

# NORTHWESTERN Banker

SEPTEMBER  
1978



- 92ND ANNUAL IOWA CONVENTION
- Annual livestock survey
- Automatic transfer accounts









# You're Invited...

Again this year, we're holding our traditional Kolache Party after the Convention Theater Party. We'll be serving coffee and kolaches at the Hilton Coliseum, right next door to the C. Y. Stephens Auditorium in Ames. We are looking forward to seeing you as our guest again this year on Tuesday evening, September 26th.

**Merchants National Bank** 

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# NORTHWESTERN Banker

SEPTEMBER 1978 • 85th Year No. 1380



OLDEST FINANCIAL JOURNAL SERVING THE CENTRAL AND WESTERN STATES  
MEMBER OF AUDIT BUREAU OF CIRCULATION • MEMBER BANK MARKETING ASSOCIATION



## ON THE COVER

Western artist Joe Abbrescia captures the essence of daily ranch work in his oil painting, "Headin Home," presented here through the courtesy of the studio exhibitor, Images of the Old West.

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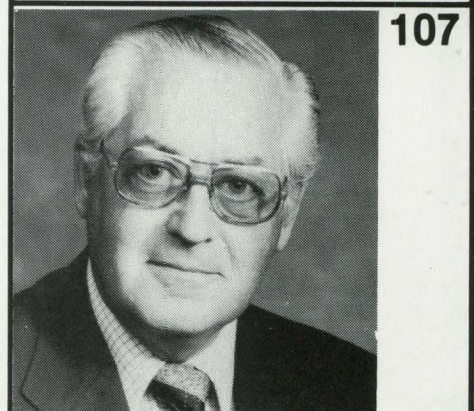
## SPECIAL SECTION

### 107 92nd Iowa convention

IBA President Christy Armstrong will preside at annual convention

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## NORTHWESTERN BANKER

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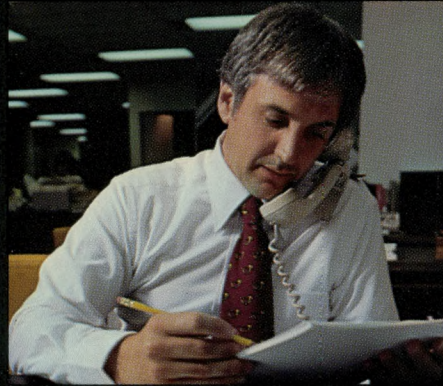
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No. 1380 Northwestern Banker is published monthly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscription \$1.00 per copy, \$12 per year. Second class postage paid at Des Moines and at additional mailing office. Address all mail (subscriptions, change of address Form 3579, manuscripts, mail items) to above address.



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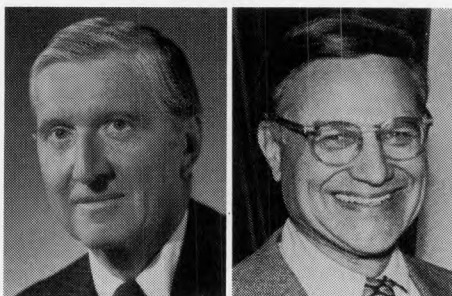
## ABA Correspondent Banking Conference Slated for Chicago, September 24-26

**D**IVERSE banking interests will share the spotlight when leading spokesmen, including Rep. Henry S. Reuss (D-Wisc.), chairman of the House Committee on Banking, Finance and Urban Affairs, and John H. Perkins, president of Continental Illinois Bank and Trust Co., Chicago, address bankers attending the 1978 National Correspondent Banking Conference.

Sponsored by the correspondent banking division of the American Bankers Association, the conference will be held at the Continental Plaza Hotel, Chicago, September 24-26.

Rep. Reuss, who earlier this year told bankers, "It's time we buried the hatchet and pooled our resources," will be the keynote speaker for the opening general session on Monday. He will be introduced by ABA President-Elect John Perkins.

Theme for the conference is "Encounter: Expertise Meets Opportunity." In his opening address, R. Molitor Ford, conference chairman and senior vice president of First



J. H. PERKINS

H. REUSS

Tennessee Bank of Memphis, will identify the theme as it relates to the conference program.

The Monday program also will feature a panel discussion entitled "Competing in a Changing Market." Alan Munro, executive vice president of Greenwich Research Associates, Greenwich, Conn., will moderate the panel. Panelists include: Roderick M. MacDougall, chairman, New England Merchants National Bank, Boston; Carl E. Reichardt, president, Wells Fargo Bank, San Francisco; Theodore H. Roberts, executive vice president, Harris

Bank, Chicago, and James M. Carey, executive vice president, Chase Manhattan Bank, New York.

The luncheon speaker will be Gerald M. Lowrie, executive director of government relations for the ABA.

Early Tuesday conference activities will commence with a special interbank lending case study that will begin at 7:15 a.m. It is for newcomers to the National Correspondent Banking Conference. William T. Dwyer, vice president of The First National Bank of Chicago, will moderate this program.

### Opening Session

"Fed Membership - A Regulatory and Banking Dilemma," is the title for the opening general session panel discussion on Tuesday.

Bank and regulatory perspectives will be shared on the Fed's efforts to resolve its membership dilemma. Explicit pricing of services, access by non-members, and interest on required reserves will be among the issues discussed, Mr. Ford said.

Ronald A. Terry, chairman of the board of First Tennessee Banks, Memphis, will moderate a panel that includes: James E. Brown, president, Merchantile Bankcorporation, St. Louis; Edward D. Dunn, commissioner of banking and finance, State of Georgia; Governor George W. Mitchell (retired), consultant, Federal Reserve Board of Governors, and Andrew J. Shepard, chairman and president, Exchange Bank, Santa Rosa, Calif.

Tuesday's luncheon speaker will be Bruce McClory, president of the Brookings Institution, Washington, D.C.

Rounding out the program will be a series of concurrent workshops and special interest sessions. Six workshop sessions will cover an array of subjects entitled: organizing for performance; the respondent's perspective; effective selling; credit — correspondent style; profit management; and asset/liability management — meeting respondent's needs.

The Art Institute of Chicago will host a special reception on Sunday, Sept. 24, for an exclusive showing of the exhibit, "Pompeii - 79 A.D."

The exhibit, from the Museo Nazionale in Naples, Italy, portrays life as it was when Vesuvius erupted and engulfed Pompeii.

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Money is time . . . wasted time, especially when it comes to coin sorting and counting. Now Brandt brings you new time-saving accuracy and reliability with Automatic Bag Stops.

The operator can set the exact amount of coins to be delivered to each bag and go about other duties. When the Brandt 936 sorter/counter reaches the pre-set quantity, it stops automatically for quick bag replacement.

For quick money monitoring, the Brandt 936's memory retains an accumulative total. And the electronic readout gives your teller batch and accumulative totals.

Ease of operation is just one PLUS with the 936. Another is flexibility. Choose an optional printer to record totals and further free up your teller talent for other tasks.

Brandt has designed the 936 to be as attractive as it is functional. Distinctively styled and finished in a soft Desert Tan color, it will enhance any area in your bank.

Make coin sorting and counting more productive, less costly, than ever before. Don't let your tellers stand holding the bag!

*Call your nearby Brandt Representative for full details on the Brandt Model 936 Sorter/Counter. He's in the Yellow Pages under "Coin and Bill Counting/Wrapping Machines".*

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**Systems**



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**Model 936 Coin Sorter/Counter**  
Counts, sorts and totals up to 600 coins per minute, automatically delivers preset amounts to each bag.



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**Systems**



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## United Guaranty Realigns Subsidiaries

**U**NITED Guaranty Corporation of Greensboro, N. C., will combine into one subsidiary company four insurance subsidiaries engaged in the insurance of mortgage loans on single-family residential properties. Currently, United Guaranty Corporation engages in the mortgage guaranty insurance market through four subsidiaries domiciled in California, Iowa, Louisiana and North Carolina. Under the realignment program, the four companies will be combined and executive offices for this major underwriting line will be centralized in Greensboro.

Major service offices now utilized by the subsidiaries will be maintained at their locations in California, Iowa and Louisiana. Only top management personnel will be transferred to Greensboro.

United Guaranty Corporation President W. L. Hemphill said that W. H. Gillison has been named president of United Guaranty Residential Insurance Company. A native of Oregon, Mr. Gillison joined the company as an underwriter in the Portland office. He later served as regional representative and rose through the ranks to become president of a major subsidiary based in Iowa. Mr. Hemphill noted that the realignment of subsidiaries and management is a part of the preparation for growth anticipated over the next five years. He said that all regulatory permission had not yet been received and that the merging and combining of subsidiary units would not be totally completed until 1979.

In his first action, President Gillison named William Y. McKenzie of Davenport, Ia., as senior vice president of sales with nationwide responsibility for sales activities carried on through 27 offices. Mr. McKenzie is a native of Tennessee. He has held executive positions related to sales administration.

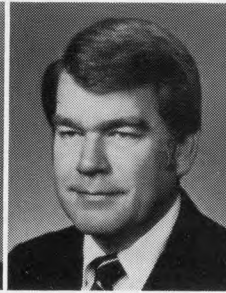
Guy Luno, formerly associate director of underwriting at the parent company, has been elected vice president-underwriting.

James R. Perry, formerly director of secondary marketing, has been elected vice president-secondary marketing and will supervise the expanded activity on a nationwide basis.

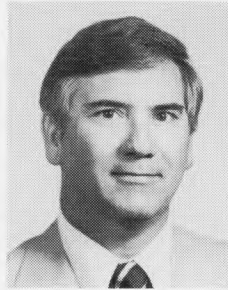
Mr. Hemphill reported record level



W. H. GILLISON



W. MCKENZIE, JR.



G. LUNO



J. R. PERRY

second quarter and six months revenues and earnings. Including securities transactions, net income for the first six months of 1978 was \$6,427,000, or \$1.33 a share, a new high, compared with \$4,914,000, or \$1.02 a share, in 1977. Insurance in force at mid-year was \$8.5 billion compared to \$6.6 billion a year ago, an increase of 29%.

## Ohioan Joins CSBS Staff

Dr. Lawrence E. Kreider, executive vice president-economist of the Conference of State Bank Supervisors, has announced that John F. Kirwin has been hired as administrative director of the Conference.

Mr. Kirwin, 53, has 19 years of association management experience, including 14 years with the Ohio State Pharmaceutical Association, 12 years as its executive director. He also has served as public relations director of the Ohio Small Business Committee, as legislative director of the Ohio Association of Realtors and as administrator of the Attorneys Congressional Campaign Trust of the Association of Trial Lawyers of America.

A native of Youngstown, Ohio, Mr. Kirwin holds a B.S. degree in Business Administration from Ohio State University. He became a Certified Association Executive (CAE) in 1966 and has completed four association management courses at Yale University, Michigan State University and Syracuse University.

Mr. Kirwin has served as president of the National Council of State Pharmaceutical Association Executives and Ohio Trade Association Executives and as state chairman of the public affairs committee of the American Society of Association Executives. He is a recipient of Ohio pharmacy's highest honor, The Beal Award.

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# Master the 'maze' to

Money is getting tighter. So more and more lenders are going to Freddie Mac and Fannie Mae for mortgage money. To a lender using them for the first time, the route to these valuable secondary market sources can appear to be a labyrinth of complicated forms.

Initially this "maze" may confuse even the most dedicated mortgage lender. And delays and rejections caused by procedural errors can mean lost revenues for lending institutions.

But MGIC's new Maze-Master kit eliminates the pitfalls along the path to Freddie and Fannie. It covers every aspect of selling mortgages to them: how to become an approved seller/servicer; how to get a forward commitment; how to package loans for sale, etc.

MGIC's Maze-Master shows you how to avoid time-consuming and costly mistakes lenders most often make. Such as the seven pitfalls visualized below.

And MGIC offers you more than a kit.

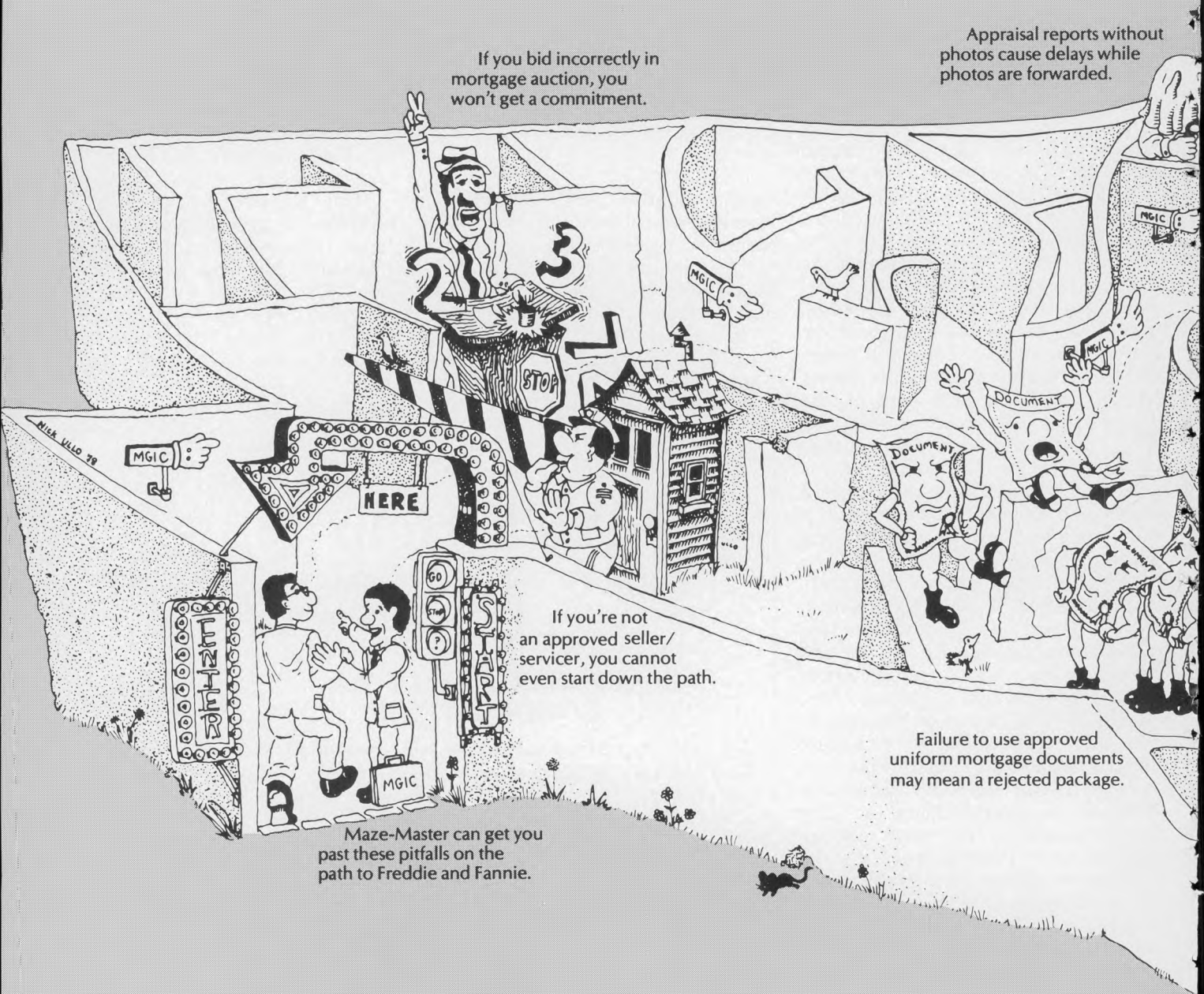
If you bid incorrectly in mortgage auction, you won't get a commitment.

Appraisal reports without photos cause delays while photos are forwarded.

If you're not an approved seller/servicer, you cannot even start down the path.

Failure to use approved uniform mortgage documents may mean a rejected package.

Maze-Master can get you past these pitfalls on the path to Freddie and Fannie.





# Freddie and Fannie.

Our representatives are available to advise you on all other secondary market alternatives, including private investors, state housing finance agencies and mortgage-backed securities.

So if your institution is setting out on the road to Freddie and Fannie, you should fill out the coupon to get your Maze-Master kit, or contact your MGIC representative.

Let MGIC show you the way to Freddie's and Fannie's funds.

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6194

- Please have your representative provide me with MGIC's Maze-Master kit.
- Please have your representative contact me about other secondary market alternatives.

Name \_\_\_\_\_

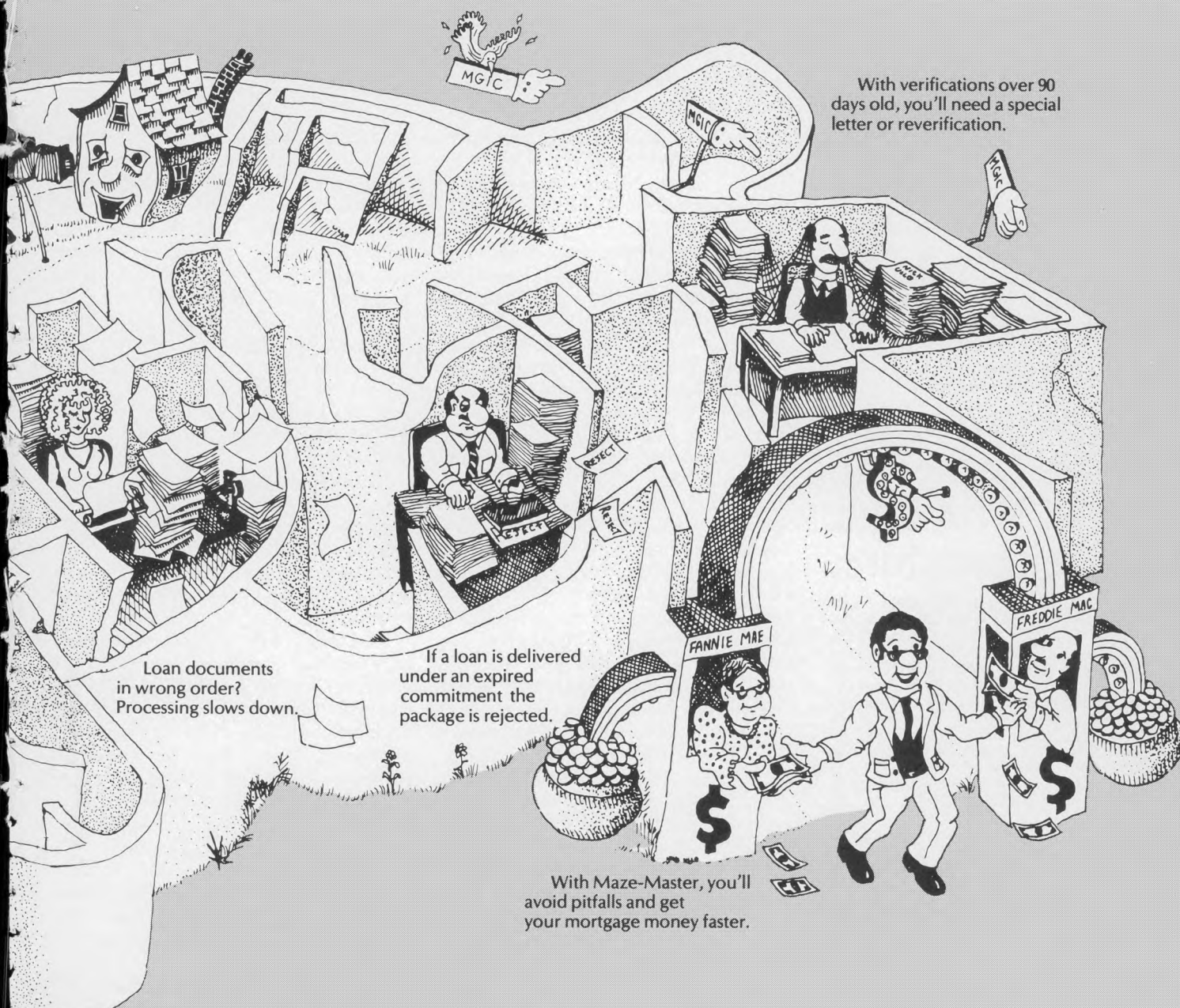
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## MGIC



With verifications over 90 days old, you'll need a special letter or reverification.

Loan documents in wrong order?  
Processing slows down.

If a loan is delivered under an expired commitment the package is rejected.

With Maze-Master, you'll avoid pitfalls and get your mortgage money faster.





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## Bank Promotions

**P**ROMOTIONS and other announcements have been made by the following banks:

**American National Bank and Trust Company, Chicago, Ill.:** William P. McFadden recently was elected a vice president and Howard J. Isador a second vice president. Also announced were the following



W. P. McFADDEN

H. J. ISADOR

promotions: Rachel Alagiah, international banking officer; Debra R. Buesing and Marie Kuechmann, operations officers, and Francis T. Stack, trust officer.

**Bank of America, San Francisco:** Richard Puz was named executive vice president in the world banking division where he heads administrative services. Merrill Ring was promoted to senior vice president as head of the research department of the bank investment securities division.

**The Boatmen's National Bank of St. Louis, Mo.:** William H. T. Bush has been elected president and chief operating officer and John M. Brennan chairman of the executive committee of the bank. Both also were elected directors. Mr. Bush, who will assume his responsibilities around November 1, formerly was executive vice president of the Hartford National Bank and Trust Company in Connecticut. Mr. Brennan previously was executive vice president in charge of banking. He also is senior vice president of Boatmen's Bancshares, Inc.

**Commerce Bank of Kansas City, Mo.:** The following promotions and appointments have been announced: David B. Anderson, to vice president of marketing, trust department; Stephen E. Erdel, correspondent department, and Alice Slepekis and E. Wendell Williams, retail banking department, to assistant vice presidents; Thomas E. Weiford

and George H. Wood, to senior trust officers, trust department; Harry J. Kelly, III, to commercial banking officer, metropolitan department, and Peter L. Hays and Dee Mathews to consumer banking officers, retail banking department. Mr. Erdel formerly was an assistant vice president with Commerce Bank of Mexico.

**The First National Bank of Chicago, Ill.:** Schubert J. Dyche, former Treasury Department official, has been elected vice president and senior advisor, international, in the business and economic research department of the bank. Mr. Dyche served as Treasury representative in Paris.

**First National Bank in St. Louis, Mo.:** The bank has announced the election of three new assistant vice presidents: John W. Fricke, formerly bond investment officer; Lawrence S. Ross, formerly international banking officer, and Douglas G. Smith, manager of administration and operations, office in London, England. In addition, John J. Dwyer, Jr., has been appointed business development officer. He previously was manager of affiliate liaison for First Union Bancorporation, St. Louis-based holding company, of which First National is the lead bank.

**Manufacturers Hanover Trust Co., New York, N.Y.:** Funeral services were held recently for Gerard J. Creamer, senior vice president, administration, of the national division and deputy general loan officer.

The bank has announced a new organization structure for its trust division. Joseph L. McElroy, executive vice president in charge of the division, said the new arrangement is designed to increase external responsiveness and internal productivity. Senior officers are Willard L. Wheeler, Jr., Robert C. Williams, and Victor J. Melone, all senior vice presidents. Mr. Melone, Mr. Wheeler and Rudolph Abel, vice president in charge of investment research, will constitute the investment policy committee.

**National Boulevard Bank of Chicago:** Mark H. Fromm has been elected assistant vice president,





# When a customer asks for more than your lending limit, think Bank of America.

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Federal Reserve Bank of St. Louis

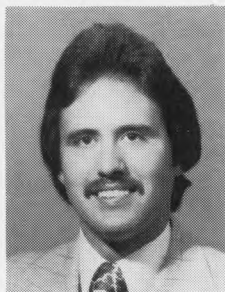




W. W. REYNOLDS M. H. FROMM

marketing department, and William W. Reynolds bond officer. Mr. Fromm comes from the George H. Elliott Company where he was a vice president, salesman and trader. Mr. Reynolds has over 20 years of experience in sales, most recently selling municipal and government securities to correspondent banks in another Chicago bank.

**United Missouri Bank of Kansas City, N.A., Kansas City, Mo.:** The following officers have been elected: Kent Smith, bond investment officer; Robert E. McFarland, assistant trust officer, personal trusts; Rudy M. Thomas, assistant investment officer, trust investments; Kenneth A. Miller, assistant cashier, instalment loans, and Robert E. Pyszka, assistant director, purchasing.



K. SMITH

## Robert Morris Meeting Slated for Dallas

**B**ANK commercial lending problems and opportunities will be discussed and explored during the 64th Annual Fall Conference of Robert Morris Associates. The Conference is scheduled for November 5-8 in Dallas. RMA is the national association of bank loan and credit officers.

Hosted by RMA's Texas Chapter, the Conference will be held at the Fairmont Hotel. Some 2,000 RMA members and their spouses are expected to attend. Vince Thompson, president, First National Bank in Garland, Texas, is the Conference chairman. Presiding at the convention will be Willis F. Rich, president of RMA and executive vice president of the Northwestern National Bank, Minneapolis.

Federal Reserve Board Chairman G. William Miller, incoming RMA President Edwin A. Schoenborn, Senator John Tower, Dr. Paul Nadler, and bank consultant Carter Golembe will be among those giving major addresses. Mr. Schoenborn is an executive vice president and

senior loan officer at Irving Trust Company, New York City. Dr. Nadler is professor of business administration at Rutgers University, and Mr. Golembe heads his own firm in Washington, D.C.

Also during the two and a half day business program, over 70 speakers will present 36 different sessions covering commercial lending problems and opportunities. These include risk rating; asset management; recent accounting/auditing rule changes; agricultural lending; complying with Reg B; fallacies of international lending; forms of tax-free lending; middle market lending; commercial loan marketing; potential perils of privacy legislation; and lending to auto dealers and the hospital/health care, real estate development, leasing, and retail industries.

In addition, for the first time, the Conference will include four three-hour mini-workshops, which will be presented concurrently one afternoon. They will cover loan quality control, loan documentation, commercial loan training, and managing loan examinations.



W. F. RICH, JR.

## BMA Publishes Ad Guide

In-depth guidelines to aid bank advertising personnel relate the basics of newspapers, television, radio, magazines, out-of-home and yellow pages to the total media plan are presented in "Guidelines for Selecting Media for Bank Advertising: An Update," which has just been published by the Bank Marketing Association (BMA).

According to a recent BMA study, the estimate for media investments by BMA member banks of all sizes in 1977 was well over \$1 billion. This new BMA publication provides a basic understanding of the strengths and weaknesses inherent in each medium for application in planning advertising, which represents the single largest item in most bank's marketing budgets.

"Guidelines for Selecting Media for Bank Advertising: An Update" is available for \$22.50 (\$15 BMA member discount price) from: Order Department, Bank Marketing Association, 309 West Washington Street, Chicago, IL 60606.

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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.

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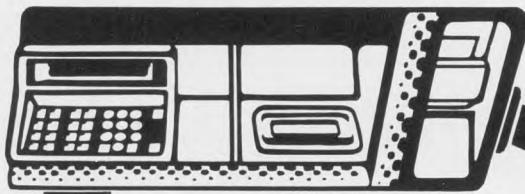
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## With an expert Electronic Banking Service Department to help you in every phase.

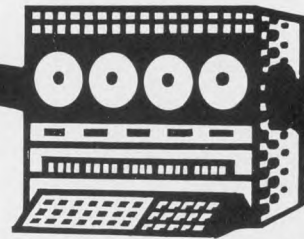
We have over 11 years of experience to help meet your electronic banking needs. Our Electronic Banking Service Department can help you develop, implement and sustain your part of the system. And we offer you in-depth experience in all phases of EFT implementation. It all adds up to the best full-service EFT System in the country.

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Give us a call. We'd like to give you a tour of our Service Center to show you the way you can begin providing your own modern, efficient electronic banking services.

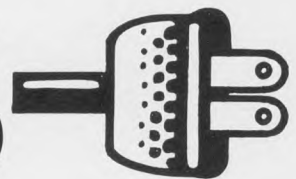


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Your customers will be able to use a choice of cards for a variety of transactions. The VISA Banking Card, issued by you, can be used for purchases from demand accounts at merchants internationally, and for ATM access, all over the Rocky Mountain area. And they'll be able to use your own personally designed "Plus" card for shared ATM transactions in the Rocky Mountain area.

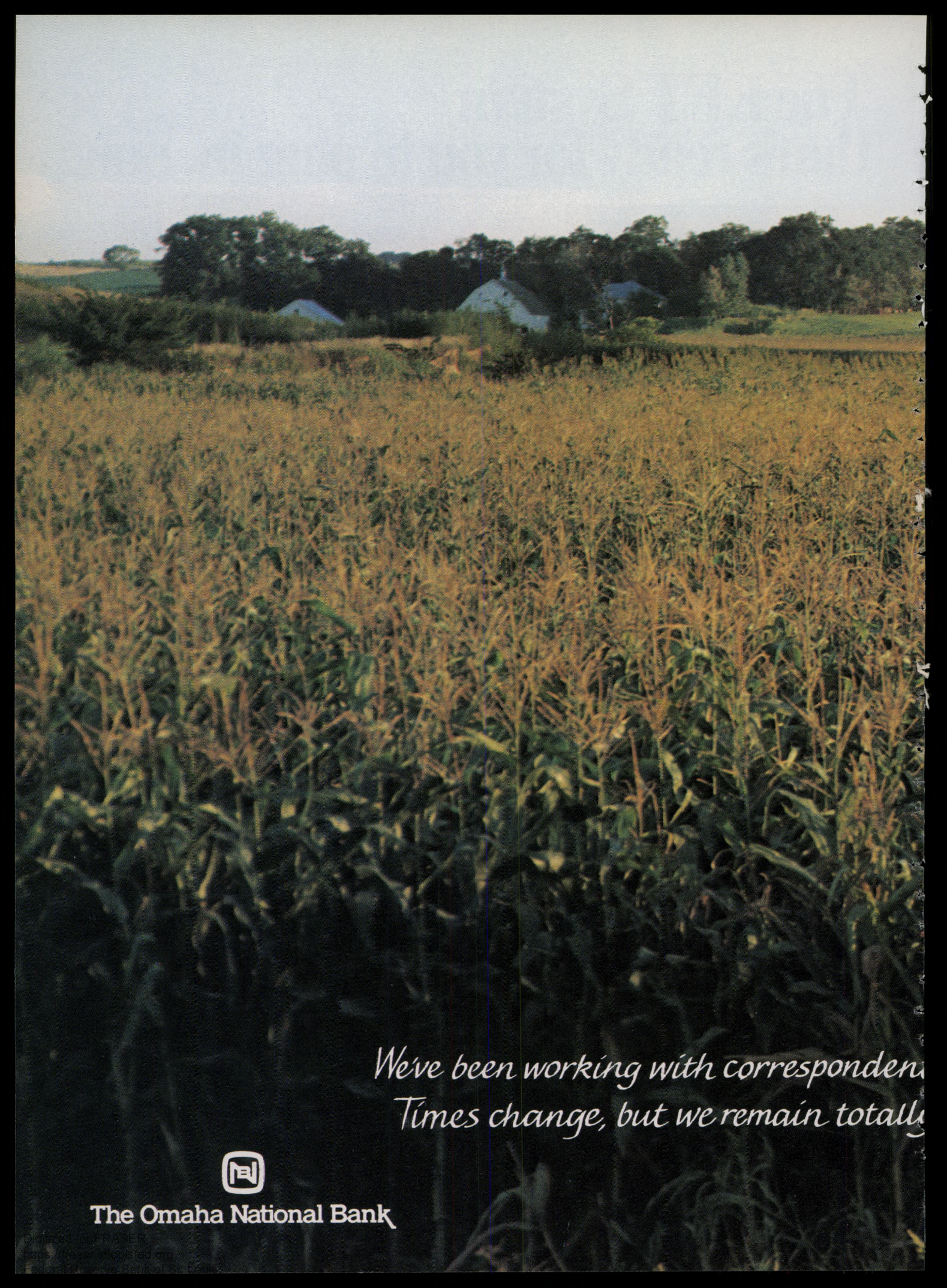
Association with the well-established VISA credit card and the common "VISA/Plus" facility identification provides very high consumer acceptance and use levels—and will help you achieve high usage and revenue.

We now have close to 500 correspondent banks, and more than forty-four thousand merchants processing plastic card transactions and sales through our center for over two million card holders in the Rocky Mountain area.



Rocky Mountain BankCard Association  
P.O. Box 5952 T.A.  
Denver, CO 80217



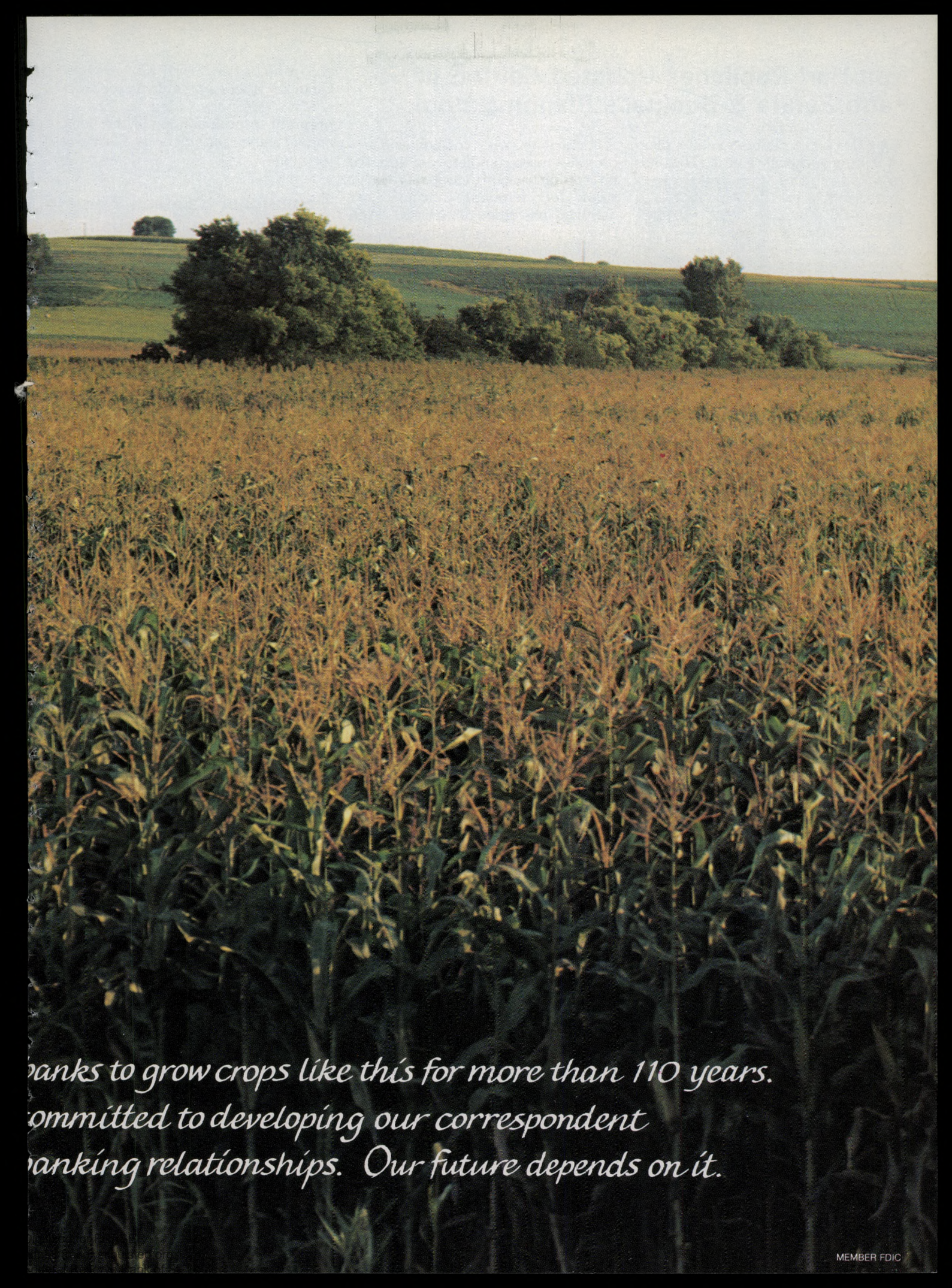


*We've been working with correspondents  
Times change, but we remain totally*



**The Omaha National Bank**





*banks to grow crops like this for more than 110 years.  
committed to developing our correspondent  
banking relationships. Our future depends on it.*



## Neil Harl Publishes Updated Edition of Farm Estate & Business Planning Book

**W**IDELY acclaimed estate planning authority Neil E. Harl has expanded and updated his paperback book "Farm Estate & Business Planning." This 1978 version is the fourth edition of a book that's become a best seller because of the helpful, simple language it contains to explain a rather complex subject.



N. E. HARL

Earlier editions were widely used by lenders, brokers, underwriters and others for reference and distribution to clients as a service to them; and hundreds have already ordered the new edition.

Former editions drew rave reviews. For example, one New Mexico reviewer wrote about the 1977 edition: "Solid, readable, helpful, a basic reference...for those who need to know what the tax laws imply for their present and future operations, and what their options may be for reducing tax liability and conserving their business for their heirs."

The new fourth edition contains 70 additional pages—a total of 304. Dr. Harl added four new chapters of vital interest to agri-business persons and farm families. The new chapters include:

**1. Liquidity considerations**—focuses on solving the problem heirs often have of lack of ready funds to pay taxes and meet other costs at the death of a loved one. Dr. Harl suggests setting up a "liquidity plan" to identify the most helpful ways to augment estate liquidity. Special attention is given to installment options, federal estate tax extensions, life insurance, and "flower bonds."

"For families who can qualify, the 15-year installment payment option looks quite favorable. Many bankers and other lenders will no doubt be asked questions on this by farm families and others," Dr. Harl states.

**2. Optimal Tax Saving**—provides a more direct and specific focus on setting property ownership and the will to achieve optimum tax saving at deaths of both parents.

**3. Income tax considerations**—provides more complete and updated interpretations of carryover basis rules for handling income tax liability on sale of assets. And there's a complete example of the calculations needed to find the "fresh start" income tax basis and the three adjustments to that basis.

**4. Structuring the farm business**—this covers possible recapture of investment tax credit on formation of a new partnership or corporation and other problems that may arise if land is left out of a new partnership or corporation.

Other main chapter titles are:

- Effects of title ownership on estate planning.
- Federal Estate Tax considerations.
- Gifts in estate planning.
- The installment contract and its uses.
- The private annuity.
- Trusts and estate planning.
- Life insurance in estate planning.
- Retirement and estate planning.
- Organizing the farm business—parent-child rearrangements.
- Partnerships and estate planning.
- Farm corporations and estate planning.
- The farm corporation and business continuation.
- Tax implications of incorporating.
- Employee status of the farmer after incorporation.
- Disadvantages of incorporation.
- Where does the corporation fit?
- Steps in forming a farm corporation.
- How to go about the estate planning process.

The new edition is much more thorough than prior editions. Dr. Harl is one of America's foremost authorities on ag law and tax matters. He's a lawyer, economist and distinguished professor at Iowa State University. The book is written in simple lay terms, contains 24 chapters, plus seven appendices and an expanded index.

Single copies at \$7.95 each may be ordered from Bill Brantley & Assoc., Inc., Box 397, West Des Moines, Iowa 50265. Iowans must add 3% tax. Payment with order avoids a \$3

shipping and handling charge. Quantity prices available on request.

Mr. Brantley also offers a program to promote use of the book among bank customers as a service to them.

### Comptroller Heimann Warns Banks of Capital Shortfall

Comptroller of the Currency John G. Heimann recently urged bankers to include specific capital targets in future planning to forestall a severe capital shortfall that may lie ahead. In his remarks he said:

"Unfortunately, today the capital growth of the nation's banking system has simply not kept pace with expansion of the resource base, particularly risk assets. This development has probably occurred more as a function of the dramatic growth in bank resources, influenced by the inflationary environment of the 1970's, rather than as a result of any conscious effort on the part of bankers to accept a lower level of capital.

"Bank capital ratios, in general, have been declining, and I am concerned that a substantial capital shortfall may occur by the early 1980's if the trend continues.

"The answer to the problem is an immediate effort on the part of banks to plan their capital needs. As a help to the industry, our National Bank Surveillance System is generating projections of individual banks' capital requirements for the next two years. I call for your commitment, and the commitment of all bankers across the nation, to incorporate formal capital targets in your strategic planning efforts. Only in this way can individual banks expect to remain capable of efficiently serving existing markets and achieving new long-range objectives.

"Any plan for sound capitalization must recognize the need to protect against concentration of loans."

### Joins ABA P.R. Division

Daniel S. Buser Jr., has been named director of public relations for the American Bankers Association, it was announced last month by Celia K. Wallace, executive director of ABA communications.

Prior to assuming this position, he was president of Buser Associates, a private public relations consulting corporation.



# We can solve your problem!

## Here's how...

We can help you find the solution to that problem lying on your desk right now. Over the long haul, we can help you grow, a little at a time, or a lot. Let's get together!

**Account Services:** Cash letters. Wire transfers. Coin and currency. Collections.

**Loan Administration:** Commercial, agricultural, and real estate overlines. Bank loan counseling.

**Data Processing:** "On-line" and "Batch." Checking. Savings. Certificates of deposit. Installment and commercial loans. General ledger. Automated clearing house. Automatic teller machines. Payroll.



E.L. Burch  
Senior Vice President  
Correspondent Bank Division

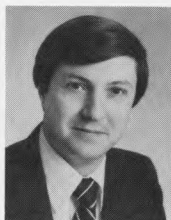
**Investment:** U.S. Gov't's. Federal agencies. Municipals. Federal funds. Commercial paper. Computerized bond portfolio accounting. Pricing and counseling. Securities safekeeping.

**Trust:** Public fund custodial accounts. Personal and corporate trusts.

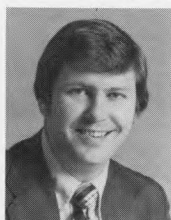
**Bank Cards:** Master Charge. Visa.

**Leasing:** Direct. Or, participating.

**International Banking:** Worldwide correspondent network. Letters of credit. Foreign collections. Currency exchange.



Steve Blackburn  
Vice President  
Kansas



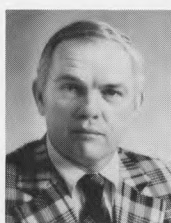
Phil Straight  
Vice President  
Northern Missouri



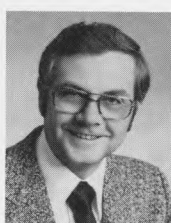
Jack Beets  
Vice President  
Kansas



Dave Van Aken  
Vice President  
Kansas



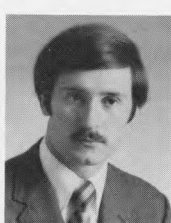
Dick Muir  
Vice President  
Iowa-Nebraska



George Crews  
Vice President  
Kansas City Metro



David Bear  
Assistant Vice President  
Oklahoma-Colorado



Dale Parker  
Corr. Bank Officer  
Missouri



Duncan Kincheloe  
Vice President  
Texas-Arkansas

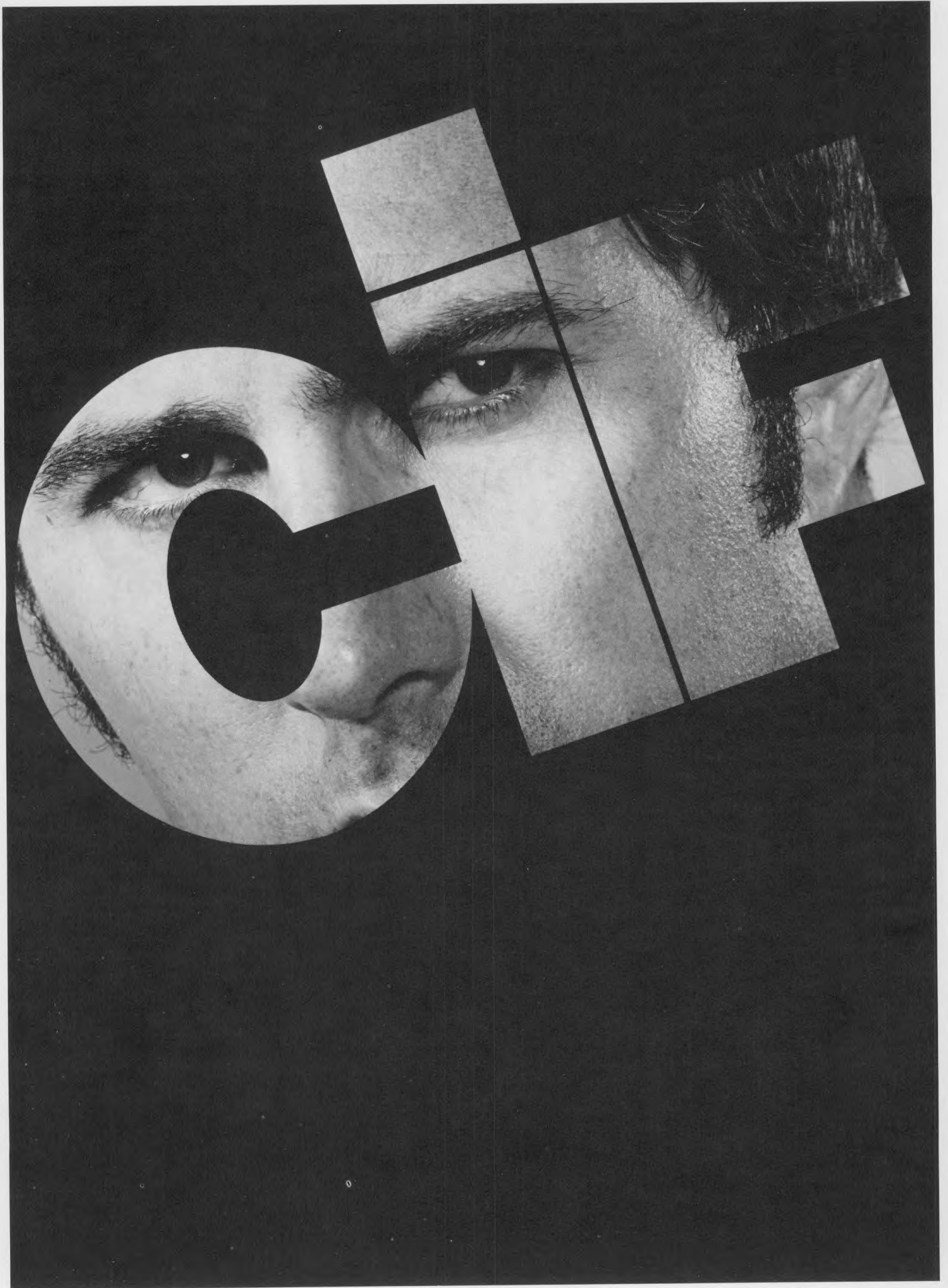


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# Or else.

Look around. Banking has become one of today's most competitive businesses.

Your customers are being wooed by every financial institution in your market area.

The trick to keeping your customers loyal, and to increasing your profits, is knowing as much about them as possible and keeping that information updated daily.

Unfortunately, complete up-to-the-minute customer profiles are rare. Background information is often gathered randomly and stored in many different places, making it difficult to obtain for useful purposes.

Until now. Until Banks of Iowa Computer Services Central Information File (CIF).

With Banks of Iowa Computer Services' CIF, complete information on your customers can be obtained in moments, either on a display terminal or as hard copy.

The operative word is exhaustive. Since every possible piece of information gathered is centrally stored, you have immediate access to such things as the status and history of a given customer's account and his account relationships. The businesses he's in and how they're doing. And any pertinent family information.

This information is critical in making quick, knowledgeable, profitable decisions.

CIF is the most economical, efficient and sensible way to gather all this information and to use it for increased profits.

Don't kid yourself. There aren't many new customers around. What you need to do is expand the ways your existing cus-

tomers use your bank.

Because a lot of other financial institutions would like them as customers. And are trying to get them.

Can you trust your customers? Yes — if you can trust your information retrieval system.

And that means CIF.

Contact us today for an appointment. We'll be glad to explain our system at your convenience.



## Banks of Iowa Computer Services INC

A "BANKS OF IOWA" SUBSIDIARY

*Northwestern Banker, September 1978*



# Investment Alternatives



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& Hopwood**

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## Continental Phasing Out Six Computer Services for 45 Chicago Correspondents

**C**ONTINENTAL Bank of Chicago plans to phase out, over the next year, six computerized accounting services presently used by 45 of its correspondent banks in the Chicago metropolitan area, John B. Tingleff, vice president, said recently.

Mr. Tingleff, who heads the bank's financial institutions division, said the move is "a stand-alone decision" which will not affect any of the other services Continental provides to its more than 2,500 correspondent banks across the country.

During the year-long phase-out, Mr. Tingleff said, Continental will assist correspondents in selecting new suppliers for the six accounting services: demand deposit accounting, on-line savings, mortgage loan, instalment loan, certificate of deposit, and check-credit processing.

