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APRIL
1980



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- Nebraska Convention Program

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ON THE COVER

New officers of the Independent Bankers Association of America are pictured at the top of Nob Hill in San Francisco beside one of the city's famed cable cars. In the background is the city's business district skyline and the Oakland Bay Bridge. Left to right are: W. C. Bennett, 1st vice pres.; Robert L. McCormick, 2nd vice pres.; Thomas F. Bolger, pres., and Robert H. Fearon, Jr., treasurer. Complete story with pictures about the IBAA convention starts on page 30.

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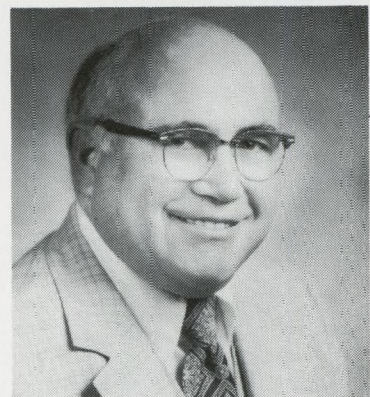


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James W. McBride, President
Nebraska Bankers Association



NORTHWESTERN BANKER

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AMERICA'S FULL SERVICE BANKERS

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Convention Calendar

ABA—American Bankers Association
AIB—American Institute of Banking
BAI—Bank Administration Institute
BMA—Bank Marketing Association
IBAA—Independent Bankers Association of America
NABW—National Association of Bank Women, Inc.
RMA—Robert Morris Associates

National Conventions & Schools

Apr. 13-16—ABA National Instalment Credit Conference, Sheraton Park, Washington, D.C.
Apr. 23-25—ABA Governing Council Meeting, The Greenbrier, White Sulphur Springs, W. Va.
Apr. 27-30—ABA National Marketing Conference, Americana Bal Harbour, Miami Beach.
Apr. 27-30—Conference of State Bank Supervisors Annual Convention, MGM Grand Hotel, Las Vegas.
April 27-30—ABA Sales Training for Correspondent Bankers Seminar, Hyatt Regency, San Francisco, Calif.
May 1-4—IBAA Seminar-Workshop on Bank Ownership, Boca Raton Hotel & Club, Boca Raton, Fla.
May 7-10—NABW Western/Rocky Mountain Regional Conference, Doubletree Inn, Tuscon, Ariz.
May 11-14—ABA Northern Regional Bank Card Conference, The Fairmont Hotel, New Orleans.
May 11-16—ABA Community Bank CEO Program, Houstonian Inn, Houston, Tex.
May 15-18—IBA, 12th Seminar/Workshop on Bank Ownership, Hilton Inn, Clearwater Beach, Fla.
May 15-18—NABW Northwestern Regional Conference, Red Lion Motor Inn, Portland, Ore.
May 18-21—ABA National Operations & Automation Conference, New York Hilton and Sheraton Centre, New York City.
May 24-29—AIB Annual Convention, Hyatt Regency, New Orleans.
May 25-30—BMA School of Trust Sales and Marketing, University of Colorado, Boulder.
May 25-June 6—BMA School of Bank Marketing, University of Colorado, Boulder.
May 31-June 6—ABA National and Graduate Schools of Bank Investment, University of Illinois, Urbana, Ill.
June 5-7—Assn. of Bank Holding Companies 22nd Annual Meeting, Williamsburg Inn, Williamsburg, Va.
June 16-18—NABW Tri-Regional Conference, (North Central, Lake and Midwest regions) Pfister Hotel and Tower, Milwaukee, Wis.
July 19—AIB Dist. 11 Leaders Conference, Ramada Inn (Airport), Milwaukee, Wis.

State Conventions & Schools

Colorado:

June 5-7—Colorado Bankers Association

79th Annual Convention, Broadmoor Hotel, Colorado Springs.

Aug. 3-15—CBA School of Banking, University of Colorado, Boulder.

Illinois:

June 8-10—Illinois Bankers Association 89th Annual Convention, Stouffer's Riverfront Towers, St. Louis, Mo.

June 8-14—IBA Agricultural Lending School, Illinois State University, Normal.

June 11-14—IBA Advanced Agricultural Lending Clinic, Illinois State University, Normal.

Aug. 17-23—IBA Consumer Lending School, Eastern Illinois University, Charleston.

Nov. 19-20—IBA 35th Annual Bank Management Conference, Holiday Inn, Decatur.

Iowa:

April 24-25—IBA and NABW Management Process Seminar, Eddie Webster's, West Des Moines.

May 5—Gp. 8, Davenport.

May 6—Gp. 4, Dubuque.

May 7—Gp. 7, Marshalltown.

May 8—Gp. 3, Clear Lake.

May 19—Gp. 5, Council Bluffs.

May 20—Gp. 6, Des Moines.

May 21—Gp. 2, Fort Dodge.

May 22—Gp. 12, Okoboji.

June 9-20—Ag Credit School, Iowa State University, Ames.

June 15-20—Iowa School of Banking, University of Iowa, Iowa City.

July 17-19—Iowa Independent Bankers 9th Annual Convention, The New Inn, Lake Okoboji.

Sept. 21-23—94th Annual Convention, Civic Center, Des Moines.

Minnesota:

Apr. 22-23—Lending Conference, Radisson Hotel, St. Paul.

April 29-30—Word Processing Association of Minnesota's 1980 Symposium and Exhibition, Leamington Hotel, Minneapolis.

May 5-8—Washington Legislative Trip.

June 16-17—90th Annual Convention, Duluth Arena Auditorium, Duluth.

June 22-27—Minnesota School of Banking, St. Olaf College, Northfield.

Montana:

May 2—MBA Gp. 6, War Bonnet Inn, Butte.

May 3—MBA Gp. 7A, Riverside Country Club, Bozeman.

May 5—Gps. 2 and 7B, Crossroads Inn, Miles City.

May 6—MBA Gp. 4, Golden Wheel Night Club, Plentywood.

May 8—MBA Gps. 5A and 5B, Yogo Inn, Lewistown.

May 9—MBA Gp. 1, Marias Valley Golf Club, Shelby.

May 10—MBA Gps. 3A and 3B, Outlaw Inn, Kalispell.

May 22-23—MBA Trust Conference, Sheraton, Great Falls.

June 25-27—77th Annual Convention,

Broadmoor Hotel, Colorado Springs, Colo.

Nebraska:

Apr. 8—Teller Training Symposium, Norfolk.

Apr. 9—Teller Training Symposium, Omaha

Apr. 10—Teller Training Symposium, Lincoln.

May 4-6—83rd Annual Convention, Hilton Hotel, Omaha.

June 7-11—Washington Legislative Visit.

North Dakota:

April 8-9—Consumer Credit Conference, Kirkwood Motor Inn, Bismarck

April 16-18—NABW State Convention, Kirkwood Motor Inn, Bismarck.

May 19-20—95th Annual Convention, Kirkwood Motor Inn, Bismarck.

June 8-13—School of Banking, University of North Dakota, Grand Forks.

June 25-27—NDBA Upper Midwest Agricultural Credit Conference, Medora.

Sept. 17-19—Ind. Bankers Annual Convention, Ramada Inn, Minot.

South Dakota:

May 11-13—88th Annual Convention, Howard Johnson's, Rapid City.

Oct. 22-23—SDBA Economics Seminar, Holiday Inn, Mitchell.

Oct. 9-10—SDBA Instalment Credit Conference, Sheraton Hotel, Aberdeen.

Wyoming:

Apr. 20-22—Biennial Washington Trip.

June 11-13—72nd Annual Convention, Jackson Lake Lodge, Moran.

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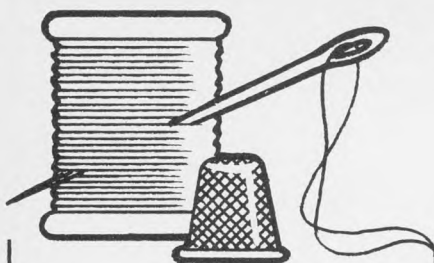
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Bank Promotions

PROMOTIONS and other changes have been announced by the following banks:

Commerce Bancshares, Inc., Kansas City: Thomas E. Bishop Jr. has been named vice president in the loan administration department responsible for the holding company's loan review department and commercial lending. He joined Commerce Bank of Kansas City, N.A., as an assistant vice president in charge of commercial lending in the correspondent division. Mr. Bishop has a BS degree and an MBA from the University of Kansas.

Five new officers have been named at the Commerce Bank of Kansas City. Price B. Blackwell, who joined the bank in January, 1979, was appointed a commercial banking officer in the national department.

Bradley L. Blevins and Janet M. Fink were named consumer banking officers in the retail department. Mr. Blevins joined the bank in 1973 and Ms. Fink has been with Commerce for seven years.

Stephen L. Hallier and Martha S. Tush were named operations officers. Mr. Hallier becomes manager of the exception processing department. He has been with the bank since 1976. Ms. Tush, with the bank for 15 years, is transit manager in the check processing department.

The First National Bank of Chicago: Stanley A. Latham and Colin C. Johnston have been promoted to head divisions within the correspondent banking group of the commercial banking department.

Mr. Latham, a vice president, will head the east central division, covering Illinois, Indiana and Michigan. Mr. Latham joined First Chicago in 1973 as an equity analyst in the trust department and later served in the correspondent banking group. His most recent assignment was in the Atlanta regional office.

Mr. Johnston, also a vice president, will become head of the west central division, which includes Wisconsin, Iowa, Kansas, Missouri, Minnesota, Nebraska, Colorado, Kentucky, North and South Dakota, Wyoming and Montana. Mr. Johnston joined First Chicago in 1964 and

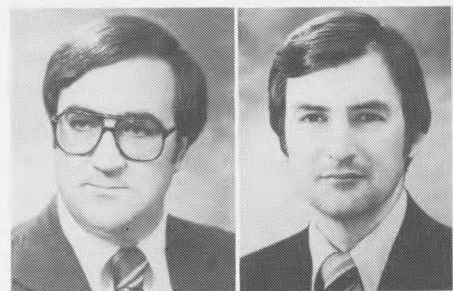
has held several positions within the bank and its subsidiaries, most recently in the worldwide loan administration and review section.

First National Bank of Kansas City: Promotions include Steven O. Stoecker to assistant vice president and Sally Platt to assistant cashier.

Mr. Stoecker is a commercial loan officer in the metropolitan division. He joined the bank in January after an association with Commerce Bank of Kansas City. He has a BS and MBA from the University of Missouri-Columbia.

Ms. Platt joined the bank in 1967 and was most recently coordinator of the human resources area, a computerized payroll system. She has a BS from Kansas University-Lawrence.

First National Bank in St. Louis: William L. Rives, vice president and manager of the bank's data processing department, has been re-elected to a second term as president and chairman of the MidAmerica Payments Exchange. MAPEX is the Automated Clearing House Association for the 8th Federal Reserve District.



W. L. RIVES

H. E. MAYSE

Five bank employees have received advancements: William H. Broderick III and Harold E. Mayse, assistant vice president; Wendell T. Bollinger, data processing officer, and Susan L. Krieg and John M. Mikenis, commercial banking officer.

Mr. Broderick, a member of the credit department, joined the bank in 1976. He has an MBA degree in finance from Washington University. Mr. Mayse joined the electronic data processing department in 1969. He has a BS degree from Southwest Missouri State College.

Mr. Bollinger, who has an MBA

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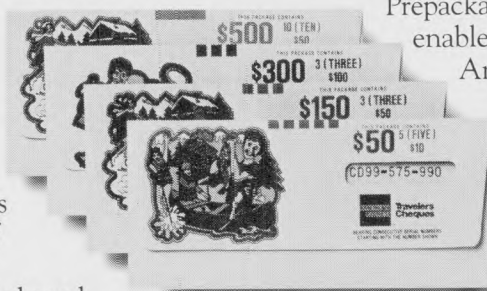
required, completely eliminating the need for assembling and counting loose cheques.

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American Express of travelers cheques



short lines.

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The Express Pac system offers automatic replenishment of inventories and supplies. And early indications suggest

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| \$100 FIVE 20C CHEQUES | \$200 TEN 20C CHEQUES |
| \$5C CHEQUES | |
| \$150 THREE 50C CHEQUES | \$250 FIVE 50C CHEQUES |
| \$10C CHEQUES | |
| \$300 THREE 10C CHEQUES | \$500 FIVE 10C CHEQUES |
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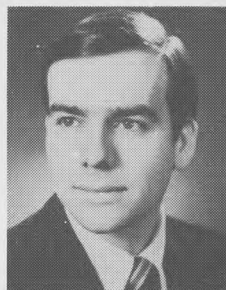
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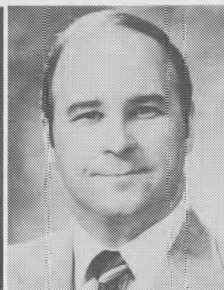
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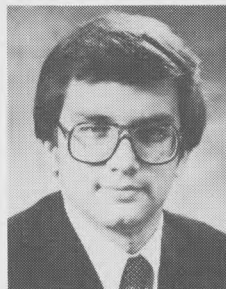
W. T. BOLLINGER



C. M. BLISS



B. K. WEST



J. M. MIKENIS



S. L. KRIEG

degree in management from St. Louis University, joined the bank in February. He was formerly manager of the accounting department at the Federal Reserve Bank of St. Louis.

Ms. Krieg and Mr. Mikenis both joined the bank as credit analysts in 1977. Last year they transferred to the special industries department.

First Stock Yards Bank of St. Joseph, Mo.: Bob Azelton Jr. recently

joined the bank as agricultural representative, according to H. H. Broadhead Jr., chairman. Most recently Mr. Azelton was farm service director at KFEQ Radio in St. Joseph. He has been involved in ag-related activities for six years in Missouri, Iowa, Nebraska and Kansas and has a BS degree in business from the University of South Dakota.



B. AZELTON

Harris Bankcorp, Chicago: Announcement of the retirement of Stanley G. Harris Jr. as chairman and other top management changes was made at the annual meeting of stockholders last month.

Mr. Harris, who will be 62 in June, will take



S. G. HARRIS

early retirement June 30. Charles M. Bliss, chief executive officer, will become chairman of the Harris Trust and Savings Bank and its holding company, Harris Bankcorp, effective July 1.

Succeeding Mr. Bliss as president of the bank and holding company, effective July 1, is B. Kenneth West, executive vice president and head of the banking department.

Mr. Harris, who will continue as a member of the board of directors of the bank and holding company, is a 35-year veteran of the bank. He is grandson of Norman Wait Harris, who in 1882 founded the investment banking firm, N.W. Harris & Company, predecessor of Harris Bank. Harris is the fourth in his family to serve as chairman. Beside his grandfather, the others were his uncle, Albert W. Harris, and his father, Stanley G. Harris.

Mr. Harris joined the bank in 1944, working first in the credit division. He became a director of the bank in 1962, senior vice president in 1966, vice chairman in 1971 and chairman in 1977.

Like Mr. Harris, Mr. Bliss, 58, joined the bank in 1944 and became chief executive officer in 1977.

Mr. West, 46, joined Harris in 1957 and headed the international banking group until he became banking department head in 1976. A Phi Beta Kappa graduate of the University of Illinois, he has been executive vice president since 1977 and a director since 1979.

Richard O. Ristine Jr. has been appointed commercial banking representative in the national accounts division of Harris Bank, Chicago, where he is responsible for services to correspondent banks and corporations in Iowa, Indiana and Kentucky.

He graduated



R. O. RISTINE



**Long-distance.
Sometimes it's better than being there.**



Northwestern Bell

in 1970 from Coe College, Cedar Rapids, Iowa, and later served as a bank examiner for the Federal Reserve Bank of Chicago and his travel assignments included many Iowa bank examinations.

Mr. Ristine joined Harris in 1976 as a municipal bond salesman. He transferred to commercial banking last April, where he joined Jim Hill and other members of the Harris Iowa team.

National Boulevard Bank of Chicago: Richard B. Stebbins was elected a senior vice president, and Timothy G. Towle was named a vice president, according to Henry K. Gardner, president.

Mr. Stebbins will head the commercial department, divisions A, B &



R. B. STEBBINS

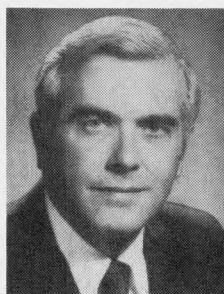
T. G. TOWLE

C, correspondent bank, real estate, executive loan, credit and consumer credit department. He joined National Boulevard with 15 years banking experience, most recently as vice president and manager of the energy industries group at The First National Bank of Chicago. He has a BA from Hamilton College, Clinton, N.Y., and an MA in international economics

from Fletcher School of Law and Diplomacy.

Mr. Towle joined the bank's consumer credit department in 1977 and most recently served as an assistant vice president. He is a graduate of Southern Illinois University with a BS degree in finance. Prior to joining the bank he headed dealer credit operations with GMAC in Brookfield, Wis.

Northern Trust Corporation, Chicago: Harold B. Smith Jr. has been nominated for election to the board of directors. He is president and a director of Illinois Tool Works, Inc. Under the corporation's retirement policy for directors, Douglas R. Fuller and Harold Byron Smith will not stand for re-election.



H. B. SMITH JR.

It is planned that the senior Mr. Smith will become honorary director and Mr. Fuller will join the directors advisory council. Both men have served on the board since its inception in 1971. Mr. Fuller also was vice chairman until his retirement in 1975.

At the subsidiary Northern Trust Company, the following promotions and new appointments were announced:

Promoted to vice president in the trust department were Ronald D.

Harkness, probate division, and Carolyn L. Sachs, personal financial planning. In the banking department, Frank H. Creamer was named second vice president and petroleum engineer.

Promoted to second vice president in the operating department were David K. Barclay, Daniel A. Ericson, John T. Gatesy and Linda H. Higinbotham. Harold L. Cleal was promoted to second vice president in the farm acquisition area of the trust department.

United Missouri Bank of Kansas City, N.A.: R. Crosby Kemper, chairman and chief executive officer, has announced the promotion of one executive vice president and four senior vice presidents.

Michael T. Fleming has been promoted to executive vice president in charge of business development. A 1969 graduate of the University of Missouri-Kansas City, Mr. Fleming joined United Missouri in 1970.

Michael R. Hart has been promoted to senior vice president in business development. He has an MBA from Kansas University. Mr. Hart joined United Missouri in 1972.

David D. Miller has been promoted to senior vice president and trust counsel. After receiving a masters in accounting and a law degree from Kansas University, Mr. Miller joined United Missouri in 1965.

Barbara A. Carlson has been promoted to senior vice president in the investment division. She joined United Missouri in 1957 and is a 1978 graduate of the Graduate School of Business Administration, Public Finance Institute.

Stephan P. Blackburn has been promoted to senior vice president and assistant manager of the correspondent banks division. He has a masters degree in agricultural economics. Previously with Central Soya Company, he joined United Missouri in 1973.

New ABA Executive For Communications

James E. Lodge has been named executive director of the American Bankers Association's communications group, Executive Vice President Willis W. Alexander announced.

Mr. Lodge joined the ABA in May, 1973, as associate director of the operations and automation division. He was named director of the division in March, 1974.

—Our 60th Year—
THE CROP HAIL PROTECTION
FARMERS PREFER

STATEMENT OF CONDITION At Close of Business December 31, 1979

ADMITTED ASSETS

| | |
|------------------------------|-----------------------|
| U.S. Government Bonds | \$5,726,896.70 |
| Other Bonds | 1,183,775.72 |
| Stocks | 118,638.00 |
| Accrued Interest, ect. | 100,593.16 |
| Cash in Bank and Home Office | 366,542.23 |
| Total Admitted Assets | \$7,496,445.81 |

LIABILITIES

| | |
|-------------------------------------------|-----------------------|
| Reserve for Federal and State Taxes | \$ 202,012.52 |
| Other Liabilities | 620,537.50 |
| Total Liabilities | <u>\$ 822,550.02</u> |
| Funds for Policyholder Protection | 6,673,895.79 |
| | <u>\$7,496,445.81</u> |

Securities carried at \$401,777.93 in above statement are deposited with public authorities as required by law.

SQUARE DEAL INSURANCE COMPANY
DES MOINES, IOWA 50308

Mutual

A CLASSIC.



LeFebure builds value, security and reliability into its handsome Series 5000 vault door.

Here is classic beauty to complement virtually any decor, plus the vault protection your customers expect ... and at an affordable price.

This polished, stainless-steel-clad door is accented by a black and stainless handle which activates a full length locking bar. Suspended on linear bearings, the locking bar moves easily, permitting the door to swing at a touch.

Dual spyproof combination locks are accented with black inserts. The 120-hour time lock and anti-lock-in mechanism are concealed beneath a full-length hinged cover. When this cover is closed it provides a smooth, uncluttered look.

The door has exclusive Monolithiguard® torch and drill protection over the locking mechanism, and torch attack-resistant material over the entire surface. It is U/L listed and meets all specifications of the Bank Protection Act and the Insurance Service Office requirements.

You can choose from four different architraves. Ask your LeFebure Sales Engineer to tell you more.

LeFEBURE

Division of Walter Kidde & Company, Inc.

KIDDE

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SHREWD BUYERS AUTOMATE WITH AUTOMATIC COIN WRAPPERS



AUTOMATIC COIN WRAPPERS

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- *Patented Red Bordered Windows automatically indicate the total amount and denomination of contents.
- Diameter of coin automatically positions value of contents in red window openings.
- Save time for tellers, buyers, stockkeepers and depositors. Eliminate errors.
- For years a favorite with leading banks and financial institutions.
- Wrap all coins from 1¢ to \$1.00 in following amounts:

| | |
|----------------|------------------|
| 50¢ in pennies | \$10 in quarters |
| \$2 in nickels | \$10 in halves |
| \$5 in dimes | \$20 in dollars |
- Packed 1,000 to a box. Tapered edges. Available Imprinted. For details on* other high quality "Steel-Strong" Coin Handling Products, call your dealer or send coupon.

The C. L. DOWNEY COMPANY / HANNIBAL, MISSOURI, DEPT. N

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Firm _____

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AROUND MONEY THE FINEST IS "STEEL-STRONG"

Truth in Lending Guidelines Illegal

Guidelines issued for the enforcement of the Truth in Lending Act by the federal banking regulatory agencies have no legal effect on banks, the U.S. District Court for the District of Columbia ruled February 28.

However, because requests made to banks by the regulatory agencies to search their loan records for possible Trust in Lending Act violations and to make reimbursements to their customers are requests and not orders, the Court dismissed a legal challenge of the enforcement guidelines which was lodged by the American Bankers Association last August.

In other words, because the agencies' instructions to banks to make record searches and reimbursements are not legally binding, they cannot be challenged in a court of law. The Court said: "If a bank should refuse to implement a guidelines principle—by failing to search its records, by failing to make reimbursements, or otherwise—no action can or will be taken against it as a result of the guidelines . . ."

Deluxe Check Applies For New York Exchange

Deluxe Check Printers, Inc. announced recently that it will file an application for the listing of its common shares on the New York Stock Exchange. It expects that the formal application procedures will be completed early in May, 1980, and that its shares will then be cleared for trading on the Exchange under the symbol "DLX."

The company presently has 11,450,520 shares outstanding.

"Bankbook '80" Available

"Bankbook '80," a catalog of educational programs for professional banking, has been published by Bank Administration Institute. Developed as a planning guide for banker education, the catalog provides a complete listing of the Institute's educational opportunities and briefly describes each program.

For more information, or to obtain a copy of "Bankbook '80," contact the Education Development Division, Bank Administration Institute, 303 S. Northwest Highway, Park Ridge, Ill. 60068.

Corporate

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

Brandt, Inc., Watertown, Wis.: James A. Wilgus has been named to the newly-created position of major accounts manager, and Jack R. Luebeck has taken Mr. Wilgus' former position as western regional field sales manager, according to Kenneth H. Flitz, vice president-sales.



J. R. LUEBECK

J. A. WILGUS

Mr. Wilgus joined Brandt in 1976 as a region marketing manager after earlier service with IBM and Union Carbide. As major accounts manager he takes responsibility for management of the company's major and national account sales, serving as liaison with manufacturer and field sales organization. He has a BS degree in marketing from the University of Illinois.

Mr. Luebeck joined Brandt in 1978 as a product sales manager with responsibility for introducing the company's new cash settlement system for banks and retail stores. Formerly associated with IBM, he has a BS degree from the University of Wisconsin-Madison and an MS from UW-Milwaukee.

Daktronics, Inc., Brookings, S.D.: Dave Walkenbach has been promoted to regional manager for coordinating company activities in Kansas, Missouri, Iowa and Nebraska. He was formerly with McDonnell Doug-



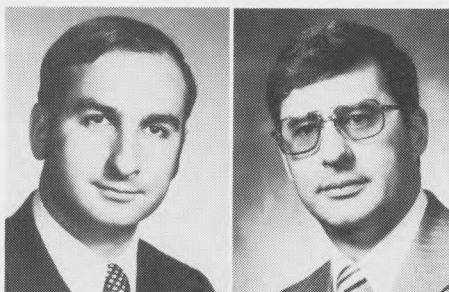
D. WALKENBACH

D. POHL

las before joining Daktronics in 1978. He resides in Columbia, Mo.

Dennis Pohl has been named district sales manager in Kansas and Nebraska. A Kansas native, he attended Emporia State and the University of Kansas-Lawrence, where he will reside. He formerly was a golf pro at several country clubs and has competed in PGA events.

Diebold, Incorporated, Canton, Ohio: Ernesto R. Unanue has been appointed managing director, international division (worldwide), and Frank G. D'Angelo was named vice president, bank systems division, and general manager of automatic banking systems and services, it was announced by Earl F. Wearstler, executive vice president.



E. R. UNANUE

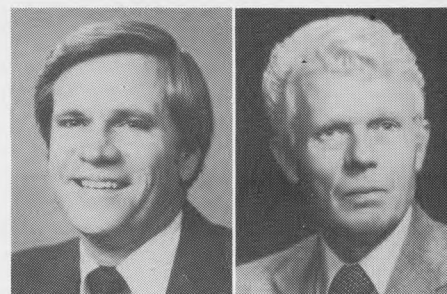
F. G. D'ANGELO

In addition to his current duties covering the Latin American and Caribbean operations, Mr. Unanue will assume the balance of Diebold's international division functions. He joined the firm in 1972 and was named general sales manager of the international division in 1978. He has a BS degree in industrial engineering from the University of Houston.

Mr. D'Angelo joined Diebold last May as general manager of Total Automatic Banking Systems (TABS) Support Services. He formerly held various management positions with the Burroughs Corp. and has an AA degree from Santa Barbara (Calif.) City College.

LeFebure, Cedar Rapids, Ia.: Fredrick Girbert has been appointed manager of the St. Louis branch, and Richard Wilson was named a sales engineer.

Mr. Girbert will supervise both sales and service for the territory including eastern Missouri, southern Illinois and portions of Indiana and



F. GIRBERT

R. WILSON

Kentucky. He joined the firm in 1968 and was most recently a sales engineer in the Columbus branch.

Mr. Wilson will be operating out of Cedar Rapids concentrating on a 19-county market area in south central Iowa, including the markets of Des Moines, Ames and Marshalltown. A Des Moines resident, he has had extensive sales and sales management experience.

Lincoln Benefit Life, Lincoln, Neb.: Two marketing professionals have joined the firm, according to C.T. "Cemy" Young, president.

A. J. "Tony" Czerwinski, vice president-agency, will manage LBL's six-man regional staff over 22 states from Indiana to Oregon and be responsible for agency expansion and sales growth. He was formerly area sales manager for Fireman's Fund American Life and regional sales director at Midland National Life.

Robert E. Main, vice president-special markets, will develop sales arrangements of the firm's life/disability/annuity products in special markets. He also will have duties as company representative in Indiana and southern Illinois. He formerly was vice president-payroll deduction division of Underwriters International, Inc. and with All American Life & Casualty Co.

Northwest Computer Services, Inc., Minneapolis, Minn.: David Van Lear has been named executive vice president, and Michael J. Jensen was named vice president and controller of NCS, the data processing subsidiary of Northwest Bancorporation.

Mr. Van Lear had been vice president and controller since 1977. Since joining the company in 1969, he has been project analyst, accounting manager and assistant controller. He is a graduate of San Diego State University.

Mr. Jensen had been controller since 1977 and has held various positions since joining NCS in 1970. He is a graduate of the University of Iowa.

FDIC Challenges Labor Department

BECAUSE only the Federal Deposit Insurance Corporation can withdraw a bank's deposit insurance, the FDIC opposes a regulation proposed by the Department of Labor's Office of Federal Contract Compliance Programs that would permit withdrawal of deposit insurance for violation of the provisions of Executive Order 11246. This executive order requires that "government contracts" provide that the contractor cannot discriminate in its employment practices based on a person's race, color, religion, sex or national origin.

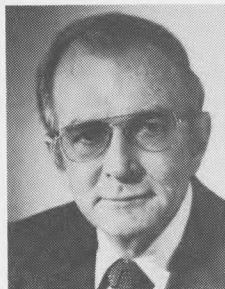
The FDIC's position on the proposed regulation was set forth in written comments to OFCCP by Chairman Irvine H. Sprague.

OFCCP has clarified its proposed rules and stated that, as a matter of "enforcement policy," it will not terminate a bank's deposit insurance. This clarification was issued by OFCCP following discussions with the staffs of the financial institutions regulatory agencies, including the FDIC. The FDIC views this action by OFCCP as a positive step. However,

such an amendment does not assure continued protection to depositors because the agency's "policy" may change in the future and the FDIC does not want it to appear that, through inaction, it agrees with OFCCP.

Heads Chicago Area Scout Fund Drive

Michael E. Tobin, chairman of the board and chief executive officer of American National Bank & Trust Company of Chicago, was named general chairman of the \$4 million Chicago Area Council Boy Scouts of America Capital Campaign. According to Henry A. Johnson, Chicago Area Council president and chairman and chief executive officer of Spiegel, Inc., income from the campaign will be used to support and improve the Boy



M. E. TOBIN

Scout camping program.

Approximately \$2,400,000 will be spent to modernize camp properties and to construct new camping facilities. An additional \$1 million will be invested in a long-term endowment fund, the interest from which will finance more than 2,000 camperships for underprivileged Scouts, Cubs, Webelos and Explorers, as well as special scouting programs for the handicapped and juvenile offenders. The theme of the campaign will be "How Far Can An Eagle Fly?," and is scheduled to run through May 31 of this year.

Opens Singapore Office

At formal ceremonies opening the Singapore representative office of First National Bank in St. Louis, Edwin S. Jones, chairman of the bank's executive committee said, "We expect Asia, in general, and Southeast Asian countries, in particular, to enjoy unprecedented growth over the next four decades."

He added that the bright potential in Asian investments and trade with the U.S. was one of the major factors in the bank's decision to establish the office in the Republic of Singapore.



87th ANNUAL FINANCIAL STATEMENT

DECEMBER 31, 1979

ADMITTED ASSETS

| | | |
|--------------------------------------------|--------------|---------------------|
| Bonds: (Amortized) | | |
| Government | \$23,276,652 | |
| State, County and Municipal | 27,802,766 | |
| All Other | 5,249,384 | \$56,328,802 |
| Stocks: (Market-N.A.I.C.) | | |
| Preferred | \$ 54,275 | |
| Common | 527,141 | 581,416 |
| Real Estate—Including Home Office Building | | 924,780 |
| Cash and Bank Deposits | | 929,131 |
| Agents Balances and Reinsurance Receivable | | 8,326,296 |
| Interest Due and Accrued | | 1,112,612 |
| All Other | | 281,568 |
| TOTAL | | \$68,484,605 |

LIABILITIES AND SURPLUS

| | |
|---------------------------------------|---------------------|
| Reserves for | |
| Losses and Loss Expense | \$ 9,771,174 |
| Contingent Commissions | 4,144,437 |
| Taxes (Other than Federal Income) | 661,143 |
| Federal Income Tax | 1,026,822 |
| Unearned Premiums | 6,348,671 |
| Funds Held Under Reinsurance Treaties | 567,499 |
| Reinsurance Balances Payable | 3,679,343 |
| All Other | 505,709 |
| TOTAL LIABILITIES | \$26,704,798 |
| Surplus as Regards Policyholders | 41,779,807 |
| TOTAL | \$68,484,605 |

ALBERT RUTLEDGE, President

DALE DEN HARTOG, Treasurer

PERRY RUTLEDGE, Vice President & Secretary

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An American-Standard Company

Hamilton, Ohio 45012

Northwestern Banker, April, 1980

Chicago Office of Manufacturers Hanover

MANUFACTURERS Hanover Corporation, the New York-based holding company, has announced the opening of a full-service commercial financing office in Chicago. The office will be the mid-western regional office for Manufacturers Hanover Commercial Corporation (Delaware), an asset-based financial services subsidiary of MHC, formed in July, 1979.

