

NORTHWESTERN *Banker*

DECEMBER
1982

Disastrous fire hits Minneapolis bank!

BANK OFFICER SALARIES
Exclusive survey!

John E. Mangold,

**MNB Senior Vice President,
on "The importance
of creative
thinking in
correspondent
banking."**



"The challenge of developing more efficient methods in correspondent banking is greater than ever. That's why at Merchants National Bank, we encourage our correspondent bankers to develop new and better ways of handling Overlines and Liquidity Loans. That's why we offer time-saving services like the 24-Hour Transit Service and more efficient approaches to Federal Funds Purchase and Sales and Bond Purchasing and Safekeeping.

"At MNB, we expect originality and we encourage innovation. In cor-

respondent banking, as in any dynamic business, creative thinking blends vision with experience for a better product. And by aggressively seeking new perspectives, we believe we'll find the best ways to serve our respondent banks and their customers.

Talk to one of MNB's creative correspondent bankers, soon. Call **John E. Mangold, Terry M. Martin, Stan R. Farmer, or Jerry N. Trudo**. Just dial **(319) 398-4313** or call, toll free, **1-800-332-5991**.

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When it comes to customer preference,* other travelers cheques don't stack up.

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American Express offers five special services to help protect your customers' vacation if their travelers cheques are lost or stolen. We can help cancel lost credit cards, issue a temporary ID, and cash a personal check for up to \$200. We even have a 24-Hour

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Service Offices and you'll see why most travelers cheque users feel American Express is the best brand.

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American Express® Travelers Cheques



* A recent study shows that 64% of travelers cheque users want to buy American Express the next time they buy travelers cheques.
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NORTHWESTERN Banker

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OLDEST FINANCIAL JOURNAL SERVING THE CENTRAL AND WESTERN STATES

ON THE COVER

The tragedy of fire is portrayed graphically in this cover picture taken as firemen continued to battle the blaze that consumed the upper floors of the Northwestern National Bank Building in Minneapolis. This photo was made available through Northwest Bancorporation office of corporate communications. Initial details of the fire are given in the brief story at right on this page.

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Major Fire Disables N.W. National Building

A Thanksgiving Day inferno that started in the partially demolished Donaldson's department store spread quickly into the adjacent Northwestern National Bank Building in downtown Minneapolis and burned out of control throughout the night. Before firemen were able to quench the flames, all offices from the sixth floor to the roof were gutted, although the Minneapolis Fire Chief said the structure is still sound.

The fire destroyed all offices of Northwest Bancorporation and a number of its affiliate offices. However, the Northwestern National Bank quarters on the first four floors were not hit by the fire but were heavily damaged by smoke and water.


Thanks to some far-reaching planning that had just revised the bank's disaster plan only a few weeks ago, Banco and Northwestern National officials "got together immediately and hit the ground running," a Banco spokesman said. The disaster plan had been committed in writing in book form just two months ago and had been stored for safety purposes in three or four vaults of affiliated banks and branches throughout the Twin Cities area. "The next day," the spokesman said, "they just got the book out, started on page one and before Saturday was too far along they were assigning new office space to various departments."

Before the weekend was out, Banco had relocated all its personnel and they had instructions as to where they were to report for duty. Retail customers were given a number of Northwestern outlets where their records could be accessed so that business could go on with the least inconvenience. Banco and Northwestern officials emphasized that no customer records or valuables were touched in the fire.

The correspondent bank department recently moved to the 12th floor of the nearby Pillsbury Building, so it was not involved in the fire.

St. Paul Fire and Marine Insurance Company, which insures the Northwestern National Bank system, said the insured loss has not yet been calculated; however, in line with its extensive reinsurance program, St. Paul F&M said its net, pretax loss will approximate \$5 million.

THE COUNT OF GRYGLA.



Grygla, Minnesota, has a raw and unfinished air. Fred Sorenson, president of the 6-year-old American State Bank of Grygla, calls the surrounding area the

Midwest's last frontier. The land is treeless, flat and miraculously fertile, and every season more acres are cleared, ditched and planted, making more efficient than ever the huge equipment that cultivates, seeds and harvests the wheat, oats, barley and sunflowers. The settlement was named after a Polish nobleman who spent one cold winter there and quickly departed for warmer climes. The Grygla bank's chief correspondent is the Northwestern National Bank of Minneapolis, 310 miles southeast of the town. Recently, Fred Sorenson, who has his BA and MA from the University of Minnesota and who for many years was a farm management teacher, talked about Northwestern Minneapolis and about banking in Grygla.

This is not like other places. This is a frontier. Farmers here have an insatiable thirst for money. They deposit one dollar and ask to borrow a hundred.

Our bank has wanted to help them, and has. When the loans have gotten too large, we've had to call on the Northwestern National Bank of Minneapolis.

It's handled most of our ag overlines for six years. Right from the beginning in fact. They've been responsive, capable, cooperative, knowledgeable. What more can I say?

Of course we do more than lend money to farmers. Grygla has an urge and a right to exist. When we came here six years ago there were no paved streets, no water system, no sewer system. Now the village has all three. And we were involved.

Our bank has also helped bring in a grain elevator, enlarge a farm implement dealership, a beauty shop, and helped start from scratch a machine shop, a restaurant, a lumber yard.

Just before I came here from Thief River Falls, Minnesota, I said to my wife Marie, "If you love me, come to Grygla with me."

Thank heavens she said yes!

The people are wonderful. The hunting is great—mallards, honkers, grouse, deer, even moose.

And everything I've done as a banker in Grygla has been done for the first time!

It's not fancy, but it's banking at it's best.

CORRESPONDENT BANKING DEPARTMENT

 **NORTHWESTERN
NATIONAL BANK**
Of Minneapolis
An Affiliate of Northwest Bancorporation

 **BANCO**

SHOULDN'T WE TALK SOMETIME?



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

Jan. 16-19—BAI Productivity Conference Hyatt Regency Hotel, Houston.
Jan. 23-26—ABA National Trust Conference, Atlanta Hilton, Atlanta, Ga.
Jan. 31-Feb. 1—RMA Term Lending Workshop, Galleria, Houston.
Feb. 6-9—ABA National Compliance Conference, Omni International, Atlanta, Ga.
Feb. 6-9—ABA Telecommunications and Financial Networks Workshop, Hyatt Orlando, Kissimmee, Fla.
Feb. 6-18—ABA National School of Retail Banking, University of Oklahoma, Norman, Okla.
Feb. 7—RMA Customer Profitability Analysis Workshop, Grand Hotel, Houston.
Feb. 8-11—ABA National Insurance and Protection Conference of Financial Institutions, Sheraton Twin Towers, Orlando, Fla.
Feb. 13-16—ABA Conference for Branch Administrators, Fairmont Hotel, Denver, Colo.
Feb. 20-23—BAI Annual Conference on Bank Security, New Orleans, La.
Feb. 20-24—BAI Bank Auditor's Conference, St. Francis Hotel, San Francisco.
Feb. 22-25—ABA Bank Investments Conference, Hyatt Regency, Dallas, Tex.
Feb. 27-Mar. 2—BAI Conference on Bank Security, Fairmont Hotel, New Orleans.
Feb. 27-Mar. 2—BMA Electronic Banking Conference, Four Seasons Hotel, Houston.
Feb. 27-Mar. 2—BMA Community Bank CEO Seminar, Marriott's Mountain Shadows, Scottsdale, Ariz.
Mar. 2-5—ABA Corporate/Commercial Marketing Conference, Capital Hilton, Washington, D.C.
Mar. 6-9—ABA Community Banks Executive Conference, Fairmont Hotel, New Orleans.
Mar. 7—RMA Loan Review Seminar, Jacksonville Hilton, Jacksonville, Fla.
Mar. 7-11—RMA Uniform Credit Analysis Seminar, Xerox International Center for Training & Development, Leesburg, Va.
Mar. 13-15—ABA National Credit & Correspondent Banking Conference, Fairmont, New Orleans.
Mar. 14-16—RMA Asset-Based Lending Workshop, Atlanta Hilton & Towers, Atlanta.
Mar. 23-26—ABA Mid Sized Bank CEO Seminar, Marriott's Rancho Las Palmas, Calif.
Mar. 23-27—IBAA 53rd Annual Convention, Town and Country Hotel, San Diego, Calif.
Mar. 27-30—BMA Advertising Conference, Hyatt Regency Chicago.
Apr. 5-7—ABA International Banking Sym-

posium, Hyatt Regency Chicago.
Apr. 5-8—BAI Check Processing Conference, Marriott Hotel, Chicago.
Apr. 10-13—IBAA 21st Seminar/Workshop on the One-Bank Holding Company, Alameda Plaza Hotel, Kansas City, Mo.
Apr. 10-13—ABA National Retail Banking Conference, Hyatt Regency Atlanta, Ga.
Apr. 14-17—AIB Regional Leaders Workshop, Omaha, Nebr.
Apr. 17-27—ABA National Commercial Lending School, University of Oklahoma, Norman, Okla.
Apr. 18-20—IBAA Commodity Marketing Seminar, Chicago, Ill.
Apr. 24-27—BMA Research and Planning Conference, Hyatt Regency Crystal City, Washington, D.C.
Apr. 28-May 1—AIB Regional Leaders Workshop, Salt Lake City, Utah.
May 3-6—BAI Accounting and Finance Conference, Amfac Hotel, Dallas.
May 8-10—Conference of State Bank Supervisors, Annual Convention, The Broadmoor, Colorado Springs, Colo.
May 8-11—Association of Reserve City Bankers, Annual Meeting, Boca Raton Hotel, Boca Raton, Fla.
May 8-13—ABA National Commercial Lending Graduate School, University of Oklahoma, Norman, Okla.
May 15-18—BAI Tax Conference, Hyatt Regency Hotel, Orlando.
May 22-25—ABA National Operations and Automation Conference, Miami Beach Convention Center, Miami Beach, Fla.
May 22-27—BMA School of Trust Sales and Marketing, and Essentials of Bank Marketing School, University of Colorado, Boulder, Colo.
May 22-June 3—BMA School of Bank Marketing, University of Colorado, Boulder, Colo.
May 28-June 2—ABA National AIB Leaders Conference, Sheraton Washington, Washington, D.C.
June 5-8—BAI Strategic Planning, Four Seasons Hotel, Houston.
June 5-17—ABA Stonier Graduate School of Banking, Rutgers University, New Brunswick, N.J.
June 9-11—Association of Bank Holding Companies, Annual Meeting, Opryland Hotel, Nashville, Tenn.
July 11-12—IBAA Spread Analysis and Asset/Liability Management Workshop, Hyatt Regency Minneapolis on Nicollet Mall, Minneapolis.
July 13-16—Central States Conference, Jackson Lake Lodge, Wyo.
Aug. 8-9—IBAA Spread Analysis and Asset/Liability Management Workshop, Caesar's Tahoe, Lake Tahoe, Nevada.
Sept. 11-14—ABA National Personnel Conference, Hyatt Regency, Phoenix, Ariz.
Sept. 12-14—IBAA Commodity Marketing Seminar, Chicago, Ill.
Sept. 14-16—ABA Senior Operations Seminar, Marriott's Marco Beach, Marco Island, Fla.
Sept. 18-21—NABW Annual Convention, Hyatt Regency, Dallas, Tex.
Sept. 18-21—BAI National Convention, Fairmont Hotel, San Francisco.
Sept. 18-23—RMA Loan Management Sem-

inar, The Ohio State University, Columbus.
Sept. 18-30—ABA National School of Retail Banking, University of Oklahoma, Norman, Okla.
Sept. 20-23—ABA National Bank Card Convention, Bonaventure, Los Angeles, Calif.
Oct. 8-12—ABA Annual ABA Convention, Honolulu, Hawaii.
Oct. 23-25—ABA International Banking Conference, Grand Hyatt New York.
Oct. 23-26—BMA 68th Annual Convention, Atlanta Hilton, Atlanta, Ga.
Nov. 2-4—ABA Chief Financial Officer Seminar, Hyatt on Hilton Head, Hilton Head Island, S.C.
Nov. 2-5—IBAA 23rd Seminar on the One-Bank Holding Company, Marriott's Hilton Head Resort, Hilton Head Island, S.C.
Nov. 13-16—ABA National Agricultural Bankers Conference, Bonaventure, Los Angeles, Calif.
Nov. 13-17—BMA Trust Marketing Conference, Fairmont Hotel, Dallas, Tex.

State Conventions & Schools

Colorado:

Sept. 21-24—Independent Bankers of Colorado Annual Meeting and Convention, Keystone Resort.

Illinois:

Jan. 24-27—AMBI Washington Trip, Washington, D.C.
Feb. 23-24—IBA Marketing Conference, Marriott Pavillion Hotel, St. Louis.
April 5-6—IBA Commercial Credit Conference, Ramada Inn, Champaign.
Apr. 19-21—IBA Estate Planning Seminars, Mount Vernon, Ill.
May 4-5—IBA Consumer Credit Conference, Holiday Inn, Decatur.
May 10-11—Independent Community Banks in Illinois 9th Annual Convention, Holiday Inn East, Springfield.
May 23-31—IBA Bankers School, Southern Illinois University, Carbondale.
June 9-11—IBA Annual Convention, Chicago Marriott Hotel.
June 12-18—IBA Agricultural Lending School, Illinois State University, Normal.
June 15-18—IBA Advanced Ag Lending Clinic, Illinois State University, Normal.
June 19-25—IBA Commercial Lending School, Illinois State University, Normal.
June 10-22—AMBI Executive Graduate School of Banking, University of Illinois, Champaign, Ill.

Iowa:

Jan. 17-18—IBA Electronic Funds Transfer Seminar, Des Moines Marriott.
Feb. 7-9—IBA Marketing Conference, Des Moines Marriott.
Feb. 11-12—IBA Group 1 Meeting, Marina Inn, Sioux City.
Feb. 16-18—IBA State Legislature Trip/Leadership Conference, Des Moines Hyatt.
Feb. 20-21—IBA Group II Meeting, Holiday Inn, Burlington.
Feb. 23-25—IBA Midwinter Management Conference, Colo.
Mar. 14-16—IBA Ag Credit Conference, Scheman Center, Ames.
Mar. 29-30—IBA Chief Executive Officer Conference, Des Moines.

CALENDAR...

(Turn to page 8, please)

How can you be sure you're getting your money's worth?

Today, it's important to be very selective about your bond portfolio investments.

A lot of your assets are involved. And we're dealing in a tough financial world.

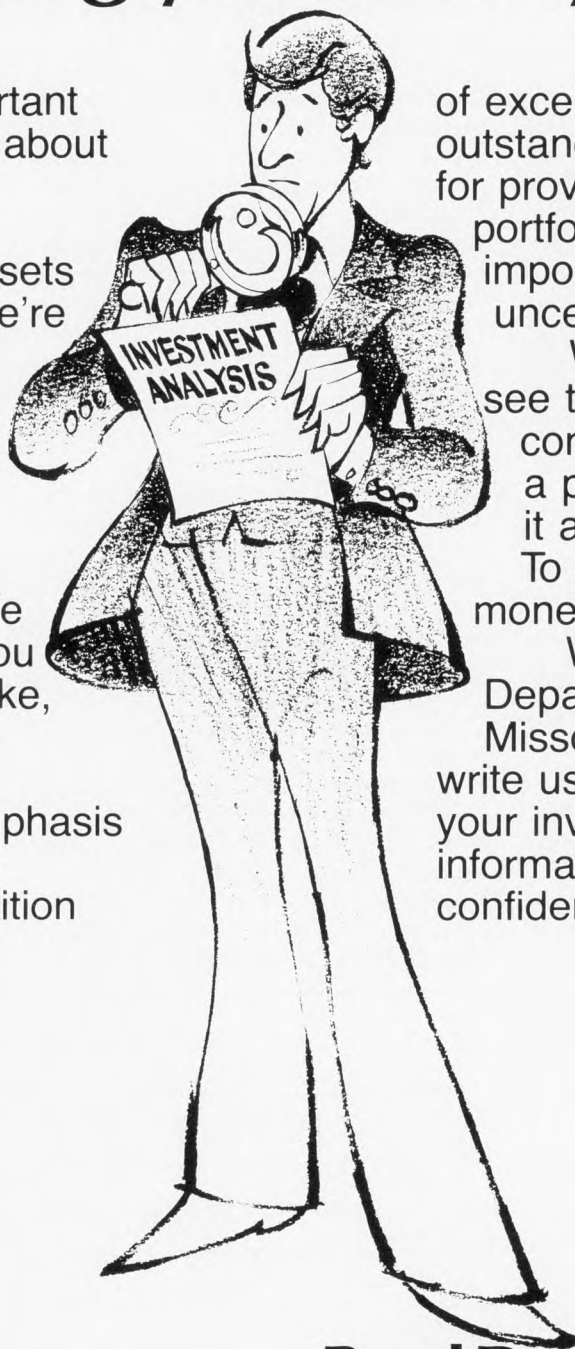
United Missouri Bank can make sure you're investing in high quality securities. We offer exactly what you want. And, if you'd like, we'll make specific recommendations. Always, with the emphasis on quality.

We have a tradition

of excellence and an outstanding track record for providing sound bond portfolio services. Very important in this uncertain economy.

While some banks see today's market condition as a problem, we see it as an opportunity. To get you your money's worth.

We're the Bond Department at United Missouri Bank. Call or write us today. We'll hold your investment information in the strictest confidence.



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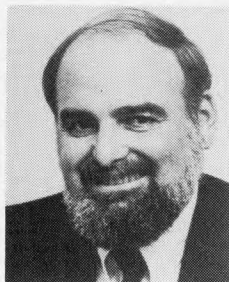
Corporate

THE following promotions and other announcements have been made by the following firms:

Advanced Planning Systems, Inc., Arlington Heights, Ill.: C. David Channell, professor of finance at East Texas State University, has joined the company as a senior consultant. He began his education and consulting career in 1970. His areas of specialization include banking, investments and computer applications. He has received the Outstanding Teacher Award in the East Texas College of Business Administration and is well known for his numerous papers presented at professional conferences and articles published.

Advanced planning is a consulting firm specializing in bank management, planning and systems.

Banker's Equipment Service, Inc., Burnsville, Minn.: Thomas P. Glesener has joined the firm as a sales representative to promote the various computer products marketed by Banker's Equipment. Included



C.D. CHANNELL

in these products is a modern computer which posts on a ledger card and generates complete general ledger, liability ledgers and accrual reports.

Mr. Glesener has 11 years of banking experience, having served as cashier of Northwestern National Bank Southwest in Bloomington, and Northwestern State Bank of Northfield. He served also as assistant vice president of the First State Bank of Eden Prairie and most recently was with First Chicago Data Corporation.

BarclaysAmerican Business Credit, Inc., Minneapolis: Gregory L. Davidson has been appointed marketing representative in the Minneapolis region office with responsibility for development of new business through telephone marketing programs, presentation of business seminars and performance of preliminary financial analyses throughout the Minneapolis region. This area includes Minnesota, North Dakota, South Dakota, Nebraska, Iowa and a portion of Wisconsin.

A resident of Burnsville, Mr. Davidson received his BA degree in accounting/economics from Albion College. Before joining Barclays-American he was employed by First Community Credit Union of Kalamazoo, Mich., as assistant manager.

CALENDAR...

(Continued from page 6)

Apr. 24-27—IBA Washington, D.C. Trip.
June 19-24—Iowa School of Banking, University of Iowa, Iowa City.

Minnesota:

Jan. 12-13—MBA Personnel Conference.
Feb. 8-9—MBA Senior Bank Management Conference.
Mar. 1-3—MBA Marketing Workshops.
Mar. 15-17—MBA Agricultural Workshops.
Apr. 12-14—MBA Lending Workshops.
May 3-6—MBA Washington Legislative Conference, Washington, D.C.
May 9-11—MBA Investment Workshops.
June 20-21—MBA Annual Convention, Hyatt Regency, Minneapolis.
June 26-July 1—Minnesota School of Banking, St. Olaf, Northfield.
July 24-29—Midwest Banking Institute, University of Minnesota, Morris.
Aug. 18-21—Independent Bankers of Minnesota Annual Convention, Arrowwood Lodge, Alexandria.

Montana:

Feb. 9-11—MBA Agricultural Credit Con-

ference, Holiday Inn, Bozeman.

Mar. 31-Apr.1—MBA Bank Presidents Conference, Colonial, Helena.
Apr. 24-26—MBA Consumer Lending Conference, Big Sky.
May 12-13—MBA Trust Conference, Sheraton, Billings.
May 19-20—MBA Commercial Lending Conference, Colonial, Helena.
June 16-17—MBA Real Estate Conference, Colonial, Helena.
June 28-July 2—MBA Annual Convention & Membership Meeting, Sun Valley.

Nebraska:

Jan. 6—Nebraska Independent Bankers Association Annual Legislators Banquet, Hilton Hotel, Lincoln.
Jan. 12-13—NBA General Lending Conference, Holiday Inn, Kearney.
Feb. 5-10—NBA Bank Presidents Conference, Marriott Beach Resort, Marco Island, Fla.
Feb. 16-17—NBA Personnel Conference, Kearney.
Feb. 27-Mar.4—NBA Basic School of Bank-

ing, Regency West, Omaha.

Mar. 13-18—NBA Intermediate School of Banking, Regency West, Omaha.

Mar. 30-31—NBA Ag Outlook Conference, Holiday Inn, Kearney.

Apr. 10-16—ABA Leadership Conference, Greenbriar.

Apr. 24-29—ABA Commercial Lending, School, Regency West, Omaha.

May 4-6—NBA Annual Convention, Holiday Inn, Omaha.

June 11-14—NBA Washington Visit.

July 10-15—NBA Trust School, Regency West, Omaha.

North Dakota:

Jan. 26-27—NDBA Bank Management Conference, Kirkwood Motor Inn, Bismarck.

Feb. 16-18—Bank of North Dakota Mid-Winter Break, Bismarck.

Mar. 16-17—NDBA Agricultural Credit Conference, Fargo.

Apr. 26-28—NDBA Washington Legislative and Administrative Conference, Hyatt Regency on Capitol Hill.

May 23-24—NDBA 98th Annual Convention, Civic Auditorium, Grand Forks.

June 5-10—NDBA North Dakota School of Banking, Grand Forks.

Sept. 14-16—Independent Community Banks of North Dakota Annual Convention, Kirkwood Motor Inn, Bismarck.

Sept. 26—NDBA Northeast Group Meeting.

Sept. 27—NDBA Northwest Group Meeting, Rugby.

Sept. 28—NDBA Southwest Group Meeting, Dickinson.

Sept. 29—NDBA Southeast Group Meeting, Ellendale.

South Dakota:

Apr. 6-7—SDBA Ag Credit Conference, Kings Inn, Pierre.

Apr. 20-21—Joint NDBA/SDBA Trust Conference, Holiday Inn City Centre, Sioux Falls.

May 16-17—SDBA Annual Convention, Convention Center, Sioux Falls.

Wyoming:

Jan. 19-21—WBA Consumer Credit Conference, Hitching Post, Inn, Cheyenne.

Feb. 3-4—WBA Credit Conference, Ramada Inn, Casper.

June 15-17—WBA Annual Convention, Jackson Lake Lodge, Jackson.

Record Number of Banks Join RMA This Past Year

During the past fiscal year — September 1, 1981, to August 31, 1982 — a record 257 commercial and savings banks joined Robert Morris Associates, breaking the previous year's record of 220 new members. This brought the net total of RMA member banks to 2,500, also a record high.

These member banks are represented in RMA by more than 10,000 individuals (associates) who either are actively engaged in commercial lending, credit, and loan administration functions or who control or influence them at the policy level.

How The First Team makes First Chicago your partner in Kankakee, Kansas City, and Kalamazoo.

When you need the support of a money-center bank, think first of First Chicago. Why? Because we'll provide wide-ranging services and fast, decisive responses. Because we offer you a true partnership that supports instead of supplants. And because we give you the services of The First Team to deliver all our resources when and where you need them.

Tom King, Vice President, explains: "Every member of The First Team, from your relationship manager to the specialist in key financial areas, respects your position in the marketplace. We make it our business to back up your relationships with strong, state-of-the-art products and services."

Jack Clark, Vice President: "First Chicago has created a new area called Credit Marketing Services which helps our relationship managers provide a streamlined credit process and fast response. Anytime." Adds Don Boreman, Assistant Vice President: "Our relationship managers know your region thoroughly. Being based in Chicago, they provide the vital link that brings the expertise of all other members of The First Team directly to you and your customers."

Get The First Team working with you in Kankakee, Kansas City, Kalamazoo, wherever you are. Call Tom, Jack, or Don at (312) 732-4100.



FIRST CHICAGO

The First National Bank of Chicago



THE FIRST TEAM

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Bank Promotions

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

American National Bank, Chicago: Anthony A. Scerba, 41, has been appointed president of Tel-A-Data Corporation and American National Data, processing subsidiaries of the bank. Mr. Scerba is a vice president of the bank, which he joined in 1970.

It was also announced that American National will join the Cash Station, Inc., automatic teller machine system and plans to be fully operational on the system by the third quarter of 1983. It will have ATMs at the main bank, the facilities at LaSalle/Wacker and the Gateway Center and the newest one at Chicago Mercantile Exchange, which is scheduled to open in January, 1984. These are in addition to the more than 100 Cash Station ATMs in the Chicago area.

Commerce Bancshares, Inc., Kansas City: Gene F. Hahn has been

named vice president in charge of loan administration. He had been manager of the real estate department for Commerce Bank of Kansas City, N.A.

James L. Swarts has been named assistant vice president for affiliate bank administration. He had been an attorney in the holding company legal department since 1978.

Thomas A. Wallingford has joined Commerce Bank as vice president and head of the personal trust department. He had been vice president and trust officer for a Kansas City area bank for two years. He received a BA from the University of Kansas and his J.D. degree from the University of Missouri at Kansas City Law School.

Continental Bank, Chicago: George R. Baker, 53, executive vice president of the bank and Continental Illinois Corporation, has resigned from those positions effective December 31, 1982. He will be succeed-

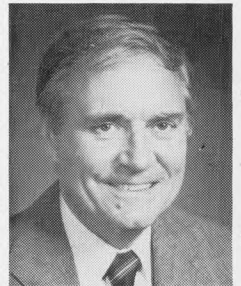
ed by Edward M. Cummings, executive vice president, who has been the corporation's senior officer in its London-based European headquarters for the past two years.

Mr. Baker leaves to pursue other business activities; however, he will be available on a part-time basis to serve Continental until July, 1984. In his current capacity as head of general banking services, Mr. Baker is responsible for all corporate banking, domestic and international. He has been executive vice president since 1972 and head of general banking services since 1976.

Mr. Cummings, 61, is returning from London with more than 34 years of experience with Continental, all of it in corporate banking.

HarrisBankcorp, Chicago: Ormand J. Wade, president and chief operating officer of Illinois Bell Telephone Company, has been elected to the Harris holding company board and to the board of its subsidiary, Harris Trust and Savings Bank. His election brings the total number of directors to 19.

National Boulevard Bank, Chicago: Richard T. Merrill, president and chief executive officer of Commerce Clearing House, Inc., has been elected to the bank's board, filling the vacancy left by Robert C. Bartlett.



R.T. MERRILL

Northern Trust Company, Chicago: Directors recently announced these promotions and new appointments:

Gregg D. Behrens to vice president in the commercial banking department.

Gerald P. Harbison to vice president in the personal banking department.

Norman J. Wohlken to vice president in the trust department.

Charles B. Hintz, from outside the bank, was appointed vice president in treasury planning.

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DISPLAYS

DAKTRONICS

If you've financed one holding company, you've financed them all.

Or have you?

Let's face it. Holding companies aren't always alike.

So if your correspondent bank thinks all holding company financing is the same, maybe it's time to look for a different correspondent bank.

Like Continental Bank. At Continental, we hold no preconceived notions about what a holding company in your situation might need. We put together a credit especially made for a holding company of your size, in your state, and in your circumstances. With the combination of terms your individual situation calls for. And with any necessary regulatory modifications, evaluation analyses, and even negotiation assistance you might require.

That's the sort of flexibility you expect. And deserve.

You expect decisiveness, too. At Continental, you get it. Credit requests don't go from committee to committee. They go directly to your account manager—the person who can say "yes" or "no" on most loans.

You get a decision fast. From the person who made it.

