

NORTHWESTERN Banker

JULY
1977



**Bank
Construction
1977**

INFLATION:

Bank Capital

Unemployment

The Federal Reserve

Meet the Coin and Currency people who can make MNB work for you.



Tammy Griswold



Ron Bouska



Mike Kell



Steve Guinta



Dave Matejka



Leo McLain
Assistant Vice President

As a member of the Federal Reserve, MNB has immediate access to coin and currency. That's good for us, and as an MNB correspondent bank, it's also good for you.

The friendly, fast-working team in our Coin and Currency Department will see that your needs are met in a hurry. Just specify your requirements — loose or wrapped coin, all de-

nominations of currency and even two dollar bills! We will ship it to you, or see that it is ready if you'd rather pick it up at our secured inside loading area.

The number to call is 319-398-4331 or our toll free number is 1-800-332-5991.

Make sure you get the best by calling one of MNB's Correspondent Bank Services experts.



John E. Mangold
Senior Vice President
(319) 398-4313



Terry M. Martin
Vice President
(319) 398-4320



Jerry N. Trudo
Assistant Vice President
(319) 398-4306



Mark W. Christen
Assistant Vice President
(319) 398-4315



Dale C. Froehlich
Assistant Vice President
(319) 398-4314

OUR PEOPLE MAKE IT WORK

Merchants National Bank

Cedar Rapids, Iowa 52401

A 'BANKS OF IOWA' BANK

Enjoy

NORTHWESTERN
Banker

64 times a year

*'the one magazine for
the local banker'*

FIRST
CLASS
Permit No. 73
DES MOINES
IOWA

BUSINESS REPLY MAIL

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

NORTHWESTERN
Banker

306 FIFTEENTH STREET
DES MOINES, IOWA 50309

Please send me the Northwestern Banker — 12 monthly magazines and 52 weekly newsletters. Combination rate:

- One year \$12
- Two years \$22
- Three years \$30

Name _____

Title _____

Bank _____

Address _____

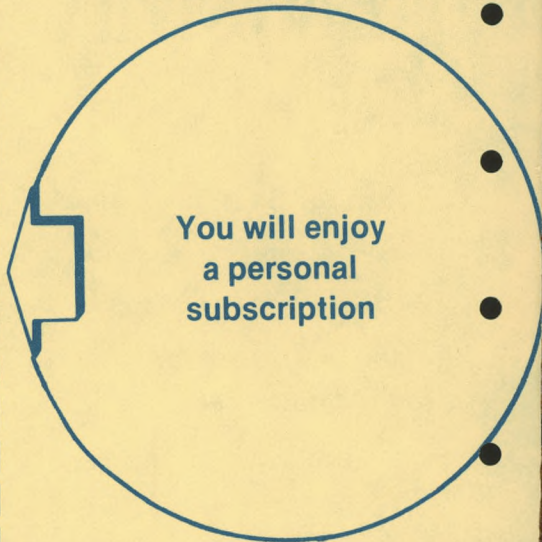
City _____ State _____ Zip _____

Authorizing Signature _____

- Enclosed is a check
- Please bill me
- Please bill bank

NORTHWESTERN *Banker*

12 Monthly Magazines
52 Weekly Newsletters



306 15th St.

Des Moines, IA 50309

Somebody has to set the standards.



Pebble Beach.

Few other courses in the world demand so much from the player. Skill. Accuracy. Concentration. Execution.

For the greats of the


game, it has become a fitting test where champions reign. It's the standard.

At Deluxe, the test is to meet the standard that we've set for ourselves. Accuracy and consistent

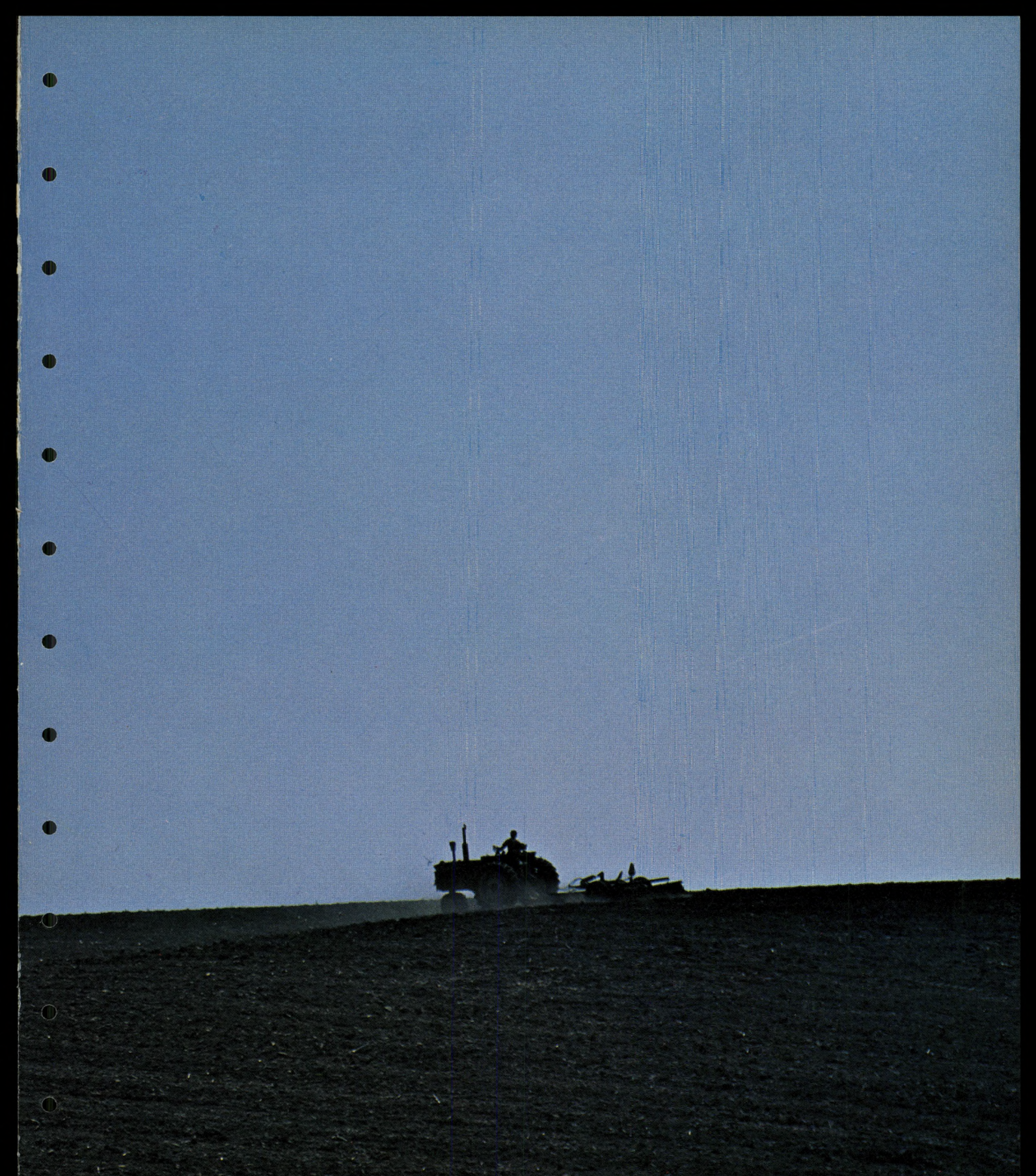
execution. And, that takes all the skill and concentration at hand.

But then, those are our demands. The challenges we meet. At Deluxe, it's par for the course.

DELUXE
CHECK PRINTERS, INC.



*When low commodity prices
a veteran ag-expert to make*

A silhouette of a tractor with a trailer on a dark field under a clear blue sky. The tractor is positioned in the lower center of the frame, moving from left to right. The field is dark and textured, and the sky is a uniform light blue. The overall scene is minimalist and evokes a sense of rural industry.

*meet escalating production costs, it takes
the decision — and we've got the experts.*

MEMBER FDIC

NORTHWESTERN Banker

JULY 1977 • 84th Year No. 1366



OLDEST FINANCIAL JOURNAL SERVING THE CENTRAL AND WESTERN STATES

MEMBER OF AUDIT BUREAU OF CIRCULATION • MEMBER BANK MARKETING ASSOCIATION



ON THE COVER

Pictured are four unique bank buildings:

Top left: Valley Bank, Pocatello, Idaho, by Bank Building Corp., St. Louis, Missouri.

Center left: First National Bank, Ft. Dodge, Iowa, by E. F. Kooker & Assoc., Spencer, Iowa.

Lower left: National Bank of Waterloo, Iowa, Interiors by Kirk Gross, Waterloo, Iowa.

Right: Palmer-American National Bank, Danville, Illinois, by Illinois Bank Building Corp., Olympia Fields, Illinois.

25 Planning to build or remodel?

Bankers give their ideas based on experience

OTHER FEATURES

28 Inflation vs unemployment

9th Fed President Mark Willes states his position

31 Inflation shrinks bank capital

Fed Governor Henry Wallich analyzes the problem

34 Inflation and the Fed

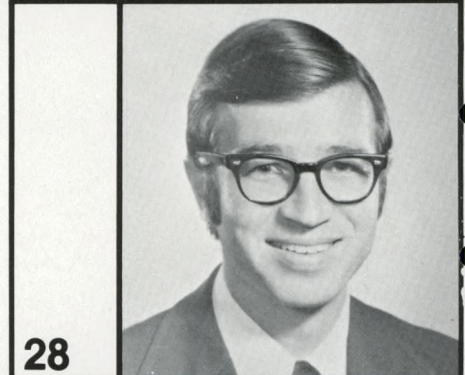
Columnist Wayne Dobson reviews Fed actions

DEPARTMENTS

8 Bank Promotions	72 South Dakota
14 Corporate News	73 Montana
18 Convention Calendar	75 Nebraska
37 Minnesota	76 Omaha
Conv. Report	78 Lincoln
55 Illinois	83 Iowa
Conv. Report	86 Iowa Independent Conv.
60 North Dakota	92 Des Moines
Conv. Report	95 Iowa Group Meeting Report
64 Colorado	97 Bankers Market Place
Conv. Report	98 In the Directors' Room
68 Wyoming	98 Advertisers' Index
Conv. Report	



25



28



34

NORTHWESTERN BANKER

306 15th Street, Des Moines, Iowa 50309 Phone 515-244-8163

Publisher
Malcolm K. Freeland

Editor
Ben Haller, Jr.

Business Manager
Mike Freeland

Associate Editor
Linda L. Rhein

Advertising Assistant
Sherri Nielsen

Auditor
Mildred Barnes

Field Representative
Al Kerbel

Field Representative
Paul Masters

Field Representative
Glen Hicks

No. 1366 Northwestern Banker (Publication Number 397620) is published monthly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscription \$1.00 per copy, \$12 per year. Second class postage paid at Des Moines and at additional mailing office. Address all mail (subscriptions, change of address Form 3579, manuscripts, mail items) to above address.

Why banks suggested **Ætna Money** for cash flow in sinks and an acquisition in food.



Because he lacked a strong cash flow — and couldn't increase his bank credit line — the plumbing supply wholesaler was missing sizeable trade discounts.

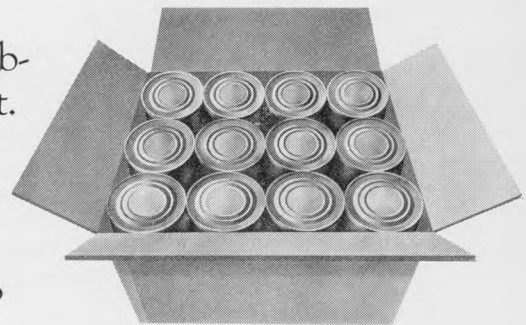
The bank suggested **Ætna Money**.SM

Secured by accounts receivable and inventory, we quickly supplied the needed working capital in participation with the bank.

Result? A more profitable operation for the wholesaler. And the bank retained a good customer.

A food processor wanted to sell off a subsidiary, and three executives wanted to buy it. But where would the money come from?

Solution? A bank mentioned **Ætna Money**. We provided a multi-million dollar loan secured by plant, equipment, inventory, and accounts receivable.



Result? A smooth acquisition. And a new customer for the bank.

Ætna Money. It's flexible and quickly available for your customers. It's a workable alternative for you. Call us.

You get action with **Ætna** because our business is to help your business.

Ætna **Ætna Business Credit, Inc.**
One of the ÆTNA LIFE & CASUALTY companies

Although certain identifying facts have been changed to protect client confidentiality, these are authentic examples of **Ætna Money** at work.

530 North Water Street, Milwaukee, WI 53201 (414) 272-3102 • 1717 Cargill Building, Minneapolis, MN 55402 (612) 339-2222 • One Post Street, San Francisco, CA 94104 (415) 956-4373



now-
a 5-character
message center!
Words change or
travel. With time
and temperature.

Now even the smaller financial institutions can afford a message center display for advertising or public service. Daktronics Venus 500 has 32 columns of lamps with seven 15-watt bulbs per column for displaying 18" high characters. Flash on as many as 16 words of five letters, or less, plus time and temperature or run a traveling message of up to 16 words of up to 16 characters each. (The word "Congratulations" is shown traveling in the photo.) Plus time and temperature

Messages are programmed from a desktop keyboard console that lets you see the message on the screen before it appears at the message center.

At far less investment than our standard 10-character display.



Write for literature and prices—
DAKTRONICS, INC.
Box 299-K Brookings, S.D. 57006
Telephone 605/692-6145

Bank Promotions

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

American National Bank, Chicago: Theodore C. Axton and Jerry G. Langley have been elected vice presidents. Named second vice presidents are Richard E. Akin, correspondent; Nicholas A. Alexander, trust; Kent A. Arnett, international; James D. Brenner, John E. Cline, Phillip J. Pierchala, commercial; Jonathan P. Hecht, Elk Grove business service office; William C. Pettingell, real estate, and Donald E. Harris, Michael C. Keeling and Anthony A. Scerba, operations.



T. C. AXTON

James M. McLaughlin, bond officer; G. Richard Degen, assistant controller, and W. Jack Hamlin, control officer.

Bank of America, San Francisco: John J. Bell has joined the bank as

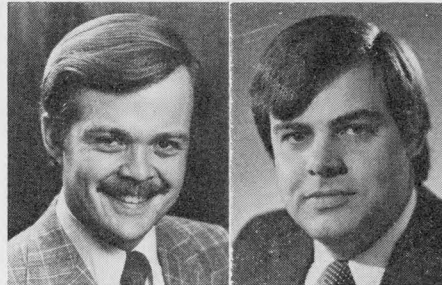


J. J. BELL

senior vice president for external and internal communications. He has been corporate director of communications with Bendix Corporation. The bank also announced that James F. Langton, senior vice president, has become full-time director of the bank's social policy division, the principal duty to which he was appointed in 1973 and which he has shared with collateral senior responsibility for senior public relations.

Continental Bank, Chicago: John E. Porta, senior vice president, has been named head of the bank's new financial services department. This department will combine in one division U. S. trade finance, leasing, cash management, and specialized corporate finance functions, which will be integrated with those of Continental's London merchant bank. He formerly was executive director of Continental Illinois Limited in London, the merchant banking subsidiary of Continental Illinois Corp., parent of the bank.

First National Bank of Arizona, Phoenix: Vice Chairman Edward M. Carson has been elected president and chief executive officer and Vice Chairman James Stuart Douglas chairman of the executive committee, effective October 1. Mr. Carson will succeed Robert D. Williams, currently president and chief executive officer, who will reach mandatory retirement age. Mr. Douglas will succeed Mr. Williams as chairman of the executive committee. Sherman Hazeltine, chairman, will retire on August 31 bringing to a close a banking career of 48 years. He has served as chairman for the past 19 years.



R. E. AKIN

J. G. LANGLEY

New officers elected are: V. John Chalupa, second vice president; Terry G. Beaudry, Jonathan S. Frank and William D. Norwell, trust officers; John M. Campbell, credit officer; Charles D. Glendenin, operations officer, and Thomas J. McGoldrick, systems officer.

Mr. Axton, who was elected vice president in the correspondent banking division, joined the bank in 1968. He was elected loan officer in 1971 and second vice president in 1975. Mr. Langley joined the bank in 1971, was elected loan officer in 1973, and second vice president in 1975. His responsibilities are in the commercial banking department.

Commerce Bank of Kansas City, Mo.: The following promotions have been announced: Thomas L. Steffens, vice president, assistant sales manager, bond department; John G. Henderson and Terence A. Mercurio, assistant vice presidents, bond department;

Now! A new CLIC program to help you minimize apartment and commercial mortgage risk.

"Even on a clear day no one can see forever"... that's CLIC's new back-to-basics approach to Commercial Mortgage Insurance.



CLIC Commercial Mortgage Insurance
Written by Commercial Loan Insurance Corporation
A Member of the MGIC Investment Corporation Family

Four centuries ago, William Shakespeare said, "What's past is prologue." In modern terms, this means that experience of the past usually leads to the beginning of something new.

At CLIC, we feel that phrase aptly describes what is now occurring in the apartment and commercial lending industry. The experiences of 1974 and 1975 clearly indicate that no commercial mortgage loan is insulated from the cyclical aberrations of the nation's economy and their effect on local markets, no matter how prudent the lender and sound his underwriting may be.

At CLIC, we have spent a full year studying and re-evaluating the role of commercial loan insurance and the benefits it brings to the lending industry. The result is a new program that allows lenders to capitalize on CLIC's experience—to enjoy the higher yield of commercial mortgage loan lending while minimizing risk.

Full details are available in a simple booklet that is yours free. Simply use the coupon below or call 800-558-9900, Extension 6815. In Wisconsin 800-242-9275.

Send for free booklet explaining the new CLIC program. Use the coupon below:

Please send me a copy of your brochure describing the new CLIC program.

Name _____

Title _____

Firm _____

Address _____

City _____ State _____ Zip _____

Telephone _____

CLIC

**Commercial Loan
Insurance Corporation**

A member of the
MGIC Investment Corporation Family

MGIC Plaza
Milwaukee, Wisconsin 53201

5201

Harris Trust and Savings Bank, Chicago: B. Kenneth West was elected executive vice president and head of the banking department. Ben T. Nelson, group executive of the metropolitan group, was elected senior vice president. Mr. West joined the bank in 1957 and headed the international banking group before he became banking department head in 1976. Mr. Nelson joined the bank in 1954.

Other elections announced by the bank are: assistant vice presidents — Margery F. Blume, Helmut L. Kopke and Richard R. Loncar, banking; John

Alexander, Jr., Robert W. Back, Victor S. Sidhu and Andera J. Torok, trust. Also elected are: Wayne L. Bismark, personal banking officer; John F. Faulhaber, metropolitan banking officer; Timothy G. Goodsell, H. Noel Jackson, Jr., and Christina L. Wilkins, commercial banking officers; Jean I. Arthur and George W. Miller, trust officers, and Vincent A. Kolber, credit officer. H. Kris Ronnow has joined the bank as public affairs officer. He had been director of the community relations department of the village of Oak Park.

Northern Trust Company, Chicago: The bank has announced the opening of a branch in Hong Kong to carry out the activities of a registered deposit-taking company. It has maintained a representative office in Hong Kong since 1974. Stephen M. Wolfe will be manager and will be assisted by Michael J. Cundy, deputy manager, who transferred from the bank's London branch.

United Missouri Bank of Kansas City, N.A.: The following promotions have been announced: to vice presidents: Phillip D. Straight, division II, business development department; Kirk W. Vaughan, investment department; Michael A. Kleinman, also named pension trust officer, employee benefits, personal trust; Sal O. Panis, Jr., personal banking; Jon J. Henderson, business development, Blue Valley bank; bond investment officer — Randall J. Klein; assistant vice presidents — Harry A. Peel, personal banking, and Robert L. Breviglieri, computer services marketing, operations; assistant cashiers — Ann Gardner Smith, personal banking, and Charles N. Van Zante, commercial loans, asset management; assistant corporate trust officer — Duane E. Schempp. Daniel F. Fox, vice president, was promoted to assistant department manager, bankcard division, asset management.

Allow us to introduce you to our local claims man.

Also, our field marketing specialist, expert solution-finder and chief profit center installer.



Stan Grout
Eastern Iowa

This is one of our Regional Representatives. And he's all these things and more. In fact, you might say he is our traveling Home Office! When he talks to you, he has our entire Home Office staff behind him, ready to serve your customer insurance needs.

Got a question about a claim?—he's your man. Need a specialized customer insurance plan?—this is the one to talk to. Assistance to obtain greater sales penetration?—here's your sales master.

And if you're not already utilizing our creative customer insurance programs and marketing expertise, he'll be happy

to install a profit center program in your operations.

St. Paul's Regional Representatives. One more example of "People you can count on."

**Call toll free (800) 328-1950
or write to:**

St. Paul Hospital
& Casualty Company
7800 Metro Parkway
Bloomington, Minn. 55420

St. Paul 
Hospital & Casualty

A Mutual of Omaha Company

Home Office:
Bloomington, Minnesota

Iowan Ties For Second Place in SBA Contest

Jerry D. Schimmelpfennig, president, Scientific Applications, Inc., of Mount Pleasant, Ia., has tied as runner-up in the U.S. Small Business Administration's "National Small Business Person of the Year" competition.

Mr. Schimmelpfennig, 35, was cited by President Carter and SBA's Administrator, A. Vernon Weaver, in a special White House Rose Garden ceremony on Tuesday, May 24, 1977. President Jimmy Carter announced the "National Small Business Person of the Year" as Larry Comer, 43, president, Metalux Corporation, Americus, Ga. The national runners-up, which were tied, are Mr. Schimmelpfennig and Marie Tarvin, president, Sun City Delivery, Inc., El Paso, Tex.

ACORN Sale Registers

"Accepted Sale Registers by Bank Clerks Everywhere"

For information write
THE ACORN PRINTING CO.
Oakland, Iowa



At last, a look at the unheard-of: an actual overline ad.

You may have noticed that not many banks exactly advertise the fact that they offer overlines to their correspondents.

But Continental Bank does. In fact, we're running this ad to make a bid for overlines—from our correspondent banks, and from a lot of other banks we'd like to have as correspondents.

We have a simple approach to each overline request we get: if our correspondent values a customer enough to lend its legal limit, we think its overline deserves some pretty serious consideration on our part.

At Continental Bank your credit requests don't go from committee to committee to committee. They go to your account manager—one officer who has the authority to say "yes" or "no" on most loans. So you get your decision fast—direct from the person who made it.

Call John Tingleff at 312/828-2191 with your request. If we can get together with you over an overline, Continental might just become more important to you overall, as a correspondent. And that's exactly what we're trying to do.

We'll find a way.



Continental Illinois National Bank and Trust Company of Chicago.

TELEPHONE



Your customers are never very far from an American Express refund center.

The way your customers are traveling these days, there's no telling where they'll end up—the country's most bustling cities, or its most scenic rural areas.

No matter where they travel, we want to make sure they're protected. That's why we've made our refund system more sophisticated.

If American Express® Travelers Cheques are ever lost or stolen, your customers can arrange for a refund anywhere in the U.S. just by finding the nearest telephone. Seven days a week, no matter where he is.

All he has to do is call one toll-free number, 800-221-7282. (In New York, he can call collect, (212) 248-4584.) On a business day, we can arrange for a *full* refund at the nearest

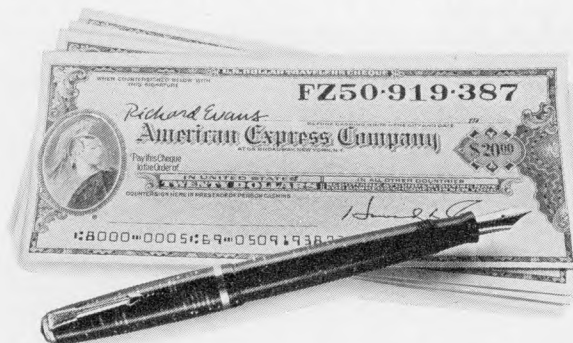
refund location, usually on the very same day.

Any time of night, or on a weekend or holiday, we can arrange for an Emergency Refund™ of up to \$100.

It's that simple.

No wonder more and more people prefer to travel with American Express Travelers Cheques. When they do, it's always with the reassuring thought that help from our refund centers is only a phone call away. No matter where they travel.

Make sure you sell your customers American Express Travelers Cheques. The travelers cheques with the refund system that's always open and is never very far away.



American Express Travelers Cheques

Corporate News

PPROMOTIONS and other announcements have been made by the following firms:

Aetna Business Credit, Inc., Chicago: A flexible financial program especially oriented to the food processing industry has been introduced by this diversified financial organization, according to G. Pat Bacon, senior vice president and head of the firm's central division. As an extension of the financing it is already giving to a number of companies in the food industry, including meat, cheese, produce and specialty food processors, the new program, Mr. Bacon states, will provide a "flexible approach to financing that food processors may not be able to get from traditional sources of financing.

"Food processors wanting maximum productivity and maximum efficiency in 1977," he added, "will have to assure themselves of adequate financing in order to purchase commodities when pricing is most favorable."

Associates Commercial Corporation, Chicago: Ronald J. Krause,

president, has announced the formation of a national accounts division, to operate within the corporation's industrial finance division. The new division will be headed by Vice President James E. Lewis. He comes to the company with 11 years of experience in commercial financing and investment and commercial banking. A graduate of DePauw University, Green Castle, Ind., he earned his MBA at the University of Chicago.

Associates Commercial is the commercial financing subsidiary of Associates Corporation of North America, a Gulf + Western company. The new division will provide secured, medium-term corporate financing in amounts from \$500,000 to \$10 million.

DeLuxe Check Printers, Inc., St. Paul, Minn.: The company has increased its number of directors from nine to 11 with the election of Edward W. Asplin, executive vice president of Bemis Co., Inc., and Michael W. Wright, senior vice president of Super Valu Stores, Inc.

United Guaranty Residential In-

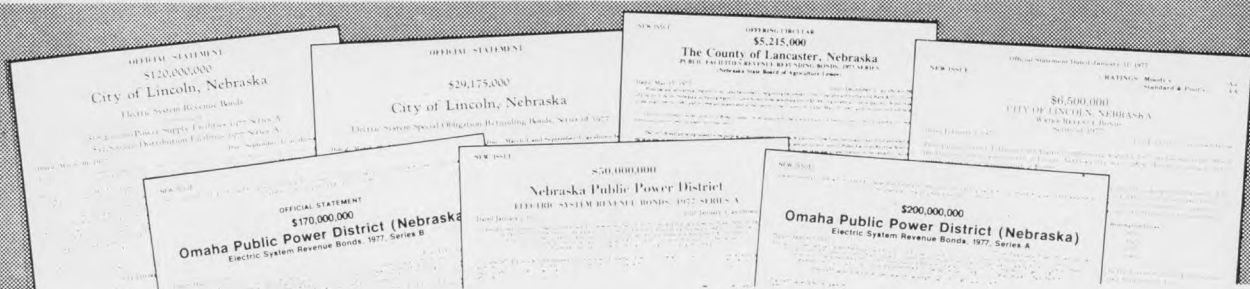
urance Company, Bettendorf, Ia.: Robert Rosenblum has been appointed regional representative for the St. Louis metropolitan area. He formerly was an attorney in private practice with the firm of Klamen, Summer & Compton, Clayton, Mo., specializing in real estate and finance.

Wisconsin School of Banking Sponsors Seminars on EFT

A series of four seminars titled "Targeting on EFT Costs and Benefits" is being presented in midwest cities by The Graduate School of Banking at the University of Wisconsin, Madison. The one-day seminars began in Omaha, June 29, with other sessions scheduled at Minneapolis, July 13 (Radisson South Hotel); Kansas City, July 19 (Hilton Airport Plaza Inn), and Chicago, July 26 (Hyatt Regency-O'Hare). Registration fee is \$100 per person.

The four sessions during the one-day program present an EFT Overview, Cost Accounting Concepts and System Components, Survey Findings and Cost Accounting Manual Review. The manual was developed for the Graduate School by Peat, Marwick, Mitchell & Co.

FIRST MID AMERICA is proud of its Municipal Bond Management activities in 1977!



\$580,890,000...municipal bond offerings managed or co-managed by First Mid America between February and May, 1977.

By providing leadership in the capital raising process for major Nebraska municipal bond issues, First Mid America has helped our Midwestern economy to grow and prosper.

FMA specializes in arranging municipal bond financing, and this experience is very helpful to bond investors seeking tax-exempt investment opportunities. We welcome opportunities to be of service in offering sound bond investments. Just call. We would like to hear from you.

MUNICIPAL BOND DEPARTMENT

C. William Daly, Sr. V.P.
100 Continental Building
Omaha, Nebraska 68102
402-341-1500

Don Anderson, Sr. V.P.
CTU Building
Lincoln, Nebraska 68508
402-474-3300



First Mid America

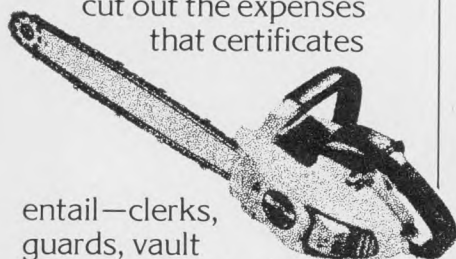
Member New York Stock Exchange and other
Principal Stock and Commodity Exchanges.

Stocks • Corporate Bonds • Commodities • Municipal Bonds • Mutual Funds • Government Agencies • Options • Investment Banking • Pension Consultants
Omaha • Lincoln • Columbus • Hastings • Grand Island • Atlantic • Des Moines • Cedar Rapids • Fort Dodge • Sioux City • Chicago • Kansas City

How to get the most for your safekeeping dollar: take the depository route, via Manufacturers Hanover.

Cuts holding and handling costs.

For profit's sake, count yourself in on the most advanced way to process securities — by electronic book entry, with Manufacturers Hanover Trust as custodian. Automatically, you "piggy-back" on our long position at Depository Trust Company which entitles you to lower rates. You not only cut out the expenses that certificates



entail — clerks, guards, vault space — but depository processing actually costs you less than a traditional safekeeping service.

Gets you your money faster.

We have the expertise with DTC's Institutional



Delivery service to expedite trade confirms and settlement. The fewer the fails, the better control you have of your funds. And we promptly credit dividends on the payable date.

Tells you where you stand.

We're quick to relay the facts you need for reconciliation. In addition to conventional reporting means, we now have one of the most advanced on-line Securities Movement and Control systems — so advanced it can report your transactions on a daily basis. But hardware can't do it all. At MHT, you

deal with a staff whose experience in securities administration averages well over 10 years.

Leaves liability worries behind.

When you participate via MHT, you're relieved of the immense pressures that come from safeguarding securities. In fact, MHT has more than \$5 billion of its own trust assets on deposit at DTC.

To learn more about how your bank can profit by MHT's relationship with DTC, contact Brian V. Carty, Manufacturers Hanover, 350 Park Avenue, New York, N.Y. 10022. (212) 350-4658.

MANUFACTURERS HANOVER

Member FDIC

How to win customers

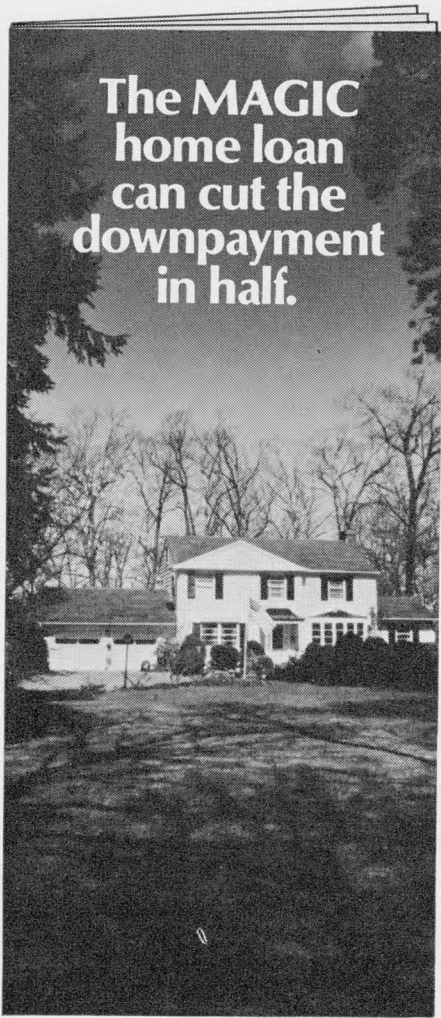


Today, you can buy a home
without the big downpayment.

The MAGIC
home loan
can cut the
downpayment
in half.

Take one.

and influence Realtors.



In many communities, the key to getting a larger share of the home mortgage market is the Realtor.[®]

It's a fact that many Realtors (and their prospects) don't know the advantages of a MAGIC loan. A low-downpayment loan insured by MGIC. And how it helps sell more houses and close on them faster by eliminating government red tape.

To help you get more of the existing home market, MGIC has put together a colorful promotional kit that's yours free for the asking.

Each contains a counter card plus a supply of 8-page MAGIC loan booklets which explain mortgage insurance to home buyers.

You can use it in your loan department, give it to Realtors, builders, stamp your name on it and give it to retail stores.

For copies, mail in the coupon or call us at 800-558-9900, extension 6641. (In Wisconsin 800-242-9275.) or contact your MGIC representative.

Mortgage Guaranty Insurance Corporation MGIC Plaza, Milwaukee, Wisconsin 53201

5222

Please send us _____ copies of your Realtor promotional kit.

Name _____ Address _____

Firm _____ City & state _____ Zip _____

MGIC Mortgage Guaranty Insurance Corporation.

Convention Calendar

ABA—American Bankers Association

ABHC—Association of Bank Holding Companies

AIB—American Institute of Banking

BAI—Bank Administration Institute

BMA—Bank Marketing Association

IBAA—Independent Bankers Association of America

NABW—National Association of Bank Women, Inc.

RMA—The Robert Morris Associates

July 10-13—ABA Insurance and Protection Division Risk Management in Banking Seminar, Sheraton Inn/International, Reston, Va.

July 10-16—ABA Operations/Automation Division Business of Banking School, New England Center for Continuing Education, Durham, N.H.

July 16—AIB District Leaders Conference, Milwaukee, Wisc.

July 21-23—Iowa Independent Bankers 6th Annual Convention, The New Inn, Lake Okoboji.

July 22-23—AIB District 10 Leaders' Conference, Radisson Hotel, Duluth.

July 23—AIB District 9 Leaders Conference, Spokane, Wash.

July 23—AIB District 10 Leaders Conference, Duluth, Minn.

July 31-Aug. 12—BAI School for Bank Administration, University of Wisconsin, Madison.

Aug. 13-19—BMA School for Marketing Managers, University of Wisconsin, Madison.

Aug. 15-26—ABA National Trust School/National Graduate Trust School, Northwestern University, Evanston, Ill.

Sept. 8-9—RMA Commercial Loan Training Programs: Content and Methods Workshop, Continental Plaza, Chicago.

Sept. 12-15—NABW 55th Annual Convention, Atlanta Hilton.

Sept. 18-21—ABA National Personnel Conference, Hyatt Regency, Atlanta.

Sept. 25-27—Iowa Bankers Association 91st Annual Convention, Hotel Fort Des Moines.

Oct. 15-19—ABA Annual Convention, Houston.

Oct. 29-Nov. 2—BMA 62nd Annual Convention, Hilton Hawaiian Village, Honolulu.

Oct. 30-Nov. 2—RMA 63rd Annual Convention, New York.

Nov. 6-9—BAI 53rd National Convention, The Hyatt, Houston, Tex.

Nov. 6-18—ABA National Commercial Lending School, University of Oklahoma, Norman.

Nov. 14-16—ABA National Agricultural and Rural Affairs Conference, Kansas City, Mo.

Nov. 27-30—ABA National Correspondent Banking Conference, Fairmont Hotel, New Orleans.