"We believe that our commercial

financing activities provide the greatest opportunities for expansion now," said S. Arnold Hickox, president of MHCC, the fifth largest factor in the U.S. "Our Chicago office will afford us added flexibility, increase our competitive advantage and enable us to offer better service to our clients."

The new Chicago office, located at 100 S. Wacker Drive, is headed by Richard N. Lovett Jr., vice president.

Check Truncation Could Save Banks \$1 Billion

The formation of a national check truncation system could save the banking industry at least \$1 billion by putting an end to the 80-year-old practice of returning checks to customers, the cashier of the nation's seventh largest bank said in Dallas last month.

Speaking to members of the Bank Marketing Association, Joseph P. Coriaci, senior vice president and cashier of Continental Bank of Chicago, said the \$1 billion cost savings estimate was a "conservative" figure.

"We are clearly dealing with a product whose time has arrived," Mr. Coriaci said about truncation. "We aren't sure what the final form will be, but we do know that if interest, commitment, and a willingness to participate mean anything, a positive system, beneficial to our customers and ourselves, is going to evolve," he said.

Truncation, the non-return by banks and other financial institutions of checks or other check-like instruments, is currently practiced by more than 22,000 credit unions nationally. More than 25 banks in the U.S. also are practicing some form of truncation with their own checks, just as the federal government has with checks drawn on the Treasury.

Since the introduction of share drafts, the check-like product handled by credit unions, the number of non-return items has grown to 20 million per month. Mr. Coriaci said the spread of "NOW" accounts, another check-like product on which interest is paid, will practically necessitate a non-return policy to help banks offset the added cost of paying interest.

Mr. Coriaci, head of the American

Bankers Association task force committee studying the non-return of checks, said the group has developed a check truncation pilot program tentatively scheduled to begin April 1. The pilot program, expected to run about 18 months, will focus on corporate dividend checks that will be handled by about 40-50 check-processing banks. Also participating will be about 40-50 corporations that will issue the checks.

Bank of China Sells First Chicago Visa Cheques

The Bank of China has agreed to sell First Chicago VISA Travelers Cheques, according to Richard C. Gallagher, president of First Chicago Cheque Corporation, who said the cheques will be cashable at Bank of China branches throughout the country as well as at the bank's ex-

change centers in hotels, airports, train stations, guesthouses and friendship stores in all major cities.

VISA Travelers Cheques that are sold by the Bank of China will carry the name of First Chicago in the upper left-hand corner. They will, therefore, have the same acceptability as any other First Chicago VISA Travelers Cheque and will clear through normal U.S. check clearing systems, Mr. Gallagher said. He noted that First Chicago Cheque Corporation, as issuer and obligor, bears the liability for any lost or stolen cheques.

FDIC Names Thompson

The board of directors of the Federal Deposit Insurance Corporation has announced the selection of Quinton Thompson as director of the FDIC's Division of Bank Supervision. He succeeds John J. Early, who is retiring.

Mr. Thompson's appointment is effective May 12, 1980. The board named Robert V. Shumway, director of the corporation's Columbus, Ohio, region, to serve as acting division director until that date. Mr. Early, who served as division director since August, 1975, concludes a 31-year career with the FDIC.

As DBS director, Mr. Thompson assumes responsibility for the corporation's supervision of the nation's 9,252 state-chartered banks which are not members of the Federal Reserve System.

New Computer to Aid Correspondents

A NEW IBM 3032 computer—equal in power to all other machines in the bank—has been installed by the American National Bank & Trust Company, Chicago.

With the new unit, which will be a bridge to still larger computers in the future, more program capability will be handled by fewer central processing units. There now are four computers at work. With the 3032, there will be needed only three and eventually there will be but two—with far more job capacity than the existing quartet.

Currently, the bank's computers are running full time—24 hours every day of the week—with some 8,000 separate programs servicing all bank work: check processing, credit card accounts, instalment and commercial loans, American National Educational Corporation (educational loan

servicing subsidiary), and all financial reports.

Adding exponentially to the greater computer strength are two new laser printers which went on line in late 1979. The new lasers will increase printing speed from 1,500 to 10,000 lines per minute! That's approximately 40 pages of double-spaced typewriting.

Laser printing will provide clean, clear type on 8½ x 11 pages, replacing the cumbersome, wallpaper-size rolls of computer printout sheets.

This output will make meeting deadlines far more precise, particularly benefitting correspondent bank business and materially enlarging service capability for such customers.

To optimize the efficient use of these electronic additions, the bank's upper floor underwent major rearrangement.



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- ★ **Alex Neale**, Washington Consultant
- ★ **Bob Heckman**, President, Combined Resources, Inc., Dallas, Texas
- ★ **Dr. Bill Stroud**, Bank Employee Training Specialist
- ★ **Jack Holloway**, Director of Marketing, The DeKalb Bank, DeKalb, Illinois
- ★ **Bobby Richardson**, former New York Yankee great
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B of A Initiates Pilot ATM Program

BANK of America, San Francisco, recently initiated a pilot automated teller machine program which could lead to one of the largest bank-owned ATM networks in the world.

John M. Mickel, executive vice president in charge of the bank's electronic banking services division, said the bank initially placed 28 ATMs at 23 branches in Santa Clara County. Installation of the units began this past summer, and they were expected to be put into operation in November.

Customers will be able to use most of the ATMs for 18 hours a day, seven days a week. They will be installed in the exterior walls and drive-up facilities of branches. Two branches will have ATMs that will not be accessible after office hours, because the units will be located inside the branch

lobbies.

George C. Strohl, senior vice president in charge of the bank's retail marketing, systems and product development, and responsible for the ATM program, announced that the ATMs for Santa Clara are being produced by Diebold, Incorporated, of Canton, Ohio, and are named "Versatellers."

Mr. Strohl said the ATM pilot program is one of the first steps in the bank's long-term program to simplify branch procedures and to expand banking services offered to the public through an on-going, expanding Money Convenience System of computer-assisted services.

Mr. Mickel said that as a tie-in to the new Versatel service, focus will be placed in the near future on Electronic Funds Transfer-related services.

Credit Life Tax Ruling

A national bank cannot be taxed on credit life insurance commissions paid by the borrowers to the bank's president who sold the insurance, the U.S. Court of Appeals for the Sixth Circuit has ruled. Receipt of the commissions by the bank would have been illegal, and reallocation of the commissions to the bank would not be allowed under Internal Revenue Code Section 482, the court said. The court does not consider whether banks could be licensed as insurance agents under state law.

Favorable Tax Ruling For Maggie Mae

MGIC Investment Corporation, Milwaukee, announced recently the receipt of an Internal Revenue Service ruling that enhances the attractiveness of its Maggie Mae mortgage pass-through certificates for investors.

William B. Ross, senior vice president of mortgage securities, said the ruling classified the securities packaged by the MGIC Mortgage Marketing Corporation, or Maggie Mae, subsidiary as a trust administered for the benefit of investors rather than as an association taxable as an independent business before pass-through of principal and interest to investors.

The IRS ruling removes any doubt about the tax status of Maggie Mae's transactions, Mr. Ross said. The

ruling also officially declares that the certificates represent real estate assets, which Mr. Ross said was a critical distinction for some thrift institutions whose tax treatment is based on their holdings.

Report 22,000 Hail Claims in 1979

All officers and two directors of Farmers Mutual Hail Insurance Company of Iowa were re-elected last month at the company's 87th annual meeting held in Des Moines.

Directors re-elected are Foster Rutledge and Ray S. Olson. Mr. Olson was recently appointed to the board to fill the term of James Streepy who has retired.

Officers re-elected are Albert Rutledge, president; Donald D. Bockelman, David Rutledge and Foster Rutledge, vice president; Perry Rutledge, vice president and secretary; Dale Den Hartog, treasurer; Ray S. Olson, assistant secretary, and Albert Carter, assistant treasurer.

President Rutledge reported that over 22,000 claims were paid totaling an all-time high of more than \$23



R. S. OLSON

million to farmers in the nine mid-western states in which the company writes crop hail protection. Net premium written exceeded \$38.3 million with \$1.397 billion of crop hail insurance coverage in force.

Nebraska and Iowa suffered the greatest losses but satisfactory experience in other states and the reinsurance and poultry departments was sufficient to offset the heavy hail damage in these states.

No Growth in GNP

In 1980, the real gross national product in the U.S. will drop a mere 0.1% and the consumer price index will rise 11.4%, according to three economists at the Federal Reserve Bank of Minneapolis.

The economists, Preston J. Miller, Thomas M. Supel and Thomas H. Turner, also predict that civilian employment will change little over the year, although unemployment will increase due to an expanding work force. Hourly wages, they forecast, will rise by a large 10%.

The forecast for essentially no growth in real GNP leads some people to call for tax cuts or other policies to stimulate the economy. This would be a mistake in our inflationary environment, says Mr. Miller. "While economists disagree about how a tax cut affects output, they generally agree that it would make our inflationary problems even worse."

ABA Studies Challenge Of Money Market Funds

The membership of a banker strike force charged with tackling the unprecedented competition of money market mutual funds was announced recently by the American Bankers Association.

ABA President C. C. Hope Jr. said the strike force, which he appointed at the suggestion of the association's government relations council, will engage in an "intensive evaluation of the alternatives and options available to the banking community for meeting the money market funds' new competitive challenge."

"The money market funds have grown by over \$40 billion in the past 12 months, with a specific portion of those funds being drawn out of community and regional banks. They now have over \$50 billion in assets, and the outlook is for them to grow five-fold in the coming year."

One more reason for you to
sell the cheques that sell your name!

New Exclusive Visa CheqPack™ Selling System from First Chicago.



First Chicago Visa Travelers Cheques are the first—the only—U.S.-issued Visa Travelers Cheques that let you put your name on every cheque you sell.* That's one great reason for you to sell Visa Travelers Cheques from First Chicago. And here's another: our innovative CheqPack™ Selling System. The CheqPack Selling System streamlines every step of your travelers cheque business, from sales to settlement. It's complete and convenient for you and your customer. And CheqPack makes travelers cheque sales as quick and easy as the simplest teller transaction, so you won't need extra staff or increased overhead.

Here's what the CheqPack selling system includes:

- **CheqPacks—Exclusive tamper-proof packets provide security from teller to customer—color coded for ease of identification**
- **MICR encoded and pre-calculated purchaser agreement forms**
- **Customer refund information slips**
- **Customized cheque wallets***
- **Simplified daily settlement forms**

And we'll back up our selling system with full sales training and operational support, plus an extensive marketing and promotional effort. It's all aimed at making it easier and more profitable for you to sell the cheques that sell your name—exclusive private-label Visa Travelers Cheques from First Chicago.

For more information about how Visa Travelers Cheques from First Chicago can streamline your travelers cheque business, call Chris Chianos, Marketing Manager, at (312) 732-7103.



*Minimum quantity and volume restrictions apply for custom identification.



FIRST CHICAGO
The First National Bank of Chicago

BMA Convention to San Francisco

"MARKETING — Banking's Bridge to the '80s" will be the theme for the 65th annual convention of the Bank Marketing Association planned for September 14-17 at the San Francisco Hilton.

Key speakers will include: C. C. Hope, president of the American Bankers Association; John S. Reed, executive vice



N. W. POPE

president, Citicorp, New York; Kenneth A. Randall, president, The Conference Board, New York, and former chairman of the FDIC; Roger D. Blackwell, professor of marketing, Ohio State University; William Safire, New York Times, and five editors from Newsweek magazine.

Reservation forms for hotels have been mailed to members, together with other pertinent information on the 1980 convention.

Norwood W. Pope, vice president of marketing for Sun Banks, Orlando, and current BMA president, will preside at the convention.

Commerce Bank Will Raise Rates on Mo. Bank Cards

In mid-February, Commerce Bank of Kansas City issued a press release stating that amid rising interest rates, it remained the only card issuing bank in Missouri to offer an 18% annual finance charge.

But Commerce Bank no longer will buck the trend and will announce shortly that its new interest rate on Visa and Master Charge will go to 22% annually, the same rate that is charged by two other large banks in Kansas City. First National Bank of Kansas City went to 22% January 1, following United Missouri Bank of Kansas City, which posted the 22% charge on December 1, 1979.

The three banks have issued thousands of cards to customers residing in Kansas, which requires a six-month notification of any change in rate. First National's rate in Kansas will remain at 18% until June 1 and United Missouri's higher charge in Kansas will become effective May 1.

MGIC Forms Mortgage Securities Unit

To expand its role in the growing mortgage-related securities sector, MGIC Investment Corporation, Milwaukee, has formed a new subsidiary, MGIC Mortgage Securities Corporation.

Max H. Karl, chairman, said the move will extend the secondary mortgage marketing activities of the MGIC organization to include mortgage-related securities as well as mortgages and participations. During the past year, MGIC worked with

mortgage securities issuers to pump over \$4 billion into local housing markets.

"Our objective," Mr. Karl said, "is to help our customers share in all facets of the tremendous growth potential in the new, emerging field of mortgage securities." He said the company, which will become a registered broker/dealer, is applying for membership in the National Association of Securities Dealers.

MGIC has been active in providing unique insurance coverages for mortgage-related securities since insuring the landmark Bank of America conventional pass-through which was issued publicly in September, 1977.

Report on B of A Progress

BankAmerica Corporation has just concluded "one of the most successful decades" of its 75-year history, President A. W. Clausen stated.

Mr. Clausen noted that a key factor in BankAmerica's progress has been its policy of planning and controlling expansion and growth, rather than allowing it to proceed unrestrained.

Though BankAmerica's assets have quadrupled since 1969, he said, "we derive much greater satisfaction from the fact that our earnings have also grown approximately four-fold in the past decade. In other words, we have met one of our most important objectives: to grow profitably."

To emphasize the importance of managed growth—a policy the corporation announced in 1974—Mr. Clausen explained: "In banking, billions of dollars can be added to balance sheets with a few telephone calls. But, while egos may be reward-

Guidebook to Help Meet Community Credit Needs

Comptroller of the Currency John G. Heimann has announced the publication of a "Program Guidebook to Help Meet Community Credit Needs."

The guidebook, designed to assist both bankers and bank examiners in helping financial institutions meet their local community credit needs, as required by the Community Reinvestment Act, describes forty federal, state, and local government development programs in which a bank may participate directly.

Included in the guidebook are several affirmative marketing programs that may be used to actively promote existing bank credit and services. The guidebook also contains the names, addresses, and telephone numbers of key agency personnel to contact for additional information. Supplementary materials will be issued periodically to guidebook users.

This guidebook will be distributed to all national banks, national bank examiners, government officials and community organizations throughout the country.

For further information contact: Michael B. Barton, Director, Community Development Division, Comptroller of the Currency, Washington, D.C. 20219.

ed by size, shareholders are rewarded by earnings and dividends, which are a good deal harder to come by."

Return on Assets

He said that 1979 marked the fifth consecutive year in which the company has improved its return on average total assets and the sixth straight year in which return on average equity capital has exceeded 15%.

Results for the year also extended to 17 the number of years in which earnings have reached higher levels, and to 52 the string of quarters in which profits have improved on a year-to-year basis.

The performance of domestic operations as a whole was again favorable in 1979 and provided the biggest share of BankAmerica's total income before securities transactions—62% (versus 38% from international operations). For the year, domestic results were up 11.3%.

Robert Half Survey Shows Salaries Up 4.9%

STARTING salaries this year for financial executives, accountants and data processing personnel are at record levels, according to a study released by Robert Half, Inc., the world's largest financial and data processing employment specialists.

The study, conducted annually since 1950, is based on an analysis of the thousands of position requests the 65 Robert Half, Inc. U.S. offices receive from employers throughout the nation. (There are also five Robert Half offices in Canada and Great Britain.)

In releasing the 1980 study, the organization's president, Robert Half, noted that financial starting salaries are up an average of 4.9% over last year, with an 8.1% increase recorded for data processing positions. In the financial area, the study covers: chief financial officers, treasurers, controllers, tax managers, public and internal (management) accountants, financial analysts, credit and banking executives and full-charge bookkeepers.

Here are some highlights from the 1980 Robert Half Study of Financial and Data Processing Prevailing Starting Salaries:

Financial

- The starting-salary range for chief financial officers at companies with a \$50-\$250 million volume is \$47,000-\$78,000; a 1.6% gain over 1979.
- Public accountants, with between one and three years of experience, are being offered salaries in the \$17,000-\$20,000 range by large CPA firms; up 8.8% over last year.
- Starting salaries for senior internal accountants at medium-size firms are in the \$19,500-\$25,000 range; a 6.0% increase.
- The salary range for corporate controllers joining firms with a volume of \$750 million or more is \$92,000-\$126,000; a gain of 1.4%.
- Large banks are offering trust officers starting salaries of \$24,500-\$36,000; 4.7% more than last year.
- Large firms are paying senior financial analysts \$21,000-\$29,000; a 4.2% increase.

Data Processing

- Operations managers at large installations can expect to find starting

salaries in the \$22,000-\$29,500 range; up 8.4% over 1979.

- Senior programmers at medium-size installations are being paid \$19,000-\$23,000; a 3.7% gain.
- Systems analysts at small installations will find salaries in the \$19,000-\$23,500 range; up 10.4%.
- Salaries for computer operators at large installations are in the \$12,500-\$15,000 range; a 10% increase over last year.
- Data processing managers at small installations can anticipate starting salaries ranging from \$22,000 to \$29,000; a gain of 8.5%.
- Large installations are offering programmers, with up to one year of experience, \$14,500 - \$17,500; up 10.3%.

Mr. Half pointed out that these figures are national averages and that geographic variances should be applied to all financial and data processing starting salaries of \$50,000 or less. He also said that 1980 starting salaries for all the positions in the Robert Half study average 12% higher in Hawaii and 18% higher in Alaska.

And, Mr. Half said, if a position paying up to \$50,000 is located in a city with a population of one million or more, an additional 5% should be added to the prevailing starting salary.

Announce New Policy For Farm/Business Owners

An insurance program geared to the credit needs of farm and small business owners has been announced by the North Central Insurance Company of St. Paul, according to Robert D. Ramaley, senior vice president, marketing services.

Called the Farmers' and Businessmen's Insurance, the program is designed to protect the family and personal assets of a small business owner operating or expanding on credit.

To the policyholder, the program

offers a wide range of term, premium and payment options to meet any combination of business and personal needs.

To the lender, it offers ease of administration, making for the program's easy integration into the loan process of any institution.

Among the main options of the new program are single or joint life and level or decreasing term insurance for up to \$100,000 with disability coverages. A companion policy called Super Term has also been introduced for coverages exceeding that amount.

This highly individualized insurance package will be another North Central Life exclusive, offered through banks and lending institutions authorized to represent the company's credit-related lines to its customers.

Marking the on-going expansion, Mr. Ramaley added, will be the company's forthcoming move to its 27-story national headquarters building in the new Town Square complex in St. Paul, now scheduled for July of this year.

Continental to Acquire Commercial Finance Firm

Continental Illinois Corporation and The Foothill Group, Inc., a Los Angeles-based commercial finance firm, have reached an agreement in principle for the acquisition of Foothill by Continental for consideration of approximately \$50 million.

The joint announcement was made by Roger E. Anderson, chairman of the board of Continental, and Don L. Gevirtz, chairman of the board, and John F. Nickoll, president, of Foothill.

Both parties said that completion of the acquisition depends on the successful negotiation of definitive agreements and is subject to approval by the boards of directors of both companies, Foothill's stockholders, the Federal Reserve Board, and other government agencies.

According to the agreement in principle, Continental would acquire the business, property, and assets of Foothill through a merger of Foothill and a newly-formed Continental subsidiary.

Continental has assets of \$34.2 billion and more than 100 offices throughout the world. Foothill's assets are \$121.5 million. It has offices in Los Angeles, Orange County, San Francisco, Houston, Dallas and Denver.



R. D. RAMALEY

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Then, and now—the standard.

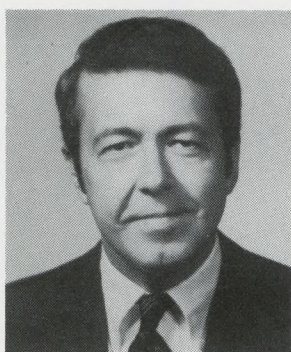
You see, others may try to imitate, but there's only one Deluxe.

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Planning for a PLAN

By **ROBERT F. BENZER**
Senior Vice President
Financial Shares Corp.
Chicago, Ill.



☐ **THE AUTHOR** is a former banker with 17 years' experience as associate director of the Wisconsin Bankers Association prior to joining Financial Shares in 1978 as senior vice president in charge of the marketing consulting division. At WBA he was responsible for development and implementation of programs in EFT, community economic development, bank management, staff training and corporate and marketing planning. He has authored books on bank policies for loans, investments and bank security. Mr. Benzer spent six years as vice president of marketing, correspondent and retail banking for Affiliated Bank of Madison, Wis. From 1961-68 he was an operations and lending officer with Dubuque Bank & Trust Co., Dubuque, Ia.

ATM, NOW's, ATS, IRA, IRS, EEOC, ECOA, FIRA, ETC's . . . where does it all end for your bank??

Sorry to say, it doesn't end. It's just beginning: The beginning of more regulation, more competition, more challenges, and a very definite need for more planning.

The banking industry is faced with a whole new set of guidelines that bankers of years ago would not believe. With these new guidelines, brought on primarily by changing regulations and consumer demand, come a whole new set of questions to be addressed by bank management.

How do you improve your service delivery?

How do you improve your products?

How do you segment your market to be more efficient and profitable?

How do you motivate your staff to be more effective in cross selling and financial counseling?

These questions, and more, must be answered if your bank is to stay ahead of the game.

Commitment to Planning

The answer is planning. Everyone talks about it, but too few bankers do anything about it. Let's take a look at planning from a very logical point of view. First, management must commit to planning—not just give it lip service but total commitment and follow-through.

One of the biggest problems most bankers face is allocation of time. More typically, everything addressed is

done at once because it has a "right now" effect. There isn't enough time in a given day to look beyond one day at a time. The only range generally is short range. Annual budgeting (profit planning)—a must—basically gives a bank the short range look into the future . . . one year at a time. With everything happening in the banking industry regarding regulations and increased competition from all sides, a one-year-at-a-time look into the future is shortsighted—and is catching bankers short-handed.

Some bankers, however, are realizing that longer range planning is becoming more vital to their day to day planning. They are putting together long range plans 5, 7, even 9, years into the future. Some of these plans look pretty good—in theory. But are they practical? There is nothing more time-wasting than preparing a highly sophisticated plan that sits on the CEO's or marketing officer's desk and collects dust because it may not be practical or dovetail well with today's needs.

About now you're saying to yourself, "This all may be true, but what do you suggest?"

Each bank is unique. The direction for developing a plan is set by the bank's goals and objectives. These are established by top management and are communicated throughout the organization so that everyone understands them. Each person must recognize his responsibility for support and participation.

In planning, the bank's goal should be set forth in quantitative terms, so that progress can be measured.

Organizing for Planning

The way to organize for planning depends primarily on your bank's size and capabilities. In large banks, responsibility for planning often is shared among several persons, usually the division or department heads and finance and marketing officers. In smaller banks the planning function may be performed by the president and one or two other top managers. In either case, one person should be in charge of coordinating and integrating all inputs to the plan.

The personnel selected as members of the planning committee should be given portions of the task as they relate to short, intermediate and long range needs of the bank. For example, responsibilities should be broken down as follows:

1. Economic conditions in your market—past, present, and future.
2. Overall growth and profit of your bank—past, present, and projected.
3. Banking legislation and regulation—their effect on your bank, past and present, and their effect in the future, in terms of your goals and objectives?
4. Overall growth and profit of other commercial banks in your market as well as of other financial institutions—past, present, and projected.
5. How has your market changed in terms of business, industry, and consumer needs—past, present, and projected.
6. Examination of your human resources and of the various stages of development in which they are now or should be in the future.

Each person assigned to planning should agree on a due date for completion of the action for which he is responsible. The entire process should not be kept a secret; with full understanding, everyone can provide

TASK 1
Establish bank's mission, scope & goals

TASK 2
Organize for Planning

TASK 3
Examine current situation

TASK 4
Set specific marketing objectives

TASK 5
Select best strategies

TASK 6
Establish specific programs

TASK 7
Complete written plan

TASK 8
Communicate plan

TASK 9
Establish control system

TASK 10
Update

Copy-right 1979 FSC

necessary input to the plan. In other words, everyone should be kept informed of what's going on and of the progress being made on all fronts.

Evaluating

After all of the basic data are collected, the planning committee should evaluate the following:

Diagnosis: Where is the bank now, and why?

Prognosis: Where is the bank headed?

Objectives: Where should the bank be headed?

Strategy: What is the best way to get there?

Tactics: What action should be taken?

Control: What are the measurements of success?

Putting Plan in Action

Once you have agreed upon the most logical, profitable, and positive path, your basic plan is off and running. This basic approach should tie together your short, intermediate, and long range goals and objectives in a manner that provides sound management decisions with enough flexibility to adjust for unseen changes in the future.

All of this should be documented in writing with at least an annual review for necessary update. It's not difficult to accomplish, once started. With this written plan, you can realize significant successes in dealing with the future. It will improve your bank's overall operation in terms of providing:

1. Efficient allocation of personnel and financial resources.

PLANNING FOR A PLAN . . .

(Turn to page 46, please)

Speaking to Iowa agricultural bankers . . .

How to cope with these changing times



By **THOMAS R. SMITH**
President
Fidelity Brenton Bank & Tr.
Marshalltown, Iowa

TECHNOLOGY is changing at an exponential rate. There's an old French riddle that's used to teach exponential growth: If you threw a lily out on a pond and the lily doubled in size every day, and on the 30th day the lily totally covered the pond, on which day was the pond half covered? The answer is the 29th day. That's exponential growth. In the last 80 years we have acquired more technology, more knowledge in this country, than in all the previous time in history. That's exponential growth.

If we don't recognize the change in technology and the higher volatilities in everything we do in our business, then we don't understand the world today and are very apt to turn up with an inability to cope.

In a recent panel discussion I attended with about 10 farmers regarding the future of agriculture in the next decade, they identified the following concerns: inflation, capital needs, the ability of local merchants and agribusiness to keep up with the needs of the farmers and their inputs, young farmer financing, energy, transportation, loss of Grade A land to alternate uses (and all the conservation elements therein), consumerism and the export markets.

Inflation and Capital

From 1950 to 1970 the average annual inflation rate in this country was 2½%. From 1970 to 1980 it was 5-6½%. The journals I read are predicting an 8½-10% inflation rate during this decade. Currently that is at a 15-20% pace. If we're going to have an 8½% inflation rate—the low side—in this decade, think how that will affect our future.

The capital needs of agriculture, your farm customer, are going to continue to increase at a 15% annual rate. That means they will double about every five years. Getting those customers back within your loan limits is probably not in the cards. If you put an 8½% inflation rate together with a 15% annual increase in capital needs, what you get is the financial needs of our farm customers in the future.

This society is presently oriented so that we savers are not going to continue to subsidize borrowers, as has been

done in the past. The funds we rely on is our raw product and we're going to have to pay market price for them. We used to be 6% banks, then we got to be 9% banks and now we're money market banks.

Farm Profitability Law

Another concern of farmers is profitability. The average return on investments in manufacturing in 1978 in this country was 14.1%; in the petroleum industry it was 13.8%; in the textile industry, 7.8%; in our industry about 12% and in the farming industry it was 2.1%. The day will soon pass when farmers' increasing equity will be able to support increasing capital needs. I project a narrowing of current ratios and an increasing net worth ratio—in other words, an increasing risk in agriculture; therefore, profitability becomes even that more important.

We're in a technological age. The communications area of banking is going to increase. The Fed now has a pilot project in wire clearings of all items of \$250,000 or more—truncation or removal of the flow. If that works for \$250,000 items, then it will go to \$100,000, then \$50,000, then all items will be cleared by wire, and then, truncation will become a fact. Remote terminal usage will continue to increase. Those in the terminal business have found their activity increasing 25% annually on a compounded rate.

Regarding data generation, storage and retrieval, I can foresee the farmer-customer being able to sit down at home and with his telephone or a CRT tube access his bank accounts—get information, monitor his cash balances and line of credit and move funds by wire. Corporate customers in the Chicago area are now able to do that through correspondent banks.

Outflanked by Competitors

I believe we bankers will continue to be outflanked by our competitors, the savings and loans and the credit unions. Look at AT&T and how they've been outflanked by those companies who have developed ancillary equipment. Some of you probably have a different system now other than AT&T or Northwestern Bell that you own or lease. The new kid on the block has outflanked the traditional type of enterprise. Look at what Visa did to the banking industry with its credit cards at J.C. Penney, Wards and Sears. They cut out the middle man.

However, I still believe there is an increasingly important place for the so-called personal banker. Technology, machines, lines and communications are not going to replace the expertise that's available to our customers in the personal banker. Through an advisory relationship to the benefit of the customer, we will be able to strengthen our hold in this competitive society.

CHANGING TIMES . . .

(Turn to page 38, please)



OFFICERS of the Independent Bankers Association of America for 1980-81 are, from left: Pres.—**Thomas F. Bolger**, pres., McHenry State Bank, McHenry, Ill.; 1st Vice Pres.—**W. C. Bennett**, c.e.o., Arthur State Bank, Union, S.C.; 2nd Vice Pres.—**Robert L. McCormick Jr.**, pres., Stillwater Nat'l. B&T, Stillwater, Okla., and Treas.—**Robert H. Fearon Jr.**, pres., Oneida Valley Nat'l. Bank, Oneida, N.Y. **RIGHT**—Convention Speaker **William Isaac** (right), FDIC director, discusses a point after his speech with **Dwight Bonham** (center), Wyoming state examiner & chmn. of Conf. of State Bank Supervisors, and two unidentified bankers.



IBAA Asks for Rate Equality

Thomas F. Bolger Elected 1980-81 President in San Francisco

By **BEN HALLER, JR.**
Editor

WHILE 2,500 registrants at the Independent Bankers Association of America 50th annual convention were meeting in San Francisco early last month, The House and Senate Conference Committee was releasing details of their compromise on HR 4986. That conference was to resolve differences that en-

compassed previous House action on the Fed membership problem and Senate action aimed at Reg Q revision. Newly elected IBAA officers are pictured above and on the front cover.

The IBAA leadership reviewed the Conference Committee action and immediately drafted a resolution,

which was adopted unanimously by the membership, and then telegraphed to members of the House. That resolution urged the House to reject the conference report and send it back to conference with instructions to eliminate the rate differential as of January 1, 1981. Basically, the Conference Committee report gives thrift



At Illinois Bankers Assn. reception for the new IBAA president: **Bill Hocter**, IBA exec. v.p., Chicago, and his wife, **June**; IBAA Pres. **Thomas F. Bolger**, pres., McHenry State, McHenry, and his wife, **Kathryn**; **Arlene** and **Guy Weir**, pres. of IBA and pres., Chicago City B&T, Chicago. **RIGHT**—Coloradoans—**Leon Winters**, pres., Bank of the West, Parker; **George T. Sweeney**, chmn., Adams County Bank, Northglenn; **Sally Winters**; **Dennis Rhodes**, pres., 1st Nat'l., Otis, and his wife, **Peggy**; **C. E. Snow**, pres., Arvada State, and his wife, **Wendy**.