Call Robert C. Vasko at (312) 828-4046 about your holding company financing. We won't try to put you in one pigeonhole or another. We'll just work out the credit that's best for you.

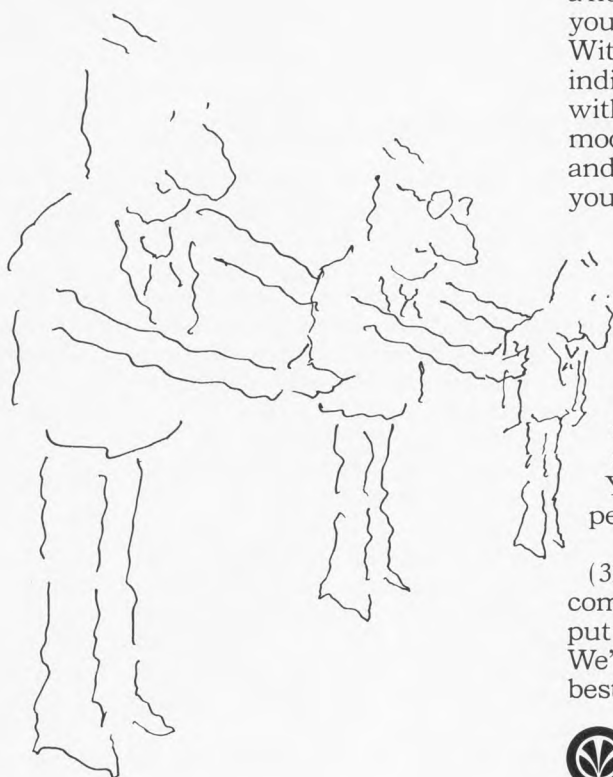


CONTINENTAL BANK

125th ANNIVERSARY

Continental Illinois National Bank and Trust Company of Chicago, 231 South LaSalle Street, Chicago, Illinois 60693

Atlanta • Chicago • Cleveland • Dallas • Denver • Detroit
Houston • Los Angeles • Minneapolis • New York
San Francisco • Seattle • White Plains.



U.S. 18 c 4 m an

Mosler Plans Education, Display Center



PLANS for the construction of a multimillion dollar, 90,000 sq. ft. National Education and Display Center for the Mosler Safe Company, an American-Standard company were recently announced by company president Robert F. Murphy. Scheduled for a summer-1983 completion, the new building will be adjacent to Mosler's national warehouse and distribution center on an 80-acre tract in the Southwestern Ohio Industrial Park in Hamilton,

Ohio.

According to Joe McDonald, senior vice president, sales, installation and service, "Our primary reason for the construction of this new facility is to reinforce Mosler's long-standing commitment to the technical excellence of our sales, installation and service forces.

"Our security systems and equipment have become increasingly complex and many of these products are based on micro-processor and com-

puter technology. This product advance and the rapid growth of our service organization necessitate a larger, more modern facility to conduct extensive training of our technical service representatives." Mr. McDonald said the classrooms and laboratories will be equipped with advanced demonstration and test equipment. Laboratories and classrooms also have been designed to accommodate customer training.

A large area of the new building will be devoted to the display of the many electronic and physical security and remote transaction products manufactured and sold by Mosler. Mosler's state-of-the-art security communication system, COMSEC, will be displayed. In addition, the building and its contents will be protected by a COMSEC which will monitor all fire and security devices. Also, the COMSEC system contains energy management devices which will regulate the heating and air conditioning systems.

The building will house several sales, installation and service support groups including the marketing communications department.

Two Minnesotans Named to Key ABA Posts

TWO Minnesotans are among four bankers appointed to key posts in the American Bankers Association for 1982-83 by ABA President William H. Kennedy.

Burton P. Allen, Jr., president of First National Bank of Milaca, Milaca, Minn., was appointed chairman of ABA's American Institute of Banking. A third generation banker, Mr. Allen replaces Thomas R. Smith, former ABA treasurer and president

more than 600 local chapters in defining and implementing AIB's goals and objectives. Mr. Allen has had distinguished service and ABA's Education Policy and Development Council and the Community Bankers Advisory Council. He was president of the Minnesota Bankers Association in 1973-74.

Mark W. Olson, president, Security State Bank, Fergus Falls, Minn., was named chairman of the ABA Government Relations Council. Hugh M. Chapman, chairman of Citizens and Southern National Bank, Columbia, S.C., was named vice chairman. The Council is the 100 member body which establishes the legislative and regulatory policy positions of the ABA.

Mr. Olson was vice chairman of the council for 1981-82. He is also a member of the Minnesota Bankers legislative committee and chairman of the Bankers' Advisory Committee to Congressman Arlan Stangeland.

Thomas P. Rideout, president and chief operating officer of Savannah Bank and Trust Co., Savannah, Ga., has been appointed chairman of ABA's Banking Professions Coun-

cil. In that position he is responsible for ensuring that the actions of the 16 divisions within the council are supportive of ABA goals and objectives.

Thomas B. Shriver, executive vice president of the Pennsylvania Bankers Association, has been named chairman of the ABA State Association Division, having served as its vice chairman the past year.

George Morvis Elected To BAI Board of Directors

George M. Morvis, president of Financial Shares Corporation, Chicago, a bank consulting firm, was elected to a three year term on the board of directors of the national Bank Marketing Association.

Mr. Morvis became the first non-banker ever nominated and elected to the board. The action took place at the BMA's annual convention recently in Phoenix.

Mr. Morvis also was selected as the first recipient of the Association's William M. Dalton Service Award, signifying outstanding contribution to the BMA membership, and named after the late Bill Dalton, an early participant and longtime service member of the Association.



B.P. ALLEN, JR.

M.W. OLSON

of Fidelity Brenton Bank and Trust Co., Marshalltown, Ia., who completed his one-year term as AIB chairman October 19. As chairman, Mr. Allen will serve on the ABA Education and Policy Development Council and the AIB executive committee. The latter board works closely with AIB state committees and

● BMA Announces Golden Coin Awards

TOP PRIZE in the 1982 Golden Coin Awards competition of the Bank Marketing Association, which annually judges out-standing marketing and community affairs programs of the nation's financial institutions, went to Neworld Bank for Savings, Boston.

Besides "That's My House" of Neworld, four other banks also won Golden Coins for outstanding achievement in their size categories. They were First National Bank of Crossville, Crossville, Tenn.; Irwin Union Bank and Trust Company, Columbus, Ind.; Overland National Bank, Grand Island, Neb.; and Commonwealth National Bank, Harrisburg, Penn.

Overland National captured the marketing trophy in the less than \$100 million asset category for its program "Bankers' Bonus—A Deposit Incentive."

Among six other banks which were presented a Certificate of Merit by BMA during the Golden Coin awards presentation, two were from this area:

Community Affairs (\$1 billion or more) — IntraWest Bank of Denver (formerly The First National Bank of Denver). "First of Denver Paint-A-Thon."

Marketing (\$0 - \$100 million) — Bank of Norfolk, Norfolk, Neb. "The Answer: Money Market Checking Program."

BMA also listed award winners in the three individual categories of Best of Print, Best of TV and Best of Radio. Winners from midwestern and mountain states were announced in these categories:

Best of Print

The 55 total winners were selected from 700 entries.

Newspaper: (Full page, black and white) Washington Bank & Trust, Naperville, Ill.; (Campaign, black and white) First National Bank of Lake Forest, Lake Forest, Ill.

Consumer Magazine: (Full page, color) United Bank of Colorado, Denver.

Business or Trade Publication: (Less than full page, color) First Bank System, Minneapolis.

Direct Mail: (Lead inquiry campaign) Mercantile Bancorp, St. Louis.

Printed Material: (Campaign) United Missouri Bancshares, Kan-

sas City.

Specialty Advertising: (\$2.50 to \$10.00 unit cost) Lake View Bank, Chicago.

Best of TV

Thirty-five commercials were selected from nearly 200 entries for the TV reel.

Under \$15,000 production costs: The Exchange National Bank, Colorado Springs, Colo.

Over \$15,000 production costs: The First National Bank of Chicago; United Central Bank of Des Moines

and First National Bank of Minneapolis.

Best of Radio

IRAs and ATMs were the most popular subjects for bank radio commercials in 1982 in the 150 entries, of which 36 were selected as winners. They are:

Mountain States Bank, Denver; United Banks of Colorado, Denver; The First National Bank of Chicago; Pioneer Bank, Chicago; Iowa Bankers Association, Des Moines; Iowa Des Moines National Bank, Des Moines, and United Missouri Bancshares, Inc., Kansas City.

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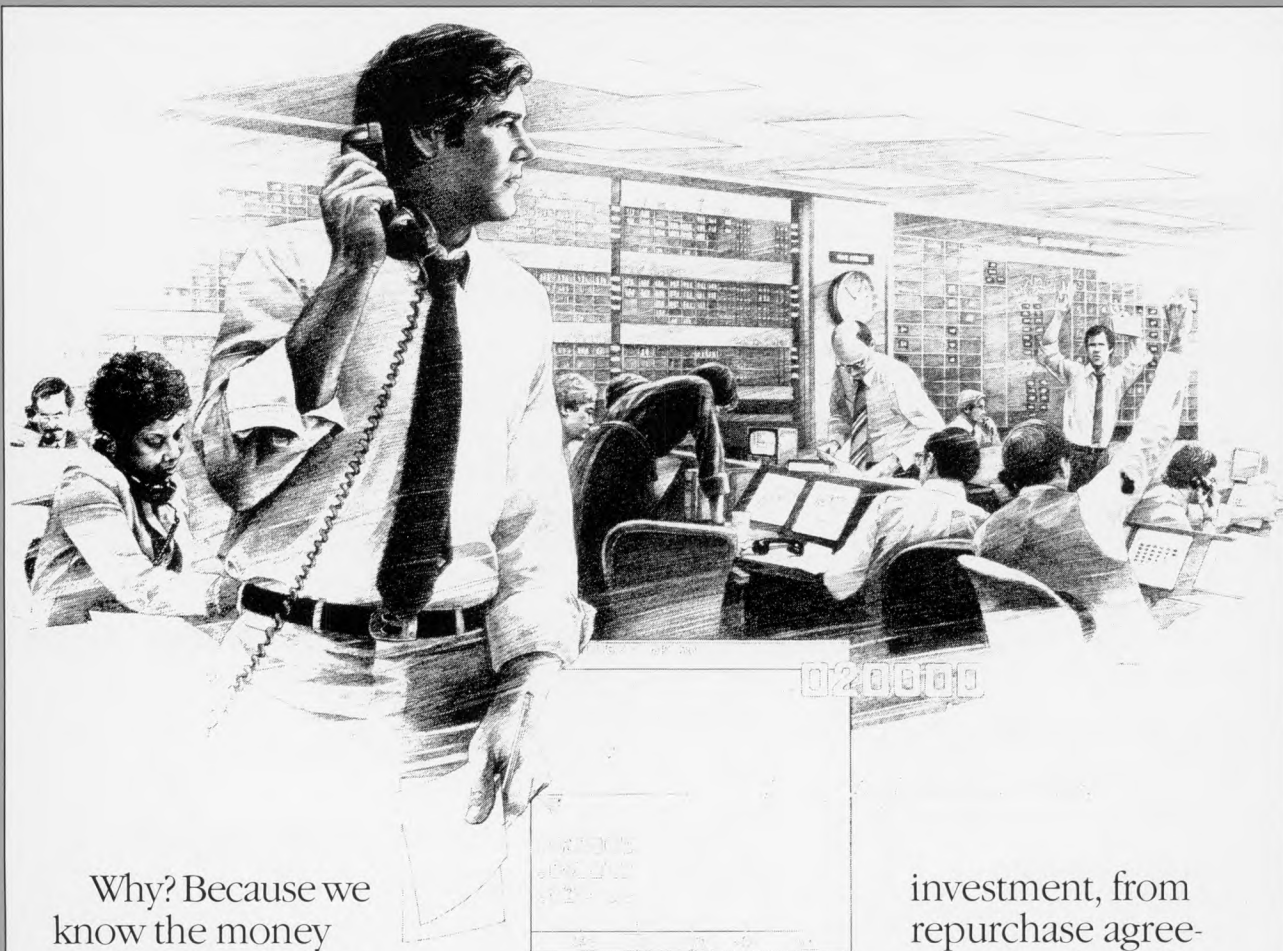
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Low interest loans boost economy and outlook in Nebraska and Iowa communities

WHEN Ida County State Bank, Ida Grove, Iowa, decided to offer a \$1,000,000 loan pool at 10% interest to bank depositors, it didn't take long for bank officials across Iowa and surrounding states to realize the benefits to be gained from just such an "Economy Booster Program," after reading about it in the *NORTHWESTERN BANKER*.

Since that time at least eight other banks in Iowa and Nebraska have offered similar low interest loan pools, with many others seeking information from banks with existing low interest loan programs.

The eight additional banks known to have offered a low interest rate loan pool are: First Security Bank of Holdrege; First National Bank, Holdrege; First National Bank in Ogallala, and First National Bank, David City, all in Nebraska, and in Iowa: West Liberty State Bank; Farmers State Bank, Marion; Clarence Savings Bank, and Community Savings Bank, Edgewood.

As was reported in the March 8 *NORTHWESTERN BANKER Weekly Newsletter*, the rules of the "Economy Booster" loan pool in Ida Grove were simple. The bank made the million in loan funds available to borrowers with qualified credit, who were established Ida County State Bank deposit customers. Items had to be purchased only from Ida County State Bank merchant customers.

The borrower had to provide proof of purchase, then pay a rate of 10% interest for one year, variable rate thereafter on loans beyond one year. The loan limit was \$7,500 maximum, \$100 minimum with 25% down payment required. A joint check was issued to buyer and merchant with items purchased used as collateral.

The program, which began February 11, was scheduled to run through July 1, but the \$1,000,000 loan pool was loaned out by June 1, according to James Lipton, president of the bank. A breakdown of the million and the type of purchases it went for follows:

feed & fertilizer	\$325,000
cars	240,000
livestock	145,000
machinery	97,500
home improvement	65,000
seed	48,000
fuel, gasoline	38,500
catch all, misc.	29,000
furniture & appliances	15,000

Mr. Lipton received many positive comments from the approximate 260 borrowers and 45 merchant customers affected by the program. As one local car dealer commented to the bank president, "It's nice to go to work when you know you can sell something."

Mr. Lipton also reported being contacted by several banks in Ne-

braska, three or four in Iowa and several on the east coast, many of whom had read about the program in the *NORTHWESTERN BANKER* and wanted more information on the program and its progress.

Of the eight other banks in Nebraska and Iowa presently offering low interest loans, the concept is basically the same in each case with the total amount being loaned ranging from \$500,000 to \$1,000,000 and interest rates from 10%-12.55%. Not all the banks restricted the loans to bank customers. Several offered the loans to anyone credit worthy, stipulating only that the money be spent with local merchants.

In each case community response has been "excellent," "overwhelming," "generating a lot of positive good will" and "gave people a chance to think positively about the present situation."

Although the benefits of the Economy Booster program in Ida Grove and other communities cannot yet be put in exact figures, it is theorized that if each dollar turns over five or six times as retail dollars normally do, banks loaning out \$1,000,000 will have given their communities a boost of \$5,000,000.

According to Mr. Lipton and other bank officials, the good will and overall positive attitude generated by the loan programs have made it a success all over. □

Bank Officer Salary Survey

A NORTHWESTERN BANKER SURVEY

THE EFFECTS of the ailing economy in 1982, the dramatic drop in the inflation rate and expectations of only a mild recovery in 1983 are reflected in the Annual Salary Survey compiled recently by the NORTHWESTERN BANKER.

In the nine states surveyed, more than 200 banks responded with details about 1982 income and 1983 projected income for the top three officers, as well as percentage increase plans for the rest of the staff. Here are the details from the current salary study.

Question 1

Q. Do you plan to increase salaries for your top three officers in 1983? If "Yes," what do you estimate the percentage increase will be?

Two salient points emerged in replies to this question (Chart No. 1):

1. Among all respondents, 73.3% said they plan to increase the top three officers' salaries, while 17.8% said "No," and 8.9% gave no reply. Among those who made a "Yes" or "No" commitment, 80.5% said they plan salary increases, but 19.5% said "No." This is in direct contrast to the Salary Survey published in the

Chart No. 1

Q. Do you plan to increase salaries for your top three officers in 1983?

Yes

██████████ 73.3%

No

██████████ 17.8%

No Answer

██████████ 8.9%

Q. How much increase do you plan for these three officers?

Increase stated by percentage = 7.55%

Increase stated by actual dollar amounts was lower and = 5.64%

January, 1982, NORTHWESTERN BANKER when 96.6% said they planned a salary increase. That represents a 17% drop from one year ago.

2. Among the 80.5% planning to increase salaries, that increase is expected to average 7.55% for the top

three officers. That is down from the average salary increase of 9.4% in last year's survey, a drop of 19.7% in the dollar values of projected salary increases. However, when the respondents were asked to list the exact base salary and total income

Chart No. 2

Q. What is the planned income in 1983 for the #1, #2 and #3 officers, and what was their 1982 income? This information is presented below in two basic categories—Base Salary and Total Income. Under the dollar amounts for 1983 Base Salaries (column 1) the figures in parentheses show the percentage increase in Base Salary over 1982. Similarly, under the dollar amounts for 1983 Total Income (column 5) the figures in parentheses show the percentage increase in Total Income over 1982. Columns 2 and 4 show the percentage relationship between Base Salary and Total Income for their respective years.

#1 Officer	BASE SALARY				TOTAL INCOME	
	1983	1982			1983	1982
	(1)	(2)	(3)	(4)	(5)	(6)
		As % of Total Income		As % of Total Income		
Deposit Size						
Under \$10 million	\$31,474 (4.8%)	74.6%	\$30,019	74.9%	\$42,203 (5.3%)	\$40,094
\$10 to \$25 million	42,389 (5.6%)	74.3%	40,138	73.6%	57,679 (5.8%)	54,512
\$25 to \$50 million	53,037 (6.4%)	77.4%	49,841	75.1%	68,498 (3.2%)	66,368
Over \$50 million	67,550 (6.6%)	76.5%	63,370	76.1%	88,288 (5.9%)	83,314
#2 Officer						
Under \$10 million	\$21,022 (4.3%)	76.4%	19,587	75.7%	27,510 (6.4%)	25,859
\$10 to \$25 million	26,849 (1.0%)	73.6%	26,582	76.7%	36,488 (5.3%)	34,648
\$25 to \$50 million	37,113 (7.2%)	90.1%	34,607	93.5%	41,209 (11.3%)	37,032
Over \$50 million	47,776 (7.4%)	82.5%	44,487	83%	57,934 (8.06%)	53,612
#3 Officer						
Under \$10 million	\$16,832 (3.8%)	84.5%	15,789	81.8%	19,922 (3.2%)	19,309
\$10 to \$25 million	22,651 (6.2%)	77.4%	21,336	76.9%	29,279 (5.5%)	27,755
\$25 to \$50 million	29,349 (6.8%)	83.1%	27,475	83.3%	35,302 (6.99%)	32,996
Over \$50 million	40,490 (7.5%)	82.6%	37,670	81.2%	49,028 (6%)	46,422

dollar figures for each of the top three officers, the increases stated in these dollar amounts are much less than the 7.55% increase they stipulated above. The percentage increases for all responding banks among their top three officers totals only 5.64% by using the actual dollar figures entered. For banks under \$10 million deposits, the increase then becomes only 4.3%; for banks of \$10 to \$25 million deposits it is 4.27%; for banks of \$25-\$50 million it is 6.8%, and for banks over \$50 million it is 7.17%. The average increase figured on this basis (5.64%) thus is 40% less than the 9.4% increase calculated in the last survey for 1982. The 5.64% increase also is more in line with the average increase forecast for a number of other industries, keeping in line with the inflation rate.

A study of the responses shows that in some cases the #1 officers will have lesser increases than their other officers. In many instances where this is true, the #1 officer is the majority owner and is planning greater increases for the rest of the staff than himself. In several cases, the #1 owner is actually cutting his salary and total income (one by as much as \$6,000) to beef up the income of his #2 and #3 officers and other staff.

Question 2

Q. What is the planned income in 1983 for the #1, #2 and #3 officers, and what was their 1982 incomes?

Results for this question are presented in Chart No. 2. Total income includes base pay, cash bonus, and the value of other benefits paid or accrued (e.g., pension, profit-sharing, insurance income, car, dues, etc., but *excluding* dividends. The information was requested separately for each of the top three officers.

For purposes of a close comparison, responding banks were divided into four deposit groups—under \$10 million, \$10 to \$25 million, \$25 to \$50 million and over \$50 million. A few banks of over \$100 million responded; however, the vast majority of banks fell below \$100 million deposits.

In Chart No. 2, Base Salary and Total Income are given for both 1983 and 1982. In the Base Salary section, two extra columns show the percentage of Base Salary in relation to Total Income in each year. Under the figure for 1983 Base Sal-

ary, the figures in parentheses show the percentage increase of salary over 1982. Similarly, the percentage increase in 1983 Total Income over 1982 is shown in parentheses.

Among all respondents to the survey, 43.3% of #1 officers are listed as majority stockholders. Although a number of them had total income appreciably above the averages shown in Chart No. 2, a breakout of *all* #1 majority stockholders shows that as a group their income is only a few thousand above the averages shown in the chart.

Chart No. 3

In past Salary Surveys conducted by the NORTHWESTERN BANKER, a comparison has been made showing the percentage relationship of income among #1, #2 and #3 officers. These relationships are shown in Chart No. 3. The percentage rela-

tionships from the survey one year ago appear in parentheses.

Question 3

Q. Other than your top three officers, what percentage increase, if any, do you plan for other officers and for your non-officer staff?

For "other officers," the figures vary little by bank size, falling in a narrow range of 6.14% to 6.54% increases, and averaging 6.36% as shown in Chart No. 4. Salary increases for "non-officer staff" are slightly higher with an average of 6.43%.

These increases will be based in most of the responding banks (57.22%) both on merit and cost-of-living. In 31.63% of the banks, raises will be based only on merit, and in 11.15% of the banks the increases will be based only on a cost-of-living adjustment.

Chart No.3

Showing the percentage relationship of Total Income of #2 officer with #1, and of #3 with #1 and #2. Figures from the surveys of three preceding years are shown for #2 officers, and for last year only for #3 (prior years not available).

#2 Officer to #1 Officer

Deposit Size	1982	1981	1980	1879
Under \$10 million	65.2%	73.6%	61.1%	62.4%
\$10 to \$25 million	63.3%	67.8%	63.8%	66.4%
\$25 to \$50 million	51.5%	69.4%	72.4%	71.5%
Over \$50 million	55.5%	74.2%	76.5%	78.7%
Avg. of all groups	58.9%	71.3%	68.5%	69.8%

#3 Officer to #1 Officer

Under \$10 million	47.2%	49.3%	44.3%	40.3%
\$10 to \$25 million	50.8%	56.1%	49.3%	50.7%
\$25 to \$50 million	51.5%	57.2%	55.2%	56.8%
Over \$50 million	55.5%	58.6%	57.6%	57.5%
Avg. of all groups	51.3%	55.3%	51.6%	51.3%

#3 Officer to #2 Officer

Under \$10 million	74.7%	67.9%
\$10 to \$25 million	80.1%	83.8%
\$25 to \$50 million	89.1%	82.0%
Over \$50 million	86.6%	78.3%
Avg. of all groups	82.6%	78.0%

Chart No. 4

Q. Other than your top three officers, what percentage increase, if any, do you plan for other officers and your non-officer staff?

Among those who plan an increase:

Other officers6.36%

Non-Officer Staff6.43%

Q. Will these increases be based on Merit, Cost-of-Living, or Both?

Merit31.63%

Cost-of-Living11.15%

Both57.22%

Question 4

Q. How many full-time and part-time employees do you have?

Chart No. 5 gives the results from this question showing the average number of employees for each of the four deposit sizes. (The number of part-time employees in each bank was divided by two to convert their numbers to full-time employees for this compilation.)

To pinpoint the comparisons more accurately, the deposits-per-employee were computed for each bank responding to the survey. These were then averaged by the four deposit groups and are reflected separately in Chart No. 5. While there were a

few dramatic variations, the consistency by deposit size groups of deposits-per-employee is striking. A total of 36 banks out of the more than 200 responses had a relationship of \$2 million or more deposits-per-employee, and four of those had \$3 million or more deposits-per-employee. A like number fell below \$1 million per employee.

The final averages show the respondents under \$10 million deposits with a figure of \$1.06 million deposits-per-employee. The other three groups all had approximately \$1.5 million deposits-per-employee. This portion of the survey was not reviewed in the study reported one year ago. However, it was two years ago and a review of those figures showed that overall, banks continue to maintain a deposits-per-employee ratio fairly close to that of recent years. The notable exception is among banks with deposits in excess of \$50 million. In that group, which reported in the current survey an average of 53 employees per bank and deposits-per-employee of almost \$1.5 million, the 1980 survey showed an average number of employees per bank of 91.7 and deposits per employee of only \$938,318, a marked turnaround. □

Chart No. 5

Q. How many full-time and part-time employees do you have? Column 1 shows average number of employees per bank for the four deposit sizes as reported from the survey. Column 2 shows the same figure from the 1980 survey, the last year this tabulation was made. Column 3 shows the Deposits-per-Employee from the 1982 survey (computed per bank, then averaged). Column 4 shows the comparable figure from the 1980 survey.

	Avg. No. of Employees		Deposits-per-Employee	
	(1) 1982	(2) 1980	(3) 1982	(4) 1980
Under \$10 million	6.7	6.7	\$1,060,000	\$1,030,000
\$10 to \$25 million	11.8	11.9	\$1,460,000	\$1,350,000
\$25 to \$50 million	25.7	28.3	\$1,500,000	\$1,250,000
Over \$50 million	52.9	91.7	\$1,490,000	\$ 938,318

Note: The reporting banks in Colorado, Wyoming and Montana, for banks under \$50 million deposits, reported an unusually large number of employees. Reporting banks in excess of \$50 million deposits in those three states had almost identical averages with other states for employees and deposits-per-employee. Chart No 5 changes as follows for the first three deposit size groups without those three mountain states (figures in parentheses are those for the three states only):

Under \$10 million	5.7 (13.63)	\$1,220,000 (\$ 665,000)
\$10 to \$25 million	11.0 (20.5)	\$1,750,000 (\$ 880,000)
\$25 to \$50 million	24.1 (32.3)	\$1,730,000 (\$1,040,000)

At First Chicago Conference:

Speakers See Slow Recovery in 1983

By **BEN HALLER, JR.**

Editor and Publisher

A RECORD number of bankers and their spouses attended the 36th Conference of Bank Correspondents hosted last month by the First National Bank of Chicago. This year's conference was held at the Marriott Hotel on North Michigan Avenue, a departure from the years of holding the conference at the old Conrad Hilton Hotel, and drew about 800 bankers, plus their spouses. In addition, a new format condensed the formal program into a one-day conference on Monday, a breakfast and briefing Tuesday morning for those bankers who signed up for personal visits to the bank, and the rest of Tuesday morning in personal meetings with bank personnel in operations and money market departments.

In his welcoming remarks to open the conference Monday morning, First Chicago President Richard L. Thomas said, "Despite all the bad news on domestic and international fronts, we have confidence in our economy. It is working and we believe we will work our way out. The key is productivity, which gained at a 4% annual rate in the third quarter, the highest since the first quarter of 1981. The new deposit account (available December 14) will allow us to compete more effectively. The challenge is to draw back as much of the more than \$200 billion in Money Market Mutual Funds as we can without shooting ourselves in the foot!"

E. Neal Trogon, senior vice president and head of the U.S. Financial Institutions Division, said "We must look at the strengths of our financial institutions as support for our resurgence — our capital, our access to markets and access to funding for those markets, as well as the management of our companies and our ability to direct them. These will be the key to our survival."