"While on the surface it might appear that the data processing needs of Continental and its correspondents are the same, from a systems design standpoint it became clear that there is little compatibility between the system best suited to Continental's internal needs and a system which would meet the requirements of our correspondents," Mr. Tingleff said.

"The data processing needs of correspondent banks are developing along different lines than those of major money-center banks such as Continental," he noted. "Correspondent bank activities are more oriented toward the retail sector, and there also is a major difference in scale of operations."

Mr. Tingleff said the six affected services currently are profitable to the bank and useful to correspondents, but he noted that Continental's increasingly complex data processing network "may not be the kind of system that can most effectively serve correspondent bank needs in years to come."

### BAI Promotes 3 Executives

Three senior executives of Bank Administration Institute have been promoted to higher responsibilities, it was announced by Ronald G. Burke, BAI president.

Robert H. Long, senior vice

president and director of the Institute's banking services division, has been promoted to director-advanced studies and assistant to the president. In this newly created position, Mr. Long will be responsible for identifying the developing issues in banking and assessing the implications of new technology and their overall impact on the industry. Mr. Long also will be undertaking experimental projects aimed at expanding BAI's service contributions to the industry. He joined BAI in 1961 as a systems research specialist.

Wayne B. Lewin will be the new senior vice president and director of the banking services division, replacing Mr. Long. He has been vice president in charge of the operations and technology group the past two years and prior to that was an operations manager for Manufacturers Hanover Trust Company in New York.

David Van L. Taylor has been appointed vice president and director of the operations and technology group, which includes research into the evolving payments mechanisms as well as designing improvements in day-to-day bank operations. Mr. Taylor was formerly manager, information systems departments, with the Girard Bank, Philadelphia.

### Deluxe Check First Half Sales Top \$151 Million

Eugene R. Olson, president of Deluxe Check Printers, Incorporated, St. Paul, Minn., reports sales for the first six months of 1978 reached \$151,773,000, up 15.2% from \$131,758,515 a year ago. Net earnings for the period were \$15,320,752 or \$1.33 per share, up 21.7% from last year's \$12,592,620 and \$1.07 per share.

Second quarter sales of \$79,054,246 were up 18.5% from last year, while net earnings were \$8,693,153 or 76 cents per share compared to \$6,370,711 and 54 cents per share a year earlier.

Mr. Olson also announced that the Deluxe Check board of directors has increased the regular quarterly dividend on all common stock from 24 cents up to 30 cents per share, a 25% increase in dividend.





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And along with the red tape

goes the risk. Because we take over the responsibility for lost and stolen money orders.

So all you have to do is sell them. And we make that easy too. It takes less than 60 seconds. Little more time than the average deposit transaction. Which is good for your customers and your tellers too.

With FIMO®, we control the costs and you control the profits, because the price is up to you. You pay only a small predetermined charge for each money order.



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Vice President—Sales Development  
American Express Company  
American Express Plaza  
New York, N.Y. 10004 AM9

Yes. I want to find out more about FIMO.

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State  Zip



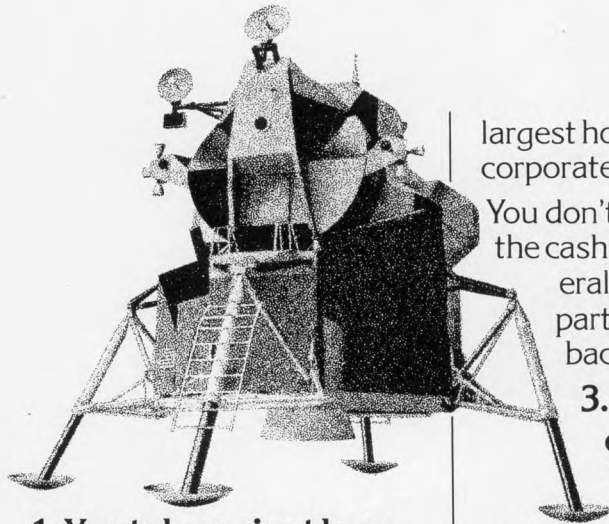
**American Express FIMO. The money-making money order.**

SM



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## We can give



### 1. You take a giant leap into the future.

The switch is on—from the costly, cumbersome procedures of certificate handling to the economy and efficiency of depository processing.

In a depository environment, transactions are done by book-entry. It's the most advanced way to hold, deliver, receive and pledge securities.

Depository processing is no utopian promise. It's fully operational today at Manufacturers Hanover Trust Company.

### 2. Automatic entrée through Manufacturers Hanover.

Establishing a direct link with a depository takes a sizable initial investment in manpower and computers. But never mind. MHT has done it for you.

With MHT as your custodial bank, you automatically participate in the Depository Trust Company, the nation's

largest holder of stocks and corporate bonds.

You don't even have to put up the cash deposit and collateral required of a DTC participant. You "piggy-back" on ours.

### 3. Removing the certificate barrier.

With book-entry transactions, depository processing eliminates the physical holding and manual handling of both stock and corporate bond certificates.

Gone are such direct and indirect expenses as clerical processing, mailing, vault space and your own security measures.

Now, costs of safekeeping and processing are fixed rather than variable. Budgetable items, at last.

### 4. We get low depository rates. So do you.

Perhaps the most telling evidence of MHT's commitment to the depository approach is that a majority of our own trust assets are on deposit at DTC.

These, along with the total holdings of our clients, make MHT a major DTC participant. As such, we're entitled to lower rates—which we pass right along to you. In fact, charges for MHT's Depository Processing

Service are even less than those of a traditional safekeeping service.

### 5. Early-morning confirmation of trades.

MHT's expertise in DTC's Institutional Delivery system means the streamlining of con-



firms and settlement.

When your broker identifies trades as I.D. items, our IMPAC Securities Processing facility works through the night. Usually by 11 A.M. the next day, confirmations await you for review and validation.

MHT pulls out all stops to minimize fails. And to give you better control of your funds.

### 6. In step with the options trend.

Taking the depository route, via MHT, overcomes many of the problems that options pose. There are no capital restrictions whatsoever. No processing delays either, as



# give you one good reason to use of securities.

## you eleven.

MHT reports such trades on a day-to-day basis.

### 7. A dividend in dividend payment.

MHT's sophisticated processing techniques also mean improved dividend service.

Dividends are automatically credited to your account on the payable date in clearing house funds, and we advise you that your account has been so credited.

### 8. A master in the art of reconciliation.

MHT reconciles its account with DTC every day. MHT reconciles each customer's position every day.

Through these dual actions, we're able to provide you with a daily report of your MHT securities transactions for the previous day.

In addition to conventional reporting means, our exclusive IMPAC Securities Reporting system produces an itemized transaction journal of your account on a daily basis. So complete—including such vital information as

fails, completions and pending transactions—that you know exactly where you stand.

### 9. Depository and non-depository items: parts of a whole.

You have more effective control when you designate MHT to handle the processing of all your securities. We're as proficient in the clearance of those not eligible for DTC—including Federal Reserve book-entry securities, municipals and short-term paper—as we are in the transactions of DTC eligibles.

### 10. Our people.

Technology and hardware can't do it all. Smooth and accurate securities processing requires knowledgeable, dedicated people with a record of limited turnover.

At MHT, you deal with a staff whose experience in

securities administration with our bank averages well over 10 years.

### 11. A guiding hand in the change over.

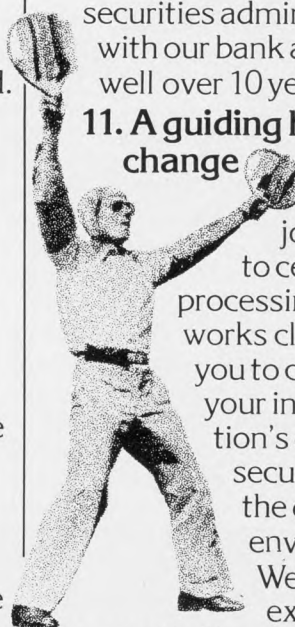
When you join the trend to certificateless processing, MHT works closely with you to convert your institution's eligible securities to the depository environment. We have the experience

to carry it off smoothly and with dispatch.

Sooner or later, you'll switch from holding and handling certificates to certificateless depository processing. Why not sooner?

Talk to us now, about how your institution can profit by MHT's relationship with DTC—and by our handling of non-eligibles as well.

**Contact your National Division representative, or Brian V. Carty, Vice President, 350 Park Avenue, New York, N.Y. 10022, (212) 350-4658, or Louis V. Segalini, Vice President, 40 Wall Street, New York, N.Y. 10015, (212) 623-7593.**



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## Donald Jacobs Is Named Gaylord Freeman Professor of Bank at Northwestern U.

**D**ONALD P. Jacobs, dean of Northwestern University's Graduate School of Management, has been named as the Gaylord Freeman Distinguished Professor of Banking.

The appointment was announced by Provost Raymond W. Mack, chief academic officer of the University.

The Freeman Chair was established in 1976 by Northwestern's board of trustees. It honors Gaylord Freeman, retired board chairman of the First National Bank of Chicago, for his leadership of the banking profession and long service as a Northwestern trustee.

"This honor links two internationally respected banking figures," said Mr. Mack. "I cannot think of a more appropriate way to honor Gaylord Freeman than to have a scholar of

Prof. Jacobs' ability serve as the first incumbent of the Chair named in Mr. Freeman's honor."

Funding for the chair is being provided by The First National Bank.

Dr. Jacobs has been dean of the Graduate School of Management since 1975. Prior to that he was chairman of the school's finance department and director of the Banking Research Center. He moved to Northwestern in 1958 as assistant professor of finance, and in 1970 was named Morrison Professor of Finance.

A widely-published authority on banking and finance, he served as senior economist of the Banking and Currency Committee of the U. S. House of Representatives and as staff co-director of the Presidential Commission on Financial Structure and Regulation (the Hunt Commission).

He is a director of several corporations and chairman of the board of AMTRAK.



D. P. JACOBS

Following graduation from Roosevelt University he attended Columbia University, where he earned M.A. and Ph.D. degrees in economics.

Mr. Freeman, a long-time business and civic leader, retired from The First National Bank in November 1975. He joined the bank in 1934 and became president in 1960 and chairman in 1969.

Mr. Freeman was elected to the board of trustees of Northwestern University in 1954 and became a life trustee in 1976.

## Fed Amends Regulation O

The Board of Governors of the Federal Reserve System has amended its Regulation O, which regulates loans by member banks to their executive officers. The amendment makes it clear that an executive officer may not become indebted to a member bank under a bank credit card, check credit or similar plan under terms more favorable than those offered to the general public.

The amendment is effective June 30, 1978.

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# Ideas for growth.

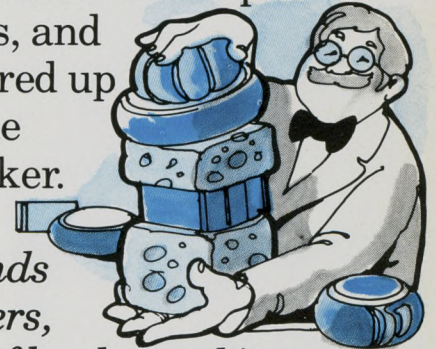
Good ideas are the seeds for new business. Our ideas have made secure loans possible for budding citrus processors, liquor distributors whose capital was "on ice" and popcorn processors who were popping with great plans.



We've helped loggers spruce up their operations, lubricated the expansion of an oil distributor,



made "grocery money" available to wholesale grocers, helped fertilizer distributors spread their sales, and even cheered up a very blue cheesemaker.



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## Corporate News

**P**ROMOTIONS and other announcements have been made by the following firms:

**Aetna Business Credit, Inc., East Hartford, Conn.:** Richard B. Polivy has been appointed vice president and general counsel and John J. Gillies, Jr., associate general counsel and secretary. Mr. Polivy was in business and commercial law practice with the firm of Rosenberg, Rome

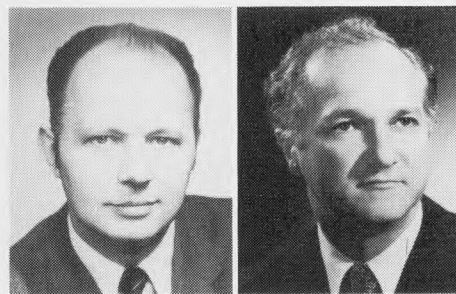


R. B. POLIVY

J. J. GILLIES, JR.

and Barnett in Hartford, before joining the company. Mr. Gillies formerly was counsel and assistant secretary at Midlantic Mortgage Corp., Newark, N.J.

**Bank Building Corporation, St. Louis, Mo.:** H. Berny Engel and Joseph P. Hopkins have been promoted to senior vice presidents.



H. B. ENGEL

J. P. HOPKINS

Mr. Engel joined the company in 1965 and most recently was group vice president. In 1967 Mr. Hopkins joined Bank Building as personnel director and in 1972 was promoted to vice president, administration. He recently was appointed a member of the corporate planning group.

William H. Miner has been appointed sales manager for the company's central division, located in St. Louis. Prior to joining the company, Mr. Miner was senior associate and director of sales for Prestige Services, Inc., St. Louis.



W. E. GREELEY

S. E. HAVLICK

**Bank Consultants of America, Denver, Colo.:** Warren E. Greeley and Stan E. Havlick have been appointed Rocky Mountain district managers. Mr. Greeley most recently was a transportation senior sales executive and 9200 sales executive in Denver. Mr. Havlick most recently served as district sales manager, Travelers Check Division, Kansas City, Mo.

**Borg-Warner Leasing, Chicago, Ill.:** Donald J. Ryan, general manager, bank services division, has announced the appointment of Darrell E. Clay as administrative manager, headquartered in Chicago. Mr. Clay has over seven years of credit and administrative experience in the field of collateral management. He will have responsibility for credit review and operations administration over leases generated through participating banks and their customer-lessees.



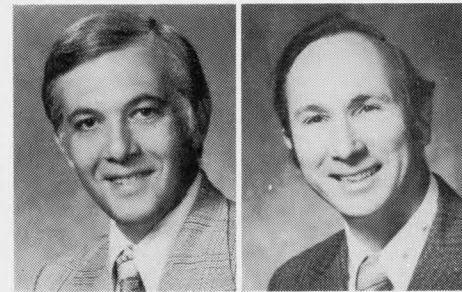
D. E. CLAY

**Dain, Kalman & Quail, Minneapolis, Minn.:** David E. Liddle has been appointed municipal financial analyst. Most recently he was international credit analyst with Bank of Boston International, headquartered in New York City.

The company also has announced that Donald R. Gilbert, vice president and director of training, has been appointed to the advisory committee of the New York Stock Exchange where he will be involved in the Exchange's examination program for personnel of its member firms. Mr. Gilbert joined Dain, Kalman & Quail in 1961 and has been director of training since 1970. He

was elected a vice president in 1976.

**Diebold, Incorporated:** Robert P. Barone has been named vice president and general manager, automatic banking systems, and Edwin A. Yost has been named vice president and general manager, electronics group. Mr. Barone joined the company in 1971 as remote banking equipment product manager. In 1974 he was named general



R. P. BARONE

E. A. YOST, JR.

manager, automatic banking systems. Mr. Yost joined Diebold in 1973 as director of development-electronics products. In 1977 he was named general manager.

**North Central Life Insurance Company, St. Paul, Minn.:** Burton W. Bauernfeind, CLU, was named vice chairman of the board. With the company since January of last year, he also will continue as first vice president, marketing.

### George LeMaistre Resigns As Chairman of the FDIC

George LeMaistre, 66, a director of the Federal Deposit Insurance Corporation since August 1, 1973, and chairman since June 1, 1977, announced his resignation from that post August 9. Mr. LeMaistre had indicated for some time his desire to return to the campus. He has been on leave as a law professor from the University of Alabama.

Upon Mr. LeMaistre's resignation, Comptroller of the Currency John G. Heimann becomes acting chairman. A permanent chairman will be appointed by President Carter to fill that position. By virtue of his position, the Comptroller is automatically one of the FDIC's three directors. Mr. LeMaistre is a Democrat.

The third FDIC director is 34-year old William M. Isaac, who was vice president and general counsel of First Kentucky Corporation of Louisville from 1974 until his FDIC appointment in late spring.



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To help you design the perfect form for your needs, we have prepared a kit containing pre-printed specification sheets, de-

sign tools and a comprehensive brochure with practical tips for bank forms design. It's yours FREE upon request. Write for your Deluxe Do-It-Yourself Forms Design Kit today and be a **Pro Former**, too!



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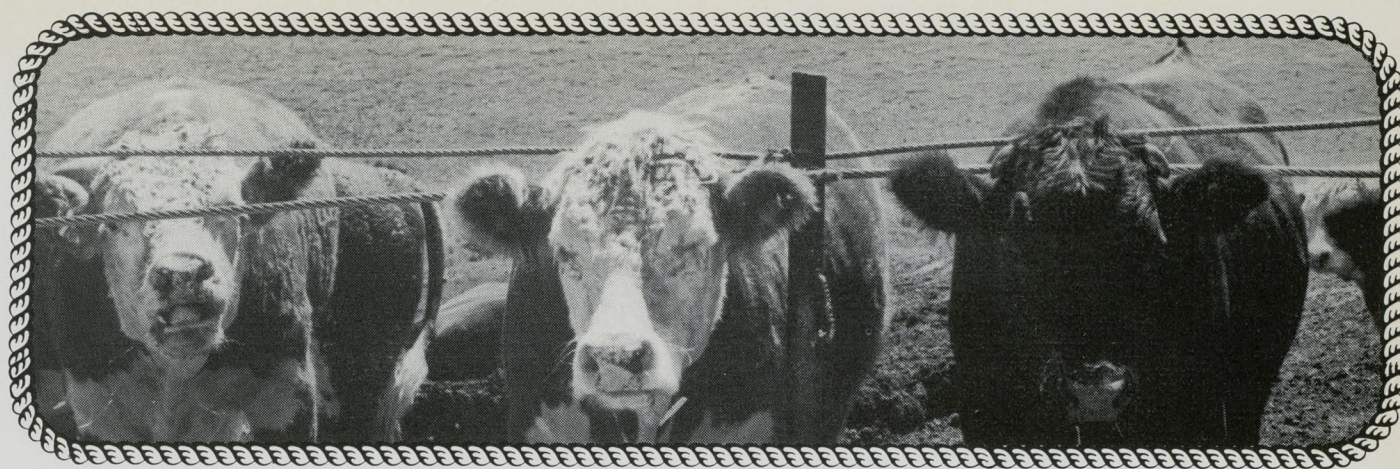
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# Annual Livestock Outlook

A NORTHWESTERN BANKER Survey

**A** DRAMATIC RISE in cattle prices for late 1978 and into 1979 for both cattle and hogs, compared to one year ago, is forecast by participants in the 1978 Livestock Survey conducted last month by the Northwestern Banker.

Selected participants were primarily ag bankers across the upper midwest and into mountain states ranching areas. But in predicting a continuing upward trend in prices begun earlier this year, based on normal market functions, they universally state that their estimates can be altered artificially by government intervention in various ways. Three of the more than 45 respondents look for an \$80 price on 400# steer calves by the end of this year, while seven look for the price to exceed \$80 in 1979, two of them pegging the price at \$85. Some of their replies follow:

**RAY WEILAGE, JR.**  
Chairman  
Bank of Cody  
Cody, Nebr.

**T** HE NUMBER OF cattle appears to be down 7 to 10%; therefore, supply and demand will force the cattle market up with the feeder market being the leader. The next three years should be profitable for the rancher. Bred heifers and cows could become expensive (over \$500) by January, 1979. We have an ample supply of good feed. The fat cattle market in the \$50/cwt area, with cheap corn, should make for profitable fat cattle. Cost of gains should be \$40/cwt or less. Overall, the picture for cattle looks bright for the next couple of years. The negative side is the U. S.

economy, and the fact that we ranchers and farmers represent less than 4% of the total votes, and there are more people on welfare than that! We have very little control over our government compared to labor.

In line with this, I would list our chief problems facing agriculture as these:

1. U. S. economy.
2. Surplus of grains—our government lacks the ability to do a good job of marketing our commodities.
3. Rising cost of equipment, fertilizer, fuel, etc., may eliminate potential profits.

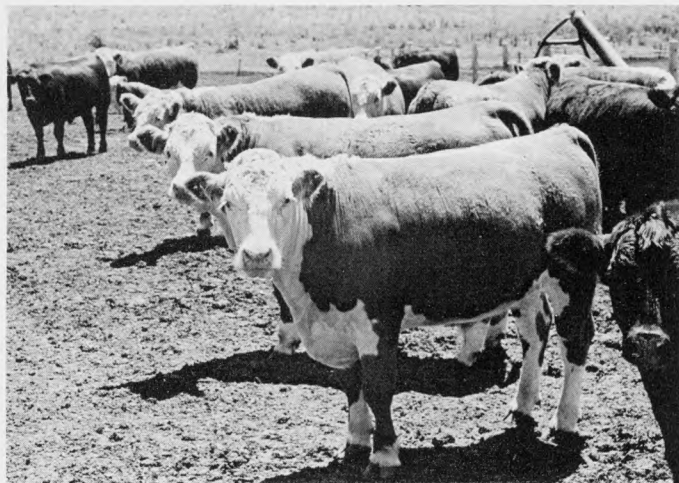
**LEONARD WOHLMAN**  
Vice President

First Northwestern National Bank  
Redwood Falls, Minn.

**W** E HAVE the potential for an excellent crop of corn and soybeans in our area. However, we need a good rain yet to help make the crop. Our oats crop was poorer than normal as the test weight was very low. I look for the total crop production nationwide to be good, which will make feed grain prices very attractive for feeding livestock but very marginal for the crop farmer. Corn probably will average \$1.90 to \$1.95 this next year.

The overall hog outlook is more bullish than I would probably have expected earlier this year. The reason for this is that hog men have not over-expanded as they traditionally have done, which is good. I look for hog prices to taper off as we head toward year-end. Prices probably will be in the mid-40s in October-December. The prices for next year will not





fluctuate as much as this year and probably will average \$44-\$46 cwt.

For the cattle outlook it's the same old story—"cautious optimism prevails in the cattle industry." All of us must recognize the cyclical nature of the cattle business. If we make decisions based on that recognition the cattle cycle automatically will be moderated and everyone associated with the cattle industry will have a more stable future. Cattle prices will average higher next year than this past year; however, profits will not be as great since the feeder cattle prices will be bid up.

We will have some bunching in the market yet this fall and I look for cattle prices to drop to maybe the \$50/cwt range in October. However, prices then will start to increase and I look for the prices to average in the upper \$50 range during 1979.

**JOHN W. THOMSON**  
President  
The Bank of Centerville  
Centerville, S.D.

**H**OGS have remained constant as to numbers on feed and will continue at the same level. Cattle total on feed is down but will increase due to ample feed supplies, but this will be tempered by the high cost of laying them in. The most important factor in agriculture today is inflation—rising costs of operation without offsetting market price increases.

**CHARLES W. NICHOLS**  
Senior Vice President  
Fidelity Brenton Bank & Trust Co.  
Marshalltown, Ia.

**A**N EXCELLENT feed supply is now evident for fall harvest. Due to relatively low corn prices there is a great deal of interest in both hog and cattle programs in our area. Lower numbers of cattle and future strong price prospects appear to be encouraging farmers to pay a premium for feeder cattle this fall. Hog programs are remaining strong and some increase is evident due to top prices being paid for boars.

The most important problem facing agriculture is markets for wheat and feed grains, particularly corn.

Returns on corn must exceed cost of production soon for farmers to maintain good cash flows. Grain operators with heavy debt structure are really feeling the pinch at this time. Set-aside and grain reserve programs will need some emphasis to be effective. Export sales still seem to be the best opportunity to improve prices.

**PHILLIP B. JOHNSON**  
Senior Ag Loan Officer  
First National Bank  
Bozeman, Mont.

**I**T WOULD appear that calf contracts for steers and heifers combined will average in the mid-60-cents range in 1978. There should be some profits shown for the first time since 1973 in our cow-calf operations. Those profits will be small in comparison to the previous four years' total loss. Continued inflation will keep the candle burning at both ends for all livestock producers and if inflation continues within the last four years' averages, then prices received by producers will have to grow accordingly in 1979 to maintain the profit levels of 1978. Cattle operations without secondary sources of income and with debt levels in excess of \$500 per animal unit will not survive these pressures. In our area, cattle operations of the 200 cow/calf size, with an appreciable amount of debt, will no longer support a family.

The biggest problems agriculture faces are inflation and government intervention of the market place! What we really need is widespread unemployment in government offices in Washington, D. C. for a few years, without welfare support. Taxation needs to be reduced so that all businesses can accumulate capital for reinvestment in private enterprise, creating new jobs that will add to our nation's productivity.

**ALAN R. TUBBS**  
President  
First Central State Bank  
DeWitt, Ia.

**W**ITH our abundant feed supply, the demand for feeder livestock will be heavy. Our supply of hay, silage and corn will be one of the biggest on record for our area. Grains look like they will be relatively cheap and this will encourage more livestock feeding; consequently, farmers will be bidding up for their feeders whether it be cattle or hogs. It doesn't take much pencil pushing to figure out they can make more putting the feed through livestock rather than shipping it down the river.

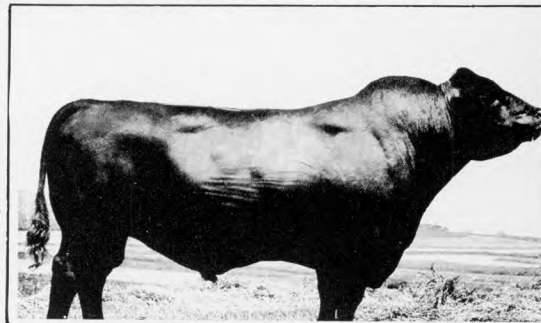
As costs of all inputs, including supplies, repairs, land, interest, etc., continue to increase, more dollars must be borrowed to keep a farming unit functional. The availability of money and the important decisions as to which operators get it will continue to be a challenge to agricultural lenders. The high price of land will continue to provide a cushion to existing owners while proving to be a barrier to entry for young operators wanting in.



Making money in the cow-calf business is hazardous at best. One thing for sure ... the genetics of the bull used is a most important factor.

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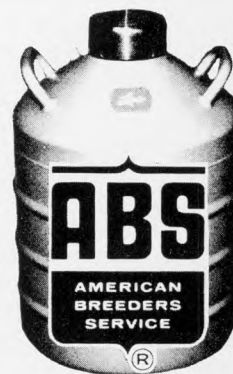
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## What a difference a year makes!

### Livestock Price Predictions

by participants in the  
Northwestern Banker Annual Livestock Survey

(Providing the average of all respondents, as well as the low and high dollar guesses in each category as noted in parentheses.)

	Fall 1978	Spring 1979
Steer Calves (400#)	\$ 69.61 (63-80)	\$73.10 (65-85)
Heifer calves	65.41 (56-75)	68.42 (55-100)
Choice feeder steers (650#)	63.09 (52-70)	64.95 (53.75)
Choice feeder heifers	59.01 (52-72)	61.13 (50-70)
Choice steers (1150#)	54.65 (48-63)	56.95 (45-67)
Choice heifers	52.19 (45-68)	55.07 (42-72)
Hogs (200#)	46.49 (40.55)	45.28 (38-60)
Feeder pigs (40#)	41.60 (25-60)	
Bred sows	220.37 (100-350)	212.50 (125-325)

### Livestock Price Predictions

by participants in the  
Northwestern Banker Annual Livestock Survey

(Providing the average of all respondents, as well as the low and high dollar guesses in each category as noted in parentheses.)

	Fall 1977	Spring 1978
Steer calves (400#)	\$ 46.70 (44 - 50)	\$ 48.45 (43 - 52)
Heifer calves	41.60 (38 - 47)	43.35 (37 - 47)
Choice feeder steers (650#)	41.70 (37 - 46)	43.25 (39 - 47.50)
Choice feeder heifers	38.35 (35 - 44.50)	39.90 (36 - 45)
Choice steers (1150#)	40.25 (38 - 42)	42.00 (38 - 46)
Choice heifers	37.94 (34 - 40)	39.50 (38 - 43)
Hogs (200#)	40.94 (35 - 47.50)	38.31 (32 - 48)
Feeder pigs (40#)	32.00 (16 - 40)	31.36 (16 - 46.40)
Bred sows	185.00 (150 - 225)	185.00 (140 - 225)

### RONALD KREJCI

President

Schuyler State Bank  
Schuyler, Nebr.

**W**E ARE located in East Central Nebraska and presently our livestock and grain people are enjoying good economic gains. This is due to a good 1977 crop and the alert operator has been able to market his corn and beans at good price levels. Our prospects for the 1978 crop are good to excellent. Many of our cattle feeders filled with feeder cattle last fall costing in the upper 30's to the mid 40's. With the boost in the fat cattle prices this spring and summer they are enjoying very good profits. As for the hog man, we seem to have a preponderance of cooperative farrow to finish units and also many farmers who have specialized in hogs. They are enjoying good profits. We take most of our financial statements in the late fall and winter and we anticipate positive gains in most of our operating ratios.

I think the biggest challenge in agriculture is the marketing of our products. By and large, most of our operators have developed into good, efficient production people, but lack business-like marketing ability. This is especially true with our grain people who work hard all summer, and after they get the crop in the bin, wonder what they are going to do with it. They need to be market conscious twelve months out of the year and utilize all the marketing tools available to

them. It will be very important for the cattle feeder to be on the market at least monthly.

We have seen price swings of 10% and more within one week and when we are in the 80's for dressed beef, we are talking of \$50.00 per head. Most of our hog people have developed this frequent marketing pattern. We anticipate our feeder cattle to be costing in the \$60's for yearlings and \$70's for calves. At these levels, our big money margins are past, and it will take a good, efficient, market conscious operator to make money at these levels.

### GERALD BUTNER

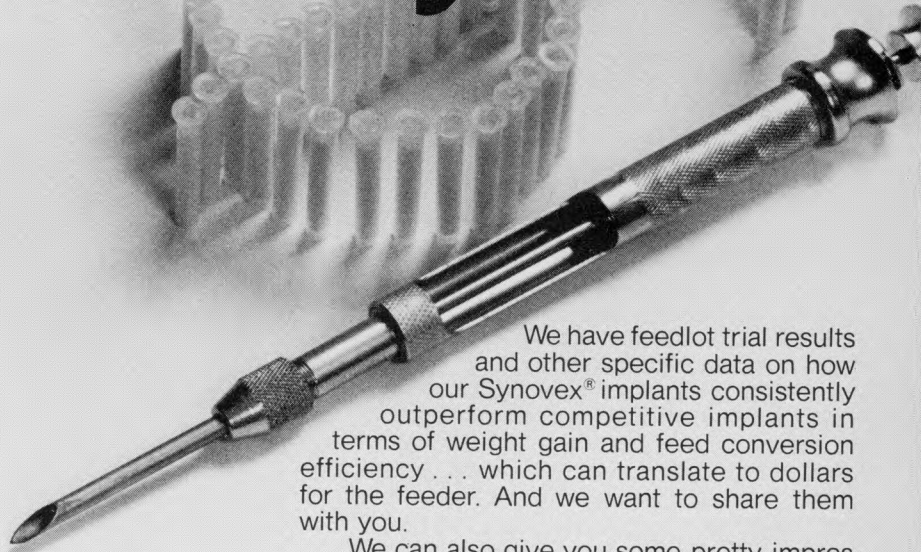
Vice President and Cashier  
Richland National Bank  
Sidney, Mont.

**T**HE FEED situation is good so there should be considerable demand for livestock. 1978 will be a good year for the producer and it appears '79 also will be a good year. A major factor in all this will be the federal government and how it handles imports and all the other situations that affect the industry.

The biggest problem for agriculture in the years ahead will be agricultural prices compared to operating costs. Economics is the key to any business situation and agriculture is a business and must be run as such. Again, the bureaucrats will have a lot to say here because of their ability to manipulate the factors that so often hurt the agricultural person.



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We have feedlot trial results and other specific data on how our Synovex<sup>®</sup> implants consistently outperform competitive implants in terms of weight gain and feed conversion efficiency . . . which can translate to dollars for the feeder. And we want to share them with you.

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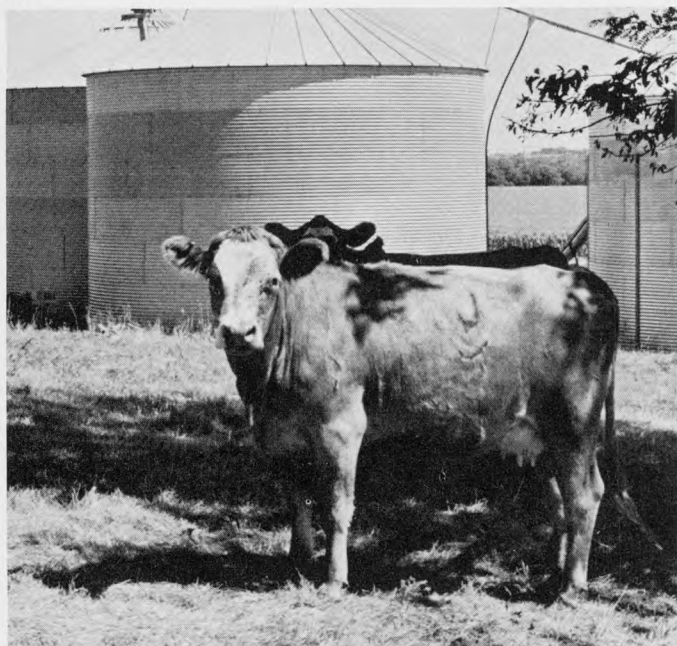
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**NEIL BERGENTHAL**  
Vice President  
First National Bank  
St. Louis, Mo.

**C**OW/CALF numbers continue to be reduced. For those animals remaining, the feed outlook appears plentiful with surprisingly lush pasture. Although crops were planted late, they are quickly catching up to previous averages. It appears that feed costs will be steady; however, operating costs will continue to rise. Many grain producers will be resealing old crop and putting new crop under loan.

The producer's credit position with his lender has improved versus one year ago, but there will continue to be pressures in individual instances to reduce indebtedness. There continues to be a shift to semi-confinement and controlled environment hog facilities, which will have a long run effect on the hog cycle. Hopefully, the cattle producer will continue to market the finished product at lower weights rather than holding for price increases.

The most important opportunity facing agricultural producers is to gain an understanding as to the marketing alternatives of the many commodities produced, and how to protect their end price. We are simply talking about price risk management, but it is a very deep subject which takes considerable experience to comprehend.

**MARION C. BONHAM**  
Chairman  
First National Bank  
Elm Creek, Nebr.

**A**LIMITED supply of replacement cattle, coupled with what appears to be an unlimited supply of feed indicates a strong market during the balance of 1978 and early 1979. Our biggest problem is the same as it has been for the past 10 years—increasing costs of equipment and supplies used by farmers without offsetting increases in farm produce prices.

**GORDON RUSKELL**  
Ag Representative  
First National Bank  
Jackson, Minn.

**T**HE large supply of carry-over corn, plus the prospect of a very good crop in this area have strengthened the interest in livestock feeding in this area. There seems to have been a substantial increase in construction of hog facilities this spring and summer in our area, and I feel the softening in the hog market that has been predicted for the past two years may materialize in 1979. Cattle feeders are going to be competing for a limited supply of feeder cattle for the next several years and, spurred by the present low price of feed grains, most of the profits in the cattle industry are going to be bid to the cow-calf producer. Due to the investment involved in purchasing feeder cattle and providing facilities, we have not noticed much new interest in cattle feeding, but established operators indicate they plan to be operating closer to capacity than they have the past several years.

The worst problem facing agriculture, in my opinion, is the same as the worst problem facing our whole economy - inflation. This is the underlying cause to a specific problem of agriculture and the banking industry — availability of loan funds. Agriculture is particularly hard hit by inflation, being a somewhat unique industry in that the market price for its products goes down as well as up.

**ROBERT L. VER HEECKE**  
Assistant Vice President  
Peoples National Bank  
Kewanee, Ill.

**T**HE most important factors I see facing agriculture in the years ahead are these:

Politics and government programs. 1. Imports and exports. 2. Set-aside. 3. Storage program. 4. Tax structure (income and estate). 5. Lack of political strength for representation.

Inflation.

Inaccurate publicity.

**J. MARVIN GARNER**  
Executive Vice President  
National Pork Producers Council  
Des Moines, Ia.

**W**ITH corn appearing to be at a price tied to government support level, much will depend on government's handling of that situation. Pork producers continue to be nervous and cautious on extended production increase. The emotion associated with a very un-predictable USDA and foreign trade folks has a tendency to over-ride any normal or practical economic guidelines of the past.

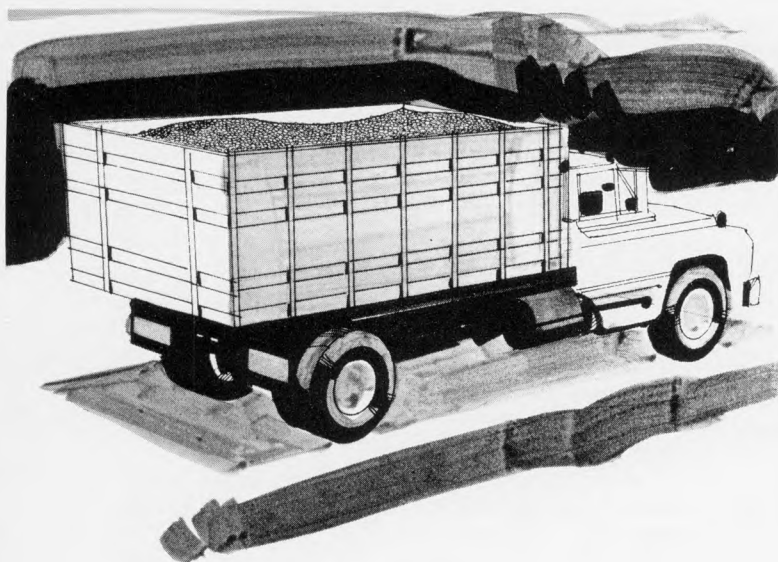
Our most important problem? Re-positioning government folks so they thoroughly study and research all facets of an area before they implement regulations that are causing un-due emotion that is, in turn, abruptly affecting economics of consumers as well as producers of this nation's food stuffs.



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The amount of chemical energy in natural propane gas needed to dry a single ton of grain will preserve five tons when converted into this proven combination of propionic, acetic and benzoic acids. Because your grain stays on the farm, you'll also eliminate the high cost of fuel consumed driving to and from dryers. In addition, you eliminate time wasted in long waits at the dryer, and combines or sheller-pickers work full time.

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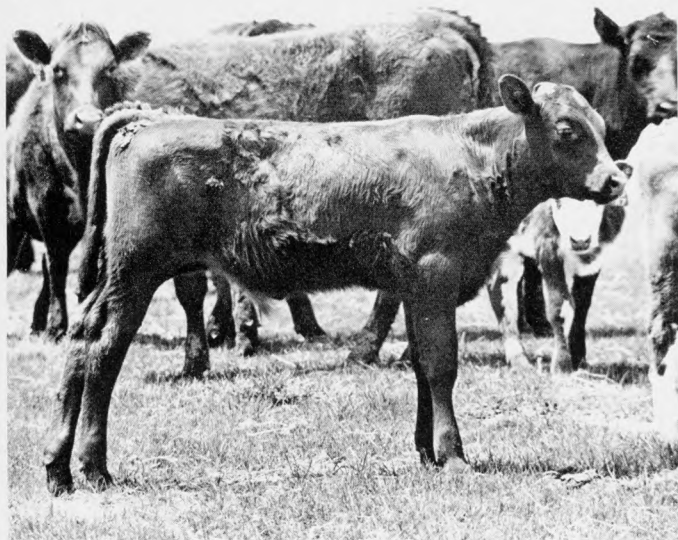
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**LARRY EHLERT**  
President  
Biozyme Enterprises  
St. Joseph, Mo.

**I**N MY OPINION as of January 1, 1979, we'll have the greatest supply of feedstuffs (grain, forages and pastures) and ample subsoil moisture that we've had per animal unit in the history of America. The only thing that could change this would be an early frost which could destroy the grain before proper maturity. This supply of feedstuffs has accumulated during a period of drought in many parts of America and at a time of high numbers of cattle. Therefore, going into a weather cycle of ample rain and no drought, I feel we'll continue to produce more grain and feedstuffs than the livestock consumes, so the supply will continue to build.

With grain surpluses and high costs of production, I don't foresee a bright future for the grain farmer, but I do see a reasonably good period for the livestock producer.

Our most important problems ahead will be the federal government's cheap food policy, control of the federal government by labor, and the Department of Agriculture controlled by consumer activists. The continuing high cost of production will have to be met by more efficient conversion of grain and roughages into meat and milk.

**C. N. FINSON**  
President  
National Bank of Monticello  
Monticello, Ill.

**T**HERE is practically no livestock production in this land of corn and soybeans. We have had a slight pickup in finishing of cattle but the activity is so slight that we do not claim any expertise.

We view the most important factor in agricultural financing at this time to be the availability of funds to meet the rapidly increasing demand for farm credit.

We view also as a problem to our farm operators the need for greater marketing skills and better methods of cost control.

**DAN McKEETH**  
Farm Loan Manager  
Jackson County Bank  
Black River Falls, Minn.

**F**ROM here it appears we will have lower prices from summer to the end of 1978, followed by higher prices in 1979. There is plenty of feed. Hog enterprise expansion should continue into 1979. Beef cow expansion will begin, causing lower supply of retail beef in 1979. Consumer resistance to higher food prices will be the most important factor in agriculture in the next few years.

**EUGENE E. COOMBS**  
Vice President  
Security Bank, N.A.  
Billings, Mont.

**W**E ANTICIPATE cattle prices to continue high for two reasons: First, fewer numbers of cattle, and second, even with numbers down the situation will be compounded because of holdback of heifers and fewer female cattle to rebuild herds; consequently, fewer female cattle will be going into the feedlots. It would seem that with this outlook, prices would hold strong for feeder cattle, fat cattle and replacement cattle. With an abundance of feed now, profit outlook for the next year for fat cattle looks good. Feed will not be as costly the next year as it was a couple of years ago when fat cattle prices fell and feed costs remained high, causing losses to feedlot operators. Supply of feeder cattle is tight and feeder cattle will command good prices.

One danger may be that fat cattle will be fed to a much heavier weight and this total tonnage of beef would cause more supply than demand. This, coupled with a liberal government policy of opening up the gates to more beef importations, could dampen the profit picture.

More people in our area are going to more hogs, both farrowing operations and feeding operations, for two reasons: 1. Surplus of feed and 2. Profitable fat hog prices. No large, expensive confined operations are in the picture, but expansion of present numbers by present hog operators loom in the picture. These people feel that going to more hogs is the way to market grain at a greater profit.

Who is going to be in agriculture? Same old story. The small farmer with inadequate cash flow to pay expenses will be going out, along with the operators who are not managing their places in a businesslike manner. Therefore, we'll see the continuation of a few farm units in the hands of the better managers who have adequate capital sources, either theirs or their ability to borrow.

The most important problems, then, would have to be classified as a continuation of prices received and prices paid by food producers for inputs. The old cost-price squeeze—what will they be? Also important is the buying power of the consumers and their attitude toward food. Also, what will be the government's position on imports of food? Naturally, most producers favor a very tight control of imports, favoring U. S. producers vs foreign producers.







**ED H. SPETMAN, JR.**  
 President  
 Council Bluffs Savings Bank  
 Council Bluffs, Ia.

**T**HE cattle and hog markets will be high priced both in the fall of '78 and early '79. The reason is that the reduced number of cows, in our estimation, has definitely caused a shortage and the demand for feeders will be greater than usual. The farmer feeder will be competing against the large feed lot operator who must keep his numbers up to make a profit.

I think prices also depend on the crops, which at this point look like they are going to be fantastic. We feel grain prices will fall off. And, if you have \$1.75 corn, the only way that these people can make money is through livestock; therefore, you are going to see a large increase in the price of cattle because of demand. If corn stays at \$2.25 to \$2.50 I think there will be a lot less in demand.

Hogs have been very steady and very good so far as profit is concerned, but we are certainly getting over-populated with hog raisers in our area. It has become a substitute for cattle feeding. I hope that the people in agriculture will remember the past and analyze the situation rather than go out and buy just to be buying.

I think the most important factor or problem facing agriculture in the next few years is the inflationary cost of operation and the narrowing of the profit gap. Also,

the flat increase in deposits, with many banks running terribly short of money. Operating lines are at an all time high and instead of cleaning up each year they seem to perpetuate and go on forever. Money management is going to be highly important for the future of agriculture.

**C. K. CHUCK PEDERSON**

Vice President

Farmers & Merchants State Bank  
 Springfield, Minn.

**I** FEEL one of the most important factors which will influence the cattle and hog situation will be government intervention or controls. It is interesting to note how quickly the government steps in when livestock prices start going up. It would seem that the consuming public must realize that they will have to pay the price for livestock products when they are scarce as well as enjoy the low prices when there is an over abundance. I would suggest that producers have the right to be upset when outside factors attempt to control the prices only when prices are going up and then let supply and demand control prices when it is going down. Cost of production and a decent profit are needed by both the livestock raiser and feeder. We could see \$10 per cwt. more for fat cattle if the market was left alone, and possibly \$5 per cwt. for hogs.

It would seem that with cheaper feed prices we will

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The **SHORTHORN** Breed of cattle is proving through research that many of its "bred in" characteristics are the true profit builders in a cow calf program & the feedlot. The top rate of gain at Iowa Bull Test Station for a 140 day period was 4.20.

The American Shorthorn Assn. has evaluated over 600 steers in the sire evaluation program and found that at 14 months of age — 80% will grade choice or better with an average yield grade 3 or better. Missouri Bull Test records indicate Shorthorn superiority in gains and selling prices — reporting the top bull at 1185 lbs. at 365 days commanding a price of \$3500.00.

**SHORTHORN** females display crossing ability in a major research program involving 540 females at Lacomb, Alberta research station. Shorthorn, Angus, and Hereford cows were mated to Charolais, Limousin and Simmental bulls.

Sire	Dam	200 day Adj. weaning wt. M&F Average
Charolais —	Shorthorn	423 lbs.
	Angus	399 lbs.
	Hereford	323 lbs.
Simmental —	Shorthorn	435 lbs.
	Hereford	422 lbs.
	Angus	417 lbs.
Limousin —	Shorthorn	408 lbs.
	Angus	390 lbs.
	Hereford	389 lbs.

The superiority of Shorthorn genetics in a crossing program is unquestionable and facts continue to prove that the Shorthorn influence can increase profits. Stan Melroe, Cogswell, ND reports topping Fargo market with a load of Shorthorn steers weighing 1134 lbs.

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**S**EVERAL respondents to the survey who submitted their price predictions but did not identify themselves by name or bank also made the following comments:

"So much depends on our general economy—inflation and unemployment. Cheap corn this fall could cause ridiculous feeder prices."

\*\*\*

"The decrease in numbers of cattle that calved this spring should make for a more stable price this fall and next year. Higher prices of beef in the supermarkets have not slackened the sale of processed beef. The one item that could hurt the price of red meat is if government encourages the imports of red meat or interferes with prices if they believe they are getting too high and try to control the pricing of red meat."

\*\*\*

"What will happen to cattle is anybody's guess, but we are looking for a stronger market. Calf contracts are starting to pick up, with some contracts reported as high as \$68. Think hogs may soften some."