Continental Opens Second Off-Site Banking Facility

A parade of floats and costumed "flappers," a big brass band and caliope, and an old-fashioned carnival marked the grand opening of Conti-

ental Bank's second off-premises banking facility, located at Clark, Division, and Elm Streets on Chicago's near north side.

Acting Mayor Michael A. Bilandic assisted Continental Bank President John H. Perkins and Facility Manager Richard C. Bowers in making the first banking transaction at the drive-in teller windows.

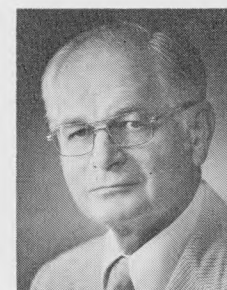
The facility has two drive-in teller windows off Elm Street and two exterior walk-up automatic teller machines available 24 hours a day.

The Near North facility is within 3,500 yards of Continental's main office at 231 S. LaSalle St., the boundary prescribed by state law for one of an Illinois bank's two off-premises facilities. Continental's first facility opened in September, 1976, at 30 N. LaSalle Street in Chicago's Loop.

Later on, Continental plans to build an expanded facility at Clark and Division Streets adjacent to the present facility.

LeMaistre Elected FDIC Chairman

The members of the board of directors of the Federal Deposit Insurance Corporation (FDIC) recently elected the Honorable George A. LeMaistre chairman. He succeeds the Honorable Robert E. Barnett who had served as chairman since March 18, 1976.



G. A. LeMAISTRE

Mr. LeMaistre, a presidential appointee as the Democratic member of the board, has served as an FDIC director since August 1, 1973. The board of directors, by law, elects its own chairman from among the two full-time directors, who are appointed to six-year terms. The third director, an ex officio member of the board, is the Comptroller of the Currency.

Chairman LeMaistre is a native of Alabama and practiced law in Tuscaloosa until 1960 when he accepted the presidency of City National Bank of Tuscaloosa. He was elected chairman and chief executive officer of the bank in 1971 and was serving in this capacity when he accepted the presidential appointment to membership on the FDIC board.

When it comes to Bankers' Acceptances, the figures speak for themselves.



Between 1966 and 1976, bankers' acceptance outstandings rose from 3.6 billion to 20.7 billion dollars. An increase of 575%.

Lawrence is expert in the field of eligible acceptance financing for goods in storage. Lawrence has played a dynamic role in the growth of this financing, providing benefits for borrowers and business for banks.

Those facts should speak for themselves. For more facts and figures, call Lawrence.

Lawrence: Systems of Collateral Control

For more information, contact Ted Berghorst, Senior Vice President or John Cindric, Vice President at Lawrence Systems, Inc., 180 North LaSalle Street, Chicago, Illinois. (312) 236-9333.

HOW FAST YOUR BUSINESS MOVES DEPENDS ON HOW FAST YOUR DATA MOVES.

In fast-paced business, you need a communications system that's specialized, efficient and moves your data at lightning speed.

At Northwestern Bell, we've developed a total line of innovative data/telecommunications equipment capable of transferring large amounts of data. From one terminal to another or from one terminal to hundreds.



No two companies have the same communications problems. That's why we have a number of data systems, one right for you. For example, we've developed the Data Speed 40. It's a system that combines a visual-display unit, keyboard and line-at-a-time impact printer. And because it's modularly designed, you can select the capabilities you need now, add others later.

Call your Northwestern Bell Account Representative or mail us the coupon below. Let one of our "problem solvers" meet with you and analyze your company's data communications needs. We'll explain the innovative technology of Northwestern Bell's data/telecommunications systems, all of which are built, installed and maintained according to stringent Bell System standards. Data/telecommunications just may be the added dimension your company needs.



I'm interested in Northwestern Bell's data/telecommunications systems. Phone me and we'll arrange an appointment to discuss my company's communications needs. Please send me a brochure.

Name _____
 Company _____
 Title _____
 Address _____
 City _____ State _____ Zip _____
 Telephone Number _____
 Northwestern Bell, South 19th Street, Suite 702,
 Capital Plaza, Omaha, Nebraska 68102



Northwestern Bell

NYTCO Services Name Is Changed to Collateral Control Corporation

EFFECTIVE July 1, the name NYTCO Services, Inc., was changed to Collateral Control Corporation, of St. Paul, Minn. According to Donald J. Ryan, senior vice president of Collateral Control Corporation, the change involves the name only with no realignment of personnel, company services or alteration of corporate financial structure.

NYTCO Services, Inc., was the outgrowth of three predecessor firms: St. Paul Terminal Warehouse, founded in 1916; New York Terminal Warehouse Company, organized in 1936; and Haslett Field Warehousing, founded in 1913. According to Mr. Ryan, "while the name NYTCO Services has served well to unify these companies under our corporate organization, it did not properly reflect the full scope of our collateral control service activities."

Mr. Ryan points out that Collateral Control Corporation, through the predecessor companies, remains as one of the world's oldest financial companies specializing in collateral control services for over half a century.

Collateral Control Corporation will continue to provide the third party collateral protection and control services offered by NYTCO Services, Inc. These include many aspects of commercial lending activities such as: field warehousing, inventory certification control, credit security service, accounts receivable certification, document supervision service and floor plan audits.

These services can be used separately or in concert to control inventories, accounts receivable, chattel paper and instruments, etc., depending upon the needs of the banks or customers.

In addition, the company recently offered a new Bank Participation Leasing Program designed for banks which do not have their own leasing subsidiary or department. This turnkey program helps banks meet the demand for leasing by present and prospective customers, Mr. Ryan said.

Donald A. Harper

Donald A. Harper, 71, a retired vice president of the First Wisconsin Na-

tional Bank, Milwaukee, died of cancer last month.

Mr. Harper joined First Wisconsin as a page in 1922. He was elected an assistant cashier in 1935, assistant vice president in 1941, vice president in 1954 and was named head of the banks and bankers division in 1961. He retired in 1970.

Mr. Harper was the founder of the Wisconsin Bankers Association Educational Foundation, serving as its first president and holding that position for 20 years.

Equal Credit Act Explained In 2 Consumer Pamphlets

Two new consumer pamphlets explaining provisions of the Equal Credit Opportunity Act are now available for public distribution, the Board of Governors of the Federal Reserve System announced recently.

The pamphlets are entitled: "The Equal Credit Opportunity Act and . . . Women" and "The Equal Credit Opportunity Act and . . . Age."

The Equal Credit Opportunity Act forbids discrimination in credit transactions on the basis of sex or marital status, race, color, religion, national origin, age, receipt of income from public assistance programs and good faith exercise of rights under the Consumer Protection Act of 1968 (Truth in Lending, Fair Credit Billing, Equal Credit Opportunity, Fair Credit Reporting and Consumer Leasing Acts).

Copies of the Equal Credit Opportunity pamphlets may be obtained singly or in bulk free of charge from the Board of Governors in Washington or from any of the 12 Federal Reserve Banks. Requests should be addressed to the Board's Publications Services or to Publications Departments at the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas or San Francisco.

Nortrust Establishes New Trust Subsidiary in Fla.

Nortrust Corporation, parent holding company of The Northern Trust Company, Chicago, has opened a nationally chartered trust company, Security Trust Company of Sarasota, NA, at 1390 Main Street, Sarasota, Fla.

President of the company is Barry C. Hastings, formerly vice president of Security Trust Company. Miami.

Lease.

LEASE (lēz) leased, leasing. 1: an instrument conveying property or equipment to another for a definite period, in consideration of compensation. 2: to grant or obtain the temporary possession or use of (capital equipment) for compensation.

Can your bank offer the above method of finance to your customers?

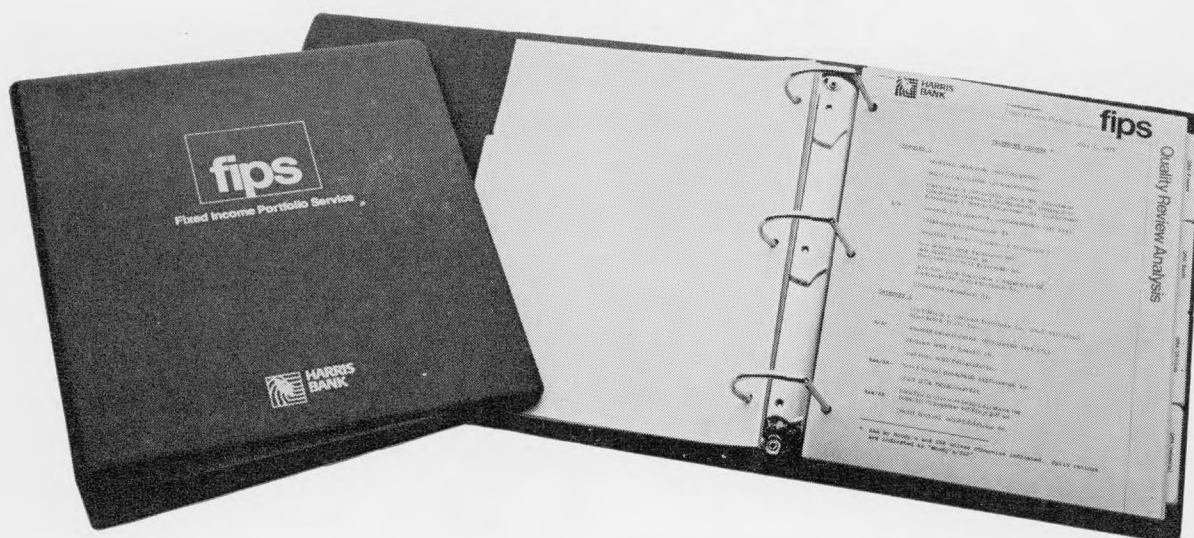
If your answer is no, please contact LeaseAmerica Corporation. LeaseAmerica has several programs (referral and participation) that can help your bank and make money for you at the same time.



Richard W. Myers
Vice President

LeaseAmerica Corporation
400 American Building
Cedar Rapids, Iowa 52401
800-553-5458 out of state
800-772-2051 in state

FIXED INCOME PORTFOLIO SERVICE FROM THE HARRIS BANK.



IT'S THE SOURCE OF CORPORATE BOND INVESTMENT INFORMATION YOU'VE BEEN WANTING.

The management of corporate bond investments is no longer the buy-and-hold affair it used to be. It's a complex business.

That's why the Harris Bank created FIPS. A Fixed Income Portfolio Service that will become an indispensable tool for managers of corporate bond investments.

FIPS provides regular reports in three main categories:

1. Portfolio strategy.
2. Quality review analyses of working list issuers.
3. Weekly data on yields and spread relationships.

With FIPS, you get the full fruits of the research conducted by the Harris Bank on its own behalf. In this respect, FIPS is a companion to our very popular Institutional Investment Service for equity investments.

The fee for FIPS is \$1500 per year, payable in cash or through charges to a deposit account analysis.

For complete information and sample copies of our reports, write or call John Alexander, (312) 461-7515; Jerry Jurs, (312) 461-7612; or Fred Young, (312) 461-7525.



Harris Trust and Savings Bank, 111 West Monroe Street, Chicago, Illinois 60690.
Organized as N.W. Harris & Co., 1882. Member F.D.I.C., Federal Reserve System.

American Express Revises Letter of Credit

A REVISED version of its worldwide Travelers Letter of Credit, an instrument it first issued in 1900, has now been unveiled to the banking community by American Express Company.

Jack Moody, vice president in charge of new product development for the Travelers Cheque Division of American Express Company, announced the changes which have been made with user convenience and protection in mind.

The most noticeable new feature of the Travelers Letter of Credit, Mr. Moody said, is its size, noting that its dimensions have been reduced to business envelope proportions which makes it easier to carry. Also, he added, the drafts that must be presented to banks for cashing have been provided with the document so it is easier to obtain cash by drawing against the Travelers Letter of Credit. The use of standard drafts also minimizes transaction time at banks where drafts are cashed.

Special security features have been incorporated into the new design "to protect both the user and the bank

where drafts are cashed," Mr. Moody noted.

The American Express Company Travelers Letter of Credit is available in amounts from \$2,000 to \$100,000, according to H. S. Thomson, manager of the Travelers Letter of Credit department.

Substantial Increases for North Central Companies

Theodore Sanborn, president of The North Central Companies, Inc., St. Paul, has announced unaudited first quarter 1977 figures which show substantial increases in net profit, total income, assets, net worth and insurance-in-force compared to the 1976 first quarter.

Total income grew 30.9% to \$7,512,000 as of March 31, compared to \$5,736,000 a year earlier. Consolidated net income of \$339,000 for the quarter was up from the \$179,000 of first quarter 1976, advancing net income per share to 49 cents from last year's 25 cents.

Assets rose to an all-time high of

\$58,020,000 from the year ago level of \$46,849,000. Insurance-in-force for the North Central Life Insurance Company, the holding company's principal subsidiary, reached a record high of \$1,337,599,000, a 26.6% increase over last year's figure of \$1,056,329,000.

Credit insurance premium income is up 34% over the first quarter of last year, and first year ordinary premium income is up 45% over the same period.

United Missouri to Buy City Bond and Mortgage Co.

Under an agreement in principle signed last month, City Bond and Mortgage Company of Kansas City will join United Missouri Bancshares, Inc., Kansas City, a registered bank holding company. The announcement was made by R. Crosby Kemper, chairman of United Missouri, and Dale M. Schwader, president and chief executive officer of City Bond and Mortgage.

Founded in Kansas City in 1934, City Bond and Mortgage is a major mortgage bank firm which originates and services single family and income producing loans for approximately 30 institutional investors. It is located in the United Missouri Bank Building. The agreement provides that at least 80% of its stock will be exchanged after regulatory approval is obtained.



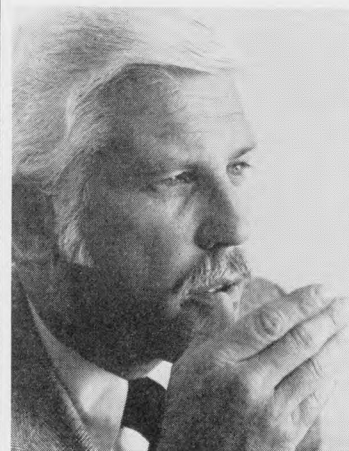
T. SANBORN

**What we
promise
is what
you get.**

Christmas Club a Corporation always delivers on service. When you place an order with us you can count on receiving materials the date we promise. And we're only a phone call away. Dial (800) 523-9440, toll free, anytime.

**CHRISTMAS
club** a corporation
P.O. Box 20
Easton, Pennsylvania 18042

Control is no big deal.



Special monitoring of loans can seem complicated. Not to Lawrence Systems. We've been at it for over sixty years. Keeping our eye on collateral. A small cost to the borrower, a big convenience to the banker. Our experience is that banks should handle the deals, and Lawrence should handle the details. Call Lawrence.

Lawrence: Systems of Collateral Control

For more information, contact Ted Berghorst, Senior Vice President or John Cindric, Vice President at Lawrence Systems, Inc., 180 North LaSalle Street, Chicago, Illinois. (312) 236-9333.

“United Missouri’s bond department is one of the top 100 bond investment institutions in the country!”

“So what?”

“Well, there are thousands of banks and other financial and investment houses throughout the country who deal in municipals and governments. That’s why being in the top 100 means something.”

“How do you rank locally?”

“Right up in front of the pack.”

“Okay. But, what does that mean to our bank?”

“Maybe nothing. But, listen. How we got so big is important to you. And, now that we are big, what we can offer you is vital whenever you invest.”

“How did you get so big?”

“This may sound vague. But, we got big because we have always been responsive to the basic needs of our customers.”

“What does that mean? In what ways?”

“Well, we think of you — first. Where you are. Where you want to go. After all, it is your portfolio we’re talking about. We would, for example, first evaluate your financial position before we would even recommend certain municipals.”

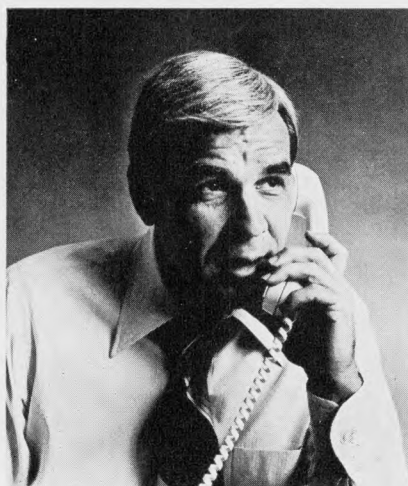
“Do you mean that you might advise me not to buy a given municipal?”

“Absolutely. Relatively risk-free as most are. Tax-exempt as they are. If we don’t think they’re right for your portfolio, we’ll tell you so.”

“That’s interesting. What else does bigness mean to me?”

“Quite a few things. Advantages we can offer you because of our sheer size and clout. It takes a large organization to investigate and analyze the municipal bond offerings that merit our recommendations. And, that’s what we do.”

“Is that necessary?”



“It is for us. One reason is that last year we participated in almost \$1 out of every \$2 of municipal general obligation bonds . . . sold at public sale . . . in Missouri and Kansas. That’s just for openers. Obviously, we have to know what we’re doing.”

“How well do you evaluate every municipal offering?”

“That’s where judgment—earned the hard way through experience—comes in. We evaluate the credit worthiness of the bond before we sell it to you. We don’t just sell it, and forget it.”

“What do you mean by that?”

“Since credit is continually changing, we continually re-evaluate it. We make secondary markets if you decide to sell.”

“That’s good to know.”

“One other thing about proper analysis of all bond offerings. We may not look as flashy, but we’ll make fewer mistakes.”

“I’m sort of interested. But, I want to think it over.”

“You should think it over and talk it over with our bond department people, whenever you have a few minutes to spare.”

“I’ve got a friend in our trust department who might be interested, too . . .”

“Tell your friend to stop by—or give us a call when he has a minute—I’m sure we can help him, too.”

“Fair enough.”

UNITED MISSOURI BANK OF KANSAS CITY, N.A.

United we grow. Together.

10th & Grand, Kansas City, Mo. 64141

Telephone: (816) 556-7000 Member FDIC

Most buildings begin with a foundation.

Ours begin at your bottom line.



We plan and build from data which indicate that new or remodeled financial facilities can contribute significantly to earnings.

You get a better bottom line because we plan, design, and build financial buildings like businesses...not buildings. Actually, the last thing we do is design and build a building. There's not another firm in your city, or in the country that can offer our up-front consultation services...and back them up with a building guarantee like ours. Simply stated: *we'll build it right... on time... and within budget.*

Since 1913, we have planned, designed, and built or remodeled more than 6,000 buildings. Call us at (314) 647-3800. We have a man in your area.



Bank Building Corporation NB-777
1130 Hampton Ave.
St. Louis, MO. 63139

Please send information about how you can help build my business.

Name _____
Title _____
Firm _____
Address _____
City _____ State _____ Zip _____



OFFICES: St. Louis, Washington, D.C.; Hartford, Conn.; Chicago, Atlanta, Dallas, Denver, San Francisco

Timely Suggestions for Bankers

Planning To Build or Remodel?

IF you are planning to either construct a new bank building or remodel your present one, you should retain a qualified architect who is experienced in the financial building field.

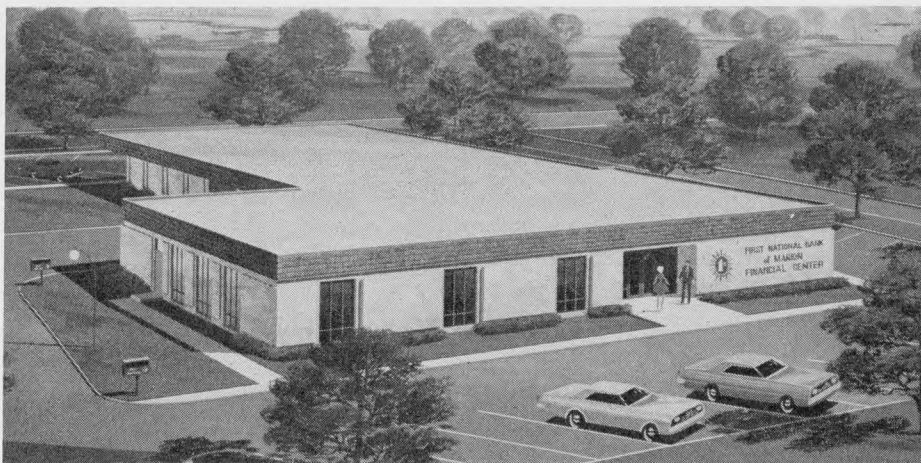
This is the advice given by a cross-section of community bankers who have recently completed bank building projects.

Editors of the *NORTHWESTERN BANKER* asked area bankers to describe one or two outstanding features they like best about their banking home; how they would approach the task differently if they were to start over, and to list some suggestions that might be helpful to other community bankers who are planning to build or remodel.

Since most bankers suffered from cramped working conditions, the obvious feature that most respondents like best about their new quarters is the additional space provided by the new or remodeled building. Here are some typical comments:

Donald G. Nordlie, president, Mid America National Bank, Cottage Grove, Minn.: "The extra space, efficient work flow, and after-hour capability are all important features. Solar heating is, of course, the outstanding feature at Mid America National Bank. Bankers should select a qualified architect who knows work flow and operating problems. They should also depend on a good general contractor and build with an eye to the future."

Donald Petersen, president, Lakeside State Bank, New Town, N.D.: "The fact that we used considerable rock and earth colors make it warm and pleasing to both our customers and employees. All of our interior colors and most furniture were selected by bank personnel for their comfort and enjoyment. Since we remodeled, it was necessary to work around the vault area. This would have been located in a different area in a new building."



IF your lot size permits, you might consider rental office space with a strong bank building identity as pictured above. The First National Bank of Marion, Iowa, now under construction, will be in the Marion Financial Center.

Robert D. Dixon, president, Rolfe State Bank, Rolfe, Ia.: "Our spacious lobby and office area allows us to decorate in a more attractive and appealing manner. We also like the fact that our large bookkeeping area is located so our bookkeepers can fill in at the counter when necessary."

"If we were to start over, we would seriously think about a new building, rather than a remodeling and rebuilding project. Our present vault is no longer large enough to be used as a cash vault and a safe deposit vault. If we had built a new building, we would have located the vault differently."

"My advice to other bankers is to make certain there is adequate filing space and the vault will accommodate additional safe deposit boxes. Hire a good, reliable architect and spend time considering building plans. Be sure the building has a relaxing and spacious appearance and the interior is attractive to your customer types. Make certain you build a solid, workable unit with plenty of sunlight. Adequate parking, a well-located night depository, and drive-up facilities must be given special consideration."

Russell B. Bacon, president, First National Bank, Glencoe, Minn.: "We tried to obtain a warm appearance for

our customers and employees by using carpeting and natural woods, together with stone, for our interior walls. This combination offers excellent acoustical qualities, as well. Perhaps the outstanding feature is a sunken garden court.

"We used a local contractor, rather than put the job out for bids. No architect was retained for general supervision. The interior was planned by my wife, Suzanne Bacon, and additions and deletions were made after conferring with the contractor."

Thomas N. Scott, president, Brenton State Bank, Dallas Center, Ia.: "The outstanding feature of our new bank is the Williamsburg decor. If we started over, we would endeavor to determine a completion date and expedite the job to the best of our abilities. We remodeled while working in substantial commotion for 15 months. This was disturbing to both our customers and our employees."

"We would suggest to other bankers to select a good architect and have plans as complete as possible before starting the job. We have a new office at Woodward and we had complete plans before work started. Remodeling can frequently be more difficult than building a new bank."

F. G. Nilles, president, First Western Bank, St. Louis Park, Minn.: "The features we like best are easy parking access and traffic flow through our auto-bank. If we were to start over, we would add underground lawn sprinklers and easier maintenance landscaping. If your lot size permits, you might consider rental office space with a strong bank building identity."

Robert D. Gulling, executive vice president, Farmers Savings Bank, Mitchellville, Ia.: "Our best features include our lobby, which is of oak wood with dark walnut stain: individual loan offices; a drive-up teller with a remote teller lane, and a large community room for the public. Our new building should allow our bank to triple in size with no major changes."

"Bankers should use equal thought in checking sub-contractors, as well as the general contractor, concerning their workmanship, promptness, and general ability."

Taunce H. Mathiason, president, The National Bank of Washington, Ia.: "The features we like best about our new building include size, parking facilities, location and drive-in facilities. Our lobby is designed to have seven enclosed offices and can be expanded to facilitate the addition of four more officers' desks in the lobby area if the need arises. The location we selected enabled us to develop a customer parking area which is a vast improvement over our present situation. Our new facility has three drive-in lanes and is designed to have a fourth without any additional construction when the need arises."

"If we were to start over, we would consider re-locating the credit files. More consideration should be given to placing the files in a central location. A qualified architect and contractor can save you money and improved construction methods can be used."

L. L. Steele, president, Farmers & Merchants Bank, Huron, S.D.: "We expanded the square footage of our bank to the extent of approximately 3,000 square feet. In this additional space, we enlarged our instalment loan operation; we provided two private offices for officers, a new safety deposit box vault which has a capacity of 3,600 safety deposit boxes, and a new director's room with dimensions of 16 by 24 feet. We also enlarged the



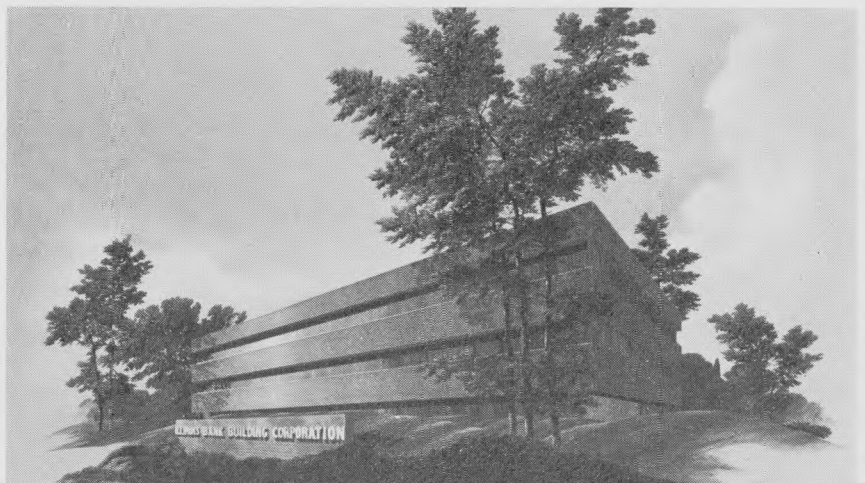
FIRST National Bank of Long Prairie, Minn., is an example of modern architecture.



GRAND OPENING was held last month at the new building completed by the Delmont Office of the First State Bank of Armour, S.D. N. C. Wenzel is v.p. & mgr.

Illinois Bank Building Corporation

CONSULTANTS TO FINANCIAL INSTITUTIONS



Shown here the new corporate headquarters for Illinois Bank Building Corporation in Olympia Fields. Designed and constructed by the members of our firm, it typifies the quality and functional design offered by IBBC in the financial and commercial building fields.

IBBC

20180 GOVERNORS HIGHWAY

OLYMPIA FIELDS, ILL. 60461

312/481-2800

8111-B NO. UNIVERSITY

PEORIA, ILL. 61614

309/692-2625

PLANNING TO BUILD . . .

(Turn to page 63, please)

Northwestern Banker, July 1977



INFLATION vs UNEMPLOYMENT

A PERENNIAL point of contention among business, labor, government and academic leaders is whether inflation or unemployment is more important for priority attention. The two problems were the center of heated debate frequently during last year's political campaigns.

Compounding the difficulty in obtaining a consensus on which problem should have priority attention—inflation or unemployment—has been the rapid drop from 12% inflation rate in 1974 to a 5% rate in 1976, while unemployment has dropped from in excess of 9% to an approximate 7% level at this time.

On the following pages, readers are offered three view points of inflation. The first article, by the newest and youngest of the 12 Federal Reserve Bank presidents, Mark Willes, addresses directly the relationship between inflation and unemployment, and expresses the author's philosophy that will guide him as a member of the Federal Open Market Committee. The second article is by a member of the Fed Board of Governors, Henry C. Wallich, who discusses the devastating effects of inflation on bank capital and how it intensifies the struggle by banks to maintain an adequate level of capital. The third is by our regular columnist, Dr. Wayne Dobson, who analyzes current Fed action in the battle against inflation.

\$\$\$\$\$\$\$\$
 INFLATION vs UNEMPLOYMENT

Inflation vs Unemployment

which is the real culprit?

Ed. Note: Since taking his present office a short time ago, Mr. Willes made his first major address before the recent North Dakota Bankers Association's 92nd annual convention in Fargo. Because of the importance of his views as the 9th Federal Reserve District representative on the Federal Open Market Committee, we are presenting his talk in its entirety so readers may be aware of the economic philosophy he will bring to that important committee.

BEING a new member of the Federal Open Market Committee has some significant advantages. One of the most important is that it is not possible to blame me



■ **ABOUT THE AUTHOR**—Mark H. Willes became president of the Federal Reserve Bank of Minneapolis in April, 1977, at the age of 35, which makes him the youngest president of a Federal Reserve Bank. His appointment followed eight years at the Philadelphia Federal Reserve Bank, where he was advanced to vice president and director of research and then, at the age of 30, was appointed to the number two post as first vice president and chief administrator, the youngest person to hold such a position.

A graduate of Columbia University in New York City, Dr. Willes received his BA degree in 1963 and his PhD in economics and finance in 1967. He has also served on the faculties of the Wharton School of Finance and Commerce in Philadelphia and the Columbia Graduate School of Business in New York City. Presently, he is on the faculty of the Graduate School of Banking at the University of Wisconsin.

In 1966 Dr. Willes served as research economist for the House Banking and Currency Committee in Washington. In 1971 he was appointed economic adviser to the President's special assistant for consumer affairs. He has authored numerous articles on monetary policy.

for past policy mistakes. And mistakes there have been, even in recent years. Nor do I feel any pressing need to use my time here to explain those mistakes away. Of course, I cannot tell you in any detail what monetary policy will or should be in the months and years ahead. What I can and would like to do, though, is give you some idea of my view on what is surely one of the great economic issues of this decade — the issue of unemployment versus inflation. That view will guide me as I participate in the deliberations of the Open Market Committee.

I have been told that there is a grand tradition here in the Ninth Federal Reserve District, a tradition of openness, of people being frank and candid. So you will, I am sure, let me know if you believe that my view on the issue of unemployment versus inflation is in error and that I am, therefore, likely to serve our country badly. I would, of course, be delighted to hear from you if you think my view makes sense.

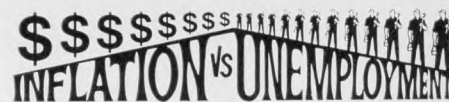
Inflation No. 1 Problem

I can state my view in a very few words: the over-riding economic problem today is inflation. The Federal Reserve, therefore, must give top priority to restoring price stability.

I do not deny that we have a serious unemployment problem. While the over-all unemployment rate has declined considerably from the peak of 9.0% reached in the last recession, and prospects are good that it will go lower still through the remainder of 1977 and into 1978, even so, we will for some time to come have a serious unemployment problem.

The problem may be, however, a little less serious than it appears. A given unemployment rate does not mean what it meant 15 or 20 years ago. That is because young people and women make up a larger fraction of the labor force than they did. And although it is regrettable, the

● **“To a degree, our very generosity has aggravated the unemployment problem.”**



● young and women experience more unemployment on average than do adult male workers. On average, they quit their jobs or are laid off more frequently. And, thus, the larger their share of the labor force, the higher the unemployment rate. Consequently, “full employment” is not what it once was. If 4.0% was a good approximation of full employment in, say, the early 1960s, then today somewhere between 5% and 6% is a good approximation. And that is not as far from the 7.0% rate we had in April as some would have us believe.

● **Effects of Unemployment Tempered**

● Moreover, we have to keep in mind that generally those who are unemployed do not suffer as much economically as they did 10 or 20 or 30 years ago. To be sure, being laid off can be a severe trauma, a severe psychological shock. But, because a larger proportion of the unemployed are women or teenagers, that often means there is at least one breadwinner in the home who is still working. So, many “unemployed families” still have wage or other income to blunt the effects of unemployment.

● In addition, unemployment compensation is much more generous than it was. Indeed, recent research suggests that for some, unemployment compensation plus other available benefits exceed the take-home pay the individual would get by working.

● Consequently, for fairly long periods of time, people can be out of work and not suffer a significant decline in their standard of living. This not only means that the economic suffering associated with a given level of unemployment is reduced, but it also means that people are more choosy about the jobs they will accept. So, they are likely to stay out of work longer than they otherwise would. To a degree then, our very generosity has aggravated the unemployment problem.

● So our definition of full employment has changed. And some unemployment is the result of generous unemployment compensation and other benefits. Nevertheless, as I said before, a 7.0% unemployment rate is too high. We can (and I hope will) do better than that.

● **No Tradeoff Between Choices**

● The essential point, however, is that tolerating inflation, or letting inflation accelerate again, will not reduce unemployment, except perhaps briefly. More inflation does not mean less unemployment.

● A decade ago, many (perhaps most) economists believed there was a trade-off between inflation and unemployment. A government, if willing to tolerate a high enough inflation rate, could achieve any desired unemployment rate. But the professional consensus now has shifted. Today, it is quite widely accepted that at best, inflationary monetary and fiscal policies will only fleetingly reduce unemployment. A government that launches on an inflationary course, either deliberately or accidentally, will not achieve a permanent reduction in unemployment. In fact, that very inflation may ultimately cause unemployment to rise.

In his most recent appearance before the Senate banking committee, Chairman Burns said:

“My fundamental view is that unless we bring down the rate of inflation, we will not have good times in this country. We will continue to suffer from an excess of unemployment. I think that (restoring price stability) has to be our number one priority because unemployment and inflation are so closely tied together . . . To get unemployment down . . . we will have to get inflation down.”

Inflation Only a Temporary Remedy

Many people have taken exception to statements like this one of Chairman Burns. I will not take you through all of the theoretical and empirical studies marshalled on both sides of the issue, and I will readily admit that the evidence is far from conclusive. But, as I have studied the sweep of historical events both in this country and abroad, I have reached the judgment that at best, inflation can only buy a temporary reduction in unemployment. And often, it may do so at the expense of even higher unemployment in the long run as accelerating price increases call for stern measures to prevent economic chaos.

Even if inflation could buy some reduction in unemployment, even a temporary reduction, it would be an unacceptably expensive way to do it. Inflation is a capricious tax, which in very arbitrary ways takes from some segments of society and gives to others. We really know very little about who benefits and who gets hurt by inflation, but we do know that it creates uncertainty and, thereby, distorts and complicates decisions both of consumers and businesspeople. The inevitable result of all of the economic churning that is part of people’s attempts to anticipate or respond to inflation is the waste and misallocation of resources. On a national scale, the cost must be horrendous. Surely there must be cheaper and more effective ways, from society’s point of view, to reduce unemployment.

Variety of Alternatives Available

We might try a variety of ways to improve the workings or the efficiency of the labor market, by removing artificial barriers and facilitating the flow of job and other information. We might limit future increases in the minimum wage, or indeed even lower it at least for the young and poorly trained job seekers. It seems quite clear that the minimum wage is, in part, responsible for the high unemployment rates experienced by the young, and particularly the young of minority groups. And, we hardly do the young a favor by promising a nice wage for jobs they will never get.

And other things can be done. The point is that if we would all spend as much time developing creative ways to reduce unemployment directly as we now do figuring out ways to cause and then try to manage inflation, we could most likely solve both problems with much less cost and anguish.

This is particularly true now, since we still periodi-



“There are hints in reports that inflation may be accelerating again.”

cally hear the suggestion that some form of wage and price controls should be used to help inflation. Fortunately, the current Administration seems persuaded by the large amount of experience in this and other countries that such controls are not only ineffective but costly. They distort the necessary flow of goods and services, cause shortages and bottlenecks, and most important of all they cause a significant reduction in personal freedom. Let's hope that government persists in avoiding application of the wage and price control remedy, which is worse in its effects than the problem it is ineffective in solving.