Roy E. Moor, senior vice president and chief economist of the bank, stated "1983 probably will be the toughest year for the banking industry since World War II." He looks for a slight loan demand pick-up in the second half of 1983. "We think the economy already is in the



LEFT—George Will (left), syndicated columnist who was speaker at The First National Bank of Chicago's banquet for its 36th Conference of Bank Correspondents, is pictured with four members of senior management (from left): **E. Neal Trogdon**, sr. v.p./head, U.S. Financial Institutions Division; **George L. Davis**, executive vice president and head of U.S. Banking Dept.; **Barry F. Sullivan**, chmn., and **Richard L. Thomas**, pres. **RIGHT—David J. Vitale** (seated), sr. v.p., financial markets division, is introduced by **Thomas M. King**, v.p., U.S. Financial Institutions Division.



slow stage of recovery," he stated. A summary of his talk appeared in the December 6 *Weekly Newsletter*.

Several officers of the host bank took part in two morning panels. The first was Economic Market Outlooks, addressed by Dr. Moor; Robert M. Hultgren, vice president, municipal finance division (The Bond Market); Gary P. Brinson, senior vice president and chief investment officer, trust department (The Stock Market Outlook), and F. Gerald Byrne, vice president, financial markets division (The Money Market). The panel was moderated by Edward M. Roob, senior vice president and vice chairman, asset and liability management committee.

The Banking Trends Panel was moderated by Mr. Trogdon. Claude Stone, vice president, systems and development, discussed Technology Trends; Lawrence C. Russell, senior vice president and department head, service products department, addressed the Unbundling of Fed Services, and Martin T. Farmer, director of legislative affairs, government relations, reviewed Congress and the Banks—Deregulation or Reregulation?

The traditional noon luncheon at

which eight department heads are invited to present four-minute outlooks for industries they serve, was presided over by George L. Davis, executive vice president and department head, U.S. Banking Department.

Two workshops were presented in the afternoon. The first was moderated by Thomas M. King, vice president, U.S. Financial Institutions Division. David J. Vitale, senior vice president, financial markets division, discussed Asset and Liability Management for a Deregulated Industry. After looking at the challenges posed by deregulation, the management of interest rate risk, and setting of objectives and effective planning, a lively question and answer period followed.

After a break, this was followed by a talk on Incentive Compensation and Related Issues for Key Officers of Community Banks, a presentation given by Deloitte Haskins & Sells public accounting firm. The formula described was reviewed in detail by slides and also was contained in an extensive folder given to each participant.

The second workshop was moderated by Stanley Nitzberg, vice president, U.S. Financial Institutions Division. Strategic Planning was discussed by A.D. Frazier, senior vice president and department head of the corporate planning department. After the break, the second session centered on Trends in Bank Holding Company Financing. This was given by Lawrence K. Rocca, vice president of the international corporate finance division. The final talk was given at the workshop by J. Mikesell Thomas, vice president and

treasurer, asset and liability management committee, whose topic was Funding Strategies.

The Conference closed out the day with a banquet presided over by Mr. Thomas. Brief remarks were made by First Chicago Chairman Barry F. Sullivan. He said First Chicago is planning for the niche it will fill, and each of the banks must do the same. Mr. Sullivan also described the process now being followed at First Chicago in an effort to commit to writing in a single sentence a description of the bank and its mission.

George Will, syndicated columnist and contributing editor of *Newsweek* magazine, was invited to return as the banquet speaker this year after the excellent reception accorded his address last year.

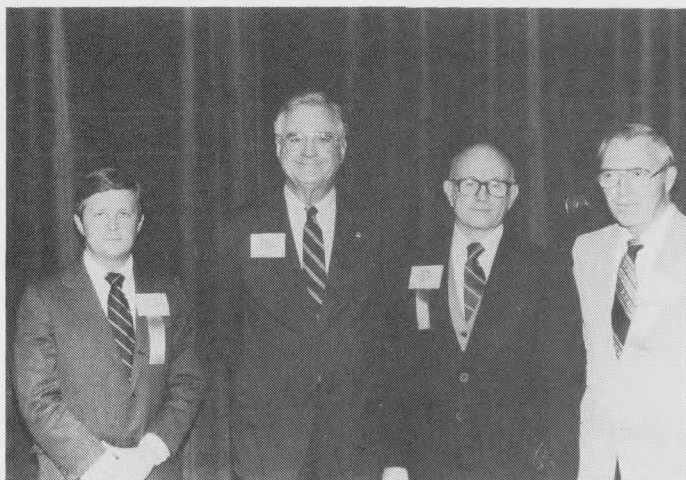
A Tuesday morning breakfast and operations briefing was provided for those bankers who wished to remain for personal visits to operating and money market departments at the First National Bank. Approximately 200 bankers took part in this extended offering to the conference. □



Taking part in the Banking Trends panel were 1st Chicago officers **Martin T. Farmer** (left), dir. of legis. affairs, govt. relations, and **Lawrence C. Russell**, sr. v.p. & dept. head, services products dept.



A participant in the Economic Market Outlooks panel, discussing The Bond Market, was **Robert M. Hultgren**, v.p., municipal finance div.



LEFT—CONFERENCE speakers included: **Doyle Arnold**, sr. dep. comptroller, Comptroller of Currency, Washington, D.C.; ABA Pres. **Bill Kennedy**, chmn., Natl. Bk. of Commerce, Pine Bluff, Ark.; Conf. Chmn. **Robert Swaim**, pres., Citizens St. Bk., Marshall, Ind., and ABA Ag. Bkrs. Div. Chmn. **Bud Willer**, exec. v.p., Decorah St. Bk., Decorah, Ia. **RIGHT**—Ag Credit Outlook panelists were: **Dean Johnson**, sr.v.p., Hutchinson Natl. Bk. & Tr., Hutchinson, Kan.; **John Martin**, v.p., Omaha Natl. Bk., Omaha, Neb.; Moderator **Dr. William Herr**, So. Ill. Univ.; **Doug Flory**, exec. v.p., Rockingham Natl. Bk., Harrisonburg, Va., and **Robert Ranger**, sr.v.p., Oneida Natl. Bk. & Tr., Utica, N.Y.



ABA Ag Bankers Meet in Chicago

By **STEVE BURCH**
Associate Publisher

WITH three consecutive years of declining farm income providing a backdrop, ag bankers from across the country met in Chicago November 7-10 for the 61st Agricultural Bankers Conference. Sponsored annually by the American Bankers Association, this year's selected theme was—"Agribanking: Strategies and Techniques for Serving Agriculture." The conference, which featured over 70 speakers, consisted of general sessions, workshops and forums that addressed the new banking trends and services of the 80s.

The problems facing producers today were quickly addressed during the opening general session by ABA President William Kennedy, chairman of the National Bank of Commerce, Pine Bluff, Arkansas. He pointed to overproduction and crop carryover, low commodity prices, declining collateral positions, and the decreasing export market. Despite these factors, Mr. Kennedy believes that economic recovery on the farm is in progress. "In looking ahead at what's in store for the agriculture industry in the coming year, I think we're already seeing some hopeful signs. It would be unrealistic to expect a quick turnaround. But the inflation rate has dropped significantly. Interest rates are coming down. These are two crucial factors in economic recovery. Our job today as bankers is to prepare ourselves for the challenges the turnaround will bring."

ABA Agricultural Bankers Division Chairman Bud Willer, executive vice president, Decorah State Bank, Decorah, Iowa, set the stage for the "working" tone of the conference in his presentation to the bankers. "We have all heard of the perilous condition of the U.S. farm economy. The problem facing us, as bankers, is identifying the customers with whom we will continue, and

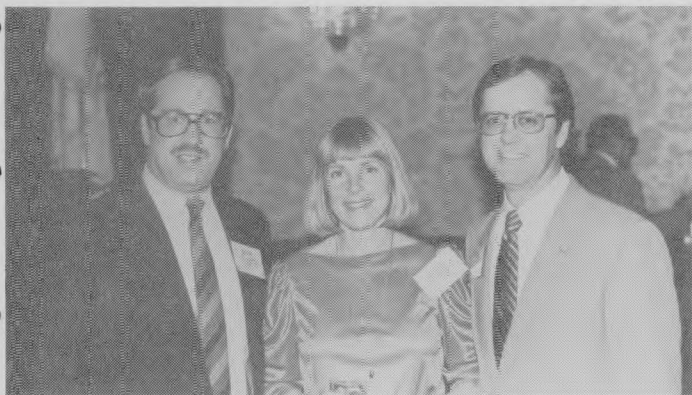
those with whom we must take action against to minimize losses."

With the nature of the conference well described by Mr. Kennedy and Mr. Willer, the bankers spent many hours attending the four forums and 14 workshops scheduled. Forum topics included marketing strategies for ag products; marketing strategies for ag bank services; computer aids in bank ag lending, and analyzing and managing spread and gap for ag banks. Workshop sessions also covered a wide range of topics that included areas of alternate and innovative funding and financing and managing loan repayment risks. Land issues, stress management, bankruptcies and the future information needs of ranchers and farmers were also topics of focus in the workshops.

Featured conference speaker Secretary of Agriculture John Block shared the optimism of the bankers and sees the early signs of recovery taking shape. In that light he implored the bankers to encourage their farm customers to participate in federal set aside programs. "Do it for the Gipper," he urged, referring to



LEFT—Secretary of Agriculture **John R. Block** was the featured conference speaker. **RIGHT**—**Orion Samuelson**, v.p., WGN Continental, Chicago, was commodities outlook panel moderator.



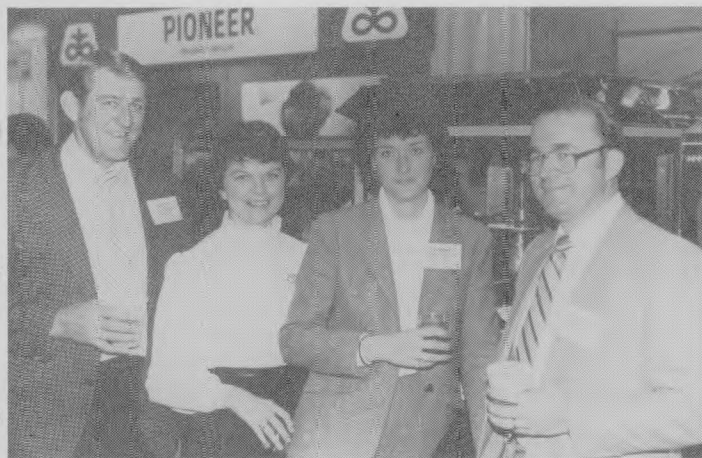
LEFT—Some of the Minnesota bankers present included: **Dave Hennies**, v.p., Arlington St. Bk., and his wife **Mary**, and **Wayne Berthiaume**, admin. v.p. MBA. RIGHT—**Dick Hawkins**, prof., Univ. Minn.; **Ron Johnson**, v.p., 1st Natl. Bk., Jackson, Minn.; **J.P. Mansfield, III**, a.v.p., 1st Bk. Mpls., and **Tom Bartholomay**, v.p. FBS Ag Credit Corp., Mpls.

President Reagan's pre-political career. Most of his remarks, however, were directed towards the international problems affecting U.S. agriculture.

Secretary Block clearly defined four international areas of concern that have staggered the farm economy in recent years. (1) The restrictive trade practices existing in countries like Japan finds local workers paying \$1 for a U.S. orange and over \$17 a pound for U.S. beef. (2) The subsidy of agriculture by European countries is excessive and does not allow for fair trade in the export market. (3) Worldwide recession has crippled expansionist 3rd world countries who desperately need our grain but do not have purchasing ability. (4)

And finally the U.S. position as a creditable supplier in the world market was shattered with the Russian grain embargo and our dominance of market share was sacrificed.

The Secretary told the bankers that he is hard at work at all levels of international politics searching for solutions to these problems. He has chartered an aggressive course for U.S. agriculture in the 80s, but reminded the bankers that the turnaround will be slow in coming. He closed by emphasizing that U.S. producers will have to implement survival management practices during this time and that agri-bankers need to consider cash flow lending over network lending. □



LEFT—Visiting the exhibit area were: **Dale Jacobsen**, v.p., George St. Bk., George, Ia., and his wife **Joan**, and **Suzanne** and **Ken Roeder**, corr. bkg. off., Security Natl. Bk., Sioux City, Ia. RIGHT—**Judy Trent** interviews "Fred the Head" at the International Minerals Chem. exhibit.



LEFT—Panelists discussing the future information needs of ranchers and farmers were: **Dr. Steve Sonka**, prof., Univ. Ill.-Urbana; **Dr. Tom Frey**, prof., Univ. Ill., and **Norm Carlson**, partner, Arthur Andersen & Co., Chicago. RIGHT—The Ag Commodities Outlook panel featured: **Topper Thorpe**, gen. mgr., Cattle-Fax, Denver, Colo.; **Melvin Middents**, sr. v.p., Cargil, Inc., Mpls., Minn., and **Leo Mayer**, assoc. admin., USDA, Wash., D.C.



MGIC Mortgage Survey Spots Upturn

MORTGAGE lenders nationwide project a 35% origination growth rate in 1983 — a marked improvement from last year's anticipated 4% decrease, according to a recent survey by Mortgage Guaranty Insurance Corporation (MGIC).

Overall responses indicate that in an effort to spur a housing recovery, most lenders plan to offer lower rates, originate a greater number of loans and provide wider mortgage instrument choices for borrowers.

The survey of 500 lenders nationwide is the third in a series of research studies designed to track changes in the mortgage lending environment.

"Actual 1982 originations were, in fact, down approximately 7% from 1981, underscoring the importance of these lending executives' projections," said Leon T. Kendall, chairman of MGIC.

While the 1983 origination outlook is well below the 1979 and 1980 levels, the projected volume would exceed this year's estimated \$90 billion origination total.

According to Mr. Kendall, lenders' mortgage rate forecasts support their market expansion expectations. In fact, the majority of those surveyed believe 1983 mortgage rates will range between a low of 12.75 and a projected high of 14.75.

Responses indicate that the level of mortgage activity will be closely tied to the lenders' ability to offer affordable and diverse mortgage programs. MGIC's previous survey suggested that the new mortgage instruments were designed to meet lender concerns in a sellers' market. The prominent loan plans now emerging are more attuned to buyers' needs than in the past, which reflects a shift in the nature of the market. "Cafeteria style" loan offerings are likely to continue with no one instrument dominating mortgage activity — with the adjustable rate mortgage (ARM), early ownership mortgage (EOM) and graduated payment mortgage (GPM) combination being the most favored among lenders.



L.T. KENDALL

Mr. Kendall noted that while a variety of ARM plans are being offered, lenders are establishing greater market standardization with this instrument. Compared with last spring's survey results, fewer ARM forms are being offered and those that appear to have similar loan characteristics.

The majority of lenders prefer annual payment and rate adjustments, with 33% approving negative amortization. And, in line with 1982 mortgage problems, the Federal Home Loan Board's average mortgage contract rate continues to be the common index used for adjustments. Furthermore, nearly one-half of all lenders plan to discount the initial rate on ARMs — compared with only one-third from the spring survey.

The EOM, however, also is likely to play an increasingly important role in the 1983 market because of its ability to meet the needs of secondary market investors. Recently introduced as an accelerated payment loan, the EOM alternative is currently being offered by less than one-quarter of all lenders. Over 45% of the lenders plan to offer this mortgage program next year — up from 21% now offering the program this year.

In addition, the traditional fixed rate mortgage is expected to retain its share of the mortgage market. MGIC's survey found that 65% plan to continue offering this traditional instrument in 1983 — with the greatest support coming from mortgage bankers. Yet, in terms of total volume, Mr. Kendall noted that its projected growth is only a 2% increase over this year's level of activity.

Greater use of the GPM — projected to increase 10% — indicates lender willingness to provide an option that meets borrower funding needs — particularly for the first-time homebuyer. Furthermore, to attract potential borrowers, certain mortgage features are being utilized in combination with affordable instruments, such as the GPM. The pledged account, for example, will be offered by nearly one-third of the lenders and the use of builder-buydowns is projected to reach 65% in 1983.

Due to mortgage rate movements experienced in 1981 and 1982, the trend toward seller financing is also

expected to continue. Survey results show that 30% of the lenders will provide servicing for land contracts between seller and buyer. In addition, the option of offering blended rates to promote affordability and facilitate home sales will be provided by 75% of those surveyed — which suggests a compromise in light of the recent due-on-sale decision.

"Responses support the view that housing's pent-up demand will begin to enter the market next year. Lenders, in an effort to balance their need with consumer demand, will be turning increasingly to mortgage programs that meet the affordability challenge," Mr. Kendall concluded.

Northern Trust Gets Florida Bank Charters

Northern Trust Corporation, Chicago, has announced the merger of its trust subsidiary, Security Trust Company, and its Edge Act subsidiary, Northern Trust Interamerican Bank, into a new federally chartered bank. The new bank—Northern Trust Bank of Florida N.A.—will offer a full range of domestic, commercial and international banking services, as well as trust and asset management services.

Security Trust Company, Miami, was established in 1938 and acquired by Northern Trust in 1971.

Minnesota Banker Named To Regional NABW Post

Nancy L. Nemitz was elected regional director - north central area of the National Association of Bank Women, Inc. at the association's 60th annual convention held recently in Los Angeles. Ms. Nemitz is assistant vice president of product management and development for First Bank System, Inc., Minneapolis.



N.L. NEMITZ

As one of eight regional directors, she represents NABW members in Minnesota, Iowa, Nebraska, North Dakota, South Dakota and Wisconsin. In this capacity she will act as their liaison with the association's national board, supervise the state councils and serve as national representative at all state conferences.

Banco Mortgage Forms Corporation to Offer Access to Secondary Market

BANCO Mortgage Company, a wholly owned subsidiary of Northwest Bancorporation, has formed a new corporation to provide easy access to the secondary market for capital to finance "affordable mortgages" for residential real estate.

Walter C. Johnson, president of Northwest Bancorporation's Financial Services Companies, said he expects the new venture will become a "very substantial program" for Banco Mortgage.

He said the "conduit program" will be a significant alternative to the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corp. ("Freddie Mac") programs, currently the major outlets for supplying a secondary market for conventional mortgages on a continuing basis.



D.W. BEAL

R.L. WALKER

Banco Mortgage, the third largest mortgage banking organization in the country, began offering the program in early November through a new subsidiary, Residential Funding Corporation, with Mortgage Guaranty Insurance Corporation (MGIC), Milwaukee, as the mortgage underwriter and pool insurer.

David W. Beal, president of Banco Mortgage, announced that Rebecca L. Walker, former Banco Mortgage branch manager, has been named president of Residential Funding Corporation (RFC).

Mr. Beal said RFC and its conduit program were designed to address what he views as fundamental, and permanent, changes in methods of funding real estate mortgages.

Eligible property types include single-family detached homes, two-to four-unit homes, townhouses, row houses and patio homes, and condominiums (up to three stories), in loan amounts ranging from \$30,000 to \$500,000.

Here is how the program will work, Mr. Beal stated.

RFC and MGIC will enlist a nationwide network of originating lenders.

Among RFC's mortgage products are:

- Fifteen-year term "Jumbo Loans," providing up to \$500,000 for high value residential property.

- Thirty-year term, fixed rate mortgage, with a minimum downpayment of 5 percent.

- Graduated payment mortgage (GPM), combining the convenience of a fixed rate with lower payments during early years of the loan; also permits permanent buydowns.

- Wraparound mortgage, for existing property with a low-rate assumable mortgage and a high selling price.

- Adjustable rate mortgages (ARM) for homeowners and investors.

- Early Ownership Mortgage, allowing earlier ownership through rapid equity buildup.

Marketing Tip of The Month

Customer needs don't stop when the hands on the bank clock point to closing time.

Recognizing this and, what's more, doing something about it, a mid-size East Coast bank instituted a "Hot Line" telephone service to provide continual financial service, not only to new commercial customers, but to non-customers as well.

Calls made to a special number during non-banking hours are routed through a telephone answering service to officers of the bank's commercial lending division.

The bank's officials emphasized speed and efficiency in returning the calls, which range from requests for information on short-term loans to advice on equipment financing. If the caller is not attuned to conducting business by telephone, the bank offers the option of setting up an appointment either in the bank or at the caller's place of business.

Using only six percent of its marketing budget, the bank advertised weekly through the local newspaper for six weeks, three times a week as a tag to any commercial service featured on the radio, and via one direct-mail promotion.

According to bank management, the first eight weeks of the program produced more than 15 calls seeking either financial advice or loan information. Loans totaling in excess of \$260,000 resulted from "hot line" calls.

For more information, contact Sandra Carcione, Division of Communications, Bank Marketing Association, 309 West Washington Street, Chicago, Illinois 60606. Phone: 312/782-1442.

Centerre Corporation Told Prime Could Drop to 10%

The prime interest rate will drop to 10% in a few months, if the Federal Reserve continues its policy of tight money supply.

That was the prediction made last month by the former chairman of the Council of Economic Advisers, Murray L. Weidenbaum, speaking in St. Louis before the 36th annual Centerre Bank Correspondents Conference.

Mr. Weidenbaum said, "It is clear that the recent reductions in interest rates surely are a big plus for future business prospects. Those rates have come down in earnest." He added, "the prime rate declined from 16½% in early July to the current 12% and I expect that the prime rate will get down to 10% in the next few months."

The Mallinckrodt Distinguished University Professor of Economics from Washington University also praised the Federal Reserve for reducing inflation.

At the Centerre Bank Conference some 900 bankers throughout the Midwest gave their economic and financial forecasts for 1983.

Asked how they would rate President Reagan's record to date in terms of decisiveness/strong leadership, 87.9% gave the president an "excellent/good" rating, while 9.6% answered fair or poor.

On the topic of business conditions nearly 80% said conditions will be better by the end of the second quarter of 1983.

On economic and financial matters, bankers believe that by this time next year, the prime rate will be in the 10 to 13% range; unemployment will be in the 9 to 10% range; and the Dow Jones will be in the 950 to 1,350 range.

Over 80% of the bankers surveyed felt that 1983 housing starts will be up over 1982 levels, and that the price of gold will be in the \$400 to \$550 range.

An overwhelming majority, 82.9%, favor reducing the growth rate of social security benefits, while nearly 60% do not favor a cut in benefits from current levels.

Concerning their own industry the bankers felt that bank earnings in general in 1983 will be up slightly over 1982.

Centerre Bank is the lead bank of Centerre Bancorporation.

The effortless, painless, "Fedless"
way to process cash letters.

the Fedless Connection

Maybe you've been processing all your checks through the Fed to save operating costs. You may be able to save more money by processing those checks through us. We have the advantages that can make it well worth your while:

professional staff — over 77 years of accumulated banking experience to assure you of competent, efficient service.

proximity — we're probably closer than the Fed. And our messenger will visit your bank daily . . . accommodating your work schedule . . . and ours.

price — our pricing schedule is competitive with the Fed's. And we give you something extra of real value: someone you know — on a personal basis — on the other end of the phone whenever there's a problem or question.

Call and ask for our brochure. And ask us to make a free evaluation of your operation. Let us show you how we can deliver service that's as good as (or better than) the Fed's.

Needless to say,
the Fedless Connection
is the peerless way to
process your cash letters.



the Human
Interest bank

**Commercial National
Bank of Peoria**

MEMBER F.D.I.C.

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PHONE: (309) 655-5225

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Illinois

D.R. Lovett, chmn. & pres., Dixon
W. J. Hocter, exec. v.p., Chicago



Rockford President Named

R. Richard Bastian III has been named president and chief executive officer of First National Bank, Rockford. He succeeds Howard E. Bell, who will remain as chairman of the bank's board but will now devote his time to First Community Bancorp, Inc., the multi-bank holding company where he serves as chairman, president and chief executive officer.

In making the announcement on behalf of the First National board of directors, Mr. Bell noted that this election culminates a nine month search for his successor, who will be only the seventh president in the history of the bank, which was founded in 1854.

Mr. Bastian has been serving as president and chief executive officer of Republic Bank and Trust Company of Tulsa, Okla. Before moving to Republic, he served as vice president and manager of metropolitan lending at the Bank of Oklahoma in Tulsa. He started his banking career in 1966 in Philadelphia.

Also at the bank Robert D. Eversman was appointed vice president and investment officer. He had previously been serving as vice president and investment officer of the Central National Bank, Sterling.

Mr. Eversman has 25 years of trust and investment experience including senior level management positions with the Affiliated Bank of Madison and the Iowa Des Moines National Bank.

Elected to Board

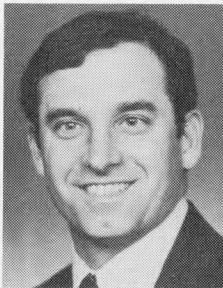
Donald L. Hunt, president and chief executive officer of First National Bank of Marissa, has been elected to the board of directors of the Federal Reserve Bank of St. Louis, effective January 1, 1983.

Mr. Hunt, who was elected to a second term as a director of the St. Louis Bank, is a member of the Council of the American Bankers Association.

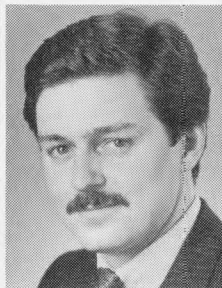
Six Promotions Announced At National Boulevard Bank

Six promotions were announced at National Boulevard Bank of Chicago.

James Cannon was promoted to assistant vice-president, small business group manager.



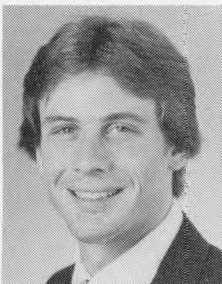
J.T. CANNON



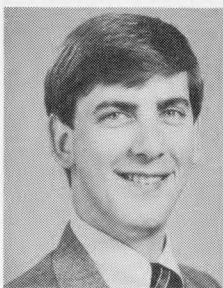
M.W. JAMIESON



C.D. SHIPLETT



B.G. HENIKEN



L.J. SCHMIDT



J. THOMSON

Michael Jamieson and Carol Shiplett became assistant cashiers and Bruce Heniken was made an assistant trust officer.

Larry Schmidt became an assistant vice-president and Jennifer Thomson was made a bond officer.

Acquisition Approved

Don E. Cousins, president of The Central National Bank of Sterling, has received word that the Federal Reserve Bank of Chicago has ap-

proved the application of Central of Illinois, Inc., Sterling, to acquire Mount Morris Bانشares, Inc., Mount Morris, and thereby indirectly acquiring Citizens State Bank of Mount Morris.

Citizens State Bank of Mount Morris reported assets of \$24,149,963 on June 30, 1982. Central National Bank of Sterling reported assets of \$140,051,649 on that date.

Morton Grove Sale Announced

Shareholders of the First National Bank of Morton Grove recently approved the sale of the bank to Mid-Citco Incorporated.

The acquisition of the bank involves cash payment to shareholders of \$41.50 per share for 150,000 shares outstanding, a total of \$6,225,000. The acquisition has been approved by regulatory agencies.

CHICAGO NEWS

Coleman S. Hutchins has been appointed a vice president and trust officer of The Mid-City National Bank, according to Donald W. Bruechert, vice president and trust department manager.

Mr. Hutchins served as trust officer for a Decatur bank for six years following seven years of legal practice with a Chicago law firm.



C.S. HUTCHINS

Mr. Bruechert said the appointment represents an expansion of the Mid-City's trust department because of the growing need for personalized trust services.

* * *

To keep up with changing times, the National Boulevard Bank is going through a renovation and a revised corporate identification program, changing its name and logo to Boulevard Bank.

Both North and South Towers will be redesigned, beginning first with the South Tower, which will headquarter all personal banking and teller operations, while the North Tower will house executive banking and forward financial planning services. The project is expected to be completed in the spring, 1983.

Seasons Greetings



**First Bank
Minneapolis**

Correspondent Banking
Department

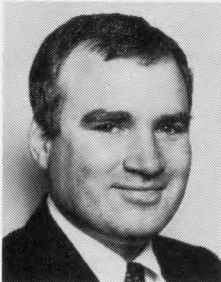
Minnesota

J.P. Ingebrand, pres., Mora
T. L. Jeffers, exec. v.p., Minneapolis



Worthington V.P. Named

Terry O'Toole has been named to the position of senior vice president at the State Bank of Worthington. He joins the bank from the First Northwestern National Bank of Winona, where he was assistant vice president.



T. O'TOOLE

Mr. O'Toole began his banking career in 1972 with the Northwestern National Bank of St. Paul. In 1978 he joined Northwestern Bancorporation in the credit administration department. He left there in 1979 to accept the position in Winona.

