, president, Manufacturers Bank, Los Angeles, and Charles P. Haley, associate professor of finance, University of Washington. Moderator is Russ Schlosstein, WBA executive manager.

Speaker: Representative Leonard A. Sawyer (D), speaker of the House of Representatives, Washington State Legislature.

Jim Cairns, Jr., senior vice

president, Peoples National Bank of Washington, and chairman of WBA's EFTS committee, will present a film, "The Future in Your Hand" dealing with EFT.

Installation of Officers.

Speaker—New WBA President Robert E. Polachek, president, Bank of Everett.

You Will See Them at the Washington Convention

THE following metropolitan bankers and service and equipment dealers have indicated that they will be attending the annual convention of the Washington Bankers Association in Olympia, June 22-24.

Chicago

First National Bank: R. Garth Dunn, Jr., vice president, and John W. Ballantine, loan officer.

New York

Chemical Bank: Robert Sadler, assistant vice president, and H. Joseph Sweeney, assistant secretary.

First National City Bank: Stephen J. Karper, account officer.

Manufacturers Hanover Trust Company: George A. Wrigley, assistant secretary.

Portland

United States National Bank of Oregon: Dale B. Shadrick, assistant vice president.

Seattle

Seattle-First National Bank: A. Lee Atherton, vice president & manager — NW correspondent department; Gregory S. Ball, national accounts officer — national department; Michael W. Hatmaker, assistant vice president —

NW correspondent bank department, and Duane R. Dier, correspondent bank officer — NW correspondent bank department.

San Francisco

Bank of America: Bob D. Harwell, vice president, and Jerry G. Fair, assistant cashier.

Wells Fargo Bank: John L. Quirk, assistant vice president.

Bank Equipment and Other Firms

Allied Safe & Vault Co., Inc.: Terrell E. Hunt, executive vice president; R. B. "Ronnie" Severson, director of marketing; Franklin R. Flory, manager (Seattle), and David M. Leach, sales engineer.

Bank Building Corporation: Paul Taylor, consultant services manager (western division).

Mortgage Guaranty Insurance Corporation: Jay Caffero and Larry Chestnut, regional directors/development.

SLT Warehouse Company: Bob Brown.

Edmonds Bank To Open Two New Offices

American National Bank of Edmonds has received permission to establish two offices. One will be in the vicinity of Highway 99 and the Broadway Cutoff in Snohomish County and the other will be in the vicinity of the intersection of Highway 99 and 176th Street Southwest in Snohomish County.

Application Approved

The First National Bank of Stanwood has received permission to establish an office in the northeast quadrant of Interstate Highway 5 and Edgcomb Road in Snohomish County.

Sun Valley is Site of IBA Convention

THE Idaho Bankers Association will host its 68th annual convention in Sun Valley June 15-18.

Featured convention speakers include: Dr. Lawrence Kreider, executive vice president, Conference of State Bank Supervisors, Washington, D.C.; Franklin Stockbridge, vice chairman, Security Pacific National Bank,



D. J. McKay

Los Angeles; Carmen Capozzola, executive director, special activities, American Bankers Association, Washington, D.C.; John Mitchell, professor of economics, Boise State University, and Robert Mac Lean, president and chief executive officer, Roberts Brother Food Company, Idaho Falls.

Sunday, June 15

Noon- Registration, Redwood Room, 4 P.M. Lodge.

P.M. Barbecue, Trail Creek.

Monday, June 16

A.M. First Business Session.

Noon Ladies Luncheon.
Men's Luncheon, Sun Valley Golf Course.
P.M. Men's Golf Tournament.
Ladies and Men's Buddy Shoot Tournament.
Ladies Bridge.
Gold Rush Days Costume Party and Dancing.

Tuesday, June 17

A.M. Past President's and Treasurer's Annual Breakfast.
Ladies Golf Breakfast.
Second Business Session.
Ladies Golf Tournament.
Noon Men's Luncheon, Sun Valley Golf Course.
P.M. Men's Golf Tournament.
Ladies and Men's Trap and Skeet Tournaments.
Bridge and Cards.
Banquet and Dancing.

You Will See Them at the Idaho Bankers Convention

The following metropolitan bankers and service and equipment dealers have indicated that they will be attending the 68th annual convention of the Idaho Bankers Association in Sun Valley, June 18-21.

Chicago

Continental Illinois National Bank and Trust Company: Garry J. Scheuring, vice president.

First National Bank: John W. Ballantine, loan officer.

New York

Chemical Bank: Malvern Hill, vice president.

First National City Bank: Joseph H. Sanford, vice president, and Stephen H. Paneyko, assistant vice president.

Manufacturers Hanover Trust Company: Nancy Nieman, assistant secretary.

Omaha

The Omaha National Bank: Jack H. Babcock and Marvin G. Rohn, vice presidents, and Robert H. Hatch, agricultural loan officer.

Portland

United States National Bank of Oregon: Ralph B. Stratford, vice president.

San Francisco

Bank of America: Bob D. Harwell, vice president, and Jerry G. Fair, assistant cashier.

Wells Fargo Bank: Hans J. Lund, vice president.

Seattle

Seattle-First National Bank: Samuel R. Noel, vice president — NW correspondent bank department, and Thomas P. Rook, correspondent bank officer — NW correspondent bank department.

Bank Equipment and Other Firms

Allied Safe & Vault Co., Inc.: R. A. Hunt, president, and Terrill E. Hunt, executive vice president.

Bank Building Corporation: John Boothby, consultant services manager (western division).

Mortgage Guaranty Insurance Corporation: Jay Caferro and George Sivers, regional directors/development.

Idaho Bank & Trust Announcements

Eldon Crockett, who has been assistant cashier at Idaho Bank & Trust Co., Pocatello, for the past two years, has been named comptroller of the bank's statewide system. Also announced was the promotion of Mary Pat Brower to assistant auditor.

In addition, the bank recently opened its addition to the bank's Kooskia office.

Opens New Office

The Idaho First National Bank of Boise has opened its new office at 2730 Airport Way in Boise.

To Establish Office In Dubois

Security State Bank in Mud Lake has received permission to establish an office in Dubois.

Application Approved

An application by Idaho Bank and Trust Company, Pocatello, to establish an office at 3149 North Cole Road in Boise, has been approved.

Idaho Bank Promotion

Michael M. Mooney, who has been acting manager of the Idaho Bank & Trust Co.'s East Center office in Pocatello since early February, has been named manager.



J. J. BALLEs

J. R. DUWE

8
9

Past Presidents' Breakfast.
First Business Session—Opera House.

Call to order: Calvin H. Swenson, president, UBA.

Invocation.

President's Welcome Report: Calvin H. Swenson, president, State Bank of Lehi.

Executive Manager's Report: Fred G. Eberhard, Salt Lake Clearing House Association.

Report of the nominating committee.

U. S. Savings Bonds Award Presentation: Kathleen Meikle, state director, U. S. Savings Bonds Division, U.S. Treasury Dept.

9:30 Address: Rudolph R. Fichtel, director, American Institute of Banking.

9:45 ABA Film: "Face of the Future."

10:15 Refreshment Break: Opera House Lawn.

10:30 Address: Doris Taggart, regional vice president of the National Association of Bank Women.

10:45 Address: John J. Balles, president, 12th District of the Federal Reserve Bank.

11:30 Prize drawing and meeting adjournment.

P.M.

12:30 Ladies Luncheon—Limelight Room. Entertainment by Latter Day Sounds.

Afternoon is free.

7:30 Banquet. Entertainment by Alice Hepworth, Janet Todd and Bernel Barrett.

9:30 Dancing to Sun Valley Four.

Saturday, June 21

A.M.

8 Speakers Breakfast.

9 Meeting: Utah section of ABA to elect member of nominating committee and alter-



C. H. SWENSON



F. G. EBERHARD



D. TAGGART



R. R. FICHEL

Utah Bankers To Meet in Sun Valley, Idaho

THE Utah Bankers Association will hold its annual convention in Sun Valley, Idaho June 19-21.

The program follows
Wednesday, June 18

P.M.

2-6 Registration
Correspondent bank parties in the evening

Thursday, June 19

A.M.

7 Registration
8:30 Mens Golf Tournament—Sun Valley Golf Course, Shot Gun Start.

8:45 Tennis Tournament—Sun Valley Courts.

9 Trap Shoot—Sun Valley Trap Club, north of golf course.

9:30 Ladies Golf Tournament—Elk Horn Golf Course.

10:30 Sun Valley Area Tour—Warm Spring, Elk Horn, Hemingway Memorial.

NOON Ladies Golf Luncheon—Elk Horn.

NOON Mixed Luncheon—Lodge Patio.

P.M.

5:30 Registration Closes.

5:30 Trail Creek Barbecue—Buses Leave.

6:30 Barbecue Entertainment by Sun Valley Trio.

Friday, June 20

A.M.

7:30- Registration.

8 Speaker Breakfast.

nate to serve at the 1975 Convention.

Committee Reports: Resolutions, Audit, Election.

9:30 Address: Rex Duwe, president elect of the ABA.

10:15 Refreshment Break.

10:30 Address: J. N. (Chris) Christianson, professional people builder.

11:30 Installation of new officers.

Prize Drawing.

Presentation to past president.

NOON Convention Adjournment.

You Will See Them at the Utah Bankers Convention

The following metropolitan bankers and service and equipment dealers have indicated that they will be attending the annual convention of the Utah Bankers Association in Sun Valley, June 18-21.

Chicago

Continental Illinois National Bank and Trust Company: G. R. Prince (Rick), correspondent bank officer.

First National Bank: Robert L. Taubenheim, loan officer.

New York

First National City Bank: Joseph H. Sanford, vice president, and Stephen H. Paneyko, assistant vice president.

Portland

United States National Bank of Oregon: Ralph B. Stratford, vice president.

San Francisco

Bank of America: Bob D. Harwell, vice president, and Jerry G. Fair, assistant cashier.

Wells Fargo Bank: Robert J. Kretz, assistant vice president.

Bank Equipment and Other Firms

Bank Building Corporation: John Boothby, consultant services manager (western division).

Mortgage Guaranty Insurance Corporation: Sid Smith, regional director/development.

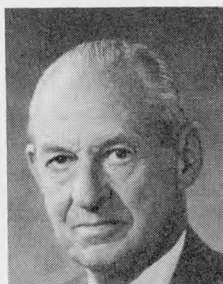
Zions Receives Awards

Zions First National Bank, Salt Lake City, was the recipient of three advertising awards from the Utah Advertising Federation for excellence of its 1974 advertising. The bank also received two other awards for ads in consumer magazines.

Roy W. Simmons is president of the bank.

Top Level Changes at First Security Corp.

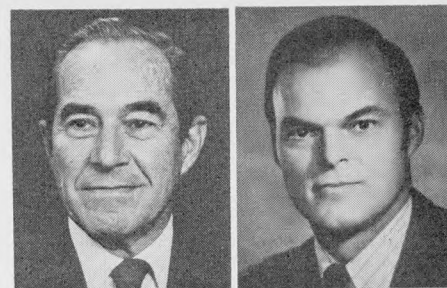
Major top level management changes have been announced by First Security Corporation, Salt Lake City.



M. S. ECCLES

Marriner S. Eccles, chairman of the holding company since 1952, has been elected to the newly-created office of honorary chairman. George S. Eccles, since 1945 president and chief executive officer, has been elected chairman, continuing as chief executive officer. Spencer F. Eccles, 40, who has served as executive vice president since 1973, has been elected president.

Marriner Eccles was the corporation's principal organizer in 1928 and became its first president. He was called to Washington, D. C., in 1934



S. F. ECCLES

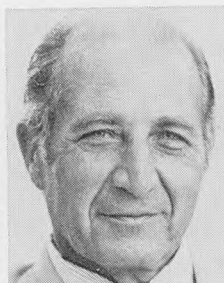
G. A. ECCLES

where he embarked in a career in government spanning 17 years. He was architect of both the Federal Housing Authority and the Banking Act of 1935 and was appointed governor of the Federal Reserve System and designated chairman by President Roosevelt.

George Eccles also is chairman of the company's executive committee. He has been active in World Bank Meetings and International Monetary Conference. Spencer Eccles also is a member of the company's executive committee.