The Federal Reserve Response?

And what of the Federal Reserve? Can we be confident that it will do what is required? Again, I am cautiously optimistic.

Being bankers, you are all aware, I am sure, that now the Open Market Committee pays much more attention than it once did to the so-called monetary aggregates, the important of which are M_1 and M_2 . As you know, M_1 is the narrow money supply, the total of currency and demand deposits owned by the public, and M_2 , the broad money supply, is made up of currency and demand deposits plus consumer-type time and savings deposits.

Now, the Open Market Committee has not become a slave to those aggregates, although some might wish that it had. It attends to other economic indicators as well. But it is important that the committee has to some extent changed the way it operates, and more particularly that it keeps a closer watch on M_1 and M_2 than it once did. On occasion, in the past, it has confused an increase in interest rates with a more restrictive monetary policy. But now, with it watching the aggregates, there is less chance that the committee will fool itself.

Target Growth Ranges

The committee itself chose to put greater emphasis on the aggregates. It was helped along, though, by the Congress. Under Concurrent Resolution 133, the chairman of the Board of Governors is required to report at quarterly intervals on the target growth ranges for the aggregates that have been adopted by the Open Market Committee. Earlier this month (May), Chairman Burns went before the Senate banking committee to inform it (and thereby the general public) what rate of growth for M_1 the FOMC was hoping to achieve over the year ending in mid-1978. He said that the FOMC was hoping for growth in the range of $4\frac{1}{2}\%$ to $6\frac{1}{2}\%$.

But Chairman Burns also said, as he has on every occasion, that the target growth ranges set by the FOMC are too high, that over time the ranges had to be reduced. And over the past two years the committee has reduced its ranges, if ever so gradually. I believe we can take some comfort from the fact that the committee has been changing its target ranges in the direction of moderating inflation.

Of course, we could take even more comfort if the

FOMC were living up to its intentions. While it has gradually lowered its target range for M_1 , there has been no appreciable decrease in actual growth of the money supply. Indeed, the money supply increased more in 1976 than in 1975. Clearly, the committee has to do better at delivering on its promises.

Environment of Monetary Policy

Now I don't want to be too harsh on my new colleagues. The environment in which monetary policy has been conducted has been very difficult.

There are many, in fact, who have argued that the inflation of the period since 1973 was forced upon us by nature and the OPEC cartel. You will recall the crop failure of 1972, particularly in Russia, and the less serious failure of 1974. Those failures resulted in sharp food price increases, and those increases got reflected in wage demands and thereby in a subsequent general increase in prices. And, you will recall the unprecedented oil price increases of late 1973. They, too, got reflected in wage demands and thereby in a more general increase in prices.

So it is in one way right to say that the inflation of recent years was forced on us. But it is in another way wrong to say that inflation was forced on the United States. What I mean is that with restrictive enough monetary and fiscal policies, the food and oil price increases might have been offset in part by decreases in prices of other things.

Of course, if our policies had been that restrictive, unemployment would for a while have averaged more than it did. When policies become more restrictive, the immediate effect is a decrease in output and employment. Prices respond only with a longer lag. So the Federal Reserve followed a course of moderation. It perhaps felt — and if so, rightly — that with a policy that was too restrictive, it might win a battle and lose the war. That is, the clamor resulting from even higher unemployment than we had might have resulted in changes in our governmental and other policies and institutions that could have haunted us for a long time.

But it is extremely important to recognize the nature of the inflation of recent years. An increase in one price will be inflationary only if accommodated by an increase in the money supply.

Conclusion

I am under no illusion that restoring and then maintaining price stability will be easy. We in this country, and those in other countries as well, seem to have developed unrealistic expectations about the standards of living we can have. That is in part the fault of governments that have promised too much. It will take a while for us to unlearn, to change our expectations. And doing so will be painful. Yet the Federal Reserve must, it seems to me, do what it can to get the economy back on the path of stable prices. It must resist the pressures born of disappointed expectations. If it does not, then likely we will end up a much more regimented economy, and with less of that most precious of all commodities, freedom.



Inflation shrinks bank capital

By HENRY C. WALLICH
Member, Board of Governors
Federal Reserve System
Washington, D.C.

I WANT to address myself to an aspect of inflation that is of great importance for bank regulation: the impact of inflation on bank earnings and bank capital.

My principal conclusion will be that inflation has severely reduced the true income of commercial banks. Taking the years 1973-75 together, the banking system paid out more in dividends than its inflation-adjusted earnings. The seemingly large additions to bank capital from retained earnings shown on the books were largely offset by the shrinkage of bank capital due to inflation. This raises fundamental questions about the ability of the banking system to generate sufficient earnings in order to maintain capital ratios or to sell enough new stock to achieve that purpose.

In an inflation, banks are born losers. They are net creditors, or, in the language of the accountants, they have a positive net monetary position. That is to say, their monetary assets, which account for everything except the building and its equipment, exceed their monetary liabilities. Having more assets that lose value through inflation than liabilities, the real (constant dollar) value of their capital suffers.

One Analysis of Impact

One way of analyzing the impact of inflation is to apply the techniques of General Price Level Accounting. Doing this for the years 1973-75, it appears that the earnings of all insured commercial banks, instead of the reported \$20.9 billion, work out at only \$7.3 billion stated in current (not constant) dollars. The dividends that banks paid out during this period amounted to 112% of those inflation-adjusted earnings. Applicable Federal income taxes during the same period, instead of the reported 19% of earnings, totaled 54% of inflation adjusted earnings. These data and others are shown in the appendix prepared by Don Tucker and Ellen Harvey of the Federal Reserve Board.

The General Price Level Accounting Adjustment indicates that over the three-year period inflation-adjusted earnings were less than half of reported earnings. To pay out more in dividends than their adjusted earnings under ordinary accounting procedures, banks, in most circumstances, would require the permission of the regulators. And finally, instead of paying a relatively low effective tax rate, as is commonly believed, banks on an inflation-adjusted basis paid a rate higher than the regular 48% corporate rate. The rate of return on capital, instead of 11.0% as per book, was 3.6% on an inflation-adjusted basis.

These inflation-adjusted figures also have an implication, of course, for the banks' capital position and for the safety and soundness of the system. After correction for inflation, the substantial increase in bank capital from \$55.1 billion in 1972 to \$73.3 billion in 1975 largely disappears. Since banks issued some equity capital during this period and had other adjustments to capital and reserves, the excess of dividends over inflation-adjusted income did not cause capital actually to shrink in inflation-adjusted and constant dollar terms. But the increase in inflation-adjusted capital stated in 1975 (i.e., constant) dollars was small, from \$75.4 billion in 1972 to \$80.5 billion in 1975. Meanwhile the ratio of bank equity capital to total assets rose from .071 in 1972 to .075 in 1975, stating both capital and total assets in inflation-adjusted terms, since bank assets in real terms rose even less than bank capital.

Inflation Shrinks Capital

It should not be surprising to find that bank capital tends to shrink during inflation. Bank capital is essentially money, and money loses value through inflation. To maintain the real value of their capital during inflation, and its normal growth from retentions, banks would have to earn a rate that, after taxes, would cover the rate of inflation in



“Bank earnings and capital . . . one of the last bastions of money illusion.”

addition to providing a normal return. If we regard the very roughly 10% rate of return that banks have earned over long periods as the norm, recent rates of inflation would require a rate of return after taxes higher by at least a factor of one-half to maintain capital in real terms and keep it growing through retentions. I very much doubt that either bankers, or the public, or legislators, would regard such a rate of return on bank capital as at all appropriate. The area of bank earnings and capital seems to be one of the last bastions of money illusion.

The stock market, to be sure, seems to have read the numbers correctly. For several years, bank stocks have sold at relatively low price/earnings ratios. Some observers have attributed this to concern over possible loan losses that banks might incur. At least equally plausible an explanation is that the market has become aware of the attrition that inflation wreaks on bank earnings and bank capital.

Implications for Regulator

What are the implications of these findings for the bank regulator? For the most part, the bank regulator probably will say that he deals with bank earnings and capital as they appear on the books, not as they appear after some theoretical adjustment for inflation. This reaction is a sensible one for many practical purposes. It does not allow the regulator and the banks, however, to escape the logic of the analysis.

That logic is that inflation makes it very difficult to maintain an adequate level of bank capital. It is the nature of inflation that bank assets and liabilities expand at a rapid rate in current dollars, even though they may rise little or even shrink in constant dollars. If, for example, they expand at 10%, a 10% rate of return on capital will allow no dividends at all to be paid if the capital/assets ratio is to be maintained without new stock issues. Beyond that, there is no way of maintaining that ratio from retentions unless bank earnings and the rate of return on bank capital rise.

The inflation-adjusted analysis makes clear why efforts of the banks, stimulated by regulatory concern, to improve their capital ratios, may have only limited success under these conditions. Bank earnings are not large enough to permit retentions that would keep capital abreast with assets rising rapidly in current dollar terms. The underlying weakness of earnings as revealed by the analysis and as observed by the stock market makes it difficult, meanwhile, to increase capital by new equity issues. Issuance of subordinated debt can help, but is no fundamental solution. If the obvious answer to the problem — to stop the inflation — is not immediately in sight, maintenance of adequate capital ratios will be difficult.

Ignoring Market Signals

From an economic point of view, moreover, there is a real question whether it is advisable, even if it were possi-

ble, to increase the flow of equity capital into an industry that experiences so low a real rate of return. Low earnings are the market's way of signaling that capital should flow out of, rather than into, an industry.

If the regulators, for reasons of public policy, believe that the verdict of the market should be ignored, they are in need of some conception of how this public policy, based on considerations of soundness and safety of the banking system, is to be accomplished.

Are the regulated banks to sell stock at prices that would dilute equity and earnings, thereby further increasing the difficulty of raising additional capital later on?

Do they believe that banks should limit the growth of their assets until acceptable capital/assets ratios are achieved?

Curbing the growth of bank assets and, therefore, of the money supply is the job of monetary policy which would have the highly desirable result of curbing inflation. But, if the economic situation does not allow the monetary authorities to do that in the short run, limiting the growth of bank credit and money supply through more stringent capital requirements for banks would not be appropriate either. In the best of cases, it would cause a larger proportion of the total flow of credit to move outside the banking system.

In other words, if monetary policy is unable, for the time being, to perform the job of halting inflation, regulatory policy restraining monetary expansion through the clumsy device of capital ratios will not do it either but may in the process do damage to the flow of credit and to the economy.

All this does not mean that regulators should give up the objective of advancing bank soundness by improved capital ratios. There will always be phases of the business cycle, and individual banks in particular circumstances not reflecting the average of the banking system, that permit progress in improving capital ratios to be made. But bank regulators will do well to look for alternative means of ensuring the soundness and safety of the banking system that are less at odds with the present signals of the market.

I shall now examine some of these alternative approaches.

Principle of Pooled Insurance

Protection through adequate capital, including, if necessary, subordinated debt, reflects in essence the principle of self-insurance. Each bank provides individually against the risks to which it is exposed. The alternative is the principle of collective or pooled insurance as implemented by the FDIC. Insurance of deposits up to \$40,000 has the twofold effect of (1) reducing the probability and potential magnitude of depositor runs, thereby enhancing the safety of the bank and (2) assuring depositors that up to the insured limit they will get their money back in case failure does occur. If the principle of self-insurance meets with obstacles during inflation, an extension of pooled insurance can be contemplated.

● **“Adequate capital is first line of defense in protecting bank creditors.”**

\$\$\$\$\$\$\$\$\$ INFLATION VS UNEMPLOYMENT

● The principle of pooled insurance obviously has not been pushed very far today. One reason why it is wise to be cautious in moving in that direction is that this form of insurance tends to reduce the discipline that the market imposes upon banks. Today, depositors with accounts over \$40,000 have reason to watch their banks. A large bank that has not kept itself in sound condition may find itself confronted with a tiering of CD rates, i.e., with having to pay a premium for large CDs. Going to 100% deposit insurance would remove this discipline.

● Going to 100% deposit insurance, moreover, would not protect a bank fully against runs, since there may be other creditors with liquid claims, such as Federal funds. Insurance of all creditors might prevent runs, but not insolvency. Stockholder discipline thus would be preserved.

● **Combined Discipline**

● Stockholder discipline alone, of course, is not as effective a form of protection against unsound banking as is the combined discipline of creditors and stockholders. Moreover, stockholder discipline may evaporate in cases of small banks where management and stockholders are identical. Yet, it is important to note that even 100% insurance does not altogether do away with all forms of market discipline.

● Another extension of the insurance principle is action by the insurer to preserve the continuity of an endangered bank in one form or another. The FDIC employs this option either in the form of assisted merger or of purchase and assumption in case of a failing bank. In the first case the bank survives, in the second it does not. In either case, however, the ultimate outcome from stockholders will depend on the condition of the failing bank. Even if stockholders were to contemplate an FDIC arranged merger as the ultimate outcome in case their bank does not prosper, they will have a reason to discipline their management. Stockholder discipline, therefore, will have been preserved.

● **Graduated Premium**

● Various techniques suggest themselves to enhance the discipline of the market under the various foregoing insurance options. Instead of 100% insurance, for instance, one could contemplate a form of co-insurance, leaving some degree of risk, perhaps a very small one, with the creditor. Even 99% insurance might be sufficient to keep bankers interested in maintaining a good market rating in order to avoid tiering of their liabilities, without causing depositors and other creditors to run at the slightest sign of trouble.

● Graduated insurance premia would be another way of exerting a form of discipline over bank risk taking. A high risk portfolio would call for higher insurance premia than a low risk one. This would, of course, require careful supervision of banks' portfolios and perhaps other risk-re-

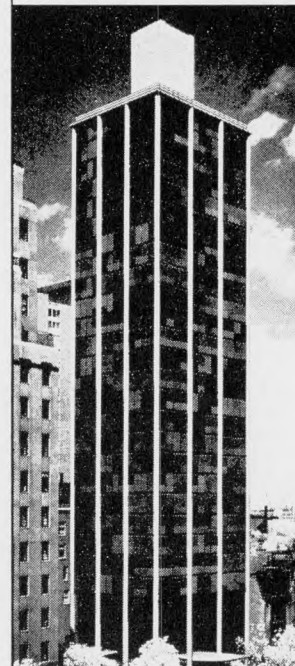
lated practices. There might be a danger that the supervisors would ultimately end up as controllers, while the purpose of the proposal should be, of course, to give the banker a wider range of risk options instead of tying his hands. But the trend toward a growing use of quantitative methods and systems analysis in bank supervision might facilitate the employment of graduated premia for insurance of bank liabilities.

Conclusion

In conclusion, I would like to repeat that there exist several routes toward the achievement of safety and soundness for the banking system. Adequate capital has been the traditional major safeguard. It remains the first line of defense in protecting bank creditors. But, if inflation makes it difficult for banks to maintain adequate capital ratios out of earnings and simultaneously makes it very costly, if not impossible, to raise capital through new issues, there are alternatives. These would require very careful study before anything decisive can be said. But that study should be undertaken before we either accept a resumption of the trend toward lower capital ratios or seek to maintain these ratios by uneconomic means. ■

IN CHICAGO

ASTOR
TOWER
HOTEL



30 Floors of Dramatic Suites
and Master Bedrooms

- Modern elegance with a truly French flair
- The elite atmosphere of an exclusive international hotel
- Spacious suites — just four on each floor
- Each suite with its own all-electric kitchen/bar, theatrical vanity, carpeted mosaic bath. Some suites with Bidet and Grand Piano
- **MAXIM'S de PARIS** for true Parisienne tone of *haute cuisine*
- Complimentary continental breakfast served in your suite
- On Chicago's Gold Coast and Near North. Adjacent to business Loop and shopping

**the BEST VALUE for
QUIET LUXURY**

1300 North Astor Street
Chicago, Illinois 60610
William C. Wolf, Gen'l Mgr.
(312) 943-1111



Inflation threat moves Fed to tighten credit

By L. WAYNE DOBSON
Professor of Banking
University of Nebraska
Lincoln, Nebr.

THERE is little question that during the past weeks the Federal Reserve has instituted a tighter credit policy. The target federal funds rate has apparently been increased twice during the last month and presently seems to be $5\frac{1}{4}\%$. It has been widely assumed that the funds target of $4\frac{1}{2}\%$, $4\frac{3}{4}\%$ was too low to be sustained if the economy continued to expand. In addition, the money supply

had been increasing at an unacceptable rate for several weeks.

It is probable that this increase in federal funds rates will hold and that the level of short term rates will tend to drift slowly upward during the next several weeks.

The main reason analysts had been expecting a tightening of policy was the sharp increases in the money supply. By any reasonable criterion, the

money supply had been increasing far more rapidly than acceptable; for the four weeks ending with the first week of May, the increase in MI (currency and demand deposit) averaged almost 15%, and if a five week period were used the increase averaged over 20%. The seriousness of these increases is apparent if other rates during 1977 are considered. The table below shows the rates of change during 1977.

Changes in the money supply by such magnitudes strongly suggest that the public must be prepared to accept large doses of inflation for a long period. It is for this reason that interest rates will rise further.

For the next 12 months, the Federal Reserve has established an acceptable growth range for the money supply of $4\frac{1}{2}\%$ to $6\frac{1}{2}\%$. While these ranges are subject to change, and broader short run ranges inserted, it is probable that the Fed will attempt to achieve more acceptable rates of monetary growth.

Recent economic data indicate that the economy is performing more vigorously than had been forecast; this will permit the Federal Reserve the flexibility required to gradually tighten credit policies. Excluding price level changes, all of the key economic indicators have been favorable during 1977. The rate of unemployment has declined to 7%, real GNP increased by 5.2% during the first quarter, the Index of Leading Indicators rose by 1.4% during March, and personal income and industrial production have been very strong. Thus, it would seem that now is the time to get about the serious business of fighting inflation.

MONEY STOCK (M1)

Compounded Annual Rates of Change, Average of 4 Weeks Ending:

	4/28/76	7/28/76	9/29/76	10/27/76	11/24/76	12/29/76	1/26/77	3/2/77
To the average of 4 weeks ending:								
9/29/76	3.7							
10/27/76	5.7	7.3						
11/24/76	4.8	5.3	7.9					
12/29/76	5.3	5.9	7.9	4.0				
1/26/77	5.7	6.5	8.3	5.7	8.7			
3/ 2/77	4.9	5.3	6.2	3.9	5.2	3.8		
3/30/77	5.0	5.4	6.2	4.2	5.4	4.4	2.2	
4/27/77	6.4	7.2	8.5	7.1	8.7	8.9	8.7	14.9

Source: U.S. Financial Data. Federal Reserve Bank of St. Louis



ABOUT THE AUTHOR—L. Wayne Dobson received his AB and MA degrees from Western Kentucky University, then earned his MA and Ph.D. degrees in economics from the University of Kentucky, after which he did post-doctoral work at the University of Chicago. He is also a graduate of the Graduate School of Banking at the University of Wisconsin. Dr. Dobson's current position is Abbott Professor of Banking and professor of economics and finance at the University of Nebraska in Lincoln. His previous positions were chairman of the department of economics at Western Kentucky University; director of research and education for the Kentucky Bankers Association, and research fellow at the Federal Reserve Bank of Cleveland.

Dr. Dobson has written more than 30 articles and monographs for such publications as *Taxes*, *Banking Law Journal*, *Bankers Magazine* and *The National Tax Journal*. He is educational director of four banking schools

sponsored by the states of Kansas, Missouri and Nebraska and has been a faculty member of numerous other banking schools, including the Graduate School of Banking, University of Wisconsin.

Northwestern Banker, July 1977

Our idea of correspondent banking:

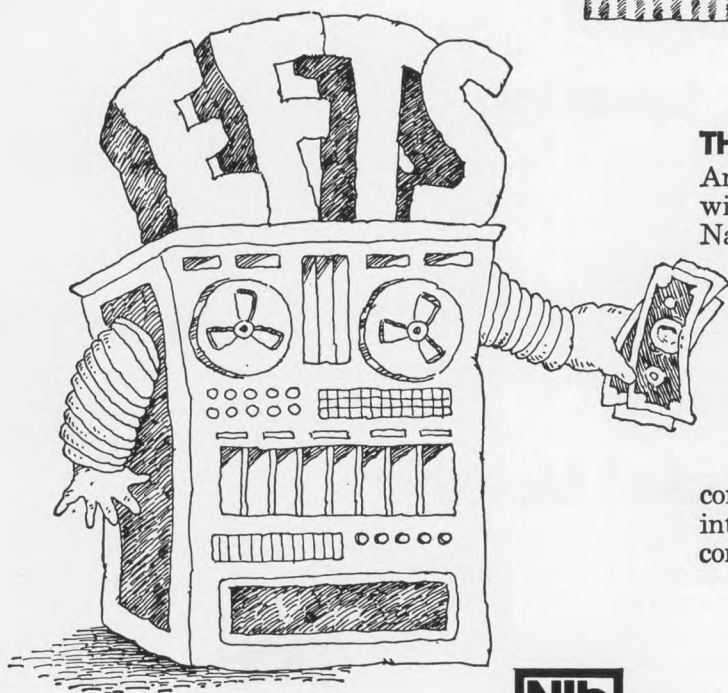


THE COMMITTEE OF ONE.

Our people are real, live, experienced correspondent professionals, with years of correspondent banking behind them. They aren't management trainees or just goodwill ambassadors, so they can okay loans or services—like our new EFTS services—on the spot. Without going through unwieldy, time-wasting committees.

WE CALL YOU BY NAME. NOT BY PHONE.

You see, National Boulevard believes in person-to-person, eye-to-eye contact with the management of every correspondent bank. Right there at the correspondent bank. So things get done faster, friendlier.



THE FUTURE STARTS TODAY.

And now our individualized services will be better than ever, because National Boulevard is ready for EFTS.

Electronic Funds Transfer Systems. For instance, our Central Information File is capable of transmitting information to correspondent banks. Soon, checking and savings accounts will be on line.

Then, step-by-step, every correspondent service will be fully integrated into the system for more convenient, better banking.



The bank for the New Downtown
NATIONAL BOULEVARD BANK
OF CHICAGO

400-410 North Michigan Ave., Chicago, Ill. 60611 Phone (312) 467-4100 Member FDIC

Tailored Bank Money

Sometimes conventional bank money doesn't fit the needs of a growing company. But you can still help your clients by offering them "Tailored Bank Money."

Tailored money for leasing and asset money. Two ways you can solve a customer's problem

when conventional bank services do not apply. You get the business. Your clients get their money. Or equipment. Or equity. Or whatever.

Tailored Bank Money is just that. A perfect fit for many of your clients' financial needs.

For more information, call direct.

Leasing

Lease Northwest, Inc. provides funds for equipment needs without disturbing bank lines of credit or dipping into company capital. Leasing spreads payments over the life of the equipment so cash flow remains undisturbed. Leased equipment pays for itself while it's earning money for you. Leasing provides a complete tax deductible expense. Lease Northwest will structure payments to meet the demands of your cash flow.

Contact Dave Michael at 968 Northwestern Bank Building, Minneapolis, MN 55480, (612) 372-7416. Or John Leary at 4425 Center Street, Omaha, NE 68105, (402) 536-2310.

LEASE NORTHWEST, INC.

Affiliated with Northwest Bancorporation



Asset Money

Banco Financial Corporation provides tailor-made revolving credit lending programs secured primarily by accounts receivable and inventories. Additional funds available on machinery, equipment and real property. Or for expansion, buy-outs, mergers and acquisitions. Bank participations. Call Clarence Adams, Lee Mork, Robert

Olson or Paul Weingart, (612) 372-7988, 1404 Northwestern Bank Building, Minneapolis, MN 55402.



An Affiliate of Northwest Bancorporation

Achieve your goals with money services from affiliates of Northwest Bancorporation.
Assets over \$8 billion.



OFFICERS of the MBA for 1977-78 are, left to right: Pres.—**Gene A. Beito**, pres., Northern State, Thief River Falls; 1st V.P.—**Leslie W. Peterson**, pres., Farmers State Bank of Trimont; 2nd V.P.—**John M. Owens**, pres., Northwestern Bank of Commerce, Duluth; Treas.—**Richard Carlander**, pres., State Bank of Faribault, and Exec. V.P.—**Truman L. Jeffers**, Minneapolis.

Minnesotans Elect Gene Beito As President

PROSPECTS for payment of interest on demand deposits, and other state and federal legislative matters cornered the center of attention at the 87th annual convention of the Minnesota Bankers at the Radisson Hotel in St. Paul last month.

In addition to hearing these speakers, delegates were given personal reports on committee activities of the past year by the respective committee chairmen. At their annual election, delegates elected Gene C. Beito, president of Northern State Bank at Thief River Falls as their president of the MBA for 1977-78. Mr. Beito succeeds C. Paul Lindholm, senior vice president of the Northwestern National Bank of

By **BEN HALLER, JR.**

Editor
and

MIKE FREELAND
Business Manager

Minneapolis, who was commended several times during the convention for his leadership during the past year. Mr. Beito is pictured above with the other officers who will serve with him during the coming year.

In addition to the officers, three new members of the MBA Council of Administration were installed for three-year terms. They are: C. Bernard Jacobs, chairman and chief executive officer, National City

Bank of Minneapolis; Herbert A. Lund, executive vice president, Security State Bank, Albert Lea, and Clinton D. Kurtz, executive vice president, Citizens State Bank, Norwood.

With the use of slides, Mr. Lindholm presented the initial part of his annual report. Legislative activities were a vital part of the year, and he gave a report on results of the survey taken among members to obtain their feelings on several key points. The results guided MBA officials in their pursuit of legislative goals.

When the state's bankers were asked their preference regarding an improvement in the facility law, the vote was definitely in favor of such broadening of power. Conversely, when branching in any form was discussed, the vote was overwhelmingly against such action. Here are results shown by slides during President Lindholm's talk:

"Shall we have two facilities at home or in non-banked communities up to 25 miles away?" Yes—276 (75%); No—93 (25%).

"Shall we have two facilities out-state and unlimited metro facilities?" Yes—258 (70%); No—111 (30%).

"Do you favor regional branching?" Yes—184 (47%); No—204 (53%).

"Do you favor some type of branching?" Yes—109 (32%); No—227 (68%).

"Do you favor EFT, both POS and ATM?" Yes—229 (79%); No—78 (21%).

To complete his report, Mr. Lindholm called upon committee chair-



Minnesota's ABA officials—**Mike Pieschel**, ABA state v.p. and pres., Farmers & Merchants State, Springfield; **John Chisholm**, ABA Governing Council and pres., Marquette B&T, Rochester; **Elwood Thronrud**, ABA Governing Council and pres., Northwestern State, Ortonville, and **Paul Lindholm**, ABA Governing Council (effective at the end of the ABA convention this fall to succeed Mr. Pieschel) and sr. v.p., Northwestern Natl., Minneapolis.



R. J. Johnson, State Bank of Clarks Grove, receives his 50-year plaque from **Elvin Gandrud**, chmn. of Pope County State, Glenwood, and pres. of Pioneer Club.



The original oil painting of the Minnesota loon, the state bird, was presented to **Paul and Marlys Lindholm** (left) by **Mr. and Mrs. John Morrison** and **Harry Wahlquist** on behalf of directors of the Northwestern National Bank of Minneapolis in recognition of Mr. Lindholm's year as president of the MBA. Mr. Morrison is chairman and chief executive officer of the bank. Mr. Lindholm and Mr. Wahlquist are senior vice presidents.



Mike Summers, comm. In. off., Midland Natl., Minneapolis, and **Len Griffith**, v.p., 1st Natl., Duluth, watch **Jerry Choromanski**, pres., Crystal Lake State, try his hand at the putting green in the Midland Natl. hospitality room.



Mark Willes, pres., Federal Reserve Bank of Minneapolis, visits with **David Lilly**, former chairman of the Minneapolis Fed and now a member of the Fed Board of Governors in Washington, D.C.



Andy Meyers, partner, J. T. Miller Co., Minneapolis, and **Bob Keyes**, pres., Minnesota State Bank, St. Paul.

men during the several business sessions to give their personal reports.

James E. Hansen, chairman, pension committee, and president, Merchants & Miners State Bank, Hibbing, said an extensive study has developed a new pension program for member banks that will allow great latitude in customizing such a plan to individual banks.

Gerald Kanne, chairman, bank management committee, and senior vice president, Northwest Bancorporation, Minneapolis, said a high priority has been given to personnel

relations due to many new federal laws and regulations. Consequently, his committee is requesting sponsorship of two statewide seminars, one for executive officers and one for supervisors, this fall. An interim salary survey among banks of up to \$40 million deposits is to be made.

Lyle Nelsen, chairman, ag and rural development committee, and vice president, Nicollet County State Bank, St. Peter, said drought was the key problem the past year and controlled the direction of most committee activity. Included was an Irrigation Workshop in May for 100 registrants, utilizing some excep-

tionally good irrigation information developed by the University of Minnesota.

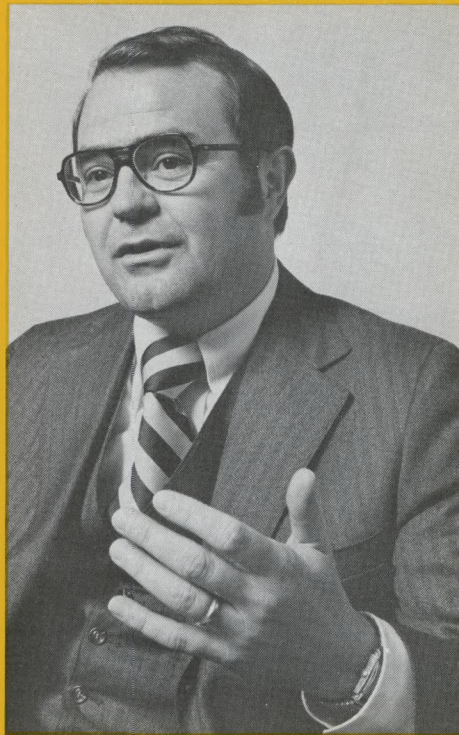
Richard E. Gandrud, chairman, communications committee, and executive vice president, Pope County State Bank, Glenwood, reported that 3,900 bankers had attended 16 bank staff seminars. The publicity committee has developed a 17-minute slide film, "Your Bank," for use with legislators, schools and all media.

At the noon luncheon for the Pioneer Club members and MBA

MINNESOTA CONVENTION ...

(Turn to page 45, please)

COMPETITIVENESS



"I don't want to see my customers take their business someplace else. So I strive to be as competitive as I can. I anticipate customer needs well in advance and evaluate a number of possible solutions. Then I try to deliver a workable answer fast. This is a service business we're in. And you have to be competitive if you are going to keep the business."

— James Russell
Correspondent Bank Officer
Twin City Metro Area

**Correspondent
Bank Division**



MEMBER F.D.I.C.
Member First Bank System





Carol Addington; Rosemary Ring; Bill Addington, a.v.p., Marquette Natl., Minneapolis; **John Ring, v.p.,** Northwestern Bank of Commerce, Duluth; **Avery Fick, v.p.,** Marquette Natl., and his wife, **Eloise.**



Officers of the Minnesota Flying Bankers Assn. elected during the MBA convention are: Treas.—**Larry Doyle, exec. v.p.,** State Bank of Maple Plain; Secy.—**Jim Talen, pres.,** Elgin State; V.P.—**Bill Rosacker, a.v.p.,** Marquette Natl., Minneapolis; Pres.—**Jim Diebold, pres.,** Granite Falls Bank, and Past Pres.—**Warren Kregness, pres.,** State Bank of Tower.



Dick Peavey, pres., First Northwestern Natl., Faribault; **Harry Wahlquist, sr. v.p.,** Northwestern Natl., Minneapolis; **Doug Gallop, pres.,** First Northwestern Natl., Grand Rapids, and **Lorraine and Curt Holmquist, pres.,** First Northwestern Natl., Winona.



Bob Faegre, corr. bk. rep., and **Tom Hayden, a.v.p.,** both with Northwestern Natl., Minneapolis; **Pat and Alan Pederson, v.p.,** Murdock State; **Lauren Pederson, pres.,** Murdock State, and his wife, **Carol.**



Pete Ankeny, pres., 1st Natl., Minneapolis; **Bill King, 1st Northwestern Natl.,** Grand Rapids, and **Harold Hanson, pres.,** 1st Natl., Baudette.



Seated: **Bob Schneider, pres.,** Farmers State, Elkton; **Vance Torgerson, pres.,** Farmers State, Adams, and **LeVine Olson, pres.,** State Bank, LaSalle. Standing—**Al Highum, a.v.p.,** 1st Natl., Minneapolis; **Joe Finley, pres.,** Janesville State, and **Bud Omlie, v.p.,** 1st Natl., Minneapolis.

American Profiles



Art Haessig
Vice President
American National Bank
and Trust Company

"Forty years of banking has proven to me that prompt, accurate, helpful service produces mutually beneficial results. A quarter of a century as a Correspondent Banker has also made it clear to me that the friendships made with those we serve is the cornerstone of our growth and progress."



**American
National
Bank
and Trust
Company**

**Correspondent
Division**

5th and Minnesota Streets
St. Paul, Minnesota 55101
612/298-6000
Member F.D.I.C.

Northwestern Banker, July 1977

Pictures from the Minnesota Convention



Bob Sipple, sr. v.p., American Natl., St. Paul; **Jim Hansen**, pres., Merchants & Miners Bk., Hibbing; **Clair Wilcox**, pres., Grand Rapids State, and **Don Johnson**, v.p., American Natl., St. Paul.



Don Ryan, sr. v.p., Collateral Control Corp., St. Paul; **Paul Bringgold**, pres., 1st Natl., Cannon Falls, and **Leo Hermes**, v.p.-reg. sales, Collateral Control Corp., St. Paul. (Collateral Control became new name of NYTCO Services, effective July 1.)



Andy Sall, exec. v.p., 1st Natl., St. Paul, and his wife, **Ginny**; **Jim Gowan**, v.p., 1st Natl., St. Paul, and his wife, **Mary**, and **Sarah** and **Bill Duma**, pres., Natl. Bank of Minnetonka.



Jim Russell, corr. bk. off., 1st Natl., St. Paul; **Jim Gesell**, pres., Cherokee State, and his wife, **Rene**; **Dick Schurtz**, pres., American State, Olivia, and his wife, **Shirley**, and **Ken Heiser**, corr. bk. off., 1st Natl., St. Paul.