Medford and Owatonna Banks Merger Agreement Announced

James W. Freeburg, chairman of First State Bank of Medford, with deposits of \$4.8 million, and Kenneth E. Wilcox, president and chief executive officer of Northwestern National Bank of Owatonna, with deposits of \$72 million, have jointly announced that a merger of and acquisition by Northwestern Bank has been agreed upon in principle, subject to approval by shareholders and banking regulatory authorities.

"The Medford facility will be operated as a branch of the Northwestern Bank," Mr. Wilcox said. "Therefore increasing the lending unit for Medford from approximately \$55,000 to in excess of \$600,000, and adding a variety of other products and services. Northwestern National Bank of Owatonna is affiliated with Northwest Bancorporation.

Two Promotions Told

James Rogalla has been promoted to assistant vice president in charge of commercial loans, and Richard Kennedy has been promoted to in-

stalment loan department manager at First Northwestern State Bank, Thief River Falls.

Mr. Rogalla has been with the bank since 1975, most recently serving as instalment loan manager. Mr. Kennedy has been with the bank since 1979 as an instalment loan officer.

Albert Lea Banker Dies

Alger J. "Al" Knutson, longtime Albert Lea banker, died recently at Naeve Hospital at the age of 66.

Mr. Knutson began a long career in banking when he became cashier at the Security State Bank in Albert Lea. He joined the Marquette National Bank in Minneapolis in 1954 as a loan officer and in 1960 became president of the Twin Lakes State Bank. In 1963 he was made president of the First National Bank of Alden and he retired from the banking business in 1977.

He was active in banking association affairs, serving as district representative to the Minnesota Bankers Association and president

of the Freeborn County Bankers Association.

Austin Bank Appoints Two

Lauren A. Meade and Rod L. Meyer have been appointed assistant vice presidents of Northwestern State Bank of Austin, according to Robert L. Bue, president.

Ms. Meade was employed by the Wells Fargo Bank in Newport Beach, Calif., before joining the Austin bank in 1981 as a real estate loan officer.

Mr. Meyer joined the bank staff in 1980 and is involved in agricultural lending. In his new position he will handle additional responsibilities in the commercial loan area.

Fergus Falls Elects One

Northwestern National Bank of Fergus Falls recently announced the election of Donna Piekarski to customer service officer.

Ms. Piekarski joined the staff in 1963 and has served in various capacities including customer service supervisor. She has

also held positions at Fargo National Bank, Fargo, and Grafton National Bank, Grafton, both in North Dakota.



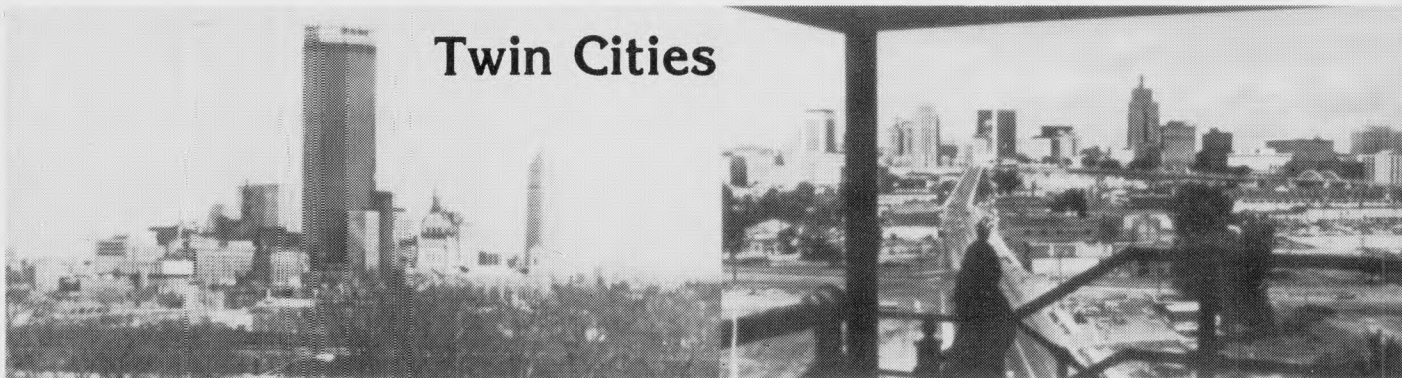
D. PIEKARSKI

Hibbing Bank Grand Opening Held



MERCHANTS and Miners State Bank, Hibbing, recently held a grand opening in honor of the completion of its \$1 million remodeling and expansion project. The project began in 1979 with the purchase of the State Theater, with preliminary construction work beginning last fall. The remodeling and expansion, which doubled the size of the bank and included a new, modern exterior, marks the bank's 61st year in the same location. The grand opening featured drawings, refreshments, tours and displays. To add to the celebration, the bank announced it was offering \$1 million in below market rate loans for new cars, appliances and home improvements.

Twin Cities



First Bank Minneapolis recently announced the promotion of 15 employees.

Promoted to vice presidents were: **James L. Anderson**, corporate trust division, and **Gary D. Martell**, bond department.

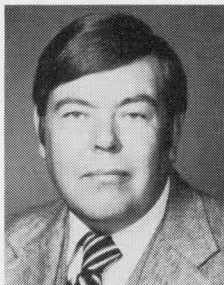
Named assistant vice presidents were: **Rolland E. Glessing**, midwest corporate banking II division; **George E. Ruth**, professional banking division, and **Robert A. Engebretsen**, trust tax division.

Elected to officer status were: **Dennis L. Pederson**, trust; **William A. Guilford** and **Peter J. Thompson**, international banking; **David M. Thompson**, commercial banking; **Kathleen N. Ames**, personal bank-

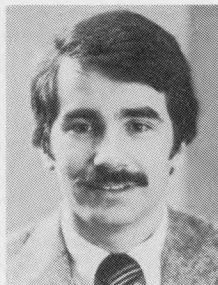
ing; **Michael B. Wichterman**, trust operations; **Janice R. King** and **Russell W. Swansen**, investment; **Everil E. Niebuhr**, security, and **Timothy J. Danielson**, marketing.

* * *

Northwest Bancorporation has appointed **John P. Sampson** vice



J.P. SAMPSON



R.S. STRICKLAND

president, corporate development, a new position. He had been vice president in the corporation's banking business group, responsible for 12 banks in central and southern Minnesota.

Mr. Sampson, who has been with Banco since 1975, will be responsible for management of acquisition, merger, new business ventures and divestiture programs.

Robert S. Strickland has been promoted to vice president, assistant treasurer. He has been with Banco since November, 1979, previously as assistant treasurer.

Promoted to assistant vice president status were **Mark R. Conrad**, **Steve H. Keefe** and **Richard J. Lovett** in the corporation's government relations division.

Mr. Conrad is responsible for coordination of government relations programs for Wisconsin, Iowa, North and South Dakota, Montana, and Nebraska. Mr. Keefe has responsibility for the corporation's government relations activities in Minnesota. Both men joined Banco in 1981. Mr. Lovett joined Northwestern National Bank in Minneapolis in 1978 as a trust representa-

tive. In 1981 he transferred to the corporate office as a government relations officer and is responsible for coordinating the corporation's federal government relations programs.

* * *

The Federal Reserve Bank of Minneapolis has announced the addition of five account managers in their marketing department. They are **Robin S. Bruhjell**, **Richard L. Kuxhausen**, **John C. Ladner**, **Barbara J. Pfeffer** and **Robert C. Schutte**.

Mr. Bruhjell was previously director of sales/marketing at Shaw Walker Company. Prior to joining the Fed, Mr. Kuxhausen was vice president at IntraMark Inc., a bank marketing consulting company. Mr. Ladner came to the Fed after seven years with Bank Building Corporation of America as a consulting services manager covering Minnesota, North Dakota and South Dakota. Ms. Pfeffer joined the Minneapolis Fed in 1979 as an assistant examiner in the bank examination department. Mr. Schutte has previous marketing and sales training experience in the agribusiness and communications industries.

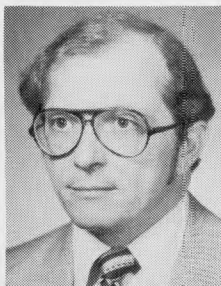
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Northwestern National Bank of Minneapolis has moved its correspondent banking department to the 12th floor of the Cargill Building. The address and telephone numbers for the department will remain the same.

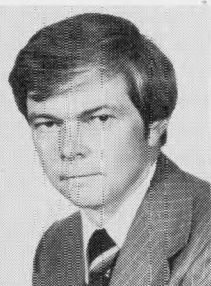
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William B. Naryka has joined Bremer Service Company, Inc. as vice president/controller.

Mr. Naryka began his career at the public accounting firm of Ernst & Whinney. Prior to joining Bremer, he was a vice president with First Bank System.



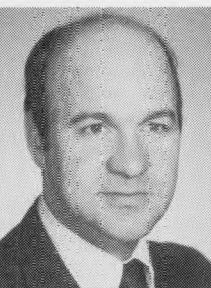
J.L. ANDERSON



G.D. MARTELL



R.E. GLESSING



G.E. RUTH



R.A. ENGBRETSEN



D.L. PEDERSON

When the bank guaranteed that you
would only deal with one person,
you didn't know they meant one after another.



Perhaps it's happened to you. Just when you had built up a working relationship with your correspondent banker, the bank moved him up the corporate ladder and off your business.

All too often, a large bank can be insensitive to the needs of small respondent banks. Yet smaller banks that can give you plenty of personal attention can't always give you the expertise and the clout you need. And you're caught in the middle.

You do, however, have an alternative: Midland National

Bank. We're big enough to handle any of your correspondent banking needs. But we're still small enough to respond to your individual concerns.

We've deliberately kept our Correspondent Division small, so that you can deal

directly with a decision maker. Each of our correspondent bankers has from 12 to 25 years of experience in the business, so they thoroughly understand the needs of respondent banks. They take the time to personally call on both the respondent bank and the respondent's customers.

If you're tired of banks that are too large or too small, come to Midland Bank.

You'll develop a close working relationship with one of our correspondent bankers. Not one after another.



We're big enough to know how and small enough to know you.

LAST MONTH the 17 First Banks in the Twin Cities metropolitan area introduced an integrated banking and investment service called the First Rate Investors Account. The new product consists of a high yield (money market rate) checking plan that is linked to a discount brokerage service. It differs from other existing high yield checking plans in that there is no minimum balance or limitation on number or size of transactions.

A customer's cash will be invested in a First Rate Fund commonly known as a "repo" — an agreement to repurchase an interest in a U.S. Government or security or U.S. Government Agency security. Since the fund is not a deposit, it is not FDIC-insured, but is backed by the assets of the issuing First Bank and the value of the security. When a check is written on the account, the exact amount needed to cover the check is automatically transferred from the First Rate Fund. Then the checking balance remains at zero and the "repo" balance continues to earn money-market rates.

"This account will provide checking, a retail repurchase agreement and discount brokerage services in one package," explained First Bank System vice chairman **D.H. Ankeny, Jr.** "It is not for everyone, but rather is designed for the active self-directed investor — the person who makes eight or more trades annually. It offers convenience, total liquidity and money market yields as well as savings on usual stock broker commissions."

The discount brokerage feature of the account is provided through an agreement with Fidelity Brokerage Services, Inc. of Boston, the second largest discount brokerage firm in the country. First Bank customers will be able to place orders for stocks, bonds, treasury securities and options at reduced commission rates by calling an 800 phone number.

Fidelity, which provides discount brokerage services to customers of a number of banks throughout the nation, will also permit First Bank customers who sign up for the new account to buy and sell short and to trade on margin.

Separate monthly statements, for banking and securities activity, will be provided to First Rate Investors Account customers. There are no checking transaction charges. Customers

will be charged a flat fee of \$20 per month for the account. Additionally, commissions for security transactions will be charged at discount rates by Fidelity Brokerage. "We think the unique combination of features makes this account very attractive to active, knowledgeable investors," Mr. Ankeny said. "Additionally, we think it's evidence of our ability to develop and deliver customer banking services that will enable the First Banks to remain a strong competitor in the changing financial services marketplace."

* * *

At Northwestern National Bank of South St. Paul **Harold G. Steffen** was promoted from vice president, administration and human resources, to senior vice president; **David B. Butterwick** was promoted to assistant vice president and manager of the Robert Street office, and **Margaret M. Reller** and **Jeffrey R. Wentzel** were named personal banking officers.



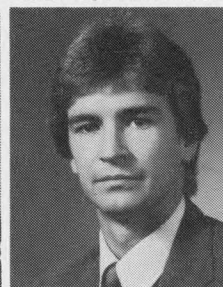
H.G. STEFFEN



D.B. BUTTERWICK



M.M. RELLER



J.R. WENTZEL

Mr. Steffen joined the bank in 1950 in the operations area and held several positions before being named vice president in 1970. Mr. Butterwick joined the bank in 1980. Prior to joining Northwestern he was with Northwestern Bank of Sioux Falls, South Dakota.

Ms. Reller joined the bank in 1970 and was most recently promoted to supervisor in personal banking in June, 1982. Mr. Wentzel has worked as a teller, management trainee and as a collections specialist.

* * *

A. William Sands, president of Western State Bank of St. Paul, has

announced the promotion of **Thomas J. Rybak** to commercial loan officer.

Prior to joining Western State Bank in May of 1981, Mr. Rybak served as an installment lender at First Bank White Bear.

* * *

John H. Mason has been named executive vice president of Marquette Lease Services, Inc., the equipment leasing and financing subsidiary of Bank Shares, Inc.

Before joining Marquette Lease Services, Mr. Mason was senior vice president of Gelco Municipal Services of Eden Prairie. He also served as vice president of Gelco Equipment Leasing Company.



J.H. MASON

* * *


First Bank Minneapolis and its wholly owned subsidiary First Bank International, in affiliation with Walter E. Heller & Co., are launching a new service called The Short Term Export Finance Program which enables open account terms of sale, provides total payment guarantees against credit and political risk and provides for the financing of export receivables.

Included in the charge of 2 to 3 percent of invoice amount are the costs of credit reviews, receivables processing, collection, credit guarantees and weekly status reports. The service may also include receivable financing at a rate of interest equal to or less than the exporter's normal borrowing rate.

The program is designed to alleviate the administration, risk and expense incurred in the normal payment terms that small and medium size exporters have been able to offer their distributors and repeat customers.

"This program fills a gap in the export finance services previously available to industrial, component and high technology companies," said **H. William Anderson**, senior vice president in charge of international banking. "We're joining the capabilities of more than 30 offices throughout the world with the capability of First Bank Minneapolis."

* * *



ACQUISITION FINANCING: It's more than just writing a check.

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To learn more of the role The Associates can play in your customers' future plans, contact the regional office near you. An officer will be happy to discuss asset-based lending with you. Or, send for our booklet discussing asset-based acquisition financing.



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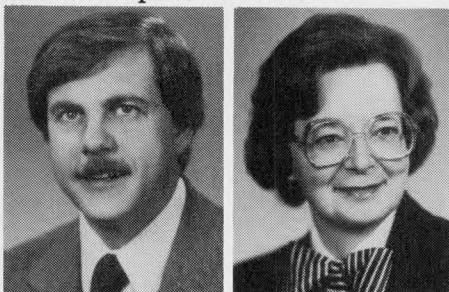
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Associates Commercial Corporation is a subsidiary of Associates Corporation of North America, a Gulf + Western Company.

American National Bank, St. Paul, recently announced the promotion of **Thomas A. Tustison** and **Yvonne A. Schultz** to assistant vice president; **James E. Terrell** to consumer banking officer and **Mary E. Pacht** to operations officer.



T.A. TUSTISON

Y.A. SCHULTZ

Mr. Tustison, who joined American in 1981, will be in charge of employee benefits administration. Ms. Schultz joined in 1977 and is in charge of teller services management.

Mr. Terrell started with the bank in 1981 in the consumer division. Ms. Pacht started in 1980 in the operations division.

* * *

First Bank Minnehaha, Minneapolis, has announced the promotion of **Elaine M. Mattson** to real estate officer and manager of the real estate department of the bank.

Ms. Mattson began her career with the bank in 1977 as a loan consultant in the real estate department. Previously she was with Edina Realty of Edina and Chicago Title Insurance Company of Edina.

* * *

Northwestern National Bank of Minneapolis has announced the election of five vice presidents, nine assistant vice presidents and 18 other officers.

Elected to vice president status were: **Kevin B. McGuire**, consumer branch banking group; **John K. Lukaska** and **Robert R. Corrick**, domestic banking group, and **William E. Geise** and **James L. Swift**, trust and investment group.

Mr. McGuire, who was elected in the professional banking division, joined Northwestern in 1980. Mr. Lukaska, manufacturing and elec-

tronics, joined in September. Mr. Corrick of corporate finance, joined in 1980. Mr. Geise joined in September and is in the fixed income products division. Mr. Swift, trust tax division, has been with Northwestern since 1970.

Elected assistant vice presidents were: **Ronald Whitcomb**, Olson Highway and Seventh branch in branch administration; **Robert L. Rasmussen**, Ridgedale branch in branch administration; **Craig R. Dahl** and **Kevin B. Erdman**, manufacturing and electronics; **Barry A. Kelner**, individual services department; **John D. Hibbard**, estate and probate; **Robert D. Edgar, Jr.**, institutional marketing, and **Susan D. Kinder** and **Sheryl L. Grams**, human resources.

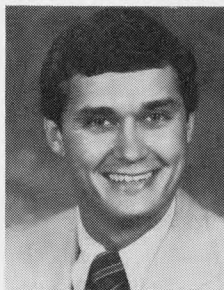
Named to officer status in the following areas were: **Cheryl L. Skildum**, card services; **Laura A. Tokash**, consumer loan; **Edna J. Innes**, commercial banking; **William J. Cole**, **Halina L. Aleksuk**, **Steven B. Welch**, **Joanne M. Dorweiler** and **Karen J. Miller**, operations; **Brian D. Johnson** and **Robert A. Amundson**, systems; **Elizabeth F. Kerner**, trust investment; **Sarah P. Eldridge**, corporate trust investment; **Joyce G. Merchant**, tax; **Annmuree M. Berg**, trust; **Gregory A. Stauffer**, investment services; **Phyllis D. Amberson**, advertising; and **Michaelen Coleman** and **William S. Reynolds**, international banking.

* * *

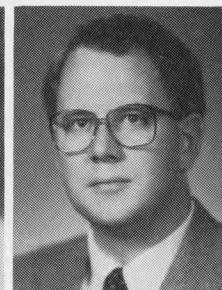
Northwestern National Bank of St. Paul has announced the following promotions; **John Geiken**, vice president, cashier and manager of the operations division, will now also assume the managerial responsibilities in the consumer banking group. He has been with the bank since 1978 and



J. GEIKEN



J.R. CAMPBELL



T.W. LONGLET

with Banco since 1964.

Jon R. Campbell, vice president and manager of the special technologies division of the commercial banking group, has been named manager of the metropolitan commercial banking division. He joined in 1979 from the U.S. National Bank of Omaha.

Thomas W. Longlet, vice president, has been named manager of the special technologies division of the commercial banking group. He joined Northwestern in 1973.

* * *

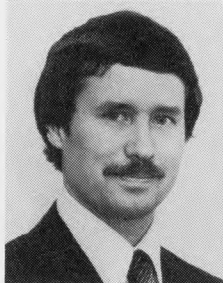
Ernie Pierson, president, Midland Bank, recently announced the advancement of **Joe Garthofner** to vice president-human resources; **Lynne H. Hansen** to vice president and trust officer; **Steven A. Fields** to assistant vice president and trust officer, and **James W. Koch** to assistant vice president and trust marketing officer.



J. GARTHOFNER



L.H. HANSEN



S.A. FIELDS



J.W. KOCH

Mr. Garthofner joined in 1978 as an assistant vice president and personnel officer. Ms. Hansen joined as a trust administrator in 1978. Mr. Fields started with Midland in March of this year as pension and profit sharing administrator. Mr. Koch also started in March of this year as a business development representative.

* * *

Bank Shares, Inc. has announced the formation of **Marquette Lease Services, Inc.** According to **Carl R. Pohlad**, Bank Shares president, the new subsidiary will position the affiliate banks and their correspon-



*Our sincere wishes for a happy holiday
season and a prosperous New Year.*

 **F&M Marquette National Bank**



You can't afford to do without Cash Management Services

In today's highly competitive marketplace, Cash Management Services aren't a luxury. They're a necessity.

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Linkup with FirstLink through a dial-up terminal located in your office. In seconds, you'll learn everything from previous day account balances, debits and credits, one- and two-day float breakdowns, and current rates.

Lend an ear to our Audio Balance reporting service. All it takes is a toll-free phone call to rapidly obtain balance information on any of your accounts. Day or night, around the clock.

Get friendly with our Account Reconciliation service and you'll save valuable time for your

high-volume accounts. It not only sorts checks in numerical order but also reports on the dollar amount and date of all checks paid.

Better your bottom line with our End Point Analysis. Find out how quickly your checks are clearing. And be assured that we're continually working on our availability schedule.

These are only four of First Bank Saint Paul's Cash Management services. Any one—or all—can help you to operate more efficiently. And, just as important, they can benefit your commercial customers, too. Because when you utilize our services, you can offer them in turn to the businesses you serve.

To find out more about how we can help you, call (612) 291-6108 today.



First Bank Saint Paul

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332 Minnesota Street
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**Ken Heiser, President, First National Bank,
Hudson, Wisconsin and Linda Darling,
Assistant Vice President, First Bank Saint Paul.**

dent banks to better serve the equipment leasing and financing needs of their corporate, professional and municipal customers.

J. Michael Maxwell has been named president of the new subsidiary. He joined F&M Marquette National Bank, the holding company's lead bank, in July where he has been directing the bank's equipment leasing and financing services.

Before joining Bank Shares and F&M Marquette National Bank, Mr. Maxwell was president of First Northwestern Financial. He also served as president of Gelco Equipment Leasing Company and as senior vice president of Citizens Fidelity Bank and Trust Company, Louisville, Ky.

Marquette Lease Services will offer lease financing programs to banks throughout the Upper Midwest.

* * *

American National Bank and Trust Company of St. Paul has been selected by the Independent Bankers Association of America to act as Trustee for the IBAA Prototype Pension and Profit Sharing Plans.

The program was specifically designed for IBAA member banks in response to a need for competitive employee benefits. The prototype plan concept was used to minimize the effort and expense of implementation by individual banks. Subscribing banks will have flexibility in determining specifics of their program such as eligible compensation, vesting and type of investments.

Additional information about the IBAA Prototype Pension and Profit Sharing Plans can be obtained by contacting **Patrick M. Flynn**, assistant vice president, American National Bank and Trust Company, 370 Minnesota Street, St. Paul, Minn. 55101, or calling (612) 298-6130.

Three Elected to Board

C.A. Opheim, **Richard J. Tiedeman** and **D. Nevin Campbell** have been elected to the board of directors of the First National Bank of Walker, announced **C.J. Elsenpeter**, chairman.

Mr. Opheim joined the bank in 1962 and was appointed to senior vice president in 1979. Mr. Tiedeman has been with the bank since 1977, being appointed vice president and cashier in 1979. Mr. Campbell

joined the bank in 1977 and was appointed vice president in 1979.

Newport/Woodbury V.P. Named

Town & Country Bank, Newport and Woodbury, has announced the election of **Robert C. Anderson** as vice president and senior loan officer.

Mr. Anderson will be responsible for all of the lending activities in the bank and will be involved in the banks marketing, compliance and asset/liability management areas. He



R.C. ANDERSON

recently joined the bank and was formerly associated with the First Northwestern State Bank, Thief River Falls, where he was vice president in charge of commercial lending.

Former Brainerd Banker Purchases Florida Bank

Everett Henrickson, formerly executive vice president of Citizens State Bank, Brainerd, recently purchased Farmer's Bank of Malone, Fla.

Mr. Henrickson and his brother, **Phillip**, recently purchased the \$8 million bank in the northern Florida community of 800. Malone is an agricultural community with the main products being peanuts, soybeans, wheat, corn and cattle. The Henrick-

sons began their banking careers in the mid-50s and have a combined 53 years of banking experience.

Belle Plaine Celebrates 100th Anniversary of Bank

The State Bank of Belle Plaine recently celebrated its 100th anniversary with a three-day Centennial Celebration that included refreshments, outdoor lunch, live music, displays, drawings and gifts.

The bank originated in 1882 as the Bank of Belle Plaine, with assets of \$50,000. The State Bank of Belle Plaine evolved from the Bank of Belle Plaine in 1894 when it officially was organized and chartered under Minnesota laws. The Farmers State Bank of Blakeley merged with the State Bank in 1932 and the First National Bank of Belle Plaine merged with it in 1935. The consolidated bank maintained its location on Meridian Street until 1964, when it constructed a new facility in its present location at 201 West Main Street. The bank now has assets over \$31,000,000.

Elected in Maplewood

Jan Anderson was recently elected assistant vice president of the operations division of Maplewood State Bank, Maplewood, according to **G. Jack Hillstrom**, president.

Ms. Anderson joined the bank in 1981 and has worked in various areas.

Castle Rock North Facility Opens



FIRST State Bank of Castle Rock recently held a grand opening at its new detached facility known as the north facility. Offering full banking services, the facility was added for the convenience of customers to the north of Castle Rock, according to **Dan Nicolai**, president. The building features two drive-up windows, a night depository and three teller stations. Passive solar panels feed into the brick building's furnace, helping conserve energy.

Don Johnson Retires

A BANKING career of more than 26 years will be concluded by Donald H. Johnson on December 31, 1982, when he retires as a vice president in the correspondent bank department of the American National Bank, St. Paul. He has devoted 23 of those years at American National to working with community banks throughout the Ninth Federal Reserve District.



D.H. JOHNSON

Mr. Johnson's principal territory he served stretched from the Twin Cities to the Canadian border in Minnesota and all of North Dakota. At various times he has also spent time with correspondent banks in Wisconsin, South Dakota and Montana, giving him a broad base of friendships with hundreds of bankers in the five-state area.

A native of St. Paul, Mr. Johnson attended schools there and spent his entire business life in the city. He entered the United States Army Air Corps prior to World War II and served with that branch throughout the war, later continuing with the United States Air Force until his retirement as Lieutenant Colonel after seven years of duty. He was in the retailing business before joining American National Bank July 9, 1956.

He became a member of the American Institute of Banking, progressing through various AIB classes, and later also was graduated from the Minnesota School of Banking and the Midwest Banking Institute.

Like many other Twin Cities correspondent bankers who began their travels before the advent of today's convenient airline, hotel and highway service, Mr. Johnson experienced all the "comforts" of travel in his earlier days. "I can recall lots of gravel roads on which we drove without air-conditioned cars," Mr. Johnson says. "That was before the interstates were constructed. Also, we didn't have the Holiday Inns and Ramadas you find today; in fact, most of the motels and hotels weren't air-conditioned, and usually had small gas or oil heaters in the rooms instead of central steam heat

as they do today.

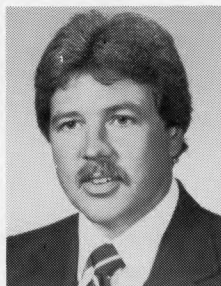
"Although we didn't have air service to most towns in the Ninth District, we did have excellent train service. The banks were not air-conditioned and there were no drive-in banks, no ATMs, no computers. So far as bank services, it was typical for any bank to pay 1% on pass-book savings, to have one type of checking account and to charge exchange on checks. Most banks just did not offer CDs like they do today. Another big difference is that 25 years ago almost all the banks we called on were closed between noon and 1:00 p.m.!"

Mr. Johnson and his wife, Joanna, plan to continue making their home in St. Paul. □

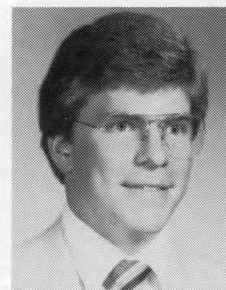
Three Named in Richfield

Jeff Edwardson has recently joined Richfield Bank & Trust Co. as commercial loan officer; Peter J. Lund has been appointed assistant manager of the bank's Burnsville office, and K. "Raja" Rajalingam has been appointed assistant vice president and investment officer of the bank's newly formed investment management department.