Nevada Bankers to Meet at Lake Tahoe

SENIOR banking officers from every bank in Nevada will gather on the South Shore of Lake Tahoe the first weekend in June for the 56th annual convention of the Nevada Bankers Association. The June 8-10 session at the Sahara-Tahoe Hotel will be called to order at Stateline by the gavel of association president Lino Del Grande, senior vice president and manager of the Reno Main Office of First National Bank.



LINO DEL GRANDE

Convention chairman is Wayne N. Condon, senior vice president of Nevada National Bank and also from Reno, while vice chairman is Las Vegas Richard A. Carlson, vice president and manager of the Maryland Parkway Office of Nevada State Bank.

Registration for the convention is scheduled Sunday afternoon, with business sessions due Monday and Tuesday mornings. Monday afternoon has been set aside for the annual golf tournament for association members and guests and adjournment is scheduled for early Tuesday afternoon, following a business luncheon.

Nevada Gov. Mike O'Callaghan will

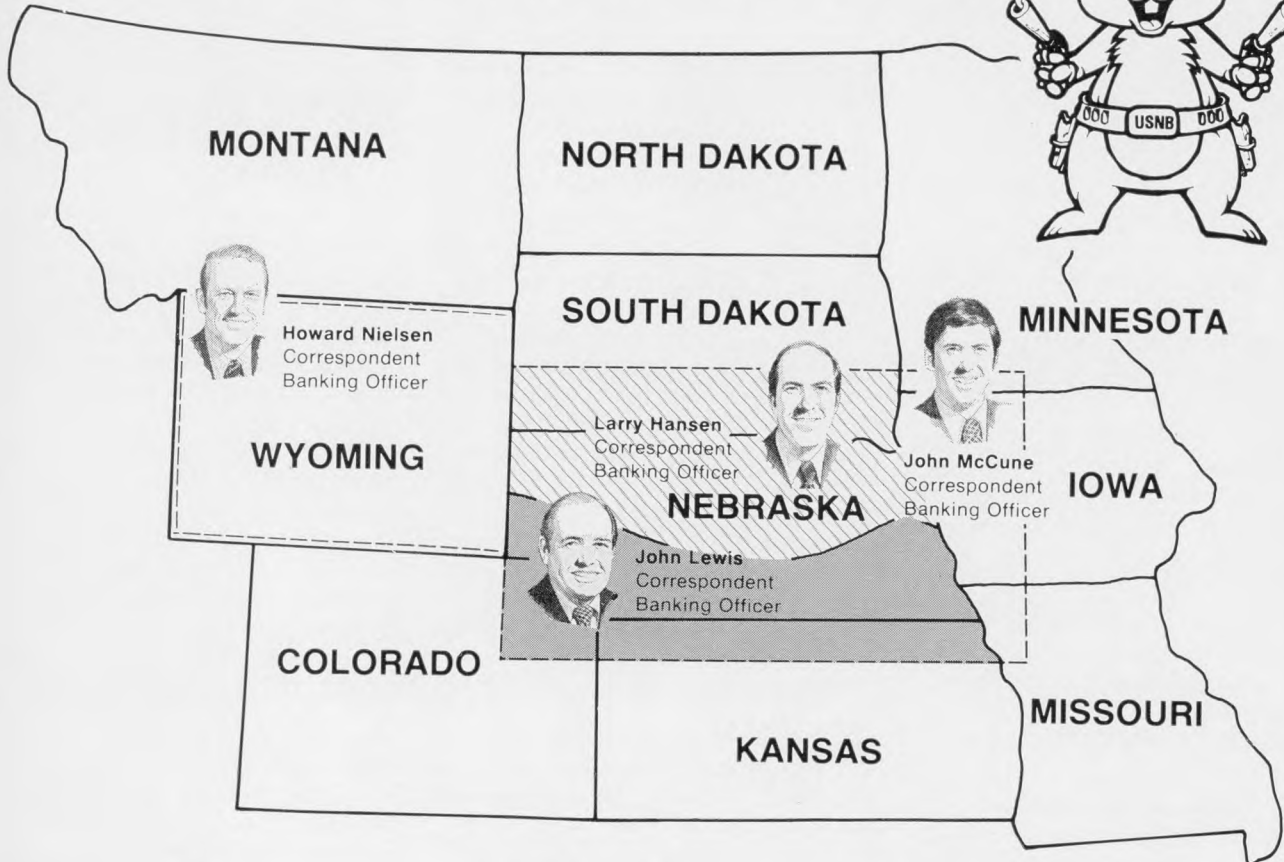
welcome delegates Monday (June 8) at the first session. Featured speaker later that morning will be James E. Smith, U.S. comptroller of the currency from Washington, D.C.

Tuesday's speakers will be Louis B. Lundborg, former chairman and currently a director of Bank of America, and Dr. Donald Sauer of the Graduate School of Business at Indiana University.

Other key personnel for the convention include: Jordan J. Crouch of Reno, executive manager of the NBA; Peter J. Mariluch, vice president of Pioneer Citizens Bank in Reno, registration chairman; James A. Koch, vice president and manager of the South Lake Tahoe Office of First National Bank, entertainment and arrangements chairman.

Also, William C. Oexle, vice president, Security National Bank in Reno, awards chairman; Thomas Kavanaugh, senior vice president of Valley Bank in Reno, transportation chairman; David Funk, assistant vice president and manager of the Moana Office of Pioneer Citizens Bank, golf and tennis chairman; Shirley Fewell, assistant secretary to the board of directors of Nevada National Bank, women's committee, and David M. Quinn, vice president and head of marketing and advertising for First National Bank, publicity.

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Correspondent
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Larry Hansen
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John McCune
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IOWA



John Lewis
Correspondent
Banking Officer

NEBRASKA

COLORADO

KANSAS

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Lee Bachand
Correspondent Data
Processing Officer



Everett Brown
Agricultural
Credit Officer



Jay Bordewick
Manager, Correspondent
Banking Division



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Bank
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John Pope
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GUIDING the Nebraska Bankers Association during the coming year will be (left to right): **Robert Harris**, exec. mgr.-treas., Lincoln; **James I. Black**, pres., Cones State Bank, Pierce, v.p. and president-elect; **Robert E. Burkley**, chmn. & pres., First Natl., Fairbury, president, and **Richard E. Adkins**, pres., Osmond State, retiring president.

Bob Burkley Heads Nebraska Association

By **BEN HALLER, JR.**
Editor

ROBERT E. Burkley, chairman and president of the First National Bank in Fairbury, was elected president of the Nebraska Bankers Association at the NBA's 78th annual convention held last month at the Hilton Hotel in Omaha. He succeeds Richard E. Adkins, president of the Osmond State Bank, Osmond. This was the best attended Nebraska convention in history, with approximately 1,150 registrations.

James I. Black, president of the Cones State Bank, Pierce, was elected vice president of the NBA.

The unanimous election of both men took place under a new voting procedure that also designates the vice president as president-elect. Mr. Black thus will automatically succeed Mr. Burkley at the 1976 convention, at which time only a vice president and president-elect will be selected.

This procedure was part of a revision in the constitution and by-laws presented recently by mail to the membership after extensive study, and approved unanimously at the convention business session. A key part of the by-laws changes expands the executive council to give it more outstate representatives, and at the same time assuring council representation from suburban banks in Omaha and Lincoln.

The new executive council, consisting of the president, vice president, executive manager-treasurer, 13 newly-elected council members, six hold-over council members, and the two immediate past presidents, are listed in the accompanying roster.

Executive Council

Previously, the executive council was made up of one representative from each of the six NBA groups and five representatives from Omaha and Lincoln banks, the latter generally from the five major correspondent banks in those two cities. Executive council members were elected for three-year terms. Under the new by-laws, each group has two representatives—one elected for a three-year term and one elected for a one-year term. In Omaha and Lincoln the major banks with more than \$200 million assets will have one bank executive from each city elected to a three-year term and one executive elected to a one-year term.

The 78th convention was the first one presented under the direction of Robert E. Harris, executive-manager-treasurer of the NBA, who joined the staff late last year. He was complimented by President Adkins for the quality of the program and between the two men they started each session at the appointed hour and concluded each session ahead of time.

The new executive council, consisting of the president, vice president, executive manager-treasurer, 13 newly-elected council members, six hold-over council members, and the two immediate past presidents, are listed in the accompanying roster.

Energy Discussion

An interesting facet of this year's program was a discussion of the energy problem facing the United States and the world. Its personal relationship to midwest farms, businesses and homes was approached from three different viewpoints by a U. S. government spokesman, an oil association executive and a Saudi Arabian oil firm executive.

Dr. Samuel J. Tuthill, recently of the University of Iowa staff in Iowa City, and now a top advisor in Presi-

EXECUTIVE COUNCIL

The Executive Council of the Nebraska Bankers Association previously was made up of one representative from each of the six groups and five representatives of Omaha and Lincoln banks, plus the two immediate past presidents of the NBA. The new by-laws provide for two representatives from each group, plus two large bank representatives (\$200 million assets or more) from both Omaha and Lincoln, two smaller bank representatives from Omaha and one smaller bank representative from Lincoln. Newly-elected to the Executive Council were:

	GROUP
Victor L. Michel, pres., Henderson State Bank, 1 year	1
Henry Gramann, Jr., pres., Adams State Bank, 3 years	1
Lester E. Souba, chmn., David City Bank, 3 years	2
Don G. Johnson, pres., Farmers National, Pilger, 3 years	3
John E. Glandt, pres., National Bank of Neligh, 1 year	3
Lee Clabaugh, pres., Commercial Bank, Nelson, 3 years	4
Keith Whaley, exec. v.p., Farmers State Bank, Sargent, 3 years	5

Dale Stine, pres., North Loup Valley Bank, 1 year	5
William S. Olson, exec. v.p., Nebraska State Bank, Oshkosh, 3 years	6
Theodore King, pres., Sioux National Bank, Harrison, 1 year	6
Kermit Hansen, pres., U. S. National, 3 years	Omaha
Perry Francis, pres., Southwest Bank, 3 years	Omaha
Karl Dickinson, pres., Gateway Bank, 3 years	Lincoln

Remaining on the Executive Council until year designated are:

	GROUP
Lee Gallatin, pres., State Bank of Benkelman, 1976	4
Mike Yanney, exec. v.p., Omaha National, 1976	Omaha
Burnham Yates, chmn., 1st National, 1976	Lincoln
James Lutes, pres., Scribner Bank, 1977	2
Carl Brady, pres., Douglas County Bank, 1977	Omaha
Paul Amen, chmn., National Bank of Commerce, 1977	Lincoln

The two immediate past presidents serving on the council are F. W. Jackman, chmn., Farmers National, Grant, until 1976, and Richard Adkins, pres., Osmond State, until 1977.



PLAQUES were presented to several men for special service. **Pres. Adkins** (at podium) is presenting a 50-Year Banker plaque to **Henry E. Ley**, pres., State Natl., Wayne, for 50 years of banking in Nebraska. Mr. Ley retired several months ago as Nebraska director of banking, a post he held several years. New NBA **Pres. Burkley** (left) watches proceedings, which included presentation of plaques to the three men shown upon completion of three-year terms on the executive council. They are (from left): **Paul M. Hefti**, pres. & chmn., Guardian State, Alliance; **Dale E. Walkenhorst**, pres., 1st Natl., North Platte, and **Marion C. Bonham**, pres., 1st Natl., York. Two others, not pictured, received similar plaques—**James I. Black**, pres., Cones State, Pierce, and **Phil Giltner**, pres., 1st Natl., Omaha.

dent Ford's energy committee, discussed "Energy Prospects for the Midwest." He appealed to all bankers to keep abreast of events in the energy programs, especially in the natural gas field, because new ideas and methods will require financing by knowledgeable banking executives. He thinks an early step to be considered is elimination of well-head price controls. Dr. Tuthill believes in proceeding slowly at this time in making binding, long-term policy decisions, but stresses the need for at least voluntary curtailment of energy usage in all ways practical for private and public outlets. He opposes having the government set up a production oil and gas company, as has been proposed in some sources. Dr. Tuthill said "I look for agriculture to receive high priority, but this doesn't mean that midwest farmers can exhaust their supplies willy nilly. There will be finite supplies and conservation will be implied in regulations." In response to a question, Dr. Tuthill said we are 75 years away from production of electricity from solar energy.

Yousef Alireza, manager for project evaluation of Petromin, general petroleum and mineral organization at Riyadh, Saudi Arabia, gave an interesting and most articulate presentation of the Arabian side of the oil picture. Mr. Alireza was with ITT in Europe before joining Petromin. He received his B.S. and M.S. degrees in international finance from the University of California at Berkeley after attending prep schools in England.