Iowa Reception—In host line were (from left): **Bob Ross**, pres., City Nat'l., Shenandoah, & member IIB exec. council, and his wife, **Marjorie**; **Jean and Gerald Clause**, pres., Home State, Jefferson, & v.p. of IIB. RIGHT—**Don Heineking**, pres., Security State, Hubbard, and his wife, **Marilyn**; **Jean and Herman Kilpper**, pres., Bankers Trust, Des Moines; **Diane Gibbs Berglund**, IIB exec. secy., and **Richard Berglund**, IIB exec. v.p. & genl. counsel, Des Moines. Mr. Heineking and Mr. Kilpper are IIB directors.



Nebraska Reception participants included **Glenn Adair**, exec. v.p. & cash., Springfield State; **Clark Caley**, pres. of Nebraska Indep. Bankers and pres., Bank of Clarks; **Jim Moylan**, Omaha, exec. secy. & counsel of NIB; **H. L. Bud Gerhart**, pres., 1st Nat'l., Newman Grove; **Vince Rossiter**, chmn., Bank of Hartington, and **Bob Conrad**, pres., Sidney Nat'l. RIGHT—**Don Ostrand**, v.p., 1st Nat'l., Omaha, and his wife, **Ginny**, with **Kathryn and Tom Bolger**, pres., McHenry State, McHenry, Ill. Mr. Bolger is the newly-elected pres. of IBAA.



institutions more powers to make loans and accept deposits, imposes reserves on all banks whether Fed members or not, provides for elimination of Reg Q over a six-year period, and legalizes NOW accounts nationwide as of this year-end.

The resolution said the bill should be returned to conference, "Since the overriding important issue of the termination of interest rate controls, expanded asset and liability powers of the thrifts and the relationship thereto to the continuation of the differential has not been considered by the House of Representatives in this Congress . . . It is not in the nation's interest to foster a national policy of discrimination against banks (and their customers) lending to the consumer, agriculture, small business, and housing."

Other IBAA resolutions opposed

federal pre-emption of state law, and interference with bank insurance agencies operating in compliance with state law. One resolution supported the increase from \$100 to \$200 (increase from \$200 to \$400 for married couples) in exclusion of reportable income for interest and dividends.

Another resolution endorsed the concept of tax-free exchange of small independent bank stock by exchanging that stock for any other type of security acceptable to the seller. IBAA also called on Congress to look further at the Fed membership problem, especially the cost to small banks of reserves being suggested. One resolution endorsed HR 2747 which limits the growth and activity of large bank holding companies and eliminates arbitrary guidelines of the Fed for establishing and regulating

small one-bank holding companies. A second resolution favored legislation which would force the Fed to relax its guidelines limiting a bank stock loan made by a one-bank holding company to 75% of the purchase price and requiring repayment of the loan within 12 years.

A resolution proposed from the floor by Vince Rossiter, president of the Bank of Hartington, Hartington, Neb., was rejected by voice vote. It asked IBAA to endorse in principle the goals of the American Agriculture Movement "to become energy self-sufficient with the farm production of fuel alcohol, and to achieve 100% of parity farm prices." Opponents stated they did not feel IBAA should become involved in allying with one particular farm group, but should work in concert with all of them.

Neither of the two announced



American Nat'l. B&T of St. Paul Reception hosts included (standing) **Bob Jacobson** and **Don Johnson**, v.p.s. Seated are **Don Baertsch**, exec. v.p., and his wife, **Donna**; **J. T. Hudson**, pres., and his wife, **Carolyn**, all with Farmers & Merchants Bank, Beach, N.D. RIGHT—**Milt Klohn**, pres., Town & Country Bank, Newport, Minn., and his wife, **Dorothy**; **Renee** and **Jim Reagan**, pres., Amer. Nat'l., St. Paul.



A Minnesota group—**Sheldon Abrahamson**, pres., 1st Nat'l., St. Peter; **Lil** and **W. W. Studtmann**, pres., Courtland State; **Mary Ann** and **R. M. Kramer**, cash., State Bank of Lucan; **Mary Alice** and **Edward Robasse**, pres., Wabasso State. RIGHT—**Bill Addington**, v.p., Marquette Nat'l., Minneapolis, with **Martin Chorzempa**, pres., Richfield B&T, Richfield, Minn.



speakers from the Federal Reserve Board or the FDIC was able to attend. FDIC Chairman Irving Sprague and Fed Chairman Paul Volcker were needed in Washington, D.C., at conferences with President Carter in the discussions which drew up his later announced plan for fighting inflation.

William M. Isaac, a director of FDIC with Mr. Sprague and Comptroller John G. Heimann, echoed sentiments of other federal officials and speakers at the convention, stating that banks will find themselves competing even more fiercely with other thrift and non-financial institutions in the future. He said "consolidation is inevitable," and predicted "we will have fewer than 42,000 depository institutions by the end of this century."

Fed Vice Chairman **Frederick Schultz** spoke in place of Chairman

Volcker. He termed the fight against inflation as a high priority and labeled the principal problem as being one of credibility, rather than an



Alex Sheshunoff makes a point during his presentation on "What To Do If NOW Accounts Happen."

economic problem. While he was saying that, the market was dropping, inflation crept up and the prime rate was raised again. Mr. Schultz said expectations are for two or three more months of inflation in the current high figures and then a diminishing of inflation.

A White House representative, **Orin S. Kramer**, associate director of the domestic council, said the President was about to announce his proposal for fighting inflation but could not give specifics until it was released by the President. He said the Administration is aware of the shift of \$60 billion from banks to major money centers through uncontrolled money market funds, but offered no suggestion that this situation would be met with controls or should be. He

IBAA REPORT . . .

(Turn to page 106, please)

Pictures Taken at IBAA Convention in San Francisco



At Drovers Bank of Chicago reception: **Emsley Chittenden**, pres., Exchange State, Collins, Ia.; **John Crotty**, sr. v.p., Drovers Bank; **Norris Kuenzel**, pres., Garnavillo Savings, Garnavillo, Ia.; **Howard Logan**, pres., First T&S, Moline, Ia., and **Max Roy**, v.p., Drovers Bank. RIGHT—At First Banks of St. Joseph, Mo., reception: **Benton O'Neal**, exec. v.p., First Nat'l., St. Joseph; **Ted Armbruster**, pres., Nebraska State B&T, Broken Bow, Neb.; **Bob Larson**, pres., State Bank of Cairo, Neb.; **Roger Hegarty**, pres., First Nat'l., St. Joseph, and **Jim Chitwood**, pres., Cambridge State, Cambridge, Neb.



North Dakotans visiting in the Independent Community Banks of North Dakota hospitality room included (standing): **Bob Hansen**, exec. v.p., Bank of Steele & pres., ICBND; **Paul Pederson**, pres., Page State; **Gary Hanisch**, pres., Farmers State, Crosby, and **Gary Nelson**, v.p., Scandia American Bank, Stanley. Seated: **Kay Hansen**, **Karen Wolf** and **Al Wolf**, exec. secy. & genl. counsel, ICBND, Bismarck. RIGHT—**Al Collins** (left), Los Angeles, and **Jim Kueneke**, St. Louis (right), explain Bank Building & Equipment services to **Lawrence Liebers** (center), chmn., Crofton State, Crofton, Neb., and his wife, **Margaret**.



Hosts at Brandt Money Handling Systems display were **Bob Coddington**, retail spec., Sacramento; **Bob Slavik**, dist. mgr., Santa Clara, and **James Urban**, fin. cons., San Francisco. RIGHT—**Mel Sommers**, reg. dir., Bloomington, Minn., and **Jerry Debner**, asst. to pres., Nashville, Tenn., hosted booth for Financial Institutions Services.





Welcoming remarks were extended by **Robert H. Dressel** (left), v.p. & mgr., regional bkg. gp., and **Richard A. Kirk**, chmn., pres. & c.e.o. RIGHT—**Janice L. Campbell** (left), comm. bkg. off. in the regional bkg. gp., introduced the morning speakers, including **Candice W. Rogers** (right), v.p. & dir. of mktg.

At United Bank of Denver Conference—

Continued Growth Seen for 1980s, With More Inflation, Less Profit

By **BEN HALLER, JR.**
Editor

THERE was good news and bad news given at the Correspondent Bank Management Conference hosted last month by United Bank of Denver. Guest speakers and UBD President Richard A. Kirk outlined a decade of continued growth, but one accompanied by continued inflation and government regulation so that the 1980s will be, as Mr. Kirk stated,

"costly, competitive and less profitable."

More than 100 bank executives attended the day long conference at the Fairmont Hotel in downtown Denver. The group was welcomed by Robert H. Dressel, vice president and

manager of the bank's regional banking group.

President's View

Mr. Kirk, who is also chairman and chief executive officer, said he feels the coming decade "will be an explosive, dynamic, evolutionary period for our country, our people and our industry. Three things are certain—growth, a changing work force, and legislative/regulatory pressures."

Mr. Kirk said he sees growth ahead, even with a recession in the 80s and inflation in excess of 10%, and "our region will grow faster than the rest of the country. Our growth has barely started, so we must position ourselves to manage and benefit from this growth. It will be costly, competitive and less profitable. It will strain our return on assets and our capital ratios."

Mr. Kirk said United Bank, with an asset growth computed at 12%, will move from \$1.5 billion in 1980 to well over \$4 billion by the end of the decade and \$14 billion by the year 2000. "That is one reason we have announced and are committed to having a building built for us to assure adequate space. It is why we are moving aggressively on technology and delivery systems," he continued. "It is why we went to the capital markets last year and continue to devote considerable energy to capital planning. The growth will be competitive and mandates that we get a better handle on our costs."

As part of this growth, Mr. Kirk stated, "We have been moving forward on appropriate pricing in all areas of the bank . . . we will have NOW accounts and we will pay more for our money . . . we will have Bank-



ABOVE—Participating in Businessman's Panel were, from left: **Caswell Silver**, chmn., Sundance Oil Co.; **William J. Ash III**, pres., Environmental Developers, Inc.; **R. Garret Mitchell**, pres., Colorado Ski Country USA, and **John H. Eyler**, pres., May D & F. **BELOW**—Taking part in the Legislative and Regulatory panel were, from left: **Jane Dahlstrom-Quinn**, a.v.p., compliance dept.; **Harold R. Smethills**, v.p., corporate services, and **Richard D. Harrison**, govt. relat. consultant.



By-Phone at home before the decade is over. We may have check truncation. We will see far more electronic banking . . . commercial deals are going to be priced more thinly with longer maturities."

Correspondent Commitment

Mr. Kirk added that "we at United Bank continue to view correspondent banking as one of our mutually great opportunities, even more so in the 80s, and will dedicate our resources to that activity." He said the bank must "rest on profitability, growth and soundness and we will not single out any one of these three at the cost of another."

Mr. Kirk noted that the work force will be made up of younger people whose life and educational experiences have been shaped by different events than for people now in management. The 80s will be the decade of "human resources," he feels and "I want our vice presidents, supervisors and line personnel thinking 'human resources,' I want our people motivated, turned-on, informed and enjoying their jobs." To achieve maximum value and give maximum return to employees, he proposed more training programs than ever before.

In the area of regulatory/legislative action, Mr. Kirk said the subject has been covered so well "it is hard for me to shed any new inspirational thoughts" but assured his audience "It is a critical issue and the eighties will see this continued blending, it will impact our industry dramatically."

A panel of four Denver executives gave "A Businessman's Outlook of the 1980s." Caswell Silver, chairman and president of Sundance Oil Company, said the government does not understand risk-taking and ignores profitability and its relationship to further development. He said we will never run out of oil and gas—it will just keep costing more to find, extract and produce. "Barring disruption of foreign supplies," Mr. Silver stated, "I see adequate supplies of oil throughout the 1980s. Oil increases by OPEC are due principally to deterioration of the U.S. dollar. In my opinion, President Carter's inflation fighting program is inadequate."

William J. Ash III, president of Environmental Developers, Inc., pegged growth in Colorado as one of the highest in the nation, citing housing starts as one proof. "Our industry is in for a very difficult fight" in the months and years ahead, he said, but

in the meantime a substantial housing shortage is building up for later demand. He predicts new development of inner cities, resulting in improved transportation systems for mass transit.

Garry Mitchell, president of Colorado Ski Country (USA), pictured the growth in Colorado skiing by comparing the 500,000 ski lift tickets sold in 1962-63 to the 7,200,000 sold in 1978-79. In the former year there were 50 ski lifts; in 1979 there were 191. Colorado tourism is a \$1 billion industry brought in by 7.8 million visitors in 1973 and 9 million last year.

John H. Eyler, president of May D&F, said retail department store increases in 1979 were only at half the rate of inflation, "which has put great pressures on our earnings." He described the "game plan" being followed by his company to meet the demands of shoppers in the coming years.

Several staff members of United Bank looked at future operations and business opportunities that might be expected in their departments.

Candice W. Rogers, vice president-marketing, looked at non-interest income opportunities. These included changing prices on existing services, reinstating waived fees, and introducing new services. She reviewed a seven-step program followed by UBD when looking at charges on existing services, the need for documenting everything, and building in a periodic review system. Reinstating waived fees was represented by check service

charges being reintroduced.

Four officers of the host bank reviewed the Legislative and Regulatory Outlook, covering compliance needs, cost of regulation, and a bank's role in the legislative process.

Robert H. Long, director of advanced studies for Bank Administration Institute, was the luncheon speaker. He pointed to the cultural and social revolution begun in the 1970s that will continue in the 80s. Part of this, he noted, is de-regulation of the market place, but increased regulation of those operating in the market place—a case in point is the 50% increase in bank regulations in the past five years.

Dr. Long feels that "some banks will concentrate on being service providers, some will concentrate on being service marketers and representatives. Banks that remain will be ones that have the best people, the best systems. Define your markets for the 80s. Identify and train people you want to keep. Set adequate prices for your services, and get the proper equipment to do the job." He concluded by cautioning his audience, "Don't be a piano player in a marching band!"

The concluding speaker was Edward E. Furash, managing associate of Golembe Associates, Inc., Washington, D.C., whose topic was "Meeting the Goals of the Organization Through People." After concluding remarks by Mr. Dressel, guests met informally with bank personnel at a brief reception before returning home. □



NOON SPEAKER Robert H. Long, Bank Administration Institute, is pictured with officers of United Bank of Denver. From left to right (seated): **Donald W. Robotham**, exec. v.p.; **Mr. Long**, and **Darcy Meyers**, commercial bkg. off. (Standing): **Don Sall**, v.p. & mkt. mgr., and **Bob Dressel**, v.p.-mgr., reg. bkg. gp.

What's New

PRICING Financial Services, a bi-monthly newsletter exploring new pricing concepts for the financial industry, has been introduced by Whittle, Raddon, Motley & Hanks, Inc., a Chicago financial consulting firm.

Featured in the first issue of Pricing Financial Services is NOW account pricing. The lead article reveals results of a recent custom survey of 100 CEOs regarding their attitudes on offering the NOW account. The survey showed that 51% of those interviewed have found a formal advance plan difficult and are taking a "wait and see what the industry does" attitude. Twenty-seven percent of all CEOs interviewed do not even plan to offer the NOW. Twenty percent reported that they do have a plan ready to go. Seventy-seven percent of all respondents said they will consider the NOW account a separate account (not convert all checking) and 73% plan to recoup the additional costs of NOWs through direct fees rather than increased loan rates (12%).

The first (charter) issue will be sent to the entire banking community in the country, then will be sold on a subscription basis for \$50 annually.

For more information on Pricing Financial Services, write or call Barbara Baker, Editor, Whittle, Raddon, Motley & Hanks, Inc., 625 N. Michigan Ave., Chicago, Illinois 60611; (312) 266-8852.

THE Mosler Safe Company has published two new brochures, covering Magna Vault Doors and Mosler interiors.

The various doors are pictured and their features and benefits discussed in a six-page, four-color brochure. They are available in 25, 20, 15, 10, 7 and 3½ inch minimum thicknesses and a variety of appearance options.

The brochure on interiors explains Mosler's modular concept for counters and undercounter steel, and the many benefits in time, cost, and ease and economy in future expansion. It also contains six pages showing Mosler's undercounter steel, counter systems, teller seating and buses, and explaining the Mosler Project

and Design Teams. These professionals are available to work directly with a financial institution or with that organization's builders and architects.



Free copies of the brochures are available from The Mosler Safe Company, 1561 Grand Boulevard, Hamilton, Ohio 45012.

CHRISTMAS Club a Corporation, of Easton, Pa., has launched a newly-designed Vacation Club package for customers of full service banks, savings banks, and savings and loan associations.

Entitled "America The Beautiful," the Christmas Club vacation club program includes a wide variety of promotional items and premium incentives to appeal to customers of banks and savings institutions.

"The program," according to John H. Guinan, president of Christmas Club, "is designed around a promotional theme of 'Vacation Clubs Start With A Capitol Idea.' The promotional and premium materials, which display a beautiful four-color photograph of the nation's capitol building as seen through cherry blossoms, include checks and envelopes, an application folder, passbooks or coupon books, a statement enclosure, and counter cards in two sizes. Premium incentives available are an "America The Beautiful" hot and cold mug, a popcorn flyer, a wall tile for hanging or displaying, and a special Car Care Kit for readying the family car for the vacation trip."

Full information can be obtained from any of the Christmas Club sales representatives or by writing or calling Renee Brett at Christmas Club, P.O. Box 20, Easton, Pa., (215) 258-6101.

Comptroller Again Hits Reg Q Limitations

Comptroller of the Currency John G. Heimann has called again for the removal of deposit rate ceilings from savings and time deposits and rejected suggestions that deposit rate controls be extended to money market mutual funds.

Testifying January 24 on the subject of money market mutual funds before the Subcommittee on Financial Institutions of the Senate Committee on Banking, Housing and Urban Affairs, Mr. Heimann said, "The answer is not to remove the investor opportunity made available by money market mutual funds by imposing rate ceilings restrictions on them . . . Instead we should move ahead with the deregulation of our depository system."

Money market instruments such as negotiable certificates of deposit and Treasury bills, he pointed out, provide yields to investors that are significantly higher than traditional passbook accounts and other low-denomination certificates of deposit, most of which are subject to below-market deposit rate ceilings.

The Comptroller warned that as more individuals become aware of MMFs, confusion may arise over the distinction between investments in MMF shares, and their attendant risks, and insured deposits in commercial banks or thrift institutions. To remedy that potential situation, he suggested that "advertising by the funds should clearly distinguish the differences in yields and risks between MMF shares and money market certificates." He added that "a greater effort should be made by the mutual fund industry to ensure that the investor is fully aware of the difference between MMF shares and deposits."

The Comptroller reiterated his agency's belief that financial institutions which offer similar products and services should be permitted to compete on an equal footing in the marketing of those products and services. "Elimination of the deposit rate ceilings imposed under Regulation Q," he noted, "would enable small banks, large banks and thrifts to compete more effectively with money market funds, Treasury bills, and other market yielding instruments and to hold on to their deposit bases."

How can you add to your loan portfolio - but minimize additional exposure and expenses? Use **Ætna Money.**

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Also, through regular visits to the borrower, we review company operations, analyze trends, and perform financial and collateral audits to control and minimize our mutual exposure. And all without cost to you.

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Next time you're faced with a loan request that isn't quite right for you, consider Ætna Money. It can help you keep existing customers and gain new ones.

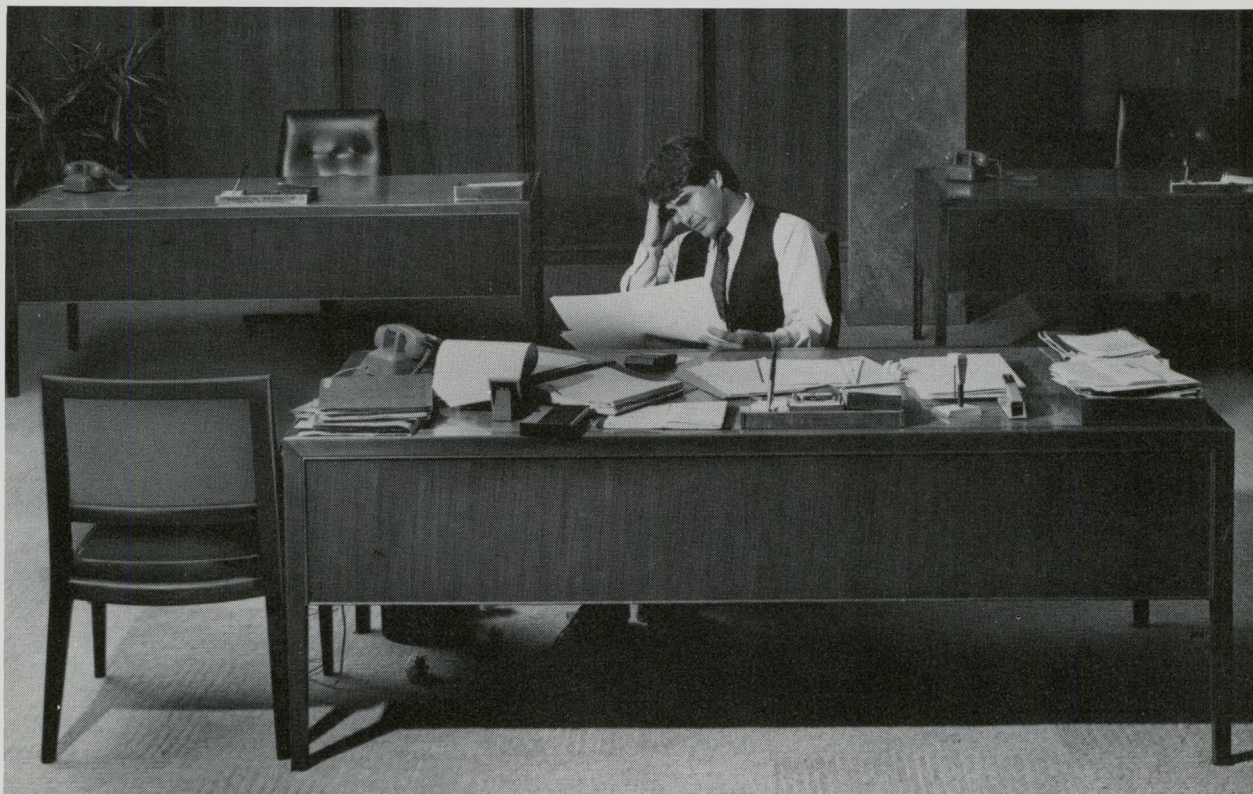
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How to Save 80,000 Gallons of Oil Per Year!

THE first building in downtown Minneapolis to use a heat-recovery system for all its heating needs, thereby saving an estimated 80,000 gallons of oil per year, has passed a construction milestone with the installation of the recovery system. The building's unusual energy-saving walls also are nearing completion.

The building is the Northwestern Operations Center at Second Avenue and Third Street. The \$30 million project is scheduled for completion in June, and will house 1,100 employees from the downtown offices of Northwestern National Bank and Northwest Computer Services, Inc.

"Efficient use of energy was essential in the design of this building," said John Greenman, senior vice president of facilities management for the bank. "It is estimated

to use about 45,000 BTUs per square foot per year, which is 11% less than the Department of Energy's proposed Building Energy Performance Standards for new office buildings in Minneapolis," he said. "By comparison, many older buildings in downtown Minneapolis use in excess of 100,000 BTUs per square foot each year.

"The heat-recovery system will capture heat produced by data processing and other electro-mechanical equipment in the 550,000 square foot building," he continued. "Another key factor in the energy-saving design of the building is that three of the structure's seven stories are underground. Using the ground as a natural form of insulation dramatically reduces the need for heating and cooling.

"The recovery system itself will

cost nothing to operate," he said. "The system is actually a sophisticated heat pump that will utilize the building's normal air supply system."

The building also was designed to convert to solar energy as a back-up heating system, Mr. Greenman added. Additional heating may be required when the data processing equipment is not in service, or on severely cold days when the recovery system cannot meet demand.

"Until solar becomes more cost effective, however, any additional heat that we need will be supplied by the district steam heating network from the downtown Minnegasco Energy Center," he said. This system uses oil to produce steam.

The amount of heating energy saved annually by the Operations Center due to the recovery system is equal to 8.86 billion BTUs, according to Bob Michaud of the consulting engineering firm of Michaud, Cooley, Hallberg, Erickson and Associates, Inc. "It would take about 80,000 gallons of oil to generate the same amount of BTUs," he said. "This would be enough oil to heat 75 homes of 1,200 square feet each in the Twin City area during an average heating season."

The new building's exterior surface, which is also designed to be highly energy efficient, was to be finished in early March. Called a "curtain wall," the surface consists of double glass panels, dead air spaces, and insulation.

The Northwestern Operations Center was designed by the architectural firm of Peterson, Clark & Associates, Inc. The general contractor is the M.A. Mortenson Co. Both are Minneapolis firms. ☐



SEEING DOUBLE—Three executives of Northwestern Nat'l. Bank of Minneapolis "reflect" on the new energy-saving "curtain wall" which provides a mirror-like exterior for the new Northwestern Operations Center in downtown Minneapolis. They are, from right, **Virgil M. Dissmeyer**, exec. v.p., and **E. Peter Gillette**, pres., both with N.W. Nat'l., and **Frank Powell**, pres. of the subsidiary Northwest Computer Services, Inc. Another construction project nearby is reflected in the background behind the executives' images.

CHANGING TIMES . . .

(Continued from page 29)

Consumerism and Politics

Consumerism will continue to impact our industry—we will not have deregulation, we'll have re-regulation. I can see down the road people who are anti-banking being represented on the Federal Reserve Board because it's a competitive body. We need to be prepared for this kind of approach.

There are other consumer elements to consider. The new bankruptcy law has probably upgraded your loan policies, strengthened your security disciplines and your loan performance monitoring. I see problems ahead with

loan pre-payment penalties, acceleration clauses, tax exemption on interest and dividend reinvestment as deferred income.

We are now seeing changing political allegiances and are lined up more by issues than by party, and even more by geography than by party. I see the continuation of government programs—loan guarantees, for example, as an indirect subsidy to the various segments of the economy. We'll see further credit allocation experiments, such as the credit card business.

It's very easy for government to become the adversary of agribusiness. There are very few agribusinessmen and there are very few farmers, but there is some righteousness about the farmer and people don't

really attack him very often. We as agribusinessmen will be the ones attacked by various governmental influences and consumer groups. Because there are very few of us they can zero in on us as the cause of the problem. In my opinion we will become even more so the political whipping boys of the 80s.

Erosion of Relationships

Our customers are having difficulty coping. The transportation system for moving grain in Iowa is a disaster. I feel that community bankers in Iowa will be a part of the solution to that problem. I saw us being a part of the solution in the problem of productivity in the meat packing industry a decade ago when it moved out into the rural communities. The lack of productivity is mostly what is wrong with our transportation system.

There will continue to be an erosion of the uniqueness of the relationship between agriculture and the community bank. We'll be operating in a much less well defined universe than we ever have before. Non-depository institutions will get more banking functions and there will be a deterioration of geographic boundaries. This will be a serious threat to some bankers and a great opportunity for others. Competition will intensify in rural areas; not necessarily from competitive banks. The imbalance between deposit growth and loan demand will continue and banks will become net buyers of funds.

The market penetration of the Farm Credit System will continue to increase at the expense of community banks. That increase will come primarily from the larger, most aggressive farm operators who are difficult for many of our small banks to handle.

We Must Aid Customers

We really need to understand enterprise analysis and

help our farm customers increase their profitability because retained profits are going to be the capital builder of the future. We've run the limit with increasing equity as being the capital builder. There is a wide variety of marketing options available today to the farm customer which we need to understand and I am convinced these could increase his income in the range of 15%. The people we've seen lately who have grown the fastest aren't necessarily making the most money.

I believe the average farmer is over-powered, has too much equipment, by 15-20% because he never (or rarely) goes through a cost benefit study. I'm not sure if we're supporting them in doing that. It's awfully easy to finance that equipment. But now, when we're all short of funds, we may be saying, "If it still runs, drive it."

We as community bankers must be committed—to our community, our industry—to be in the financial business of loaning money and taking care of the legitimate needs of our customers at a fair profit margin.

Our expertise is still in the fringe areas. We need to be involved in the continuing education process to help our farm customers in their marketing strategies, in their fixed asset acquisitions and enterprise analysis—all with more expertise.

We need to make sure we have our product available. We need to compete for the raw materials we need—fight in the streets for the equality we need so that we can get those raw products. There is a need to establish loan participation arrangements with correspondent banks, insurance companies and the Farmers Home Administration.

You've heard all this before, but the race keeps getting a little faster, the competition a little tougher. We're being outflanked by more new competitors, so our intensity must increase. □

New Product from MGIC

M GIC Indemnity Corporation, Milwaukee, has expanded its line of specialized insurance products for financial institutions to include insurance for pension trust liability, IRA/Keogh plan errors and omissions, and mortgage interest. The policies will be available through insurance agents.

Edward Norris, executive vice president, made the announcement, noting that the new products will complement the protection of MGIC's directors' and officers' liability insurance and trust department errors and omissions insurance.

"The development of these additional specialized insurance products," Mr. Norris explains, "is a direct result of MGIC's research to identify and effectively respond to the changing insurance needs of financial institutions. We believe the experience MGIC has gained from nearly 25 years of working with financial institutions gives the insight to develop sound insurance products."

Pension Trust Liability

MGIC's pension trust liability insurance policy protects insureds from claims for "breach of fiduciary duty" while acting as a trustee or fiduciary of the institution's own, "in house" employee pension/welfare benefit plans.

"Breach of fiduciary duty" is generally defined as a violation of any responsibilities, obligations or duties imposed on fiduciaries by ERISA or any other common or statutory law. This includes any act, error or omission in the administration of any plan or trust.

Mr. Norris says coverage is available for the sponsor organization, the plan or trust itself and individual plan fiduciaries, with limits of liability ranging from \$1 million up to \$5 million.

IRA/Keogh Plan E&O Insurance

Responding to the increased liability exposures of financial institutions

which offer Individual Retirement Accounts (IRA) and Keogh Plan Accounts, Mr. Norris announced that MGIC is also offering a new IRA/Keogh Account Errors and Omissions policy.

According to Mr. Norris, "the policy protects the institution, as well as past, present and future directors, officers and employees, from legal liability incurred as administrators or trustees for IRA or Keogh Plan Accounts." The limit of liability available is \$250,000.

Mortgagee Interest Insurance

Because a mortgagee's interest in a mortgaged property can be seriously impaired if the property is damaged and the homeowner defaults due to lack or insufficiency of hazard insurance, Mr. Norris says MGIC designed a Mortgagee Interest Insurance policy to cover this exposure.

"Our policy protects the lender if the mortgagor fails to carry the required hazard insurance or if the lender itself commits an error or omission in its designated insurance responsibilities and fails to place or maintain a mortgagor's policy."



New Citicorp Travelers Checks

CITICORP is launching a major program to attract a larger share of the \$31 billion travelers check business, it was announced by Jeffrey P. Neubert, president of Citicorp Services, Inc.

As a first step, Mr. Neubert explained, Citicorp has changed the name of its First National City Travelers Checks to Citicorp Travelers Checks.

According to Mr. Neubert, Citicorp will be backing its selling agents with a \$10 million plus advertising, marketing, direct mail and public relations program for Citicorp Travelers Checks. "We know this will be one of the most aggressive promotion campaigns in the travelers checks industry," said Mr. Neubert.

Citicorp Travelers Checks are sold in pre-packaged, sealed color-and-symbol-coded envelopes, known as PAKs. The PAKs come in six denominations: \$10, \$20, \$50, \$100, \$500 and \$1,000. Advantages of the PAK to selling agents include:

- Reduced teller error because the PAK eliminates the need to count and eliminate loose travelers checks.
- Faster customer service because travelers check numbers and commissions are already recorded on the order agreement. In addition, after signing the order agreement, customers can sign their travelers checks away from the teller's station.
- PAKs come in a broader denomination selection in multiples of \$50 (including \$500 and \$1,000) than any other travelers check.

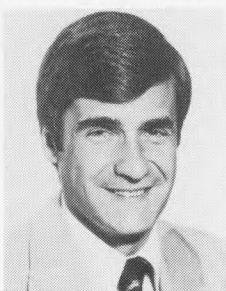
Citicorp Travelers Checks are supported by Citicorp's full service bank

system with Citibank branches in 64 countries and affiliated banks in more than 150 countries. Citicorp Travelers Checks are sold worldwide in over 34,000 locations and refunds on lost or stolen travelers checks are available in more than 40,000 locations. In the United States, over 23,000 locations sell Citicorp Travelers Checks.