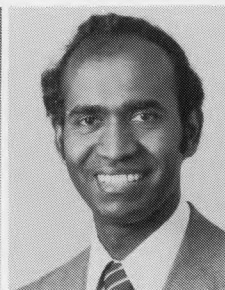
Mr. Edwardson was previously employed by General Electric



J. EDWARDSON



P.J. LUND



K. RAJALINGAM

Credit Corporation for seven years. Mr. Lund joined the bank in 1980 as collection manager and was also consumer loan interviewer prior to his appointment at the Burnsville office. Mr. Raja joined the staff in 1973, moving to the trust department in 1976. In 1980 he was promoted to trust account officer.

Acquisition Approved

The Federal Reserve Bank of Minneapolis has approved the application by Eitzen Independents, Inc., Eitzen, to acquire the Eitzen State Bank, and Carver County Bancshares, Inc., Chaska, to acquire the Carver County State Bank.

Maplewood Director Appointed

Kimberly A. Ebert was recently appointed director of marketing and advertising by the board of Maplewood State Bank.

In May she graduated from the college of St. Benedict with a BA in liberal studies and a concentration in business and psychology.

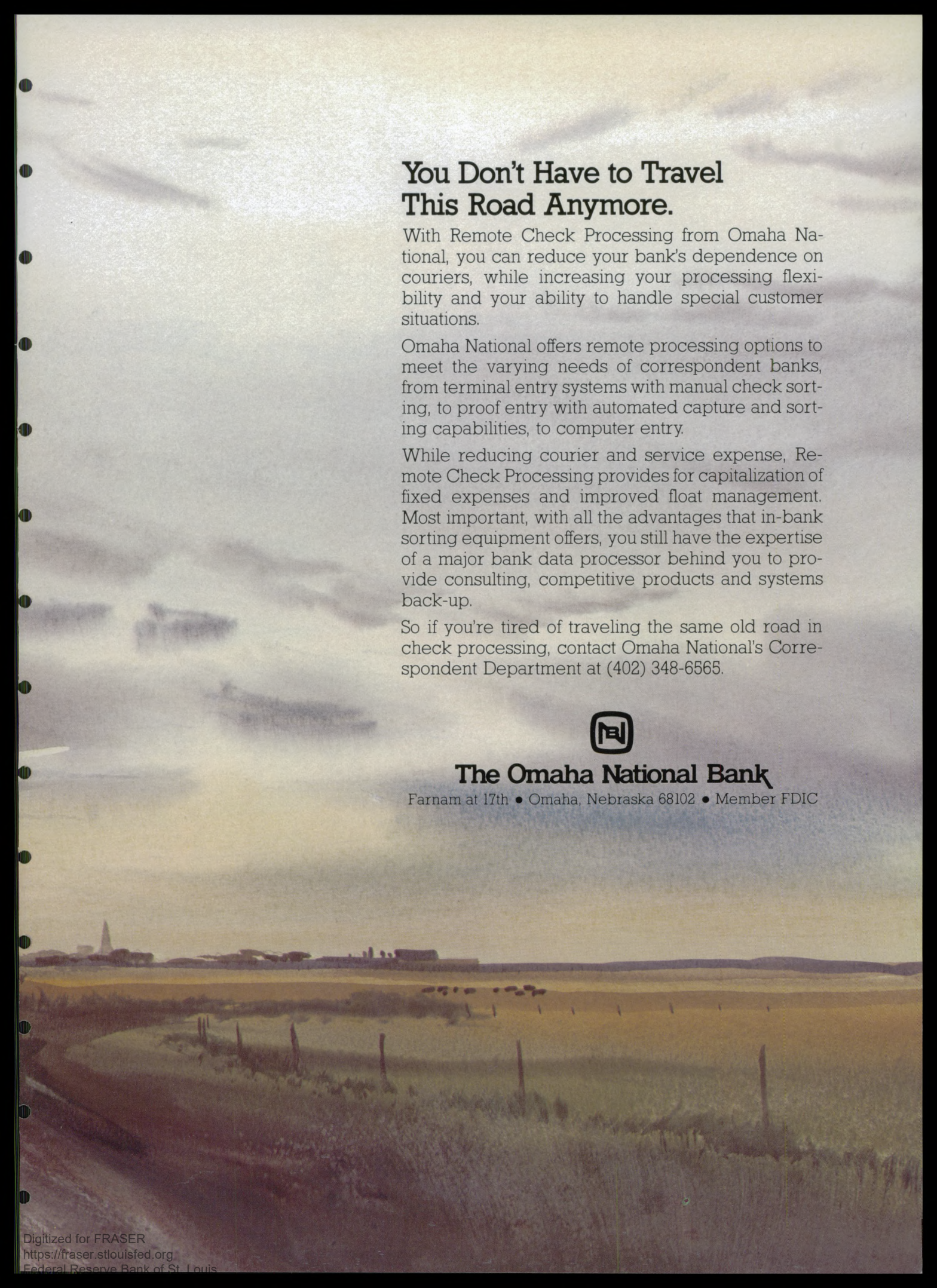
Open House Held at Madelia Bank



OPEN house was held last month at the Citizens Natl. Bk. of Madelia, climaxing the completion of a 2,200 sq. ft. addition and major renovation of the old building. The bank project included the razing of a 3-story hotel and department store on a 75' x 160' lot adjacent to the bank. The new facility includes 2 remote drive-in units, ATM, message center, video security system, and room for future customer services.



J.R. Hamil



You Don't Have to Travel This Road Anymore.

With Remote Check Processing from Omaha National, you can reduce your bank's dependence on couriers, while increasing your processing flexibility and your ability to handle special customer situations.

Omaha National offers remote processing options to meet the varying needs of correspondent banks, from terminal entry systems with manual check sorting, to proof entry with automated capture and sorting capabilities, to computer entry.

While reducing courier and service expense, Remote Check Processing provides for capitalization of fixed expenses and improved float management. Most important, with all the advantages that in-bank sorting equipment offers, you still have the expertise of a major bank data processor behind you to provide consulting, competitive products and systems back-up.

So if you're tired of traveling the same old road in check processing, contact Omaha National's Correspondent Department at (402) 348-6565.



The Omaha National Bank

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LEFT—INDEPENDENT Bankers of Minnesota Officers of 1982-83 include: 1st V.P. **Larry Lindeberg**, pres. Forest Lake St. Bk.; IBM Exec. Dir. **Norb McCrady**; IBAA Exec. Dir. **Ken Guenther**, and Pres. **Lowell Wakefield**, pres., 1st Natl. Bk., Wayzata. **RIGHT**—**Jo and Don Johnson**, v.p., Amerian Natl., St. Paul; **Phyllis and Ray Kirkhorn**, pres., Security St. Bk. of Aitkin, and **Lori and Bob Jacobson**, v.p., American Natl., St. Paul.

Independent Bankers of Minnesota Meet for Fall Conference

By **STEVE BURCH**
Associate Publisher

THE Independent Bankers of Minnesota met in Minneapolis November 17-18 for their annual Fall Conference. IBM President Lowell Wakefield, president of the First National Bank in Wayzata, welcomed nearly 200 registered bankers to the conference.

The meetings opened with the keynote address delivered by Ken Guenther, executive director of the Independent Bankers Association of America. Mr. Guenther was quick to turn his attention to the administration of President Reagan which he views as being anti-independent banking as well as anti-small business in general. To support this contention he made specific reference to the Garn Bill, the withholding at source requirements and the total restructuring of the financial services industry which he feels will result in fewer independent banks.

Mr. Guenther reported that the

signing of the Garn Bill represents a significant setback and loss to the independent bankers in the country. He explained that had the multi-industry coalition opposing the legislation not collapsed, the bill would never have passed. Moreover, he contends that the bill would never have passed had the American Bankers Association maintained their position of opposition.

The expanded powers given to the thrifts in the new law will require bankers to make an immediate adjustment he warned. "These new full service bank-like institutions, with established branch networks, will immediately be competing for the commercial and agricultural loans in your communities."

The rules governing the new money market deposit account mandated by the Garn Bill also met the criticism of the IBAA head. The IBAA favored the \$5,000 minimum balance supported by Fed Chairman Volcker. Also the IBAA feels that the December 14 initiation date is

too soon. With \$1.6 trillion deposit available for this new account, Mr. Guenther does not feel that the DIDC time frame is prudent and argues that the bankers need more time to consider the effects that the new instrument will have on the cost of deposits.

The afternoon session consisted of four concurrent workshops which focused on estate planning, personnel management, ag commodities futures, and secured transactions/bankruptcy. Following the workshops, Federated Cash Management Systems hosted the bankers to cocktail reception which preceded the evening banquet and dance.

Gary Stern, senior vice president, Minneapolis Federal Reserve Bank, was another featured speaker at the Independent Bankers Fall Conference. In his "1983 Economic Outlook," he stated that the fundamental preconditions for an economic recovery are falling into place. Given these preconditions and thrusts of economic policies, 1983 would see an improvement in economic conditions. "1983 has a chance for being the best year for the economy since 1978."



LEFT—**Bob Sipple**, sr. v.p., and his wife **Brownie** join **Kathy** and **Joe Kingman III**. Mr. Kingman is the new president of American Natl., St. Paul. **RIGHT**—**Marilyn and Bob Buscher**, c.e.o., American St. Bk., Mankato; **Jacki Schuler**, sec./treas., INDEX, Mpls., and **Dorothy and Milt Kiohn**, pres., INDEX.



LEFT—Larry Kraayenbrink, corr. bkg. off., F & M Marquette, Mpls.; Carol Pederson; Dick Holmes, a.v.p., F & M Marquette, Mpls., and Sally and Paul Thompson, pres., Peoples St. Bk., Milan. RIGHT—Joe Brunner, v.p., American National Bk., St. Paul, conducts workshop on the DIDC instrument.



He clarified that by stating that he isn't saying 1983 is going to be a great year, but it will represent an improvement over the conditions of the economy seen from 1979 through 1982.

The essential preconditions Mr. Stern sees falling into place are 1) very substantial progress made in slowing inflation down in the last several years, and 2) the precondition more recently moving in the

right direction, lower interest rates that are accompanying the success in slowing inflation.

"Those are essential preconditions because first," he continued, "we have learned that inflation and economic prosperity are in fundamental conflict in this country, which implies if you want to restore prosperity you have to get inflation down and keep it down. Second it would appear that the recovery that

I expect has to be led by consumer spending and that will require lower interest rates so that big ticket items can be more comfortably financed."

"It is only recently that rates on installment credit and mortgages have begun to decline in any meaningful way," Mr. Stern commented. "That decline, if extended, should be positive both for consumer psychology and consumer spending." □

First National, Duluth Sponsors "Minnesota Mile."

First National Bank of Duluth recently helped bring former world mile record holder and silver medalist in the 1968 olympics Jim Ryun to Duluth to visit with the bank's customers and to host the "Minnesota Mile," which the bank co-sponsored with Perkins Cake and Steak.

The bank's front entry served as the finish line for the five one-mile races that were held along Duluth's downtown Superior Street. The following day Jim Ryun talked running and signed autographs for a large crowd.

First National's race sponsorship was organized and arranged by Lance Green, vice president-marketing, and Claude A. Lutzka, vice president. Winners of the Minnesota Mile were: in the men's class, Don Hurley of St. Paul, and in the women's class, Jan Ettle of St. Cloud.

Safe Deposit Company Opens in Minnesota

Commissioner of Banks Michael J. Pint has announced the approval of a license for the Safety Deposit Center, Inc., to operate a safe deposit company in Robbinsdale. Mr. Pint said this is the second private safe

deposit company to open in Minnesota that is not affiliated with a financial institution.

Buhl Cashier Retires

An open house was held recently for Helen Hendrickson, cashier of the First National Bank of Buhl, upon her retirement from the bank after 17 years.

Mrs. Hendrickson was hired in 1965 in the insurance agency and in 1973 started as a teller at the bank. She was promoted to cashier two years ago after serving as assistant cashier and bookkeeper.

Red Wing Officer Named

Allen M. Schwab has been elected personal banking officer at First Northwestern Bank of Red Wing, with primary responsibilities in the installment loan and customer service departments.

Mr. Schwab joined the bank in 1981 after graduating with a BS in finance from St. Cloud State University.

Powers Expanded for Two Industrial Loan Companies

Chairman of the Commerce Commission Michael J. Pint recently announced the approval of applications by FinanceAmerica Plan, Inc.,

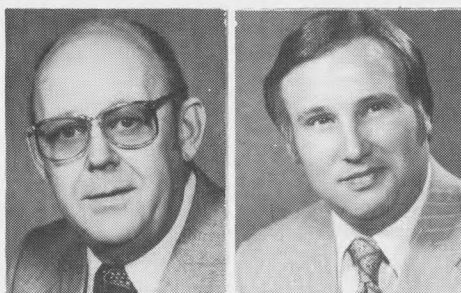
and Commercial Credit Plan, Inc., to expand their existing industrial loan company powers in five locations to include accepting time and savings deposits. These five approvals to expand are the first such approvals since 1954 and since the Industrial Loan and Thrift Act was recodified in 1981 by the State Legislature.

FinanceAmerica Plan, Inc., a wholly owned subsidiary of FinanceAmerica Corporation and BankAmerica Corporation, received approval for deposit authority at three locations: 927 Marquette Avenue, Minneapolis; 212 Bremer Building, St. Paul, and 5180 Central Avenue N.E., Columbia Heights. Also approved were two applications by Commercial Credit Plan, Inc., a wholly owned subsidiary of Commercial Credit Company and Control Data Corporation, to accept deposits at 24 West Sixth Street, St. Paul, and 4007 West Old Shakopee Road, Bloomington.

FinanceAmerica Plan, Inc., is the seventh largest of 31 industrial loan companies in Minnesota with assets of \$10.7 million and capital of \$2.78 million. Commercial Credit Plan, Inc., is the sixth largest with assets of \$14.3 million and capital of \$4.47 million. Both companies specialize in consumer loans, including second mortgage real estate loans.

South Dakota

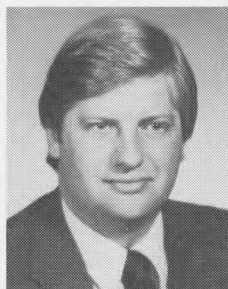
D.O. Mehlhaff, pres., Eureka
J. M. Schwartz, exec. mgr., Pierre



Sioux Falls Election Told

T.J. Reardon, president of Western Bank, Sioux Falls, has announced the election of Donald R. Oliver as vice president, mortgage/retail banking.

Mr. Oliver, who will have functional responsibility for mortgage loans and retail banking, has 12 years of banking experience and will have his office located at Western Bank Downtown.



D.R. OLIVER

branch manager of the Rapid City branches. Also promoted were Jim Hallock to assistant vice president and assistant branch manager at the main office, and Tim Loftness to auditor.

Mr. Fish has served as president, owner and chairman of the board of the Drayton State Bank in Drayton, N.D., and as vice president and manager of the United National Bank in Brandon and the First Security Bank of Harlem, Mont.

Mr. Hallock joined the bank in 1980 and most recently served as assistant branch manager of the Rapid City branch. Mr. Loftness has been with the bank since 1978.

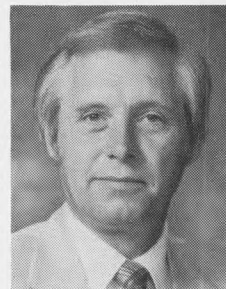
Acquisition Approved

The Federal Reserve Bank of Minneapolis has approved the application by Bryant Bancshares, Inc., to become a bank holding company

through the acquisition of the Bryant State Bank.

Aberdeen President Named

Regional President C.P. "Buck" Moore has announced that Gary G. Olson has been elected president and director of the First National Bank of Aberdeen. Mr. Olson, who previously was serving as executive vice president/branch administrator of Northwestern National Bank of Sioux Falls, fills the position vacated by Allan M. Severson. Mr. Severson was elected president and director of Northwestern National Bank of Sioux Falls.



G.G. OLSON

Mr. Olson began his career with Banco in 1963 at the Huron Branch as ag representative. He moved to the Madison branch in 1967 and returned to the Huron Branch in 1969. Mr. Olson then held the position of vice president and branch manager from 1976 until his appointment to vice president/branch administrator in 1980. He was named executive vice president in 1981.

Three Named in Sioux Falls

United National Bank, Sioux Falls, has announced the addition of Ken Fish as vice president and

North Dakota

J.M. McGinley, pres., Williston
H. J. Argue, exec. dir., Bismarck



Oakes Appointment Told

The First National Bank of Oakes recently announced the appointment of Mark Weide as assistant vice president, ag loan department. Mr. Weide has been associated with the Dacotah Bank Holding Co. of Aberdeen since 1975, when he joined Farmers and Merchants Bank and Trust Company of Aberdeen, S.D.

In 1981 he joined the Citizens State Bank of Clark and in 1982 was promoted to manager of the bank's branch office in Henry, S.D.

Appointed in Fargo

George W. Schwartz, president of

First National Bank of Fargo, has announced the appointment of Jane Lundberg as commercial banking officer.

Ms. Lundberg holds a BS degree in accounting from Moorhead State University and became a CPA in 1981. Previous to joining First National in 1982, Ms. Lundberg was employed by Eide, Helmeke and Company of Fargo, where she was on the audit staff.

Lidgerwood President Named

The board of directors of First Bank Lidgerwood has elected Arvy J. Larson president, effective De-

cember 1. He succeeds Virgil Eckhoff, who has resigned.

Mr. Larson previously was vice president and senior loan officer of First Bank East Grand Forks, where he has been associated since 1966. In 1969 he was promoted to assistant vice president and agricultural representative and was elected to his most recent position as vice president in 1972.

Elected to Board

H.H. "Brud" Herberger has been elected to the board of directors of Community National Bank of Grand Forks at its annual meeting.

Mr. Herberger, president of the eight Herbergers, Inc. & Better Half stores, is a 1965 graduate of the University of North Dakota.



H.H. HERBERGER

Montana

E.C. Gross, pres., Hardin
J.T. Cadby, exec. v.p., Helena



Reiquam Elected President At First Bank Great Falls

The board of directors of First Bank Great Falls has elected Robert L. Reiquam president and managing officer, effective December 1. Mr. Reiquam succeeds John Reichel, who was recently elected managing director of the Western Montana Region of First Bank System, Inc.



R.L. REIQUAM

Mr. Reiquam has most recently served as president of First Bank Miles City. His successor will be announced at a later date.

Mr. Reiquam began his banking career at First Bank Great Falls in 1965 and was elected an agricultural lending officer in 1966. In 1968 he joined First Bank Miles City, where he was elected vice president in 1971. He was elected president and managing officer in 1974.

Montana Banks Support Corporation License Tax

The Montana Bankers Association filed an amicus curiae, friend of the court, brief with the Montana Supreme Court which places the bankers on the side of the Department of Revenue in its attempt to have a recent Supreme Court ruling reheard. Erle Gross, president of MBA and the Little Horn State Bank in Hardin, said, "The bankers believe this tax is fair and equitable and would like to see it continued as in the past."

Earlier in October, the Supreme Court ruled that two savings and loan associations, one in Missoula and one in Havre, were exempt from paying the Corporation License Tax on the interest income earned on federal obligations. The court ruled that the tax was, in substance, a tax

upon net income; however, the bankers agree with the Department of Revenue that even though it is computed on net income, it is in fact a franchise tax.

In 1978, the Montana Supreme Court ruled that property taxes could not be imposed on federal obligations making an archaic tax on a bank's capital ineffective. The

banks, however, voluntarily paid their bankshare taxes in 1978 for the benefit of cities and counties. Subsequently, the MBA worked with the 1979 Legislature to amend the Corporation License Tax so that the same amount of tax revenues would go to cities and counties as in the past. Banks have paid this tax ever since without protest.

Mr. Gross said, "It is regrettable that the savings and loan associations are trying to avoid paying this tax since it is fair to banks and savings and loan association, and taxes both the same as all other businesses in Montana."

Appointed in Great Falls

John M. Seeberger has been appointed vice president/manager, commercial loan department, of



First Interstate Remodeling Aimed At Maximum Energy Efficiency

THE remodeling program underway at First Interstate Bank of Great Falls will provide maximum energy efficiency, more customer convenience and greater personnel efficiency in serving the financial needs of its customers, according to C.E. "Chuck" Pedersen, president and chief executive officer of the bank.

The entire remodeling project is planned to obtain the maximum in energy efficiency with complete modern designs and decor. The new front of the building on First Avenue North will feature insulated sun screen windows of a bronze solar tint, glazed to reflect the sunlight. Increased insulation will be added to the north exterior wall and the heating and air conditioning systems are being revised for better performance. A major change in the interior of the building will be the new multi-level ceiling of an attractive

design, which will greatly reduce energy consumption.

The entire interior of the bank will be remodeled extensively with most of the departments being relocated to better utilize floor space. An innovation will be the financial planning center, an area where customers will receive individual, personalized counseling with regard to investments and other personal banking needs.

An area adjacent to the First Avenue North entrance to the bank will provide a showcase for "Rolling Thunder," the bank's life-size buffalo sculpture by artists Bob Olds and Joe Halco.

R. Terry Johnson, Architects, designed the reconstruction and Palmer-Duncan Construction Company is the general contractor. All sub-contracts were awarded locally. Completion date is expected to be early spring.

First Interstate Bank of Great Falls, according to C.E. Pedersen, president and chief executive officer.

Mr. Seeberger came to Great Falls from Missoula, where he was an assistant vice president, commercial loans, at First Bank Western Montana.

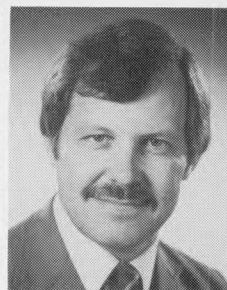
Acquisition Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application by Hub Financial Corporation, Helena, to become a bank holding company through the acquisition of the Valley Bank of Helena.

Western Region Office Opens in Billings

FBS Agricultural Credit Corporation, Minneapolis, the agricultural finance subsidiary of First Bank System, Inc., has opened an office in Billings. The new office, which will be known as the Western Region Office, will work with FBS affiliate banks and other banks in Montana, North Dakota and South Dakota to provide funds for short and intermediate term loans for farm and ranch operating expense, and will engage in direct lending outside of First Bank System subsidiary markets.

Rick J. Kuntz has been elected a vice president of FBS Agricultural Credit Corporation and manager of the Western Region Office. Mr. Kuntz began his banking career in 1973 at First Bank Havre. He has held his most recent position as an assistant vice president in the correspondent bank department of First Bank Minneapolis since 1980.



R.J. KUNTZ

Wyoming

H.A. Hitch, pres., Casper
M. C. Mundell, exec. dir., Laramie



Wyoming National Names New President

THE BOARD of directors of the Wyoming National Bank of Casper has announced the hiring of Robert Hays as president and chief operating officer of the bank. Robert W. Miracle, bank president who has been both chief executive and chief operating officer since 1968, was named vice chairman of the board and will remain as chief executive officer of the bank, and at the same time will continue to serve as president and chief executive officer of the Affiliated Bank Corporation of Wyoming, the holding company within which the Wyoming National Bank operates. At the same time, the bank holding company board revealed that Robert Noel has been elected executive vice president of ABC.

Mr. Hays' election to the presidency of the bank will become effective January 1, 1983. Mr. Noel has already assumed his duties.

The three way move was dictated by the continuing expansion of the Affiliated Bank Corporation, stated Mr. Miracle, and, the board's decision to strengthen management at every major post of its lead bank and the holding company.

Mr. Miracle has held the top spot in the Wyoming National Bank for the past 15 years and has served as

president of the holding company since its inception in 1970.

Mr. Hays has been president and chief executive officer of the Ruidoso State Bank, New Mexico, since 1978. From 1974 to 1978 Mr. Hays served as vice president and chief commercial loan officer for the Central State Bank of Hutchinson, Kansas. Prior to that he was vice president of the Bank of Jacomo, Blue Springs, Missouri.

Mr. Noel formerly was president and chief executive officer of the First Wyoming Bank-Cheyenne, and in addition to his title as executive vice president has been named to the bank's holding company's board and to its executive committee.

Also announced at Wyoming National Bank of Casper was the election of veteran bankers Mark Zaback, Jim Ahrendt and Kent Robson to the position of assistant vice president of the commercial loan department.

Mr. Zaback, who also serves in the correspondent bank department, brings nine years experience to his position, previously holding various positions in auditing, credit analysis and correspondent lending with the First National Bank in Lincoln, Nebr.

Mr. Ahrendt, whose appointment

became effective in October, has seven years experience with the Commercial Bank of Mitchell, S.D., where he was in charge of operations and also served as commercial and agricultural lending officer.

Mr. Robson, whose appointment became effective in November, brings 18 years experience in various banking capacities to his current position at Wyoming National. His most recent position was as executive vice president of a credit management position in Montana.

Cheyenne Bank Appoints New President and CEO

Paul J. Jacques has been appointed president and chief executive officer of First Wyoming Bank, N.A. - Cheyenne, according to W. Robert Reiman, chairman.

Mr. Jacques most recently served as president and chief executive officer of the First Wyoming Bank, N.A. - Laramie. He succeeds Robert T. Noel, who left the organization to join another banking system.

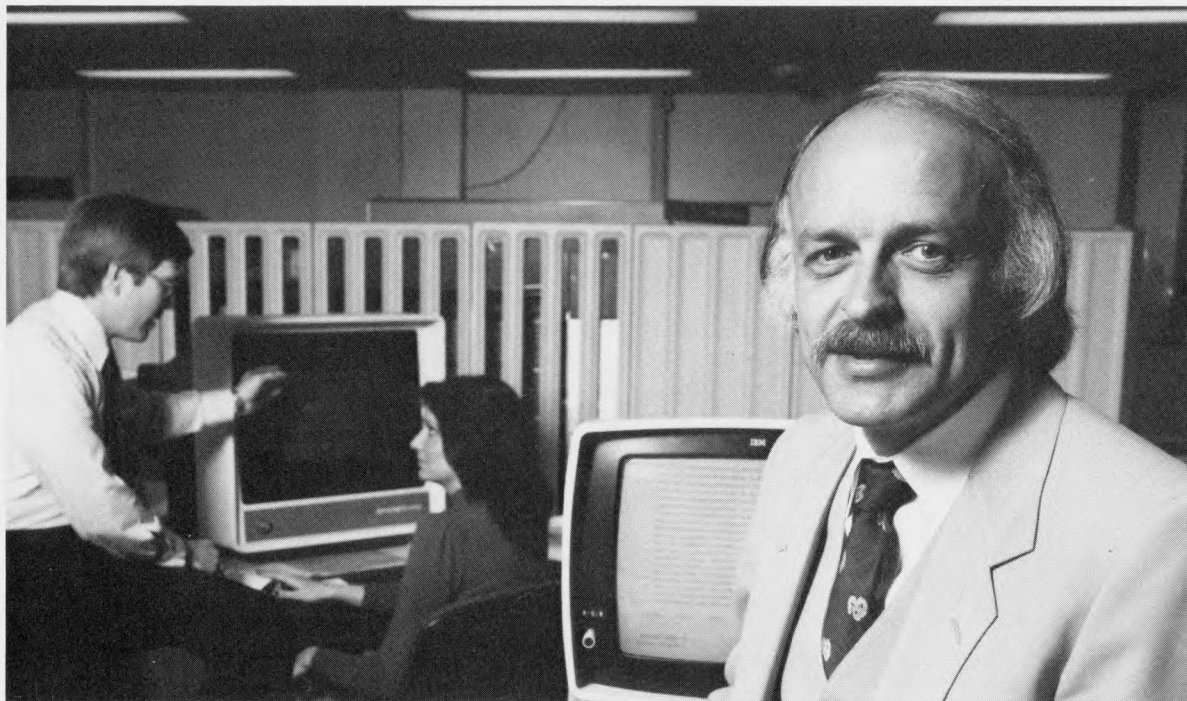
A native of Massachusetts, Mr. Jacques entered the banking industry in 1967 as a vice president of Berkshire Bank. In 1980 he joined the First Wyoming Bancorporation at its Laramie affiliate.

Casper Banker Named Volunteer of the Year

Thomas A. "Rusty" Ward, Jr., has been awarded the Volunteer of The Year Award from the American Heart Association of Wyoming at its second annual delegate assembly held in Jackson.

Employed by Wyoming National Bank of Casper, Mr. Ward is trust officer in charge of employee benefit plans.