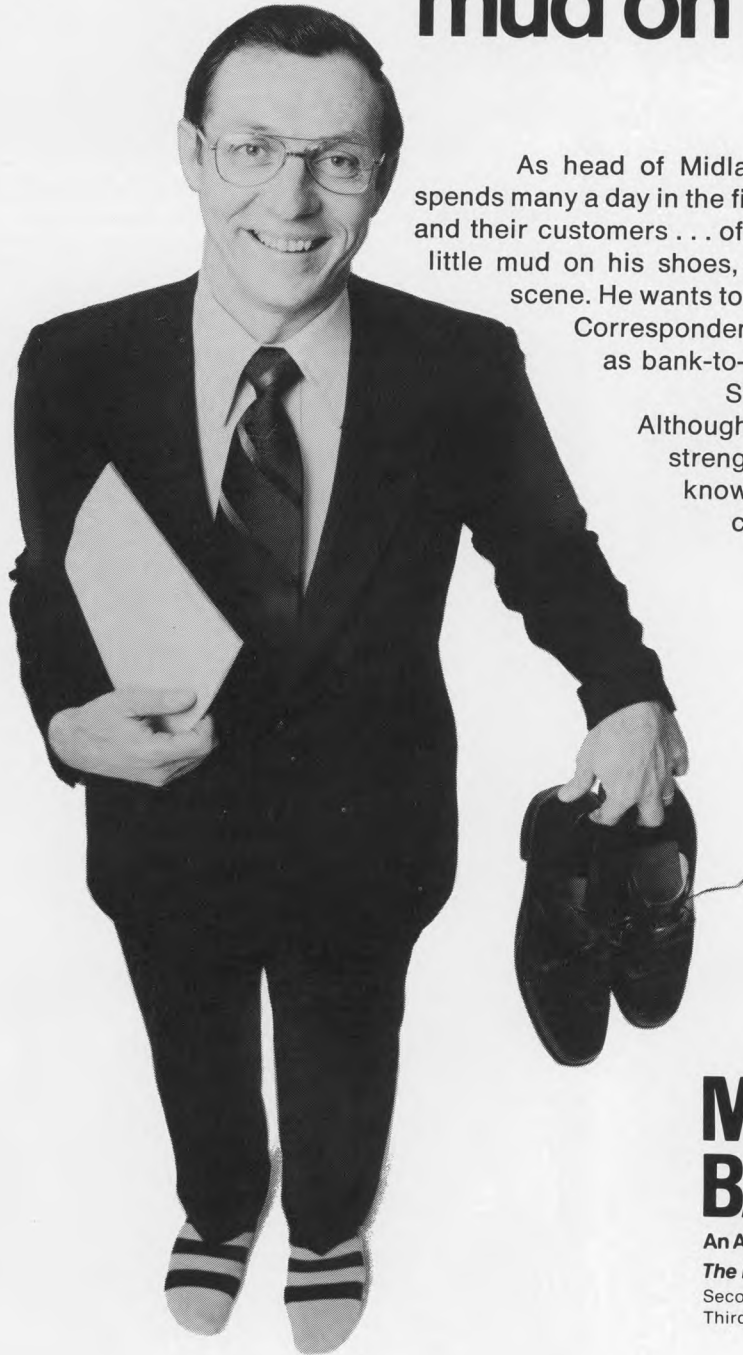
John Knutson, chmn., and **Stan Peterson**, v.p., both with Midland Natl., Minneapolis, and **Jan** and **Howard Luick**, exec. v.p., Oakley Natl., Buffalo.



Bud Cross, a.v.p., 1st Natl., Chicago; **Bud Meadley**, sr. v.p., Natl. City Bank, Minneapolis, and **John Early**, v.p., and **Norm Gustafson**, acct. off., both with Citibank of New York.

Stan Peterson.

A city banker who doesn't mind mud on his shoes.



As head of Midland's Correspondent Bank Division, Stan spends many a day in the field . . . consulting on location with bankers and their customers . . . often in factory, barn or field. He may get a little mud on his shoes, but he's ready and willing to be on the scene. He wants to help your bank extend its services through Correspondent Banking that is person-to-person as well as bank-to-bank.

Stan Peterson is typical of Midland bankers. Although he represents an institution of financial strength and broad service, he is accessible, knowledgeable, helpful. If you have a question, call him directly at (612) 372-7067. He can advise you of any of Midland's many Correspondent Banking services.

Overlines	Investments
Money Transfer	Foreign Drafts & Currency
Transit	Federal Funds
Credit Cards	Bank Stock Loans
Data Processing	Personal Loans
Safekeeping	Keogh Plan

**What we offer
is right on the money.**



MIDLAND NATIONAL BANK of Minneapolis

An Affiliate of Northwest Bancorporation

The Downtown Bank with Two Locations

Second Avenue South at Fourth Street
Third Avenue South at Sixth Street

Member FDIC



Ladies of the MBA staff and St. Paul banks who took care of the registration desk. Front row: Linda Forschen, MBA; Marie Masanz, 1st State, and Nancy Daniel, Billye McNeill and Pat Swanson, MBA. Second row: Lorna Schade, 1st Natl.; Mary Kay Meehan, American Natl., and Margaret Goff and Gloria Nelson, MBA. RIGHT—MBA Pres. Paul Lindholm receives U.S. Savings Bonds award from Cliff Sommers, Minnesota state chmn. of Savings Bonds and a retired Minnesota banker.



Sue Vogel and Irwin Pentel, pres. of Chex Systems, Minneapolis, staffed the Chex Systems booth.



Mike Adams and Norman Carlson, Minneapolis, greeted visitors to the Travelers Express Company, Inc., display.



Marcia Hills, Minneapolis sales rep. for Northwestern Bell Telephone, explains some equipment to Lawrence Keillor, pres., 1st Natl. of Anoka, while Bill Spence, mktg. mgr. at Omaha headquarters for Northwestern Bell, looks on.



Gary Caddoo, Minneapolis, and Ken Knutson, Milwaukee, staffed the Lawrence Systems booth during the convention.

Minnesota Convention Report

(Continued from page 38)

Past Presidents Club, retiring MBA President Lindholm suggested a \$10 annual membership fee be adopted, with the proceeds to go toward funding of one or more scholarships at the University of Minnesota college of business administration in banking and finance studies.

Demand Deposit Interest

G. M. Pieschel, ABA state vice president for Minnesota and president of Farmers & Merchants State Bank, Springfield, referred to the recent meeting of the ABA Governing Council during which the position paper on interest payment on transaction balances was adopted. That position basically calls clearly for parity of ground rules among all financial institutions, Mr. Pieschel stated.

ABA President-elect A. A. "Bud" Milligan, president of A. Levy Banking Corp. of Oxnard, Cal., followed shortly after this with a detailed explanation of the ABA proposal, which has been reviewed in earlier issues of the Northwestern Banker. He said there would be no change made in this position by ABA without another meeting of the same large group of representative bankers.

David Lilly, member of the Federal Reserve System Board of Governors in Washington, D.C., until January 31, 1978, discussed in general terms the payment of interest on demand accounts. The old reasons for such non-payment, legislated in the depression days, he stated, are no longer valid. He said banks are getting around non-pay-

ment of interest on demand deposits by various means, anyway—such as premiums, extra services, etc. After considering these other pluses already being given demand deposit customers, Mr. Lilly said, the effect of interest payments would not be very great on any banks.

Lee Gunderson, chairman of the ABA communications division and president of the Bank of Osceola, Wis., also directed his remarks at the subject of interest payment on demand deposits with his talk, "Parity for Bank Customers and Banks."

Entertainment

A report on the 1977 convention would not be complete without reference to the outstanding entertainment provided. In addition to the golf and tennis tournaments which drew record numbers, two outstanding banquet parties were offered delegates. On the first night, the banquet was billed as "A Night at the Palace."

Three entertainers offered singing and comedy in the vein of past performers who played at the famous Palace Theater in New York City.

The second night banquet featured Roger Williams and his orchestra. This rousing show went on for one hour and five minutes and concluded with a standing ovation for one of America's premier piano musicians.

Winding up the convention at the Wednesday noon luncheon was the scintillating columnist, Art Buchwald, who exhibited a brand of humor from the platform that was equally as good as what appears in his nationwide, syndicated column. □

The new building will have 8,000 square feet of space on one story.

Dawson Bank Announces Building Plans

The Northwestern State Bank of Dawson has announced plans for a new building to be located on Block 60 of Main Street. The new facility will contain about 10,000 square feet. Construction will begin in the fall with occupancy scheduled for early 1979, according to Charles L. Kretchman, president.

Cannon Falls Bank Names President, Cashier

Security State Bank of Cannon Falls announced the appointment of Marvin L. Nelson as president and chief executive officer and the election of James M. Cylkowski as cashier. Bill Sutherland will continue in his present position as executive vice president.

Mr. Nelson formerly was vice president of Golden Valley State Bank and also has been with the First National Bank of St. Paul. He is a graduate of South Dakota State University and has been in banking for 20 years.

Mr. Cylkowski joined the bank after serving as assistant cashier at the First National Bank of Hastings.

Orin Samstad

Funeral services were held recently for Orin Samstad, 73. He was a former president of the Northwestern National Bank of Hastings.

To Head Windom Bank

Douglas Davidson has been named president and managing officer of the First National Bank of Windom. He succeeds Marwin Brown, 55, who has been named vice president of First Bank System's banking division. Mr. Davidson has been with First Bank System since 1961 when he began his career at the First National Bank in Bozeman, Mont. He was elected assistant vice president in 1970. In 1972 he was elected vice president of The First National Bank of Havre, his most recent position.

Wayzata Bank & Trust Adds Two to Staff

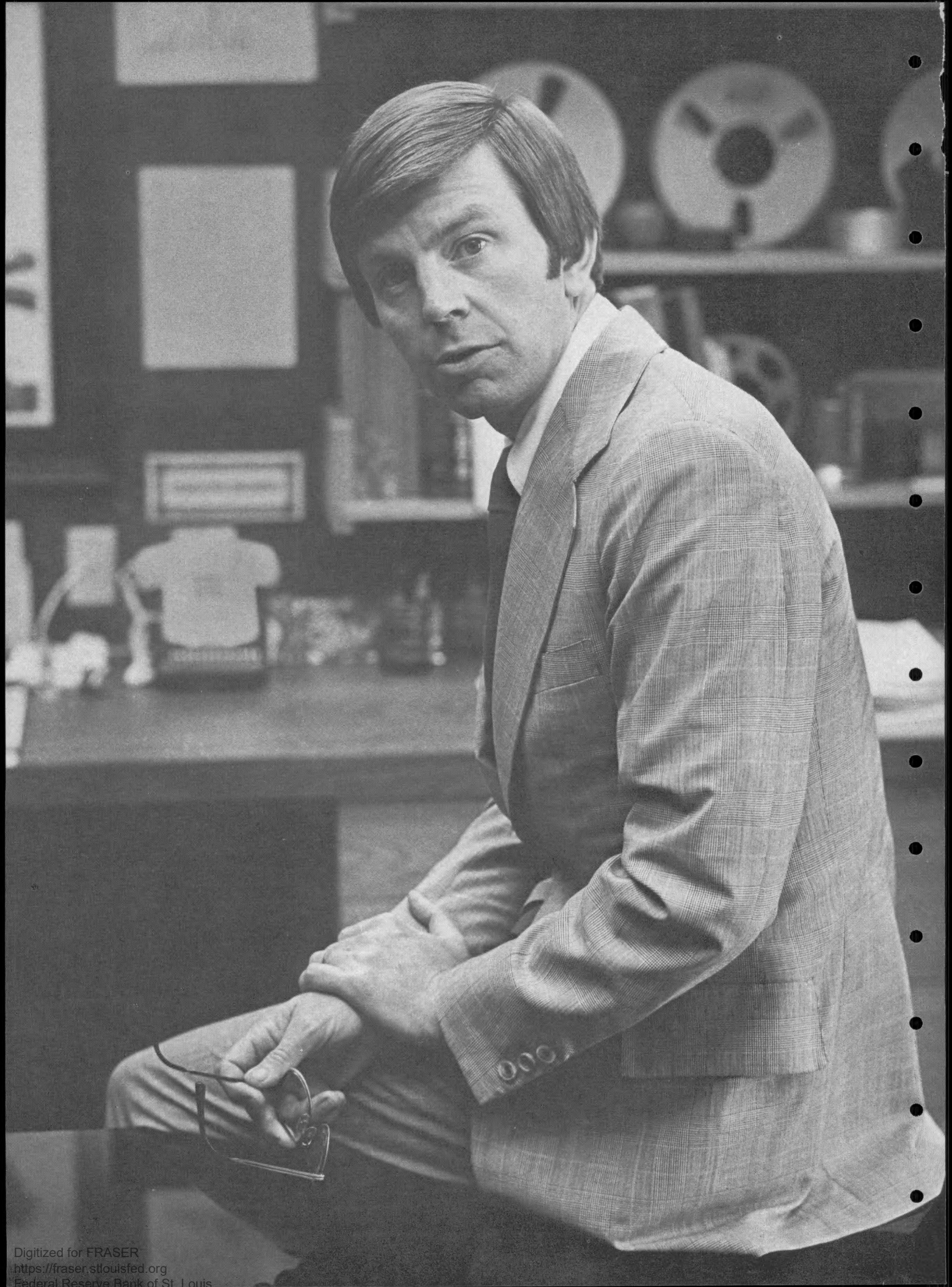
Wayzata Bank & Trust Company has announced the additions of Robert M. Weiss as commercial lending officer and Steven R. Scofield as instalment loan collector.

Mr. Weiss began his career in 1970 with the Red River National Bank & Trust of Grand Forks. He was transferred to First Bank System as an examiner and in 1975 joined First

Southdale National Bank of Edina. Mr. Scofield formerly was with Fidelity Acceptance Corporation.

Construction Begins On Crosby Bank

A groundbreaking ceremony was held recently at the site of the construction of the new First National Bank building in Crosby. Completion is estimated for the first of the year.



“Any bank will lend you an umbrella when the sun is shining.”

Bill Bieber is President and Chief Executive Officer of Acrometal, a multi-million dollar manufacturing company. It's a company his father bought some 20 years ago... with the help of the First National Bank of Minneapolis.

Here's the story:

“My father had an opportunity to buy Acrometal and went to several banks seeking a loan. Other banks thought he could get the company for less than he felt he needed, but First Minneapolis didn't try to second-guess him... or run his business. They trusted him, loaned him the money, supported him during those early critical years. And they've stood behind us ever since.

“First Minneapolis has been the financial strength behind us which has allowed us to capitalize on many worthwhile growth opportunities. They've introduced us to some excellent acquisition prospects such as our Continental Castings subsidiary



and our Abrasive Engineering and Manufacturing Division.

“And, they've been more than a place to put money and borrow money. We've used them to open and negotiate letters of credit and hedge our foreign exchange exposure. They've never let us down.”

Of course, First Minneapolis is not big on giving money away. But, we are ready to back your good ideas and take part on a long-term basis with additional financial help. Both in good times and bad.

We'd like to talk to you about your company's needs.

Our corporate banking officers are well established, dedicated professionals who think your business ideas deserve a chance to grow.

And, as with Bill Bieber, we want to be a part of your growth, your future, your success.

“They deserve a lot of credit.”

So do you... rain or shine.



First National Bank of Minneapolis • Corporate Banking Division, 120 South Sixth Street, Minneapolis, Minnesota 55402 • 612/370-4320 • Member FDIC

Colorado Rocky Mountain SUMMER WILDERNESS EXPERIENCE

Your chance to get back to nature - at your own pace - Planned activities, with expert guidance and all equipment furnished, gain an understanding of the outdoors and yourself.

HIGH COUNTRY INN, located in Arapaho National Forest, 67 miles west of Denver, offers deluxe accommodations (Best Western approved) and an exciting week[®].

- COLORADO RIVER WHITEWATER RAFT TRIP
- MOUNTAIN HIKE
- PEAK CLIMB
- SAILING
- OVERNIGHT BACKPACK

Season May 30 — October 31

All activities geared to the individual. There's fun for one and all the family (young or old). One rate covers everything.

7 day & 5 day packages available

Contact the HIGH COUNTRY INN, direct or call Best Western Tour Reservations
TOLL FREE 800-528-1234



Post Office Box 96
Winter Park, Colorado 80482

Phone 303-726-5566 Denver 573-1082

Tell me more! I'm interested in all inclusive package price for Adult Children

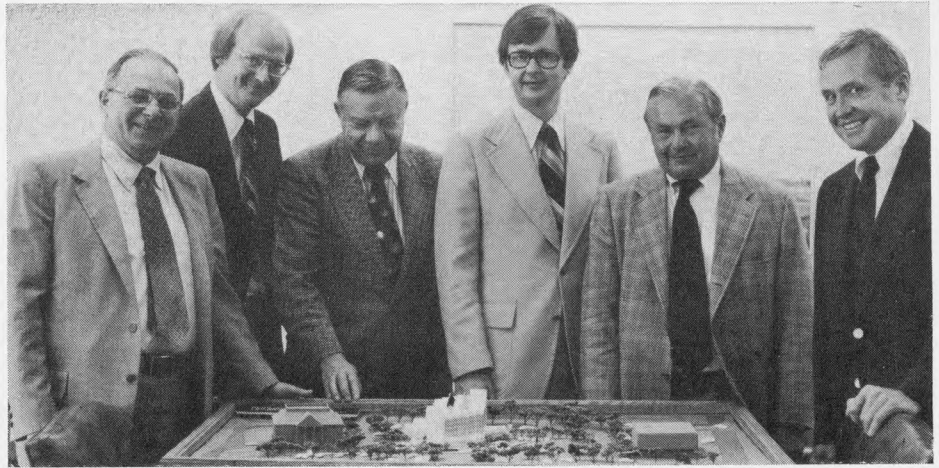
for the dates _____ to _____
or optional dates _____ to _____

Name _____

Address _____

City _____

State _____ Zip _____



VIEWING the model of National City Bank of Ridgedale's planned bank and office building project are (l to r): Joe A. Walters, dir.; Thomas H. Hackett, v.p. & cash.; Edward E. Mueller, dir.; Donald M. Jerpbak, pres.; and Clifford M. Roberts and Simon R. Navickas, dir.

Ridgedale Bank To Build Drive-In

APPROVAL has been granted by the Minnetonka City Council and the board of directors of National City Bank of Ridgedale to construct a drive-in bank facility as the first phase of a future multi-purpose bank and office building project, according to Donald M. Jerpbak, bank president.

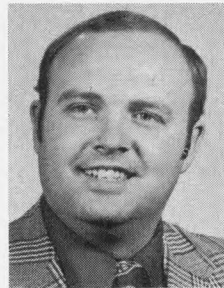
The drive-in facility will be located at 1809 South Plymouth Road, adja-

cent to Ridgedale Shopping Center where the bank currently maintains its main office.

Scheduled for a late summer opening, the new facility will occupy 1,100 square feet of space and feature three drive-in lanes. A lobby walk-up area and ample customer parking will also be provided for more customer convenience.

Sauk Rapids Bank Names Assistant Vice President

Mark A. Fasse recently was appointed assistant vice president and manager of the real estate mortgage department of the Northwestern State Bank of Sauk Rapids. Mr. Fasse began his banking career with Banco Mortgage Company in Waterloo, Ia., in May of 1973. In 1974 he was transferred to the company's St. Paul office and in 1976 to the wholesale office in Minneapolis where he served as assistant secretary.



M. A. FAASE

community project. The funds will be provided to merchants in the central business district redevelopment area for building restoration, external furnishings and improvements, according to G. William Jude, bank president.

Duluth Bank To Begin Remodeling, Skywalk

A million-dollar remodeling program at First National Bank of Duluth, which will permit simultaneous construction of the first leg of the downtown Duluth skywalk system, recently was announced by Dennis W. Dunne, president. The project will provide for passage of a pedestrian concourse directly through the center of the bank's facilities on its first and second floors.

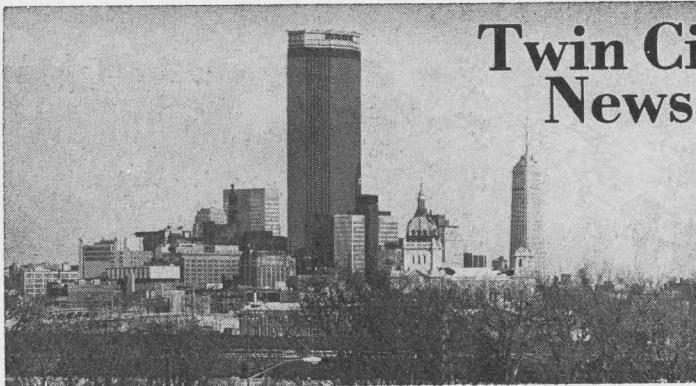
This will provide a link between the skywalk from the Duluth Arena-Auditorium, which enters the bank's parking ramp and bridge and the skywalk bridge to be built over Superior Street this summer between the bank and the Lyric Block development.

Construction will begin immediately with completion expected in early 1978.

Hopkins Bank Expansion

The First National Bank of Hopkins is in the process of a \$2 million expansion which will transform its present one-story building into a 50,000 square foot, three-story facility.

In connection with the remodeling, the bank is making available \$500,000 at 6% simple interest for a special



Twin City News



JOHN C. Timmermann, Jr., of New York City has joined First National Bank of Minneapolis as vice president in the trust investment department. He will have charge of nationwide marketing of asset management services.

Mr. Timmermann was with the United States Trust Company in New York City since 1966, and most recently was head of the sales and market planning department.

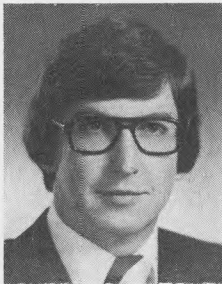


J. C. TIMMERMANN

* * *

Michael Hoover has been elected vice president of First System Agencies, Inc., the insurance agency affiliate of First Bank System, Inc.

Mr. Hoover began his career in 1966. In 1972, he joined First System Agencies as a liaison representative with primary responsibility for installing the computer system. He was promoted to liaison officer in 1973 and to assistant vice president in 1975.



M. HOOVER

* * *

One hundred thirty-six arm wrestlers from the area recently competed in the annual Northeast Tea & Arm Wrestling Championship sponsored by the Northeast State Bank. The competition was held in the bank's parking lot.

Other highlights of the event were entertainment by the Edison High School Marching Band, the Chris Kalogerson polka band and the Dolina

Polish Folk Dancers. About 1,200 people attended the event.

Bob Rasmussen is president of the bank.

* * *

T. H. Bartholomay, president of the First Minnehaha National Bank, has announced the elections of three officers. They are: **Donald G. Rademacher**, assistant vice president; **Stephen C. Erdall**, real estate loan officer, and **Wayne E. Moss**, sales finance officer.

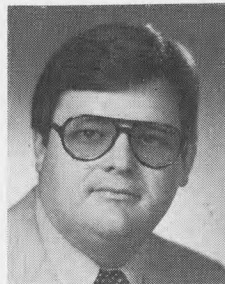


D. G. RADEMACHER

Mr. Rademacher joined the bank in October, 1976, as a commercial loan officer from the First Security National Bank, St. Paul. He is a graduate of Mankato State College and the University of Minnesota. Mr. Erdall began his banking career in April, 1975, as a real estate loan counselor and trainee. He was graduated from St. Cloud State College. Mr. Moss joined the bank from the First National Bank of Virginia where he was assistant cashier in instalment loans. He has a BS degree from the University of Minnesota.

* * *

Mark Harris has been elected vice president and manager of the credit card center of First System Services, Inc., a service subsidiary of First Bank System. He formerly was assistant vice president, personal banking services, at the First National Bank of Kansas City, Mo.



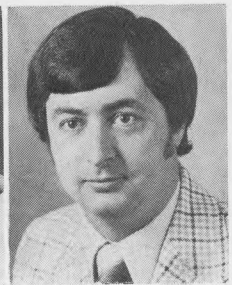
M. HARRIS

Charles A. Russell, president of Third Northwestern National Bank of Minneapolis, has announced the elections of **Sandra M. Weiler** to credit officer and **Terrence McCleary** to instalment loan officer.

Ms. Weiler began her banking career at the Northwestern National Bank of Minneapolis in 1964 as a loan



S. M. WEILER



T. MCCLEARY

analyst. She joined Third Northwestern in 1975 and has served as credit supervisor. Mr. McCleary also began at Northwestern of Minneapolis in 1973. He joined his present bank in 1976 and has been working in instalment loans.

* * *

Robert E. Sipple, senior vice president, American National Bank and Trust Company, St. Paul, recently was elected president of Junior Achievement (JA) of St. Paul, Inc.

Mr. Sipple has been vice president, treasurer and an active member of the St. Paul JA board. He has chaired the committee for the JA fund drive campaign, the adviser recognition dinner and the counseling firm committee.



R. E. SIPPLE

Energy Efficient Home at First Minneapolis



AN energy efficient home that can reduce heating expense by 50% and cooling costs by 55% was erected as a public service on the plaza of First National Bank, downtown Minneapolis. Some 4,000 persons toured the home on opening day. Conventional in design, the home features five different types of insulation, triple-glaze windows, a solar-assisted hot water unit and the latest in electronic temperature and humidity controls. The house was displayed on the plaza for a month and then moved to suburban Plymouth for sale. **DeWalt H. Ankeny, Jr.**, is the bank's president.

First Bank System, Inc., has announced the following appointments: **Douglas J. Hajek**, loan participation and allocation officer; **David J. Prochaska**, resources management officer; **Jon D. Garnaas**, consumer banking officer, and **Richard H. Rolfstad**, personnel officer.

Mr. Hajek joined First Bank System in 1972 and most recently was assistant vice president at the National Bank of South Dakota, Rapid City. Mr. Prochaska joined the system's investment department in 1976 as an investment administrator. Mr. Garnaas began his career as an adjuster at the First National Bank of Hopkins in 1972 and most recently was a personal banking officer. Mr. Rolfstad joined First Bank System in 1973 as an officer trainee at the First Bank of North Dakota-Grand Forks, where he most recently served as marketing officer.

* * *

Marvin W. Chapple, assistant cashier of the St. Anthony Park Bank, has been elected president of the St. Paul Chapter of the American Institute of Banking (AIB). He joined the bank in 1958 in the proof and bookkeeping department. In 1968, Mr. Chapple became a bank officer.

Northwestern Banker, July 1977

Lakefield Bank To Build

The First National Bank, Lakefield, will construct a new building, according to Harold Thornburg, president. The 64 by 82 foot structure will provide a drive-up facility as well as office and lobby area.

Planview Bank To Expand

The Peoples State Bank, Planview, has begun construction of an addition which will double the size of the facility and provide a drive-up unit. Completion date is scheduled for October.

Mankato Bank Adds To Building, Remodels

A comprehensive remodeling and expansion project at Valley National Bank, Mankato, has more than doubled the bank's interior, according to John N. Maiers, president. Included is a new teller line, carpeting and modern furniture and furnishings.

Lester H. Lipke

Funeral services were held recently for Lester H. Lipke, 62, president of First State Bank, Stewart.

Mr. Lipke joined the Currie State Bank in 1936 and was with the State Bank of Buffalo Lake from 1937-44. Then he joined the First State Bank of Stewart becoming president in 1948.

Work Begins on Addition To Battle Lake Bank

The First National Bank of Battle Lake is constructing a 1,950 square foot addition to its facility. The addition will include an expanded lobby and teller stations, two offices and machine processing room with fireproof storage.

Marshall Bank To Expand

Construction has begun on a \$300,000 expansion for the First Northwestern National Bank of Marshall, according to John Suedbeck, president. The new addition will double the size of the main banking floor and will be used for customer service and the personal and commercial loan departments.

Completion is expected by December 1.

State Bank of Worthington Elects Two Directors

The State Bank of Worthington has announced the election of two new members to its board: William Veldhuizen and L. B. Eickhoff.

Mr. Veldhuizen has farmed at Woodstock since 1955 and has been mayor of the city for seven years. Mr. Eickhoff is president of the State Bank of Adrian.

RMA Publishes Survey Of Loan Charge-offs

Robert Morris Associates (RMA) has published the results of its sixth annual survey of commercial loan charge-off experience of its member banks. The statistics are for the year ending December 31, 1976.

This report for 1976 is divided into two sections. One provides data on domestic loans and the other on international loans.

The domestic section includes gross charge-off, recovery, and net charge-off figures, the distribution of charge-offs by numbers of loans and by dollars involved, and a ranking of high-loss industries in 1976. The data are arranged by bank asset size and by Federal Reserve Districts.

The statistics in the domestic section are based on data contributed by 877 RMA member banks, over half of the association's membership. The participating banks had average commercial loans outstanding aggregating almost \$212 billion. This represents an estimated 65% of the average total domestic commercial loans held by U.S. banks in 1976. Included are data from 93 of the top 100 banks in the country.

The international section presents gross charge-off, recovery, and net charge-off data for three bank size categories. It also gives an indication of aggregate charge-off experience by country and by type of borrower.

Survey reports of 142 RMA member banks were used for the international section. They had average international loans and deposits outstanding of over \$160 billion in 1976, and 87 of them were in the top 100 U.S. banks, by deposits.

A free copy of the report was sent in May to the chief executive officer and the RMA accredited representative of each of the association's 1,730 member banks. Other copies are available from the RMA Order Department, 1432 Philadelphia National Bank Building, Philadelphia, Pa. 19107. The price is \$5 to RMA member banks and \$7.50 to non-members.

Fed Plans Consumer Compliance Program

The Board of Governors of the Federal Reserve System announced establishment of a system-wide program designed to improve compliance by member banks with consumer credit protection laws and regulations.

WOMEN IN BANKING



D. McPHERSON

By **DONNA M. McPHERSON**
Assistant Cashier
First National Bank
Elk River, Minn.

MY CAREER in banking began at the First National Bank of Elk River in 1944, in the middle of World War II. I was a teller-bookkeeper, starting at a monthly salary less than what I had been getting per week at my previous job. Sometimes as I look back, I wonder why I took the job, and to this day I still don't know the answer.

I later was secretary to the executive vice president of the bank, then executive assistant and have been assistant cashier for three years.

The banking industry finally has recognized that women are capable of becoming bank officers. However, I feel that on the overall pay for women is

still not equal to that for men, even when both are doing the same work. More women directors are needed. It has been proven that women in the family do most of the banking. Women on bank boards might be able to make some policy changes which would help both women employees and customers.

I would definitely recommend banking as a career to my daughters. In fact, my oldest daughter went into banking right out of high school. She, however, worked in a big city bank rather than a small town bank.

If I had it all to do over again, I would still go into banking. However, I would try to work more with investments as I feel this is where the challenge is for me.

The program entitled "Consumer Compliance and Education Program of the Board of Governors of the Federal Reserve System" has two main parts:

- A program designed to educate all member banks, both state and national, in the requirements of consumer credit protection laws.
- A companion program to conduct special examinations of state

member banks to assess compliance with consumer laws by examiners especially trained for that purpose.

Examiners who find what they regard as evidence of discrimination in credit transactions will report all findings to the appropriate Reserve Bank. The Reserve Bank, in consultation with the board's division of consumer affairs, will determine whether additional investigation is needed.

BLANKET SINGLE INTEREST INSURANCE

for installment loans on:

Automobiles
Trucks
(2 ton or less)
Household Goods
Farm Machinery
Motorcycles

Mobile Homes
RECREATIONAL VEHICLES
Snowmobiles
Boats and Motors
Travel Trailers
Motor Homes

PROTECT THESE LOANS AGAINST PHYSICAL DAMAGE LOSSES

call or write: **G.D. VAN WAGENEN CO.**

1006 Northwestern Bank Bldg., Minneapolis, Minn. 55402

(612) 333-2261

**People have
been calling
us names
for over
half a century.**



Collateral Control Corporation is our new name.



We think it'll be easier for you to remember the business we're in if the business we're in is in our name. So our new name says what we do.

Collateral Control Corporation. We're one of the world's oldest financial companies specializing in collateral control services.

You've known us in the past as NYTCO Services, Inc., the outgrowth of St. Paul Terminal Warehouse Company, founded in 1916; New York Terminal Warehouse Company, organized in 1936; and Haslett Field

Warehousing, founded in 1913.

Our services embrace many aspects of commercial lending and financing activities including Field Warehousing, Inventory Certification Control, Credit Security Service, Accounts Receivable Certification, Document Supervision Service, Floor Plan Audits and full service Bank Participation leasing. All are designed to protect your yields and help you make good loans.

Next time you're thinking about third party collateral control services,

you're already thinking about our name. So your next move is as simple as a phone call. Just dial 800/328-1434 (toll free) and we'll put you in touch with one of our 35 nationwide offices in a matter of minutes. Or, drop us a line beforehand. We'll send you complete information on how we can provide the security you need to collateralize your loans.

**Collateral Control Corporation,
444 Lafayette Road,
St. Paul, Minnesota 55101.**



We give our correspondents in the Midwest three things no other bank can.

Ted Axton, Rich Akin and Mike Byrne. They're all yours. The collective experience, dedication and knowledge of three full-time professionals, backed by top management commitment and the extensive facilities of one of the finest banks in Chicago.

Most banks provide the same basic package of correspondent services. Cash letter analysis, over-

line assistance, computer capabilities. But the American National Bank offers its correspondents all that and Mike, Ted and Rich, too. These men know the territory and can respond quickly to your needs.

So if you're a bank in the Midwest that wants more from its correspondent relationship, call Ted, Rich or Mike. At American National Bank.



American National Bank
and Trust Company of Chicago

33 North La Salle / La Salle at Wacker 60690 / Phone (312) 661-5000



IBA OFFICERS—Seated from left are Past Pres. Ray Livasy, and Pres. John R. Montgomery. Standing from left are 2nd V. P. Gavin Weir, and 1st V.P. B. F. "Chip" Backlund. Edmond J. Arseneault, treas., was not present.

John R. Montgomery To Head Illinois Bankers; EFT Program Expands

By **MALCOLM FREELAND**
Publisher

JOHAN R. Montgomery, III, president, Lakeside Bank, Chicago, was elected president of the Illinois Bankers Association at the 86th annual convention held in Chicago last month. He succeeds Ray Livasy, president, Millikin National Bank, Decatur.

Elected with Mr. Montgomery were: first vice president, B. F. "Chip" Backlund, president, Bartonville Bank; second vice president, Gavin Weir, chairman and president, Chicago City Bank & Trust Co., and treasurer, E. J. Arseneault, president, Soy Capital Bank & Trust Co., Decatur.

Transaction Accounts

Stephen S. Gardner, vice chairman, Board of Governors, Federal Reserve System, Washington, D.C., told the bankers that he expected a Congressional bill to be introduced to provide an orderly transition to interest payments on transaction balances. Explaining the details, he said, "It will provide for a special class of accounts for individuals similar to NOW accounts. It will

guide the developments carefully, providing for a year's lead time. It will recognize competitive balance by providing for similar reserves and similar rate ceilings for all depository institutions. It will address transition costs and explicit interest costs by providing that interest be paid on the reserves required to be held against such accounts. It will also provide for the payment of interest on all transaction account reserves held by the Federal Reserve. It will phase in the reserve requirement for non-members of the Federal Reserve System that now offer NOW accounts. It may also restrict the ceiling rate on accounts to something less than the passbook savings rate - with temporary grandfathering in New England."

The new type of account that could be offered by banks and other financial institutions was approved by the ABA Governing Council in its spring meeting at the Greenbriar. Since that time, ABA officials have appeared at nearly every state convention to explain the importance of it. Most states have endorsed the

ABA plan, but the Illinois Bankers Association mailed a questionnaire to its membership before doing so. Independent bankers are opposed to the plan for the most part, and the Independent Bankers Association of America has taken a stand against paying interest on demand accounts.

Carter Economics

Dr. Walter Heller, regents' professor of economics, University of Minnesota, told bankers that President Carter is a lot more conservative than most people think. He described the president as a cautious activist. Dr. Heller sees inflation up about 6% in the next 12 months, and the real growth rate up by 5 or 5½%. Long term rates won't rise significantly this year, and short-term rates will rise modestly, according to Dr. Heller. No recession is in sight.

R. C. Thompson, vice president, finance, Shell Oil Company, told the IBA that "the energy business is high risk and capital intensive by nature." Quoting figures from Chase Manhattan Bank, N.A., he said the

Northwestern Banker, July 1977



SPEAKERS (from left)—**Robert C. Thompson**, v.p., Shell Oil, Houston; **Howard K. Smith**, ABC-TV, New York; **Stephen S. Gardner**, vice chmn., Federal Reserve Board, Washington, and **Dr. Walter Heller**, prof. of econ., Univ. of Minnesota, Minneapolis.

petroleum industry will need about \$26 billion over the next 10 years in the way of capital for domestic production. Additional capital demands will come from the auto industry (to make smaller, more energy efficient cars); the home building industry (for better insulated homes), and from factories and utilities (to convert to coal).

Speaking on the incidence of crime, Governor James R. Thompson reaffirmed his plan to sign legislation reinstating the death penalty in Illinois when it reaches his desk. The governor favors a new class of felony offenses - Class X - for commission of a crime with a dangerous weapon. Conviction of a Class X felony would bring a mandatory sentence of six years to

life. Three Class X felony offenses would mean an automatic life sentence ... no probation ... no parole ... ever.