Group Studies Duties of Chief Financial Officers

Members of a newly-created study group to investigate the need for structured programs for bank chief financial officers were announced by the American Bankers Association.

ABA President C. C. Hope Jr., in announcing the formation of the study group, cited the demands placed on banks and bank holding companies "for improved corporate financial



J. P. NEUBERT



D. C. MILLER

management, budgeting and fiscal control in a rapidly changing economic environment." He named Donald C. Miller, vice chairman and treasurer, Continental Illinois National Bank and Trust Co., Chicago, to head the CFO study group whose first task was distribution of a questionnaire to survey over 1,000 bank CFOs.

The ABA questionnaire is intended to establish a current profile of chief financial officers whose duties generally include corporate financial planning, budget, auditing, accounting, financial performance evaluation and asset/liability management.

The study group is expected to report its recommendations, based on the findings of the survey, to ABA this month.

ACH Payments Pass 15 Million Each Month

"In its continuous effort to improve the nation's payments system, the American Bankers Association reaffirms its commitment to the National Automated Clearing House Association and to the overall ACH movement."

ABA President C. C. Hope Jr. delivered this formal vote of confidence in NACHA from ABA in an address to the more than 500 delegates attending the Fifth Annual NACHA SurePay Conference in Phoenix.

At the end of 1979 the monthly private sector volume had reached 3.5 million items, up 75% over 1978. Almost 9,000 corporations are participating.

Currently over 15 million ACH payments are made each month. Included are such payments as social security, insurance premiums, utility bills and mortgage payments.

CSBS to Las Vegas

THE Conference of State Bank Supervisors will hold its 79th annual convention at the MGM Grand Hotel in Las Vegas, Nev., April 27-29. Substantive highlights of the convention program will include:

- U.S. Senator Robert B. Morgan's Keynote Address—Monday, April 28, 9:25-9:55 a.m.
- FDIC Director William M. Isaac's Address—Monday, April 28, 9:55-10:25 a.m.
- A panel discussion on the McFadden Act—Monday, April 28, 10:30 a.m.-12:00 noon.

- Address by Dr. Richard S. Hodes, president-elect of the National Conference of State Legislatures—Tuesday, April 29, 9:05-9:35 a.m.

- CSBS President Dwight Bonham's Address—Tuesday, April 29, 9:35-9:55 a.m.

- Trends in Interstate Banking Panel—Tuesday, April 29, 10:30-11:30 a.m.

- Wyoming Governor Ed Herschler's Address—Tuesday, April 29, 11:35 a.m.-12:00 noon.

- Banker/Regulator Rap Session—Tuesday, April 29, 2:00-5:00 p.m.

At Dawson Hail Insurance it is not unusual for our people to give that little extra bit of time or effort in order to do a job right. It's nice to know that in this day of automation some things are still given that good ole "Personal Touch." After all . . . that's exactly how we at **Dawsons** have been doing business for 63 years.

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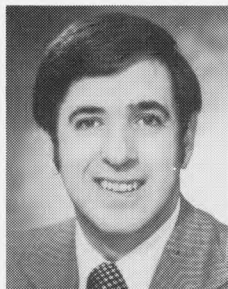
Illinois

G. Weir, pres., Chicago
W. J. Hocter, exec. v.p., Chicago



Joins Effingham Bank

Charles L. Mountz has joined the First National Bank of Effingham as executive vice president and a director. He was well known throughout Illinois and eastern Iowa in his previous position as assistant vice president in the correspondent bank division of the First National Bank in St. Louis.



C. L. MOUNTZ

Mr. Mountz has an MBA degree from the University of Missouri, St. Louis, and is a graduate of Parks College Cahokia with a BS degree in aeronautical administration. He served seven years in the U.S. Navy as a helicopter pilot and continues active in the Naval Reserve as a Lt. Commander.

Top Management Changes Told at Monmouth Bank

Merton H. Bowden recently retired as president, chief executive officer and a director of the Monmouth Trust and Savings Bank after 40 years of service. He will continue in an advisory capacity for the 1980 year.

Succeeding Mr. Bowden as president and trust officer is Mark D. Pingrey. Mr. Pingrey was most recently executive vice president and trust officer at the Iowa State Savings Bank in Clinton, Iowa, where he had been for the past two years. Mr. Pingrey, who also held posts at banks in Colorado, has a BS degree from Wayne (Neb.) State College.

Other staff members were re-elected to their positions at the bank's annual meeting in January.

Retires at Oak Park Bank

Raymond T. O'Keefe has retired as chairman of the executive committee

of the First Bank of Oak Park. A prominent Chicago area businessman for over 42 years, he had been with First Bank since 1973.

Mr. O'Keefe began his business career in 1938 as a public relations counselor and later was a special investigator for the U.S. department of Justice in Washington, D.C. He joined the Kropp Forge Co. in 1942 and progressed through several officer positions until his election as chairman and chief executive officer.

In January, 1973, he joined First Bank of Oak Park as chairman and chief executive officer, a position he held until May, 1976, when he was elected chairman of the executive committee.

Thornridge State Bank Names Sr. VP, Officer

Thornridge State Bank, South Holland, has announced the promotion of V. M. Peters to the position of senior vice president, and Marilyn H. Stefans to assistant loan officer.

Mr. Peters, formerly vice presi-



V. M. PETERS

M. H. STEFANS

dent, will be in charge of all lending activities. Prior to last August, when he joined Thornridge State, he was assistant vice president at Heritage Pullman Bank in Chicago where he served 10 years.

Mrs. Stefans has served at the bank for two years in a variety of administrative and operational positions. She is now responsible for making loans and assisting with all lending activities. She has had 19 years of banking experience.

Rockford Bank Names Two

Charles P. A. Frankenthal has been elected vice president, and Shirley L. Faerber has been elected trust officer at the American National Bank and Trust Co., Rockford, it was announced by David W. Knapp, president.

Mr. Frankenthal joined the bank as director of marketing in 1978 and



C. P. FRANKENTHAL S. L. FAERBER

was elected an officer in August, 1979. He has a BA degree from Yale University.

Mrs. Faerber joined the bank as a trust department clerk in 1967. She was promoted to trust administrator in 1972 and elected assistant trust officer in 1974.

IBA Divisions Name Officers

The consumer credit division and marketing and PR division of the Illinois Bankers Association recently elected the following bankers to a one-year term commencing July 1:

Consumer credit: president—B. J. King, Herrin Security Bank, Williamson County; first vice president—Jerome R. Thomas, American National Bank & Trust Co., Chicago, and second vice president—Don Middleton, Old National Bank, Centralia.

Marketing & PR: president—Dennis McMillan, Bank of Carlock; first vice president—W. James Fitzgerald, Champaign County Bank & Trust Co., Urbana, and second vice president—John R. Revell Jr., First National Bank of Marshall.

Two Promoted at Sterling

Don E. Cousins, president of The Central National Bank of Sterling, recently announced the promotion of Robert D. Eversman to vice president and controller, and Onnadin C. Hosler to cashier.

Mr. Eversman joined the bank in 1978 as financial planning officer and in January, 1979, was promoted to vice president and investment officer. He is a graduate of Iowa State Uni-

versity and the National Trust School at Northwestern University.

Ms. Hosler, a 17-year veteran in the banking field, has served in many capacities including assistant auditor and assistant cashier.

Promotions Announced at Old 2nd Nat'l., Aurora

Six promotions have been made at The Old Second National Bank of Aurora.

Ronald J. Carlson has been named vice president and controller. He joined the bank in 1977 after employment with All-Steel, Inc. He has a masters degree in finance from Loyola University.

James R. Weiland, who joined the bank in 1962, was promoted from assistant vice president to vice president in charge of teller operations.

Thomas P. Meyers was promoted to assistant vice president in the new accounts and business development department. He joined the bank in 1966 and has attended Drake University and Iowa State.

Mark Truemper is a new assistant trust officer in the trust employee benefits division. He is a graduate of

Northern Illinois University.

Paul M. Greene, who joined the bank last year, has been named an assistant trust officer. He has a law degree from Southern Illinois University and formerly practiced law in Henry.

Patricia Nickels has been named credit officer. She joined the bank in 1973 as an MCST operator.

Joins State Bank, Auburn

W. Wayne Anderson has joined the State Bank of Auburn as vice president and loan officer. Most recently he was vice president, assistant trust officer and senior loan officer at the Jersey State Bank in Jerseyville.

He also held positions at the Illinois State Bank of East Alton and Union Bank & Trust Co., Delphi, Ind.

Named New Officer

Anita M. Scholz has been named administrative services officer of the Bank of Clarendon Hills, according to Neal A. Anderson, president.

Ms. Scholz has been with the bank for 3½ years as an administrative assistant in the operations department. She has a BS degree from Illinois State University.

Tests Unusual Promotion

First Bank of Oak Park recently tested an unusual inflation-fighting approach to bank premium promotions. Instead of requiring a deposit, the bank decided to give the premiums away at cost.

According to Pat O'Malley, chairman, "It's our way of saying thanks to our customers and to the community. Secondly, it serves as a way of helping people through these inflationary times."

The promotion, entitled "The Incredible First Sale," was held in February. First Bank customers could reap an extra dividend—a 20% discount below cost on the 4,200 premium items in stock.

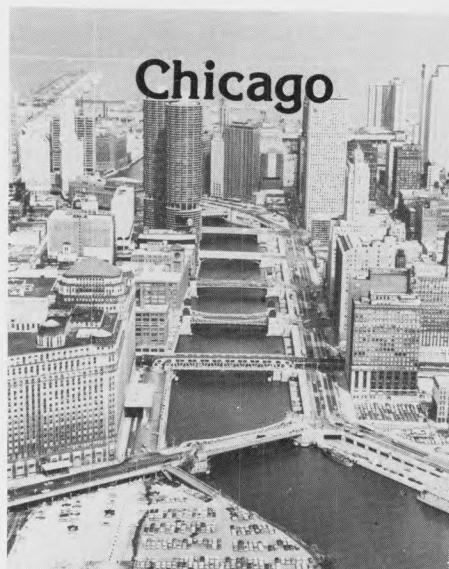
Elmhurst Bank Promotes 3

Frank C. Rathje, president of the Elmhurst National Bank, has announced the promotion of Thomas G. Stuhr to vice president and cashier; Delbert R. Washburn to assistant vice president, real estate loans, and Carole A. Chmura to assistant cashier.

Mr. Stuhr has been with the bank for 12 years as auditor and comptroller. He formerly was with Sears Bank and Trust and Western National Bank of Cicero, and has a BSA degree from the Walton School of Accounting.

Mr. Washburn joined the bank in 1967 as a trainee and has worked in various departments. He has been a real estate loan officer since 1977. He has a BBA degree in finance and banking from Northwestern University.

Ms. Chmura has been with the bank for six years, beginning as a teller. She was formerly with St. Paul Federal and the French Line Corp. as a passenger representative.



CHICAGO City Bank and Trust Company's chairman, **Gavin Weir**, recently announced the promotion of four people, **Thomas W. Brinnehl**, cashier; **Jose Bustos**, assistant auditor; **Walter J. Novak**, vice president, consumer credit department, and **Richard T. Topps**, assistant vice president and trust officer.

Most recently assistant vice president of operations, Mr. Brinnehl



R. J. CARLSON



J. R. WEILAND



T. P. MEYERS



M. TRUEMPER



P. M. GREENE



P. NICKELS



T. W. BRINNEHL



J. BUSTOS

Our loan participations can keep your liquidity fluid.

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The answer could be loan participations with The Northern Trust. We're actively looking for attractive participations in many areas, including installment, agricultural, and commercial loans.

Why The Northern Trust? Because we work with you as a true partner. Our calling officers are experienced professionals. They understand how important participations can be. They have

the expertise and the authority to move fast to ease your liquidity problems.

Most important, loan participations with The Northern Trust bring with them our tradition of integrity. We work to stay with our correspondents in good times and bad. We strive to build up a strong relationship which will continue for years. And we respect the relationships that you have so carefully built up with your own customers.

For more information, contact Curtis E. Skinner, Senior

Vice President, The Northern Trust, 50 South La Salle St., Chicago, Illinois 60675. Telephone (312) 630-6000.

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your bank to do,
the more you need
The Northern.**

The Northern Trust





W. J. NOVAK

R. T. TOPPS

joined the bank in 1963 as a teller trainee. He has spent time in the real estate and consumer credit departments as well as serving as manager of the drive-in.

Mr. Bustos joined Chicago City Bank in 1970 as a line teller. He was transferred to the audit department as an audit clerk in 1974, becoming the senior audit clerk in 1975.

Mr. Novak, formerly assistant vice president, joined the bank's consumer credit department in 1965. He was later named manager of the collection area and entered the bank's management development program in 1968.

Mr. Topps joined the bank in 1976 and was appointed trust operations officer that year. He is an experienced trust department administrator and has served in a number of capacities.

* * *

The promotions of **Thomas D. Scanlan** and **Irene Wojtczak** to assistant cashier have been approved by directors of the Mid-City Bank of Chicago, according to **Kenneth A. Skopec**, president.

Mr. Scanlan, with the bank since 1977, had been a pro-cashier in the retail banking department since



T. D. SCANLAN

I. WOJTCZAK

Offer Gold Accounts to Correspondents

THE FIRST National Bank of Chicago, the first bank in the country to offer individuals the Gold Passbook Account, now is making a similar gold account available to correspondent banks.

Called the Correspondent Gold Account, the instrument allows a correspondent to buy and sell gold on behalf of its retail customers.

The account is opened and maintained with a minimum of five troy ounces. Thereafter, gold can be bought or sold in one-ounce increments. The correspondent bank issues Gold Passbooks bearing its name to participating customers, and establishes its own maintenance requirements and retail pricing structure. The passbooks are denominated in troy ounces.

First Chicago handles the operational details of buying, storing, and selling the gold. Neither the correspondent bank nor its customers need to take actual physical possession of

the gold, eliminating minting and manufacturing costs, assaying requirements, and security problems.

An added convenience to the correspondent bank is that the gold can be bought and sold through telephone transactions.

Fee for Visa Cards

First Chicago Corporation has announced that effective July 1, it will begin charging customers a \$20 annual fee for their VISA cards. In addition, the minimum repayment rate will be increased from 4% to 5% a month.

"With the dramatic rise in interest rates, it is increasingly difficult for bank cards to be profitable," explained Robert D. Richley, head of the Chicago banking department.

Holders of VISA cards issued by The First National Bank of Chicago will be formally notified of the new fees by mail in May.

1978. Ms. Wojtczak joined the bank in 1977 and was most recently a pro-cashier in the securities and safe keeping department.

* * *

Ira Frank Jr., president of the Amalgamated Trust & Savings Bank, Chicago, was elected to a one-year term as vice president for revenue and membership of the Chicago Association of Commerce and Industry at the association's annual election in February.



I. FRANK

* * *

Rudolph G. Schoppe has joined Capitol Bank of Chicago as vice president and senior trust administrator, it was announced by **Gil Mazzolin**, chairman.

Mr. Schoppe will head the bank's complete trust department. He attended Elmhurst College and has a law degree from the University of Illinois, Urbana. He is also a graduate of Northwestern University's National Graduate Trust School.

Prior to joining Capitol Bank, he was assistant vice president and trust officer with Northwest National Bank of Chicago. He has also held positions with the Chicago Title and Trust Co. and the Central National Bank.



R. G. SCHOPPE

Receives Trust Powers

Farmers State Bank of Heyworth has received consent from the FDIC to exercise limited trust powers.

PLANNING FOR A PLAN . . .

(Continued from page 28)

2. A basic overall understanding for everyone of the bank's direction by design.
3. Develop organized and disciplined thought process.
4. Allow you to be more innovative and more aggressive than defensive.

5. A benchmark for review and for such modification as may be appropriate.

Getting started is half the battle. Once the planning is in motion, things will begin to happen. It's a positive way to begin to allow your bank to gain more direction, reasonable growth, and optimum profit in the constantly changing future. Start now planning for a plan. □

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Bankers across the country who share this objective with us are finding that significantly higher performance can be achieved through the use of often amazingly simple straightforward approaches learned primarily from other bankers. We serve as a catalyst and clearinghouse for innovative approaches to high performance.

Any leadership role we have achieved is simply a reflection of carefully listening to the high performance bankers and then working to put their approaches into broader use throughout the banking community.

We do not do any consulting work. Quite frankly, our total energies are devoted exclusively to serving our clients at a modest cost by providing useful information and seminars focused on what we firmly believe are the essentials of high performance banking."

Alex Sheshunoff

For more information, please write Alex Sheshunoff, Sheshunoff & Company, 611 South Congress Avenue,
Austin, Texas 78704 or phone (512) 444-7722.



Michael Mishou, Assistant Vice President, Southern Metro Area, Wisconsin, Michigan — Upper Peninsula (612) 291-5573

**“Part of my job is to give you ideas
that make you think twice.”**

“Are you using lock box accounts to reduce float? Are you minimizing the float in your correspondent account? How much could you save by a cash management reporting system.

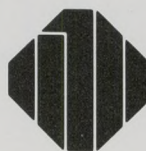
“Raising questions like these is part of my job. The other part is providing the answers. My Correspondents look to me for new ideas backed by concrete facts. Facts that will make you think twice.

“To be the best possible resource, I’m constantly searching for new approaches to problems . . . asking questions of my colleagues and customers . . . getting out into the field.

“When complex questions arise, I can call upon the full resources of First Bank Saint Paul to answer them.

“As a result, our Correspondents know they can rely on us for the service they need to compete in today’s fast-changing banking world.

“When they need a second opinion, they think of the First.”



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Correspondent Bank Division

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You get the credit.**

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Minnesota

J. T. Gowan, pres., St. Paul
T. L. Jeffers, exec. v.p., Minneapolis



New Ownership, Officers at State Bank of Long Lake

The State Bank of Long Lake is under new ownership and management as a result of a sale of the majority stock by William Bartig to the Tysan Corp. of Minneapolis.

Albert Tychman has been elected chairman of the board, and David M. Sanders was named vice president and a director. Both men are principals of the Tysan Corp. and Minneapolis businessmen.

Rodger Bense was elected president, chief executive officer and a director. Most recently he was execu-

Ms. Timpe, who has been with the bank for 10 years as a teller, will work in the installment loan operation. Ms. Alger, a teller for the past 10 years, will assume additional duties in the operations department.

MBA Lending Conference Scheduled for April 22-23

"What's Right With America" will be the topic of featured speaker Dr. Paul Nadler at the Minnesota Bankers Association upcoming Lending Conference, according to Donald A. Sirek, conference chairman, and president, State Bank of New Prague.

Dr. Nadler, an economist at Rutgers University, New Brunswick, N.J., will highlight the dinner program, Tuesday, April 22. The day and a half conference is scheduled for April 22 and 23 at the Radisson Hotel, St. Paul.

Other topics to be discussed include loan portfolio management and the Guaranteed Student Loan Program. Also scheduled is an extensive look at consumer lending with the use of the MBA Consumer Lending Procedures and Forms Manual, and state and federal lending legislative issues.

Top Management Changes Told at Ortonville Bank

Ronald A. Arndt has been elected president and chief executive officer of the Northwestern State Bank of

The new president most recently served as senior vice president of the Northwestern National Bank of Litchfield. Mr. Throndrud had been president of the bank since 1957 and will have completed 34 years in banking when he retires in 1982.

David L. Fuchs has been elected cashier. He had served as operations officer since joining the bank in August, 1979. Mr. Fuchs was formerly personnel officer at the Northwestern National Bank of Sioux City, Iowa.

Gerald K. Johnson has joined the bank as an installment loan officer. Mr. Johnson, who has a BS degree in business administration from Southwest State University, was formerly a personal loan officer at the First Northwestern National Bank of Marshall.

New Board Member Named

Grace E. Ketrosier has been elected to the board of directors of First Bank Robbinsdale, according to Kenneth C. Sheehan, president. Mrs. Ketrosier graduated from the University of Minnesota and has been active in community and civic affairs.

New Chairman, President Named at NW Faribault

Richard W. Peavey, president of First Northwestern National Bank of Faribault, has been elected chairman by the board of directors. James A. Loehr, presently vice president in the banking business group of the corporate office of Northwest Bancorporation, was named president, chief executive officer and a director. Both changes are effective June 1.

Mr. Loehr becomes the first president outside the Peavey family, which founded the bank in 1894. Acquired by Banco in 1929, the bank was founded as the Security Bank, and the name was changed in 1975. He was president of Northwestern State Bank in Dodge Center from 1968 until 1973, when he moved to the Banco corporate office.

He began his banking career in 1957 at the Northwestern National Bank of Litchfield. A native of Starkweather, N.D., Mr. Loehr graduated from the University of N.D. at Grand Forks in 1954.

Mr. Peavey has been president of the Faribault bank since 1956. He is scheduled to retire in the spring of 1981.



R. BENSE

M. HEINZEN



C. TIMPE

D. ALGER

tive vice president of the First National Bank of Long Prairie. He is a graduate of several banking schools, including the Stonier Graduate School of Banking at Rutgers University, and is active in numerous banking organizations.

Appointed to the position of assistant cashier were Marcia Heinzen, Chris Timpe and Deborah Alger. Ms. Heinzen, who has been with the bank for eight years as a teller and bookkeeper, will be responsible for the bookkeeping department.

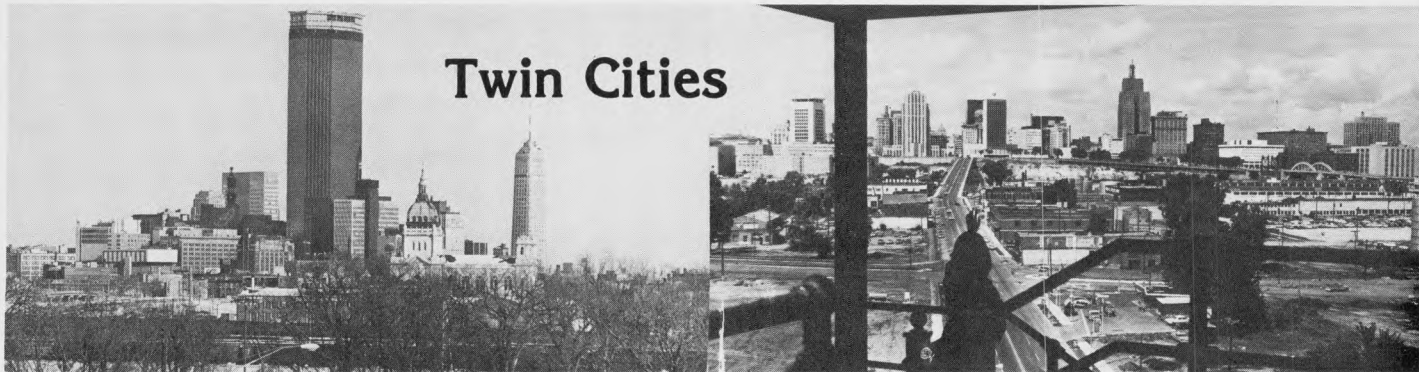


R. A. ARNDT

E. A. THRONDRUD

Ortonville succeeding Elwood A. Throndrud, who was elected chairman of the board.

Twin Cities



A SIMPLIFIED pension plan which allows employers to give tax-sheltered retirement benefits to their employees through individual retirement accounts has been introduced by Northwestern National Bank of Minneapolis.

According to **C. Paul Lindholm**, senior vice president, consumer banking, under the SEP (Simplified Employee Pension) plan, employers make contributions to IRA accounts established by eligible employees. But, unlike regular IRAs, which allow a maximum contribution of \$1,500 per year, the new plan will permit contributions up to \$7,500 per year.

The bank has also announced a major restructuring of its Interest Plus Checking plan to give customers the same benefits they would receive with a NOW account. The plan, which allows customers to earn interest on money used for checking, is being introduced at 24 Banco banks in Minnesota.

According to **Paul Eisen**, senior vice president and marketing director, Interest Plus Checking was redesigned to prepare both customers and the bank for the establishment of the NOW account.

Carl R. Pohlad, president of Marquette National Bank, recently announced the promotion of several bank officers.

Heading the list were **Vernon J. Montroy**, named vice president and controller, and **Karen I. Omtvedt**, vice president and trust officer.

Promoted to assistant vice president were **Linda W. Grace** and **Mark Brewer**, retail division; **David E.**

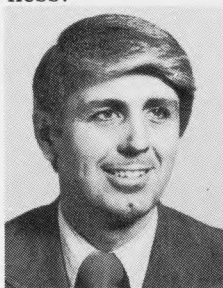
Hartle, trust division, and **Larry Podobinski**, investment department.

Larry M. Lange has joined the bank as a correspondent credit officer. Prior to joining Marquette, Mr. Lange served as credit director of International Multifood's restaurant division.

Mr. Montroy joined Marquette as an accountant in 1967. He was named accounting officer in 1970, chief accounting officer in 1972 and controller in 1973. **Ms. Omtvedt** joined the bank in 1968 as a trust secretary, was named trust officer in 1975 and assistant vice president in 1978. Both staff members graduated from the Minnesota School of Business.



C. P. LINDHOLM



V. J. MONTROY



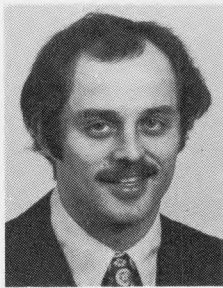
K. I. OMTVEDT



L. W. GRACE



D. E. HARTLE



L. PODOBINSKI



L. M. LANGE

Ms. Grace joined the bank last April as retail sales manager. She has a masters degree in library science from the University of Minnesota. **Mr. Brewer** joined Marquette Computer Corp. as shift supervisor in 1977 and was named operations officer last year.

Mr. Hartle joined Marquette as a trust administrator in 1976 and was named trust officer the following year. He has an LLB degree from the University of Minnesota Law School. **Mr. Podobinski** joined the bank's investment department in 1977 and was named investment officer in 1978. He is a Hamline University graduate.

Also receiving promotions were: **Gloria Baehr**, personnel officer; **Paula J. Wallace**, investment officer; **William L. Bohrer**, customer relations officer; **Allen McCulloch**, purchasing officer; **Martha J. Berry**, mortgage servicing officer; **Beryl Ann Burton**, operations officer; **John R. Wright**, assistant trust officer; **John H. Suh**, accounting officer, and **Carol S. Underdahl**, systems officer.

Bank Shares Incorporated, parent firm of the Marquette Bank System, has announced the promotion of **Margaret Majewski** to assistant vice president. She joined the company in 1967 as an administrative assistant.

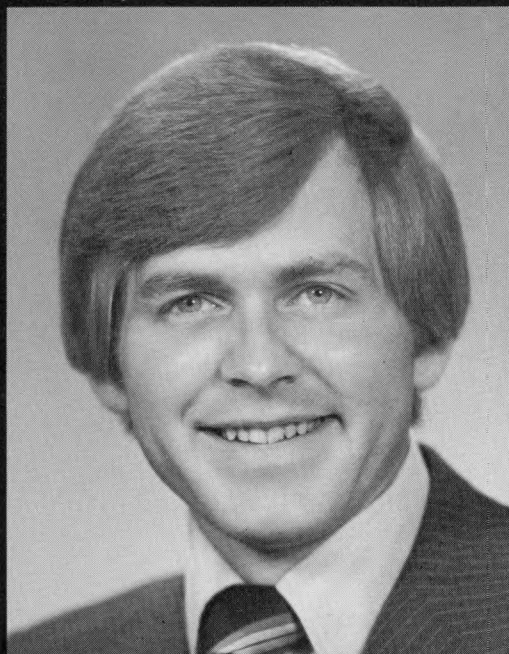


M. MAJEWSKI

Northwestern National Bank of Minneapolis has announced four elections.

Raymond E. Midthun was elected vice president of the personal trust division of the personal trust depart-

American Profiles



Steve Rykkeli
Assistant Vice President

"As a relative newcomer to the Correspondent Department, my seven years experience in Commercial Lending and Equipment Leasing provide valuable experience to assist our correspondents. Whether it's lending or operational services, what it all comes down to is professional and prompt response with an honest answer as to what we can do for your bank. We are in the business to help your bank run more profitably and efficiently. We are not in the business to tell you how to run your bank. There is a difference.



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R. E. MIDTHUN

D. M. LONGLET

ment. He joined Northwestern in 1968 as an administrative trainee in the trust department, was elected an assistant vice president in 1975 and became a section manager last year. He has a BS degree in business administration from Gustavus Adolphus.

Donald M. Longlet was elected vice president of the pension and profit sharing division of the trust investment department. He joined the trust investment department in 1968 as a research analyst, became a portfolio manager in 1977 and a senior portfolio manager in 1978. He has a BA degree in philosophy and economics from the University of Minnesota.

Douglas B. Manske was elected assistant vice president of the Far East, Middle East and Africa Division of the international banking department. He joined the bank in 1970 and formerly was an international banking officer.

Harold J. Stark has joined the investment counseling division of the trust investment department as an assistant vice president and senior portfolio manager. He formerly was a senior investment officer at Citicorp Investment Management, Inc., in San Francisco.

* * *

Carol L. Korda, assistant vice president, First Bank System, Inc., has been appointed finance committee chairman of the National association of Bank Women, Inc.

She was selected by the board to fill the remainder of the 1979-80 term due to a resignation. In this position, she also serves on NABW's board of directors.

Ms. Korda joined FBS eight years ago. She is a member of NABW's Metroland group.



C. L. KORDA

The board of the Cherokee State Bank of St. Paul, recently announced that **Robert R. Clemens** has been elected as a director, and **Virginia L. Sprafka** has been promoted to assistant manager of the detached facility at 675 Randolph Ave.

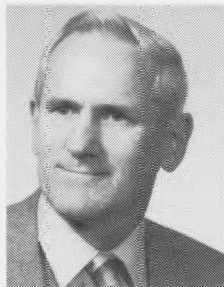
Mrs. Sprafka has been employed by Cherokee State Bank since 1978 as a teller. In her new position she will assist **Delmar Ohmann**, assistant cashier and manager of the Randolph facility since it opened in January, 1979.

Mr. Clemens is vice president of St. Paul Structural Steel Co. and president of Cleco Construction, both of St. Paul. He is a graduate of St. Thomas College and the University of Minnesota Institute of Technology.

* * *

A number of staff promotions at Western State Bank of St. Paul have been announced by **A. William Sands Jr.**, president.

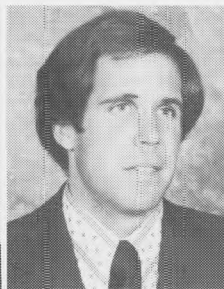
Lester I. Davis has been named senior vice president and assistant to the president. He has been at Western State Bank since 1946. **Myron Gilbertson** has been



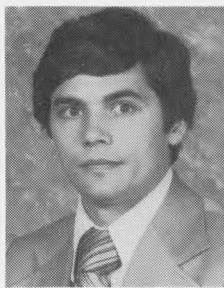
L. I. DAVIS



M. GILBERTSON



S. ERDALL



D. PRCHAL



C. McNAUGHTON

named vice president and comptroller. He has been with the bank since 1950. He is responsible for establishing and maintaining bank accounting systems.

Stephen Erdall has been named assistant vice president of real estate, with additional responsibilities for business sales and development. Before joining Western State in 1978, he worked for First Minnehaha National Bank, Minneapolis.

Dennis Prchal has been promoted to assistant vice president in charge of retail sales and development. He began his banking career in the loan department of First National of St. Paul and joined Western State in 1978.

Maynard Nelson has been appointed cashier. He has served in various positions since joining the bank in 1954. He is currently responsible for bank controls and operating procedures.

Cheryl McNaughton has been named manager, personal banking center. She joined the bank in 1967 and has had experience in several departments, most recently as personal banking officer.

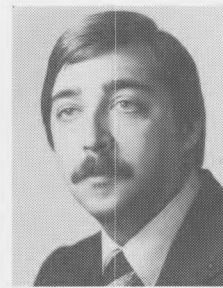
Also announced were several staff title changes which more accurately reflect job responsibilities. These are: **James Gahlon**, insurance officer; **Donald Schween**, business development officer, and **Richard Willy**, computer systems officer.