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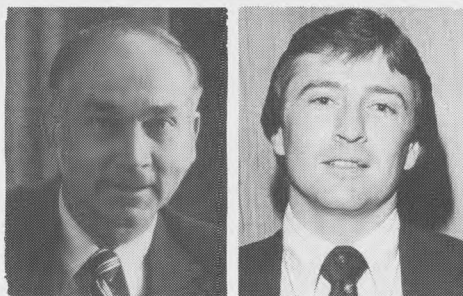
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A.R. Koenke, chmn. & pres., Rifle
D. A. Childears, exec. mgr., Denver



500 Attend Economic Outlook Forum

A FILLED to capacity crowd of 500 recently heard Beryl W. Sprinkel, Under Secretary for Monetary Affairs, and Dr. Arnold Wheeler, president of the University of Colorado, speak at the Economic Outlook Forum sponsored by First National Bank, Boulder, at the Hilton Harvest House.

Both men spoke well of the Reagan administration's "noble experiment" in economics. Mr. Weber described the policy as one aiming for three "often elusive and mutually conflicting goals:" a steady and substantial economic growth, high levels of employment and stable prices.

Mr. Sprinkel reported, "The economy is poised for a recovery, the upturn more probable and imminent with every day." As evidence, he cited stock and bond markets moving forward, interest rates which have gone from a prime of 21½ percent in January, 1981, to 13 percent today, and inflation now at five percent, "dropping faster than anyone anticipated."

Mr. Weber's wrap-up of the state of the economy was not as optimistic as that given by Mr. Sprinkel, however. Despite positive developments, he said, by other measures, "the performance of the economy is

lackluster and we've failed to reach expectations."

Unemployment is still high, there's been no real growth in the economy, planned investment is falling and there's been a collapse in such key sectors of the economy as housing, steel and even the high-tech industries.

"What you see," he said, "is an economy that will take a while to shake off 20 years of policy adventures."

Dr. William Baughn, Dean of the School of Business Administration at CU, acted as moderator for a question and answer session held following the prepared remarks segment of the program.

Five Promoted in Denver

Central Bank of Denver recently announced the promotions of five staff members and election of two others to officer positions.

Promoted was Jerry Helmke to vice president of the commercial banking division; Lydia Marenin, Frank Martinez and Theodore Scarbrough to assistant vice president, and Cheryl Crandall to staff attorney in the legal division. The bank's new officers are Barbara

Czczok and Catherine McGrath, both customer service officers in the retail banking division.

Mr. Helmke joined Central in February of this year. Ms. Marenin joined in 1973 and is currently the manager of the action banking center in the retail banking division. Mr. Martinez has been with the bank since 1979 as assistant manager of corporate services in the operations division. Mr. Scarbrough will be serving in the asset and liability division. Ms. Crandall just joined the bank in June of this year.

IntraWest President Retires

Albert D. "Bud" Latham, president of IntraWest Financial Corporation, announced he will retire from the company January 1, 1983. Mr. Latham became the second vice president of the corporation, formerly First National Bancorporation, in 1978, some ten years after the Denver-based bank holding company was formed.



A.D. LATHAM

Mr. Latham underwent major surgery about one year ago and although fully recovered decided to retire to reduce the demands imposed by his full-time position, thus creating more time for other business and personal activities.

Mr. Latham, who began his banking career in 1949 with the then First National Bank of Denver, will continue as a director of the holding company and four subsidiaries.

Three Promoted in Denver

First Interstate Bank of Denver recently announced the promotions of William C. Neill and E. Clay Speas to executive vice presidents and Jean B. McCoid to assistant vice president of international banking.

Mr. Neill, formerly senior vice president, manages the commercial banking and retail banking divisions.

Mr. Speas, also senior vice president, manages the corporate banking and operations divisions.

Ms. McCoid was international banking officer prior to her promotion.



PICTURED left to right: **Walter A. "Tack" Browning**, pres. & c.e.o., First Natl. in Boulder; **Dr. Beryl Sprinkel**, Under Secretary for Monetary Affairs; **Tom Moon**, chmn., and **Leo Hill**, pres., Affiliated Bankshares of Colorado.

Senior V.P. Named

Nelson B. Cole has been named senior vice president, funds management, at Colorado National Bank of Denver.

Mr. Cole joined the bank in 1973, was elected a vice president in 1977 and assumed full management responsibilities of the investment department in May, 1980.

Acquisition Completed

Colorado National Bankshares, Inc., has completed the acquisition of Exchange National Bank, Colorado Springs, for a total purchase price of approximately \$39 million.

The company has also received approval from the Board of Governors to organize a *de novo* bank, Colorado National Bank - Southwest, which is planned to open March 1, 1983.

Boulder Promotions Told

IntraWest Bank of Boulder has named Donald E. Martin and J. Stewart Fuller senior vice presidents and promoted three others.

Mr. Martin, who heads up the operations area, joined IntraWest in 1972 as cashier.

Mr. Fuller, a graduate of the University of Iowa, manages the bank's commercial loan department.

Richard C. Meckley, chairman of the bank, also announced that Pamela P. Stokes was promoted to vice president and senior trust officer; Susan L. Lakey has been named assistant vice president in the consumer banking center, and Cynthia A. Conn was appointed marketing officer.

Ms. Stokes joined the bank in 1979 as a trust administrator. Ms. Lakey has been with the bank since 1973. She began in bookkeeping and moved into the consumer banking center in 1980. Ms. Conn joined in 1981 from the First National Bank of Greeley, where she was a marketing representative for two years.

United Bank Names One

Steven Colliatie has been named an assistant vice president at United Bank of Denver, according to Richard A. Kirk, president and chairman.

Mr. Colliatie, who joined the bank in 1981, is a commercial banker in the correspondent banking department.

Elected to Lakewood Board

Duane E. Henry has been elected to the board of directors of Colorado National Bank - Lakewood, announced William R. Frogge III, president.

Mr. Henry currently serves as district manager for Montgomery Ward and is responsible for all inventory, facilities and personnel operations in Colorado, Wyoming and Montana.

Named "Banker of the Year"

D. Dale Browning, senior vice president at Colorado National Bank of Denver and president of both Rocky Mountain Bank Card System and Plus System, Inc., has been named Colorado Banker of the Year by the Colorado Graduate School of Banking.



D.D. BROWNING

With Colorado National Bank of Denver since 1965, Mr. Browning this year spearheaded the formation of Plus System, Inc., the first shared ATM network to be operated on a nationwide basis.

Denver Bank Named Trustee For Student Loan Bonds

IntraWest Bank of Denver has been named trustee in the issuance of \$110 million of Student Loan Revenue Bonds by the Colorado Student Obligation Bond Authority, according to James R. Cowgill, vice president and trust officer at the bank.

The proceeds from the 1982 Series A bonds will be used to provide student loans for post-secondary school education in Colorado.

Mr. Cowgill said the bonds will be issued in \$5,000 denominations or any integral multiple thereof, with various principal amounts maturing annually beginning in 1982. The interest rate is 8.125 percent. Interest on the bonds is exempt from federal and State of Colorado income taxation.

Denver Director Elected

David S. Bershof, president of Mid-Continent Wholesale Co., Inc., Denver, has been named to the board of directors of Dominion National Bank, Denver.

Evergreen Officer Elected

Margie J. Bistline has been elected marketing officer of Colorado National Bank - Evergreen.

Mrs. Bistline joined the bank in 1976, previously serving as executive secretary and administrative assistant.

Two Appointed in Littleton

United Bank of SouthPark, Littleton, has announced the appointments of Virginia Becker to operations officer and Vernon Hansen to vice president in charge of commercial banking.

Prior to joining the bank, Mr. Hansen was executive banking officer at United Bank of Denver. Ms. Becker also joined the Littleton Bank from United Bank of Denver, where she served as a general service group officer within that bank's operations division.

United Bank of SouthPark is a new bank to Littleton, having opened September 7, 1982.

BAI Offers Account Rep Training on Microcomputer

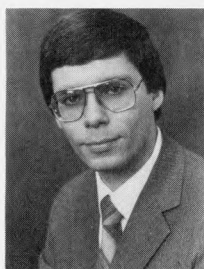
The first comprehensive, microcomputer-based training program for bank customer service representatives was introduced last month by Bank Administration Institute at its first microcomputer conference in Dallas, Tex.

Designed specifically for financial institutions, the program entitled "First Contact," consists of more than 50 half-hour lessons of independent study.

The program covers bank terminology, check negotiability, endorsements and clearing, personal and commercial accounts, safe deposit boxes, billing, IRA and Keogh accounts, certificates of deposit, credit cards, overdrafts, collections and other new account functions.

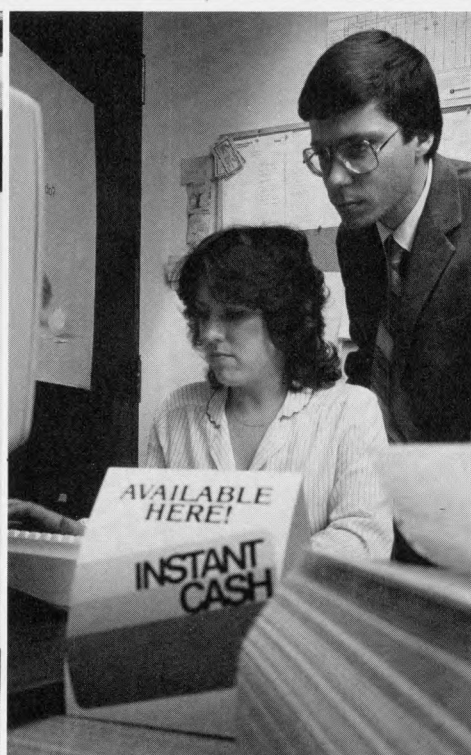
In addition, the program offers an historical perspective of banking in a course titled "Fundamentals in Banking," and special lessons in cross-selling bank services and transaction management.

The program, developed by Linda O. Carducci, president, BancAids, Falls Church, Va., is designed to run on the Apple II Plus System. According to Ms. Lewis, however, the training package will be adapted to be compatible with other microcomputers in the very near future.



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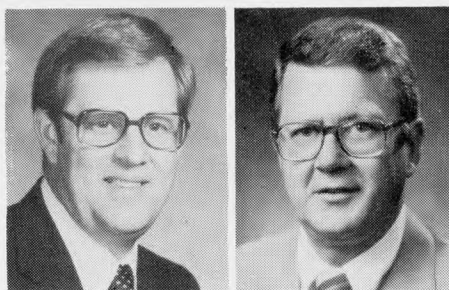
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20th & Farnam
Regency Office
Central Park Plaza Office

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Bancorporation

US NATIONAL BANK
of Omaha

Nebraska

H.P. Stuckey, pres., Lexington
S. Matzke, Jr., exec. v.p., Lincoln



Tri-County Bank & Trust, New Bank — New Facility

SOUTHROADS Bank, Bellevue, has officially changed its name to Tri-County Bank & Trust. The announcement came during recent grand opening and ribbon-cutting ceremonies at the bank's new facility located at Highway 73-75 and Camp Brewster Road in Bellevue.

Southroads Bank, which has grown to approximately \$9 million in assets since its inception in 1973, previously occupied three separate offices in Southroads Shopping Center. The new \$1 million facility was built over a nine month period. Drive-up capacity was expanded from two to four lanes and the office space

doubled in the 8,544 square foot building.

"Creating new services has expanded our customer base and brought about the need for expanded office space," commented Jack Ayres, president and chairman. Mr. Ayres assumed his responsibilities in September. He came to Tri-County from the First National Bank of Manhattan, Kan., where he was vice president and director of marketing.

Joins Ogallala Bank Board

Mel Adams, chairman of Keith County Bank and Trust Company,



Newest facility of Southroads Bank — now Tri-County Bank & Trust, Bellevue.

Nebraska Independent Bankers Meet in Grand Island

By **STEVE BURCH**
Associate Publisher

"INDEPENDENT Banking—Survival of the Fittest" was the convention theme adopted by the Nebraska Independent Bankers Association as they met in Grand Island on November 4-5. Native Nebraskan B.F. "Chip" Backlund, president, Bartonville Bank, Bartonville, Illinois, was the first

speaker on the agenda and was quick to set the tone of his address. A director of the Independent Bankers Association of America, Mr. Backlund suggested that community bankers are in the professional race of their lives and advised the bankers to fasten their seat belts.

As a result of the recently enacted banking legislation, Mr. Backlund said that survival for the independent banker will require increased

Ogallala, has announced the addition of David L. Christensen to its board.

Mr. Christensen, senior vice president and trust officer, joined the bank in May. He formerly was vice president at the Security National Bank at Superior.

Bank Officer Named to ABA Lending Division

Betty J. Graves, vice president of the instalment loan division of Commercial National Bank & Trust Company, Grand Island, has been named to the advisory board of the American Banker's Association Instalment Lending Division - Consumer Financial Services Group. The selection of board members is based on experience and leadership in retail banking.

Mrs. Graves was also recently appointed as the new compliance officer for the Commercial National Bank & Trust Company, responsible for the internal controls pertaining to compliance regulations.

Joins Rushville Bank

Richard R. Otto recently acquired interest in the Stockmen's National Bank of Rushville and has joined the bank's staff as vice president.

Mr. Otto previously was employed in the correspondence division of Packers National Bank of Omaha. He holds a bachelor of science degree in business administration from Nebraska Wesleyan University.

Retires at North Loup

Frances Van Horn, assistant cashier of the North Loup Valley Bank, North Loup, recently retired from her position with the bank.

productivity and demand stronger, more assertive leadership roles on behalf of the bankers. Along that line, he advised the bankers to begin developing new leaders within the banks to meet this demand. He also cautioned against the intimidation of "predatory" mega-banks and went on to accent the marketing advantage of the community banker resulting from his personal relationships and associations with the bank customer. He feels that the indepen-

NEBRASKA INDEPENDENTS...

(Turn to page 56, please)



Omaha

WHEN the nation's largest retailer and Nebraska's largest bank plan a ribbon-cutting, they make sure the ribbon gets cut.

John D. Woods, board chairman of Omaha National Bank, and **Sam Compagno**, manager of Sears' Crossroad's store, used a Sears electric chain saw recently to cut a wooden bow to mark the official opening of Omaha National's 12th and 13th MoneyMat Day/Night Banking Centers—outside the Sears Crossroads store at 72nd and Dodge and outside Baker's Supermarket at 50th and Ames.



John D. Woods, third from left, chairman of Omaha National Bank, uses a Sears chain saw to cut a wooden bow marking the grand opening of Omaha National's newest MoneyMat Day/Night Banking Center at the Sears Crossroads store in Omaha. Looking on, from left, are **Melvin D. From**, vice president of Consumer Banking at Omaha National; **Sam Compagno**, manager of the Sears Crossroads store, and **Fred Woods**, merchandise manager of Sears Crossroads.

MoneyMats allow customers to get cash, make deposits or transfer funds between their checking and savings accounts using a Bank-In-A-Billfold card issued through Omaha National or other plastic access cards issued by some other institutions that have sharing agreements with Omaha National. The MoneyMats are open day and night, seven days a week to provide around-the-clock banking convenience.

Mr. Woods said more than one million transactions will be processed through the MoneyMat system this year. This not only represents transactions of Omaha National customers, but also customers of nine other metropolitan Omaha banks and more than 150 outstate Nebraska and Iowa financial institutions that have signed agreements that allow their customers to use the MoneyMats. The Omaha National Bank ATMs now are at 13 locations and there will be three more by next spring, **Mr. Woods** stated.

* * *

Douglas County Bank & Trust Co. has announced the promotions of **Lawrence Ziska, Jr.** to executive vice president; **Duane C. Chunka** to first vice president and cashier; **Charles A. Prai** to vice president; **Robert Gross** to loan division manager, and **Richard Kuhns** to assistant vice president.

Mr. Ziska will direct the internal supervision of all bank departments, reporting directly to the president, **Dale Heimann**.



L. ZISKA, JR.



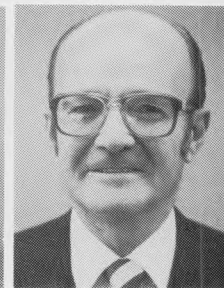
D.C. CHUNKA



C.A. PRAI



R. GROSS



R. KUHN

Mr. Ziska began his career with the bank in 1974.

Mr. Chunka, who will manage the control division, was employed as a CPA prior to his joining the bank in 1964.

Mr. Prai joined the bank in 1966 and will be in charge of the installment loan department in his new position.

Mr. Gross started with the bank in 1971 as a loan officer in the commercial loan department.

Mr. Kuhns joined the bank in May of this year and will serve in the commercial loan department.

* * *

The Federal Reserve Bank of Kansas City has awarded a contract to Anderson Excavating and Wrecking Co. of Omaha for demolition and preliminary site preparation for a proposed new Omaha Branch building. The site is bounded by the Astro Theater and the Goodyear Tire Store on the east, and by 24th, Farnam and Harney Streets.

The property was purchased as the site for a proposed new branch to replace the building at 17th and Dodge. Actual construction depends on final approval by the Board of Governors of the Federal Reserve System. The Board is expected to consider the Omaha building project later this year.

Demolition will begin shortly and is expected to continue until next spring, with plans to begin construction in late 1983.

* * *

Dennis R. Wood, president of

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M.R. DRAHOTA

M.A. HERZBERG

Packers National Bank, has announced the addition of **Michael R. Drahota** as investment banking officer, and **Mary A. Herzberg** as bond investment officer, both in the bond department.

Mr. Drahota has over four years underwriting experience with a local securities firm. He will be working with private placements and underwriting municipal bonds.

Ms. Herzberg has over seven years previous experience in the bond trading and selling field. She will be assisting correspondents with their portfolio strategies.

* * *

Robert R. Kruger, chairman of the Ames Bank, has announced the ap-

pointment of **James F. Severin**, **Marcia Kruger** and **Gregory Kruger** to vice president.

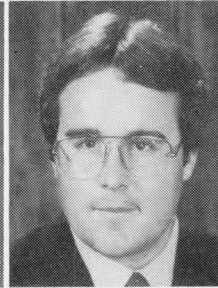
Mr. Severin joined the bank in 1980 as cashier. Ms. Kruger has been with Ames Bank since 1975, having held various titles since that time. Mr. Kruger worked part-time



J.F. SEVERIN



M. KRUGER



G. KRUGER

at Ames Bank while attending school, joining the bank full-time in 1980.

* * *

William A. Chapman, president of

B.C. Dressed Beef, Chapman Commodities and Ultra-Air Aviation Companies, has been elected to the board of directors of American National Corporation, according to **John M. Shonsey**, chairman.

ABA Plans Conference on Cost Control, Productivity

"Corporate/Commercial Marketing Strategies in a Cost Conscious Environment" is the theme for the 1983 American Bankers Association Corporate/Commercial Marketing Conference.

Scheduled for March 2-4, 1983, at the Capital Hilton Hotel in Washington, D.C., the conference is designed for line and staff bankers with responsibilities in areas such as marketing, corporate banking, commercial services, business development and commercial lending.

"Cost control and productivity may not have been top priorities for corporate bankers in the past, but today these issues are getting serious consideration," said Graeme M. Keith, chairman of the Corporate/Commercial Marketing Conference planning committee and vice chairman of First Railroad and Banking Company, Augusta, Ga.

Subjects to be addressed include designing an effective officer calling program, using incentive compensation plans in officer calling programs, developing a corporate advertising campaign, using target advertising and promotion to increase market share, and designing a system for more effective product management.

Other topics include increasing market share with the use of credit services, pricing strategies to encourage total account relationships, determining the type of information needed to support sound marketing decisions, and designing and implementing a marketing data management system.

A display area, featuring materials from leading vendors of corporate marketing supplies, will highlight the meeting.

The registration fee for the Corporate/Commercial Marketing Conference is \$425 for ABA members, \$595 for nonmembers. To register, or for further information, contact Linda Parrish, ABA Marketing Division, 1120 Connecticut Ave., NW, Washington, D.C. 20036. Her phone number is (202) 467-4887.

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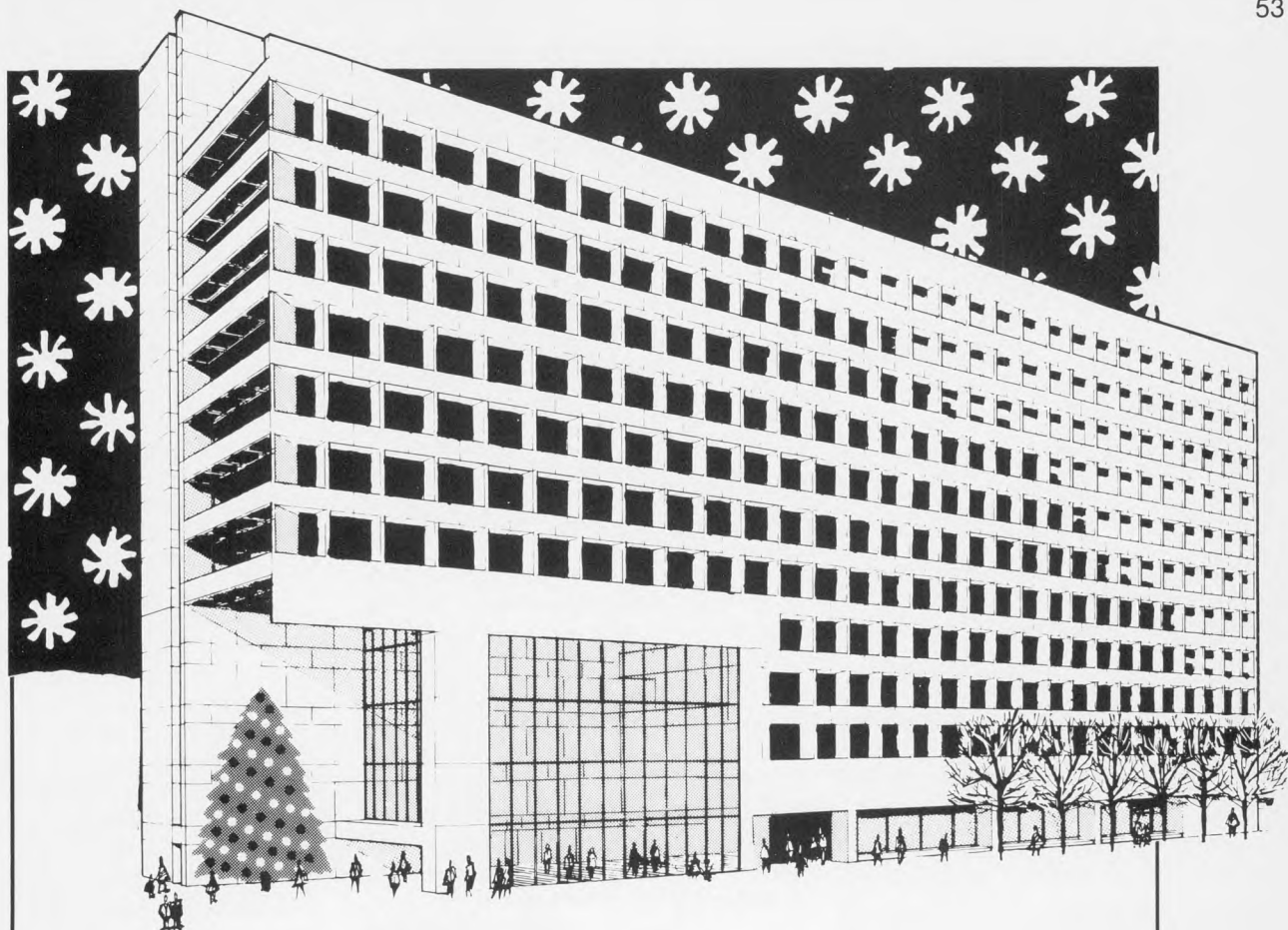
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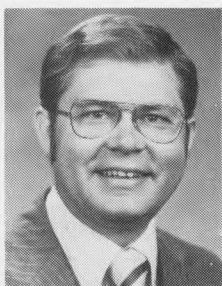
Dennis Stelzer has been appointed president and chief executive officer of the NBC Computer Services Corporation.

Mr. Stelzer has been with the operations division of National Bank of Commerce since 1971, serving as division head and vice president since 1978.

Larry Nelson is the new division head of bank operations for NBC.



D. STELZER

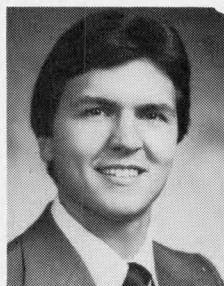


L. NELSON

He has extensive experience in auditing and bank operations, having begun his career with the bank in 1963. He served as vice president and auditor of NBC from 1977 to 1980, more recently as vice president and department manager of depositor services.

The board of directors of National Bank of Commerce has announced the promotion of **Mark Hansen** to assistant vice president.

Mr. Hansen holds a bachelor's degree in business administration from the University of Nebraska-Lincoln. He joined NBC in 1976 in the loan analysis



M. HANSEN

department and was promoted to loan analysis officer and department manager in 1978. Mr. Hansen has been a commercial loan officer since 1980.

New Programs Added to Stonier Graduate School

This year the American Bankers Association's Stonier Graduate School of Banking will introduce several new, innovative programs. Two examples are microcomputer training and a new management education module developed by the Center for Creative Leadership in Greensboro, N.C. These additions, coupled with other major refinements to the program made in recent years — track courses and a new retail banking core, the new alternative to the traditional thesis, and classes segmented by student experience for more effective instruction — strengthen Stonier's role in bank leadership development.

Microcomputer training was added to Stonier's curriculum because of the overwhelming needs of bankers in this area, said Dr. William Baughn, director of the Stonier Graduate School of Banking. Evidence of this burgeoning interest was seen at the ABA's annual convention in Atlanta recently, where thousands of bankers attended standing-room-only sessions on the fast-growing field of microcomputers.

The eight-hour microcomputer segment will be required for all first year students, Dr. Baughn said. Although the course will be an introductory one, it will go beyond just teaching students how to use a microcomputer, he said.

A new 12-hour module on purposeful management will be introduced into the third year curriculum. This program replaces the Senior Seminars previously required of third year students. The Center for Creative Leadership, a Greensboro, N.C.-based educational and research firm, will conduct the training program for third-year students.

The program is designed to provide students with new knowledge and skills to bring about changes in the participants' motivation, attitudes, and values, and to expand behavioral skills in setting and achieving organizational goals through more purposeful, goal-oriented management.

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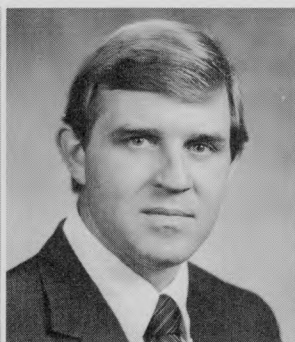
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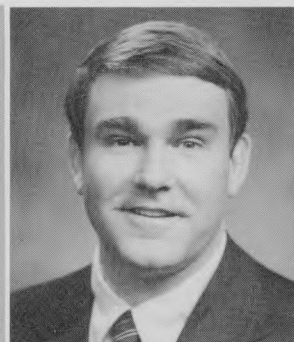
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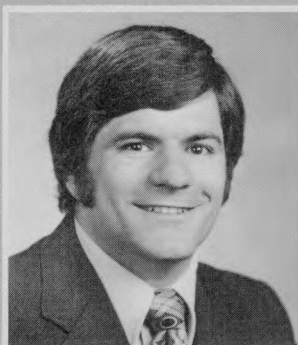
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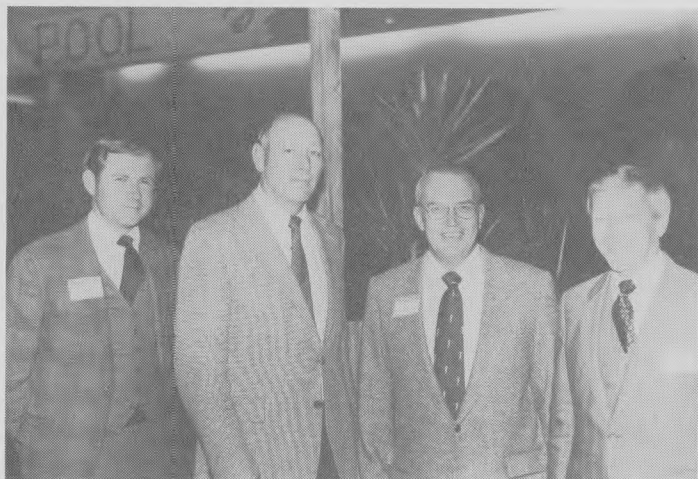


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LEFT—NIBA Officers for 1982-83 are: 2nd V.P. **John Green**, pres., Wauneta Falls Bk., Wauneta; 1st V.P. **Dean Kugler**, pres., Springfield St. Bk.; Pres. **Dennis Brewster**, pres., Butte St. Bk., and Treas. **Tom Grove**, v.p., Packers Natl. Bk., Omaha. **RIGHT**—Convention speakers included: **Paul Dunlap**, pres., Hawkeye Bancorp., Des Moines, Ia.; **Jim Moylan**, NIBA gen. coun., Omaha; **Tom Hoeing**, v.p., 10th Fed. Res. Dist., Kansas City, and IBAA Pres. **Bob McCormick**, pres., Stillwater Bk. & Tr., Stillwater, Okla.