EFT Progress

An update on Electronic Funds Illinois, Inc., was presented by Dan Quigley, chairman of EFI and executive vice president of the National Boulevard Bank. As of the convention, there were 650 banks signed as members. Two seminars were scheduled for late June for bankers that had not as yet made a decision to participate. By year-end, EFI officials hope to have another 100 member banks. The organization is bank-owned, bank-operated, and one

in which equal participation by all members is the key in serving each member bank's respective market.

Keynote speaker for the 1977 IBA convention was Howard K. Smith, ABC-TV news correspondent. Mr. Smith reviewed past achievements made by America, and described what he feels are our major problems ahead. Listing the energy crisis, the worldwide population explosion, possible feeling of isolation prompted by Vietnam and crime and drug problems in our major cities, Mr. Smith suggested that we will need strong will and leadership to continue as a world leader.

The 86th annual convention concluded with a banquet followed by dancing to The Glenn Miller Orchestra. □



50 YEARS AWARDS—Shown from left are recipients of 50 year awards: **Bernice Zauer**, Metropolitan Bk. & Tr., Chicago; **Marion Ellsworth**, Manufacturers Bk., Chicago; **Erling Peterson**, The Winnetka Bk.; **Ray Till**, First Nat'l. Bk., Mt. Prospect, and **Carl E. Bauer**, Du Quoin Natl. Bk. Pres. **Ray Livasy** is presenting lapel pins. **RIGHT**—**Dan Quigley**, e.v.p., Natl. Blvd. Bk., Chicago; IBA Pres. **Ray Livasy**; **Paul Utterbach**, pres., The Bank of Alton, and **Fred Payne**, pres., Deerfield St. Bank.

Northwestern Banker, July 1977



LEFT—Ron Grayheck, exec. v.p., American N.B. & Tr. Co., Chicago; Charles Baum, Green Rock, and Earl Ash, pres., Henry Co. Bk., Green Rock. **RIGHT**—Dave Stoecker, v.p., and Dan Jasper, v.p., Mercantile Tr. Co., St. Louis; Frank Farrar, vice chmn., First Bk. & Tr. Co., Cairo, and Phil Hummer, Wayne Hummer & Co., Chicago.



LEFT—Mrs. Frank Farrar, Cairo, Ill. and Brittain S.D.; Ralph Taake, pres., First Bk. & Tr. Co., Cairo; George Barr, pres., Drovers Nat'l. Bk., Chicago; Pat and Bud Singer, pres., Central Nat'l. Bk., Mattoon. **RIGHT**—Joe Valenti, sr. v.p., Drovers Nat'l. Bk. Chicago; Curtis Yarrington, e.v.p., First St. Bk. of Biggsville; Dick Griffith, a.c., Drovers Nat'l. Bk., Chicago, and Don Bailey, pres., Table Grove St. Bk.

Bank of Cherry Valley To Establish Facility

The Bank of Cherry Valley has received permission to establish a facility under the new Illinois law. It will be located in Rockford about two miles from the main bank. Plans call for a drive-up to accommodate five lanes and a lobby with four teller stations, according to James E. Sheridan, president.

Glen Ellyn Bank Wins Advertising Award

The First Security Bank of Glen Ellyn has been awarded the "Eagle" award, presented for excellence in newspaper advertising by the Chicago Financial Advertisers Association.

Dennis E. Kobe, assistant vice

president, received the award for James E. Burgess, president, at the ceremonies. Receiving a companion "Eagle" was James E. Turner, vice president of marketing and sales for Naperville's First Ogden Corporation, the bank's agency.

Joins BAI

Lawrence J. Schissel has joined Bank Administration Institute, Park Ridge, as vice president and director of the audit programs group in the banking services division. He is the former auditor of the Alaska State Bank in Anchorage, and previously was assistant auditor for Wells Fargo Bank in San Francisco.

The audit programs group is responsible for all BAI educational, research and regulatory liaison activities in the areas of general bank

auditing, EDP audit and compliance auditing.

Seek Ways To Increase Mortgage Lending

The American Bankers Association (ABA) has announced it will fund a major study to "examine and recommend improved secondary mortgage market facilities."

Dean H. Boyes, chairman of the study steering committee, says the examination will be divided into three parts: "the first looking at current market operations and impediments, the second at feasibility of new market instruments or organizations and the third at implications pertaining to increased inner city lending."

Interim results from the study's first phase are expected in August.

Northwestern Banker, July 1977



Charles M. Riker, pres., State Bank of Herscher, is pictured at extreme left in this photo with other members of the bank staff.

Herscher Bank Observes 75 Years

THE State Bank of Herscher recently celebrated its 75th anniversary with an open house and awarding of prizes, according to Charles Riker, president.

Located at 105 S. Main, the first bank opened May 20, 1902, in a building purchased for \$4,000. The present building at the corner of Main and Kankakee Streets was built in 1954, with an addition including a drive-up window, completed in 1970.

Chicago News

CAPITOL Bank of Chicago has announced the following promotions and appointments: **Nicholas J. LaPetina**, vice president and controller; **Sheldon Bernstein**, vice president and head of the commercial loan department; **Richard L. Tibbles**, assistant vice president and head of the installment loan department; **Alan B. Fine**, from assistant cashier to assistant vice president, operations, and **Conrad Wika**, commercial lending officer.

Mr. LaPetina has been in banking for 36 years. He is a graduate of Rutgers University. Mr. Bernstein, formerly a senior examiner with the Federal Deposit Insurance Corporation, received his BS in finance from the University of Illinois in 1969 and his MBA in financial management from Loyola University in 1972. Mr. Tibbles formerly was with the Lake Shore National Bank of Chicago.

Northwestern Banker, July 1977

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis

Samuel Wm. Sax has resigned as chairman and chief executive officer and director of Exchange National Bank and chairman of the executive committee and director of Exchange International Corp., the bank's parent firm.

John S. Samuels III, a New York financier who acquired control of the firms in April, 1976, after buying 16.6% of the shares outstanding of Exchange International held by the estate of Mr. Sax's father, will succeed Mr. Sax as chief executive officer.

Mr. Samuels remains chairman of the holding company and **Phillip M. Lewin** continues as bank president.

Mr. Sax, 43, has been associated with the bank for more than 20 years and became president and chief executive officer in 1956. He moved up to chairman in 1975.

In addition to resigning his posts, Mr. Sax said he has agreed to sell the 11% of Exchange International's shares held by him and his children to Mr. Samuels.

Mr. Sax will continue as co-chairman of American Israel Bank, Ltd., a joint venture of Exchange International and the Bank Hapoalim of Israel.

K. Brooks Abernathy has been elected to the board of directors of American National Bank & Trust Company of Chicago. He is chairman and chief executive officer of Brunswick Corporation.

The Chicago Bank of Commerce has announced the following management changes: **Ronald F. Trafton**, cashier; **Vittorio Laudati**, vice presi-

dent, and **Arlene Rotoloni**, personnel officer.

* * *

John L. Cooley has joined the Merchandise National Bank of Chicago as president, according to **George B. Everitt**, chairman.

Mr. Cooley, from 1963-65, served as director of Merchandise National's marketing department. In 1965 he was named president of Aetna State Bank and four years later became president of United of America Bank, both in Chicago. He most recently was senior vice president of the Fourth National Bank and Trust Company of Wichita, Kans.

Mr. Cooley serves on the board of the Mid-America Automated Clearing House Association of Kansas City, is chairman of the Kansas Bankers Association standing committee on EFTS and is a member of the National Automated Clearing House Association.

* * *

Lake View Trust and Savings Bank has announced the election of **Richard K. Maguire** and the promotion of **Kenneth J. Bieschke**, both to vice presidents in the marketing department.

Mr. Maguire had been with American National Bank, Chicago, since 1974, most recently as vice president of retail administration.

Mr. Bieschke is responsible for business development and administering the bank's officer call program. He began his career at Lake View Bank in 1938 as a messenger. He moved through the ranks of assistant manager of bookkeeping, auditor, officer assigned to public relations and new business development and in 1965 was promoted to assistant vice president.

* * *

Chicago City Bank and Trust Company recently elected **Gavin Weir** chairman in addition to president and chief executive officer. The position of chairman has been vacant since 1970 when Mr. Weir joined the bank in his present capacity. He also serves as president and chief executive officer of Chicago City Bancorporation, Inc., and Chicago City Investment Company.



J. L. COOLEY



First National Bank of Des Plaines

Des Plaines Bank Opens in New Home

DOWNTOWN Des Plaines recently celebrated the opening of the new home of the First National Bank with a ribbon-cutting ceremony, according to Arthur R. Weiss, president.

The grand opening is a major step in the completion of "Superblock," which consists of the bank building and the Des Plaines Mall, now under construction. Work began in 1975 and the bank now occupies the first three floors of the 10-story building. All bank levels will be connected to the three-level climate-controlled Mall. The remaining floors of the building will be leased.

First Galesburg National To Build New Facility

Richard M. Bishop, president of First Galesburg National Bank, has announced that the bank will build a new facility on three acres at the intersection of North Henderson Street and Carl Sandburg Drive. Total cost will be about \$1 million.

R. E. Lundeen Construction Company has been selected as the general contractor.

The new office will have eight drive-up windows, one commercial drive-up window, six inside teller windows and two after hours windows. In addition, the bank's Mall Bank Machine will be moved to the new facility.

Anticipated completion of the building is late in 1977.

Evanston Bank Sponsors Bike Safety Day

About 250 youngsters turned out at

the second annual Bike Safety Day sponsored by Evanston Bank and the Dr. Jazz Old Fashioned Ice Cream Parlor. The children had their bikes' safety gear checked by a local bike shop and Evanston police registered 144 bikes that previously had been unsigned. The bank paid the 50 cent registration free for each participant.

Elmhurst National Names Marketing Officer

Thomas F. Franklin has been appointed marketing officer of the Elmhurst National Bank, according to Donald M. Carlson, president. Mr. Franklin began his career at the Union National Bank and Trust Company in 1971 as installment loan officer and marketing manager. From 1976-77 he was with the First National Bank of Elgin as managing officer, commercial services, where he served on the bank's commercial loan review board, new products and marketing committees.

Promoted by Peoria Bank

Commercial National Bank of Peoria has announced the promotions of Roger P. Allen to vice president and controller and Charles F. Nordbusch to vice president.

Before joining the bank in 1971, Mr. Allen was with Peat, Marwick, and Mitchell in Chicago and Caterpillar Tractor Co. He was named assistant controller in 1972 and controller in 1973.

Mr. Nordbusch joined the bank in 1941. In 1947 he became manager of the bank's proof and bookkeeping departments, in 1949 was transferred to trust operations and in 1954 was promoted to assistant cashier. He was named assistant vice president in 1961 and trust officer in 1967. He will continue as head of trust operations.

Named Controller at Roselle

The Roselle State Bank and Trust Company recently appointed Howard

J. Stanke controller. Prior to joining the bank, Mr. Stanke was assistant cashier of Golf Mill State Bank and previously was auditor of Libertyville National Bank. He is a finance graduate of the University of Illinois.



H. J. STANKE

Palatine National Builds 6 Drive-up Lanes

Ground was broken recently at the site of new drive-up facilities for the Palatine National Bank, according to Willis A. Glassgow, president. The bank is installing six tollway-style service lanes to extend out from the main bank's north wall, where three drive-up windows are now located.

Construction Begins on Gilman Bank



CONSTRUCTION has begun on a new building for the First National Bank of Gilman. The contemporary brick and stone building, designed by Illinois Bank Building Corporation, harmonizes with the large, wooded site chosen for the project. **Max Howard** is the bank's executive vice president and **James Forest** is cashier.



OFFICERS of the North Dakota Bankers Association for 1977-78 are pictured, left to right: Immed. Past Pres.—**Carlyle P. Austinson**, exec. v.p., Northwood State; Pres.—**Henry N. Ness**, sr. v.p. & ag rep, Fargo Natl. B&T; 1st V. P.—**Wayne A. Stroup**, pres., Garrison State; 2nd V. P.—**Morris T. Nelson**, pres., Scandia American Bank, Stanley; Treas.—**Gerald P. Willer**, pres., Bank of Kirkwood Plaza, Bismarck, and Secy.—**Bill Daner**, Bismarck.

Henry Ness Elected President of NDBA

By **BEN HALLER, JR.**
Editor

HENRY N. Ness was advanced to the presidency of the North Dakota Bankers Association on May 24 during the 92nd annual convention of NDBA in Fargo. Mr. Ness is senior vice president and ag representative at Fargo National Bank & Trust Company. He succeeds Carlyle P. Austinson, executive vice president of Northwood State Bank.

Three other men were elected officers to serve with Mr. Ness during the 1977-78 term. They are: first vice president—Wayne A. Stroup, president, Garrison State Bank, Garrison; second vice president—Morris T. Nelson, president, Scandia American Bank, Stanley, and treasurer—Gerald P. Willer, president, Bank of Kirkwood Plaza, Bismarck. William J. Daner, Bismarck, continues as secretary in the headquarters office.

R. C. Wiper, director of The Bank of Tioga and the First National Bank of Bowbells, was honored at the banquet with a plaque for his 50

years of service in the banking industry. Four other bankers were presented plaques in recognition of their 40 years of service in the industry. They are: O. Vince Stenehjem, vice president and cashier, First International Bank, Watford City; Charles N. Davis, president, The First State Bank of Cando; M. R. Smerud, vice president, First National Bank, Milnor, and Inez Madden, executive vice president, Farmers State Bank, Ypsilanti.

Well-deserved plaudits were given to all the committee members from Fargo who took part in planning and staging the convention. Every function was well planned and carried out, excellent meals were served by the Holiday Inn staff, and entertainment functions arranged by Fargo committees were thoroughly enjoyed by all registrants. William T. Larson, senior vice president at First National Bank and Trust Company, was Fargo general chair-

Speakers

Mark H. Willes, 35-year old new president of the Federal Reserve Bank of Minneapolis, delivered the first major address. His excellent talk is reviewed in depth in a special feature article in this issue.

Mr. Daner gave members an update on bank-related bills that were passed in the recent North Dakota legislative session, and also reviewed a number of other bills introduced which were not approved. A new regulation from the North Dakota banking department was announced at the same time. Effective July 1, it limits the borrowing of Fed funds by a bank to an amount not exceeding the borrowing bank's combined capital funds. No bank, Mr. Daner said, may borrow more than that amount cumulatively from one or more banks. Some banks, it was reported, had been borrowing Fed funds in amounts four and five times their capital funds by going to several banks.

William K. Dabaghi, assistant legislative counsel for the American Bankers Association, reviewed the recently adopted ABA position on interest on demand accounts, as well as pending federal legislation being considered by Congress.

Kenneth W. Leaf, regional administrator of national banks, Minneapolis, gave a brief review of new procedures in national bank examinations. "The new look in the bank examiner," he stated, "is to be interested in what you are currently doing, what you can reasonably be expected to do, and is moving away from an audit of transactions to one that evaluates the entire bank and its machinery of final production."

Mr. Leaf said examiners now will examine each bank from the top down—its policies, practices, procedures and systems. Minimal test checks will at least be done to make sure of compliance with proper auditing. The examination's overriding concern will now be for the future, not for the past or present, he added. Examiners will assess the soundness of each policy and practice in each bank and see if they are properly followed. "It is essential that we determine whether bank management has the means, and uses it," he continued, "to identify developing weaknesses and take remedial action." Compliance with consumer



Retiring Pres. **Carlyle P. Austinson** receives U. S. Savings Bonds awards from **Gerry C. Anderson**, pres., Bank of Tioga, and NDDBA pres. in 1975-76.



Robert Caudel, sr. v.p., Bank of North Dakota, Bismarck, and **Earl Lundin**, a.v.p., Manufacturers Hanover Trust Co., New York.



Don Buckman, v.p., 1st Natl., St. Paul, and his wife, **Aggie**, with **Al Simpson**, pres., First Bank of North Dakota-Fargo.



Bill Brown, pres., Security State, Hannaford; **Jim Laird**, corr. bkg. off., Northwestern Natl., Minneapolis, and **Harold Lothspeich**, pres., 1st Natl., Belfield.



Gilbert Ellwein, N. D. commissioner of bkg. & fin., Bismarck, and **Jim Dawson**, pres., Dawson Hail Ins., Fargo.



Lyle Johnson, v.p., 1st Natl., Grafton, and **Stan Peterson**, v.p., Midland Natl., Minneapolis.



Ken Leaf, reg. adm. of natl. banks, Minneapolis; **Mark Willes**, pres., Federal Reserve Bank of Minneapolis; **Bill Larson**, sr. v.p., 1st Natl. B&T, Fargo, and genl. chmn. of the convention, and **Carlyle P. Austinson**, retiring pres. of NDBA.



Berniece and Bill Braseth, hon. chmn., Fargo Natl. B&T; **Carl Arndt**, v.p. Bank of North Dakota, Bismarck; **Kurt F. Zerr**, pres., Bank of Hazelton, and **Bill Rosacker**, a.v.p., Marquette Natl., Minneapolis.

oriented laws will be pursued vigorously.

Don Thoren, president of Thoren Consulting Group, Inc., Tempe, Ariz., was the concluding speaker. He conducted a two-part session the final morning on "How's Your Change Quotient?"

James Merrill, executive director of Lutheran Social Services, Fargo, gave a fast-paced, thoughtful talk about the need for business men and women to have empathy with the people with whom they deal not only in business situations, but in other phases of their daily lives.

Jim Klobuchar, well-known columnist with "The Minneapolis Star," Minneapolis, gave a hilarious look at the field of professional

sports, centering many of his comments on humorous incidents involving athletes with the Minnesota Vikings and Minnesota Twins.

Other Business

Resolutions adopted at the convention included continued support for the Garrison Dam project, support for the ABA position on interest on demand accounts, continued support to banks for financing of agriculture in the state, urging the U. S. Senate to delete class action section 12 of SB 1288, urging the state banking commissioner to rule credit union share drafts illegal, and adopting a new schedule for NDBA dues.

Winners of the bowling trophies

awarded by the Northwestern Banker were Evelyn Hendrickson with a 661 series for the women's trophy, and Howard Toso with a 677 series for the men's trophy. Mrs. Hendrickson lives in Bismarck where her husband, Bob, is chairman of the First National Bank and Trust Company. Mr. Toso is vice president of the Ramsey National Bank & Trust Company in Devils Lake. Thelma Toso tied with Mrs. Hendrickson with a 661 series but the latter was awarded the trophy by the Fargo bowling committee based on the most pinfall over her average.

The executive council was to determine at its June meeting the dates and location of the 1978 convention. It was expected that Minot would be selected. □



Bob Clarin, v.p., 1st State, Golva; **Stan Olson**, v.p. & comp., 1st Natl., Bowman; **Frank Brosseau**, corr. bkg. off., 1st Natl., Minneapolis, and **Ron Bartholomay**, v.p., McIntosh County Bank, Ashley.



Orin Baertsch, sr. v.p., American B&T, Minot; **Don Johnson**, v.p., American Natl. B&T, St. Paul; **Curt Cornelius**, pres., Elk Valley State, Larimore, and **Art Haessig**, v.p., American Natl. B&T, St. Paul.

Named Banking Head

Governor Arthur A. Link has announced the appointment of LeRoy Gilbertson of Bismarck to be the new North Dakota Commissioner of Banking. He replaces G. W. Ellwein who recently resigned.

Mr. Gilbertson formerly was a finance specialist with Basin Electric Power Cooperative of Bismarck since 1975. Before that he was with the Bank of North Dakota, Bismarck, for six years, where he served as a loan officer, assistant vice president and vice president in charge of the loan and correspondent departments. While at the bank he was a member of the investment and management committee and met with the State Industrial Commission and the Bank of North Dakota advisory board.

Citizens State of Finley To Construct Building

Construction has begun on a new building for the Citizens State Bank of Finley, according to L. A. Sayer, Jr., president.

The 4,300 square-foot, brick structure will house the bank and its affiliate, the Citizens Insurance Agency.

New services to be provided will be a visual drive-up teller's window and night depository. Other features include a spacious customer lobby, five teller stations, four offices, conference room, employee lounge area, bookkeeping section, records vault, customer vault and safe deposit boxes with coupon booth.

Fargo-Moorhead AIB Chapter Elects Officers

John Koslosky of the First National Bank of Fargo recently was elected president of the Fargo-Moorhead chapter of the American Institute of Banking.

Other officers installed at the chapter's annual meeting are: Marvin Friedrich, Fargo National Bank, as first vice president; Jay Hendrickson, First Bank of North Dakota, Fargo, as second vice president; Marlya McDonald, First Bank of North Dakota, Fargo, as treasurer, and Gayln Johnson, Moorhead State Bank, as secretary.

Bruce Nathan, Union State Bank, Fargo, is the past president.

Fargo Bank Promotes 6

Dakota National Bank and Trust Co., Fargo, has announced the following promotions: John Borland, to as-

sistant vice president, commercial loan department; Patrick Triggs, to commercial loan officer; L. M. Bolstad, senior vice president, from manager of the retail banking center to the bank's administrative division; Jerry Thompson, assistant cashier, to manager of the retail banking center; Mrs. Fritz Anderson and Daniel Carey, to instalment banking officers.

Mr. Borland formerly was with the bank's trust department. He taught accounting and finance at North Dakota State University and worked as an accountant for Eide, Helmeke, Boelz & Pasch of Fargo before joining the bank. Mr. Triggs joined the bank's training program in 1973 and has been an instalment loan officer since 1974.

Mr. Bolstad joined the bank in 1965 and had been manager of retail banking since 1966. Prior to joining the bank he was with banks in LaSalle, Colo., and Rapid City, S.D.

Mr. Thompson joined the bank in 1975 after having been manager of the Commercial Credit Office in West Acres. Mrs. Anderson has been with the bank's retail banking center since 1969. She formerly was office manager for Nides Finance Co., Fargo. Mr. Carey joined the bank's training program in 1976.

Construction Begins On Oakes Bank

Construction recently was begun on a new building for the First National Bank of Oakes.

John Breitbach, bank manager, said the new brick structure will have 7,300 square feet and will feature a drive-in window and a rotunda light in the middle lobby area. It will be located one-half block east of the present structure.

Edlund Construction of Valley City is the general contractor and Grotberg Electric is handling the electrical construction. The architect is Anderson, Wade, Bartness and Walter of Bismarck.

Elected to CSBS Posts

Two Denver, Colo., men have been elected to posts with the Conference of State Bank Supervisors (CSBS).

Harry Bloom, Colorado's state bank commissioner, was elected secretary-treasurer of the organization and Max G. Brooks, chairman of the Central Bank of Denver, was appointed vice chairman, policy coordination for the

group's advisory council.

CSBS which is headquartered in Washington, D.C., represents bank commissions throughout the United States, Guam, Puerto Rico and the Virgin Islands. It includes about 5,500 state-chartered banks as associate members.

PLANNING TO BUILD OR REMODEL

(Continued from page 26)

president's office and the space used by our farm and commercial loan officers. The facilities as mentioned are those which were badly needed. We also completely redecorated the bank with new lighting, wall covering and carpeting."

R. R. Brown, president, Hardin County Savings Bank, Eldora, Ia.: "Our bank remodeling plan included taking over a former office space occupied by another business, and incorporating that building in with our bank building. It also involved tearing out the old vault and building a new vault, along with several new offices for our bank officers.

"If we were to start over on this project, I would have an officer in charge of certain phases of the remodeling; this officer could go over the plans in detail with the architect and report back to the general committee. That way there would be a detailed study of certain phases of the remodeling, and it would be more complete.

"In selecting the architect I would certainly visit some of the buildings that he has already planned and erected, and view them especially as to the interior decorating as to color and furnishings. The feature that has turned out best so far in our remodeling has been matching the new addition to the old building; this has turned out very well. Our remodeling is not complete, but we are certainly looking forward to having more individual offices for our officers, as our customers seem to enjoy the privacy of these offices.

"In the construction of a new vault I would suggest to our banker friends that they study the plans very carefully so that it meets the present needs and the needs of the future, as the vault will be there for a long time, and that is certainly one of the main features of any bank." ■

If you run a bank, it's your job to look after your customer's assets. And almost all banks do a good job of that.

But if you're like a lot of bankers you don't give your own assets the same kind of attention.

This can be troublesome. Because a bank should always know what it's worth. For itself. For the government.

United Bank of Denver wants to help banks who aren't so good at helping themselves.

We have an Investment Portfolio Analysis and Accounting program that's specifically designed to help banks keep their portfolios in order.

We can present you with a program that provides you with clear, concise management information in easy to read, easy to use reports. Not just pages of data.

We can give you accurate appraisals on your securities. We can offer you daily judgments by our specialists instead of just canned programs that provide pricing by the numbers.

We can offer you access to an extensive list of customized reports that help summarize the complexities of investment management for non-bankers on your Board of Directors.

And we go beyond the Standard and Poor's index and rate many small issues that can turn out to be very profitable investments for you.

If you'd like more information on how United Bank of Denver can be of help to you, give us a call at 303-861-8811 and ask for Correspondent

Banking or Municipal Bonds.

United Bank of Denver. We want to help banks who have trouble helping themselves.



United Bank of Denver

Correspondent Banking Department
1740 Broadway, Denver, Colorado 80217

Phone 303-861-8811

National Association, Member FDIC.



Do you spend so much time keeping track of your customer's assets that you ignore your own?





CBA OFFICERS—Pres.—Leo Hill; Past Pres.—John E. Harker, and Vice Pres.—J. Robert Young.

● Colorado Elects Leo Hill; Independents Win V.P. Slot

● By MALCOLM FREELAND, Publisher

● **L**EO HILL, president and chairman of the First National Bank of Boulder, was advanced to the presidency of the Colorado Bankers Association at its 76th annual convention in Colorado Springs last month. He succeeds John E. Harker, chairman of the First National Bank, Burlington.

● J. Robert Young, candidate of the Independent Bankers of Colorado, upset the official nominee of the CBA board of directors to win the vice presidency by a vote of 148 to 112. He defeated Herbert L. Bacon, president, U.S. Bank of Grand Junction, an affiliate of the First National Bancorporation, Denver. Mr. Young is chairman of the Bank of Basalt; Roaring Fork Bank, Carbondale, and Bank of Snowmass. He has recently completed a three-year term on the CBA board.

● It was the first contested election of officers in the 76-year history of the association.

● In his presidential address, Mr. Harker, warned the bankers that

they have lots of problems ahead and urged them to learn a lesson from the past. "We don't need two organizations," he said. "We are only effective when we come to the Legislature with one voice." He cited the recent



Pres. Leo Hill and his wife, Betty Lue.

passage of Electronic Funds Transfer legislation which had lost for many years because of a failure of the IBC (small bankers) and the Convenience Bankers Association (the holding company group) to agree on what the bill should include.

This year the CBA stepped in as mediator, got everyone together and, the bill passed.

Mr. Harker, however, reminded the two banking groups that they still have knotty problems involving branch banking and holding company limitations facing them.

The holding company banks are pushing for legislation that would allow them to have branches. The IBC group wants to cut down and limit the size of the holding companies.

N. Berne Hart, president of United Banks of Colorado and state vice president of the American Bankers Association, told the convention that vast changes are coming to banking. He advised the bankers to get together if they want any input in sweeping legislation



HEAD TABLE at annual banquet finds, from left: **Ted Brown**, pres., First Nat'l. Bk., Denver, and **Eugene Adams**, former pres. of ABA and of First Nat'l. Bk., Denver. **RIGHT**—ABA Pres. **W. Liddon McPeters** and his wife, **Sis**; **Norrene** and **John E. Harker**, CBA pres.



LEFT—**Jane** and **Jack Koberg**, Omaha Nat'l. Bk., and **Ann** and **Mike Tighe**, Northern Tr. Co., Chicago. **RIGHT**—**Hermine** and **Chuck Leffler**, First Nat'l. Bk., Lincoln; **Harry Ashley**, pres., First Nat'l. Bk., Windsor; **Joy Smith**; **Steven Anderson**; **Dave Ashley**, e.v.p., First Nat'l. Bk., Windsor, and wife, **Cookie**.



LEFT—**Dale Parker**, a.c., United Bk. of Kansas City, and **Arlo Beamon**, sr. v.p., United Bk. of Pueblo. **RIGHT**—**Bruce Duval**, v.p., Rocky Mountain Bk. & Tr., Ft. Collins, and wife, **Jane**; **Mary Jo** and **Lance Johnson**, v.p., Colorado Nat'l. Bk., Denver; **T. Rex Rhodes**, sr. v.p., Colorado Nat'l. Bk., Denver, and **Hugo Menk**, Nat'l. Fidelity Life, Denver.

that is coming up before Congress.

"We, as bankers, know that just playing it safe is really no solution, especially when we are faced with the current mood of Congress and growing competition from other institutions with bank-like services and powers," Mr. Hart said.

"Banks are losing their dominant deposit position to other financial institutions."

Credit unions in Colorado have grown to 535,000 members with \$777 million in assets, while savings and loan figures for the end of 1976 show 46 associations have \$5.7 billion in assets.

Mr. Hart predicted that very shortly banks will be paying interest on checking accounts and that savings accounts customers will be allowed to write checks.

Mr. Harker was elected to succeed Mr. Hart as ABA state vice president during the annual ABA meeting.

George Gallup, Jr., the Princeton poll-taker, told the bankers that the top issues concerning the public are the economy and energy, but added that on a local level crime usually outpaces both as a matter of concern. He cited his polls to show that the younger generation considers business immoral and dishonest and said the bigger the business the worse image it has.

EFT

Other speakers at the business session at the Broadmoor Hotel reminded bankers they have many problems to handle in the next year. Former State Rep. Robert J. Ore,



ABA MEETING was conducted by **N. Berne Hart**, pres., United Bks. of Colo., and ABA state v.p. (left), shown with new CBA Pres. **Leo Hill**.

D., Pueblo, who recently resigned his legislative seat to become head of the State Department of Labor, told the bankers they have much to do in regard to Colorado's electronic funds transfer law, recently signed by Gov. Richard D. Lamm. Mr. Ore, who was chief sponsor of the bill, reminded that detailed regulations must still be written by the State Banking Commission between now and Jan. 1, and urged bankers to participate in the formulation of the regulations.

Mr. Ore predicted Colorado will have competing EFT systems on the heavily populated eastern side of the Rocky Mountains, where 85% of the state's population lives, but he said he believes other parts of Colorado

would develop a single system shared by all interested financial institutions, in order to reduce costs.

Colorado National Bank Announces Promotions

W. W. Grant, president of Colorado National Bank, Denver, has announced the following officer promotions: Lewis Lance Johnson, vice president of commercial loans, to vice president, regional division manager; Duane M. Arnold, investment officer, trust department, to trust officer; Gary L. Upson, collection manager, BankAmericard department, to collection officer, and Edwin L. VonFeldt, credit manager, BankAmericard department, to credit officer.

Mr. Johnson joined the bank in 1965 as a management trainee in the marketing department. He was named assistant vice president in 1972 and vice president in 1974.

To Head Arvada Bank

Dudley Martens has been named president of Northwest State Bank of Arvada replacing Al Kreps who resigned. Karl W. Sauer has been named a vice president.

Mr. Martens, who joined the bank last April, most recently was vice president of the First National Bank of Fort Morgan. He has been in banking and credit for 16 years.

Mr. Sauer joined the bank in February. He formerly was comptroller with Republic National Bank.



ANNUAL BREAKFAST sponsored by Central Bk. & Tr., Denver, finds from left, **Don Hoffman**, pres. & c.e.o. of host bank; **Fred and Mary Coulson**, v.p., Commerce Bk., Kansas City. **RIGHT—Max Paulson**, reg. adm. of nat'l. bks.; **Jack and Jackie Panter**, Amer. Nat'l. Bk., Denver.



Wyoming Officers for 1977-78 are (l. to r.): **Orin G. Geesey**, pres. and pres., First Wyoming Bank-N.A., Kemmerer; **E. J. Haines**, 1st v.p. and pres., First National Bank, Laramie; **George W. McIlvaine**, 2nd v.p. and pres., Saratoga State Bank; **Kenneth C. Naramore**, past pres. and pres., Stockmen's Bank & Trust Co., Gillette; **M. C. Mundell**, exec. dir., Laramie.

Wyoming Bankers Discuss Competition, Interest, And Fed Membership at Annual Convention

By **Mike Freeland**
Business Manager

Competition, interest on transactional accounts and Fed membership were key issues discussed at the 69th annual convention of the Wyoming Bankers Association last month at Jackson Lake Lodge in Moran.

Gerald M. Lowrie, executive director of the government relations council of the American Bankers Association (ABA), and Roger Guffey, president, Federal Reserve Bank, Kansas City, stressed the importance of these issues. Twenty-nine out of 48 people in key positions affecting banking legislation are new, according to Mr. Lowrie. Mr. Guffey reminded the bankers that "the consumer movement is alive and well in Washington."

The ABA is taking a positive stance concerning interest bearing transactional accounts and third party payment powers for thrifts and s&ls, according to Mr. Lowrie. The essential requirement in new legisla-

tion is fairness. With similar powers should come similar tax structures, capital requirements and reserves, including the dropping of Reg. Q or the interest differential, he commented.

Mr. Lowrie said that NOW accounts will probably not be a reality until late 1979 or 1980 and that the banking industry will adopt another name for these accounts. He stressed that the accounts will be for the consumer, not for business, and that they will be an optional service, not mandatory.

Shrinking Fed membership is adversely affecting monetary policy, said Roger Guffey. The initial impact of the policy is on the members. Interest on reserve requirements may be used to make membership more attractive. A "market rate" on all or part of the reserve requirement is expected, he stated. Mr. Lowrie suggested up to 5% interest on reserves.

Coal exerts a large influence on the Wyoming economy, according to

Ed Smith, president, Carter Mining Co., who also spoke at the convention. Coal can be a positive business development for decades to come, he said adding that coal is not scarce throughout the country and is in a competitive market. "Taxes should not deter marketing capabilities," he said.

Carter Mining estimates that a \$2 a ton increase in price would result in a one third reduction in demand. A \$3 a ton increase in price would mean a one-half reduction in demand. Even though coal can represent a good tax source, it is vital that it compete nationally, he commented. "If coal cannot compete, we all lose."

The two-day meeting included reports by each of the committee chairmen and new chairmen were elected. Over 500 registrants enjoyed the three-day convention which included a golf and fishing tournament and tennis games. The group was entertained by the "Brass-Beat for the 70s." ☆



● **Sue and Henry Hewitt**, v.p., 1st Wyoming Bank, N.A., Rawlins; **Paul and Ann Christensen**, sr. v.p., Wyoming National Bank of Casper.



Leo Scheurman, dir., Stockgrowers State Bank, Worland; **Jay Bordewick**, v.p., U.S. National Bank of Omaha.



● **Roman Skatula**, v.p., Bank of Commerce, Sheridan; **Bob Dressel**, v.p., United Bank of Denver.



A. W. Dowdy, exec. v.p., First National Bank & Trust Co. of Wyoming, Cheyenne, **Phyllis Dowdy**; **Juanita and N. P. Van Maren, Jr.**, pres. Hilltop National Bank, Casper.



● **Charles R. Leffler**, v.p. & mgr., First National Bank, Lincoln; **Hale Kreycik**, pres., Wyoming National Bank of Gillette; **Gary Bieck**, a.v.p., First National Bank, Lincoln.



Hal R. Coulson, v.p., National Fidelity Life, Denver; **Helen Naramore**, Gillette; **Bob Miracle**, pres., Wyoming National Bank of Casper.



J. William Henry, v.p., First National Bank of Omaha, **Diane Henry**; **LeRoy and Myra Noecker**, dir., First National Bank of Gillette.



Dean Bark, v.p. & t.o., Jackson State Bank; **Bill Tumelty**, a.v.p., The Central Bank of Denver; **Richard W. Martin**, 1st v.p., Jackson State Bank.



Herb McCulla, consultant, Security Bank & Trust Co., Casper, accepts one award for low score of 77 from **John Edmiston**, sr. v.p., Security National Bank, Denver.