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“Our new 37,000 square-foot bank was finished substantially below our anticipated figure and within the

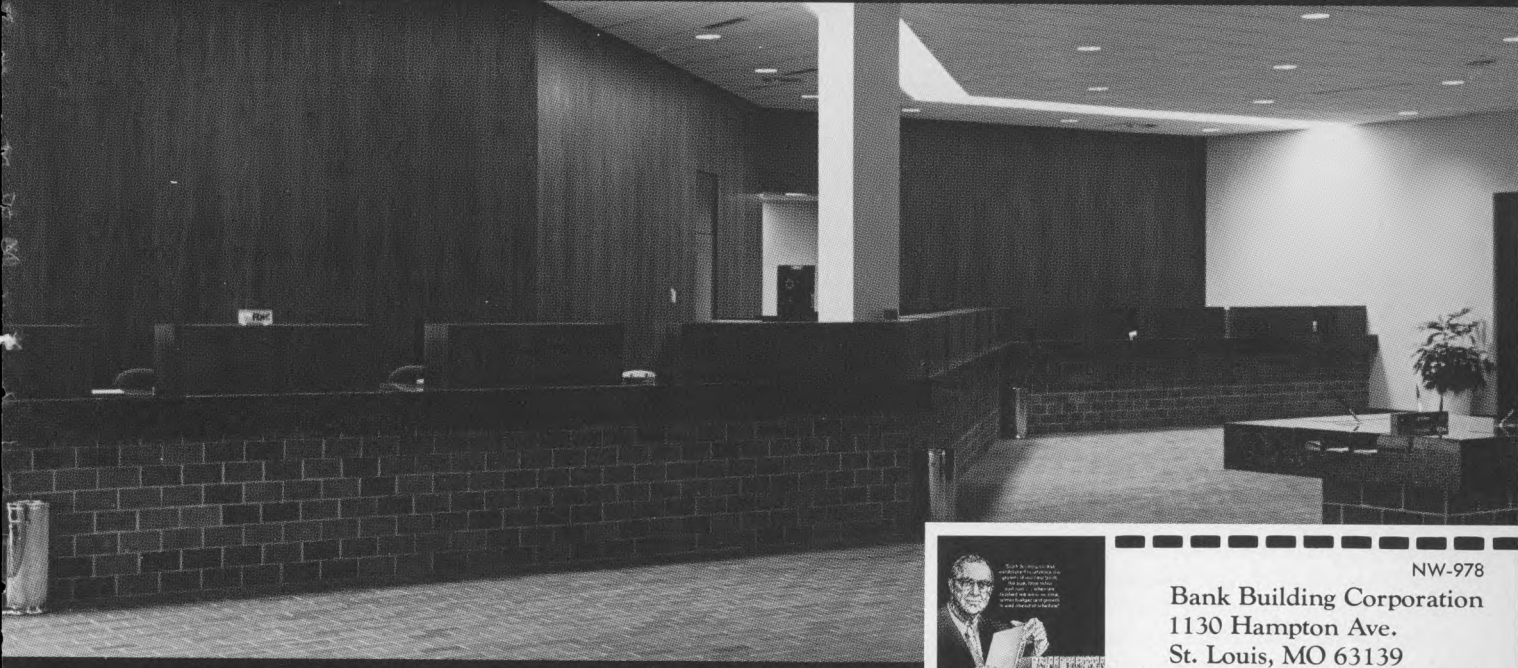


Daman Bowersock, President  
Merchants National Bank  
Fort Smith, Arkansas

time schedule, despite area labor problems. When the detailed building resolution was signed, it was predicted that our investment in a new building would stimulate our growth by now to \$75 million . . . instead Merchants National is currently at \$96 million.

“When any of our banker friends ask advice about building, I emphasize the critical importance of having the best possible professional assistance. With a minimum of input from us, Bank Building determined what we wanted, took over and created for us a beautiful and work-efficient bank.”

# “...and when it was finished, we were on time and within budget and our growth is well ahead of projections.”



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see heavier market cattle and hogs in the year ahead. This, coupled with the possibility of controls, will probably hold prices quite close to their present level.

The greatest problem I see is cash flow adequate to cover cost of production. With the present farm program, which appears to encourage storage facility construction and grain sealing, we are keeping the price at a level that will not cover costs and this will mean more borrowing and carryover of debt. I can already see this loan demand moving upward and this will definitely create problems for rural banks to meet the needs of their customers. For the farmers it will mean operating at a loss in hopes of recapturing this in gain at a later date - not a very pleasant outlook for the grain producer.

**GARY C. HUFF**

President

Bank of Sheridan  
Sheridan, Mont.

I DID NOT estimate the price on yearlings because I feel this is a big question mark. I believe most of our estimates on yearling numbers are incorrect (too high) and if this is the case it will result in an even sharper price increase for calves and fat cattle.

**ROGER L. WEISS**

President

Commercial National Bank  
Ainsworth, Nebr.

EARLY indications are that feeder cattle will be selling high in relation to fat cattle. Poor corn price prospects will tend to keep prices high. An early frost would cause feeder cattle to get very high.

**EDWARD J. LEAHY**

President

Northwestern State Bank  
Orange City, Ia.

IN THE Sioux County area we're finding that the cattle numbers are about on par with those on feed last year. There is a slight build up in hogs on feed at this time over the same time a year ago.

It would appear that we will see some market weakness in the August and September months due to the fact that the bulk of the calves put on feed last fall will be starting to go to market at this time. After this group of cattle are sold, it would appear that the cattle cycle is such that we will see moderately higher prices next year and possibly for the next two or three years as far as fat cattle are concerned. However, the cattle feeders will have to be cautious on buying replacement cattle as the lower numbers available will drive the price up to higher levels than we have seen in the past.

The feed situation in our area is going to be excellent this year compared to what it has been over the last four years. We've had excellent rains and our corn will no doubt be a record breaker. This will certainly help our livestock people in order to keep their cost of grain lower than what it has been in the past several years.

It would seem extremely important that the livestock feeder, whether he be a cattle feeder or hog feeder, have his operation fine tuned so he will be able to take advantage of any rises in the markets. This may mean he will have to use the futures market to settle ahead of the actual marketing time. If the livestock feeder has a logical program, no doubt he will have no problem getting the funds to finance the margin money.

In the past our agriculture producers have been able to meet the rising costs of production by applying more technology in the way of higher yielding hybrids, insecticides, herbicides, higher fertility levels, minimal tillage, and the use of larger equipment with which higher savings could be attained. However, at the present time, we are seeing not only the cost of production increasing, but the cost of the land has risen dramatically as well as the cost of the equipment, and it appears we do not have the option of tightening our belt once again in order to overcome these higher costs.

The inflation, of course, in land values has almost eliminated many young farmers who in the past did have the option of making farming a lifetime career. However, with the cost of land at the present time it would appear very few of these young people will be able to get into agriculture unless they have someone in their family to lend them substantial backing. It appears that we are heading for larger farm units over the next several years. However, for these larger units to be economically efficient they will have to use futures market and take advantage of market level increases so they will be able to stay in operation over the long run.

**C. R. HILDERBRAND**

President

First National Bank  
Ogallala, Nebr.

OUR total supply of cattle is down. It could be that calves and yearlings will be down 20% from this time last year. The rancher producer for the past five years has not been able to hold his own. The return has not been sufficient to handle the cost of his operation. The cost of grass has increased and, in turn, some have changed their operation to a yearling program, hoping this will work better because they could carry more numbers on the same acres. Although this has not been a big practice, it does tend to reduce cow and calf numbers.

Also, there were farmers and ranchers who have backgrounded cattle in the past who did not buy cattle last fall and winter because the prospects of breaking even looked very bleak. Our local commission barn has commented that the normal run for late 1978 will be short. If this is true in other areas, as I suspect it is, this situation could indicate higher prices this fall.

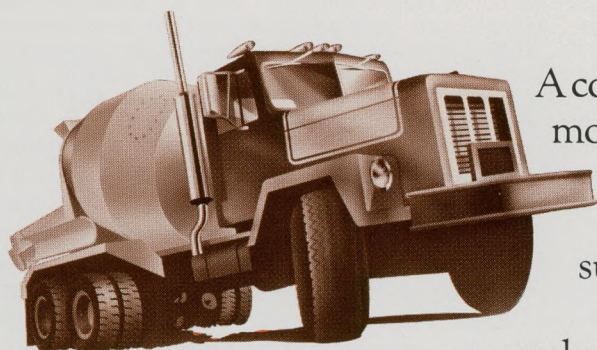
Our hay crop will be sufficient for this winter, not because of an abundance of rain but more because of some carryover from 1977. The feed in our area is abundant. All the corn looks good. There should be more silage than a year ago in addition to all other rough feed. In part, this will be due to the farm programs. With prices down to less than \$2.00 locally

**LIVESTOCK OUTLOOK . . .**

(Turn to page 104, please)



# Why banks suggested Ætna Money for cash flow in concrete and a buy-out in foods.



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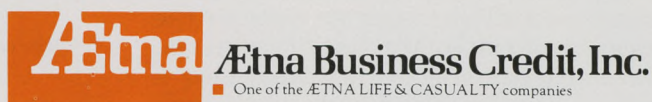
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Although certain identifying facts have been changed to protect client confidentiality, these are authentic examples of Ætna Money at work.

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Northwestern Banker, September 1978



# The Norwegian Red

## ...breeding for better profit



**FRED**, champion Norwegian Red bull, is owned by Worley Farms, Atwood, Kan. He was calved 8/27/76 at 95 pounds. In October, 1977, he was judged by Kansas State University Bull Test to be the top gaining pureblood bull, with 4.06 lbs. average daily gain. Fred had 3.51 pounds per day of age, had 756 pounds adjusted weight at 205 days, 1327 pounds at 365 days and 1436 pounds final test weight, making it heaviest of all bulls on the test.

A NORTHWESTERN BANKER

Interview with

**RONALD R. HAGELMAN, JR.**

President

NORED Corporation

Adair, Ia.

**B**OTTOM LINE performance is the accepted measure that tells a banker whether his customer or prospective borrower is managing an efficient, profitable business.

Using that norm, Ron Hagelman becomes eloquently enthusiastic about the economic and genetic potential of the Norwegian Red breed for American cattle breeders and feeders. With proven performance records in hand from Norway, as well as from his own purebred herd on his farm at Adair, Ia., the 29-year old president of the NORED Corporation comments admiringly but analytically about his Norwegian Reds:

"What makes the Norwegian Reds different is that we are the first new breed of the 20th century. The Norwegians have developed this breed in the past 40 years out of economic necessity. In a nation where only 3% of the land is arable, farmers not only feed the 17 million people in their country but also export meat and dairy products. Norwegian farmers have the best dairy records in the European Common Market today. At the base of all this is the Norwegian Red breed."

Meticulous, authenticated records maintained by the Norwegian Ministry of Agriculture give a clear picture of the vital facts on these cattle, Mr. Hagelman states. "The basic character traits selected and bred over a 40-year period are: great length of body and rump, small calving size (rated second only to Jersey by the American Breeders Service), good mothering ability, outstanding fertility, excellent weight gain, exceptional feed conversion on high roughage, and modern day carcass characteristics."

### Resource Limitation Spurs Search

In discussing the reasons for the importing of "exotic" breeds to the United States in the past two decades, Mr. Hagelman pursues a theme that is stressed with increasing frequency by professional farmers, educators and ag conservationists.

"Why have we imported 40 exotic breeds in the past 20 or so years?" he asks. "Originally, it was to produce bigger, better and more beef with resulting profit, at a time when the emphasis was on the need for such expansion to feed more people. However, there is a growing awareness among cattle people that we are dealing with a finite resource. We used to think in terms of expanding and planting more, but we realize now we have limitations. There is only so much land and water and at some point in time we must come to grips with this concept.

"Good breeding means you harvest more from the same numbers or less, and on the same limited resources. Europe came to this conceptual view of resources 20 years ago. Their nations recognized the limitations of land, water and other resources and put more into research to overcome these deficiencies. They knew they needed more production from fixed parameters. That's why their breeds are better and why we've brought them into the United States.

"We must compete genetically with Europeans. More work needs to be done with progeny and sire analysis, as has been done in Europe. With the selective breeding that has taken place in cattle, for example, Europeans can have smaller herds and better breeds."

### Norway's Breeding Experiment

Norway, Mr. Hagelman recalls, was no exception to the trend among European countries to upgrade livestock and all agricultural procedures. "Their Socialist government, through a system of ag coops, formed the Norwegian Red Cattle Association in 1935 with a desire to improve both beef and milk production out of economic necessity. They began developing the breed in the late 1930s by consolidating all the existing



breeds in Norway. Breeding was strictly controlled and more than 90% of the breeds in Norway were included in the background of the Norwegian Red. As a result, they developed a breed to operate under extreme adverse geographic and economic circumstances. They not only perform well in the colder regions of Norway, but adjust to even the torrid climate of equatorial countries such as Madagascar, where a number of Norwegian Reds have been exported."

Throughout all this, Mr. Hagelman emphasizes, government subsidies made such development possible, whereas private capital which he prefers, for the most part has done the job in the United States. Major development of the Norwegian Red breed was delayed because of the onslaught of World War II in the late 1930s in Europe. Regaining their momentum in the late 1940s, Norwegian breeders formed a precise method for cross-breeding and keeping records on every animal. The result now is that through a system of selective breeding and bull testing, no bulls are kept alive after they reach 18 months. By that time they have had their semen taken regularly, after which it has been frozen in artificial insemination vials, catalogued and stored.

By meticulous record-keeping on a computer, the results from each bull are followed. "When all the results are in from reports of all offspring of cows impregnated by these bulls," Mr. Hagelman said, "the Ag Ministry names the Bull of the Year. All other semen is destroyed and that bull's semen is used, while testing with new generations continues to select for future genetic development."

#### Results Show High Performance

The result has been animals of great length. In fact, their extra long, lean, lightweight bodies at birth give remarkable calving ease and survival. Cows furnish calves with an extremely high weaning weight for weaning percentages of 60 to 70%, indicating the calf weight at weaning as a percentage of the cow's weight.

Mr. Hagelman points to weight gains of 3.69# average daily gain last year in the Iowa Beef Carcass Classic and 3.65# average daily gain in the Montana Steer Futurity last year. On carcass yields, he noted, 90% half-blood steers graded choice with an average yield grade of 2.5, and at the Iowa State Meat Lab in 1977 they yielded 67% to 69% retail cuts.

A key factor for breeders and feeders in Norway is the animal's exceptional feed conversion on high roughage. "Cattle are the only animals that can convert roughage to meat and milk," Mr. Hagelman notes, "and the unusual length of the Red's body allows it to do this much better than other cattle. It can consume much more roughage for conversion and utilize less corn and still produce more meat than the others."

To emphasize this, he recalls from his visit to Norway last year that ag officials told him "at the end of World War II we had 780,000 cows in Norway. Now, we have 350,000, but meat production is up, giving us a 50% increase in efficiency." The officials also told him that all breeding in Norway for the Norwegian Reds is through artificial insemination. "In fact," he stresses, "this is 100%, and to breed otherwise is illegal. Norway also breeds 65% of its swine through A.I., and has had similar breed programs for a superior swine breed — Landrace."

#### Private Capital Used in U.S.

Referring to the economics of cattle breeding and feeding in America, Mr. Hagelman says, "We've become more professional, more scientific in developing our own breeds and the only way we can do it is with outside capital, and that requires incentive. The only way to assure development is through genetics, which permits scientific prediction. We need people like doctors, dentists, lawyers, businessmen who have capital to invest. Without them we couldn't make progress.

"This capital should be protected by tax breaks. Other nations subsidize this research, so if private capital underwrites the research here the tax breaks are needed to give incentive for this assistance. So, we must bear in mind those tax deductions are there for a



Ron Hagelman displays Norwegian Red cow and calf at his Adair, Ia., farm.

purpose—to breed better genetic stock that will aid the cattleman to produce a better product.

"That's why the NORED Corporation is made up of both cattlemen and businessmen, for they recognize the potential of superior genetic performance, and we've invested the money it takes to run this kind of operation to let people know we have something worthwhile to offer.

"The cattleman must decide what type of animals he wants, then make a selection of breeding stock to achieve that. Cattlemen definitely are becoming more professional businessmen. The professionals are the ones who weathered the storm of the last four years in our industry. It wasn't just cows who were culled in those four years!"

#### Farming Was Youthful Ambition

Adherence to this pursuit of professionalism requires detailed record keeping, Mr. Hagelman states emphatically. He knows. He has done it himself and continues to do so on his farm one and one-half miles east of Adair, Ia., where he owns and leases 1,000 acres. He runs 300 cows on the farm — 50 of them pureblood Norwegian Reds from imported stock; 50 of them percentage females, and the other 200 commercial cows.

An interesting chain of events brought this city born

#### NORWEGIAN RED . . .

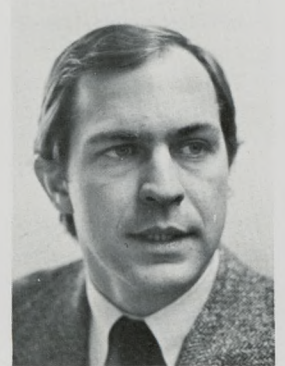
(Turn to page 62, please)



# Are you ready for Automatic Transfer Accounts?



Written Especially for  
THE NORTHWESTERN BANKER  
By L. BIFF MOTLEY  
Executive Vice President  
Whittle, Raddon, Motley & Hanks  
Financial Marketing Group  
Chicago, Ill.



**W**ITH the introductory date for the Automatic Transfer Plan rapidly approaching, many banks around the country are locked up in their laboratories or attending seminars on the subject of how to structure, price, and promote the automatic transfer from savings to checking. The schemes which bankers have dreamed up have ranged from the simple to the complex and there are about as many different automatic transfer products on the drawing boards as there are clever bank marketing people willing to scratch their heads on the subject.

The purpose of this article is to articulate some factors for you to consider in introducing your Automatic Transfer Plan. While much of the information contained herein is the opinion of our firm, it is based upon research findings which we have obtained as a result of doing pricing and marketing research in 30 markets on the subject of the automatic transfer during the two year period when this product was being studied by the Fed.

## Market Research Findings

As you consider the five points reviewed later in this article, it is important to keep in mind that they are based upon the following four market research findings. These findings tend to be common in all markets where there is more than one type of financial institution (i.e., both commercial banks and thrift institutions).

- **Low Cross-Selling** — Most commercial banks will find that only 50 to 55% of their checking account customers have a savings account with them and, furthermore, these savings accounts tend to be fairly low, with balances in the \$800 to \$1,200 range.

- **Savings and Loans Are Popular** — Market research in these same markets shows that it is typical to find in excess of 90% of the households do business with a savings and loan in the form of a regular savings account.

- **Larger Account at Savings and Loan** — Looking at published information made available both by the Federal Reserve System in its functional cost analysis and the Federal Home Loan Bank Board, it is clear to see that the average savings account is larger at the savings and loan than at the commercial bank.

- **A Person's Primary Bank Account Relationship Is Linked to Checking** — Consumer research shows that while families tend to do business with an average of 2.4 financial institutions, typically they consider the institution offering their checking account to be their primary or main financial institution.

## Strategic Points Outlined

Taking this information together, we can see a number of strategic points. First, while the commercial banking industry tends to "own the relationship" by virtue of the transaction convenience of its checking account, the thrift industry appears to own the balances; at least insofar as retail balances are concerned. Second, it is quite clear that it is the intent of the regulators to continue the blurring of the distinction between thrifts and banks and that the battleground for the impending war between these institutions will be the personal interest-bearing account. Many commercial bankers want to see an equalization of Reg Q differences on savings balances,



while many savings bankers want to see the day when they are allowed to offer interest-bearing checking accounts.

The automatic transfer from savings to checking enters into this picture in a strategic sense insofar as the battle between banks and thrifts is concerned. In a theoretical sense, the automatic transfer is a functional link between the commercial banker's main strength (i.e., transaction convenience) and the battleground or goal which both banks and savings and loans are pursuing (i.e., the savings account). Commercial banks want to convince their customers to move savings balances in their direction; and savings bankers want to convince their customers to keep them there. If and when the automatic transfer is permitted, it is quite clear that there will be a tremendous amount of pressure for the next "shoe to drop." And, indeed, it is highly probable that within a two year period following the introduction of automatic transfers, thrift institutions will be allowed to offer third-party payment products which pay interest.

#### Principal Goal — Attract Savings

In view of this information, we feel that it is quite clear that the principal marketing goal of a commercial bank within the next two year period should be to attract savings balances. Automatic transfer from savings to checking can be a very powerful feature of a product to achieve this goal. Interestingly enough, CitiBank in New York already has begun implementing this strategy through its automatic teller machines. Apparently, they have given up trying to position the ATMs as strictly an extended convenience and now are positioning the ATMs as a mechanism, in effect to earn interest on checking. In its current advertising campaign, CitiBank is promoting the ATM system and its convenience as a mechanism for customers to transfer funds quickly from savings to checking.

The point is simply this. As you consider your automatic transfer options, keep firmly in mind this strategy: The automatic transfer should be positioned as an additional convenience enhancement to a person's checking account, and one which requires that person also to have a savings account with your bank. Now there are two ways by which consumers can bring about this particular circumstance.

**The first** is to transfer balances in his checking to his savings account. This is not particularly good for the bank.

**The second** is to transfer savings balances from the thrift to your bank. This is good for the bank and should be your marketing goal.

In the construction of your automatic transfer service, and in the education of your consumers, you should emphasize the smartness of this latter alternative rather than the prior alternative. To do this will require that you re-configure your basic checking account pricing mechanism to reflect savings balances as well as checking balances.

Let's review some of the other factors you should consider:

### I. A New Product or a New Feature

One of the basic decisions you'll have to make about the automatic transfer is whether you should position it as a totally new product or simply as a new feature of



your regular checking account. If you were to position it as a new product you would suggest that through the automatic transfer mechanism a consumer now can earn interest on more of his dollars than he could before. In other words, you are suggesting that to a greater or lesser degree the consumer can earn interest on some or all of his "transaction dollars," which prior to the automatic transfer, paid no interest. This is certainly a new product.

The other alternative to marketing the automatic transfer is to suggest that it is an "overdraft protection" feature of your regular checking account. In other words, you can suggest that by having a savings account as well as a checking account with your bank, customers needn't worry about accidentally overdrawing their checking account since you'll cover any overdrafts with an automatic transfer from savings.

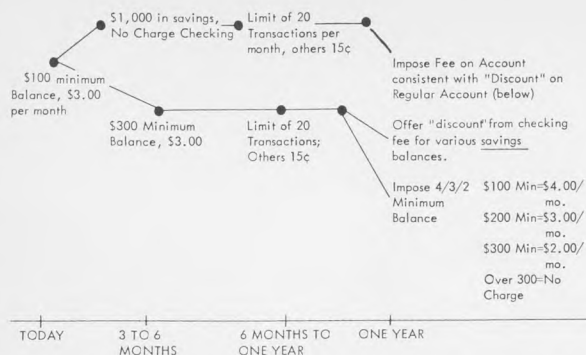
It is our view that you should introduce a new product but that the product be new by virtue of the manner in which it is priced rather than exclusively as a result of the automatic transfer. Market research in various markets around the country reveals consistently that more people are excited about getting "free checking" by keeping a savings account than they are to any anticipated benefits of automatically transferring funds from savings to checking. We would suggest a new product which links checking and savings together by virtue of its pricing, and that the automatic transfer be positioned as an optional feature to this "new balance oriented" package.

As you consider this "savings/checking package" there are a number of do's and don'ts you should consider:

#### Do's

- Offer more than one way to transfer from savings to checking. While the current focus around the country is on automatic transfers, don't forget that many people are interested in telephone transfers, debit card transfers and other ways of transferring funds from savings to checking.
- Make the automatic transfer optional. Some people will want the automatic transfer; others will not. Do not sacrifice savings dollars because some of your market will be uninterested in the automatic transfer option. Price the account around checking activity to encourage higher balances; be indifferent to whether those balances are in checking or savings, although the savings





**THIS CHART** is cited as an example of a 12-month price adjusting plan to bring together checking and savings balances in a manner which encourages higher balances and extracts fees for low balances. It brings the account from the former \$100 minimum to \$1,000 minimum in savings for free checking, or the alternatives listed of \$4, \$3 or \$2 for minimum checking balances. This example is cited in "How to Significantly Increase Your Service Charge Income," co-authored by Mr. Motley; Alex Sheshunoff, pres. of Sheshunoff & Company, Inc., Austin, Tex., and Robert Penquite & Associates, Inc., Dallas,

balances must be significantly larger to compensate you.

- Charge for the transfer. The actual price you place in the transfer will depend, of course, upon the degree of competition you are currently experiencing from your local thrifts, but do not offer this service free.

#### Don'ts

- Do not force people to make deposits into their savings account. Many people will want to maintain the psychological integrity of their checking account and their savings account. Do not force people into a transaction account which pays interest if they don't want it.
- Do not move people's balances around without their knowledge. One major software supplier is considering an automatic transfer program that would level out people's checking and savings balances according to a predetermined formula and, if customers neglected to deposit directly into checking, the bank might automatically transfer funds from checking to savings to achieve these preestablished targets. This will result in a tremendous amount of confusion to your customers. Do not consider such a plan.

## II. What Should Be Your Goal In Marketing The Automatic Transfer?

Keep in mind that your principal focus in developing and marketing this product is to take dollars away from your local thrift institutions. If you have very aggressive thrift institutions, the pricing, packaging, and promoting of the automatic transfer and its overriding product should be very aggressive. If you have weak local thrift competition, make sure that your principal goal is to recover all costs associated with the automatic transfer.

## III. Don't Be Afraid If Your Pricing Is Higher Than Your Bank Competition

Price your new account so that it makes money for

your bank, based on either a person's balances or the fees they pay. Be sure this pricing insulates your best customers from the potential price competition which your smaller competitors may engage in. In other words, give away a free checking account to all customers who maintain an attractive savings account with you, but make those who do not maintain balances at your institution pay a compensatory fee. And don't be afraid if this fee is higher than that charged by your local bank competition since, if you lose these customers, it will only serve to improve your bottom line.

## IV. Don't Forget The "Blue Collar" Market

Many of the "automatic transfer products" being discussed by bankers throughout the country are designed to appeal primarily to the "sharpees." In fact, some of the pricing mechanisms and operating requirements are such a radical departure from current banking behavior that only a "Harvard MBA" would find them appealing. Typically, these "sharpees" are not your bank's most profitable customers. You'll find they are inclined to have highly active accounts with only moderate balances. You'll also find that they are the first ones to move any time deposits to the money market when interest rates turn against your bank and are generally a difficult group to make money from.

On the other hand, market research reveals that the middle aged "blue collar" market can be very attractive to a bank. Typically, these people maintain fairly large balances in regular savings accounts. They are more interested in "liquidity" than they are in maximum yield. They tend to be more conservative, more fundamental in their view of banking and finance, and not always the first to respond to "sophisticated" new ways of doing things. However, this is precisely the same market which does respond extremely well to "premium offerings." These people reason that if they can get a better deal on a piece of merchandise by moving their savings account, "why not?" It is with this segment of the market in mind that we suggest you structure your new product broadly enough to find a level of interest with this market.

## V. Give People A Balance Fee Trade-Off

In most banking markets there are "funds users" and "funds providers" from the viewpoint of a bank. Funds users would prefer to pay for their deposit-related services in fees since they often times don't have necessary balances. Funds providers, on the other hand, typically would prefer to pay for their services with their balances. Indeed, many of these people feel offended if they're asked to pay a fee. They consider themselves to be "good customers" by virtue of their balances and, as a result, do not expect to pay fees. Structure your product so that pricing is indifferent between balances and fees.

#### Conclusion

These are some factors to keep in mind as you consider your options in introducing an automatic transfer plan. Undoubtedly, you will be approached by many software suppliers as well as people like us who are interested in serving your marketing needs. Our final word of advice to you is take a bottom line point of view and structure your product to attract the most profitable kinds of customers for your bank. □



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# SBA to certify bank lenders

**A** PILOT PROGRAM that would designate selected banks and bankers as certified lenders is expected to be in operation by October 1 at the Small Business Administration. Under the Bank Certification Program, banks having good experience with SBA loans will be authorized to process, service and, to the extent possible, liquidate loans with a minimum of SBA involvement. The program could cut handling of loan applications under this process by 10-12 days.

Although SBA must make the final decision on a borrower's eligibility, as required by statute, that process will be accelerated greatly by having the SBA use the originating bank's credit evaluation instead of reviewing the entire credit file compiled by the bank.

### Bank Responsibility

The bank will be responsible for closing and servicing the loan, with SBA furnishing standard closing forms. Most servicing functions may be performed by a bank without prior consent of SBA, such as releasing collateral to a limit of 20% of the original amount of the loan, or the excess over the unpaid balance; releasing personal guaranty, and authorizing alternative payment plans, including deferment of payments.

A certified lender will be encouraged to establish a department specializing in SBA lending and managed by loan officers properly trained in SBA procedures. SBA suggests that the services of such a department in a larger bank could be made available to correspondent banks to assist them in preparation of SBA loans.

To learn more details of the program for midwest banks, Robert Marshall, director of the office of program development in SBA headquarters in Washington, D.C., was interviewed by the Northwestern Banker.

### Program Director Comments

Mr. Marshall, who is directly in charge of this program, commented on these latest developments in the Bank Certification Program:

"We hope to get this program put together in September and start October 1, which is the beginning of our fiscal year. Initially, we're going to pilot it with 10 to 20 banks which have been working closely with us and most of these are big banks. We don't expect the pilot program to last too long. Actually, we anticipate expanding it after three months, at which time we would aim at the balance of the less than 700 banks which have 25 or more SBA loans with us. This probably would be accomplished in 1979.

"The goal of Administrator A. Vernon Weaver then is to build the Bank Certification Program to a minimum of 2,000 banks over a period of two or more years. Any bank still may participate with the SBA in the same way loans now are being made. This program of certification is just on top of the usual SBA lending. In this regard, it is interesting to note that we have at least one loan with 10,000 banks in the United States now.

"To provide certification we will run a training program of two or three days using small groups of three or four banks with 15 people at the most. Following this there would be some brief training in a regional office so the individuals could become acquainted with our procedures.

"An interesting part of this program is that we will certify individual bankers as well as banks. In each case, a two-year certificate would be issued and would be renewable. The individual certification will permit a person who moves to a different bank to take that credential to the next job. This also would be helpful to us in dealing with the new bank employer.

"Under this certification program, the bank does all the ground work and gives SBA a credit evaluation. We will review the credit evaluation in making the final

---

**SBA CERTIFICATION . . .**  
(Turn to page 62, please)



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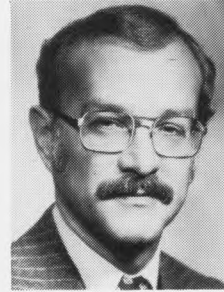


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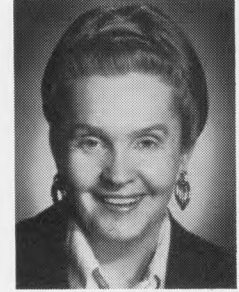
## NABW Theme Is: "The Winning Game"



**J. M. HOLM**



**H. E. KOEHN**



**A. H. MORIS**

**W**OMEN bankers attending the 56th annual convention of the National Association of Bank Women September 24-27 in Las Vegas will examine the convention theme, "The Winning Game/Strategies for a Competitive Era." Meeting at Caesar's Palace, the general session and workshop speakers will look at services, rules of the game, profitable markets and delivery of products.

Presiding will be NABW President Ruth I. Smith, president of the First State Bank in Kansas City, Kan. Serving with her as 1977-78 officers are: Vice President—Esther H. Smith, vice president, Commerce Union Bank, Nashville, Tenn.; Secretary—Patricia C. Enos, vice president, First National Bank, Huntington, Ind., and Treasurer—Josephine M. Webster, vice president and investment officer, American Fletcher National Bank & Trust Co., Indianapolis, Ind. Chief staff officer at NABW headquarters in Chicago is Executive Vice President Phyllis M. Haeger.

The new slate of officers were certified by ballot in late August and will be installed on the final day of the annual meeting. Esther Smith will move up to the presidency for 1978-79. Josephine Webster is slated to become the vice president/president elect. The nominees for secretary and treasurer are Dorothy Rowland, senior vice president, Capital National Bank, Austin, Tex., and Betty Crow, vice president, Commerce Bank, Kansas City, Mo.

Regional vice presidents will assist by chairing workshops to be held throughout the convention. Those from the NORTHWESTERN BANKER area are:

**Lake:** Karen Thomson, vice president, St. Joseph Valley Bank, Elkhart, Ind.

**Midwest:** Kaye Fulrath, assistant vice president, Merchants National Bank, Cedar Rapids, Ia.

**North Central:** Arlene Ablor, assistant vice president, National Exchange Bank & Trust Co., Fond du Lac, Wis.

**Northwest:** Dolly Lotz, assistant vice president, Idaho Bank & Trust Co., Pocatello, Ida.

**Rocky Mountain:** Winona Flower, vice president, Jackson State Bank, Jackson, Wyo.

Three principal speakers have been announced. Keynoter will be Jeanne M. Holm, former special assistant to the President for women and retired Air Force Major General, whose topic will be "The Name of the Game for Professional Women."

She will be followed by Hank E. Koehn, vice president, futures research unit, Security Pacific National Bank, Los Angeles, Cal. The final general session will feature NABW Educational Foundation consultant Alene H. Morris on "Making the Odds Work for You."

The convention program follows:

### Sunday, September 24

- |                  |   |
|------------------|---|
| <b>All Day</b>   | Registration.   |
| <b>Afternoon</b> | Orientation Seminar (for incoming group chairmen).        |
| <b>Evening</b>   | Gala "High Rollers" Opening Reception with entertainment. |

### Monday, September 25

- |                  |  |
|------------------|--|
| <b>Morning</b>   | Opening Ceremonies.<br>"The Name of the Game for the Professional Woman" — Jeanne M. Holm, Major General U.S. Air Force (retired).<br>"The Future Begins in Three Days" — Hank E. Koehn, vice president, futures research unit, Security Pacific National Bank, Los Angeles, Cal.<br>"You and Your Bank: A Futures Worksheet" — Each participant will use a specially designed worksheet to help her process the ideas presented throughout the entire convention. |
| <b>Afternoon</b> | Concurrent Workshops: Forming the Strategies for Your Bank.<br>Processing Sessions — One-on-one rap  |

**NABW CONVENTION . . .**  
(Turn to page 64, please)



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Douglas R. Smith, Chairman of the Board and Chief Executive Officer, National Savings and Trust Company, Washington, D.C.

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## WOMEN IN BANKING

*Ms. Mains joined the First National Bank of Arizona in February of 1958 as a secretary. In 1961 she was appointed a note teller and later held positions of operations officer and assistant manager prior to her appointment as manager of the bank's Wellton Office in 1972. She has been a bank officer since 1965 and recently was named an assistant vice president.*

*Below Ms. Mains tells what it is like to be a branch manager.*

**W**HEN you move to the platform you are more visible. I was even more visible at the time I became manager because I was a woman. This led to some interesting reactions.

There was some skepticism at first from the public. "For heaven's sake, everyone knows bankers aren't WOMEN, bankers are MEN." Maybe that's why I temporarily turned into a tourist attraction as revealed by this direct quote from one vacationer who stopped by my branch to cash a check. "A woman banker! Wait till I get home and tell the folks about this.

A telephone call would come in asking for the manager. I would answer, and a cool voice would say, "I asked for the manager." (Remember your reaction the first time you dialed the phone and a male voice answered, "Operator"?) But these were the exceptions.

I really knew the public didn't think about whether I was a man or woman anymore the day a customer yelled at me in the same tone of voice he had always used with the previous managers.

In a small town, customers are not bashful about calling you after hours. You sometimes feel as if you are on call 24 hours a day. The small town has an advantage though. You have pipelines to information all through the community. (Sometimes customers tell you more than you really wanted to know.)

It was fortunate that I had grown



By **MARY R. MAINS**

Manager

Wellton Office

First National Bank of Arizona

up in this community, and the people already knew me as a person. Their only adjustment was to me as a banker. Happily, they approved.

### A Challenge

What is it like being a branch manager from a woman's point of view? The same as from a man's point of view—very challenging and interesting.

One of the things that pleases me most is that First National Bank had a woman manager before the days of strong pressure groups and movements. I got to be a branch manager because my superiors felt I had the potential material to be a manager. The decision was not based on whether I was a man or a woman.

An enthusiastic, fascinating person, "a man before his time", gave me some advice 20 years ago. He said, "In banking, the opportunity always comes along sooner or later. You might not feel you are ready when it comes, and you might have to make up your mind in a hurry whether or not you are going to take advantage of it. It might only come knocking at your door once. Then again, you might be one of the lucky ones who will get more than one

chance. The trick is to figure out whether or not you are the lucky one." He laughed, and finished seriously with, "The real secret is to be prepared."

With those words, Carl Burrows, unknowingly, started a lady on her way to becoming a branch manager.

### Learning Experience

Admittedly, six years ago my potential needed some developing, and there were some gaps in my knowledge that had to be bridged very quickly. This was accomplished at that time with early morning crash sessions in the branch, a lot of reading and a lot of asking questions. In the evenings I took AIB courses and as they were scheduled, related seminars. It all worked itself out, because I had a lot of guidance from others.

I could make my decisions from a point of strength, because I had been assured of full support from my division office. The other managers in the area had said if they could help to pick up the phone and call. And when I did, the response was immediate and affirmative. I was part of the camaraderie. It was good to be working with professionals.

Today our training in all areas is approached from a different direction than it was even a few years ago. We are able to do this as society's attitudes and ideas have changed toward our industry. We were not trained as now. Employee's goals were different. We had not tested our potentials. There was a partition in our minds. This kept us (especially women) from even seeking the training or developing goals that would lead to managerial positions.

Fifteen years ago my "ultimate" goal was to become an operations officer. Ten years ago if I had been asked to make a list of courses I needed to take for future advancement in my career, I would have placed a course such as Analyzing Financial Statements at the bottom

---

**WOMEN IN BANKING . . .**

(Turn to page 64, please)



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## Robert Morris Meeting Slated for Dallas

**R**OBERT Morris Associates has published the results of the seventh annual survey of loan charge-off experience of RMA member banks for the year ending December 31, 1977.

The report for 1977 is divided into two sections. One provides figures for domestic loans and the other for international loans.

For the first time, the domestic section provides gross and net charge-off statistics for seven different types of lending. They are

direct real estate lending; loans to financial institutions; loans for purchasing or carrying securities; loans to farmers; commercial and industrial loans; loans to individuals for household, family and other personal expenditures; and all other loans. (These loan categories parallel the 1977 Federal "call" Reports of Condition, Schedule A - Loans section.)

The report also presents gross and net charge-off statistics for the entire portfolio, arranged by bank asset

size and Federal Reserve District.

In addition, high-loss industry rankings for 1977 have been tabulated by bank asset size, Federal Reserve District, and nationwide.

Due to the expanded loan data base, the results of this year's domestic study cannot be compared with statistics RMA has published in previous years.

### Domestic Section

The statistics in the domestic section are based on data contributed by 751 RMA member banks. Included are data from 87 of the country's largest 100 banks. The participating banks reported total gross charge-offs of \$1.95 billion, or .64 of 1% of the \$305 billion of all loans outstanding.

Loan recoveries totaled \$399 million. After allowing for these recoveries, net charge-offs were \$1.55 billion or .51 of 1% of the total loans outstanding for the year.

### International Section

The international section presents statistics gathered from 127 RMA member banks, 84 of which are among the country's largest banking institutions. The participating banks reported average international loans and deposits outstanding during 1977 of \$194 billion. Gross charge-offs were reported to be \$406 million, equal to .21 of 1% of the total portfolio, while total dollar recoveries of \$63 million resulted in net charge-offs equal to .18 of 1% of all loans and deposits outstanding.

Of the 127 responding banks, only 60 reported any charge-offs in the international area. These 60 banks reported average international loans and deposits aggregating \$182 billion.

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 type of borrower.

A free copy of the report was sent recently to the chief executive officer and the RMA accredited representative of each of the association's 1,900 member banks. Other copies are available from the RMA Order Department, 1432 Philadelphia National Bank Building, Philadelphia, Pa. 19107. The price is \$5.00 for RFMA member banks and \$7.50 for nonmember banks.

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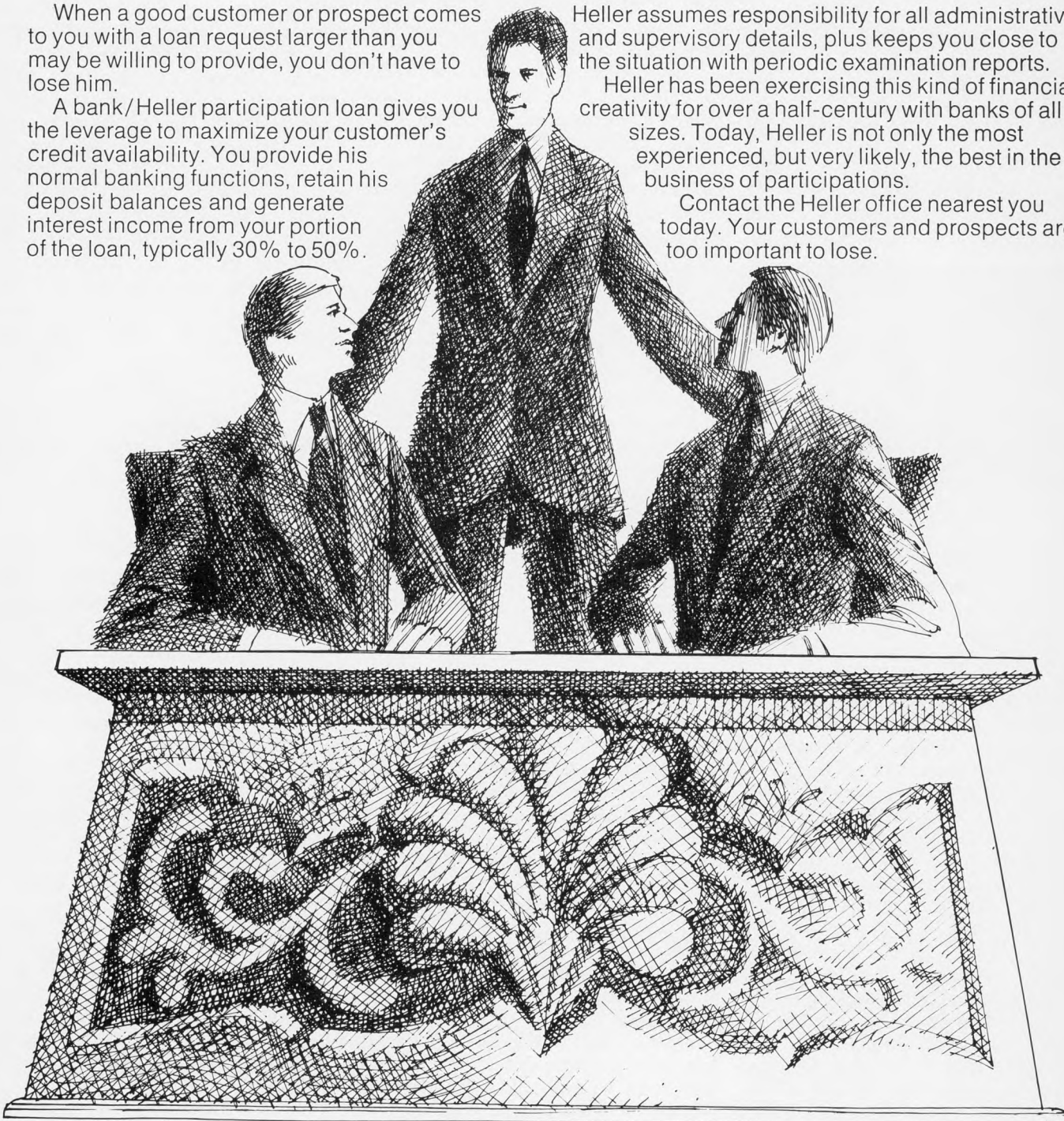
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## BMA Announces Speakers For Chicago Convention

Muriel Siebert, superintendent of banks of the State of New York, will make the keynote address at the opening session of the Bank Marketing Association's 63rd annual convention, October 15-18 in Chicago.



M. SIEBERT



D. H. RUMSFELD



J. E. FINKS



R. LUBAR

Ms. Siebert was sworn in as superintendent of banks in July, 1977, and previously was chairman and president of Muriel Siebert and Company, Inc., Members New York Stock Exchange. She became the first woman member of the New York Stock Exchange in 1967. She has served as a director of several corporations and as a trustee of Manhattan Savings Bank. As superintendent of banks, Mrs. Siebert is on the boards of directors of the Urban Development Corporation, New York Job Development Authority and the State of New York Mortgage Agency.

Sharing honors as general session speakers will be former Secretary of Defense Donald H. Rumsfeld, now president and chief executive officer of G. D. Searle & Co.; James E. Finks, executive vice president and general manager of the Chicago Bears Football Club, Inc.; and the Fortune Magazine Editors' Panel with Managing Editor Robert Lubar and members of the board of editors, Sanford Rose, Carol Junge Loomis and Al F. Ehrbar.

More than 1,500 bank marketing professionals from across the United States and abroad are expected to

attend the convention at the Palmer House. The theme of the meeting is "Ways to Win" and it will focus on competition, issues with major impact on the future of the banking industry, and the techniques and skills that promote success.

To complete the convention all participants are invited to attend a cocktail buffet followed by an evening at the Broadway-hit musical, "A Chorus Line" at the Schubert Theater.

The chairman of BMA's 1978 convention is John V. Egan, Jr., vice president, Continental Illinois National Bank, Chicago. The host committee is chaired by Sheila Horochena, product manager/retail credit services, First National Bank of Chicago.

## U.S. National of Oregon Settles Sex Bias Suit

The United States National Bank of Oregon, headquartered in Portland, has settled a sex discrimination suit filed in 1976 by seven female employees who alleged that in that year the average male branch manager received \$423 more than a woman for the same work. They also alleged the bank classified positions as mainly male or female and that male positions were in areas of greater compensation and career opportunities.

One plaintiff, Frances Cook, had objected to a consent decree reached August 1 for monetary damages to women employees already discriminated against. The consent decree finally signed contained no such provision but it was learned that the U. S. National made a separate settlement awarding Ms. Cook \$5,500 in back wages, and \$4,000 each to four other plaintiffs.

The signed decree requires the bank and the holding company, U.S. Bancorp, to budget \$672,000 for training of females and minorities over the next five years, at which time the government decree orders the bank to have its management consist of at least 38% females. The bank noted in a concurrent announcement that its current budget for training females and minorities is \$1.1 million, exceeding the amount called for in the signed decree. It added that females already hold 34.3% of management staff jobs.

## Monfort Expands to Kansas

Kenneth W. Monfort, co-chairman of the board of directors at Monfort of Colorado, Inc., Greeley, announced recently that the firm has obtained options to purchase land in western Kansas for construction of a \$15 million slaughter and custom meat cutting plant. The plant, to be located near Scott City and Oakley, would nearly double the beef production capacity of Monfort, the nation's largest cattle feeder.

Mr. Monfort emphasized that construction of the plant depends on a number of factors that include financing, soil and water studies and manpower surveys. If constructed, the plant would be Monfort's first outside Colorado and would employ 425 persons. It would have a daily slaughter capacity of 1,500 cattle, or 420,000 per year, he stated. This would produce estimated meat sales annually of \$280 million from that plant, operating at full capacity.

Monfort reported total revenue last year of \$365.3 million from the sale of 525,000 cattle and 687,000 lambs processed at its Greeley headquarters.

## Three Consumer Compliance Workshops Planned By ABA

Three more Consumer Compliance Workshops, designed to assist bankers in complying with the growing number of consumer regulations, have been scheduled by the American Bankers Association for this Fall.

The three-day sessions will review the requirements of consumer laws and compliance examination procedures with a special emphasis on the Truth-In-Lending, Equal Credit Opportunity, and Fair Housing Acts.

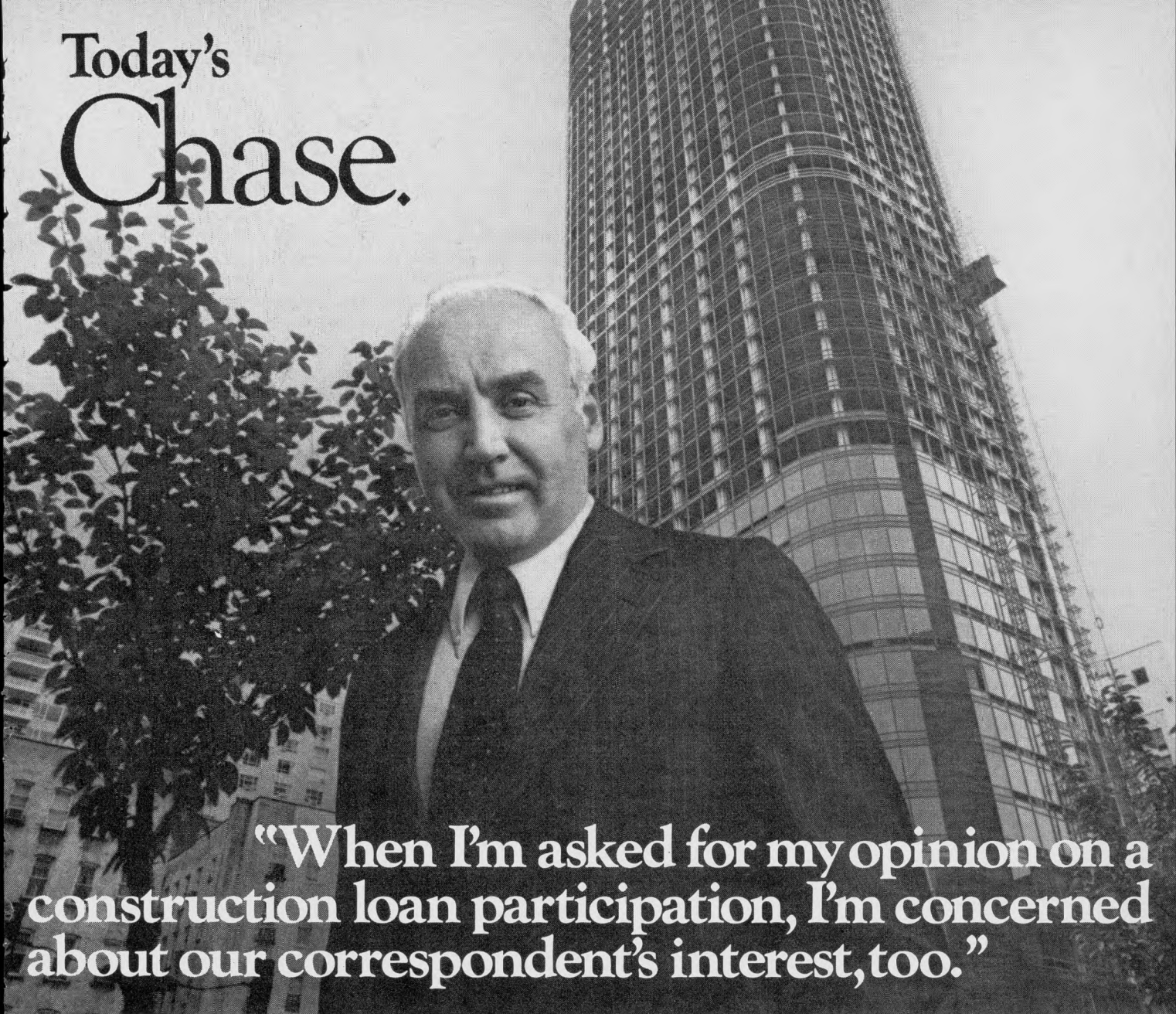
The Workshops' format will be instructional with support coming from consumer compliance examiners and regional consumer specialists from the Office of the Comptroller of the Currency plus representatives from the Federal Reserve and the FDIC.