Nebraska Independent Bankers Meet

(Continued from page 49)

dent bankers will soon face a greater challenge from conglomerate financial institutions "possessing carnivorous appetites and an unwavering desire to control the entire world."

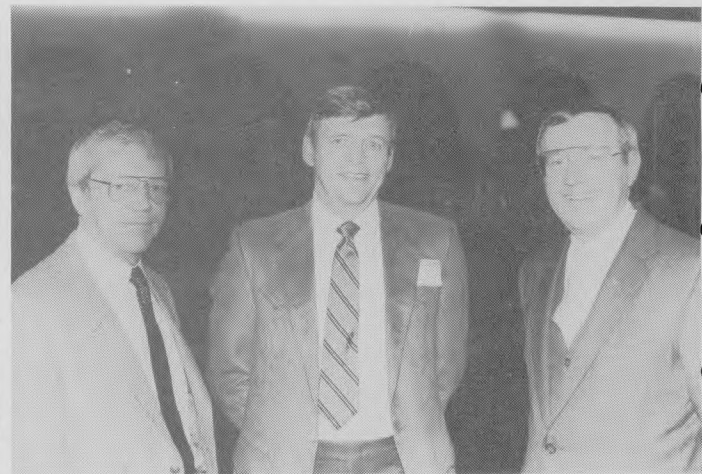
Changing to a different topic, Mr. Backlund compared financial advice given to President Reagan by Secretary of the Treasury Donald Regan to advice given to the Czars by the Russian Rasputin. He said that he does not personally believe Mr. Regan to be a wicked man, but stated that the Secretary must actually feel that "what is good for Merrill Lynch is good for America. Mr. Regan's religious drive, fed by greed, ignores the community banker." He closed his attack with another comparison

stating that, "Secretary Regan is as dangerous to America as Rasputin was to Russia."

Moving to the subject of selling a community bank, Mr. Backlund was adamant in urging the bankers not to overlook the needs of the community when it comes time to sell the bank. He advised that the best buyer may not always be the highest bidder and suggested that the formation of one bank holding companies can help to keep the bank independent after the sale. He told the bankers to "stand up for community banking—it's worth it!" In closing Mr. Backlund quoted Winston Churchill when he spoke to the boys at Harrow School. "Never give in, Never give in, Never, never, never,

never—in nothing, great or small, large or petty—never give in except to convictions of honor and good sense."

Another native Nebraskan on the agenda was Paul Dunlap, president, Hawkeye Bancorportion, Des Moines, Iowa. Coming from an independent banking family well respected in Nebraska, he opened by revealing that this was the first time that his brothers had allowed him west of Omaha since he began banking in Iowa. Mr. Dunlap gave an autopsy analysis of the two Iowa banks that failed during 1982 and how Hawkeye Bancorporation pumped new life into them. As a result of his negotiations with the Federal Deposit Insurance Corporation in purchasing



LEFT—**Chuck Mitchell**, dep. dir., Neb. Dept. Bkg. & Finance; **Bill Henry**, v.p., 1st Natl. Bk., Omaha; **Dave Klipsch**, chmn. & pres., 1st Westside Bk., Omaha; **Doug Clarke**, pres., Hastings St. Bk., and **Ron Yaley**, pres., Neb. St. Bk., So. Sioux City. **RIGHT**—**Tom Grove**, v.p., Packers Natl. Bk., Omaha; **Bud Gerhart**, pres., 1st Natl. Bk., Newman Grove, and **Milton Klohn**, pres., INDEK, Mpls., Minn.

the two banks he said that he has no doubts that FDIC has two sets of rules when dealing with an ailing bank. "If it is a small bank and sick—let it die. If it is a large bank and sick—put it on life support. There is no doubt in my mind that FDIC considers small banks expendable and that they wanted to close the two banks in Iowa," he said.

Perhaps the biggest surprise of the convention came from Representative Doug Bereuter, House of Representatives, and member of the House Banking Committee. Prefacing his remarks by saying that the bankers would respect and appreciate his candor, he unleashed a verbal attack against the IBAA and disagreed with them in their assessment of the Garn Bill. While praising the NIBA for the role of the independent banker in the community, he blasted the IBAA for its "anti-progressive" attitude. He said that the IBAA was told by members of the banking committee to stop its "petty bickering" with the American Bankers Association and added that the open hostility with the ABA displayed by the IBAA was damaging to the efforts of all bankers. He did say, however, that congressional support towards the independent banking industry remains strong and urged the IBAA and ABA to speak with a unified voice.

IBAA President Bob McCormick, also a convention speaker, responded to Rep. Bereuter's statement in an exclusive interview with NORTHWESTERN BANKER. He said that the congressman's view represents a very "partisan attitude on behalf of the Republican Party and President Reagan." He said that by signing the bill, the President is not acting in the best interest of the independent banker. He further feels that Mr. Bereuter's assumption that the ABA is speaking for the entire banking industry is "ridiculous" and added that the "self serving Republican position ignores that the IBAA might be right."

Mr. McCormick concluded the interview by again expressing disappointment in the new Garn Bill. He said that the expanded powers given to the thrifts in the new law will do enormous damage to the independent banker. He says that he feels that the ailing thrift had the bankers over a barrel by their "crisis" status while the bill was being debated. □

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Your Security Correspondent Bankers
l. to r. Ken Roeder, Stan Carlson,
Wilma Weeks, Steve Hatz, Mike Hefner



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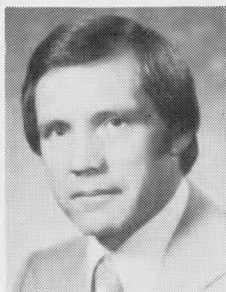
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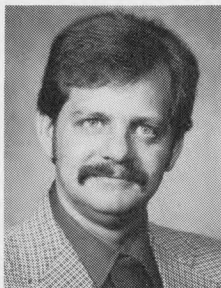
L.C. "Bud" Pike, pres., Grundy Center
N. Milner, exec. v.p., Des Moines



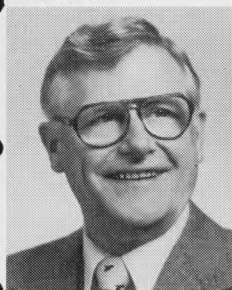
Three Named in Sioux City

Michael J. Moeller, president of Northwestern National Bank, Sioux City, has announced several changes in status among officers of the bank.

Edward L. Collins, senior operations officer, has been named vice president, operations. Mr. Collins joined the bank's operations staff in 1974, previously serving with Northwestern National Bank of Omaha.



E.L. COLLINS



D. STONE



J. KIEWEL

Don Stone, marketing officer, has been appointed vice president, marketing. Mr. Stone joined Northwestern as an officer in 1972 after 30 years of association with radio station KSCJ and television station KTIV.

Jan Kiewel, operations officer, was promoted to assistant vice president, operations. Mrs. Kiewel started her Northwestern career in 1970, was named a marketing officer in 1975 and became an operations officer in 1978.

Livermore Elections Told

Dennis DeGroote was recently elected executive vice president and director of the Livermore State Bank. He replaces Robert L. Wilson, who passed away suddenly November 10. Mr. Wilson apparently suffered a fatal heart attack as the board was concluding its regular Novem-

ber director's meeting. Mr. DeGroote has been employed at the Livermore State Bank since 1975.

A.C. Benton was elected president in addition to his position as chairman of the board. Other directors of the bank are R.E. Miller, president of the Citizens State Bank, Iowa Falls, and R.G. Thul and Leo Bormann, area farmers.

Spencer Student Killed

Steve Rehnstrom, 17, son of Don Rehnstrom, president, First State Bank, Sioux Rapids, was killed in a head-on car crash recently 10 miles north of Spencer. Two other 17-year old classmates from Spencer High School who were in the same car with Steve Rehnstrom also were killed. They were Peter Anson, president of the school student body, and Kyle VandeBerg, quarterback of the Spencer High football team. Steve Rehnstrom was a star pitcher on the school baseball team.

Three other Spencer High youths were injured in the crash. Two of them were in one car, four in the other. A state highway patrolman had just clocked both cars seconds before the impact and reported that neither car was speeding. Although a light mist was falling at the time, there has been no explanation as to

why the larger car with the two youths crossed the center line and struck the Fiat driven by Peter Anson and carrying Steve Rehnstrom, Kyle VandeBerg and Paul Morony.

Elected in Council Bluffs

First National Bank of Council Bluffs has announced the addition of Gerald D. Kelso as a personal banking officer.

He previously was employed with First Federal Savings and Loan Association for four years prior to joining First National.

Also at the bank, Bruce E. Hopkins, president of Mercy Hospital in Council Bluffs; David H. Kuper, M.D., a urological surgeon and partner in Bluffs Urological Associates, P.C.; Robert D. Looft, Ph.D., superintendent/president Iowa Western Community College, and David R. Parker, treasury department, Peter Kiewit Sons', Inc., have been elected to the bank's board of directors.

BICS President to Head NABS

Brian Phillips, president of Banks of Iowa Computer Services, Inc., Cedar Rapids, was recently elected president of the National Association of Bank Servicers for 1983. He served as vice president for NABS during the 1982 year and was program chairman for all meetings during that time.

NABS meets several times each year to address the current challenges of bank data processing and to exchange ideas and information among members. The association also works with bank regulatory authorities to foster reasonable and workable methods for compliance with banking laws and regulations.

Hills Bank Opens Iowa City Office



THE Hills Bank and Trust Company officially opened its Iowa City office, located at the corner of Gilbert St. and Hwy. 6 Bypass, last month with an open house. The new 7,600 sq. ft. building offers a full range of banking services along with five drive-in lanes and a night depository. The bank also offers the area's first 24-hour drive-up ATM, with another ATM located in the bank's foyer.



LEFT—The most noticeable feature of United Central Bank & Trust's new structure is probably its grooved Kasota stone exterior, an extremely hard, dense limestone. **RIGHT**—the bank's airy, skylighted, two-story addition provides ample room for the bank's teller windows and its marketing, bookkeeping and personnel departments.

New Facility for Mason City Bank

AFTER 14 months United Central Bank & Trust Company of Mason City completed construction and is in its new home at State and Washington, two months ahead of schedule. The construction caused some inconvenience to customers, but the bank remained open throughout the entire project.

"We simply had outgrown our quarters and as a result, we couldn't serve our customers as well as we wanted to," Hal Haver, bank president, stated. "So we decided to remodel and at the same time build for the future."

The project was completed in two phases. The first phase started in

June 8, 1981, and involved construction of the new addition. In the second phase, starting last April 2, the bank's 16,800 square foot existing building was gutted and remodeled.

The 10,200 square foot, two-story addition includes a canopy covered drive-up area, with a blonde limestone exterior finish. The interior features a skylight that adds beauty and warmth to the addition's subdued earth tone color scheme.

Meanwhile, there is nothing old about the bank's existing building. Completely refurbished, it now houses the various loan departments, a board room and bank officials' offices.

An unseen, but important part of the new building is its energy efficient heating and cooling equipment. The new air system, called zone control, involves 40 separate heating and cooling units and is expected to heat and cool the entire building with the same amount of energy used for the former bank structure. The system is solar responsive, which means it is capable of taking heat from the skylight and transferring it to other parts of the building.

Pleased with the new surroundings, Mr. Haver stated, "We believe we're progressive thinking and service oriented. We also believe the bank's design reflects forward thinking, a progressive attitude and customer service."

ITS Transaction Volumes Top Half-Million Mark

ITS, Inc., has announced that in October the ITS switch processed a record 502,476 transactions. That figure accounts for roughly one-third of the total statewide EFT transactions.

Initially switching only 499 transactions in February, 1977, ITS, Inc. has more than doubled its transaction volume in 1982. The monthly switched total for January, 1982 was 240,765. The October figure indicates a 110% growth rate over the first ten months of 1982.

Dale Dooley, president of ITS, Inc., stated that "the 1,507,425 total monthly EFT transactions processed by 15 data processing centers clearly illustrate that the new 'paper-

less' payment system is well accepted by the consuming public.

Mr. Dooley said, "at these volume levels, this represents a total of 18,089,100 transactions annually. With approximately 500,000 cards issued by participating financial institutions, this works out to three transactions per card, per month. Customers of the 175 participating financial institutions in 84 cities in Iowa, Nebraska and South Dakota, are able to perform withdrawals, deposits, transfers and account balance inquiries at more than 385 shared terminals located in these three states." However, he noted that deposits are restricted across state lines.

"Our increase in volumes is a result of many midwest financial executives recognizing the need to offer

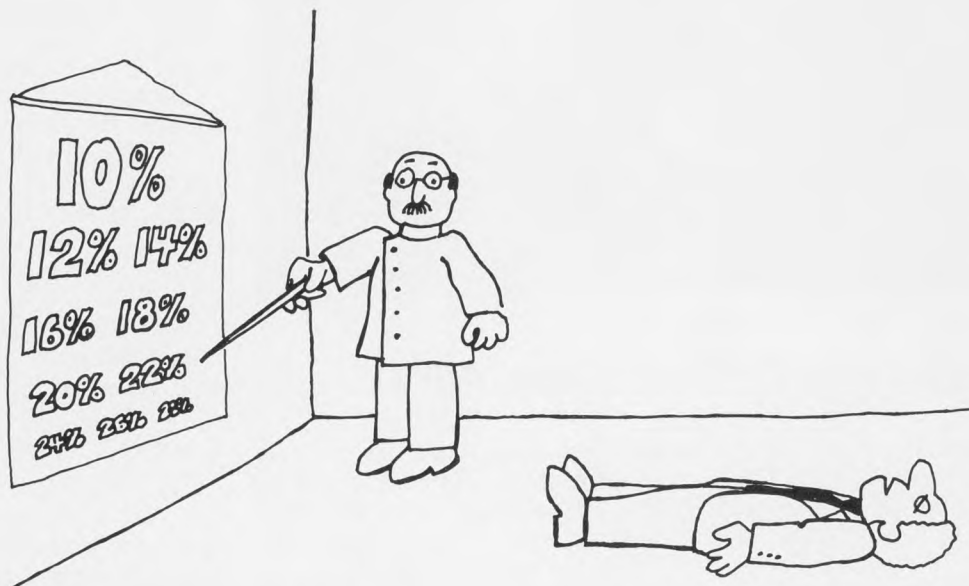
their customers 'convenient electronic banking services'," added Mr. Dooley. "By actively establishing terminal locations and issuing their own cards, they are preventing larger money center financial institutions from dominating the EFT process. Preventing such domination promotes competition and ensures fair pricing."

Primghar Banker Dies

Funeral services were held October 27 for James M. Metcalf, who had been associated with the First National Bank, Primghar, since September, 1925, until his retirement in January, 1977.

He was elected president of the bank in 1964 and chairman of the board in 1978.

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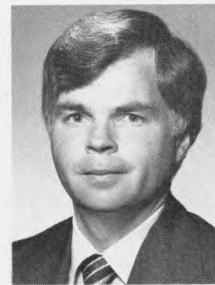
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First National, Sioux City

Hosts Executive Officer Seminar

FIRST National Bank in Sioux City recently hosted an Executive Officer Bank Management Seminar at the Hilton Hotel in Sioux City. Over 70 bankers representing the senior management of 40 banks in Iowa, Nebraska and South Dakota were in attendance at the one-day seminar. This was the third annual Executive Officer Seminar sponsored by First National Bank.

The theme of this year's seminar was "Meeting the Challenges to Future Earnings." Topics presented

at the seminar included asset/liability management, considerations in pricing, managing your ag portfolio, managing with micro-computers and a review of DIDC activities. All of the topics discussed have a direct impact on the future earnings of community banks.

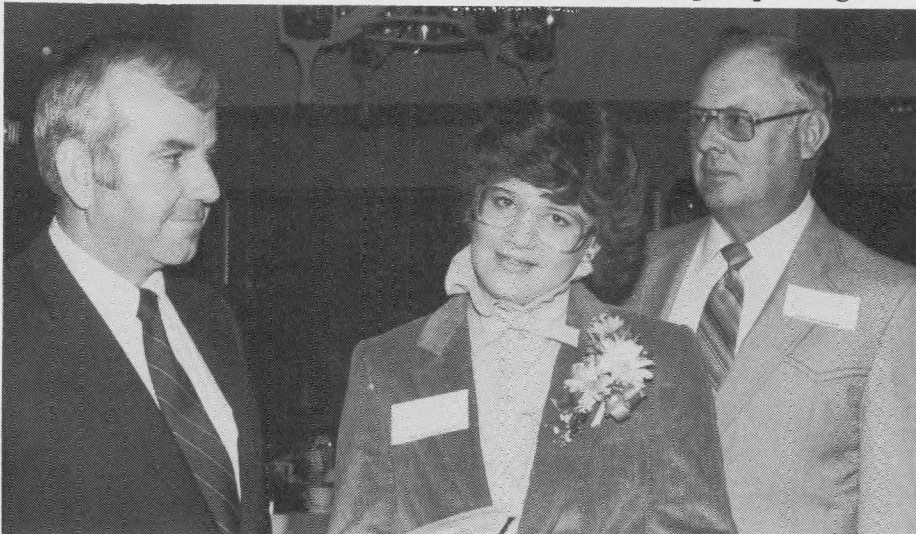
The featured speaker at this year's seminar was Silas Keehn, president of the Federal Reserve Bank of Chicago. Mr. Keehn's comments touched on Federal Reserve Policy, as well as current economic conditions.

Ag Expert Speaks at Banquet

THE coming year will be a weaning out year among farmers, says Dr. Barry L. Flinchbaugh, as-

sistant professor of agriculture at Kansas State University.

Mr. Flinchbaugh, speaking Mon-



GETTING together after Monday night's Cattle Feeders Banquet at Lakeshore Country Club are **Tom Whitson**, president of the sponsoring Council Bluffs Savings Bank, **Nikki Rath** of rural Treynor, who was honored for showing the Reserve Grand Champion Beef at Westfair, and **Owen Darrington**, Underwood area farmer.

day night at Council Bluffs Savings Bank's 40th annual Cattle Feeders Banquet at Lakeshore Country Club, said net farm income is expected to decline for the third year in a row.

"Farmers may dream of being price makers, but they never were," he told the nearly 300 people at the banquet. "The law of supply and demand is not repealable."

He speculated on the status of farming as far away as the year 2000.

"We have just witnessed the beginning of the end of commodity programs." Mr. Flinchbaugh said the future holds less government subsidy, but more manipulation, especially in foreign policy.

The beef served at the dinner was purchased from 4-H members attending Westfair.

Branch Office Approved

The Toy National Bank of Sioux City recently received approval from the Comptroller of the Currency to open a branch office at the Southern Hills Mall, South Lakeport.

Johnson County Bankers Meet

The annual meeting of the Johnson County Bankers Association was held the end of October with the following officers elected for the 1982-83 year.

President—Douglas Shanklin, vice president, Farmers and Merchants Savings Bank, Lone Tree;

Vice President—Keith A. Jones, vice president and cashier, Unibank & Trust, Coralville.

Secretary—Carol J. Tomash, assistant cashier, First Trust & Savings Bank, Oxford, and,

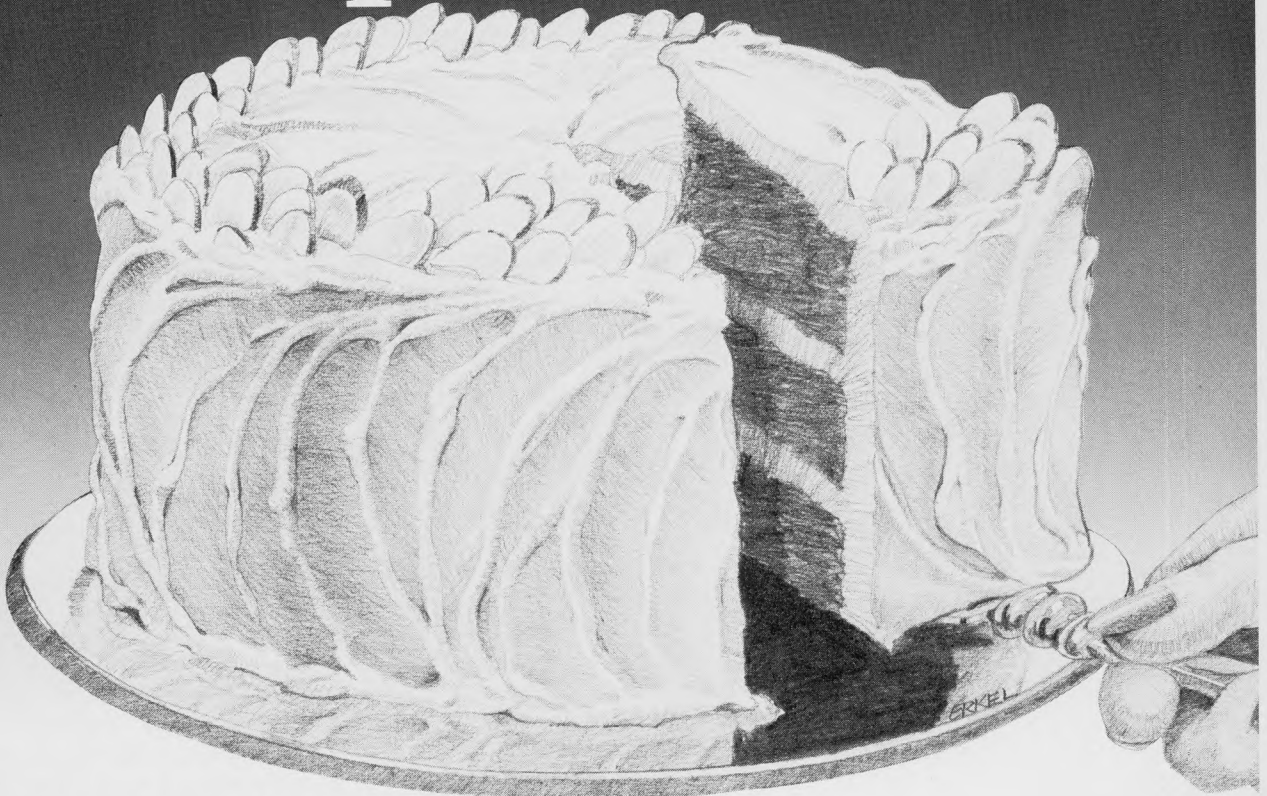
Treasurer—James R. Schultz, executive vice president, Hawkeye State Bank, Iowa City.

Akron Merger Announced

Harold Harms, president of the Akron Savings Bank, and James M. Hongslo, president of the First National Bank of Akron, have announced that the First National Bank will purchase the assets of the Akron Savings Bank.

The two banks will then merge into one under the ownership and direction of the First National Bank. This agreement is subject to regulatory approval, which is expected to take place before March, 1983. First National will have combined assets of \$29 million.

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NABW State Chairman Speaks to Northeast Group

Ruth Willits, state chairman of the National Association of Bank Women, Inc., was guest speaker at the October 28th meeting of the Northeast Iowa Group of NABW in Maquoketa. Mrs. Willits, vice president, Northwest Bank and Trust, Davenport, spoke on the educational programs and scholarships available on both the regional and state level through NABW. She also reported on recent structural changes in the

organization as a result of the National Convention held in Los Angeles in September.

Following the dinner meeting, a film and module on "Delegating" was presented by Kay Fulrath, assistant vice president, Merchants National Bank, Cedar Rapids.

Recently installed officers of the Northeast Iowa Group are Chairman Marguerite Stoll, vice president, Citizens Savings Bank, Anamosa; Vice-Chairman Patricia Latimer, second vice president, American Trust and Savings Bank, Du-

buque; Secretary Elaine Ott, assistant vice president, Peoples Bank and Trust, Cedar Rapids, and Treasurer Marcia Bair, assistant cashier, Mount Vernon Bank and Trust.

J. Harold Sears Retires.

J. Harold Sears retired October 30 from his position as district director of the Small Business Administration in the Cedar Rapids district office. He had been associated with the SBA since 1972 when he was named Des Moines district director. He transferred in 1980 to a similar post in the Lower Rio Grande Valley district office in Harlingen, Tex., returning from that position to Cedar Rapids in 1981.



J.H. SEARS

After receiving his BS degree in Commerce in 1938 from the University of Iowa, Mr. Sears became a management trainee at First Trust and Savings Bank in his native city of Davenport. From 1942-63 he was accounting department manager and later treasurer of Red Jacket Manufacturing Company in Davenport. He moved to St. Paul, Minn., in 1963 where he was appointed comptroller and later assistant treasurer of Rodman Industries, Inc. He left that firm in 1972 to join the SBA in Des Moines.

Mr. and Mrs. Sears plan to continue their permanent home at 1909 79th Street in Des Moines.

Remsen Grand Opening Held

Farmers Savings Bank, Remsen, recently held a grand opening for its newly constructed bank building, designed by Structural Designs, Inc., of Holstein. The new facility contains 4,000 square feet on the main floor, finished basement for bank operations, five teller lines and a drive-up facility, which is new to the community. Construction is of brick design, with "old world" features.

The bank gave out prizes throughout the day including a day's interest on \$1,000,000, two microwaves, two tons of feed and five \$100 savings bonds.

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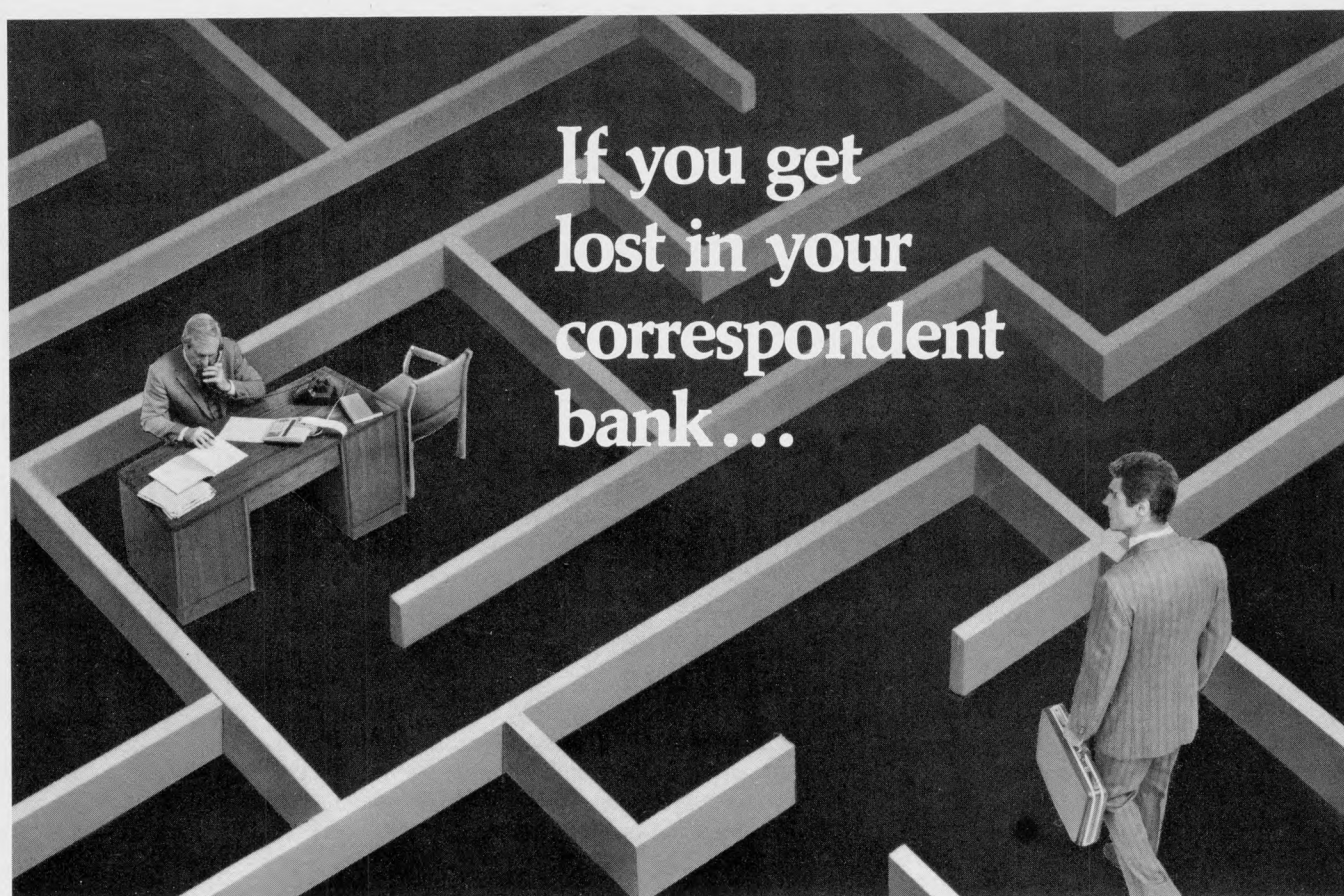
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Residential Exterior Houses New Bank



THE Granger Office of the Brenton State Bank of Dallas Center has received special recognition in two recent competitions of the American Institute of Architects. The bank was singled out in the 1982 Iowa Honor Awards Program and also in the 1982 Regional Honor Awards Program, involving five states—Neb., Iowa, Kan., Okla. and Mo. The bank was applauded for the integration of a residential setting exterior with a bank function interior. Many local people have assumed the structure was a remodeled home, rather than a new building, which has a two-story exterior and a one-story interior. It was designed for generous daylight by Charles Herbert & Associates of Des Moines.