Bill Potocnik, Kirchner, Moore and Co.; **A. Edward and Sandy Kendig**, pres., First National Bank in Wheatland; **Mike Fleming**, sr. v.p., Kirchner, Moore and Co.



Somers White, pres., Somers White Co., Phoenix, Ariz.



Charles E. Smith, Jr., pres., Carter Mining Co., Gillette.



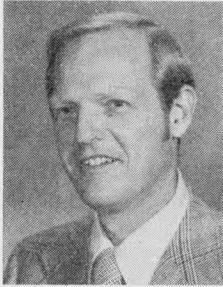
Roger Guffey, pres., Federal Reserve Bank of Kansas City.



Gerald M. Lowrie, exec dir., ABA government relations council, Washington, D.C.

Joins Casper Bank

Neal Thielen has joined the First National Bank of Casper as assistant vice president and agricultural representative.



N. THIELEN

Mr. Thielen, a business graduate of Fort Hays Kansas State College, joined the B. M. Behrends Bank in Juneau, Alas., in 1970. Later he worked

for the Bank of Commerce in Sheridan, and most recently was vice president of the Security Bank in Colstrip, Mont.

Robert Sorensen Celebrates 50th Year in Banking

Robert J. Sorensen marked 50 years in active service to the American National Bank of Cheyenne last month. A native of Cheyenne, Mr. Sorensen joined the bank's staff in 1927 after graduation from Cheyenne High School.



R. J. SORENSEN

Mr. Sorensen was named assistant cashier in 1946, cashier in 1951, and was elected a vice president in 1962. He was promoted to executive vice president in 1965 and in 1968 was named president, a position he held until 1974 when he became vice chairman of the board. He also has always taken an active part in the community.

First Wyoming Bank, Cheyenne, Promotes 2

William C. Allen, president, First Wyoming Bank, Cheyenne, has announced the promotions of Merlynn M. Olson to senior vice president, lending division, and Joseph Kasper, Jr., to vice president and cashier, administration division.

Mr. Olson has been with the bank for more than four years serving as vice president of real estate and the lending division. He also has held banking positions in Colorado.

Mr. Kasper joined the bank in 1970 serving as vice president of instalment loans and the administrative division. Previously, he was with the Arvada State Bank in Colorado.

Buys Hilltop Bank

H. A. (Dave) True, Jr., independent oilman, has purchased the Hilltop National Bank, Casper.

His son, Diemer, a state senator, announced the merger of Mr. True's MIC Corp. and Midland Financial Corp. The stock of the surviving Midland will be owned by the Elder True and his family partners. No personnel changes are anticipated.

The elder True was elected chairman of the board and his son was appointed to the board. Hardy Ratcliff, chairman of Midland, resigned from the board.

Named at Casper Bank

Lynn Duncan has been appointed vice president and director of marketing at the Wyoming National Bank, Casper.

Mr. Duncan, a former account executive of a Minneapolis-based bank marketing agency, replaces Jerry Alward. He began his banking career in 1955 as a trainee with the Northern City National Bank in Duluth, Minn. In 1968 he was named vice president. In 1970 he left to become vice president, marketing director and business development officer of the Bankers Trust Co., Des Moines, Ia.

Support Single Agency For Pension Regulation

The Employee Retirement Income Security Act (ERISA) has enmeshed bank pension trustees and investment managers in a tangled web of regulatory delays and administrative confusion, Charles A. Moran, a spokesman for the American Bankers Association (ABA), said recently.

Mr. Moran told a joint hearing of the Senate Select Committee on Small Business and the Senate Subcommittee on Private Pension Plans of the Committee on Finance that bankers support efforts by the legislators to remove dual jurisdiction — by the Department of Labor and the Internal Revenue Service — over ERISA.

"The everyday business of bank trustees and investment managers and the interests of our trust beneficiaries is significantly affected in an adverse manner by some of the regulatory provisions of ERISA," said Mr. Moran, who is a member of the employees trusts committee of ABA's trust division.

"The Act has enmeshed us all in a web of conflicting, duplicative and unnecessary administrative procedures

established by the agencies with jurisdiction over employee benefit plans," he commented. Banks "probably possess the ability to absorb, at substantial additional cost, the burdens of regulatory excess currently found in ERISA.

"However, many of our customers are not so fortunate and find themselves hard pressed to meet the added burdens required to maintain a (pension) plan.

"In our view," Mr. Moran told the panel, "several provisions of the Act create the major problems we are currently experiencing; first, a litany of prohibited transactions; second, a broad definition of 'party in interest;' and third, shared responsibility by the Department of Labor and the Internal Revenue Service.

"Quite frankly, our frustration with the status quo is such that we feel constrained to assist any initiative which has as its purpose the elimination of any of those elements of the Act which operate to create the current environment."

Mr. Moran is a vice president of Manufacturers Hanover Trust Co., New York.

BMA Releases Two Community Service Films

Two new full-color/sound filmstrips, geared to enhance a bank's community relations and public service programs, now are available from the Bank Marketing Association, Chicago.

More than a listing of bank services, "Your Bank — a Service for All Seasons" concentrates on helping the consumer perceive how such services as checking, savings, trust and loans can aid them easily and effectively. This filmstrip is not a hard sell approach to these services, but simply and entertainingly examines bank services and how they benefit the customer.

The second filmstrip, "Financial Planning for the Family — the Pinch," focuses on the importance of financial planning. The program dramatizes how three families found themselves in a financial pinch and how they resolved their problems through advice in financial planning from their community banks. "The Pinch" also touches on such important topics as budgeting, family debt, building savings, consumer credit, inflation and more.

BMA members can purchase both filmstrips for \$140. Purchased separately, the filmstrips are \$80 each.

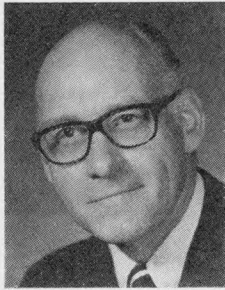
South Dakota News

CHARLES T. UNDLIN President Rapid City

J. I. MILTON SCHWARTZ Secretary Huron

Named at Belle Fourche

G. Willard Pummel has been named vice president and manager of the Belle Fourche Office of the First National Bank of the Black Hills, Rapid City. He replaces Arthur W. Jones who retired after 12 years as vice president and manager at Belle Fourche.

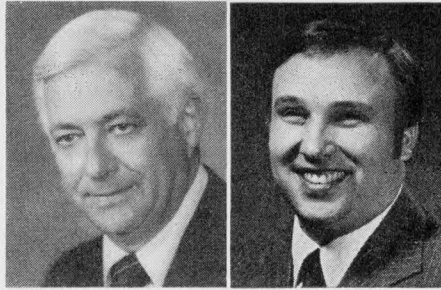


G. W. PUMMEL

Mr. Pummel has been with the First National Bank for 27 years. He joined the bank's Spearfish Office in 1950. In 1960 he transferred to the Rapid City main office as assistant vice president and assistant manager of the instalment loan department. Most recently he was vice president and manager of the Deadwood Office.

Joins Mobridge Bank

William M. Kurlle has joined the Mobridge Branch of the First National Bank, Aberdeen, as assistant vice



president and manager of the instalment loan department.

Mr. Kurlle comes to Mobridge from the Redfield Branch of the bank, beginning there in 1970 as a management trainee. He was promoted to instalment loan officer and manager of the instalment loan department and in March of this year was elected agricultural loan officer.

National Bank of S.D. Announces Staff Changes

The National Bank of South Dakota, Sioux Falls, has announced the following promotions and elections: Donald F. Bertsch, senior vice president and cashier; James D. Iverson, vice president and senior credit officer;



D. F. BERTSCH

J. D. IVERSON

Norma McWilliams, real estate loan officer, main office, Sioux Falls, and Jo Rombough, auditor, main office, Rapid City.

Mr. Bertsch began his banking career at the First Potter County Bank, Gettysburg. He joined National Bank in 1968 as auditor and was elected a vice president in 1973.

Mr. Iverson joined the bank in 1966 and was elected a vice president in 1970. Ms. McWilliams, with the bank since 1974, joined the officer training program in 1976. Ms. Rombough joined the Rapid City Office in 1971 in the trust department. She transferred to operations in 1976.

Named at Clear Lake

The Deuel County National Bank, Clear Lake, has announced the appointment of Loren P. Severson as loan officer. Mr. Severson has operated a dairy farming unit near Brandt for many years.


Toronto Banker Honored

A steak fry was held recently by the staff and directors of the Bank of Toronto to honor C. G. (Marty) Martinson for 51 years in the banking business. He was presented with a 50-year pin from the South Dakota Bankers Association and he and his wife, Alice, each received a gift from the employees.

Mr. Martinson is serving as chairman of the Bank of Toronto. His first six years in banking were spent at Madison, Minn., and the balance in Toronto.

First of the Black Hills Announces Staff Changes

Charles T. Undlin, president of the First National Bank of the Black Hills, Rapid City, has announced the following staff changes: Donald Ondriezek, vice president and manager of the Deadwood Office; Marion A. Matt, assistant manager of the Belle Fourche Office; Lee Groskopf, vice president and manager of the Villa Rancharo Office; Kirk Gerald Malcolm, assistant vice president and assistant manager of the Sturgis Office; Gerald Keil, assistant vice president and instalment loan manager of the Belle Fourche Office; Edward C. Toms, loan officer, Kenneth Bauman, insurance manager, and Kenneth McLin, loan officer and assistant manager, all of the Lead Office.



DON'T FORGET US AT
U.S. CHECKBOOK CO.

for ALL your Bank Supplies

- Bank Printing
- Checks
- Computer Supplies
- Office Needs

The "WORKS" you need
to RUN your bank

United States Check Book Company

1201 SOUTH 16TH STREET - OMAHA, NEBRASKA 68108
In Nebraska Call 402-345-3162 Out of State Call Wats Line 1-800-228-9246

Montana News

P. A. YATES President Havre

J. T. CADBY Secretary Helena

To Head Havre Bank

Kenneth W. Mahle has been elected president of Citizens Bank of Montana, Havre, according to Charles W. Rubie, chairman and chief executive of Bancorporation of Montana. He succeeds Phil A. Yates who was named president of Bancorporation of Montana, Great Falls.



K. W. MAHLE

Mr. Mahle began his banking career in 1957 in Anaconda, and later moved to Austin, Minn. In 1963 he joined the instalment loan department of Citizens Bank of Montana. In 1966 he transferred to Miners Bank of Montana, N.A., Butte, as vice president and director and in 1973 became president. In addition, Mr. Mahle is a director of Trust Corporation of Montana, Great Falls. He is a graduate of the University of Montana.

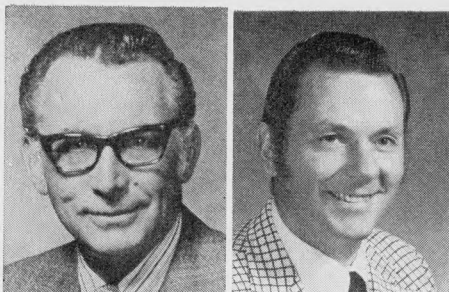
Miners Bank, Butte, Elects President

Miners Bank of Montana, N.A., Butte, has announced the election of James E. McDevitt as president. He succeeds Kenneth W. Mahle who is now president of Citizens Bank of Montana, Havre.



J. E. McDEVITT

Mr. McDevitt has been in banking since 1962 when he joined the First National Bank of Las Vegas. In 1970 he became assistant vice president and branch manager. He moved in 1973 to the Bank of Nevada, Las Vegas, as vice president of real estate administration where he served until



joining Miners Bank of Montana as vice president in 1976. He attended Franklin University, Columbus, Ohio.

Flood Insurance Workshop Scheduled For Lenders

A one-day workshop for lenders with legal and professional responsibilities concerning the National Flood Insurance Program has been scheduled for August 8 by the American Bankers Association's (ABA) insurance and protection division.

The Flood Insurance Workshop for lenders will be conducted by representatives of the Federal Insurance Administration, The National Flood Insurers Association and the ABA at the New Orleans Marriott.

The program will cover all aspects of flood insurance: legislative background, the government's role, coverage, renewal procedures, policy considerations and responsibilities of lenders. All registrants will receive a "Flood Insurance Information Kit"

which will serve as a reference guide for the discussion.

The National Flood Insurance Program is a cooperative effort between the federal government and the insurance industry. The legislative requirements of conditional financing for structures in special flood hazard areas make lenders an interlocking component of the program.

For further information about the Flood Insurance Workshop for Lenders, contact Nancy Krakover, Insurance and Protection Division, American Bankers Association, 1120 Connecticut Ave., N.W., Washington, D.C. 20036, (202) 467-4049.

First of Anaconda-Butte Announces Promotions

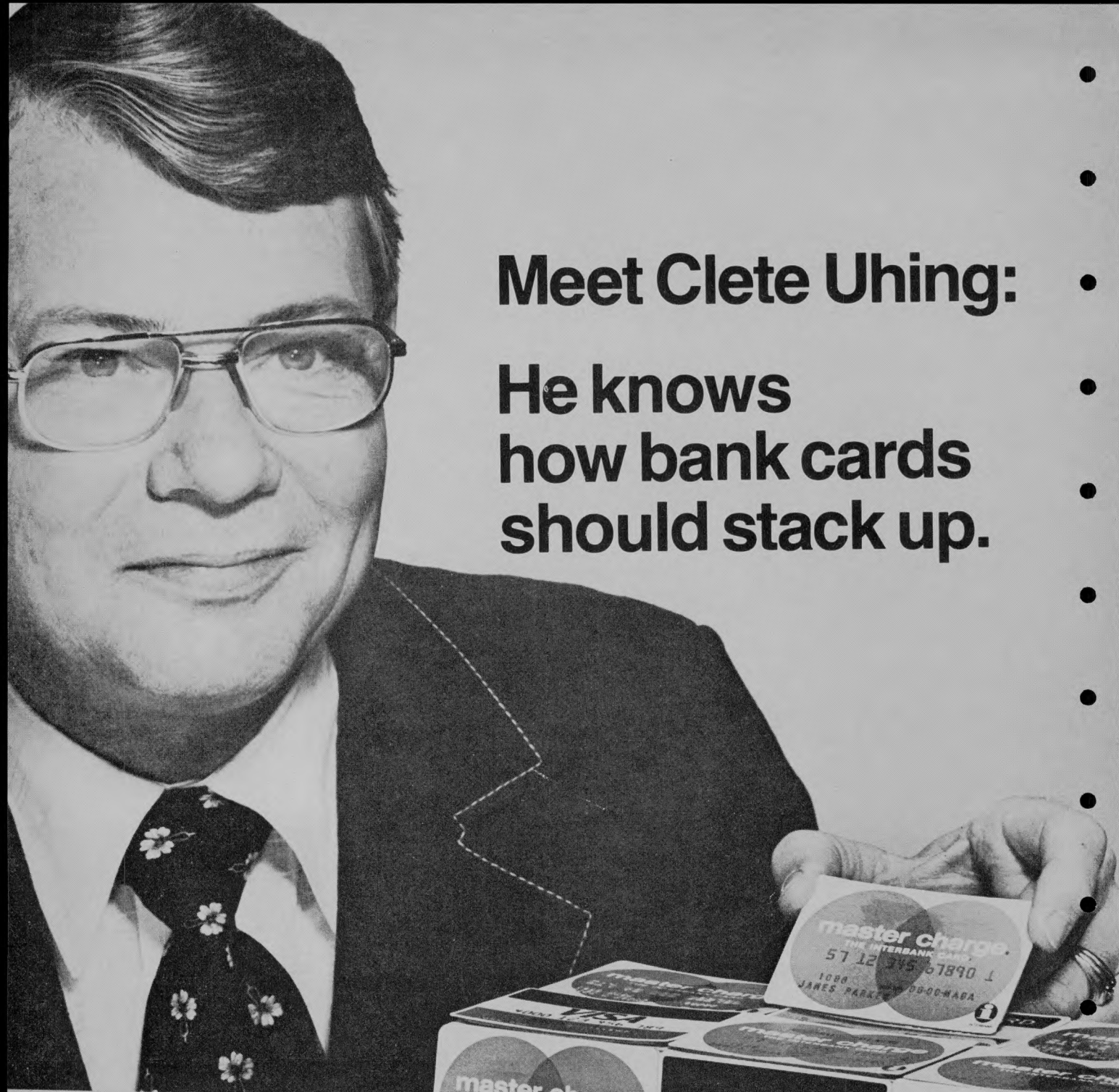
W. R. Tait, president of the First National Bank, Anaconda-Butte, has announced the promotions of the following three staff members: Butte division, Darlene Stanich to operations officer; Anaconda division, Catherine Joy and Dodge Leary to instalment loan officers.

Ms. Stanich joined the Butte division in 1969 as a messenger and in 1974 was promoted to bookkeeping supervisor. Ms. Joy has been with the bank since 1962 as instalment loan secretary. Mr. Leary joined the bank in 1974 as a trainee and has been in instalment loans since January, 1975.

Billings Bank Celebrates Grand Opening



FIRST NW Natl. Bank, Billings, recently celebrated the grand opening of its new facility. Kicking off the week-long celebration are (l to r): **Henry Rudledge**, NW Bancorporation board chmn.; **Harold Slemmer**, staff member with longest service; **Georgia Meierding**, newest staff member; **Bill Fox**, Billings mayor; **Al Winegardner**, 1st NW pres., and Congressman **Ron Marlenee**. The new 14-story First NW Bank Center was completed in January, 1977.



Meet Clete Uhing: He knows how bank cards should stack up.

Clete Uhing, our Bank Card Marketing Representative, is new to U.S. National, but he brings with him experience you can rely on for the effective use of bank cards.

Clete's job is to provide your bank with fast, efficient bank card service, whether yours is Master Charge, the new international Bank-
America — Visa, or both.

Watch for him.
He may be able to help stack
bank card business in your favor.

**US NATIONAL
BANK**
of Omaha



Nebraska News

H. E. LARMON

President McCook

R. E. HARRIS

Exec. Mgr. Lincoln

Top Changes Announced At Grand Island Bank

Phillip J. Zeller, Jr., president and chief executive officer of the Overland National Bank of Grand Island, has resigned. He and J. D. Schiermeyer, Jim Norris and Associates have purchased controlling interest in the First National Bank of Junction City, Kans.

Hugh Hansen, president of the North Platte State Bank, was named to succeed Mr. Zeller. He joined the North Platte bank as president in 1974 after nearly 15 years with the First National Bank & Trust Company of Fremont, another institution affiliated with NBC Co., Lincoln.

Mr. Schiermeyer, most recently chairman, president and chief executive officer of the National Bank of Commerce, Lincoln, is chairman and chief executive officer of Bradford Investment Company of Lincoln. Mr. Norris has served as a vice president of National Bank of Commerce and was assistant to Mr. Schiermeyer. He is now president of Bradford Investment Company. Mr. Schiermeyer is currently chairman of the marketing division of the American Bankers Association.

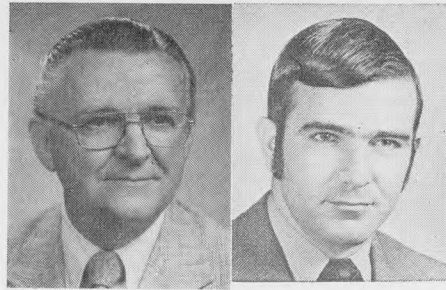
Mr. Zeller has been president of the Overland National for the past two years. Prior to that he was senior vice president and head of the national and metropolitan divisions of Security National Bank, Kansas City, Kans.

Sellers were John D. Montgomery, R. J. Fegan and Fred C. Bramlage, Junction City business and civic leaders who will continue as directors of the bank.

Aurora Banker Retires

Arild Eriksen, vice president of the First National Bank in Aurora, recently retired after 40 years in banking.

Mr. Eriksen attended the University of Nebraska and began his banking career at the Marquette Farmers State Bank. He also worked as a loan inspector for the Regional Agricultural Credit Corporation of Sioux City and Omaha, an appraiser for the Federal



Land Bank of Omaha, a livestock and loan inspector for the Production Credit Administration and for the Resettlement Administration before joining the Aurora bank in 1937.

A surprise open house in his honor recently was held at the bank.

North Platte State Bank Elects Coleman President

Richard Coleman, vice president, recently was elected president of the North Platte State Bank. He succeeds Hugh Hansen who was named president of Overland National Bank, Grand Island. Mr. Coleman previously was a senior bank examiner with the Nebraska Department of Banking.



R. COLEMAN

Named Cashier at York

Dale Adams is the new cashier of the First National Bank in York.

Mr. Adams, 33, moved to York from the LaPorte City State Bank in LaPorte City, Ia., where he was vice

president and cashier. He also has worked at First National Bank at Fairbury and Albion National Bank.

Norfolk Banker Honored

Marlene Ahrenholtz, cashier and director of public relations of the Bank of Norfolk, recently was honored with the Time Woman of the Year award. The award is given by the Chamber of Commerce for outstanding achievements in the community.

Mrs. Ahrenholtz served as president of the women's division of the Chamber the past year, led 10 committees and increased membership from 107 to 201. She also served as a director of the Norfolk Chamber of Commerce. She is a past president of Credit Women International, serves as a member of the Home Health Care Agency's advisory board through which she initiated an "Adopt a Grandmother" program, and is a member of the National Association of Bank Women. Mrs. Ahrenholtz won the NABW national scholarship in 1973-1974.

Promoted at Lexington

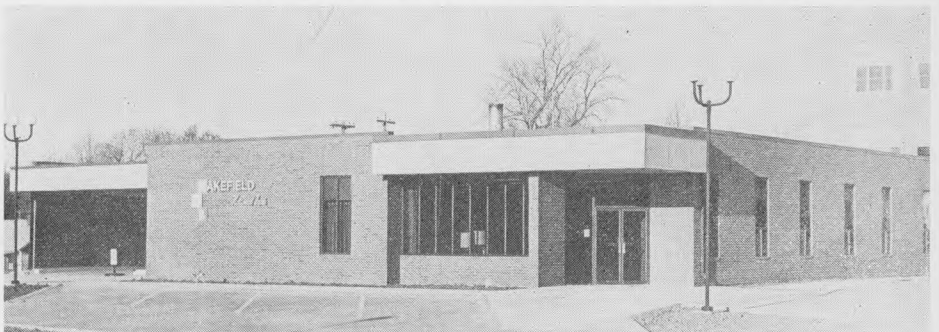
Margene Pierce recently was elected operations officer of the Lexington State Bank and Trust Company, according to George V. Keller, chairman.

Miss Pierce has been with the bank since May of 1970 as a bookkeeper and teller.

Allen R. Koop

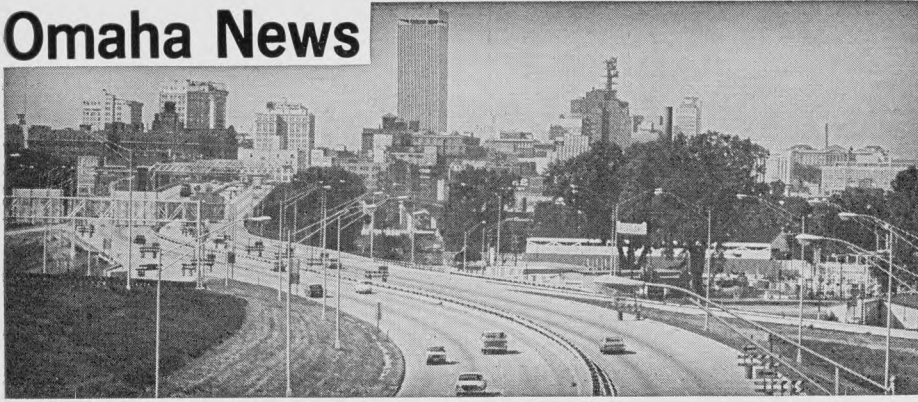
Funeral services were held recently for Allen R. Koop, 65. For the past 30 years Mr. Koop had been with the Home State Bank, Louisville, most recently as cashier.

Wakefield National Holds Open House

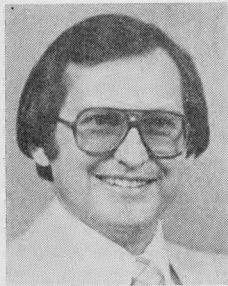


PICTURED is the new building of the Wakefield National Bank. The bank recently held a week-long open house for the public to see the new facility. The building has nearly 4,000 square feet on the ground floor and a full basement. Construction was begun in July of 1976 and the bank moved in on February 22, 1977, according to Weldon C. Schwarten, cashier. Roy Yaley is the bank's president.

Omaha News



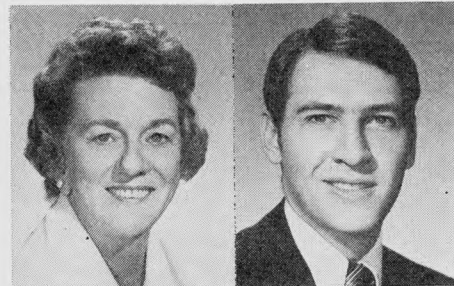
DONALD J. Murphy, president of the United States National Bank of Omaha, has announced the appointment of **Warren L. Stewart** to vice president and director of human resources of the Omaha Banc o banks. Mr. Stewart will coordinate and direct personnel administration for U. S. National, Center Bank, and Northwestern National Bank. The regional personnel offices will be housed at U. S. National.



W. L. STEWART

Mr. Stewart, 33, is the former director of employee relations of Pittsburg Plate Glass Industries, Inc., of Kokomo, Ind., where he has been in various personnel management positions since 1970.

Mr. Murphy also announced the promotions of **Ruth M. O'Keefe** and **Ronald E. Schneider** to vice presidents,



R. M. O'KEEFE

R. E. SCHNEIDER

Victor D. Smith to credit officer and **Richard H. Sieling** to assistant trust officer.

Miss O'Keefe is managing officer of the bank's Regency Office. After joining the bank in 1936, she worked in various departments and served as secretary to the chief executive officer from 1949-74. She was named assistant manager of the Regency facility

when it opened in 1975 and manager in 1976.

Mr. Schneider joined the bank in 1974 as a commercial loan officer. He previously had been with the National Bank of Commerce in Lincoln for three years. He has undergraduate and graduate degrees from the University of Nebraska.

Mr. Smith joined the bank last September as a special loan administrator after 34 years of experience in banking in the Omaha area. He also has been with the State Savings Bank in Council Bluffs, Ia., and The Omaha National Bank, leaving as senior vice president in charge of loans. Mr. Sieling joined the bank in 1976 as an account administrator. He previously was an instructor at the University of Nebraska at Lincoln and Creighton University in Omaha.

* * *

John D. Woods, chairman and president of The Omaha National Bank, and **John T. Geary**, president and chief executive officer of the First National Bank of Oak Lawn, Ill., have been elected to the board of directors of United of Omaha, stock life insurance affiliate of Mutual of Omaha. Both men also were appointed to the company's investment committee.

Mr. Woods came to the Omaha bank in 1975. Mr. Geary has headed the Oak Lawn bank for the past six years.

* * *

The Central National Insurance Group of Omaha has announced three executive promotions. Assistant vice presidents **James E. Rosenthal**, CPA, and **L. Tim Wagner**, CPCU, have been elected vice presidents. **Darrell W. Latch**, CPCU, administrative assistant-underwriting, has been elected assistant vice president.

Mr. Rosenthal has been with the firm since 1970 when he joined from Peat, Marwick and Mitchell, international certified public accounting firm. He became a CPA in 1967 after receiving BA and BS degrees from Creighton University, Omaha, in 1964. Mr. Wagner joined the firm in 1972 and was named department manager and assistant vice president in 1975. He had been with the Nebraska State Insurance Department. He received his BA degree from Nebraska Wesleyan University in 1963 and his CPCU designation in 1969.

Mr. Latch has nearly 26 years of ex-



J. E. ROSENTHAL

L. T. WAGNER

perience in the insurance field with Kemper Companies, State Farm and AFSC Agency, general agency of Associates Corporation of South Bend, Ind.

* * *

The Omaha National Corporation has announced the promotion of **George M. Brady** to second vice president. Mr. Brady left a position as senior accountant with Touche Ross and Co. to join the bank as an assistant auditor in November of 1974. In July of 1975 he was assigned to the controller's department as an assistant control officer. In February of 1976 he was appointed financial officer of The Omaha National Corporation, his present position.

* * *

John D. Woods, president and chief executive officer of The Omaha National Bank, has announced the promotion of **Robert F. Green** to vice president of Realbanc, Inc.

Mr. Green came to the bank in June of 1973. He began his career with Realbanc as a financial analyst and in December of 1973 was named mortgage loan officer. In March of 1976 he was appointed second vice president. In his present capacity he deals mostly with commercial mortgage loans, their negotiations with borrowers and presentation to investors.

Electronic Funds Transfer System (EFTS) with Point of Sale (POS) teleprocessing



Direct file inquiry through a cathode ray tube



Integrated central information file

Magnetically coded card



accounts

JOHN SMITH
123 MAIN STREET
OMAHA, NEBRASKA 68103

STATE OF NEBRASKA
UNIVERSITY OF NEBRASKA
UNIVERSITY OF KANSAS

ACCOUNT NO.	ACCOUNT TYPE	ACCOUNT BALANCE	ACCOUNT STATUS
1001	Checking	\$1,234.56	Open
1002	Savings	\$5,678.90	Open
1003	Money Market	\$2,345.67	Open
1004	CD	\$10,000.00	Open
1005	IRA	\$15,000.00	Open
1006	401(k)	\$20,000.00	Open
1007	529 Plan	\$5,000.00	Open
1008	Trust	\$100,000.00	Open
1009	Other	\$1,000.00	Open
1010	Other	\$1,000.00	Open
1011	Other	\$1,000.00	Open
1012	Other	\$1,000.00	Open
1013	Other	\$1,000.00	Open
1014	Other	\$1,000.00	Open
1015	Other	\$1,000.00	Open
1016	Other	\$1,000.00	Open
1017	Other	\$1,000.00	Open
1018	Other	\$1,000.00	Open
1019	Other	\$1,000.00	Open
1020	Other	\$1,000.00	Open

1 check protection

ACCOUNT NO.	ACCOUNT TYPE	ACCOUNT BALANCE	ACCOUNT STATUS
1021	Checking	\$1,234.56	Open
1022	Savings	\$5,678.90	Open
1023	Money Market	\$2,345.67	Open
1024	CD	\$10,000.00	Open
1025	IRA	\$15,000.00	Open
1026	401(k)	\$20,000.00	Open
1027	529 Plan	\$5,000.00	Open
1028	Trust	\$100,000.00	Open
1029	Other	\$1,000.00	Open
1030	Other	\$1,000.00	Open

Consolidated statement of accounts for individual customers

1 system does it all.

- 1 It's a practical system ready for you to implement.
- 1 It identifies total customer relationship.
- 1 It's a new marketing tool.



first national bank
of omaha
you're in first national territory
member F.D.I.C.

For a free brochure on the details, applications and advantages of putting 1 system to work in your bank, just send this coupon to:

Correspondent Bank Department
First National Bank
one first national center
Omaha, Nebraska 68103

Or in Nebraska call us Toll Free at 800-642-9907. From States adjacent to Nebraska call us Toll Free at 800-228-9533.

name _____

position _____

bank name _____

bank address _____

city _____ state _____ zip _____

Lincoln News



DON Anderson has been elected a senior vice president of First Mid America, Inc., according to **Charles J. Burmeister**, president.



D. ANDERSON

Mr. Anderson's responsibilities include the syndicate department, over-the-counter trading and corporate finance.

* * *

First Greatwest Corporation, Lincoln, has elected two new directors.

They are **Richard A. Williams**, president of Dornberger & Co., Sioux Falls, S.D., and **Milton E. Whitehead**, president, Whitehead Oil Company of Lincoln.

* * *

As a result of a plan discussed for a number of months by officers and directors of NBC Co., some new directors from Nebraska communities served by NBC Co. affiliate banks will be elected to give the board wider representation of all communities served. This will afford an opportunity for more input from a broader base of affiliate banks and the customers they serve.

This scheduled move, part of a long-range plan followed by the holding company for some time, will permit directors of National Bank of Commerce to concentrate on their principal interest of guiding and developing the bank of Lincoln. Since the inception of NBC Co., 17 of the bank's directors had been serving in a dual director capacity for NBC Co. during its formative and initial expansion years.

The development of several service entities has provided a new source of management directors so that with NBC Co. officials who are also directors, the holding company board may now move into its next phase of wider representation of various Nebraska communities.

* * *

Sally Schneider of First National Bank has been elected president of the Lincoln Chapter of the American Institute of Banking (AIB). Other officers elected are: first vice president, **Michael McGregor**, First National Bank; second vice president, **Charles Heinke**, Havelock Bank; secretary, **Ava Beeman**, First National; treasurer, **Bob Johnson**, Westgate Bank, and advisor, **Dennis Stelzer**, National Bank of Commerce.

* * *

First National Lincoln has announced the election of **Donald R. Larson** as vice president in charge of business development for the bank's commercial banking division.

A native of Decatur and a 1953 graduate of the University of Nebraska, Mr. Larson has more than 20 years of experience in the banking industry. He and his family have been living in Lincoln since 1967.

* * *

Named at Crete

Fred W. Kerst, chairman of The City National Bank of Crete, has announced the election of Dr. John H. Cerny to the bank's board. Dr. Cerny is a veterinarian and has been with the Crete Veterinary Clinic for 11 years.

* * *

Joins Dawson Bank

Rich Oshel has joined The Dawson Bank as vice president in the agricultural loan and insurance departments. He formerly was a loan officer for the Beatrice Production Credit Association for the past three years. Mr. Oshel is a graduate of Northwest Missouri State University, Maryville, with an agriculture-business degree.

Now available . . .

First Mid America's

"1976 NEBRASKA BANKS COMPARATIVE STATISTICS"

For your copy of the 1976 Nebraska comparative bank statistical analysis, call or write your First Mid America broker or the First Mid America Research Department.

First Mid America
CTU Building
Lincoln, Nebraska 68508

First Mid America^{inc}

Member New York Stock Exchange and
other principal Stock and Commodity Exchanges

Stocks • Commodities • Bonds • Municipal Bonds • Government Agencies
Mutual Funds • Options • Investment Banking • Pension Consultants

Lincoln • Omaha • Columbus • Grand Island • Hastings
Atlantic • Cedar Rapids • Des Moines • Fort Dodge
Sioux City • Kansas City • Chicago

Specialists in
structuring solutions
to correspondent
problems...



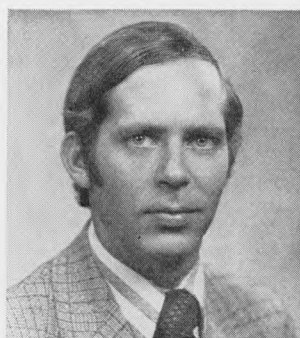
CHUCK LEFFLER



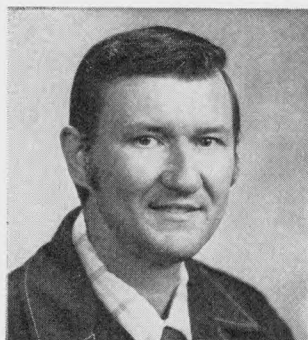
BILL EDGECOMB



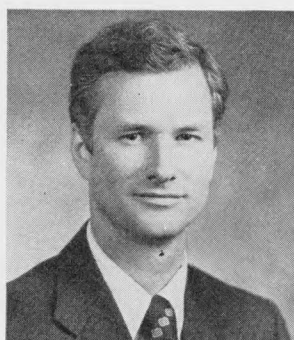
LYLE STONEMAN



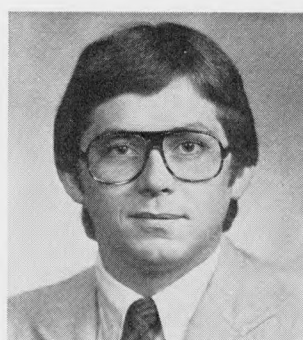
GARY BIECK



FRANK MORSE



CRAIG WANAMAKER



STEVE ANDERSON



DAVE SCHWEITZ



LANA CROCKETT



NANCY MEREDITH

**The
First
Team**



FIRST NATIONAL LINCOLN

Box 81008 Lincoln, Nebr. 68501 Phone (402) 471-1231



PICTURED above is the Bank of Doniphan after completion of an extensive remodeling and building project. The new facilities include a new vault, drive-in window, night depository, deposit boxes, lobby, additional private loan offices, basement community room, board of directors room, paved parking lot and time and temperature sign. The Doniphan Insurance Agency office also is in the building. The bank recently held a public open house. **George Wanitschke** is the bank's president.