The Workshops will be held in the following locations:

- Nov. 19-22 — Dallas (Fairmont Hotel).
- Nov. 26-29 — Washington, D.C. (Hyatt Regency).
- Dec. 3-6 — Los Angeles (Bonventure Hotel).



# Today's Chase.



**“When I’m asked for my opinion on a construction loan participation, I’m concerned about our correspondent’s interest, too.”**

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Francis X. Kosch, Vice President/District Executive, Correspondent Bank Real Estate Finance

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One of the industry specialists frequently consulted by our Relationship Managers is Frank Kosch. Frank has spent the past 16 years in the complex world of real estate financing and knows it cold. So when he’s asked to evaluate a real estate participation, you can expect a highly astute analysis.

Before he gives his recommendation, Frank always visits the construction site. But his involvement doesn’t stop there. Throughout the

term of the loan, he’ll return periodically to the site. That’s because Chase and our correspondent are financing against future value, and it’s critical to insure that real estate values mature as projected. In every loan participation, Chase’s prime objective is to maximize the return for *all* involved.

If you have a loan participation that involves a complex or unfamiliar industry, call your Chase correspondent banking Relationship Manager. He or she will respond promptly—and with the valued opinion of one of that industry’s most knowledgeable specialists. That’s the way it’s done at Today’s Chase.

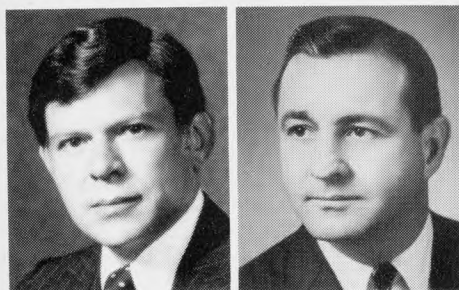


**CHASE**



## BAI Convenes in New York

John G. Heimann, U.S. Comptroller of the Currency, will keynote the opening session of Bank Administration Institute's 54th national convention in New York, September 18. A 1977 appointee of the Carter Administration, Mr. Heimann is expected to speak on the market place as the regulator.



J. G. HEIMANN J. F. MCGILLICUDDY

BAI Chairman of the Board George Ehrhardt, Jr., president of The Colonial Bank of Waterbury, Conn., said. "The theme of the convention 'A Time to Evaluate,' is indicative of the program planned. With major changes happening daily in banks, the convention theme is applicable to all banking disciplines."

Syndicated humorist, playwright and author, Art Buchwald, will be the opening day luncheon speaker.

Convention General Chairman, John H. McGillicuddy, who is also president of Manufacturers Hanover Trust Company, New York, said, "more than 4,000 bankers and their guests are expected at the annual meeting. The program includes more than 100 speakers and more than 70 separate sessions."

Some of the leading speakers scheduled are: James E. Frazier, director of EDP examinations, Comptroller of the Currency; Donald J. O'Reilly, CPA, chief auditor, Mellon Bank, N.A.; Robert C. Isban, CPA, executive vice president, Manufacturers Hanover Trust Company; David Brooks, senior vice president, Crocker Bank; John Zimmerman, senior vice president and controller, First National Bank of Atlanta, and John Chancellor, anchorman of NBC-TV Nightly News.

## Midwest Master Charge Transactions Gain 16%

The dollar volume of Master Charge cardholder transactions in

the midwest trade area increased 16% during the first six months of 1978, compared with the first half of 1977.

Master Charge cardholders generated a record \$465,861,000 in retail purchases and bank cash advances during the first six months, according to Credit Systems Incorporated. CSI is the operating center for Master Charge in the five-state area of Missouri, Kansas, Iowa, southern Illinois, and western Kentucky.

The peak month during the first half was June, with a record \$97,000,000 in volume.

The CSI Master Charge program consists of over 58,000 merchant outlets, 836 participating banks, and more than 1,850,000 cardholders.

## ABA Report Sees 1978 Lag In Consumer Credit Growth

Total consumer credit outstanding jumped 16.9% in 1977, an increase over the 12.4% hike registered in 1976, states the American Bankers Association's 1977 Instalment/Consumer Credit Report.

The report, which provides a statistical overview of bank consumer credit operations, was ABA's largest and most comprehensive, with 900 of more than 3,500 banks surveyed responding.

Automobile credit outstandings increased by slightly less than 20% and home improvement credit by about 18% in 1977, the report said. Both were slightly under the 25% growth of the industry's key gainers, bank credit card and bank check credit, but well over the three per cent growth counted in mobile home credit.

The survey also showed that 36-month new car loans were an industry standard and that, while energy conservation loans were made and promoted by a number of banks, they were not widespread in 1977.

Although gross instalment loan income was up, the report said profits declined because of loan demand, rising internal costs and the fact that banks did not adjust prices upward. Reduced loan losses prevent further erosion of profits, the report added.

The report concluded that the 1978 consumer credit outlook is less favorable than in 1977, primarily because the factors that give

consumers confidence and influence them to buy (personal income growth, higher employment and moderate rates of inflation) are likely to be less favorable this year than they were in 1977.

The 1977 Instalment/Consumer Credit Report (#206700) can be ordered by ABA members for \$14.00 and by nonmembers for \$18.00 from the Order Processing Department, American Bankers Association, 1120 Connecticut Ave., N.W., Washington, D.C. 20036.

## Directors Up Capital for Exchange National, Chicago

An agreement was reached last month between two major, opposing stockholder groups of Exchange International Corp., parent of Exchange National Bank of Chicago, on a plan for increasing capital. The plan was approved at a deferred annual meeting. Subsequently, John S. Samuels, III, chairman of the holding company and chairman of the bank's executive committee, said money received from the sale of additional shares will be used to satisfy overdue interest payments on a \$10 million loan from the First National Bank of Chicago. The payments were in default after the directors' meeting of July 13 was adjourned when the two groups—Mr. Samuels and his associates and members of the families of Edward J. and George J. Sax, directors, couldn't agree on the new capital proposal.

The newly adopted plan calls for an increase in common stock from the present 1,234,905 shares to 2,750,000 and creation of 250,000 shares of a new class of preferred stock. Present stockholders have first right of purchase. Outside investors may purchase stock after one month following the board approval in August, but their purchase must be OK'd by six of the company's seven directors. Foreign, as well as American purchasers will be considered. Mr. Samuels said controlling interest would not be sold unless a substantial premium would be paid by the buyers.

Philip W. Lewin, president of Exchange National Bank, reported at the meeting in August that the net income for the first seven months of 1978 was \$998,000 compared with \$407,000 for the same 1977 period.



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**NORWEGIAN RED . . .**

(Continued from page 45)

and city bred young professional to this point in his career. Ron's father, Ronald R. (Rudy) Hagelman, Sr., is a successful Des Moines life insurance executive. Rudy Hagelman had been involved in the organization of three insurance companies before he personally organized Guardsman Life Insurance Co. in Des Moines with one other associate in 1962. The company exceeded \$1 billion of life insurance in force by late 1976



**Rudy Hagelman** (left) and his son, **Ron**, with Norwegian Red bull exhibited at spring showing.

and expects to top the \$2 billion in-force total in 1980. Among its other lines, Guardsman markets credit insurance extensively through banks in the midwest.

Ron Hagelman came to Des Moines with his family and finished high school, then was graduated from the University of Texas. He taught political science at the high school level in Texas and Iowa. Although just 29 now, he has been farming for 12 years, fulfilling a youthful ambition when he was enamored of the flavor and romance of the cattle business. "Actually," he confesses, "I taught school to support my addiction to the land. I always wanted to say my livelihood depended on the land. My wife and I had to generate sufficient income from a small farm to survive, and I figured the only way to do that was through registered cattle on a small acreage."

**U.S. Breeding Started in 1973**

Norwegian Reds were brought to the United States in 1973. Ron Hagelman was among the first to take a good look at these cattle. With his father and some interested business and professional cattlemen, they bought 21 Norwegian Red cows in July, 1976 and an additional 9 in December, 1976, as well as 20 bulls, with an investment of \$120,000. About two-thirds of the animals were imported, the others were born in Tennessee where the first Reds were imported and bred.

Breeding operations have continued on the Hagelman farm since then. Ron Hagelman heads the NORED Corporation as president and works vigorously for the group of breeder members as sales manager. A sale this spring resulted in all exhibited animals being sold that were offered. "Incidentally," he notes with humor, "when we had cattlemen visiting us

from Norway they were amazed to see our bulls. They had never seen one over 18 months old and one of ours was six years old."

Referring again to the end product, Mr. Hagelman says the rigid performance testing done on Norwegian Reds gives them an enviable track record that has increasing numbers of midwest cattlemen looking at this breed for upgrading herds in their search for greater efficiency and bottom line profit. □

**SBA CERTIFICATION . . .**

(Continued from page 50)

decision rather than reviewing all details of the loan in the credit file. We anticipate this will make it possible to clear applications in two or three days instead of a couple of weeks. Obviously, to meet Congressional directives and our own agency guidelines we will have a system for conducting periodic examinations of the loan records maintained by the banks. Compliance with these procedures will be the basis for renewal of the certification every two years. The purpose of certification boils down to a simple point—if it's the prudent thing to do, then do it. All we ask is that a bank document its file.

"To simplify matters further we're revising our loan application to shorten it, to write it in consumer language, and make it less formidable. We are also revising the bank participation agreement, especially regarding the payment of funds and notice of default.

**Secondary Market**

"This department also is responsible for secondary market operations and these procedures are being revised as well. At present, when guaranteed loans are sold to investors, the bank must mail monthly checks to each participating investor. Under the revised procedure, SBA would appoint a transfer agent to whom such payments would be made in lump sum, then the transfer agent would handle details of providing investors with a certificate of ownership (transferable) and their payments when due.

"A bank utilizing the secondary market could lay off 90% of its loan money so that a bank with \$2 million of its own money involved, for example, could actually make \$20 million of loans in its community, and retain a 1% service fee on the part sold to the market."

Mr. Marshall emphasized again that commercial banks still may participate in SBA loans in the traditional way even though they are not involved in the Bank Certification Program. These loans will continue to be administered as they have been, operating through SBA's established district and regional offices. □

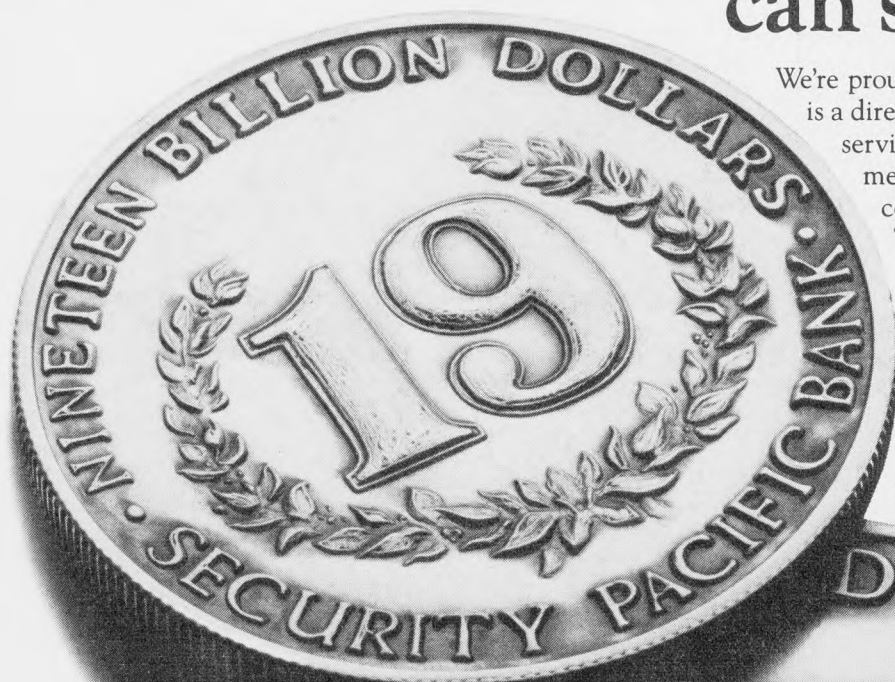
**First Chicago Corp. Increases Dividend**

Directors of First Chicago Corporation, parent company of The First National Bank of Chicago, recently voted to increase the annual dividend rate to \$1.10 a share from \$1.00, a 10% increase.

Chairman A. Robert Abboud said the increase in the dividend is in recognition of the improvement in the Corporation's earnings. At the same time, First Chicago reported record earnings for both the second quarter and first half of 1978. Net income in the second quarter was up 17% to \$33,323,000, while first half of 1978 net income was up 15.5% to \$64,706,000.



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That quality and our commitment manifest themselves in the unusually complete range of financial services we offer, as well as in the fact that 90 of the top 100 U.S. companies have taken advantage of at least one of those services. Chances are, you have a friend whose opinion you respect in one of those corporations. Ask him about the quality of service you can expect from Security Pacific Bank.



## SECURITY PACIFIC BANK



## Resigns ABA Ad Post

Kenneth H. DeCesare recently resigned as advertising manager for the American Bankers Association to join the J. Walter Thompson advertising agency in New York.

Mr. DeCesare joined the ABA in 1972 and has been advertising manager of ABA since the merger that year of the Foundation for Full Service Banks into ABA. He has been responsible for ABA's network television advertising and other advertising ventures included in the association's \$4 million ad budget.

Allan F. Paro succeeds Mr. DeCesare as ABA advertising manager. Prior to joining ABA he was employed by Marriott Corporation. His earlier advertising and marketing experience was with Sea World of Florida, Johnson & Johnson, General Foods Corporation and Lever Brothers Company.

## DKQ's Robert Harris Named To Public Securities Post

Robert E. Harris, research and marketing coordinator for the fixed income division of Dain, Kalman & Quail, Incorporated, Minneapolis, has been appointed a member of the research committee of the Public Securities Association, a national organization representing banks and dealers who underwrite, trade and sell government securities.

Mr. Harris joins two other executives of the firm who are committee members of the national

association. Robert R. Martin, executive vice president, and Paul D. Gubrud, vice president, are members of the municipal securities and education committees respectively.

Mr. Harris has been associated with Dain, Kalman & Quail for 17 years. He is a native of Granite Falls, Minn., and received his bachelor's and master's degrees in business administration from the University of Minnesota.

## WOMEN IN BANKING . . .

(Continued from page 54)

of the list, or not even have considered it at all.

Every area of my experience has been useful. My operations background has proved invaluable in dealing with the problems of my customers. Because of the personality of my branch we have close contact daily with our customers. If something goes wrong, they often come to the manager first. I certainly could not now supervise the operations department of my branch without retraining, but my basic understanding of how and why things happen does give me confidence in dealing with our customers' complaints and problems.

Today anyone who knows what his/her goal is and who wants to plan to reach it can use the Career Guidance program to start developing a personal training program to fit his/her needs. You will receive attention and assistance if you are

reasonable and serious in your intentions.

If after taking a few related AIB courses and some in-bank training, you find what you thought was your goal is not what you really wanted to do after all, have the courage to change your goal and find your success in that area of banking that really gives you satisfaction. Opportunities are not limited because of sex or age as they might have been years ago.

In my contacts with other FNB women managers, I find our experiences have been similar. We feel that in the future women will be found anywhere in the system where their skills place them.

You still doubt? How did you fill out your last annual Development Review form? Were you really honest in your response, or did you just fill in the spaces to get the "darned form" filled out? If you have made a real decision about which direction you would like your career to go, write it down. Now don't "cop out." Really fill in the blanks. Then get ready to study and work toward your goal, whether it is to be a loan officer, branch manager, operations officer or president. It's your goal, work on it. It worked for me.

Whether you are a young man or woman, a middle-aged man or woman or an older man or woman, work on it. Search yourself. Are you able to accept responsibility and are you willing to accept the burdens?

If you are ready, there is an exciting challenge ahead of you!

## NABW CONVENTION . . .

(Continued from page 52)

Evening sessions to apply workshop idea to participants' bank's problems.  
Open.

### Tuesday, September 26

Morning Awards Breakfast — Presentation of regional and national scholarship winners. Special concurrent management skills sessions: Forming the Strategies for Your Career.

- Match Your Present Skills to Your Future Career
- Your Management Style - Is Flexibility the Key?
- How the Organization Works
- A Change in the Rules: Breaking Through the Female Stereotypes
- How To Analyze the Future Market Using Your Present Skills
- Finding Your Replacement

Afternoon Concurrent Workshops: Forming the Strategies for Your Bank.  
Processing sessions.

Evening Open.

### Wednesday, September 27

Morning Annual meeting — Featuring multi-media presentation on NABW '78 and the accomplishments for members and the banking industry.

General session

"Making the Odds Work for You" — Alene Moris, NABW Educational Foundation consultant.

Afternoon Installation luncheon.

Evening Reception and annual banquet — Featuring big name entertainment in Caesar's Palace Circus Maximus Show-room.



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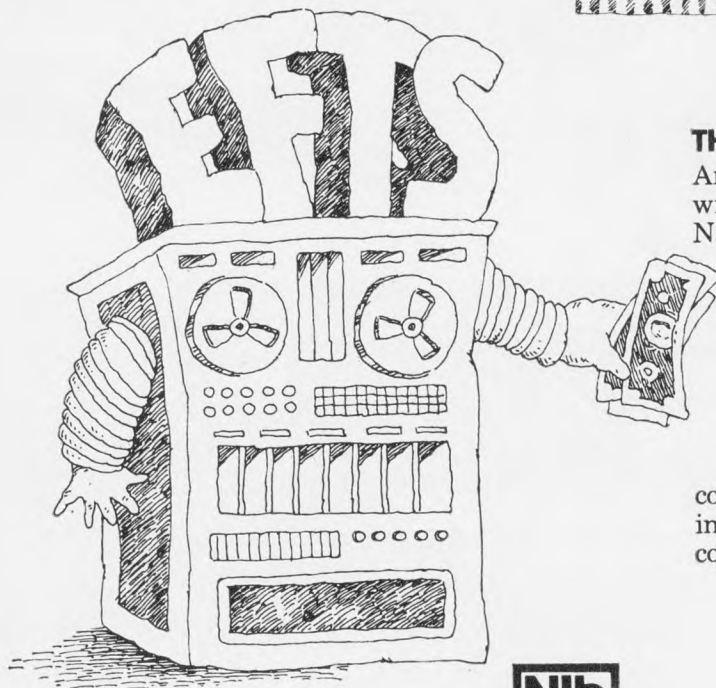


## THE COMMITTEE OF ONE.

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.



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# Illinois News

**B. F. BACKLUND** President Bartonville  
**W. J. HOCTER** Exec. V.P. Chicago



## McHenry Bank Announces Top Executive Changes

M. J. Marty, Jr., recently was elected chairman of the First National Bank of McHenry succeeding Harry H. Hans who resigned but will remain a director. Mr. Marty is president of Chicago Manufacturing Company.

Ronald L. Graves was appointed president and elected a director. He formerly was executive vice president of the Riverside National Bank.

William J. Busse, Jr., was appointed executive vice president and elected to the board. He comes to the bank from the Mount Prospect State Bank where he served as investment officer.

Also elected to the board is Marian H. Busse of Arlington Heights. She serves as a director and vice chairman of the board of the Mount Prospect State Bank. Peter Reiland, Jr., Daniel L. Adams, Edwin C. Wittrock and Donald C. Daley resigned from the board to devote more time to business interests.

## Galesburg Bank Introduces New Service for Seniors

"Dimension 60," a new program tailored specifically for senior community members 60 years of age or over was announced recently by Richard M. Bishop, president of the First National Bank, Galesburg.

Key features of the "Dimension 60" program include a color photo identification card, free checking and free checks, merchant discount program, discount on safe deposit box rental, free trust and will reviews, estate and financial planning consultations, senior information center, assistance with checking account balancing when needed, and income savings plans. Also included are a regular newsletter to all members, direct deposit of Social Security checks, photocopy services, free laminating of Social Security

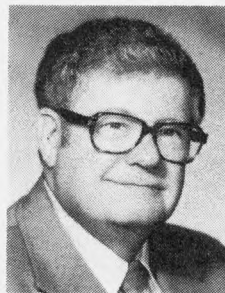
and Medicare cards, and free notary service.

Membership is free, and the only requirements are that prospective members be at least 60 years of age and currently have or open a First National savings account.

## First National of Rockford Names Personnel Officer

The First National Bank and Trust Company, Rockford, has

announced the addition of La-Verne Lynch to the bank's staff as personnel officer. Mr. Lynch comes from Smith Oil Corporation where he worked for 30 years in various departments. He has worked in personnel for the past five years.



L. LYNCH

## Named at Lombard

Barry J. Carroll has been elected a director of the Bank of Yorktown, Lombard, according to Edward J. Shaw, president. Mr. Carroll is vice president of International Metals and Machines, Inc., Des Plaines.

## Vice Presidents Named By IBA Council

Norman C. Peterson has been named administrative vice president and Donald X. Murray vice president and general counsel of the Illinois Bankers Association (IBA).

Formerly IBA assistant secretary, Mr. Peterson will now be responsible for membership, member bank relations, financial administration and various special projects. He joined the IBA in 1969 from the American Dental Association where he served as convention manager.

Mr. Murray was appointed gener-

al counsel in 1976. His added responsibilities will include supervising legal and legislative research. He formerly served as secretary and director of technical information for the Profit Sharing Association of America.

## FirstBank Evanston Announces Promotions

David M. Gallaway recently was promoted to senior vice president responsible for the banking services division of FirstBank Evanston. This division includes the controller, personnel, operations, bank services, personal banking, building management and data processing departments.

Lorenzo Dawson was named vice president and cashier responsible for the operations and banking services departments.

Charles C. Happ was promoted to assistant vice president with responsibility for bank operations.

## First of McHenry Names Assistant Vice President

Ronald L. Graves, president of The First National Bank of McHenry, has announced the promotion of Guenter O. Scheel to assistant vice president, loan department. Mr. Scheel has been with the bank since 1971.

## Chicago News

**C**APITOL Bank of Chicago has announced that **William K. Latourette** has joined the bank's commercial lending department as assistant vice president. He formerly was a trust officer and vice president of the North Point State Bank in Arlington Heights.

\*\*\*

An application for a permit to organize Women's Bank of Chicago, 100 West Monroe Street, has been filed. The bank's total capitalization would be \$3 million.



## IBA Schedules Ag Credit Conference

**T**HE Illinois Bankers Association will hold its thirty-second annual Agricultural Credit Conference October 11-12 at the Ramada Inn, Champaign.

These workshops will be held at 2 and repeated at 3:15 p.m. on Wednesday, October 11.

- **Marketing Techniques Used by a Producer**, Illiniwek Room. Moderator: Joseph Valenti, senior vice president, Drivers Bank of Chicago. Speaker: Merritt Sprague, Paxton and Sprague Farms, Hull.

- **Loan Documentation-Brundage Room**. Moderator: Bradford Vail, vice president, Exchange State Bank, Lanark. Panelists: James Evans, partner, Phipps and Evans Law Offices, Champaign, and Robert H. Behrens, senior vice president, The Champaign National Bank.

- **Where to Obtain Funds-Zuppke Room**. Moderator: Donald Mapes, vice president, The Charleston National Bank. Panelists: Neil Bergenthal, vice president, First

National Bank, St. Louis, Mo., and James Winningham, vice president, State Bank of Arthur.

### Wednesday, October 11

#### A.M.

8:15 Registration, coffee and donuts—Convention Center Lobby.

9 First General Session—University Hall.

Presiding: Myron Otto, conference committee chairman and vice president, Bank of Pontiac.  
Welcome.

9:05 "Politics of Food and Agriculture": Harold Guither, extension economist, University of Illinois, Urbana-Champaign.

9:45 "Ag Banker of the Future": Derl I. Derr, director, agricultural bankers division, American Bankers Association.

10:30 Coffee Break.

10:45 "Pricing Ag Loans": Marlin Jackson, chairman and president, Security Bank, Paragould, Ark.

11:30 Reception—Convention Center Lobby.

12 Luncheon—Midwest Ballroom.

Presiding: Bruce Otto, president, IBA agricultural division and vice president, First Farmers State Bank of Minier.

Invocation: James R. Shafer, assistant vice president, The First National Bank in Tremont.

Remarks: B. F. (Chip) Backlund, president, Illinois Bankers Association and president, Bartonville Bank. Annual meeting and election of officers.

#### P.M.

2 Workshops

3:15 Workshops Repeated

5:30 Complimentary reception—Midwest Ballroom.

6:30 Banquet—Midwest Ballroom.

Presiding: Bruce Otto.

"Country Cows, Crops and Credit": Bob Murphey, attorney, Nacogdoches, Tex.

### Thursday, October 12

#### A.M.

7:30 Early Bird Sessions.

8:45 Second General Session—University Hall.

Presiding: Howard Walker, second vice president, IBA ag division and vice president, First National Bank of Metamora. "Perspectives on Futures Trading and Agricultural Exports": Clayton Yeutter, president, Chicago Mercantile Exchange.

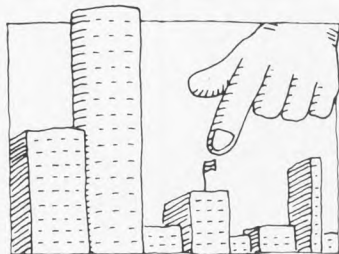
9:45 "Outlook-Economy": Frank Spinner, senior vice president, First National Bank, St. Louis, Mo.

10:30 "Outlook-Grain".  
"China, Russia and the Price Outlook for Illinois Corn, Soybeans and Wheat": Conrad Leslie, president, The Leslie Analytical Organization, Inc., Chicago.

11 "Outlook-Livestock": Harold Heinold, chairman, Heinold Companies, Kouts, Ind.

11:30 Adjournment.

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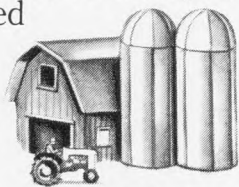
When you choose First National Bank in St. Louis as your correspondent bank, you get more than a correspondent banker.



You get an entire staff of specialists who offer you daily assistance for daily needs.

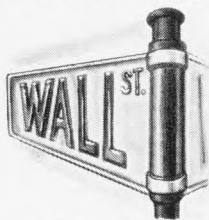
For example, the "Rabbit Transit" check-clearing systems our people have developed can help improve your earnings, because your transit items become collected balances rapidly.

We also offer you the services of agricultural finance specialists who can help you provide your customers with expert advice as well as flexible

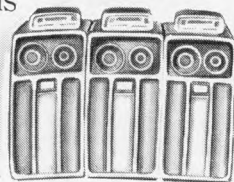


loan arrangements.

In the area of Fed Funds, investments and the safe-keeping of securities, we offer a performance record that's highly regarded in our industry.



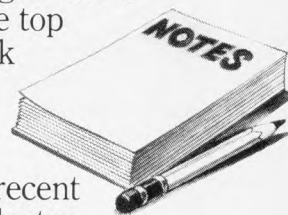
Our electronic data processing team brings you the most sensible systems for getting work done—reliably and accurately. And our computer specialists offer counsel and advice in all phases of EDP systems.



Our capacity for overline lending, based on our sizable assets, allows you the opportunity to make

larger loans than you otherwise might.

We sponsor timely seminars where you and other top management of your bank meet with the top management of our bank to exchange ideas and share expertise. These seminars also serve to keep you up-to-date on recent developments in our industry.



Of course, your correspondent banker is always available for individual consultation. He's the key to our relationship and the person we depend on to make fast decisions on our behalf. He's the one you can depend on, too, when you want to get more from your correspondent bank. He can help you plan for your bank's future and for our future together.



If you're not already seeing a First National Bank in St. Louis correspondent banker, just call Chuck Betz at (314) 342-6386. He'll make sure you get a correspondent banker... and a whole lot more.



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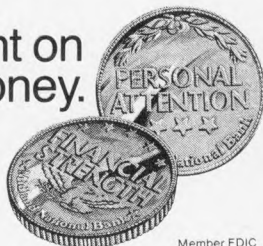
At the end of the line you'll find the strength and services of a substantial financial institution, plus the accessibility of a bank that deals person-to-person to help you serve your customers better...quicker...easier.

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# Minnesota News

LESLIE W. PETERSON      Pres.      Trimont  
T. L. JEFFERS      Exec. V.P.      Minneapolis

## To Head Willmar Bank

S. W. (Sy) Foss is the new president and director of the Bank of Willmar & Trust Company succeeding Oscar Smith, who was elected chairman. Mr. Foss will move to Willmar this month and assume his new duties on October 1.



S. W. FOSS

Mr. Foss, a banker since 1948, began his career at the First National Bank of Grand Forks, N.D. He moved in 1963 to the Citizens State Bank, Brainerd, Minn., and served as vice president from 1964-69. He was elected president and director of the Washburn State Bank in Wisconsin in 1970.

## Retires at Brainerd

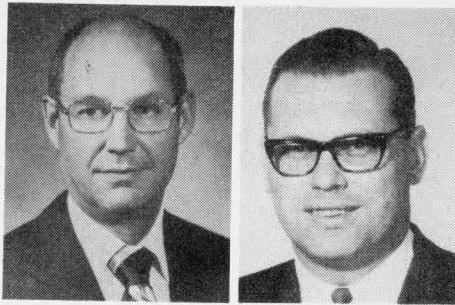
John F. Zander, Jr., senior vice president at Citizens State Bank of Brainerd, was honored recently with a retirement dinner in recognition of his more than 44 years with the bank.

Mr. Zander joined the bank in 1933 as a teller. He was appointed senior vice president in 1974.

## AIB Study Group Named Best in District 10

The American Institute of Banking Study Group 16, headed by John Herges, assistant vice president, First American National Bank, St. Cloud, was named the outstanding study group in AIB District Ten recently. The district includes Minnesota, Wisconsin, Iowa, Kansas, Nebraska, Missouri, Colorado, North and South Dakota, and Montana.

The group, which consists of Benton and Stearns County, has a



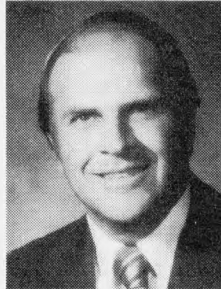
total of 29 banks in the area and experienced a 24% growth in the participation of class offerings during the 1977-78 year. In also conducted a seminar on bank security procedures for tellers and other bank employees.

## Joins Crookston Bank

Donald R. Hass recently joined the Polk County State Bank of Crookston as a vice president, according to Clifford H. Zaffke, president.

Mr. Hass has 20 years of experience in banking and finance, most recently in Rapid City and Sioux Falls, S.D.

He attended Sioux Falls College and the Commercial Lending School at the University of Oklahoma.



D. HASS

## To Head Marshall Bank

Les Grosz, president of the Farmers and Merchants State Bank in Breckenridge, has been elected president of the Western Bank and Trust in Marshall. Both banks are

affiliates of the Bremer Bank System.

Resigning bank president Don Aschebrenner will move to Park Rapids and will be involved in an owner-operated business.

Mr. Grosz has been in banking for 39 years. He first worked at the Bowdle State Bank in South Dakota part-time while attending high school. In 1955 he moved to Aberdeen, S.D., as assistant cashier in the Farmers and Merchants Bank. In 1957 he was promoted to vice president and director. In 1965 he was made executive vice president and director of the Security Bank in Webster, S.D., where he later was president, trust officer and director. Mr. Grosz became president of the Breckenridge bank in 1972.

## Construction Begins On Minnetonka Bank

Ground was broken near the intersection of Highway 12 and Plymouth Road in Minnetonka recently for a bank and office facility for the Ridgedale State Bank of Minnetonka.

Rauenhorst Corporation, Minneapolis-based design, construction and development company, is the designer and builder of the 25,000 square foot, three-story structure.

The bank, chartered in 1977, will occupy the first floor of the building with office space for lease on the second and third stories. The exterior of the bank building will feature dark bronze glass and burnished brick.

Rauenhorst will complete construction work in mid-November and the bank will occupy its space in mid-February.

## MBA District Meetings

Date	District	Location
September 18	1	Rochester, Kahler Hotel
September 19	2	Sleepy Eye, Orchid Room
September 20	7	Marshall, Ramada Inn
September 25	3,4,5,	Brooklyn Park, Sheraton Inn Northwest
September 26	6	Brainerd, Madden Inn & Golf Club
September 27	8	Grand Rapids, Holiday Inn
September 28	9	Fergus Falls, Holiday Inn



# Twin Cities News



**F**OUR new vice presidents have been elected by the First National Bank of Minneapolis. They are: **Duane M. Glad**, deposit operations; **Robert B. Harrigan**, student loan servicing center; **Lois C. Martin**,

ble for the bank's daily funds management and will serve as compliance administrator and assistant to the personnel officer. Ms. Fretschel joined the bank in 1957.

president in 1961 and executive vice president in 1968.

\*\*\*

**Jay W. Kinne** and **Donald G. Pederson** have graduated from the Stonier Graduate School of Banking at Rutgers University, New Brunswick, N.J.

Both are vice presidents of Northwestern National Bank of Minneapolis.

\*\*\*

**George H. Tesar** has been elected to the board of the Northwestern National Bank of St. Paul, according to **G. Richard Slade**, president. Mr. Tesar was an earlier member of the bank's board when he was manager of the St. Paul-Dayton's store. He resigned his seat when he was transferred to Chicago. He is now vice president of retail and operations, Dayton Hudson Jewelers.

\*\*\*

**Warren F. Weck, Jr.**, vice president of Northwestern National Bank of Minneapolis, has been elected Imperial Potentate of the North American Shrine.

As Imperial Potentate, Mr. Weck heads the 178 temples which make up the Shrine of North America. Total membership of the temples, located throughout the United States, Mexico and Canada, is about one million.

\*\*\*

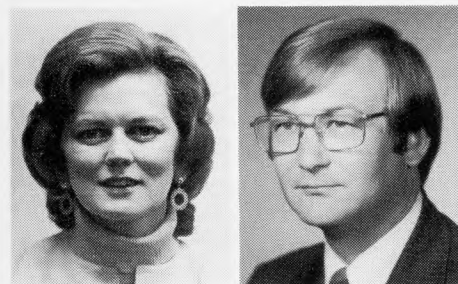
The appointments of **Jean M. West** and **Alfred V. Alliegro** to the trust committee of the Northwestern National Bank of St. Paul have been announced by **G. Richard Slade**, president.

Ms. West is president of Carleton J. West Publications in St. Paul. Mr. Alliegro is vice president and editor of West Publishing Company, St. Paul.



D. M. GLAD

R. B. HARRIGAN



L. C. MARTIN

J. D. NELSON

operations and control group, and **James D. Nelson**, executive and professional banking department.

Mr. Glad has been with the bank since 1952. Mr. Harrigan joined the bank in 1969 as a business development trainee. Ms. Martin, who joined the bank in 1976 after nine years as a senior planning analyst for First Computer Corporation, is head of the systems research and development. Mr. Nelson joined the bank in 1964.

\*\*\*

**Marvin L. Ellison**, president of the Northwestern State Bank, St. Paul, has announced the election of **Marion L. Fretschel** as administrative services officer. She will be responsi-

First Bank System, Inc. has announced the promotion of **Dennis W. Augdahl** to assistant vice president - systems, in the company's financial division.

Mr. Augdahl has been associated with First Bank System since 1967 when he joined the company's data processing subsidiary, First Computer Corporation, as a systems analyst. He was promoted to senior systems analyst in 1970 and to department manager in 1971. He has served as systems officer in First Bank System's financial division since 1973.

\*\*\*

Funeral services were held recently for **Lloyd L. Leider**, who retired in 1975 as executive vice president and a director of the First National Bank of Saint Paul.

A banker most of his life, Mr. Leider began his career in 1938 with the First Bankcredit Corporation, then an affiliate of First of Saint Paul. He transferred to the bank in 1945 and was elected an assistant vice president in 1951, vice president in 1953, senior vice

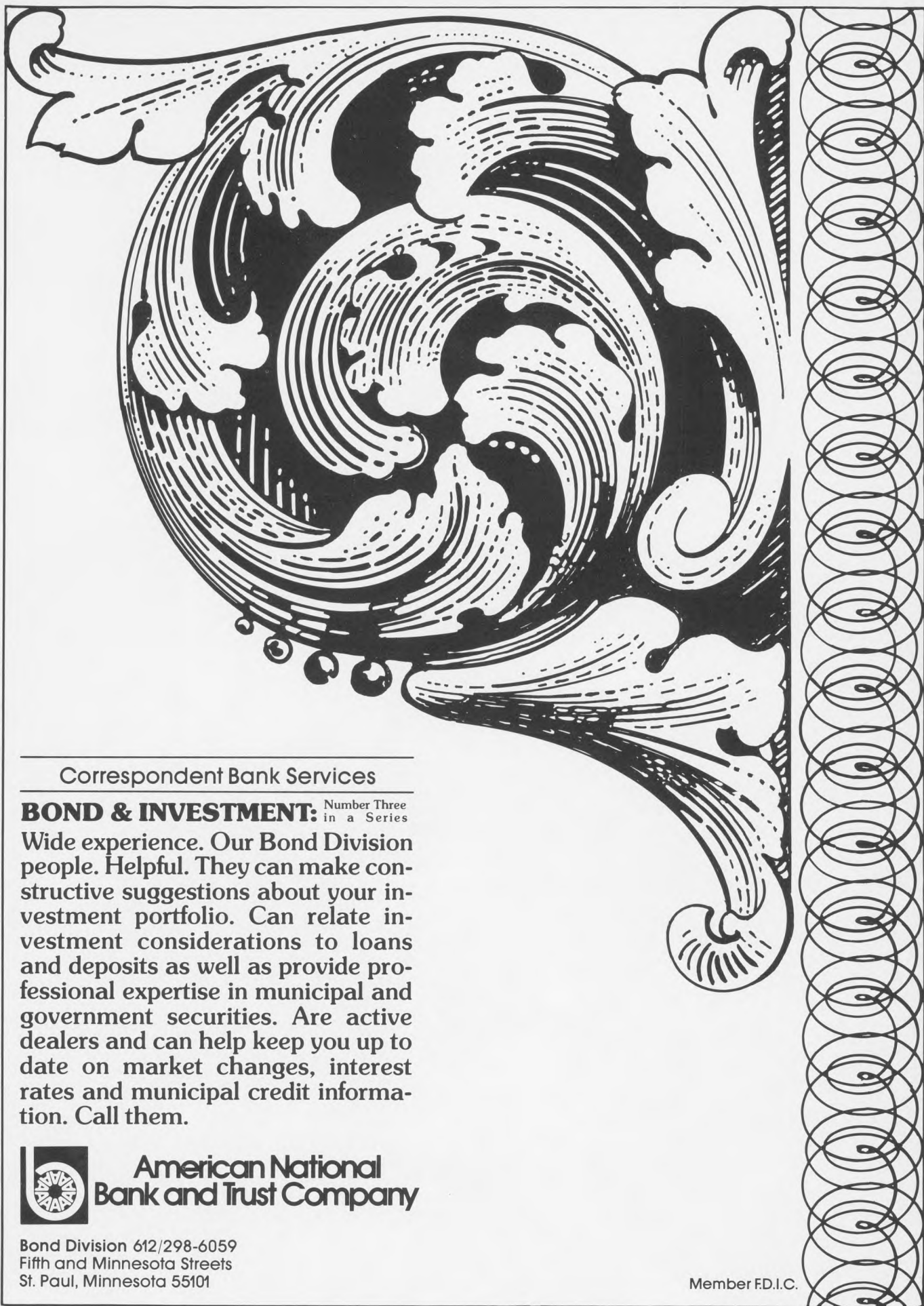


D. W. AUGDAHL



L. L. LEIDER





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*Northwestern Banker, September 1978*



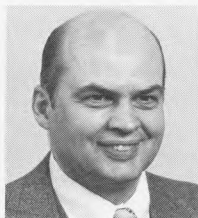
# The last thing your bank needs from an investment counselor is individual treatment.

It's a great comfort to know your bank's investment counsel has done so well for so many individuals. But this can be a great pitfall, too, for counseling individual investors has nothing to do with helping a bank make wise investments.



Jim Kammerer

A bank is a different breed of investor. Marquette's Investment Department knows just how different because we are bankers ourselves. Bankers with extensive experience and professional expertise in investment.



Gene Anonsen

So when we recommend a purchase, we have already taken into account your bank's maturity distributions because we are familiar with your portfolio. And we have weighed the cost, maturity and yield of the purchase on your liquidity

needs, your pledging requirements, your capitalization and tax situation.

We search for investments that satisfy all these considerations and your overall investment picture. Our interest is not simply to sell you bonds and securities, but to find ones precisely right for you.



Dean Fordyce

This approach works so well we've had to enlarge our department greatly in the last few years. We've had to grow to meet the demands of banks who have discovered we know our business—and theirs.



Jack Champion

We're going to call on you soon and you can always call us. We think you'll find it more profitable and just as friendly to be treated as a bank. An individual bank.

Correspondent Banking Department



## Marquette National Bank

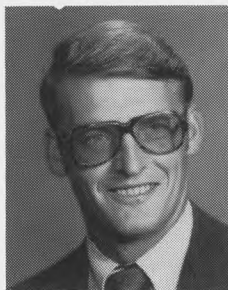
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777 Marquette Avenue, Minneapolis, MN 55480

A Key-Card 24 Bank



Charles H. Cornell, chairman of the Southwest Fidelity Bank & Trust, has announced the addition of **James W. Morton** to the bank's staff as executive vice president. Most recently, Mr. Morton has been associated with Banco as the senior loan officer in an affiliated bank.



J. W. MORTON

Mr. Morton's primary responsibility will be in overall lending management.

\*\*\*

A new service designed to give financial officers a competitive edge in investing and lending has been developed at Northwestern National Bank of Minneapolis.

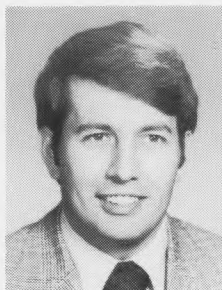
Called P/L FORECAST, the monthly service rates each of 850 major U. S. corporations according to its probability of showing future profits or losses. The odds are given on a one-year, five-year and worst case basis. According to **Joseph E. Murphy, Jr.**, vice president in the trust department of Northwestern, the methodology used in P/L FORECAST is derived from the mathematical law of probability theory.

Records show that in 1713 French mathematician James Bernoulli developed a formula from the law and used it to calculate the win-lose odds on a gambler tossing coins. An Englishman, Brian Little, in 1966 demonstrated that earnings of British corporations exhibited probability characteristics resembling the Bernoulli trials.

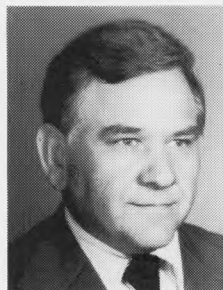
Mr. Murphy combined the concepts of Bernoulli and Little, provided some creativity and extensive investigation and came up with the P/L FORECAST. His formula employs the ratio of net income to total assets. This ratio was selected after computer tests on 45 major credit and profitability ratios for 700 companies for each of 17 years of data.

\*\*\*

Northwestern National Bank of Minneapolis has announced four promotions in its regional banking group. **James R. Dempster** and **LeRoy W. Stueven** were named



J. R. DEMPSTER



L. W. STUEVEN

correspondent banking officers and **Duc Q. Lam** and **Michael B. Moore** were named international banking officers.

Mr. Dempster joined the bank in 1970 and was named correspondent banking representative in 1975. He represents the bank in southeastern Minnesota, Wisconsin and Upper Peninsula Michigan. Mr. Stueven joined Northwestern in 1959 and has been director of the bank's teller seminars since 1976. He was named correspondent representative earlier this year.

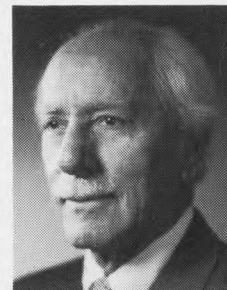
\*\*\*

First Bank System, Inc., has announced the promotions of **Douglas J. Edwards** to liaison credit officer and **Vern F. Wilcox** to construction management officer.

Mr. Edwards joined First Bank System in 1976 and most recently served as commercial loan and compliance officer. Mr. Wilcox, formerly architectural project coordinator, has been with the system since 1969.

\*\*\*

A former chairman of the board of Midland National Bank of Minneapolis, and civic leader, **Arnulf Ueland, Sr.** died on Thursday, August 10, 1978, after a long illness.



A. UELAND

He began his banking career at Midland in 1919, served in several areas of responsibility until he became chairman in 1959, retired in 1961 and continued as a director until 1968. As a community leader, Mr. Ueland was active in some 26 social, local and international organizations and he was a recipient of five distinguished service and achievement awards from civic organizations including the Red Cross and the University of Minnesota Regents.

## To Head RMA Chapter

The Minnesota Chapter of Robert Morris Associates (RMA), a national association of bank loan and credit officers, recently elected **John W. Pulver**, vice president of Northwestern National Bank of St. Paul, its new president.

**David M. Gillman**, president of Fidelity Bank and Trust Company of Minneapolis, was elected vice president of the group and **David M. Hyduke**, senior vice president of American National Bank and Trust Company of St. Paul, was elected secretary-treasurer.

Other members elected to the board include immediate past president, **Rolf F. Bjelland**, senior vice president of National City Bank of Minneapolis, and **R. Scott Jones**, executive vice president of Goodhue County National Bank of Red Wing.

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**Marshall Bank Names Roers Vice President**

Western Bank & Trust Co. of Marshall has announced the promotion of John Roers to vice president and agricultural loan officer.

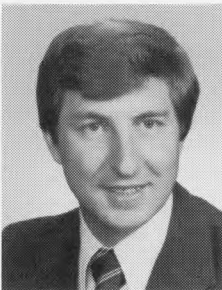


J. ROERS

Mr. Roers came to the bank in 1974 as agricultural representative after his graduation from North Dakota State University with a MS and BS in animal science. He was promoted to assistant vice president and agricultural representative in 1976.

**Elected at Robbinsdale**

L. (Al) Kalka has been elected assistant vice president of First Robbinsdale State Bank, according to Kenneth C. Sheehan, president.



A. KALKA

Mr. Kalka rejoins the bank where he began his affiliation with First Bank System in 1970. In 1974 he transferred to First Bank System as a senior credit analyst and in 1976 was promoted to consumer banking officer.

**David Siebert Moves Up At Albert Lea Bank**

David C. Siebert has been promoted to instalment loan officer of the First Northwestern National Bank of Albert Lea. He has served with Household Finance Company of Hayward, Calif., for one year, as manager of Industrial Credit of Albert Lea for five years and most recently as manager of the Albert Lea Trades and Labor Credit Union for three years.

**Francis E. Murphy**

Funeral services were held recently for F. (Francis) E. Murphy, 88, Crosby resident and attorney since 1912. Mr. Murphy was vice president of the First National Bank of Crosby and a member of its board of directors for about 45 years.

These three Issues Have Been Publicly Offered and Sold:

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## State BMA Chapter Elects Officers

The Minnesota Chapter of the Bank Marketing Association (BMA) recently held its annual meeting and elected Richard A. Erickson its president. He is assistant vice president of Midland National Bank,



PICTURED above is **Richard A. Erickson**, right, a.v.p., Midland Natl. Minneapolis, receiving the gavel as incoming pres. of the Minn. Chapter of BMA. **Lloyd E. Docken**, left, e.v.p., Community State Bank, Bloomington, is retiring BMA pres.