Two honored guests at the NBA annual banquet were **Bill and Joy Osterberg**, both of whom were presented gifts on behalf of the association by Pres. Adkins. Bill was being honored for his 12 years of service with the NBA, which he joined in 1962 as assistant secretary. He was executive manager from 1968 through 1974, when he resigned to join I. W. Wesley Jones insurance consulting firm, Omaha, which serves Nebraska banks.

He attributed the four-fold increase in food prices in the fall of 1973 as the cause of the oil crisis that developed. The bulk of the world's known oil is concentrated in the Mid-East, he stated, and half of that is in Saudi Arabia. He said oil will continue to have political control so long as Israel occupies land in three Arab nations and so long as Palestinians are displaced.

Mr. Alireza said two conditions dictate any agreements reached between Saudi Arabia and the United States and western governments: "1. The greater share of oil income is to go to develop Saudi Arabia and the oil countries into viable, producing countries,



Seated—**Dick Adkins**, retiring NBA president, and **Yousef Alireza**, speaker from Saudi Arabia. Standing—**William Riley**, Nebraska director of banking, and **Robert Burkley**, new NBA president.

and for this we need the help of developed nations. 2. We want protection against the loss of value of our foreign currency abroad."

Mr. Alireza cited the billions of dollars that need to be expended in his nation and adjoining countries to develop better living conditions, schools and viable business and farming enterprises. Much of the money expenditure to achieve these goals, he stated, will flow through America in exchange for equipment produced and expertise needed from us to assist them in their development plans. Thus, he added, much of the benefit of oil prices will redound to the benefit of the United States eventually.

Frank Ikard, president of the American Petroleum Institute, Washington, D. C., said the recent change in percentage depletion allowance will cost the oil industry about \$1.75 billion per year. He said the oil producing business is the most regulated in the nation. Mr. Ikard pointed out that 57 million people, about one-fourth of the nation's total, live in the midwest and are 1,500 miles from the focal point of the most important locale in domestic oil circles today—the Continental shelf 50 miles off the New England shore line.

Mr. Ikard said it is imperative that we step up our exploration of the outer continental shelf, for this contains our best possibility to become self-sufficient for oil. We used to import 8 to 9% of our oil needs, he said, but this now is at a 37% level, making it risky for this nation due to the possibility of having our sources cut off at any time. He reviewed the possibilities of oil dis-



LEFT—Chuck Leffler, v.p., 1st Natl. Lincoln; Dick Wells, pres., State Bank of Bartley; John Burt, reg. adm. of natl. banks, Kansas City, and Jack Moors, exec. v.p., 1st Natl. Lincoln. **RIGHT**—Frank Williams, exec. v.p., and Mike Mullen, both with Robert E. Schweser Company, Inc., Omaha; Dolores Graff; Larry Callen, v.p., 1st Natl., Ogallala; Peter Graff, pres., McCook Natl., and Bob Roh, v.p., Schweser Company.



LEFT—Ivy and Harold Matney, v.p.-cash., 1st Natl., Walthill; Berniece and Richard Fritz, pres., First Natl., Kearney; Don Sabbann, exec. v.p., Dakota County State, South Sioux City, and his wife, Dolores, and Gary Stevenson, v.p., 1st Natl., Sioux City. **RIGHT**—Ron Ford, sales rep., and Richard Dick, v.p.-sales mgr., both with U. S. Check Book Co., Omaha and Gary A. Kudlacek, v.p.-cash., and Stephen Rasmussen, pres., both with Grafton State.



LEFT—Dave Johnson, pres., Commercial Natl. B&T, Grand Island, and Jim Oliver, pres., Ravenna Bank. **CENTER**—Don Echtermeyer, v.p., Central B&T, Denver, and Bill Cook, Jr., pres., Beatrice Natl. **RIGHT**—Don Thomason, sr. v.p., United Bank of Kansas City, and B. M. DeLay, pres., DeLay 1st Natl., Norfolk.

covery on land and off-shore in the Gulf of Mexico, concluding that our best bet is the outer continental shelf development.

Problems hindering this development include forestalling tactics by nearby coastal states. Mr. Ikard says

all the people, including the 57 million in the midwest where high energy usage is recorded for agricultural, business and home purposes, should have a voice in this development.

William Riley, director of the Nebraska department of banking, Lin-

coln, noted the almost impossible task assigned his department of supervising 325 state banks, 21 s&ls, 10 industrial banks, five trust companies, 66 finance companies, 160 small loan companies, 30 coops and 73 credit unions with only 29 examiners.



LEFT—Carl Schneider, chmn., Plattsmouth State, and Mrs. Schneider; Bruce Lauritzen, v.p., First Natl., Omaha; Gretchen and Phil Giltner, pres., First Natl., Omaha, and Carol and John Dean, pres., Glenwood State. RIGHT—Bob Conrad, pres., Sidney Natl.; Ginny and Don Ostrand, v.p., First Natl., Omaha; Joanne Goodwin, Sidney; Jack Canaday, exec. v.p., First Natl., Omaha, and his wife, Diane, and LeBaron Goodwin, v.p., Sidney Natl.



LEFT—Elmo A. Carlson, pres., Deuel County State, Chappell; Gerald Lowrie, ABA speaker, Washington, D. C.; Wray Finney, Ft. Cobb, Okla., livestock speaker, and Bill Olson, exec. v.p., Nebraska State, Oshkosh. RIGHT—Larry Carlson, sr. v.p., First Mid America, Inc., Omaha; Richard Lauritsen, Toby Young and Ivar Andreasen, all with Federal Reserve, Omaha, and Jack Foley and Merrill Johnson, both with First Mid America, Omaha.



LEFT—Wilbur Baack, sr. v.p., Natl. Bank of Commerce, Lincoln; Dale Stine, pres., North Loup Valley Bank, North Loup; Ray Weilage, a.v.p., Natl. Bank of Commerce, and Don Johnson, v.p., St. Paul Natl. RIGHT—Glenn Yaussi, chmn., NBC Co., Lincoln; Roy Yaley, pres., Nebraska State, South Sioux City; Paul Abegglen, exec. v.p.-cash., Citizens Bank, Columbus, and Herman Brockmeier, exec. v.p., Natl. Bank of Commerce, Lincoln.

To fulfill legal requirements for at least one examination per year per institution, Mr. Riley said his department has opted for “a shorter examination of the better-run institution and more time and constructive effort with the problem institution.” He said the mini-

exam has been used extensively by Indiana. He estimates the “mini-exam” will require only half the time of a regular exam. Mr. Riley stressed that this is an experiment only, and hopes that pride in requiring only a “mini-exam” will stimulate good banks

to do even better. He cited one drawback as the problem of problem institutions having to pay more for more extensive exams and this would generally be from an institution that can least afford the higher assessment.

Mr. Riley also noted that his depart-

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LEFT—Jay Bordewick, v.p., U. S. Natl., Omaha; Dan Huff, pres., Security State, Oxford; Dick Brion, pres., Farmers State, Ewing, and Larry Hansen, corr. bk. off., U. S. Natl. **RIGHT**—Howard Nielsen, v.p., U. S. Natl., Omaha; Lawrence Butzine, pres., and George O. Sipp, dir., both with 1st Natl., Hay Springs, and Everett Brown, v.p., U. S. Natl.



LEFT—Don Murphy, pres., Northwestern Natl., Omaha; Mary and Bill Biles, Jr., v.p., Citizens Natl., Wisner; Linda and Bill Biles, III, v.p., Citizens Natl., Wisner, and Frank Sibert, sr. v.p., Northwestern Natl., Omaha. **RIGHT**—Bill Graves, v.p., Northwestern Natl., Omaha, and his wife, Kay; Ella and Fred Enevoldsen, chmn., Potter State, and their daughter, Jody, head teller at the bank.



LEFT—Tom Matthaides, 2nd v.p., The Omaha Natl.; Harold Button, dist. mgr., Lawrence Systems, Des Moines; Marv Rohn, v.p., The Omaha Natl.; Pete Jeffrey, pres., American Natl., Omaha; Julius Mietzner, pres., State Bank of Hildreth, and Bob Larsen, v.p., The Omaha Natl. **RIGHT**—Ted Armbruster, pres., Nebraska State B&T, Broken Bow; Stanley J. Edwards, pres., Citizens Natl., St. Paul; Jack Babcock, v.p., The Omaha Natl.; Eugene C. Coplen, cash., Bank of Hemingford; Duke Nolte, exec. v.p., 1st Natl. B&T, Lincoln, and J. O. Peck, chmn., 1st Natl. B&T, Columbus.

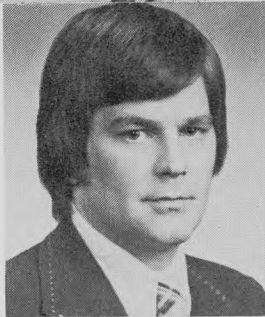
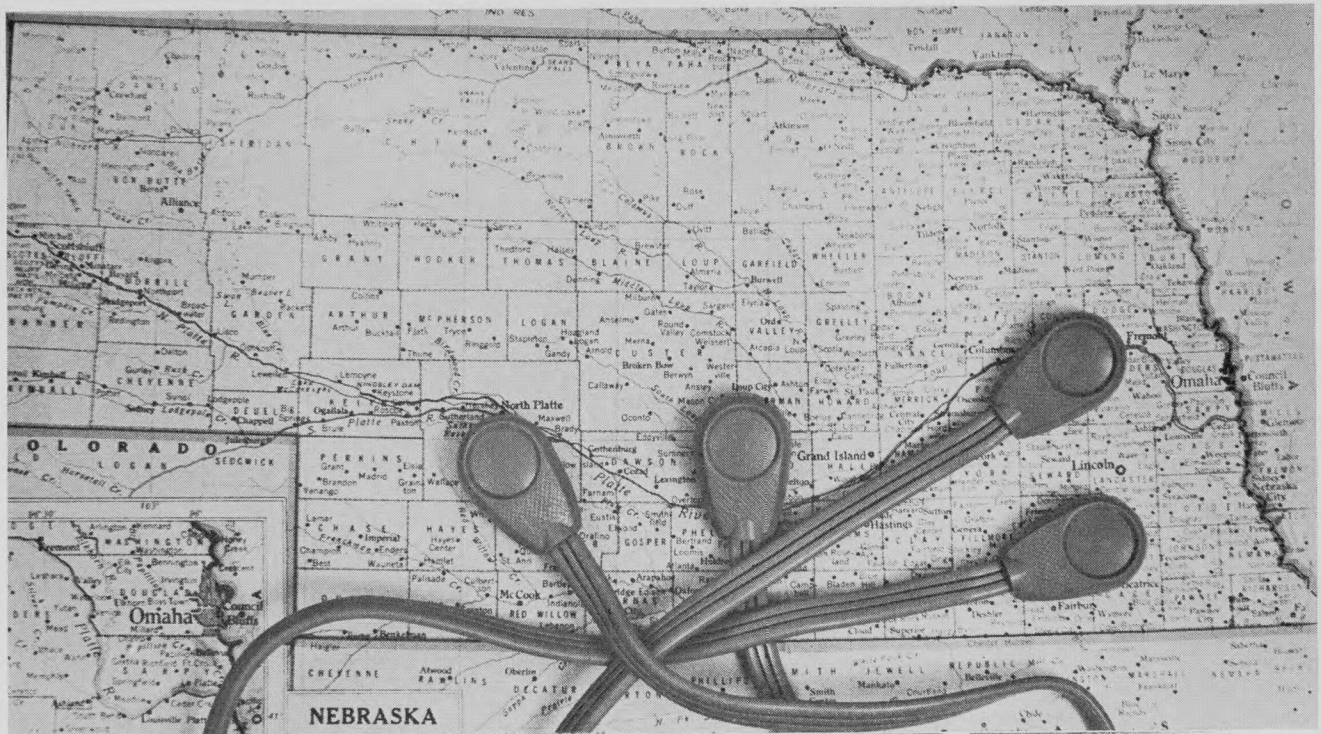
ment has sponsored LB562, which could change the name to Department of Banking and Finance. The bill awaits legislative action. He said financial institutions in the state are alive and well, and competing vigorously with nationally chartered institutions.