* * *

T. H. Bartholomay, president of First Bank Minnehaha, Minneapolis, recently announced the election of two officers and a new board member.

Thomas C. Porter has been elected personal banking officer. He joined the bank in 1978 in the sales finance department and later joined the personal banking department.

Kimi Y. Martin has been elected marketing officer. She came to First Minnehaha in 1978 as a management trainee and is a graduate of the Uni-



T. C. PORTER



K. Y. MARTIN

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L to R: Stan Peterson, Mike Bodeen, Jackie Dunn, Marge Lamosse.

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versity of Minnesota, Duluth, with a BBA degree.

Timothy A. Cronen has been elected to the bank's board of directors. He is vice president of Tempco Manufacturing Co., Inc.

* * *

Meeting with media representatives in a business luncheon recently, **D. H. Ankeny Jr.**, president and chief executive officer of First Bank Minneapolis, discussed economic trends and answered questions on various issues.

Mr. Ankeny presented the bank's 1979 annual report which showed net income after security transactions of \$24.6 million, a 13% increase from the 1978 total of \$21.7 million. "Higher net interest income was the main contributor to higher earnings, reflecting increased loan volume and higher yields on our earning assets," he pointed out.

The chief executive expects the economic challenges that confronted the banking industry during the latter part of the 1970s to continue into the 1980s. "The intensified competition that this will bring will certainly challenge the management skills of the banking industry."

Mr. Ankeny also gave an update on

the bank's building program, two new structures across the street from present headquarters, and explained his views as a member of an advisory committee on the Chrysler Corp. situation, pointing out that First Bank Minneapolis has loan commitments with Chrysler and will honor them.

* * *

James W. Reagan, chairman and president, American National Bank and Trust Company, St. Paul, has announced three promotions.

Robert Buck, comptroller, was elected vice president - comptroller. He joined the bank in 1975 as comptroller. **Ronald L. Bailey**, data processing officer, was elected vice president-data pro-



D. H. ANKENY



R. B. BUCK



R. L. BAILEY



M. L. TOIVANEN

cessing. He joined the bank in 1968 in the data processing division. **Myrna L. Toivanen**, budget officer, was elected vice president-budget and planning. She joined the bank in 1975 in the budget department.

MBA Program is Factor in Bank Robbery Reduction

A Minnesota Bankers Association reward program offering up to \$5,000 for information leading to the arrest and indictment of bank robbers initiated one year ago has contributed to the reduction in the robbery rate in the state.

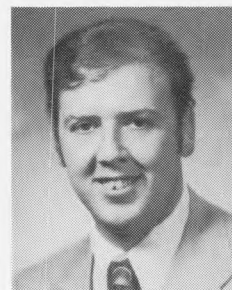
Since February 13, 1979, the association has paid \$17,750 to individuals in cases involving 13 bank robberies, according to Truman L. Jeffers, MBA executive vice president. Both the FBI and the MBA agree that the reward program has had a significant impact on state robberies.

The solution rate in Minnesota stands at 66%. Nationally the rate is 49%. FBI statistics also show the average robbery loss in Minnesota is about \$4,300, compared to the national average of about \$6,400.

The association also has conducted a series of educational meetings aimed at reducing the incidence of bank robbery.

Appointed at Tower Bank

The State Bank of Tower has announced two promotions. **Anthony J. Pecha** was promoted to assistant vice



A. J. PECHA



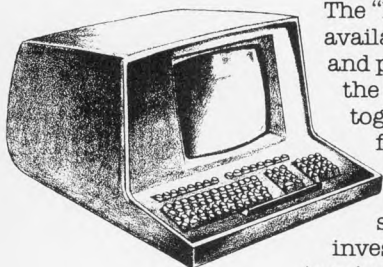
S. RONKAINEN

president and loan officer. He joined the bank in 1976. **Susan Ronkainen**, who has been with the bank since 1968 and has held various positions, was promoted to assistant cashier.

Honored at Mankato Bank

The staff of the Security State Bank of Mankato helped **Helen Titrud**, assistant cashier, celebrate her 22nd anniversary of bank service with a dinner in March.

Electronic communication brings the National Municipal Market to you in minutes at the First National Bank of St. Paul



The "Blue List Bond Ticker" makes available on a CRT screen new listings and price changes as they happen in the Municipal Market. This new service together with the "Telerate", "Muni-facts", "J. J. Kenney" and "Chapdelaine" wires provides up-to-the-minute information on the market needed to make sound investment decisions. Ask your investment representative how electronic communication can help manage your bond portfolio.



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NOTE: If your customers ask for our new checks before they arrive, please tell your tellers that our First National City check will continue being accepted indefinitely. After 76 years of faithful service, we're not about to let you down now.

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TRAVELERS CHECKS

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MINNESOTA CHAPTER of Bank Marketing Assn. has had a record attendance at its meetings this year. Shown here are **Lee E. Gunderson**, pres.-elect of ABA and pres., Bank of Osceola (Wis.); **N. W. "Red" Pope**, BMA pres., and v.p., Sun Banks of Florida, Orlando, and **George L. Michael**, pres., Minn. Chapter of BMA and v.p., American Nat'l. Bk. & Tr. Co., St. Paul, all in attendance at a recent meeting.

Marketing Group Plans Strategy

"WITHIN the next five years, 85% of commercial bank funds will be at money market rates, and depositors will never again subsidize borrowers."

This was the statement made by Jack Whittle, president, Whittle, Raddon, Motley & Hanks, Chicago, at the annual Bank Marketing Conference held by the Minnesota chapter of BMA in conjunction with the Minnesota Bankers Association.

Mr. Whittle suggested to the 250 delegates that high performance banks manage by using a well defined game plan. He said that when times get tough, banks should place special emphasis on their best customers. He

By **MALCOLM FREELAND**
Publisher

recommended deposit priorities be placed in the areas of small business and older citizens.

Looking ahead to NOW accounts, Mr. Whittle suggested a minimum balance of \$2,000 "if you don't want to give the bank away." His rule of thumb on accounts less than \$2,000 is a monthly charge of \$2 for accounts in the \$1,500 to \$1,999 range; \$4 charge for accounts in the \$1,000 to \$1,499 bracket, and \$6 charge for accounts ranging from 0 to \$999. He concluded

by stating that since s&ls can't mix savings and NOW account balances, commercial banks should give a service charge credit of \$1 for every \$500 in savings.

BMA President

George L. Michael, vice president, American National Bank and Trust Company, St. Paul, and Minnesota BMA president, agreed with Mr. Whittle by stating that "it is going to be tough to make a buck and bank profits will depend, to a large extent, on how well marketing people do their jobs." Truman W. Porter, vice president, Midway National Bank, St. Paul, and first vice president, BMA chapter, assisted Mr. Michael and served as program chairman.

Cost Analysis

Rob McCampbell, assistant vice president, Marquette National Bank, Minneapolis, emphasized that banks should know what their products cost so they can price them on an intelligent basis. Otherwise, he said, "some of us aren't going to be around in a few years." He said that at Marquette, 60% of the accounts are losers, providing only 6.5% of the balances and 44.5% of the account activity, costing over \$250,000 each year. He suggested a cleansing of accounts by mailing closing balances to all accounts which show under \$50 for the first quarter of 1980. He also recommended paying no interest to accounts when a \$100 balance was not maintained. Finally, he would allow all accounts under \$1,000 eight withdrawals per quarter and impose a

MARKETING GROUP . . .

(Turn to page 62, please)



COST ANALYSIS was presented by **Rob McCampbell**, a.v.p., Marquette Nat'l. Bk., Minneapolis, shown with **Pat McGraw**, sr. v.p. & cash., National Bank of South Dakota, Sioux Falls. Mr. McGraw talked on advertising and public relations. **RIGHT—Mowry Stilp**, a.v.p., First Nat'l. Bk., St. Paul, and **Robert Koenke**, a.v.p., National City Bk., Minneapolis.

Owatonna Bank Opens South Oak Office



THE NEW South Oak office of the Northwestern Nat'l. Bank of Owatonna opened in February with a winter carnival.

KENNETH E. Wilcox, president of the Northwestern National Bank of Owatonna, has announced the grand opening of the new South Oak office. Thomas G. Russell, assistant vice president, is the manager, and Wanda Thompson is assistant manager.

The brick building encompasses 4,200 square feet of lobby and office space in addition to four drive-up

lanes. A 24-hour banking center includes a night depository and automatic total teller machine. A unique feature of the building is a skylight which is a net provider of passive solar energy.

An open house with a winter carnival theme was held in mid-February. Over 6,000 people attended the three-day event which featured a snow sculpture, craft demonstrations and prizes.

First Nat'l. Bank, Duluth Establishes Speakers Bureau

Speaking of money, First National Bank of Duluth is prepared to do so. President Dennis W. Dunne has announced establishment of a Speakers Bureau through which Duluth area clubs and organizations can be provided a speaker on virtually any topic relating to money. The service is offered at no charge.

Subjects include consumer credit, retail banking, commercial banking, estate planning and trust services, market investments, bank marketing and consumer affairs. The 20-minute presentation is followed by a question and answer period.

Two Named at Fairmont Bank

Jack A. Koberg, president of the Fairmont National Bank, has announced the promotion of Paul A. Childers to executive vice president and James A. Haeckel to senior vice president.

Mr. Childers has been with the bank since 1978 as vice president and cashier. He is currently head of bank operations.

Mr. Haeckel has been with the bank since 1948. He has served in bookkeeping, general ledger, as a teller and is currently a commercial loan officer.

Promoted at Duluth Nat'l.

The Duluth National Bank has announced the promotion of William Brunette to assistant vice president, and Chris Mahai to assistant cashier and marketing officer.

Mr. Brunette joined the bank in 1970 as auditor. He had been an installment loan officer and now is a commercial and real estate lender. He attended University of Wisconsin-Superior.

Ms. Mahai joined the bank in September, 1979, and was previously associated with Airport State Bank of Duluth. She is a graduate of University of Wisconsin-Superior with degrees in economics and political science.

Credit Union Advisory Council Appointments

Commissioner of Banks Michael J. Pint has re-appointed Gerard A. (Rod) Lydon and Albert J. Louismet to four-year terms as members of the five-person Credit Union Advisory Council. The two concluded four-year terms on the Council in January. Their new terms will end in January, 1984.

Mr. Lydon is treasurer-manager of the Minnesota Central Credit Union Office and is president of the Minnesota League of Credit Unions.

Mr. Louismet has been the treasurer-manager of the Sheet Metal Local #76 Credit Union, and active in credit union movement work for 20 years.

Appointed at Arlington State

Russell Blaschko has been named assistant cashier and operations officer at the Arlington State Bank. He has been with the bank since 1978.

Mr. Blaschko handles student loan applications and administers one of the largest student loan programs in the area. A licensed insurance agent and real estate salesman, he also handles other types of loans. He has a BS degree in finance from St. Cloud State University.

Staff News from Elbow Lake

The board of the First National Bank of Elbow Lake has elected Ralph Leis of Elbow Lake as a new director.

Staff members receiving promotions were Betty Lou Cravens, cashier to assistant vice president and cashier; Virginia Ricks, assistant cashier to assistant vice president, and Jean Gord to assistant cashier.

Appointed at NW Jordan

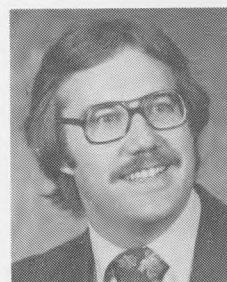
The board of the Northwestern State Bank of Jordan has announced the appointment of Nancy M. Nelson as a personal banking officer. She joined the bank in 1978.

Previously Ms. Jordan was a loan teller at the First State Bank of Waseca and a regional bank examiner with First System Services.

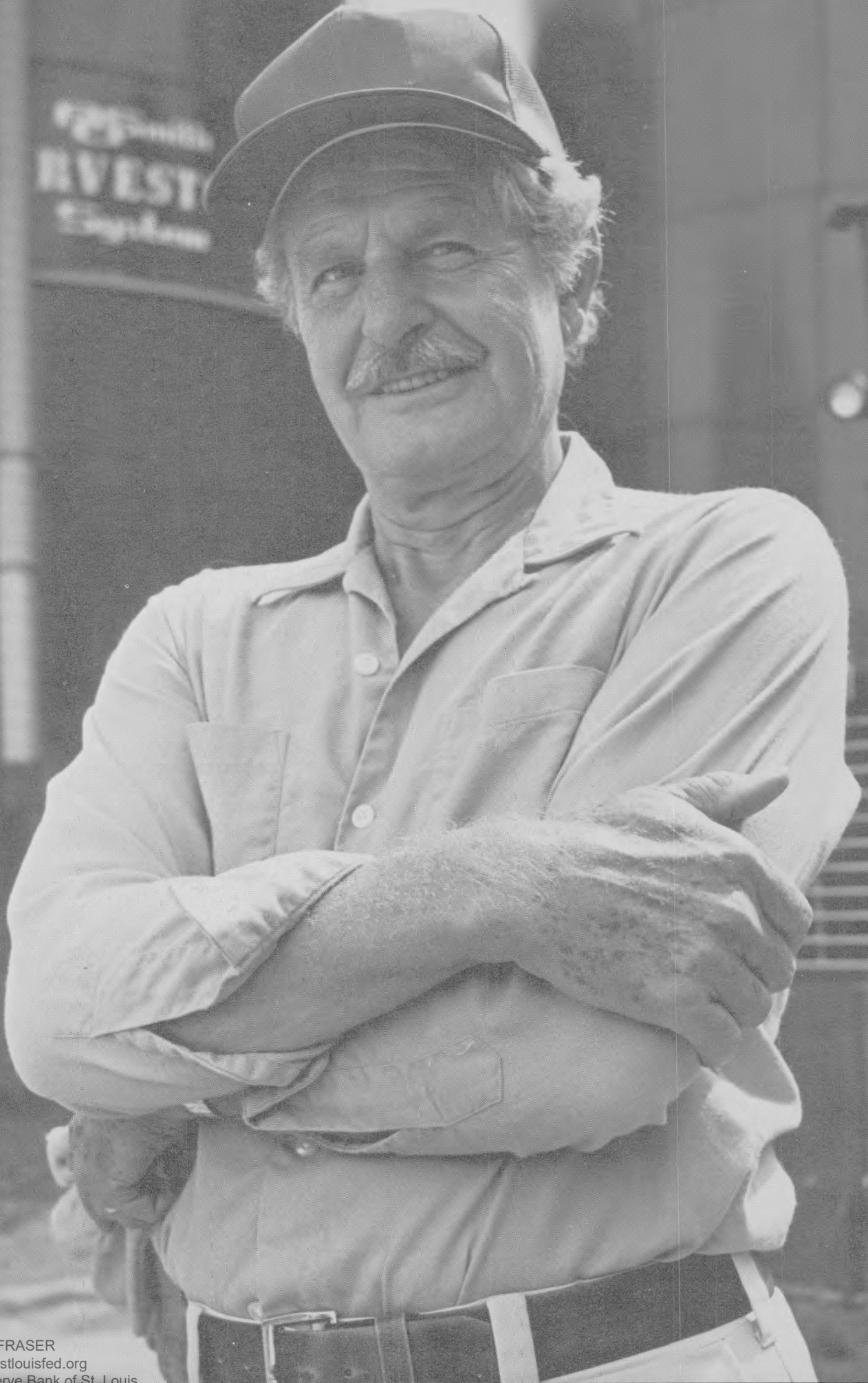
Joins Sauk Rapids Bank

Ronald Havlik, president of the Northwestern State Bank of Sauk Rapids, has announced the appointment of James R. Kubovec as assistant vice president and manager of the real estate mortgage department.

Mr. Kubovec received a BS degree in business administration and marketing from Bemidji State University. He was formerly branch manager of a mortgage loan institution in the Twin City area.



J. R. KUBOVEC



When farmers, feeders and ranchers have to produce, so do you.

Farmers, merchants, manufacturers, almost all of your customers. Their work can't wait for good times. And good times or bad, they all depend on you for help. So when you need a correspondent, you need one you can depend on.

You need First Minneapolis.

First Minneapolis gives you one simple commitment. When you need us, we'll be there. Period. It's official policy.

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If you have questions about any of our Correspondent Services, call Ken Wales, Vice President, (612) 370-4687. You'll get answers and a commitment you can count on.



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service charge of 50 cents per withdrawal over that limit.

In closing Mr. McCampbell suggested that each bank use the Federal Reserve's Functional Cost analysis, and if they are not a Fed member to borrow it.

Advertising Tips

Patrick H. McGraw, senior vice president and cashier of the National Bank of South Dakota, Sioux Falls, reminded delegates that most every person in every bank is a so-called advertising expert. He said that a bank's advertising budget should be set to accomplish specific objectives. He added that the old \$1 per \$1,000 assets rule of thumb for advertising isn't always the best, since dollars spent depend on the competitive environment and marketing objectives. In the case of his bank, Mr. McGraw attempts to gear advertising expenditures to seasonal demands, and a large portion of the savings advertising is scheduled at the time fall crops are harvested. He concluded by suggesting bankers will be able to obtain much valuable marketing information from the results of the 1980 census reports.

Presentations from Marlene Johnson, head of a local advertising agency; Don Jones, head of a Madison, Wis., public relations firm, and

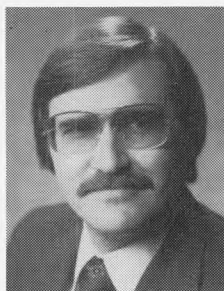
H. F. Mueller, president of the North Valley Bank, Redding, Calif., rounded out the one-day program. □

Joins Maple Grove Bank

James Heig, president of Northwestern Bank Northwest, Maple Grove, has announced the election of Keith F. Bentley as assistant vice president in operations.

A graduate of Mankato State College, he joined Fifth Northwestern National Bank in 1972 in the operations area. He joined Banco, Inc., the audit subsidiary of Northwest Bancorporation, in 1976 and had been serving as an auditor.

Mary Gangelhoff, operations officer of Northwestern Bank Northwest, is joining Banco's operations research department.



K. F. BENTLEY

Luverne Bank Promotes 2

Lucille Getman has been named assistant cashier of the Northwestern State Bank of Luverne. She joined the bank's bookkeeping area in 1960. Her responsibilities are now in operations and customer service.

Donna Scholten has been advanced



L. GETMAN



D. SCHOLTEN

to bookkeeping supervisor replacing Ms. Getman. She joined the bank in 1963 and is now responsible for all bookkeeping activities, proof, general ledger and time savings certificates.

Bloomington Bank Appoints New Loan Officer, Director

Patrick W. Colbert Jr., president of the American State Bank of Bloomington, has announced the election of Joyce Lambrecht as an assistant loan officer. She has been with the bank since 1973, most recently in the loan department.

John D. Skogland has been elected to the board of directors. He is the owner and president of J.D. Skogland Jewelers, Inc.



J. LAMBRECHT

Program for Settlement Service

MANUFACTURERS Hanover Trust Company, New York, together with Bank of America, San Francisco, and Payments and Telecommunications Services Corporation (BankWire), has announced joint participation in a pilot program of BankWire's net settlement service.

The service is designed to streamline same-day payments between participants and simplify correspondent bank account reconcilements. By maintaining a running account of funds moving through the system and automatically calculating net positions for each bank, the service reduces the number of individual transactions and simplifies bookkeeping requirements.

The pilot project, which began February 5, is designed to establish operating procedures while evaluat-

ing costs and benefits. Participation in net settlement is restricted to members of the Federal Reserve System who also belong to BankWire and arrangements for the settlement service are made on a bilateral basis between individual banks.

Company Plans Seminar On Aircraft Financing

Insured Aircraft Title Service, Inc. will conduct the United States' first "Seminar and Workshop in Aircraft Financing." The two-day meeting, to be held in Oklahoma City, Okla., will cover every phase and aspect of this most profitable area of the bank's installment credit portfolio.

Internationally known experts will lecture and be available for personal

consultation throughout the two days. Subjects to be discussed are: aircraft documentation, marketing, insurance, repossession, appraisals and international transactions.

The featured speaker at the dinner banquet on April 21 will be Paul E. Erdman, world famed economist and author of the best sellers, "The Crash of '79" and "The Silver Bears." Another speaker of note will be Allan Thomas, vice president, Crocker Bank and past-president of the Aircraft Finance Association. Mr. Thomas will speak on "Aircraft Financing and the Commercial Banks."

The two-day seminar will be held at the Lincoln Center Plaza Hotel in Oklahoma City. Attendance is restricted to representatives of financial institutions and leasing company loan officers. Reservations may be made by telephoning Insured Aircraft Title Service, Inc. on its toll free number, (800) 654-4882.

South Dakota

G. H. Waltner, pres., Freeman
J. M. Schwartz, exec. mgr., Pierre



Citibank Card Division May Move to S.D.

SOUTH DAKOTA may be selected as national headquarters for the credit card operations of Citibank (New York State), N.A., a subsidiary of Citicorp, New York. The current headquarters is located at Huntington, L.I., New York.

Facing the restrictions of New York's usury law, which limits credit card interest charges to 18% on the first \$500 of credit card loans and 12% on the remaining balance, Citibank officials began searching recently for a new site in a state with more liberal usury limits when the New York state legislature did not take action on a usury bill. South Dakota and Missouri were the two states selected. South Dakota usury limits on credit cards are 24% on the first \$500 and 18% on the balance; in Missouri the interest rates are 22% on the first \$1,000 and 10% on the balance.

Headed by Charles E. Long, senior vice president, a delegation of Citibank officials flew to Pierre, S.D., the week of March 10 to visit with Gov-

ernor William Janklow and state legislative leaders. They presented their proposal to move the national headquarters to Sioux Falls, with a potential of 2,500 jobs. Governor Janklow scheduled a meeting with executive council members of the South Dakota Bankers Association to determine banker feelings about the proposal and any possible adverse effect such a move would have on South Dakota banking.

State officials from the legislature and banking commissioner's office prescribed limitations which would include a prohibition against receiving deposits or engaging in any retail banking. After concurrence of the SDBA executive committee, the legislature passed enabling legislation and the Governor immediately signed the legislation into law. The enabling legislation is in the form of an amendment to South Dakota's law governing non-resident bank holding company operations within the state.

Upon their return to New York from South Dakota, Citibank officials

prepared an application to the Comptroller of the Currency and the Federal Reserve Board for approval of a national bank charter, according to Eugene Cassidy, vice president, consumer services group of Citibank. Company officials also met with the New York Governor and state legislative leaders, he said, to review the proposed move. Although sympathetic to the credit card firm's stated need for usury relief, the legislature apparently continues reluctant to take any action in this election year.

Mr. Cassidy told the *NORTHWESTERN BANKER* that the national charter application is in process and if the New York legislature adjourns without having taken upward remedial action on the usury limits then Citibank will proceed immediately with relocation of its national headquarters in Sioux Falls.

Even if the national credit card operation center should not be moved to Sioux Falls for any reason, Mr. Cassidy stated, some division of Citibank will be relocated in Sioux Falls, with a minimum work force of 300 persons. Citibank has collection offices in Chicago, Atlanta and San Mateo for its credit card operations, he noted, and some of the consumer offices of these locations could be packaged and located in South Dakota. Citicorp's subsidiary, Nationwide Finance, currently has two offices in South Dakota, one in Sioux Falls and one in Rapid City. Citicorp's principal subsidiary is Citibank, N.A., located in Manhattan, and is the nation's second largest bank.

Bank Changes Announced at Pierre Nat'l. and Branches

Several changes affecting area banks have been approved by federal regulatory agencies effective April 1.

The Pierre National Bank has become BankWest, N.A., and has acquired the Vivian State Bank of Vivian, and the Badlands State Bank of Kadoka and Belvidere as branches. BankWest now has two offices in Pierre and one each in Vivian, Belvidere and Kadoka.

The Pierre National Bank was founded in September, 1889, two months prior to South Dakota becoming a state. The bank in Belvidere was founded in 1907. The Vivian State Bank was organized in 1909 and the Kadoka bank opened in 1948.

The new bank will be directed by

Charles H. Burke, president. He has served as president of The Pierre National Bank since 1972 and is chairman of the other banks. William V. Fischer will be the executive vice president for all the banks and responsible for daily operations. The branch in Vivian will be managed by David Moore and the branches in Kadoka and Belvidere are managed by Joe Leutenegger, Kadoka.

The new bank is a regional financial institution and the firm needed a name to suit its expanded service area as well as meet any growth that might present itself in the future.

BankWest will have numerous advantages for all the offices, including an increase in the lending limits available to any one customer, expanded and updated data processing, more training with specialization

for employees and increased services in some areas.

Tapped at De Smet Bank

The Peoples State Bank, De Smet, has announced three advancements. D. Wayne Meyer has been promoted from vice president to senior vice president; Arden Nelson from loan officer to loan officer and assistant cashier, and Mary Jo Robish from teller to assistant cashier.

Two Sr. VPs Named at Pierre

E. E. Hawk, president of the First National Bank in Pierre, has announced the appointment of Dan Davis and Michael T. Denton to the position of senior vice president.

Mr. Davis has been with the bank

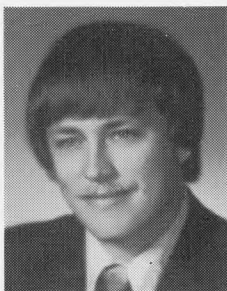
for seven years, three of which he was in charge of instalment loans. He is now in charge of the bank's entire loan area. Mr. Denton, named to head the operations department, has been with the bank for three years. He is a CPA and was formerly the bank's internal auditor.

Gross Designated CCL

David D. Gross, senior vice president and trust officer at the First Dakota National Bank, Yankton, recently received word from the National Commercial Lending School, a subsidiary of the American Bankers Association, that he successfully completed all necessary requirements to receive the designation of Certified Commercial Lender.

Announces Officer Election

T. M. Reardon, president of the Western Bank, Sioux Falls, has announced the election of Richard D. Groeger as a consumer loan officer.



R. D. GROEGER

Mr. Groeger joined the bank in 1978 as a consumer loan counselor. He is a graduate of South Dakota State University with a BS in agricultural science. Mr. Groeger also manages the Farm Plan Finance program of the bank.

Montana

R. F. Burke, pres., Missoula
J. T. Cadby, exec. v.p., Helena



Staff News from Cut Bank

Clarence (Snuff) Frisbee recently joined the First National Bank of Cut Bank as head of the real estate department. He was formerly with the Kalispell Savings & Loan Association as manager of the Cut Bank office.

Allen Berkram was elevated from assistant cashier to assistant vice president and agricultural representative. He has been with the bank for six years.

Missoula Bank Promotes Two

Robert F. Burke, president of the First National Montana Bank of Missoula has announced two promotions.

Michael F. Pomeroy, assistant vice president and trust officer, was named vice president and trust officer. He joined the bank in 1976 and has a BS degree in business administration from the University of Denver.

Leslie Blazeovich was promoted to assistant vice president and assistant manager of the instalment loan de-

partment. A University of Montana graduate, he joined the bank in 1966.

Union Loses in Montana

The United Food and Commercial Workers International Union lost overwhelmingly a unionization vote at a branch of First National Bank of Anaconda-Butte, Mont., last month. However, the union will challenge the results, charging unfair labor practices.

The UFCWIU, which lost by an 18-4 margin in the 25-member unit, has gone to the National Labor Relations Board with charges that the bank influenced the vote by threats to replace workers who voted to unionize, to refuse to bargain with the union, and to take away benefits if the bank was unionized.

The union is also charging that the bank influenced the vote by granting two pay raises since September and giving employees additional benefits.

Tapped at Hamilton Bank

V. C. Hollingsworth, president of the Citizens State Bank, Hamilton, has announced the promotion of K. Fred Reeves from assistant cashier to assistant vice president.

All other officers were re-elected to their positions at the bank's annual meeting in January.

North Dakota

M. T. Nelson, pres., Stanley
H. J. Argue, exec. dir., Bismarck



Bank of N. Dakota Reports Farm Loan Totals, Update

The Bank of North Dakota has announced it loaned a record \$1,324,000 to beginning farmers in February. Through the Beginning Farmers Program, the bank has funded a total of \$8,110,950 to 146 beginning farmers since the program's inception in 1978.

The bank's special loan division reports that \$10,980,302 has been loaned to 116 farmers since the State

Land Department loan pool (a \$45 million pool) was established in 1977.

Ernest Pederson, vice president of the special loans division, said that these loans are limited to actual North Dakota farmers and are secured by first mortgages on North Dakota farm and ranch land.

Appointed at Williston

Marian Dunn has been appointed

instalment loan officer at the American State Bank & Trust Co. of Williston. Mrs. Dunn has been with the bank 13 years and has worked in loans, real estate and new accounts as a personal bank representative.

First Bank-Minot Will Observe 75th Birthday

First Bank-Minot will celebrate its 75th anniversary with a month long observation in May with special activities scheduled for the week of

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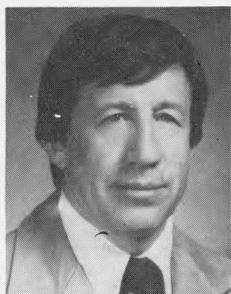
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(303) 893-2211 Member First National Bancorporation

May 12-16, according to Arnie Braaten, president.

The bank received its charter from the Comptroller of the Currency in 1905 under the name of Union National Bank. Union National joined First Bank System in 1930, and officially changed its name to the First Bank of North Dakota (NA)-Minot in 1977.

Staff members moved into the present location at 17 First Ave. SW in 1963, and a new drive-in facility was added in 1975.

Colorado



D. L. Farmer, pres., Rocky Ford

Richard A. Kirk Elected Chairman of United Bank

Directors of the United Bank of Denver have elected Richard A. Kirk chairman of the board. He will continue as president and chief executive officer and, as chairman, succeeds John D. Hershner who retired from the bank in February.



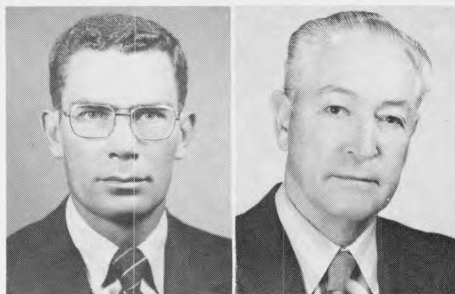
R. A. KIRK

Mr. Kirk, 49, joined the bank in 1958. He has advanced through various officer positions, being named a senior vice president in 1969, executive vice president in 1974 and president in 1977. Last July, in anticipation of Mr. Hershner's retirement, he was named chief executive officer.

Mr. Hershner has completed a 34-year career with United Bank and its predecessor, United States National Bank. He specialized in investments and commercial lending prior to becoming executive vice president in 1966, president in 1969, chief executive officer in 1971 and chairman in 1974.

Wyoming

G. W. McIlvaine, pres., Saratoga
M. C. Mundell, exec. dir., Laramie



Promoted at Rock Springs

Robert V. Preston, president of the First Wyoming Bank, N.A.-Rock Springs, has announced the promotion of Judy Harper to assistant vice president in the instalment loan department.

Mrs. Harper has been with the bank for five years and has been associated with Wyoming Bancorporation for the last eight years.

New President, Officers at American Nat'l., Cheyenne

Jack Crews has been elected president of the American National Bank of Cheyenne, it was announced by D. L. Day Jr., president of the American Bank Corporation.

A Cheyenne native, Mr. Crews attended the University of Wyoming and graduated from the University of Arizona with a bachelors degree in science and agriculture. He is a former member of the Wyoming House of Representatives.

After several years of banking experience in Wyoming, he joined American National in 1976 as vice

president of public relations and advanced to senior vice president and cashier in 1979.

Betty M. Oyler was promoted to vice president and cashier. She had several years banking experience in Rock Springs and Rawlins prior to joining American National in 1977.

Max "Tony" Minnick, promoted to vice president, attended the U.S. Air Force Academy and graduated from Southern Illinois University with a BS degree. He had six years of data processing experience prior to joining the bank in 1976.

Named at 1st Nat'l., Laramie

E. J. Haines, president and chief executive officer of The First National Bank of Laramie, has announced the promotion of Daniel G. Furphy to assistant vice president and controller.