Doniphan Bank Holds Open House

The Bank of Doniphan recently held a grand opening of its newly-enlarged and remodeled facility, according to **George Wanitschke**, president.

New features include a drive-in window, night depository, two vaults, skylights, time and temperature sign, private offices for loan officers, private coupon booths for customers and additional safety deposit boxes.

Upstairs are four teller stations, one

with a computer tie-in with First National Lincoln; offices, and a coffee and conference room. Downstairs is the board room, storage space and a community room with a fully-equipped kitchen.

The bank now has a total of about 6,400 square feet on the ground floor, which is an addition of about 5,000 square feet. There is a full basement and about 3,000 square feet of storage.

NBA Committees

The Nebraska Bankers Association, Inc., (NBA), has announced its committees for 1977-78.

The special task force on planning includes: **Richard Adkins**, president, Osmond State Bank; **Dr. L. Wayne Dobson**, Abbott professor of banking, University of Nebraska, Lincoln; **H. L. Gerhart, Jr.**, president, First National Bank, Newman Grove; **Paul Hefti**, chairman and president, Guardian State Bank, Alliance; **Bruce Lauritzen**, vice president, First National Bank, Omaha; **James Oliver**, vice chairman, Commercial National Bank, Grand Island; **Donald J. Murphy**, president, U.S. National Bank, Omaha, and **John Young**, president, First National Bank, Fremont.

Committee chairmen are:

Correspondent banking — **Wilbur Baack**, senior vice president, National Bank of Commerce, Lincoln.

International banking — **Joseph R. Crimmins**, vice president, First National Bank and Trust Company, Lincoln.

Agriculture — **Ray Weilage**, Crete. Trusts and estates — **Robert E. Johnson, Jr.**, vice president, First National Bank, Omaha.

Legislation — **Jack Selzer**, president, Scottsbluff National Bank.

Pension — **Levetta Hosler**, president, Fullerton National Bank.

Bank management and education fund — **W. W. Cook, Jr.**, president, Beatrice National Bank.

Instalment credit — **William Jensen**, vice president, First National Bank, Kearney.

Marketing and education — **Roger Bailey**, vice president, First National Bank, Grand Island.

George E. Schoettger

Funeral services were held recently for **George E. Schoettger**, 80, retired Arlington banker. Mr. Schoettger was a graduate of Fremont Normal College and attended the University of Nebraska. He was with the Arlington bank from 1920-69.

Named at Tekamah

Kenneth Larsen, agriculturist and rancher, has been named to the board of the Citizen's State Bank, Tekamah. He is a director of the Nebraska Polled Hereford Association, Burt County Fair, Burt County Feeders Association and is treasurer of the Decatur Township Board.

Farm Credit Administration Names Deputy Governor

Sheldon W. Stahl, vice president and senior economist at the Federal Reserve Bank of Kansas City, has been appointed deputy governor, office of finance and research, for the Farm Credit Administration in Washington, D.C., effective August 1.

Dr. Stahl joined the Reserve Bank's research division in 1962 as a business economist. He was named to the bank's official staff in 1967 as research officer and promoted to vice president and senior economist in 1973. For about two years he was research officer and economist at the Federal Reserve Bank of Philadelphia.

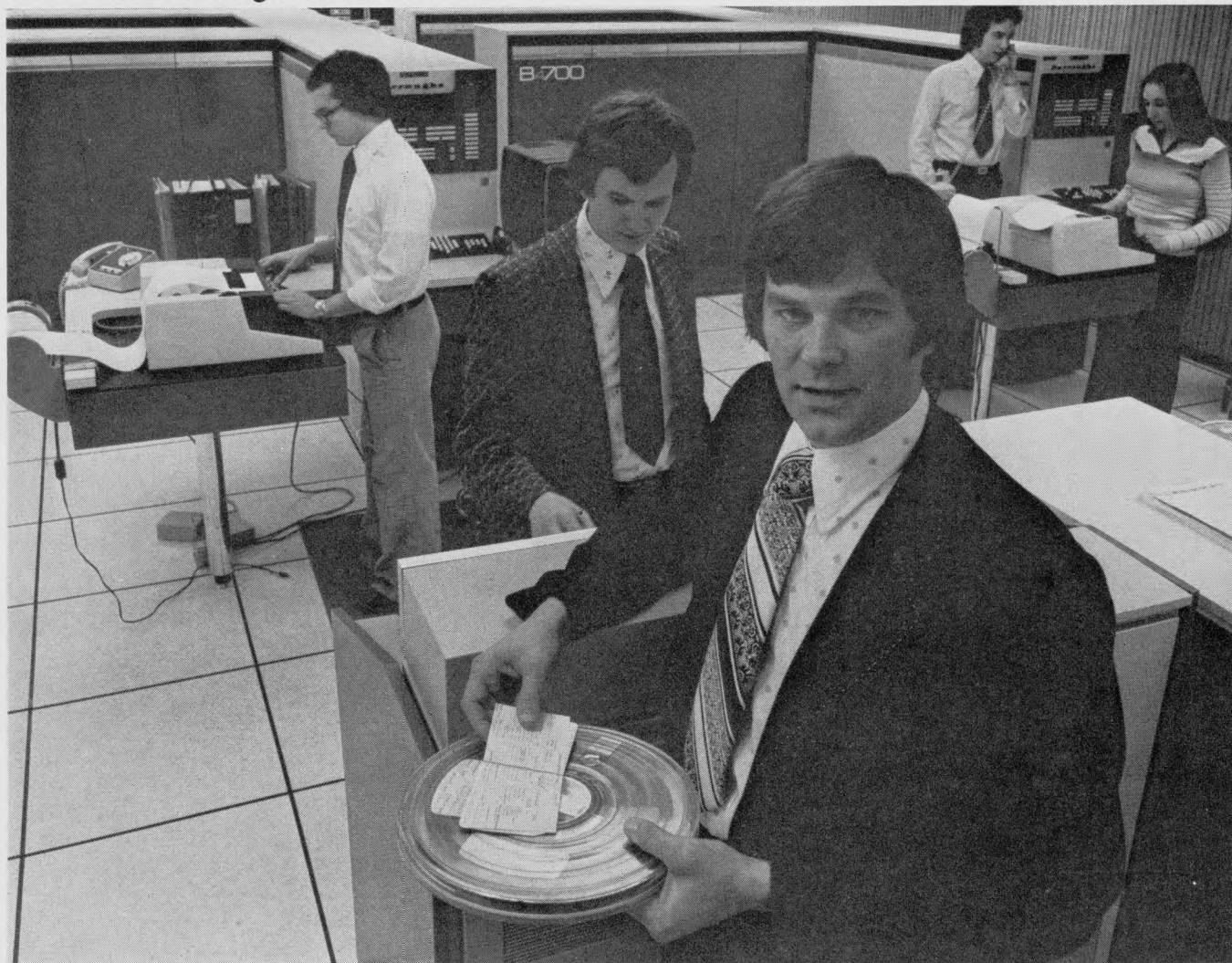
Comptroller Appointments

Acting Comptroller **Robert Bloom** recently announced that his office has reorganized its regional offices so that each will have two deputy regional administrators, one for examinations and one for planning and operations.

With the new appointments, assignments of the new and existing deputy regional administrators in the area covered by the NORTHWESTERN BANKER are: region seven, Chicago, examinations — **Dean S. Marriott**, planning and operations — **Bonnie E. Yates**; region nine, Minneapolis, examinations — **William J. Suman**, planning and operations — **L. Carl Starich**; region 10, Kansas City, examinations — **John W. Rogers**, planning and operations — **Gary M. Brickman**; region 12, Denver, examinations — **Edwin H. Hess**, planning and operations — **Max A. Paulson**; region 13, Portland, examinations — **Donald W. Kerbel**, planning and operations — **Harold H. Blum**.

The new appointees follow with their former positions: **Mr. Marriott**, national bank examiner, special projects, Washington, D.C.; **Mr. Brickman**, national bank examiner, fourth national bank region in Cleveland; **Mr. Hess**, director of planning, Office of the Deputy Comptroller for Administration, Washington, D.C., and **Mr. Blum**, regional director of corporate affairs, region 12 in Denver.

**Ask any banker in Nebraska,
"Who has the finest data processing systems?"
He'll say, "NBC."**



Our computer experts can solve your toughest record-keeping problems. NBC's new electronic data processing center is designed for banks and the unique needs of the banking industry. It's more than a machine. It's a complete bank management system, and it's run by dedicated people, committed to making your job simpler.

We're ready to answer all your questions about the new age of computer banking.

Complete Range of Data Processing Applications

Accounting Applications

Demand Deposit
Bond
Certificate of Deposit
Commercial Loan
Expense
General Ledger
Personal Loan
Payroll
Savings
Safe Deposit Box
Mortgage Loan

Item Processing System

Proof and Transit
ACH Capabilities

On-Line Systems

Teller Units
Cathode Ray Tubes
Automated Tellers

Commercial Services

Payroll Accounting
Accounts Receivable

NBC National Bank of Commerce
The People Place

NBC Center 13th & O Sts., Lincoln, Nebraska
WATS Line: 800-742-7317 Member FDIC

Northwestern Banker, July 1977



I'm John Murano your roving correspondent from Bankers Trust

"Wherever I travel, I find bankers with unique correspondent needs. It's my responsibility to create and shape a package of correspondent services to meet those needs."

John Murano is your correspondent banker from Bankers Trust. John brings a high level of insight and experience to each correspondent relationship. Once he determines your needs, he can channel the full resources of Bankers Trust to fill those needs, including trust services, loan overlines and participations, wire transfers and computer services.

The relationship doesn't stop there.

"I'll be there when you need me."



John will maintain regular communications with you, and be ready to assist you as your needs change.

Contact Bankers Trust and ask for John Murano or one of our other roving correspondents. Bankers Trust wants to correspond with you . . . bank to bank . . . person to person.

Use our toll-free WATS line:
800-362-1688.



Bankers Trust

Des Moines, Iowa 50304
Member: FDIC/Federal Reserve System

Iowa News

C. R. BRENTON President Des Moines

NEIL MILNER Exec. V.P. Des Moines

To Head Red Oak Bank

George E. Maher has been elected president and chief executive officer of the Houghton State Bank, Red Oak. He has been with the bank for seven years and has served as executive vice president and director.



G. E. MAHER

Mr. Maher succeeds William P. Norris who has been named chairman and chief executive officer of the Morningside State Bank in Sioux City. Mr. Norris also will continue as chairman of Houghton State Bank.

Indianola Banker Retires

A reception honoring Leland Threlkeld was held at the Peoples Trust and Savings Bank, Indianola, last month. Mr. Threlkeld, assistant cashier, recently retired.

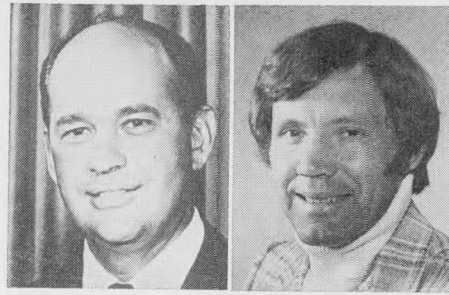
New Group Officers

Three groups in the Iowa Bankers Association elected officers during the recent series of meetings in May. The first named person is chairman, and the second named person is secretary. They will assume the new offices following the Iowa Bankers Convention in September.

Group Three: Glen O. Emmons, executive vice president, Northwood State Bank, and O. J. Tomson, president, Citizens National Bank, Charles City.

Group Five: Ronald F. Sealock, executive vice president, Council Bluffs Savings Bank, and Richard Randall, president, Dunlap Savings Bank. (Mr. Sealock moved up to chairman in October, 1976, when H. Rand Petersen, president, Shelby County State Bank, Harlan, was elected IBA treasurer).

Group Seven: L. C. "Bud" Pike, president, Farmers Savings Bank,



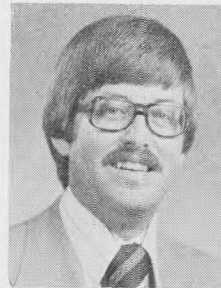
Grundy Center, and Ron Fenton, president, Security Savings Bank, Marshalltown.

Plan New Bank in Arthur

The Ida County State Bank, Ida Grove, is planning to construct a new building for its Arthur Office. The old building will be torn down.

Joins Waterloo Bank

R. Scott Fetner, president of The National Bank of Waterloo, has announced the addition of G. Thomas Volding as farm manager.



T. VOLDING

Mr. Volding received a BS degree in farm operations and a MS degree in agricultural economics from Iowa State University, Ames. He previously was with Doane Agri-

cultural Services managing farms in Mankato, Minn., and the surrounding area.

Named at West Union

Adrian Rademaker, president of the Farmers Savings Bank, West Union, recently announced the appointment of Dr. Wayne Bicknese, DVM, to the bank's board succeeding Linus Putz, director since the bank was founded 10 years ago. Mr. Putz, who was named an honorary director, will continue to serve the bank in an advisory capacity.

State Bank of Toledo To Build Expanded Drive-in

State Bank of Toledo has announced construction of an expanded drive-in facility to be located west of the post office. The present building on the corner of Broadway and High Street will remain open.

The new building of 2,700 square feet of space will include two drive-in lanes with space for a third, walk-in teller facilities, office space, vault space for safety deposit boxes, and a night depository.

Green Mountain Bank Names Director

Allen E. Brennecke has been elected to the board of the Producer Savings Bank, Green Mountain. He is a partner of Mote, Wilson and Welp law firm.

Iowa Investment Bankers Field Day



Members of the Iowa Investment Bankers Assn. held their annual field day in Des Moines recently. Pictured here are IIBA officers and field day chairmen. Front row, from left, are IIBA Pres., **John McClain**, Dean Witter & Co.; **Jon Gaskell**, R. G. Dickinson & Co.; **Ralph Marasco**, Dean Witter & Co., and **Jay Orr**, Becker & Cownie. Back row, from left, are: Secy-Treas. **Bill Goodwin**, R. G. Dickinson & Co.; **Barney Greenhill**, Dean Witter & Co., 1st V.P. **Gene Strandberg**, Carleton D. Beh Co., and 2nd V.P. **Tom Wormley**, Shaw McDermott. All are from Des Moines.

Hardin County Savings, Eldora, Remodels



PICTURED is the newly-remodeled Hardin County Savings Bank, Eldora. The building was extended north to an alley with the addition including a new vault, conference room, private offices, consumer loan department and insurance agency. The former vault was torn out to make room for four new offices and the farm management department. **R. R. Brown** is the bank's president.

Retires at Steamboat Rock

Doris K. Ruppelt, vice president of the Second National Bank Office in Steamboat Rock, recently retired after 31 years of service.

Originally employed by the Farmers Savings Bank of Steamboat Rock in 1946, she became cashier and head officer in 1953. In 1965 as vice president, she helped instigate the conversion and move of the bank charter to Eldora with an office in Steamboat Rock.

She also sold the Ruppelt Insur-

ance Agency which she operated from 1953 to the Brown-Hurst Insurance Agency in Eldora.

Iowa Valley AIB Chapter Elects 1977-78 Officers

Gary McKibben of the Poweshiek County National Bank, Grinnell, recently was installed as the new president of the Iowa Valley Chapter of the American Institute of Banking.

Other officers elected include Barb Atha, Security Savings Bank of

Marshalltown, first vice president; Glen Spence, Commercial State Bank of Marshalltown, second vice president, and Roger Cramer, Producers Savings Bank of Green Mountain, secretary-treasurer.

Lawrence A. Wirtjes

Funeral services were held recently for Lawrence A. Wirtjes, retired Rake banker. He was 66.

Mr. Wirtjes joined the Rake State Savings Bank in 1954 as executive vice president. He held that position until he and the late O. H. Toft sold their interests to Gordon Swenson, who became executive vice president and trust officer in 1973. At that time, Mr. Wirtjes retired.

First National of Clinton Names Vice President

Thomas K. Killion has been appointed vice president and trust officer of the First National Bank in Clinton.



T. K. KILLION

Mr. Killion, 35, a graduate of Grinnell College and the Law School of Drake University, Des Moines, has been with the trust departments of the Central National Bank and Trust Company, Des Moines; the First National Bank of Dubuque, and the Belvidere National Bank and Trust Company in Illinois. Most recently he was vice president and trust officer at the Belvidere bank.

East Central AIB Names Officers

David Malloy, assistant vice president of the Farmers Trust and Savings Bank of Williamsburg, has been elected president of the East Central Iowa Chapter of the American Institute of Banking. He succeeds Don Boland, assistant cashier of the First National Bank of Marion.

Other new officers elected at the group's annual banquet are: first vice president, Barbe Cherrier, Merchants National Bank, Cedar Rapids; second vice president, Kim Nelson, assistant vice president, Farmers Savings Bank, Marion, and treasurer, Marcia Bair, Mt. Vernon Bank and Trust Co.

On target, on time, on the money.

That's what you get when you call on the Kirk Gross Company to handle your building or remodeling project.

Our specialists handle everything from building plans, to construction and interior planning and design. Right down to your secretary's chair.

But most important, we'll be on target, on time and on the money.

Call us. We'd like to discuss your project.



110 EAST 7TH ST., WATERLOO, IOWA 50705
PHONE 319/234-6641

Bluegrass Bankers Elect New Officers

Jack Elliott recently was elected president of the Bluegrass Bankers Association at the group's spring meeting. He is vice president of the Security State Savings Bank of Mount Ayr.

Other officers elected are: vice president, John H. Muller, vice president, Okey-Vernon National Bank, Corning; secretary, Jon E. Foley, assistant vice president, First National Bank, Creston, and treasurer, Allen Payne, Bedford National Bank.

Herb Ollenburg Honored For 50 Years of Banking

Herb L. Ollenburg, president of the Hancock County National Bank, Garner, is being honored by directors and staff of the bank this month on his completion of 50 years with that bank on July 15.



H. L. OLLENBURG

A native of Hancock County, Mr. Ollenburg started work with the Farmers National Bank, now the Hancock County National, in 1927. After serving in various positions in the bank and holding several officer posts, he was elected president in 1944, the position he now holds.

Mr. Ollenburg has a long history of service with the Iowa Bankers Association and served as IBA president in 1962-63. He is a graduate of the School of Banking at Rutgers University. Mr. Ollenburg also served in the Iowa Senate from 1968 to 1972.

Herb and Ruth Ollenburg have two children. Their daughter, Sylvia Swale, lives in Mason City. Their son, Spencer L. Ollenburg, joined Hancock County National in 1955 and is a vice president of the bank.

Iowa City Bank To Build Drive-In Facility

Construction has begun on a limited-service, drive-in banking facility for the Iowa State Bank and Trust Co., Iowa City. Ben E. Summerwill, bank president, said completion of the facility, which will include five drive-in windows and three inside walk-up windows, is scheduled for November 30.

START SOMETHING WITH SECURITY!

Being a correspondent banker at Security takes a special kind of person. Our bankers know the business inside. And out.

They have to. Because we want to give you the kind of service you deserve.

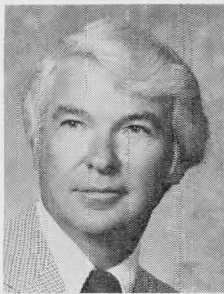
Experienced officers like Wayne Johnson can give you invaluable assistance in investments. Operations. Consumer credit. IRA/Keogh. Data processing. And ag-lending.

Start something with Security. Start talking with Wayne about the correspondent services Security can provide.



SECURITY NATIONAL BANK

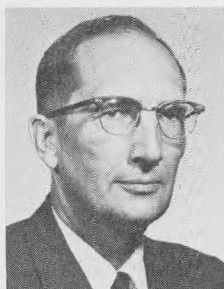
Sixth & Pierce Street • Sioux City, Iowa 51101
Member F.D.I.C.
Call 712/277-6526 for immediate service.



T. C. DUNLAP



R. E. BARNETT



H. THOMPSON



DR. S. J. TUTHILL



DR. L. E. KREIDER

Iowa Independent Bankers

6th Annual Convention
New Inn, Lake Okoboji
July 21-23

A SYMPOSIUM on the economics of energy conservation and the bankers' role is just one of the featured highlights of the 6th annual convention of the Iowa Independent Bankers to be held July 21-23 at the New Inn, Lake Okoboji.

The complete program follows:

Thursday, July 21

- P.M.
12-7 Registration—Lobby of the New Inn.
12 Couples' Golf Tournament—Brooks Golf Course.
3:45 Empress—Pick Up "Young Bankers"—Leaving from New Inn Dock.
5-8 Wine and Cheese Tasting Party (adults only)—The New Inn Poolside.
Plus listening and dancing to combo.
Young Peoples Gathering—Picnic, social events and tournaments—The New Inn Beach (with social director).

Friday, July 22

- A.M.
8:30 First General Session—New Inn Convention Center.
Call to Order—Thomas C. Dunlap, president of IIB, and chairman and president, South Story Bank and Trust, Slater.
Invocation.
Keynote Address—President Dunlap.
Report of the executive vice president and legal counsel—Richard W. Berglund.
9:30 "Perspectives on the Washington Scene"—Robert E. Barnett, practicing attorney and former chairman, Federal Deposit Insurance Corporation, Washington, D.C.
10:10 Coffee Break.
10:25 "Symposium on Economics of Energy Conservation and the Bankers' Role" (agriculture and industry)—O. J. Tomson, president, Citizens National Bank, Charles City, and IIB convention program chairman—moderator. Panelists: John Kyl, vice president, Occidental International Corporation, Washington, D.C., former United States Congressman (Iowa's 4th district), and assistant secretary of interior; Dr. Harvey E. Thompson, professor of agronomy and chairman of Agronomy Extension, Iowa State University, Ames, and Dr. Samuel J. Tuthill, vice president, energy resources, utilization, research and environment, Iowa Electric Light and Power Company, Cedar Rapids, and former assistant administrator for energy conservation and environment, Federal Energy Administration, Washington, D.C.
11:25 Introduction and remarks of dignitaries: Edward A. Trautz, IBAA president; Thomas H. Huston, superintendent of banking, Iowa Banking Department, and Robert D. Dixon, Iowa director of IBAA.
Noon Golf—Brooks Golf Course.
Ladies Luncheon—New Inn Lakeview Dining Room.
Davis County Mini-Singers, Bloomfield, Iowa.

Saturday, July 23

- A.M.
8:30 Second General Session—New Inn Convention Center.
Call to order—Gordon L. Mennen, vice president of IIB and president, LeMars Savings Bank.
"Banking, Government, and Loss of Freedom"—Dr. Lawrence E. Kreider, executive vice president and economist, Conference of State Bank Supervisors, Washington, D.C.
9:30 "Capital Alternatives for Small and Medium Size Banks"—Donald E. Holder, audit partner in Des Moines office, Peat, Marwick, Mitchell & Company, and Certified Public Accountant, Des Moines.

WE'LL SEE YOU AT LAKE OKOBOJI!



DICK BUENNEKE



HOMER JENSEN



JIM EICK

We think more than "lip service" should be paid the Independent Banking philosophy—that is why we do **your** kind of banking!

Let us visit with you about how you might benefit from this type of relationship when we see you at the 5th Annual Independent Bankers Convention, July 21, 22 and 23.

Your Independent Correspondent is Banking for a Brighter Future—**yours** as well as ours!

Banking for a brighter future.

CAPITAL CITY BANK
Des Moines, Iowa 50309





D. HOLDER

W. MEARS

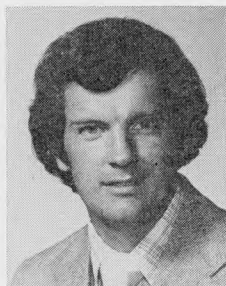
9:55 Coffee Break.
 10:10 "Jimmy Carter's Washington"—Walter Mears, chief political writer for the Associated Press and Pulitzer prize winner, Washington, D.C.
 Annual business meeting. Mr. Dunlap presiding.
 Report of the resolutions committee—Chairman Gordon L. Mennen.
 Report of the nominating committee—Chairman Keith W. Campbell, president, Citizens State Bank, Sheldon.
 Election of officers.
 Announcements and awards.
 Adjournment.

P.M.

6 Social hour—New Inn Beach.
 Barbeque—New Inn Beach.

Drake Named Officer Of Mason City Bank

J. L. Menges, president of the American State Bank, Mason City, has announced that Charles R. Drake has been named assistant vice president, instalment loans. He is a graduate of Iowa State University and for four years worked in operations as assistant cashier



C. DRAKE

at the University Bank and Trust Company in Ames. In 1975 he joined the First Federal State Bank in Des Moines as assistant vice president and assistant manager of the Clive Office. Recently he was in the instalment loan department and responsible for Master Charge.

Marcus Bank To Expand

The Farmers State Bank, Marcus, has announced the beginning of construction to enlarge its present building and construct additional office and storage space. The interior of the bank also will receive a complete renovation including new carpeting and wallpaper. C. C. Van Dyke is the bank's president.

Cedar Rapids Bank Elects Director

William H. Brenton, chairman of Brenton Bank and Trust Company of Cedar Rapids, has announced the election of Esther Kanealy to the bank's board. Mrs. Kanealy, a graduate of Northwestern University of Evanston, Ill., is a past chairman of the Linn County Cancer Society and has been a director of Mercy Hospital, the Junior League of Cedar Rapids, and

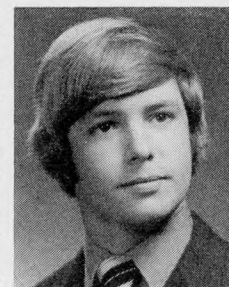
both the Linn County and Iowa Chapters of the Cancer Society. For four years, she has been a member of the board of Regency East Owners Association, in which condominiums she and her husband, Dr. John F. Kanealy live.

Retires at Union

Lyman R. Lunday, chairman of the Union-Whitten State Savings Bank, Union, recently resigned after 33 years of service. Newly elected chairman is H. E. Long of Clearwater, Fla., son of the bank's founder, the late Charles F. Long.

Joins Riverside Bank

David W. Goodale has joined the Peoples Trust and Savings Bank in Riverside as assistant cashier. He is a 1977 graduate of the University of Iowa, Iowa City, in marketing.



D. W. GOODALE

James W. Lipton

Funeral services were held recently for James W. Lipton, Sr., 89, a banker in the Ida Grove-Arthur community for the past 52 years. Mr. Lipton helped organize the Arthur Trust and Savings Bank in 1925. It was merged in 1961 with the Ida County State Bank, of which he was chairman at the time of his death.

Adel Banker Retires

The Dallas County State Bank, Adel, recently held a retirement party for Vera McGinnis, assistant cashier and customer representative. Ms. McGinnis will continue to work part-time as a teller and secretary from time to time.

She joined the bank in 1953. In 1956 she became a teller, in 1964 assistant cashier and in 1968 customer representative.

Attend IBAA Seminar



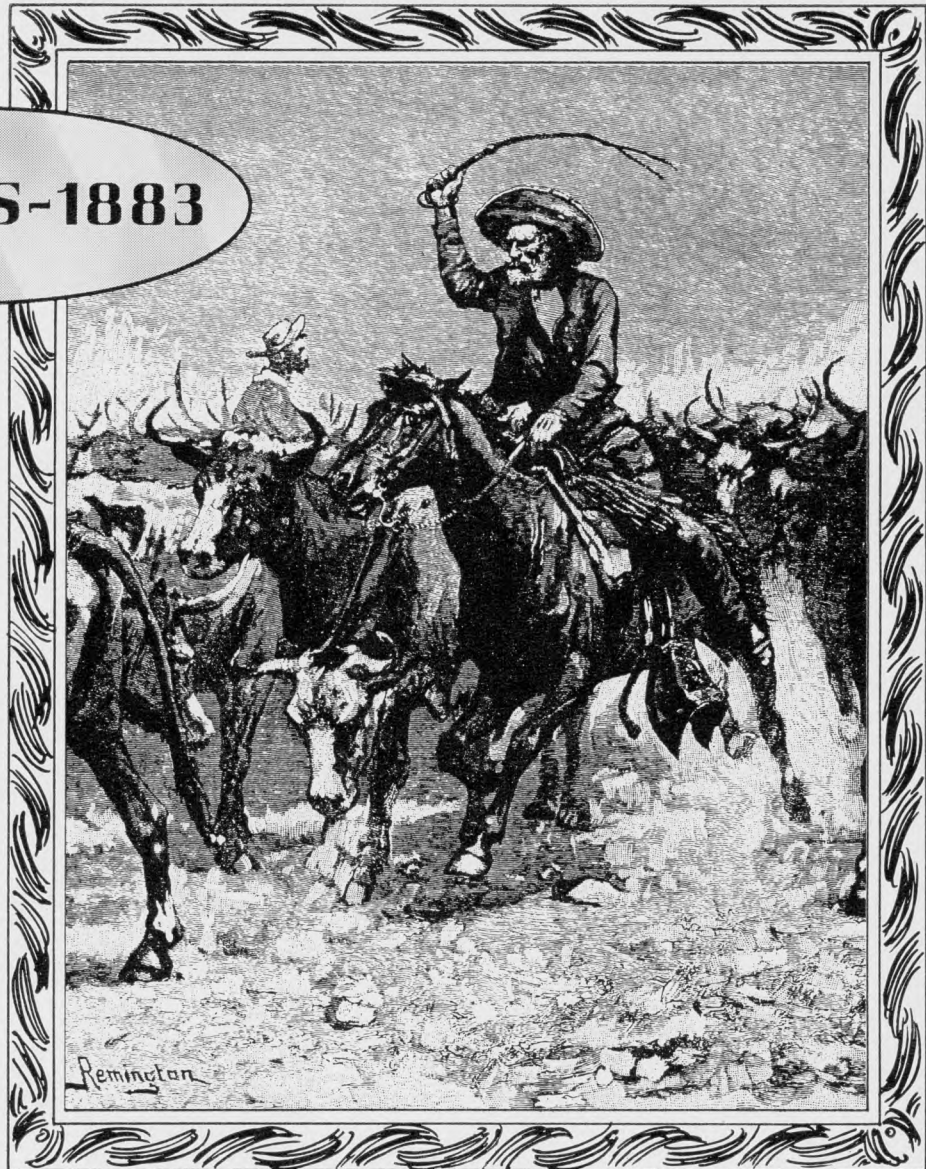
PARTICIPATING in the Senior Bank Officers Seminar of the Independent Bankers Association of America in Boston, Mass., are, from left, front row: **Robert J. Ralston**, pres., First Natl., West Union; **Frederick W. Hagemann**, e.v.p., State Bank of Waverly, and **Wendell D. Willer**, e.v.p., Decorah State Bank. Back row, from left: **G. Kenneth Edge**, pres., Graettinger State Bank; **Mickey E. Lewis**, e.v.p., Farmers Savings Bank, Fremont; **A. Russell Schmeiser**, 2nd v.p., First Natl., Iowa City, and **Allen L. Dayton**, chmn., Kelllogg Savings Bank in Iowa, Lincoln, Nebr.

State Bank of Ledyard To Have New Home

The State Bank of Ledyard has announced plans for the construction of a new bank building, scheduled for completion in October. The new facility will house two insurance offices, two large banking offices, lobby and book-keeping room with a new vault.

Ankeny and Wiederhot of Blue Earth, Minn., is general contractor.

DROVERS-1883

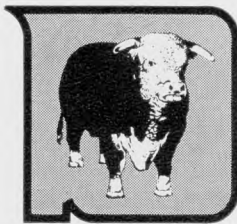


Worthwhile
endeavors
always
take
extra effort

Extra effort is the principal ingredient we put into every correspondent banking endeavor. Enterprise of this sort has characterized our service since the first days more than ninety years ago when cattlemen arriving in Chicago made The Drovers their headquarters bank. We pioneered in crediting their newly-earned cash to banks back home and thus built strong ties of trust and integrity with banks from the Midwest to the Rockies.

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.

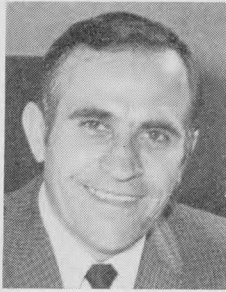
Won't you call to tell us how we can exert extra effort on your behalf?



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.

The Drovers National Bank of Chicago

47th & Ashland Ave. • Chicago, Illinois 60609 • Phone (312) 927-7000
 • Member Federal Deposit Insurance Corp. • Member Federal Reserve System
 • Member Chicago Clearing House Association



C. CEBUHAR



J. M. EARLEY



S. L. ALLISON



D. S. SMITH

Buy Controlling Interest In Cedar Rapids Bank

Controlling interest in United States Bank, Cedar Rapids, has been purchased by the three local bankers, Charles Cebuhar, J. Michael Earley and Steve L. Allison. They purchased the stock from the estate of the late L. J. Pochobradsky, Jr., former president of the bank, and other stockholders.

Charles Cebuhar was named chairman and president of the bank. He formerly was senior vice president and senior trust officer at Peoples Bank and Trust Company, Cedar Rapids, for 17 years.

Dwayne S. Smith was named executive vice president. Previously Mr. Smith was correspondent bank officer at the Iowa-Des Moines National Bank, Des Moines, for nearly 16 years.

J. Michael Earley, former trust officer at Peoples Bank and Trust Company for four years, was named senior vice president and trust officer. Stephen L. Allison was named senior vice president. He was vice president at Peoples Bank and Trust Company for 16 years.

In addition, the following five new directors were elected: Fred J. Gibson, president of Fred J. Gibson, Inc., Realtors; Roger Welty, president of Welty Way Products, Inc.; Leo Plotz, chairman of Paulson Electric Co., Inc.; Vivian Trickey, vice president of Mays City Lanes, Inc.; and Herald Smith, Jr., president of Cedar Rapids Steel Transportation, Inc.

Hawkeye To Acquire Sioux City Bank

Dale Hilton, president of Morningside State Bank, Sioux City, and Paul Dunlap, president of Hawkeye Bancorporation, headquartered in Des Moines, have announced an agreement for the purchase of a major interest in Morningside State Bank by Hawkeye Bancorporation. The Sioux City bank has total assets of \$16 million.

Details of the agreement were not released. Acquisition is subject to Federal Reserve and other regulatory approvals.

William P. Norris is the new chairman and chief executive officer of Morningside State Bank. Mr. Hilton remains as president. Mr. Norris has

been with Hawkeye Bancorporation for five years, most recently as president and chairman of Houghton State Bank, Red Oak. He has 34 years of banking and business experience.

Hawkeye now has 16 member banks. An application is pending with the Federal Reserve Board for approval of the acquisition of Commercial State Bank, Marshalltown.

Sioux City Banker Wins Advertising Award

Leslie H. Olson, president of The Toy National Bank of Sioux City, recently was presented an award for acting "like a regular guy" in the bank's television advertising.

Mr. Olson's 30-second television commercial, in which he appealed to children to bring their parents to the




LES OLSON, pres., Toy Natl. Bank, Sioux City, offers free Tootsie Pops to children in his award-winning television commercial asking kids to get their parents to switch to the Toy Bank.

Toy Bank and receive a free Tootsie Pop, was judged the best single tv commercial with production budget over \$500 in Sioux City Advertising Club's recent Knobby Awards Competition. The 76 entries in the television categories were judged by the Advertising Club of Kansas City, Mo.

The commercial was produced and directed by The Toy Bank's advertising agency, Bass-Magnuson Advertising.