He took exception to the exclusion of s&ls from having access to terminals under LB269 just passed. He feels problems are being created by exclusion clauses in the legislation and noted that he intends to assume jurisdiction in regard to authority granted

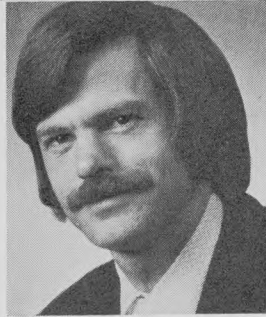
under LB269 for banks and will assume jurisdiction over state s&l activity as well.

Banking Speakers

Clyde H. Fischer, District X executive councilman for the American In-



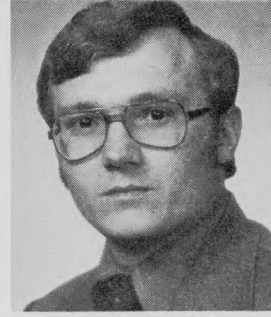
Dave Lebsack—
Lincoln



Bill Cummings—
Fremont



Roger Ormsby—
Grand Island



Claude Hanson—
North Platte

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LEFT—Jim McBride, pres., 1st Natl., Aurora; Wes Bowen, sr. v.p., and Don Dworak, sr. v.p.-cash., Packers Natl., Omaha, and Jim Kenner, exec. v.p., Thayer County Bank, Hebron. RIGHT—Gay Keller, pres., 1st Natl., Ogallala; Jim Foley, v.p., Chiles, Heider & Co., Omaha; Ivan Wozniak, exec. v.p., Gering Natl., and Fred Douglas, sales rep., Chiles, Heider, Omaha.

stitute of Banking, and controller for the Northwestern National Bank in Sioux Falls, gave a brief report on AIB on the occasion of its 75th anniversary. He said AIB is the largest adult education organization in the nation.

Peter L. Heintzelman, executive vice president, Bank of Valley, gave a report as chairman of the M. R. Morgan Grant-in-Aid Fund. He stated that \$3,000 had been given by NBA to the University of Nebraska College of Business Administration and a similar amount to the College of Agriculture. The latter grant has been used for a mini-computer place in Scottsbluff and Alliance to store and transmit research data on agricultural projects.

Cattle Outlook

Wray Finney, Ft. Cobb, Okla., first

vice president of the American National Cattlemen's Association, discussed current cattle markets and problems. He reported a strong underpinning for the market in the period through July, and after that, not so strong an outlook. He warned cattlemen not to expect a strong price market this fall. He reported some contracting of fed cattle, at least 60,000 mainly in Texas, Oklahoma and Kansas at \$42.50 and ranging as high as \$48, for May, June and July delivery. If normal conditions prevail — temperatures, rain, feed — we will see better fed cattle on grass, an improved grain crop and a boosting of prices. He anticipates prices not being as strong this fall because of more tonnage and increased feedlot placements.

Mr. Finney said that despite all the

natural adversities that can befall the livestock industry, more harm can be done to the cattle industry through the stroke of a Washington pen by a bureaucrat or from an uninformed Congressman. He cited the number of ag committee members in the House and Senate who have no background in ag areas, but represent city and consumer interests only. He criticized strongly the bill that would tell landowners how they can use their land, stating this opens a whole new bureaucracy with a list of new czars telling livestock people how to run their business. He said these consumer-oriented interests look only to their own price, and care not whether the cattleman is losing money.

Final Speakers

Gerald M. Lowrie, executive director of the ABA's government relations division, Washington, D.C., gave a brief report on the new makeup of Congress and how various pieces of legislation are viewed by ABA. He warned that credit allocation will be vigorously pursued by Rep. Reuss (D., Wis.), chairman of the House Banking and Currency Committee, and Sen. Proxmire (D., Wis.), chairman of the Senate Banking Committee.

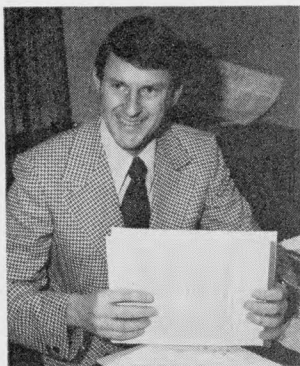
Two accomplished platform speakers capped off a successful convention.

Frank Blair, for 23 years a noted member of the NBC-TV "Today" show, gave a newsman's view of the need for adherence to the First Amendment guaranteeing freedom of the press — and thus freedom from legislatures and courts trying to impinge on the freedom to report, or harassment of the people who do the job.

Oklahoma Lt. Gov. **George Nigh**

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Steve Sutton

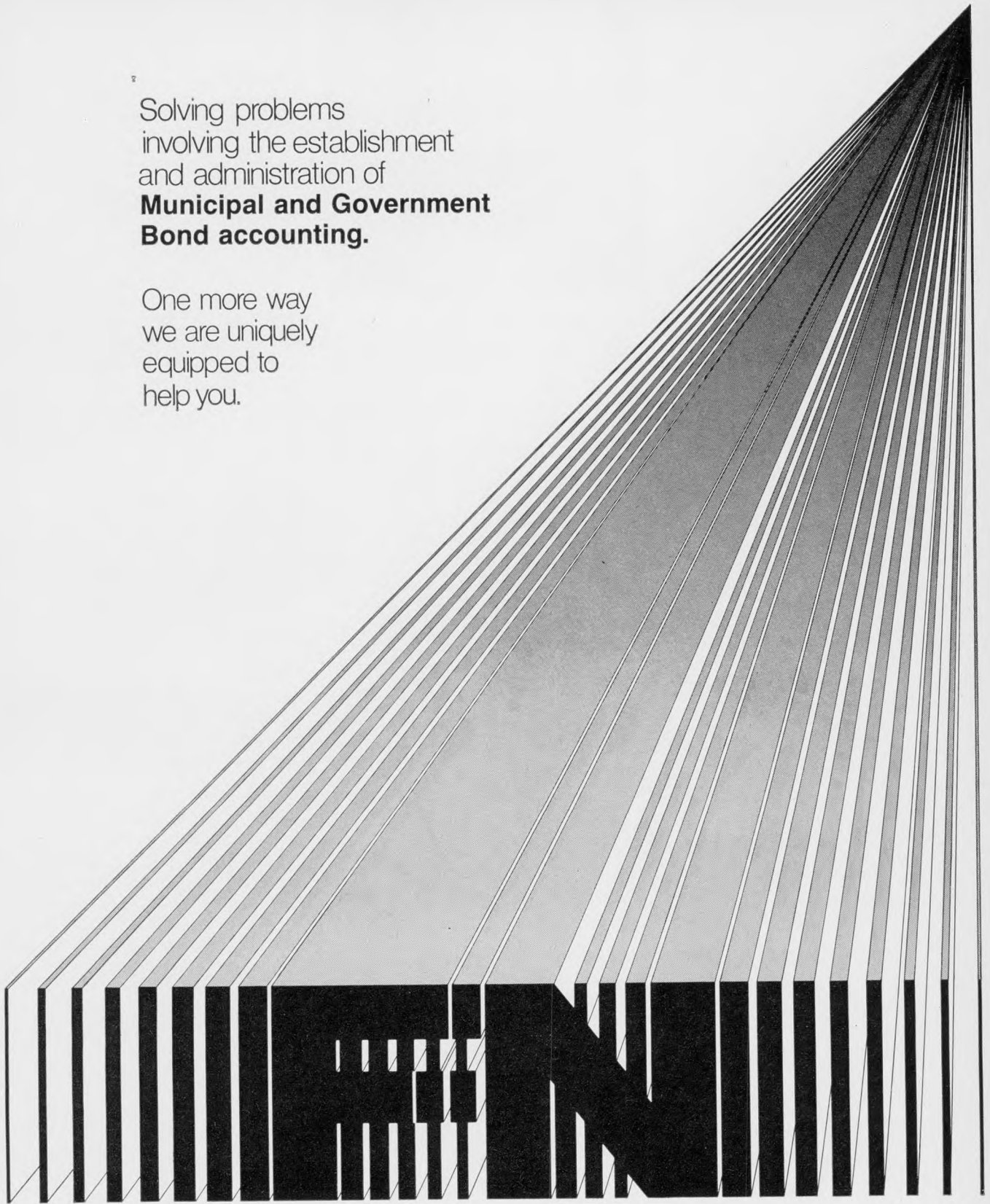
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was in his usual rare form, providing humorous, philosophical bon mots for an attentive audience.

In his concluding remarks to his fellow bankers, retiring President Adkins issued a strong plea for mature reflection on the common goals of all banking interests, urging them to offer a united front that will bring the best results for the industry and its ability to continue to be the leaders in offering financial service to the public. — **End**

Bicentennial Medallions Selling at Brisk Pace

The sale of Nebraska Bicentennial medallions is proceeding at a rapid pace throughout the state, according to W. E. Young, coordinator of the state's Bicentennial Medal Program. He reported last month that 340 of Nebraska's 440 banks are participating in this non-profit, community service program designed to raise funds to assist Nebraska communities in their Bicentennial projects. Forty two banks have already re-ordered medallion supplies, Mr. Young noted.

Backed by the Nebraska Bankers Association as the NBA's official Bicentennial activity, banks are able to



offer the medallions on a non-risk basis, since unsold medallions will be returned to the manufacturer, Mr. Young stated. The medallion itself is in raised relief, reflecting Nebraska's early heritage.

Among the limited edition medallions the one numbered 1776 was auctioned by the educational television station in Lincoln and was sold for a \$725 bid.

Mr. Young has retired from active work at Cozad State Bank and Trust Company, where he is still chairman. He said the funds generated from the sale of medallions through the banks

will make it possible to assist other communities in earning recognition similar to that gained already by other Nebraska towns for special projects. Nebraska earlier this year was ranked 15th in the nation for its Bicentennial achievements.

Sample projects include: Nebraska City—Arbor Day programs in Nebraska and the nation; Bancroft—John Neihardt Foundation; Scottsbluff—Educational TV filming of Mexican-American Festival; Gretna—Assistance with new regional 4-H Camp; Red Cloud—Willa Cather Foundation.

Mr. Young has invited remaining Nebraska banks to join at this time in adopting the NBA's Bicentennial Medallion program. He may be contacted at P. O. Box 2554, Lincoln, Nebr. 68502, or through the Cozad State Bank.

Named to Board At Merriman

Frank Tolstedt has been elected to the board of directors of the Anchor Bank, Merriman.

Mr. Tolstedt, executive vice president of the Gordon State Bank, also is a director of the Bank of Valentine and the Gordon bank. He started his banking career at The Guardian State Bank and Trust Company in Alliance and also has been associated with the Bank of Valentine.

Joins Norfolk Bank

Tim V. Stern, president of the Northwestern National Bank of Norfolk, has announced that Dennis L. Meek has joined the bank's staff as assistant manager of the instalment loan department. Previously he was a loan officer for the Bank of Bellevue. Mr. Meek is a 1970 graduate of Morningside College with a degree in business administration and economics.

Construction Begins on Bank of Madison

Construction has begun on the new Bank of Madison building on the southwest corner of Pearl and Third Streets.

The 45 by 65 foot building will include the city's first drive-in facility. Four teller windows and a sit-down teller desk will be located inside.

The full basement will not be finished but plans are to use it for a meeting room.

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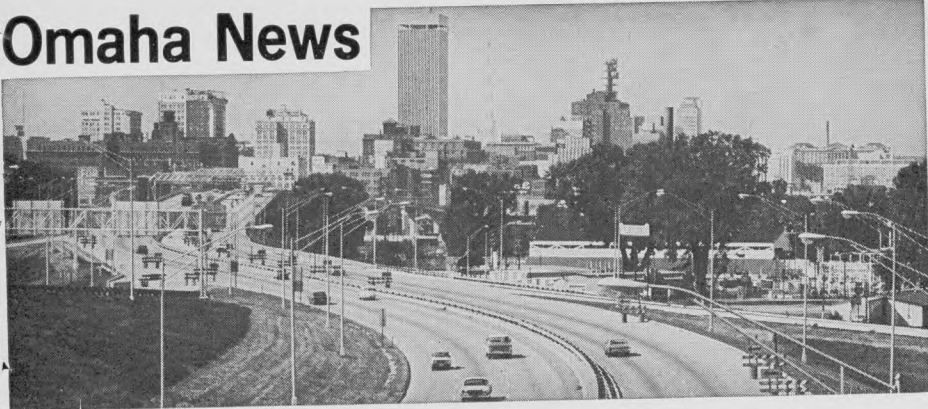


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Omaha News



Kermit Hansen, president of the United States National Bank of Omaha, has announced the election of **Wesley Hansen** and **William H. Seidel** as new board members.