Mr. Furphy joined the bank as a student intern in 1974 and fulltime in 1976. He has served as auditor and controller. He received a BS degree in finance in 1975 and an MBA in 1979 from the University of Wyoming.

In other staff news, Paul S. Gordon was appointed a vice president. The manager of the commercial real estate market, he joined the bank in 1973. He is a math and finance graduate of the University of Utah.

UBD also announced the appointments of Gregory L. Glissman and Alan C. Gregory to commercial banking officer; Kirby D. Martin, property management officer, and Denise Bryant, marketing officer.

1st National, Fort Collins Tells of Six Promotions

Tom J. Gleason, president of the First National Bank, Fort Collins, has announced six promotions.

Harleigh C. Howerton has been promoted to senior vice president of

the newly-created consumer loan division. He will be responsible for instalment lending and credit card operations, consumer lending and leasing. Mr. Howerton joined the bank in 1952 and has a BS degree in business administration from Denver University.

Wesley H. Sargent has been promoted to vice president of marketing. He will handle the business development department and its retail banking center. Mr. Sargent, with the bank since 1974, has a BS degree from Colorado State College.

Virginia Morley, promoted to vice president of operations, is responsible for teller operations, bookkeeping, proof, drive-up and facility operations. She joined the bank in 1962.

Cathy Schott has been promoted to

assistant vice president and manager of the bankcard department. She joined the bank in 1967 and has served in a number of capacities.

Trudy M. Threthewey, now assistant vice president and operations manager of the mortgage loan department, joined the bank in 1977. She has a BA degree in political science from the University of Wyoming and is a CPA.

Bryant M. Pulley, now an assistant vice president in the commercial loan department, joined the bank in 1977. Formerly with Bank of America, he has a BS degree from Brigham Young University and an MBA from the University of California-Berkeley.

Holding Company Reports Eight Staff Promotions

Directors of First National Bancorporation, Inc., Denver, have announced eight officer promotions, including the election of Gary DeFrangé to vice president.



G. J. DeFRANGE

Mr. DeFrangé, Bancorporation's director of manpower planning and employment, joined The First National Bank of Denver as management trainee in 1970. He later worked in the personnel department until his transfer to Bancorporation in 1977. He is a 1970 graduate of the University of Colorado with a bachelors degree in business.

The Bancorporation board also named three assistant vice presidents — Fell H. Stubbs, H. Allen Rheem Jr. and Linda Sanders.

Mr. Stubbs, also assistant treasurer, has been with Bancorporation over seven years and is responsible for management of short-term assets and liabilities. Mr. Rheem, who recently transferred to Bancorporation after over seven years with First of Denver, directs management training. Ms. Sanders, a former employee of First of Bear Valley, joined the operations staff last year as special projects coordinator.

Other promotions reported by the Bancorporation board include Nancy Henning, operations officer; Barbara Danbom, financial planning officer, and Thomas C. Tiffany and Matthew Ghourdjian, deputy auditor.

Elected as CNB Director

Robert L. Kropf has been elected a director of Colorado National Bank, Denver, according to Bruce Rockwell, chairman. Mr. Kropf is senior vice president of the banking department at Colorado National.

He joined the bank in 1959 as a trainee and was assigned to various divisions of the bank until joining the credit area in 1961. In 1974 he became responsible for the commercial lending portfolio. He has a BS degree in business administration from the University of Colorado.

Manages Industrial Bank

Dianne M. Benzley has been named general manager of a new industrial bank which opened last month in Aurora's Buckley Square.

Central Industrial Bank is a subsidiary of Baldwin-United Corp. Other Baldwin-United financial subsidiaries include Empire Savings, Central Bank of Aurora, Central Bank of Denver and 10 other Colorado banks.

Ms. Benzley was previously with Central Bank of Denver where she served as a retail lending officer.

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PRESIDENTS. OUR
CORRESPONDENT
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HAS PRODUCED 11.**

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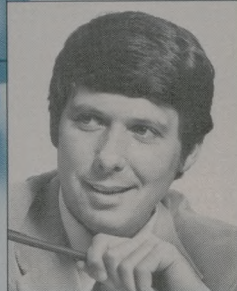
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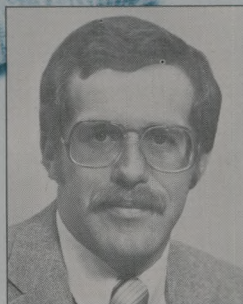
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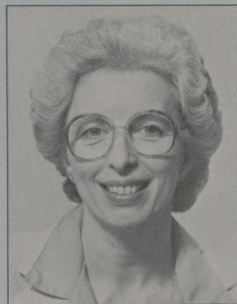
John McCune, Manager



Ann Waller



Bob Billmeyer



Ruby Tiller



Bob Brown

US NATIONAL BANK of Omaha

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Member FDIC

83rd Annual

Nebraska Bankers Association Convention

May 4-6
Orpheum Theatre—Hilton Hotel
Omaha

SEVERAL delightful dishes, including meaty main courses and lighter entrees, will be served up at the 83rd annual convention of the Nebraska Bankers Association May 4-6 in Omaha. The theme this year is "A Banker's Menu for 1980." As in the past, the Sunday evening show and the Monday business sessions will be held at the Orpheum Theatre. All other activities, including the Tuesday morning business session, will be located at the Hilton Hotel.

Nebraska bankers and spouses will be treated to "A Convention Appetizer" Sunday evening with dinner followed by a stage show featuring musician Pete Fountain and the University of Nebraska Scarlet & Cream Singers. Several noted speakers from the fields of banking, government and business across the country are slated to address the various business sessions. The program follows:

Sunday, May 4

A.M.

10:00 Registration opens

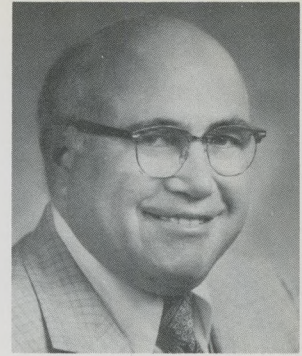
P.M.

- 1:30 NBA Past Presidents Meeting
- 2:30 NETS, Inc. Board of Directors Meeting
- 3:30 Hospitality rooms open
- 4:15 First dinner seating for "A Convention Appetizer"
- 5:45 Second dinner seating for "A Convention Appetizer"
- 7:30 "A Convention Appetizer" Stage Show featuring Pete Fountain and the University of Nebraska Scarlet & Cream Singers.
- 9:30 Hospitality rooms open

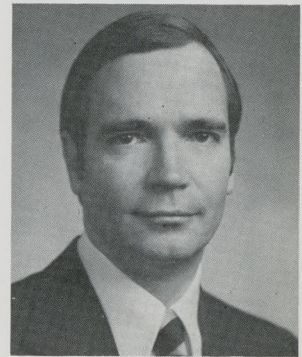
Monday, May 5

A.M.

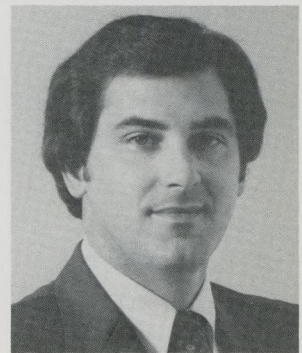
- 7:30 Registration opens
- 8:00 Continental breakfast
- 9:00 Opening general session—Invocation—Welcome
 C. C. Hope Jr., president, American Bankers Association, and vice chairman, First Union National Bank, Charlotte, N.C.
 Clayton Yeutter, president, Chicago Mercantile Exchange.
- 10:30 Coffee break
- 10:45 General session continues
 Mick Delaney, sales and communications consultant, Seattle, Wash.
 Paul J. Amen, director of banking and finance, State of Nebraska.
 Wayne Dobson, Abbott Professor of Banking, University of Nebraska-Lincoln.
- Noon NBA Awards Luncheon
 U.S. Rep. John J. Cavanaugh (D-Neb.), Second Congressional District, Omaha.



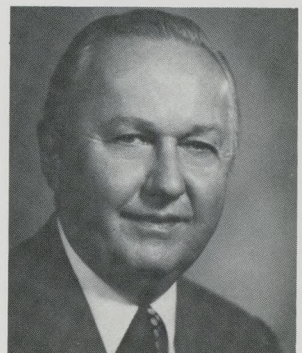
J. W. McBRIDE
 President



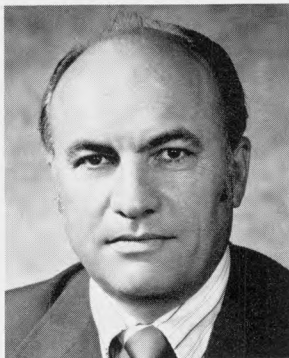
J. E. ROE
 President-Elect



R. M. BEVERAGE
 Exec. Vice Pres.



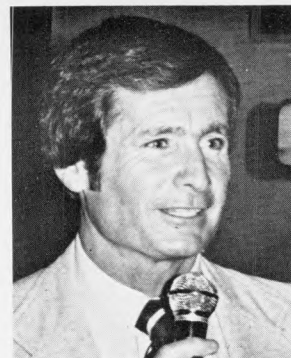
C. C. HOPE



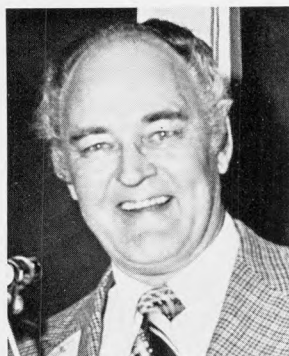
C. YEUTTER



J. J. CAVANAUGH



J. TUNNEY



M. DELANEY



G. M. MORVIS



N. M. DEAN



P. J. AMEN



L. W. DOBSON

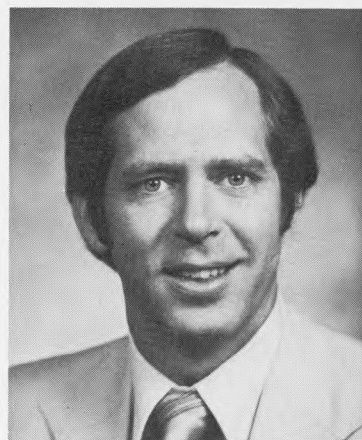
P.M.

- 1:45 NBA Annual Meeting
 Financial report—Roger M. Beverage, NBA executive vice president, Lincoln.
 President's report—James W. McBride, NBA president, and president, First National Bank & Trust Co. in Aurora.
 NBA elections
 Incoming president's report—Jerry E. Roe, NBA president-elect, and president and chief executive officer, Bank of Bennington.
 American Bankers Association report—Harold E. Larmon, president, The First National Bank of McCook.
 American Bankers Association Council election
- 3:00 NETS, Inc. Annual Meeting—S. M. Wolbach, president, Nebraska Electronic Transfer System; chairman and chief executive officer, First National Bank, Grand Island.
- 3:15 Coffee break
- 3:30 State Legislative Panel. Moderator—William B. Brandt, general counsel, Nebraska Bankers Association, Lincoln.
- 4:30 Hospitality rooms open
- 7:00 Convention Banquet
 Speaker—Jim Tunney, National Football League Referee No. 32.
- 9:00 Hospitality rooms open

Tuesday, May 6**A.M.**

- 8:15 Continental breakfast
- 9:00 Closing general session
 George Morvis, president, Financial Shares Corp., Chicago, Ill.
 "Nebraska's Competitive Financial Picture"—Roger M. Beverage, NBA executive vice president.
- 10:30 Coffee break
- 10:45 General session continues

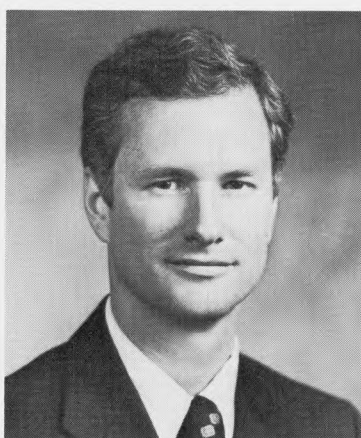
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Vice President



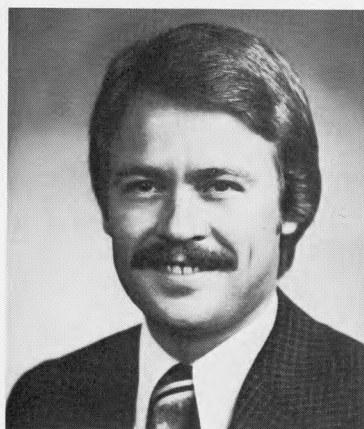
WILLIAM E. EDGECOMB
Vice President



CRAIG E. WANAMAKER
Vice President



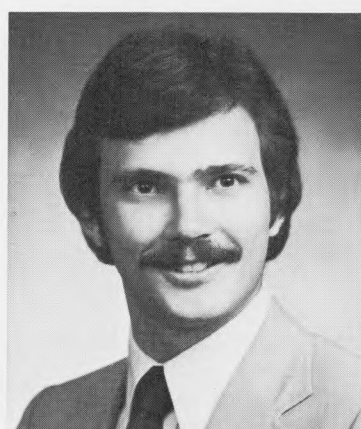
STEVEN L. ANDERSON
Assistant Vice President



MARVIN HEFTI
Correspondent Bank Officer



KATHY M. VOTAW
Correspondent Bank Officer



MARK A. ZABACK
Correspondent Bank Officer



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Member, F.D.I.C.

Norman Dean, president, United Bank of Greeley, Colo.

Paul Nadler, professor of business administration, Rutgers University.

Noon Adjournment. □

SPOUSE'S PROGRAM

A special spouse's program Monday will feature a tour of historical places around Omaha. The bus will leave at 1:45 p.m. from the Hilton and the event includes a tea at the General Crook Home, one of the locations on the tour. □



P. S. NADLER

Pete Fountain



Entertainers for NBA Convention

Scarlet & Cream Singers



You Will See Them at the 83rd Annual Nebraska Bankers Convention May 4-6

THE following metropolitan bankers, investment people and service equipment dealers have indicated they will be attending the 83rd annual Nebraska Bankers Association Convention May 4-6 in Omaha:

Chicago

First National Bank: Catherine D. Saccany and Jerome R. Wagner, loan officers.

Denver

Central Bank & Trust Co.: Don Echtermeyer and Bill Tumelty.

First National Bank: George B. Acker, senior vice president, and Terrance J. Tangen and Harry Devereaux, assistant vice presidents.

Security National Bank: John A. Edmiston, senior vice president, and Steve Sheridan, assistant vice president.

United Bank of Denver: Darcy L. Myers and Ronald D. Edwards, commercial banking officers.

Kansas City

United Missouri Bank of Kansas City, N.A.: Richard C. King, president and chief administrative officer; William J. Bolt Jr., vice chairman of the board; E. L. Burch, senior vice president, and Richard H. Muir, vice president.

Lincoln

First National Lincoln: Gary L.

Bieck, vice president and manager; Craig Wanamaker and William Edgecomb, vice presidents; Steve Anderson, assistant vice president; Mark Zaback, Marv Hefti, Mark Hahn and Kathy Votaw, correspondent officers, and Charles Ellis, operations officer.

National Bank of Commerce: James Nissen, president; Tom Potter, senior executive vice president; Robert Hans, Loren Anderson and Dana Hendricksen, executive vice presidents; Wilbur Baack, senior vice president; Roy Otte, Tom Stuckey, Dennis Stelzer, Richard Wible, Duane Nelson, Robert Deahn and Brad Korell, vice presidents; Steve Kness, Max Callen and Dan Anderson, assistant vice presidents; Billie Kent, bank investment officer; William Ligo and Dave Lebsack,

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We will be presenting orchids to the ladies at the convention again this year, as we have for the past 21 years. Some traditions never change. Like the professional service you receive from the Schweser Company. We have specialized in tax-free municipal bonds for more than 40 years, handling $\frac{1}{3}$ of all municipal issues in Nebraska last year. When it comes to tax-free income you can put your trust in the Schweser tradition.

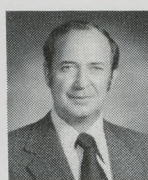
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WILLIAM MARCH
President



FRANK E. WILLIAMS
Executive V.P.



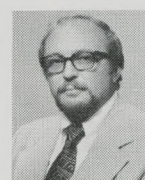
PATRICK H. RENSCH
Vice President and
Counsel



HARRY E. COE
Vice President



ROBERT E. ROH
Vice President



C. W. POORE, JR.
Sec.-Treas.



THOMAS B. MEHL
Assistant V.P.



WM. (BILL) ABTS
Assistant V.P.



WAYNE A. RASMUSS
Assistant Sec.



MIKE MULLEN
Representative



MICKEY KRUPINSKY
Representative



DAVE DUNN
Representative



JOHN H. CRAVENS
Representative



MIKE DRAHOTA
Representative

ROBERT E.

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executive vice presidents, NBC Computer Services Corp.

Minneapolis

First Bank, Minneapolis: Glen R. Walters, vice president, and Dan G. Simkins, assistant vice president.

Sioux City

First National Bank: Richard C. Taylor, president; Charles H. Walcott, executive vice president; Gary W. Stevenson, vice president, and Doug Schmidt, correspondent banking officer.

Bank Equipment and Other Firms

Bank Building Corp.: Steve Kraaz and Chet Krouse, consultant services managers.

Chiles, Heider & Co.: Bill B. Beavers, David U. Van Metre, James R. Foley, Fred H. Douglas, Roy G. Leabee, Tad R. Dunham, Jon L. Narmi and William B. Berryman.

Daktronics, Inc.: Dave Walkenbach, region manager, and Dennis Pohl, district sales manager.

Financial Institution Services, Inc.: Jerry Debner, assistant to the president.

First Mid-America, Inc.: Charles J. Burmeister, president; Robert D. Northrup, executive vice president; John J. Frenking and Mike Van

Horne, senior vice presidents; Al Ternus and Ray Sharpe, vice presidents, and Jack Foley, Merrill Johnson, Gary Fenster, Jack Clark and Tom Poggemeyer.

Lincoln Benefit Life Co.: Steve Sutton, vice president.

Modern Banking Systems, Inc.: Robert Friend, president; Dan Cronin, vice president, and Joe Nelson, marketing representative.

Mosler Safe Co.: Bill Pierce, sales representative.

Omaha Financial Life Ins. Co.: Bill Murray, regional manager.

Robert E. Schweser Co., Inc.: William March, president; Frank Williams, executive vice president; Pat Rensch, Bob Roh and Harry Coe, vice presidents; C. W. Poore, secretary-treasurer; Wayne Rasmuss, assistant secretary-treasurer; A. W. Abts, assistant vice president, and Dave Dunn, Mike Mullen and Mike Drahota.

United States Check Book Co.: C. B. Batchelder, president; Ed Batchelder, sales manager, and Bernie Burger, Rick Clabaugh, Bob Ellis, Dick Hansen, John Kohring, Kent Miller and Ron Skartvedt, representatives.

First National, Hastings Offers 'Reward Account'

Norm Nackerud, president of the First National Bank, Hastings, reports that the bank is offering consumers a new account called the Reward Account.

Consumers who request Reward Accounts and who maintain a \$2,000 minimum monthly balance in an Instant Interest Savings Account will be rewarded with free personalized checks, service charge free checking, free travelers cheques, free cashiers checks, a discount on safe deposit boxes, a free Instant Cash Card and a Reward Account identification card.

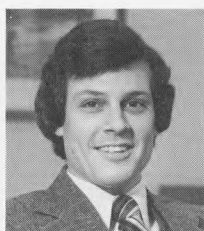
Changes at Gordon State

Two promotions were announced recently at the Gordon State Bank. Timothy E. Keller was promoted from assistant cashier to assistant vice president, and Norma L. Davis, assistant cashier, was named cashier.

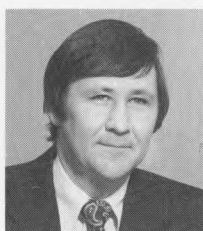
Three new members were elected to the board of directors—Kenneth Claussen, a rancher from Martin, S.D.; Michael T. Varn, a Gordon attorney, and Willard Merchen, Chevrolet dealer, Gordon.



John Narmi



Ken Ferrarini



Jim Kelly



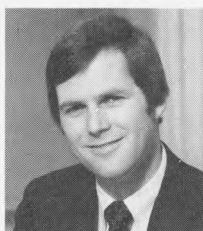
Roy Leabee



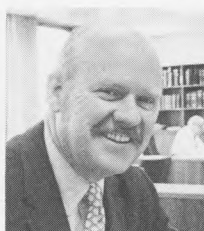
Tad Dunham



Jeff Moran



Bill Carver



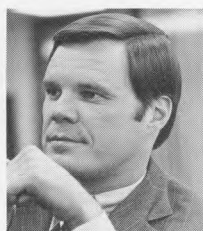
Fred Douglas



Bill Beavers

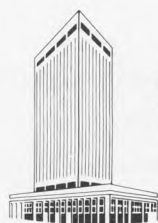


Jim Foley



Dave Van Metre

See You at the Nebraska Convention.



CHILES, HEIDER & CO., INC.

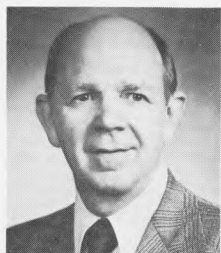
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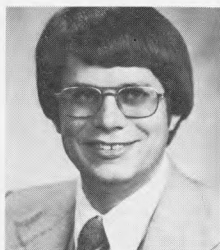
Wilbur Baack
Senior Vice President

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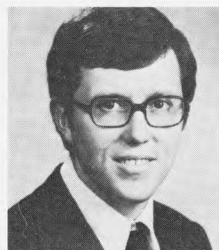
Duane Nelson
Vice President



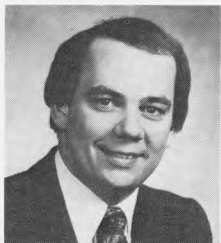
Tom Stuckey
Vice President



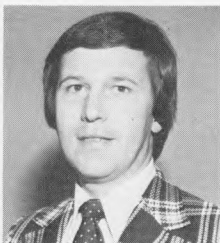
Bob Deahn
Vice President



Brad Korell
Vice President



Steve Kness
Assistant Vice President



Max Callen
Assistant Vice President

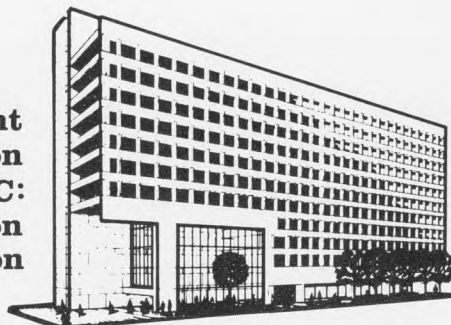


Irene Rezac
Correspondent Bank Officer



Donna Bieck
Correspondent Bank Officer

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a firm foundation**



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CENTER Bank West sponsored a half-price sale of the new Susan B. Anthony dollars to promote usage of the coins on Susan B. Anthony's 160th birthday February 15.

Representatives of the Omaha Branch of the Federal Reserve Bank were on hand when the drive-in opened at 7:30 a.m., including **Don Mahan**, assistant vice president; **Barney Deden**, personnel manager, and **Douglas Arthur**, manager of the money department.

The first customer through the drive-in window received a bonus of 10 Susan B. Anthony dollars. The sale limited dollars to one per person, according to **Barbara Nielsen**, assistant vice president and manager of Center Bank West.

Customers were invited to come inside the lobby and have coffee, punch, rolls and cookies. Various Center Bank officers served as hosts and hostesses during the promotion. Two off duty policemen helped direct traffic.

Over 500 Susan B. Anthonys had

been sold by noon. At the end of the day, 1,893 had been sold. People who opened new accounts were given a bonus of \$5. During the day 157 new accounts were opened, which far exceeded the bank's goal.

Center Bank West also featured the new Instant Cash Machine in the east outer lobby, which provides customer access day and night. A costumed Susan B. Anthony demonstrated the use of the machine. Users received a free deck of Instant Cash playing cards. "Buddy Bear," the Banco mascot, was also on hand during the day.

"We consider this promotion a huge success. There was a lot of traffic, good publicity and visibility for both Center Bank West and the Susan B. Anthony dollars," said **David C. Koenigsman**, senior vice president of Center Bank.

The executive committee of the First National Bank of Omaha has



PROMOTING the Susan B. Anthony dollar at Center Bank West were, from left: **Barbara Nielsen**, a.v.p. & mgr.; **Beverly Kuszak** as Susan B. Anthony, **Buddy Bear** and **Douglas Arthur**, money dept. mgr., Omaha Branch, Federal Reserve Bank.

announced the election of **Vollis E. Summerlin** to the board of directors.

Mr. Summerlin is a 1962 graduate of Wake Forest University in North Carolina. He joined the bank in 1974 as a second vice president in the instalment loan division, was promoted to vice president in 1976 and division head in 1979.



V. E. SUMMERLIN

Omaha department store executive **Alan Baer** and Phoenix attorney **Peter Kiewit Jr.**, have been elected to the board of directors of The Omaha National Bank, according to **John D.**



A. BAER

P. KIEWIT

Woods, chairman and chief executive officer.

Mr. Baer, board chairman and chief executive officer of J.L. Brandeis & Sons, Inc., succeeds **John D. Diesing** on the bank's board. Mr. Diesing retired recently as vice president and secretary of Brandeis.

Mr. Kiewit succeeds **Gretchen Swanson Pullen**, board chairman of Swanson Enterprises, Inc., on the bank's board. Mrs. Pullen resigned as an Omaha National director after being elected to the board of the Omaha Branch of the Federal Reserve Bank of Kansas City. Mr. Kiewit is a senior partner in the Phoenix law firm of Rawlins, Ellis, Burrus & Kiewit.

Warren L. Stewart has been named senior vice president of the United States National Bank of Omaha, **Donald J. Murphy**, chairman and chief executive officer, announced last month.

Elected vice presidents were **Lee J. Bachand**, **Duane A. Ferguson**, **John L. Lewis** and **Kenneth H. Petersen**. **Robert E. Billmeyer** and **John A.**



Jim Flodine, Don Ostrand, Ralph Peterson, Bob Brown, George McFadden, Merv Aegerter.

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Hoffman have been promoted to second vice president.

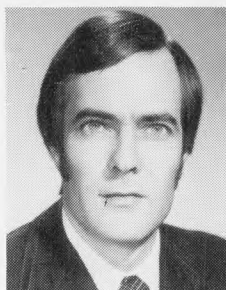
Mr. Stewart, 36, joined the Omaha Banco Banks in June, 1977, as vice president and director of human resources. He was in charge of coordinating and personnel administration for U.S. National, Center Bank and Northwestern National Bank. He now coordinates the personnel activities for all Nebraska Banco Banks.



W. L. STEWART

A native of Woodward, Okla., Mr. Stewart received both an undergraduate and graduate degree in finance and marketing management from Oklahoma State University. He was director of employee relations for Pittsburg Plate Glass Industries, Inc. of Kokomo, Ind., before joining Banco.

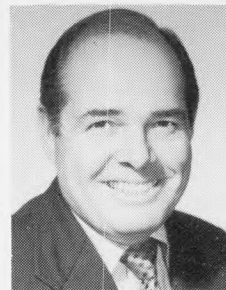
Mr. Bachand, 36, joined U.S. National in 1965 as a management trainee following graduation from the University of Nebraska-Lincoln with



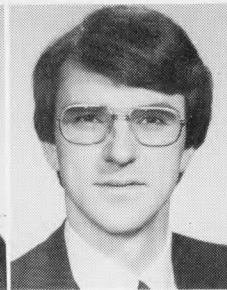
L. J. BACHAND



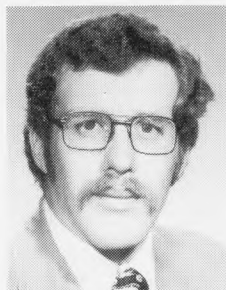
D. A. FERGUSON



J. L. LEWIS



K. H. PETERSEN



R. E. BILLMEYER



J. A. HOFFMAN

a degree in business administration. In 1967 he was named assistant cashier involved in data processing services and was promoted to correspondent data processing officer with the correspondent banking department in 1975. Mr. Bachand was elect-

ed second vice president in May, 1979.

Mr. Ferguson, 45, joined the bank in 1954 as a teller and later became involved in various commercial lending and credit functions. In 1965 he was named assistant vice president in the commercial loan department, named real estate banking officer in 1972, and in 1979 was elected second vice president.

Mr. Lewis, 53, joined U.S. National in 1970 as a correspondent banking officer following 19 years of previous banking experience as president of the Bank of Peru in Peru, Neb. In 1979 he was promoted to second vice president in the correspondent banking department.

Mr. Petersen, 33, has held various data processing and systems positions since joining the bank in 1970. In October, 1979, he was elected second vice president and operations manager.

Mr. Billmeyer, 30, joined the bank in 1974. He held various systems and operations positions, was later elected operations officer and in January, 1979, was promoted to investment officer in the investment division.

Mr. Hoffman, 36, held various data processing and systems positions after joining the bank in 1969. In May, 1978, he was named loan accounting manager in the loan services department and in November, 1978, was elected loan services officer.

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Promoted at Brainard

F. G. Novak, president of the Bank of Brainard, has announced two promotions.

LaVern J. Fortik, who has been with the bank since 1966, was promoted from vice president to executive vice president.

Dorean L. Kastl, who joined the bank in 1968, was promoted from cashier to vice president and cashier.

College Honors McBrides

James W. McBride, president of the Nebraska Bankers Association and the First National Bank & Trust Co. in Aurora, and his wife, Dorothy, were among three couples who received the Distinguished Cross of the Order of St. Benedict from Benedictine College last month. The award recognizes people who have demonstrated outstanding service to the college and community.

1st Nat'l. Kearney Reports Promotions, New Directors

The First National Bank & Trust Co., Kearney, recently announced the election of two officers and two new members on the board of directors.

Mel Wiens has been elected assistant vice president of agriculture. He joined the bank in 1976 as farm manager and was named agricultural loan officer in 1978. He has a BS degree in agronomy from the University of Nebraska.

R. Stephen Guenin, named operations officer, will be in charge of the on-line system, the daily money position and building maintenance. A graduate of Kearney State College with a BS degree in business administration and economics, he joined the bank in 1978.

The new board members are Vincent Wolford, a Kearney area farmer engaged in raising corn and feeding cattle, and Eldon E. Chamberlin, president of the Kearney Concrete Co.

Top Management Changes Told at Bank of Norfolk

Raymond G. Tiedje has been named president of the Bank of Norfolk. He had been executive vice president. The former president, Duane W. Acklie, has been elected chairman of the board.

James Herbolsheimer, formerly vice president, has been elevated to senior vice president, and W. Spencer Madden, formerly assistant vice president, was named a vice president. Roberta Richter was appointed an assistant cashier.

The board of directors has announced that details are being completed for construction of a new facility to be built this year on the corner of Fourth Street and Benjamin Avenue.

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Executive Council Members Report on Area Farm and Financial Conditions

SELECTED members of the Nebraska Bankers Association's Executive Council have submitted the following reports on agricultural and business conditions as they existed in their areas in early to mid-March:

Louis G. Titus, president, First National Bank, Holdrege: The farmers and businessmen in the Holdrege area are very concerned over the very high interest rates and their rising costs. Business activity in general has declined.



L. G. TITUS

The grain embargo hit our area farmers very hard. Many were holding corn to sell and are now having to sell it in the \$2.20 per bushel range. They are also looking ahead to big increases in their cost of production without great expectations of high grain prices.

Cattle feeders are presently losing \$40 to \$80 per head on cattle they are selling. If this continues many will start cutting back their numbers. They will not be willing to pay high replacement costs and high interest.

Our loans are at an all time high for this time of the year and we are just heading into the spring operating expenses. If grain and livestock prices continue at their present levels, we will see many cash flow problems develop and we will have trouble meeting our loan demands.

Roy Dinsdale, president, State Bank of Palmer: I think the word to describe the economic condition in rural Nebraska is "frustration."

Farmers have been misinformed, misled and misguided the last few months. Too many of our people in agriculture have continued to carry last year's crops in hopes of rising prices which have not been realized. At this writing, most banks are now telling them they must liqui-



R. DINSDALE

date last year's crops before banks will lend money for this year's production.