Des Moines-Based MMF To Buy Iowa Bank Loans

The Iowa Liquid Assets Fund began operation early last month as the state's first money market fund of its kind and will invest up to 80% of its assets in loans originated by Iowa banks. Richard Westcott, president of Iowa Investment Advisers,

which will advise the fund on its investment, said banks will continue to service loans sold to the fund and agree to repurchase the loan on short notice in the event fund shareholders wish to cash in their shares. He said the fund also will purchase federally insured student loans from Iowa banks on similar terms in addi-

tion to investing in U.S. Government securities.

Mr. Westcott commented, "The Iowa Liquid Assets Fund was organized to attract back to the state some of the \$1.6 billion dollars that has been siphoned out of Iowa banks by the large eastern-based money market funds. Those funds invest their money in the obligations of the country's largest banks and industrial concerns and very little of the money finds its way back to Iowa. This hurts the state by reducing funds available to finance the Iowa economy."

Mr. Westcott said there are 118,000 Iowans who have invested in the eastern MMMFs. He said the Iowa Liquid Assets Fund interest yield will fluctuate with market interest rates but is expected to be comparable to the return offered by other money market funds. Some of those investors from Iowa apparently have switched their interest in money market funds to ILAF for it placed more than \$3 million of funds in its first three weeks of business, Mr. Westcott said. The Fund's goal is \$100 million, he added.

ILAF will buy commercial, industrial and ag loans exclusively from Iowa banks, he noted. The banks guarantee the credit, service the loans for up to 300 basis points fee, and agree to repurchase the loans on short notice. "This frees up millions in funds for Iowa banks to reinvest in loans," Mr. Westcott said.

Mr. Westcott's business background has been in banking, investments and industrial financial management. A native of Burwell, Nebr., he was graduated from the University of Nebraska in 1955 with a BA in Business Administration, then obtained his MA from Harvard in 1957. From that year until 1961 he spent four and one-half years in the government and tax-exempt bond department of First National Bank of Chicago. In 1961 he joined Hayden, Stone, Inc. investment firm in its Chicago office, later transferring to New York.

He returned to Nebraska in 1964 as one of five founders of Nebraska Securities, Inc., which was a spin-out of the Old First Trust Co. That firm later became First Mid America. As executive vice president and director, Mr. Westcott headed up the firm's corporate finance activities. During his years with First Mid America, Mr. Westcott was on

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the board of 10 clients, and was a member of the Board of Trade and Chicago Mercantile.

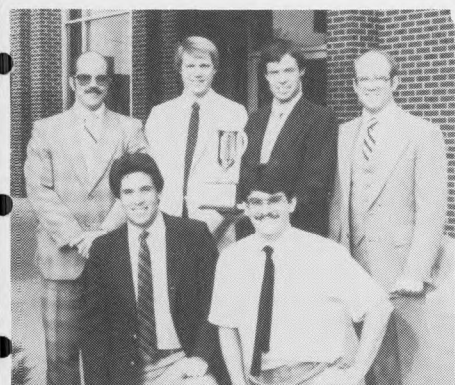
He resigned that post in 1974 to become president of Wheeler Stores, a chain of 50 discount farm stores in the midwest. That company was merged two years later with Peavey in Minneapolis, and later merged into ConAgra. From that post, Mr. Westcott moved to Des Moines as president of Mid-Continent Industries, whose principal subsidiaries were Mid-Continent Bottlers (7-Up) and Tone Bros. spices. He served as president of the firm five years, and following its merger with Universal Foods he joined Hawkeye Bancorporation, working there two years as head of the financial services group, which handles all non-banking activities.

Mr. Westcott headquarters in the Stephens Building, Des Moines, and intends to direct Iowa Liquid Assets Fund to serving Iowa banks.

Hawkeye-Capital, Des Moines Wins Iowa Corporate Run

The 2nd Annual Iowa Corporate Run, sponsored by the American Lung Association of Iowa, was held recently at Jester Park, Des Moines. Over 400 participants from 27 different corporations entered the competition.

Winning the Class A 2-mile run for corporations under 250 employees was Hawkeye-Capital Bank & Trust, Des Moines. Hawkeye-Capital's six member team won the event by finishing closest to their pre-race estimated times. Team members were Bob Baudler, David Pike, Greg O'Hara, Kirk Weaver, Ted Economos and Jim Koster.



Hawkeye-Capital Bank & Trust runners display the trophy for winning the Class A 2-mile event for the 1982 Iowa Corporate Cup Run. L to R: (kneeling) Ted Economos and Kirk Weaver; (standing) Greg O'Hara, Jim Koster, Bob Baudler and David Pike.

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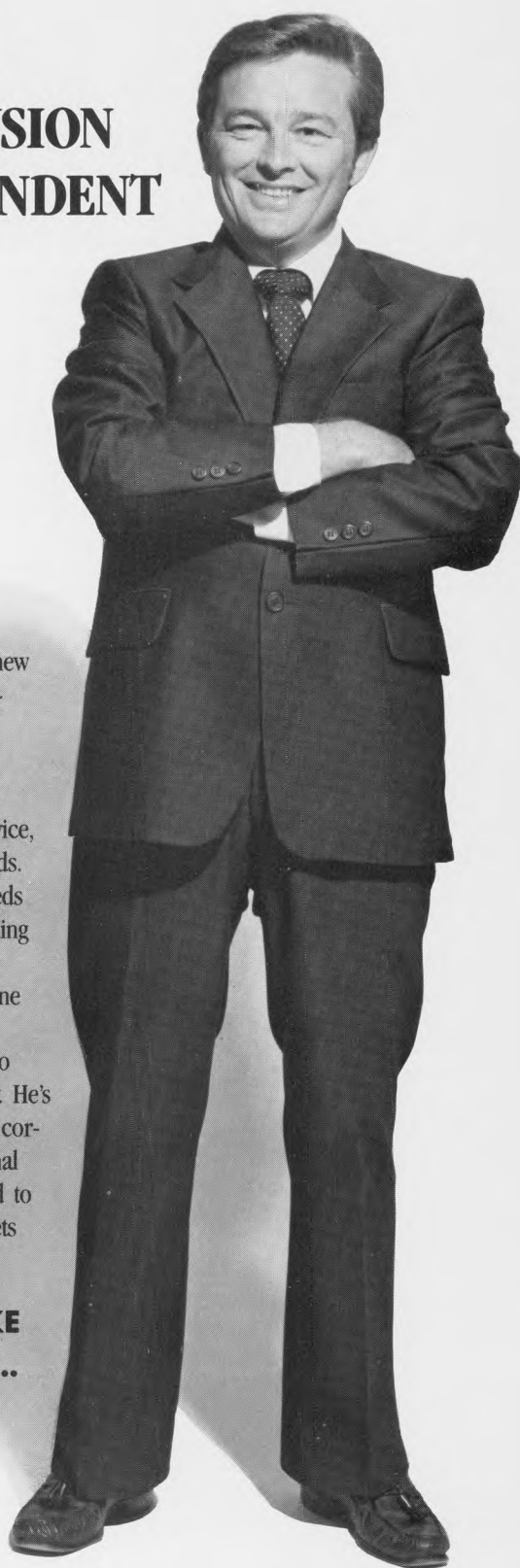
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LEFT—James Struve, IBA Consumer Lending Committee chmn. and v.p., Merchants Natl., Cedar Rapids, poses with Wes Ehrecke, IBA dir. of gov't. relations and mktg., and Senators Calvin O. Hultman (R), Senate Majority Leader, Red Oak, and Lowell Junkins (D), Senate Minority Leader, Montrose. RIGHT—Randy Steig, IBA exec. dir., seen with conference speaker Robert Georgeson, exec. v.p., First Natl. Bk. of Lawrence, Kan., and James Struve.



Bankers meet in Des Moines to discuss:

Consumer Lending/Retail Banking

By BECKY MCBURNEY
Associate Editor

THE 1982 Iowa Bankers Association Consumer Lending Conference—formerly Retail Banking Conference—was held November 3 & 4 at the Des Moines Hyatt.

The first speaker of the morning to address the group was Robert Georgeson, executive vice president, First National Bank of Lawrence, Kan., who spoke on "The Future of Retail Banking." In trying to define "retail banking."

Mr. Georgeson has developed his own definition of retail banking which he shared. "I define retail banking as being *the providing of consumer financial services*. Notice I didn't say *consumer banking services*—but *consumer financial services*. Banking services are only one aspect of the total financial services required by individuals."

"Looking at the past, commercial banking, indeed, is clearly on the threshold of a new era. For nearly 50 years, bank managers have been able to depend on three major statutory and regulatory pillars: 1) limits on the costs of funds, i.e., maximum savings rates were regulated — regulation Q — we didn't have to price; 2) an exclusive offering of major products — no one else could offer them; and finally 3) a protected geographic franchise — no free entry.

"But — all of that is rapidly changing now. There are a number of developing forces that promise to erode, it not completely eliminate, the traditional foundations of the commercial banking industry as we have known it. In fact, the entire financial services industry is under-

going an evolutionary, if not revolutionary, change.

"There were many broad changes in the economic, social, regulatory, legislative and technological environment in the 60's and 70's. Such changes are shaping up at a more rapid pace in the 80's. As bankers we must identify these many changes in the environment and involve ourselves in research and marketing programs to develop the products that will appeal to the emerging consumer profile."

In closing Mr. Georgeson stated, "We all understand that bankers are on the brink of a new competitive era. We must plan to cope in a variety of ways using research, planning, training programs, managing our staff capabilities, marketing, managing the interest rate risk and innovation. But most of these boil down to just one thing—*professionalism*. We must be professional bankers."

"That means we are updated: we know all about, not only our own products, but about our competitors' products — both financial and non-financial institutions. It means that we operate with awareness. We must be continually aware of who we are, what we should be doing, and where we are going. It means that we are sales people, because we are going to be competing daily with other people who are totally professionally trained and sales oriented.

"Finally, to attain *professionalism* as bankers, we will have to deal with the *perception* as well as the *reality* because from the customer viewpoint, the *perception* is the *reality*. If our customers perceive our banks to be: the biggest, the safest, the best, the most knowl-

edgeable, the friendliest, the most aggressive— as banks with professionalism—then we will be all of these things and we will prosper as retail bankers in the emerging environment."

The afternoon consisted of round table discussions, and concluded with a legislative panel moderated by Wes Ehrecke, IBA director of government relations and marketing, and consisting of Senators Calvin O. Hultman (R), Senate Majority Leader, Red Oak, and Lowell Junkins (D), Senate Minority Leader, Montrose.

Thursday morning's session heard Marcia Sullivan, general counsel, Consumer Bankers Association, Washington, D.C., inform bankers of what the Garn-St. Germaine Bill all entails, and how its going to affect the banks. She also discussed the bankruptcy reform the consumer bankers association has been working on — the most important reform being to have future payments considered when bankruptcy is declared.

The rest of the morning was devoted to a two-part demonstration of "Asset Liability Management," or more simply "profit planning," given by Jim Vining, president and chief executive officer of Vining Sparks Securities, Inc., Memphis, Tenn.

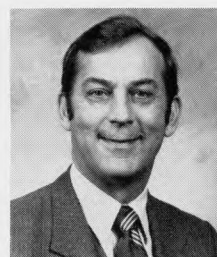
Through overhead charts and a handout, Mr. Vining mechanically went through analyzing an example bank's balance sheet; defining the problems and how to protect your net interest margin; how to build a strategy, and finally implementing that strategy, stressing that "you need to pick a strategy and stick with it."

The conference concluded with a joint banker/spouse luncheon. □

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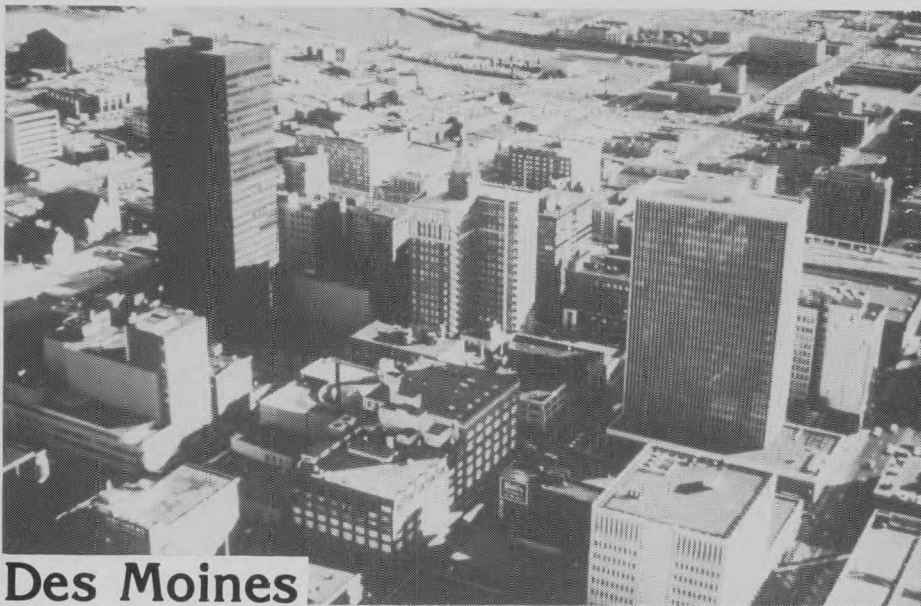
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Des Moines

A NUMBER of promotions and personnel changes were recently announced by **George F. Milligan**, president and chief operating officer of the Iowa-Des Moines National Bank.

William F. Landholt, senior vice president, construction and mortgage lending, will retire on March 30, 1983. He joined the bank in 1962 in the instalment lending department and was named to his current

post in 1981. Mr. Landholt will be succeeded by **Gary E. Giesler**, vice president. Mr. Giesler joined the bank in 1977 in the lending division. He transferred to the commercial banking division in 1978.

Keith W. Savery has been promoted to vice president of the controller's department. Mr. Savery joined in 1974 as an auditor and was later named senior accounting officer in 1981.

Roger H. Dahlstrom, vice president of human resources, has been promoted to human resources manager. He will be replacing **Will C. Smith**, who has been named the regional human resources executive for Northwest Bancorporation. Mr. Dahlstrom has been with the bank since 1975, having been named vice president in 1980.

In the marketing division, **Deborah L. Ganzel** was elected vice president and **Kathleen S. Forst** has been elected to officer status. Ms. Ganzel most recently has been serving as second vice president, having joined the bank in 1978. Ms. Forst joined the bank as a marketing representative in 1980.

In retail banking, **William W. Davis**, vice president, has been named retail banking manager and will assume responsibility for all five Iowa-Des Moines retail banking locations. He joined the bank in 1972 and has held various management positions.

Named retail banking officers were: **Nancy J. Meadows**, Euclid office; **Stanley L. Fleming**, Douglas office, and **Janet M. McFarland**, Fort Des Moines office. Miss Meadows joined the bank in 1975; Mr. Fleming began his career in 1978, and Ms. McFarland joined in 1976.

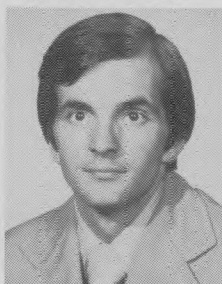
Elected as second vice president were: **Dennis A. Brown**, area office manager, with responsibility for the Douglas, Euclid, Urbandale and Fort Des Moines offices; **Randall L. Wade**, Euclid office, and **Christine A. Miller**, Douglas office. Mr. Brown started with Iowa-Des Moines in 1974. Mr. Wade began in 1976, serv-



W.F. LANDHOLT



G.E. GEISLER



K.W. SAVERY



D.L. GANZEL



K.A. FORST



W.W. DAVIS



N.J. MEADOWS



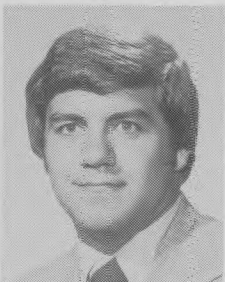
S.L. FLEMING



J.M. MC FARLAND



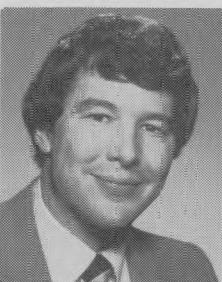
D.A. BROWN



R.L. WADE



C.A. MILLER



T.A. BOWEN



L. BERG



F.V. COLSTON



L.M. GIBBS

Des Moines AIB Honors Management



MORE THAN 350 persons attended the Annual Management Appreciation Banquet hosted last month by the Des Moines Chapter of AIB. Guest speaker for the event was **Thomas R. Smith**, president of Fidelity Brenton Bank & Trust Co., Marshalltown, who has just completed a one-year term as nationwide chairman of the ABA American Institute of Banking. Following his address, **Richard P. Pratt**, senior vice president of Warren County Brenton Bank & Trust Co., was honored with a plaque as Outstanding Bank Manager of the Year. Pictured above at the ceremony are, from left: **Mr. Smith**; **Mr. Pratt**; **Bill Greaves**, v.p., United Central Bank, Des Moines, who is also vice pres. of AIB Region V, and **Kent Gaudian**, asst. oper. off., West Des Moines State Bank, pres. of Des Moines AIB Chapter.

ing most recently as manager of the Euclid office. Ms. Miller joined in 1978.

Named as operations officers were: **Ted A. Bowen**, **Linda Berg**, **Frances V. Colston** and **Linda M. Gibbs**. Mr. Bowen, who was named manager of deposit accounting this year, joined the bank in 1975. Ms. Berg has been with the bank since 1975 in the operations division. Ms. Colston joined in 1981 and was named manager of deposit accounting and electronic banking services in 1982. Ms. Gibbs joined in 1979 and has held various positions in the retail banking division.

* * *

United Central Bank of Des Moines, N.A., has announced that **Gary L. Lasche**, controller, **Judith J. Bartlett**, trust operations officer, and **Michael E. Fuson**, operations officer, have graduated from the School of Bank Administration.

Mr. Lasche, Ms. Bartlett and Mr. Fuson were among five hundred bankers who completed the three year program of advanced studies held at the University of Wisconsin, Madison. Mr. Lasche was one of only seven to graduate with high honors.



Robert A. Baudler has accepted the position of vice president, commercial loans, at Hawkeye-Capital Bank & Trust, and **Alan J. Rivers** has joined the bank as a commercial loan officer.

Mr. Baudler, who joined Hawkeye-Capital a month ago, has served in several capacities in Hawkeye Bancorporation over the past nine years. He worked at State Bank & Trust in Council Bluffs before becoming manager of the company's credit card center in 1977. He transferred to Commercial State Bank in Marshalltown in 1979, where he worked in all areas of the loan department.

Mr. Rivers brings to Hawkeye-Capital 10 years of experience with Household International, most recently in a supervisory role over a three state area.

* * *

Margo Foxhoven has been promoted to operations assistant in the correspondent bank department at United Central Bank of Des Moines, N.A., according to **Ivan L. Johnson**, senior vice president. Mrs. Foxhoven will assist officers of the department with operational transactions and other dealings with correspondent banks.



M. FOXHOVEN

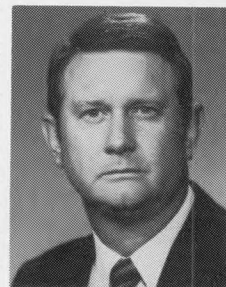
She will have responsibility for receiving loan documents, collateral information, financial statements and all correspondence and data related to overlines. Mrs. Foxhoven also will have direct contact with correspondent banks regarding account status, bank call reports, annual statements of condition, as well as being involved directly with correspondent officers in the operational relationship with customer banks.

Mrs. Foxhoven joined United Central in 1973 and has been in the correspondent bank department since 1976. She completed the business course at Area XI Community College and a number of AIB classes.

* * *

Stephen F. Sherrod was recently appointed vice president/loan administration of Banks of Iowa, Inc., according to **Holmes Foster**, president and chief executive officer.

A native of Phoenix, Ariz., Mr. Sherrod is a graduate of Iowa State University, where he majored in industrial administration/marketing. He was



S.F. SHERROD

most recently loan administration officer of United Central Bancshares, Inc., Des Moines, Brenton National Bank of Des Moines, and credit manager of DICO Company, Des Moines.

* * *

Officer changes at United Central Bancshares, Inc., were announced recently by **Kenneth M. Myers**, president and chief executive officer.

Richard McGinnis has been elected vice president, marketing.

Mr. McGinnis had served as assistant director of the marketing division of the American Bankers Association, Washington, D.C., for a year and a half. Prior to joining the ABA, he was associated with First Virginia Banks for seven years and spent the last five years in various marketing capacities, with his last position as head of the holding company's marketing and advertising activities.

In this newly created position at UCB, Mr. McGinnis will have marketing responsibility for the com-

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10%	51.2%
15%	46.2%
20%	41.2%
25%	36.2%
30%	31.2%
35%	26.2%
40%	21.2%
45%	16.2%
50%	11.2%
55%	6.2%
60%	---



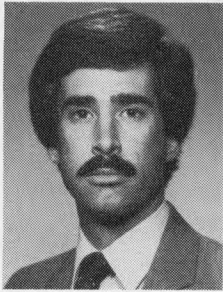
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R. MC GINNIS



S. ALLEN

pany's 12 Iowa banks, as well as the other non-banking affiliates.

Other officer changes at UCB include the election of **Steven Allen** as

loan review officer and **Michael Sharp** as audit manager.

Mr. Allen had served as vice president and head of the commercial loan department at Hawkeye-Capital Bank & Trust Company. Prior to joining that bank, he was associated with the Iowa Department of Banking from 1971 to 1979.

Mr. Sharp was a staff accountant with McGladrey, Hendrickson & Co., Mason City, for three years. He graduated from Mankato State University in 1979, with a BS in accounting and business administration.

Joins Hills Bank

James G. Pratt has joined I Bank and Trust Company controller.

A 1970 accounting graduate from the University of Iowa, Mr. Pratt, CPA, has been with McGladrey Hendrickson & Co. in their Iowa City office.

EMC Insurance Posts 28% Gain for 3 Quarters

Net income after taxes for EMC Insurance Group, Inc., Des Moines for the third quarter of 1982 amounted to \$1,178,000 compared with \$919,000 for the same quarter a year ago, a 28% increase.

Income per share, primary, was twenty-four cents (\$.24) in the three months ended Sept. 30, 1982, compared with nineteen cents (\$.19) for the like period in 1981.

For the nine months ended Sept. 30, net income after taxes was \$3,363,000 — or sixty-eight cents (\$.68) per share, primary — in 1982, compared with \$2,752,000 — sixty-five cents (\$.65) per share — in 1981.

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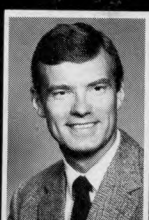
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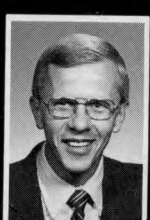
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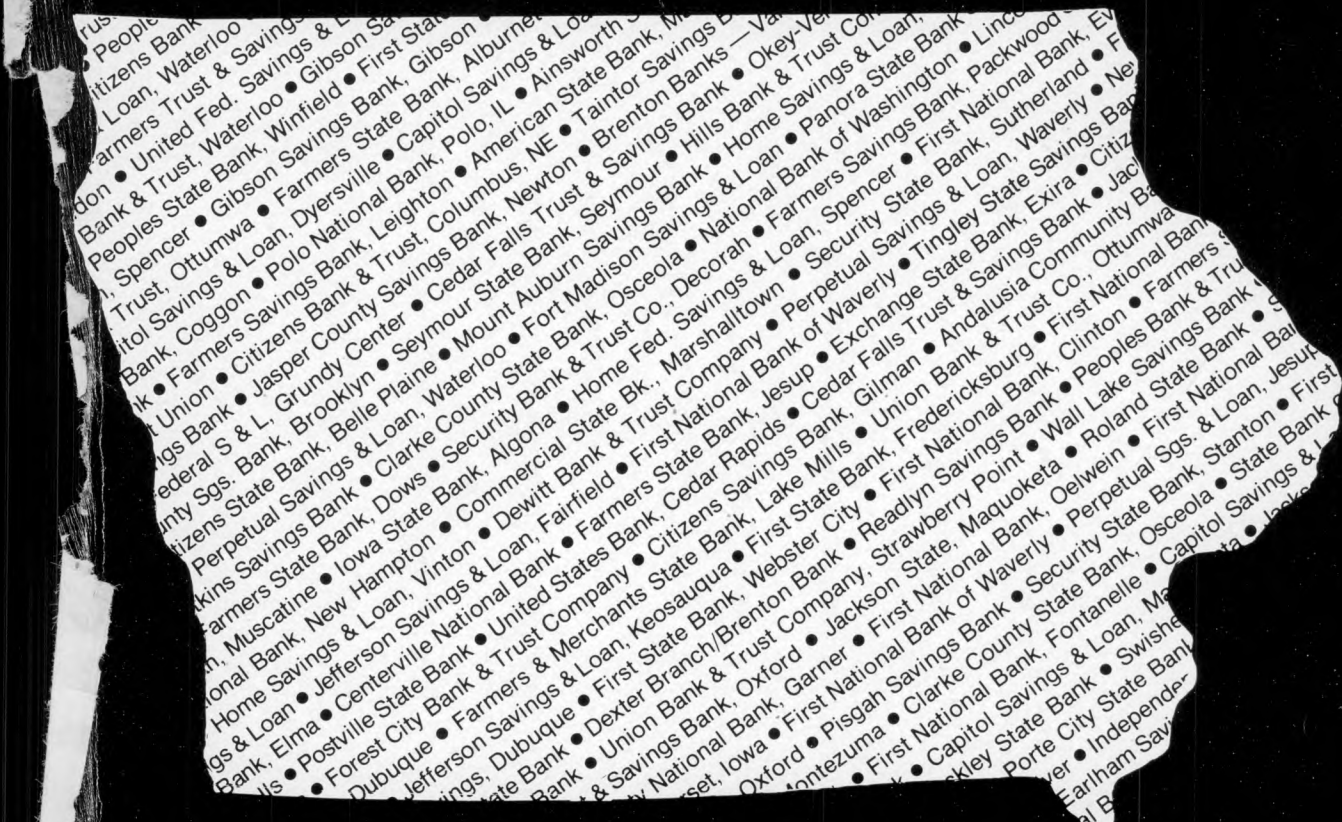
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