Minneapolis. Lloyd Docken, executive vice president, Community State Bank, Bloomington, is retiring BMA president.

The following officer nominations were approved: George L. Michael vice president, American National Bank & Trust Company, St. Paul, first vice president; Julie Cornelius, marketing officer, First Bank System, Inc., Minneapolis, second vice president; Dennis W. Konarski, vice president-marketing, National City Bank, Minneapolis, treasurer, and Charlotte Lampe, marketing officer, Eastern Heights State Bank, St. Paul, secretary.

New directors elected are: Ralph Witgraf, retired marketing consultant and head of his own firm, Strategic Marketing; Terry Pratt, vice president and cashier, First Northtown National Bank, Minneapolis; Truman Porter, vice president-marketing, Midway National Bank, St. Paul; T. William Coughlan, vice president, Valley National Bank, North Mankato, and Robert J. Koenke, communications director, Minnesota Bankers Association, Minneapolis.

## Promoted at Owatonna

Kenneth E. Wilcox, president of Northwestern National Bank of Owatonna, has announced the

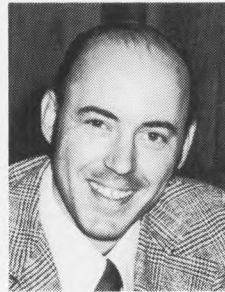
promotion of David F. Robbins to senior vice president, loan administration, and the election of David B. Hinsverk as credit officer.

Mr. Robbins joined the bank in 1960 in a trainee capacity and has served in many departments including being manager of the personal loan department and the commercial and agricultural loan departments. Mr. Hinsverk was with Burroughs Corporation for one year prior to joining the Owatonna bank in 1976. He has served as credit analyst and most recently as compliance officer.

## Joins Bemidji Bank

First National Bank of Bemidji has announced the addition of Dennis L. Schlagel to its staff as commercial loan officer.

Mr. Schlagel came to Bemidji from the Argyle State Bank where he had been cashier since 1974. Prior to that, he was with the First State Bank of Castle Rock, Minn., for four years.



**D. SCHLAGEL**

## Wayzata Bank & Trust Advances 3 Officers

Named assistant vice presidents of Wayzata Bank & Trust Company are Ted Victor, also advanced to manager of the real estate loan department, and Robert Weiss, also appointed manager of the commercial loan department. Arlene Roehl has been named assistant cashier, instalment loans and compliance officer.

Mr. Victor joined the bank in 1971. He holds a degree in business administration from the University of Minnesota. Mr. Weiss began his banking career in 1970 and joined the Wayzata bank in 1977 as a commercial loan officer. He is a graduate of New Mexico Military Institute and the University of North Dakota.

Ms. Roehl joined the bank in 1969.



**R. WEISS**

**A. ROEHL**

She has a degree in elective studies from the University of Minnesota.

## First Edina National Elects Personal Banking Officers

Darrell G. Knudson, president of the First Edina National Bank, has announced the election of Shari F. Rhode, Susan Lochen and Kathryn L. Banon to personal banking officers.

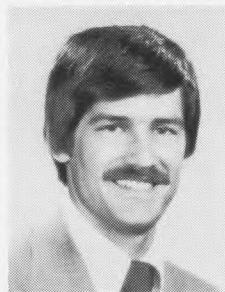
Ms. Rhode joined the bank in 1977 from the Northern City National Bank in Duluth. Ms. Banon joined the bank in December of 1977 from the Fourth Northwestern National Bank in Minneapolis. Ms. Lochen came to First Edina in 1972 as a commercial loan teller. Prior to that she was with First Bloomington Lake National Bank as a teller.

## Women Continue Strike Against Willmar Bank

While eight women employees of the Citizens National Bank of Willmar continued their walkout strike against the bank last month, attorneys representing the bank and the strikers filed briefs August 14 with the National Labor Relations Board hearing judge as required from the preliminary hearing held June 20. The women have been on strike since the week before Christmas, 1977.

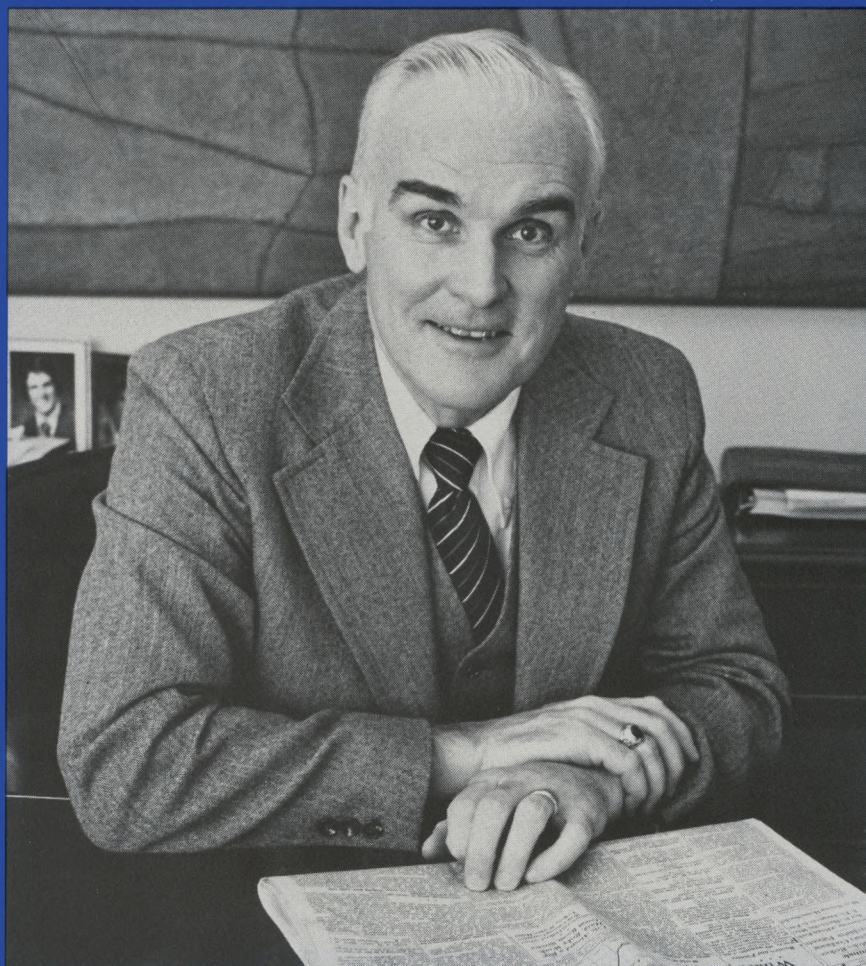
The strike seeks agreement with the women's union, Willmar Bank Employees Association, on a new contract.

In June, a complaint filed by the women with the United States Equal Employment Opportunities Commission was settled in a compromise that awarded \$11,750 in back wages to the women involved, although they said in a statement they did not regard the compromise as "ideal." The complaint was lodged with the EEOC after the bank hired a man in the loan department. The women



**T. VICTOR**





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“Part of my job is to understand your job. So next time you have an idea, a question or a problem,

don’t hesitate to share it with me—or with one of our people. Together we can build better Correspondent services that truly serve your needs, and help you serve your customers best.”



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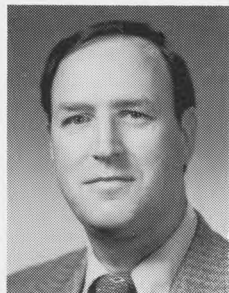


alleged they were not given an opportunity to apply for the higher paying job and that they had to help train him.

A decision from the NLRB hearing judge is expected in the next 30 to 60 days.

### First of Duluth Elects Assistant Vice Presidents

The First National Bank of Duluth has elected three assistant vice presidents in charge of installment loans. They are: Richard J. Binette, indirect loans; Lee R. Fadden, direct, and Donald J. Edstrom, operations.

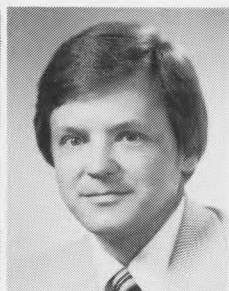


R. J. BINETTE

Mr. Binette joined the bank in 1961 and most recently served as installment loan officer. Mr. Fadden began working as a trainee in 1957. Prior to his promotion he was an installment loan officer. Mr. Ed-



L. R. FADDEN



D. J. EDSTROM

strom, formerly investment officer, joined the bank in 1958.

### Top Executive Changes Announced at St. Cloud

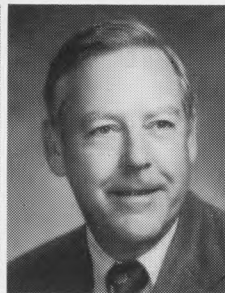
Donald N. Parent, president and chairman of St. Cloud National Bank & Trust Co., has announced his resignation as president. He will retire from active duty but will continue as chairman of the board.

Elected to succeed Mr. Parent as president is A. Robert Jones, formerly vice chairman of Heritage Bank of Beloit, Wisc., of which he was president from 1972-78.

Mr. Parent, a 1936 graduate of the law school of the University of Minnesota, joined the bank in 1941. He was named legal officer and



D. N. PARENT



A. R. JONES

director and was elected its president in 1966. In 1977, after the death of D. J. Fouquette, he also was named chairman.

Mr. Jones is a law graduate of the University of Wisconsin where he became a lecturer in the law school while associated with the Bank of Madison.

## W. T. Richards and Family Settle Lawsuit; Buy Control of Mid America Holding Co.

LITIGATION against Mid America Bancorporation, Inc., Minneapolis, W. T. Richards, who is president and chairman of the holding company, members of the Richards family, American Bancorporation, Inc., St. Paul, and American National Bank & Trust Company, St. Paul, apparently has been settled by a tentative agreement reached last month and scheduled to be given final approval in court this month. Mid America owns six banks in the Twin Cities area and one in Hutchinson.

Mr. Richards said the settlement provides that K. R. Richards and S. T. Richards, his sons, will purchase all shares of Mid America stock owned by the plaintiffs and certain other shareholders, and that the company will extend to all other shareholders an offer to purchase up to 110,000 shares of its stock. All purchases, he said, would be made at \$10.00 per share. That offer is scheduled to expire September 11, unless extended.

Court records show that purchase of the plaintiffs' 126,253 shares would give Mr. Richards and his family 64.4% of the holding company's 850,957 shares outstanding. If all 110,000 shares the firm has offered to buy from minority holders are turned in, the Richards family interest then would be 74%.

The lawsuit came after an offer in

## Sells Lakefield Bank

Sale of the controlling interest of the First National Bank of Lakefield has been announced by H. G. Thornburg, former president. The buyers are Earl E. Van Steenhuyse and Douglas M. Kratz, both of Tuscola, Ill. Mr. Kratz has been appointed president of the bank and will be moving to Lakefield.

A native of Cresco, Ia., Mr. Kratz is a graduate of Luther College in Decorah, Ia., with a BA degree in business administration and accounting. He was formerly with the examination department of the Federal Reserve Bank of Minneapolis and recently held the positions of executive vice president and director in banks in Tuscola and Gridley, Ill.

1977 by Irwin Jacobs of Minneapolis to buy control of Mid America. The Richards family increased its ownership from 19% to 49% of the holding company with loans from American National Bank. Mid America shareholders Floran and Maureen Heering and Alice Thaemart, who altogether held 26,250 shares, filed suit, alleging that terms of the loan in effect gave control of Mid America to American Bancorporation, which earlier had been denied by the Federal Reserve Board in its bid to buy the holding company.

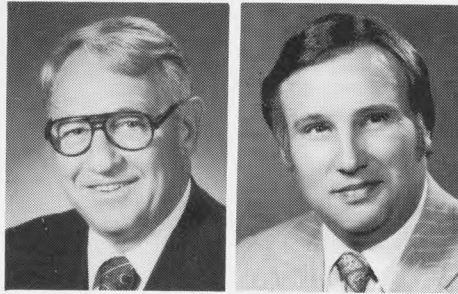
The Federal Reserve Bank of Minneapolis investigated the plaintiffs' allegations and reported it found nothing to substantiate the charges, thus clearing the American National Bank of any wrongdoing.

Other stockholders listed as receiving money under the agreed settlement were Gary Tankenoff and members of his family. Mr. Tankenoff, a director of Mid America the past five years, resigned from the board last month.

Court papers also show Mr. Richards and his sons now owe American National \$2,997,000, of which \$2,647,000 is for loans to buy stock, all at 2% above prime rate. Additionally, \$1,388,783 is to be borrowed from American National to finance the Richards family purchase of the 126,253 shares involved in the suit and to pay plaintiffs' legal fees.

# South Dakota News

R. L. PLOWMAN      President      Armour  
 J. I. MILTON SCHWARTZ      Secretary      Pierre



National Bank of Minot where he was senior vice president. He began his career there in 1966 and was promoted to assistant cashier and agricultural loan officer in 1968. In 1970 he was promoted to assistant vice president, in 1973 to vice president and in 1977 to senior vice president.

## Announce Annual Group Meeting Programs

**T**HE five regional groups of the South Dakota Bankers Association will meet during the week of September 11. The box below lists dates and locations. With one exception, each meeting will have registration, business meeting and evening function as listed. At Mobridge the registration and business meeting will be at the Mobridge branch of the First National Bank of Aberdeen, with evening functions at the Country Club.

Each meeting will offer the same program, as follows:

- **Registration:** 3:00 to 4:00 p.m. at locations as noted above.
- **Business Session:** 4:00 p.m. Group presidents presiding will be:

Group 1—William J. Harrington, vice president, Dakota State Bank, Colman.

Group 2—Don Roe, vice president and manager, Hamlin County Bank, Hazel.

Group 3—Darwin Roti, vice president, Sanborn County Bank, Woonsocket.

Group 4—Clarence W. Sauer, vice president, First State Bank, McLaughlin.

Group 5—G. Robert Bock, vice president and cashier, American State Bank, Rapid City.

Remarks—Ray L. Plowman, president of the SDBA and president,

First State Bank, Armour. Remarks—J. I. Milton Schwartz, SDBA executive manager. Legislative briefing.

Delta Dental Plan of South Dakota—Russ Hendrix, J. T. Miller Co.

Business Meeting and election.

- **Social Hour:** 6:30 p.m.
- **Dinner:** 7:30 p.m. Speaker at 8:15 p.m. at each meeting will be Dan Baker of Bulverde, Tex., described in the program as “a motivator, humorist, and people person whose warmth, wit and wisdom challenges his audiences to find the best within themselves.”

Adjournment. □

### Watertown Bank Names Senior Vice President

R. H. Walrath, chairman of the First National Bank of Watertown, has announced the appointment of Donald H. Davison as senior vice president. He will have administrative responsibilities and also will be a commercial loan officer.

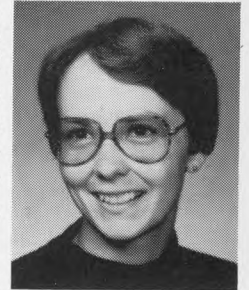


D. H. DAVISON

Mr. Davison comes to Watertown from the First

### Assistant Cashier Named At Mitchell Bank

Ronald R. Jenkins, president of the Commercial Trust & Savings Bank, Mitchell, has announced the election of Pat Kurtenbach as assistant cashier to serve as a loan officer in the instalment loan department.



P. KURTENBACH

Mrs. Kurtenbach is a 1976 business administration graduate of Dakota Wesleyan University, Mitchell. She joined the bank staff in 1976 as secretary in the instalment loan department.

### Northwest Ag Credit Names Shelley Officer

Kathleen A. Shelley recently was named operations and assistant credit officer of Northwest Agricultural Credit Company, Sioux Falls. She joined the Northwestern National Bank, Sioux Falls, in 1974 as a secretary-receptionist. She moved from the bank to the Ag Credit Company in 1975.

### Named at Sioux Falls

C. P. (Buck) Moore, president, has announced the election of Betty Simmons to the board of Northwestern National Bank, Sioux Falls. A free lance public speaker, Mrs. Simmons also is vice president, comptroller and director for Sorenson Broadcasting Corporation.

Also announced were the following officer appointments. At the Gregory Branch, Jeffrey G. Johnson was named personal loan officer and James L. Bartling, insurance officer. Shirley Noval, Chamberlain Branch, was elected personal banking officer. Claren Ritter, Main Office, was elected operations officer with responsibility for the proof and bookkeeping departments.

## 1978 South Dakota Group Meetings

Date	Group	Location
September 11	5	Rapid City, Imperial 400
September 12	4	Mobridge, Country Club
September 13	2	Aberdeen, Sheraton Motor Inn
September 14	3	Mitchell, Holiday Inn
September 15	1	Sioux Falls, Minnehaha Country Club



## At Rapid City Roundtable

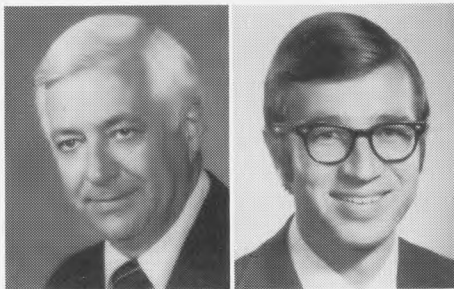
## 9th Fed's Mark Willes Warns Inflation Must Be Faced with Harsh Measures

**A**N Economic Roundtable conducted by the Federal Reserve Bank of Minneapolis in Rapid City last month attracted 150 of the top business and financial leaders of the Black Hills area. Arrangements were handled by Charles T. Undlin, president, First National Bank of the Black Hills, who also acted as master of ceremonies for the noon luncheon.

In his remarks, 9th Fed President Mark H. Willes warned that the root causes of inflation must be faced head-on with harsh measures before progress can be made in reversing the climbing trend of inflation. He advocated a reduction in the growth of money supply through a reduction in the rate of spending and said some results of this Fed policy are evident. He also advocated higher interest rates. A tremendous loan demand nationwide continues, he stated, because a borrower paying 10% interest and faced with 10% inflation has, in effect, a zero money cost.

Similarly, he stated, a bank making a loan at South Dakota's usury limit of 10% and also faced with 10% inflation has a real rate of return of zero. Considering the payment of income taxes, that rate of return would actually fall below zero, he said.

The only way to control inflation, Mr. Willes said, is to moderate the



C. T. UNDLIN

M. H. WILLES

growth of money and for Congress to reduce the size of the government deficit and stop catering to special interests. He opposes wage and price controls, stating there is no evidence they can be successful.

Other speakers during the course of the Economic Roundtable presented these points:

- Tourism brought 8.3 million out-of-state people to South Dakota last year and they spent \$300 million. Lloyd Keszler, executive manager of the Black Hills, Badlands & Lakes Association, said they spent \$8.4 million in gasoline taxes and \$6.5 million in sales taxes, providing 15,000 jobs for South Dakotans with a payroll of \$60 million. He said the tourist industry in 1978 should be up three to five percent over the 1977 figures. Three areas of concern for tourism, he said, are the possibility of 12-month

school periods, the energy situation and the national economy.


- This may be South Dakota's best year for crops, grass and livestock but despite the favorable ag prices, producers are faced with even higher production costs. Joe Minyard, head of the Department of Animal Science at South Dakota State University, said, "I don't know if I've seen a better year for crops, grass and livestock. A feed supply is coming that's just unreal, and a good feed supply is always a positive influence." He said agriculture accounts for one-third of the state's total gross income, and the livestock industry produces 70% of that total.

- Land prices have continued their climb, spurred by outside pressures. Kent Rasmussen, Equitable Life Assurance Co., said this pressure is coming from farmers and ranchers from other states. Wyoming ranchers, for example, who have sold their land to coal companies are buying South Dakota land, partially for tax purposes, he stated. Typical selling prices range from \$80 to \$120 an acre. Since it requires 20 to 35 acres to supply one cow, the investment in land per cow unit now is \$1,600 to \$2,400, he related. Farm land in western South Dakota sells for about \$150 an acre and from \$800 to \$1,000 for prime irrigation acreage.

- The average price of a Rapid City home has increased 11% in each of the past two years. It is now \$47,147 compared to the national average of \$51,200. The 10% usury limit has kept lenders interested in the home mortgage market. Mr. Undlin said loan demand at First of the Black Hills continues at a record pace. Rising interest rates elsewhere drain off lendable funds, creating a tightening of money, he added. He said deposits are growing now at a slower pace than the demand for loans.

- Wholesaling is Rapid City's largest industry, totaling \$250 million a year and still growing. Don Knecht, official of Knecht Industries, Inc., said Rapid City wholesalers are a complete resource, serving a 250-mile radius. He said manufacturing also has grown in the city, now totaling \$150 million a year.

- Ellsworth Air Force Base has an annual impact in the Rapid City



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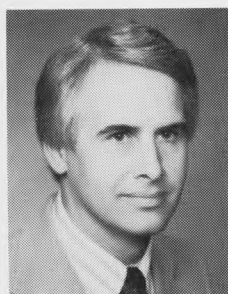
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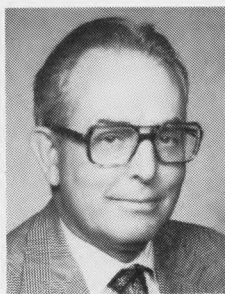
area of \$139 million. Captain Robert Priest said the Ellsworth complex has 6,300 government employees, including 1,000 officers, and there are 800 retirees who have elected to continue living in western South Dakota.

### Mitchell Bank Names Top Executive Officers

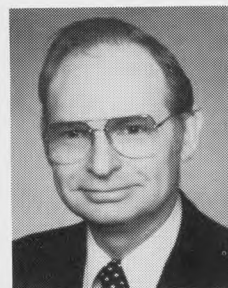
Ron Jenkins has been elected president and chief executive officer of the Commercial Trust & Savings Bank of Mitchell. He succeeds Boyd Knox, who resigned but will remain as chairman of the board. James W. Stewart has been elected executive



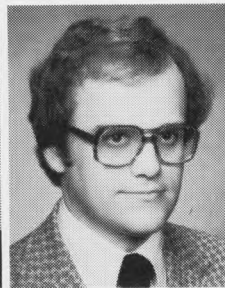
R. JENKINS



B. KNOX



J. W. STEWART



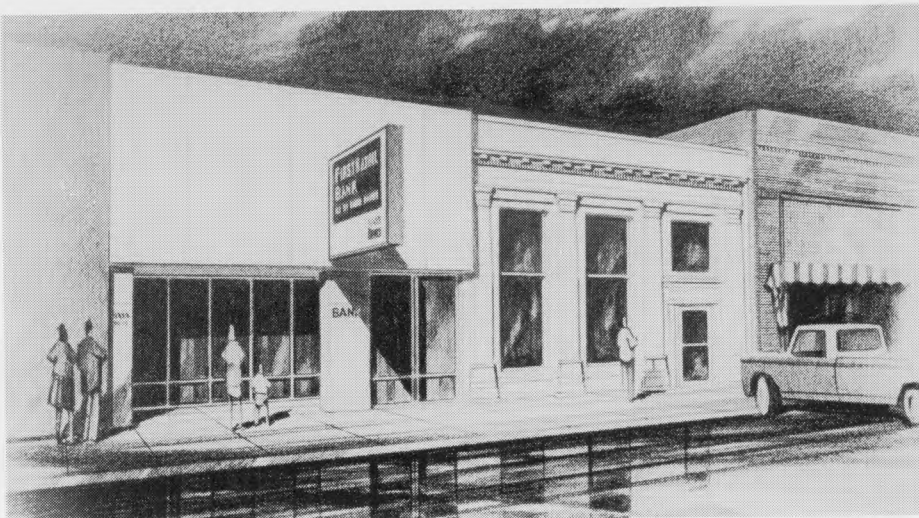
J. A. AHRENDT

vice president and trust officer and James A. Ahrendt has been advanced to cashier.

Mr. Knox's retirement as an active officer culminates a banking career of 43 years with the McCook County National Bank of Salem and the Commercial Bank. He has served the Mitchell bank for the past 13 years, the last 9½ as chief executive officer. Mr. Knox is a past president of the South Dakota Bankers Association.

Mr. Jenkins has been with the bank for the past 17 years. For the past nine years he has been vice president, cashier and director. Prior to joining the bank he worked for three years at the McCook County National Bank of Salem.

Mr. Stewart, formerly field examiner with the Federal Deposit



THE addition to the Newell office of the First Natl. Bank of the Black Hills will be completed in October.

### First National of Newell Builds Addition

A \$215,000 addition to the Newell Office of the First National Bank of the Black Hills will be completed by the middle of October, President Charles T. Undlin announced recently. The 1,500 square foot addition will double the area on the ground floor.

Manager Neil Martin said the lobby area combining the two buildings will be nearly twice that of the old bank lobby. The main entrance will be set-back bronzed

aluminum with stone planters and will match new insulating glass windows in the original building.

A 24-hour depository will be provided. The entrance to the original building will be used for the insurance office. The total banking area, including the insurance office, will utilize 3,000 feet on the ground floor plus the 1,500 square foot basement of the original building. The rear will be paved for employe parking.

Insurance Corporation, joined the bank in November of 1961. Mr. Ahrendt joined the bank in 1973, was elected assistant cashier in 1974 and assistant vice president in 1975.

Michigan Consolidated Gas Company of Detroit.

### Staff Changes Announced At First of Philip

Boyd Waara, with the bank since 1972, has been promoted from assistant vice president and agricultural representative to vice president of the First National Bank in Philip.

The bank also has announced the additions of Marion A. Matt as assistant vice president and Rick Palacek as assistant cashier and operations officer.

Mr. Matt joins the bank's agriculture and commercial loan area from the Belle Fourche branch of the First National Bank of the Black Hills, Rapid City. He began his banking career in 1969. Mr. Palacek joins the bank from the First National Bank of Mitchell where he worked in operations for four years.

### Sioux Falls Bank Elects Byrnes Vice President

The United National Bank, Sioux Falls, has announced the election of Stephen L. Byrnes as vice president for external affairs. In addition to his new position as bank vice president, he will serve as vice president of United National Corporation, parent company for the bank and its 19 offices.



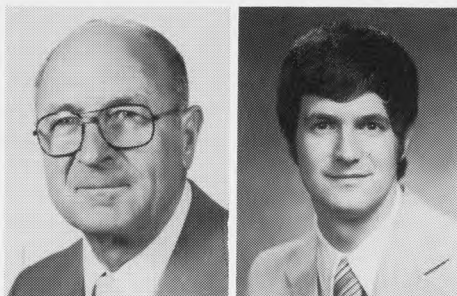
S. L. BYRNES

Mr. Byrnes previously served as director of public affairs for

[Turn to page 86 for more South Dakota News]

# North Dakota News

WAYNE A. STROUP      Pres.      Garrison  
HARRY J. ARGUE      Exec. Dir.      Bismarck



## Schedule North Dakota Group Meetings

**T**HE North Dakota Bankers Association will conduct its four annual group meetings October 2-5 using the following schedule:

Oct. 2—Legionnaire Club, Grafton.

Oct. 3—The Steak House, Garrison.

Oct. 4—Golden West Shopping Center, New Salem.

Oct. 5—Eagles Club, Valley City.

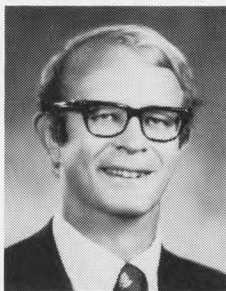
Harry Argue, NDBA executive director, said the programs will feature a discussion of pending state legislation and NDBA possible interests; compliance with consumer regulations; a presentation on the new statewide radio and TV advertising program, which will supplement BAAP, and a segment devoted to Automatic Transfer Accounts, which are authorized for banks effective November 1.

Complete program details will be announced within a short time, he added.

## First National of Minot Announces 3 Promotions

George Johnson, president of the First National Bank, Minot, has announced the following three advancements:

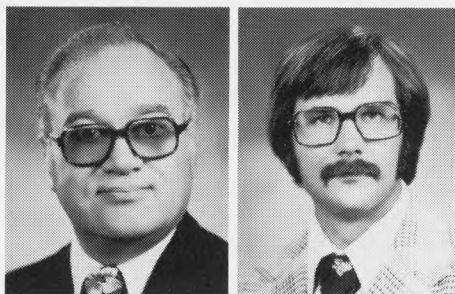
Thomas R. Stockert, cashier to vice president and cashier of bank operations; Stephen B. Mays, assistant cashier, to assistant vice president, and Bart Schempp, to assistant cashier.



T. R. STOCKERT

These changes resulted from the transfer of D. H. Davison, senior vice president, who accepted a position with the First National Bank of Watertown, S.D.

Mr. Stockert began his career as a



S. B. MAYS

B. SCHEMP

management trainee with Northwestern National Bank of Valley City and in 1965 became cashier of the First National Bank, Hoyt Lakes, Minn. He also worked as an auditor for Banco, Inc., Sioux Falls, S.D.

Mr. Mays joined the bank's

marketing department in 1972. He was named manager of the bank's military banking center in 1974 and assistant cashier in 1975. Mr. Schempp has been with the bank since 1972, most recently as administrative assistant.

## Elected at Jamestown

H. F. Buegel, Jr., chairman of First Bank of North Dakota, N.A., Jamestown, has announced the election of C. Stuart Kale to the bank's board. Mr. Kale is vice president of Western Gear Corporation and division manager of the Flight Structures Division, headquartered in Jamestown.

## Examiner Retires

Manley E. Malmstad, financial institutions examiner, recently retired after 28 years with the state. He joined the Department of Banking and Financial Institutions in November of 1965.

All staff members, including former commissioner Gilbert Ellwein, attended a picnic in his honor at Sertoma Riverside Park in Bismarck.



PICTURED above is the new home of the Farmers and Merchants Bank of Valley City.

## New Home for Valley City Bank

**T**HE Farmers and Merchants Bank of Valley City recently held a grand opening celebration in its new building at 240 3rd Street NW, according to Jerry Zinck, president.

The building is 57 by 75 feet with a main floor and full basement. The officers and secretaries' desks are on the east half of the main floor, while the teller windows, two drive-up windows with expansion room for two more, walk-up window, vaults,

and business machines are on the west side.

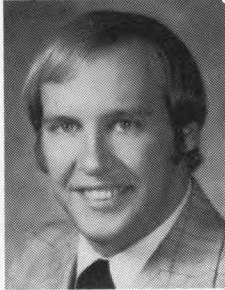
Also included is a large staff lounge, directors meeting room, storage vault and other storage space in the basement.

The bank charter was moved from Dickey to Valley City in September of 1969. The bank had under \$1 million in assets. Current assets are now over \$11 million. Wes Severson is the bank's chairman.



## Joins Grafton Bank

Daniel J. Lessard, president of the Walsh County Bank and Trust Co., Grafton, has announced the addition of Charles H. (Chuck) Johnson to the bank's staff as a personal loan officer. Following graduation from North Dakota State University, Mr. Johnson



C. H. JOHNSON

was associated with the First Bank of North Dakota, Minot, beginning as a management trainee and advancing to a personal loan officer.

## Crosby Bank Appoints Assistant Vice President

Gary Hanisch, president of the Farmers State Bank of Crosby, has

announced the promotion of Gaylen Melgaard to assistant vice president.

Mr. Melgaard joined the bank in May of 1976. He began work in the instalment loan department and since that time has assumed responsibilities in the bond and insurance departments. Prior to joining the bank, he worked for Avco Financial Services in Minot for two years.

## Land Ownership Loans Funded Through State

By action of the 1977 Legislature, the Bank of North Dakota was given the responsibility of managing the farm loan portfolio of the Board of University and School Lands, State Land Department. The transfer of the portfolio to the Bank of North Dakota was completed on August 20, 1977. On August 1, 1978, over \$2 million in new land ownership loans have been funded throughout the

state. The portfolio now totals \$37,320,712.64. Every county in the state is served by this portfolio.

## Ground Broken at Belfield

A groundbreaking ceremony was conducted recently at the site of the First National Bank of Belfield, 227 N. Main.

The 55 by 88 foot bank, almost twice the size of the present building at 116 N. Main, is to be ready by March 15, according to Harold Lothspeich, bank president. It will be of cement block construction, faced with native stone. Included will be four teller windows, a drive-up window and a night depository.

The one-story building will have a large, open area for the six officers and two smaller offices, one for the president. The First Insurance Agency will have separate quarters in the new facility.

South Dakota News . . .  
[Cont. from page 84]

## DKQ Handles \$15.5 Million Hospital Project Issue

An offering of \$15,535,000 of South Dakota's Health & Education Facilities Authority Revenue Bonds, Series 1978, for the financing of a major hospital project has been completed by Dain, Kalman & Quail, Incorporated, Minneapolis-headquartered regional investment banking firm.

The bond offering was made, in part, to provide money for the construction of a three-level parking structure adjoining McKennan Hospital in Sioux Falls and to pay the cost of acquiring additional electronic medical equipment for the institution. The offering was co-managed by Dain, Kalman & Quail, supervised by DKQ's Fixed Income Department and the bonds were distributed through DKQ's Institutional Bond Department and retail sales offices. With 37 retail offices in 11 Midwestern and Rocky Mountain states, DKQ is one of the largest regional investment banking firms in the United States.

Robert R. Martin, DKQ executive vice president/Fixed Income, pointed out that the McKennan Hospital issue is the 15th tax-exempt bond

financing in South Dakota either managed or co-managed by Dain, Kalman & Quail in the last two and a half years.

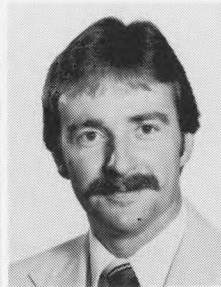
## Elected at Sioux Falls

The National Bank of South Dakota, Sioux Falls, has announced the elections of two new officers: Gayle Bussell, operations officer, Huron, and James Jennings, instalment loan officer, Rapid City.

Ms. Bussell began her banking



G. BUSSELL



J. JENNINGS

career in 1959 and served most recently as auditor. Mr. Jennings joined the bank in July of this year after serving with a finance company in Bismarck, N.D.

## Named at Sturgis

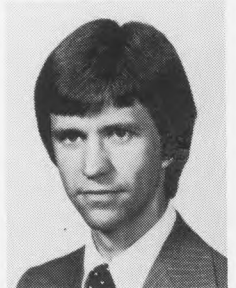
Robert M. (Cajer) Neely has been elected an agricultural loan officer at

the Sturgis office, First National Bank of the Black Hills.

Mr. Neely, who joined the bank in May, 1977, was reared on a ranch near Hyattville, Wyo.

## Named Trust Officer At Sioux Falls

Richard J. Rahn has been appointed trust officer of the First Northwestern Trust Company of Sioux Falls, according to A. R. Olson, executive vice president. Mr. Rahn is a 1978 graduate of the University of South Dakota, having received both his masters in business administration and his juris doctorate degree from that school.



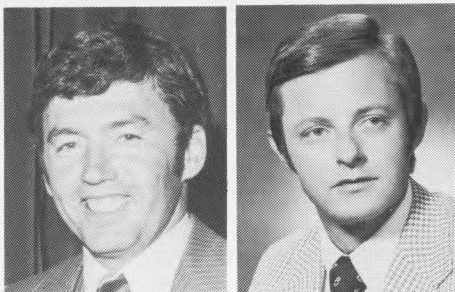
R. F. RAHN

## Squillace Elected to Investment Council

Alex Squillace, vice president of United National Bank, Sioux Falls, has been elected to a five year term on the South Dakota Investment Council.

# Colorado News

J. ROBERT YOUNG      Pres.      Basalt  
G. L. SCARBORO      Exec. Mgr.      Denver



## Independent Bankers Will Meet in Vail

The Independent Bankers Association of Colorado annual convention will be held September 21-23 at The Mark in Vail. Presiding will be Daryl W. Biggerstaff, president of the association and president of the Empire National Bank in Canon City.

Slated to succeed Mr. Biggerstaff in the presidency is Louis F. Bein, chairman and president of The Berthoud National Bank in Berthoud, who has served the past year as association vice president. James P. Thomas, Denver, is executive manager of the association.

The meeting will open with a convention dinner Thursday evening, September 21.

During the business sessions on Friday, registrants will be addressed by Ivan D. Fugate, president of the Independent Bankers Association of America and chairman and president of Western National Bank of Denver. A special guest speaker will be the new chancellor of the University of Denver, Ross Pritchard, who will also address the convention. There will be an extended discussion of the new Independent State Bank of Colorado, now in formation and awaiting approval for FDIC coverage. There will be a delegates luncheon at noon.

On Saturday morning, Laurel Quirk of American Home Assurance Co., New York, will speak on "Extortion" and then conduct a question and answer period. This will be followed by the convention golf tourney, which concludes the annual convention.

## Promoted at Boulder

J. Patrick McDuff has been promoted to vice president in charge of the commercial loan department at National State Bank of Boulder.

Mr. McDuff has been with the

bank for six years, most recently as assistant vice president in commercial loans. He received a BS degree in finance and commercial banking from the University of Arkansas.

## Central Bank of Denver Names Vice President

William C. Tumelty has been promoted to vice president in the correspondent banking division of Central Bank of Denver. He joined the bank in October of 1972 as an operations trainee and became a correspondent banking officer in 1974. He was promoted to assistant vice president in 1975.

Mr. Tumelty was graduated from Georgetown University, Washington, D.C., with a BA degree and received his master's degree in business from the University of Denver in 1972.



W. C. TUMELTY, JR.

## Announce Stock Split

The board of directors of The First National Bancorporation, Inc. Denver, has declared a two-for-one stock split effected in the form of a 100% stock dividend out of the authorized and unissued shares of common stock of the corporation, payable on August 25, 1978, to all shareholders of record of common stock on August 8, 1978.

The board also declared a regular quarterly cash dividend on the common stock of 26 cents per share after adjusting for the additional shares (equivalent to 52 cents on the previously outstanding shares) - an increase of 15.6%. The dividend is payable September 18, 1978, to all shareholders on record on September 1, 1978.

## First National of Denver Announces Elections

J. Rodney Uhrich, executive vice president, asset and liability management of the First National Bank of Denver, has been elected to the bank's board. Thomas E. Buchanan has been advanced to vice president in the correspondent bank department.

Mr. Uhrich joined the bank in 1956 and became a vice president of the correspondent bank department in 1964. He was senior vice president in charge of that department from 1971-74. In 1975 he became president of First National Advisers, Inc., a subsidiary of First National Bancorporation.

Mr. Buchanan joined First of Denver in 1971. In 1976 he was named an officer in the correspondent bank department. He has served as head of the department's metropolitan division since 1976.

## Announced at Broomfield

United Bank of Broomfield has announced the election of I. K. Hoyle as chairman of the board and the appointment of two new directors, William Greenewald and Alvern K. Gardner.

Mr. Hoyle replaces Roger D. Knight, Jr., who retired as chairman in June. He has been president and director of the bank for the past 20 years. He will continue as president.

Mr. Greenewald is owner and operator of Heights Hardware Company. Mr. Gardner is treasurer and manager of Central Watering Company, Inc.

## To Head New Arvada Bank

Garland L. Anneler has been named president of United Bank of Arvada, according to Frank E. Blatter, chairman of the new bank.

The bank, which will be located near the intersection of Wadsworth Boulevard and 80th Avenue, is scheduled to open in October. It will raise the number of banks in the United Banks of Colorado, Inc., organization to 19.

A veteran of more than 20 years in banking, Mr. Anneler joins the bank from United Bank of Littleton where he was vice president/consumer services and personnel. He also has been associated with the United Bank of Denver and First Bank and Trust of Brighton.



## To Head LaSalle Bank

Ed Saboe is the new president of United Bank of LaSalle, succeeding Norman M. Dean, who will serve as president and chairman of the United Bank of Greeley.

Prior to this appointment, Mr. Saboe was senior vice president of the Greeley bank. Before joining United Banks in 1972, he was vice president of the Commerce Bank of St. Charles and Commerce Bank of Kirkwood, both in Missouri.

## First National Advisers Names Williams President

Bryan J. Williams has been elected president of First National Advisers, Inc., a subsidiary of First National Bancorporation. He succeeds J. Rodney Uhrich.

First National Advisers, Inc., performs under management contract with First of Denver Mortgage Investors.

Mr. Williams began his banking career in 1959 with United California Bank, Los Angeles. He joined First of Denver in 1962 and moved to First National Advisers in 1973 as vice president. He became executive vice president in 1973.

Mr. Uhrich, who was named executive vice president, asset and liability manager for the First National Bank of Denver recently, will serve as chairman of First National Advisers.

## United Bank of Denver Announces Appointments

United Bank of Denver has announced the appointments of Lyle D. Proctor to cashier and Linda R. Barker to vice president.

Mr. Proctor replaces Robert W. Merrick, vice president, who will devote full time to his duties as property manager and insurance administrator.

In 1961, Mr. Proctor joined UBD as a junior teller. He was named a data processing officer in 1970 and transferred to the United Bank Service Company in 1972. In 1973, he rejoined UBD and was named an operations officer in 1974. He was appointed to assistant vice president in 1975 and vice president in 1977. Mr. Proctor is a graduate of the University of Denver.

Ms. Barker, a graduate of the

University of Missouri with a bachelor of journalism degree, joined United Bank of Denver in 1974. She was named a public affairs officer in July, 1975, a communications officer in February, 1976, and an assistant vice president in July, 1976.

Other new appointments announced are: Gary D. Watkins and Gary J. Roberts, assistant vice presidents and James F. Kanaley, operations officer.

## State Banking Board OKs Independent State Bank

The Colorado state banking board has approved the application of Independent State Bank of Colorado for a bank charter. An application for FDIC insurance has been made, according to James P. Thomas, executive manager of the Independent Bankers Association of Colorado, and it is hoped to open the bank in the first or second quarter of 1979.

Mr. Thomas said organizers of the bank presently are reviewing applications for management and operations personnel. The state banking board set a requirement of \$1,250,000 in capital accounts with \$500,000 in capital and surplus each and the balance in undivided profits.

This is the second such independent bank in the nation to be organized. The first was the Independent State Bank of Minnesota, chartered in 1975. The Minneapolis-based bank has approximately \$5 million deposits. Other similar banks are in various stages of investigation or formation in nearly a dozen states. Mr. Thomas said representatives of many of these other interested Independent Banker associations have visited the Colorado office seeking information on that new bank.

Stock in the Independent State Bank of Colorado is held by individual bankers and directors and one bank holding companies. No more than 4.9% of the stock may be held by an individual or a group of individuals representing the same bank, Mr. Thomas noted.

A building located at 1635 Platte Street in Denver is being remodeled to house the Independent State Bank of Colorado.

Elected chairman of the new bank was Ivan D. Fugate, president of the Independent Bankers Association of

America and chairman and president of the Western National Bank in Denver. Other board members are:

Louis F. Bein, chairman and president, Berthoud National Bank, Daryl W. Biggerstaff, president, Empire National Bank, Canon City; Richard W. Ducic, president and cashier, Bank of Basalt; Frederick A. Esgar, president, State Bank of Wiley; Thomas E. Green, president, First National Bank, Westminster; Earl F. Lehigh, president, The Pueblo Bank & Trust Co., and George T. Sweeney, chairman, Bank of Applewood, Wheatridge, who is also legal counsel to the new bank. The chief executive officer of the bank, when selected, also will be named to the board.

## United Bank of Monaco Names Vice President

Charles A. Oaks has been promoted to vice president of the United Bank of Monaco.

Mr. Oaks, formerly assistant vice president, has been with United Banks since 1959. He also is assistant secretary of the board of directors.

## Elected at Paonia

Ray R. Anderson has been elected vice president and cashier of the Paonia State Bank. He succeeds Robert L. Larson who is planning a business of his own. Mr. Anderson served as managing officer of the Minitare State Bank and Bank of Gering, both of Nebraska prior to moving to Colorado.

The Paonia State Bank opened its doors on August 15, 1977. It passed \$3 million total assets on August 2, 1978.

## Changes at Northglenn

E. C. Vandagriff, Jr., recently was elected chairman of The First National Bank of Northglenn, according to Wesley J. Watson, president. Mr. Vandagriff replaces Phillip J. Hogue, who resigned to devote more time to his position of executive vice president of the First National Bank of Denver.

A First of Denver vice president, Mr. Vandagriff is in charge of four commercial banking divisions.

William G. Wendt was elected to the board. He is vice president and head of consumer banking at First of Denver.

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# Wyoming News

E. J. HAINES                      Pres.                      Laramie  
M. C. MUNDELL                Secy.                      Laramie



## WBA Names Committee Members, Chairmen

**C**HAI RMEN and members of committees for the Wyoming Bankers Association for the coming year have been appointed. The committees and their chairmen are:

Legislative: Robert W. Miracle, president, Wyoming National Bank, Casper.

Trust: Robert J. Wyatt, vice president and trust officer, Bank of Commerce, Sheridan.

Instalment Loans: Craig Ockers, assistant vice president and manager, American National Bank, Cheyenne.

Audit: John Nicholson, vice president, First Wyoming Bank, N.A., Laramie.

Resolutions: Robert W. McBride, executive vice president, First National Bank, Buffalo.

Agriculture: Ray A. Wardell, executive vice president, Moorcroft State Bank.

Advisor to State Treasurer: Clifford E. Kirk, senior vice president and cashier, First National Bank, Casper.

Nominating: Orin G. Geesey, president, First Wyoming Bank, N.A., Kemmerer.

Athletic Association: John W. Easterbrook, instalment loan manager, First National Bank, Laramie.

## First National of Casper Announces Promotions

Henry A. Hitch, president of the First National Bank of Casper, has announced the promotions of three employes in the real estate loan department. They are: Elaine Hoshaw and Charles J. Ezell, Jr., loan officers, and Nellie R. Helms, closing officer.

Mrs. Hoshaw has been with the bank for 20 years in various positions in the real estate loan department. Mr. Ezell joined the bank last February as a real estate

loan analyst. Mrs. Helms joined the bank in 1975 as a loan closer and closing supervisor.

## Wyoming National of Casper Promotes Paul Christensen

Paul A. Christensen has been promoted to executive vice president of the Wyoming National Bank of Casper, according to Robert W. Miracle, president.

Mr. Christensen joined the bank in 1972 as vice president of correspondent banking. In 1976 he was promoted to senior vice president of the loan division and member of the executive committee. A native of Iowa, he attended Iowa State University, Ames.

Mr. Christensen succeeds Anthony F. Haskey who recently retired after 40 years in banking. Mr. Haskey attended Missouri Business College in St. Joseph and worked to pay for his education at the Tootle-Lacy National Bank. He then spent two years as a bank examiner for the U.S. Treasury Department. He joined the Casper bank in 1948 as assistant cashier and comptroller.



P. A. CHRISTENSEN

## Charter Approved For 3rd Buffalo Bank

By mid-fall of this year a third bank will be in operation in Buffalo. The State Examiner's office has announced approval of the application for Security Bank, a state bank.

Those seeking the application include L. V. Stafford, Leon Keith, Karl Bergner, Dr. John Knebel and John Iberlin. In addition, Robert Ferril and Homer Scott, Jr., of

Sheridan are listed on the application.

The organizers have purchased a block of land at the corner of North Main and U.S. 16. The bank will be started in a temporary building, while a new building is being constructed.

## Appointed at Sheridan

First Wyoming Bank, N.A., Sheridan, has announced the appointment of Stella M. Barker as a new director. Mrs. Barker, a lifetime resident of Sheridan, is a public accountant.

## Cheyenne Bank Announces Top Executive Changes

The board of the American National Bank of Cheyenne has announced the election of John C. Macleod to president and chief executive officer.

D. L. Day, Jr., was elected vice chairman of the board. R. J. Sorensen, past president and 51-year employe, will continue as vice chairman. Messrs. Day and Sorensen will remain active officers in the bank on a daily basis.

Mr. Macleod, a native of Casper, joined the bank in March of 1978 as executive vice president and chief operations officer. Prior to his move to Cheyenne, he was president of the Guaranty Bank & Trust of Denver.

Mr. Day had been president and chief executive officer of the bank since September of 1973. Born and raised in Casper, he began his banking career in Laramie and gained experience in Riverton and Denver. Mr. Day continues as president of Trans-Wyoming Bankshare, Inc., and chairman of the American Bank of Casper.

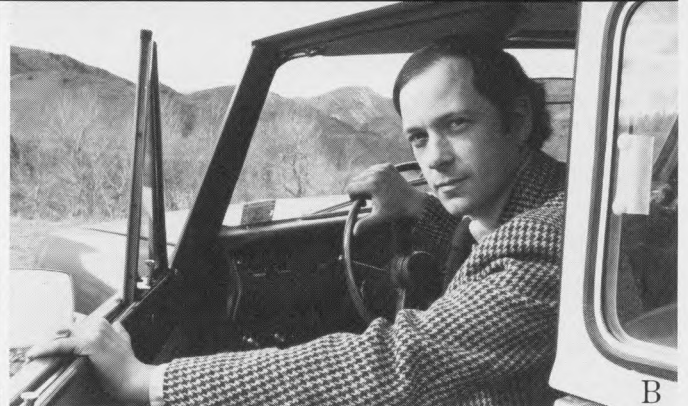
Also announced were the promotions of Thomas F. Scranton to vice president and manager of the commercial loan department and Edwin L. Fisher to vice president and manager of the real estate department.