Cattle feeders and hog producers continue in a loss situation. It is hard to be optimistic about the prospects for this year in rural Nebraska. Money supply, as it is everywhere else, is tight and non-established borrowers will find it hard to obtain credit for this year's crop production. As of this date, implement sales have held up well but there is concern for this business also.

Land sales are slow but those consummated have been at near steady prices. Money for land purchases is becoming increasingly difficult to find.

With small or no growth in deposits, and with escalating costs, it will take all of the skill and ingenuity bankers can provide to come through 1980 with satisfactory results.

James F. Nissen, president, National Bank of Commerce, Lincoln:

Government intervention and inflationary pressures have led to unsettled farm and business conditions.

The Russian embargo totally disrupted the grain markets and in the short run has adversely impacted the income potential of our customers. Although free market forces will eventually assert themselves, the loss of one of our major export markets will likely continue to have an adverse impact on the income potential of our customers for some time.

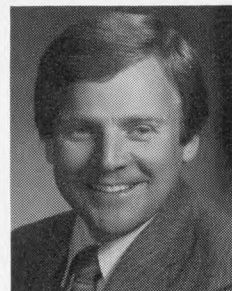
Simultaneously, inflation has adversely impacted our customers in the form of sharply higher operating costs and, more recently, sharply higher costs of financing.

This double whammy, intervention and inflation, will sorely test the balance sheet of our customers. This, in turn, will require the continued application of prudent lending practices and sound financial counseling on our part.



J. F. NISSEN

Raymond G. Tiedje, president, Bank of Norfolk: It is difficult to be optimistic at this time in view of extremely high interest rates, tight money conditions and the disproportionate Nebraska usury rate. These factors, as well as others, have created a dilemma which we hope will be of a temporary nature. The 18% prime rate coupled with double digit inflation is bound to take its toll on the "bottom line" of many individuals and businesses.



R. G. TIEDJE

Profit margins for the agricultural sector appear less favorable in the coming season. Commodity prices have declined since the 1979 harvest, while seed corn and other supplies relative to the 1980 crop have increased significantly! Unless favorable market conditions return, profits will decline in the agricultural sector.

Retail and wholesale business in our area has continued strong into early 1980. If the profit margins in the agricultural sector are diminished, retail and wholesale sales will probably be affected by the third quarter of 1980.

The decade of the 1980s has been prefaced with many discouraging factors; however, I am optimistic about the long term prospects for agriculture, and correspondently for our geographic area which is primarily agriculture. At the same time, we must continue to reduce government intervention in the marketplace and our businesses to assure the maintenance and continuance of our successful free enterprise system.

Thomas H. Olson, president, Lisco State Bank: These are most trying

times for the banking industry, especially for western Nebraska, which depends so heavily upon agriculture. Low grain prices, losses on fat cattle coming out of the feed yard, high feeder cattle prices, depressed hog prices and unprecedented production costs ahead

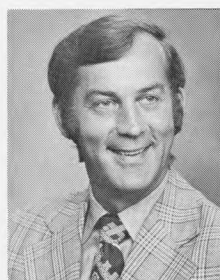


T. H. OLSON

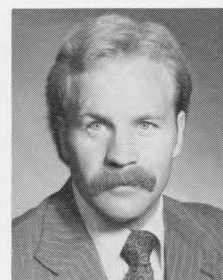
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have prompted most bankers to closely review their agriculture lines of credit.

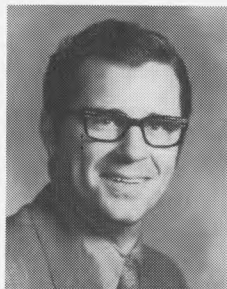
A bright spot is the mild winter which has resulted in fewer losses of livestock, reduction in feed costs and the prospects for a good calf crop ahead. Also spring planting conditions appear to be excellent with an abundance of moisture and the winter wheat crop looks good.

High interest rates are on everyone's mind, but most of the borrowing customers can understand the logic in paying these rates when they are aware of the money market certificate rates being paid by the lending institutions.

The economy of this country is certainly being tested, but I believe the future offers much for good managers, well-run banks, and a little imagination may be helpful. We will experience many changes in the banking industry in the next decade and certainly 1980 is no exception.

W. W. Cook Jr., president, The Beatrice National Bank & Trust Co.:

In most cases, retail sales remain strong in our area. Because of the high gasoline cost, many people are doing their shopping locally instead of driving to the larger cities. Manufacturing



W. W. COOK

production is above the 1979 level and a good "1980" is projected. However, there has been some slippage in orders in the past few weeks. The manufacturers are hoping that this does not develop into a trend as the year progresses.

Our farm customers who are engaged primarily in hog production suffered considerable losses in 1979, and the prospects for 1980 do not appear to be much improved.

Our cattle customers fared somewhat better, particularly the cow-calf operator, with calves and yearlings selling near record highs. The feeder, however, at present is operating at approximately a break-even point, excluding labor and management costs.

Planting conditions this spring should be very good. A shortage of fall moisture may have seriously damaged the wheat crop, but it is a little too early to tell at this point.

Winter moisture has been adequate and should produce excellent planting conditions for corn, milo and beans.

Our biggest concern is the lack of loan funds, and the cost of these funds. Loan demand continues strong even at the higher rates. Country banks are reaching the point of having to find alternate sources of funds to finance the agricultural sector. I feel this problem will continue to grow.

Dennis R. Wood, president, Packers National Bank, Omaha: For an industry which prides itself in being the epitome of stability, the times we are in make it very difficult to uphold that tradition.

In our market area of south Omaha and metropolitan Omaha we, like many other banks, are experiencing a high increase in costs, which are quickly translated into high interest rates on the other side of the ledger. The other major market we serve is the entire State of Nebraska with our correspondent network; and we are having many borrowers realize that with small margins and negative price outlooks they will be borrowing less and trying to diminish their cash flow needs.

This is one of the reactions to higher interest rates and we are seeing this happening more and more throughout the state. Likewise, many bankers are putting their customers on much shorter maturity schedules; and, at the same time, going to a more floating rate with notes to keep up with their rapidly escalating costs.

Many bankers are torn between the desire to please and benefit their communities and customers while at the same time trying to build liquidity and make profits in their banks. We, like many other correspondents, are seeing much shopping around for credit and availability of money, as we normally would during any high interest period.

The demand for good cash flow planning as well as efficient use of borrowed funds has never been greater and this fact is being used by

many of our borrowers. The overall inelasticity of agriculture is such that many agricultural people are debating on whether to use their irrigation systems, buy their normal amounts of livestock and/or even to plant their normal amount of cropland.

Overall, business conditions are good in our area but only because of the general stability of our customer base as well as the maturity of many businesses in the area. Generally we and our customers are looking to have a good year; however, it will be one in which both the bank and our customers must continue to stress information and communication on an increasingly shortened interval level.



D. R. WOOD

NW National Bank, Norfolk Announces Three Promotions

Tom F. Finnigan, president of the Northwestern National Bank, Norfolk, has announced three promotions.

Milford Weaver was promoted to vice president and cashier. He has been with the bank 21 years and will continue to be responsible for operations and personnel.

Terry Jensen, promoted to manager of the agricultural department, is a graduate of the University of Nebraska-Lincoln with an agricultural degree.

Dan Skalberg, promoted to installment loan officer and acting manager of the installment loan department, will also be responsible for the consumer lending department.

Joseph V. Johnson

Funeral services were held last month for Joseph V. Johnson, 87, chairman of the Johnson County Bank, Tecumseh. Mr. Johnson had a distinguished career in banking and was widely known in political and government circles.

He was a past president of the Nebraska Bankers Association and served as president of the Independent Bankers Association of America in 1956. He served as regional director of the Reconstruction Finance Corp. for Nebraska and Wyoming and also was Tecumseh's mayor for two terms.

Among his survivors are his wife; sons Joe V. Jr., president of the Tecumseh bank, and Steve A., vice president, and three daughters.

Each of these United Missouri correspondent bankers is a pro.



E.L. Burch



Dave Van Aken



Steve Blackburn

Each has the know-how and experience to help your bank keep up-to-date on regulations and grow more profitably!

Meet the pros.

E.L. Burch, a third generation banker, is Manager of our Correspondent Department. He entered banking in 1962 with Skidmore and St. Joseph banks. After graduation from Northwest Missouri State University, Maryville, he joined our bank. He managed the Investment Service Department, and traveled Oklahoma and Missouri before taking his present position.

Dave Van Aken has traveled Kansas for 23 years. For 17 years he was an ag products salesman for Spencer Chemical and Sales Manager of ag chemicals for Gulf Oil. This experience has made Dave a valued member of our Correspondent team for the past six years. Dave's hobbies include hunting, fishing, and golf.

Steve Blackburn, Assistant Manager of our department, got a B.S. degree in ag business management at Purdue and an M.S. degree in ag economics at Cornell. He joined us in 1973 as a credit analyst, then spent time as a lending and leasing officer. He became calling officer in Northern Kansas in 1976. Steve enjoys fishing, woodworking, and golf.



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NBA Will Strive for Consensus, Unity

By **JAMES W. McBRIDE**

President

Nebraska Bankers Association

President

First National Bank & Trust Co.

Aurora

WE SEE many changes forthcoming in banking in the 1980s stemming from current federal and state legislation, and affecting every Nebraska bank regardless of size. We will see NOW accounts increasing our overhead, changes in Federal Reserve structure, increased competition from savings and loans, and all without the elimination of Reg Q, which is still in a six-year phaseout.

Pending in Congress is the Federal Farm Credit Act amendment of 1979. This will dramatically change competition from PCAs and the Farm Credit System, setting up a national lending agency that does not have to comply with Truth in Lending, is not affected by state usury laws and does not have the restrictions of federal regulators that burden banks of this nation.

State legislative bills have greatly affected banking. I see the issues eroding the effectiveness of the banking industry in our communications with legislators. Each of us must become more active in communicating with representatives and in contributing to campaigns through PAC.

The further expansion of federal

authorization of s&l branching across state lines, while maintaining the one quarter percent edge in attracting dollars from us will further erode the capital needed to finance this state. We see very few comments forthcoming from Nebraska banks to regulators or your representatives in regard to this or other vital legislation.

Our Washington visit with regulators and congressional delegations has been a very effective tool in getting to know them. Comments made by regulators firmly convince me there will be further efforts by regulators to consolidate the banking institutions in our great state.

This year has been a very difficult one for Nebraska banks and our farm customers. We have seen a high loan/deposit ratio resulting from President Carter's grain embargo. We have had to charge farm customers higher rates than ever before, which in turn has raised their costs considerably. We have grain sitting on the farms due to the embargo and grain pipeline bottlenecks. We are expected to produce a commodity for the nation's economy and balance of trade which is cheap food, but can we and our customers afford the continued increase in term debt with higher costs and lower return? As your president, I express my concern for this and other problems.

Nebraska has a strong banking community. These problems will be a

challenge. I know each of us will point back in 1990 to the accomplishments which were made during the decade of the 1980s.

By **ROGER M. BEVERAGE**

Executive Vice President

Nebraska Bankers Association

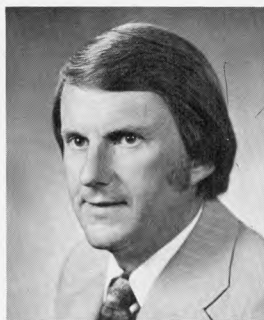
Lincoln

AS THE Association year comes to a close, we look forward to the many exciting challenges facing the banking community in general and the Association in particular during the coming year. The legislative changes alone which have been proposed and generated during the year portend pronounced and dramatic impact upon the way banks in our state have conducted business in the past and how their business will be conducted in the future. Particularly significant in this regard is the Depository Institutions Deregulatory and Monetary Control Act of 1980.

The new competition includes all financial intermediaries: savings and loan associations, credit unions, large retailers and brokerage houses, to name but a few. As the competition grows, the lines distinguishing these intermediaries will continue to blur at an ever-increasing pace.

Perhaps the most important function of the Association is this: To insure that the rules and regulations governing competition assist our members rather than hinder them as they move along the competitive path. This effort requires a heavy involvement in and commitment to the legislative process. But, this involvement must be statewide and on an individual basis. It cannot be limited to a few bankers and the staff.

The bankers in our state have the potential to be the most influential profession to present its case before the Legislature. Working together we have the ability to accomplish great things, not only for the banking community, but for the entire state. Your Association will continue to strive toward the goal of achieving consensus and unity among all our bankers on legislative and regulatory issues to insure that the potential is realized. Communication with all of our members on a regular basis is the cornerstone of progress toward this goal. The Update initiated to further this communication effort, will be continued and we intend to build on it for a better association, united in voice and purpose, as we move rapidly into the uncertainty of the future.



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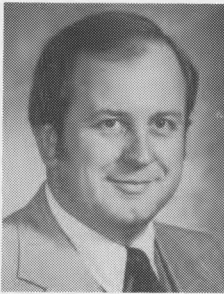
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New Exec. VP at Fremont

James H. Moore Jr., president of the First State Bank, Fremont, has announced the election of Ronald D. Kranz as executive vice president and a director.

Most recently Mr. Kranz was cashier, trust officer and a member of the board at York State Bank and Trust Co. Previously he was with the Comptroller of the Currency, Tenth Federal Reserve Region, as an assistant national bank examiner.

He received a BS degree in business administration from the University of Nebraska in 1968.



R. D. KRANZ

Commercial, G.I., Promotes 3

E. J. Thayer, president and chief executive officer of the Commercial National Bank & Trust Co., Grand Island, recently announced the promotion of Robert C. Hellbusch to vice president, agricultural loan division; Betty Graves to second vice president, consumer loan division, and Gaylene Beck to loan service officer.

An officer at Commercial for two years, Mr. Hellbusch also serves as president and a director of Comagco, an agricultural subsidiary of CNB. He has a BA degree in accounting from Midland College and was formerly with the Production Credit Association in Grand Island.

Mrs. Graves has been with Commercial for four years. She previously had six years experience at Avco Finance before joining the bank.

Mrs. Beck has been with the bank for 10 years, primarily in the loan division. She will supervise the commercial and instalment loan accounting functions.

Joins David City Bank

The appointment of Ronald A. Bertucci as senior vice president of the First National Bank, David City, has been announced by James Howe, president.

Mr. Bertucci was formerly vice president of the First State Bank, Shelton, Ill., for the past four years. He has a bachelors degree in business administration from Hiram Scott College, Scottsbluff, and has worked in banks at Scottsbluff and Superior.

KPSP OFFERS...

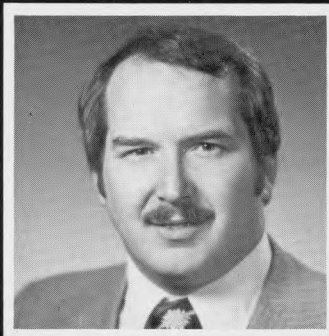
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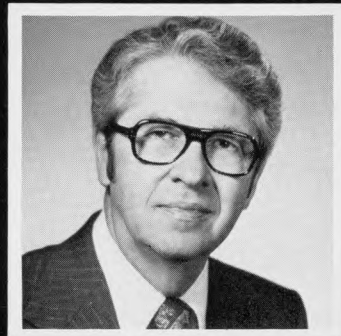
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President Phil Giltner, host bank, offers current comments at Chuck Wagon Roundup. RIGHT—Roy W. Hatten and Dr. Clayton Yeutter prepare speeches on agriculture.

Chuck Wagon Roundup

"Ag Embargo A Bad Mistake"

"THE Russian grain embargo was a bad mistake, and the only thing we proved to the Russians is that we know how to shoot ourselves in the foot."

This was the comment made by Dr. Clayton Yeutter, president, Chicago Mercantile Exchange, in a key address at the 15th annual Chuck Wagon Roundup held by the First National Bank of Omaha at the Ak-sarben Sales Pavillion.

The Russians have purchased about 90% of their planned total of corn, wheat and beans, so it has not

By MALCOLM FREELAND
Publisher

hurt them at all, according to Dr. Yeutter. On the other hand, he said American farmers turned over some great markets to Canada, Australia, Brazil and western Europe. He expressed the fear that we have lost further credibility as a supplier, and invited the West Germans and Japanese to make greater investments in Brazil.

Looking ahead to next fall, Dr.

Yeutter predicted that "we may have mandatory price and wage controls by September and unless we come up with a consistent foreign policy, we will have corn and beans running out our ears." He suggested that farmers should not count on the Administration to do them any favors between now and November. He expressed optimism for agriculture in the '80s "if we can establish a solid export base—respond aggressively to other nations' unfair trade practices—and put some life into our rail and barge lines."

Election

Presidential candidates will be Ronald Reagan and Jimmy Carter in Dr. Yeutter's opinion. He feels the election will be close, and the final



Merrill J. Oster, pres., Professional Farmers of America, presented his bullish views on farm land prices. RIGHT—Don Ostrand, v.p., host bank, shown with G. P. Scholz, chmn., First Nat'l. Bk. & Tr. Co., Falls City.

results may depend on the vice presidential candidate. He sees Senator Howard Baker of Tennessee, Senator Jack Kemp of New York, Donald Rumsfeld of Searle & Company, Chicago, and General Alexander Haig as potential candidates for the Republicans.

Painting a rather grim picture for grain and livestock prices over the near term, Merrill J. Oster, president, Professional Farmers of America, Cedar Falls, Iowa, told the audience that he was optimistic over the long pull. He is bullish on purchase of farm land, stating that the 1980s will produce a lot of millionaires due to land prices continuing to rise. He gave these reasons: (1) expansion pressure from current land owners, (2) inflation hedge, (3) relatively easy financing with contracts available at 7%, 8% and 9%, (4) major increase in net worth continues to come from land, and (5) risk/reward ratio continues favorable.

Mr. Oster stated that he is a firm believer in trends, and he sees the next high cycle for corn coming in 1982 since its price cycle runs over a period of about 3½ years. For soybeans, Mr. Oster says they move in a cycle of about 39 months, and wheat



SEA OF RED HATS greeted speakers at the 15th annual Chuck Wagon Roundup.

has a price cycle of about eight years.

Expressing his views on livestock, Mr. Oster feels that hog prices have now bottomed out and that we may have the worst behind us. He sees the current financial squeeze forcing some liquidation in cattle, making a somewhat more favorable long-term picture.

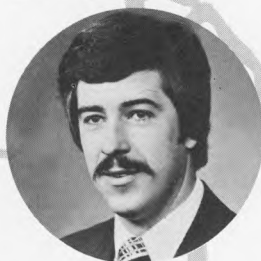
Roy W. Hatten, speaker/humorist

from Jackson, Miss., added a "light touch" to the Roundup by relating some "country boy" yarns. He reminded guests to keep their feet on the ground because the size of the crowd at their funeral will all depend on the weather that day.

Merv Aegerter, vice president of the host bank, was in charge of the program again this year. □

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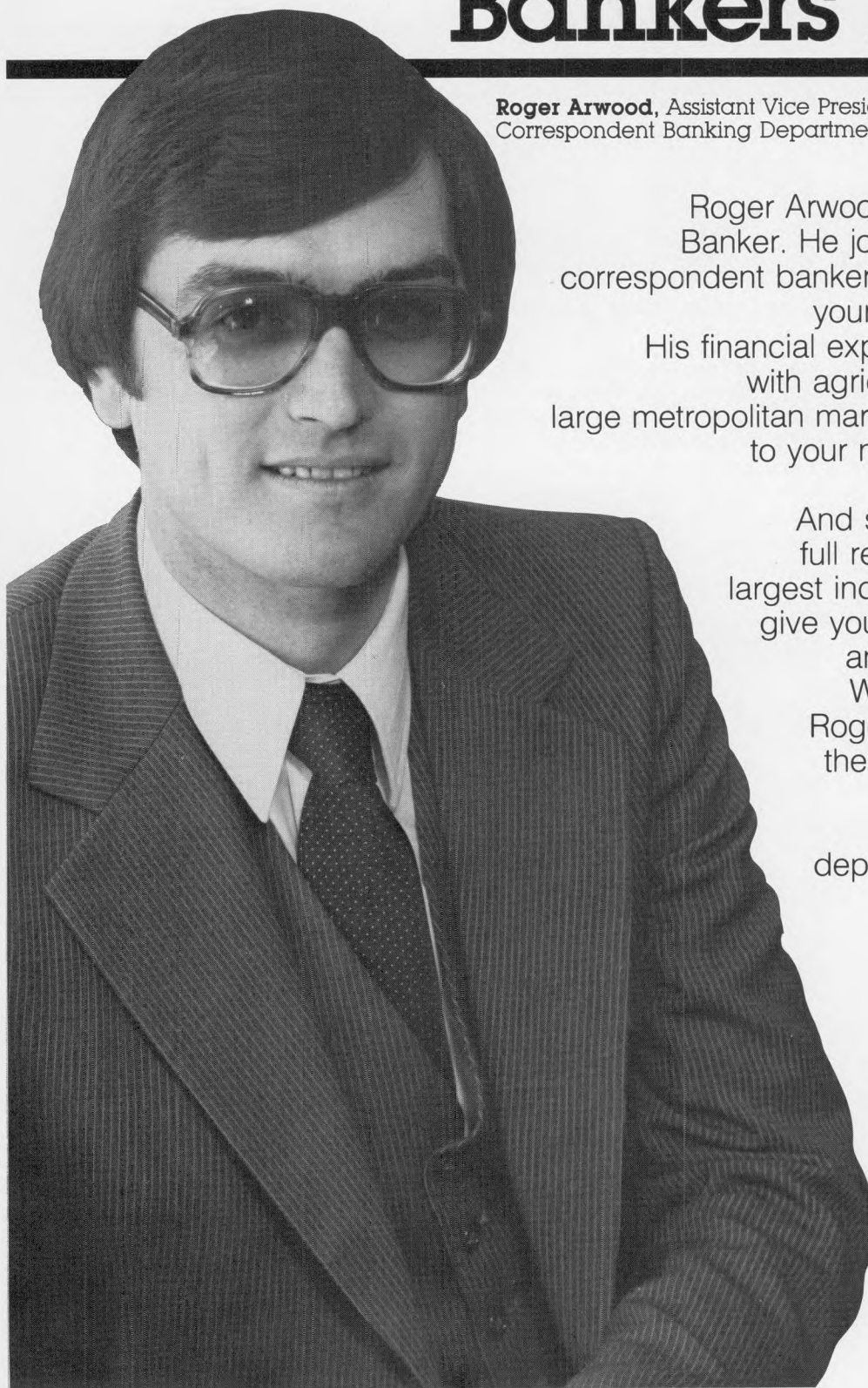
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N. Milner, exec. v.p., Des Moines



Purchase Morning Sun Bank

Controlling interest in the Iowa State Bank, Morning Sun, has been sold by Mr. and Mrs. Warren L. Martin to Richard H. Buenneke and Homer L. Jenson, principals in Independent Management Services, Des Moines.

Mr. Buenneke will serve as chairman, and Alan Eich has been elected

president. Mr. Eich was formerly vice president and cashier of the Citizens Savings Bank, Hawkeye. He had previously served as vice president and manager of the Ely office of the First Trust and Savings Bank, Cedar Rapids, and as cashier of the Solon State Bank. He is a graduate of Iowa State University.

Charles H. Beck will continue as cashier, and Mildred A. Boyle and

Frances McElhinney will continue as assistant cashiers.

Hawkeye Bancorporation Acquires Iowa City Bank

The Federal Reserve Bank of Chicago has announced the approval of the application of Hawkeye Bancorporation to acquire the Hawkeye State Bank, Iowa City. Hawkeye State Bank has assets of \$23 million and is one of three banks in Iowa City.

Iowa City is an important new market for Hawkeye Bancorporation, which has concentrated on acquiring banks in county seat, trade center communities. Hawkeye had assets of \$929 million at year end 1979 and 22 subsidiary banks. Application is pending for acquisition of First National Bank, Sibley.

MAY is the expected completion date for a new banking facility for the Manning Trust & Savings Bank, according to Lee Foote, president.

The first floor will have three teller stations, four offices, a cash and safety deposit vault and a bookkeeping area.

Currently the basement will have a board room, record vault and lounge area. There will be a drive-up window on the west end of the bank and a night depository in the vestibule at the main entrance of the building.

The 56'x63' facility, located directly across the street from present quarters, will be of stone and wood exterior.

New Facility Planned for Manning Bank



PICTURED is an architect's sketch of the planned facility for the Manning Trust & Savings Bank.

Iowa Supreme Court Rules Against Bank

IN A RECENT lawsuit involving First Northwestern National Bank of Denison as appellee and Doris L. Crouch as appellant, the Iowa Supreme Court ruled in favor of Mrs. Crouch, thereby reversing the Crawford District Court and remanding the case "for dismissal of plaintiff's petition without prejudice and an award of penalty, reasonable attorney fees and costs on defendants counterclaim."

The case revolved around a \$9,500 six-month note from the bank on June 1, 1977, to Wilbur Crouch and his wife, Doris, in behalf of Wilbur's business, Crouch Distributing Company. "They also executed a security agreement covering the accounts,

inventory, equipment and fixtures of the business," according to court records, which stated further, "The note was not paid when it came due. Plaintiff brought the present action on it without giving the Crouches a notice of right to cure. Wilbur answered by admitting execution of the note but denying the other material allegations of the petition. Doris admitted execution of the note, denied the other material allegations, raised certain affirmative defenses, and counterclaimed. One of the affirmative defenses and her counterclaim were based on allegations of the applicability of the ICC (Iowa Consumer Credit Code) and plaintiff's failure to give her a notice of right to

cure. In her counterclaim she prayed for judgment of \$7,500 actual damages, a penalty of \$100 to \$1,000, and an award of reasonable attorney fees and costs."

The Supreme Court decision notes that the lower court "entered judgment against both defendants, but only Doris appealed. She contends the trial court erred in holding the ICC did not apply to the transaction and in accordingly entering judgment on the note and denying her counterclaim."

Iowa Supreme Court Justice J. McCormick ruled that although "the transaction in the present case did not have all attributes necessary to make it subject to the ICC for force of the statute alone," it was stated in the language of the note that "This loan is subject to the provisions of the

Iowa Consumer Credit Code applying to consumer loans," and at the bottom of the note in boldface type is this statement: "This is a consumer credit transaction."

Judge McCormick ruled there was nothing in the language of ICCC or the note to prevent the note in case to be considered as valid under ICCC, therefore "We hold that the parties had the right to contract for applicability of the ICCC." He said "The intention expressed in the instrument prevails over the secret intention of the drafter."

Judge McCormick noted further that under terms of the ICCC "A creditor who believes in good faith that a consumer is in default may give the consumer written notice of the alleged default and, 'if the consumer has a right to cure the default, shall give the consumer the notice of right to cure provided in section 537.5111 before exercising any right he may have to enforce'." The judge said Mrs. Crouch was entitled to such written notice, which prevents creditor from enforcing the obligation until twenty days after a proper notice is given. He said, "the trial court should have dismissed the petition without prejudice to plain-

tiff's right to enforce the alleged obligation after compliance with section 537.5110. Assuming a failure by defendant to cure the alleged default after being given the required notice, plaintiff may sue again on the claim."

Judge McCormick said Mrs. Crouch did not prove actual damages, "However she is entitled to have the trial court assess the penalty, reasonable attorney fees and costs, as prayed in her counterclaim . . . Upon remand, both parties should be given an opportunity for an evidentiary hearing on that issue (award), including the determination of attorney fees to be awarded defendant for prosecuting this appeal."

As of March 23, the case had not yet been scheduled for a rehearing on the Crawford District Court docket. The case has importance for a number of Iowa banks which use standard forms that contain the clauses referred to above even though some debts covered in these forms are not consumer loans because the debt is not primarily for a personal, family, household or agricultural purpose. □

Bossom Heads Linn Bankers

Lee E. Bossom, president of Walker State Bank, has been elected presi-

dent of the Linn County Bankers Association for the coming year.

He succeeds Nadine V. Wax, a vice president of Merchants National Bank of Cedar Rapids, who received a plaque in recognition of her service as president for the last year.

Other new officers include: vice president—Melvin J. McCalley, vice president, Peoples Bank and Trust Co., Cedar Rapids; treasurer—John F. Hartmann, vice president and auditor, Farmers State Bank, Marion, and secretary—Clement C. Ryan, vice president, First Trust and Savings Bank, Cedar Rapids.

Key City, Dubuque, Names 2

Jack W. Roach, president of Key City Bank & Trust Co., Dubuque, has announced the election of one new officer and the advancement of another. Keith H. Dralle has been advanced to vice president, and John



K. H. DRALLE

J. W. KOPPES

W. Koppes has been elected installment loan officer.

Mr. Dralle, a graduate of Mason City Junior College and the Graduate School of Banking, Madison, Wis., began his banking career with American State Bank, Mason City, and later served with the Iowa Department of Banking. Prior to joining Key City Bank in 1978, he was with a Dubuque bank for nine years.

Mr. Koppes graduated from the University of Dubuque in 1970. Prior to joining Key City Bank he was with American Trust and Savings Bank for 10 years.

Joins Lisbon Bank & Trust

Joe Petra, president of the Lisbon Bank & Trust Co., has announced that Robert R. Leinart has joined the bank as vice president for the loan function.

Most recently Mr. Leinart was an assistant vice president at the United State Bank in Cedar Rapids and formerly held the same position at Peoples Bank & Trust Co. there.



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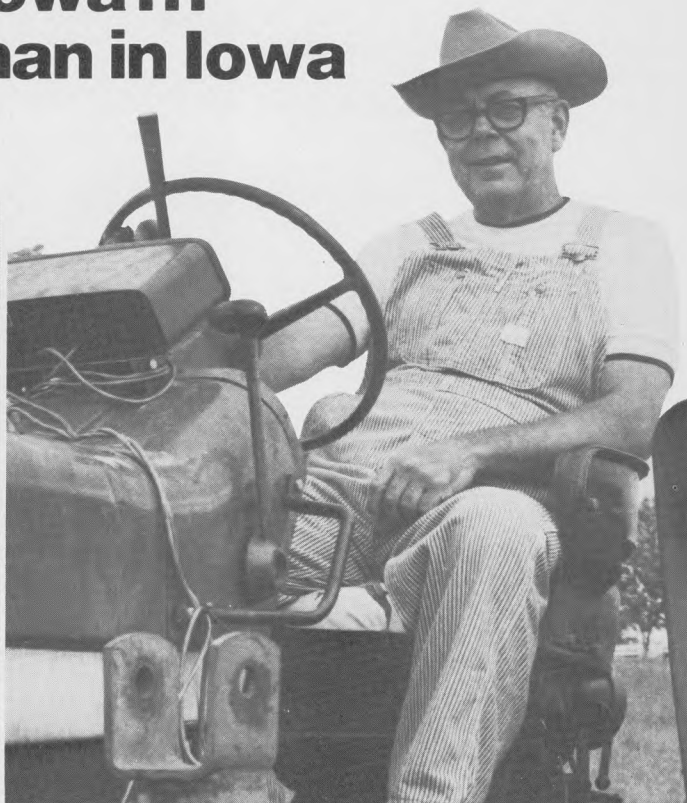


At Iowa Bankers Ag Credit Conference:

A black and white photograph of a man with glasses, wearing a suit and tie, speaking at a podium with a microphone. He is looking slightly to the left of the camera. The podium has a microphone and a small object on it. The background is dark and out of focus.

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been through the ups and downs of different cattle cycles. When you talk to Max about farming, feed, cattle... the needs of your customers, he knows what you're talking about... first hand!

Max Roy is the kind of person you'll find in Drovers Correspondent Banking Department. We're proud to have him with us, and to offer you the years of banking know-how he represents.

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featured four workshops: Improving Sources of Loan Funds for Rural Iowa Banks, Computer Technology in Ag Credit, To Lease or Not to Lease and Land Values—Ownership, Financing and Cash Flow.

John Conley, a bank analyst from First Mid-America, Lincoln, Neb., discussed the IDB (industrial development bond), asserting that it may be an important source of funds for Iowa banks, enabling them to meet the capital needs of industry without sacrificing money for agriculture. "The IDB provides 100% financing and is beneficial to the community and banks," he said. "It's important to get the investment banker in early in the game."