W. F. HANSEN

W. SEIDEL

Mr. Hansen, North Platte rancher, is president of Hansen Ranch Company. He has served as president of the Nebraska Stock Growers Association, the Nebraska Feeders and Breeders Association and the Nebraska Sandhills Cattle Association. Mr. Seidel is vice president and secretary of the John Day Company in Omaha. He joined the firm in 1959 two years after graduating from Iowa State University in Ames, Ia., with a degree in engineering.

* * *

Controlling interest in the Ames Plaza Bank has been purchased from the Brodkey family of Omaha by a group of local businessmen headed by **Robert R. Kruger**, chairman of the Mid City Bank. Mr. Kruger, who also has interest in six banks in Iowa, Missouri and Minnesota, has become chairman replacing **Edwin E. Brodkey**. A new president will be named to replace **Edward D. Brodkey**, a cousin of **Edwin Brodkey**.

* * *

John L. Bilby has been appointed to the advisory board of the Douglas County Bank and Trust Company. Mr. Bilby is vice president of the John L. Bilby Construction Company.

Gertrude Foltz has been promoted to auditor of the North Side Bank. She joined the bank in 1953 in the loan department and has held positions in all departments of the bank.

Controlling Interest in Stanton Bank Sold

Elmer Timson, president of The First National Bank of Stanton, has announced that he has sold his interest in the bank to Val Beavers of Wahoo.

Mr. Beavers has taken over as bank president. He had been vice president and director of The First National Bank of Wahoo.

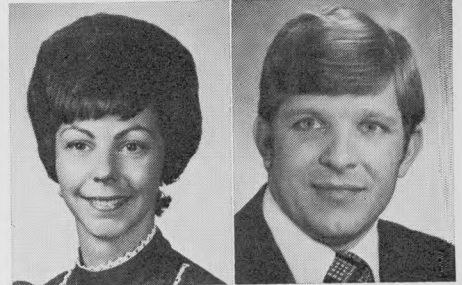
J. E. Burke

Funeral services were held recently for J. E. Burke, president of the Farmers & Merchants Bank in Imperial.

Mr. Burke, 89, joined the bank in 1903.

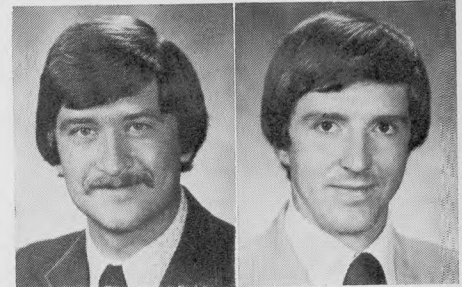
Grand Island Bank Announces Promotions

The Overland National Bank of Grand Island has announced the following promotions: Alberta Brym



A. BRYM

G. BRUMMUND



R. PLACZEK

L. McCOIG


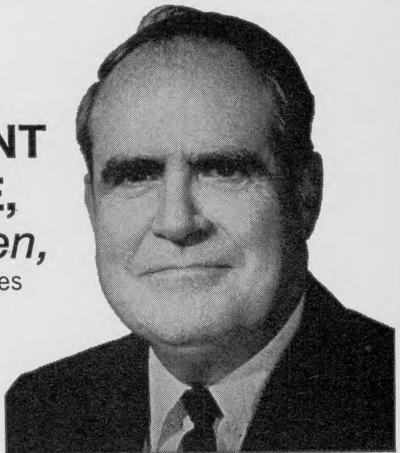
to assistant cashier and manager of The Overland Motor Bank North; Gail Brummund, Bob Placzek and Larry McCoig to loan officers in the instalment loan department.

Leaves North Platte Bank

Kenneth W. Morris has announced his resignation as assistant vice president of the McDonald State Bank of North Platte.

for alert

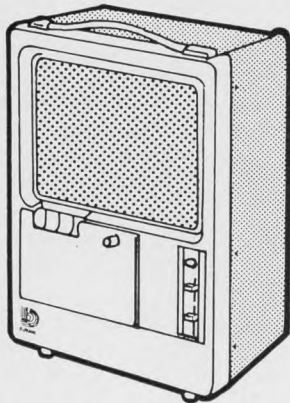
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our SR. V.P., Special Services

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Omaha, Nebr. 68107
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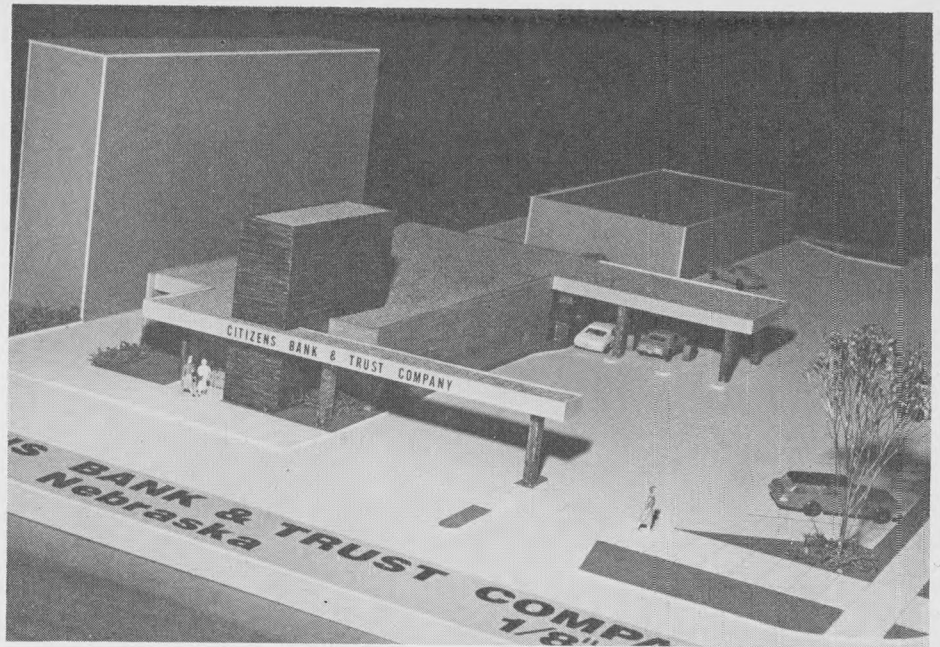
A self-contained, easy to use film strip unit with recorded message that clearly explains the IRA and Keough Plans to your customers in just 18 minutes each. Now you don't need an expert to explain the IRA or Keough plans.

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Citizens Bank, Columbus, Plans Remodeling

BEN B. McNair, chairman of the board of The Citizens Bank & Trust Company in Columbus, has announced a major remodeling program to start immediately.

Increasing its drive-up service capabilities three-fold, the project includes complete remodeling of the bank interior as well as extensive exterior work to create the newest and most functional banking facility in the area.

The exterior will feature a 30 foot high tower which will create a unique appearance to the building. Increased on-site parking and ample back-up space for drive-up customers will be

accomplished by utilizing additional land recently purchased.

Four private offices, a conference room and a separate installment loan area will be available for customer services. Modern in design, the interior will be bright and open in appearance and functional in design.

Completion is expected in 8 to 10 months barring unusual delays or weather. The Kirk Gross Company of Waterloo, Ia., has the single source responsibility for the entire building program and will utilize local trades where possible.

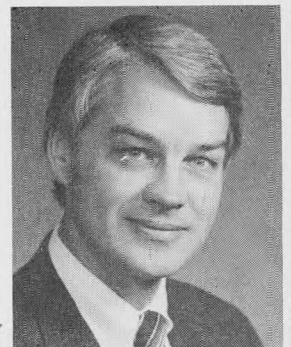


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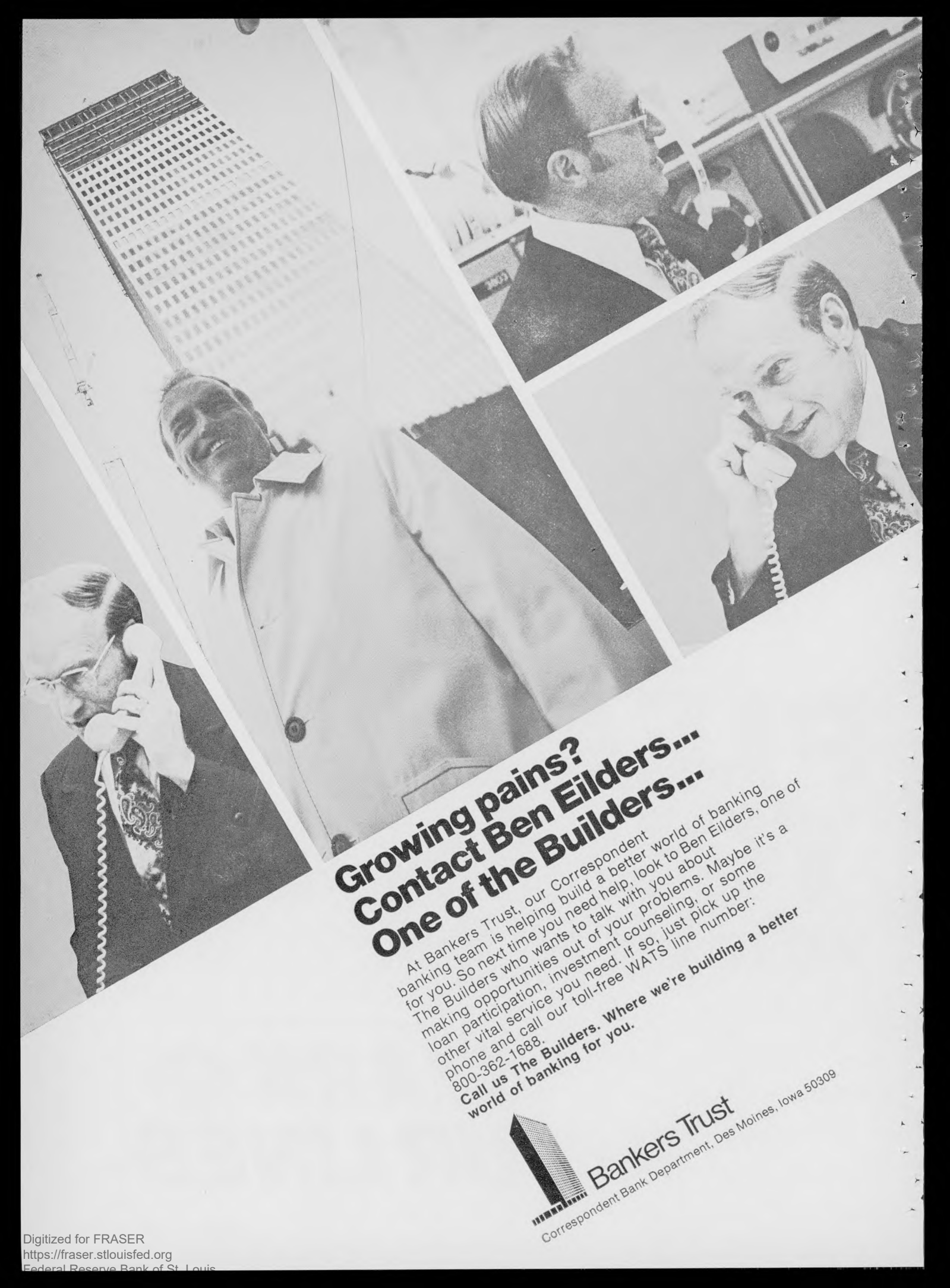
More jets. More nonstop flights. Colorful new interiors. More legroom, more comfort, better looks. Our meals? Ask an Ozark passenger about our new International Flair dinners. Or our wine-and-cheese baskets. Fly on Ozark Air Lines; you'll see. We're going all out to give you the kind of flight you're looking for. Which is one good reason we're one of America's fastest-growing airlines.



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Bankers Trust

Correspondent Bank Department, Des Moines, Iowa 50309



DON M. Erusha (left), Group 7 chmn. & pres., Solon State, is shown with the newly elected officers of Group 7. Group secy. **L. C. [Bud] Pike**, pres., Farmers Savings, Grundy Center, is in the center, and Group chmn. **Hugh Van Hosen**, pres., Newton Nat'l, is on the right.