Mr. Scranton has been loan officer and assistant vice president since 1975. He was a bank examiner for the Comptroller of the Currency in Denver before joining the bank. Mr. Fisher began his career at the bank in 1974. Most recently he was assistant vice president.

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- B. Bill MacMillan, Assistant Vice President, Eastern Colorado.
- C. Dave Fowler (l.), Correspondent Officer,

Wyoming and other financial institutions; Jon Clark, Correspondent Officer, New Mexico and Western Colorado.

D. Lance Johnson, Vice President and Manager.

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## Jeffrey City State Bank Names Vice President

Lorraine J. Ellis has been promoted to vice president of the Jeffrey City State Bank. She joined the bank when it opened its doors last year and last August was promoted to cashier. Mrs. Ellis began her banking career with Central Bank and Trust in Lander in 1973.

## Heads Rock Springs Bank

Rodger A. Weidner has been elected president and director of the First Security Bank succeeding Jay E. Haskell who has been transferred to Salt Lake City to manage a First Security State Bank office. A

Wyoming banker since 1963, Mr. Weidner has experience in all phases of bank operations and management.

## Heads Gillette Bank

Ted Ernst has been elected president of the Wyoming National Bank of Gillette replacing Hale Kreycik who is the new executive vice president of the Converse County Bank in Douglas. Mr. Kreycik had served as the bank's president since its incorporation in 1974.

Formerly executive vice president of the First National Bank of Gillette, Mr. Ernst has lived in the area since 1972. Previously he served in several positions with the First National Bank in Laramie, and in

1965 was named a national bank examiner. In 1967 Mr. Ernst was vice president of the American National Bank of Cheyenne.

## Kemmerer Bank Names Kvenild President

William J. Kvenild has been promoted from executive vice president to president and director of the Fossil Butte National Bank, Kemmerer, according to Emil A. Zebre, chairman. Mr. Zebre formerly served as chairman and president.

Kenneth C. Turrentine has joined the bank as vice president. He comes from the Guaranty Bank and Trust Company in Denver, Colo.

## Montana News

### Two Men Purchase Big Timber Bank

Claude R. Erickson and Bruce A. Erickson have purchased controlling interest in the First State Bank of Big Timber. Both men were elected to the board of directors and Bruce A. Erickson has been elected chairman of the board.

No staff changes are planned and Donald R. Powell will continue as president.

Claude R. Erickson is president and chairman of the First Security Bank in Livingston, Mont. Bruce A. Erickson is vice president and director of that bank.

Bruce Erickson will make frequent trips to Big Timber for consulting and advisory work with bank personnel.

### Bank of Montana System Raises Quarterly Dividend

The Bank of Montana System has raised the regular quarterly dividend rate, according to Charles W. Rubie, chairman and chief executive officer of the multi-bank holding company headquartered in Great Falls. The new rate will be in effect for a dividend payable August 18, 1978, to shareholders of record on August 4, 1978. The increase is equal to 4 cents per share annually and the total dividend is \$1.28 per share.

Mr. Rubie also reported that

Midstate Bank of Montana, the company's 15th banking affiliate, began operation in Lewistown July 17, 1978.

### Elected at Billings

Richard A. Kjoss, president of Security Bank, Billings, has announced the election of Anthony A. Chavez to data processing officer.

Mr. Chavez joined the bank in September, 1977, as a programmer analyst. He presently serves as manager of program development in the data processing department.

### BAI Compiles Report on Fed Membership, Pricing

Bank Administration Institute officials are studying a preliminary report on the pricing of check collection services for large correspondent banks and estimated prices of such services from the Federal Reserve System. The report is a result of a study conducted for BAI by the consulting firms of Arthur D. Little, Inc. and Littlewood Shain & Co.

A similar study is underway by the American Bankers Association (August, pg. 12, "ABA Studies Impact of Fed Pricing of Services").

Wayne Lewin, senior vice president of BAI at Park Ridge, Ill., headquarters, told the NORTHWESTERN BANKER last month, "We have received the preliminary report from

the Arthur Little firm and are analyzing the results. It is certainly a complex issue and we expect to find, as the ABA has, that this question will take much longer to resolve than originally expected."

Mr. Miller said "the proposal put forth by Fed Chairman William Miller is constructive." (That proposal is aimed at reversing the erosion of Fed membership by mandating that reserves for all banks in the nation be carried with the Fed, services priced accordingly and interest paid on reserves. That proposal has met with Congressional opposition on several fronts.)

Mr. Lewin observed, "It doesn't look like Congress will want to act precipitously."

Regarding the BAI study, Mr. Lewin commented "there are indications in the brief time we've had to review it that the question of Fed services and pricing flow from the Fed membership question, not the reverse. It seems the Fed would need to determine how to handle reserves and pay interest on them, then address the services to be offered and their pricing. A significant number of smaller banks are using correspondent banks instead of the Fed, so service is not the question. It is the same with big banks.

"Under the latest proposal, depository institutions with \$100 million deposits or more would carry reserves with the Fed. This impacts the correspondent banks, who at that point must reassess services and pricing."



**MBA OFFICERS**—John F. Cadby, exec. v.p.; Jerry Wallander, v.p. & treas.; Bill Tait, immed. past pres.; Paul D. Caruso, pres., and Robert Burke, pres.-elect.

## Montana Bankers Elect Paul D. Caruso

**P**AUL D. Caruso, president of the First Security Bank of Helena, was advanced to president of the Montana Bankers Association at the 75th annual convention held at Big Sky last month. Mr. Caruso succeeds W. R. "Bill" Tait, president of the First National Bank, Anaconda and Butte.

Additional MBA officers include: president-elect, Robert Burke, president, The First National Montana Bank of Missoula; vice president & treasurer, Jerry Wallander, president, First State Bank of Froid, and John F. Cadby, executive vice president. Mr. Wallander, a former state legislator, is the new member of the team.

Delegates defeated a series of

amendments that would have increased the number of groups in the MBA from the present seven. Additional groups would have been formed for areas around Billings, Great Falls, and possibly Missoula/Kalispell.

### Key Speaker

Key speaker at the 75th convention was Louis Rukeyser, a well-known weekly host of the TV program Wall Street Week. Long known for his ability to combine wit and wisdom. Mr. Rukeyser said there is a "hopeful sign that capitalism may be coming back in style." He suggested that the real answer for our energy problems is on the supply side and not in

conservation. He indicated that the Fed's monetary policy should be more consistent and that America must cut spending, as well as taxes if we are to control inflation. Looking at the market, he said common stocks remain undervalued. He referred to Wall Street as a place made up of nervous nellies who have predicted 11 out of the last four recessions.

### Legislation

Pending before committees of the Montana legislature is a proposed bill to repeal the tax on bank shares and adjust the general corporate income tax. The legislature comes back in session in January, 1979.

A panel on NOW accounts, headed by Roger Ulrich, president, First State Bank, Malta, emphasized the importance of developing accurate and complete cost analysis before promoting a NOW account or automatic transfer plan. Fred White, president, Dartmouth National Bank, Dartmouth, New Hampshire, and panelist, said that a NOW account costs from 9% to 11%, based on payment of 5% interest and 4% to 6% operating costs. He indicated that it might be best to let your competitor have the low balance account by instituting a realistic minimum balance plan.

Adding a change of pace, Dr. Robert J. Samp, health educator from the University of Wisconsin, gave delegates advice on ways and means to assure good health. He suggested moderation, indicating that if most people cut out cigarettes, alcohol and sex, they would next be cutting out paper dolls!

The 1979 convention will be held in June at Sun Valley, Idaho. □



**RECOGNITION**—M. E. and Bill Tait receive special gifts for their year of service to MBA. **RIGHT**—President Tait reviews notes with Louis Rukeyser, keynote speaker.





## Photo Report of Montana's 75th Convention



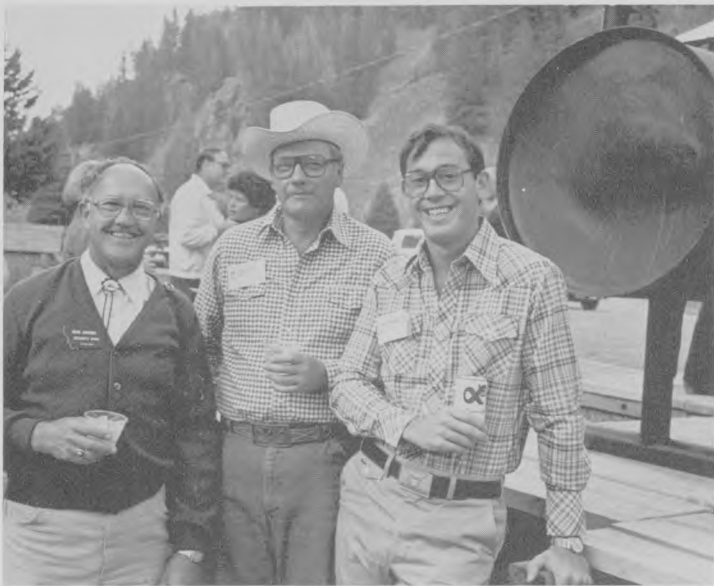
**AG PANEL**—Marvin Rohn, v.p., Omaha Nat'l. Bk.; Leland Cade, editor, Montana Farmer-Stockman, Great Falls; M. E. Eddleman, Montana Water Res. Assn., Worden, and Wayne Gibson, v.p., First Sec. Bk., Bozeman (moderator). **RIGHT**—NOW accounts were discussed by: A. Dean Heasley, pres., Century Nat'l. Bk., Rochester, PA.; Roger Ulrich, pres., First St. Bk., Malta, and Fred A. White, pres., Dartmouth Nat'l. Bk., Dartmouth, N.H.



**LEFT**—Joe Long, Billings, and Gene and Beverly Lalonde, Richland Nat'l. Bk., Sidney. **RIGHT**—Marty Olson, pres., Farmers St. Bk., Conrad, and wife, Phyllis, visit with Gene Anonsen, inv. off., Marquette Nat'l. Bk., Minneapolis, and Pat Kirby, pres., Basin St. Bk., Stanford.



**LEFT**—Gene Teach, pres., Montana Bank, Great Falls; Bob Sipple, sr. v.p., and Bill Langford, v.p., both from American Nat'l. Bk. & Tr. Co., St. Paul. **RIGHT**—Jim and Mary Gowan, v.p., First Nat'l. Bk., St. Paul, visit with Dr. Robert J. Samp, speaker. The "medals" are ash trays used during sessions.



**LEFT**—Eugene Coombs, v.p., and Dick Kjoss, pres., both of Security Bank, N.A., Billings, and Jack Tankersley, comm. bk. off., Continental Bank, Chicago. **RIGHT**—Jim Bennett, pres., First Citizens Bk., Billings; Kenneth Wales, v.p., First Nat'l. Bk., Minneapolis; Bob Thiesen, pres., First St. Bk., Forsyth, and Steve McSweeney, v.p., First State Bank, Fort Benton.



**LEFT**—Mrs. E. G. Det Balsam, First Nat'l. Bk., Miles City, and Bernie and Claude Erickson, pres., First Security Bank, Livingston. **CENTER**—George Leland, pres., Western Montana Nat'l. Bk., Missoula, and A. E. Dutch Omdahl, pres., FirstBank, West Billings. **RIGHT**—Frank Farrar, dir., Citizens First Nat'l. Bk., Wolf Point, and Bruce Erickson, v.p., First Security Bank, Livingston.



**LEFT**—Addie and George Johnson, chmn., First Sec. Bk. of Glendive, and Joanne and Dick Holmes, a.v.p., Marquette Nat'l. Bk., Minneapolis. **CENTER**—Don C. Frisbee, pres., Pacific Power and Light, Portland, Ore. **RIGHT**—Connie Haselbush, First Nat'l. Bk., Denver, and Frank Abersfeller, v.p., Ranier Nat'l. Bk., Seattle.



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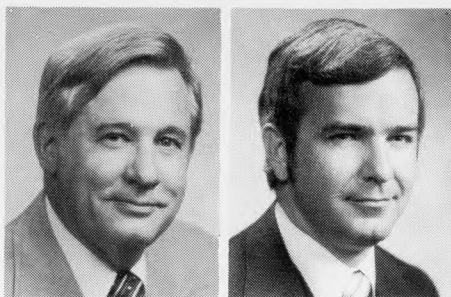
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# Nebraska News

KARL E. DICKINSON      President      Lincoln  
R. E. HARRIS            Exec. Mgr.      Lincoln



majoring in finance and economics. He had been with the Lincoln bank for the past seven years.

## Two Promotions Announced At South Sioux City

Dan Pranger and Richard Pratt have been elected assistant cashiers of the Nebraska State Bank of South Sioux City.

Mr. Pranger joined the staff of the bank and the Wakefield National Bank in 1975 as an agricultural representative. He has been in the operations department of the Nebraska State Bank since 1976.

Mr. Pratt joined the bank's operations department in July of 1976 and in November of that year transferred to the instalment loan department.

## NBA To Sponsor Four Investment Seminars

**F**OUR meetings titled "Managing Your Bank's Investment Portfolio" have been scheduled in late September and early October by the Nebraska Bankers Association. The meetings are sponsored by the NBA committee on bank management and have been arranged by a subcommittee chaired by Ross Hecht, senior vice president of the National Bank of Commerce, Lincoln.

Each meeting will start about 1:30 p.m., conclude about 4:30 p.m., and will be followed by a cocktail reception. The meetings are scheduled at the following locations:

Sep. 27—Scottsbluff Inn, Scottsbluff.

Sep. 28—Holiday Inn, Kearney.

Oct. 11—Villa Inn, Norfolk.

Oct. 12—Hilton Hotel, Lincoln

The topics to be covered and the speakers for each will be:

- Policy Development—Maturity Structure/Exposure: Robert E. Larsen, vice president, The Omaha National Bank, Omaha.

- Terms, Definitions and Procedures — Mr. Hecht.

- Analysis, Credits and Ratings — William J. Feser, vice president, First National Bank of Omaha.

- Mechanics and Accounting — Donald E. Dworak, executive vice president, Packers National Bank, Omaha.

- Portfolio Strategy, Tax Ramifications — Dwain C. Carlson, vice president, First National Bank, Lincoln, and John C. Nelson, vice president, United States National Bank of Omaha.

- Summary — Roy Otte, vice president, National Bank of Commerce, Lincoln.

## Named at Hooper

Richard D. Ryan of Walthill has been appointed vice president of the First National Bank of Hooper.

Mr. Ryan has 19 years of banking

experience and has worked as a bank examiner for 10 years. He replaces Dale Linin who recently resigned to join a Missouri bank.

## Mason City Bank Has New Owner-President

Michael J. Sullivan, 32, is the new owner-president of the Mason State Bank, Mason City. He replaces John A. Turner who is retiring but will remain with the bank for a few months.

Mr. Sullivan formerly was with the First National Bank and Trust Co. of Lincoln. He attended the University of Nebraska-Lincoln,

## Plans New Building

Don Ramsey, president of the State Bank of Merna, has announced plans for a new bank building. The structure will be about 40 by 60 square feet with stone and glass, tiered facing. It will have a drive-up service window and will incorporate solar heating units.



PICTURED above is an architect's sketch of the Gothenburg State Bank and Trust Co., now under construction.

## Construction Begins on Gothenburg Bank

**C**ONSTRUCTION has begun on a new banking facility for the Gothenburg State Bank and Trust Co., according to Matt Williams, chairman and chief executive officer. The building is designed to make use of the existing two-story building.

Completion is expected in the spring of 1979. The 9,000 square foot building will double the existing space and will include loan offices, remodeling of the teller windows and additional vault and storage space.

The contemporary building will be

covered with red brick on the main floor exterior with the readdition of arched windows. The second floor exterior will be an anodized bronze-colored aluminum panel facing. This level will be used mainly for storage.

In addition, new sidewalks, curbs and a drinking fountain will be included.

Geller Design of Lincoln planned the reconstruction. Paulsen Building and Supply, Cozad, was awarded the construction contract.



# Omaha News



**T**HE appointment of **Emmitt W. Mitchell** to personnel manager has been announced by **Donald J. Murphy**, chairman of The United States National Bank of Omaha.

Mr. Mitchell previously served as manager of staffing at Northwestern National Bank in Minneapolis, Minn. A native of Guthrie, Okla., he completed his undergraduate work in history at Langston University, Langston, Okla., and did graduate work in personnel management at the University of Michigan and the University of Minnesota.



E. W. MITCHELL

\*\*\*  
**Perry S. Francis**, president of the

Southwest Bank of Omaha, has announced the election of two associate directors of the bank: **John S. Francis** and **M. Brian Schmid**. Mr. Francis has been vice president of the Ralston Bank for the past 11 years. Mr. Schmid, attorney with the law firm of Schmid, Ford, Mooney, Frederick & Caporale, also is a director of the First National Bank of Bellevue.

\*\*\*  
**David P. Thalken** has been promoted to vice president of Nebraska State Bank of Omaha.

Mr. Thalken was graduated from Wayne State College in 1964. He has banking experience as an instalment loan officer and collection manager for Council Bluffs Savings Bank for five years and a collections officer with First Westside Bank, Omaha, for two years. Mr. Thalken joined the Cornhusker Bank of Omaha in

1976 (now Nebraska State Bank) and has served as instalment loan officer and collections supervisor.

\*\*\*

**Neil R. Barna** has been named vice president and cashier at the Ames Bank. He also serves on the board of directors.

The bank also has appointed **J. Thomas Broderick** loan officer and **Mary C. Croft** assistant cashier.

\*\*\*

**William H. Keffe** has been elected vice president of the American National Bank, according to **John M. Shonsey**, chairman. Joining the bank July 31, Mr. Keffe heads the lending division, assuming the duties formerly held by **Robert L. Zabawa** prior to his election as president of the bank earlier this year.

A 20-year veteran of the banking industry, Mr. Keffe had been the vice president-commercial loans for a major downtown Omaha bank, and also was active in that bank's industrial development program. He currently is president of the Nebraska-Western Iowa chapter of the National Association of Credit Management.

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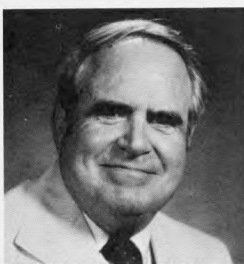
The First Westroads Bank has announced the following staff changes: **William Henning** has been named assistant vice president in charge of instalment loans and **Dane Erichsen** has been named assistant vice president in charge of operations.

## Bayard Bank Stock Bought by Investors

A group of investors headed by **James D. Krantz** of Bayard has purchased all of the **James D. Stockwell** family stock in the First National Bank of Bayard and the Bayard Insurance Agency.

The two firms were formerly owned and operated by the First National Investment Company.

The bank's board of directors has elected Mr. Krantz president of the bank to succeed Mr. Stockwell. Mr. Krantz, formerly executive vice president, has been associated with the bank for 14 years. He also will supervise the activities of the insurance agency, which will continue to be operated at the bank under the new name of **Chimney Rock Insurance Agency**.



Wes, Sr. V.P.

May I proudly introduce our newest Correspondent Associate, **Tom Grove** who will be working with me and "Serving...at your pleasure."



Tom, V.P.

Wes Bowen



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PICTURED are the contest winners with Will Else, bank pres.

## Fairbury Bank Awards 9 Students in Contest

**T**HE Fairbury State Bank recently completed its Citizen Builder Awards Scholarship Contest by awarding nine students in grades 7 through 12 a total of \$3,275, according to Will Else, president.

The students submitted essays which were judged by officials from the Lincoln Public School System and the University of Nebraska.

The top award was a \$1,600 four-year scholarship awarded to 17-year-old Gwen Knobel of Fairbury in the 11th and 12th grade category. Second and third place awards of \$800 and \$400 were also awarded in the same category. First, second and third place awards were given in the 9th and 10th grade category with a \$150 educational savings account going to the first place winner. A \$100 educational savings account went to first place in the 7th and 8th grade category, followed by second and third place awards.

### To Head Callaway Bank

Homer Pierce has been promoted to president of the Seven Valleys State Bank, Callaway, succeeding Harold Stuckey, chairman.

Since December of 1973, Mr. Pierce has been executive vice president and manager. Prior to moving to Callaway, Mr. Pierce served as vice president of the First National Bank of Minden and also was associated with the Overland National Bank of Grand Island.

### Named at Bellevue

Hap Engelkamp has been appointed manager of the downtown office of the First National Bank of Bellevue. Mr. Engelkamp and his family moved to Bellevue in 1973 from Orlando, Fla. He joined the bank in 1976 following retirement from the Air Force.

### To Head Alliance Bank

Donald D. Stull recently was elected chairman and chief executive officer of the Guardian State Bank and Trust Company, Alliance. He succeeds the late Paul M. Hefti, who had held the positions since 1968.

C. W. (Walt) Griffis, 51, is the bank's new president.

Lane R. Nansel was elected cashier. He will retain his title of vice president.

Mr. Stull has been executive vice president of the Bank of Mullen, another member bank in the Abbott organization. He joined the Abbott banks in 1955 at the Bank of Chadron and moved to Alliance in 1956. In 1957 Mr. Stull was transferred to the Bank of Hyannis and was promoted to assistant cashier in 1958 and assistant vice president in 1966.



C. W. GRIFFIS

L. R. NANSEL

In April of 1966 he was named vice president and cashier of the Bank of Mullen. He was promoted to executive vice president and manager in 1970.

C. W. (Walt) Griffis, 51, is the bank's new president.

Lane R. Nansel was elected cashier. He will retain his title of vice president.

Mr. Griffis has been executive vice president and a cashier of the bank since 1976. Joining the bank in 1948, Mr. Griffis was elected assistant cashier in 1955, assistant vice president in 1960, cashier in 1961 and vice president and cashier in 1966. He was elected to the board in 1973 and was elected executive vice president and cashier in January, 1976. He replaces the late Paul M. Hefti as president.

Mr. Nansel joined the bank in 1966 after serving five years as a bank examiner with the Nebraska Department of Banking. He also has experience with the Seven Valley State Bank in Callaway.

In addition, Jim Nelson was reelected assistant vice president of the bank following a nine month absence. He is a loan officer in the instalment loan department.

### Promoted at Seward

The Jones National Bank, Seward, has announced the promotion of Russ Struthers, president of the bank since June of 1963, to chairman of the board. Chuck Matzke, vice president for the past six years, has been named president.

In another change, Doug Brand, who has served as assistant cashier, has been named vice president.

### New Building at Stamford

Construction has begun on a new building for The Stamford Bank, according to Elbert Lowesten, bank president. The 2,400 square foot, single story brick building has a tentative completion date of March 1, 1979. A drive-up window and night depository are planned.



D. D. STULL

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Bill Norris, Vice President, Information Management (402) 472-4440

*This chart represents the summary of a sample bank analysis. Note the income for eight pricing methods at the bottom.*

TOTAL ACCOUNTS	3,350
TOTAL NUM CHECKS	68,985
TOTAL AMT CHECKS	16,101,423.50
TOTAL NUM DEBITS	71,582
TOTAL AMT DEBITS	16,333,965.02
TOTAL NUM CREDITS	10,038
TOTAL AMT CREDITS	15,039,886.36
AVG NUM CHECKS	20
AVG AMT CHECKS	233.40
AVG NUM DEBITS	21
AVG AMT DEBITS	228.18
AVG NUM CREDITS	2
AVG AMT CREDITS	1,597.91
AVG MINIMUM BAL	708.01
AVG AVERAGE BAL	1,505.08
AVG AVG AVAIL BAL	1,261.69
TOTAL FUR METHOD 1	3,503.00
TOTAL FUR METHOD 2	6,179.10
TOTAL FUR METHOD 3	9,431.80
TOTAL FUR METHOD 4	10,622.00
TOTAL FUR METHOD 5	4,930.30
TOTAL FUR METHOD 6	13,313.20
TOTAL FUR METHOD 7	4,514.00
TOTAL FUR METHOD 8	7,158.20

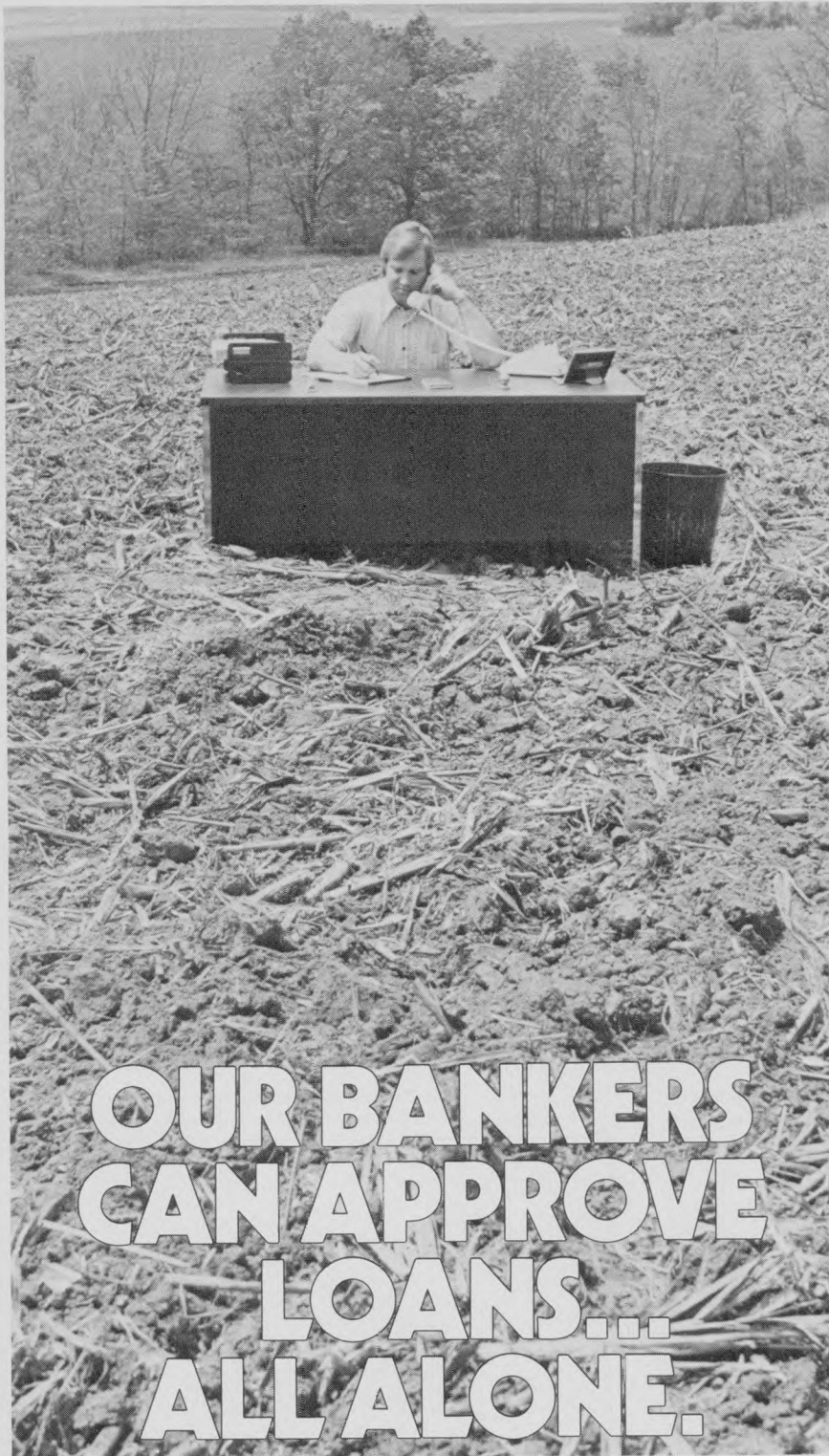
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## **Kimball Bank Sold**

A group of five local investors and two men from outside Nebraska have purchased controlling interest in the American National Bank of Kimball from D. L. Day of Cheyenne, Wyo.

The new owners are bank president Bruce Madden; B. F. O'Brien, Kimball attorney; Dr. J. M. Plate, Kimball physician, and Arthur Kenton of Kimball, and the Robert Bentley family trust, along with Frank Booth of Ault, Colo., and Russell Lee Singleton of Northridge, Calif.

Mr. Madden has been named chairman to replace Mr. Day and Messrs. Plate and O'Brien have been elected to the board.

## **Central NABW Group Elects Officers**

Gwen Chase recently was installed as chairman of the Central Nebraska group of the National Association of Bank Women (NABW). She is second vice president, trusts and investments, and assistant trust officer of the Commercial National Bank and Trust Company, Grand Island.

Helen Easterbrook, administration officer, trust department of Platte Valley Bank, Kearney, was installed as vice chairman and Catherine Schmitz, assistant cashier, Nebraska State Bank and Trust Company, Broken Bow, as secretary-treasurer.

## **Neil Charles Chandler**

Funeral services were held recently for Neil Charles Chandler, Imperial banker.

Mr. Chandler began his banking career in 1938 as a bookkeeper at the First National Bank of Imperial. In 1968 Mr. Chandler was elected president of the bank and served until controlling interest was sold to the Adams family. The bank's name was then changed to the Chase County Bank & Trust Company. Mr. Chandler became an executive vice president, a position he held until his retirement in October of 1973.

## **Lyle D. Rabe**

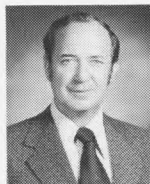
Funeral services were held recently for Lyle D. Rabe, an employee of the Dalton State Bank for over 50 years.



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President



**FRANK E. WILLIAMS**  
Executive V.P.



**PATRICK H. RENSCH**  
Vice President and  
Counsel



**HARRY E. COE**  
Vice President



**ROBERT E. ROH**  
Vice President



**C. W. POORE, JR.**  
Sec.-Treas.



**WM. (BILL) ABTS**  
Assistant V.P.



**THOMAS B. MEHL**  
Assistant V.P.



**JOHN H. CRAVENS**  
Representative



**WAYNE A. RASMUSS**  
Assistant Sec.



**MIKE MULLEN**  
Representative



**DAVE DUNN**  
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# Lincoln News



**C**ORNHUSKER Bank in Lincoln has announced plans for a new building on the southeast corner of 11th and Cornhusker Highway, about ½ mile from the present bank.

The announcement coincided with the August 24th celebration of the bank's 75th anniversary, and is a symbolic gesture of the bank's enthusiastic approach to the next 75 years, according to Alice M. Dittman, president.

The original name of the bank was Farmers State Bank of Davey, and the original charter was dated July 29, 1903. The first day's deposits totaled \$12,000. As part of the 75th year celebration, the bank searched for direct descendants of the first-day depositors. Family members from the Lincoln community and a number of other states were located and their pictures displayed in the bank's lobby. A number of the original depositors' families still do their banking at Cornhusker Bank, according to Mrs. Dittman.

The bank moved to Lincoln in 1960 and currently has total assets of about \$13,000,000.

The new building will contain about 10,000 square feet on two levels. The general contractor is Belmont Construction Company and the architect is Bob Dawson of Hemphill, Vierk & Dawson.

\*\*\*

William C. Smith, president, First

National Lincoln, has announced the following advancements to officer positions in the bank: **Ava Beeman**, mortgage loan servicing officer; **Dwight Heckman**, city real estate officer; **Brett Duff** and **Mark Mathes**, computer marketing officers, and **Terry Vrzal**, computer operations officer.

\*\*\*

**John A. Westerberg**, president of Lincoln Bank East, has announced the elections of three new board members. Elected are **Waldo Winter**, president of Winter Brothers, Inc., **Dr. John L. Reed**, a surgeon associated with the Lincoln Clinic, and **D. David Jones**, vice president of Commerce Group, Inc.

Lincoln Bank East is the principal holding of Commerce Group Lincoln East, Inc., a one-bank holding company. It is a part of an affiliated group of 10 banks located in seven Nebraska communities.

## New Members Elected To Hastings Bank Board

J. Robert Wilson and W. Benjamin Evans are new members of the board of the First National Bank of Hastings, according to Norman Nackerud, president. They were elected to fill vacancies created by the retirement of Clarence Anderson, Harold Johnson and Edward Wilkin.

Mr. Wilson is president of the Kansas-Nebraska Natural Gas Co. Mr. Evans is president of Western Land Roller Co., wholly-owned subsidiary of Ingersoll-Rand Company.

## AMBAC/MGIC Indemnity Insurance Shows Gains

During the first half of 1978, municipal bond insurance issued by the American Municipal Bond Assurance Corporation (AMBAC) and MGIC Indemnity Corporation was up from last year's total.

AMBAC and MGIC Indemnity Corporation supply insurance for the portfolio bonds of tax-exempt municipal bond funds, municipal bond investment portfolios and new issues of municipal bonds.

According to Frank C. Carr, president of AMBAC, coverage extended to new issues, municipal bond fund portfolios and investment portfolios totaled \$441,496,000 in par value for the first six months of 1978, up from \$430.9 million insured in the first half of 1977. Principal and interest coverage extended by the two subsidiaries of MGIC Investment Corp., during the first half of this year, totaled \$1.174 billion, rising \$108 million from first half totals for 1977.

In 1977, AMBAC/MGIC insured a principal value of \$897.6 million and \$2.241 billion in principal and interest coverage Mr. Carr added.

## Pamida Has New President

A new president has been named to head Pamida. C. Clayton Burkstrand assumed his duties as president and chief operating officer of Pamida on August 21. Mr. Burkstrand succeeds Lee Wegener, who becomes vice chairman of the board. D. J. Witherspoon remains chairman and chief executive of Pamida.

## LIVESTOCK OUTLOOK . . .

(Continued from page 42)

for corn, it will entice more feeding of cattle. The cheaper feed cost, now being around the .40 mark (for feed only) will be a way to market some crop.

It is important for feeders to sell their cattle when they are fat and not keep them for higher prices. Although there has been a good gain in prices over the last winter, up until now only 40% of the cattlemen have sold at the higher prices. The producer has not had his harvest yet and he is the one who needs a good

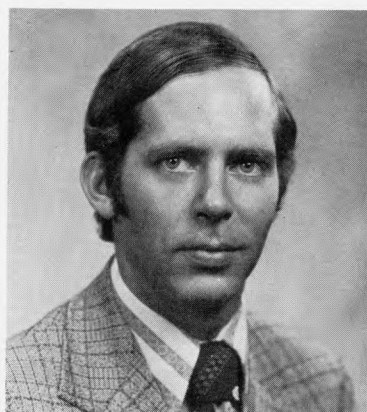
price to keep his operation going, and that won't come until this fall.

Our biggest problems will be high costs and prices that do not keep up with inflation. A few years back when wheat was \$2.50, tractors could be bought for \$12,000 to \$15,000. Wheat went to \$4.50 and tractors went to \$23,000 to \$25,000. Now wheat is back to \$2.50 and tractors are still \$23,000 & up. My point is that the cost of operations keeps up with inflation but the price received does not. That has been and will be the problem. Also, a big factor is that the cost of money and the level of debt both keep increasing.

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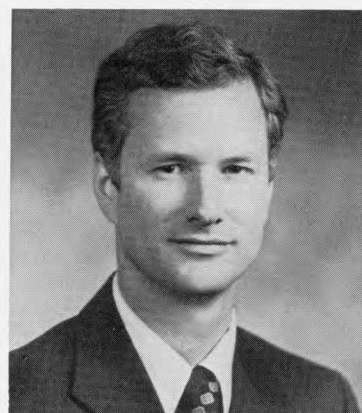
CHUCK LEFFLER



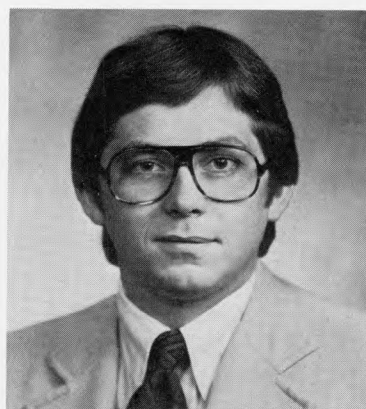
GARY BIECK



BILL EDGECOMB



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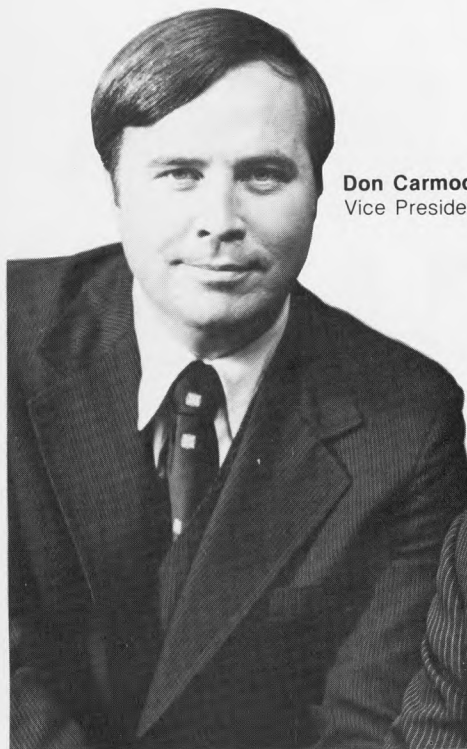
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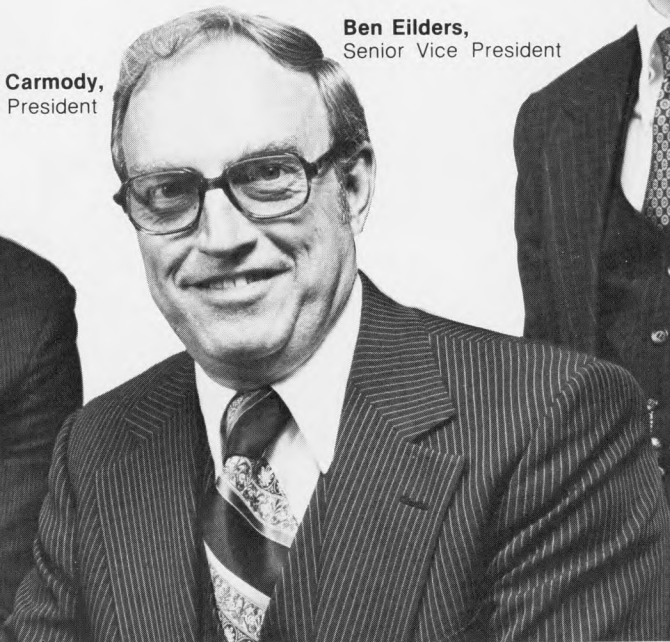
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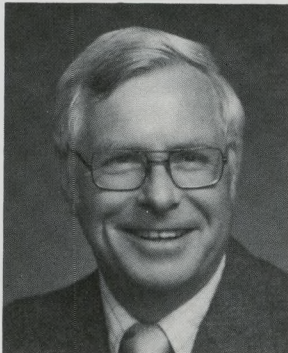


**John Murano,**  
Correspondent  
Banking Officer

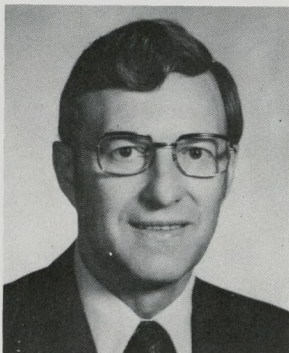




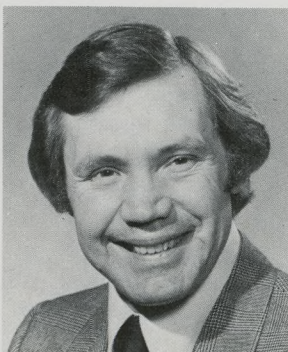
**CHRISTY ARMSTRONG**  
President



**H. RAND PETERSEN**  
President-Elect



**EDWARD L. TUBBS**  
Treasurer



**NEIL MILNER**  
Exec. Vice Pres.

92nd Annual

# Iowa Bankers Association Convention

September 24-26

Veterans Auditorium, Des Moines

**V**ETERANS Auditorium in Des Moines will be headquarters for the 92nd annual convention of the Iowa Bankers Association September 24-26. The main floor arena will accommodate all the business sessions, while the spacious lower level will feature the registration desk and 46 exhibitors. An imposing array of speakers will address the registrants at the ag breakfast and three general business sessions, including Mickey Mantle, former New York Yankee baseball great who was inducted into the Baseball Hall of Fame in 1974.

Among the featured platform speakers will be Dr. Norman Vincent Peale, noted author and speaker; FDIC Director William M. Isaac; U. S. Congresswoman Shirley Chisholm, and ABA President-Elect John H. Perkins.

The President's Reception and Carnival Party will open the convention Sunday evening, September 24, starting at 7:30 p.m.

Outstanding entertainment also will be offered. Headliners of the Tuesday night theater party at C.Y. Stephens Auditorium in Ames will be Tennessee Ernie Ford and The Brothers and The Sisters. The Arbors quartet will sing at the Monday night dance with the Mike Day Orchestra, and The Noted 4 barbershop quartet will fill in with musical numbers throughout the business sessions.

The complete program follows:

## Sunday, September 24

### P.M.

- 4:00 Registration - Exhibits Open. Lower level, Vets Auditorium.
- 7:30 President's Reception/Carnival Party, Lower level.

## Monday, September 25

### A.M.

- 8:00 30th Annual Agricultural Breakfast. Main floor, west end Vets Auditorium.  
Presiding—Edward J. Leahy, chairman, IBA agricultural division; president, Northwestern State Bank, Orange City.  
“The Positive Principle Today”—Dr. Norman Vincent Peale, minister, Marble Collegiate Church, New York.  
“What's Ahead for Farming”—Lane Palmer, editor, Farm Journal.  
“Do the Crops Grow Greener on the Other Side of the Bamboo Curtain?”—Orion Samuelson, director, agricultural services, WGN radio and TV, Chicago.

Noon Luncheon—Graduate School of Banking, University of Wisconsin. Holiday Inn downtown.

### P.M.

- 1:15 General Session— Main floor, east end Vets Auditorium.  
Presiding—Christy F. Armstrong, president, Iowa Bankers Association; president, American Trust & Savings Bank, Dubuque.  
Address—William M. Isaac, director, FDIC, Washington, D.C.  
“Financing the Federal Debt”—John D. Chisholm, president, Marquette Bank & Trust, Rochester, Minn.  
Treasurer's Report—Edward L. Tubbs, president, Maquoketa State Bank, Maquoketa.  
“News from IACHA”—John A. Sikkink, IACHA secretary; senior vice president, Iowa-Des Moines National Bank, Des Moines.  
Annual Meeting of Iowa Transfer System, Inc.—John Chrystal, president of ITS; president, Iowa Savings Bank, Coon Rapids.

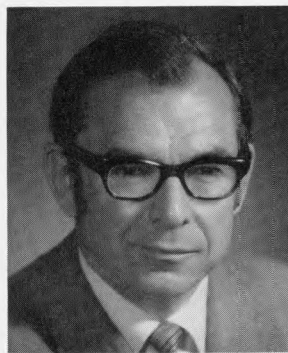




E. J. LEAHY



DR. N. V. PEALE



L. PALMER



O. SAMUELSON

"Changing Patterns in an Era of Risk"—Shirley Chisholm, U. S. Congresswoman, Washington, D. C.  
Caucus of Iowa ABA members.

8:00 Dancing till midnight, main floor, west end Vets Auditorium. Mike Day Orchestra. Special intermission attraction—The Arbors quartet.

### Tuesday, September 26

#### A.M.

- 9:00 General Session—Main floor, east end Vets Auditorium.  
Presiding—Christy F. Armstrong, president IBA.  
"What's Ahead for the Economy?"—Ray Brady, CBA News business correspondent.  
Meeting of Iowa ABA Members—Election of ABA officers and other business.  
W. R. "Dick" Summerwill, Iowa vice president-elect of ABA, president, Iowa State Bank & Trust Co., Iowa City.  
Address—John H. Perkins, ABA president-elect; president, Continental Bank, Chicago.  
Annual Meeting of Iowa Bankers Insurance and Services, Inc., Presiding—Rudolph S. Leytze, vice president, Farmers State Savings Bank, Independence.  
"Meeting the Competition"—Panelists:  
Preston C. King, Connecticut Bankers Association.  
Frank Brawner, Oregon Bankers Association.  
Thomas B. Shriver, Pennsylvania Bankers Association.  
Neil Milner, Iowa Bankers Association.
- 11:30 Luncheon—50-Year Bankers and Past IBA Officers. Harry Gaskell Room, Vets Auditorium.

#### P.M.

- 1:15 General Session—Main floor, east end Vets Auditorium.  
Introduction of 50-Year bankers and past presidents of IBA—Neil Milner, IBA executive vice president.  
"Bank Profits in 1979"—William F. Ford, chief economist, Wells Fargo Bank, San Francisco.  
Report of Executive Vice President—Neil Milner.  
Annual Address of President—Christy F. Armstrong.  
IBA Business Meeting—Presiding, Mr. Armstrong. Adopting committee reports; resolutions; special presentation to IBA president; installation of officers.  
"Unity is Teamwork"—Mickey Mantle, former Yankee baseball great; Baseball Hall of Fame 1974.
- 8:30 Bankers Night Theater Party—C.Y. Stephens Auditorium on campus of Iowa State University, Ames.  
Featuring: Tennessee Ernie Ford and The Brothers and The Sisters.

### SPOUSE'S CALENDER

#### Monday, September 25

- 10:00 to 12:30—Homes Tour. Buses depart Vets Auditorium. Cost \$7.50 per person; proceeds for benefit of Des Moines Botanical Center.
- 10:00 to 5:00 Tours of Valley West Mall shopping center and West Des Moines shops. Buses available.
- 11:15 and 1:15 Luncheon/Style Show—Younkers Tea Room downtown. Door prizes, favors and "Fall Fashion Headliners."
- 8:00 Dancing til midnight, main floor, west end Vets auditorium. Mike Day Orchestra. Special intermission entertainment—The Arbors Quartet.

#### Tuesday, September 26

- 10:00 to 5:00 Tours of Valley West Mall (same as Monday).
- 11:00 to 3:00 Luncheon/Matinee at Charlie's Showplace, 5th & University. Stage show will be "The Odd Couple." Cost: \$8.50 per person. Buses provided.
- 11:15 and 1:15 Luncheon/Style Show (same as Monday).
- 8:30 Bankers Night Theater Party (same as above). □



Left to right: Jim Eick, Jim Middendorf, Homer Jensen, Dick Bueneke, Andy Friedmeyer and Kurt Wayne. Seated: Wendy Hurley.