According to **Roby Sloan**, vice president and associate director of research at the Chicago Federal Reserve Bank, rural banks are precluded from access to outside markets because of high fixed costs for direct participation. However, he pointed out some alternatives in the form of indirect access to national money markets.

Seasonal borrowing privileges at the Fed, PCA participations, FICB ag credit corporations, guaranteed loan arrangements, cooperative banking arrangements, mortgage corporations (such as Iowa Bankers), leasing arrangements, credit corporations and insurance guarantees are included. "There is a real need for rural banks to acquire some outside sources," Mr. Sloan warned.

Other sessions during the conference included discussions on security agreements and livestock and grain outlooks. □



DISCUSSING the Stockport grain elevator incident was **Earl Willits**, Iowa ass't. atty. gen.



IMPROVING sources of loan funds for rural banks was one of the four workshops presented. Moderator was **Rich Horst**, now with Davenport Bank & Trust, at mike, and panelists were **John Conley**, bank analyst, First Mid-America, Lincoln, Neb., center, and **Roby Sloan**, v.p.-assoc. dir., research, Chicago Fed. Reserve Bank.

1980 Iowa Group Meetings

| Date | Group | City |
|--------|-------|----------------|
| May 5 | 8 | Davenport |
| May 6 | 4 | Dubuque |
| May 7 | 7 | Marshalltown |
| May 8 | 3 | Clear Lake |
| May 19 | 5 | Council Bluffs |
| May 20 | 6 | Des Moines |
| May 21 | 2 | Fort Dodge |
| May 22 | 12 | Okoboji |

New Directors at Lake City

Jack Patrick, president of the Lake City State Bank, has announced the addition of Warren Clark and Edward R. Maahs to the bank's board of directors.

Both men are well-known throughout the Lake City area. Mr. Maahs has been administrator of the Stewart Memorial Community Hospital since 1970 and administrator of the McCrary-Rost Clinic in Lake City since 1977.

Mr. Clark has been in the farming and feeding business the past 24 years and farms 1,200 acres. He also feeds approximately 800 head of cattle.

Elected to IBMC Board

Five Iowa bankers have been elected to the board of directors of the Iowa Bankers Mortgage Corporation, according to Sam Callahan, president.

The new members include William

Carter, president, National Bank & Trust, Chariton; Burt L. Day, president, Benton County Savings Bank, Norway; H. Rand Petersen, president, Shelby County State Bank, Harlan; Russell Spearman, president, Citizens Savings Bank, Sac City, and W. D. Miller, executive vice president, Decorah State Bank.

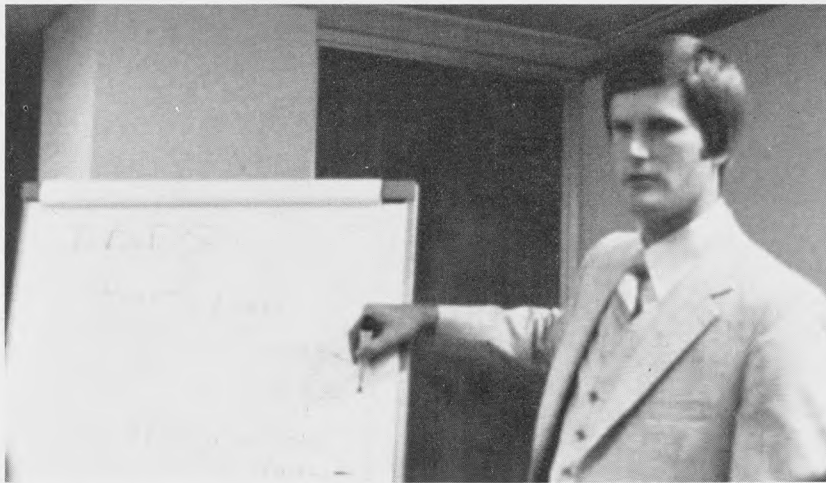
IBMC staff members last month moved from their former location in the Insurance Exchange Building to 120 Liberty Building in Des Moines, bringing the corporation in the same building as the rest of the Iowa Bankers Association family.

Named at Hills Bank & Trust

John R. Hughes, president of the Hills Bank & Trust Company, has announced that Ray G. Glass has been named assistant cashier. Mr. Glass, a native of Sac City, joined the bank last June following his graduation from Iowa State University. He works in the loan department.

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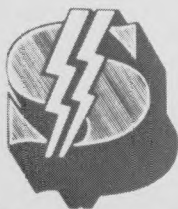
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Des Moines

RECENT changes have been made at Central National Bank & Trust Company.

Raymond G. Johnston, president and chief executive officer, has announced that **Kenneth M. Myers** was elected chairman of the board replacing **Simon W. Casady**.

Mr. Casady, who attained age 65 last month, will remain active in the



K. M. MYERS S. W. CASADY

bank and was elected chairman of the executive committee of the board. He will continue as chairman of the board of Central National Bancshares, Inc.

David L. Hansen was elected vice president-personnel, **Howard R. Harris** was elected vice president and controller, and **Frank Widner** was elected accounting systems officer.

Mr. Hansen joined the bank in 1978 as director of personnel. He received BS and MBA degrees from Drake University.

Mr. Harris joined Central National as the auditor in January, 1977, and was elected controller in November, 1977. He received a BA degree in business from the University of Northern Iowa and is a CPA.

Mr. Widner began his career with Central in 1956 and has served in various capacities in the auditing and accounting departments. His most

control department as systems and procedures specialist.

J. Locke Macomber, president of Valley National Bank, has announced the election of five officers and a new associate.

Dennis J. Hagedorn has joined the bank as a vice president in the cash management and money market area. He is a graduate of the ABA Undergraduate and Bank Investment School and the University of Illinois.

Douglas R. Hall has been promoted to assistant vice president, real estate loans. He received his BS from Northeast Missouri State University and joined Valley National in 1972.

Joyce Hartschen has been promoted to assistant vice president,



D. J. HAGEDORN D. R. HALL



J. HARTSCHEN M. HELDENBRAND



L. KRIEBS S. ROBINSON

proof/transit. She joined Valley Bank in 1961.

Martha Heldenbrand has been promoted to assistant vice president, customer accounts. She joined Valley Bank in 1953.

Lois Kriebs has been promoted to assistant vice president, personnel. She received her BS from Quinniac College, Hamden, Conn. Ms. Kriebs joined Valley National in 1977.

Sandra Robinson has been promoted to assistant vice president and auditor. She joined Valley National Bank in 1969.

Robert E. Lee, chairman and chief executive officer of the Iowa-Des Moines National Bank, has announced the following promotions.

Harley L. Martin

has been elected second vice president-real estate loan. He joined the bank in 1969 as a management trainee. Since then he has served as assistant manager of the Douglas office and assistant cashier, and was elected real estate loan officer in 1971. He is a 1969 graduate of the University of Iowa with a degree in finance and insurance.

Betty L. Marsh has been named senior personnel officer. She joined the Iowa-Des Moines in 1950, in 1956 she joined the personnel department and was elected personnel officer in 1972.



H. L. MARTIN



B. L. MARSH D. C. BURNIGHT

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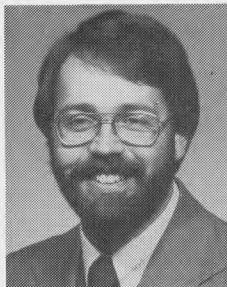


Left to Right: William B. Greaves, Vice Pres.; Margo Foxhoven, sec.; Raymond Schneider, Corresp. Bk. Officer; Eddie A. Wolf, Sr. Vice Pres.; Jeannine Gathercole, sec.; Cyrus D. Kirk, Vice Pres.

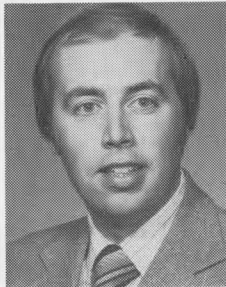
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Central National Bank & Trust Company



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M. A. CHRISTENSEN



C. M. GEHRINGER



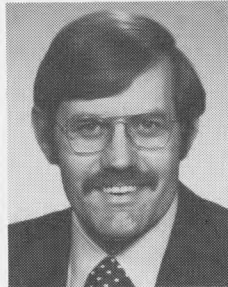
D. M. LONG



K. M. DeLUCCA



D. L. GANZEL



L. E. McINTOSH



C. A. MILLER

Daniel C. Burnight has been named computer services officer. He joined the bank in 1978 and was elected operations officer last June. He is a 1973 graduate of Morningside College, Sioux City, with a degree in business.

Michael L. Bristle has been elected operations officer. He joined the bank

as management trainee in 1978 and has been in the operations division. He is a 1974 graduate of the University of Northern Iowa with a business management degree.

Mitchell A. Christensen has been named operations officer. He joined the bankcard division in 1977 and most recently was manager of elect-

ronic banking. He is a 1976 graduate of the University of Northern Iowa with a degree in financial management.

Kathleen M. DeLuca has been elected operations officer. She joined the bank last May as a management trainee and most recently was manager of cash management services.

Deborah L. Ganzel has been elected advertising officer. She joined the bank in 1978 as an intern in the advertising department. She is a 1978 graduate of Drake University with a degree in advertising and public relations.

Charlotte M. Gehringer has been named operations officer. She joined the bank in 1954 and most recently was supervisor of research and customer inquiry.

Donald M. Long has been elected bankcard marketing officer. He joined the bank in 1969 and was named bankcard sales supervisor in 1978. He is a 1951 graduate of the University of South Dakota.

Larry E. McIntosh has been named bankcard collections officer. He joined the Iowa-Des Moines in 1973 and most recently was collections and security manager.

Christine A. Miller has been elected operations officer. She joined the bank in 1978 as a management trainee and most recently was manager of customer service. She is a 1978 graduate of Iowa State University with a degree in business.

Directors of Brenton Banks, Inc. have approved a treasury stock acquisition program for the purchase by the company of up to \$1 million in dollar value of its common shares.

The purchases will be made in the open market through the company's market makers at current market prices. The company may also effect private purchases.

Brenton Banks, Inc. has 1,107,798 shares currently outstanding.

David L. Nagel, president of the Brenton Bank and Trust Company, Urbandale, has announced the election of **Lucille Johnson** as cashier.

Most recently an assistant vice president, Ms. Johnson succeeds **Robert G. Mann**, formerly vice president and cashier of the Urbandale bank, who has joined the Brenton National Bank of Des Moines as vice

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president. Mr. Mann will be coordinator of office operations and will be located at the Valley West Mall office.

Lenora Durand has been elected administrative officer at the Urbandale bank.

* * *

Herman C. Kilpper, president and chief executive officer of Bankers Trust Company, recently announced the following addition and promotion.



R. H. BISHOP

Ronald H. Bishop has joined the commercial loan division. He has extensive experience in commercial and real estate lending, serving most recently as vice president of the Morton Grove Bank in Morton Grove, Ill. He is a graduate of Wright College.

Paul A. Erickson has been promoted to automated customer service representative. He was formerly training in the computer operations division and working on special projects. He joined the bank in 1978, having graduated from Iowa State University with a BS degree.

Acquires Cedar Falls T&S

Acquisition of 98.4% of the voting stock of the Cedar Falls Trust and Savings Bank by Banks of Iowa, Inc., Cedar Rapids, has been approved by the Federal Reserve System.

F. Forbes Olberg, chairman and chief executive officer of Banks of Iowa, said no changes in personnel or board members of the Cedar Falls bank are contemplated. Paul W. Hall will continue as chairman, president and chief executive officer.

The consolidated resources of Banks of Iowa, Inc. on December 31, 1979, were \$1,221,842,000. The assets of Cedar Falls Trust and Savings Bank on the same date were \$49,998,000. On completion of the transaction, Banks of Iowa will have member banks located in nine major markets in Iowa.

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LEFT—J. Bruce Meriwether, chmn., IBA legis. comm., and exec. v.p., First Nat'l., Dubuque; **Neil Milner**, exec. v.p., IBA, and Iowa Gov. **Robert D. Ray**. **RIGHT—Gov. Ray** visits with Iowa bankers in his private office.

Iowa Bankers Visit Their Capitol

MODELED after the highly successful Washington, D.C., legislative visits conducted by the Iowa Bankers Association for many years, the IBA brought the concept of such a trip closer to home last month by sponsoring a two-day legislative visit to Des Moines and the State Capitol. The idea was an obvious success as shown by the 142 bank executives from all over the state who took part in the visit.

The first day was devoted to continuing conferences at the Savery Hotel with various federal and state regulatory representatives. The sessions were not the usual polite "lecture and listen" fare found at most conventions. The 142 bankers listened intently and grilled some speakers beyond scheduled session times.

By **BEN HALLER, JR.**
Editor

Deputy Comptroller Gary Brickman and Director for Customer and Community Affairs Dennis Deischer, both from the Kansas City office of the Regional Administrator of National Banks, discovered this as the first speakers. Both men emphasized that the Comptroller's office has taken the "hard" approach with banks in examining for conformity with regulations governing the Community Reinvestment Act. Mr. Deischer said the original order from Congress was one small paragraph but federal regulators decided to interpret it with the extensive manpower, time and money investment

now reflected in the severe CRA exams being experienced by banks nationwide. When queried why banks are "pursued and harassed" far beyond the examinations experienced by savings and loans and credit unions, Mr. Deischer said "we're trying to help you—we're doing this for your own good."

Mr. Brickman, by way of warning banks that such CRA assessments will continue, said three ATM applications by an Iowa bank are in Washington, D.C., for approval and it looks like they will be turned down because of a low CRA rating. This, he stated, despite the acknowledged fact that the bank is sound.

An unexpected visitor to the first day sessions was Iowa Senator John Culver (D), who is up for re-election this year. Sen. Culver made an emo-



LEFT—Wes Ehrecke, IBA legis. rep.; **James R. Morrison**, sr. v.p., Chicago Fed; **Neil Milner**, IBA exec. v.p., and **Mark Douglas**, IBA staff v.p. **RIGHT—Rep. Ned Chiodo**, Des Moines; **Arthur Davis**, IBA gen. counsel; **Rae Schupack**, FDIC reg. counsel, Omaha; **George Milligan**, exec. v.p., Iowa-Des Moines Nat'l., Des Moines, and **Peter Blocklin**, ABA fed. legis. rep.



IOWA BANKERS listen to their legislators, from left: **Rep. Roger A. Halvorson**, majority leader, Monona; **Sen. Lowell L. Junkins**, minority leader, Montrose; **Rep. Donald D. Avenson**, minority leader, Oelwein; **Sen. Cloyd Robinson**, ranking member, Senate Commerce Comm.; **Rep. Laverne Schroeder**, chmn., House Commerce Comm., and **Sen. Edgar Holden**, chmn., Senate Commerce Comm.

tional, dynamic plea in calling for an economic summit meeting to resolve the critical problems now being experienced in the national economy—inflation, high interest rates and loss of international confidence in America and its dollar. He suggested Camp David as the site, with participants to include President Carter and his staff, Congressional leaders and bipartisan representatives from labor, business, finance and other selected fields.

Other morning participants included Howard Hall, deputy superintendent, and Jock Stevenson, assistant to the superintendent from the Iowa department of banking, and James R. Morrison, senior vice president of the Federal Reserve Bank of Chicago.

An interesting noon luncheon session featured Ned Chiodo, Des Moines, a member of the Iowa House of Representatives, who gave an excellent, straightforward report on how matters pertaining to finance and banking are being handled in the House. He was accompanied on the platform by George Milligan, executive vice president of the Iowa-Des Moines National Bank, who is a former State Senator. Mr. Milligan reinforced Mr. Chiodo's plea for input from concerned bankers on matters relating to their interests, and urged bankers in turn to approach elected representatives with the same courtesy and regard that they would for other people of business.

The afternoon program featured Rae Schupack, FDIC regional

counsel from Omaha, and Peter Blocklin, ABA federal legislative representative. An evening dinner concluded the first day's activities, with the speaker being Jerry O'Dowd, president of Agri-Industries of West Des Moines.

The second day was devoted to breakfast with representatives from home districts, tour of the State Capitol, an interesting briefing with majority and minority leaders of both Senate and House, followed by a visit with Governor Ray in his private office. The concept of the State Legislative Visit was highly commended by leaders of both parties and the Governor, who expressed the desire that every segment of Iowa life take a similar interest in the workings of their state government. □



LEFT—J. Bruce Meriwether, chmn., IBA legis. comm., and exec. v.p., First Nat'l., Dubuque; **Howard Hall**, Iowa deputy superintendent of banking, and **Jock D. Stevenson**, asst. to the Iowa supt., now exec. v.p., First State B&T, Cedar Rapids. **RIGHT—Les Olson**, pres. of IBA and pres., Toy Nat'l., Sioux City; **Gary Brickman**, deputy reg. adm. of nat'l. banks, Kansas City, and **Dennis Deischer**, reg. dir. for customer service community affairs, Kansas City.



New Officers Announced at Iowa Investment Bankers Meeting



LEFT—1980 officers of the Iowa Investment Bankers Association were elected at the group's recent annual meeting. They are, from left: **Ralph Marasco**, E.F. Hutton, secy.-treas.; **Bob Kirkendall**, E.F. Hutton, 2nd v.p.; **Jim Weiser**, Central Nat'l. Bank, 1st v.p., and **Bill Goodwin**, R.G. Dickinson, pres. All four are from Des Moines. **RIGHT**—**Tom Wormley**, Carleton D. Beh Co., left, and **Bob Kirkendall**, right, introduce guest speaker **Tom Stoner**, candidate for the U.S. Senate. Plans were announced for the annual Field Day to be held May 14-15. Ron Stegh, Carleton D. Beh Co., will chair the event.

Staff Changes at Wever

The board of directors of the Farmers Savings Bank, Wever, has appointed Harvey L. Robinson to the position of cashier and trust officer.

Mr. Robinson joined the bank as an assistant cashier in 1977 after graduating from Iowa State University. He succeeds Edson P. Cornick who has retired from the chief executive officer position.

Indianola Bank Reports

At the annual stockholders meeting of the People Trust & Savings Bank, Indianola, 11 staff members were recognized for their years of service with the bank. Longtimers included T. J. Nicholls, 30 years, and Ethel Smith, 20 years.

Ruth Wilson and Dorothy Uttley, who recently retired, were also recognized.

Changes at New Hampton

Robert R. Rigler, president of the Security State Bank, New Hampton, has announced the promotion of Peter A. Larkin to vice president and farm representative. Mr. Larkin, who was also elected to the board of directors, joined the bank in 1976 after graduating from Iowa State University.

Agnes K. Carmody has retired as

assistant cashier of the bank. She had been associated with Security State for 31 years.

Staff News From Elma

Howard L. Poitevin, president of the People Savings Bank, Elma, has announced that Darwyn Van Wyhe has joined the bank as a loan officer trainee.

Mr. Van Wyhe attended the University of Minnesota and was most recently enrolled in the agricultural banking course at the Pipestone Area Vocational Technical Institute.

Robert F. O'Donnell, who joined Peoples Savings Bank as cashier last

September, has been elected to the board of directors.

Annual Meeting at Norway

The Benton County Savings Bank, Norway, entered the final year toward completion of a century of banking at the annual stockholders meeting in March.

Approval was given for a one-for-one stock dividend which will increase capital to \$170,000.

Officer promotions included Dennis Day to vice president, and Karen Himmelsbach to cashier. Other officers and directors were re-elected.

Ida Grove Firm Receives Export Award



H. W. Godbersen, center, pres. of Gomaco Corp., and chmn., Ida County State Bank, Ida Grove, recently accepted an "E" Award for "Excellence in Export" for products needed worldwide. Also pictured, from left, are **H. W. Jensen**, v.p.-sales & mktg., Gomaco; **Jesse Durden**, dir., U.S. Dept. of Commerce, Des Moines; **Mr. Godbersen**; Iowa Gov. **Robert D. Ray**, and **Gary L. Godbersen**, exec. v.p., Gomaco. The government recognizes quality, eagerness, integrity and continued growth and expansion in the promotion of exports.



National Bank, Waterloo, Opens Office



OFFICIATING at the ribbon cutting for the National Bank of Waterloo's new National Plaza office were, from left: **R. Scott Fetner**, pres.; **Leo Rooff**, Waterloo mayor; **W. Louis Beecher**, chmn., and **Elcina Buck**, office mgr.

THE National Bank of Waterloo celebrated the grand opening of its new National Plaza office with an open house the first of the year.

The 3,050 square foot facility, which opened for business in December, has five drive-up lanes, safety deposit boxes, a night drop and

Bankeasy machine.

Manager of the new office is Elcina Buck, who has been with the bank since 1958. Most recently she served as a teller and personal banker in the note department and was named an officer in 1978. Teller supervisor is Lucia Ludolph, formerly a teller, bookkeeper and accounting clerk.

Former Banking Official Joins Cedar Rapids Bank

Jock D. Stevenson, former assistant to the Iowa superintendent of banking, has joined the First Trust and Savings Bank, Cedar Rapids, as executive vice president. He will be the managing officer of the bank, succeeding Lodge F. Mrkvicka who resigned recently. Mr. Stevenson had been employed by the Iowa department of banking since 1962 except for two years of military service with the Iowa National Guard. He advanced through bank examiner positions in Mapleton, Alta and Marion, was named bank examination analyst in 1970 and bank examination supervisor in 1973.



J. D. STEVENSON

He has attended several seminars and workshops relating to banking and governmental administration and graduated from the Hamilton School of Commerce, Mason City, in 1962.

Hosts Farm Cost Workshop

Jefferson State Bank sponsored a seminar and workshop dealing with

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farm cost-control strategies last month. Featured speaker was Don Gee, a farm management specialist from Iowa State University.

He conducted a hands-on workshop where participants worked through a simplified cash flow to determine an appropriate financing program.

Jerry Struck, assistant marketing director of the Iowa Department of Agriculture, discussed Iowa's export future and potential trade with China.

Joins Nat'l. Bank, Waterloo

R. Scott Fetner, president of The National Bank of Waterloo, has announced the addition of Don Tollefson to the NBW staff. Mr. Tollefson has been elected assistant vice president in the operations area. A native of Sergeant Bluff, he was previously associated with banks in Sioux City.



D. TOLLEFSON

Elected at Perry Bank

John M. Shanda, president of the Perry State Bank, has announced the

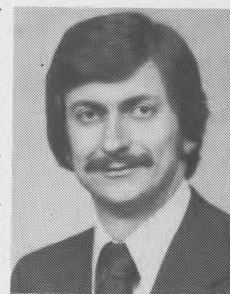
election of Samuel H. Garst to the board of directors. Mr. Garst is the assistant sales manager of the Garst and Thomas Hybrid Corn Company of Coon Rapids.

Formerly he spent two years with the Carter Administration serving on the Congressional relations section of the Department of Agriculture.

At the bank's annual meeting, all current officers were re-elected and Vicki Stanley was named assistant office manager. She joined the bank in 1975 and attended Iowa State University.

Joins Sioux City Bank

Richard C. Taylor, president of First National Bank in Sioux City, has announced that George D. Weaver has joined the bank as controller. Mr. Weaver has been involved in many areas of banking since 1963 and most recently was controller at



G. D. WEAVER

First National Bank in Council Bluffs. He is a graduate of Kearney (Neb.) State College and has an MA in mathematics from the University of Nebraska-Lincoln. He is also a graduate of the Colorado School of Banking.

Governor Receives First MasterCard



IOWA Governor Robert D. Ray receives from Miss Iowa—**Lori Froehling**—the first MasterCard issued in the State of Iowa, and believed to be the first MasterCard issued in the nation. Miss Froehling, a teller at the Davenport Bank & Trust Co., told the Governor the new card replaces the traditional Master Charge card in a name change adopted by the international card organization. Davenport Bank issues MasterCards through Credit Systems, Inc., St. Louis, which sells and services the card system for banks in a five-state area.



Dolores and Don Curry, pres., Farmers Savings, Massena; **Mary and Dick O'Bryan**, exec. v.p., Harlan Nat'l., and **Helen and Mark Langenfeld**, pres., Farmers T&S, Earling, all of Iowa. **RIGHT—Tom Wright**, chmn. & c.e.o., 1st Nat'l., Laurel, Miss., and his wife, **Sadie**; **Margaret and Dale DeKoster**, pres., Waterloo Savings, Waterloo, Ia.

IBAA REPORT . . .

(Continued from page 32)

also stated that expanded powers for thrifts, whether good or bad, would continue. He said the study on the McFadden Act would surface by mid-April and the White House would meet with IBAA leaders in two weeks to personally review it and get their input. He feels expansion of interstate banking will rest until a greater demand is made for it.

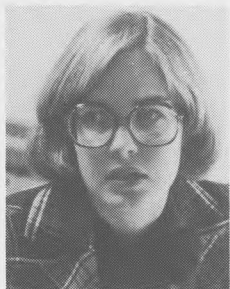
Alex Sheshunoff gave a condensed version of his seminar on "How to Prepare for NOW Accounts," using charts to show how banks must make detailed comparisons of the makeup of their customers, balances, goals of the bank, and additional sources of funds. He reviewed service charges needed to pay for and make profitable various bank sizes. Supplemental charts were given to all those attending.

The 1981 annual convention will be March 22-26 at the Las Vegas Hilton in Las Vegas, Nev. □

Groups Hold Joint Meeting

The Central Iowa Group of the National Association of Bank Women and the local chapter of the Bank Administration Institute held a joint meeting in February at the Des Moines Hilton.

Guest speaker was Sandra L. Cook, administrative director for NABW's Educational Foundation, who discussed "Banking—



S. L. COOK

What's in it for Women?" She pointed out that both women and their banks must be willing to commit their time and resources to improve the organization.

Ms. Cook stressed the need for women who want to advance within their banks to first recognize that they will need to develop not only technical skills, but also conceptual and human skills.

These women need to assess their skills, recognize areas for improvement and seek opportunities to improve and use those skills. Banks must provide a climate for encouraging skill and career development, she added.

Joins Clinton Bank

Mark N. Christen has joined the Clinton National Bank as vice president in charge of commercial lending.

A native of Guttenberg, Mr. Christen is well-known among Iowa bankers, having traveled for Merchants National Bank, Cedar Rapids, as an assistant vice president in the correspondent department for the past several years.



M. N. CHRISTEN

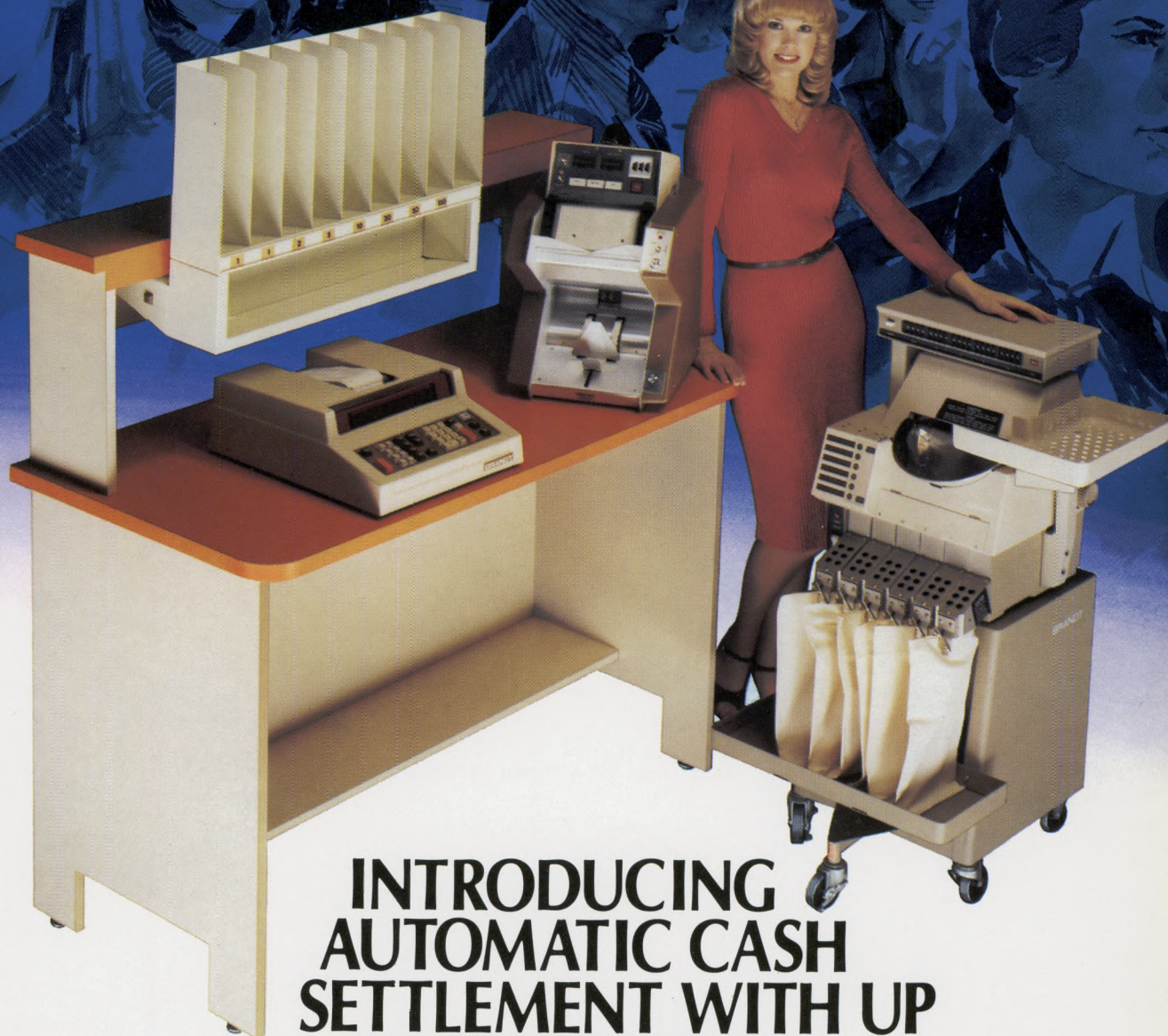
SBA Reports Iowa Loans

The U.S. Small Business Administration in Iowa made 911 loans totaling \$91,679,990 in 1979, compared to 1,001 loans totaling \$103,837,875 in 1978, according to T. C. Martin, acting district director.

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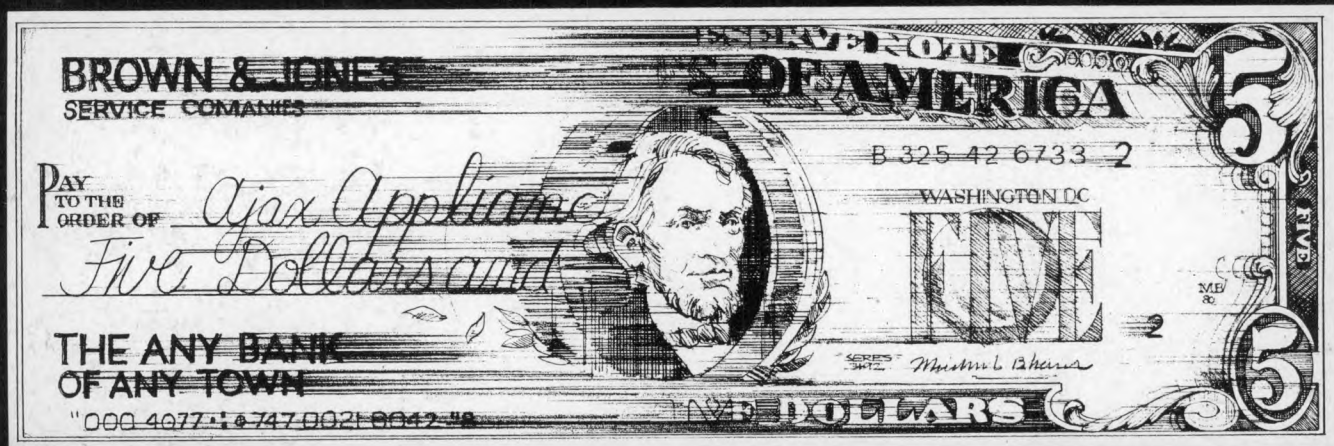
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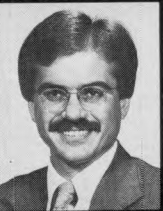
Dorothea Wolfe



Voldy Vanags



Lance Davenport



John Rigler



Garry Frandson