Joins Royal Bank

David L. Jacobsen has joined the Home State Bank and Home Services Inc., of Royal in an officer training capacity. He is a 1977 graduate of the University of Iowa, Iowa City. He is a licensed real estate broker and insurance agent and will be working for the insurance and real estate department, Home services, and for the bank.



DON'T FORGET US AT
U.S. CHECKBOOK CO.

for ALL your Bank Supplies

- Bank Printing
- Checks
- Computer Supplies
- Office Needs

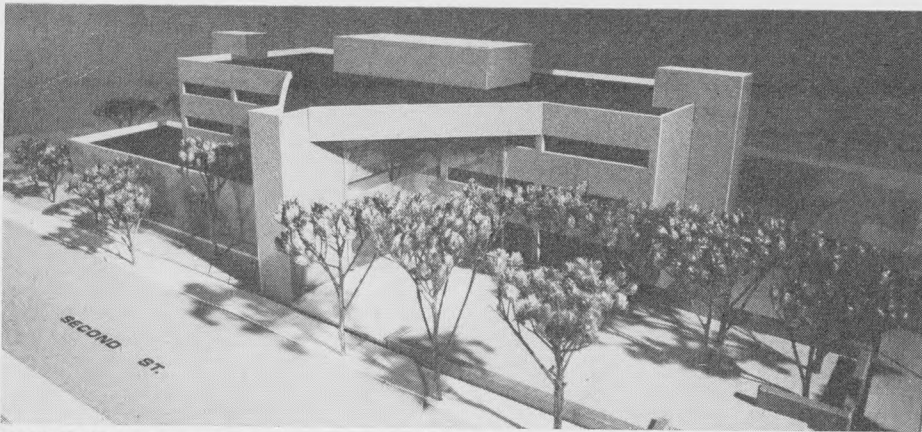
The "WORKS" you need
to RUN your bank

We have
Plenty of "TIME"
for you!

AND IT WON'T BE LONG UNTIL
OUR SALESMAN WILL BE AROUND!

United States Check Book Company

1201 SOUTH 16TH STREET - OMAHA, NEBRASKA 68108
In Nebraska Call 402-345-3162 Out of State Call Wats Line 1-800-228-9246



PICTURED is the model of the new building for the First National Bank of Muscatine, now under construction.

First of Muscatine To Have New Building

GROUNDBREAKING ceremonies were held recently for First National Bank's new 50,000 square foot, three-story bank and office building at Second Street between Cedar and Walnut Streets in Muscatine, according to George A. Shepley, president.

The three-story high main entrance lobby with balconies at the upper two floors will face downtown Muscatine. The main banking floor will feature a wide view of the Mississippi River and a circular teller area with wood ceiling. An automatic computerized teller and night depository facility will be located inside the main entrance. Parking below will be provided with an elevator lobby at that level.

The existing facility will remain in operation until the new bank opens in the fall of 1978.

Architectural and engineering design services for the new building will be provided by Stanley Consultants, Inc. Priester Construction Company, Davenport, is contractor.

Increases Capital

The following changes have taken place within capital accounts of Iowa chartered banks:

Chelsea Savings Bank, Belle Plaine, common stock dividend by transfer of \$100,000 from surplus to common capital. Capital now totals \$500,000.

Cherokee State Bank, common stock dividend by transfer of \$460,000 from undivided profits to common capital. Capital now totals \$1 million.

Dubuque Bank & Trust Co., common stock dividend by transfer of \$750,000 from surplus to common capital. Capital now totals \$3 million.

Griswold State Bank sold 300 authorized by unissued common shares for \$750 per share totaling \$225,000. Distribution of sale proceeds as follows: common capital — \$30,000; surplus — \$120,000, undivided profits — \$75,000. Capital now totals \$120,000.

South Ottumwa Savings Bank, common stock dividend by transfer of \$400,000 from undivided profits to common capital. Capital now totals \$800,000.

Panora State Bank, common stock dividend by transfer of \$100,000 from undivided profits to common capital. Capital now totals \$150,000.

Valley State Bank, Rock Valley,

common stock dividend by transfer of \$200,000 from reserve for contingency to common capital. Capital now totals \$400,000.

State Bank of Vinton, common stock dividend by transfer of \$260,000 from undivided profits to common capital. Capital now totals \$520,000.

IACHA Elects Officers

New officers for 1977-78 were elected last month by members of the Iowa Automated Clearing House Association. They are:

President — Raymond G. Johnston, president and chief executive officer, Central National Bank & Trust Company, Des Moines.

Vice President — John M. Sagers, president, Peoples Bank & Trust Company, Cedar Rapids.

Treasurer — Robert W. Lemon, senior vice president and cashier, Bankers Trust Company, Des Moines (reelected).

Secretary — Larry L. Retherford, vice president in charge of operations, Central National Bank & Trust Company, Des Moines (reelected).

IACHA has 621 member banks for 100% membership in the 93 counties belonging to its service area. Six southwestern Iowa counties belong to MACHA in Kansas City. IACHA is the only statewide ACH in the nation with 100% membership.

MR. BANKER: WHAT CAN WE DO FOR YOU?

- Provide **you** with bank layouts (no obligation)
- Give **you** estimates with guaranteed cost
- Furnish **you** with blueprints & specifications
- Get **you** competitive bids for lower costs
- Supervise **your** construction project
- Do **your** interior design & color coordination
- Supply **you** with bank fixtures & equipment
- Guarantee **you** will be a satisfied customer

ALL YOU DO IS GIVE US A CALL:

EARL F. KOOKER & ASSOCIATES
BANK DESIGN CONSULTANTS
BOX 87 • SPENCER, IA 51301 • PH 1-712-262-1499



Des Moines News

WITH his retirement on June 1 as vice president in the correspondent bank department at Central National Bank Trust Company, **Russell G. Plager**, concluded a 43-year career in agriculture and finance. After serving 35 years with various ag firms in the midwest,



R. G. PLAGER

Mr. Plager joined Central National in 1969. His varied experience in a broad range of marketing and managerial positions with these companies equipped him with unique qualifications to serve community banks and their ag customers in the farm belt.

A native of Grundy Center, Ia., Mr. Plager was graduated from Iowa State University in June, 1934, with a BS degree in agriculture and a minor in economics. His outstanding academic career was climaxed with the presidency of his senior class and membership in the senior honorary. His first job was as a cattle buyer with Swift and Company in Sioux City, where he was also involved in beef sales as well as conducting meat cutting demonstrations and lectures.

Three years later he joined the National Live Stock and Meat Board in Chicago, serving there from 1937 to 1942. For the next 20 years he was employed by John Morrell & Company, the first three years at Sioux Falls and from 1945 to 1962 in Ottumwa, Ia., where he became manager of the ag service department. This involved a variety of tasks ranging from innovation of new ideas to the initiation of resulting projects.

During his years with John Morrell

& Co., Mr. Plager worked extensively with livestock associations, 4-H clubs, Future Farmers of America, the ag extension service, state department of agriculture, bankers, veterinarians, and individuals.

During this period, when he had broad responsibilities in marketing, he published numerous ag and livestock articles, was a sought after speaker, sponsored livestock shows to improve the quality of livestock, assisted in establishing 15 livestock marketing points, developed live hog and carcass grades, and proposed projects to attract college trained personnel to seek employment with the company. He was also a director of a Morrell subsidiary, Foxbilt Feeds.

From 1962 to 1969 he was sales manager of Interstate Producers Livestock Association in Des Moines, a farm cooperative engaged in livestock marketing. Later, he was in charge of marketing from 1967 to 1969 for Squealer Feed Co. in Des Moines before joining Central National that year.

Included in his many honors is his designation by Iowa State University and the Swine Producers Association as "Honorary Master Swine Producer" and his selection as an Honorary Life Member in the 4-H clubs.

Russ and Clarice Plager will continue making their home in Des Moines. He has contracted to serve as a leader/host of an Iowa Bankers People to People tour of Europe and the Soviet Union in the early summer of 1978.

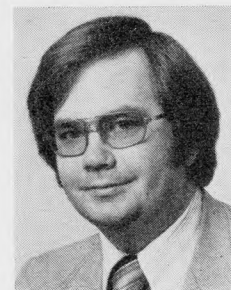
* * *

Larry Wenzl, president of First Federal State Bank, has announced the following promotion and staff changes. **Bob Paton**, assistant cashier and formerly assistant manager at the

River Hills Office, is now manager. **John Halma**, who recently was graduated from Central College at Pella, has been assigned to the River Hills Office as assistant manager. **Dan Sampson**, assistant vice president and former River Hills manager, has been assigned to the instalment loan department in the main bank and will assist **Ron Anderson**, vice president in charge of the instalment loan department, by taking supervision of loan collection and all credit card activities.

* * *

Andy Friedmeyer recently was elected correspondent systems officer of Capital City State Bank. Mr. Friedmeyer joined the bank as a part-time proof operator in 1971 and also has worked in the computer programming department and has been the programmer supervisor. He has worked extensively with the correspondent banks in the data processing area and will continue in this capacity.



A. FRIEDMEYER

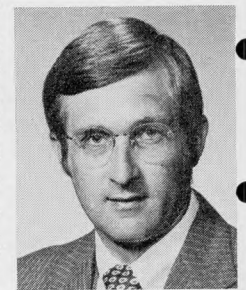
He has worked extensively with the correspondent banks in the data processing area and will continue in this capacity.

* * *

David L. Miller, president of the West Des Moines State Bank, has announced the election of **Phyllis Brown** to assistant vice president. Mrs. Brown has been affiliated with West Bank since August 1965.

* * *

John R. Fitzgibbon, chairman, president and chief executive officer of the Iowa-Des Moines National Bank, has announced that **H. Lynn Horak** has joined the correspondent banking department as a correspondent banking officer.



H. L. HORAK

Mr. Horak joined the bank in June of 1972 as a management trainee. Following the training program, he was assigned to the loan service department where he served as loan services representative and loan accounting manager. In 1974 he was elected personal banking officer and assigned

Hook your line to ours and get all the following services.

The Big "C" data center can save your bank a lot of work and time. At very competitive prices, too.

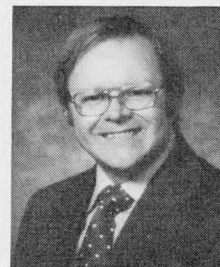
We provide full on-line services to your bank, including: teller transactions, CBCT transactions, ATM transactions, balance inquiry, file maintenance, new accounts, direct deposit, stop payments, holds, and proof of deposit.

Want to know more? Call Eddie Wolf or Claude Dawson on our toll FREE Wats line.

800-362-1615



Eddie Wolf
Vice President



Claude Dawson
Computer Services Officer

We want to be your correspondent bank.

“C”

Central National Bank & Trust Company

DES MOINES/WEST DES MOINES

 AFFILIATED WITH CENTRAL NATIONAL BANCSHARES, INC.



W. W. DAVIS G. E. LOVERINK



T. L. QUINLIN M. H. GUSTIN

to the Douglas Office, and in 1975 he was named managing officer of that office. He is a 1972 graduate of the University of Northern Iowa, Cedar Falls.

Other promotions announced include: **William W. Davis**, senior personal banking officer and assistant manager of retail banking; **Gene E. Loverink**, operations officer, retail banking; **Thomas L. Quinlin**, operations officer and manager of customer service, and **Maureen H. Gustin**, operations officer and manager of special services.

Mr. Davis joined the bank in 1972 from the Merchants National Bank in Cedar Rapids. He is a graduate of Coe College. Mr. Loverink joined the bank in 1973 after seven years with Brenton banks. He formerly was operations officer and manager of customer service. Mr. Loverink is a graduate of Central College, Pella.

Mr. Quinlin has been with the bank since 1969 and most recently was manager of special services. He is a graduate of the University of Omaha. Mrs. Gustin, a 1972 graduate of Wheeling College in West Virginia, joined the bank in 1974 as a management trainee. She also has worked for the National City Bank in Marion, Ohio, as a cost analyst. She most recently has been supervisor of the systems input department.

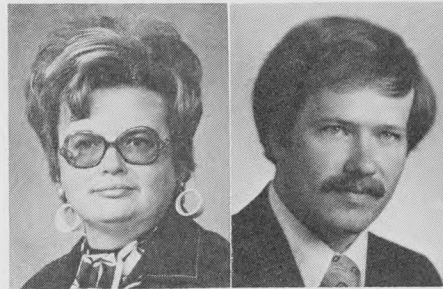
* * *

Paul Dunlap, president of Hawkeye Bancorporation, Des Moines, has been elected to a three-year term on the board of The Association of Regis-

tered Bank Holding Companies. The group's membership includes 163 registered bank holding companies, representing over 50% of total U.S. bank deposits.

Sioux City Bank Promotes 2

Security National Bank of Sioux City has announced the promotions of Carol Schoening to trust administration officer and Roger Schnell to trust officer.



C. SCHOENING R. SCHNELL

Ms. Schoening has been with the bank since 1958. She attended the Basic Trust School in Lincoln, Nebr. Mr. Schnell joined the bank's trust department in 1972 after graduating from Westmar College where he majored in administration and economics. He is working toward an MBA at the University of South Dakota in Vermillion.

Cedar Rapids Men Named Certified Commercial Lenders

John E. Mangold, senior vice president, and Gene A. Schmidt, vice president, of The Merchants National Bank, Cedar Rapids, were two of more than 215 bankers from across the nation who were recently recognized by the American Bankers Association as Certified Commercial Lenders (CCL's).

The CCL program, which is sponsored by the ABA's commercial lending division, is designed to raise the professional standards and improve the commercial lending function within the commercial banking system by giving special recognition to those commercial lenders who fulfill prescribed standards of performance and have demonstrated a high level of knowledge and experience in their field.



J. E. MANGOLD G. A. SCHMIDT



Goldfield State Begins Construction

Construction has begun on an 8,208 square foot building for Goldfield State Bank, to be located south across the street from the bank's present building, according to R. Scott Whyte, executive vice president.

The new facility will include a main floor and basement. Features will be four private offices on the first floor, drive-up window, night depository, expanded safety deposit box area and cash vault, customer coupon booth,

bookkeeping and teller line with built-in work areas and a large lobby and waiting area.

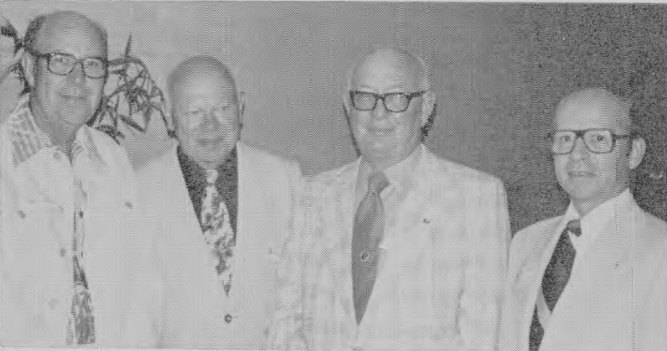
The basement will contain a large community room, employees' lounge and kitchenette, directors' room, rest rooms, storage areas and mechanical room. The outside walls of the building will be brick with the roof line decorated with a metal mansard.

Construction is scheduled for completion in October of this year.

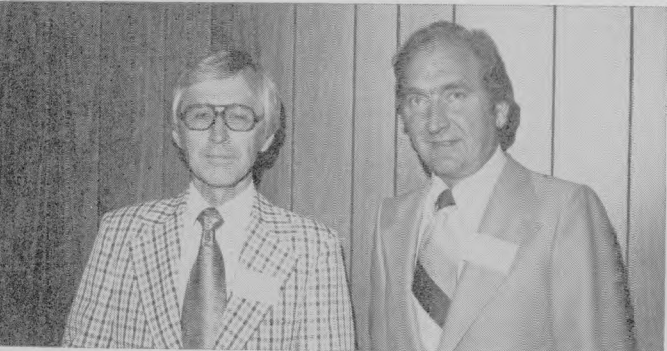
Iowa Group Meeting Photos



NEW OFFICERS — Gr. 5 Chmn. **Ron Sealock**, exec. v.p., Council Bluffs Sav. Bk., and Secy. **Richard Randall**, pres., Dunlap Sav. Bk. RIGHT — Gr. 3 Secy. **O. Jay Tomson**, pres., Citizens Nat'l. Bk., Charles City, and Chmn. **Glen Emmons**, exec. v.p., Northwood St. Bk.



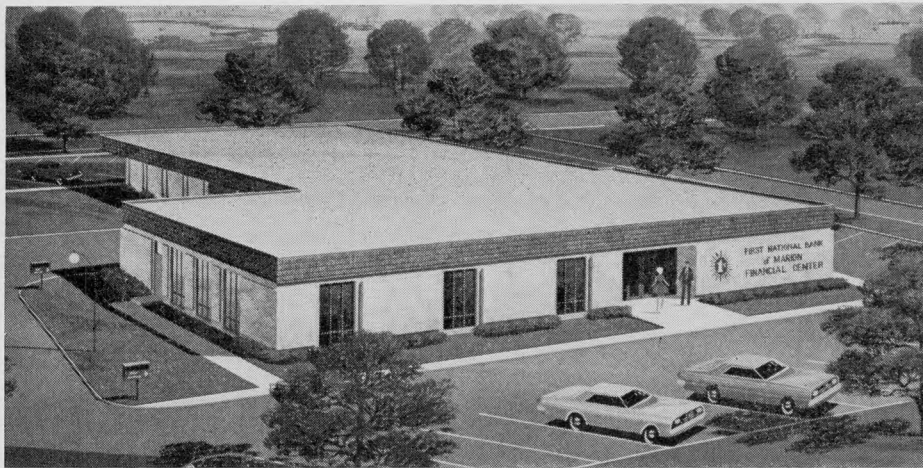
NEW HAIR STYLES are discussed during Gr. 6 meeting by **Homer Jensen**, e.v.p., Capital City St. Bk., Des Moines; **G. M. Barnett, Jr.**, pres., Guthrie Co. St. Bk., Guthrie Center; **Joe Knock**, pres., Iowa St. Sav. Bk., Creston, and Supt. of Bk. **Tom Huston**. RIGHT — **Don Heineking**, outgoing chmn. of Gr. 3 and **Wally Hilgenberg**, speaker at Gr. 3. Don planned the Gr. 3 program, and Wally is best-known for his role as a Minnesota Viking football star.



GR. 12 — Continuing as officers of Gr. 12 are Chmn. **Max Kiernan**, pres., Alton Sav. Bk., and **M. J. Dick Kuehl**, pres., Sec. St. Bk., Lake Park. RIGHT — **Dave McNichols**, educ. dir., IBA; **Bill Greaves**, v.p., Central Nat'l. Bk., Des Moines; **Bud Cross**, a.v.p., First Nat'l. Bk., Chicago, and **Jim Hill**, v.p., Harris Bk., Chicago.



LEFT — Shown at Gr. 12 are bankers' wives **Mrs. Al (Delores) Maser**, Lakes Nat'l. Bk., Arnolds Park; **Mrs. Bob (Babette) Brenton**, wife of IBA pres., and **Mrs. Leo (Shirley) Carlson**, First Nat'l. Bk., Sibley. RIGHT — Gr. 12 also finds **George Shadie**, pres., Iowa Tr. & Sav. Bk., Estherville; **John Spies**, pres., Iowa Tr. & Sav. Bk., Emmetsburg, and **Bob Wahlgren**, 2nd v.p., Continental Bk., Chicago.



PICTURED is the new Marion Financial Center now under construction.

Construction Begins on First of Marion

THE First National Bank of Marion has begun construction of its new Marion Financial Center on property bounded by Seventh Avenue, Third Street and Eighth Avenue. The building will adjoin the existing First National Motor Bank on Seventh Avenue, according to Phil Morris, president.

The center was designed by Larson and Unzeitig, Inc. of Cedar Rapids. Completion date is scheduled for the spring of 1978.

The building will feature 12,000 square feet on two levels. Construction includes buff colored modular face brick and a ribbon fascade of sculptured bronze-anodized aluminum to harmonize with the existing Motor Bank. According to Mr. Morris, the main level will include executive offices and the farm, commercial loan, instalment loan and trust departments.

As of last month, 18 of the 26 operating ACHs in the nation have admitted thrifts to full membership, giving credit unions and savings and loans one seat each on their respective ACH boards.

The United States Justice Department some time ago filed actions against the ACHs in California and Colorado in a move to force those clearing houses to admit thrifts to the bank clearing house systems. California last month said it would now admit the thrifts to membership and it was reported that Colorado would follow suit.

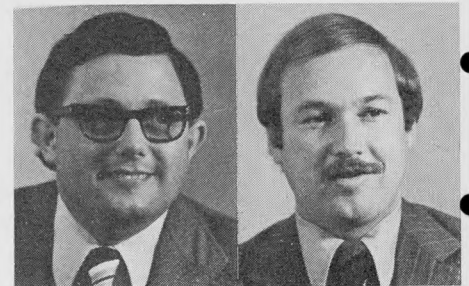
Nationwide, the 25 operating ACHs, all of which belong to the National Automated Clearing House Association, have been operating basically a crediting program. However, a pilot program is underway at this time and scheduled to conclude in Decem-

ber for introduction of debits into the ACH stream. It was reported by NACHA last month that the pilot program had handled thousands of debit items under the pilot program and as of the June reporting date, only 12 items in the entire nationwide system had been returned for one reason or another. All other debit items were processed in routine fashion.

Mason City Bank Names Two Officers

Richard W. Siegmund is the new auditor at United Home Bank & Trust Co., Mason City. Larry W. Lee is the new instalment loan officer.

Mr. Siegmund, a graduate of the University of Nebraska at Omaha, had been auditor at the First National Bank of Fort Dodge for the last three



R. W. SIEGMUND

L. W. LEE

and a half years. He is originally from Omaha, Nebr., where he was with the First National Bank for five years.

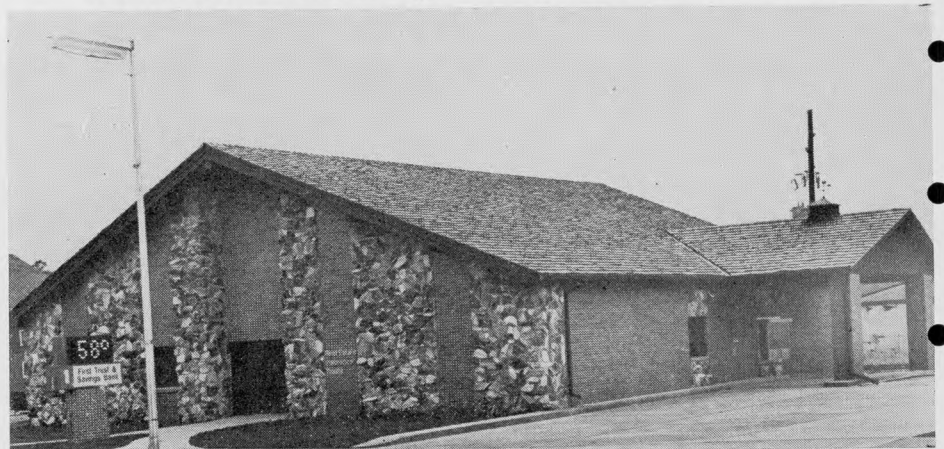
Mr. Lee, who attended Missouri State College at Kirksville, was manager of the Mason City branch of Peoples Finance Co. from 1969-April, 1976, and for two years was assistant manager of the Ottumwa office of Peoples Finance.

IACHA May Admit Thrifts To System Membership

Officials of the Iowa Automated Clearing House Association, headquartered in Des Moines, stated last month that the IACHA board has been considering for some time the matter of admitting savings and loan associations and credit unions to regular membership in the electronic fund clearing house. The IACHA board met again during June and was believed to be favorably considering the proposal.

Representatives of Iowa credit unions have formally discussed the plan with IACHA officials. An informal query was made by a savings and loan association official, but no formal request for membership had been made by mid-month.

Anthon Bank Opens in New Building



PICTURED is the new home of the First Trust and Savings Bank, Anthon. About 1,590 people attended a recent open house held by the bank, according to Walter Sterrett, Jr., president. Structural Designs, Inc., of Holstein was the builder.

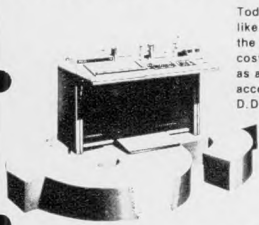
For more information, use the postage free convenience card.

Bankers Marketplace

Northwestern Banker • 306 15th Street • Des Moines, Iowa 50309 • 515/244-8163

Saves Dollars Makes Sense

The Philips P300 Small Office Computer



Today, every nickel has to work like a dollar. Which is why we built the P300. Costs less to acquire; costs less to operate. It's delivered as a complete in-house electronic accounting system that does your D.D.A., savings, time certificates, and payroll more efficiently. The P300 will help reduce your operating costs and make your business more profitable.

PHILIPS

Want to cut accounting costs? Call an expert—your Philips Man.

DATA BUSINESS EQUIPMENT, INC.

OFFICES:

1228-2nd Ave., Des Moines, Iowa 50314
[515] 288-3000

625-1st Ave. S.W., Cedar Rapids, Iowa 52401
[319] 366-6000

Unhappy With Your Service Contracts?

Look us over, we have contracts available that include parts and labor.

GBES

**GENERAL BANK EQUIPMENT
& SYSTEMS, INC.**

9413 - I Street P. O. Box 27512
Omaha, NE 68127 (402) 331-1313

FOR SALE

OR

LEASE



Available for immediate delivery. Instant modular drive-in teller units. Ideal for expansion or to establish a remote drive-in. Prebuilt ready to install on your site—requires only electrical hook-up. Includes all equipment needed—electric heat and air conditioned, conduit for alarm and phone. Write for brochure of other sizes and models available, up to full branch buildings.

FINANCIAL PRODUCTS, INC.

P. O. Box 1035
Eau Claire, Wisconsin 54701
Phone: 715/835-8160

PERMA-STAMP.

HAND STAMP

THE INK'S
IN THE STAMP!

NO INK PAD!

NO RE-INKING!

25,000
IMPRESSIONS!

Can't leak, can't dry out. Stamps crisp and clean every time. Can be made any size. Purple, red or black ink.



DES MOINES STAMP MFG. COMPANY

Manufacturers of Marking Products Since 1880

851 SIXTH AVE. • BOX 1798 • DES MOINES, IOWA 50306
PHONE (515) 288-7245

ALTRON

810 East Crabtree
Arlington Hts., Ill. 60004
(312) 398-0633

GUIDE YOUR CUSTOMERS TO THE
FASTEST SERVICE AVAILABLE WITH

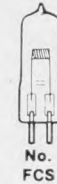
OPEN

CLOSED

**HIGH INTENSITY
DRIVE-IN SIGNS**

Stainless steel or statuary bronze finish.
Easily installed and maintained. Immediate
delivery. Satisfaction Guaranteed!

Norelco Microfilm Lamps NO. FCS



LOTS	6-24	\$3.75
OF:	24-48	3.60
	48-72	3.50
	72-96	3.35
	120-UP	3.25

We prepay any shipment over \$100.00 net. Minimum order, \$25.00 net. Write for special prices on other lamps. Your satisfaction guaranteed. Please save for future reference.

Sitler's SUPPLIES, INC.

P. O. Box 10-Z 702 E. Washington St.
Washington, Iowa 52353
Ph. 319-653-2123

FOR SALE

Five NCR 42-30 window posting machines. Best offer. Contact: David Threlkeld, Clinton Federal Savings & Loan Association, Clinton, IA 52732. Phone (319) 243-1512.

BANKER'S EQUIPMENT SERVICE

Banking Machine Dealers and Consultants

11561 12TH AVENUE SOUTH
BURNSVILLE, MN 55337 (612) 890-6661

Reconditioned like new bank equipment — since 1937.

Complete line of bank machines

Burroughs:

Teller Machines
Adding Machines
Magnetic Ink Encoders
Check Protectors

Brandt Cashiers
Paper Shredders

A complete line of coin handling equipment.

all year

Is The Time
To Promote
IRA and KEOGH

Send today for samples and prices on our multi-color brochures on IRA and Keogh. Used successfully by community banks throughout the Upper Midwest.

Northwestern Banker

306 15th Street
Des Moines, Iowa 50309



Modern Technology?

An ominous rumble from the rear of the car in which a new member of a car pool was riding to work one morning made the man wonder if they'd make it. Just as he was about to mention it, the driver pulled into a filling station. Instead of telling the attendant about the noise, he nonchalantly ordered him to "fill it up." As they drove away, the passenger noticed that the rumble had completely disappeared. Mystified, he asked the driver how a full tank of gas could eliminate the noise.

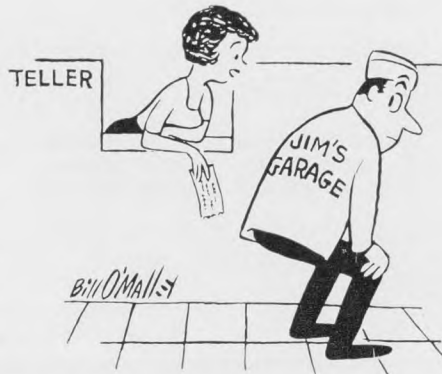
"Oh, there's nothing wrong with my car," replied the owner. "My four-year-old stuffed a golf ball into the gas tank, and when the ball starts to rattle around I know it's time to fill the tank again."

Thrifty Employee

The owner of a company offered \$25 for employees' money-saving ideas. First prize went to the man who suggested the amount be cut to \$10.

Shoe Shopping

Shoe store manager to customer: "Yes, sir, we have a fine selection of loafers, I'll see if I can get one of them to wait on you."



"I'm sorry, sir, but 'Jim's Garage' is not sufficient identification."

Successful Marriage

A reporter was interviewing an old gentleman who was celebrating his 100th birthday: "To what do you attribute your long life and good health?"

"Well," said the old timer, "when my wife and I were married 80 years ago, we made an agreement that every time we argued and she started fussin' at me, I'd put my hat on and go outdoors for a walk until she calmed down."

"But what's that got to do with your good health?"

"Well, sir, I've spent most of my life in the open air."

Be Counted

A preacher had succeeded in putting an elderly man to sleep with his sermon. Preaching for a decision, in the midst of his sermon, he shouted, "Those of you who want to go to hell, STAND UP!"

The old man heard the "stand up" and did so. He looked around, paused with a puzzled look on his face and said, "Preacher, I don't know what we're voting on, but it looks like you and I are the only ones for it."

Endorsing a Check

A young lady walked into a bank and addressed the paying teller: "I want to have this check cashed."

"Yes, maam," replied the teller. "Please endorse it."

"Why, my husband sent it to me. He is away on business."

"Yes, maam, but just endorse it. Sign your name on the back and your husband will know we paid it to you."

She went to the desk and a few minutes later returned to the window with the check endorsed: "Your loving wife, Edith."

We're Even

Doctor: "Your check came back."
Patient: "That makes us even; so did my arthritis."

INDEX OF ADVERTISERS

JULY, 1977

A	
Acorn Printing Company	10
Actron, Inc.	97
Aetna Business Credit	7
American Express Company,	
Travelers Cheques	12, 13
American National Bank, Chicago	54
American National Bank, St. Paul	41
Astor Tower Hotel	33
B	
Banco Financial	36
Bank Building Corporation	24
Bankers Trust Company	82
C	
Capital City State Bank, Des Moines	87
Central National Bank, Des Moines	93

Christmas Club	22
Clinton Federal Savings & Loan Association	97
Collateral Control Corporation (NYTCO)	50, 51
Continental Bank, Chicago	11
D	
Daktronics	8
Data Business Equipment	97
DeLuxe Check Printers	3
Des Moines Stamp Mfg.	97
Drovers National Bank	89
F	
Financial Products Inc.	97
First Mid America	14
First National Lincoln	79
First National Bank, Minneapolis	46, 47
First National Bank, Omaha	77
First National Bank, St. Paul	39
G	
General Bank Equipment & Systems, Inc.	97
Gross, Kirk Company	84
H	
Harris Trust & Savings Bank	21
I	
Illinois Bank Building Corp.	26
Iowa-Des Moines National Bank	100
K	
Kooker, E. F. Associates	91

L	
Lawrence Systems	18, 22
LeaseAmerica	90
M	
Manufacturers Hanover Trust	15
Merchants National Bank	43
Midland National Bank, Minneapolis	43
Mortgage Guaranty Insurance Corporation	9, 16, 17
N	
National Bank of Commerce	81
National Boulevard Bank of Chicago	35
Northwestern Bell Telephone Company	19
O	
Omaha National Bank	4, 11
S	
St. Paul Hospital & Casualty	10
Security National Bank, Sioux City	85
Sitler's Supplies, Inc.	97
U	
United Bank of Denver	65
United Guaranty Corporation	99
United Missouri Bank of Kansas City	21
United States Check Book Company	72, 90
United States National Bank, Omaha	74
V	
Van Wagenen, G. D. Company	53

For Your Convenience

Bankers Marketplace

'the guide to area suppliers

FIRST
CLASS
Permit No. 73
DES MOINES
IOWA

BUSINESS REPLY MAIL

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

NORTHWESTERN
Bankers

306 FIFTEENTH STREET
DES MOINES, IOWA 50309



Bankers Marketplace

circle the number



**Convenience
Card**

NORTHWESTERN BANKER

06 7th St. Des Moines, IA 50309
Federal Reserve Bank of St. Louis

Convenience Card for

July

Bankers Marketplace

Please send me more information at
no cost or obligation.

Name _____

Title _____

Bank _____

Address _____

City _____ State _____ Zip _____

Phone _____

Circle the number

1 2 3 4 5 6 7 8 9 10 11

12 13 14 15 16 17 18 19 20

21 22 23 24 25 26 27 28 29



“I still say we’ll find a United Guaranty rep”

They’re everywhere. (Well, almost.) Which can be important when you need fast service, relevant information and personal assistance in mortgage insurance. It’s another reason we’ve now more than \$6 billion of insurance in force. Find out for yourself. We’re as close as your telephone.

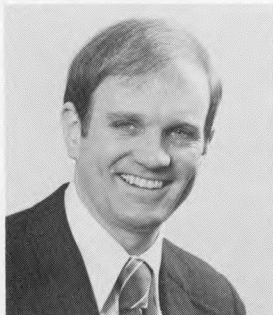
United Guaranty
THE MORTGAGE INSURER

United Guaranty Corporation, 826 N. Elm, Box 21567, Greensboro, NC 27420 • (919) 373-0863

Contact: United Guaranty Residential Insurance Company • P.O. Box 778, Bettendorf, Iowa 52722
In Iowa, call (800) 292-0047. In States bordering Iowa, call (800) 553-8976

United Guaranty Residential Insurance Company • 421 S.W. 6th Avenue, Suite 900, Portland, Oregon 97204
In Washington and Idaho, call (800) 547-1064. In Oregon, call (800) 452-7697

Now we're giving you even more help for your money.



George Milligan



Lynn Horak



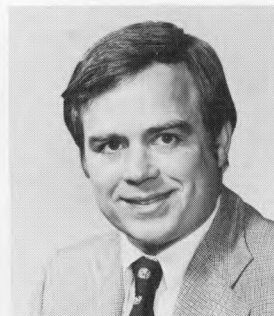
Dorothea Wolfe



Bob Buelleke



Voldy Vanags



Lance Davenport



Bernie Kersey

With the Iowa-Des Moines as your correspondent bank, you have access to a concept of total service that makes your bank more competitive in your market area.

For example, the Iowa-Des Moines is a BankCard Center, processing both Master Charge and BankAmericard/VISA. This gives you duality; under this system, your merchant customers can co-mingle charge slips from both cards—one deposit does it all, and that makes things a whole lot easier.

When you come to us, you get one-stop correspondent banking service—from people who know their business and yours. That means you're going to get a lot of help for your money.

IOWA- Des Moines

NATIONAL BANK

You can get a lot of help for your money.

7th & Walnut, Des Moines, Iowa 50304

(515) 245-3131