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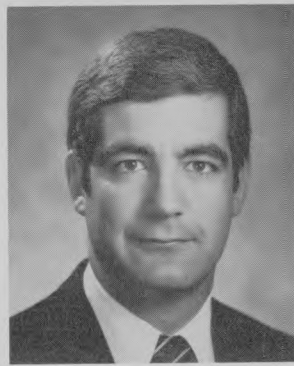




Speakers and Entertainers



M. MANTLE



W. M. ISAAC



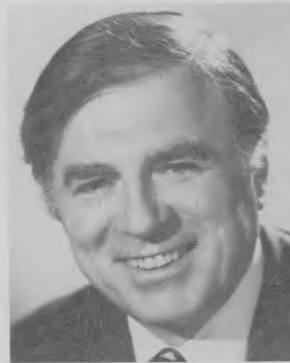
J. D. CHISHOLM



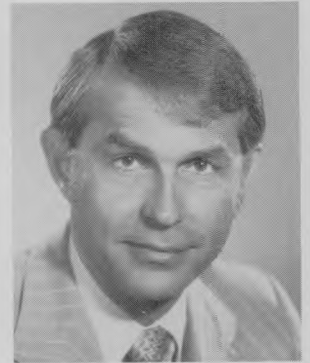
J. A. SIKKINK



S. CHISHOLM



R. BRADY



W. FORD



ERNIE FORD



MIKE DAY ORCHESTRA



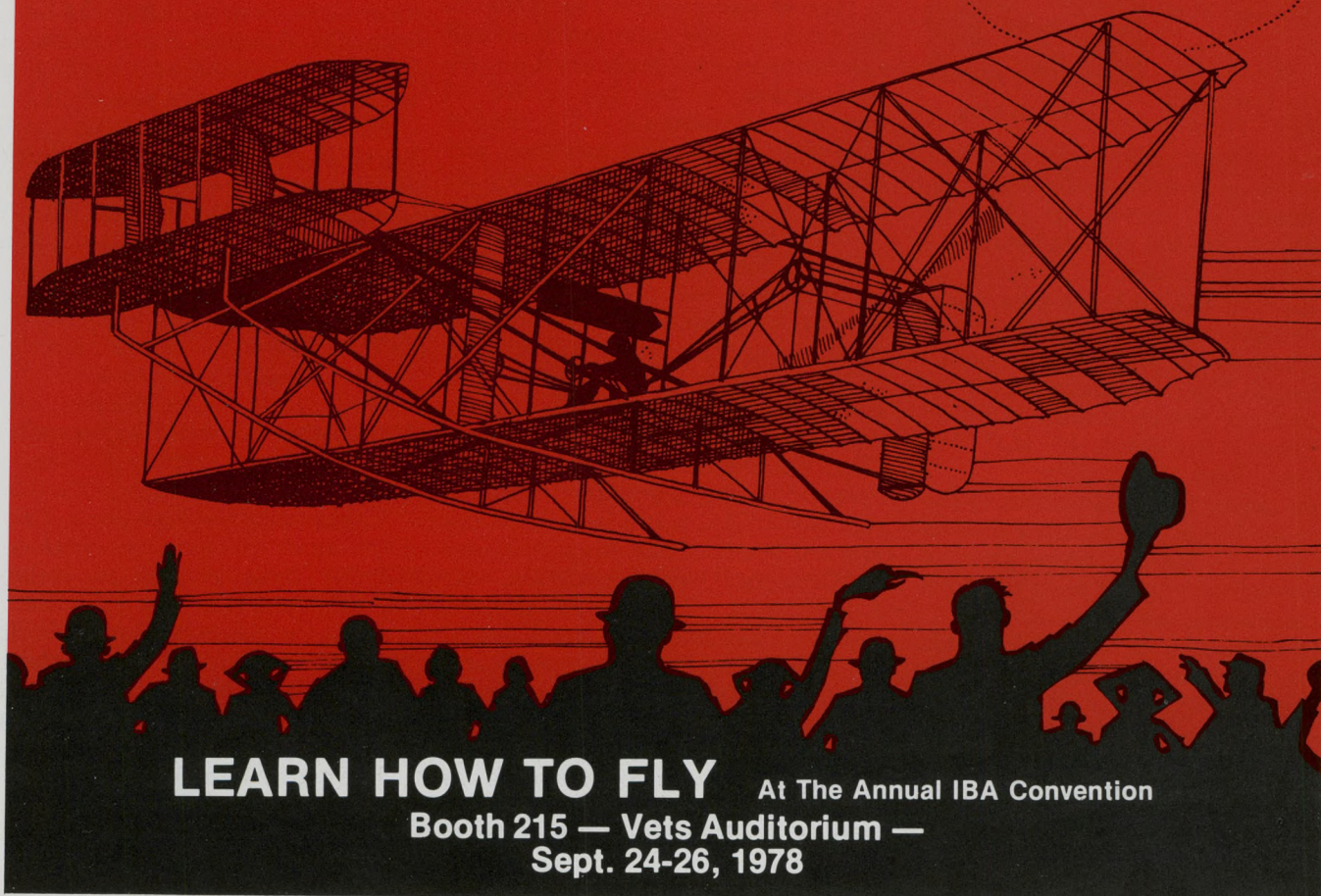
THE BROTHERS AND THE SISTERS



THE ARBORS



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## To Announce IBA Officers at Convention

**O**FFICERS of the Iowa Bankers Association for 1978-79 were elected by mail ballot in August and results of that election will be announced at the 92nd annual convention in Des Moines this month.

H. Rand Petersen, president of The Shelby County State Bank in Harlan currently is president-elect and is scheduled to move up to the presidency for the coming year. He will succeed Christy F. Armstrong, president of the IBA the past year. Mr. Armstrong is president of the American Trust and Savings Bank, Dubuque. The official candidate for the office of president-elect is Leslie H. Olson, president of the Toy National Bank, Sioux City.

Edward L. Tubbs, president of the Maquoketa State Bank, will continue as treasurer for one more year to complete the two-year term to which he was elected last year.

Mr. Petersen, in addition to his duties as chief executive of the Shelby County State Bank, is a director of the Manilla State Bank. He was graduated from the University of Iowa in 1951 and entered banking that year. He joined the Shelby County State Bank in 1957. Mr. Petersen also is a graduate of the IBA Ag Credit School at Iowa State University, Ames, and of The Graduate School of Banking at the University of Wisconsin, Madison.

Mr. Olson was born in Sioux City March 13, 1927. He began working for the Toy National Bank in January, 1945. He holds the Graduate Certificate from the American Institute of Banking and was graduated from the Graduate School of Banking at the University of Wisconsin, Madison, in 1959. Mr. Olson also has completed the Independent Bankers' M.D.B.



L. H. OLSON

Course at Harvard University and is accredited by the American Bankers Association as a Certified Commercial Lender.

Mr. Olson has worked in all departments of his bank, including the trust department. After serving as assistant cashier, then cashier of Toy National, Mr. Olson was elected in 1965 as vice president in charge of the bank's investment portfolio and the correspondent bank division. He was named to the Toy board of directors in January, 1971, and a year later was elected president and chief executive officer on January 18, 1972.

Mr. Olson has been active in banking industry affairs. He has served twice as president of the Sioux City Bankers Association and in that capacity was chairman in 1974 and again in 1978 of the Iowa Bankers Association Group 1 meeting, which is always held in Sioux City. He has been a member of the operations and legislative committees of the IBA, was a member of the original board of the Iowa Automated Clearing House Association, was a director of the Iowa Independent Bankers, and has been president of the Sioux City Chapter of AIB and served as AIB associate councilman for Iowa. He also taught AIB classes for six years.

Among his numerous civic duties Mr. Olson currently is president-elect of the Sioux City Chamber of Commerce and is a director of Morningside College. He was a charter member of the Sioux City Community Theater, taking parts in more than 20 productions and directing two shows.

## Sioux City Banker Retires

John F. Joseph, Jr., assistant vice president and manager of the building and security department at First National Bank, Sioux City, recently retired ending 43 years with the bank. Mr. Joseph first served as messenger and later as teller, head teller, assistant cashier and cashier.

## Retires at Atlantic

Dewey Kuiken recently retired after 43 years in banking, the last 21 with the Atlantic State Bank. He began at the bank as a cashier and retired as senior vice president.

Mr. Kuiken's banking career began in his hometown of Maurice. He also was associated with banks in Gering, Nebr., Delmar and Kimballton before joining the Atlantic bank.

## Capital Increases

The following banks have increased their capital stock.

First Iowa State Bank, Albia, 100% stock dividend by transfer of \$120,000 from surplus to common capital. Capital now totals \$240,000.

Community Savings Bank, Paton, 100% stock dividend by transferring \$50,000 from surplus to common capital. Capital is now \$100,000.

Farmers Savings Bank, Shelby, 100% stock dividend by transferring \$25,000 from surplus and \$100,000 from undivided profits to common capital. Capital is now \$250,000.

Farmers Savings Bank, Victor, common capital increased by raising par value of common stock from \$100 to \$300 per share. Capital now totals \$300,000.

West Chester Savings Bank, 100% stock dividend by transfer of \$75,000 from surplus to common capital. Capital now totals \$150,000.

# Becker & Cowrie, Inc.

## Municipal Bonds

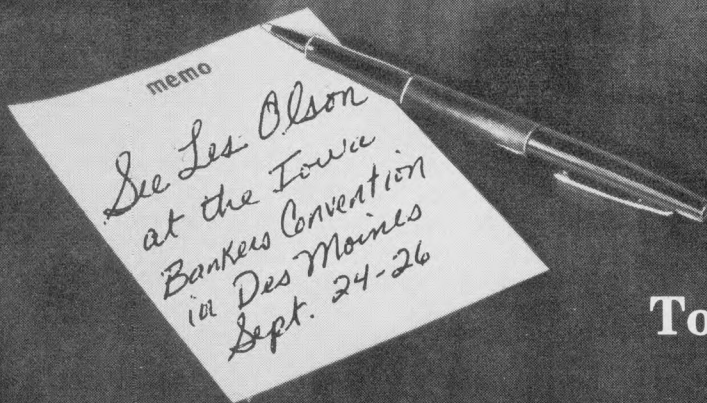
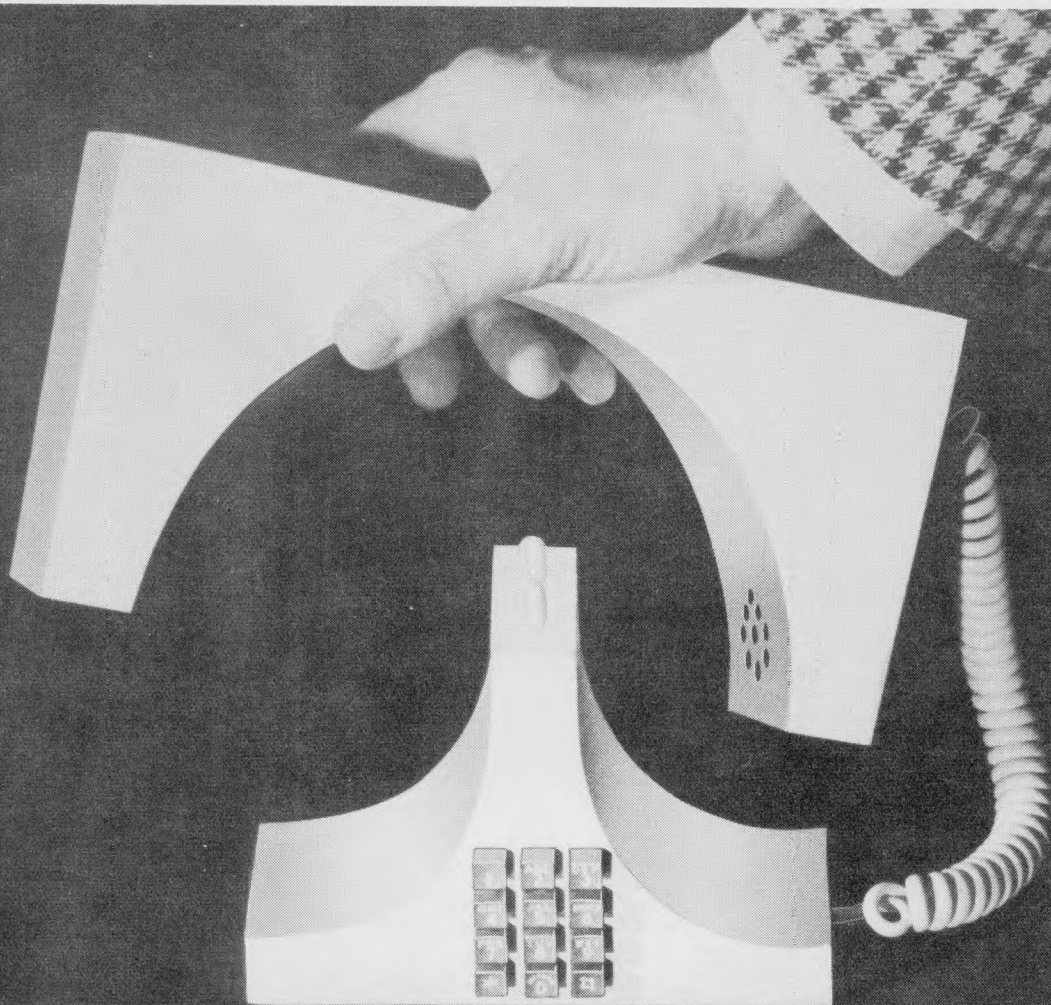
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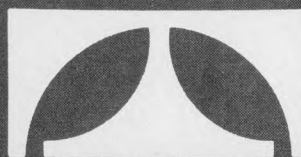
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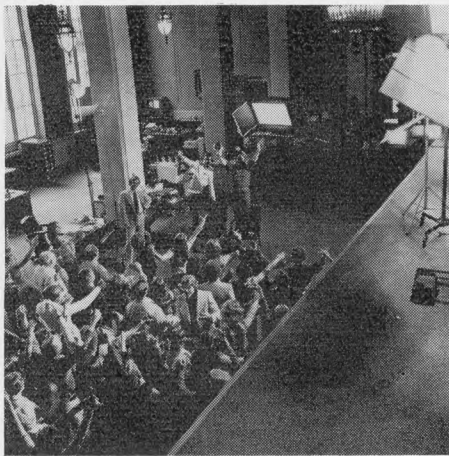
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Look for Les Olson, Rich Breyfogle and Stan Fredericks at the Iowa Bankers Convention September 24-26.



**TOY NATIONAL BANK**  
**SIoux CITY, IOWA**





**THE** lobby of the bank is transformed into a sound stage as the cast rehearses for the commercial's grand finale.

**W**HILE most banks offer their customers such standard services as individual checking accounts and drive-up tellers, Merchants National Bank (MNB) of Cedar Rapids recently offered its customers something totally unique—a chance to be “a star” in MNB 1978 television commercials.

The idea for involving MNB customers and employees was developed by Ron Howes and Peter Jacoby, creative director and producer, respectively, of Creswell, Munsell, Schubert & Zirbel, Inc., the bank's advertising agency. The objective was to point out, in a memorable way, the many services that make banking easier at MNB, according to Mr. Howes.

“The theme we wanted to establish was ‘Hey, that's easy!’ We wanted to talk about services such as MNB's Instant Access bank card, personal bankers, all-night banking and so on,” he commented.

The campaign to net a bank-full of budding talent was launched last winter with a multi-media effort, including radio, direct mail, and handout brochures and a large newspaper ad headlined, “So you wanna be in a television commercial.”

The ad, which ran in the local newspaper three weeks before the shoot, invited MNB customers to stop by the bank and audition for parts. Some 100 MNB customers and employees turned up wearing their most photogenic smiles.

After hours of careful culling, a cast of 76 customers and employees ranging in age from 11 to 80 was selected.

On the day of the shoot, the MNB

## Customers Star in Banks' Commercials

lobby was transformed into a sound stage, complete with lights, cameras and plenty of action.

To further promote interest in MNB's campaign, a Premiere Night was planned. It was staged in the bank's lobby and over 100 attended.

Stars arrived in long, black limousines, celebrities wore black ties and tuxes or gowns. A fountain gushed punch. Hors d'oeuvres were served to the melodic strains of a string quartet.

The evening's festivities were climaxed with several showings of the finished commercials.

As a final reminder to Cedar Rapidsians, another newspaper ad announced the TV debut of the commercials, listing a schedule of air times. The ad featured mock reviews and thumbnail photos of featured actors and actresses who would appear in, as the ad proclaimed, “the commercial all America is talking



**MERCHANTS** National Bank employees emphasize the ease in banking at MNB. Here, the group is singing about “lots of personal bankers” as they lip-synch those words to the tune of “Frere Jacques.”



**FRIENDLY** customers and employees make the unique bank commercial a success.

about.”

The fact that local people were being used in local commercials of sizable proportions resulted in several natural public relations spin-offs.

The casting session, for example, reaped public relations benefits in the form of a segment on a local news show and photo-and-story coverage in the local newspaper. Later, a Cedar Rapids TV station sent a crew to film the actual shoot on location in the bank.

“Hey, that's easy” was first aired in January of 1978. Since then, the response has been unprecedented, according to Jim Coquilllette, bank president.

“I can't remember when we've ever received so many congratulatory letters, kind remarks and phone calls from customers and others who said they enjoy the commercials,” he said. “People seem to find them fun and entertaining. We feel it's an effective way to remind all our customers—present and prospective—of the many services available to make banking easier at MNB.”

Due to the unusual popularity of the commercials, they will continue to be broadcast through the end of the year, according to Richard Holthaus, bank advertising manager.

“These commercials continue to attract an unbelievable amount of local interest,” he said. “The tune and lyrics seems to stick. Our bank officers and employees report dozens of recognition incidents daily. That's why,” Mr. Holthaus added, “we are planning to incorporate the ‘Hey, that's Easy!’ music and lyrics in some future spots, too.”

# His banker has to make decisions almost overnight.

Buying inventory while the price is right can make the difference between profit and loss for a retail lumberyard. It's a competitive business—with lots of quick price changes that need a quick response. And if you're going to be the kind of banker this business needs, sometimes you have to turn on a dime.

That's when it helps to work with the correspondent bankers at American National. We don't put layers of review committees

between you and the overline you need. When you bring us a sound deal with all the necessary information, we'll make a decision fast. Without a lot of paper-shuffling.

Because we're the bank for business. We spend almost all our time helping businessmen grow. And that helps us do a better job for an aggressive correspondent. Shake hands with American National. The bank for business.



**American National Bank**  
33 North La Salle / La Salle at Wacker 60690 / Phone (312) 661-5000

**We're the bank for business.**



# Exhibitors for the 1978 IBA Convention

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 Bank Building Corporation  
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 Burroughs Corporation  
 Commercial West  
 Daktronics, Inc.  
 Data Business Equipment, Inc.  
 E. F. Hutton & Co.  
 Eastman Kodak Co.  
 Electronic Advertising System, Inc.  
 Farm Progress Publ.

Financial Institution Services, Inc.  
 First National Bank of Minneapolis  
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 Glide/File  
 Guardsman Life Ins. Co.  
 HBE Bank Facilities Corp.  
 Hawkeye Bancorporation  
 IBM Corporation  
 Iowa Bankers Insurance & Services, Inc.  
 Iowa New Outlooks Assn.  
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 Kirk Gross Company

Koch Brothers  
 Kooker & Associates  
 LeFebure Corporation  
 Life Investors, Inc.  
 M & M Sales Company  
 Mortgage Guaranty Ins. Corp.  
 Maas & Associates  
 Midwest Bank Builders & Designers  
 Midwest Calculator, Inc.  
 Mosler Safe  
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GRIMES STATE OFFICE BLDG. DES MOINES, IOWA 50319 Page \_\_\_\_\_

TELEPHONE: 515/281-3356 County \_\_\_\_\_

Inst. No. Date Filed Hour Filed	Debtor(s) Name and Address(es) Name(s) of Party(ies) Signing	Secured Party(ies) and Address(es) Assignee (if any) and Address
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## LOAN ACTIVITY BULLETIN

**Who:** names of all debtors in the county recorded during the period

**What:** name of secured party

**When:** the date the loan was filed with Secretary of State

**Where:** location where loan made

### Bulletin subscription rates: (issued twice monthly)

Black Hawk, Linn, Scott and Woodbury — \$28.00 monthly  
 Cerro Gordo, Clinton, Des Moines, Dubuque, Johnson, Lee, Pottawattamie, Story, Wapello, Webster and Wright — \$12.50 monthly  
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Please start my subscription for \_\_\_\_\_  
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Name \_\_\_\_\_

Bank \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Officer Signature \_\_\_\_\_

## Changes Announced At Indianola Bank

Peoples Trust and Savings Bank, Indianola, has announced the appointment of Pam Merritt as marketing director responsible for planning the bank's advertising and promotional campaigns. Ms. Merritt has been with the bank as a consumer loan officer for the past year and a half.

Two new additions to the staff are Kimberly A. Tierney as a consumer lender and Keith L. Wright in the loan department. Ms. Tierney is a recent graduate of Simpson College. Mr. Wright has 16 years of experience in lending.

Richard (Dick) Davitt has been promoted to vice president of Peoples Company, which offers farm management services and has its offices at the bank. Mr. Davitt farmed in Warren County for 20 years prior to joining the Peoples Company staff as farm manager in 1977.

## Joins Grinnell Bank

Michael Tangen has joined the staff of the Poweshiek County National Bank, Grinnell, as an officer trainee, according to Max Smith, president. Mr. Tangen received his BA degree in finance from Drake University in May of 1978 and worked for a brief period at the Iowa-Des Moines National Bank and for the Drought Disaster Department of the Small Business Administration, also located in Des Moines.



From left to right: Janine N. Young, Thomas J. Naughton, John D. Hunt, J. Lynn Horak, Robert J. Wissler, and Barbara J. Estey. Not shown: John B. Johnson, and Maurice C. Radnich.

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During the Iowa Bankers Convention, we hope you will stop in and see our new Bond and Investment facilities. While you're in we'll show you how our TELERATE terminal provides our staff the up-to-the-minute money market information they need to serve the needs of our bank customers.

Our Bond Department is one of the many resources you can utilize to receive a lot of help for your money — at the Iowa-Des Moines.



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## You Will See Them at the 92nd Annual Iowa Bankers Convention

**T**HE 92nd annual convention of the Iowa Bankers Association will be held September 24-26 in Des Moines. Officers and representatives of larger banks from major banking centers in the midwest and across the nation will be attending the convention.

The asterisk indicates those persons attending for the first time.

### Cedar Rapids

**Merchants National Bank:** James E. Coquillette, president; F. Forbes Olberg, executive vice president; Robert H. O'Meara, senior vice president; John E. Mangold, senior vice president; Terry Martin, vice president; Jerry Trudo, Mark Christen and Dale Froehlich, assistant vice president; Stan Farmer, assistant cashier; Richard Ryan, senior vice president; Peter Bailey, Blake Bales and Don MacKay, vice president.

**Peoples Bank:** John M. Sagers, president; Don G. Ellis, executive

vice president; James L. West, vice president; Gary D. Ernst, vice president & trust officer; Harlan D. McCaw, vice president & controller; \*Donald J. Melichar, vice president; Lawrence E. McGrath, vice president & cashier; \*Margaret E. Billings, assistant vice president, and Lila M. Helms, trust officer.

### Chicago

**American National Bank & Trust Company:** Michael E. Tobin, president; Ronald J. Grayheck, executive vice president; James A. Carlson, senior vice president; Michael J. Byrne, second vice president; Timothy S. Johnstone, correspondent banking representative; Donald R. Benson, bond investment officer; Destain Steward Jr., agricultural representative, and George H. Spence, retired agricultural officer.

**Continental Bank:** John H. Perkins, president; John B. Tingleff, division vice president; Lawrence H. Frowick and George P. Dekker, vice

president; J. Michael Baird, banking officer; W. Kent Velde, banking associate. Bond department: Howard J. Beckstrom, vice president; William L. Weibel and Robert E. Wahlgren, second vice president.

**Drovers Bank of Chicago:** Sidney J. Taylor, chairman; Frank E. Bauder, president; James J. Carmody, executive vice president; \*John J. Crotty, Jr., \*Alan B. Eirinberg and Joseph P. Valenti, senior vice president, and Andy Ruments, assistant vice president.

**First National Bank:** R. Garth Dunn, vice president; Clarence E. Cross Jr., assistant vice president; Nevin Bowser, vice president, and John Richardson, bond sales representative.

**Harris Trust and Savings Bank:** B. Kenneth West, executive vice president; Jerry H. Pearson and Stanley K. Peirce, vice president; James W. Hill and \*Gerald R. O'Connor, assistant vice president; Christina L. Wilkins, commercial banking officer, and Edmond M. Kennedy.

**LaSalle National Bank:** Milton F. Darr Jr., vice chairman; \*Hill



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Hammock, vice president; Richard G. Brown, assistant vice president, and \*Hal Sauer, loan officer.

**National Boulevard Bank:** H. Peter DeRosier, vice president.

**Northern Trust Company:** \*David W. Fox, executive vice president; Harold E. Hindsley and Orrin A. Wilson, vice president; \*L. H. Kerr, commercial banking representative; Ellen Ankrum, administrative assistant; Edward J. Walsh, bond investment officer; \*John E. Scully, bond investment officer, and John T. Crilly, second vice president.

#### Davenport

**Northwest Bank & Trust Co.:** Larry Makoben, vice president, and Gene Groth, assistant vice president.

#### Dubuque

**American Trust and Savings Bank:** Nicholas J. Schrup, chairman; C. F. Armstrong, president; Leo F. Kane, executive vice president; Robert G. Scott, senior vice president, and Bernard D. Miller, assistant vice president.

#### Kansas City

**Commerce Bank of Kansas City:**

Fred N. Coulson Jr., senior vice president, and Edwin B. Lewis, vice president.

**First National Bank:** William G. Dexter, senior vice president.

**United Missouri Bank of Kansas City:** J. H. Scott Jr., president; Wm. J. Bolt Jr., chairman of executive committee, and Richard H. Muir, vice president.

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**United Missouri Bank of Kansas City:** J. H. Scott Jr., president; Wm. J. Bolt Jr., chairman of executive committee, and Richard H. Muir, vice president.

#### Lincoln

**First National Lincoln:** Wm. Edgecomb, vice president.

#### Minneapolis

**First National Bank:** S. R. Omlie, vice president; William W. Hamilton, assistant vice president; Larry Nelson and \*Tom Trench, bond investment representative; Roger Raina, cash management officer, and \*Howard Richards, bank financial analyst.

**Marquette National Bank:** Richard E. Holmes, assistant vice president.

**Northwestern National Bank:** Richard C. Storlie and Gary Lundeen, assistant vice president; John L. Thomson, correspondent banking representative, and Ted Tanney, bond representative.

#### New York

**Bank of New York:** \*Benjamin J. Sullivan Jr., assistant treasurer.

**Bankers Trust:** Mary Ann Lambert, assistant vice president, and Steve Gordon, assistant treasurer.

**Irving Trust Company:** Thomas J. Koslovsky, representative.

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#### Wichita

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#### Kansas City

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Suite 1016  
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#### Kearney

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Kearney, Nebraska 68847  
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president, and Gene Noell, second vice president.

**United States National Bank:** Donald J. Murphy, chairman/CEO; Robert A. Krane, president; Jay F. Bordewick and Howard W. Nielsen, vice president; Lee J. Bachand, correspondent banking officer; John C. Nelson, vice president; John S. McCune, investment officer; William E. Clark, customer service officer, and Clete Uhing, bank card sales representative.

#### St. Joseph

**First National Bank:** Benton O'Neal, senior vice president.

**First Stock Yards Bank:** John E. Karn, president.

#### St. Louis

**Mercantile Trust Company:** Jerald L. Fleschner, assistant vice president; Daniel W. Jasper, vice president, and \*Leo G. Haas, banking representative.

#### St. Paul

**First National Bank of St. Paul:** Kenneth A. Heiser, Robert Peroutka and Clayton Johnson, assistant vice president.

#### Sioux City

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**Security National Bank:** E. C. Thompson, president; Gene Hagen, executive vice president, Jim Hongslo, vice president; Wayne Johnson and Steve Hatz, correspondent bank officer.

**Toy National Bank:** Leslie H. Olson, president; Richard A. Breyfogle and Stan Fredericks, vice president.

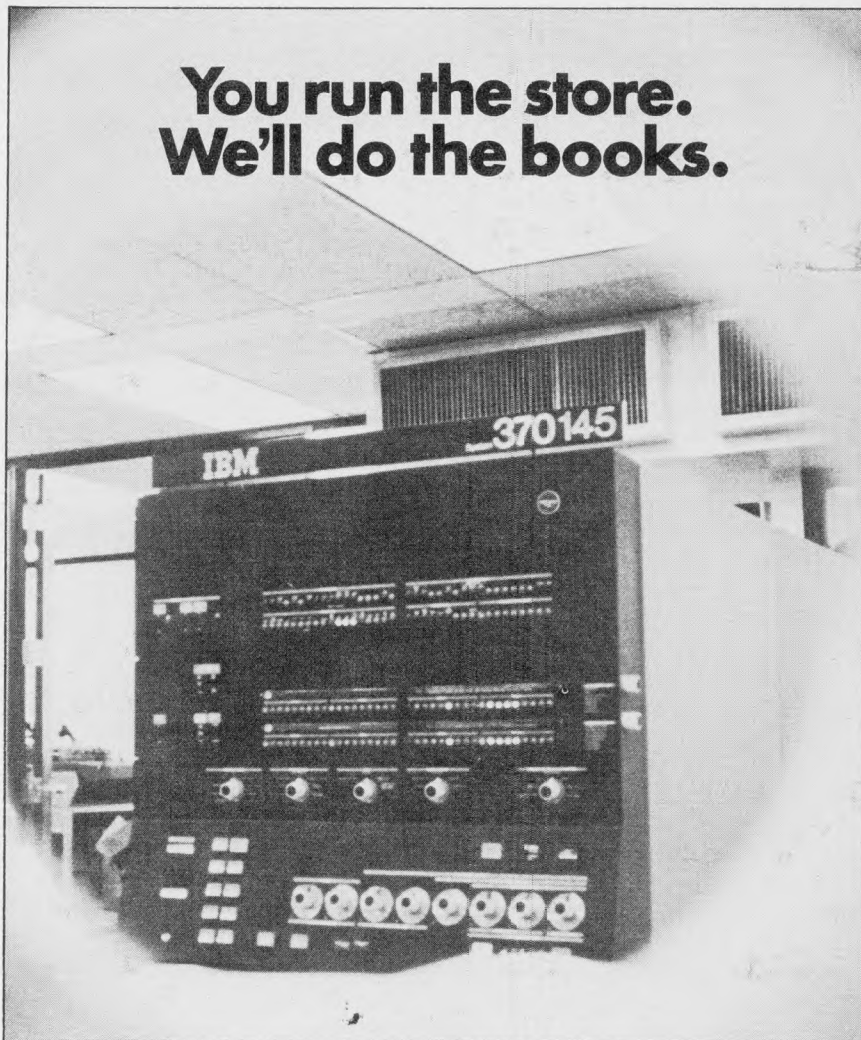
**Northwestern National Bank:** Gerald D. Just, vice president, and Tom Pullman, correspondent banking officer.

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**National Bank of Waterloo:** Scott Fetner, president; Don L. Wenthe, vice president; Milton Hennick, R. C. Mexdorf, Bill Rickert and Erl Schmiesing, senior vice president; \*William H. Burger, senior vice president and trust officer; \*Max Wm. Cory, Willis Crees, \*Richard J. Jung, \*Curtis D. Kyhl and \*Donald L. Stonewall, vice president; \*Robert McKinstry, assistant vice president.

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**Bank Building Corporation, St. Louis, MO:** Roy Wingers, consultant services manager; Harvey Leaver, division president, and Donald Anderson, program analyst.

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**Bankvertising Company, Champaign, IL:** Earl F. Crouse, chairman.

**Blender Co., Howard J., Dallas, Tex:** Larry Retherford, Des Moines.

**Brandt, Inc., Watertown, Wis.:** James O. Grimes, Omaha.

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**Collateral Control Corporation, Des Moines, IA:** Ed Ames, vice president; Wes Johnson, regional sales manager, and Russ Heston, field representative.

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**Credit Bureau Data Centers, Inc., Des Moines, IA:** Bob Penaluna, Bill Fluegel, Patty Collette, Mark Beaton and Jerry Jackson.

**Dain, Kalman & Quail, Inc., Minneapolis, MN:** Paul H. Bartlett

Jr., assistant vice president.

**Daktronics, Inc., Brookings, SD:** Larry Fjeldos, region manager.

**Data Business Equipment, Inc., Des Moines, IA:** Art Jura, Larry Pardubsky, Jim Kelley, Leonard Waldorf and Don Jones.

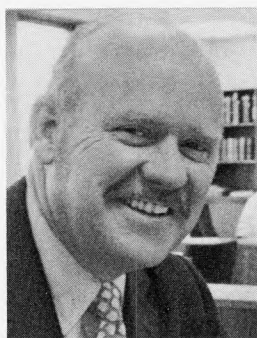
**Deluxe Check Printers, Inc., St. Paul:** Bill McKinley, Des Moines; Jack Rolston, Iowa City; Clyde McEntire, Marshalltown.

**R. G. Dickinson, Des Moines, IA:** J. Philip Boesel Jr., president; William K. Schroff and Bob Gibb, vice president, and Robert Roberts.

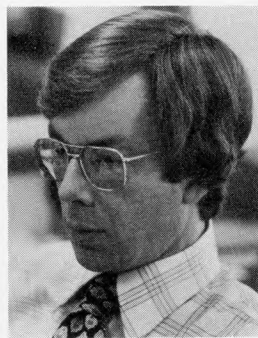
**Diebold, Inc., Des Moines, IA:** John Murphy, regional manager; Richard S. Gwinn, special accounts representative; William H. Osier and William S. Bedell, sales representative.

**Eastman Kodak Company, Des Moines, IA:** Gary Sauerteig, \*Dennis Colburn, Steve Penisten, micrographics sales representatives, and Richard Ruthenbeck, district sales manager.

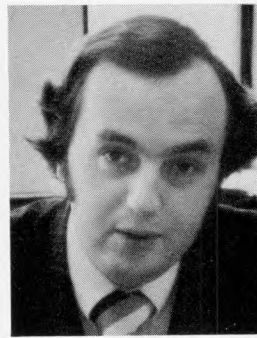
**Farm Tax Saver, Des Moines, IA:** \*James F. Coyne, director of marketing; Robert M. Dunaway, editor, and \*Ginger Kuhl, editorial assistant.



Fred Douglas



Tad Dunham



Jon Narmi



David Van Metre

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**Financial Systems, Inc., Kearney, NE:** Dave Waldron and Ed Wieshaar.

**First Mid America, Lincoln, NE:** \*Joe Watton, Mike Grace, John Frenking, \*Mike Van Horne, Gary Fenster, \*Mary Cary, Merrill Johnson, Jim Glaser, June Glaser, \*Ray Sharpe and \*Don Bland.

**General Bank Equipment & Systems, Inc., Omaha, NE:** Tom Sternberg and John Lawder.

**Glide/File, Lake Bluff, IL:** \*Peter M. Braunschweig, vice president; William Hardt, representative; Douglas Milliman, representative, and Ronald D. Wick, mid-west manager.

**Kirk Gross Company, Waterloo, IA:** Richard T. Zahn, president, and Gerald L. Gross, vice president.

**Guardman Life Insurance Company, West Des Moines, IA:** Larry D. Green CPCU, regional director, and Ron Davis CLU, vice president and director.

**John H. Harland Company, Atlanta, GA:** \*Rick Rochelle, area

sales manager; \*Nick Kimble, \*Gary Harris, and \*Bill Duggan, sales representatives.

**Hawkeye Bancorporation, Des Moines, IA:** Paul Dunlap, president, Robert Murray, senior vice president, and Stephan Jones, vice president.

**E. F. Hutton & Co., Des Moines, IA:** \*Gary V. Lewellyn, vice president; \*Bob Kirkendall, \*Greg Wolfe and \*Glen Tschetter, account executives.

**IBM Corporation, Des Moines, IA:** David Thomas, marketing manager; John A. Jewett Jr., Randy Williams and John Frantz, marketing representatives; Jan Nicholas and Suzanne Davis, marketing support representatives; data processing division: Wally Geiger, Steve Tangredi and \*Spencer Anderson, marketing representatives, and Bob Wruck, systems engineer.

**Iowa Bankers Insurance & Services, Inc., Des Moines, IA:** Al Tinder, office manager; Don Dougherty, Bill Carr, Jim Jensen and Ron Meyer, vice president.

**Iowa New Outlooks Association, Nevada, IA:** David F. Anderson, executive director; James H. Leslie,

secretary; William C. Martin, account executive; John R. Bassett, president, and William C. Tomson, vice president.

**Koch Brothers, Des Moines, IA:** Dick McFarland, sales manager; Jim Soul, Jerry Blackford, Dutch Koch, Mike Remster and John Randall, sales representatives.

**E. F. Kooker Associates, Spencer, IA:** Earl F. Kooker, owner.

**LeFebure Corporation, Cedar Rapids, IA:** Frank R. Volesky and Richard A. Collins, branch manager; Lon Warren, Finley Jackson, IA: Jack DuDash, Gerard Cholet and George Vinson, sales engineer.

**Life Investors, Inc., Cedar Rapids, IA:** Dick Moore, marketing director; Norman Hartwig and Gary Livesay, bank marketing co-ordinators.

**Midwest Bank Builders, Omaha, NE:** Mathew J. Thornton.

**Mortgage Guaranty Insurance Corporation, Milwaukee:** Edward J. Kallemyn, director of sales, north central states, Des Moines; Raleigh Alen, Cedar Rapids, and Gordon Chapman, West Des Moines, regional directors, development.

**Mosler Safe Co., Chicago IL:**

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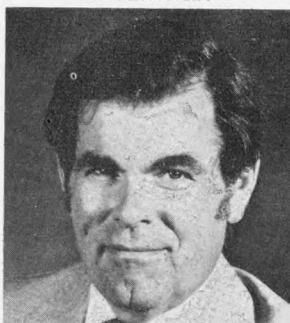
**Frank Bauder**  
President



**Joe Valenti**  
Sr. Vice Pres.



**Sid Taylor**  
Chairman



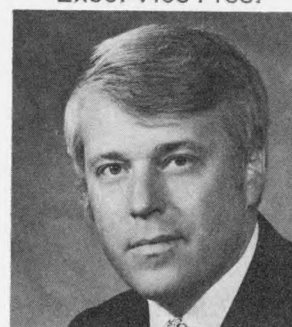
**John Crotty**  
Sr. Vice Pres.



**Alan Eirinberg**  
Sr. Vice Pres.



**Jim Carmody**  
Exec. Vice Pres.



**Andy Ruments**  
Asst. Vice Pres.

## *We're Heading For Des Moines. . .*

The bankers from 'Drovers Country' are on our way to Des Moines to join you at your 92nd Annual Convention. We're bringing along our full team...starting right at-the-top. We'll look forward to visiting with you and telling you a little about how 'Drovers Country' bankers have put their know-how to work for Iowa bankers, like yourself.

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# **Drovers Bank** of Chicago

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*Northwestern Banker, September 1978*



Ford Campbell, regional sales manager; Gary Tibbetts, Bill Pierce and Harvey Larson, sales representatives.

**National Fidelity Life Insurance Company, Des Moines, IA:** Craig Ross and Richard Wolf.

**NCR Corporation, Des Moines, IA:** James A. Schulte, district director; Robert C. Lapinski, regional director; Michael Murphy, district director; William Stafford, account manager; Marcus Wilson, sales representative; Jeffrey Lighthart, account manager; David Heath, sales representative; Roger Still and Gary Hofdahl.

**Nesper Sign Advertising, Cedar Rapids, IA:** Larry J. Sovern, vice president.

**Novick & Co., Inc., M.H., Minneapolis:** Herbert W. Olson, sales representative.

**Newlin Bank Sales, Des Moines:** Richard C. Newlin, president; Martha J. Newlin, vice president, and William D. Newlin, assistant vice president.

**Omaha Financial Life, Bloomington, MN:** Jack Fornter, vice president-sales; Norm Fletcher, as-

sistant sales manager (western); Stan Grout, eastern Iowa regional manager, and Bill Murray, western Iowa regional manager.

**Personal Banking, Des Moines, IA:** Donald H. Jordahl, president.

**Pitney-Bowes, Des Moines, IA:** Rich Appenzeller, Bud Bougher, Earl Howard, \*Dean Jess, \*Dick Jess, John Kyker, Ed Sundal, \*Dixie Hunt, \*Carla Sears, \*George Straubinger, area sales representatives; Dick Rich, field sales manager; George Robbins, field service manager, and James R. Patterson, branch manager.

**Travelers Express Company, Inc., Minneapolis:** David K. Hoagland, Des Moines.

**United Guaranty Residential Insurance Co., West Des Moines, Ia.:** Howard Turner, Jr., and Jerry Powers, regional representatives.

**United States Check Book Company, Omaha, NE:** Richard Dick, president; Chuck Strattan, Walt Schlenker, Chuck Peterson, Bernie Burger and Harry Francis, representatives.

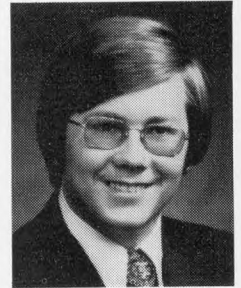
**U.S. Life Credit Life Insurance Company, Schaumburg, IL:** Jim

Lee, vice president; Joe Zearing, field vice president; Bob Ates, Steve McKelvey and \*Roger Jerrick, district manager.

**Vacumet, Inc., St. Clair, MI:** James J. Wallace, sales manager.

### Emmetsburg Bank Names Assistant Cashier

John F. Spies, president of the Iowa Trust & Savings Bank, Emmetsburg, has announced the promotion of Jay T. Randall to assistant cashier.



J. T. RANDALL

Mr. Randall has been serving the bank as marketing representative during the past year.

### Retires at Fort Dodge

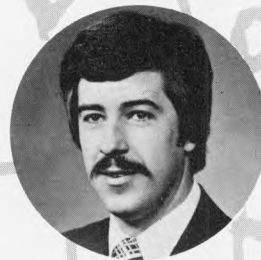
After 42 years of service with the First National Bank of Fort Dodge, Maxine Hillesland recently retired as trust operations officer. She began work with the bank in 1935.

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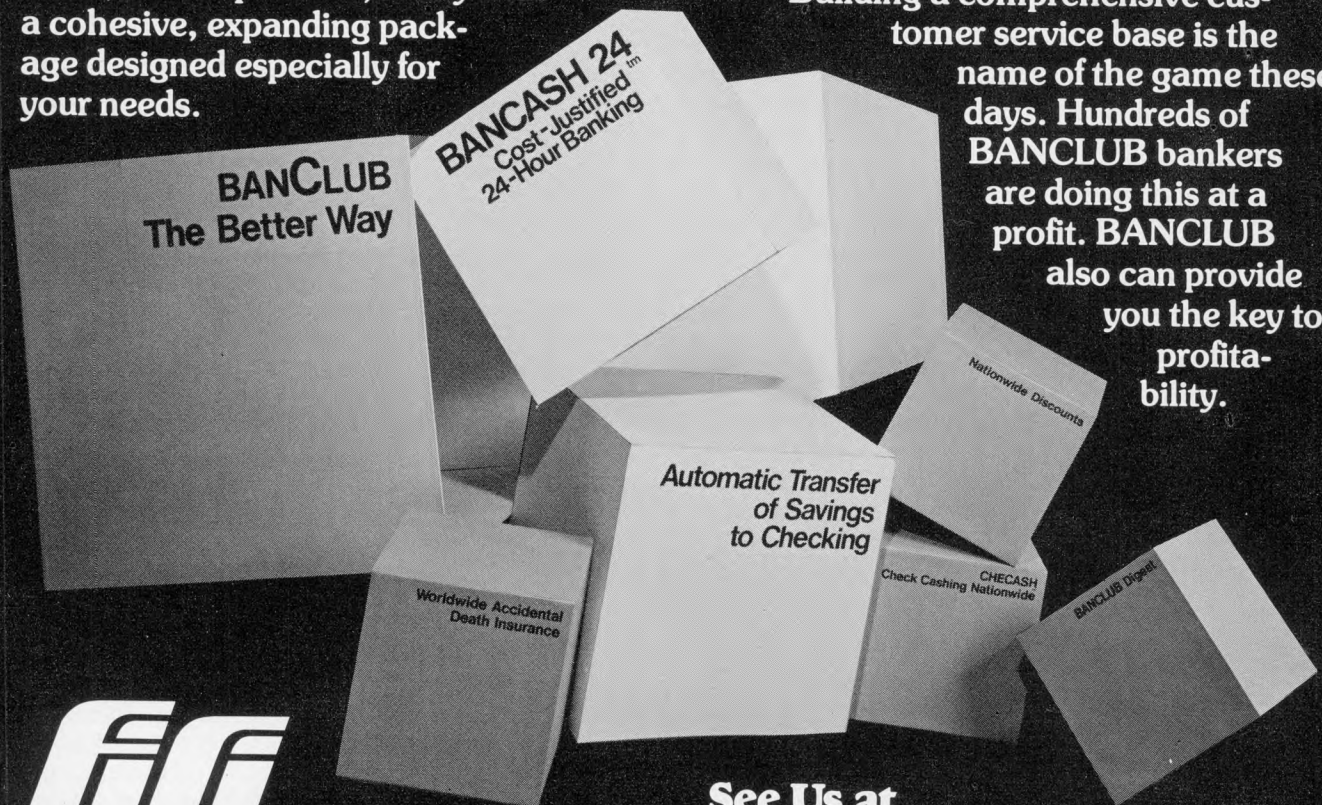


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## Group Chairmen Report Area Conditions

**G**ROUP chairmen of the Iowa Bankers Association have submitted the following reports on farm and business conditions in their areas:

### Group 1

**Clifford H. Young**, group chairman and executive vice president, Onawa State Bank: The weather in the Group 1 area has been exceptional. Many farmers will comment that they have never seen a more perfect growing season. As one farmer commented, "The corn and beans have not had one day of stress."



We will have a good corn crop. The one concern at this time is the possibility of an early frost. The bean crop is good, but possibly not quite as good as last year's record crop.

Most elevator operators are concerned since they have very little room for new crops because of too much carry-over of last year's crop. A few elevators are fortunate enough to have their house empty and ready. These have their own trains and can get rid of the grain. Much of the grain will have to be farm stored or piled on the ground until it can be

shipped. With the government loan rate at its present level, a lot will go under seal.

As for price, the future is not very bright for corn. Most think it will be under \$2 per bushel. Beans look a little better. They could be in the \$6 to \$7 range after harvest. Most yields will be above average. As I have told several, "Thank goodness it appears we will have something to sell. It doesn't matter much what the price is if you have nothing to sell."

I should also mention that this is being written the first part of August. A lot of things can happen yet before the crop is harvested.

Looking ahead regarding cattle and hog prices, the future may be a little brighter for cattle than hogs. Since the corn price will be down, feed will be cheap and the livestock tonnage will be up. Feeders will tend to sell at higher weights, driving prices down.

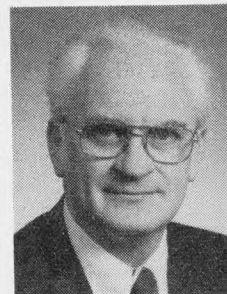
The demand for operating money continues to increase year after year, and the cost of machinery is staggering. We are discouraging all but the most necessary machinery purchases in our bank. Most operators cannot generate enough income to warrant a new combine purchase, as an example.

Retail sales are up or equal to last year and spirits seem to be pretty good in the retail community. If the harvest and livestock prices go as we have discussed above, the retail

businesses should have a pretty good year.

### Group 2

**Earl J. Underbrink**, group chairman and president, First National Bank, Fort Dodge: Crops in the Group 2 area are in excellent condition at this time. We have enjoyed good growing conditions since planting. Chemical weed control has,



in most cases, been effective. Rainfall has been adequate and timely with sub-soil moisture restored. Storm, hail, insect and wind losses, while occurring in some areas, have been small compared to the total production potential.

The main concern of our farmers involves price and available storage. With prices declining, storage space at a premium, and a bumper crop in the making, there is some pessimism among our farmers and a great tendency to "hold" rather than sell. Even so, with stronger livestock prices, we expect most of our customers to survive these short-term problems, maintaining strong financial positions with some having an outstanding year.

Farmer financing has changed in our area — away from tractors and combines and into livestock production and storage facilities. Most of the additional dollars spent on livestock facilities has been for hog buildings, with the major application of funds for remodeling and improving rather than additional buildings.

Generally business conditions are good. The demand for loans continues strong with substantial increases in outstandings being experienced in commercial, real estate and consumer instalment loans. With higher wages and nearly full employment, consumers have been willing to take on additional debt despite the reduction of purchasing power resulting from inflation. We do not expect construction for homes to continue at the pace established in the past few years. However, in general, we expect a favorable business climate for the balance of this year extending well into 1979.

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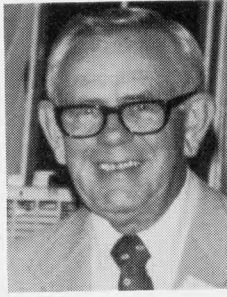
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*Northwestern Banker, September 1978*



**Group 3**

**Glenn O. Emmons**, group chairman and executive vice president, Northwood State Bank: In spite of a very wet, hot July, most of the crops in our north Iowa section are in excellent condition. The grain harvest is completed with normal yields being reported. Much of the second crop of hay also has been made.



Moisture-wise, conditions are very adequate at this time for corn and soybeans. Very little more is needed during the rest of the growing season for at least average to better than average yields.

In our immediate area, hail has caused only very slight damage, although medium to very heavy damage by hail has been experienced in areas west and east of here. Twenty miles north and east of here in the Mower County, Minn., area, some 40 square miles have suffered severe hail damage.

Business conditions locally are brisk. Our merchants report that sales have been good throughout the summer. Our local county fair had very good crowds, and the management reported a good profit for this year.

Quite a number of new homes are being built locally in spite of high material and labor costs. A large new poured concrete storage facility is being added to our local cooperative elevator. It will be ready to handle

the corn and soybeans that will be sold this fall. Machinery sales, however, are slow.

Our cattle and hog feeders report that their operations are still profitable, but they are hoping that prices will be better later on this fall. With corn prices low as they are, the hog feeders report that their positions are favorable.

We believe that 1978 will be a good average year for our farmers. This probably is more true for the livestock feeders than for the grain farmers. Chances are that the grain farmers will seal all, or most of their crop, hoping for increased prices later. Many of them are erecting storage bins in anticipation of keeping the grain on their farms.

All in all it appears that the economy in this area will continue to be favorable.

**Group 4**

**Churchill T. Williams**, group chairman and chairman, Oelwein State Bank: General crop conditions look excellent in northeast Iowa, however excess moisture and high humidity are causing some concern about corn bores and beetles. Corn prices have fallen to 1978 lows and further price reduction is likely. Loan price should stabilize cash prices after harvest as storage is somewhat better than last year.