JUDY Gunderson, Union-Whitten State, Union; **Mary Anne Blazek**, Fidelity Savings, Marshalltown, & **Shirley Naylor**, Commercial State, Marshalltown, took care of the registration at the Group 7 meeting in Marshalltown.

EFTS Discussed at IBA Group Meetings

ELECTRONIC Funds Transfer Systems drew "top billing" at the series of eight annual group meetings held by the Iowa Bankers Association last month.

IBA President Jack L. Campbell expressed concern over enabling legislation for state chartered banks. (The Comptroller authorized use of customer-bank communication terminals for national banks on December 12, 1975).

Mr. Campbell described the continuing work by the Mid-America Payments System in Omaha, and mentioned that the MAPS study is to be completed by June 30. Following the study, banks in Iowa and Nebraska will proceed in making up cards, in establishing volume projections, and in projecting volumes for various types of terminals.

IBA Executive Vice President Neil Milner elaborated on President Campbell's EFTS discussion, adding that authorization forms for direct deposit of Social Security checks will be sent

to Iowa banks in early August. Previous to this time, forms from the Treasury will be sent to Iowa banks about July 10. Full automation on Social Security payments will be in force by February or March, 1976. IBA plans a series of three meetings on sign up mechanics this month.

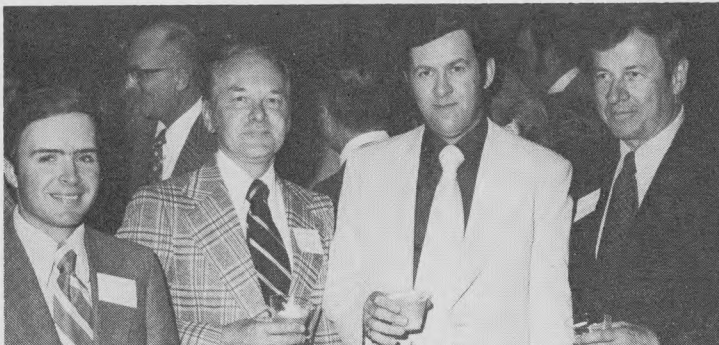
Current deficits by the Federal government were given special attention by Mr. Milner. He suggested that Iowa bankers should use every effort to see that Congressmen establish and follow spending limits in view of the fact that survival of our economy is at stake. (He indicated that he was impressed with the apparent fiscal responsibility of Iowa's current Congressmen).

Classified Loans

Cecil Dunn, state superintendent of banking, emphasized the fact that more and more classified loans are showing up through bad banking practices. He advised banks to ask for assistance from his office or from correspondent banks to assure proper

techniques. He indicated that further studies on liquidity will be made by his department. Concluding, he described that good repute between his office and the FDIC, mentioning that Iowa continues to be one of three states where state examiners make examinations for the Federal Deposit Insurance Corporation.

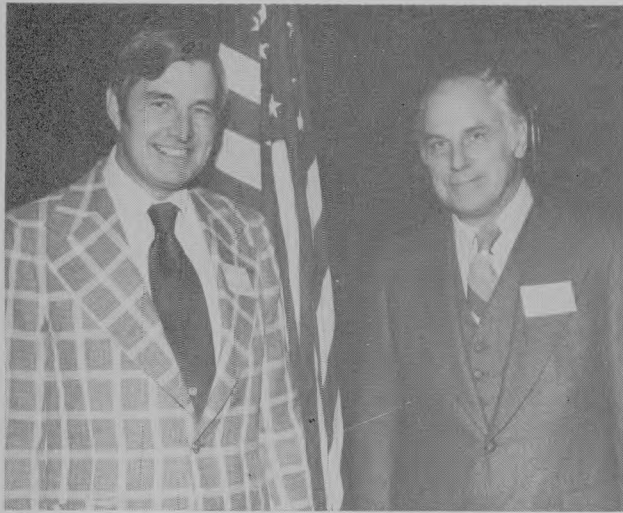
Association activities were outlined by President Campbell. He outlined the plans for the various IBA banking schools, mentioning that the Ag Credit school and the School of Banking enrollment is full for this year. There will be no "Blue Ribbon" school this year. Next year, it is planned for the Broadmoor in Colorado Springs in early August. Mr. Campbell also announced several changes for the annual convention. Headquarters for the 89th annual convention, October 26-29, will be at the new Hilton Hotel, Des Moines. Also, the customary theater party at Ames will be Sunday evening, rather than on Tuesday evening. — **End**



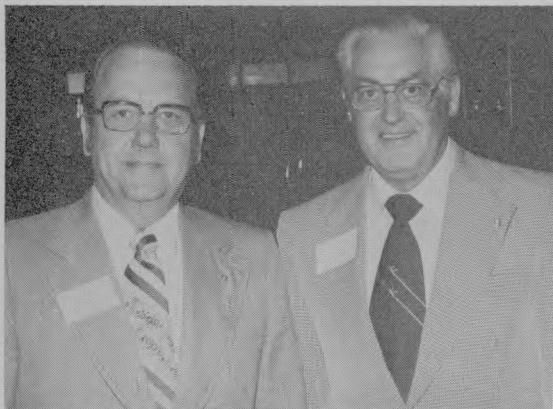
GROUP 8—Steve Rothenberger, Continental Bk., Chicago; **Jack Bock**, First Natl., Iowa City; **David Johnson**, Maquoketa St. Bk., and **Clyde McIntyre**, Deluxe Check Printers, Marshalltown. **RIGHT—Bill Callahan**, Sec. St. Tr. & Sav. Bk., Bettendorf; **Floyd Amos**, Central St. Bk., Muscatine; **Jim Hill**, Harris Bk., Chicago, and **Harold Button**, Lawrence Systems, Des Moines.



IBA Group Meeting Photos



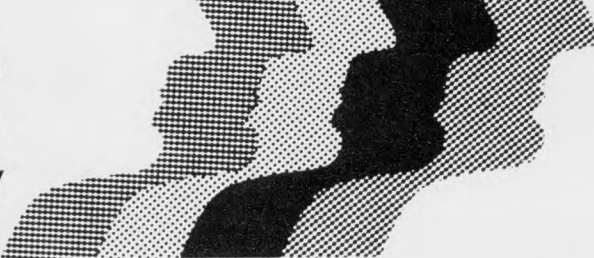
GROUP 4—Chmn. **Jack Thomson**, Cresco Union Sav. Bk., and Secy. **Tom Kerndt**, Kerndt Bros. Sav. Bk., Lansing. **RIGHT**—**Ron Odefey**, Key City Bk.; **Jim Smith**, First Natl. Bk., and **Don Leopold**, American Tr., all of Dubuque, on the registration table.



GROUP 8 CHMN. **Dick Ferguson**, Tipton St. Bk., and **Christy Armstrong**, American Tr. & Sav. Bk., Dubuque. **RIGHT**—**Neil Milner**, Iowa Bankers Assoc.; **Oliver Hansen**, Liberty Tr & Sav. Bk., Durant, and **V. O. Figge**, Davenport Bk. & Tr. Co.



LEFT—Shown at Gr. 8 are **Bob** and **Maxine Buenneke**, Iowa Des Moines Natl. Bk., and **Bernie Miller**, Drovers Natl. Bk., Chicago. **RIGHT**—**Jim Figge**, Davenport Bk., and IBA Pres. **Jack Campbell**, Humboldt Tr. & Sav. Bk.



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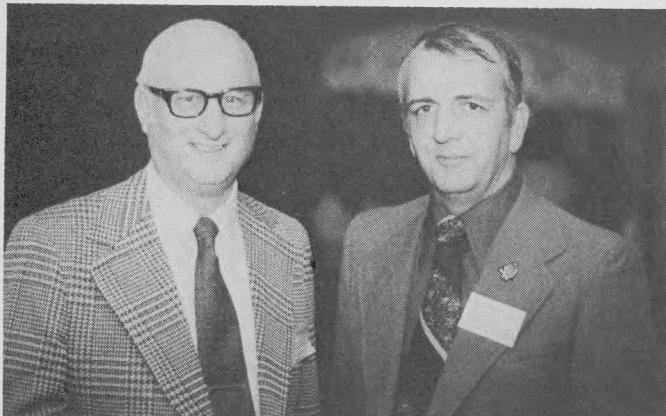
Any correspondent banking problem you have, we can handle.

So that's why we say — we're happy to be named correspondent.

National
Bank of
Waterloo



More Group Meeting Photos



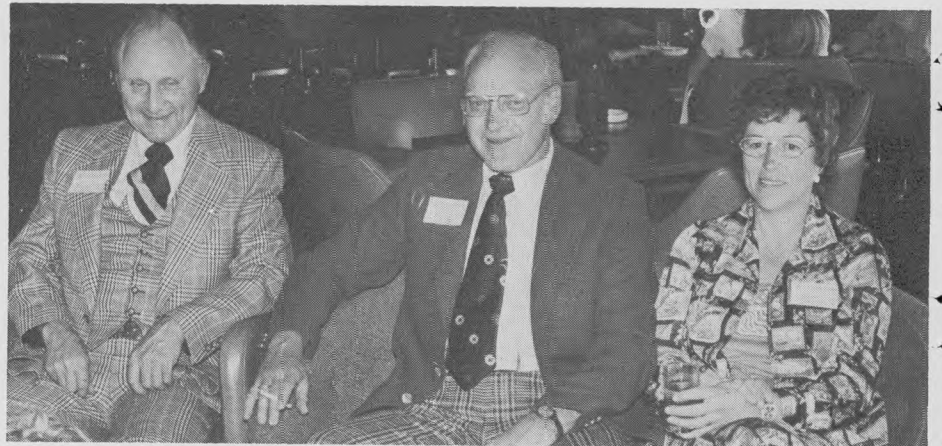
ARDEN E. Melcher, v.p., 1st Community B & T, Traer, and **Larry Arendt**, e.v.p., Gibson Savings, at the Group 7 meeting.



SHOWN at the IBA Group 6 Meeting at the Des Moines Golf & Country Club are **Ray Dieball**, Wayne Hummer & Co., Chicago; **Vera Eilders** & **Ben G. Eilders, sr.** v.p., Bankers Trust, Des Moines.



WES Johson, v.p., Nytco Service, Des Moines; **Voldy Vanags**, correspondent representative, Ia.-Des Moines Nat'l., Des Moines; **Eddie A. Wolf**, v.p., Central Nat'l. Bank, Des Moines.



PAUL L. DeRosear, v.p. & cash., Security St., Casey; **Tom Hay**, pres., Sec. St. and **Louise Hay**.

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FARMERS PREFER**

STATEMENT of CONDITION At Close of Business December 31, 1974

ASSETS	
U. S. Government Bonds	\$2,480,992.56
Other Bonds	2,742,132.35
Stocks	114,348.75
Accrued Interest, etc.	61,392.59
Cash in Bank and Home Office	247,699.04
Total Admitted Assets	\$5,646,565.29
LIABILITIES	
Reserve for Federal and State Taxes	\$ 140,634.47
Other Liabilities	359,475.19
Total Liabilities	\$ 500,109.66
Funds for Policyholders Protection	5,146,455.63
	\$5,646,565.29 \$5,646,565.29

Securities carried at \$392,486.93 in above Statement are deposited with public authorities as required by law.

SQUARE DEAL INSURANCE COMPANY
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Mutual

Manchester Bank Adds Loan Officer to Staff

Kevin C. Flanagan, a native of Cedar Rapids, has joined the Farmers and Merchants Savings Bank in Manchester as a loan officer.

For the past three years Mr. Flanagan has been associated with the Federal Reserve Bank of Boston, Mass., as a bank examiner.

Morningside State Bank Elects 2 Directors

Vernon Stolen and Harold E. Bruce have been elected to the board of directors of the Morningside State Bank of Sioux City, according to Robert Knowler, chairman. Mr. Stolen is vice president of Midwest Electric Co. Mr. Bruce is vice president of the bank. He has been with Morningside for over nine years.



CY KIRK



MAX ROY

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485 Banks To Participate in IACHA

FOUR hundred eighty-five Iowa bankers have signed up to participate in the Iowa Automated Clearing House Association (IACHA), according to Larry R. Retherford, Central National Bank, co-chairman of IACHA's marketing and education committee.

The association recently held a series of 15 meetings with bankers throughout the state to discuss IACHA which is scheduled to begin operations October 1 with automated deposits of payrolls. About 900 to 1,000 bankers attended the meetings.