Soybean acreage is up. Volunteer

corn in soybeans has caused added tillage expense and some beans will be damaged. Bean yields should be good, and I expect prices to hold near the \$6 level. Forage is abundant and hard to sell.

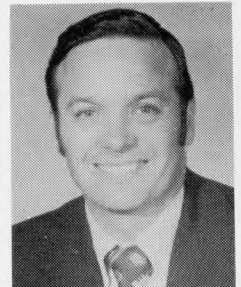
If actual farrowing are near intentions, hog numbers should be up, but butcher prices should hold above \$40/cwt. Most hog producers should get acceptable return on investment. Cattle feeders are reluctant to replace at this time, but depressed corn prices could encourage buying. Dairy outlook is good for the year ahead as milk prices are up and production is down. Overall, 1978 and the first half of 1979 will be no bonanza for farmers-but no wholesale stress conditions.

General economy in this area remains good with employment quite stable. In spite of the tight mortgage market, new house construction in northeast Iowa seems unusually strong.


Inflation and high energy costs are still dominant in the economics of most households and are a deterrent to any expansion of retail sales. Most retailers will have only a marginal year while it appears car dealers and implement dealers will experience a relatively good year. Some evidence is seen in the private sector of protests against the high cost of food and services and a possible revolt against any increase in taxes could be in the wind.

**Group 5**

**Ronald Sealock**, group chairman and executive vice president, Council Bluffs Savings Bank: The crops in southwest Iowa look better this year than they have for the past several years. Rainfall has been adequate, the temperature has been cooler, pollination of corn seems normal, and in general, we should be looking at above average yields for our crops.



Farmers now are concerned about last year's crop. Market prices for corn and soybeans have weakened as the prospects for a good crop have improved. Unless corn prices improve in the next 30 to 60 days, it looks like corn under seal will be



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delivered to the government when corn loans mature.

Livestock prices, one of the bright spots in the farming business this past year, have exceeded the expectations of even the most optimistic cattlefeeder. Cattle purchased last fall and winter have returned feeders a good price for their corn, covered all machine and labor costs, and still made some very fine profits. This has given farmers a chance to reduce operating loans from cattle profits. Replacement of feeder cattle this fall will probably be expensive, due to higher fat cattle

prices and an abundance of feed available.

While hog prices have not kept pace with cattle prices, they have maintained a good return for the hog man. Prices for hogs are still at a level where profits are available for hog feeders and hog producers.

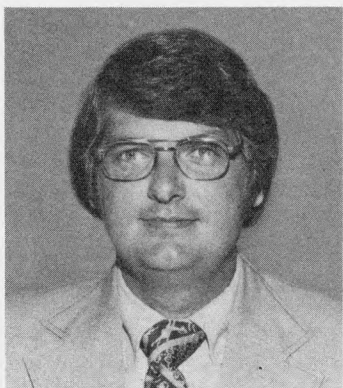
Hog confinement buildings have been going up at a rapid pace, and it looks like several more of them will be built next year. Research indicates that a good confinement building not only reduces labor costs, but increases feed efficiency and makes it easier for one man to

handle a larger volume of hogs. It also commits a producer to hog production for several years ahead. Confinement buildings differ, and producers need to be sure the building they are investing in is a good one.

Business conditions in our area have been good this year, due in part to good cattle and hog prices. While some farmers have participated in the government program, they have increased the amount of fertilizer used on the remaining acres and volume of seed, fertilizer, and chemicals has remained equal or above last year. Indications are there will be less acres of corn this year, but there will be more bushels produced.

Cash rent for farm land in 1978 remained about steady with last year. Land values seemed to soften last fall and early winter and then continued their upward climb during the first six months of 1978. There still seems to be a strong demand for land by farmers wanting to expand their operation.

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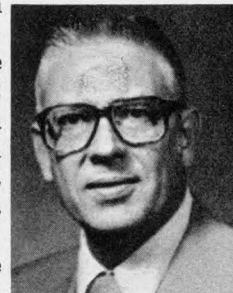
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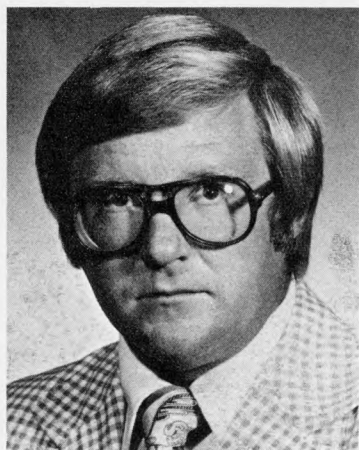
### Group 6

D. A. Bolton, group chairman and executive vice president and trust officer, Union State Bank, Winterset: The crops in the 12 counties in Group 6 are an entirely different story than just one year ago. One year ago we were in the grip of a very severe drought with virtually no hope for a decent crop harvest. This year we are anticipating a bumper crop over most of our area.

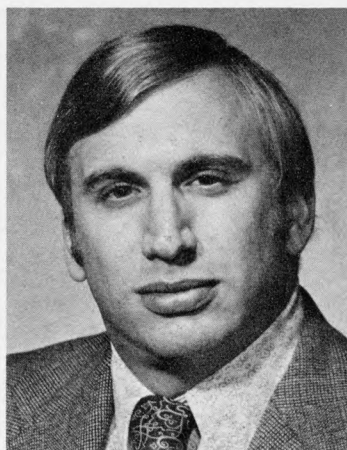


We had good subsoil moisture from the late rains and heavy snows of last fall and winter and the rains came again this spring and seemed to go on forever. Planting was unseasonably late in most areas, particularly in the southern one-third of our area. However, the crops grew rapidly after planting and are catching up with the season. It appears that an early frost is our major concern at this time.

Grass and hay are extremely important in this predominately livestock area. The grass is holding up well. Our farmer friends report



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Economically, the SBA and FmHA disaster loan programs and the ASCS disaster payments saved many of our farmers from leaving the farm. Those programs generated many millions of dollars and helped the loan-deposit ratio of most country banks, I'm sure, as well as helping most suppliers of agricultural needs. I understand that many machinery dealers are still having a hard time from the lack of sales during 1977 and the early part of 1978.

Livestock prices have held up very well. With the price of grain being as low as it has been, our livestock customers have been making some money. The farmer who sells his grain is probably looking at quite low grain prices this fall and winter and there will be quite a lot of grain sealing.

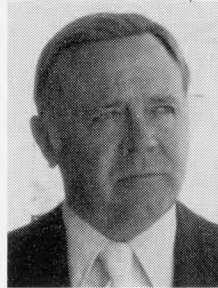
In conclusion, it appears that most farmers survived the drought of 1977, by refinancing in one way or another. It remains to be seen whether or not they can now produce enough net income to properly service their current and long-term debt.

### Group 7

**L. C. Pike**, group chairman and president, Farmers Savings Bank, Grundy Center: Crop conditions in our area as of the first part of August on the whole look excellent. Rains have come along at just the right time to make our prospects for crop yields about the best ever.

We had problems detasseling some of our seed corn fields because of too much rain and rapid growth. A few seed fields may have to be rejected. Heavy winds during the fast growing season caused the stock to be brittle and break off. Locally this caused considerable loss in some seed fields and the "goose-necking" of the stalk in commercial fields. However, in most cases the crops look great.

Now the sad part. We live in the food belt of the world and here Corn is King. By the time this crop is harvested, corn may be the Joker.



We have big surpluses hanging over our heads with carry over of the 1977 crop and a bumper crop around the corner for 1978. Right now it costs \$2.25 to raise a bushel of corn. The current market is \$1.80 and best guesses are that it is headed lower for the next three months. We could be looking at \$1.50 corn this fall making the 1978 crop a big loser.

Beans should yield well with many fields going over 50 bushel per acre. This is a good cash crop and still makes our farmers a little money. A \$5 per bushel price at harvest time will not be a big surprise in face of a bumper crop.

Good money has been made this year from sale of fat cattle. In many cases, the price has been 10 cents and 15 cents over what they cost laid in last fall and winter. The cattleman has long deserved this break to make up for the beating he was taking just a few short months ago.

The big concern right now is the high cost of replacements. Yearling replacement cattle look like about 10 cents above the present day fat cattle market with fall calves asking over 15 cents above the market. We are urging our farmers to exercise

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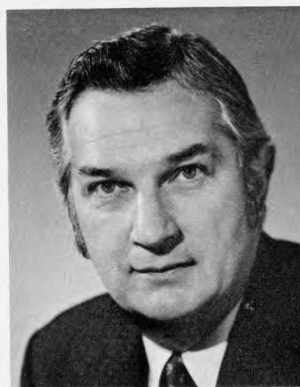
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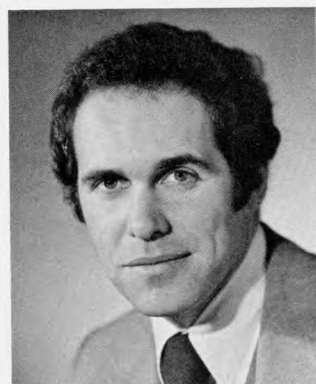
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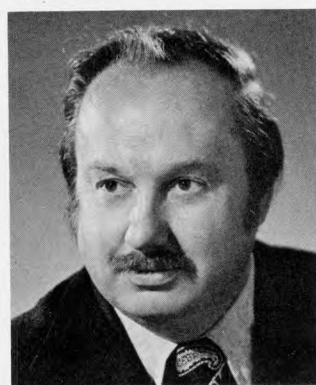
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restraint in buying at these high prices and to not give away their 1978 profits. Replacing fat cattle will be a difficult task during the balance of the year.

Hog feeders have been on the black side of the ledger all year, especially the men raising their own. The "feeder" buyer has had to be content with narrow margins. Efficient conversions of feed and grain to pounds is extremely important to both the hog man and the cattle man in view of these narrow margins at today's prices. Low corn markets coupled with continuous inflation are of great concern to us furnishing credit to agriculture.

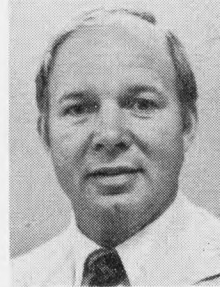
Business conditions for many of our small town merchants have been a sideways wiggle compared to a year ago with sales quite sluggish and net profits running behind. Auto sales were poor the first quarter, good the second quarter but have slowed down at the present time. The high prices being quoted for new models have left the local dealers with a feeling that the last half of 1978 may be on the slow side, too.

In Grundy Center we have about

10 new homes under construction. This is slower than the peak years, but pretty good considering the high cost of construction. Several new commercial buildings are going up and many farmers are buying grain bins so they can store the corn on the farm and keep it out of the pipeline for a while. Unemployment remains low with our workforce practically totally employed this summer.

#### Group 8

**Robert C. Wede**, group chairman and president, Goose Lake Savings Bank: This area has had plenty of moisture, crops look good to excellent and pastures the same. Our beef and hog producers have made money this year for the first time in the last several years. The price of replacement stock has gone up with the fat markets and thus increases the speculation of feeding livestock.



Farm land prices have been going up. Everytime I hear of a sale, I wonder where and when it is going to end. The price of this land is not going up because of the price the farmer receives for his products. It is mainly speculation and city buyers. They still want land and don't seem to care if it is tillable or even productive and going to pay for itself.

The general business climate in Muscatine, Iowa City, Clinton, and Davenport continues to be favorable with unemployment well below the national average. The outlook for Clinton and Muscatine is very favorable, as both have corn processing industries in them and the price of this crop should be considerably cheaper this year. Iowa City has a fairly stable economy with the University of Iowa located there and a number of stable small companies supporting its industrial base.

The same can be said this year as last for the Quad City area. It is rather cloudy because their economy is heavily dependent upon farm equipment manufacturing and continued demand for farm machinery

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| * 2) Central National Bank & Trust Co.<br>Des Moines, Iowa     | 16) First Community Bank & Trust<br>Traer, Iowa            | 30) Farmers State Bank<br>Jewell, Iowa                | 44) Poweshiek County National Bank<br>Grinnell, Iowa |
| 3) Dyersville National Bank<br>Dyersville, Iowa                | 17) Valley National Bank<br>Des Moines, Iowa               | 31) Farmers State Savings Bank<br>Independence, Iowa  | 45) Seymour State Bank<br>Seymour, Iowa              |
| 4) Elgin State Bank<br>Elgin, Iowa                             | 18) First National Bank<br>West Union, Iowa                | 32) State Bank of Waverly<br>Waverly, Iowa            | 46) Farmers State Bank<br>Jesup, Iowa                |
| 5) First National Bank<br>St. Louis, Missouri                  | 19) First State Bank of La Moure<br>La Moure, North Dakota | 33) Community State Bank<br>Clear Lake, Iowa          | 47) Puget Sound National Bank<br>Tacoma, Washington  |
| 6) Cresco Union Savings Bank<br>Cresco, Iowa                   | 20) Midway Bank & Trust<br>Cedar Falls, Iowa               | 34) Merchants National Bank<br>Cedar Rapids, Iowa     | *Lead Bank   |
| 7) First National Mercantile Bank<br>Montgomery City, Missouri | 21) Morningside State Bank<br>Sioux City, Iowa             | 35) First National Bank<br>Ottumwa, Iowa              |  |
| 8) First National Bank<br>New Hampton, Iowa                    | 22) Security National Bank<br>Sioux City, Iowa             | 36) Parkersburg State Bank<br>Parkersburg, Iowa       |  |
| 9) Security Bank & Trust<br>Decorah, Iowa                      | 23) Warren County Bank & Trust<br>Indianola, Iowa          | 37) Osceola State Bank & Trust<br>Osceola, Iowa       |  |
| 10) Lee County Savings Bank<br>Fort Madison, Iowa              | 24) Manilla State Bank<br>Manilla, Iowa                    | 38) Farmers Savings Bank<br>Princeton, Iowa           |  |
| 11) Maquoketa State Bank<br>Maquoketa, Iowa                    | 25) First National Bank<br>Mason City, Iowa                | 39) First State Bank<br>Fredericksburg, Iowa          |  |
| 12) Corwith State Bank<br>Corwith, Iowa                        | 26) Albert City Savings Bank<br>Albert City, Iowa          | 40) South Ottumwa Savings Bank<br>Ottumwa, Iowa       |  |
| 13) Dakota State Bank<br>Milbank, South Dakota                 | 27) Citizens Savings Bank<br>Sac City, Iowa                | 41) Schuyler County State Bank<br>Lancaster, Missouri |  |
| 14) Farmers Savings Bank<br>Boyd, Iowa                         | 28) Urbana Savings Bank<br>Urbana, Iowa                    | 42) First National Bank<br>Burlington, Iowa           |  |

**LP**  
**LeasePlan, Inc.**

545 - 31st Street  
Des Moines, Iowa 50312

**R. L. "Dick" Sellon, President**



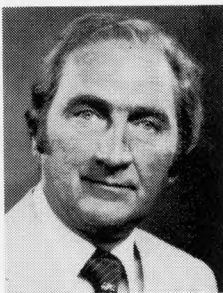
will hinge on farm income and with grain prices at their current levels, one can not be too optimistic.

In conclusion, everyone, rural and urban, is feeling the energy crunch, as the price of energy just keeps going up with no end in sight. As I indicated previously, cattle and hog producers are making money this year. However, with corn prices currently around the \$1.95 per bushel area and with bean prices at the \$5.75 per bushel area, this is hardly high enough price for corn and beans to pay for production costs. With these prices having fluctuated greatly the past year, the forecast does not indicate any great increase in the price of corn and beans in the near future.

The overall economic outlook for our area is good taking into consideration the items I have listed above.

### Group 12

**M. J. Kuehl**, group chairman and president, Security State Bank, Lake Park: The crops are very good in north-west Iowa. Ex-



pectations on corn yields will vary from 125 to 150 bushels per acre. We have had some hail and along with 18 inches of rain to this date, the low areas are drowned out, but the overall picture shows that we will have good yields on corn, soybeans and hay.

The cattle and hog numbers are up. If the prices on livestock continue, we will see good profits

## 55 Bankers Attend Iowa Lending School



**THE** Annual Instalment Lending School offered by the Iowa Bankers Association drew a registration of 55 bankers for the 1978 week-long session at Drake University, Des Moines, last month. Pictured above are several of the participants, left to right: **Dave McNichols**, IBA exec. dir.; **James H. Struve**, v.p.-inst. lending, Merchants Natl., Cedar Rapids, and **James F. Grothusen**, v.p.-comm. lending, Davenport B&T, both instructors at the school; **Wanda Spainhower**, a.c., Hampton State Bank, and **Gary D. Fey**, pers. bkg. off., Security Natl., Sioux City, both students at the Lending School. Wanda Spainhower also is an NABW scholarship winner, eligible for further college level banking studies.

this fall. The replacement cattle costs will take twice as much money, and it looks as though the banks will be short of funds this fall and most of 1979.

With a large crop forecast this fall, grain prices will be low in comparison to cost of production.

The land prices will continue to be high, with the average sales ranging from \$2,100 to \$2,300 per acre. Most of the farm land is being purchased by local farmers with very few outside investors.

The sale of homes in this area has

been slow. This is due to the credit crunch and usury problems. This is now showing improvement.

To summarize the 1978 year in general, it looks like a good year for agriculture and business.

### Named at Washington

Two local men were elected to the board of the National Bank of Washington recently and a third, already on the board, was named chairman.

Phil Kneen, retired Washington businessman, and Bill Koehler, Ainsworth area farmer, were named to the board. Keith Vetter was elected chairman. Mr. Vetter, a former state legislator, is the owner of Vetter's Inc., vice president of marketing for the U.S. Water Co. and president of Culligan Water Conditioning in the Quad Cities.

Taunce Mathiason, bank president and director, said the changes result from the purchase of the bank by Hawkeye Bancorporation, which became effective July 1. Four former owners and board members, John E. Goodenow, W. A. Krause, Jack Pester and T. S. Gentle, resigned from the board.

## HAWKEYE BANCORPORATION

*Iowa's Fastest Growing Banking Organization*



**Invites you to visit our booth  
during the  
Iowa Bankers Convention**

Hawkeye Bancorporation— Stephens Bldg., Des Moines—515/284-1930

# Let's all get together in Des Moines at this year's Iowa Bankers Convention.



Hubert and his retinue of Harris Bankers look forward to greeting their old friends and meeting new ones. We'll see you at the Iowa Bankers Association Convention in Des Moines from September 24th through 26th.

**First row (left to right):**  
Ed Kennedy, Christina Wilkins, Stan Peirce, Jerry O'Connor.  
**Second row:** Jim Hill, Hubert, Jerry Pearson.



Harris Trust and Savings Bank, 111 W. Monroe St., Chicago, IL 60690. Member F.D.I.C., Federal Reserve System.

*Northwestern Banker, September 1978*





## Des Moines News

**F**OLLOWING the monthly board of directors meeting last month, **Raymond G. Johnston**, president and chief executive officer of Central National Bank and Trust Company of Des Moines, announced a change of duties for **Ivan L. Johnson**, executive vice president, the election of **James I. Mackay** to senior vice president in charge of the lending functions, the elections of **Joe Baumgartner** to assistant vice president of the credit department, and a title change for **Hilda Robinson** from manager of the credit department to loan services officer.



I. L. JOHNSON

With the various administrative and planning functions the bank has assumed, it was approved that Mr. Johnson, who is also a director of the bank, will assist President Johnston and be in charge of national accounts, the main bank first floor, offices at Ingersoll and in West Des Moines, together with the proposed South Des Moines Office. In addition, he will also be in charge of

security and purchasing for the bank and construction for bank expansion. Mr. Johnson was elected executive vice president on September 20, 1977, and has been with Central National Bank since 1948.

Mr. Mackay graduated from Indiana University where he obtained a BS in Business Administration with a concentration in business management and economics. He began his banking career with Merchants National Bank and Trust Company of Indianapolis and was vice president and division executive in charge of the Indiana division of the commercial department prior to joining the staff of Central National Bancshares, Inc. on February 20 this year as vice president in charge of loan policy and loan administration.

Mr. Baumgartner attended Indiana University where he majored in accounting. He served as senior commercial credit analyst at Indiana National Bank, Indianapolis, from 1966 to July, 1978, then joined Central National Bank on August 1.

Mrs. Robinson attended Drake University and is a graduate of the American Institute of Business. She joined Central National Bank on November 1, 1950, as secretary in the credit department. In May, 1967, she was promoted to assistant manager and in January, 1975, was promoted to manager of the department.

\*\*\*

The Iowa-Des Moines National Bank last month opened an office in the Grand Cayman Island, the first such foreign branch established by an Iowa bank. **David L. Tremmel**, vice president-manager of the

Iowa-Des Moines National's international banking department, said this branch provides the ability to operate in international monetary markets, especially the Auro money market. This greatly improves the Iowa-Des Moines National's ability to serve its local customers, Iowa manufacturers and its correspondent banks, he said.

Mr. Tremmel described the principal market for service through the new branch as medium to small Iowa firms, some of which are served by Iowa-Des Moines National and many through his bank's correspondent banks.

Mr. Tremmel noted that according to the United States Department of Commerce latest report, for 1976, exports from Iowa totaled more than \$3.3 billion, of which \$1.8 were from agriculture and \$1.5 in manufactured goods. The Commerce Department maintains an office in Des Moines. The city also "has good freight forwarders and custom house brokers," Mr. Tremmel said.

The Grand Cayman office will be operated under a management contract with the trust department of Barclay's Bank of London branch in the Caymans, Mr. Tremmel said.

\*\*\*

**Michael E. Finken** has been promoted to assistant vice president and trust officer of West Des Moines State Bank.

Mr. Finken has served as trust officer since March of 1977 after joining the bank in 1976. He received his law degree from John Marshall Law School of Chicago and his undergraduate degree in business administration from the University of Iowa. Prior to attending law school, he was a certified public accountant with the Chicago office of Lester Witte and Company.

\*\*\*

**Warren K. Sparks** has been elected to the board of directors of First Federal State Bank, Des Moines. He is president of Contractors Steel Corp., a Des Moines-based construction steel sales and fabrication firm.

\*\*\*

Central National Bank and Trust Company of Des Moines has entered into an agreement to acquire the land underlying the Green building and the building formerly occupied by Penney's in downtown Des Moines,



J. BAUMGARTNER

H. ROBINSON



Shown from left: Margo Foxhoven, Bill Greaves, Maurine Bjornson, Cy Kirk, Ray Schneider, Eddie Wolf, and Richard Bro.

**Now!**

The same people who brought you  
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 during the 92nd Annual Convention  
 of the Iowa Bankers Association,  
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 AFFILIATED WITH CENTRAL NATIONAL BANCSHARES, INC.

*Northwestern Banker, September 1978*



according to **Raymond G. Johnston**, president of Central and **William Knapp**, president of Iowa Realty Co., Inc.

Mr. Johnston stated, "We are pleased to announce the acquisition of the northwest quarter block of Fifth and Walnut from Iowa Realty Co., Inc. It is our plan to relocate our drive-in motor bank from Fifth and Grand to the new location adjacent to our main bank.

"This acquisition is a part of the continued effort of the Des Moines business community to help improve the downtown area. With our new structure, together with the razing of the old Ward's building and parking ramp on Locust between Fourth and Fifth and completion of the Civic Center and park, we feel the eastern part of our loop area will become more attractive and will draw other businesses to it."

Plans call for the construction of parking for bank customers as well as a drive-in facility with drive-up and walk-up windows providing customers with additional convenience for bank services.

The agreement which has been signed provides for the exchange by Iowa Realty Co., Inc. of the Fifth and Walnut property for the motor bank property presently owned by Central at Fifth and Grand.

\*\*\*

Organizational and title changes at Iowa-Des Moines National Bank were announced last month by **John R. Fitzgibbon**, chairman and chief executive officer, following the monthly board meeting.

• **Dee L. Frost**, executive vice president, will move to the executive offices on second floor and will assume responsibility for bank operations and bond investments in addition to trust, controllers and property management. Reporting to Mr. Frost will be **John Sikkink**, senior vice president and cashier-operations; **Robert Wissler**, vice president-bond investment; **Peter Faletti**, vice president and controller; **James D. Kempkes**, senior vice president-trust, and **Dick Pedersen**, vice president-property management.

Within the trust division, Mr. Kempkes will assume overall management responsibility; **Richard W. Carey**, vice president, will manage affiliate relations; **Lewis C. Cobb** will manage investments and operations;



D. L. FROST



G. CARVER



G. F. MILLIGAN



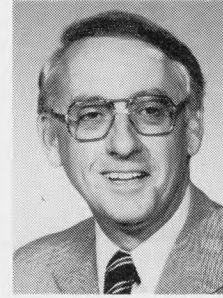
M. M. McMICHAEL



J. D. KEMPKES



H. L. HORAK



J. D. HUNT



R. A. ANDERSON



B. H. KERSEY



L. D. DAVENPORT



W. W. PIRNOT



J. R. RASLEY

**James W. Frost** will manage estate administration, and **James D. Robinette** will administer trust management.

Within the operations department the following were elected second vice president: **Gary R. Rasmusson**, in charge of operations; **Gary H. McClimen**, computer services, and **Ronald D. White**, electronic banking.

Within the bond investment department **H. Lynn Horak** and **John D. Hunt** were elected second vice president.

• **Garland Carver**, executive vice president-lending, will assume additional responsibility for BankCard operations and international banking. Reporting to him will be **Robert A. Anderson**, promoted to group vice president-lending; **Dave Elgena**, BankCard, and **David L. Tremmel**, vice president-manager, international banking. Mr. Anderson assumes responsibility for the commercial, real estate, dealer and loan services departments. **Thomas H. Farris**, vice president, will head up the commercial loan department. **Wil-**

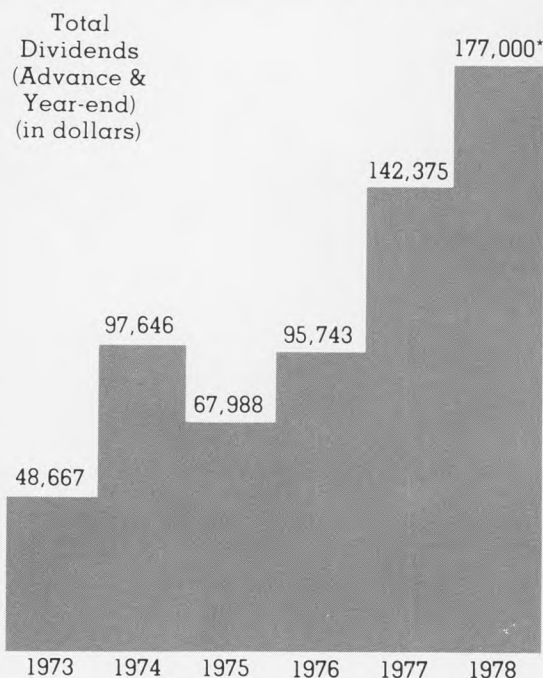
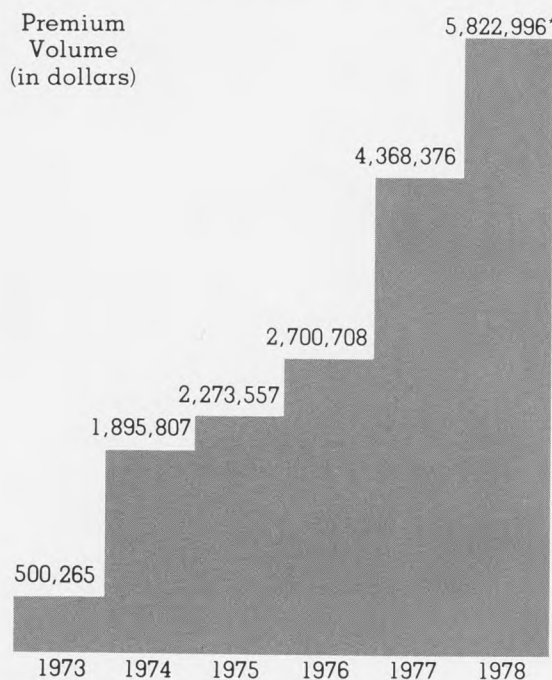
**liam F. Landholt**, vice president, will manage the real estate loan department. **John C. Clark** and **E. Leslie Greaves**, both elected second vice president, will manage the dealer loan department and loan services respectively.

Within the commercial loan and real estate departments the following were elected second vice presidents: **Kim S. Meadows**, commercial loan; **R. Jack Lytle**, commercial loan, and **John A. Eickman**, real estate loan.

• **George F. Milligan**, senior vice president, will assume responsibility for national accounts and intrastate marketing in addition to correspondent banking. Within the correspondent banking department **Bernard H. Kersey** and **Lance D. Davenport** were elected vice president.

In the national accounts area **Walter W. Pirnot** was elected vice president and will be responsible for business development and account maintenance for major national firms outside of Iowa. **Joseph M. Bognanno**, advanced to second vice president for intrastate corporate

# When an insurance agency knows as much about banking as IBIS, growth like this is not surprising.



Many competitors are baffled at the tremendous growth Iowa Banker's Insurance & Services has experienced in the last five years. Actually, the reasons for this growth are very simple.

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\*Projected 1978 figures

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*Northwestern Banker, September 1978*



## Waterloo Bank "Modifies" Annual Stag



**ANNUAL STAG** sponsored for northeast Iowa correspondents by the National Bank of Waterloo was modified last month as bankers brought their spouses. Shown at left is **W. Louis Beecher**, chmn., host bank, who presided at the banquet. CENTER - **Paul Hall**, pres., Cedar Falls Tr. & Sav. Bk., and **Bill Ronan**, pres., Decorah St. Bk., enjoyed the new format (even though Mr. Ronan is a confirmed bachelor). RIGHT - **Hoyt Messerer**, pres., First Nat'l. Bk., Cedar Falls; **Bill Rickert**, sr. v.p., host bank, and **B. P. Breitbach**, e.v.p., Gilbertville Sav. Bk. helped make the party a success.



**GOLF PRIZES** were presented by **Bill Rickert**, sr. v.p., host bank, to **Bob Gossard**, e.v.p., First Nashua St. Bk. (center) and **George Brubaker**, v.p., First Nat'l. Bk., Cedar Falls. CENTER - **Arnie Schultz**, pres., Grundy Nat'l. Bk., received "President's Award" for high golf score from **Scott Fetner**, pres., host bank. RIGHT - **Dick Toole**, pres., Farmers & Merchants Sav. Bk., Manchester, told one of his favorite stories.

### DES MOINES NEWS

marketing, will be responsible for business development and account maintenance for major corporate customers throughout Iowa. The correspondent department personnel, as well as Mr. Pirnot and Mr. Bognanno, will report directly to Mr. Milligan.

• **M. M. McMichael**, vice chairman, will continue as divisional manager for the correspondent banking, retail banking and marketing divisions. **Robert G. Millen**, vice president, will be responsible for all retail banking locations and metro marketing. Reporting to him will be **James R. Rasley**, promoted to vice president-personal banking, and the

four managing officers of the branches. **William W. Davis** has been elected second vice president-personal banking. **Ron Dickson**, named advertising manager, will be responsible for the bank's advertising programs. **George Milligan**, **Robert Millen** and **Ron Dickson** will report directly to Mr. McMichael.

Within the human resources area **Roger Dahlstrom** was elected second vice president for personnel.

In addition to the above, the following bank officers were named. In the controller's department, **Sally Jo Smith** and **Keith W. Savery** were appointed accounting officers. In the trust department, **W. Kent Miller** was named trust officer. **Frank G.**

**Mihalovich** has been named operations officer, retail banking, and **Robert J. Albrecht** has been named managing officer of the Fort Des Moines Office.

\*\*\*

**Raymond G. Johnston**, president and chief executive officer of Central National Bank and Trust Company, has announced the election of two new officers and the promotion of two officers. Elected are **Gary C. Calvert** as instalment loan officer and **Richard J. Carlson** as office manager of the new South Des Moines Office, to be opened late this fall. Promoted are **Michael E. Fuson** and **Jon A. Gookin** to operations officers.

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**Martha-**

**Bill-&**

**Dick Newlin.....**

...want to thank you for the continued confidence and trust you have placed in us during the past year. Our activity throughout the entire midwest continues to bring us into contact with our kind of people — Bankers!

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If you would care to discuss the purchase or sale of a bank — **without obligation and in total confidence**, please look for us at the Convention. We hope our many years of success in this business will persuade you to investigate our ability to perform.

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## Iowa-Des Moines Displays Expanded Investment Department



**PICTURED** in left photo in new office are: **Lynn Horak** (standing), 2nd v.p.; **Robert J. Wissler** (back desk seated), v.p.-mgr.; **Pat Kellogg**, receptionist, and **Janine Young**, bond inv. off. Conference room at right is new department feature. Photo at right shows special security room at far end (behind glass). In photo at right, **John B. Johnson**, sr. bond inv. off., demonstrates Telerate machine.



**B**ANKERS attending the Iowa Bankers Association convention this month are being invited to visit the new, expanded offices of the investment department at the Iowa-Des Moines National Bank. The department has been moved from the second to the seventh floor. One new feature is a spacious conference room where drapes can be drawn if full privacy is desired by customers. Another feature is a secured area adjacent to the office space.

Robert J. Wissler, vice president and manager of the investment department, says the Telerate machine is one of the most beneficial improvements ever placed in the department. Telerate is a financial information network linking subscribers, such as banks, with financial money markets nationwide, providing instant access to up to the minute information on critical financial information from government and private sources. Mr. Wissler says this instant information,

formerly obtainable only after one or more long distance phone calls, frequently with delays, is valuable to correspondent banks and their customers, as well as the Iowa-Des Moines National and its corporate and private customers. Some of the information services provided by Telerate are fed funds, bills, coupons, agencies, Fed activity, prime rates, auction results, money market information, commercial paper rates, discount rates, gold prices, Euro deposits, Canadian markets and others. Telerate has been in use by the investment department during the past year, Mr. Wissler said.

### James M. Hutchinson

Funeral services were held recently for James M. Hutchinson, retired executive vice president of Davenport Bank & Trust Co. and an active civic leader. He was 81.

### Celebrates 25th Year

Morris Ackerman is celebrating his 25th year of service to the Hampton State Bank. Mr. Ackerman joined the bank in 1953 as a bookkeeper and progressed through all areas of banking until he now serves as vice president and director.

### Burger Named Chairman Iowa Development Comm.

William H. Burger, senior vice president and trust officer, National Bank of Waterloo, was advanced

from vice chairman to chairman of the Iowa Development Commission recently. As chairman he succeeds E. A. Hayes, director of the Henry County Savings Bank, Mt. Pleasant. Appointed to the commission to take Mr. Hayes' post as a director was F. Forbes Olberg, chairman and president of Banks of Iowa, Inc., Cedar Rapids.

### Missouri Valley Bank Breaks Ground for Facility

A groundbreaking ceremony was held recently at the future site of the Peoples State Bank drive-in facility in Missouri Valley.

The new building is expected to be completed by late October or early November, according to Nick Paulson, of N.P. Construction Company

of Crescent, general contractors for the project. John Kovar is the bank's president.

### Joins Postville Bank

Stanley Straate has joined the Postville State Bank as assistant vice president and farm representative. He is a 1971 graduate of Iowa State University and was formerly with the Kellogg Savings Bank.

### James Unruh

Funeral services were held recently for James Unruh, 58, president and chairman of the Mondamin Savings Bank. He was the majority stockholder in the bank. A native of Scottsbluff, Neb., he and his father, George Unruh, bought the bank in 1946.

# DOWNTOWN MERCHANTS

## Welcome Iowa Bankers to Des Moines

A. Cownie, 200 S.W. 5th  
B. Kucharos, 7th & Locust  
C. Frankels, 612 Locust  
D. Josephs, 6th & Locust  
E. Madeline Shepard, 314 6th  
F. Johnson's, 712 Locust

G. Zoe's Uniforms, 410 7th Street  
H. Norman Cassiday, 720 Walnut  
I. Stearns, 700 Walnut  
J. Kneeter, 807 Walnut  
K. Storey-Kenworthy, 309 Locust  
L. Plumbs Jewelers, 600 Walnut

M. Koch Brothers, 4th & Grand  
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P. Chez Shari Ltd., 310 8th  
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well dressed man

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largest selection  
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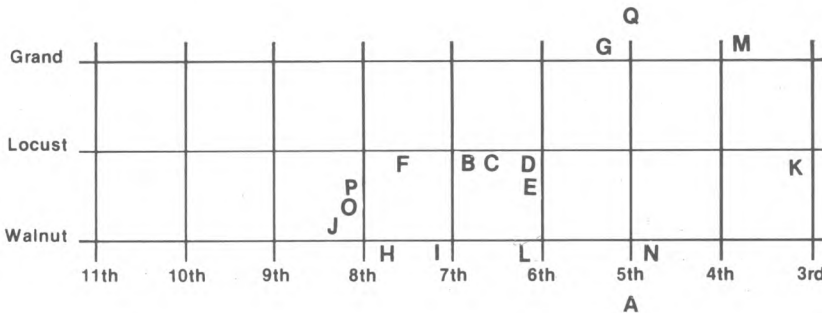
Present Coupon for Discount  
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on a fine year as IBA President.

*Merchants you will enjoy visiting  
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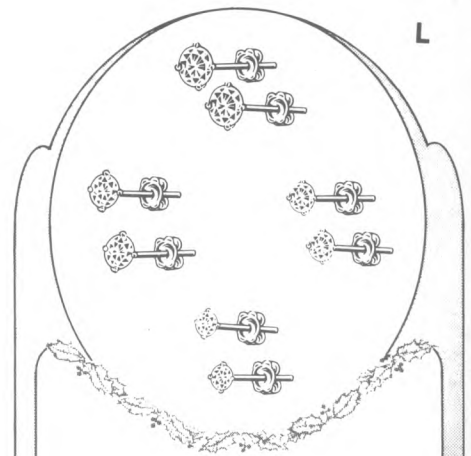
 Third to Fourth on Grand Avenue  
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N

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...with nothing to detract from their blazing beauty. Our classic stud earrings range in weight from a modest 1/4 carat total weight to a sumptuous two carats. A brilliant choice!

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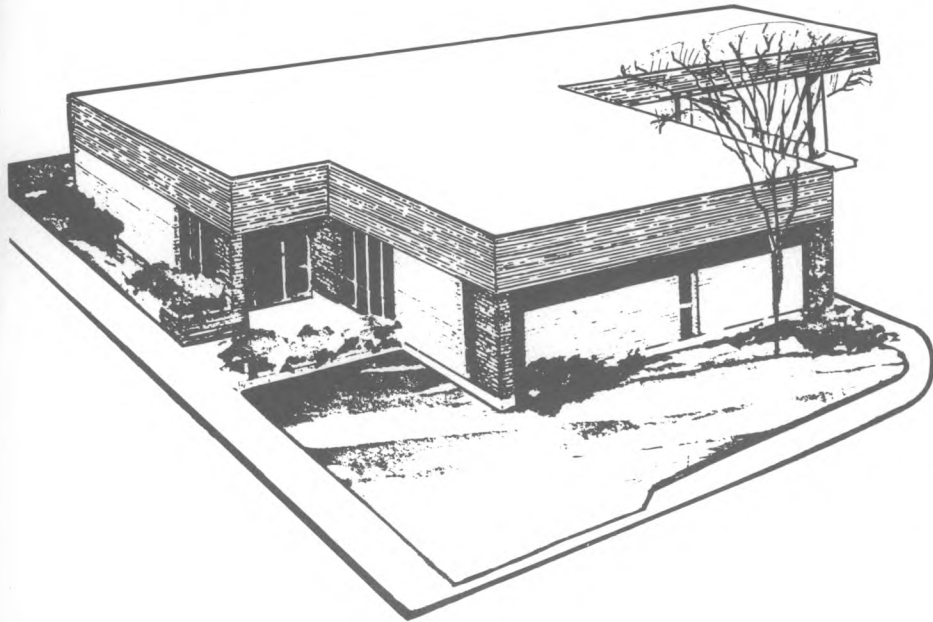
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## Sioux City Bank Opens Plaza Office

**F**IRST National Bank in Sioux City, Ia. this summer opened its new Plaza Office at 2900 Hamilton Boulevard. This new full-service facility was constructed to serve the banking needs of the north and west areas of the city. It includes a staff of eight, headed by Kent F. Wigg, assistant vice president and office manager, and Mary E. Petty, family banking officer and assistant office manager.

The new office is a 3,000 square foot structure designed by James M. Duffy & Associates and built by W.

A. Klinger, Inc. Its lobby includes four on-line teller stations, safe deposit vault, conference room, private office and Family Banking Area. Its vestibule contains one of First National's new on-line ATMs permitting 24-hour banking.

In addition to the traditional bank vault and security equipment, the Mosler Safe Company provided four lanes of the most modern drive-in facility systems. The building site also provides off street parking and a time/temperature message center.

## Hawkeye Bank Sold

Volney Palmer, president of Citizens Savings Bank of Hawkeye, has announced that he has sold controlling interest (85%) of the bank to Mr. and Mrs. Clair J. Lensing of Marion, effective August 3, 1978.

Mr. Palmer came to the bank 27 years ago from the Oelwein State Bank. He has been active in banking circles including being secretary and president of the Fayette County Bankers and president of Group IV consisting of 70 northeast Iowa banks. He also served on the state council of the Iowa Bankers Association. Mr. Palmer is presently serving his second term as mayor of Hawkeye; he is secretary of the Hawkeye Telephone Co. and secretary of the Hawkeye Community Club.

Mr. Palmer will serve out the year as a consultant at the bank. Mr. and Mrs. Palmer will be replaced as president and vice president of the bank by Mr. and Mrs. Lensing, respectively.

Mr. Lensing is a former state bank examiner and is presently executive vice president of the Farmers State Bank of Marion.

## To Head Swea City Bank

Dennis P. Mittag is the new president of the Swea City State Bank. He succeeds Lee Davidson, who will serve as chairman. Mr. Davidson will remain active in the bank and will be available in an advisory capacity.

Mr. Mittag joined the bank in 1964 and recently has served as vice president.

Iris A. Koons has been appointed vice president and director. She joined the bank in 1969 and formerly was cashier.

James Rasmussen has been appointed cashier.

## Rowley Savings To Expand

Don Shields, president of the Rowley Savings Bank, has announced construction of an addition to the bank's present building.

The addition will include a vault, office, combination employe lounge and conference room, computer room, night depository and drive-up window.

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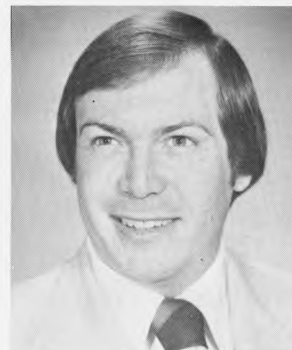
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WEST Des Moines Office Mgr. **Low Downard**, center in glasses, manages all 2CBC meetings.



**CALIFORNIA** skateboard champion explains technique to crowd of 2CBC members.

## 2 CBC

### Capital City Bank's New Youth Club

**O**PENING a new office presents a challenge to the marketing staff of any bank.

As part of its first year's promotion of its West Des Moines Office, Capital City State Bank of Des Moines began the 2CBC—Capi-

tal City Bank Club. The organization is for children from 5-15 years old.

Bank clubs, of course, are not new. But some of the reasons why banks form clubs may be new.

Many bankers realize that the size of the accounts is not large enough to be profitable and so steer away from such plans. However, Dan McGowan, vice president at Capital City State Bank, said he considers the program a good form of image advertising, something in which banks are greatly involved.

2CBC involves about 150 young people and is growing. Meetings this year, held monthly in the summer, have included a yo-yo contest and clinic and a skateboard instruction session. Future events will include a miniature golf contest and a bicycle safety clinic. Each meeting is announced in a monthly newsletter addressed to the child.

The bank hired the high school band, which was involved in a fund-raising program, to help with the initial promotion by passing out letters announcing the club's formation. This job became one of the largest contributions to the band's fund raising efforts. All in all, many people throughout the community have been associated with 2CBC.

The only membership requirement is that the child open a savings account. Eighty per cent of the club accounts are new accounts. The other 20% are children of customers. As a

bonus, about 10% of the parents have opened new accounts.

The effectiveness of image advertising is very difficult and often expensive to measure.

But the officers of Capital City State Bank think that 2CBC has not only kept their bank's name in public, but has created a very favorable and tangible image to the people of the community.

### First National of Clinton Names Assistant Cashier

The First National Bank of Clinton has announced the appointment of Mark A. Fasse as assistant cashier in the instalment loan department.

Mr. Fasse, originally from Sauk Rapids, Minn., attended Wartburg College in Waverly, Ia., graduating in 1973 with a BA degree in business administration and economics.

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Over the course of the past several years, we have become more and more involved in the design field. We have developed a team concept approach in our Design Department with an emphasis on "financial institutions". Control-o-fax offers a highly trained **and experienced** team of professionals in areas directly related to the financial institution that is contemplating a building or remodeling project.

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Our "Financial Design Team" would welcome the opportunity to conduct a survey and offer a "No Cost Preliminary Proposal" to help you plan for your bank's future.

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## Mosler Safe Will Conduct Two Anti-Crime Seminars

The Mosler Safe Company will conduct the final two of its scheduled five Anti-Crime Seminars in coming weeks. One meeting is scheduled at the Hyatt Regency O'Hare in Chicago October 18-19, the other is scheduled at the Las Vegas Hilton in Las Vegas November 15-16. Previous seminars were conducted in New York and St. Petersburg earlier in the year and one is being held in mid-September in Montreal.

During the two-day seminar, Mosler experts show how criminals can crack a record safe in less than one minute, how they can compromise electronic alarm systems, show how bombs can be planted on business premises, display the latest techniques in "bunco" operations—then provide information on how to cope with or defeat these crimes and assaults.

The first day program includes sessions on safes and vaults, methods of defeat, safecracking demonstration, the burning bar, burning bar demonstration, alarm systems, defeat techniques, and photo surveillance equipment and techniques.

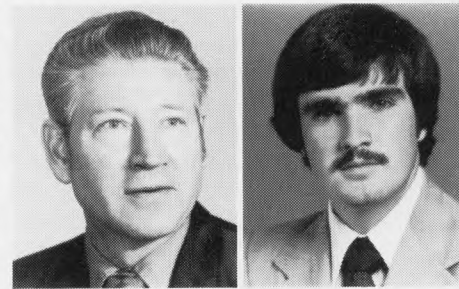
The second day will feature the Bank Protection Act, bank vault and

night depository construction, confidence schemes, bomb threats, and executive kidnap and extortion.

The registration fee for one day is \$125; for both days it is \$210.00. Information on the seminars may be obtained from Robert R. Rosberg of The Mosler Safe Company, 1561 Grand Blvd., Hamilton, O., 45012 (513-867-4336).

## To Travel Iowa/Missouri

Stephen M. Carron of Iowa City has been named associate area director for Financial Institution Services, Inc., Nashville, according to Lorne Newhouse, area director for Iowa and Missouri.



L. R. NEWHOUSE

S. CARRON

Mr. Carron will assist Mr. Newhouse in sales and service of BanClub and other service provided by the firm. Mr. Carron is a native of the Quad Cities, and was graduated

from Augustana in Rock Island. He has been engaged in insurance and sales work since graduation from college.

## IRA - Keogh Seminars

Seminars on Individual Retirement Accounts and HR-10 Keogh Plans are being scheduled in Iowa, Minnesota, Nebraska, South Dakota and North Dakota. Conducting the seminars in cooperation with the state bankers associations will be Collin W. Fritz, banking consultant, Des Moines.

Five all-day seminars have been scheduled for Iowa in October as follows:

Oct. 3-Hilton, Sioux City.

Oct. 4-Holiday Lodge, Clear Lake.

Oct. 10-Ramada Inn, Dubuque.

Oct. 11-Sheraton, Cedar Rapids.

Oct. 12-Holiday Inn Downtown, Des Moines.

Each meeting starts at 9 a.m. and will conclude at 3:30 p.m. Registration fee will include luncheon, sample forms and related materials.

Meetings in the other states will be announced at an early date in the Northwestern Banker Weekly Newsletter after each state association makes final arrangements.

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# INSIGHTS '79 is coming your way.

We're pleased to announce that plans for INSIGHTS '79 are now underway. In order to make these state-wide sessions as informative as our previous INSIGHTS conferences, we'd like to incorporate your ideas.

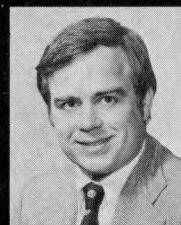
Topics for the seminar will include funds management, long-range planning, personnel and marketing. But, we'd like to hear from you. Your input will help us tailor the presentation to additional areas that will be specifically helpful to you and your bank.

While you're in Des Moines for the Iowa Bankers Convention, please take a minute to share your thoughts with us so we can make INSIGHTS '79 the best ever . . . for you.

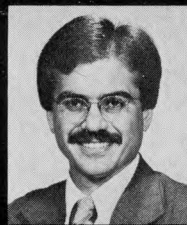
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