The clearing house was "very well received," say Mr. Retherford. "It was probably one of the better signups of automated clearing houses across the country."

IACHA is a non-profit corporation of Iowa banks formed to organize and administer a statewide system of automated funds transfer. It is a member of the National Automated Clearing House Association and will be part of a nationwide network of automated clearing house systems.

Spencer Bank Names Vice President

John R. Bullard, president of Clay County National Bank of Spencer, has announced the election of John T. Wassenaar as vice president for loan administration.



J. T. WASSENAAR

Mr. Wassenaar brings 16 years of banking experience to Clay County. He most recently was vice president and cashier of the First National Bank of Clarion where he supervised bank operations and loans.

Hawkeye To Acquire Lake Mills Bank

The Federal Reserve Board has approved the acquisition of Farmers and Merchants State Bank in Lake Mills by Hawkeye Bancorporation, an Iowa multibank holding company with headquarters in Des Moines, according to Paul Dunlap, Hawkeye president.

Farmers and Merchants State, headed by Dean Brackey, president, has deposits of \$11,600,000 and will

Hawkeye Bancorporation. The acquisition is expected to become effective by June 30, 1975.

To Present Seminar on HR-10 Prototype Program

In response to interest by banks in Iowa, a prototype HR-10 Program and individual retirement accounts will be available to any bank in Iowa, sponsored by Iowa Bankers Insurance and Services, Inc. A day-long seminar will consist of an explanation of the Master HR-10 Program and how to use it and the forms which will be necessary in its operation. Following are the dates and places of the meetings:

June 3, Sheraton Inn, Des Moines

June 4, Ramada Inn, Waterloo

June 5, Highlander Inn, Iowa City

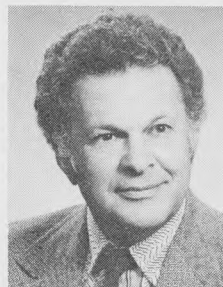
June 10, Atlantic Country Club, Atlantic

June 11, Harbor House, Storm Lake.

The seminars are designed for bank executives and other personnel who will be presenting this type of program to bank clients. Material to use in promoting the activity will be available. Collin W. Fritz, banking consultant, has agreed to conduct the seminars which begin at 9 a.m. and adjourn at 4 p.m.

New Director of Banks of Iowa

Pictured here is Ben Schwartz, new director of Banks of Iowa, Cedar Rapids. His election was announced in the May issue of *NORTHWESTERN BANKER*, along with the election of C. Bernard Jacobs and John F. O'Neill. Mr. Jacobs is chairman of National City Bank, Minneapolis, and Mr. O'Neill is the new president of the First National Bank of Burlington.



B. E. SCHWARTZ

Mr. Schwartz entered the business of metal processing and trading in Marshalltown following service in World War II. In addition to the main plant in Marshalltown, he has plants in Ottumwa, Des Moines, Denver, and Chicago. His business interests include

a directorship in Archer, Daniels, Midland.

Bi-Centennial Bonds On Sale

Banks across the nation are now selling the new Bi-Centennial/Design Series E Bond. In opening ceremonies in Washington and other cities President Ford and local officials launched the Bond program's observance of the Bi-Centennial by purchasing these new Bi-Centennial/Design Series E Savings Bonds.



SHOWN with Gov. Ray (left) are David L. Miller, pres., W. Des Moines State Bank; Marvin R. Johnson, Ia. state Savings Bonds dir., and Mr. Tone.

Iowa's Governor Robert Ray used the occasion to proclaim May 5-9 as Minute Man Week, honoring the Treasury Department's program symbol, the patriotic citizen volunteer, and recognizing the importance of individual participation in the financial affairs of the country.

Federal Reserve Banks have received supplies of bond stock in \$25, \$50 and \$100 denominations.



TYPICAL of bank participation was the bond sale to Dubuque's Mayor C. Robert Justman (center) by Marjorie Sonnenberg, vault attendant, and William G. Kruse, pres. of 1st Natl., Dubuque.

Brenton Banks Progress

William H. Brenton, chairman, Brenton Banks, Inc., Des Moines, reported at the annual meeting that the company's per cent of increased earnings was among the best of the leading bank holding companies. Loans gained 13.4% and deposits gained 12.7%. Net income totaled \$2,551, 776 at the year-end. Assets gained 11.1% and the return on average shareholder equity was 14.6 percent.



D. L. NAGEL

Mr. Brenton announced that David L. Nagel, president of the Brenton Bank and Trust Company, Urbandale, was elected to the Brenton Banks, Inc., board.

Robert D. McKee, president of the Dallas County State Bank, Adel, and



R. D. McKEE



J. R. THORNTON

Jerry R. Thornton, marketing officer, were elected officers of Brenton Banks. All other officers and directors were reelected.

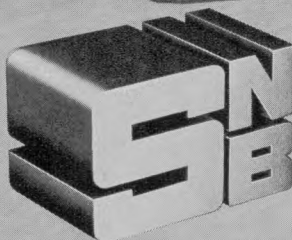
First State, Chariton, Holds Open House

First State Bank of Chariton recently held an open house to acquaint the public with the bank's recent remodeling program. Tours and refreshments were provided.

The bank has completed its two-year remodeling program which includes a new elevator, directors room and community room.

Meet Ed, Gene, Wilma and Jim.

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Good business depends on good bankers. That's why the Banks and Bankers Division at Security National Bank stays up-to-date on all the services you might need.

But most important, we can give you the service you need whenever you need it. That's what we're here for. Phone: 712-277-6517

Security National Bank
6th & Pierce Street, Sioux City, Iowa

Management/Marketing . . .

(Continued from page 29)

What we are saying is that no simple, one-step formula exists for marketing success. The knowledgeable CEO realizes that his bank must have both the right product and the ability to take the product to market. Contrary to the views of some, a marketing program is not just a clever advertising campaign or a matter of sending all available personnel to "beat the bushes" for new customers. Effective marketing requires a number of elements . . . research, communications, (internal and external), sales and public relations activities . . . and a host of related assignments.

Innovative-Minded — The CEO who is not attuned to the inevitability of change is headed for disaster. Both the rate and intensity of change in the financial services area will continue to accelerate. International finance, EFTS, automated tellers . . . the entire range of services designed for the future is destined to change dramatically the complexion of today's banking. As someone said the other day, "It's innovate or vegetate!"

With these six desired qualities for the CEO and marketing director in the background, let me hasten to say that I know you may be wondering just what they have to do with the subject under discussion. Very little, maybe. But, the fundamental point I have been trying to make is this: **The CEO and marketing director have to communicate on the same wave length.** I think they can do this better when they understand each other's values, beliefs and personal philosophies.

If conflicts or problems exist in the area of individual relationships, then they can hardly be overcome by avoiding use of the word "problem," as some businesses are prone to do. If "opportunities" truly are to be exploited, the communications channel has to remain clear.

Let me conclude with several practical suggestions about how I feel good communications can be maintained between marketing director and CEO. Among these would be:

Speaking plainly and openly. The CEO doesn't need a "yes" man. He is already insulated and buffered enough from actuality. Although very few persons care to take un-

comfortable news to the "boss," the marketing director must tell it like it is — or suffer the consequences in the long run. Likewise, when he is off base, the CEO needs to level with him. This saves a lot of wasted motion in the final analysis.

Taking time to communicate. As much as we may be deluged with steady conferences and meetings in our banks, they oftentimes are necessary for clear communications. When we feel a vacuum can be filled with regular meetings between the CEO and marketing staff, agreement on time and place are in order. One valuable collateral benefit from this is that it forces us to prepare and organize better.

Documenting in writing. Marketing plans and schedules which seem simple to the marketing director can appear complex to the CEO, because of his limited time for reviewing lengthy data and statistics. Verbal review of marketing strategy with the CEO can easily be lost in the day's pre-occupation with other pressing business. Write it down. He'll study the data fully as his schedule permits . . . and there'll be far less confusion and misunderstanding.

Understanding and respecting each other's views. I think the probable source of greatest stress between the CEO and marketing director stems from their separate opinions regarding top priorities. The marketing director is often very capable of "draining the swamp" but may not be "up to his navel in alligators," as the CEO finds himself most of the time.

I would, without hesitancy, encourage the marketing director to defend his views and recommendations when communicating with the CEO. No self-respecting marketing man wants to be intimidated by his "boss." There are times when the CEO plays the role of devil's advocate with accomplished skills and purpose. It's his job to test judgement . . . and to temper conviction with a measure of reasonable doubt. If the marketing director isn't prepared to defend his recommendation before the CEO and other associates, then there is room for doubt about his personal commitment. May I be another to echo the statement, "The C.E.O. may always be the boss, but he isn't always right." Just most of the time!

Toy Nat'l, Sioux City, Announces Changes

Gery M. Martin, realtor, has been elected to the board of the Toy National Bank of Sioux City. He owns Gery M. Martin Real Estate Company.

Kenneth C. Schatz has been elected vice president and senior trust officer and Marvin L. Clause has been elected assistant vice president.



K. SCHATZ

M. CLAUSE

Mr. Schatz joined the bank in 1971, was elected assistant trust officer in 1972, trust officer in 1973 and vice president and trust officer in 1974. In 1971 he graduated from the University of South Dakota School of Law. He is a member of the American, Iowa and Sioux City Bar Associations and has been admitted to practice in the U. S. District Courts of the Northern District of Iowa.

Mr. Clause joined the bank in 1966 as a trainee at the First Trust and Savings Bank in Anthon. He moved to Sioux City in 1968 as manager of the Morningside office and in January of 1969 was promoted to assistant cashier. In 1972 he transferred to the operations department in the main bank and in July of 1974 was promoted to his present position in the livestock loan department.

Union Trust Opens Crossroads Office

Ribbon cutting ceremonies were held recently at the new Crossroads office of Union Trust and Savings Bank, Fort Dodge. The event kicked off the bank's two-day grand opening.

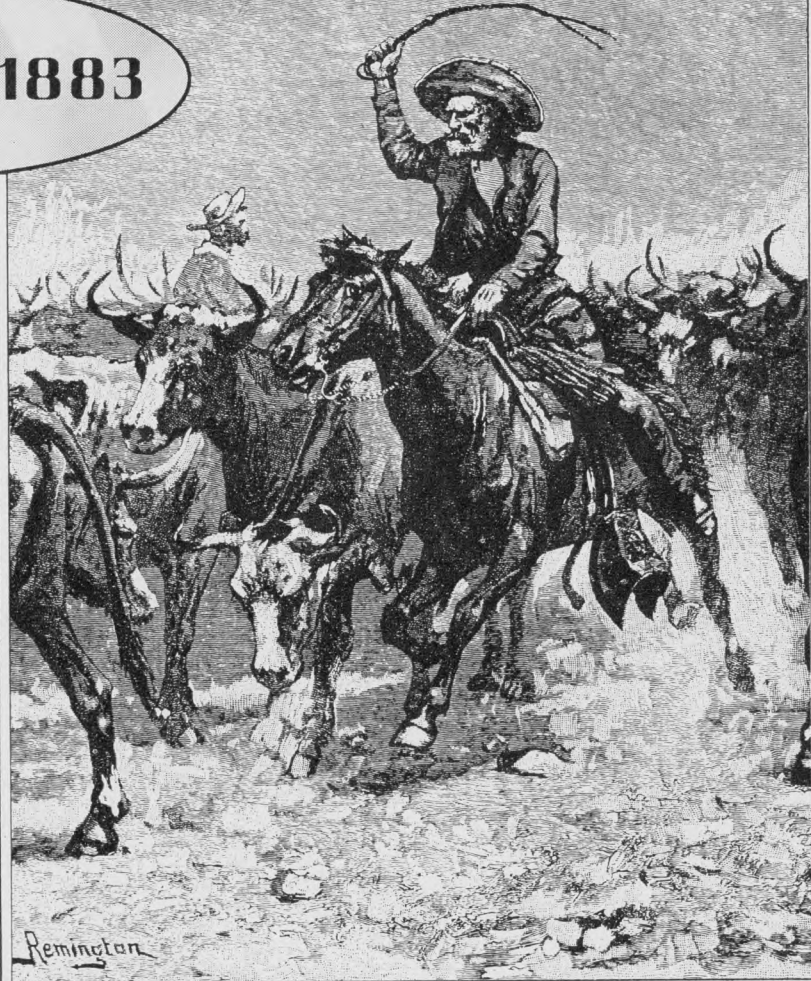
In addition to all customary banking services, the 6,500 foot square building includes a 24 by 36 foot community room. The bank was designed by the Griffith Company and built by the C. Glenn Walker Company. Both are Fort Dodge firms.

Pete Garatoni is president of the bank.

Honored for Service

Thelma Henderson, cashier at the Farmers Savings Bank of Shelby, recently was honored by bank officers for 25 years of service to the bank.

DROVERS-1883

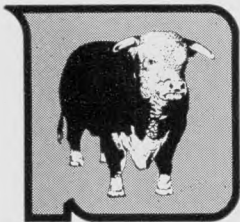


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In Drovers Country you'll find experienced help for just about every known correspondent banking need including loans and overlines, clearings and transit services, bond and investment portfolios.

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Illustrated above is Frederic Remington's "Cutting Out A Steer." A 14 x 17-inch reproduction suitable for framing is available without cost or obligation upon request.

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• Member Chicago Clearing House Association



IIB President Ben E. Summerwill (left) and Vice President Richard Randall.

Plan Third Annual Convention For Iowa Independent Bankers

MARTIN Mayer, nationally-known author of "The Bankers" and "The Lawyers," will be a keynote speaker at the Third Annual convention of the Iowa Independent Bankers Association at Lake Okoboji, July 17-19.

Registration will start at 9:00 A.M., Thursday, July 17. Activities start at 3:30 P.M. when the *Empress* will dock at the New Inn pier to pick



K. J. BENDA

up the young adults for an hour long boat ride. At 5:30 P.M., a social hour, dance and lake cruise will be held on the *Empress* for a two hour period while the young people hold a picnic, featuring a variety of games, on shore.

The official program gets underway on Friday morning, July 18. Details follow:

Friday, July 18

- A.M.**
9:00 First General Session — New Inn Convention Center.
Call to order — Ben E. Summerwill, IIB president and president, Iowa State Bank & Trust Company, Iowa

- City.
Invocation.
Keynote Address — President Summerwill
9:20 Keynote Address — George M. Dishman, director of corporate development, First Data Resources, Inc., Omaha.
9:50 Address — The Honorable J. Phil Campbell, Under Secretary of Agriculture, Washington, D.C.
10:30 Coffee Break.
11:00 "Iowa's Planning for the Bicentennial" — Murray Goodman, executive director for the Iowa American Revolution Bicentennial Commission, Des Moines.
11:30 "Why Use the Small Business Administration" — Daryl K. Schuster, regional director, United States Government, Small Business Administration (Region VII), Kansas City.

P.M.

- 12:00 Golf — Brooks Golf Course
Ladies Luncheon — New Inn Lakeview Dining Room, featuring Frank Miller, cartoonist, Des Moines Register and Tribune.
Saturday, July 19

A.M.

- 9:00 Second General Session — New Inn Convention Center.
Call to Order — Richard Randall, vice president, Iowa Independent Bankers, and president, Dunlap Savings Bank, Dunlap.
9:10 Introduction and Remarks of IBAA Dignitaries.
Kenneth J. Benda, president, IBAA.
Robert D. Dixon, Iowa director of IBAA.
10:00 Coffee Break.
10:15 Address — Martin Mayer, author of "The Bankers," and "The Lawyers."
11:40 Annual Business Meeting.
Ben E. Summerwill — presiding.

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Resolution Committee Report.
Chairman — Keith W. Campbell, president, Citizens State Bank, Sheldon.

Nominating Committee Report.

Chairman — John C. Dean, past president of the Iowa Independent Bankers, and president, Glenwood State Bank, Glenwood.

Election of Officers.

Announcements.

Adjournment.

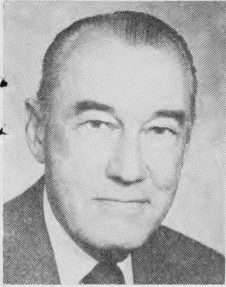
P.M.

6:00 Social Hour — New Inn Beach.

7:00 Barbeque — New inn Beach.

Newton Banker Retires

A. E. Peters has retired from active staff responsibility at the Jasper County Savings Bank, Newton, according to Donald R. Runger, president and chief executive officer. Mr. Peters will continue as chairman and a member of the trust committee.



A. E. PETERS

Mr. Peters began his banking career with the State Department of Banking in 1932. In 1938 he joined the Jasper County Savings Bank and was elected assistant cashier in 1939. He was named vice president in 1946, director in 1952, executive vice president in 1956, president in 1963 and chairman in 1971.

Edgar Ballou

Funeral services were held recently for Edgar Ballou, 88, honorary chairman and founder of Security Trust and Savings Bank of Storm Lake.

Mr. Ballou had been in banking in Storm Lake for 69 years. In 1974 he was honored for his many years of service and was recognized as the dean of Iowa bankers by the Iowa Bankers Association.

Mr. Ballou, his father and another associate founded the Security Bank in 1908. It was incorporated as the Security Trust & Savings Bank in

1917. He served as cashier, president and chairman.

Ankeny State Elects Senior Vice President

Donald L. Davis has been elected senior vice president of the Ankeny State Bank, according to Rolfe O. Wagner, chairman.

Mr. Davis previously was executive vice president, manager of real estate loans division and director of Capital City State Bank of Des Moines. He began his banking career in 1946 at Central National Bank of Des Moines.

He joined Capital City State in January of 1952.

Blairstown Elections

Benton County State Bank, Blairstown, has elected a new board of directors. Those elected include Merlin Hagen, Richard L. Kelly, Earl M. Kimm, Harold J. Martin, Roy M. Ralston, Lloyd Shaull and A. C. Siek.

Officers of the bank are Loyd Shaull, president; Earl M. Kimm, executive vice president; A. C. Siek, vice president, and Harold J. Martin, cashier.



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Des Moines News

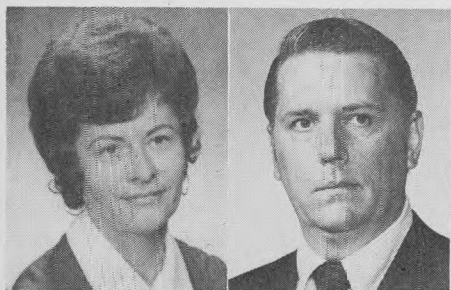
FOLLOWING a meeting of the board of directors, **John R. Fitzgibbon**, chairman and chief executive officer of the Iowa-Des Moines National Bank, announced the election of the following officers: **Voldemars Vanags**, correspondent banking officer; **Joseph D. Petra** and **N. Janine Young**, bond investment officer; **Robert J. Ertle**, credit officer, Master Charge, and **Kim S. Meadows**, loan services officer.

John B. Johnson was promoted from bond investment officer to senior bond investment officer.



V. VANAGS

J. D. PETRA



N. J. YOUNG

R. J. ERTLE

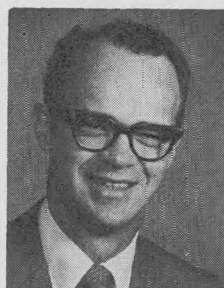


K. S. MEADOWS

J. B. JOHNSON

Edwin A. Langley, president and chairman of Capital City Bank, has announced the promotion of **Bill Boyer** to vice president and commercial loan officer.

Mr. Boyer started his career with Capital City State Bank in October of 1948. Since then he has worked in all departments of the bank. He most recently was manager of the Hickman Road office, a position he had held since October of 1972.



B. BOYER

* * *

Tom H. Bachman has been elected president and trust officer of the East Des Moines National Bank, according to **Paul T. Manning**, chairman.

Mr. Bachman, who joined the bank as vice president when it began operations in 1963, was elected as executive vice president in 1966.



T. H. BACHMAN

* * *

Funeral services were held recently for **Lloyd Fugill**, 75, a retired Des Moines banker. Mr. Fugill retired on September 30, 1964, as a vice president in the commercial loan department of the Iowa-Des Moines National Bank. He was well-known throughout Iowa regarding the extension of agricultural credit.

A native of Keokuk, he had lived in Des Moines since 1920. He was a

graduate of Capital City Commercial College and Pace Institute of Accounting in New York City.

* * *

J. Locke Macomber, president of Valley National Bank, has announced the election of three new officers: **Pamela S. Floren**, to instalment loan officer, **Patricia J. Simms** to employee benefits manager, and **Jean Tannatt** to trust administrator.



FLOREN

SIMMS

TANNATT

Mrs. Foren joined the bank in 1972 following her graduation from the University of Northern Iowa, Cedar Falls. Miss Simms and Mrs. Tannatt joined the bank in 1974.

* * *

In conjunction with the supermarket banking test program announced April 27, **John R. Fitzgibbon**, chairman and chief executive officer of the Iowa-Des Moines National Bank, last month named the five Des Moines area stores that will participate in the six-month test project. They are:

- Hy Vee — 2559 E. Euclid
- Hy Vee — Fleur Drive & McKinley
- Hy Vee — 1441 - 22nd St., West Des Moines
- Hinky Dinky — 4415 Douglas
- Hinky Dinky — 2710 Ingersoll

Mr. Fitzgibbon said that the terminal units that activate the system would be on display and operational in the lobbies of the bank's four locations for demonstration and educational purposes for a five-week period beginning May 21. Then they will be moved to the supermarket courtesy counters during July.

The Iowa-Des Moines system will be called "EASY BANKING" and will permit a customer to make most retail banking transactions at the courtesy counter of the five supermarkets by simply presenting his Master Charge card to the clerk.

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///	11:00 P.M.	NEXT DAY	IOWA
•	4:00 A.M.	SAME DAY	FEDERAL RESERVE CITIES
■	8:00 A.M.	SAME DAY	DES MOINES AND SURROUNDING CITIES FEDERAL HOME LOAN BANK—STATE TREASURERS ITEMS
⋯	4:00 A.M.	NEXT DAY	COUNTRY ITEMS NATIONWIDE



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In the DIRECTORS' ROOM



A Mere Crack In the Wall

Mother to small son: "I don't care if the basement wall is cracking. Stop telling everyone that you come from a broken home."

Quick Call

The girl smiled at the waiting line as she went into the phone booth. "I won't be long," she said. "I just want to hang up on him."

Patience

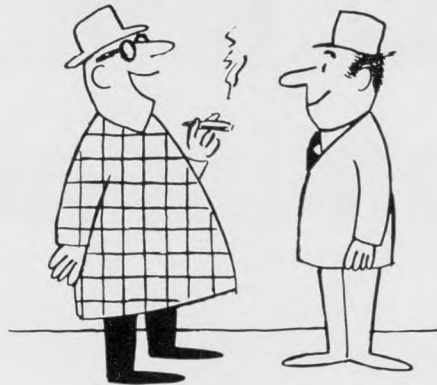
Patient: "Hey, that wasn't the tooth I wanted pulled!"
Dentist: "Relax, I'm coming to it!"

Back Seat Driver

A man was driving his car with his wife in the back seat and stalled his car on a railroad track with a train coming. "Go on! Go on!" screamed the wife.

To which the husband replied, "You've been driving all day from the back seat. I've got my end across, see what you can do with your end."

How's BUSINESS?



Cautious Young Lady

The man-about-town and his flashy female companion were seated at a table in a plush restaurant. Suddenly he glanced cautiously about, then turned to the young lady and whispered: "I've got a question for you, honey. Could you care for a man who swindled his firm out of \$100,000?"

The young lady then also looked cautiously about the room, then looking him squarely in the eye said: "And I have a question for you too. Have you still got it?"

Backyard Fishing

"Just look at what your husband is up to," said a woman to her neighbor as she noticed the man with this fishing line dropped into a small pail in the backyard.

"Yes," replied the other woman sadly, "I'd like to take him to a psychiatrist, but we need the fish."

Summer

Summer is that time of the year when the highway authorities close the regular roads and open up the detours.

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Northwestern Banker, June 1975



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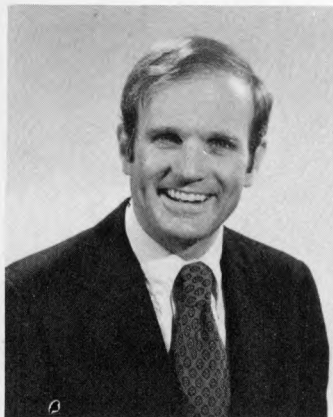
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